VisitEngland

Tourism Business Monitor 2016

Wave 1 – Christmas and New Year

bdrc continental

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Contents

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

Key Findings

The Christmas and New Year period further contributed to a healthy 2015, with three in five accommodation businesses and two thirds of attractions reporting an increase in visitor numbers in 2015 compared with the previous year. This growth came from both from the domestic market and overseas, although fewer attractions reported an increase in domestic visitors than the previous year.

Growth was evident across all accommodation and attraction types, but hotels and larger attractions were more likely to report increases in visitor numbers.

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. The picture is more positive across the attractions market, with all types of attraction experiencing a better period over Christmas and New Year, than for the first half of the Autumn term.

Business confidence has remained strong throughout the year for both accommodation and attractions sectors.

Advance booking levels for accommodation tends to be poorer for the first quarter of the year; however, bookings are consistent with January 2015, despite the heavy rain and flooding. It is perhaps surprising then that accommodation businesses feel less confident about 2016 than they did about 2015. However, the shift we see 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.

For attractions, confidence for the next 2-3 months has tapered off slightly since the summer, but still remains high and optimism for the forthcoming year as a whole is at an all time high, with 71% of attractions anticipating growth in visitor numbers in 2016.

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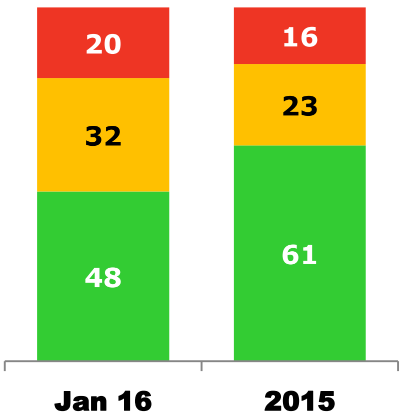
Business Dashboards

Business Performance Dashboard

The Christmas and New Year period further contributed to a positive year of growth in 2015, with three in five accommodation businesses and two thirds of attractions reporting growth in visitor numbers.

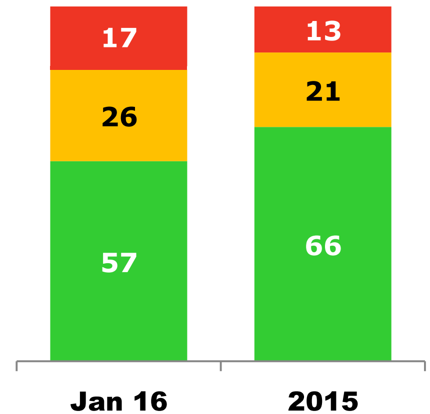
ACCOMMODATION

Visitor numbers (%)



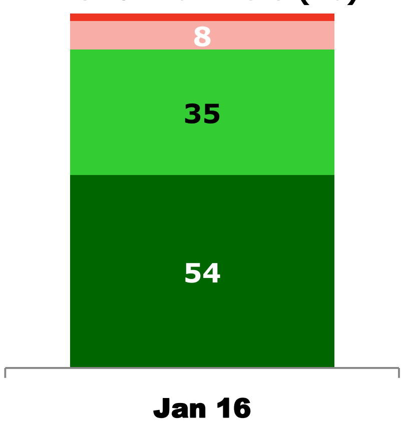
ATTRACTIONS

Visitor numbers (%)



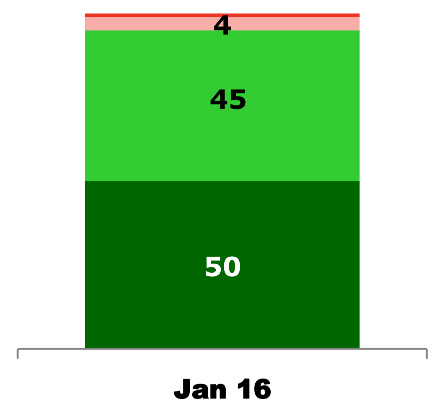
Versus same period previous year…
- Down
- Same
- Up

Visitor numbers (%)



Satisfied with business performance…
- Not at all
- Not very
- Quite
- Very

Satisfaction (%)

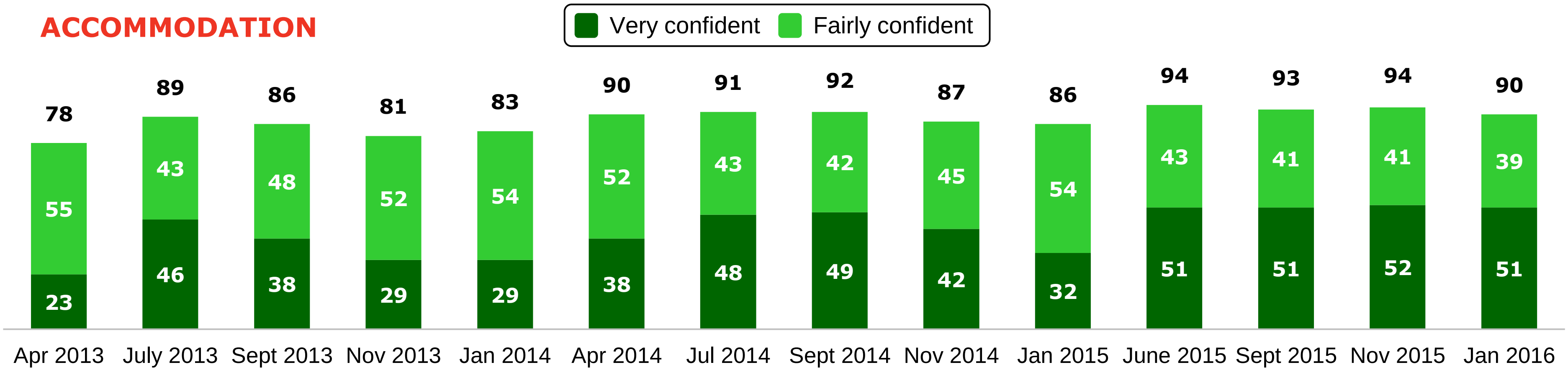


PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: Christmas and New Year period 2015

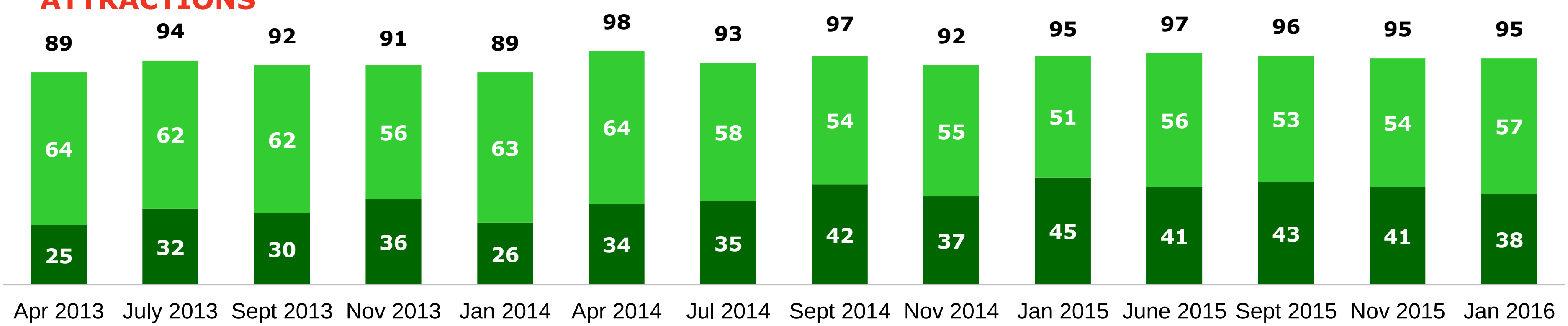
Business Confidence Dashboard: confidence for next period

Business confidence has remained strong throughout the year for both accommodation and attractions sectors.

