Domestic Tourism Market Segmentation

Stage 2

Prepared for Ministry of Tourism

April 2010

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Executive Summary

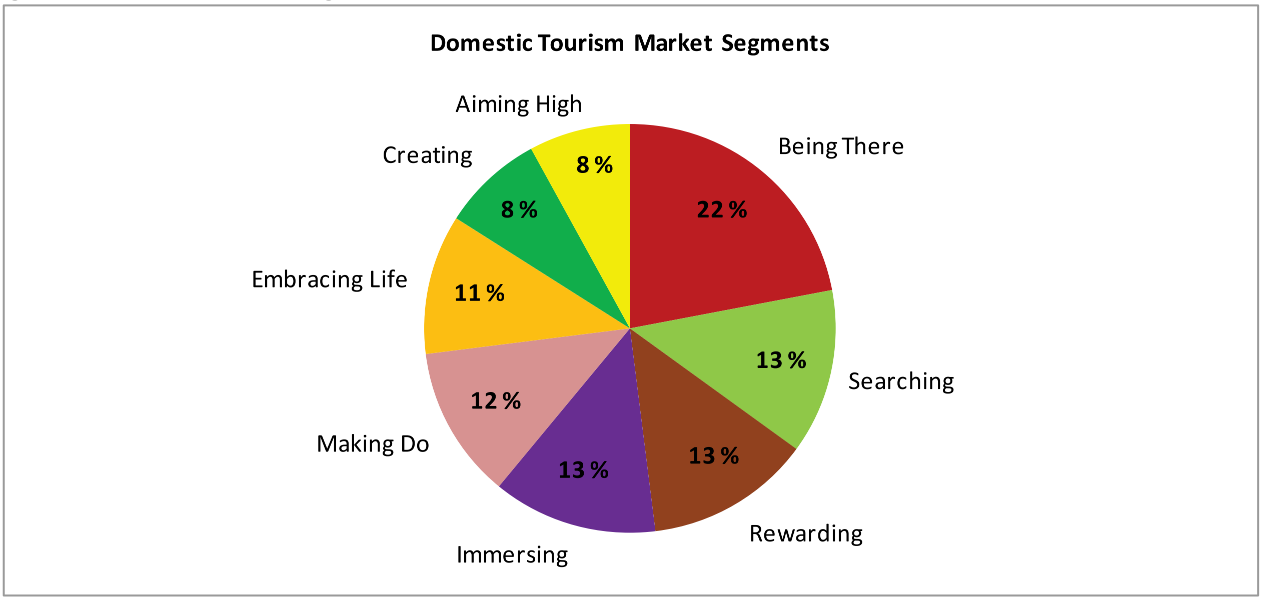
This report presents the findings of the 2009 Domestic Tourism Research project undertaken for the Ministry of Tourism on behalf of New Zealand's wider tourism sector and key industry stakeholders. The research was completed by a consortium comprising Angus & Associates, The Knowledge Warehouse and Tourism Resource Consultants with a view to: -

1. Improving the sector's understanding of the domestic tourism market.
2. Segmenting the domestic market in a way that is practical and meaningful for tourism marketers.
3. Demonstrating the significance of the domestic tourism market and its key market segments.
4. Informing policy and other work undertaken by local and central Government stakeholders.

The Domestic Tourism Research project involved a series of stages: secondary research (analysing existing domestic tourism data), new qualitative research with domestic travel consumers, a major online survey involving a representative sample of n=2032 New Zealand residents aged 15 years or more, and market segmentation analysis using the resulting survey database.

The final market segmentation solution identifies eight groups of domestic travel consumers – each different in its demographic and psychographic profile, its travel behaviour and its travel needs, and each calling for a different marketing approach.

Figure 1: Domestic Tourism Market Segments

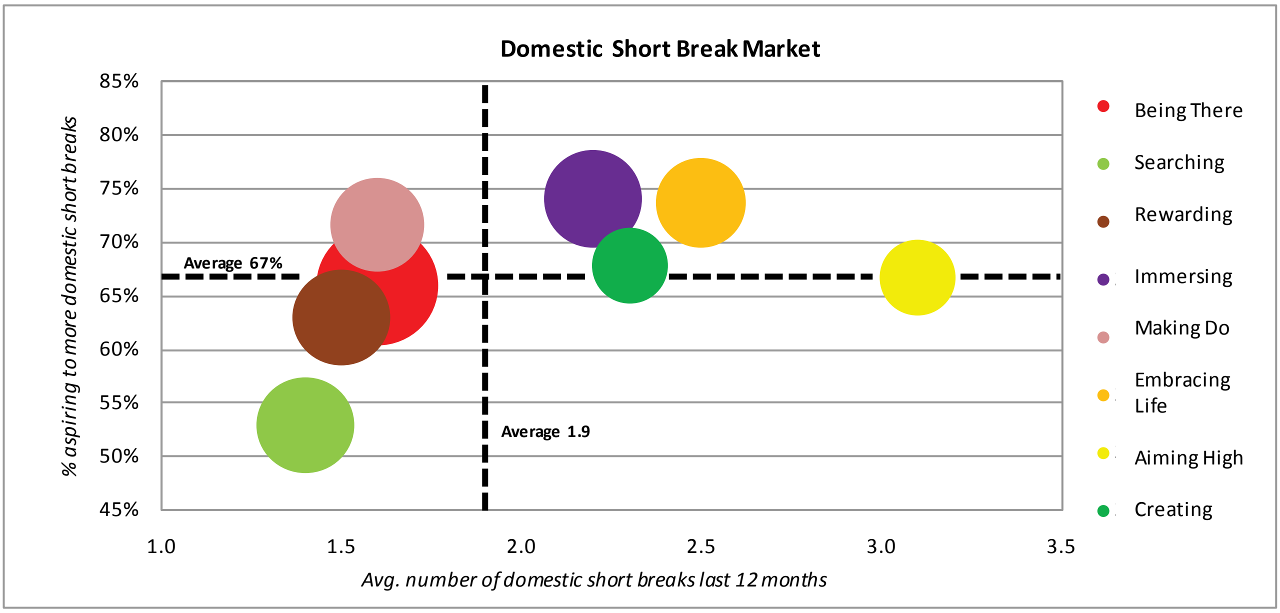


A comprehensive overview of the eight market segments may be found on pages 26-51 (Segmenting the Domestic Tourism Market) and detailed summaries of each market segment commence on page 52.

Figures 2 and 3 (overleaf) present an overview of the domestic tourism market, according to **segment size**, **propensity to travel** domestically for leisure purposes (short breaks of 5 nights or less and longer holidays in the last 12 months) and **travel aspirations** (proportion of each segment expressing a desire to take more domestic short breaks/longer holidays).

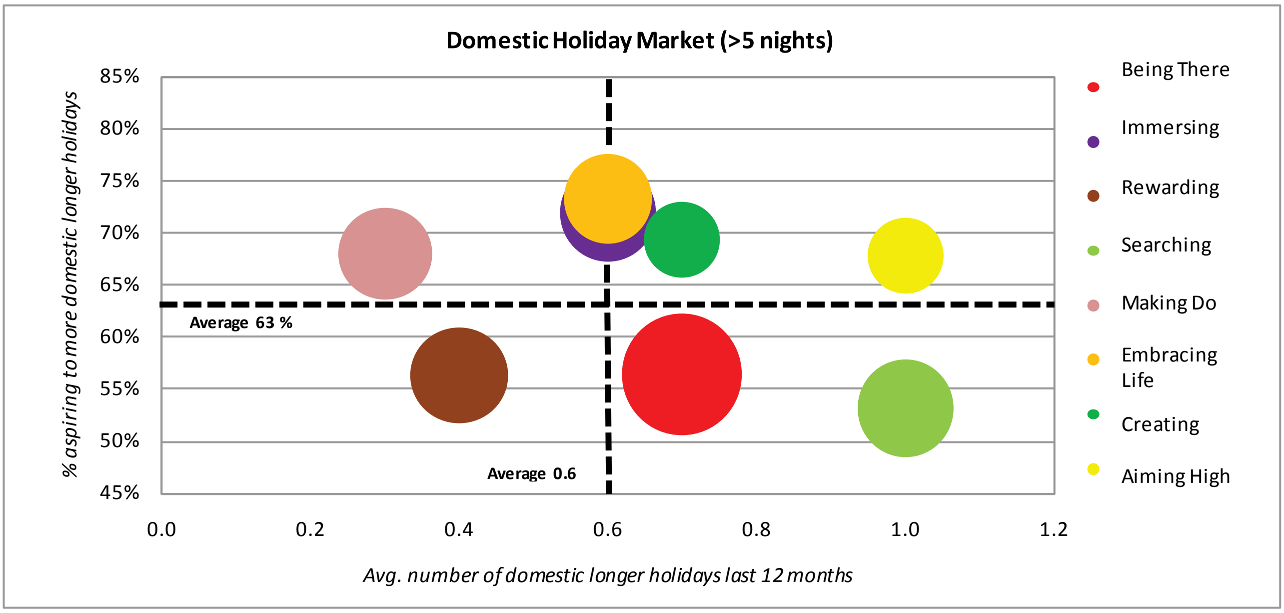
Figure 2 shows that **domestic short breaks** are most frequently undertaken by the 'Aiming High' segment (which comprises 8% of the adult population) but that **desire** for domestic short breaks is strongest within the 'Immersing' and 'Embracing Life' segments (which constitute 13% and 11% of the adult population respectively). These two segments are likely to represent especially fertile territory for tourism marketers interested in stimulating domestic short break travel (although a different marketing strategy will be required for each segment). However – with the possible exception of 'Searching' (13%) – all segments are receptive to increasing the frequency with which they take short domestic breaks.

Figure 2: Domestic Short Break Market



As illustrated in Figure 3, aspirations with regard to **longer domestic holidays** are also strongest within the 'Embracing Life' and 'Immersing' segments. However, in this instance, the dominant 'Being There' segment (22% of the adult population) and the 'Searching', 'Creating' and 'Aiming High' segments all report more frequent domestic holiday travel than the average New Zealand resident.

Figure 3: Domestic Holiday Market



The variety of positions occupied by segments within this framework of the domestic tourism market suggests that a range of approaches will be required to fully realise market potential. In some instances, initiatives will be needed to stimulate market demand – for example, through the development and targeted marketing of appropriate tourism product - while in other cases dismantling barriers to already-existing demand may be key.

The following segment-specific summaries are provided to assist those interested in developing the domestic tourism market. All segments are defined by a multitude of demographic and psychographic variables (such as age and interests). Although some of these variables may dominate individual segments, one needs to keep in mind that it is the synergy of all variables that best enables us to understand the market segments. For further detail and recommendations on marketing strategy, please refer to pages 26-51.

Being There

Comprising 22% of the adult population, ‘Being There’ is our largest and oldest market segment. Nine in 10 are aged 55 years or more, and 29% 70 years or more. They are typically empty nesters, with a female skew and a high incidence of people living alone. The segment is found throughout New Zealand but under-represented in Auckland.

Members of this segment have a particular interest in gardening and reading (books and newspapers). They also express keen interest in visiting gardens, writing letters and talking to friends/family on the phone and are most likely of all segments to attend a church and to be involved in volunteer work.

Members of ‘Being There’ are motivated to travel principally by a desire to spend time with people they love. Although destination choice often happens by default, ‘Being There’ will take every opportunity to experience the destination while they’re there. ‘Being There’ is most interested in sightseeing, shopping, natural attractions, walking/hiking and culture/heritage attractions. Key destination characteristics are safe, familiar and affordable.

As this segment is comparatively asset rich, money is less of a barrier to travel than it is to members of other segments. The major barriers to travel are health or disability (their own or that of a travelling companion) as well as a lack of travelling companions.

Core Marketing Proposition - Being with family and friends.

Marketing Channels - Major daily newspapers, special interest media (e.g. gardening channels/magazines/groups), affinity groups (churches, Rotary, Probus, other voluntary groups), targeted online channels (including news sites, Skype, online auction sites) and targeted email marketing.

Marketing Opportunities - Day trip/short break (activity and event-related); VFR campaigns; garden/nature product/events; history/heritage product/events; concert/theatre/performing arts product/events; small group (special interest) tours; assisted travel (transport, accommodation); cruise product.

Searching

‘Searching’ accounts for 13% of adult New Zealanders and is one of the two youngest segments. Almost two thirds of this segment is aged between 15 and 24 and 85% is under 40 years of age. Seven in 10 are single without children and one in two is a student. They either live at home with parents and siblings or in a flat with friends. ‘Searching’ can be found throughout New Zealand, but are significantly less likely to live in provincial South Island towns.

The segment’s defining favourite activities are computer games and online gaming. They also enjoy watching DVDs, texting family and friends, downloading music and updating friends on social networking sites such as Facebook.

Key priorities for ‘Searching’ are having a good time, working out what they want to do with their lives, learning a new skill or trade, and improving their education. Travel and holidays are much less important, by comparison. ‘Searching’ has one of the lowest incidences of international travel and extended domestic travel.

The segment’s ideal holiday right now is exciting, different, entertaining and challenging, yet familiar. It involves beaches, shopping, sports and night life. Key barriers to domestic travel for this segment are simply knowledge of where to go, transport options, and someone to go with.

Core Marketing Proposition - Freedom and good times with friends.

Marketing Channels - Online/web2.0; youth media; educational interest groups/institutions; events/parties; mobile apps; cinema.

Marketing Opportunities - Adventure product; sports product; ‘Contiki’-style domestic product; urban activities; youth related events.

Rewarding

'Rewarding' accounts for 13% of New Zealanders. It is distinctive in its strong male makeup - six in 10 members of the segment are male. Eight in 10 are 25 years or older and one in four are 55 years or older. Members are typically couples who have never had children or whose children have left home. Although holidays are of less importance in the context of life priorities than they are to some other segments, they are considered essential nonetheless. 'Rewarding' travels overseas extensively for business and is more likely to holiday overseas than the average New Zealander as well. Members of 'Rewarding' are most likely to be found living in Auckland.

This segment's favourite interests include watching television, eating out and playing golf.

Holidays for 'Rewarding' are a time when they can simply BE with their partners, away from the pressure, challenges and responsibility of everyday life, satisfying a need for peace and quiet. 'Rewarding' has above average domestic travel for business but tends not to holiday in New Zealand. When they **do** holiday in New Zealand, 'Rewarding' takes part in activities that reflect favourite interests – eating out and playing golf. The ideal holiday for 'Rewarding' right now is romantic and offers cuisine experiences. Based on past behaviour, this is likely to include restaurants, bars and wine trails.

Core Marketing Proposition - You work hard, you deserve it.

Marketing Channels - Business Media, special interest groups and clubs, Auckland specific media, TV sports/news channels, live sports events.

Marketing Opportunities - Short breaks; Golf product; indulgence/pampering, wellness product; romantic breaks; sporting events; food and wine experiences; cruise product.

Immersing

'Immersing' is mostly populated by single people or couples without children and has a female bias. It accounts for 13% of adult New Zealanders. Six in 10 are less than 40 years of age. Many live alone or in flats with others. Relative to the population, they are most likely to live in Wellington and least likely to live in provincial North Island towns.

Holidays are an important complement to busy lives for this often pre-child segment. 'Immersing' takes short domestic breaks with greater frequency than the average New Zealander but their aspirations are most strongly directed toward international travel.

They enjoy listening to music and watching DVDs at home, cooking for fun, eating out, looking after pets, painting, swimming, visiting gardens, going to the theatre, playing musical instruments, reading books and magazines, entertaining at home, hiking and going to markets and fairs.

A key prompt to holiday is the need to escape the stress and pressure of everyday life. This segment is one of three taking more domestic short breaks than the average. Overall, 'Immersing' travels more frequently than average for events involving family and friends.

Their ideal holiday involves destinations which are NOT familiar and which provide a complexity of experiences - scenery and landscapes, cuisine, culture, nature, animals, history and heritage. The most significant barriers to travel for 'Immersing' are insufficient annual leave, money and work commitments.

Core Marketing Proposition - Expand your mind, add to your experience, enrich yourself.

Marketing Channels - Special interest and lifestyle media, online lifestyle channels, professional media/interest groups, tertiary education institutes.

Marketing Opportunities - Product involving nature; health; wellness; culture; arts; music; heritage; wildlife; food and wine.

Making Do

'Making Do' is one of three strongly family-oriented segments with eight in 10 aged between 25 and 54 years. It accounts for 12% of the adult population. 'Making Do' contains a higher than average proportion of solo parents and has a female bias. Compared to the average New Zealander, they are more likely to live with tenants. They are under-represented in Auckland and over-represented in provincial North Island towns.

They enjoy watching TV, playing computer games and surfing online, keeping in touch with family and friends over the telephone or by text, visiting family and friends in their home town, watching DVDs, listening to music, playing board games, looking after a pet, cooking for fun, going shopping and visiting parks. However, the two favourite interests which set this segment apart from others are going for drives and visiting second hand shops.

Overall, members of 'Making Do' travel less than those in other segments and, when they do travel, it is mainly within New Zealand and often to visit family and friends. Of all segments, 'Making Do' is least likely to have travelled or holidayed **at all** in the last twelve months. However, they take more long holidays in New Zealand than average, often prompted by statutory holidays such as Christmas and Easter.

Their ideal holiday right now would be affordable, peaceful, relaxing, safe and familiar and the destination family-friendly, welcoming, easy and not challenging. It would provide an environment in which to indulge BEING needs and most typically involve inexpensive experiences such as beaches, being outdoors and nature-based activities.

Care responsibilities and money are the key barriers to travel for this segment.

Core Marketing Proposition - You deserve a break.

Marketing Channels - Women's magazines, general and lifestyle media, daytime TV/Radio, fairs/markets.

Marketing Opportunities – Family-friendly product; nature based product (especially involving animals); product with childcare facilities; anything affordable and easy.

Embracing Life

Making up 11% of the adult population, 'Embracing Life' shares the same family focus and age profile as 'Making Do'. Nine in 10 members are aged between 25 and 54 years. Unlike 'Making Do' however, this segment has a male bias and the dominant family structure is one of couples and children. Members of 'Embracing Life' can be found throughout New Zealand, but they are less prominent in provincial North Island towns.

'Embracing Life' members are more likely to name cycling and mountain biking, hiking and tramping, kayaking, boating for fun and all types of fishing, live sport, home renovation and entertaining at home as favourite interests.

Holidays are important to 'Embracing Life' and they holiday frequently within New Zealand. When holidaying in New Zealand, they take part in their favourite active home interests with their children and partners, away from the pressures of everyday life. Holidays are best for this segment when spent with family, sharing involvement in the same wide range of active and other interests they have at home.

The ideal holiday for 'Embracing Life' is above all family-friendly, and involves outdoor experiences, scenery and landscapes, and food and cuisine. Key barriers to travel are the amount of annual leave available, work, care responsibilities and suitability for children. As high consumers of travel and holidays, money also prevents this segment from taking even more holidays.

Core Marketing Proposition - A full life (for you and your family)

Marketing Channels - Business media, special interest media/online (e.g. golf, outdoor, boating, fishing), newspapers, boating/fishing/outdoor events/shows/fairs.

Marketing Opportunities - Outdoor/adventure experiences for the whole family; food and wine product; cultural product; heritage experiences.

Creating

'Creating' accounts for 8% of the adult population. It has a female bias, half of its members are aged less than 40 years and members of this segment are more likely to have children living at home than members of any other segment. 'Creating' households are also twice as likely as the average household to include extended family members. 'Creating' can be found throughout New Zealand but the segment is under-represented in Otago and provincial South Island towns. A key distinguishing feature is the segment's ethnic composition. One in two is of non-European descent.

'Creating' has many and varied favourite interests and a particular interest in texting family and friends. Members also enjoy talking with family and friends by phone and keeping in touch by email and letter. For four in 10, updating Facebook is a favourite pastime - the largest proportion of any segment. Compared with the average New Zealander, they are also more likely to enjoy visiting friends and family, entertaining at home, watching DVDs at home, listening to music, going to live music, playing music, being involved in the performing arts and running.

While travelling infrequently offshore, they take frequent domestic short breaks and longer domestic holidays. Travel is often prompted by visits to family and friends, or by education. Holidays for 'Creating' are about keeping in touch with people rather than seeing places. They favour holiday destinations which provide peace and quiet, which facilitate quality time with family and friends and opportunities for enjoyment to be shared with family members. They particularly enjoy walking, water activities and beaches.

Key barriers to travel for 'Creating' are care responsibilities and suitability for children.

Core Marketing Proposition - Good times to share with your family

Marketing Channels - Special interest groups/media (e.g. cultural focus), online channels, targeted lifestyle media, cultural and community events.

Marketing Opportunity - Social experiences; events/concerts/festivals; beaches/nature product; camping, picnics/ outdoor cooking; group accommodation; history and heritage; cultural product.

Aiming High

'Aiming High' accounts for 8% of the adult population. Two thirds of its members are under 25 and almost 90% under 40. Most live at home with parents and siblings or in flats with friends. 'Aiming High' is over-represented in Auckland.

Members of this segment thrive on challenge and excitement and aspire to take part in a wide range of activities in ever-bigger, better and different destinations. Holidays are integral to their very existence. They travel the most frequently, both overseas and in New Zealand. Members enjoy texting family and friends and keeping in touch via Facebook. They are more likely to nominate downloading music, eating out, tramping, boating and going to concerts and performing arts as favourite activities than other segments. They are also highest on going to the movies, listening to live music, surfing, waterskiing, diving, kayaking, swimming, going to the gym, yoga and meditation, cycling and mountain biking, going to dance classes, meeting new people, playing other sports and watching live sports.

The ideal holiday destination for 'Aiming High' is exciting, different, entertaining and challenging. It provides a range of activities and experiences, including beaches, big cities, nightlife, shopping, sporting activities, outdoor activities and cuisine.

Coming from affluent backgrounds, where access to sports equipment and accommodation is a given, the most significant barriers to domestic travel are availability of annual leave, work commitments, transport and travel companions.

Core Marketing Proposition - More, bigger, best!

Marketing Channels - Youth media, special interest media (e.g. surfing, skiing etc.), Online channels, interest groups and clubs, cinema.

Marketing Opportunities - Adventure and sports product; youth/sporting/adventure events; urban product; wellness.

Introduction

Domestic Tourism in Context

Domestic tourism contributes approximately $12.4 billion annually to the New Zealand economy, equating to more than half (57%) of the total economic contribution made by the tourism industry[1]. Domestic tourism is the backbone of the industry, with many tourism businesses and regions reliant upon the patronage of domestic visitors, particularly in the off-peak winter months and shoulder seasons.

The importance of the domestic market has been further highlighted by present economic conditions and the uncertainty that has prevailed in many of New Zealand's key international markets. Indeed, recessionary conditions have seen many New Zealanders swap international travel for holidays "at home" - reversing a pre-recessionary trend in which growing numbers of New Zealanders were substituting domestic for international travel – bringing welcome relief to tourism operators losing business from international visitors.

The significance of the domestic tourism market was highlighted in the New Zealand Tourism Strategy 2015 (NZTS 2015). The Strategy noted that, by stimulating demand for products and services within the domestic market - and building the capability required to meet this demand - New Zealand's tourism operators would be better equipped to deliver a world class experience to international visitors as well.

NZTS 2015 recommended that strengthening domestic tourism be a key priority for the sector and that work be undertaken to develop a domestic tourism plan and to encourage and support Regional Tourism Organisations (RTOs) in communicating with stakeholders in this regard. Acknowledging that regional campaigns would be critical in stimulating domestic tourism, NZTS 2015 also noted that domestic tourism research would help to inform campaign planning and development, and assist product differentiation and market segmentation decisions.

Researching the Domestic Tourism Market

Recognising that a "knowledge gap" existed in understanding domestic tourism, in early 2009 the Ministry of Tourism commissioned a research project to provide essential information about New Zealand's domestic tourism market.

This project comprised five stages and was undertaken by a consortium of experts led by Angus & Associates and including The Knowledge Warehouse and Tourism Resource Consultants.

Figure 4: Domestic Tourism Research Project

[1] Tourism Satellite Account: 2009, Statistics New Zealand (http://www.tourismresearch.govt.nz/Documents/Tourism%20Satellite%20Account/2009/tourism-satellite-account-2009-web.pdf)

Project Objectives

The **overall objectives** of the Domestic Tourism Research project were to:

1. Improve the sector's understanding of the domestic tourism market.
2. Segment the domestic market in a way that was practical and meaningful for key tourism stakeholders.
3. Demonstrate the significance of the domestic tourism market and its key market segments.
4. Inform policy and other work undertaken by local and central Government stakeholders.

To satisfy these objectives, it was deemed essential the research and segmentation solution be robust and practical, and that it encourage overall sector growth and differentiation both at a regional and operator level. It was also important that the research transcend the current economic environment, whilst providing insight into its impact.

The scope of the project spans all domestic travel, including day trips and overnight stays and visiting friends and relatives. It explores the relationship between business and leisure travel but excludes consideration of the drivers of business travel. The research also considers domestic travel activity in the context of international travel, and in the context of expenditure on other (competing) discretionary items.

The **specific objectives** for each of the five stages are as follows: -

Stage 1: Secondary Research & Analysis

To **inform subsequent phases** of the research by: -

- Providing an understanding of international tourism market segmentation models.
- Providing information on the size and structure of the domestic tourism market in New Zealand.
- Developing hypotheses regarding enablers and barriers to domestic travel.
- Providing key information on which to develop a sample for the second, qualitative, phase of the research.

Stage 2: Qualitative Research

To provide a thorough, rich, and in-depth **understanding** of New Zealanders' travel and holiday stories and experiences in order to: -

- Provide insight on travel choices and the drivers and barriers to domestic tourism.
- Identify the ways in which New Zealanders talk about travel, the language they use and the ways in which travel experiences are defined and classified.
- Provide a framework upon which to develop appropriate lines of questioning for the online survey.
- Establish relevant inputs and parameters for the market segmentation.
- Provide complementary insights to 'bring to life' the 'domestic tourist' throughout the project.

Stage 3: Online Survey

To compile a **robust database** of information on domestic travel needs and behaviour and perceptions of travel destinations from a representative sample of New Zealanders (as the basis for later market segmentation).

Stage 4: Market Segmentation

To **segment** the New Zealand population in a practical and robust manner, including:

- Identifying segment sizes and characteristics.
- Identifying ways in which each segment can be usefully influenced.
- Providing essential information for domestic marketing and communications strategies and initiatives.

Stage 5: Industry Communications

To **inform key stakeholders** throughout the project with concise, relevant updates using a range of appropriate channels. In doing so, to: -

- Improve the sector's understanding of the domestic tourism market,
- Describe market segments in a way that is useful for those tasked with marketing tourism product and regional tourism destinations,
- Demonstrate the significance of the domestic tourism market, and key market segments, to decision-makers in local and central government.
- Inform policy and other work undertaken by local and central government stakeholders.

Research Methodology

The following outlines key details of the method employed at each stage of the Domestic Tourism Research programme. Full details of research methodology may be found in Appendix A.

Stage	Method
1: Secondary Research & Analysis	· Comprehensive review of New Zealand and international research and literature on market segmentation approaches and market segmentation models. · Review and analysis of existing research and data relating to domestic and international travel behaviour.
2: Qualitative Research	· 30 individual interviews and two focus groups, together involving a total of n=42 domestic respondents across all life cycle stages and in five regions of the country.
3: Online Survey	· An online survey involving a representative sample of n=2032 New Zealand residents aged 15 years or more.
4: Market Segmentation	· Data analysis involving eight discrete stages: - 1) Determine the overall goal of the analysis 2) Determine which survey questions to use as segmentation inputs 3) Transform any highly skewed variables 4) Impute missing values in the survey data 5) Use principal component analysis to identify key underlying factors that influence people's actions 6) Identify segments by looking for people who responded to survey questions in a similar way 7) Validate that the segmentation solution achieves the original objectives 8) Profile each segment to establish a sound understanding of its characteristics.

Domestic Tourism – An Overview

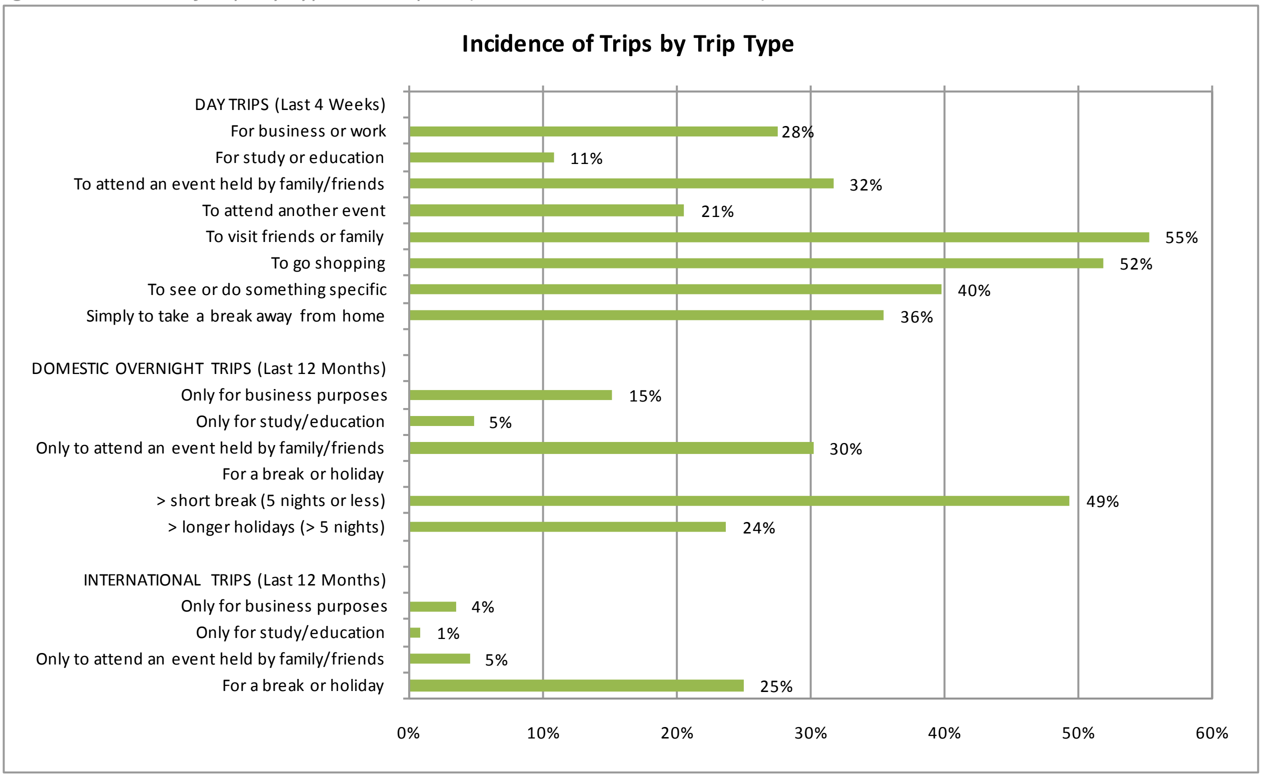
Domestic Tourism Activity

As context for a segmentation of the domestic tourism market, it is worthwhile considering the travel patterns of **all New Zealand residents**.

Results drawn from our online survey of n=2032 New Zealand residents show half of all adults take at least one **day trip** each month to visit friends or family and half take at least one day trip to go shopping. Day trips for other purposes are less common overall, although one in three adults travels at least once to attend an event held by family/friends each month, and one in three takes at least one day trip each month simply for a break away from home.

Almost half of all adults take at least one **short break** in New Zealand each year, but just one-quarter take a **longer holiday** (of 6 nights or more). It is interesting to note that a similar proportion take at least one **international holiday** each year.

Figure 5: Incidence of Trips by Type and Purpose (Last 4 Weeks/Last 12 Months)



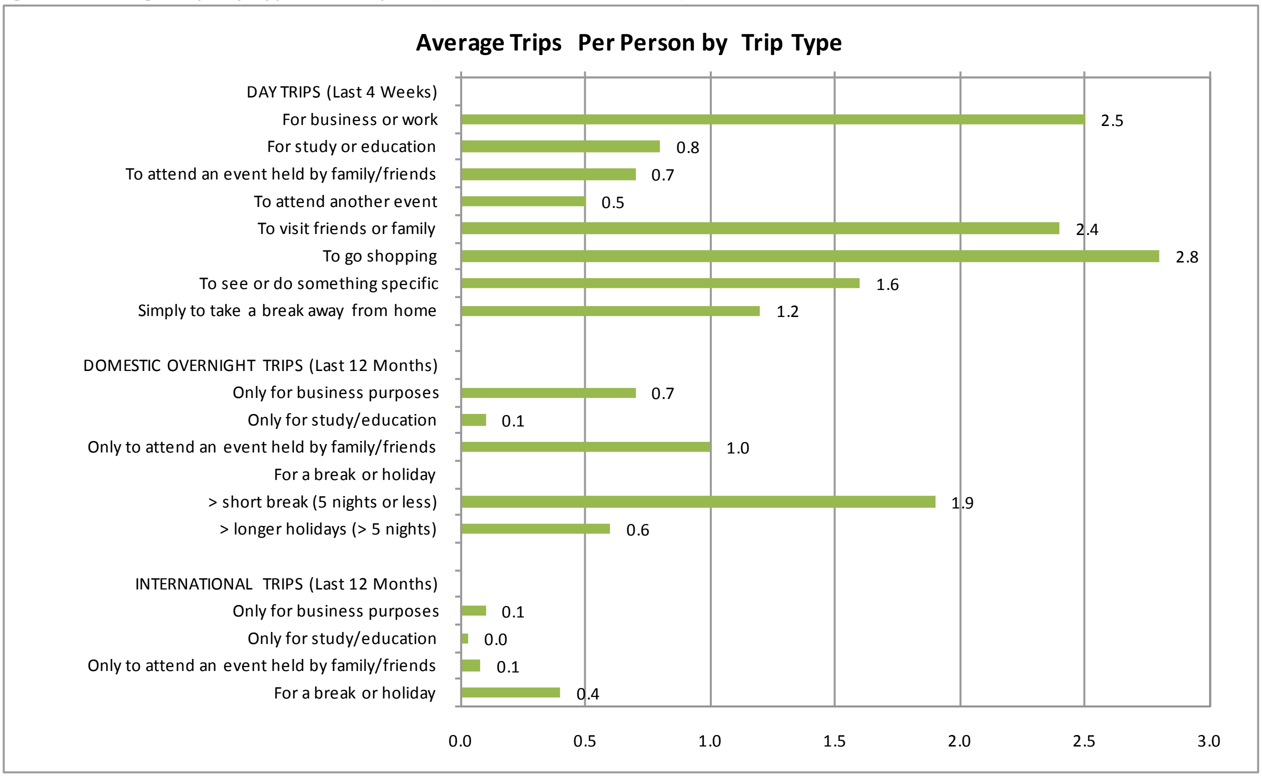
When frequency of trips is taken into account, it becomes apparent that **the average New Zealander** takes a substantial number of day trips[2] in any given four week period, most often for the purpose of shopping (an average 2.8 trips every 4 weeks), business (2.5 trips) or to visit friends/family (2.4 trips).

Domestic overnight trips are relatively less frequent, with the average New Zealander taking just 0.7 trips for business each year, 1.0 trip to attend an event held by family/friends and 2.5 trips for a break or holiday. The bulk of this more discretionary leisure travel takes the form of short breaks (defined as 5 nights or less).

International trips are less common still, with the average New Zealander taking 0.4 international trips for leisure purposes per annum (or one trip every 2.5 years).

[2] A day trip was defined as "any trip which involved travel of at least 40 kilometres one way from home or travel by plane or ferry service and didn't involve staying away from home overnight". Trips which were part of a normal routine (e.g. commuting for work) were specifically excluded.

Figure 6: Average Trips by Type and Purpose (Last 4 Weeks/12 Months)



However, averages such as these disguise enormous variation in the travel patterns of New Zealand residents.

The qualitative research preceding the online survey told us that both frequency and type of travel were likely to be shaped by an individual's age, gender, lifecycle stage, interests, personal circumstances and priorities (i.e. by both demographic and psychographic factors). This hypothesis is borne out in the survey results which show strong correlations between the type and frequency of travel undertaken and a range of demographic and psychographic variables.

Domestic Tourism and Demographics

Age

Figure 7 charts the distribution of the online survey sample, weighted by age group. With the exception of the 55-59 year age group, this shows a relatively even distribution across age cohorts up to age 69, after which sample proportions fall steeply.

Figure 7: Online Survey Sample – Age Distribution

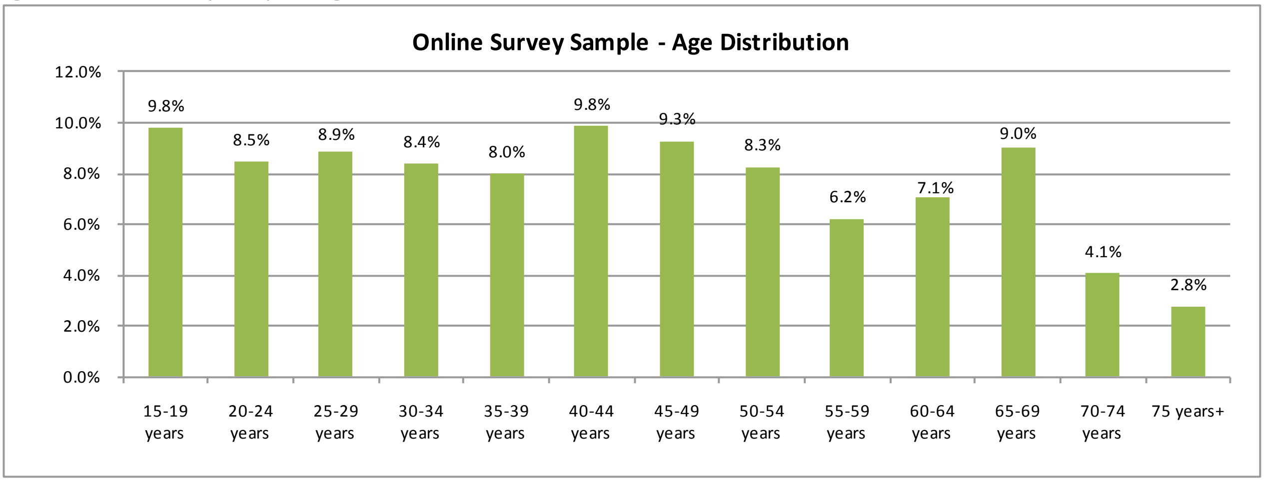


Figure 8 depicts **average number of trips** – international for leisure/holiday purposes, domestic short breaks and longer domestic holidays – all by age group. This shows a number of distinct patterns: domestic short breaks trend down in frequency with age; longer domestic holidays peak in the youngest (15-24 years) and oldest (70 years+) age groups; and international leisure travel peaks in the age groups 55 through 69.

Figure 8: Average Trips by Age Group

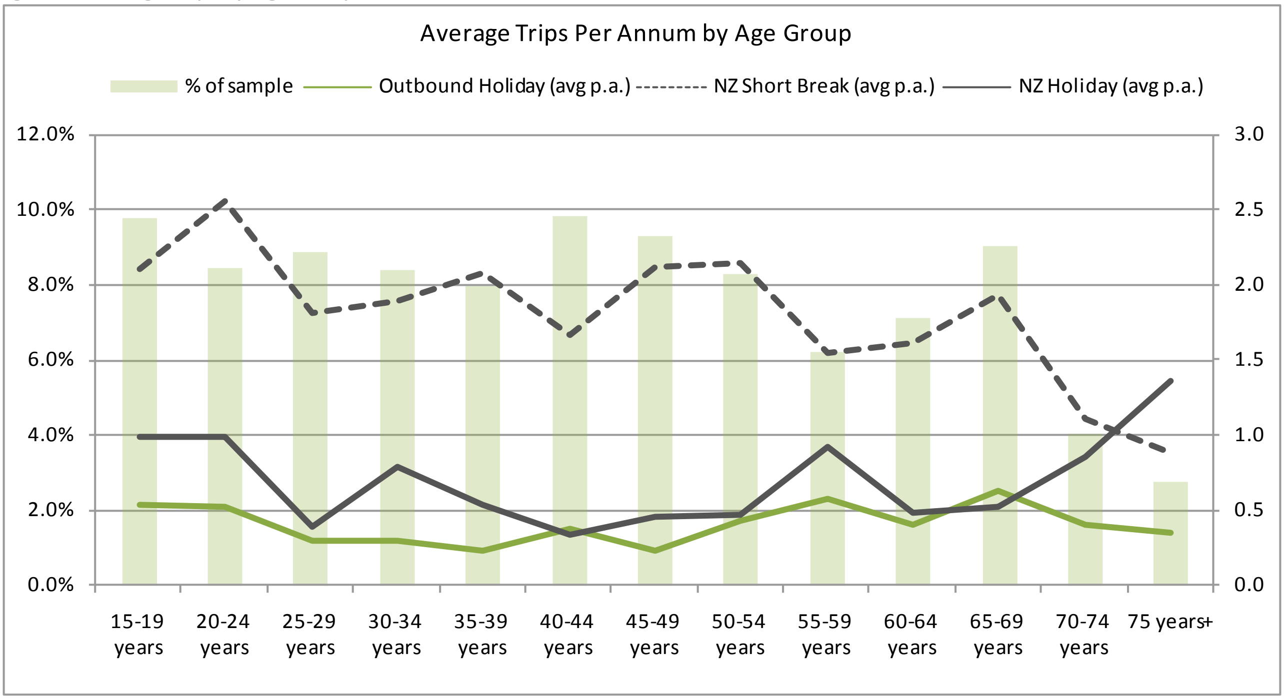
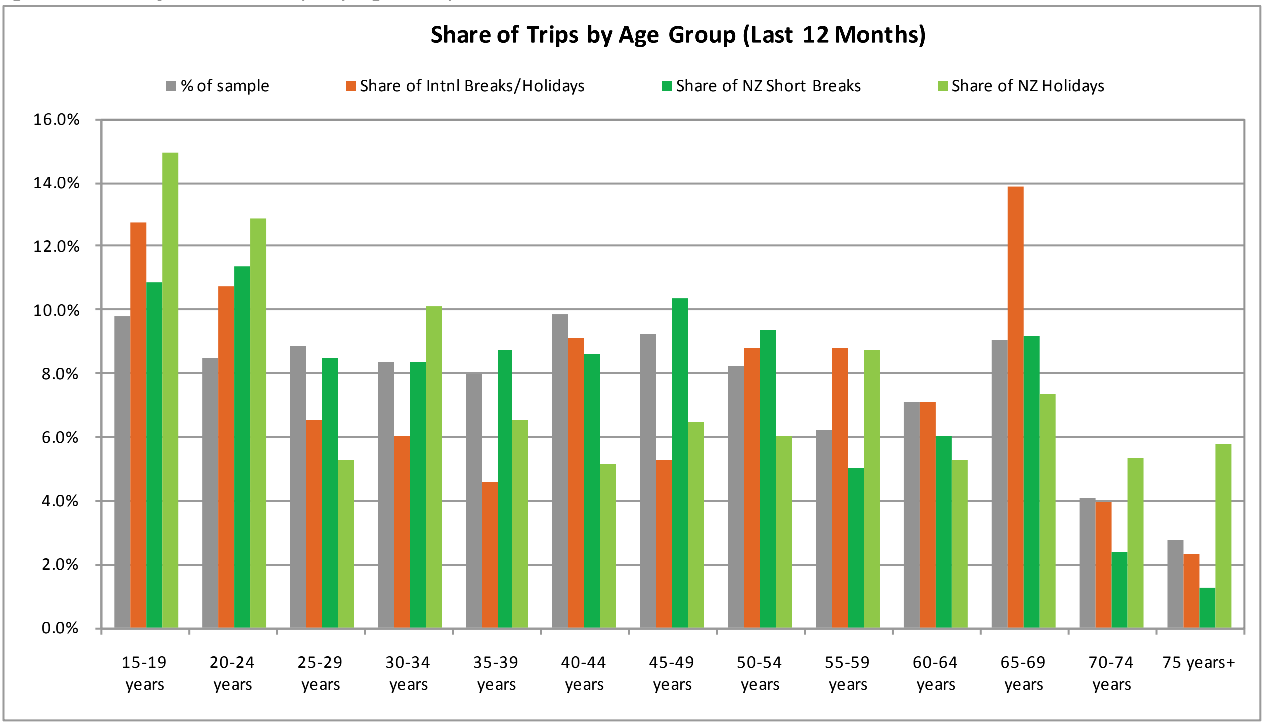


Figure 9 considers **share of trips** by age group. This shows that, relative to their incidence in the population, young people (aged 15-24 years) account for a disproportionate share of international breaks/ holidays, domestic short breaks AND longer domestic holidays. In contrast, New Zealanders in the years immediately following retirement (aged 65-69 years) account for a significantly larger proportion of international trips than their share of population would suggest.

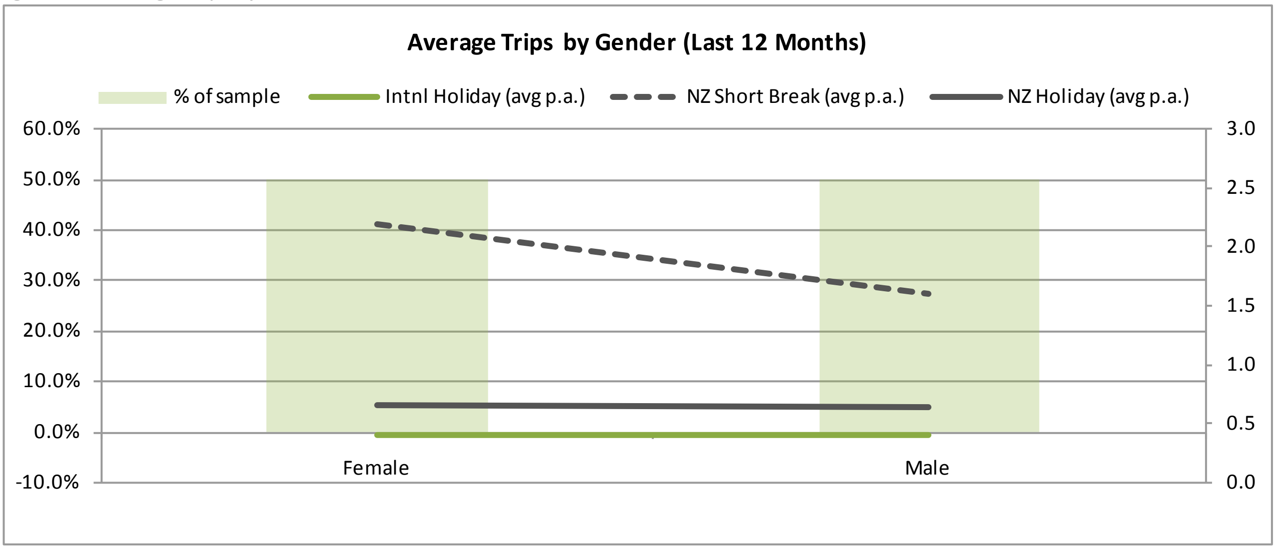
Figure 9: Share of All Leisure Trips by Age Group



Gender

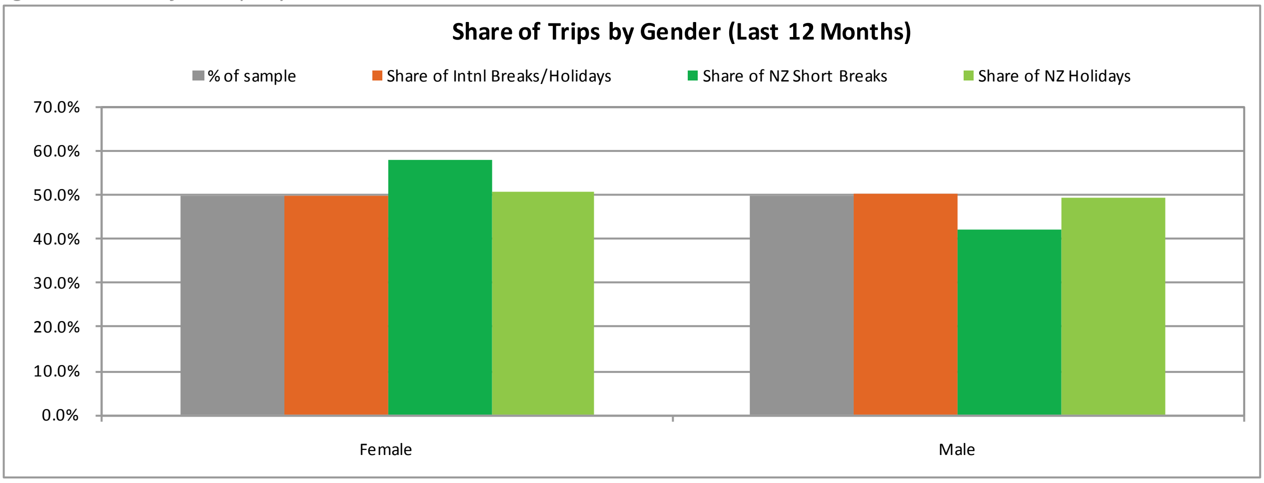
The online survey sample has been weighted to equal proportions of men and women aged 15 years and over. Analysis of travel patterns by gender shows that, on average, men and women take approximately equal numbers of international trips and longer domestic holidays each year. However, there is a significant difference in frequency of domestic short breaks, with women taking an average 2.2 short breaks per annum and men just 1.6.

Figure 10: Average Trips by Gender



These patterns are reflected in overall share of leisure trips, with share being equal in respect of international trips and domestic holidays but skewed significantly in favour of women when it comes to short domestic breaks.

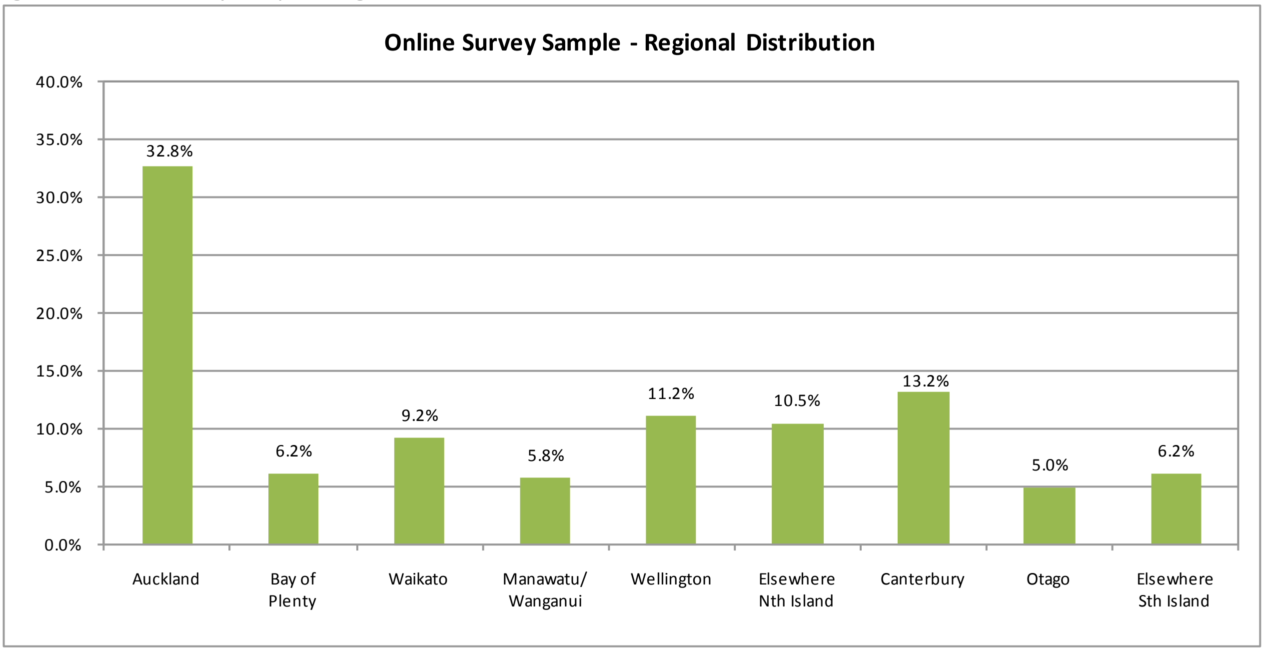
Figure 11: Share of All Trips by Gender



Region of Origin

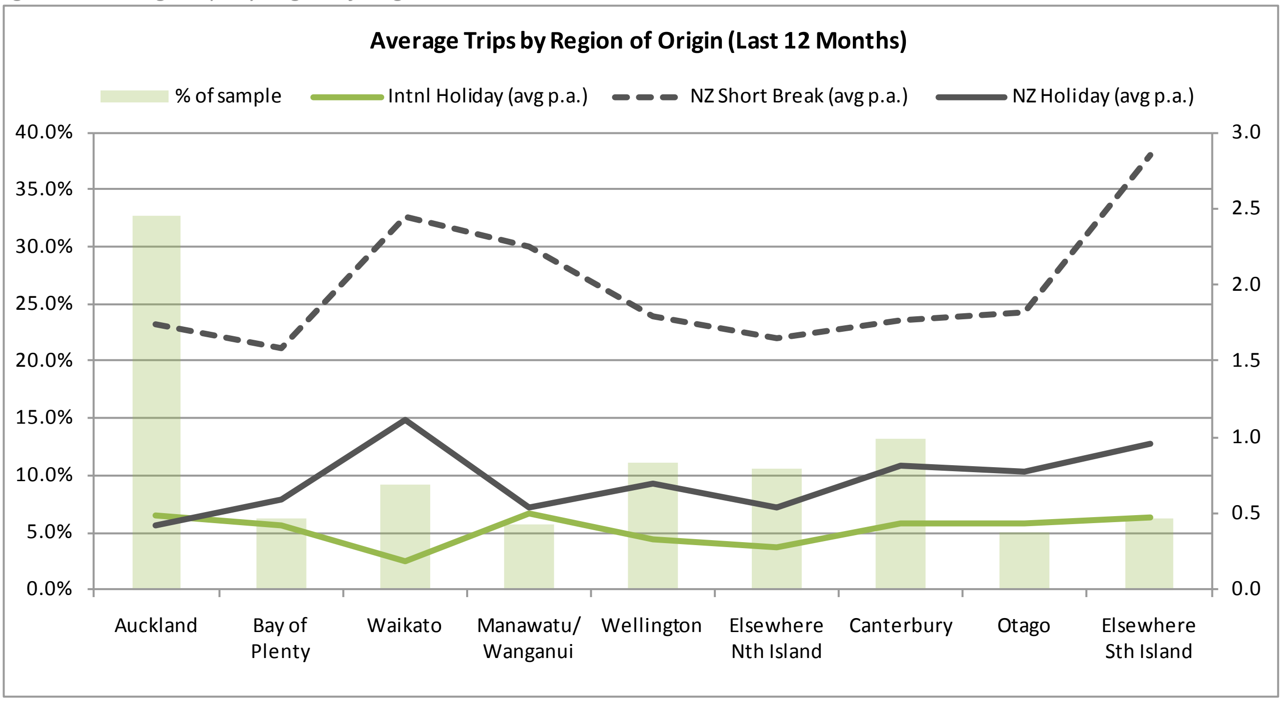
Figure 12 (overleaf) charts the distribution of the online survey sample, once weighted by region of residence. This shows the dominance of the Auckland market, both overall and relative to other major population centres.

Figure 12: Online Survey Sample – Regional Distribution



Supporting earlier analysis of secondary data sources[3], analysis of travel patterns by region of origin indicates that, on average, residents of Auckland are amongst the most frequent international travellers and the least frequent domestic travellers. The frequency of international travel is also higher than average amongst residents of Manawatu/Wanganui and all South Island cities/towns sampled.

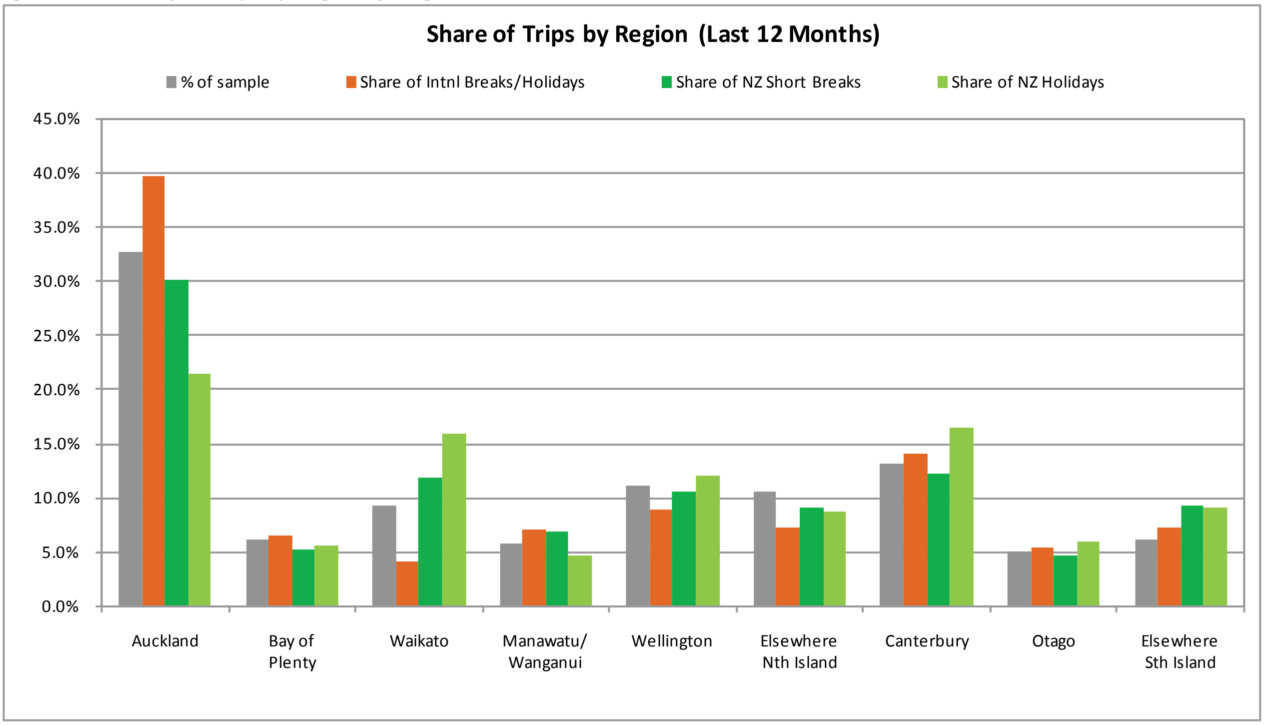
Figure 13: Average Trips by Region of Origin



[3] Domestic Tourism Research – Findings of Secondary Research & Analysis, Report prepared for the Ministry of Tourism by Angus & Associates, Covec, The Knowledge Warehouse and Tourism Resource Consultants, June 2009

These findings are reflected in share of trips. Residents of Auckland account for a disproportionately high share of international leisure trips and a disproportionately low share of domestic leisure travel (and especially longer domestic holidays).

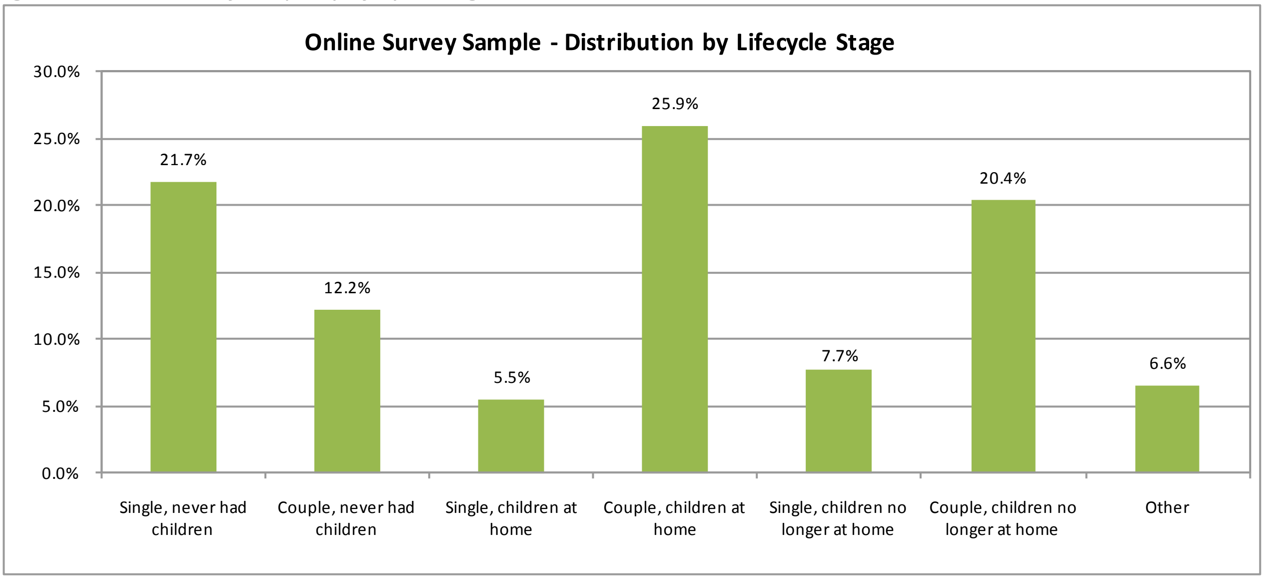
Figure 14: Share of All Trips by Region of Origin



Lifecycle Stage

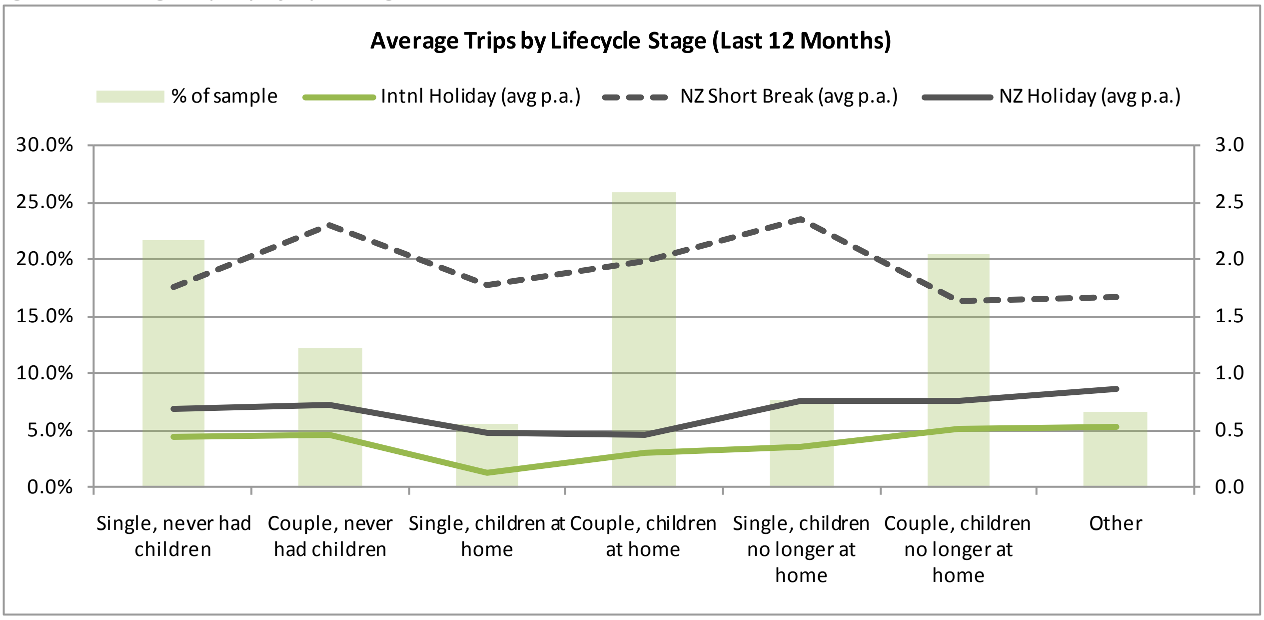
Once weighted by gender and age within region, the online survey sample comprises three groups of broadly equivalent size: one third (33.9%) being single/couples with no children, one third (31.4%) single/couples with children at home, and slightly less than a third (28.1%) being single/couples with children no longer at home.

Figure 15: Distribution of Sample by Lifecycle Stage



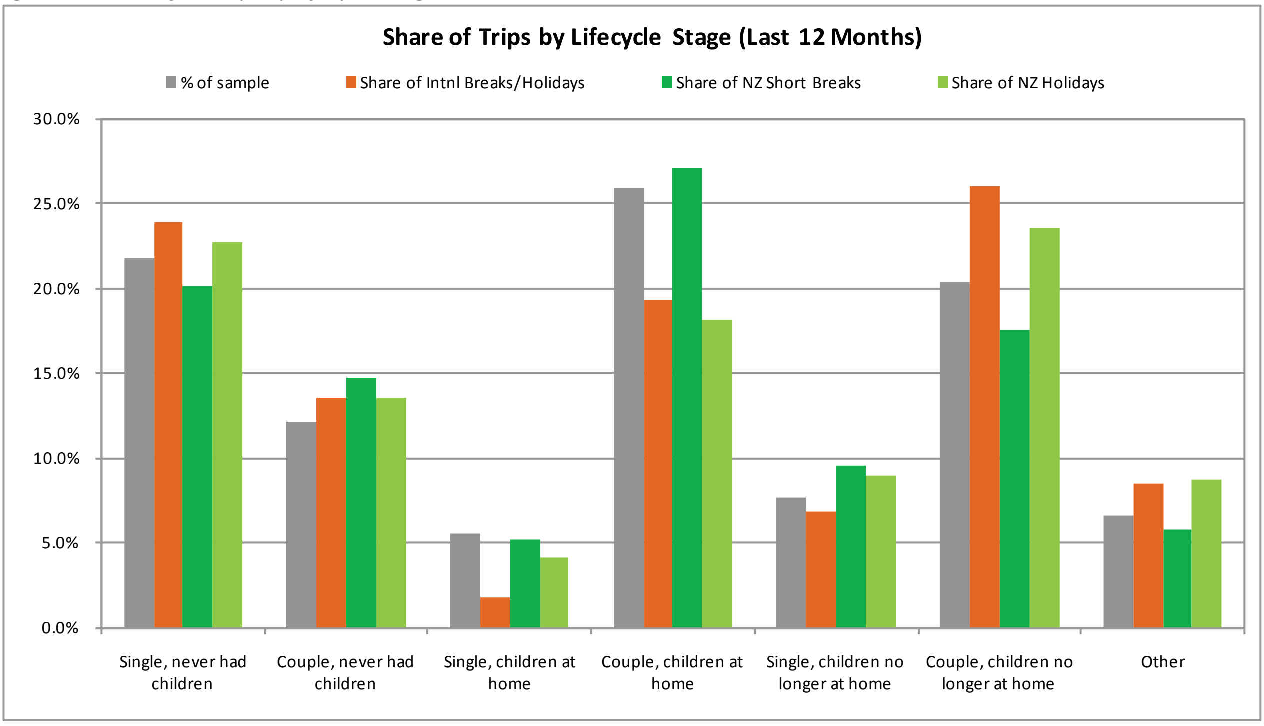
Analysis of travel patterns by lifecycle stage shows that international leisure travel and longer domestic holidays are both **least** frequent amongst those with children at home. In contrast, those with children who are no longer living at home take the most frequent international trips and extended domestic holidays.

Figure 16: Average Trips by Lifecycle Stage



These findings are reflected in **share of leisure trips** by lifecycle stage. As depicted in Figure 17, couples with children no longer living at home account for a disproportionate share of international trips and domestic holidays while domestic short breaks are prominent amongst couples with children at home.

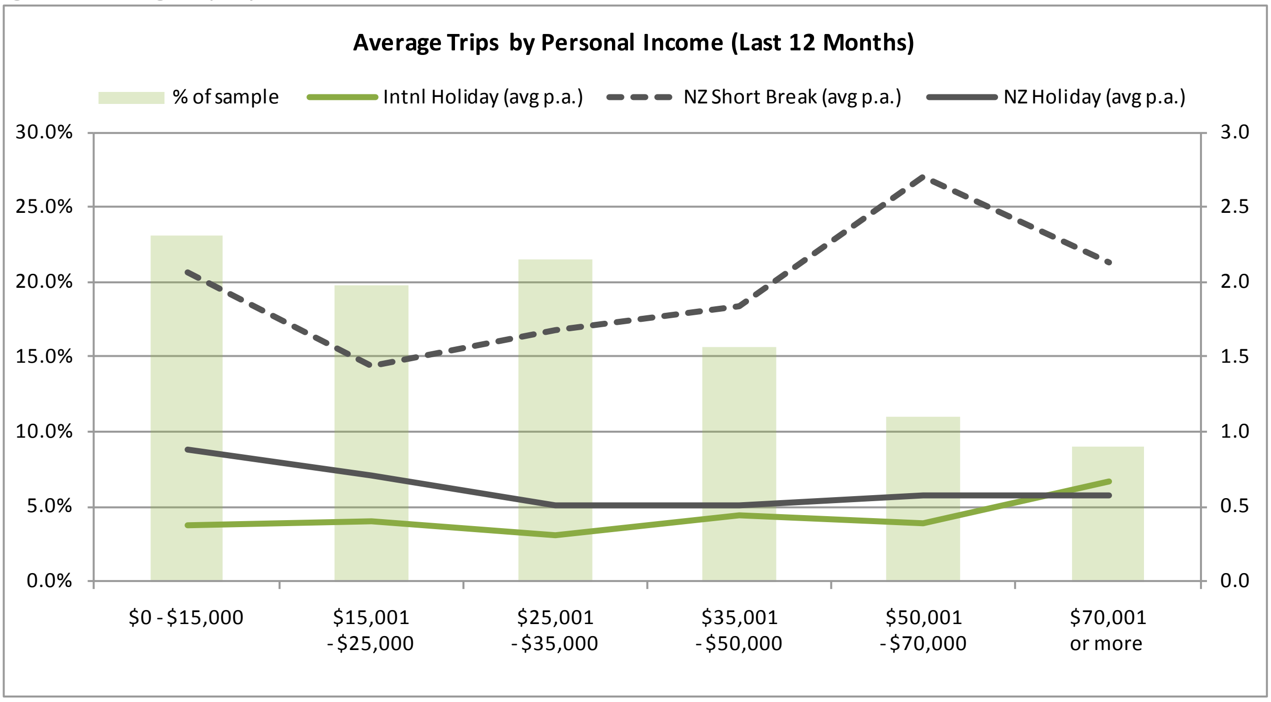
Figure 17: Share of All Trips by Lifecycle Stage



Personal Income

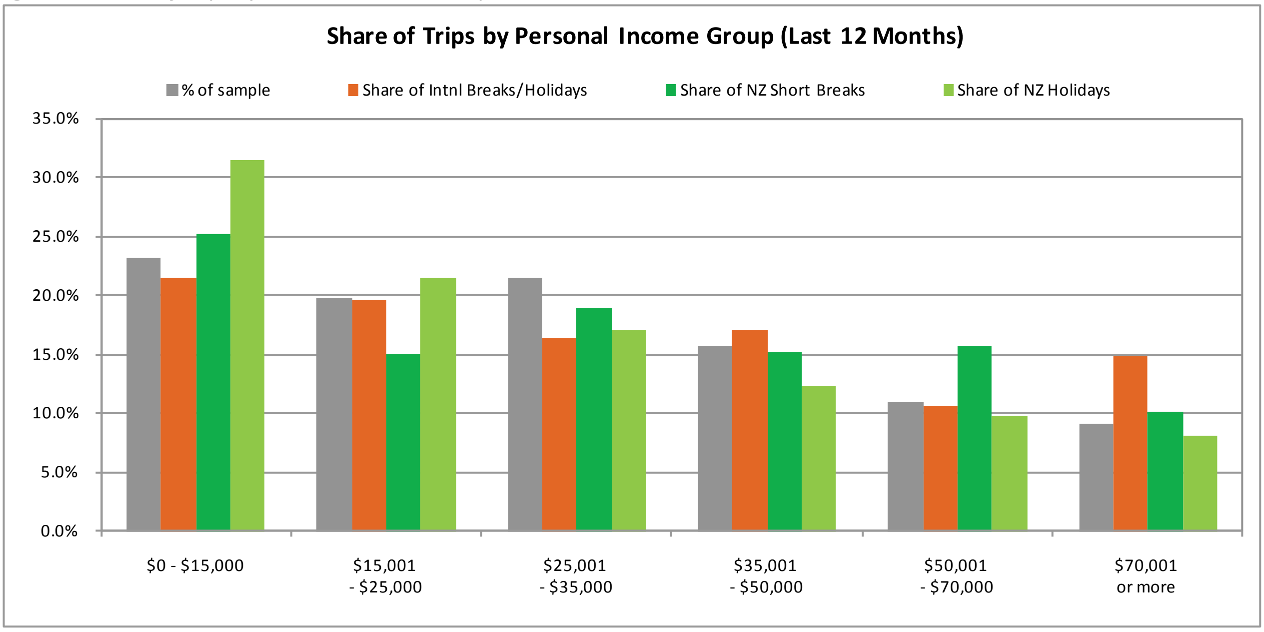
Figure 18 (overleaf) shows sample distribution by personal income group, overlaid by average trips in the last 12 months (international leisure, domestic short breaks and longer domestic holidays). This analysis indicates that both international trips and domestic short breaks increase in frequency as (personal) income rises. A reverse of this pattern is apparent in regard to longer domestic holidays.

Figure 18: Average Trips by Personal Income



As a consequence, respondents in the highest income bracket ($70,001+) account for a disproportionately higher share of international trips. Those in lower income groups take more short domestic breaks and longer New Zealand holidays.

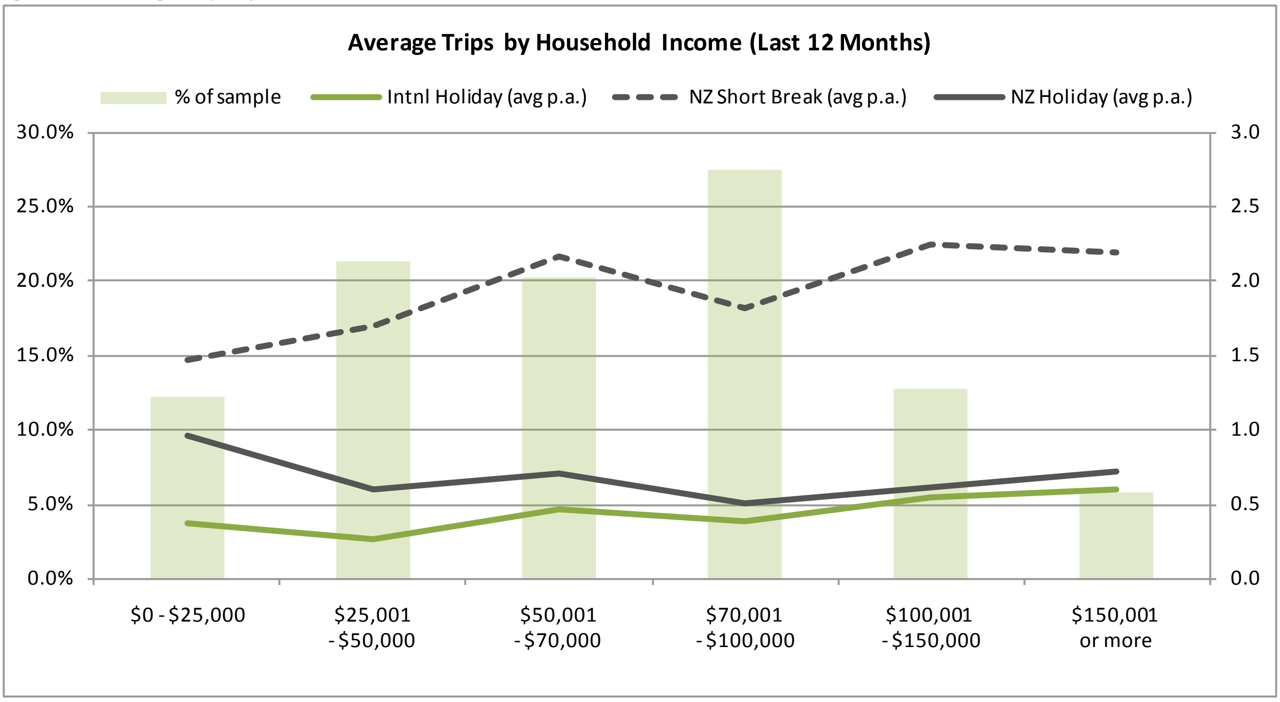
Figure 19: Share of Trips by Personal Income Group



Household Income

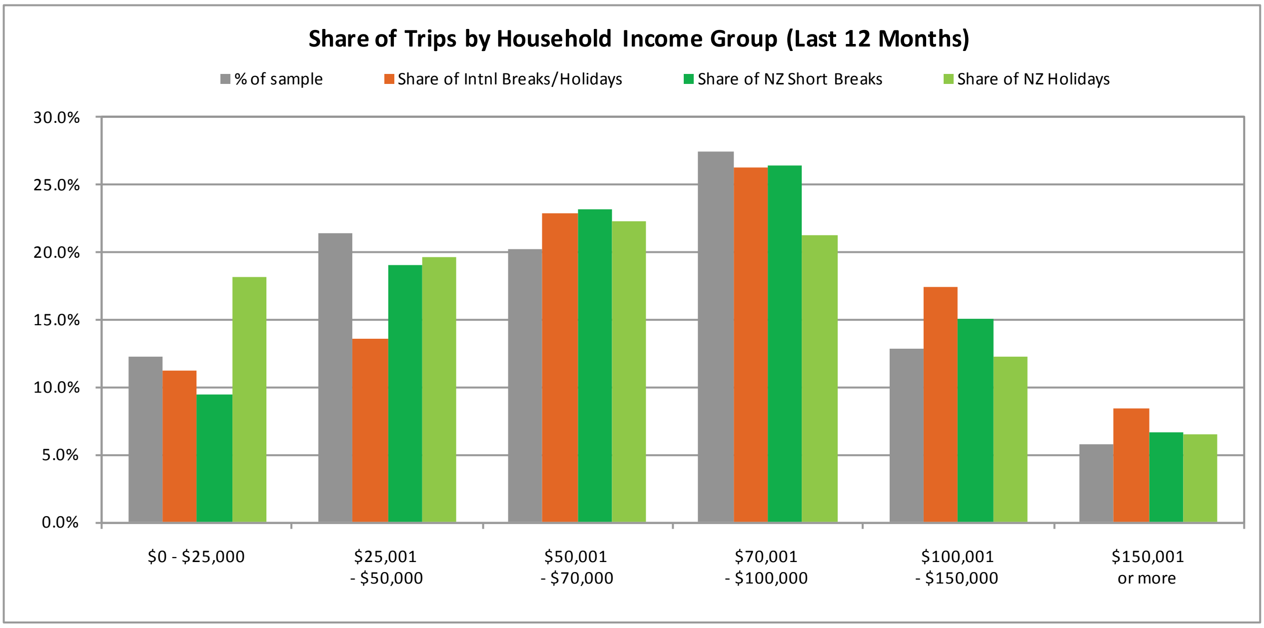
Figure 20 (overleaf) charts sample distribution by household income and illustrates the relationship between household income and trip frequency. This shows a strong correlation between household income and frequency of both international holiday trips and short domestic breaks. There is however no clear relationship between household income and longer domestic holidays.

Figure 20: Average Trips by Household Income



These patterns are again reflected in share of trips, with respondents living in higher-income households accounting for a disproportionately large share of international holidays in particular.

Figure 21: Share of Trips by Household Income



Domestic Tourism and Psychographic Factors

'Psychographics' is a term used to describe an individual's personality, values, attitudes, interests or lifestyle. International market segmentation studies highlight the importance of psychographic factors as influences of travel behaviour and our own qualitative research confirms this in regard to New Zealand's domestic tourism market.

While the different market segments detailed in this report demonstrate the full significance of psychographic variables in shaping travel behaviour, the following analysis provides some initial insights into the relationship between a person's interests, lifestyle assets and domestic tourism activity.

Interests/Pastimes

In the online survey undertaken as part of the Domestic Tourism Research programme, respondents were asked which – of a list of 57 different interests or pastimes - they really enjoyed, and which they would regard as their "favourites".

Figure 22 shows the relationship between **favourite pastimes** and frequency of **short domestic breaks**. This shows, for example, that people who regard kayaking/canoeing as a favourite pastime take more than twice (+100%) the average of 1.9 short domestic breaks each year. In contrast, those with an interest in diving, those who participate in (other than Maori) cultural/performing arts groups, and those with specifically home-based interests (such as car maintenance, other hobbies at home, watching TV, watching DVDs/videos) take up to 60% fewer short domestic breaks each year than the average New Zealander.

Figure 22: Frequency of Short Domestic Breaks by Favourite Pastimes (Relative to Average)

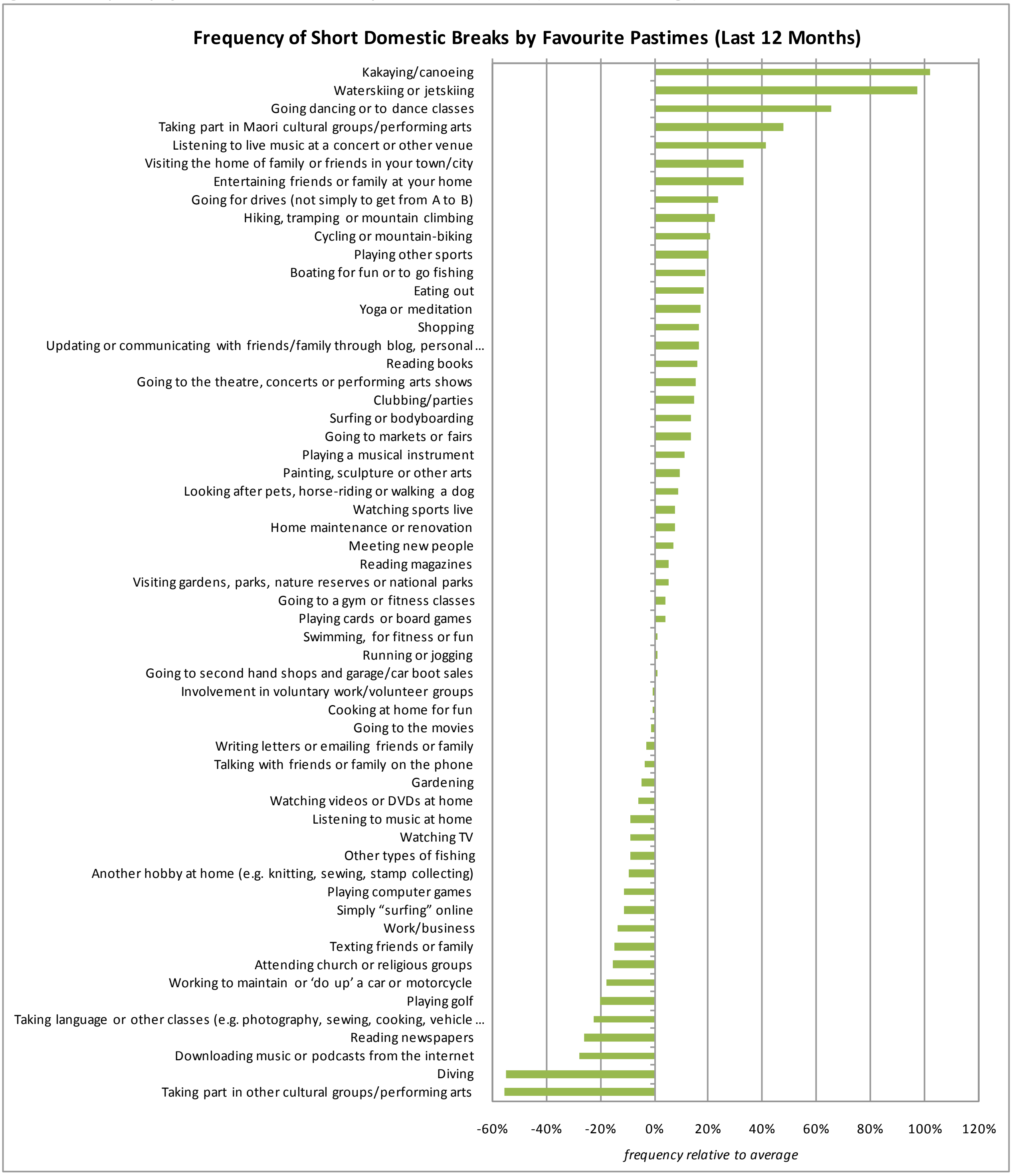
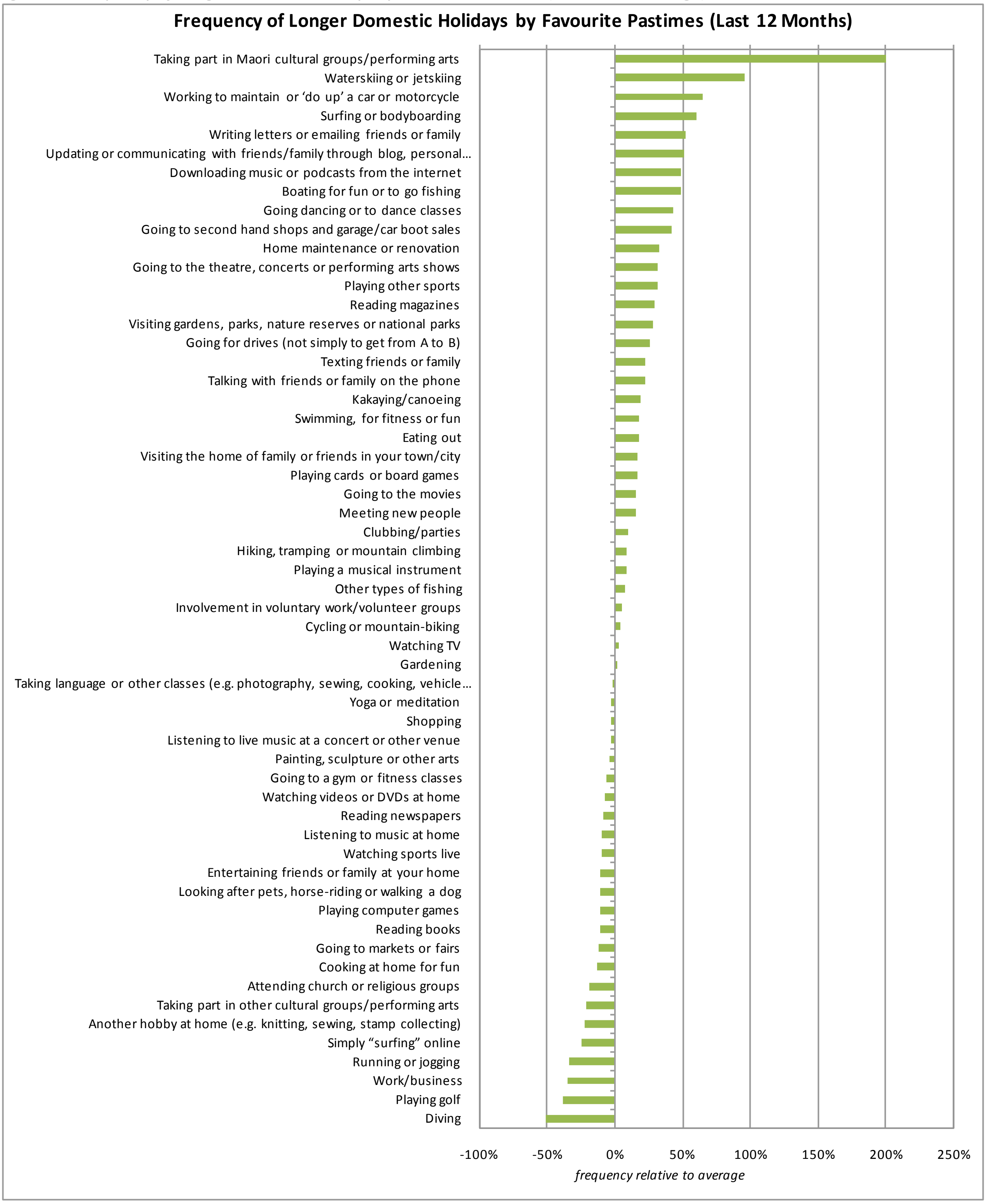


Figure 23 considers the relationship between **favourite pastimes** and **longer domestic holidays** (more than 5 nights). This shows that people who see participation in Maori cultural groups/performing arts as a favourite pastime take 200% more longer domestic holidays than the average New Zealander each year.

Frequency of domestic holidays is also significantly higher than average amongst those who regard boating and/or water sports as favourite pastimes, and amongst those who enjoy pastimes which connect them with friends/family (writing letters/emailing/other communication online). In contrast, domestic holidays are least frequent amongst people with a strong interest in diving, golf, work/business and home-based hobbies or community groups.

Figure 23: Frequency of Longer Domestic Holidays by Favourite Pastimes (Relative to Average)



Property and Lifestyle Assets

An individual's personality, aspirations and circumstances are also reflected in the 'things' they use and own – be it technology, property or other 'lifestyle' assets/equipment. An investigation of the relationship between technology/property/asset ownership and travel behaviour gives clues not only to how lifestyles shape travel behaviour but also to ways in which marketers can reach domestic travel consumers.

Figure 24 shows the relationship between ownership of technology/property/other assets and the frequency of short domestic breaks. This indicates that ownership of a holiday home (with or without a mortgage) is a key driver of short break behaviour. It also suggests that people who are connected to others via technology such as Twitter, social networking websites and Skype are, on average, more frequent domestic short break travellers than their 'unconnected' peers.

Figure 24: Frequency of Short Domestic Breaks by Property and other Asset Ownership (Relative to Average)

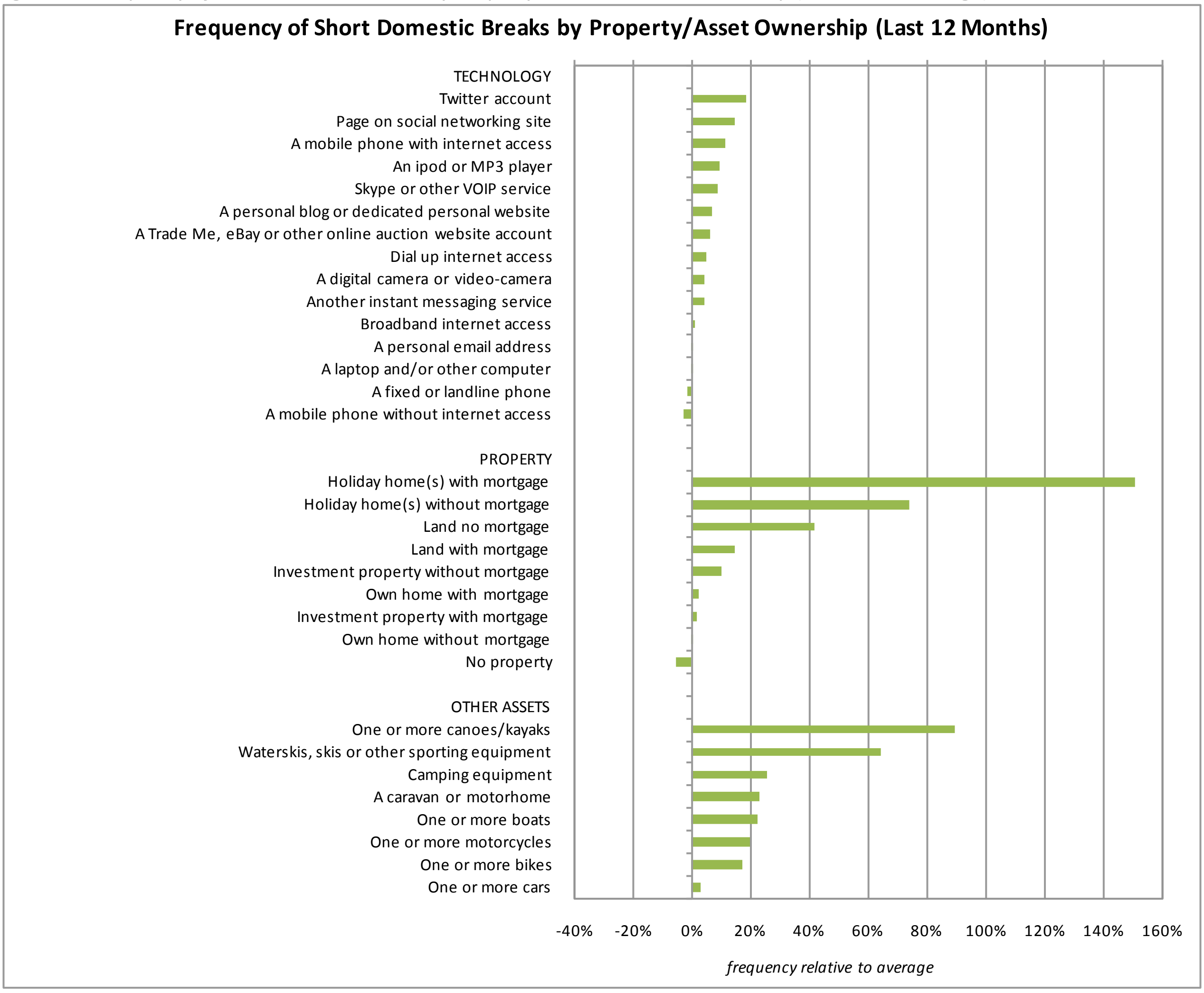
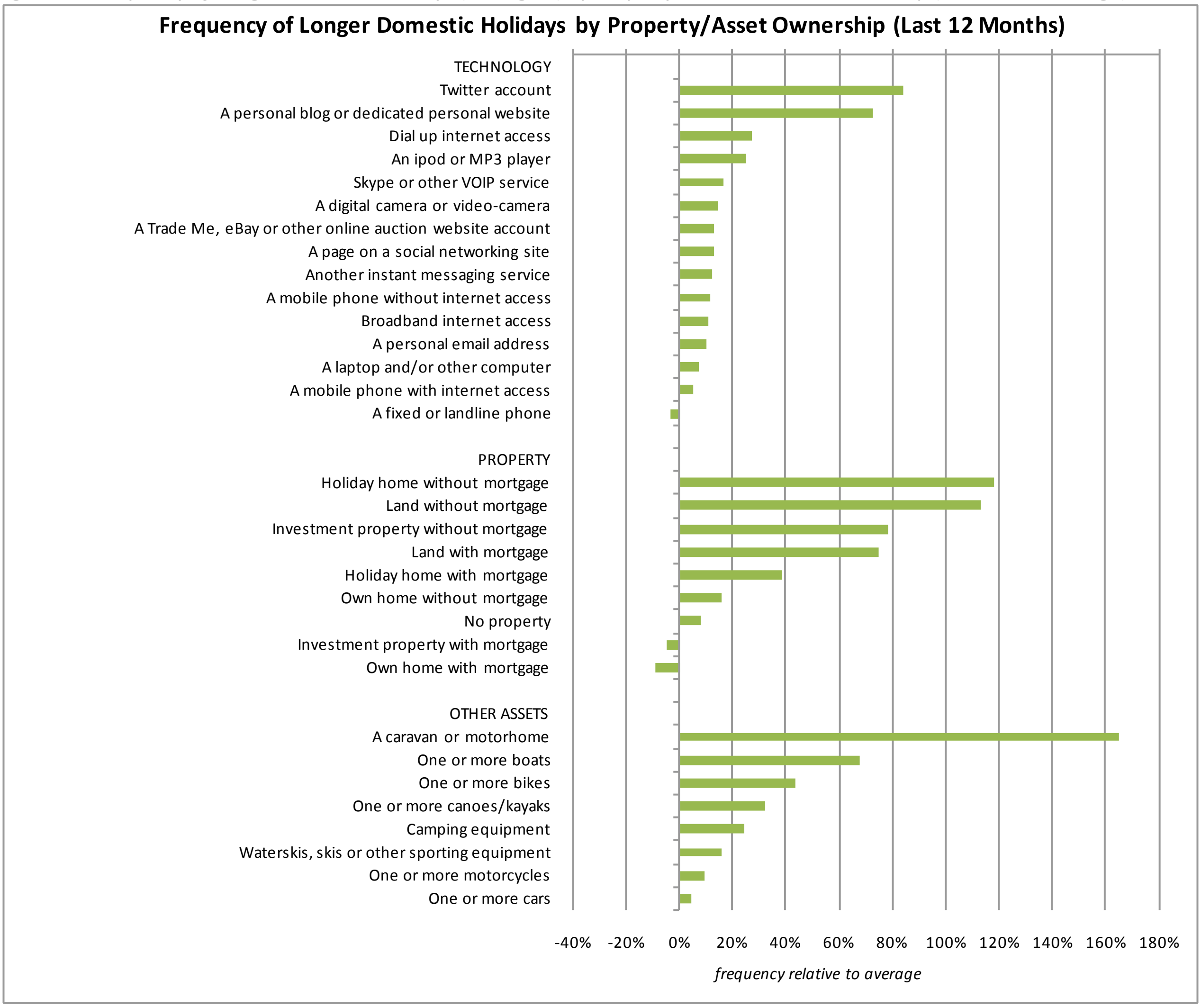


Figure 25 (overleaf) considers the same relationships but, this time, in the context of **longer domestic holidays** (> 5 nights). This analysis shows a very strong correlation between frequency of travel on extended domestic holidays and ownership of caravans/motor homes, boats, bikes, canoes/kayaks and camping equipment.

A similarly strong relationship exists between property ownership, use of technology, and extended domestic holidays.

Figure 25: Frequency of Longer Domestic Holidays (> 5 nights) by Property and other Asset Ownership (Relative to Average)



This initial analysis highlights how a selection of demographic and psychographic factors shapes – and helps to predict – travel behaviour. These variables, along with a range of other demographic and psychographic variables, have been used to formally segment the market in a way that is useful for those wanting to target domestic consumers and to grow the domestic tourism market.

Segmenting the Domestic Tourism Market

Market Segmentation

What is the purpose of market segmentation?

'Market segmentation refers to subgroups of consumers who respond to given marketing strategy in a similar manner. In other words, segments consist of subgroups of consumers who will exhibit differing sensitivities to some marketing mix elements.'[4]

- Market segmentation provides the basis for precise customer-focussed and targeted marketing. It provides a roadmap for effective decision-making to meet business goals and imperatives - in this case, to stimulate and grow domestic tourism in New Zealand. Segmentation is sometimes referred to as the sniper approach in contrast to a shotgun approach which targets the wider population through generic or mass marketing.

- Market segmentation allows tourism regions and organisations to focus resources on those potential customers who are most likely to be persuaded to visit (or re-visit) their destination or to buy their product/service, and who fit the type of customer the destination/operator wants to attract.

- Successful segmentation is pragmatic. It investigates, identifies, quantifies and prioritises segments that fulfil a destination's tourism objectives and is applied across all aspects of the marketing mix - from product development, to pricing, distribution and communications/promotions.

What segmentation approach has been used?

- A consumer-led approach has been adopted. Following international best practise, this is based on a holistic understanding of each individual's travel experiences and all the factors that influence or impact upon these.

- An extensive qualitative research phase provided important foundation knowledge and direction, shaping the scope, content and language used in the questionnaire for an online survey with a cross section of New Zealanders. Analysis of the responses from 2032 New Zealanders forms the basis for the segmentation. Insights from the qualitative research help bring the segments to life.

- The segmentation solution is data-driven, based on grouping together people who responded to the online survey in a similar way. The richness of the data - which includes specific information on lifecycle stage, interests, life priorities, travel needs and behaviour, and perceptions of travel destinations - will give clear direction for targeting marketing activity.

- In defining segments, priority has been placed on identifying segments that are:

    - Good predictors of travel frequency
    - Meaningful from a marketing perspective; and
    - Simple and easy to understand.

- Reflecting overseas tourism segmentations, lifecycle stage is a key variable in the New Zealand market. People's priorities, needs and requirements change across a life span and in different contexts. In addition to this and again following international best practise, this solution recognises that influences and influencers on travel decisions are wide ranging and complex. Demographic, behavioural and psychographic variables in combination form the basis for segmenting the domestic market.

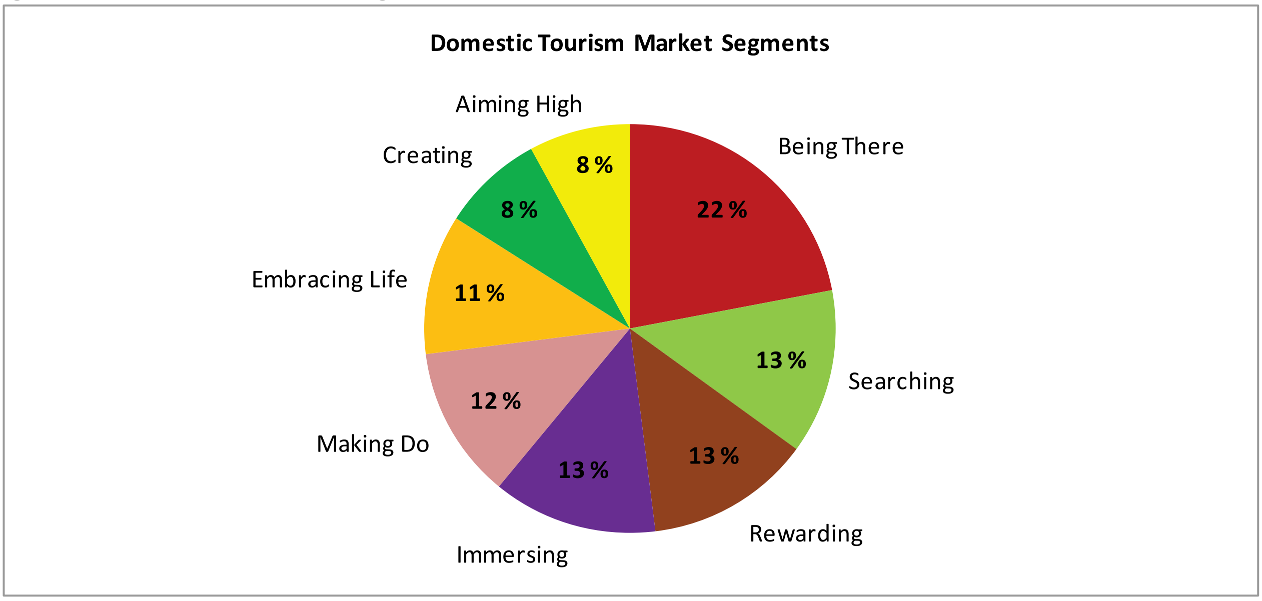
[4] Dillon, Madden, Firtle, 1990

What is the segmentation solution?

Eight market segments have been identified, ranging in size from 8% to 22% of the adult population (aged 15 years+). This number provides a balance between simplicity and detail. Overseas experience clearly demonstrates that the number of segments is always context specific with a typical range from three to ten.

Each of the eight segments is significantly different, with its own flavour and distinguishing characteristics and potential susceptibility to a differing marketing mix. Although each individual is unique, the aim of segmentation is to focus on the ways in which groups of people are alike rather than each person's individual circumstances. In so doing, marketing efforts can be productively directed.

Figure 26: Domestic Tourism Market Segments



The Segments

Overview

What is the nation's view?

When reviewing the distinguishing features of each of the eight segments, it is important to do so in the context of an overarching view.

As a nation, our six leading life concerns are spending time with family and friends, paying bills, looking after our health or the health of others, personal relationships, having a good time and reducing debt. While travel and holidays are of relatively lesser importance overall, they do allow us to focus on some of these key life priorities: spending quality time with family and friends, building relationships and having fun.

We would all like to holiday more often. The frequency of our travel and holidays, how we holiday and the destination choices we make are defined by our life circumstances, by our responsibilities and our degree of affluence. However, the relative **importance** placed on travel and holidays in the context of other life priorities does vary by market segment. 'Aiming High' places the most emphasis on holidays while 'Making Do' places the least priority on travel and holidays relative to other life concerns.

Figure 27: Relative Importance of Travel and Holidays

Travel/holidays MORE of a priority for...

Aiming High
Being There
Embracing Life
Rewarding

Travel/holidays LESS of a priority for...

Immersing
Creating
Searching
Making Do

Reinforcing key findings from the qualitative stage, New Zealanders agree that holidays are best when they can do what they want, when they want and when they provide time away from the pressures of daily life. Holidays are about enjoying time with family and friends and about **being in a different place**. Holidays make life worth living.

Overall, our engagement with New Zealand is strong. We love where we live and, as strong advocates for New Zealand, we will always want to holiday here. We believe it is the landscape that makes New Zealand unique and that New Zealand has lots to offer people of all ages (including young people, families and older residents).

The average New Zealander's ideal holiday right now would be affordable, safe, relaxing, welcoming, entertaining, and family-friendly. It would include scenery and landscape experiences, beaches and food and wine.

What is the role of travel and holidays?

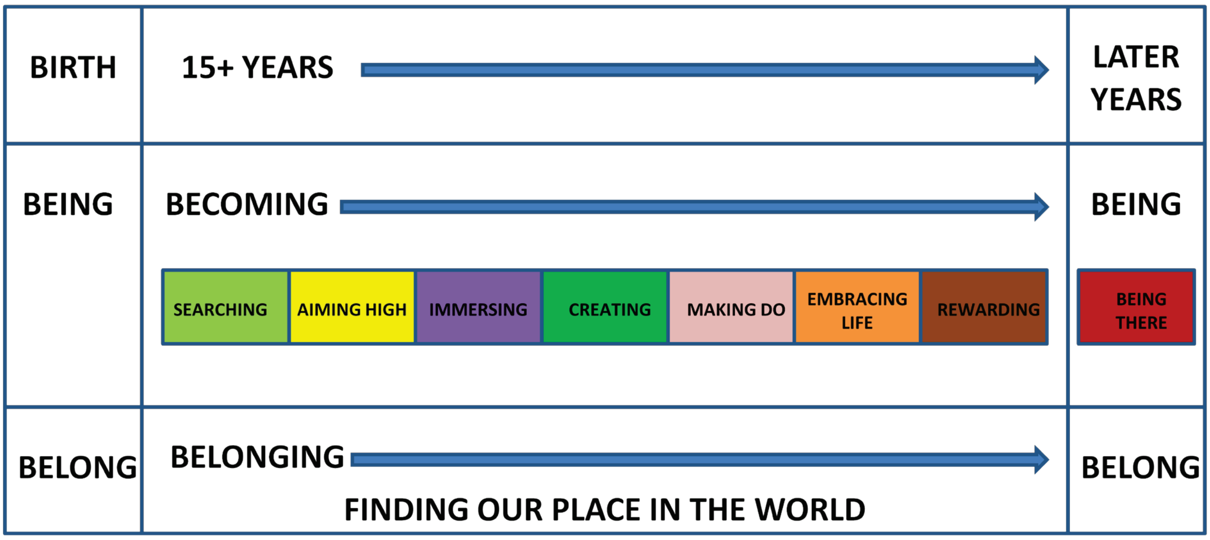
The qualitative research clearly identified the importance of travel and holidays in our lives. Holidays play an essential role and help to satisfy two fundamental human needs; to simply BE (as we are, carefree and safe) and to BECOME (to enhance and enrich our lives). Time spent with others on holiday also contributes to our sense of BELONGING and, through experiences which both satisfy and complement our current needs, holidays deliver contentment. Ultimately, travel and holidays lead to an emerging awareness of ourselves, our values and our place in the world.

As we move through the life cycle stages, the relative emphasis on satisfying needs to BE and BECOME fluctuates. At the extremes, during our early childhood and later years, the focus is on BEING in safe environments with people we care about and who care about us, simply soaking up experiences in the moment.

As young adults, greater emphasis is placed on satisfying the need to BECOME as we desire and purposefully seek out experiences that will shape our lives and values. These are many and varied and range from just hanging out with friends, to taking part in challenging activities, or simply having fun. The way in which we satisfy our BECOMING needs ranges from seeking out experiences that satisfy our need to get ahead in life, to consuming a wide range of experiences and ideas, to expanding our knowledge.

In our middle years, with increased responsibility for others, our BECOMING needs are directed more towards enhancing financial security rather than self-discovery experiences. At this stage, we engage in experiences that reward our endeavours or wholeheartedly embrace all that life has to offer.

As we grow older, daily life is often less stressful and we have a clearer sense of our values and place in the world. At this stage, we look to recapture the experience of BEING.



As noted, spending time with the people we care most about is the number one priority for all New Zealanders. It is also an important influence on how and where we holiday (our choice of destination and activities we take part in). Our degree of affluence, our interests and our potential, aspirations and ambitions are key defining features of our eight segments. All of these change as we progress through life cycle stages.

An overview of the spirit of each of the eight segments follows. Each focuses on providing a portrait of key features that unite segment members and differentiate them from the average New Zealander and/or other segments. Detailed information on each segment can be found on pages 52 and beyond.

‘Being There’

‘It’s more about the people’

The essence of this, the oldest segment, is the desire to travel to places to be with people they love. Holidays are very important to members of this segment. Although destination choice often happens by default, ‘Being There’ will take advantage of any opportunity to experience a destination. ‘Being There’ members are highly engaged with New Zealand. While taking holidays in New Zealand, they are distinctive in their higher than average propensity to travel overseas.

“You have to be there to experience and enjoy times with people. Holidays are now more about going to places where people I love live and enjoying just being there.”

“There are so many beautiful places in the world, but there are so many beautiful places here in New Zealand so I don’t feel the need to go to other places I can see in photos. It’s the people and food that make places different.”

“I’m hoping to go over to my son’s graduation or at least be there when he graduates. So that would be another trip to England in a couple of years. This time I will go for longer and see Europe.”

‘Being There’ is our largest and oldest segment. One in five New Zealanders fall into this segment and nine in ten are aged 55 years or older - 29% 70 years and over. They are typically empty nesters, with a female skew and a high incidence of people living alone. They have a strong New Zealand European ethnicity.

Although relative to all New Zealanders, members of this segment are less likely to have an undergraduate degree, they are just as likely to hold a post graduate degree or trade qualification. They are most likely to be retired or to be employed in professional, managerial or administrative roles. Members of this segment are least likely to be found living in Auckland.

Their interests and activities are wide ranging. Their two key defining interests are gardening and reading books. Relative to others, their favourite activities also include visiting gardens, writing letters and talking to family and friends on the phone and they are most likely to attend church and be involved in volunteer work. This segment scores highest on reading newspapers as a favourite pastime. They enjoy knitting and sewing and looking after pets. They also enjoy visiting second hand shops, markets and fairs, visiting family and friends living in the same town/city, and going to theatres and concerts. They are least likely to enjoy simply surfing on line, going to the movies, watching DVDs at home or listening to music at home.

Members of ‘Being There’ are most contented with the place in which they live and their lives overall and are the strongest advocates of New Zealand as a holiday destination.

Their life priorities are looking after their own health, spending time with family and friends and paying the bills.

For ‘Being There’, holidays are about being in a different place and spending quality time with people they know. The destination is of lesser importance than sharing the moment with people they care for. Travel is most likely to be prompted by a family event or celebration or simply a desire to be with family and friends. People at the travel destination are key influencers of travel and destination choice for this segment.

Matching the New Zealand average, one third of this segment has holidayed overseas in the last 12 months, but they take more **frequent** overseas holidays than the average New Zealander. ‘Being There’ takes more longer domestic holidays than average (with popular holiday destinations being Auckland, Wellington and Christchurch). They take fewer short breaks and more day trips than members of other segments.

When taking short breaks in New Zealand, ‘Being There’ enjoys sightseeing and shopping; during longer breaks, in addition to these activities, they enjoy natural attractions, walking/hiking and cultural/heritage attractions. The segment’s ideal holiday destination is familiar, safe and affordable, and definitely **not** challenging. It provides scenery, landscape, history and heritage experiences.

As this segment is asset rich, money is less of a barrier to travel than it is to other segments. Indeed, relative to other segments, the single biggest barrier to travel is poor health or a disability (their own), or the poor health or disability of others.

'Searching'

'Who am I?'

The essence of this, the youngest segment, is growing independence. 'Searching' members prefer to holiday with groups of peers but still travel with parents and siblings (albeit sometimes reluctantly). When parents pay for and organise overseas trips, travelling with family has more appeal. Members of 'Searching' are relatively passive consumers of travel and holidays, going to destinations largely at the suggestion of others.

"It's a bit boring growing up here. You have to be old to appreciate your surroundings. I've been to the West Coast and it's stunning but not for me right now. I can see why my mum would go there but it doesn't appeal to me. She's settled down and not going through her teenage years and parties and going around in a big group. Nightlife doesn't bother her. She likes shopping, but she can shop anywhere, so she'd go for the scenery on the West Coast. I want to travel because you just learn different things about yourself – it shapes your identity."

"My ideal would be a Contiki holiday for the enjoyment, like the party scene, having a good time and that would probably be with friends not family. If I was travelling in New Zealand, I'd go for the activities like the Luge."

"The downside of taking holidays with parents is when they want to do stuff we don't want to do and we have to tag along. My dad has a fascination for temples which I don't share."

'Searching' accounts for 13% of New Zealanders, has a male bias and is one of two younger segments. It is the segment with the highest proportion of people in their teenage years. Almost two thirds of this segment is aged between 15 and 24 and 85% is less than 40 years of age. Seven in ten are single without children and one in two members of 'Searching' are students. They are most likely to be studying towards an academic qualification and hold the fewest formal qualifications of any segment.

They either live at home with their parents and siblings or in a flat with friends. One in 10 is Chinese, just over three times higher than the proportion of Chinese in New Zealand.

'Searching' can be found throughout New Zealand, but are significantly less likely to live in provincial South Island towns.

The segment's defining favourite activities are computer games and online gaming. They also enjoy watching DVDs at home, texting family and friends, downloading music and updating friends on social networking sites such as Facebook. They enjoy playing sports. They are least likely to name reading books as a favourite activity.

Key priorities for 'Searching' are having a good time, working out what they want to do with their lives, learning a new skill or trade, or improving their education. Travel and holidays are much less important, by comparison.

Nevertheless, emphasis is placed on holidays which provide opportunities to have a good time and to 'hang out' with friends. Through these experiences, 'Searching' satisfies the need to BECOME, to discover more about themselves and their place in the world. Holidays are a time when people in this segment can be themselves and escape the routine of everyday life - preferably independent of their parents.

'Searching' has one of the lowest incidences of international travel and extended domestic travel (although a small proportion of the segment travel frequently, often for education).

'Searching' is the least likely to have involvement in travel planning. One in three has no involvement at all, with travel instigated family or friends, and often prompted by family/friends at the destination.

The segment's ideal holiday right now is exciting, different, entertaining and challenging, yet familiar. It involves beaches, shopping, sports and night life.

Key barriers to domestic travel for this segment are simple knowledge of where to go, transport options, and someone to go with. Their perception of New Zealand as a destination more suitable for older people (and not them) also constitutes a barrier to domestic travel. Indeed, they see overseas destinations as meeting their fundamental need to BECOME - providing more challenging, exciting, entertaining and different experiences, and giving them more interesting stories to tell.

'Rewarding'

'I deserve it. I work hard'

The essence of this predominantly 'male provider' segment is their desire to travel with a partner to exciting overseas destinations - for peace and quiet to compensate for workplace stress and pressure. Although holidays are of less importance in the context of life priorities than they are to some other segments, they are considered essential nonetheless. 'Rewarding' travels overseas extensively for business and is more likely to holiday overseas than the average New Zealander as well. Their overall engagement with New Zealand as a destination is comparatively low.

Her view
"Holidays are about intimacy. It's nice to go away. My husband is so different. He changes when he gets out of Auckland, relaxes more and he's more fun, more like his younger self. He works long hours and gives a lot to his job. He deserves the break. Holidays are a bit of a habit, he has to be prompted to take them. He likes overseas holidays the best, New Zealand is too small for him. He's done it all before."

His view
"Holidays are at the top of my list but it's because I work 80 or 90 hour weeks sometimes, so I'm quite happy to put money aside for a holiday because I need a break. If I don't put it aside, I'd spend it on something else and probably just eat up and end up busting a blood vessel because I get too stressed out. I need a break. I don't think I can do 12 months without a holiday."

'Rewarding' accounts for 13% of New Zealanders. It is distinctive in its strong male makeup. Six in 10 members of the 'Rewarding' segment are male. Eight in 10 are 25 years or older and one in four are 55 years or older. Members are typically couples who have never had children or whose children have left home.

This segment shares with 'Searching' a high proportion of Chinese in comparison to the New Zealand population and includes the lowest proportion of Maori. They are significantly more likely to hold trade over academic qualifications and to be employed in managerial, professional and trade roles. Members of 'Rewarding' are most likely to be found living in Auckland and are least likely to live in provincial North Island towns.

This segment's favourite interests include watching television, eating out and playing golf. They are the least likely to enjoy texting family and friends.

'Rewarding' prioritises career or business and is focussed on building assets, paying the bills and reducing debt. Personal relationships are vitally important to people in this segment and they are most likely to travel with their partners. While, along with 'Searching', they are least likely to **enjoy** holidays with family, they do travel with children as well.

Holidays for 'Rewarding' are a time when they can simply BE with their partners, away from the pressure, challenges and responsibility of everyday life, satisfying a need for peace and quiet. Their day to day existence is focussed on BECOMING, building assets and status. Holiday experiences provide replenishment and help them continue along their journey of BECOMING in day to day life.

Typically members of this segment are jointly involved in travel planning and it is their partners who have most influence on travel choices. Choice of destination is also strongly influenced by a previous visit, suggesting some degree of 'habit'.

'Rewarding' has above average domestic travel for business but tends not to holiday in New Zealand. When they **do** holiday in New Zealand, 'Rewarding' takes part in activities that reflect favourite interests – eating out and playing golf.

The key prompts to travel are the need to use up annual leave or statutory holidays like Christmas or Easter. Major barriers to travel in New Zealand are work commitments and a lack of annual leave. 'Rewarding' is also inhibited by a low level of engagement with destination New Zealand.

The ideal holiday for 'Rewarding' right now is romantic and offers cuisine experiences. Based on past behaviour, this is likely to include restaurants and bars, and wine trails.

'Immersing'

'I love expanding my knowledge and experiences'

The essence of 'Immersing' is thirst for a complexity and diversity of intellectual, spiritual and social experiences. They engage with people and their surroundings, absorbing all that is on offer and broadening their horizons in the process. Holidays are an important complement to busy lives for this often pre-child segment. 'Immersing' takes short domestic breaks with greater frequency than the average New Zealander but their aspirations are most strongly directed toward international travel.

"My top three countries are Italy, New York and Egypt by far. New York because you just feel alive walking down Wall Street. I just feel like I'm at home in a vibrant city of success. I love the food and the atmosphere. The whole thing is awesome; a unique feel you can't get anywhere else."

"I love New Zealand and I'm the biggest advocate for it overseas, but we are such a new country...I could easily live in Italy, there's so much to get absorbed in, whether it's culture, arts, the language, Italians, the food. The only thing in New Zealand I think is stunning is the landscape. I'm always reminding my husband to be a tourist in our country - to experience New Zealand through the eyes of travellers."

'Immersing' is mostly populated by single people or couples without children and has a female bias. It accounts for 13% of New Zealanders. Six in 10 are less than 40 years of age. Many live alone or in flats with others.

They are the most highly qualified of all segments - around four in 10 have an undergraduate degree and one in five a postgraduate qualification – and many work in professional or administrative roles. Relative to the population, they are most likely to live in Wellington and least likely to live in provincial North Island towns.

Favourite pastimes are many and varied. They enjoy listening to music and watching DVDs at home, cooking for fun, eating out, looking after pets, painting, swimming, visiting gardens, going to the theatre, playing musical instruments, reading books and magazines, entertaining at home, hiking and going to markets and fairs. They share with 'Searching' another favourite activity - updating friends on Facebook – and also like to keep in touch with friends by email and letters. Members of 'Immersing' are least likely to see watching television as one of their favourite activities. They are one of the segments most likely to be involved in yoga and meditation, and express strong interest in meeting new people. Overall, they are distinguished by their avid consumption of experiences, immersing themselves in a diversity of interests, people and places.

Beyond paying the bills, their priorities in life centre on personal relationships, spending time with family or friends, health and fitness. Holidays for 'Immersing' are essential - they provide time away from everyday pressures and an opportunity to pursue their wide ranging interests in their destinations of choice.

'Immersing' are heavily involved in travel planning and, along with 'Rewarding', plan well in advance, tending to think about and commit to international travel 6-12 months in advance. They are most likely to travel alone or with friends.

Prompts and motivations to travel are many and varied. They are heavily influenced by the recommendations of friends, the suggestions of a travel companion, and events involving friends and family. A key prompt to holiday is the need to escape the stress and pressure of everyday life. Information from all types of media stimulates a desire to travel and choice of destination - from something they see online to experiences conveyed in a book or film.

The proportion of 'Immersing' holidaying offshore in the last 12 months was similar to that of other segments, but the frequency with which they travelled was lower (although a small proportion made frequent trips overseas for education). This segment is one of three taking more domestic short breaks than the average. Overall, 'Immersing' travels more frequently than average for events involving family and friends.

'Immersing' are strong advocates for New Zealand, especially appreciating the landscape and believing New Zealand has a lot to offer young people. Although members of this segment enjoy shopping, nightclubs, bars and restaurants when holidaying, their ideal holiday involves destinations which are NOT familiar and which provide a complexity of experiences - scenery and landscapes, cuisine, culture, nature, animals, history and heritage. The most significant barriers to travel for 'Immersing' are insufficient annual leave, money and work commitments.

‘Making Do’

‘Making the most of things’

‘Making Do’ is all about raising a family with limited resources. In this context, holidays are much less of a priority than paying the bills and dealing with life’s other challenges on a daily basis. Overall, members of ‘Making Do’ travel less than those in other segments and, when they do travel, it is mainly within New Zealand and often to visit family and friends (making holidays a more affordable proposition). ‘Making Do’ values family and will save and borrow money to travel offshore, usually with other family members and to be part of important family occasions.

“I’ll always holiday here. I like living in Christchurch. It’s the right temperature, not too hot or too cold. I’ve travelled round the world twice. After mum and dad split up when I was nineteen I decided to go to Scotland where my grandparents are and started from there. I found a job as a live in kitchen hand in a bar.”

“I’ve got three boys – ten, twelve and fourteen, three cats and I used to have a Rottweiler but it bit one of the children and I had to get rid of it. I’ve got a bit of a veggie garden and have taught the kids how to bottle beetroot.”

“I’m a solo mum on the benefit and I love playing pool at the local club but not at night time because I need to be here for the boys. I do a lot of washing, dishes, cooking, cleaning, housework, play board games and watch television. I try to have a lot of laughs and not be too serious.”

“I’m going to refinance the house when the mortgage is paid off – aiming for three years time so I can take the children to a family reunion in Perth.”

‘Making Do’ is one of three family-oriented segments with eight in 10 aged between 25 and 54 years. It accounts for 12% of the population. ‘Making Do’ contains a higher than average proportion of solo parents and has a female bias. Two thirds have no trade or academic qualifications and a quarter are home workers. Paid employment is most typically clerical. Compared to the average New Zealander, they are more likely to live with tenants. They are least likely to live in Auckland and more likely to be found in provincial North Island towns.

In contrast to other segments, they have a narrow range of favourite activities and are more likely to have pastimes that mirror the average. In this context, they enjoy watching TV, playing computer games and surfing online, keeping in touch with family and friends over the telephone or by text, visiting family and friends in their home town, watching DVDs, listening to music, playing board games, looking after a pet, cooking for fun, going shopping and visiting parks. They are least likely to have sporting, fitness or musical interests, to be interested in going to the theatre, movies or live sporting events, eating out or reading magazines and newspapers. The two favourite interests that set this segment apart are going for drives (not just to get from A to B) and visiting second hand shops.

Priorities for ‘Making Do’ are raising a family, spending time with family and friends, paying the bills and reducing debt.

Daily life for this segment is stressful and, in the context of their wider circumstances, holidays perhaps a luxury. When taken, holidays satisfy ‘Making Do’s’ need to BE away from the pressures of everyday life. However, the primary motivation for travel and holidays is to spend quality time with family or friends. International trips are most likely to be prompted by a family event and travel undertaken with children and other family members. In order to travel, members of this segment are significantly more likely to pay by credit card or to take out a personal loan. When holidaying overseas - typically in Australia - they are most likely to shop and visit theme parks.

Of all segments, ‘Making Do’ is least likely to have travelled or holidayed **at all** in the last twelve months. Just one in 10 had taken an overseas trip in this time. However, they take more long holidays in New Zealand than average, often prompted by statutory holidays such as Christmas and Easter. This segment is most likely to make holidays affordable by staying with family and friends.

Their ideal holiday right now would be affordable, peaceful, relaxing, safe and familiar and the destination family-friendly, welcoming, easy and not challenging. It would provide an environment in which to indulge BEING needs and most typically involve inexpensive experiences such as beaches, being outdoors and nature-based activities - not cuisine, nightclubs or big cities.

Care responsibilities and money are the key barriers to travel for this segment.

‘Embracing Life’

‘I love my life’

The essence of this family-focused segment is a passion for getting the most out of every experience. Members are sociable, successful, active, family-focused and goal orientated. They enjoy the company of their children and their partners and value their opinions. Holidays are important to ‘Embracing Life’ and they holiday frequently within New Zealand. Although they also holiday overseas, they take more, and more frequent, trips overseas for business. When holidaying in New Zealand, they take part in their favourite active home interests with their children and partners, away from the pressures of everyday life. They are strong advocates for New Zealand as a holiday destination.

“Dad travels a lot overseas for business, but he wasn’t really interested in taking us and he wasn’t away for too long. We just go on holiday when the whole family is together and we go to Rarotonga.”

“The real prompt to going to England was the children turning into adult fares. We had to go before my son turned twelve. We wanted both kids to be old enough to appreciate it. Having kids means there’s more responsibility to keep them interested. One of the reasons the trip to Britain was so exhausting was that on the one hand I had to think of things my son would be interested in and on the other hand I had to think of things that would keep my daughter interested. We did all the sights while we were there. It was a different experience to holidaying at home.”

“‘I think the only time I’ve had a holiday that I’ve been dissatisfied with is when I’ve felt I’ve wasted time. While I like lying on the beach, I don’t like waiting around for other people to make up their minds to do things. If it rains I’m happy to read my book, but if I have to wait for somebody to make up their minds like another family we’ve gone away with, that can drive me nuts and I come away feeling disgruntled.”

Making up 11% of the adult population, ‘Embracing Life’ shares the same family focus and age profile as ‘Making Do’. Nine in 10 members are aged between 25 and 54 years. Unlike ‘Making Do’ however, this segment has a male bias and the dominant family structure is one of couples and children. Along with ‘Immersing’, this segment is the most highly qualified – with around one in five holding a postgraduate qualification. This segment shares with ‘Rewarding’ the highest proportion of members with a trade qualification and is also the segment with the highest proportion of professionals (one in three is employed in a professional role). Members of ‘Embracing Life’ can be found throughout New Zealand, but they are less prominent in provincial North Island towns.

‘Embracing Life’ share with ‘Rewarding’ an interest in work, business and playing golf but are distinguished by a very wide range of other interests as well. When compared to the average New Zealander, ‘Embracing Life’ members are more likely to name cycling and mountain biking, hiking and tramping, kayaking, boating for fun and all types of fishing, live sport, home renovation and entertaining at home as favourite interests.

Priorities for ‘Embracing Life’ are raising family, personal relationships, spending time with family and friends, reducing debt and saving money. Building a career/business and having a good time are also key priorities. ‘Embracing Life’ is a goal orientated segment focused on making opportunities and making the most of them. Travel and holidays feature strongly.

Holidays are essential for this segment as they satisfy the need to BE - providing time away from everyday responsibilities – and to develop stronger bonds with partners and children through a range of active pastimes. Holidays are best for this segment when spent with family, sharing involvement in the same wide range of active and other interests they have at home. Indeed, building relationships, quality time with family/friends, peace and quiet, and sharing enjoyment of places with others are the defining characteristics of holidays for this segment.

Holidays are commonly prompted by business travel and anticipated changes in the cost of travelling with a family (e.g. changes in airfares as children grow older). Annual leave and statutory holidays also prompt travel. ‘Embracing Life’ members are frequent business travellers – within New Zealand and offshore. They also take frequent short breaks and longer holidays in New Zealand.

The ideal holiday for ‘Embracing Life’ is above all family-friendly, and involves outdoor experiences, scenery and landscapes, and food and cuisine. Key barriers to travel are the amount of annual leave available, work, care responsibilities and suitability for children. As high consumers of travel and holidays, money also prevents this segment from taking even more holidays.

‘Creating’

‘A better future for me and my whanau’

The essence of this significantly Maori, Samoan and Tongan segment is the importance of family, extended family and friends in their lives and their influence on travel patterns and decision-making. They have a multitude of responsibilities and aspire and work hard towards achieving a better life for themselves and their families. They are sociable and community-focussed with a passion for performing arts and cultural performances. Although holidays are more about people than places, prompts to travel are as many and varied as their chosen holiday activities. While travelling infrequently offshore, they take frequent domestic short breaks and longer domestic holidays. Travel is often prompted by visits to family and friends, or by education.

”My parents came from Tonga and I moved to Wellington with my partner from Auckland a couple of years ago. I moved here to think more clearly about life away from my family. I’m trying to save, to buy a house to show my family in Auckland that I can do it. I moved city to get a fresh perspective.”

“Sport and exercise is important to me. I want to be successful. I’d like to have the highest status position possible in an office. I’d like to be a lawyer with my own company then I can give more of my time and money back to my family.”

“I go back to Auckland often and my family appreciate me more and we do holiday things together. We go shopping, talk, have coffee and do touristy things. There are more Pasifika things in Auckland.”

‘Creating’ accounts for 8% of the adult population. It has a female bias and half of its members are aged less than 40 years. Members are twice as likely as the average household to live with extended family members. The segment has a higher than average proportion with trade qualifications but members are just as likely to have an undergraduate or postgraduate qualification as the average New Zealander. ‘Creating’ can be found throughout New Zealand but is under-represented in Otago and provincial South Island towns. A key distinguishing feature is the segment’s ethnic composition. One in two is of non-European descent: it has three times the national average of Maori, four times the average of Samoan, and a higher than average proportion of Cook Island Maori and Tongan.

‘Creating’ also stands out for its wide range of life priorities. Members are focussed on raising families, spending time with friends/family, looking after their health or the health of others, purchasing a house (or building up other assets), furthering their education and working out what they want to do with their lives. This segment also places the greatest emphasis on saving money and reducing debt. Financial obligations are prioritised over holidays.

‘Creating’ has many and varied favourite interests and a particular interest in texting family and friends. Members also enjoy talking with family and friends by phone and keeping in touch by email and letter. For four in 10, updating Facebook is a favourite pastime - the largest proportion of any segment. Compared with the average New Zealander, they are also more likely to enjoy visiting friends and family, entertaining at home, watching DVDs at home, listening to music, going to live music, playing music, being involved in the performing arts and running.

Just a quarter of ‘Creating’ has travelled overseas in the last year. They are least likely to travel to Australia and more likely to visit Samoa or the USA. They have the highest incidence of overseas travel to attend family events. They take frequent short domestic breaks and longer holidays. They also travel often in New Zealand for education.

Holidays for ‘Creating’ are about keeping in touch with people rather than seeing places. They favour holiday destinations which provide peace and quiet, which facilitate quality time with family and friends and opportunities for enjoyment to be shared with family members. Gathering stories is also important in this context.

Holidays satisfy a multitude of needs. They satisfy a need to BECOME (immersing themselves in local culture, concerts and festivals and extreme sports), while also providing space to BE away from the pressures and demands of everyday life. They travel often with extended family members and particularly enjoy walking, water activities and beaches.

This segment’s ideal holiday is affordable and the destination family-friendly, familiar, welcoming, peaceful, and safe. At the same time, they are interested in destinations which are romantic, challenging or exciting. Desirable activities and experiences are equally wide-ranging but, relative to other segments, stand out activities for ‘Creating’ are sporting, history and heritage, and cultural experiences. Key barriers to travel for ‘Creating’ are care responsibilities and suitability for children.

'Aiming High'

'The world's my oyster. Bigger, better, more!'

The essence of this sociable, fun-loving, and physically active segment is a desire to see and experience the world. They thrive on challenge and excitement and aspire to take part in a wide range of activities in ever-bigger, better and different destinations. Holidays are integral to their very existence. They provide time and freedom to be themselves, to engage in activities they love, to gain life experience and gather stories to tell. They play hard and work hard and holidays also provide vital time out from daily pressures. This segment travels the most frequently, both overseas and in New Zealand.

"My holidaying is sailing in New Zealand. You have to be in the moment. In the middle of the ocean in a massive storm and stressing about the sail, but you enjoy yourself. You wouldn't do it if it wasn't fun"

"I like to socialise and go to parties with my friends. Going to a new place with all those bright lights, getting ready, the anticipation is half the fun. Just like holidays!"

'Aiming High' accounts for 8% of the population. Two thirds of its members are under 25 and almost 90% under 40. They either live at home with parents and siblings or in flats with friends. Although this segment shares the highest proportion of students (with 'Searching'), a slightly older profile also sees a large proportion employed in professional roles. One in four members is married. 'Aiming High' is over-represented in Auckland and under-represented in Waikato and provincial North Island towns.

This segment is active and sociable. Its members enjoy texting family and friends and keeping in touch via Facebook. They are more likely to nominate downloading music, eating out, tramping, boating and going to concerts and performing arts as favourite activities than other segments. They are also highest on going to the movies, listening to live music, surfing, waterskiing, diving, kayaking, swimming, going to the gym, yoga and meditation, cycling and mountain biking, going to dance classes, meeting new people, playing other sports and watching live sports!

Distinguishing priorities are keeping fit, fashion and beauty. The segment also shares with 'Creating' a strong emphasis on building a career/business and learning a new trade or education as life priorities. While interested in saving money, they place the least emphasis on reducing debt. Mostly though, they want to have a good time and enjoy life to the full.

In this context, 'Aiming High' places great emphasis on holidays, believing them to be essential. They make life worth living and take them away from the pressures of daily life. They are a time when they can be themselves, do what they want, when they want, have fun and meet new people. In this sense, they satisfy both BE and BECOMING needs.

'Aiming High' travels frequently, both overseas and within New Zealand. Holiday experiences are an extension of their everyday interests: they commonly engage in water activities, adventure sports, wellness experiences and visit bars and nightclubs. These experiences satisfy core needs for adventure, challenge, new life experiences and stories to tell. Being in a **different** destination is important.

Although 'Aiming High' enjoys the company of friends, they are happy to travel with their families. Parents have the greatest influence on longer domestic trip destination (especially over Christmas or other statutory holiday breaks).

The ideal holiday destination for 'Aiming High' is exciting, different, entertaining and challenging. It provides a range of activities and experiences, including beaches, big cities, nightlife, shopping, sporting activities, outdoor activities and cuisine.

Coming from affluent backgrounds, where access to sports equipment and accommodation is a given, the most significant barriers to domestic travel are availability of annual leave, work commitments, transport and travel companions.

Holidaying in New Zealand allows 'Aiming High' to indulge in favourite pastimes. They want to holiday in New Zealand but also to experience what other countries have to offer. New Zealand is an affordable option for this segment while the single biggest barrier to holidaying overseas is money.

Travel Behaviour

The following charts (Figures 28-30) summarise the travel behaviour of each market segment and highlight differences between the segments both in terms of the proportion of the segment travelling (trip **incidence** relative to the average) and the overall frequency of travel (trip **frequency** relative to the average).

Figure 28: Incidence and Frequency of International Trips by Market Segment (Last 12 Months)

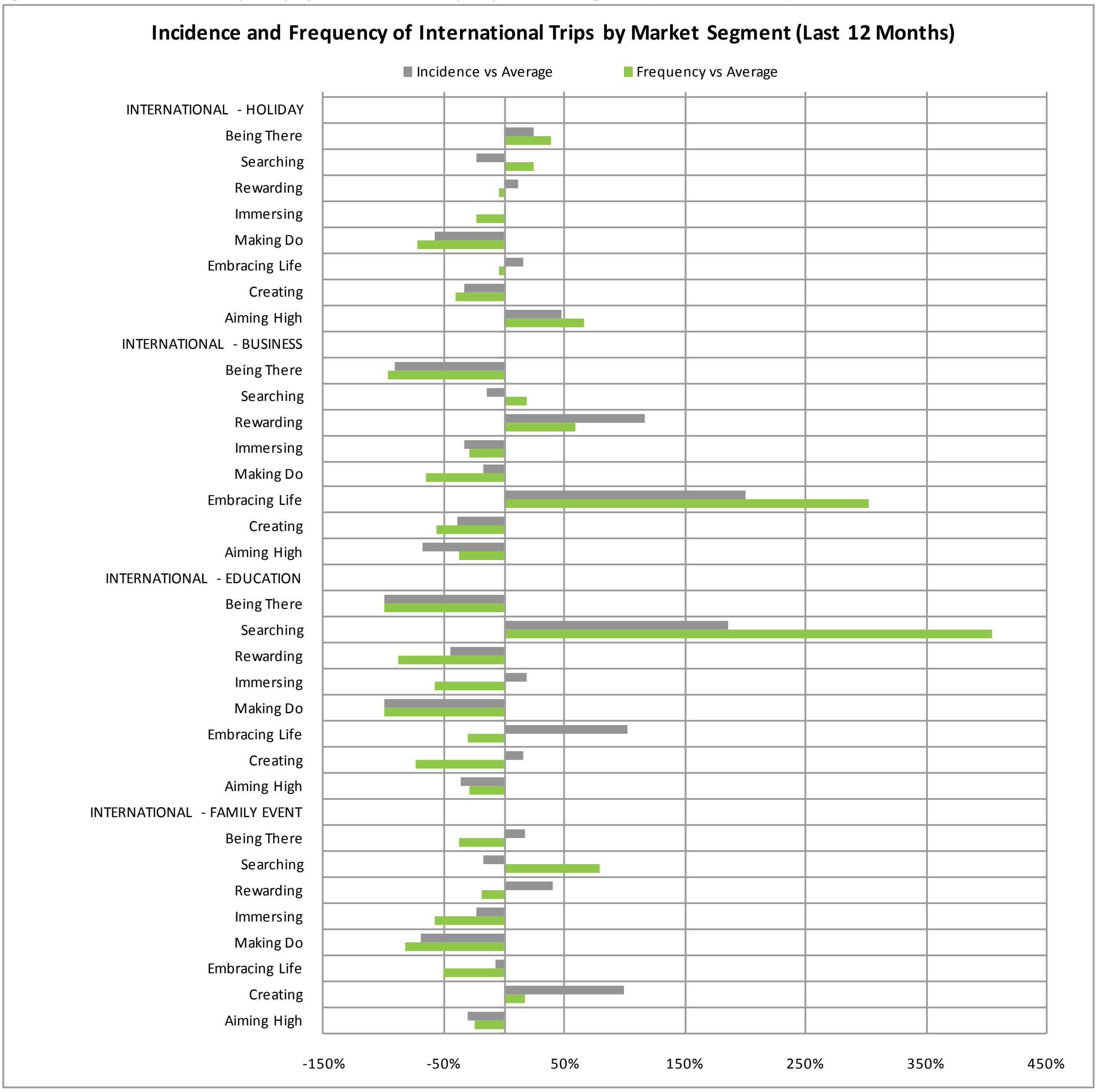


Figure 29: Incidence and Frequency of Domestic Overnight Trips by Market Segment (Last 12 Months)

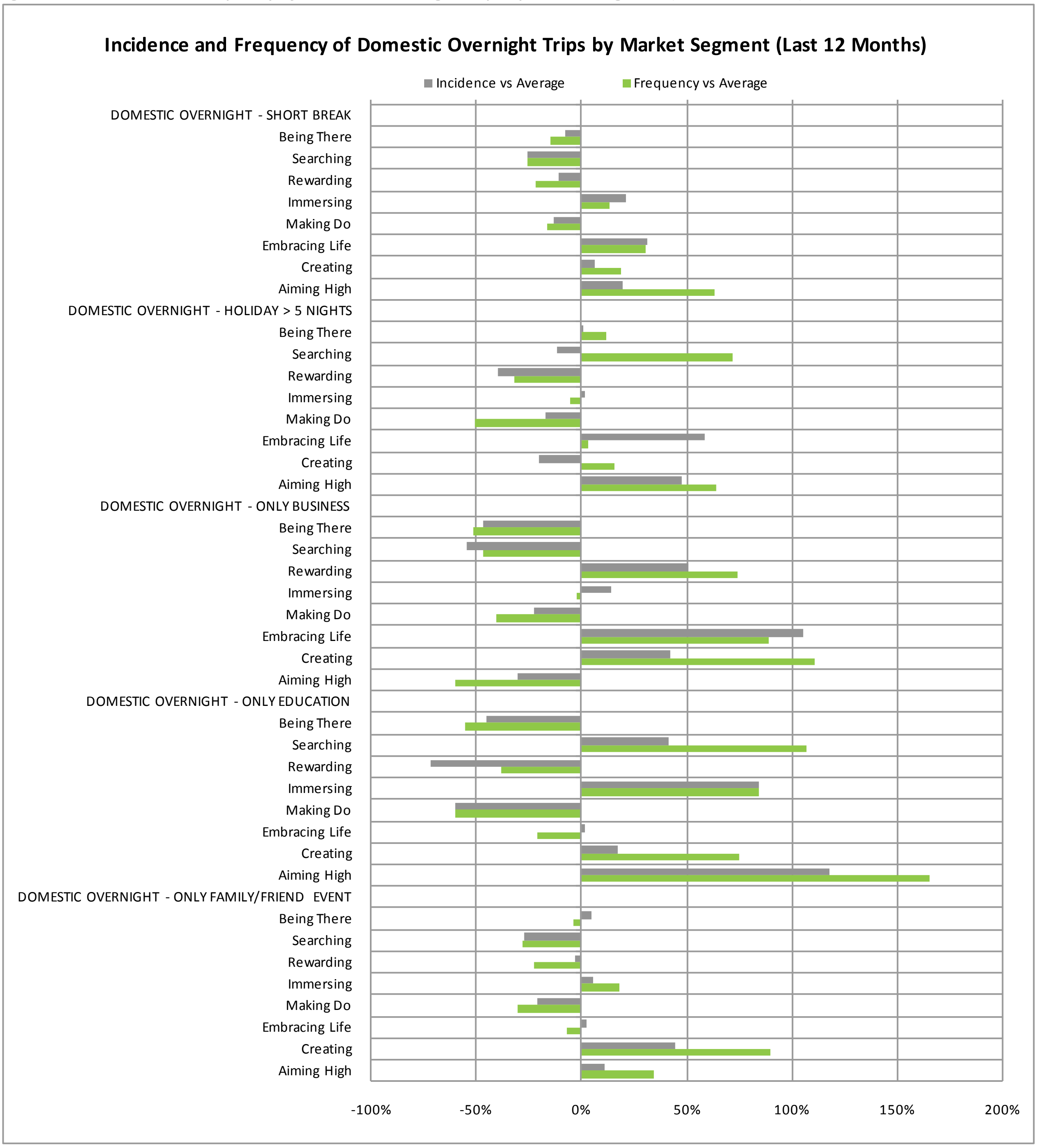
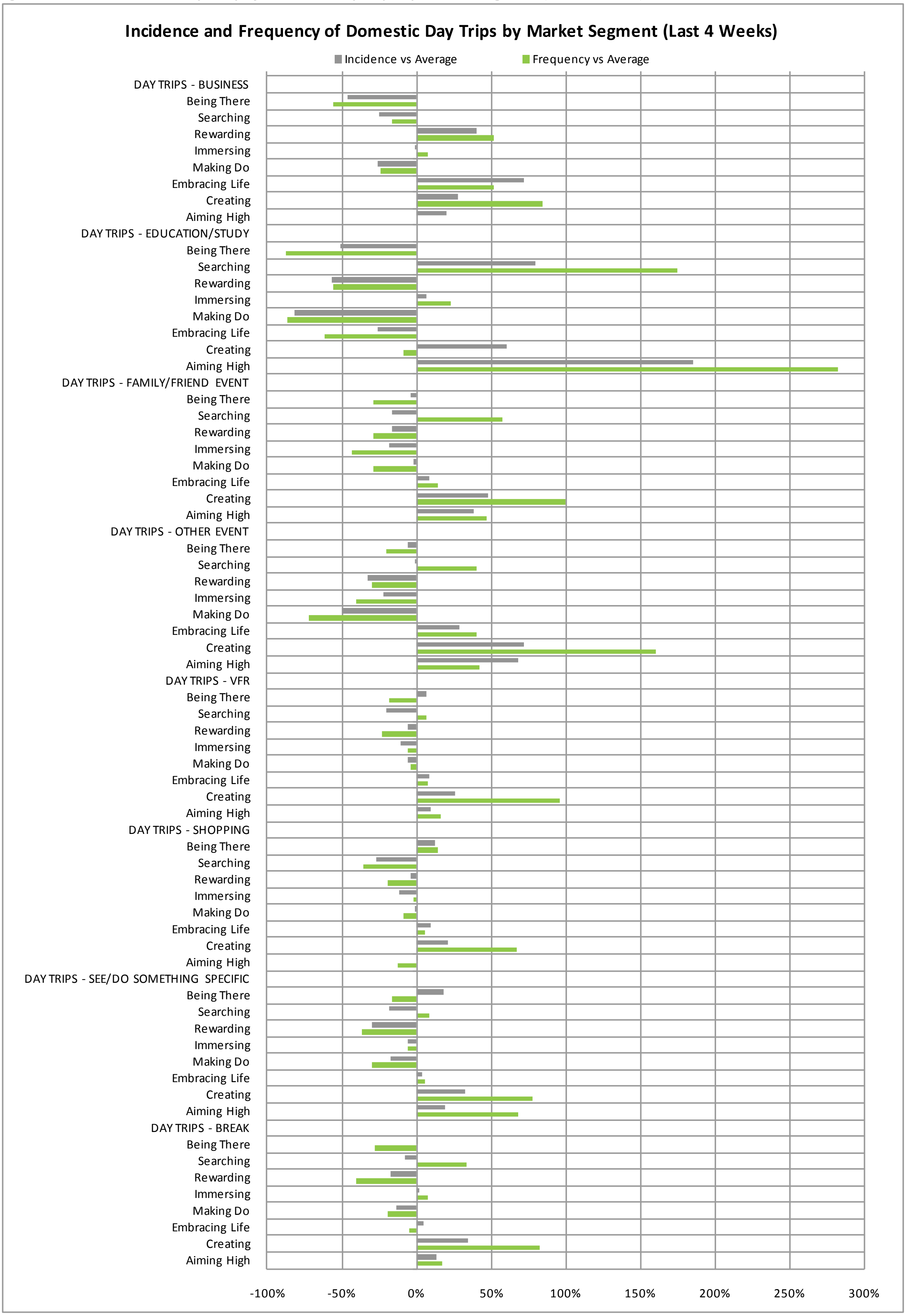


Figure 30: Incidence and Frequency of Domestic Day Trips by Market Segment (Last 4 Weeks)

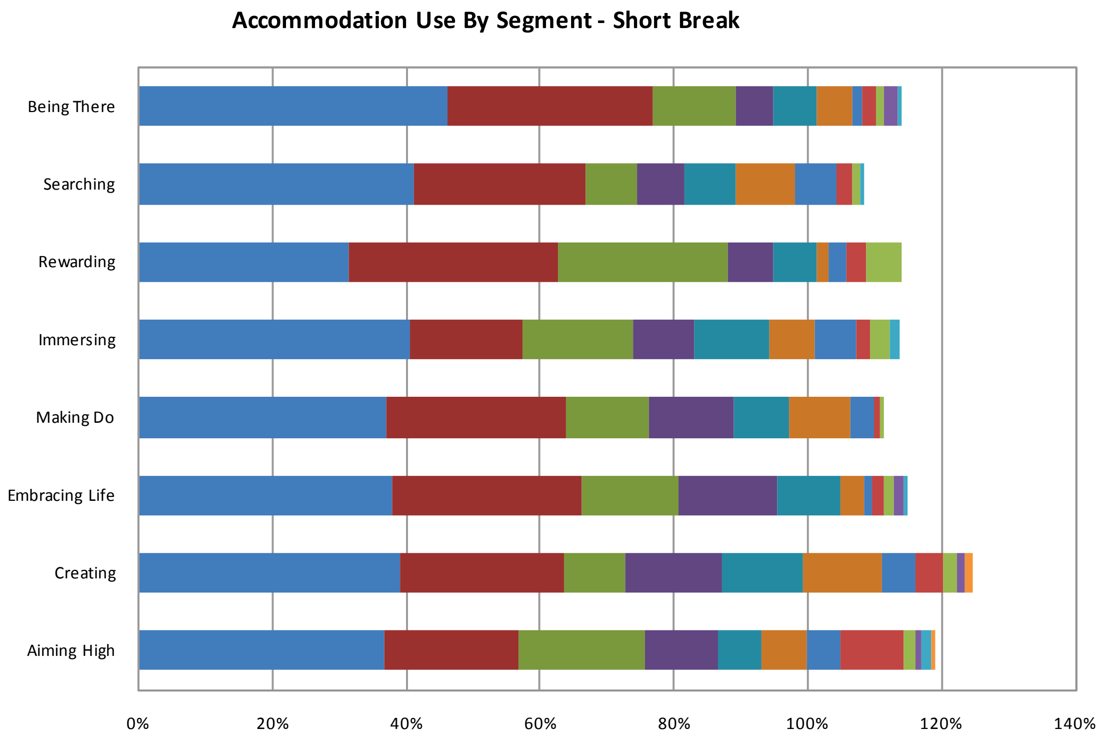


Tourism Products and Services

While there are no absolutes, each segment also has a different pattern of consumption when it comes to core tourism products and services. Figures 31-36 below demonstrate differences in accommodation use, transport use and activities/attractions undertaken by each segment on its last short break in New Zealand (5 nights or less) and last longer domestic holiday (6 nights+).

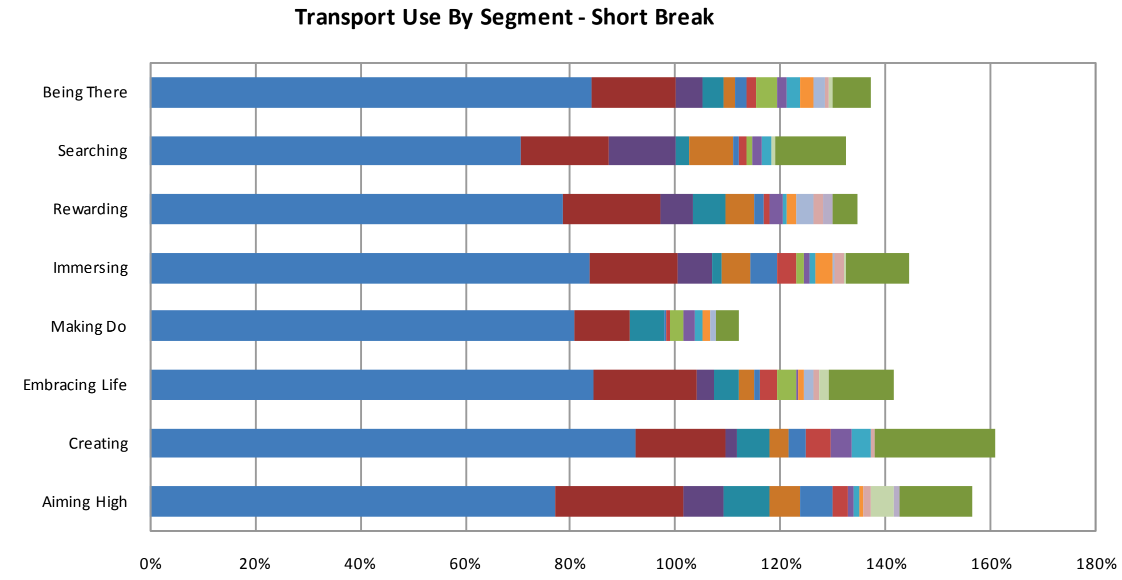
Consumption of Tourism Products/Services on Last Domestic Short Break

Figure 31: Accommodation Use by Segment - Last Domestic Short Break



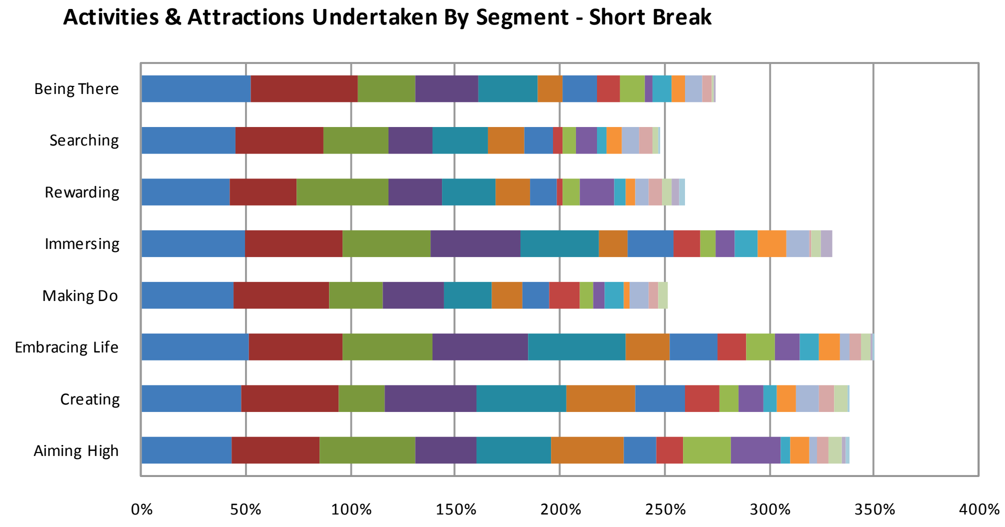
	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Owned dwellings - private	37%	39%	38%	37%	41%	31%	41%	46%
Motels/ Serviced Apartments	20%	24%	28%	27%	17%	31%	26%	31%
Hotels	19%	9%	15%	13%	16%	25%	8%	13%
Owned dwellings - rented	11%	14%	15%	13%	9%	7%	7%	6%
Holiday parks/campgrounds	6%	12%	9%	8%	11%	7%	8%	7%
Other accommodation	7%	12%	4%	9%	7%	2%	9%	5%
Guest houses/B&Bs/Farms	5%	5%	1%	4%	6%	3%	6%	1%
Backpackers/Hostels	9%	4%	2%	1%	2%	3%	3%	2%
Resorts/Luxury Lodges	2%	2%	1%	1%	3%	5%	1%	1%
Other collective establishments	1%	1%	1%	0%	0%	0%	0%	2%
DOC site	1%	0%	1%	0%	1%	0%	1%	1%
Student Halls of Residence	1%	1%	0%	0%	0%	0%	0%	0%

Figure 32: Transport Use by Segment - Last Domestic Short Break



	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Private/Company Car	77%	92%	84%	81%	84%	79%	71%	84%
Airline	24%	17%	20%	11%	17%	19%	17%	16%
Scheduled bus service	8%	2%	3%	0%	6%	6%	12%	5%
Rental car/van	9%	6%	5%	6%	2%	6%	3%	4%
Shuttle bus	6%	4%	3%	0%	5%	5%	8%	2%
Taxi/limousine/car tour	6%	3%	1%	1%	5%	2%	1%	2%
Commercial ferry/boat	3%	5%	3%	1%	4%	1%	2%	2%
Private campervan/motorhome	0%	0%	3%	2%	2%	0%	1%	4%
Coach tour/tour coach	1%	4%	1%	2%	1%	3%	2%	2%
Shuttle taxi	1%	4%	0%	2%	1%	1%	2%	3%
Train	1%	0%	1%	2%	3%	2%	0%	2%
Cruise ship	0%	0%	2%	1%	0%	3%	0%	2%
Bicycle	2%	1%	1%	0%	2%	2%	0%	1%
Motorbike/scooter	4%	0%	2%	0%	0%	0%	1%	1%
Rental campervan/motorhome	1%	0%	0%	0%	0%	2%	0%	0%
Other	14%	23%	12%	4%	12%	5%	13%	7%

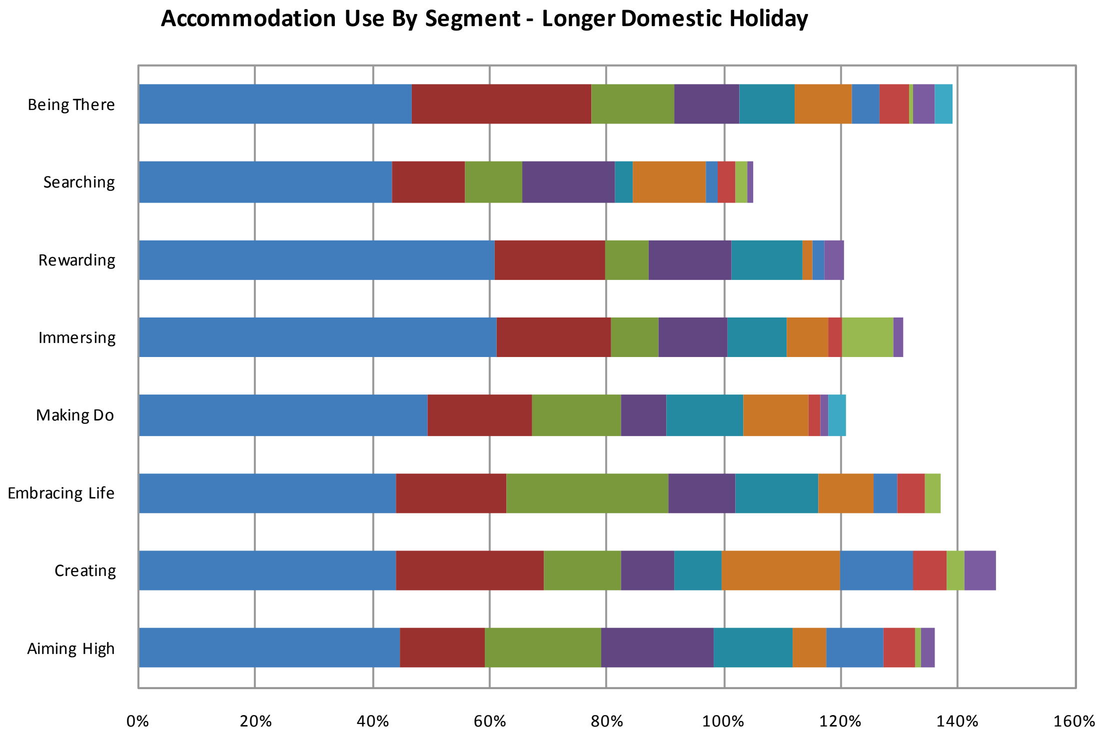
Figure 33: Activities Undertaken by Segment - Last Domestic Short Break



	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Sightseeing independently	43%	48%	51%	44%	49%	42%	45%	52%
Shopping	42%	46%	45%	45%	47%	32%	42%	51%
Nightlife,Café,Restaurant, Urban Attractions	45%	23%	43%	26%	42%	45%	31%	27%
Visiting Natural Attractions, Gardens, Reserves	29%	43%	46%	29%	43%	26%	21%	30%
Walking,Hiking,Trekking	36%	43%	47%	23%	38%	25%	27%	29%
Water activities	35%	33%	21%	14%	13%	17%	17%	11%
Art galleries, museums, historic & cultural	16%	24%	23%	13%	22%	12%	14%	17%
Visiting theme parks or family attractions	13%	16%	14%	15%	13%	3%	4%	11%
Attending concerts,events	22%	9%	14%	6%	8%	8%	7%	12%
Other adventure or sports activities	24%	12%	11%	5%	9%	17%	10%	4%
Viewing, interacting with animals	5%	6%	10%	9%	11%	5%	5%	9%
Other wine or food experiences	9%	9%	10%	3%	13%	5%	7%	7%
Viewing, interacting with local culture	3%	11%	4%	9%	11%	6%	9%	8%
Sightseeing on an organised tour	6%	7%	6%	5%	1%	7%	6%	5%
Ice or snow activities	6%	6%	5%	4%	4%	4%	3%	0%
Wellness experiences	3%	0%	1%	0%	5%	4%	0%	1%
Flying/air activities	2%	1%	1%	0%	0%	3%	1%	0%

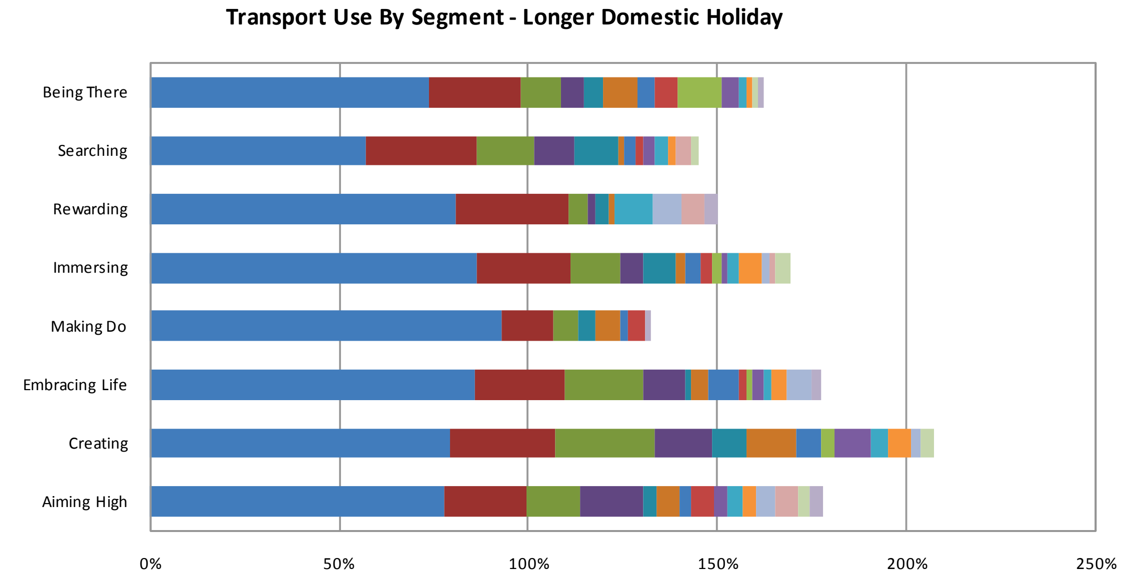
Consumption of Tourism Products/Services on Last Longer Domestic Holiday

Figure 34: Accommodation Use by Segment - Last Longer Domestic Holiday



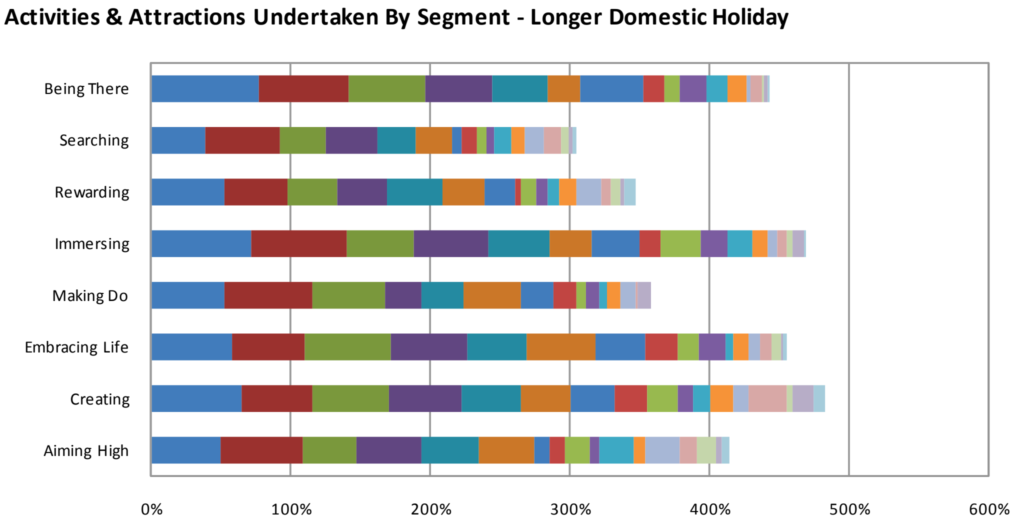
	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Owned dwellings - private	45%	44%	44%	50%	61%	61%	43%	47%
Motels/Serviced Apartments	15%	25%	19%	18%	20%	19%	12%	31%
Holiday parks/Campgrounds	20%	13%	28%	15%	8%	7%	10%	14%
Hotels	19%	9%	11%	8%	12%	14%	16%	11%
Owned dwellings - rented	14%	8%	14%	13%	10%	12%	3%	9%
Other accommodation	6%	20%	9%	11%	7%	2%	13%	10%
DOC site	9%	12%	4%	0%	0%	2%	2%	5%
Private hotels/B&Bs/Farms	6%	6%	5%	2%	2%	0%	3%	5%
Backpackers/hostels	1%	3%	3%	0%	9%	0%	2%	1%
Resorts,Luxury Lodges	2%	6%	0%	1%	2%	3%	1%	4%
Other collective establishments	0%	0%	0%	3%	0%	0%	0%	3%
Student Halls of Residence	0%	0%	0%	0%	0%	0%	0%	0%

Figure 35: Transport Use by Segment - Last Longer Domestic Holiday



	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Private/Company Car	78%	80%	86%	93%	86%	81%	57%	74%
Airline	22%	28%	24%	14%	25%	30%	29%	24%
Other	14%	26%	21%	7%	13%	5%	15%	10%
Rental car/van	17%	15%	11%	0%	6%	2%	10%	6%
Scheduled bus service	4%	9%	1%	4%	8%	3%	12%	6%
Commercial ferry/boat	6%	13%	5%	7%	3%	2%	2%	9%
Cruise ship	3%	7%	8%	2%	4%	0%	3%	5%
Train	6%	0%	2%	4%	3%	0%	2%	6%
Private campervan/motorhome	0%	3%	2%	0%	2%	0%	0%	11%
Coach tour/tour coach	4%	10%	3%	0%	2%	0%	3%	5%
Shuttle bus	4%	5%	2%	0%	3%	10%	3%	2%
Taxi/limousine/car tour	3%	6%	4%	0%	6%	0%	2%	2%
Bicycle	5%	2%	7%	0%	2%	7%	0%	0%
Motorbike/scooter	6%	0%	0%	0%	2%	6%	4%	0%
Shuttle taxi	3%	3%	0%	0%	4%	0%	2%	2%
Rental campervan/motorhome	4%	0%	2%	2%	0%	3%	0%	1%

Figure 36: Activities Undertaken by Segment - Last Longer Domestic Holiday



	Aiming High	Creating	Embracing Life	Making Do	Immersing	Rewarding	Searching	Being There
Sightseeing independently	50%	64%	58%	53%	72%	52%	39%	76%
Shopping	58%	51%	52%	62%	68%	46%	53%	64%
Visiting Natural Attractions, Gardens, Reserves	39%	54%	62%	52%	49%	35%	34%	56%
Walking,Hiking,Trekking	46%	52%	55%	26%	53%	36%	36%	47%
Nightlife,Café,Restaurant, Urban Attractions	41%	43%	42%	30%	44%	40%	27%	40%
Water activities	40%	35%	50%	41%	29%	30%	27%	23%
Art galleries, museums, historic & cultural	11%	33%	35%	23%	35%	21%	7%	45%
Visiting theme parks or family attractions	11%	23%	23%	17%	15%	5%	11%	15%
Other wine or food experiences	17%	21%	16%	6%	29%	11%	6%	11%
Viewing, interacting with animals	8%	11%	19%	10%	20%	7%	6%	19%
Attending concerts,events	24%	12%	6%	6%	18%	9%	12%	15%
Viewing, interacting with local culture	8%	17%	11%	9%	11%	12%	9%	13%
Other adventure or sports activities	25%	11%	8%	12%	6%	18%	14%	3%
Sightseeing on an organised tour	13%	27%	8%	2%	7%	6%	13%	8%
Ice or snow activities	13%	3%	7%	0%	4%	7%	5%	1%
Wellness experiences	4%	15%	2%	8%	8%	4%	2%	3%
Flying/air activities	6%	8%	2%	0%	1%	8%	3%	1%

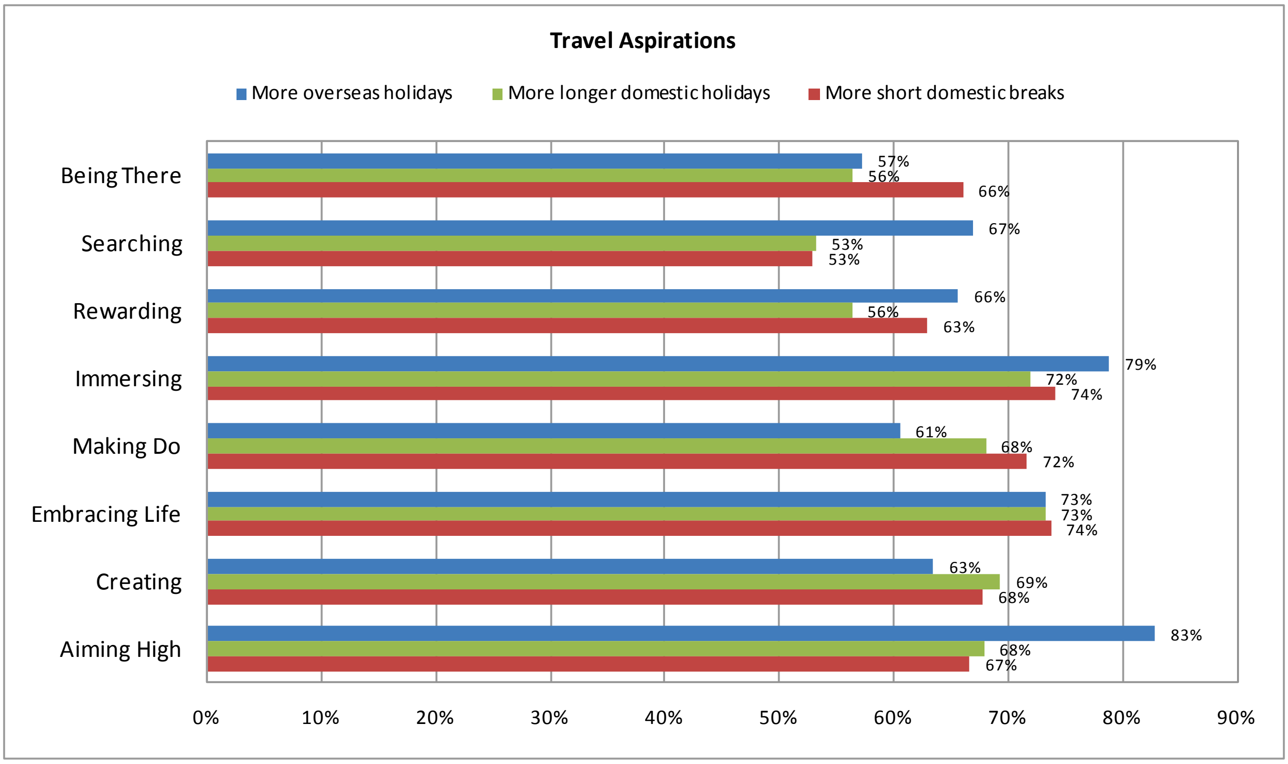
Travel Aspirations

As noted earlier, the majority of those making up all segments would like to travel **more** than they do at present. However, travel aspirations are particularly strong in the 'Immersing' and 'Embracing Life' segments. Refer to Figure 37 overleaf.

