

# Ambition 2025

INSIGHTS, TRENDS & OPPORTUNITIES  
**ASIA**

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# Contents

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Travel and tourism potential in New Zealand: Why Asia?	03
Ambition 2025 Asia: Forecast highlights	04
Ambition 2025 Asia: The outlook is positive	05
Ambition 2025 Asia: A market summary	06
Ambition 2025 Asia: Something to aim for	07
Ambition 2025 Asia: Outlook for our markets	08 - 22
- China	08
- India	09
- Japan	10
- Korea	13
- Malaysia	14
- Singapore	17
- Indonesia	18
- Hong Kong	19
- Philippines	20
- Taiwan	21
- Thailand	22
Ambition 2025 Asia: About these forecasts	23



# Travel and tourism potential in New Zealand:

## Why Asia?

### ASIA IS NEW ZEALAND'S MOST VALUABLE REGION FOR INBOUND TOURISM

In 2013 the Asia inbound market contributed \$1.63 billion to the New Zealand economy. By 2025, this market has the potential to contribute \$4.66 billion annually. New Zealand will experience faster arrivals growth from Asia than any other market. In 2025, Asia visitor arrivals are estimated at 1.5m, 178% higher than 2013, in comparison to other arrivals growth are estimated at 68% for this same period.

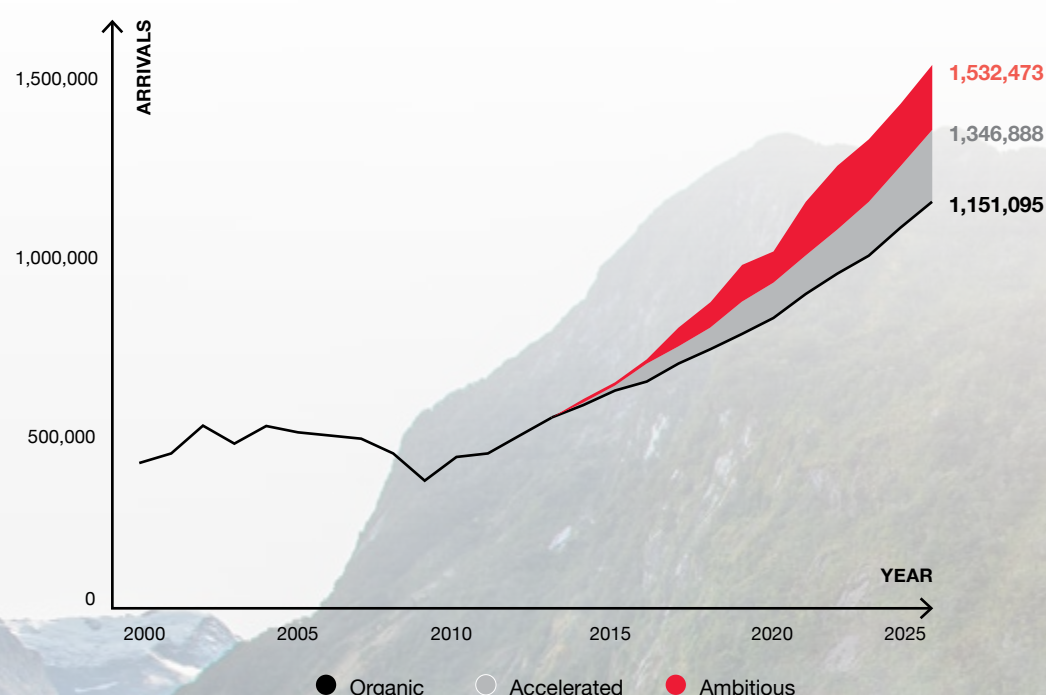
Massive numbers of households are reaching middle incomes throughout Asia. In particular countries such as China, India and increasingly Indonesia are sources for potential first time international travellers. Awareness of New Zealand (for example through promotions, movies, and word of mouth), air travel connections and capacity on routes are important supply side drivers.

**\$4.66 billion** potential spend by visitors from Asia in 2025.

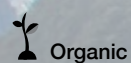
**1.53 million** potential visitors to New Zealand from Asia in 2025.

**8.9%** potential year-on-year growth 2013 – 2025.

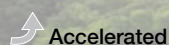
Historic and potential visitor arrivals from key Asia markets 2000 - 2025



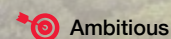
#### Scenarios



Reasonable expectation given economic forecasts and trends



Faster growth expectation



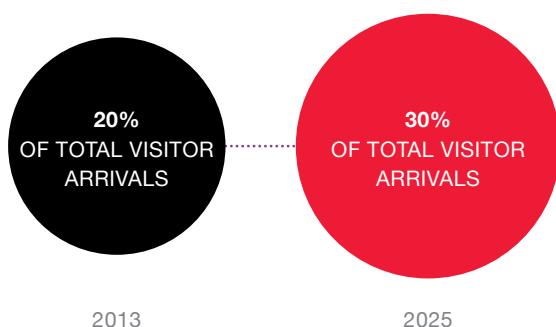
Aspirational target

# Forecast highlights

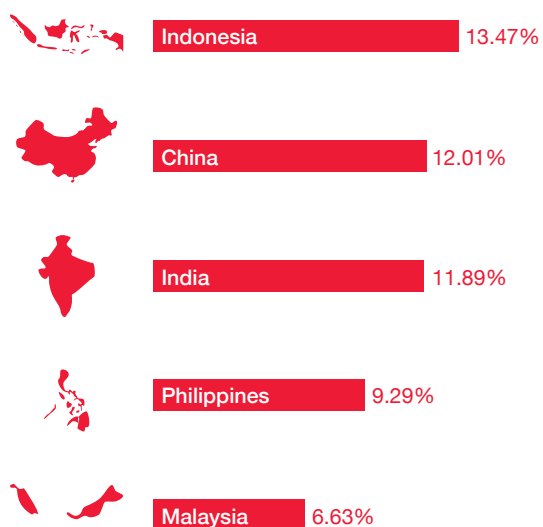
## THE MARKETS OFFERING THE BEST GROWTH PROSPECTS ARE FROM ASIA

As the world enters a new century of Asian economic prosperity, New Zealand's traditional markets for arrivals will take a backseat to emerging Pacific Rim economies. China and other emerging Asian markets are truly the greatest source of opportunity. Their economies are industrialising, urbanising and rapidly growing the number of middle-class households in their countries. Once a household reaches US\$18,000 per year in income, the likelihood of international travel increases significantly. Short-haul markets experience growth first, then longer-haul markets.

Potential growth in visitor arrivals Asia 2013 - 2025



Top five countries in Asia by annual growth rate 2013 - 2025



The strong growth of arrivals from Asia will outstrip that of other markets in the years to 2025. In fact, New Zealand's forecast top five markets by growth to 2025 are all Asian nations. Countries from this region will boast an average growth rate of 90.52% between 2013 and 2025, or a cumulative average growth rate (CAGR) of 8.89%, whereas all other markets are expected to grow by 68.20% with a CAGR of 4.43%.