ACCOMMODATION



ATTRACTIONS



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

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Q13

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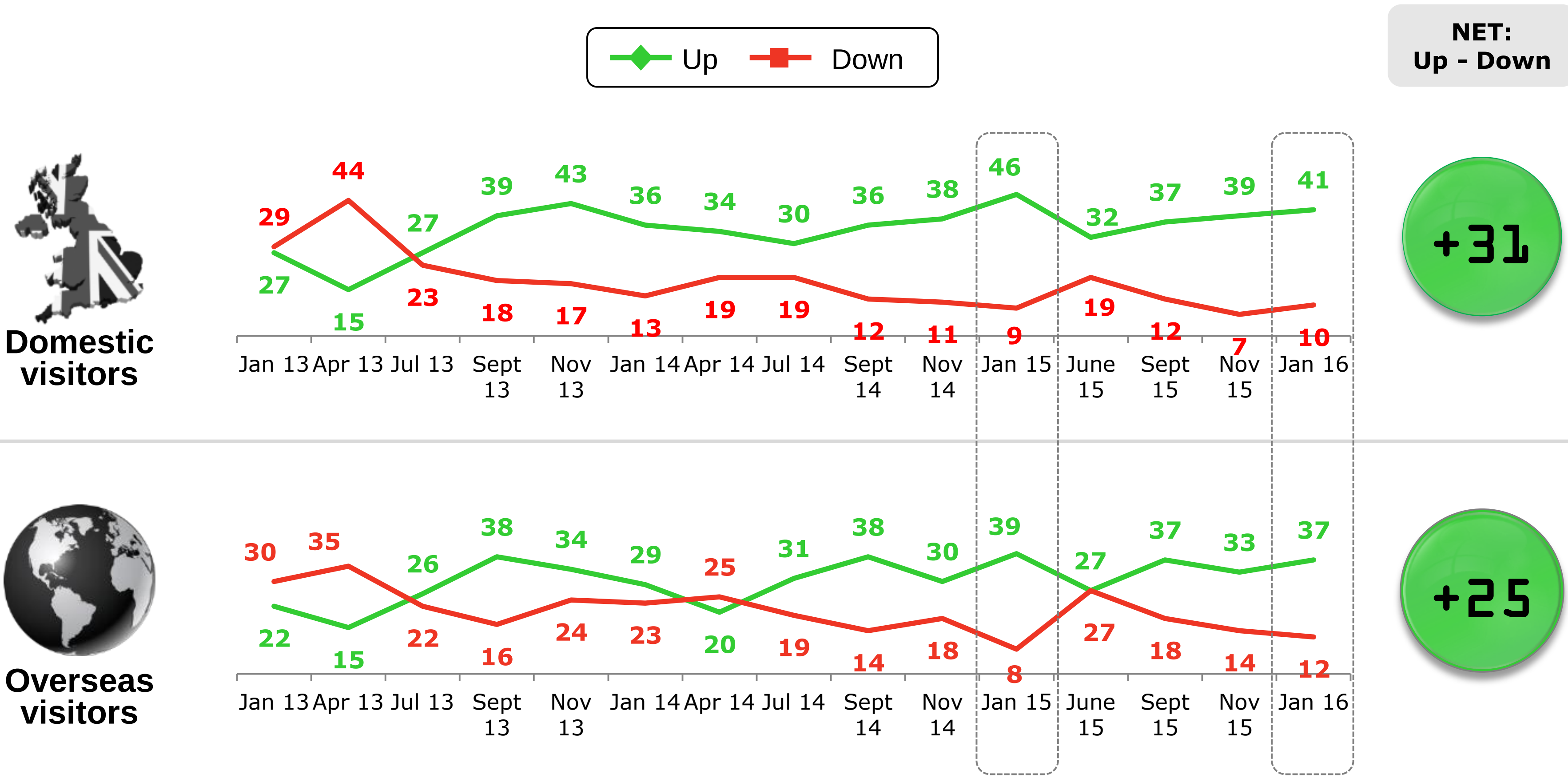
Visitor Profile

Changing Visitor Profile (year-to-date vs. previous year): **Accommodation**

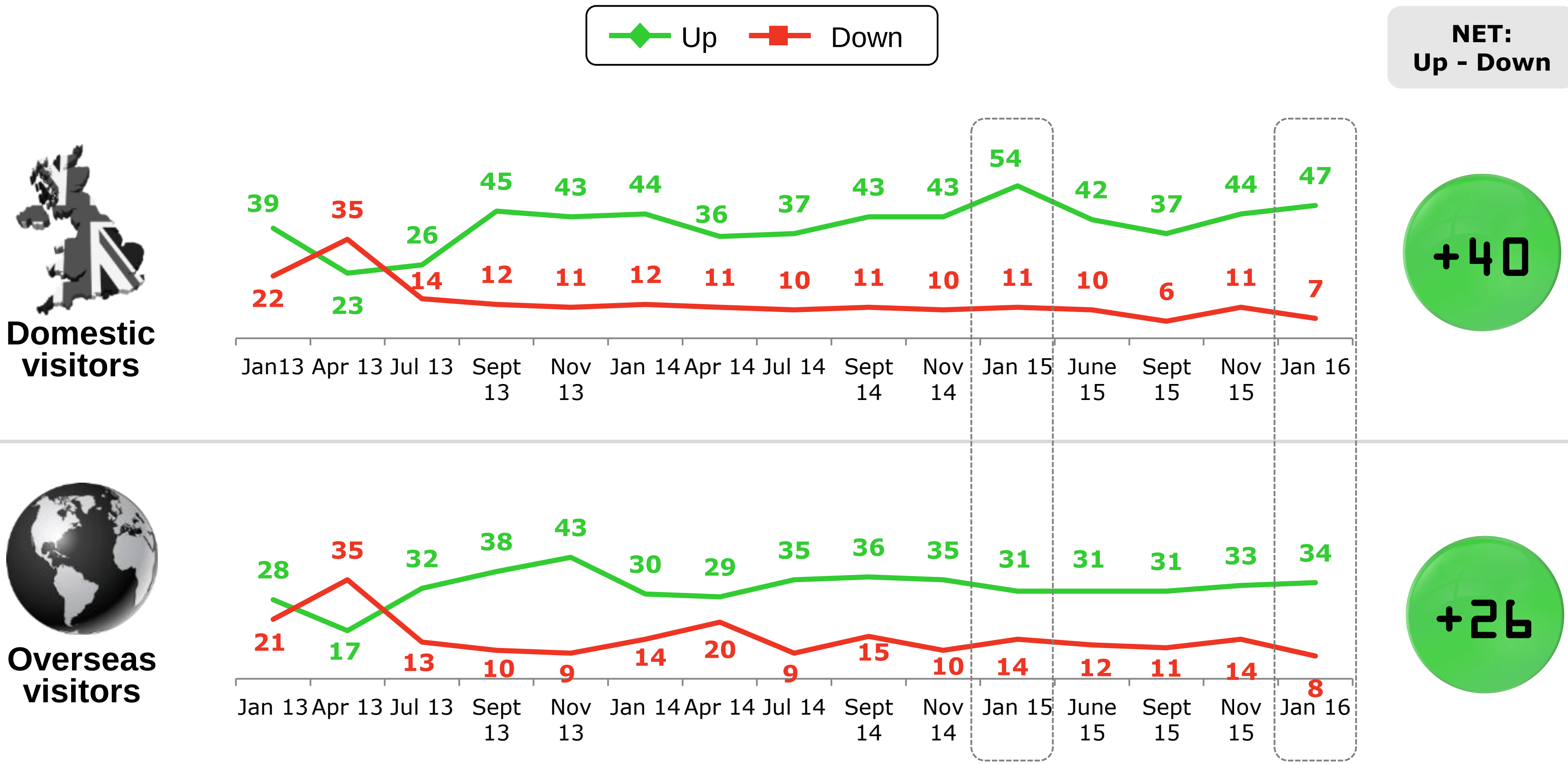
Accommodation businesses report a healthy year in 2015, with visitor growth coming both from the domestic market and overseas. This is on the back of strong growth during this period in 2014.



PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: The whole of 2015

Changing Visitor Profile (year-to-date vs. previous year): Attractions

2015 saw a growth in both domestic and overseas markets, although fewer attractions reported an increase in domestic visitors than the previous year.

