Scotinform

SHETLAND VISITOR SURVEY 2012/13

RESEARCH RESULTS – EXECUTIVE SUMMARY

February 2014

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INVESTOR IN PEOPLE

Market Research
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EXECUTIVE SUMMARY

1. Research Background

The 2012/13 Shetland visitor research was commissioned by Shetland Islands Council, Orkney Islands Council, Comhairle nan Eilean Siar, Highlands and Islands Enterprise and VisitScotland in order to provide data on the profile of visitors; assess views on their visit experience; and measure the economic impact of visits to each island.

The research was carried out using three methods:

> **Face-to-face exit interviews:** 1,259 interviews were completed with visitors as they departed from Sumburgh airport or Holmsgarth ferry terminal. The interviews were completed between October 2012 and September 2013, with the number of interviews per month based on historical passenger data. The questionnaire gathered data on the visitors' demographics, the main activities undertaken on Shetland and the trip expenditure.

> **Online survey:** the link to an online questionnaire was emailed to respondents who had provided email addresses in the exit interviews. This questionnaire allowed a wider range of topics to be addressed than in the face-to-face interviews, with visitors asked about the details of their trip and levels of satisfaction with different elements of their visit. A total of 368 responses were received from visitors to Shetland.

> **Calibration survey:** this survey collected data on all passengers (both visitors and residents), and was used to calibrate the passenger data provided by transport operators so that accurate estimates of total visitor spend could be made. A total of 5,712 face-to-face calibration interviews were completed from October 2012 to September 2013, with departing passengers asked their normal place of residence and, if not resident on Shetland, their type of visit and group size.

The analysis of the data from the face-to-face exit interviews and online survey provides robust findings on visitors to Shetland which are compared with the findings from the surveys for Orkney and the Outer Hebrides and with previous visitor surveys for Shetland (2000 and 2005/2006).

The volume and value of tourism to Shetland was calculated using the data from the calibration survey, passenger data from the relevant transport providers and expenditure per trip data from the face-to-face visitor survey. The economic impact of visits has been compared with estimates from a previous survey in 2005-2006.

2. Impact of Visitors

Visit numbers have increased from approximately 60,000 in 2006 to 65,000 in 2013, with the main growth coming from air passengers. The two main visit types are holiday and business visitors, both of whom account for 41% of visitors to Shetland, with those visiting friends and relatives (VFR) accounting for the remaining 18%. Business visitors show the highest increase: there were 4,400 more business visitors in 2013 than in 2006 compared to 2,000 more holiday visitors. By contrast VFR visitors showed a decrease of around 1,600. Air accounts for most (over 60%) of both business and VFR passengers, whilst the majority of holiday visitors travel by ferry.

The average spend per trip on Shetland was £251, down by £4 since 2006 due to a fall in spending on food, drink and shopping. Expenditure by business visitors has increased since 2006: this group now spends an average of £279 per trip. By comparison holiday and VFR visitors' expenditure per trip has fallen to £258 and £169 respectively. The results suggest that approximately 6% of visitor expenditure is on local products and produce.

The value of visitors to Shetland for 2012-2013 was £16 million, representing a decrease of over £2 million compared to the inflation adjusted figure for 2006. There has been a significant increase in spend by business visitors, but a decrease in spend by holiday and VFR visitors.

The contribution of Scottish visitors to the Shetland economy was over £6 million, whilst visitors from elsewhere in the UK contributed over £5 million and overseas visitors accounted for £4 million.

3. Types of Visitor

3.1 Shetland

Looking at all visits, overnight and day trips, there was a high proportion of business related trips to Shetland: 42% of visitors were on business-related visits, compared with 35% on holiday and 20% VFR. The type of visit differed significantly at different times of the year: business visitors accounted for around half of all visitors between October to December and April to June, whilst the proportion of holiday visitors was highest between July to September.

3.2 Comparisons with other islands

Comparing the results with the other islands, shows that the proportion of types of visitors to Orkney and the Outer Hebrides is similar, whilst Shetland has a much higher proportion of business visitors (42%) than the other islands (Orkney: 25%, the Outer Hebrides: 26%) and consequently a lower proportion of holiday and VFR visitors.

4. Visitor Profile

4.1 Shetland

Visitors were more likely to be male (60%) than female (40%). The relatively high proportion of males relates to the high percentage of visitors whose main purpose is business: 81% of business visitors were male.

Visitors to Shetland were likely to be aged over 45 years old, and there were a low proportion of visitors in the younger (under 24 year old) age groups. The age profile of different visitor types varied significantly, however, with holiday visitors much more likely than average to be aged over 65 years old (30%) and business visitors most likely to aged between 25-54 years old.