New Zealand's forecast top five markets by growth to 2025 are all Asian nations.

The exceptions to this rampant growth are the developed Asian nations of Japan and Korea, which are expected to show relatively slow growth to 2025. However these established markets will continue to provide growth rates consistent with their mature market structure.

Asia will boast **64%** of the world's middle class by 2025.



## The outlook is positive

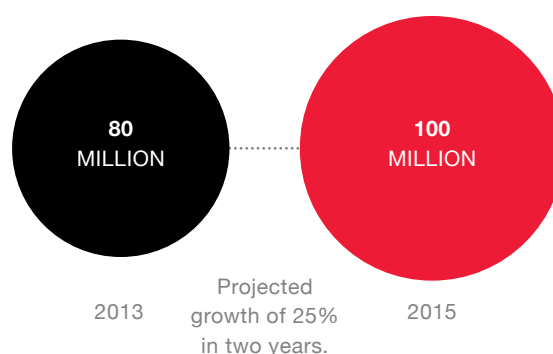
### THE INCREASE IN VISITORS FROM ASIA IS EXPECTED TO CONTINUE FOR THE FORESEEABLE FUTURE

While long-haul visitors from USA, UK and Europe tend to stay longer than the average visitor, Asian visitors offer high potential for growth in value by securing a greater length of stay while maintaining higher spend per day. For the tourism sector, a rising trend in visitor numbers provides a base of demand, but the key will be to secure a higher share of fast growing and high value markets from Asia.

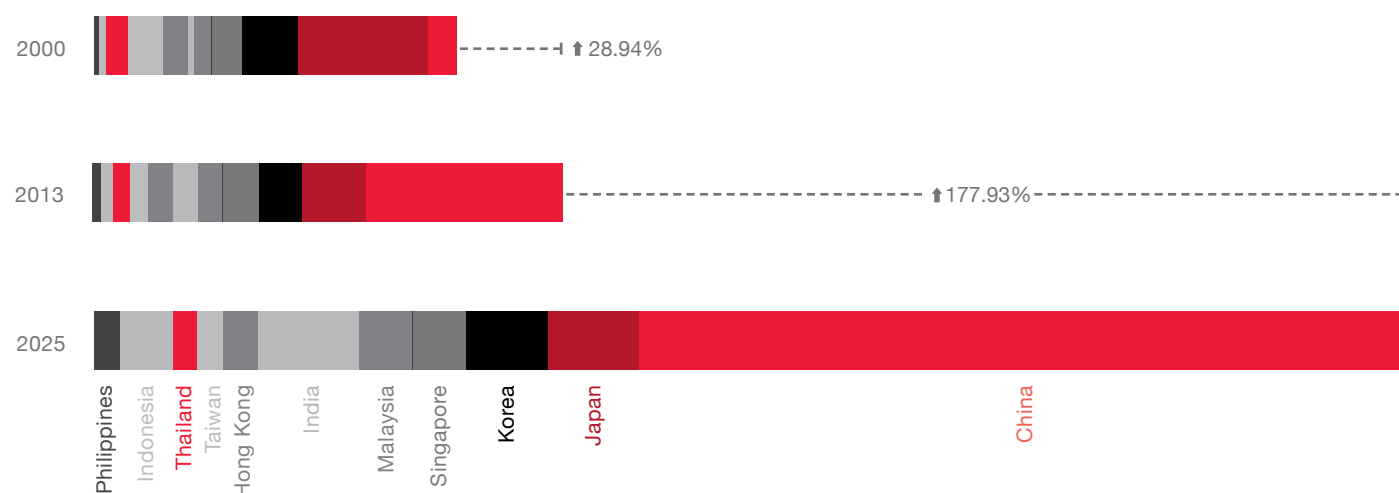
In the years to 2025 China will dominate New Zealand's arrivals growth. Chinese Nationals are travelling internationally in increasing numbers, in 2013 China's outbound travel exceeded 80 million trips. This figure is expected to reach 100 million by 2015.

Currently the majority of these trips are captured by destinations close to mainland China that have relaxed Visa policy restrictions - with Hong Kong, Japan, South Korea and Taiwan as the largest markets for Chinese travel. However, as the Chinese travel market emerges, Europe, the United States, Australia and New Zealand are growing as popular destinations. Arrivals by Chinese tourists in New Zealand have doubled on average every five years since 1998 to a projected almost 900,000 by 2025. Finding ways to build the New Zealand brand in China will be key to capturing a larger share of this growth.

In 2013 China's outbound travel exceeded 80 million trips. This figure is expected to reach **100 million by 2015.**



Visitor arrivals by country in Asia 2000 – 2025

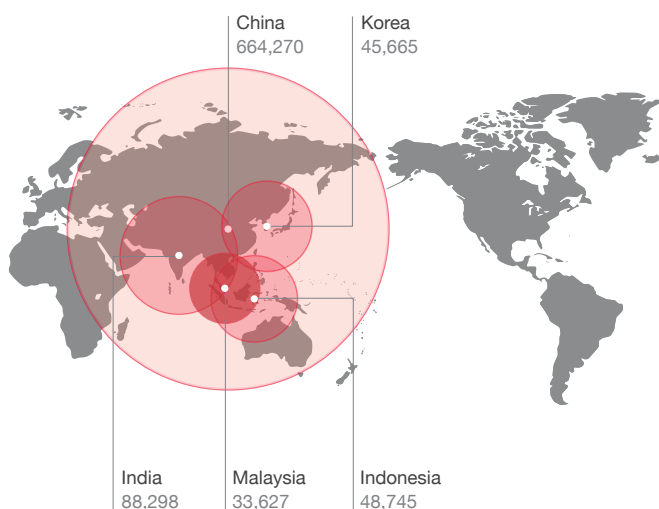




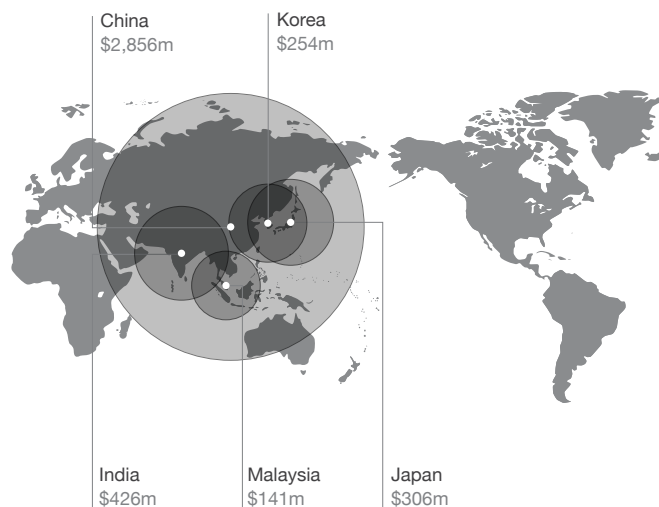
# A Market summary

The following graphics outline the top five markets in terms of real visitor growth and visitor spend, under the ambitious scenario.

