



REPORT

Visit Wales
Business Wave Survey 2011

Wave 2 – Easter & May Bank Holiday



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1. Headline Findings

Mixed May bank holiday weekend

- 1.1 The Welsh tourism industry has had mixed fortunes over the May bank holiday weekend. Caravan & campsites report excellent results, with nearly half (47%) increasing their visitor numbers compared to the same weekend last year, and a further one in three (32%) reporting the same level.
- 1.2 Attractions have fared reasonably well, with about one in three (35%) increasing visitors, but the serviced and self catering sectors are both down on balance.
- 1.3 Over half (58%) of those increasing visitor numbers cite the weather as a key reason. About one in four (26%) attribute increased numbers to the extra bank holiday on the day of the Royal Wedding.

Mixed Easter holiday

- 1.4 Easter results show a similar pattern by sector, with caravan & campsites enjoying an excellent period, helped by fine weather in April. Half (50%) of caravan & campsites report increased visitor numbers over Easter and a further third (33%) report the same level.
- 1.5 Attractions have also fared well, with two in five (40%) increasing visitor numbers, whereas the self catering (24% increasing visitors) and serviced (23% increasing visitors) sectors have fared less well.

Advance bookings are down

- 1.6 Advance bookings are down on this time last year, in particular from Wales visitors. About one in five (19%) businesses report increased bookings from visitors from Wales, but one in three (33%) report a decrease.

Confidence is quite high

- 1.7 In spite of advance bookings being down, confidence for the summer is quite high. About one in three (31%) operators say they are 'very confident' for the summer, and about half (47%) say they are 'fairly confident'. This is similar to this time last year.

2. Research Background

Objectives

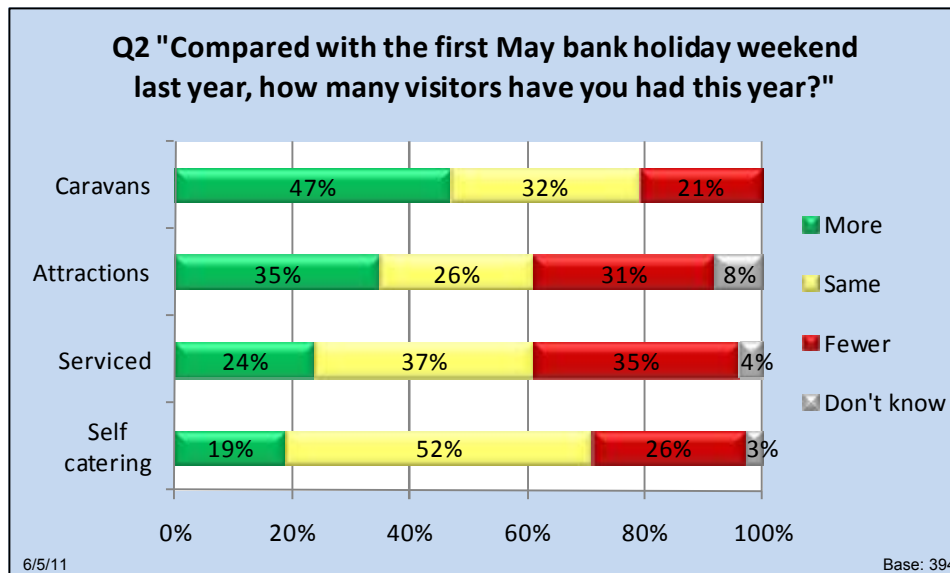
- 2.1 This survey is the second of five ‘waves’ in the 2011 ‘Business Wave Survey’, which aims to measure business performance and confidence in the Welsh tourism industry over the main holiday periods. This first wave focuses on the busy bank holiday period of Easter, the Royal Wedding and the first May bank holiday.
- 2.2 The main objectives of this second wave are to measure:
- Business performance during Easter
 - Business performance during the May bank holiday weekend
 - Impact of the Royal Wedding
 - Perceived reasons for relative success or failure this period
 - Advance bookings
 - Engagement with digital technology
 - Confidence for the summer season

Methodology & Sampling

- 2.3 Strategic Marketing and Visit Wales worked together to design a questionnaire for telephone interviewing. A copy of the marked-up questionnaire is included as an appendix.
- 2.4 Visit Wales provided Strategic Marketing with a database of all graded accommodation businesses in Wales and all known visitor attractions. A sample structure was designed to be representative of the tourism industry in Wales by sector and region.
- 2.5 A total of 402 interviews have been completed by telephone with business owners or managers between 3rd and 6th May. The table below shows the number of interviews by region and sector:

Sector / Region	North Wales	Mid Wales	South West Wales	South East Wales	Total
Attractions	25	10	20	25	80
Serviced	40	26	25	30	121
Self catering	41	25	35	20	121
Caravan & campsites	35	20	20	5	80
Total	141	81	100	80	402

3. May Bank Holiday and Royal Wedding



- 3.1 The Welsh tourism industry has had mixed fortunes over the May bank holiday weekend. Caravan & campsites report excellent results and attractions have fared reasonably well, but the serviced and self catering sectors are both down on balance.

