

# tourism business survey 2013

In association with

Visit Norfolk

Visit  
**SUFFOLK**



## SPONSORS



**CAMPLINGS**  
Linen • Laundry

*It's the service that makes the difference*

N W  
BROWN  
GROUP LIMITED



Chris Scargill, of chartered accountants and business advisors Larking Gowen, who compiled the Tourism Business Survey, and Nigel Pickover and Terry Hunt, respectively editors of the Eastern Daily Press and East Anglian Daily Times look back at last year's tourism trends in Norfolk and Suffolk – and look to the future.

## Rain, rain stay away



### Tourism supporters

Chris Scargill, of Larking Gowen (above) and (below left) Nigel Pickover, Eastern Daily Press editor, and Terry Hunt, East Anglian Daily Times editor



**N**ot our favourite summer, 2012, I think we would all agree.

The rain and cold, coupled with the long-running economic downturn, hit most business sectors last year – not least tourism, one that is so important to the prosperity of Norfolk and Suffolk.

Now in its seventh year, the Tourism Business Survey has widened the net in 2012-13 to include Suffolk, and the results have been fascinating.

We will demonstrate in the following pages, in words and graphics, just how tourism fared last year and how our survey respondents see the future.

But, in summary, overall, the recession remains the major negative factor, with seven in 10 confirming its continuing negative impact. A similar number said the weather had a dominating influence.

But there is real optimism for the future – so typical of our “can-do” tourism businesses here in the East.

Seventy-four per cent of the businesses who responded to the survey indicate they are still feeling positive about the future and some 38pc anticipate improved profits for 2013. However, in both counties, three in 10 anticipate a reduction in profit, emphasising that the difficult times are not over.

On a positive note, 39pc saw an increase in turnover, although these are matched by 37pc who suffered a

reduction. Similarly on staffing, 17pc of businesses increased their full-time staffing levels, compared with 17pc who reduced their numbers.

But let's not get tied down by statistics.

At the end of the day, there is no question that tourism in Norfolk and Suffolk is a vibrant sector, employing large numbers and contributing handsomely to the regional exchequer.

Norfolk and Suffolk need tourism – and regional and national decision-makers need to appreciate what the sector is delivering and reward it accordingly.

**Decision-makers need to appreciate what the sector is delivering and reward it.**

We know from the survey that significant numbers of tourism businesses are prepared to put their hands in their own pockets to help market the sector; at the same time, politicians might take note that two out of three businesses felt that no political party indicated any support for tourism.

In fact, tourism needs all our support – and it can be assured of it over the long term from Larking Gowen and the Eastern Daily Press and East Anglian Daily Times.

The survey revealed some interesting views from our respondents in the tourism sector in Norfolk and Suffolk...

■ Asked which political party is most supportive of the tourism industry, 66pc said "none", 23pc said "Conservative" and the other parties scored between 1-3pc each. One respondent, tongue in cheek presumably, said "Plaid Cymru".

■ Forty per cent of tourism businesses that don't monitor travel websites for their own businesses use the sites to choose their own holidays.

■ Sixty-one per cent of Suffolk respondents believe the county is well promoted compared with only 54 per cent in Norfolk.

■ Thirty-nine per cent across the two counties believe destination marketing organisations are good for local tourism, while 53 per cent reserve judgement, suggesting it is too early to tell.

■ The priority for tourism businesses in Norfolk is the development of out of season breaks, while in Suffolk the request is for an improved website.

■ 66pc of businesses in Suffolk and 53pc in Norfolk are unwilling to contribute an additional sum to further promote their area/county.



**Lure of the East**

Geese in flight across Covehithe, Suffolk.

State of the nation	4-5
Investment	6-7
Employment	8-9
Marketing	10-11
Customers	12-13
Challenges	14-15
Graphical information	16-26
Key contacts	27

■ The contents of this survey are the copyright of Larking Gowen Chartered Accountants and Business Advisors.

## LARKING GOWEN

Larking Gowen Chartered Accountants and Business Advisors recognise the importance of tourism to East Anglia. This survey is intended to provide a useful benchmark, and we hope that the information is useful to you and your business. If you would like to discuss your business and how it interacts with the findings of the survey, please do not hesitate to contact us.

■ [www.larking-gowen.co.uk](http://www.larking-gowen.co.uk)

■ 0845 4081732

■ [chris.scargill@larking-gowen.co.uk](mailto:chris.scargill@larking-gowen.co.uk)

## ARCHANT }

Archant Anglia, publisher of the Eastern Daily Press, England's biggest-selling regional morning newspaper, and the East Anglian Daily Times, is a long-term supporter of tourism in East Anglia, proactively supporting the sector through annual Tourism Awards and across all media platforms.

■ [www.edp24.co.uk](http://www.edp24.co.uk) / [www.eadt.co.uk](http://www.eadt.co.uk)



It was a tough year for tourism, but there was a wide range of reasons for this, some of which either cannot or may not be repeated during 2013. Despite the difficulties, there is still plenty of optimism in the industry.

# Optimism for 2013



## Optimistic

Keith Brown, Visit East Anglia.

■ Businesses (were) clearly more concerned about rain and temperature than the economic downturn.

**D**readful weather and the Olympics taking spend away from large parts of East Anglia were two of the major challenges faced by tourism businesses last year.

A third difficulty was the continuing negative economic backdrop – but this is the only one of the three which is certain to happen again in 2013.

Obviously there will be no Olympic impact this year, and if the weather holds up better this should be a major factor in bringing people, and therefore turnover, into Norfolk and Suffolk.

And bear in mind that although the weather here may not have been wonderful, it was nowhere near as bad as in other parts of the country.

Keith Brown, chief executive of Visit East Anglia, said there had been a range of variable factors in 2012 which had an impact, with a great deal of “stay at home, glued to the box” behaviour during the Olympics and some of the worst weather for 100 years.

This was balanced by the long term positive legacy provided to the UK international brand by London 2012, which was expected to last for three to four years. In addition, the year of poor weather demonstrated to businesses such as hotels how to direct customers to indoor attractions rather than outdoor.

“One of the great attractions of Norfolk

and Suffolk remains its geographic location and the range of options you have when you get here,” said Mr Brown.

“There are large and affluent centres of population within easy reach who want to come here for lots of reasons, including the fact they don’t have to drive for hours.

“As well as the traditional, there are quirky and edgy businesses here involved in activities which are attractive to a range of ages and types of people.

“And the local food, pub and restaurant scene is exciting and has a fabulous reputation talked about all over the country.

“And alongside all of this is the fact it is still a value region, if you want to spend at the top end you can, but there are lots of very reasonable options at the same time.”

Survey results showed that turnover suffered notably in 2012 compared with previous years, with only 39pc of businesses reporting an increase in the amount of money they received. Last year that figure was 55pc. Unsurprisingly at the same time, the number of businesses reporting a decrease in their turnover, was 37pc.

However, there remains optimism in the sector for the coming year, with nearly half – 42pc – expecting to see a better financial result than in 2012. And only 19pc forecasting a decrease in turnover.

Interestingly, that optimism for 2013 is more widespread in Norfolk than in Suffolk, with 51pc of Norfolk businesses predicting a better year for themselves, whereas in Suffolk only 32pc took the same view.

At 74pc, slightly less than three quarters of businesses are feeling positive about the future, down slightly on the 2012 figure of 78pc and similar to the 2011 figure of 76pc. The Norfolk industry was marginally more optimistic than Suffolk, with 75pc feeling positive about the future compared to 72pc.

Only 9pc of respondents felt the Olympics had any kind of positive impact, with 44pc neutral and 47pc saying the events were either negative or very negative for Norfolk and Suffolk tourism.

Weather and the recession, however, were the biggest negative concerns. While 68pc of businesses thought the poor weather had a negative or very negative impact, 68pc considered the recession in the same vein.

Although these figures look very similar, there were far more "very negative" responses about the weather than the recession, with businesses clearly more concerned about rain and temperature than the economic downturn.

Some 43pc were also concerned about VAT at 20pc and 38pc felt local broadband speed worked against them.

The thought that 2013 holds potential after a hard 2012 is shared by Helen Bailey, the National Trust's Blickling Estate general manager.

Visitor numbers have been "good and growing" for some years and typically stand at around 150,000.

A combination of the Olympics, Jubilee and wet weather hit figures notably in 2012, with a reduction of around 8pc year-on-year.

However, other National Trust properties elsewhere in the country suffered 20pc losses, so Blickling held up well in comparison. And the 2012 dip was being regarded as a "blip" which they were confident of coming back from this year, said Mrs Bailey.

In fact, the ambition is growth, with a target of 200,000 visitors in six or seven years' time.



**Hey presto**  
Magician Roy Davenport on the site of what will become Davenport's Magic Kingdom.

**T**he region will soon have a major new tourist attraction when a long-held family dream finally comes to fruition and Davenport's Magic Kingdom opens in Norfolk.

A difficult economic backdrop may suggest this is an unusual time to launch a brand new business. With financiers not very keen to lend money and a continuing tightening of belts among consumers, new ventures require more than a little bravery.

But tick the right boxes and there's every reason to believe a new or expanded attraction can succeed. People are still spending money, they are simply more selective about how they part with their cash.

■ **Recession is the best time to start a business, things can only get better!**

Roy Davenport's vision is carefully planned, perhaps a little idiosyncratic and certainly unusual. And those features should work in his favour as visitors and tourists alike assess their plans for the year.

The magic museum, theatre, shop and café will open on the edge of North

Walsham on a long-vacant part of the former Crane Fruehauf site.

"It's certainly true that it might appear to be an odd time to open a brand new tourist attraction," said Mr Davenport.

"But I've never thought it was an odd time to open, as we are a one-off in the country, and we have done our best to keep the entrance price affordable.

"They do say that a recession is the best time to start a business, as things can only get better!

"So if you can find a niche to offer to the public, which we feel we have certainly done, then I believe you can be confident of success.

The museum will showcase hundreds of years and many styles of magic from Tudor magic to Harry Houdini and Paul Daniels to Derren Brown and David Blaine.

The theatre will have live magic shows, with both offerings believed to be unique to the region and indeed the whole country.

Financing had been challenging in the economic downturn, added Mr Davenport, but with determination and focus it had been possible to put together the necessary package.

Mr Davenport's project is undoubtedly a perfect example of the 74pc of businesses feeling positive about the future.

If you don't invest, you get left behind.

But even those businesses currently suffering from falling turnover appear to recognise this fact, with most of them pledging to plough money into improvements where they can.

# Continuing potential



## Strong investment needed

(above) Chris Starkie of the New Anglia Local Enterprise Partnership and Pete Waters from Visit Norfolk



**W**hen there is a lengthy recession as a backdrop, it's harder than ever to decide how much cash to invest in a business.

Predicting the upturn is exceptionally difficult and few would claim to have a clear overview of how the next few years will turn out.

But investment of some sort is absolutely crucial, although it can sometimes be hard to come by loans in the modern world of banks being tighter with their money.

According to Ernst and Young, in 2012 there was a fall in lending of 4pc to businesses compared with the previous year, although it has been projected that this could turn around slightly in 2013.

But tourism is, in many cases, naturally a high turnover business, so the other option for investment – to use income rather than loans – can sometimes be open to business owners.

The survey says that 36pc of Norfolk and Suffolk businesses will increase the amount of money they spend improving and enhancing their offering, with 48pc keeping that figure static and 16pc cutting what they spend. So 84pc will either increase or hold their improvement spend – well up on the 2011 figure of 72pc.

There is a slight difference between Norfolk and Suffolk. In Norfolk 38pc

will increase against 32pc in Suffolk. In Norfolk 44pc will stay the same compared with 54pc in Suffolk. In Norfolk, 18pc will decrease against 14pc in Suffolk.

The figures go on to reveal that 92pc of businesses which reported an increase in turnover in 2012 were very likely to increase or maintain their marketing spend, compared with 87pc who had seen their turnover fall.

■ We have a vibrant tourism sector, worth more than £2.6bn and employing more than 50,000 people directly and tens of thousands more indirectly.

The forecast increase in enhancement spend was 81pc for those who had enjoyed a better year, compared with 73pc who had suffered a decrease in turnover in 2012.

Chris Starkie, programme director at New Anglia Local Enterprise Partnership, said: "Finance is tougher to get because the banks are more fussy about what



## case study

they lend and to whom. "But for good business propositions the money is there to be had, Mr Starkie added.

"And bear in mind that tourism is still regarded as a pretty good sector for the banks.

"It is seen as something which has continued potential because the holidaymakers and visitors are still out there spending money, even if their habits are changing over the years.

"There is no major reason to think that this picture of tourism being seen as a strong investment is going to change, because this area offers so much in terms of diversity, culture, heritage and family attractions."

Pete Waters, brand manager at Visit Norfolk, said the banks may have gone from easy credit to risk aversion in the matter of a few years.

But it was important that investment was put into tourism if the sector was to grow.

"The New Anglia Local Enterprise Partnership has highlighted the industry as one of their two main priority areas because they can see the immediate benefit for relatively low-level sums," said Mr Waters.

"The way to entice more people to Norfolk is to ensure facilities are good, modern and up to a standard that customers have now come to expect, whether that's accommodation, attractions or hospitality.

