Background

- Tourism 2025 aims to increase the value of tourism to $41 billion by 2025 with a focus on building value rather than volume.
- Tourism 2025 identifies visitor experience as a key area to help grow value with a key part of the customer journey being interaction with local communities to help create a unique and pleasurable visitor experience.
- In recent years, New Zealand has seen strong volume growth in international tourism.
- This has been accompanied by some negative sentiment and wide media coverage on foreign drivers and road accidents.
- The purpose of the ‘Mood of the Nation’ research programme is to reveal New Zealanders’ perceptions of the size and value of tourism as well as measure perceived benefits and downsides.
- The overall aim of the research is to identify key issues that might negatively impact perceptions and tolerance for further growth.
Overview of research approach

Method and audience
TNS conducted an online survey of residents in New Zealand aged 18 plus

Area quotas
To ensure sufficient representation from traditional tourism areas, the following regional quotas were applied with minimum targets for key cities/towns:

<table>
<thead>
<tr>
<th>Regional Quotas</th>
<th>City / Town Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auckland region</td>
<td>Minimum: N = 80 from Auckland City (Achieved: N = 83)</td>
</tr>
<tr>
<td>Wellington region</td>
<td>Minimum: N = 60 from Wellington City (Achieved: N = 61)</td>
</tr>
<tr>
<td>Bay of Plenty</td>
<td>Minimum: N = 40 from Rotorua (Achieved: N = 40)</td>
</tr>
<tr>
<td>Other North Island</td>
<td>100</td>
</tr>
<tr>
<td>Canterbury</td>
<td>Minimum: N = 40 from Christchurch (Achieved: N = 75)</td>
</tr>
<tr>
<td>Otago</td>
<td>Minimum: N = 30 from Queenstown (Achieved: N = 17)</td>
</tr>
<tr>
<td>Other South Island</td>
<td>40</td>
</tr>
<tr>
<td>TOTAL</td>
<td>500</td>
</tr>
</tbody>
</table>

Fieldwork dates
502 online interviews were conducted over the period December 2, 2015 to December 6, 2015

Weighting and Analysis
Respondents were weighted by gender, age and region to be broadly representative of the New Zealand population based on the 2013 census.
Regional analysis will be reported in the next wave of research based on aggregated data over the first two waves to provide the benefit of larger sample sizes.
A range of articles related to tourist visitors featured in the media during the week of fieldwork.

'What are you doing?' - suspected tourist driver filmed in wrong lane around corners

A car weaving all over the road near Milford Sound prompted one man to call police - but by the time they got back to him, it was all over.

Hahei grapples with tourist tensions

The picturesque church at Lake Tekapo. Photo / Dean Purcell

The guardians of one of New Zealand’s most photographed churches say it is being overrun by tourists and they want visitors to chip in.

The Church of the Good Shepherd at Lake Tekapo now attracts 300,000 visitors a year and there are issues with security, safety, rubbish and hygiene.

Popularity with tourists has its drawbacks

Motorcyclist killed in crash with tourists named

Motorcyclist killed in crash with tourists named

Auckland hotel rates will continue to rise, Hospitality Association says

TNS
Key insights (1 of 2)

1. New Zealanders have mixed knowledge of the tourism industry:
   - Most are aware of its value to the economy, although not all know how highly it ranks
   - Few are aware of the number of New Zealanders either directly or indirectly employed by the industry, and most tend to over estimate the figure
   - Few are aware of the annual number of visitors, with most under-estimating these

2. Attitudes towards current visitor numbers are generally positive with few thinking that current numbers are too high

3. Many express interest in seeing an increase in visitor numbers (28%) which is driven by strong awareness of the benefits that this would provide to the economy and employment opportunities

4. The majority think that New Zealand is well equipped to handle current international visitor numbers; for the few that believe current numbers are applying too much pressure, this is typically seen to be localised to areas such as Auckland, Queenstown and Rotorua

5. Future predicted growth brings concerns to the fore for many:
   - Three in ten New Zealanders think that the predicted growth is too high – concerns about the impact increased numbers will have on New Zealand in terms of aspects such as road safety, infrastructure, the environment and over crowding start to outweigh the economic benefits for this group
   - Even among those accepting of the predicted amount of growth, there is a view that New Zealand will need to adapt in terms of infrastructure and services to manage this – but there is a general confidence that there is the time and ability to do so