The weight of each segment's aspirations also tends in a slightly different direction. For example, members of the 'Being There' segment express greatest interest in taking more short domestic breaks, while for many of the other segments short breaks and longer domestic holidays are equally appealing.

Likewise, some segments demonstrate a particularly strong interest in international travel: notably, the youngest segments – 'Aiming High' and 'Searching' – but also 'Immersing' and 'Rewarding'.

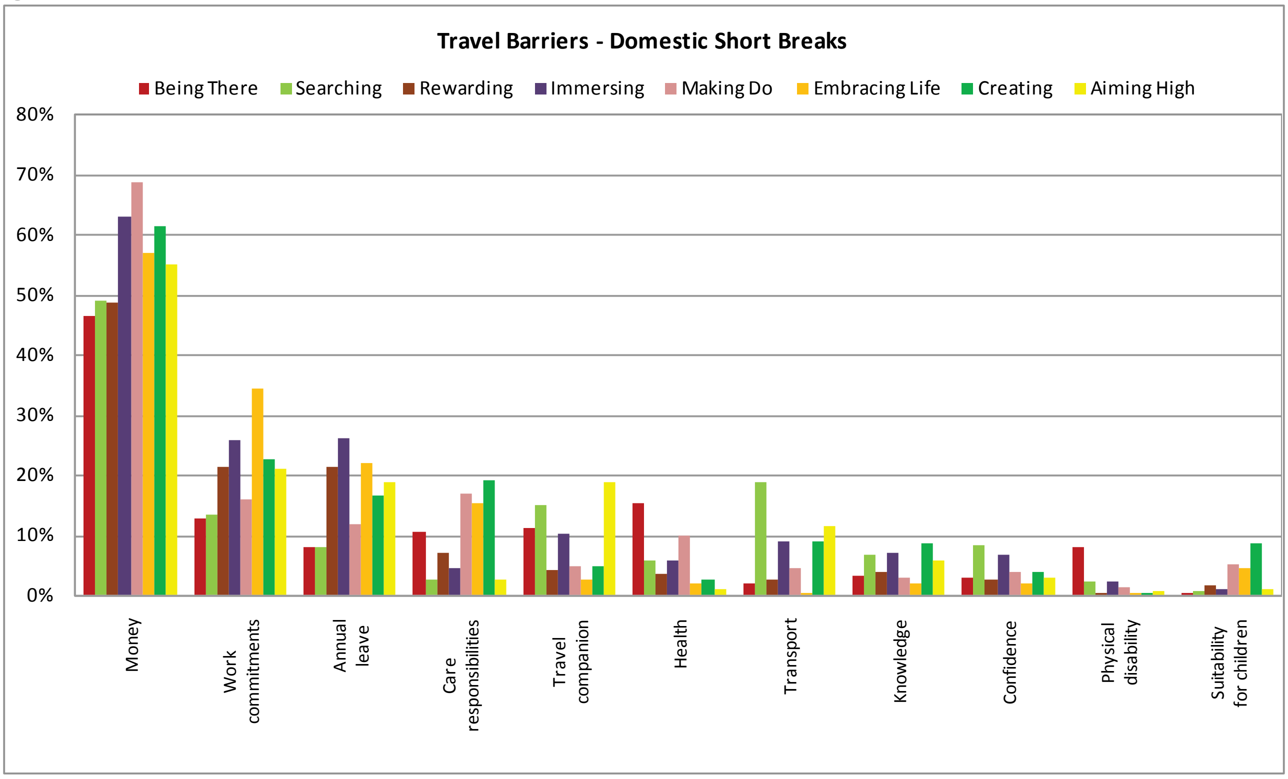
Figure 37: Travel Aspirations by Market Segment



Travel Barriers

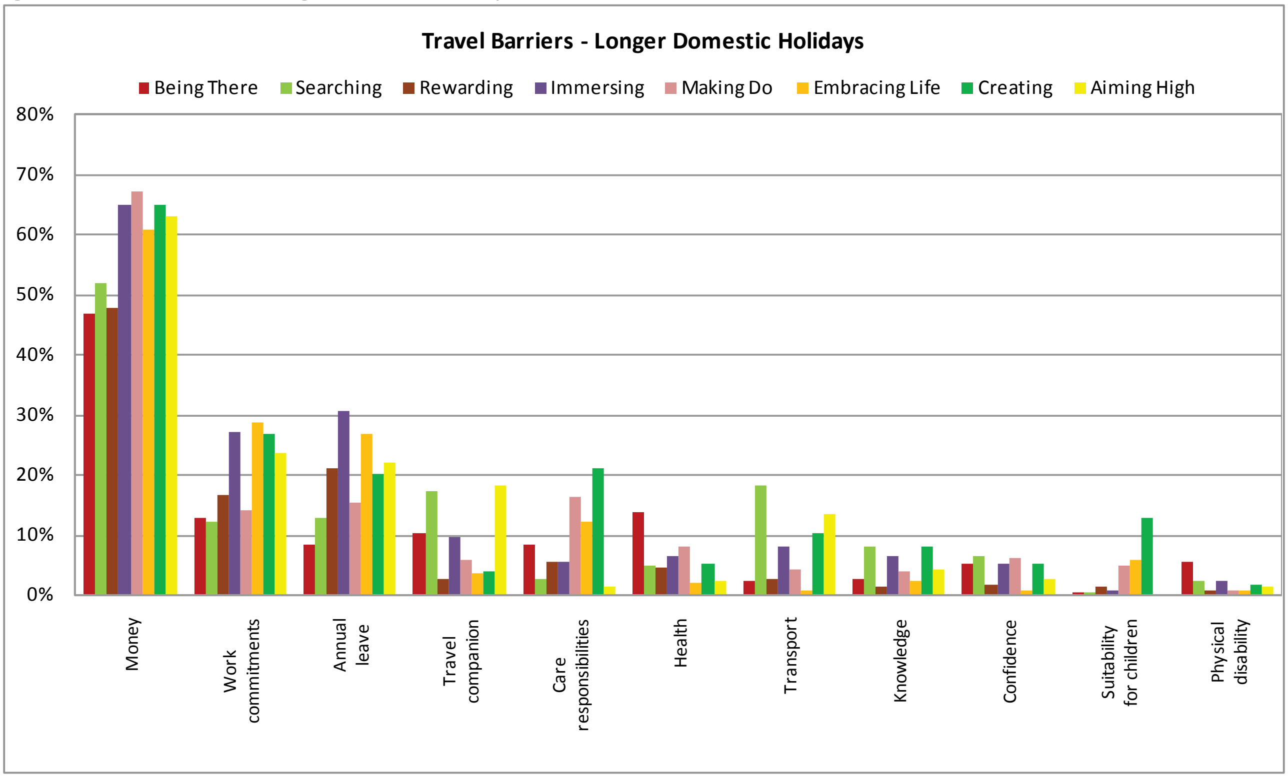
As shown in Figure 38, while there is some commonality between segments, barriers to domestic travel also tend to vary by segment. For example, money is most of a barrier to 'Making Do', while work commitments are a significant barrier to 'Embracing Life'. Care responsibilities prevent 'Creating', 'Making Do' and 'Embracing Life' taking more short domestic breaks, while transport is a key issue for 'Searching' and health for 'Being There'.

Figure 38: Barriers to More Domestic Short Breaks



Similar barriers are evident in regard to longer domestic holidays but some are more pronounced in this context.

Figure 39: Barriers to More Longer Domestic Holidays



Segment Summary

The following tables summarise the key features of each segment and suggested marketing approaches.

Characteristics (Bias) by Segment	Being There	Searching	Rewarding	Immersing	Making Do	Embracing Life	Creating	Aiming High
Size of segment	22 %	13 %	13 %	13 %	12 %	11 %	8 %	8 %
Gender	Female Bias	Slight Male Bias	Strong Male Bias	Female Bias	Female Bias	Male Bias	Slight Female Bias	Male Bias
Age	Oldest 60+	Youngest 15-24	Working Age 25-64	Younger 20-34	Middle Aged 30-54	Middle Aged 35-54	Middle Aged 25-49	Young 15-24
Life Cycle Stage	Married/Single Empty Nesters	Single No Kids	Married w children and Empty Nesters	Single/Couple No children	Single/Married children at Home	Married Children at Home	Single/Married Children at Home	Single/Married No Children
Place of Residence	Bias away from Auckland	Evenly Spread	Auckland	Auckland Wellington	Regional Not Big Cities	Auckland, Wgtn Other South Island	North Island	Auckland
Occupation	Retired	Student	Manager, Professional, Technical	Professional, Admin, Student	Home worker, Admin	Professional, Manager	Home worker, Professional, Admin	Student, Professional
Personal Income	Low $17-28k	Low <$10k	Higher $45-85k	Average $25-70k	Low <$35k	High $50k-100+	Varied $15-70K	Low <$15 or $30-50K
Household Income	Low $20-30k	Varied to Higher	High $85-175k	Average	Average to Low	High $85+	Average	High $100+
Key Priorities	Health, Paying Bills, Spending time with Family/Friends, Travel and Holidays, Social/Community Groups	Having a Good Time, Finding Direction, Education	Relationship, Building Career/ Business, Travel, Building Assets, Reducing Debt	Financial Obligations, Building Career, Education, Direction	Paying the Bills, Raising Family, Health, Spending time with family/ friends, Reducing Debt	Raising Family, Relationship, Building Career/ Business/Assets, Travel, Spending Time with F&F, Reducing Debt	Raising Family, Financial Obligations, Health, Building Career & Assets, Community Groups	Having a Good Time, Direction, Fitness, Travel, Sport/Hobbies, Career, Education
Key Interests	Reading, Writing, Gardening, Gardens/Parks, Home Hobbies, Volunteering	Clubbing/Parties, Downloading, Blogs/Websites, Texting, Cinema, Music, Computer Games	Work, Golf, Online, Watching Sports	Cultural, Painting, Theatre, Musical Instruments, Pets, Yoga, Hiking, Parks/Gardens	Markets, Fairs, Second Hand Sales, Drives	Home Maintenance, Boating, Fishing, Outdoor, Entertaining at Home, Eating Out	Community/ Cultural/ Volunteer Groups, Social Group Interactions including Family, Sports, Markets	Clubbing/Parties, Outdoor/Water Sports, Fitness, Music, Cinema, Eating Out, Meeting People
Ideal Holiday Destination Characteristics	Safe, NOT Challenging	Entertaining, Exciting, Different, Challenging	Romantic, NOT Family Friendly	Peaceful, Affordable, Relaxing, Welcoming, Entertaining, Different	Family Friendly, Easy, Affordable, Safe, Peaceful, Welcoming	Family Friendly, Relaxing, Romantic	Family Friendly, Familiar, Romantic, Exciting, Welcoming, Challenging	Exciting, Entertaining, Challenging, Different
Ideal Holiday Activities & Experiences	Scenery, Heritage, NOT Nightlife & Sporting Activities	Nightlife, Big Cities, Shopping, Beaches	Cuisine NOT Scenery/ Beaches/Nature/ Nightlife	Scenery, Nature Based, Cuisine, Heritage NOT Sports, Nightlife, City	NOT Nightlife/Big Cities/Sports/ Cultural, quite like Beaches, Wildlife, Scenery	Outdoor, Nature Based NOT Nightlife & Big Cities	Cultural, Heritage, Outdoor, Beaches, Shopping, Nature Based	Nightlife, Big Cities, Beaches, Sporting, Shopping

Characteristics (Bias) by Segment	Being There	Searching	Rewarding	Immersing	Making Do	Embracing Life	Creating	Aiming High
Shortcomings of NZ vs Ideal	Different	Affordable, Entertaining Exciting, Different, Shopping, Big Cities	Entertaining, Different, Big Cities	Affordable, Entertaining, Different, History/Heritage	Affordable, Relaxing, Different	Different	Different, Affordable	Affordable, Relaxing, Different, Nightlife, Shopping, Big Cities
Most desirable NZ destinations	Bay of Islands, Nelson, Marlborough, Golden Bay	Bay of Plenty, Coromandel, Christchurch	Bay of Islands, Marlborough, Fiordland	Bay of Islands, Coromandel, Fiordland, Golden Bay, Nelson	Far North, Bay of Islands, Nelson, Fiordland	Bay of Islands, Golden Bay, Marlborough, Fiordland	Bay of Islands, Lake Wanaka, West Coast, Christchurch	Nelson, Queenstown, Golden Bay, Coromandel, Bay of Plenty
Number of Short Trips (last 12 months)	1.6	1.4	1.5	2.2	1.6	2.5	2.3	3.1
Number of Longer Holidays (last 12 months)	0.7	1.0	0.4	0.6	0.3	0.6	0.7	1.0
Number of Overseas Holidays (last 12 months)	0.6	0.5	0.4	0.3	0.1	0.4	0.2	0.7
Travel Motivations	Family NOT Challenge/ Something New/Adventure/ Peace and Quiet	Life Experiences, Adventure, Excitement, Something New	Peace & Quiet, Share Enjoyment with Others	Relationships, Family/Friends, Peace & Quiet, Excitement, Share Enjoyment with Others	Family, Relationships, Peace & Quiet	Family, Relationships, Share Enjoyment, Peace & Quiet	Family, Relationships, Share Enjoyment, Something New, Peace & Quiet	Life Experience, Adventure, Excitement, Something New, Challenge
Travel Barriers	Health, Disability, Travel Companion	Travel Companion, Transport, Confidence, Knowledge	Work Commitments, Annual Leave	Money, Work Commitments, Annual Leave, Confidence	Money, Care Responsibilities, Suitability for Children	Money, Work Commitments, Annual Leave, Care Responsibilities	Money, Work Commitments, Care Responsibilities, Suitability for Children	Money, Work Commitments, Annual Leave, Travel Companion, Transport

MARKETING STRATEGY	Being There	Searching	Rewarding	Immersing	Making Do	Embracing Life	Creating	Aiming High
Core Marketing Proposition	***Being with family and friends***	***Freedom and good times with friends***	***You work hard, you deserve it***	***Expand your mind, add to your experiences, enrich your life***	***You deserve a break***	***A FULL life (for you and your family)***	***Good times to share with your family***	***More, bigger, best!***
Marketing Channels	- Major dailies - Special interest (e.g. gardening channels/mags/ groups) - Affinity groups (e.g. churches, Rotary, Probus, other voluntary groups) - Targeted online channels (e.g. news sites, Skype, online auction sites) - Email Marketing	- Online, Web 2.0 - Youth media - Educational interest groups/ institutions - Events/Parties - Mobile Apps - Cinema	- Business media - Special interest groups/media/online (e.g. golf clubs, golf magazines, golf websites) - Auckland-specific media - TV Sports/News Channels - Live sports events	- Special interest and lifestyle media (e.g. health media, yoga/wellness media) - Online channels (travel/lifestyle) - Professional media/interest groups - Tert. Education Institutes	- Women's magazines - General and lifestyle media - TV/Radio Daytime - Fairs/Markets	- Business media - Special interest media/online(e.g. golf, outdoor-focused, boating/fishing) - Newspapers (major dailies) - Boating/Fishing/ Outdoor events/shows	- Special interest groups/media (e.g. cultural groups, cultural media) - Online channels - Targeted lifestyle media - Cultural and Community events	- Youth media - Special interest media (e.g. skiing, boarding) - Online channels - Interest groups (sports clubs, other affinity groups) - Cinema
Key Marketing Opportunities	- Day trip/short break (activity and event-related) - VFR campaigns (friend get friend) - Garden/nature product/events - History/heritage - Concert/theatre & performing arts - Small group tours (special interest) - Assisted travel (transport, accommodation) - Cruise product	- Contiki-style domestic product (including travel with experiences and opportunities to meet new people) - Urban activities (nightlife) - Youth-related events (online gaming and sports competitions, sports exhibitions) - Adventure product - Sports product	- Short breaks - Golf product - Indulgence/ pampering (accommodation, wellness experiences) - Romantic weekends/short breaks - Fashion events/ shows - Sports events/ shows (e.g. motoring, golf) - Food and wine experiences (events, vineyard tours) - Cruise product	- Nature, health, wellness, cultural, artistic, musical, heritage, wildlife, food and wine product – all with an interactive and educational focus - Workshops - Hiking groups/ routes (including catered)	- Family-friendly product (theme parks and family experiences) - Nature-based product (animals) - Accommodation and experiences with childcare assistance/ facilities (e.g. kids' clubs) - Affordable and easy	- Outdoor adventures/ experiences for the whole family (e.g. cycling, fishing, canoeing, kayaking, adventure sports, boating, fishing, beaches) - Food/wine product - Cultural product - Heritage events/ experiences	- Social/shared experiences - Events/concerts/ festivals - Beaches/nature product - Camping - Picnics/outdoor cooking - Group accommodation - History and heritage - Cultural product	- Adventure and sports product (the **best** skiing, the **best** beaches, the **best** mountain biking tracks) - Youth/sporting/ adventure events - Urban product (nightlife, bars/ cafes/music events) - Wellness experiences

Segment 1 – 'Being There'

This section presents a detailed profile of the 'Being There' segment. It includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

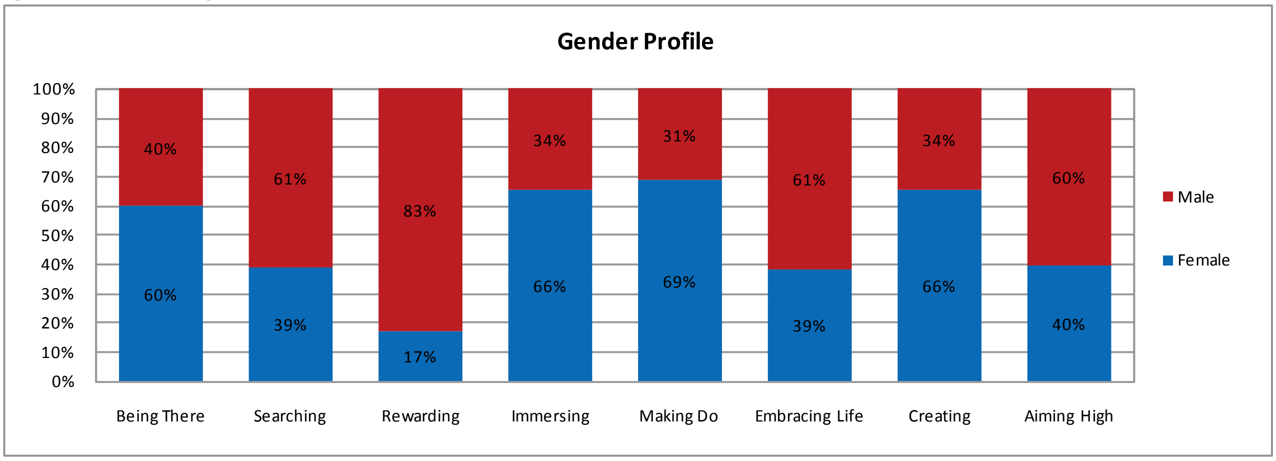
Segment Size

The 'Being There' segment represents 22% of the adult population (aged 15 years or more) and is the largest of the eight market segments identified.

Gender

The 'Being There' segment has a female bias with a ratio of six females to every four males.

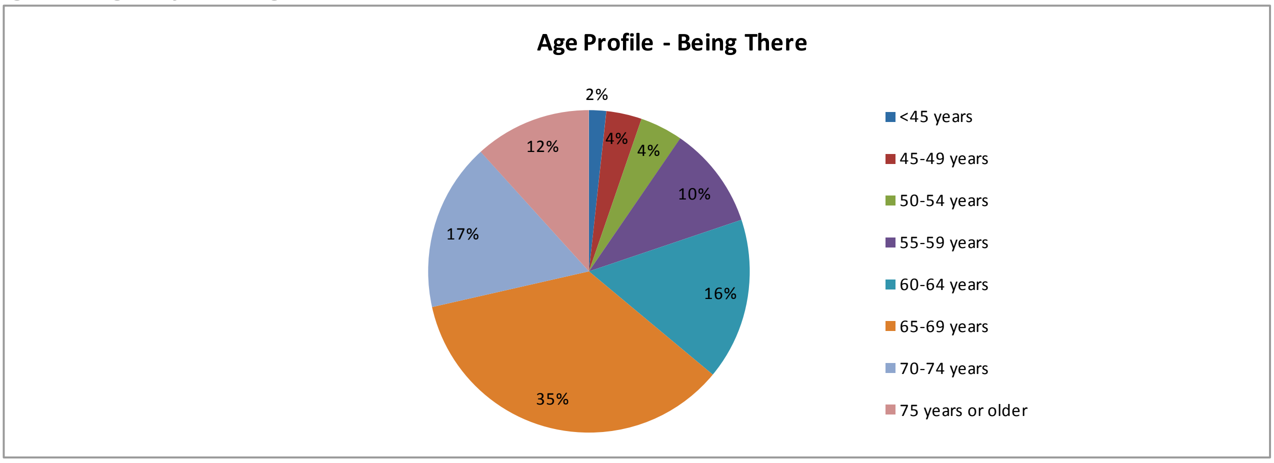
Figure 40: Gender Profile



Age

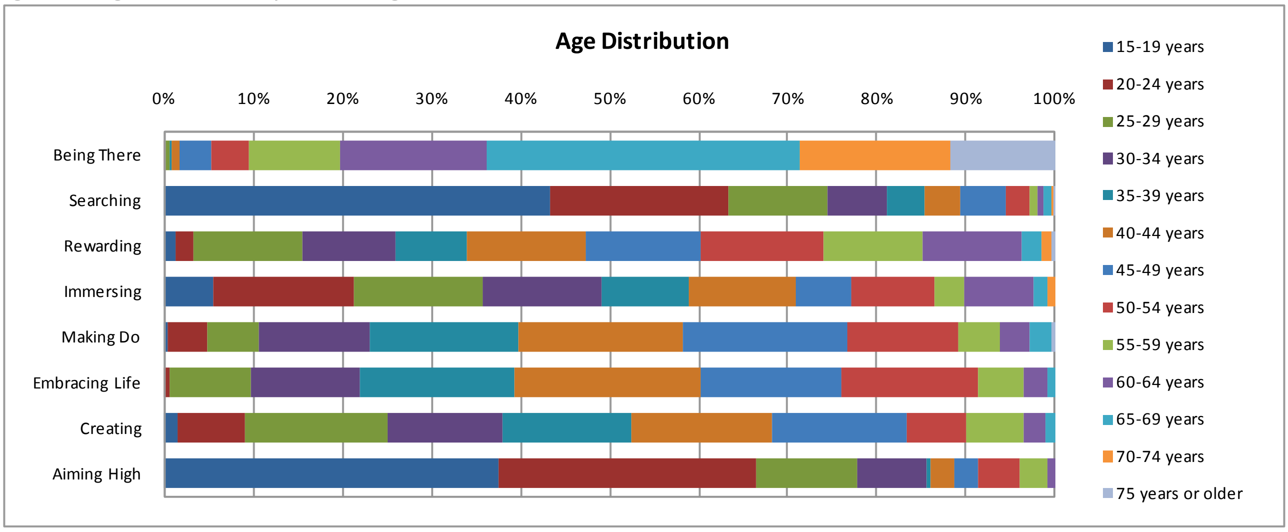
This gender bias is, in part, related to the average age of those in this segment. 'Being There' is dominated by people aged 60 years or more, with very few members aged less than 45 years – see Figure 41 overleaf.

Figure 41: Age Profile – Being There



When viewed in the context of other market segments, it is clear that the 'Being There' segment dominates the oldest age groups.

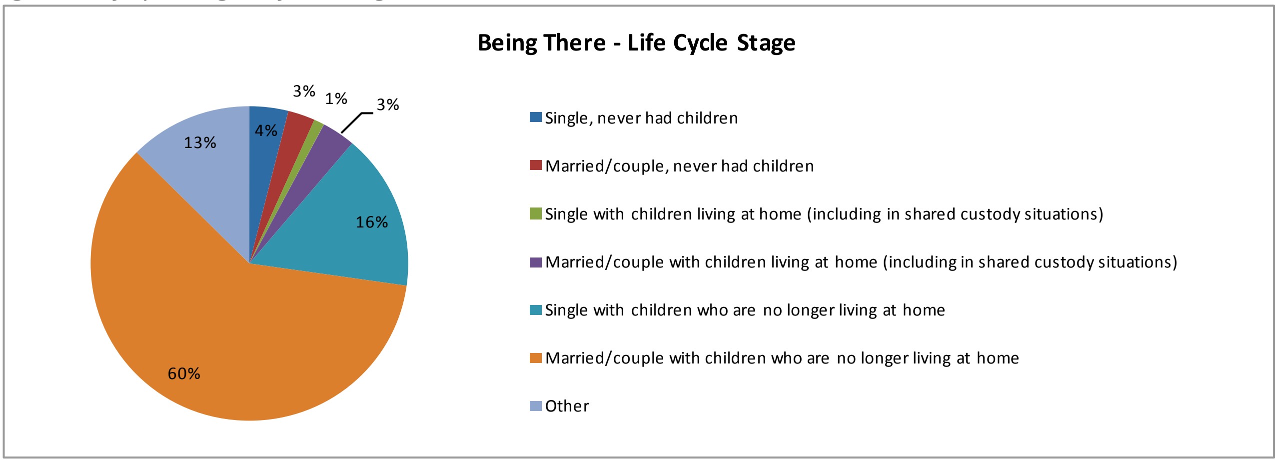
Figure 42: Age Distribution by Market Segment



Lifecycle Stage

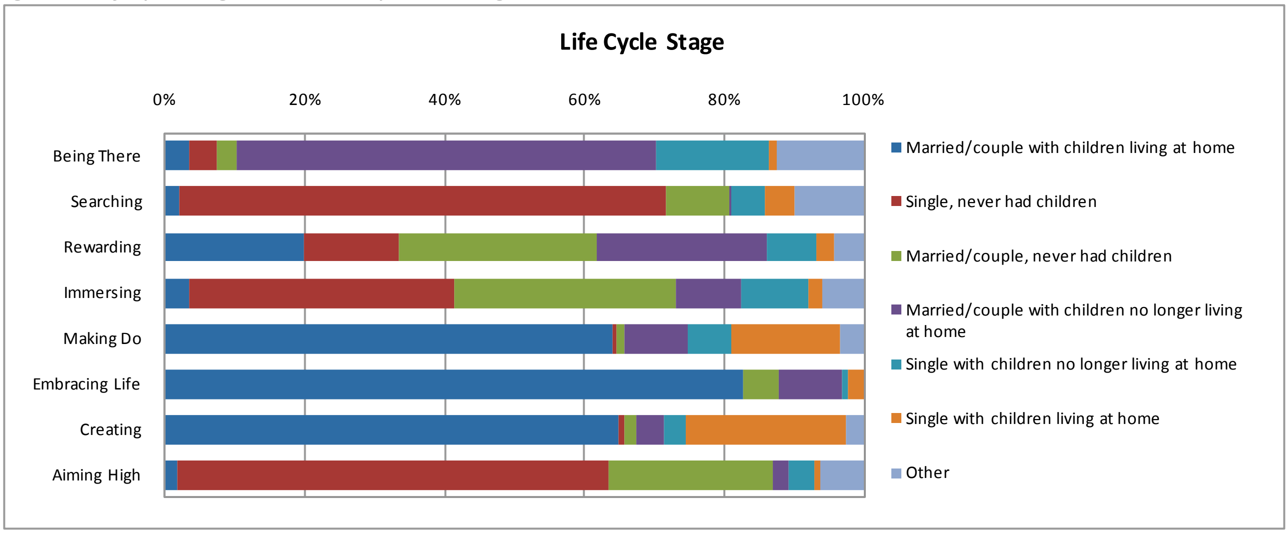
More than half of the 'Being There' segment is married or in a relationship with children who are no longer living at home.

Figure 43: Lifecycle Stage Profile – Being There



The segment's dominance of this lifecycle stage is apparent in a comparison with other market segments.

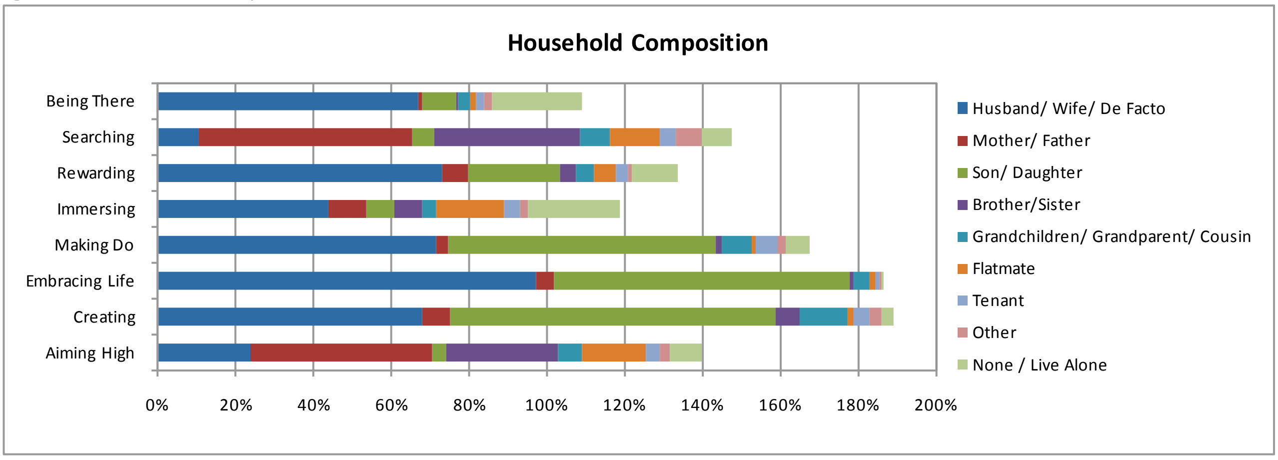
Figure 44: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of 'Being There' is further reflected in household composition - 60% live with a partner and 20% live alone.

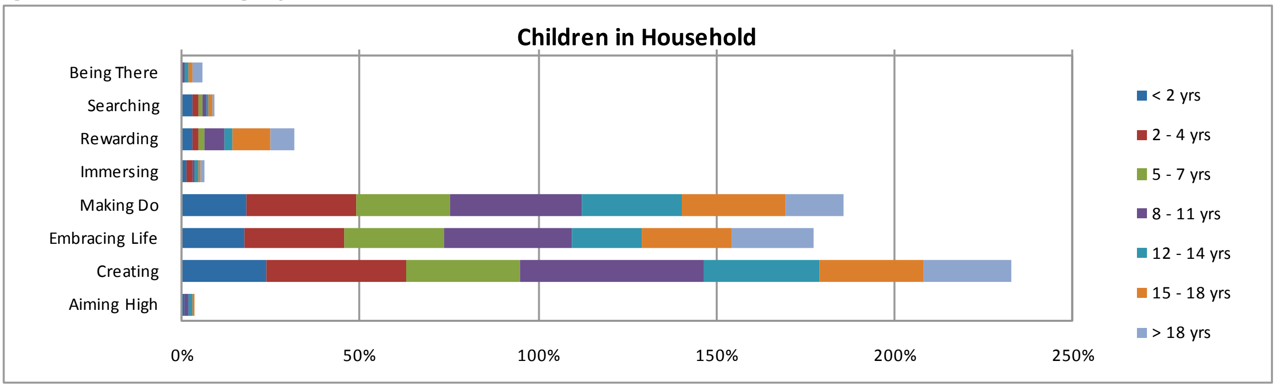
Figure 45: Household Composition



Children

Not surprisingly, few 'Being There' households contain children. Those which do, typically contain children in their late teens or older – see Figure 46 overleaf.

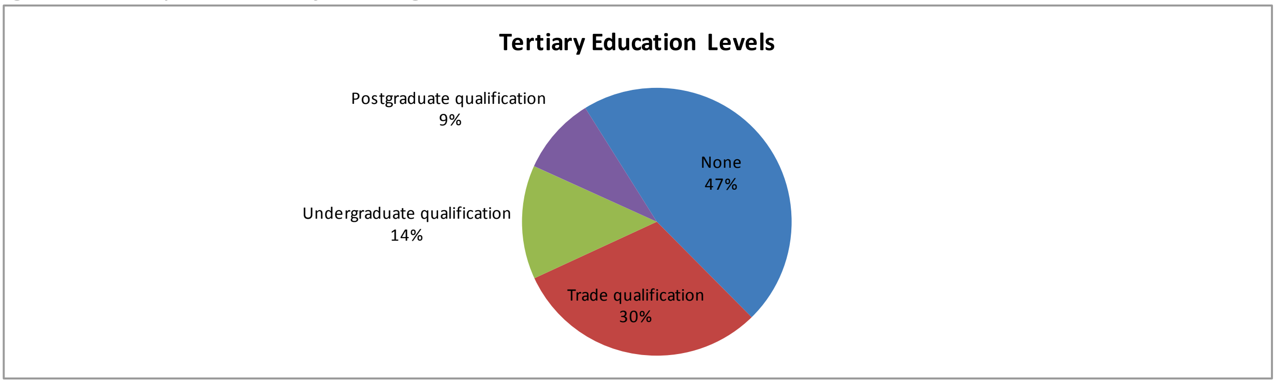
Figure 46: Number and Age of Own Children in Household



Education

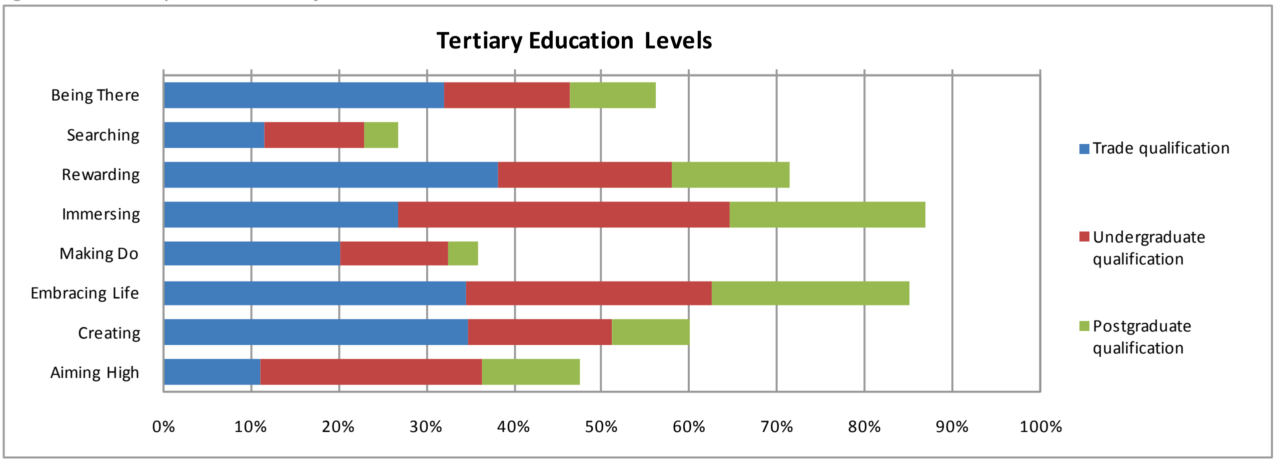
More than 20% of the 'Being There' segment has an undergraduate or postgraduate qualification, and 30% a trade qualification.

Figure 47: Tertiary Education Profile – Being There



However, relative to other segments, this puts members of the 'Being There' segment in the 'mid-range' as far as tertiary qualifications are concerned.

Figure 48: Tertiary Education Profile



Occupation

In line with their age and lifecycle stage, the greatest proportion of the 'Being There' segment is retired. However, it is notable that many worked in skilled occupations prior to retirement.

Figure 49: Occupational Profile – Being There

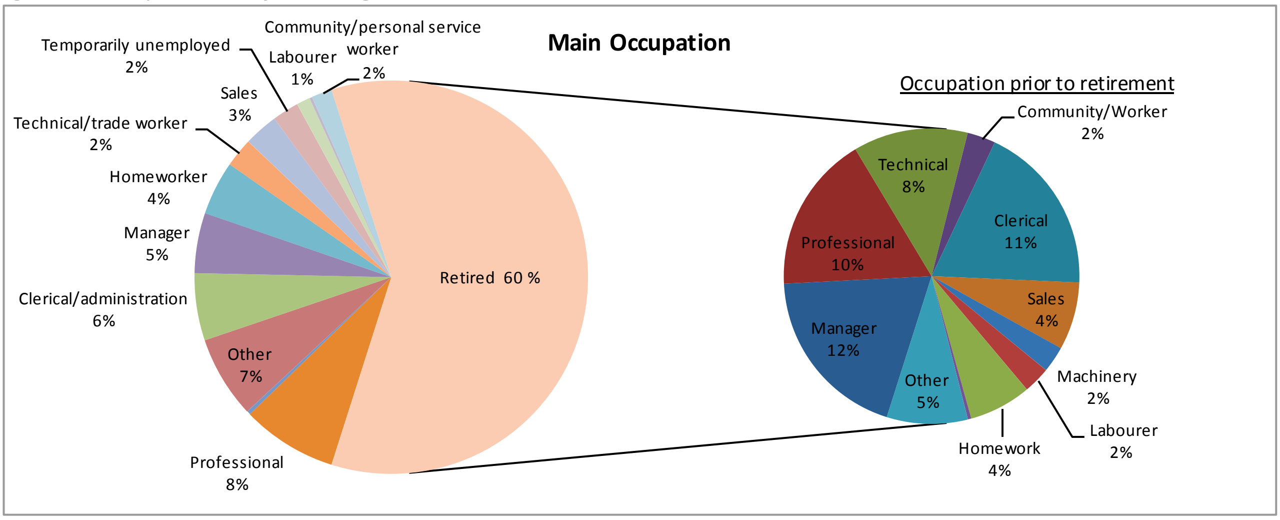
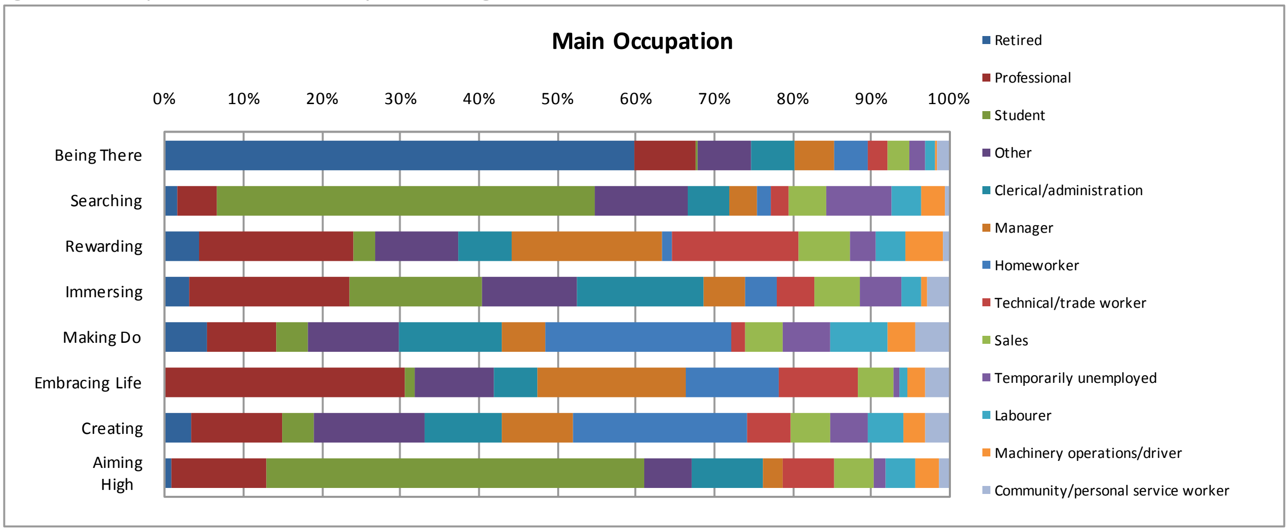


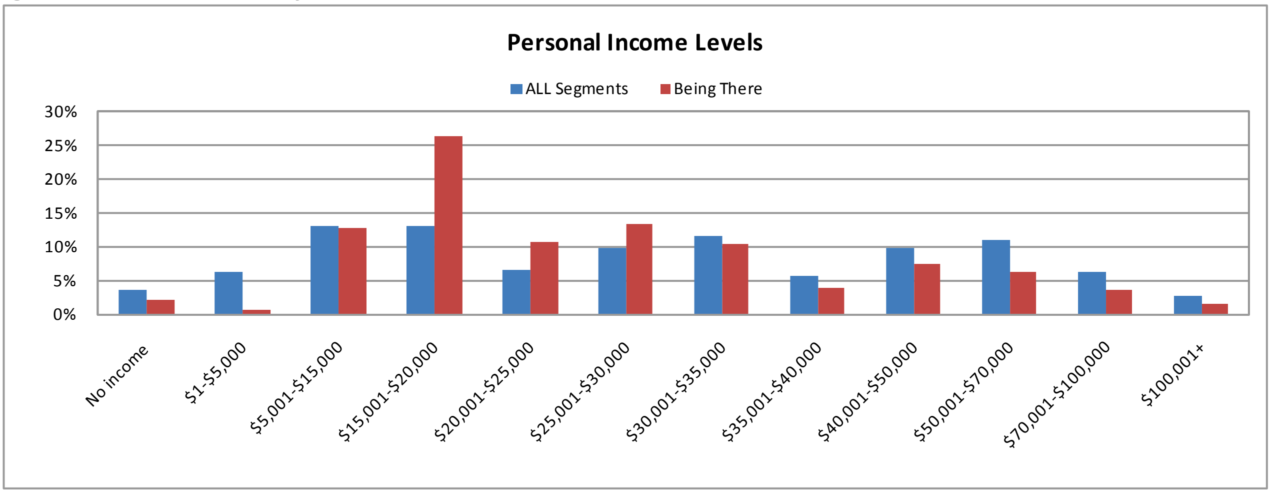
Figure 50: Occupational Distribution by Market Segment



Income

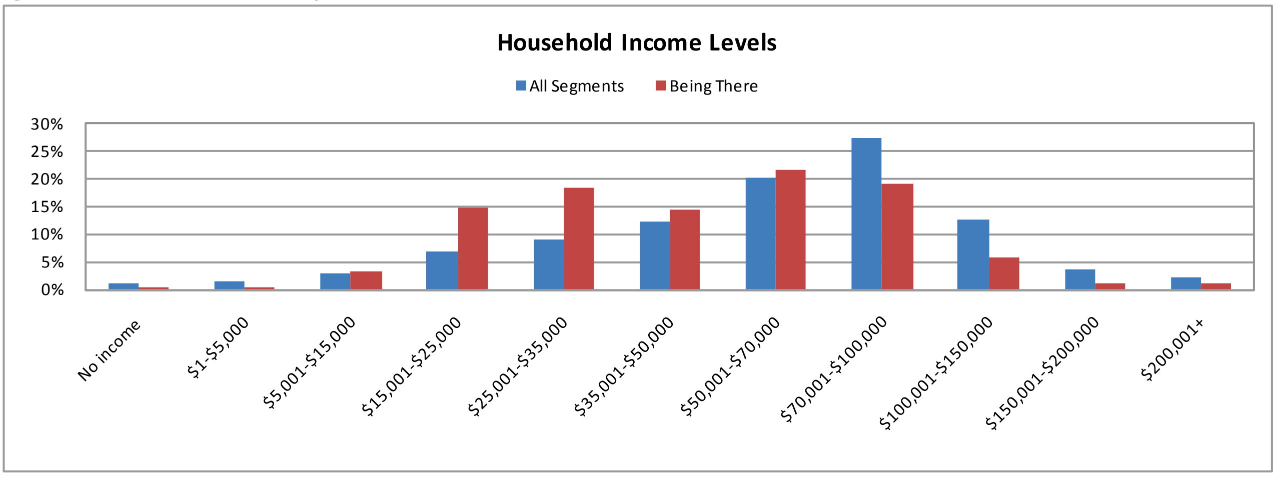
Compared to the average, members of the 'Being There' segment report lower personal incomes, with the largest group citing an income of $15,000 - $20,000 per annum, consistent with national superannuation payments.

Figure 51: Personal Income Profile



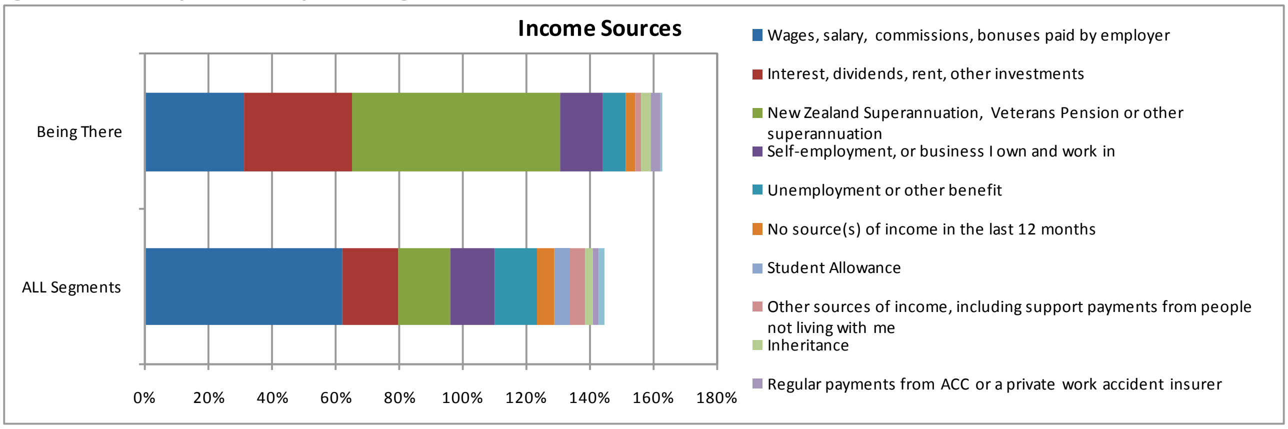
While total **household income** is higher, it remains lower than the average household income reported by other market segments.

Figure 52: Household Income Profile



Members of the 'Being There' segment typically derive income from superannuation, pensions and/or investments although sizeable proportions also receive income from wages/salaries/commission or a business they own.

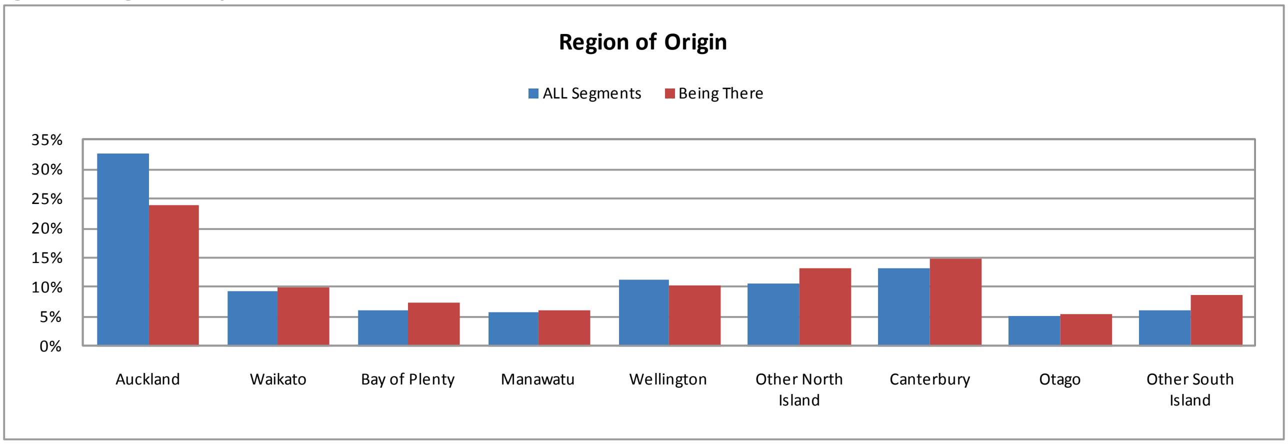
Figure 53: Source of Income Profile – Being There



Region

Of all market segments, the 'Being There' segment has the lowest proportion of Auckland residents. A higher than average proportion live in provincial or smaller population centres (aggregated as 'Other North Island' and 'Other South Island').

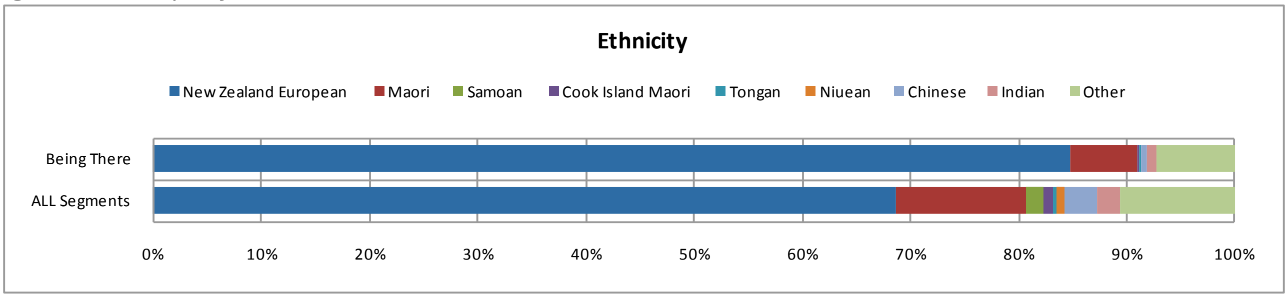
Figure 54: Regional Profile



Ethnicity

The 'Being There' segment contains a much larger proportion of New Zealand Europeans than other segments on average.

Figure 55: Ethnicity Profile

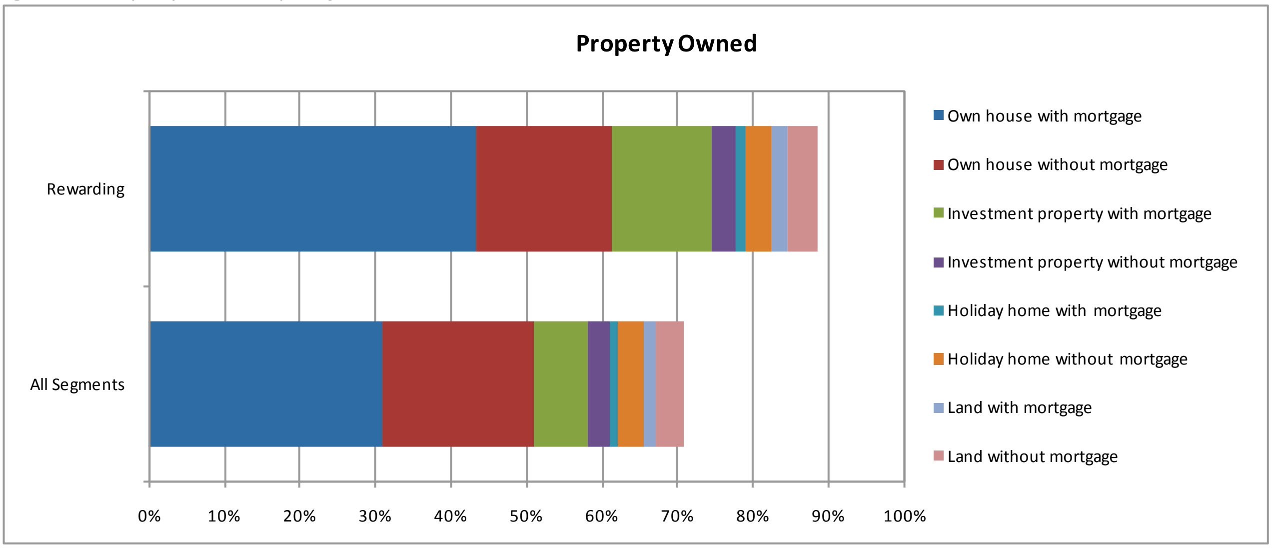


Other Characteristics

Property Ownership

While members of the 'Being There' segment may be comparatively 'income poor', they are rich in property assets. Importantly, much of the property they own is free of debt.

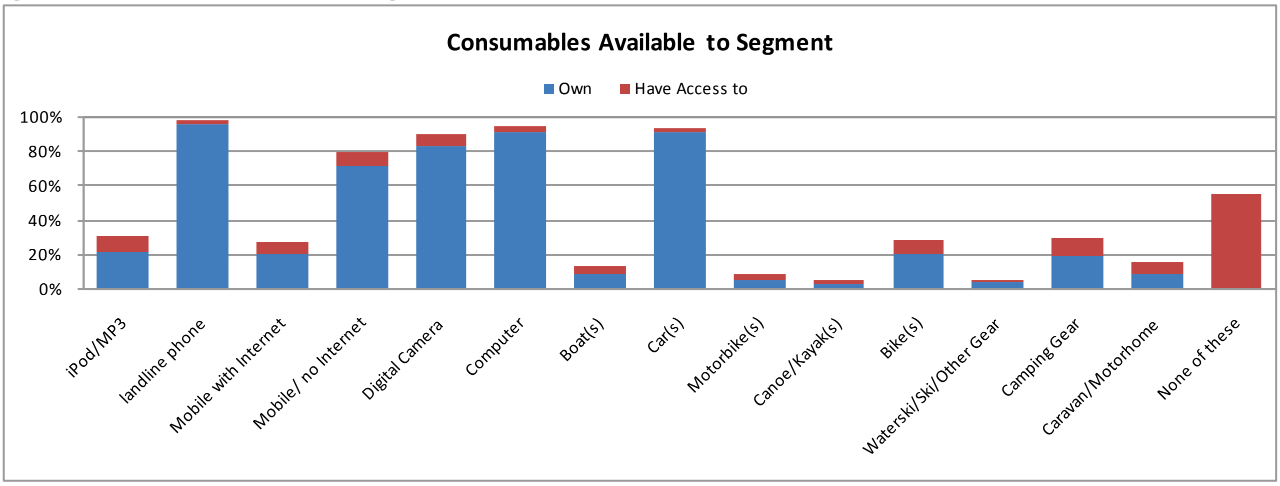
Figure 56: Property Ownership Profile



Ownership and Access to Consumables

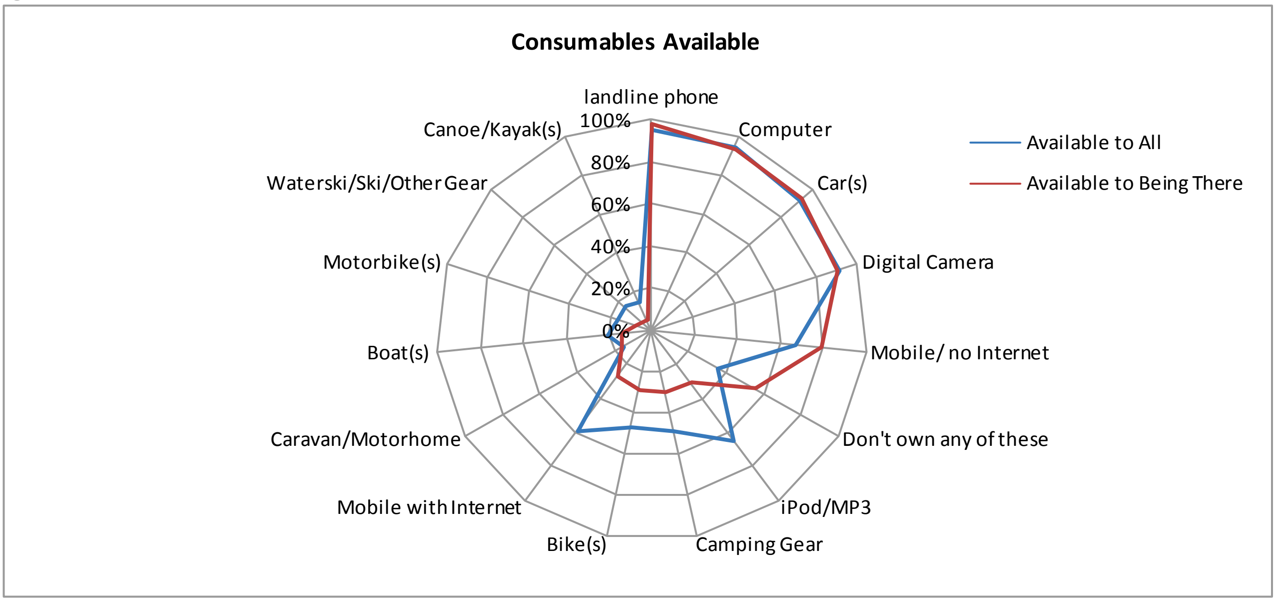
Almost all members of the 'Being There' segment own or have access to a landline phone, a car, computer, digital camera and mobile phone (the latter most often without internet access). Sizeable proportions also own or have access to bikes and/or camping equipment.

Figure 57: Consumables Available – Being There



However, as shown in Figure 58 (overleaf), the 'Being There' segment is less likely to have access to bikes, camping equipment, canoes/kayaks, boats, waterskis and other leisure/sporting equipment than their peers in other market segments.

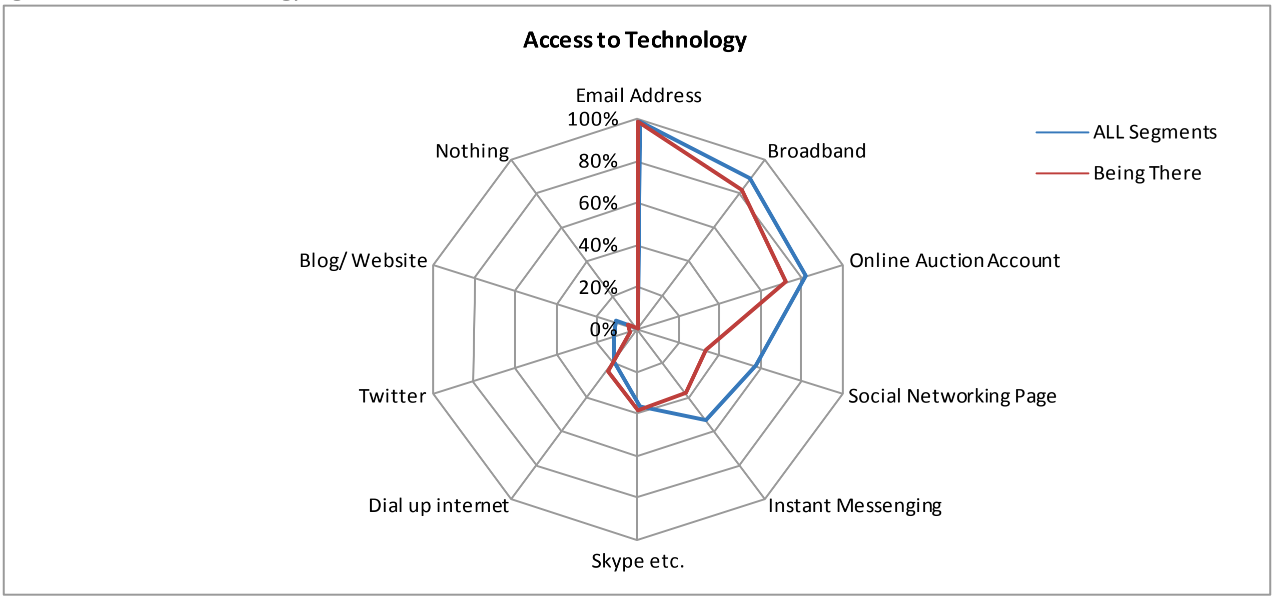
Figure 58: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 59, members of the 'Being There' segment are generally less well-equipped than their peers in this respect. Use of Skype (or another VOIP service) is a notable exception and likely reflects this segment's desire to stay in touch with family/friends in other parts of the country or around the world.

Figure 59: Access to Technology

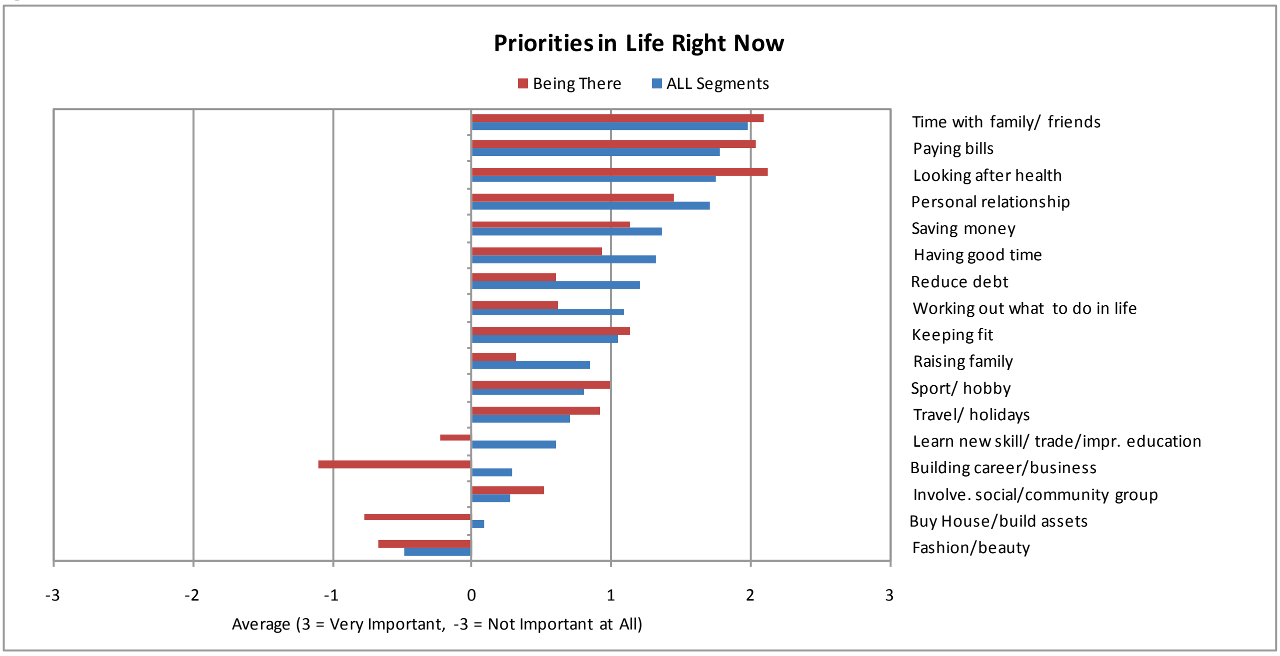


Current Priorities

Like many other segments, the priorities of those in the 'Being There' segment centre on health, spending time with family/friends and simply paying the bills. However, health is of particular importance – a consequence perhaps of their relatively older age.

Travel/holidays are also of special importance to this segment, although still some way down the list of priorities overall. Building a career/business and buying a house or building up other assets are definitively **not** priorities – see Figure 60 overleaf.

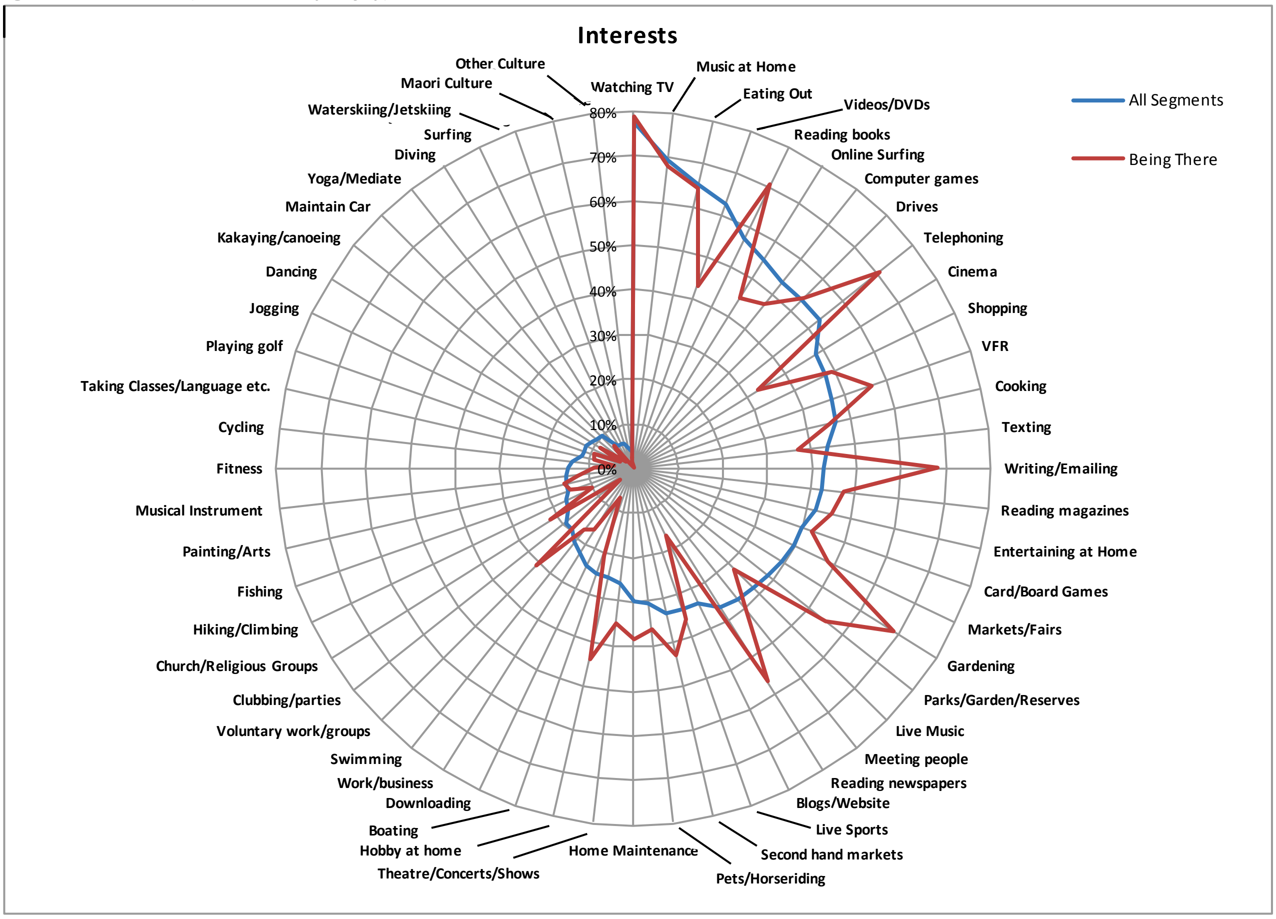
Figure 60: Current Priorities



Interests

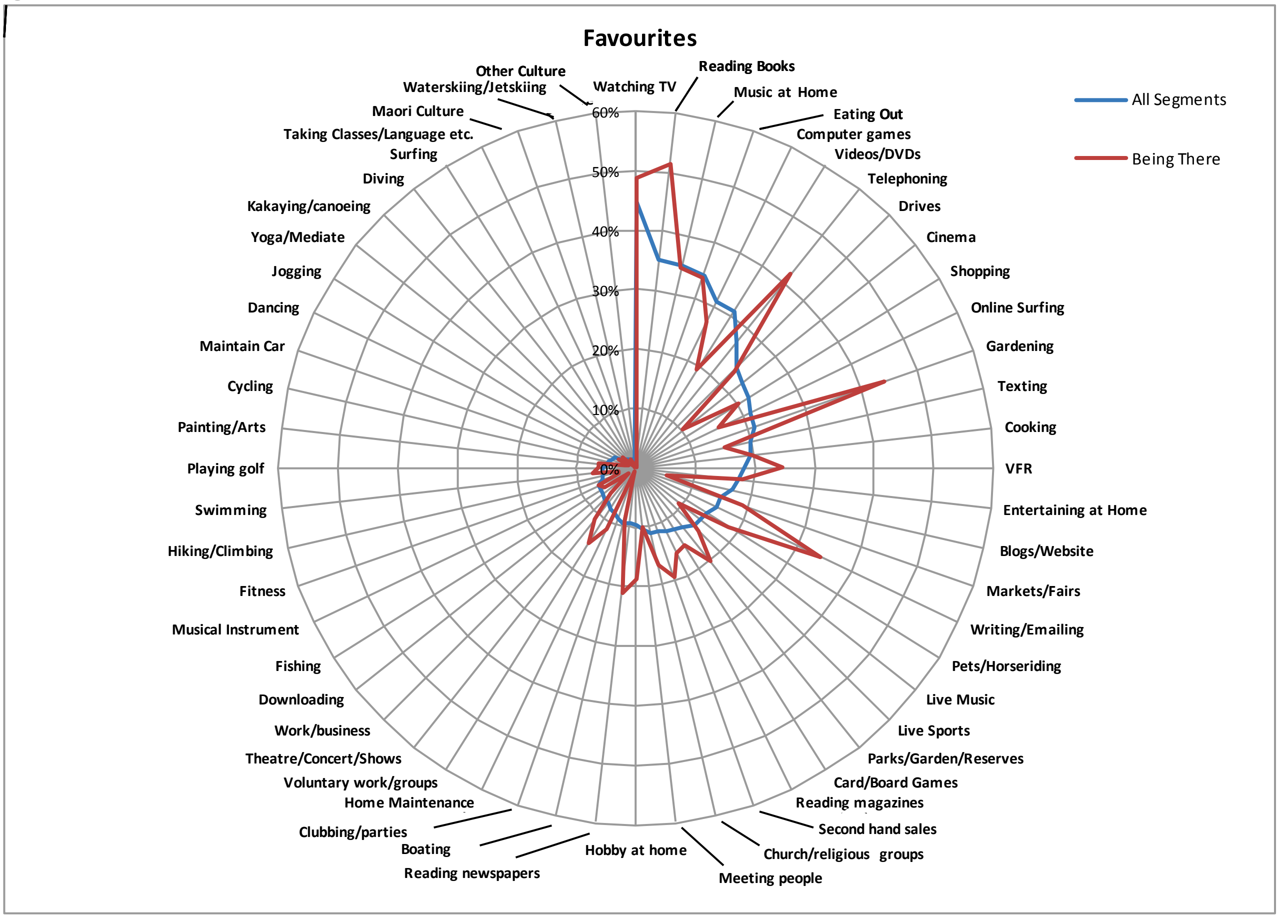
Relative to other segments, the 'Being There' segment takes particular pleasure in reading, talking with friends/family on the telephone, writing/emailing friends, gardening, visiting parks/gardens/nature reserves and reading newspapers. They are also keen on hobbies undertaken at home, home maintenance and voluntary work/ groups. Overall, their interests are more sedentary and more home and/or community-based than those of other segments.

Figure 61: Interests (What I Really Enjoy)



These interests are reflected in their **favourite pastimes**, with reading, gardening and communicating with friends/family (via phone, mail and/or email) of particular note.

Figure 62: Favourite Pastimes



Travel Needs and Attitudes

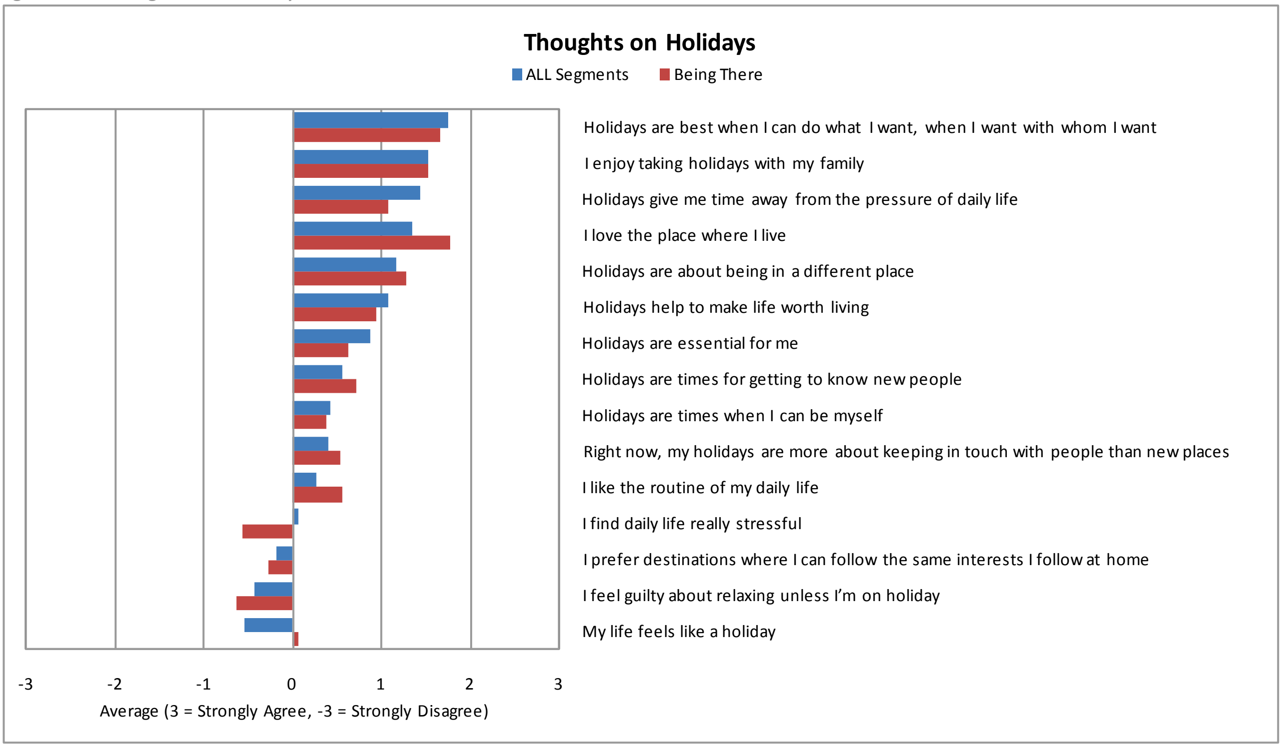
Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

For members of the 'Being There' segment, holidays are **not** about escaping from daily life – in fact, of all segments, they are most likely to love the place they live and to like the routine of their daily life. Furthermore, they are least likely to find daily life stressful and they feel free to relax at home (and not just on holiday).

Given this, members of the 'Being There' segment don't always see holidays as **essential** (although they do help to make life worth living). Holidays are driven more by a desire to be in a **different place**, doing **different things**, and – most importantly - spending time with **people** they know or meet while on holiday.

Figure 63: Thoughts on Holidays

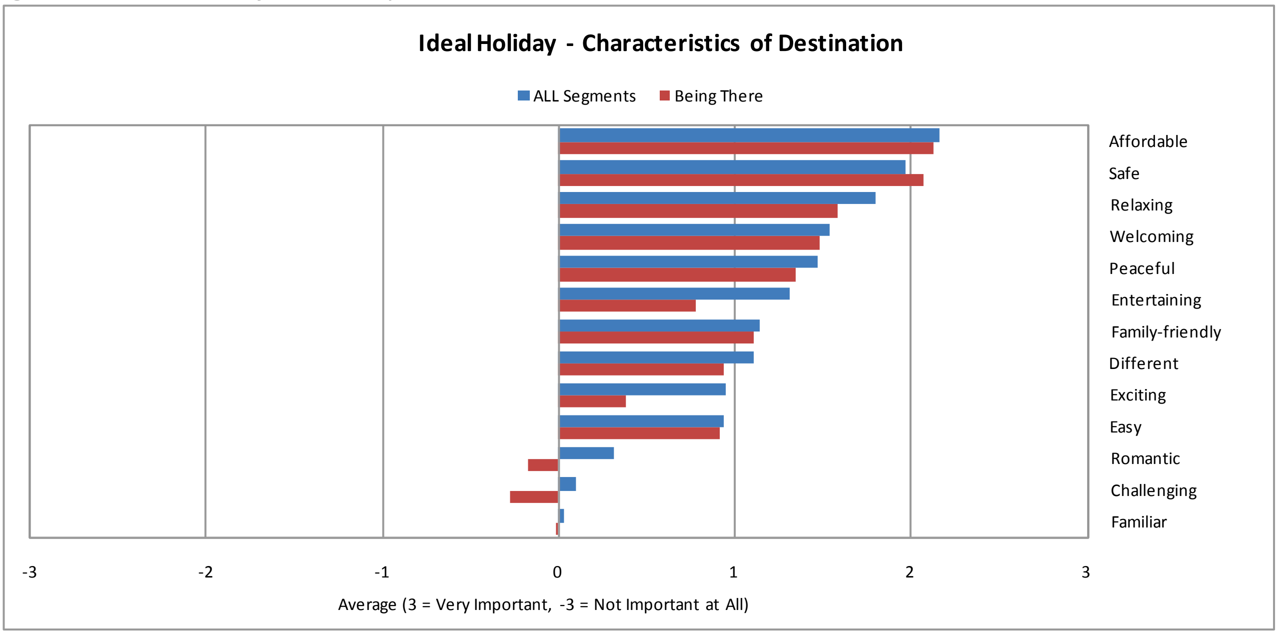


Ideal Holiday Destination

Compared with other segments, the 'Being There' segment's ideal holiday destination is less likely to be entertaining, to be exciting, romantic, or challenging. Instead, the defining requirements for this segment are affordability and safety.

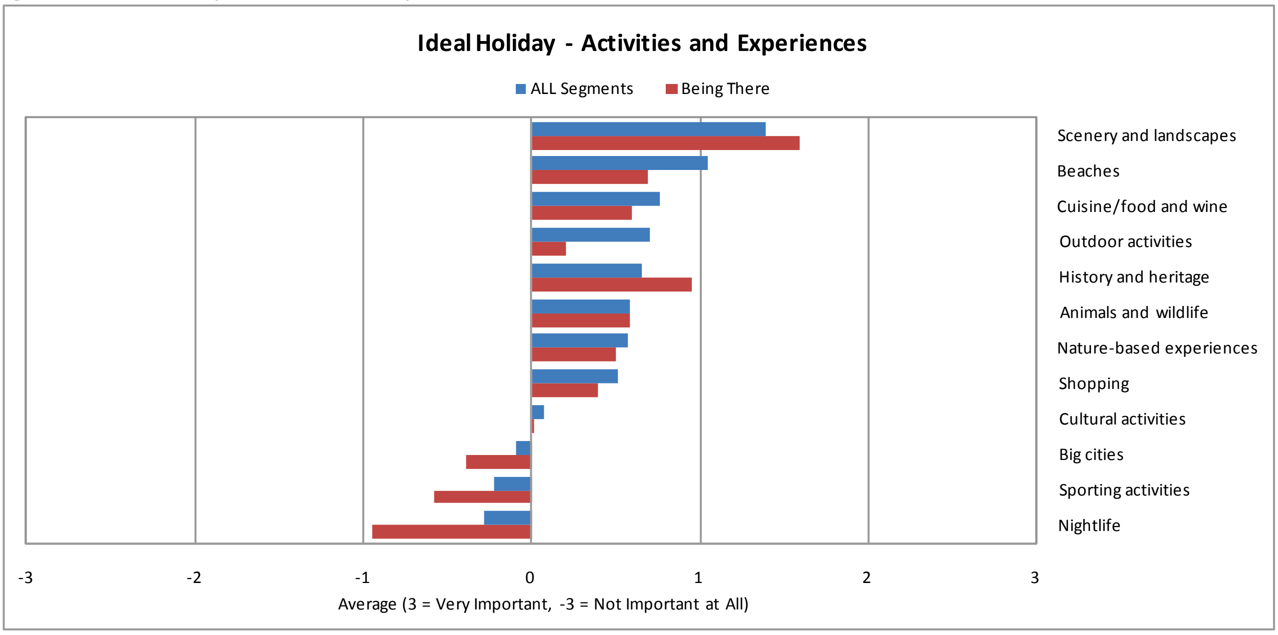
This overall lack of emphasis on defining destination characteristics probably reflects the simple fact that destination choices for the 'Being There' segment are less about **place** and more about **people**. See Figure 64 overleaf.

Figure 64: Characteristics of Ideal Holiday Destination



The ideal holiday experience for members of the 'Being There' segment is built around scenery and landscapes and history and heritage. This segment is less interested in beaches, outdoor activities and shopping than other segments and they are **not interested** in big city experiences, in sporting activities or in nightlife.

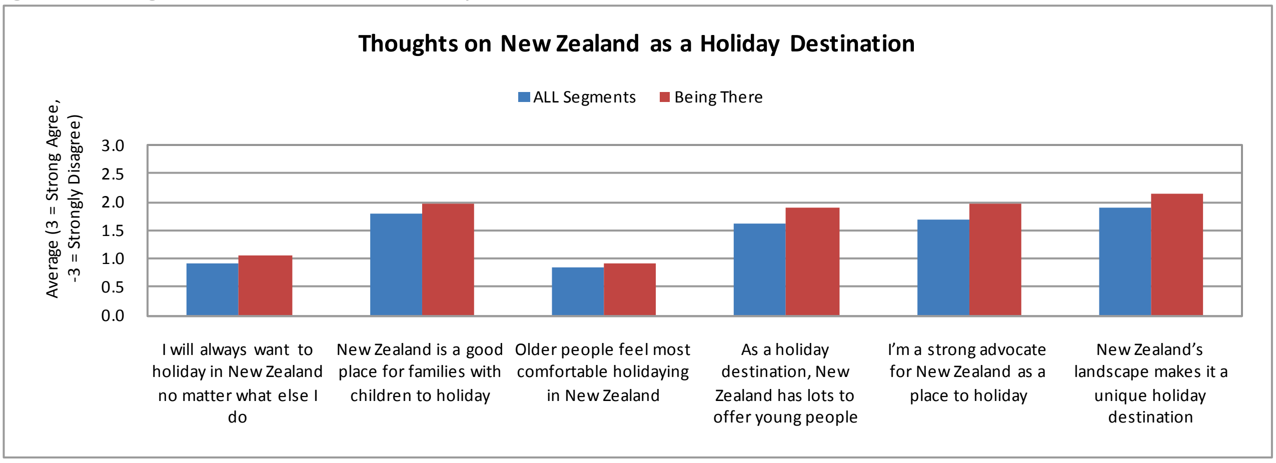
Figure 65: Ideal Holiday – Activities and Experiences



Domestic Holidays

Although taking relatively fewer short domestic breaks than other segments, members of the 'Being There' segment are firm advocates of New Zealand as a place to holiday. They are especially strong in their view that New Zealand has a lot to offer young people. See Figure 66 overleaf.

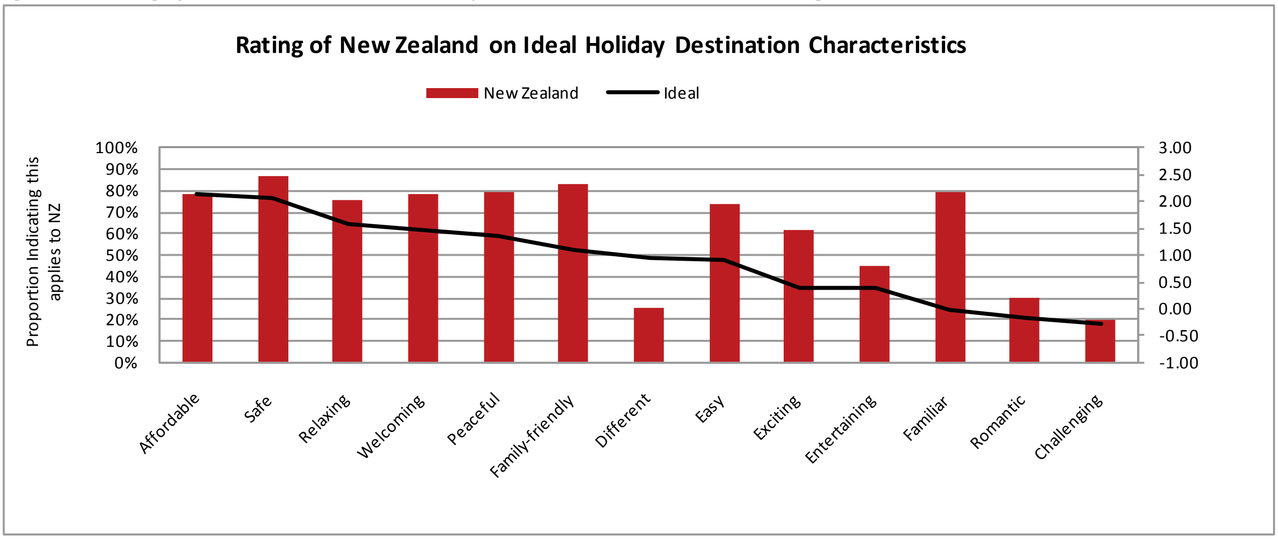
Figure 66: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

As shown in Figure 67, members of the 'Being There' segment rated New Zealand highly on most of the characteristics which made up their ideal holiday destination, with "different" being a notable exception in this respect.

Figure 67: Rating of New Zealand on Ideal Holiday Destination Characteristics – Being There



New Zealand also scored well on most of the activities and experiences this segment looked for in its ideal holiday. However, **comparative** areas of weakness related to activities/experiences of food/wine, history/ heritage and animals/wildlife. See Figure 68 overleaf.

Figure 68: Rating of New Zealand on Ideal Holiday Activities and Experiences – Being There

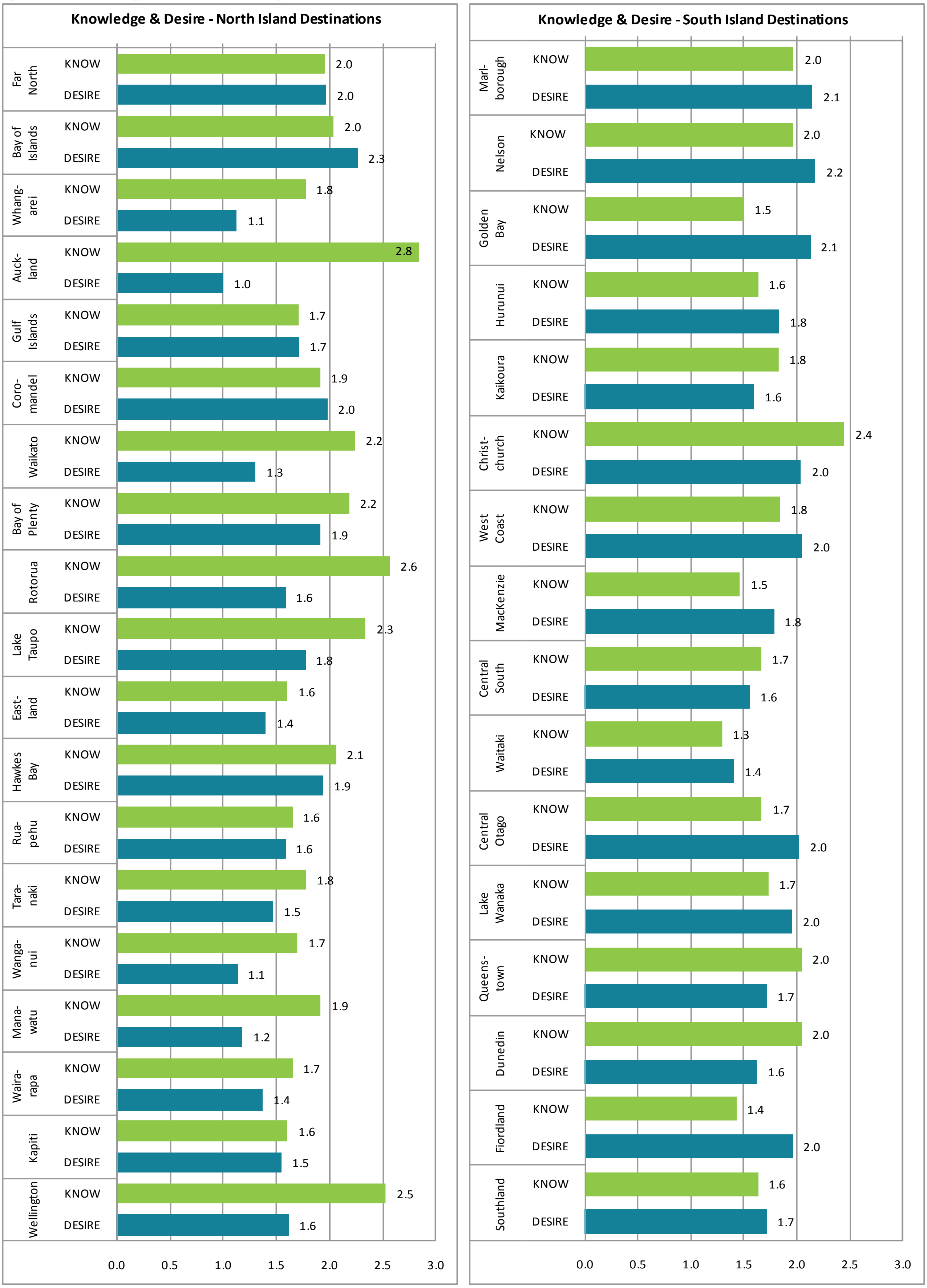
New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 69 (overleaf) charts results for the 'Being There' segment as they relate to North and South Island destinations. This analysis highlights regions which are relatively lesser known to members of the 'Being There' segment and those to which members of this segment are most attracted.

Generally speaking, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Bay of Islands, Golden Bay, Central Otago and Fiordland - could be said to represent particular areas of unrealised demand.

Figure 69: Knowledge and Desire – Being There[5]



[5] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of the 'Being There' segment take **15% fewer** domestic short breaks for leisure each year than the 'average New Zealander' (1.6 versus 1.9).

Figures 70-82 profile the **last domestic short break** taken by members of this segment.

Results show that, compared with other segments: -

- Auckland, Bay of Plenty, Manawatu, Wairarapa and Southland are especially popular destinations.
- Key activities are sightseeing and shopping.
- The vast majority of short breaks are taken by car.
- Almost half of all members of this segment are hosted in private homes; those choosing commercial accommodation tend to favour motels.
- More than half of the 'Being There' segment travel solely with their partner/spouse.
- Almost all are involved in planning the trip (alone or in association with someone else).
- More than half of all short breaks are planned within two weeks of departure.
- The decision to take a trip is commonly prompted by an event or other circumstances involving friends/family at the destination. Other events are also a trigger.
- Friends or family at the destination play a key role in choosing that destination.
- Short breaks are typically motivated by a desire to spend quality time with friends/family, to build closer relationships and/or to share enjoyment of the destination with others.
- The 'Being There' segment is more likely to fund a short break by credit card than other segments.

Figure 70: Region Visited on Last Short Break

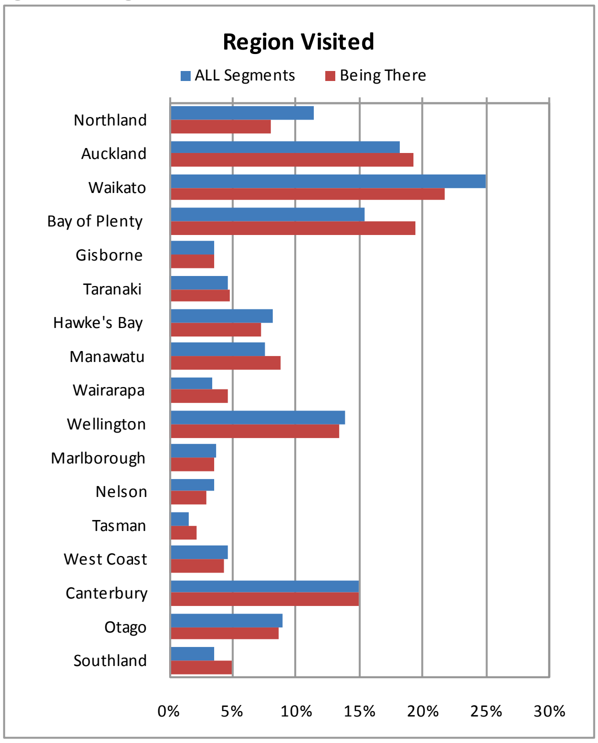


Figure 71: Activities/Experiences on Last Short Break

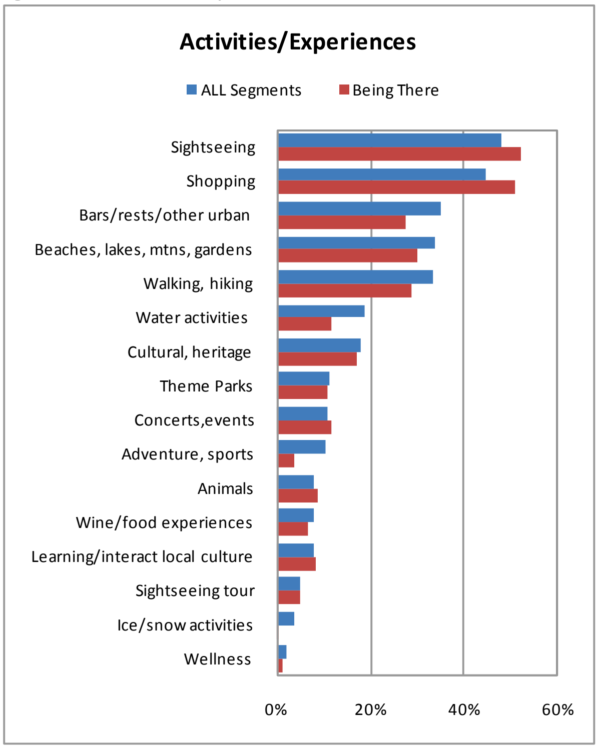


Figure 72: Transport Used on Last Short Break

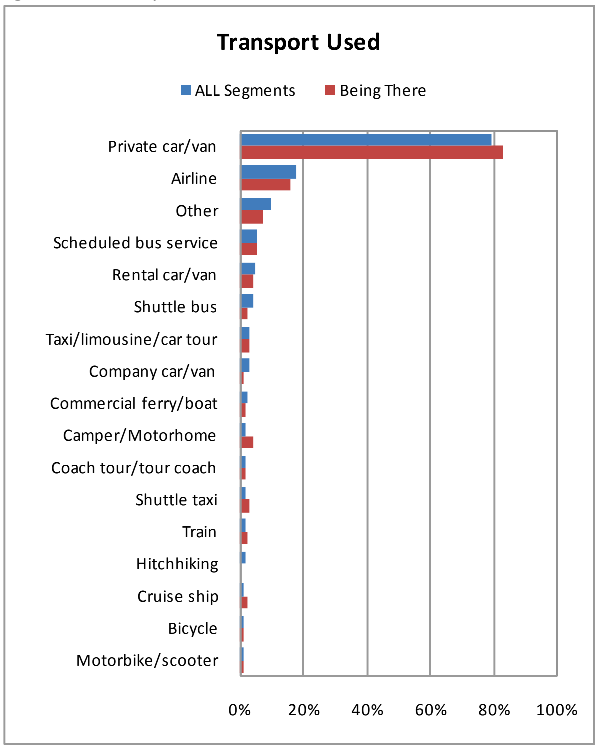


Figure 73: Accommodation Used on Last Short Break

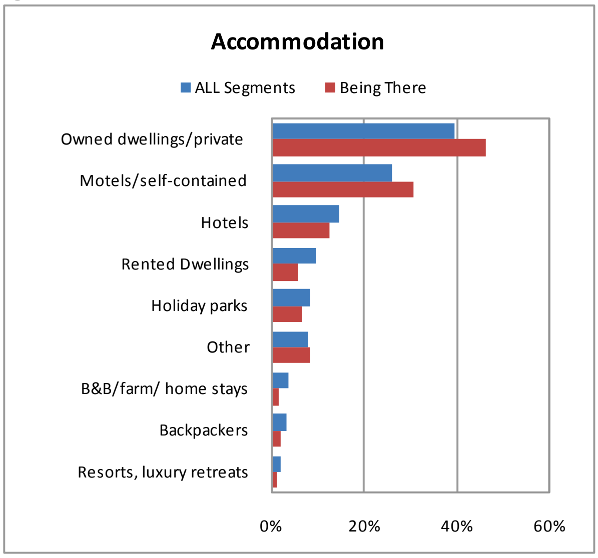


Figure 74: Party Composition on Last Short Break

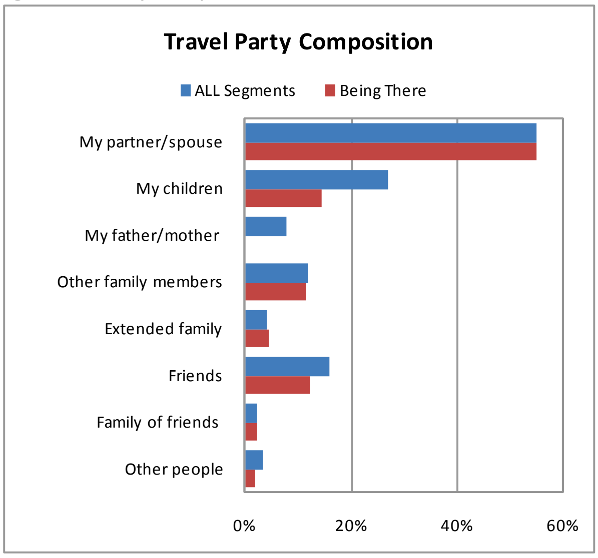


Figure 75: Role in Planning Last Short Break

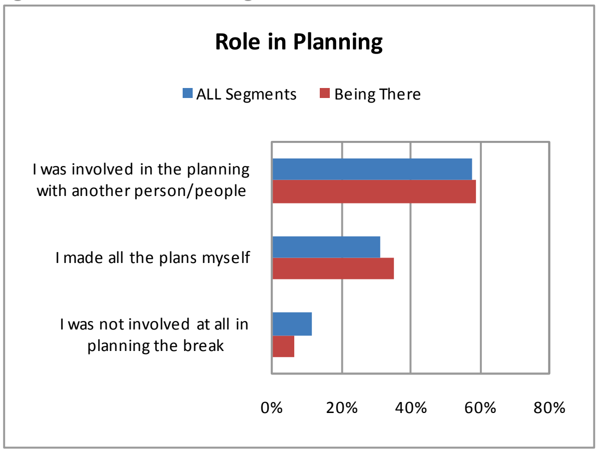


Figure 76: Planning Timelines for Last Short Break

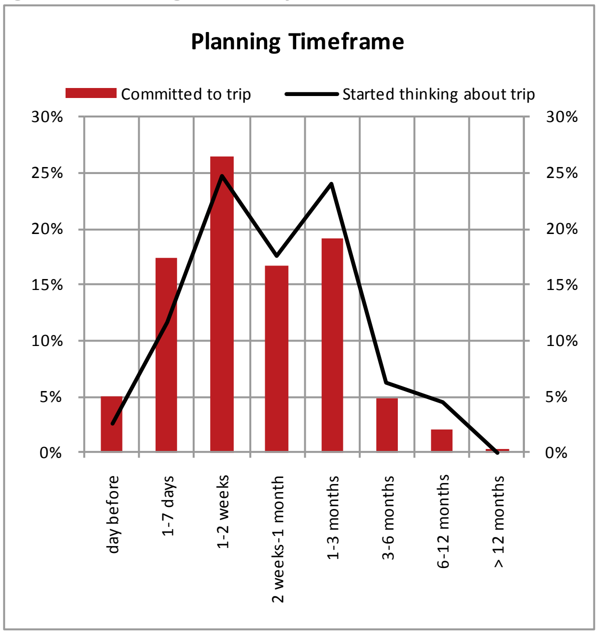


Figure 77: Commitment to Trip – Triggers for Last Short Break

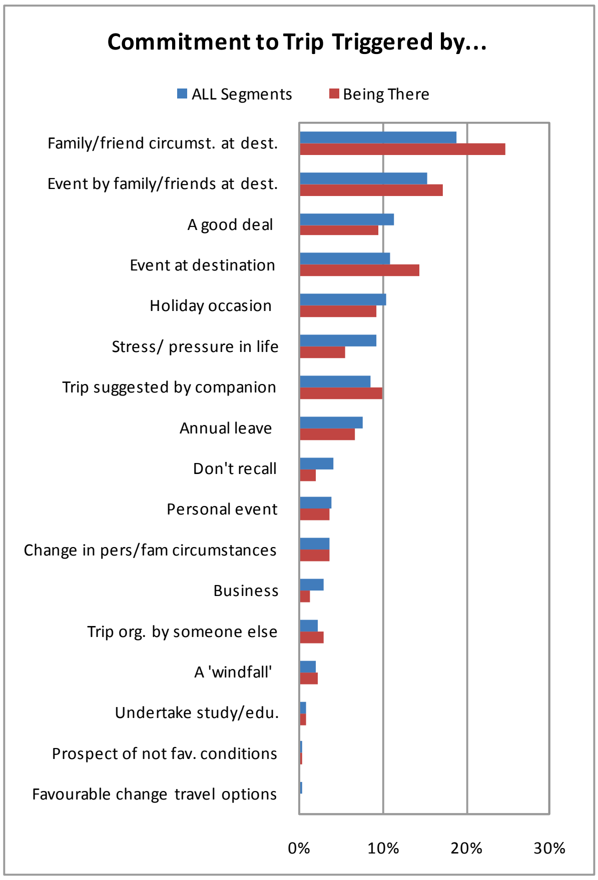


Figure 78: People Contributing to Trip Planning of Last Short Break

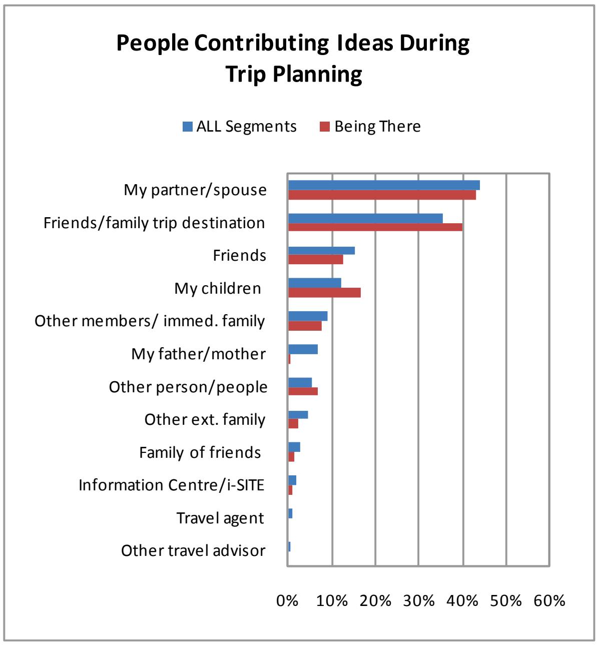


Figure 79: Other Influences on Choice of Destination for Last Short Break

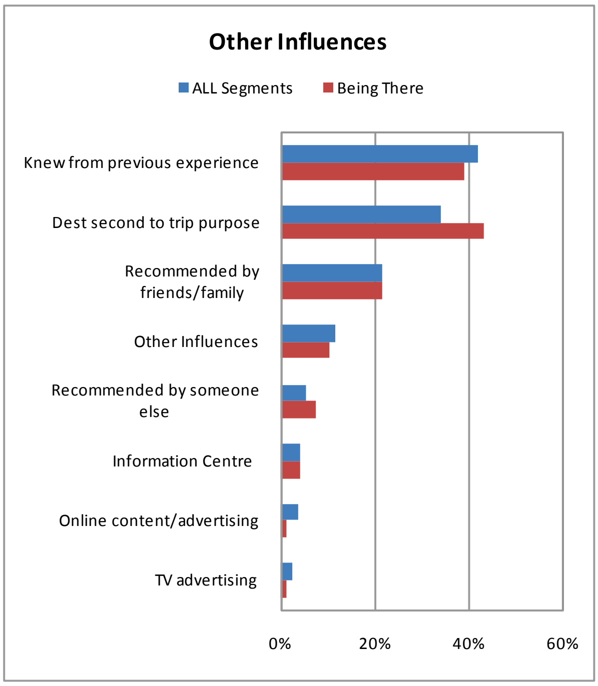


Figure 80: Motivations for Last Short Break

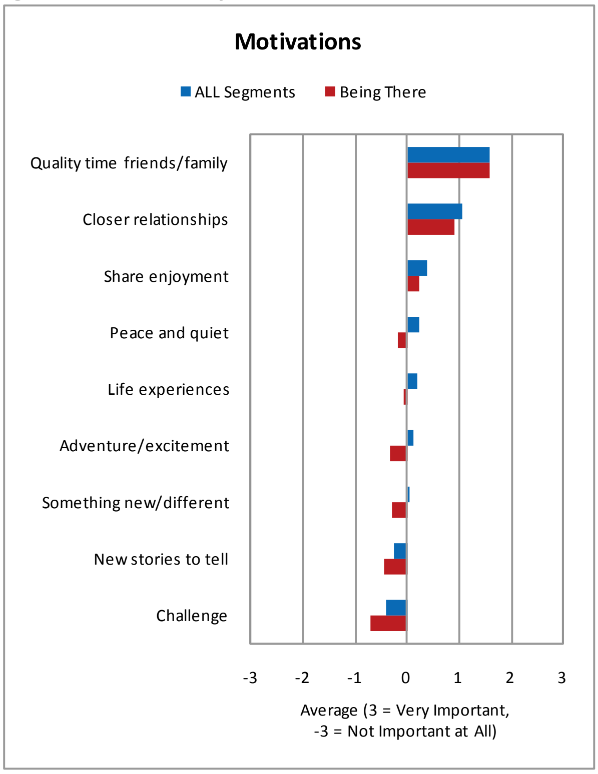


Figure 81: Who Paid for Last Short Break

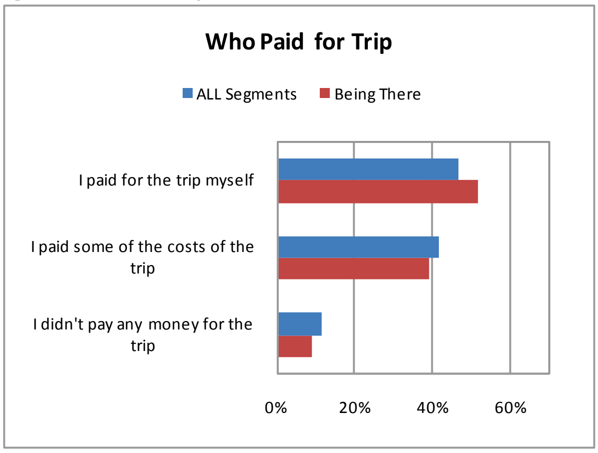
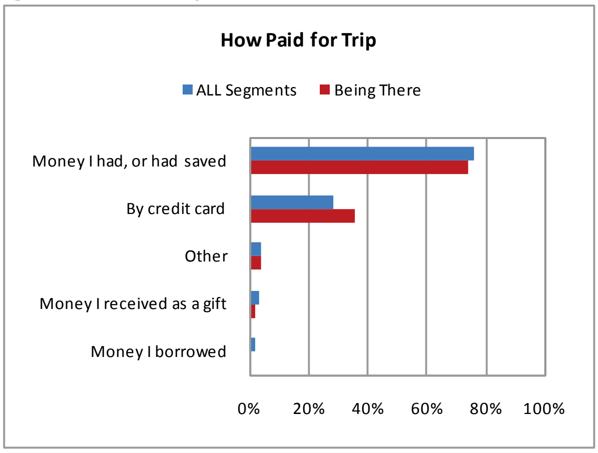


Figure 82: How Paid for Last Short Break



Domestic Holiday Profile

Members of the 'Being There' segment take **12% more** domestic holidays for leisure (> 5 nights) each year than the 'average New Zealander' (0.7 versus 0.6).

Figures 83-95 present a profile of the **last domestic holiday** taken by members of this segment.

Key findings are: -

- The main centres – Auckland, Wellington and Christchurch – are popular holiday destinations.
- They take part in a wide range of activities, with sightseeing, shopping, natural attractions, walking/hiking and cultural/heritage attractions especially popular.
- While most travel by private car, use of private campervans is also prominent.
- While the 'Being There' segment favours private homes for short domestic breaks, motels are a common choice for more extended holidays.
- Most domestic holidays are taken solely with a partner.
- A large proportion of holidays are planned within 1-3 months of departure.
- The decision to travel to the chosen destination is often prompted by the circumstances of family/friends at the destination (perhaps the birth of a new child or the need for care of grandchildren while parents are working) or by a good deal on flights, transport or accommodation.
- As is the case with short breaks, longer holidays are typically motivated by a desire to spend quality time with friends/family, to build closer relationships and/or to share enjoyment of a destination with others.
- The 'Being There' segment is also more likely to fund domestic holidays on credit card than other segments.

Figure 83: Region Visited on Last Domestic Holiday

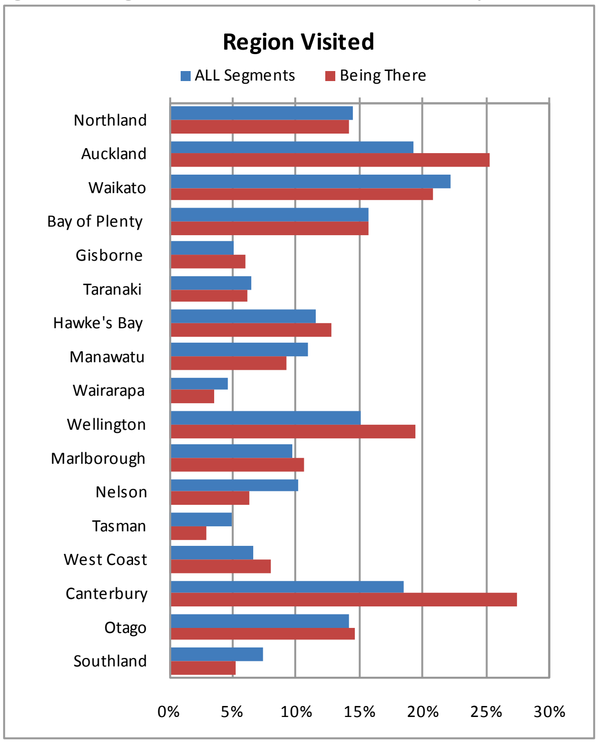


Figure 84: Activities/Experiences on Last Domestic Holiday

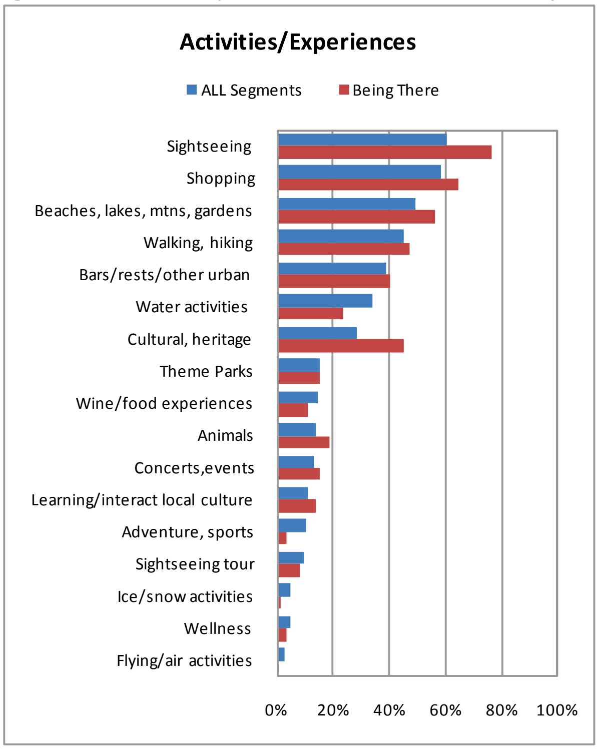


Figure 85: Transport Used on Last Domestic Holiday

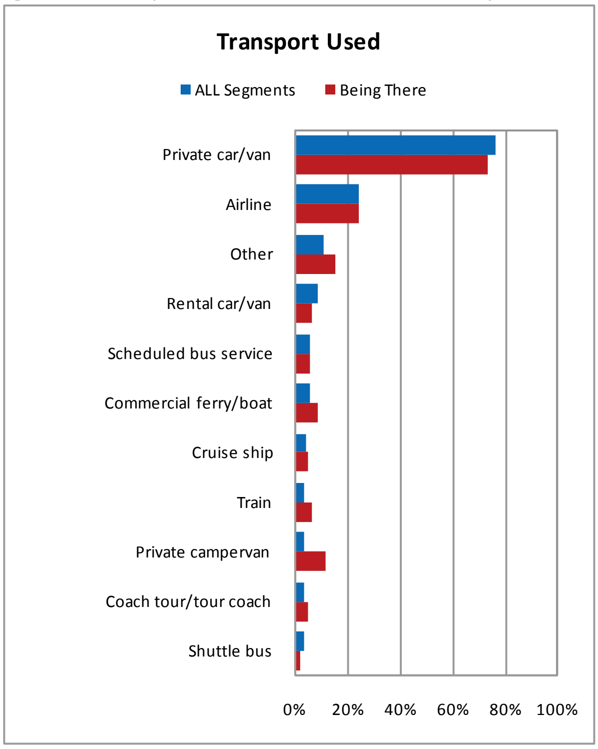


Figure 86: Accommodation Used on Last Domestic Holiday

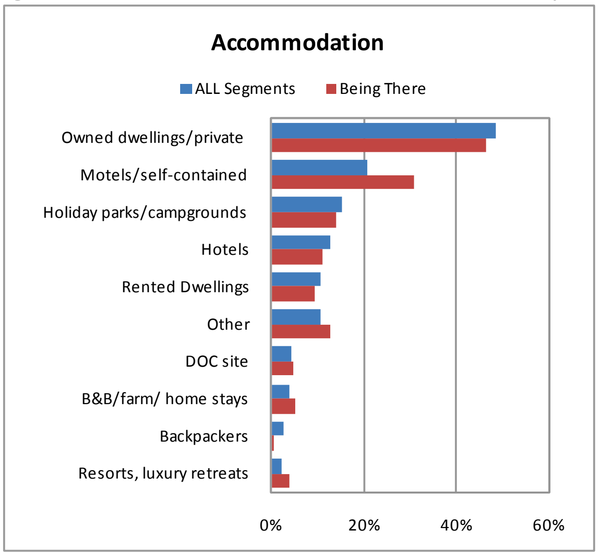


Figure 87: Party Composition on Last Domestic Holiday

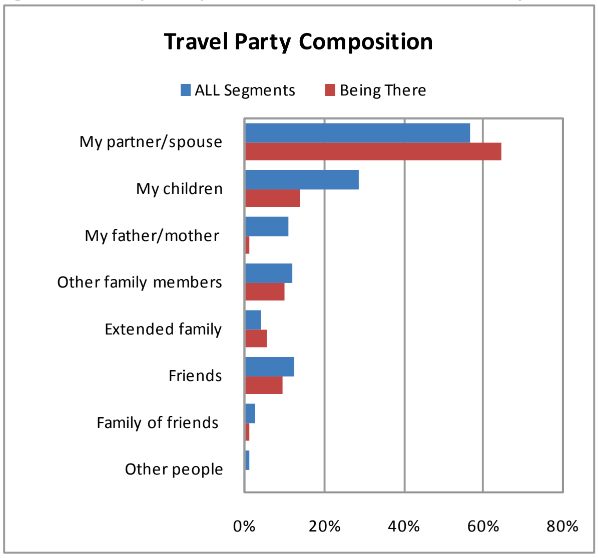


Figure 88: Role in Planning Last Domestic Holiday

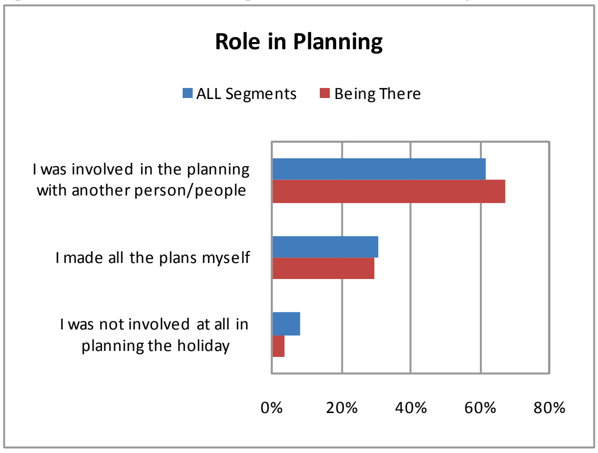


Figure 89: Planning Timelines for Last Domestic Holiday

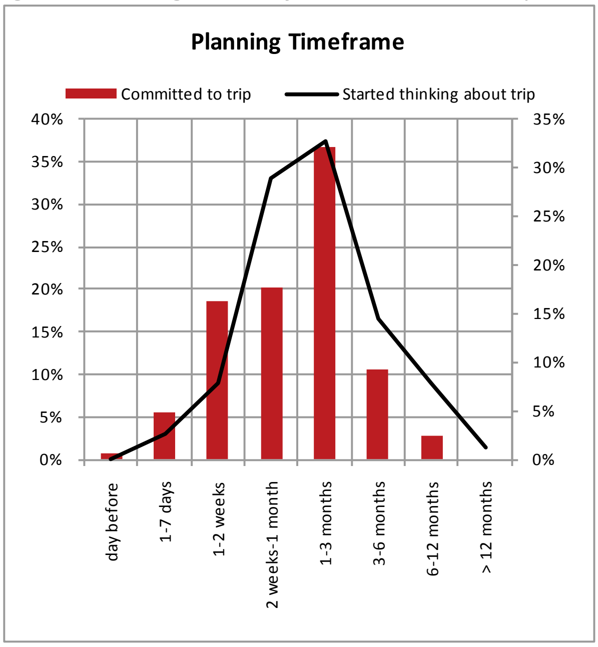


Figure 90: Commitment to Trip – Triggers for Last Domestic Holiday

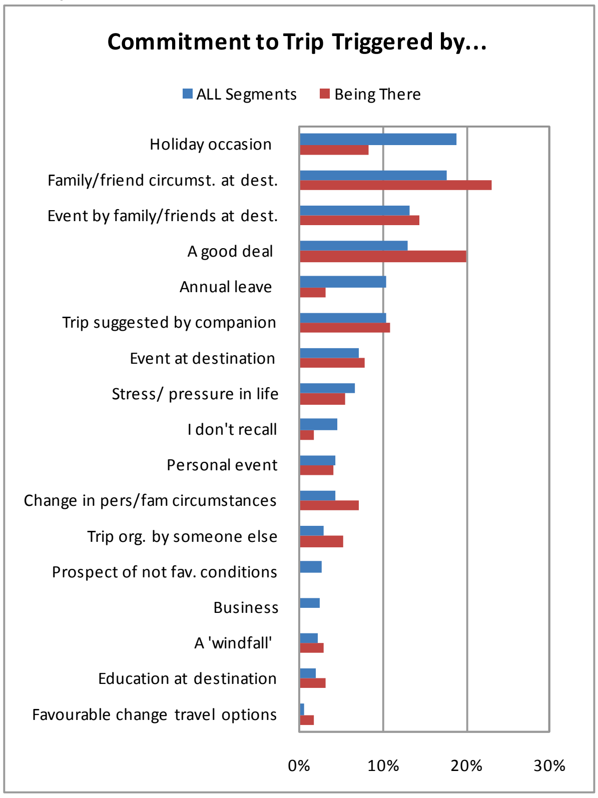


Figure 91: People Contributing to Trip Planning of Last Domestic Holiday

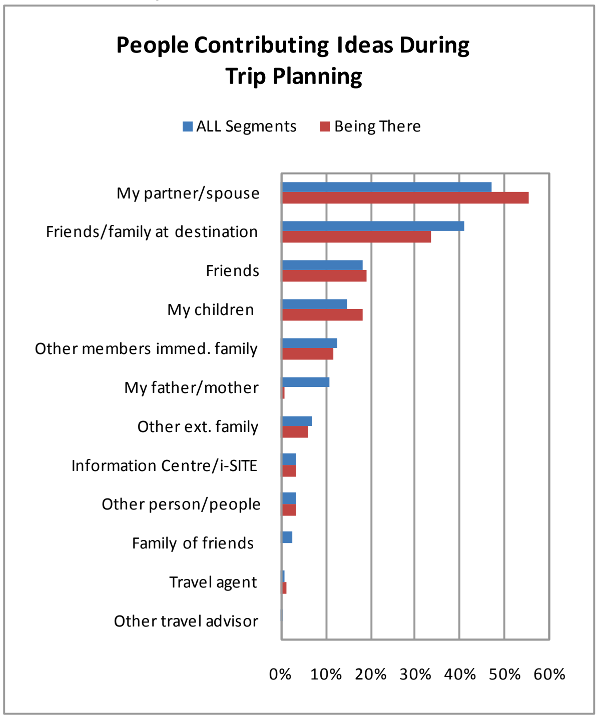


Figure 92: Other Influences on Choice of Destination for Last Domestic Holiday

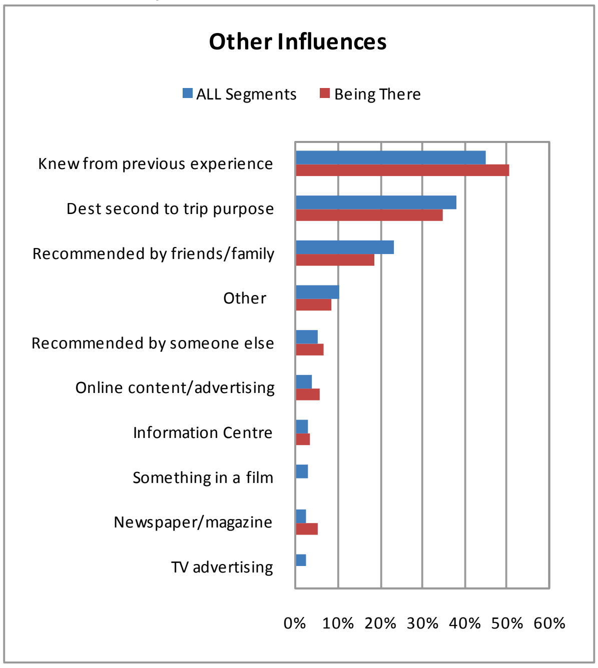


Figure 93: Motivations for Last Domestic Holiday

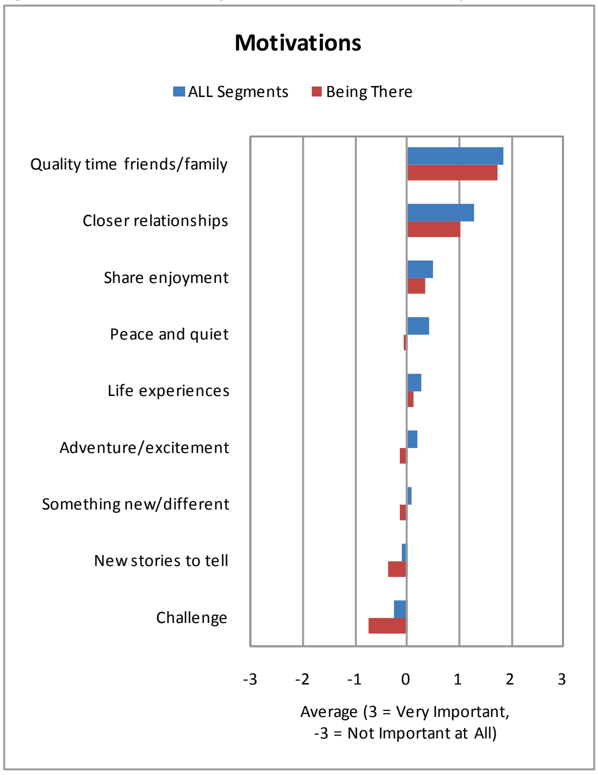


Figure 94: Who Paid for Last Domestic Holiday

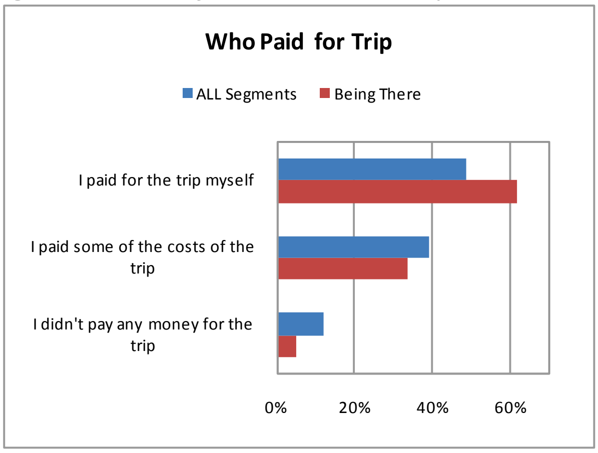
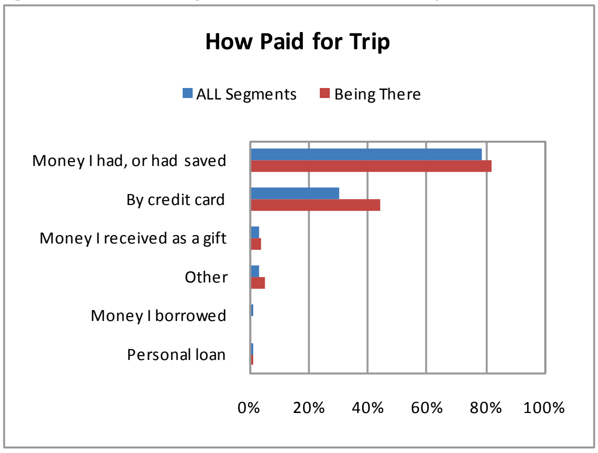


Figure 95: How Paid for Last Domestic Holiday



International Holiday Profile

Members of the 'Being There' segment take **39% more** international holidays each year than the 'average New Zealander' (0.6 versus 0.4). Figures 96-108 profile the **last international holiday** taken by this segment.

Results show that, compared with other segments: -

- Australia, the US and Canada are popular destinations.
- The 'Being There' segment participates in a wide range of activities overseas: the most popular being shopping, sightseeing, gardens and other natural attractions, walking/hiking, cultural and heritage activities.
- A relatively large proportion travel by private car while overseas – suggesting that many are visiting friends/family at their destination. This segment is also represented disproportionately amongst cruise ship travellers.
- Almost half of those travelling offshore stay at some stage in private dwellings. This again reinforces the extent to which international travel is associated with visits to family/friends.
- More than half of all international holidays are planned 1-6 months prior to departure although it is evident that 'thinking' about a trip precedes commitment by some months.
- The decision to take a holiday offshore is often prompted by a good transport or accommodation deal. An event planned by family/friends is also influential, as are other circumstances involving friends/family at the segment's destination.
- In this context, it is not surprising that actual destination is often secondary to the main purpose of the trip.
- As is the case with domestic travel, international holidays are most often prompted by a desire to spend quality time with friends/family, to build closer relationships and/or to share enjoyment of the destination with others. However, international travel also satisfies a need apparently not as well served by domestic travel – "to add to my life experiences".

Figure 96: Countries Visited on Last International Holiday

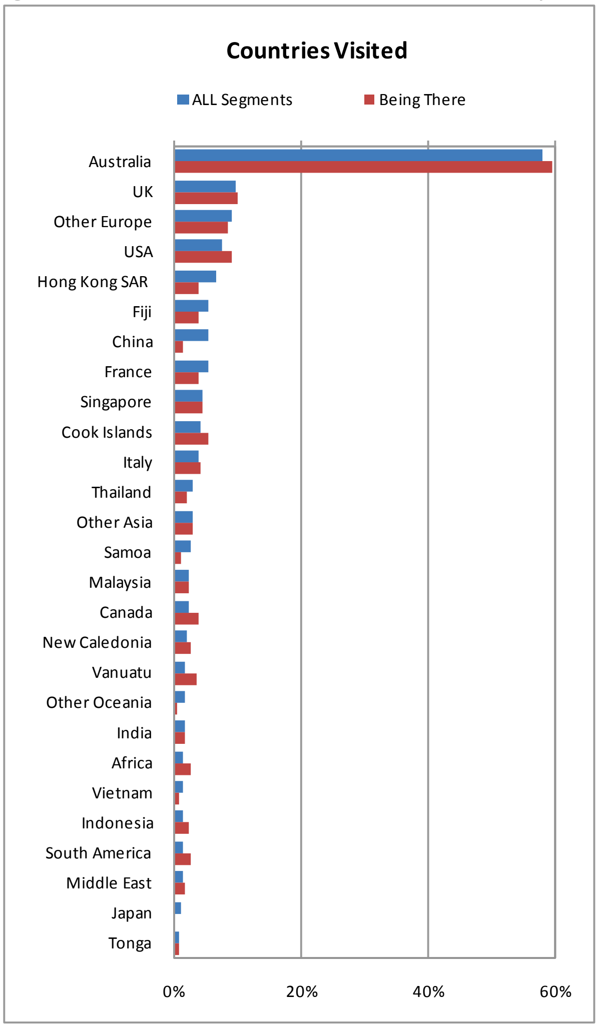


Figure 97: Activities/Experiences on Last International Holiday

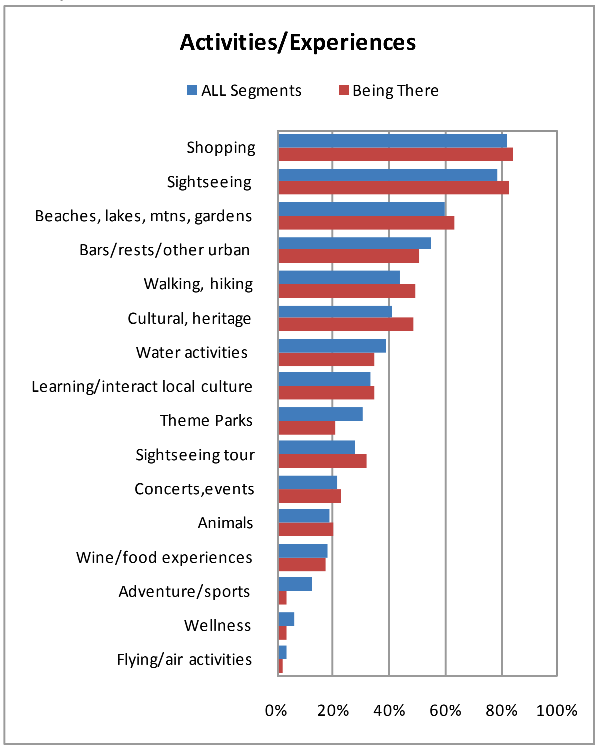


Figure 98: Transport Used on Last International Holiday

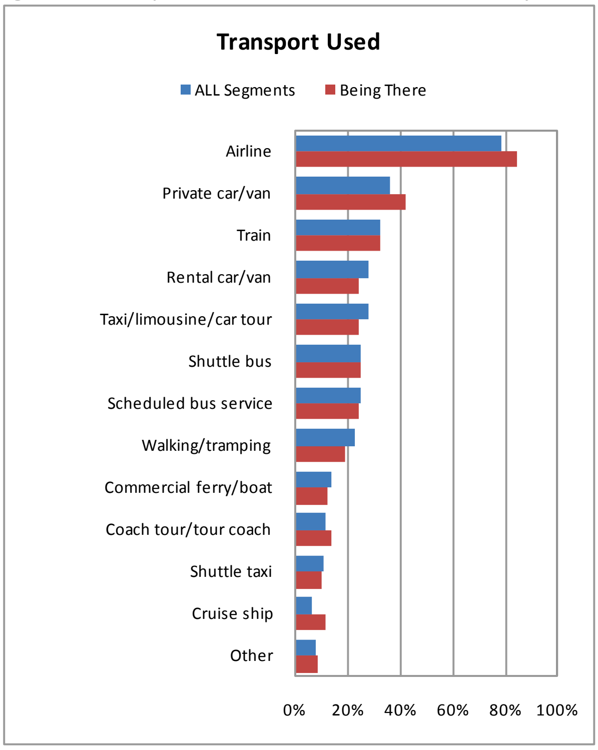


Figure 99: Accommodation Used on Last International Holiday

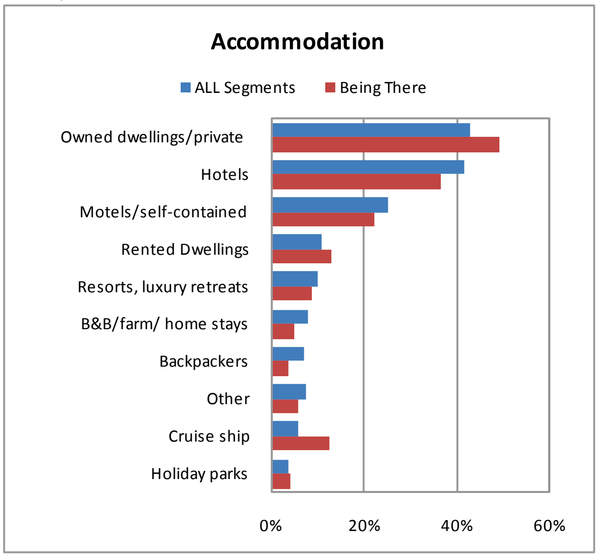


Figure 100: Party Composition on Last International Holiday

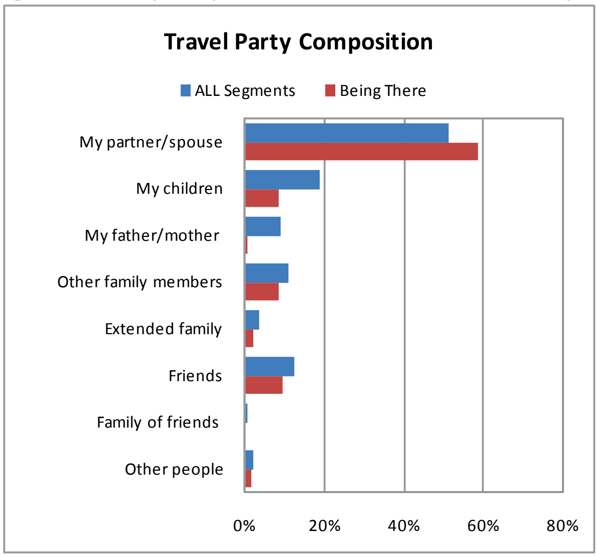


Figure 101: Role in Planning Last International Holiday

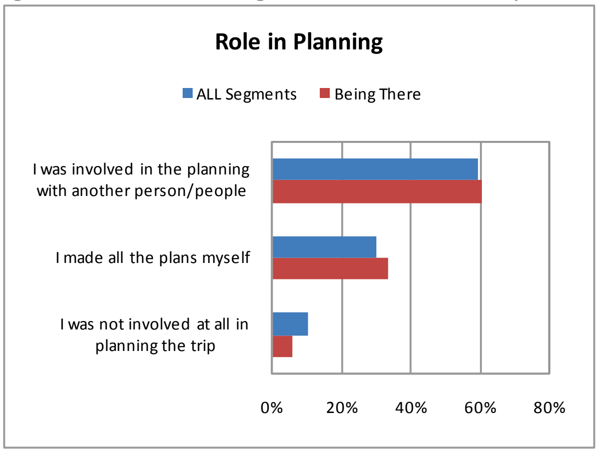


Figure 102: Planning Timelines for Last International Holiday

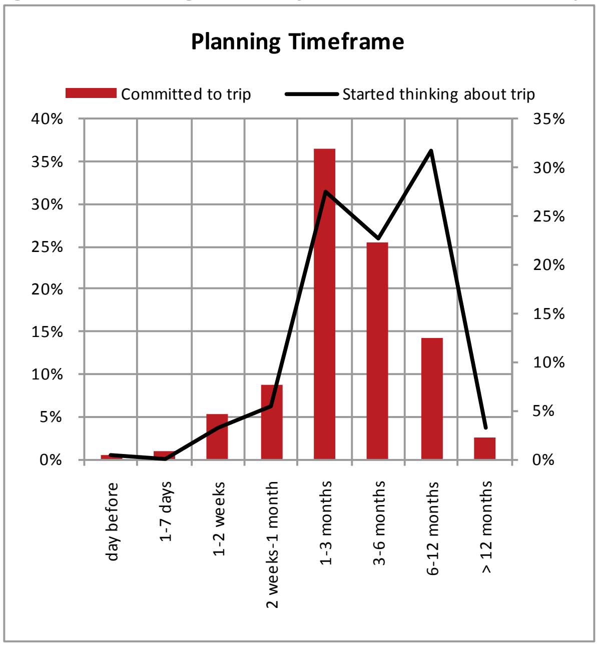


Figure 103: Commitment to Trip – Triggers for Last International Holiday

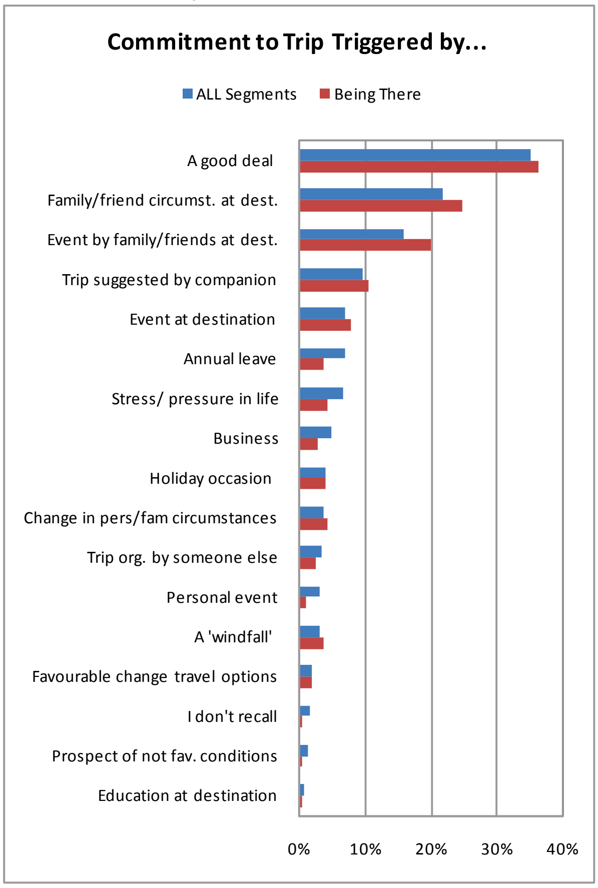


Figure 104: People Contributing to Trip Planning of Last International Holiday

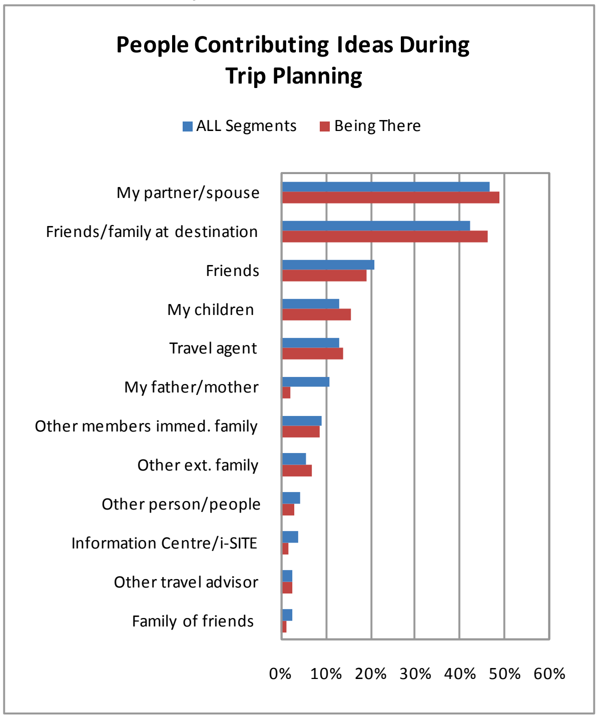


Figure 105: Other Influences on Choice of Destination for Last International Holiday

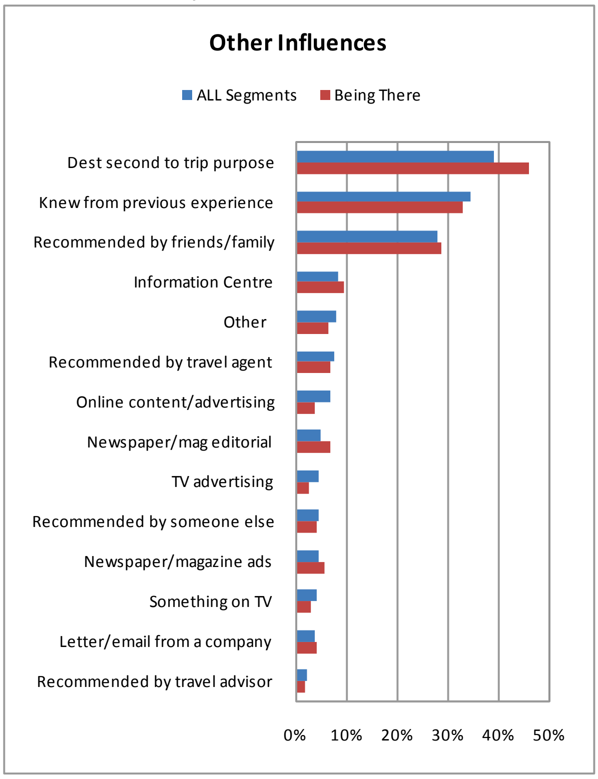


Figure 106: Motivations for Last International Holiday

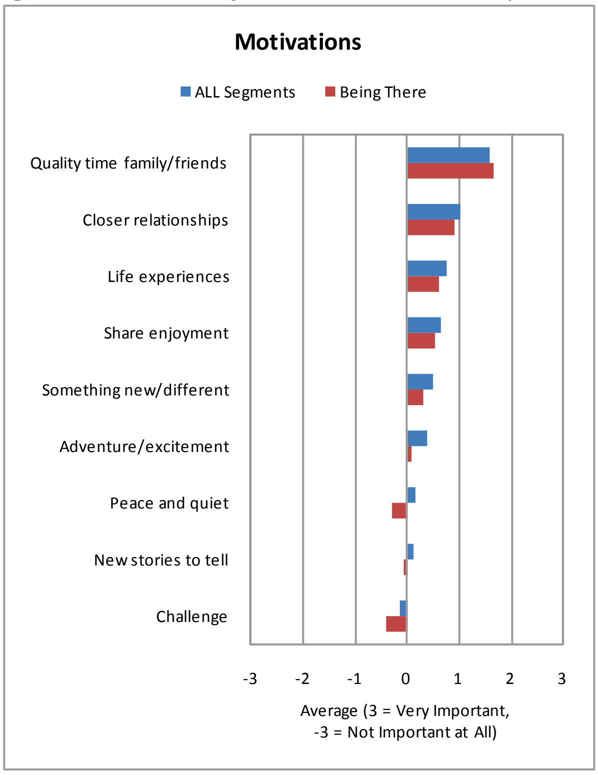


Figure 107: Who Paid for Last International Holiday

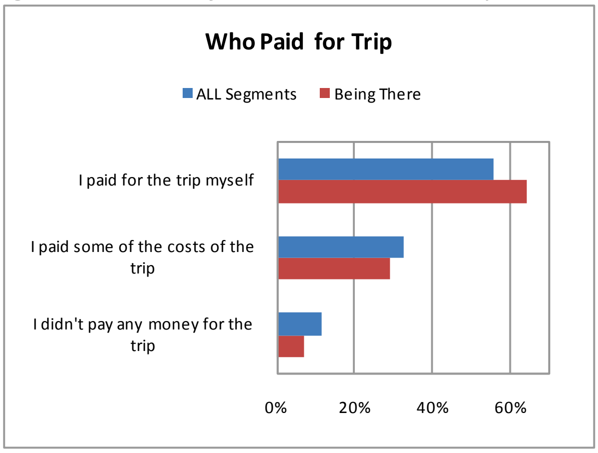
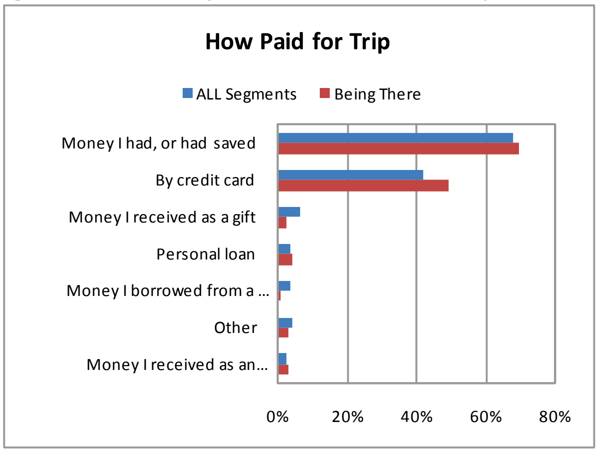


Figure 108: How Paid for Last International Holiday

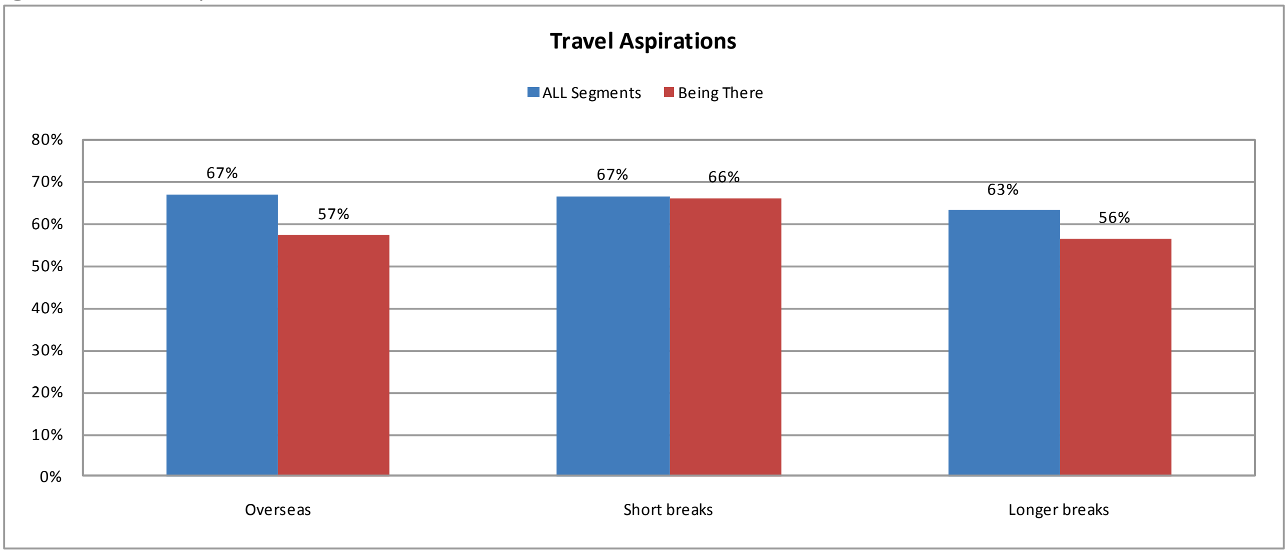


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types). As illustrated in Figure 109, the general consensus is towards more travel of ALL TYPES, but with overseas holidays and short domestic breaks being most desirable overall.

This said, it is notable that the 'Being There' segment is least inclined to take more overseas holidays – perhaps because they are already taking more than most. Instead, members of this segment show greatest interest in increasing the number of domestic short breaks they take.

Figure 109: Travel Aspirations

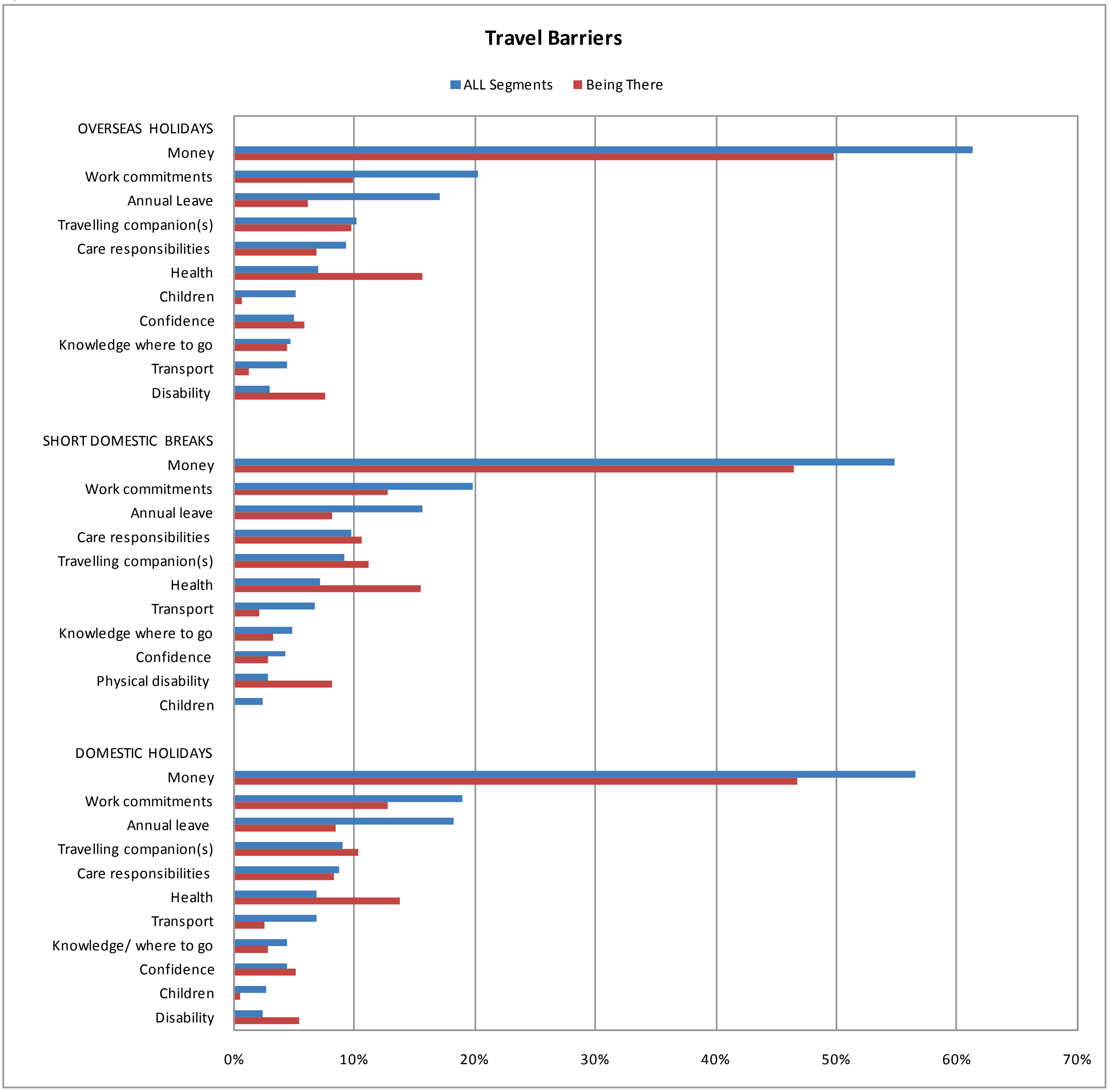


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 110 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, this is less of a barrier to the 'Being There' segment than it is to other segments. Instead, the most significant barriers for members of this segment are health and/or a physical disability (their own or that of a travelling companion). A shortage of travelling companions and care responsibilities are also impediments for the 'Being There' segment, particularly in the context of short domestic breaks.