Fine weather

- 3.2 Over half (58%) of those increasing visitor numbers cite the weather as a key reason. Among caravan and campsites, the most weather dependent sector, the vast majority (81%) of those increasing visitor numbers cite better weather as a key reason.

Economy still hitting some businesses hard

- 3.3 Caution over spending money is still as much of a problem for some businesses now as it has been at any time during the past two years. Escalating fuel prices have exacerbated the situation.

"People are being a lot tighter with their money and so have not booked"
Self catering, North

"The economic climate as well as increase in the price of petrol are making people stay at home rather than go for a weekend away"
Self catering, North

"It's absolutely awful. People just aren't booking"

Serviced, Mid

"I think fuel costs are having a massive impact on people's likelihood to holiday"

Caravan park, South West

Too nice to be stuck indoors

3.4 Warm sunny weather doesn't suit every type of business, and for indoor attractions not near a seafront, it can be a major disadvantage.

"The weather meant that people went to the beaches and didn't come to our attraction"

Attraction, North

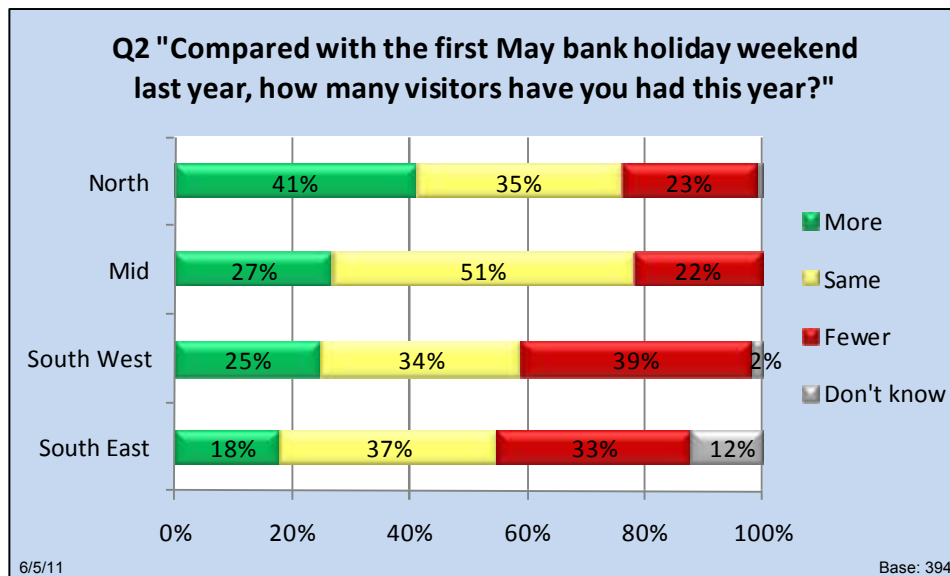
"The weather was drawing everyone to the beach and therefore decreasing our trade"

Attraction, South West

"It was not what we call 'museum weather' over the last couple of weeks!"

Attraction, South West

Differences by Region



Tourism looking up in north Wales

3.5 North Wales has performed very well, with about two in five (41%) businesses increasing their visitor numbers.

“Tourism as a whole is very buoyant at the moment”
Self catering, North

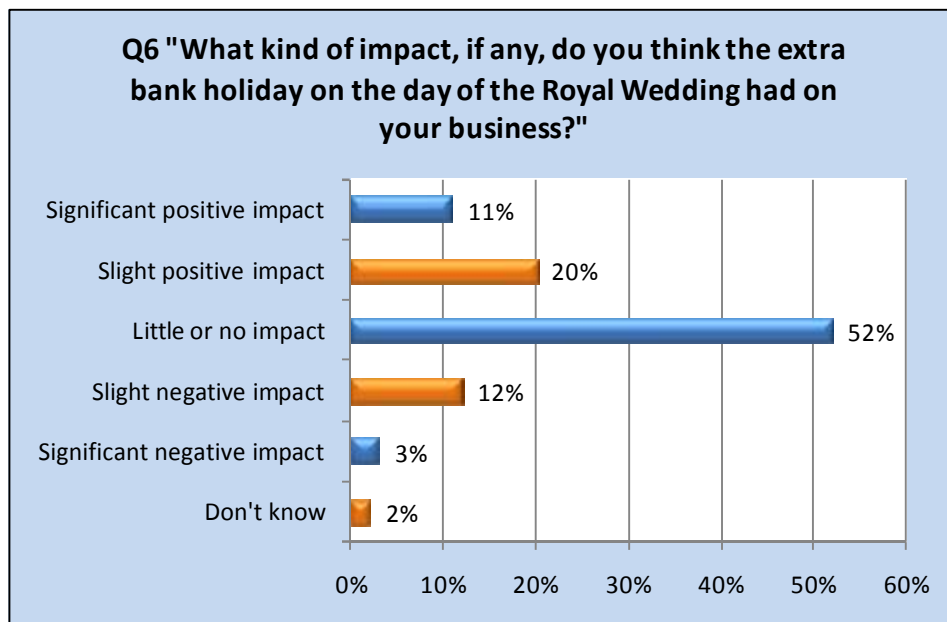
Different picture in the south

3.6 Businesses across south Wales have generally had quite a tough period.

“Cardiff hotels have gone considerably down this year”
Serviced, South East

“We have had the worst winter and spring in a long time and we are representative of the whole of our area. Everyone is saying the same thing”
Serviced, South West

Impact of Royal Wedding



3.7 About half (52%) of operators say the Royal Wedding and the extra bank holiday had little or no impact on their business. Some (15%) even report a negative impact and it is thought that many people simply stayed at home to watch the event on the TV, or not, in the case of many men.