Top five markets by real visitor growth 2013 - 2025



Top five markets by visitor spend 2025



## CONSUMER CONFIDENCE

The Nielsen global survey of consumer confidence and spending intentions was conducted in November 2013. The survey polled more than 30,000 online consumers in 60 countries throughout Asia-Pacific, Europe, Latin America, the Middle East, Africa and North America.

Developing Asian countries such as Indonesia, China, Philippines and India show improving levels of optimism which outstrips that of other more developed Asian countries.

These countries are growth markets for New Zealand tourism and represent a significant opportunity for New Zealand to capture the growth that follows improvements in consumer confidence.

Top ten countries by consumer confidence

- |                         |              |
|-------------------------|--------------|
| 1: Indonesia            | 6: Brazil    |
| 2: India                | 7: Thailand  |
| 3: Philippines          | 8: Hong Kong |
| 4: China                | 9: Denmark   |
| 5: United Arab Emirates | 10: Peru     |

## BY 2025 MORE THAN ONE BILLION PEOPLE WORLDWIDE WILL REACH MIDDLE CLASS

More than 64% of this new middle class will live in Asia. China, India, Vietnam, Thailand, Indonesia and Malaysia in particular will house the vast majority of these 600 million plus people. These markets will be significant opportunities for tourism growth. How many visitors eventually come to New Zealand will depend on the level of income, how large the market is (i.e. the size of the population) and their awareness of New Zealand (for example through promotions and word of mouth), air travel connections and capacity on routes is also an important supply side driver.




# Something to aim for

## ASIA ALREADY CONTRIBUTES THE LARGEST NUMBER OF TOURISTS OF ANY REGION OF THE WORLD, BUT BETWEEN NOW AND 2025 IT'S LEAD WILL EXPAND SIGNIFICANTLY

China is the breakout star of outbound tourism growth, doubling its arrivals to New Zealand on average every five years since 1998. However it's not the only country in Asia with stellar growth rates. As incomes rise in India, Indonesia, Malaysia and the Philippines the citizens of those countries have begun to show more interest in international travel and New Zealand has been capturing incremental proportions of that growth. The race is on for global tourism operators to capture this growing market of new travellers. To compete and achieve the 2025 ambitious arrivals, New Zealand will have to improve its penetration, brand presence and tourism and air capacity infrastructure.

A changing mix of visitors makes for different visitor needs

	2013 VISITOR ARRIVALS	2013 SHARE OF MARKET	2025 ARRIVALS (ORGANIC)	2025 ARRIVALS (ACCELERATED)	2025 ARRIVALS (AMBITIOUS)	2025 MARKET SHARE	CAGR*
ALL MARKETS	2,710,416	100%	4,155,154	4,585,911	5,163,955	100%	5.52%
 CHINA	228,928	8.45%	714,087	806,712	893,198	17.30%	12.01%
 INDIA	30,976	1.14%	76,538	96,566	119,274	2.31%	11.89%
 JAPAN	74,560	2.75%	81,380	95,955	106,586	2.06%	3.02%
 KOREA	50,992	1.88%	62,336	75,686	96,657	1.87%	5.47%
 MALAYSIA	28,976	1.07%	41,351	53,292	62,603	1.21%	6.63%
 SINGAPORE	42,256	1.56%	48,960	52,830	62,558	1.21%	3.32%
 INDONESIA	13,712	0.51%	23,919	51,423	62,457	1.21%	13.47%
 HONG KONG	28,080	1.04%	33,410	37,432	40,456	0.78%	3.09%
 PHILIPPINES	10,432	0.38%	20,075	25,565	30,279	0.59%	9.29%
 TAIWAN	21,776	0.80%	24,129	25,116	30,152	0.58%	2.75%
 THAILAND	20,704	0.76%	24,910	26,311	28,253	0.55%	2.62%

\*Cumulative Average Growth Rate 2013–2025

## Outlook for our markets cont...

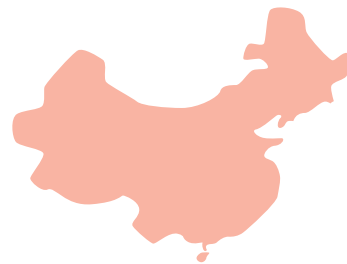
### CHINA 2025

China has rapidly become one of New Zealand's top visitor markets and could account for 17% of visitor arrivals in 2025.

Visitor numbers will continue to grow strongly, driven by the thirst for travel of its middle and upper classes. Chinese arrivals to New Zealand will be comprised of more FIT travellers and less groups in coming years. New Zealand received 24% of the visitors to Australasia in the year ended 2013, but had 31% share of the growing holiday market.

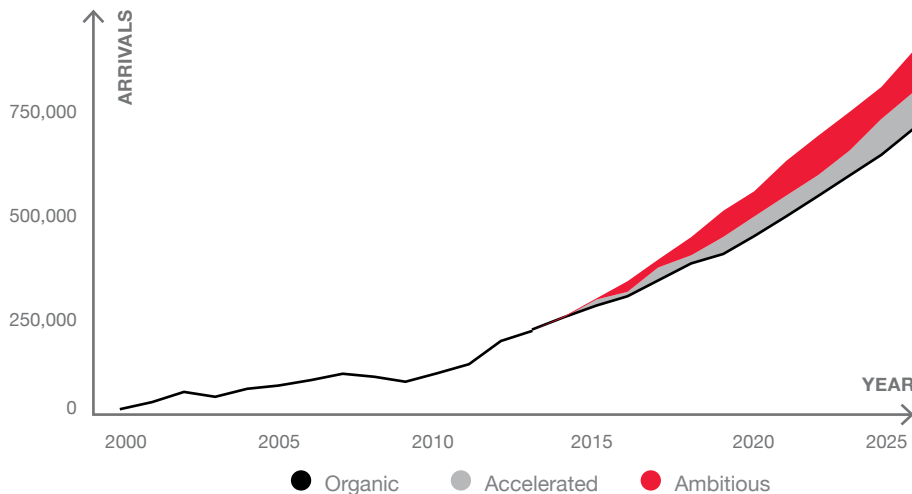
Some speed bumps may occur, such as the October 2012 travel law change. This saw total Chinese arrivals decline by 12% for October through December 2013 compared to the same period in 2012. However since the law change direct arrivals from China have actually increased by 16%, while arrivals via Australia decreased by 32%. Some near-term risk in Chinese credit markets may affect

growth in consumption. However over the medium and long-term, the continued industrialisation and growing consumption drivers evident in China will deliver increasing economic prosperity and more visitors to New Zealand. There is also increasing worldwide competition for this market. To protect and grow our position requires evolving product and marketing it to grow our position, supported by appropriate supply conditions.






