Forecast of International Visitors/\$ Returning YE May 2023-2025

TECNZ's arrival forecasts for 30 countries based on research and assumptions noted below. The forecasts form a roadmap for NZ's international tourism recovery on a market basis and are based on no self-isolation requirement for visitors.

Assumptions:

- Airline connectivity, capacity seats and IATA forecasts
- Demand from offshore tour wholesalers/agents
- Booking levels held by inbound tour operators (ITOs)
- Strong bookings from Australia, US, Canada, Singapore
- FIFA Women's World Cup Jul-Aug 2023
- Cruise return Oct 2022 (turnaround pax)
- China market return from Mar 2023
- Russia-Ukraine War and Europe energy crisis
- Geo-political/economic status in source markets e.g. worker shortage, inflation and wage rates
- Higher airfares to NZ beyond 2023
- Slow visitor visa processing times
- WHV holders slow return to NZ
- NZ profile from Cyclone Gabrielle
- Covid self-isolation 7 days removed May 2023

Visitor Market Return:

- Australia from Apr 2022
- USA/Canada from Jul 2022
- UK/Europe from Oct 2022
- Asia from Oct 2022
- China from Mar 2023

NZ visitor season starts 1 Oct 2022 and runs to 30 April 2023.



Spreadsheets showing return on a per country basis over 4 years are available on our website or contact our office.



Source: TECNZ updated 20 March 2023

Summary: Forecast of International Visitors/\$ Returning YE May 2023-2025

Key message

The return of pre-COVID visitor numbers will be a phased process over a period of 3 years. By YE May 2025 TECNZ forecasts 100% of pre-Covid annual arrivals will have returned.

Arrivals (000's):

- By YE May 2023 annual number of arrivals 1,720,255 = 50.8%
- By YE May 2024 annual number of arrivals 2,934,258 = 86.7%
- By YE May 2025 annual number of arrivals 3,384,242 = 100.0%



TECNZ has forecast annual visitor arrivals and visitor spend on the key 30 visitor markets Stats NZ used to report on pre-COVID March 2020.

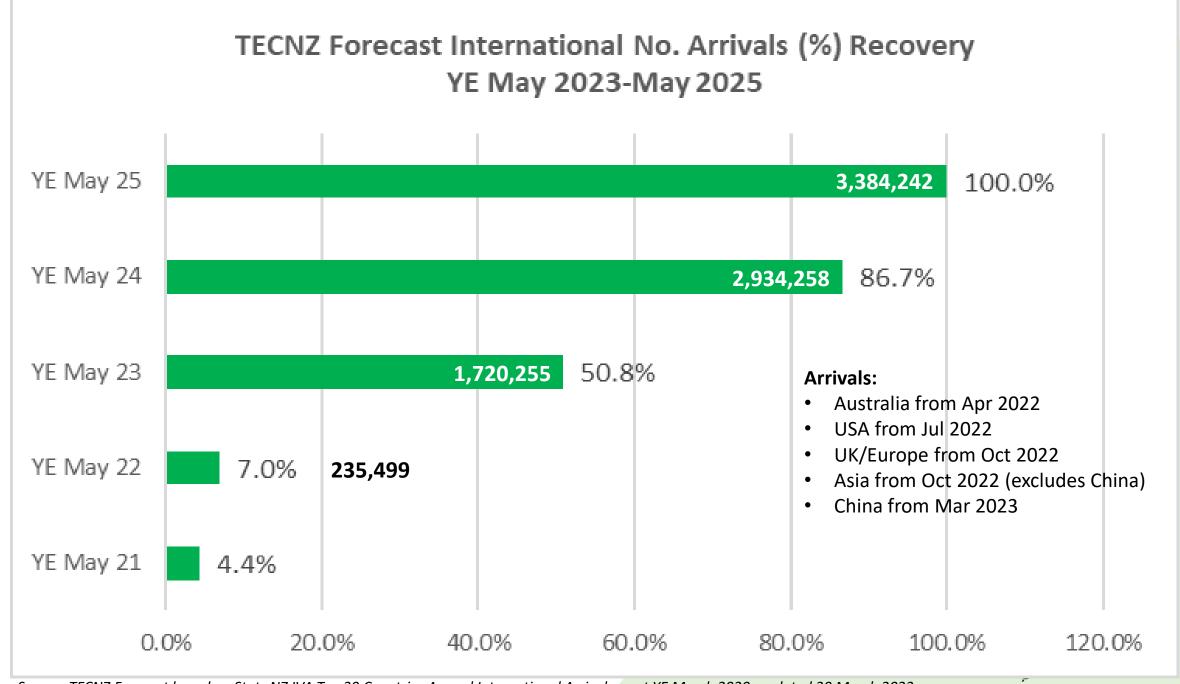


NZ International Tourism Recovery Roadmap (No. Arrivals 000's and % Recovery)

Market recovery based on Australia from April 2022, USA from July 2022, UK/Europe from Oct 2022, Asia from Oct 2022 and China from Mar 2023.

By YE May 2025, total annual visitor arrivals (3,384,242) 100% of pre-COVID arrivals as at Mar 2020 of 3,384,517.

		Pre COVID	Assumptions:	May	22	Ma	ay 23	Ma	ay 24	Ma	ay 25
*	Australia	1,491,252	Airline connectivity, seats and	(15%) 22	13,688	(70%)	1,043,876	(95%)	1,416,689	(100%)	1,491,252
	USA	347,629	IATA forecastsDemand from offshore tour	(0%)	0	(50%)	173,815	(100%)	347,629	(115%)	399,773
*:	China	328,145	wholesalers/agents • Slow visitor visa processing	(0%)	0	(7%)	22,970	(65%)	213,294	(100%)	328,145
	UK	223,102	times, losing business	(0%)	0	(60%)	133,861	(90%)	200,792	(100%)	223,102
	Germany	91,067	WHV holders return to NZReturn of China market and	(0%)	0	(40%)	36,427	(90%)	81,960	(100%)	91,067
	Japan	90,326	airline re-connectivityRussia-Ukraine War	(0%)	0	(15%)	13,549	(70%)	63,228	(95%)	85,810
	South Korea	81,660	Europe energy crisisFIFA Women's World Cup games	(0%)	0	(15%)	12,249	(70%)	57,162	(95%)	73,494
•	India	67,395	Feb, Jul-Aug 2023	(0%)	0	(40%)	26,958	(70%)	47,177	(85%)	57,286
(:	Singapore	60,932	 Return of cruise Oct 2022 (turnaround pax) 	(0%)	0	(60%)	36,599	(90%)	54,839	(100%)	60,932
*	Taiwan	49,179	 Geo-political/economic status in source markets e.g. worker 	(0%)	0	(15%)	7,377	(70%)	34,425	(90%)	44,261
\$	Hong Kong	51,807	shortage, inflation, wage rates NZ profile damage from Cyclone	(0%)	0	(20%)	10.361	(70%)	36,265	(90%)	46,626
	France	39,507	and infrastructure issues	(0%)	0	(35%)	13,827)	(70%)	27,655	(100%)	39,507
	The Netherland	ds 29,384		(0%)	0	(45%)	13,223	(85%)	24,976	(100%)	29,384



Source: TECNZ Forecast based on Stats NZ IVA Top 30 Countries Annual International Arrivals as at YE March 2020, updated 20 March 2023