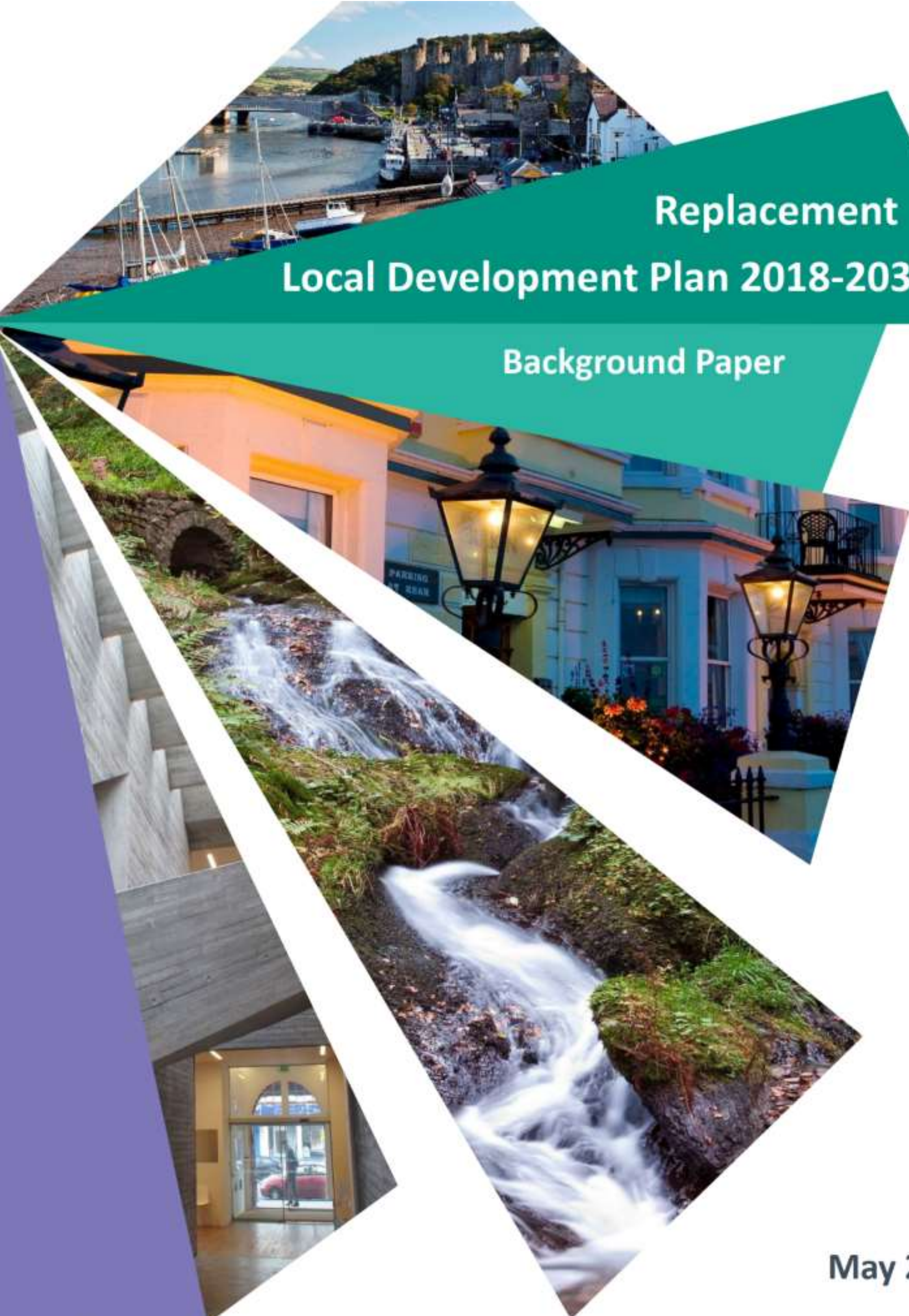

# Replacement Local Development Plan 2018-2033

## Background Paper

May 2020

## BP 23: Llandudno Tourism Study

CONWY
CYNGOR BWRDEISTREF SIROL
COUNTY BOROUGH COUNCIL

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**Conwy County, the right environment to live, work and discover**

# Llandudno Tourism Study

Conwy County Borough Council

## Quality information

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# 1. Executive Summary

Llandudno is established as a premier Welsh and UK-wide seaside destination. Its easy accessibility, affords visitors the ability to take in the traditional seaside offer while having a major retail centre, accommodation providers and food and drink establishments all within a 5-minute walk of one another.

The tourism sector in Llandudno has demonstrated strong performance over recent years:

- Based on indications from the Great British Tourism Survey and STEAM data, Llandudno is expected to have received 2.84 million day visitors in 2017[1].
- The total number of overnight trips taken to Llandudno has shown an increase of 19.2% between 2008 and 2015. The annual figure for 2008 was 355,000 overnight trips, rising to 423,000 in 2015.
- Llandudno received 26,000 visitors from overseas during 2016. The majority of international visitors were from Ireland though Llandudno has also been successful in attracting visitors from France and Germany.
- The total economic impact of tourism in Llandudno was £384 million in 2017, up from £296m in 2012.
- Tourism employment has also been on a generally positive trajectory, rising from 4,606 in 2012 to 5,328 in 2017, including indirect employment generated by tourism.

However the area today faces very different challenges to that of the past with tourism becoming an increasingly competitive market both domestically and internationally. It is therefore vital that Llandudno continues to adapt and innovate to remain a prime tourism location for people in the UK and beyond.

This will mean identifying the emerging trends facing the tourism sector and being proactive to plan for changes such as the increasing focus on gathering “experiences” across all demographic groups. Other challenges include embracing the fundamental role of technology both in destination choice and in the tourism product, lower levels of visitor loyalty, demographic, societal and economic changes and lifestyle factors such as increasing levels of flexible working.

In light of the increasing levels of competition between destinations it is imperative that Llandudno continues to invest in its tourism product. This report, through an analysis of the wider tourism market and other destinations has highlighted a number of areas in which action may be required:

**Table 1. Summary of potential ideas**

| Theme | |
|---|---|
| **Accommodation** | Secure distinctive hotel chain which complements existing independent provision<br><br>Broaden range of accommodation types e.g. self-catering options such as serviced apartments/aparthotels<br><br>Quality improvements to existing provision |
| **Attractions** | **North Shore**<br><br>Signature indoor attraction e.g. gallery/museum<br><br>Broaden range of attractions e.g. indoor activity centre; escape rooms; sea life centre; water/theme park; indoor miniature golf; simulator experience<br><br>North Shore beach amenities and connectivity between the beach and the town |

[1] STEAM data is only available at the Conwy County level. The number of day visitors to Llandudno is based on the proportion of overnight visitor trips taken in Llandudno relative to Conwy Borough as recorded in the Great British Tourism Survey, applied to the STEAM day visit figures. Expenditure figures are calculations based on the proportion of the economic impact attributed to day visitors for Conwy Borough in the STEAM data.

| | |
|---|---|
| | **West Shore**<br>Beach zoning for different uses<br>Activity hub supporting watersports, bike hire and Segway hire,<br>Amenities such as café/bar and shower and changing facilities. |
| | **Great Orme**<br>Investment in, and modernisation of existing attractions<br>Improved linkages between attractions<br>Walking routes; viewing platform; mountain biking trails; high ropes; Center Parcs / Forest Holidays attraction |
| **Boosting the night time economy** | Light night initiative for coordinated late night openings across the town |
| **Retail** | Attract high quality independents e.g. pop-up stores and market opportunities<br>Support for independents e.g. Llandudno pound, targeted rates reductions, more flexible leases and the reconfiguration of shop spaces |
| **Food & Drink** | Regular covered food market<br>Market Hall development |
| **Amenities & Streetscape** | Maintenance of main shopping streets/frontage e.g. formation of retail group/BID/streetscape strategy<br>Refurbishment of the promenade shelters |
| **Events & Festivals** | Major winter event e.g. Fête des Lumières<br>Food-based events; outdoor cinema and theatre and further support for existing events such as LLAWN<br>Infrastructure to support events e.g. Bodafon Farm |
| **Arts & Culture** | Temporary /public installations<br>Continuation of support for grass roots e.g. allocation of empty buildings for studio space by Mostyn Estates |
| **Miscellaneous** | Digital Strategy<br>Transport Study<br>Masterplan to support wider growth and benefits |

Should Llandudno continue to adapt to the changing conditions within the tourism market and invest accordingly, the high growth scenario under this analysis suggests that:

- The number of day visitors is set to increase from 2.88 million in 2018 to 4.08 million in 2045.
- The number of overnight trips taken to Llandudno is set to rise from 440,289 in 2018 to 561,339 by 2045.
- The economic impact of tourism in Llandudno is expected to rise from £388.8 million in 2018 to £513.6 million in 2045.

This will require the continuation of the concerted and co-ordinated effort across Welsh Government, local government, industry bodies, the private sector and residents which has stimulated growth and championed development to establish Llandudno as a premier UK resort and an international seaside destination.

# 2. Introduction

The aim of the Llandudno Tourism Study was to produce a comprehensive report and analysis of how tourism impacts Llandudno and to provide key data to help develop a trajectory of visitor numbers and trends over the coming years. In addition this report looks to enable all stakeholders in the town to understand the key dynamics of the town's tourism economy and provide a range of potential options to help develop the tourism offer in Llandudno in line with the aspirations of key stakeholders, residents, visitors and the Council.

Llandudno is a seaside town located in Conwy, North Wales. The last census data indicated a population of 20,701. Llandudno has a long history as a popular tourist destination and this continues today. The town is home to a number of popular attractions and has a wide range of accommodation options. The Llandudno Tourism Study will identify the strengths of the town and assess the local, regional and national tourism trends that will impact upon the area. This will allow the Council and key stakeholders to build upon the success of Llandudno and utilise its heritage, attractions and natural assets to promote Llandudno as a tourist destination.

The Llandudno Tourism Study incorporates a number of elements including:

- Baseline and contextual assessment –the strategic context of tourism and the performance is established at the UK and Welsh levels. This supports to the Tourism Study by highlighting the key trends and opportunities that Llandudno can capitalise on to increase the economic return from investment in tourism.
- Current Visitors and Economic Impact – In order to examine the future direction for the visitor economy, it is important to understand the current and historic position in terms of Llandudno's visitor profile and expenditure, key markets and historic trends. This provides the foundation upon which the rest of the report is based.
- Comparator works – Tourism is a competitive sector with destinations, both nationally and internationally, seeking to develop new products and offers to attract additional visitors, increase their lengths of stay and overall expenditure. We compare and contrast Llandudno's general profile to other destinations that provide seaside experiences. A range of destinations has been selected to provide an insight into a range of different experiences and lessons that Llandudno can learn from a number of different comparators'.
- Consultation – Stakeholder consultation was a key aspect in the development of the Llandudno Tourism Study. It was essential in order to gain the views of the project partners, Local Authority, tourism businesses, relevant landowners and visitor organisations to ensure an appropriate Tourism Study is developed that satisfies the needs of each party and reflects their interpretations of the challenges and opportunities facing Llandudno.
- Future options and trajectory – A forecast for Llandudno's tourism performance over the next 25 years is established and the different development options for investment across the whole of the town are assessed, retaining a key focus on the town centre, West and North Shore beaches and the Great Orme.

Through this variety of tasks an assessment can be taken to understand the current position of Llandudno, as well as the likely trends in tourism in the coming years and the successes and challenges that comparator locations have experienced. This analysis will be considered in presenting a range of recommendations to improve the tourism offer and safeguard the long-term position of Llandudno as a premier UK resort and an international seaside destination.

# 3. Local Context

**Introduction**

Llandudno is a traditional seaside town located in Conwy, North Wales with a resident population of 20,701. The town has a long history as a popular tourist destination. The Mostyn family were the main landowners and chief architects behind the resort's development in the 1800s, and much of this is in evidence through the attractive Victorian and Edwardian facades on display across the town, particularly along the promenade. The Mostyn family, through Mostyn Estates, has retained a keen focus on the sympathetic development of the town. It continues to manage a large commercial portfolio across Llandudno and support inward investment to the town.

Llandudno benefits from its easy accessibility, affording visitors the ability to take in its traditional seaside offer while having a major retail centre, accommodation providers and food and drink establishments within a 5-minute walk. Its popularity as a tourist destination continues to the present day. However the area today faces very different challenges to that of the past with tourism becoming a more global market and a number of key trends that have and continue to impact Llandudno and the wider tourism industry with implications for visitor numbers, attitudes and expenditure.

- Demographic, social and lifestyle changes have resulted in increasing numbers of single people and friendship groups, lone parent family trips and multigenerational trips, along with trips from older age groups who are more likely to be agile and mobile for longer than in the past. As a result destinations have had to adapt to offer a broad range of experiences to satisfy these groups.
- There has been an increasing trend, with the rise of millennials and more active older generations, to more experience and activity-focused travel, with expenditure patterns reflecting this. Parents are also placing a higher value on entertainment and leisure with their families.
- Technology is playing an increasing role in destination choice, with social media driving consumer attitudes to leisure, while technology is becoming increasingly prevalent in the tourism product, particularly in attractions and accommodation.
- Despite uncertainty caused by structural issues in the economy and Brexit, British holiday makers have increased budgets for domestic trips driven by the quality and value of UK destinations.
- Recent years have seen an increasing emphasis on having a more active and healthier lifestyle, driven by time pressures and effective national campaigns. Asa result, spa and wellness breaks, as well as health tourism amongst more health-conscious older generations have been on the rise.
- From a destination perspective, a traditional seaside offer can be difficult to maintain against international competition, suggesting the need to adapt and modernise seaside resorts to attract new visitors. Unique activities and experiences from sport to cuisine mean seaside resorts can offer the experience-led option that domestic guests increasingly require.

It is therefore vital that the area continues to adapt and innovates strategically to remain a prime tourism location for people in the UK and beyond. Further detail regarding the current trends impacting the tourism sector is provided in Appendix A.

## 3.1 Strategic & Policy Context

Tourism is a key sector within the Welsh economy and seaside towns such as Llandudno are at the forefront of the sector. Wales has an overarching goal for tourism to "grow in a sustainable way and to make an increasing contribution to the economic, social and environmental well-being of Wales." Through the adoption of the Welsh Government Strategy for Tourism (2013 – 2020)[2] the Welsh Government has established the aim to increase future performance of the tourism sector, drive higher earnings and deliver maximum value for the Welsh economy. The Llandudno Tourism Study is clearly aligned with this context and will place Llandudno is a strong, well-evidenced position from which to reach the shared goals established by Welsh Government.

The Well-being of Future Generations (Wales) Act (2015)[3] was put in place to drive improvement in the social, economic, environmental and cultural well-being of Wales. The Llandudno Tourism Study provides an opportunity to ensure that Llandudno maximises the social and economic gains from tourism whilst maintaining cultural and environmental integrity. As the environment is central to Llandudno's tourism offer, particularly its coastline and

[2] The Welsh Government Strategy for Tourism (2013 – 2020): https://gov.wales/docs/drah/publications/130613-partnership-for-growth-en.pdf
[3] The Well-being of Future Generations (Wales) Act (2015): http://www.legislation.gov.uk/anaw/2015/2/contents/enacted

the Great Orme, it is especially important that any development or strategy is produced with the maintenance of its high quality natural environment as a core concern.

The Conwy Economic Growth Strategy (2017 – 2027)[4] reinforces the importance of tourism to the County and identifies tourism as a focus for growth, with 'Transformational Tourism' offering to create a destination with year-round, international appeal. The report highlights in particular the need for an increased night-time and winter tourism offer, which can increase visits to the area and boost the economy. At the heart of this strategy lies Venue Cymru in Llandudno which acts as a major attraction for Llandudno. The Conwy Local Development Plan (LDP) (2007-2022)[5] also singles out Venue Cymru as a catalyst for growth. The Llandudno Tourism Study sits well within this agenda, through its focus on setting out a strategy to boost the tourism industry of Llandudno through utilising the high-quality resources and attractions already at its disposal as well as identifying new development opportunities and investment to further develop the town's appeal.

The Destination Conwy Management Plan (2015 – 2018)[6] has been in place for the past 3 years and aims to guide the tourism industry of the County towards sustainable improvements. This plan was created under the umbrella of the Welsh Government Strategy for Tourism 2013-2020. The Destination Conwy report states "there will be a focus on more luxury and branded hotels, more wellbeing facilities, such as spas, and more heritage hotels that utilise historical, distinctive buildings, more all year round attractions and activities, cultural experiences that are more innovative, unusual and distinctive". These opportunities areas are apparent in Llandudno and the Llandudno Tourism Study will look to build on the town's strong heritage to allow it to develop and prosper.