“We had loads of men who had permission from their wives to go out and play golf!”

Attraction, South West

“The day of the royal wedding was our only quiet day in April”
Cardiff Castle

"I can only assume that people were at home watching the royal wedding on the TV"

Caravan park, South West

"The royal wedding had an impact because people stayed at home to watch it"

Serviced, Mid

"We were quieter on the bank holiday because everyone was inside watching TV"

Attraction, South West

Mixed blessing of clustered bank holidays

- 3.8 Having so many bank holidays scheduled into a short space of time was always likely to have an impact on the tourism industry, but it was unclear whether the impact would be positive or negative. About one in five (19%) operators who were busier over the May bank holiday weekend say that people taking advantage of the bank holiday cluster to take extended breaks was a key reason for success.

"People made the most of two long weekends by adding extra days"

CADW

- 3.9 On the other hand a number of operators say that there were too many bank holidays close together, and some think people went abroad.

"The two bank holiday weekends back to back had an awful effect on the running of the business and the logistics of it. Anything that we ran out of on the Tuesday could not be replenished till the following Tuesday and it was a nightmare. We were busier in terms of visitors though"

Caravan park, South West

"Two bank holiday weekends together meant people were going away for a whole week abroad and not booking"

Self catering, North

"Maybe so many bank holidays together meant that people went abroad"

Attraction, South West

"Too many bank holidays close together"

Serviced, South West

"People haven't got as much money to throw about and also the bank holidays are clumped together"

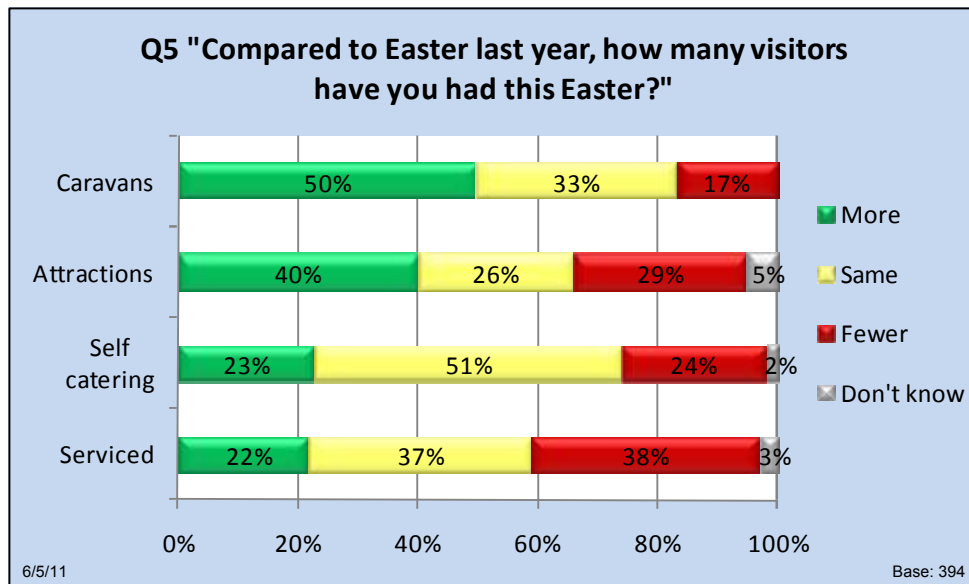
Serviced, North

"Bank holidays all too close together"

Serviced, North

*“Bank holidays being so close together meant that people only stayed on one
or the other rather than both”*
Serviced, South East

4. Easter



- 4.1 Easter results show a similar pattern by sector to the May bank holiday results. Caravan & campsites have enjoyed an excellent period, helped by fine weather in April. Businesses in other sectors have also benefited from the weather.

"Superb weather has led to the busiest Easter period I have known for the last 11 years"
Self catering, North

Good period for attractions

- 4.2 Attractions have also fared well, with two in five (40%) increasing visitor numbers. The difference in timing of English and Welsh school Easter holidays meant that businesses could benefit from a longer busy spell.

