Cook Islands Visitor Survey

Annual Report

July 2017 - June 2018

Prepared for Cook Islands Tourism Corporation

by

New Zealand Tourism Research Institute
Auckland University of Technology

www.nztri.org

October 2018

EXECUTIVE SUMMARY

This report focuses on the characteristics, expectations and expenditure patterns of tourists who visit the Cook Islands. The data presented is drawn from the online international visitor survey (IVS) that has run since mid-2012. The survey period covered in this report is 1 July 2017 to 30 June 2018. There were 3,427 individual respondents to the survey - representing a total of 6,753 adults, and an additional 1,059 children (the latter figures equate to 4.7% of all visitors during the period – based on visitor arrival data from Cook Islands Statistics Office).

The majority (62%) of visitors surveyed come from New Zealand, 16% come from Australia. Visitors are well educated (69% have some form of tertiary education) and nearly half (48%) have a household income of over NZ$100,000 per year. Nearly half (45%) of the visitors surveyed are travelling with just one companion. Solo travellers are relatively rare (12%). More than half of the visitors surveyed (59%) are on their first visit to the Cook Islands, a further 24% have visited once or twice before. The main purpose of visit is holiday-making (76%). The average length of stay in the Cook Islands is 8.4 nights. The vast majority of visitors (95%) stay either one or two weeks. One in five (20%) visitors travel to Aitutaki.

The survey results for this year are generally consistent with the survey results for the 2016-2017 annual period. The consistency in the responses is an indication of the robustness of the dataset. Visitor spend prior to arrival in the Cook Islands ($1,967) has decreased slightly from the 2016-2017 annual average figure ($2,042 per person), and visitors spend in the country ($149 per person per day) has also decreased marginally from the 2016-2017 annual average figure ($150 per person per day).

Overall satisfaction on the part of visitors is very high and remains consistent with the previous year: 93% of visitors felt satisfied or very satisfied with their experience in the Cook Islands. Visitor satisfaction with the friendliness of Cook Islanders people and the overall level of service is high. Water-based activities are characterised by the strongest participation levels, while cultural activities and land-based activities are generally characterised by the highest overall satisfaction ratings. The most appealing elements of the Cook Islands experience are the beautiful natural environment, the friendly local people, and the peacefulness and relaxing atmosphere of the destination. The least appealing elements of the Cook Islands visitor experience are the poor provision and quality of public services and facilities, price of goods and services, and stray animals and mosquitos.

The future intentions of visitors remained very similar to the previous year: 93% of those surveyed want to return to the Cook Islands and 97% would recommend the Cook Islands to friends or family.

Acknowledgements

NZTRI would like to acknowledge the support of numerous Cook Islands organisations in undertaking this ongoing research, and in particular Cook Islands Tourism (special mention to Metua Vaiimene and Jake Numanga), the Cook Islands Statistics Office, Immigration Cook Islands, and Rarotonga International Airport. This report was prepared by Simon Milne, Caroline Qi, Mindy Sun, and Birthe Bakker.

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INTRODUCTION

This report focuses on the characteristics, satisfaction levels and expenditure patterns of international tourists who visit the Cook Islands. The data presented is drawn from the ongoing online International Visitor Survey (IVS). The survey period covered by this report is 1 July 2017 to 30 June 2018.

The annual report is designed to provide an easily accessible summary of the key findings that have emerged from the four quarterly reports produced during the July 2017 – June 2018 period **(Qtr 1 July –September 2017; Qtr 2 October – December 2017; Qtr 3 January – March, 2018; Qtr 4 April – June, 2018)**. Each of these previous quarterly reports provides a more detailed overview of findings. During the 12 month period 24,314 visitors were contacted by email to take part in the survey, and 3,427 responses were received: the conversion rate was 14% (Table 1). This rate was slightly lower than year 2016/17 (24%) and reflects some challenges in receiving timely email transcriptions during some parts of the year, an issue that has now been largely resolved.

Table 1: Conversion rate cross 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Total/Average
Emails sent	4318	7333	4052	8611	**Total: 24314**
Respondents	688	1087	493	1159	**Total: 3427**
Conversion rate	16%	15%	12%	13%	**14%**

The report focuses on the following themes:

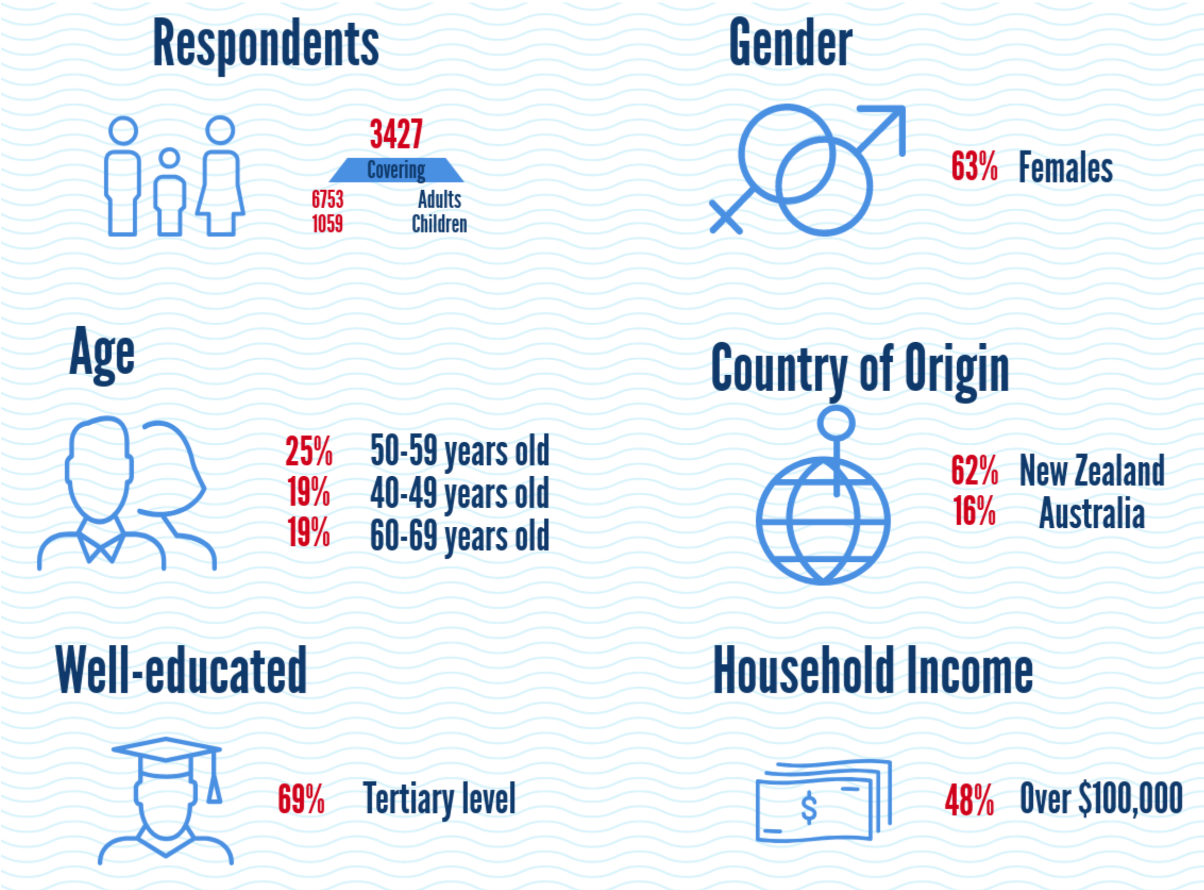
- The characteristics of visitors to the Cook Islands (age, gender, education, country of origin, income, purpose of visit, travelling companions, number of previous visits, length of stay, airline used, and islands visited).
- Visitor expenditure (amount of money spent prior to arrival and while in the Cook Islands, spending patterns).
- Visitor satisfaction (most and least appealing aspects of visit, overall satisfaction levels).

In each section of the report we provide a simple 'infographic' that summarises some of the key highlights for the 2017-2018 survey period. More detailed tables are also provided where appropriate.

VISITOR CHARACTERISTICS

There were 3,427 individual respondents to the survey - representing in the expenditure analysis a total of 6,753 adults and an additional 1,059 children (Figure 1). We estimate that this latter figure equates to 4.7% of all visitors during the period – based on visitor arrival data from the Cook Islands Statistics Office.

Figure 1: Summary of visitor demographics 2017-18



The distribution of respondents by age and gender is consistent throughout the year. As is typical with online visitor survey research there is some bias towards female respondents (63%) (Table 2). Nearly half of the visitors (44%) are aged between 40 and 59 years, with a further 19% falling into the 60-69 age group.

The New Zealand and Australian markets dominate in terms of visitor arrivals but there are variations through the year (Table 2). The majority of visitors surveyed (62% annual average) are from New Zealand. The Australian market makes up 16% of annual visitors. Visits by New Zealanders dropped during the January - March (3rd Qtr) period which coincides with the country's summer holiday season. During the same period, European and North American visitors are at their most prominent as they escape the Northern hemisphere winter months.

