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Wales Tourism Business Barometer

Wave 1, 2016

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Wales Tourism Business Barometer: Wave 1, Easter 2016

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Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government

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1. HEADLINE FINDINGS

Early Easter has challenged the tourism industry

- 1.1 About one in five (21%) businesses sampled have had more visitors than Easter last year, and a further two in five (41%) have had about the same level. However, a third (34%) have had fewer visitors.
- 1.2 Of those having fewer visitors, well over half (58%) state the weather as a reason, and close to half (45%) cite an early Easter. This research wave, and previous research waves dating back to 2005 when the barometer first started, show that tourism operators generally do not like Easter falling in March. It often results in colder weather, or the expectation of it.

Attractions and restaurants / pubs / cafes the best performing sectors

- 1.3 The non-accommodation sectors have had a somewhat better Easter than the accommodation sectors. About a quarter (26%) of attractions have had more visitors than last year, compared to a similar proportion (31%) reporting a decrease. Some open comments show that cold and/or wet weather favours indoor attractions.
- 1.4 Slightly over a quarter (28%) of restaurants / pubs / cafes have had more tourist customers than last Easter, and a similar proportion (30%) have had fewer.
- 1.5 By comparison, just one in five (19%) accommodation operators have had more visitors this Easter, compared to about a third (35%) experiencing a decrease.

Challenging Easter period has affected all regions of Wales

- 1.6 Differences in performance across regions of Wales are mostly not significant, as the early Easter and associated weather has affected all areas.

Positive outlook for the summer

- 1.7 Many (38%) operators expect to have more visitors this summer than last summer, and a further two in five (42%) expect to receive the same level. Only a minority (9%) expect to be down, and the remainder (11%) do not know what to expect.
- 1.8 The mood is particularly positive in the attractions sector, where the majority (58%) expect to be busier this summer, and among restaurants / pubs / cafes, where about half (47%) are expecting more tourist customers.

2. BACKGROUND AND METHODOLOGY

What is the Wales Tourism Business Barometer?

- 2.1 The Wales Tourism Business Barometer is designed to give quick feedback on how the tourism industry in Wales is performing at key times during the year. The Survey has been running in various forms since 2005, and normally between two and five research 'waves' are conducted each year.
- 2.2 This research wave relates to Easter 2016, with measurements also of performance by different markets year to date and expectations for the coming summer season. Ad-hoc questions on membership and awareness of tourism associations and local destination management partnerships have also been included in this wave.

How is the Survey conducted?

- 2.3 For the first time, this Survey has been made available for online completion as an alternative to telephone, which has previously been the only method used.
- 2.4 We have conducted 802 interviews by telephone, and the online survey distributed by area and sector partners has yielded an additional 41 responses. The overall sample of 843 makes results of questions asked to everyone accurate to $\pm 3.4\%$.
- 2.5 The sample of 843 responses is reflective of the tourism industry in Wales and is shown below by sector and region:

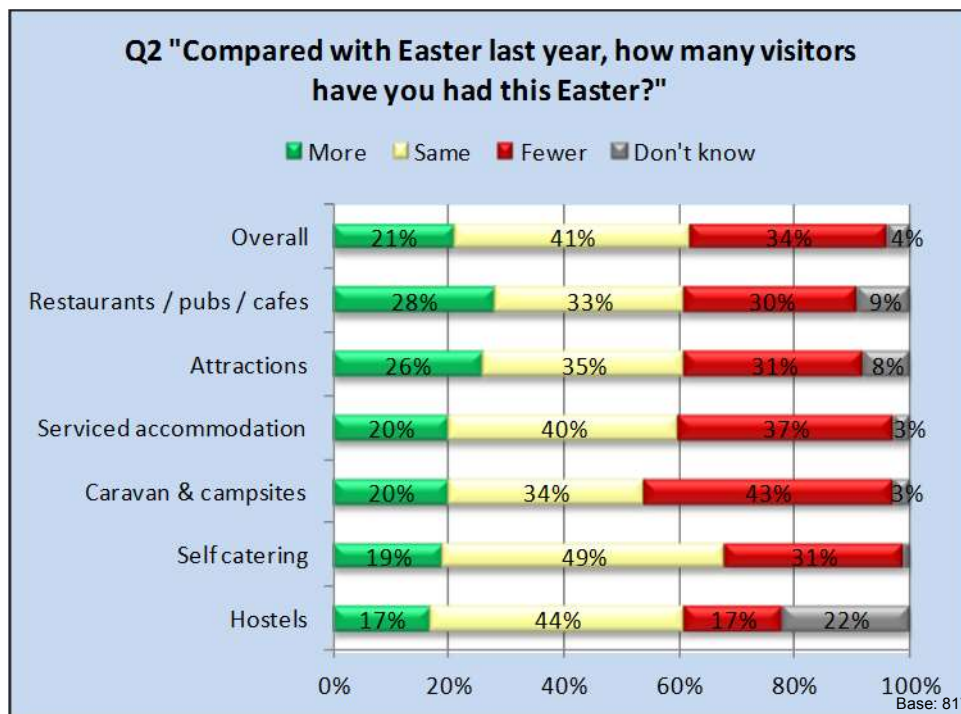
Sector / Region	North	Mid	South West	South East	Total
Serviced acc'm	64	56	74	69	263
Self catering	73	53	88	40	254
Caravan / campsites	52	24	40	5	121
Hostels	6	6	4	2	18
Attractions	43	23	37	36	139
Restaurants / pubs / cafes	10	8	11	19	48
Total	248	170	254	171	843

- 2.6 About half (51%) of the sample are currently graded by Visit Wales and the remainder (49%) are not. The graded and non-graded samples are spread across the different regions and sectors except restaurants / pubs / cafes, where grading is not applicable. Operators of restaurants, pubs and cafes have been selected in areas of high tourism footfall across different parts of Wales and have been asked to answer questions in the context of their tourist (i.e. non-local) customers.

2.7 All telephone interviews have been conducted with business owners or managers between 29th March and 5th April. A copy of the questionnaire used is included as an appendix.

3. EASTER PERFORMANCE

PERFORMANCE BY SECTOR



Early Easter has challenged the tourism industry

- 3.1 About one in five (21%) businesses sampled have had more visitors than Easter last year, and a further two in five (41%) have had about the same level. However, a third (34%) have had fewer visitors.
- 3.2 This research wave, and previous research waves dating back to 2005 when the barometer first started, show that the tourism industry generally does not like Easter falling in March. It often results in colder weather, or the expectation of it.

"Early Easter and poor weather equals poor Easter"
Attraction, Mid

Attractions and restaurants / pubs / cafes the best performing sectors

- 3.3 The non-accommodation sectors have had a better Easter than the accommodation sectors. One explanation is that some of their (tourist) customers are day visitors to the area.