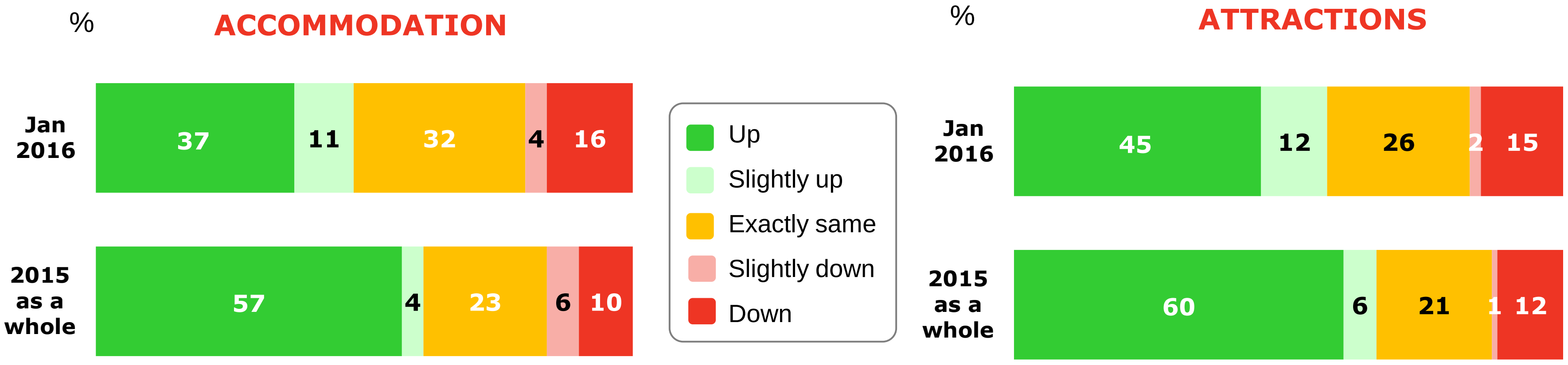


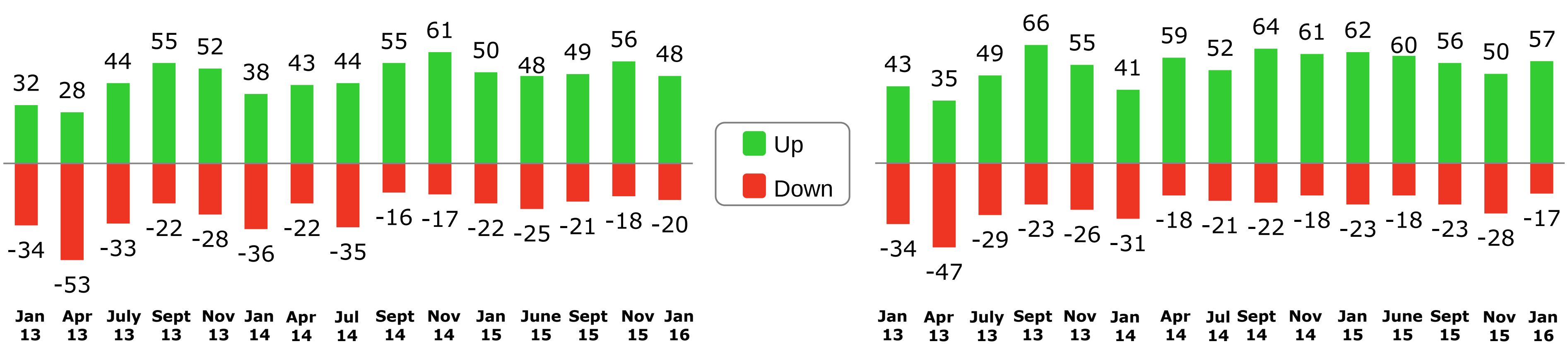
PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: The whole of 2015

Business Performance

Visitor Numbers: Year-on-year changes (up /down)

Strong visitor numbers over the Christmas period helped to consolidate an already healthy year, with 61% of accommodation businesses and two thirds of attractions reporting an increase in visitor numbers in 2015 compared with the previous year.



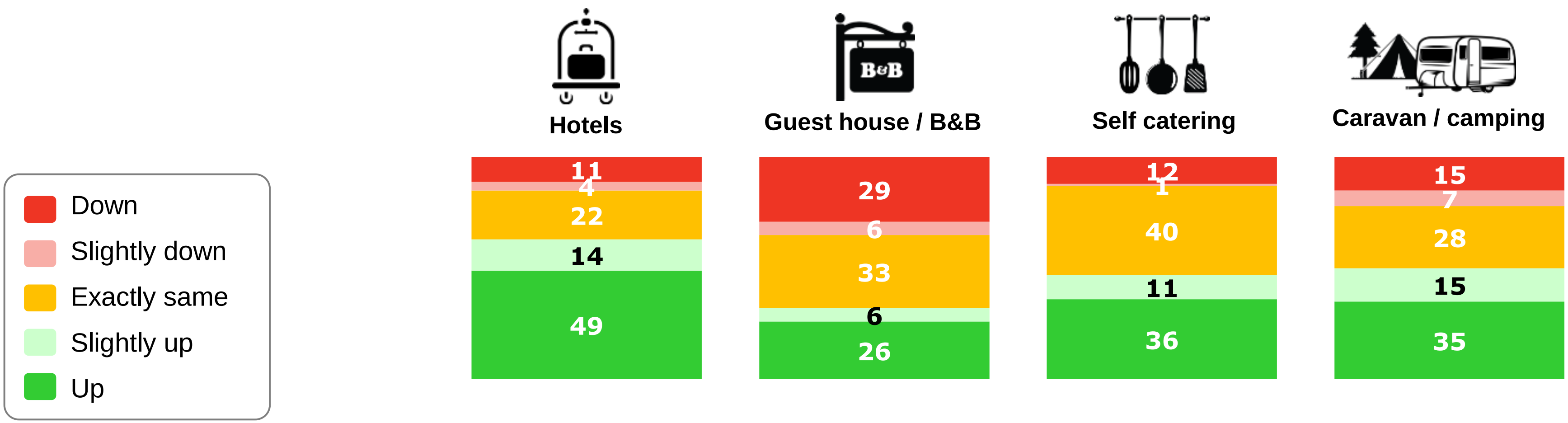


PERIODS ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan: Christmas and New Year period / **Apr:** Easter period / **June**: Easter up until the end of May / **Jul:** After Easter holidays up until mid-July **/Sept:** Mid-July/End of May (Sept 2015) up until the end of the summer holidays / **Nov:** Mid-September until the end of October

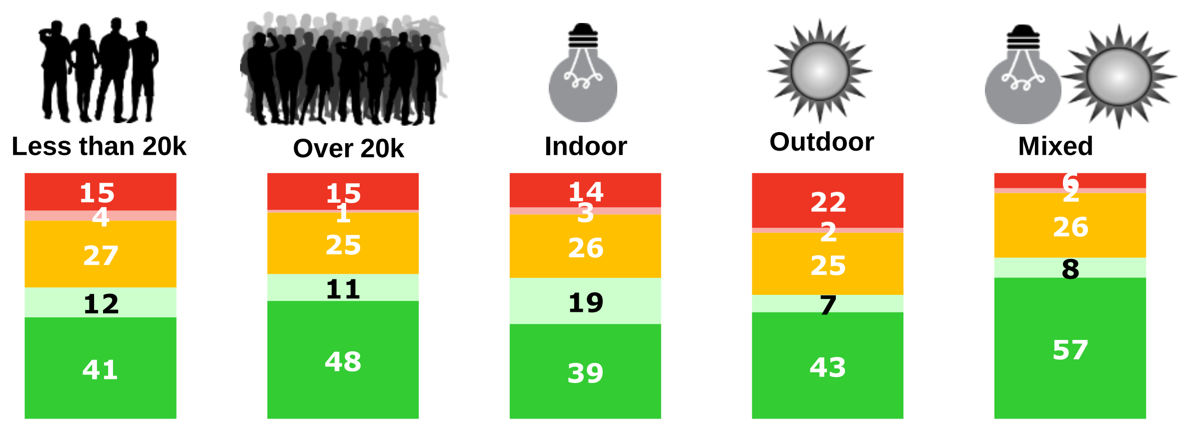
Changing business performance: By business type

Growth was evident across all accommodation and attraction types, but hotels and larger attractions were more likely to report increases in visitor numbers.

ACCOMMODATION - BY TYPE



ATTRACTIONS – BY TYPE



PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: Christmas and New Year

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Q3/4

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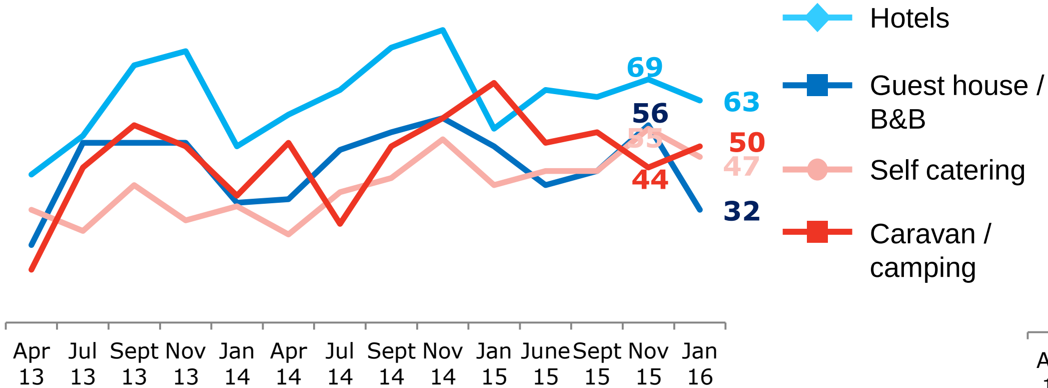
Changing business performance: By business type (trends)

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.