POP 2013: 1,385,567,000  
POP 2025: 1,448,984,000  
POP 2025 Growth: 4.58%  
GDP Growth (YOY): 6.7%

### Potential visitor arrivals



#### Drivers

Long-term positive trend in visitor arrivals  
New air capacity development  
Confident consumer market  
Emerging middle class

 2025 Organic	 2025 Accelerated	 Ambitious			
Forecast visitor arrivals	714,087	Forecast visitor arrivals	806,712	Forecast visitor arrivals	893,198
Average annual growth	9.94%	Average annual growth	11.07%	Average annual growth	12.01%
Forecast market share	17.19%	Forecast market share	17.59%	Forecast market share	17.30%
Forecast visitor spend	\$2,283m	Forecast visitor spend	\$2,579m	Forecast visitor spend	\$2,856m



## Outlook for our markets cont...

### INDIA 2025

One of the world's fastest growing outbound markets, with travel forecast to grow from approximately 14 million departures in 2013 to 50 million by 2020. The Indian market offers significant opportunity for growth.

With a middle class of 300 million, an economy growing at 8% per annum and High Net Worth Individuals forecast to grow by 100% over the next decade, the economic drivers for increased long-haul travel are strong. The Australasian market is forecast to grow to 370,000 plus, while New Zealand might see 286% growth to 2025, by which time India has the potential to contribute in the order of \$426 million annually.

India, like China is a large, regionalised and segmented market. This means that while it offers many opportunities, they must be approached differently by the tourism industry as regional differences are pronounced. In addition, the trend of more women entering the

workforce in India gives rise to a new segment of potential travellers with disposable income for leisure, as well as business travel.

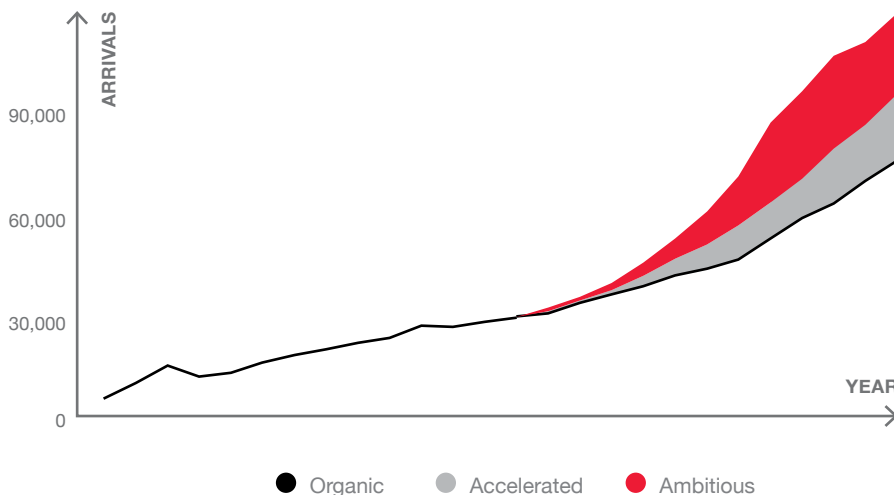
In the medium term, a lack of direct flights to India should not be seen as a barrier to growth. Understanding how to better leverage existing indirect air connections will quickly open up the market.

However the market will require investment, this has started. We note the Indian peak season for travel is August, when the weather is very hot. This presents an opportunity for New Zealand during our low season.



- POP 2013: 1,252,140,000
- POP 2025: 1,418,744,000
- POP 2025 Growth: 13.31%
- GDP Growth (YOY): 6.7%

#### Potential visitor arrivals



#### Drivers

- Rapidly growing middle class
- Enhanced connectivity over South East Asia
- Geographic strategy
- Increasing destination awareness

2025 Organic	2025 Accelerated	Ambitious
Forecast visitor arrivals	Forecast visitor arrivals	Forecast visitor arrivals
<b>76,538</b>	<b>96,566</b>	<b>119,274</b>
Average annual growth	Average annual growth	Average annual growth
<b>7.83%</b>	<b>9.94%</b>	<b>11.89%</b>
Forecast market share	Forecast market share	Forecast market share
<b>1.84%</b>	<b>2.11%</b>	<b>2.31%</b>
Forecast visitor spend	Forecast visitor spend	Forecast visitor spend
<b>\$273m</b>	<b>\$345m</b>	<b>\$426m</b>

## Outlook for our markets cont...

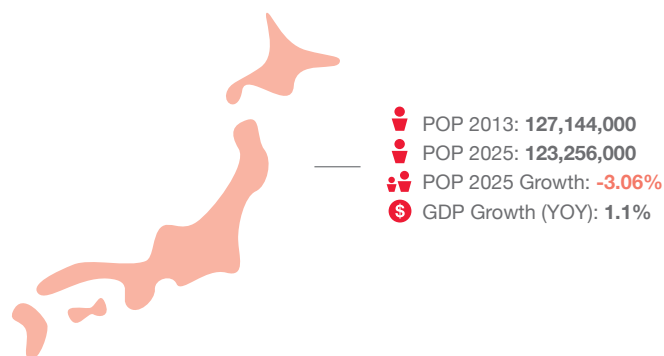
### JAPAN 2025

The Japanese market to New Zealand has been declining over the past decade but could recover to over 100,000 arrivals by 2025 through air capacity development and an improving economy.

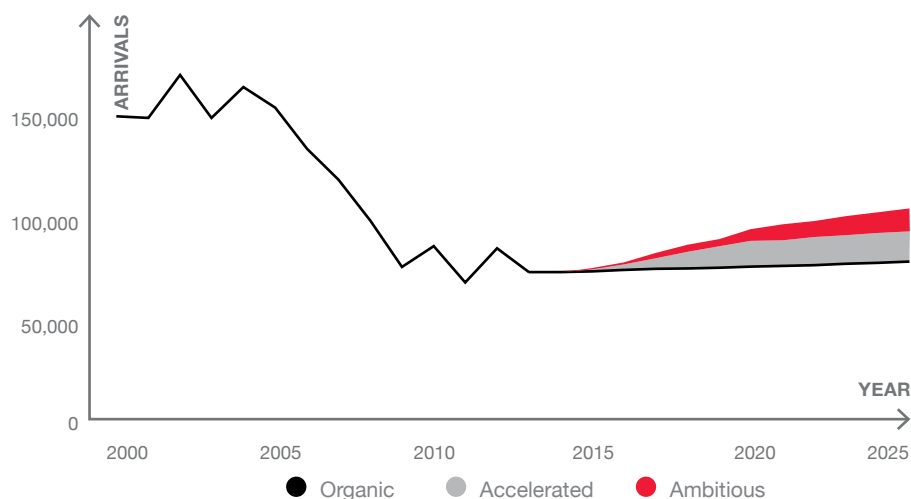
While macroeconomic and social indicators might suggest sluggish growth and a shrinking potential visitor market due to an aging population, outbound travel from Japan continues to increase. There is significant revitalisation from this market through growing air capacity, both direct and from other points in Asia, and through targeting segments with the right products through the right channels.

