Tourism Business Monitor 2016

Accommodation Report

Wave 1 – Christmas and New Year
Background, objectives and research method

Tourism Business Monitor designed to measure, monitor and understand tourism business performance and confidence and the factors which influence them.

Telephone survey conducted five times per year immediately following key tourism periods among:
- c. 500 accommodation establishments (c. 250 serviced / c. 250 non-serviced), including mix by region, establishment size and hotels / guest houses / B&B / self-catering / caravan and campsites.
- c. 300 visitor attractions including mix by region, attraction type, size (measured by annual visitor admissions) and free / paid admission.

Questions on ‘hot topics’ included on a periodic basis.

Fieldwork dates:

**Jan 2016**: 5-11 Jan 2016, reviewing the Christmas and New Year period 2015
**Nov 2015**: 2-8 Nov 2015, reviewing mid-September until the end of the October
**Sept 2015**: 3-10 Sept 2015, reviewing the period from end of May until the end of the school summer holidays

**June 2015**: 1-5 June 2015, reviewing the period from Easter up until the end of May
**Jan 2015**: 5-9 Jan 2015, reviewing the Christmas and New Year period 2014
**Nov 2014**: 3-9 Nov 2014, reviewing mid-September until the end of the October
**Sept 2014**: 8-14 Sept 2014, reviewing the period from mid-July up until the end of the summer holidays
**Apr 2014**: 24 Apr-1 May 2014, reviewing the Easter period 2014
**Jan 2014**: 6-12 January 2014, reviewing the Christmas and New Year period 2013
**Nov 2013**: 4-10 Nov 2013, reviewing mid-September until the end of October
**Sept 2013**: 9-14 Sept 2013, reviewing the period from mid-July up until the end of the summer holidays
**Jul 2013**: 11-19 Jul 2013, reviewing period after the Easter holidays up until mid-July
**Apr 2013**: 15-21 Apr 2013, reviewing period from January until the end of the Easter holidays
**Jan 2013**: 7-13 Jan 2013, reviewing Christmas and New Year period 2012
Accommodation sample targets (total 500)

<table>
<thead>
<tr>
<th>%</th>
<th>Serviced Accommodation</th>
<th>Non-serviced Accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100 Hotels</td>
<td>150 Guest Houses / B&amp;Bs</td>
</tr>
<tr>
<td>North (North East, North West, Yorkshire)</td>
<td>32</td>
<td>42</td>
</tr>
<tr>
<td>Midlands (East Midlands, East, Heart of England)</td>
<td>22</td>
<td>29</td>
</tr>
<tr>
<td>South (South East, South West)</td>
<td>36</td>
<td>70</td>
</tr>
<tr>
<td>London</td>
<td>10</td>
<td>9</td>
</tr>
</tbody>
</table>

25 hotels with over 100 bed spaces
60 guest houses / B&Bs with over 10 bed spaces
35 self-catering with over 10 bed spaces
40 caravan / campsites with over 100 bed spaces

This is the target sample for each wave, reflecting the profile of accommodation in England. There are minor variations wave on wave, which are corrected by weighting the profile if needed.
Strong visitor numbers over the Christmas period helped to consolidate an already healthy year, with 61% of accommodation businesses reporting growth in visitors in 2015 compared with the previous year. This growth came from both domestic and overseas visitors.

Growth was evident across all sectors, with campsites performing particularly well for the time of year, benefitting from the unseasonably mild weather over the Christmas period, despite heavy rain in some parts of the country.

As is typical, growth slowed over the Christmas period for most types of accommodation business. The exception was campsites, which may have picked up business that would otherwise have gone to the guesthouse sector.

Overall, flooding affected one in six businesses, with small towns being the worst affected (almost a quarter reported an impact).

A third of businesses in flooded areas remained unaffected, with most of the rest experiencing a drop in bookings or cancellations associated with guests believing it would be difficult to travel, or wanting to avoid trips to affected areas. A minority (3% of all businesses surveyed) suffered from flooding damage.

Advance booking levels tend to be poorer for the first quarter of the year; however, bookings are consistent with January 2015, despite the heavy rain and flooding.