'Mood of the Nation'
Key insights (2 of 2)

There are a wide range of pressure points that will need to be addressed to reassure those who are worried about the amount of predicted future growth and to help drive tolerance, namely:

1. Our roads – from both a safety and congestion perspective
2. Accommodation for locals – both the price and ease of obtaining
3. Potential damage to our environment, including from littering
4. Over crowding / being too busy for New Zealanders to enjoy

In terms of the general benefits that international tourism provides there is strong recognition of the value that tourism brings to the economy, businesses and employment BUT fewer hold the view that tourism can provide benefits such as developments in infrastructure and recreational facilities of regions

Steps to help manage tolerance towards future growth:

1. Build awareness of the wider benefits that tourism provides in terms of regional development to help further offset the perceived negatives such as over crowding
2. Ongoing initiatives will be required to increase the safety of our roads – communicate both improvements being taken to our roads but also the steps being taken to help ensure tourists have the ability to cope with our driving conditions
3. Address concerns around areas such as accommodation and potential damage to our environment
1
Detailed information
Few New Zealanders know the number of current international visitors each year, with many under-estimating the amount by up to 2 million.

Knowledge of annual international visitor numbers

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under-estimate</td>
<td>60%</td>
</tr>
<tr>
<td>Over-estimate</td>
<td>10%</td>
</tr>
<tr>
<td>Don't know</td>
<td>15%</td>
</tr>
<tr>
<td>1 million</td>
<td>32%</td>
</tr>
<tr>
<td>2 million</td>
<td>28%</td>
</tr>
<tr>
<td>3 million</td>
<td>16%</td>
</tr>
<tr>
<td>4 million</td>
<td>5%</td>
</tr>
<tr>
<td>5 million</td>
<td>5%</td>
</tr>
</tbody>
</table>

Base: New Zealanders aged 18 plus N = 502

'Mood of the Nation'
Similarly there is low awareness of the number of workers employed in the tourism industry with most people over-estimating this.

Knowledge of New Zealand workers employed in the tourism industry (directly or indirectly)

Base: New Zealanders aged 18 plus N = 502

'Dead of the Nation'

© TNS
Most New Zealanders are aware that international tourism is a key contributor to the economy but many don’t know just how high it ranks.

Knowledge of the value of the tourism industry:

- **Don’t know**: 9%
- **Not top five but in the top ten industries**: 10%
- **Not top three but in the top five industries**: 27%
- **In the top three industries**: 54%

Base: New Zealanders aged 18 plus N = 502
Few think that New Zealand attracts too many international visitors currently while many think that we should be attracting more.

Perceptions of whether New Zealand attracts too few or too many international visitors

Based on perceived number of current visitors:

- Too many: 11%
- Just right: 50%
- Too few: 33%

Based on actual number of current visitors (after being told):

- Too many: 13%
- Just right: 51%
- Too few: 28%

Base: New Zealanders aged 18 plus N = 502

'Mood of the Nation'
Those wanting more international visitors recognise the benefits that they bring to our economy; common concerns focus on infrastructure, roads, environment and not wanting to be overcrowded.

Selection of verbatim reasons for there being....

