

Māori Tourism Quarterly

July 2016



**NZ MĀORI
TOURISM**
HE TOA TAKITINI

'OUR STRENGTH IS IN UNITY'

Tēnā tātou, te whānau whānui o Tāpoi Māori o Aotearoa i ngā tini āhuatanga o te tau hou Māori ko Matariki

Nau mai ki tā mātou pūrongo tuarua, te Māori Tourism Quarterly. Kei roto, ko nga tatari mo nga whakahaerenga moni e pa ana ki nga umanga Tāpoi. Ko te tūmanako, ka pārekareka koutou ki tēnei pūrongo.

Welcome to the second edition of Māori Tourism Quarterly. The first edition was well received, but I stress that this is YOUR resource, so if there is a subject you would like us to cover, or statistics you would like us to interpret, we'd love to hear from you.

In the last edition we focussed on the increased visitor numbers to Māori tourism experiences, which while good news, raised questions on how well received they are by our manuhiri.

On Page 3 you'll find some interesting statistics from the IVS that have raised more questions and warrant further investigation. Visitors to Māori tourism experiences ranked their visit, and while it was gratifying to see high numbers for aspects including learning about new culture and being entertaining, it was disconcerting to see barely pass figures for being well organised, of a good standard, and having good staff. Questions must also be raised of how there is a 99.7% rating for learning about a new culture, yet only 62.2% for being informative – not only would it be easy to presume they are the same thing, but how is there such a yawning gap between the two?

Traditionally this time of year has been quieter for Māori tourism operators, but it seems as though our downtime each year is shrinking as the shoulder seasons are extending into the traditional off-season for many of us. This is a time when many of us look for training or educational opportunities to increase our knowledge and look for ways to increase the yield from our businesses. We hope the information in this newsletter may be of help with this.

Ngā mihi nui, nā

Pania Tyson-Nathan
Chief Executive, New Zealand Māori Tourism



Economic backdrop – uncertainty could hold back growth in tourism

The latest New Zealand GDP figures, for the March 2016 quarter, showed quarter-on-quarter growth of 0.7% and annual growth of 2.4%. This growth has been largely driven by strong migration inflows and the buoyancy of the construction sector in Auckland, but tourism in New Zealand is also making a significant contribution. Statistics from the International Visitor Survey (IVS) data for the year ended March 2016 revealed that total spending by international visitors was \$10.2 billion, which was 25% more than in the year ended March 2015. Average visitor spending was up by 13%, which implies that there were also significantly more visitors.

But the International Monetary Fund (IMF) believes that global economic prospects are uncertain, and this might hold back further growth in the number of visitors to New Zealand and the amount of money they spend. The IMF's forecast is for global growth in 2016 at a modest 3.2 percent. The recovery is projected to strengthen in 2017 but, at the same time, uncertainty has increased, and risks of weaker growth are becoming more evident. Risks include the slowdown in the growth of the Chinese economy; a further decline in commodity prices; a related slowdown in investment and trade; and declining capital flows to emerging markets and developing economies.

The decision by British voters to leave the EU ("Brexit") has added to the uncertainties that the IMF is worried about, although the vote does not automatically mean that there will be enduring economic disruption. The EU is a political union that is underpinned by a large free trade arrangement, and it is likely that Britain and the EU will want to maintain its integrity.

One effect of the Brexit vote that we have already seen is the significant weakening of the pound sterling. This will make it more costly for British people to take holidays overseas, and this could affect the number coming to New Zealand.

On a brighter note, the settled outcome of the General Election in Australia has meant that Australian dollar has regained some of its strength against the New Zealand dollar. This will help to keep New Zealand an affordable destination and will help to maintain the number of trans-Tasman visitors to our shores. In the year ended May 2016, there were almost 1.6 million visitors to New Zealand from Australia.



Good, but could do better

In the previous edition we highlighted the rapid growth in the number of visitors to Māori tourism activities and attractions. Here, we take a look at how visitors rate their satisfaction with these activities and attractions, and consider what can be inferred about how satisfaction levels might be increased.