Confidence for 2016 is slightly lower than it was in January 2015, but the shift is to expecting more of the same, rather than a decline in performance so may be driven by some businesses reaching capacity following growth during the last couple of years.
Business Dashboard
Business Performance Dashboard: Accommodation

VISITOR NUMBERS

Visitor numbers (%)

<table>
<thead>
<tr>
<th>Jan 16</th>
<th>2015 as a whole</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>32</td>
<td>23</td>
</tr>
<tr>
<td>48</td>
<td>61</td>
</tr>
</tbody>
</table>

Visitor numbers for Christmas and New Year compared with same period 2015 (%)

- Hotels
  - Down: 63
  - Same: 22
  - Up: 15

- Guest house / B&B
  - Down: 32
  - Same: 33
  - Up: 35

- Self catering
  - Down: 47
  - Same: 40
  - Up: 13

- Caravan / camping
  - Down: 50
  - Same: 28
  - Up: 22

SATISFACTION

Visitor numbers (%)

<table>
<thead>
<tr>
<th>Jan 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
</tr>
<tr>
<td>35</td>
</tr>
<tr>
<td>54</td>
</tr>
</tbody>
</table>

Satisfaction with Performance during period (%)

- Hotels
  - Not at all: 64
  - Not very: 31
  - Quite: 95

- Guest house / B&B
  - Not at all: 38
  - Not very: 39
  - Quite: 77

- Self catering
  - Not at all: 59
  - Not very: 35
  - Quite: 94

- Caravan / camping
  - Not at all: 51
  - Not very: 38
  - Quite: 89

Q3/4, Q6, 7/8. Asked of those who were open during the period.

PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: Christmas and New Year period 2015
Business Confidence Dashboard: Accommodation

Very confident | Fairly confident

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>89</td>
<td>86</td>
<td>81</td>
<td>83</td>
<td>90</td>
<td>91</td>
<td>92</td>
<td>87</td>
<td>86</td>
<td>94</td>
<td>93</td>
<td>94</td>
<td>89</td>
</tr>
<tr>
<td>55</td>
<td>43</td>
<td>48</td>
<td>52</td>
<td>54</td>
<td>52</td>
<td>43</td>
<td>42</td>
<td>45</td>
<td>54</td>
<td>43</td>
<td>41</td>
<td>41</td>
<td>51</td>
</tr>
<tr>
<td>23</td>
<td>46</td>
<td>38</td>
<td>29</td>
<td>29</td>
<td>38</td>
<td>48</td>
<td>49</td>
<td>42</td>
<td>32</td>
<td>51</td>
<td>51</td>
<td>52</td>
<td>39</td>
</tr>
</tbody>
</table>

Until early Summer | Until end of school summer holidays | Until end of October | Until end of the year | Until early Summer | Until end of school summer holidays | Until end of October | Until end of the year | Until end of the school summer holidays | Until end of October | Until end of the year | Until end of the school summer holidays | Until end of the year | Until end of Easter

Jan 2016

**Hotels**

<table>
<thead>
<tr>
<th>94</th>
</tr>
</thead>
<tbody>
<tr>
<td>47 (Very confident)</td>
</tr>
</tbody>
</table>

**Guest house / B&B**

<table>
<thead>
<tr>
<th>84</th>
</tr>
</thead>
<tbody>
<tr>
<td>54 (Very confident)</td>
</tr>
</tbody>
</table>

**Self catering**

<table>
<thead>
<tr>
<th>91</th>
</tr>
</thead>
<tbody>
<tr>
<td>54 (Very confident)</td>
</tr>
</tbody>
</table>

**Caravan / camping**

<table>
<thead>
<tr>
<th>91</th>
</tr>
</thead>
<tbody>
<tr>
<td>46 (Very confident)</td>
</tr>
</tbody>
</table>

PERIOD ASKED ABOUT FOR FUTURE BUSINESS CONFIDENCE

Jan 2016: Up until end of Easter
Visitor Profile
Changing Visitor Profile (year-to-date vs. previous year): Accommodation

Accommodation businesses report a healthy year in 2015, with visitor growth coming both from the domestic market and overseas. This is on the back of strong growth during this period in 2014.
**Changing Visitor Profile (year-to-date vs. previous year): Accommodation type**

Both domestic and overseas growth is evident across all accommodation types, with the caravan/ campsite sector benefiting from the mild weather in 2015.