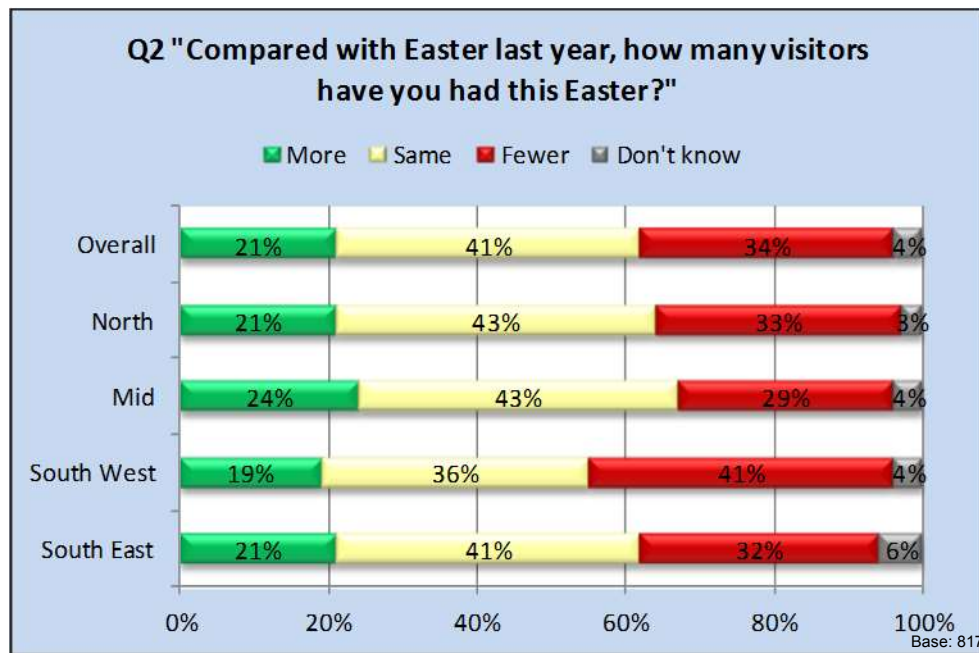
"We've found that with the weather and Easter being early, people haven't risked booking holidays but have waited to go on day trips"
Attraction, North

- 3.4 A further explanation in the attractions sector is that indoor attractions appear to have benefited from cold and wet weather.

"The bad weather on Easter Saturday meant that we had many visitors"
Attraction, North

"Poor weather helps our attraction"
Attraction, North

PERFORMANCE BY REGION

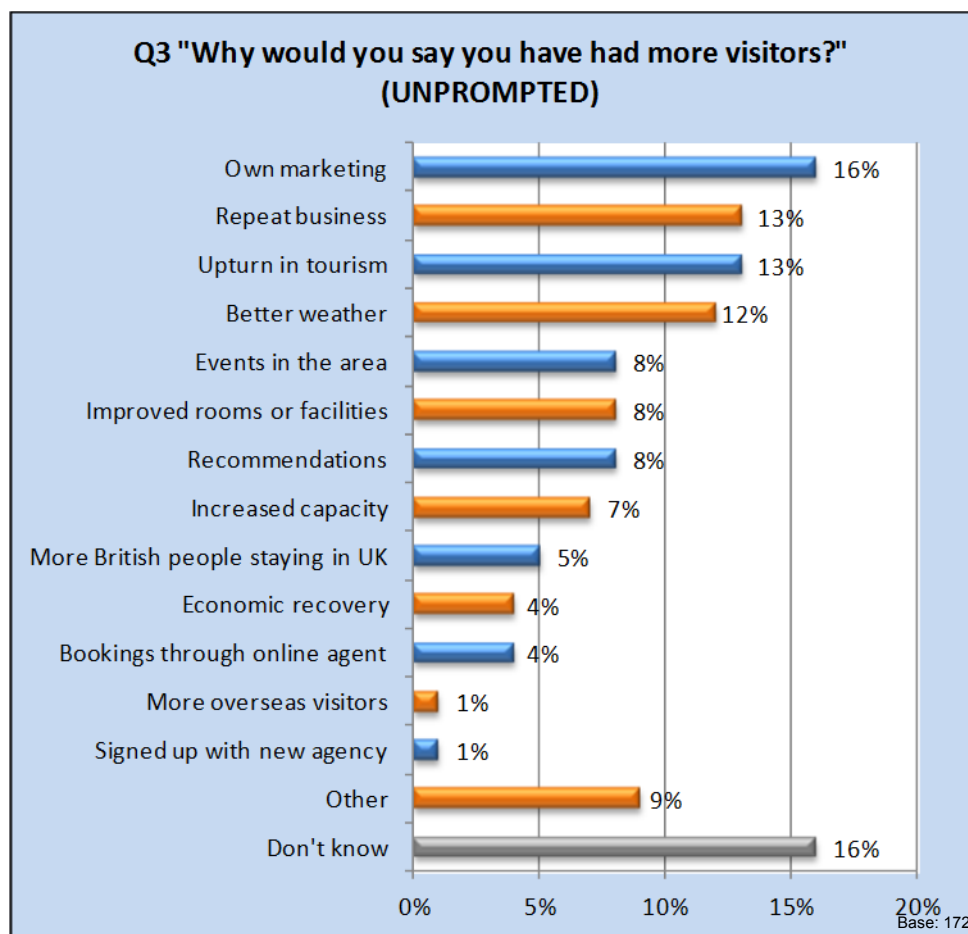


Differences by region mostly not significant

- 3.5 Differences in performance across regions of Wales are mostly not significant, as the early Easter and associated weather has affected all areas.
- 3.6 South West Wales has experienced a particularly challenging Easter, with one in five (19%) businesses increasing their visitors but two in five (41%) seeing a decrease.

"Very disappointing"
Self catering, South West

REASONS FOR INCREASED VISITOR LEVELS



Range of reasons given for increased visitor levels

3.7 Reasons given for having more visitors than last Easter vary, with no single reason standing out, and many reasons given are specific to individual business circumstances.

3.8 Some (16%) attribute success to their own marketing efforts.

"We were fully booked over the Easter. We've done a lot of marketing and social media work which has really worked. I only joined last March but so far we've broken all the records for the park's visitor numbers."

Caravan park, North

"All our [Easter] visitors were disabled. We are promoting access as a marketing tool and people come as a result."