Figure 110: Barriers to Travel



Segment 2 – 'Searching'

The following pages present a detailed profile of the 'Searching' segment. This section includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

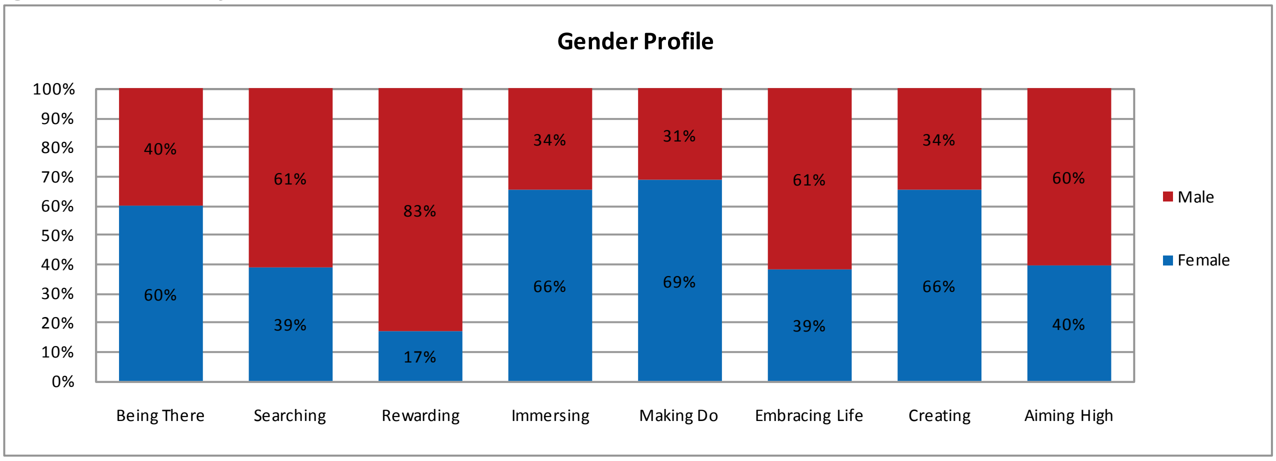
Segment Size

The 'Searching' segment represents **13%** of the adult population (aged 15 years or more).

Gender

This segment has a male bias with a ratio of six males to every four females.

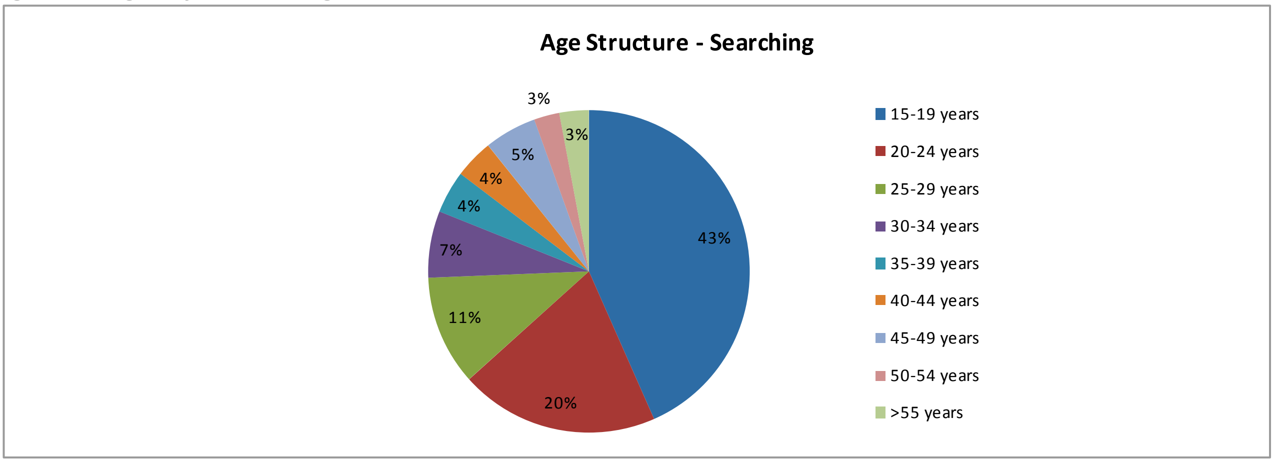
Figure 111: Gender Profile



Age

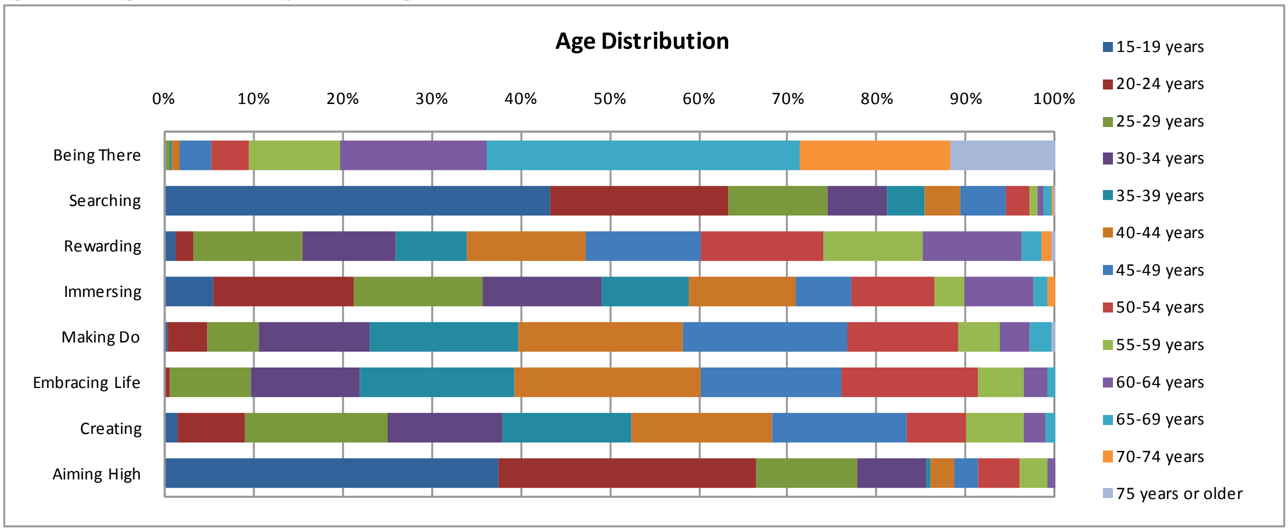
The 'Searching' segment is dominated by people aged 24 years or less and almost three-quarters are aged 29 years or less. See Figure 112 overleaf.

Figure 112: Age Profile – Searching



The 'Searching' segment's strength in the youngest age cohorts is shared only by the 'Aiming High' segment.

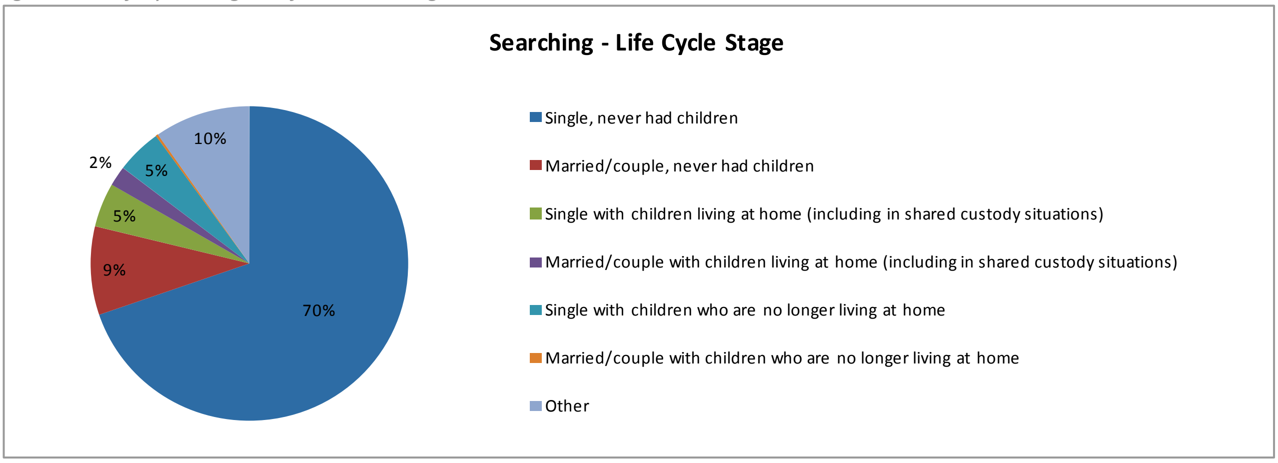
Figure 113: Age Distribution by Market Segment



Lifecycle Stage

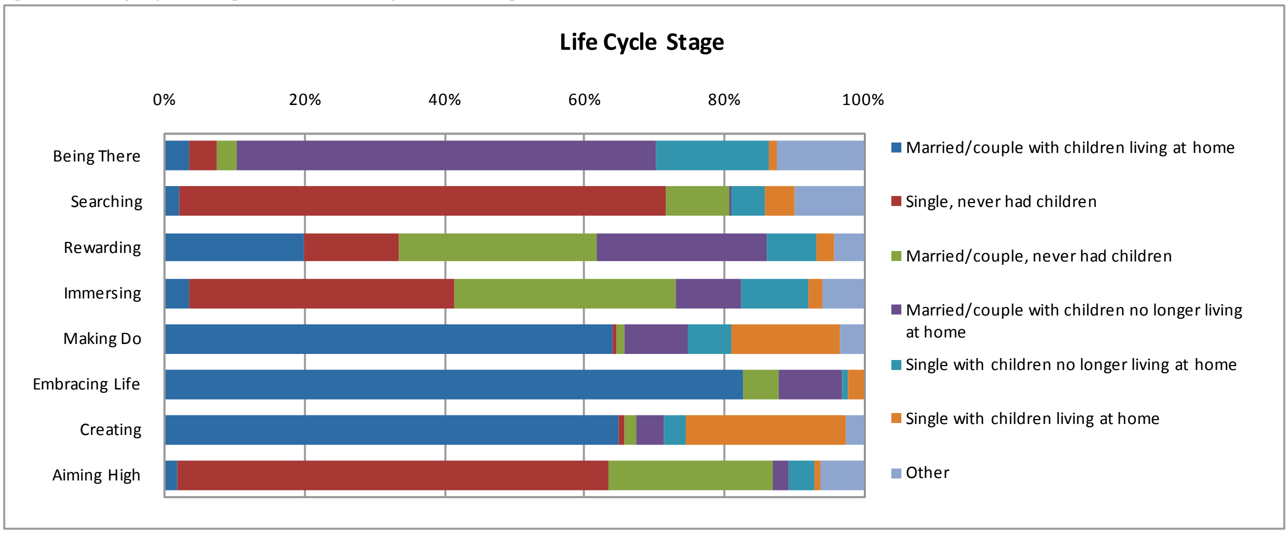
The vast majority of those in the 'Searching' segment are single and have never had children. However, 9% are in relationships (although, again with no children).

Figure 114: Lifecycle Stage Profile – Searching



Along with the 'Aiming High' segment, the 'Searching' segment dominates the "single, no children" lifecycle stage.

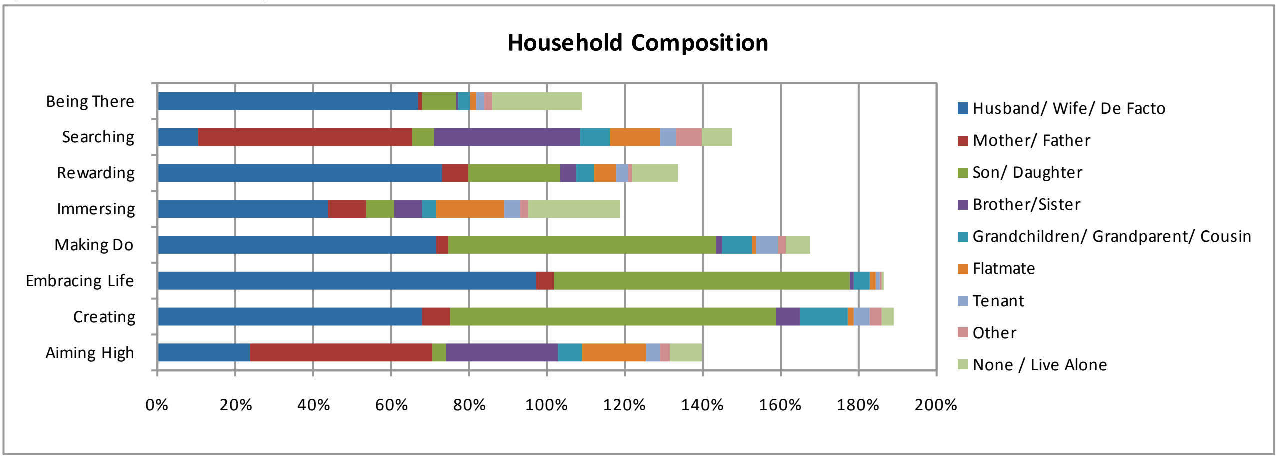
Figure 115: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of the 'Searching' segment is reflected in household composition – many share a home with parents and siblings.

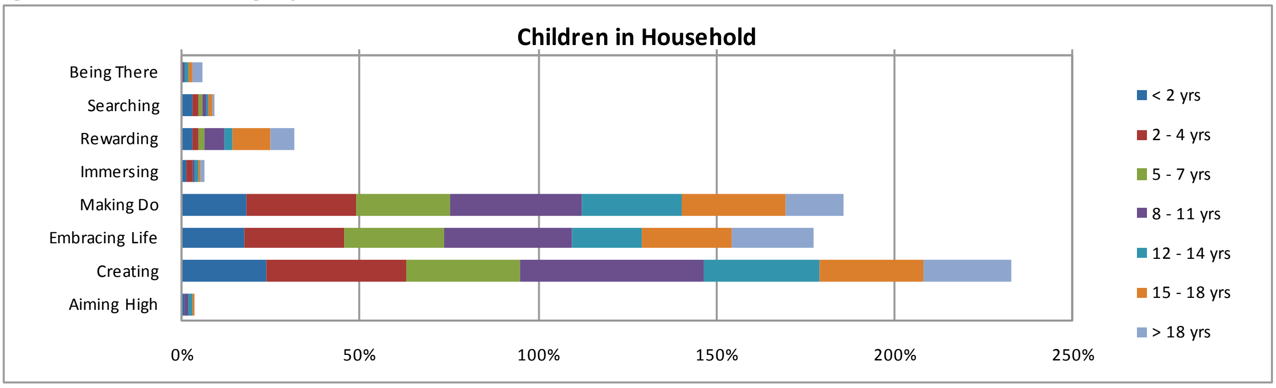
Figure 116: Household Composition



Children

Members of the 'Searching' segment typically ARE the children in their households and very few have children of their own living with them at home.

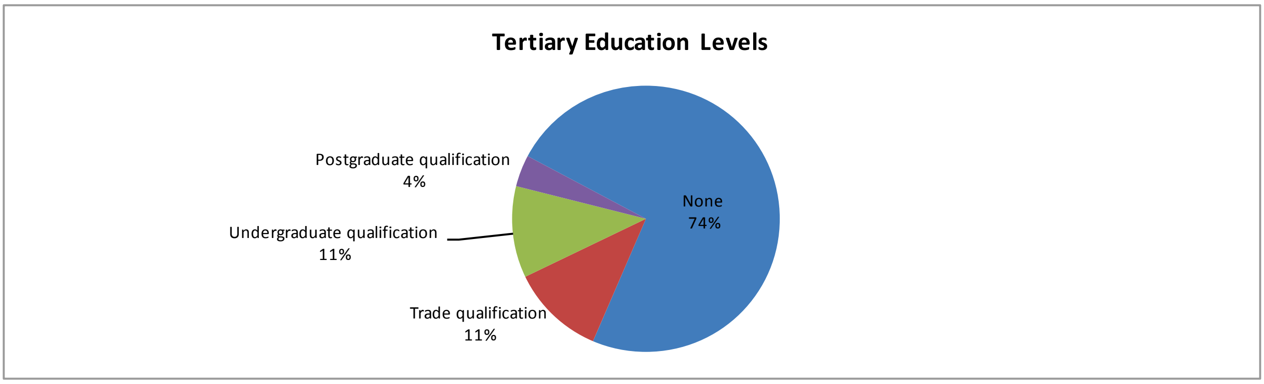
Figure 117: Number and Age of Own Children in Household



Education

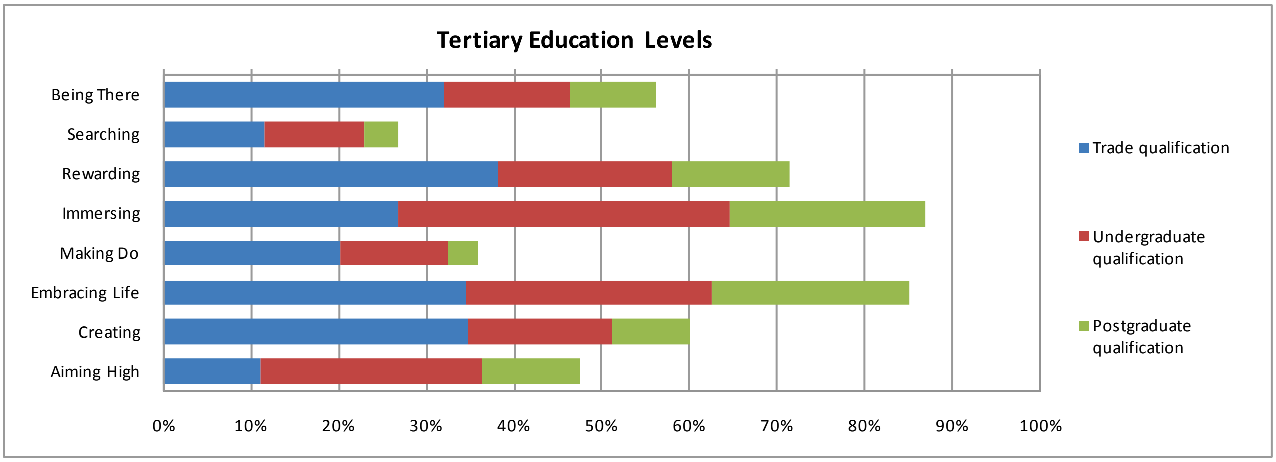
Almost three-quarters of the 'Searching' segment have no tertiary qualifications (most being too young to have achieved these as yet).

Figure 118: Tertiary Education Profile – Searching



Indeed, of all segments, the 'Searching' segment is least educated.

Figure 119: Tertiary Education Profile



Occupation

Almost half of the 'Searching' segment is made up of secondary or tertiary students, with the remainder dispersed across a wide range of occupations.

Figure 120: Occupational Profile – Searching

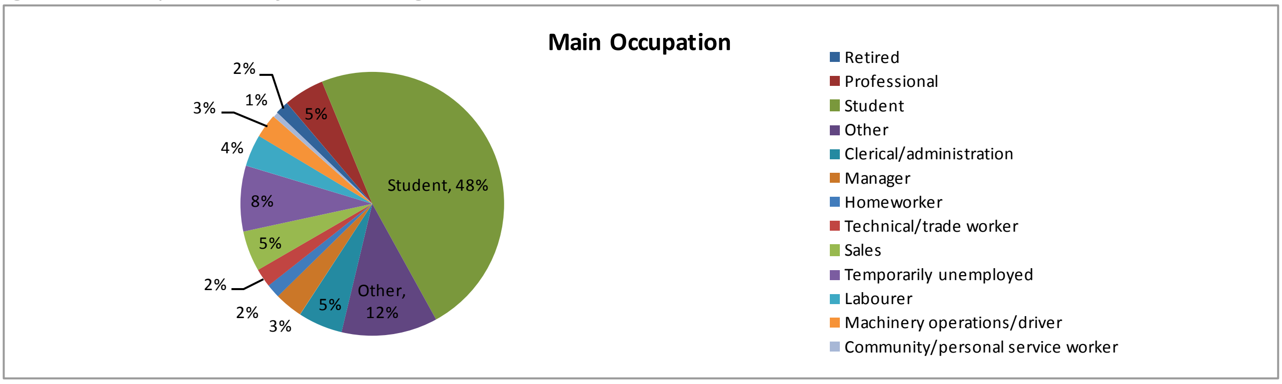
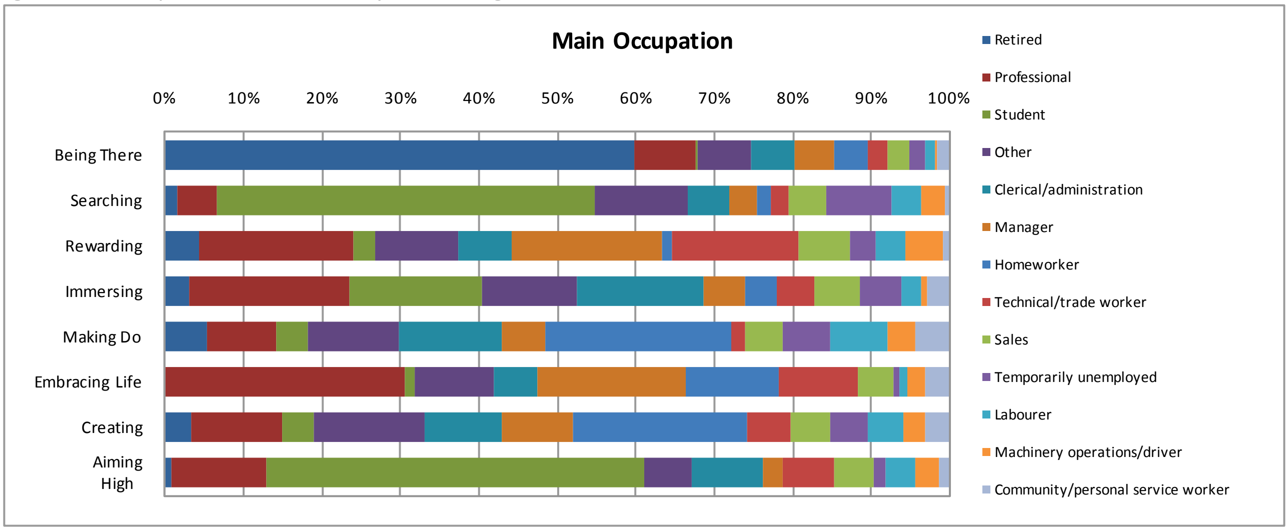


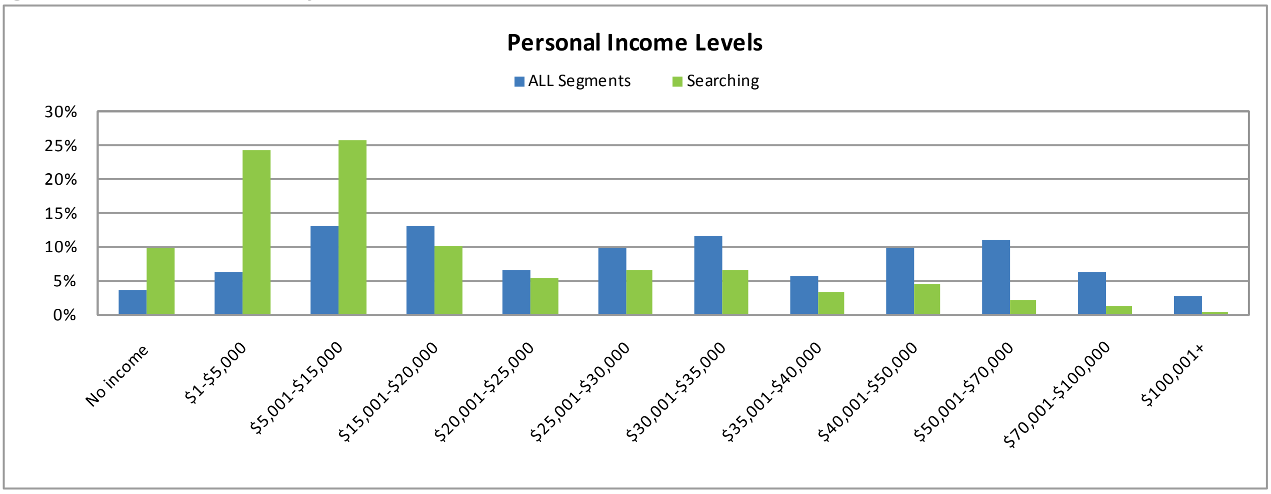
Figure 121: Occupational Distribution by Market Segment



Income

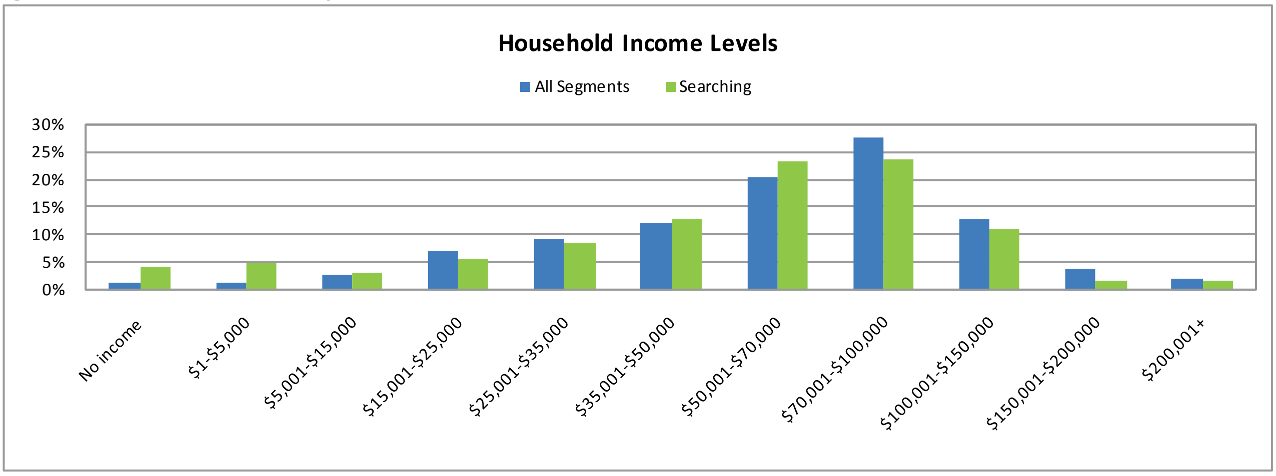
Being dominated by students, it is not surprising that the 'Searching' segment reports a much lower personal income, on average, than other market segments. The bulk of the segment is clustered in the $0-$15,000 income groups.

Figure 122: Personal Income Profile



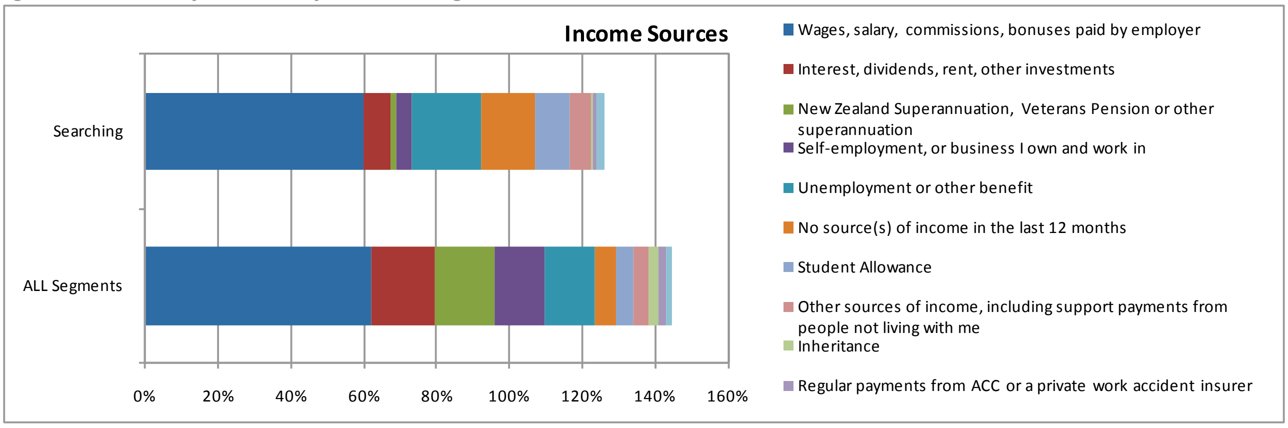
Household income levels are much closer to the norm and a relatively large proportion of the 'Searching' segment live in mid- to high-income households.

Figure 123: Household Income Profile



Members of the 'Searching' segment most often derive income from wages/salary, unemployment or other benefits and/or Student Allowance.

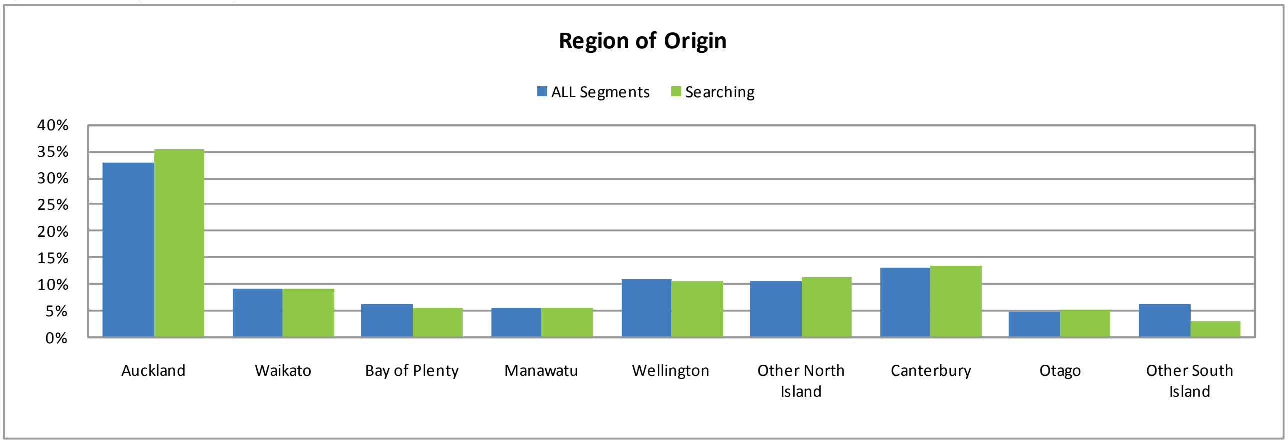
Figure 124: Source of Income Profile – Searching



Region

The 'Searching' segment is spread around the country in roughly equal proportion to the population as a whole. However, a slightly higher proportion lives in Auckland and a slightly lower proportion in smaller South Island centres.

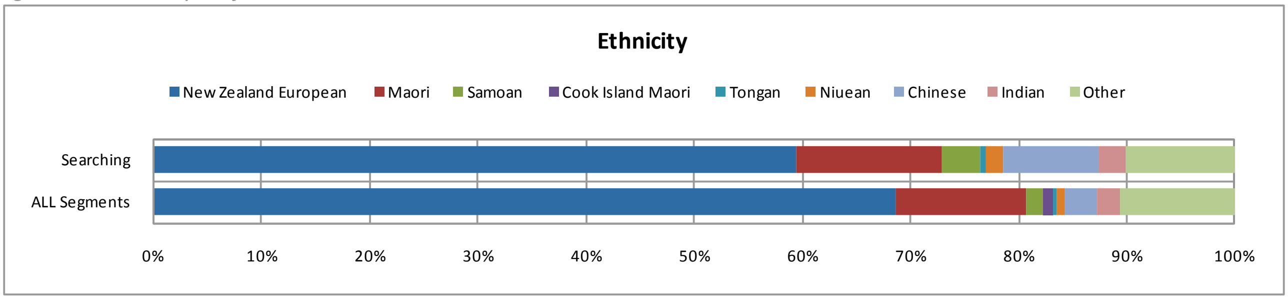
Figure 125: Regional Profile



Ethnicity

The Chinese and Samoan communities are both significantly over-represented in the 'Searching' segment and, overall, the segment contains a very high proportion of non-European ethnicities.

Figure 126: Ethnicity Profile

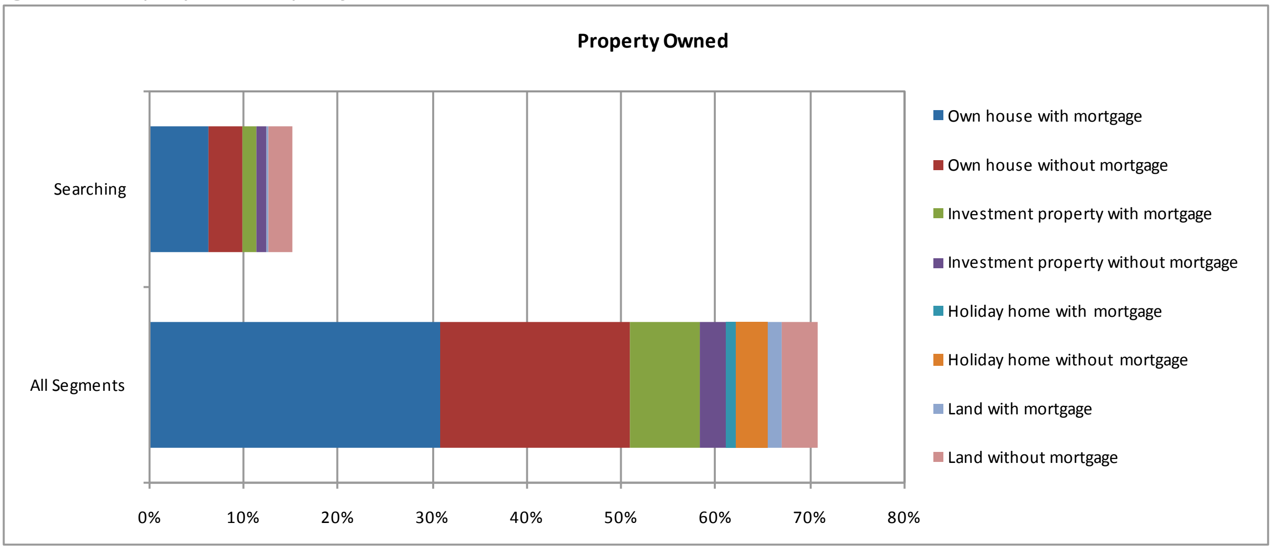


Other Characteristics

Property Ownership

Relative to other segments, those in the 'Searching' segment have few property assets.

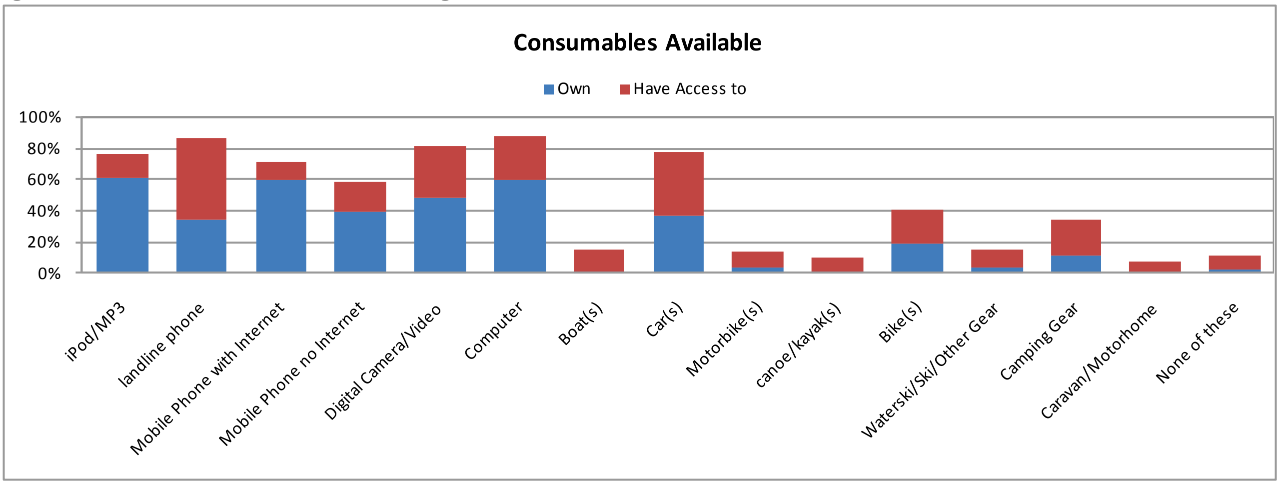
Figure 127: Property Ownership Profile



Ownership and Access to Consumables

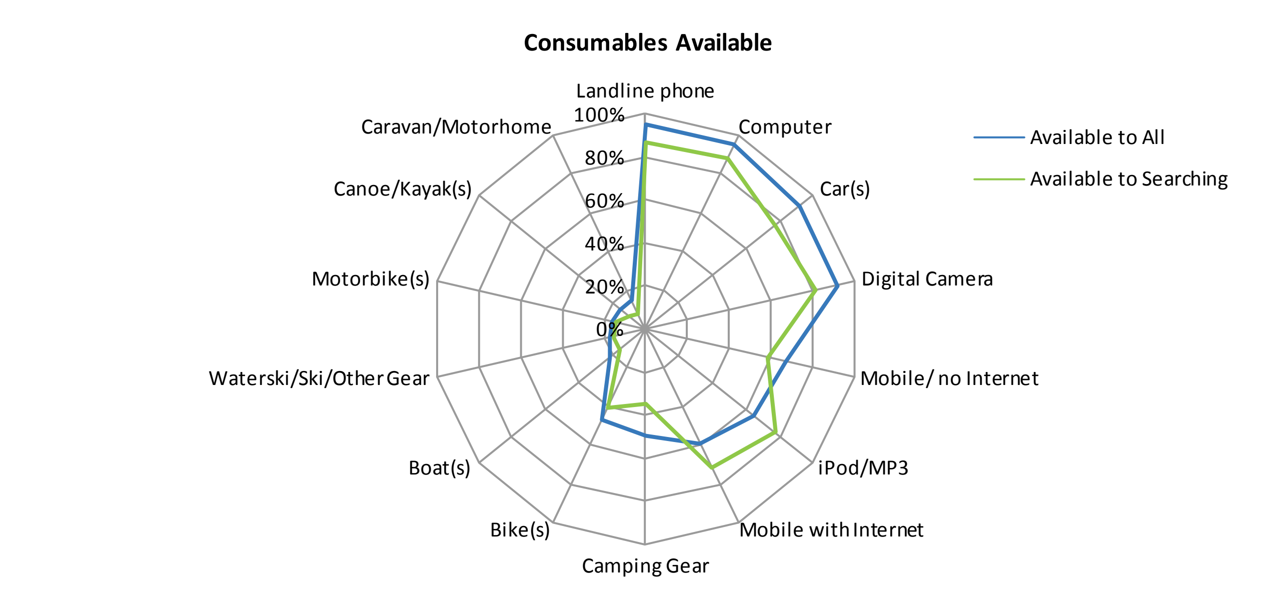
Many of the consumables to which the 'Searching' segment has access are borrowed from family/friends, rather than being owned outright. This is especially true of boats, cars, motorbikes, bikes and other sporting and camping equipment, which are presumably owned by parents or others in the households in which they live.

Figure 128: Consumables Available – Searching



Allowing for this, a comparison with other market segments reveals that the 'Searching' segment is less likely to have access to many consumables than other market segments. Exceptions to this are iPods/MP3 players and mobile phones with internet access – refer Figure 129 overleaf.

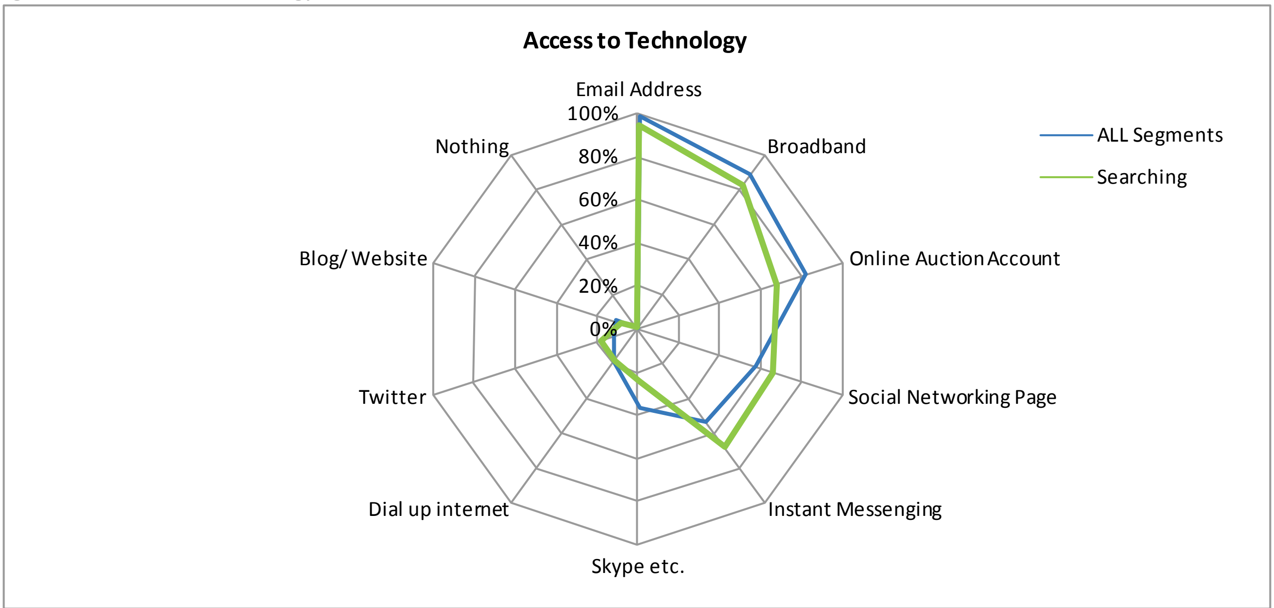
Figure 129: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 130, members of the 'Searching' segment are particularly heavy users of social networking sites and instant messaging (IM) services. A comparatively large 18% also have Twitter accounts.

Figure 130: Access to Technology

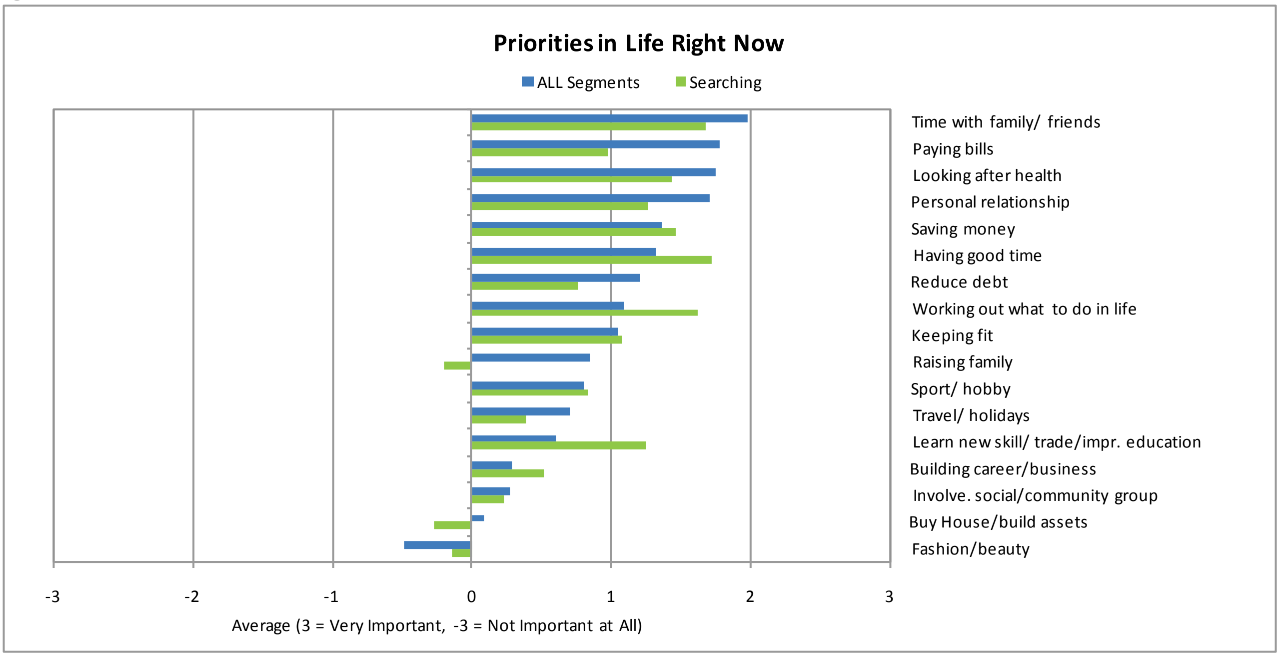


Current Priorities

Members of the 'Searching' segment are firmly focussed on having a good time, working out what they want to do with their lives, learning a new skill or improving their education and spending time with family/friends (friends likely most important). Being very young on average, many are not yet interested in buying a house or building assets, and family may still be some way down the track.

Although providing opportunities "to have a good time" (a key priority for the 'Searching' segment), travel/holidays are deemed to be of only moderate importance in the context of other priorities.

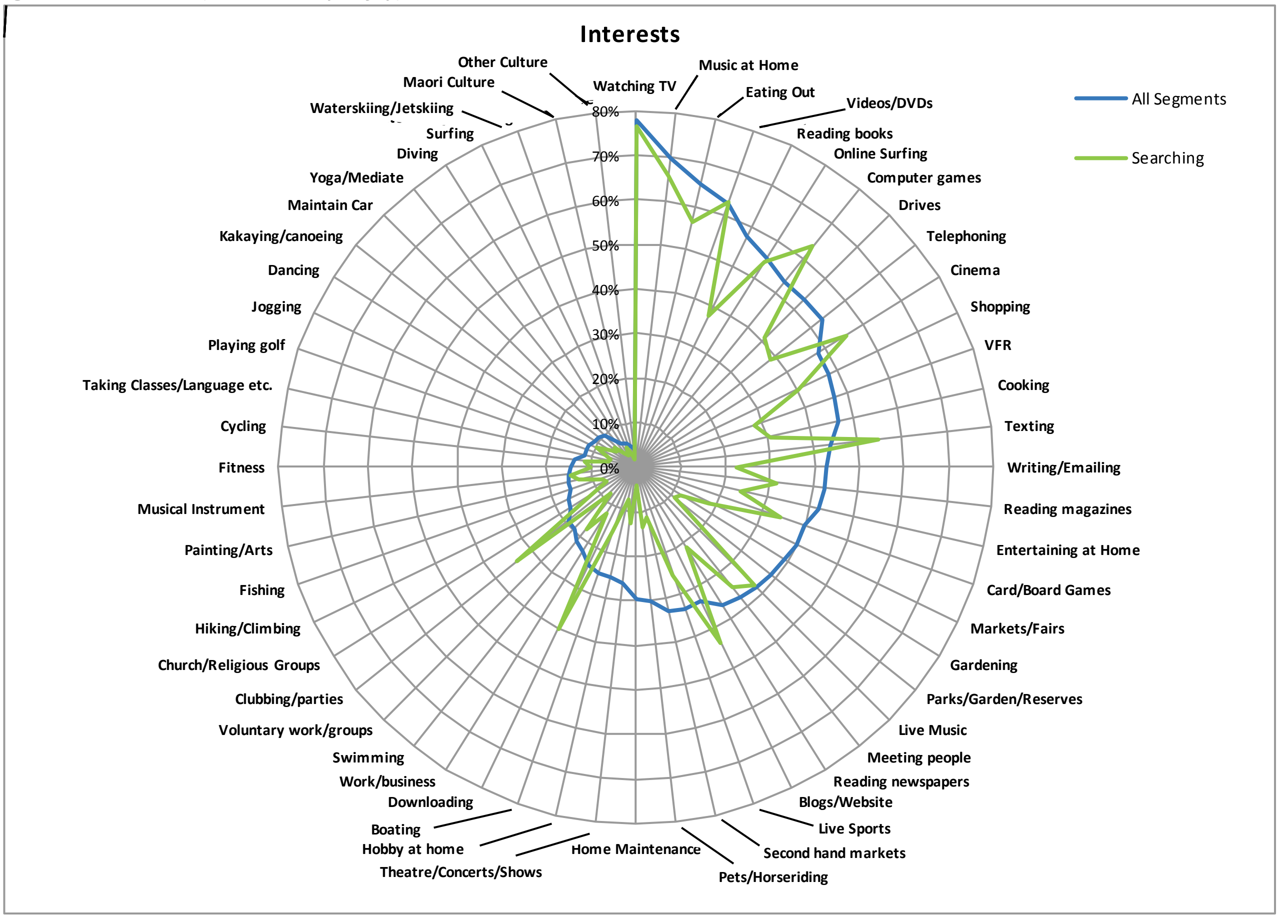
Figure 131: Current Priorities



Interests

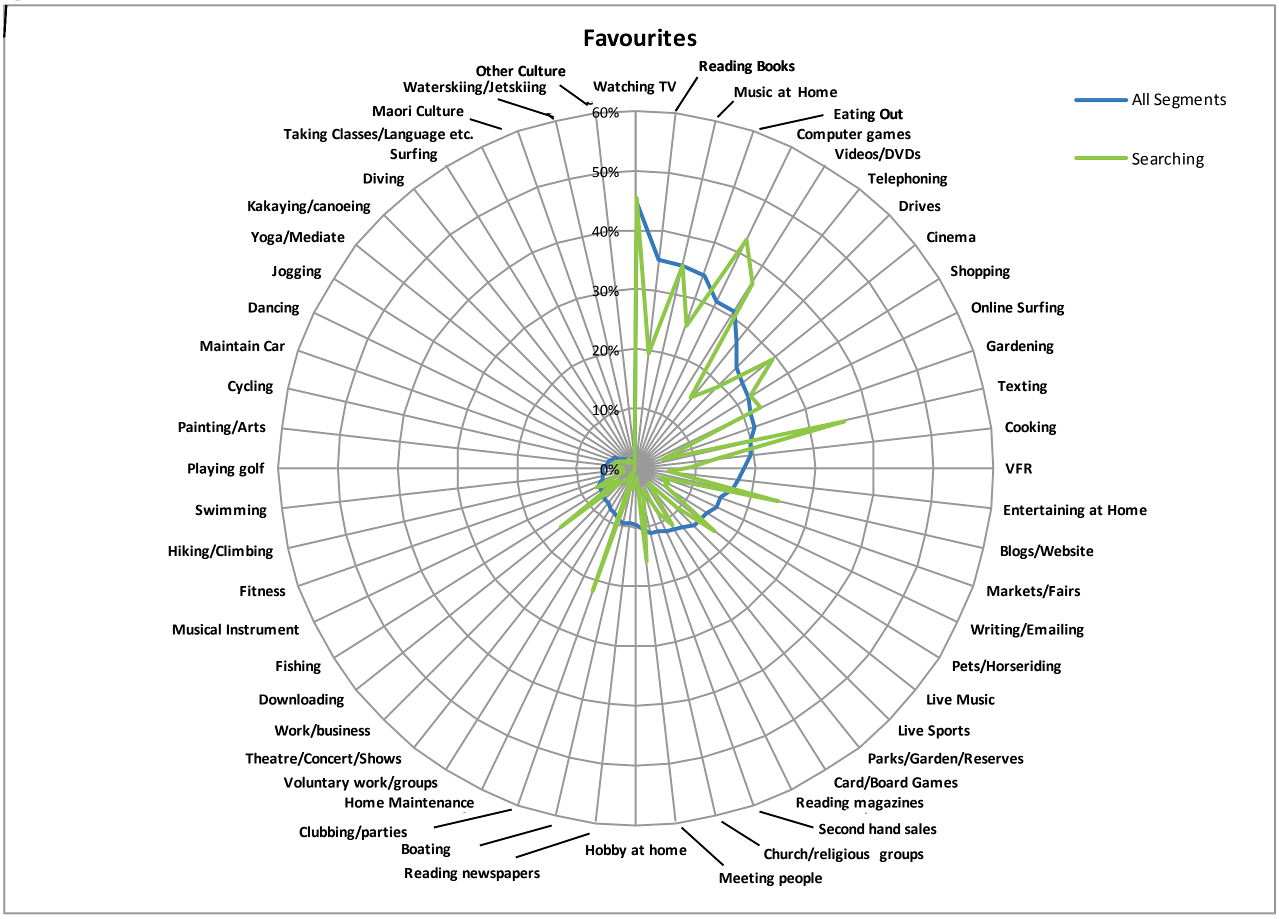
Relative to other segments, members of the 'Searching' segment have a special interest in computer games; texting friends; updating or communicating with friends through blogs, personal websites or pages on social networking websites; downloading music or podcasts from the internet and – away from home – clubbing and partying. They are also more into cinema than most.

Figure 132: Interests (What I Really Enjoy)



To these are added live music, watching TV and meeting new people as key differentiators in terms of **favourite pastimes**.

Figure 133: Favourite Pastimes



Travel Needs and Attitudes

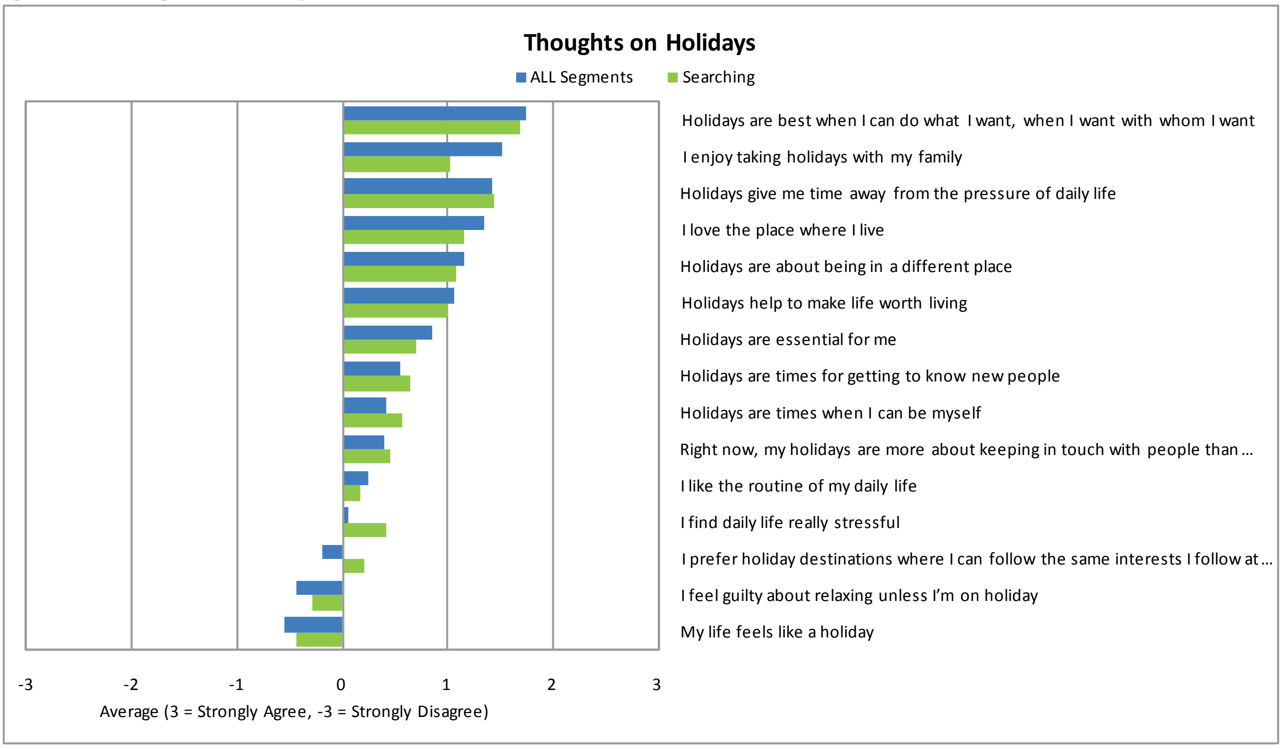
Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

For members of the 'Searching' segment, holidays are about "being myself": doing what I want, when I want, with whom I want. For this reason, holidays with family are not always enjoyable occasions… While not considered essential, holidays do give those 'Searching' time away from the pressures of daily life and – importantly - opportunities for getting to know new people.

See Figure 134 overleaf.

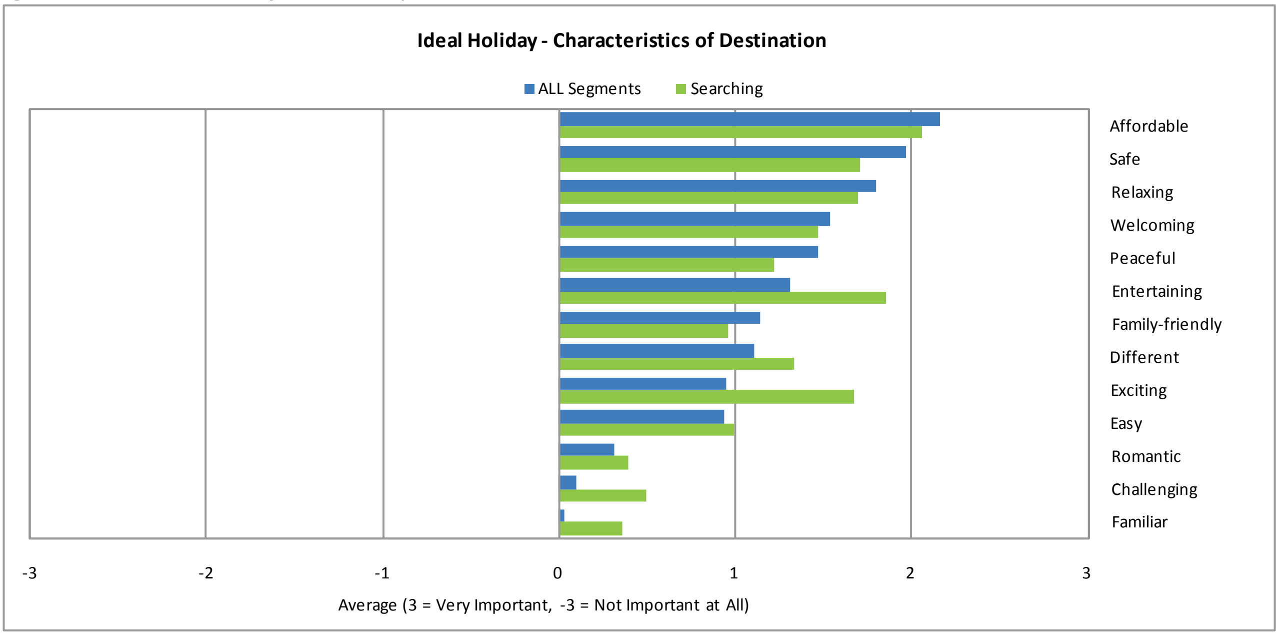
Figure 134: Thoughts on Holidays



Ideal Holiday Destination

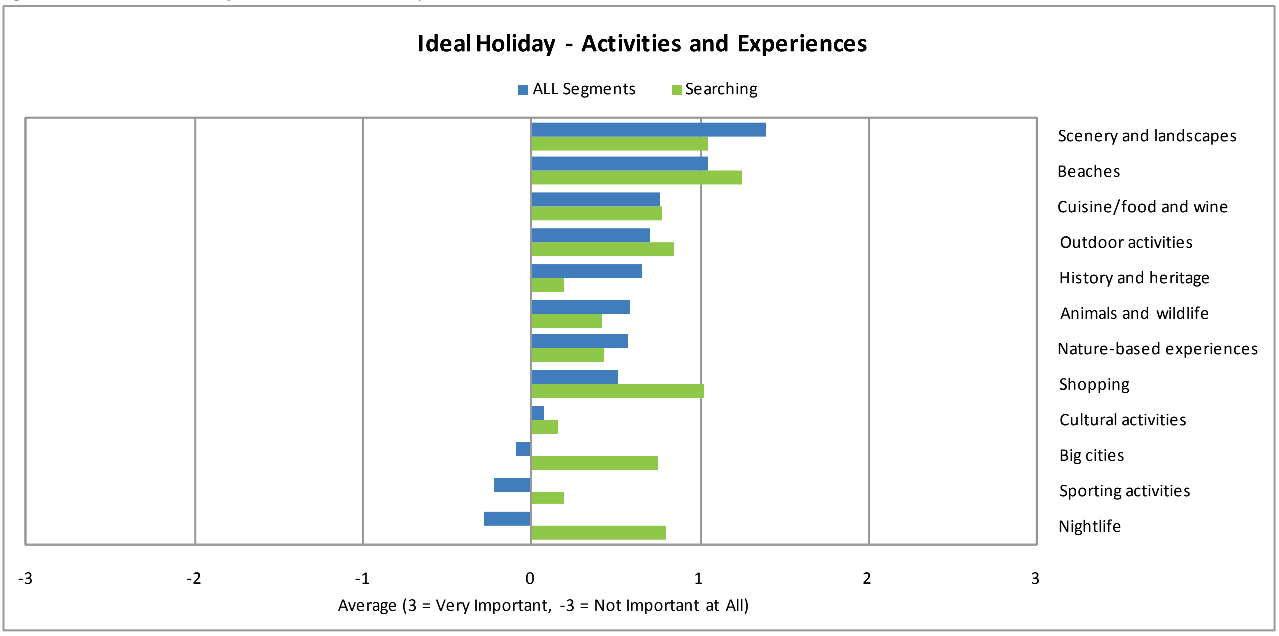
The ideal holiday for those in the 'Searching' segment is **entertaining**, **exciting**, **different** and **challenging**. However, as they're not yet ready to step out into the totally unknown, the 'Searching' segment does want some degree of familiarity as well.

Figure 135: Characteristics of Ideal Holiday Destination



The ideal holiday experience for 'Searchers' is built around beaches, shopping, big cities and nightlife. This segment is less interested in scenery and landscapes, history/heritage, animals and wildlife and nature-based activities than other segments.

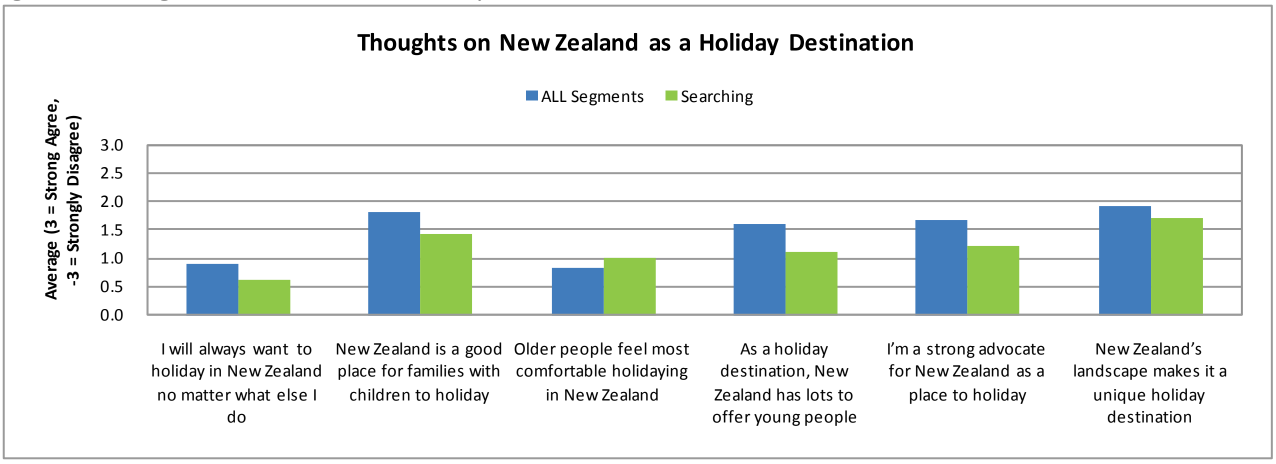
Figure 136: Ideal Holiday – Activities and Experiences



Domestic Holidays

The 'Searching' segment is only lukewarm in its response to New Zealand as a holiday destination. While in general agreement that New Zealand's landscape makes it a unique holiday destination, they don't see it as a destination for young people (i.e. for **them**). As a result, and compared with other market segments, relatively few of those in the 'Searching' segment agree that they "will always want to holiday in New Zealand no matter what else (they) do".

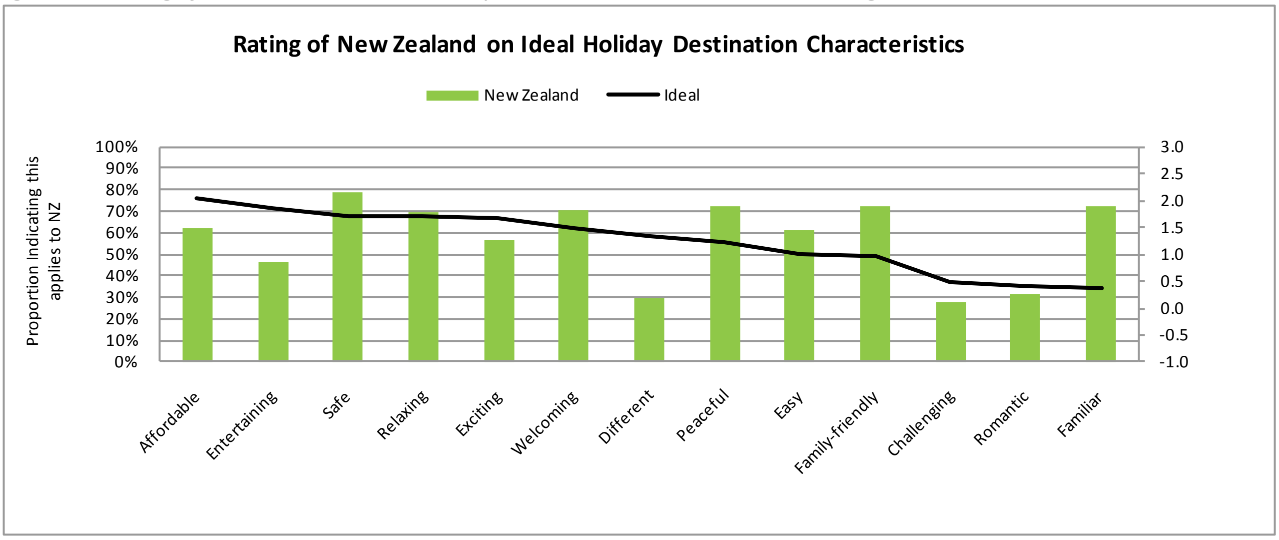
Figure 137: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

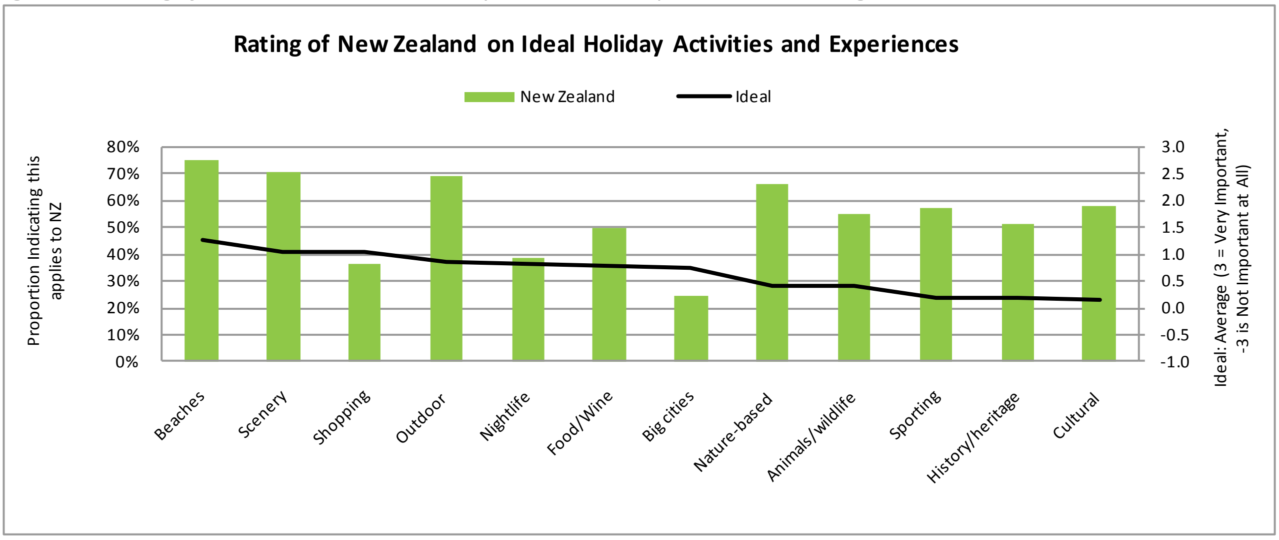
As depicted in Figure 138 (overleaf), 'Searchers' rated New Zealand highly in regards to its being safe, relaxing and welcoming, but fewer than half saw domestic destinations as **entertaining** – a key requirement for this segment. Results suggest that affordability is also something of an issue.

Figure 138: Rating of New Zealand on Ideal Holiday Destination Characteristics – Searching



While New Zealand scored well with the 'Searching' segment on its beaches, scenery and outdoor activities, its shopping, nightlife and big cities came up somewhat short.

Figure 139: Rating of New Zealand on Ideal Holiday Activities and Experiences – Searching



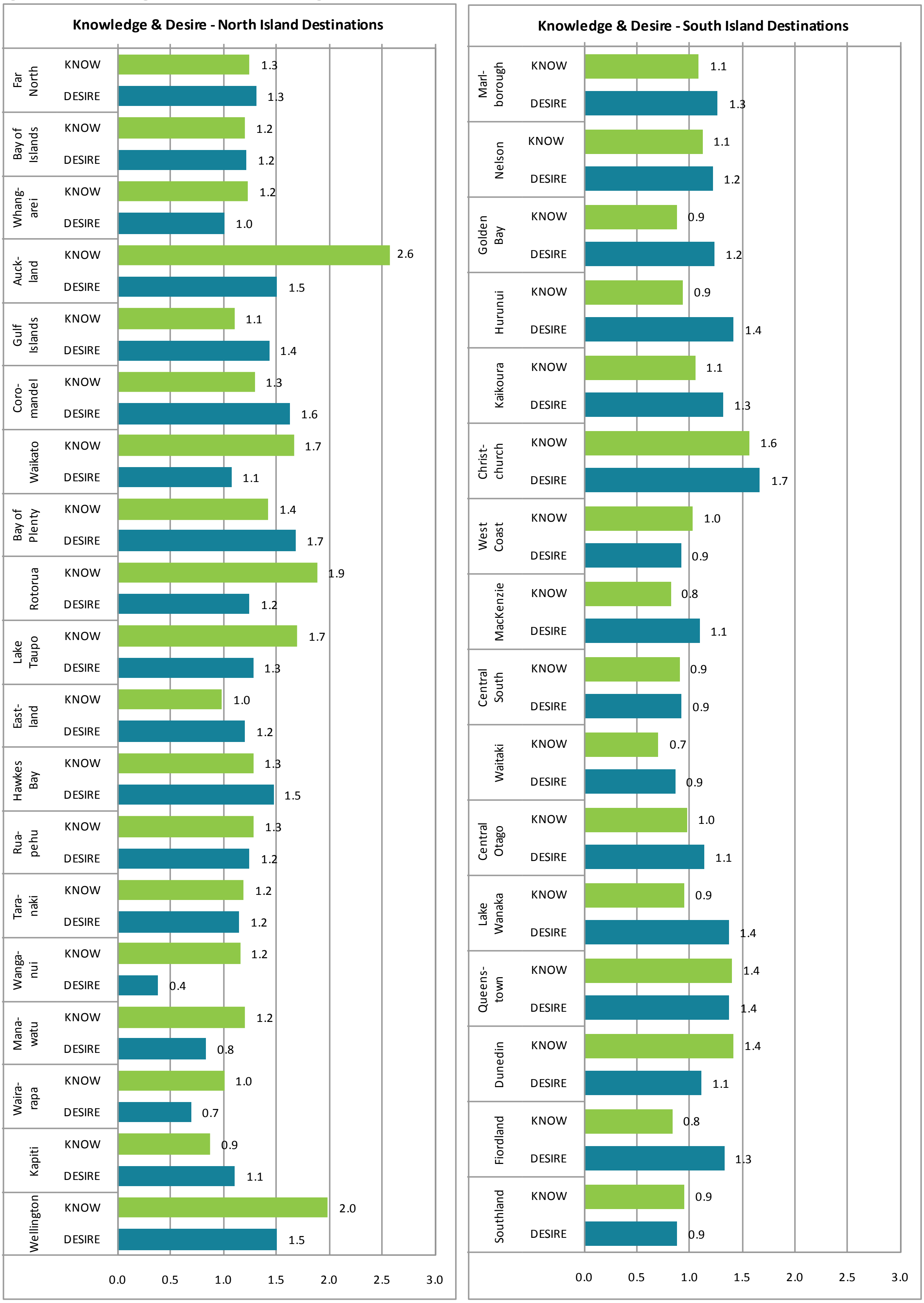
New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 140 (overleaf) charts results for the 'Searching' segment as they relate to both North and South Island destinations. This analysis highlights regions which are relatively lesser known to the segment and also those to which the segment is most attracted.

As before, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Hauraki Gulf Islands, Coromandel, Bay of Plenty, Hurunui, Lake Wanaka and Fiordland - could be said to represent particular areas of unrealised demand insofar as the 'Searching' segment is concerned.

Figure 140: Knowledge and Desire – Searching[6]



[6] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of the 'Searching' segment take **26% fewer** domestic short breaks for leisure each year than the 'average New Zealander' (1.4 versus 1.9).

Figures 141-153 profile the **last domestic short break** taken by members of this segment.

Results show that, compared with other segments: -

- Northland, Auckland and Nelson are popular destinations for domestic short breaks.
- Sightseeing and shopping are key activities (but the segment participates in fewer activities than the norm overall).
- While the majority of short breaks are taken by car, scheduled bus services and shuttle buses are also popular transport options.
- A large proportion of 'Searchers' are hosted in private homes, while motels are the most popular form of commercial accommodation.
- Short breaks include those in which 'Searchers' travel with family, and those in which they travel with friends.
- A relatively large proportion of the 'Searching' segment is not involved in short break planning at all. This is most likely to be in situations where they travel with family.
- Those who do plan their own short breaks (most likely to be with friends) tend to commit to plans within 2 weeks of departure.
- Compared with others, 'Searchers' are more likely to be motivated to take a short break by a desire for adventure/excitement, a desire to do something new and different and to add to their life experiences.
- As with planning, 'Searchers' are divided into two camps when it comes to paying for their domestic short break: almost 40% paying nothing (likely those travelling with family), and the balance contributing some/all of the costs of the trip (likely those travelling with friends).

Figure 141: Region Visited on Last Short Break

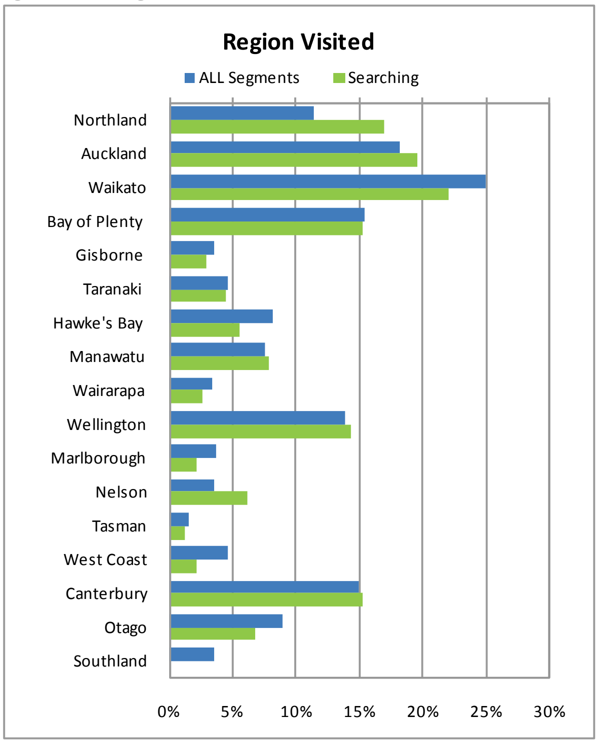


Figure 142: Activities/Experiences on Last Short Break

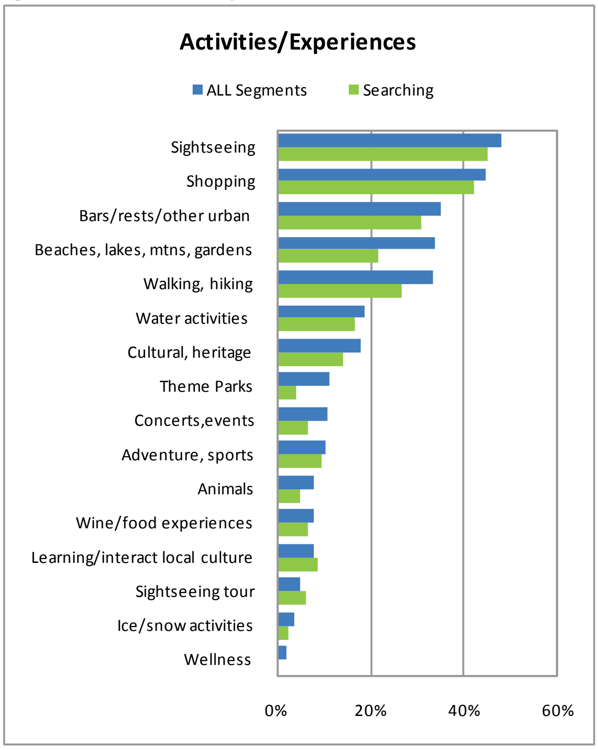


Figure 143: Transport Used on Last Short Break

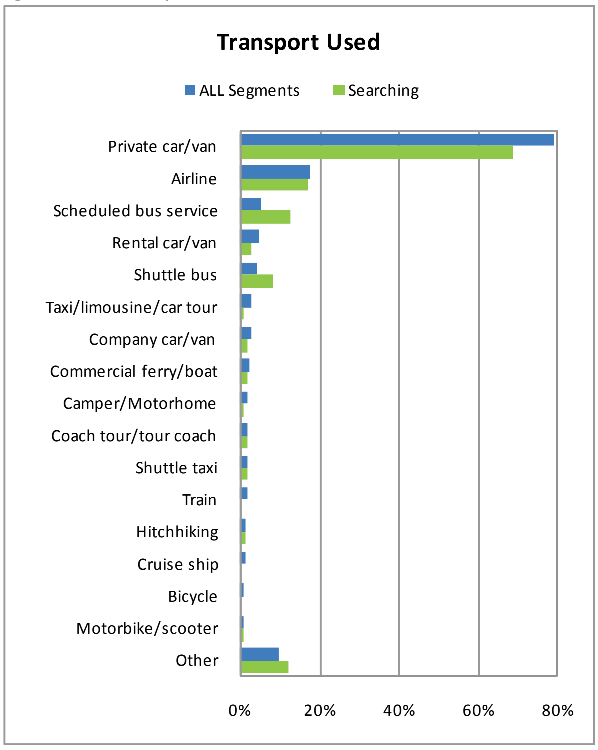


Figure 144: Accommodation Used on Last Short Break

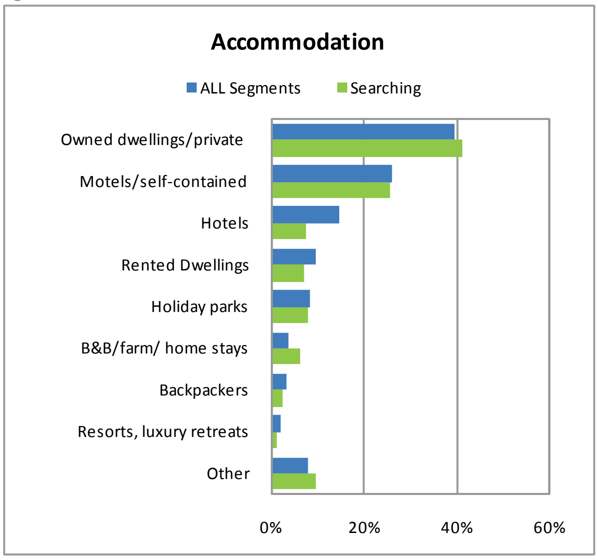


Figure 145: Party Composition on Last Short Break

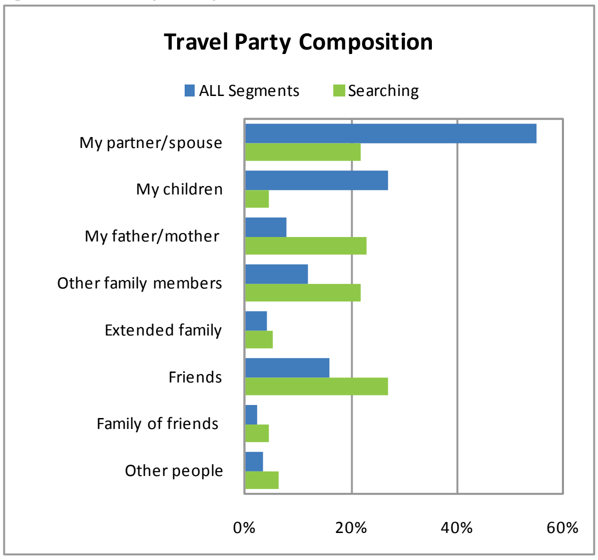


Figure 146: Role in Planning Last Short Break

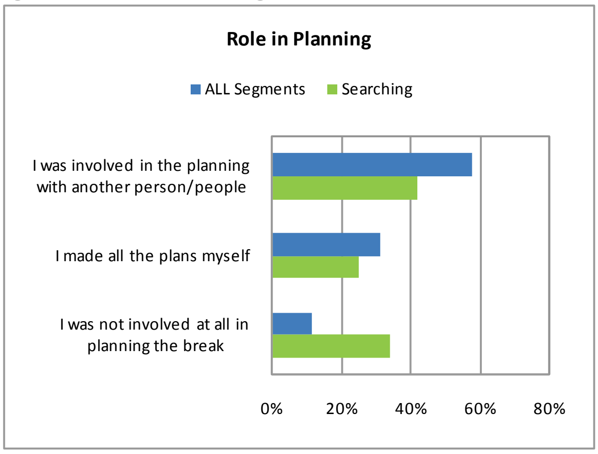


Figure 147: Planning Timelines for Last Short Break

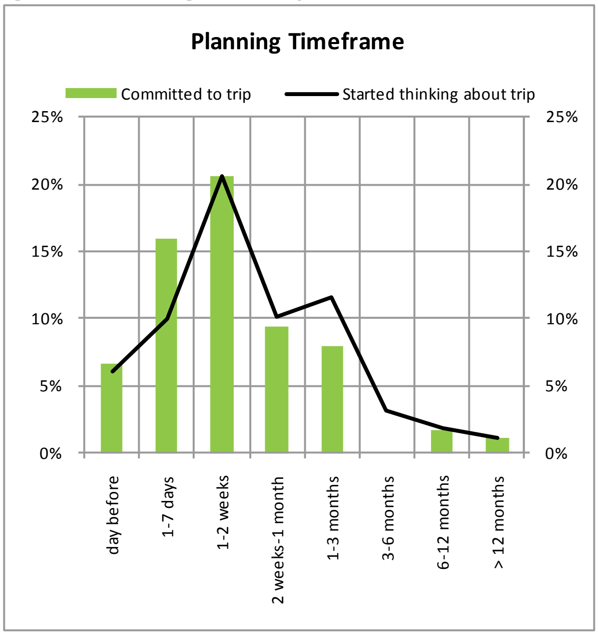


Figure 148: Commitment to Trip – Triggers for Last Short Break

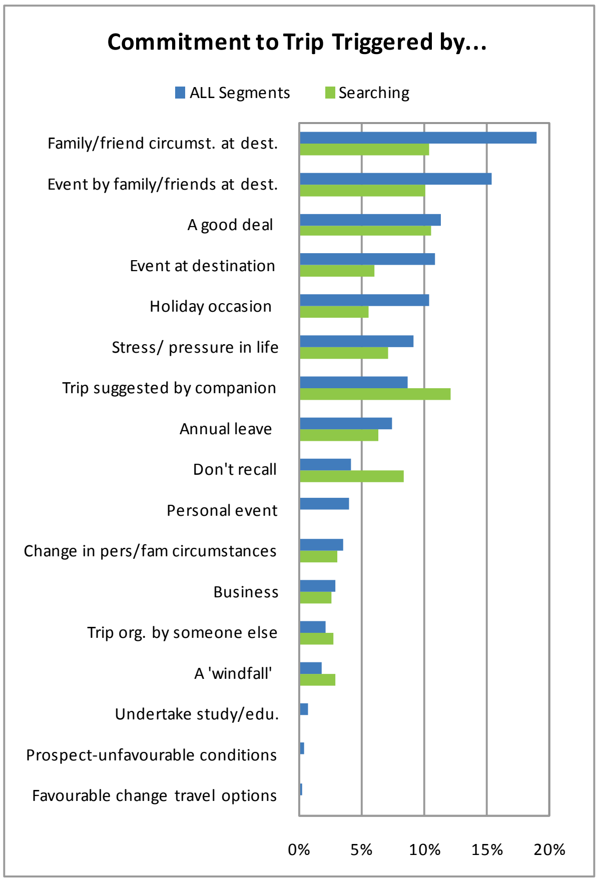


Figure 149: People Contributing to Trip Planning of Last Short Break

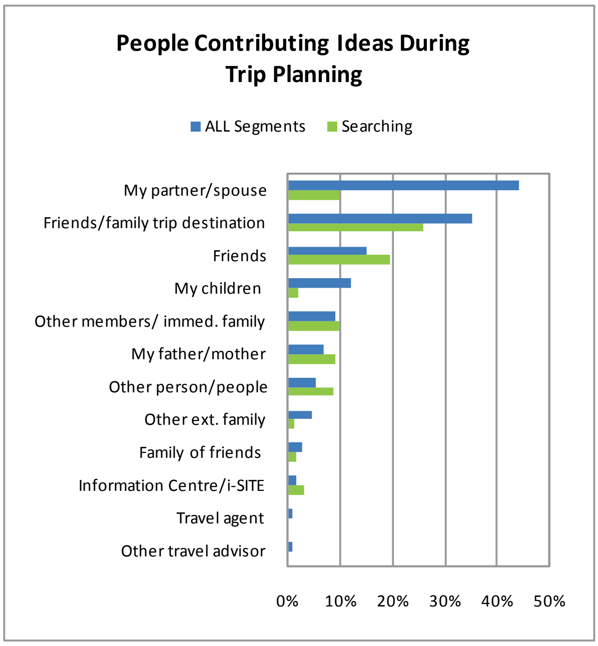


Figure 150: Other Influences on Choice of Destination for Last Short Break

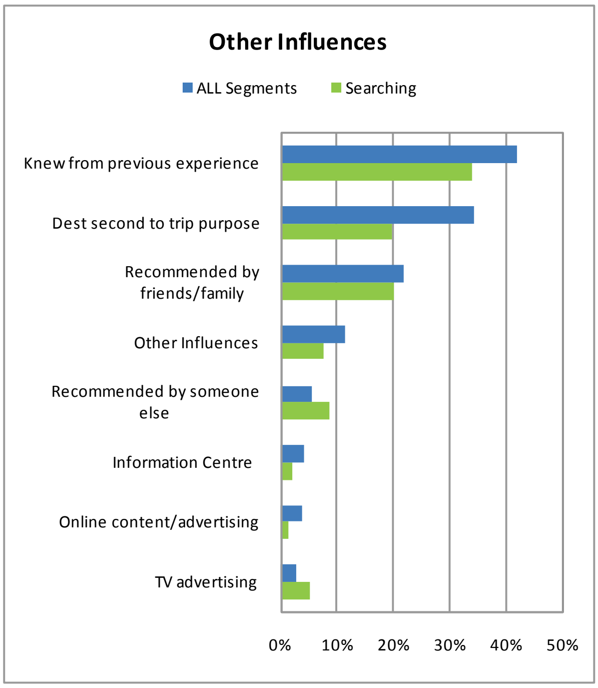


Figure 151: Motivations for Last Short Break

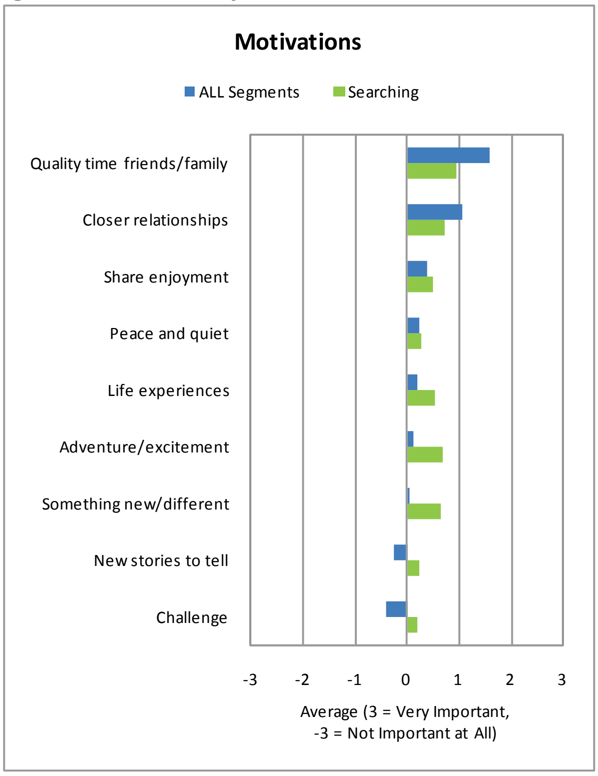


Figure 152: Who Paid for Last Short Break

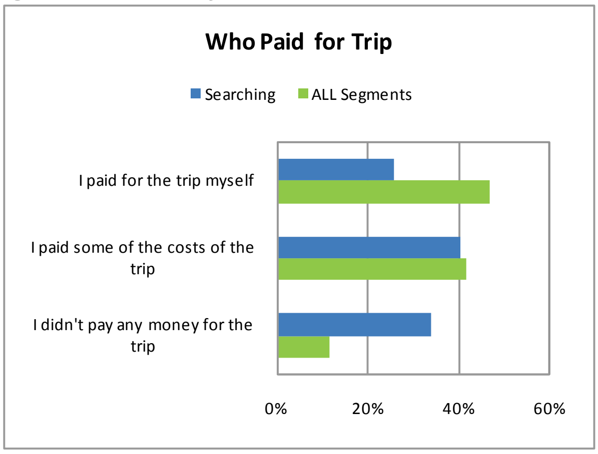
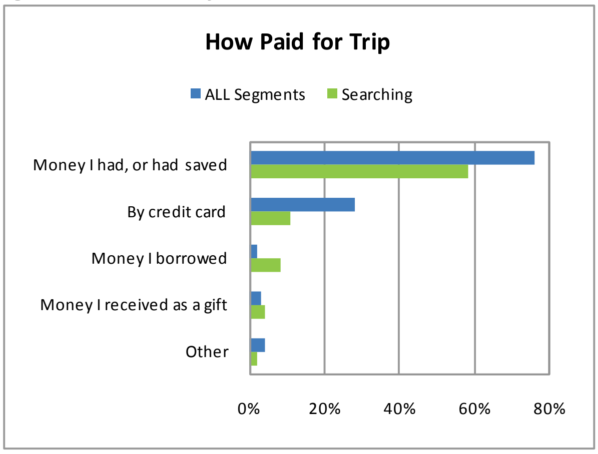


Figure 153: How Paid for Last Short Break



Domestic Holiday Profile

Members of the 'Searching' segment are the most frequent domestic holidaymakers – taking 72% more long domestic holidays than the average New Zealander (1 per annum versus 0.6).

Figures 154-166 present a profile of the **last domestic holiday** taken by members of this segment.

Key findings are: -

- Provincial centres – such as the Bay of Plenty, Manawatu and Wairarapa are popular holiday destinations for Searchers. Wellington is also popular with this segment.
- Searchers' favourite activity on long domestic holidays is shopping. However, they are more likely than the average New Zealander to participate in adventure/sports activities and sightseeing tours.
- While more than half travel by private car, airline transport is also a popular option.
- While more than 40% of Searchers are hosted in private homes, hotels are the most common form of commercial accommodation used by this segment.
- As is the case with short domestic breaks, longer domestic holidays are divided between those taken with family and those taken with friends. This is reflected in the segment's involvement in planning and payment for domestic holidays.
- Typical prompts to decision-making are a good deal on transport or accommodation being available or circumstances involving family/ friends at or near the segment's holiday destination (e.g. a suggestion or pressure to visit).
- Importantly, the recommendations of family/ friends are a particularly strong influence on decision-making with regard to choice of destination.
- As is the case with short domestic breaks, 'Searchers' are more likely than other segments to take a domestic holiday motivated by a desire for adventure/excitement, a desire to do something new and different, to add to their life experiences and to give them new stories to tell.

Figure 154: Region Visited on Last Domestic Holiday

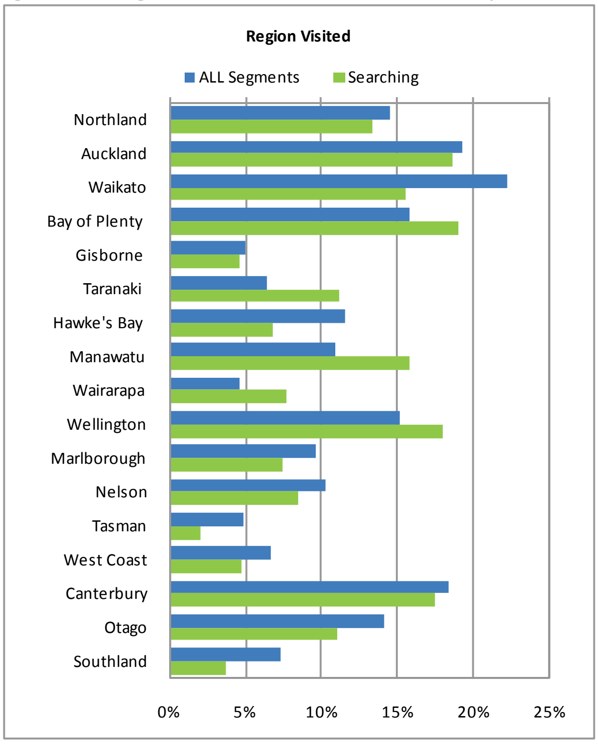


Figure 155: Activities/Experiences on Last Domestic Holiday

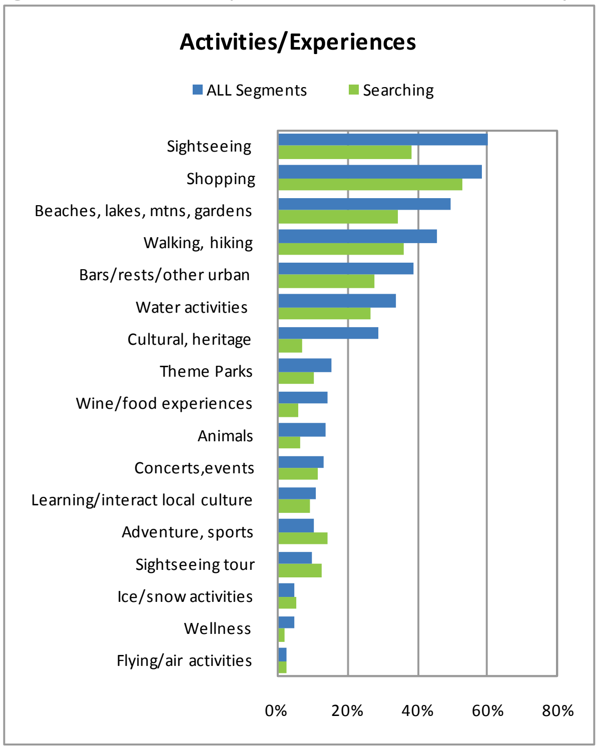


Figure 156: Transport Used on Last Domestic Holiday

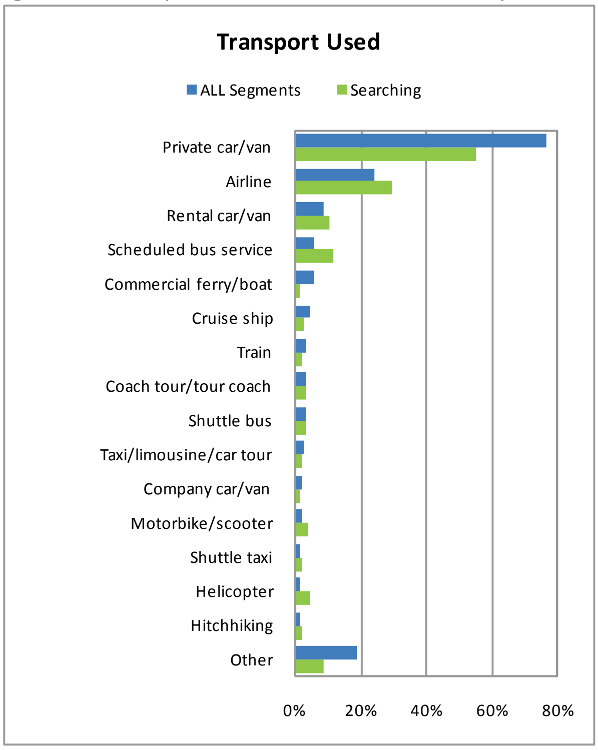


Figure 157: Accommodation Used on Last Domestic Holiday

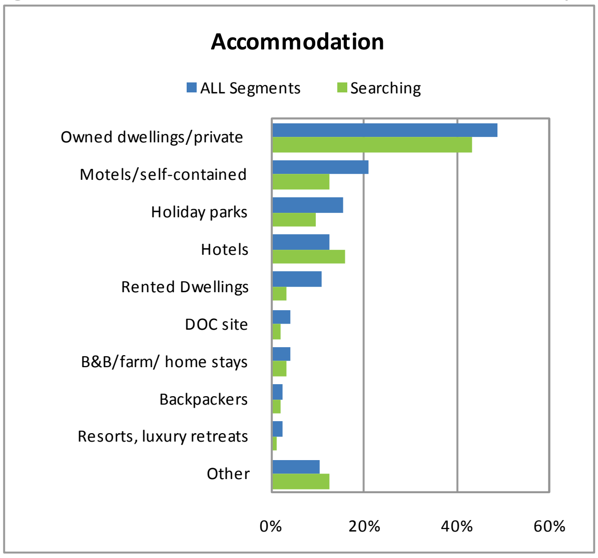


Figure 158: Party Composition on Last Domestic Holiday

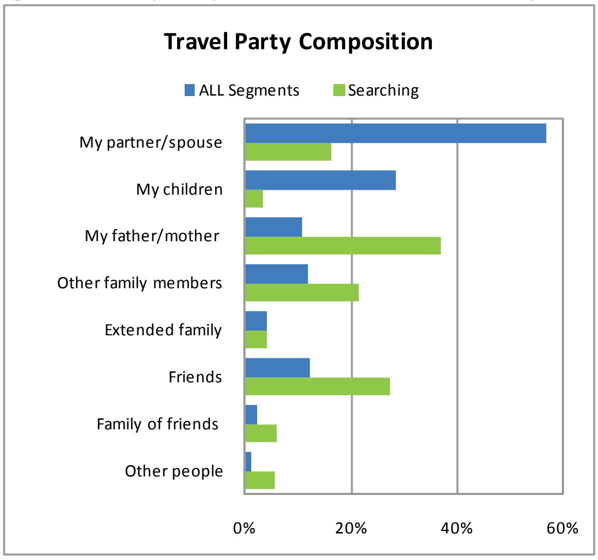


Figure 159: Role in Planning Last Domestic Holiday

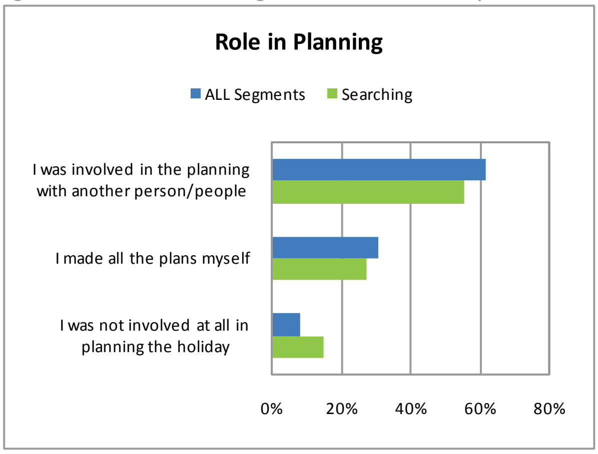


Figure 160: Planning Timelines for Last Domestic Holiday

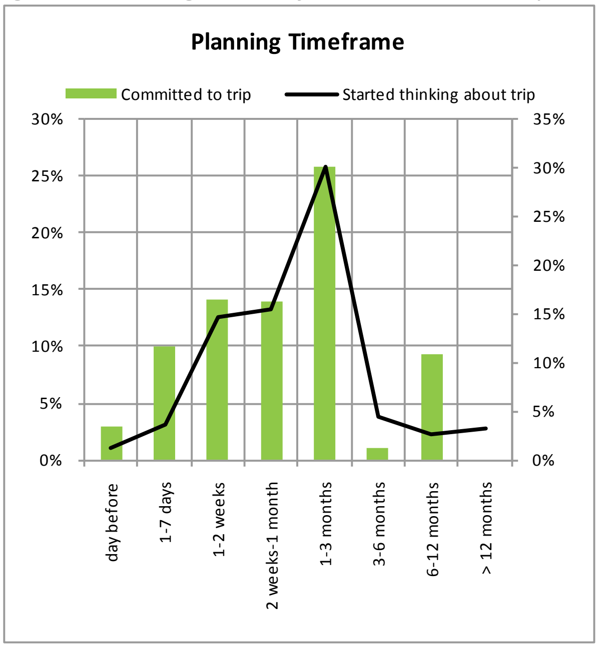


Figure 161: Commitment to Trip – Triggers for Last Domestic Holiday

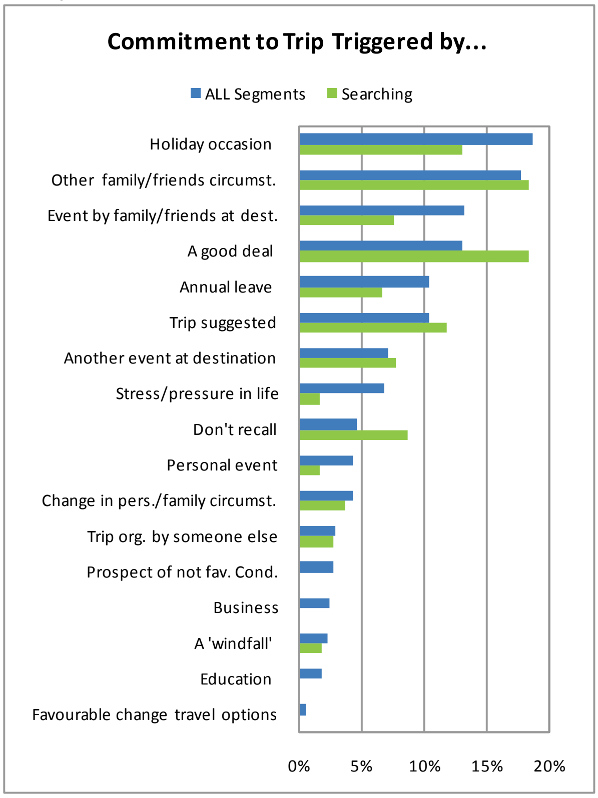


Figure 162: People Contributing to Trip Planning of Last Domestic Holiday

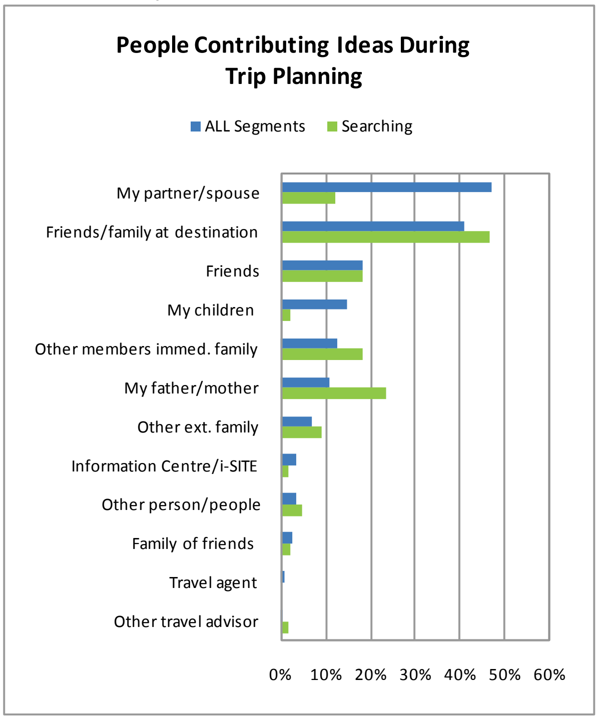


Figure 163: Other Influences on Choice of Destination for Last Domestic Holiday

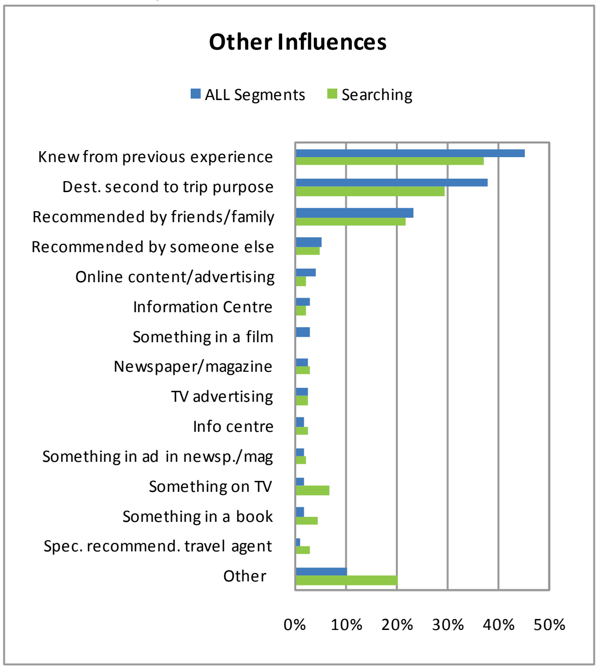


Figure 164: Motivations for Last Domestic Holiday

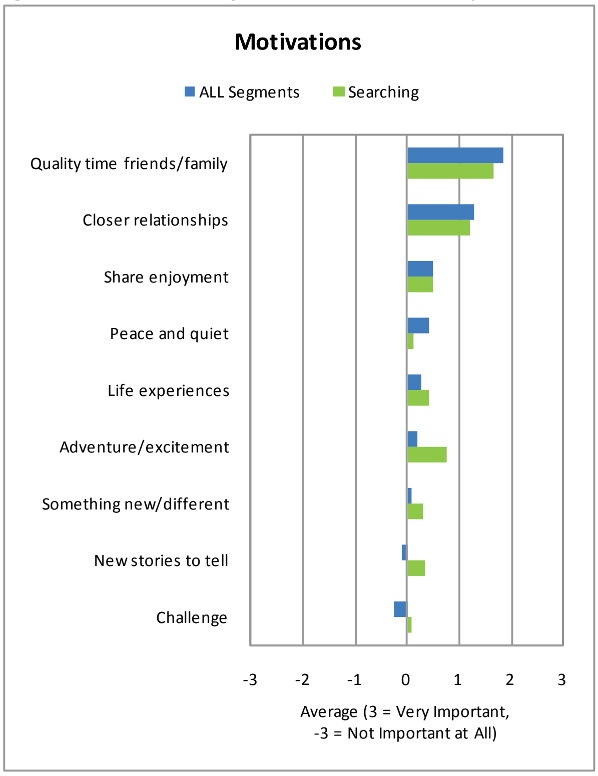


Figure 165: Who Paid for Last Domestic Holiday

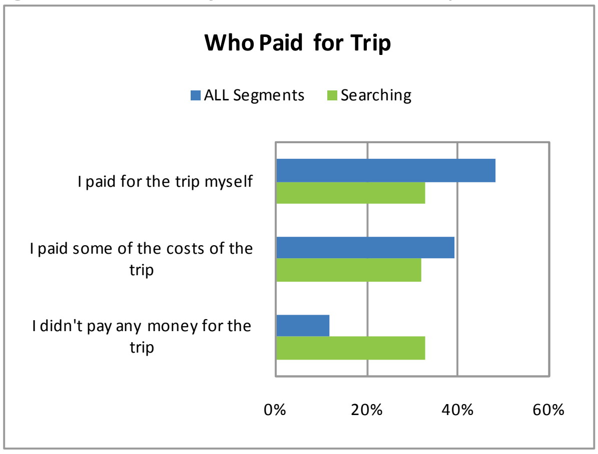
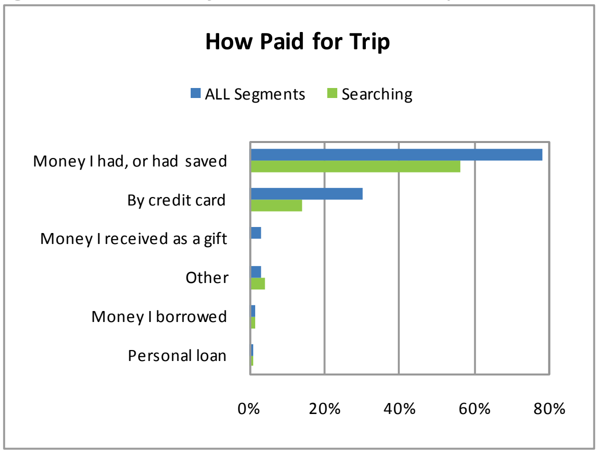


Figure 166: How Paid for Last Domestic Holiday



International Holiday Profile

Members of the 'Searching' segment take **25% more** international holidays each year than the 'average New Zealander' (0.5 versus 0.4). Figures 167-179 present a profile of the **last international holiday** taken by this segment.

Results show that, compared with other segments: -

- 'Searchers' are less likely to travel to Australia but more likely to travel to the UK/Europe, Hong Kong, Thailand, Malaysia, India and Pacific Island destinations.
- 'Searchers' are more likely to visit theme parks and to take part in adventure/sports and flying/ air activities than their peers in other segments.
- A relatively large proportion travel by train or walk/tramp as a form of transport.
- Many stay in commercial accommodation, such as hotels, motels and backpackers, rather than in private homes.
- A large proportion travel with parents and/or other family members while many travel with friends. This again highlights the division between travel undertaken with family members and that undertaken with friends.
- Indeed, more than 30% of 'Searchers' have no involvement in the trip planning process. In such cases, trips are organised and paid for by parents or other family members.
- For 'Searchers', all breaks/holidays provide opportunities for adventure/excitement, new sights, new experiences and the gathering of new stories to tell. These opportunities are, however, most pronounced when it comes to international holidays.

Figure 167: Countries Visited on Last International Holiday

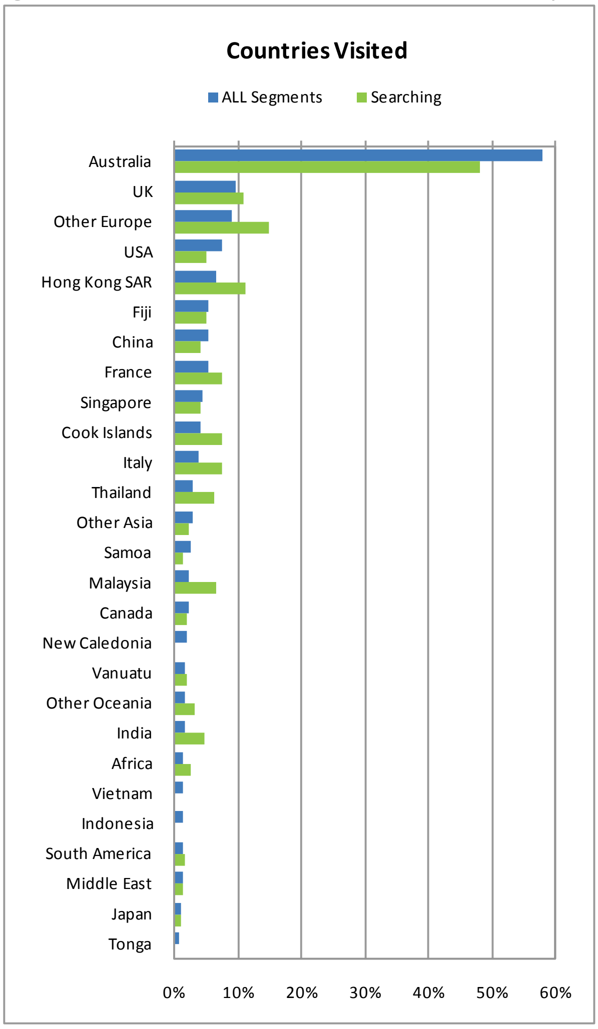


Figure 168: Activities/Experiences on Last International Holiday

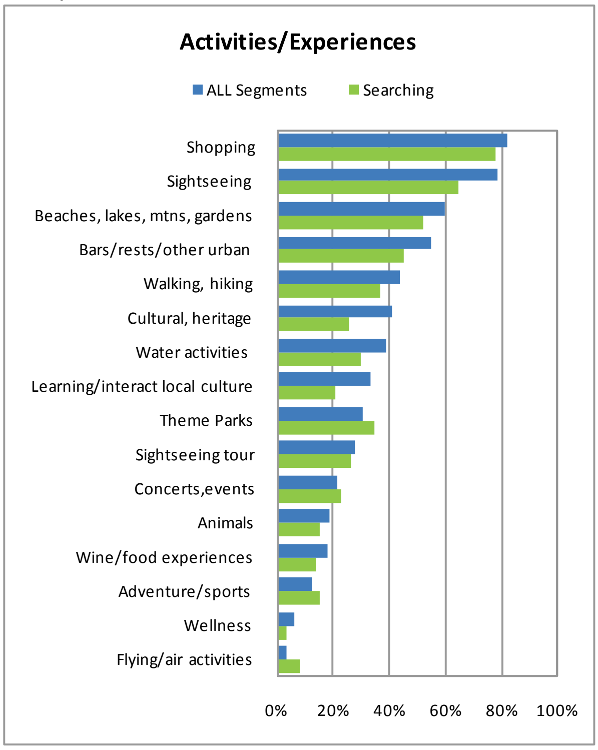


Figure 169: Transport Used on Last International Holiday

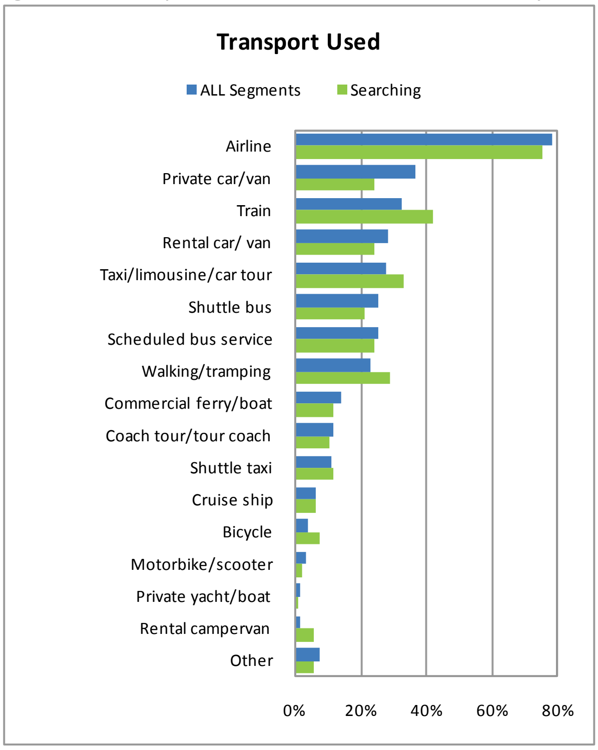


Figure 170: Accommodation Used on Last International Holiday

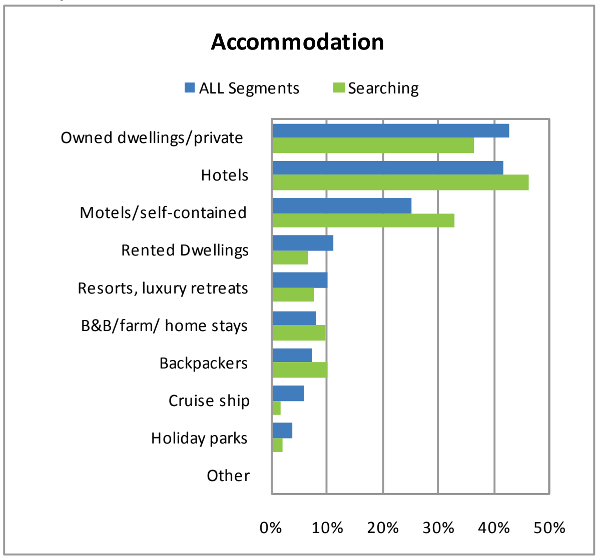


Figure 171: Party Composition on Last International Holiday

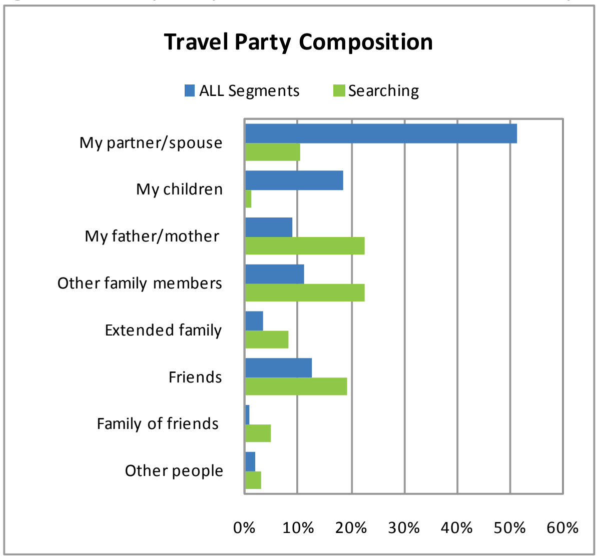


Figure 172: Role in Planning Last International Holiday

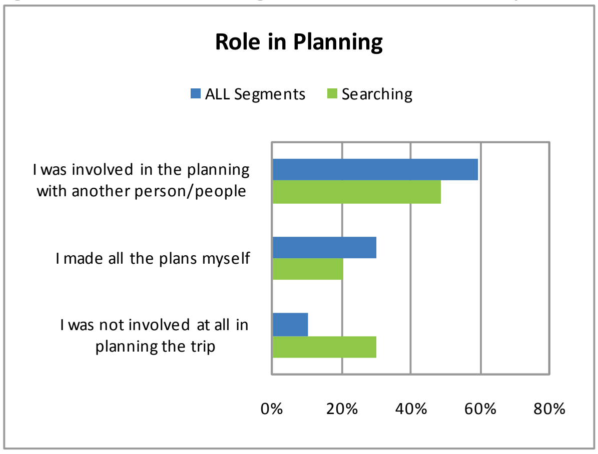


Figure 173: Planning Timelines for Last International Holiday

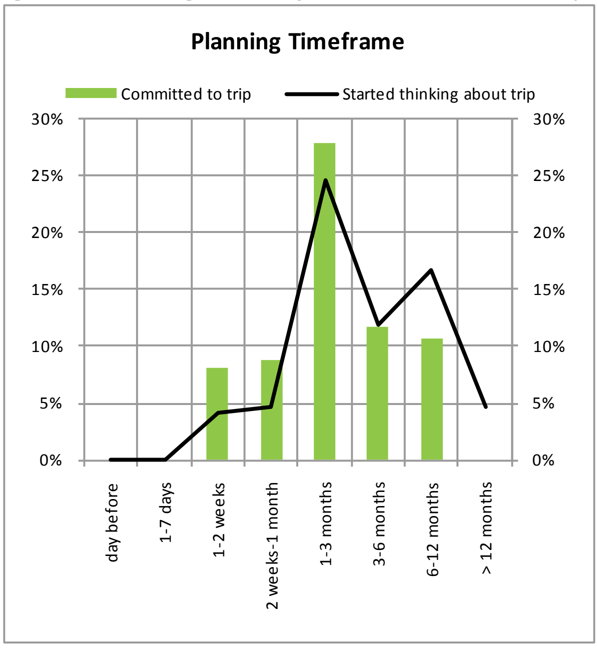


Figure 174: Commitment to Trip – Triggers for Last International Holiday

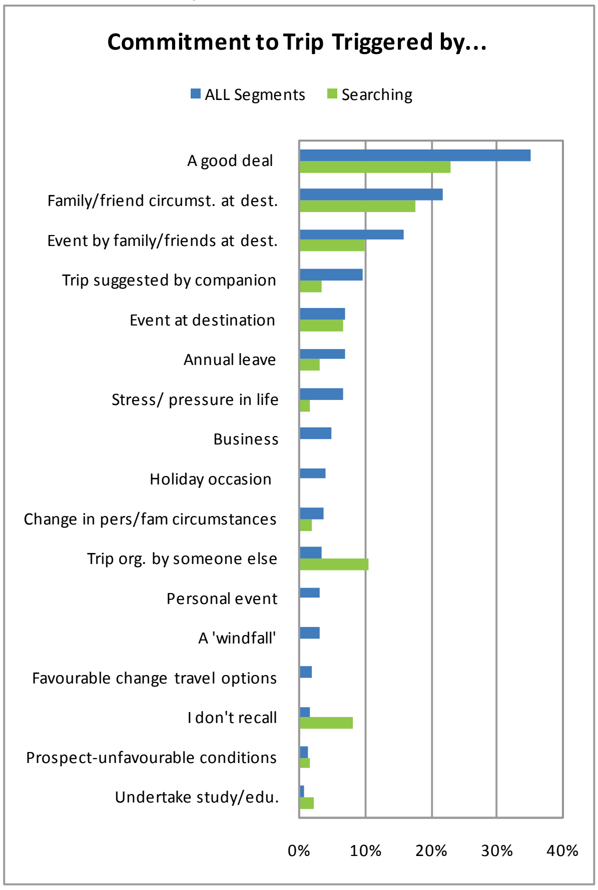


Figure 175: People Contributing to Trip Planning of Last International Holiday

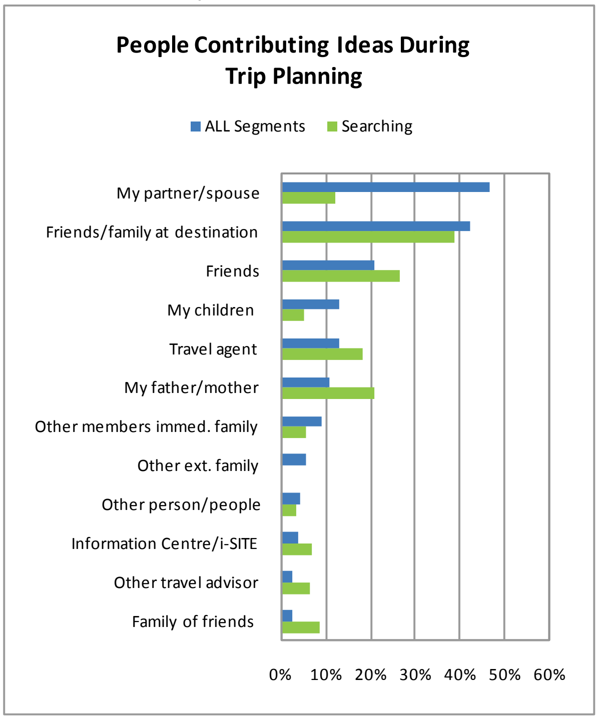


Figure 176: Other Influences on Choice of Destination for Last International Holiday

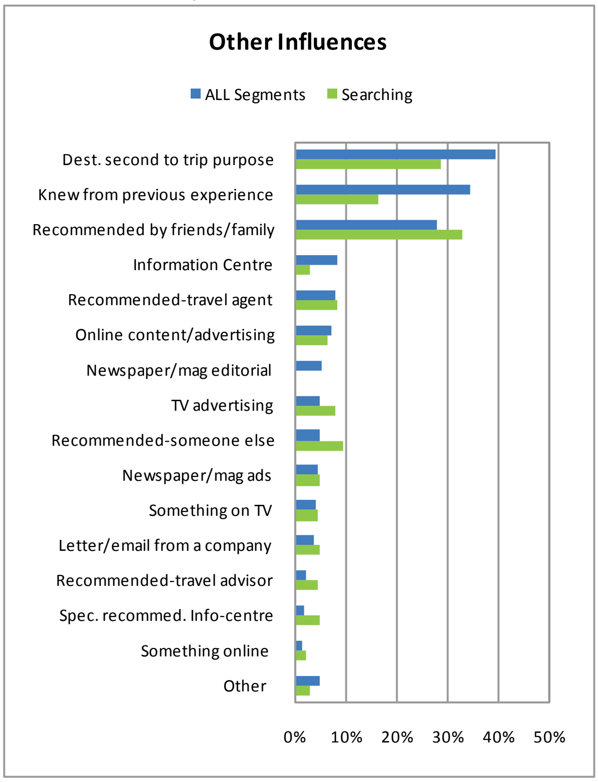


Figure 177: Motivations for Last International Holiday

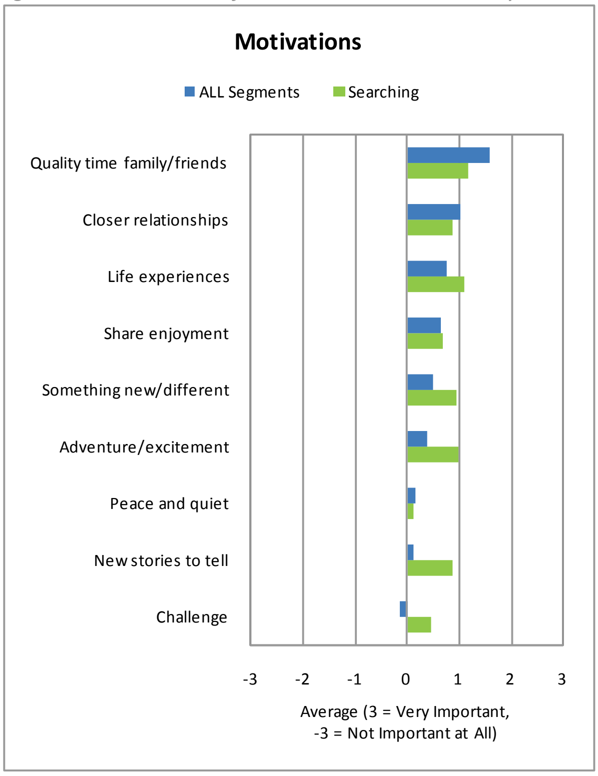


Figure 178: Who Paid for Last International Holiday

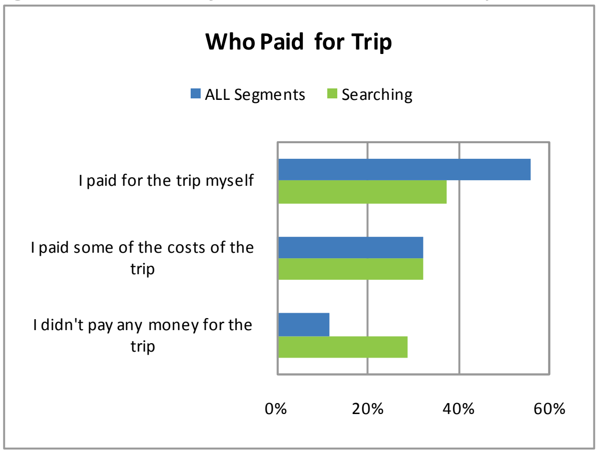
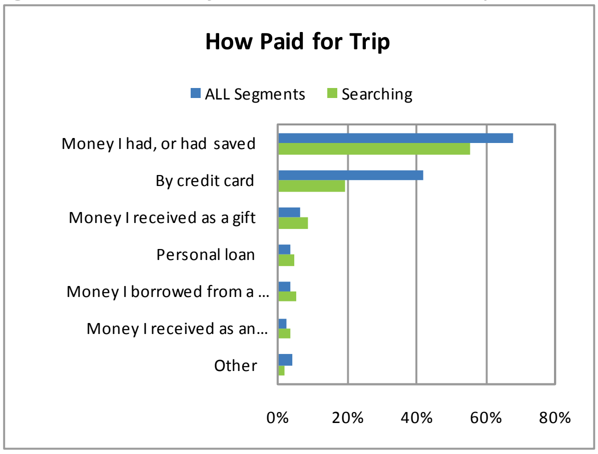


Figure 179: How Paid for Last International Holiday

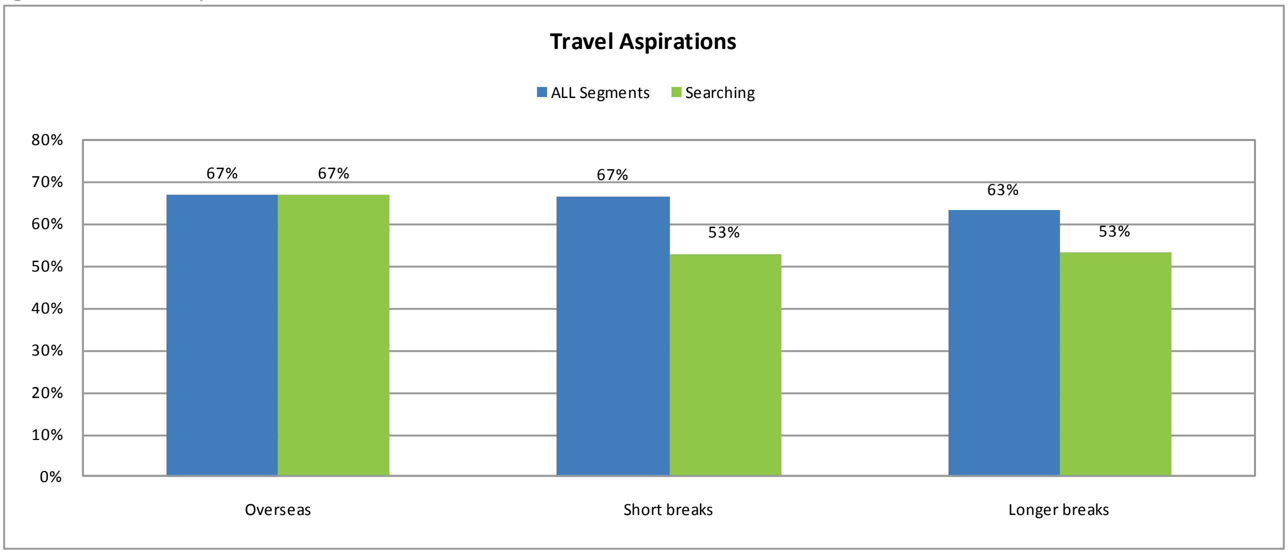


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (in relation to 'overseas trips', 'short breaks in New Zealand' and 'longer holidays in New Zealand'. As illustrated in Figure 180, the general consensus is towards more travel of ALL TYPES, but with overseas holidays and short domestic breaks being slightly more desirable overall.

That said, it is notable that the 'Searching' segment is least inclined to take more domestic short breaks and longer holidays. Instead, members of this segment show greatest interest in increasing the number of international holidays they take.

Figure 180: Travel Aspirations



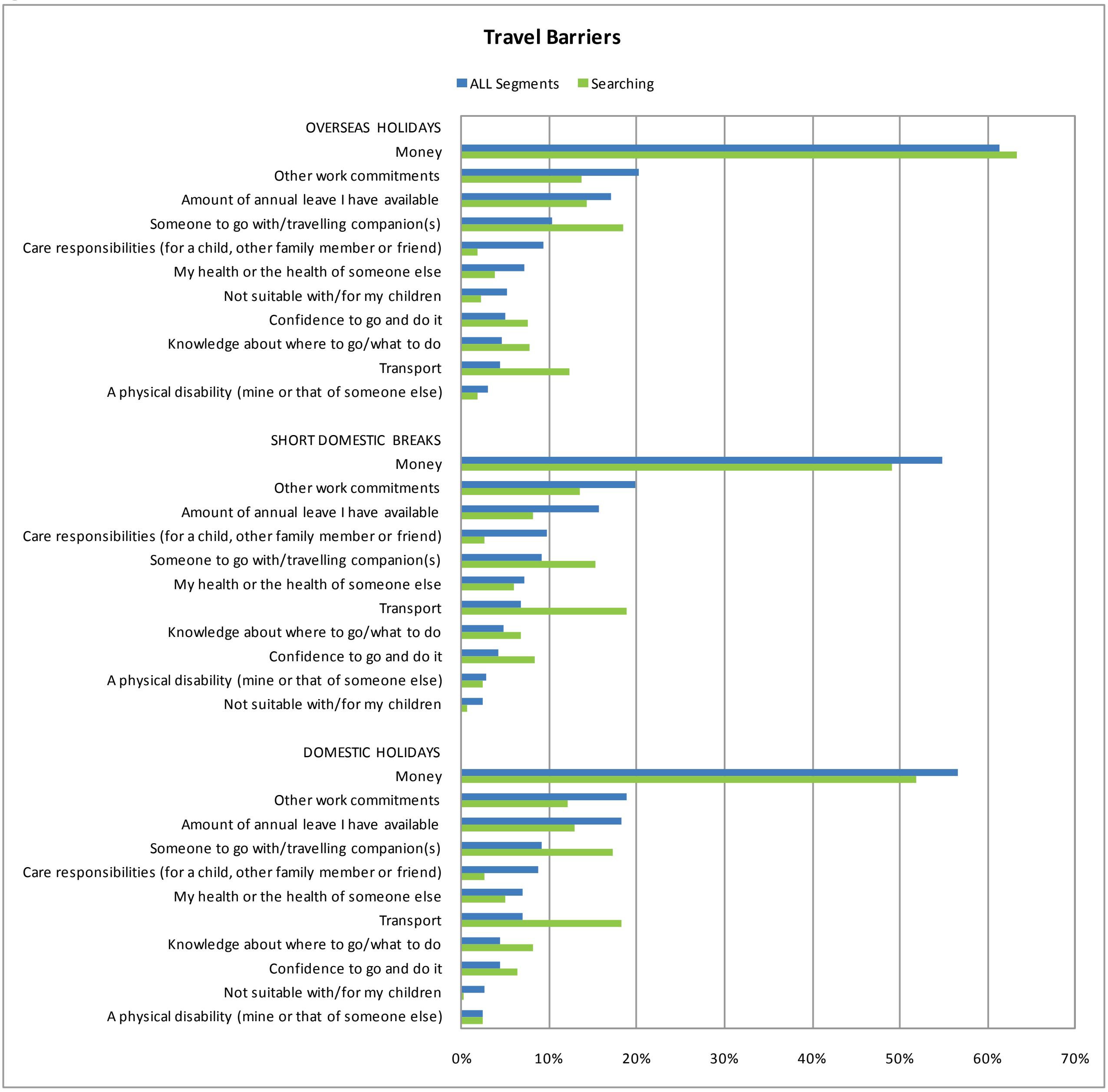
Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 181 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, standout barriers for the 'Searching' segment are a lack of travelling companions, transport, knowledge about where to go/what to do and lack of confidence.

It is notable that barriers such as transport, knowledge and confidence apply to 'Searchers' as much in the context of domestic travel as they do in regard to international.

Figure 181: Barriers to Travel



Segment 3 – 'Rewarding'

This section presents a detailed profile of the 'Rewarding' segment. It includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

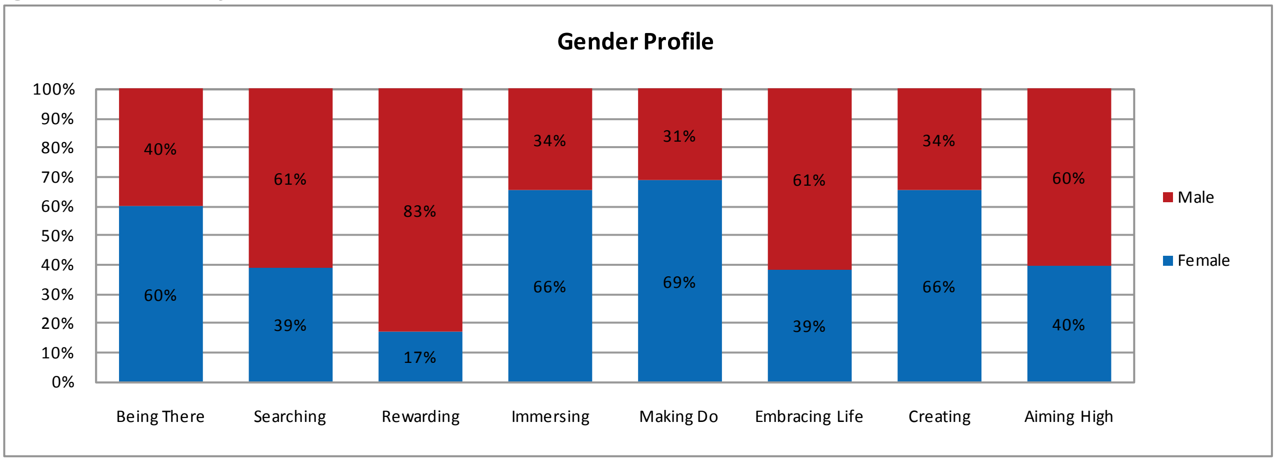
Segment Size

The 'Rewarding' segment represents 13% of the adult population (aged 15 years or more) and has the largest male of working age bias.

Gender

The large male bias of the 'Rewarding' segment can be seen in the comparison of gender proportions, with males accounting for 83% of the segment.

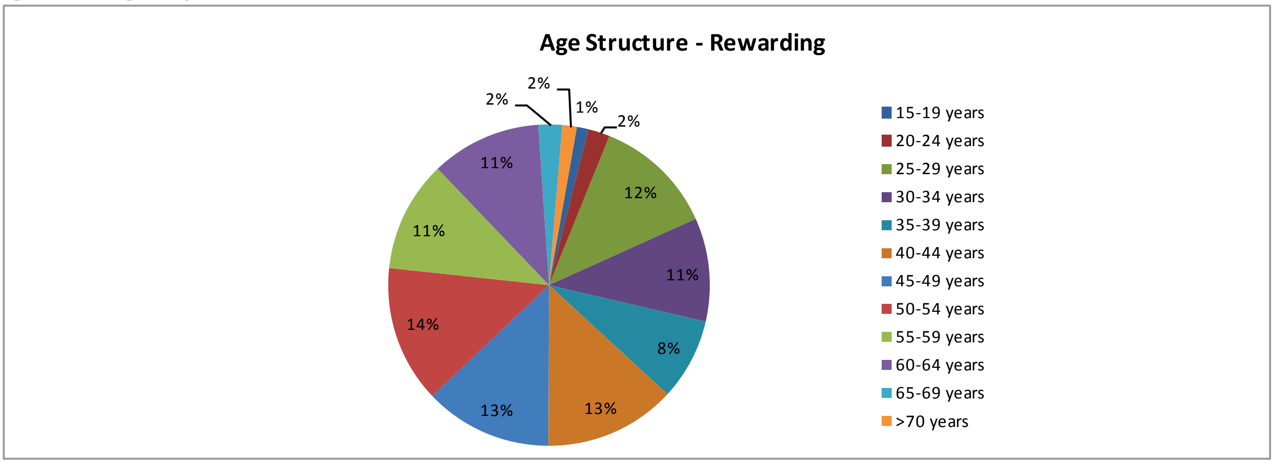
Figure 182: Gender Profile



Age

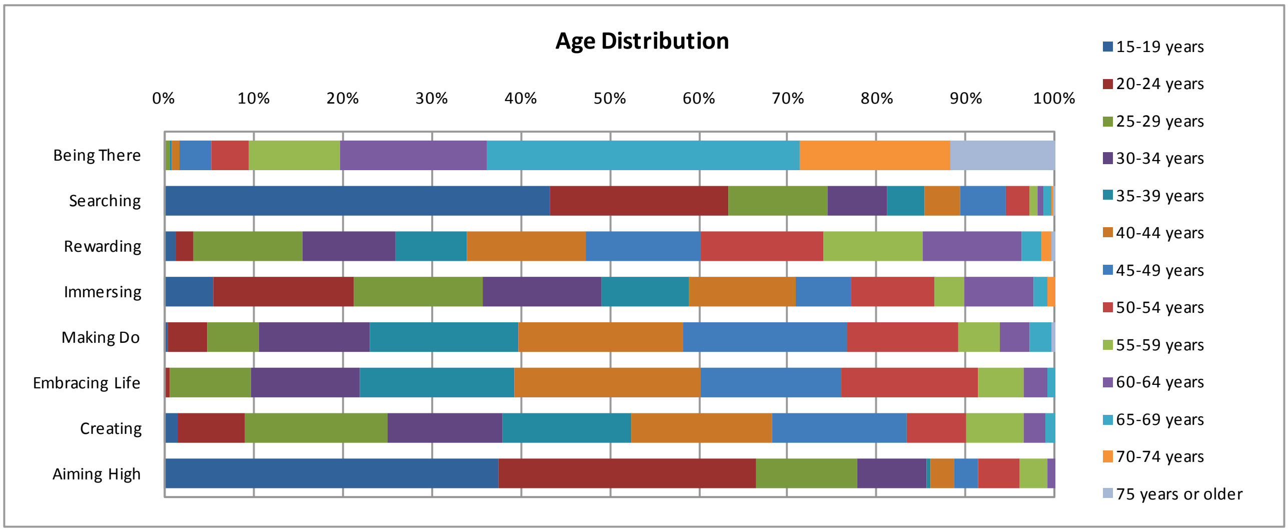
The 'Rewarding' segment is much less dominated by individual age groups than other segments. Overall most members of this segment are of working age above 24 years and below 65 years. See Figure 183 overleaf.

Figure 183: Age Profile



The relatively even age distribution in this segment becomes clear when compared to other segments. No significant age 'peaks' can be seen in the demographic landscape for the 'Rewarders'.

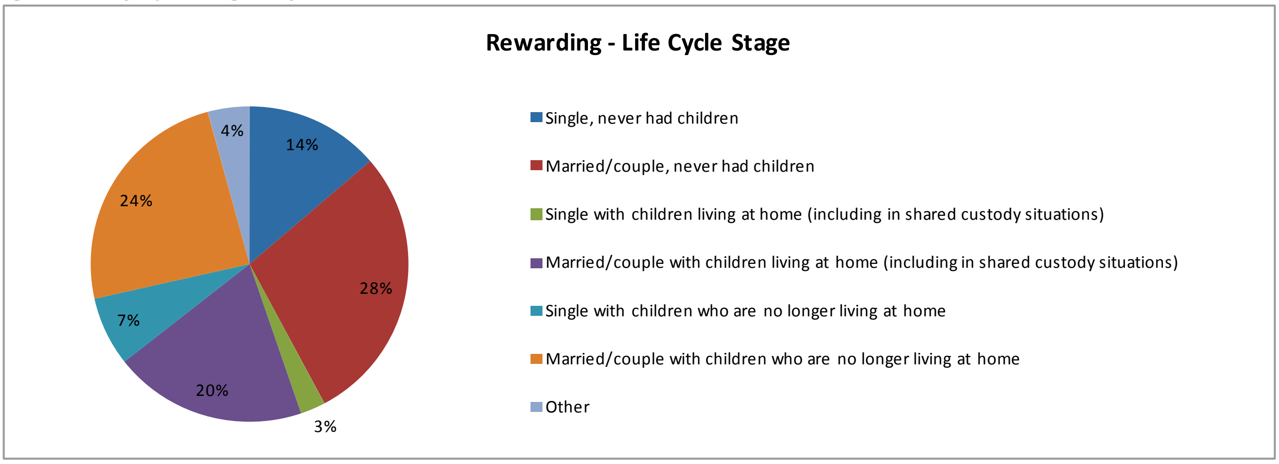
Figure 184: Age Distribution by Market Segment



Lifecycle Stage

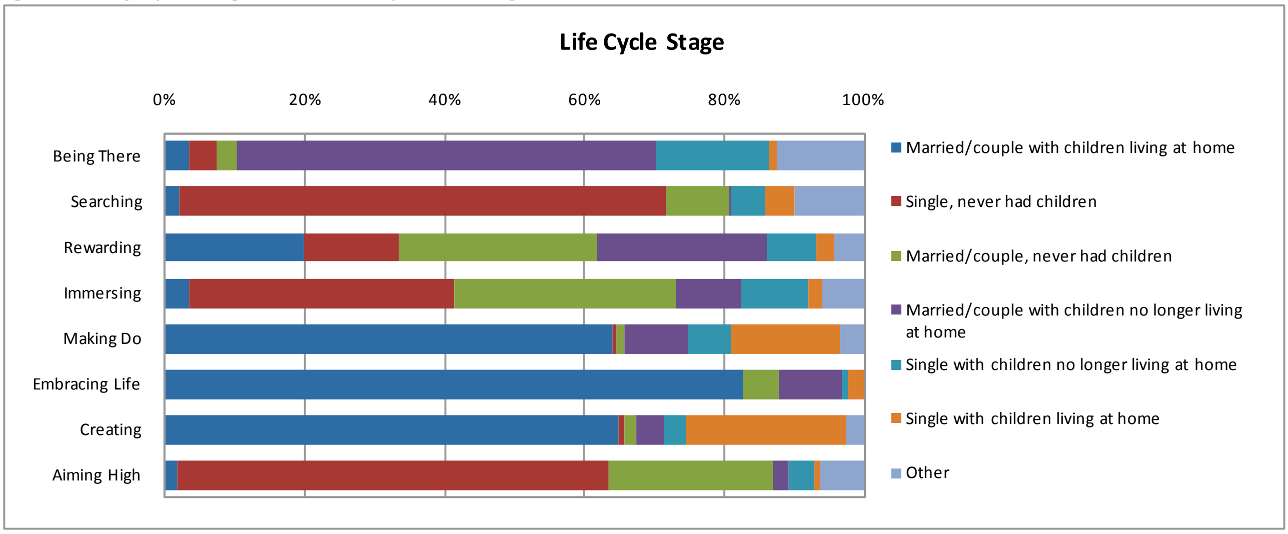
More than two thirds of 'Rewarders' are married or in a relationship but relatively few have children or children living at home.

Figure 185: Lifecycle Stage Profile



In comparison with other segments, ‘Rewarding’ shows no significant ‘peaks’ in terms of life cycle stage. Married couples who have never had children and those with children no longer living at home are most prominent in this segment.

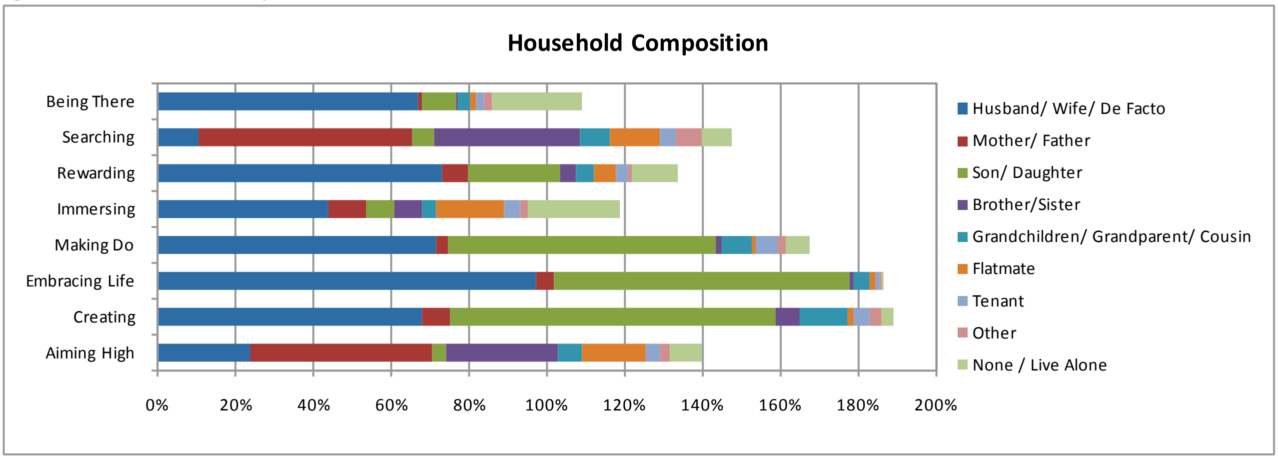
Figure 186: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of ‘Rewarders’ is further reflected in household composition - 73% live with a partner and 23% have children at home.

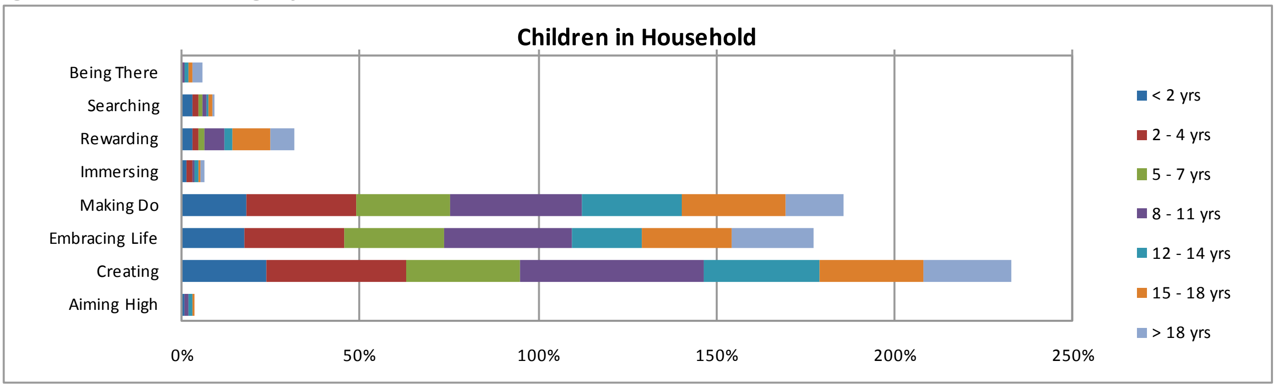
Figure 187: Household Composition



Children

As noted above, ‘Rewarding’ households contain few children. Those which do, typically contain children in their late teens or older. Many ‘Rewarding’ households are empty nesters with children who are no longer living at home. See Figure 188 overleaf.

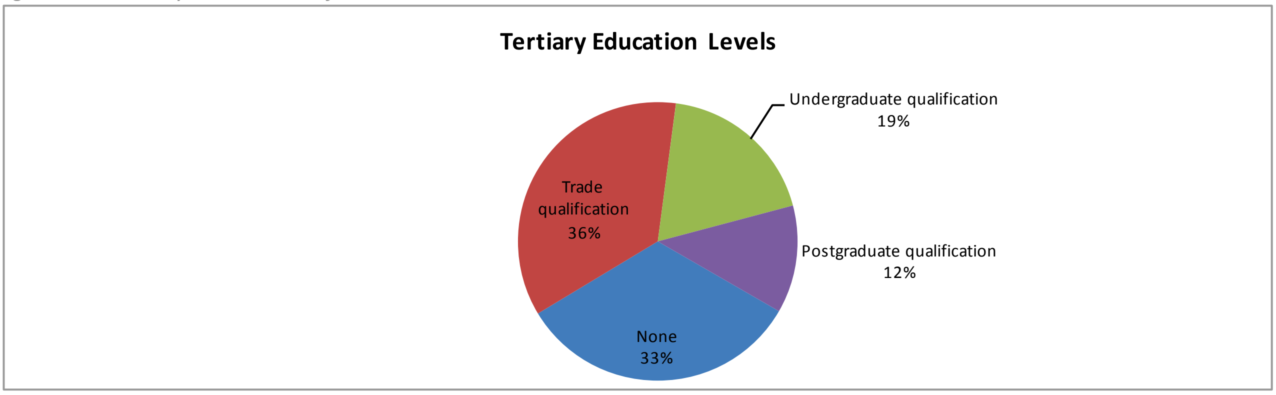
Figure 188: Number and Age of Children in Household



Education

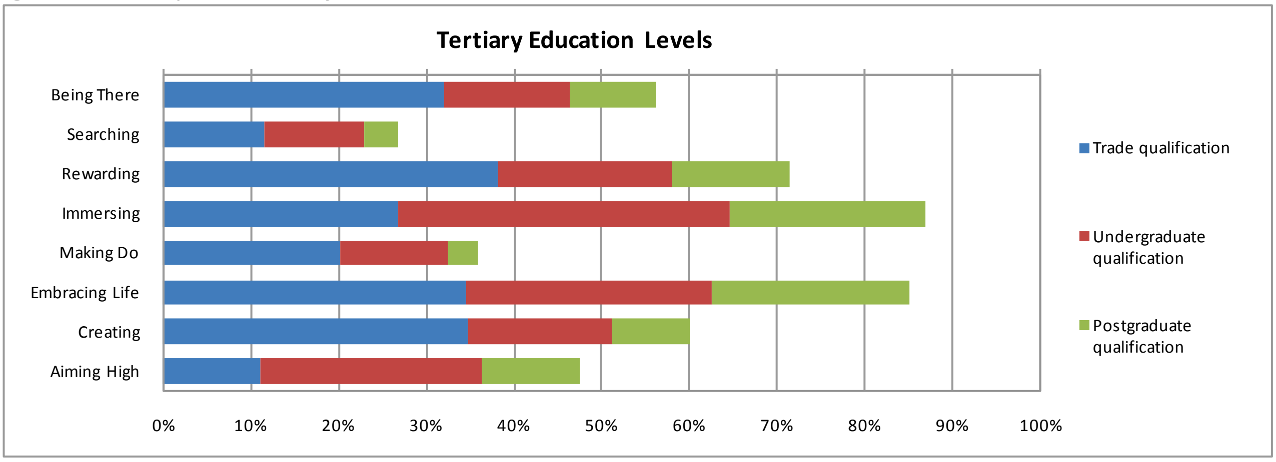
The two thirds of 'Rewarders' with a tertiary education include more than a third with a trade qualification.

Figure 189: Tertiary Education Profile



In comparison to the other two segments which surpass 70% tertiary qualified (Immersing & Embracing Life), 'Rewarding' has the highest proportion of trade qualified members.

Figure 190: Tertiary Education Profile



Occupation

The type of tertiary education of the 'Rewarding' segment is evident in the occupations this segment is engaged in: the largest proportion work in professional, managerial and technical or trade positions. See Figure 191 overleaf.

Figure 191: Occupational Profile

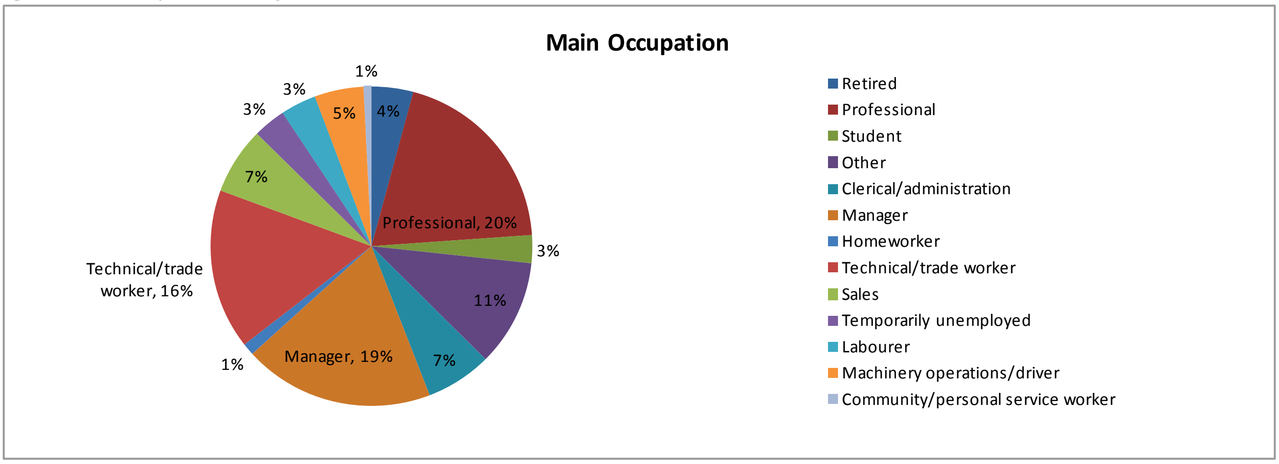
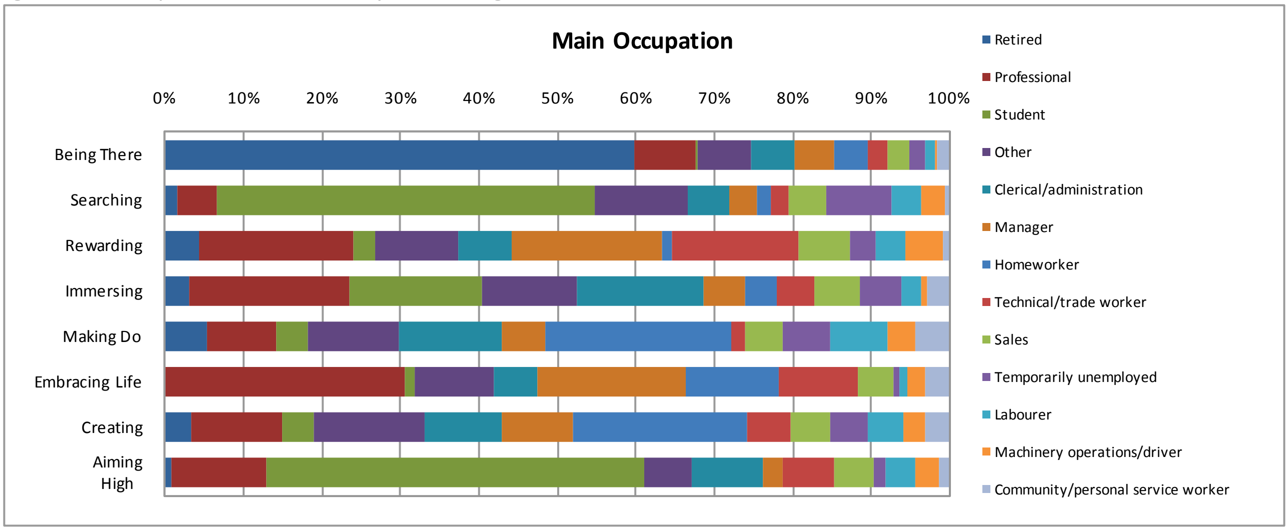


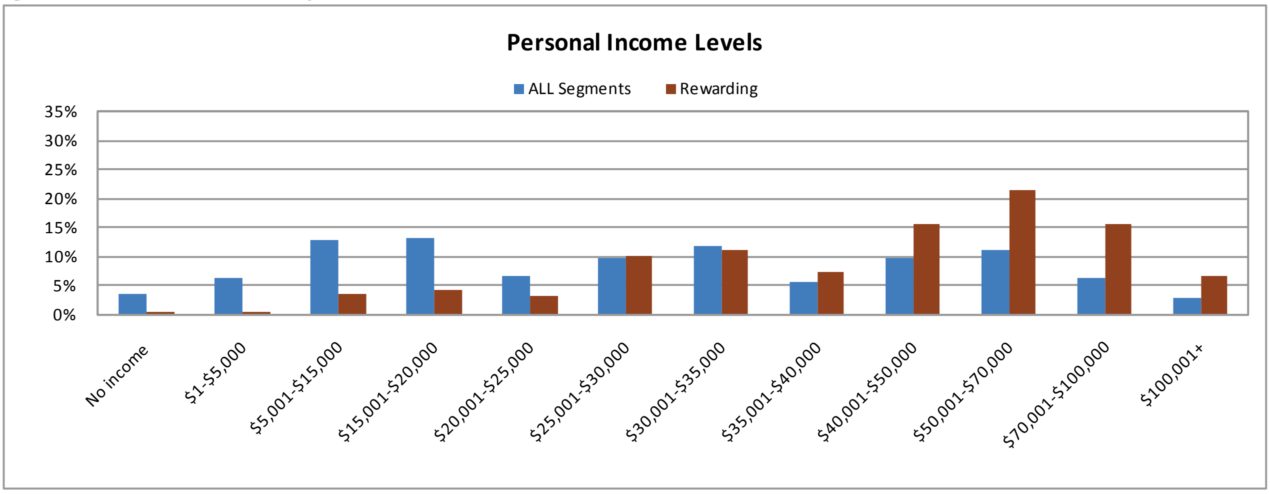
Figure 192: Occupational Distribution by Market Segment



Income

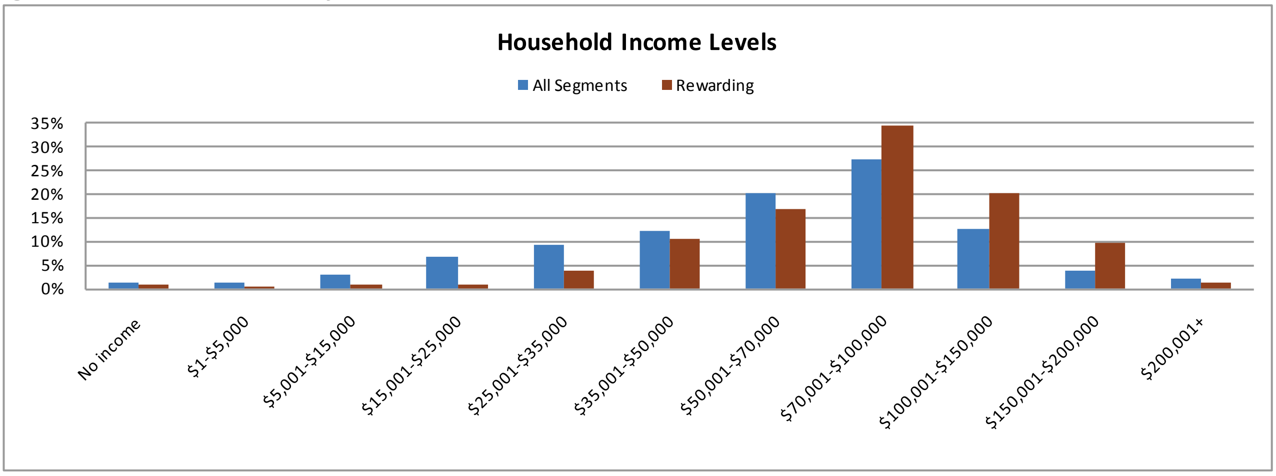
Compared to the average, 'Rewarders' report higher levels of personal income, with the largest proportion citing an income of $50,000-$70,000 per annum, as well as a large proportion in the $70,000 plus categories.

