

SUPPLEMENTARY INFORMATION ON THE

Experience Seeker in New Zealand



AUSTRALIA'S EXPERIENCE SEEKERS IN NZ

Advertising campaigns typically target either a mass audience or a particular subset of the population. Factors such as budgets, destination relevancy, consumer motivations, and air access have caused most National Tourism Organisations (NTO's), including Tourism Australia, to adopt a segmented approach.

Visitation to Australia has performed well, however there is a weakening economic outlook in New Zealand. In 2007 there were 1.1million trips made by New Zealand visitors to Australia (6% increase from 2006) and as such continued to represent Australia's largest source market. Despite the increase in trips in 2007, air capacity decreased 6% pushing up load factors and airfares on the route.

The growth rate of New Zealand outbound travel to all destinations is now around 6% comparing 2007 to 2006. And, whilst Australia remains the number one destination (by far!) we need to be increasingly focussed in our efforts to deliver sustained and more lucrative growth.

By targeting our New Zealand Experience Seekers we are focusing on a group of consumers who will spend more and who will provide resilience in times of economic slowdown. This approach remains the essence of Tourism Australia's marketing strategy in New Zealand.

Tourism Australia has undertaken extensive research to identify the New Zealand Experience Seeker segment for Australia to meet key business objectives.

WHO ARE EXPERIENCE SEEKERS?

These people:

- > are experienced international travellers
- > seek out and enjoy authentic personal experiences they can talk about
- > involve themselves in holiday activities, are sociable and enjoy engaging with the locals
- > are active in their pursuits and come away having learnt something
- > are somewhat adventurous and enjoy a variety of experiences on any single trip
- > place high importance on value and hence critically balance benefits with costs
- > place high value on contrasting experiences (i.e. different from their day-to-day lives).

They typically:

- > come from households that have higher than average income
- > are tertiary educated
- > are open-minded and have an interest in world affairs
- > are selective about their media consumption
- > are opinion leaders within their peer and social groups



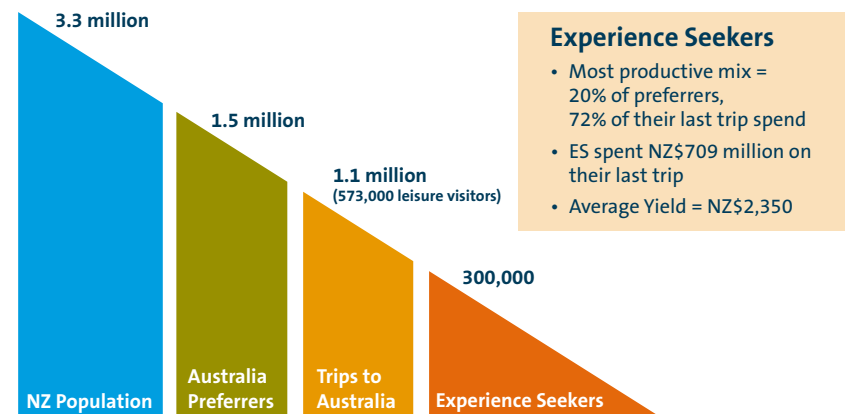
WHAT'S THE SIZE OF THE SEGMENT?

As a pre-requisite for being an Experience Seeker, Australia must feature on a consumers preferred destination shopping list. In other words, they would like to spend a holiday in Australia in the next two years. We know that currently in the New Zealand this group represents 1.4 million people aged over 18 years; that is over 45% of the NZ population (over 18 years). By their very nature we know that Experience Seekers have higher than average affluence. For this reason, and to maximise the return on our investment, we have decided to focus on the most profitable selection of possible visitors, which represents a live and revolving group of 300,000 people who spend on average NZ\$2,350 per person on their holiday. They can offer exceptional value to the Australian economy and as such form the section of the NZ travelling population which represents our best prospects.

When profiling who Experience Seekers are, our research process identified three main clusters; young affluent couples, affluent families and older affluent couples. These groupings are life stages for which holiday desires and motivations of the Experience Seeker are most prevalent.