A replacement Local Development Plan (LDP) is currently being prepared for Conwy County Borough Council. As a result of the 2016 Annual Monitoring Report a full review of the LDP commenced with a focus on housing and employment issues. This was published in April 2018[7] and is the first step of the production process for the new LDP which is due to cover the period 2018-2033. In May 2018 a delivery agreement was released providing a timescale for the production process[8]. This agreement states that the replacement LDP submission will be September 2020. Whilst the current 2007-2022 LDP will remain the statutory development plan until the review process is complete it remains important to stay informed on the development of this replacement LDP. The policies promoted through this new replacement document will impact on the Llandudno Tourism Study document, particularly given the focus on issues of employment and employment land. Keeping informed on the developments of this document will allow the Llandudno Tourism Study to align with local policy and with the overall vision of the Council and other stakeholders.

The Llandudno Hospitality Association in its policy paper A Future for Tourism in Llandudno brings together the views of the LHA in response to CCBC's Economic Development Strategy and identifies a number of recommendations to incorporate into the future Local Development Plan. This report contains a number of clear objectives including the need to: protect Llandudno's leading position as a premier UK resort and an international seaside destination; develop a vibrant and diverse, year-round tourism offer; and create all-weather attractions. These objectives clearly align with the rationale of the Llandudno Tourism Study to provide a forward-looking analysis of the tourism sector in Llandudno, thereby affording a view of future market conditions to allow the sector to adapt and change to meet the requirements of visitors. Furthermore, this document will outline a number of potential interventions to develop a year-round tourism offer, aligning with the LHA's commitment to support "the upgrading of facilities and accommodation to match visitor expectations and demands".

### 3.2 Llandudno's Tourism Offer

#### Connectivity

Llandudno sits in the centre of North Wales with great access to the road network. The A470 connects Llandudno to the A55, the major road linking Llandudno to North East and North West Wales, with direct access onto the M53 and M56. Llandudno Station, situated in the centre of the town, is on a branch line from Llandudno Junction Railway Station which offers a transport hub with direct links to London, Manchester and Snowdonia. This is a

[4] The Conwy Economic Growth Strategy (2017 – 2027): http://conwybusinesscentre.com/wp-content/uploads/2017/02/Economic-Strategy-Aug2017-E.pdf
[5] The Conwy Local Development Plan (LDP)(2007-2022): http://spp.conwy.gov.uk/upload/public/attachments/629/Conwy_Adopted_LDP_2007__2022_English_.pdf
[6] The Destination Conwy Management Plan (2015 – 2018): http://www.conwy.gov.uk/en/Council/Strategies-Plans-and-Policies/Destination-Conwy/documents/Destination-Conwy-Management-Plan-2015-2018.pdf
[7]Conwy Local Development Plan 2007 – 2022: LDP Review Report (April 2018): http://www.conwy.gov.uk/en/Resident/Planning-Building-Control-and-Conservation/Replacement-LDP/assets/documents/Review-Report.pdf
[8] Replacement Local Development Plan 2018-2033: Delivery Agreement: http://www.conwy.gov.uk/en/Resident/Planning-Building-Control-and-Conservation/Replacement-LDP/assets/documents/Conwy-Delivery-Agreement-May-2018.pdf

primary hub in North Wales. Llandudno is just 1hr 20mins away from both Liverpool Airport and Manchester Airport meaning it is accessible from international destinations. The ferry port of Holyhead is only 50 minutes from Llandudno, where road traffic can cross from Ireland.

Llandudno is accessible from a number of key settlements within a 2.5 hour drive time, as demonstrated in Figure 4 (below). These include: Manchester, Liverpool, Stoke-on-Trent, Leeds, Sheffield, Chester and Birmingham. Given the easy road access between Llandudno and the North West of England, this provides a major visitor base with the major population hubs of Liverpool and Manchester providing a particularly lucrative market. Indeed there is an associated population of 15,331,902 within 2.5 hours drive of Llandudno[9].

**Figure 1. Locations within a 2.5 hour drive time**


**Key Attractions**

The Llandudno Tourism Study aims to expand and improve the tourism offer of the town and build upon the key assets which already draw large numbers of visitors to Llandudno. Llandudno's key assets have been identified as:

*Beaches* – Llandudno has two main waterfront areas which are focal points for the town. The first, North Shore is Llandudno's principal beach (also known as Llandudno Beach), and is a sheltered, pebble beach with a long Victorian pier and wide promenade and set in the shadow of the impressive Great Orme headland. Llandudno Beach is just a few minutes' walk to the town's amenities including shops, cafes and toilets and has a range of attractions including: Punch and Judy shows, water-based sightseeing/fishing trips and speedboats; play area and paddling pool on the East Promenade; and Llandudno Land Train.

West Shore beach is a sandy beach, popular with holidaymakers. It faces into Conwy Bay where low tide reveals a large expanse of sand, which is popular for watersports such as kite-surfing. It is currently home to the West Shore Café, a miniature railway and West Shore Park. It's also renowned for its spectacular sunsets and allows walker's access to the Wales Coast Path and to the nearby Great Orme headland.

**Llandudno Beach Management Plan**

Llandudno's beaches are a key component of the town's tourism offer. In order to provide a forward-looking plan for Llandudno's beaches, a range of beach management options have been developed with input from the Llandudno Coastal Forum to address the key issues of flood protection and wind-blown sand.

Another key aspect is the amenity value of the beaches, which can have knock-on effects on the town's tourism sector. This can be seen from the experience of Colwyn Bay, which invested in full beach replenishment as part of coastal defence improvement works in 2015. The 2016 Conwy Tourism Survey saw over 400 respondents mention the beach as the main positive aspect of Colwyn Bay as a destination and a further 80 respondents

[9] https://www.ons.gov.uk/releases/traveltoworkareaanalysis

mention the long flat promenade. Visitors also said that the area was very good for children and liked that it was a safe environment. Conversely, in relation to Llandudno, the beaches were noted as a positive aspect by just 70 visitors, despite a similar number of visitors surveyed[10]. The survey therefore reflects that the beach replenishment at Colwyn Bay has had a significant positive amenity impact on the town. However Llandudno does benefit from a more varied tourism offer and therefore visitors would be expected to offer a wider variety of responses to the town's positive aspects and attractions. As such the replenishment of sand in Llandudno would not necessarily result in a positive amenity impact of the same magnitude that was seen in Colwyn Bay.

Furthermore 25 respondents to the 2016 Conwy Tourism Survey said that the rocks on both West and North Shore were a negative aspect of their experience, and reflect an aspect which may deter visitors from visiting or returning to Llandudno. The management options for North Shore offer the potential to address this negative amenity effect such as through beach nourishment at Children's Corner or through full replenishment of sand through fishtail rocks groynes. However there is a need to balance this against the need to provide a long-term, cost-effective coastal defence solution.

*Venue Cymru* – Situated at the centre of Llandudno Promenade, Venue Cymru provides professional theatre, conference and events facilities within Llandudno town centre. Venue Cymru offers more than 7,000 square metres of exhibition and conference space and has been successful in attracting major conferences such as the Welsh Labour Conference and Wales Trade Union Congress. It has also hosted a range of events and acts including: Tour Championship Snooker, Jess Glynne and Katherine Jenkins. The Destination Conwy Management Plan[11] finds Venue Cymru generates more than 55,000 bed nights each year, helping to support the local tourism trade.

*Llandudno Pier* – The Grade II listed Llandudno Pier was built in the 1800s and is 2,295ft in length, making it the longest pier in Wales. It offers an array of food and drink outlets, concessions and amusements and is known for its Victorian and Edwardian features. Following extensive renovations to the landing stage 2015 saw the return of the Waverley paddle steamer sailings, arriving at the Pier from Liverpool and continuing along the Anglesey coast.

*Mostyn Gallery* – Mostyn Gallery is a contemporary gallery and visual arts centre based in the heart of Llandudno. It has six gallery spaces host a range of exhibitions which change seasonally and showcase artists and makers from Wales and beyond. It also houses a shop and café which add to the visitor experience.

*Great Orme* – The Great Orme is a headland of limestone lying to the north-west of Llandudno. It is 3km long and 2km wide, and rises to 207m at the summit. Much of the headland has been designated a Special Area of Conservation, a Site of Special Scientific Interest and a Heritage Coast and there are also numerous historical sites and eight archaeological sites of national importance. For many years the Great Orme has been a popular place for people to visit, receiving around half a million visitors each year[12]. There are a number of attractions based on, or providing access to, the Great Orme:

- *Great Orme Tramway* – The Great Orme Tramway is Britain's only cable-hauled street Tramway, and one of just three systems in the world in which "cable cars" operate on city streets alongside San Francisco and the Elevador da Bica of Lisbon. The Great Orme Tramway has two independent sections-a lower and an upper, and comprises four of the original Victorian Tramcars which take visitors on a one-mile journey to the summit of the Great Orme Country Park and Nature Reserve.
- *Great Orme Mines* – The Great Orme Bronze Age Copper Mines were uncovered in 1987 and are the oldest metal mines open to the public in the world, with 3,500 year-old tunnels leading to a prehistoric cavern which was mined nearly 4,000 years ago. The mines have a visitor centre and offer guided tours to visitors.
- *Great Orme Cable Car* – The Great Orme Cable Car is the longest passenger cable car system in Britain, running from Happy Valley to the summit of the Great Orme, 679 feet up and providing panoramic views of the Bay of Llandudno, the Little Orme, the Conwy Estuary and miles out over the Irish Sea.
- *Llandudno Ski & Snowboard Centre* – The Llandudno Ski & Snowboard Centre offers a wide range of slope-based activities – skiing, snowboarding, sno-tubing and alpine adventure golf, with lessons available and open practice. The Cresta Toboggan run, at 750m, is the longest in Wales.

[10] 546 visitors were surveyed in Colwyn Bay; 497 in Llandudno
[11] The Destination Conwy Management Plan (2015 – 2018): http://www.conwy.gov.uk/en/Council/Strategies-Plans-and-Policies/Destination-Conwy/documents/Destination-Conwy-Management-Plan-2015-2018.pdf
[12] https://www.nationaltrust.org.uk/features/the-great-orme-a-new-chapter-to-our-coastal-story

– *Parc Farm* – The National Trust purchased the 145-acre farm in 2015. It came with grazing rights for the wider Great Orme and allows the National Trust to protect the fragile landscape and threatened rare plants and insects, some of which are only found on the Great Orme.

There are a number of distinctive attractions across North Wales that are accessible from Llandudno. These have led to Llandudno being used as a base from which to explore the region, owing to the range of its transport links and accommodation offer. These include Surf Snowdonia, Zip World Fforest and Snowdonia National Park. Furthermore Llandudno is within close vicinity to a number of other coastal towns and areas such as Conwy, Colwyn Bay and Anglesey. These towns can offer competition to Llandudno but also may provide further attractions for those who make Llandudno their base from which to explore the wider area. This is reflected below, with 61% of visitors to Conwy and 55% of visitors to Colwyn Bay also visiting Llandudno:

**Table 2. Survey of number of destinations visited during trip**[13]

| | | Primary Destination | | |
|---|---|---|---|---|
| | | Llandudno | Conwy | Colwyn Bay |
| Other Destinations Visited | **Llandudno** | | 61% | 55% |
| | Conwy | 48% | | 26% |
| | Betws y Coed | 15% | 25% | 1% |
| | Colwyn Bay | 2% | 1% | |
| | Kinmel Bay / Towyn | 2% | 5% | 1% |
| | Anglesey | 11% | 18% | 0% |
| | Gwynedd | 10% | 21% | 3% |
| | Denbighshire | 2% | 5% | 1% |
| | Flintshire | 1% | 0% | 0% |
| | Wrexham | 1% | 0% | 0% |

### Events

Llandudno plays host to a number of festivals and events throughout the year. This is a great source of visitors to the town. Key events include the Victorian Extravaganza, a street parade of walkers in costume, cyclists, marching bands, entertainers and traction engines circle the town, which has been found to generate £3.5m economic impact to the local economy[14]. Other key events include LLAWN, a free arts festival that celebrates and explores Llandudno through art, artefact, sound, comedy, performance and participation, as well as Armed Forces Day and the North Wales Choral Festival.

In addition to these flagship events, other events include the Llandudno Transport Festival, Llandudno Jazz Festival, L-Fest and Llandudno Christmas Fayre as well as being (or having been) a location for many activity-based events such as the Tour of Britain, Conwy Marathon and Snowdonia Half Marathon, Cambrian Rally and the Three Castles Trial. Moreover in addition to these events Venue Cymru enables Llandudno to host high profile concerts and productions. These events attract visitors from North Wales and beyond and it is important that Llandudno promotes its profile as an entertainment destination.

### Retail

As a key retail centre across North Wales, Llandudno has a distinctive retail offer to offer both residents and visitors. The main high street of Llandudno – Mostyn Street – is in close proximity to the promenade and therefore offers easy access to tourists. This street is home to numerous stores including well-known brands such as Marks and Spencer[15], Pandora Jewellers, Holland & Barrett and Hotter Shoes, as well as the Victoria Centre which hosts retailers such as Boots, Waterstones and The Bodyshop as well as a number of independents. The end of Mostyn Street merges onto Mostyn Broadway, where Parc Llandudno and Mostyn Champneys retail parks are located which are home to larger stores such as Next and Debenhams.

As such, Llandudno has a varied retail offer, covering both independents and major retailers. The town also benefits from a particularly low vacancy rate, which was recorded at 5.4% in 2018 across all retail ground floor

[13] Source: CCBC Tourism Survey 2017
[14] Conwy County Borough Council  Events Evaluation Llandudno Extravaganza 2013
[15] Marks and Spencer is planning to relocate from Mostyn Street to Parc Llandudno, with relocation plans under development

units[16] and has been below 8% since 2012. Tourism and retail are closely intertwined in Llandudno, with the Llandudno Town Centre Users Survey revealing that 33.0% of visitors to the town centre were on leisure purposes.

### 3.3 Current Visitors and Economic Impact

The following analysis provides a breakdown of the current visitor market, from which we will frame the forward-looking analysis. This includes the profile of visitors, the economic impact and the employment supported.

It should be noted that this section utilises data from a variety of sources including the Scarborough Tourism Economic Activity Monitor (STEAM), the Great British Tourism Survey, Conwy Tourism Survey and Visit Wales data. It should be noted that certain data sources such as STEAM data are only available at the Conwy County level and therefore this is either reported at a County-level or assumptions are made to disaggregate this data to the Llandudno level. Where assumptions are made, these are detailed in the footnotes and the data should be interpreted with those in mind.

#### Day Visitors

In 2017, the Conwy Borough attracted 6.71 million tourism day visitors[17]. The number of tourism day visitors across the County has been on an upward trajectory since 2012. As a result, the expenditure associated with day visitors has risen over this period from £187 million in 2012 to £225 million in 2017. This goes against the general trend across Wales as a whole, which has seen expenditure rise against the backdrop of a falling number of day visitors, as shown in Figure 2.

Based on indications from the Great British Tourism Survey, we would expect 2.84 million of these day visitors in Llandudno[18], with an associated expenditure of £97.5 million.