"It's not enough for us to rely on our natural capital in this county, as beautiful as that is.

"We have a vibrant tourism sector, worth more than £2.6bn and employing more than 50,000 people directly and tens of thousands more indirectly.

"With families having tighter household budgets, there's a great opportunity for us to convince people that they can have a tremendous value short break or holiday in this part of the country.

"But if we don't invest, then the visitor economy will stagnate, and the banks need to understand this."

Mr Waters said it was also worth exploring other avenues for funds, such as grants under Defra's Rural Tourism initiative.

### Expansion

Robert Gough  
managing  
director of  
Gough Hotels.



**W**hen he took on the role of managing director at Gough Hotels in the late 1990s, Robert Gough made a key decision about development for the Suffolk business.

He decided to reposition the two hotels run by the business and take them away from the standard three-star market they were in and into the world of niche four-star luxury.

There was also a decision to increase the size of both hotels, one of which required a complete site move and the other a major building programme, costing millions of pounds.

Instead of competing with the Posthouse Forte or Premier brands, the desire was to create memorable and beautiful spaces where customers felt their pound was being well spent.

With more than a little



### Investment

The Angel Hotel, Bury St Edmunds.

understatement, Mr Gough now describes his hotels as "very nice".

Several stages of investment have seen The Angel in Bury St Edmunds change from a 37 bedroom to an 80 bedroom hotel.

And in Ipswich the business held a 20 bedroom hotel, but in 2002 bought a waterfront Victorian warehouse which is now The Salthouse Harbour – originally a 43 bedroom hotel but latterly expended to 70 bedrooms through the purchase of a neighbouring building.

"We are constantly on the lookout to expand the company, even now," said Mr Gough.

"It's about understanding what it is you want to offer the customer and having a vision of how you are going to achieve those ideas.

"The most important thing you can give people is the ability to enjoy themselves spending their hard-earned cash.

"Investment obviously doesn't just happen. It needs to be planned and sought out over time – looking ahead to the future is absolutely vital.

"We aren't completely there yet with our hotels, I don't suppose we ever will be, it's a continuous process."

The business has also announced the purchase of Southwold Pier, showing clearly its continued desire to grow.



Tourism brings thousands of jobs to visitor hotspots such as Norfolk and Suffolk – and it's not all about minimum wage. Finding the right staff can be hard, but there is a wide range of opportunities to be had in the sector.

## Jobseekers' market



### Inspiration

(above) Rob Whitwood, Inspired Youth, and Tracy Beadnell, corporate financial adviser at NW Brown.



There is a statistic which tourism and hospitality bosses like to use to show how important the sector is for the wider economy.

One third of all new UK jobs in 2012 were created by the hospitality industry.

It's a stark reminder of how our tourism businesses can contribute to an employment market which continues to struggle.

In many areas, and Norfolk and Suffolk certainly fall into this category, tourism employment can outperform traditional sectors such as manufacturing and retail, both in terms of numbers of jobs and how well and evenly those jobs are spread geographically.

Cynics will point out that tourism jobs tend to be towards the minimum wage end of the pay scale, and while this may be true for many entry level jobs and even for some experienced workers, it doesn't have to be the case for an entire career. Progression is possible.

And even where low wages are a reality, many people feel that a job is, after all, a job, especially in the depths of a recession.

Rob Whitwood, whose company Inspired Youth sponsored the Youth Development Award at last year's EDP Tourism Awards, said he was trying to inspire young people into the sector and encourage local employers to engage

with those young people directly.

"One of the very simple advantages of the tourism sector is that it covers the whole of the region and it is one of the few sectors which can do that. Almost every town or village has a pub, a bed and breakfast or some sort of tourism offer.

"You can't say that about the engineering or manufacturing sectors.

■ There are vast opportunities and diversity to be had within the sector and people often don't fully appreciate that.

"These types of businesses tend to be geared up to taking young people on, both those who are academically capable and those who are not so strong academically.

"Strong vocational skills such as the ability to communicate well, a positive attitude and the ability to think on their feet would all play well for jobseekers," said Mr Whitwood.

"There is also the ability for those with the correct skills and dedication to work their way up the ranks of an organisation.

"There are vast opportunities and



diversity to be had within the sector and people often don't fully appreciate that," said Mr Whitwood.

The survey results were mixed this year, with full-time staff numbers in 2012 reducing in 17pc of businesses, but this was matched by the 17pc of businesses which increased their employee roll – everyone else remained static.

There was a greater increase in part-timers though, with 24pc of businesses seeing an increase, compared with 17pc making a decrease.

These figures are predicted to be fairly similar in 2013, with 10pc looking to increase full-timers and 13pc decreasing; and 18pc looking to increase part-timers and 15pc decreasing.

Only 1pc of businesses envisage a drop in staff pay, while 38pc should bring in pay rises and 61pc will freeze pay.

Steve Thorpe, head of school at City College Norwich's Hotel School, said there were opportunities within the sector for young people who might not necessarily have much formal education.

"Individuals who are capable may well find themselves moving into positions of responsibility in their 20s, where in other sectors they would not.

"There are opportunities to gain promotion, responsibility, skills and knowledge – lots of good transferable skills." He said a tendency towards more zero-hours flexible contracts was allowing employers to have a movable workforce so they could address peaks and troughs in demand.

The downside of this was that proficient employees, especially with young families, sometimes moved into other sectors to achieve more stability, said Mr Thorpe.

Tracy Beadnell, corporate financial adviser at NW Brown, said an attractive benefits package often brought in high calibre candidates.

"Those who are interested in the long term and stable employment place a great priority on pensions, continued income in sickness, life insurance and the other benefits found in a good package," she said.

"The result is often disproportionate to the cost if it brings better employees who stay longer."

## Passionate

Sheree Webster,  
Norfolk County Cottages.



**T**here's no getting away from the fact that the jobs market for young people across East Anglia is a tough one.

But those able to demonstrate enthusiasm and confidence, allied with a little patience, can use the tourism sector as a way in to all sorts of types of work.

Sheree Webster, who now works as the online marketing and affiliates executive on a permanent contract for Norfolk County Cottages at Reepham, has ticked all these boxes to date and has been rewarded as a result.

Late last year she won the Young Tourism Talent award at the EDP Tourism Awards, a new category sponsored by the National Trust.



## Top award

Recognition at the EDP Tourism Awards.

At the awards, the 24-year-old was praised for her drive, dedication and enthusiasm and the fact she had "gone above and beyond" in her work.

"I started out on work experience, then last May I started a six-month paid internship and from November it was made permanent," said Miss Webster, who took courses in business studies at City College Norwich and marketing, advertising and public relations at Birmingham City University.

"The most important skills for anyone wanting to come into this sector are an enthusiasm for the job, a motivation to do well and a willingness to do whatever you can to help people, whether they are business to business clients or customers wanting a memorable holiday.

"People look forward to their holidays for weeks and months, they value their time off and a break is a very important part of their year. So it's vital we remember that when we work in the industry.

"I've always had a passion for travelling and experiencing new places, along with the academic side – so this job in the tourism sector was a perfect match.

"It's certainly a sector I would recommend to young people because there is a lot of diversity within it."

How do you decide on your marketing budget? And when you have a figure, what do you spend it on? These are two age old questions which all tourism businesses battle with constantly – and behaviour appears to be changing.

# Online strategies



## Marketing strategy

Philippa Harris (above), managing director of Take One Media, and Amanda Bond, brand manager of Visit Suffolk.



**T**here's nothing like a long term recession to focus the mind on value for money and ensuring every pound counts.

If you don't market a business, how will anyone know it's there or what it offers?

As the years and decades pass, technology progresses and habits change, so businesses focus on different aspects of marketing spend.

The survey reveals that most businesses, 74pc, froze what they spent on marketing in 2012 compared to 2011. There was an increase for 17pc of businesses and a reduction for 9pc.

However the freeze may at least begin to thaw this year, because as businesses look ahead, 23pc are intending to increase their spend in 2013.

The most popular five marketing methods are, in order, internet marketing, websites, leaflets, social media and destination brochures. Within that list, websites (30pc) were considered the most effective method, closely followed by internet marketing (27pc), with leaflets third by some distance at 11pc.

"When planning a strategy, there are a number of important factors to consider," said Philippa Harris, managing director of Take One Media, whose business works with attractions, destinations and events to attract customers through information formats such as leaflets, websites and

Facebook. "A broad marketing strategy may only be one page long, but it's important to have spent the time creating that strategy.

"Campaigns need to be integrated, across a mix of media. You need to know who your current customers are and whether you want to change the business over time. Once that's in place and you get organised, it's a case of following the strategy you have created, but always being prepared to change it, if necessary, as time passes. Time can be hard to find, but think it through in the down season and get your planning straight."

When it comes to marketing, the area everyone seems to have an opinion on these days is social media – Facebook, Twitter and the review site TripAdvisor especially.

Some of the survey findings appear to suggest businesses are becoming more focused on what they want from social media and whether it works for them or not. However, some businesses are still not engaging in social media at all, and perhaps there will always be a group for whom the area is something of a dirty phrase.

Across Norfolk and Suffolk, of those using social media, 90pc are on Facebook and 71pc on Twitter.

Surprisingly, when asked how beneficial social media was in promoting their



businesses, 41pc said little or no benefit. However, with 74pc increasing their use of social media in the last year, it is also the case that those who find the resource valuable are putting in more time and effort.

A lower number of businesses are monitoring TripAdvisor in Suffolk (52pc), compared with 61pc in Norfolk.

For hotelier Robert Gough TripAdvisor is very useful, but must be taken in the right spirit.

"It's a very good feedback management tool and in many ways has superseded other, older review models and indeed is far more effective," said Mr Gough. "There will always be questionable postings on the site, but the vast majority, perhaps 90pc, are genuine and it's my opinion that you just need to let go of the ones that you don't think are fair or right and chill out about them!"

Norfolk businesses appear to be more active in terms of trying to have incorrect reviews removed, with 49pc in Norfolk at least trying whether successful or not, compared with 28pc in Suffolk attempting it. But it's worth trying – of those who wanted removals made, more than half were successful.

Meanwhile, Amanda Bond, brand manager for Visit Suffolk, warned against slashing marketing budgets.

"Marketing in times of austerity can often be the first thing to go," she said. "My recommendation is to persevere and look at smart ways of getting your message out into the market place that don't have to cost the earth. Social media provides a platform to reach large audiences – money isn't the key, having the time is.

"The key to good marketing is being able to demonstrate good results or ROI. Start out with your objectives – what do you want to achieve in measureable terms? Who are your audiences, and how can you reach them with the right message at the right time?

"Ensure marketing promotions are linked to maximise impact. Digital media is a very crowded market place so in order to shine you have to do something different, innovative and clever."



## Online success

Jo Artherton (left) marketing manager of BeWILDerwood and (above) Sheila the storyteller with Mildred the Crocklebog.

**A** year into a fulsome and carefully targeted social media campaign, Jo Artherton has some sage advice for those businesses looking at launching into this sometimes intimidating section of the online world.

"Do your research and develop a strategy before you jump in, so you know what it is you are trying to achieve," said Miss Artherton, marketing manager at BeWILDerwood, the northern Broads adventure park featuring treehouses and a healthy dose of outdoor fun.

Miss Artherton has set up a presence on Facebook, Twitter and YouTube: "Don't expect miracles overnight and keep at it – it's about building long term relationships with customers and potential customers.

"Over time you can build respect and friendliness, which will serve you well in terms of the brand and the health of the business. But do remember that you are best engaging in conversations rather than simply broadcasting a message. And also treat Facebook and Twitter differently. They are used by different people in different ways and as such you need to tailor the content."

Of the two, Facebook has been the most successful and best suited to the business, which by its nature is very visual – and photographic or

video content is easier to manage via Facebook than Twitter.

BeWILDerwood has well over 5,000 people who "like" their Facebook page, with many of those acting as brand advocates, which means they share posts to their own network of friends, thus spreading the message further.

"I went to a seminar run by business mentor Steve Clarke, who advised against using all types of social media, but to concentrate on what he called 'You Twit Face'. There was some reluctance within the business to use social media, some nervousness, but at the same time it was recognised there could be significant benefits.

"You have to know why you are using social media and how you are going to address certain challenges, but I'm now very confident we are using it effectively. It is allowing me to get a real feel for what people like, what information they need and how they are reacting to the brand."

And it doesn't need to be complicated. The YouTube channel BeWILDerwood Broadcasting features a 14-second video of one of the park's best known characters, Mildred the Crocklebog, swimming along one of the dykes on her way to a winter retreat – and the clip has already been watched by hundreds of people.





Habits have always changed among those who consume a product. But it seems that in tourism the speed of consumer change has increased to reflect the pressures of the economy.

## Wise spending



### Careful spending

(from top) Simon Altham director of Hoseasons; Chris Scargill from Larking Gowen, and Richard Turvill director of Camplings Linen.



**Y**ou can't afford to stand still in any sector these days. But in the tourism industry, this statement is all the more true.

People are probably more careful about how they spend their cash than at any time in recent memory. They might still be putting their hands in their pockets, but caution is king.

The survey reveals that an overwhelming 80pc of businesses reported that secondary spend either decreased (47pc) or stayed the same (33pc) – on the back of decreases already seen over the last few years.