Half the visitors were Scottish residents, with VFR and business visitors more likely than average to be from Scotland. One third of visitors were from the rest of the UK/Ireland: this was the main area of residence for holiday visitors. In total, 19% of visitors were from Europe or elsewhere in the world, with almost a third of holiday visitors from overseas.

The social grade of visitors showed a high proportion in higher income brackets, with 49% of visitors classified as ABs, the top two social grades, and only 6% classified as DEs. Holiday visitors were more likely than average to be ABs, whilst business visitors were more likely than average to be in the C1C2 social grade, for instance 30% of business respondents were working in the oil and gas industry with transport and construction other common industries worked in.

Over half the visitors (53%) were visiting on their own: this reflects a very high proportion of business people on solo trips. A fifth of visitors were travelling with their partner/spouse, with holiday visitors and VFR most likely to be travelling as part of a couple.

4.2 Comparisons with other islands

Comparisons with the visitor profiles across the three islands showed that the gender profile of visitors to Orkney is similar to that for the Outer Hebrides, but that Shetland has a higher proportion of males, reflecting its percentage of business visitors. The age profile for the three islands was similar. Visitors to the Outer Hebrides included a higher than average proportion of Scottish residents, whilst Orkney had higher proportions of overseas visitors than the other islands. The Outer Hebrides and Orkney had similar socio-economic profiles, with around 61% of visitors in the AB social grade: this compares with Shetland where just less than half the visitors were in these social grades. Travelling alone or with a partner/spouse was the most common type of group on all three islands, though the balance between the two varied by island, with travelling alone most common on Shetland and with a partner/spouse most common on the Outer Hebrides.

5. Profile of Visits

5.1 Shetland

Just over half of the visitors to Shetland were holiday or VFR visitors staying overnight and amongst those staying overnight, one fifth were on their main holiday. Only 3% of holiday/VFR visitors were on a day trip, with almost all saying they were on an independent day trip rather than a guided tour/package.

Although 40% of all visitors were on a first time visit to Shetland, the proportion was much higher amongst holiday visitors (60%) than VFR (21%) or business visitors (32%).

The average length of stay in Shetland was 10.1 nights out of a total of 11.7 nights away from home during the trip. Business visitors spent an average of 14.1 nights on Shetland, reflecting the fact that some business respondents were staying for extended periods of time. Holiday visitors were spending an average of 6.9 nights and VFR an average of 9.4 nights.

Four fifths of visitors were travelling home after their trip to Shetland, with VFR and business visitors more likely than holiday visitors to be going straight home. 15% of visitors were travelling elsewhere in Scotland: over one in four holiday visitors were travelling elsewhere in Scotland compared with less than 10% of VFR and business visitors.

5.2 Comparisons with other islands

The proportion of first time visitors varied across the three islands, from 37% in the Outer Hebrides to 40% in Shetland and 49% in Orkney. On all three islands holiday visitors were more likely than other visitor types to be first time visitors: on Orkney and Shetland approximately 60% of holiday visitors were first time visitors, whereas in the Outer Hebrides the proportion was 53%.

6. Planning the Visit

6.1 Shetland

Nearly a quarter of holiday and VFR visitors had considered a visit to Orkney when planning their trip to Shetland and one in ten said they had considered a trip to the Outer Hebrides.

The main influence on their decision to visit Shetland was an interest in the island's scenery and landscape, followed by having visited the island previously, being interested in archaeology and having family connections with the area. For visitors from outside Scotland, the main influence was the scenery/landscape; but for Scottish visitors, family connections and previous visits were the main factors.

Nearly half of visitors had planned their trip more than 3 months in advance (mainly holiday visitors), with 31% saying they had planned it in the last month (mostly business visitors). The actual booking of the trip showed a similar pattern to planning, with the notable exception that nearly one in ten visitors (businesses and VFR) did not book in advance.

Satisfaction with planning travel to Shetland was high: 51% of visitors said they were very satisfied with 'getting to Shetland' and a further 35% said they were quite satisfied. Holiday visitors expressed particularly high levels of satisfaction (67% very satisfied). Visitors were more likely to be positive about the availability of convenient sea routes than about the availability of convenient air routes: nearly one in five of those who rated air routes were not satisfied with availability and comments highlighted a lack of direct flights to Shetland, inconvenient flight times, fully booked flights and high costs

6.2 Comparisons with other islands

For the Outer Hebrides and Shetland the main influence for the visit was an interest in scenery/landscape, whereas in Orkney the main reason was an interest in archaeology/history (scenery/landscape was the second most important reason).