**Table 3. Tourism day visits and expenditure in Llandudno and Conwy Borough**

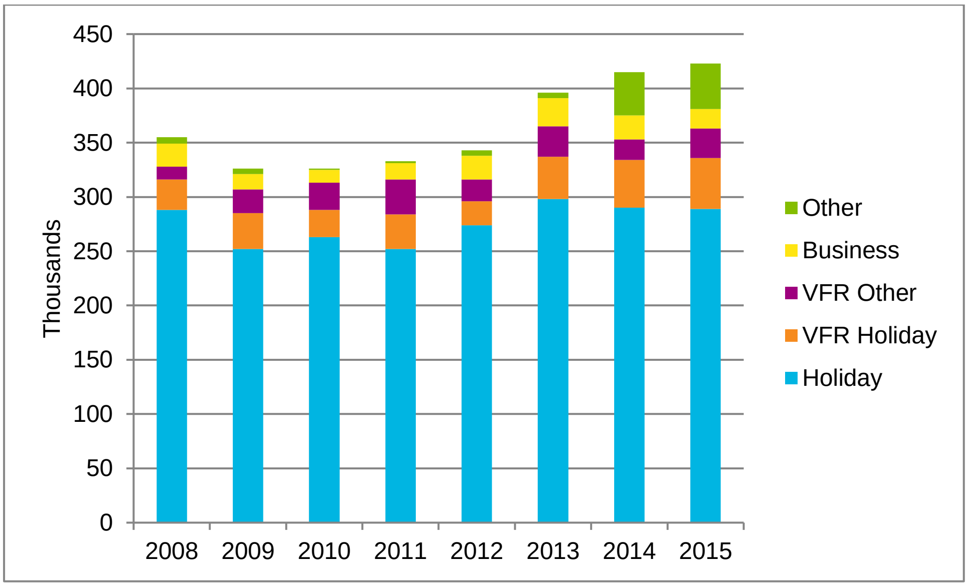
| | Llandudno | | Conwy Borough | |
|---|---|---|---|---|
| | **Tourism Day Visits (m)** | **Expenditure (m)** | **Tourism Day Visits (m)** | **Expenditure (m)** |
| **2013** | 2.37 | £74.37 | 5.60 | £188.26 |
| **2014** | 2.36 | £74.13 | 5.57 | £187.16 |
| **2015** | 2.52 | £89.01 | 5.97 | £200.51 |
| **2016** | 2.66 | £94.22 | 6.28 | £210.91 |
| **2017** | 2.84 | £97.47 | 6.71 | £225.35 |

#### Overnight Trips

The total number of overnight trips taken to Llandudno has shown an increase of 19.2% between 2008 and 2015. The annual figure for 2008 was 355,000 overnight trips, rising to 423,000 in 2015. Holidaymakers are the major cohort in terms of overnight guests and this group has grown between 2008 and 2015; though the trend is not as strong as that shown overall. Whilst there is a reasonable amount of yearly variation, this general trend remains positive. Visits to friends and relatives have shown a strong increasing trend over the 2008-2015 period, with an average yearly increase of approximately 3,800 visitors.

[16] This includes 367 retail units
[17] STEAM 2017
[18] STEAM data is only available at the Conwy County level. The number of day visitors to Llandudno is based on the proportion of overnight visitor trips taken in Llandudno relative to Conwy Borough as recorded in the Great British Tourism Survey, applied to the STEAM day visit figures. Expenditure figures are calculations based on the proportion of the economic impact attributed to day visitors for Conwy Borough in the STEAM data.

**Figure 2. Overnight Trips to Llandudno 2008-2015[19]**




In terms of the number of nights per trip, a negative trend in the number of nights stayed by holidaymakers is reflected by a fall from 3.9 nights per trip in 2008 to 3.3 nights per trip in 2015. A significant increase has been recorded by those visiting friends and relatives (VFR), with the average nights per trip rising from 2.2 in 2008 to 3.7 in 2015. There is potential that the growing, and aging demographic of Llandudno may be attracting more, and longer family visits. Despite some outlying years – such as 2011 and 2015 – the number of nights stayed by business visitors has remained around 1.5, as would be expected owing to the general length of business trips though the overall number of business trips has risen over the 2008-2015 period which may demonstrate the impact of Venue Cymru as a draw.

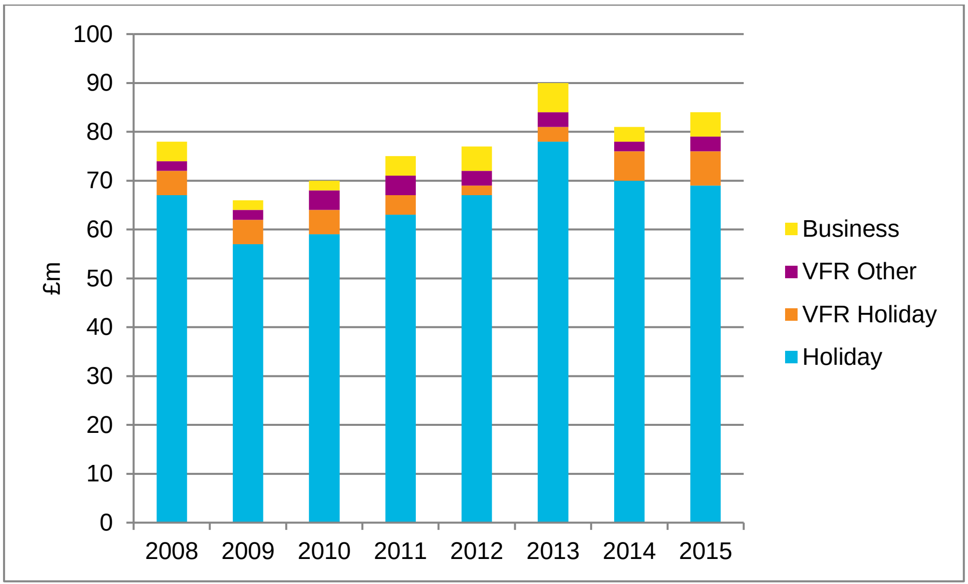
**Table 4. Nights per Trip[20]**

| Nights per Trip | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|
| **Holiday** | 3.9 | 3.6 | 3.5 | 3.4 | 3.3 | 3.3 | 3.5 | 3.3 |
| **VFR** | 2.2 | 2.0 | 2.3 | 2.3 | 2.9 | 2.9 | 3.6 | 3.7 |
| **Business** | 1.5 | 1.5 | 1.5 | 1.9 | 1.5 | 1.6 | 1.5 | 2.3 |
| **Total** | 3.6 | 3.2 | 3.2 | 3.1 | 3.1 | 3.1 | 3.7 | 3.6 |

Expenditure from overnight visitors has increased broadly in line with the number of overnight trips, rising from £67 million in 2009 to £84 million in 2015, though significant upward spikes were recorded in 2008 and 2013. A significant increase in expenditure has been registered from those visiting friends and relatives within the last two years which, while not paying for accommodation, are a source of revenue for the town in terms of expenditure on visiting attractions and retail expenditure. Expenditure from holidaymakers broadly increased between 2009 and 2014, though fell slightly in 2015. Expenditure from business visitors has fluctuated over the sample period, which is likely to reflect the strength of events within the local area on the years in question.

[19] Source: Great Britain Tourism Survey
[20] Great Britain Tourism Survey

### Figure 3. Expenditure on Overnight Visits

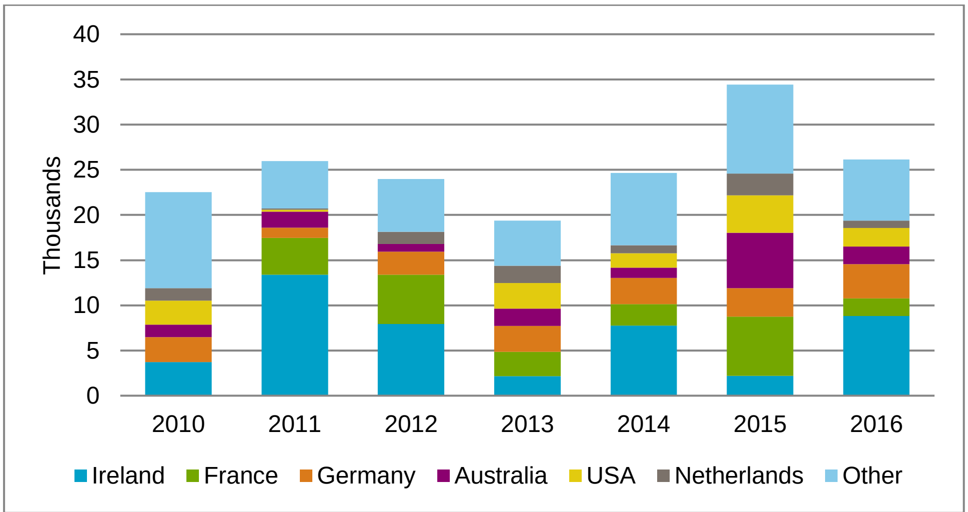



**Visitors from Overseas**

Llandudno received 26,000 visits from overseas during 2016[21]. This figure was down considerably from 34,000 in 2015 but remains above the 2010-2016 yearly average of 25,000. The purpose of international passengers' trips tends to be for holidays (70% of all trips), though a large proportion (46.4%) of visits from Ireland were to see friends and relatives.

The majority of overseas visitors to Llandudno come from Ireland, with an average of 6,564 staying visitors registered per year between 2010 and 2016. Llandudno has also been successful in attracting visitors from France and Germany, with an average of 3,854 and 2,733 respectively between 2010 and 2016. The USA and Australia are other notable contributors to international visitor numbers.

### Figure 4. Inbound Overseas Visitors – Llandudno 2010-2016[22]



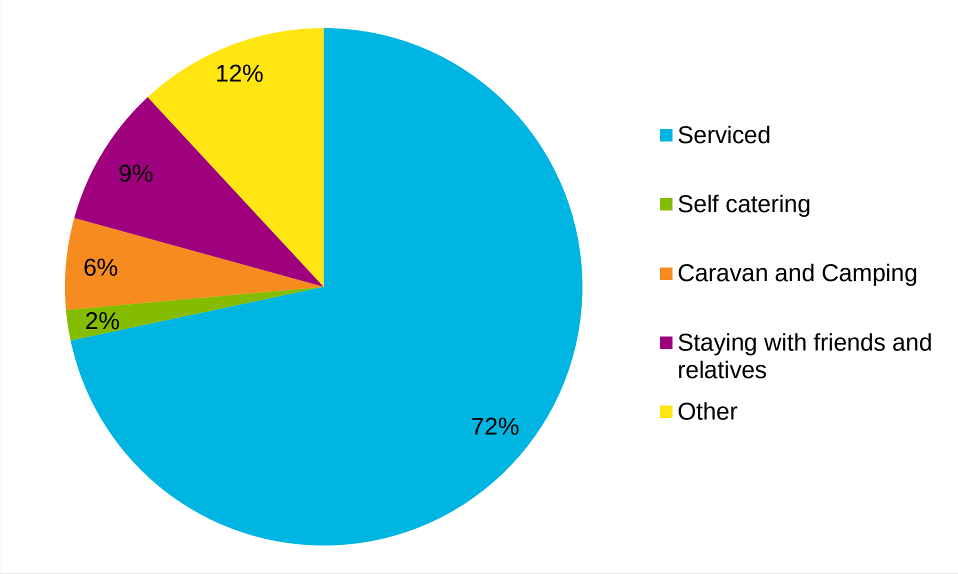

**Accommodation Used**

As of 2015 71% of overnight visitors to Llandudno stayed in serviced accommodation, with 9% staying with friends and relatives and 6% in camping and caravanning accommodation. An interesting trend in recent years has been the sharp rise in those staying in "other" accommodation that is not categorised. This may be due to the rise in other forms of accommodation such as accommodation listed on the Airbnb platform, with approximately 80 establishments listed on Airbnb[23] in and around Llandudno.

[21] International Passenger Survey, Office for National Statistics
[22] International Passenger Survey, Office for National Statistics
[23] Accessed September 2018

Just 2% of visitors to Llandudno stayed in self-catering accommodation. However, the types of accommodation used may be indicative of supply rather than what visitors are demanding.

**Figure 5. Accommodation Used During Trip**




### Accommodation Occupancy

Accommodation occupancy data are only available on a regional basis owing to data sample size limitations. Across North Wales occupancy does not tend to display evidence of seasonality, with little fluctuation across the year, even at peak summer months. However, anecdotal evidence suggests that there is a seasonal profile within Llandudno with occupancy levels in recent years having exceeded 95% during summer months which indicates a shortage of spare capacity at the summer peak[24].

**Table 5. Accommodation Occupancy in North Wales[25]**

| | B&B/Guesthouse Room (%) | Hostel Bed (%) | Hotel Room (%) | Self-Catering Unit (%) |
|---|---|---|---|---|
| January | 40 | 53 | 68 | 54 |
| February | 40 | 52 | 69 | 58 |
| March | 40 | 52 | 68 | 57 |
| April | 41 | 53 | 69 | 58 |
| May | 40 | 53 | 69 | 58 |
| June | 41 | 53 | 69 | 58 |
| July | 40 | 53 | 69 | 58 |
| August | 40 | 53 | 69 | 58 |
| September | 39 | 53 | 68 | 59 |
| October | 40 | 53 | 68 | 61 |
| November | 40 | 53 | 68 | 61 |
| December | 40 | 53 | 67 | 61 |
| **Average** | **40** | **53** | **68** | **58** |

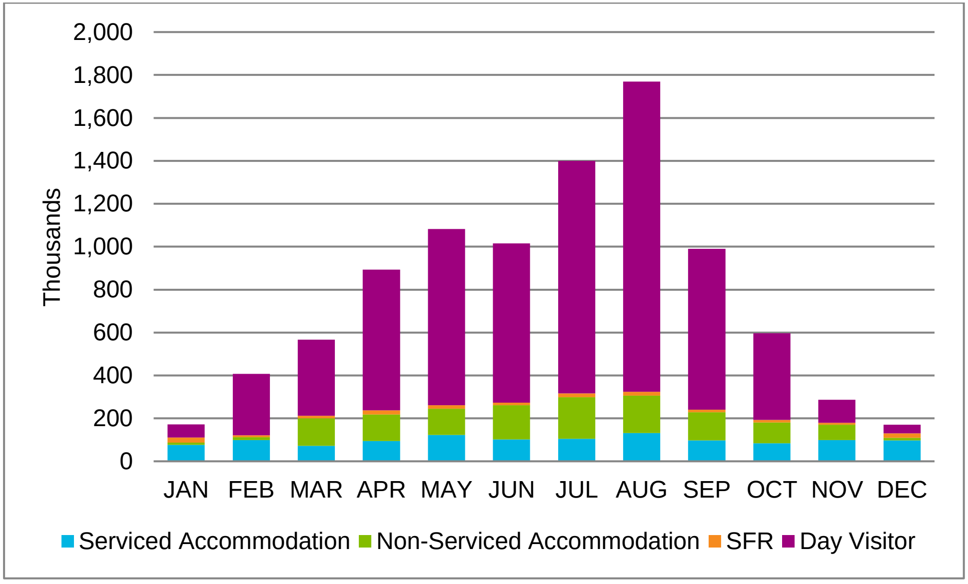
### Seasonality

There is clear seasonal bias in terms of visitor numbers to the Conwy Borough area as demonstrated by Figure 5, suggesting the North Wales accommodation occupancy figures, quoted in Table 4, are not likely to apply to Llandudno. The region experiences a relatively long season with visitor numbers rising notably in April and not falling to a clear low until October, with July and August showing a demonstrable 'peak' season. The November to

[24] Llandudno Hospitality Association Policy Paper February 2018
[25] Wales accommodation occupancy survey, Visit Wales

March period consists of low visitor numbers with a clear low point over December and January. Visitor numbers follow the general seasonal pattern for tourism on the whole. The lack of winter visits provides a clear need for an improved winter offering supporting CCBC's vision to address this issue. It is interesting the see that non-serviced accommodation follows the seasonal trend whereas serviced accommodation displays a much steadier trend.

**Figure 6. Visitor Type by Month 2016 – Conwy Borough[26]**




## Visitor Profile and Perceptions

### Age Profile of Visitors

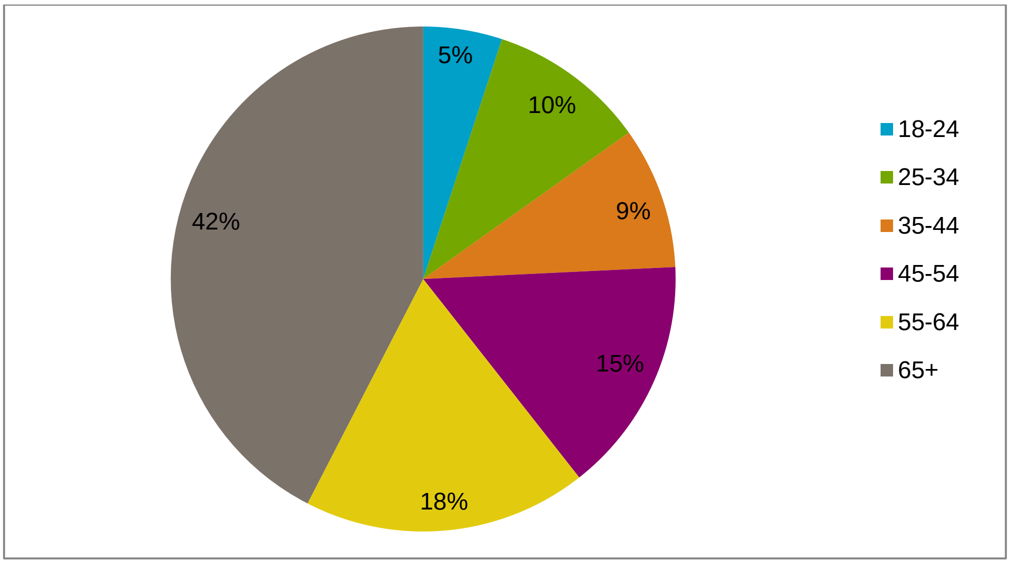
Llandudno's visitor profile contains a large proportion within the 65+ age category (42%) and in the 55-64 age category (18%). Conversely, just 15% of visitors are between the ages of 18 and 34.