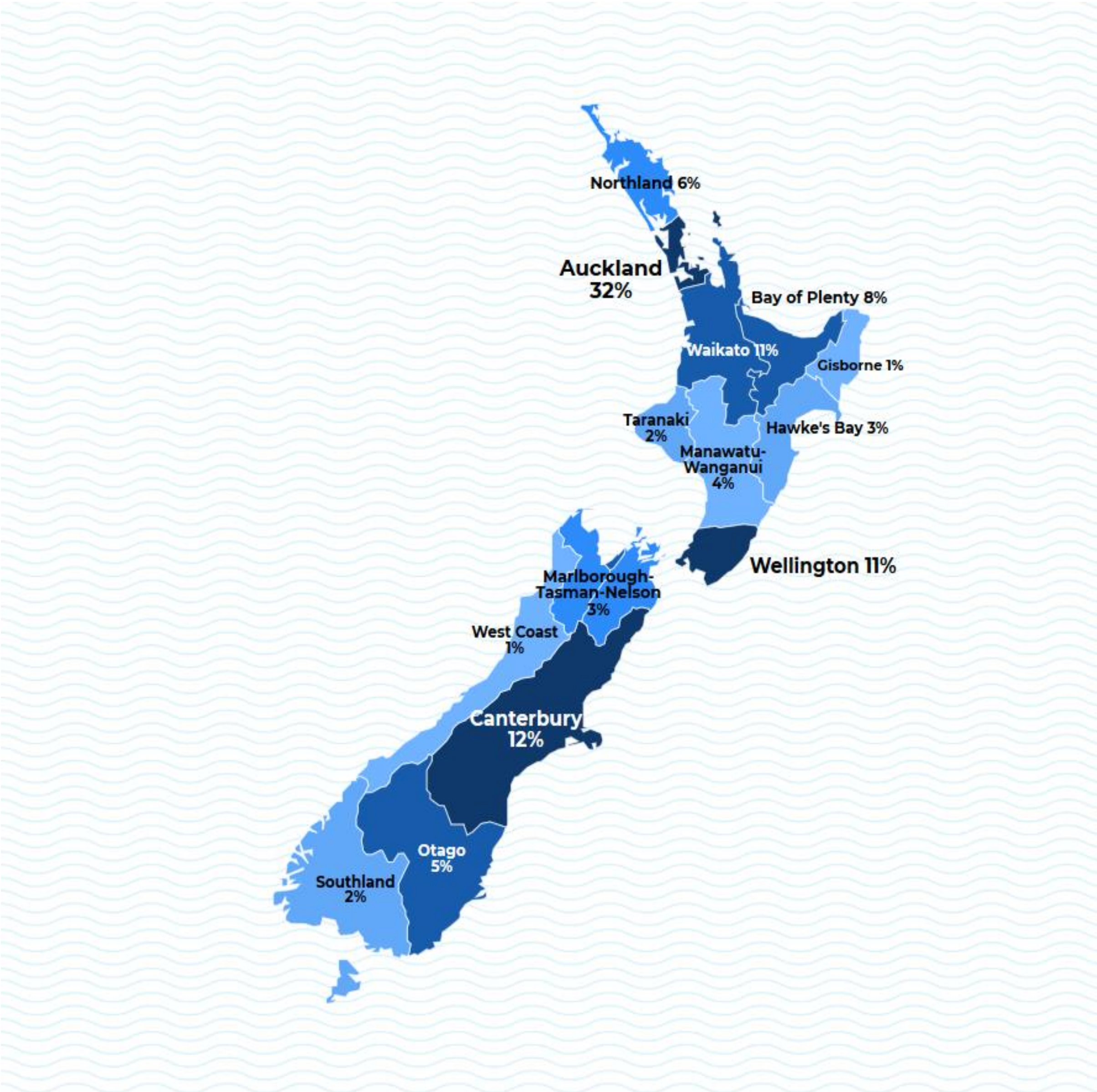
Visitors are well educated with over two thirds of respondents having some form of tertiary education. Nearly half (48%) of all visitors have household incomes of over NZ$100,000 (Table 2).

Table 2: Demographics across 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Total/Average
Respondents	688	1087	493	1159	**Total: 3427**
People covered in spend analysis ***Adults:*** ***Children:***	 1461 152	 2104 381	 927 162	 2261 364	 **Total: 6753 adults** **1059 children**
Gender ***Female:***	 64%	 61%	 63%	 62%	 **63%**
Age ***30-39 year old:*** ***40-49 year old:*** ***50-59 year old:*** ***60-69 year old:***	 16% 20% 25% 18%	 16% 19% 27% 19%	 17% 16% 23% 20%	 17% 20% 24% 18%	 **17%** **19%** **25%** **19%**
Country of origin ***NZ:*** ***Australia:*** ***USA/Canada:*** ***Europe:***	 68% 18% 8% 4%	 72% 11% 9% 5%	 51% 15% 24% 10%	 59% 19% 10% 9%	 **62%** **16%** **12%** **7%**
Education ***Tertiary level:***	 65%	 70%	 73%	 70%	 **69%**
Household income ***Under $100,000:*** ***$100,001-200,000:*** ***Over $200,001:***	 60% 33% 8%	 50% 40% 10%	 47% 38% 16%	 53% 36% 11%	 **52%** **37%** **11%**

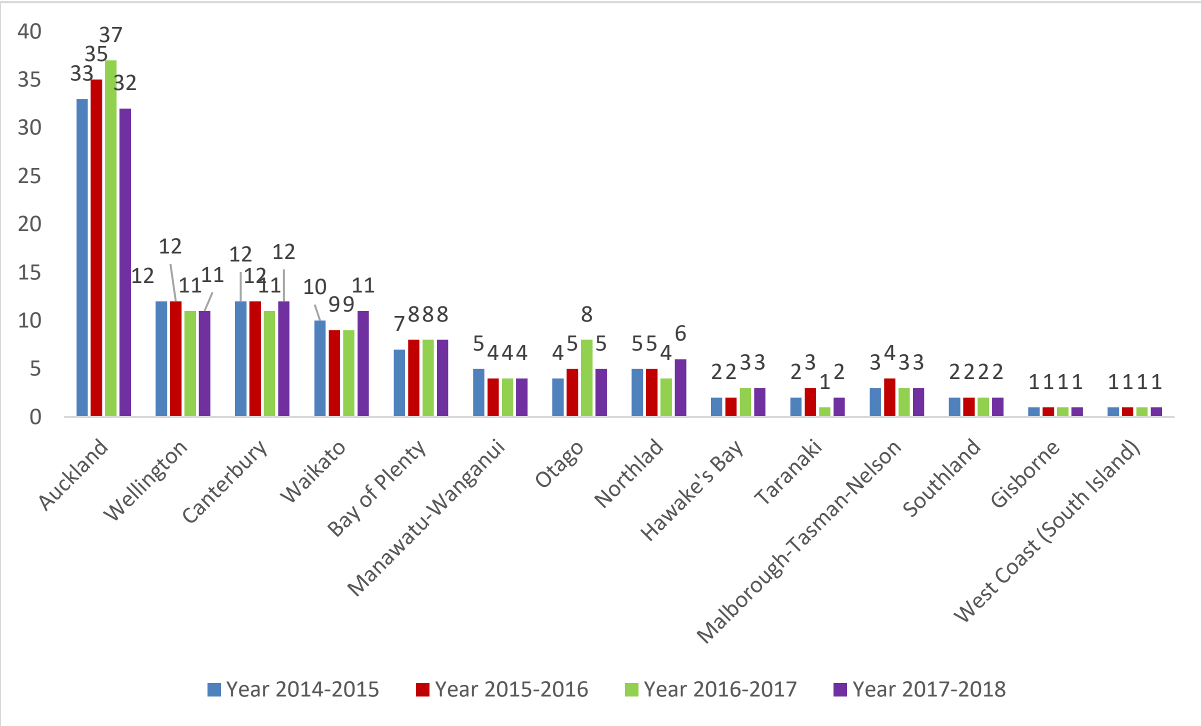
Visitors from New Zealand and Australia are given the opportunity to indicate which part of the country they reside in. Of the New Zealand visitors, nearly a third came from Auckland, followed by Canterbury, Waikato, and Wellington (Figure 2).

Figure 2: New Zealand visitors 2017-18



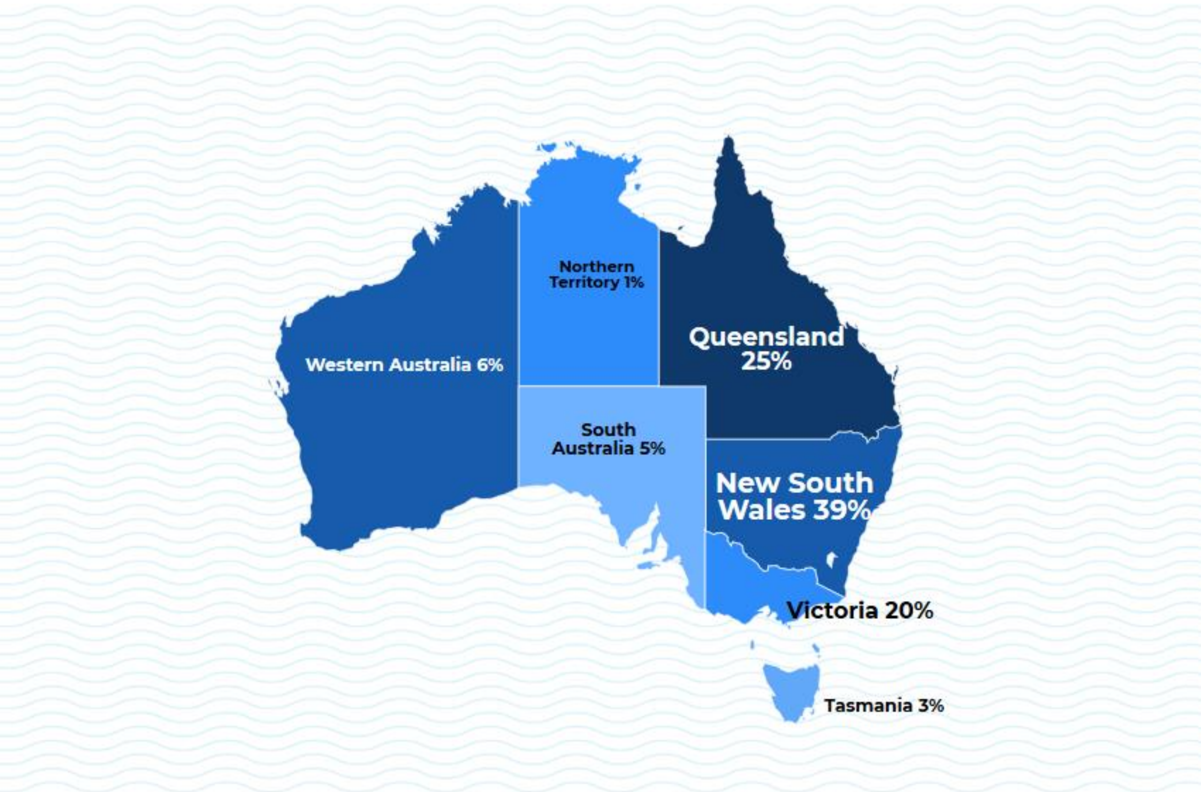
These figures are relatively consistent with the survey findings from the previous three annual reports (Figure 3).