In all three islands, around a third of holiday and VFR visitors started to plan their trip 3-6 months in advance whilst business visitors were very unlikely to plan their trip more than a month in advance (70% of business visitors planned their trip within four weeks of departure).

There were high levels of satisfaction with getting to the islands amongst visitors to all three islands. The results were also similar for satisfaction with availability of convenient air and sea routes: visitors had much higher levels of satisfaction with sea routes than with air routes: this particularly affected the satisfaction of business visitors who were more likely than average to travel by air.

7. Sources of Information Pre-Visit

7.1 Shetland

Internet/websites were the most common source of pre-visit information, mentioned by seven out of ten visitors. Visitors were also likely to get advice from friends/relatives, refer to Tourist Board brochures and look at guidebooks. There were some key differences by visit type:

- holiday visitors were much more likely than average to look for information online and had above average usage of Tourist Board brochures, guidebooks and Visitor Information Centres

- VFR relied heavily on advice from friends and relatives, but were also likely to refer to the internet

- business visitors were less likely than average to refer to any source, but if they did so it was likely to be the internet

The main information sought from the internet related to accommodation, mentioned by two thirds of visitors who had sought information online. Other key topics were history/culture, visitor attractions, natural history and activities.

In terms of online booking, approximately half of those who had looked for information online had booked accommodation and a fifth had booked transport to Shetland.

Satisfaction with the information available online was reasonably high: 44% of those who had accessed online information were very satisfied with what was available and the same percentage were quite satisfied. Ratings for offline information were lower, with 31% of those who had looked for offline information when planning their trip saying they were very satisfied and 41% saying they were quite satisfied. The reasons for being dissatisfied with availability of offline information highlighted a lack of information from travel agents/airlines/tourist information.

7.2 Comparisons with other islands

Sources of pre-visit information did not vary significantly across the three islands, with the key driver being the visit type rather than the location. The internet/websites were the most popular source of pre-visit information for holiday and business visitors, with VFR more likely to rely on advice from friends/relatives. Holiday visitors were likely to refer to a range of sources, including the Tourist Board brochures and guidebooks whilst other visitor types were much less likely than holiday visitors to look at anything other than the Internet.

8. Source of Information during Visit

8.1 Shetland

The main sources of information during visits were asking local people (42%), using a smartphone/internet on a mobile phone (34%), visiting a Visitor Information Centre (32%), using a laptop (31%) or looking at leaflets (28%) or brochures (27%). Holiday visitors were much more likely than VFR or business visitors to source information during their visit: most notably approximately half had visited a Visitor Information Centre and 40% had referred to a brochure.

8.2 Comparisons with other islands

The key sources of information during their visit were the same for all three islands: as with pre-visit information the key differences were by visit type rather than island. Holiday visitors referred to the widest range of sources, with Visitor Information Centres the most important source in all three islands. The likelihood of using smartphone/internet mobile was the same across the three islands, but Orkney holiday visitors were more likely than visitors to other islands to refer to brochures (e.g. VisitScotland) or local heritage information leaflets.

9. Communication

9.1 Shetland

During their trip to Shetland, 43% of visitors had communicated about their visit on social media: the main activity was uploading photos or updating their status on Facebook. There was a clear difference in age-groups with younger respondents much more likely than older respondents to post pictures from their visit online and update their Facebook status whilst on their visit.

Satisfaction with mobile phone reception was quite low: only 20% of visitors were very satisfied with reception and nearly 30% were very or fairly dissatisfied. The highest levels of dissatisfaction were amongst business visitors and VFR. The main reason for dissatisfaction was the 'patchy' phone connection.

Satisfaction with the availability of WiFi/broadband was also low, with only 20% of visitors very satisfied and 16% very or fairly dissatisfied. Availability of broadband was a particular issue for business visitors who expressed dissatisfaction with the limited access to WiFi and the slowness of connections.

It should be noted that this is not just an island issue as satisfaction with mobile phone reception and WiFi was also an area of lower satisfaction in the most recent Scotland-wide VisitScotland visitor survey.

9.2 Comparisons with other islands

Approximately 40% of visitors on each island had used social media during their visit, with a third uploading photos and between a quarter to a third updating Facebook. In the Outer Hebrides and Shetland VFR visitors were more likely than average to use Facebook.

Satisfaction with mobile phone reception and WiFi was not very high in any of the islands, but it was lower in the Outer Hebrides than in Orkney or Shetland. Holiday respondents were generally more satisfied than other visitor types with mobile phone reception on Orkney and Shetland, whilst on the Outer Hebrides, the visitor types showed similar levels of satisfaction with communication.

