VisitEngland

Tourism Business Monitor 2017

Wave 3 – After the Easter holidays up until mid-July

bdrc continental

VisitEngland

Contents

Background, objectives and research method

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

Telephone survey conducted 4-5 times per year immediately following key tourism periods among:

- c. 300* accommodation establishments, including a mix by region, establishment size and hotels / guest houses / B&B / self-catering / caravan and campsites.
- c. 250* visitor attractions including mix by region, attraction type, size (measured by annual visitor admissions) and free / paid admission.

Prior to July 2017, sample sizes were 500 accommodation and 300 visitor attractions.

Questions on 'hot topics' included on a periodic basis.

Fieldwork dates:

Jul 2017: 12-17 Jul 2017, reviewing period after the Easter holidays up until mid-July
Apr 2017: 24 Apr-2 May, reviewing the Easter period 2017
Jan 2017: 3-11 Jan 2017, reviewing the Christmas and New Year period 2016
Jul 2016: 18-25 Jul 2016, reviewing period after the Easter holidays up until mid-July
Apr 2016: 18-24 Apr 2016, reviewing the Easter period 2016
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

Key Findings

- **Visitor attractions** generally **experienced positive performance** between Easter and mid-July:
  - 54% reported increases and just 14% reported decreases in visitor numbers compared with the same period in 2016, outperforming the to date figures
  - 95% of attractions were satisfied with their performance.

- **Accommodation businesses** experienced **a more mixed performance**, with visitor volume increases and decreases both growing at a higher rate than year to date figures:
  - However, 44% of accommodation providers reported that their visitor numbers were up compared to last year, whilst a third reported they were down.

- As a result of this, **business satisfaction has fallen** amongst all accommodation types since Easter:
  - Hotels (down 15% from the Easter period) and caravan / campsites (down 27%) experienced largest decreases.
  - Satisfaction also decreased amongst attractions in the following categories, larger, outdoor and mixed although are on par with last July.

- Despite this, **confidence for the upcoming period remains generally positive**:
  - 54% of accommodation businesses purporting to be 'very confident' and 39% 'fairly confident' of how they will fare throughout the summer holidays (93% overall confidence).
  - Confidence amongst attractions is also strong, with 97% of attractions confident in their performance over this period (38% 'very confident', 59% 'fairly confident').

- **Business confidence for the rest of the year** also remains positive:
  - 21% of **accommodation** providers expect their performance to be 'much better' than in 2016, the highest incidence seen for over two years.
  - Confidence has also improved amongst **attractions**, with an increase in the proportion expecting a 'slightly better' period.

- Business believe that they have benefitted from the current economic and political environment, with **the weak pound encouraging more visits from abroad**:
  - 18% of accommodation and 5% of attractions believe they have been affected.

- Deals, discounts and packages are viewed as an important part of **accommodation** businesses repertoire, with **over half having offered at least one form of deal** in the last year.
  - Discounted rates, offers for repeat customers or last-minute deals are most popular.
  - Similarly, just under half (48%) of **attractions** have offered some form of deal, discount or package to visitors in the last 12 months, these are most likely to be in the form of extra tickets (e.g. 2 for 1 entry) or discounted rates.

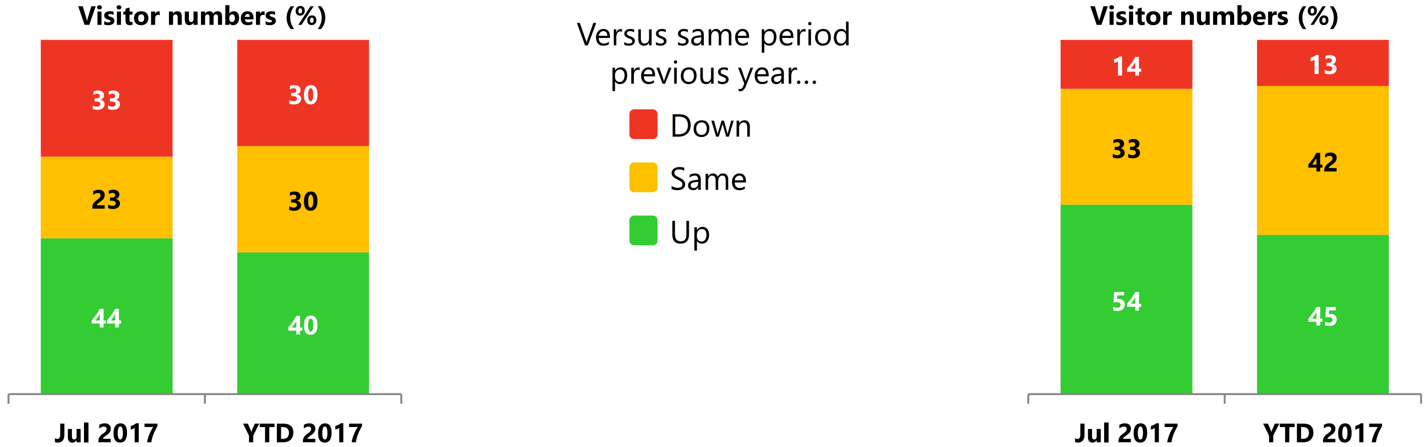
Business Dashboards

Business Performance Dashboard

For accommodation sites, business performance for the period after the Easter holidays until mid-July was similar to year to date figures. The attractions market enjoyed a positive recent period, with 54% reporting an increase in visitor numbers.