"Everything is up in April. The weather was a key factor ... we also benefited from the English school holidays taking place at a different time"
CADW

"The holiday period has been very good, very busy. We've had lots of customers from the UK and from abroad. The reason is that we've changed location. We're now right next to a bus stop so we're much more visible"
Cardiff Bay Visitor Centre

“April was fantastic, a really quality month. We're up over 6,000 visits - 28,000 compared to 22,000 last April. We've really pushed our season ticket scheme and it's driven the numbers up; there was a huge take-up in April”

Cardiff Castle

Some cause for concern in the serviced sector

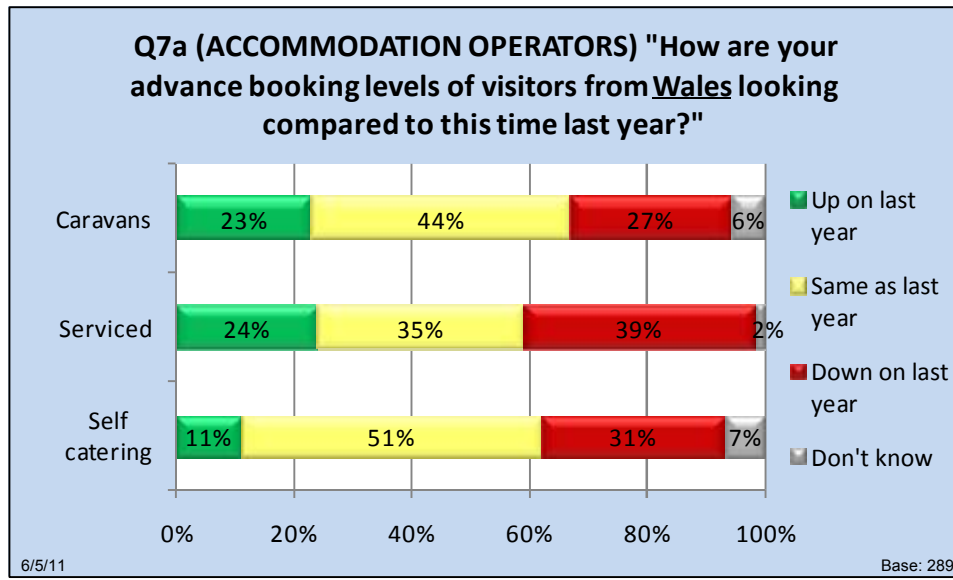
- 4.3 The serviced sector has not performed as well as the other sectors over Easter.

“The general economic downturn affected us. People are going for self catering and cheaper options”

Serviced, Mid

5. Advance Bookings

Visitors from Wales

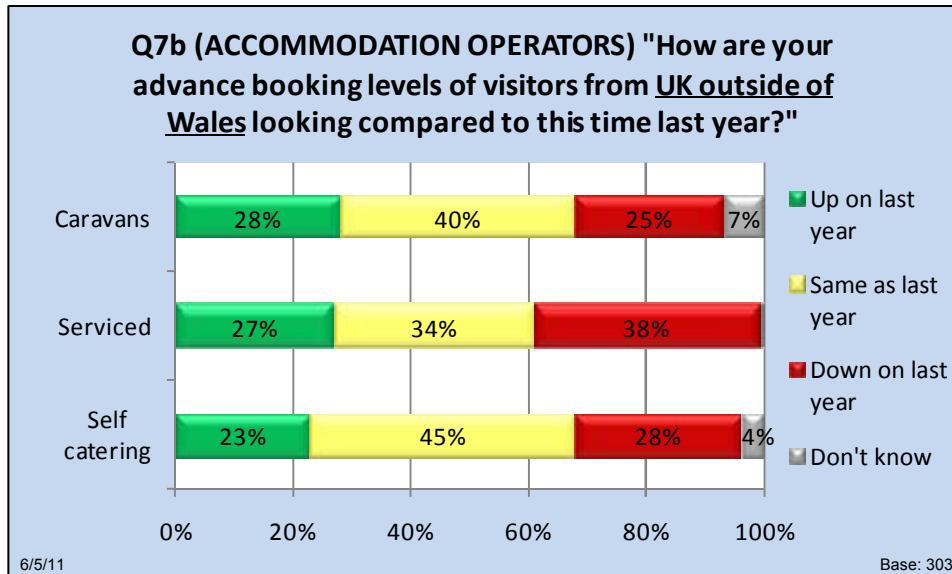


- 5.1 Advance bookings from within Wales are down on this time last year for all three accommodation sectors. Overall about one in five (19%) businesses report increased bookings from visitors from Wales, but one in three (33%) report a decrease.

"We are getting fewer retired people; I can only assume this is because people are only taking one holiday instead of two. After the budgets we went dead, comparing to previous years. We only have a smattering of bookings through June and July"