Visitors tend to be couples (65%) or singles (24%) with a relatively small proportion of visitors families with children (10%). While the lack of families may have an adverse knock-on effect in terms of future visitors, the dominance of couples and singles has a positive short-term impact due to these visitors having a higher associated spend, as noted in Table 16.

While the current performance of the tourism sector is positive, a lack of focus on attracting younger generations – particularly within the family bracket – could be damaging in the future. As noted by the CCBC Tourism Survey 2017 84% of visitors to Llandudno were repeat visitors and therefore by a narrow focus on the older generation could result in a lack of repeat visits from those who visited during childhood and wish to replicate their experience with their families and into old age. This suggests a need to retain a focus on appealing to different demographic groups, while retaining a focus on the core, traditional appeal which has seen Llandudno established as a premier UK resort and an international seaside destination.

[26] STEAM 2016

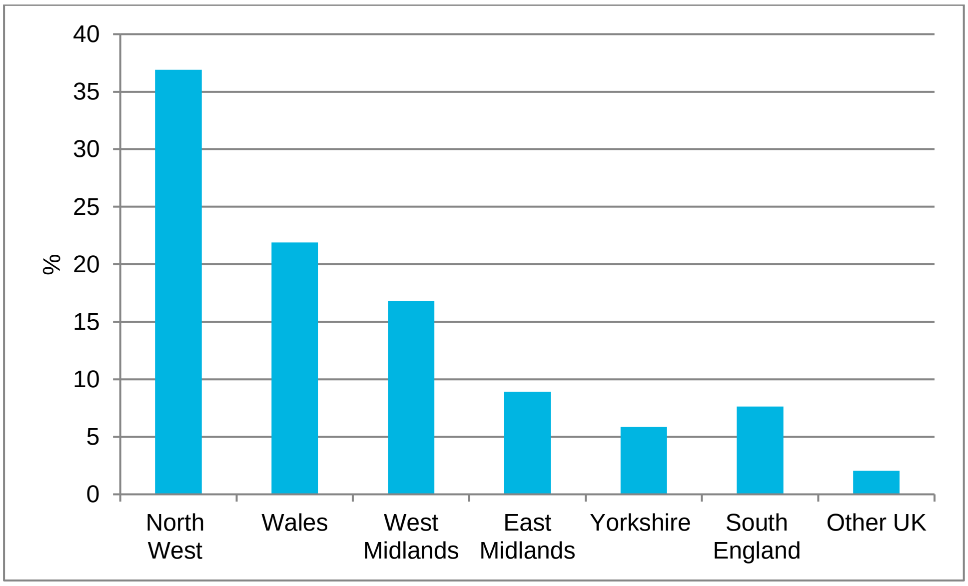
Figure 7. Llandudno Visitor Age Profile 2017[27]




**Domestic Breakdown by Location**

According to the 2017 CCBC Tourism Survey, the highest proportion of visitors to Llandudno come from North West England , accounting for 36.9% of the total domestic tourists in 2017. Other sizeable proportions come from the rest of Wales (21.9%) and the West Midlands (16.8%).

Figure 8. Breakdown of domestic tourists by Region

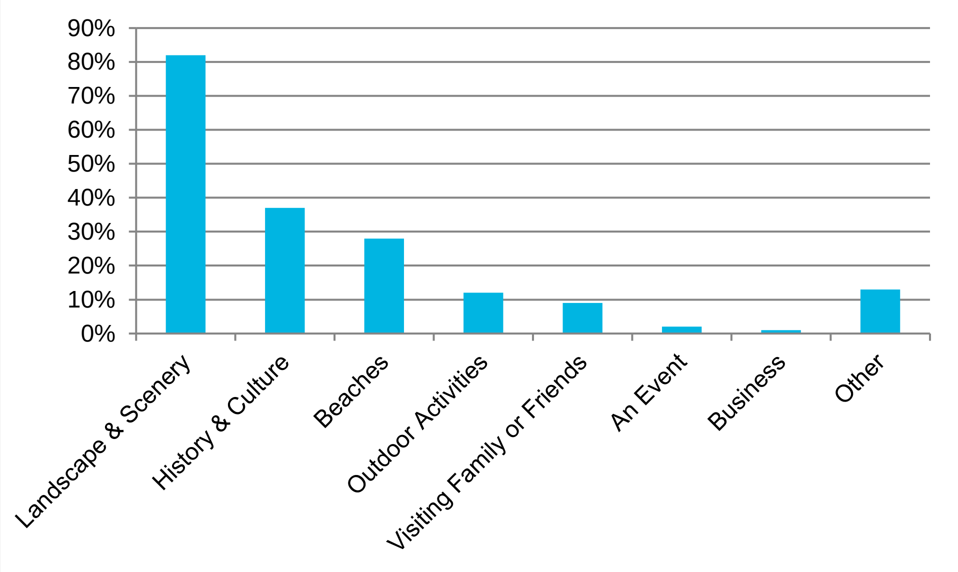



**Reason for Visiting Llandudno**

According to the Conwy Tourism Survey 2017, 82% of visitors were attracted to Llandudno by the Landscape and Scenery on offer. 37% visited predominantly due to the History and Culture of the area while 28% were attracted by Llandudno's beaches. Just 12% were attracted by the outdoor activities available to visitors, suggesting that this is an area the town could improve its offer in.

[27] Conwy County Borough Council Tourism Survey 2017

**Figure 9. Main tourism attractors in Llandudno**

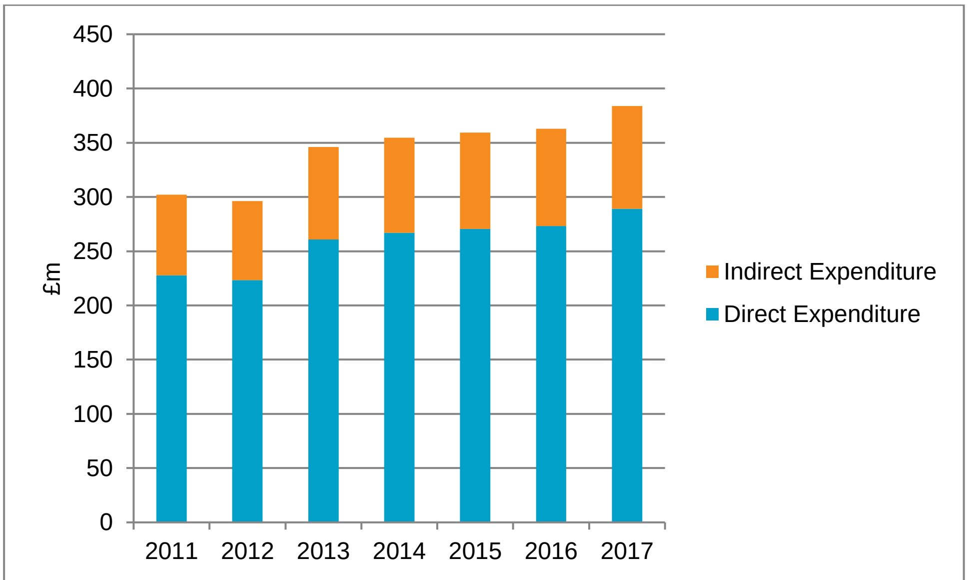



**Economic Impact**

The total economic impact of tourism in Llandudno was £384 million in 2017[28]. Of this figure £289 million derived from direct expenditure whilst £95 million was indirect. Staying visitors provided the most economic benefit with £249 million whilst day visits added £135 million to the local economy.

The economic impact of tourism in Llandudno has increased markedly over the past 5 years from £296m in 2012 to £384m in 2017. This may be linked to an increase in confidence as the economy recovered from the financial crisis as well as a general shift in attitudes to tourism and leisure and the rise of multiple holidays throughout the year.

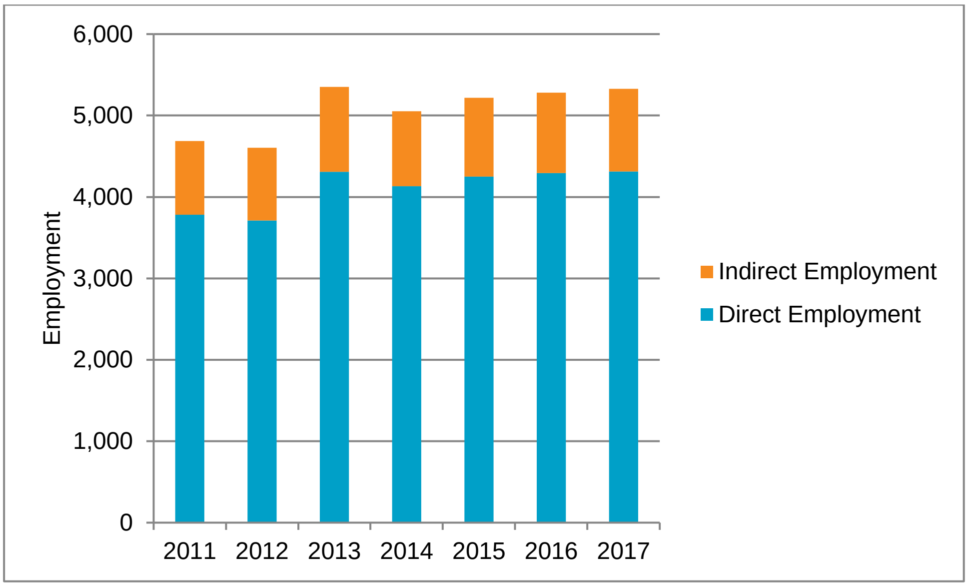
**Figure 10. Economic Impact in Llandudno**




In line with the increasing economic impact, tourism employment has also been on a generally positive trajectory, rising from 4,606 in 2012 to 5,328 in 2017, including indirect employment generated by tourism. This demonstrates the significance of the tourism sector in driving the Llandudno economy.

[28] STEAM 2016

**Figure 11. Tourism Employment in Llandudno**




### 3.4 Summary

- Llandudno is a key UK tourism centre, defined by its range of attractions and events, Victorian heritage, accessibility and high quality natural environment.
- Tourism is a key strategic focus for both Welsh Government and CCBC, which support the need to develop the tourism infrastructure and tourism product. The development of the tourism sector in Llandudno is also actively supported by local groups and organisations such as the Llandudno Hospitality Association and Mostyn Estates.
- The tourism sector in Llandudno has registered strong performance over recent years, with growth in both day visitors and overnight stays translating into robust growth in the economic impact of tourism and job impacts.
- However the average length of an overnight trip to Llandudno fell from 3.9 nights in 2008 to 3.3 nights in 2015, though this has been offset by an increase in the length of stays for those visiting friends and relatives.
- The key driver of tourism is the landscape and scenery in Llandudno, while the history and culture and beaches are also important factors. Just 12% of visitors cite outdoor activities as an “attractor”. The high quality outdoor environment suggests that the town could improve its offer in this area.
- Much of the tourism market is driven by the North West, Wales and the West Midlands, suggesting that the development of the tourism sector should look to broaden and diversify its offer to appeal to a broader geographic spectrum.
- The visitor demographic is currently skewed towards the older generation, with 60% of visitors aged 55 or above. Furthermore, just 10% of visitors to Llandudno are families with children. This suggests a need to focus on appealing to different demographic groups, while retaining a focus on the core, traditional appeal which has seen Llandudno established as a premier UK resort and an international seaside destination.

# 4. Future Trends

This section outlines the major trends expected to affect Llandudno over the forecast period. These reflect key areas of opportunity for Llandudno to increase the number of visitors and increase visitor spend.

## 4.1 Demographic Trends

### Older Generation

Research indicates that tourism is one of the major areas that will benefit from an ageing population which is increasingly more inclined to pursue leisure-oriented experiences compared to past generations. Indeed tourism targeted at older markets has been identified as a particularly high yield and high growth opportunity for the industry. For instance, individuals 65+ in the UK increased spending on overseas travel by £1.3 billion between 1999 and 2011 while those between the ages of 16 and 34 decreased spending by £922 million over the same period[29].

With 'healthy life expectancy' increasing over the forecast period the appetite for travel and tourism amongst the older groups in society is expected to increase over time. However, older generations' behaviours and attitudes are expected to change over the forecast period:

- Older generations are expected to become increasingly tech-savvy, moving away from booking through travel agents and by the phone and moving towards online intermediaries.
- Comfort will remain a priority but there will no longer be the same focus on luxury; with the trend toward experiential travel expected to continue.
- With the appetite for travel and tourism amongst older groups in society likely to increase over time, as well as overall life expectancy, accommodation and travel options that can cater for people with reduced mobility will be in great demand.
- Health tourism will still be a factor for this generation. This could increase in light of recent trends towards "nature prescriptions" – such as seen recently by NHS Shetland[30] and the NHS Forest project – for patients to help treat mental illness, diabetes, heart disease, stress and other conditions.
- Approximately one-third of retired individuals have taken trips with people in other generations[31] and the multigenerational travel market is expected to continue to grow owing to the cost of childcare and greater healthy life expectancy of older generations.
- However while the purchasing power of older populations is projected to remain high in coming decades[32], the current trajectory could alter if work becomes less stable, pensions less lucrative and the retirement age in countries continues to rise. This could lead to increased variation in levels of spending power for those approaching retirement at the end of the forecast period. Flexibility will be critical in order to effectively respond to their evolving needs and changing expectations.

*Implications for Llandudno*

Llandudno is well-placed to benefit from increasing growth within the older tourism market, with it already attracting 42% of its market in the 65+ age bracket. It benefits from its accessible promenade, flat terrain, overall size and the ease of accessing its tourism and retail offer. Furthermore, its current attractiveness to the older demographic has resulted in many areas having infrastructure in place to allow accessibility from older travellers.

However, requirements will evolve over the forecast period, highlighting the need for:

- **More support and personalisation** – Infrastructure and support services will need to be adapted to accommodate both increased demand and changing visitor needs and preference. For instance, particularly in the near term, the shift towards travellers becoming more tech savvy will require support in how information is accessed through various means while personalised itineraries for groups and individuals may be required to meet older generations' increasing desire for experiences while providing the necessary support.

[29] (Kingman, 2012).
[30] https://www.rspb.org.uk/about-the-rspb/about-us/media-centre/press-releases/nature-prescribed-to-help-health/
[31] (Age Wave and Merrill Lynch, 2016)
[32] (Dobbs et al., 2016)

- **Infrastructure** – Improvements will be required to allow visitors with physical and mobility challenges to still be able to “collect” tourism experiences and to cope with increased demand for accessible travel. A recent study commissioned by the European Commission highlighted that if European Union tourism destinations were improved to achieve almost complete accessibility of buildings, hotels, restaurants, museums, and various accessible services, demand would increase almost 44% resulting in a potential rise of 39% in economic contribution[33]. Llandudno should focus on attaining complete accessibility of buildings and services within the context of the built environment.
- **Multigenerational travel** – A unique challenge for Llandudno posed by this growing market is the ability to develop and align attractions, events and activities of interest to all members of the travel party. This market is considered to have increasing potential, with several operators and agencies deliberately targeting this opportunity (e.g. takethefamily.com, forestholidays.co.uk, staysure.co.uk, grandparentsclub.co.uk).
- **Accommodation** – Anecdotal evidence suggests an area of the current accommodation offer is characterised as “coach hotels” which provide for the older generations within the 75+ age bracket which visit Llandudno on coach tours. An increase in the healthy life expectancy and focus on experiences suggests that these providers in particular will need to adapt to changing requirements of its clientele, appealing to their “forever young” nature while making booking processes and communication simple while technology becomes prevalent, will appeal to this demographic.