In 2013 New Zealand received just 19% of the 404,000 arrivals into Australasia. It will be necessary to improve competitiveness to attract long-haul travellers from this market, in an environment where low cost airlines in Asia are driving growth in short-haul. It is anticipated that Japanese visitors who choose to fly to New Zealand as opposed

to short-haul Asian destinations will remain high value visitors. The number of High Net Worth Individuals in Japan still presents a significant opportunity.



Potential visitor arrivals



#### Drivers

- Sizeable source of high spending visitors
- Stable growth in visitor arrivals
- Strong historical economic ties



#### 2025 Organic

Forecast visitor arrivals	<b>81,380</b>
Average annual growth	<b>0.73%</b>
Forecast market share	<b>1.96%</b>
Forecast visitor spend	<b>\$234m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>95,955</b>
Average annual growth	<b>2.12%</b>
Forecast market share	<b>2.09%</b>
Forecast visitor spend	<b>\$275m</b>



#### Ambitious

Forecast visitor arrivals	<b>106,586</b>
Average annual growth	<b>3.02%</b>
Forecast market share	<b>2.06%</b>
Forecast visitor spend	<b>\$306m</b>







## Outlook for our markets cont...

### KOREA 2025

The Korean visitor market to New Zealand has more than halved over the last decade from 113,908 arrivals in 2004 to 50,992 arrivals in 2013.

Outbound travel from Korea has more than doubled over the last 10 years and one out of every four Koreans travels overseas each year. This is one of the highest ratios in the world. Korean arrivals to Australia in 2013 increased by 4% while over the same period New Zealand arrivals declined. While the decline has been arrested since, it indicates a significant issue in the development of the New Zealand proposition in Korea. Arrivals to New Zealand remain strongly dual destination with more than half of all arrivals also visiting Australia. This indicates an opportunity to improve visitor flows to New Zealand from traffic already visiting Australia.

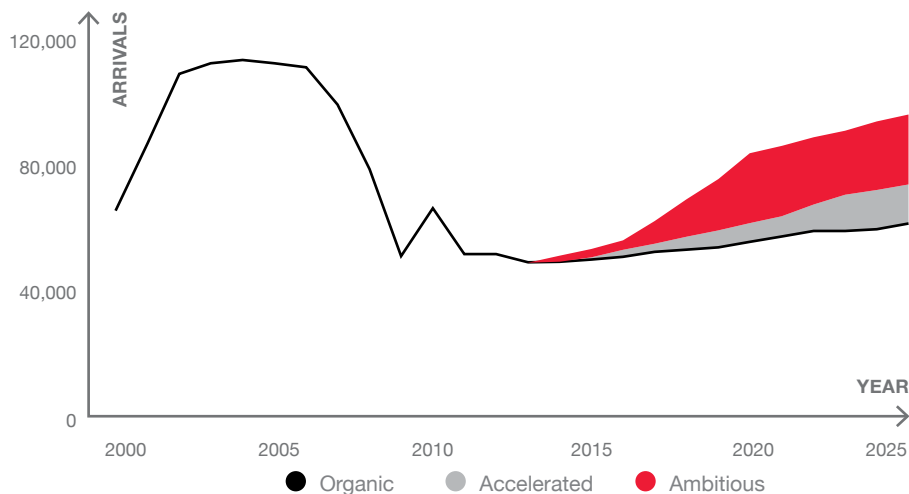
Korean economic performance is expected to be relatively strong with forecast GDP growth of 3.6% year-on-year to 2025. It is anticipated

visitor numbers will rebound as economic conditions improve and airlines re-orientate away from European driven to Asian markets.



- POP 2013: 49,263,000
- POP 2025: 51,602,000
- POP 2025 Growth: 4.75%
- GDP Growth (YOY): 3.6%

#### Potential visitor arrivals



#### Drivers



- Capturing our share of outbound trips
- Strong growth in GDP per capita
- Further growth in direct air capacity



#### 2025 Organic

Forecast visitor arrivals	<b>62,336</b>
Average annual growth	<b>1.69%</b>
Forecast market share	<b>1.50%</b>
Forecast visitor spend	<b>\$164m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>75,686</b>
Average annual growth	<b>3.35%</b>
Forecast market share	<b>1.65%</b>
Forecast visitor spend	<b>\$199m</b>



#### Ambitious

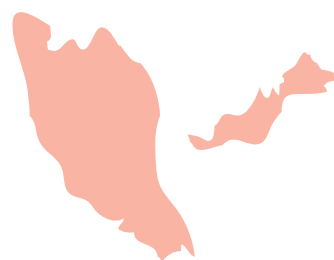
Forecast visitor arrivals	<b>96,657</b>
Average annual growth	<b>5.47%</b>
Forecast market share	<b>1.87%</b>
Forecast visitor spend	<b>\$254m</b>

## Outlook for our markets cont...

### MALAYSIA 2025

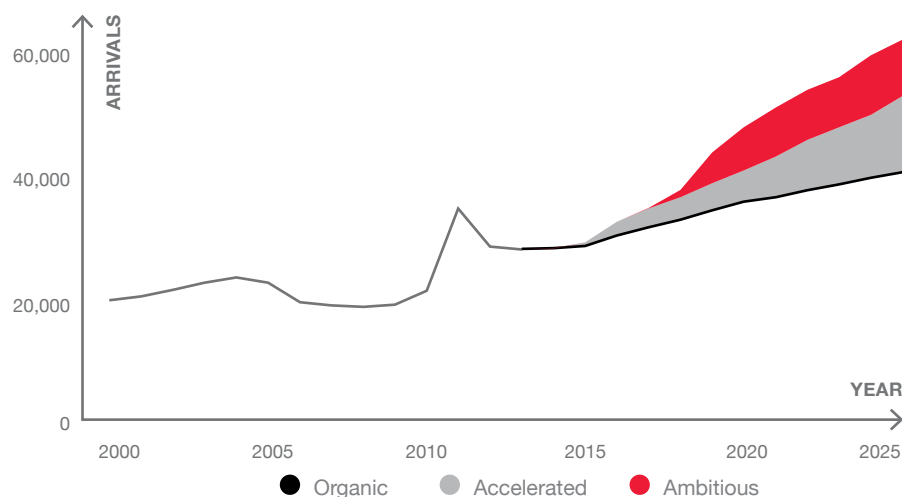
Malaysian visitor arrivals remained relatively subdued in 2013 due to a reduction in air capacity relative to 2011. Importantly arrivals in 2013 were 33% higher than 2010.