ACCOMMODATION

ATTRACTIONS

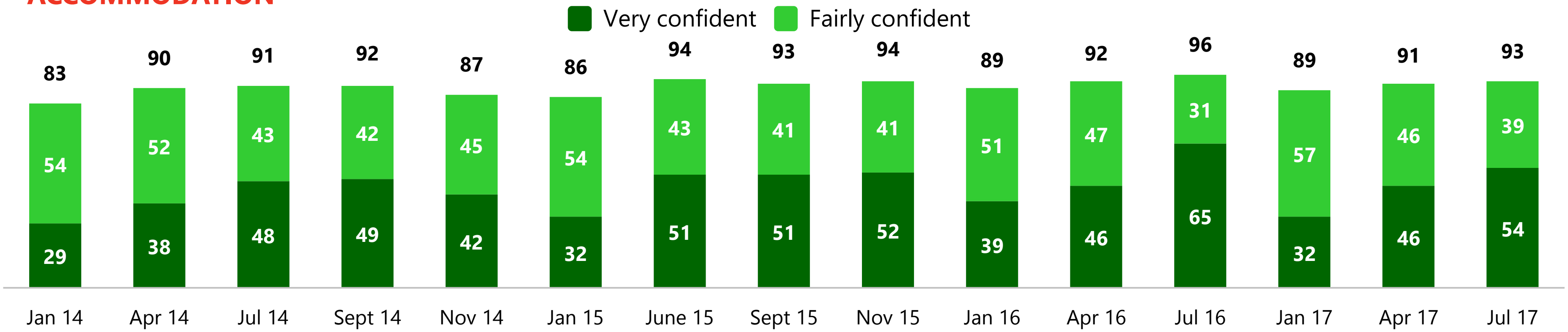


PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
July 2017: period after Easter holidays up until mid-July

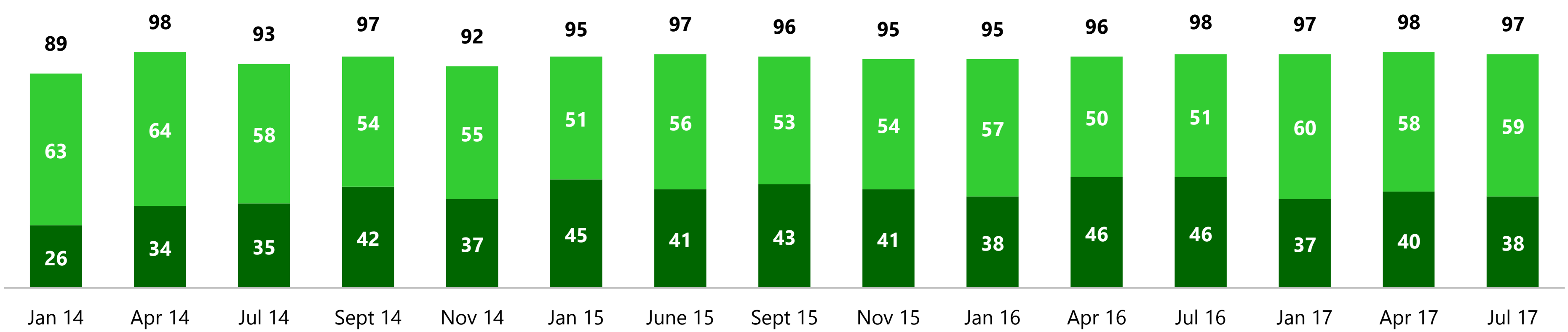
Business Confidence Dashboard: Confidence for next period

With the summer holidays fast approaching, the overwhelming majority of businesses are feeling confident about their upcoming performance (93% of accommodation, 97% of attractions).

ACCOMMODATION



ATTRACTIONS



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 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 Easter	Until early summer	Until end of school summer holidays

VisitEngland

Q13

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Visitor Profile

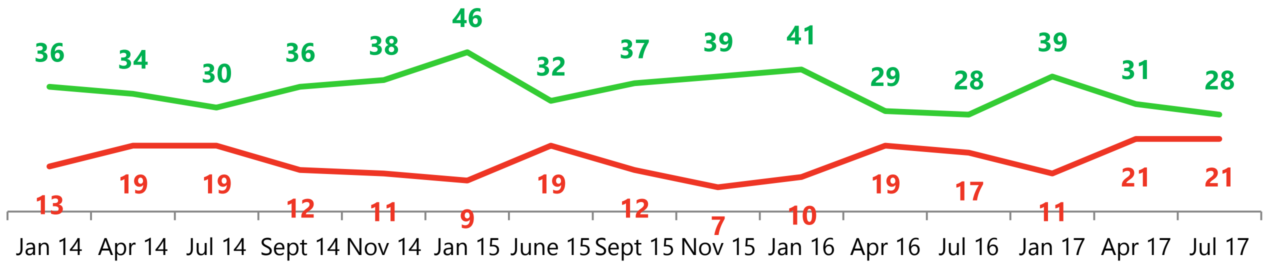
Changing Visitor Profile (year-to-date vs. previous year): **Accommodation**

The period after the Easter holiday to mid-July saw a net growth of guests. However, whilst the domestic market saw a slowing of growth, the overseas market has rebounded strongly after a poor period in July 2016.

NET: Up - Down

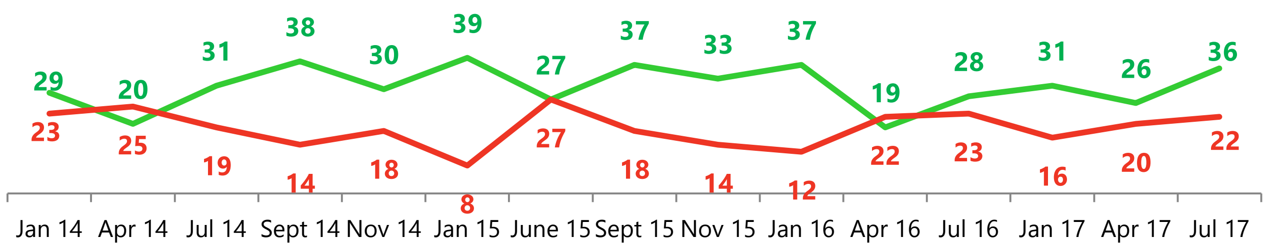
Up Down

Domestic visitors



+7

Overseas visitors



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PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
July 2017: period after Easter holidays up until mid-July