**Millennials and Gen Y**

The so-called Millennials /Gen Y will be a key tourism consumer group over the forecast period, with Millennials expected to represent 50% of all travellers by 2025. At the same time this group will form the main part of the family market over the medium term. The Millennials/Gen Y group is expected to maintain its prioritisation of travel during the forecast period, with behaviour changing as this demographic group ages:

- The focus on experiences and authenticity is expected to be maintained both during single life through to parenthood, with millennials prioritising and promoting the importance of experiences for their children[34]. This is reflected by the trend identified that millennial parents place a higher value on entertainment and leisure with their families compared to older generations of parents. Their spending habits reflect this with younger generations reporting a higher spend on holiday parks and theme parks, with families with children aged 4-6 years old spending more than £200 on visiting holiday parks.
- The trend for a greater link between tourism services and visitors’ everyday life and a strong focus on empathy and customer connection is expected to be further boosted by the accelerated implementation of digitalisation, as technology is essential for this demographic.
- By the end of the forecast period, Millennials/Gen Y will range in age from 45 to 60, with the oldest beginning to approach retirement. Having accumulated additional wealth over the next 25 years, their proportion of total spending is expected to increase substantially.
- However, the purchasing power of these groups in 2040 may impact their willingness and/or ability to travel, as they have faced economic circumstances that have generally made it more difficult for them to accumulate wealth as easily as for preceding generations[35]. Indeed, Millennials were hit hard by the global recession, which impacted career advancement, and now face a changing workforce that is often precarious and increasingly automated, as well as greater inequality in general. These changing circumstances may also go some way to explaining the trend towards shorter trips and increasing popularity of cheaper travel options such as low cost airlines, home-sharing and ride-sharing platforms, hostels etc. These issues must all be considered in assessing the travel preferences of emerging generations in the decades ahead.

*Implications for Llandudno*

- **Accommodation** – Millennials’ and Gen Ys’ focus is expected to remain on exploration, interaction, and emotional experience and many brands in the hotel industry have identified that they need to rethink the service they provide to accommodate these dimensions. Llandudno hotels could look to these examples – such as Tru by Hilton – to understand key service points to attract this market.

[33] Miller, 2014
[34] Barclays Report
[35] Dobbs et al., 2016

These include fundamentals such as: smaller, more reasonably priced rooms; free Wi-Fi and greater flexibility in terms of restaurant times and online check-ins through to the adaptation of communal areas to allow for greater interaction around specific uses (e.g. Tru by Hilton splits by playing, working, eating and lounging); integration of modern fitness centres and integration of a greater range of technology such as online assistants (e.g. the Tru-Ly Local Wall for local recommendations) and Restaurant n Go services to allow guests to order from local restaurants[36]. However, at the upper end of the age and life stage range more luxurious hotel offers will retain importance while addressing the key areas of exploration, interaction and emotional experience, while at the family stage more high end Airbnb and self-catering options will remain attractive.

- **Attractions and Events** – While during parenthood millennial parents may wish to share their own experiences with their children, there is a general shift away from loyalty in this demographic and towards variety and collecting experiences from a wide range of locations. A key focus in order to remain relevant to this group will be for attractions and events – while retaining their core offer – to look to adopt new themes and allow new experiences in order to attract repeat visits from this demographic.
- **Marketing** – Marketing channels should be adapted to the digital realm in order to attract millennials. This group is more likely to create its own travel itineraries than to rely on the advice of travel agents or participate in package tours and therefore an online presence for accommodation providers, attractions, events, shops and food and drink establishments will be essential to allow them to be built into itineraries.
- **Digitalisation** – There will be the expectation across these demographic groups of greater integration of technology within the tourism location, such as the availability of mobile connectivity, Wi-Fi in public areas and contactless payments in the near term.
- **Sustainability** – Millennials/Gen Y tourists have a higher level of environmental and cultural awareness, which means that they are more demanding, more able to influence, and have their say on the products that they consume.

**Gen Z**

Generation Z is believed to be totally different from the Millennials / Generation Y in so much as they already have higher access to information, a more dynamic lifestyle, and a higher level of education and an accelerated adoption of change. 85% of Generation Z use a smartphone and this generation is characterised as being "digital integrators" in that they have integrated technology seamlessly into their lives having used it from the youngest age. Technology is therefore involved in almost all areas of their lifestyle and relationships[37].

Generation Z is currently a developing group in relation to tourism, with many just reaching the age at which they will take their first independent trip. Gen Z will be a major force in the tourism market and labour force by the end of the forecast period, ranging between the ages of 30 and 45. By as early as 2020, this demographic group will make up the largest share of the global population at 2.6 billion, projected to overtake Millennials who are estimated will number 2.3 billion[38]. Gen Z therefore represents behaviours of an upcoming generation of tourists that the market will have to adapt to:

- As digital integrators, the Internet will play a fundamental role in how they access, navigate and interact with different tourism products and services compared to previous generations, having grown up with the quick and direct access to information enabled by digital technology.
- They are also more likely to travel independently compared to past generations and be open to temporarily accessing or renting products or services, such as modes of transport or accommodation, rather than owning them outright.
- Spending patterns within Gen Z differ with Millennials with Gen Z having grown up in a recession and subject to higher tuition fees at university, this group is more conscious of saving and consumption than the millennial generation.
- On average Gen-Z is the most demanding demographic group in terms of access to services. A third (33%) of this 'on demand' generation expect 24-hour services, compared to a quarter (25%) of millennials (25-34 year olds) and just 19% of 35-44 year olds. Over a third (34%) of working Gen Zs

[36] https://blog.sprinklr.com/hilton-hyatt-marriott-customer-experiences/
[37] http://corporate.cms-horwathhtl.com/wp-content/uploads/sites/2/2015/12/Tourism-Mega-Trends4.pdf
[38] Weinswig, 2016

explained the reason behind their demand for "out of hours" services as due to long working hours, compared to 30% of millennials (25-34 year olds) and 20% of 45-54 year olds[39].

- While the appetite for risk-taking may decline as Gen Z approaches the end of the forecast period, it is likely that this preference will be taken up by following generations.

*Implications for Llandudno*

- **Accommodation** – Similar trends observed with millennials are expected to be in play when it comes to Gen Z – such as a focus on interaction, convenience and value within the accommodation offer. Accommodation providers will need further integration of technology such as smart TVs, digital room keys and custom mobile loyalty programs[40]. The focus on a "localised" experience is also expected to see accommodation providers to provide signature experiences tied to the local environment and an avoidance of a homogenous accommodation offer, with customisation and personalisation of service becoming more and more important. With Gen Z more open to temporarily renting accommodation, self-catering and serviced offers will increase in importance, such as through intermediaries e.g. Airbnb.
- **Marketing** – Generation Z is expecting real time information, short, yet powerful messages mostly sent via pictures, videos and channels that allow them to interact, co-create and share information. In order to market offers to Generation Z, providers in Llandudno will need to tell their story across multiple platforms, present their values, tease them, talk their language, respect their opinion and allow them to interact and co-create. Companies will also need to demonstrate an alignment with values shared amongst this generation such as sustainability and being socially responsible.
- **Digitalisation** – As well as strategic planning, in order to win Gen Z over companies will have to become more agile and better understand their personalities.
- **Retail** – with the rise of online shopping to attract Gen Z to the high street requires a focus on ensuring a shopping "experience" is offered, through uniqueness, in-store events, personalisation and good-looking stores. Gen Z look forward to in-store shopping and the lure of instant gratification is still strong within this group[41]. However, there is an emerging trend towards buying less, buying authentic and buying better which suggests certain sections of the retail market may need to adapt in light of this.

## 4.2 Wider Trends

In addition to the future trends identified through the analysis of different demographic groups, a number of broader trends are expected to impact tourism both positively and negatively over the forecast period.

### Transport

Transport is an essential component of a destinations' tourism offer. The location, capacity, efficiency and connectivity of transport can play a significant role in how a destination physically develops, influencing the mobility of visitors and the connectivity of tourist experiences within destinations. If transport and tourism development strategies are not well synchronised, destinations may not be able to accommodate actual or potential visitor numbers and flows, and mobility around the destination will be restricted, potentially decreasing the quality of visitor experiences[42]. For instance, anecdotal evidence suggests that traffic jams on the A494 at Deeside and its connection to the A55 cause significant disruption to visitors coming into North Wales from the M56. Moreover during major events access into Llandudno is primarily via the A470 and A546 which can easily block up requiring proactive management from the North and Mid Wales Trunk Road Agent and CCBC.

Travel mobility will be affected by a range of internal and external factors over the next 20-25 years, presenting opportunities and challenges for destinations. Growth in visitor numbers, transport innovations and access infrastructure are just some of the issues likely to affect the movement of people.

The majority of visitors to Llandudno arrive by car. However, in recent years the trend has been for fewer adults to drive. Driving licensing among young people peaked in 1992/4, with 48% of 17-20 year olds and 75% of 21-29 year olds holding a driving licence. By 2014, driving licence holding had fallen to 29% of 17- 20 year olds and 63% of 21-29 year olds. This change has been driven by increasing urbanisation, declining home ownership and

[39] https://londonlovesbusiness.com/flexible-workers-are-calling-time-on-traditional-hospitality-and-leisure-hours/
[40] https://www.originoutside.com/insights/theyre-coming-hotels-for-generation-z
[41] https://fashionunited.uk/news/business/what-do-millennials-and-generation-z-consumers-want-from-retailers/2018060730094
[42] https://www.oecd-ilibrary.org/docserver/5js4vmp5n5r8-en.pdf?expires=1538733928&id=id&accname=guest&checksum=F690119AB475105BB9B51579896768E4

the socio-economic conditions faced by young people such as increased higher education participation, rise of lower paid, less secure jobs and decline in disposable income[43]. While it is expected that car ownership amongst young people will increase with age – mainly for those in secure, full-time jobs – many will have become accustomed to a lifestyle in which private car use is less central than it has been for previous generations, resulting in significant differences in travel behaviour throughout their lives.

This is likely to result in a shift towards new options such as car clubs/shared mobility, while greater urbanisation will increase the reliance on public transport for future generations. Furthermore, of the private cars in use, there could be a marked shift towards new technologies. According to National Grid's Future Energy Scenarios[44], there could be 36 million Electric Vehicles on UK roads by 2040, linked to the government's pledge to ban conventional petrol and diesel cars by 2040. This will require the infrastructure in place to support these vehicles and shifting behaviours. According to ZapMap, an online information provider on EV charging points across the UK, there are currently just 4 EV charging points in Llandudno currently[45].

Furthermore, it is anticipated that autonomous vehicles could start to become part of the fabric of our lives in the next 10-years or so, with some suggestions that auto-cars will become more mainstream from around 2027. Should this be achieved, there is a sense that there could be a move away from car ownership to purchasing 'travel services on demand'. In this respect, an auto-car could be hired for an hour, day, weekend, week or simply for a specific journey. Despite car travel being at the very crux of domestic tourism, there is very little analysis on how auto-cars may impact upon tourism destinations. Yet, instinctively it feels that auto-cars will have implications not only for how people will travel to destinations (with the potential option of overnight 'sleeping' journeys rather than hotel potential stops on longer journeys), but also in the way visitors interact and explore a destination such as through autonomous sightseeing tours.

With the ageing population and tourist base in Llandudno, seamless transport to and within destinations is a strategic issue that will increasingly need to be addressed. Tourism-related infrastructure and information provision will need to be carefully designed and operated in Llandudno in order to cater for a greater number of customers with reduced mobility and limited communications abilities, in order to help tourists confidently navigate their way around the town.

**Work Life Balance**

There has been a distinct shift in the work-life balance in the last 10-15 years as more and more people seek changes in work patterns in order to better meet other demands on time. Some 4 million workers worked from home on a regular basis in 2015, up 800,000 from the previous year[46]. The rise of flexible working has been hastened by new and mobile technologies which mean that people are able to work whilst on the move or from other locations, particularly amongst younger and more entrepreneurial workers. Moreover, the traditional 9am-5pm working day is very much gone with just 6% of people in the UK now said to be working such hours[47]. Instead, 8am-4pm and even 7am-3pm are preferred, particularly for parents with younger children; or people are working 10-12 hours per day in order to accumulate a day's flexi-leave more quickly.

These shifting working practices mean that it is possible for employees to build in additional time for leisure pursuits. Importantly here, this time is in addition to their annual holiday entitlement, which means that it represents new leisure time.

Overall, it is younger workers group that are leading the charge for greater flexibility in working patterns. This is not expected to lessen as they enter mid-life or older age. In fact, as a group they are expected to demand more flexibility due to growing demands of shared parental duties, for example; and will expect trade-offs for potentially working until later in life than their predecessors. This is reflected by recent calls from the Trades Union Congress for a 4 day working week[48].

All of this suggests that more time will be dedicated to leisure time, both for personal rewards and sharing time with family and friends. This in turn could result in more day trips and short breaks, but as above these breaks will need to have a purpose. It is here that destinations such as Llandudno will need to examine its offer to determine whether it fits with this type of growing need. Furthermore, the rise of digital nomad workers suggests the

[43] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/673177/young-peoples-travel-whats-changed-exec-summary.pdf
[44] http://fes.nationalgrid.com/
[45] https://www.zap-map.com/live/
[46] https://www.personneltoday.com/hr/one-seven-now-working-home/
[47] https://www.bbc.co.uk/news/business-45253060
[48] https://www.tuc.org.uk/news/tuc-calls-new-tech-pave-way-shorter-working-week-and-higher-pay

availability of free Wi-Fi and mobile connectivity within establishments such as hotels, cafes, public libraries and the public realm will be of benefit to flexible workers.

**Technology**

The rise of technology and its influence on tourism is expected to continue over the forecast period. Technological innovations could, either radically or incrementally, alter the tourism experience, how people work within the sector, and raise questions about how to best manage these transitions.

In the short term, providers will have to get "smarter" to adapt to the changing requirements of visitors. This can range from having an online presence, allowing online check-in and check-out (66% of domestic visitors would choose one hotel over another if they could choose their room beforehand) through to resorts or attractions having apps or filters. Destinations will also have to contend with the rise of the sharing economy which is disrupting the tourism ecosystem, particularly in the market for accommodation (Airbnb), which can present a challenge for traditional providers of accommodation.

In the longer term, a number of trends promise to unlock more opportunities and make travel more affordable, efficient and accessible to many people:

**Internet of Things** – The internet of things (IoT) is the network of physical objects, devices, vehicles, buildings and other items—embedded with electronics, software, sensors, and network connectivity that enables these objects to collect and exchange data. This has had a number of influences within the tourism industry in terms of the tourism product such as enabling smartphones as room keys, providing tourism mobile apps and allowing the control of hotel room temperature through smart devices create a more homely feel for guests who in turn are more likely to return[49]. Tourists can identify local attractions or restaurants that suit them, and the acquisition of data enables tailored recommendations to be made to guests, improving the quality of service[50].

IoT will allow companies to utilise data analytics to better understand their customers' needs and to design tourism products that match the customers' needs achieving higher customer satisfaction. With new generations of tourists characterised as having reduced levels of loyalty, this will be increasingly important to attract repeat visits. Furthermore, big data analysis helps to improve business efficiency, improve customer service and make cost savings resulting in a higher quality, value for money experience which has been identified as priority for the majority of domestic visitors when choosing a holiday destination.

**Virtual and Augmented Reality** – Tourism is one of the few purchases that people make based upon information alone, with a holiday or a visit based upon one's own judgement of the information they receive. Therefore, there is always an element of risk associated with tourism decisions. Virtual reality (VR) offers a means through which some of this risk can be minimised by allowing consumers to better see, hear and even 'feel' experiences within a destination. Users could 'walk around' a potential hotel room or an attraction; experience a trip on a 'zip-wire', or snowboard down a mountain; but without the need to leave their own house. VR can also bring lost history back to life by offering a means of travelling back in time so that users gain better insight into the society and lifestyles of bygone eras.

Augmented reality (AR) is also a technology with great potential from a tourism perspective. AR is already being integrated into walking trails/OS mapping to great effect[51], with key data available on trails/routes, distances, and heights and so on simply by looking at the landscape through a mobile device. Similarly, locations are becoming easier to navigate through the use of AR, with Lonely Planet having developed a series of City Guides that incorporate AR.

**Artificial Intelligence** – Artificial Intelligence (AI) is another technological development that is expected to evolve significantly over the next 10-years and beyond. Conversational AI is already entering consumer homes, with voice user interfaces (VUI's) like Google Home, Amazon's Alexa and Apple's Siri becoming increasingly sophisticated in their ability to support lifestyles. This can include setting reminders, devising shopping lists, managing home systems (e.g. heating, lighting, TV, etc.) and even making purchases.

As the technology develops, it is expected that AI will eventually have a physical form in the style of robots. These robots are expected to be able to perform certain 'tasks', including performing key functions at hotels, restaurants and attractions. The Henn na Hotel in Japan has already taken this step. The hotel opened in 2015 and has AI providing the Check-in experience, luggage transfers to rooms, and luggage storage functions. Face

[49] https://www.cabdirect.org/cabdirect/abstract/20173162331
[50] http://www.ijrter.com/papers/volume-2/issue-4/internet-of-things-to-promote-tourism-an-insight-into-smart-tourism.pdf
[51] https://www.ordnancesurvey.co.uk/blog/2017/10/bringing-augmented-reality-os-maps/

recognition also allows access to rooms for keyless entry[52]. AI is also anticipated to enter other aspects of technology, including smart phones. Indeed, there has been the suggestion that AI could revolutionise mobile devices as we know it, with the prospect of having forms of wearable tech (e.g. watches and glasses) that users can converse with to help manage their lives. Coupled with algorithms that analyse behaviours and preferences, it is conceived that AI will be able to book a preferred type of hotel, a flight or even a holiday based on a few voice commands.

