NEW ZEALAND TOURISM SET FOR A SUMMER RECORD

New Zealand has recorded an impressive 5 percent increase in overseas tourist arrivals during the past year, reaching a figure of 2.83 million. And the boom in the arrivals is expected to continue during the next two summer months in tourism hotspots.

According Chris Roberts, the chief executive of the NZ Tourism Industry Association, **the country is set for a record overseas tourist arrival.**

"We are experiencing an outstanding season and the momentum is set to increase with the upcoming Cricket World Cup that is starting in February. Equally, the FIFA under-20 football tournament that is coming up in the middle of the year will boost the profile of our country in many markets, such as South America if participating teams come from those countries," he said.

Nonetheless, the drop in the value of the Australian dollar has significantly affected overseas tourist arrivals from the country. The Aussie dollar has been trading outstandingly low against its Kiwi counterpart, resulting in a substantial damage in the earnings from tourists coming from Australia.

For example, New Zealand received 1.24 million Australians in the 12 months before the end of November 2014, which is an increase in arrivals by 3 percent on the previous year, but the total spending of those tourists dropped by 1 percent to $2.03 billion.

"The weakening of the Australian dollar is a significant handbrake. **It is turning New Zealand into a more expensive destination for Australian tourists and causing a decline in the average spending.** And while we are still recording a crucial growth in numbers of tourists from Australian market, their total spending has dropped. Sadly, it would be extremely difficult to realize a net growth in spending from the Australian market since the high Kiwi value against the Aussie dollar is making more New Zealanders travel to Australia," said Roberts.

Indeed, there has been a perennial problem of persuading New Zealanders to spend their holidays at home instead of visiting Australia. According to a report by the Ministry of Business, Innovation and Employment, Australia received 1.08 million tourists from New Zealand in the past year alone, which is an increase of 8 percent on the year before.

The panic over inbound Australian market has also been echoed by Tourism Holdings, a listed operator. According to the company's chief executive officer, Grant Webster, tourist operators are faced with a huge challenge of persuading New Zealanders to spend holidays at home and not in Australia.

Similar frustrations were expressed by Flight Centre, when it claimed that the trading conditions in Australia ate deep into its potential earnings. However, Kevin Bowler, the chief executive of Tourism New Zealand (the body that markets NZ tourism overseas) has allayed such fears and insisted that the fall in the value of the Aussie dollar is affecting other currencies too and would eventually allow New Zealand to pick up a market share from a long list of destinations, including the United States.

“Australians are unwavering holidaymakers and the fall in the value of the Aussie dollar will only compel them to consider alternative destinations,” said Bowler.

Apart from the fears over the dipping Australian dollar, operators are upbeat that hotels and other facilities (particularly those in Queenstown and Auckland) will have the maximum number of visitors in the January and February peak periods. The expected arrivals will result in capacity constraints that have never been seen in New Zealand for a long time.

“Auckland will be full during many weekends this summer and Queenstown will be full during Chinese New Year. In fact, our facilities will be under immense pressure and capacity constraints. **I think that such problems can be solved in future by enticing tourists into different regions and encouraging them to visit NZ at other times of the year**,” said Roberts.

Date: 2015-01-05

Article link:
https://www.tourism-review.com/new-zealand-tourism-numbers-expected-to-grow-news4388