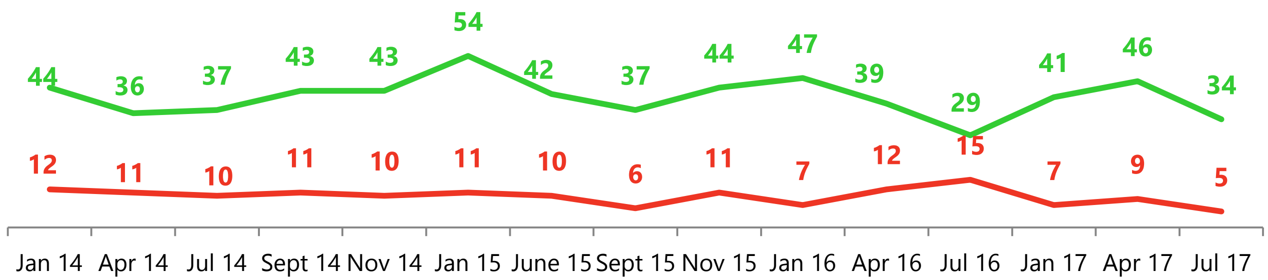
Changing Visitor Profile (year-to-date vs. previous year): Attractions

Compared to the high levels seen earlier in 2017, growth in the domestic attractions market has slowed. In contrast, growth from overseas has increased dramatically, with just 4% reporting a decrease in visitors.

NET: Up - Down

Up Down

Domestic visitors



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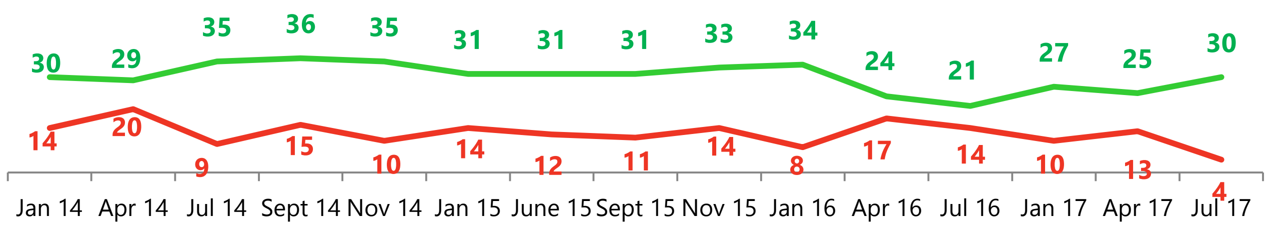
Overseas visitors



+26

PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
July 2017: period after Easter holidays up until mid-July

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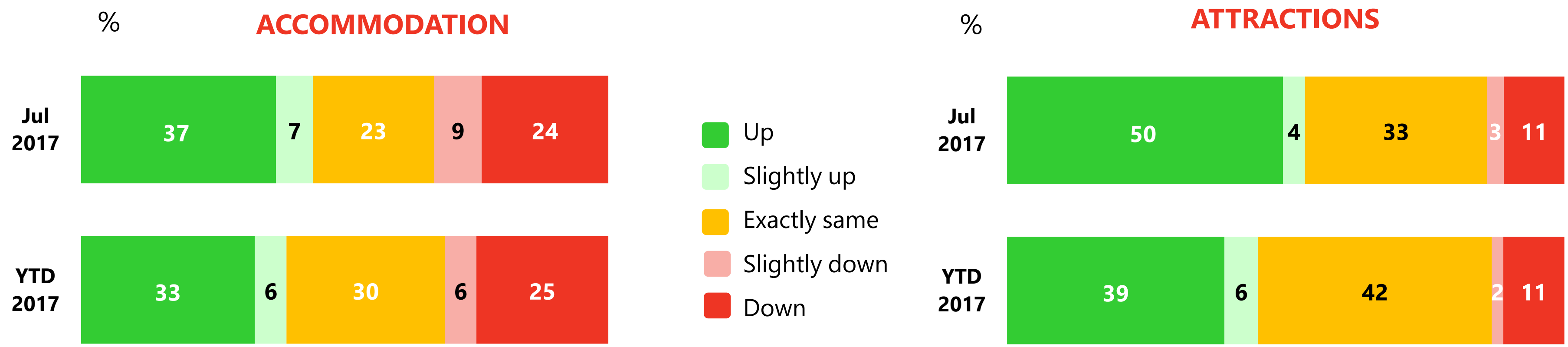
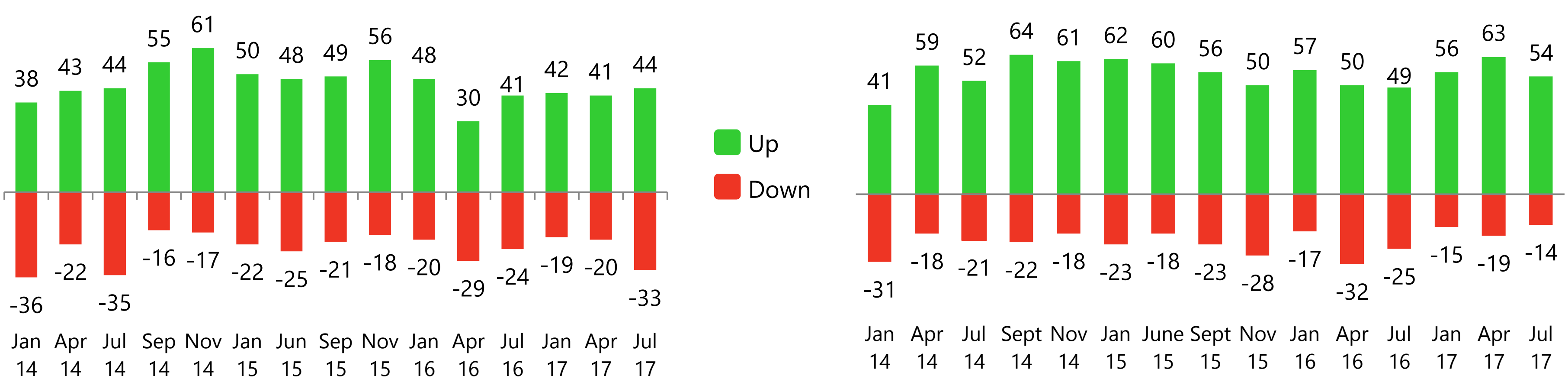
Business Performance

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

Whilst 44% of accommodation business reported a growth in visitor numbers compared with the same period in 2016, another 33% of business reported a decrease in visits – the highest proportion since July 2014.