As technology develops and becomes more integrated it is anticipated that technology could be used to almost shape entirely our day trips, holidays and short breaks. For instance, it is conceivable that:

- AI could indicate that a holiday or short break is needed, perhaps even based upon recorded daily medical data such as stress, heart rates and breathing or because it recognises an anniversary or special event;
- AI will make suggestions of destinations based upon known preferences, and commands such as ‘short break’, ‘city break’, ‘family holiday in the sun’, and so on;
- VR will provide a means of getting to know and exploring the destination before arrival;
- AR will give a richer and deeper sense of information on the culture, history and things to do and see once at the destination;
- AI will help identify the most rewarding experiences that a destination will have to offer; and
- AI will help make stays in accommodation easier and more comfortable.

Therefore a fundamental question for any destination, including Llandudno, will be how ‘aware’ AI will be of the destination. Is Llandudno being ‘seen’ in the digital world and how can this be better managed?

Another key question relates to how is tech ready Llandudno is. Is it smartphone compatible? Are there any data coverage black spots? Does VR exist to help promote and add a deeper sense of place understanding to potential visitors? Is VR or AR adaptable/useable for attractions to provide a multi-sensory experience? Is AR available to help visitors better navigate Llandudno?

Some parts of this technological future are expected to become an integrated part of the tourism sector; however the level of technology in each company will depend largely on its strategy and positioning. For companies in Llandudno, there will be challenges like selecting the appropriate technology for the guest, avoiding the pitfalls of using technology just for the sake of it. However, with many local providers in Llandudno being small-scale they potentially lack the time and knowledge to adapt while continuing to operate, while sufficient coverage and quality of broadband and mobile networks is also required. Technological adaptations will be an important factor when looking to attract new visitors to Llandudno, particularly from younger age brackets.

**Activities**

As noted in the demographic analysis, experiences and activities are increasingly important aspects of a visit. A report completed by Sport England, Getting Active Outdoors, examines the current and future participation in outdoor sport and recreation in England. Given the fact that 84% of domestic tourism to Wales comes from England; it is proposed that the following information will be of relevance in order to understand the activity-related trends affecting the tourism market.

- ‘Lifestyle sports’ (e.g. mountain and road biking, kite surfing, surfing, windsurfing, rafting, high ropes, bmx, mountaineering, hill/strenuous walking and canoeing/kayaking) are appealing to those keen to participate in some form of activity in the near future (i.e. next 12-months);
- Lifestyle sports have a narrow grouping currently (15-34 years in age; mainly male; and single without children), but the demographics are broadening with this set to continue;
- Younger people will increasingly be attracted to activities that allow them to interact and spend quality time with friends. These activities need to be simple to organize, appealing, accessible, and in interesting settings.
- There is a growth in micro and local urban adventure activities, with climbing walls and skateboard parks (outdoor free and indoor commercial). A combination of fun exercise and challenge means that these facilities are considered an alternative going to the gym.

[52] http://www.h-n-h.jp/en/concept/

- Combining activities is likely to become increasingly important. For instance, research suggests that there are some key ‘gateway activities’ that lead to other forms of activity. For instance, hill walking/rambling is likely to be combined with mountain biking, camping, and outdoor swimming. However, those doing a specific watersport (e.g. surfing or sailing) do not tend to mix with other watersports.

While Llandudno is not currently renowned as an activity orientated destination that is not to say that the town does not have any activity assets. There are a series of walking and cycling trails around the Great Orme and it is also possible to do some downhill skiing, snowboarding, tobogganing and snow-tubing at the Llandudno Snowsports Centre. More fundamentally, Llandudno is directly connected to the Irish Sea, providing access to various watersports and activities, such as open water swimming, kayaking, kite surfing and land yachting, while it is also on the outskirts of the Snowdonia National Park, the fourth highest of the UK National Parks in terms of levels of economic impact due to tourism activities (£475.69m in 2015[53]). Attracting the activities market is a key focus for the National Park, and one that will continue in the longer term (i.e. 10-20 years). There are also wider attractions such as Surf Snowdonia, Zip World Fforest and watersports provision at Colwyn Bay.

However, despite this backdrop, Llandudno itself has not emerged as an activities hub; neither for watersports enthusiasts in the same way that Weymouth is for the south coast of England; nor has it established itself as a gateway or hub for Snowdonia in the same way as Buxton, Matlock or Ashbourne (none of which are within the National Park border) have for the Peak District. It is clear that Llandudno has this potential, and that the core ingredients – accommodation, entertainment, transport, and attractions – are seemingly in place to support the activities sectors. The biggest barrier is one of perception, both from within the business sectors and from the wider activities market that are yet to visualise Llandudno in this manner.

From the mass market appeal of walking, to the ever-growing number of niche interests that will command significant time and monetary investment, the activities sector will remain at the very heart of experiential tourism. More than this, it lends itself to next stage of experiential tourism, ‘achievement tourism’ whereby the purpose of a holiday is to achieve a goal or pursue an interest never previously fulfilled. Given Llandudno’s position, targeting the broader activities market – for a combination of different activities – should be a priority for the overall tourism vision for the town, with the activities sector very much at the heart of future tourism development over the forecast period.

### 4.3 Summary

- Certain existing trends, such as the rise of activity and experience-focused travel, technology’s role in choosing destinations and multigenerational holidays are expected to continue and strengthen into the forecast period.
- Demographic change, and the ageing population, suggests that destinations will have to retain a focus on their accessibility and the support offered as older generations become more active and adapt to the use of technology.
- There is an increasing focus on socialisation amongst visitors, driven by the rise of single and independent travellers, and the desire for a “local” experience.
- The economic insecurity affecting the current millennials and the loss of more lucrative pension schemes suggests less affluence amongst future generations. Flexibility will be key to adapt to changing attitudes towards cost, with current indications suggesting a shift to more cost effective accommodation options and allocating more expenditure towards experiences.
- The increasing role of technology within the tourism infrastructure will lead to the integration of new technologies such as AR/VR and the expectation of convenience/on-demand services. The rise of AI and the Internet of Things suggests that more effective targeting of tourists will be possible for proactive destinations.
- Shifting work practices and increased flexibility suggest that more time will be dedicated to leisure time in the future. This in turn could result in more day trips and short breaks
- These trends are set to have a fundamental impact on the tourism sector in Llandudno and other markets. Much of the future performance within the sector will be how appropriately the town adapts to these “new realities” while preserving the drivers of tourism locally – Llandudno’s uniqueness, landscape, heritage and the strength of its key assets such as the quality of Llandudno’s natural

[53] Snowdonia National Park Management Plan – Consultation Document, 2018

environment. The following section will look at the future trajectory of the tourism sector in terms of visitor numbers, economic impact and jobs.

# 5. Forecast Visitors and Economic Impact

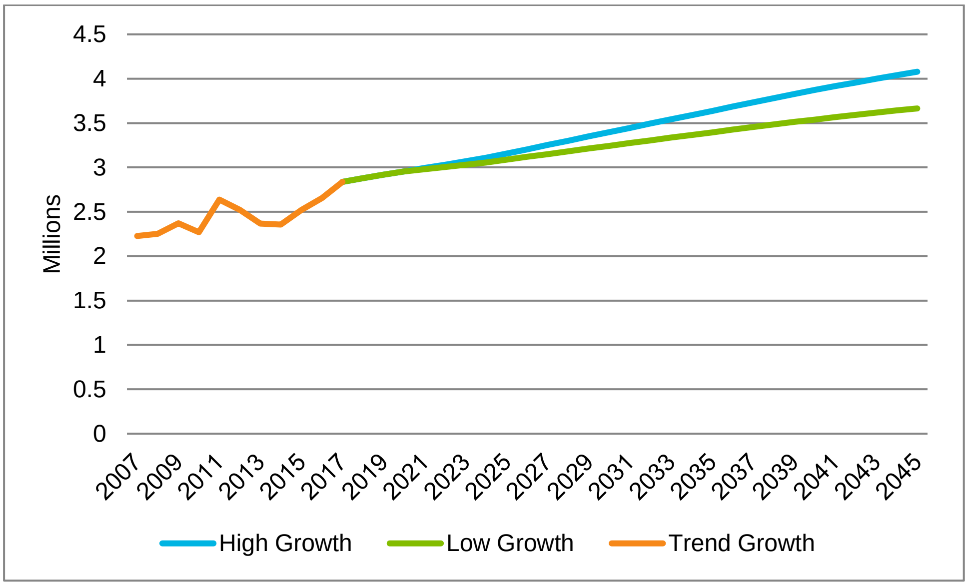
## 5.1 Introduction

This analysis provides projections based on a low growth scenario and a high growth scenario. This is based on the expected levels of growth in the economy and population growth across the UK and how this affects visitor numbers. It should be noted that this analysis does not model in any shocks which may occur, for instance the impact that a hard Brexit outcome might have on tourism numbers or likelihood of future economic recessions. Nor does it take into account capacity constraints within Llandudno and its ability to accommodate visitors – as such it assumes that this is the potential growth in the tourism market should Llandudno adapt accordingly.

Alongside the data presented below, an economic modelling tool will be distributed to CCBC as part of this commission to be used to inform future masterplanning activities.

## 5.2 Forecast Day Visitor Numbers

Figure 12. Forecast Day Visitors in Llandudno




Over the past ten years, day visitor numbers to Llandudno have risen from 2.23 million to 2.84 million, based on assumptions made in relation to County-level data[54], with a particularly strong performance in 2009, likely linked to a rise in domestic day trips as a result of the recession, and strong performance between 2013 and 2015 as the economy strengthened over this time period.

Table 6. Day Visitor Growth – High and Low Growth Scenarios

| | High Scenario | | Low Scenario | |
|---|---|---|---|---|
| | Day Visitor Numbers | Growth | Day Visitor Numbers | Growth |
| 2018 | 2.88 | - | 2.88 | - |
| 2023 | 3.07 | 1.29% | 3.03 | 1.11% |
| 2028 | 3.30 | 1.46% | 3.18 | 0.97% |
| 2045 | 4.08 | 1.25% | 3.66 | 0.83% |

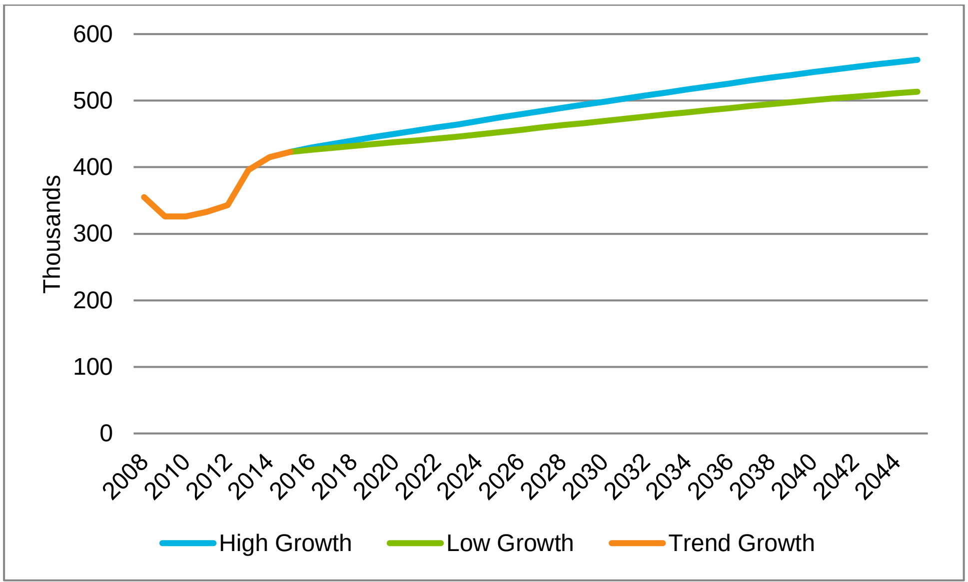
[54] STEAM data is only available at the Conwy County level. The number of day visitors to Llandudno is based on the proportion of overnight visitor trips taken in Llandudno relative to Conwy Borough as recorded in the Great British Tourism Survey, applied to the STEAM day visit figures.

Under the high growth scenario, our analysis suggests that day visitor numbers are set to increase from 2.88 million in 2018 to 3.07 million in 2023, representing average annual growth of 1.29%. Up to 2028 growth is set to accelerate to nearly 1.46% per annum, driven by population change, with annual day visitor numbers reaching 3.30 million. Day visitors are set to reach 4.08 million by 2045.

The low growth scenario sees day visitors increase from 2.88 million in 2018 to 3.03 million in 2023, representing average annual growth of 1.11%. By 2045, the annual number day visitors to Llandudno is forecast to reach 3.66 million.

### 5.3 Forecast Overnight Trips

**Figure 13. Forecast Overnight Trips to Llandudno**




Recent years have also seen significant growth in the number of overnight trips taken to Llandudno, rising from 355,000 in 2008 to 423,000 in 2015. Whereas day visitor number saw an increase during the recession, the number of overnight trips increased markedly as the economy recovered, with a significant rise of 15.5% between 2012 and 2013.

**Table 7. Overnight Trips Growth – High and Low Growth Scenarios**

| | High Scenario | | Low Scenario | |
|---|---|---|---|---|
| | Overnight Visitor Trips | Growth | Overnight Visitor Trips | Growth |
| 2018 | 440,289 | - | 431,986 | - |
| 2023 | 464,295 | 1.07% | 445,951 | 0.64% |
| 2028 | 489,029 | 1.04% | 462,918 | 0.75% |
| 2045 | 561,339 | 0.81% | 513,415 | 0.61% |

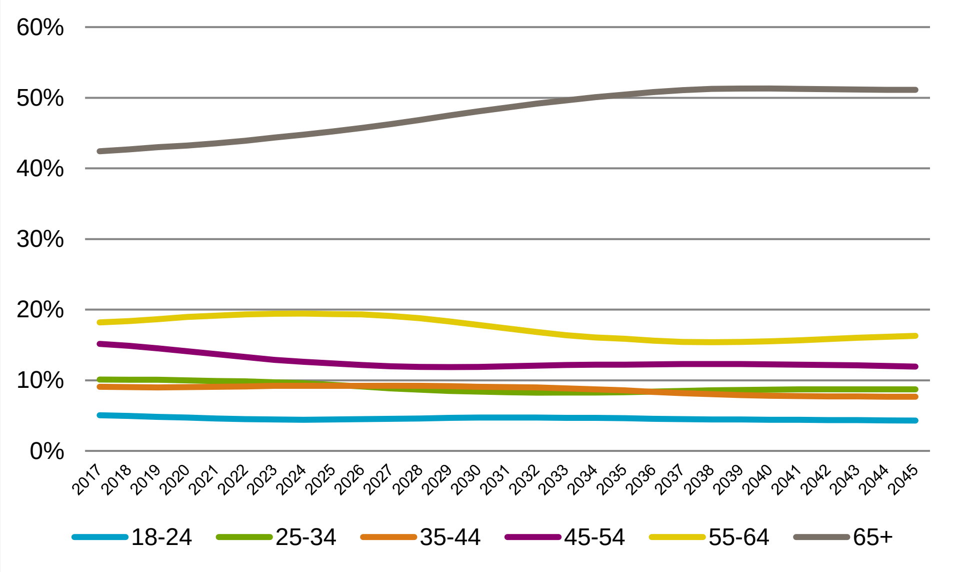
The high growth scenario suggests that the number of overnight trips taken to Llandudno is set to rise from 440,289 in 2018 to 464,295 in 2023, representing modest growth of 1.07% per annum. During the 5-year period between 2023 and 2028, growth is set to be maintained at 1.04% per annum with overnight trips reaching 489,029, owing to robust economic growth forecasts and high growth in the 65+ bracket during this period. Growth is then expected to moderate slightly, with overnight visitor numbers reaching 561,339 by 2045.

Under the low growth scenario overnight trips are forecast to rise from 431,986 in 2018 to 445,951 in 2023, representing growth of 0.64% per annum. The total number of overnight trips is forecast to reach 513,415 by 2045, 90,415 more than registered in 2015.