Self catering, South West

"Our website creation last year and new programme has increased interest and numbers of European and North American visitors"

Attraction, North

'Better weather' in some cases means 'better for indoor attractions'

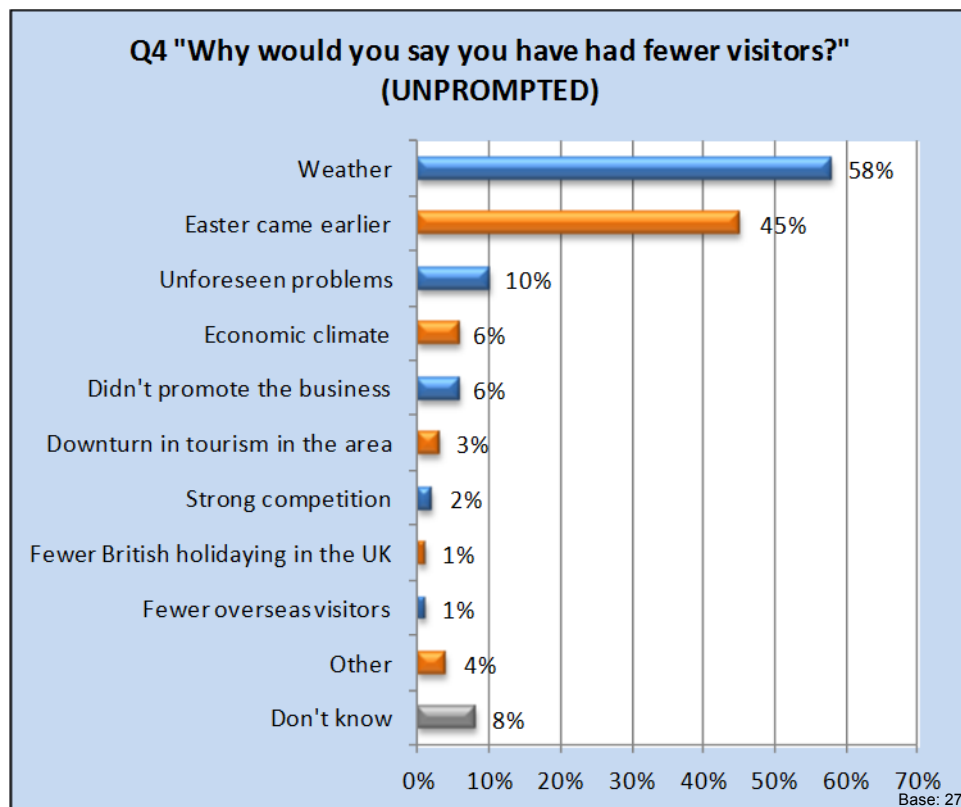
3.9 Some of those answering 'better weather' are indoor attractions saying that bad weather has been favourable to them.

World half marathon championships in Cardiff

3.10 Some (8%) operators who have been busier this Easter cite 'events in the area' as a reason, and in South East Wales, about one in five (22%) of those who have been busier give this reason. Some specifically mention the World half marathon championships in Cardiff, which took place on Easter Saturday.

"The World half marathon championships in Cardiff helped"
Serviced, South East

REASONS FOR DECREASED VISITOR LEVELS



Early Easter and bad weather – the two main reasons are linked

3.11 As discussed, tourism operators don't like it when Easter falls in March, as it often means the weather is not as good, or that it is not expected to be good and so potential customers shy away from booking in advance.

"From past experience, whenever Easter is early, bookings are down"
Serviced, South West

"The weather was bad and as a result, we only opened for one day over the Easter period"
Attraction, South West

Waterlogged campsites

- 3.12 The caravan & camping sector is particularly weather-dependent. Most (80%) caravan & campsites experiencing fewer visitors have cited the weather as a reason.

"The weather killed us this year. It was a complete washout."

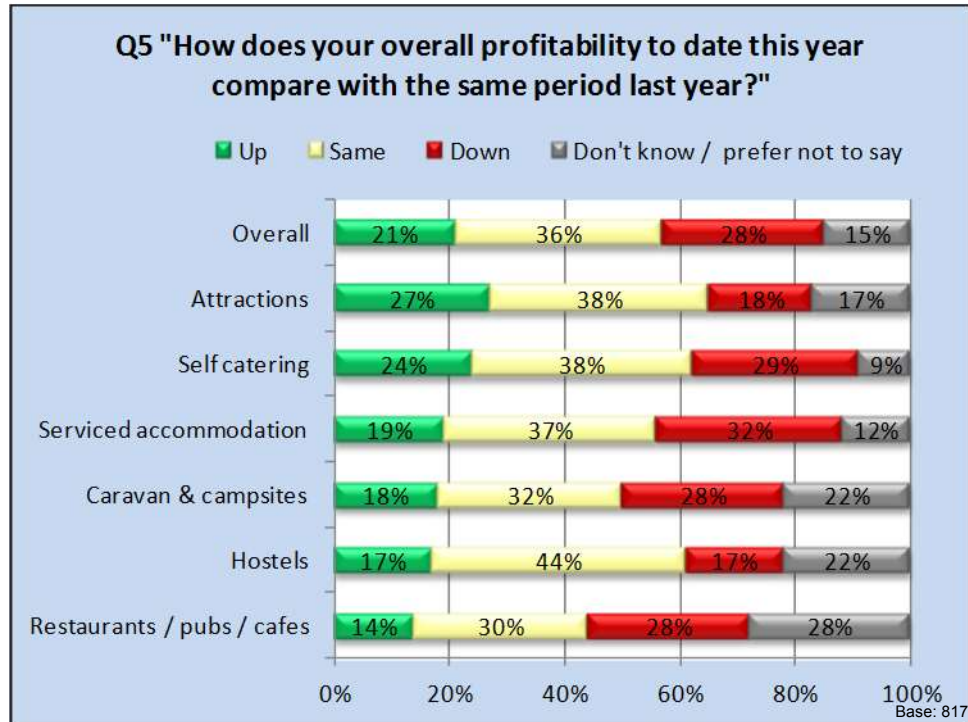
Caravan park, Mid

"We're down by 50%. The fields have been so wet that we've had to tow the caravans in. Many people rang to say they were coming but then didn't turn up."

Caravan park, Mid

4. YEAR TO DATE PERFORMANCE

PROFITABILITY



Profitability to date in the industry appears to be down on balance

- 4.1 One in five (21%) operators say that their profitability to date this year is up on last year, but a higher proportion (28%) say it is down. Attractions are the only sector where there are more operators reporting increased profitability than decreased.

