



STRATEGIC MARKETING

REPORT

Visit Wales
Business Wave Survey 2011

Wave 3 – May and June



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1. Headline Findings

Visitor numbers down in May and June

- 1.1 The tourism industry in Wales has not had a particularly good period. One in five (20%) accommodation businesses have had more visitors in May and June compared to last year, and about two in five (39%) have had the same level. However about two in five (39%) have had a decrease. Differences by region are not significant.
- 1.2 Attractions have fared slightly better, with about one in four (26%) increasing their visitor numbers and more than two in five (43%) achieving the same level.
- 1.3 The adverse economic climate is still having a major effect on the industry. About two in three (65%) operators experiencing a decrease in visitor numbers give this as a key reason for decline in performance.

Advance bookings are down

- 1.4 Advance bookings are down across all accommodation sectors. Advance bookings from Wales are up for one in seven (14%) businesses but down for over a third (36%) of businesses.
- 1.5 Advance bookings from the UK (outside Wales) are up for about one in five (19%) businesses but down for over one in three (36%) businesses.

Supplying visitor information

- 1.6 About half (48%) of operators interviewed use a TIC to obtain information to supply to their customers. This is higher than websites (42%).
- 1.7 Respondents in general are keen to have a strong presence of TICs in Wales. The service could be improved by having longer opening hours, event information compiled in one place, and more pro-active distribution of information to businesses, whether emailed or in hard copy.

Confidence for the summer holidays is reasonably high

- 1.8 Three in ten (30%) operators say they are 'very confident' for the summer holiday season, and nearly half (45%) say they are 'fairly confident'. This is very similar to this time last year.

2. Research Background

Objectives

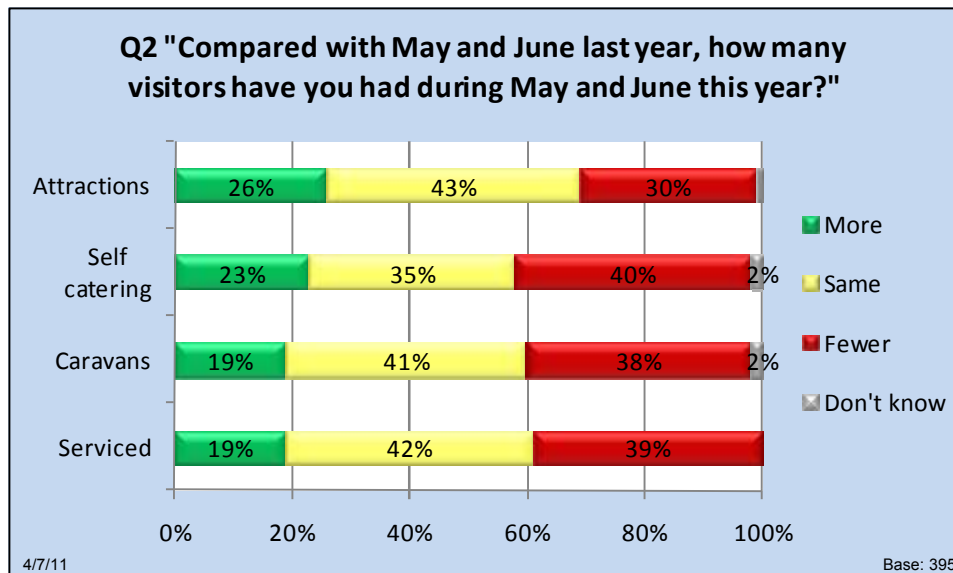
- 2.1 This survey is the third of five 'waves' in the 2011 'Business Wave Survey', which aims to measure business performance and confidence in the Welsh tourism industry over the main holiday periods. This third wave focuses on May and June.
- 2.2 The main objectives of this third wave are to measure:
 - Business performance during May and June
 - Perceived reasons for relative success or failure this period
 - Advance bookings
 - Information needs of visitors
 - Role of tourist information centres
 - Confidence for the summer holiday 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 400 interviews have been completed by telephone with business owners or managers between 27th and 30th June. 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 | 24 | 11 | 20 | 25 | 80 |
| Serviced | 37 | 26 | 25 | 30 | 118 |
| Self catering | 39 | 24 | 38 | 20 | 121 |
| Caravan & campsites | 35 | 21 | 20 | 5 | 81 |
| Total | 135 | 82 | 103 | 80 | 400 |

3. May and June Performance



- 3.1 The tourism industry in Wales has not had a particularly good period. One in five (20%) accommodation businesses have had more visitors in May and June compared to last year, and about two in five (39%) have had the same level. However about two in five (39%) have had a decrease. Differences by region are not significant.
- 3.2 Attractions have fared slightly better, with about one in four (26%) increasing their visitor numbers and more than two in five (43%) achieving the same level.