<table>
<thead>
<tr>
<th>Too many international visitors (11%)</th>
<th>Just the right amount (50%)</th>
<th>Too few international visitors (33%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- “They need to learn to drive in NZ conditions”</td>
<td>- “Tourist attractions seem to always be busy but in general not overcrowded so I think things are balanced well”</td>
<td>- “The more the better - increases NZ’s international brand and helps the economy”</td>
</tr>
<tr>
<td>- “We haven’t got the infrastructure to handle them”</td>
<td>- “NZ doesn’t have the facilities to cope with more tourists”</td>
<td>- “Increased visitor numbers mean more people can be employed in the tourism industry”</td>
</tr>
<tr>
<td>- “Visitors don’t take as much care of our clean green environment as they should (e.g. overseas trampers littering on the great walks)”</td>
<td>- “Tourist attractions are busy but still pleasant”</td>
<td>- “International visitors bring revenue into the country, so the more we have the better it is for the economy and for individual business people”</td>
</tr>
<tr>
<td>- “Job wise its harder for Kiwis to get a job because they employ the young tourists”</td>
<td>- “There aren’t enough hotels and restaurants to host more tourists”</td>
<td>- “It’s an industry; volume = revenue”</td>
</tr>
<tr>
<td>- “Everywhere you look there’s overseas visitors”</td>
<td>- “We do well from tourism and there aren’t too many tourists around to make it feel like too many.”</td>
<td>- “Essential for the economy, essential for employment, trade follows tourism”</td>
</tr>
<tr>
<td>- “We don’t need any more visitor drivers on the roads. Those here now do more than enough damage.”</td>
<td>- “Too many would be a drain on resources and harm delicate environments”</td>
<td>- “They bring in money for the economy. We all benefit.”</td>
</tr>
<tr>
<td>- “You see them everywhere, they cram up the roads and the streets”</td>
<td>- “The income is great but we don’t want kiwis to be crowded out of our own best bits”</td>
<td>- “We need more tourists who are going to spend lots of money while they’re here - not just those who try to travel on the cheap”</td>
</tr>
<tr>
<td>- “The road toll shows the problem”</td>
<td>- “Too many would cause too many problems such as more traffic on the road”</td>
<td>- “Tourism helps drive our economy through spend”</td>
</tr>
<tr>
<td>- “They are everywhere”</td>
<td>- “We don’t have the infrastructure to cater for more”</td>
<td></td>
</tr>
</tbody>
</table>
The majority think New Zealand is well equipped to handle current visitor numbers; a small proportion view certain areas as being under more pressure than others, particularly Auckland, Queenstown and Rotorua.

Perceptions of pressure of current tourists on New Zealand society, infrastructure and/or environment

Base: New Zealanders aged 18 plus N = 502

'Mood of the Nation'

© TNS
Specific ways in which current visitor numbers are perceived to be applying too much pressure are in terms of our roads, accommodation, prices for locals and polluting our environment.

Selection of verbatim ways in which current international visitors are applying too much pressure (18%)

- “Bad roads and lack of accommodation”
- “Freedom campers mess up the environment and overloading public facilities. Also creating unnecessary danger on the roads and overloading emergency services”
- “Hard for locals to get bookings such as hotel, motel, car rentals”
- “Hospitality is very expensive and as a local I resent paying tourist prices”
- “Increased rubbish/litter especially in the remote places, not an adequate work force, too much competition for locals at traditional holiday spots.”
- “Lack of care for the environment by some visitors. Too many accidents by overseas drivers.”
- “Makes life competitive for the locals”
- “Roads are not perfect to handle the traffic and many international tourists cannot drive safely on NZ roads”
- “Scenic spots which used to be pristine are now overcrowded. Trash - cigarette butts and litter. Increase in road accidents - loading up our medical services. Increase in prices for food and accommodation. Harder to find remote spots for myself”
- “Water use, busyness of roads, cost to emergency services of tourist accidents on roads, cost to hospital services of tourist accidents”
- “We have not grown the infrastructure to cope with the numbers”
- “Roads, infrastructure, accommodation demands”
- “Road accidents, lost tourists in the forest, up in the mountains, the list continues. This puts a huge financial burden on our country”
Once told predicted future growth, many think the amount is just right but concern that the growth is too much outweighs it not being enough.

**Attitudes towards predicted future growth of annual international visitors**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too much growth</td>
<td>30%</td>
</tr>
<tr>
<td>Just right</td>
<td>57%</td>
</tr>
<tr>
<td>Not enough growth</td>
<td>13%</td>
</tr>
<tr>
<td>Don't know</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>5%</td>
</tr>
</tbody>
</table>

Concern about too much growth is spread across all regions of NZ with none skewing significantly higher than others.

Base: New Zealanders aged 18 plus N = 502

'Mood of the Nation'

© TNS
Although there is concern about the impact that more international visitors will have on our infrastructure, roads and attractions, many comment that there is the time to prepare for an increase in visitor numbers.

Selection of verbatim reasons for there being....