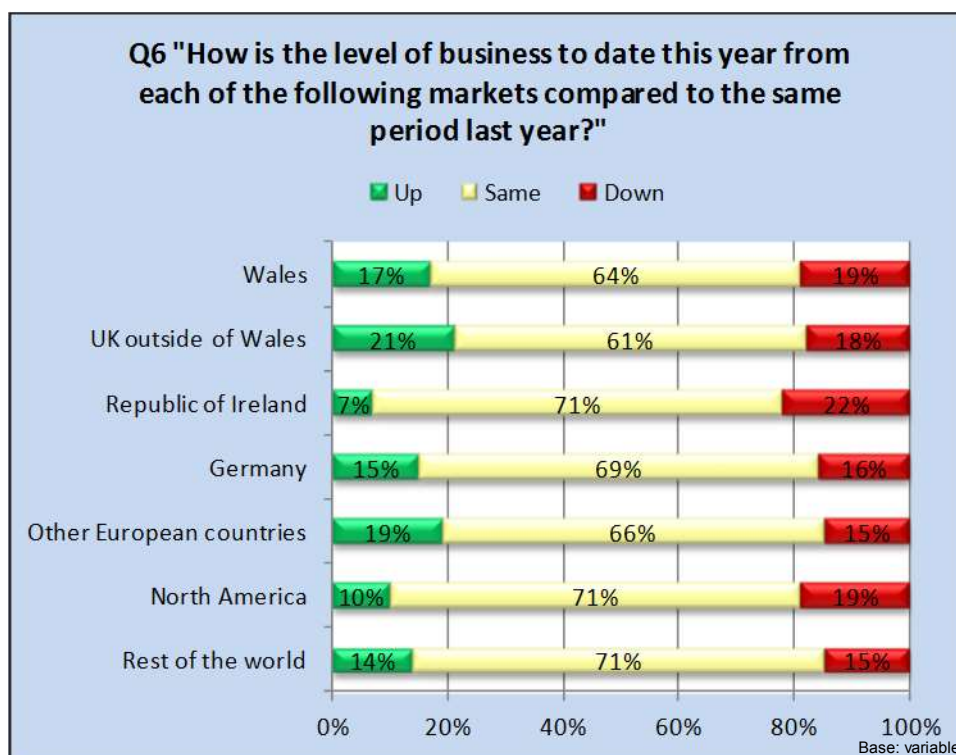
"Our profitability is up - that's due to the way we've changed the running of our business, not because we've had more visitors"

Serviced, Mid

"The profit is up as we've had more short breaks than people staying for a week - which is more work but more money"

Self catering, North

PERFORMANCE BY MARKET YEAR TO DATE



Respondents who don't normally receive visitors from a particular market or do not know the performance of a market have been excluded from the results for that market. As such, the base for the results varies by market.

Steady start to the year for most markets – in some cases it is too early to tell

- 4.2 Visitor levels to date this year are largely stable. Some operators comment that it is too early to tell what kind of year they are in for with respect to some markets, as some visitors only start coming further into the year.

"European and further afield visitors don't generally enter into the picture until later in the season"

Self catering, Mid

"We don't really have visitors from overseas until the summer period"

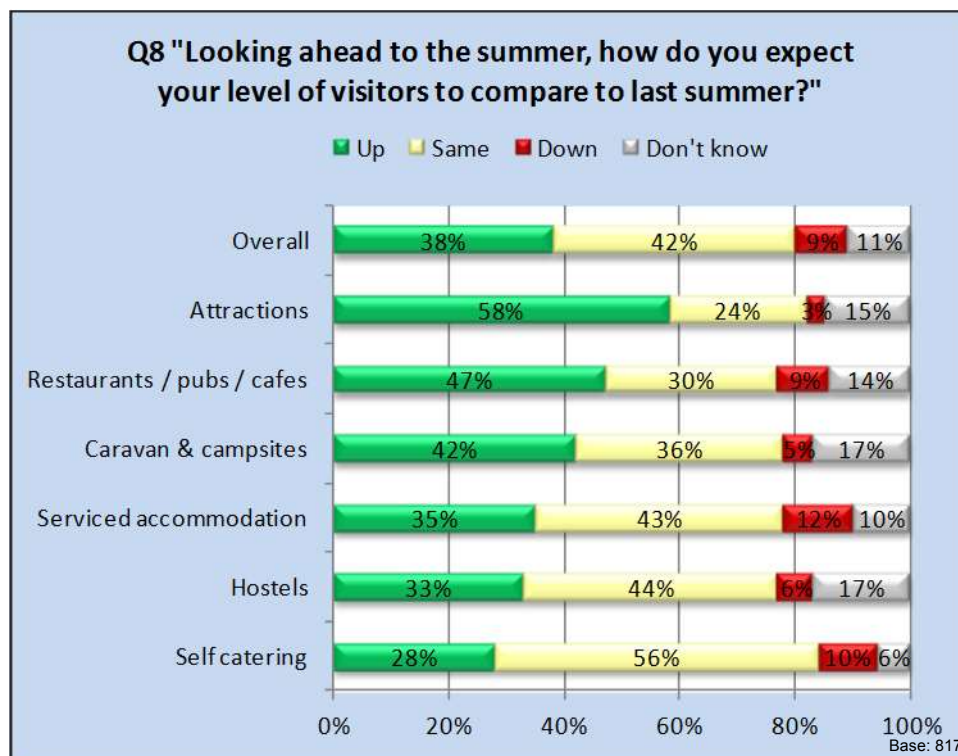
Serviced, North

UK visitors on the increase in Mid and South East Wales

- 4.3 Mid Wales and South East Wales have performed better in the UK market so far this year. One in four (25%) Mid Wales operators have seen more UK visitors (from outside Wales) to date this year, compared to a minority (13%) who have received fewer.
- 4.4 Similarly in South East Wales, about a quarter (24%) of operators have increased their UK visitor levels, compared to a minority (15%) who have experienced a decrease.

5. EXPECTATIONS AND CONFIDENCE FOR THE SUMMER

EXPECTATIONS BY SECTOR



Positive outlook for the summer

- 5.1 Many (38%) operators expect to have more visitors this summer than last summer, and a further two in five (42%) expect to receive the same level.
- 5.2 The mood is particularly positive in the attractions sector, where the majority (58%) expect to be busier this summer, and among restaurants / pubs / cafes, where about half (47%) are expecting more tourist customers. Some outdoor attractions admit their dependency on the weather, but they are doing all they can in terms of improving their product to counteract this.