Figure 193: Personal Income Profile



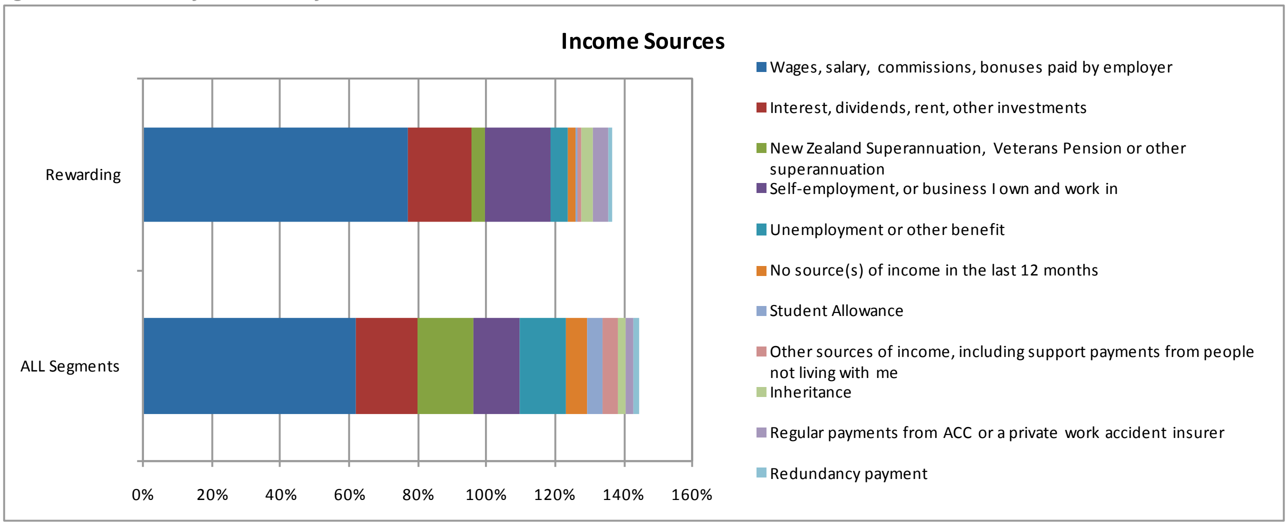
Household income of 'Rewarders' is on par with levels of personal income, suggesting the existence of one main income earner in these households.

Figure 194: Household Income Profile



Income of 'Rewarders' is typically derived from wages/salaries/commission or a business they own. Interest and gains from other investments are another important source of income.

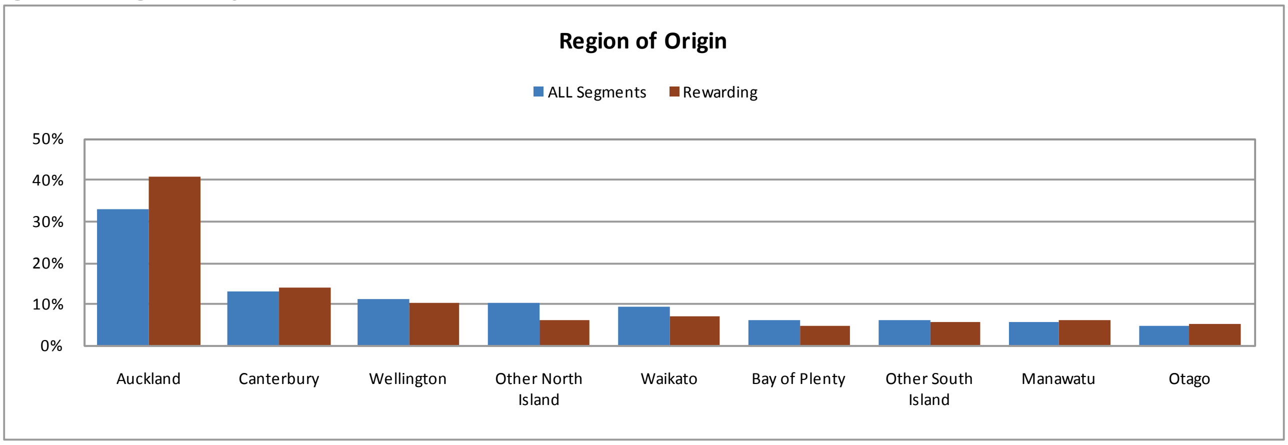
Figure 195: Source of Income Profile



Region

Of all market segments, 'Rewarding' has the highest proportion of Auckland residents.

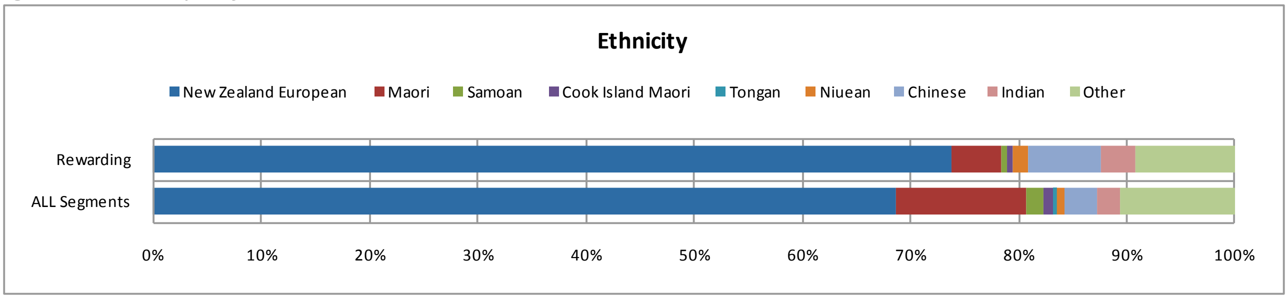
Figure 196: Regional Profile



Ethnicity

The 'Rewarding' segment contains a larger proportion of New Zealand Europeans and also of Chinese and Indians than other segments on average.

Figure 197: Ethnicity Profile

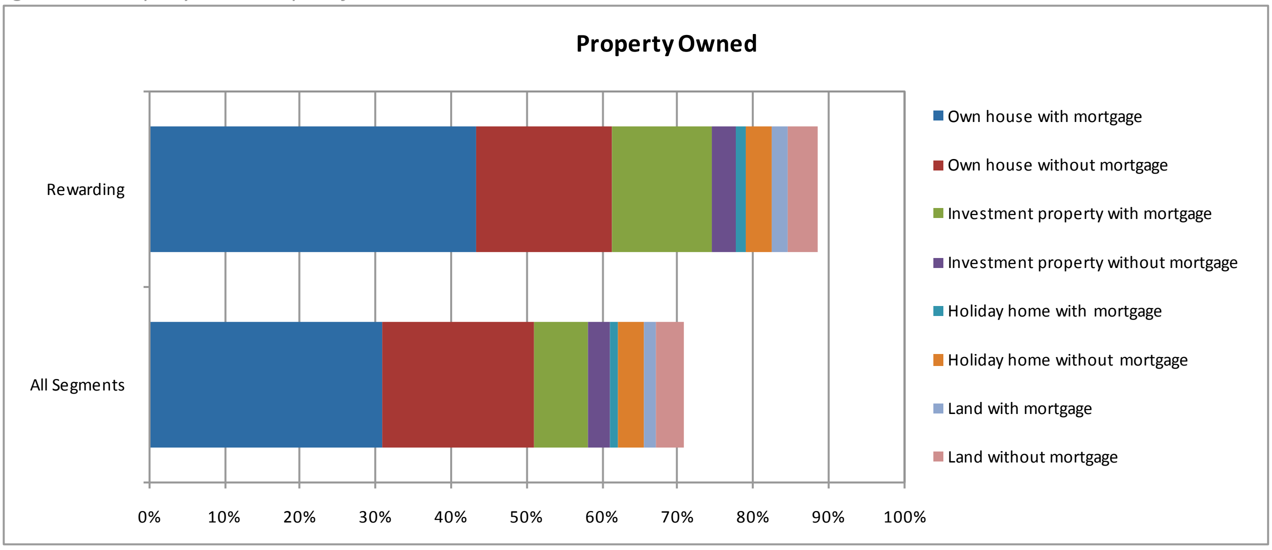


Other Characteristics

Property Ownership

Members of this segment have high incomes and they are in the process of building assets. A high proportion own property which is still mostly financed by way of mortgage.

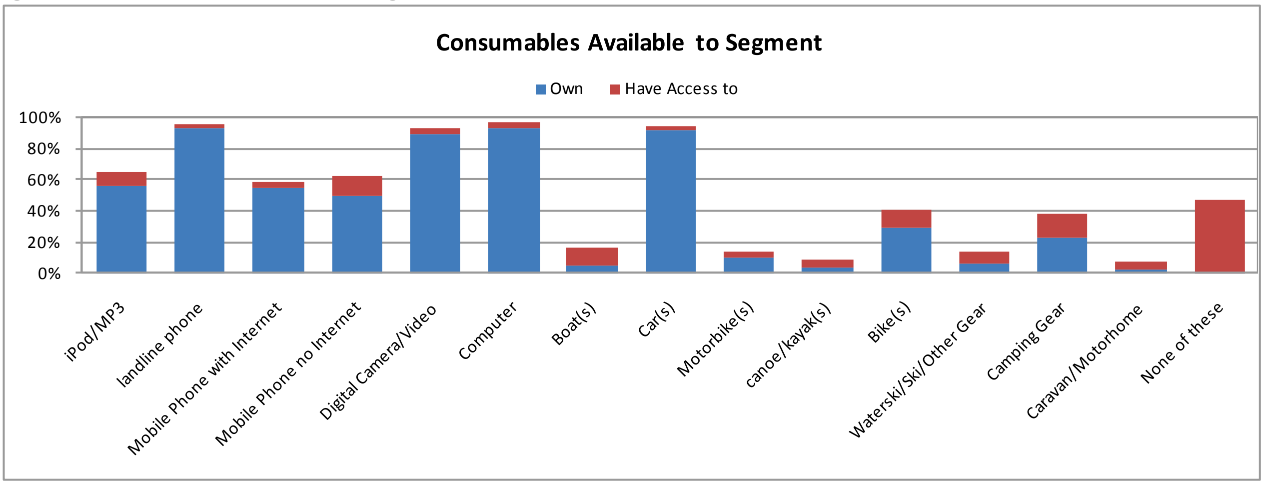
Figure 198: Property Ownership Profile



Ownership and Access to Consumables

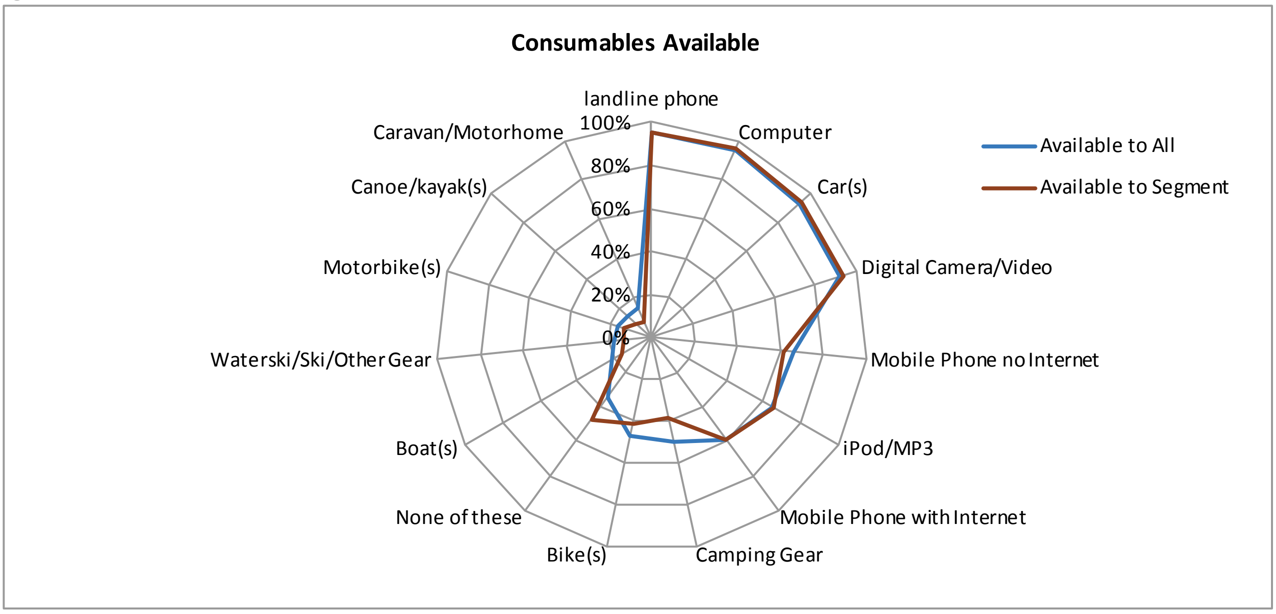
Almost all members of 'Rewarding' own or have access to a landline phone, mobile phone, a car, computer and digital camera. Sizeable proportions of this segment also own or have access to bikes and/or camping equipment. See Figure 199 overleaf.

Figure 199: Consumables Available to Segment



However, as shown in Figure 200, 'Rewarders' are less likely to have access to bikes, camping equipment, canoes/kayaks, boats, waterskis or other leisure/sporting equipment than their peers in other market segments.

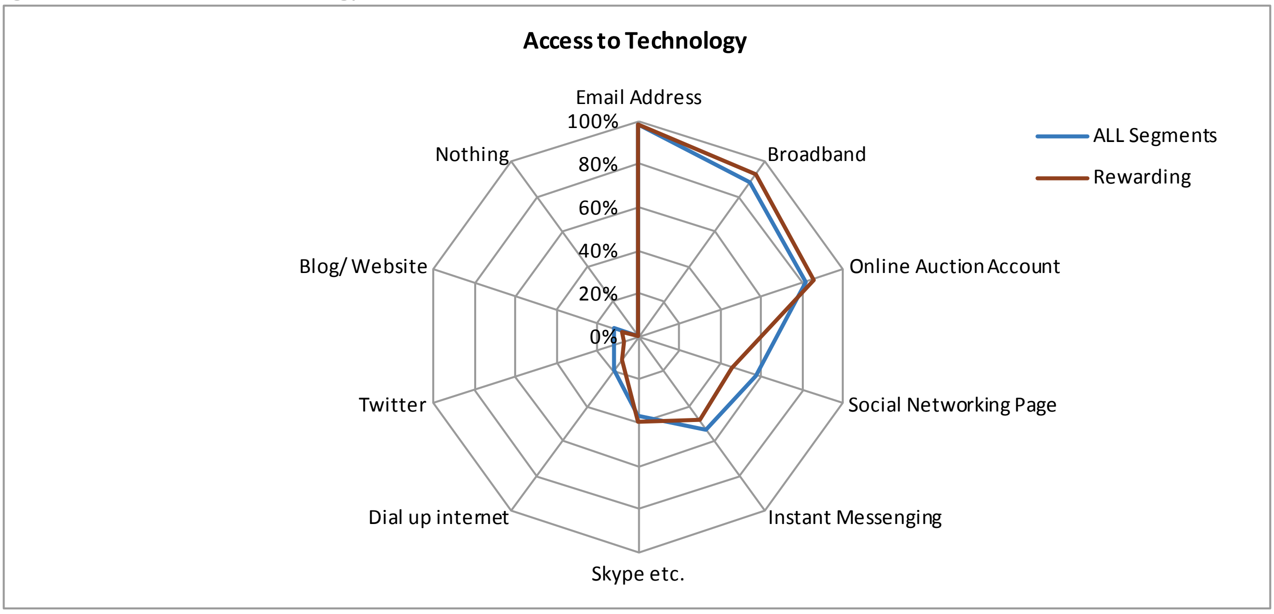
Figure 200: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 201 (overleaf), members of 'Rewarding' are generally high users of broadband, email and online auctions. Other than Skype, they use fewer interactive/social networking tools.

Figure 201: Use/Access to Technology

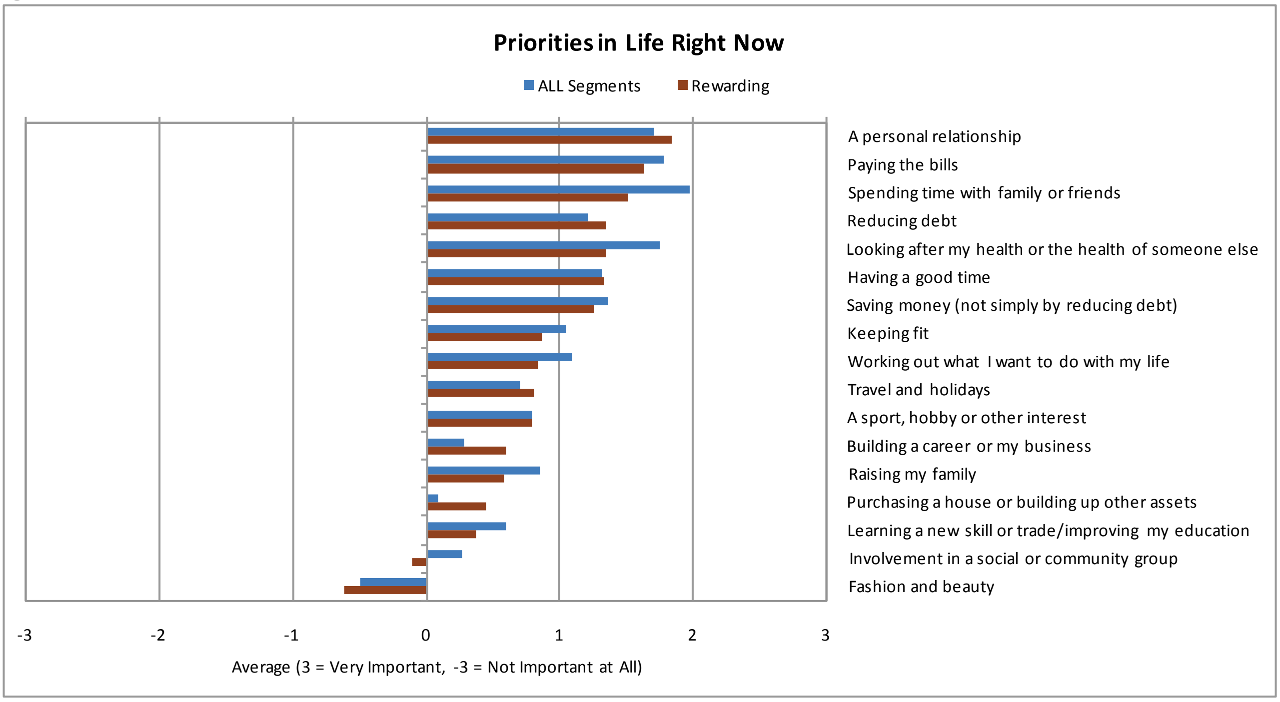


Current Priorities

Like many other segments, the priorities of 'Rewarding' centre on personal relationships, paying the bills, and spending time with family/friends. However, personal relationships have particular significance to this segment, as do building a career or business and purchasing a house or building up assets.

Travel and holidays are slightly more of a priority to 'Rewarding' than to other segments, on average.

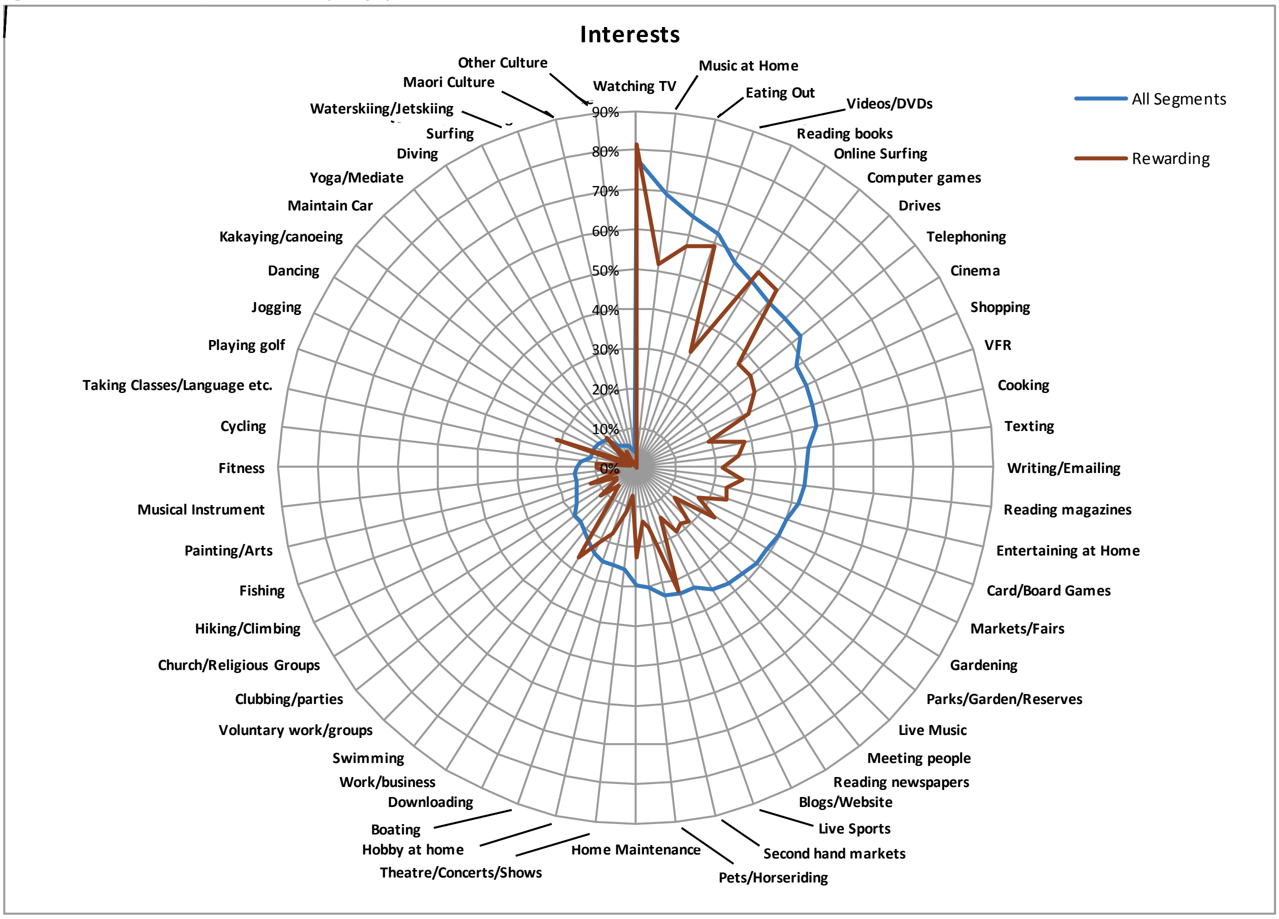
Figure 202: Current Priorities



Interests

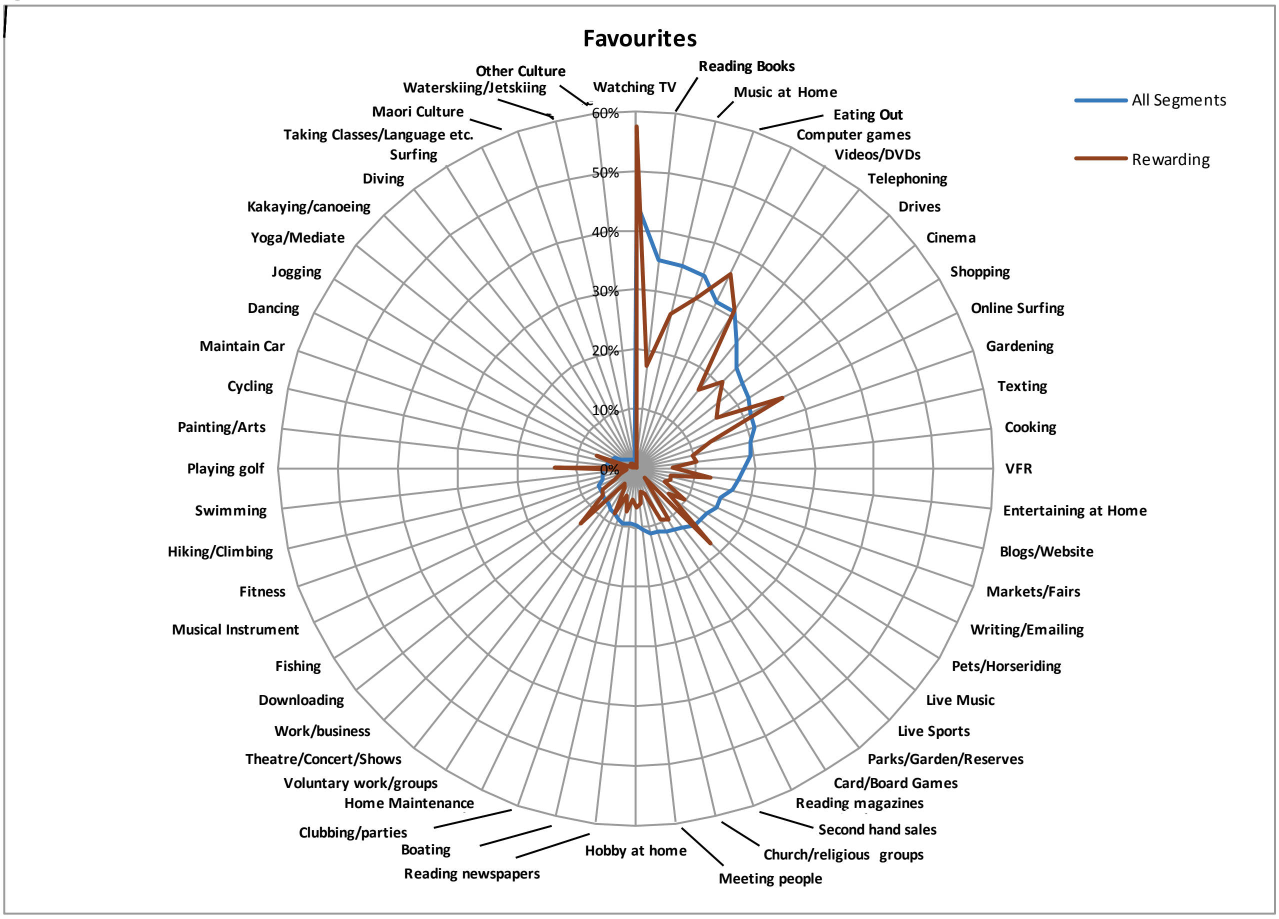
Relative to other segments, members of 'Rewarding' take pleasure in online surfing and computer games, work or business and, particularly, in playing golf. Overall, they have less variety in their interests than other segments.

Figure 203: Interests (What I Really Enjoy)



These interests are reflected in their **favourite pastimes**. Watching TV features very strongly, perhaps indicating a need for relaxation, distraction and "switching off" from work. See Figure 204 overleaf.

Figure 204: Favourite Pastimes

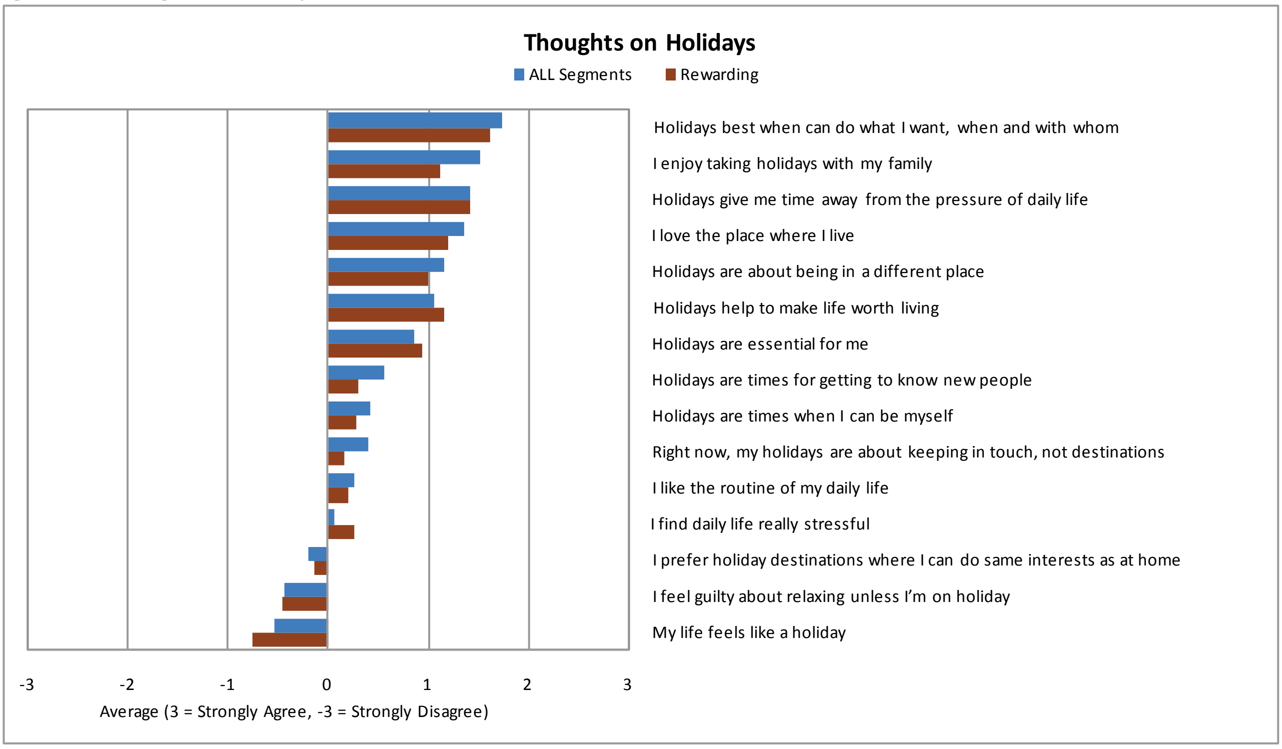


Travel Needs and Attitudes

Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life. As can be seen in Figure 205, for members of 'Rewarding' holidays are **not** about spending time with family. This segment finds daily life more stressful than most and holidays essential in making life worth living.

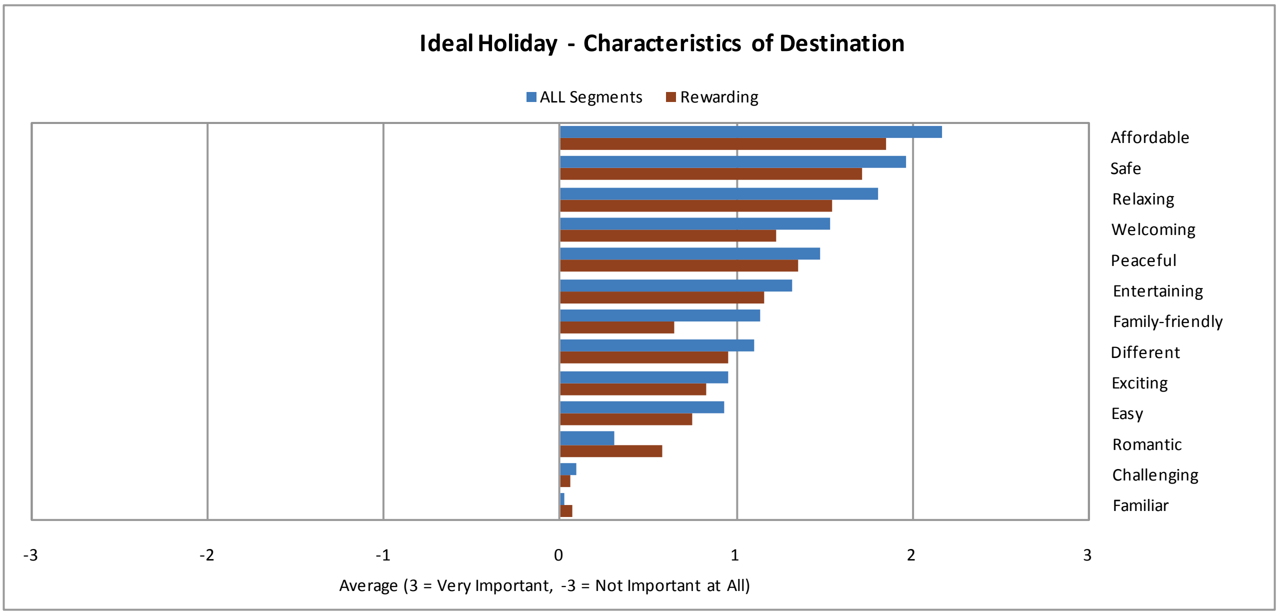
Figure 205: Thoughts on Holidays



Ideal Holiday Destination

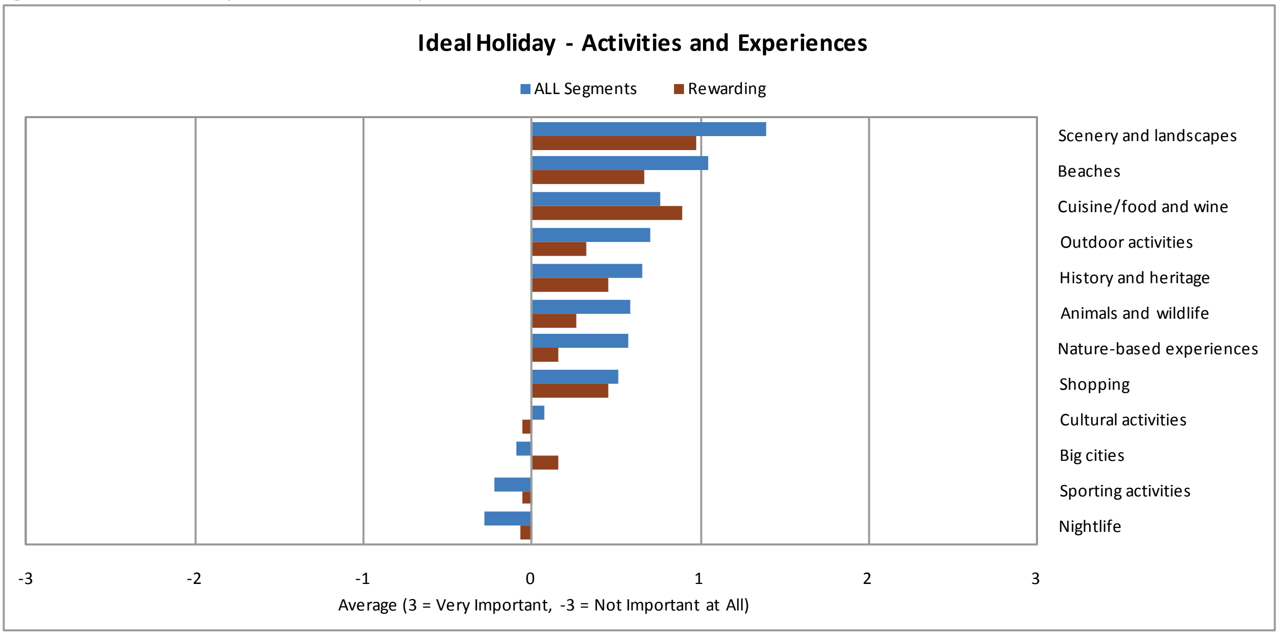
The ideal holiday destination for 'Rewarding' is defined by similar characteristics to other segments, but to a lesser degree of importance. Family friendly characteristics are not very important. Romantic characteristics stand out for this segment as quite important when compared to all other segments.

Figure 206: Characteristics of Ideal Holiday Destination



The ideal holiday experience for 'Rewarders' is built around cuisine, food and wine and big cities. Outdoor and nature based activities and experiences are quite unimportant to this segment.

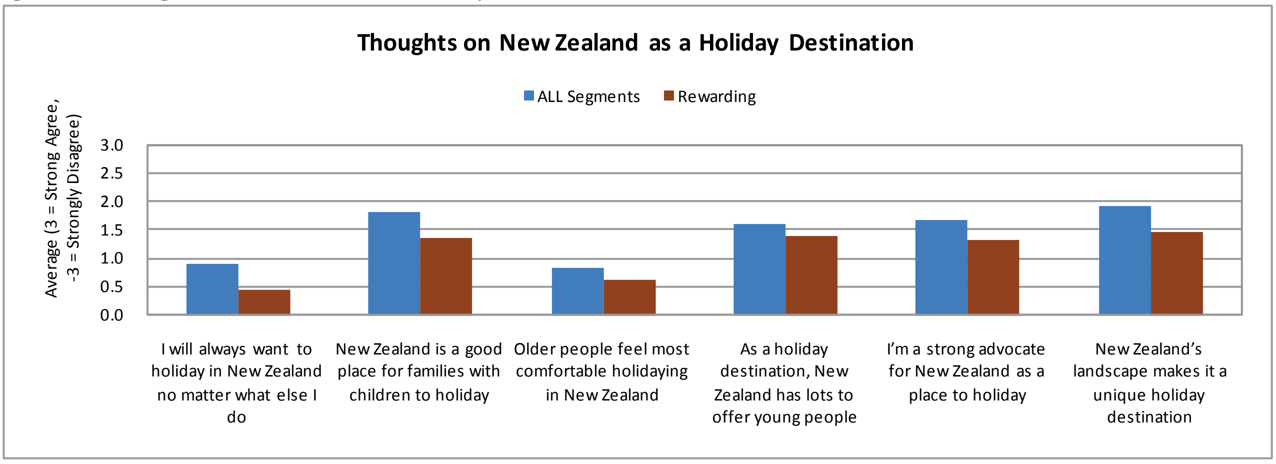
Figure 207: Ideal Holiday – Activities and Experiences



Domestic Holidays

Overall, 'Rewarders' are less enthusiastic in their thoughts on New Zealand as a holiday destination than other market segments.

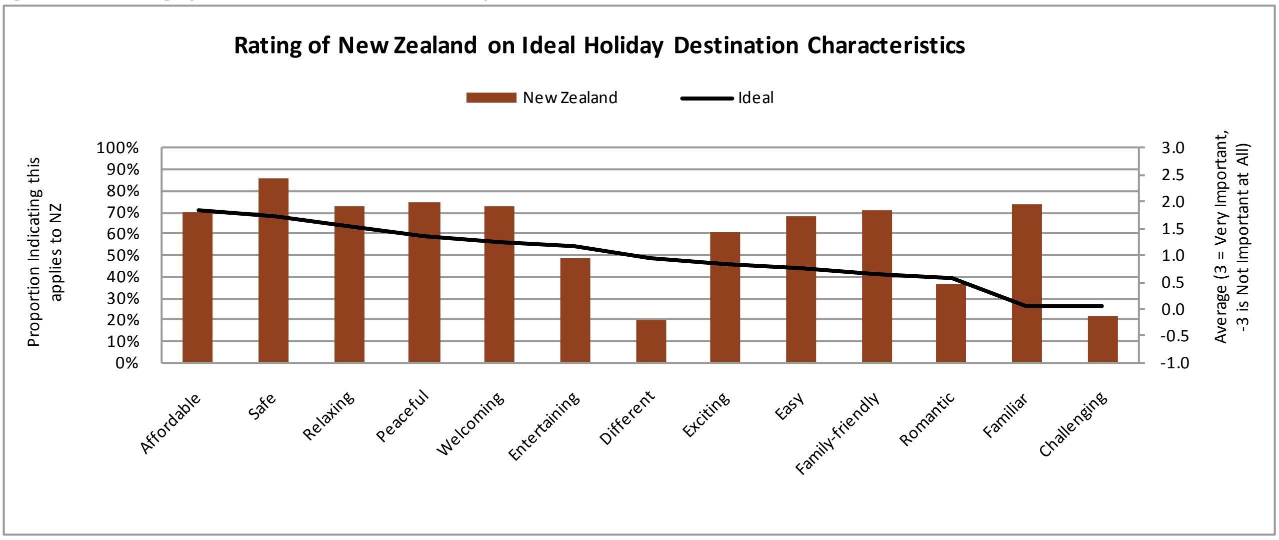
Figure 208: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

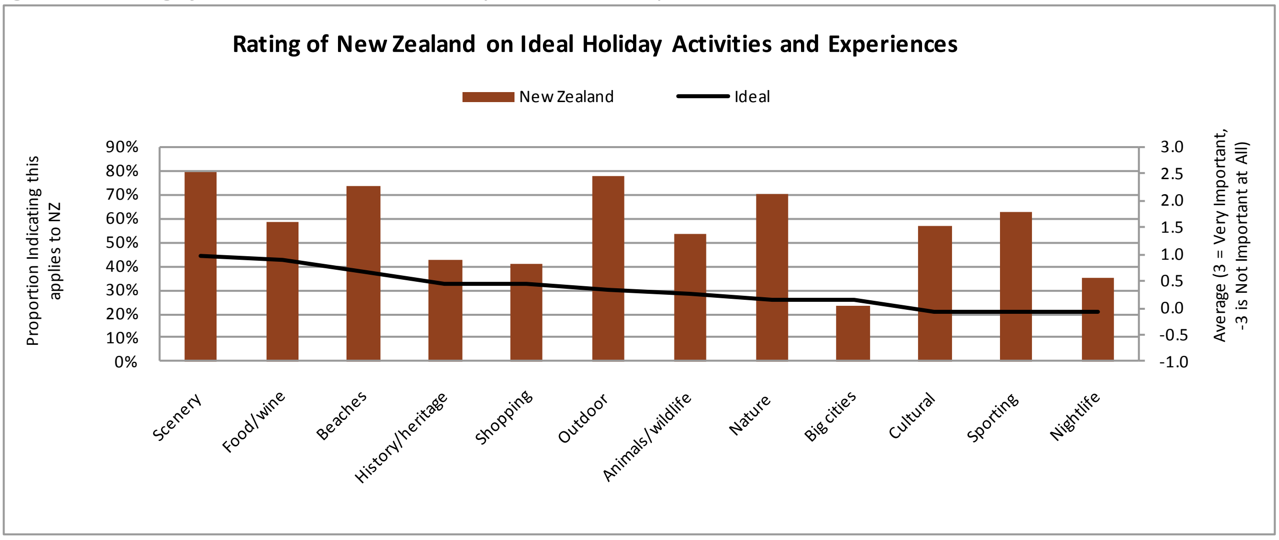
As depicted in Figure 209 (overleaf), members of the 'Rewarding Segment' rated New Zealand highly on most of the characteristics which made up their ideal holiday destination, with "different" being a notable exception in this respect.

Figure 209: Rating of New Zealand on Ideal Holiday Destination Characteristics



New Zealand also scored well on most of the activities and experiences this segment looked for in its ideal holiday. Only Big Cities has lower scores.

Figure 210: Rating of New Zealand on Ideal Holiday Activities and Experiences



New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 211 (overleaf) charts results for this segment as they relate to New Zealand destinations. Analysis highlights regions which are relatively lesser known to members of 'Rewarding' and those to which members of 'Rewarding' are most attracted.

Generally speaking, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Bay of Islands, and many South Island destinations - could be said to represent particular areas of unrealised demand.

Figure 211: Knowledge and Desire for New Zealand Destinations[7]

[7] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of ‘Rewarding’ take **22% fewer** domestic short breaks for leisure each year than the ‘average New Zealander’ (1.5 versus 1.9).

Figures 212-224 profile the **last domestic short break** taken by members of the ‘Rewarding’ segment.

Results show that, compared with other segments: -

- Waikato is an especially popular destination.
- Key activities are of an urban nature, with particular emphasis on bars and restaurants. ‘Rewarders’ are also interested in adventure/ sports activities.
- The vast majority of short breaks are taken by car, with a slightly higher proportion than average travelling by company car.
- Motels, hotels and resorts/luxury lodges are preferred over private accommodation.
- Almost two thirds travel solely with their partner/spouse.
- Almost all are involved in planning the trip (alone or in association with someone else).
- The largest group plan short breaks 1-3 months ahead of departure although more than 40% of short breaks are planned within two weeks of travel.
- Short breaks are typically prompted by an event held by family/friends at the Rewarder’s destination, by holiday occasions, by annual leave requirements or by stress and pressure in their lives.
- Partners play a key role in choice of destination. Friends are also influential.
- Short breaks are typically motivated by a desire to spend quality time with friends/family, but also to have some peace and quiet.
- ‘Rewarders’ are more likely to fund a short break by credit card than other segments.

Figure 212: Region Visited on Last Short Break

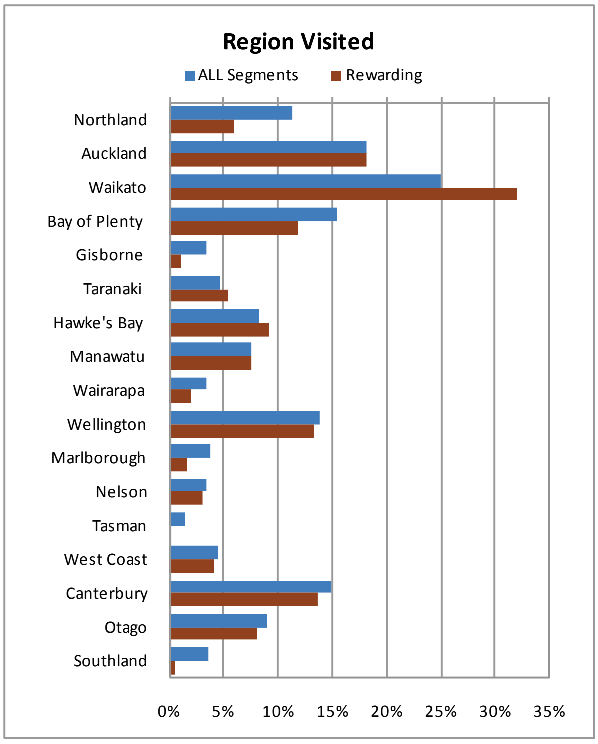


Figure 213: Activities/Experiences on Last Short Break

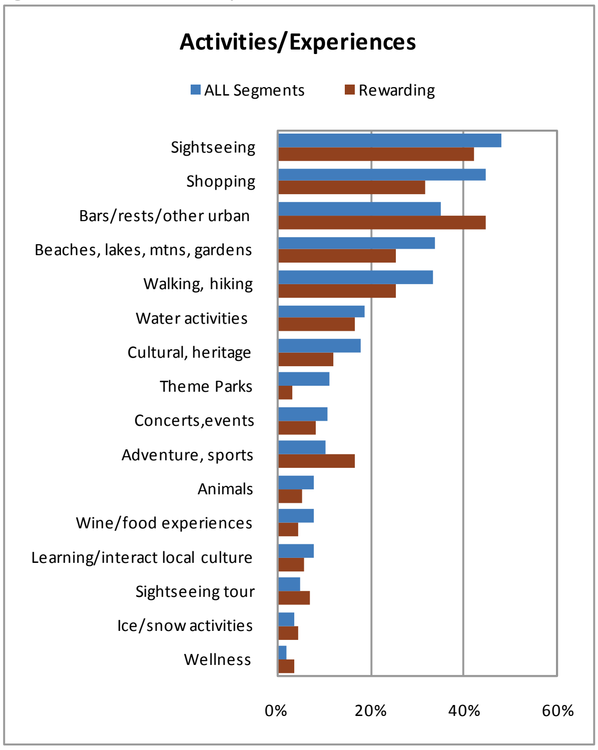


Figure 214: Transport Used on Last Short Break

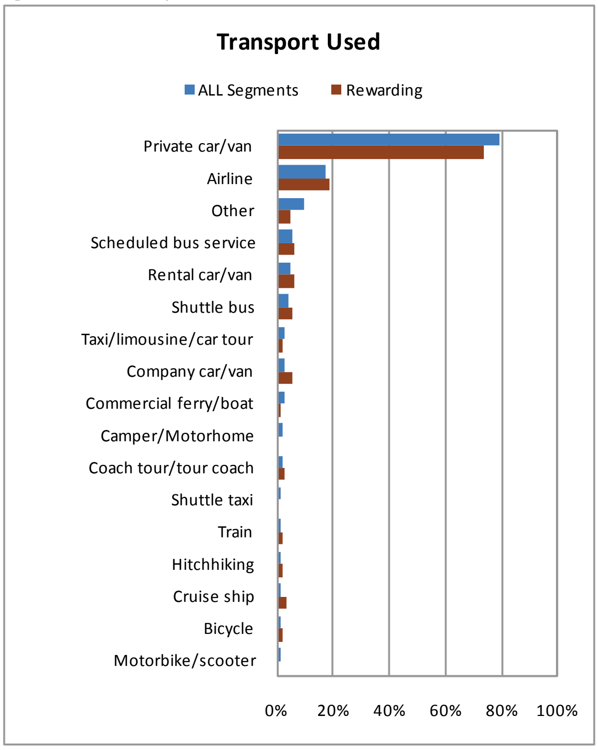


Figure 215: Accommodation Used on Last Short Break

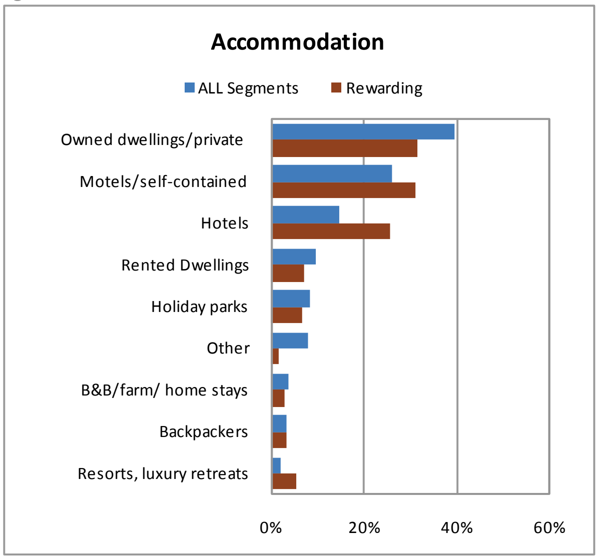


Figure 216: Party Composition on Last Short Break

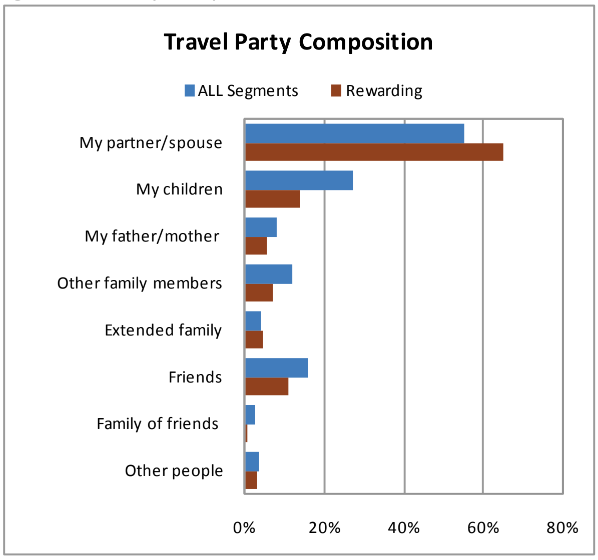


Figure 217: Role in Planning Last Short Break

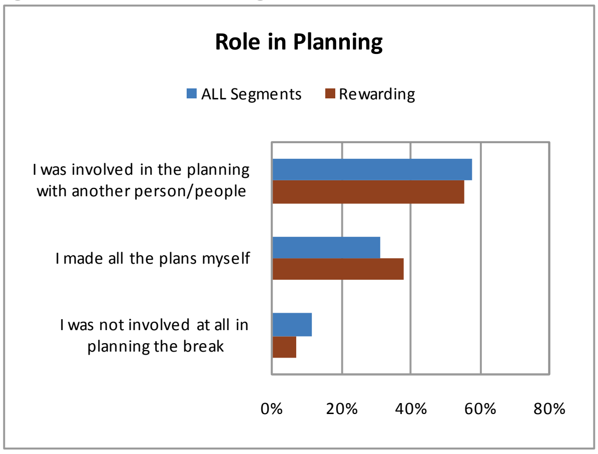


Figure 218: Planning Timelines for Last Short Break

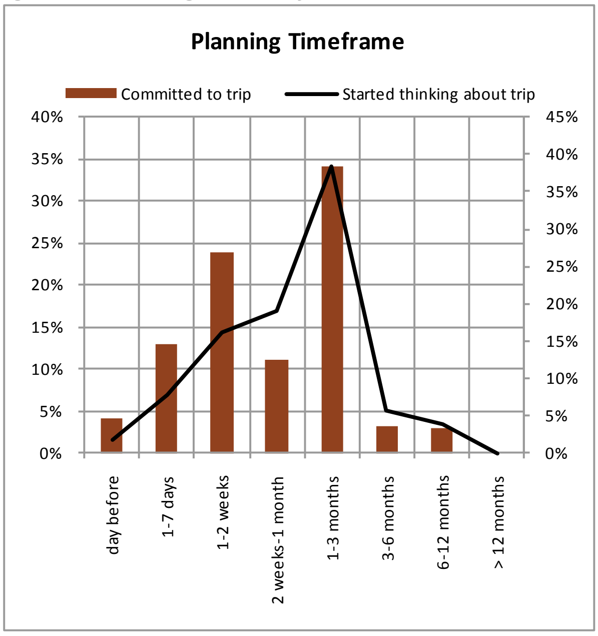


Figure 219: Commitment to Trip – Triggers for Last Short Break

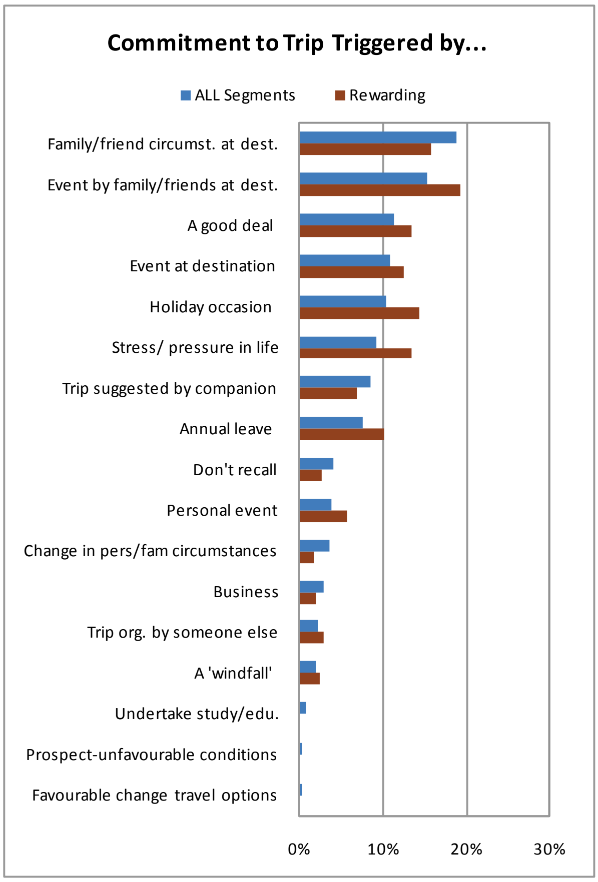


Figure 220: People Contributing to Trip Planning of Last Short Break

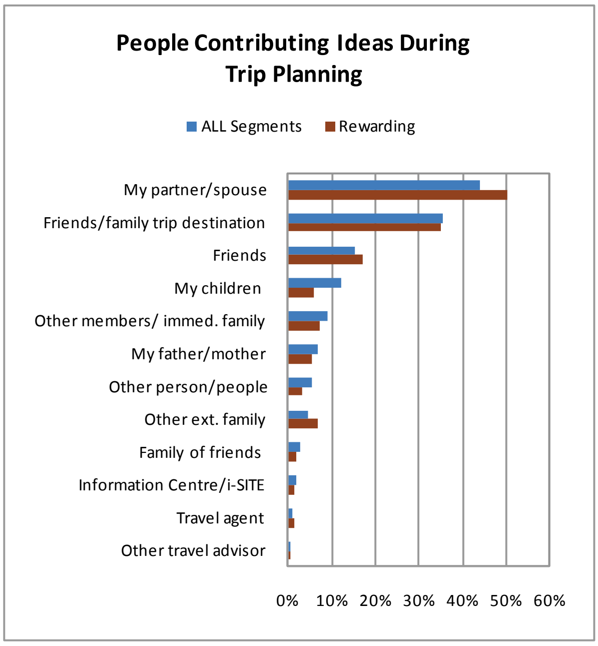


Figure 221: Other Influences on Choice of Destination for Last Short Break

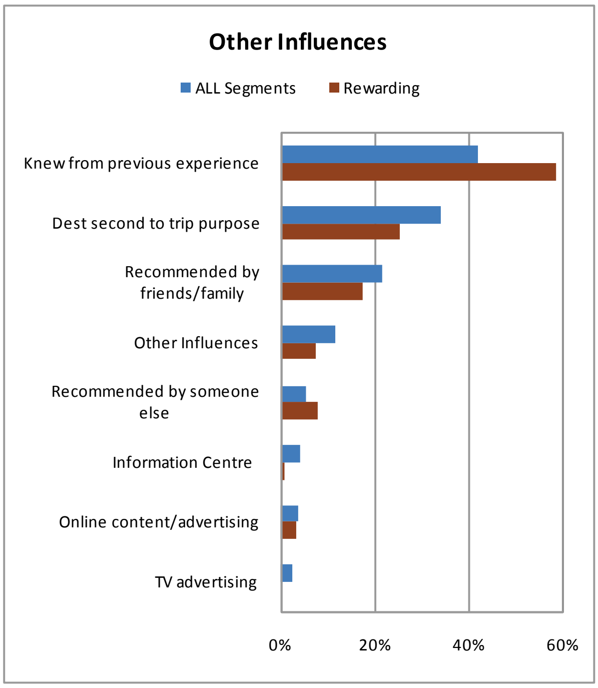


Figure 222: Motivations for Last Short Break

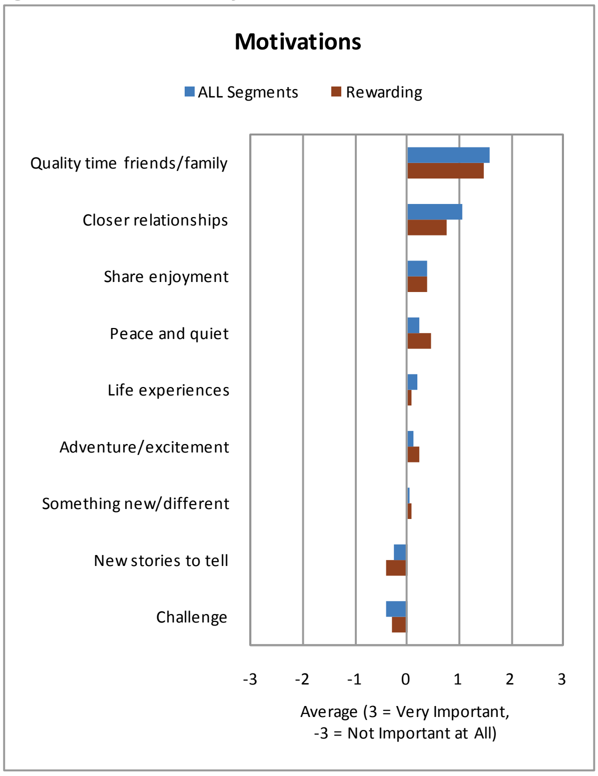


Figure 223: Who Paid for Last Short Break

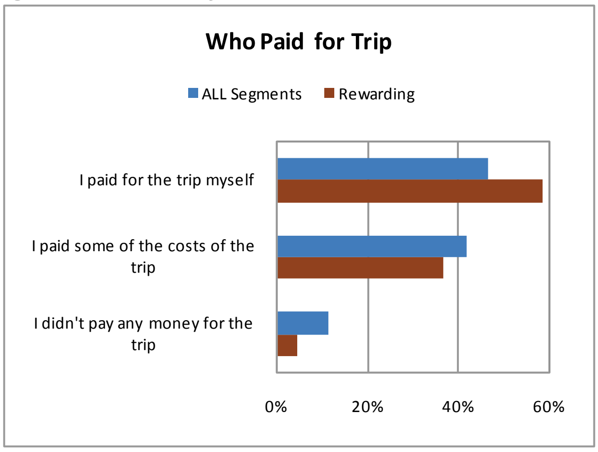
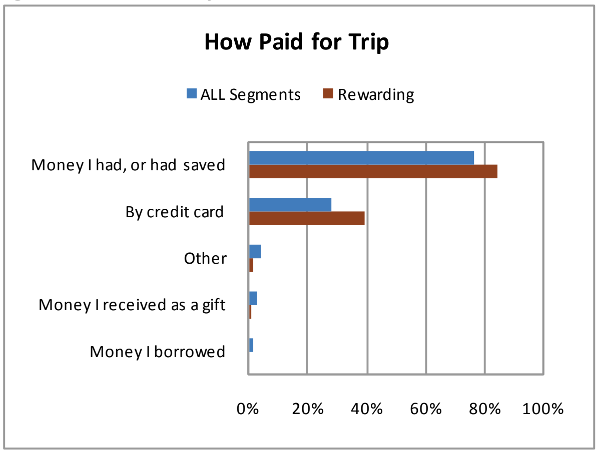


Figure 224: How Paid for Last Short Break



Domestic Holiday Profile

'Rewarders' take **32% fewer** domestic holidays for leisure (> 5 nights) each year than the 'average New Zealander' (0.4 versus 0.6).

Figures 225-237 present a profile of the **last domestic holiday** taken by members of the 'Rewarding' segment.

Key findings are: -

- Waikato, Otago and Southland are popular holiday destinations for members of the 'Rewarding' segment.
- Key differentiators in terms of activities are adventure/sports (including golf) and flying/air activities.
- While most travel by private car, use of airlines is also prominent, as are shuttle buses and bikes.
- While 'Rewarders' favour hotel/motels for short domestic breaks, owned/private accommodation options are the most common choice for more extended holidays. This includes privately owned baches or holiday homes.
- The vast majority of extended domestic holidays are taken solely with a partner.
- The largest proportion of holidays is planned within 1-3 months of departure. However, more than a third are planned within two weeks of travel.
- The decision to travel is typically triggered by annual leave. However, a change in personal or family circumstances is also influential.
- Spouses/partners are the main contributors to planning of destination. However, film/television is also a key influence.
- As is the case with short breaks, longer holidays are often motivated by a desire for peace and quiet.
- 'Rewarders' are also more likely to fund domestic holidays on credit card than other market segments.

Figure 225: Region Visited on Last Domestic Holiday

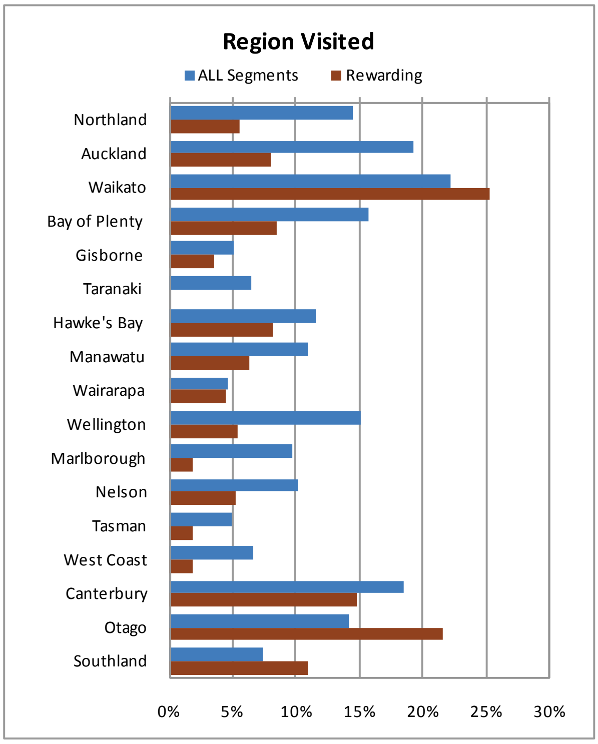


Figure 226: Activities/Experiences on Last Domestic Holiday

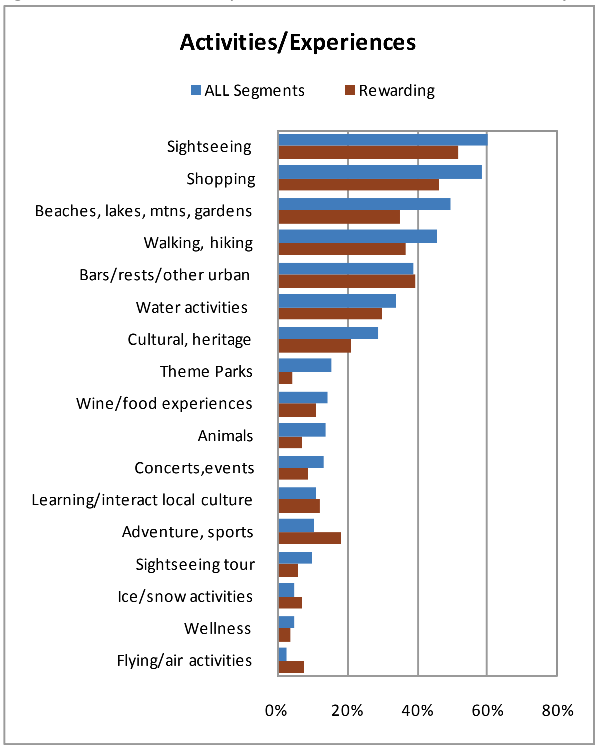


Figure 227: Transport Used on Last Domestic Holiday

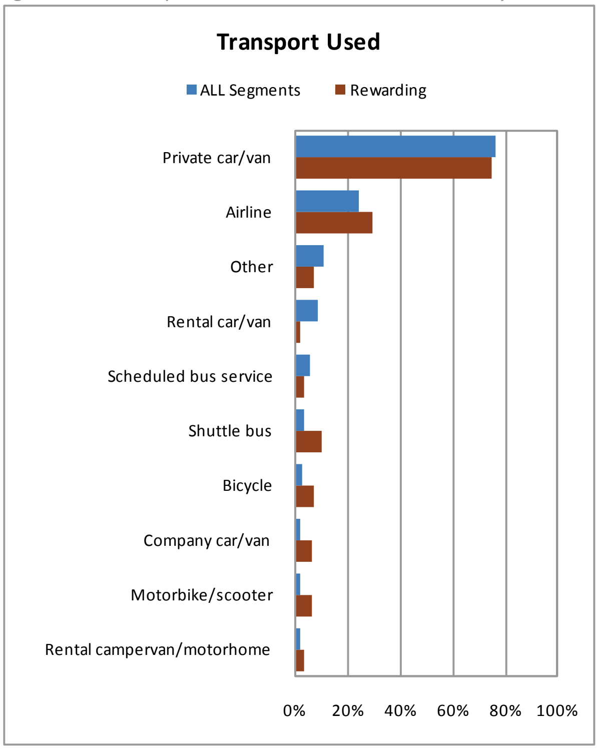


Figure 228: Accommodation Used on Last Domestic Holiday

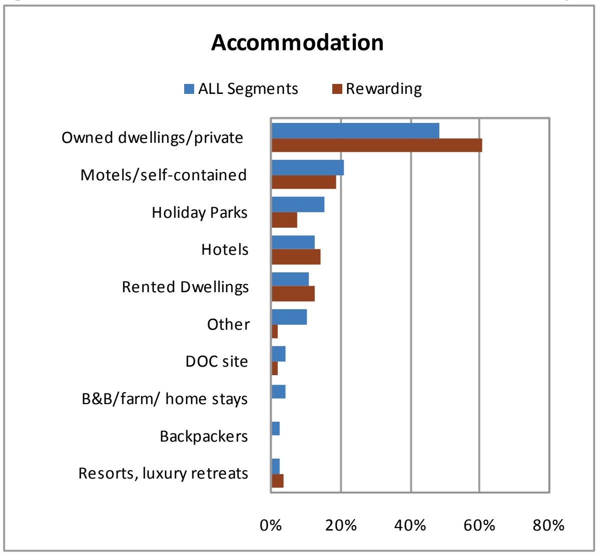


Figure 229: Party Composition on Last Domestic Holiday

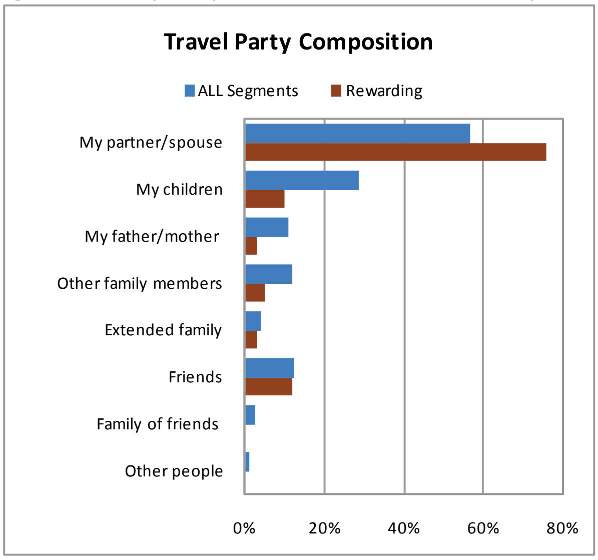


Figure 230: Role in Planning Last Domestic Holiday

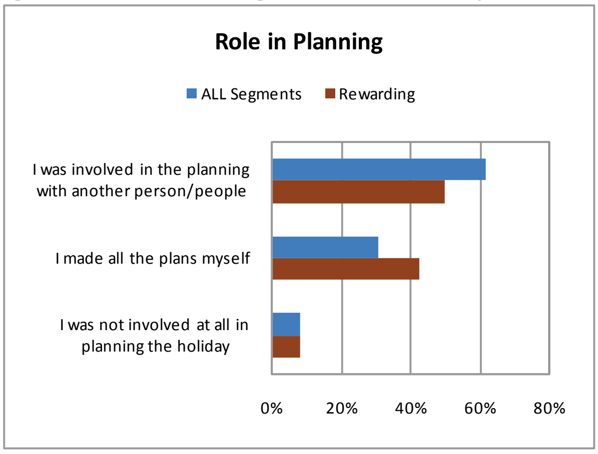


Figure 231: Planning Timelines for Last Domestic Holiday

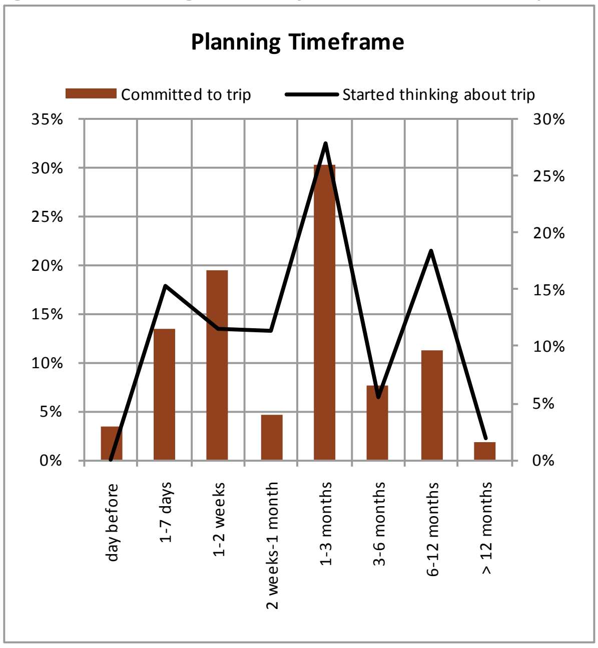


Figure 232: Commitment to Trip – Triggers for Last Domestic Holiday

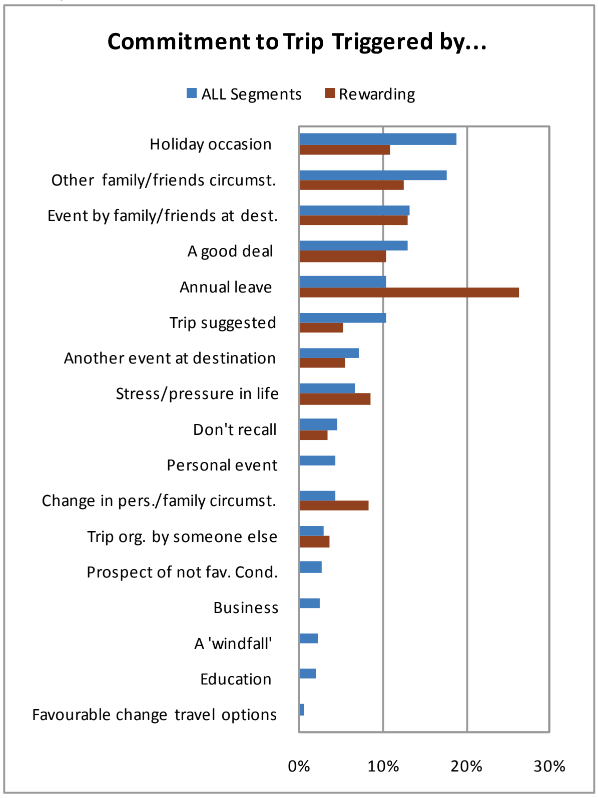


Figure 233: People Contributing to Trip Planning of Last Domestic Holiday

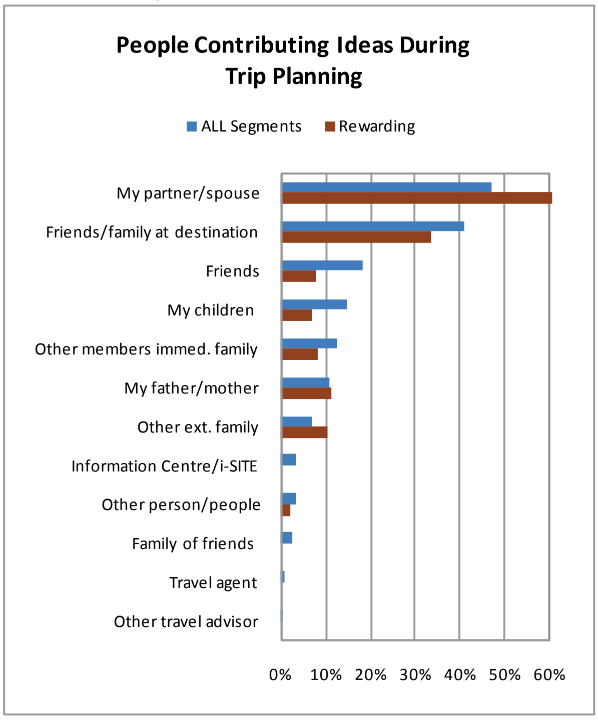


Figure 234: Other Influences on Choice of Destination for Last Domestic Holiday

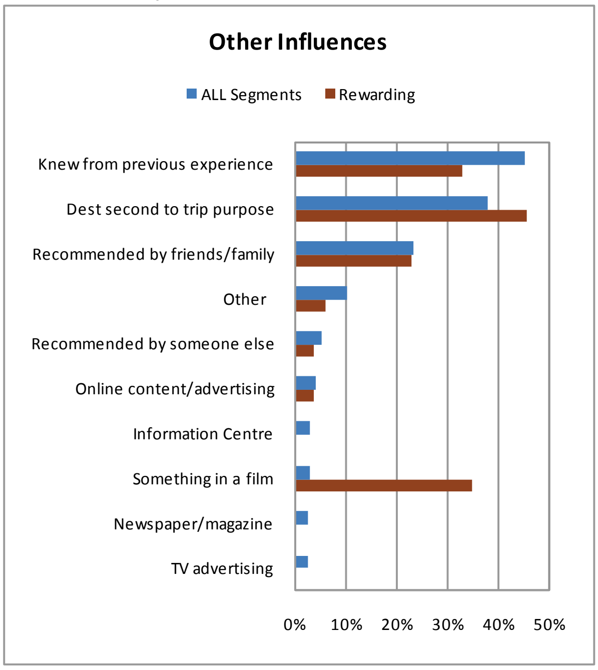


Figure 235: Motivations for Last Domestic Holiday

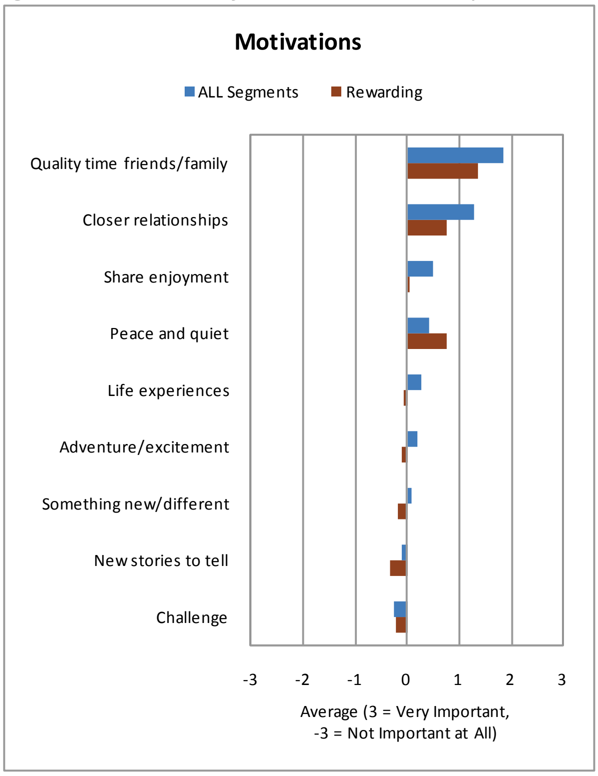


Figure 236: Who Paid for Last Domestic Holiday

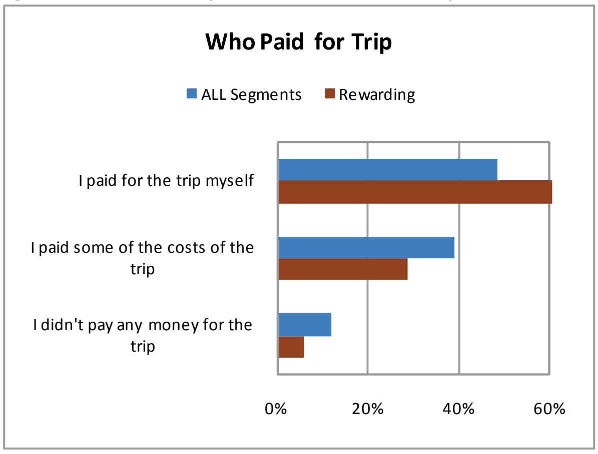
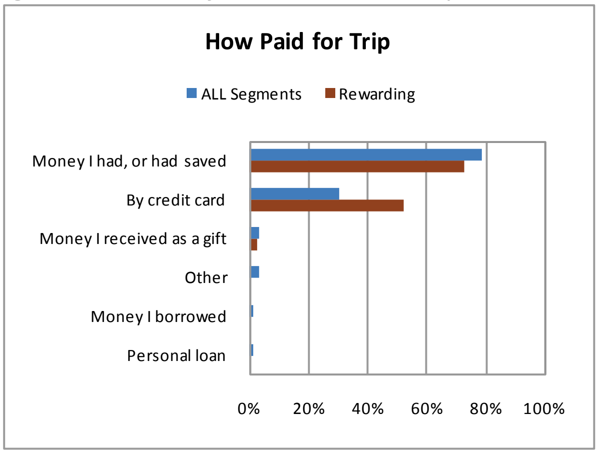


Figure 237: How Paid for Last Domestic Holiday



International Holiday Profile

Members of 'Rewarding' take **4% fewer** international holidays each year than the 'average New Zealander' (just under 0.4 versus 0.4). However, the **incidence** of international holidays is higher than average in this segment (28% had taken an international holiday in the last 12 months versus an average of 25%).

Figures 238-250 profile the **last international holiday** taken by members of the 'Rewarding' segment.

Results show that, compared with other segments: -

- 'Rewarders' are more likely to have travelled to Hong Kong, China, Singapore and the United States and are less likely to have travelled to Australia (although this remains the most common destination overall).
- 'Rewarders' participate in a wide range of activities while overseas but are differentiated from other segments by their engagement in bars/restaurants/urban activities, sightseeing tours and wellness activities.
- Owned/private dwellings, hotels and resorts/luxury lodges feature strongly in their accommodation choices whilst overseas.
- While most 'Rewarders' travel solely with a partner, more than 20% also travel with children. This is a higher proportion than those travelling with children on domestic breaks/holidays.
- Planning for international holidays most often starts 6-12 months before departure, whilst actual commitment to a trip (e.g. booking) takes place 1-3 months in advance.
- Good deals, annual leave and holiday occasions are key triggers.
- Key influences during planning are ideas contributed by partners and by friends/family at the Rewarder's destination. Prior experience is also influential in this respect.
- The most strongly distinguishing motivator for international travel is the desire for peace and quiet. However, 'Rewarders' are also motivated to travel overseas by desires to add to their life experiences, to share their enjoyment of places with others and to do something new/different.

Figure 238: Countries Visited on Last International Holiday

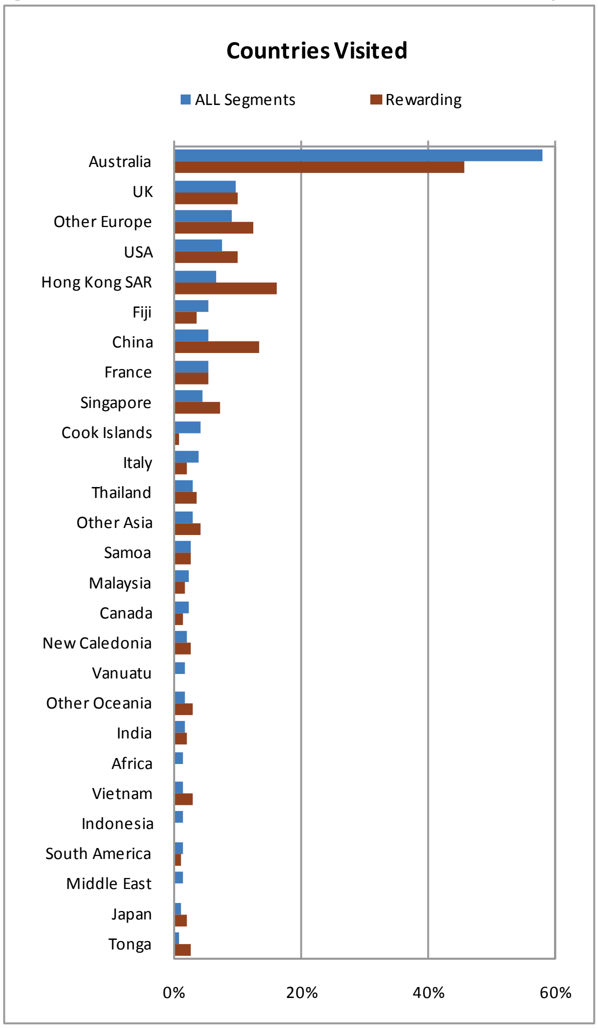


Figure 239: Activities/Experiences on Last International Holiday

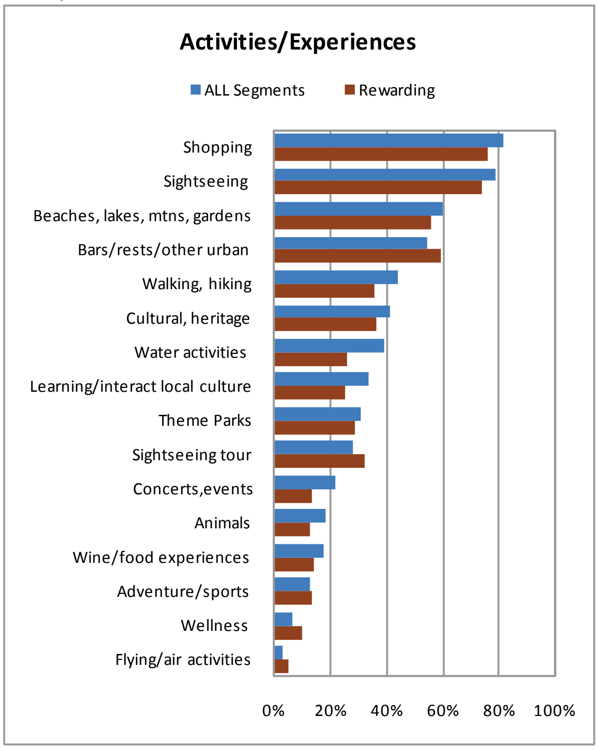


Figure 240: Transport Used on Last International Holiday

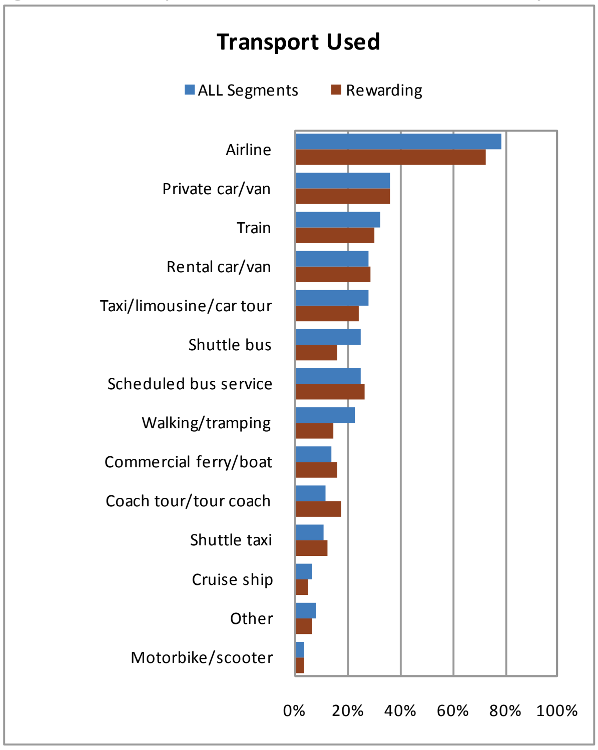


Figure 241: Accommodation Used on Last International Holiday

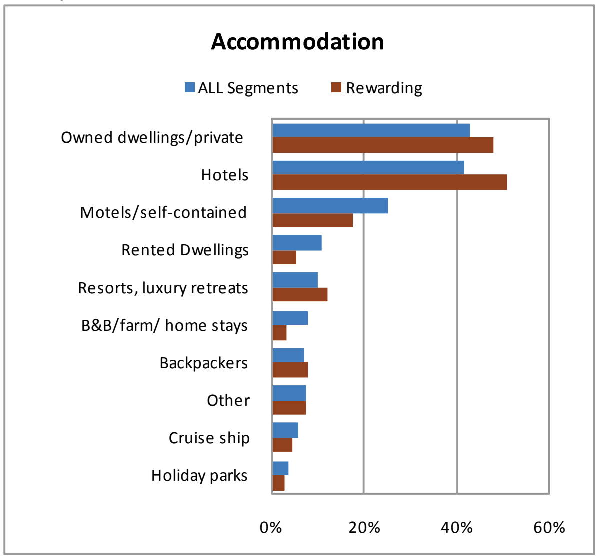


Figure 242: Party Composition on Last International Holiday

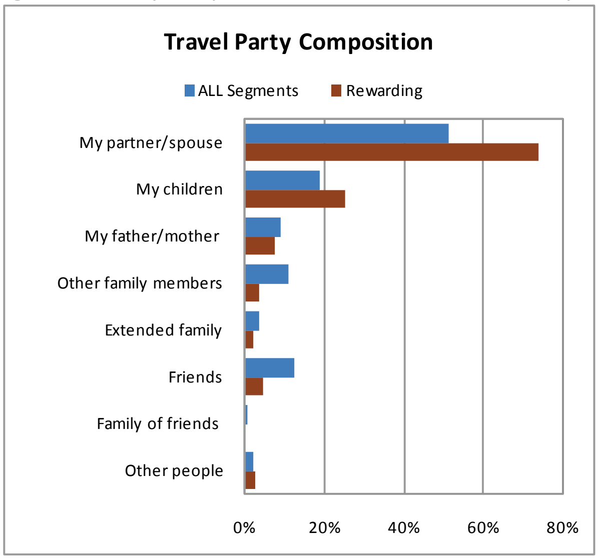


Figure 243: Role in Planning Last International Holiday

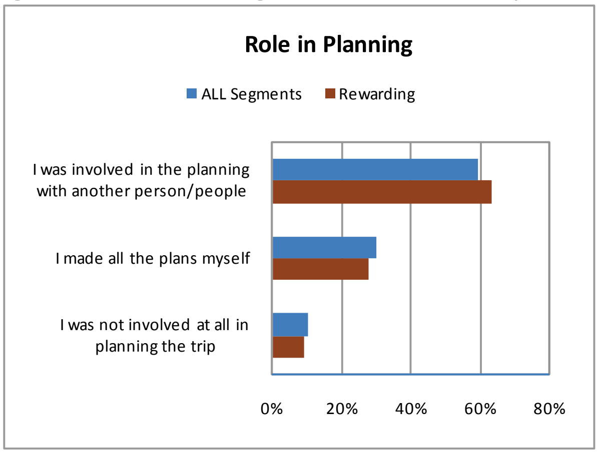


Figure 244: Planning Timelines for Last International Holiday

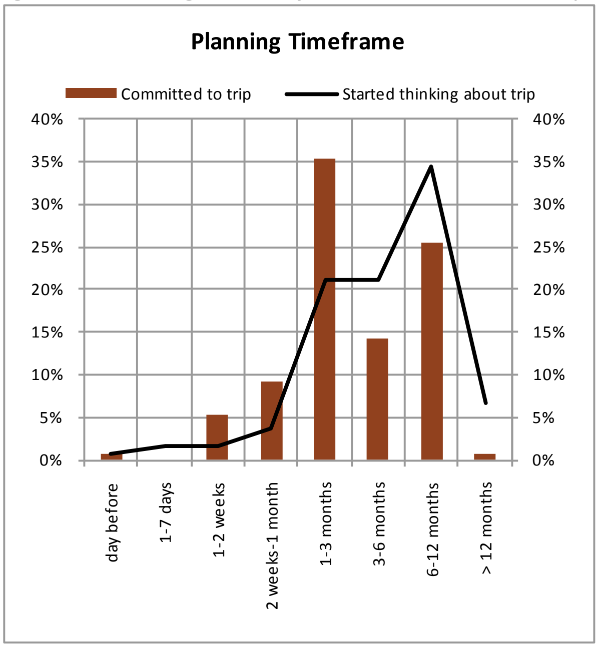


Figure 245: Commitment to Trip – Triggers for Last International Holiday

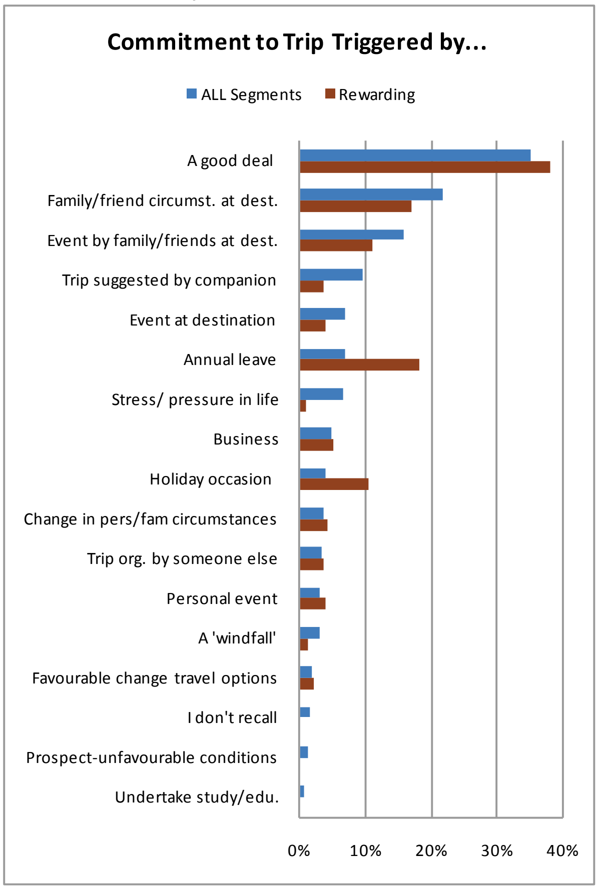


Figure 246: People Contributing to Trip Planning of Last International Holiday

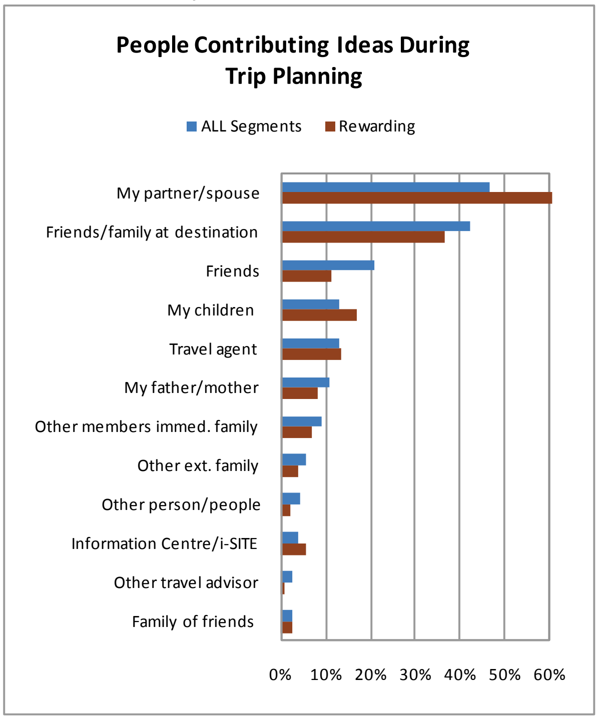


Figure 247: Other Influences on Choice of Destination for Last International Holiday

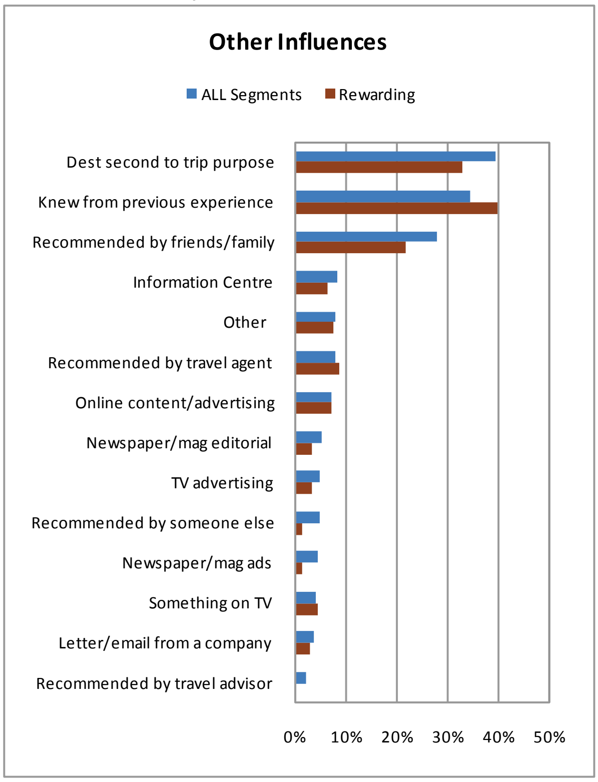


Figure 248: Motivations for Last International Holiday

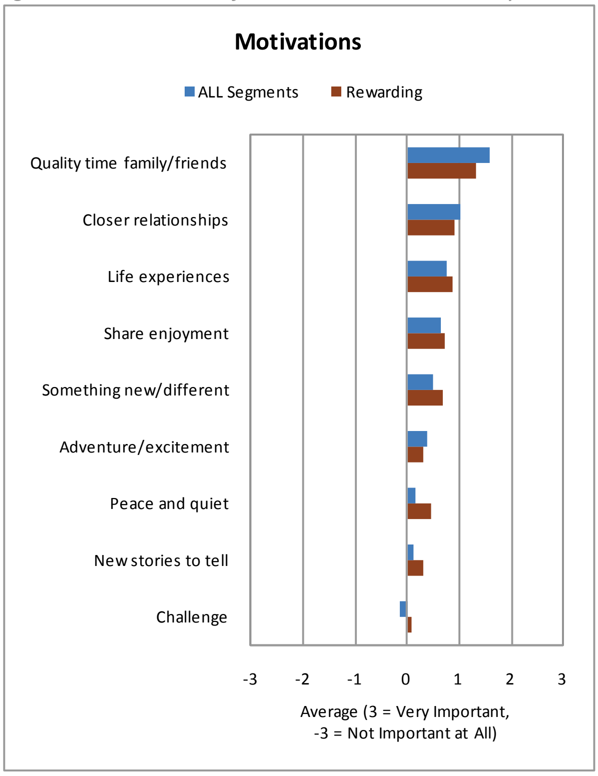


Figure 249: Who Paid for Last International Holiday

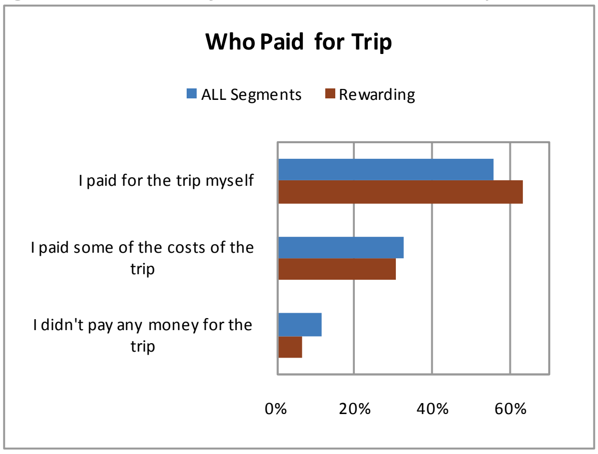
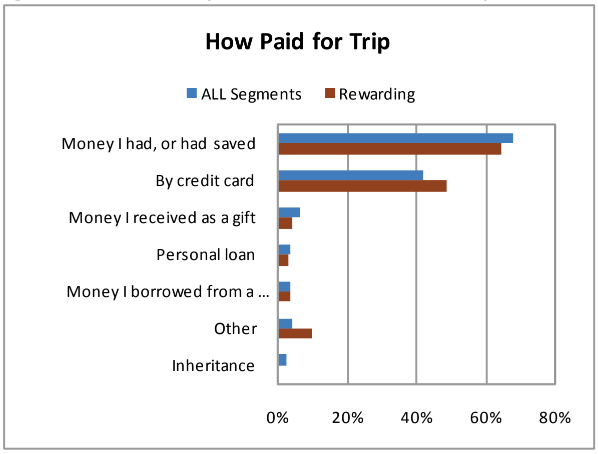


Figure 250: How Paid for Last International Holiday

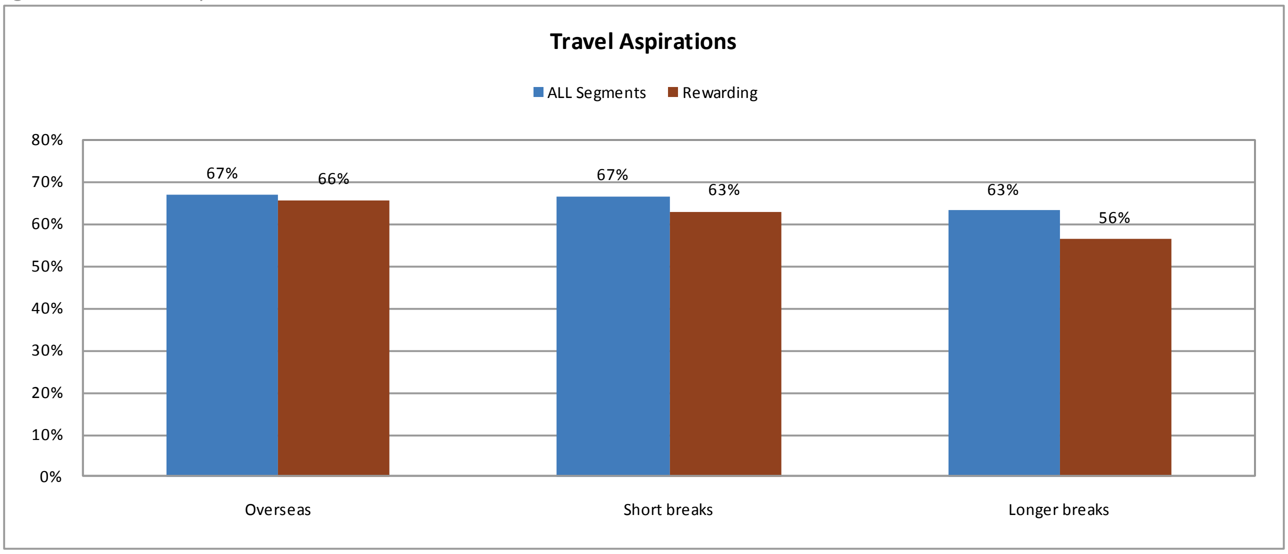


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (in relation to 'overseas trips', 'short breaks in New Zealand' and 'longer holidays in New Zealand'. As illustrated in Figure 251, the general consensus is towards more travel of all types, but with overseas holidays and short domestic breaks being most desirable overall.

This said, it is notable that 'Rewarders' are less inclined to take more domestic short breaks and holidays than other market segments on average. This may be because they are more engaged in work commitments but also reflects a less positive attitude toward 'destination New Zealand' than other segments.

Figure 251: Travel Aspirations

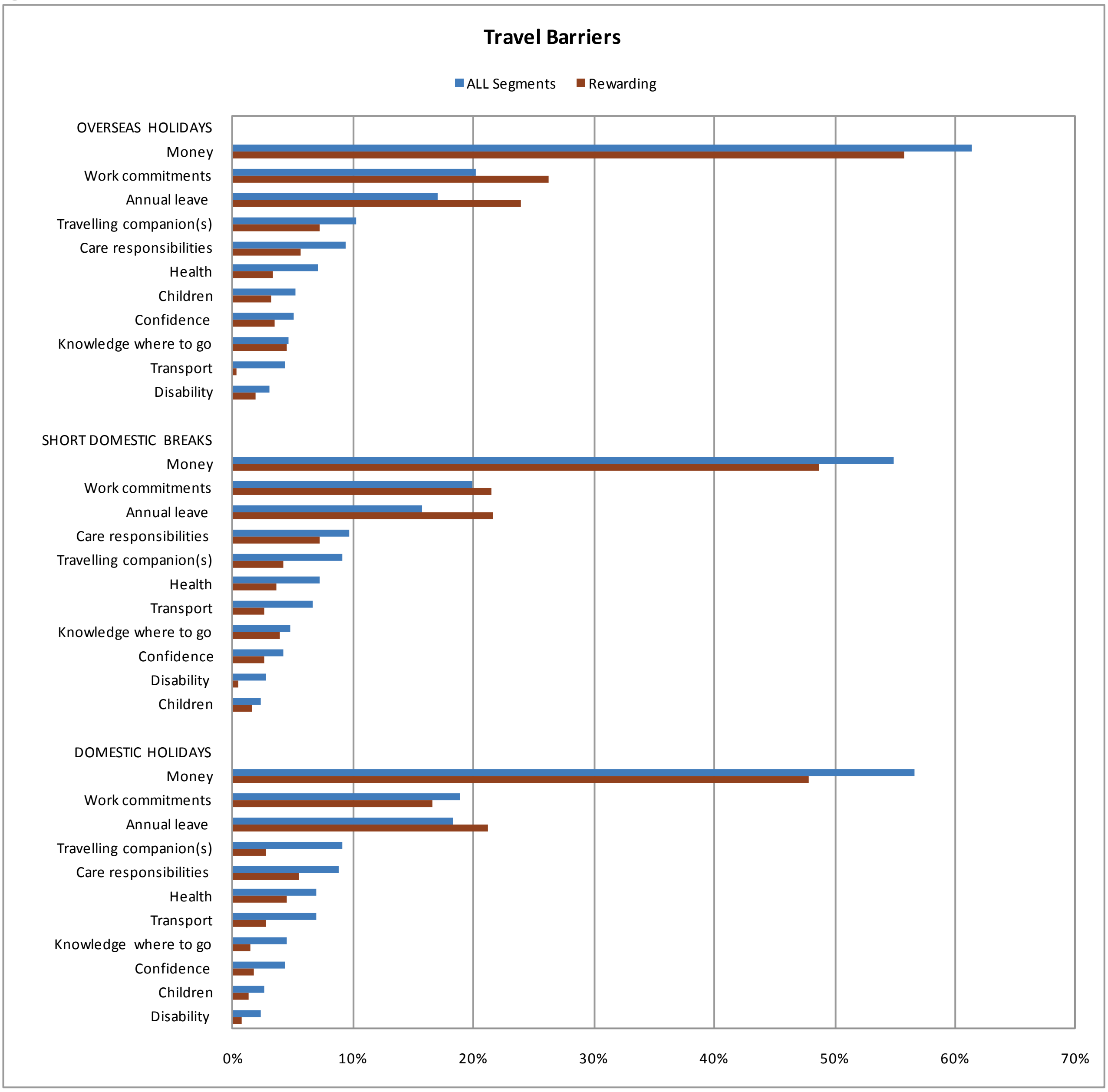


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 252 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, this is less of a barrier to 'Rewarders' than it is to other segments. Instead, the most significant barriers for members of 'Rewarding' are work commitments and the amount of annual leave they have available.

Figure 252: Barriers to Travel



Segment 4 – 'Immersing'

This section presents a detailed profile of the 'Immersing' segment. It includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

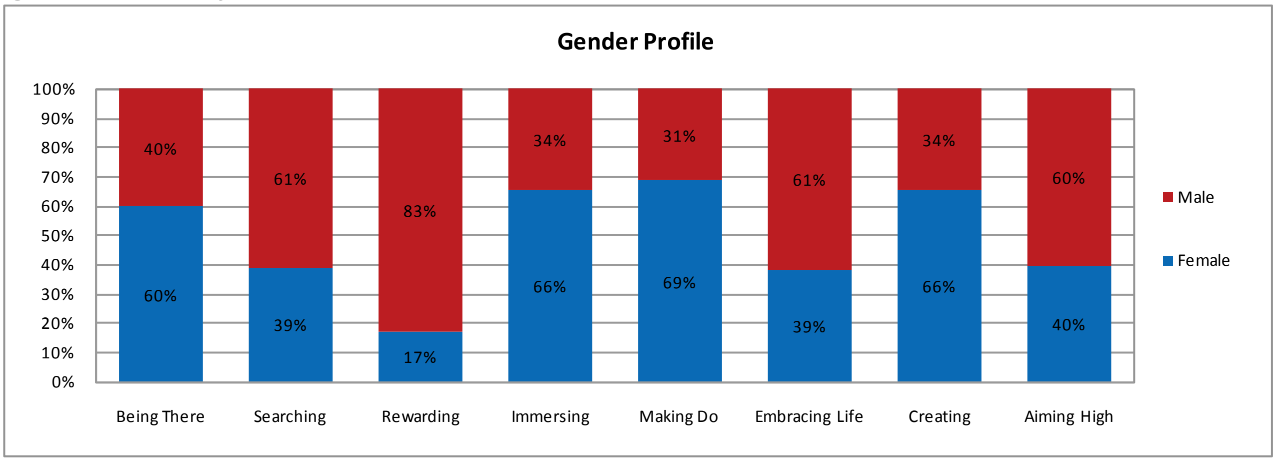
Segment Size

The 'Immersing' segment represents **13%** of the adult population (aged 15 years or more) and has a clear female bias, similar to the 'Creating' segment.

Gender

The female bias of the 'Immersing' segment can be seen in Figure 253, with females accounting for 66% of the segment.

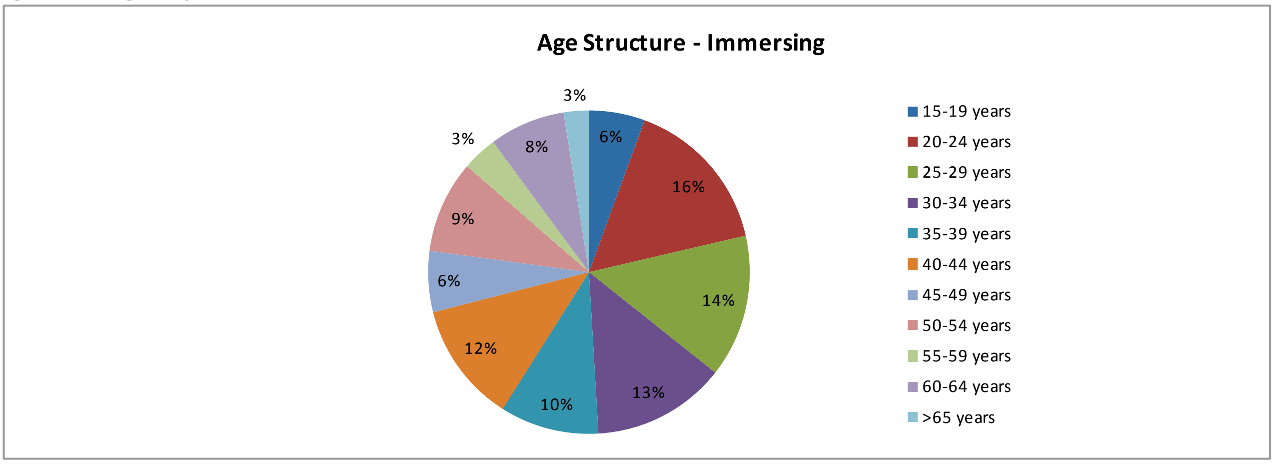
Figure 253: Gender Profile



Age

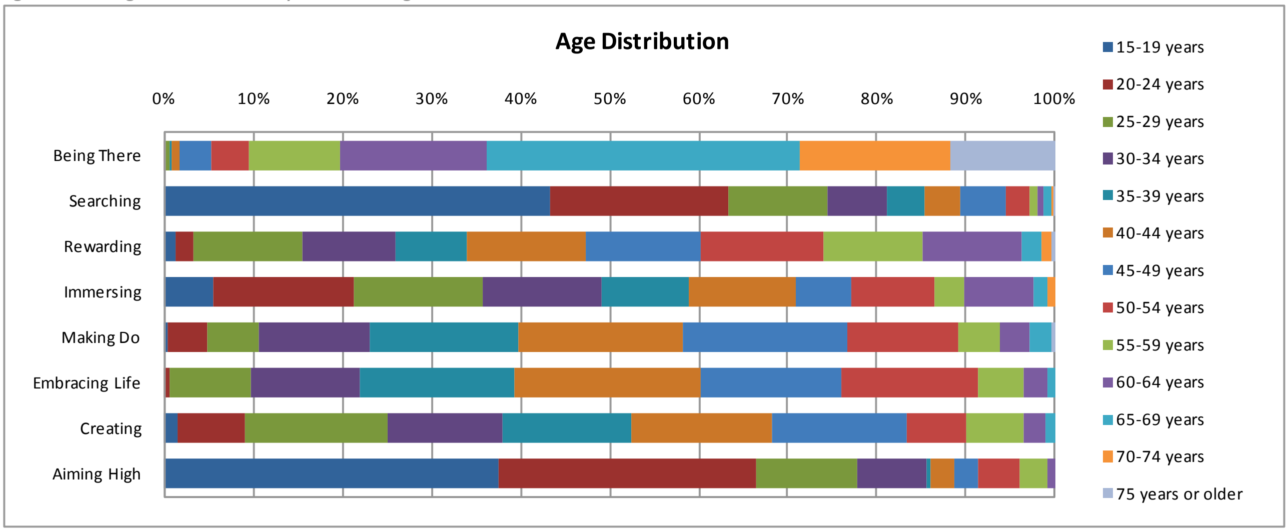
The 'Immersing' segment is not dominated by any single age group. However it is worth noting that 43% of the segment is aged between 20 and 35 years. See Figure 254 overleaf.

Figure 254: Age Profile



The relatively even age distribution of the 'Immersing' segment is apparent when compared to other segments.

Figure 255: Age Distribution by Market Segment



Lifecycle Stage

The majority of the 'Immersing' segment is either single without children or married without children. This indicates members have relatively few family commitments.

Figure 256: Lifecycle Stage Profile

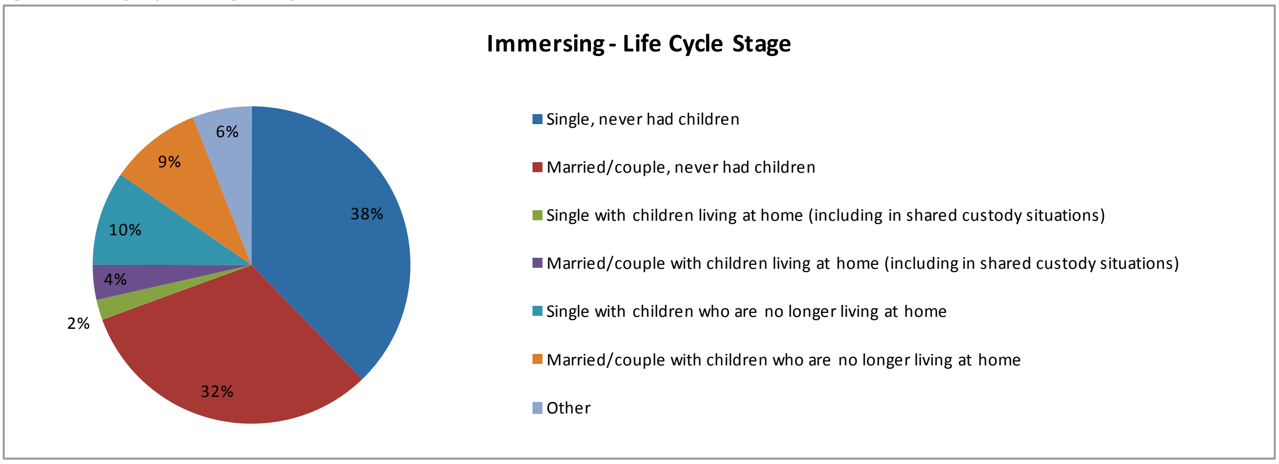
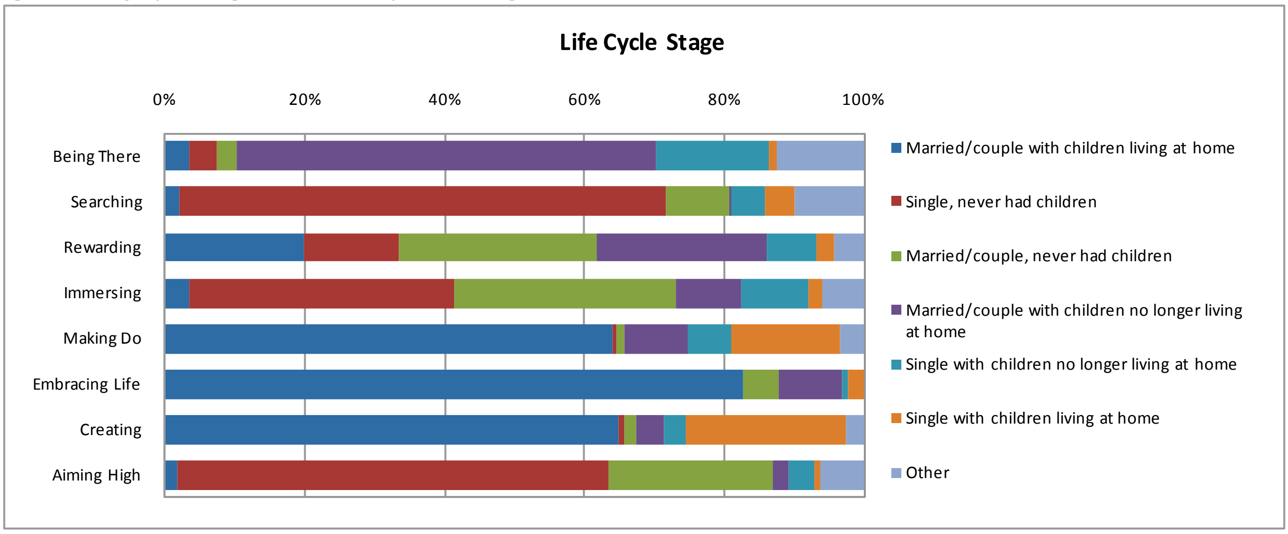


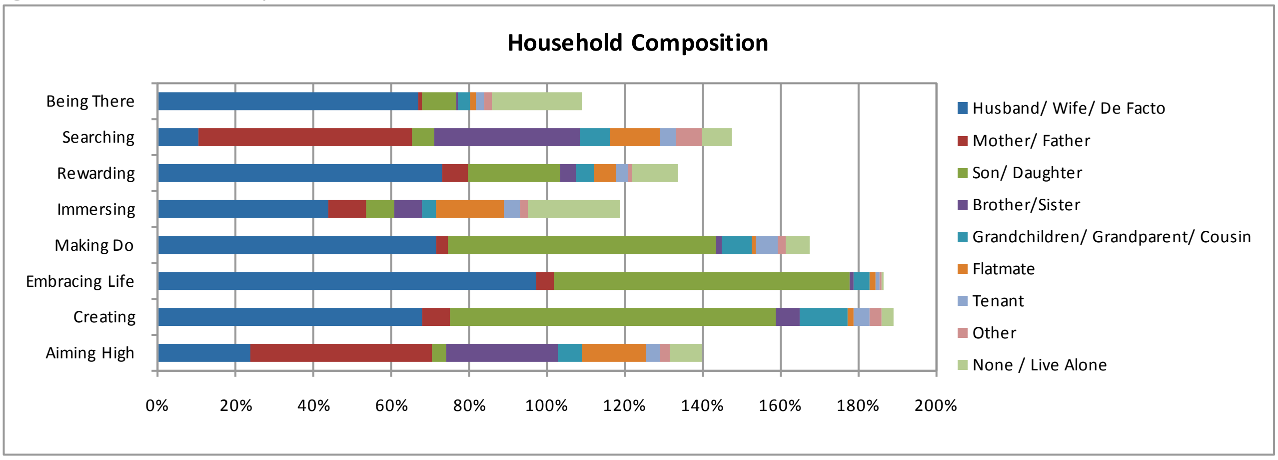
Figure 257: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of 'Immersers' is further reflected in household composition – while 44% live with a partner, 24% live alone and 17% with a flatmate.

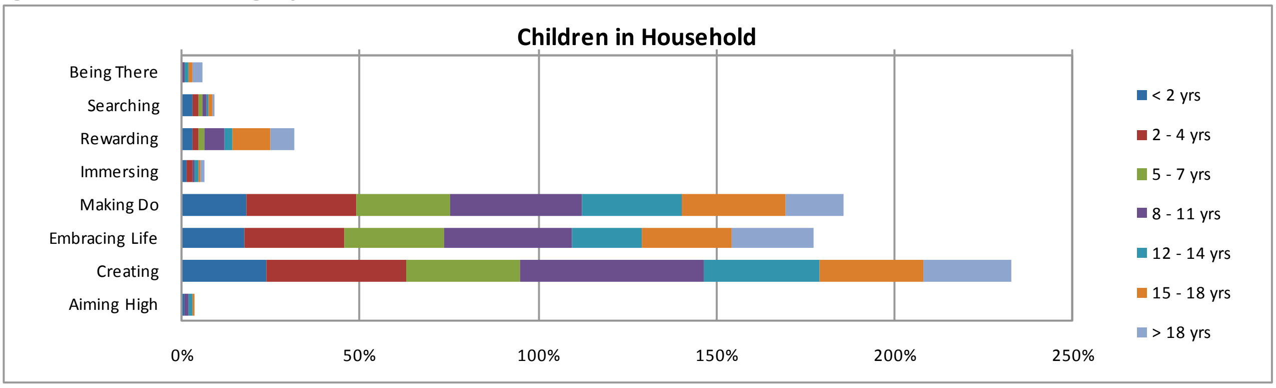
Figure 258: Household Composition



Children

'Immersers' have fewer children in their households than almost all other market segments.

Figure 259: Number and Age of Children in Household



Education

'Immersers' are extremely well educated with 87% reporting some form of tertiary qualification.

Figure 260: Tertiary Education Profile

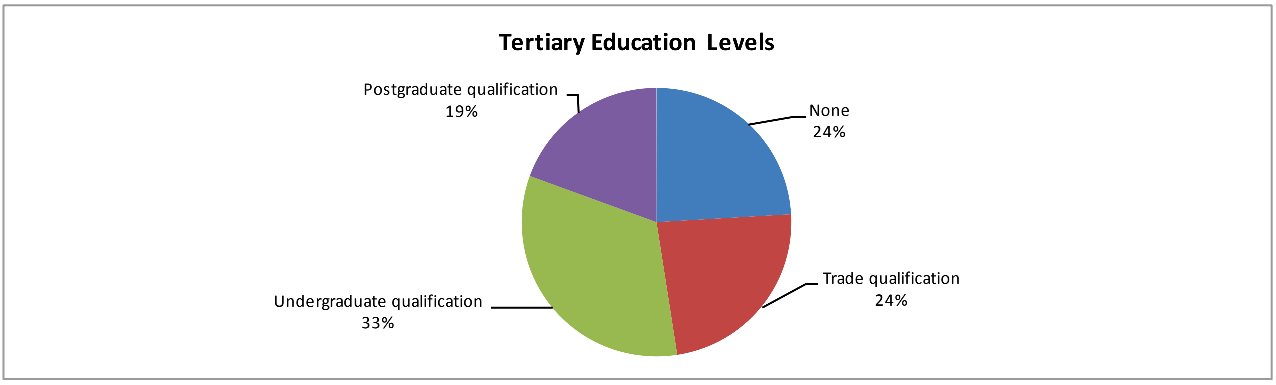
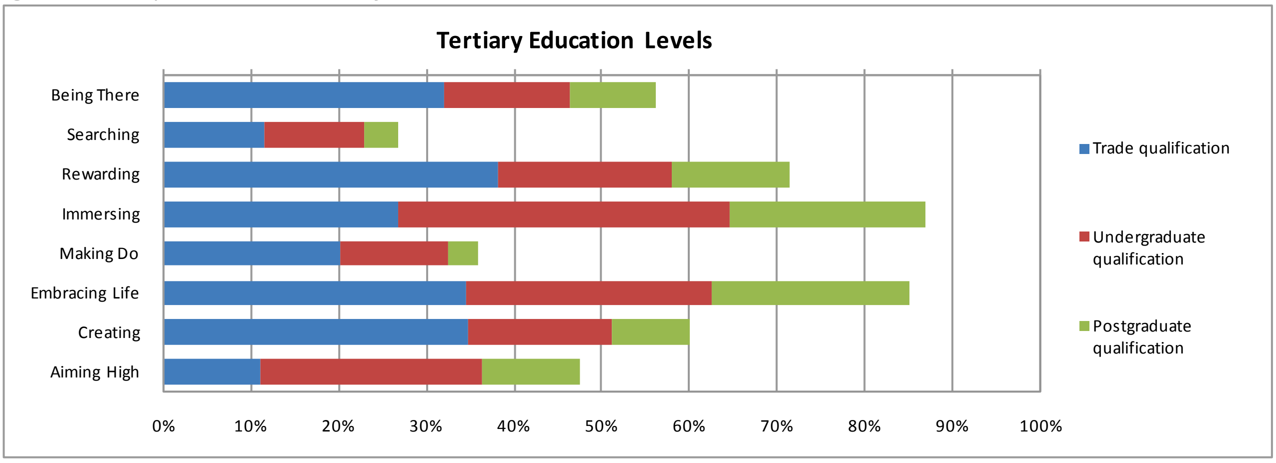


Figure 261: Comparative Education Profile



Occupation

The largest proportion of the segment works in professional or clerical/administrative positions. The 'Immersing' segment also contains a relatively high proportion of students (17%).

Figure 262: Occupational Profile

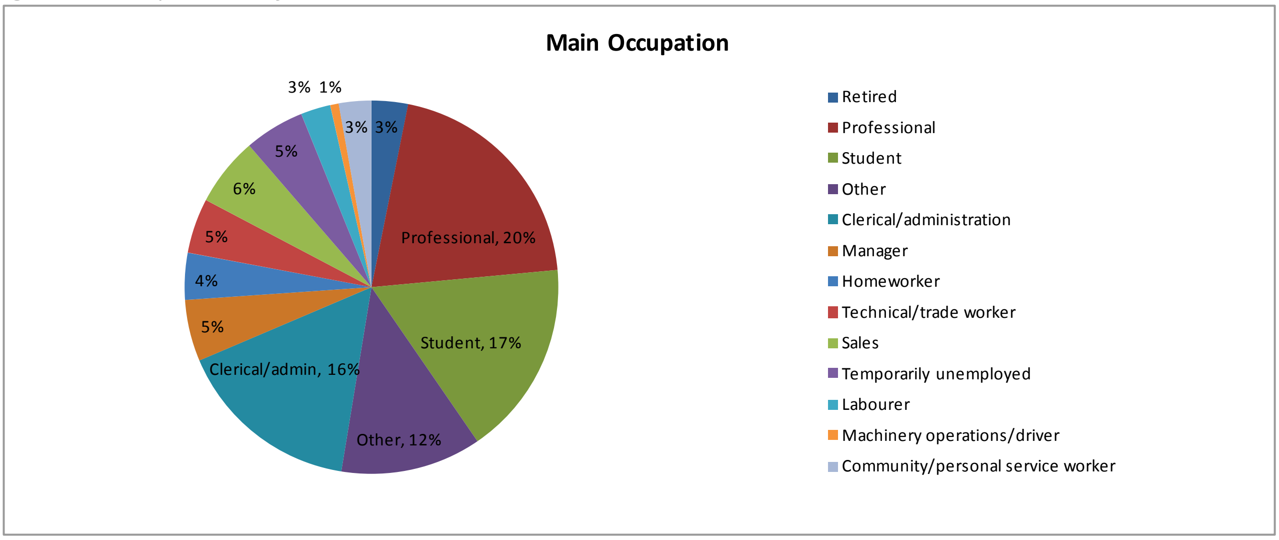
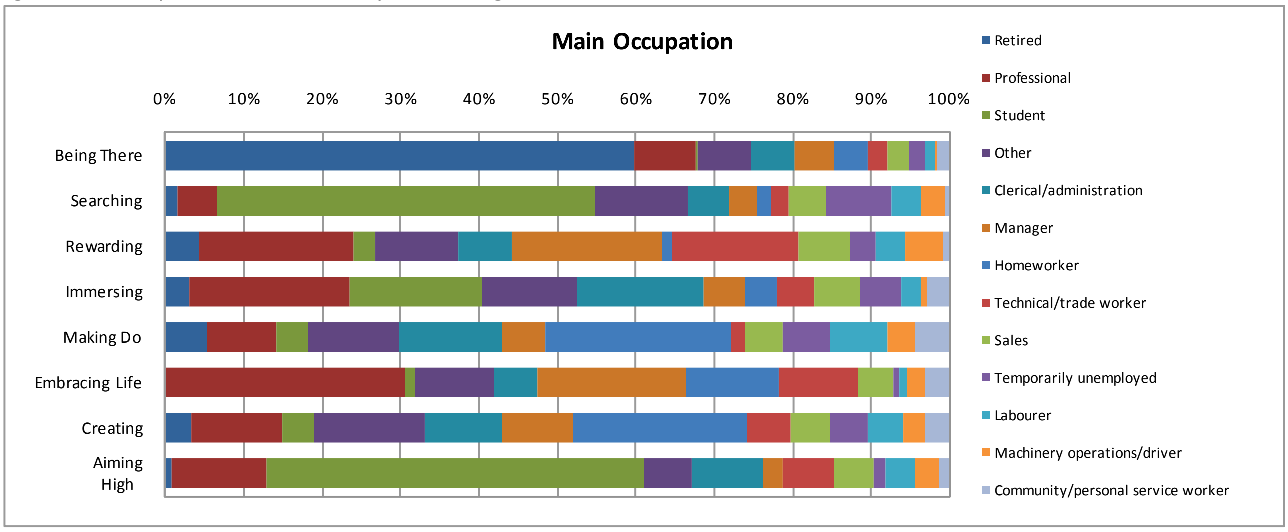


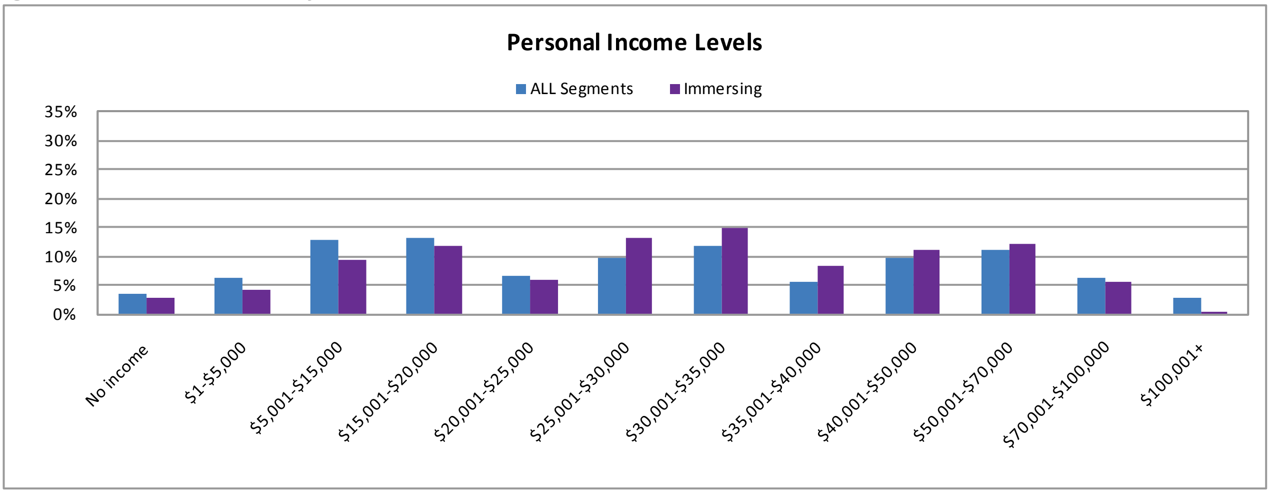
Figure 263: Occupational Distribution by Market Segment



Income

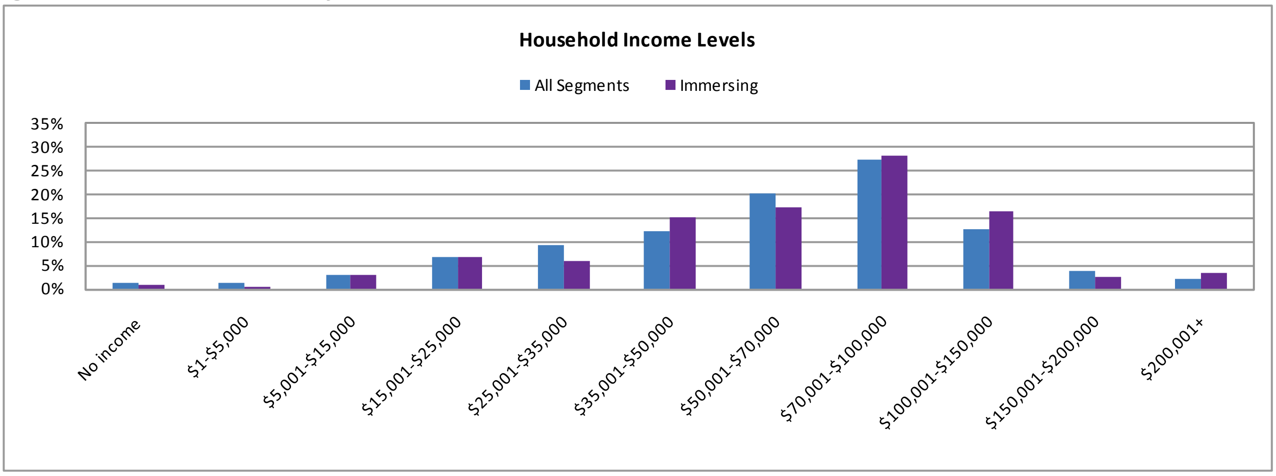
Compared to other segments, members of the 'Immersing' segment report higher levels of personal income.

Figure 264: Personal Income Profile



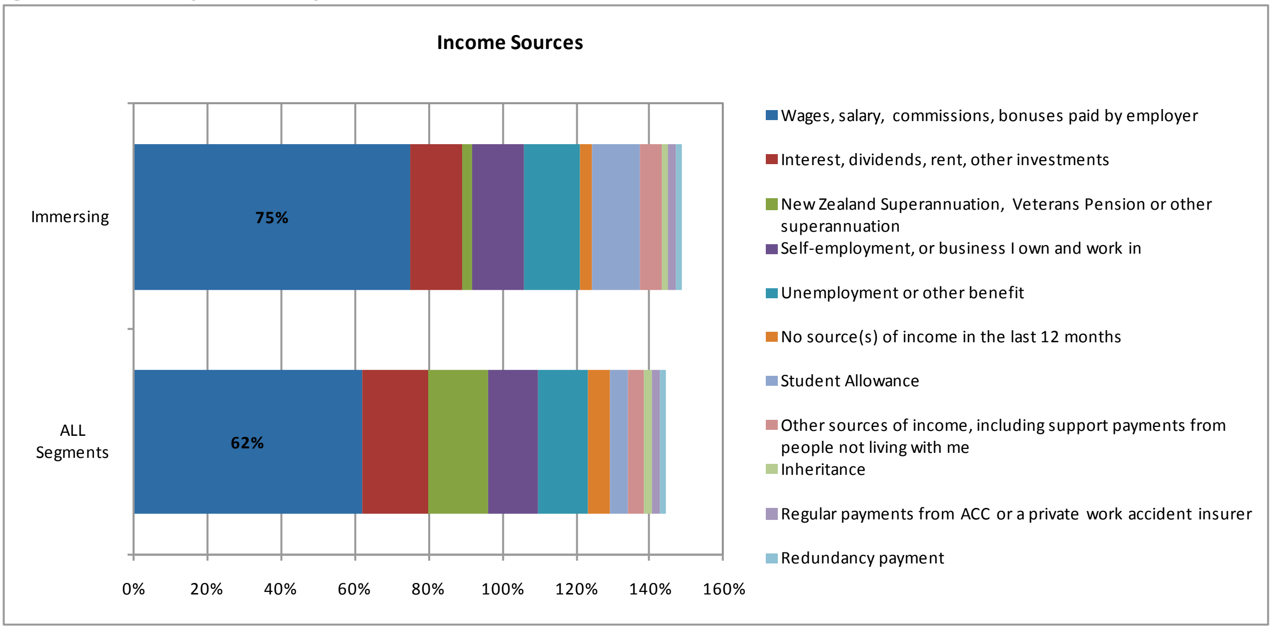
Household income is higher still, both relative to personal income and to other segments.

Figure 265: Household Income Profile



Members of the ‘Immersing’ segment are most likely to derive income from wages/salaries/commissions. A relatively high proportion also draws income from student allowances.

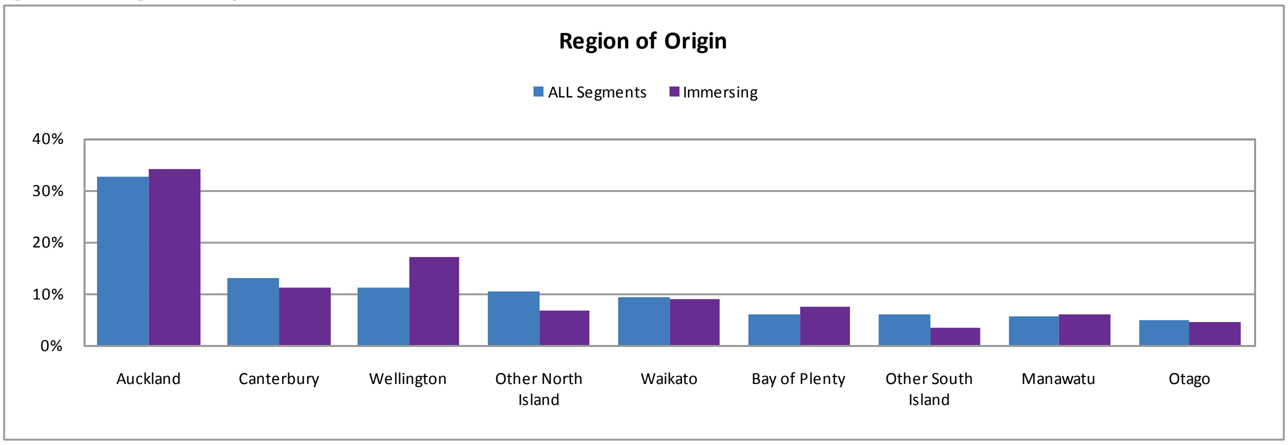
Figure 266: Source of Income Profile



Region

Residents of Auckland and Wellington are both over-represented in the ‘Immersing’ segment.

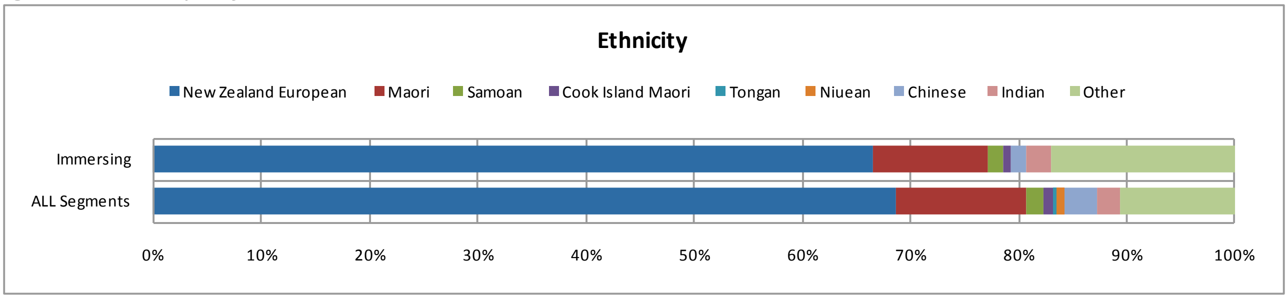
Figure 267: Regional Profile



Ethnicity

The segment contains a higher than average proportion of “other” ethnicities.

Figure 268: Ethnicity Profile

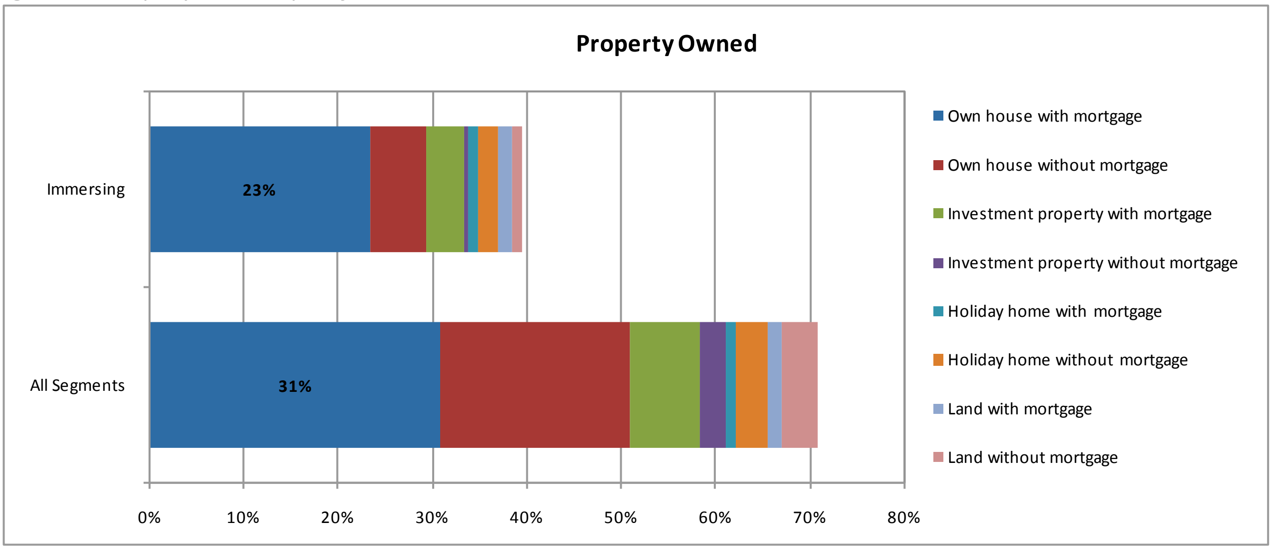


Other Characteristics

Property Ownership

'Immersers' are less likely to own property than other segments – fewer than 30% own their own home (with or without a mortgage).

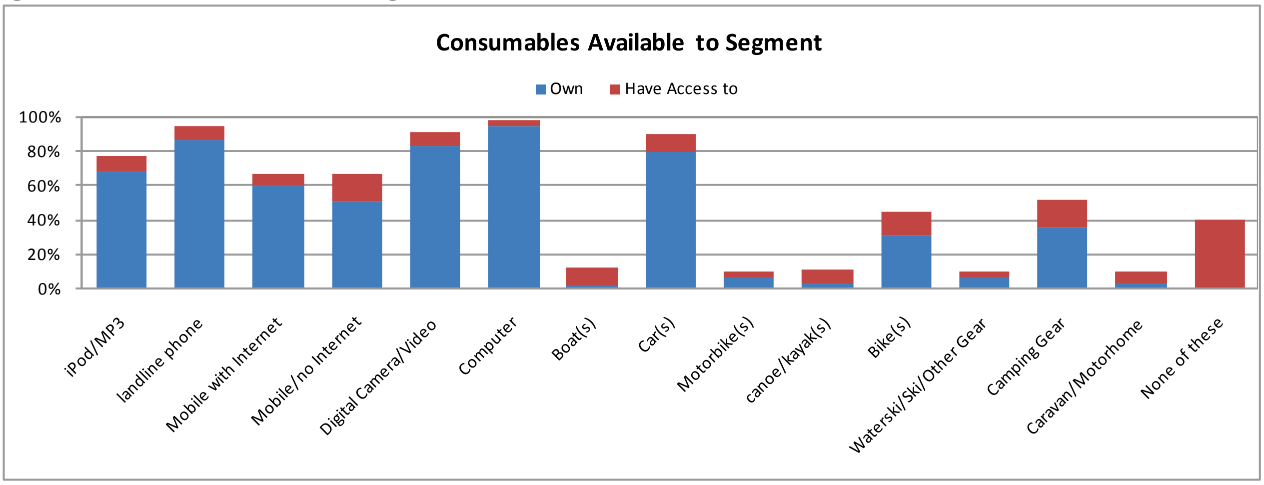
Figure 269: Property Ownership Profile



Ownership and Access to Consumables

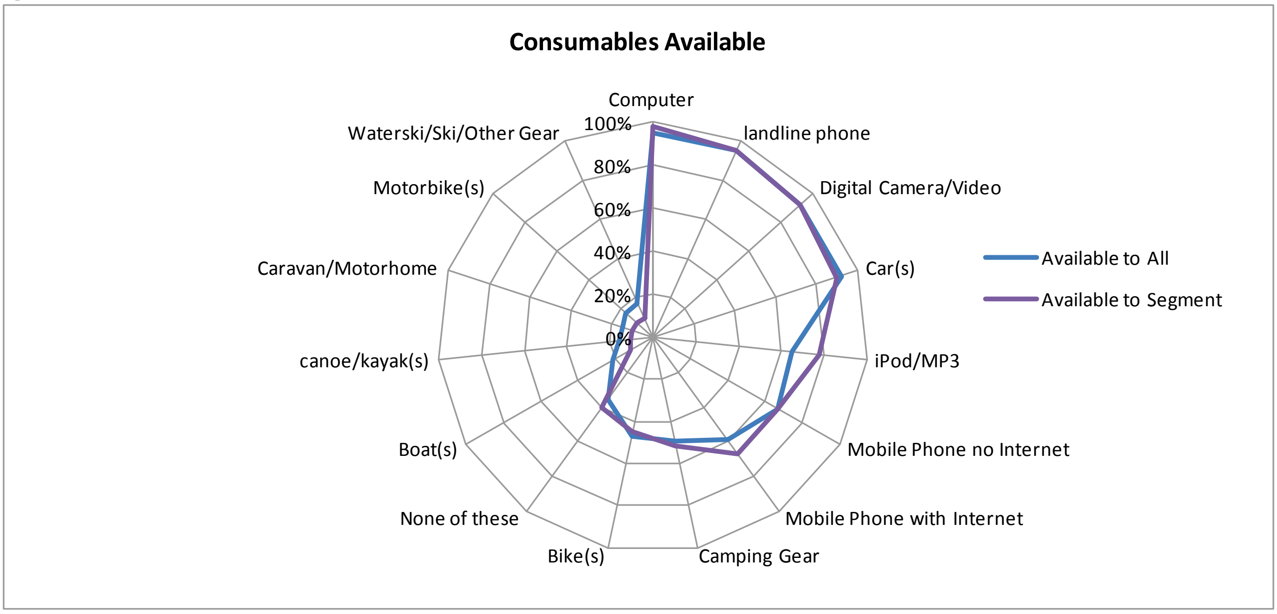
Most 'Immersers' own or have access to a computer, a landline phone, digital camera and car. A relatively high proportion also has access to camping equipment and/or bikes.

Figure 270: Consumables Available to Segment



However, as shown in Figure 271 overleaf, 'Immersers' are less likely to have access to boats, canoes/kayaks, caravans/motor homes, motorbikes and waterskis/skis/other sporting equipment than their peers in other market segments.

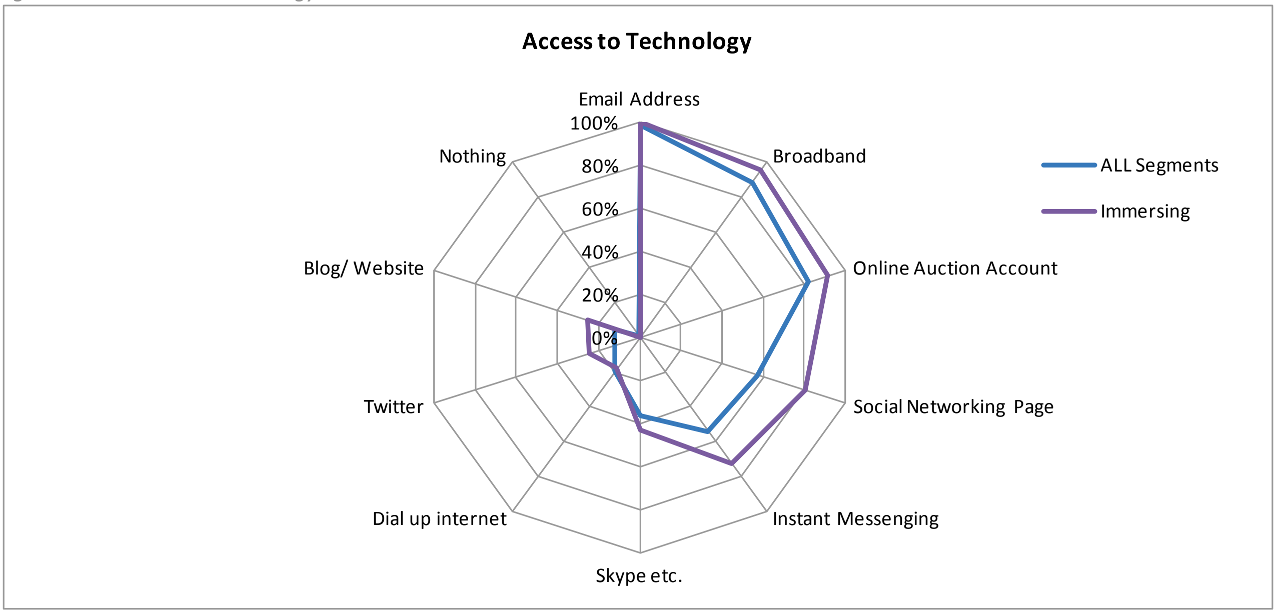
Figure 271: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 272, 'Immersers' tend to be higher users of all types of technology than other market segments.

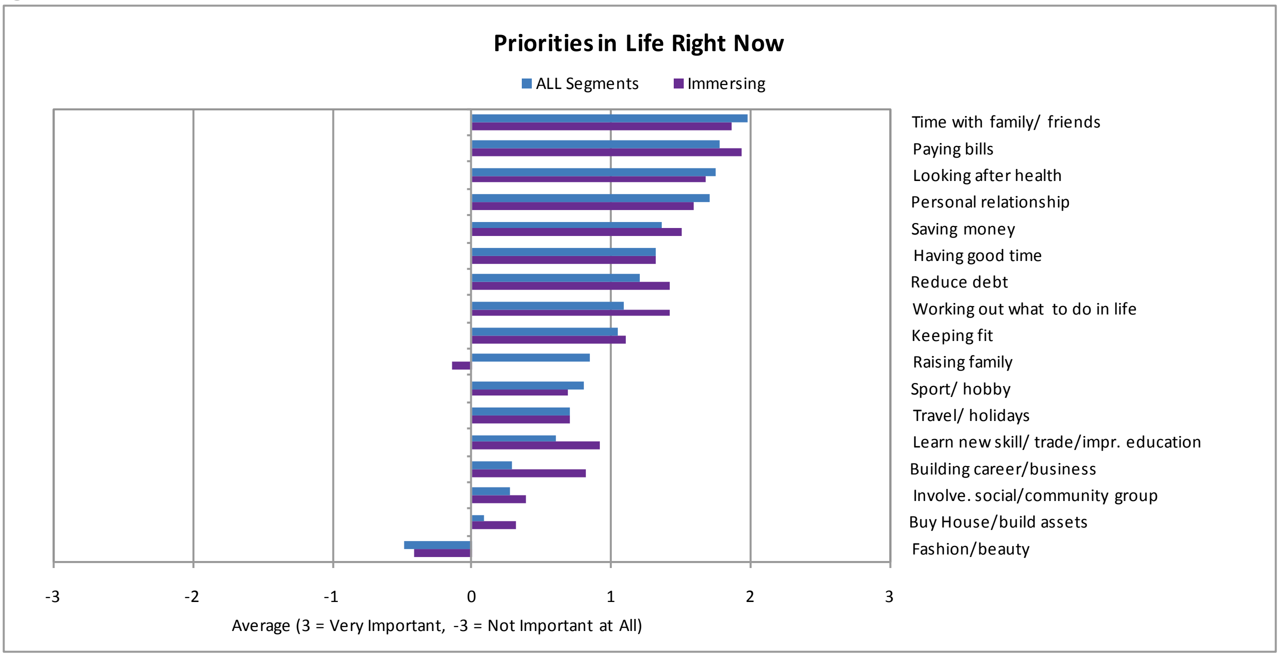
Figure 272: Access to Technology



Current Priorities

When compared with other segments, the priorities of 'Immersers' lie with paying bills, saving money, reducing debt and working out what to do in life. A comparatively high proportion of 'Immersers' are also focused on building a career/business and/or improving their education. See Figure 273 overleaf.

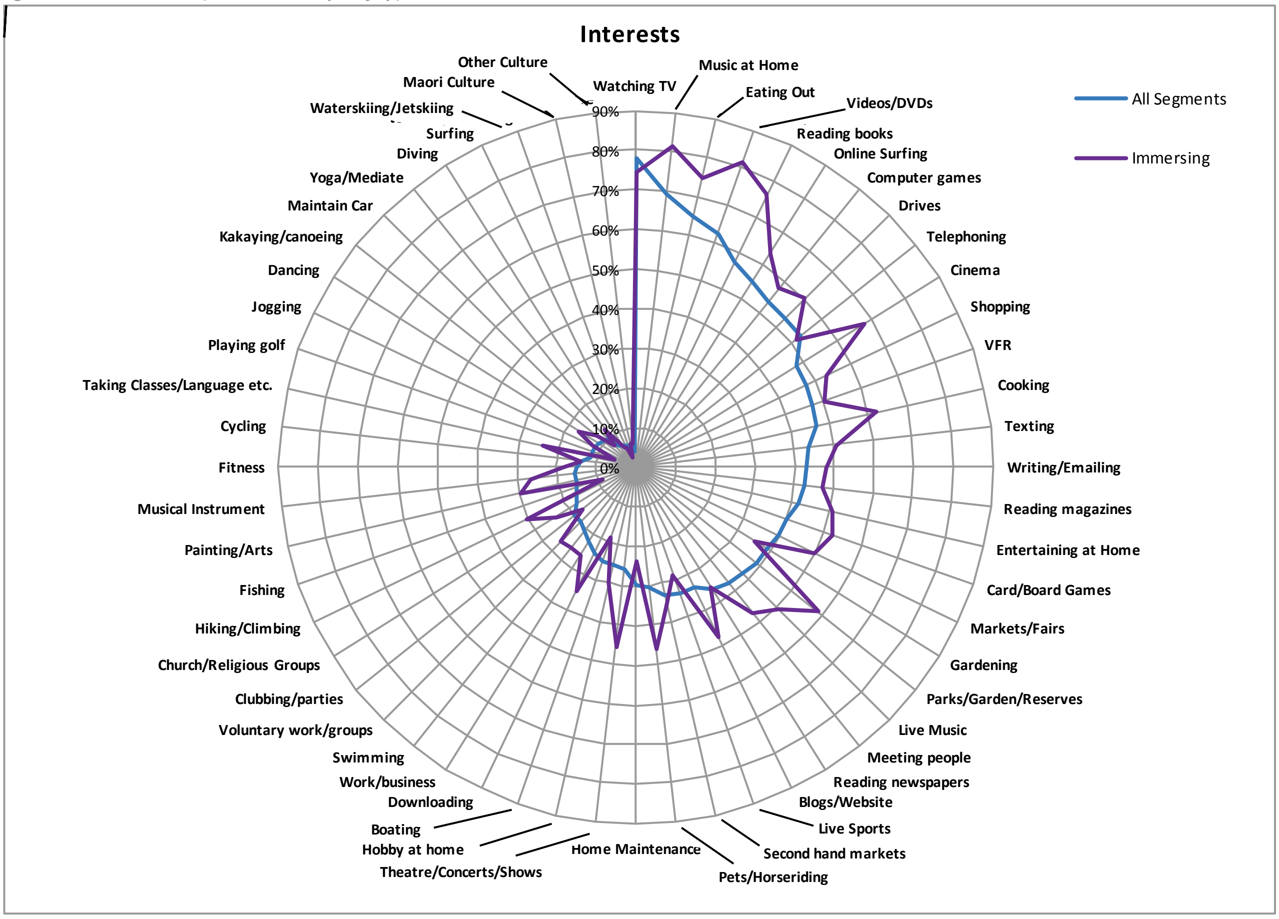
Figure 273: Current Priorities



Interests

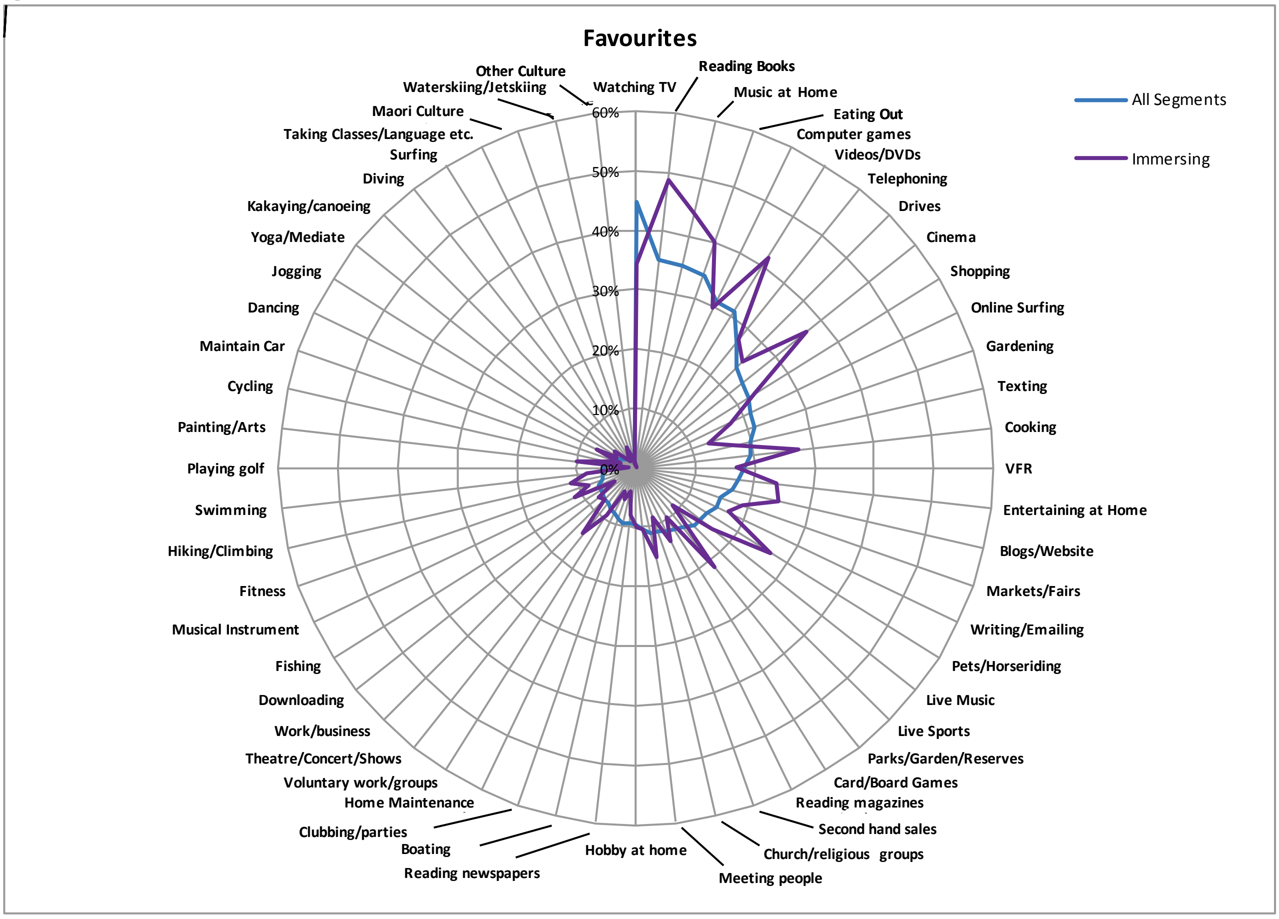
Relative to other segments, members of the 'Immersing' segment have a wide range of interests. These include home-based activities (such as reading, watching videos/DVDs, cooking for fun, playing cards/board games), physical pursuits (such as hiking/tramping) and creative and cultural endeavours (concerts/theatres/performing arts and painting/visual arts).

Figure 274: Interests (What I Really Enjoy)



Corresponding to their interests, their **favourite pastimes** include reading, watching videos/DVDs, going to the cinema, cooking for fun, pets/horse riding, visiting parks/gardens/nature reserves and attending concerts/theatre/performing arts.