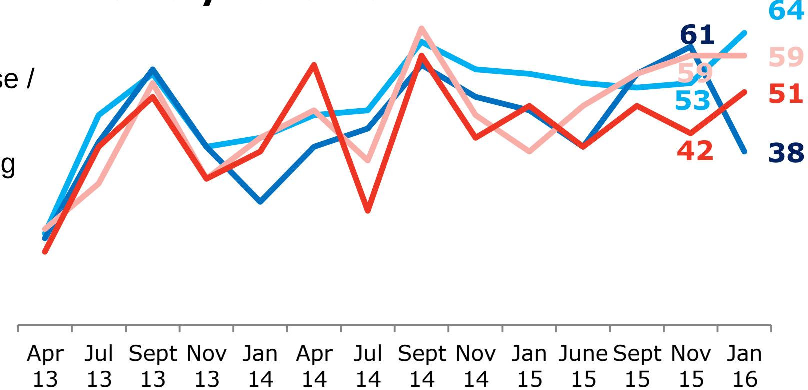
The picture is more positive across the attractions market, with all types of attraction experiencing a better period over Christmas and New Year, than for the first half of the Autumn term.

ACCOMMODATION – BY TYPE

% Visitors up on last year

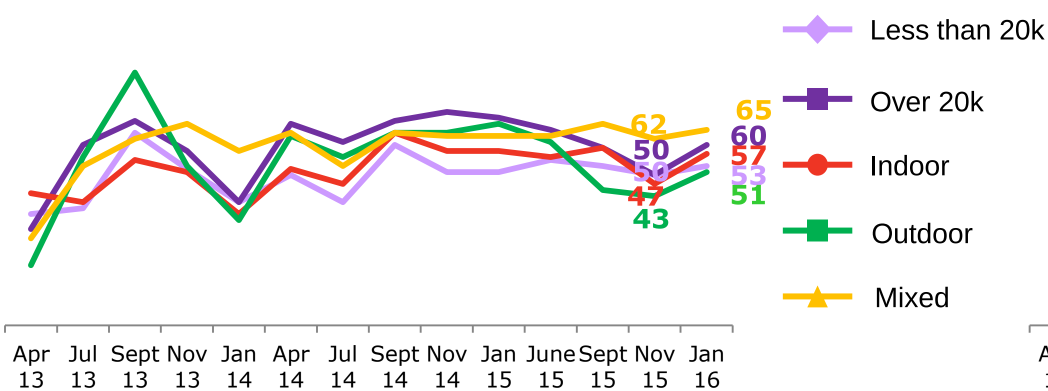


% Very Satisfied

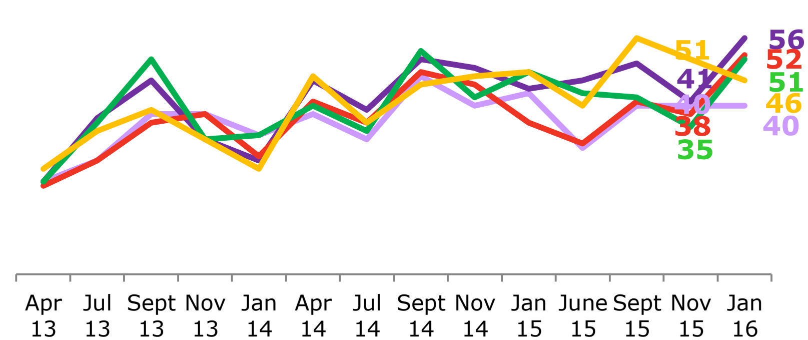


ATTRACTIONS – BY TYPE

% Visitors up on last year



% Very Satisfied



PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan 2016: Christmas and New Year period

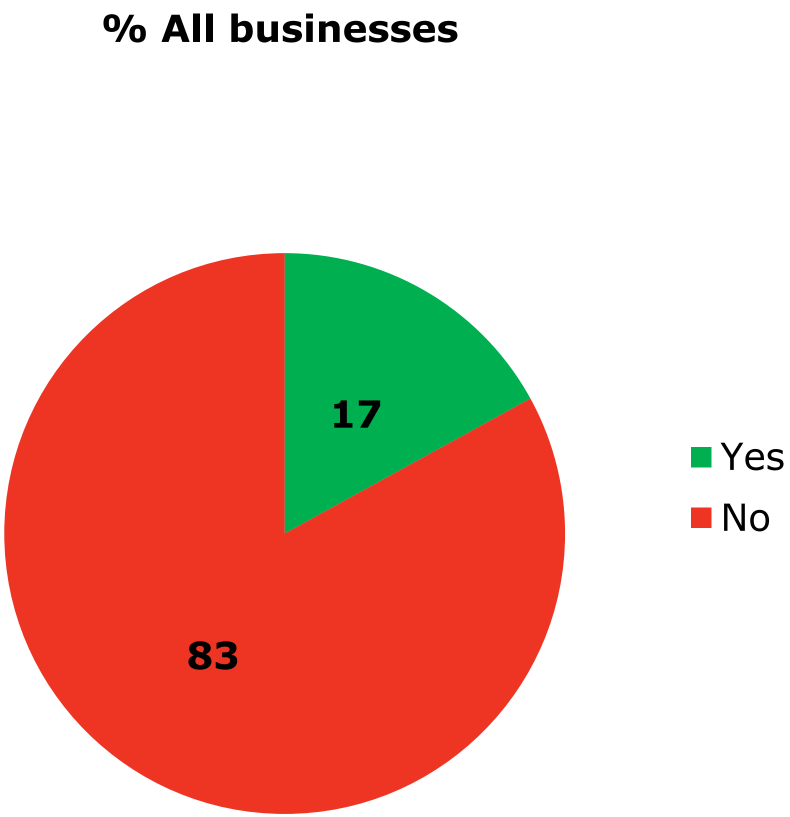
Q3/4, Q6

VisitEngland

Impact of flooding

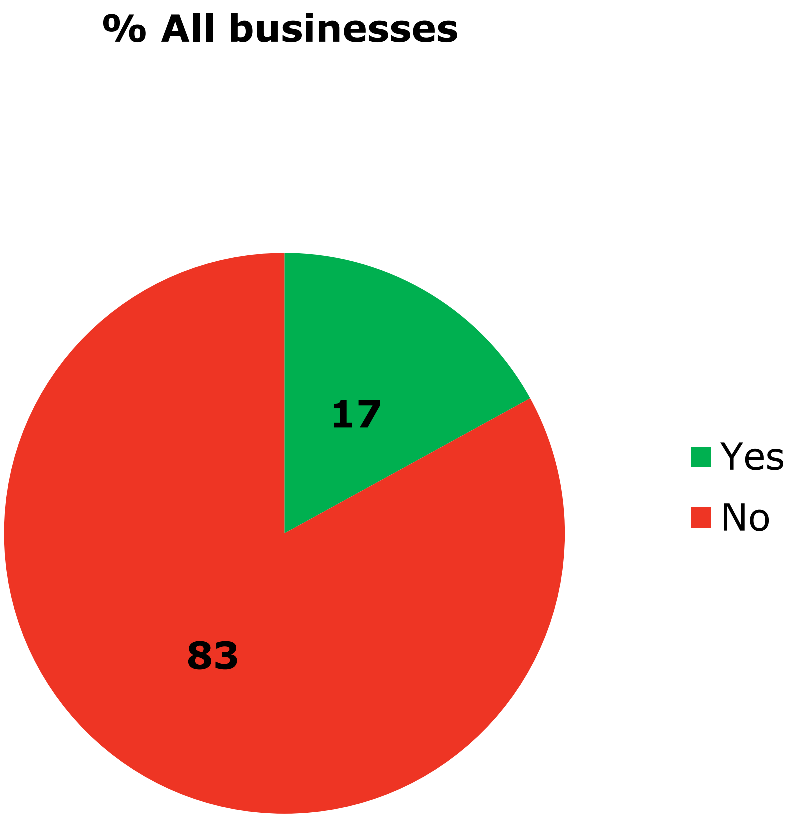
Businesses in areas affected by flooding: Overall by region