Over half (54%) of attractions reported an increase in visitor numbers for the recent period – outstripping the year to date figures. Just 14% of sites experienced a drop in visitors.





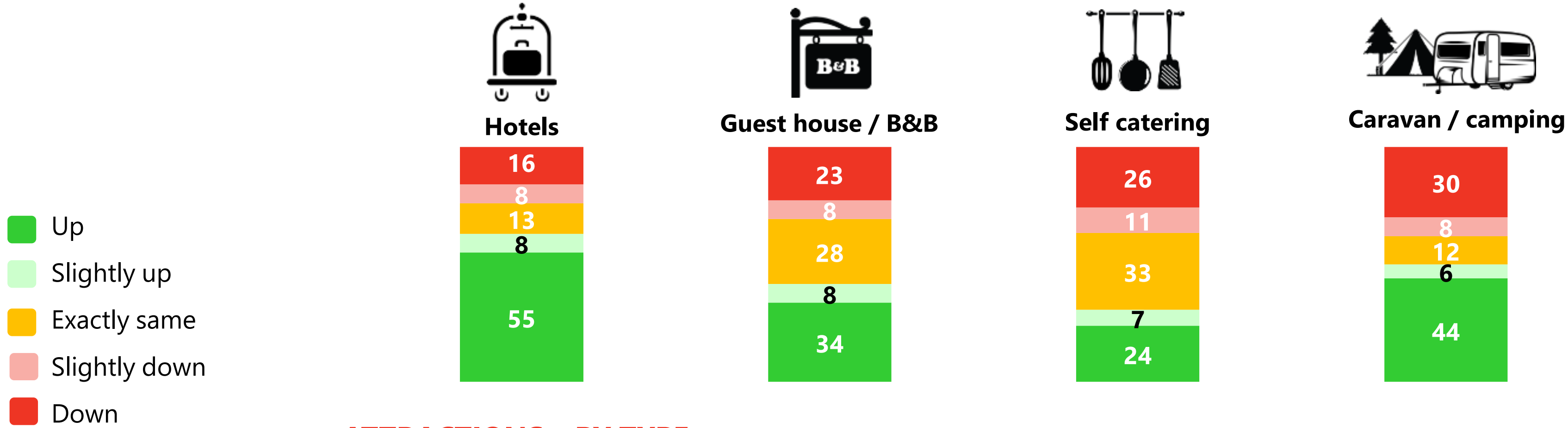
PERIODS ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
Jan: Christmas and New Year period / **Apr:** Easter period / **June**: Easter up until the end of May / **Jul:** After Easter holidays up until mid-July/ **Sept:** Mid-July/End of May (Sept 2015) up until the end of the summer holidays / **Nov:** Mid-September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

Changing business performance: By business type

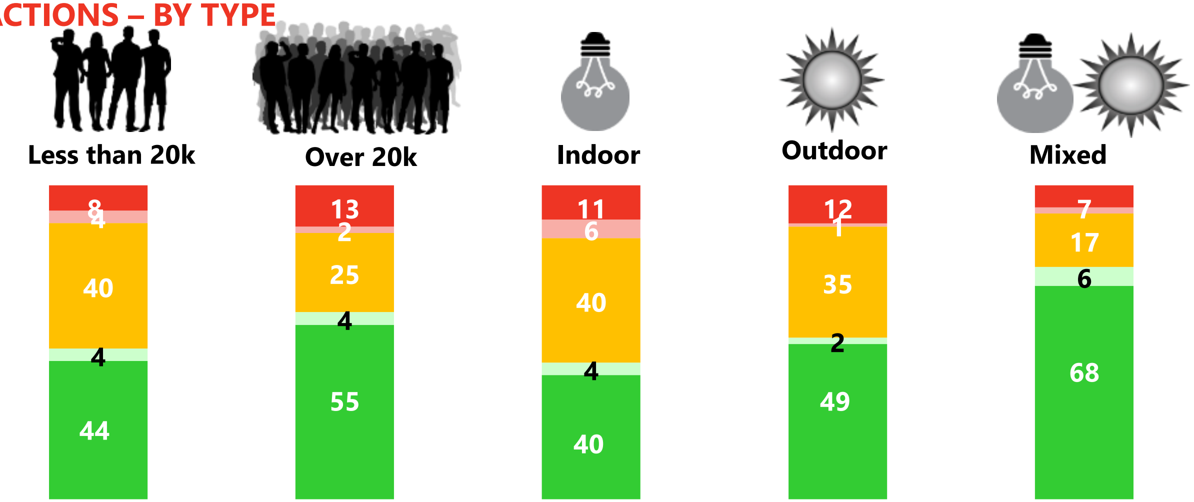
Hotels reported the most positive results, with 63% up compared with Easter – July 2016, which builds on an already strong year (with 51% of Hotels reporting better year to date results.

Larger attractions (with over 20k visitors) and mixed sites had a particularly successful post-Easter holiday to mid-July period.