This "careful with the cash" behaviour was also reflected in how businesses saw the mood and habits of their customers change. Businesses said that year-on-year people were increasingly sticking to a budget (53pc), having more shorter stays (57pc) and overwhelmingly taking the late booking option (71pc).

The resulting squeeze is making some businesses more generous to their customers, which in turn means that if there is a good deal to be had and you aren't offering one of those deals – you might start to lose trade.

Flexibility is key, says Simon Altham, a director of Hoseasons, and the major sponsor for both the EDP and EADT Tourism Awards.

Following the terribly wet 2012 summer,

Mr Altham urged the tourism industry to "embrace the weather and build our businesses so we can cater for visitors come rain and shine".

That, of course, is an option for some and not so much for others – but it is sage advice to those who are able to adapt over time. It's not just about being prepared for poor weather. Flexibility must stretch to all corners, including understanding that customers' spending habits will almost certainly continue to tighten in many cases.

Chris Scargill, tourism and leisure partner at Larking Gowen chartered accountants and business advisors, said it was important for businesses to realise that careful spending by customers was not necessarily going to ease for some time to come.

"Spending habits are still changing, but the caution you see from the visitor is becoming more and more ingrained as time goes on. People are still out there having their carefully planned holiday and they still give that break a great deal of value. It's just that they are looking at their time off in a slightly different light than in the past."

Richard Turvill, director of Camplings Linen, which provides specialist laundry, linen hire and dry cleaning services in East Anglia, said he was noticing a host of changes among customers.

"They are moving more and more to the internet for booking and no one is expecting to pay full price anymore.

"Even at the high end market customers are expecting last minute deals, even a few days before a bank holiday. Before, they wouldn't even phone up and ask if there was availability.

"When people arrive at a hotel they are saving money by dining at cheaper restaurants or skipping courses."

And businesses were reacting in different ways, he added, according to their type.

"The independent hoteliers are down about 5pc year-on-year in linen volume terms and their answer to competition is packages.

"The national chain brands are holding linen volume, although this is not necessarily a reflection of occupancy, by heavy marketing and discounting. This is working as they have such a big database of customers who they can contact and push offers to.

"The lower end of the market, such as holiday camps, seems to be holding up well. I suspect guests are saying 'we must have a holiday' so it needs to be by using a lower cost sector."

## ■ Embrace the weather and build our businesses so we can cater for visitors, rain or shine.

There was also some note of concern about hoteliers dropping support staff, said Mr Turvill. "This is at the risk of lowering service, while similarly focusing on price not service for their suppliers.

"This as an issue because the guests will soon notice the drop in standards.

"Alternatively, a view might be that this works fine until something goes astray when there is no spare resource to resolve an issue for the guest."

But on the plus side Mr Turvill said hoteliers who really knew their customers well and served a niche had seen no change in their linen volume, even if they hadn't changed a thing in terms of their offering.

### Meeting demand

Alex Paul,  
general  
manager  
of Suffolk  
Secrets.



**A**n explosion in the number of holiday lets with Wi-Fi and a notable increase in the number of large group family breaks are two of the more noticeable changes in the habits of customers at a leading Suffolk lettings agency.

Representing more than 350 Visit England assessed self-catering cottages across the county, Suffolk Secrets is a sister company of Norfolk Country Cottages.

Alex Paul, general manager of Suffolk Secrets, said there had been several clear trends in behaviour in recent years.

The classic "short break" phenomenon of two to four night breaks at any time of the week was a major fashion, with people often taking more, but shorter, breaks across the year.

There had been a small percentage increase of people booking further ahead than before, but a much greater trend for booking later and later.

The need to provide a 24-hour service to an expectant customer base was working to the benefit of businesses like Suffolk Secrets, he added, because individual property owners were unable to offer such a service and relied on agencies to do so instead.

"People want to go online, research, check availability, book and pay – all in one session," said Mr Paul.

A spike in activity on Boxing Day had been observed over recent years, when families were getting together and discussing breaks for the year ahead.

"There are more inter-generational large group bookings, with grand-parents, parents, uncles and aunts, cousins and children coming together and booking a big cottage for a group.

"This has led to a wider range of properties, so all levels of budget and group size can be catered for.

"And for those who want to be careful with their money once they arrive at the property, they can pretty much spend what they would have done at home if that is what they want to do."

The digital age was also having an impact, said Mr Paul, with around 75pc of cottages having Wi-Fi, a reflection of customer needs. "I fully expect that figure to increase, perhaps to 90pc in the next year," he added.

"People either want to be able to work at some point while they are away, or they simply want to be properly connected to the digital world."

Other future changes look set to include better ways of digitally viewing properties on websites, with 360 degree "walk-throughs", said Mr Paul.

Continued reinvestment in properties was also vital to keep up with customer expectations of quality.



Optimists insist there are good times ahead for tourism businesses in East Anglia – and the statistics would certainly seem to support the view.

## Delight in the detail



**E**ast Anglian tourism businesses are bucking a national spending trend.

According to a quarterly regional summary of the Great Britain Tourism Survey, the number of year-on-year tourism trips made by customers from January to September 2012 across England was well down at minus 2.5pc.

In the East, figures fell by more than 10pc in the same period, with many of those visits shipped out to London which, at plus 6.6pc, was by far the best performing area in the country. This will come as no surprise in a year dominated by the Olympics and Paralympics – before, during and after the events themselves.



This sounds pretty bleak, but the East actually performed remarkably well when other figures are picked apart.

Expenditure in the region jumped by more than £100m, average spend per night increased from £47 to £53 and average spend per trip from £149 to £181. The last of these figures was a hike of more than 21pc and beat all other regions by a large margin.

The really surprising figure was the length of stay, which in England rose by an almost unnoticeable 0.36pc, but in the East went up by 9.41pc – again a clear leader in the field.

This doesn't easily match the 57pc of Norfolk and Suffolk businesses in this survey who saw a further increase in the trend for shorter stays, or those who felt secondary spend had reduced again. It should be noted that the other 43pc saw notably longer stays which may have outweighed the shorter stays.

Keith Brown, chief executive of Visit East Anglia, said: "You will see that although we saw a slight dip in the number of visitors due to a range of reasons, our growth in average stay and spend is the best in class.

"Getting people to stay longer and spend more is our key focus and this may just be starting to happen.

"This also reflects that we are appealing to more affluent consumers which is the

### Bad for business?

Olympic stars (from top) Jessica Ennis, Bradley Wiggins, Victoria Pendleton and Mo Farah.



direct result of businesses both in Norfolk and Suffolk investing in quality and we need this trend to continue."

Businesses themselves have mixed views about how well their county is promoted, with 64pc feeling the promotion their specific county receives is either good or very good – but 36pc saying poor or very poor.

In terms of how that could be bettered, businesses feel that any additional investment from their coffers towards country or area promotion would be best spent supporting local Destination Marketing Organisations (DMOs). Some 32pc went for this option, against 18pc suggesting a regional organisation promoting a county as a whole, with another 18pc saying sector-specific organisations would do the best job.

DMOs are still working to convince the majority that they are good for tourism, with 39pc feeling they are definitely good news for the sector, but 53pc opting for 'too early to tell'. These figures are very close to previous years.

The survey featured a new question

## ■ Getting people to stay longer and spend more is our key focus.

this year which asked what tourism organisations should be giving priority to in the way they spent their time and resources.

Topping the list with 28pc each were the development of a more inspirational website to attract new visitors and development of out of season breaks to increase the core tourism season.

Key concerns for the future saw a number of threats identified, with lower VAT rates in key European countries (89pc) and cheaper European holidays in 2013 (85pc) the leading worries.

The greatest opportunities lay in the end of the recession (94pc) and maintaining the staycation culture (93pc) – one of which is of course more likely than the other.



**A**dnam's portfolio of coastal hotels runs to four – the Swan and Crown in Southwold, the Globe at Wells and the Victoria at Holkham.

There are two self-catering holiday lets, dozens of pubs, 11 cellar and kitchen stores and distillery and brewery tours.

Liz Cobbold is head of marketing for retail and hotels at Adnams and, like most tourism and hospitality businesses, has seen many changes in the last few years. She expects more to come and has seen certain business changes in response.

"The economy has been in its downturn for coming up to five years now and we are getting used to operating in that climate," said Mrs Cobbold.

"Customers are booking later and later – the days of being sold out for the summer by Christmas are long gone. People are waiting to see what their personal circumstances are closer to the time and then they are also looking for the best deals they can find.

"Shorter bookings are becoming more common and, when people come to us, they want to control what they spend during their stay.

"When the recession started, this behaviour was new, but it is now well established."

The challenge thrown down to businesses as a result is to decide how to address these altered patterns of behaviour.

"Offers and packages are very important, so brewery tours and lunches will often be added to room bookings.

"And we have brought the self-catering in as a direct response to those who want a quality holiday but perhaps want to be more careful what they spend on meals.

"Quality remains extremely important. We invested in a refurbishment of the bedrooms at the Crown a year ago and will do so soon at the Swan because we recognised that despite the fact people want to spend less, they expect the same high standards of quality."

Mrs Cobbold said it was difficult to predict how behaviour would continue to develop, but felt that now people were savvier about how and what they booked, they would remain so.