"It's very weather dependent but we've invested a lot in the business so we are confident"

Attraction, North

"It will either be the same amount or more visitors, depending on the weather"

Attraction, North

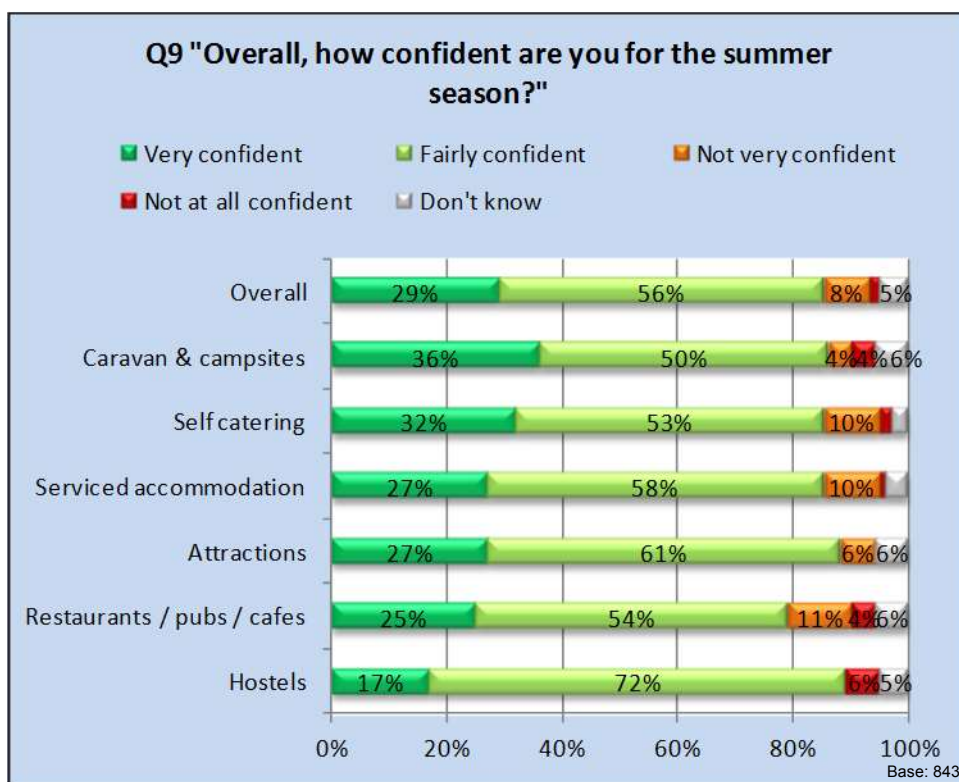
"At the minute, we're turning people away for the summer season and also some parts of September"

Caravan park, North

"At the moment we already have a tremendous amount of bookings in for the summer"

Serviced, North

CONFIDENCE BY SECTOR



Looking forward to the summer season

- 5.3 Most operators are looking forward to the summer season with confidence. Some put this down to improved bookings, and visitors booking further in advance.

"Bookings are being made at much shorter notice than in previous years"
Self catering, South West

"We have already had more bookings ahead of time than this time last year"
Attraction, North

Repeat visitors often underpin confidence, especially in North Wales

- 5.4 North Wales has a much higher proportion (43%) of operators saying they are 'very confident' about the summer compared to the rest of Wales (24%). Some North Wales operators say their business is being helped by repeat visitors who keep coming back for more.

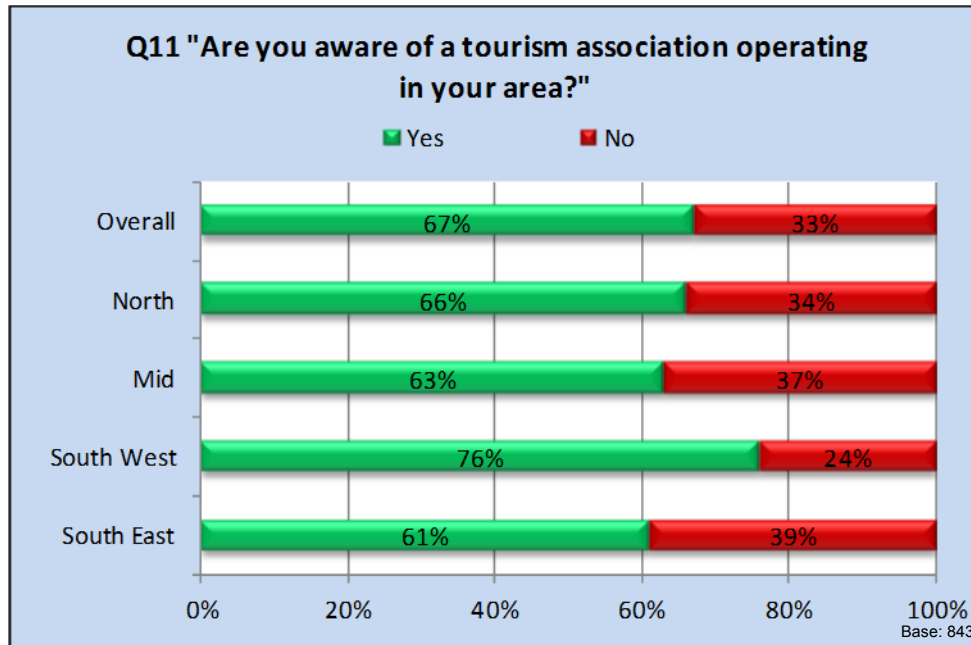
"We're happy as Larry; we get a lot of repeat business"
Caravan park, North

"60 - 70% of my trade is made of repeat guests, and they book a year ahead, especially for the summer holiday"
Self catering, North

"I was booked 100% last summer and I am the same for this summer. I do have quite a few repeat bookings."
Self catering, North

6. TOURISM AT A REGIONAL AND LOCAL LEVEL

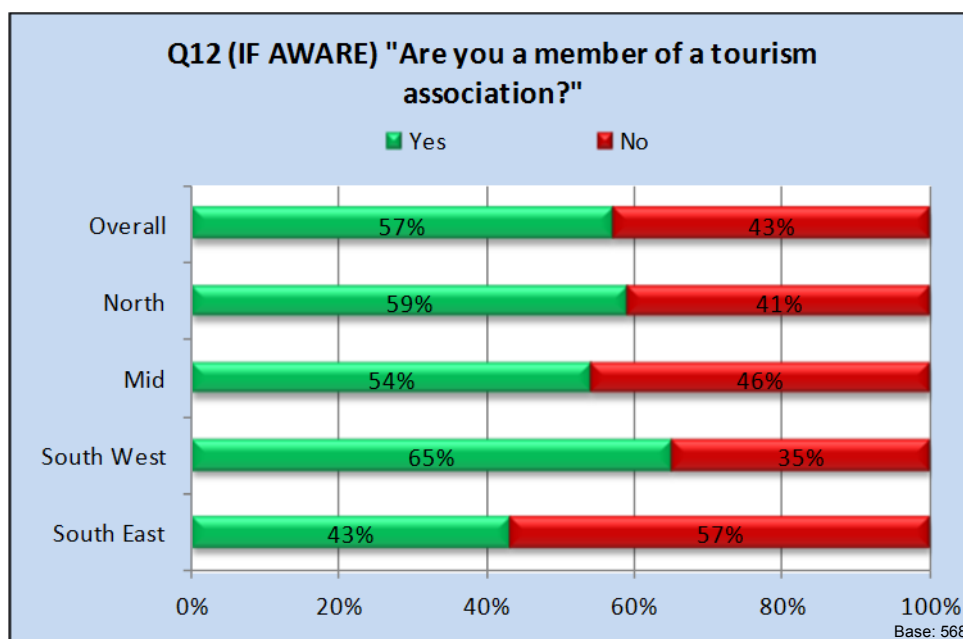
AWARENESS OF TOURISM ASSOCIATIONS



Higher awareness in South West Wales

- 6.1 Overall, two thirds (67%) of operators are aware of a tourism association operating in their area. The region with the highest proportion (76%) of awareness among operators is the South West.
- 6.2 Awareness is fairly consistent across industry sectors, although it is lower (56%) among restaurants / pubs / cafes.