ACCOMMODATION - BY TYPE



ATTRACTIONS – BY TYPE



PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
July 2017: period after Easter holidays up until mid-July

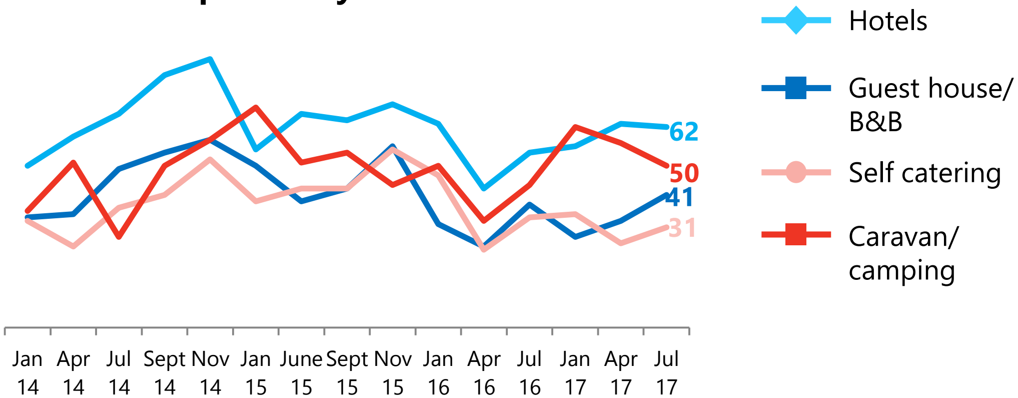
Changing business performance: By business type (trends)

The strong performance of Hotels over the recent period is not reflected in satisfaction scores, with only 37% stating they were 'very satisfied' with business performance (the lowest of any accommodation type), suggesting that Hotels had hoped to increase visitor numbers even more.

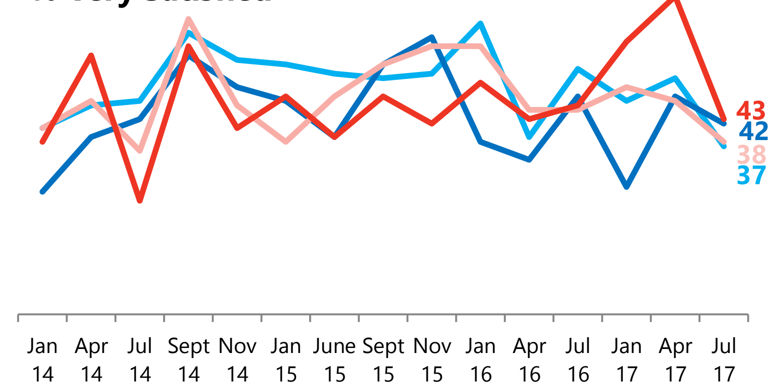
Whilst remaining strong, most attraction types have fallen back in terms of visitor growth vs. the Easter period – which has subsequently affected business satisfaction.

ACCOMMODATION – BY TYPE

% Visitors up on last year

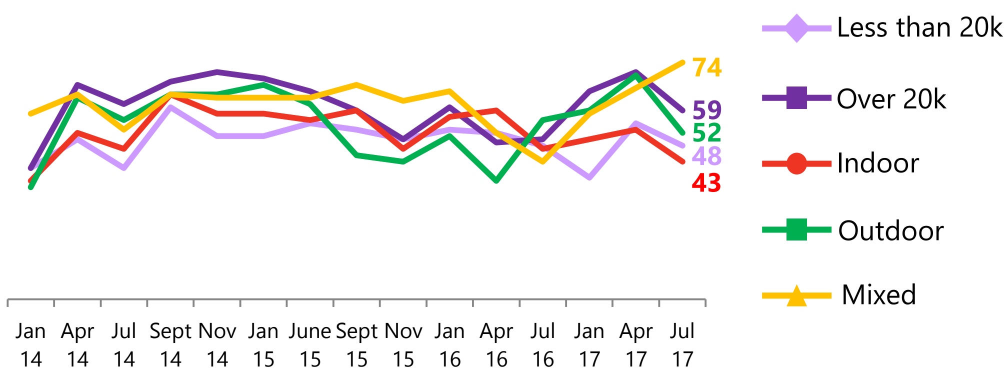


% Very Satisfied

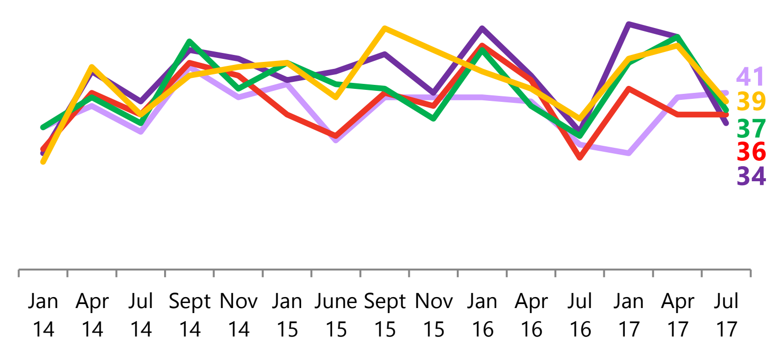


ATTRACTIONS – BY TYPE

% Visitors up on last year



% Very Satisfied



PERIOD ASKED ABOUT FOR PAST BUSINESS PERFORMANCE
July 2017: period after Easter holidays up until mid-July

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Q3/4, Q6

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Positive verbatim comments on business performance: Accommodation

"

Since we voted for Brexit the number of visitors from overseas has increased

The fact that we've joined Airbnb

The lower exchange rate helps (attract visitors from overseas)

We have a very high score on booking.com of 9.7 out of 10

I think people are worried about going abroad at the moment

The weather has been good

"

Positive verbatim comments on business performance: **Attractions**

"

I think it's because of the exchange rate - we have had a lot more visitors from America

We've changed the marketing and put on more events which has helped with publicity and numbers

We have had great weather

Most of the attractions in the area are closed as they are more seasonal - we are open all year round

We received a big HLF grant last year and now we have better facilities and more publicity

"

External influences affecting business performance

Accommodation businesses appear to be more influenced by exchange rates and Brexit than visitor attractions (18% vs. 5%). The impact of other external factors appears to be minimal, looking across England as a whole.