However, the number of overnight trips is subject to significant fluctuations depending on investment in the accommodation stock. For instance, an investment to bring a branded hotel to support the conference market in Llandudno could result in a large rise in business tourists, should demand within the conferencing and events sector be sufficient.

## 5.4 Forecast Visitor Demographic

Figure 14. Forecast Change in Visitor Profile in Llandudno




The visitor profile of Llandudno is dominated by the 65+ demographic, which accounted for 42.4% of visitors in 2017. Population projections suggest that this demographic will register significant growth over the next 25 years, growing at an average of 1.56% per annum across the UK compared with 0.4% across all ages.

Table 8. Change in Visitor Profile 2018 to 2045

| | 2018 | 2023 | 2028 | 2045 |
|---|---|---|---|---|
| 18-24 | 4.9% | 4.4% | 4.6% | 4.3% |
| 25-34 | 10.1% | 9.7% | 8.7% | 8.7% |
| 35-44 | 9.0% | 9.2% | 9.2% | 7.7% |
| 45-54 | 14.9% | 12.9% | 11.9% | 12.1% |
| 55-64 | 18.4% | 19.4% | 18.8% | 16.0% |
| 65+ | 42.7% | 44.3% | 46.9% | 51.1% |

Looking at population projections across the home locations of visitors to Llandudno suggests that this demographic will increase in its importance, rising from 42.7% in 2018 to 44.3% by 2023. Should the visitor profile develop in line with demographic change the proportion of 65+ visitors could rise to 51.1% by 2045. The 55-64 age bracket is forecast to increase in the short to medium term, rising from 18.4% of visitors in 2018 to 18.8% in 2028 before falling back to 16.0% in 2045. A similar trend is evident in the 35 – 44 age bracket, rising as a proportion between 2018 and 2028 before falling back by 2045.

Conversely, current projections suggest that the 18-24, 25-34 and 45-54 age brackets are set to fall in the proportion of visitors to Llandudno that these age brackets account for. However, with visitor numbers set to increase over this period the absolute number of visitors from these age brackets is set to increase.

## 5.5 Forecast Spending Profile

Table 9. Forecast Expenditure Profile for Day Visitors by Age Bracket

| Age | High Scenario | | | | Low Scenario | | | |
|---|---|---|---|---|---|---|---|---|
| | 2018 | 2023 | 2028 | 2045 | 2018 | 2023 | 2028 | 2045 |
| 18-24 | £26 | £28 | £29 | £34 | £26 | £27 | £28 | £31 |
| 25-34 | £39 | £41 | £44 | £51 | £39 | £40 | £42 | £47 |
| 35-44 | £39 | £41 | £44 | £52 | £39 | £40 | £42 | £47 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **45-54** | £39 | £41 | £43 | £51 | £38 | £40 | £42 | £47 |
| **55-64** | £34 | £36 | £39 | £45 | £34 | £35 | £37 | £41 |
| **65+** | £30 | £31 | £33 | £39 | £30 | £31 | £32 | £36 |

The forecast spending profile for day visitors suggests a mixed picture for Llandudno. On the one hand, the town attracts a relatively small proportion of visitors (4.9%) from the 18-24 demographic, which has the lowest spend of any group, and a sizeable proportion (14.9%) within the 45-54 demographic which has the highest average spend (£39). However the 65+ demographic, which accounts for 42.7% of all visitors to Llandudno, has the second lowest average expenditure. This analysis suggests a shift away from day visitors in the 65+ demographic towards the 45-54 and 55-54 age bracket would be beneficial for Llandudno, as it would to attract the couples and young families market, which is likely to fall within the 25-34 and 35-44 age brackets.

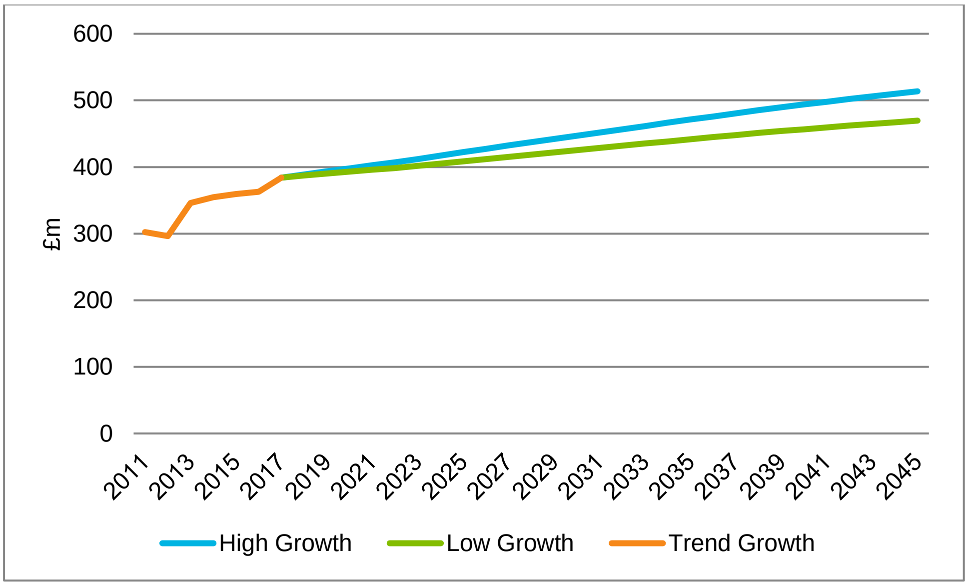
**Table 10. Forecast Expenditure Profile for Overnight Trips by Age Bracket**

| Age | High Scenario | | | | Low Scenario | | | |
|---|---|---|---|---|---|---|---|---|
| | 2018 | 2023 | 2028 | 2045 | 2018 | 2023 | 2028 | 2045 |
| **18-24** | £183 | £194 | £206 | £242 | £182 | £189 | £197 | £221 |
| **25-34** | £195 | £207 | £219 | £258 | £194 | £202 | £210 | £236 |
| **35-44** | £176 | £187 | £198 | £233 | £176 | £182 | £190 | £213 |
| **45-54** | £214 | £227 | £240 | £283 | £213 | £221 | £230 | £258 |
| **55-64** | £218 | £231 | £245 | £288 | £217 | £225 | £235 | £264 |
| **65+** | £201 | £213 | £226 | £266 | £200 | £208 | £216 | £243 |

Looking at the per trip spending profile by age, a positive trend is apparent for Llandudno, with the 55-64 and 65+ age brackets amongst the highest spend per trip of all age groups. Under the high scenario, spend per trip is forecast to rise to £284 for the 55-64 age bracket and £262 for the 65+ age bracket. The 16-24, 25-34 and 45-54 age brackets also have high average expenditure per trip, suggesting the couples market may be a lucrative area to continue focusing on for Llandudno.

### 5.6 Forecast Economic Impact

**Figure 15. Forecast Economic Impact of Tourism in Llandudno**

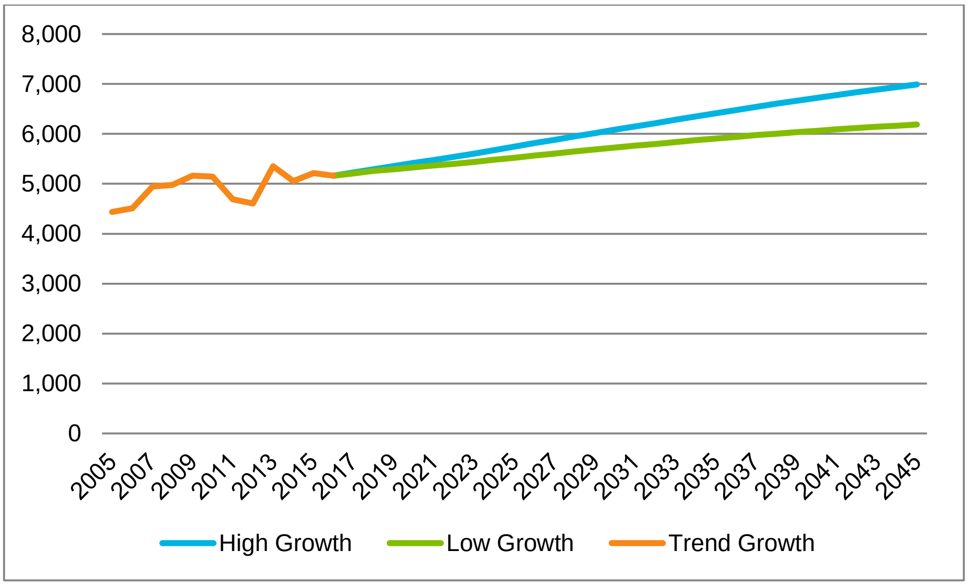



The economic impact of tourism in Llandudno was £384 million in 2017. Under the high growth scenario this is forecast to rise to £411.8 million by 2023, averaging growth of 1.17% per annum. Over the next 5 years to 2028, growth is set to increase to 1.20%, with the economic impact increasing to £437.2 million. Up to 2045, growth is expected to moderate slightly with the fall in growth of the 55+ population, with the economic impact coming in at £513.6 million – an increase of £129.6 million on the economic impact registered in 2017.

Under the low growth scenario, growth is set to rise to £401.7 million by 2023, growth of 0.75% per annum. This growth will increase slightly up to 2028, when the economic impact will reach £418.7 million. Growth will then average 0.7% up to 2045, when the economic impact will total £469.6 million. This would still represent an increase of £85.6 million on the economic impact of tourism in Llandudno in 2017.

### 5.7 Forecast Job Numbers

**Figure 16. Forecast Tourism Jobs in Llandudno**




The job forecasts under the high and low scenarios differ more markedly than the economic growth forecasts owing to the role of technology on job creation within the tourism industry. Under the high growth scenario, job numbers rise in line with the economic impact of Llandudno's tourism industry, as has been the case in Llandudno's recent performance. As such, job numbers rise from 5,291 in 2018 to 5,605 in 2023, growth of 1.2%. By 2045 job figures would reach 6,990, and increase of 32.1% on 2018 levels.

Under the low growth scenario, technology is assumed to play a more pervasive role in the tourism jobs market. This is already been seen in the accommodation sector, through virtual check-ins, and the attraction and food and drink sectors through virtual ordering/ticketing, which reduces the need for workers to undertake certain tasks. Furthermore, with retail becoming increasingly focused online, the role of the retail sector in driving jobs is also likely to reduce. By 2045, the low scenario sees tourism employment rise to 6,188 which is still a significant increase on 2018 levels.

### 5.8 Alternative Scenarios for Economic Growth

As noted in the forecast spending profile section, the demographic profile of visitors to Llandudno can have a marked impact on the economic impact of tourism on the local area through the expenditure that these demographic groups generate. To demonstrate this, an alternative scenario is presented below in which the visitor demographic shifts slightly from the 65+ age bracket to more visitors from the 55-64 age bracket. Otherwise, the visitor profile remains similar to that recorded in Llandudno in 2017.

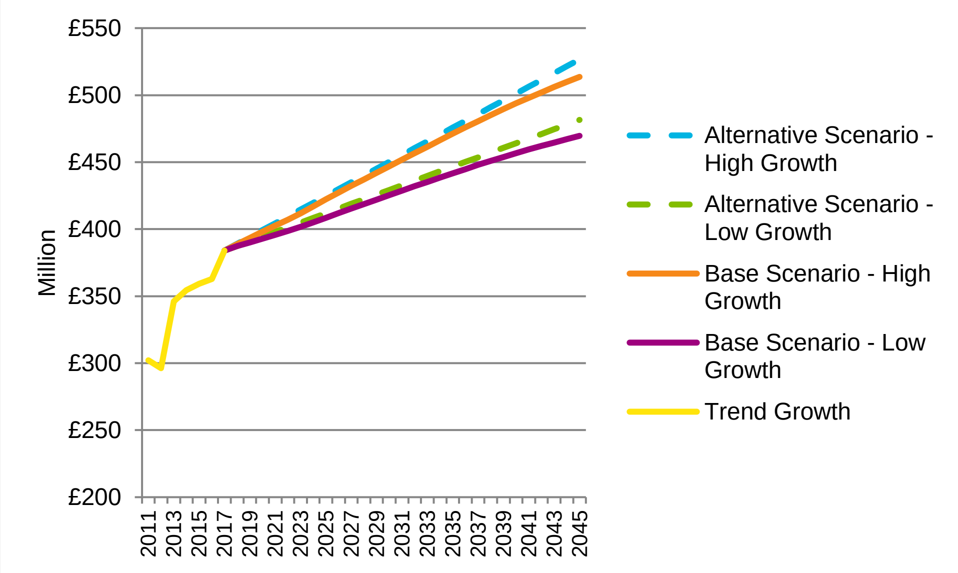
**Table 11. Base vs. alternative demographic profile**

| | Base Scenario | Alternative Scenario |
|---|---|---|
| 18-24 | 5% | 5% |
| 25-34 | 10% | 10% |
| 35-44 | 9% | 10% |
| 45-54 | 15% | 15% |
| 55-64 | 18% | 25% |
| 65+ | 42% | 35% |

The alternative scenario shows that a shift away from the 65+ demographic towards the 55-64 bracket would increase the economic impact of tourism, driven by the higher average spend by day and overnight visitors in the this demographic. Assuming a gradual shift to this new demographic under the alternative scenario:

- High Scenario – economic impact would increase to £526.6 million by 2045 compared with £513.6 million under base scenario.
- Low scenario – economic impact would increase to £481.5 million by 2045 compared with £469.6 million under base scenario.

**Figure 17. Llandudno Forecast Economic Impact – Alternative Age Profile**




The life stage profile of visitors to Llandudno can also have a marked impact on the economic impact of tourism on the local area through the expenditure that these categories of visitors generate. An alternative scenario is presented below in which the visitor life stage profile shifts away from the singles market with more visitors being in the couples and family with young children categories.

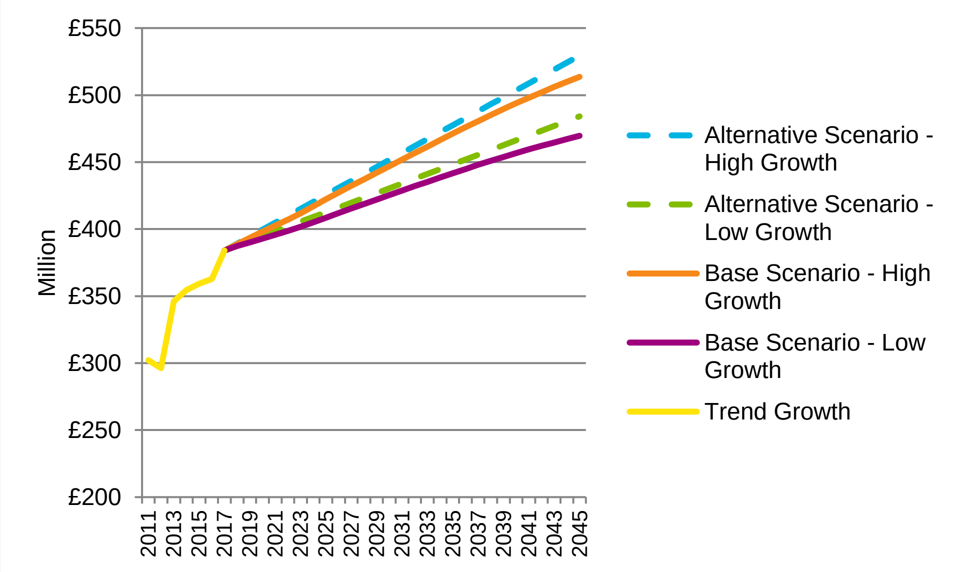
**Table 12. Base vs. alternative life stage profile**

| | Base Scenario | Alternative Scenario |
|---|---|---|
| Single | 24% | 10% |
| Couple | 65% | 70% |
| Family with young children | 7% | 15% |
| Family with older children | 4% | 5% |

The alternative scenario shows that a shift away from singles towards coupes and families with young children would increase the economic impact of tourism, driven by the higher average spend by day and overnight visitors in this demographic. Assuming a gradual shift to this new demographic under the alternative scenario:

- High Scenario – economic impact would increase to £529.5 million by 2045 compared with £513.6 million under base scenario.
- Low scenario – economic impact would increase to £484.1 million by 2045 compared with £469.6 million under base scenario.

