



Business Trade Survey 2010

Key Findings

November 2010



Chapter 1: Key Findings

- 1.1 When looking at the findings from this survey, caution should be exercised when interpreting comparisons between the 2009 and 2010 results, due the difference in sample size between the two years.

Business Trends

- 1.2 When asked to estimate how the high season (June to September) this year compared with the same time last year, just over two in five respondents (41%) reported increased levels of business in 2010. This is significantly fewer than in the 2009 survey (51%). A quarter of all respondents (24%) experienced business increases of 10% or more in this survey compared with a third in 2009. The proportion experiencing business decreases grew from 23% in 2009 to 30% in this survey.
- 1.3 The main reason given for increased business is *improved promotional activity*, whilst the main reason given for decreased business was *recession*.
- 1.4 A majority of operators overall - over three quarters (79%) - reported no change in staff levels, whilst 10% took on more staff and 11% decreased their workforce.
- 1.5 Over two fifths of respondents (43%) said that they had changed their business pricing structure in the 2009 high season.
- 1.6 Just over 3 in 5 respondents who are accommodation operators offered short breaks in 2010.
- 1.7 Over half of the respondents reported that most of their bookings take place between 2 days and 1 month before arrival (52%).

Business Outlook

- 1.8 Tourism operators in South West Wales are significantly less optimistic about their business prospects than in the 2009 survey. Whilst 46% feel the same about their prospects this year as last, a third (32%) are feeling more optimistic. This compares with 41% in the 2009 survey. Nearly a fifth of respondents feel less optimistic compared with only a tenth in 2009. Inevitably, operators who experienced a good 2010 season are significantly more likely to feel optimistic about their business prospects.
- 1.9 Under half of respondents (45%) are planning capital improvements to their businesses and 47% are planning revenue improvements. Just under a quarter of respondents (24%) are planning both revenue and capital improvements.
- 1.10 The most popular capital improvements are *equipment*, *infrastructure* and *new build/construction*. The most popular revenue improvements are *additional marketing activity* and *upgrade to website*.

Visitor Markets

- 1.11 According to survey respondents, the most important UK markets for visitors to South West Wales are the Midlands, South Wales and the South East and London. The most important international visitor markets are Germany, Ireland and the Netherlands.
- 1.12 Just under a third of respondents (30%), saw an increase in overseas guests in 2010, whilst 26% saw a decrease and 37% saw about the same this year as last.

Visitor Behaviours and Motivations

- 1.13 Respondents were asked to identify what mainly attracts people to visit their area of Wales. The natural landscape is considered to be the main draw with scenery, landscape and countryside being ranked first and coast/beaches/seaside ranked second overall.
- 1.14 Just over half the respondents agree that events, shows and festivals are of benefit to their businesses and only 13% disagree.

Travel and Transport

- 1.15 The overwhelming majority of visitors (92%) arrive at operators' businesses via their own motor vehicles.
- 1.16 Once in the area, a majority of operators (65%) try to encourage their customers to use public transport (e.g. Gower Explorer, Haven Water Taxi, Puffin Shuttles, Heart of Wales Line).
- 1.17 Nearly 7 respondents in 10 promote cycling to their customers.

Websites and e-Marketing

- 1.18 Nearly all of the operators who responded to the survey (95%) have business websites.
- 1.19 Respondents were asked about online facilities. Whilst over half (56%) have email booking forms and over two in five have online availability information (44%) relatively few provide online payment facilities (under 20%).
- 1.20 Just over two respondents in five (44%) buy and sell goods and services over the internet for business purposes.
- 1.21 Over half the respondents (51%) have search engine optimisation and nearly two in five use social media sites (38%). Relatively few use *Paid search/Pay per click* or *Blog* (23% and 17% respectively).
- 1.22 46% of respondents said that they monitor what people say about their business on TripAdvisor.

Other Marketing Activity

- 1.23 When invited to identify the main methods (excepting their own websites/online marketing) that they find most effective for promoting their businesses, respondents most frequently mentioned their own publications/leaflets (51%) and involvement with local authority promotion (46%), followed by Tourist Information Centres (28%).

Staff Training

- 1.24 When asked how important it is that 'you and your staff develop through training', 71% said that it is very or fairly important and only 9% said it is unimportant.
- 1.25 Over a half of respondents (56%) said that someone from their business had attended a course during the previous 12 months.
- 1.26 The most frequently attended courses are *An introduction to Social Media and using it within your business* (32%) and *Developing a sense of place* (21%).
- 1.27 All courses attended were considered by a high majority of respondents to have been helpful.
- 1.28 When asked to identify courses that would benefit their business, the most popular options were: *Attracting customers throughout the year* (48%) and *Selling your service successfully* (37%).

Local Food

- 1.29 Just over two respondents in five order food to sell in their business (43%) and nearly all of them use local produce (96%).
- 1.30 Just over a quarter (28%) were receptive to the idea of an online forum for sourcing local produce, talking to local chefs and producers and finding recipes.

Greening your Business

- 1.31 A very high proportion of respondents actively recycle to reduce waste (87%) and actively save energy (82%). However, relatively few promote sustainable transport (28%) or use renewable energy (18%).
- 1.32 When asked to rate the importance to their business of a number of environmentally sustainable practices, respondents scored recycling and actively saving energy very highly (90% and 89% agree). Of least importance are reducing car use (52%) and using renewable energy (59%).
- 1.33 Most respondents (81%) have no green certificate for their business. For the remaining 19%, the Green Dragon Award is the most popular (with 17% of respondents).
- 1.34 When presented with a list of possible courses, the following were identified as of most interest to respondents: *encouraging wildlife/biodiversity* (36%), *energy saving* (36%), *Sense of Place* (28%) and *Renewable energy* (27%). Nearly three in ten expressed no interest in any of the courses and only a few are interested in *Encouraging visitors to minimise car use* (12%) or *Preparing for climate change* (15%).
- 1.35 By far the most popular source of information, advice and support for respondents on green issues for business are online information and toolkits (48%).