10. Transport

10.1 Shetland

90% of visitors had used the same mode of transport for arrival and departure, with one in ten using different methods for arrival and departure.

Satisfaction with Holmsgarth ferry terminal was high: 71% of passengers were very satisfied with the facilities and services. By contrast, only 42% of visitors using Sumburgh airport were very satisfied with its facilities and services: the main reasons for dissatisfaction were the feeling it was 'dilapidated' and the poor quality of food and drink outlets.

Car, whether privately owned or hired, was the main form of transport used during the visit, with walking the most likely form of other transport.

There were low levels of satisfaction with the cost of travel to Shetland, particularly amongst business and VFR visitors. The main reason for dissatisfaction with the costs of travel to Shetland was the price of flights, particularly compared with the costs of flying to Europe. Satisfaction with the cost of travel <u>in</u> Shetland was higher than satisfaction with the cost of travel <u>to</u> Shetland, but business and VFR visitors were again more likely than holiday visitors to be dissatisfied with the cost of travel within Shetland. The high cost of ferries and car hire were the key issues for the costs of travel in Shetland.

Satisfaction with the availability of public transport was lowest amongst VFR visitors, with comments highlighting issues with the frequency of buses and poor links to the airport/ferry terminals/villages.

Visitors were reasonably satisfied with the value for money of public transport, with 39% saying they were very satisfied and 37% saying they were quite satisfied.

10.2 Comparisons with other islands

The main forms of transport were fairly consistent across the three islands. Car was the most popular form of transport, with visitors to the Outer Hebrides more likely than those to Shetland and Orkney to use a car during their visit. Hiring a car was more common for holiday visitors in Shetland than in Orkney or the Outer Hebrides and the use of regular bus services was much lower on the Outer Hebrides than on the other two islands. Comments from respondents on the Outer Hebrides suggest that availability of public transport, especially in the evenings, are an issue for visitors.

In all three areas, the highest level of satisfaction with travel was for the quality of public transport, although levels of satisfaction with this aspect were highest in Orkney and lowest in Shetland. There were also relatively high levels of satisfaction with the value for money of public transport in all three areas, but visitors to the Outer Hebrides were less satisfied than other islands with the availability and cost of public transport: this may explain their below average usage. Satisfaction with the cost of travel to the islands was highest amongst visitors to Shetland and lowest for the Outer Hebrides, with holiday visitors most satisfied with the cost in all three islands.

11. Accommodation

11.1 Shetland

Hotels, mainly 3 star, were the most popular type of accommodation with around a third of visitors staying in hotels during their stay. The next most popular accommodation types were staying with friends/family, guest house/B&B and self-catering. The use of accommodation varied significantly by type of visitors:

- approximately a quarter of holiday visitors stayed in a hotel, followed by around one in five staying in guest house/B&B and the same proportion using self-catering. Holiday visitors were the main users of hostels and camping bods: just under one in ten stayed in each of these types of accommodation.

- the main type of accommodation for VFR visitors was, not surprisingly, staying with friends and relatives: three quarters of VFR used this type of accommodation. The other main types used by VFR visitors were guest house/B&B or self-catering, with approximately one in ten visitors staying in each of these types of accommodation.

- business visitors were most likely to stay in hotels, with approximately 40% staying in 3 star hotels. One in five stayed in workers' accommodation on-site (e.g. rigs) and 14% stayed in guest houses/B&Bs.

The most likely method of booking accommodation was through direct contact with the provider by email or phone.

90% of visitors staying overnight in paid for accommodation said the type and quality of accommodation they wanted was available when they booked. Satisfaction with the actual experience of staying in accommodation was varied. Most notably, a fifth of business visitors were dissatisfied with the quality and value for money of the accommodation they stayed in. There was, however, a high level of satisfaction across all visitor types with the quality of service they had experienced. Reasons for being dissatisfied with the quality of accommodation focussed on issues with accommodation being 'shabby' and out of date.

11.2 Comparisons with other islands

Hotels were the most popular type of accommodation for holiday and business visitors across all three islands, used by approximately 30% of visitors. Usage of guest houses/B&Bs was also similar amongst holiday visitors, with those visiting the Outer Hebrides more likely than other visitors to use this type of accommodation. Between a fifth and a quarter of visitors used self-catering accommodation and one in ten holiday visitors on Shetland and Orkney used hostels (5% on the Outer Hebrides). The most noticeable difference was the high use of workers accommodation on Orkney (15%) and Shetland (20%), compared with the Outer Hebrides (2%).