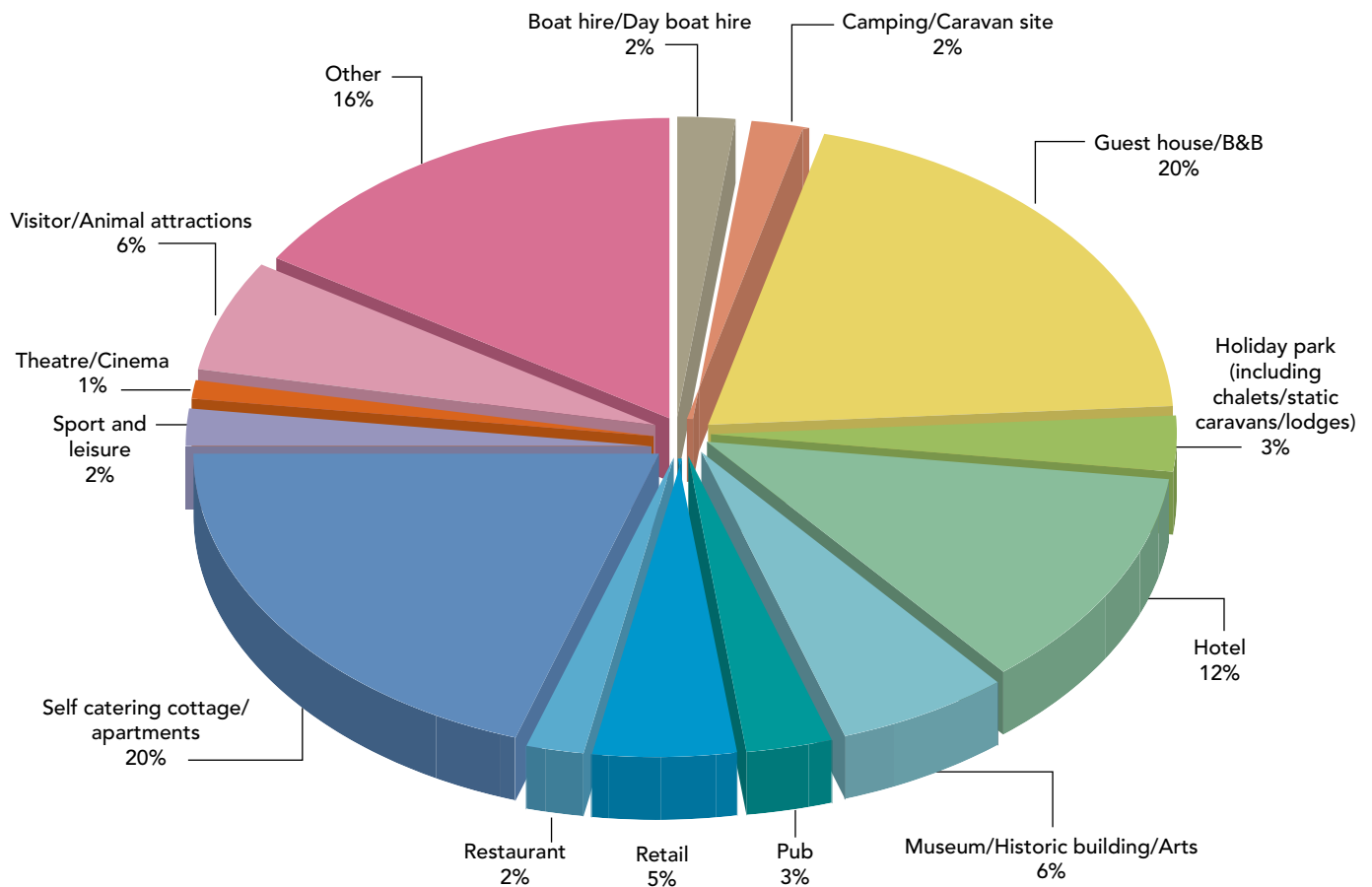


**Coastal portfolio**

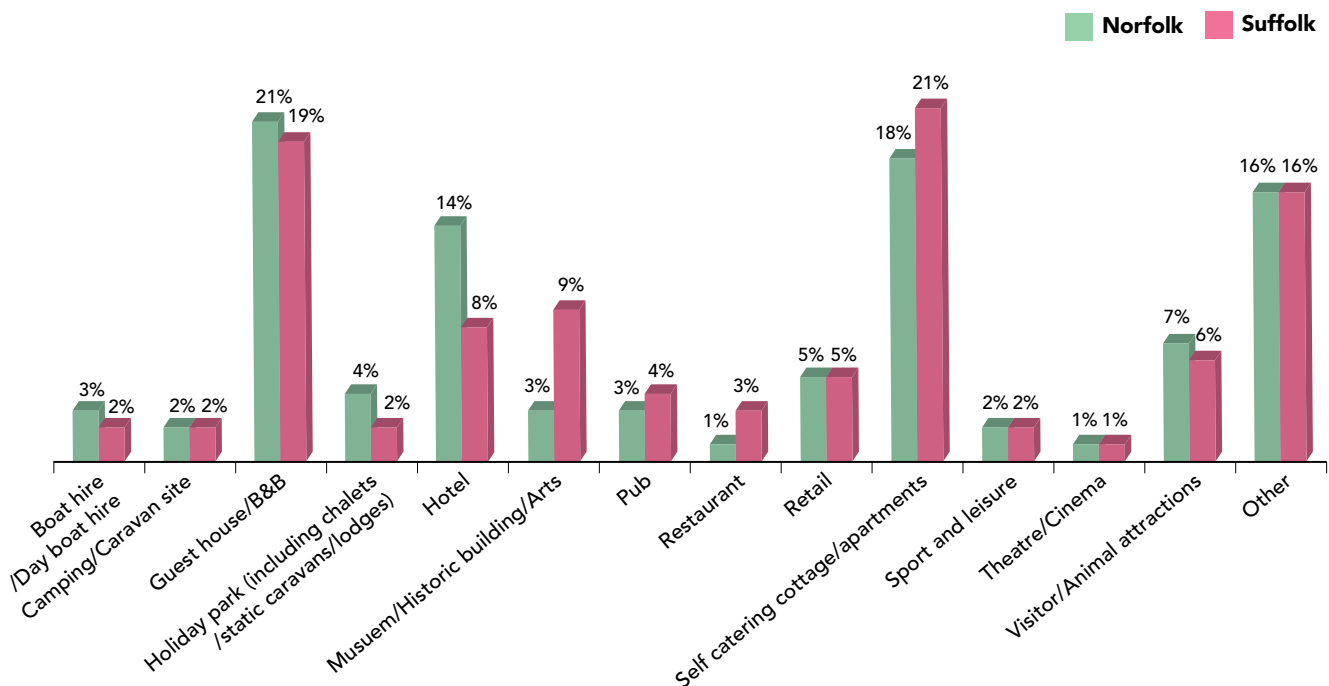
The Crown, Southwold.

# type of business

The following types of business were canvassed to arrive at the results for the 2013 Tourism Business Survey covering January to December 2012

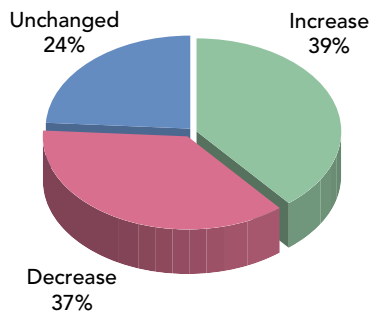


## Norfolk v Suffolk: A regional comparison

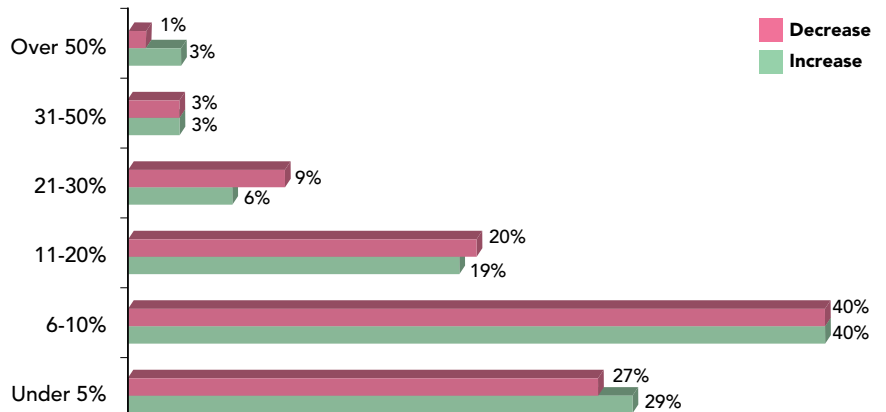


# turnover

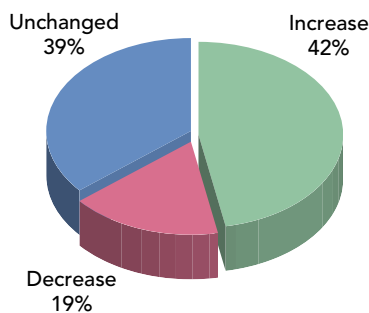
## Turnover 2012



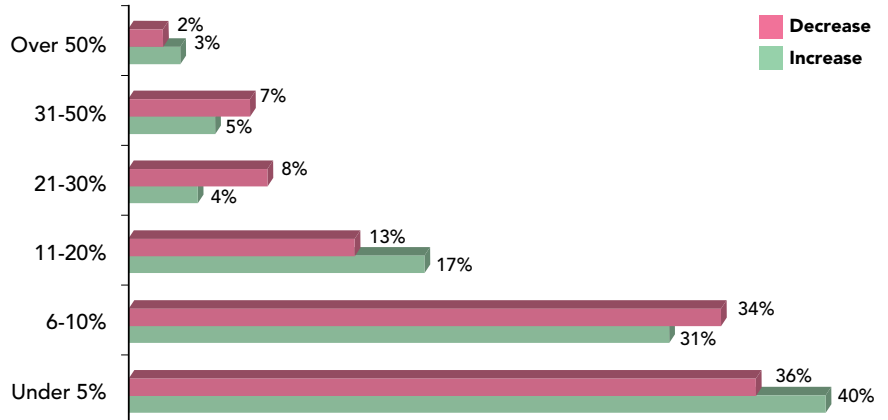
Value (pc) of turnover movement



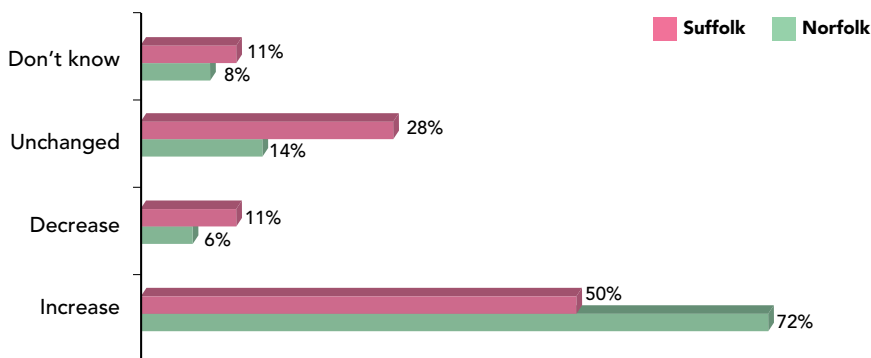
## Forecast Turnover 2013



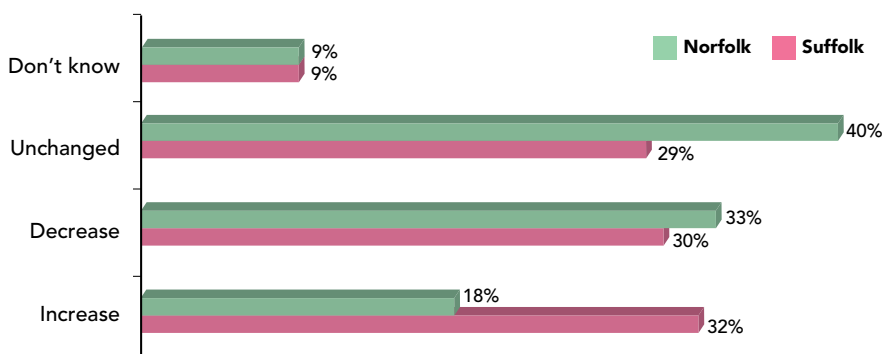
Value (pc) of movement in turnover forecast for 2013



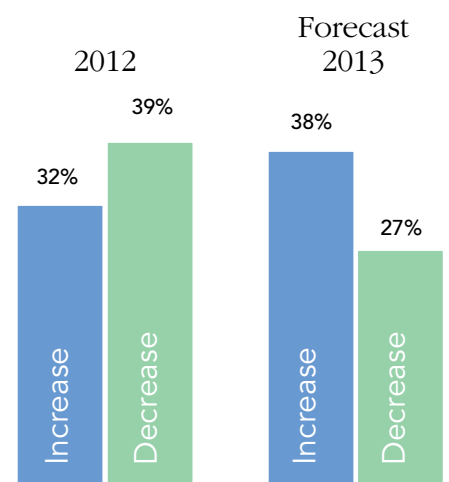
## Business who saw increased turnover in 2012, expected in 2013...