Accommodation

18% Exchange rate / Brexit

3% The election

2% Terrorism / safety / security

Attractions

5% Exchange rate / Brexit

3% The election

1% Terrorism / safety / security

Deals, discounts & packages

Deals, discounts and packages: Offered over last 12 months

Over half (54%) of accommodation sites have offered at least one form of deal, discount or package in the last 12 months. Discounted rates and offers for returning guests (32% and 29% respectively) are the most popular methods.

48% of attractions have offered some kind of offer in the last year, with extra tickets (offered by 21% of sites) and discounted rates (18%) being the most widely-used marketing levers.

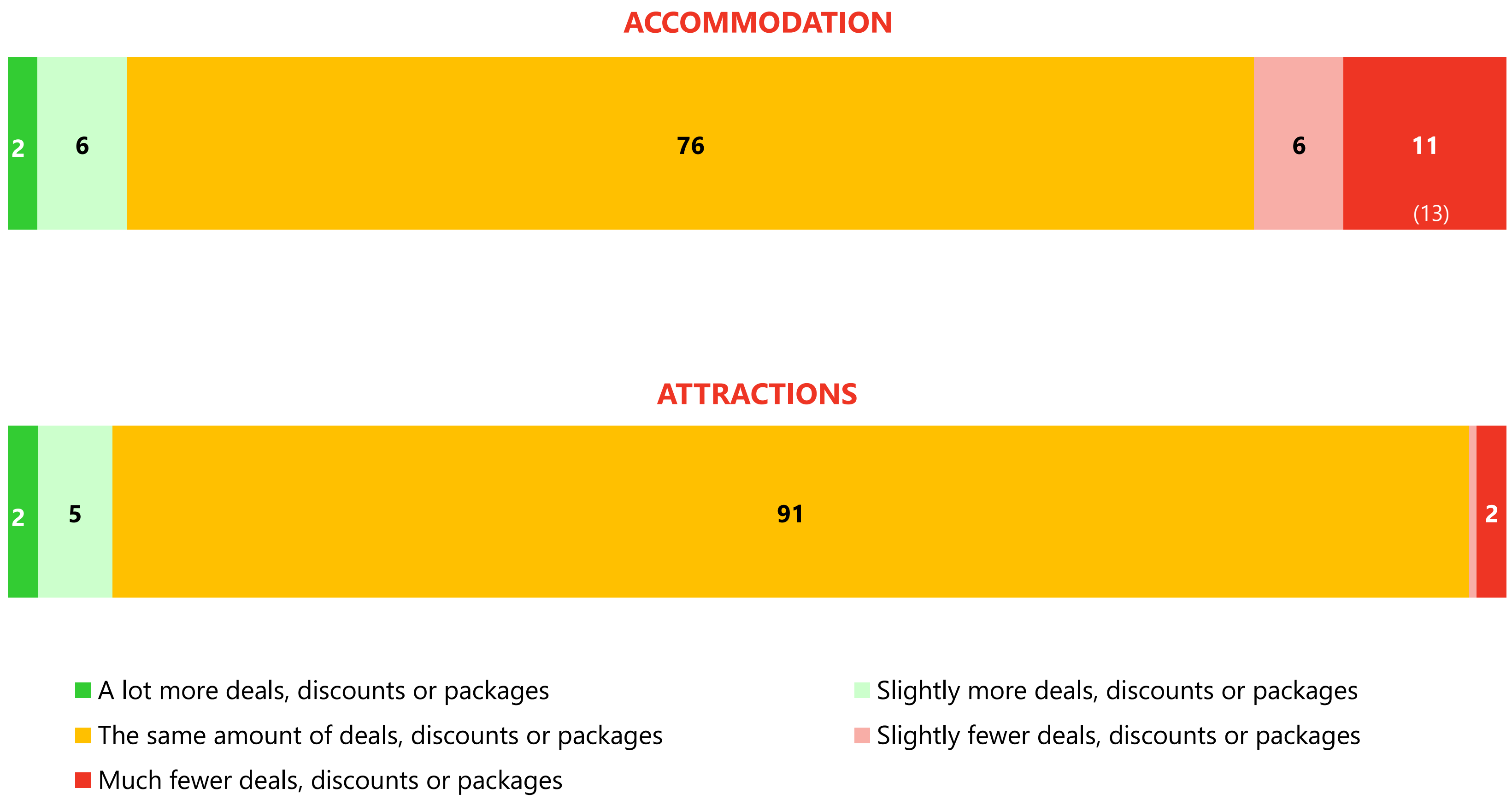
ACCOMMODATION

ATTRACTIONS

Deals, discounts and packages: Potential offer over next 12 months

Ideally, accommodation sites would like to offer less of these deals, discounts and packages going forward. Only 8% would prefer to offer more of these offers, compared to 17% who would prefer the opposite.