Figure 3: Visitors from New Zealand - yearly breakdown



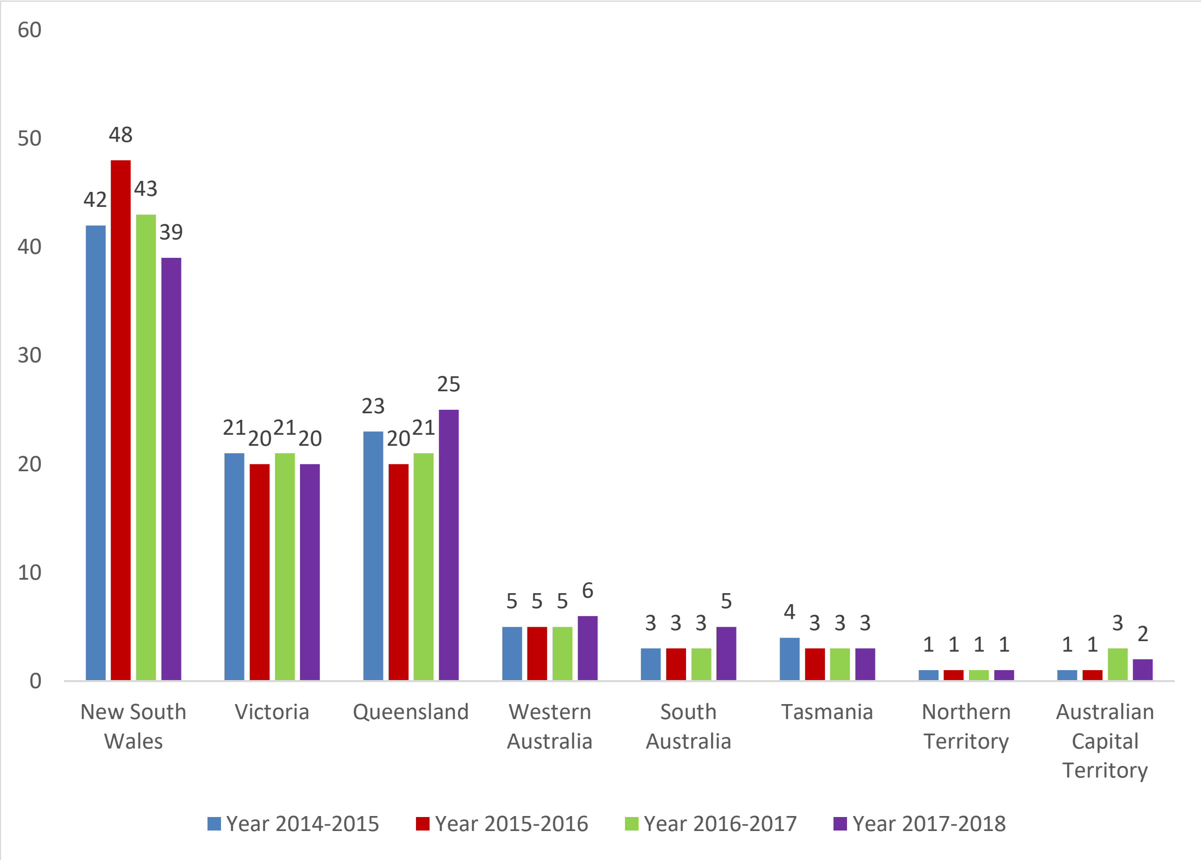
New South Wales (NSW), Queensland, and Victoria account for the majority (83%) of the Australian visitor arrivals to the Cook Islands during the 2017-2018 survey period (Figure 4).

Figure 4: Australian visitors 2017-18



Compared to previous years, there is a slight decrease in the relative number of visitors from NSW during 2017-18 and an increase in Queensland based arrivals (Figure 5).

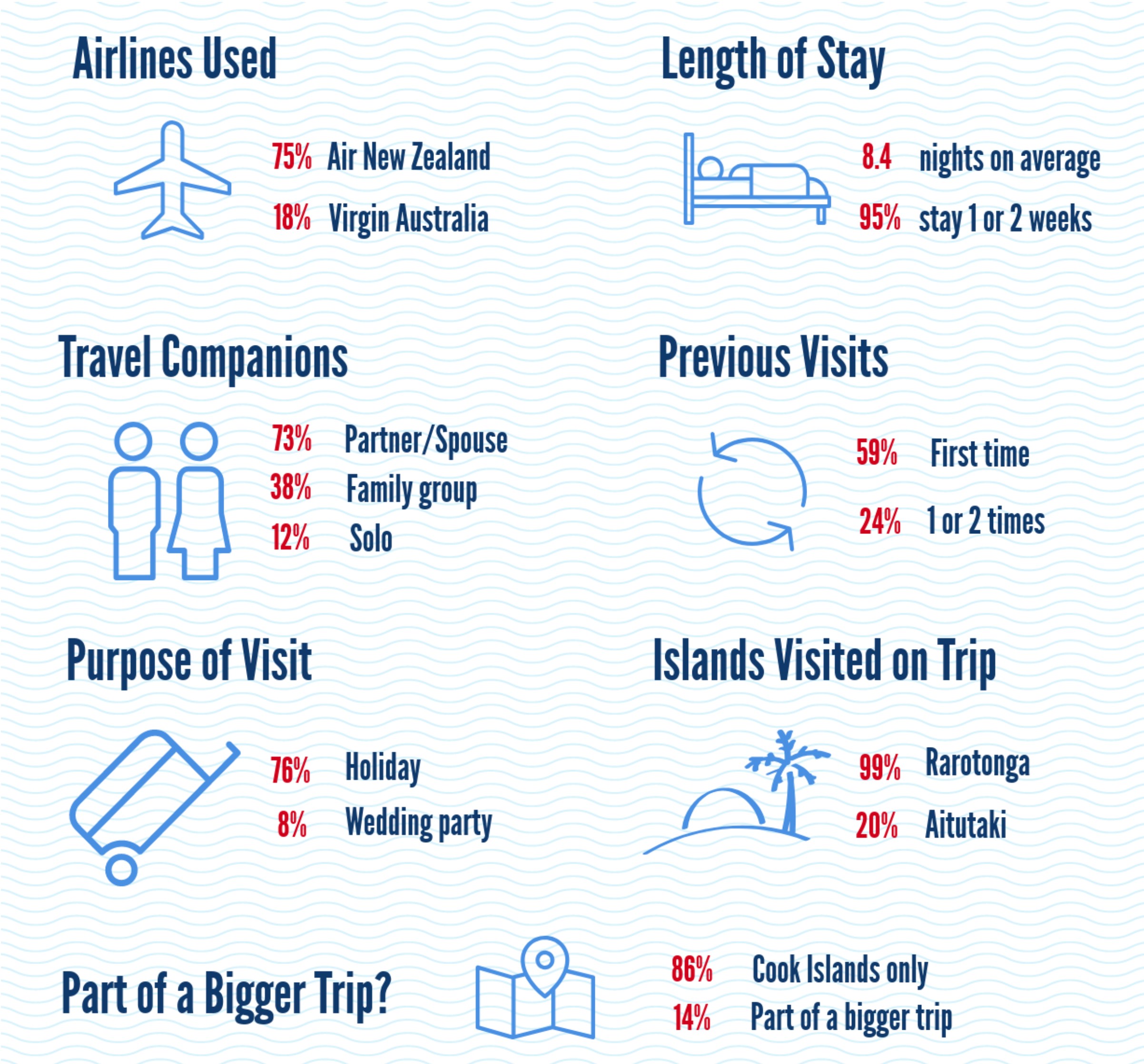
Figure 5: Visitors from Australia - yearly breakdown



Air New Zealand is the most commonly flown airline to Rarotonga (75%) with Virgin Australia capturing 18% of the market (Figure 6). Virtually all visitors spend time on Rarotonga, with one fifth (20%) visiting Aitutaki. Of the smaller Islands, only 1% of visitors went to Atiu, with other outer islands attracting an even small percentage.