## Business who saw decreased turnover in 2012, expected in 2013...



## Profit Levels

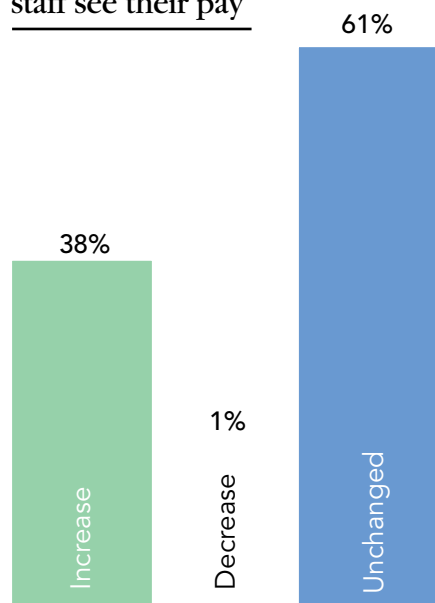




## Do you employ staff?

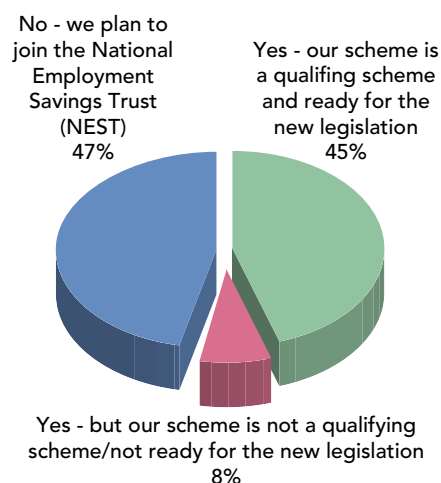
**Yes 63%**  
**No 37%**

## In 2013 will your staff see their pay



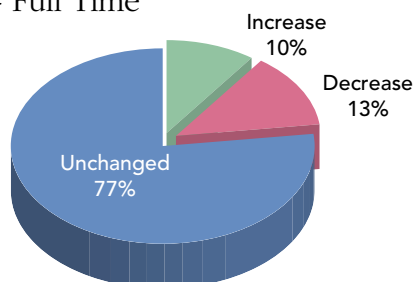
## Pension Schemes

### Do you have a pension scheme?

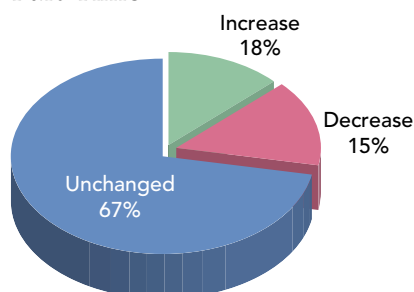


## How do you expect your staff numbers to change in 2013?

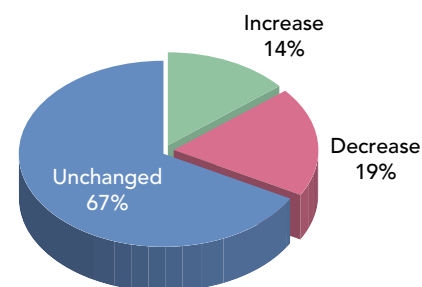
### - Full Time



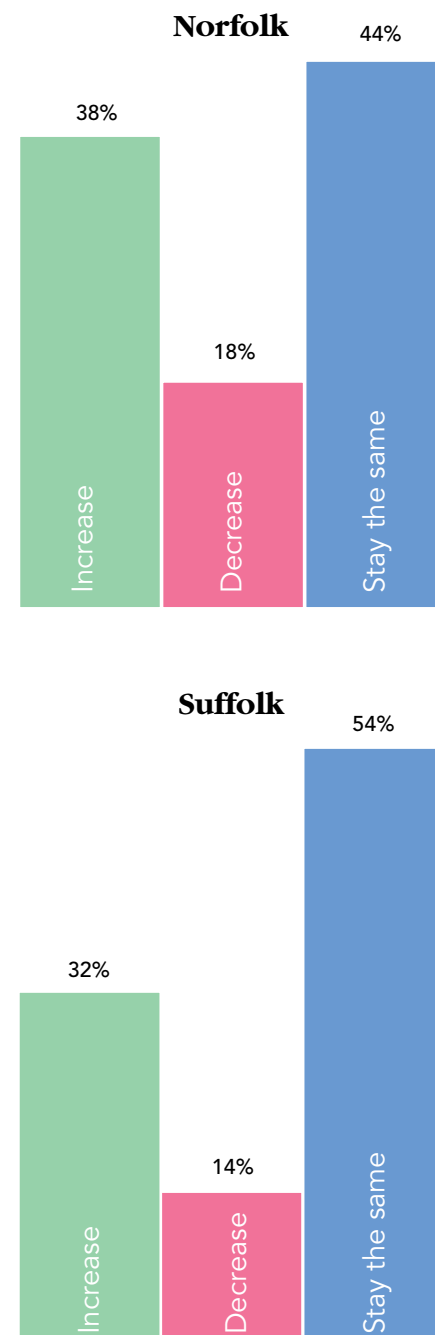
### - Part Time



### - Agency



## Amounts invested into improving/enhancing the business in 2013 will...



## Power of the pension

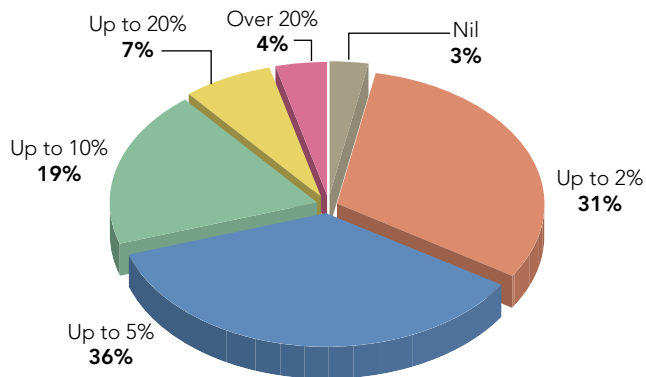
People interested in the long term place a great priority on pensions, continued income in sickness, life insurance and the other benefits found in a good package. The result is often disproportionate to the cost if it means better employees who stay with you longer.

Tracy Beadnell, NW Brown

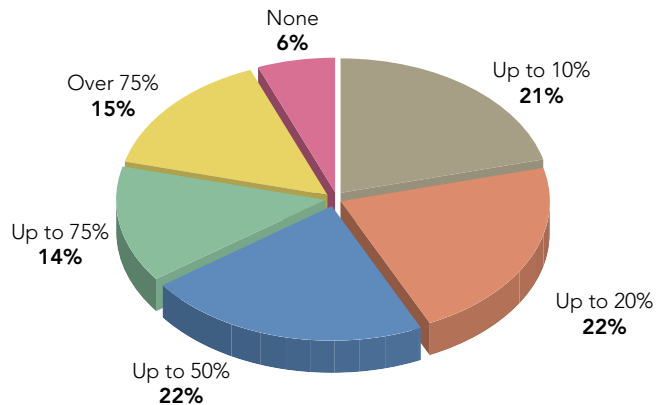
**NW**  
**BROWN**  
GROUP LIMITED

[www.nwbrown.co.uk](http://www.nwbrown.co.uk)

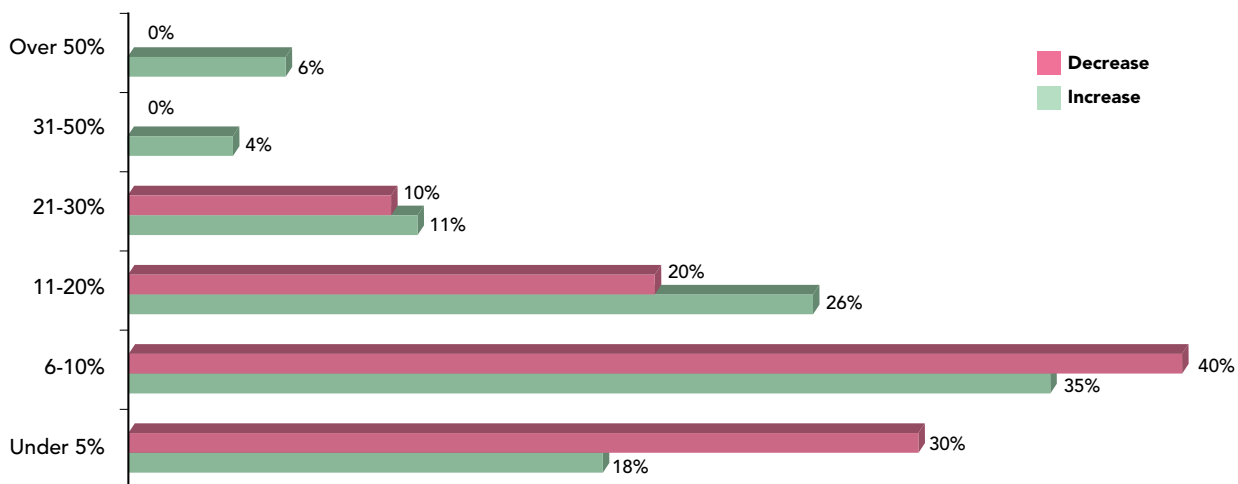
## What proportion of your turnover was spent on promotion and marketing in 2012?



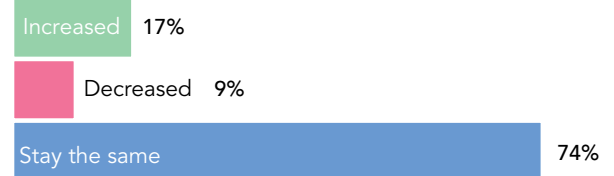
## What proportion of your business do you estimate is generated via your website?



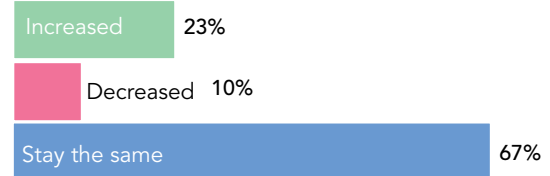
## In 2012, if web bookings increased or decreased, by how much?



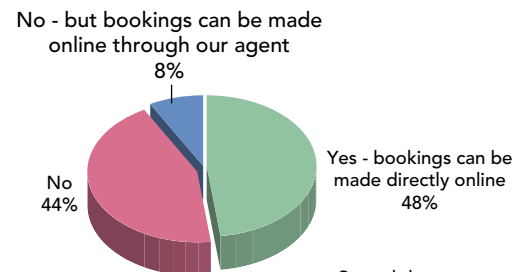
## Marketing spend in 2012



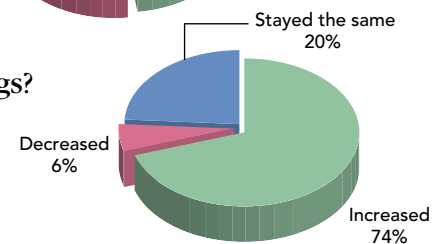
## Forecast spend in 2013



## Are you able to take bookings online?



## In 2012 web bookings?



## Service makes smiles

Hoteliers who really know their customers well, and who serve a niche, have seen no change in their linen volume, even if they haven't changed a thing in terms of their offering.

*Richard Campling, Camplings Linen*

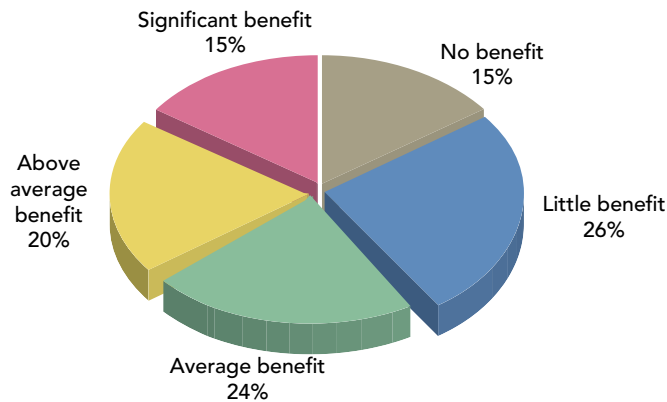


**CAMPLINGS**  
**Linen • Laundry**

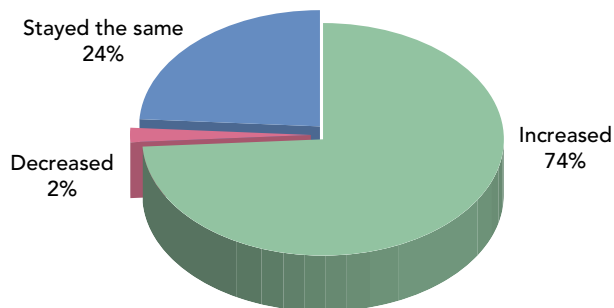
*It's the service that makes the difference*

[www.camplings-linen.co.uk](http://www.camplings-linen.co.uk)

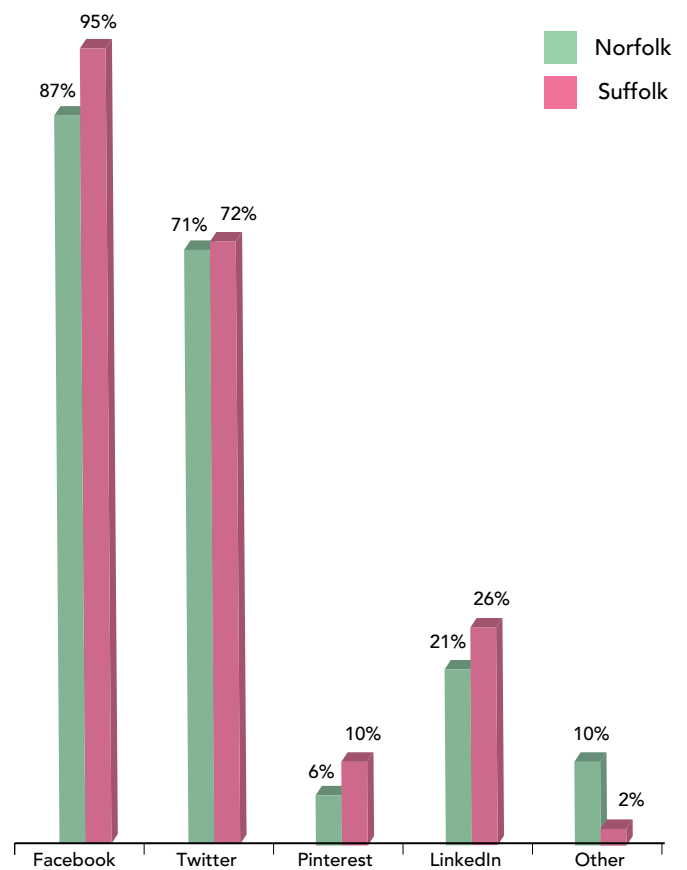
## How beneficial is social media in promoting your business?



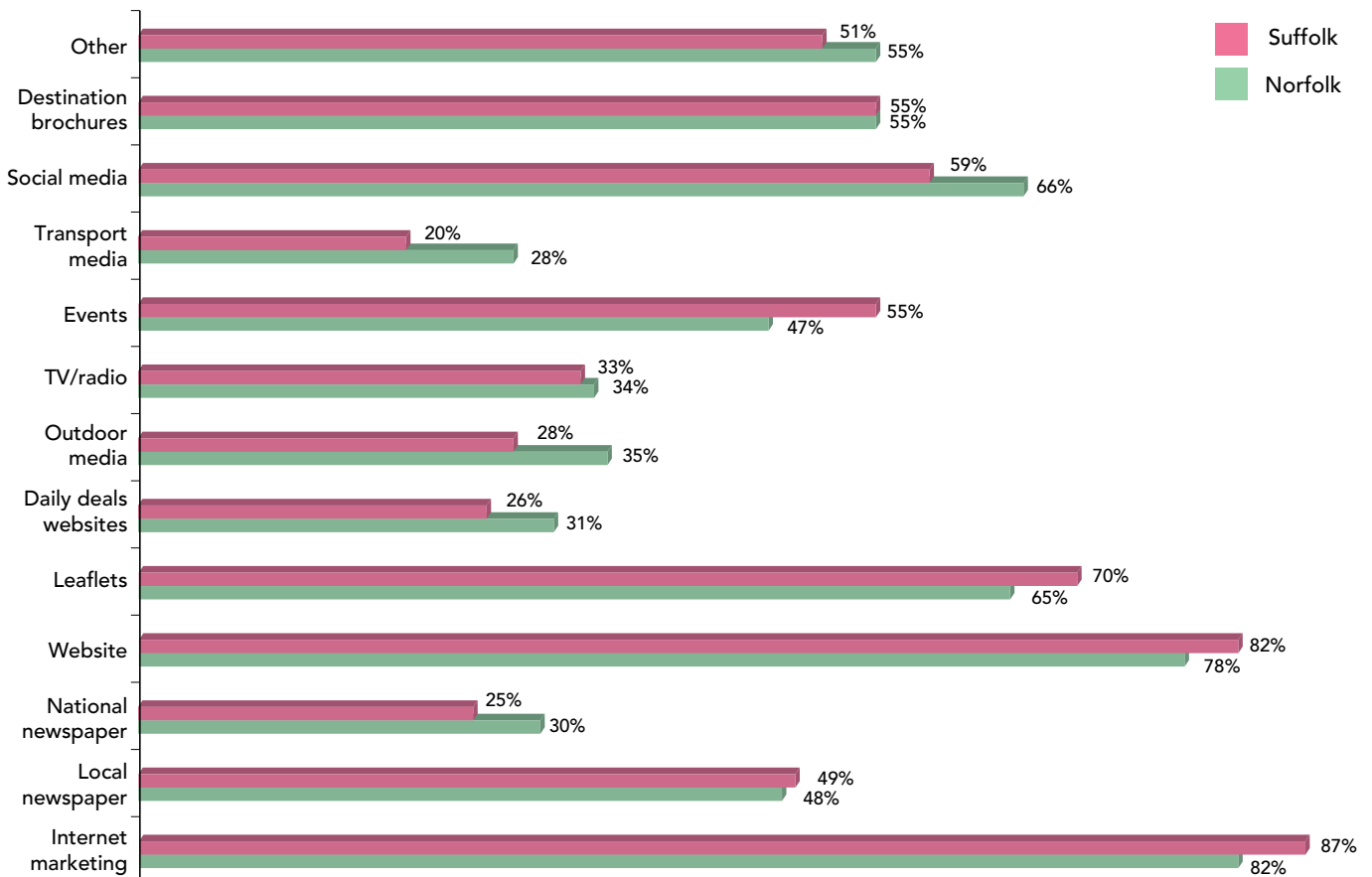
## In the last 12 months has your use of social media...