MEMBERSHIP OF TOURISM ASSOCIATIONS



Membership is also highest in South West Wales

6.3 As well as having the highest awareness of local tourism associations, South West Wales also sees the highest proportion (65%) of membership among those who are aware.

6.4 When re-based to all survey respondents, half (50%) of businesses interviewed in South West Wales are members of a tourism association. This is well ahead of North Wales (39%), Mid Wales (34%) and South East Wales (26%).

Attractions the most likely sector to be members

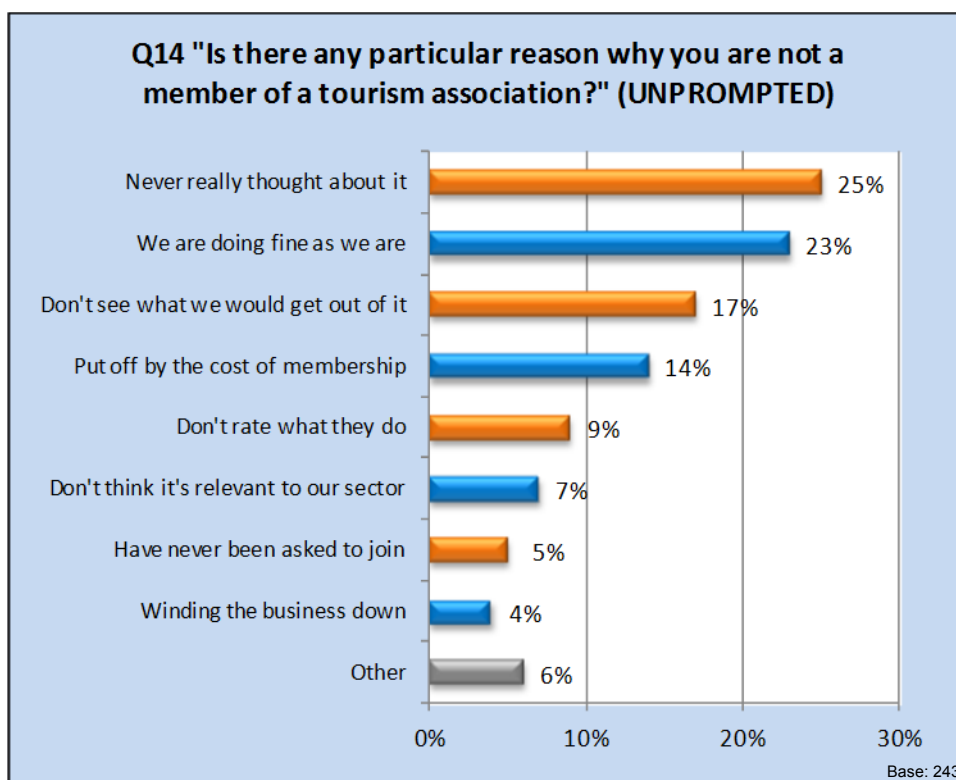
6.5 Among industry sectors, attractions (49% of overall sample) are most likely to be members of a tourism association, and restaurants / pubs / cafes (10%) are the least likely (even though those interviewed in this sector are all in areas of high tourism footfall). Differences between accommodation types are not significant.

Which associations are businesses a member of?

6.6 The most answers given by region are:

Region	Most frequent membership (frequency of answers given)
North	North Wales Tourism (40 respondents), Llandudno Hospitality Association (13)
Mid	Mid Wales Tourism (10), Brecon Beacons Tourism (8)
South West	Pembrokeshire Tourism (39), Carmarthenshire Tourism Association (37), Tourism Swansea Bay (19)
South East	Vale Tourism Association (7), Abergavenny and District Tourist Association (7)

REASONS FOR NON-MEMBERSHIP



Q14 has been asked to those who are aware of a tourism association operating in their area but they are not a member of any tourism association

No thought or perceived need

6.7 A quarter (25%) of operators who are aware of a local tourism association, but are not a member, say that they have never really thought about joining. Similarly, a further 23% believe they are 'doing fine' as they are and 17% say they don't see what they would get out of membership. Some seem to liken association membership with booking agencies.

"We were members but we stopped last year and we've gone with an online agency instead, which we find does get rooms filled up"
Serviced, North

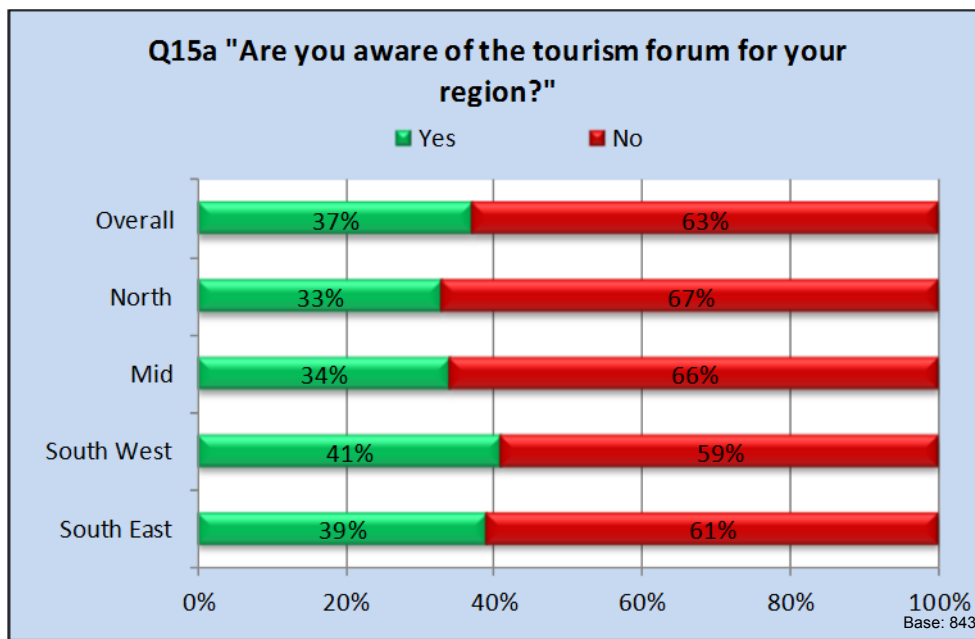
"We are fairly close to other businesses locally and we all tend to scratch each other's back so to speak"
Serviced, Mid

'Not relevant to our sector'

6.8 Some (7%) think that associations are not relevant to their sector. This is more common among restaurants / cafes / pubs (18% of respondents in this sector), but the perception is also found among accommodation businesses.