Respondents in the International Visitor Survey (IVS) were asked to rate their satisfaction with different aspects of their visit to New Zealand. In general, the average ratings are gratifyingly high, but the picture that emerges of visitors' satisfaction with the Māori activities they visited is that there is scope for improvement.

The table below indicates a high level of satisfaction with Māori activities, but it is notable that the average rating for Māori activities is lower than the average rating for all the activities visitors experienced, and lower than their average rating for their New Zealand visit overall.

Using a menu of responses options, the IVS also delves a little into what makes particular aspects of visits to

New Zealand good or indifferent / poor. The next table reveals the extraordinarily high value visitors place on learning about Māori culture: 99.7% of visitors who experienced Māori activities and attractions identified this as a good aspect. It also shows that large majorities find visits to Māori activities entertaining and informative.

By contrast, few visitors identified indifferent or poor aspects of their visits to Māori activities, but a sizeable minority- i.e. 13.5% of those who experienced Māori activities and attractions- indicated that the activities did not live up to their expectations. Unfortunately, it is difficult to discern from the Survey results exactly what the disappointed visitors' expectations were, but it is possible to infer ways in which visitors' satisfaction might be increased in order to maintain and further increase the number of visits to Māori activities. For example, helping visitors to interpret and understand what they experience might increase the proportion of survey respondents saying that they found the activity informative. There may also be scope for improving staff training and the organisation of the activities.

Satisfaction ratings with different aspects of trip to NZ (holiday visitors), 2013-2015

(Scale: 10 = Extremely satisfied, 1 = Not at all satisfied. Not Sure responses excluded.)

Aspect	Average rating score	# responses
New Zealand's natural and built environment overall	9.13	5,469
Your sense of safety	9.05	5,477
Your New Zealand visit overall	9.03	5,486
All the activities you experienced	8.70	5,393
All the customer service you received	8.48	5,469
Your experience at the i-SITEs you visited	8.32	2,686
Your primary type of accommodation	8.30	5,122
All the types of commercial transportation you experienced	8.27	4,995
All the Māori activities you experienced	8.16	3,233
All the paid accommodation you experienced	8.01	5,158
All the food and beverage outlets you experienced	7.86	5,452
Your tour guide (if part of a tour group)	7.30	121
The shopping you did (if part of a tour group)	7.26	121

Source: MBIE International Visitor Survey

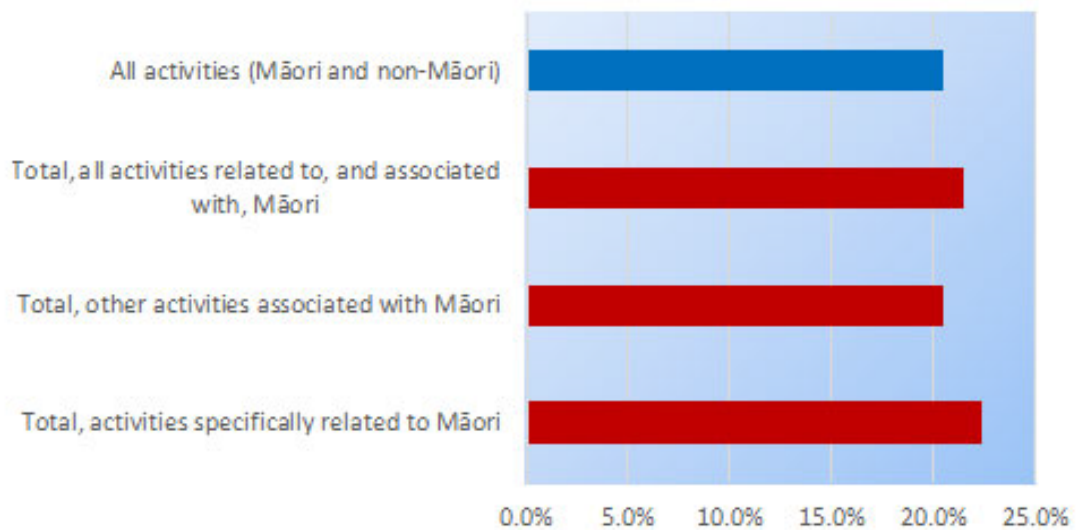
Good and indifferent/poor aspects of visits to Māori activities