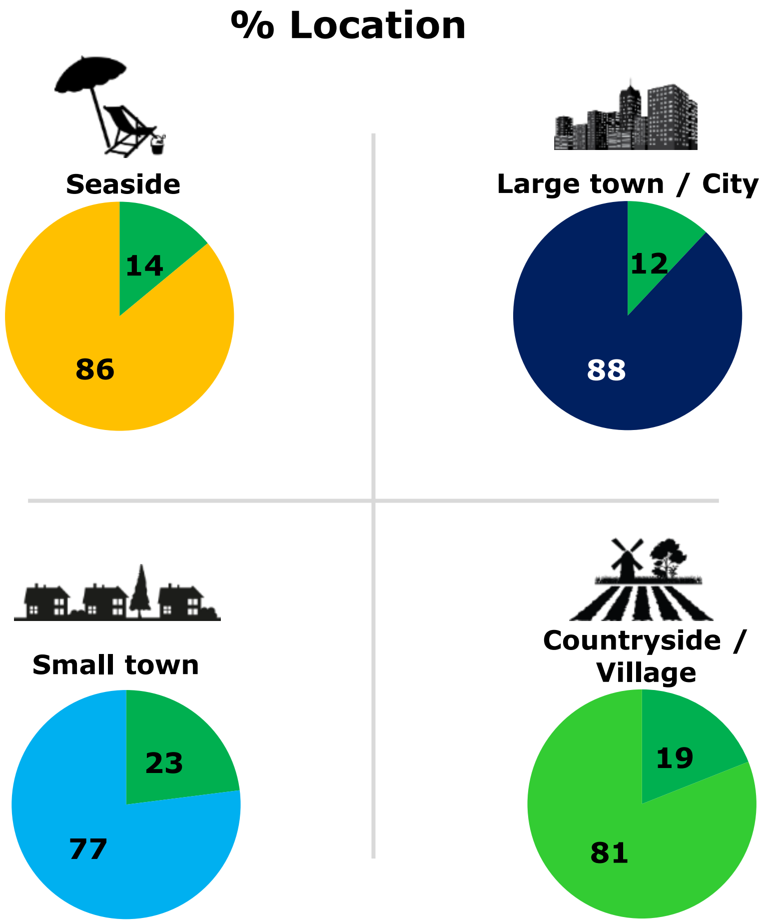
At an overall level, one in six businesses were in areas affecting by flooding. This figure rises to over 1 in 3 when looking solely at businesses in the North of England.



Businesses in areas affected by flooding: Overall by type

At an overall level, one in six businesses were in flood-affected areas, with small towns being particularly affected. Minimal difference in results between accommodation and attraction sites.



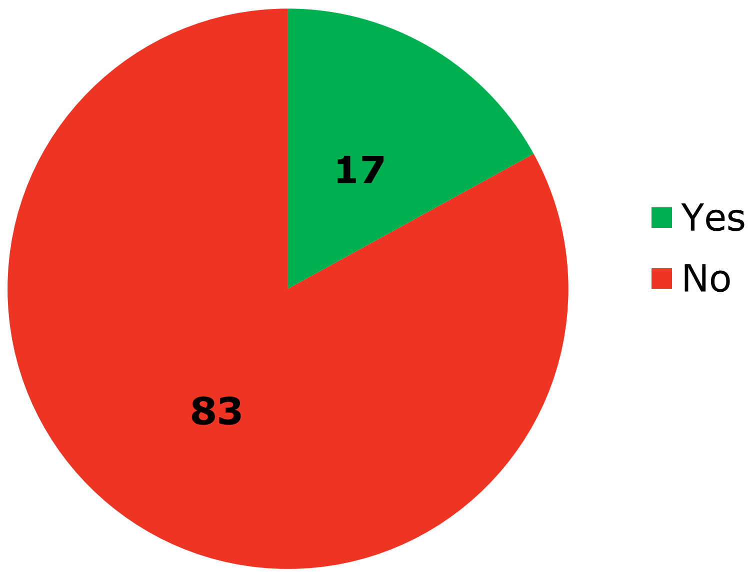


Q16a

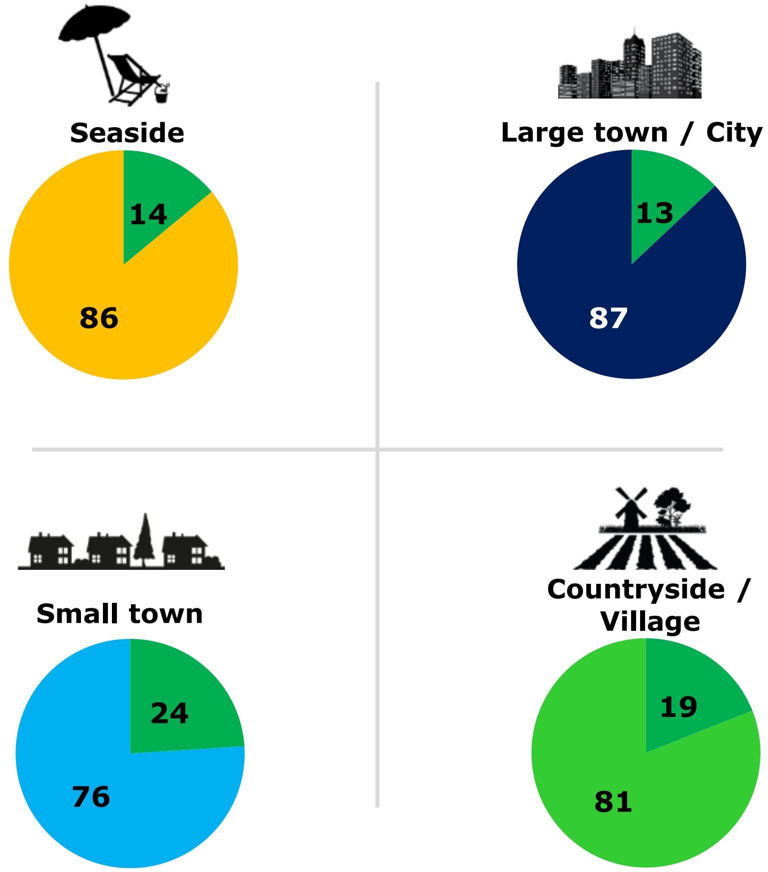
Businesses in areas affected by flooding: Accommodation

One in six accommodation sites were in flood-affected areas, with small towns being the worst affected (almost a quarter).

