

Mackenzie Tourism Insights

July 2024



- Tourism data for July 2024, the middle of winter, presented an overall weak month for Mackenzie's tourism sector. Although visitor card spending and accommodation occupancy rates declined compared to July 2023, there was an increase in international visitor guest nights.
- In the international visitor market, electronic card spending remained relatively stable, with only a slight -2% year-over-year (YoY) decrease, while international guest nights increased by +4% YoY, potentially indicating a decrease in the average spend in the region or a decrease in day trips.
- Australian visitors accounted for the largest share of card spending for the first time since October '23. However, their expenditure dropped by -35% YoY compared to July 2023 and are thus soon to be overtaken also during winter by the US market who grew by +8% YoY
- Notably, significant growth was observed among visitors from Asian countries, with those from the 'Rest of Asia' (encompassing all Asian markets excluding China, Japan and Korea) showing a +39% YoY increase. In addition, Northeast Asian countries saw notable rises too with growth seen in China (+30% YoY), Korea (+20% YoY), and Japan (+11% YoY). This reflects the region's growing popularity among Asian tourists.
- Expenditure by the Asian market on food and beverages saw substantial growth, with 'Retail F&B' up by +83% YoY and 'F&B Serving' increasing by +78% YoY. However, spending on recreational products decreased by -21% YoY.
- Contrary to the international market, electronic card spending by domestic visitors declined significantly (-37% YoY). The highest expenditure was observed in Retail F&B products, indicating a preference for self-catering over dining out, which appears to be growing as card spend on F&B Serving decreased significantly ahead of spend on Retail F&B by -32% vs. -15% YoY.
- Domestic visitors from the wider Canterbury region remain by far the biggest contributor to domestic card spend. Interestingly their card spending on Transport products increased significantly by +100%, while the total domestic spend on this product category decreased by -21%. Among North Island regions, Auckland visitors contributed the most to card spending in Mackenzie, particularly in Retail F&B products, but their spending fell sharply by -42% compared to July 2023.
- Occupancy rates fell in both commercial and short-term rental accommodation by -5%pt and -8 %pts YoY respectively. The drop in commercial occupancy rates was mainly driven by +9% YoY increase in available stay units and further fueled by -6% decrease in total guest nights. Motels and apartments showed the highest occupancy, with small-sized motels and apartments achieving a 73% occupancy rate and large-sized ones reaching 56%.

- Daily occupancy rates in short-term rentals experienced a significant uptick during the school holidays, with weekends showing higher rates compared to weekdays. Peak occupancy rates of 82% and 77% were observed on Saturday, July 13th, and Friday, July 12th, respectively, likely due to school holidays and perhaps boosted by visitors attracted by the picturesque hoar frosts that covered the region.

Note: The monthly Tourism Data Insights are provided by Vistr who are contracted by Mackenzie Tourism (part of Mackenzie District Council).