Satisfaction with accommodation showed a similar pattern for the three islands: there were generally high levels of satisfaction with service, quality and value for money, but business visitors were much less satisfied than other visitor types with all aspects of their accommodation. Business visitors to Shetland had notably lower levels of satisfaction with accommodation than on the other islands.

12. Activities during Visit

12.1 Shetland

Overall, Shetland Museum and Archives (57%) was the attraction most likely to be visited, followed by RSPB Sumburgh Head Reserve (34%), St Ninian's Isle (33%), Jarlshof (31%) and Scalloway Castle (31%).

Pre-visit awareness of the Shetland visitor attractions was generally much higher than the likelihood of visiting. Two notable exceptions were the Shetland Museum and Archives and, to a lesser extent Mareel, both located in Lerwick. Comparison of pre-visit awareness and visit rates to these attractions highlighted a proportion of visitors who only became aware of them *during* their visit to Shetland.

Visitor attractions were more popular with holiday visitors than other visitor types. Business visitors were unlikely to visit attractions except for Shetland Museum and Archive.

The most likely activities for visitors were walks (both long and short), visiting beaches/coastal scenery, shopping for local craft/produce, trying local food, bird watching and visiting archaeological and nature/wildlife sites. As with visitor attractions, holiday visitors were most likely to undertake activities during their visit.

12.2 Comparisons with other islands

Beaches/coastal scenery was the key activity for visitors to all three islands, and was particularly important for visitors to the Outer Hebrides. In Orkney visitors were as likely to visit archaeological sites as visit beaches/coasts and in Shetland visitors were as likely to go on a short walk. Trying local food was important in all three areas, with visitors more likely to have done this in Orkney and the Outer Hebrides than in Shetland, where shopping for local crafts/products was more popular.

13. Satisfaction with Visit

13.1 Shetland

Visitors' overall satisfaction with their visit was very high: 79% were very satisfied and a further 18% were fairly satisfied, giving a total 97% of visitors stating that they were very or fairly satisfied. Satisfaction amongst holiday and VFR visitors was particularly high (over 90% very satisfied). Business visitors, however, expressed lower than average satisfaction with their visit (64% very satisfied). Comments from visitors highlighted that the main reasons for dissatisfaction were the costs of transport, food and accommodation, the limited opening times/lack of cafes/restaurants, the quality of accommodation, the floating hotels and lack of tourist information.

For over two-fifths of visitors their visit to Shetland had exceeded their expectations, whilst half felt their expectations had been met. Business visitors were more likely than average to feel that the visit had not met their expectations, confirming their slightly lower than average levels of satisfaction with the overall visit.

Highlights of visits to Shetland were the scenery and wildlife, festivals/events and the visitor attractions.

Comments from visitors on areas for improvement highlighted travel costs as a key issue for all visitors, with holiday and business visitors also suggesting improving the quality of accommodation.

13.2 Comparisons with other islands

Overall visit satisfaction was very high for all three islands: on each island, 90% or more of holiday and VFR visitors were very satisfied with their visit. Business visitors expressed lower levels of satisfaction, with between 76% (Orkney) and 64% (Shetland) of business visitors saying they were very satisfied.

14. Comparisons with Previous Visitor Surveys

The demographic profile of visitors remains similar to previous visitor surveys (2000 and 2005/2006), with visitors:

- predominantly male (60%) - reflecting the high proportion of business visitors
- aged 25-55 years old
- more likely than in previous surveys to be from Scotland and less likely to be from overseas
- much more likely to in the AB socio economic group (49% in 2013 compared to 27% in 2006)

Underlying these demographic changes is a decline in the proportion of holiday visitors and an increase in the proportion of business visitors. This has led to the changes in the visitor profile and an increase in visitors travelling on their own.

The proportion of first time visitors has declined compared with previous surveys (from 51% to 40%), with holiday visitors now much less likely to be first time visitors.

The average length of trip has increased, with the number of nights spent on Shetland increasing from 5.8 nights in 2009 to 10.1 nights in 2013. Although all visitor types had increased their length of stay, the most significant change was for business visitors: their length of stay had more than doubled.

Lerwick remains the most popular area for visitors, followed by North and South Mainland. The type of accommodation used by visitors has not shown a significant change since 2006, although the results suggest a trend away from hotels and towards guest houses/B&Bs and self-catering.

The visit to Shetland exceeded the expectations of 41% of visitors in 2013, with no significant change since 2006. Business visitors were much less likely than in previous years to think that their expectations had been exceeded (16% in 2013 compared to 30% in 2006), reflecting the generally lower satisfaction of this group of visitors.