Figure 275: Favourite Pastimes



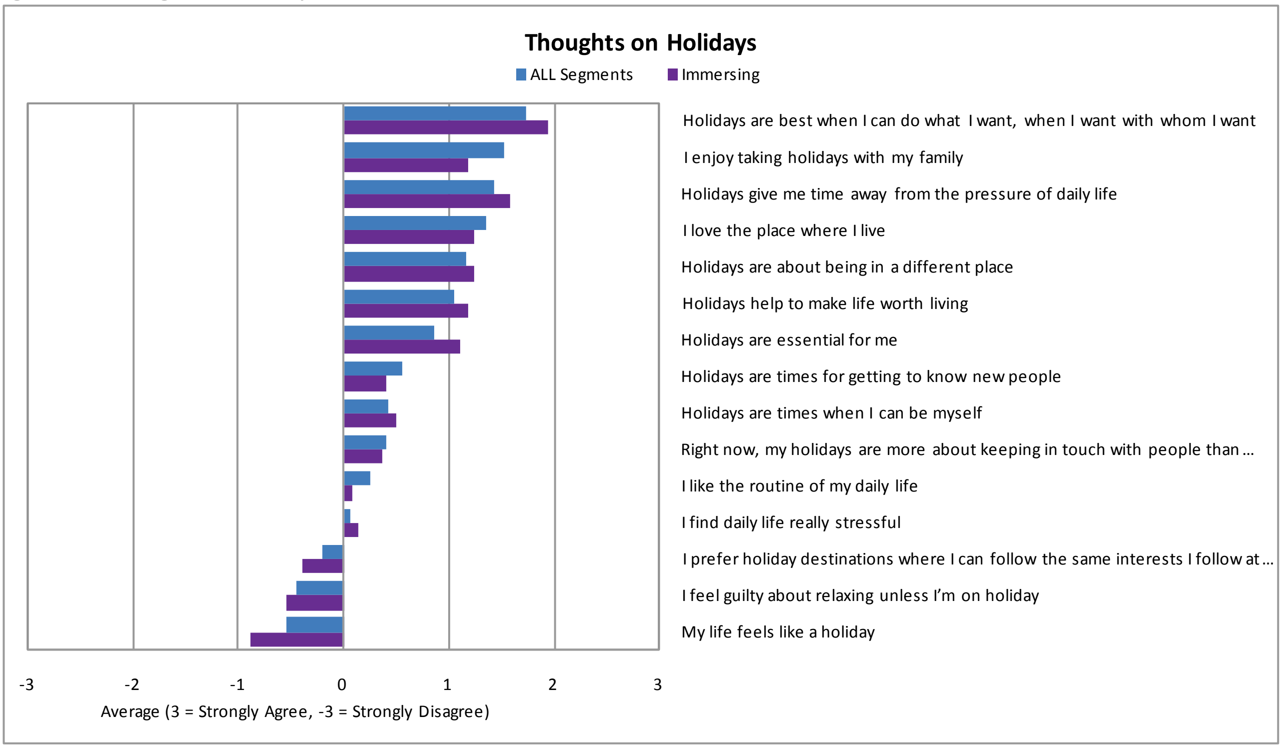
Travel Needs and Attitudes

Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

For members of 'Immersing', holidays are all about doing what they want, when they want and with whom they want. Holidays help 'Immersers' to escape the pressures of daily life and are times when they can be themselves. 'Immersers' see holidays as essential and as something that makes life worth living.

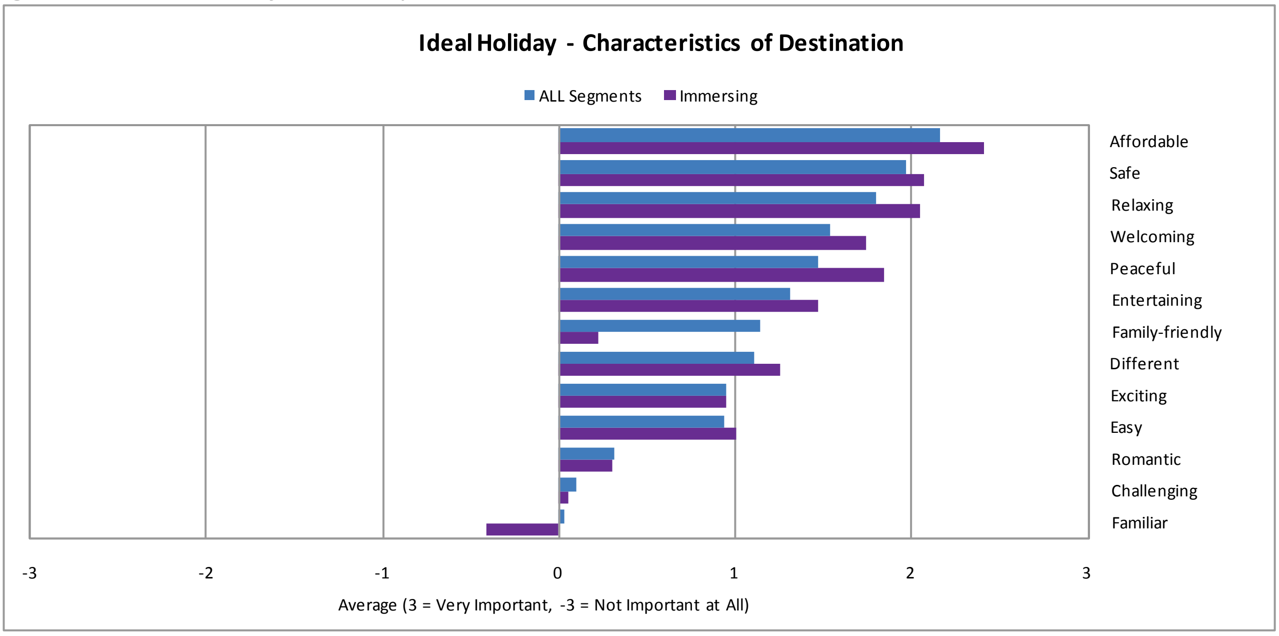
Figure 276: Thoughts on Holidays



Ideal Holiday Destination

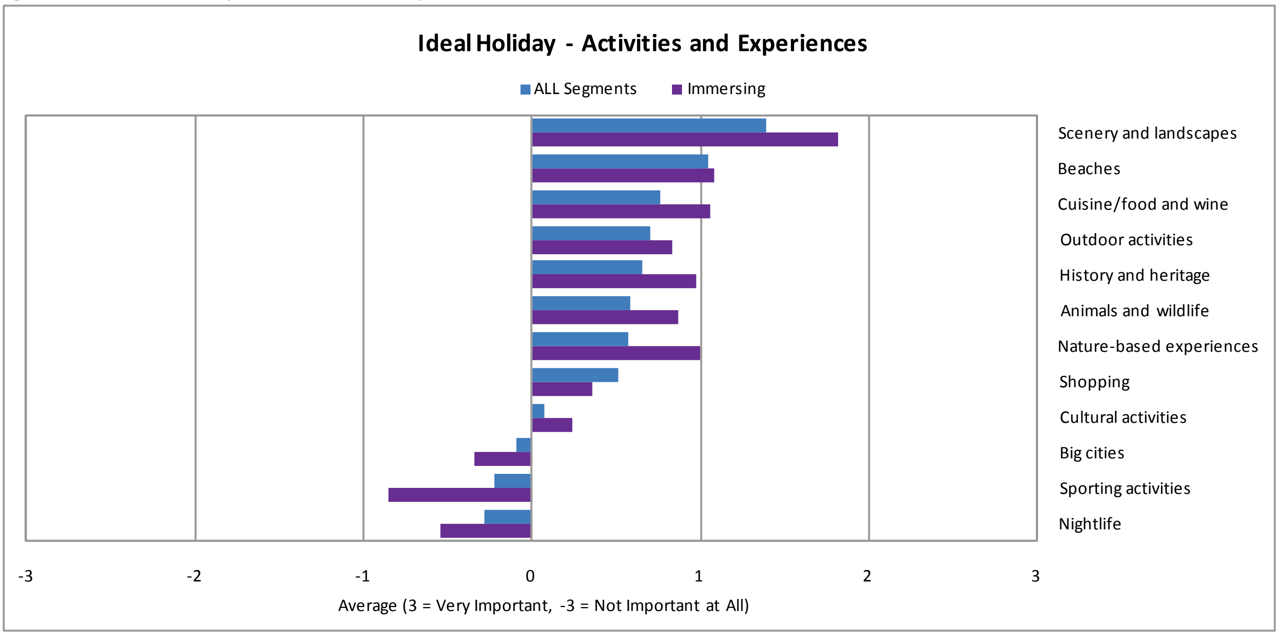
Compared to other segments, 'Immersers' are more likely to envisage an ideal holiday destination as affordable, safe, relaxing, welcoming and peaceful. However, they are also interested in destinations which are entertaining and **different**. In this context, the ideal destination for an 'Immerser' is definitively **not** familiar.

Figure 277: Characteristics of Ideal Holiday Destination



The ideal holiday **experience** for an 'Immerser' is built around scenery and landscapes, cuisine, history and heritage, animals and wildlife, and nature-based experiences. 'Immersers' are not interested in big city experiences, sporting activities or nightlife.

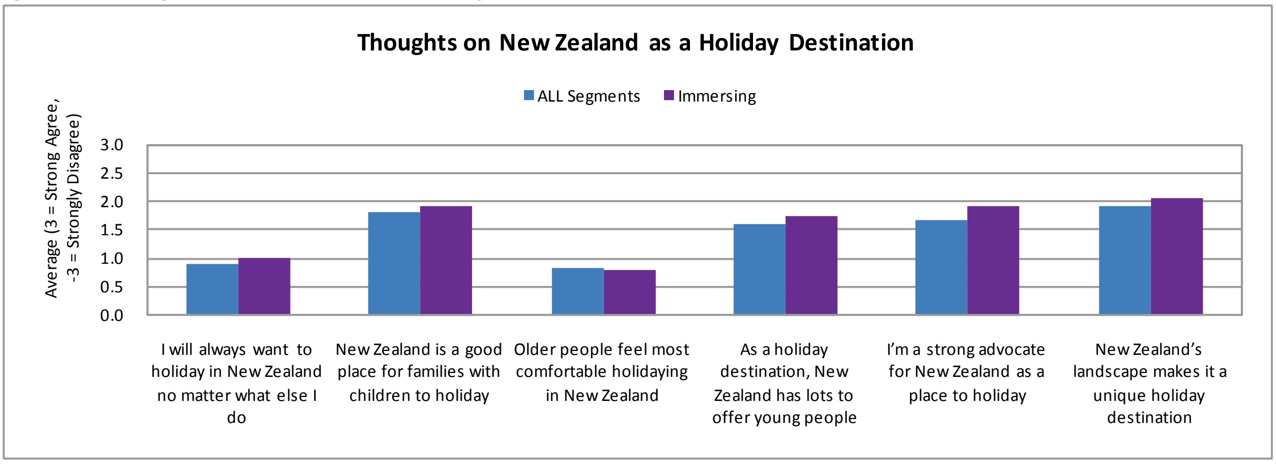
Figure 278: Ideal Holiday – Activities and Experiences



Domestic Holidays

'Immersers' rate New Zealand slightly more favourably as a holiday destination than the average overall.

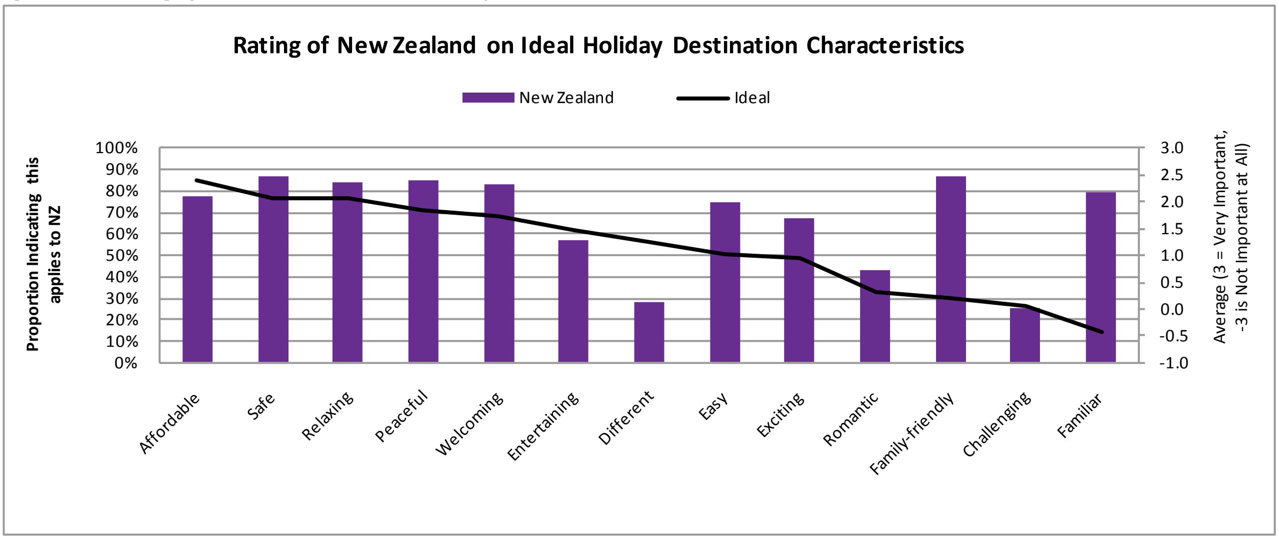
Figure 279: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

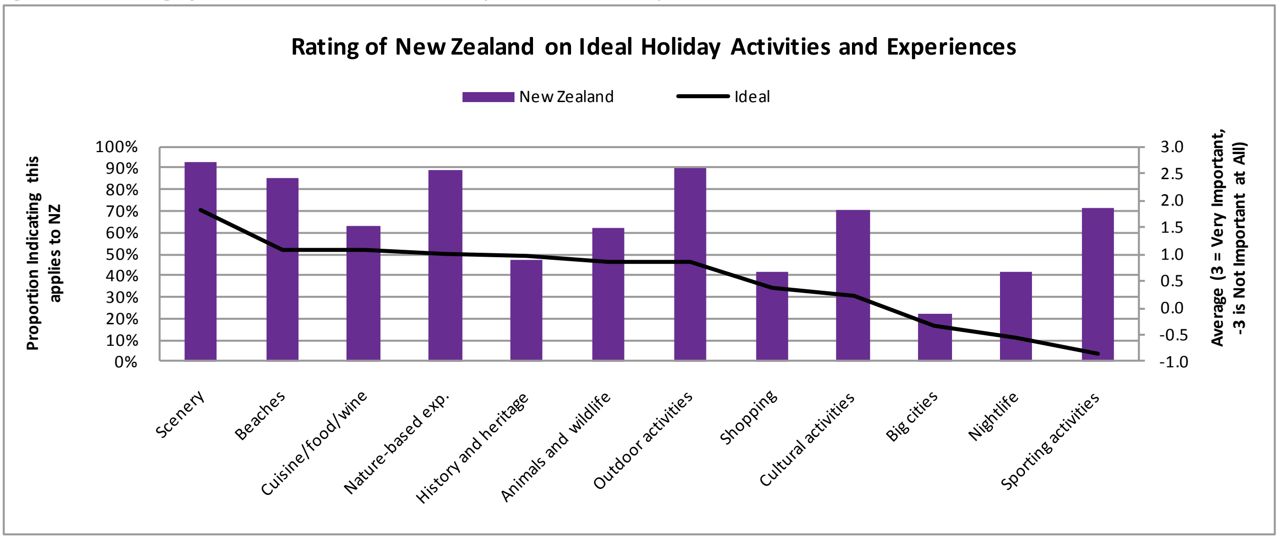
As depicted in Figure 280 (overleaf), 'Immersers' regard New Zealand highly on most of the characteristics which made up their ideal holiday destination, with the exception of how 'different', 'entertaining' and 'affordable' it is.

Figure 280: Rating of New Zealand on Ideal Holiday Destination Characteristics



New Zealand also scored well on many activities and experiences 'Immersers' looked for in their ideal holiday. However, ratings for 'cuisine' and 'history and heritage' were more moderate.

Figure 281: Rating of New Zealand on Ideal Holiday Activities and Experiences



New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 282 (overleaf) shows results for the 'Immersing' segment as they relate to North Island and South Island destinations. Generally speaking, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Far North, Bay of Islands, Coromandel, Marlborough, Nelson, Golden Bay, West Coast, Central Otago and Fiordland – indicate areas with untapped potential.

Figure 282: Knowledge and Desire for New Zealand Destinations[8]

[8] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of the 'Immersing' segment take **14% more** domestic short breaks for leisure each year than the 'average New Zealander' (2.2 versus 1.9).

Figures 283-295 profile the **last domestic short break** taken by members of the 'Immersing' segment.

Results show that, compared with other segments: -

- Bay of Plenty and Wellington are especially popular destinations.
- Key activities are sightseeing, shopping, and visiting bars/restaurants/other urban attractions and beaches/other natural attractions. Walking/ hiking/climbing and cultural and heritage attractions are also popular.
- The vast majority of short breaks are taken by private car.
- Stronger preference is given to private accommodation; those choosing commercial accommodation favour hotels.
- Half of all 'Immersers' travel with a partner/ spouse and a large group with friends.
- Almost all are involved in planning the trip (alone or in association with someone else).
- Almost half of all short breaks are planned within a month of departure.
- The decision to take a trip is commonly prompted by circumstances involving friends or family at the traveller's destination, by stress or pressure in the 'Immerser's' life.
- Both partners/spouses and friends or family at the destination play a key role in the choice of destination.
- Short breaks are typically motivated by a desire to spend quality time with friends/family and to build closer relationships.
- 'Immersers' are slightly more likely to fund a short break using money they have saved than other segments.

Figure 283: Region Visited on Last Short Break

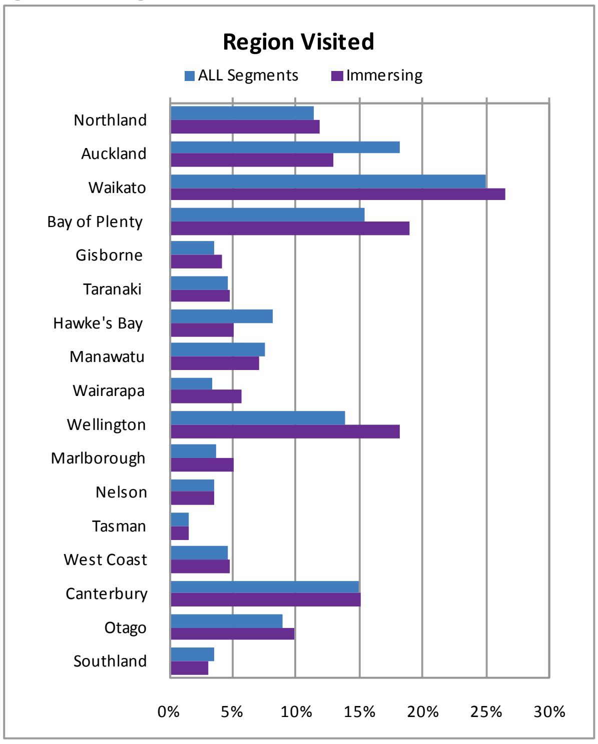


Figure 284: Activities/Experiences on Last Short Break

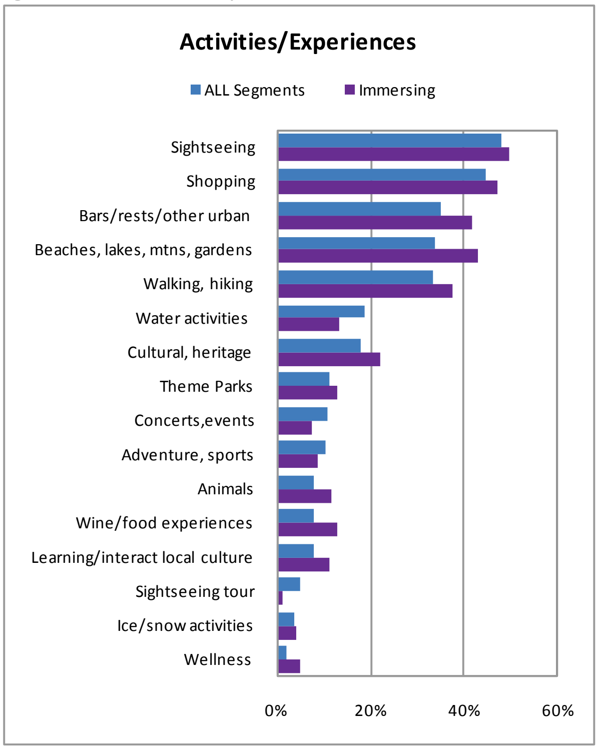


Figure 285: Transport Used on Last Short Break

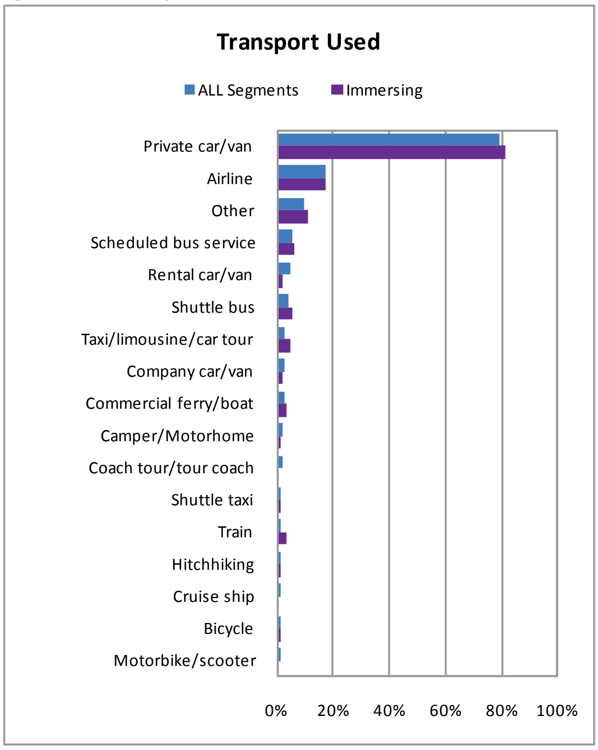


Figure 286: Accommodation Used on Last Short Break

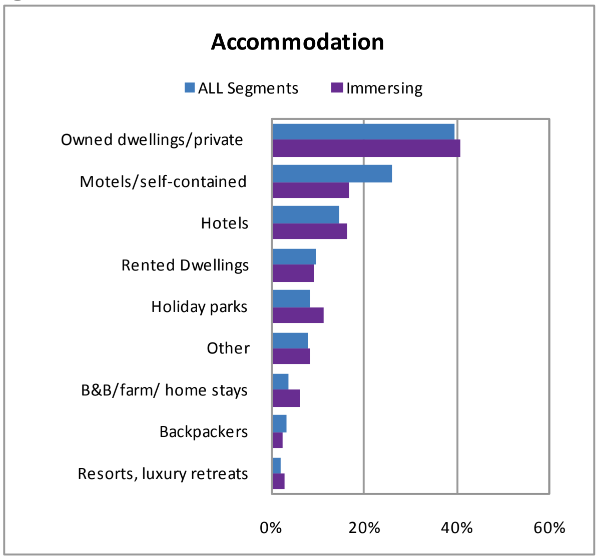


Figure 287: Party Composition on Last Short Break

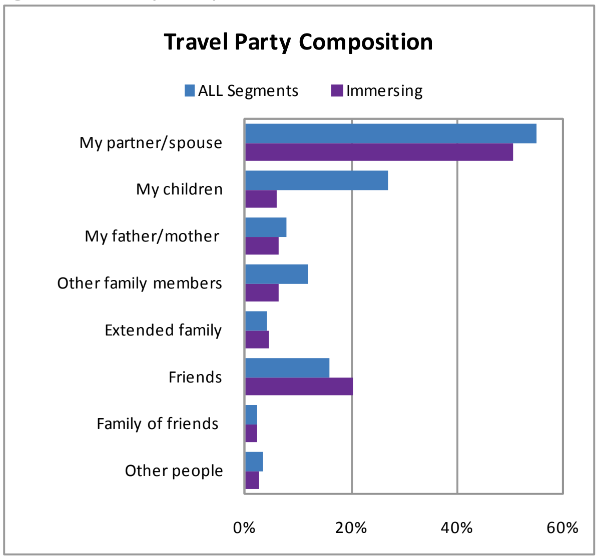


Figure 288: Role in Planning Last Short Break

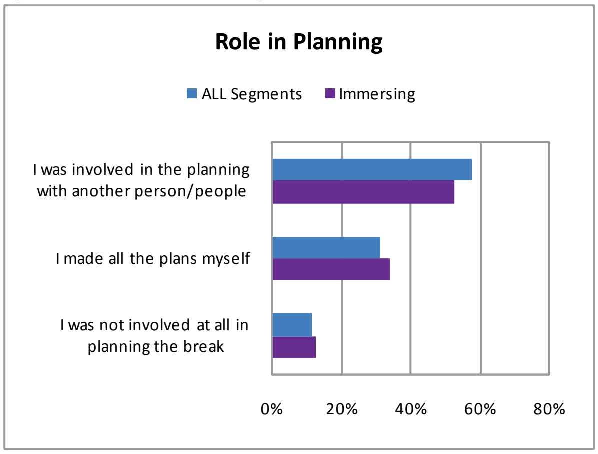


Figure 289: Planning Timelines for Last Short Break

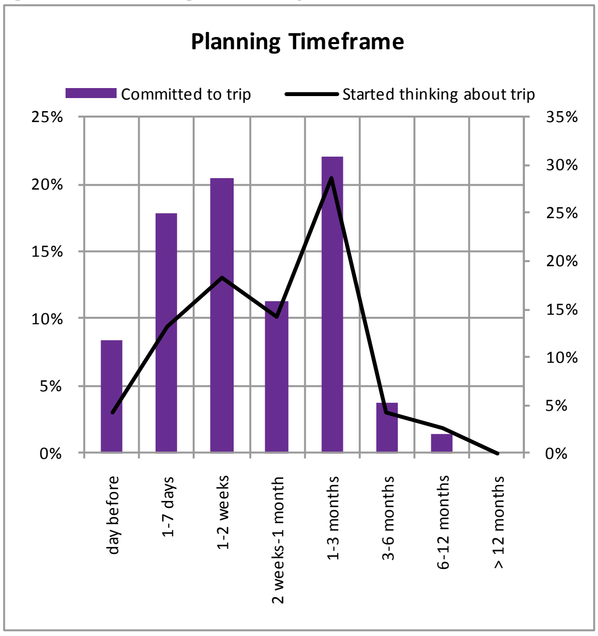


Figure 290: Commitment to Trip – Triggers for Last Short Break

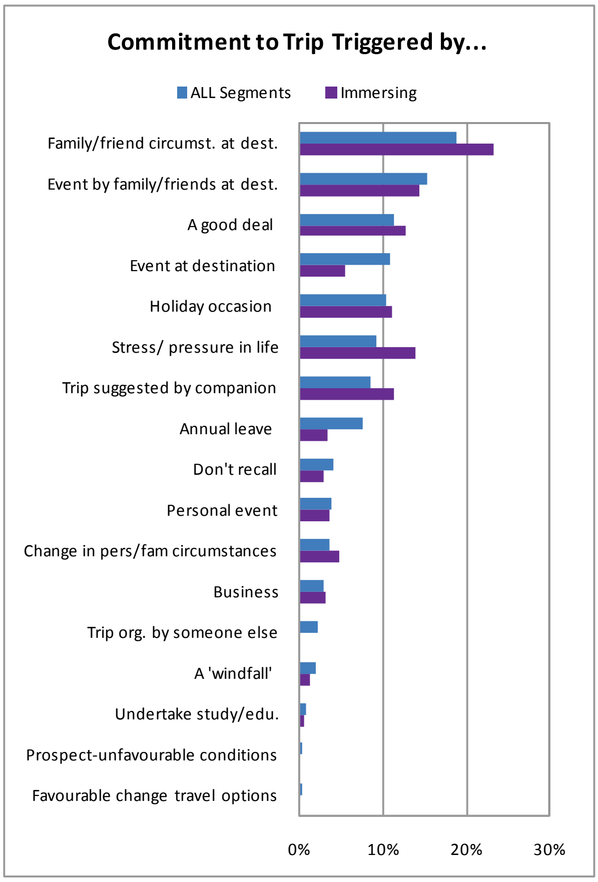


Figure 291: People Contributing to Trip Planning of Last Short Break

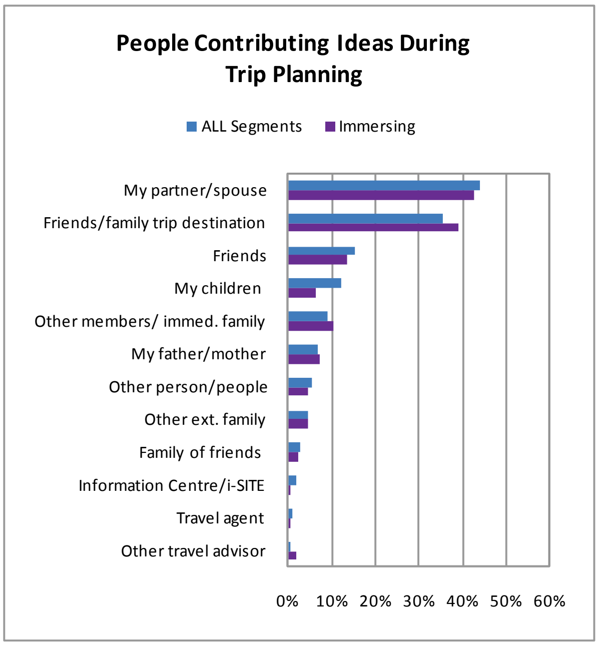


Figure 292: Other Influences on Choice of Destination for Last Short Break

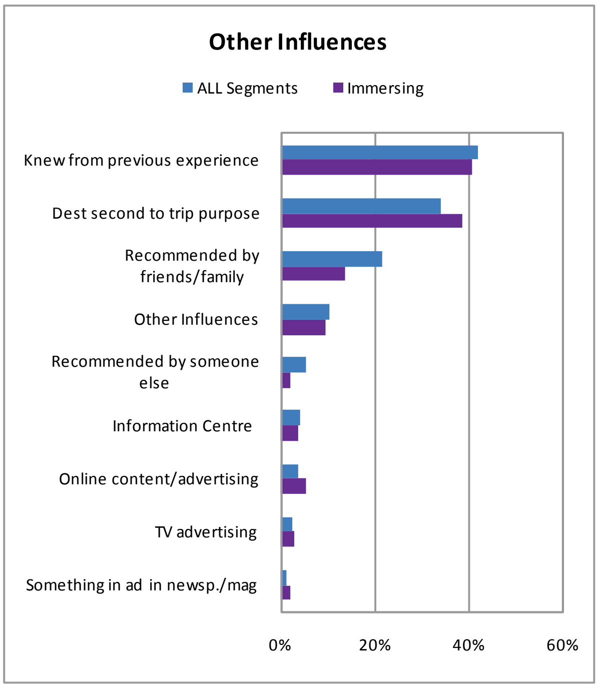


Figure 293: Motivations for Last Short Break

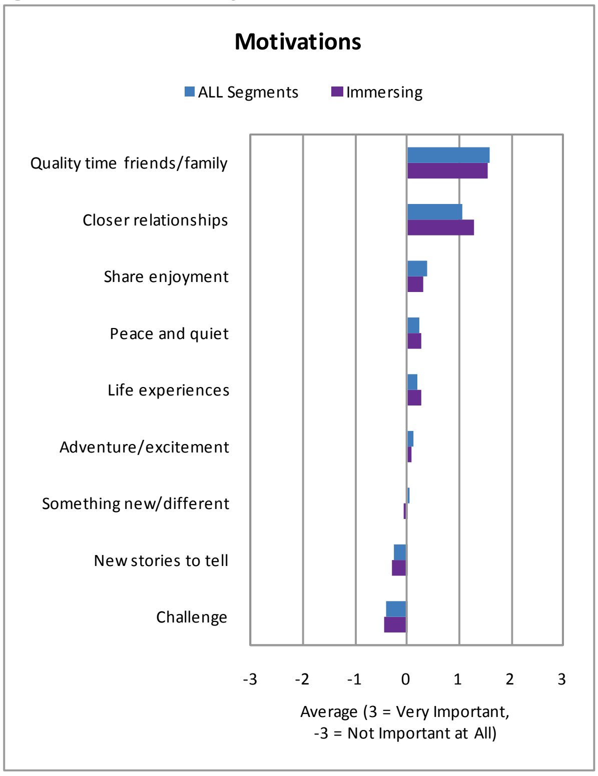


Figure 294: Who Paid for Last Short Break

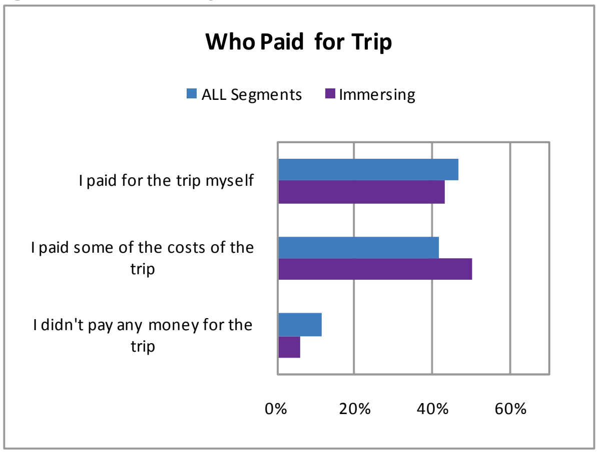
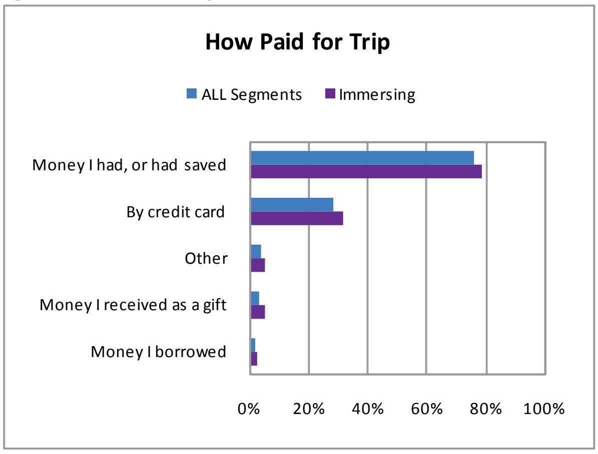


Figure 295: How Paid for Last Short Break



Domestic Holiday Profile

Members of the 'Immersing' segment take **6% fewer** domestic holidays for leisure (> 5 nights) each year than the 'average New Zealander' (just under the average of 0.6).

Figures 296-308 present a profile of the **last domestic holiday** taken by members of 'Immersing' segment.

Key findings are: -

- Regions such as Bay of Plenty, Hawke's Bay and Southland are popular holiday destinations for members of the 'Immersing' segment.
- 'Immersers' engage in a wide range of activities and experiences while holidaying in New Zealand. Principal differentiators are sightseeing, shopping, walking/hiking, cultural and heritage experiences and those involving food and wine. 'Immersers' are also frequent attendees at concerts and other events.
- The vast majority of 'Immersers' choose to travel by private car.
- Private accommodation options are highly favoured although the segment also stands out for its use of backpackers.
- Most domestic holidays are taken with a partner and are planned collaboratively.
- A large proportion of holidays are planned within 1-3 months of departure.
- The decision to travel is often prompted by a holiday occasion, circumstances of family/friends at the destination. The segment is also suggestible to the recommendations of others.
- As is the case with short domestic breaks, longer holidays are typically motivated by a desire to spend quality time with friends/family or to build closer relationships.
- 'Immersers' are also slightly more likely than others to co-fund domestic holidays, and to use money they have saved.

Figure 296: Region Visited on Last Domestic Holiday

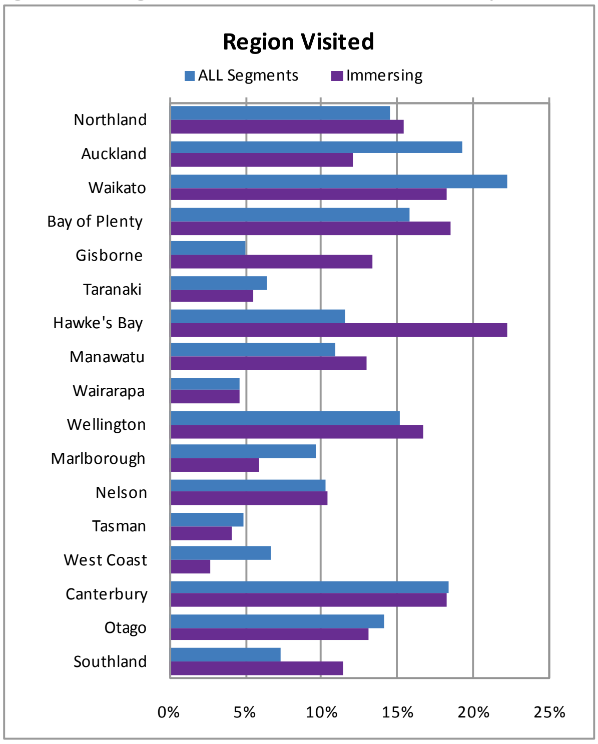


Figure 297: Activities/Experiences on Last Domestic Holiday

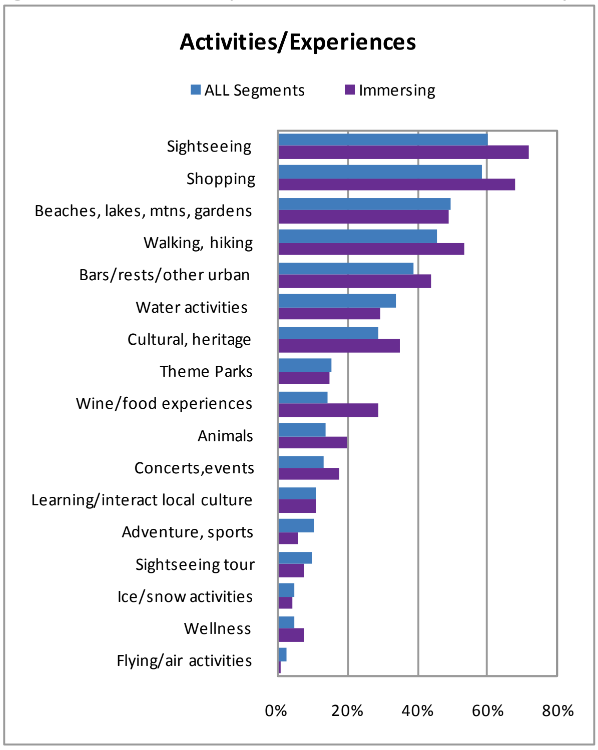


Figure 298: Transport Used on Last Domestic Holiday

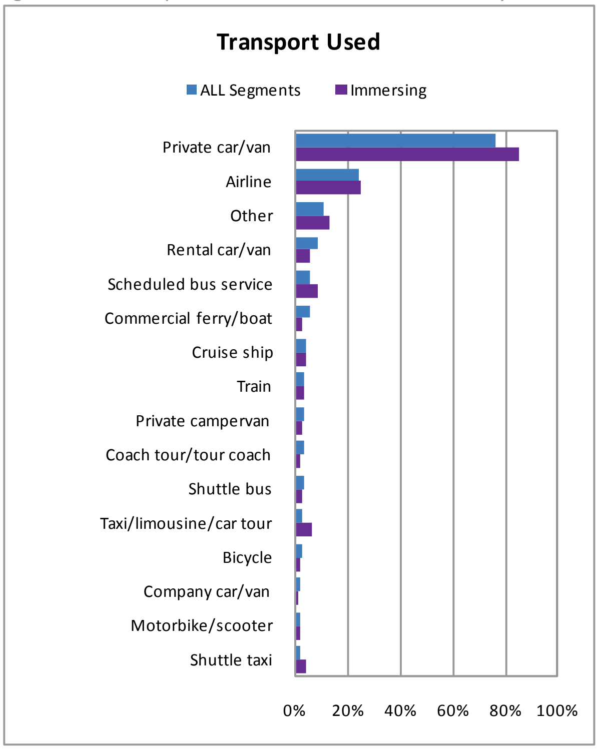


Figure 299: Accommodation Used on Last Domestic Holiday

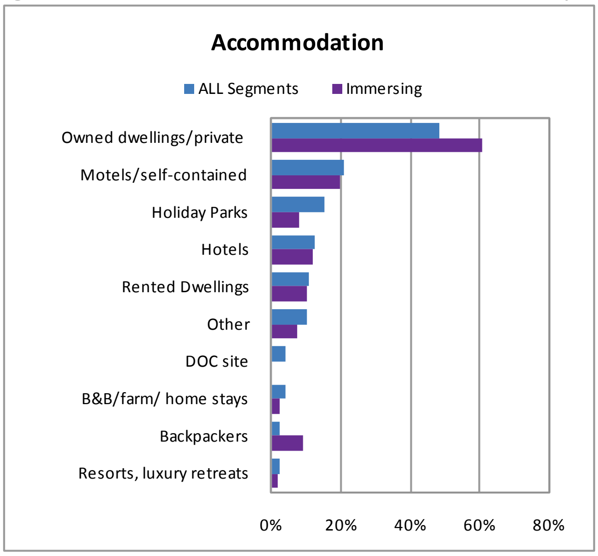


Figure 300: Party Composition on Last Domestic Holiday

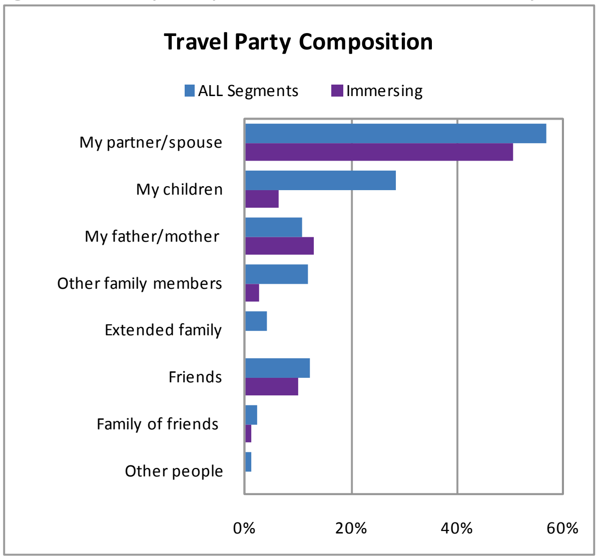


Figure 301: Role in Planning Last Domestic Holiday

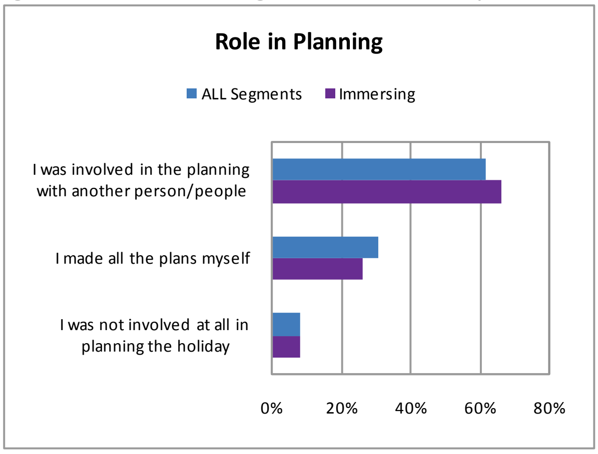


Figure 302: Planning Timelines for Last Domestic Holiday

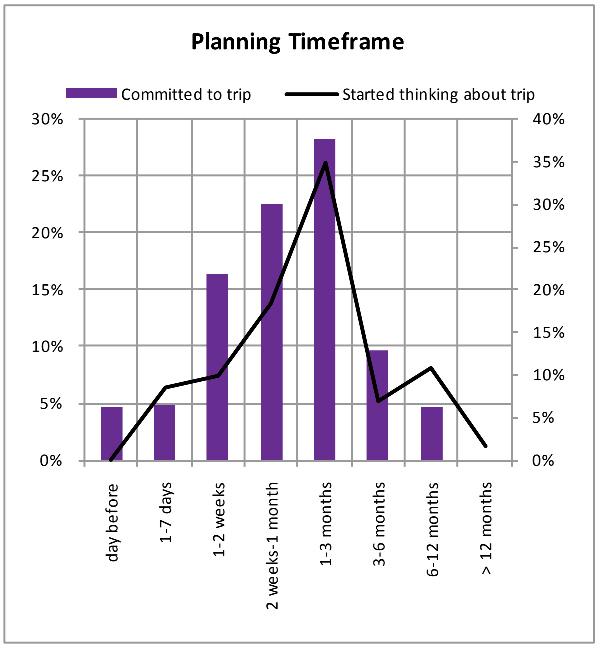


Figure 303: Commitment to Trip – Triggers for Last Domestic Holiday

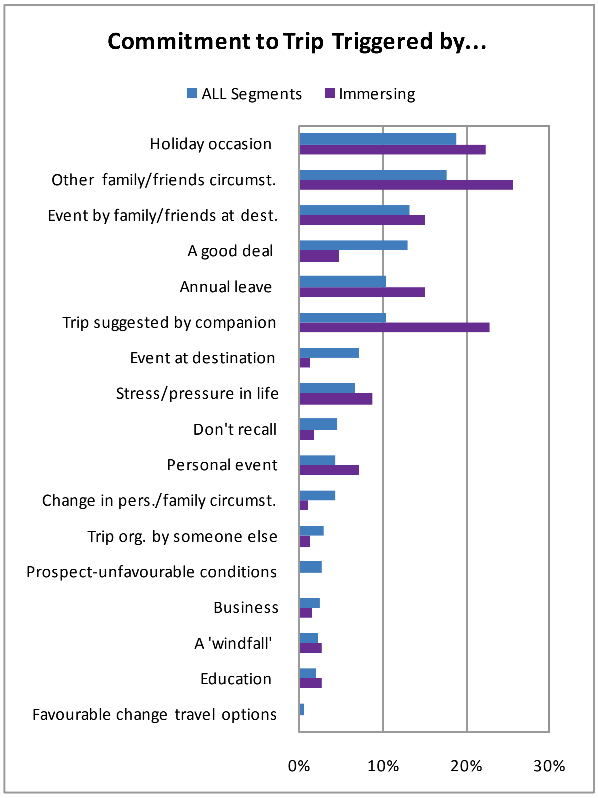


Figure 304: People Contributing to Trip Planning of Last Domestic Holiday

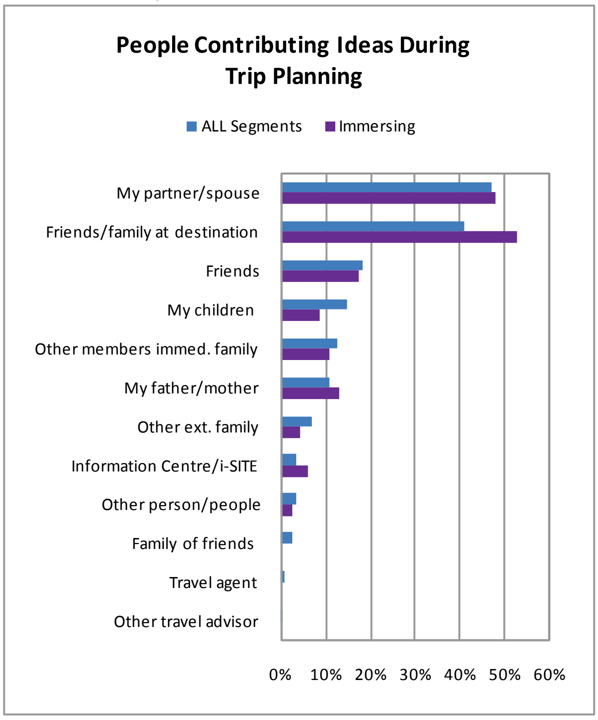


Figure 305: Other Influences on Choice of Destination for Last Domestic Holiday

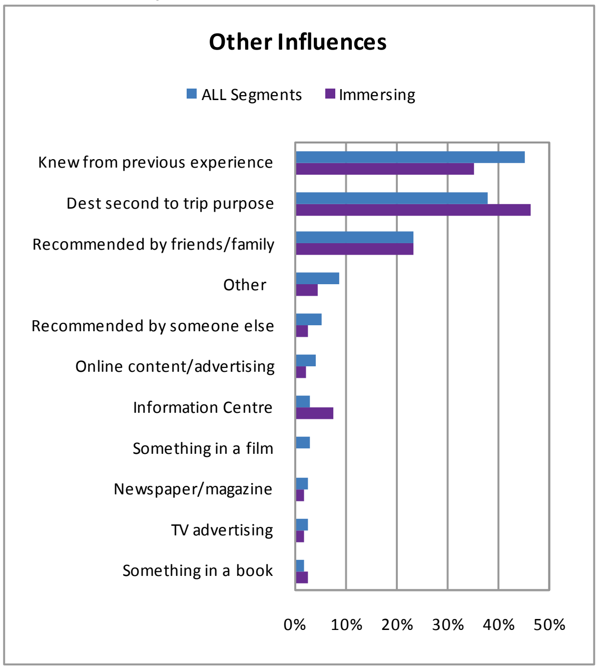


Figure 306: Motivations for Last Domestic Holiday

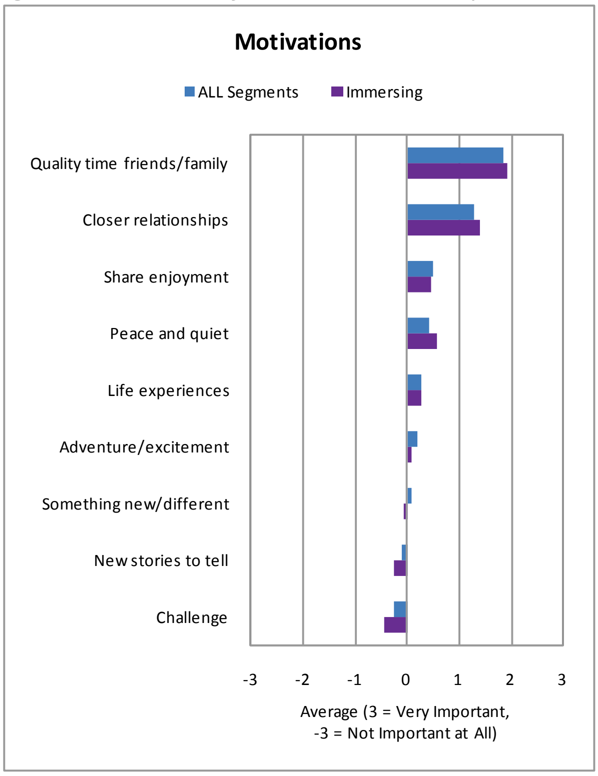


Figure 307: Who Paid for Last Domestic Holiday

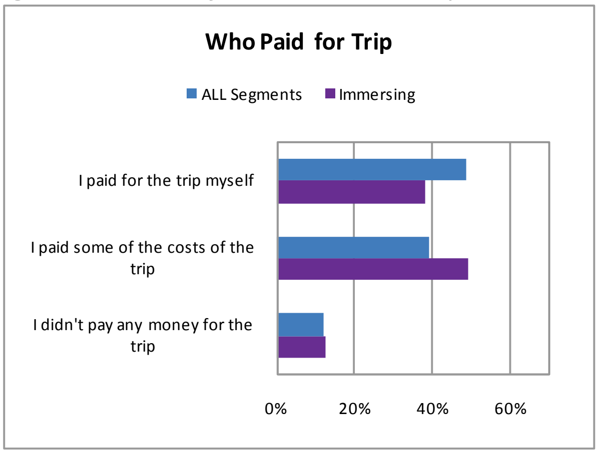
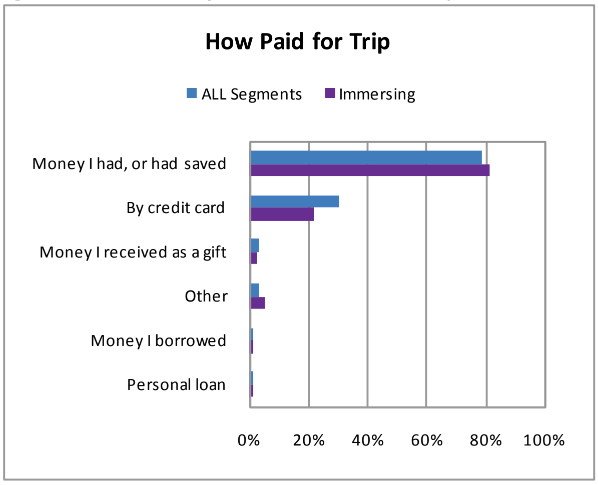


Figure 308: How Paid for Last Domestic Holiday



International Holiday Profile

Members of the 'Immersing' segment take **23% fewer** international holidays each year than the 'average New Zealander' (0.3 versus 0.4). Figures 309-321 profile the **last international holiday** taken by members of this segment.

Results show that, compared with other segments: -

- Australia, the UK, France, Thailand and Vietnam are all popular destinations for 'Immersers'.
- They participate in a wide range of activities overseas: the most popular being shopping, sightseeing, gardens and other natural attractions, walking/hiking, cultural and heritage activities.
- A relatively large proportion of 'Immersers' travel by trains and taxis while overseas. They are also more likely to travel by foot than members of other segments.
- 'Immersers' tend to favour private dwellings while overseas. This suggests that many of their trips are associated with visits to family/friends. When it comes to commercial accommodation, hotels are the favourite choice although a larger than average proportion also stay in B&Bs/home or farm stays.
- Compared with other segments, a relatively large proportion of 'Immersers' travel overseas with friends. However, travel with a partner/spouse is more common.
- While planning precedes booking by some months, a relatively high proportion of international holidays are planned just 1-3 months prior to departure – often prompted by a good deal on transport or accommodation or circumstances involving family or friends at their destination.
- As is the case with domestic travel, international holidays are most often prompted by a desire to spend quality time with friends/family and to build closer relationships with others.
- However, and in contrast to funding of domestic travel, when it comes to paying for overseas holidays 'Immersers' are more likely than others to use credit to fund their trip.

Figure 309: Countries Visited on Last International Holiday

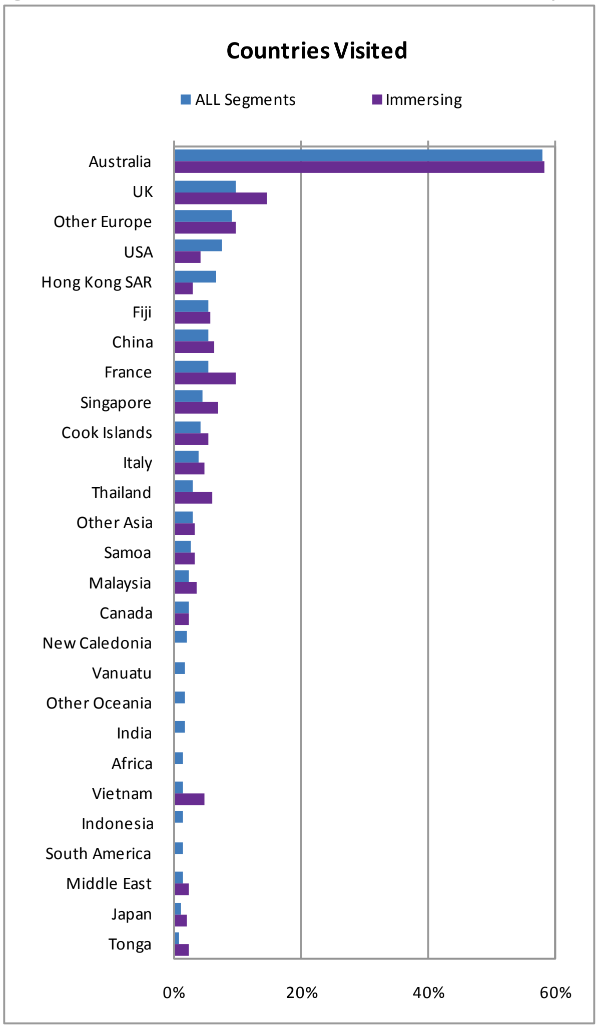


Figure 310: Activities/Experiences on Last International Holiday

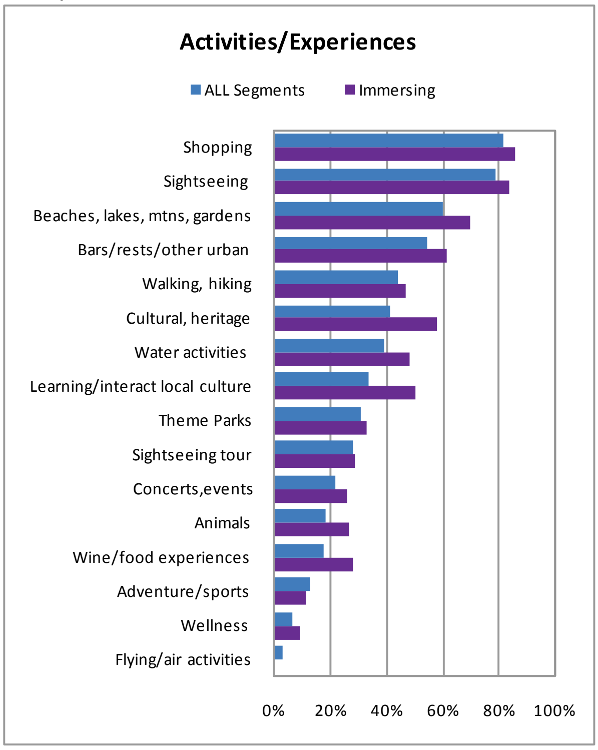


Figure 311: Transport Used on Last International Holiday

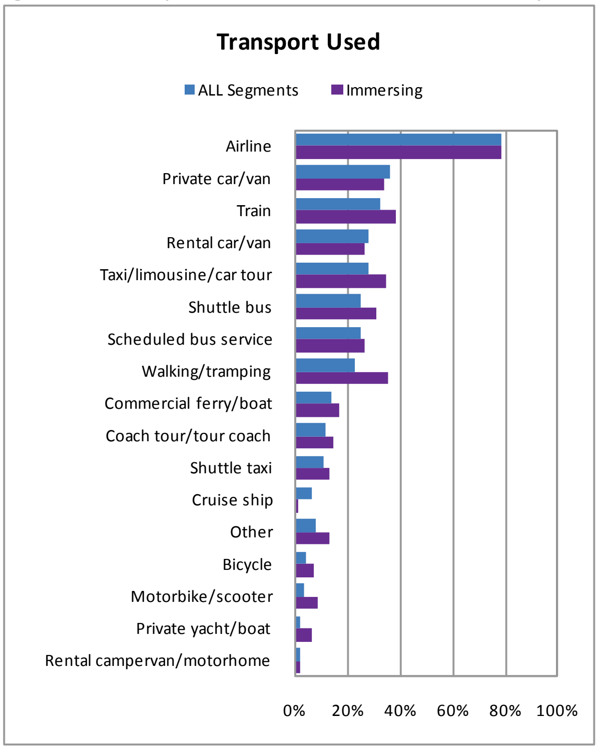


Figure 312: Accommodation Used on Last International Holiday

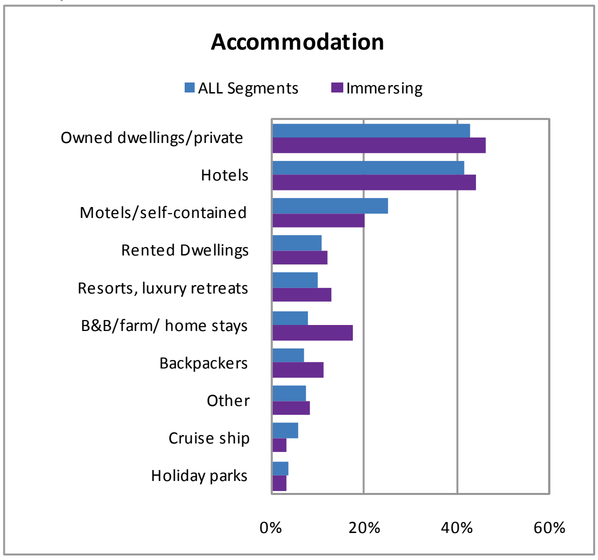


Figure 313: Party Composition on Last International Holiday

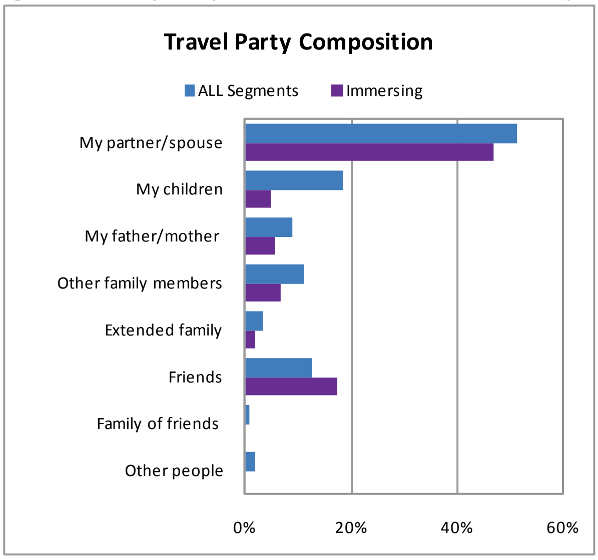


Figure 314: Role in Planning Last International Holiday

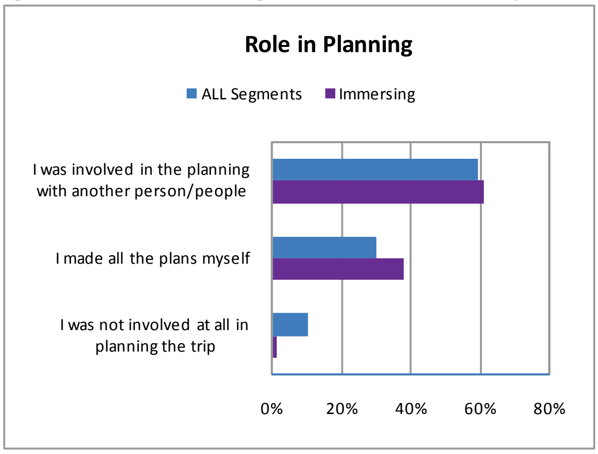


Figure 315: Planning Timelines for Last International Holiday

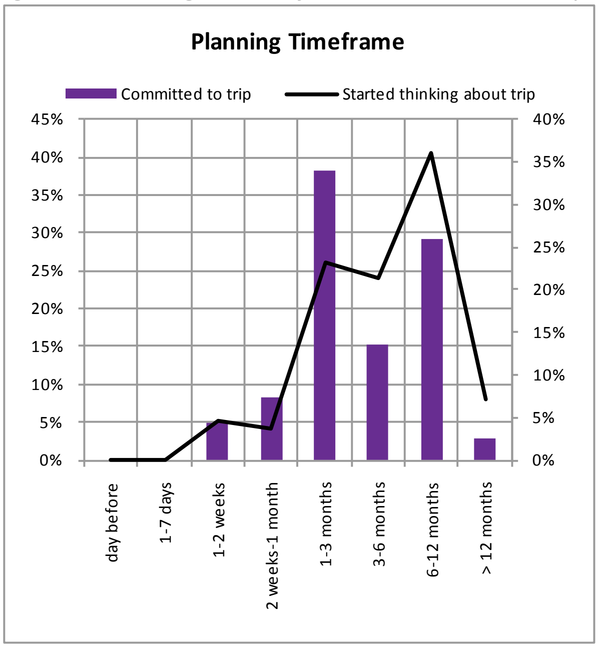


Figure 316: Commitment to Trip – Triggers for Last International Holiday

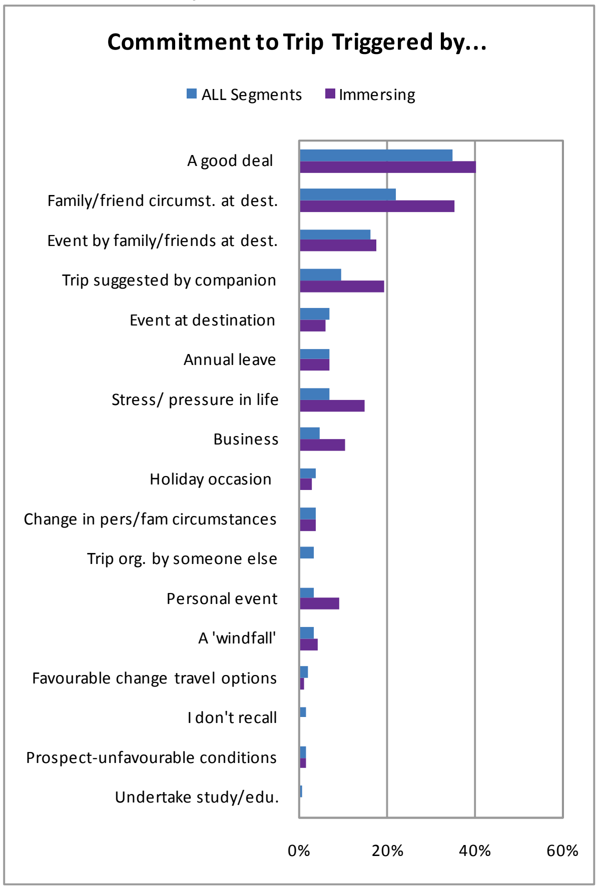


Figure 317: People Contributing to Trip Planning of Last International Holiday

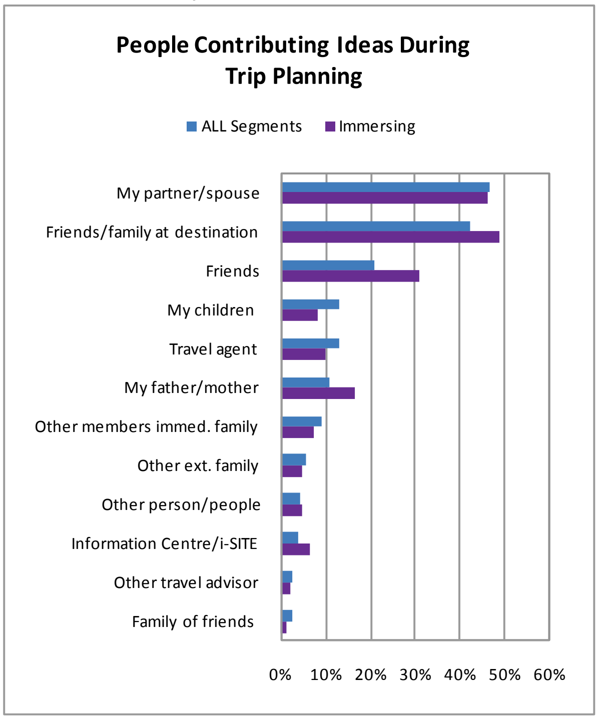


Figure 318: Other Influences on Choice of Destination for Last International Holiday

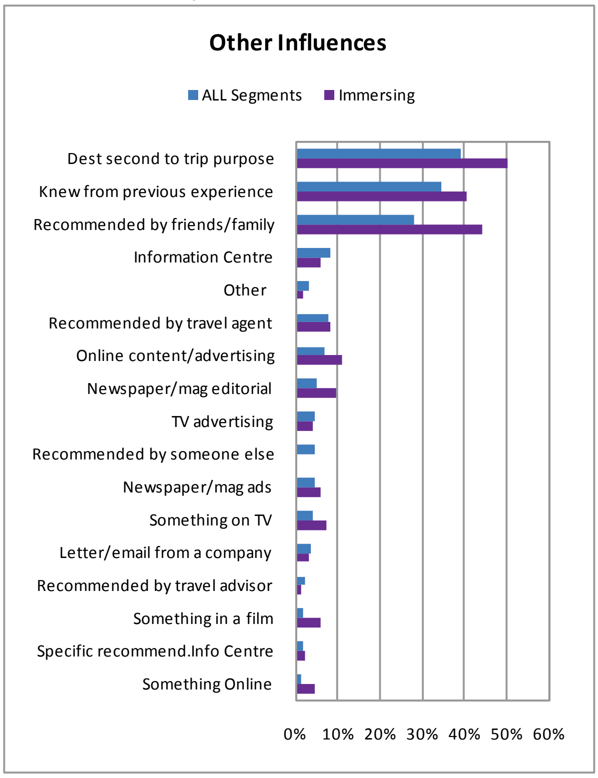


Figure 319: Motivations for Last International Holiday

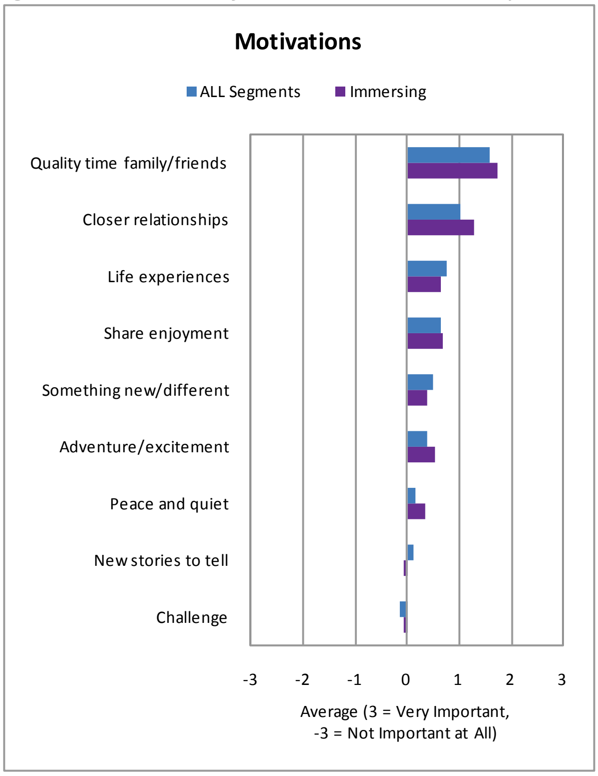


Figure 320: Who Paid for Last International Holiday

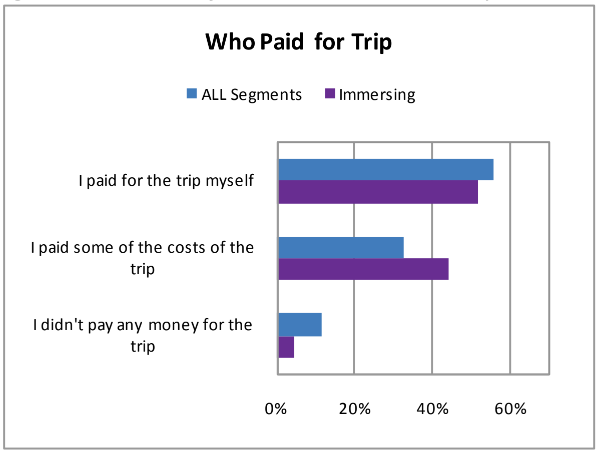
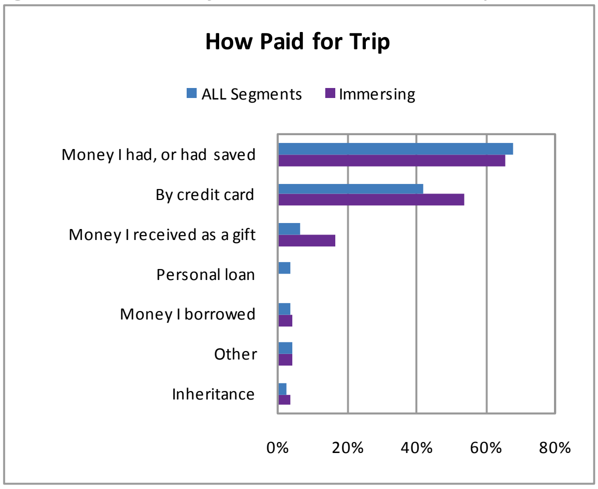


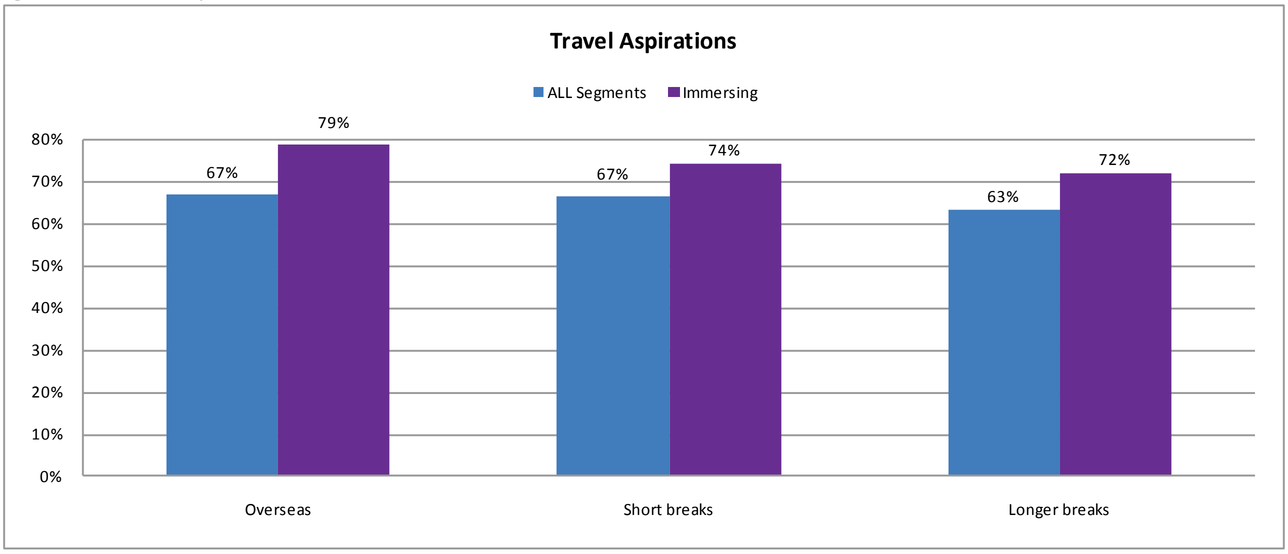
Figure 321: How Paid for Last International Holiday



Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types). As illustrated in Figure 322, the general consensus is towards more travel of all types and this tendency is particularly pronounced within the 'Immersing' segment.

Figure 322: Travel Aspirations

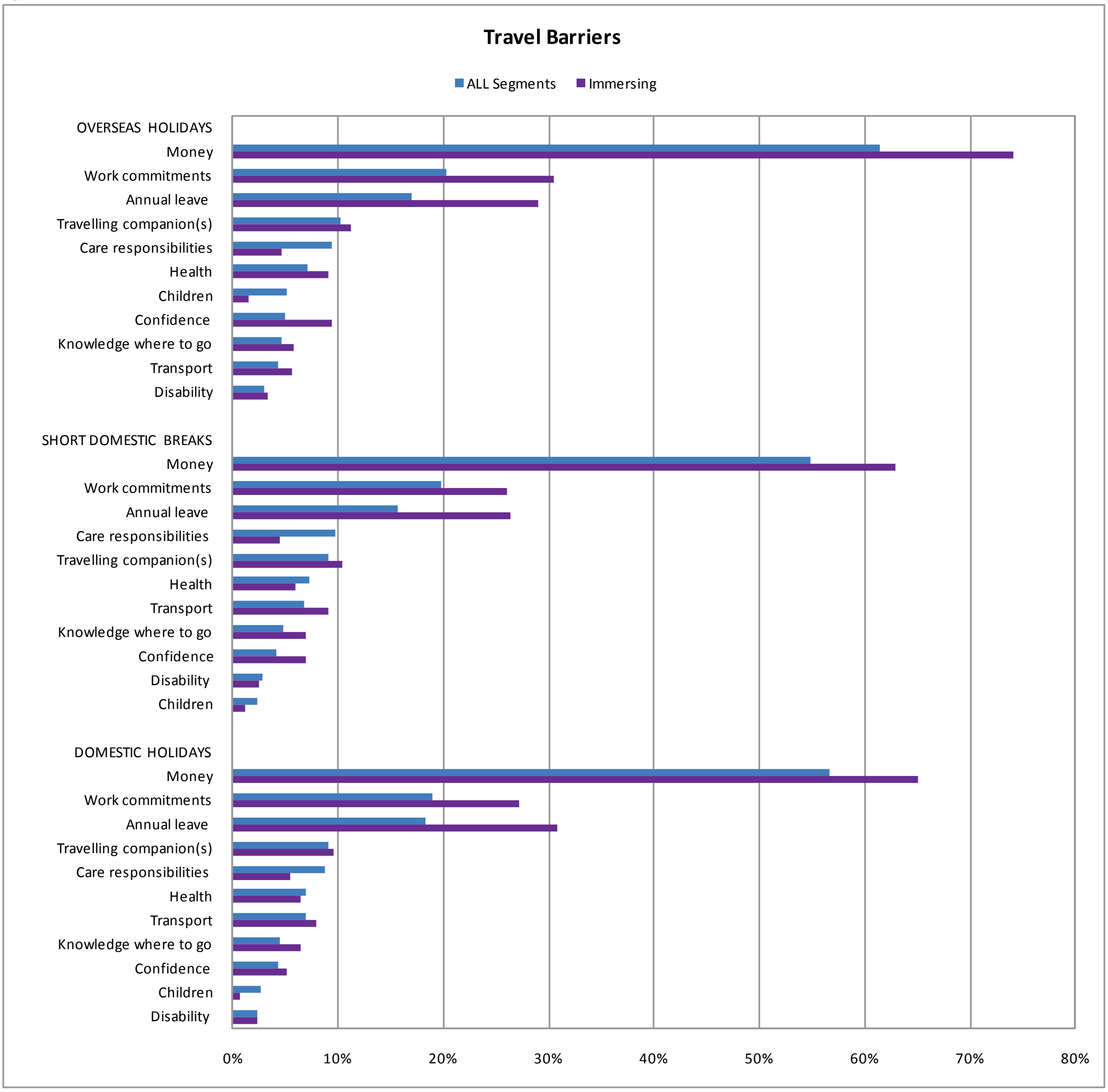


Barriers to Travel

Those respondents, who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 323 (overleaf), money is the most frequently cited barrier to travel for the 'Immersing' segment and all other market segments. Other significant barriers for 'Immersers' are work commitments and the amount of annual leave they have available.

Figure 323: Barriers to Travel



Segment 5 – 'Making Do'

The following pages present a detailed profile of the 'Making Do' segment. This section includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

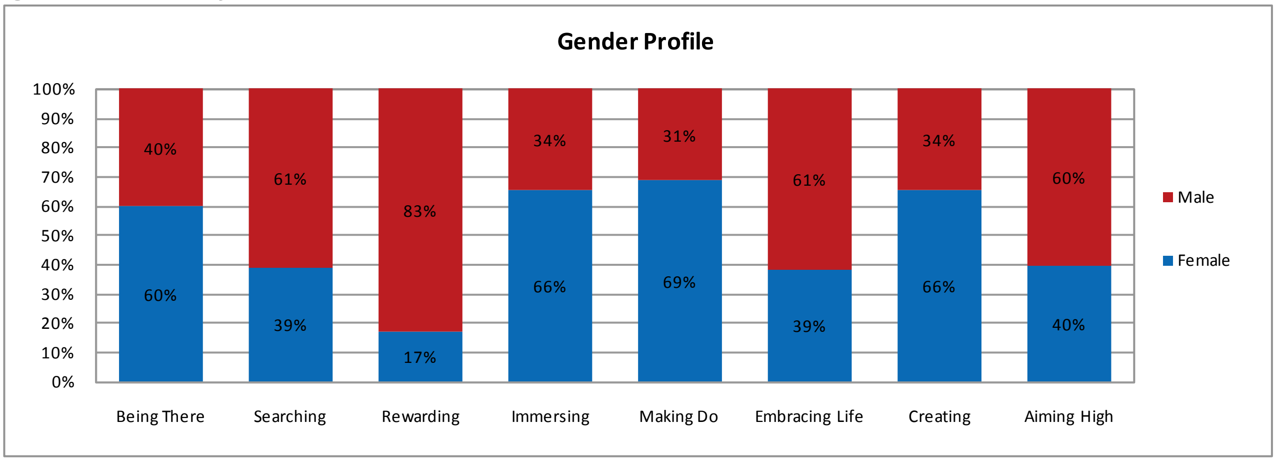
Segment Size

The 'Making Do' segment represents 12% of the adult population (aged 15 years or more) and has the largest female bias.

Gender

This bias can be seen in a comparison of gender proportions, with females accounting for 69% of the segment.

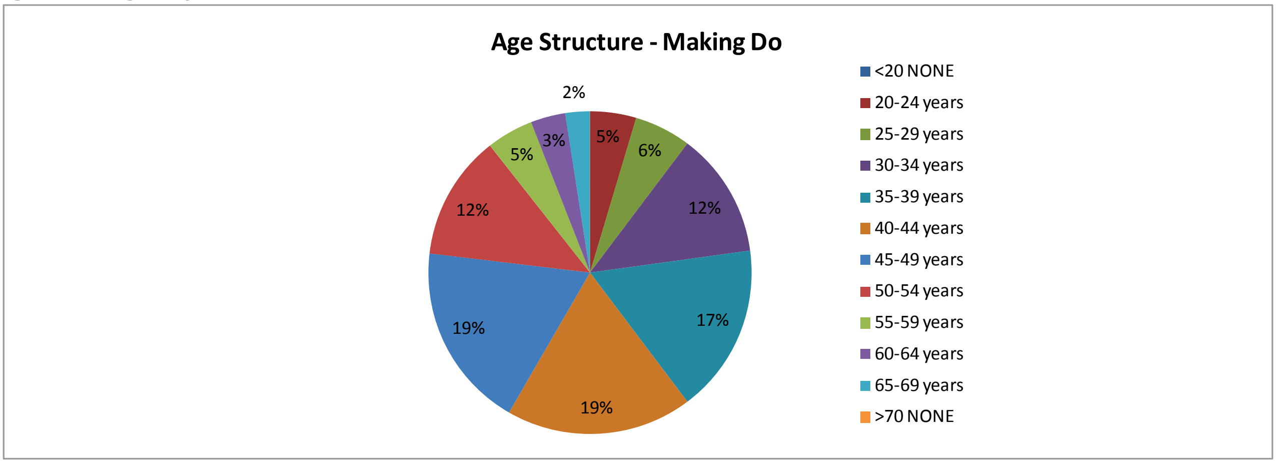
Figure 324: Gender Profile



Age

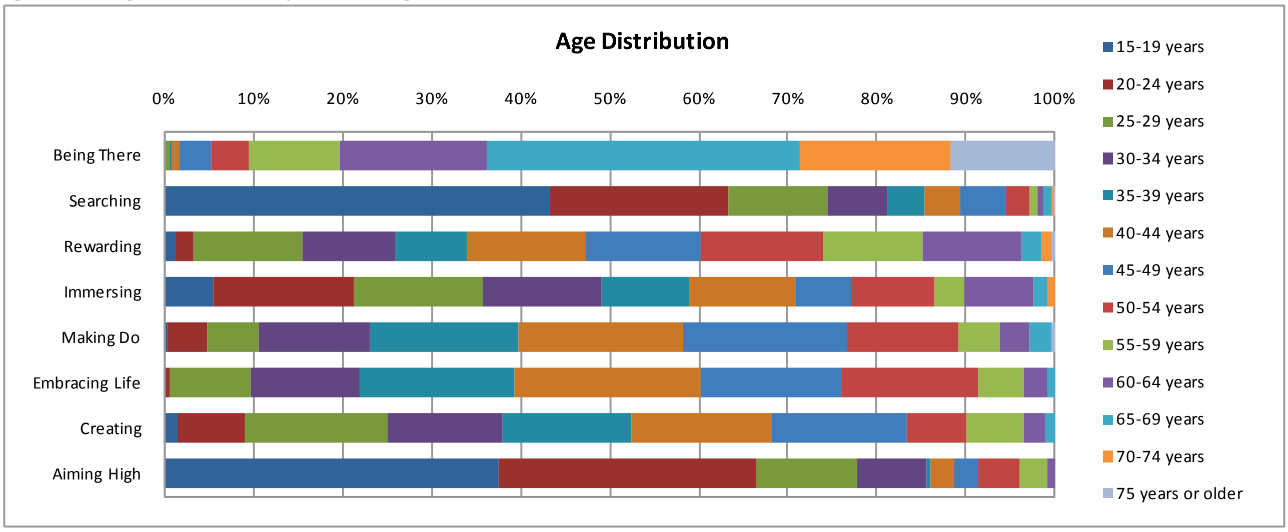
The 'Making Do' segment draws most of its members from the age groups between 30 and 54 years. See Figure 325 overleaf.

Figure 325: Age Profile



The relatively even age distribution in this segment becomes clear in a comparison with other segments. The only significant age 'peak' can be observed in the 45-49 year age group.

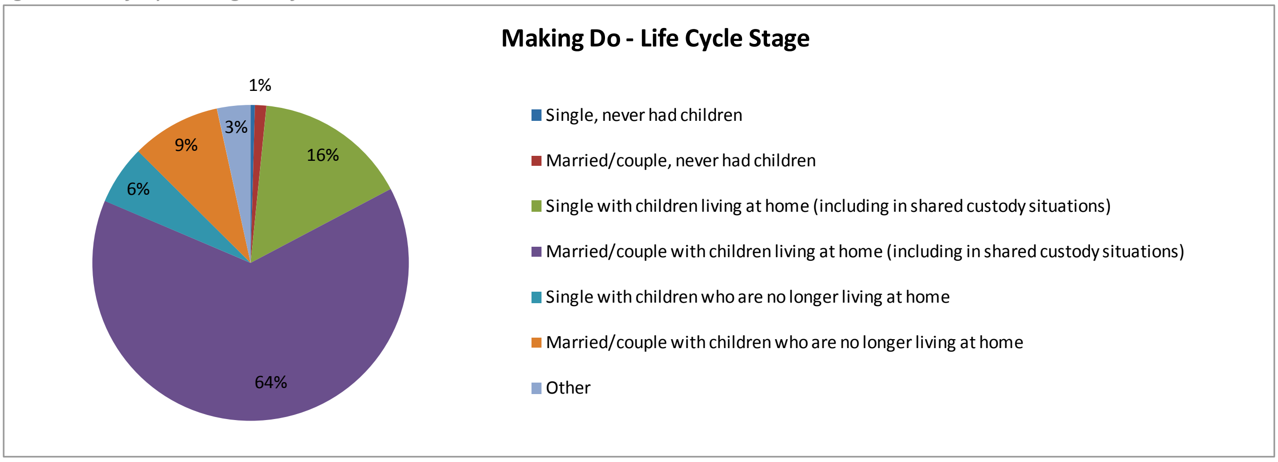
Figure 326: Age Distribution by Market Segment



Lifecycle Stage

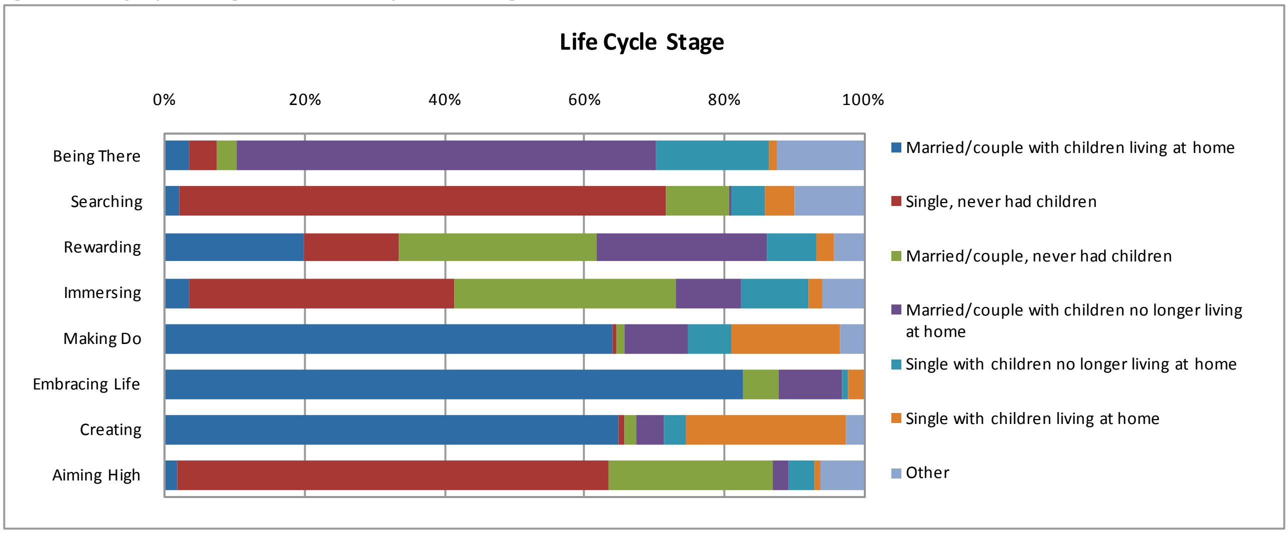
80 % of the 'Making Do' segment has children living at home and a large proportion live in single-parent households.

Figure 327: Lifecycle Stage Profile



In comparison with other segments, 'Making Do' shows similar 'peaks' to 'Creating' in terms of life cycle stage. Both married couples with children living at home and single parent households stand out.

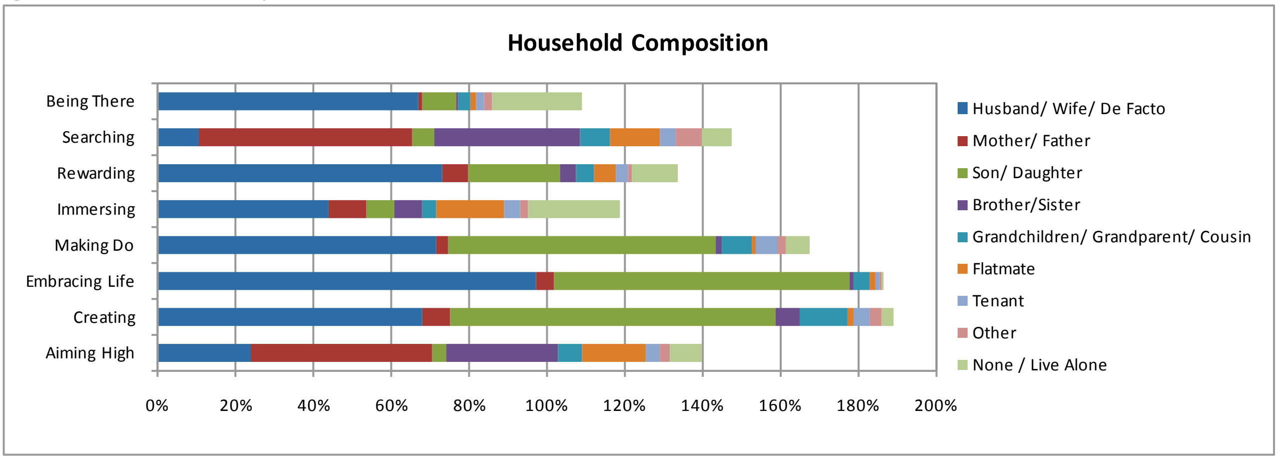
Figure 328: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of the 'Making Do' segment is further reflected in household composition - 72% live with a partner and 69% have children at home.

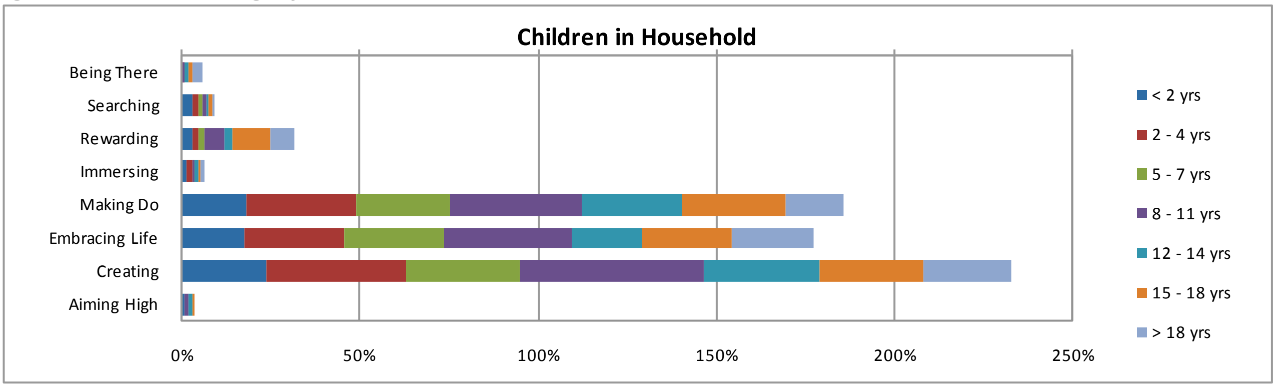
Figure 329: Household Composition



Children

'Making Do' households contain children of all ages in broadly equal proportions.

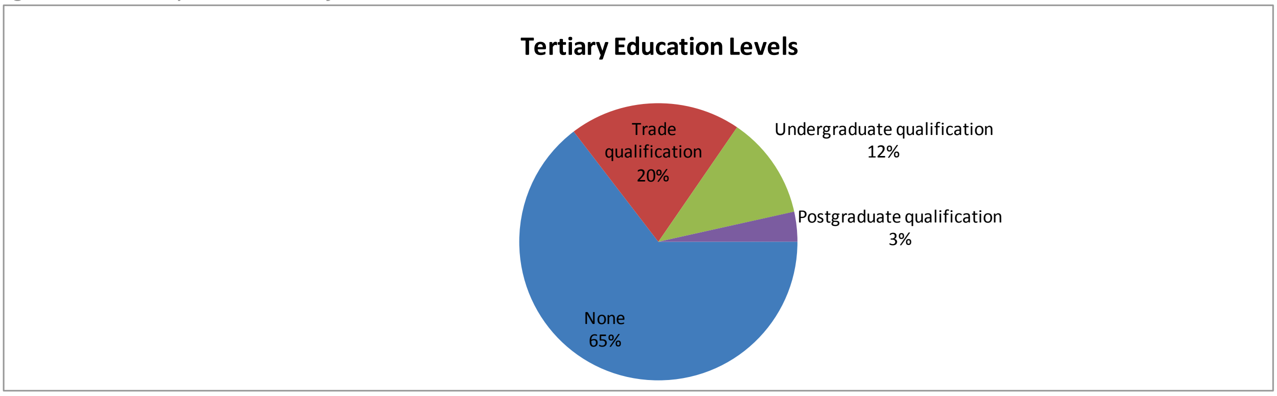
Figure 330: Number and Age of Children in Household



Education

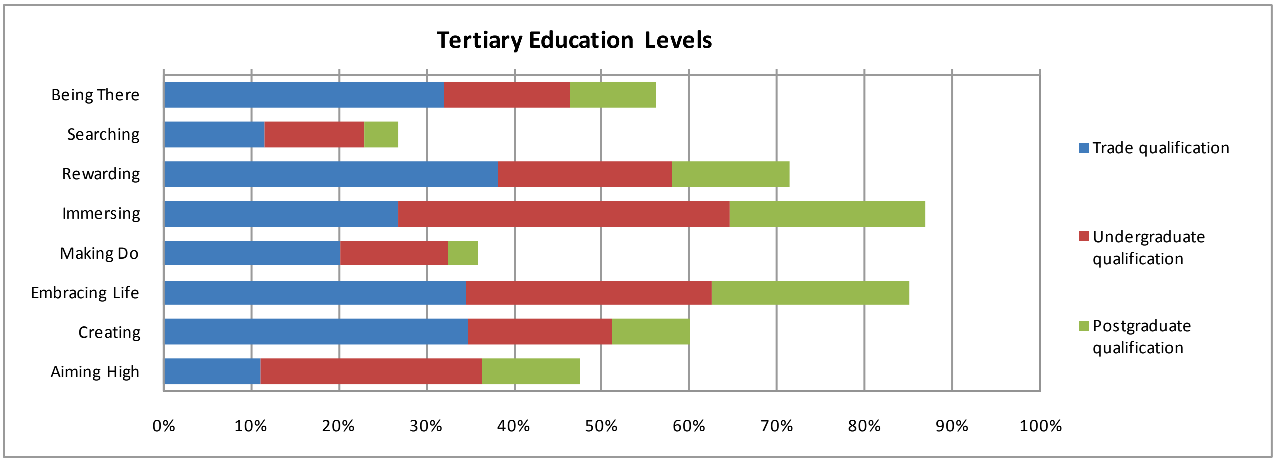
Almost two thirds of the 'Making Do' segment has no tertiary education.

Figure 331: Tertiary Education Profile



The 'Making Do' segment has amongst the lowest levels of tertiary education overall. Only the 'Searching' segment has lower levels although this is most likely due to that segment's younger average age (many are still at school or have only just started tertiary education).

Figure 332: Tertiary Education Profile



Occupation

The largest proportion of the 'Making Doers' work as homemakers or in clerical positions.

Figure 333: Occupational Profile

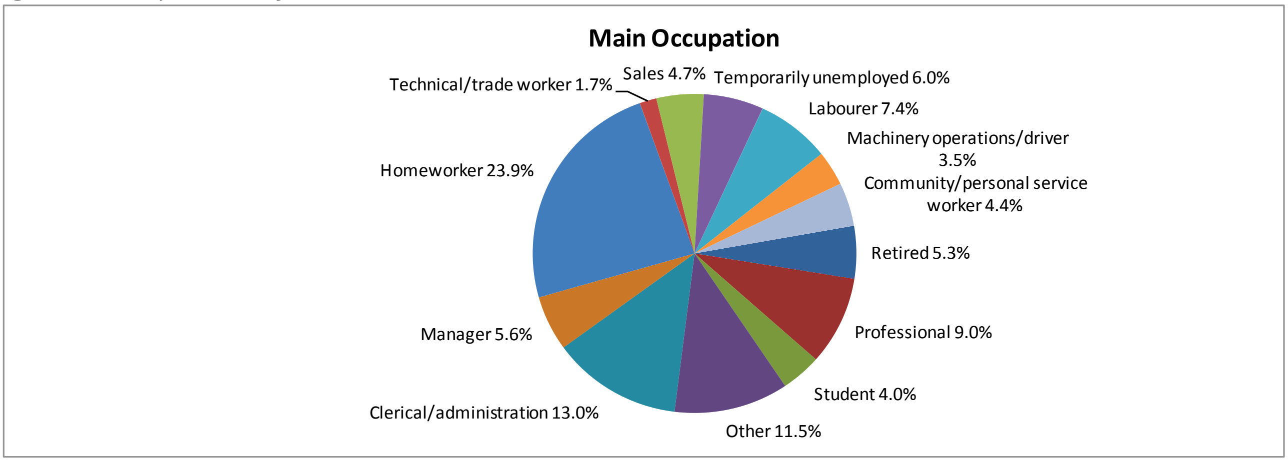
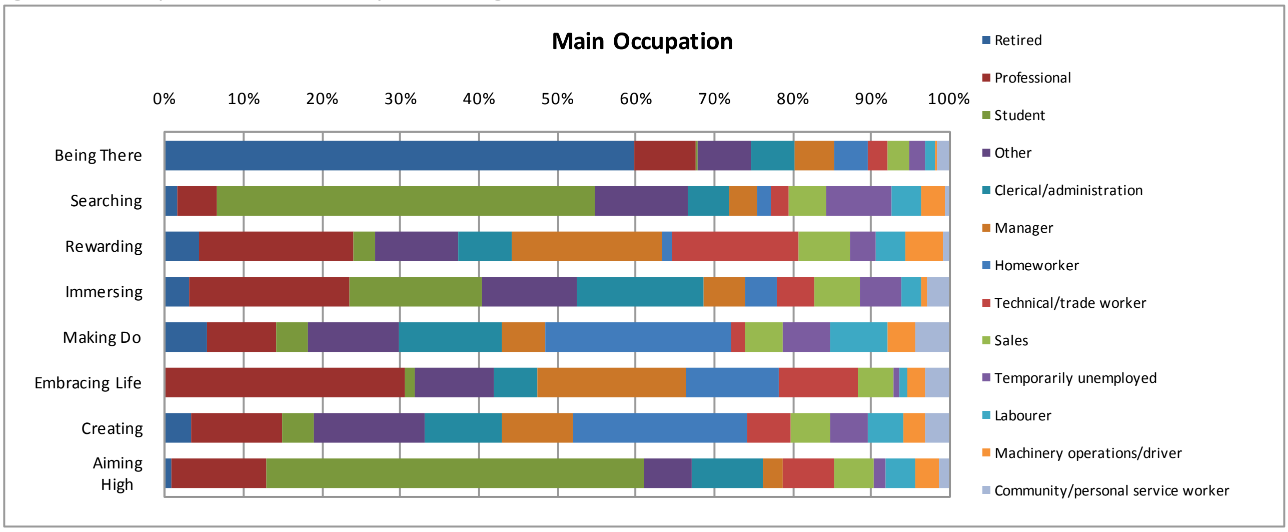


Figure 334: Occupational Distribution by Market Segment



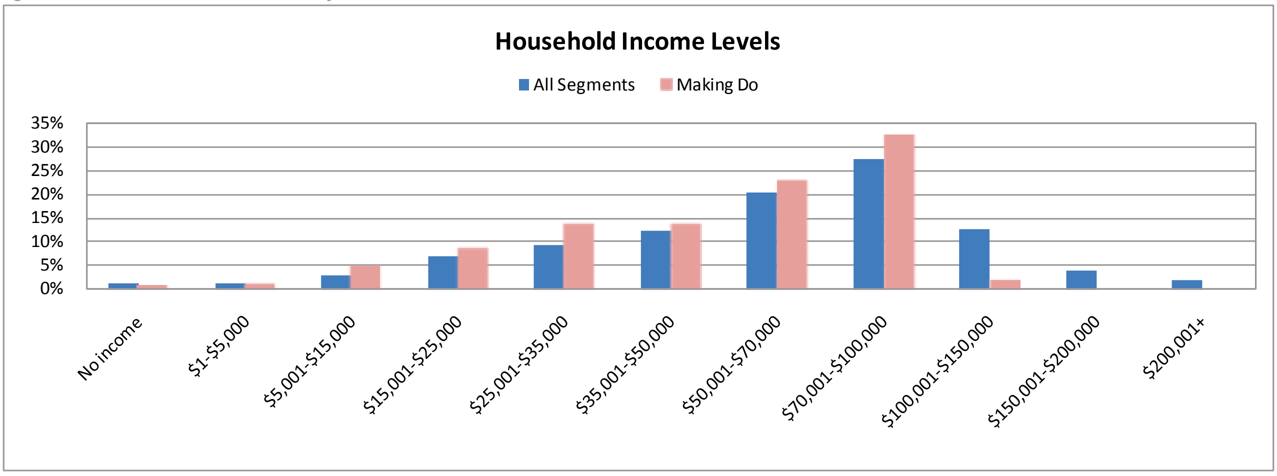
Income

Compared to the average, members of the 'Making Do' segment report slightly lower levels of personal income.

Figure 335: Personal Income Profile

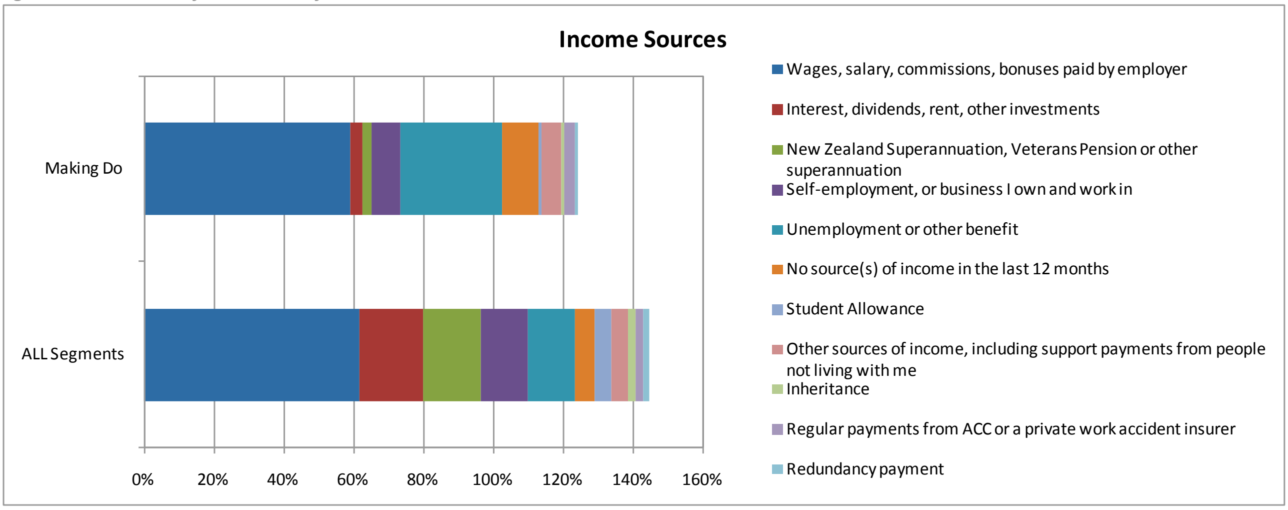
Higher household incomes indicate the presence of another income earner.

Figure 336: Household Income Profile



Income of the 'Making Do' is typically derived from wages/salaries/commissions but also a large proportion of this segment receives income from unemployment or other benefits.

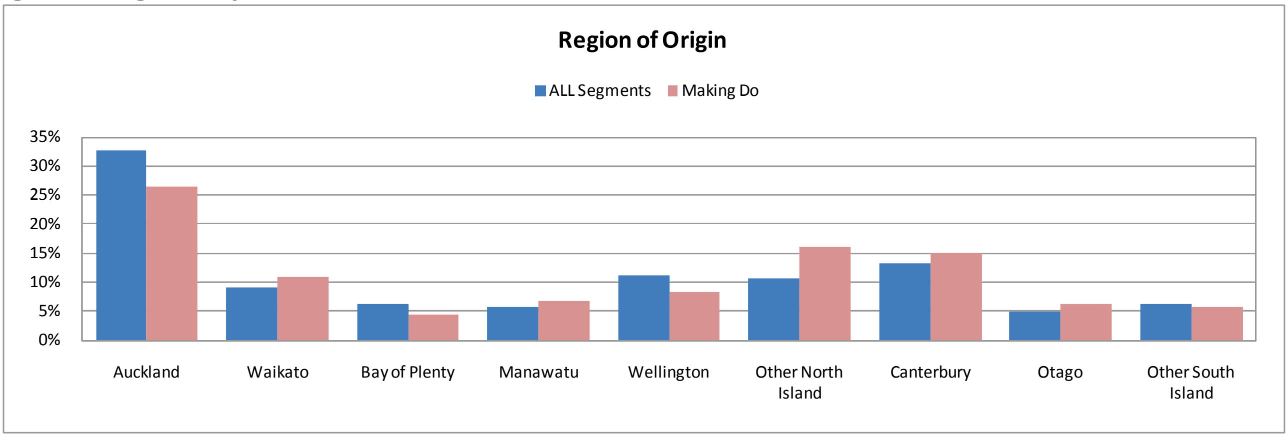
Figure 337: Source of Income Profile



Region

The 'Making Do' are significantly **under-represented** in Auckland. A large proportion live in provincial North Island centres, and the segment is also over-represented in Canterbury.

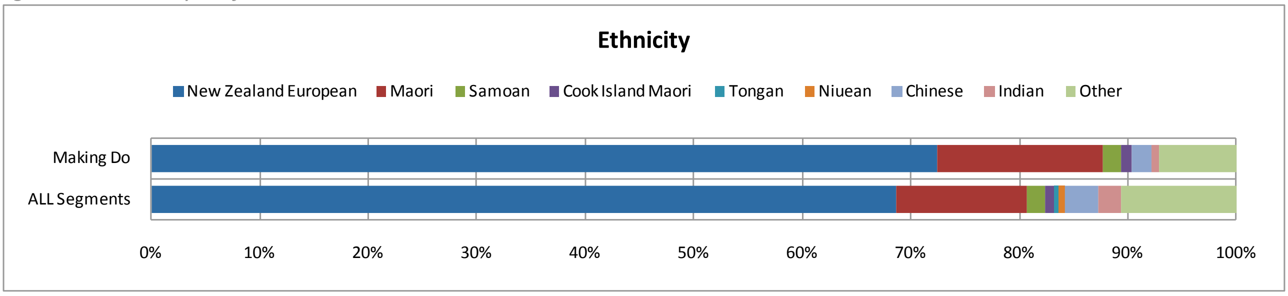
Figure 338: Regional Profile



Ethnicity

The 'Making Do' segment contains a larger proportion of New Zealand Europeans and also of Maori than other segments, on average.

Figure 339: Ethnicity Profile

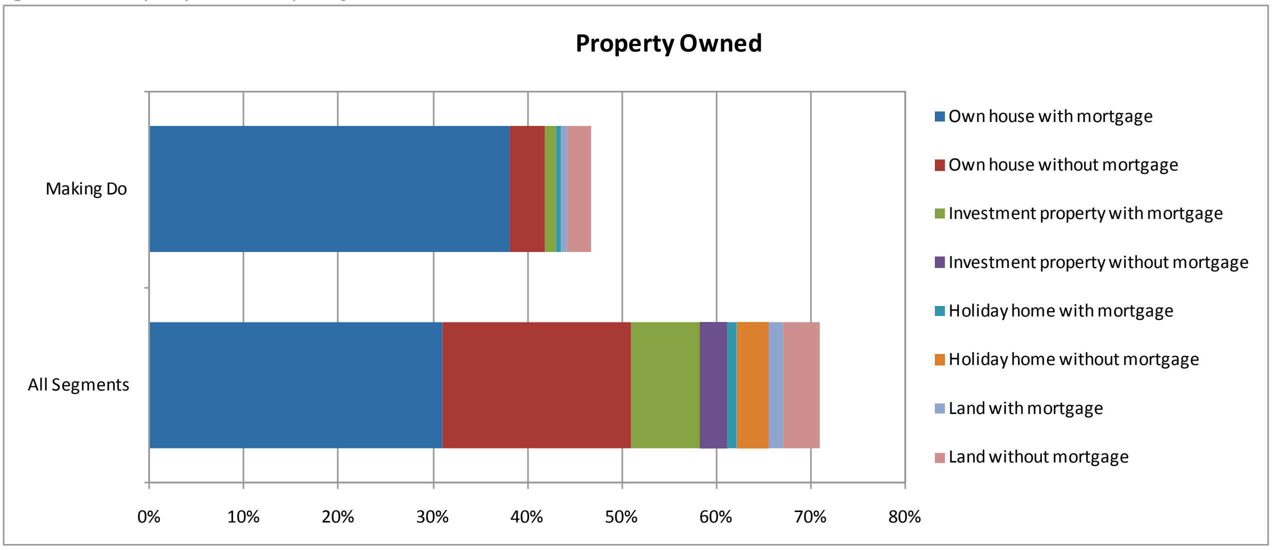


Other Characteristics

Property Ownership

Members of the 'Making Do' segment have fewer property assets than other segments, even though they are more likely to own their own home (with a mortgage).

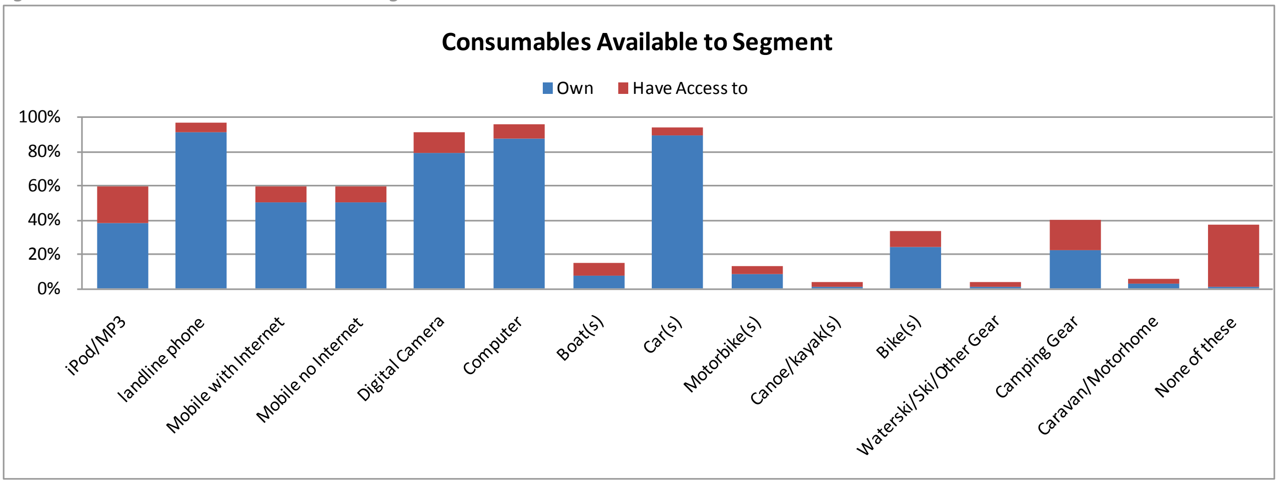
Figure 340: Property Ownership Profile



Ownership and Access to Consumables

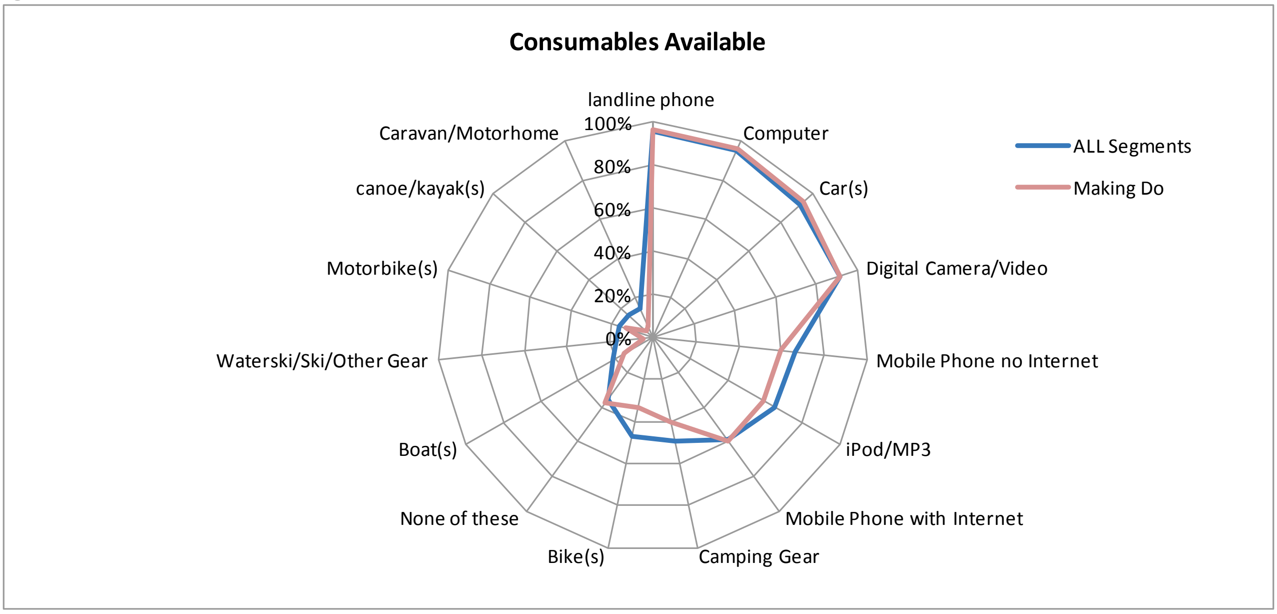
Almost all members of the 'Making Do' segment own or have access to a landline phone, mobile phone, a car, computer and digital camera. Sizeable proportions of this segment also own or have access to bikes and/or camping equipment.

Figure 341: Consumables Available to Segment



However, as shown in Figure 342, the 'Making Do' are less likely to have access to bikes, camping equipment, canoes/kayaks, boats, waterskis or other leisure/sporting equipment than their peers in other market segments.

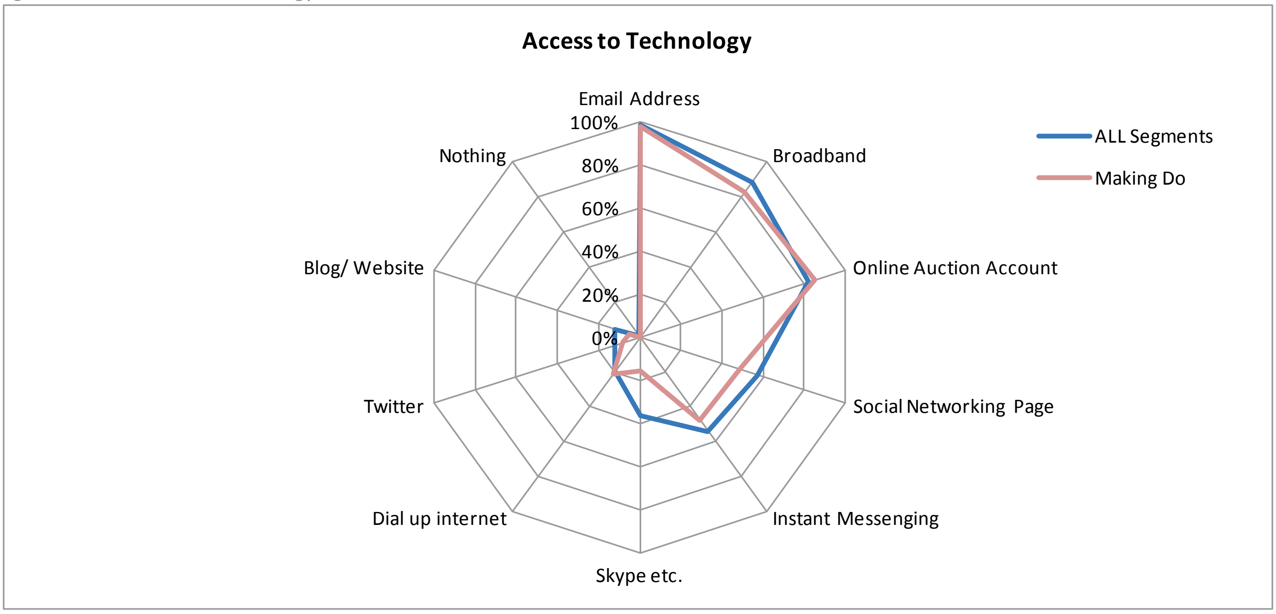
Figure 342: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 343, members of 'Making Do' are generally users of email and online auctions. Access to other services is lower than in other segments.

Figure 343: Access to Technology

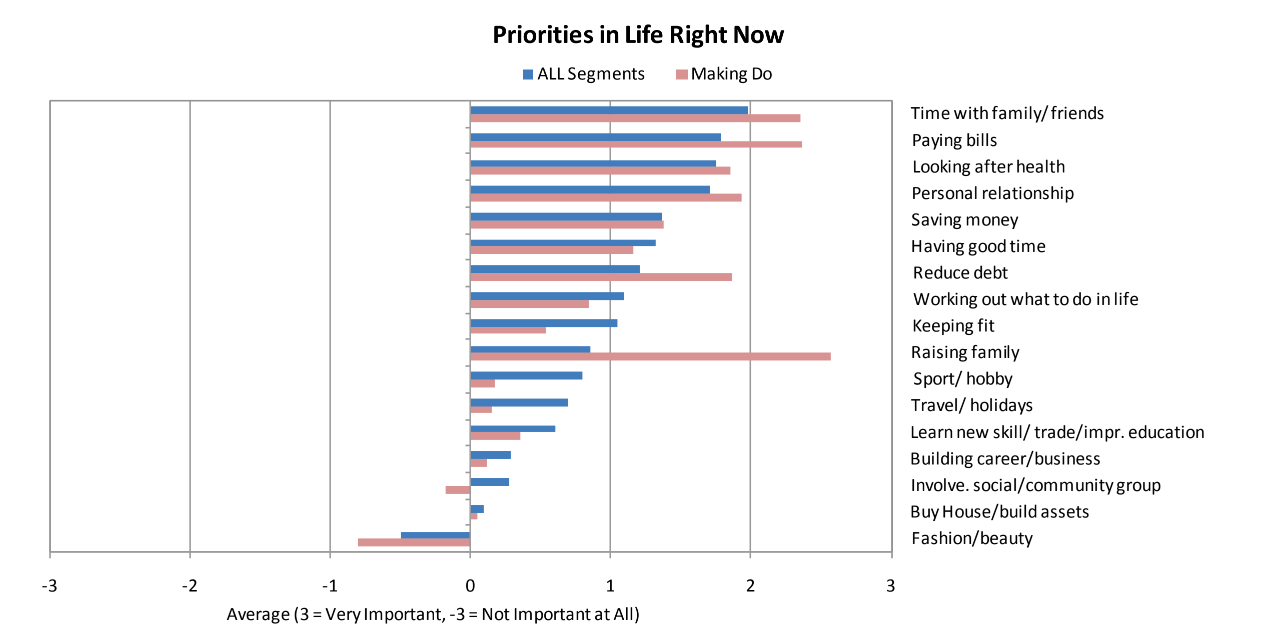


Current Priorities

Like many other segments, the priorities of 'Making Do' centre on health, relationships, spending time with family/friends and paying the bills. However, for this segment these priorities are especially strong, as is raising a family. Reducing debt is of special importance too, while fashion and beauty is definitively not a focus.

Travel and holidays feature as relatively **unimportant** to this segment.

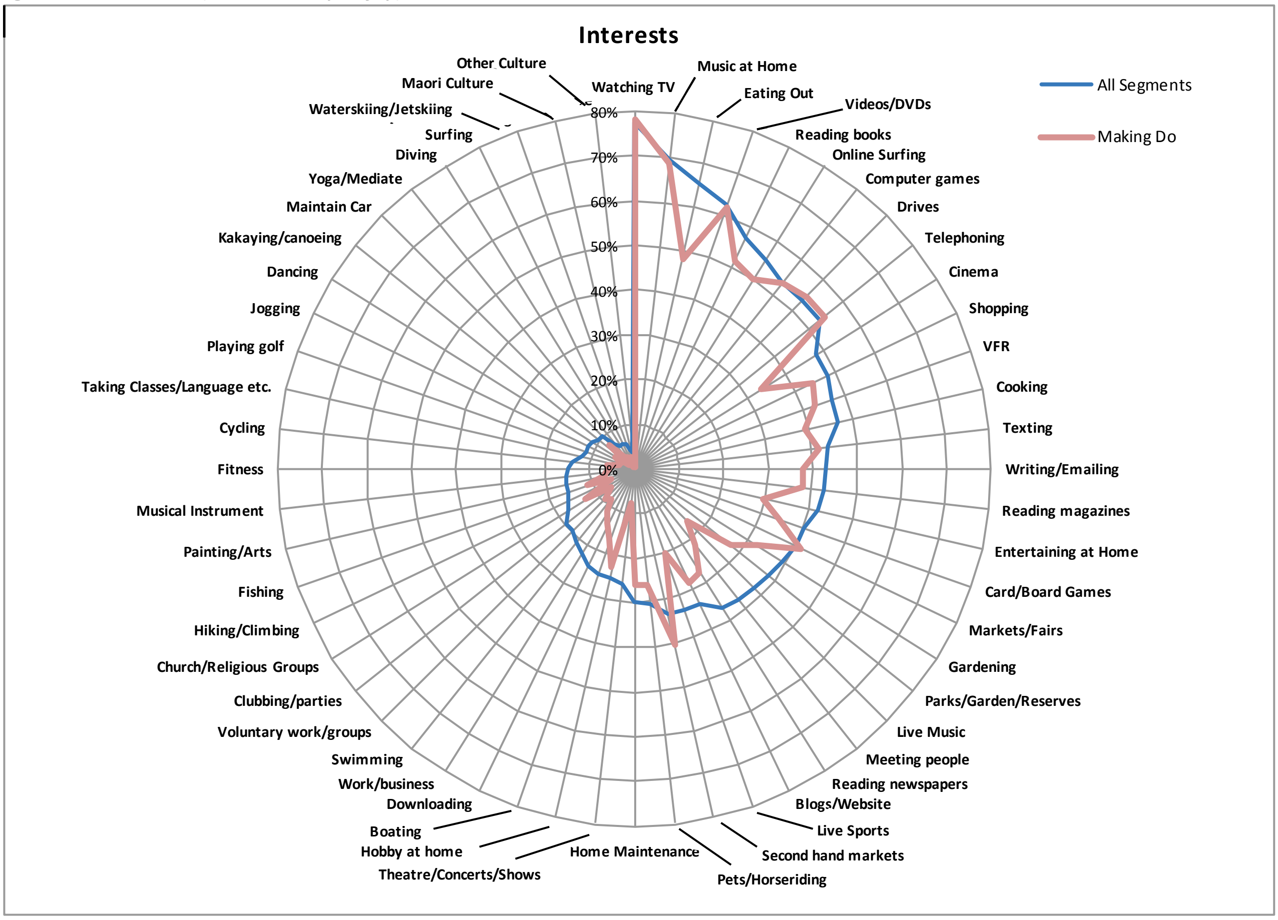
Figure 344: Current Priorities



Interests

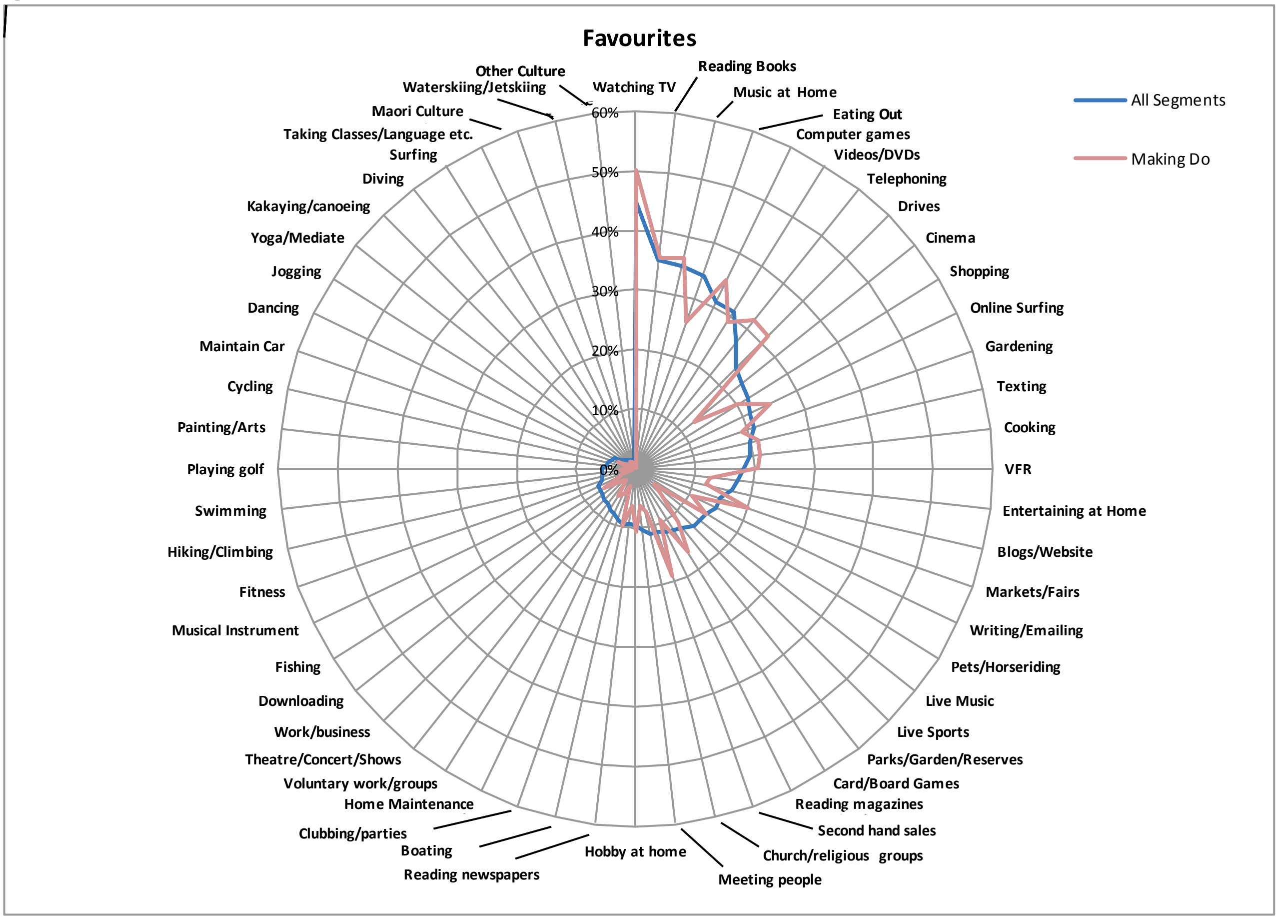
Relative to other segments, members of 'Making Do' take pleasure in markets/fairs and second hand sales. Overall, they have less variety in their interests than other segments.

Figure 345: Interests (What I Really Enjoy)



These interests are reflected in **favourite pastimes**, although some additional favourites emerge too: watching TV, eating out, going for drives, talking with friends/family on the phone, board games and gardening.

Figure 346: Favourite Pastimes



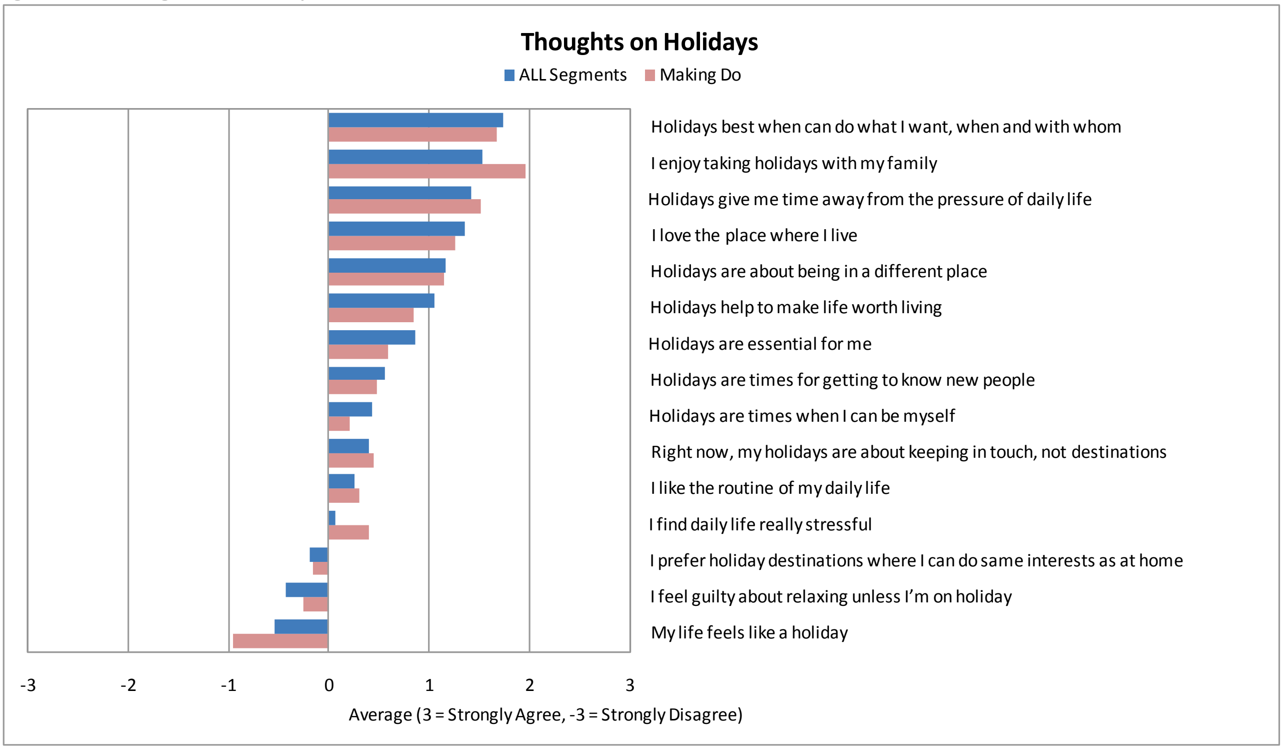
Travel Needs and Attitudes

Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

As can be seen in Figure 347, for members of ‘Making Do’ holidays are all about spending time with family. As this segment finds daily life stressful, it’s not surprising that their life does not feel like a holiday.

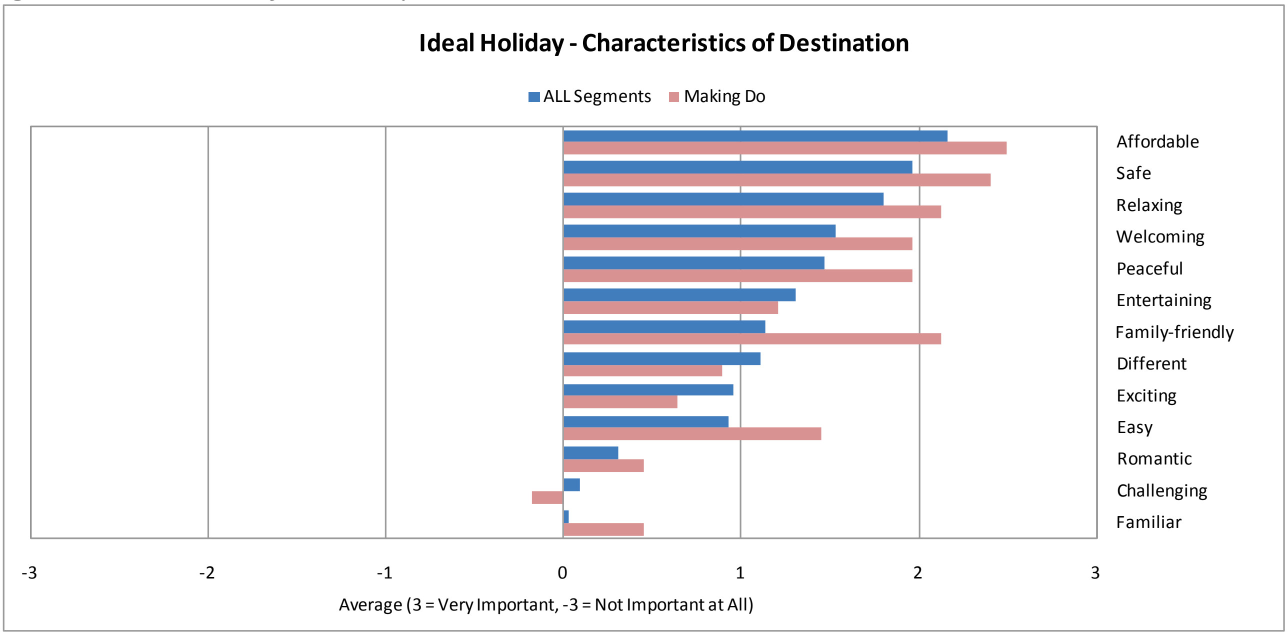
Figure 347: Thoughts on Holidays



Ideal Holiday Destination

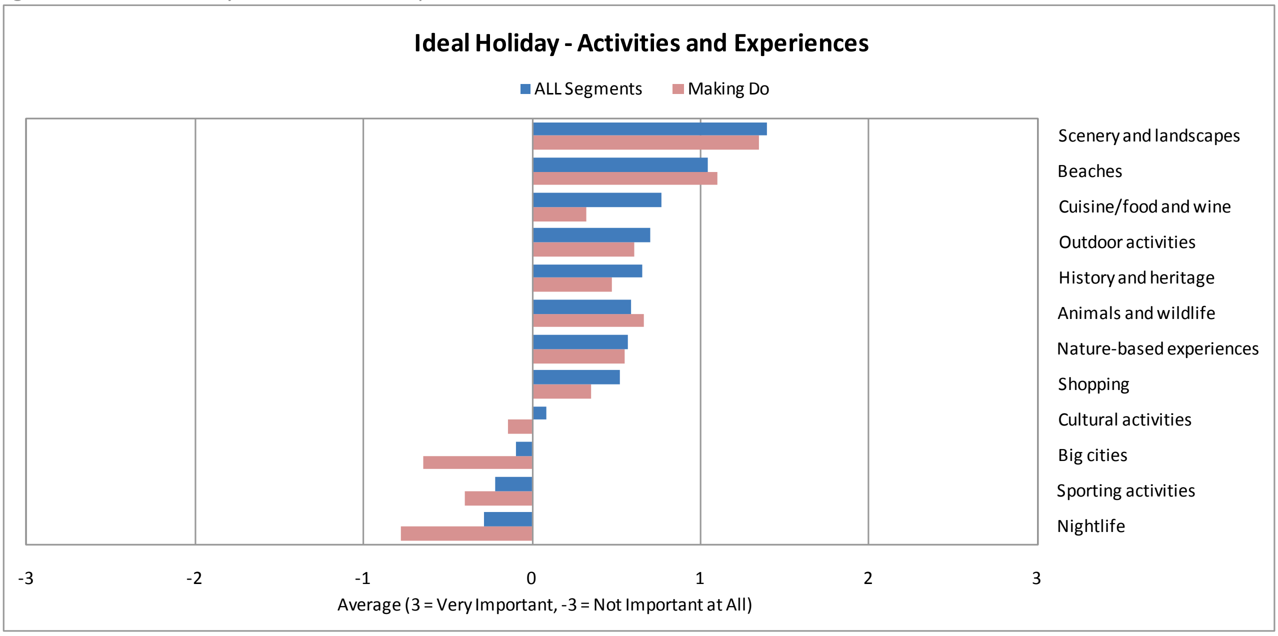
The ideal holiday destination for 'Making Do' is defined by similar characteristics to that of other segments, although an additional degree of emphasis is worth noting. Relative to other segments, the characteristics of 'family-friendly', 'easy' and 'peaceful' are especially important.

Figure 348: Characteristics of Ideal Holiday Destination



The ideal holiday experience for 'Making Do' is built around beaches, scenery and animals/wildlife. Cities, nightlife, sports and cultural activities are definitely not of interest to this segment.

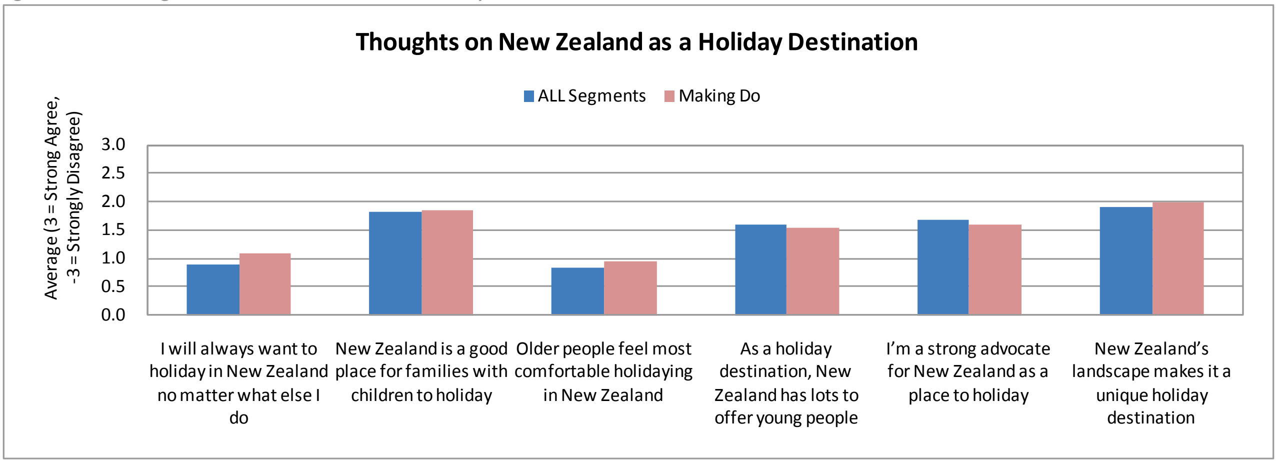
Figure 349: Ideal Holiday – Activities and Experiences



Domestic Holidays

Overall, the 'Making Do' are relatively positive in their thoughts on New Zealand as a holiday destination.

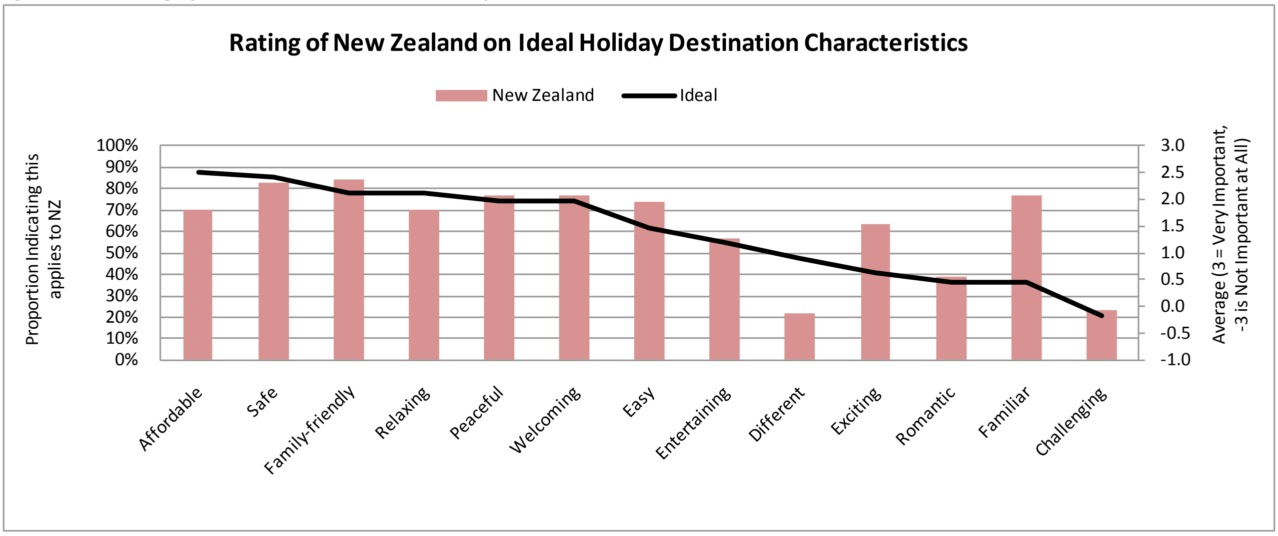
Figure 350: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

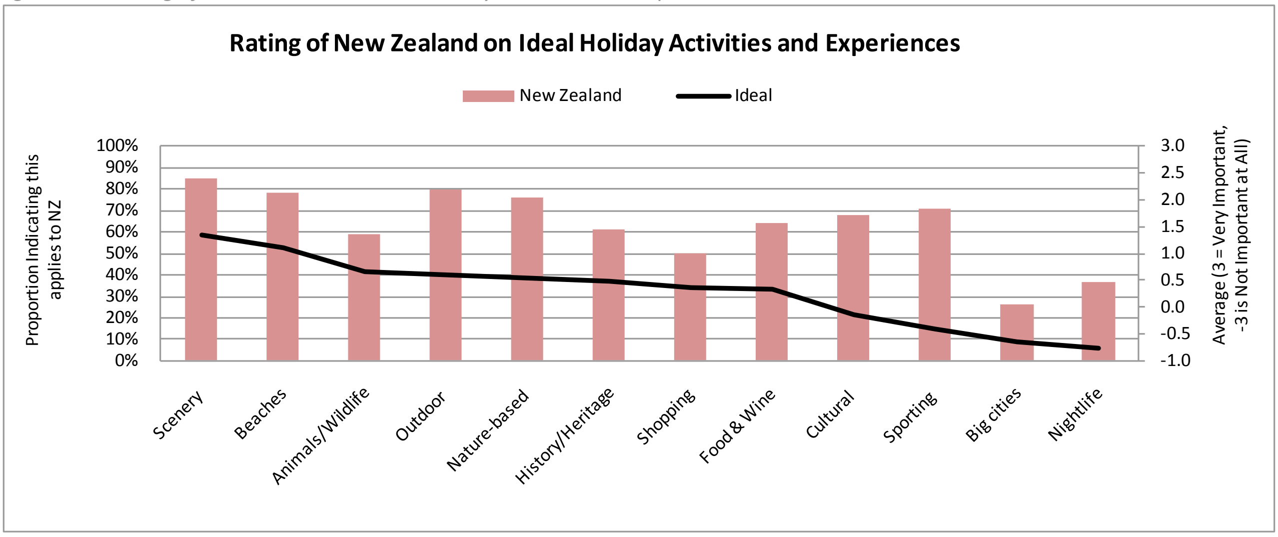
As depicted in Figure 351, members of the 'Making Do' segment rated New Zealand only moderately on some of the characteristics which made up their ideal holiday destination and especially in regard to affordability and relaxation.

Figure 351: Rating of New Zealand on Ideal Holiday Destination Characteristics



However, with the possible exception of 'animals and wildlife', New Zealand scored well on most of the activities and experiences this segment looked for in its ideal holiday. This implies that for 'Making Do', New Zealand might meet expectations in terms of holiday experiences but fall short on characteristics such as affordability.

Figure 352: Rating of New Zealand on Ideal Holiday Activities and Experiences



New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 353 (overleaf) charts results for this segment as they relate to New Zealand destinations. Analysis highlights regions which are relatively lesser known to members of 'Making Do' and those to which members of 'Making Do' are most attracted.

Generally speaking, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Far North and Bay of Islands – can be seen as areas of unrealised demand in relation to this market segment.

Figure 353: Knowledge and Desire for New Zealand Destinations[9]

[9] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of 'Making Do' take **16% fewer** domestic short breaks for leisure each year than the 'average New Zealander' (1.6 versus 1.9).

Figures 354-366 profile the **last domestic short break** taken by members of the 'Making Do' segment.

Results show that, compared with other segments: -

- Hawke's Bay is an especially popular destination.
- Key activities are shopping and theme parks/family attractions.
- The vast majority of short breaks are taken by car.
- Motels and private accommodation are dominant choices.
- More than 60% travel with their partner/spouse and a similar proportion with children.
- Almost all are involved in planning the trip (alone or in association with someone else).
- There is a longer lag between 'thinking about' and 'committing to' than is apparent in the planning of domestic short breaks by other market segments.
- Stress and pressure is a significant prompt.
- Partners and children play a key role in choice of destination and planning of the break.
- Short breaks are typically motivated by a desire to spend quality time with friends/family, but also to have some peace and quiet.
- 'Making Do' are less likely to pay the entire cost of a short break themselves and are also less likely to use credit cards to fund a break.

Figure 354: Region Visited on Last Short Break

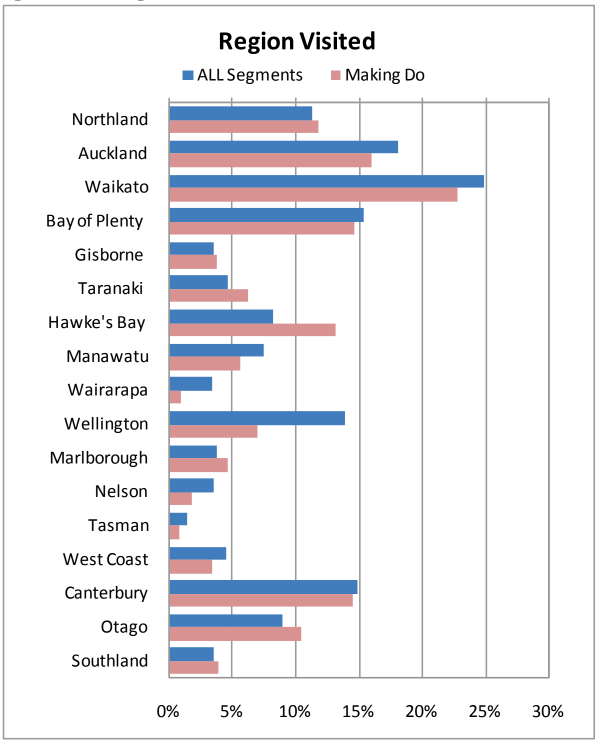


Figure 355: Activities/Experiences on Last Short Break

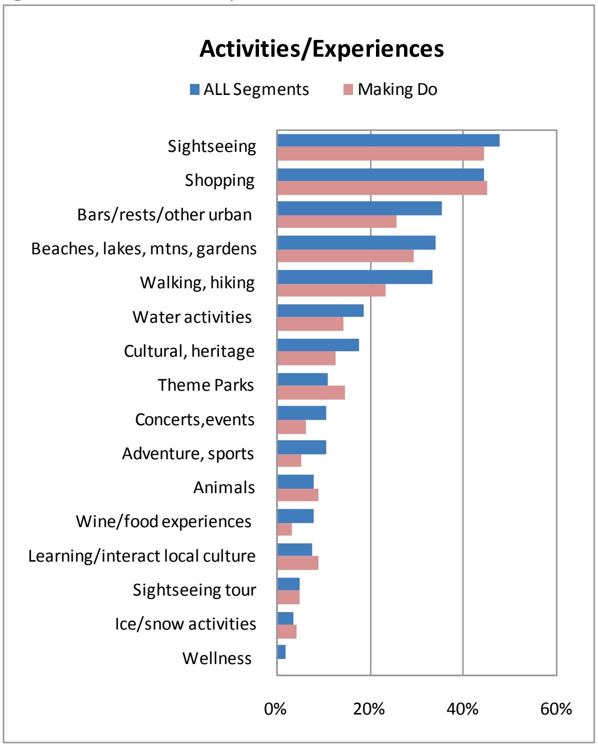


Figure 356: Transport Used on Last Short Break

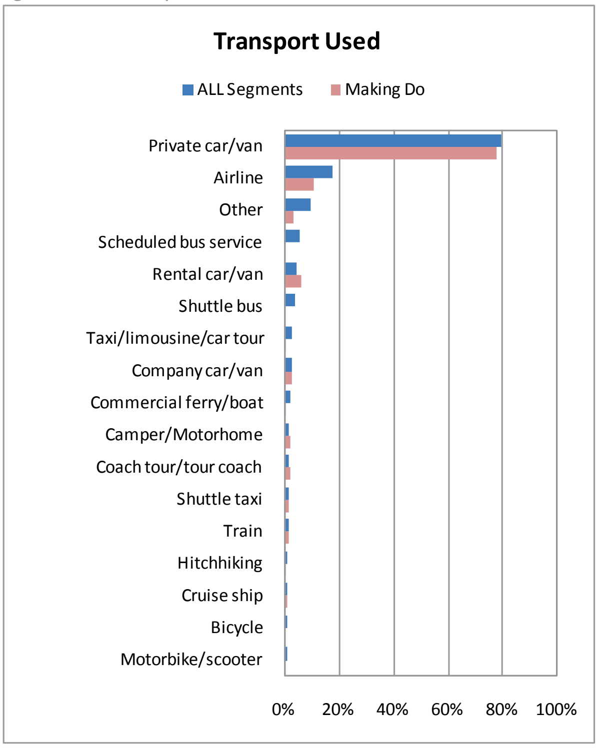


Figure 357: Accommodation Used on Last Short Break

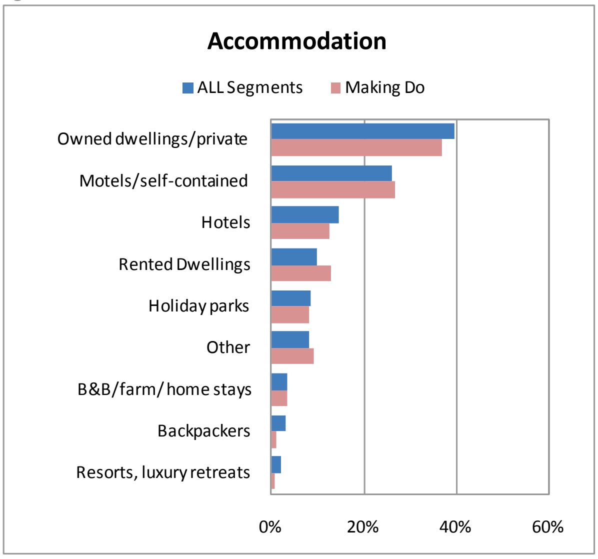


Figure 358: Party Composition on Last Short Break

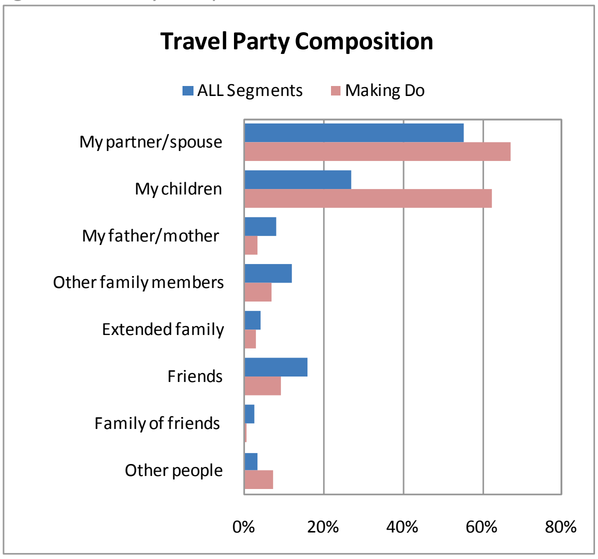


Figure 359: Role in Planning Last Short Break

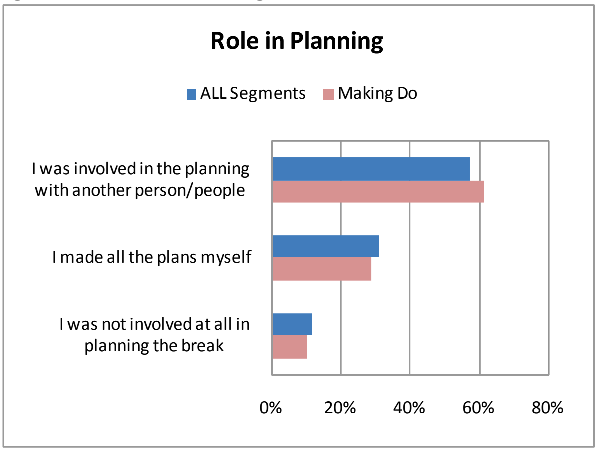


Figure 360: Planning Timelines for Last Short Break

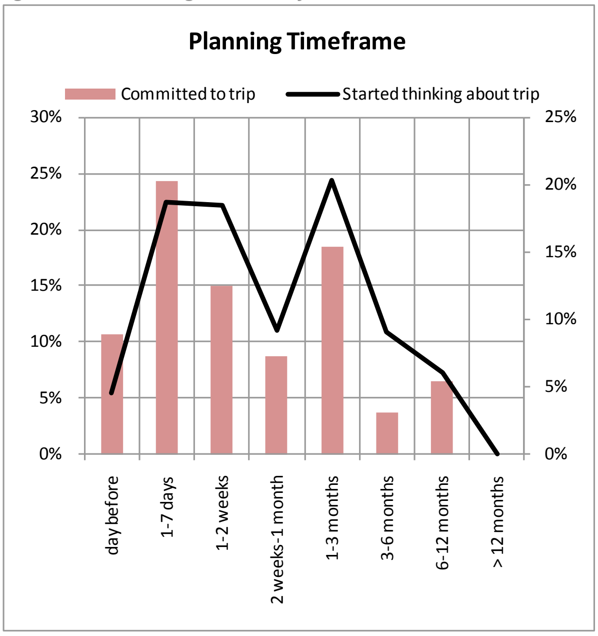


Figure 361: Commitment to Trip – Triggers for Last Short Break

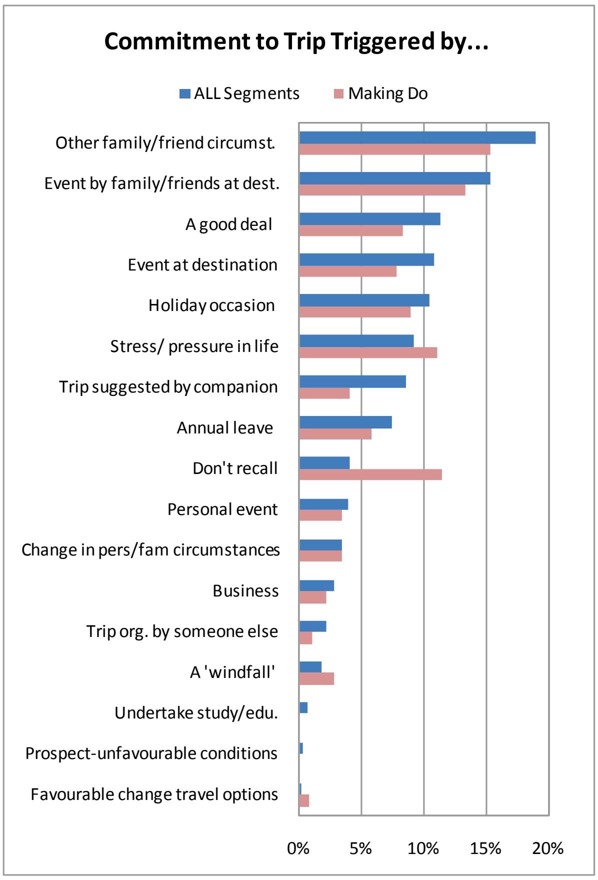


Figure 362: People Contributing to Trip Planning of Last Short Break

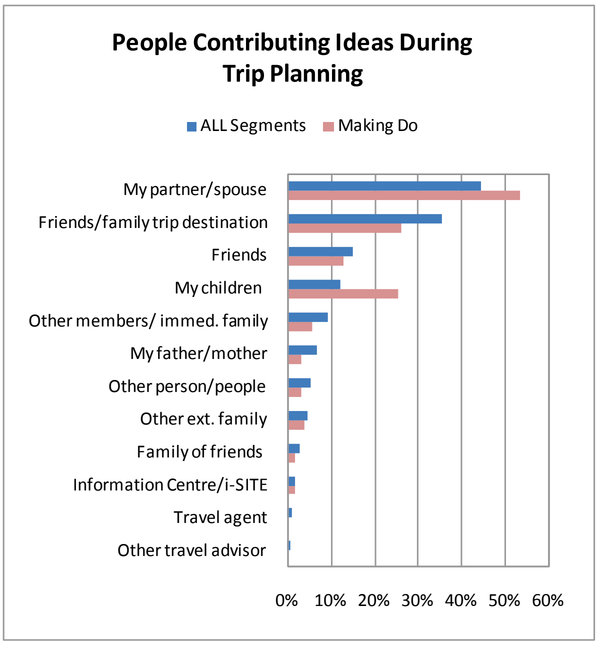


Figure 363: Other Influences on Choice of Destination for Last Short Break

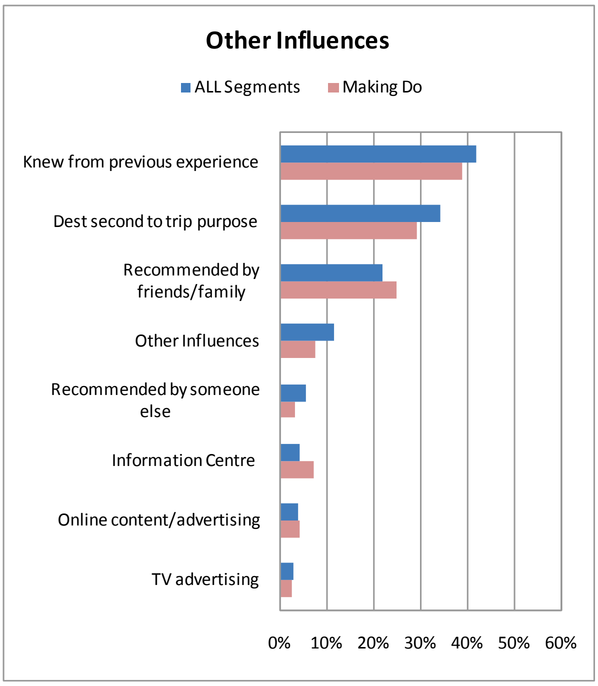


Figure 364: Motivations for Last Short Break

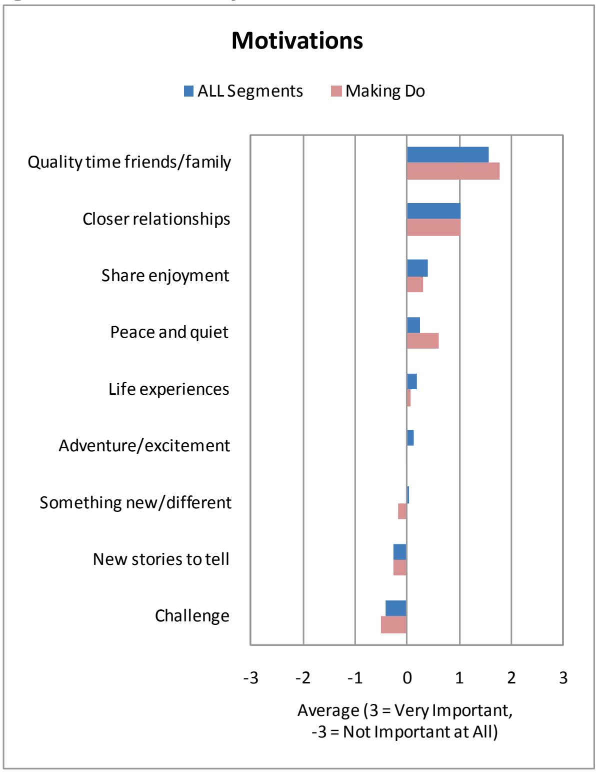


Figure 365: Who Paid for Last Short Break

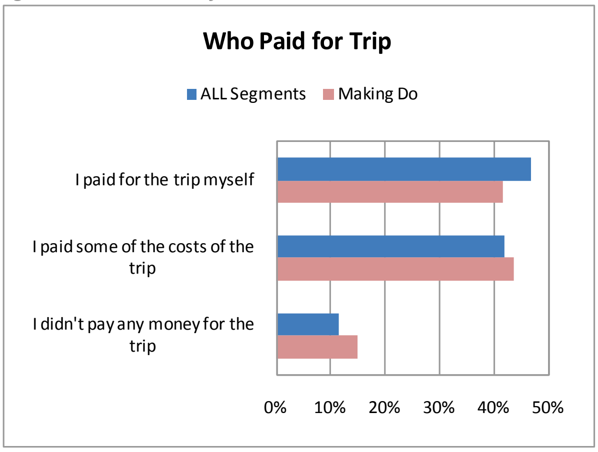
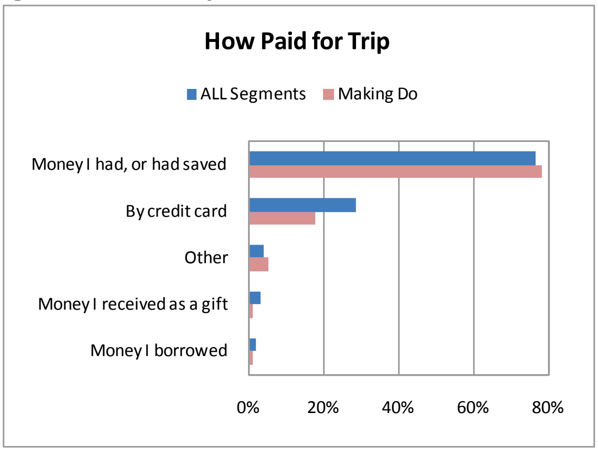


Figure 366: How Paid for Last Short Break



Domestic Holiday Profile

Members of 'Making Do' take **just half** the domestic holidays for leisure (> 5 nights) each year of the 'average New Zealander' (0.3 versus 0.6).