Economic conditions still adverse

- 3.3 The adverse economic climate is still having a major effect on the industry. About two in three (65%) operators experiencing a decrease in visitor numbers give this as a key reason for decline in performance.

"I assume it's due to the economy. People just don't have the money"
Caravan park, North

"The recession has hit us harder this year than ever before"
Attraction, South East

"People tend not to stay for the amount of time they did a couple of years back"
Serviced, Mid

“People just don’t seem to have the money to go on holiday”
Serviced, North

Some say performance dropped after the bank holidays

- 3.4 Some operators say their business performed very well over the late Easter / royal wedding bank holiday weekend spell, but then visitor numbers dropped off noticeably after that.

“It was the best Easter we’ve had for a long time. But then it all went a bit dead”

Caravan park, North

“We had an amazing period over those extra holidays, some of our busiest ever, but then it dropped like a stone following that”

Attraction, Mid

Limited disposable income brings benefits for some

- 3.5 Not all operators are seeing their visitor numbers declining during times of economic difficulties. Some are benefiting from increased UK visitors or by offering competitive prices.

“I think that people are now starting to realise that they can have just as good a holiday in the UK”

Caravan park, Mid

“Our numbers are up because I generally think that people can't afford these lavish holidays anymore ... we're one of the cheaper attractions in the area. We need to get 20 paying passengers a day to cover our costs at least, and we're getting 30-35 on average and on a good day we're getting 90-100”

Attraction, Mid

“We’re seeing a lot fewer holidaymakers now and far more 2/3 night visits”

Serviced, Mid

Growth from change

- 3.6 Some businesses are increasing their visitor numbers from having undergone a significant change.

“Since we took control of our own marketing we’ve seen a fast and successful increase”

Serviced, Mid

“There has been new management in place and so business is gradually increasing”

Attraction, South East

Signs of business tourism picking up

3.7 There are some signs of business customers picking up again.

“Road and improvement works have been going on locally. A lot of my guests have been the workmen”

Serviced, North

“There have been a lot of contractors in the area who have kept the rooms full”

Serviced, South East

“We’re also seeing a lot of business customers staying away from the chains”

Serviced, Mid

4. Advance Bookings

Advance bookings becoming less and less common

- 4.1 Generally across the board, advance bookings are well down on last year. However, a number of operators have commented that booking in advance is no longer the norm.

"I feel advance bookings are almost a thing of the past. Most people call within a couple of days of arriving"

Serviced, Mid

"This year I know I'll get the bookings, but the notice will be very short"

Serviced, Mid

"It's down across the board. We've decided not to drop our prices because people pay the money, it's just they're doing it later"

Serviced, Mid

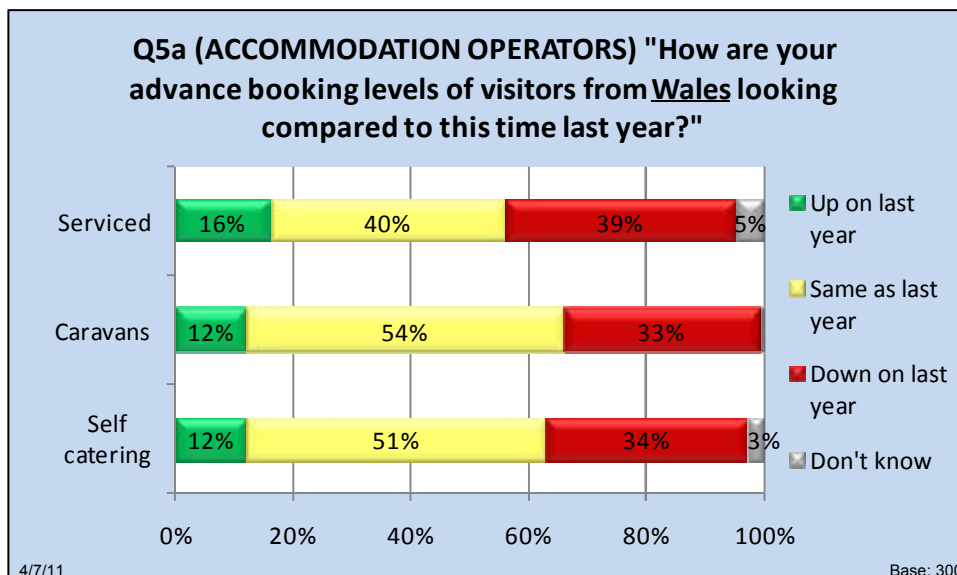
"Advance bookings aren't too bad at the moment, but if the weather is bad, then people won't come. We're seeing a lot of people just turning up"

