



**Quality Assurance Study –
Economic and Business Benefits**

July 2012

1. Background

1.1 VisitEngland's Quality Assurance Schemes

VisitEngland operate a range of Quality Assurance (QA) schemes relating to accommodation and visitor attractions, assessing around 24,000 accommodation businesses, including hotels, B&Bs, self-catering operators, camping and caravan parks and youth hostels, and around 1,000 visitor attractions.

The schemes aim to help tourism businesses improve and promote their quality, using the internationally recognised Quality Rose Marque, as well as their accessibility and sustainability.

1.2 Evaluating the benefits of the schemes

VisitEngland is keen to promote the benefits of quality development and investment to the tourism industry, and so research was commissioned to provide an evidence base which demonstrated the economic benefits, along with any other 'softer' benefits of participation in the VisitEngland QA scheme.

This research attempted to ascertain what level of investment could be attributed to participating in the QA schemes, what economic impact the schemes have on English tourism, and what the impact of investment in product quality is compared to other types of investment. In addition, the research sought to understand why businesses join the schemes, how satisfied businesses are with those schemes, whether there are other (non-financial) benefits affecting businesses performance and whether there is anything VisitEngland could do to improve its operation.

1.3 Survey method and sample profile

The survey was conducted online with fieldwork undertaken between the 11th of May and the 6th of June 2012.

The sample was provided by VisitEngland, from their QA database, containing over 14,000 contacts. A number of contacts were not provided to TNS, including self-catering agencies, as the survey would not have been appropriate for agencies (non-owners/managers) to complete.

Survey invites were sent to all businesses in the sample. However, a number of contacts could not have provided a survey response for various reasons such as incorrect contact details, or the contact being away during fieldwork. After removing these contacts from the sample, the final response rate was 10%.

A total of 1,332 surveys were completed, providing a robust sample size.

2. Executive Summary

Investment by Quality Assurance Scheme Participants

- 95% of businesses made investments over the last 2 years, with investments in facilities and fittings most common for accommodation establishments, whilst marketing and staff development were more likely to be priorities for attractions.
- VisitEngland's Quality Assurance (QA) schemes are a significant influence on investments made by participating businesses.
- Investments which would not otherwise have been made are undertaken because many businesses are seeking to maintain or reach a particular grading or to improve quality based on advice given by the scheme assessors.
- Actions taken as a result of the scheme include changes in business practice as well as financial investment.
- The survey evidence clearly demonstrates that the QA schemes are a potent factor in encouraging firms to make that investment. It is estimated that in the period covered by the survey (the two years to May 2012) the schemes were responsible for **an additional investment of £105 million per year**.
- The survey and modelling of impacts shows that investment in tourism improves business performance, generating returns both to businesses and to the wider economy. In the period studied the QA schemes have **generated directly around 900 additional jobs and have increased GVA among participating firms by almost £19 million per annum**¹.

Satisfaction and usage of the QA schemes

- Obtaining official status, enhancing their business reputation and marketing were the main reasons mentioned amongst accommodation businesses for participating in a QA scheme. Attractions were more likely than accommodation businesses to cite the confidence of an independent body overseeing quality as a reason for participation, or to obtain advice from assessors.
- Advice from the assessor was highly rated by all business types, whilst evidence provided by the scheme for funding applications etc. was least used by all business types.
- More than 80% of those given advice found it to be useful, with advice on marketing, promotion and staff development found to be the most useful. Facilities and fittings advice was found useful by around 85% of those who received it.

¹ GVA – Gross Value Added is a measure in economics of the value of goods and services produced in an area, industry or sector of an economy.

- While attractions and hotels are generally satisfied with the QA scheme (93% and 73% are satisfied respectively), smaller accommodation establishments have lower levels of satisfaction and a significant minority have registered concern about the withdrawal of listings on the VisitEngland website.
- Reasons for dissatisfaction include concerns over value for money and the feeling amongst some businesses that star gradings are nowadays not as relevant for consumers.

Recommendations

- To retain members, it was recommended that VisitEngland need to more clearly demonstrate the value for money provided by the scheme, possibly by better communicating the benefits which smaller businesses obtain from membership. This could include specific case studies and testimonials supported by sector specific data from this study.
- VisitEngland should seek to ensure that businesses feel that the scheme provides them with the support and advice they most value. Related to support and advice, there could be an opportunity to develop the community of QA scheme participants.
- The cost of participation in the scheme can be an issue for smaller operators. Initiatives which could reduce the burden of paying the annual fee could be explored.
- In general there is demand from the industry for more promotion and explanation of the scheme to visitors, ensuring that it continues to be seen as valuable to use alongside review sites such as Trip Advisor.