

Dwelling on tourism's successes and vulnerabilities

Malcolm Bell, Chief Executive of southwesttourism, reflecting on the results of recent market studies of visitors to the region, believes that the success of the region and its business is based on high satisfaction levels particularly amongst returning visitors. But he warns that, unless first time visitors can be 'wow-ed', they may not return.

Although the vast majority of visitors to the region are loyal and satisfied, tourism businesses in the region need to pay attention to the different needs of visitors who are satisfied but not loyal and those who are less satisfied but loyal.

As Bell says 'satisfaction is not loyalty and, whilst satisfaction does not wane over time, loyalty does'. For first time visitors, it's vital to ensure they are appraised of the overall offer in the region - and this is best delivered by the Tourist information Offices and, critically, by the staff in hotels and other accommodation providers.

Hoteliers have a key role to play with their staff in converting satisfaction in first time visitors to a level of experience that promotes repurchase. And, if this is the case for the region as a whole, we believe it's likely to be the case for all tourism destinations and all tourism businesses.

Survey results

Taking the output of the survey, southwesttourism has identified attributes of the tourism experience that are claimed to be important by visitors and compared them to the elements can be shown to be of real importance.

This analysis has thrown up important strengths and vulnerabilities not only in the total visitor population, but also areas of vulnerability in the experiences of the first time visitor, the visitors with children and the visitors without children.

Overall areas of special strength are seen to be the villages, towns, coastline and beaches to be visited, whilst an area of vulnerability is the quality of restaurants and dining.

Hoteliers are well aware of the difference between claimed and actual relevance – most hotel guests say they want to stay in a hotel with a pool or a spa or a fitness centre but few actually use such facilities when provided.

Travel time

One interesting aspect of the study is that tourist families typically spend 1.5 hours a day in the car when on holiday and this is lower for younger visitors and those from low socioeconomic groupings.

Perhaps this is an important fact to remember – travel time, whether to get to a short-break destination or when at a short break destination, is typically 1 - 2 hours. It is suggested that this is 'hard-wired' into us (after all few of us are prepared to commute for more than an hour or two a day either) and it may help focus marketing efforts for tourism businesses targeting and serving the short-break market.



Length of stay

So called 'dwell-time' as a factor in planning and delivering leisure experiences was a theme emphasised by Jonathan Rounce as he exposed the secrets of operating a successful leisure destination.

Taking as his examples casinos, horse racing courses, farm shops and museums, Jonathan felt that attractions need to focus on providing entertainment and choice to increase dwell-time, because with increased dwell-time comes increased spend.

He suggested that successful visitor attractions combine a passion for quality with value for money, innovation, widespread appeal, a range of facilities, effective use of marketing and media tools – oh, yes, and a bit of luck and good timing. With visitor attraction consumers increasingly discerning, Jonathan suggested that business leadership will come to those with enterprise and innovation.

Tax and tourism

As Barry Laurie went on to point out, the UK government is being innovative in its wholesale change to the tax rules that have underpinned investment in tourism for many years.

Expressing the view that some of the recent budget changes are unfair by annulling future tax benefits that investors have the right to under current law, he suggested that the UK industry had lost a staggering £15bn in future tax benefit as a result of the recent changes to what's called Industrial Building Allowance.

And, if that's not bad enough, the changes proposed in the taxation depreciation allowed for plant and machinery (reduced from 25% to 20% per annum) may actually be greater in aggregate.

He discussed some of the limited tax planning techniques of which astute investors can make use. There certainly seems to be a strong case for all tourism businesses taking professional advice sooner rather than later and supporting the efforts of bodies such as British Hospitality Association (BHA) and ICAEW as they seek to influence the final wording of the law in this matter.

Note

On September 12 and 13, about 50 delegates attended two half day seminars, one in Taunton Somerset and one in Truro Cornwall. The seminar was entitled "Tourism and Hospitality – supporting growth and change". The sponsor was the South West Region of the Institute of Chartered Accountants of England and Wales (www.icaew.co.uk) and it was further supported by both southwestourism (www.swtourism.co.uk) and the British Association of Hospitality Accountants (www.baha-uk.org).

The seminar chair was Ian Graham, Principal of The Hotel Solutions Partnership Ltd (www.hotelsolutionspartnership.com) and the speakers were Malcolm Bell, chief executive of southwestourism, Jonathan Rounce, chief executive of The Petersham Group Ltd (www.petershamgroup.com) and Barry Laurie, head of the tax consultancy at McCabes (www.mccp.co.uk).