Caravan park, Mid

"Our summer is looking ok, but we'll get more people just turning up. I'm pretty sure of that as that seems to be the general way now"

Caravan park, Mid

Visitors from Wales

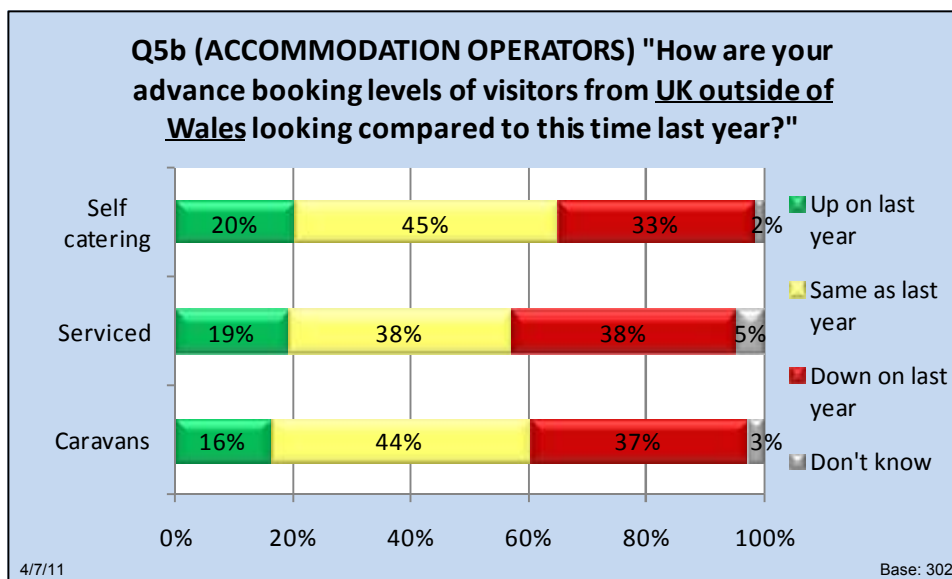


4.2 Advance bookings from Wales are down across all accommodation sectors.

"I think the recession is showing now more than last year"
Caravan park, South East

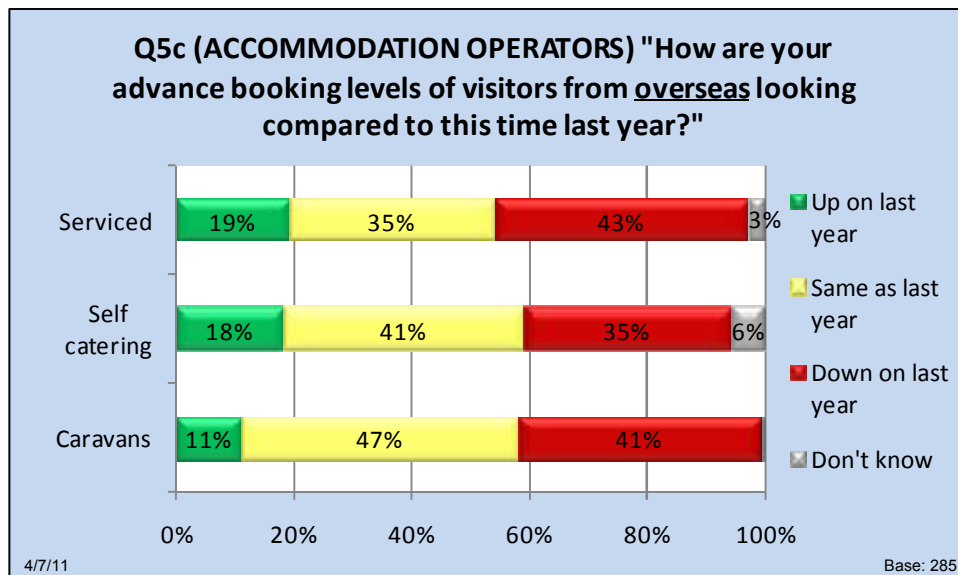
"Our advance bookings are looking good, especially on our tourers. I think that's the holiday that people can still just about afford"
Caravan park, Mid

UK Visitors



4.3 Advance bookings from the UK outside Wales show a similar picture to Wales bookings. Differences by region are not significant.