A sizeable portion of visitors (59%) were on their first visit to the Cook Islands, with a further 24% having visited once or twice before. Compared with 2016-17 (25%), there is a slight downward trend in the proportion of repeat visitors. New Zealanders are the most likely to be repeat visitors – with 53% of respondents having visited at least once before.

Figure 6: Summary of visit characteristics 2017-18



The majority of visitors (55%) spend 1 week in the Cook Islands with a further 39% staying a second week (Table 3). Only 5% of respondents spend longer than 2 weeks. The average length of stay over the 12 month period was 8.4 nights – with little variation across the four quarters.

When asked for their main purpose of visit the majority of respondents (76%) classify themselves as holiday makers. Participation in a wedding party represents the major purpose of visit for a further 8% of those surveyed.

The Cook Islands represent the only travel destination on this particular trip for 86% of the visitors. For 14% of visitors the Cook Islands is part of a larger trip, which includes other destinations such as New Zealand (77%), Australia (29%), Asia (24%), North America (21%), and other Pacific Islands (14%).

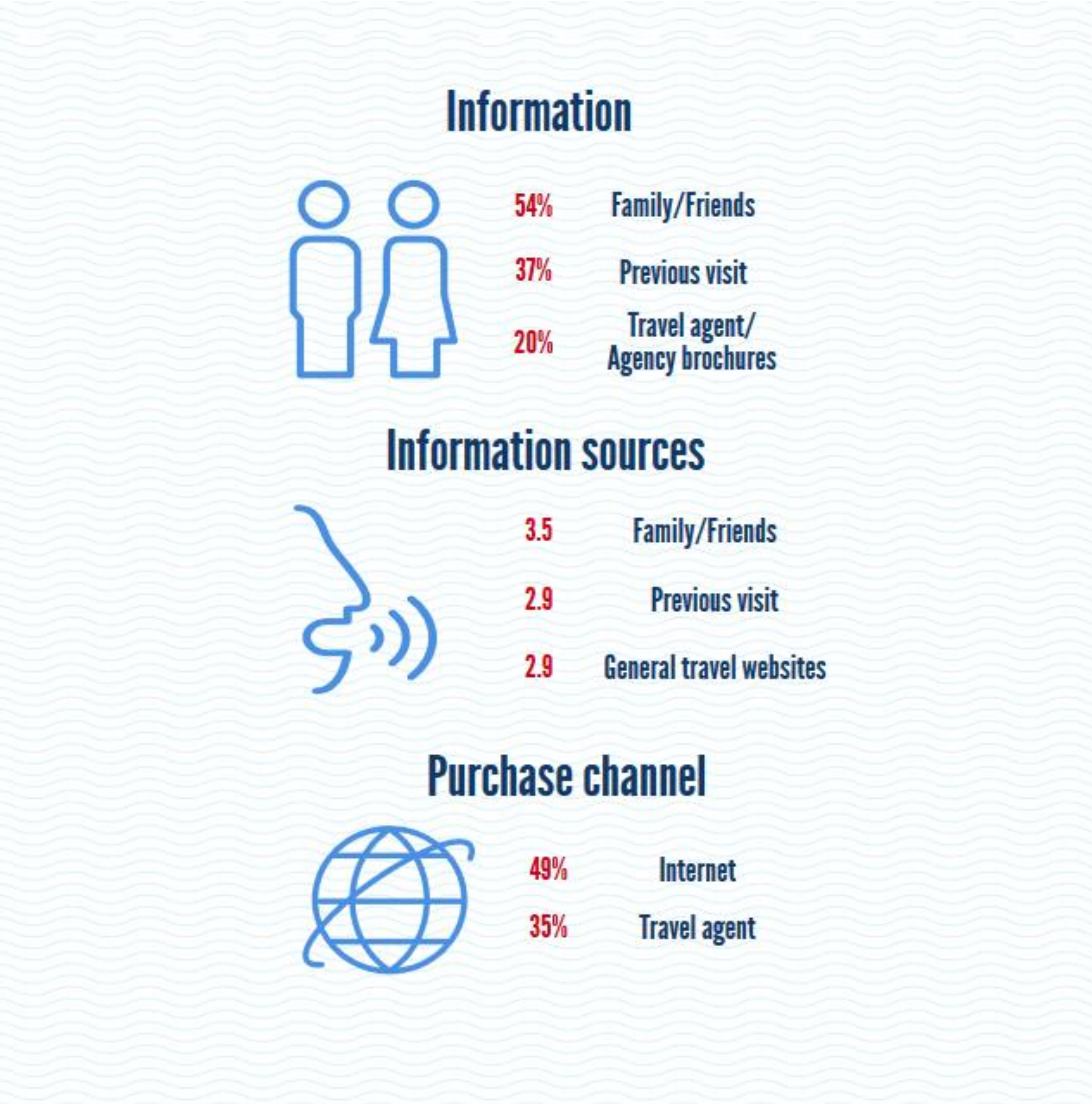
Table 3: Visit characteristics cross 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Airlines used					
Air NZ:	75%	81%	69%	76%	**75%**
Virgin Australia:	17%	14%	24%	16%	**18%**
Companions					
1 companion:	45%	43%	51%	42%	**45%**
Solo:	11%	11%	12%	13%	**12%**
Visits to Cook Islands					
1st trip:	58%	57%	61%	61%	**59%**
1-2 previous trips:	27%	26%	22%	22%	**24%**
Previous visits					
1-2 times:	NZ 34% AU 17%	NZ 32% AU 18%	NZ 29% AU 16%	NZ 28% AU 19%	**NZ 31% AU 18%**
3-4 times:	NZ 10% AU 4%	NZ 11% AU 3%	NZ 10% AU 8%	NZ 11% AU 4%	**NZ 10% AU 5%**
5+ times:	NZ 9% AU 5%	NZ 11% AU 6%	NZ 13% AU 8%	NZ 14% AU 2%	**NZ 12% AU 5%**
Travelling with who?					
Partner/spouse:	77%	71%	72%	73%	**73%**
Family group:	34%	40%	36%	43%	**38%**
Purpose of travel					
Holidaymakers:	75%	82%	70%	77%	**76%**
Wedding party:	9%	7%	8%	10%	**8%**
Honeymoon:	4%	3%	7%	4%	**4%**
Business:	2%	2%	3%	3%	**3%**
Length of stay					
Average nights:	8.2	8.2	8.8	8.3	**8.4**
Within 1 week:	56%	56%	56%	54%	**55%**
1week to 2 weeks:	40%	39%	36%	42%	**39%**
Islands visited on trip					
Rarotonga:	99%	99%	99%	99%	**99%**
Aitutaki:	21%	19%	19%	21%	**20%**
Atiu:	1%		2%	1%	**1%**
Is Cooks visit part of a larger trip?					
Cooks only:	91%	87%	82%	84%	**86%**
Part of a larger trip:	9%	13%	18%	16%	**14%**

INFORMATION SOURCES & PURCHASING BEHAVIOUR

Participants were asked how they had found out about the Cook Islands as a holiday destination, and to rank the three sources of information that were most important in this respect (Figure 8). Over half (54%) of respondents ranked word of mouth from friends and family members as the most important influence, followed by previous experience (37%), and travel agents (20%).

Figure 7: Information sources and purchasing behaviour across 2017-18



When visitors were asked to rank the importance of the listed information sources used to plan their trip, friends and family members emerged as the most important source (3.5 out of 5) (Table 4). Other important information sources are general travel websites (2.9), and previous visits (2.9). Nearly half of visitors surveyed (49%) make their own travel arrangements through online websites or have booked directly with hotels or airlines. A smaller number of visitors surveyed (35%) purchased a pre-paid trip through travel agents.