### Too much predicted growth (30%)
- “NZ is nice because of its low population and we DO NOT need our bush, beaches, nature reserves over flowing with people”
- “Too much littering, and too many overseas visitors causing serious car crashes”
- “May put too much strain on the country’s infrastructure... Tourists may not get the quality experience they may be looking for.”
- “Litter, crowds, car crashes”
- “Will put too much pressure on roads and facilities”
- “Pushes up prices of local activities beyond the reach of NZers”
- “Tourist spots will become crowded if have too many visitors”
- “It will make it harder for NZers to enjoy the scenery and explore activities in their own country”
- “Too many people increasing traffic and harming the environment”

### Just the right amount (57%)
- “It’s enough time to prepare for the increase in tourist numbers”
- “The infrastructure relating to tourism is in need of expansion and hopefully we will have time to adapt”
- “Slow increase allowing time to develop alongside”
- “We have the capacity for growth (labour and capital resources)”
- “Good increase over a period of time which allows providers to upsize to accommodate growth”
- “It will boost the local economy”
- “It is a sustainable growth increase so services can be developed without a lot of difficulty”
- “NZ relies on tourism. With a growing population and increasing unemployment, increased tourism offers opportunity for employment growth.”
- “Creates jobs and investment opportunities”

### Not enough predicted growth (13%)
- “As long as we keep building the necessary infrastructure we can double the numbers. Great for the economy and employment”
- “More economic growth adds to the lifestyle of New Zealanders”
- “The more visitors we get, the better for our country economically”
- “It is a major industry within the country and for our economy to grow, so must this”
- “We could handle more and its good for the economy”
- “We need to encourage more as it provides income and work”
- “There is room to increase the number of visitors, especially if we can do this more evenly throughout the year”
- “Great for employment and revenue”
Overall the perceived positives of international tourism are more prominent than the negatives but the safety and congestion of our roads is of concern to many.

**Pros and cons of international tourism**(1)

- **Pros**
  - Creates economic growth for the regions: 58%
  - Creates growth opportunities for businesses: 53%
  - Creates employment opportunities for residents: 52%
  - Increases the risk of serious road accidents: 42%
  - Results in increased traffic congestion on holiday routes: 41%
  - Results in a higher number of road accidents: 40%
  - Adds to the vitality of regions and local communities: 40%
  - Drives improvements to recreational facilities in local communities: 39%
  - Drives infrastructure development in the regions: 37%
  - Connects local communities to other cultures: 35%
  - Makes accommodation too expensive for NZ residents: 32%
  - Results in increased littering: 28%
  - Results in damage to NZs natural environment: 22%
  - Makes it hard for NZ residents to find accommodation vacancies: 21%
  - Means attractions are too busy for NZ residents to enjoy: 20%
  - Increases congestion in the walking areas of urban centres: 18%
  - Makes it hard to find enough staff to work in the tourism industry: 13%

- **Cons**
  - Creates economic growth for the regions: 52%
  - Creates growth opportunities for businesses: 53%
  - Creates employment opportunities for residents: 52%
  - Increases the risk of serious road accidents: 42%
  - Results in increased traffic congestion on holiday routes: 41%
  - Results in a higher number of road accidents: 40%
  - Adds to the vitality of regions and local communities: 40%
  - Drives improvements to recreational facilities in local communities: 39%
  - Drives infrastructure development in the regions: 37%
  - Connects local communities to other cultures: 35%
  - Makes accommodation too expensive for NZ residents: 32%
  - Results in increased littering: 28%
  - Results in damage to NZs natural environment: 22%
  - Makes it hard for NZ residents to find accommodation vacancies: 21%
  - Means attractions are too busy for NZ residents to enjoy: 20%
  - Increases congestion in the walking areas of urban centres: 18%
  - Makes it hard to find enough staff to work in the tourism industry: 13%

Base: New Zealanders aged 18 plus N = 502
Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown.

'Mood of the Nation'

© TNS
There are wide range of concerns that will need to be addressed to reassure those who are worried about the amount of predicted future growth.

Pros and cons of international tourism - by attitudes towards predicted future growth