Overseas Visitors



4.4 Overseas bookings are also down.

"About 10 years ago we used to have a lot of Europeans, people from Holland mostly. But it's been steadily getting lower over the years. I haven't seen their cars around the area, they just aren't here"

Caravan park, North

"Our overseas bookings generally come a bit later in the year. We usually get a lot of Dutch people over"

Caravan park, North

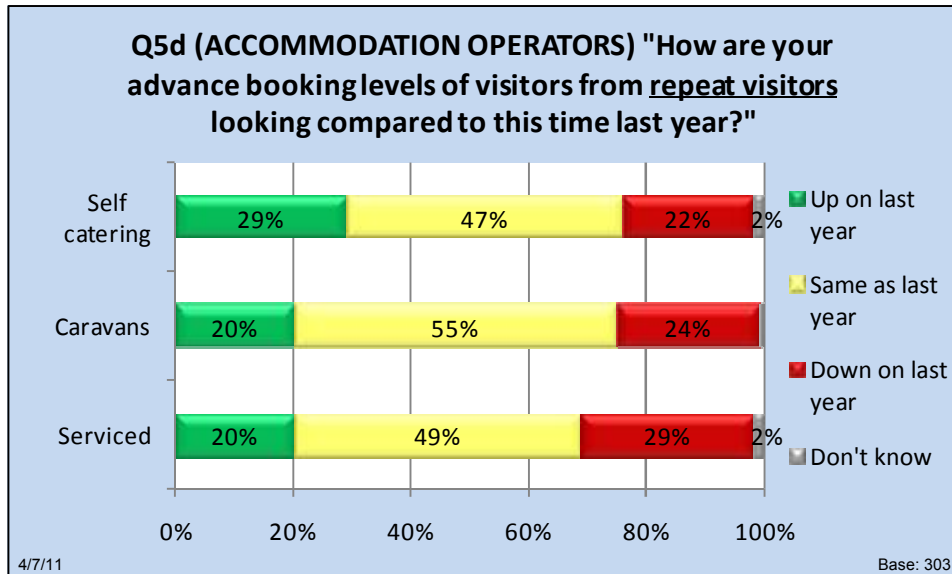
"Our overseas visitors numbers have definitely dropped. I think it's because of the ferry prices rising. We used to get a lot of Dutch but not anymore"

Caravan park, North

"We have seen a marginal increase in overseas visitors, particularly from Asia as laterooms.com has just gone into Asia. It's not quite enough to make a notable increase yet but we are expecting it to get better"

Serviced, North

Repeat Visitors



- 4.5 Repeat visitors are the only group where advance bookings are relatively stable. Some businesses survive on repeat visitors, and some say that repeats are the mostly likely group to book in advance rather than last minute.

"Around 75% of bookings are from repeat visitors"
Self catering, North

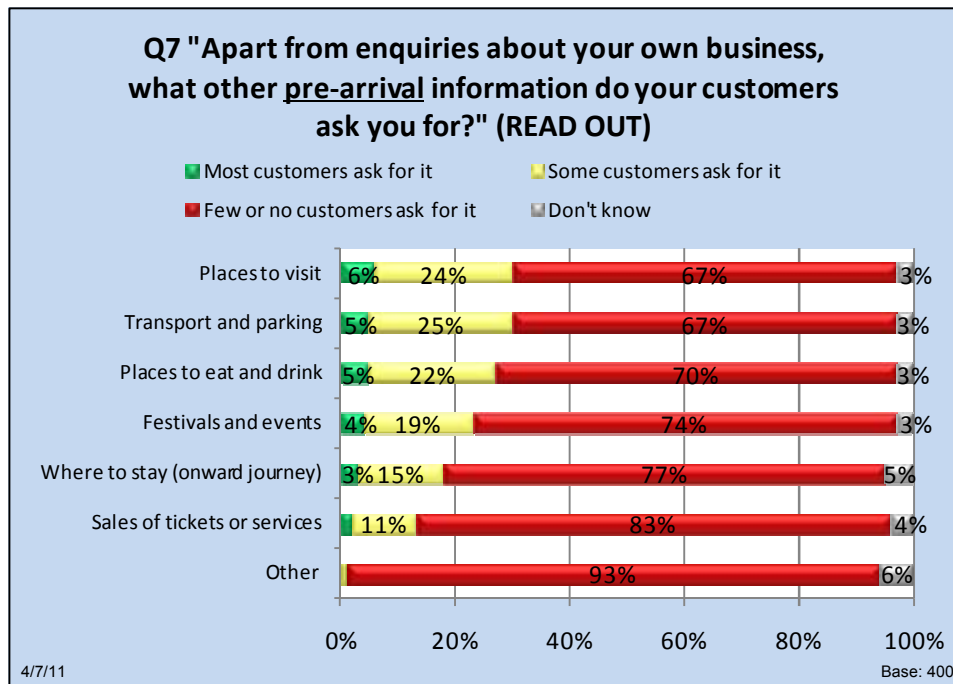
"I'm no longer dealing with new customers as I'm winding down. But I'm still getting my repeats year on year without fail"
Serviced, Mid