% All accommodation



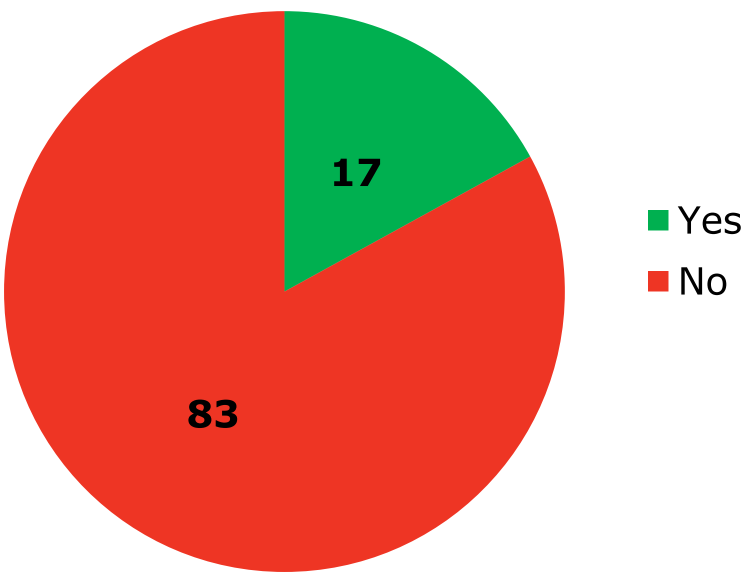
% Location



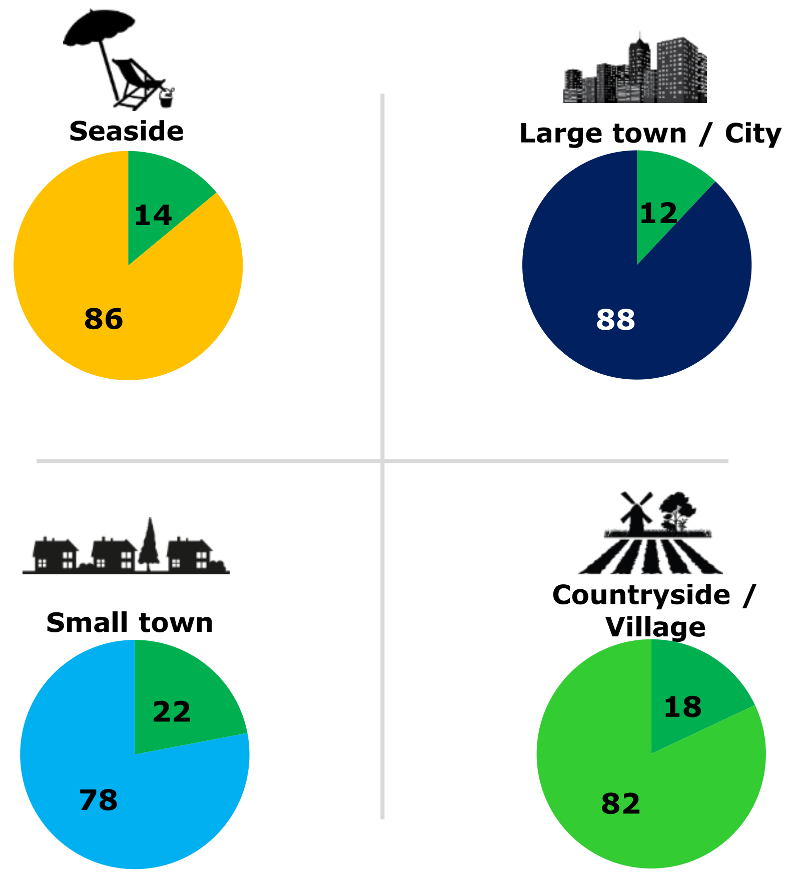
Businesses in areas affected by flooding: Attractions

One in six attractions reported that their area was affected by flooding or severe wet weather, with small towns faring the worst.

% All attractions

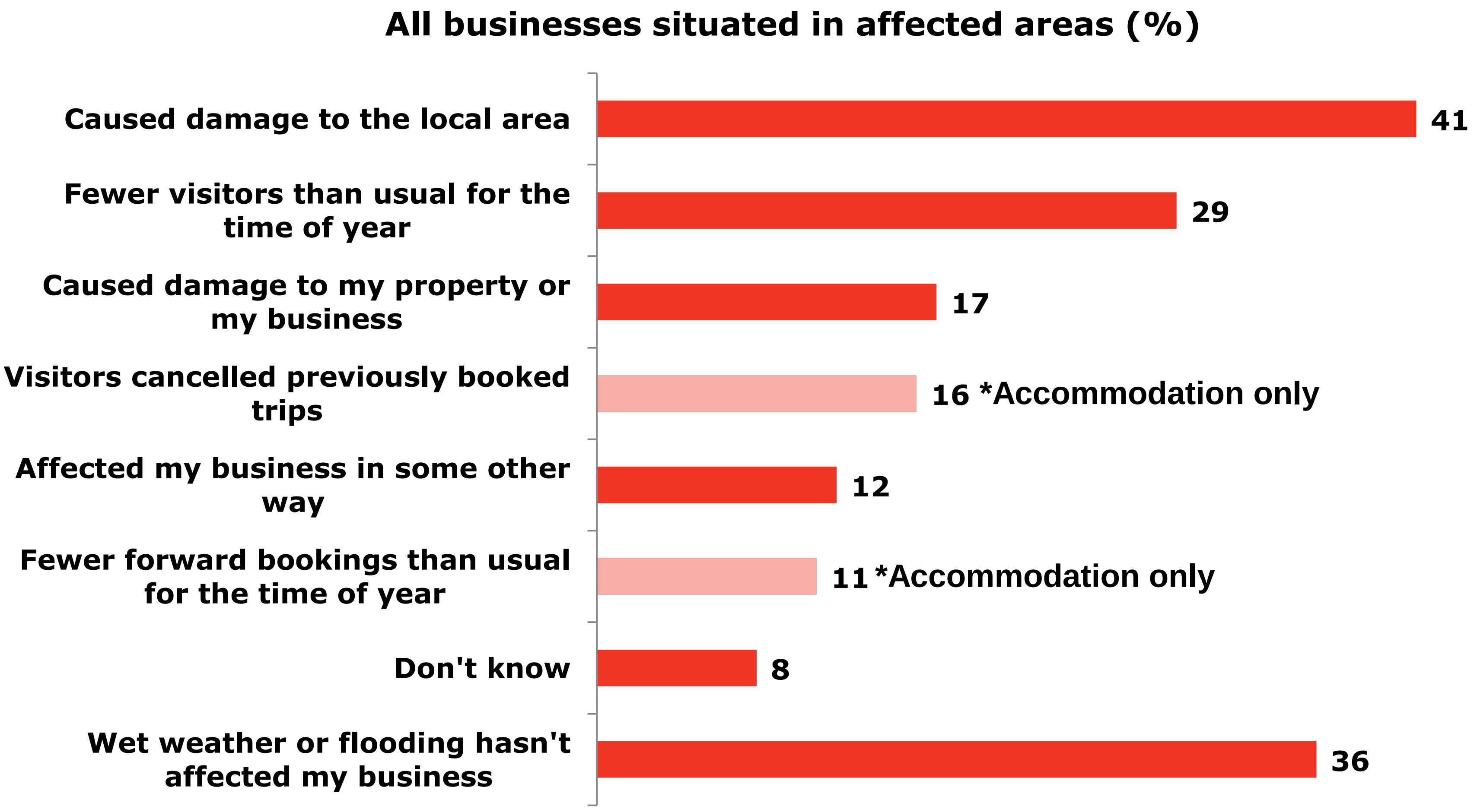


% Location



Impact of flooding and wet weather: Overall

Of businesses in flooded areas, a third were not adversely affected. Those that were affected mainly experienced damage to the local area, leading to a knock-on effect of fewer visitors. 17% of businesses in flood affected areas (3% of all businesses surveyed across the country) directly suffered from flooding damage.



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Q16b

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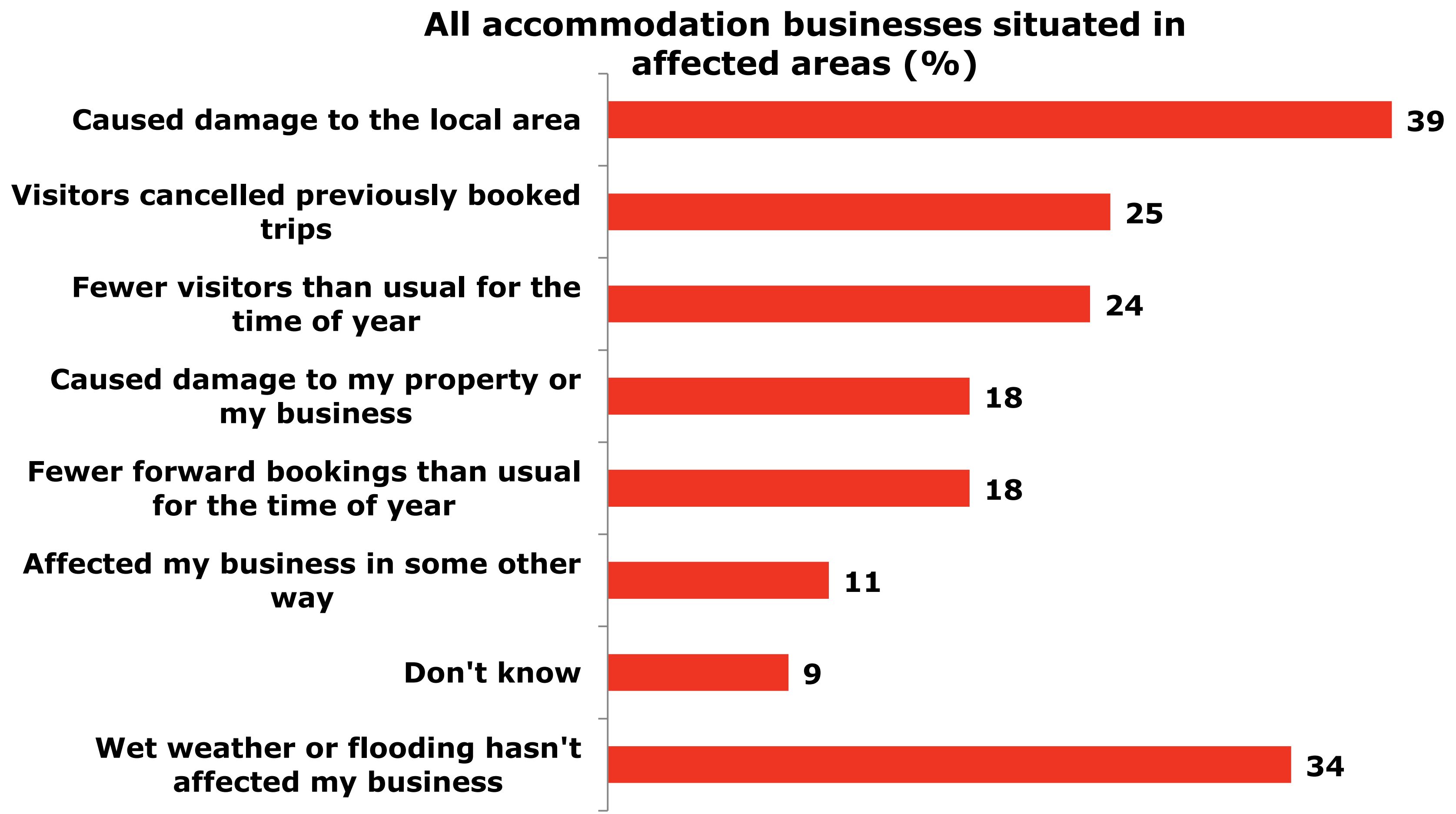
Impact of flooding and wet weather: Accommodation