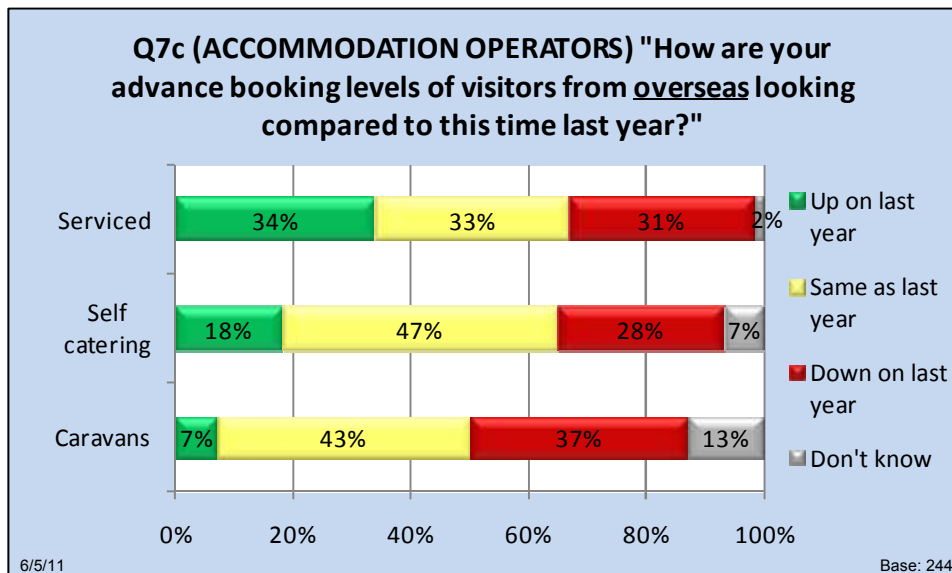
Caravan park, South West

UK Visitors



- 5.2 Advance bookings from the UK outside of Wales are looking more balanced than from within Wales. Overall about one in four (26%) accommodation businesses report increased bookings and two in five (40%) have the same level as last year. About a third (31%) have a decreased level.

Overseas Visitors



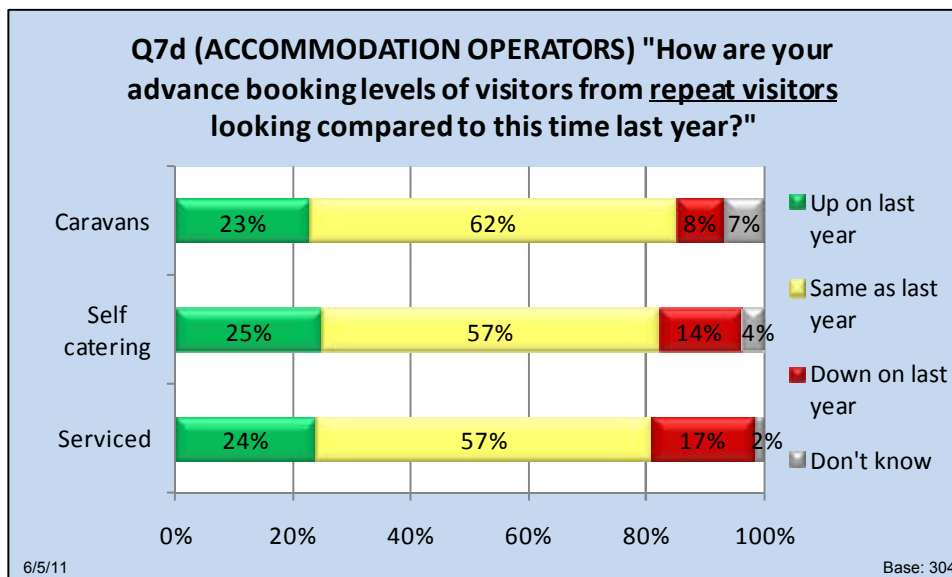
5.3 Advance bookings levels from overseas vary by sector, but caravan & camping sector figures need to be treated with caution as the base is only 30 (due to the majority being excluded because they never receive overseas visitors).

"We have bookings from Canada and Germany. More people from outside the UK than in the UK are making bookings"
 Self catering, South East

"Lots more overseas visitors rather than local visitors. I believe that overseas visitors are more important to look to than local"
 Self catering, South East

"We have had more Americans in the past. It tends to go in waves with overseas visitors"
 Serviced, Mid

Repeat Visitors



5.4 Repeat visitors are the only visitor type for which advance bookings are up on balance. It may be that this is the only type of visitor that actually books far in advance at all anymore.

"We do well from repeat visitors. They book from one year to the next"
 Serviced, Mid

"Last minute short break deals tend to be the norm now rather than advance bookings"
 Serviced, South East

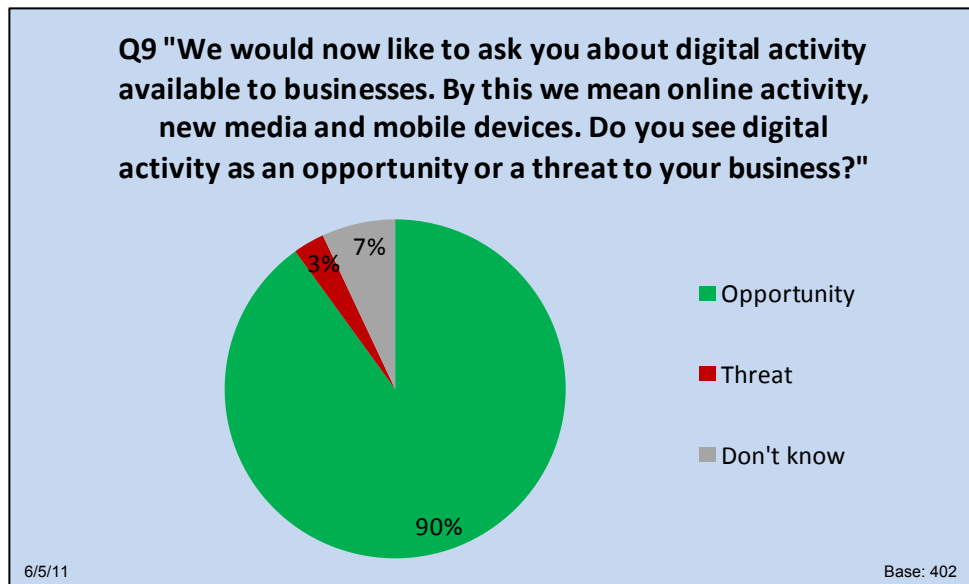
“We carry lots of repeat visitors who keep the business going”

Self catering, North

“Very slow bookings for the upcoming summer period. We’re expecting lots of last minute bookings”

Self catering, North

6. Digital Activity



- 6.1 The vast majority (90%) of respondents see digital activity as an opportunity.

