Tourism Business Monitor 2016

Wave 1 – Christmas and New Year
Contents

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• Key findings
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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
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.
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 (%)

- **Jan 16, 2015**
  - Up: 61%
  - Same: 23%
  - Down: 16%
  - Not at all: 32%
  - Not very: 48%

**ATTR ACTIONS**

Visitor numbers (%)

- **Jan 16, 2015**
  - Up: 66%
  - Same: 21%
  - Down: 13%
  - Not at all: 57%
  - Not very: 50%

Satisfied with business performance…

- **Jan 16, 2015**
  - Very: 54%
  - Quite: 35%
  - Not very: 8%
  - Not at all: 4%
Business Confidence Dashboard: confidence for next period

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

### ACCOMMODATION

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<td>78</td>
<td>89</td>
<td>86</td>
<td>81</td>
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<td>91</td>
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<td>94</td>
<td>93</td>
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<td>90</td>
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<tr>
<td>Fairly confident</td>
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<td>43</td>
<td>48</td>
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### ATTR ACTIONS

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<td>Very confident</td>
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<td>95</td>
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<tr>
<td>Fairly confident</td>
<td>64</td>
<td>62</td>
<td>62</td>
<td>56</td>
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<td>58</td>
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<td>53</td>
<td>54</td>
<td>54</td>
<td>57</td>
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</tbody>
</table>

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 school summer holidays  Until end of October  Until end of the year  Until end of Easter  Until end of school summer holidays  Until end of October  Until end of the year  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): 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
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

- **Hotels**
  - Down: 11
  - Slightly down: 22
  - Exactly same: 14
  - Slightly up: 49

- **Guest house / B&B**
  - Down: 29
  - Slightly down: 6
  - Exactly same: 33
  - Slightly up: 6
  - Up: 26

- **Self catering**
  - Down: 12
  - Slightly down: 40
  - Exactly same: 36
  - Slightly up: 11

- **Caravan / camping**
  - Down: 15
  - Slightly down: 7
  - Exactly same: 28
  - Slightly up: 15
  - Up: 35

ATTRACTIONS – BY TYPE

- **Less than 20k**
  - Down: 15
  - Slightly down: 4
  - Exactly same: 27
  - Slightly up: 12
  - Up: 41

- **Over 20k**
  - Down: 15
  - Slightly down: 1
  - Exactly same: 25
  - Slightly up: 11
  - Up: 48

- **Indoor**
  - Down: 14
  - Slightly down: 3
  - Exactly same: 26
  - Slightly up: 19
  - Up: 39

- **Outdoor**
  - Down: 22
  - Slightly down: 2
  - Exactly same: 25
  - Slightly up: 7
  - Up: 43

- **Mixed**
  - Down: 1
  - Slightly down: 2
  - Exactly same: 26
  - Slightly up: 8
  - Up: 57

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

<table>
<thead>
<tr>
<th>Period</th>
<th>Hotels</th>
<th>Guest house / B&amp;B</th>
<th>Self catering</th>
<th>Caravan / camping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 13</td>
<td>69</td>
<td>63</td>
<td>56</td>
<td>44</td>
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<tr>
<td>Apr 13</td>
<td>56</td>
<td>50</td>
<td>47</td>
<td>32</td>
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<td>Jul 13</td>
<td>63</td>
<td>56</td>
<td>47</td>
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<tr>
<td>Sept 13</td>
<td>60</td>
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<td>47</td>
<td>32</td>
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<tr>
<td>Nov 13</td>
<td>61</td>
<td>55</td>
<td>47</td>
<td>32</td>
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<tr>
<td>Jan 14</td>
<td>59</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Apr 14</td>
<td>51</td>
<td>59</td>
<td>51</td>
<td>46</td>
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<tr>
<td>Jul 14</td>
<td>53</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Sept 14</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Nov 14</td>
<td>51</td>
<td>53</td>
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<td>38</td>
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<tr>
<td>Jan 15</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>June 15</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Sept 15</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Nov 15</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
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<tr>
<td>Jan 16</td>
<td>51</td>
<td>53</td>
<td>42</td>
<td>38</td>
</tr>
</tbody>
</table>

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

- Yes: 17%
- No: 83%

**% Location**

- Seaside:
  - Yes: 14%
  - No: 86%
- Large town / City:
  - Yes: 13%
  - No: 87%
- Small town:
  - Yes: 24%
  - No: 76%
- Countryside / Village:
  - Yes: 19%
  - No: 81%
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

Seaside
- Yes: 14%
- No: 86%

Large town / City
- Yes: 12%
- No: 88%

Small town
- Yes: 22%
- No: 78%

Countryside / Village
- Yes: 18%
- No: 82%
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.

<table>
<thead>
<tr>
<th>Impact Description</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Caused damage to the local area</td>
<td>41</td>
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<tr>
<td>Fewer visitors than usual for the time of year</td>
<td>29</td>
</tr>
<tr>
<td>Caused damage to my property or my business</td>
<td>17</td>
</tr>
<tr>
<td>Visitors cancelled previously booked trips</td>
<td>16 *Accommodation only</td>
</tr>
<tr>
<td>Affected my business in some other way</td>
<td>12</td>
</tr>
<tr>
<td>Fewer forward bookings than usual for the time of year</td>
<td>11 *Accommodation only</td>
</tr>
<tr>
<td>Don’t know</td>
<td>8</td>
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<tr>
<td>Wet weather or flooding hasn’t affected my business</td>
<td>36</td>
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</table>
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 accommodation businesses situated in affected areas (%)

- Caused damage to the local area: 39
- Visitors cancelled previously booked trips: 25
- Fewer visitors than usual for the time of year: 24
- Caused damage to my property or my business: 18
- Fewer forward bookings than usual for the time of year: 18
- Affected my business in some other way: 11
- Don't know: 9
- Wet weather or flooding hasn't affected my business: 34
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.

<table>
<thead>
<tr>
<th>All attraction businesses situated in affected areas (%)</th>
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<tbody>
<tr>
<td>Caused damage to the local area</td>
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<tr>
<td>Fewer visitors than usual for the time of year</td>
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<tr>
<td>Caused damage to my property or my business</td>
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<td>Affected my business in some other way</td>
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<tr>
<td>Don’t know</td>
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<tr>
<td>Wet weather or flooding hasn’t affected my business</td>
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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.

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<tbody>
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<td>Very poor</td>
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<td>6</td>
<td>2</td>
<td>6</td>
<td>5</td>
<td>6</td>
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<td>6</td>
<td>4</td>
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<td>6</td>
<td>5</td>
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<tr>
<td>Poor</td>
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<td>14</td>
<td>18</td>
<td>9</td>
<td>13</td>
<td>22</td>
<td>20</td>
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<td>27</td>
<td>20</td>
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<td>35</td>
<td>39</td>
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<tr>
<td>Just OK</td>
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<td>30</td>
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<td>32</td>
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<td>45</td>
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<tr>
<td>Good</td>
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<td>33</td>
<td>34</td>
<td>32</td>
<td>37</td>
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<td>Very good</td>
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<td>21</td>
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Period asked about: Until the end of Easter, Until late Spring/early Summer, Until end of summer hols, Until end of October, Until the end of the year, Until the end of Easter, Until late Spring/early Summer, Until end of summer hols, Until end of October, Until the end of the year, Until the end of the year, Until the end of the year, Until the end of the year, Until the end of the year.
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.

% ‘very confident’

ATTRACTIONS – BY TYPE

% ‘very confident’
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.
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”
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
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.