The holiday visitor market has grown 82% or a CAGR of 16.2% over the five years to 2013 despite airfares rising significantly in real terms. With a population of 35 million, a resilient economy, an outbound travel market of approximately 50 million trips in 2025 per annum and improving airline yields, Malaysia remains a strong opportunity for growth.



- POP 2013: **29,717,000**
- POP 2025: **34,956,000**
- POP 2025 Growth: **17.63%**
- GDP Growth (YOY): **5.0%**

#### Potential visitor arrivals



#### Drivers

- Economic resilience
- Strong FIT traveller
- Development of Halal experiences
- Air capacity development



#### 2025 Organic

Forecast visitor arrivals	<b>41,351</b>
Average annual growth	<b>3.01%</b>
Forecast market share	<b>1.0%</b>
Forecast visitor spend	<b>\$93m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>53,292</b>
Average annual growth	<b>5.21%</b>
Forecast market share	<b>1.16%</b>
Forecast visitor spend	<b>\$120m</b>



#### Ambitious

Forecast visitor arrivals	<b>62,603</b>
Average annual growth	<b>6.63%</b>
Forecast market share	<b>1.21%</b>
Forecast visitor spend	<b>\$141m</b>











## Outlook for our markets cont...

### SINGAPORE 2025

Singapore has one of the world's highest GDP per capita and is forecast to have steady growth to 2025.

Singaporean travel outside of South East Asia has doubled in the last decade to 3.4 million trips per year in 2013. In that time Australia has dominated the arrivals to Australasia, with over 90% share of the 400,000 annual arrivals while New Zealand has languished, claiming the remaining 9% of arrivals. New Zealand will need to grow at 4% to maintain share of its competitive set.

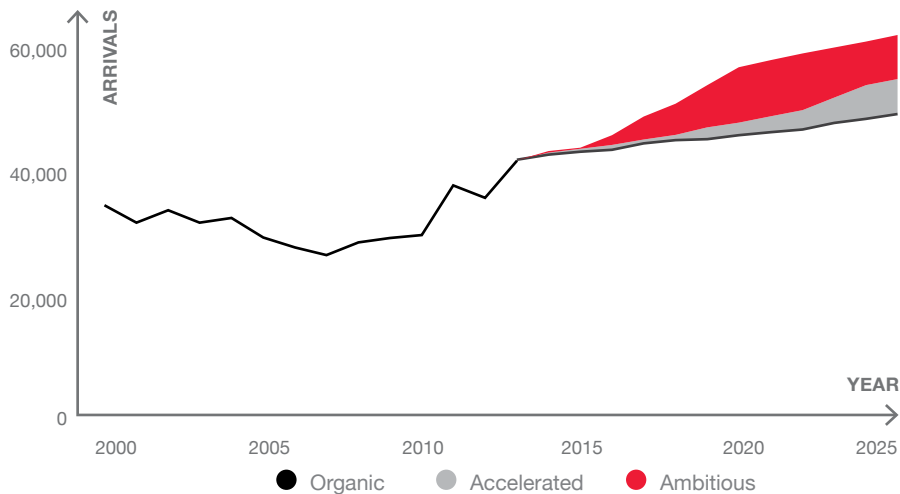
Potential low cost carrier development between Singapore and Australia provide New Zealand an opportunity to grow both its high value and low cost propositions. The number of High Net Worth Individuals in Singapore is expected to grow by 44% over the next decade and represents a high proportion of the population base suggesting further opportunities to target the higher end value

segment. Ambitious growth targets will deliver an extra 20,000 visitors per year to New Zealand.



👤 POP 2013: 5,412,000  
 👤 POP 2025: 6,334,000  
 👤 POP 2025 Growth: 17.04%  
 💰 GDP Growth (YOY): 3.9%

#### Potential visitor arrivals



#### Drivers

Strong economy with 5th largest GDP in the OECD

New air capacity development



#### 2025 Organic

Forecast visitor arrivals **48,960**  
 Average annual growth **1.23%**  
 Forecast market share **1.18%**  
 Forecast visitor spend **\$161m**



#### 2025 Accelerated

Forecast visitor arrivals **52,830**  
 Average annual growth **1.88%**  
 Forecast market share **1.15%**  
 Forecast visitor spend **\$174m**



#### Ambitious

Forecast visitor arrivals **62,558**  
 Average annual growth **3.32%**  
 Forecast market share **1.21%**  
 Forecast visitor spend **\$206m**

## Outlook for our markets cont...

### INDONESIA 2025

One of Asia's exploding economies, Indonesia will have a population of close to 300 million in 2025.

In 2013 long-haul travel was modest at 1.7 million for a population of 240 million. Economic prospects are good with more than 5.7% GDP growth forecast and a growing middle class.

Currently New Zealand attracts less than 10% of the market of Indonesian arrivals to Australasia.

Holiday traffic, while coming from a small base, has increased over 110% in the last five years at a CAGR above 20%. Similarly education traffic in last five years has grown by 172%.

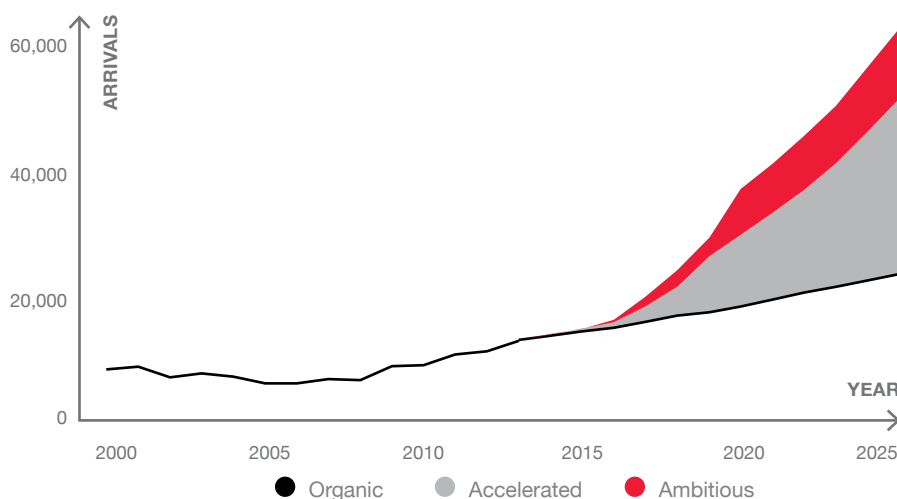
High Net Worth Individuals are forecast to grow by 400% over the next decade.

Additional direct air services and expanding connections across Asian hubs will open the market for further expansion. Furthermore Tourism New Zealand has commenced a programme of investment which will increase awareness. Indonesian's utilise social media heavily. We see a significant opportunity to collectively influence High Net Worth Indonesians through the use of celebrities and travel bloggers, and have taken action in this area. We note Indonesia peak season is Lebaran season in July / August. This provides an opportunity to target the holiday market during our low season. In 2013 there was 37% increase in Indonesians during the Lebaran season.