"We advertise online. It is much more accessible to everyone. When people phone to make bookings I tend to ask them how they heard about us. It is mainly through the internet - we will look into expanding that way"

Caravan park, Mid

"I think the days of advertising in the press and magazines are numbered. Any paper advertising we have done has not seemed to benefit us whatsoever"

Caravan park, North

"Most of our new custom comes from the internet"

Caravan park, North

"We are probably not doing enough at the moment. The lack of understanding of the new stuff can be a bit of an obstacle. With people using a BlackBerry or an iPhone we are getting more enquiries via those"

Serviced, Mid

Lots of online activity but generally little use of new media or mobile devices

- 6.2 Most respondents are addressing the opportunity by having a website, advertising online and signing up to portals, but their activity doesn't seem to extend to new media or mobile devices. Some take bookings online.

“We only conduct business over the internet through our website and we advertise on others”

Self catering, South West

“We have a website, we offer Wi-Fi and we take most of our bookings by email. Most people pay via PayPal”

Caravan park, Mid

“We have our own website but also use Welsh and commercial companies to help promote. Bookings are taken online from commercial websites”

Self catering, North

“We offer our own website and try our best to appear high on Google searches. We use Google adverts as well”

Self catering, North

“We run a website with booking facilities. We belong to stay in Wales, visit Carmarthen bay and visit Pembrokeshire websites”

Self catering, South West

Some use of social media, but not much

- 6.3 Some businesses have a social media presence, but they seem to be very much in the minority.

“I have my own website, Facebook and Twitter. I use TripAdvisor and other online advertising”

Self catering, South West

“We have our own website and high level of social media presence, on Facebook and Twitter”

Self catering, North

“We have quite a good website and are on many social networks. They seem to be a key part in us accessing people”

Attraction, South West

“I have got a Facebook page and have done some training with north Wales tourism on social media”

Serviced, North

Many customers want Wi-Fi

- 6.4 Many businesses provide Wi-Fi for the customers as they know this is often sought.

“I have Wi-Fi in all barns”

Self catering, South West

“We are now offering Wi-Fi to people staying here”

Caravan park, South West

Dodgy connection

- 6.5 Some businesses are limited on what they can do because they are too remote from good internet access.

“We have a website and emails but unfortunately as we are so far out the broadband is too slow”

Caravan park, Mid

“We are looking at expanding and getting a marketing company to promote us digitally. The only problem we have here is the internet speed; it does make things very difficult”

Caravan park, Mid

“We have a website but broadband in this area is awful”

Attraction, South West

Helping mum/dad with the technology

- 6.6 Some operators don't have the inclination to get involved with modern technology but they call upon younger family members to sort it out for them. Others employ consultants to take care of it.

“My own website through which you can book online is managed by my son as I don't know how to use it myself”

Self catering, North

“My daughter organises all the technology within the business”

Caravan park, North

“We are looking to employ someone younger to deal with the digital options”

Caravan park, North

“We have a company which deals with the online advertising and promotion, advising us, updating the Facebook page and things like that”

Caravan park, North

“My granddaughter attends to most of it”

Caravan park, South East

Perceived threats

- 6.7 Not everyone sees digital activity as an opportunity.

I like to know who I'm dealing with

- 6.8 Many tourism business operators are receiving strangers into what is essentially an extension of their own home. Some don't like the anonymity of the internet but much prefer taking bookings over the phone so they can talk to people first.

"I don't want my own website as I prefer the personal touch"
Self catering, Mid

"I don't like using the internet. People say I am losing out but I don't really want to use it"
Serviced, Mid

