

IVS Release - Key Highlights

International visitor spend and arrivals both on the rise

(International Visitor Survey results – Year-end March 2024)

June 4 2024

Overview

This release includes total results from the International Visitor Survey (IVS) for year-end March 2024 and separately for the March 2024 quarter.

Top-line results can be found on MBIE's Tourism Evidence and Insights Centre (TEIC).

[International Visitor Survey](#) – Tourism Evidence and Insights Centre

Microdata is also published on MBIE's website.

[International Visitor Survey data](#)

We advise caution when using and interpreting IVS quarterly level results

Results on the TEIC for the March quarter 2024 are presented for Australia, USA, Rest of World and Total (all countries). Quarterly level statistics have a higher margin of error than annual level statistics due to the smaller sample size resulting from a shorter survey period. Consistent with an increase in international visitor arrivals, the total sample size for the March quarter is higher than for the December quarter (July to September 2023), enabling results for the UK, Asia (including China) and Rest of Europe to be added.

For year-end March 2024, country breakdown is the same as for year-end December 2023 and includes Total, Australia, UK, USA, Rest of Europe, Asia, Germany, Canada, and Rest of World. The margin of error is still too small for China to be separated from Asia for analysis.

More information on data quality, including sample sizes, response rates and margin of errors, can be found [here](#).

Key highlights for year-end March 2024 (April 2023 - March 2024)

All spend figures that are compared with 2019 are adjusted for inflation using Stats NZ CPI¹ to account for how much of the extra spending by tourists is being driven by higher prices.

Growth in international visitor spend matches growth in visitor arrivals

- **International visitors contributed \$11.2 billion to New Zealand's economy** – Spend from all international visitors totalled \$11.2 billion for year-end March 2024. When adjusted for inflation, this equates to \$8.9 billion or 80% of pre-pandemic levels.
- **Visitor numbers returned to 82% of pre-pandemic levels while overall visitor spend returned to 80% of pre-pandemic levels** – The visitor make-up has shifted recently. The past two years saw a higher proportion of visitors who tend to spend less, such as people staying with friends and family, and Australians, but arrivals that fall into these visitor categories are now returning to 2019 levels and the proportion of visitors who tend to spend more has grown.
- **International visitor spend showed stronger growth** - Visitor spend increased from 71% of pre-pandemic levels for year-end December 2023 to 80% of pre-pandemic levels for year-end March 2024.

¹ [Consumers *price index \(CPI\) | Stats NZ](#)

- **International tourism was the second highest export earner** – When compared to New Zealand’s top exports, international visitor spend is second, behind milk powder, butter, and cheese (\$20.4 billion), followed by meat and edible offal (\$9.4 billion).²
- **Visitors from Germany spent the most overall** – The highest median spend per visitor is from Germany at \$6,373 (equal to pre-pandemic levels). The median spend per visitor from Asia is 20% higher than pre-pandemic levels (\$3,144). Australians spent the least per visitor at \$1,940 (83% of 2019 levels). A higher median spend per visitor generally correlates with the length of visit – the longer the visit the greater the overall spend per visitor.
- **Visitors from the US had the highest daily spend** – The median daily spend for all countries was \$283. Visitors from the US spent the most per day at \$349 (95% of pre-pandemic levels), followed by visitors from Asia who spent a median of \$294 per day (70% of 2019 levels). The UK had the lowest median daily spend at \$177 (80% of pre-pandemic levels). Canada, Germany, Australia and Rest of Europe have either reached or slightly exceeded pre-covid daily spend levels.
- **Visitors are staying for less time compared with 2019** – The median length of stay for all visitors was 9.5 days compared with 12 days in 2019, largely driven by a decrease in length of stay by Chinese and other visitors from Asia.
- **Visitors from Germany stayed longer and spent more per visit** – Visitors from Germany had the longest median length of stay at 28.3 days, followed by the Rest of Europe at 22.3 days.