## Which of the following social media do you use to promote your business?

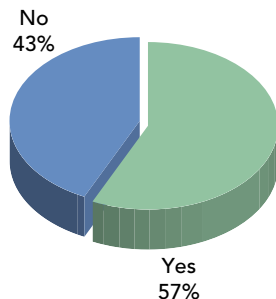


## Marketing methods - used by businesses

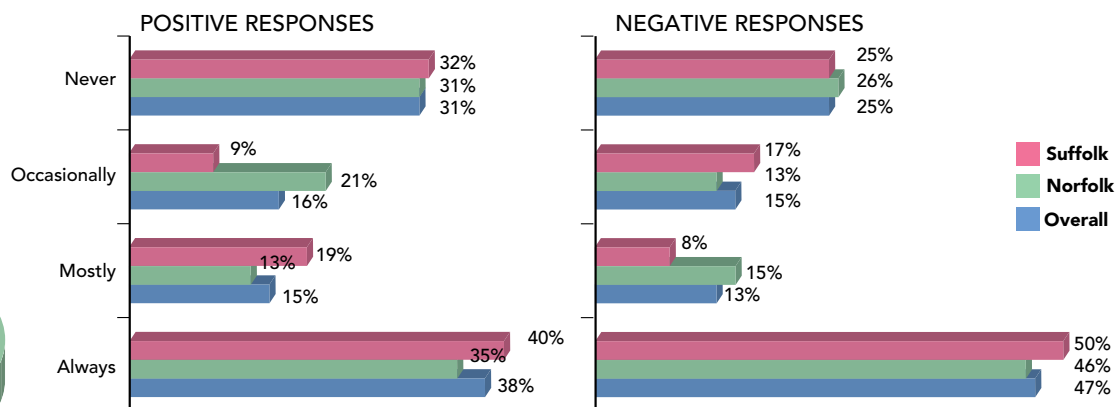




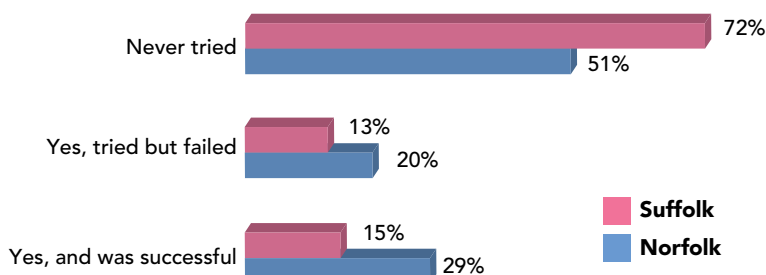
Do you monitor feedback on travel review websites like Tripadvisor/booking.com



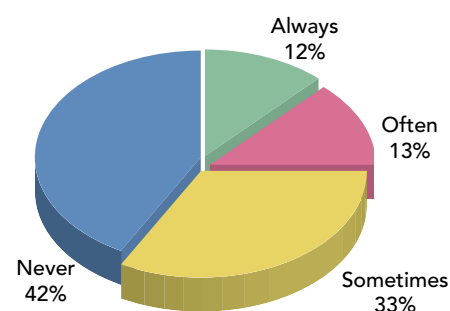
Do you respond to online reviews or complaints  
(relevant only to those who monitor review websites)



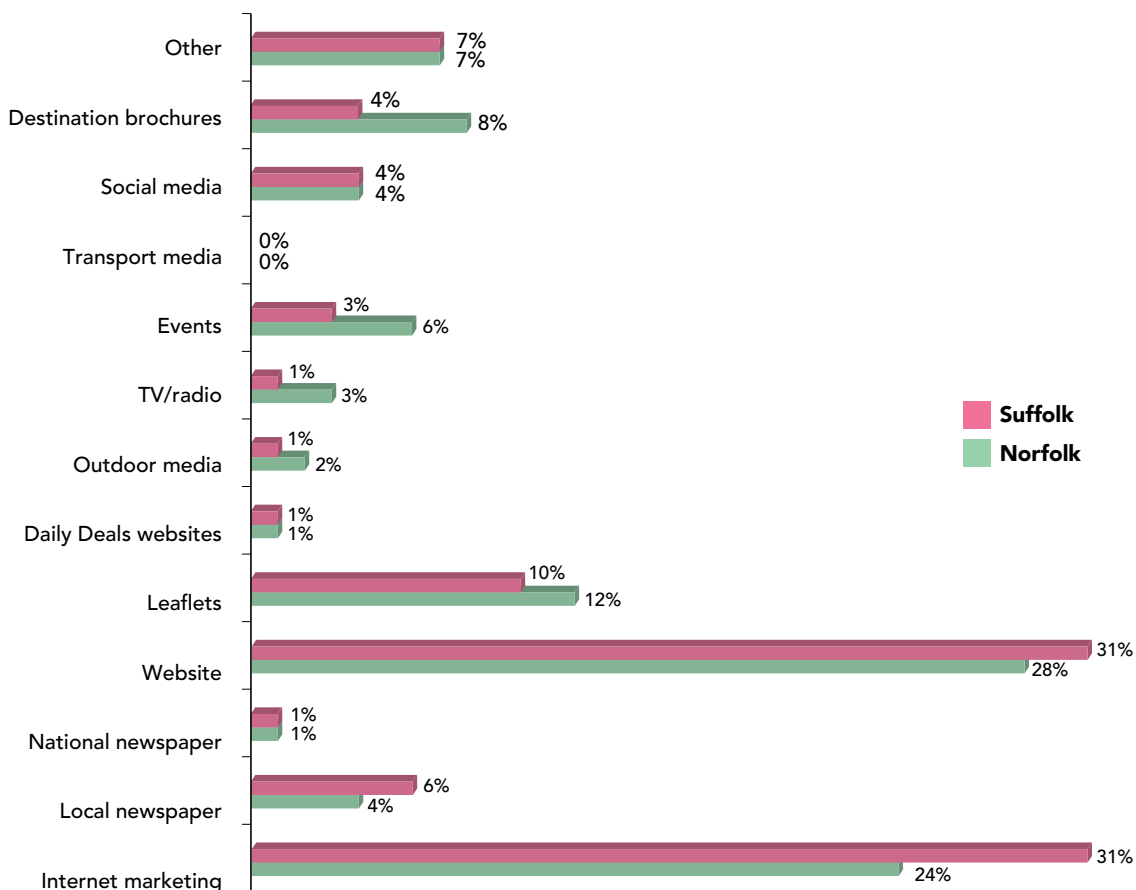
Have you tried to have an incorrect review removed from the website



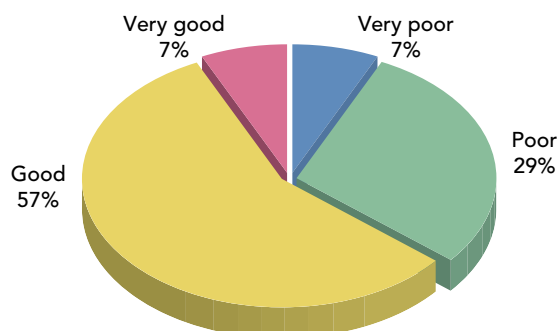
Do you use Tripadvisor/ bookings.com or similar when booking your own holidays



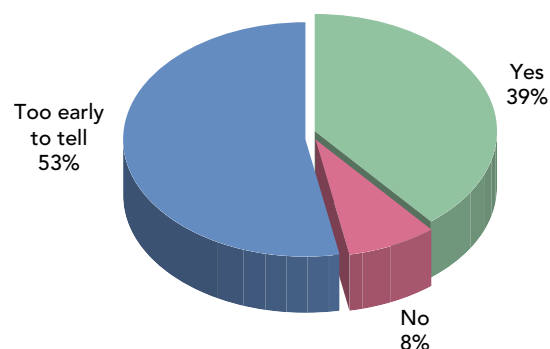
Marketing methods - Most Effective



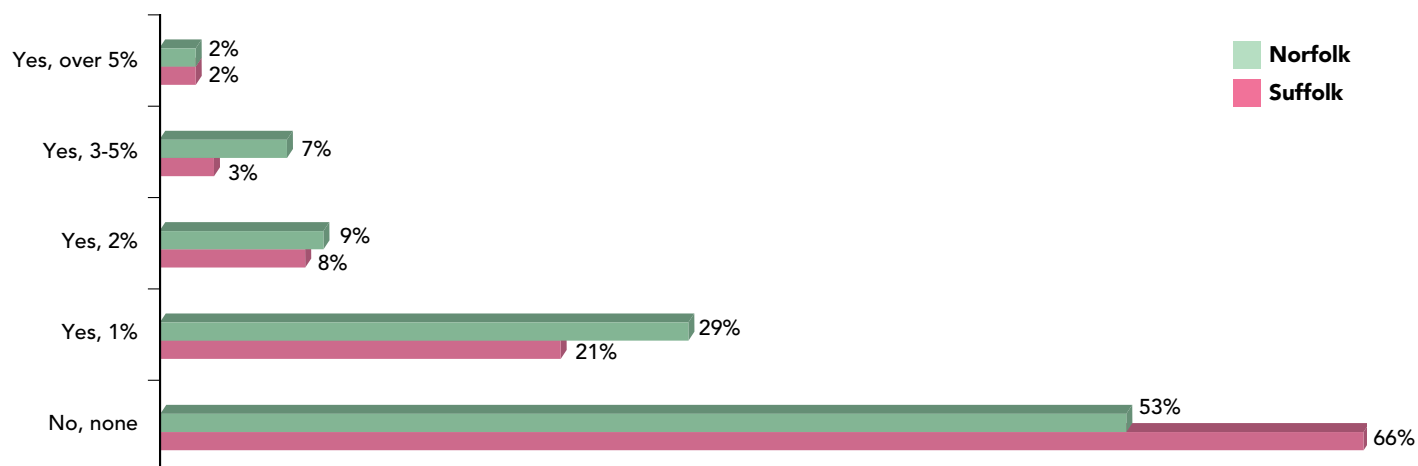
## Is your county sufficiently well promoted as a tourist destination



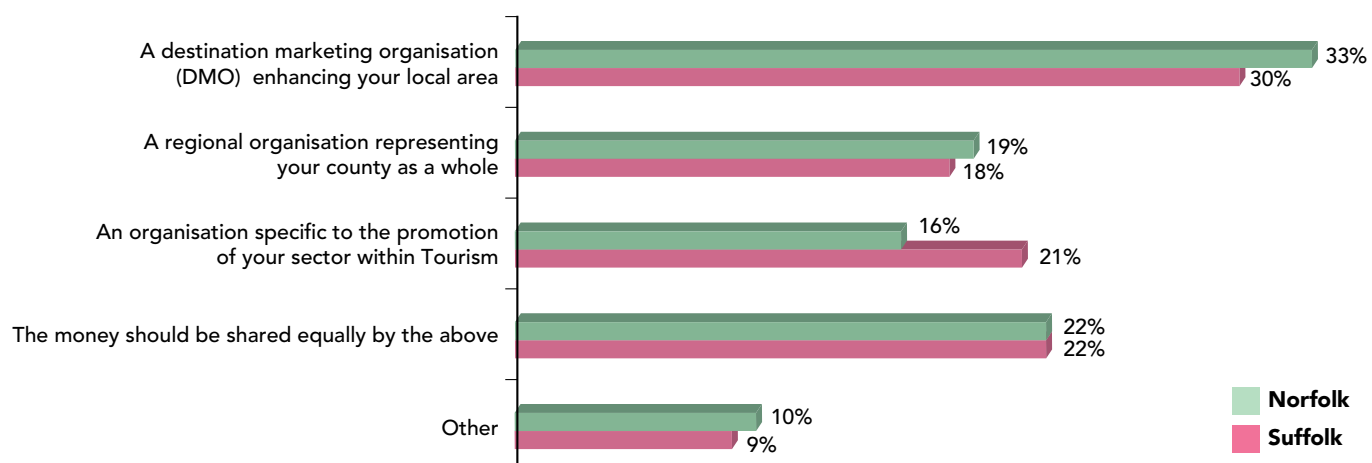
## Destination Marketing Organisations are they good news for the tourism sector?



