

Mackenzie Tourism Insights

March 2025



Domestic spending shrinks while international remains stable

March '25 presented several challenges for tourism in the Mackenzie District. Domestic card spend, commercial accommodation occupancy rates, and tourism-related employment all declined. Meanwhile, international card spend remained stable.

Domestic spending dips ahead of domestic guest nights

Domestic card spend decreased by -18% YoY, ahead of the -12% YoY decline in domestic guest nights. This may reflect a reduction in average visitor spend or fewer day trips. In contrast, the international market was more stable, with both card spend and guest nights increasing slightly by +1% YoY.

Domestic business travel rises, international diners drive F&B spending

Within the domestic market, card spend declined across all product categories except accommodation, which grew significantly at +19% YoY. This could signal a rise in business travel, as leisure accommodation is often booked in advance. In the international market, notable growth was seen in F&B products, with serving F&B spend up +41% YoY and retail F&B up +23% YoY—suggesting an increased preference for dining out among international visitors.

Domestic spend sees sharper falls from North Island travellers

In-region domestic spend dropped by -11% YoY among Cantabrians and remained stable for Otago. However, sharp declines from key North Island markets intensified the overall drop: Auckland -37% YoY, Waikato -50% YoY, and Wellington -35% YoY.

US leads, Asia slows, Australia keeps declining

Among international markets, the US continued to solidify its 1st place with +11% YoY growth. Card spend from the Rest of Asia (excluding China, Japan, and Korea) slowed to +1% YoY, while the Australian market continued its downward trend, declining -10% YoY.

Occupancy and guest nights decline while capacity expands

The -4%pt YoY decline in commercial accommodation occupancy rates was driven by a -5% YoY decrease in guest nights and a +3% YoY increase in available stay units.

International visitors favour bigger motels and alternative stays

Larger motels (over 20 units) recorded healthy growth in guest nights at +11% YoY. However, increased competition (+16% YoY more units) led to a slight -2%pt drop in occupancy rates. International visitors showed a clear shift in accommodation preference: guest nights in small motels dropped sharply (-42% YoY), while guest nights in large motels, holiday parks and campgrounds, and lodges and boutique accommodations grew between +14% and +18% YoY.

Tourism sees March job dip in accommodation and hospitality

Tourism-related employment in the district declined by -6% YoY in March. This was largely driven by reductions in filled jobs in the two largest industries: Accommodation (-9% YoY) and Food and Beverage (-14% YoY).

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