"We have had mainly repeat visitors making advance bookings"
Self catering, South West

"The only people who are really making an effort to visit this year are the same customers we see every year"
Caravan park, Mid

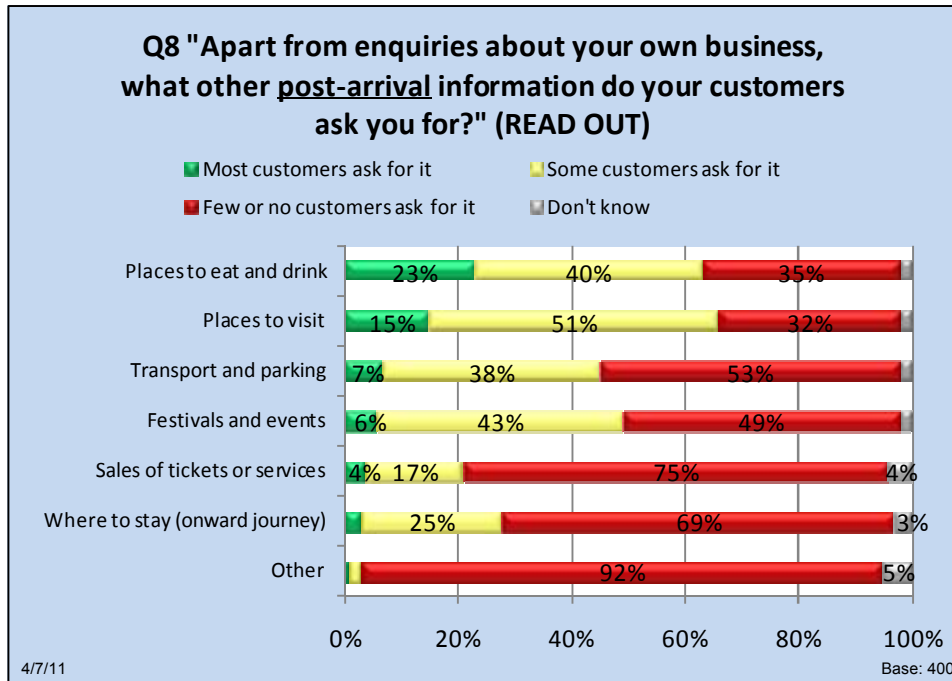
5. Visitor Information Needs

Pre-arrival information needs



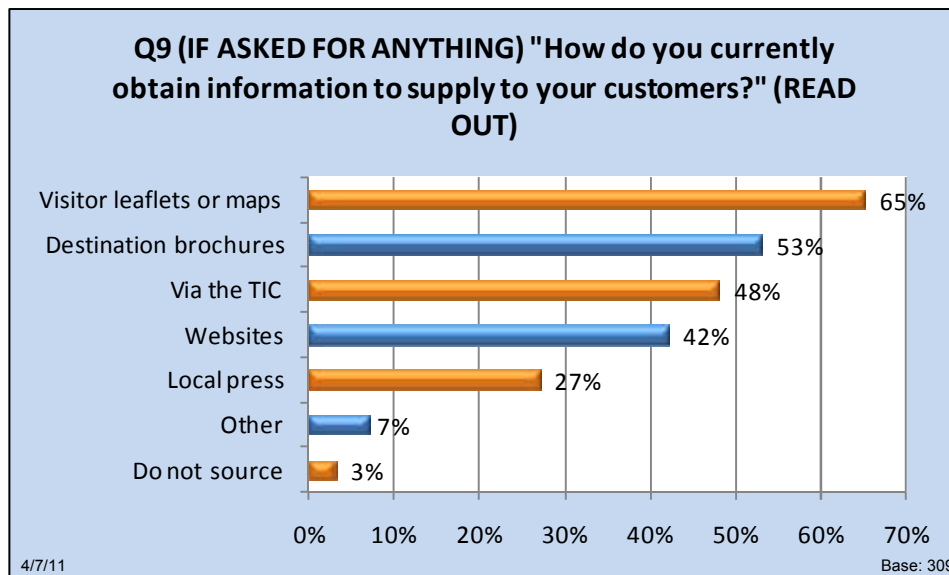
- 5.1 Prior to arrival, customers ask for a variety of information, including places to visit, transport and parking, and places to eat and drink. Results on the above chart are shown in order of frequency of response.