## Would you be prepared to pay a premium on your business rates to help better promote your county/local area?

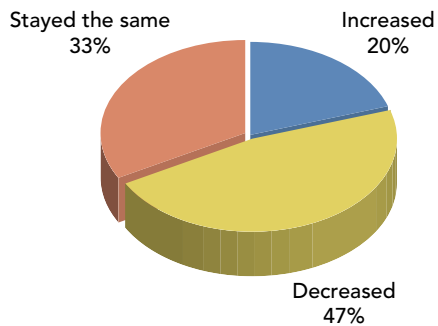


## Would you prefer to see your additional investment spent by...

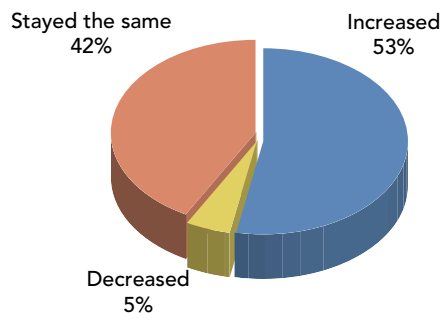


In 2012, compared to 2011,  
customers...

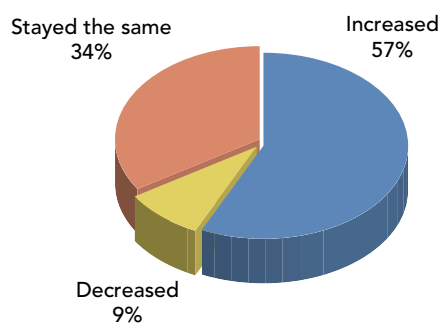
## Secondary spending



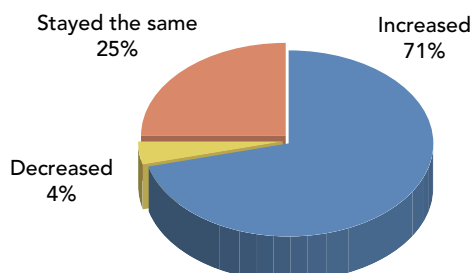
## Sticking to a budget



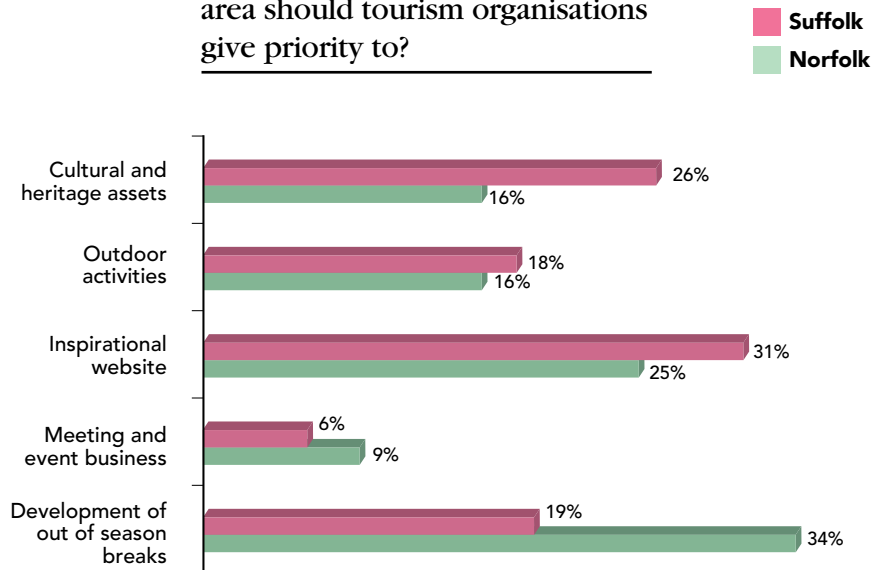
## On shorter stays



## booking late



To deliver more customers which  
area should tourism organisations  
give priority to?



Do you measure or record the  
number of visitors?

**Yes 91%**  
**No 9%**

Do you know how far  
your visitors have travelled?

**Yes 70%**  
**No 30%**

Do you know how your visitors found you  
or were recommended to you?

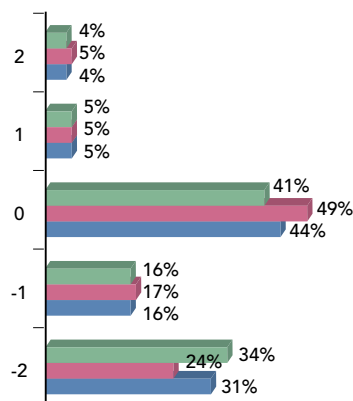
**Yes 83%**  
**No 17%**



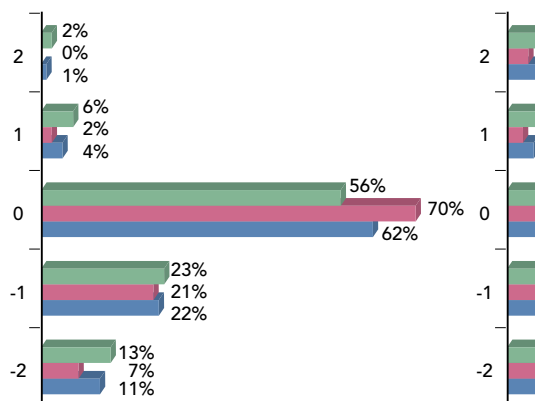
# challenges

How do/did/will the following aspects affect your business?

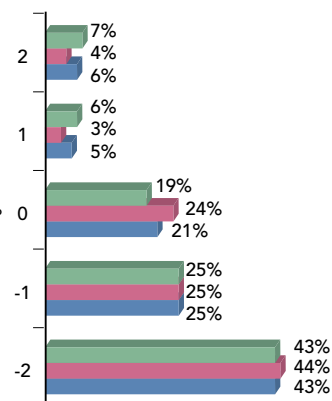
2012 Olympics



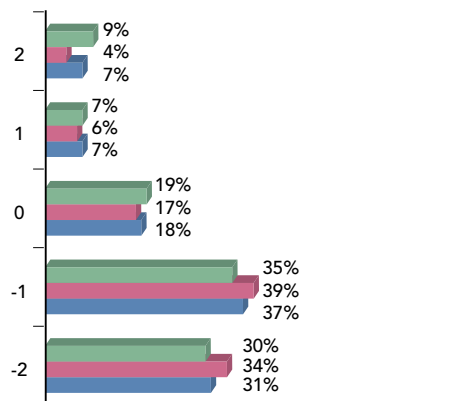
Cheaper Euro holidays in 2012



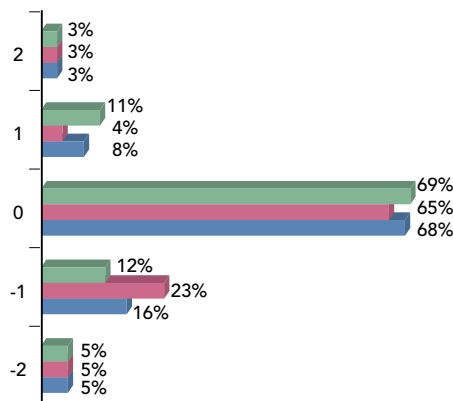
The actual weather in 2012



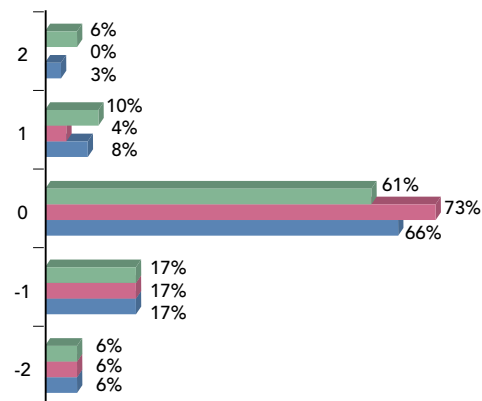
Recession



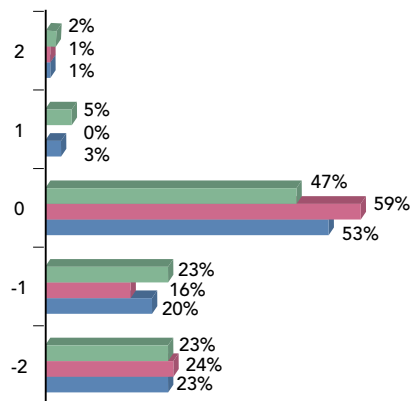
Relative popularity of other UK resorts



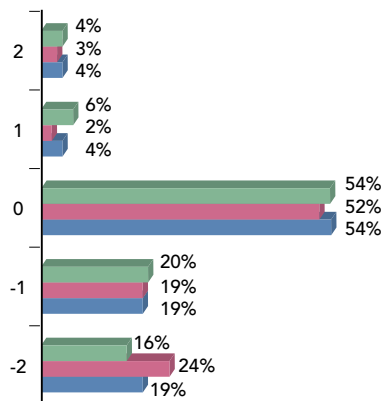
National campaigns by other tourism locations



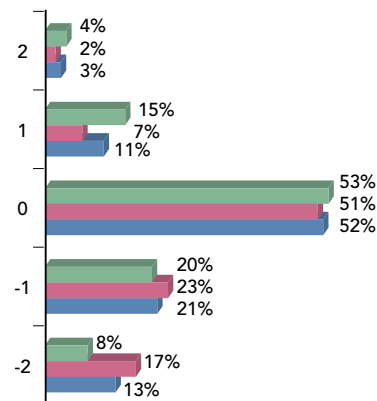
The effect of the 20% VAT rate



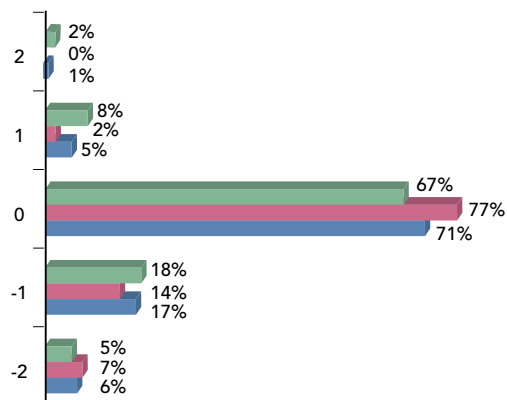
Local broadband speed



Eurozone economic uncertainty



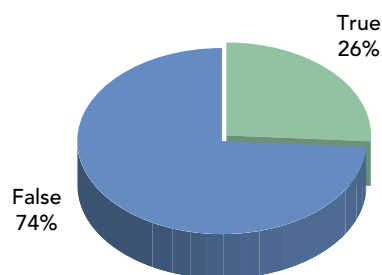
The level of the minimum wage



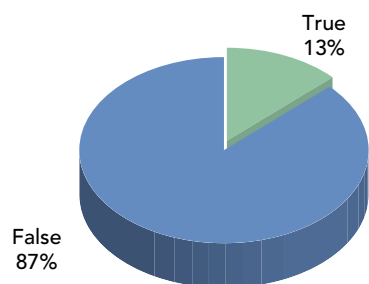
■ Norfolk  
■ Suffolk  
■ Overall

**2 - very positive**  
**1 - positive**  
**0 - neutral**  
**-1 - negative**  
**-2 - very negative**

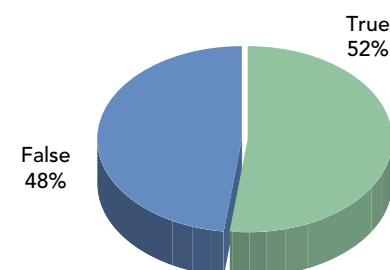
The county attracted visitors wanting to get away from the Olympic Games