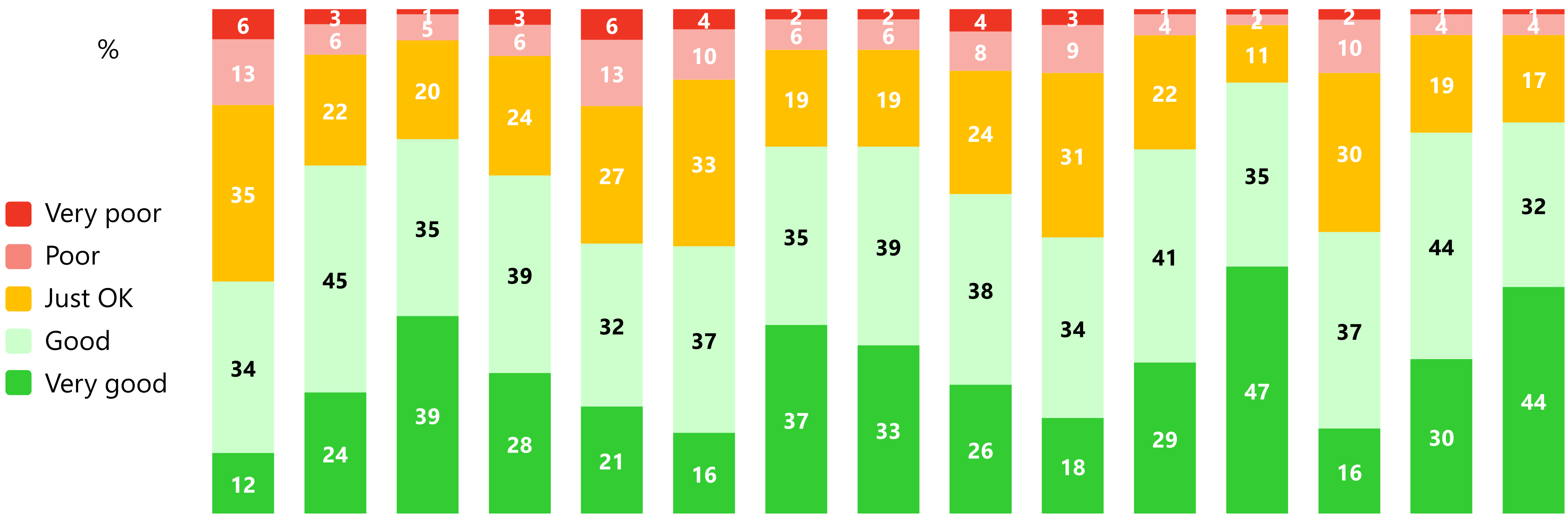
However, the importance of offers to visitor attractions is clear, more than 9 in 10 attractions plan to offer the same amount of deals over the next year, with only 3% stating they planned to offer less.



Business Confidence

Advance booking levels: **Accommodation**

Advance booking levels are very strong, with 44% describing them as ‘very good’. This is second only to the levels seen in July 2016 (47%).



Survey conducted:	Jan 2014	Apr 2014	Jul 2014	Sept 2014	Nov 2014	Jan 2015	June 2015	Sept 2015	Nov 2015	Jan 2016	Apr 2016	Jul 2016	Jan 2017	Apr 2017	Jul 2017
Period asked about:	Until the 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 the end of the school summer holidays	Until end of October	Until end of the year	Until end of Easter	Until late Spring/ early Summer	Until the end of the school summer holidays	Until end of Easter	Until late Spring/ early Summer	Until the end of the school summer holidays

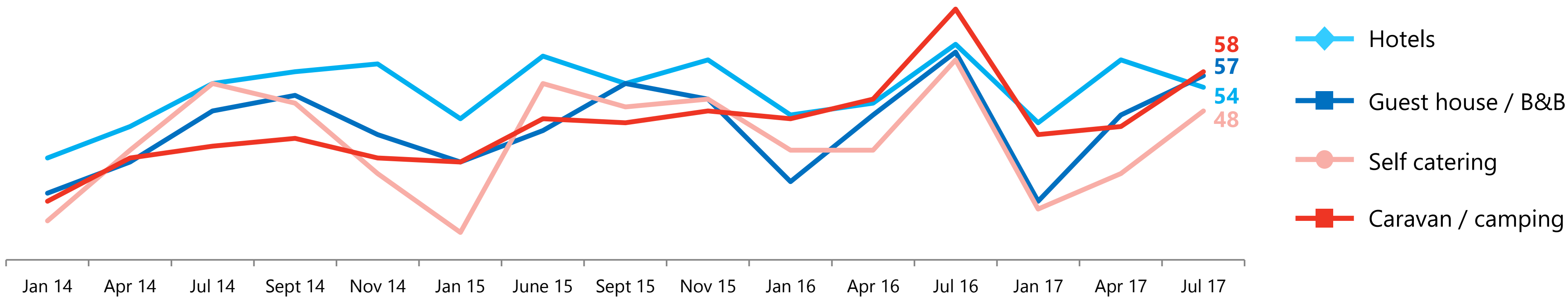
Confidence in performance for forthcoming period: By business type

With the notable exception of Hotels, the increase in advanced booking levels has had a direct impact on business confidence.

Confidence for the summer holidays has increased vs. the Easter wave of research, but is generally still some way below the levels seen in July 2016 (outdoor attractions are the exception to this).

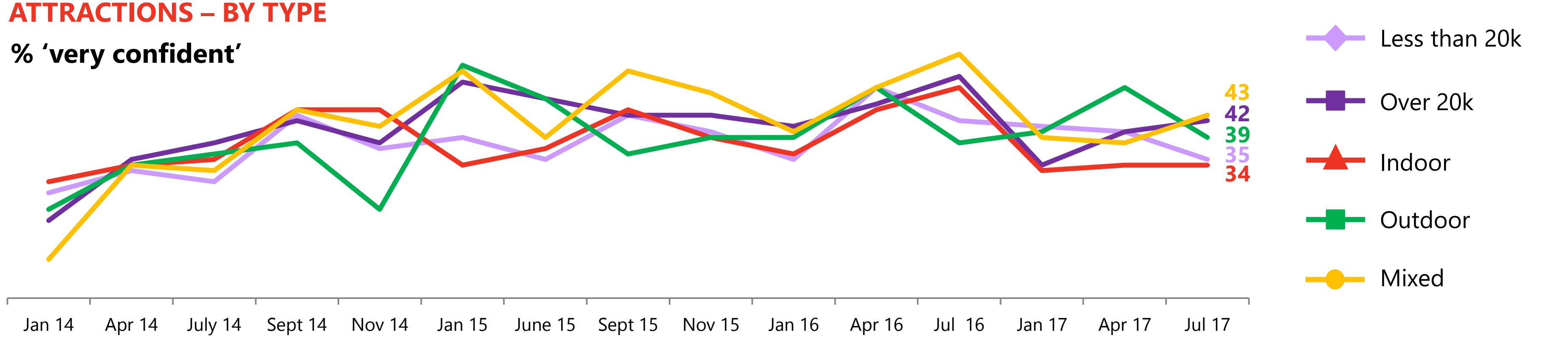
ACCOMMODATION – BY TYPE

% 'very confident'