POP 2013: 249,866,000  
POP 2025: 282,011,000  
POP 2025 Growth: 12.86%  
GDP Growth (YOY): 5.7%

#### Potential visitor arrivals



#### Drivers

- Increase in domestic consumption and investment
- Sharp increase in outbound departures
- New air capacity
- Development of Halal experiences
- Increasing destination awareness

 2025 Organic	 2025 Accelerated	 Ambitious			
Forecast visitor arrivals	23,919	Forecast visitor arrivals	51,423	Forecast visitor arrivals	62,457
Average annual growth	4.75%	Average annual growth	11.64%	Average annual growth	13.47%
Forecast market share	0.58%	Forecast market share	1.12%	Forecast market share	1.21%
Forecast visitor spend	\$60m	Forecast visitor spend	\$130m	Forecast visitor spend	\$158m

# Outlook for our markets cont...

## HONG KONG 2025

Visitors from Hong Kong show slow, steady growth.

Economic growth is improving despite some external challenges.

Hong Kong remains a key hub for European traffic to Asia and New Zealand. As a result air capacity to New Zealand has been higher than would otherwise be the case. Therefore its future hub position will be relevant to overall growth from this market. Air capacity is not a constraint to this market.

New Zealand currently attracts a 13% market share of Australasian arrivals - there is clearly an opportunity to increase our share.

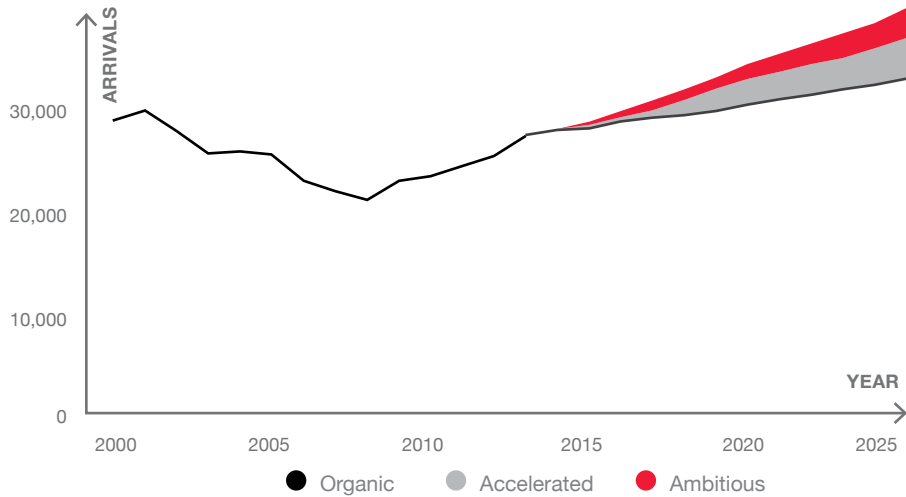
Interestingly over 60% of visitors from Hong Kong to New Zealand are repeat visitors, almost 20% more than other mature Asia markets like Japan 41%, Korea 26%, Singapore 49%. Therefore the proposition

resonates with visitors, but New Zealand's share of voice may need to increase.



- POP 2013: 7,204,000
- POP 2025: 7,743,000
- POP 2025 Growth: 7.48%
- GDP Growth (YOY): 3.8%

Potential visitor arrivals



### Drivers

- Closely tied to Chinese prosperity
- Re-orientation of carrier capacity from Europe towards Asia Pacific

### 2025 Organic

Forecast visitor arrivals	33,410
Average annual growth	1.46%
Forecast market share	0.80%
Forecast visitor spend	\$103m

### 2025 Accelerated

Forecast visitor arrivals	37,432
Average annual growth	2.42%
Forecast market share	0.82%
Forecast visitor spend	\$116m

### Ambitious

Forecast visitor arrivals	40,456
Average annual growth	3.09%
Forecast market share	0.78%
Forecast visitor spend	\$126m

## Outlook for our markets cont...

### PHILIPPINES 2025

With a population of 119 million by 2025 and GDP growth of nearly 6% per year, the Philippines offers significant market development potential.

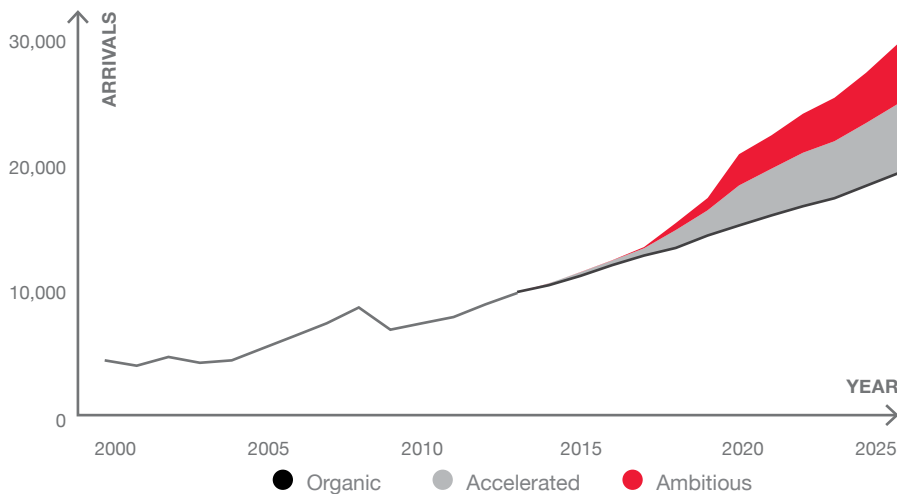
Currently New Zealand attracts only 10,000 visitor arrivals or 11% of the total 82,000 arrivals to Australasia in 2013. There is clearly a significant opportunity to grow market share. With organic growth the market is anticipated to increase to 20,000 arrivals, but with further development of air connections the market could be stimulated to over 30,000 by 2025. Further stimulation would be available with the introduction of market development and promotional programmes.

High Net Worth Individuals are anticipated to grow by 60% over the next decade and therefore offer opportunities to develop products for the high value end of the market.



- POP 2013: 98,394,000
- POP 2025: 119,219,000
- POP 2025 Growth: 21.16%
- GDP Growth (YOY): 5.9%

#### Potential visitor arrivals



#### Drivers

Strong growth in gross domestic product

New air capacity development



#### 2025 Organic

Forecast visitor arrivals	<b>20,075</b>
Average annual growth	<b>5.61%</b>
Forecast market share	<b>0.48%</b>
Forecast visitor spend	<b>\$49m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>25,565</b>
Average annual growth	<b>7.76%</b>
Forecast market share	<b>0.56%</b>
Forecast visitor spend	<b>\$62m</b>



#### Ambitious

Forecast visitor arrivals	<b>30,279</b>
Average annual growth	<b>9.29%</b>
Forecast market share	<b>0.59%</b>
Forecast visitor spend	<b>\$74m</b>



## Outlook for our markets cont...

### TAIWAN 2025

The Taiwanese market blossoms again. The market is back on trend supported by the Visa waiver programme and growing air capacity.