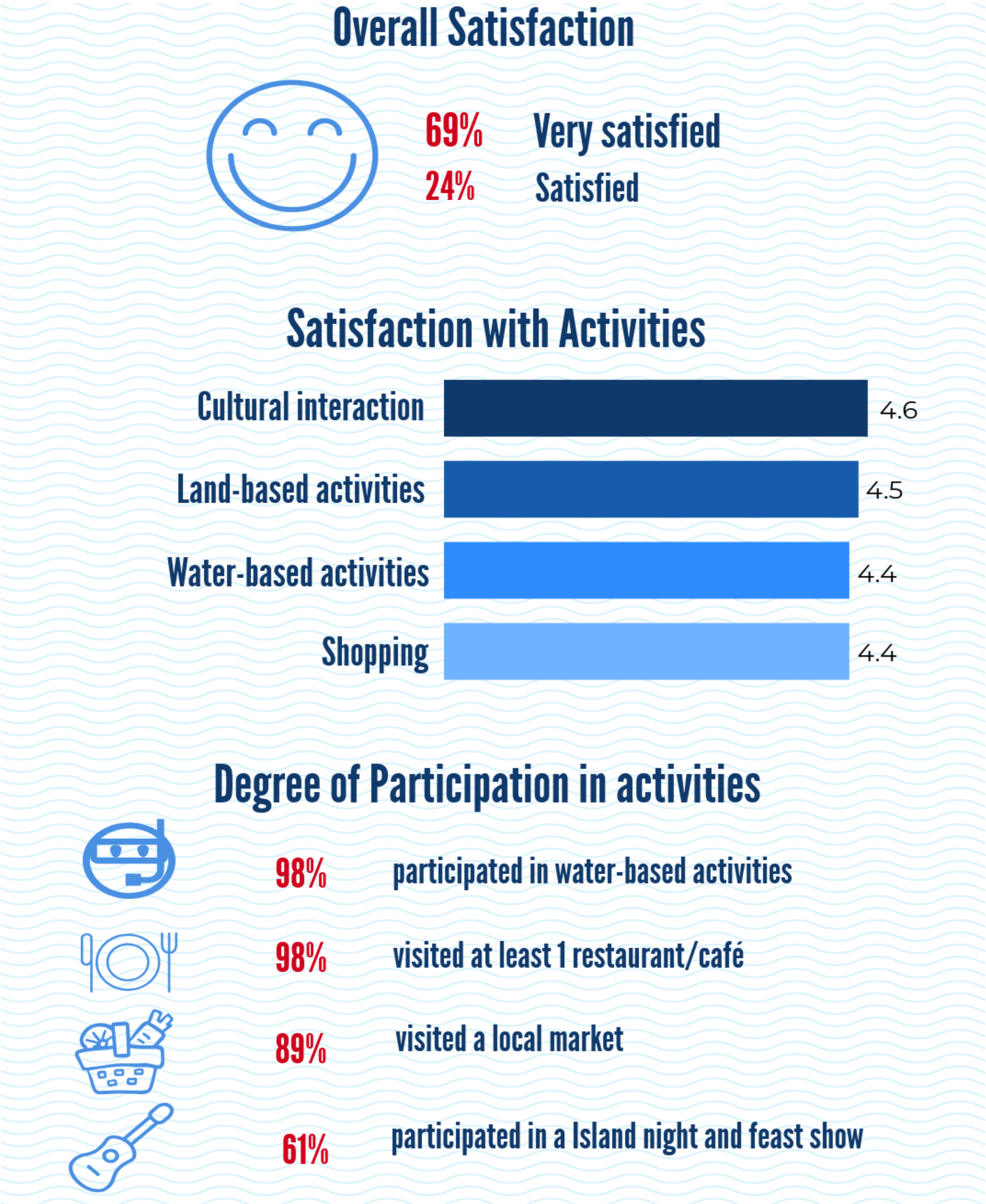
Table 4: Information sources and purchasing behaviour cross 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Find out about the Cook Islands					
Friends/family:	58%	54%	49%	55%	**54%**
Previous visits:	39%	39%	34%	36%	**37%**
Travel agent/agency brochures	21%	20%	20%	18%	**20%**
Information sources for planning					
Friends/family:	3.7	3.6	3.3	3.6	**3.5**
General travel websites:	3.2	3.1	2.2	3.2	**2.9**
Previous visits:	3.0	3.0	2.9	2.9	**2.9**
Purchase / booking					
I made my own:	47%	48%	48%	54%	**49%**
Through travel agent:	40%	38%	33%	31%	**35%**

VISITOR SATISFACTION

Over two thirds (69%) of the visitors said they were 'very satisfied' with their overall experience in the Cook Islands (on a scale from 1 'very dissatisfied' to 5 'very satisfied'). A further 24% indicated they were satisfied (Figure 9).

Figure 8: Visitor satisfaction 2017-18



Visitor satisfaction is generally high for all activities undertaken (Table 5). Visitors enjoy water-based activities, with almost everyone participating in some sort of beach based activity (98% beach, 94% swimming, 85% snorkelling). Nearly all of visitors (98%) visit at least one restaurant/bar/café during their stay in the Cook Islands. The local markets and Island Night shows are also enjoyed by the majority of visitors (89% and 61% respectively).

Table 5: Satisfaction across 1-4 quarters

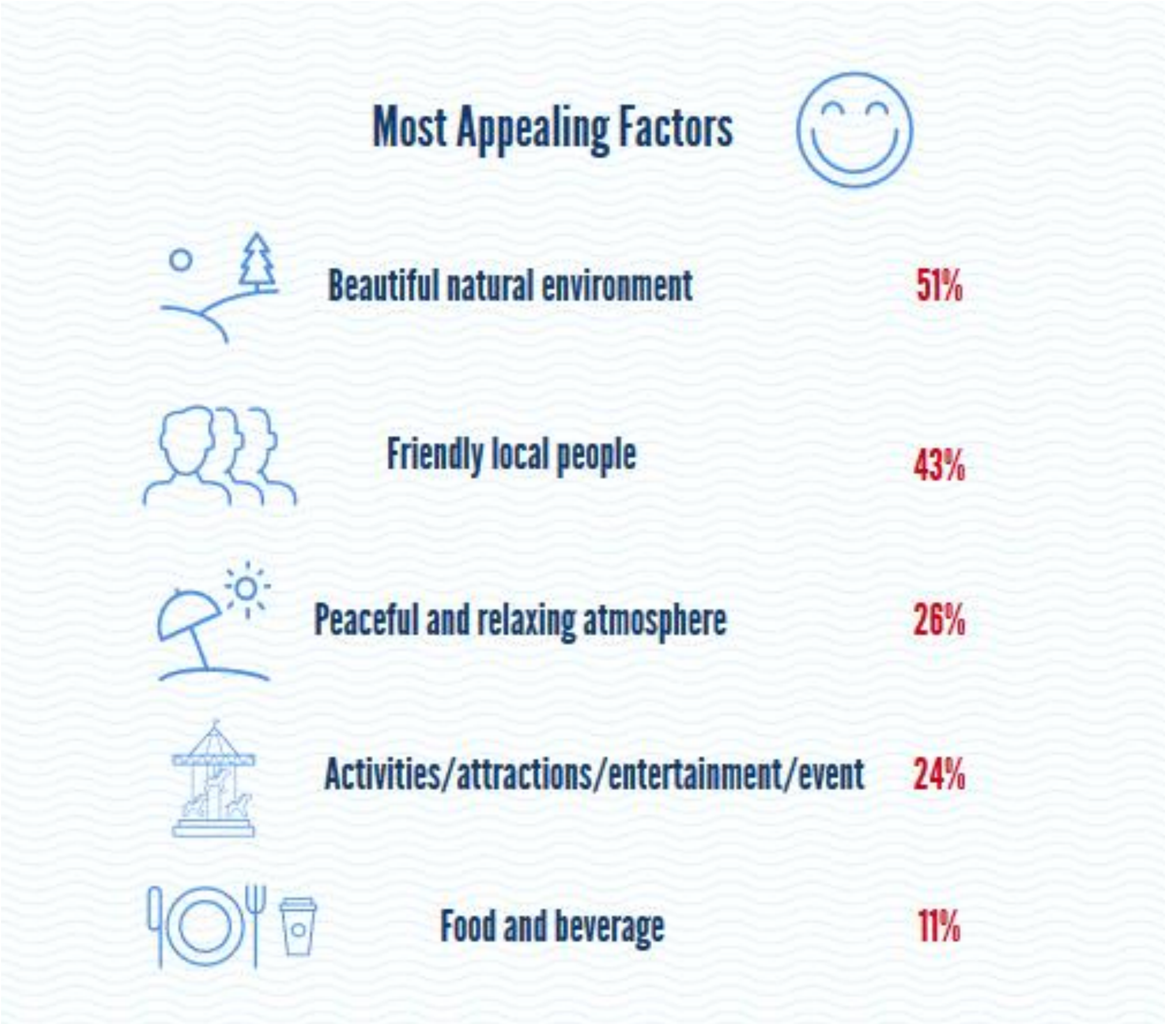
Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Overall satisfaction					
Very satisfied:	70%	71%	69%	67%	**69%**
Satisfied:	23%	23%	25%	25%	**24%**
Satisfaction with activities	Water-based, cultural interaction, land-based and shopping: all have high satisfaction levels (greater than 4 out of 5)				
Water-based:	4.3	4.5	4.4	4.4	**4.4**
Cultural interaction:	4.6	4.6	4.6	4.6	**4.6**
Land-based:	4.5	4.5	4.5	4.5	**4.5**
Shopping:	4.4	4.4	4.4	4.3	**4.4**
Degree of participation in activities	**Almost everyone participated in water-based activities and visited at least 1 restaurant/café**				
Visit local market:	90%	88%	89%	88%	**89%**
Island night & feast show:	62%	59%	62%	60%	**61%**
Lowest participation:	Bonefishing, Kitesurfing, Tumunu on Atiu, Whale Watching				
Satisfaction with different aspects of service in Cooks	**Friendliness of local people – highly rated (out of 5)**				
Friendliness of local people:	4.8	4.8	4.8	4.7	**4.8**
	Lowest levels of satisfaction: The experience of using public transport, the cost of accommodation, the quality of accommodation, and the experience of renting a vehicle (although none was below 4 out of 5)				
Public transport:	4.1	4.2	4.1	4.2	**4.1**
Cost of accom:	4.1	4.1	4.0	4.1	**4.1**
Quality of accom:	4.3	4.2	4.2	4.2	**4.2**
Rent a vehicle:	4.1	4.2	4.3	4.3	**4.2**

Visitors were asked to rate their level of satisfaction with nine different statements that related to their most recent visit to the Cook Islands. Friendliness of the local people scored the highest among all of the categories with 4.8 out of 5 (Figure 9, Table 5). The lowest levels of satisfaction relate to the cost and quality of accommodation (4.1/4.2), the experience of using public transport (4.1), and the experience of renting a vehicle (4.2). In no cases though do satisfaction scores fall below 4 out of 5. There is little variation in participation rates and satisfaction levels across the four quarters.

Visitors were given the opportunity to discuss in more detail the factors that they found most or least appealing about their most recent visit to the Cook Islands. We reviewed and categorised the responses – people could provide as many comments as desired (Figure 10, Table 5).