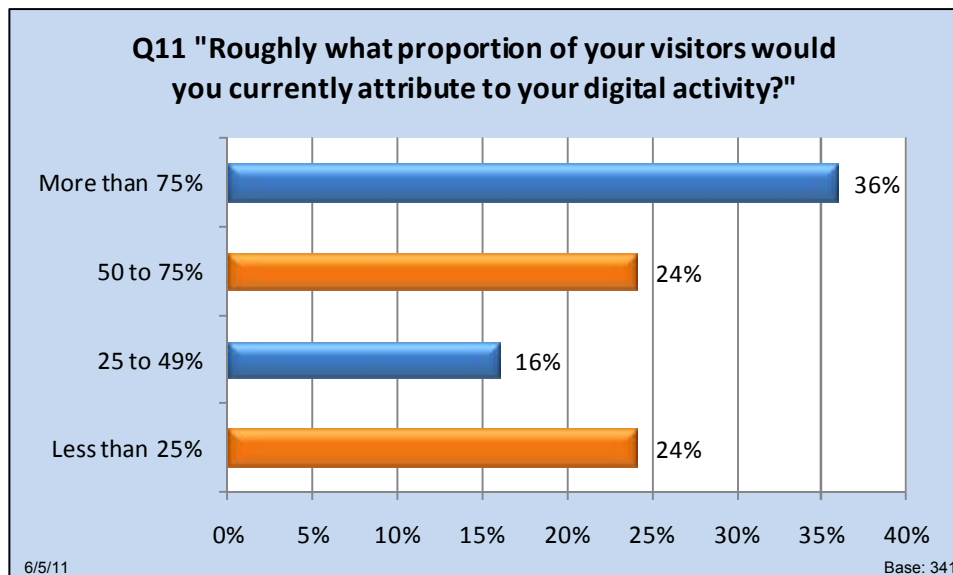
Threat of e-crime

- 6.9 Being active on the internet opens up a whole variety of threats.

"Some people tried to hack into our website and we are looking into it"
Serviced, North

"There were some fraudulent transactions on our website but we sorted it out"
Serviced, North

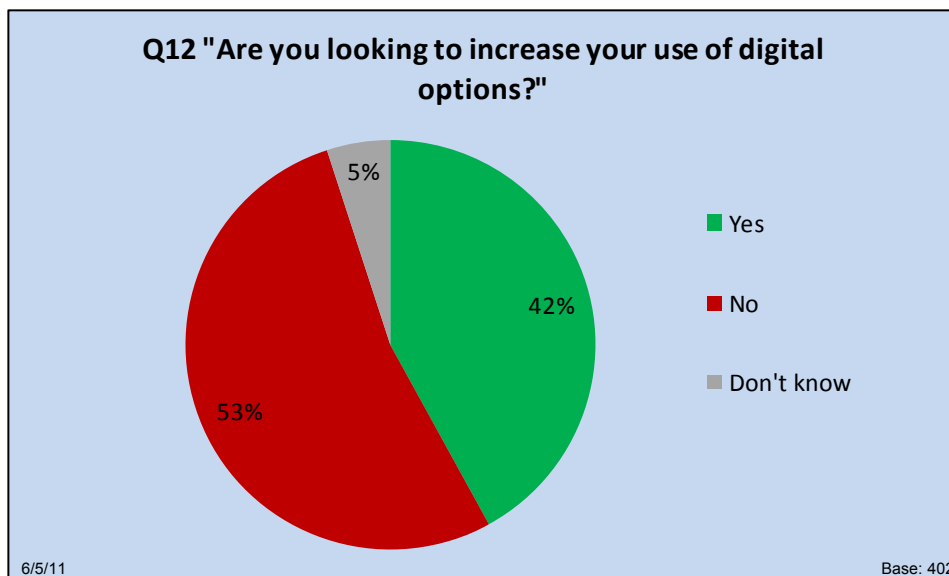
Business won through digital activity



- 6.10 The proportion of visitors attributable to digital activity varies greatly from business to business depending on how active they are.

- 6.11 The self catering sector wins much more of its business through digital activity than the other sectors. Close to two in three (62%) self catering businesses attribute more than 75% of their visitors to digital activity.

Attitudes towards increasing digital options



- 6.12 About two in five (42%) businesses are looking to increase their use of digital options. Attractions are the most interested sector, with about three in five (61%) answering 'yes'.
- 6.13 The answers to Q11 and Q12 have no correlation to each other.

Looking to increase

Getting started

- 6.14 Some businesses still don't have a website and realise that they need one.

"We are currently organising a website. Everything is going that way now so we have to follow suit"

Caravan park, South West

"I'm looking to get our own website up but I'm not very computer literate so I'm looking into how"

Self catering, North

Need to engage in social media

- 6.15 Many businesses which are already active online are exploring how to engage in social media. Some of them require help in understanding the whole concept for businesses and how to take advantage.

"I'm looking to set up a Facebook or Twitter page to further advertise"
Self catering, South East

"I'm looking to use Facebook and Twitter more as I am not very confident at the moment using them properly"
Self catering, South West

"We are looking at asking people to write reviews on TripAdvisor as we have had one false negative one which we want to cancel"
Serviced, South West

"I am trying to get onto Facebook but I don't really understand it"
Attraction, South West

"We have tapped into social networking sites because they are so accessible to everyone and a good way to advertise"
Attraction, South West

Online booking facility

- 6.16 For others, setting up the facility to book online through their own website is the next significant step.

"We are looking to develop our own online booking and paying facility. We thought originally it would be too expensive for only one unit but have found that a company will do it for us and only takes 2% to do it all booking and payment"
Self catering, South East

"We are going to set our website up to take online bookings"
Caravan park, Mid

Increase online advertising

- 6.17 Some operators are looking to increase the extent of their online advertising.

"We are looking into advertising more online"
Caravan park, Mid

"I am thinking of expanding our marketing online with other sites"
Self catering, Mid

Customers want Wi-Fi

- 6.18 Operators who don't currently offer Wi-Fi to their customers are starting to realise that they put themselves at a disadvantage if they leave it much longer.