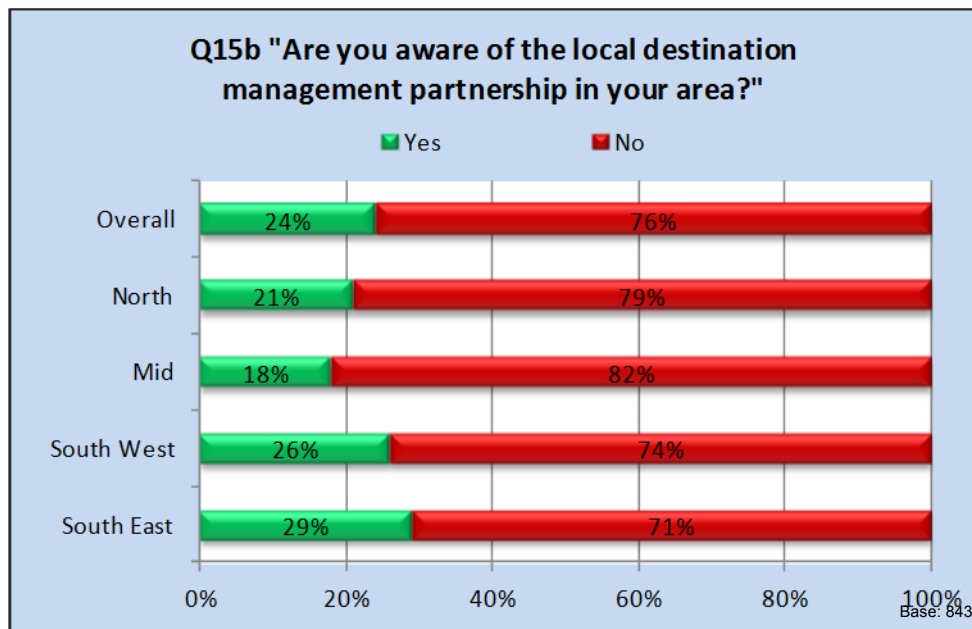
"It's more for hotels than for businesses like ours. I think that they are a bit cliquey."
Serviced, North

AWARENESS OF REGIONAL TOURISM FORUMS AND LOCAL DMPs



Limited awareness of regional tourism forums

6.9 Slightly over a third (37%) of operators are aware of the tourism forum for their region. There is some variation in awareness by the four regions, shown on the above chart.

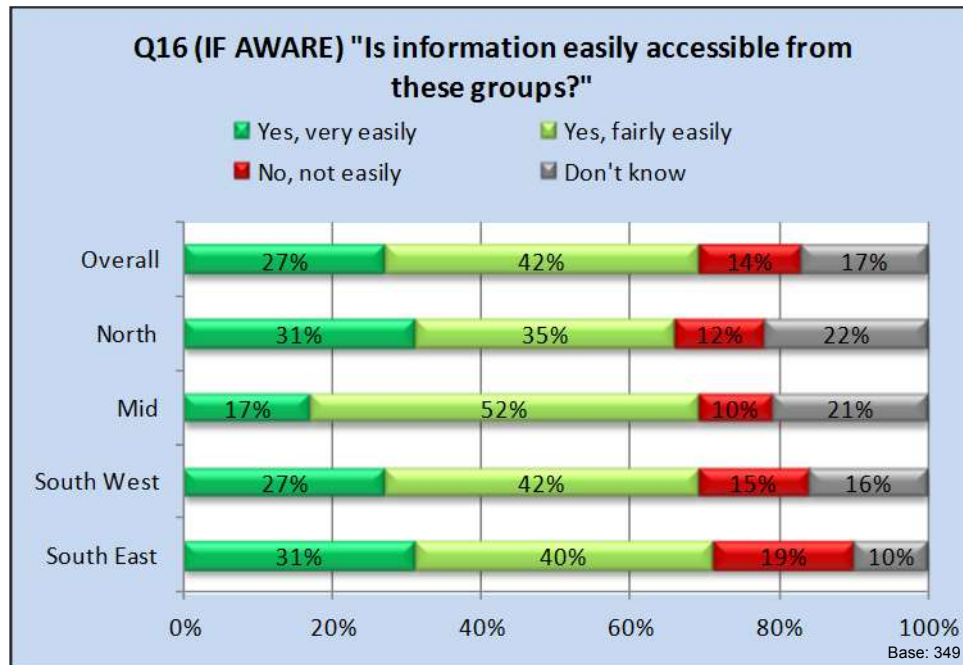


Low awareness of destination management partnerships

6.10 About a quarter (24%) of operators are aware of their local destination management partnership. Awareness is somewhat higher in South Wales, as shown on the above chart.

6.11 At this point in the telephone interviews it was becoming clear that there is much confusion in the industry between ‘tourism associations’, ‘tourism forums’ and ‘local destination management partnerships’.

ACCESSIBILITY OF INFORMATION

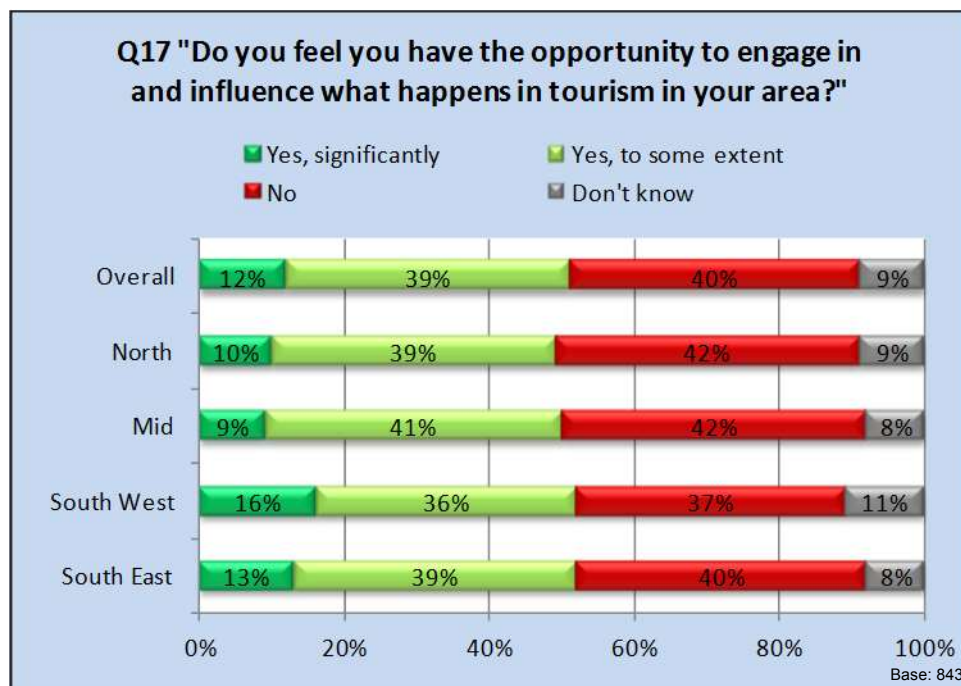


Q16 has been asked to those who are aware of either their regional tourism forum or their local destination management partnership

Information mostly perceived to be accessible

6.12 Among those aware of either their regional tourism forum or their local destination partnership, over two in three (69%) perceive information from these groups to be easily accessible. Some respondents are not overly concerned about obtaining information, hence the fairly high proportion (17%) of ‘don’t knows’ to this question.