<table>
<thead>
<tr>
<th></th>
<th>Too much growth</th>
<th>Right amount</th>
<th>Not enough growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROS:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creates economic growth for the regions</td>
<td>44%</td>
<td>63%</td>
<td>72%</td>
</tr>
<tr>
<td>Creates growth opportunities for businesses</td>
<td>36%</td>
<td>59%</td>
<td>72%</td>
</tr>
<tr>
<td>Creates employment opportunities for residents</td>
<td>35%</td>
<td>56%</td>
<td>68%</td>
</tr>
<tr>
<td>Adds to the vitality of regions and local communities</td>
<td>29%</td>
<td>41%</td>
<td>62%</td>
</tr>
<tr>
<td>Drives improvements to recreational facilities in local communities</td>
<td>30%</td>
<td>41%</td>
<td>55%</td>
</tr>
<tr>
<td>Drives infrastructure development in the regions</td>
<td>30%</td>
<td>39%</td>
<td>48%</td>
</tr>
<tr>
<td>Connects local communities to other cultures</td>
<td>30%</td>
<td>32%</td>
<td>61%</td>
</tr>
<tr>
<td><strong>CONS:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increases the risk of serious road accidents</td>
<td>58%</td>
<td>36%</td>
<td>28%</td>
</tr>
<tr>
<td>Results in increased traffic congestion on holiday routes</td>
<td>59%</td>
<td>35%</td>
<td>23%</td>
</tr>
<tr>
<td>Results in a higher number of road accidents</td>
<td>54%</td>
<td>36%</td>
<td>25%</td>
</tr>
<tr>
<td>Makes accommodation too expensive for New Zealand residents</td>
<td>55%</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>Results in increased littering</td>
<td>50%</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Results in damage to New Zealand’s natural environment</td>
<td>43%</td>
<td>13%</td>
<td>10%</td>
</tr>
<tr>
<td>Makes it hard for New Zealand residents to find accommodation vacancies</td>
<td>43%</td>
<td>12%</td>
<td>9%</td>
</tr>
<tr>
<td>Means attractions are too busy for New Zealand residents to enjoy</td>
<td>38%</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Increases congestion in the walking areas of urban centres</td>
<td>30%</td>
<td>14%</td>
<td>9%</td>
</tr>
<tr>
<td>Makes it hard to find enough staff to work in the tourism industry</td>
<td>18%</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown.
2
Attitudes of North Islanders and South Islanders
Attitudes towards the current number of international visitors and the predicted growth does not differ based on whether living in the North or the South Island.

### Attitudes towards current number of annual international visitors and predicted growth - by North Island and South Island residency

<table>
<thead>
<tr>
<th></th>
<th>North Island</th>
<th>South Island</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current number of international visitors</strong></td>
<td>8% 2% 53% 27%</td>
<td>9% 16% 44% 31%</td>
</tr>
<tr>
<td><strong>Pressure from current numbers</strong></td>
<td>10% 18% 73%</td>
<td>12% 20% 68%</td>
</tr>
<tr>
<td><strong>Predicted future growth</strong></td>
<td>29% 58% 13%</td>
<td>34% 54% 13%</td>
</tr>
</tbody>
</table>

- Don't know
- Too many
- Too few
- Just right
- Too much pressure
- Well equipped to handle
- Don't know
- Just right
- Not enough
- Too much

Base: New Zealanders aged 18 plus North Island N = 331, South Island N = 171

'Mood of the Nation'
Positives and negatives are also generally similar although road accidents and the cost of accommodation are of higher concern to those living in the South Island than the North Island.

Pros and cons of international tourism – by North Island and South Island residency (1)

<table>
<thead>
<tr>
<th></th>
<th>North Island</th>
<th>South Island</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>41%</td>
<td>37%</td>
</tr>
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<tr>
<td>Drives infrastructure development in the regions</td>
<td>37%</td>
<td>39%</td>
</tr>
<tr>
<td>Connects local communities to other cultures</td>
<td>34%</td>
<td>38%</td>
</tr>
<tr>
<td><strong>CONS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increases the risk of serious road accidents</td>
<td>40%</td>
<td>47%</td>
</tr>
<tr>
<td>Results in increased traffic congestion on holiday routes</td>
<td>40%</td>
<td>42%</td>
</tr>
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<td>Results in a higher number of road accidents</td>
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<td>29%</td>
<td>40%</td>
</tr>
<tr>
<td>Results in increased littering</td>
<td>29%</td>
<td>26%</td>
</tr>
<tr>
<td>Results in damage to New Zealands natural environment</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>Makes it hard for New Zealand residents to find accommodation vacancies</td>
<td>19%</td>
<td>26%</td>
</tr>
<tr>
<td>Means attractions are too busy for New Zealand residents to enjoy</td>
<td>18%</td>
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<tr>
<td>Increases congestion in the walking areas of urban centres</td>
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<td>19%</td>
</tr>
<tr>
<td>Makes it hard to find enough staff to work in the tourism industry</td>
<td>12%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Notes: Agreement on a 7 point scale where 1 is 'strongly disagree' and 7 is 'strongly agree'; Top two box is shown

These are significantly higher among South Islanders.