Visitor spend has increased between year-end December 2023 and year-end March 2024

- **Visitors spent most on accommodation** – Spend on accommodation by all visitors increased 12% from \$2.6 billion to \$2.9 billion. Spend on eating out also increased 7% from \$1.5 billion to \$1.6 billion.
- **Visitors from Australia spent the most on accommodation** – Spend on accommodation by visitors from Australia increased 4% from \$952.7 million to \$989.2 million. Visitors from Canada spent the least on accommodation (\$63.5 million), an increase of 11% from \$57.1 million.
- **Visitors from Australia spent the most on eating out** – Total spend for all visitors on eating out was \$1.6 billion, up from \$1.5 billion for year-end December 2023. Visitors from Australia spent \$573.1 million on eating out, a slight decrease of 1%. Visitors from Canada spent the least (\$36.2 million), an increase of 11%, up from \$32.7 million.

Key highlights for March 2024 quarter (January - March 2024)

All spend figures that are compared with the March 2023 quarter are adjusted for inflation using Stats NZ CPI³ to account for how much of the extra spending by tourists is being driven by higher prices.

Visitor spend is up 34 percent from March 2023 quarter

- **International visitors brought \$4.5 billion into New Zealand** – Spend from all international visitors totalled \$4.5 billion in the March 2024 quarter, an increase of 34% compared to the March 2023 quarter in which spend totalled \$3.2 billion. The increase in spend is greater than the 30% increase in visitor arrivals in the March 2024 quarter compared with the same quarter in 2023. Australian visitors remain the single largest market, spending \$1.1 billion during the quarter.
- **When adjusted for inflation, the median spend per visitor decreased** – While overall visitor spend increased, when adjusted for inflation, median spend per visitor decreased 8% from the March 2023 quarter to \$2,747 in the March 2024 quarter. One reason is because the amount spent by low-spending but large markets such as Australia, which make up a larger proportion of visitors, stayed the same. The non-adjusted figure is \$2,857.
- **Median length of stay has decreased from March 2023 quarter** – 12 days compared with 14 days.
- **International tourism was the second highest export** – When compared to New Zealand’s top exports for the March quarter, international visitor spend is second, behind milk powder, butter, and cheese (\$5.3

² [overseas-merchandise-trade-march-2024.xlsx \(live.com\)](#)

³ [Consumers *price index \(CPI\) | Stats NZ](#)

billion), followed by meat and edible offal (\$2.3 billion).⁴ Milk powder, butter and cheese decreased from \$5.5b compared with the December quarter while international visitor spend and meat and edible offal increased.

- **Visitors spent most on accommodation followed by eating out** – Visitors spent \$1.1 billion on accommodation, an increase of 46% from \$723 million in the December 2023 quarter. The most popular accommodation was hotels with 38% of visitors staying at least one night in a hotel. Online rental accommodation (34%) has overtaken staying with family or friends (33%) as the second most popular accommodation choice.
- **Net promoter score increased** – The net promoter score (NPS) measures the net effect of visitors' likelihood to recommend New Zealand as a holiday destination to others.⁵ For visitors overall, the NPS increased from 64 points in the last quarter to 68 points in this quarter. For the March quarter, visitors from the USA, and the UK, had the highest NPS at 83 points and 80 points respectively.

International visitor spend is on par with international visitor numbers

- Total spend for year-end March 2019 was \$11.25 billion. Total spend for year-end March 2024 is \$11.18 billion (inflation adjusted is \$8.93 billion or 80% of March 2019 spend).
- International visitor spend is now in line with the growth in visitor arrivals. Remaining differences are due to:
 - Visitor numbers were 3.18 million compared with 3.87 million.
 - Flight capacity for year-end March 2024 returned to 88% of year-end March 2019 levels.
 - Visitor numbers from some markets remained lower but are strongly growing to pre-pandemic levels. For example, Chinese visitors increased to 49% of pre-pandemic levels for year-end March 2024, up from 28% for year-end December 2023.⁶
 - Proportionally, more visitors come to New Zealand to visit family and friends. This proportion increased in recent years but decreased to 32% of visitors for year-end March 2024 (compared to 28% for year-end March 2019). These visitors traditionally spend less than visitors travelling for a holiday.

⁴ [overseas-merchandise-trade-march-2024.xlsx \(live.com\)](#)

⁵ Net promoter score is calculated by subtracting the proportion of detractors (visitors unlikely to recommend NZ as a holiday destination) from the proportion of promoters (those highly likely to). This measure ranges from -100 to 100, with a score higher than 50 typically meaning strong customer loyalty.

⁶ [international-travel-december-2023.xlsx \(live.com\)](#)