OPPORTUNITY TO INFLUENCE TOURISM LOCALLY



Opportunity to engage in and influence tourism locally is perceived to be quite limited

6.13 Respondents have given a range of opinions on the extent of their opportunity to influence tourism in their area. South West Wales has the highest proportion (16%) of respondents answering 'yes, significantly'.

More attractions perceive they have the opportunity

6.14 Attractions differ significantly from the other sectors. Nearly a quarter (22%) of attractions have answered 'yes, significantly' and close to half (45%) have answered 'yes, to some extent'.

6.15 This compares to 10% of respondents in the other sectors answering 'yes, significantly' and 37% answering 'yes, to some extent'.

Appendix - Copy of the Questionnaire

Wave 1, Easter 2016

Sector	Sector	
	Serviced accommodation	<input type="checkbox"/>
	Self catering	<input type="checkbox"/>
	Caravan / campsite.....	<input type="checkbox"/>
	Hostel	<input type="checkbox"/>
	Attraction.....	<input type="checkbox"/>
	Activity operator	<input type="checkbox"/>
	Restaurant / pub / cafe.....	<input type="checkbox"/>
Q1	Has your business been established for longer than 12 months?	
	Yes..... <input type="checkbox"/> Go to Q2	
	No	<input type="checkbox"/> Go to Q9
Q2	Compared with Easter last year, how many visitors have you had this Easter?	
	More than last year	<input type="checkbox"/>
	About the same as last year.....	<input type="checkbox"/>
	Fewer than last year	<input type="checkbox"/>
	Don't know	<input type="checkbox"/>
Q3	Why would you say you have had more visitors? (UNPROMPTED, TICK ALL THAT APPLY)	
	Better weather	<input type="checkbox"/>
	Own marketing.....	<input type="checkbox"/>
	Repeat business	<input type="checkbox"/>
	Economic recovery	<input type="checkbox"/>
	Increased bookings through online agent (e.g. booking.com).....	<input type="checkbox"/>
	Signed up with new agency (self catering).....	<input type="checkbox"/>
	Recommendations.....	<input type="checkbox"/>
	Upturn in tourism.....	<input type="checkbox"/>
	Increased capacity.....	<input type="checkbox"/>
	Events in the area	<input type="checkbox"/>
	Improved rooms or facilities	<input type="checkbox"/>
	More British people staying in the UK.....	<input type="checkbox"/>
	More overseas visitors	<input type="checkbox"/>
	Don't know	<input type="checkbox"/>
	Other	<input type="checkbox"/>
	Please specify other	<hr/>
Q4	Why would you say you have had fewer visitors? (UNPROMPTED, TICK ALL THAT APPLY)	
	Weather	<input type="checkbox"/>
	Early Easter.....	<input type="checkbox"/>
	Didn't promote the business / business winding down	<input type="checkbox"/>
	Unforeseen problems.....	<input type="checkbox"/>
	Economic climate	<input type="checkbox"/>
	Strong competition.....	<input type="checkbox"/>
	Downturn in tourism in the area.....	<input type="checkbox"/>
	Fewer overseas visitors.....	<input type="checkbox"/>
	Fewer British people holidaying in the UK.....	<input type="checkbox"/>
	Don't know	<input type="checkbox"/>
	Other	<input type="checkbox"/>
	Please specify other	<hr/>

Q5 How does your overall profitability to date this year compare with the same period last year?

Up on last year..... ☐

About the same as last year..... ☐

Down on last year..... ☐

Don't know / refused ☐

Q6 Looking at the origin of your visitors, how is the level of business to date this year from each of the following markets compared to the same period last year?

	Up on last year	About the same as last year	Down on last year	Don't know or not applicable
Wales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
UK outside of Wales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Republic of Ireland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Germany	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other European countries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
North America	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rest of the world	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q7 *Interviewer: record all useful comments on performance to date / this Easter*

Q8 Looking ahead to the summer, how do you expect your level of visitors to compare to last summer?

Up on last summer ☐

About the same as last summer ☐

Down on last summer ☐

Don't know ☐

Q9 Overall, how confident are you for the summer season?

Very confident..... ☐

Fairly confident..... ☐

Not very confident ☐

Not at all confident..... ☐

Don't know ☐

Q10 *Interviewer: record all useful comments on expectations for the summer*

Q11 Are you aware of a tourism association operating in your area?

Yes..... ☐

No ☐

Q12 Are you a member of a tourism association?

Yes..... ☐

No ☐

Q13 Which tourism association(s) are you a member of?

Q14 Is there any particular reason why you are not a member of a tourism association?

(UNPROMPTED, TICK ALL THAT APPLY)

- Never really thought about it ☐
- We are doing fine as we are ☐
- Don't see what we would get out of it ☐
- Winding the business down ☐
- Put off by the cost of membership ☐
- Have never been asked to join..... ☐
- Don't rate what they do ☐
- Don't think it's relevant to our sector ☐
- Other ☐
- Please specify other reason(s) _____

Q15 Are you aware of:

- | | Yes | No |
|--|--------------------------|--------------------------|
| The tourism forum for your region? | <input type="checkbox"/> | <input type="checkbox"/> |
| The local destination management partnership in your area? | <input type="checkbox"/> | <input type="checkbox"/> |

Q16 Is information easily accessible from these groups?

- Yes, very easily ☐
- Yes, fairly easily ☐
- No, not easily ☐
- Don't know ☐

Q17 Do you feel you have the opportunity engage in and influence what happens in tourism in your area?

- Yes, significantly ☐
- Yes, to some extent ☐
- No ☐
- Don't know ☐

Q18 Could I just confirm whether your business is graded or accredited by Visit Wales?

- Yes..... ☐
- No ☐

Thank you for your time

Region Region of Wales

- North ☐
- Mid ☐
- South West..... ☐
- South East..... ☐

ID ID: record from database _____