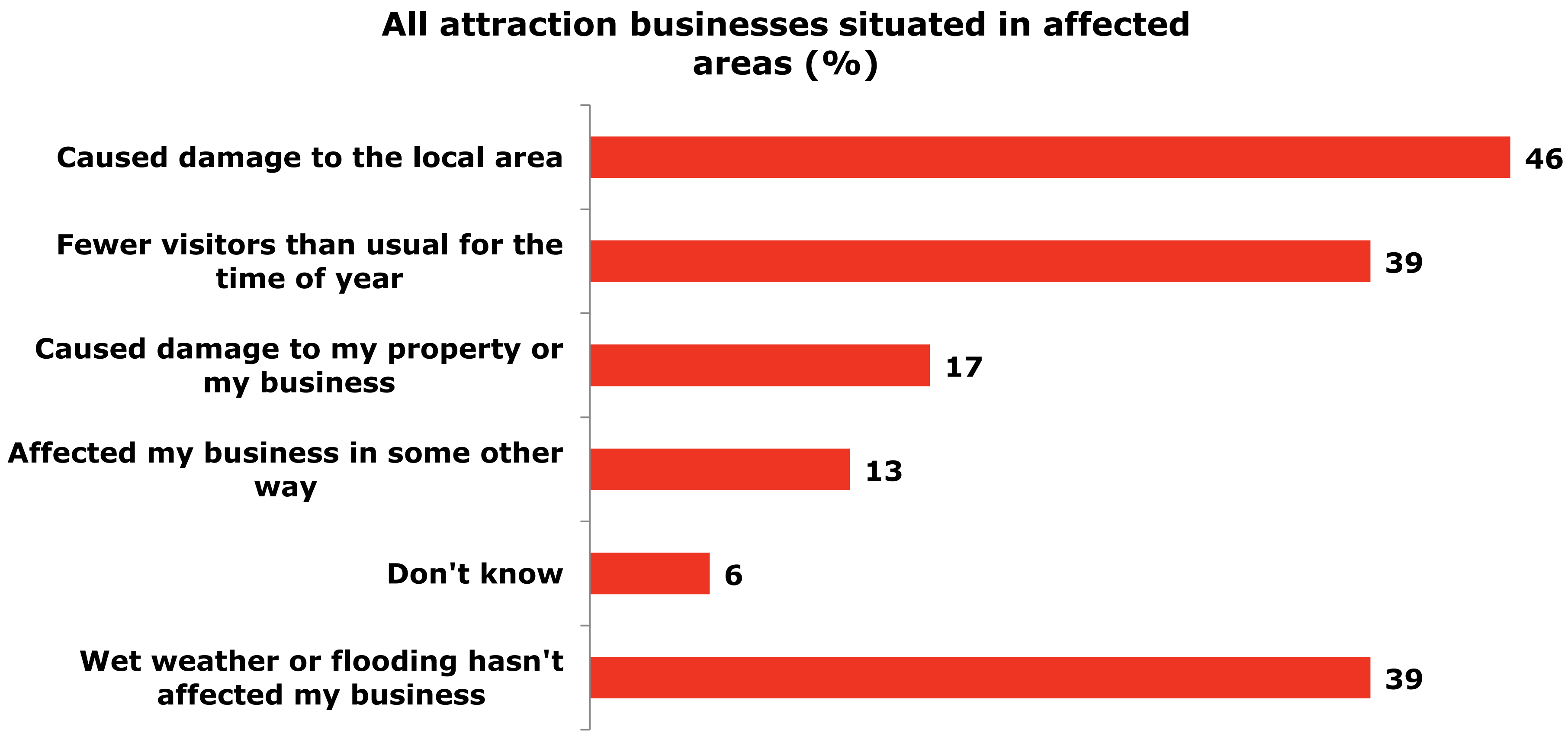
A third of businesses in flooded areas remained unaffected, with most of the rest experiencing a drop in bookings or cancellations associated with guests believing it would be difficult to travel, or wanting to avoid trips to affected areas. 18% of businesses in flood affected areas (3% of all businesses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



Q16b

Impact of flooding and wet weather: Attractions

Of those located in affected areas, around three fifths were affected themselves. In the main, this was the secondary impact of damage to the local area, which limited visitor numbers. However 17% of businesses in flood affected areas (3% of all attractions surveyed across the country) suffered damage to their property.