Outbound departures from Taiwan have been strong with 8% growth in 2013 to over 11 million departures.

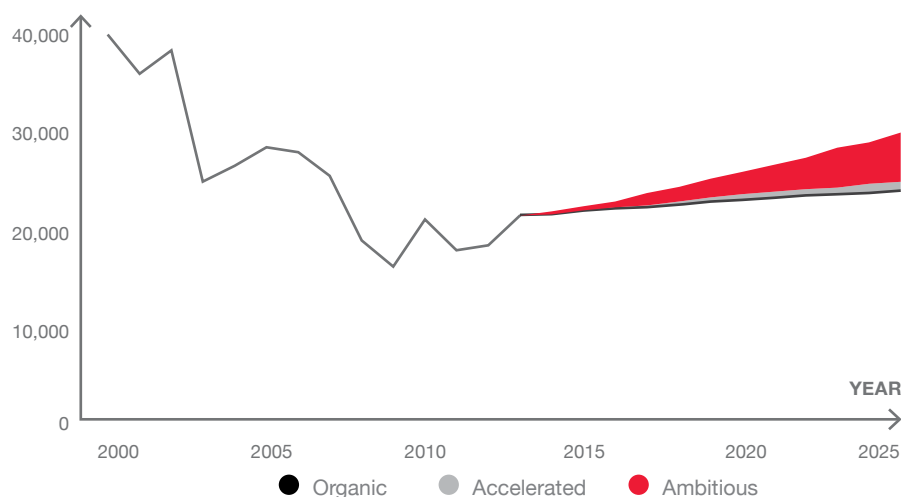
Taiwan's economic growth is closely linked to China and will benefit from growth in the region.

High Net Worth Individuals are expected to grow by 50% over the next decade and provide a significant opportunity to target.



- POP 2013: 23,381,000
- POP 2025: 23,656,000
- POP 2025 Growth: 1.18%
- GDP Growth (YOY): 4.0%

### Potential visitor arrivals



#### Drivers



Economy is closely linked to China

Increasing demand for outbound travel



#### 2025 Organic

Forecast visitor arrivals	<b>24,129</b>
Average annual growth	<b>0.86%</b>
Forecast market share	<b>0.58%</b>
Forecast visitor spend	<b>\$55m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>25,116</b>
Average annual growth	<b>1.20%</b>
Forecast market share	<b>0.55%</b>
Forecast visitor spend	<b>\$57m</b>



#### Ambitious

Forecast visitor arrivals	<b>30,152</b>
Average annual growth	<b>2.75%</b>
Forecast market share	<b>0.58%</b>
Forecast visitor spend	<b>\$69m</b>

## Outlook for our markets cont...

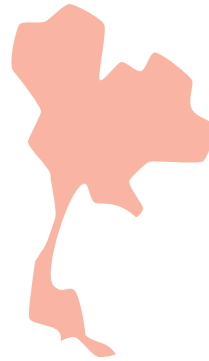
### THAILAND 2025

Economic growth in Thailand has been rising rapidly since 2000 and bounced back sharply from the Global Financial Crisis. Growth going forward is dependent on export recovery and strength in private demand.

Thailand ranked as the seventh most “consumer confident” market in the 2013 Nielsen Global Survey of Consumer Confidence and Spending.

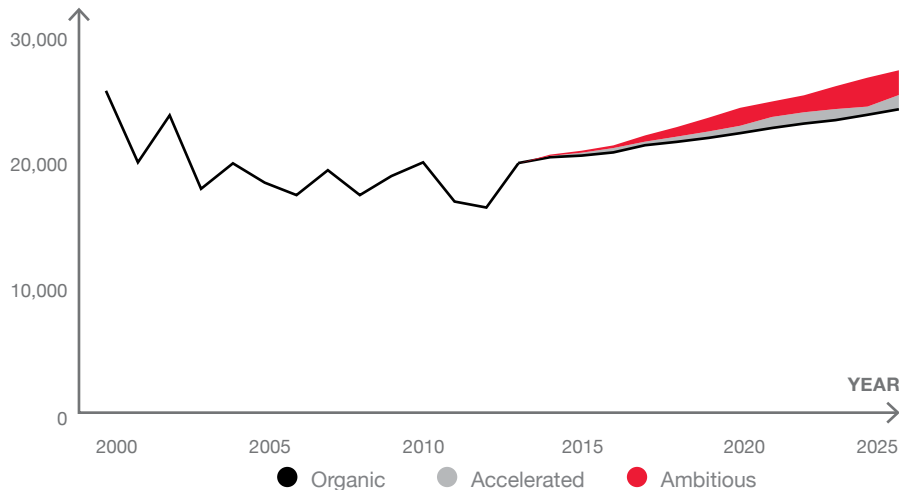
Given its close economic ties with China and strong economic growth in the years since 2000, the potential for sustained growth is present.

New Zealand currently attracts 20,000 Thai visitors per year, with the potential to grow to over 28,000 by 2025, representing nearly 37% growth between 2013 and 2025.



- POP 2013: **67,011,000**
- POP 2025: **67,900,000**
- POP 2025 Growth: **1.33%**
- GDP Growth (YOY): **4.4%**

#### Potential visitor arrivals



#### Drivers

- Strong economic performance
- Export recovery and strength in private demand
- Air capacity



#### 2025 Organic

Forecast visitor arrivals	<b>24,910</b>
Average annual growth	<b>1.55%</b>
Forecast market share	<b>0.60%</b>
Forecast visitor spend	<b>\$44m</b>



#### 2025 Accelerated

Forecast visitor arrivals	<b>26,311</b>
Average annual growth	<b>2.02%</b>
Forecast market share	<b>0.57%</b>
Forecast visitor spend	<b>\$46m</b>



#### Ambitious

Forecast visitor arrivals	<b>28,253</b>
Average annual growth	<b>2.62%</b>
Forecast market share	<b>0.55%</b>
Forecast visitor spend	<b>\$50m</b>

## About these forecasts

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Tourism is one of the world's largest industries. The competitive environment is constantly evolving as new destinations emerge, marketing budgets increase, policies change, markets open and aviation technologies and business models evolve.

Markets will naturally ebb and flow as the competitive environment changes. However in the early years of this century there has been a significant global shift in economic power towards Asia.

The forecasts in Ambition 2025 have been developed by Auckland Airport in conjunction with tourism and aviation consultants. The forecasts provide insight as to where we see the market opportunity for New Zealand.

We believe there is further market potential through the development of strategies to influence a step change in demand, supported by strategies which improve the supply of sustainable air capacity.