When considering the types of holidays they partake in, Australia is best placed to compete by offering experiences to fulfil beach holidays and touring holidays (1-3 weeks touring, mostly by car). It is in these two particular types of holiday that Tourism Australia (NZ) has the greatest opportunity of encouraging consumers to reappraise Australia and to entice them to visit by going beyond conventional perceptions of what the destination has to offer.

OUR TARGET MARKET - THE NUMBERS



**Base: New Zealanders aged 18+*

EXPERIENCE SEEKERS AS ADVOCATES

Whilst pursuing this strategy our communications will also be appealing to other potentially lucrative sections of the New Zealand travel market as they will be exposed to the same motivating and compelling messages. Furthermore, word-of-mouth recommendations are important in terms of how NZ consumers research holidays and share experiences, and thus the Experience Seeker has a key advocacy influence on a broader group of the travelling population.



WHAT ARE THEIR HOLIDAY MOTIVATIONS AND GRATIFICATIONS?

Needs = **Motivations** + **Gratifications**
 what drives them to take a holiday + what they want to take home from them

	AFFLUENT YOUNG COUPLES	AFFLUENT FAMILIES	AFFLUENT OLDER COUPLES
Common Motivations Stimulation & relaxation	<ul style="list-style-type: none"> > Break from work life; > Broaden experiences; > Share with partner; > Now is the time, commitments pending. 	<ul style="list-style-type: none"> > Break shackles of busy daily routine; > Kids safety and happiness critical. 	<ul style="list-style-type: none"> > Kids are gone, work not a primary focus, so now indulge travel dreams; and > More time and money.
Common Gratifications Personal growth, strengthen relationships	<ul style="list-style-type: none"> > Personal freedom; > Control in life; > Challenges to test & define personality; & > Consolidate and create friendships. 	<ul style="list-style-type: none"> > Chance to re-engage with kids; > Reinforce family bonds, shared activities; and > Opportunities for kids to learn and develop. 	<ul style="list-style-type: none"> > Personal enrichment; > Expression of self; > Cerebral interests, immerse in authentic experiences; > Renew bonds with partner.

> They are experienced international travellers who see travel and lifestyle as an important aspect of their lifestyle.

This experience brings with it an expectation of value for money and an ability to investigate holiday options thoroughly as knowledgeable consumers.

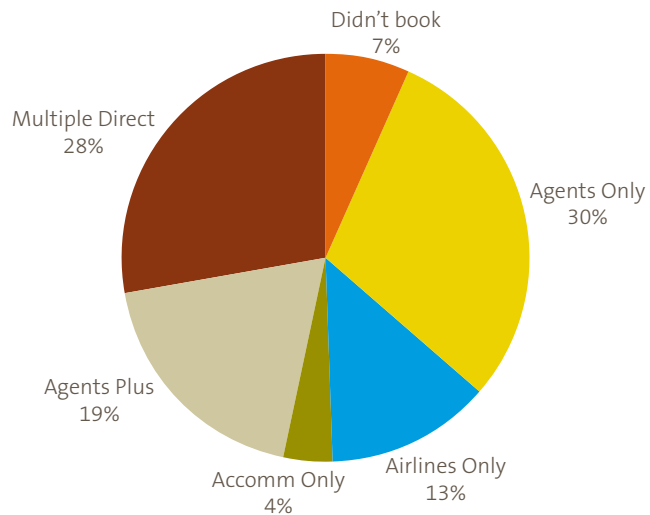
- > They want to absorb and get involved in the day-to-day culture and discover engaging holiday experiences.
- > They are predisposed towards activities and pursuits that enhance them as individuals.



BOOKING CHANNELS - AGENTS ARE KEY BUT MULTIPLE DIRECT GAINS SHARE

Experience Seekers booking channels for their last trip to Australia

(Year ending Jan 2008)



Agents Only:
Booked holiday with an agent & no direct form

Agents Plus:
Booked holiday with an agent plus some form of direct

Multiple Direct:
Booked holiday using two or more forms of direct booking no agent

Airlines Only:
No agents, only booked with airline direct

Accommodation Only:
No agents only booked accommodation direct

HOW DO THEY BOOK THEIR TRAVEL?

Travel agents are critical to how Experience Seekers book their travel to Australia. As many as 49% of Experience Seekers used an agent for at least part of their last trip to Australia with 30% of them using only agents.

For further information please email:
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