

Media Release

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BYATA Proposes Innovative Dynamic Pricing Model for International Visitor Levy to Boost Off-Peak Travel

The Backpacker Youth Adventure Travel Association (BYATA) has just finalised its submission on the International Visitor Levy (IVL) and introduced a fresh, innovative proposal to meet economic goals while driving off-peak visitation.

“Our team has listened to all the talk currently going around about tourism and the IVL, and we believe our submission uniquely meets everyone’s goals. BYATA is proposing a dynamic pricing model, where we increase the charge of the IVL during our peak seasons and decrease it during off-peak,” said Haydn Marriner, Chair of BYATA.

Several tourism industry bodies, Regional Tourism Organisations (RTOs), and the Minister of Tourism have spoken of the desire to drive off-peak and increase value to the regions. BYATA knows that the youth market is price-savvy and will pick off-peak times for travel due to the lower cost. Through a dynamic pricing system, the IVL can be a positive lever to drive off-peak and a smart option which New Zealand operators already use within their own operations.

“Dynamic pricing is hardly new, but for the IVL, it could be a truly innovative move. We know it can be done; we have dynamic pricing built into every part of our lives. Adding one more won’t hurt; in fact, it may help act as a driver for off-peak as more people take advantage of the lower costs of entry, which we know from our data will really help boost youth travel.” said Haydn Marriner.

BYATA is proposing anywhere from \$70 – \$100 for peak and potentially as low as \$42 for off-peak. The numbers aren’t as relevant as making the difference noticeable to the market. The dynamic pricing can also be a genuine difference maker for Tourism New Zealand, their marketing proposition, while also boosting revenue to the IVL.

Marriner believes, “We shouldn’t be afraid of being bold. There is a bold, shared vision out there for off-peak, and we should be bold about how we achieve it, including what levers we can pull to achieve it. We have a great Minister for Tourism; as an industry, if we can arm him with great ideas, we trust he will get them over the line and actioned.”

“An exciting move like this can also help to arrest the alarmingly decline popularity of the Working Holiday Visa, whose numbers have been epically falling significantly since 2016, with 23/24 arrivals at less than half of what they were eight years ago. We need to make smart decisions and now is the time.”

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