Figures 367-379 present a profile of the **last domestic holiday** taken by members of the 'Making Do' Segment

In comparison with other segments, key findings for the 'Making Do' segment are: -

- Waikato, Taranaki, Hawke's Bay, Wellington and Marlborough are all popular domestic holiday destinations.
- Principal activities are shopping, visits to natural attractions, water and wellness activities.
- Travel is almost always by private car.
- Unlike short breaks, more extended domestic holidays are taken with children than with partners (perhaps a result of one parent taking children away while the other parent stays at home to work).
- Holidays are typically triggered by an occasion such as Christmas or Easter or by an event involving friends/family at destination.
- As is the case with short breaks, longer holidays are often motivated by a desire to spend quality time with friends/family, to build closer relationships and to have some peace and quiet.
- As is the case with short breaks, 'Making Do' prefers to fund holidays from savings than to use credit cards.

Figure 367: Region Visited on Last Domestic Holiday

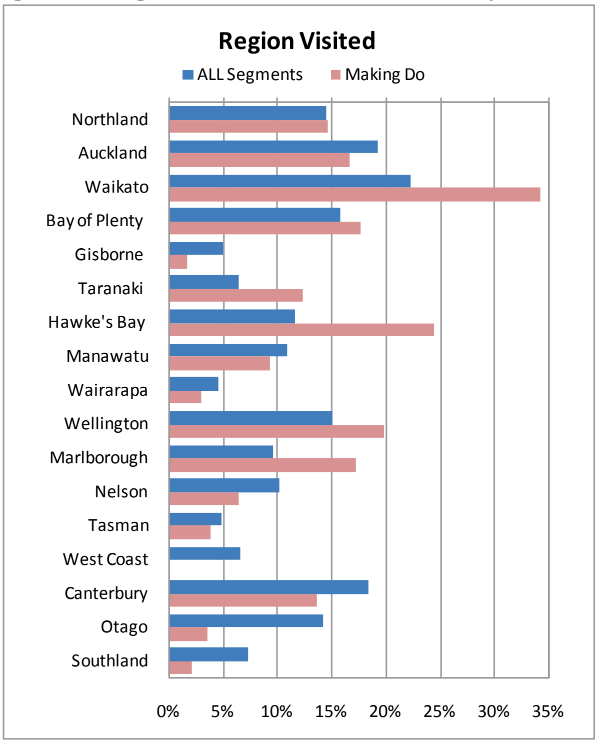


Figure 368: Activities/Experiences on Last Domestic Holiday

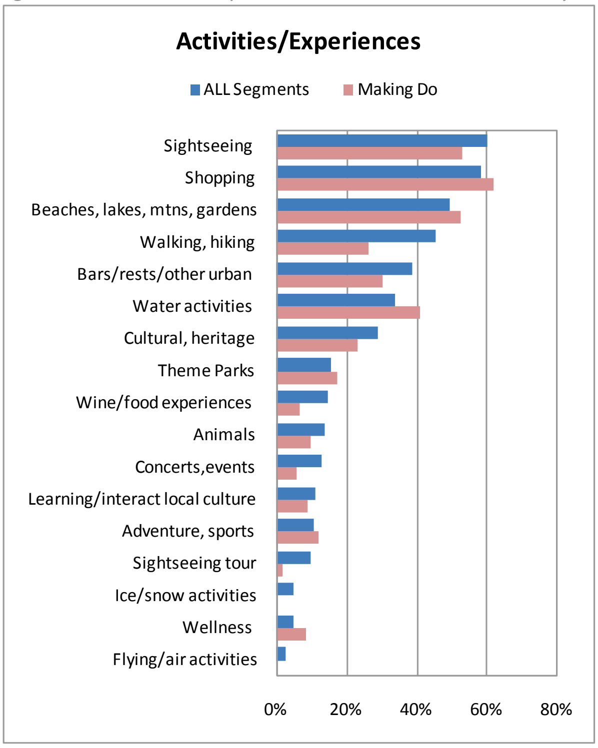


Figure 369: Transport Used on Last Domestic Holiday

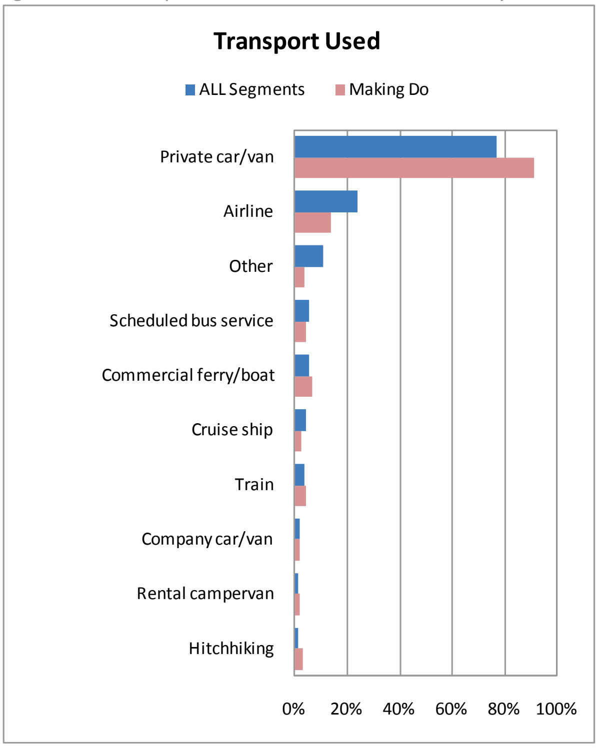


Figure 370: Accommodation Used on Last Domestic Holiday

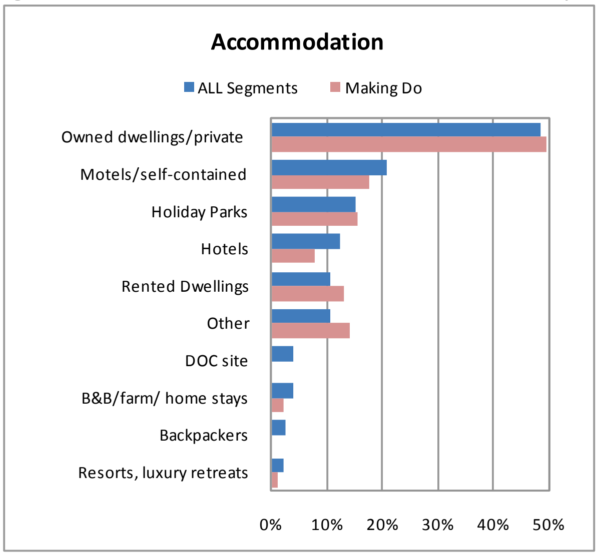


Figure 371: Party Composition on Last Domestic Holiday

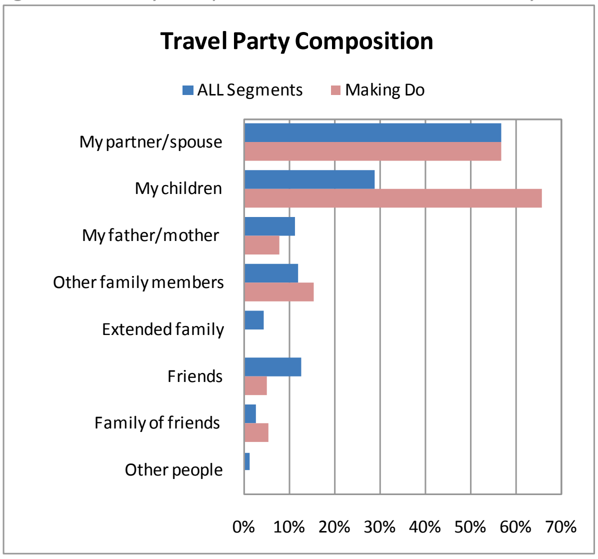


Figure 372: Role in Planning Last Domestic Holiday

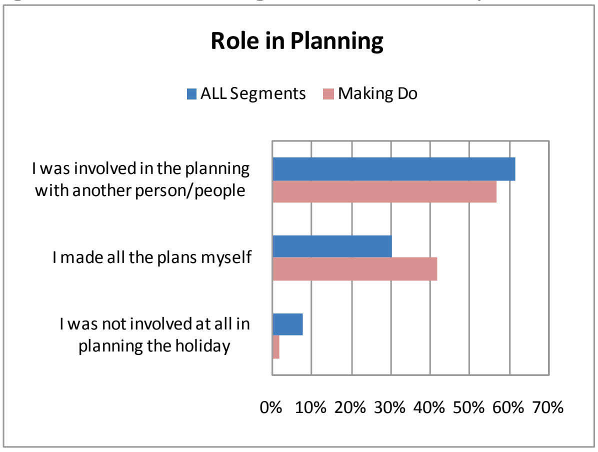


Figure 373: Planning Timelines for Last Domestic Holiday

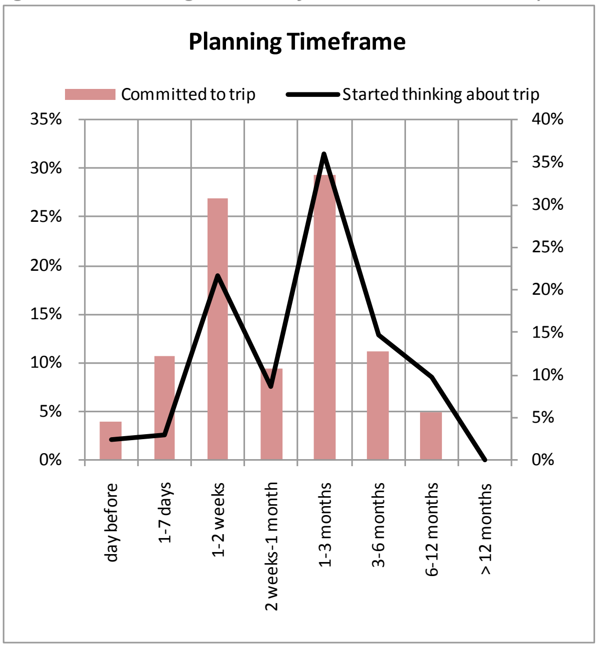


Figure 374: Commitment to Trip – Triggers for Last Domestic Holiday

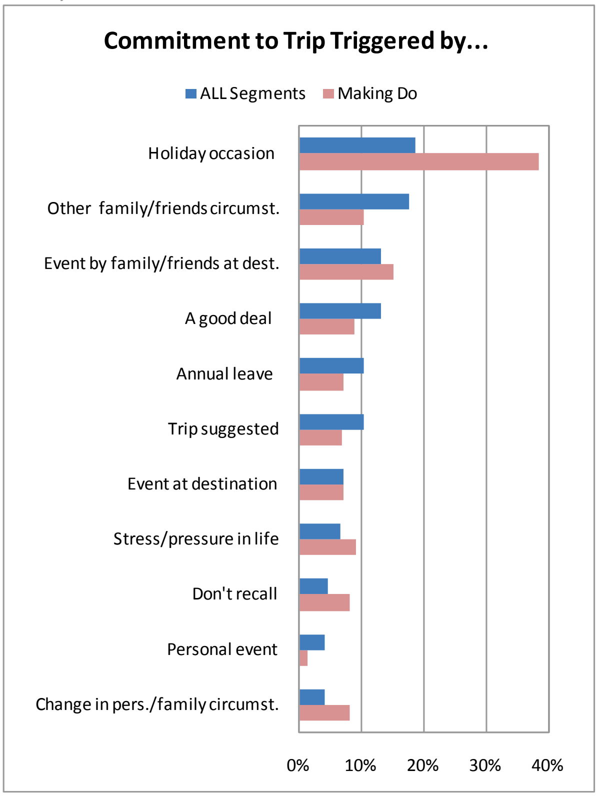


Figure 375: People Contributing to Trip Planning of Last Domestic Holiday

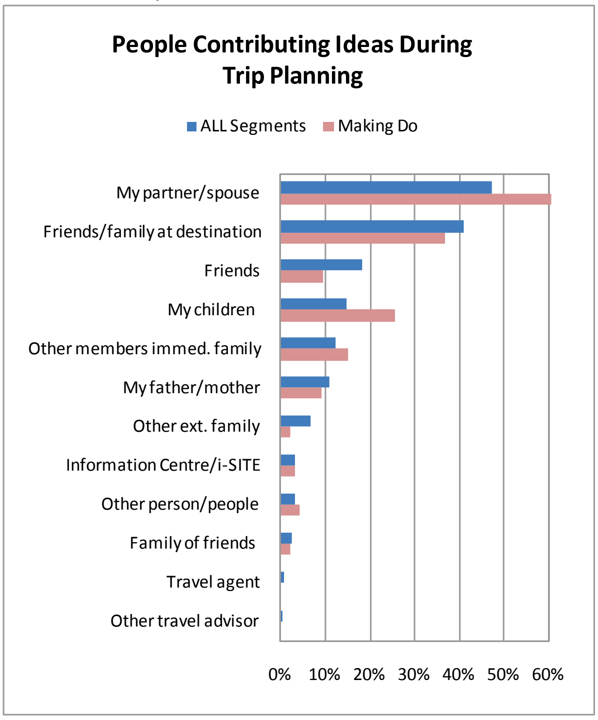


Figure 376: Other Influences on Choice of Destination for Last Domestic Holiday

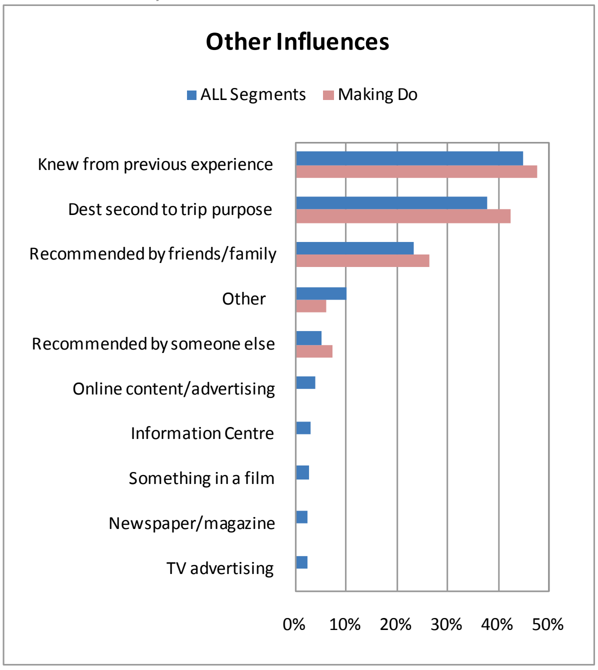


Figure 377: Motivations for Last Domestic Holiday

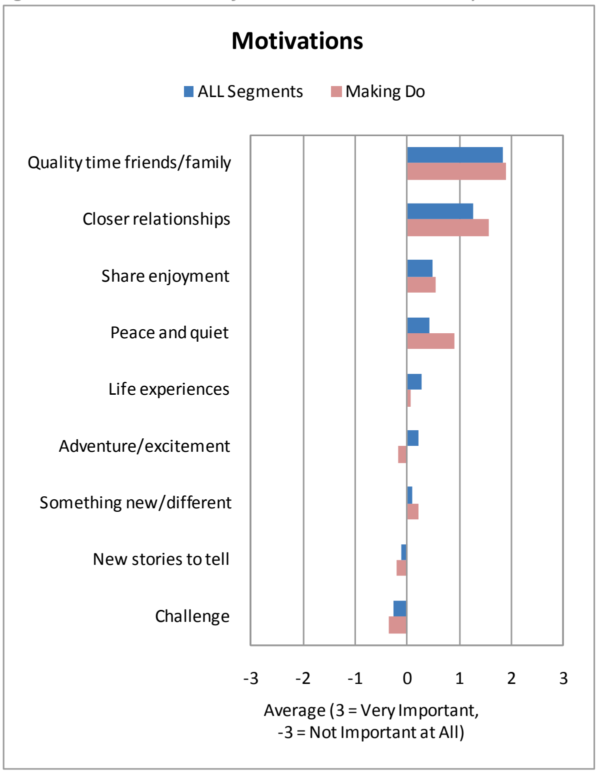


Figure 378: Who Paid for Last Domestic Holiday

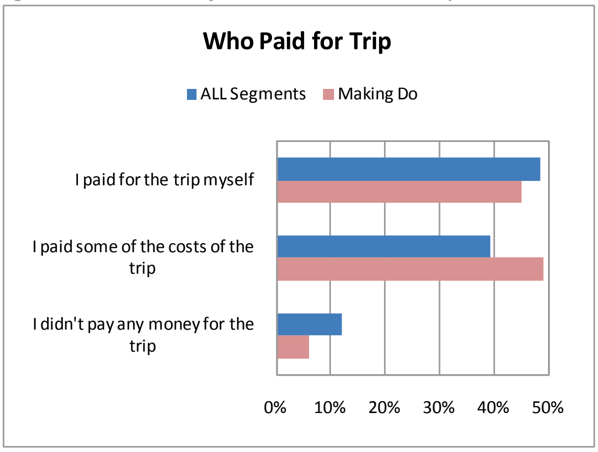
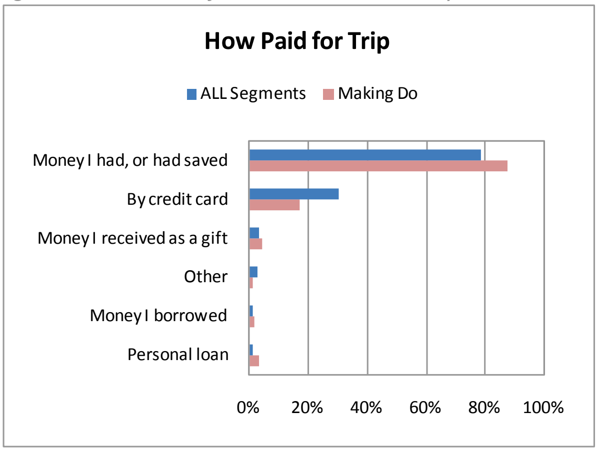


Figure 379: How Paid for Last Domestic Holiday



International Holiday Profile

Members of ‘Making Do’ take **72% fewer** international holidays each year than the ‘average New Zealander’ (0.1 versus 0.4).

Figures 380-392 profile the **last international holiday** taken by members of this segment.

Results show that, compared with other segments: -

- Australia is the most popular destination for this segment. This is likely influenced in some part by the segment’s need for affordability and familiarity.
- Standout activities are shopping and theme parks.
- A relatively high proportion use private cars and stay in private transport, suggesting that many are visiting friends or relatives in Australia.
- As is the case with longer domestic holidays, a larger proportion travels with children than with a partner.
- Planning and thinking about a trip typically starts well ahead of a commitment to the trip being made.
- Final commitment to a trip is often prompted by family events or other circumstances involving family/friends at the destination.
- The destination is often considered secondary to the main purpose of the trip, which strengthens the likelihood that trips are principally VFR.
- Spending quality time with family and friends is the distinguishing travel motivator.

Figure 380: Countries Visited on Last International Holiday

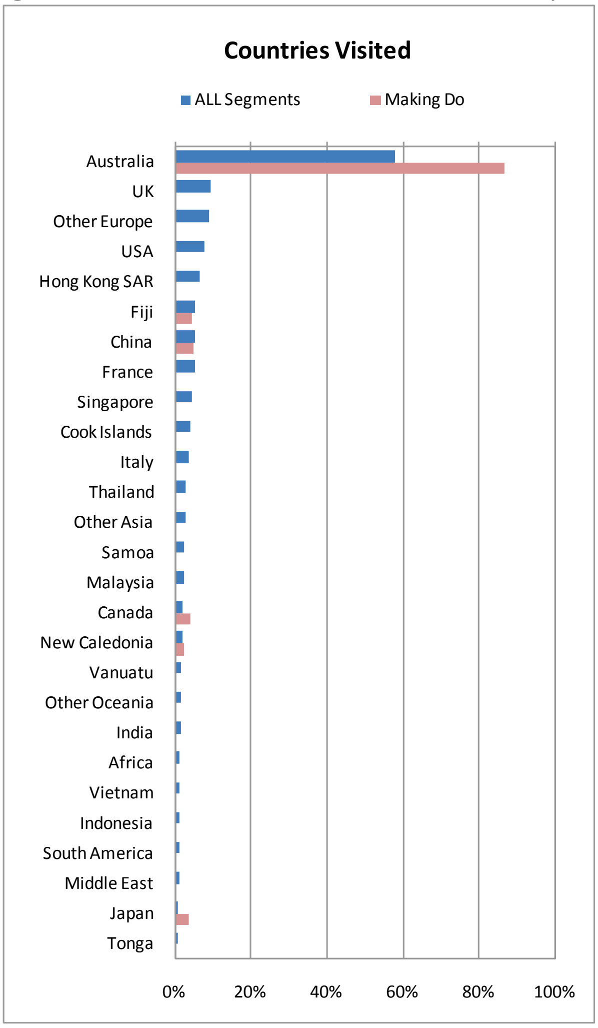


Figure 381: Activities/Experiences on Last International Holiday

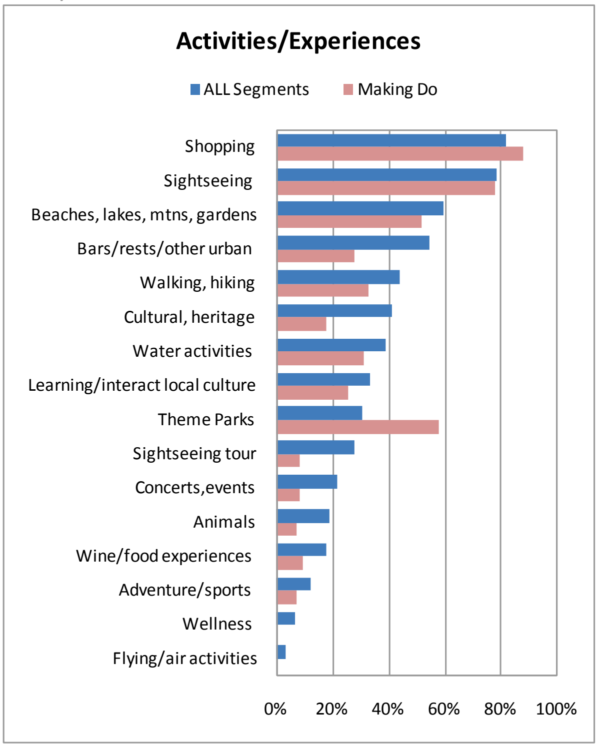


Figure 382: Transport Used on Last International Holiday

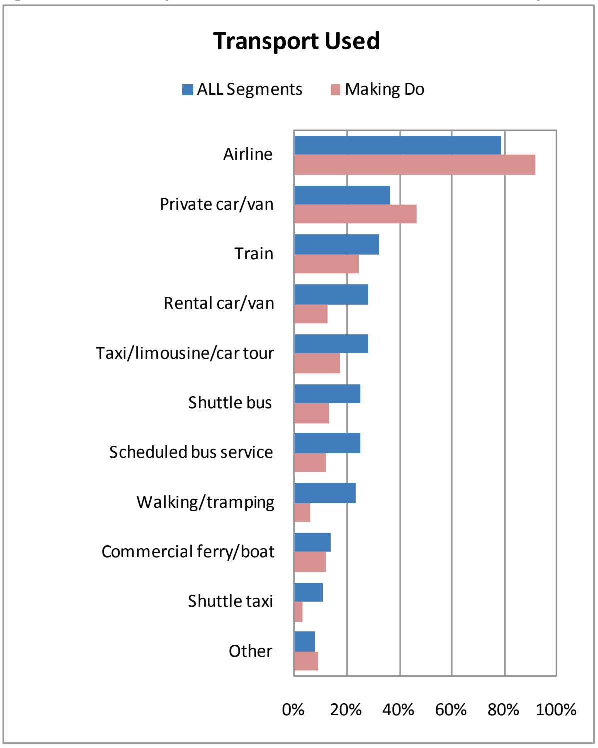


Figure 383: Accommodation Used on Last International Holiday

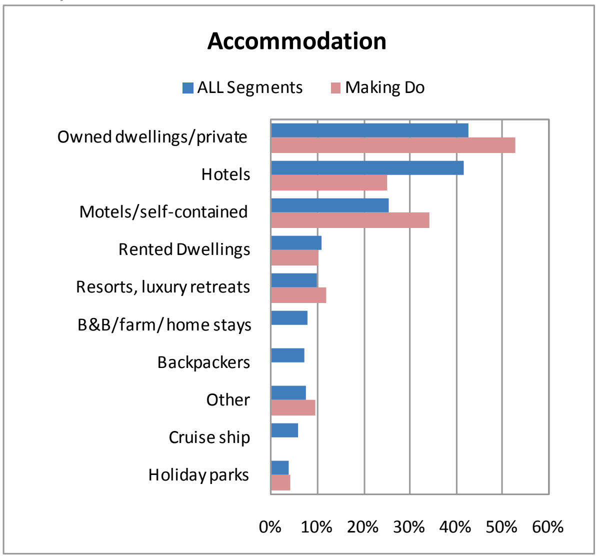


Figure 384: Party Composition on Last International Holiday

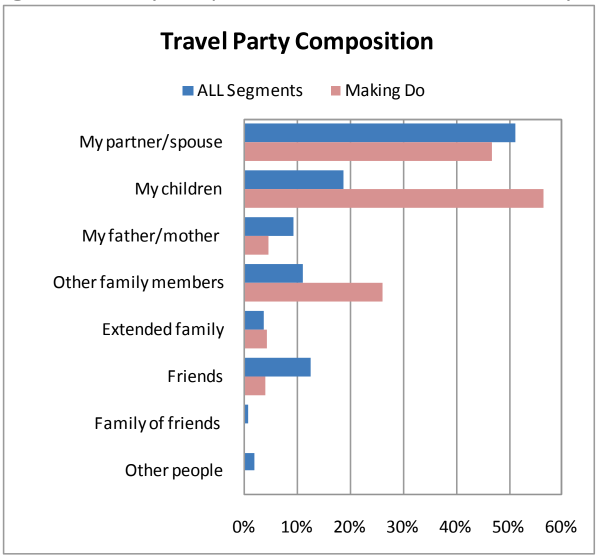


Figure 385: Role in Planning Last International Holiday

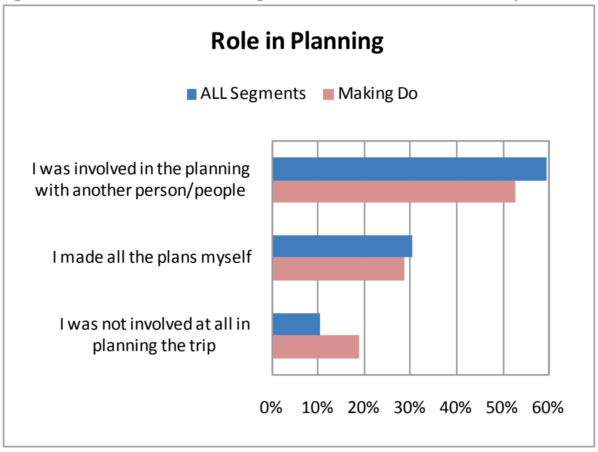


Figure 386: Planning Timelines for Last International Holiday

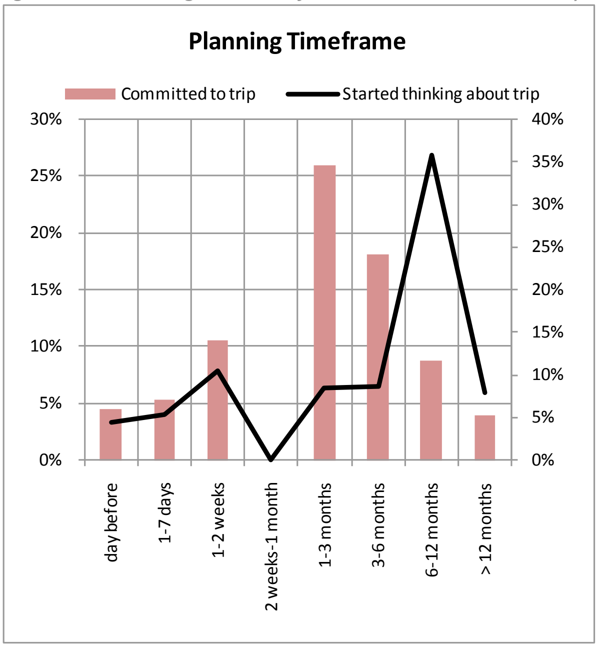


Figure 387: Commitment to Trip – Triggers for Last International Holiday

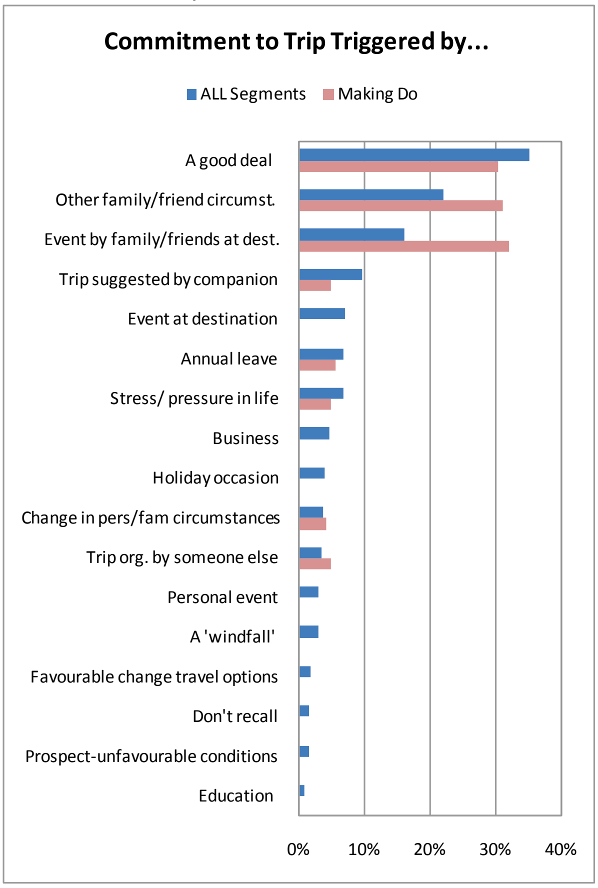


Figure 388: People Contributing to Trip Planning of Last International Holiday

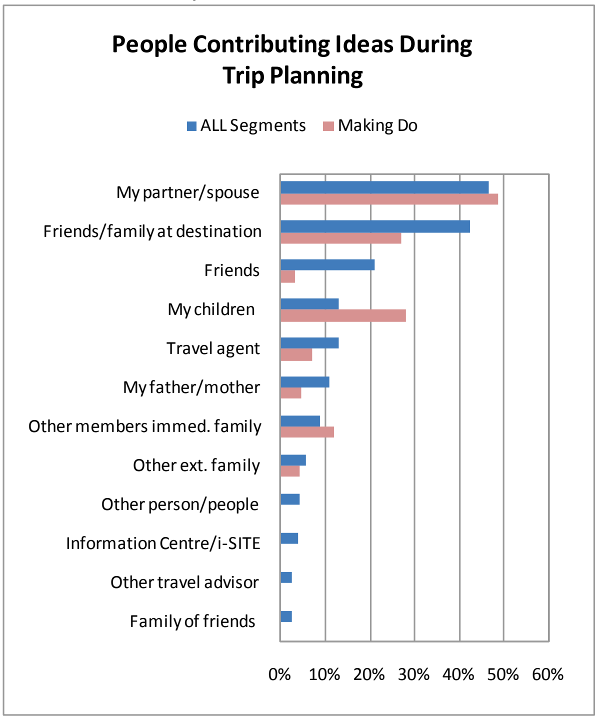


Figure 389: Other Influences on Choice of Destination for Last International Holiday

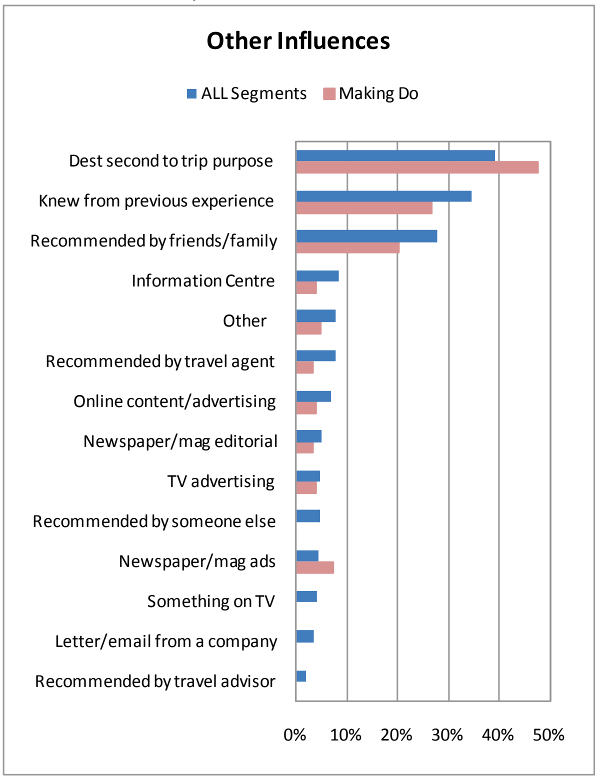


Figure 390: Motivations for Last International Holiday

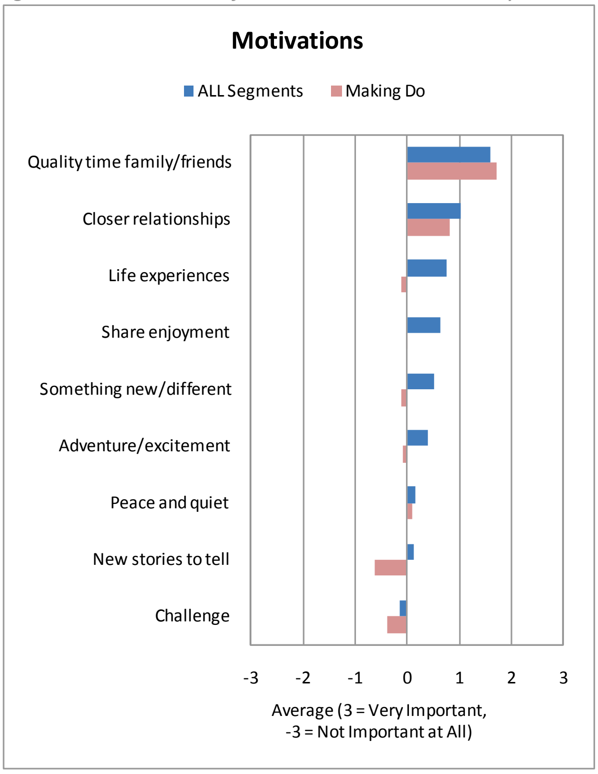


Figure 391: Who Paid for Last International Holiday

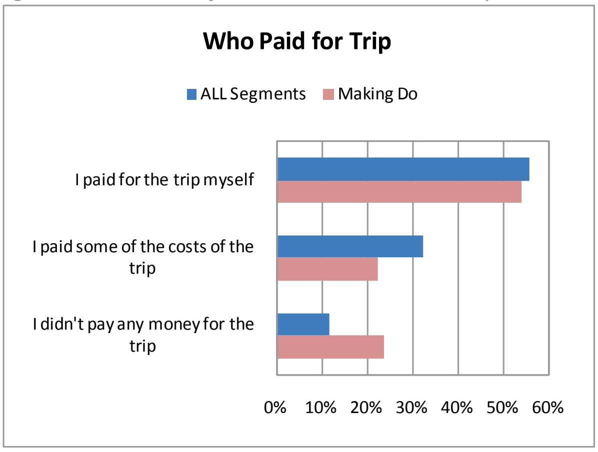
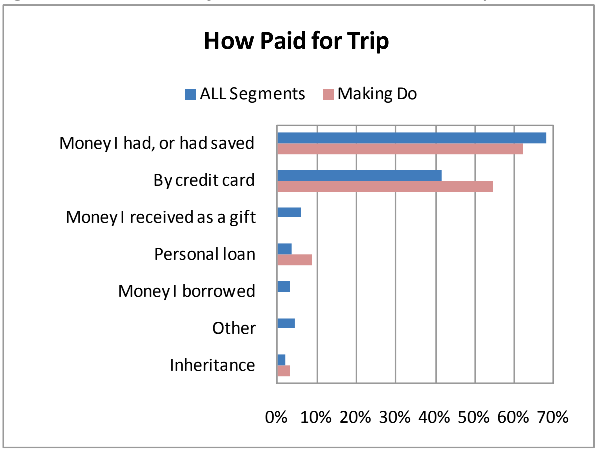


Figure 392: How Paid for Last International Holiday

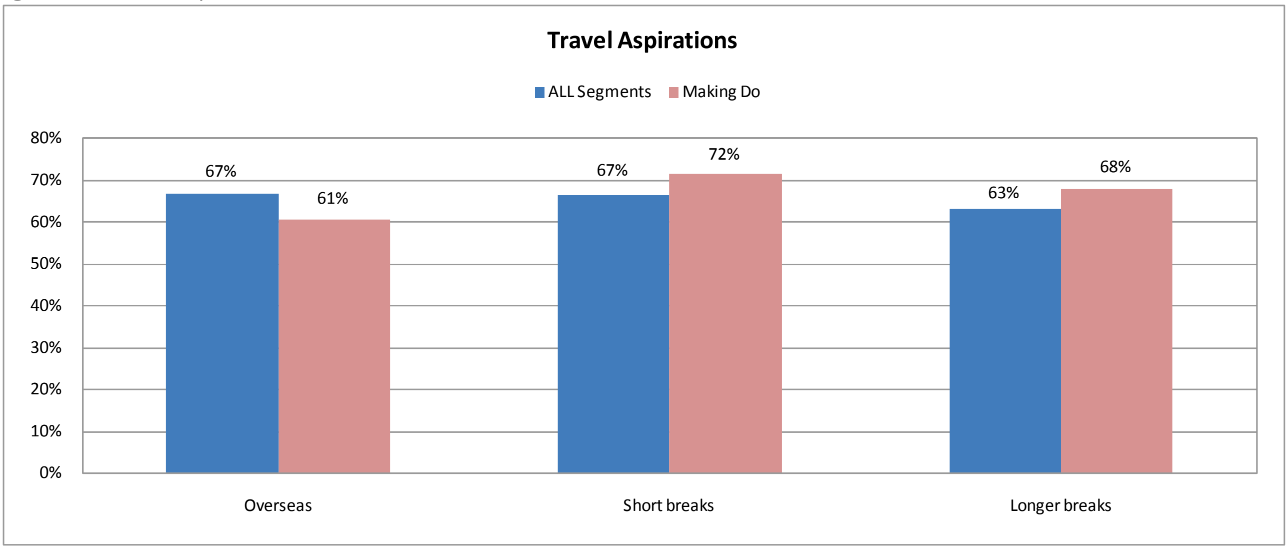


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types). As illustrated in Figure 393, the general consensus is towards more travel of all types, but with overseas holidays and short domestic breaks being most desirable overall.

This said, it is notable that 'Making Do' is less inclined to take more overseas holidays than its peers in other market segments, but more inclined toward short domestic breaks and longer holidays in New Zealand.

Figure 393: Travel Aspirations

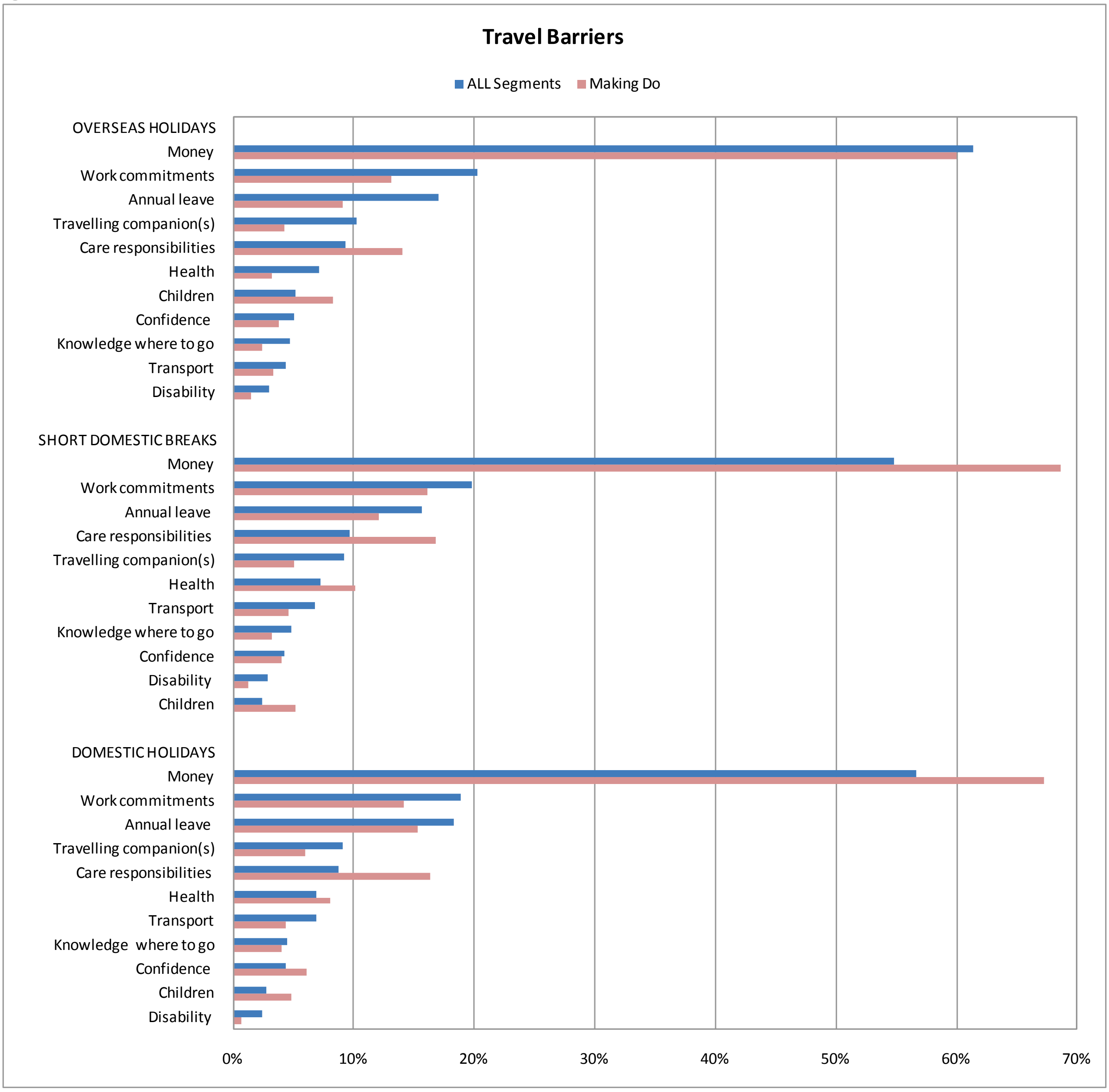


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 394 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, this is even more of a barrier to the 'Making Do' segment than to other market segments and is most pronounced as a barrier in relation to short domestic breaks. Care responsibilities are another significant barrier to travel for this segment.

Figure 394: Barriers to Travel



Segment 6 – 'Embracing Life'

The following pages present a detailed profile of the 'Embracing Life' segment. This section includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

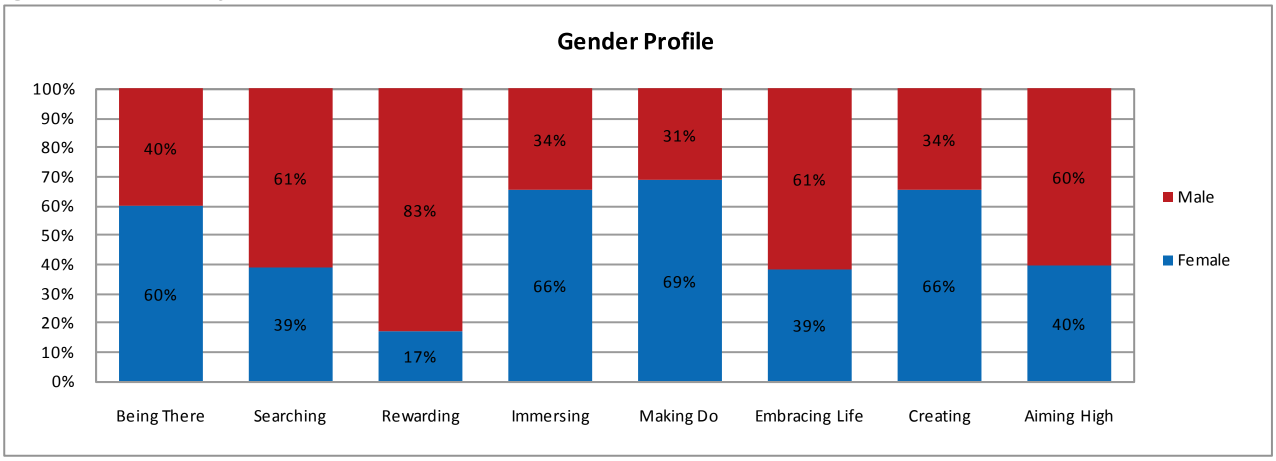
Segment Size

'Embracing Life' encompasses **11%** of the adult population (aged 15 years or more).

Gender

The segment has a male bias with a ratio of six males to every four females.

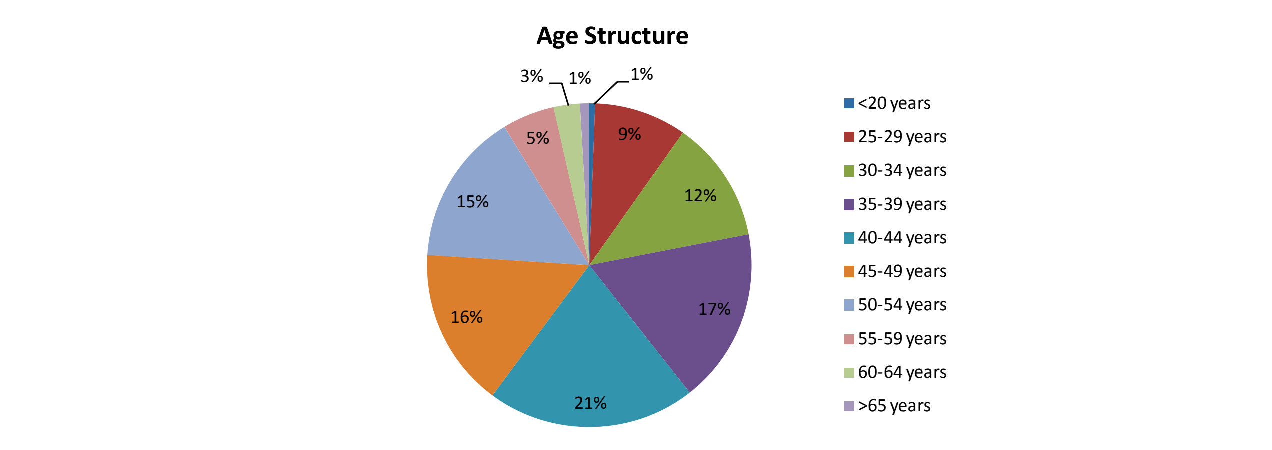
Figure 395: Gender Profile



Age

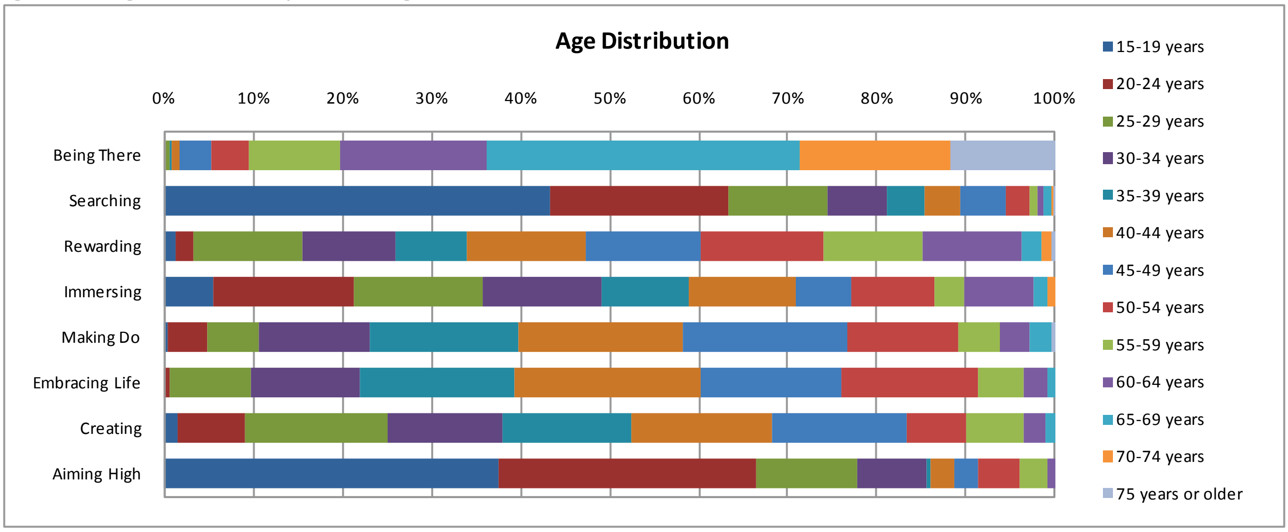
'Embracing Life' spans a wide range of age groups but more than 80% of the segment is aged 30-54 years. See Figure 396 overleaf.

Figure 396: Age Profile – Embracing Life



In this respect, the age profile of 'Embracing Life' is similar to the 'Making Do' segment.

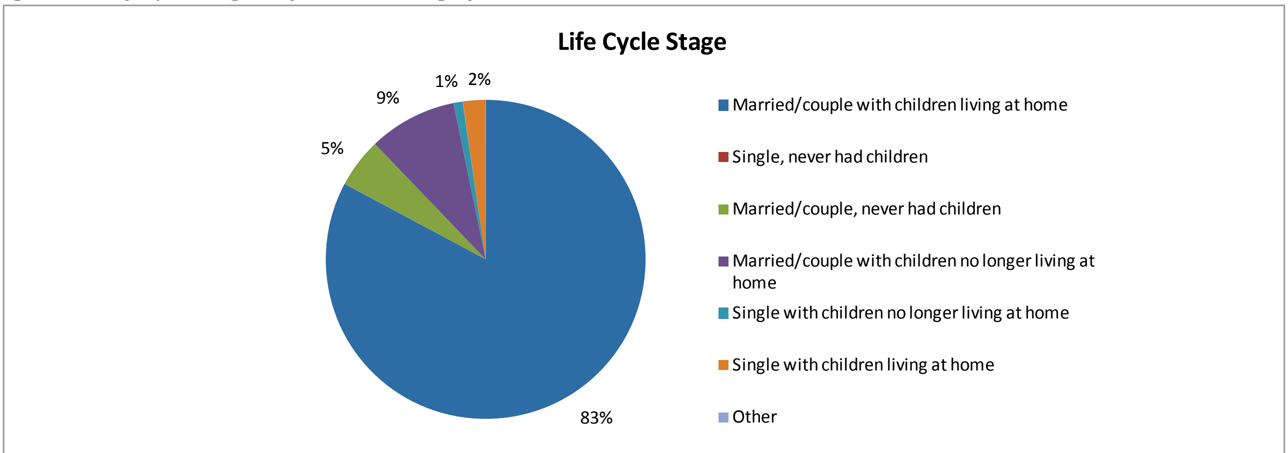
Figure 397: Age Distribution by Market Segment



Lifecycle Stage

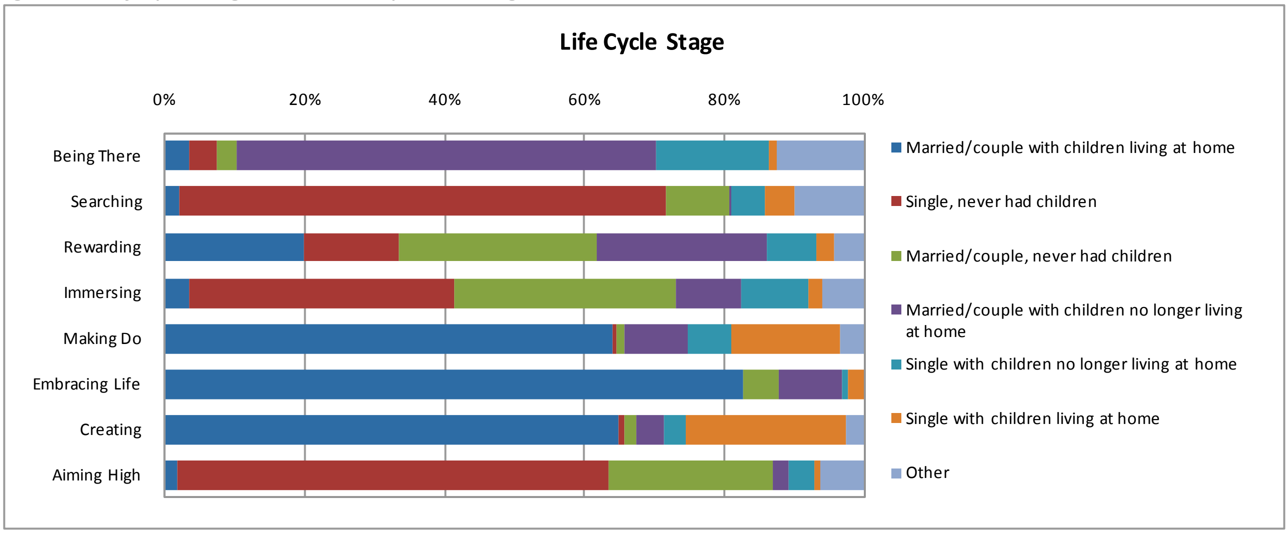
'Embracing Life' is dominated by couples with children living at home.

Figure 398: Lifecycle Stage Profile – Embracing Life



In this respect, it shares the "couples with children" lifecycle stage with the 'Making Do' and 'Creating' segments.

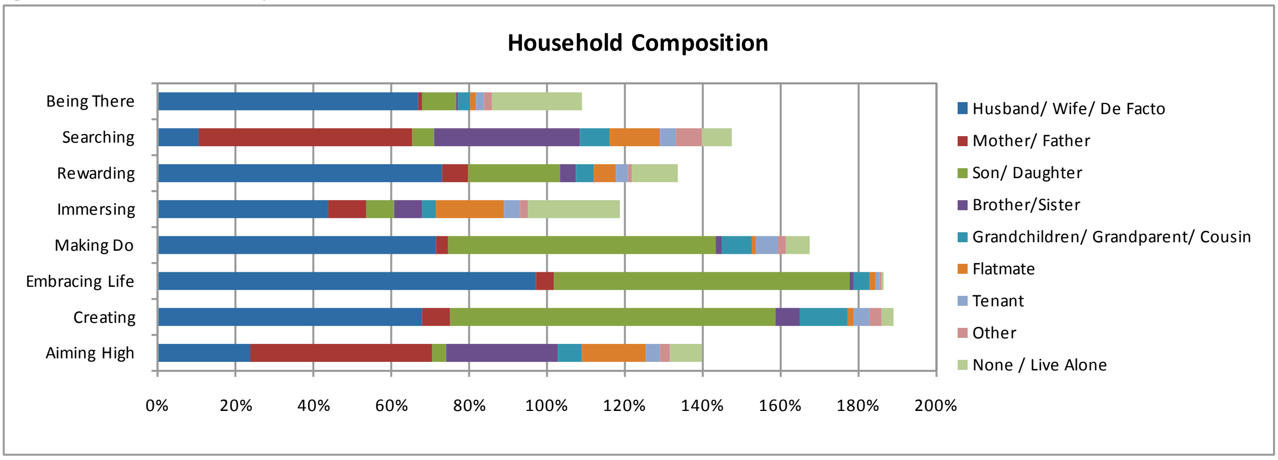
Figure 399: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of 'Embracing Life' is reflected in household composition – typically nuclear families comprising two parents and a child or children.

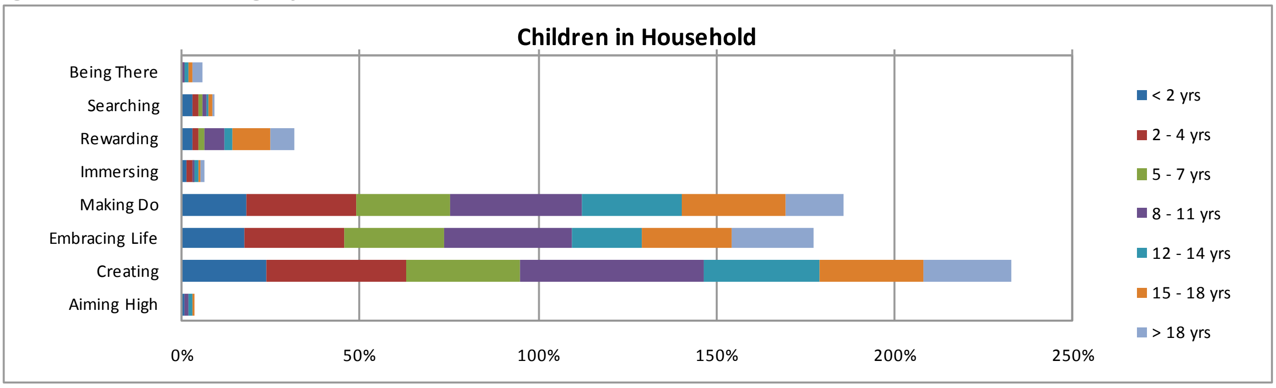
Figure 400: Household Composition



Children

Children in 'Embracing Life' households are spread throughout the age groups, from birth to 18+ years of age.

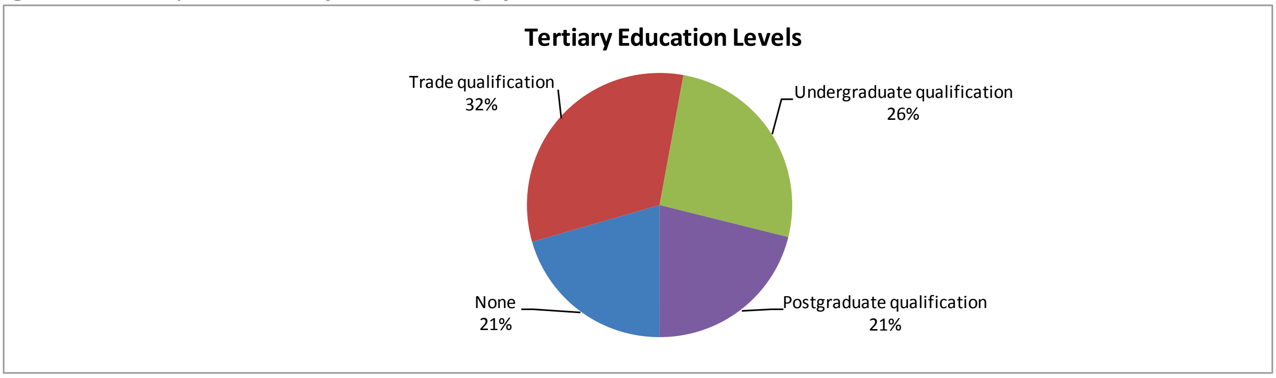
Figure 401: Number and Age of Own Children in Household



Education

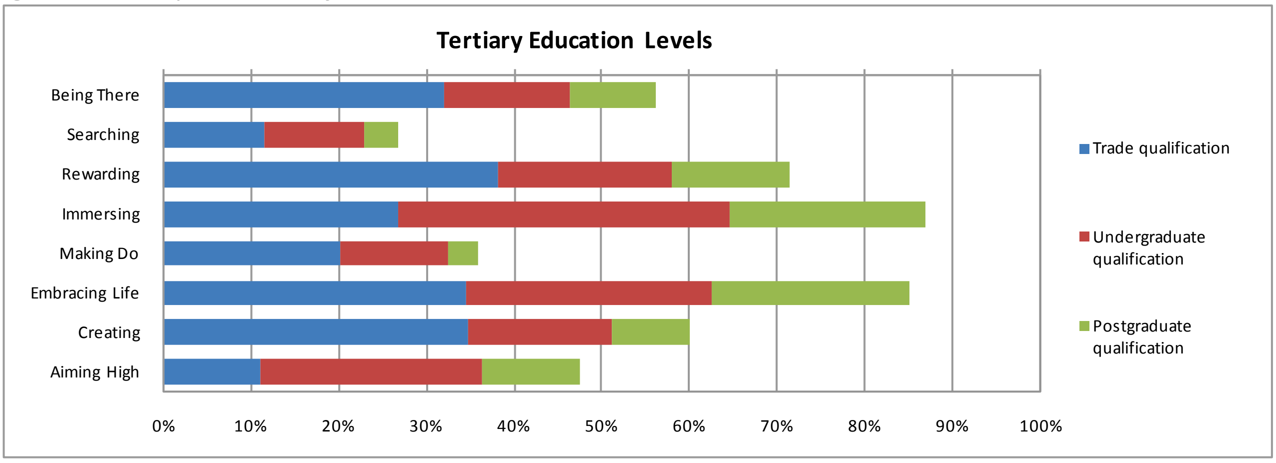
Almost 80% of 'Embracing Life' is tertiary qualified, with close to half having an undergraduate or postgraduate qualification.

Figure 402: Tertiary Education Profile – Embracing Life



This makes 'Embracing Life' the most highly educated segment after 'Immersing'.

Figure 403: Tertiary Education Profile



Occupation

'Embracing Life' spans a diverse set of occupations, although people in professional or managerial positions are prominent in the mix.

Figure 404: Occupational Profile – Embracing Life

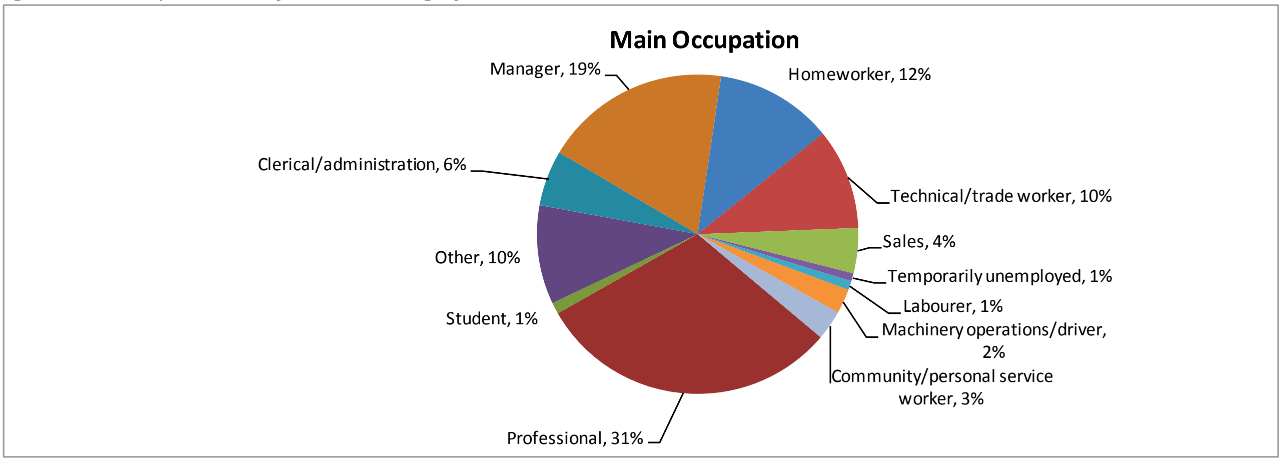
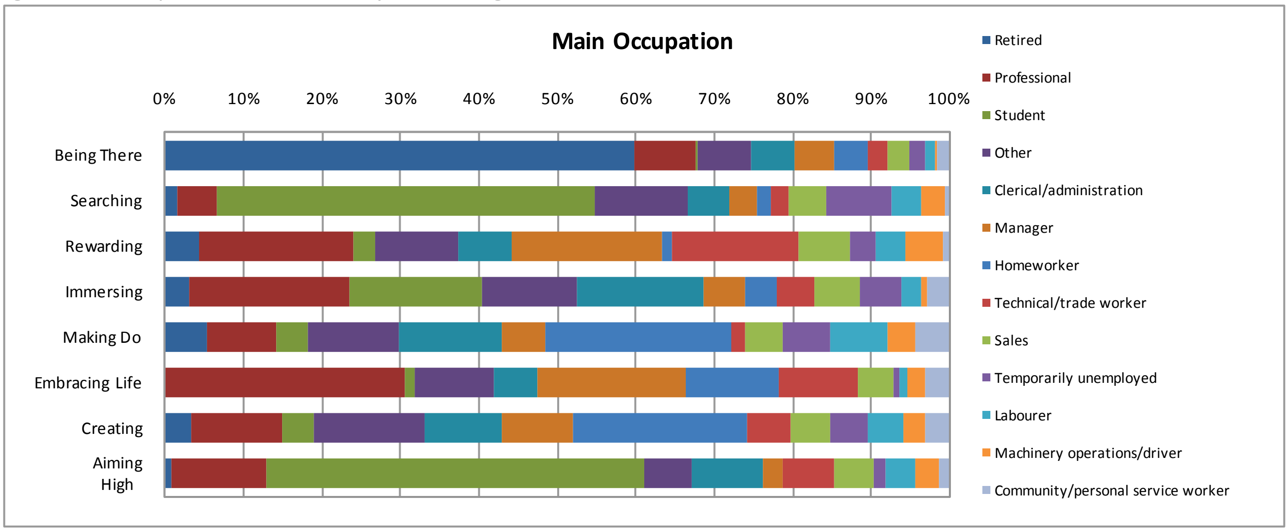


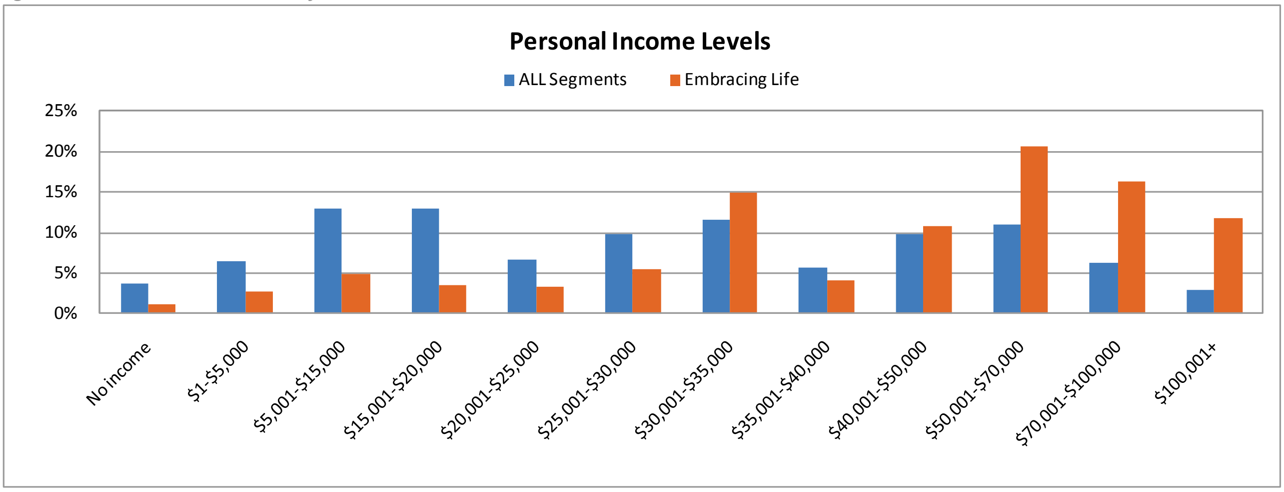
Figure 405: Occupational Distribution by Market Segment



Income

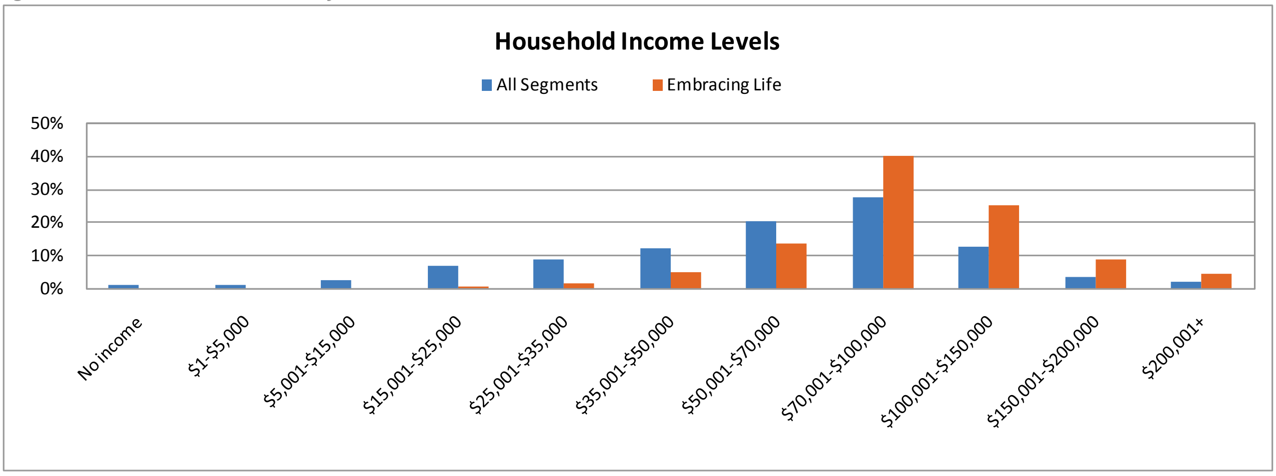
The **personal** incomes of those in the 'Embracing Life' segment are generally well above the norm.

Figure 406: Personal Income Profile



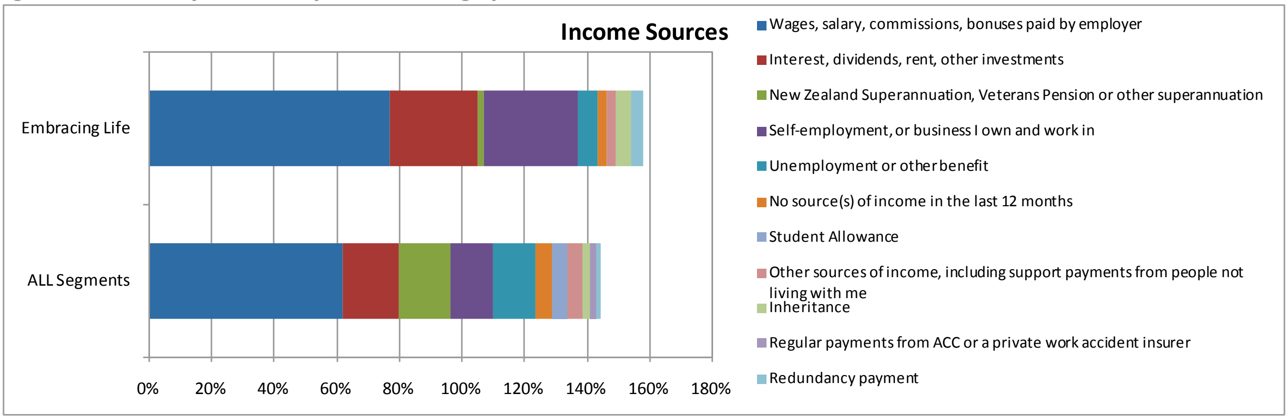
The same is true of **household** incomes.

Figure 407: Household Income Profile



'Embracing Life' most often draws its income from wages/salaries. However, a significant proportion of the segment is self-employed and many also draw income from interest, dividends, rent or other investments.

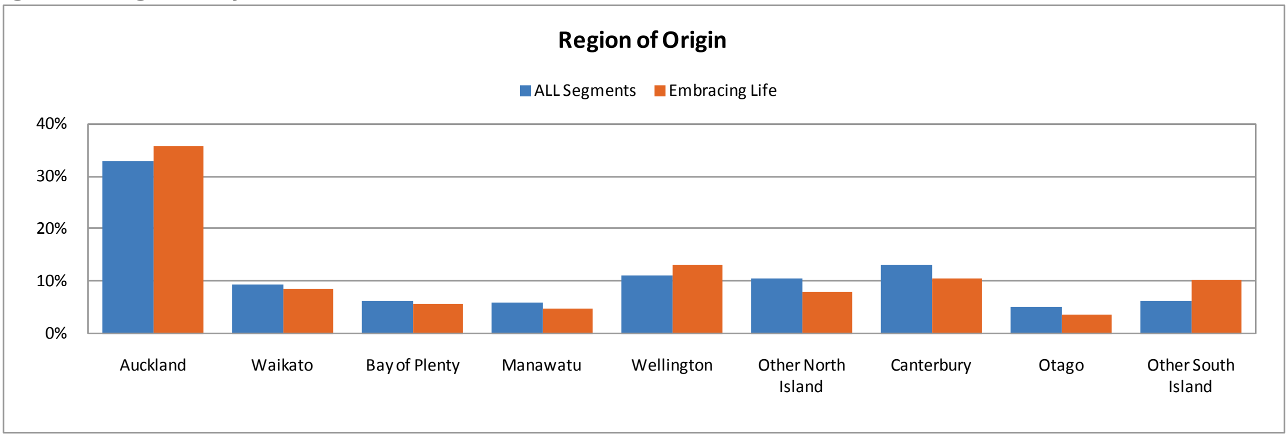
Figure 408: Source of Income Profile – Embracing Life



Region

'Embracing Life' is over-represented in Auckland and Wellington. A comparatively large portion of the segment also live in South Island centres other than Canterbury and Otago.

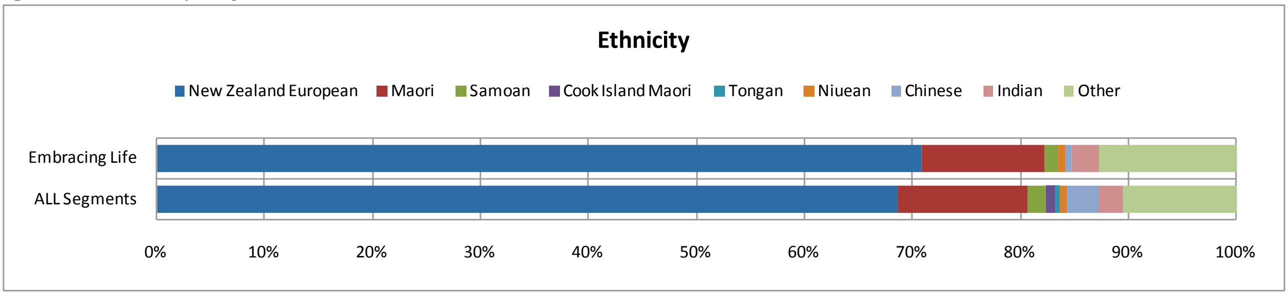
Figure 409: Regional Profile



Ethnicity

New Zealand Europeans are slightly over-represented in the 'Embracing Life' segment, as are residents of Indian and "other" ethnic origins.

Figure 410: Ethnicity Profile

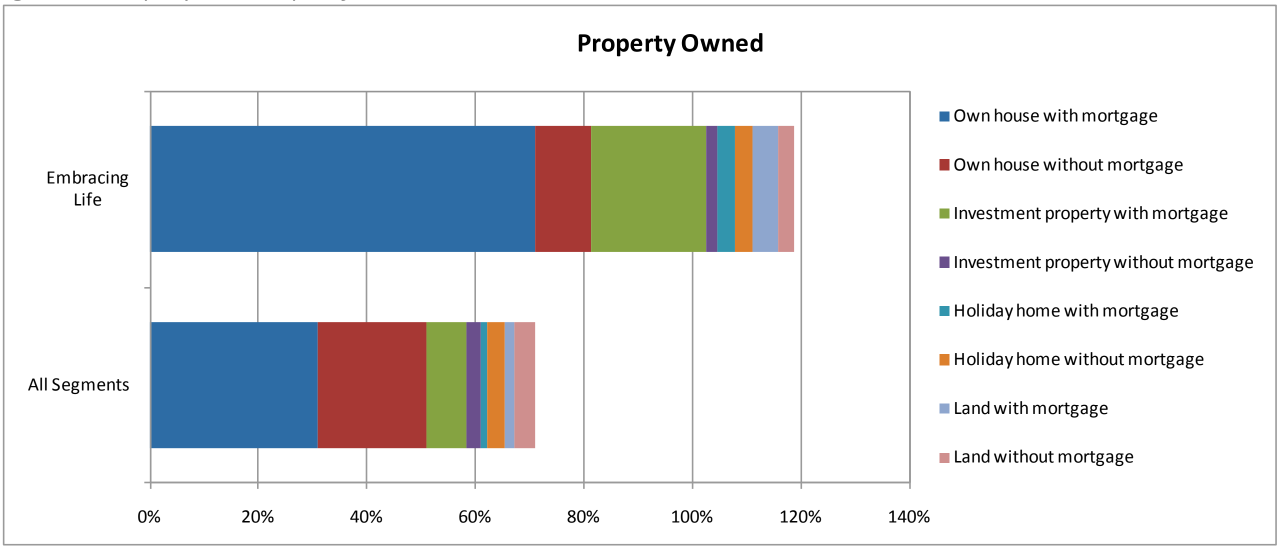


Other Characteristics

Property Ownership

'Embracing Life' is property-rich although, relative to some other segments, few of its members are mortgage-free.

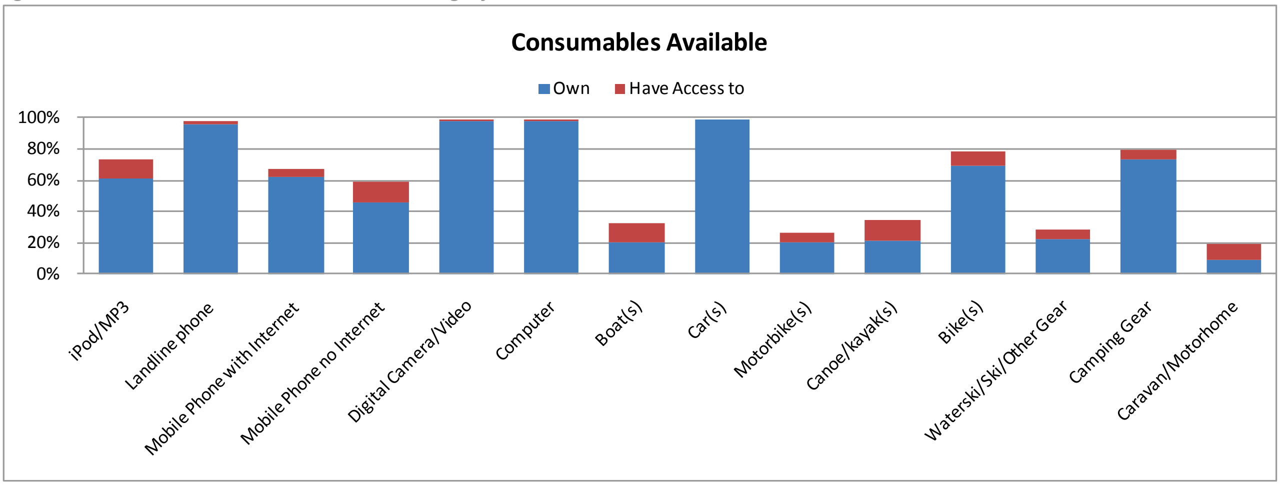
Figure 411: Property Ownership Profile



Ownership and Access to Consumables

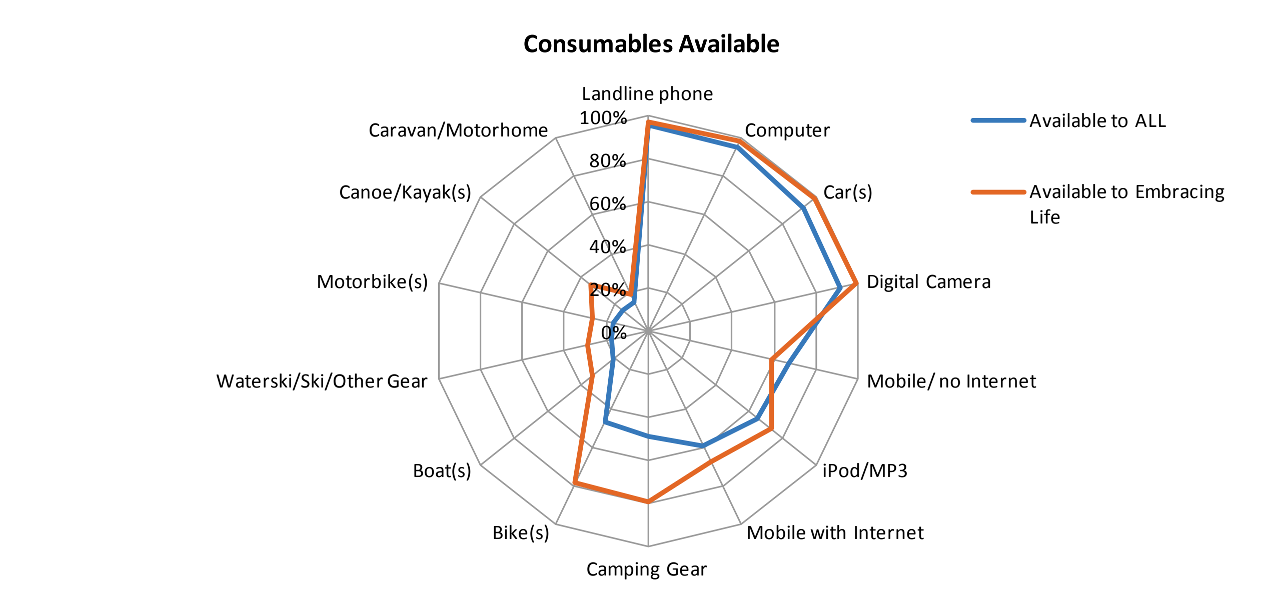
'Embracing Life' is well-endowed with consumables. In particular, a very high proportion of the segment own or have access to camping and outdoor equipment such as boats, canoes/kayaks, bikes, waterskis and other sporting equipment.

Figure 412: Consumables Available – Embracing Life



The wealth of consumables available to 'Embracing Life' is particularly evident in a comparison with other segments – refer Figure 413 overleaf.

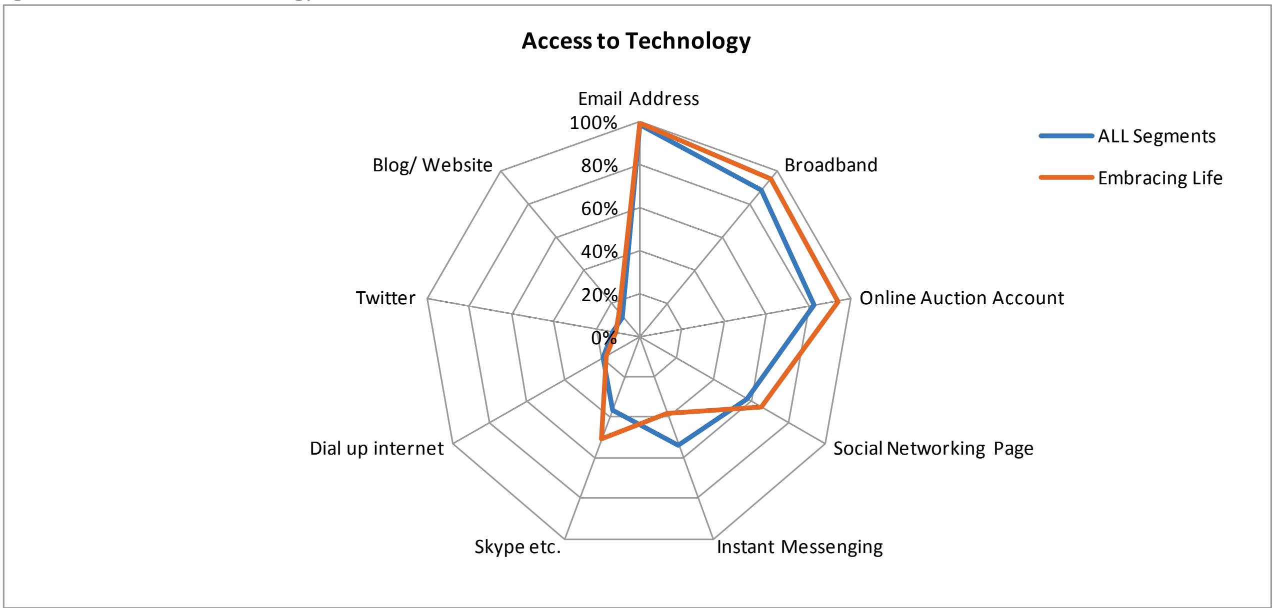
Figure 413: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 414, members of the 'Embracing Life' segment are generally tech-savvy, with large proportions having access to broadband, online auction accounts, social networking sites and Skype/VOIP services.

Figure 414: Access to Technology

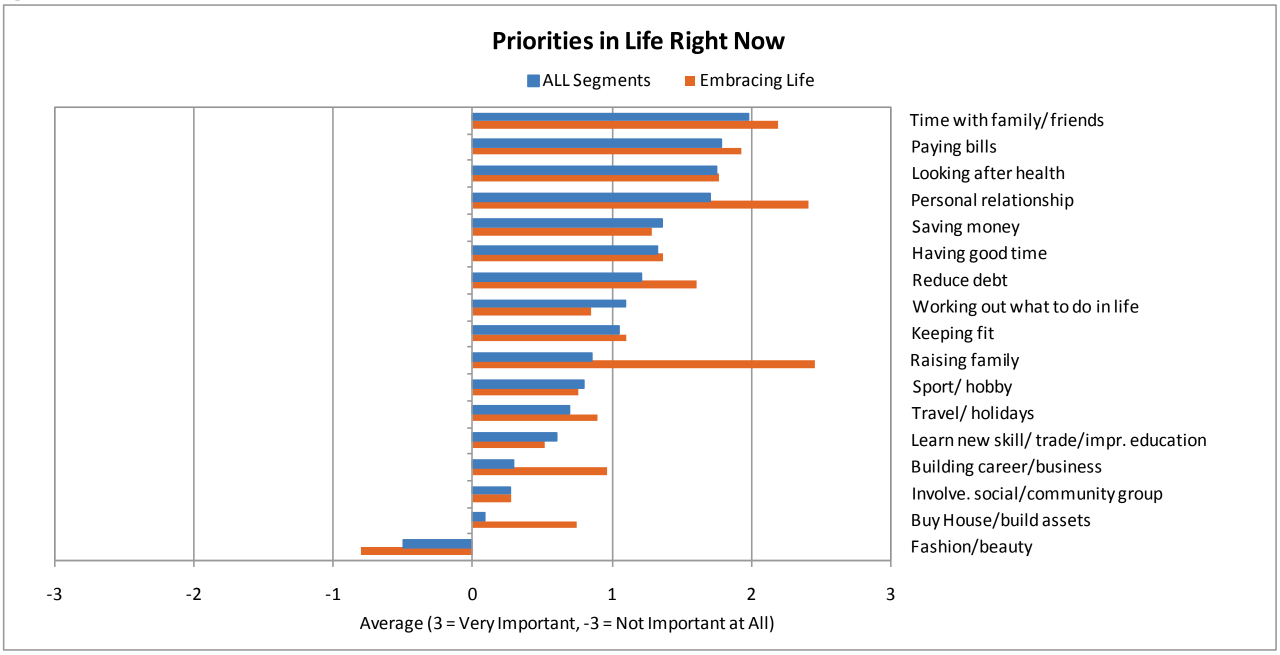


Current Priorities

The 'Embracing Life' segment is marked by its focus on raising family, personal relationships and time spent with family/friends. Building a career or business is important to 'Embracing Life', as is buying a house/building an asset base.

As part of the overall mix, travel and holidays also feature as a priority for 'Embracing Life'. See Figure 415 overleaf.

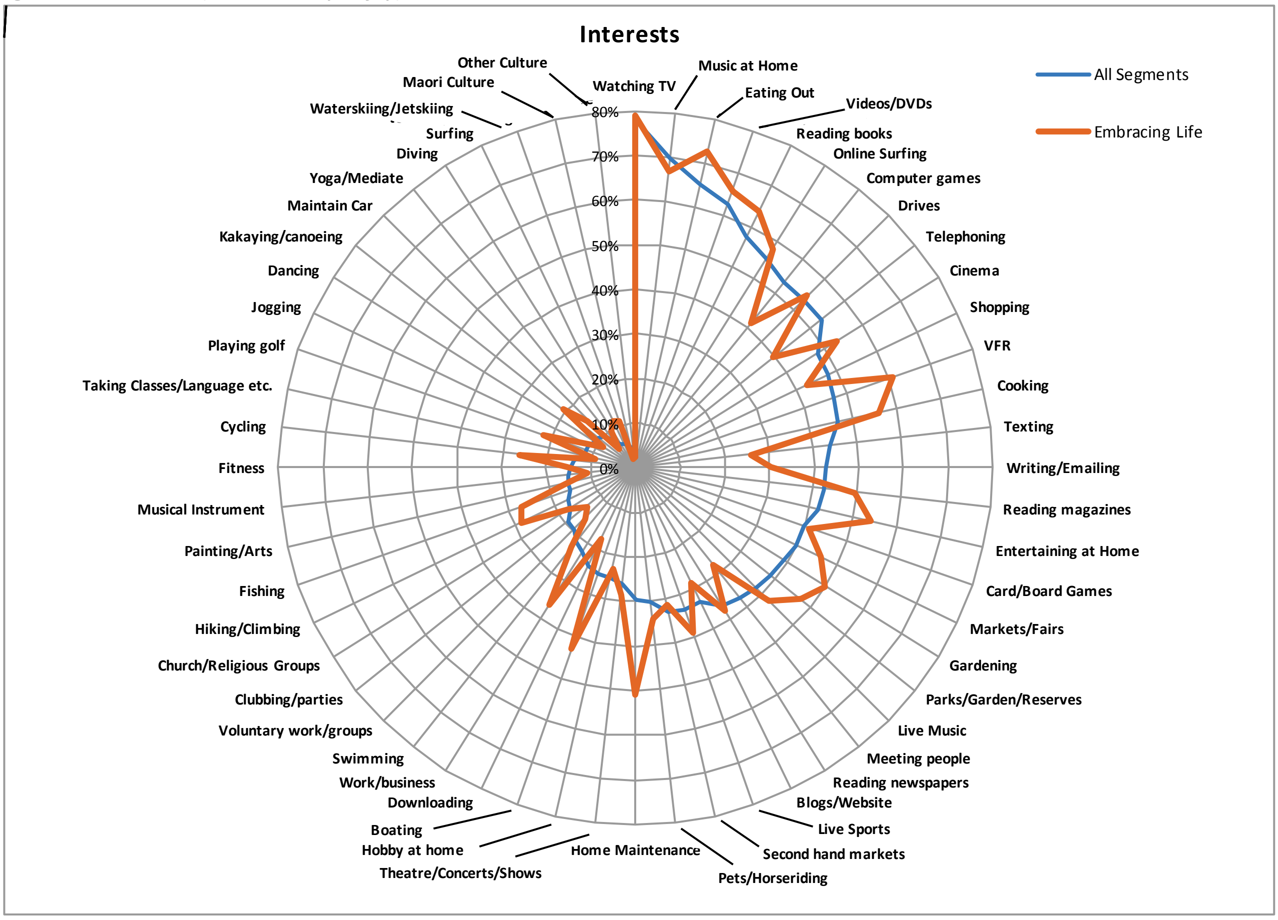
Figure 415: Current Priorities



Interests

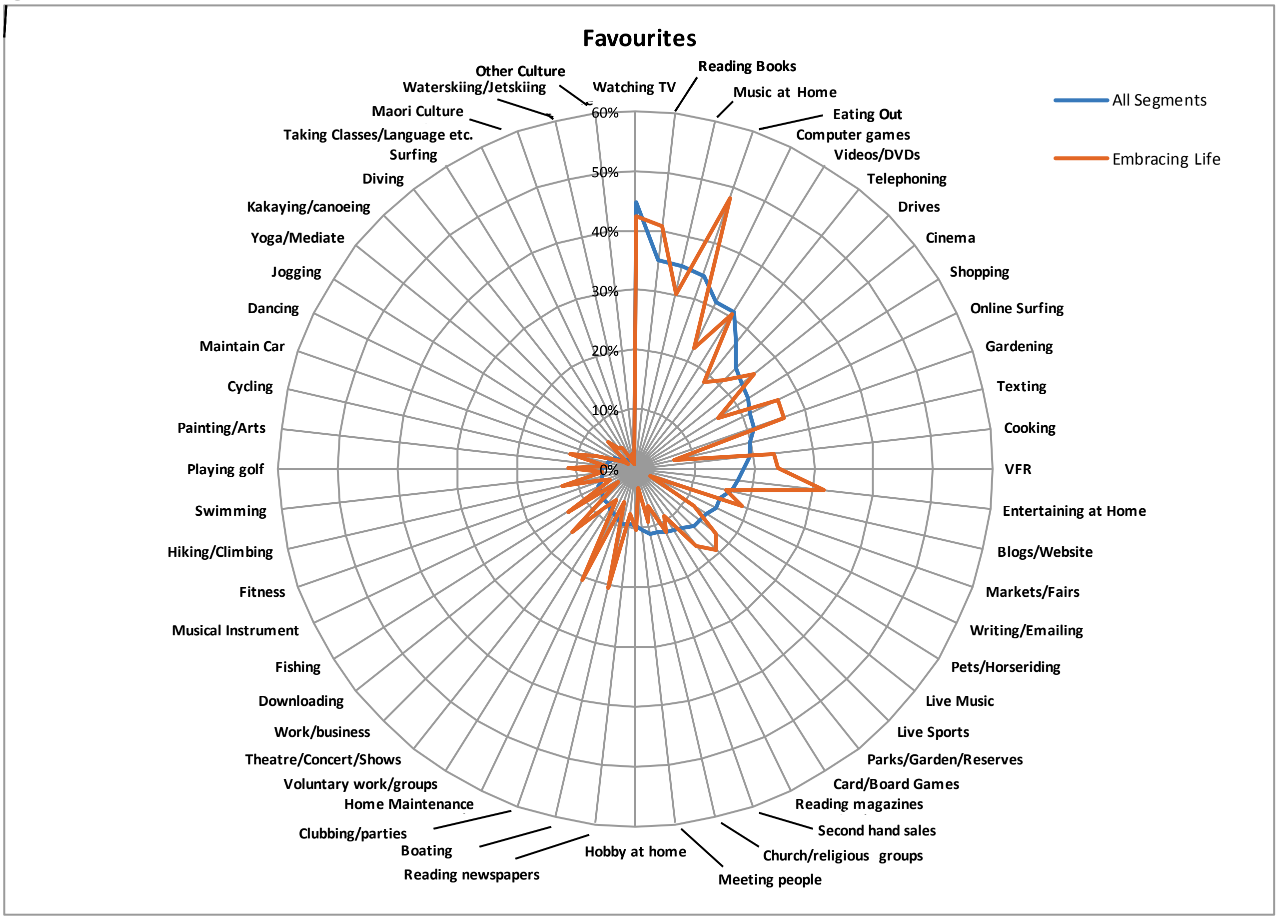
The interests of 'Embracing Life' are many and varied. Relative to other segments, 'Embracing Life' has a special interest in social activities such as eating out, visiting friends/relatives and entertaining at home. Members of the segment are also keen on home-based activities such as cooking, gardening and home maintenance. And while they enjoy their work/business, they also enjoy a wide range of outdoor and sporting activities such as cycling, golf, canoeing/kayaking, swimming and boating.

Figure 416: Interests (What I Really Enjoy)



Of these wide-ranging interests, eating out, gardening, cooking, entertaining at home, live music, live sports, visiting parks/gardens/nature reserves, boating, home maintenance, work/business, fishing, hiking/climbing, golf, cycling and canoeing/kayaking all feature as **favourite pastimes**.

Figure 417: Favourite Pastimes



Travel Needs and Attitudes

Thoughts on Holidays

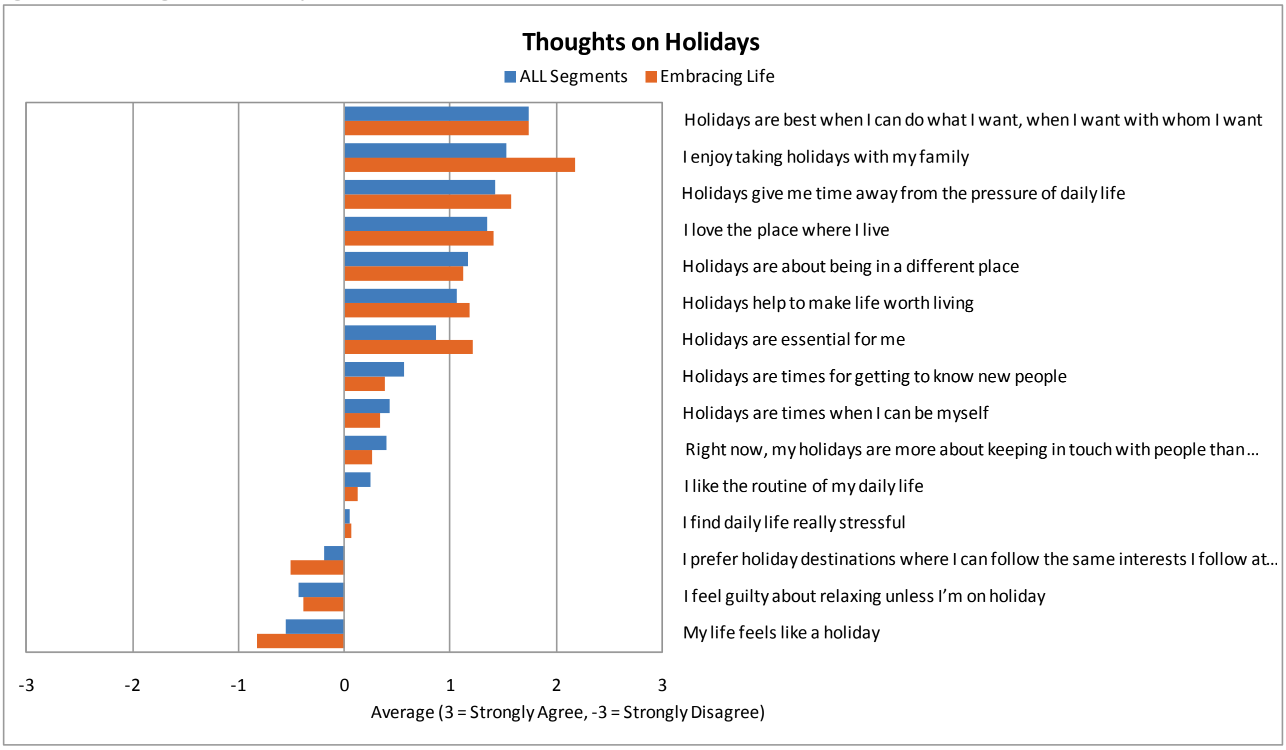
The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

'Embracing Life' appears quite content with daily life: members of the segment are more likely than others to love the place they live and are less likely to see daily life as stressful.

Like other segments, members of 'Embracing Life' see holidays as essential, giving them time away from the pressures of daily life to do what they want, when they want, with whom they want.   However, unlike other segments (such as 'Rewarding'), holidays are about **family** and 'Embracing Life' particularly enjoys holidaying with family members.

See Figure 418 overleaf.

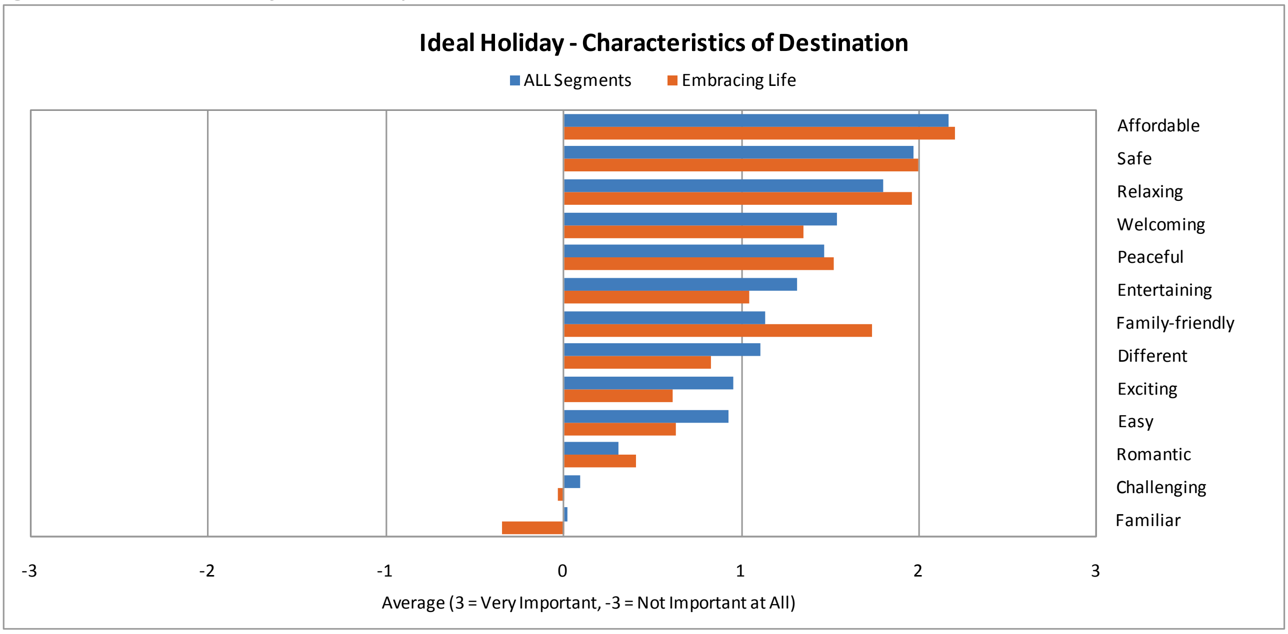
Figure 418: Thoughts on Holidays



Ideal Holiday Destination

The ideal holiday destination for those in the 'Embracing Life' segment is **affordable**, **safe**, **relaxing** and **family-friendly**. However, it doesn't need to be easy, nor familiar.

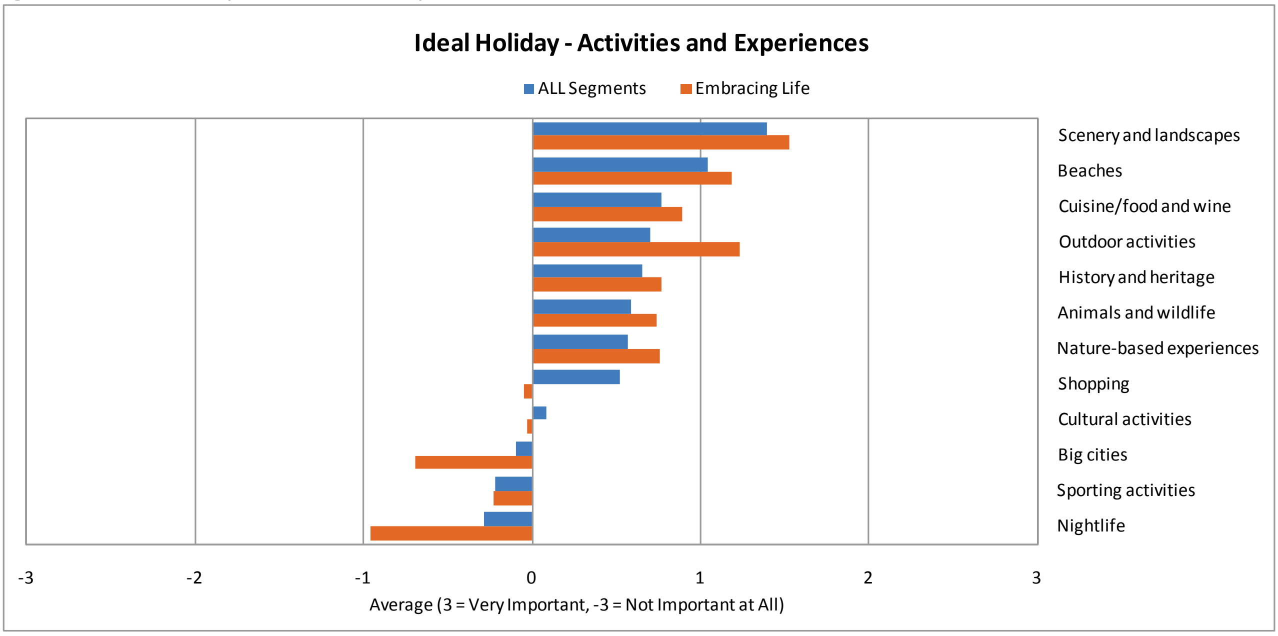
Figure 419: Characteristics of Ideal Holiday Destination



The ideal holiday experience for this segment is built around scenery and landscapes, beaches and outdoor activities. Cuisine/food and wine, history and heritage, animals and wildlife and nature-based experiences also feature strongly in the ideal for 'Embracing Life'.

The ideal holiday for this segment is definitely **not** about big cities or nightlife.

Figure 420: Ideal Holiday – Activities and Experiences

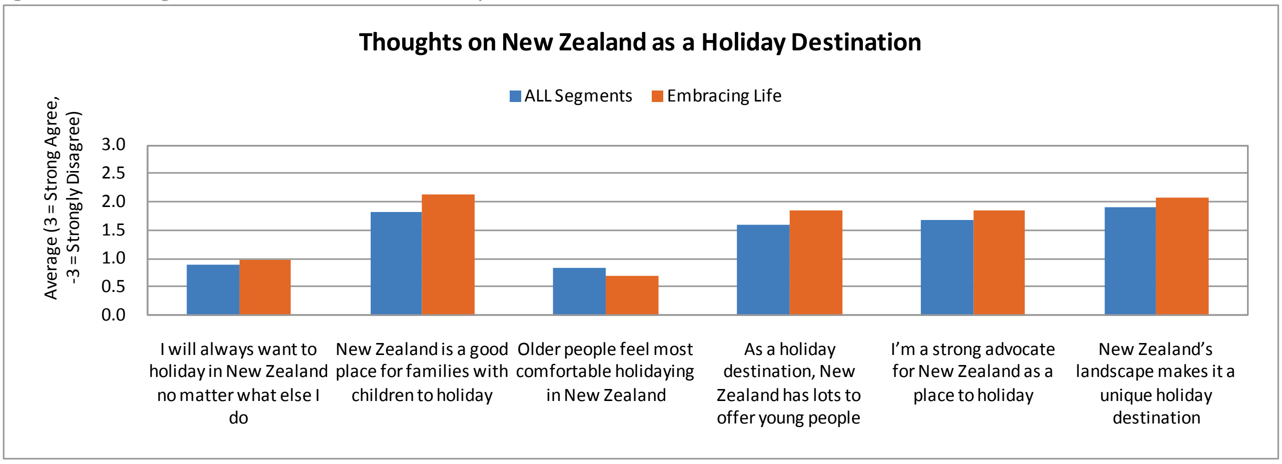


Domestic Holidays

The 'Embracing Life' segment is generally very positive in its views on New Zealand as a holiday destination – in particular, seeing New Zealand as a great destination for families and young people. As a result, they consider themselves strong advocates for New Zealand as a place to holiday.

However, it is worth noting that 'Embracing Life's' response to the proposition "I will always want to holiday in New Zealand no matter what else I do" is only equivalent to the average, suggesting they may see a time in the future (perhaps when their children have grown and left home) that holidays elsewhere are more appealing.

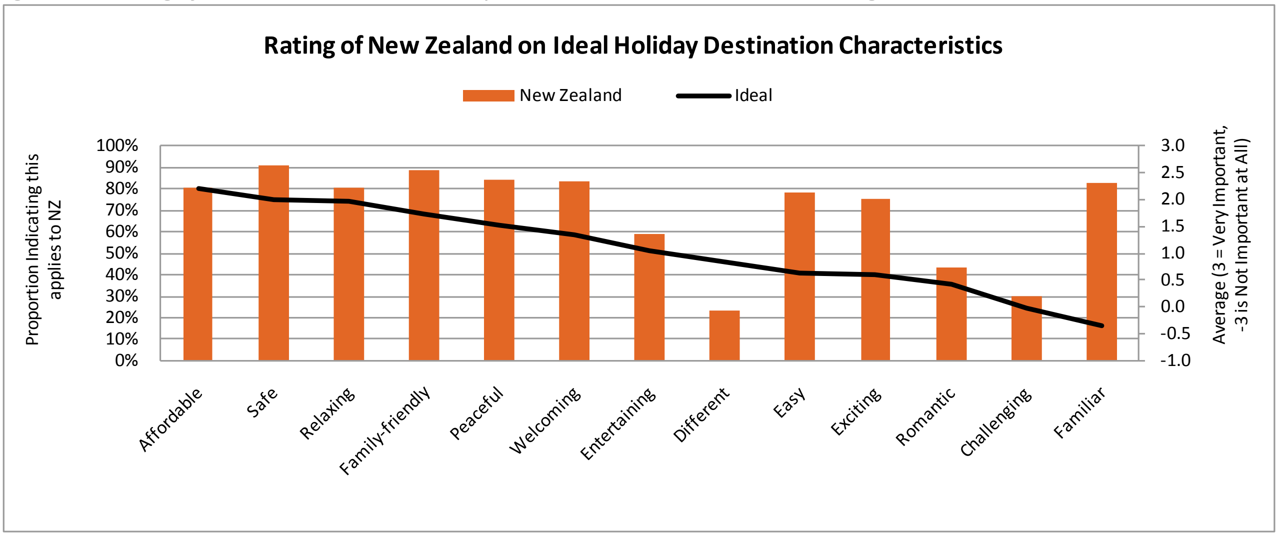
Figure 421: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

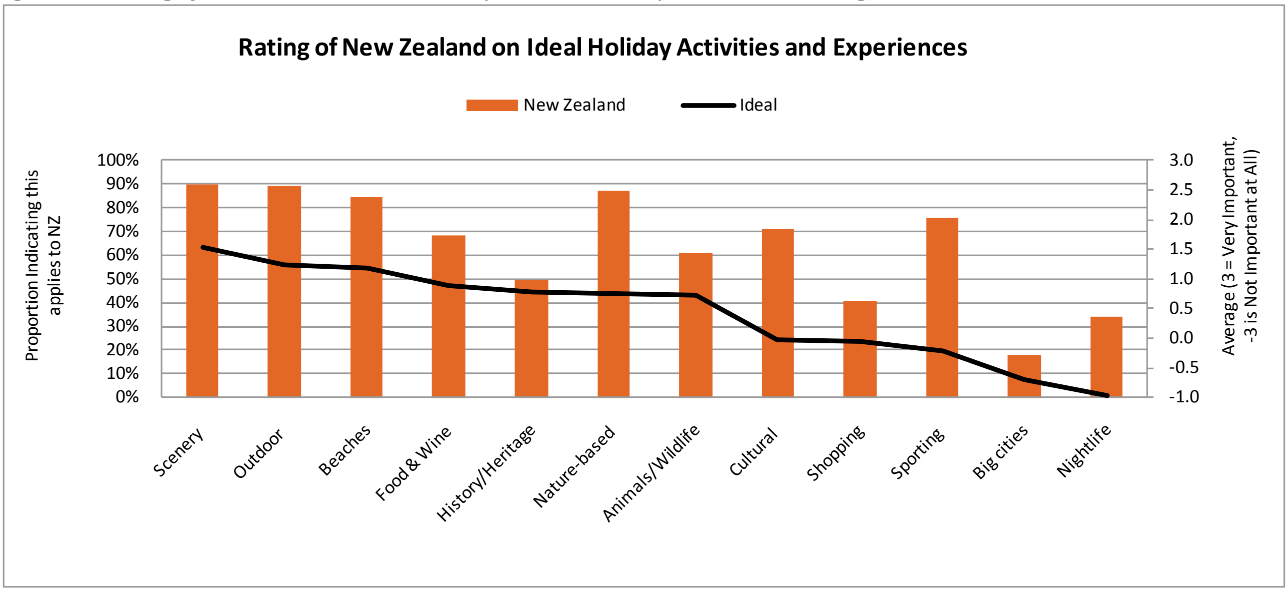
As depicted in Figure 422 (overleaf), members of 'Embracing Life' rated New Zealand very highly in regard to those attributes it considered most important: affordable, safe, relaxing and family-friendly.

Figure 422: Rating of New Zealand on Ideal Holiday Destination Characteristics – Searching



While New Zealand also scored well with the segment on its scenery, outdoor activities, beaches and nature-based activities, 'Embracing Life's' assessment of New Zealand's history/heritage and animal/wildlife experiences was more moderate.

Figure 423: Rating of New Zealand on Ideal Holiday Activities and Experiences – Searching



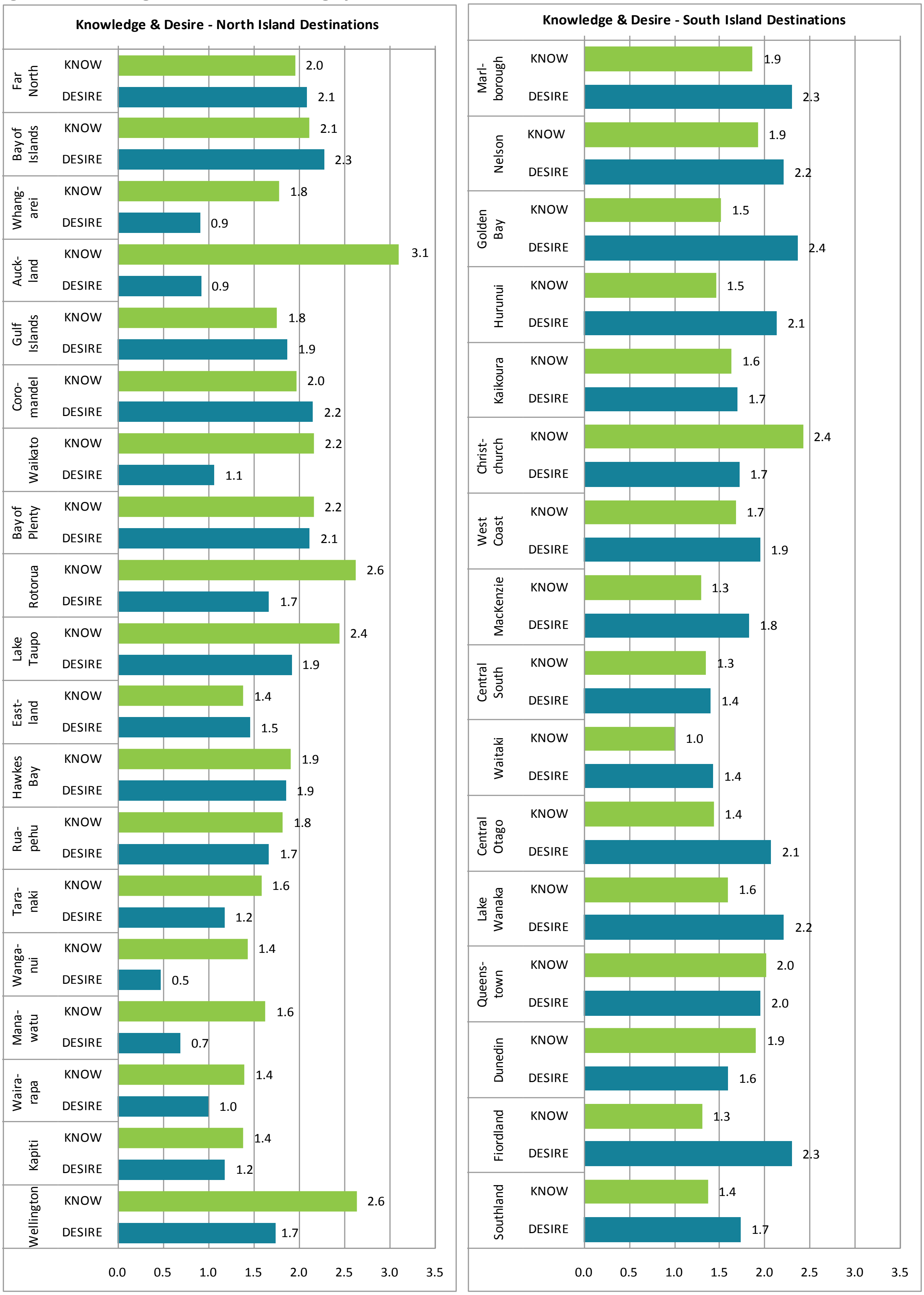
New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 424 (overleaf) charts results for the 'Embracing Life' segment as they relate to both North and South Island destinations. This analysis highlights regions which are relatively lesser known to the segment and also those which have most appeal to the segment.

As in relation to other segments, those regions which have a higher 'desire' factor than 'awareness' factor – such as Golden Bay, Hurunui, MacKenzie, Central Otago, Lake Wanaka and Fiordland – are likely to represent particular opportunities insofar as marketing of new experiences to the 'Embracing Life' segment is concerned.

Figure 424: Knowledge and Desire – Embracing Life[10]



[10] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of 'Embracing Life' take **30% more** domestic short breaks for leisure each year than the 'average New Zealander' (2.5 versus 1.9).

Figures 425-437 profile the **last domestic short break** taken by members of this segment.

Results show that, compared with other segments: -

- Waikato, Marlborough, West Coast and Southland are especially popular destinations.
- Key activities are of an outdoor nature, with particular emphasis on walking/hiking/tramping, beaches, lakes, mountains and other natural attractions and water activities. However, 'Embracing Life' participates in a very wide range of activities and urban attractions, cultural/heritage attractions, concerts/events and wine/food experiences are all popular with the segment too.
- The vast majority of short breaks are taken by car.
- Motels and rented dwellings are popular for short break accommodation.
- Short breaks are typically taken with partners (80%) and children (60%).
- The largest group plan short breaks 1-3 months ahead of departure although more than 40% of short breaks are planned within two weeks of travel.
- Short breaks are typically prompted by circumstances involving family/friends at the segment's destination, by scheduled events or by holiday leave requirements.
- Partners play a key role in choice of destination, with children making a contribution too.
- Short breaks are typically motivated by a desire to spend quality time with friends/family and to build closer relationships.
- 'Embracing Life' is more likely to fund a short break by credit card than other segments.

Figure 425: Region Visited on Last Short Break

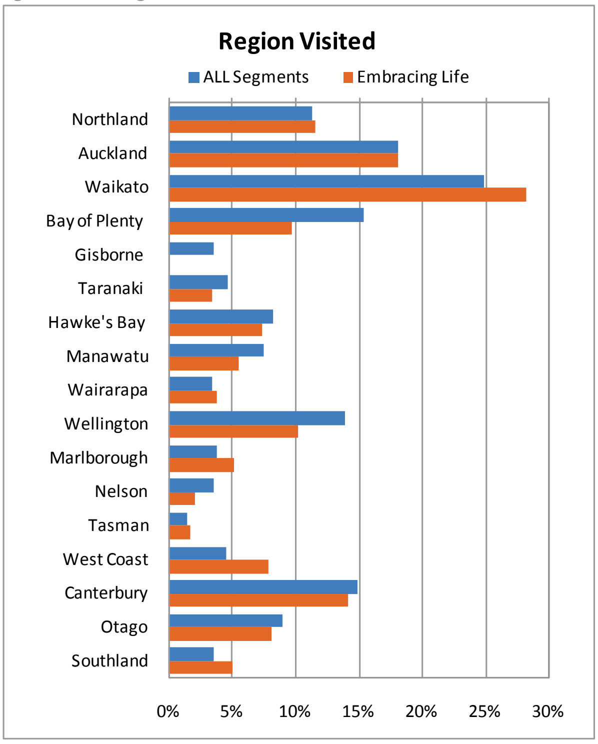


Figure 426: Activities/Experiences on Last Short Break

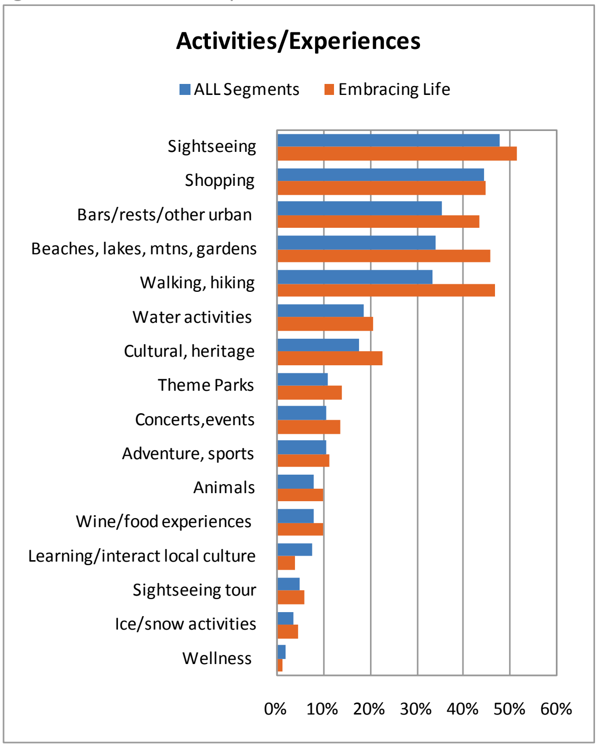


Figure 427: Transport Used on Last Short Break

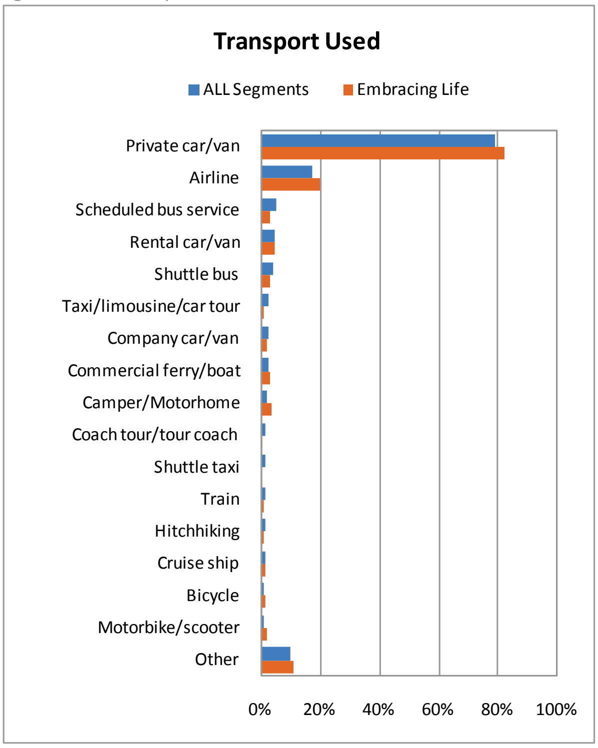


Figure 428: Accommodation Used on Last Short Break

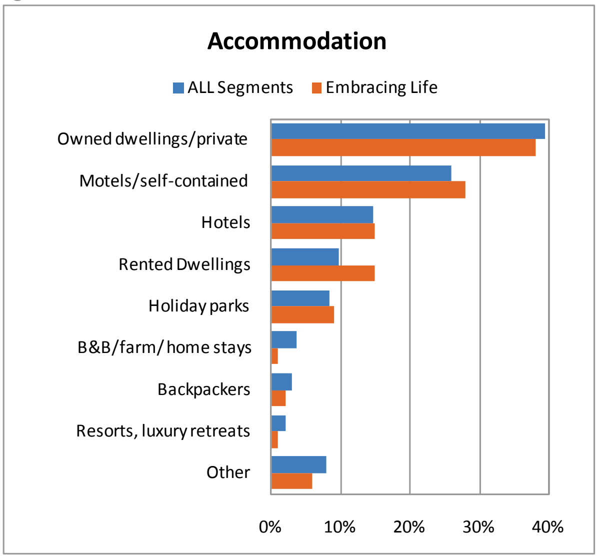


Figure 429: Party Composition on Last Short Break

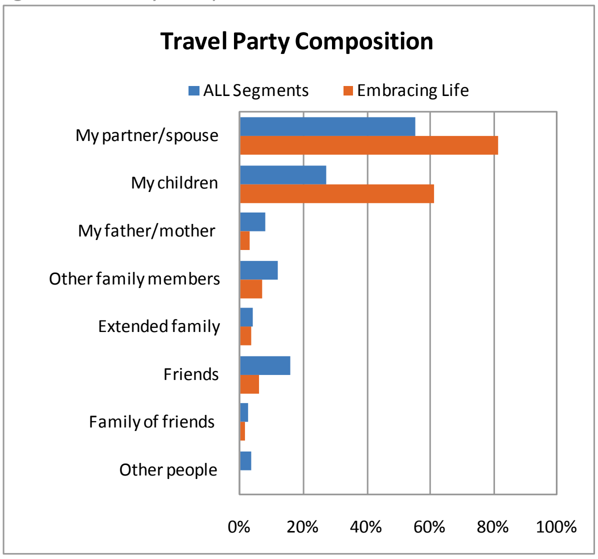


Figure 430: Role in Planning Last Short Break

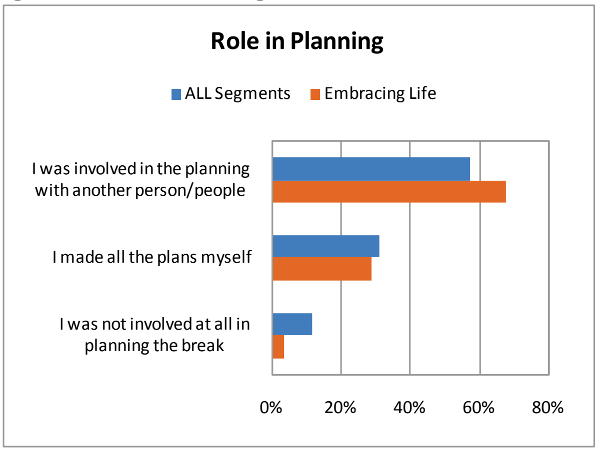


Figure 431: Planning Timelines for Last Short Break

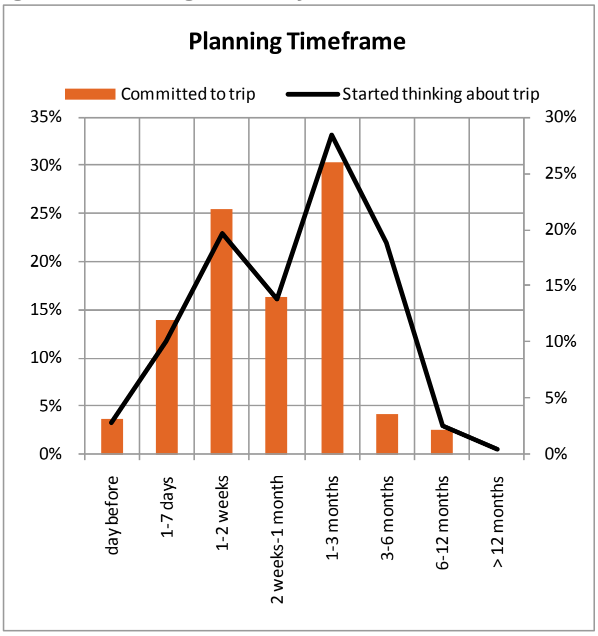


Figure 432: Commitment to Trip – Triggers for Last Short Break

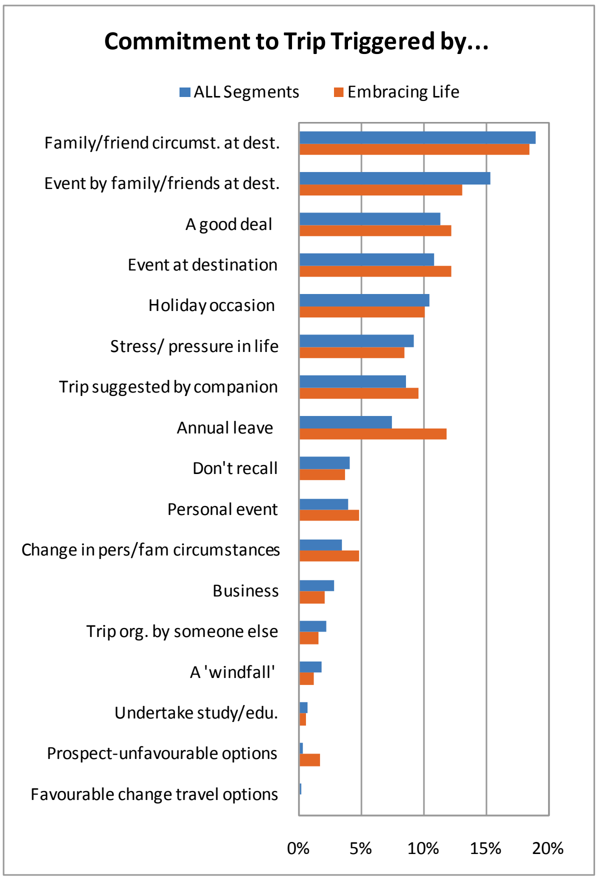


Figure 433: People Contributing to Trip Planning of Last Short Break

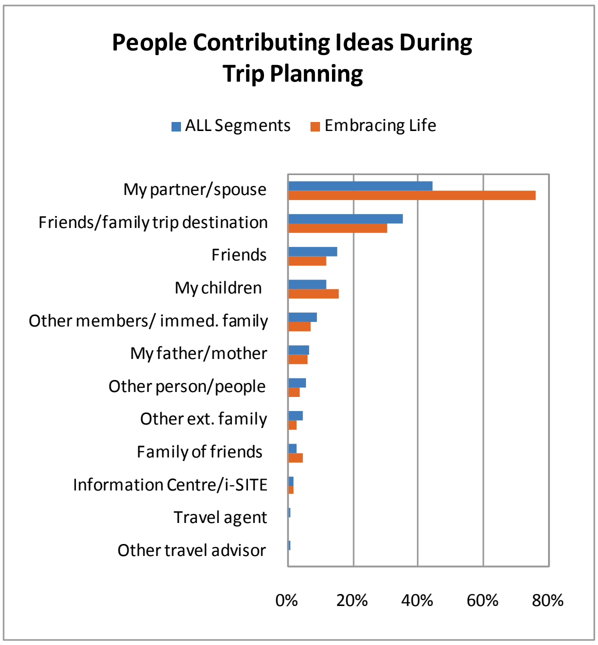


Figure 434: Other Influences on Choice of Destination for Last Short Break

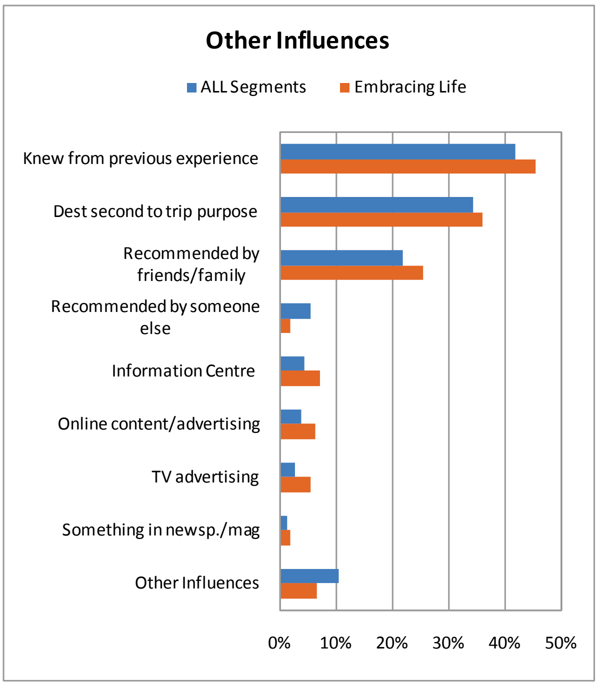


Figure 435: Motivations for Last Short Break

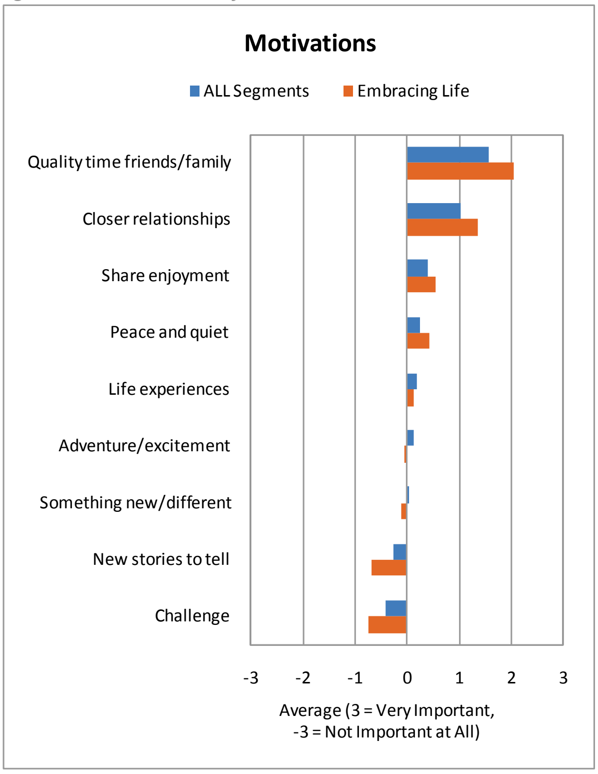


Figure 436: Who Paid for Last Short Break

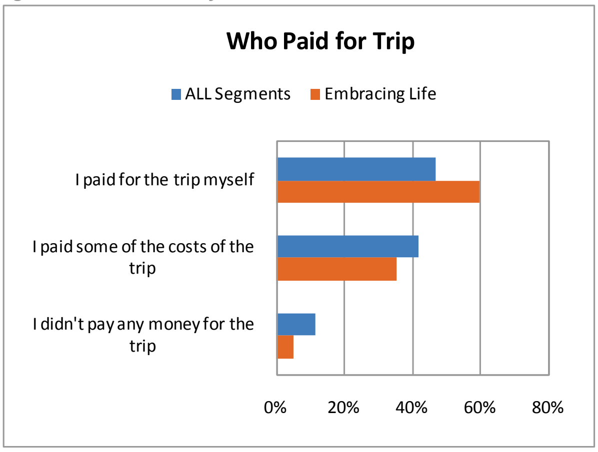
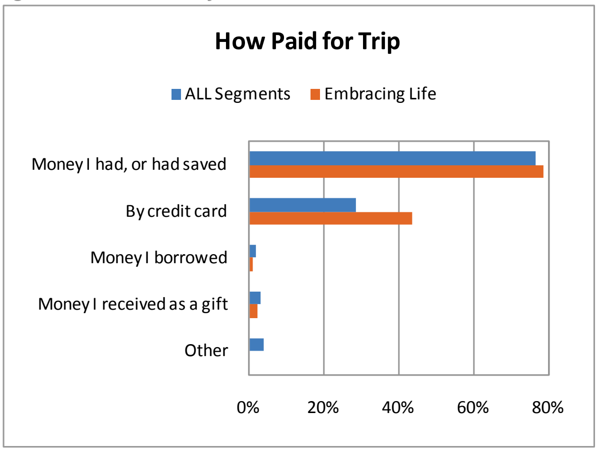


Figure 437: How Paid for Last Short Break



Domestic Holiday Profile

Members of the 'Embracing Life' segment are more likely to take an extended domestic holiday each year than members of other market segments (38% doing so in the last 12 months, against an average for all segments of 24%). However, **frequency** of extended domestic holidays sits just above the average of 0.6 trips per annum.

Figures 438-450 present a profile of the **last domestic holiday** taken by members of this segment.

Key findings are: -

- Waikato, Bay of Plenty, Marlborough, Nelson, Tasman, West Coast, Otago and Southland are all popular destinations for extended domestic holidays.
- Key differentiators in terms of activities are many and varied, with large proportions of 'Embracing Life' participating in walking/hiking/tramping, water activities, cultural/heritage activities, theme parks and animal/wildlife experiences. Urban attractions are also popular, as are visits to beaches, lakes, mountains, gardens and other natural attractions.
- While most travel by private car, use of cruise ships and bicycles is more prominent than average.
- While 'Embracing Life' favours owned/private accommodation overall, they are particularly heavy users of holiday parks.
- The vast majority of extended domestic holidays are taken with a partner and children.
- A commitment to the holiday is most often made 1-3 months prior to departure.
- The decision to take an extended domestic holiday is most often triggered by a holiday occasion such as Christmas or Easter. Other common prompts include a celebration by family/friends at the destination, annual leave requirements or the prospect of a change in travel options/conditions that would not be favourable (e.g. children about to reach adult-fare age).
- Planning is typically undertaken as a family activity, with prior experience of a destination guiding decision-making.
- As is the case with short breaks, longer holidays are strongly motivated by desires to spend quality time with family/friends and to build closer relationships.
- Members of 'Embracing Life' are also more likely to fund domestic holidays on credit card than other market segments.

Figure 438: Region Visited on Last Domestic Holiday

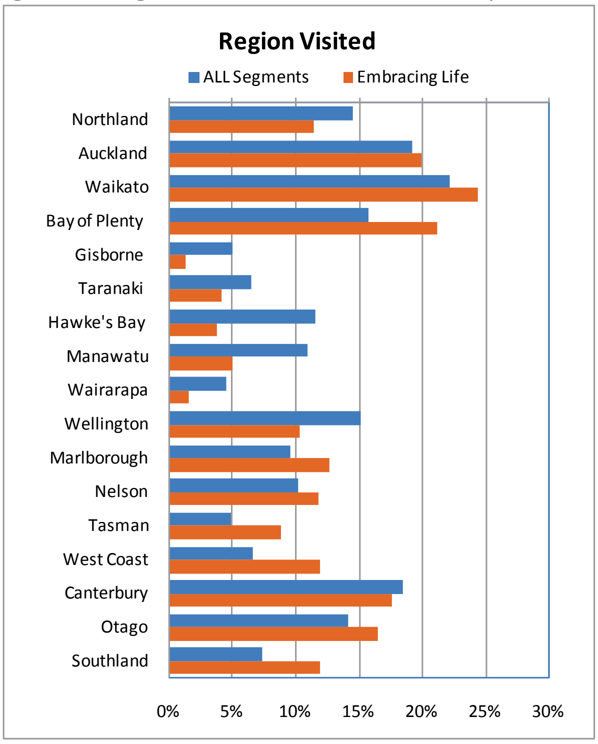


Figure 439: Activities/Experiences on Last Domestic Holiday

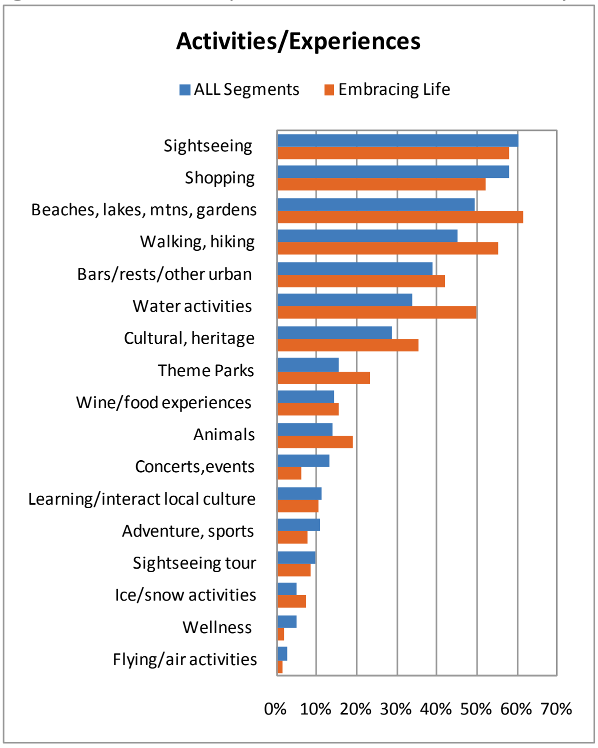


Figure 440: Transport Used on Last Domestic Holiday

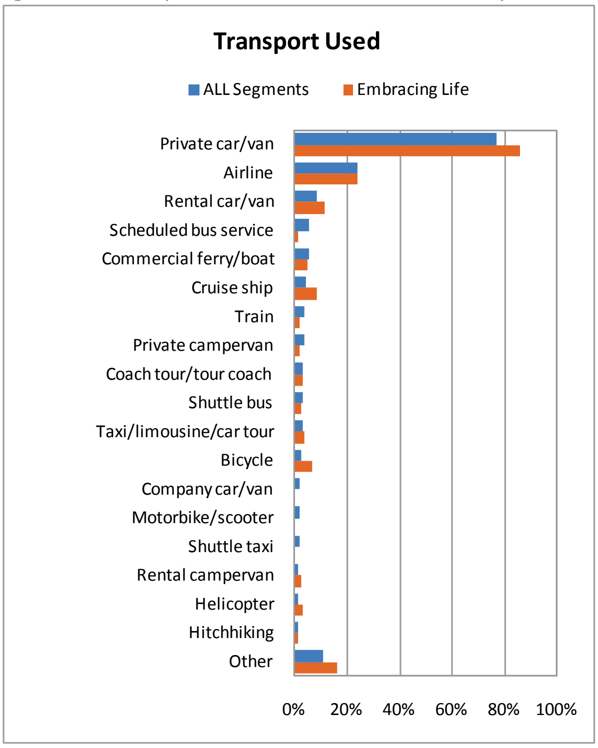


Figure 441: Accommodation Used on Last Domestic Holiday

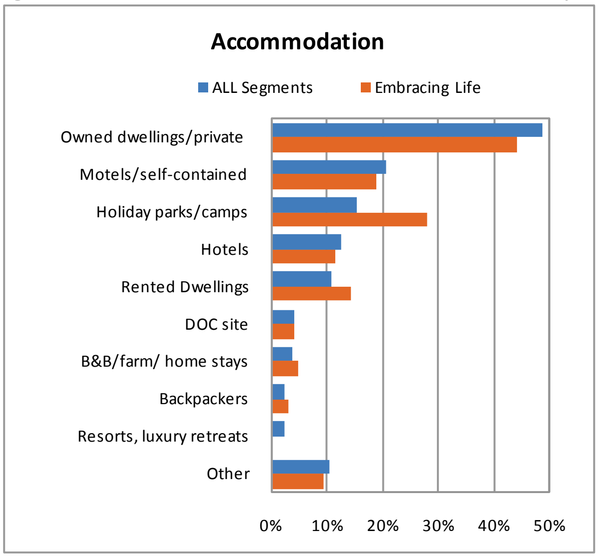


Figure 442: Party Composition on Last Domestic Holiday

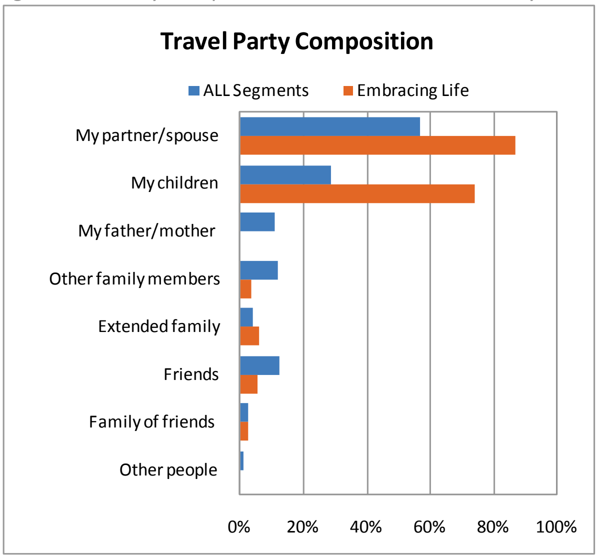


Figure 443: Role in Planning Last Domestic Holiday

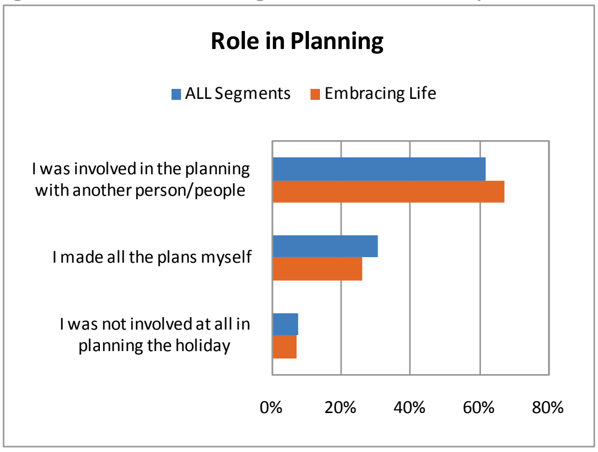


Figure 444: Planning Timelines for Last Domestic Holiday

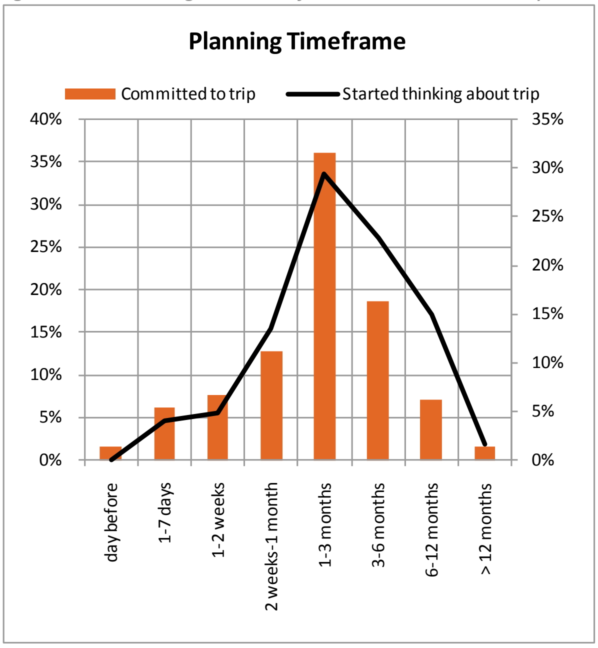


Figure 445: Commitment to Trip – Triggers for Last Domestic Holiday

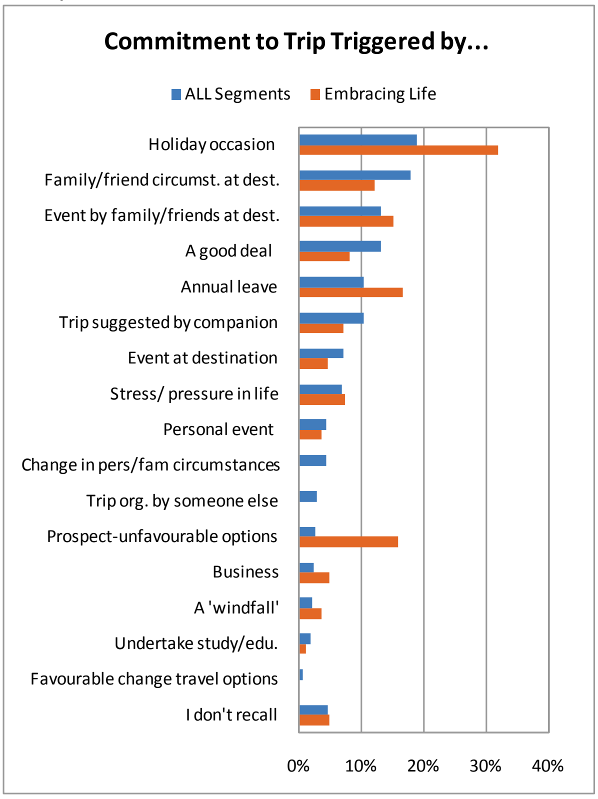


Figure 446: People Contributing to Trip Planning of Last Domestic Holiday

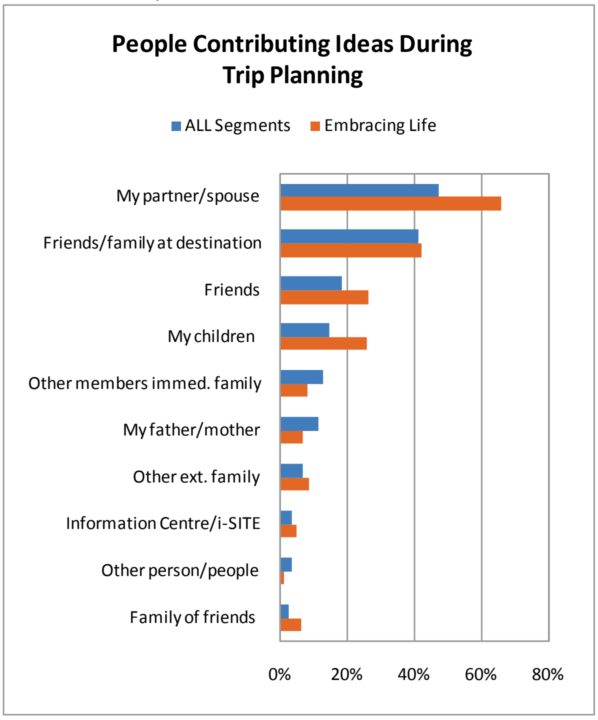


Figure 447: Other Influences on Choice of Destination for Last Domestic Holiday

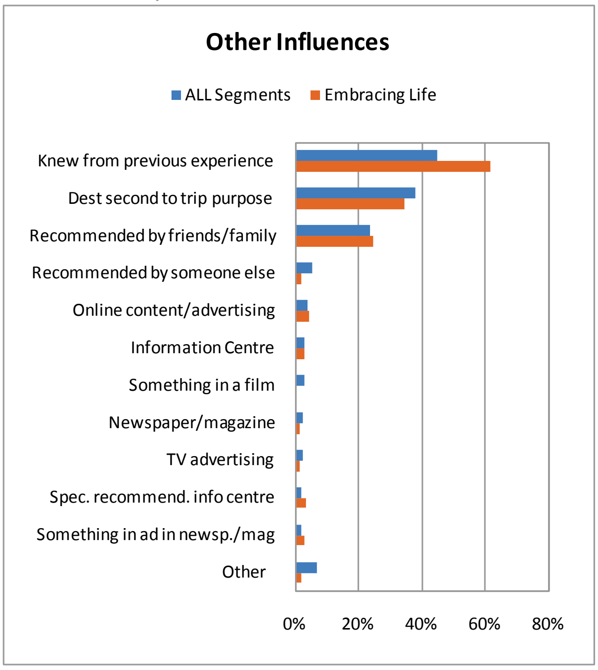


Figure 448: Motivations for Last Domestic Holiday

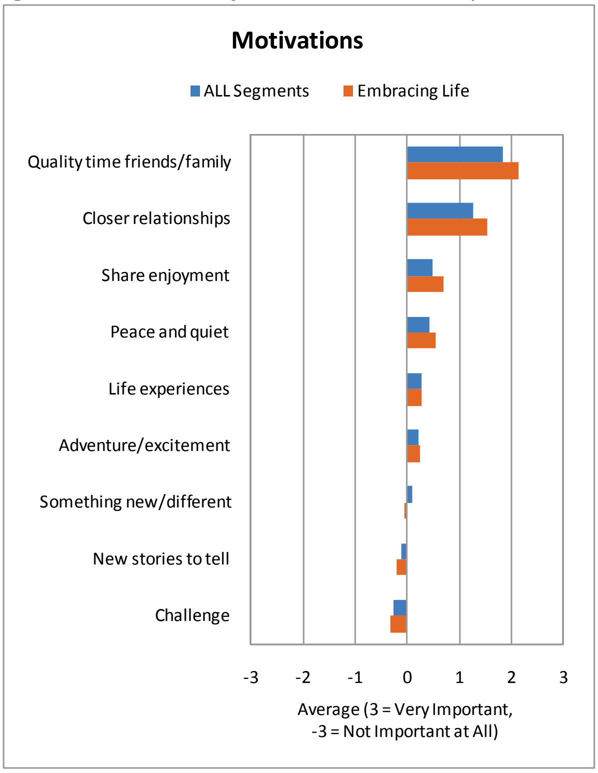


Figure 449: Who Paid for Last Domestic Holiday

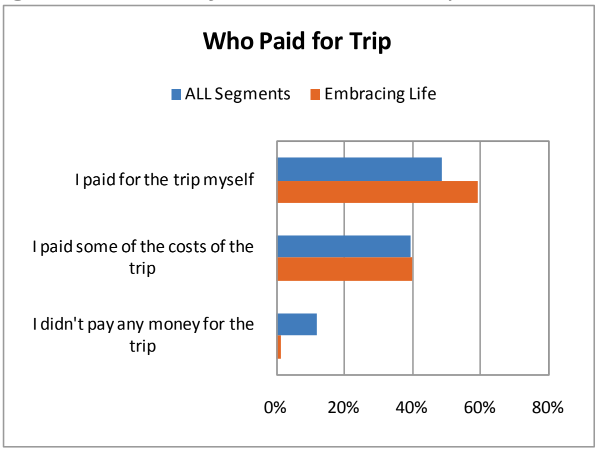
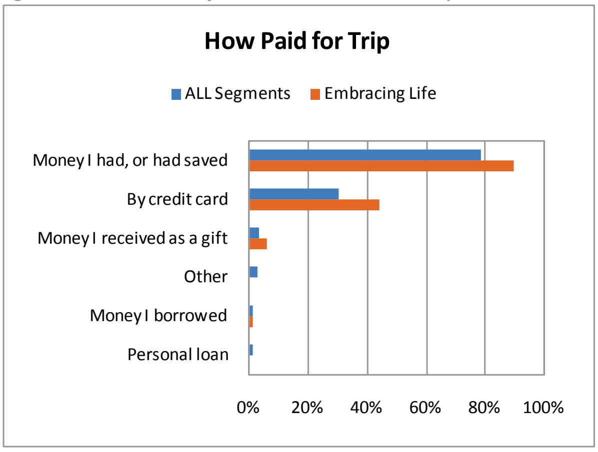


Figure 450: How Paid for Last Domestic Holiday



International Holiday Profile

Members of the 'Embracing Life' segment are more likely to take international holidays each year than their peers in other segments (29% doing so against an average of 25%). However, average frequency sits just below the national average of 0.4 international holiday trips per annum.

Figures 451-463 on the following pages present a profile of the **last international holiday** taken by this segment.

Results show that, compared with other segments: -

- Members of the 'Embracing Life' segment are more likely to visit Australia, New Caledonia, Vanuatu and other destinations in Oceania.
- They are more likely to participate in walking/ tramping, water activities, experiences of local culture, concerts/events and wine/food experiences while overseas.
- They are more likely to self-drive (in rental cars/ vans), to use shuttle buses and commercial ferries/boats.
- They are heavy users of hotels and self-contained accommodation. They are also more likely to stay in B&Bs, home or farm stays than other segments.
- Travel parties are much more likely to include children.
- Overseas holidays are more likely to be 'piggy-backed' onto business or a conference overseas, or to be triggered by stress/pressure or the prospect of a change in travel conditions that would be unfavourable to them (e.g. children reaching adult-fare age).
- Planning is typically undertaken as a family activity, sometimes with input from friends (at home or at destination). Online resources, Information Centres and travel agents/advisors are also used to assist planning.
- As is the case with domestic travel, international holidays are strongly motivated by desires to spend quality time with family/friends and to build closer relationships. A desire to share enjoyment of a destination with others is also important.
- Members of 'Embracing Life' are less likely to fund overseas holidays on credit card than they are to fund domestic travel – preferring instead to pay with money they have or have saved.