The beautiful natural environment consistently receives the highest rating in terms of appeal. Over half of all visitors (51%) who made a positive comment are enthusiastic about the 'untouched' and relatively pristine nature of both the marine and natural environments. Visitors also found the friendliness of the local people (43%) and the relaxing atmosphere that the Cook Islands has to offer (26%) very appealing.

Figure 9: Most appealing factors 2017-18



The percentage of tourists highlighting the three most significant areas of appeal remained relatively consistent across the 4 quarters (Table 6). These figures remain similar to the levels registered during 2016/17.

Table 6: Most appealing factors across 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Beautiful natural environment	48%	51%	56%	46%	**51%**
Friendly local people	46%	41%	45%	42%	**43%**
Peaceful and relaxing atmosphere	29%	28%	29%	22%	**26%**
Activities/attractions/entertain-ment/events	23%	21%	23%	27%	**24%**
Food and beverage	12%	12%	12%	9%	**11%**
Convenience & safety	6%	6%	6%	4%	**5%**
Accommodation	5%	4%	4%	4%	**4%**
Overall good experience	3%	3%	3%	4%	**3%**

Visitors were also asked to comment on the least appealing aspects of their most recent visit to the Cook Islands (Figure 11, Table 7).

Figure 10: Least appealing factors 2017-18

The key themes to emerge were a lack of public services and facilities (19%). Tourists also focused on the problems associated with the high prices of goods and services. Stray animals and mosquitos and environmental issues (pollution, rubbish) were also commented on.

Table 7: Least appealing factors across 1-4 quarters

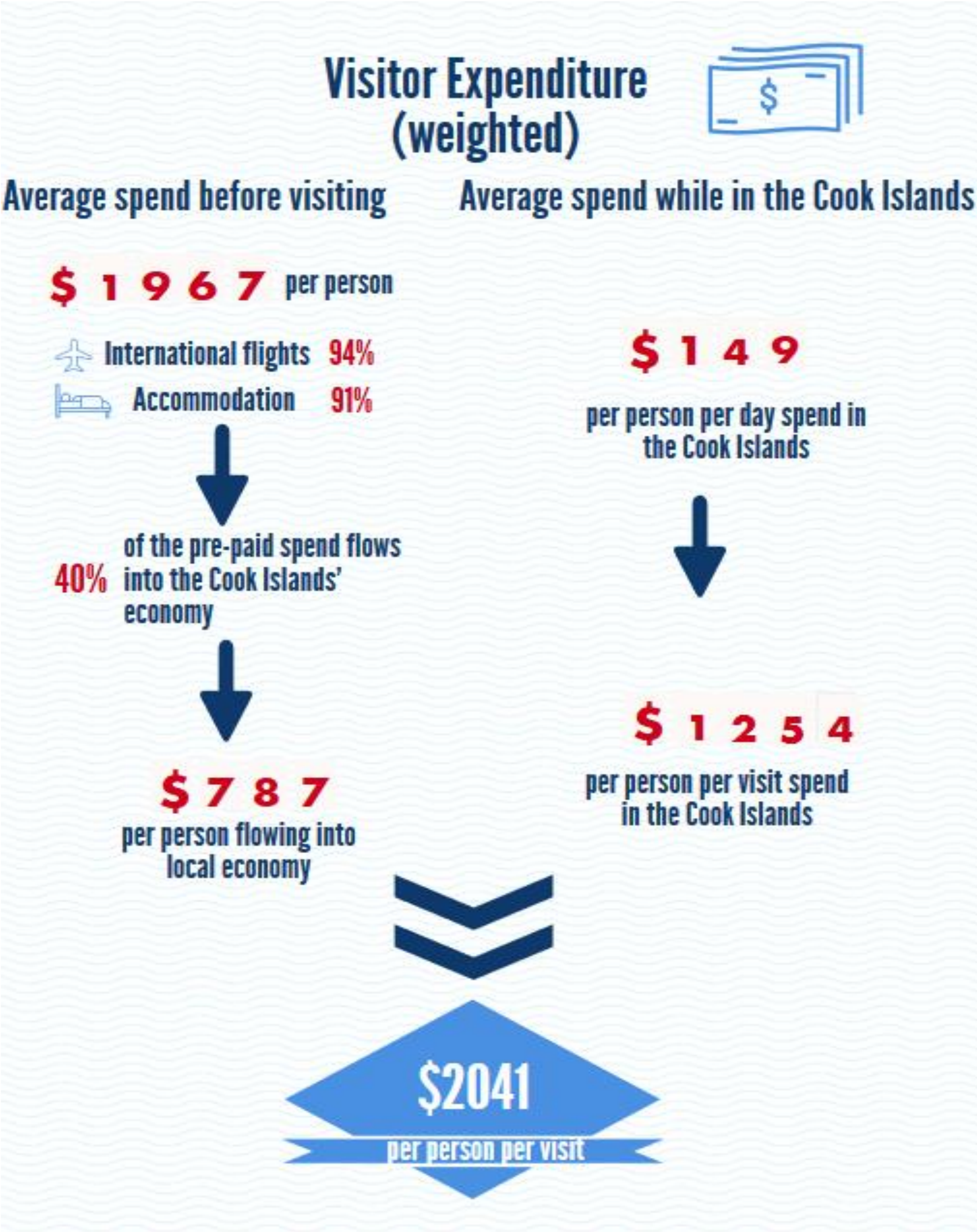
Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Public services, facilities and infrastructure	18%	15%	22%	19%	**19%**
Price of goods and services	13%	12%	13%	11%	**12%**
Stray animals and mosquitos	9%	11%	11%	10%	**11%**
Rubbish and natural environment care	12%	11%	10%	10%	**10%**
Food and Beverage	9%	10%	9%	9%	**9%**
Accommodation	11%	10%	10%	6%	**9%**
Attractions and activities	8%	9%	10%	4%	**8%**
Poor weather	7%	5%	6%	9%	**7%**
Customer Service	9%	4%	7%	4%	**5%**
Rental cars or scooters	5%	3%	3%	2%	**3%**
Flight related issues	4%	2%	5%	3%	**3%**

When compared to the annual data for the past three annual data periods (2014-17), there is reduction in negative comments about rubbish and natural environment care, food and beverage themes, and attractions and activities. Comments about public services and facilities have increased slightly.

VISITOR EXPENDITURE

In reviewing the economic impact of tourism on the Cook Islands economy this report focuses on two key components: money spent before arrival (on airfares and/or packages) and money spent once in the Cook Islands (excluding pre-paid spend) (Figure 12, Table 8).

Figure 11: Visitor expenditure 2017-18



Pre-paid spend is a significant contributor to the economic impact of tourism, with an average of NZ$1,967 being spent per visitor which is slightly lower than the average prepaid spend of 2016/17 (NZ$2,042) (Table 8). For the bulk of visitors this spend includes international airfares (94%) and accommodation (91%). Based on previous estimates we assume that approximately 40% of pre-paid spend (or NZ$787 per visit) makes its way back directly into the Cook Islands economy.

The amount of money spent by visitors whilst in the Cook Islands averaged NZ$149 per person per day for the 2017-18 period ($1,254 per visit). The local spend figure showed a stable trend throughout the year. The annual average for local spend per person per day is slightly lower than the figure for 2016/17 (NZ$150).

Table 8: Expenditure across 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Average spend before visiting (per person)	$1923	$1831	$2204	$1911	**$1967**
Pre-paid spend that flows into the local economy (per person)	40% of the pre-paid spend flows into the Cook Islands' economy				
	$769	$732	$882	$764	**$787**
Items included in spent prior to arrival ***Inter. Flights:*** ***Accom:***	 95% 92%	 94% 91%	 92% 89%	 93% 91%	 **94%** **91%**
Spend while in Cooks ***Whole trip:*** ***per person per day:***	 $1137 $138	 $1164 $142	 $1439 $163	 $1274 $153	 **$1254** **$149**
Total spend per visit flowing into the Cook Islands economy	$1906	$1896	$2321	$2038	**$2041**

Visitor yield decreased slightly from the first quarter to second quarters of 2017/18, and then bounced back in the third quarter, falling slightly in the final quarter (Figure 13 &14).

Figure 12: Average expenditure per visitor per day (NZ$)