<table>
<thead>
<tr>
<th>Accommodation Type</th>
<th>Domestic Visitors</th>
<th>Overseas Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up</td>
<td>Same</td>
</tr>
<tr>
<td><strong>Hotels</strong></td>
<td>49</td>
<td>46</td>
</tr>
<tr>
<td><strong>Guest Houses / B&amp;Bs</strong></td>
<td>39</td>
<td>47</td>
</tr>
<tr>
<td><strong>Self-Catering</strong></td>
<td>34</td>
<td>56</td>
</tr>
<tr>
<td><strong>Caravan / Camping</strong></td>
<td>45</td>
<td>46</td>
</tr>
</tbody>
</table>

**NET:**
- **Domestic Visitors:** +44, +25, +23, +36
- **Overseas Visitors:** +37, +24, +19, +20
Past Performance
Visitor numbers: Year-on-year changes

Strong visitor numbers over the Christmas period helped to consolidate an already healthy year, with 61% of accommodation businesses reporting growth in visitors in 2015 compared with the previous year.

PERIODS ASKED ABOUT FOR PAST BUSINESS PERFORMANCE

Jan: Christmas and New Year period / Apr: Easter period / June: Easter up until the end of May / Jul: After Easter holidays up until mid-July / Sept: Mid-July/End of May (Sept 2015) up until the end of the summer holidays / Nov: Mid-September until the end of October
**Visitor numbers: Year-on-year changes by accommodation type**

This growth was evident across all sectors, with campsites performing well for the time of year, no doubt associated with the unseasonably mild weather over the Christmas period.

**PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE**
Jan 2016: Christmas and New Year
Changing business performance: By accommodation type & bed spaces

As is typical, growth slowed over the Christmas period for most types of accommodation business. The exception was campsites, which may have picked up business that would otherwise have gone to the guesthouse sector.

ACCOMMODATION TYPE

% Visitors up on last year

% Very Satisfied

BED SPACES

% Visitors up on last year

% Very Satisfied

PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: Christmas and New Year
Positive verbatim comments on business performance: Accommodation

“Creating a new website has helped us get more bookings

Word of mouth and we’ve had a lot of returning customers

We are now accessible through a lot more channels

We held Christmas parties

We have done a lot more marketing than last year”
Negative verbatim comments on business performance: Accommodation

“The houses were completely flooded

Ferries are not operating properly so this is putting people off

The weather and flooding

Trains were delayed/cancelled, and people weren't willing to risk getting stranded

“
Kevin Burke, manager of Thrybergh Country Park, feels that a concerted push on all fronts throughout 2015 led to the campsite and caravan park reaping the benefits during the Christmas period.

2015 saw the park undergo numerous upgrades to its facilities. The upgrading of the showers was followed by the construction of a new soft play area, and in September, work on an ice cream parlour was completed. “We invested a significant amount of money” says Burke, “but we are already seeing a big effect as a result”.

Social media was a tool that had not been fully utilised in the past, but the site has increased its online presence by being active on both Facebook and Twitter. The park also used Groupon and online booking site Pitchup.com to boost awareness over the Christmas period, a marketing move that Burke feels was highly successful in terms of subsequent visitor numbers.

Thrybergh was unaffected by the floods over the Christmas and New Year period, and Burke states that visitors possibly even increased as a result - “In some ways, the flooding probably played into our hands – because its quite a dry site compared to others”.

With the positive impact of the recent changes being reflected in strong visitor numbers, Burke is hoping that the resources invested in the site over the past 12 months will continue to pay dividends into 2016 and beyond.
Businesses in areas affected by flooding: Accommodation

One in six accommodation sites were in flood-affected areas, with small towns being the worst affected (almost a quarter).
**Impact of flooding and wet weather: Accommodation**

A third of businesses in flooded areas remained unaffected, with most of the rest experiencing a drop in bookings or cancellations associated with guests believing it would be difficult to travel, or wanting to avoid trips to affected areas. 18% of businesses in flood affected areas (3% of all businesses surveyed across the country) suffered from flooding damage.

### All businesses situated in affected areas (%)

<table>
<thead>
<tr>
<th>Impact</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caused damage to the local area</td>
<td>39%</td>
</tr>
<tr>
<td>Visitors cancelled previously booked trips</td>
<td>25%</td>
</tr>
<tr>
<td>Fewer visitors than usual for the time of year</td>
<td>24%</td>
</tr>
<tr>
<td>Caused damage to my property or my business</td>
<td>18%</td>
</tr>
<tr>
<td>Fewer forward bookings than usual for the time of year</td>
<td>18%</td>
</tr>
<tr>
<td>Affected my business in some other way</td>
<td>11%</td>
</tr>
<tr>
<td>Don't know</td>
<td>9%</td>
</tr>
<tr>
<td>Wet weather or flooding hasn't affected my business</td>
<td>34%</td>
</tr>
</tbody>
</table>
Advance booking levels: Accommodation

Advance booking levels tend to be poorer for the first quarter of the year; however, bookings are consistent with January 2015, despite the heavy rain and flooding.