Figure 451: Countries Visited on Last International Holiday

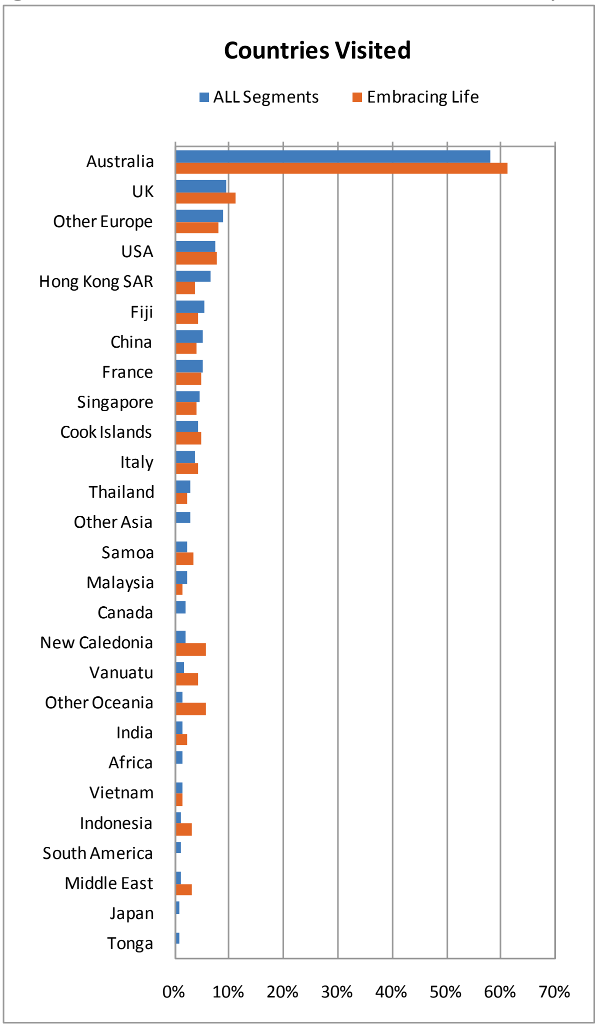


Figure 452: Activities/Experiences on Last International Holiday

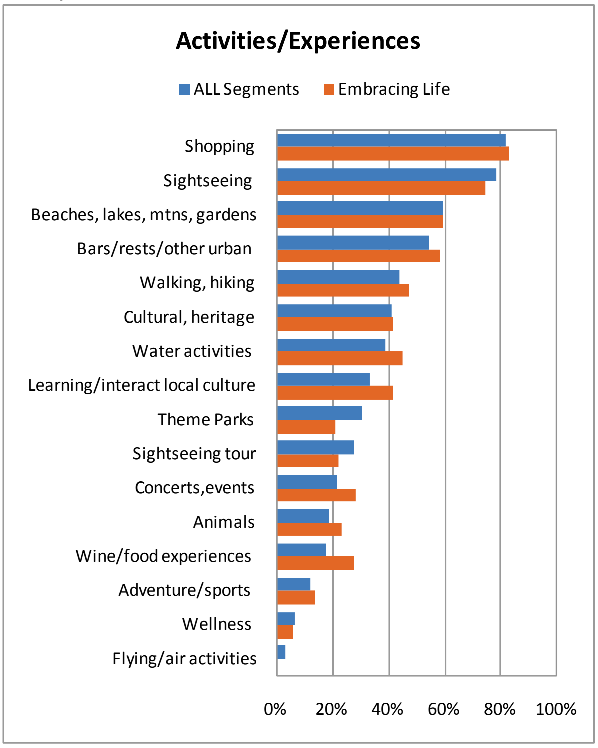


Figure 453: Transport Used on Last International Holiday

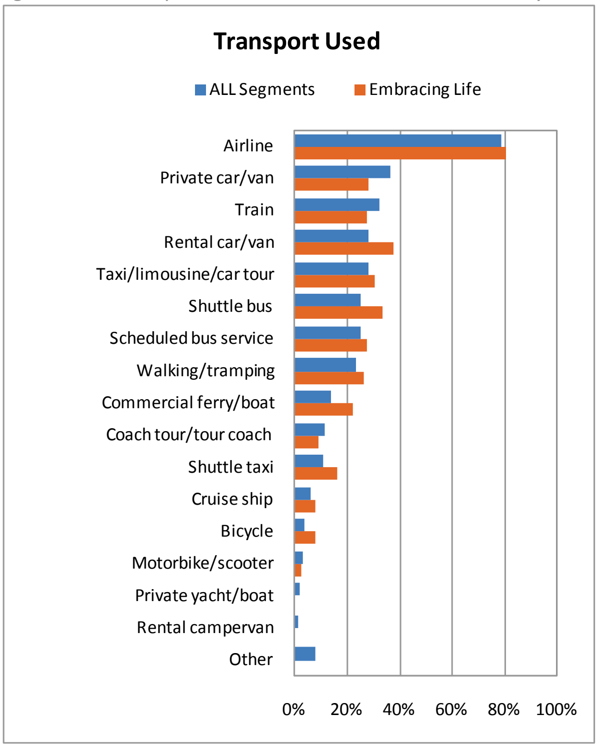


Figure 454: Accommodation Used on Last International Holiday

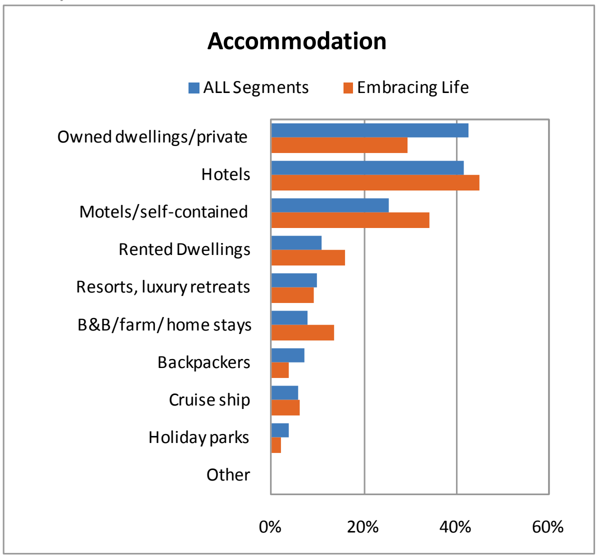


Figure 455: Party Composition on Last International Holiday

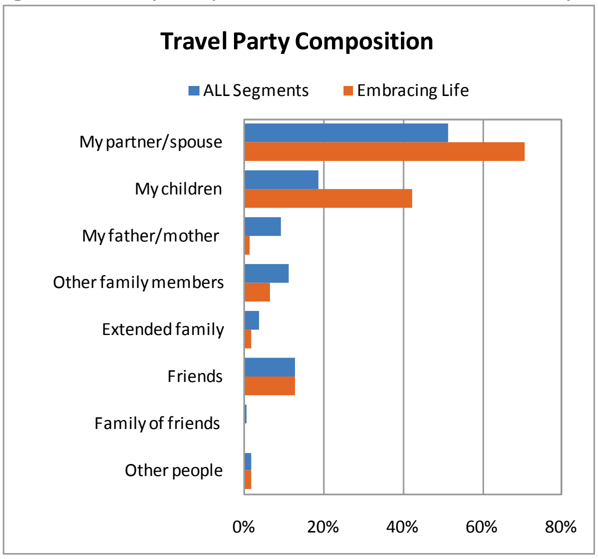


Figure 456: Role in Planning Last International Holiday

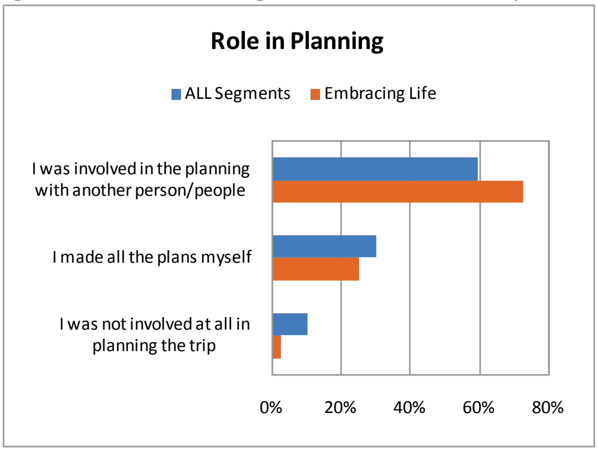


Figure 457: Planning Timelines for Last International Holiday

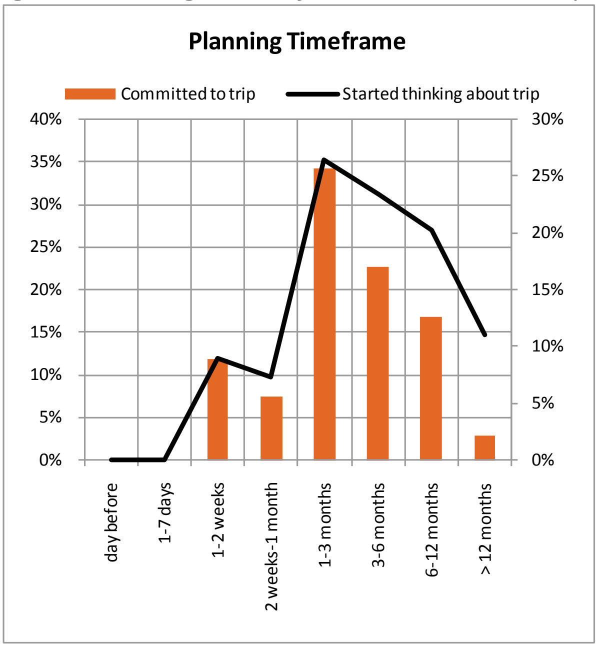


Figure 458: Commitment to Trip – Triggers for Last International Holiday

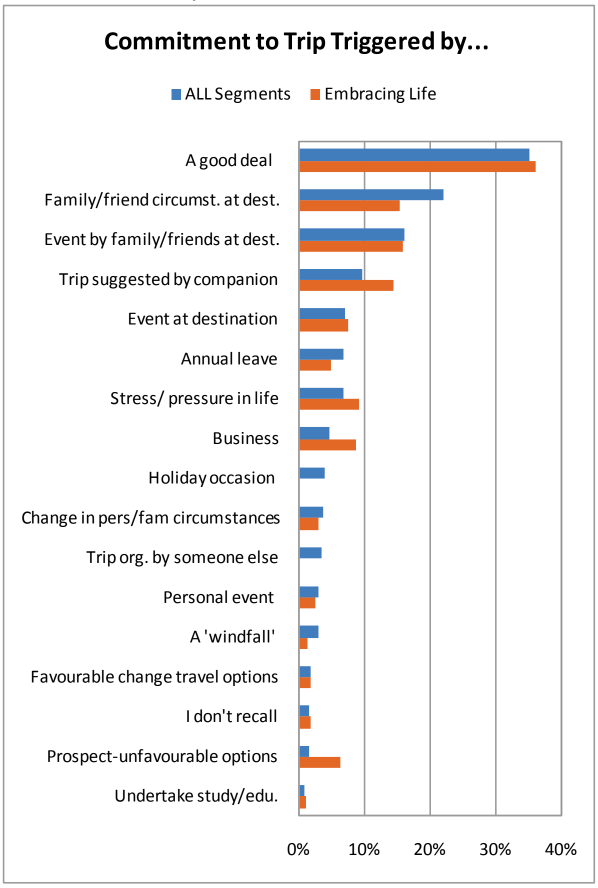


Figure 459: People Contributing to Trip Planning of Last International Holiday

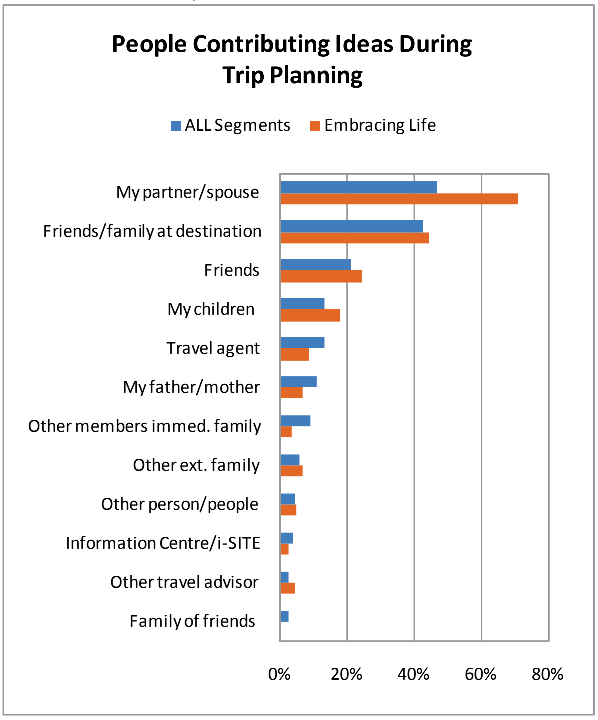


Figure 460: Other Influences on Choice of Destination for Last International Holiday

Figure 461: Motivations for Last International Holiday

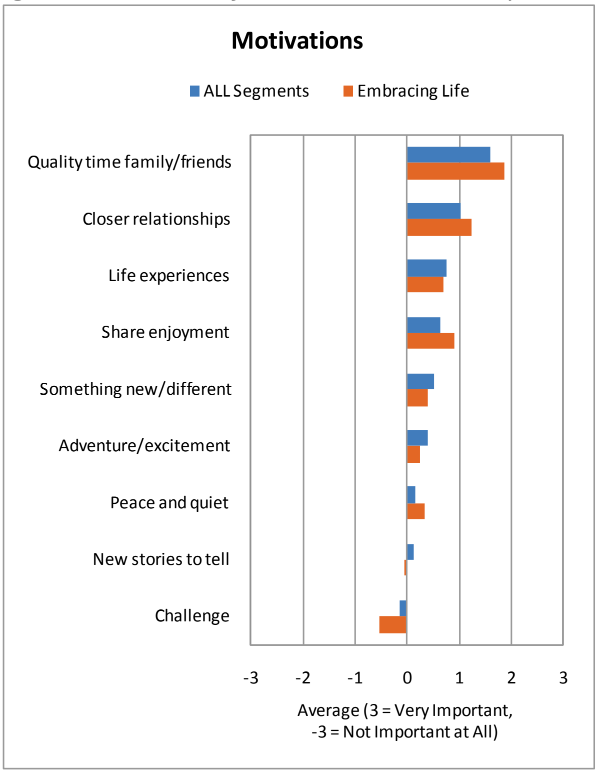


Figure 462: Who Paid for Last International Holiday

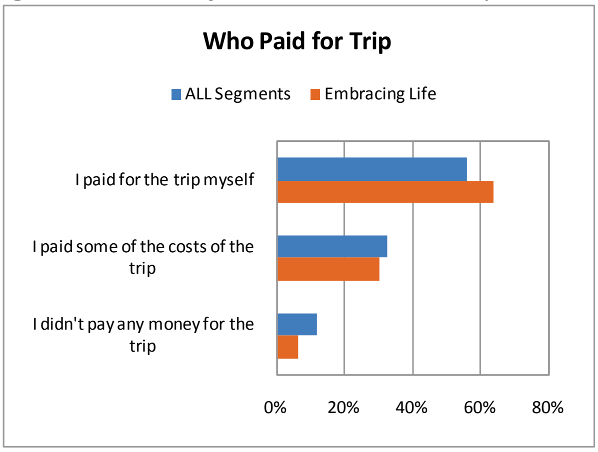
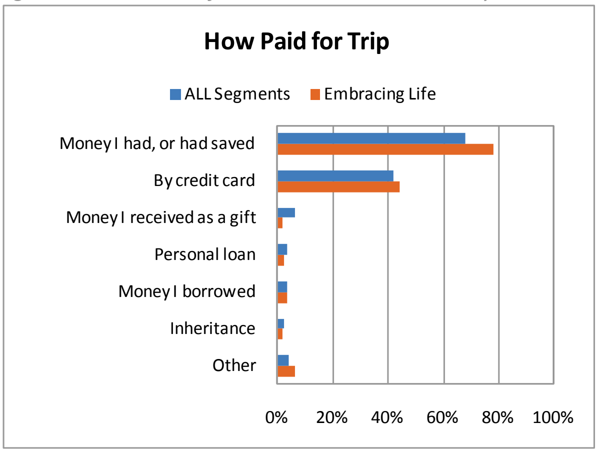


Figure 463: How Paid for Last International Holiday

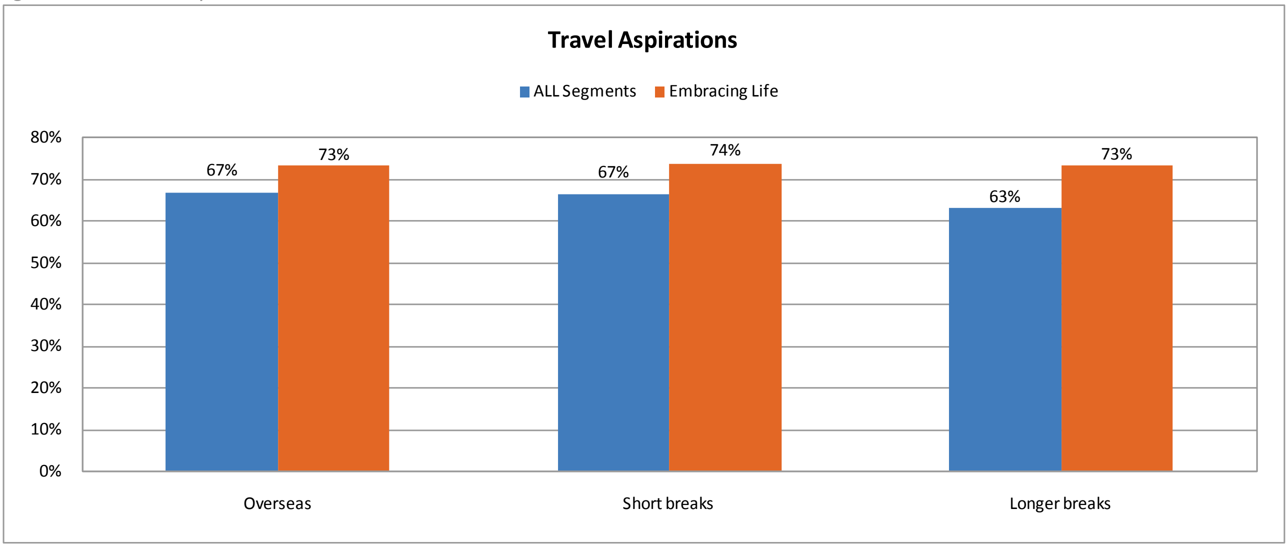


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types).

As illustrated in Figure 464, the general consensus is towards more travel of ALL TYPES, but with overseas holidays and short domestic breaks being slightly more desirable overall. However, travel aspirations are particularly strong amongst members of the 'Embracing Life' segment, with 'demand' for domestic travel as high as that for international.

Figure 464: Travel Aspirations

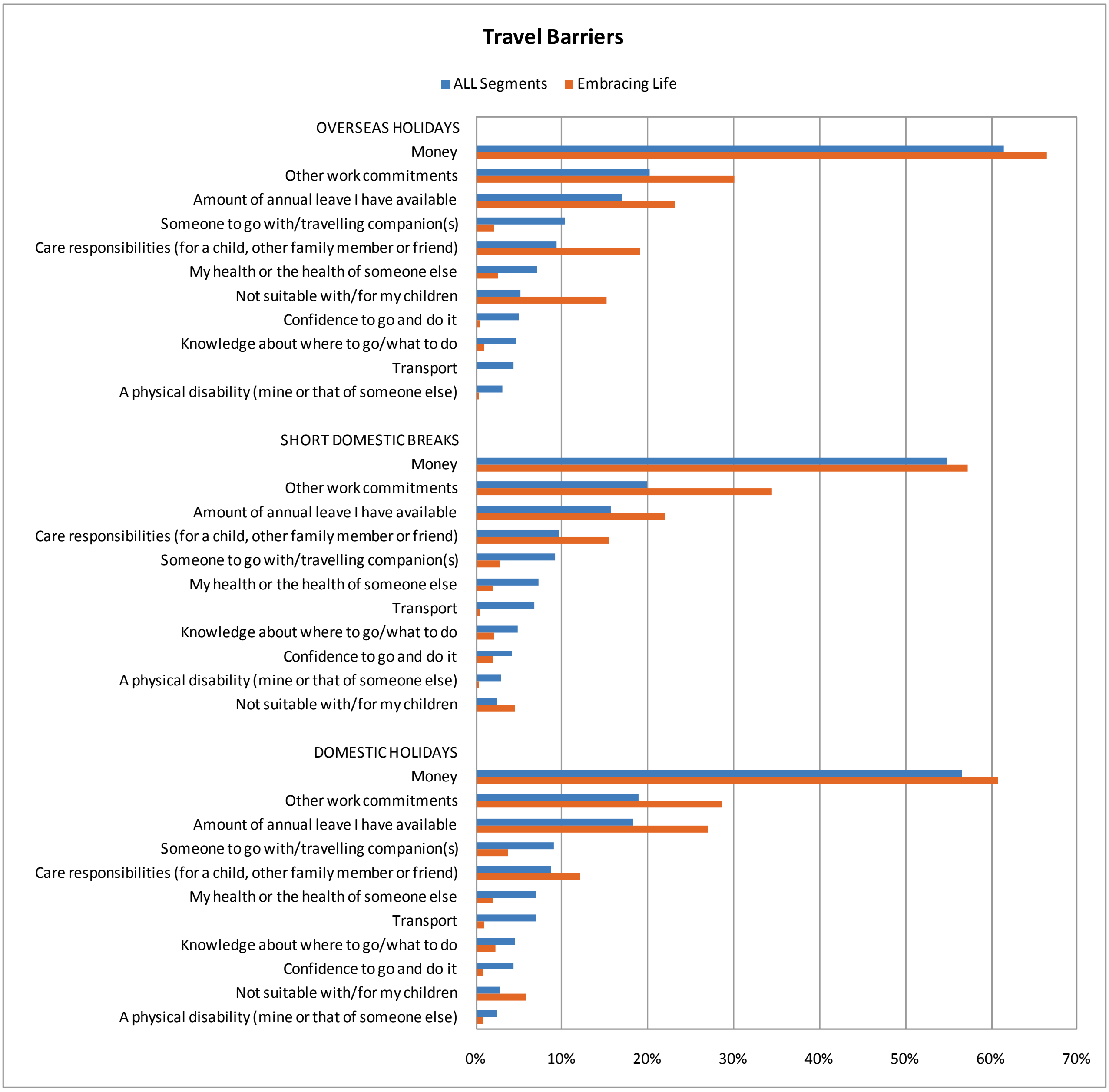


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 465 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, standout barriers for the 'Embracing Life' segment are work commitments, amount of annual leave and care responsibilities.

Figure 465: Barriers to Travel



Segment 7 – 'Creating'

This section presents a detailed profile of the 'Creating' segment. It includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

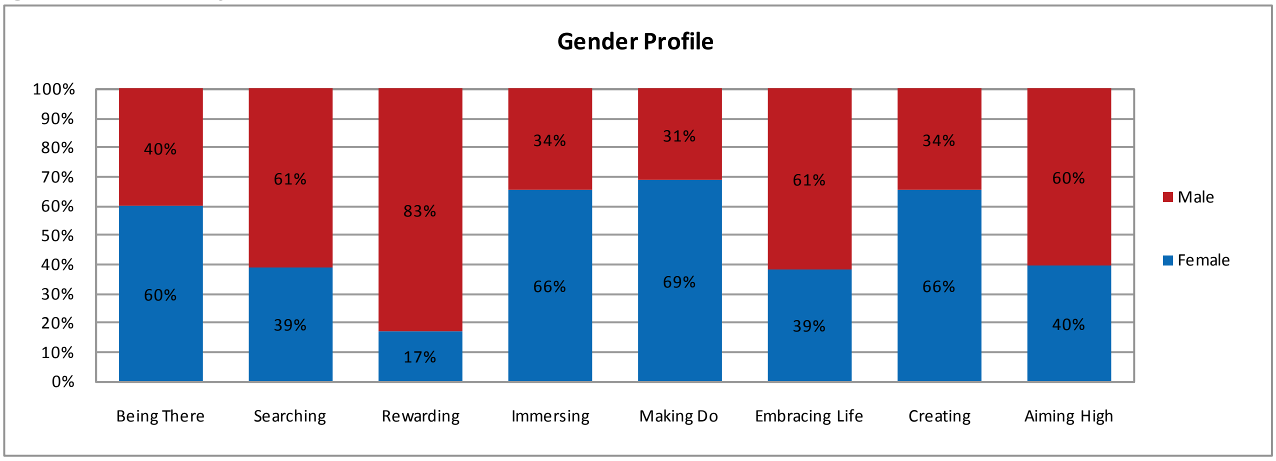
Segment Size

'Creating' comprises **8%** of the adult population (aged 15 years or more).

Gender

The segment has a female bias with a ratio of two-thirds females to one-third males.

Figure 466: Gender Profile



Age

'Creating' spans a wide range of ages, with the largest group aged 25-49 years. See Figure 467 overleaf.

Figure 467: Age Profile – Creating

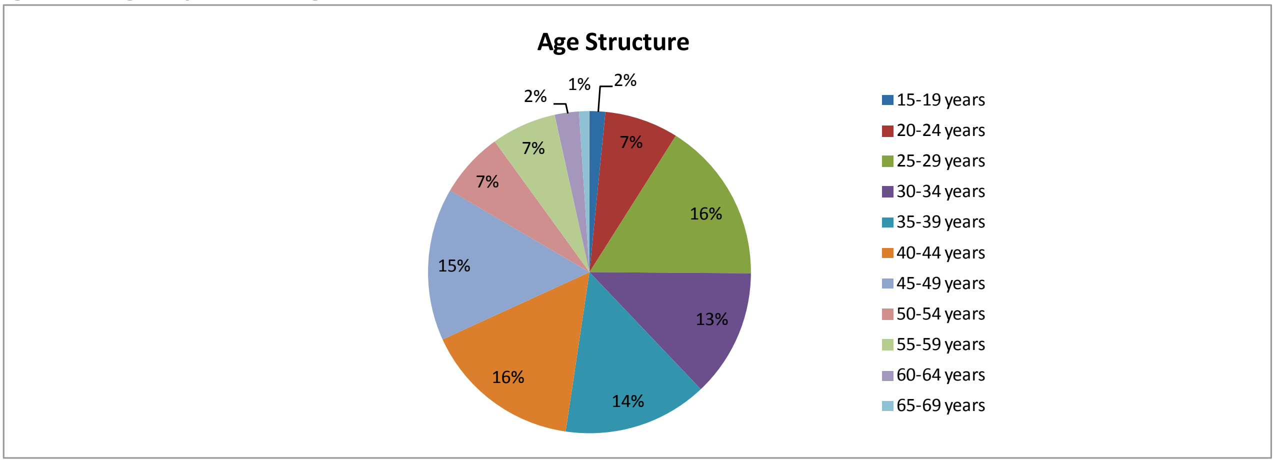
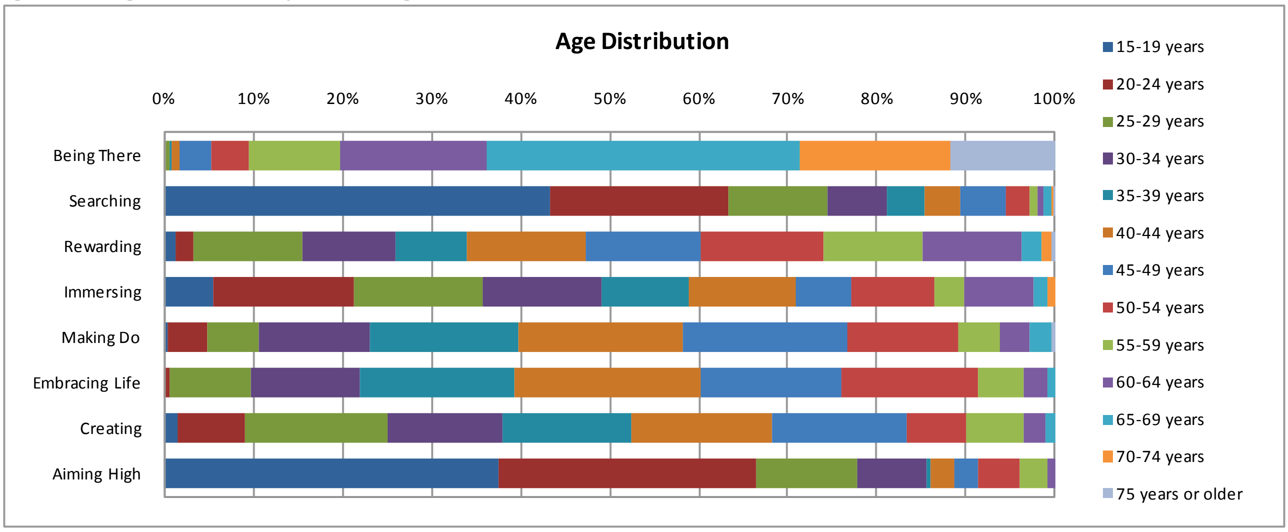


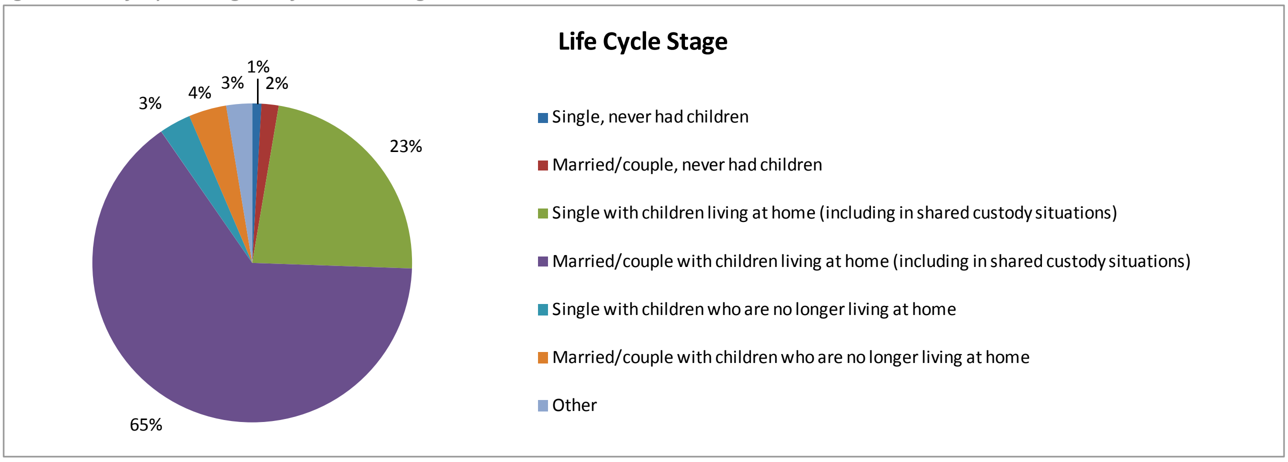
Figure 468: Age Distribution by Market Segment



Lifecycle Stage

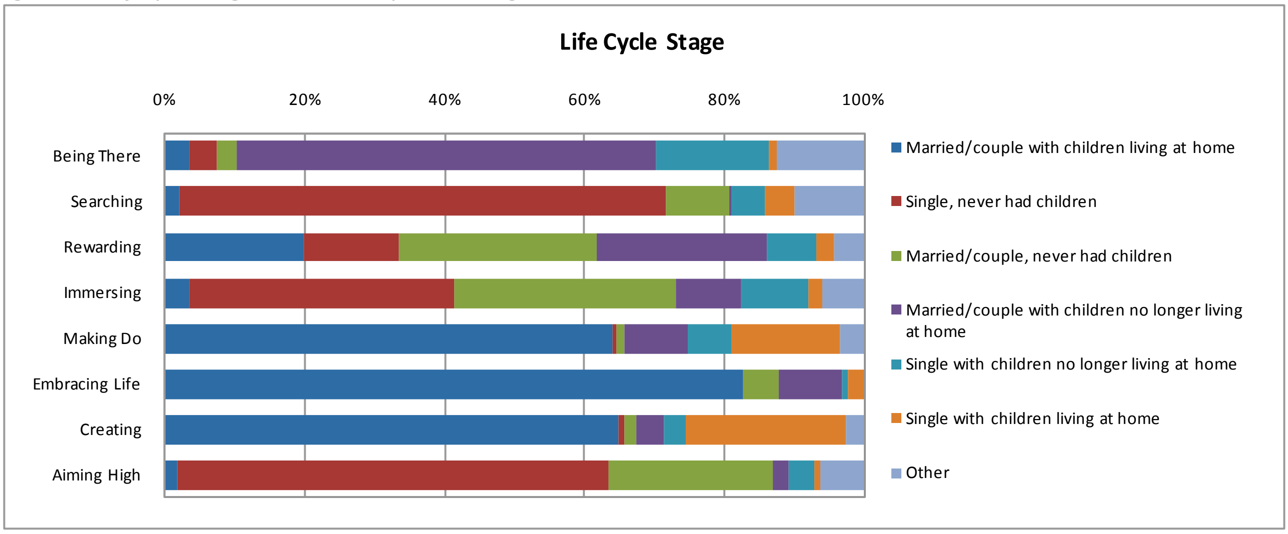
'Creating' is dominated by couples with children living at home although the segment also contains a high proportion of people in single-parent households.

Figure 469: Lifecycle Stage Profile – Creating



In this respect, ‘Creating’ has a similar profile to ‘Making Do’.

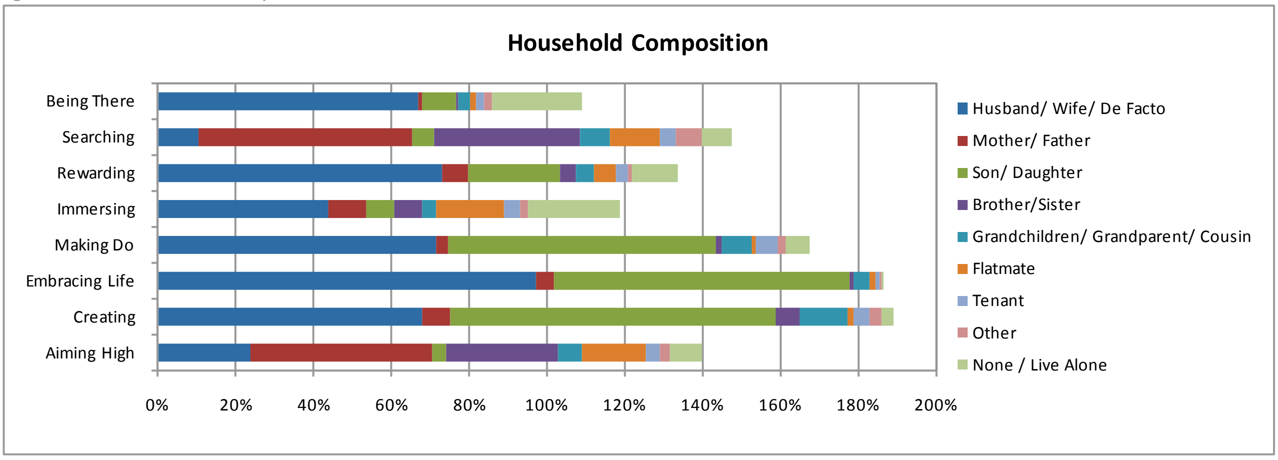
Figure 470: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of ‘Creating’ is reflected in household composition – typically two or solo-parent families with children living at home. A relatively high proportion of households also contain members of the extended family (including grandchildren, grandparents, cousins etc.).

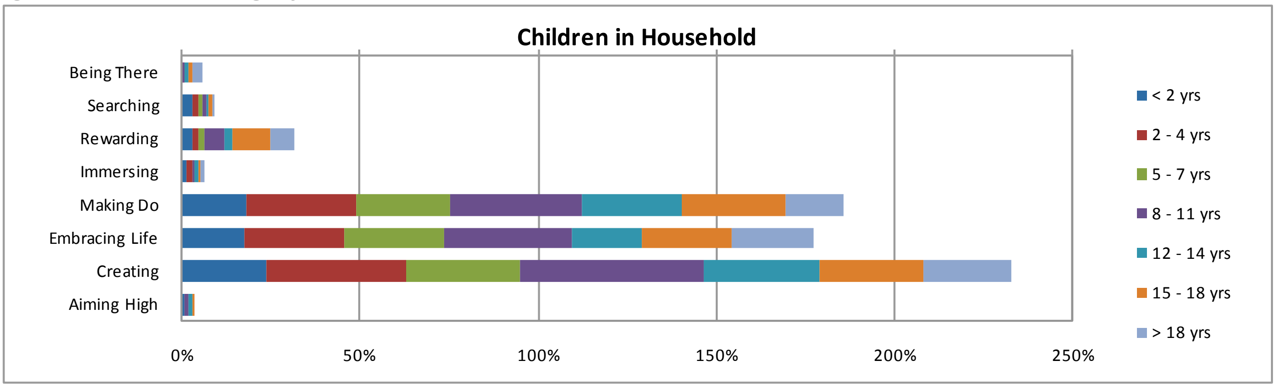
Figure 471: Household Composition



Children

Children in ‘Creating’ households are spread throughout the age groups, from birth to 18+ years of age. However, more than 50% have a child or children aged 8-11 years.

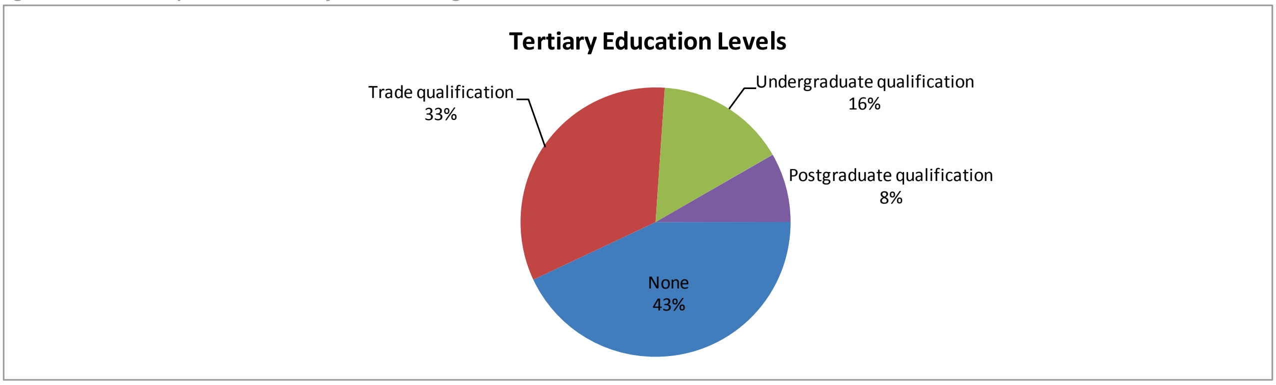
Figure 472: Number and Age of Own Children in Household



Education

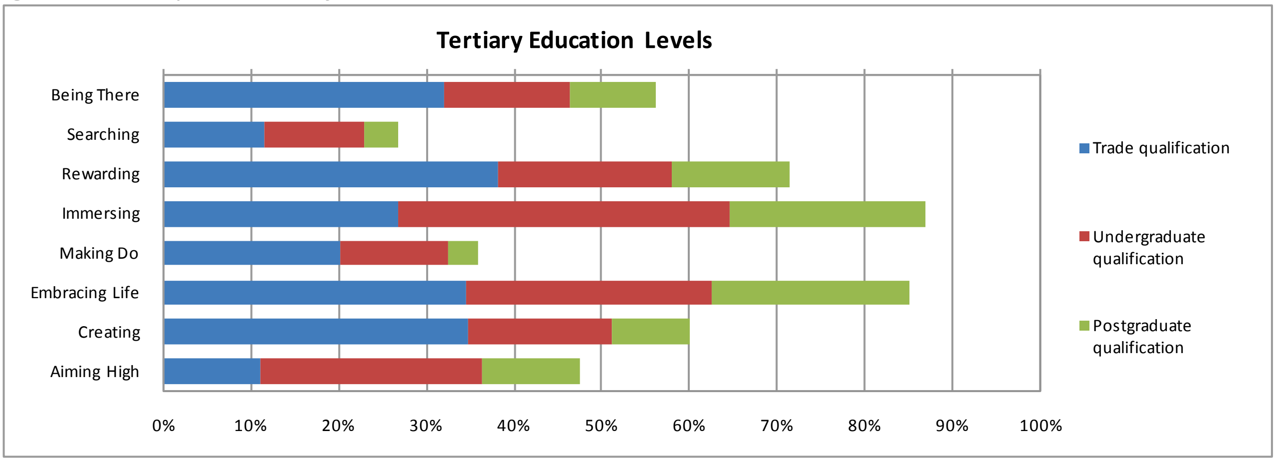
More than half of the segment has tertiary qualifications, with trade qualifications the most common.

Figure 473: Tertiary Education Profile – Creating



This gives 'Creating' a similar educational profile to 'Being There'.

Figure 474: Tertiary Education Profile



Occupation

'Creating' spans a diverse set of occupations, although home workers are most prominent. See Figure 475 overleaf.

Figure 475: Occupational Profile – Creating

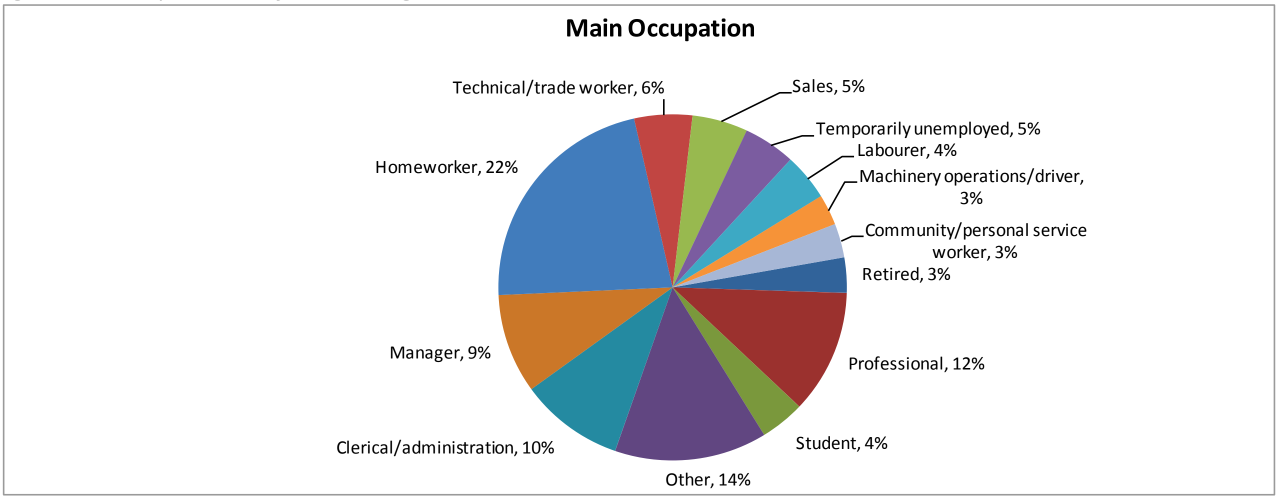
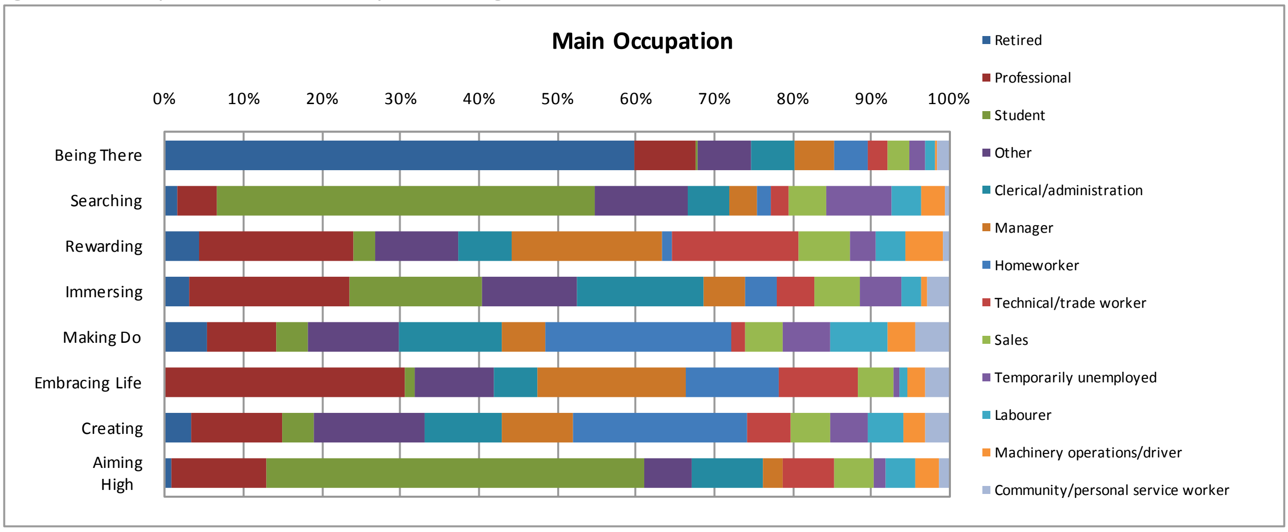


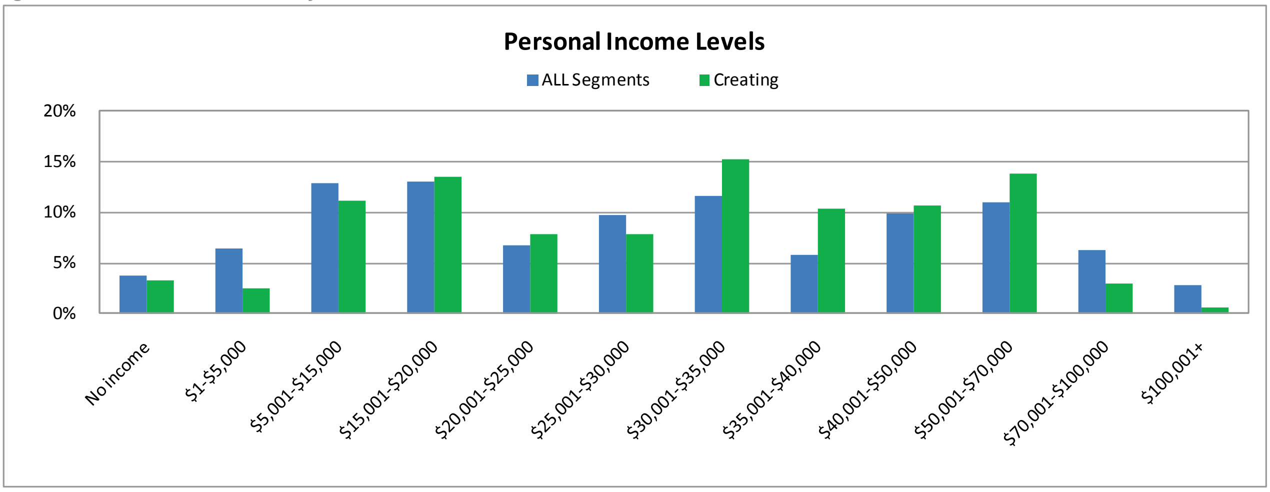
Figure 476: Occupational Distribution by Market Segment



Income

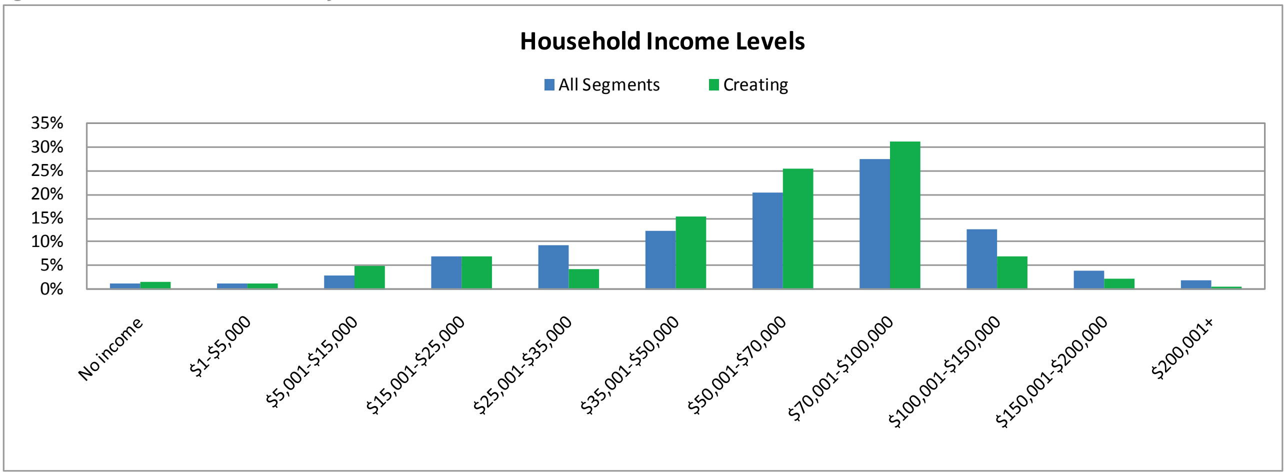
The **personal** incomes of 'Creating' are generally above the norm.

Figure 477: Personal Income Profile



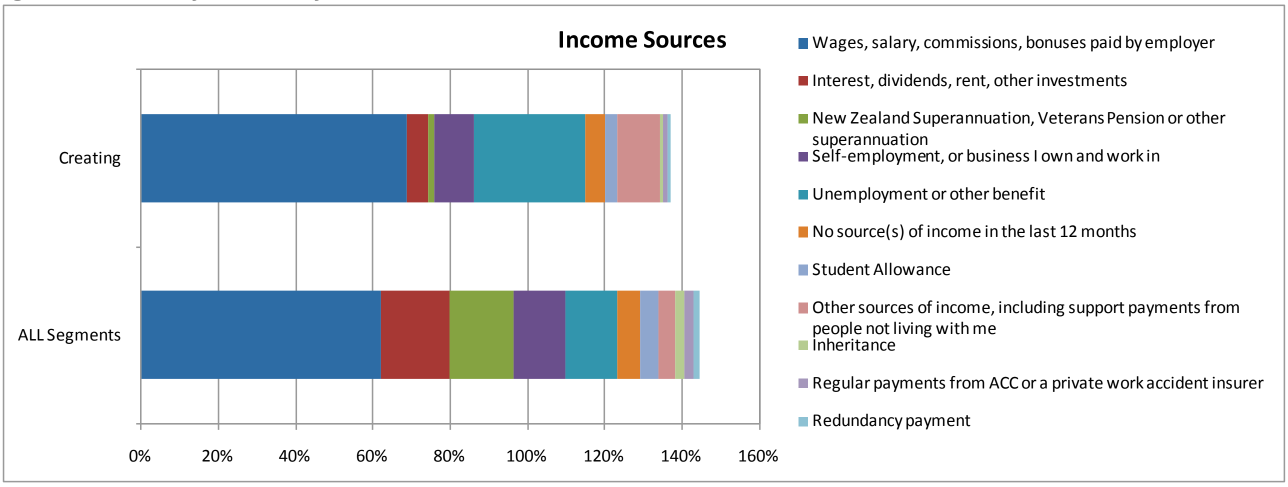
Household incomes are also moderate to high.

Figure 478: Household Income Profile



While 'Creating' most often draws an income from wages/salaries, relatively high proportions of the segment also draw income from unemployment or other benefits and "other" sources. Note that this includes support payments from people living elsewhere.

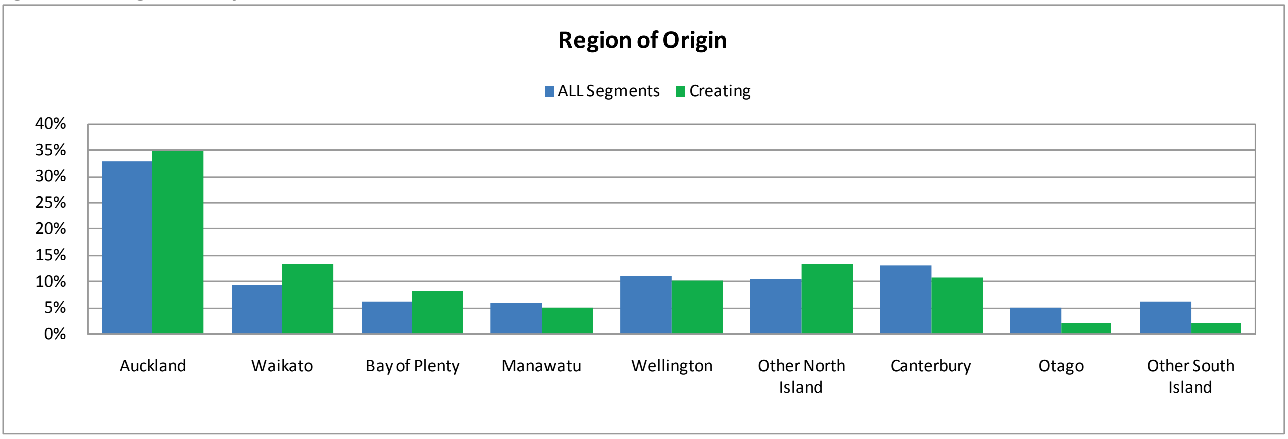
Figure 479: Source of Income Profile



Region

'Creating' is over-represented in Auckland, Waikato, Bay of Plenty and other North Island centres (excluding Manawatu and Wellington) and under-represented in the South Island.

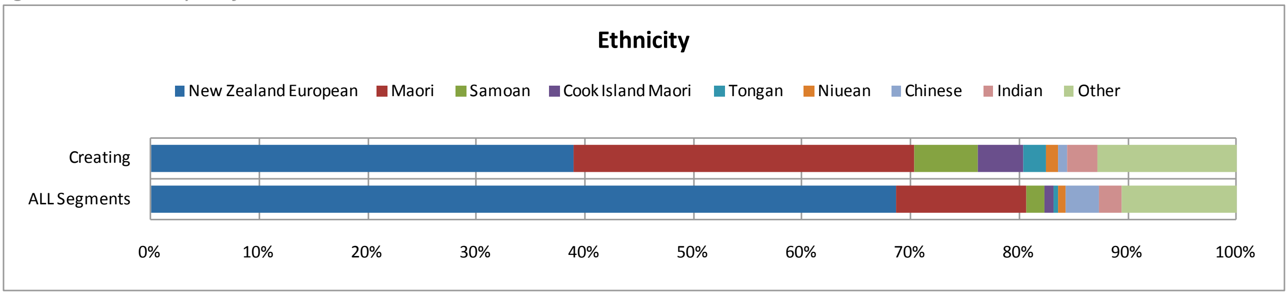
Figure 480: Regional Profile



Ethnicity

This segment contains the lowest proportion of New Zealand Europeans, and the highest proportions of Maori, Samoan, Cook Island Maori, Tongan, Indian and 'other' ethnicities.

Figure 481: Ethnicity Profile

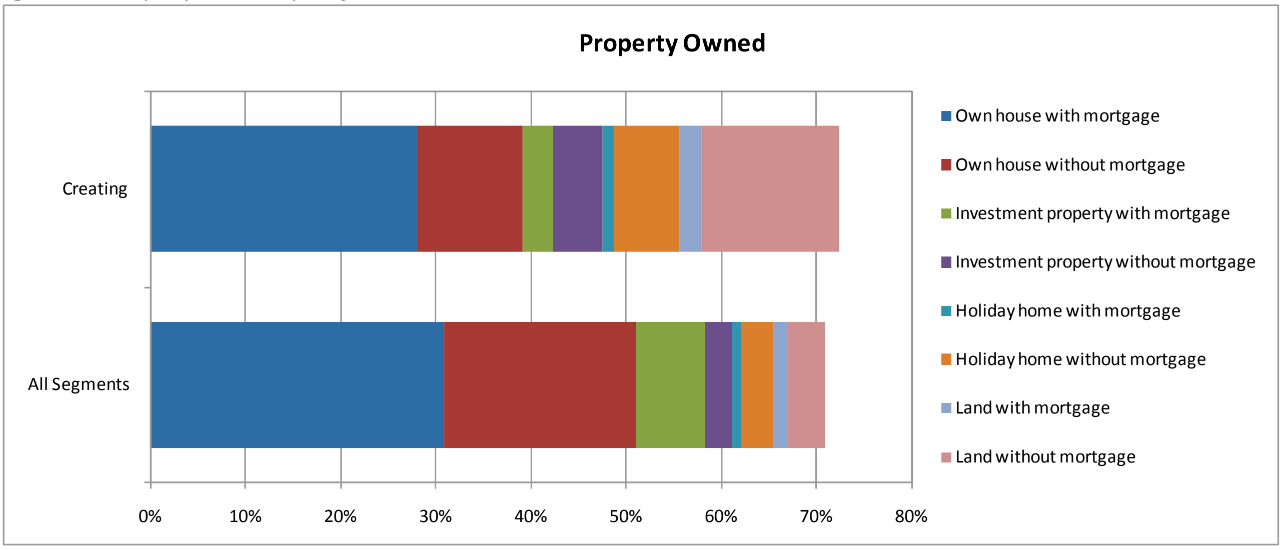


Other Characteristics

Property Ownership

Almost 40% of 'Creating' own their own home (with or without a mortgage) – lower than the 50% average overall. The segment is further distinguished by the 7% which owns a holiday home without a mortgage and the 15% that are owners of land (also without a mortgage).

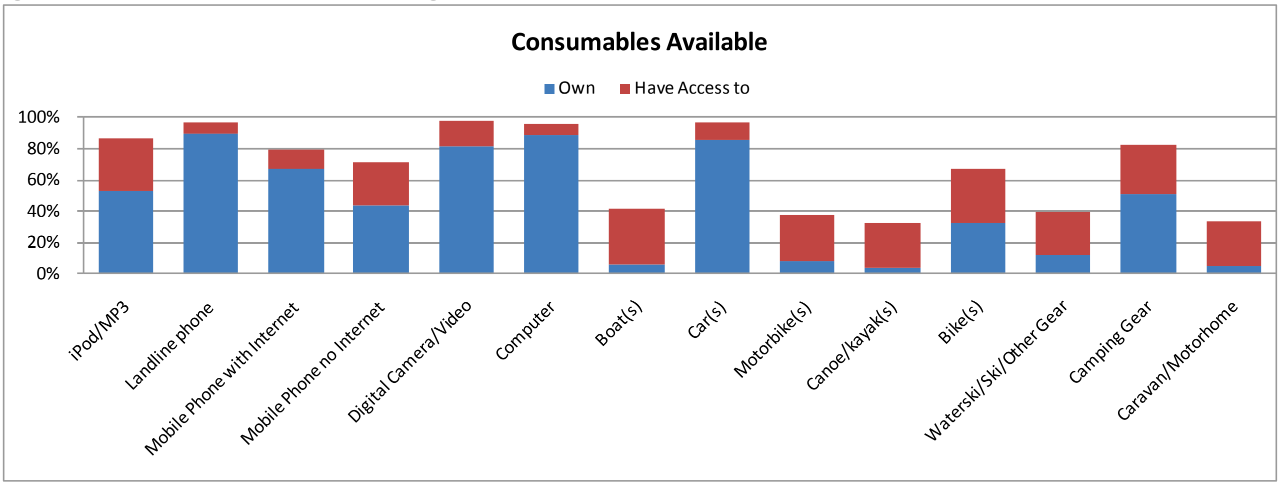
Figure 482: Property Ownership Profile



Ownership and Access to Consumables

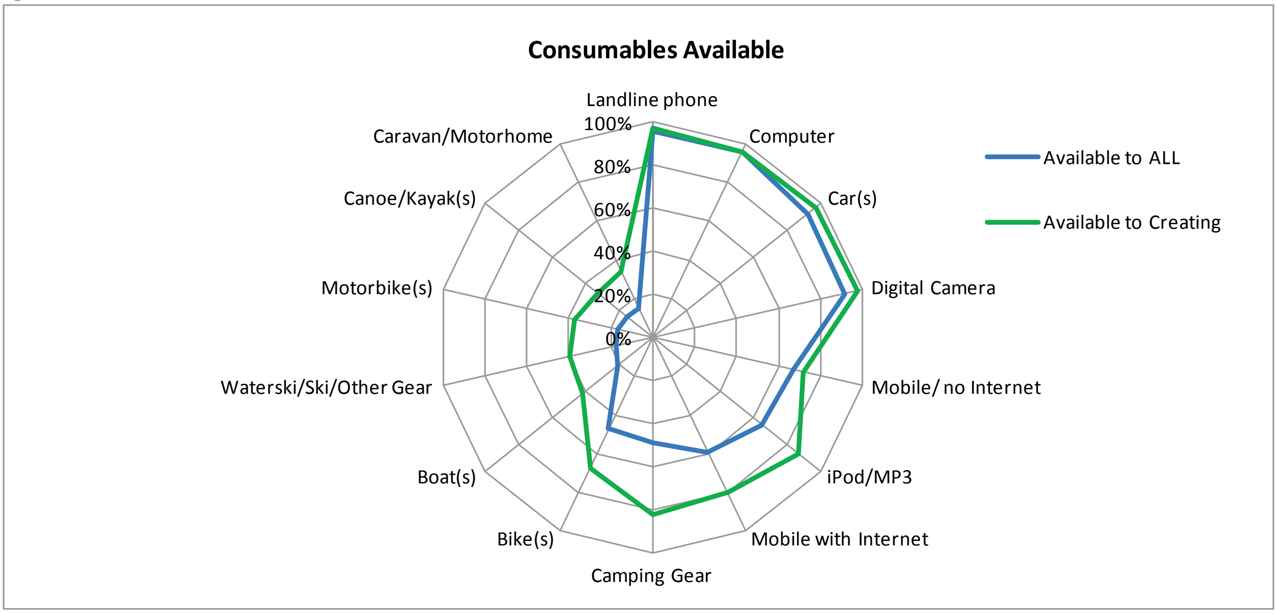
'Creating' is relatively well-endowed with consumables. In particular, a high proportion of the segment owns or (more typically) has access to camping and outdoor equipment such as boats, canoes/kayaks, bikes, waterskis and other sporting equipment. Refer to Figure 480 overleaf.

Figure 483: Consumables Available – Creating



The wealth of consumables available to 'Creating' is particularly evident in a comparison with other segments.

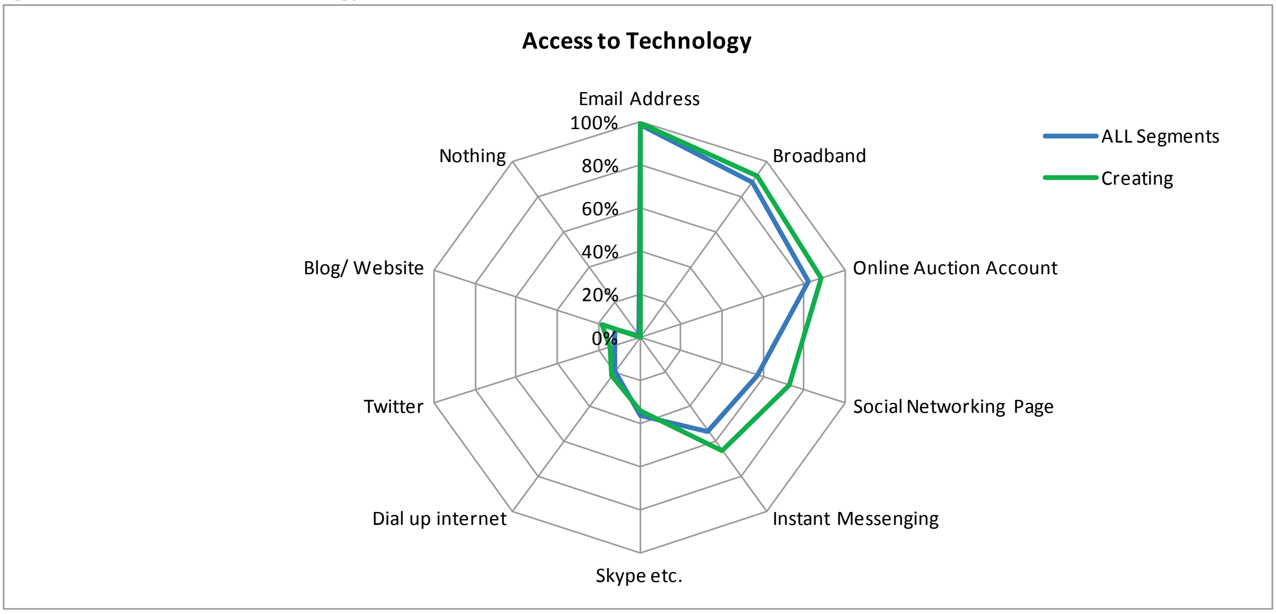
Figure 484: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 485 (overleaf), members of 'Creating' are tech-literate, with large proportions making use of online auction accounts, social networking websites and instant messaging services.

Figure 485: Use/Access to Technology

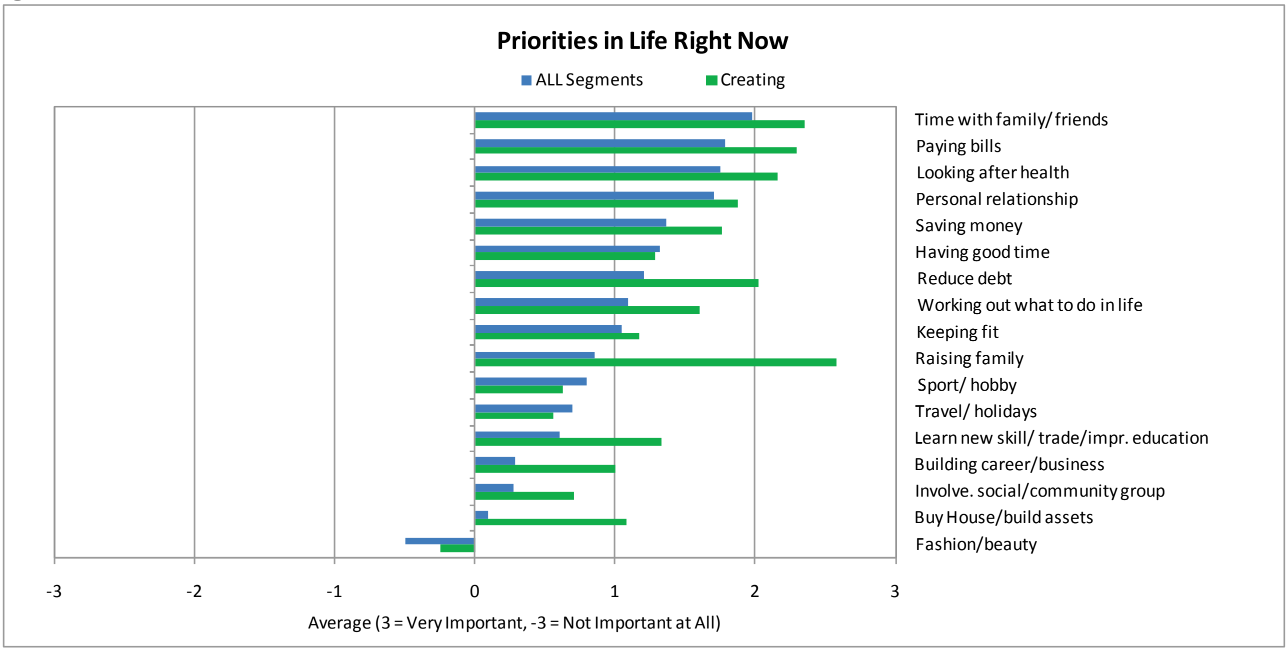


Current Priorities

The 'Creating' segment is marked by its multiple priorities in life. While 'raising a family' is chief amongst these, the segment is also focused on a wide variety of other objectives: from spending time with family and friends, to paying bills, to reducing debt, to improving skills, to building a career or business, to involvement in a social or community group.

As part of this overall mix, 'travel and holidays' is not one of the segment's dominant priorities.

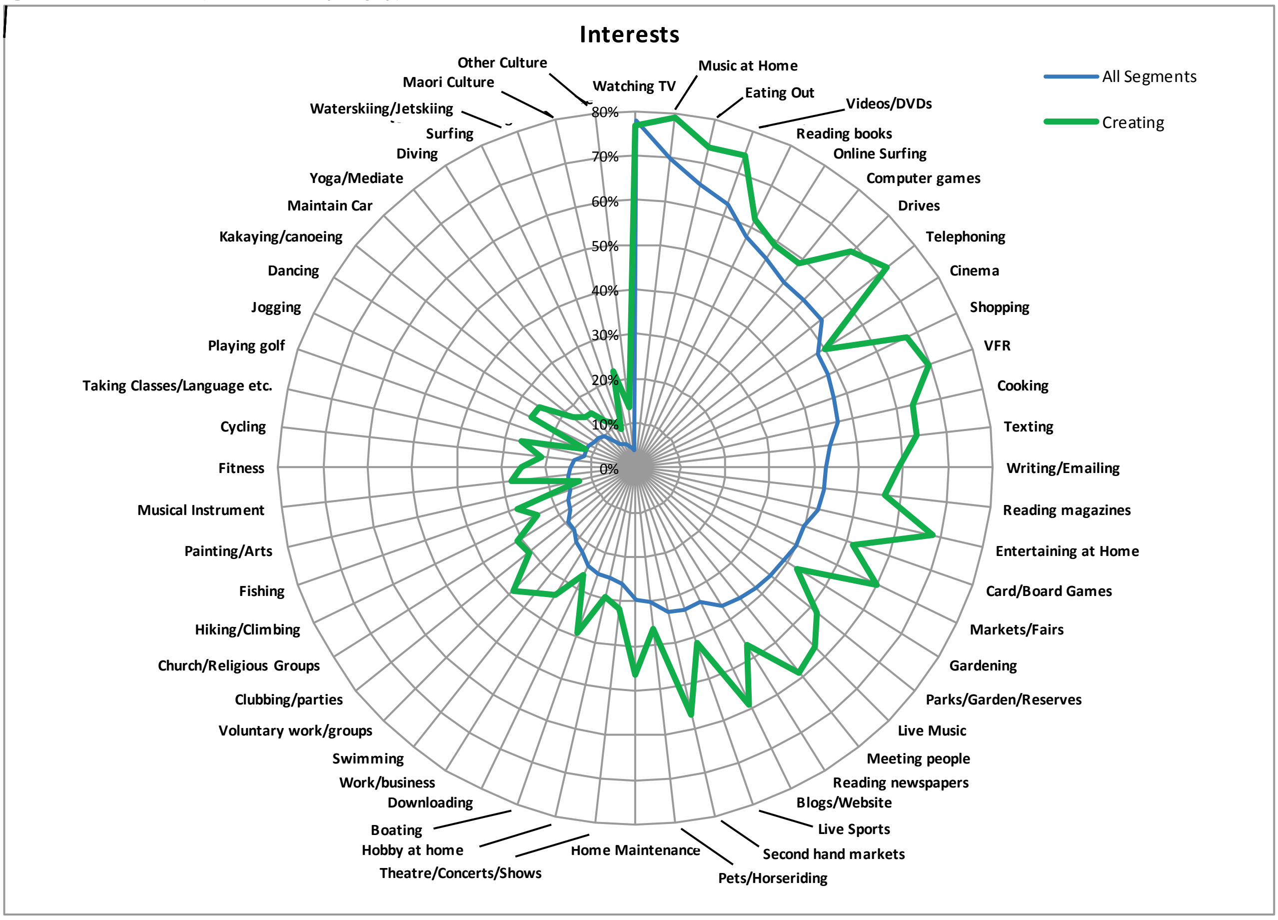
Figure 486: Current Priorities



Interests

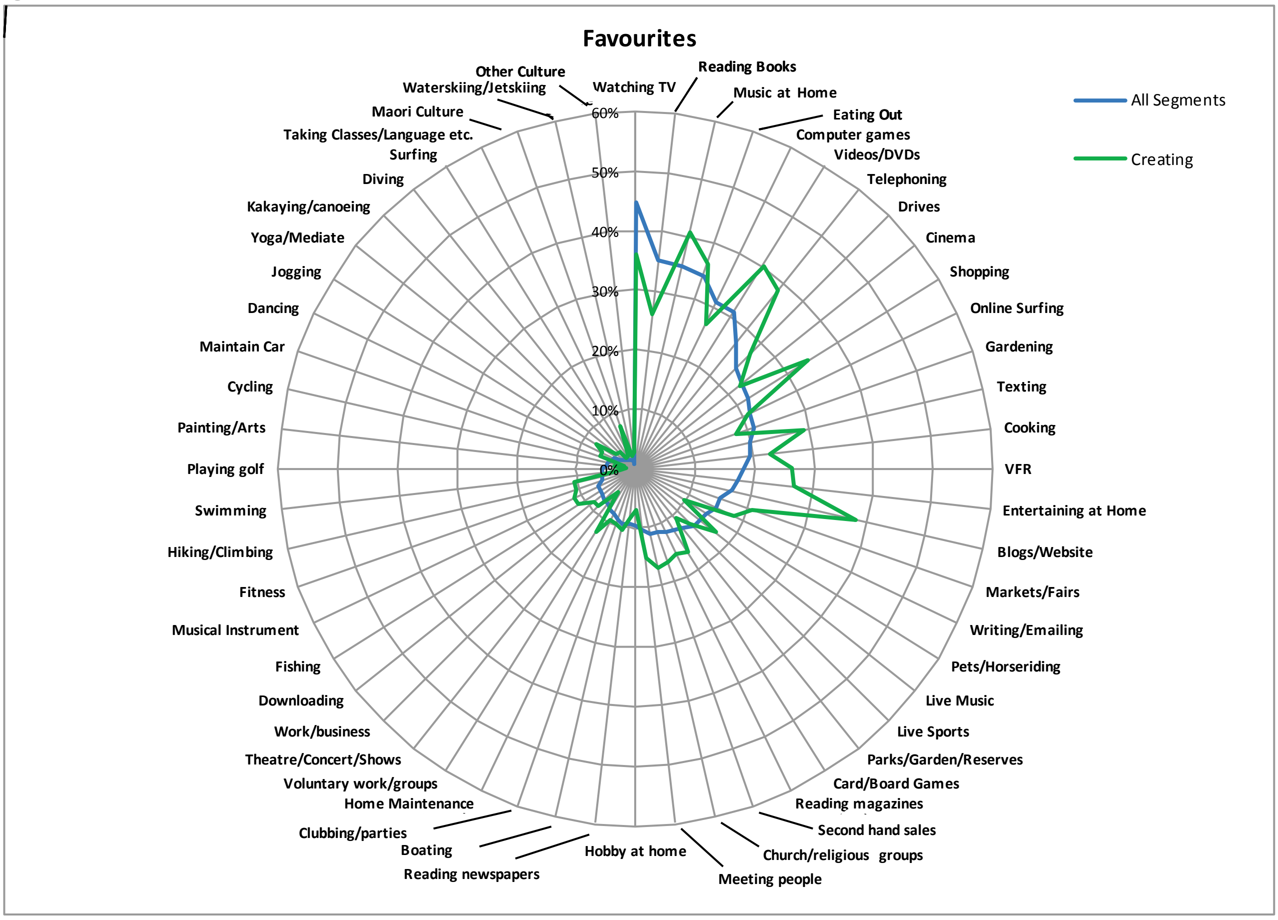
Like 'Embracing Life', the interests of 'Creating' are many and varied. Relative to the average, members of 'Creating' express greater enthusiasm for almost all interests measured in the online survey.

Figure 487: Interests (What I Really Enjoy)



Of this multitude of interests, the more home-based and socially-oriented emerge as **favourite pastimes**. These include listening to music at home, watching videos/DVDs, talking with friends on the phone, shopping, texting friends, updating or communicating with friends via blogs or websites, listening to live music, playing cards/board games, attending church or religious groups and voluntary work. Refer to Figure 488 overleaf.

Figure 488: Favourite Pastimes



Travel Needs and Attitudes

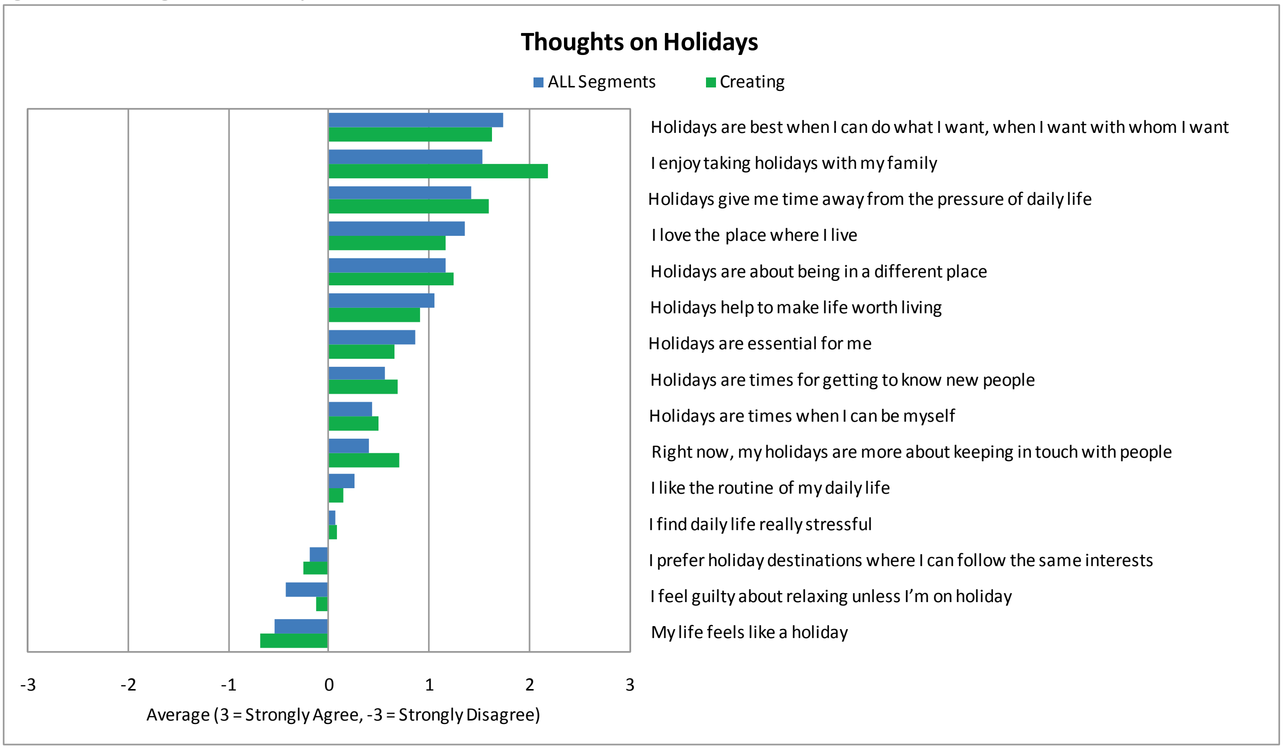
Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

'Creating' is distinguished in its attitudes towards travel and holidays by a focus on family and people more generally – in particular, by the high proportion of the segment indicating agreement with the statements "I enjoy holidays with my family" and "right now, my holidays are more about keeping in touch with people than seeing new places".

See Figure 489 overleaf.

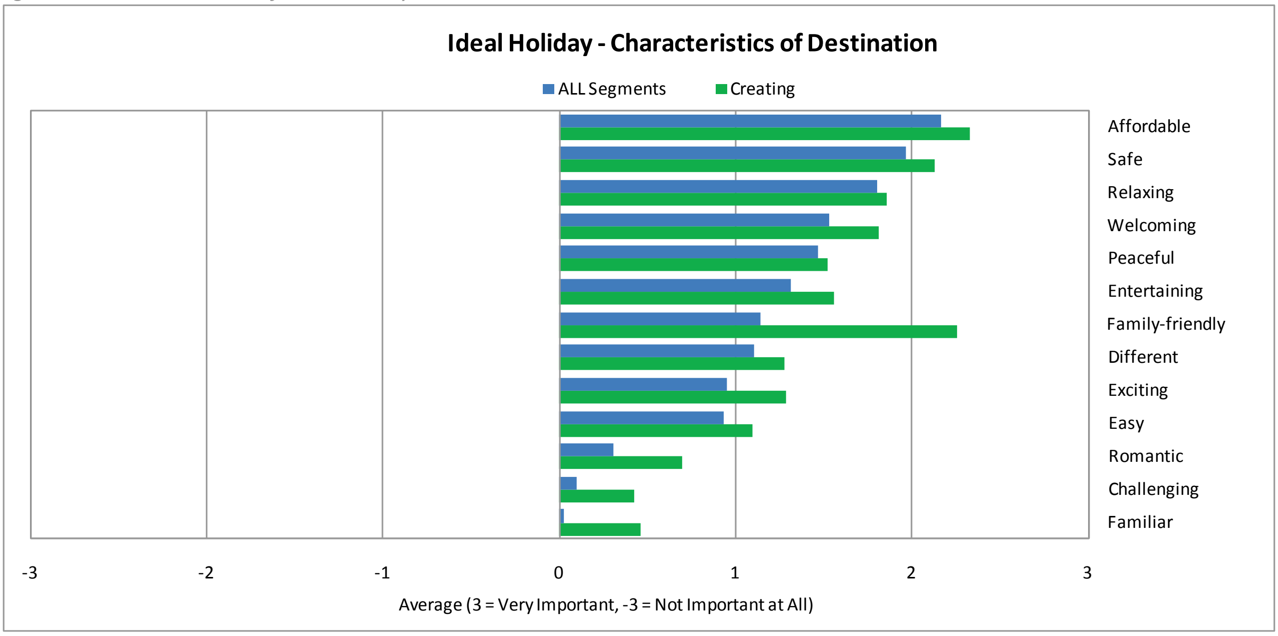
Figure 489: Thoughts on Holidays



Ideal Holiday Destination

The ideal holiday destination for those in the 'Creating' segment is **affordable**, **safe** and – very importantly - **family-friendly**.

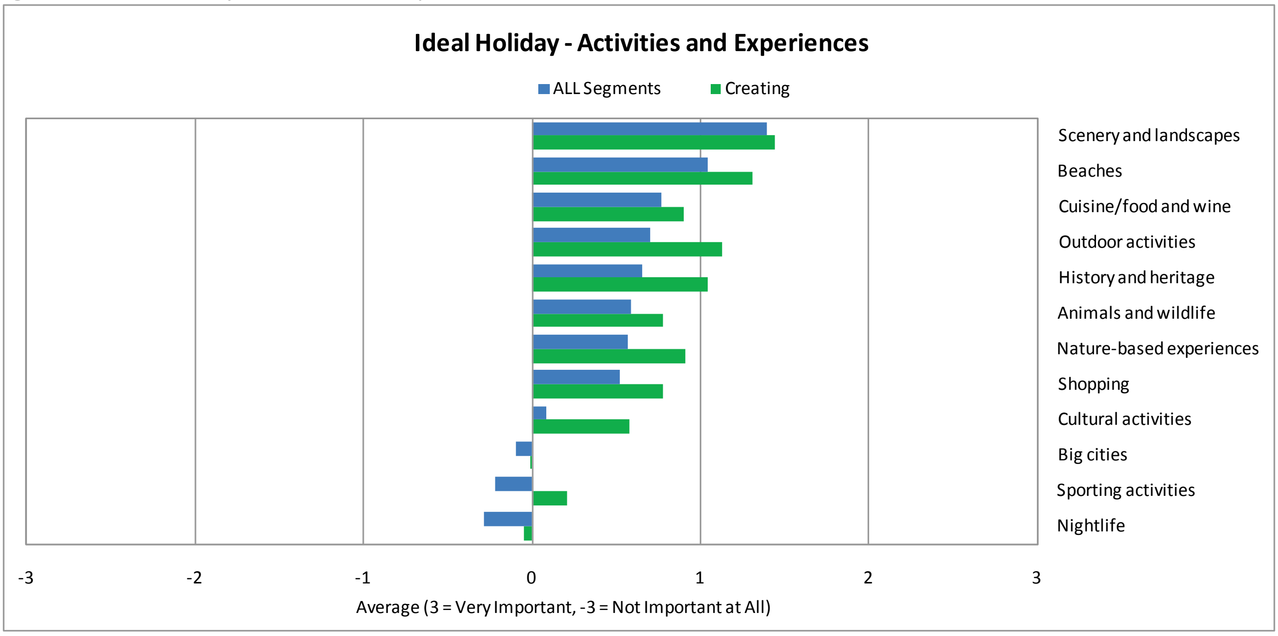
Figure 490: Characteristics of Ideal Holiday Destination



Like 'Embracing Life', the ideal holiday activities and experiences for 'Creating' are built around scenery and landscapes, beaches and outdoor activities. History and heritage, nature-based experiences, shopping and cultural experiences also feature strongly in the ideal for this segment.

The ideal holiday for this segment is typically **not** about big cities or nightlife. Refer to Figure 491 overleaf.

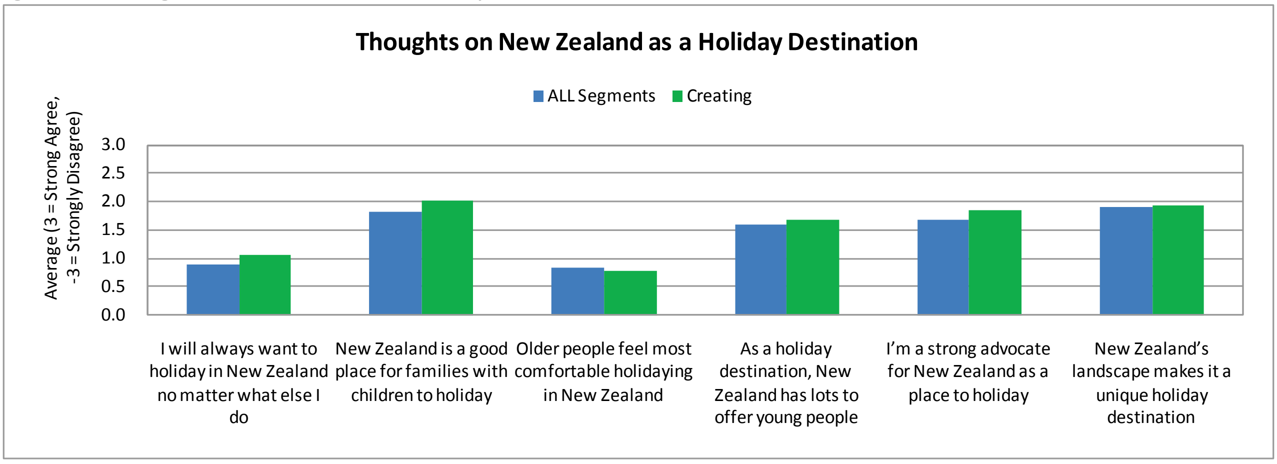
Figure 491: Ideal Holiday – Activities and Experiences



Domestic Holidays

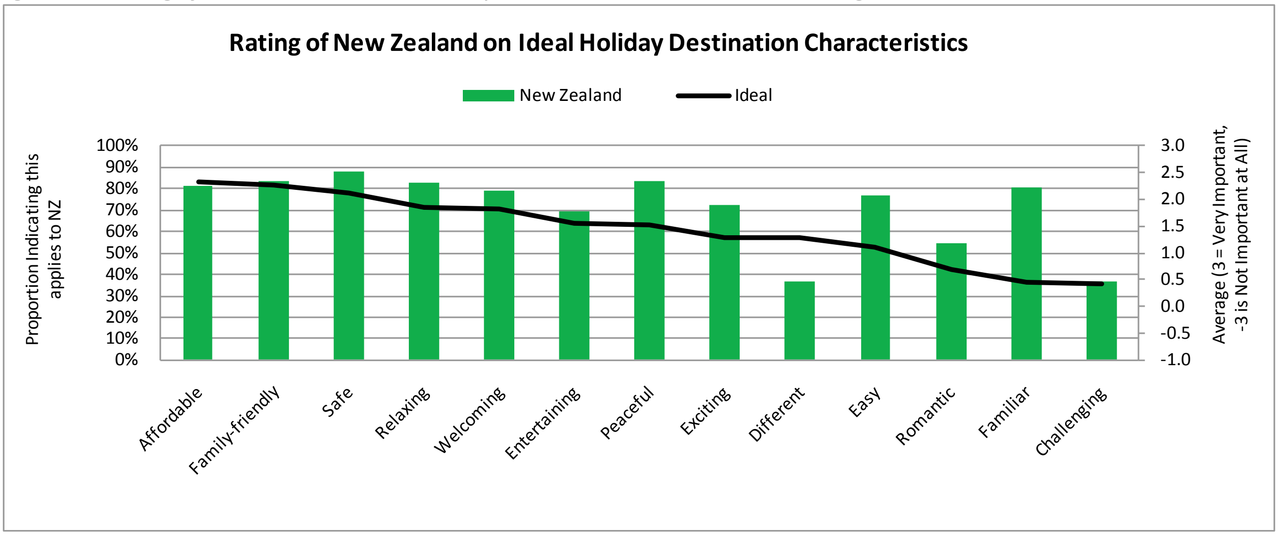
The 'Creating' segment is a strong advocate for New Zealand as a holiday destination – in particular, seeing New Zealand as a great destination for families and young people. Furthermore, the segment is strong in its loyalty, agreeing more than most with the proposition that "I will always want to holiday in New Zealand no matter what else I do".

Figure 492: Thoughts on New Zealand as a Holiday Destination



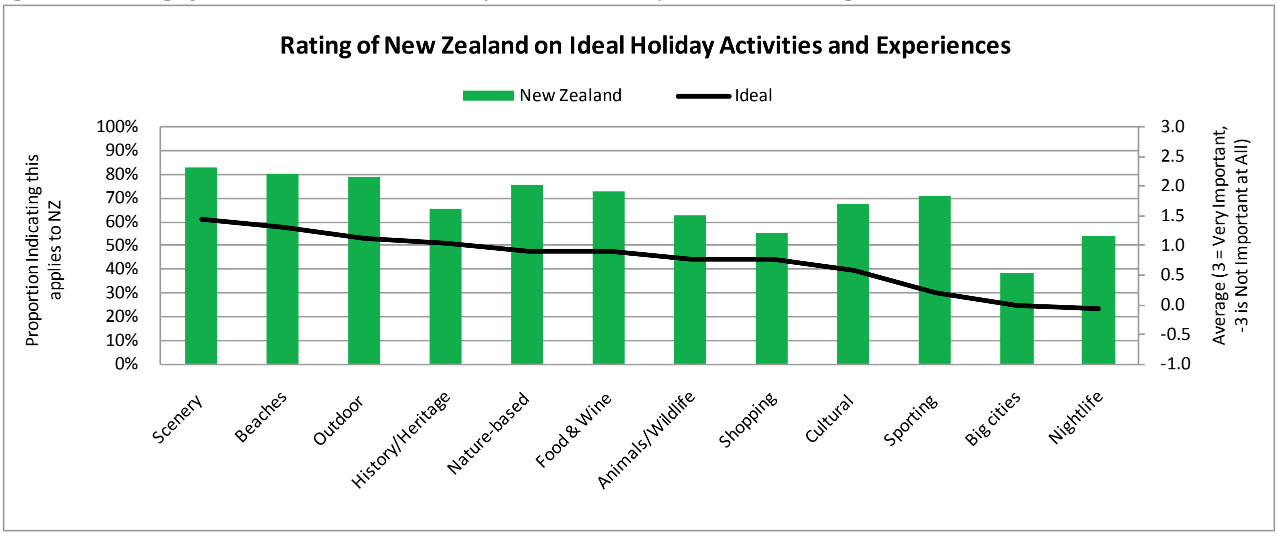
Given this, it is not surprising that members of 'Creating' rated New Zealand very highly on those attributes it considered most important: affordable, family-friendly, safe and relaxing – see Figure 493 overleaf.

Figure 493: Rating of New Zealand on Ideal Holiday Destination Characteristics – Creating



New Zealand also scored well this segment on its scenery, beaches, outdoor activities, nature-based activities and cuisine/wine and food. 'Creating's' assessment of New Zealand's history/heritage experiences was slightly more muted.

Figure 494: Rating of New Zealand on Ideal Holiday Activities and Experiences – Creating



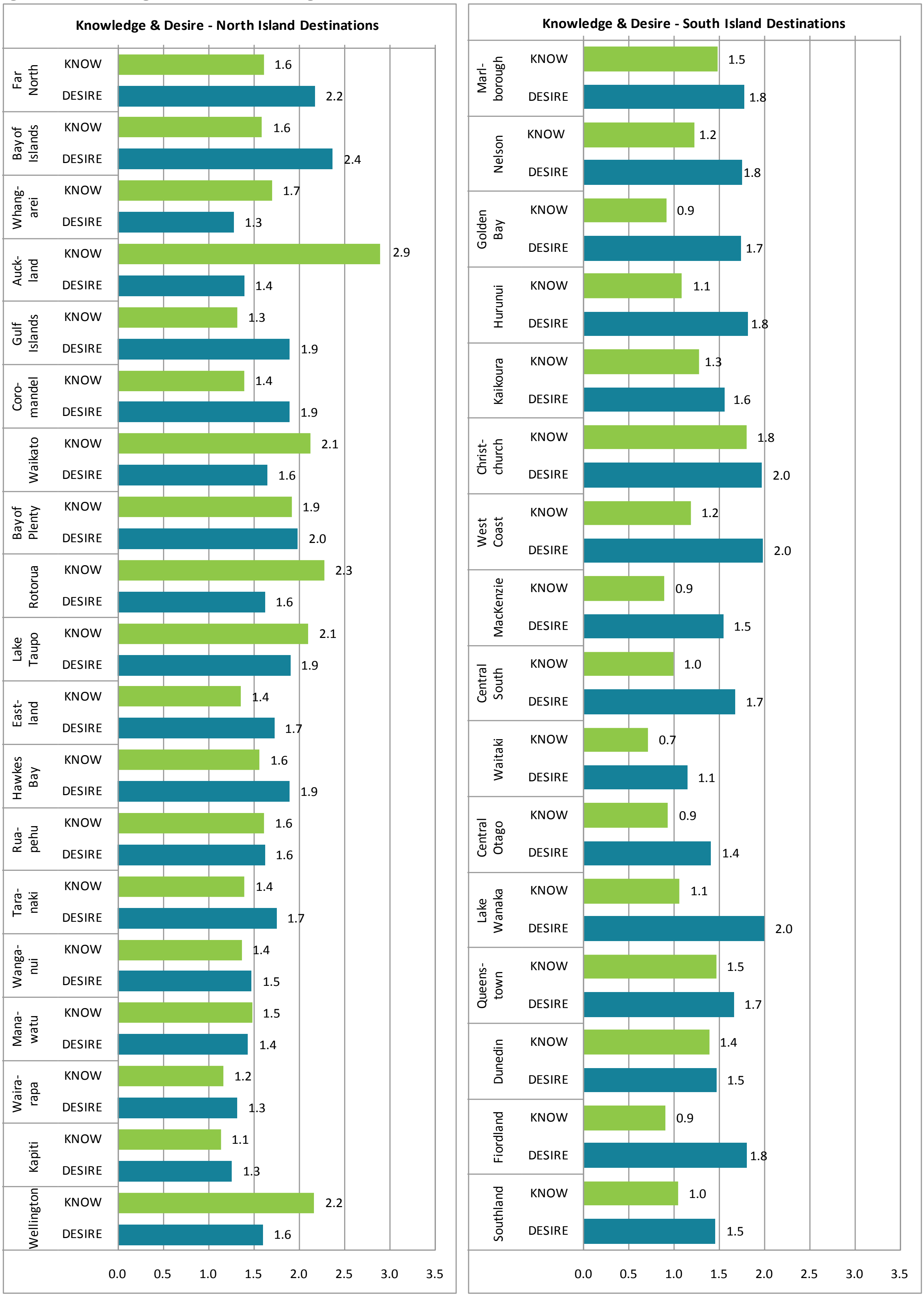
New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 495 (overleaf) charts results for 'Creating' as they relate to both North and South Island destinations. This analysis highlights regions which are relatively lesser known to the segment and also those which have most appeal to the segment.

As in relation to other segments, those regions which have a higher 'desire' factor than 'awareness' factor are likely to represent particular opportunities insofar as marketing of new experiences to this segment is concerned.

Figure 495: Knowledge and Desire – Creating[11]



[11] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of 'Creating' take **19% more** domestic short breaks for leisure each year than the 'average New Zealander' (2.3 versus 1.9).

Figures 496-508 profile the **last domestic short break** taken by members of this segment.

Results show that, compared with other segments: -

- 'Creating' travels widely throughout the North Island, with Northland, Auckland, Waikato, Bay of Plenty, Hawke's Bay, Manawatu and Wellington all being especially popular destinations.
- The segment participates in a similarly wide range of activities. Those which most distinguish the segment from others however are walking/hiking/ tramping; visits to lakes, mountains, gardens and other natural attractions; water activities; cultural and heritage activities; and theme parks.
- The vast majority of short breaks are taken by car.
- Owned/private dwellings are the most common form of accommodation, with the main commercial options being motels, rented dwellings and holiday parks. Other forms of accommodation (e.g. marae) are also popular.
- Short breaks are typically taken with partners and/or children.
- The largest group plan short breaks 2-4 weeks ahead of departure although commitment to the trip typically comes up to 2 weeks before the trip.
- Short breaks are generally prompted by events or other circumstances involving family/friends at the segment's destination. Annual leave requirements or a business trip are also common triggers.
- Partners play a key role in trip planning, as do children. However, friends/family at the traveller's destination also play a crucial role.
- Short breaks are strongly motivated by a desire to spend quality time with friends/family and to build closer relationships.
- 'Creating' is more likely to share the cost of short breaks than other segments and less likely to fund a break using credit.

Figure 496: Region Visited on Last Short Break

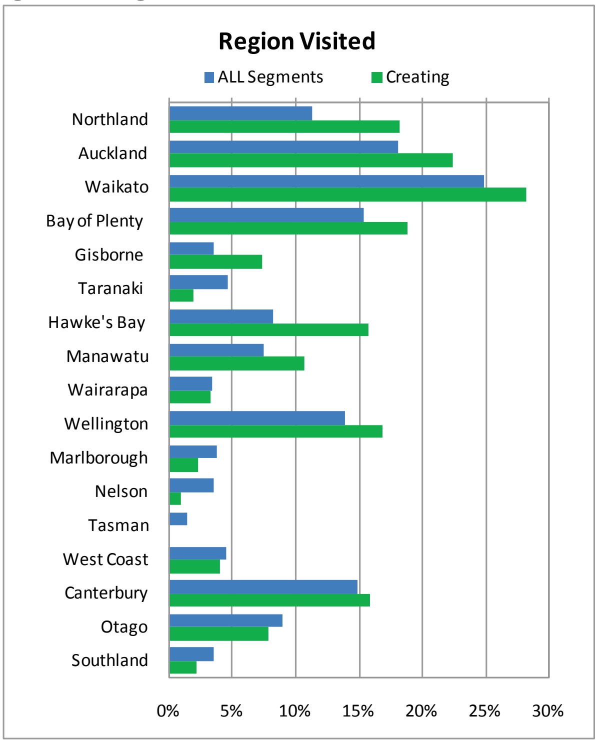


Figure 497: Activities/Experiences on Last Short Break

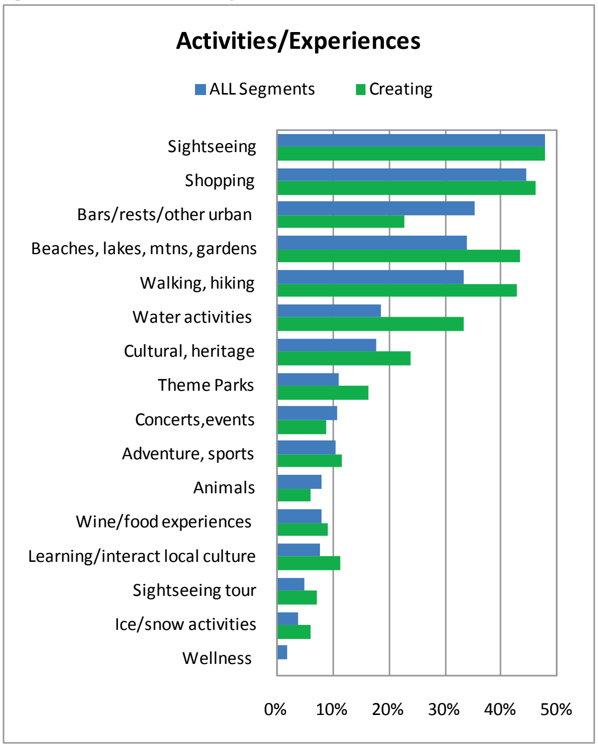


Figure 498: Transport Used on Last Short Break

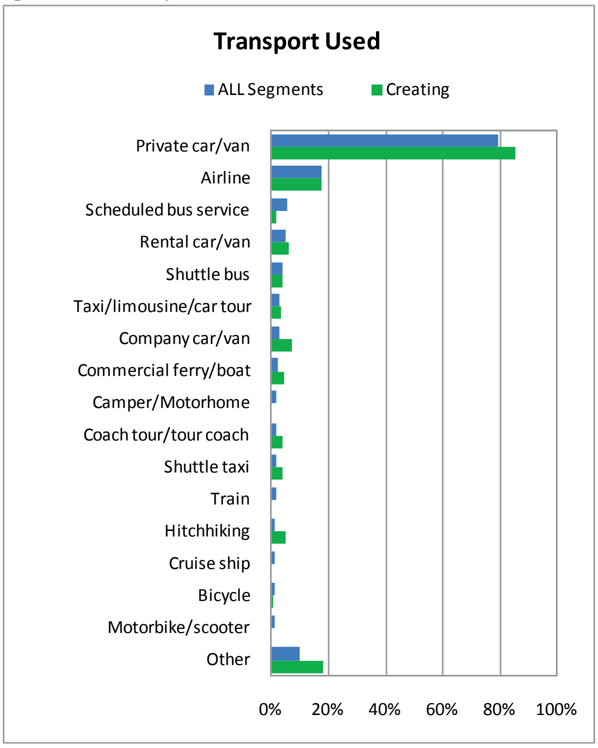


Figure 499: Accommodation Used on Last Short Break

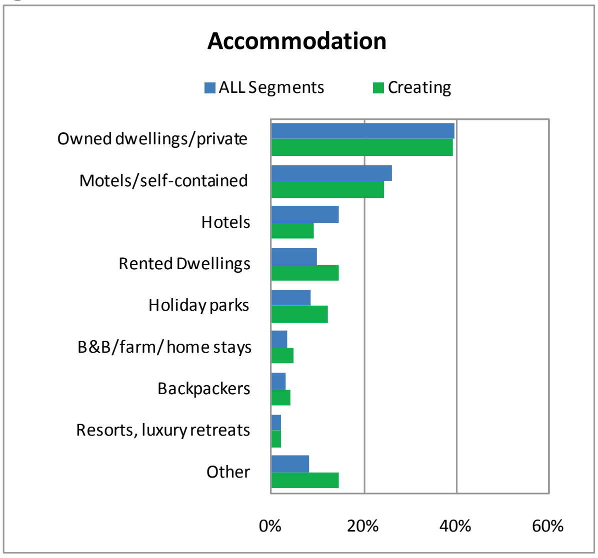


Figure 500: Party Composition on Last Short Break

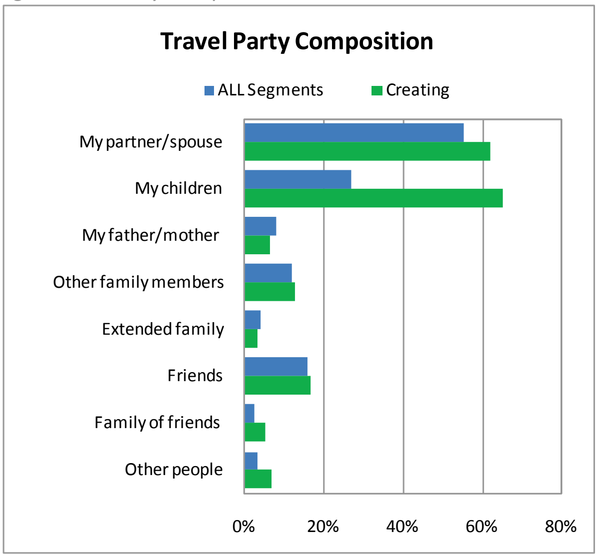


Figure 501: Role in Planning Last Short Break

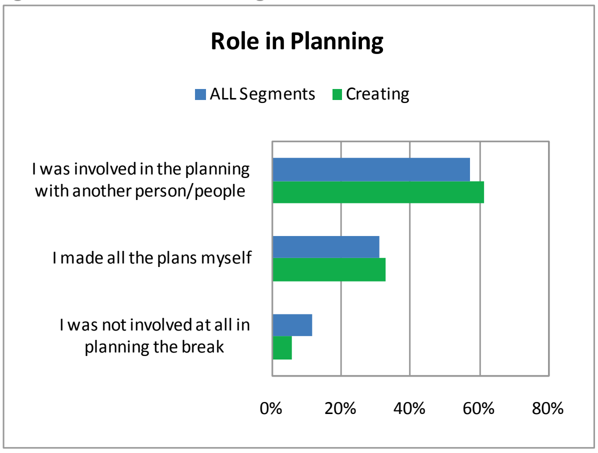


Figure 502: Planning Timelines for Last Short Break

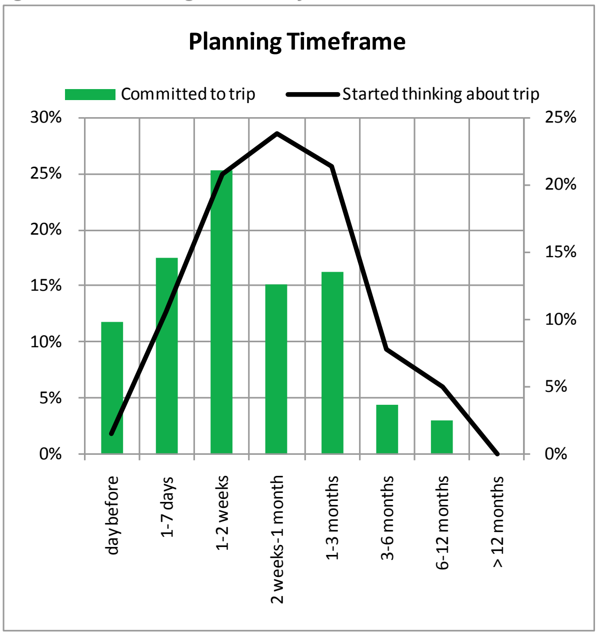


Figure 503: Commitment to Trip – Triggers for Last Short Break

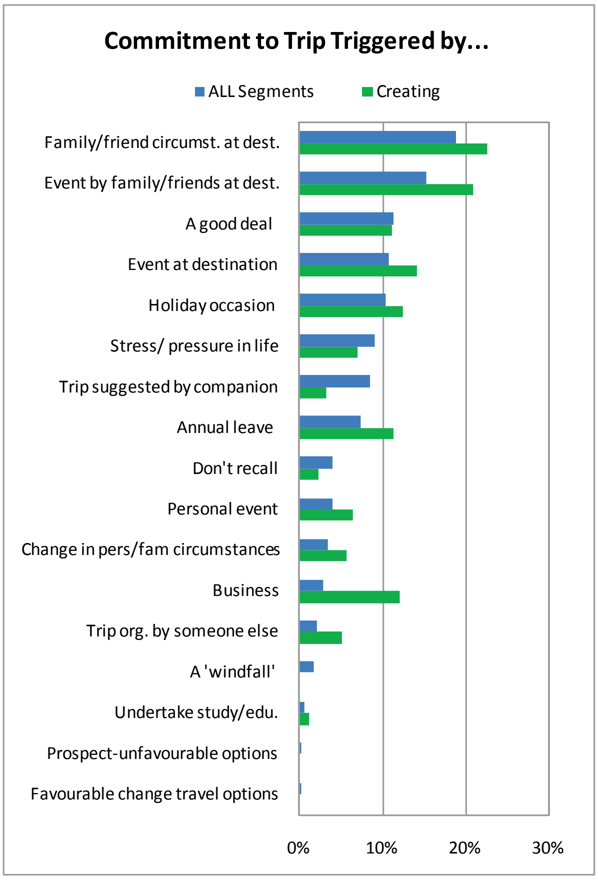


Figure 504: People Contributing to Trip Planning of Last Short Break

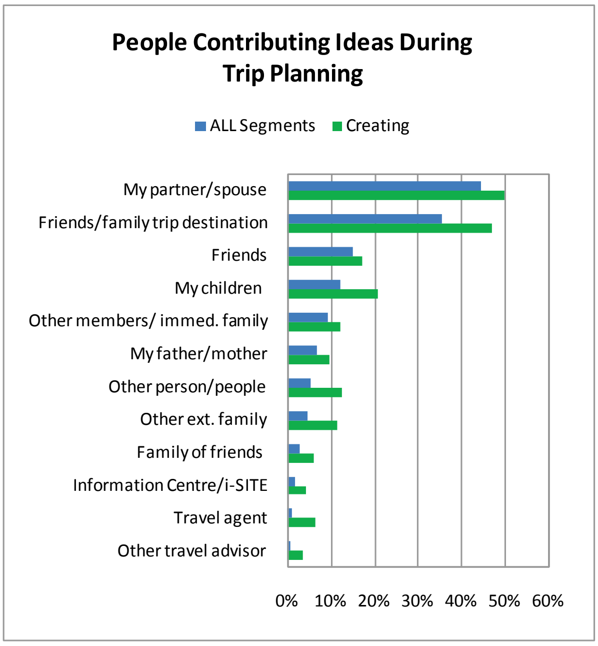


Figure 505: Other Influences on Choice of Destination for Last Short Break

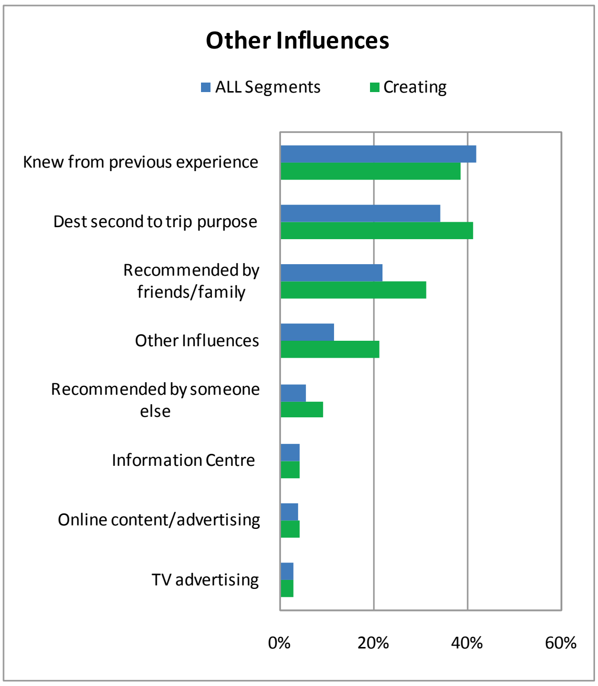


Figure 506: Motivations for Last Short Break

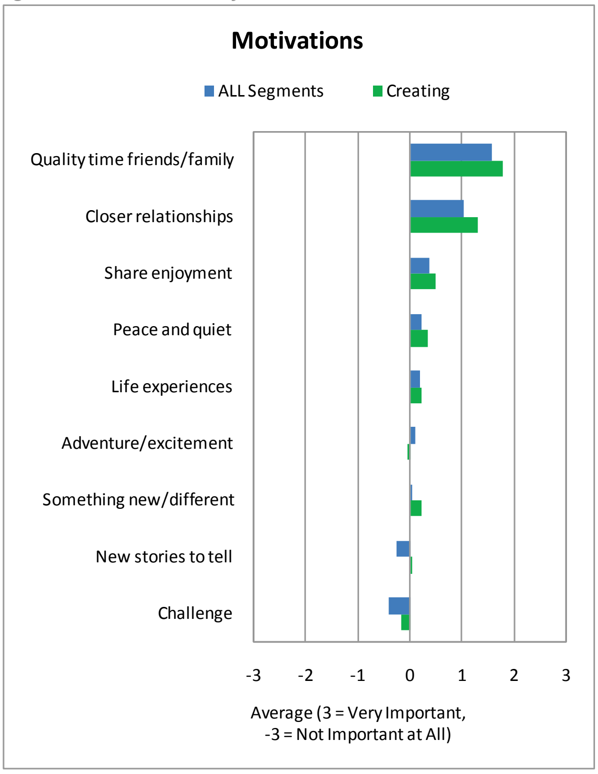


Figure 507: Who Paid for Last Short Break

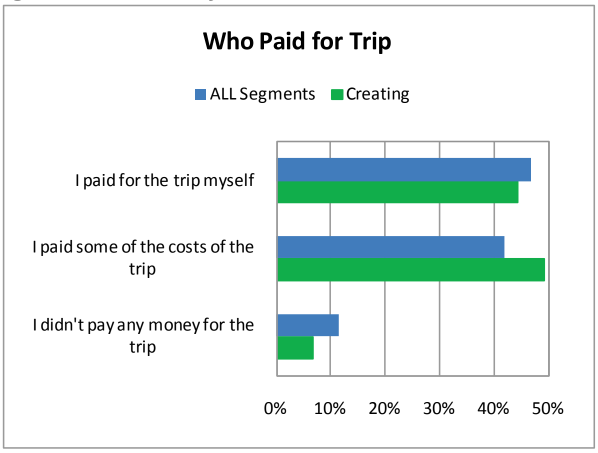
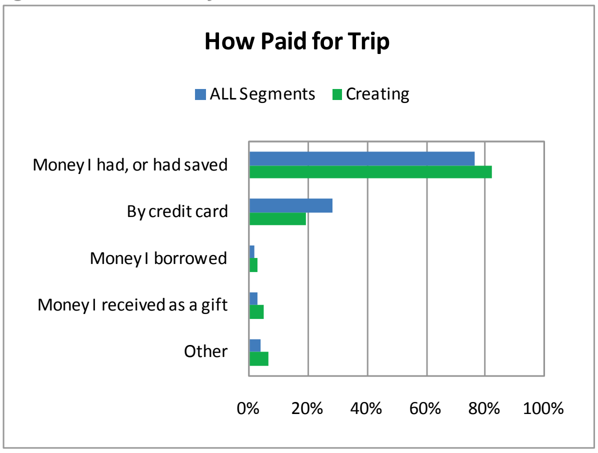


Figure 508: How Paid for Last Short Break



Domestic Holiday Profile

Members of the 'Creating' segment are less likely to take an extended domestic holiday each year than members of other market segments (19% doing so in the last 12 months, against an average for all segments of 24%).

However, **frequency** of extended domestic holidays sits (at an average 0.7 per annum) sits 20% above the average of 0.6 trips per annum. This is likely to be caused by one portion of the segment taking more frequent holidays than others in the segment.

Figures 509-521 present a profile of the **last domestic holiday** taken by members of this segment.

Relative to other segments, this shows that: -

- Northland, Manawatu and Nelson are especially popular destinations for 'Creating'.
- Key differentiators in terms of activities are walking/hiking/tramping, wine and food experiences, theme parks, sightseeing tours and wellness experiences.
- While most travel by private car, rental cars/vans, commercial ferries/boats and company cars/vans also feature.
- While 'Creating' favours owned/private accommodation overall, preferred commercial accommodation options include motels and cruise ships.
- The vast majority of extended domestic holidays are taken with a partner and children.
- Common triggers to decision-making include business commitments (e.g. a business meeting or conference) and/or (non-family) events being held at the traveller's destination.
- Planning is very much a family affair, but with input from friends/family at the traveller's destination as well.
- As is the case with short breaks, longer holidays are strongly motivated by desires to spend quality time with family/friends and to build closer relationships. A desire for peace and quiet also features relative to other segments.

Figure 509: Region Visited on Last Domestic Holiday

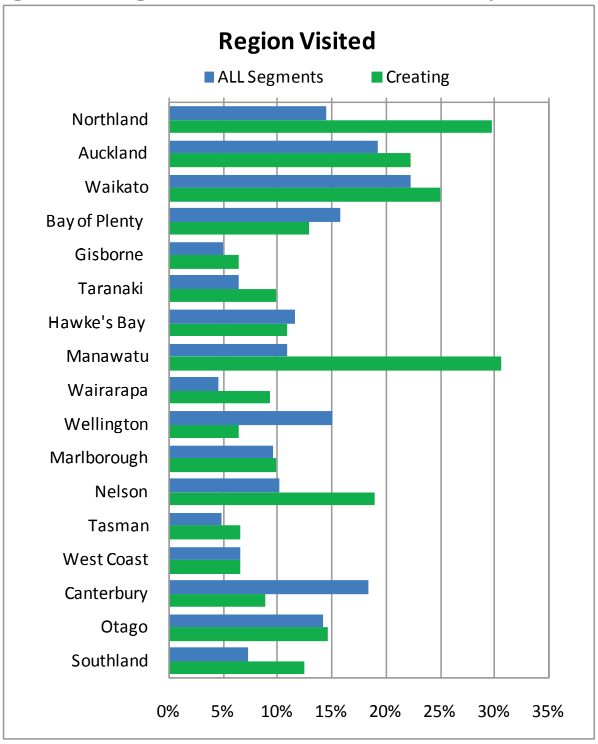


Figure 510: Activities/Experiences on Last Domestic Holiday

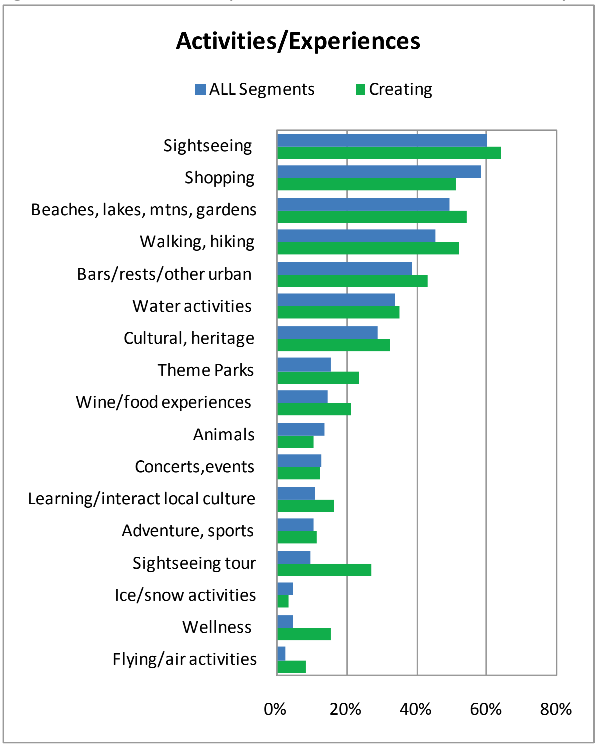


Figure 511: Transport Used on Last Domestic Holiday

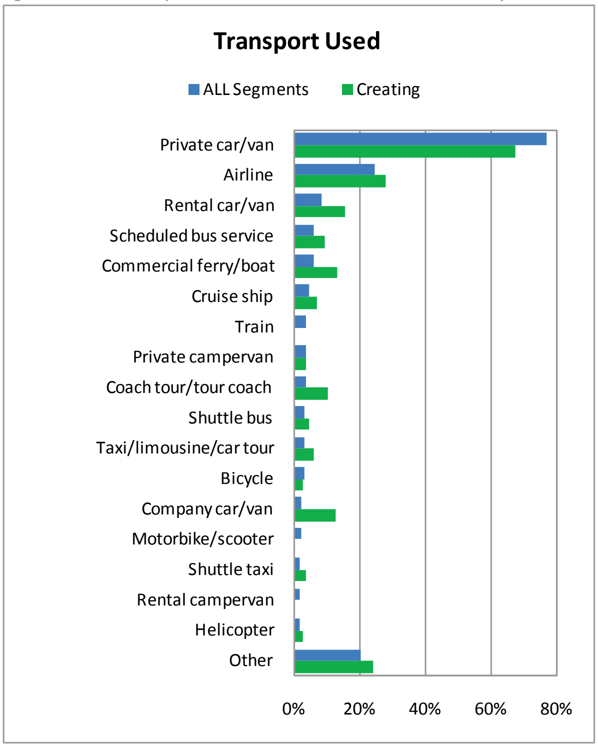


Figure 512: Accommodation Used on Last Domestic Holiday

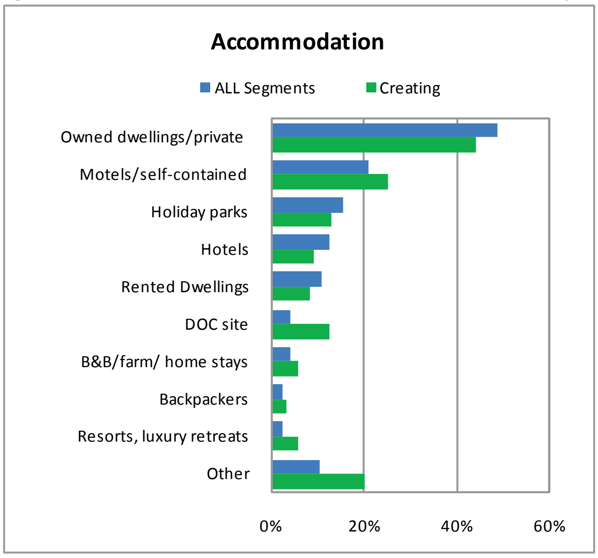


Figure 513: Party Composition on Last Domestic Holiday

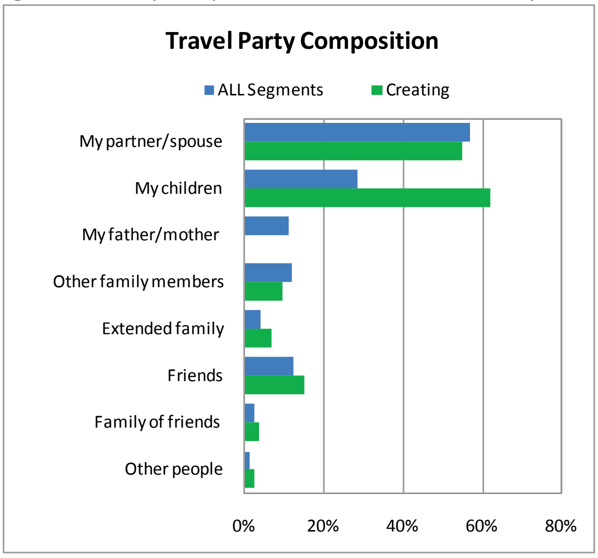


Figure 514: Role in Planning Last Domestic Holiday

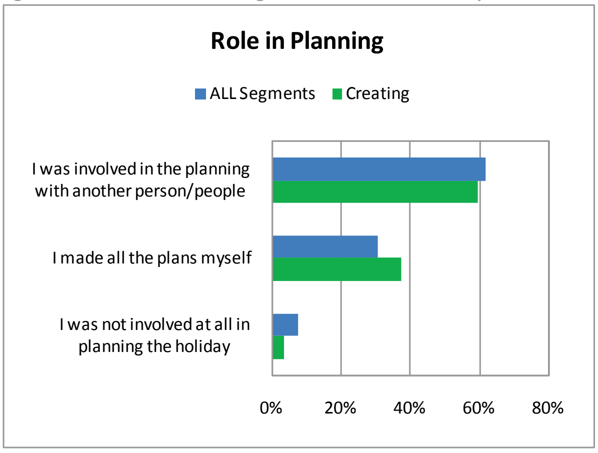


Figure 515: Planning Timelines for Last Domestic Holiday

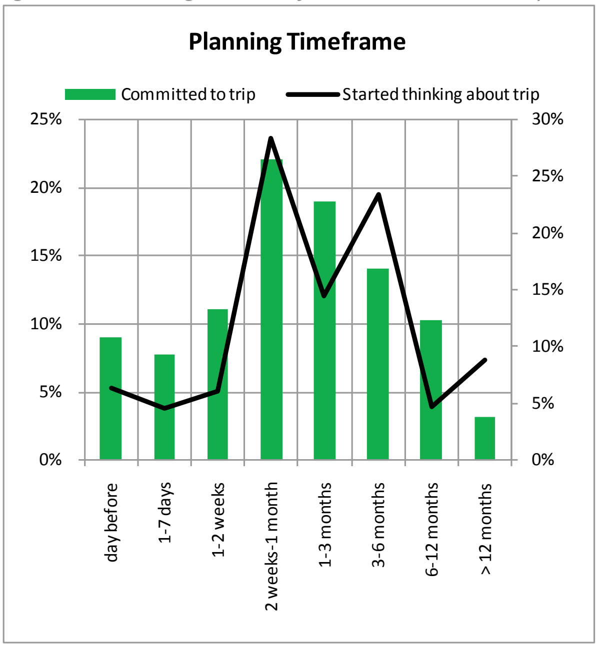


Figure 516: Commitment to Trip – Triggers for Last Domestic Holiday

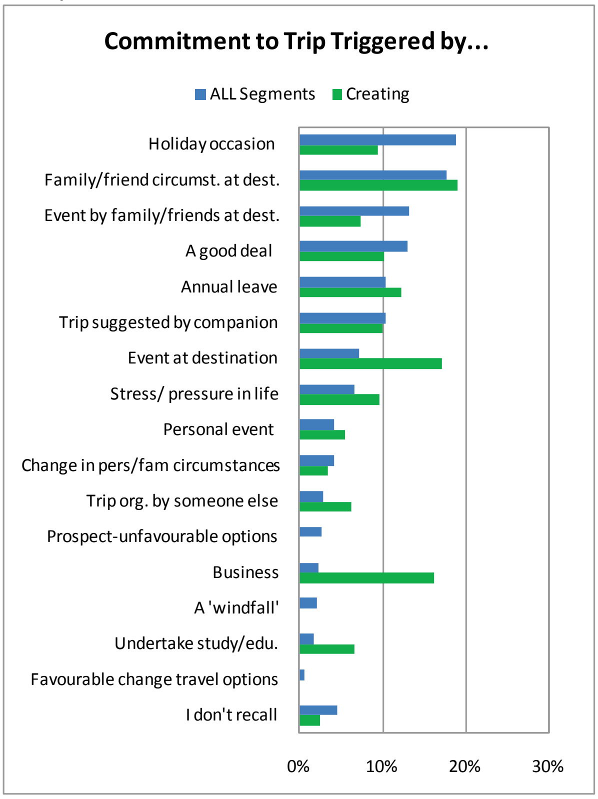


Figure 517: People Contributing to Trip Planning of Last Domestic Holiday

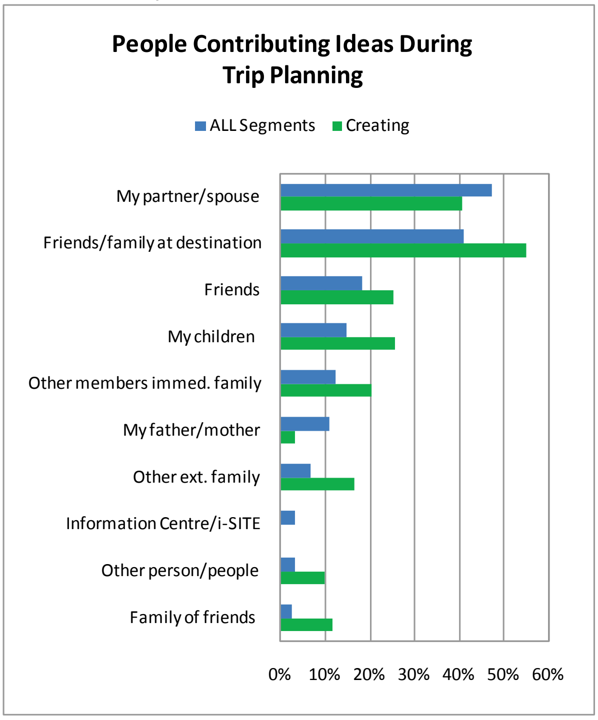


Figure 518: Other Influences on Choice of Destination for Last Domestic Holiday

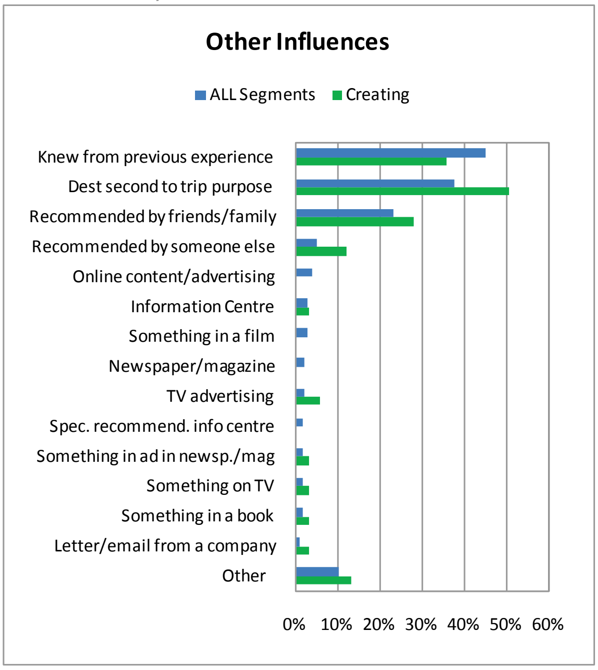


Figure 519: Motivations for Last Domestic Holiday

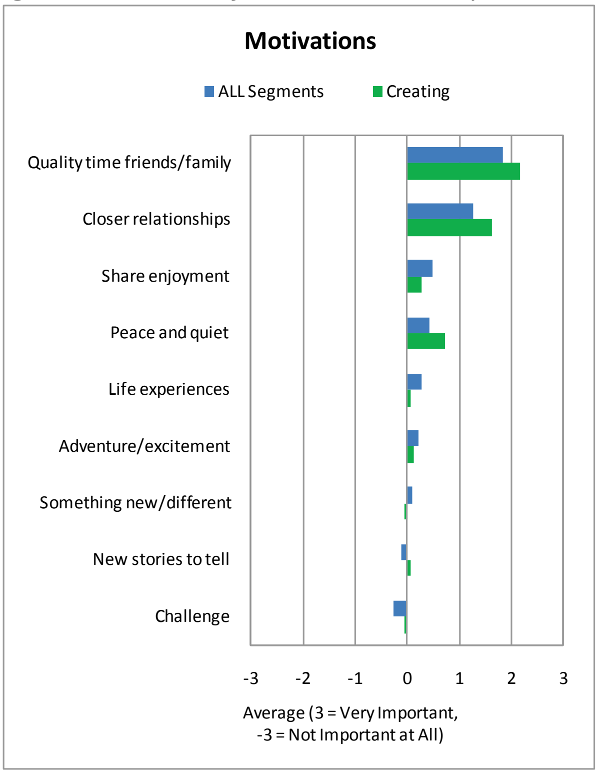


Figure 520: Who Paid for Last Domestic Holiday

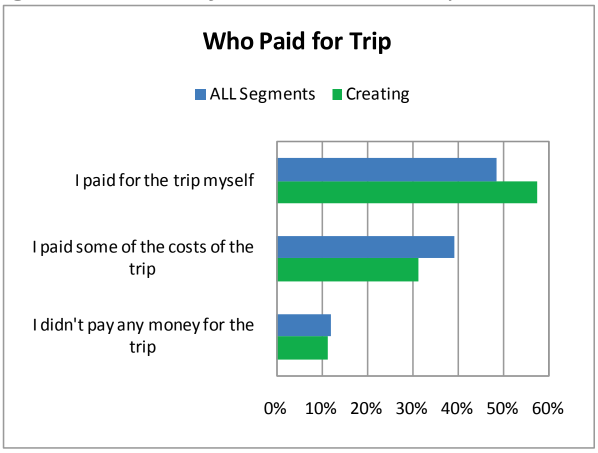
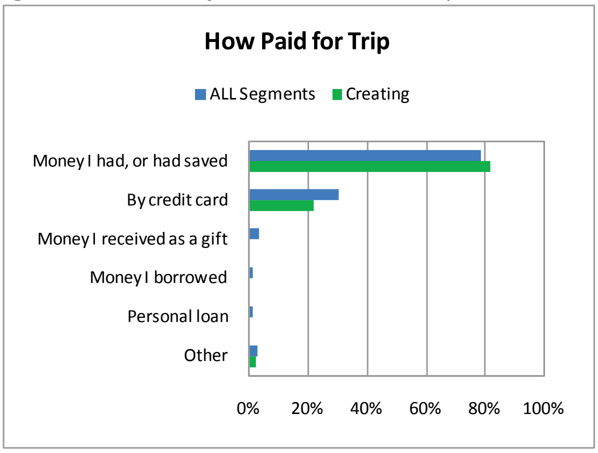


Figure 521: How Paid for Last Domestic Holiday



International Holiday Profile

Members of the ‘Creating’ segment take **40% fewer** international holidays each year than their peers in other segments (0.2 versus 0.4).

Figures 522-534 on the following pages present a profile of the **last international holiday** taken by this segment.

Results show that, compared with other segments: -

- Members of the ‘Creating’ segment are less likely to have visited Australia, but more likely to have visited the USA or Samoa.
- They are more likely to have participated in many of the activities measured, but most especially in visits to theme parks and adventure/sports activities.
- They are more likely to have travelled by private or rental vehicle or on scheduled bus services.
- They are more likely to have stayed in private accommodation, in rented dwellings or other self-catering accommodation.
- A significant proportion of travel parties included children, parents or other members of the extended family.
- Common triggers to travel were a good deal being available on transport or accommodation or business being required at the destination. Annual leave requirements and/or stress and pressure were other common prompts to travel.
- Members of the travel party, as well as friends/ family at the destination played a key role in trip planning.
- As is the case with domestic travel, international holidays were most strongly motivated by desires to spend quality time with family/friends and to build closer relationships. Desires to add to one’s life experience and to share enjoyment of a destination with others were also important.

Figure 522: Countries Visited on Last International Holiday

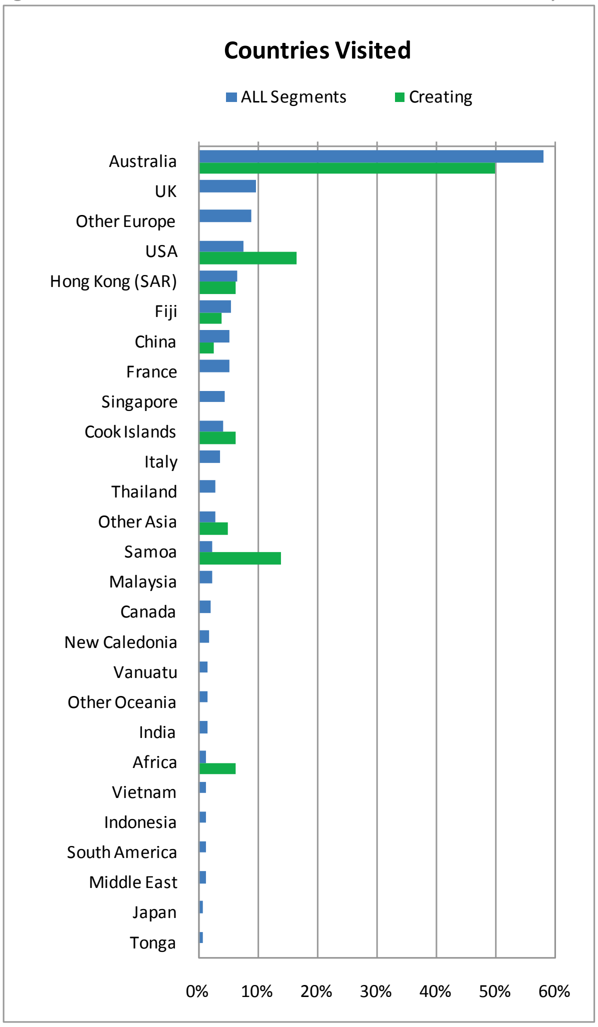


Figure 523: Activities/Experiences on Last International Holiday

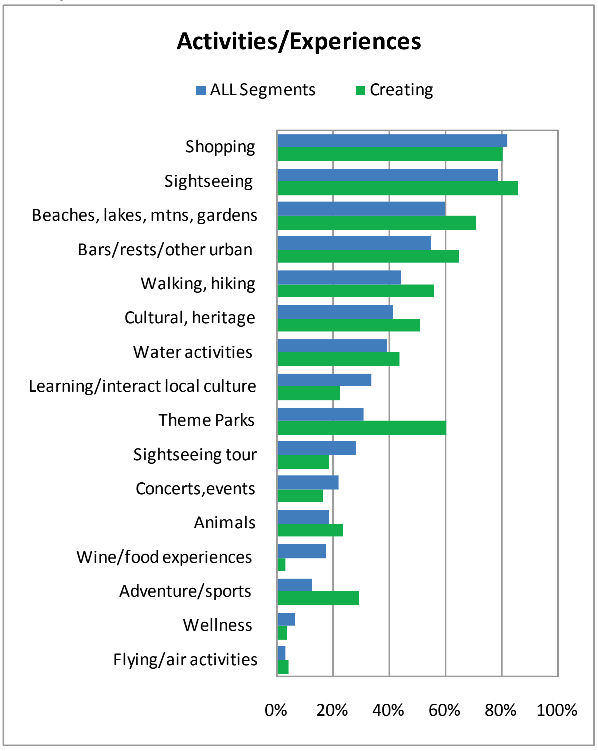


Figure 524: Transport Used on Last International Holiday

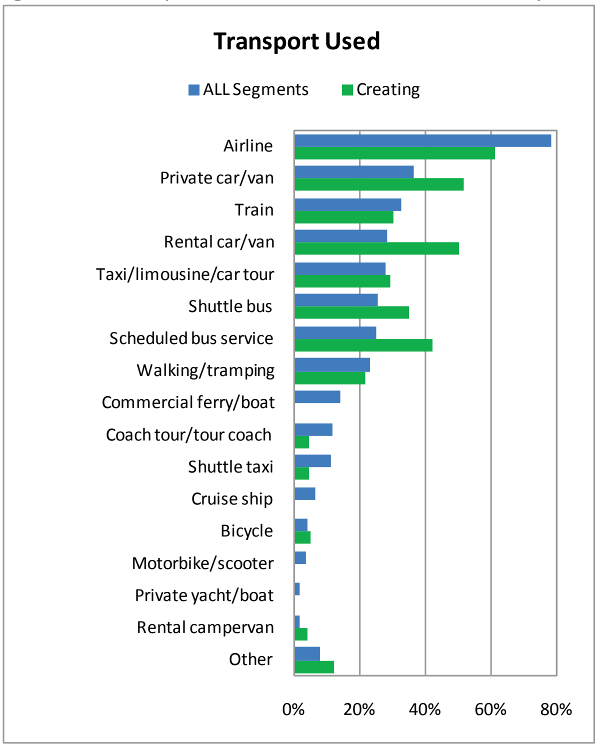


Figure 525: Accommodation Used on Last International Holiday

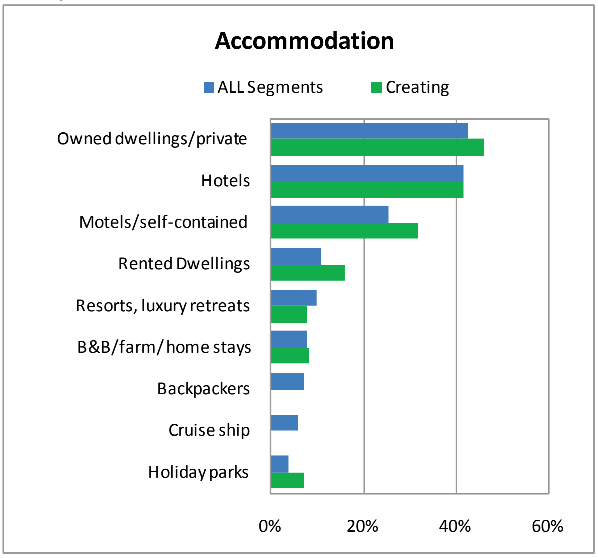


Figure 526: Party Composition on Last International Holiday

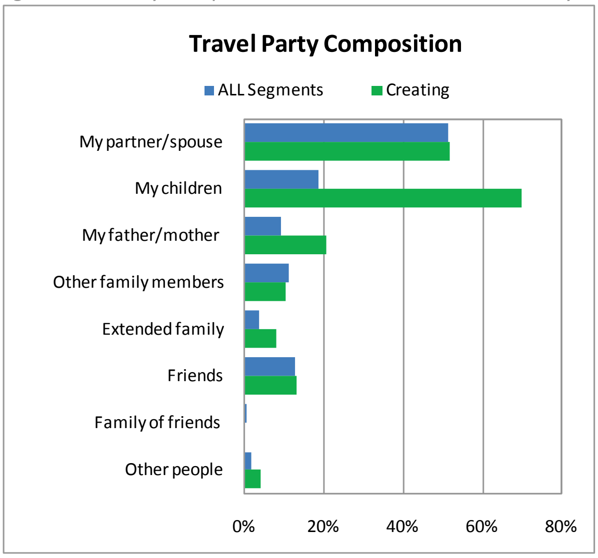


Figure 527: Role in Planning Last International Holiday

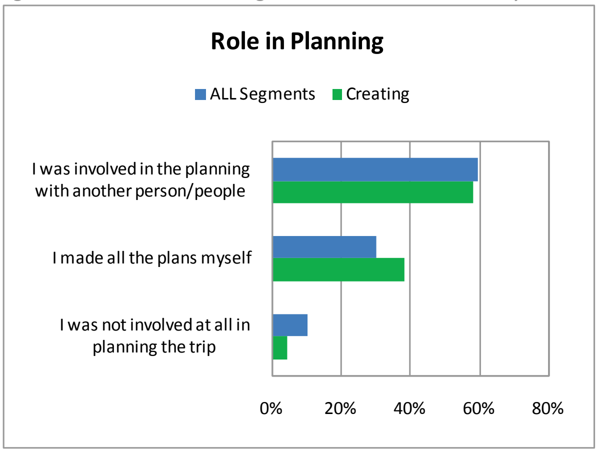


Figure 528: Planning Timelines for Last International Holiday

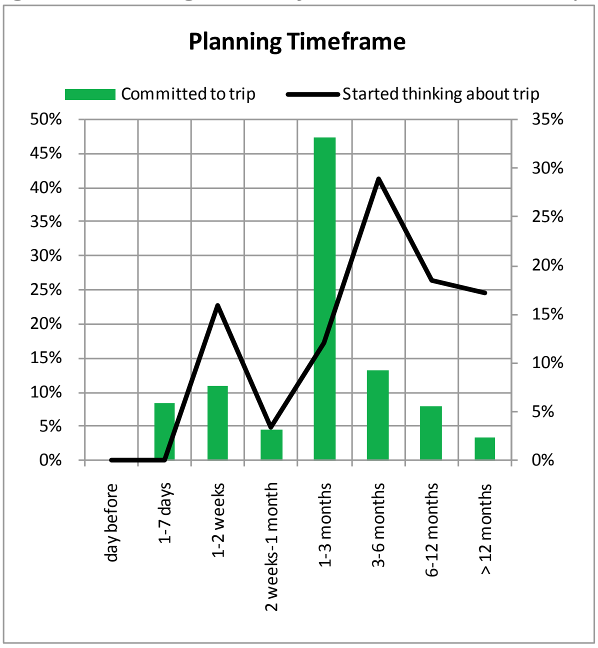


Figure 529: Commitment to Trip – Triggers for Last International Holiday

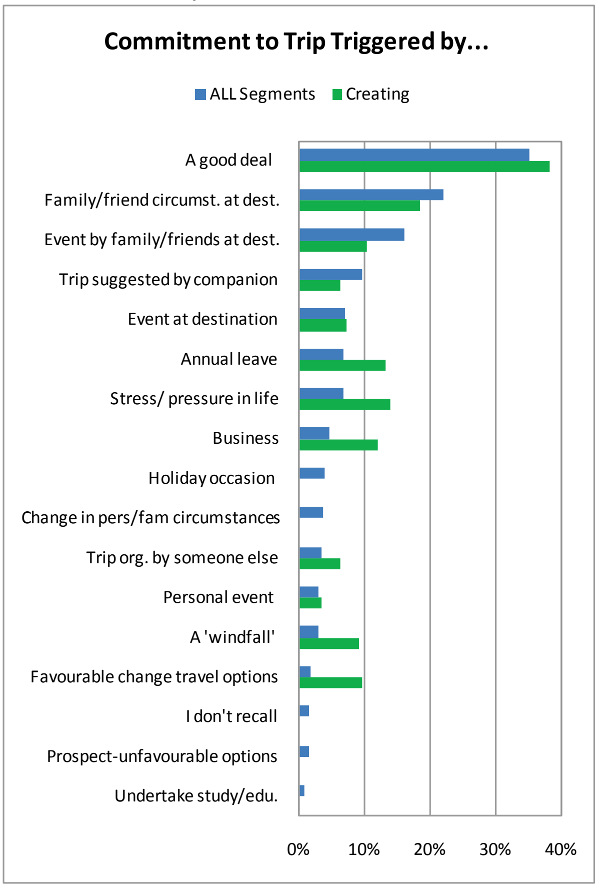


Figure 530: People Contributing to Trip Planning of Last International Holiday

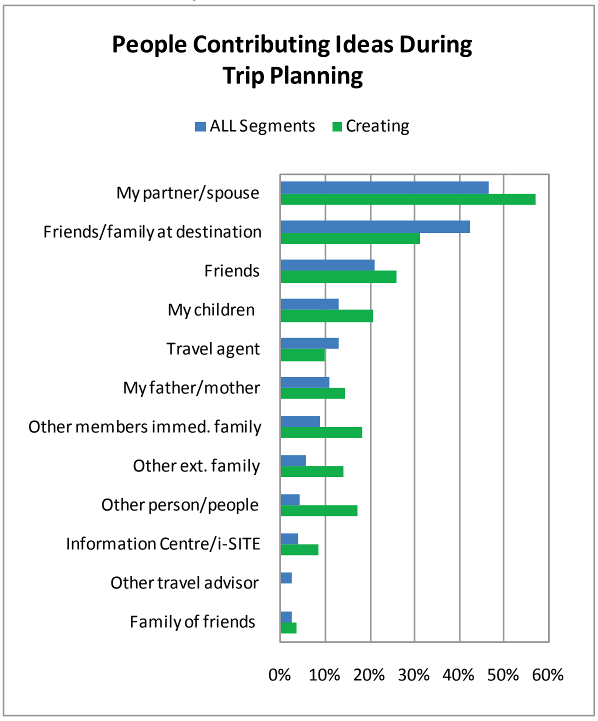


Figure 531: Other Influences on Choice of Destination for Last International Holiday

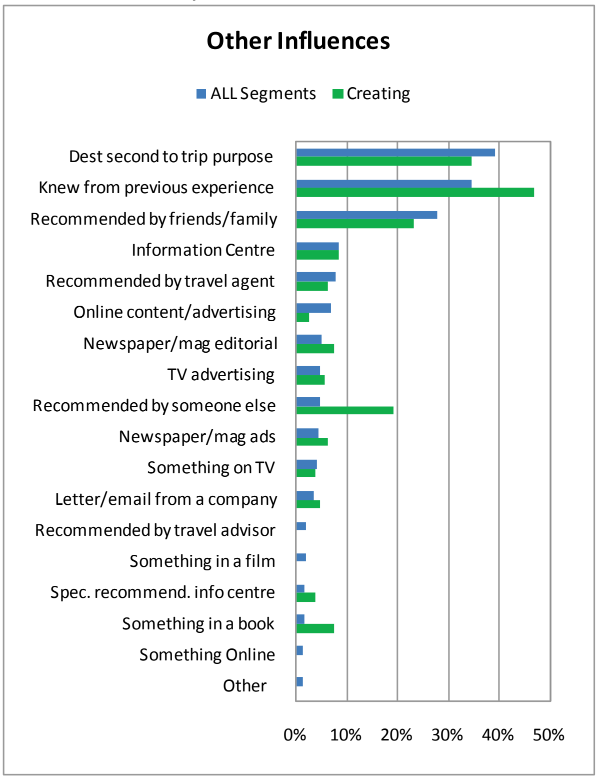


Figure 532: Motivations for Last International Holiday

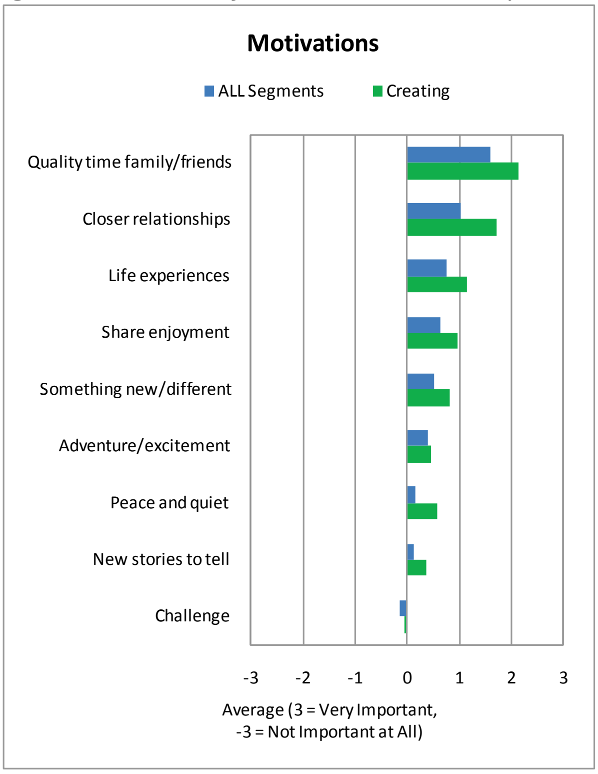


Figure 533: Who Paid for Last International Holiday

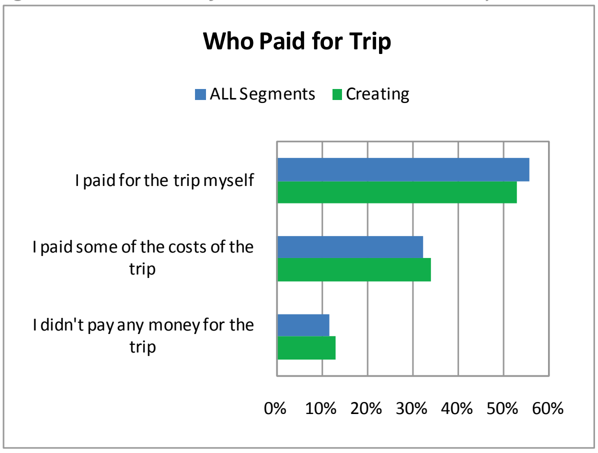
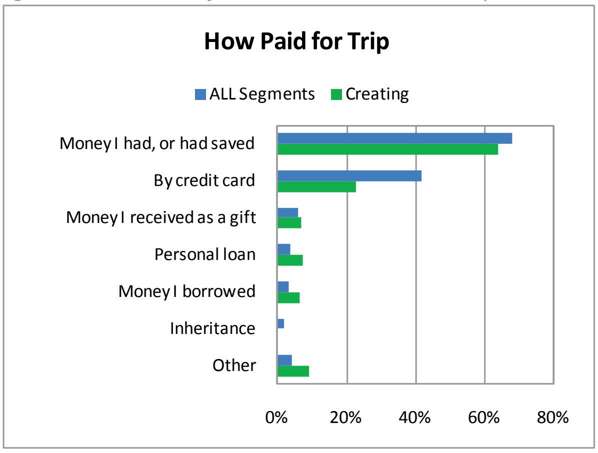


Figure 534: How Paid for Last International Holiday

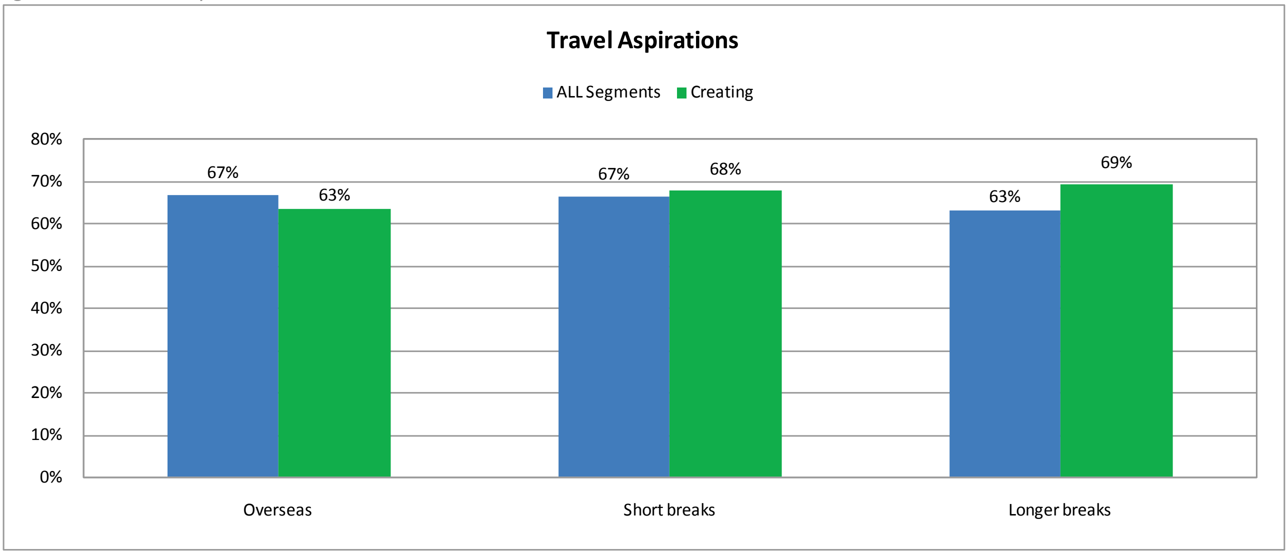


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types).

As illustrated in Figure 535, the general consensus is towards more travel of ALL TYPES, but with overseas holidays and short domestic breaks being slightly more desirable overall. However, amongst the 'Creating' segment, travel aspirations are strongest – overall and compared with other market segments - in relation to extended domestic holidays.

Figure 535: Travel Aspirations

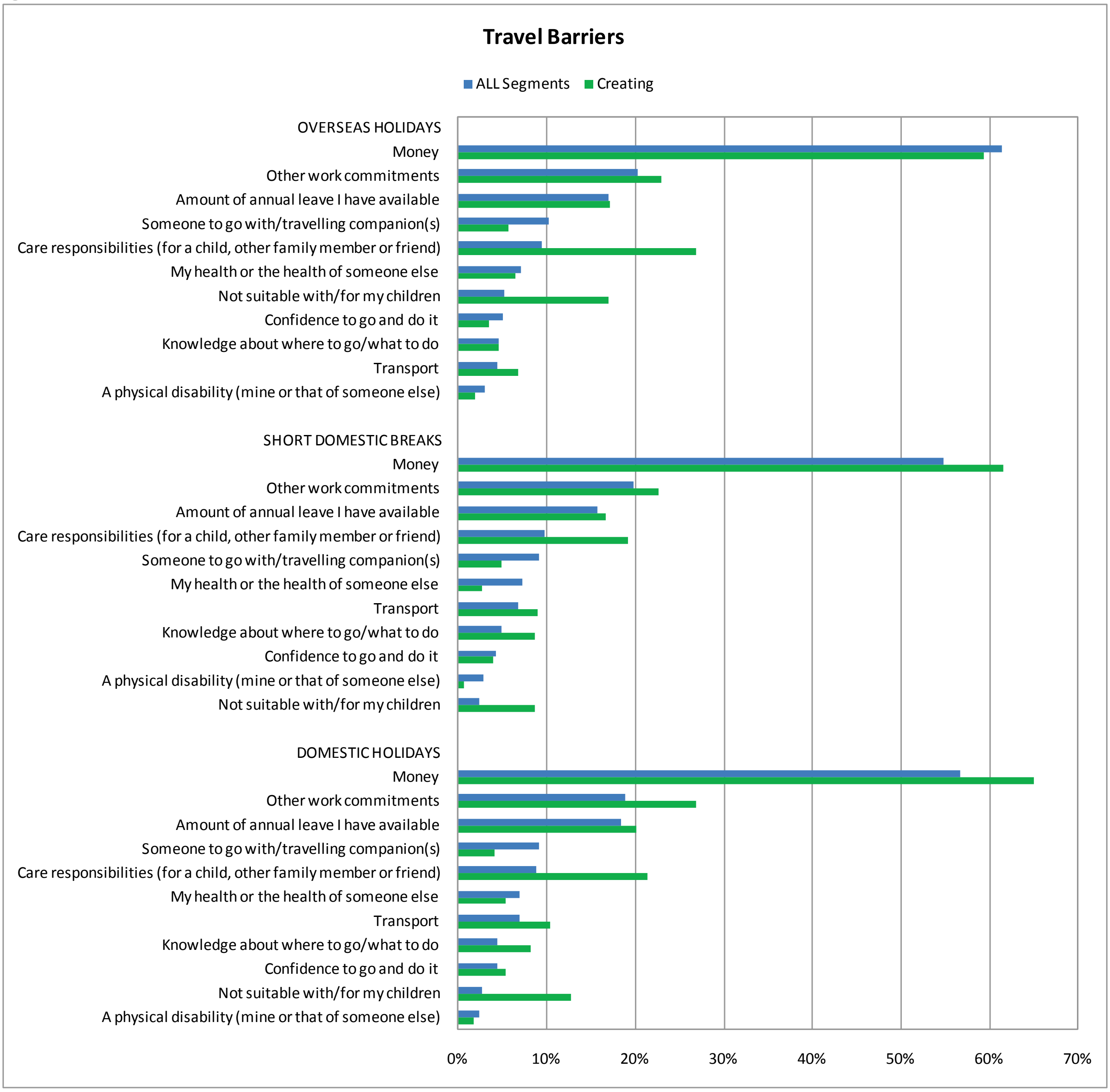


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 536 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, standout barriers for the 'Creating' segment are care responsibilities and – perhaps related to this - questions over suitability when travelling with children. Work commitments are also a significant factor for this segment.

Figure 536: Barriers to Travel



Segment 8 – 'Aiming High'

This section presents a detailed profile of the 'Aiming High' segment. It includes a demographic profile, an outline of other characteristics defining the segment, and a profile of the segment's most recent trip taken in the last 12 months. Note that three types of trips are profiled: -

- **Domestic short breaks** (a domestic trip of 5 nights or less taken for purposes other than business, education or solely to attend an event held by family or friends);
- **Domestic holidays** (a domestic trip of more than 5 nights taken for purposes other than business, education or solely to attend an event held by family or friends); and
- **International holidays** (an offshore trip taken for purposes other than business, education or solely to attend an event held by family or friends).

Demographic Profile

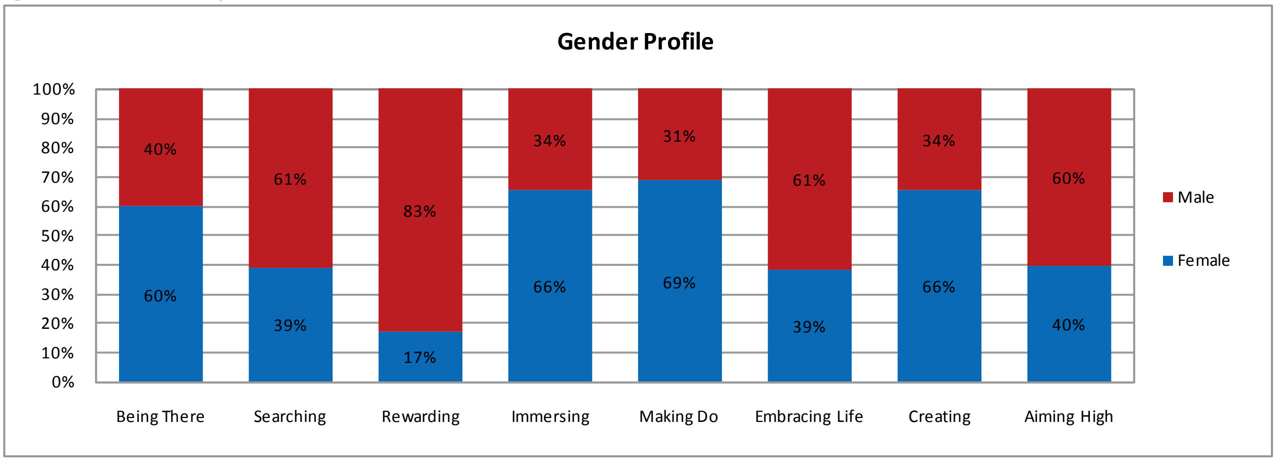
Segment Size

The 'Aiming High' segment represents **8%** of the adult population (aged 15 years or more).

Gender

The larger male bias of the 'Aiming High' segment can be seen in a comparison of gender proportions, with males accounting for 60% of the segment.

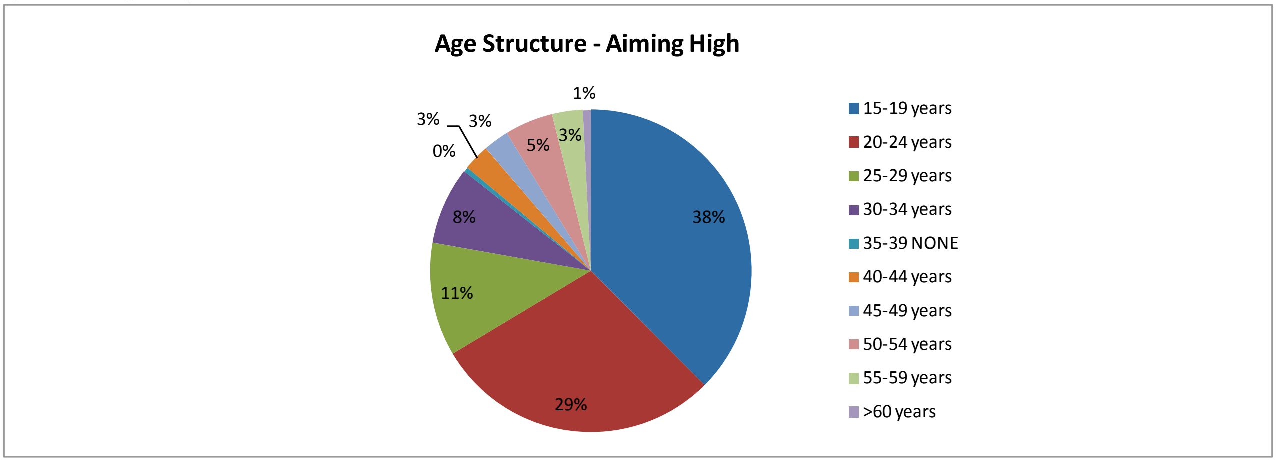
Figure 537: Gender Profile



Age

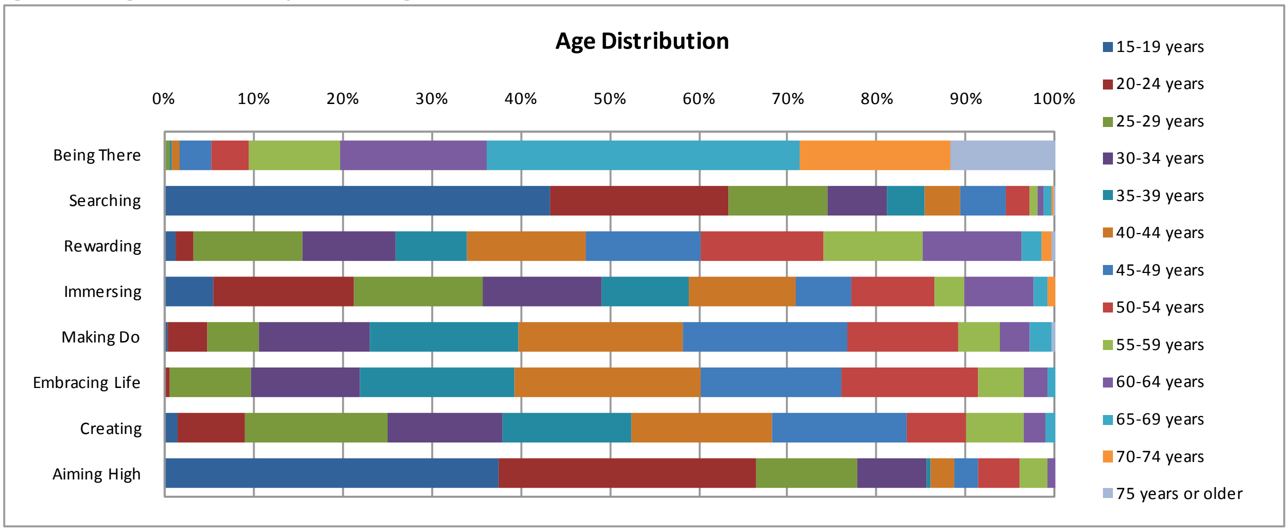
The 'Aiming High' segment draws most of its members from the age groups between 15 and 29 years. See Figure 538 overleaf.