"We are looking to install Wi-Fi in our static caravans, otherwise I think we may lose trade"

Caravan park, North

"We are looking into having Wi-Fi installed on site in order to attract people"

Caravan park, North

Examples of new applications

- 6.19 Most comments from respondents relate to engaging in applications which have already been around for quite a long time. Awareness of newer media is quite limited.

"We are starting to do iPhone apps and are developing constantly"

Attraction, South West

"We see it as an opportunity to grow. We are using a network called turning point visual arts audience. We need to do some research first however"

Attraction, South West

No intention to increase

- 6.20 Just over half (53%) of operators have no intention to increase their use of digital options, and the main reasons are detailed below.

Doing fine as we are

- 6.21 The main reason for not wanting to increase digital activity is that many operators are doing fine as they are with their current level of activity. Some possibly wouldn't be able to cope with or wouldn't want any more customers, and others don't know what else they could be doing that they aren't already.

"We don't feel the need to increase our digital options, purely because we are doing alright as we are!"

Caravan park, South East

"Seems to be working. I'm not sure how we could increase it"

Self catering, South East

"I'm happy with the current digital activity"

Self catering, South East

"I have a website, Facebook and Twitter and I'm happy with those"

Self catering, South West

"We are quite happy with what we have and are limited on size so could not take many more bookings"
Caravan park, North

I'm too old for all that, and so are my customers

- 6.22 Some elderly operators have no desire to delve into the very unfamiliar world of technology, and even if they did, it wouldn't make any difference to their customers anyway.

"I am not really interested in any of that. None of my visitors are either"
Caravan park, Mid

"Most of our business are an older clientele so I don't think expanding using Facebook or Twitter would create any more business"
Serviced, South West

"I don't quite understand all of that!"
Caravan park, Mid

"I feel I am too old to increase our digital activity"
Caravan park, South East

"I am not used to using the internet so I'm going to keep things as they are"
Self catering, South West

The personal touch

- 6.23 Some operators like the personal touch and control that phone bookings bring and want to keep things that way.

"I do not want to lose the personal touch"
Self catering, Mid

"We want to be able to control who books into us via the phone"
Caravan park, Mid

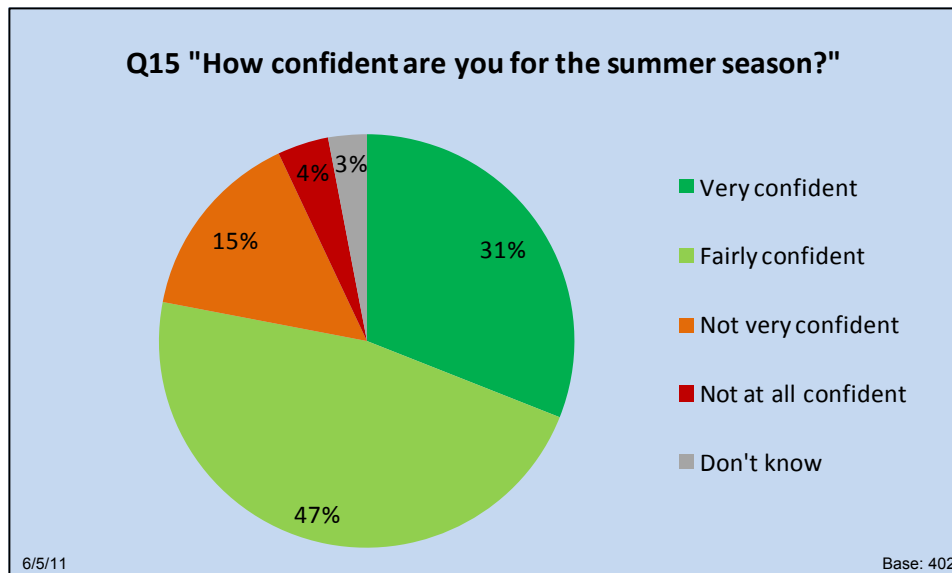
"It's easier to phone. I believe it is much quicker to arrange"
Self catering, South East

Tied in with an agency

- 6.24 Some self catering operators are tied in with an agency and so are limited on what they can do outside of that contract.

"Being tied in with the agency doesn't allow for us to advertise or go anywhere else"
Self catering, North

7. Confidence for the Summer



- 7.1 About one in three (31%) operators say they are 'very confident' for the summer, and about half (47%) say they are 'fairly confident'. This is similar to this time last year.

"Things are looking very good. There are lots of avenues to increase visitors. We're bringing in extra visitors to Caerphilly Castle; we've got the Heritage Tourism project going and are doing more events"

CADW

"We're adding extra product. Our campaign is all about how much you get for your money"

Cardiff Castle

- 7.2 Confidence can vary a lot from business to business, even within the same area and sector. The following quotes are all from self catering businesses in a similar area of Gwynedd:

"Very busy this year and the entire summer season is already completely booked"

"Worried about the cost of petrol and that there have been a lot of bank holidays already where people might have spent all their money"

"I'm worried as no-one has put any bookings in for short breaks around August, and we are usually booked"

"Constantly full year on year and already have bookings for summer 2012"