ATTRACTIONS – BY TYPE

% 'very confident'

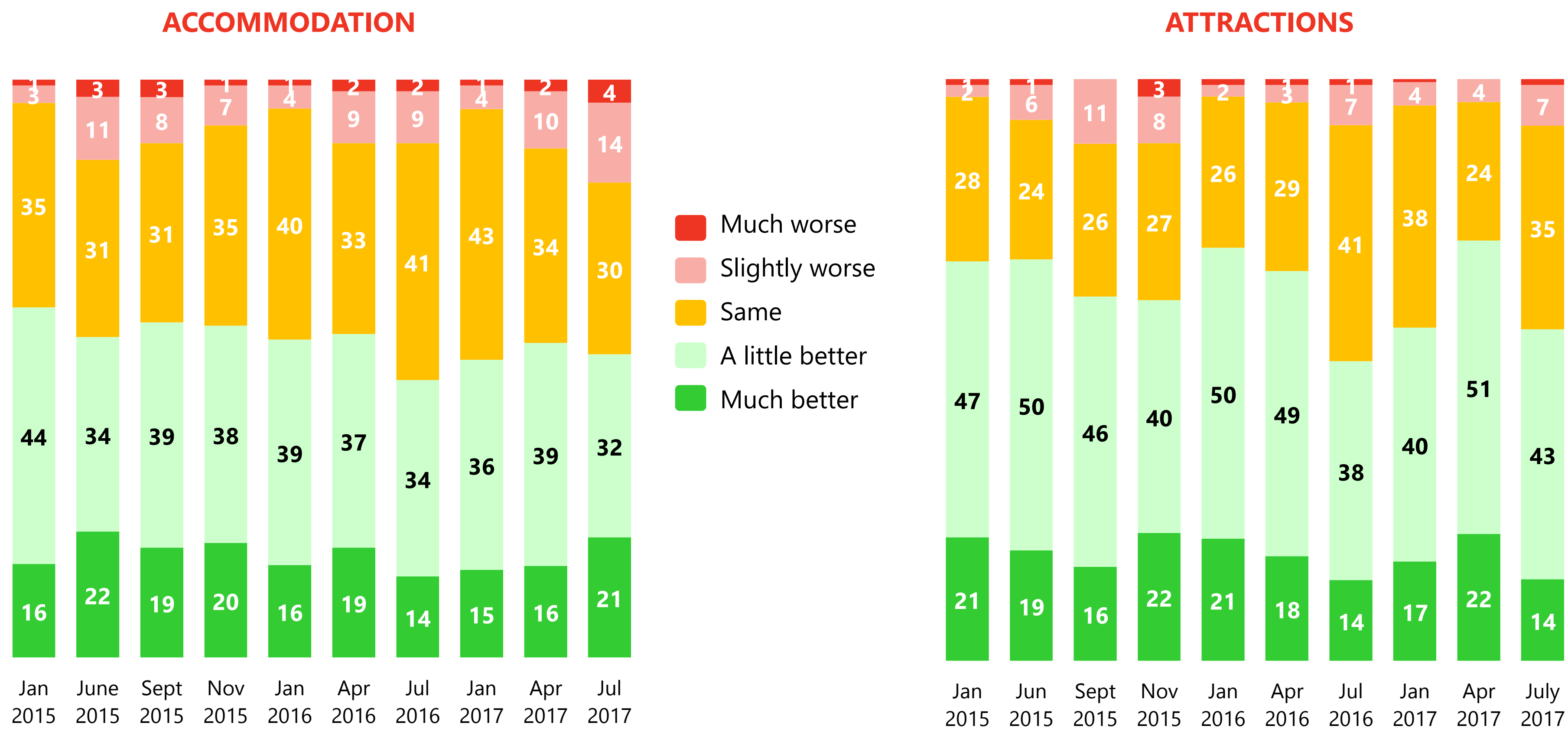


Jan 2014	Apr 2014	July 2014	Sept 2014	Nov 2014	Jan 2015	June 2015	Sept 2015	Nov 2015	Jan 2016	Apr 2016	July 2016	Jan 2017	Apr 2017	July 2017
Until end of Easter	Until late Spring/ early Summer	Until end of school summer holidays	Until end of October	Until end of the year	Until end of Easter	Until end of school summer holidays	Until the end of October	Until end of the year	Until end of Easter	Until late Spring/ early Summer	Until end of school summer holidays	Until end of Easter	Until late Spring/ early Summer	Until end of school summer holidays

Business optimism for 2017

Accommodation business confidence for the rest of the year remains positive, despite dropping back slightly overall compared to April 2017. 21% of business expect their performance to be 'much better' than in 2016, the highest incidence seen for over two years.

For attractions, levels of optimism are slightly higher than seen in the corresponding period in 2016 - although sites purporting to be expecting a much better year have remained consistent at 14%.



Q15

Positive verbatim comments on business optimism for 2017: Accommodation

"

We have a lot of advanced bookings for the summer holidays

We have expanded, and profits are up 15-20%

If the British weather is good we will attract visitors

Increased bookings due to an increased presence on Tripadvisor

We have a 9% increase in booking from previous year - all from the UK

"

Positive verbatim comments on business optimism for 2017: Attractions

"

We have very proactive volunteers which has helped with productivity and bringing in more visitors

So far we have more group bookings and more events

We are generally busy at this time of year and we are still having some very good weather

Being based in the UK City of Culture (Hull) has bought more visitors

We're expecting slightly better results because of the exhibition programs that we are running

We are working with local groups to increase the profile of the castle

"

External influences affecting business optimism for 2017

Looking ahead to the remainder of 2017, economic factors are predicted to have the greatest influence for both types of business. The predicted influence of external factors over the summer is far more consistent between the two types of businesses than it has been since Easter.

Accommodation

9% Exchange rate / Brexit

2% The election

<1% Terrorism / safety / security

Attractions

7% Exchange rate / Brexit

1% The election

1% Terrorism / safety / security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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.