Post-arrival information needs



- 5.2 The most noticeable difference between pre- and post-arrival information needs is that tourism operators are used much more for post-arrival information. 'Places to eat and drink' tops the list.
- 5.3 A few other information needs not on the list have also been mentioned, most notably walking routes.
- 5.4 Results are relatively consistent by sector.

Obtaining information

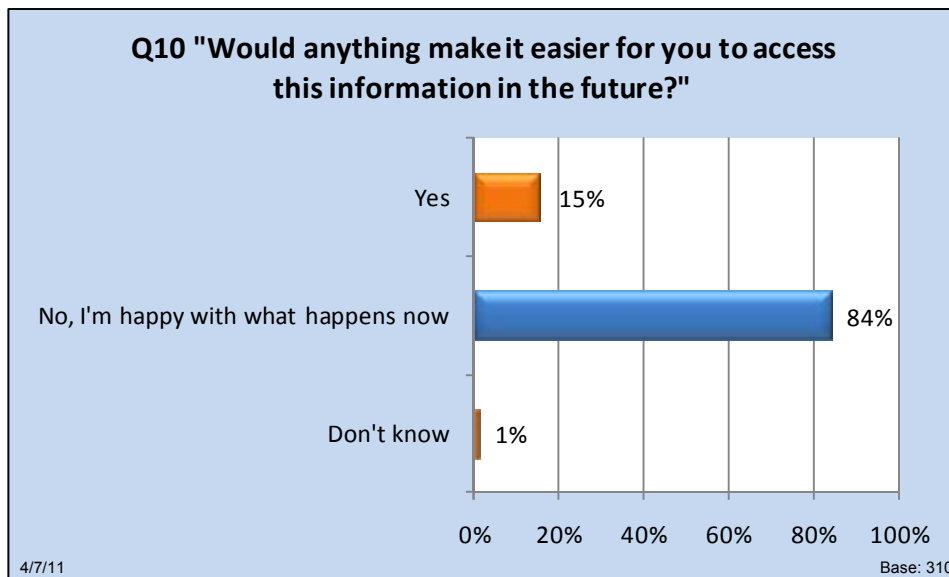


- 5.5 Printed information is very important for servicing visitor information needs, with visitor leaflets or maps being the most important format.
- 5.6 About half (48%) of operators source information via their TIC and there may be some overlap in the above list in that leaflets, maps and brochures could be sourced from there. This is more than the proportion (42%) of operators sourcing information from websites.
- 5.7 The proportion answering 'via the TIC' varies by sector and region. Three in ten (30%) attractions have given that answer compared to more than half (54%) of accommodation providers. Two in three (67%) operators in Mid Wales who get asked for information say they source it via a TIC, compared to about half (52%) in North Wales, two in five (41%) in the South East and three in ten (29%) in the South West.
- 5.8 A number of operators comment that they use information they obtain to make their own 'visitor pack'.

"We create a booklet every so often with all the local happenings, including directions and so on"
Self catering, Mid

"We make a number of enquiries ourselves with local attractions and then put a little booklet together for every visitor"
Self catering, Mid

Making access to information easier



- 5.9 Most (84%) operators are content to gather information in the way they do now. Some (15%) though have suggested ideas for making access easier, and the main ideas are discussed below.

Event information all in one place

- 5.10 Some operators find they have to scout around different sources to compile a list of what's on in their area. They would benefit from all the information being in one place.

"If there was one central database where attractions and businesses can advertise what's going on throughout the year. For us to then maybe take note based on the type of guests that we get"
Self catering, Mid

"There used to be a What's On guide produced for the local area and Monmouth and it has stopped"
Caravan park, South East

"I'd like to see some central database or be e-mailed about events that are coming up rather than me having to spend a couple of hours every month looking around various websites and so on"
Caravan park, Mid

"Email alerts and if the tourist board put together a business pack to send out that includes all the local leaflets and information that's on the website"
Self catering, North

Emailed information

- 5.11 Some operators would like information to be emailed to them for ease and efficiency.

“Direct emails with information about local events and attractions”
Self catering, South East

“Useful to have an information stream. People could contact us through an email system for example to let us know what is going on locally”
Serviced, North

“If email was used more as a way of communicating between tourist attractions about events as it is much easier to get a response via email”
Attraction, South East

Man with a van

- 5.12 Other operators would like deliveries of printed information coming directly to them.