(% of respondents)

Good aspects		Indifferent/poor aspects	
Learnt about a new culture	99.7%	Did not live up to expectations	13.5%
Entertaining	80.9%	Poor quality/standard	6.0%
Informative	62.2%	Not very exciting/boring	3.0%
Good staff	59.9%	Not very informative	1.8%
Well organised	56.8%		
Good quality/standard	55.1%		

Meanwhile, the latest data from the IVS on the particular activities that international visitors experience shows that the number of visits to Māori attractions and activities continues to grow very rapidly. The data also highlights the importance of Māori tourism to New Zealand tourism generally.

Increase in number of visits to tourist activities & attractions, March 2015- March 2016



Source: MBIE

The graph above shows that the total number of visits to tourist activities overall (i.e. both Māori and non-Māori) increased by just over a fifth between March 2015 and March 2016, but that the number of visitors to Māori activities increased slightly faster still.

The table below shows the number of visits to individual activities specifically related to, and associated with Māori. The numbers in the table imply that total visits to activities specifically related to, and associated with, Māori accounted for 16.1% of visits to all tourist activities in New Zealand.

	Number of visits Mar-16	Percentage change Mar-15 to Mar-16
<i>Activities specifically related to Māori:</i>		
Place that is significant to Māori, e.g. landmark, pa etc.	954,056	22.9%
Eat Māori traditional food	349,849	13.7%
Experience a Māori tradition, e.g. story-telling	323,542	39.5%
See Māori art or crafts being created	373,212	21.2%
See Māori artefacts, arts & crafts in an exhibition	702,971	24.9%
Some other activity associated with Māori culture	466,040	11.5%
Visit a Māori marae	592,340	26.0%
Total, activities specifically related to Māori	3,762,010	22.3%
<i>Other activities associated with Māori:</i>		
Geothermal park	997,064	24.5%
Glow worms	663,631	17.4%
Jet-boating	340,343	13.4%
Whale watching	166,637	25.0%
Total, other activities associated with Māori	2,167,675	20.5%
Total, all activities related to, and associated with, Māori	5,929,685	21.6%
All activities (Māori and non-Māori)	36,728,704	20.6%

Source: MBIE

Growth in visitor numbers is coming from range of Asian countries

The total number of international visitors to New Zealand in the year ended May 2016 was a fraction under 3.3 million, and this was 10.6% more than during the year ended May 2015. Within the total, there were almost 1.7 million holiday makers, and this number was 15.6% higher than a year earlier.

The growing importance of China, as a source of holiday makers and other types of visitor, has been

widely commented on. However, it is worth noting that the numbers of visitors from other countries in South and East Asia have also been growing strongly.

These rapidly growing markets include: the Philippines (31.2% more visitors in the year ended May 2016), South Korea (23.1% more visitors), Malaysia (22.0% more visitors), Hong Kong (18.6%

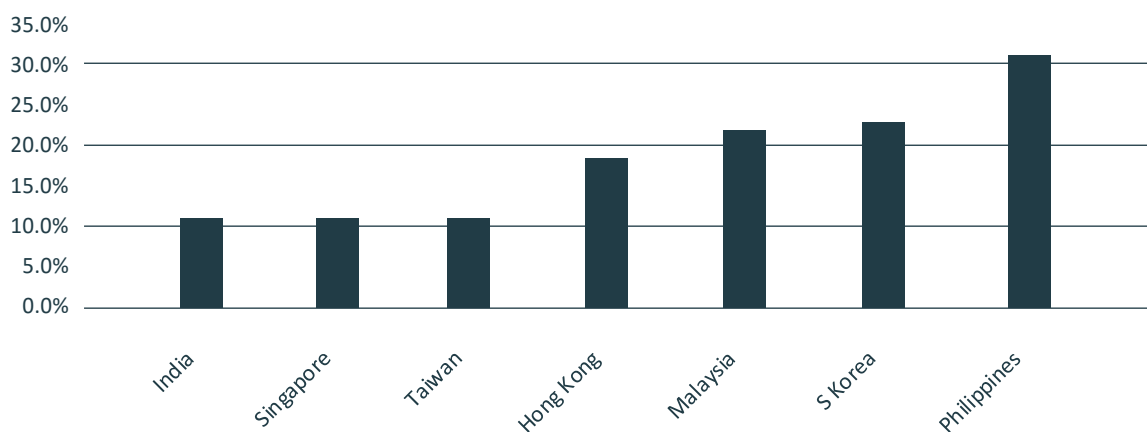
more visitors), Taiwan (11.8% more visitors) and both Singapore and India (11.2% more visitors).