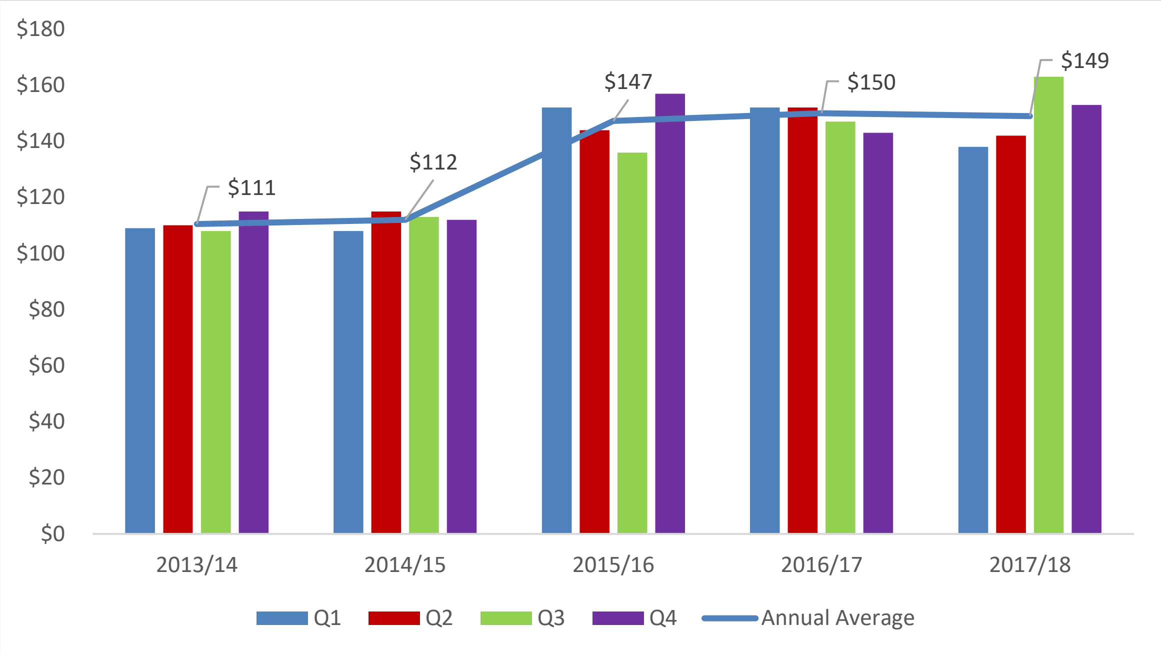
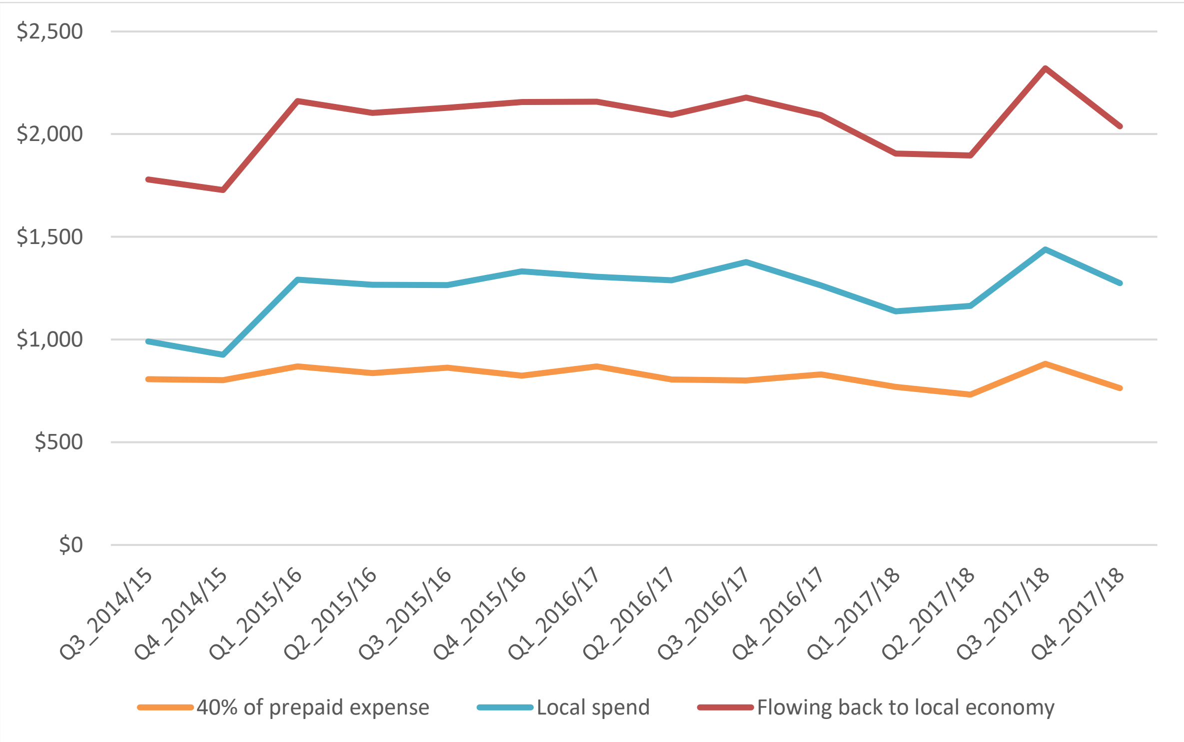
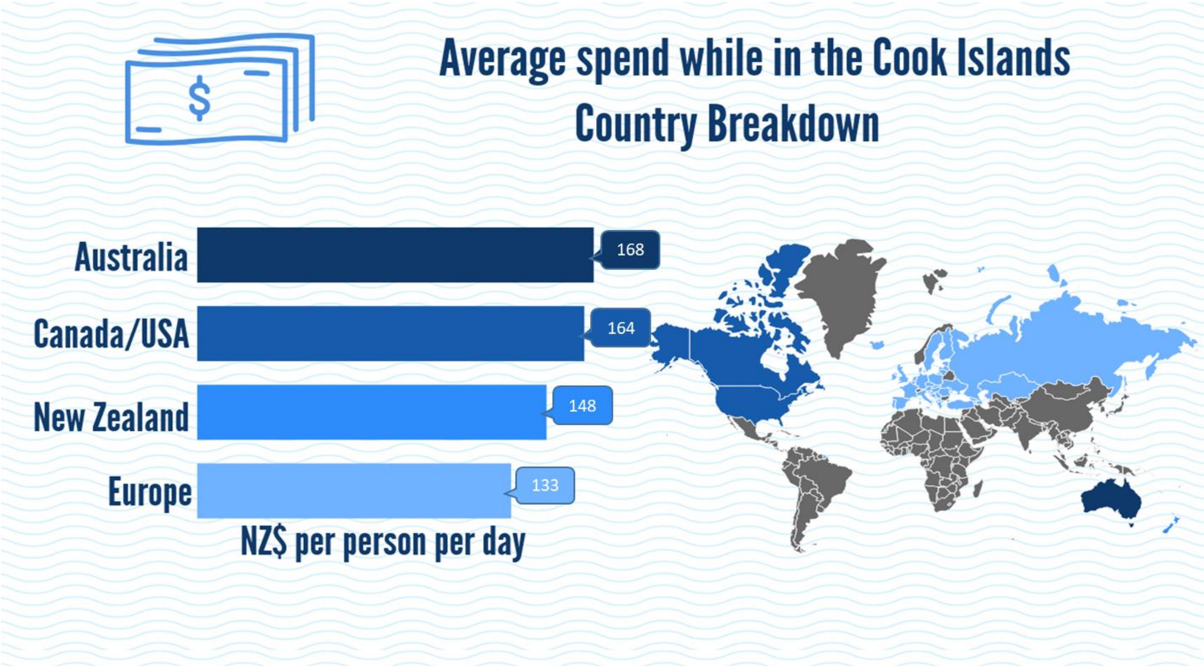


Figure 13: Amount of money spent per person (NZ$)



Visitors from Europe have the lowest on-island spend of the major tourism markets – with a figure of NZ$133 per person per day (NZ$146 2016/17). The highest spending group are visitors from Australia at NZ$168 per person per day (NZ$185 2016/17). North American visitors are the next highest spending group with an average spend of $164 (NZ$162 2016/17), followed by New Zealand visitors with spend of $148 per person per day (NZ$143 2016/17).

Figure 14: Visitor expenditure in the Cook Islands by country of origin 2017-18



There are differences in spend figures between nationalities during the course of the year; North Americans spend most from October to December (2rd Qtr). Australians and New Zealanders spend more during April to June (4th Qtr). Visitors from Europe spend more in the period of Oct to December (2nd Qtr). These variations could point to different sub-markets from these major source markets, and this is an area worthy of further data analysis. It should be noted that some of the quarterly data for specific market groups (e.g. Europe) is based on relatively small sample sizes. For more specific details the reader is directed to the Quarterly reports available from Cooks Islands Tourism.

Table 9: Expenditure in the Cook Islands across 1-4 quarters by Country of origin

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Average spend by country of origin (person per day)					
Canada/USA:	$183	$138	$174	$162	**$164**
Australia:	$166	$167	$160	$178	**$168**
NZ:	$141	$139	$164	$147	**$148**
Europe:	$124	$121	$148	$138	**$133**

It is important to understand how in-country visitor spend is distributed across different sectors of the economy. Table 10 shows the spread of average visitor expenditure (per person per day) in the Cook Islands cross quarters 1-4. These figures represent average spend per day for **all** visitors (e.g. whether they have spent money on a category or not).

Spend on accommodation is the same as the 2016/17 annual average (NZ$63 for accommodation). Accommodation features as the most important category for visitor spend – this includes those that have not pre-paid for a room and also those who may pay for accommodation extras once on island (e.g. a room upgrade, wifi access or in some cases in house food and beverage).

Table 10: Average visitor expenditure in the Cook Islands cross 1-4 quarters
(NZD per person per day)

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Accommodation	56	60	71	64	**63**
Restaurant, cafes and bar	32	30	31	32	**31**
Shopping	12	11	14	12	**12**
Activities	9	9	10	10	**9**
Vehicle rental	8	9	9	10	**9**
Domestic flights	7	8	10	9	**8**
Groceries	7	7	8	8	**7**
Other	2	3	4	2	**3**
Cruising	2	2	3	2	**2**
Internet cost	2	1	2	2	**2**
Petrol	2	2	2	2	**2**
Public transportation	1	1	1	1	**1**
Total expenditure per person per day	138	142	163	153	**149**

Visitor expenditure on shopping and activities remains relatively low and there is certainly potential to increase visitor yield in these areas.

The overall spend per visitor (yield) is an important barometer of industry health and performance. It is critical in coming years that efforts continue to be made to increase visitor yield across a range of sectors – especially those that generate strong links to the local economy.