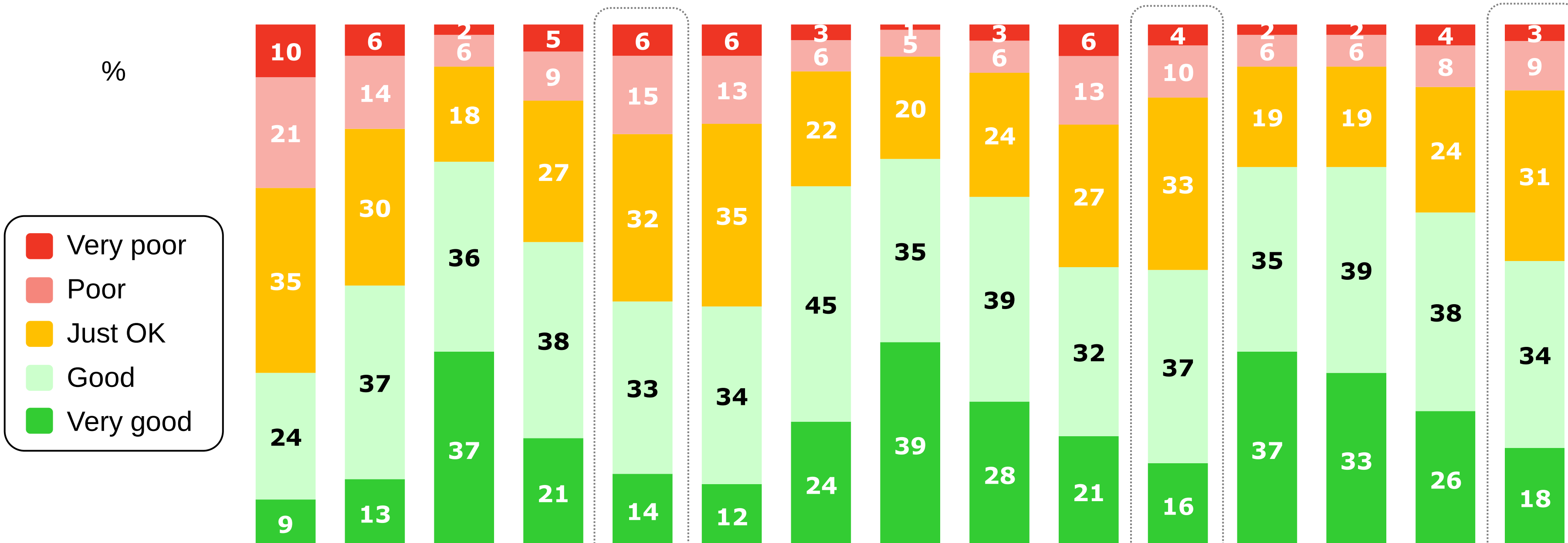


Q16b

Business Confidence

Advance booking levels: Accommodation

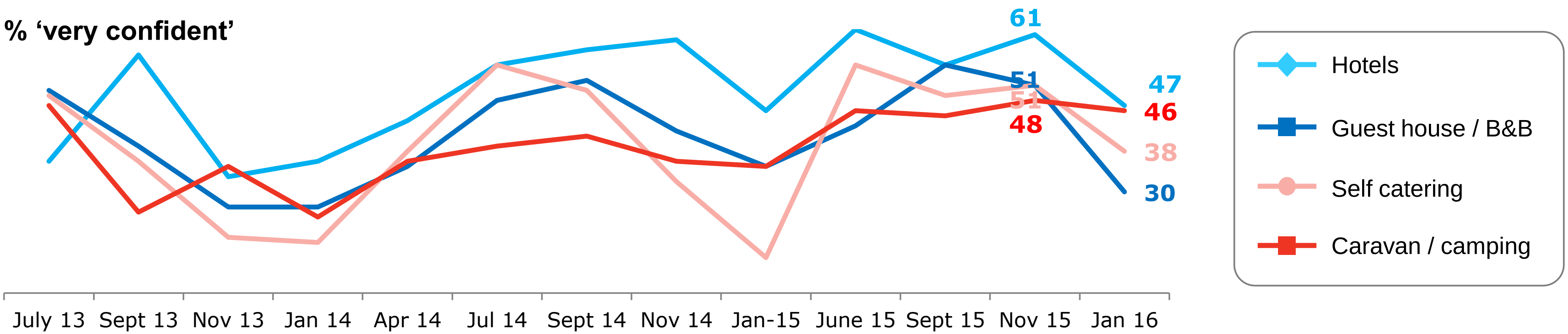
Advance booking levels tend to be poorer for the first quarter of the year; however, bookings are consistent with January 2015, despite the heavy rain and flooding.



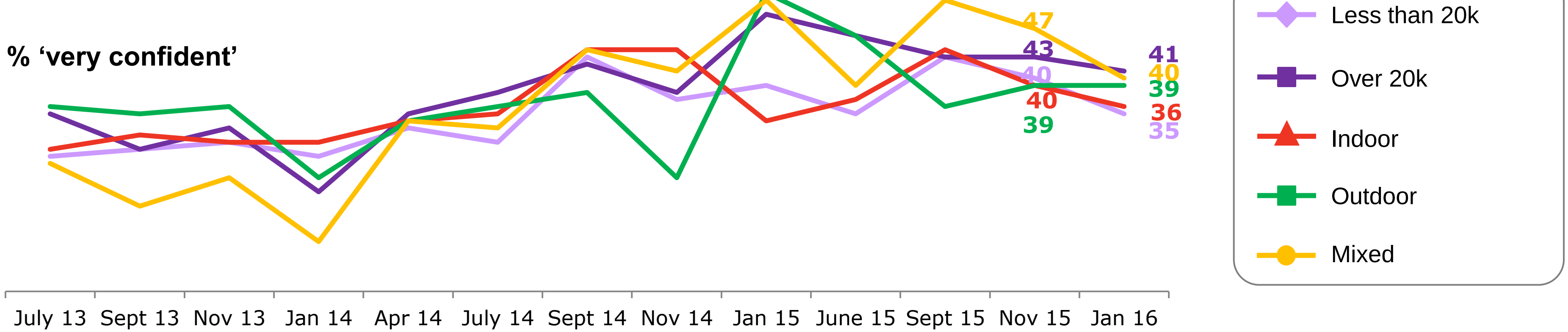
Survey conducted:	Jan 2013	Apr 2013	July 2013	Sept 2013	Nov 2013	Jan 2014	Apr 2014	Jul 2014	Sept 2014	Nov 2014	Jan 2015	June 2015	Sept 2015	Nov 2015	Jan 2016
Period asked about:	Until the end of Easter	Until late Spring/ early Summer	Until end of summer hols	Until end of October	Until end of the year	Until the end of Easter	Until late Spring/ early Summer	Until end of summer hols	Until end of October	Until end of the year	Until the end of Easter	Until the end of the school summer holidays	Until the end of October	Until end of the year	Until the end of Easter

Confidence in performance for forthcoming period: By business 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.
Business confidence for the next 2-3 months has tapered off slightly since the summer for all attraction types, but still remains high.



ATTRACTIONS – BY TYPE



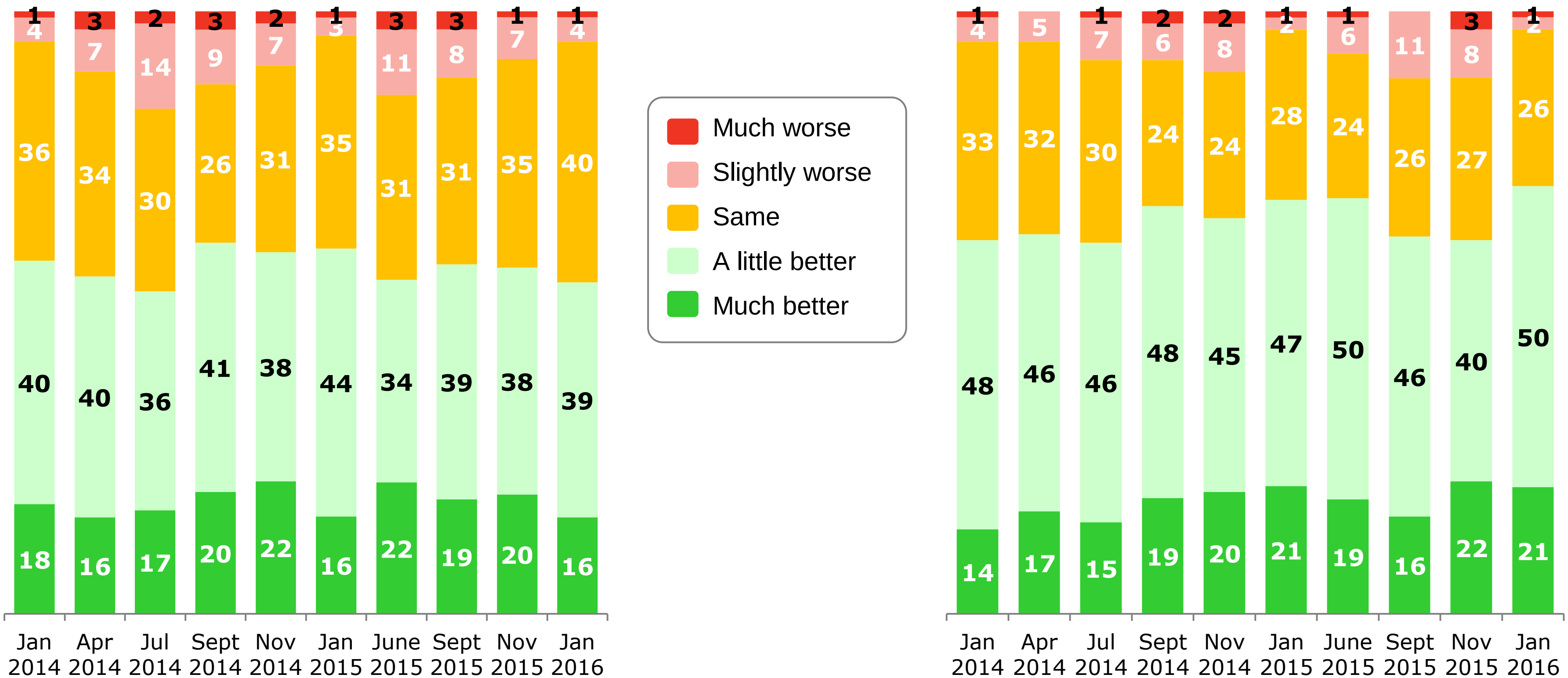
July 2013	Sept 2013	Nov 2013	Jan 2014	Apr 2014	July 2014	Sept 2014	Nov 2014	Jan 2015	June 2015	Sept 2015	Nov 2015	Jan 2016
Until end of the Summer holidays	Until end of Oct	Until end of the year	Until end of Easter	Until late Spring/ early Summer	Until end of school summer holidays	Until end of October	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

Business optimism for 2016

For accommodation businesses, 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.
For attractions, business optimism is at an all time high, with 71% of attractions anticipating growth in visitor numbers in 2016.

ACCOMMODATION

ATTRACTIONS



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

Q15b

Positive verbatim comments on business optimism for 2016: Attractions

We are putting in a lot of extra effort to run more events this year

We've allocated a lot more resources to marketing

More interest from visitors abroad

We are now open through the Winter

We're upping our social media

We have just opened a new Visitor Centre

Developed a more thorough business plan

Q15b

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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.