“There used to be a man in a van that used to drop a load of leaflets from the TIC; I'd like to see that happening again”
Self catering, Mid

“By sending out leaflets directly to us with information about local events and attractions”
Serviced, South East

“If people brought round leaflets to us rather than us having to go out and source them”
Serviced, South East

Lost without a TIC

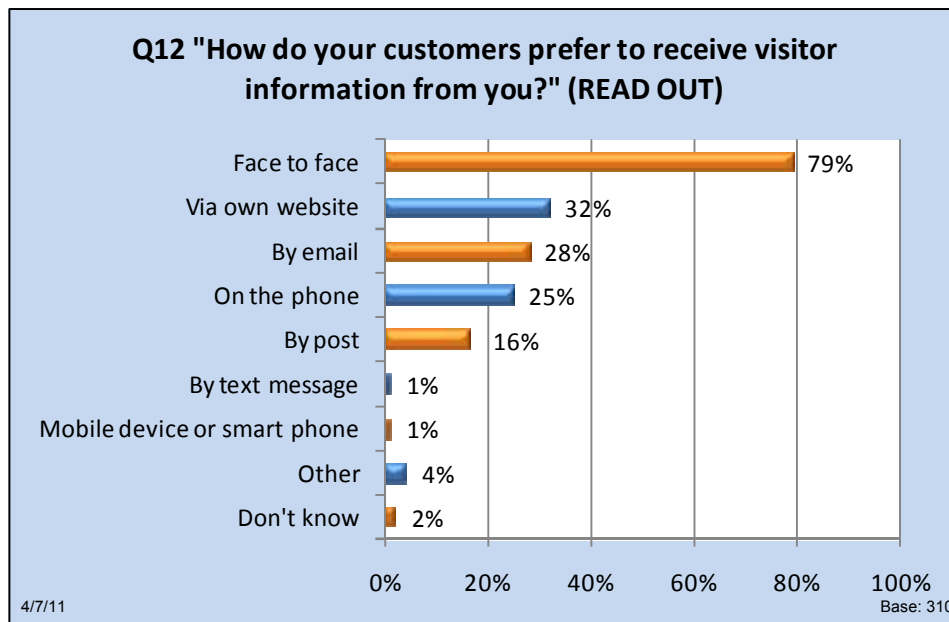
- 5.13 A number of operators would really like a TIC in their area but they don't have one. These are mostly businesses in the Mid Wales region.

“It would be great if we had a TIC”
Self catering, Mid

“If we had a TIC. It's very disappointing not to have one, and it has a massive effect on us. I tried to go to my nearest TIC and they wouldn't help me with anything as I wasn't in their direct area”
Caravan park, Mid

“If we had a TIC to begin with. I think the area really struggles because we don't have one to go to as a centre point”
Caravan park, Mid

Customers receiving information



- 5.14 Face to face is by far the most preferred way for customers to receive information. This is consistent with the earlier findings that tourism business operators are mostly used for post-arrival information needs.
- 5.15 The self catering sector is slightly different, as a lower proportion (59%) of operators have answered 'face to face'. This is because some operators do not really see their customers except to hand over keys in the beginning, and so for some, the information packs they leave in the accommodation are important to customers.

"Information is left in properties for customers to look at in their own time"
Self catering, South East

- 5.16 Own websites and email are also quite common, but providing information through more modern technology such as smart phones is yet to take off.

Helpful TICs in the future

- 5.17 Respondents have been asked the open-ended question, "In what ways can TICs best help you in providing visitor information to your customers in future?"

Please keep them open

- 5.18 The general consensus is that they already do a helpful job, and so they should continue in similar fashion. Some operators have stressed the need to keep them open.

“I think they do enough by just being there, I'd hate to see it disappear”
Self catering, Mid

“Just by continuing to have local TICs to send visitors to”
Self catering, South East

“TICs are vital in the area, and vital to the tourism industry”
Self catering, South East

“Just carrying on. They have a great depth of knowledge that you can't get anywhere else”
Caravan park, South East

“I think they're good enough. I just hope the rumours aren't true about them closing”
Serviced, Mid

Suggestions as discussed previously

- 5.19 The majority of the suggestions are in line with those already discussed on pages 16 and 17 above, i.e. information collated into one place and sent to businesses more pro-actively (whether emailed or hard copy).

“By letting us know what's happening in the area, rather than us having to ask around and spend time on the internet”
Caravan park, Mid

“They could keep updating us on attractions and local events through mailing lists”
Serviced, South East

TIC can't help when it's not open

- 5.20 A number of comments have been made about the limited opening hours of TICs and the days when they're open.

