

Senior travellers choose adventure over nest eggs

New research reveals more New Zealanders are dipping into personal savings, retirement funds and inheritance to fund their next holiday as travel costs climb and the cost-of-living bites.

Auckland, February 2024 – Affordable holidays are the latest travel trend according to new research by New Zealand Seniors, with finances topping the list of biggest consideration when it comes to holiday planning.

The Grey Nomads Report 2024 commissioned by New Zealand Seniors in partnership with consumer research group, MYMAVINS, surveyed more than 500 New Zealanders over 50 about their behaviours and preferences around travel.

According to the findings, over a third (34%) of active travellers say their holiday spending has increased compared to five years ago, with three in five (60%) spending more than \$5,000 on travel each year due to the rising cost of living and inflation.

When asked to rank their top considerations when planning their travel, affordability dominated the list among survey respondents, with four in five (82%) citing cost as their single greatest consideration overall. Similarly, more than a half named high travel expenses as their biggest pet peeve (58%) and described financial constraints as their top obstacle to travel (51%), while 82 per cent agreed that value for money was the most important box to tick when deciding on holiday plans.

Interestingly, with more than half (54%) feeling the pinch of the cost-of-living on their travel plans, almost a fifth are swiping their credit cards (15%) or dipping into their superannuation (17%) to fund their next holiday. In fact, most travellers (71%) are willing to spend their children's inheritance to cross off their holiday bucket list, with 87 per cent withdrawing from personal savings.

Kate Tawhai, Owner of Travel Expert, with almost a quarter of a century of experience in the tourism industry, shared further insights on what is driving travel costs in 2024. “A spike in demand fuelled by the trend of “revenge travel” in the absence of increased supply, has led to higher travel costs over the last few years”, she explained. “In fact, according to [IATA](#) data, global travel traffic has returned to 99 per cent of levels seen at the peak of 2019. Meanwhile, although overall travel costs are rising, airfares are showing signs of falling due to greater competition in the market. More overseas carriers are returning to New Zealand, especially from Asia and the USA with more direct routes leading to greater competition”.

“Despite all of this, New Zealanders over 50 are still booking travel in droves, albeit with a specific budget in mind”, she added. “Cruising presents excellent value for money for those 50 plus, with almost everything prepaid prior to departure. Unbeatable ‘per day’ prices are attracting many people to cruising, as they can unpack once and enjoy new ports of call each day”.

With the cost of travel on the rise, the findings also reveal many are compromising on their travel plans and expectations. For example, only two in five (43%) feel they can travel as frequently as they would like, while less than half (48%) feel they can travel for as long as they wish.

When it comes to budgeting for retirement travel, a quarter (26%) of the survey respondents have set aside \$25,000 or less for travel during retirement while almost a third (31%) are unsure of the amount needed to cover costs of holidays in the future.

Many travellers are extra vigilant about reining in their holiday spending, with more than half (52%) sticking to a well-defined budget, while nearly a third (31%) research and select affordable travel destinations to stretch their budgets throughout retirement.

Travelling during off peak periods (63%), being flexible with dates (59%), and avoiding expensive restaurants (58%) are the most common methods to travel on budget, closely followed by avoiding tourist traps (56%) and taking advantage of free attractions and activities (55%).

Travel guru Kate Tawhai also revealed her top tips to help seniors save money on their next holiday:

- Enlist the services of an experienced travel professional whose knowledge and expertise can save you a great deal of time and money.
- Book well in advance to take advantage of early booking specials and promotions.
- Prepay as much as you can in advance of leaving home, so you don't fall into tourist traps overseas
- Consider joining a guided small-group tour, or book a cruise, to get fantastic inclusions for sightseeing, meals and transportation as well as entertainment.
- If traveling solo, seek deals with no single supplements or buddy up with another traveller to pay twin share package prices and save more.
- Consider the all-inclusive package holidays, as the inclusions represent exceptional savings by paying for everything upfront.

Despite climbing costs and economic headwinds, travel remains important for over two-thirds (67%), with the average active traveller being on the move for around five and a half weeks, or 10 per cent of the year each year.

According to the Grey Nomads Report 2024, almost three-quarters (74%) of the survey respondents plan to travel within the next 12 months. In fact, destinations closer to home such as other regions in New Zealand (58%) and Australia (57%) topped the bucket list.

Other bucket list destinations that made the top 10 included Western Europe (45%), Southeast Asia (37%), and North America (37%). Younger Gen X travellers notably leaned more towards locations like Central America, Northeast Asia, and South America while being less inclined to visit Australia compared to the overall trend.

Beyond destinations, the survey also revealed the top types of holidays and experiences sought after by travellers, along with their biggest considerations. Scenic adventures (68%), historical and cultural trips (57%), and catching up with friends (54%) made the top three holiday experiences, while road trips (60%), beach holidays (53%), and country or rural destinations (42%) made the list of the top three types of holiday locations.

While cost topped the list of overall travel considerations (82%), almost two-thirds prioritise safety (61%) and accommodation (61%) as their next biggest factors when deciding where and when to holiday next.

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About the Grey Nomads Report

The Grey Nomads Report 2024 surveyed over 500 New Zealanders over 50 to uncover their attitudes, behaviours and preferences around travel and holiday planning. The research was conducted by New

Zealand Seniors in partnership with consumer research group MYMAVINS, against the backdrop growing economic uncertainty, highlighting the growing trend of cost-savvy holidays as an emerging travel trend.

About New Zealand Seniors

New Zealand Seniors offers financial products that help people protect what's most important to them. We place our customers at the heart of everything we do by providing trusted service and products that are simple to use and understand. We are committed to identifying and developing services and products we believe protect and improve the wellbeing of all senior New Zealanders.