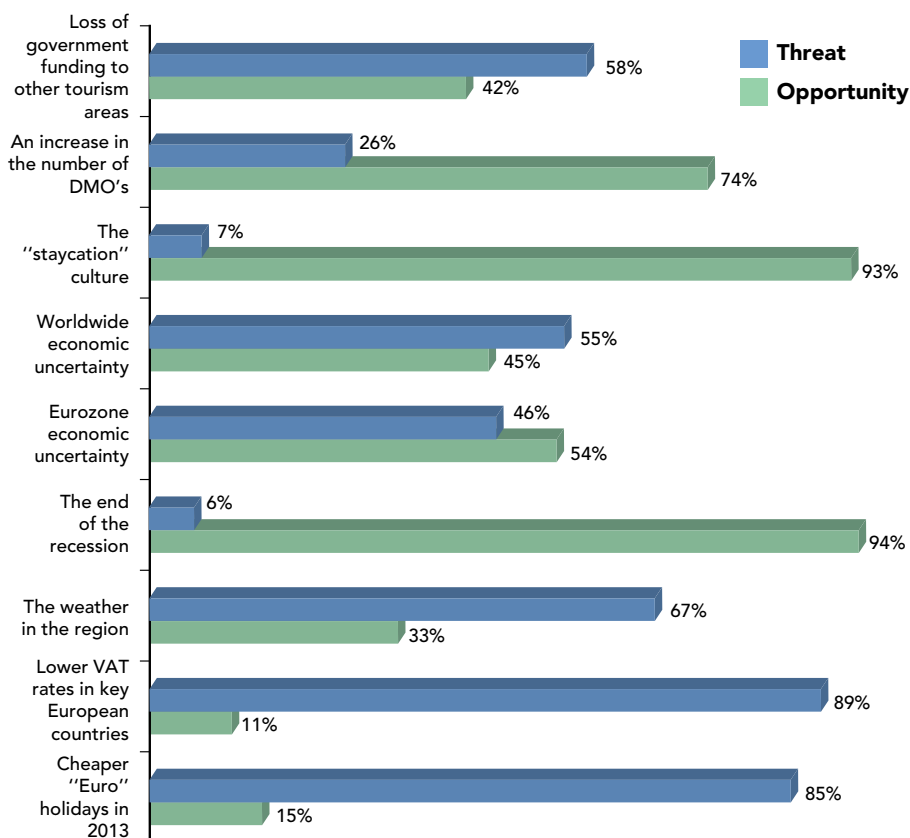
Visitors used the county as a base for the Olympic Games



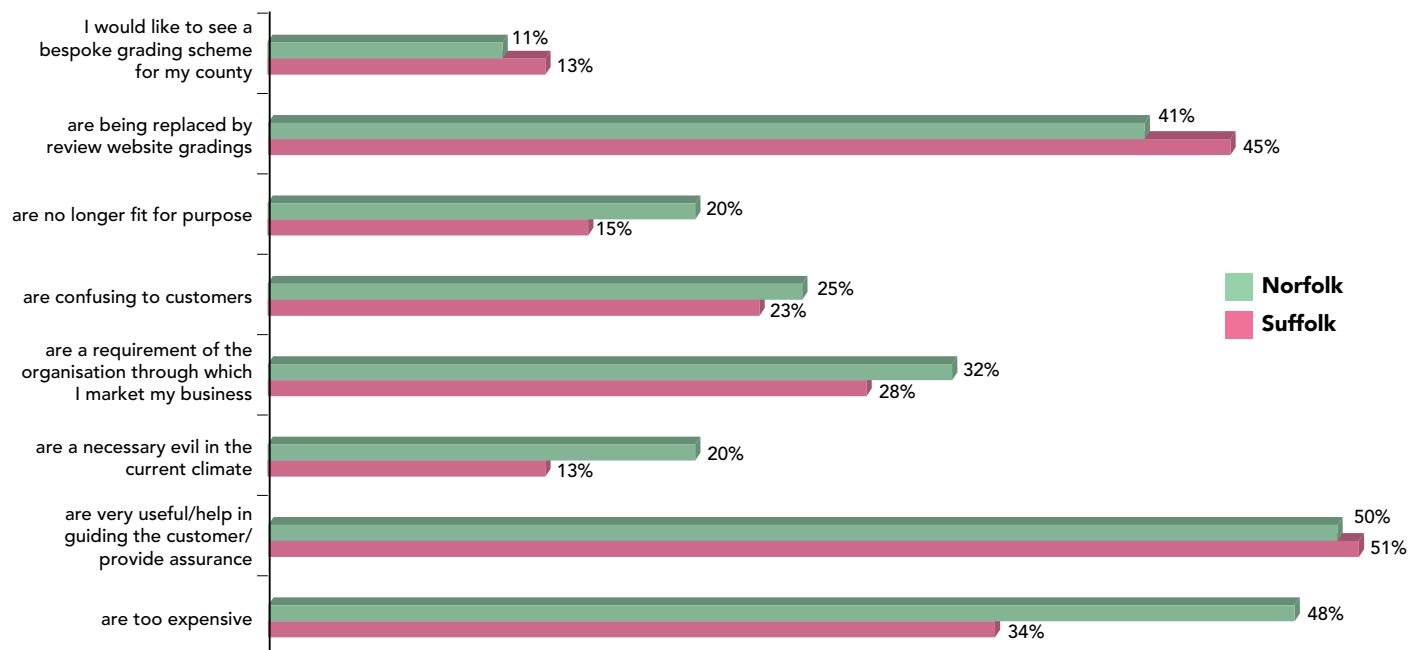
The Olympic Games took business away from the county



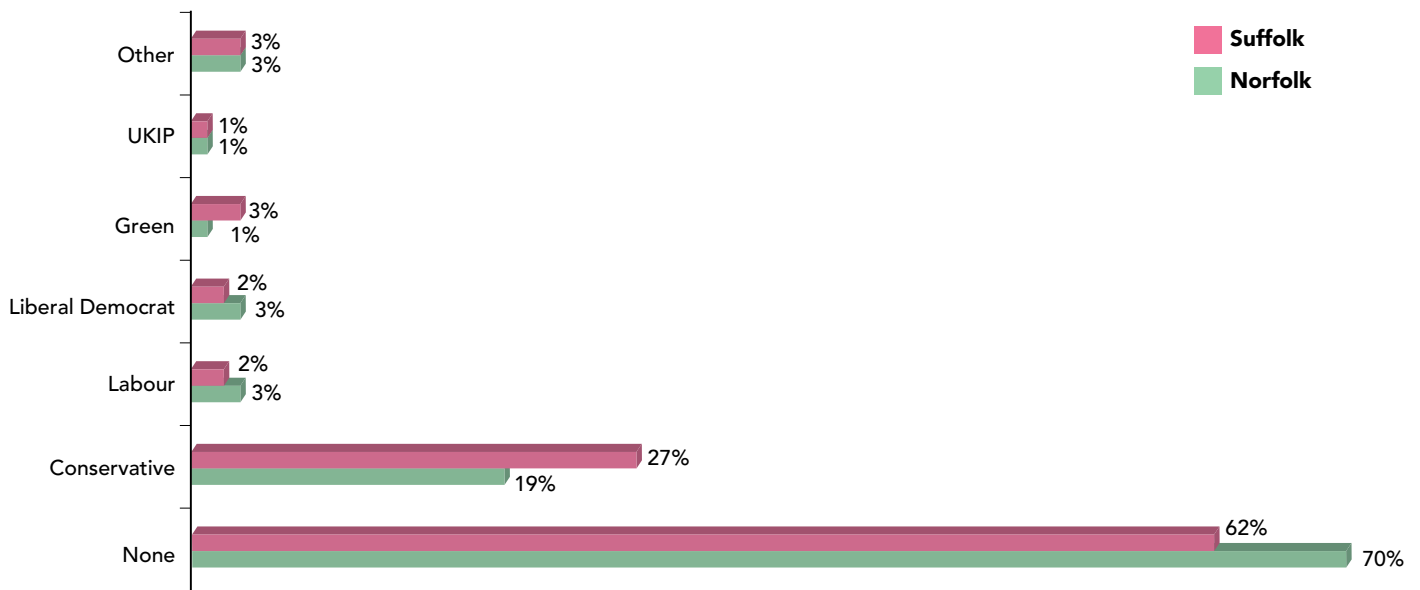
For 2013 and beyond, do you see the following as opportunities or threats to tourism in your county



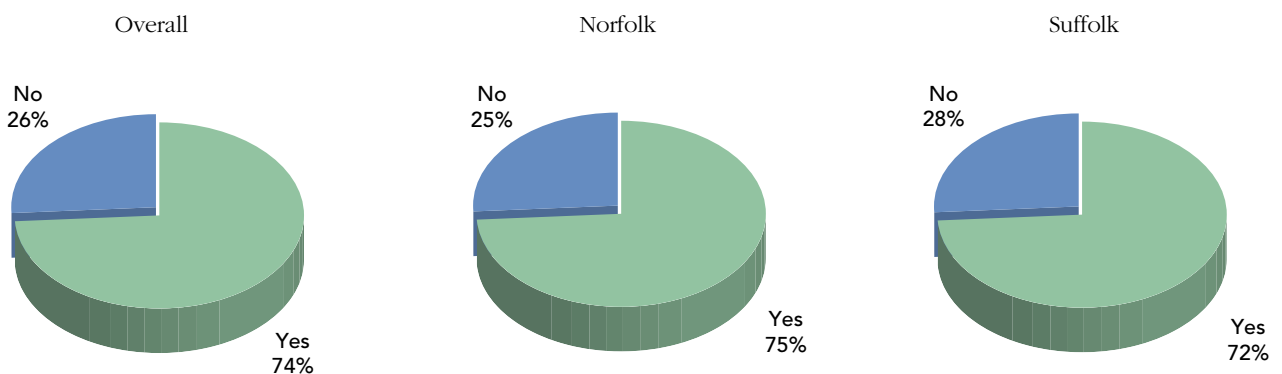
Quality grading systems, in my opinion...



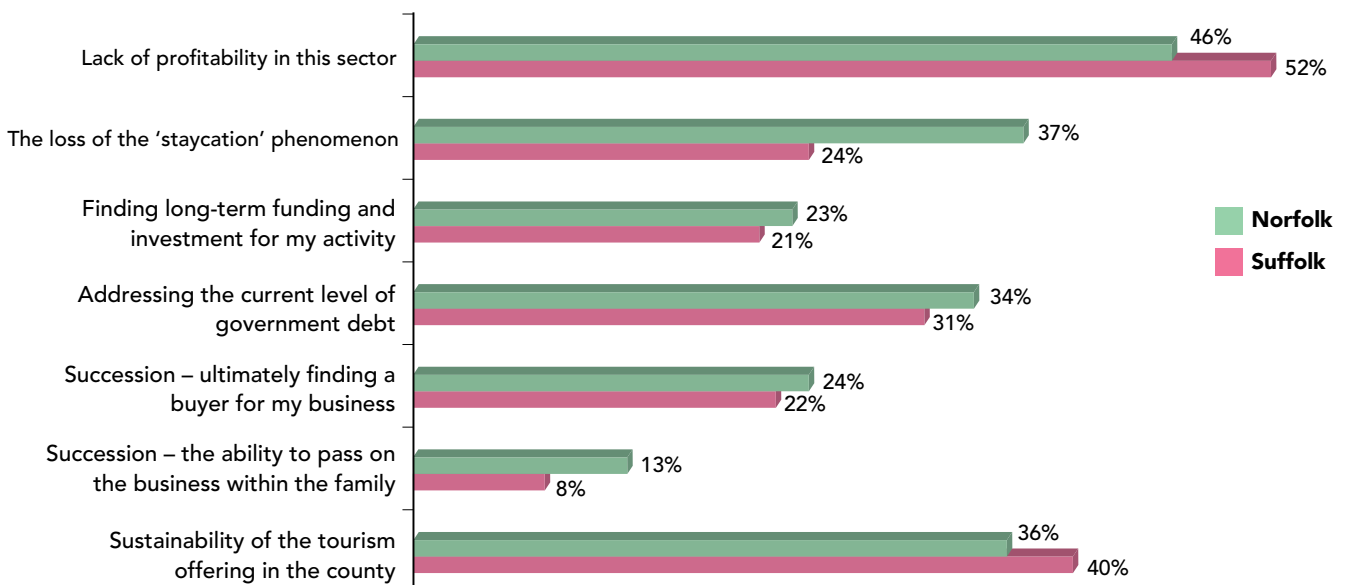
## Which political party is most supportive of the tourism industry?



## Are you feeling positive about the future?



## Which key aspects worry you most about the future?







## Natural beauty

Thetford Forest on the Norfolk/Suffolk borders.

### Larking Gowen

[www.larking-gowen.co.uk](http://www.larking-gowen.co.uk)

0845 4081732

[chris.scargill@larking-gowen.co.uk](mailto:chris.scargill@larking-gowen.co.uk)

### Eastern Daily Press

[www.edp24.uk](http://www.edp24.uk)

### East Anglian Daily Times

[www.eadt.co.uk](http://www.eadt.co.uk)

### Camplings

01493 660000

[www.camplings-linen.co.uk](http://www.camplings-linen.co.uk)

### NW Brown

01223 720255

[www.nwbrown.co.uk](http://www.nwbrown.co.uk)

### Visit Norfolk

[www.visitnorfolk.co.uk](http://www.visitnorfolk.co.uk)

### Visit Suffolk

[www.visitsuffolk.com](http://www.visitsuffolk.com)

### Visit East Anglia

[www.visiteastofengland.com](http://www.visiteastofengland.com)

your future is our future

For an informal chat  
on business or  
personal affairs



LARKING GOWEN  
Tourism  
Business  
Survey

Call Chris Scargill

0845 4081732

[www.larking-gowen.co.uk](http://www.larking-gowen.co.uk)

Offices: Bungay • Colchester • Cromer • Dereham  
• Diss • Fakenham • Holt • Ipswich • Norwich



TOURISM &  
HOSPITALITY