Survey conducted:
- Apr 2013
- July 2013
- Sept 2013
- Nov 2013
- Jan 2014
- Apr 2014
- Jul 2014
- Sept 2014
- Nov 2014
- Jan 2015
- June 2015
- Sept 2015
- Nov 2015
- Jan 2016

Period asked about:
- Until late Spring/ early Summer
- Until end of summer holidays
- Until end of October
- Until the end of the year
- Until late Spring/ early Summer
- Until end of summer holidays
- Until end of October
- Until end of the year
- Until end of Easter
- Until end of school summer holidays
- Until the end of October
- Until end of the year
- Until end of Easter
Confidence for forthcoming period: By accommodation type

Compared with the same period last year, self-catering businesses are more optimistic about their prospects in the run up to Easter. However, guest houses are feeling less confident. Advanced bookings for campsites are up compared with November, as visitors start to book their summer holidays.

CONFIDENCE: From now until the end of Easter

% Very confident

ADVANCED BOOKINGS: From now until the end of Easter

% Very good / good
Confidence & bookings for forthcoming period: **By accommodation size**

Confidence has dropped across all sizes of accommodation, despite an increase in bookings amongst larger businesses since November.

**CONFIDENCE:** From now until the end of Easter

% Very confident

**ADVANCED BOOKINGS:** From now until the end of Easter

% Very good/ good
Confidence for forthcoming period: By location

Bookings have declined since November for city and town based accommodation businesses and this has led to a drop in confidence levels, in particular in small towns.

CONFIDENCE: From now until the end of Easter

% Very confident

ADVANCED BOOKINGS: From now until the end of Easter

% Very good / good
Confidence for 2016 is slightly lower than it was in January 2015, but the shift is to expecting more of the same, rather than a decline in performance so may be driven by some businesses reaching capacity following growth during the last couple of years.
Positive verbatim comments on business optimism for 2016: Accommodation

“More and more repeat bookings

Because we are now on booking.com

We are doing a lot more email marketing rather than just relying on word of mouth

We have just completed an extension and have more room

There are a lot more people holidaying in the UK

People are recommending us to their friends and family

We have quite a few events – like weddings - booked”
## Performance and confidence snapshot: January 2016

<table>
<thead>
<tr>
<th>Visitor Numbers (Christmas and New Year)</th>
<th>Confidence (up until the end of Easter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up</td>
<td>Same</td>
</tr>
<tr>
<td>----</td>
<td>------</td>
</tr>
<tr>
<td>TOTAL (%)</td>
<td>48</td>
</tr>
<tr>
<td>Hotel</td>
<td>63</td>
</tr>
<tr>
<td>Guest / B&amp;B</td>
<td>32</td>
</tr>
<tr>
<td>Self catering</td>
<td>47</td>
</tr>
<tr>
<td>Caravan / camping</td>
<td>50</td>
</tr>
<tr>
<td>Type (%)</td>
<td></td>
</tr>
<tr>
<td>Bed-spaces (%)</td>
<td></td>
</tr>
<tr>
<td>Up to 10</td>
<td>47</td>
</tr>
<tr>
<td>11-100</td>
<td>50</td>
</tr>
<tr>
<td>Over 100</td>
<td>48</td>
</tr>
<tr>
<td>Grading (%)</td>
<td></td>
</tr>
<tr>
<td>5 star</td>
<td>66</td>
</tr>
<tr>
<td>4 star</td>
<td>45</td>
</tr>
<tr>
<td>1-3 star</td>
<td>46</td>
</tr>
<tr>
<td>Budget / other</td>
<td>48</td>
</tr>
<tr>
<td>Location (%)</td>
<td></td>
</tr>
<tr>
<td>Seaside</td>
<td>54</td>
</tr>
<tr>
<td>Large town / city</td>
<td>59</td>
</tr>
<tr>
<td>Small town</td>
<td>44</td>
</tr>
<tr>
<td>Rural</td>
<td>43</td>
</tr>
</tbody>
</table>
Quality Standards and Other Details

BDRC Continental comply with ISO 20252, the recognised international quality standards for market research, thus the project has been carried out in accordance with these standards.

- Adherence to the standard is independently audited once per year.
- Where subcontractors are used by BDRC Continental, they are briefed to ensure any outsourced parts of the research are conducted in adherence to ISO 20252.

Full methodological details relevant to the project, are available upon request.