FUTURE INTENTIONS

An overwhelming majority of visitors (93%) stated that they would return to the Cook Islands (Figure 16). Nearly all visitors (97%) say that they would recommend the Cook Islands to others.

Of real interest to businesses and communities in the outer islands is the fact that 45% expressed an interest in visiting another island on their next trip to the Cook Islands, and over half (51%) mentioned that they would 'maybe' include an outer island in their next trip. The critical challenge is to convert this intention into an actual outer island visit.

The future intentions of visitors remained very consistent across the year (Table 11).

Figure 15: Future intentions 2017-18

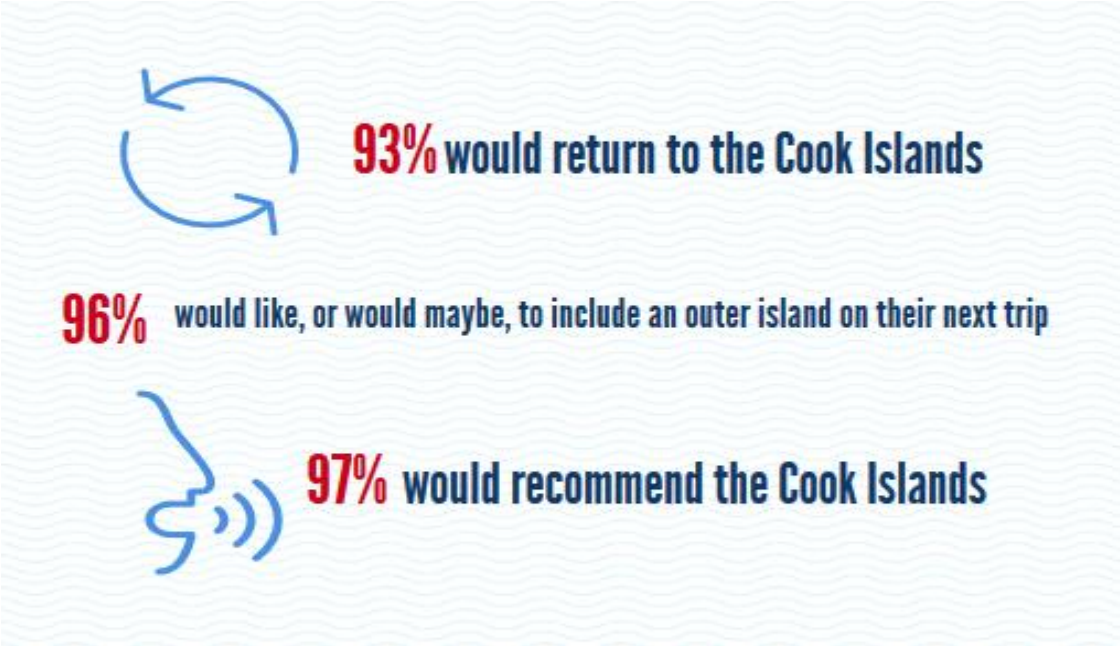


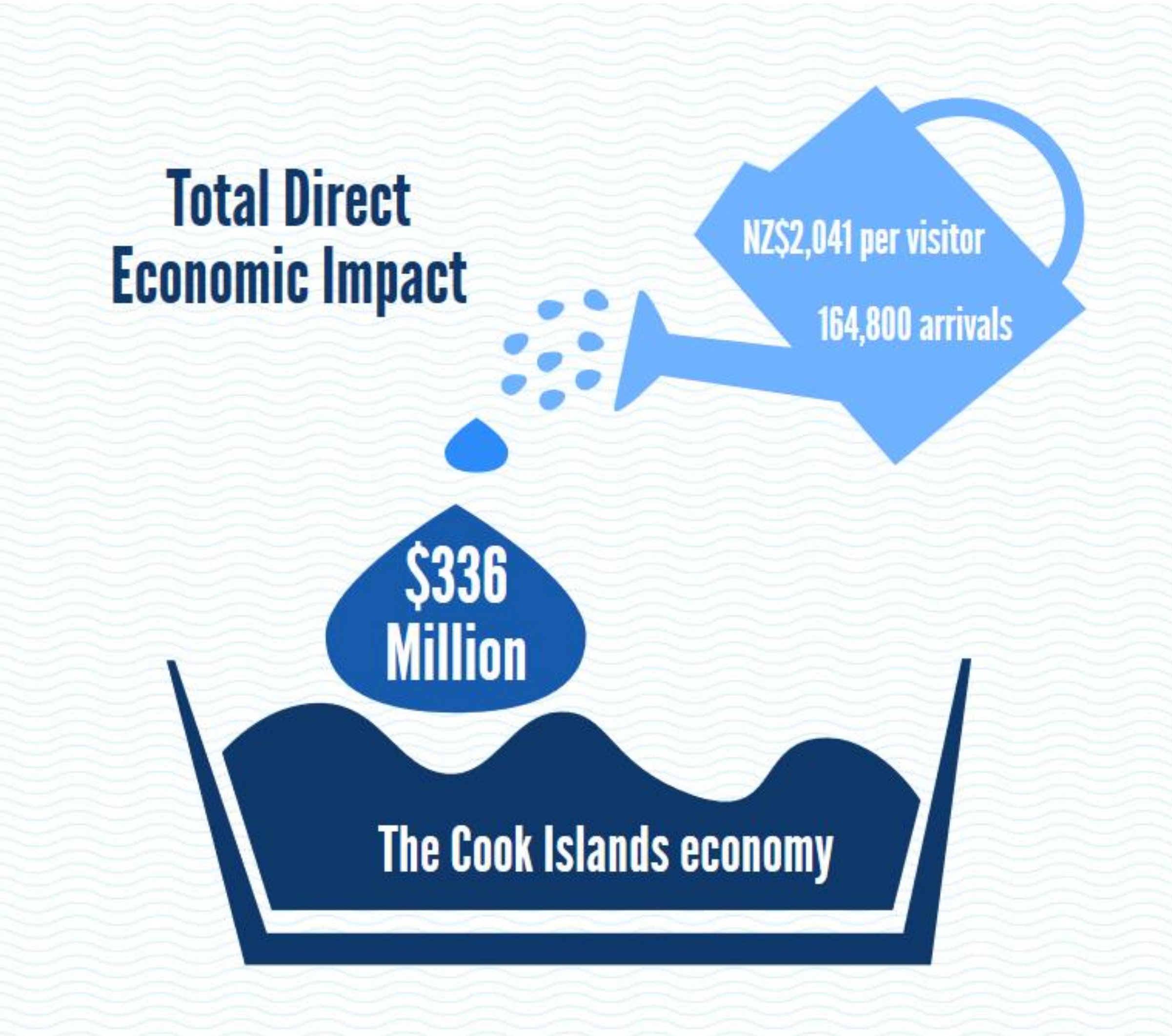
Table 11: Future intentions cross 1-4 quarters

Comparison	1st qtr	2nd qtr	3rd qtr	4th qtr	Average
Return to Cooks					
Yes	93%	94%	92%	92%	**93%**
Like to include other islands next trip					
Yes	47%	41%	47%	46%	**45%**
Maybe	50%	54%	48%	51%	**51%**
Recommend Cooks					
Yes	97%	98%	98%	96%	**97%**

2017-18 CONCLUSIONS

The Cook Islands tourism industry continued to perform well during the July 2017 - June 2018 period. Based on the average spend of $2,041 per visitor ($1,254 on island + $787 pre-paid), we are able to provide an estimate of the direct economic value of tourism to the Cook Islands economy. Thus, every 10,000 tourists generate NZ$12,540,000 in on-island spend, plus an estimated NZ$7,870,000 in pre-paid spend (a total of $20.41million). In total the 164,800 international arrivals from July 2017 to June 2018 injected $336 million into the local economy (Figure 17).

Figure 16: Total direct economic impact



It is clear that the tourism industry makes a vital, and undoubtedly undervalued, contribution to the Cook Islands economy. It is essential that further efforts be made to enhance yield per visitor. Such an approach not only creates more jobs and income for Cook Islanders, it also, inevitably rests on enhancing the visitor experience. A higher yield, value added approach will also place less pressure on the nation’s precious cultural and environmental resources, as the focus shifts away from simply increasing visitor numbers. This report shows there is room to enhance the visitor experience, and to increase the economic yield and broader community benefits associated with tourism.

Tourists’ satisfaction with the cost of accommodation is the lowest among all items surveyed. By upgrading facilities, and more importantly, enhancing the quality and ‘value added’ of existing experiences, the tourism industry can increase visitor satisfaction, and enhance the generation of local economic benefits. The detailed accommodation data collected by the survey can be used to guide individual accommodation providers to measure satisfaction levels and to provide better value for money, thus improving opportunities for yield generation.

As with previous reports, significant numbers of international visitors’ perceive that ‘public services & facilities’ are lacking, several visitors are also bothered by stray dogs. Visitors also mentioned about environmental degradation. Although considerably reduced from the previous year, concerns over the condition of Muri lagoon still feature among visitor comments. It is important for the local government to improve infrastructure, animal management, and environmental care programmes as these will undoubtedly reap dividends in terms of the country’s appeal to visitors.

This report shows that cost effective on-line research can generate strong response rates and robust information that is of value to both the tourism industry and government policy makers. Having a total of more than 5 years of international visitor data to analyse and ‘mine’ places the Cook Islands in a very powerful position relative to its competitors. The fact that the survey will continue through 2019, and hopefully beyond, means that future industry marketing and development decisions can continue to be based on a firm foundation of knowledge.