“The TIC isn't open on a Sunday. Would be better to be open when people are actually in the area visiting - tends to be on weekends”
Attraction, North

“I think it [the TIC] is closed way too much”
Caravan park, Mid

“Opening times are a problem. Part time office”
Serviced, North

Digital information points

5.21 A few suggestions have been made about digital information points.

“Maybe digital information points would be a good idea”
Attraction, North

“If they do decide to start closing the TICs then I think it would be a good idea to have more advanced information points in hotels”
Serviced, Mid

Weaknesses in information through all channels

5.22 Finally, respondents have been asked the open-ended question, “What do you think are the biggest weaknesses in the way visitor information is currently provided through all channels?” The main ideas are discussed below.

TICs lack presence

5.23 Some respondents feel that TICs in Wales lack presence, including choice of location, lack of existence at all, lack of opening hours and diversity in image.

“Lack of presence of TICs and brown signage to visitor attractions”
Attraction, North

“TICs not open on the weekends. Also not very well placed in terms of being able to be found”
Attraction, North

“The provision of visitor information seems to be quite patchy. Some areas have no TICs anymore; opening hours of TICs are different everywhere”
Attraction, South East

“There is too much diversity within TICs. They don’t have a recognisable image for people across Wales”
Attraction, South East

“Sometimes the information office is shut on days that you really need them like weekends”
Self catering, North

Definitive list and promotion of local events

5.24 Respondents re-iterate the earlier point that they need a definitive list of local events, and people need to know those events are happening.

“Amalgamate all the brochures to have one definitive list for visitors”
Attraction, North

*“There is not enough local news and marketing of local events in the area so
people are not aware of when events take place”*
Serviced, South East

*“Sometimes you don’t get to hear about some local events until after they have
happened. I read about them in the local paper”*
Serviced, North

*“Nobody produces a detailed information brochure annually. There doesn’t
seem to be any definitive list of information. It would be helpful if something
like that was produced”*
Self catering, North

Accuracy of information

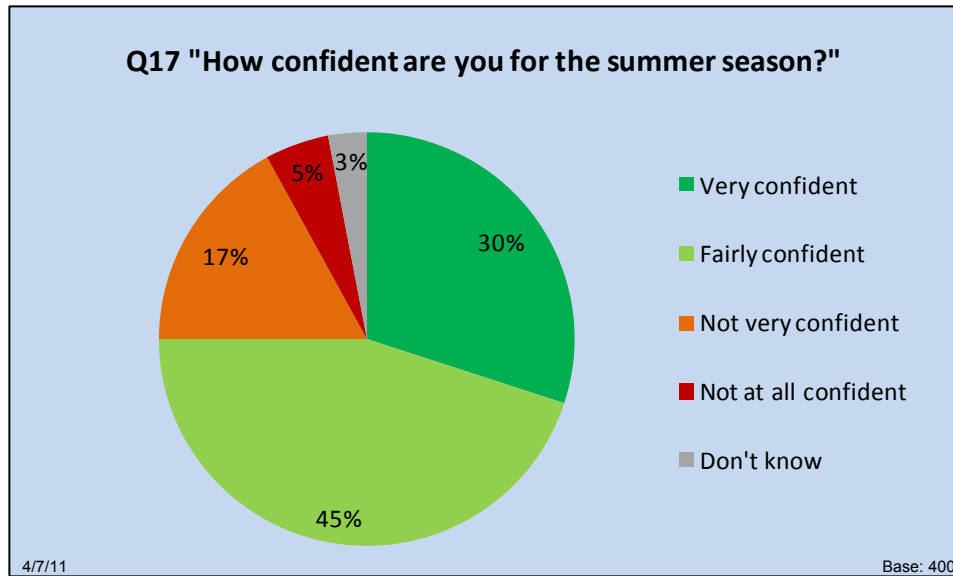
5.25 Some respondents have issues with the accuracy of information given out.

*“The information provided through local news is not always correct with dates
of events or start times etc”*
Self catering, South East

“Updating of information so prices and opening hours are correct”
Attraction, South East

*“Blanket information - no proper local information. TIC isn’t very on top of local
information. We regularly ring them up to correct their information”*
Caravan park, North

6. Confidence for the Summer Holidays



- 6.1 Confidence for the summer holiday season is reasonably high. The above results are very similar to this time last year.

"Our advance bookings are so full that if anybody wants anything longer than 3 nights we're looking at December"
Serviced, Mid