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Tourism industry research



“Doing the right industry research enabled us to understand our international customers’ requirements better and turn our paper based rail pass into a mobile M-Pass easily, creating the ultimate travel experience.”

Philip Barnard, International Manager, Rail Delivery Group

What research is available?

When entering into the international market it is critical to undertake ongoing market research including the reviewing of the latest tourism statistics. There is a wealth of up-to-date statistical tourism information readily available for you to analyse. You just need to know where to find it. VisitBritain/VisitEngland provides research services to the industry through consumer and market insights, plus tourism, aviation and economic analysis.

They are responsible for identifying and understanding the needs and drivers for consumer segments that give the greatest return on investment. They also produce relevant and timely analytical research on inbound tourism markets, including analysing and communicating trends in global tourism and identifying new and high-yield markets.



For further information and reports visit [visitbritain.org](https://www.visitbritain.org) and trade.visitbritain.com

What factors do I need to consider?

When reviewing any statistics it is wise to consider them in practical and realistic terms. For example, one market may be showing a significant percentage growth, but ensure you look at what base that growth is from. What is the real size of the market and does it hold the same potential as another market that may be growing at a slower rate yet off a higher base?

Also remember to consider the suitability of your product to each market. For example, you may see a high growth in the China market, however before you start targeting that market make sure your product is an experience that that market is interested in and that your product meets the needs of that market. You may indeed get a better return from another market that would suit your product better. Therefore, don't consider the statistics in isolation.

When looking at the arrival statistics, don't consider them at face value for the total numbers. It is important to drill down and review. For example, instead of just reviewing the total arrival statistics for a market, review the specific arrival statistics for each category to see the actual size of your target market, namely; Holiday, Visiting friends and relatives (VFR), Business travel, Study (i.e. students). Then consider the average spend of your target category, not the total overall spend, and how much of that has been pre-spent on carrier fares before they arrive in England. IPS stats will not record the cost of carrier fares (air, ferry etc.) to and from England.

Also it is worth considering the regional spread of the market. For example, if you see a high volume of visitors from the USA, check how many of these visits are spent within your region.

Let's look at the statistics for China



China Visitor Summary (2019)

Ranking: Visits 13th / Spend 2nd

	Total	Business	Study	Holiday	Visiting friends and relatives	Miscellaneous
Visits	883,073	112,717	81,219	511,760	114,950	62,427
Average Spend Per Visit	£1,937	£1,879	£4,506	£1,631	£1,922	£1,235
Spend Per Night	£119	£208	£69	£178	£84	£104
Average Nights Per Visit	16.33	9.03	65.26	9.23	22.94	11.85

If we were to review the summary statistics alone, total inbound visits from China in 2019 is 883,073 with an average spend per visit of £1,937 and an average stay of 16.33 nights. If you were a hotelier considering this in isolation you may think this is an extremely attractive market for you with Chinese guests potentially staying for a long duration from a big and growing market source. However, when you drill down per category, you will see that the average stay for a leisure visitor (likely to be purchasing hotel accommodation and therefore making up your target market) is 9.23 nights, with the market size being 511,760 leisure travellers. This demonstrates how the Study and VFR markets can put a slant on the statistics.

Another area where it is important to be cautious is regional dispersal statistics. The tourism industry commonly refers to regional dispersal as being outside capital or main cities. However, the International Passenger Survey (IPS) defines that regional dispersal means a stay overnight in a place and therefore does not include day visits. For this reason, the actual number of visitors to an area may be much greater than indicated, by the IPS statistics, since they do not include day visits. For example, if you look at China, the total holiday market for China consists of 511,760 visitors, with 388,330 of these visitors basing their trip in London. If you were a hotelier in Yorkshire, you will find the market for Chinese visitors is much smaller at 52,890 Chinese holidaymakers. Therefore, it is important to drill down into the detail of the data to truly understand the market potential.



Top tips for reviewing IPS statistics:

- VFR & Study increase the total average stay
- Expenditure excludes airfares and is reported by country of residence
- The IPS is a sample survey so is open to statistical error, but gives a strong indication

How do I keep updated on a regular basis?

Keep updated with VisitBritain/VisitEngland

To stay up to date with what is happening in the tourism industry you can also subscribe to the following e-newsletters.

VisitBritain/VisitEngland's industry newsletter for news and information on upcoming marketing opportunities, what's new in English tourism, details of the latest research reports, global tourism trends and developments.



Sign up here: visitbritain.org/newsletter/signup

VisitBritain/VisitEngland's media centre for information on new events, tourism products and new travel ideas to inspire and inform.



For further information see visitbritain.com/gb/en/media

You can also subscribe to your respective DMO newsletters for area specific information and opportunities.

The importance of industry associations

In addition to reviewing statistical information and market reports it is critical to keep up to date with your travel industry partners and products on a regular basis. This can be easily facilitated by your DMO or industry organisations such as UKinbound. Being a member of such an organisation gives you access to a wealth of information, industry comments, market trends and a broad industry network.



For further information see visitbritain.org/industry-groups-bodies

Form your own knowledge base

Use every opportunity to undertake your own research and gain market feedback. For example, when you are attending trade shows (such as VIBE - VisitBritain's annual International Business Exchange) or industry conferences (such as ExploreGB) this is a perfect opportunity to ask your fellow industry colleagues for market related feedback.

Whilst statistical information is essential to review, you will also gain great insight by asking your industry trade partners. They will have a feel for how the market is tracking and also be able to give you some practical advice. This two-way communication will also enable you to market test ideas and gain instant feedback.

Always focus on building your network of industry contacts as they can be a great resource to you.



For VisitBritain's trade events see: trade.visitbritain.com/trade-events

For further information, please refer to *Section 2 - Help desk*



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