Figure 538: Age Profile



The dominance of the younger age groups can be seen in the 'demographic landscape', with this segment showing age similarities to the 'Searching' segment, albeit with a slightly higher proportion in their twenties.

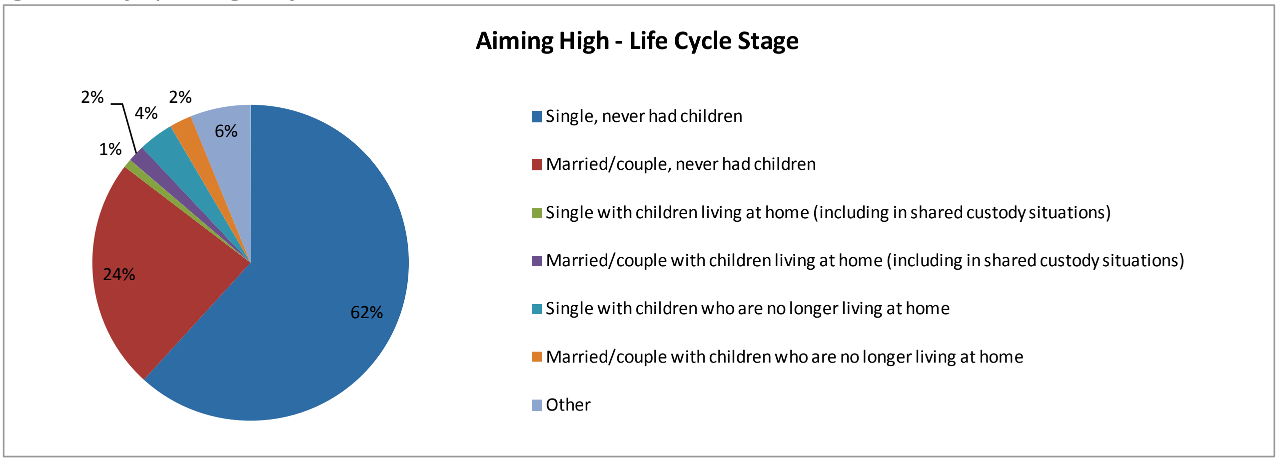
Figure 539: Age Distribution by Market Segment



Lifecycle Stage

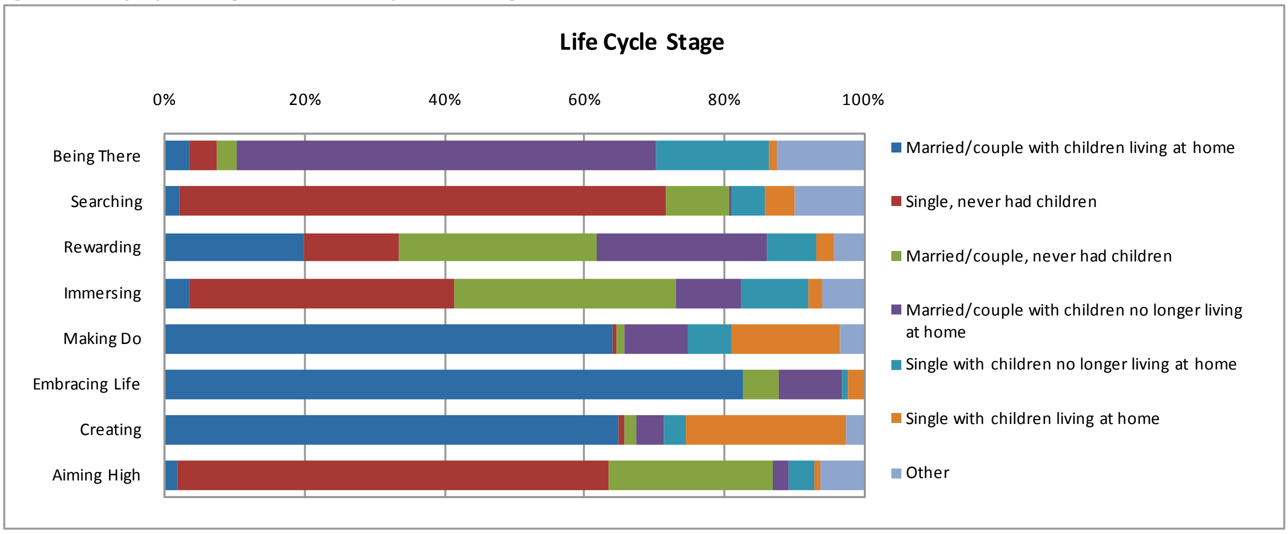
Almost 90 % of the 'High Aimers' have no children (yet) with the majority still being single and a quarter being young married couples.

Figure 540: Lifecycle Stage Profile



This can again be seen in the 'demographic landscape' with the majority of 'High Aimers' being single with no children, similar to the 'Searchers'.

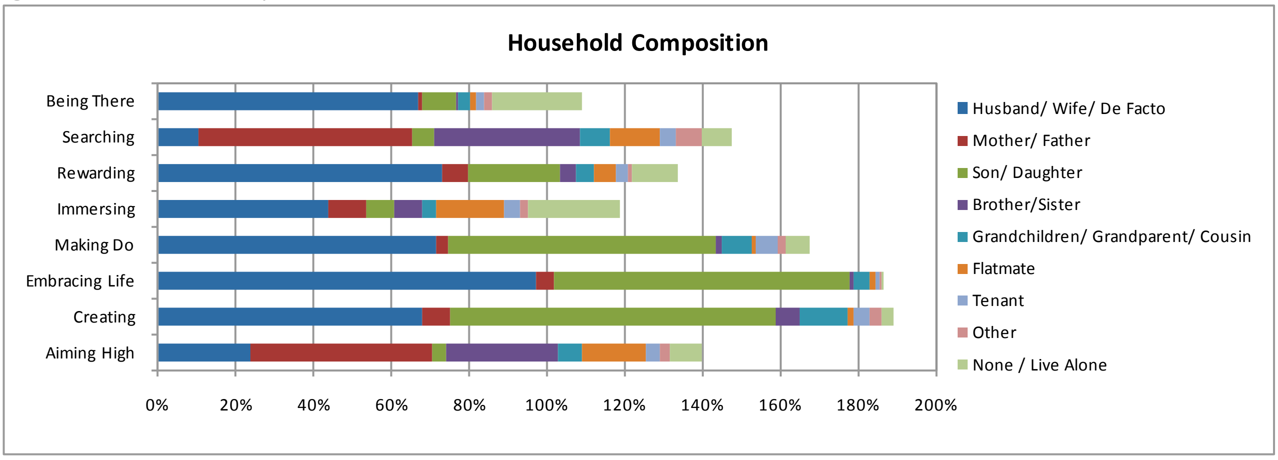
Figure 541: Lifecycle Stage Distribution by Market Segment



Household Composition

The age and lifecycle profile of the 'Aiming High' segment is further reflected in household composition – the majority live with a partner, parents and siblings or flatmates.

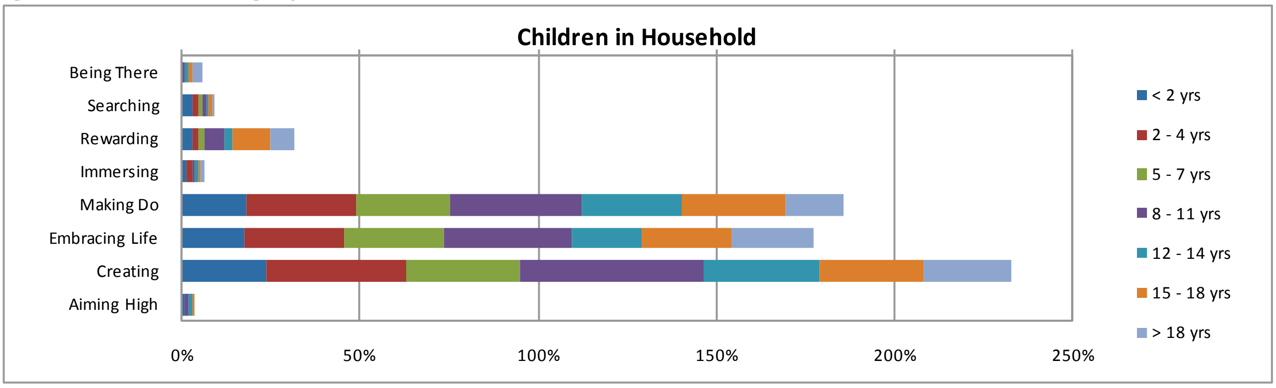
Figure 542: Household Composition



Children

Reflecting their age, 'Aiming High' households contain almost no children of their own.

Figure 543: Number and Age of Children in Household



Education

The 'Aiming High' segment has a large proportion of undergraduate students, reflecting the age group of the segment. More than 50% have no tertiary qualifications (yet).

Figure 544: Tertiary Education Profile

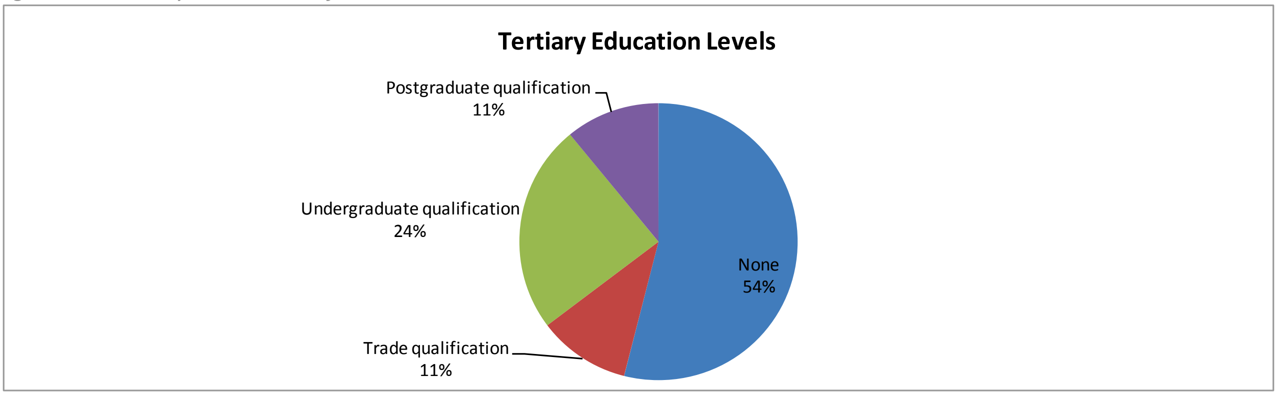
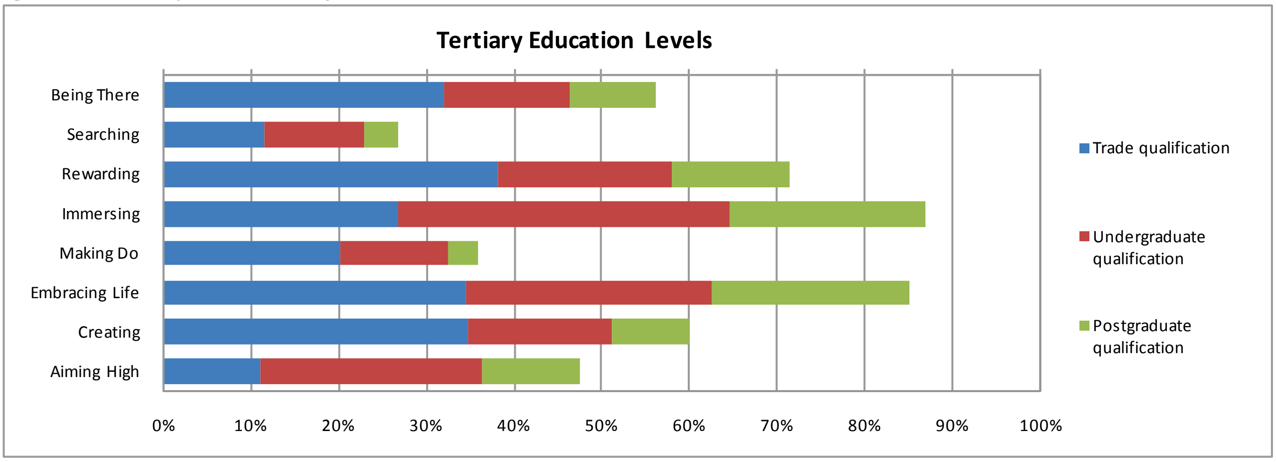


Figure 545: Tertiary Education Profile



Occupation

Almost half of this segment is still completing its education.

Figure 546: Occupational Profile

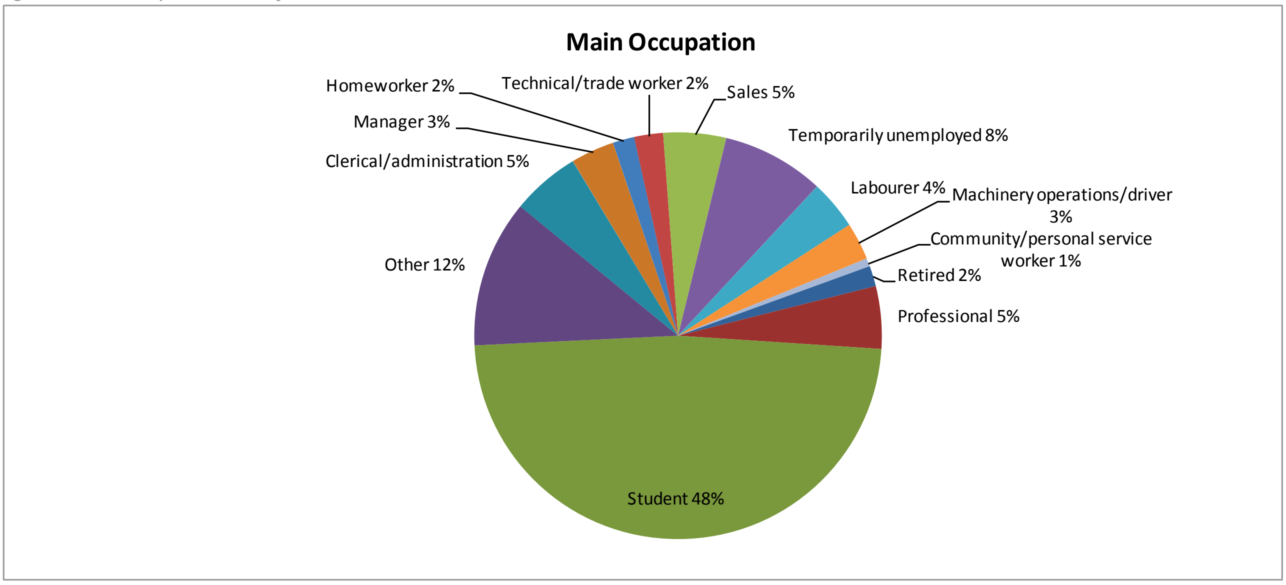
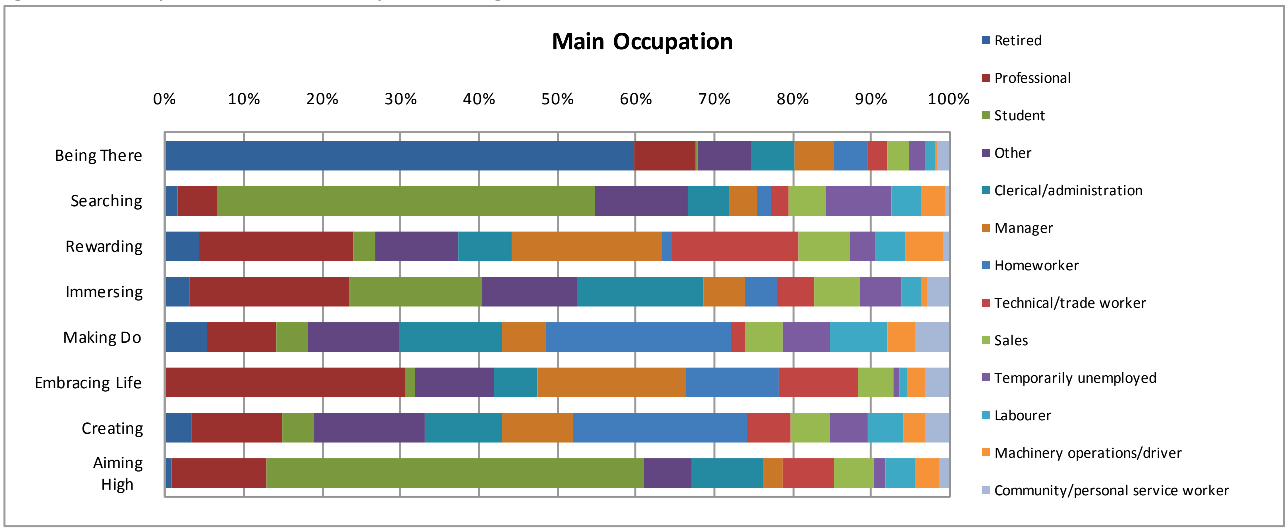


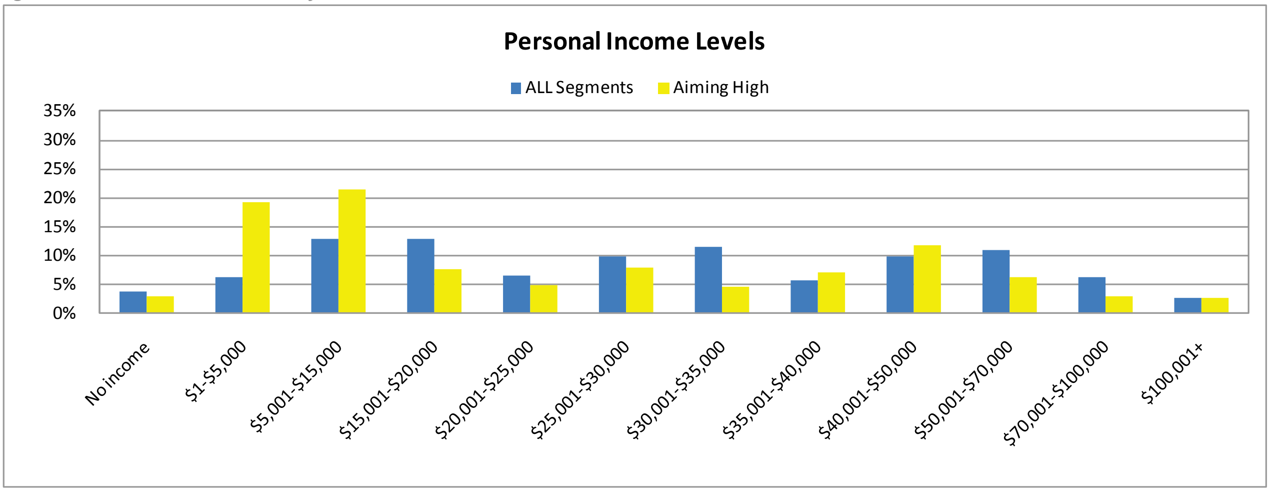
Figure 547: Occupational Distribution by Market Segment



Income

Being students or in the early stages of a career, personal income levels are relatively low for the 'High Aimers'.

Figure 548: Personal Income Profile

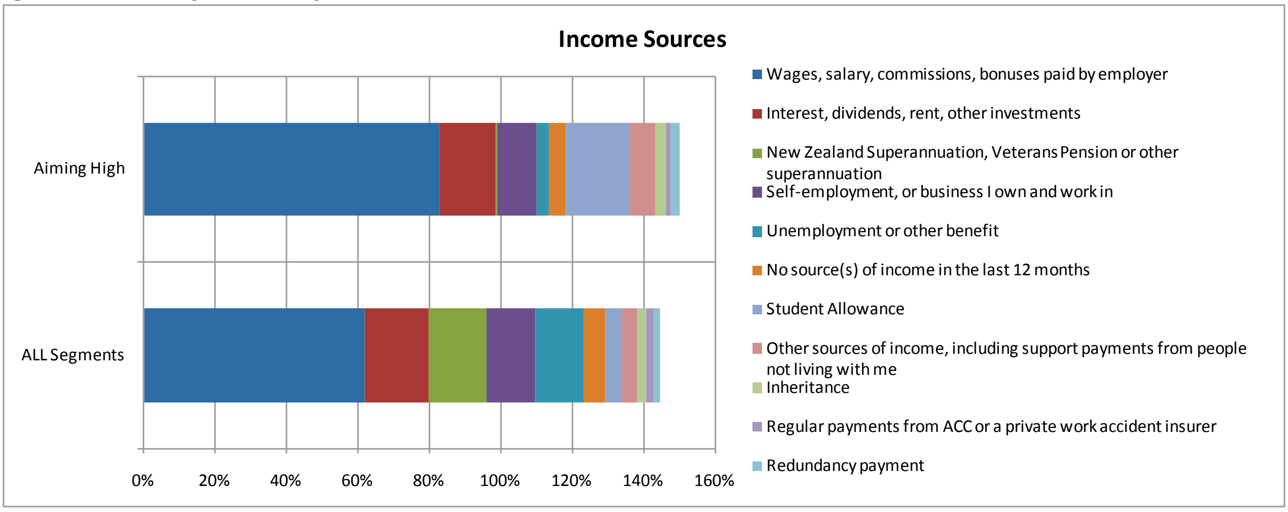


However, levels of household income point to the presence of other high income earners in the household.

Figure 549: Household Income Profile

The income of 'Aiming High' is typically derived from wages/salaries/commissions but a large proportion also draw income from student allowances.

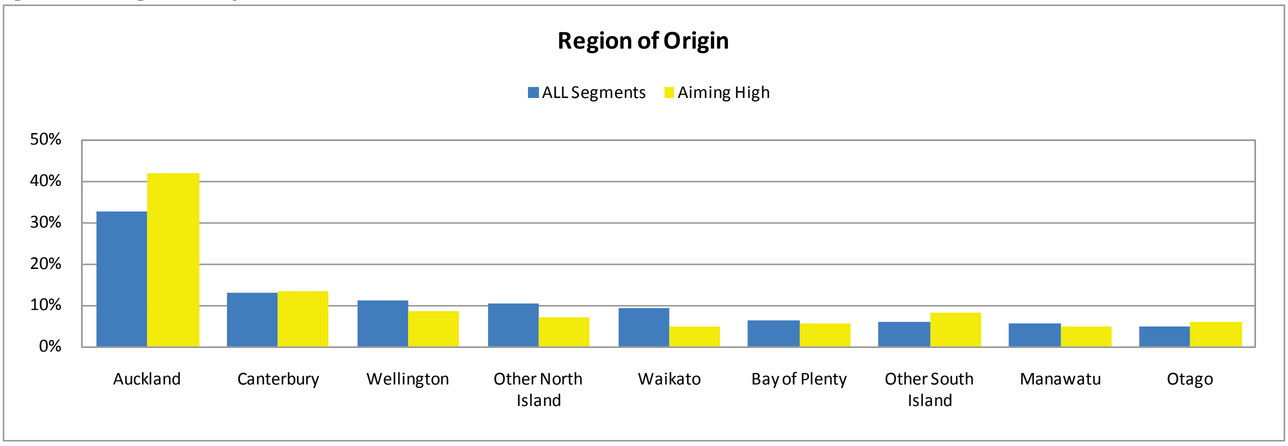
Figure 550: Source of Income Profile



Region

The 'Aiming High' segment is significantly **over-represented** in Auckland.

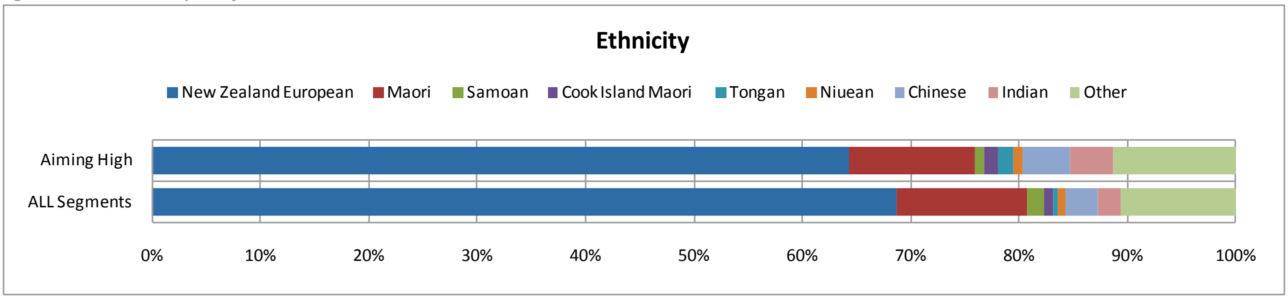
Figure 551: Regional Profile



Ethnicity

The 'Aiming High' segment contains a **smaller** proportion of New Zealand Europeans than other segments on average and more of Asian or other ethnicities.

Figure 552: Ethnicity Profile

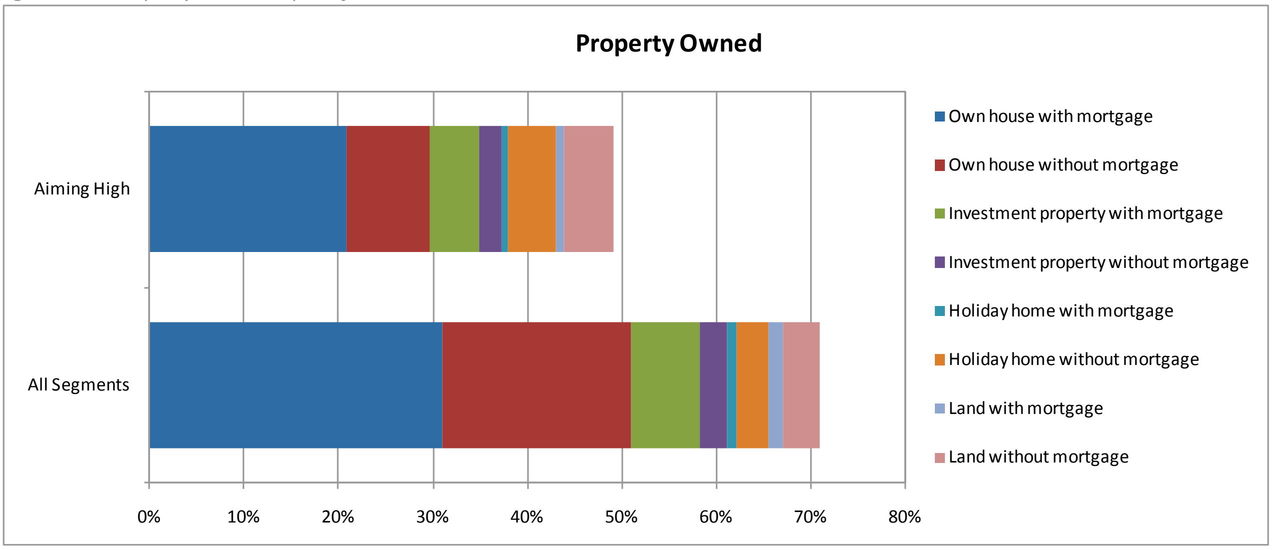


Other Characteristics

Property Ownership

Members of this segment own little property when compared to other segments. Interestingly however, a sizeable proportion owns a holiday home and/or land without a mortgage.

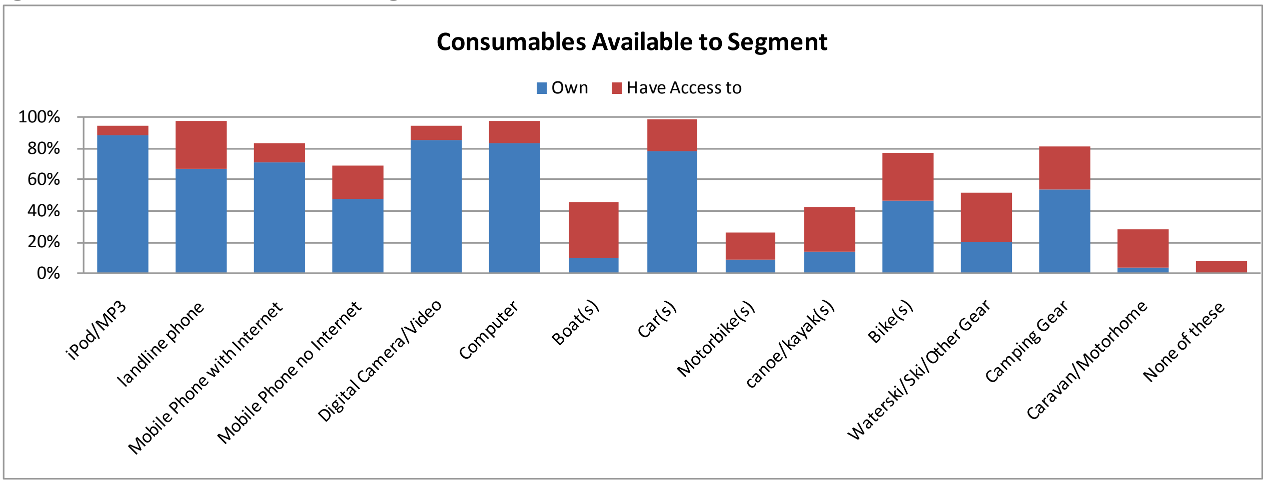
Figure 553: Property Ownership Profile



Ownership and Access to Consumables

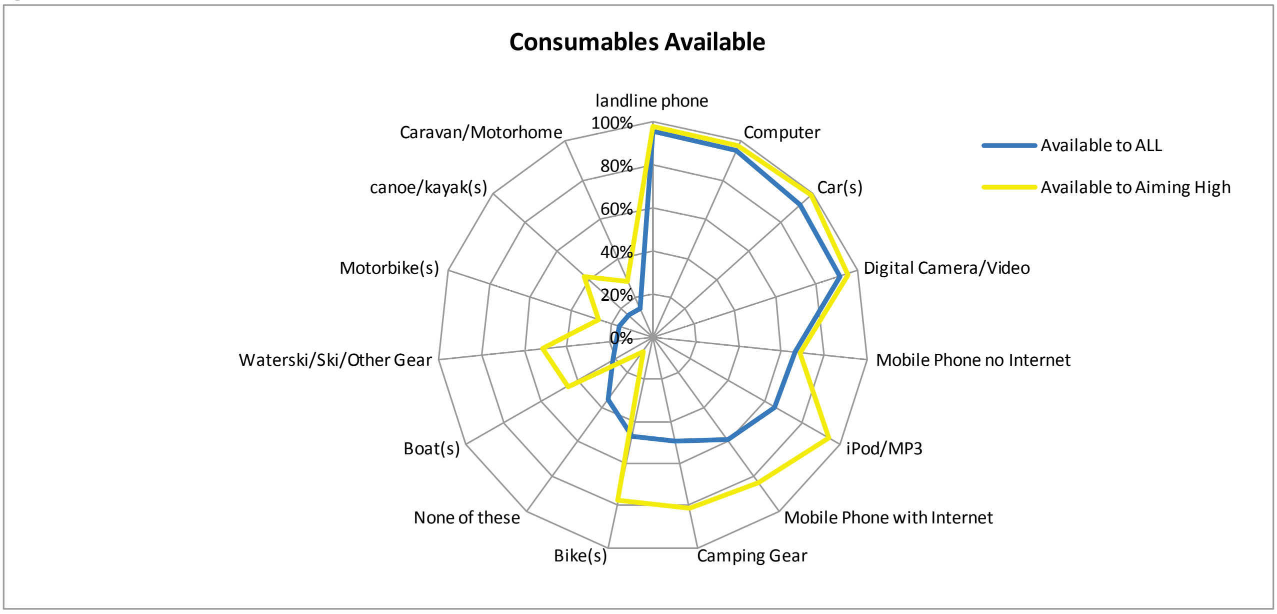
This segment owns or has access to most consumables.

Figure 554: Consumables Available to Segment



As shown in Figure 555 (overleaf), 'Aiming High' are much more likely to have access to most consumables than members of other segments. Access to bikes, boats, camping equipment, waterskis and other sporting equipment is particularly high.

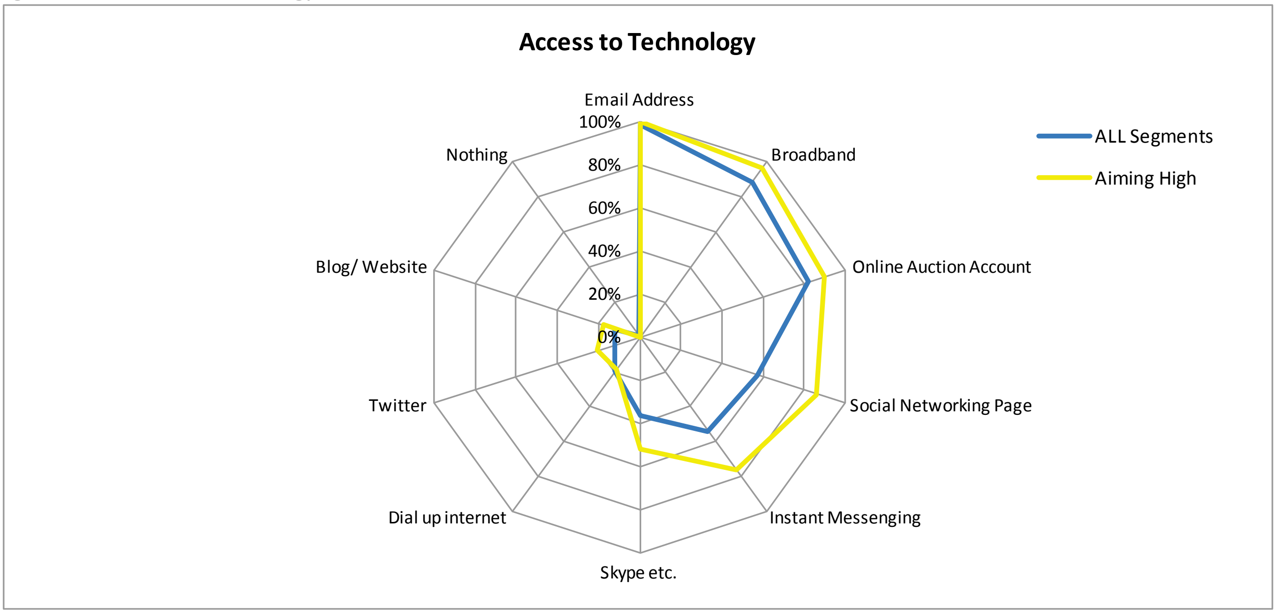
Figure 555: Access to Consumables



Access to Technology

As part of the online survey, respondents were also asked what types of technology or services they had access to. As illustrated in Figure 556, members of 'Aiming High' are typically high users of technology in general.

Figure 556: Access to Technology

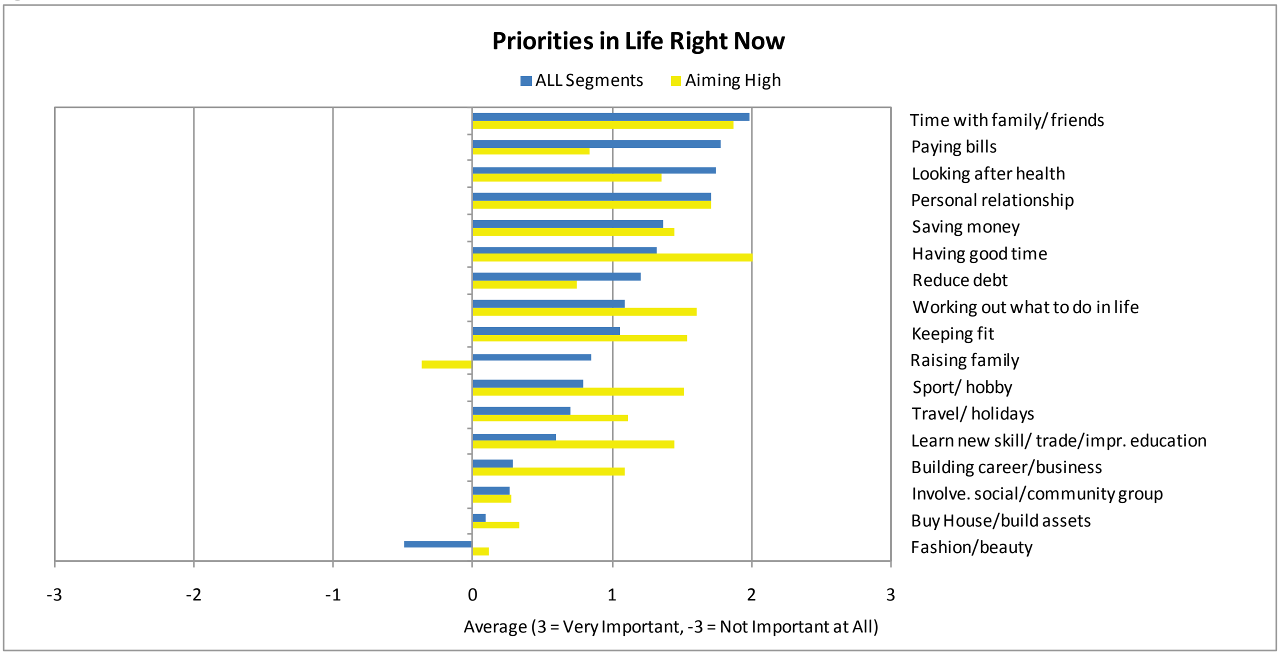


Current Priorities

Unlike many other segments, the priorities of the 'High Aimers' centre on having a good time, keeping fit, sport/hobbies, working out what to do in life, and learning. Meeting family and financial obligations are of much lesser importance.

Travel and holidays feature strongly as a priority for this segment when compared to the average. See Figure 557 overleaf.

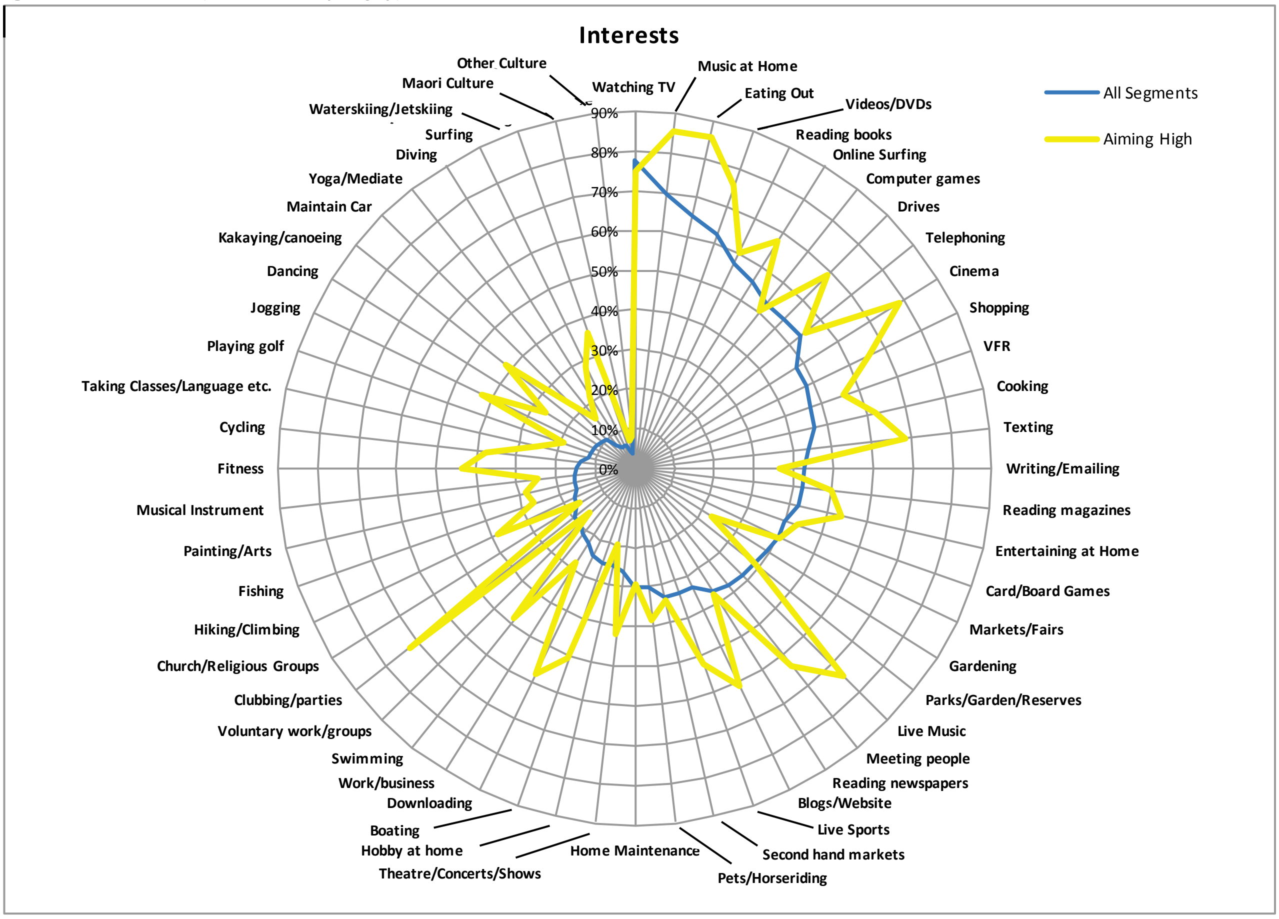
Figure 557: Current Priorities



Interests

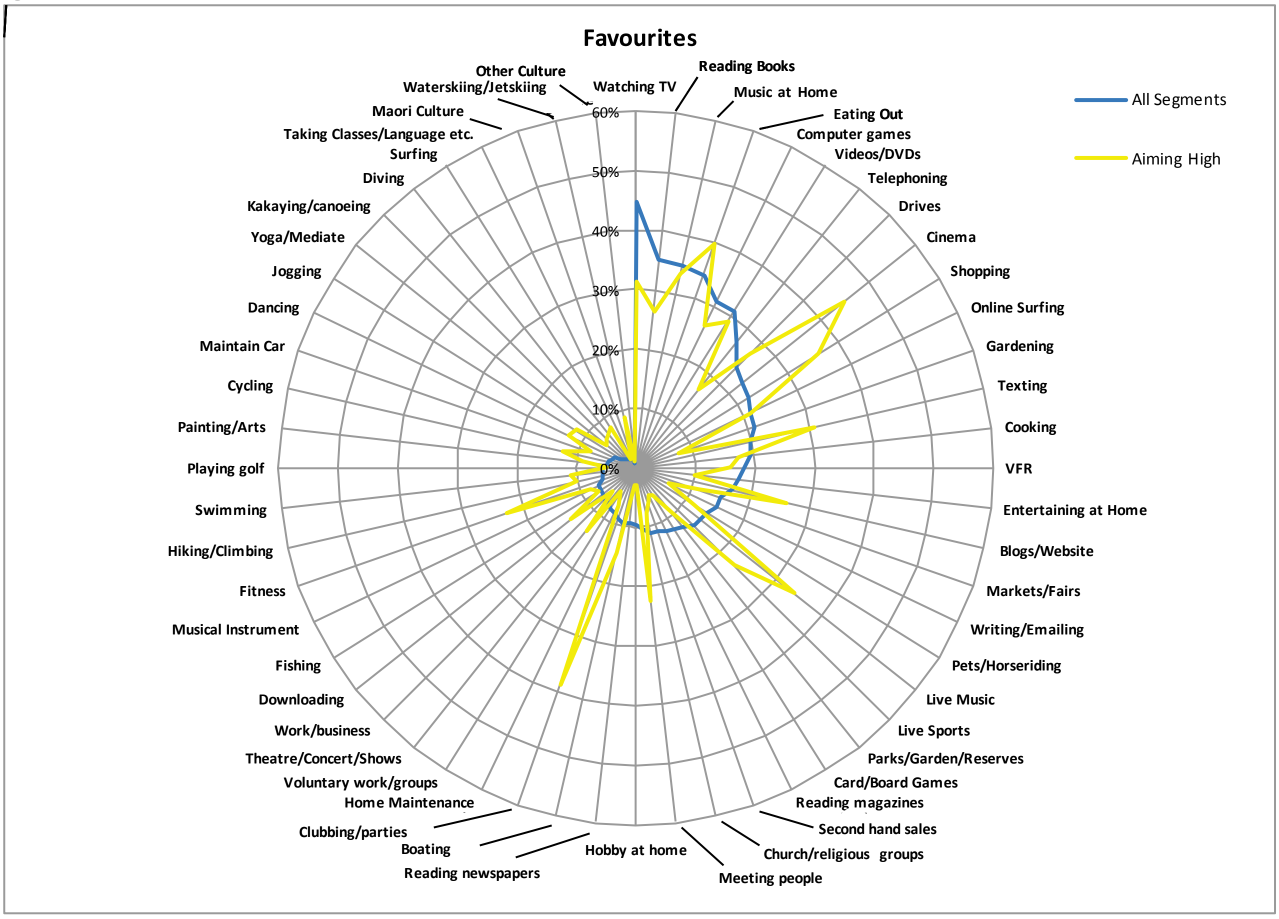
Relative to other segments, members of 'Aiming High' have wide and varied interests, with clubbing/parties, live music, eating out and cinema standing out amongst many others.

Figure 558: Interests (What I Really Enjoy)



These interests are reflected in their **favourite pastimes**.

Figure 559: Favourite Pastimes



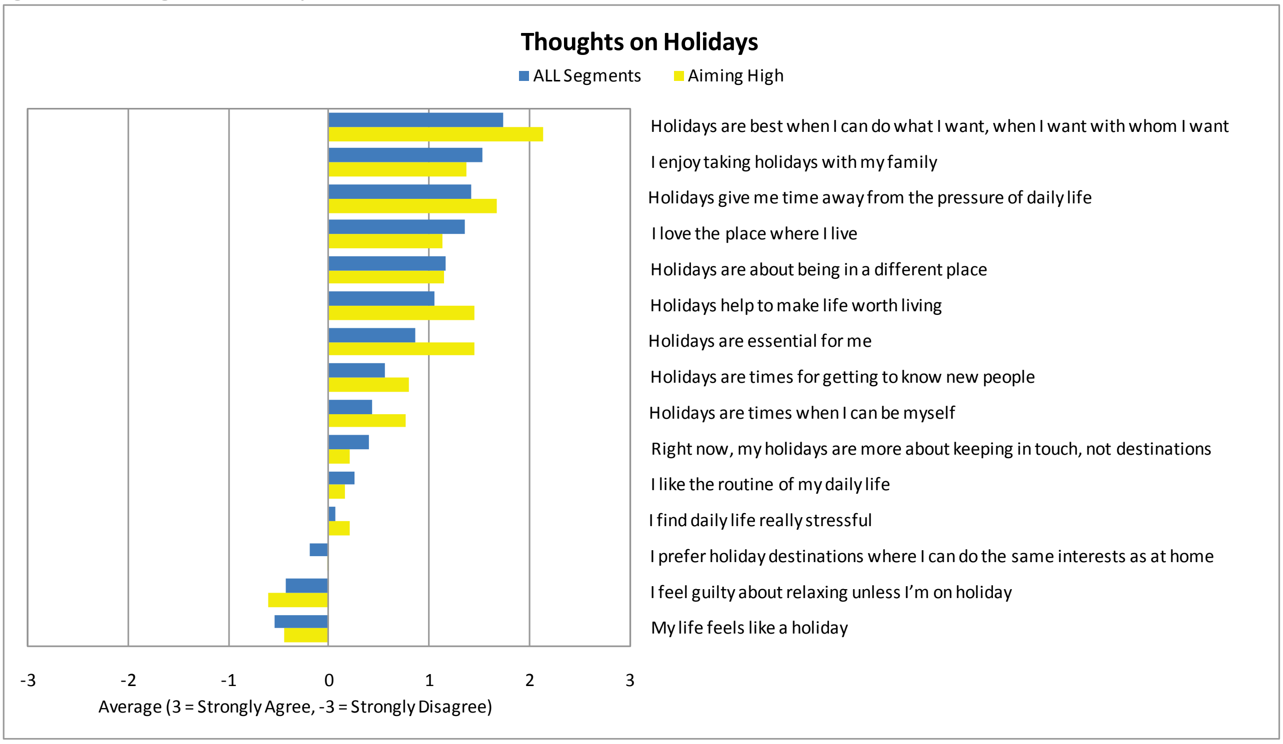
Travel Needs and Attitudes

Thoughts on Holidays

The qualitative research preceding the online survey identified a variety of perspectives on holidays, and the relationship of holidays to daily life.

As can be seen in Figure 560 (overleaf), members of ‘Aiming High’ regard holidays as essential and as a key contributor to a life worth living. Giving time out from the pressures of daily life, holidays are about doing what they want, when they want and with whom they want.

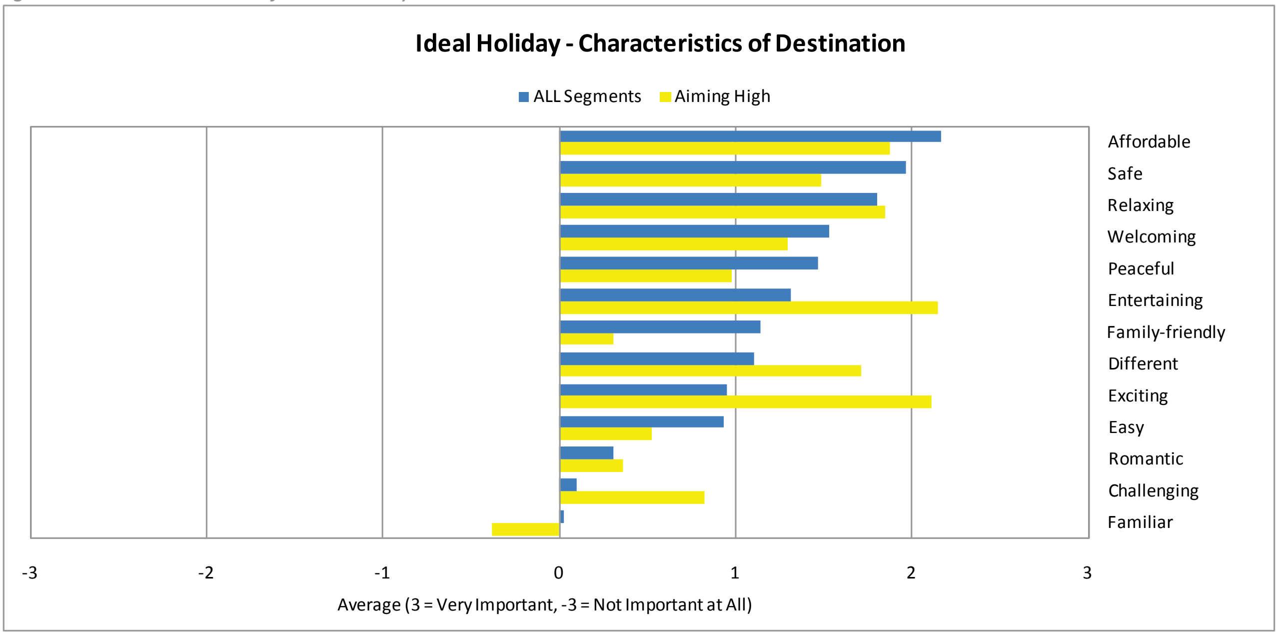
Figure 560: Thoughts on Holidays



Ideal Holiday Destination

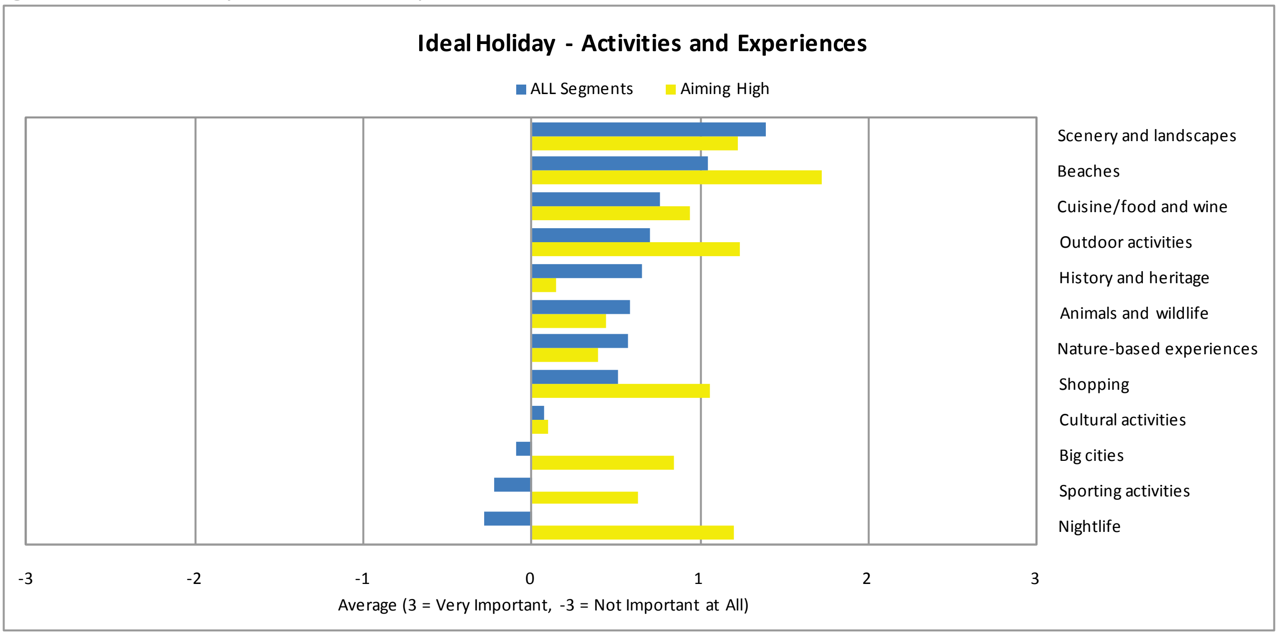
The ideal holiday destination for the 'High Aimers' is described as entertaining, different, exciting, challenging and at the same time relaxing.

Figure 561: Characteristics of Ideal Holiday Destination



The ideal holiday experience for the 'High Aimers' is built around beaches, outdoor activities and sporting activities as well as shopping, big cities and nightlife. See Figure 562 overleaf.

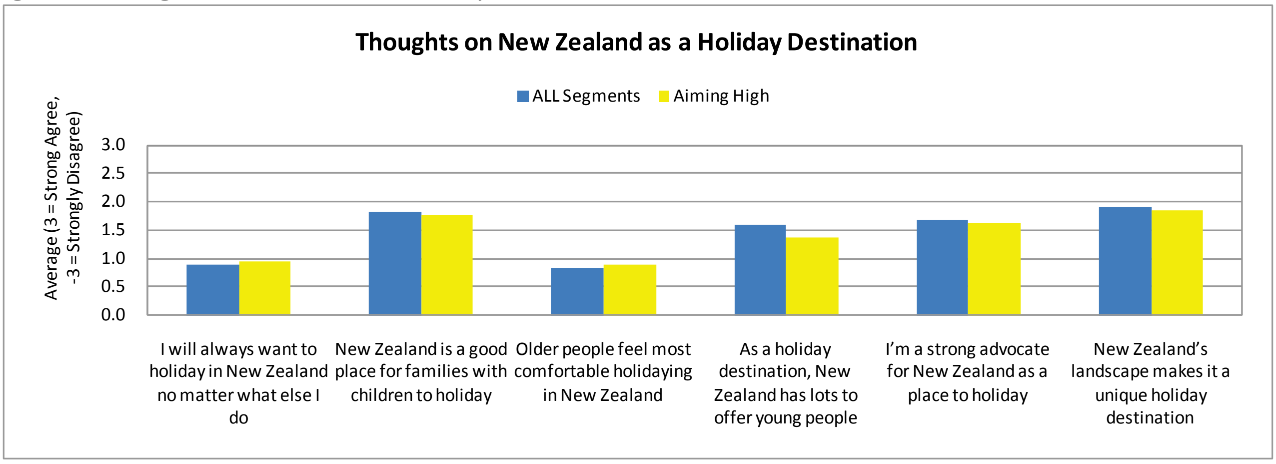
Figure 562: Ideal Holiday – Activities and Experiences



Domestic Holidays

Overall, 'Aiming High' is relatively positive in its thoughts on New Zealand as a holiday destination but does not think that New Zealand has lots to offer to young people such as themselves.

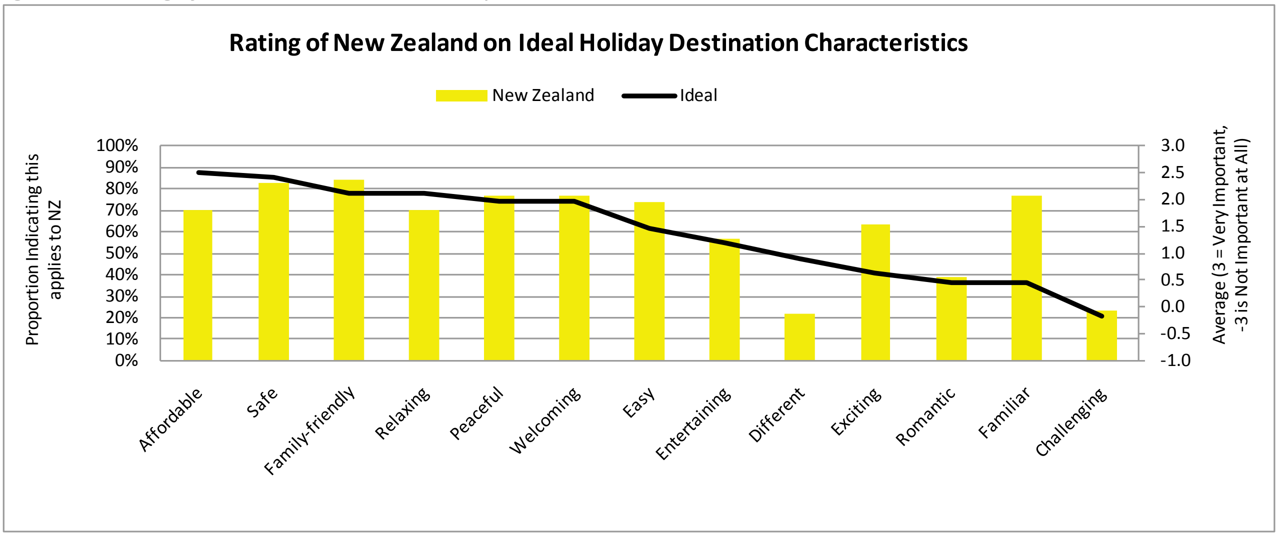
Figure 563: Thoughts on New Zealand as a Holiday Destination



During the online survey, respondents were asked to 'rate' New Zealand against the characteristics of their ideal holiday destination and according to the activities and experiences which made up their ideal holiday.

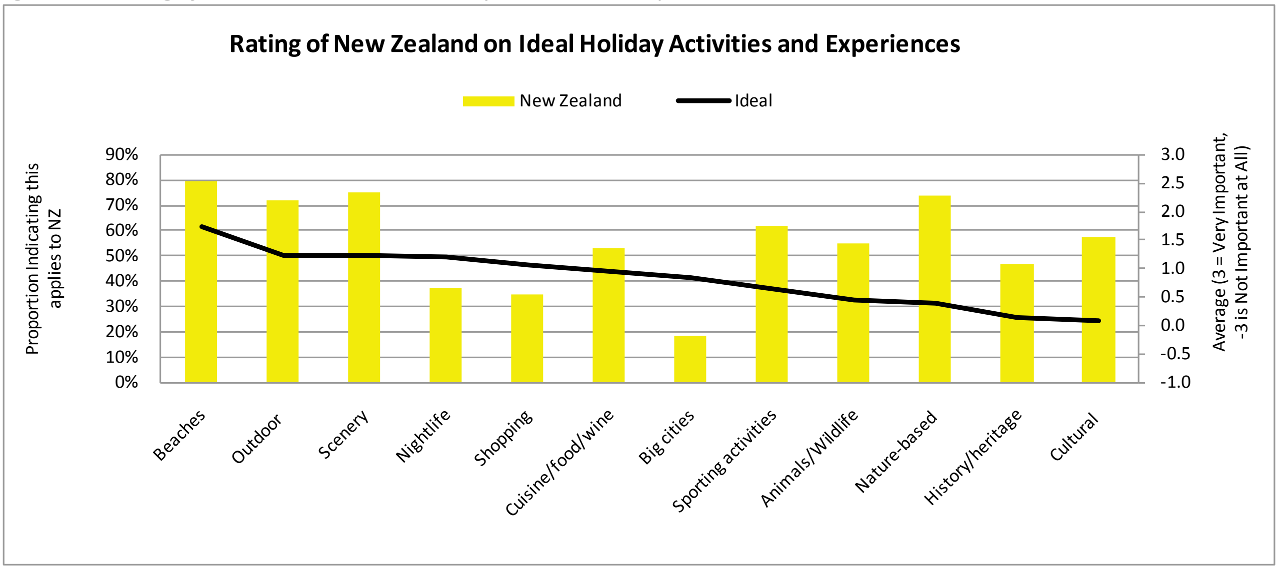
As depicted in Figure 564 (overleaf) members of the 'Aiming High' segment rated New Zealand only moderately on some of the characteristics which made up their ideal holiday destination, especially in regard to entertainment, excitement and something different.

Figure 564: Rating of New Zealand on Ideal Holiday Destination Characteristics



While New Zealand scored well on some of the outdoor and nature-based activities and experiences this segment looked for in its ideal holiday, urban activities were a different matter (shopping and nightlife in particular).

Figure 565: Rating of New Zealand on Ideal Holiday Activities and Experiences



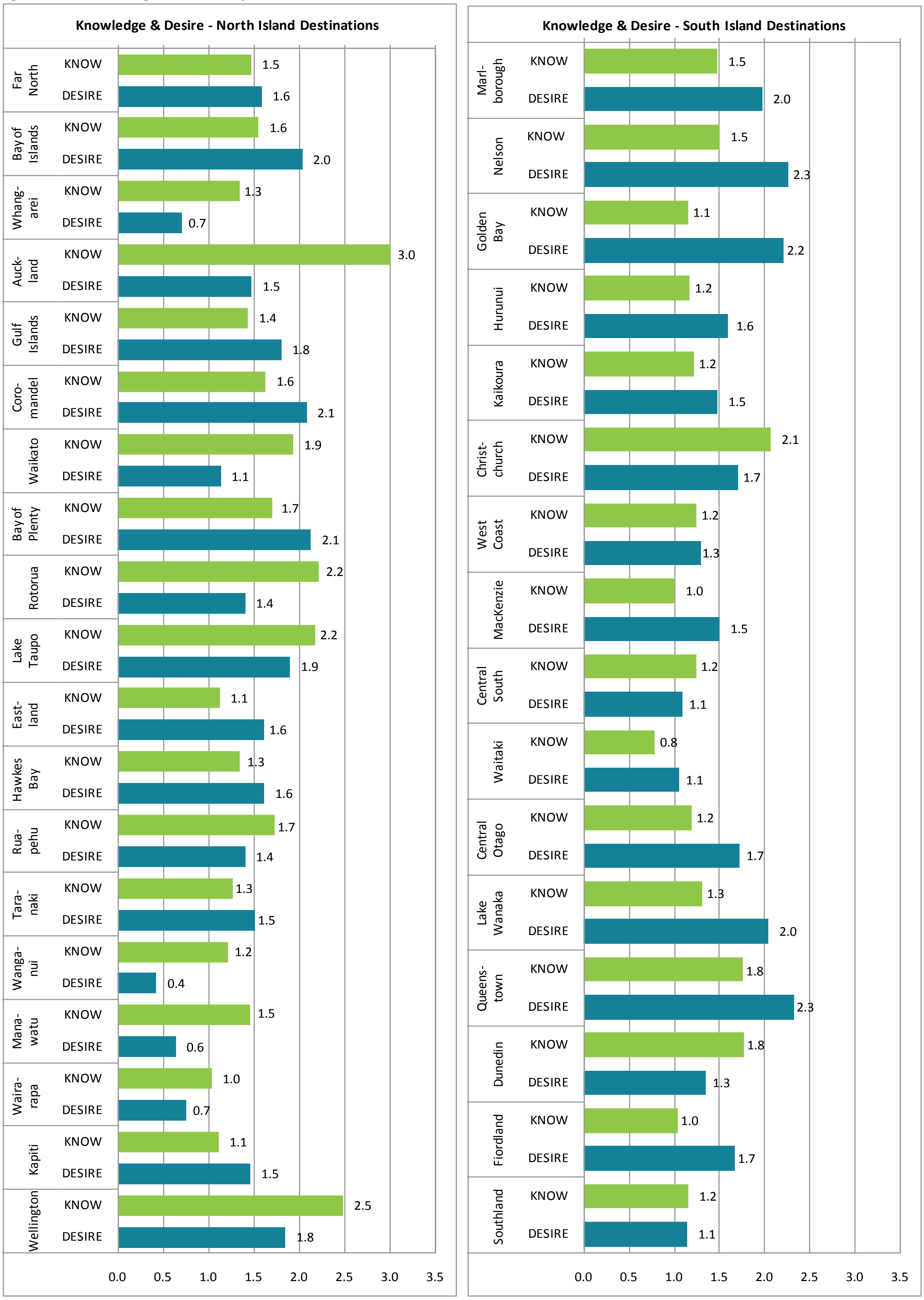
New Zealand Destinations

As part of the online survey, respondents were asked to indicate how well they **knew** the various regions/destinations within New Zealand and how much they **liked** each of the places they knew.

Figure 566 (overleaf) charts results for this segment as they relate to New Zealand destinations. Analysis highlights regions which are relatively lesser known to members of 'Aiming High' and those to which members of 'Aiming High' are most attracted.

Generally speaking, those regions which have a higher 'desire' factor than 'awareness' factor – such as the Bay of Islands, Golden Bay, Central Otago and Fiordland - could be said to represent particular areas of untapped potential.

Figure 566: Knowledge and Desire for New Zealand Destinations[12]



[12] *Results represent averages on the following scales: KNOWLEDGE (-3 = know nothing at all about this place; 3 = know a lot about this place) and DESIRE (-3 = don't like this place at all; 3 = like it a lot)*

Domestic Short Break Profile

Members of ‘Aiming High’ take **63% more** domestic short breaks for leisure each year than the ‘average New Zealander’ (3.1 versus 1.9).

Figures 567-579 profile the **last domestic short break** taken by members of the ‘Aiming High’ segment.

Results show that, compared with other segments: -

- Auckland, Wellington, Nelson, Gisborne, Otago and Southland are especially popular destinations.
- Key activities are urban, water, adventure and sports activities and concerts/events. Ice/snow activities are also popular with this segment.
- The vast majority of short breaks are taken by car.
- A comparatively large proportion of the segment stays in hotels and in backpackers while on short domestic breaks.
- Most travel with their family or friends.
- Most are involved in planning the trip with someone else.
- Short breaks are often committed to up to two weeks in advance and planned up to 3 months in advance.
- The decision to take a trip is commonly prompted by a good deal, an event or a holiday occasion.
- Parents, friends and other family members play a key role in the choice of destination.
- Short breaks are often motivated by a desire for adventure or a desire to increase life experience.
- ‘High Aimers’ are less likely to pay for a short break by themselves and are infrequent users of credit cards for this purpose.

Figure 567: Region Visited on Last Short Break

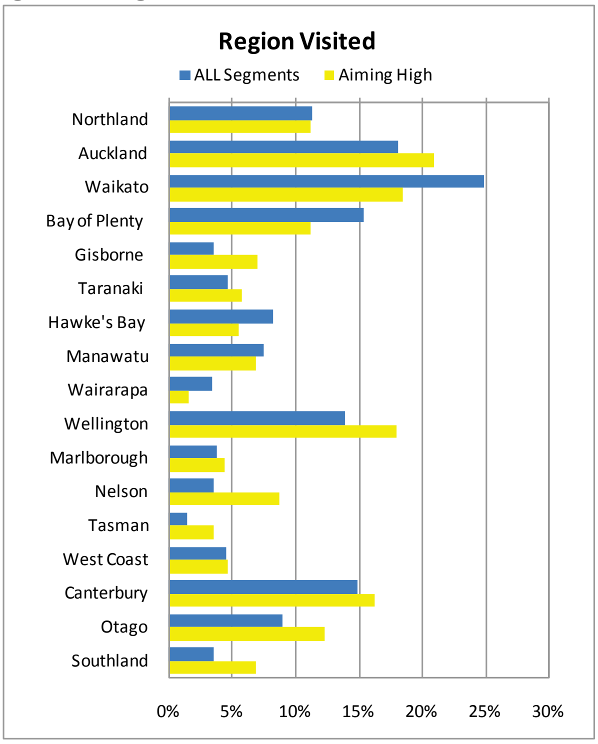


Figure 568: Activities/Experiences on Last Short Break

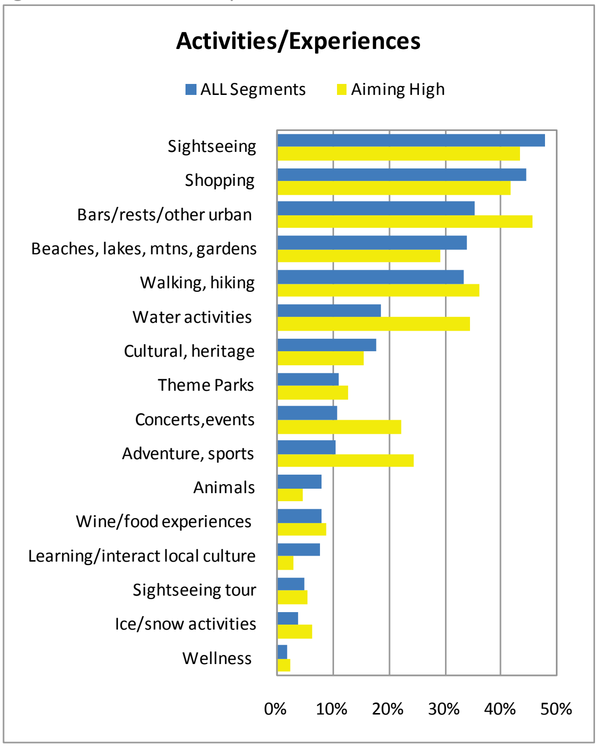


Figure 569: Transport Used on Last Short Break

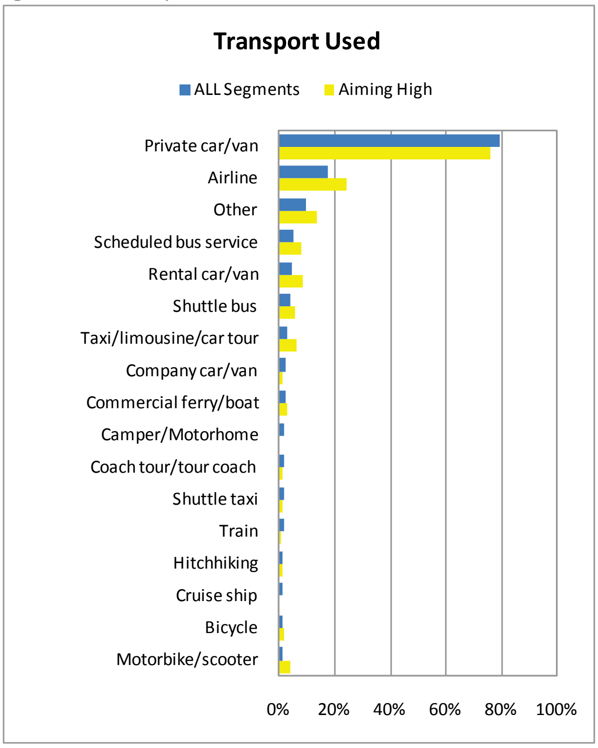


Figure 570: Accommodation Used on Last Short Break

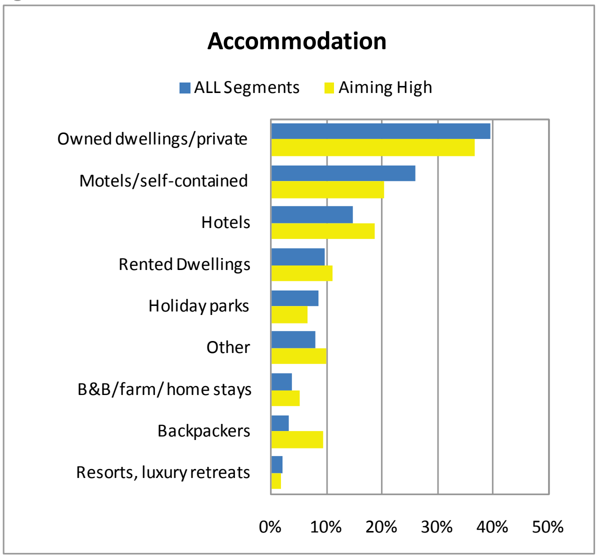


Figure 571: Party Composition on Last Short Break

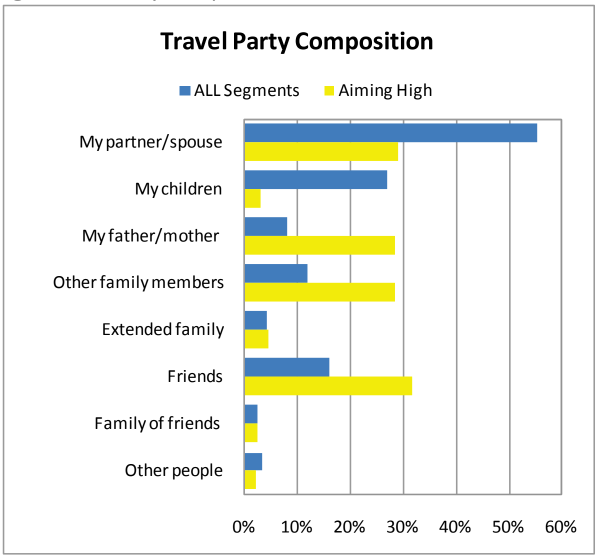


Figure 572: Role in Planning Last Short Break

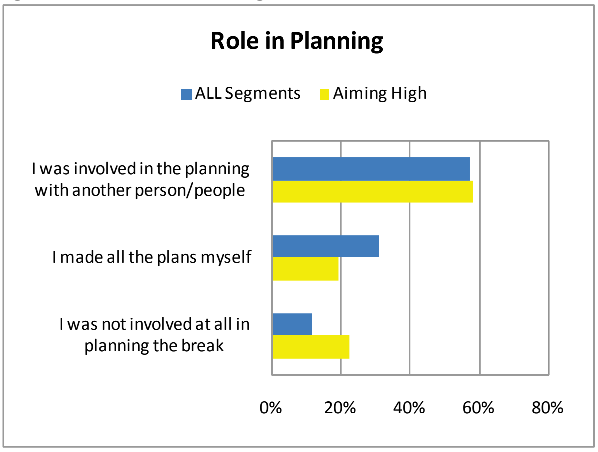


Figure 573: Planning Timelines for Last Short Break

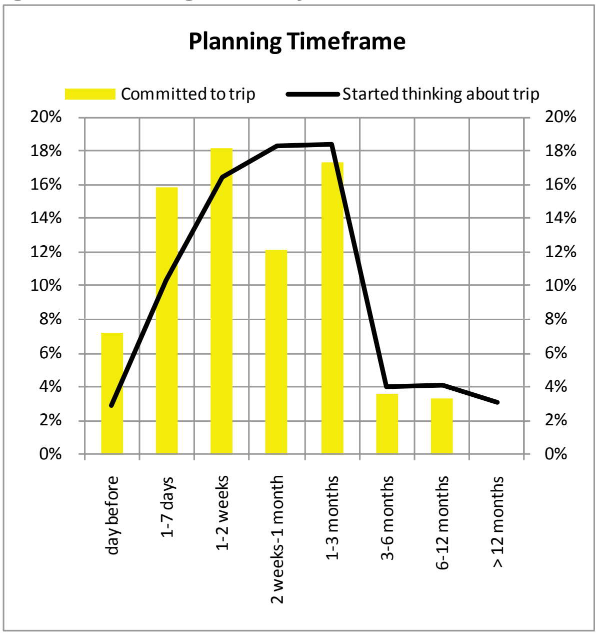


Figure 574: Commitment to Trip – Triggers for Last Short Break

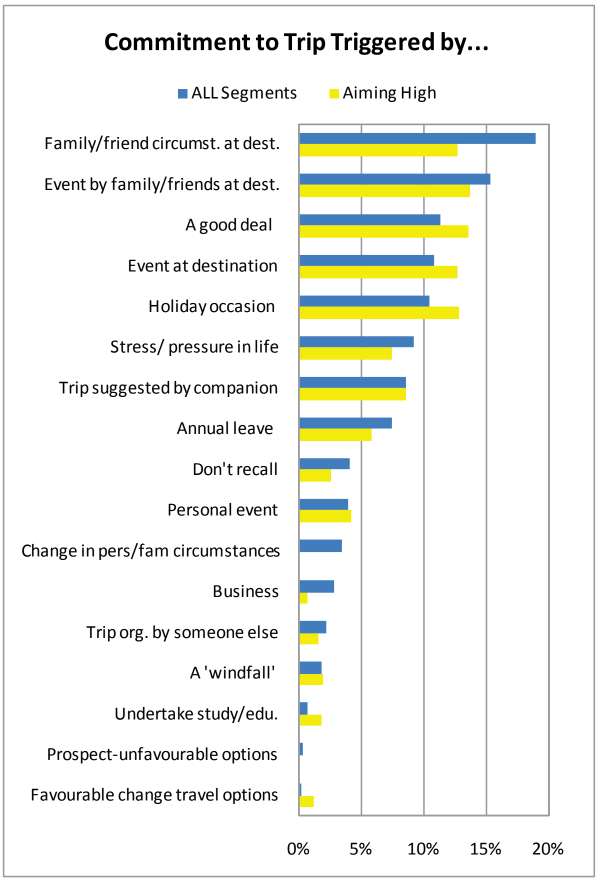


Figure 575: People Contributing to Trip Planning of Last Short Break

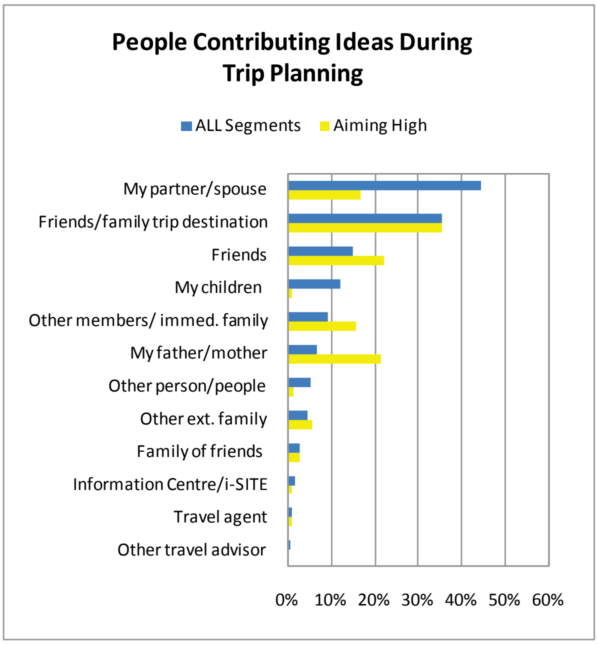


Figure 576: Other Influences on Choice of Destination for Last Short Break

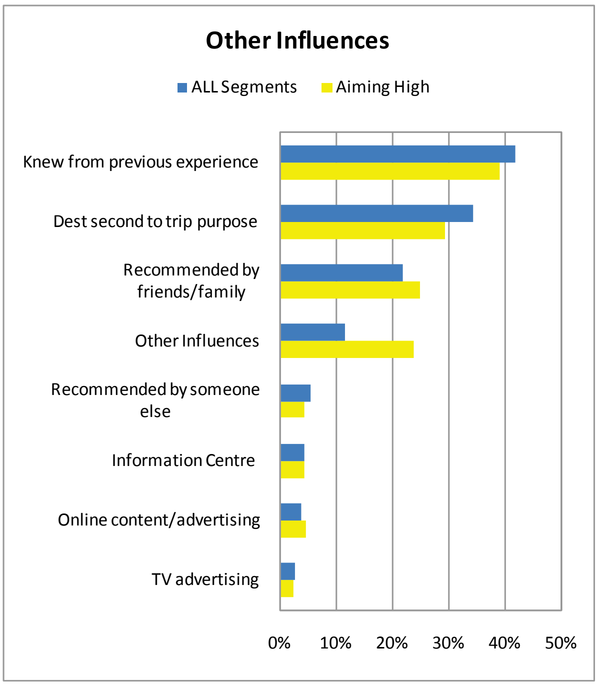


Figure 577: Motivations for Last Short Break

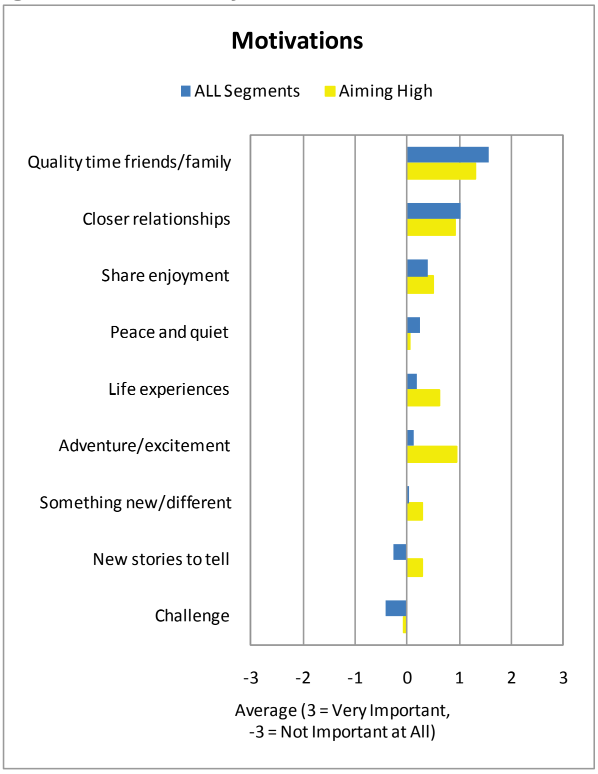


Figure 578: Who Paid for Last Short Break

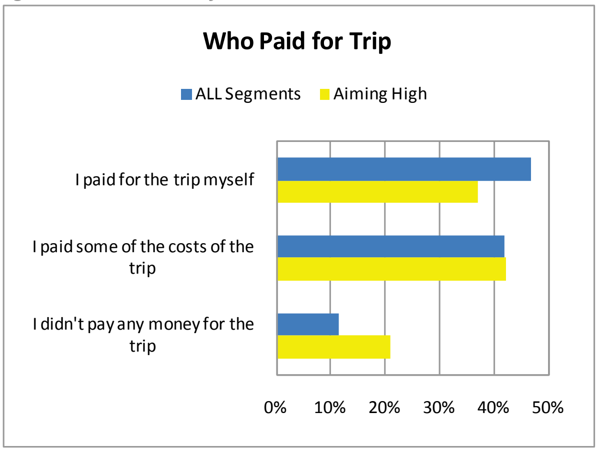
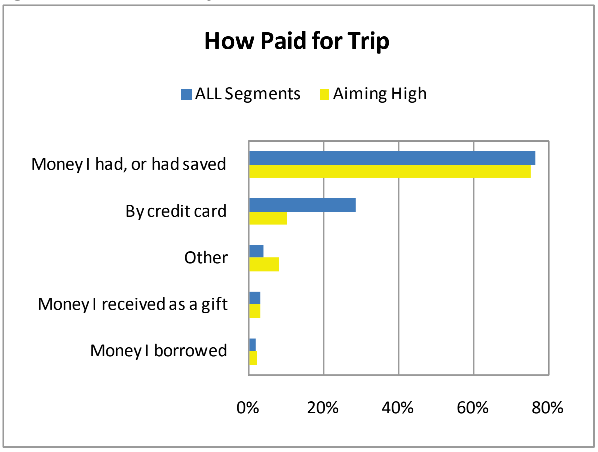


Figure 579: How Paid for Last Short Break



Domestic Holiday Profile

Members of 'Aiming High' take **64% more** domestic holidays for leisure (> 5 nights) each year than the 'average New Zealander' (1.0 versus 0.6).

Figures 580-592 present a profile of the **last domestic holiday** taken by members of the 'Aiming High' Segment.

Key findings are: -

- Northland, Auckland, Wellington, Nelson, Tasman, West Coast and Otago are all popular destinations for longer domestic holiday trips.
- Key activities are urban, water, sports activities and events, but also ice/snow activities (skiing and snowboarding).
- While most travel by private car, a larger than average proportion travel in rental cars.
- The majority of longer domestic holidays are taken with family or friends.
- A large proportion of holidays are planned and committed to within 3 months of departure.
- Relative to other segments, those in the 'Aiming High' segment are most likely to be prompted to travel by a good deal, a personal or other event.
- Key influences on choice of destination include parents, other family and friends, online content and television advertising.
- Of all segments the 'High Aimers' have the most varied motivations for longer domestic holidays. Aside from quality time with friends/family and the building of closer relationships, adventure and excitement is the most prominent amongst these motivations.

Figure 580: Region Visited on Last Domestic Holiday

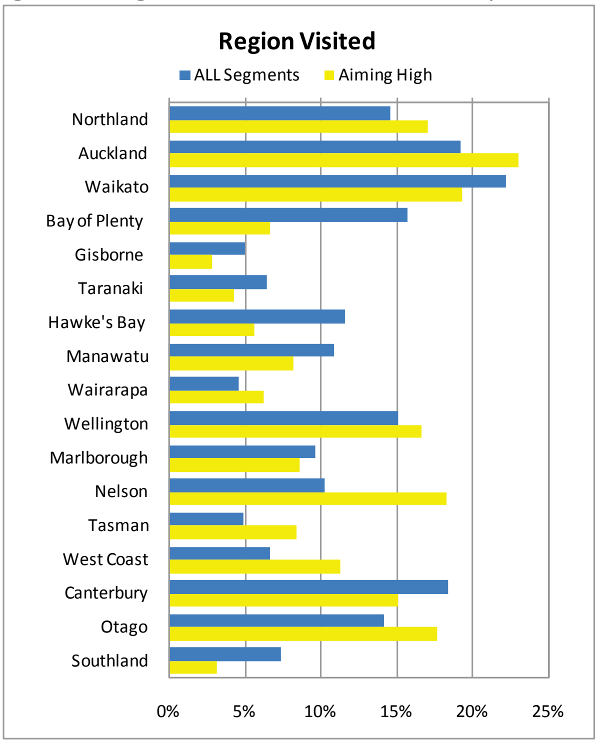


Figure 581: Activities/Experiences on Last Domestic Holiday

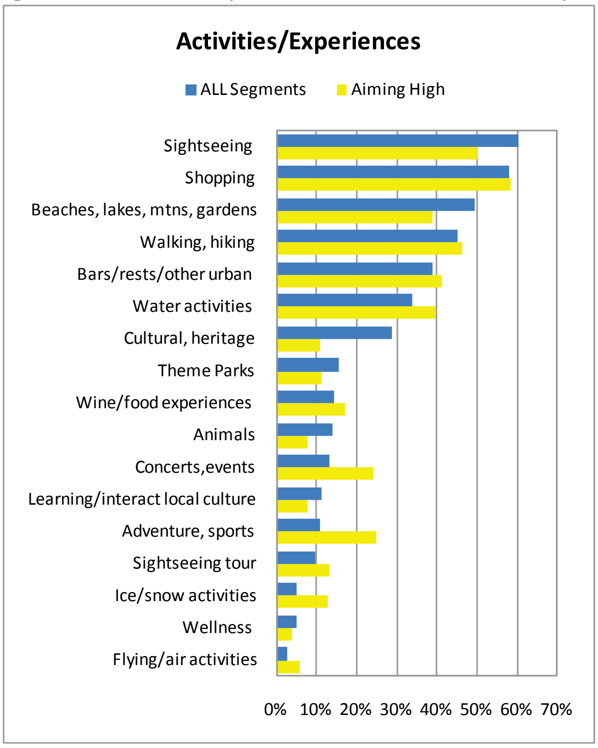


Figure 582: Transport Used on Last Domestic Holiday

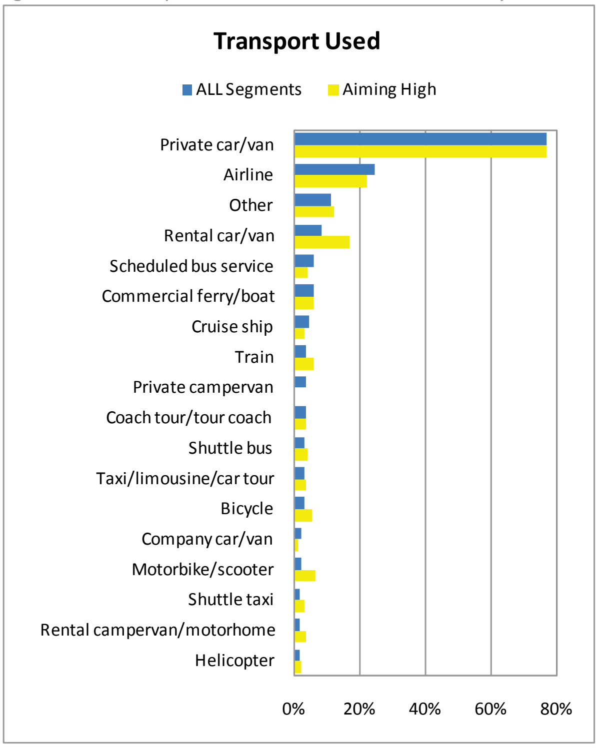


Figure 583: Accommodation Used on Last Domestic Holiday

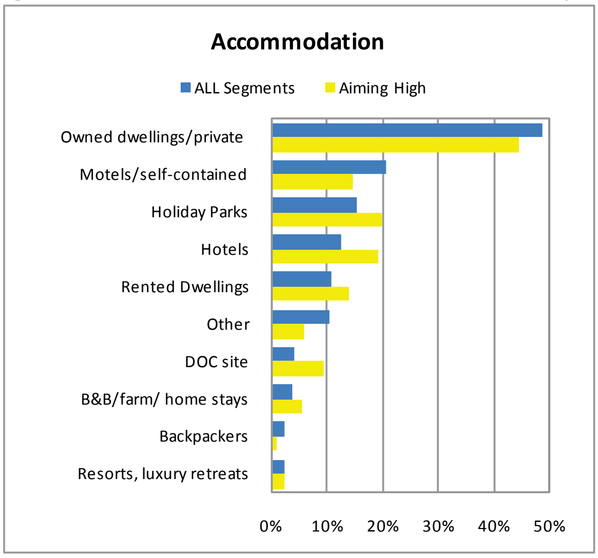


Figure 584: Party Composition on Last Domestic Holiday

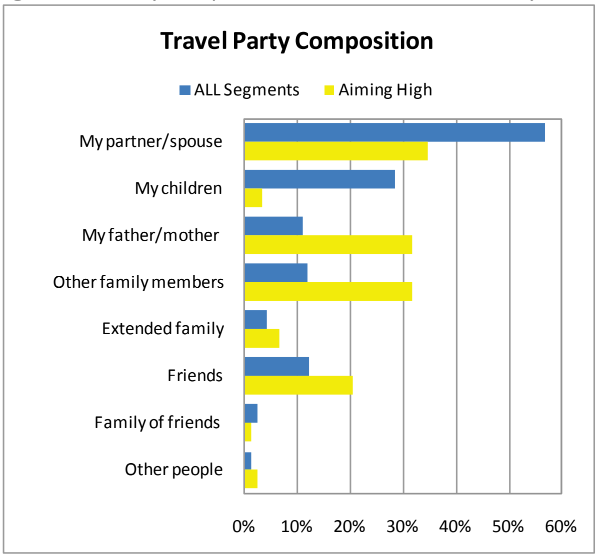


Figure 585: Role in Planning Last Domestic Holiday

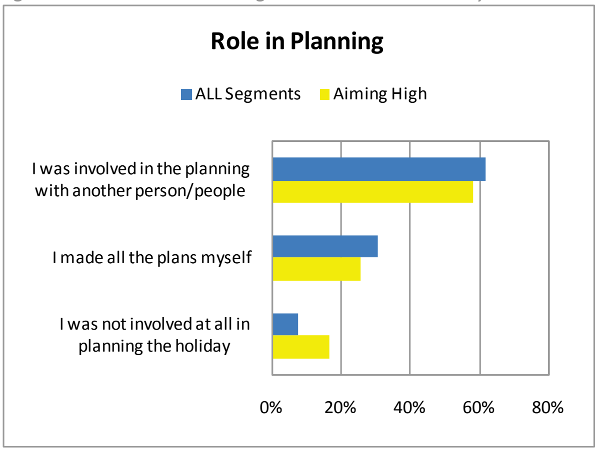


Figure 586: Planning Timelines for Last Domestic Holiday

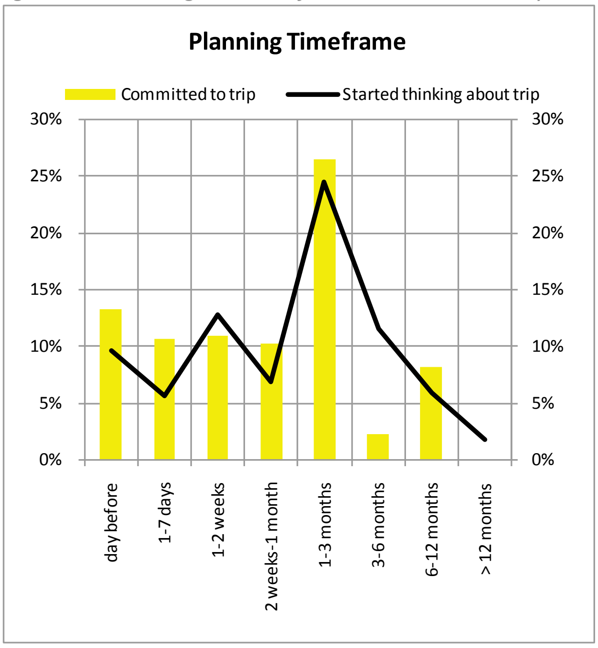


Figure 587: Commitment to Trip – Triggers for Last Domestic Holiday

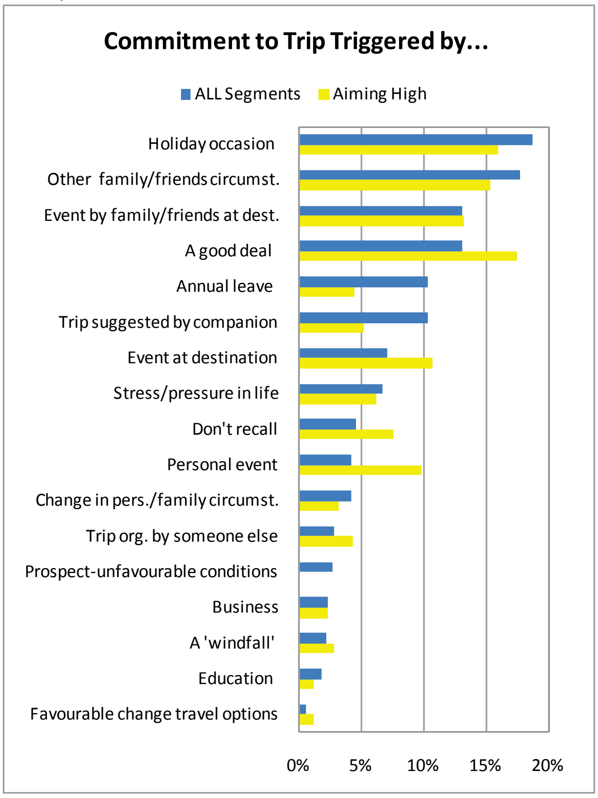


Figure 588: People Contributing to Trip Planning of Last Domestic Holiday

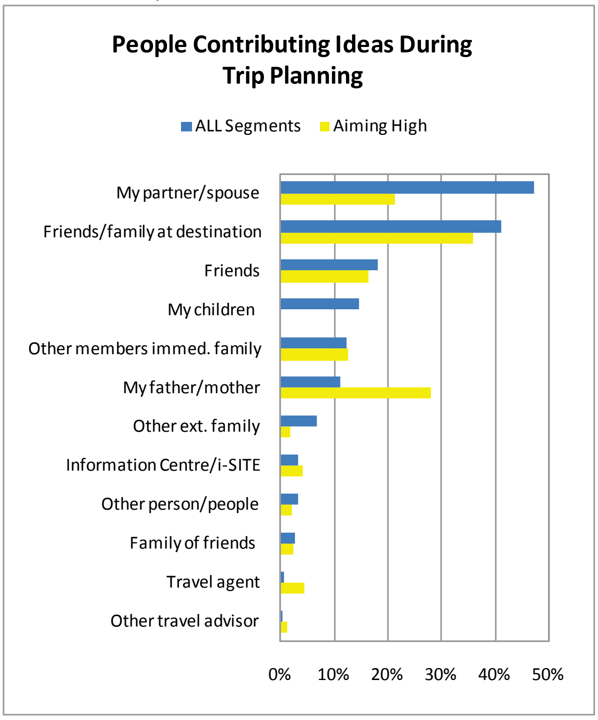


Figure 589: Other Influences on Choice of Destination for Last Domestic Holiday

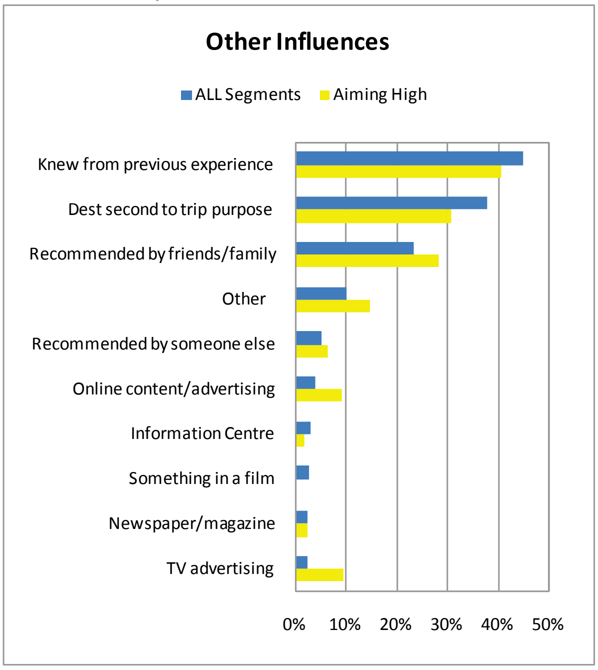


Figure 590: Motivations for Last Domestic Holiday

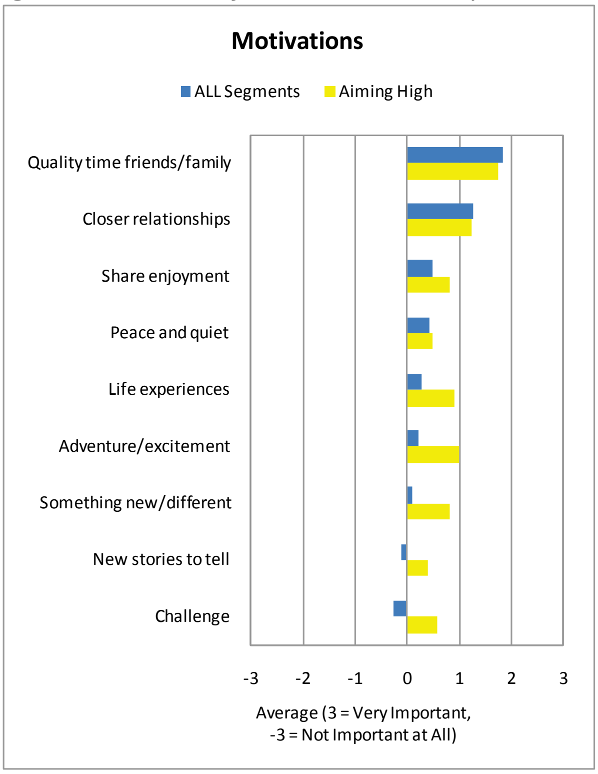


Figure 591: Who Paid for Last Domestic Holiday

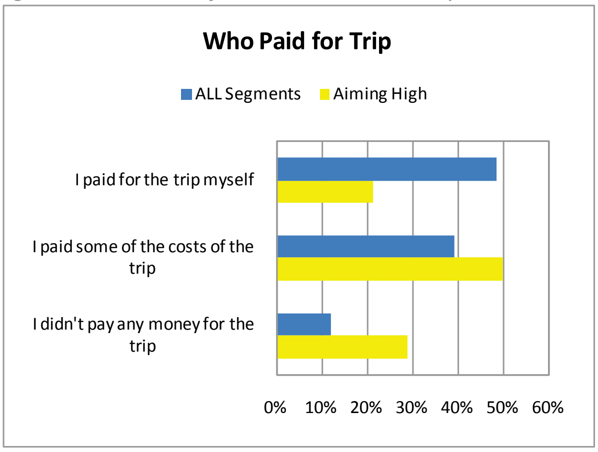
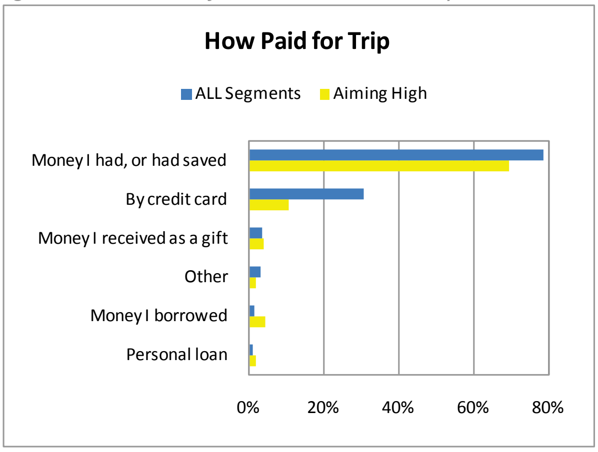


Figure 592: How Paid for Last Domestic Holiday



International Holiday Profile

Members of 'Aiming High' take **66% more** international holidays each year than the 'average New Zealander' (0.7 versus 0.4). Figures 593-605 profile the **last international holiday** taken by members of this segment.

Results show that, compared with other segments: -

- Australia is the most popular destination for this segment, followed by Fiji.
- They participate mostly in shopping, sightseeing, urban and water activities.
- This segment has a high proportion staying in backpackers overseas.
- Planning for most international holidays starts 6-12 months before departure, whilst commitment to a trip (e.g. booking) takes place 1-3 months in advance.
- The decision to take a holiday offshore is mostly prompted by a good deal. Holiday occasions, personal stress and events occurring at the destination are also influential in this respect.
- The 'Aiming High' segment is disproportionately influenced in its choice of destination by travel agents, online content and television advertising.
- Building life experience and adventure/ excitement – along with quality time with family/friends and building closer relationships - are key motivators for this segment.

Figure 593: Countries Visited on Last International Holiday

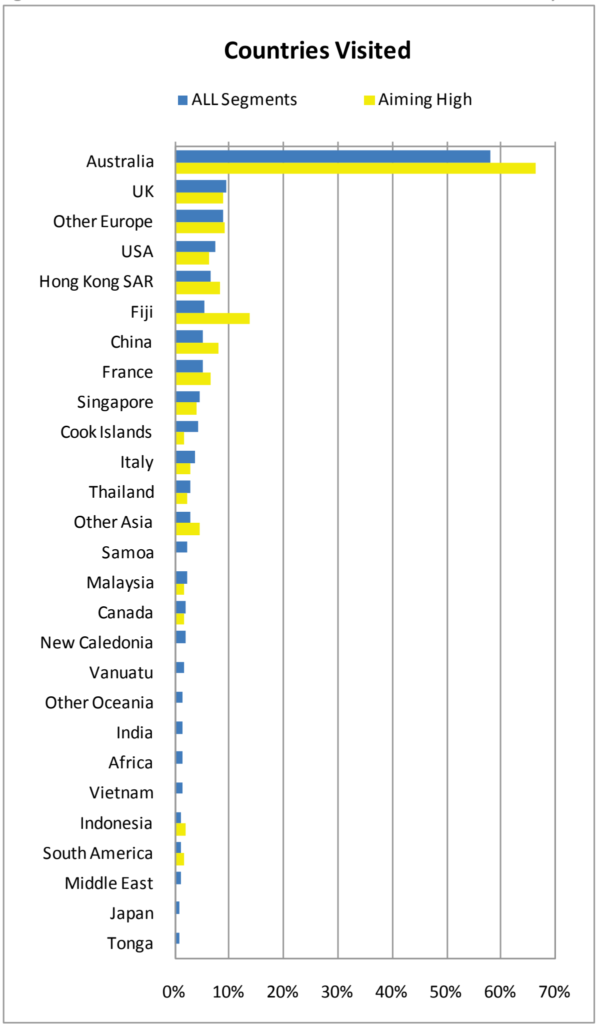


Figure 594: Activities/Experiences on Last International Holiday

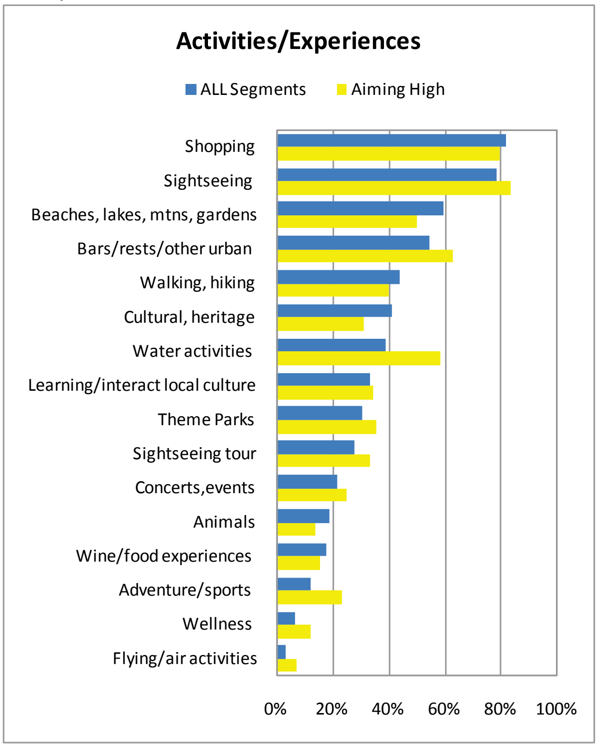


Figure 595: Transport Used on Last International Holiday

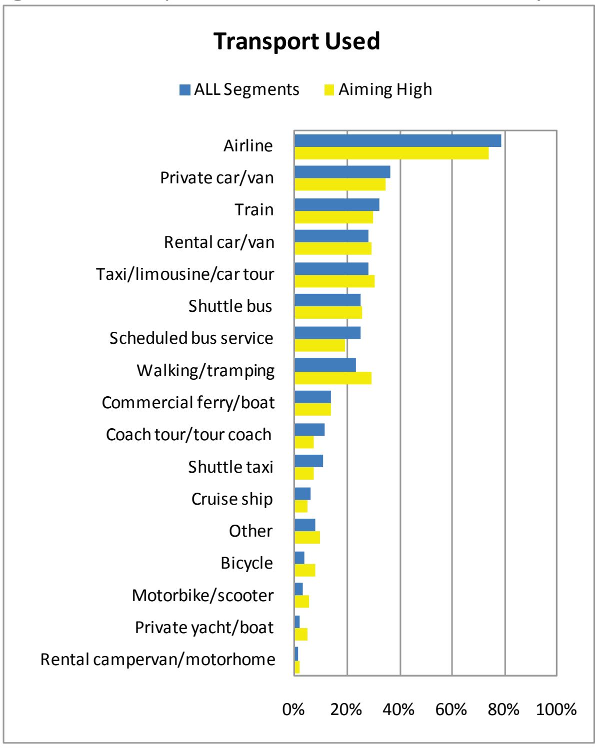


Figure 596: Accommodation Used on Last International Holiday

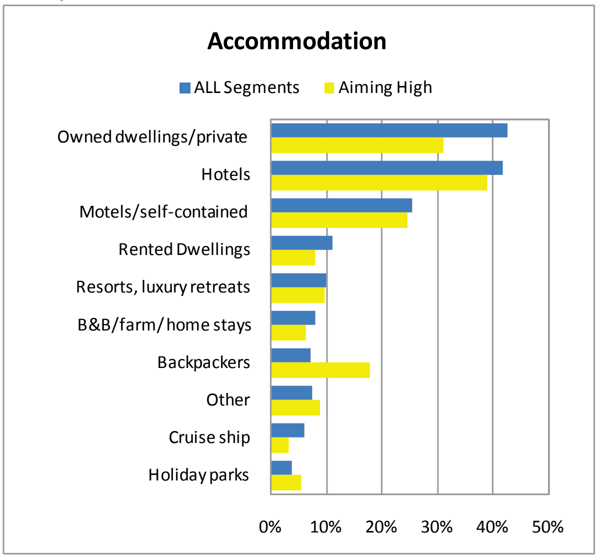


Figure 597: Party Composition on Last International Holiday

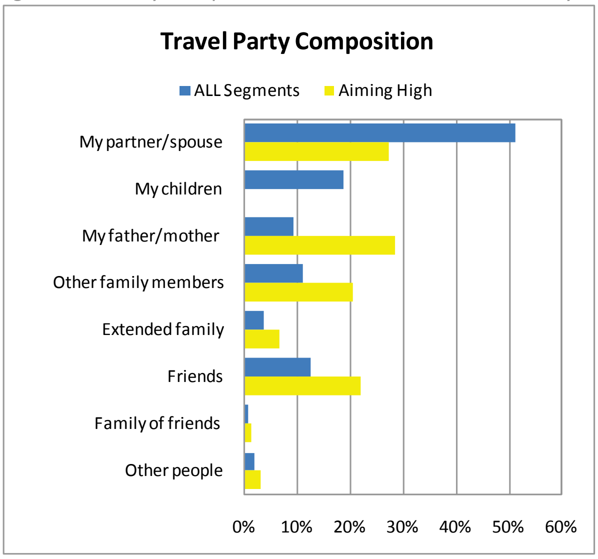


Figure 598: Role in Planning Last International Holiday

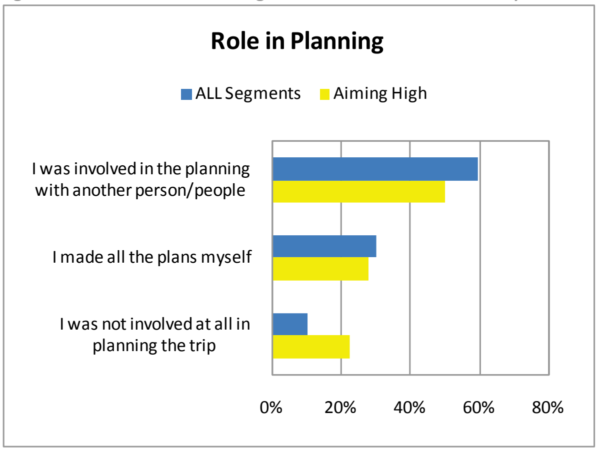


Figure 599: Planning Timelines for Last International Holiday

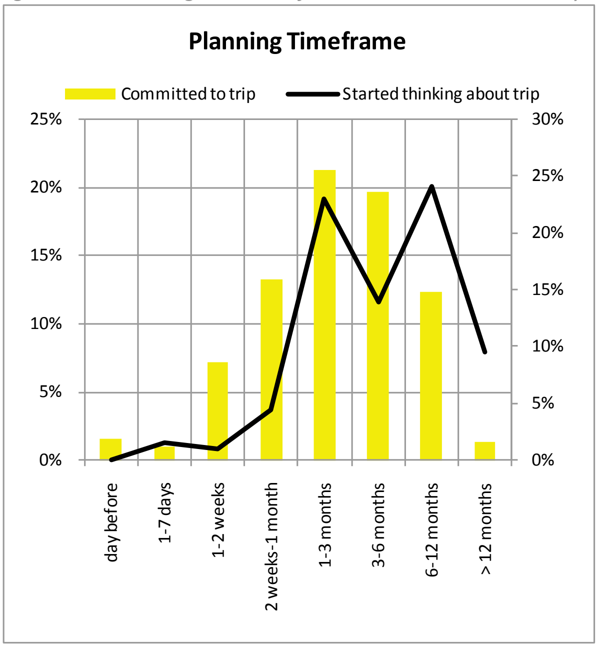


Figure 600: Commitment to Trip – Triggers for Last International Holiday

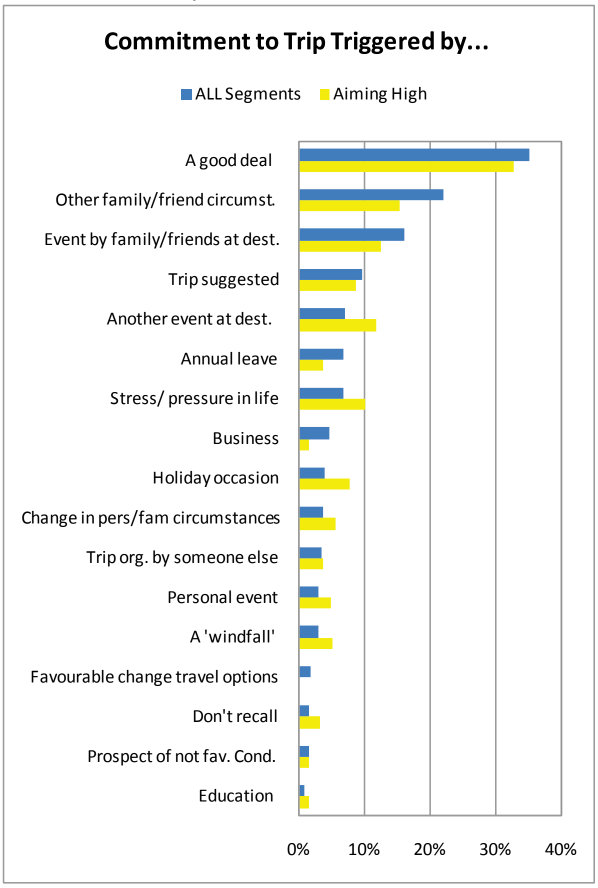


Figure 601: People Contributing to Trip Planning of Last International Holiday

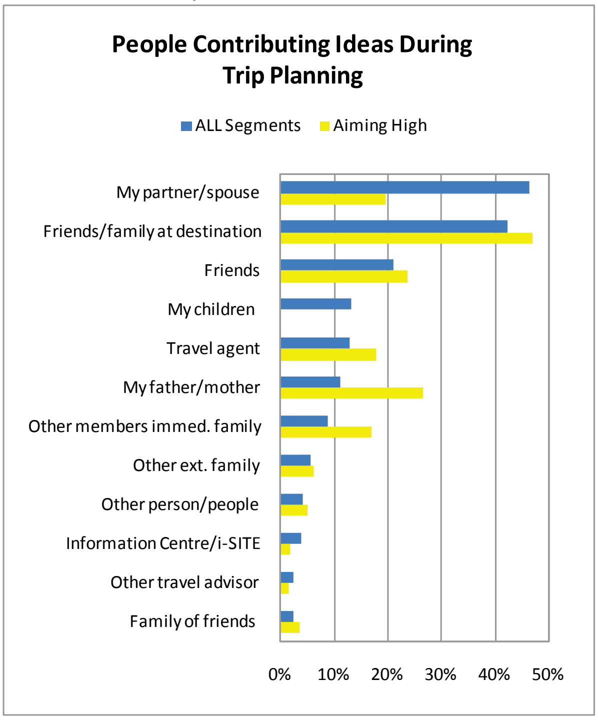


Figure 602: Other Influences on Choice of Destination for Last International Holiday

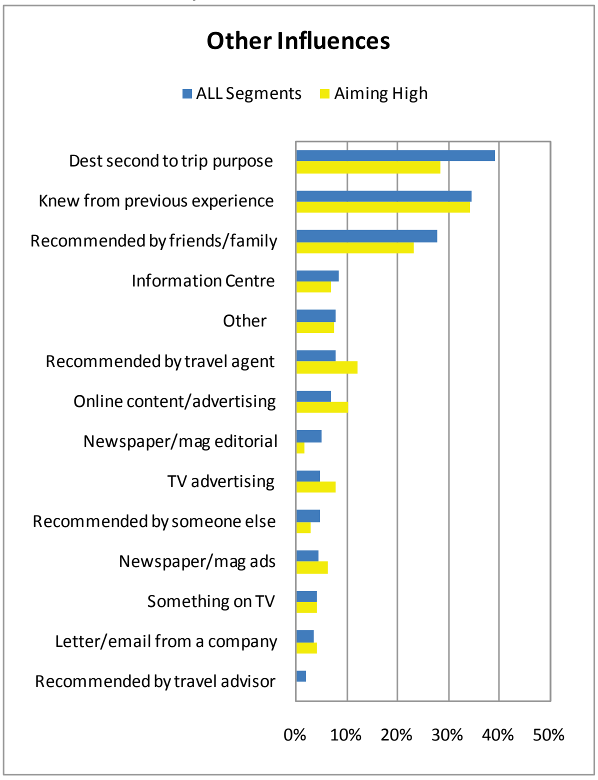


Figure 603: Motivations for Last International Holiday

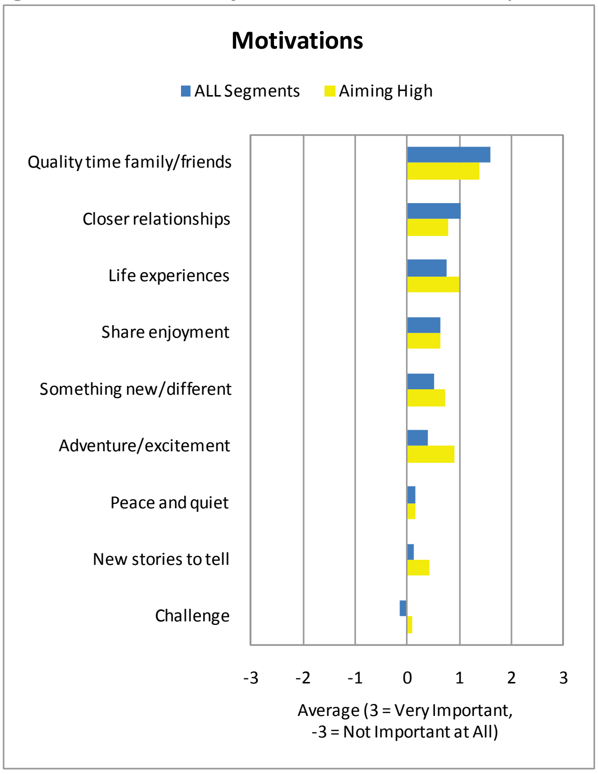


Figure 604: Who Paid for Last International Holiday

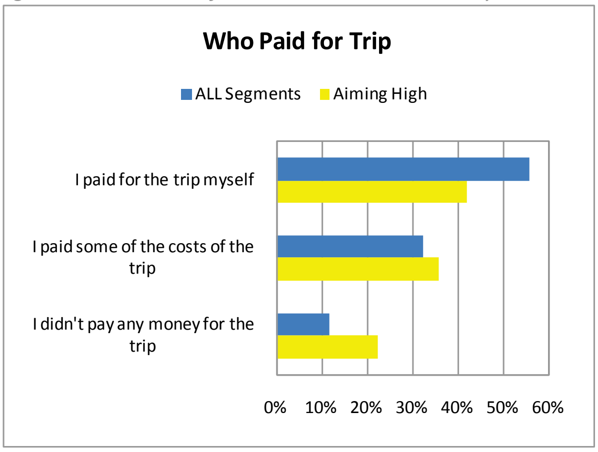
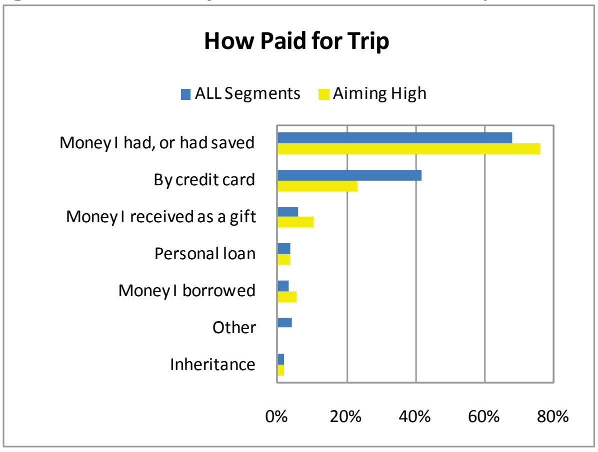


Figure 605: How Paid for Last International Holiday

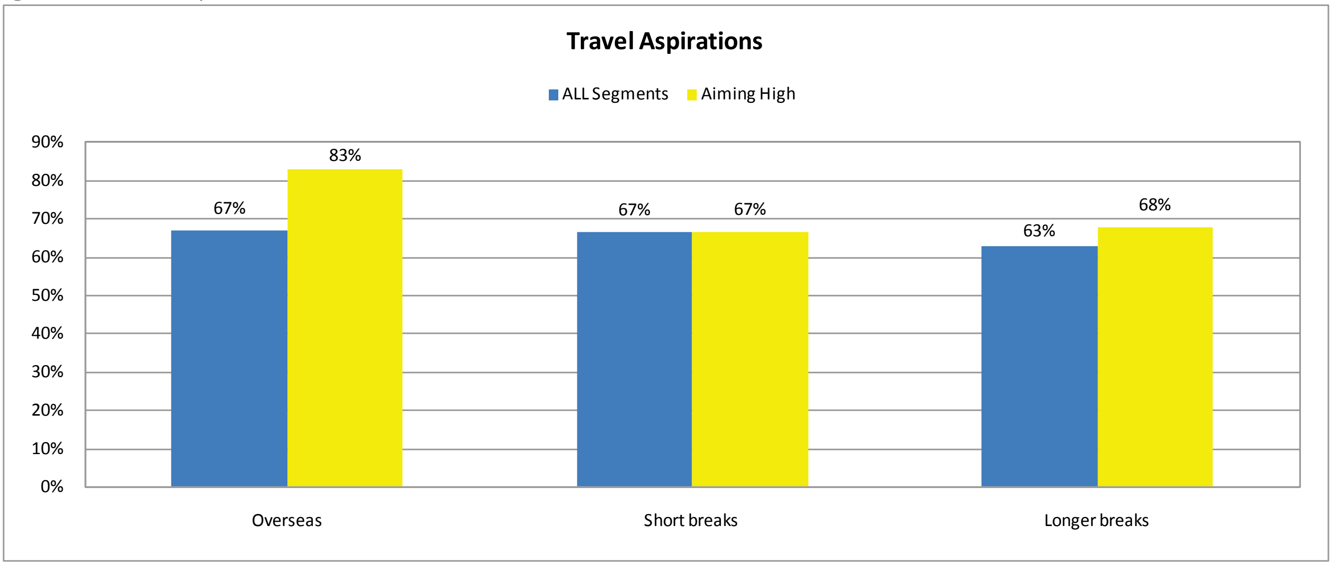


Travel Aspirations

During the online survey, respondents were asked: *"Ideally, would you like to take more, the same or fewer trips than you've taken in the last 12 months?"* (for all trip types). As illustrated in Figure 606, the general consensus is towards more travel of all types, but with overseas holidays and short domestic breaks being most desirable overall.

Compared with the average however, the travel aspirations of the 'Aiming High' segment are more firmly centred on international travel. Nevertheless, they are also interested in domestic travel.

Figure 606: Travel Aspirations

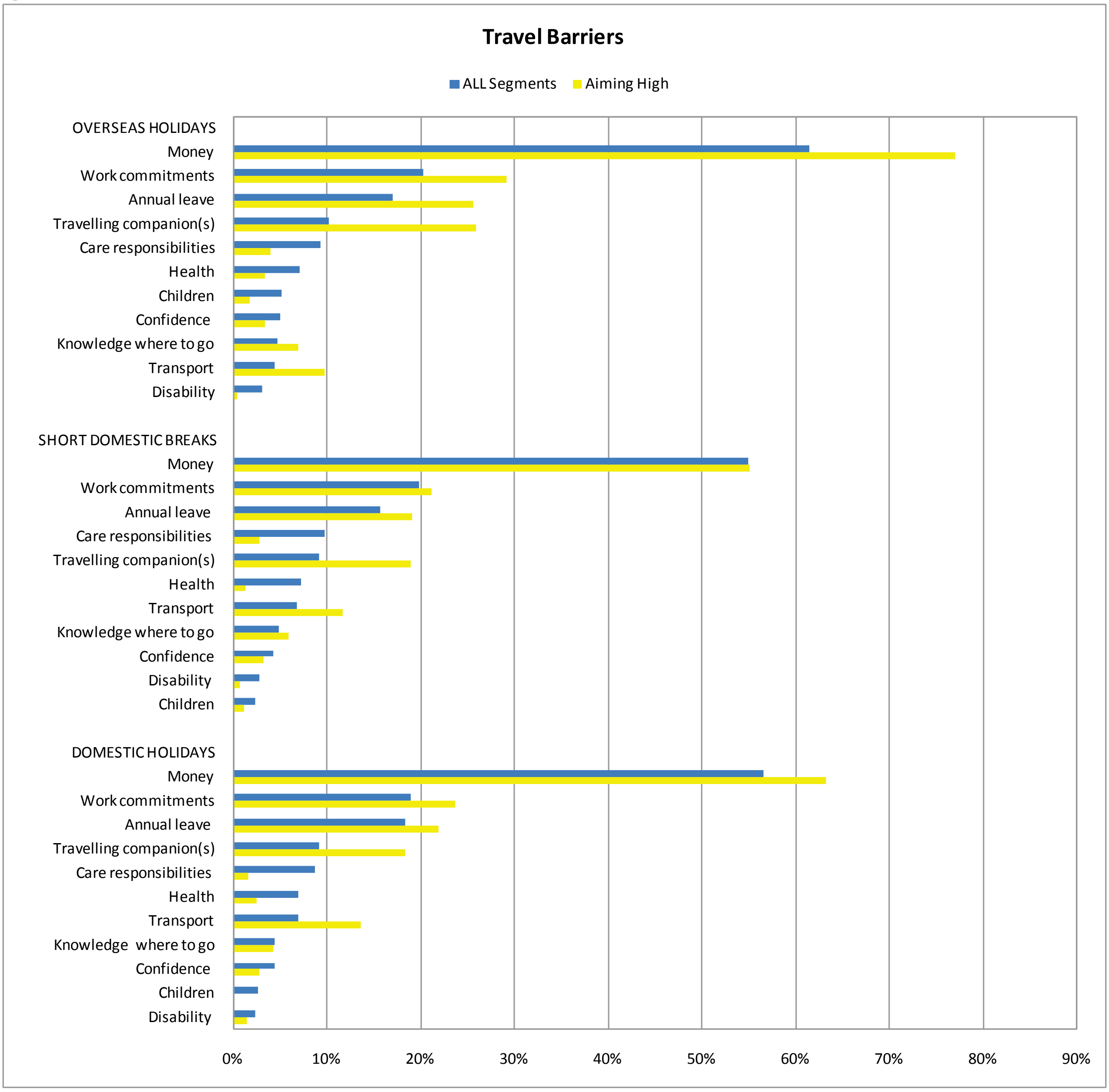


Barriers to Travel

Those respondents who indicated they were interested in taking more trips, were asked: *"What are the main factors that prevent you from taking more (e.g.) overseas trips?"*

As shown in Figure 607 (overleaf), money is the most frequently cited barrier to travel, irrespective of market segment. However, critical barriers for the 'Aiming High' segment also include work commitments/annual leave, availability of travel companions and transport options.

Figure 607: Barriers to Travel



Appendix – Research Methodology

Phase 1 – Secondary Research and Analysis

In preparing this report[13], the project team drew upon a range of existing data sources and consulted a variety of literature concerning international and domestic market research and segmentation studies undertaken in other countries.

The analysis of market size, market structure and expenditure drew principally upon Domestic Travel Survey data[14] and International Travel & Migration statistics[15]. This analysis also referenced Bank of New Zealand credit/debit card payments data supplied by the Ministry of Tourism, the Regional Visitor Monitor[16], and the Tourism Flows Model[17].

In undertaking this analysis, we also consulted the Commercial Accommodation Monitor[18] and Household Income & Expenditure Survey[19], and reviewed research supplied by the Automobile Association (AA), InterCity Group, Air New Zealand and a number of other private sector groups. However, the research and data available via these sources was neither sufficiently up-to-date, nor sufficiently representative of the market as a whole, to be appropriate for use in the context of current objectives.

Key resources for our review of international experience and best-practice include two publications produced by the World Tourism Organisation and European Travel Commission: 'Handbook on Tourism Market Segmentation – Maximising Marketing Effectiveness' (2007) and 'NTO Marketing Activities – Guidelines for Evaluation' (2003). A separate online search revealed a variety of useful sources relating to market research and segmentation studies undertaken at the national and sub-national level in Australia, England, Scotland, Denmark, Canada and South Africa.

A full bibliography was included in Section 5.0 – References of the report.

Phase 2 – Qualitative Research

Qualitative research is characterised by small carefully selected samples. The sample for this phase of the research was designed around two important dimensions identified as key influences on travel behaviour and choice in Stage 1 of the Domestic Tourism Research – Secondary Research & Analysis. These were lifecycle stage and age and geographic location.

A mixed method qualitative approach was adopted, with **forty two participants** in total involved in the research.

Thirty individual face to face interviews each up to two hours in duration were conducted with people across the life cycle stages to explore in depth New Zealanders' backgrounds and travel experiences and aspirations. These interviews took place in Auckland, Wellington, Christchurch, Palmerston North and Nelson as outlined in the following table.

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[13] Domestic Tourism Research, Findings of Secondary Research & Analysis, Angus & Associates / Covec / The Knowledge Warehouse / Tourism Resource Consultants, June 2009
[14] Domestic Travel Survey, Ministry of Tourism, to year ending December 2008
[15] International Travel & Migration, Statistics New Zealand, to year ending December 2008
[16] Regional Visitor Monitor Benchmark Report, Ministry of Tourism, to year ending December 2008
[17] Tourism Flows Model, Ministry of Tourism
[18] Commercial Accommodation Monitor, Statistics New Zealand, to year ending December 2008
[19] Household Income & Expenditure Survey, Statistics New Zealand, to year ending December 2007

	Auckland	Wellington	Christchurch	P/North	Nelson	TOTAL
Young singles	1	1	1	1	1	5
Young couples	1	1	1	1	1	5
Young families (with pre-school children)	1	1	1	1	1	5
< 45 YEARS	3	3	3	3	3	15
Older families (children 5+ years)	1	1	1	1	1	5
Empty nesters (single)	1	1	1	1	1	5
Empty nesters (couples)	1	1	1	1	1	5
45 YEARS +	3	3	3	3	3	15
TOTAL	6	6	6	6	6	30

In addition, participants for individual interviews:

- Had holidayed in New Zealand in the last year.
- Had spent at least one night away, including visiting friends and family.
- Were main decision makers for holidays and holiday arrangements.
- Included thirteen males and seventeen females across the lifecycle stages.

Two group discussions, up to four hours in duration each with six participants aged between eighteen and thirty five without children were facilitated in Auckland and Nelson. Issues around travel choices were explored in depth amongst this important audience which accounts for a diminishing share of nights away from home in New Zealand. Auckland was selected because its residents have a disproportionately low representation in domestic travel.

A number of techniques were used to open discussion and explore issues around holidays and travel choices. For example, participants created collages and drew pictures. We are often unsure what we think and feel or how to express our ideas until we hear others. In a group environment there is the opportunity to share experiences and expand on common ideas.

In addition, participants for group discussion:

- Had not holidayed or had taken just one holiday in New Zealand in the last six months.
- Were interested in holidaying in New Zealand in the future.
- Half had holidayed overseas in the last year.
- Were main decision makers for holidays and holiday arrangements.
- Included an equal number of males and females across both groups.

Interviews and group discussions were conducted between 16th and 30th June 2009 by Angus & Associates. Recruitment of participants was undertaken under sub-contract by Reid Research.

Phase 3 – Online Survey

Sample Frame

The survey sample frame was the Smile City online panel administered by TNS Conversa New Zealand. The TNS Smile City panel was chosen for its size and broad demographic/geographic composition, and therefore, for its capacity to deliver sufficient samples from within targeted population segments to support robust market segmentation analysis during the subsequent phase of the programme (Phase 4 – Market Segmentation). The Smile City panel was also selected for its rigorous approach to minimisation of sample bias.

In this respect, it is noted that the Smile City panel:

- Had 170,000 active members as of May 2009 and was the largest panel generally available within New Zealand for research purposes. ‘Active members’ are defined by ESOMAR as those who have participated in at least one survey, updated their profile data, or registered to join the panel, with the last 12 months.

- Had clearly documented 'best practice' procedures in place to avoid over-burdening/over-researching panel members. These include quarantining of respondents - to ensure they do not complete surveys of a similar nature to the subject survey within a given time-frame - and data cleaning procedures to reduce or eliminate incomplete/poor-quality responses.

- Recruits members from a range of online and offline sources. Importantly, just over half of the Smile City panel have been recruited off-line.

Sample Structure

Panel members were quota-sampled from five age groups within each of nine regional groupings to achieve a sample of n=2000 completed responses stratified as per table 1 below.

Table 1 Domestic Tourism Research Online Sample Structure

Region	% pop. 15+	15-24 years % adult pop. 18.3	25-39 years % adult pop. 25.3	40-49 years % adult pop. 18.8	50-64 years % adult pop. 21.7	65 years+ % adult pop. 15.9	TOTAL % adult pop. 100.0
		Sample n=	Sample n=	Sample n=	Sample n=	Sample n=	Sample n=
Auckland	33.1	*100*	*100*	*100*	*100*	*100*	***500***
Canterbury	13.0	*50*	*50*	*50*	*50*	*50*	***250***
Wellington	11.1	*50*	*50*	*50*	*50*	*50*	***250***
Waikato	9.4	*40*	*40*	*40*	*40*	*40*	***200***
Bay of Plenty	6.3	*30*	*30*	*30*	*30*	*30*	***150***
Manawatu-Wanganui	5.4	*30*	*30*	*30*	*30*	*30*	***150***
Otago	4.8	*30*	*30*	*30*	*30*	*30*	***150***
Other North Island	10.8	*40*	*40*	*40*	*40*	*40*	***200***
Other South Island	6.1	*30*	*30*	*30*	*30*	*30*	***150***
TOTAL	**100.0**	***400***	***400***	***400***	***400***	***400***	***2000***

** Population counts based on estimates at 30 June 2008, Statistics New Zealand*

Upon completion of the survey and subsequent data checking and cleaning, data was re-weighted to reflect population proportions based on the latest population counts (estimates at 30 June 2008, Statistics New Zealand). Weighting variables included age, gender and region of origin.

Survey Administration

Participants within the survey sample were emailed (through the Smile City database) an invitation to participate in the survey. This email contained a link to the online survey which was unique to each individual sampled and which terminated upon completion of the survey. This allowed monitoring of response rates by sample cell and prevented multiple responses by a single individual.

The online survey was hosted by Buzz Channel and scripted using their online survey software. A ‘come back later’ option was used so that respondents could complete the survey in several sessions if they wished.

The (e)mailout process was undertaken in two main stages.

1. A first invitation to participate was sent to an initial sample of panel members, drawn to strict quotas of age within geographic location (sample cells). The size of the initial sample drawn in each cell was calculated on the basis of known response rates to surveys of 30-40 minutes duration - with the objective of delivering approximately 80% of the final sample required in each cell.

   Each individual sampled at this stage had 10 days in which to complete the survey. Those which had not completed the survey within five days of the initial survey invitation email being sent were sent a reminder email.

2. A second sample was drawn in each sample cell 7 days following the initial mail-out. At this stage, the number of panel members drawn in each cell was calculated based on known response rates and the number of responses still required to achieve final sample quotas in each cell.

Completed responses were stored securely on the Buzz Channel network while the survey remained live. Once the survey was closed, the complete database was extracted for checking, cleaning, weighting and subsequent segmentation analysis.

Survey Incentives

In order to maximise response rates, survey respondents were offered two forms of incentive, specifically:

- 'Points' offered as standard by the Smile City rewards programme. These are awarded to panel members who commence a survey, with additional points awarded for completion of the survey.

- Entry into a prize draw to win $5,000 in cash. The prize draw was open to all respondents who completed the survey.

Phase 4 – Segmentation Analysis

Introduction

The aim of this stage of the project was to identify practically useful segments within the domestic tourism market. These segments needed to be easy to understand as well as containing enough detail to identify marketable groups and give insights as to how they could be targeted. This balance between simplicity and detail was particularly important because much of the target audience will have no direct contact with the research team. As such we deliberately avoided using any hierarchical clustering and limited the number of segments identified. This was in keeping with previous international research.

The methodology followed standard segmentation practice and consisted of eight steps:

1) Determining the overall goal of the analysis
2) Determining which survey questions should be used as inputs
3) Transforming any highly skewed variables
4) Imputing missing values in the survey data
5) Using principal component analysis to identify the key underlying factors that influenced people's actions
6) Identifying segments by looking for people who responded in a similar way
7) Validating that the segments achieved the analysis goal
8) Profiling each segment to ensure a good understanding of its characteristics was achieved.

As in any segmentation analysis, the key step was the first one – determining the overall goal of the analysis. This goal determined the survey questions that would be used as inputs, as well as which principal components were selected.

The details of each of these steps follow. Particular care was taken to identify any stages where key choices were made and to document why those choices were made.

Determining the overall goal of the analysis

There were several different types of segmentation that could have been carried out on the survey data, each emphasising a different perspective and giving a different view of the domestic tourism market. These included segmentation on the basis of booking patterns, types of holidays taken and simple demographic segmentation as well as many others. We chose to target three goals and identify segments that were:

1) Good predictors of travel frequency
2) Meaningful from a travel perspective and useful for marketing purposes
3) Simple and easy to understand

The first goal was chosen to quantify people's propensity to travel. The predictors of travel frequency were used rather than simply the observed travel frequency because we wished to understand what drives, or inhibits, frequent travel rather than just that a certain group travel often or rarely. In this sense we were looking for what underlay people's actions rather than the actions themselves.

Once we understand people's propensity to travel we can look at how further travel can be stimulated and how the RTOs and individual travel operators can target particular segments. This is the reason the second goal was chosen. It lead us to include variables such as interests, ideal holiday characteristics and life priorities in our analysis and allowed us to identify the type of holidays people want and why.

The third goal was simply a practical consideration. Our target audience is a diverse group with a range of understandings and resources. In order for the segmentation to be most useful, it was essential that we resisted the temptation to overcomplicate the analysis. Although the larger RTOs will be able to take the time to fully digest each of the segments, smaller groups and individuals will not but they still need to be able to quickly identify the segments that are relevant to them and how they can target those people.

The first two of these goals determined the type of data used in the analysis while the third determined the later steps in the process, in particular the identification of segments and how those segments were profiled.

Determining which variables we wanted to use

Once we had identified our goals we could look at which variables should be used in the building of the segments and which variables should be used simply to understand those segments better.

Internationally, life cycle stage has been identified as a key driver of travel behaviour. Our early analysis of secondary data suggested that this was likely to be the case in New Zealand as well. However, we also wanted to include information about interests and ideal holiday characteristics to acknowledge that not all people at the same life cycle stage like the same type of holidays. For example, we hypothesised that it was likely that there would be a group of people with young children who like outdoor or beach holidays with their family and another group at the same life cycle stage that travelled very little because they considered travelling with their children too difficult.

The following variables were chosen for use in the segmentation because they were good predictors of travel frequency (see later notes for further details):

- Interests and favourites pastimes
- Life cycle stage
- Gender
- Personal life priorities
- Education level
- Income (household, personal and income sources)
- Consumables owned or accessible
- Technology and property owned

Several of these variables were also useful from a travel marketing perspective. To augment this perspective three more variables were added:

- Number of children of different ages
- Characteristics of the ideal holiday
- Activities and experiences associated with an ideal holiday

Transforming any highly skewed variables

Some of the variables we used had highly skewed distributions (non-symmetrical distributions, often with a long tail on the right hand end, see Figure A). Using skewed distributions in a segmentation analysis can lead to unusual results, with one or two very large segments and a number of very small segments. Such segments are generally of little practical use.

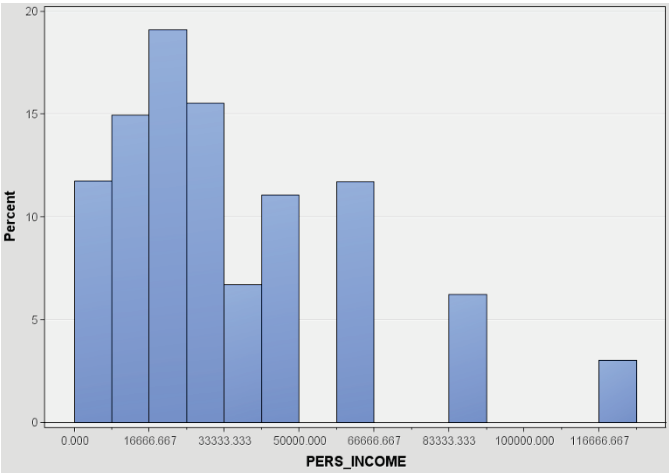

Figure A: Distribution of personal income. Note that the bulk of the data lies on the left hand side but there is a long tail on the right hand side

To avoid this problem, transformations were applied to the skewed variables to give a more symmetrical distribution. In this case only personal income and household income were sufficiently skewed to warrant transformation and in both cases a logarithmic function was used. Although far from perfect the resulting distributions were significantly less skewed.

Imputing any missing values in the data

One of the main difficulties in any segmentation analysis is the presence of missing data. This often results from the way the data was collected or changes in the type of data recorded over time. It is necessary to fill in any missing values before the analysis can proceed because we cannot tell, for example, whether two people have similar income if one of them has declined to respond to this question. This process is standard in many modelling projects and is generally called imputation. It consists of building a model for each variable with missing values to estimate what the responder's answer would have been if they had answered the question.

The variables we used in this case were very good for segmentation analysis because they contained very few missing values. The only variables that contained any missing values were personal and household income (people could "decline" to answer these questions) and education level (for overseas qualifications it was impossible to tell what the equivalent New Zealand qualification would be so we could not say whether they were highly educated or not). For these three variables simple decision trees were constructed to predict what a responder's income or education level was on the basis of the other information we had collected about them.

The imputation process lead to 316 personal income values, 475 household income values and 213 education level values being imputed.

Principal component analysis

Many of the questions contained overlapping information (e.g. personal income and education level were highly correlated). If we proceeded with segmentation on the basis of the raw questions this overlapping information would be counted more than once and would bias the results. To avoid this we used a technique called principal component analysis to identify the underlying factors that lead to a person's responses or actions. These factors are independent so contained no overlapping information.

An added advantage of this analysis was that we could reduce the dimensionality of the problem. The original questions constituted over 150 dimensions (interests and favourites contributed 57 each!). However, by applying principal component analysis and keeping only the most important components we could reduce the dimensionality to a more manageable number.

Any reduction in dimensionality will often result in a loss of information. However, an added advantage of principal component analysis is that it allows us to do so while retaining as much information as possible.

Appendix 2 contains the details of the principal components identified.

Since the principal components were independent we could select those we wished to include in our analysis without there being any problems with interactions. This allowed us to look at the principal components and see which ones we wished to keep and which ones we thought weren't important to our analysis objectives. In this case, we chose to keep principal components 1 and 2 (because they were important in determining the type of holiday people wanted) and 3, 5, 6 and 9 because they were important in determining how frequently people travelled. Below are summaries of these six principal components.

PC1 – 'Young' versus 'old' interests, lifestage and priorities
PC2 – Family bias and interest in outdoor activities
PC3 – Older, established, wealthy with no children at home, enjoyment of the finer things in life (very good predictor of travel frequency)
PC5 – Enjoyment of the outdoors and culture (good predictor of short and long domestic holiday frequency)
PC6 – Enjoyment of watching sports and fishing rather than other outdoor activities (a good predictor of overseas vs domestic travel)
PC9 – Enjoyment of family and friends, enjoyment of simpler holidays (good predictor of short and long domestic holidays)

Together these six components gave us a good picture of both travel frequency and travel type.

Identifying segments by looking for people who responded in a similar way

To identify segments we needed to look for people who were similar in terms of the six principal components identified above. To do this we used the simplest and most popular segmentation method called k-means (see http://en.wikipedia.org/wiki/K-means_clustering for example).

We chose to use 8 segments because this gave a balance between detail and simplicity. This resulted in segments ranging from 8% of the adult population up to 22% which is a good result (basically we want all the segments to be of at least a certain size and to ensure that the largest isn't too large). Figure B shows the size of the segments.

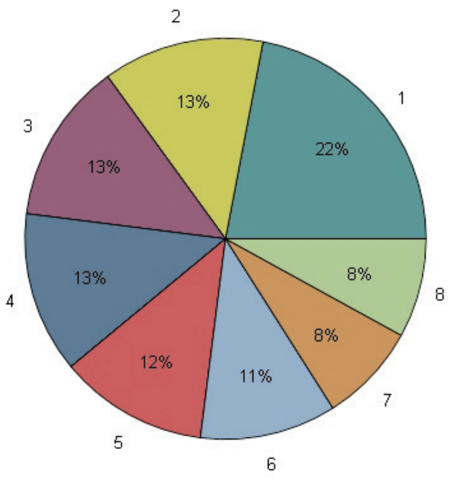

Figure B: Percentage of people in each segment

Validating that the segments achieved the analysis goal

In this case we needed the segments to be good predictors of travel behaviour and to ensure that the segments were useful from a marketing perspective. This is often a subjective determination and the domestic tourism research report analyses each segment extensively.

Profiling each segment to ensure a good understanding of its characteristics was achieved

Again this is covered extensively in the main body of the domestic tourism research report so will not be reproduced here.

Notes (1) – Good predictors of travel frequency

Predictors of the number of short breaks in New Zealand

Question/Response	Increased propensity to travel
Holidays are essential for me	52%
Own camping equipment	43%
Knowledge of NZ destinations	45%
Interested in eating out	45%
Travel and holiday are very important	22%
Own one or more cars	66%
Wages or salary as a source of income	36%
Interested in going for drives	34%
Interested in entertaining friends/family	31%
Have a page on a social network site	32%
NZ matches to outdoor activities	43%
I'm a strong advocate for NZ as a place to holiday	27%
Own waterskis, skis or sporting equipment	48%
Interested in hiking	36%
Interested in visiting friends or family in your home town	28%
Eating out is a favourite	28%

Other interesting questions and responses

Question/Response	Increased propensity to travel
Personal income	27%
Household income	28%
Gender (female)	20%
Lifestage (certain lifestages)	18%
Number of kids (having one or more kids)	5%
Age (certain age groups)	21%
Education	26%

Predictors of the number of longer holidays in New Zealand

Question/Response	Increased propensity to travel
Interest in hiking	121%
Knowledge of NZ destinations	77%
I'm a strong advocate for NZ as a place to holiday	63%
NZ is a good place for families to holiday	56%
Travel and holiday are very important	63%
Own one or more bikes	54%
Interested in boating for fun/fishing	56%
Holidays are essential for me	51%
Spending time with friends/family is very important	53%
NZ's landscape makes it a unique holiday destination	53%
Interested in swimming	54%
Interested in going to the theatre, concerts or performing arts	50%

Other interesting questions and responses

Question/Response	Increased propensity to travel
Personal income	-9%
Household income	8%
Gender (female)	16%
Lifestage (certain lifestages)	22%
Number of kids (having one or more kids)	-14%
Education	41%

Predictors of the number of overseas holidays

Question/Response	Increased propensity to travel
Travel and holidays are very important	107%
Own house without a mortgage	89%
Income from interest, dividends or rent	93%
Don't own land, bach or house	-43%
Money prevents me from taking more long holidays in NZ	-38%
Personal income	77%
Knowledge of NZ destinations	86%
Holidays are essential to me	74%
Have access to Skype or voice over internet	59%
Money prevents me from taking more short holidays in NZ	-37%

Other interesting questions and responses

Question/Response	Increased propensity to travel
Household income	63%
Gender (female)	10%
Lifestage (MC with no kids, MC no kids at home)	54%
Number of kids (having one or more kid)	-28%
Age (certain age groups)	57%
Education	39%

Notes (2) – Principal component details

Below are details of the first nine principal components. Each represented a trade-off between two ends of a spectrum. This spectrum was actually a combination of the initial questions. The colours represent whether a person with high principal component 1 (for example) likes nightlife (for example) or not. Black means they did and red they didn't. So someone who was high in principal component 1 likes nightlife, excitement etc but doesn't like scenery or landscapes.

The number by each question signifies how important that question was in interpreting that principal component (1 being highest). So, a desire for exciting holidays was the most important characteristic of someone who is high in principal component 1.

Red for income variables means low income, black means high income.

Principal Component 1

Summary
Young interests, lifestage and priorities versus old interests, lifestage and priority. No income difference.

Interests
4. Clubbing/Parties
10. Not Gardening
16. Downloading music or podcasts from the internet
Not writing letters or emailing friends or family

Ideal holiday characteristic
1. Nightlife
3. Exciting
5. Entertaining
6. Not Scenery and landscapes
7. Not History and heritage
20. Not Animals and wildlife
23. Challenging
25. Not Safe
Not Nature-based experiences

Lifestage
2. Single never kids
12. Not MC kids not at home

Income
9. Not superannuation

Other
8. Own no property
11. Not own a fixed or landline phone
13. Priority not paying the bills
14. IMP_Q12_1 - Priority building Business and building Skills
15. Own an ipod or MP3 player
17. Have access to a fixed or landline phone
18. Priority learning a new skill or trade/improving my education
19. Not don't have access to any consumables
21. Have access to one or more cars
22. Not own one or more cars
24. Not own the house or dwelling you live in (without a mortgage)

Effect on Travel Behaviour
No effect on short holidays
High PC1 = some more long breaks

No effect on overseas breaks

Principal Component 2

Summary
Young families with kids, enjoying outdoors activities, with wages as main form of income.

Interests
Home maintenance or renovation
Not writing letters or emailing friends or family
Cycling or mountain-biking

Ideal holiday characteristic
25. Outdoor activities
Not Shopping, Not Big cities
Family-friendly

Lifestage
1. MC kids at home
2. Kids at home total
6. Kids 8-11 years
8. Kids 5-7 years
10. Kids 2-4 years
14. Not Single never kids
22. Kids < 2 years

Income
3. High Pers_income
4. Not New Zealand Superannuation, Veterans Pension or other superannuation, pensions or annuities
5. High HH_income
18. Wages, salary, commissions, bonuses etc. paid by my employer

Other
7. Own camping equipment
9. Priority - Raising my family
11. Own one or more bikes
12. Own the house or dwelling you live in (with a mortgage)
13. Priority - Purchasing a house or building up other assets
15. Not none tertiary qualifications (i.e. high tertiary education)
16. High secondary qualifications
17. Own one or more cars
19. Own a mobile phone with internet access
20. Have a Trade Me, eBay or other online auction website account
21. Priority - Building career/business
23. Own a digital camera or video-camera
24. Priority – Not Fashion and beauty

Effect on Travel Behaviour
High PC2 = more short holidays
No effect on long holidays
No effect on overseas breaks

Principal Component 3

Summary
Older, established, rich people with no kids living at home, enjoy the finer things in life (luxuries).

Interests
19. Going to the theatre, concerts or performing arts shows

25. Eating out
Listening to live music at a concert or other venue

Ideal holiday characteristic
3. Not family-friendly
Different
Not Familiar
Cuisine/food and wine

Lifestage
1. Not kids at home total
8. Not kids 8-11 years
9. Not MC kids at home
11. Not kids 5-7 years
12. Not kids 2-4 years
15. MC never kids
20. MC kids not at home
21. Not Single kids at home
23. Not kids < 2 years

Income
5. Interest, dividends, rent on a property you own or other investments
6. High HH_income
7. High Pers_income
13. Not Unemployment or other benefit (e.g. Sickness Benefit, Domestic Purposes Benefit, Invalids Benefit, income support payments, war pensions or paid parental leave)
Self-employment, or business I own and work in

Other
2. Not priority raising a family
4. Priority travel and holidays
10. Not own no property
14. Own a digital camera or video-camera
16. Own the house or dwelling you live in (without a mortgage)
17. High secondary school qualifications
18. Not none tertiary education (i.e. high tertiary education)
22. Have access to Skype or other 'voice over internet' calling/video calling service
24. Own an investment property or properties (with a mortgage)

Effect on Travel Behaviour
High PC3 = lots more short holidays
High PC3 = lots more long holidays
High PC3 = lots more overseas breaks

<u>Principal Component 4</u>

Summary
Don't enjoy the outdoors, not active, like shopping, big cities and nightlife – mostly female.

Interests
4. Shopping
10. Not Hiking, tramping or mountain climbing
12. Eating out
14. Reading magazines
17. Going to markets or fairs
18. Not Cycling or mountain-biking
19. Not Kayaking/canoeing
20. Texting friends or family
22. Talking with friends or family on the phone

23. Updating or communicating with friends/family through blog, personal website or web page on a website such as Facebook, MySpace or Bebo
25. Not playing other sports

Ideal holiday characteristic
1. Shopping
2. Not outdoor activities
3. Not nature-based experiences
6. Big cities
7. Not Animals and wildlife
9. Nightlife
13. Cuisine/food and wine
15. Not Scenery and landscapes
16. Not Challenging

Lifestage
Not Single never kids
Kids < 2 years
Single kids at home

Income
Not No source(s) of income in the last 12 months
Wages, salary, commissions, bonuses etc. paid by my employer

Other
5. Female
8. Priority – Not a sport, hobby or other interest
11. Priority - Fashion and beauty
21. Own a fixed or landline phone
24. Own a digital camera or video-camera

Effect on Travel Behaviour
No effect on short, long or overseas breaks

Principal Component 5

Summary
Outdoor people, like camping, hiking, canoeing. Maybe more cost effective activities as it is single parents.

Interests
1. Meeting new people
2. Visiting gardens, parks, nature reserves or national parks
3. Taking language or other classes (e.g. photography, sewing, cooking, vehicle maintenance)
5. Taking part in Maori cultural groups/performing arts
6. Not Watching TV
7. Going dancing or to dance classes
8. Involvement in voluntary work/volunteer groups
9. Visiting the home of family or friends in your town/city
10. Going to the theatre, concerts or performing arts shows
12. Taking part in other cultural groups/performing arts
13. Swimming, for fitness or fun
15. Writing letters or emailing friends or family
18. Going to markets or fairs
19. Going to second hand shops and garage/car boot sales
20. Updating or communicating with friends/family through blog, personal website or web page on a website such as Facebook, MySpace or Bebo
22. Kayaking/canoeing
24. Hiking, tramping or mountain climbing

Ideal holiday characteristic
Not Big cities

Lifestage
Single kids at home

Income
Low Pers_income
Low HH_income

Other
4. Not don't have access to any consumables
11. Female
14. Have access to a caravan or motor home
16. Have access to one or more canoes/kayaks
17. Have access to one or more motorcycles
21. Priority - Involvement in a social or community group
23. Have access to one or more boats
25. Own Camping equipment

Effect on Travel Behaviour
High PC5 = some more short holidays
High PC5 = lots more long holidays
No effect on overseas breaks

<u>Principal Component 6</u>

Summary
Old, retired people, like fishing, watching sports and visiting familiar places.

Interests
8. Boating for fun or to go fishing
10. Other types of fishing
13. Not Going to the movies
18. Not Updating or communicating with friends/family through blog, personal website or web page on a website such as Facebook, MySpace or Bebo
19. Watching sports live
20. Not Listening to music at home

Ideal holiday characteristic
1. Sporting activities
2. Not nature-based experiences
5. Not scenery and landscapes
9. Not Animals and wildlife
14. Not Relaxing
15. Familiar
17. Not Peaceful
21. Shopping
22. Nightlife
24. Family-friendly
25. Not Affordable

Lifestage
11. MC kids not at home
Not MC never kids

Income
An investment property or properties (without a mortgage)
Not Student Allowance

Other
3. Not own no house of property
4. Own the house or dwelling you live in (without a mortgage)
6. Low secondary education
7. Not have a page on a social networking site (such as Facebook, Bebo etc.)
12. Own one or more boats
16. Low tertiary qualification(s)
23. Not have a Twitter account
Priority - Travel and holidays

Effect on Travel Behaviour
No effect on short holidays
No effect on long holidays
High PC6 = lots more overseas breaks

<u>Principal Component 7</u>

Summary
Families with kids, like sporting activities, priority is not to buy a house, reduce debt or building up assets, career or business.

Interests
17. Not Home maintenance or renovation
18. Updating or communicating with friends/family through blog, personal website or web page on a website such as Facebook, MySpace or Bebo
21. Not Work/business
24. Cycling or mountain-biking
Family-friendly

Ideal holiday characteristic
12. Not Relaxing
20. Familiar
22. Not History and heritage
23. Sporting activities

Lifestage
Kids 8-11 years
Kids 2-4 years
Kids 5-7 years

Income
10. Not Wages, salary, commissions, bonuses etc. paid by my employer
16. Low Pers_income
No source(s) of income in the last 12 months

Other
1. Don't have access to any consumables
2. Own a laptop and/or other computer
3. Not have access to a laptop and/or other computer
4. Not have access to an ipod or MP3 player
5. Priority – Not Reducing debt
6. Not have access to one or more bikes
7. Own one or more bikes
8. Priority – Not Purchasing a house or building up other assets
9. Priority - A sport, hobby or other interest
11. Not have access to one or more boats
13. Not have access to camping equipment
14. Own a digital camera or video-camera

15. Not have access to a digital camera or video-camera
19. Priority – Not Building career/business
25. Own an ipod or MP3 player

Effect on Travel Behaviour
No effect on short holidays
High PC7 = a bit more long holidays
No effect on overseas breaks

Principal Component 8

Summary
May be younger people - no kids, no tertiary education, on a benefit, like beaches and water sports.

Interests
9. Other types of fishing
13. Not attending church or religious groups
15. Working to maintain or 'do up' a car or motorcycle
17. Looking after pets, horse-riding or walking a dog
Watching videos or DVDs at home

Ideal holiday characteristic
14. Not Cultural activities
Animals and wildlife
Beaches

Lifestage
3. Not MC kids at home
7. Not kids at home total
19. Not kids 18 plus

Income
21. Low HH_income
24. Not Interest, dividends, rent on a property you own or other investments
Unemployment or other benefit (e.g. Sickness Benefit, Domestic Purposes Benefit, Invalids Benefit, income support payments, war pensions or paid parental leave)

Other
1. Have access to waterskis, skis or other sporting equipment
4. Have access to one or more boats
5. Own a digital camera or video-camera
6. Not have access to a digital camera or video-camera
8. Own a laptop and/or other computer
10. Own one or more cars
11. Have access to one or more motorcycles
12. Priority – Not Involvement in a social or community group
16. Not have access to one or more cars
18. Have access to one or more canoes/kayaks
20. Not have access to a laptop and/or other computer
22. Have access to a caravan or motor home
23. None tertiary education
25. Not Postgraduate tertiary qualification(s)

Effect on Travel Behaviour
No effect on short holidays
High PC8 = a bit more long holidays
High PC8 = a bit more overseas breaks

Principal Component 9

Summary

Family and friends are important to this group of people; like relaxing, affordable holidays;

Interests

8. Listening to live music at a concert or other venue
9. Not Involvement in voluntary work/volunteer groups
11. Clubbing/parties
14. Kayaking/canoeing
15. Boating for fun or to go fishing
17. Going to markets or fairs
25. Entertaining friends or family at your home

Ideal holiday characteristic

1. Not Familiar
2. Not Cultural activities
3. Beaches
7. Relaxing
12. Affordable
21. Entertaining
23. Not Challenging

Lifestage

Kids 5-7 years
Not kids 15-18 years

Income

Redundancy payment
Low Pers_income

Other

4. None tertiary education
5. Not have access to a caravan or motor home
6. Priority – Not Involvement in a social or community group
10. Not own some land with no house/building on it (without a mortgage)
13. Not have access to one or more motorcycles
16. Priority - Spending time with family or friends
18. Own one or more bikes
19. Own camping equipment
20. Priority - Having a good time
22. Not own an investment property or properties (without a mortgage)
24. Not have access to one or more bikes

Effect on Travel Behaviour

High PC9 = a lot more short holidays
No effect on long holidays
No effect on overseas breaks