Enhancing Service Quality in New Zealand’s Mountain Destinations: a Critical Role for Community Engagement

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NEARLY 20 YEARS PROMOTING A CLEAN AND GREEN ‘100% PURE’ IMAGE
International Visitor Arrivals to New Zealand (millions)

- 1965: 0.1
- 1970: 0.2
- 1975: 0.3
- 1980: 0.4
- 1985: 0.5
- 1990: 0.8
- 1995: 1.4
- 2000: 1.9
- 2005: 2.3
- 2010: 2.5
- 2015: 3.1
- 2020: 3.7
Visitors to New Zealand, likelihood to recommend to others as a visitor destination

9 or 10 - Promoter
7 or 8 - Passive
6 and under - Detractor
New Zealand Ski Area Visits

• 1.6m in 2017 – up 8% over 2016
• Previous 4 years have seen 4-5% annual growth
• Aiming for 10% growth in 2018
• Targeting 2m visitors by 2020

NO CLEAR PICTURE OF ECONOMIC VALUE ADDED
30% of all holiday visitors in winter claim to ski and 64% of winter visitors who arrive in the South Island claimed to ski.

Length of stay: 18 nights vs. 16 nights all holiday visitors.
SKIERS HAVE AN EXCELLENT VISITOR EXPERIENCE WITH STRONG SATISFACTION AND ARE VERY LIKELY TO RECOMMEND NEW ZEALAND AS A DESTINATION

SATISFACTION OF NEW ZEALAND EXPERIENCE

9.1/10

NET PROMOTER SCORE

87%

- Blue: Promoters (9-10)
- Black: Passives (7-8)
- White: Detractors (1-6)
Total International Visitor Spend in NZ ($ billions - excludes airfares)

Average International Visitor Spend in NZ ($’000 - excludes airfares)
REASONS FOR LOWER VISITOR SATISFACTION

Very few international visitors gave lower satisfaction scores for New Zealand, but those that did over a three year period were analysed. Some reasons for lower scores were more prevalent than others.
Figure 6: Proportion of visitors giving scores of 1-7 for each type of service or amenity

- Food & beverage outlets: 32.4%
- All accommodation: 29.9%
- Māori activities experienced: 28.1%
- Commercial transportation: 24.4%
- i-Sites visited: 22.0%
- Primary accommodation: 20.4%
- Customer service: 19.2%
- Activities experienced: 14.0%
- Sense of safety: 9.0%
- Natural and built environment: 8.3%

Source: International Visitor Survey

18 Visitors were asked to select reasons (from a multi-choice list) if they gave a score of 7 or less for their primary accommodation, and for food and beverage outlets, commercial transportation, activities, Māori activities, customer service, i-Sites, sense of safety, and the natural and built environment. They were not asked to give reasons if they gave a score of 7 or less for ‘all accommodation’. Nor were they asked for reasons if they gave a score of 7 or less for their overall New Zealand experience.
STRATEGIC INITIATIVES

Interactive Traveller / Active Considerer

Spread visitor flows and reduce seasonality

Strengthen inter-sectoral linkages

Build connection to place (culture, heritage and local stories)

Enhance service quality

ALL DEPEND ON COMMUNITY AWARENESS AND BUY-IN
VISITOR EXPERIENCE

TOURISM YIELD

COMMUNITY INTERACTION
Twice-yearly since December 2015 Kantar TNS, on behalf of Tourism New Zealand and Tourism Industry Aotearoa, surveys a nationally representative sample of 500 adult New Zealanders in order to understand their perceptions of the value of international tourism, its benefits and challenges.
Tourism is New Zealand’s #1 export industry.

International tourism contributes $14.5B to New Zealand’s economy each year.

188K people are directly employed by the tourism industry.

IS INTERNATIONAL TOURISM GOOD FOR NZ?
Almost all New Zealanders agree that international tourism is good for the country.

- 45% AGREE
- 96% Agree or strongly agree
- 51% STRONGLY AGREE

PRESSURE THAT TOURISTS PUT ON NZ
35% of Kiwis think international visitors put too much pressure on New Zealand, an increasing trend that has stabilised.

- DECEMBER 2015
  - 18%
- MARCH 2016
  - 25%
- NOVEMBER 2016
  - 34%

- 35% Too much pressure
COMMUNITY SCALE - OVERTOURISM?

2017 Ratio - Local Residents: Annual Visitors*

Wanaka
1: 126

New Zealand

Local 1: Visitors 0.7

Fox Glacier
1: 77

Queenstown
1: 102

* Estimates based on NZ CAM and other data
The tourism boom is destroying our best destinations. Can anything be done to fix it?
Should freedom camping be restricted?

Freedom campers in Kaikoura.
Please
Self-Contained
Vehicle Camping
ONLY
(Maximum length 5 metres)

Source: ODT
Losing or engaging community?: connection, buy-in and sense of place.
LOCAL INSIGHT IS CRITICAL
A way forward...

• Robust evidence is critical for planning and development and vital for the attraction of investment – ongoing Decision Support Systems

• Yield driven tourism strategies must focus on community development

• Community interaction and support is essential for product marketing and development (differentiation)

• Research must be translated into usable outcomes for key stakeholders

Communities will work for tourism if tourism works for communities
THREE PILLARS OF A DECISION SUPPORT SYSTEM

Improve destination service quality and yield.....

IVS
Visitor Survey

DSS

BCI
Business Survey

CAS
Community Awareness/Attitudes Survey
Community/business survey (low/high season)

Visitor Survey (November 2017 >)

Support from local government & Dept of Conservation

Evidence based strategy 2018

Ongoing research barometers
Visitor Survey – Low season

“Some of the locals seemed a bit put out by us. Not sure if this was just the time of year? They were not prepared”

“When local residents serve you, especially at shops, they need to acknowledge you!”

Least appealing: 14% lack of friendliness of locals
Need to improve: 23% better service
Community: impact of visitors to the Island on Quality of life

![Bar chart showing the impact of visitors to the Island on Quality of life for community and business sectors. The x-axis represents different levels of impact: Very negative (1), 2, 3, 4, and Very positive (5). The y-axis represents the percent of responses. The chart shows a higher percentage of very positive responses for both community and business sectors compared to very negative responses.](chart.png)
Community:
Should Great Barrier Island attract more visitors?

![Bar Chart]

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<th>Yes</th>
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- Community: 51%
- Business: 59%
Destination Indicators

- Human Resource Development
- Environmental Management
- Affordable Housing

- Visitor Yield
- Destination Service Quality
- Community Support

- Culture & Heritage
- Marketing & Destination Development
- Health, Safety & Security