Collectively, these seven countries accounted for 302,640 visitors in the year ended May 2016: 17.3% more than during the year ended May 2015. Visitors from South Korea stayed a median of 6.1 days, compared to the all-country median of 8.9. At the other end of the scale, visitors from India stayed a median of 13.4 days. Visitors from the

other countries mentioned above all stayed for around the all-county median.

Unfortunately, data on how much the visitors from these countries spent is sparse but, based on the International Visitor Survey, MBIE estimate that visitors from South Korea spend a total of \$263 million in New Zealand, or a median of \$2,200 each.

Growth in number of visitors from selected countries, May 2015 - May 2016



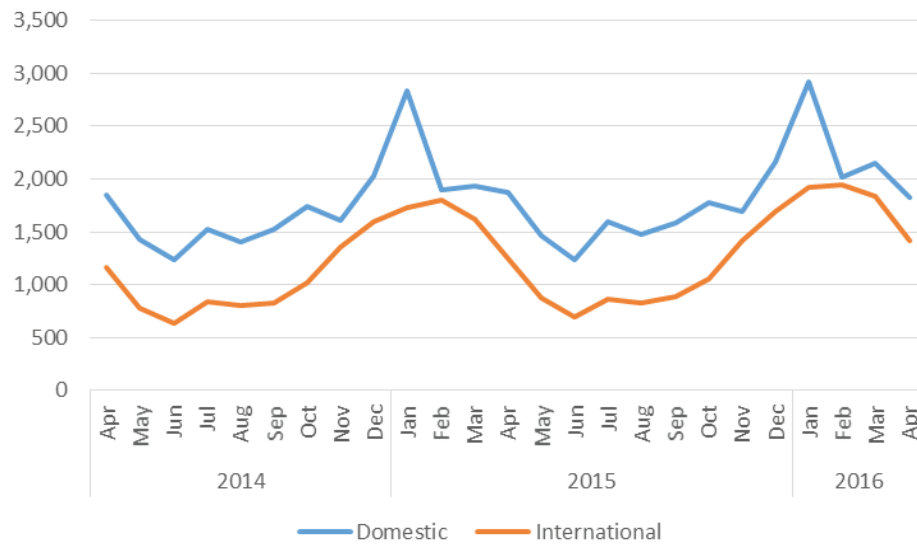
Source: Statistics New Zealand

Kiwis as tourists in their own country

Media coverage of the tourism sector tends to focus much more on international tourists than on domestic tourists. This is largely because there is more data on international visitors and what they bring into the New Zealand economy. Statistics on domestic tourism have started to improve and, from an economic perspective, this is important because Kiwis, as tourists in their own country, are spreading their spending into areas that might otherwise see relatively little economic activity. They are also boosting the national economy to the extent that they are not generating imports by spending their money on overseas holidays.

Data from the Accommodation Survey for the year ended April 2016 indicate that domestic tourism is also important. During this period, there were 21.9 million domestic guest nights in different types of commercial accommodation, compared to 15.4 million international guest nights. However, the number of domestic guest nights increased by 4.1%, while the number of international guest nights increased by 8.2%.

Guest nights ('000s)



Guest nights are the number of paid-for nights in hotels, motels, backpackers and holiday parks. They exclude the number of nights spent in holiday homes and staying with friends and relatives.

MBIE have recently released more detailed regional tourism datasets, and we will feature the new data in the next edition.

NZ Māori Tourism
PO Box 5038, Lambton Quay,
Wellington 6145

110 Featherston Street, Seabridge House,
Wellington 6011, P 04 474 4682
info@maoritourism.co.nz
www.maoritourism.co.nz