**Figure 18. Llandudno Forecast Economic Impact – Alternative Life Stage Profile**



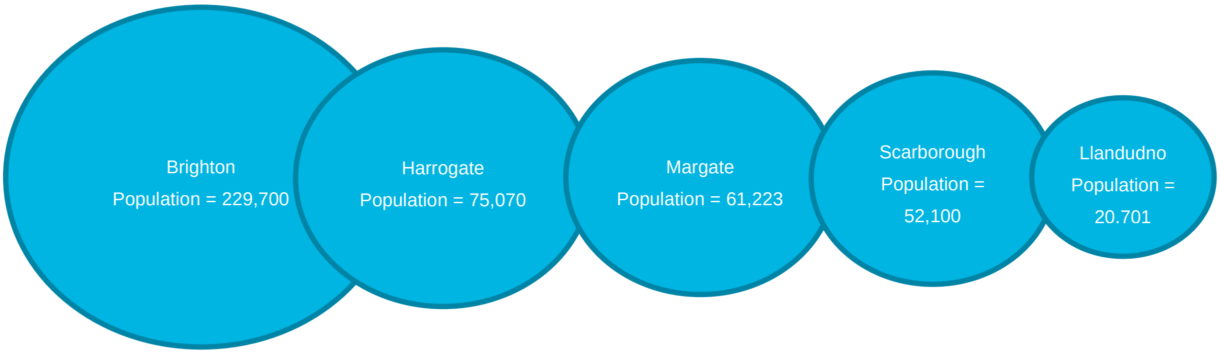

## 5.9 Summary

- Llandudno is well-placed, under the high growth scenario, to continue its current trajectory in terms of increasing visitor numbers and economic impact.
- Under the high growth scenario, day visitor numbers are set to increase from 2.88 million in 2018 to 4.08 million in 2045.
- The number of overnight trips taken to Llandudno is set to rise from 440,289 in 2018 to 561,339 by 2045
- The economic impact of tourism in Llandudno is expected to rise from £388.8 million in 2018 to £513.6 million in 2045.
- The conditions likely to impact the jobs market suggest that growth may be more muted in terms of employment.
- Demographic change suggests the 65+ age bracket could account for over 50% of visitors to Llandudno by 2045.
- However, caution is urged in the interpretation of the forecast figures. A narrow analysis could suggest that a focus on the 55-64 and 65+ demographic groups would bear fruit for Llandudno, which would be the case in the short term. However, such a narrow focus would not take into account the need to ensure a pipeline of visitors, by encouraging visits from the younger generation which – while loyalty is generally decreasing – may be repeated in later stages of life.
- Furthermore, older generations are increasingly viewed as “forever young”. Should Llandudno be defined as a destination for older generations, this could have a negative impact on attracting the agile, active older generations in the future.

# 6. Comparator Assessment

## 6.1 Introduction

Within this section, we undertake an assessment of comparator tourism destinations and how these compare and contrast with Llandudno. Comparator locations chosen are:




These locations were chosen to provide a spread of locations based on their individual characteristics and the development of their tourism offer.

**Table 13. Summary of strengths and weaknesses of Llandudno relative to comparators**

| Strengths | Weaknesses |
|---|---|
| Venue Cymru provides a large-scale venue and presence in the entertainment space which allows Llandudno to punch above its weight in attracting acts/conferences | Indoor attractions. Gaps relative to other destinations include: sealife centre; viewing pod; large scale gallery; breadth of museums and cultural attractions; water park; casino. |
| Proximity and accessibility of attractions, retail, food and drink and accommodation | Outdoor attractions. Gaps relative to other destinations include: outdoor theatre; marina; showground; gardens; lido; theme park; zip wire. |
| Great Orme and beaches provide a high quality outdoor environment and broad appeal across generations within a small footprint. | Lack of breadth in events calendar relative to aspirational comparators, particularly a signature event during off-season. Gaps include food and music related events, open air cinema and theatre productions and agricultural shows. |
| Signature events such as the Victorian Extravaganza and Armed Forces Day. | Need for more up-market shops and high quality independents. Lack of an “old town” or quarter with a distinctive character to act as a draw to visitors. |
| Low vacancy rate maintained against difficult operating conditions in the retail market and ability to secure well established brands. | Need for greater quality and range of restaurants. Gaps in growth areas such as locally-produced artisan produce and street food/casual dining. |
| Provision of public amenities generally comparable or better in Llandudno | Lack of a branded hotel and breadth of options (with hotels dominant) within the current accommodation offer. |
| Emphasis on and improvements to the town’s Victorian heritage, such as frontages along the North Shore | Relative lack of high quality accommodation compared to aspirational comparators. |

## 6.2 Brighton

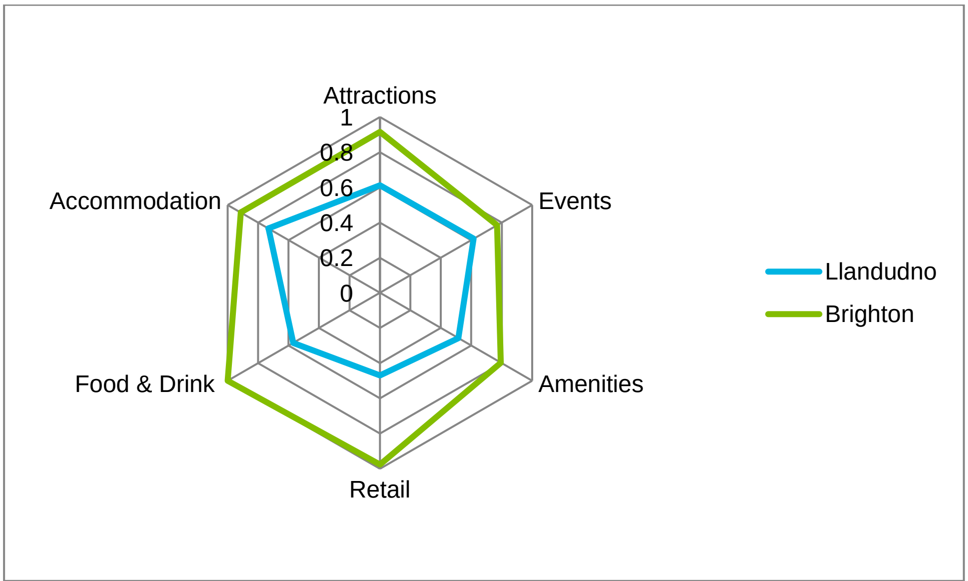
Brighton is a seaside resort located on the South Coast of England. Brighton is both a Regency and Victorian town and, similar to Llandudno, it offers an iconic pier, with its helter skelter and arcade games, and pebble beach.  It therefore offers traditional seaside fun, but has also developed a reputation as a cosmopolitan resort and for its hedonistic night-time culture. It also offers linkages to high-quality outdoor environment through its proximity to the Sussex countryside including the South Downs National Park.

Brighton's development as a tourism resort benefits from its connectivity, with London and its population of 8.2 million residents just a 60 minute train ride from Brighton. It is also only 30 minute train journey from Gatwick Airport which opens it up to the international market. As such, it operates on a different scale to Llandudno, as is evident from its 9,627,000 day visits compared with 2.84 million in Llandudno. Its visitor profile is also significantly different, driven by its proximity to London and its visitor offer, with 29% of visitors aged 55+ compared with 60% in Llandudno according to the latest Tourism Survey in 2017. Just 2% of visitors to Brighton in 2017 were aged 75+.

Furthermore, not only does it benefit from the larger population in close proximity to the City but it also benefits from the greater spending power of its visitors. A day visitor to Brighton spends on average £90.03, significantly higher than £36.89 average across Great Britain[55]. The average total spend for staying visitors, was estimated to be £169.21 per person per night compared with £64 across Great Britain as a whole. This, alongside the town's residents' higher earnings and property prices, puts the town in a different position to Llandudno in terms of its ability to invest in the town, as demonstrated by the £1 billion of investment in the seafront, either underway or in the pipeline.

Brighton's role is therefore as an aspirational comparator, looking at how Llandudno can look to develop to scale-up its offer and attract higher expenditure from visitors, while retaining its appeal as a traditional seaside resort and its Victorian heritage.

**Figure 19. Llandudno vs. Brighton Comparison[56]**




### Attractions

Brighton has a range of paid-for and free attractions which, similar to Llandudno, are based around its key assets of the Pier – which attracts 4.65 million visitors per annum – and Brighton Beach. It also benefits from Brighton Marina, which offers 1,600 serviced pontoon berths a thriving area of residential, retail and leisure uses including an 8 screen cinema and a 26 lane bowling alley. Residential units at Brighton marina are currently on the market for between £100,000 for a studio flat to £1,250,000 for a four bedroom flat. High land values and a buoyant residential market in the South East of England are likely to have been instrumental in its development.

Brighton's key attractions tend to fall within the museums and historic properties category and include the Royal Pavilion, Booth Museum of Natural History, Brighton Museum and Art Gallery, Hove Museum and Art Gallery and Preston Manor. The Royal Pavilion – a former royal residence – is Brighton's most visited paid-for attraction, registering 310,844 visitors in 2017 compared with Llandudno's most visited attraction, the Great Orme Tramway which attracted 196,920 in the same year.

Similar to Llandudno, Brighton is also home to a heritage railway line, albeit on a smaller scale, and a conference and venue space, Brighton Centre. While Brighton Centre is larger, the main auditoriums are similar with Venue

[55] Great Britain Day Visitor Survey
[56] Radar charts are presented for each comparator in the analysis. Each location is scored based on a number of metrics for each theme of: attractions; events; amenities; retail; food and drink; and accommodation. For quantity-based measures, such as public amenities, the resident population and visitor numbers are taken into account to ensure the measure is relative to the destination's size.

Cymru able to seat 800 cabaret style compared with 1,000 in Brighton. Brighton Centre is able to offer a more comprehensive events and conference programme, boosted by its proximity to London (thereby having a significantly larger catchment area) and connectivity, while Venue Cymru offers a wide variety of events, albeit often on a smaller scale or from less established artists.

Recent investments have diversified its attraction offer through investment in the British Airways i360 – a futuristic glass viewing pod from the designers of the London Eye – and the Brighton Zip Wire. As a result, it has a particularly strong cultural offer and increasing breadth of attractions.

While heritage assets are inherent to a place and therefore not replicable, Brighton does offer a range of indoor-based attractions through the breadth of its museum and gallery offer, which covers fine art, the film industry, natural history and contemporary art, as well as the Sealife Centre and i360 while retail assets such as Brighton Lanes act as attractions in themselves. This is an area in which Llandudno could seek to broaden its offer to tourists in the off-peak season or during periods of inclement weather. Furthermore, through the British Airways i360 attraction, Brighton exploits its attractiveness and the views available from the City which also appeals to the Instagram generation, with 40% of millennials considering the level of “Instagrammability” when choosing a destination[57]. The views afforded by the vantage point from the Great Orme lend themselves to a formalised attraction to attract visitors. Brighton Beach also offers a range of activities such as kayaking and stand-up paddle boarding to classic beach sports such as volleyball and Frisbee, which could be an option for the development of the Llandudno’s beaches.

Furthermore in Llandudno, the pier provides the main focus for family fun activities, is largely well used and recent investment has further aided its appeal. However, although visible from the beach, these activities feel somewhat removed from the beachfront and will require the group to venture away from the beach to access – in other words, this is not a seamless experience of the beachfront that can be gained at destinations such as Brighton.

**Events**

The events calendar in Brighton shows a focus on providing a programme of events throughout the year, though there is a distinct rise in May, linked to the main event within Brighton’s event calendar – the Brighton Festival and associated Brighton Fringe which is the largest multi-arts festival in England with a programme of art, theatre, dance, music, literature and family shows. The events calendar builds upon Brighton’s strength as a cultural destination, through the Brighton Festival, Artists’ Open Houses, The Great Escape Music Festival, Brighton Early Music Festival, CineCity and Brighton’s Big Screen. While the viability of music festivals has been called into question in recent years due to lack of demand and a crowded marketplace, open air cinema experiences are popular in the UK, with around 60,000 people annually descend on the screenings at the Royal Botanic Gardens alone[58]. While Llandudno has made forays into this area through Blow Up Cinema[59] at the Ski Slope, there may be space for a more comprehensive programme across other locations in the Town.

There is also a distinct focus upon growth areas such as activity-based events through the Brighton Marathon Weekend, The Grand Brighton Half Marathon, Brighton Music Run, Brighton Triathlon, The Colour Run, Bright10 and the BHF London to Brighton Bike Ride. While the Conwy Half Marathon, Llandudno Colour Run and Gran Fondo Conwy run through or near to Llandudno, there may be more that Llandudno can offer in this regard.

Brighton also focuses on food-related events through the Big Cheese Festival, VegFest UK, Foodies Festival, Vegan Summer Festival, Fiery Food Festival, Oktober Fest. While Conwy Feast takes place within the Borough this may also be a focus area. Indeed, data from Food Festival Finder, a website directory for food festivals, shows that in 2015, 25.4 million people wanted to attend food festivals in the UK, compared to the 30 million people who attended music festivals in 2017[60].

While Llandudno offers large scale events such as Armed Forces Day and the Victorian Extravaganza, the breadth of events by type and date is significantly lower than in Brighton, with Visit Brighton listing 339 events compared with 90 listed by Visit Llandudno[61].

**Amenities**

Amenities in this example relate to the number of public toilets and car parking spaces available within the comparator locations, as well as a look at how the streetscape and public realm is managed in the local area. It

[57] https://www.adweek.com/digital/how-influencers-are-turning-the-business-of-travel-on-its-head/
[58] https://www.economist.com/prospero/2016/08/30/the-unlikely-rise-of-the-british-outdoor-cinema
[59] http://tapemusicandfilm.co.uk/facilities/951-2/
[60] https://www.foodfestivalfinder.co.uk/blogs/201501/uk-food-festival-attendee-infographic
[61] As of 16th August 2018

should be noted that this comparison is strictly based on quantity and therefore does not reflect issues in relation to the location of amenities within Llandudno and the comparators.

In Brighton, there are 37 public toilet facilities maintained by the Local Authority, with a further 21 participants in its community toilet scheme[62]. In Llandudno there are 8 public toilets available with a further 11 offered through the community toilet scheme. Taking into account the resident population and the number of day visitors, Brighton offers a significantly higher number of public toilet facilities than in Llandudno.

Looking at car parking spaces, Brighton offers 2,930 car parking spaces compared with 1,312 in Llandudno[63]. Taking into account the resident population and number of day visitors, the parking provision offered by the Local Authorities is similar in Brighton and Llandudno[64] however Brighton does benefit from better and more frequent public transport linkages with its key markets.

As with many other Local Authorities, Brighton has suffered from reductions in Government grants, which have placed the Council's budgets under pressure. As a result Brighton & Hove City Council has committed to reduced revenue expenditure within the highway preventative and safety maintenance budgets, which fund repair or renewal of essential highway infrastructure including pavements, guard rails, bollards, ironwork and other types of essential street furniture. This is despite just 3% of its residents believing it is acceptable to reduce funding in this area[65]. However, despite this fall in funding, the Council retains a keen focus on the public realm and street scene in the city, with Brighton & Hove's Public Realm Strategy aimed at establishing a coordinated, consistent and high quality approach to all work in the public realm, including the streetscape, for the maximum benefit to residents and attractiveness to visitors. The Council also has Street Scape Design Guidelines[66] which set out standard design and installation specifications for the elements that make up the streetscape (such as street furniture and surface materials) along with the issues that should be considered when choosing and implementing them for anybody involved in the public realm.

**Retail**

Brighton is ranked number 22 in the Harper Dennis Hobbs Retail Vitality Index, which quantifies the retail health of major retail centres across Great Britain. Vitality is measured through a combination of the proportion of up-market shops; the proportion of value-led shops; the vacancy rate, and the proportion of 'undesirable' shops – such as pawnbrokers, money lenders, and bookmakers. These variables are also compared to the demographic composition of the centre's catchment area and a greater score is given to areas whose retail mix is optimally adapted to the local community.  In contrast, Llandudno is raked at 169 in the index[67].

Brighton benefits from a particularly low vacancy rate – which was 4.43% in 2016 – as well as some of the most vibrant retail areas in the UK such as Brighton Lanes and North Laine which are home to a range independent shops and boutiques and London Road, a regenerated area which has recently-opened a covered market for over 50 of Brighton's local producers and creators, focusing on local produce and locally-made products. The city centre also offers a number of major and high-value brands such as Hugo Boss, Cos and Kurt Geiger in Churchill Square and Brighton Marina.

Llandudno performs well in terms of its retail vacancy rate, which at 5.4% is not dissimilar to that of Brighton, and has made strides to improve the retail offer through the recent opening of Mostyn Champneys and the renovation of the Victoria Shopping Centre. While unlikely to be able to sustain the major brands that are present in Brighton due to the socioeconomic makeup of the town and visitor profile, a similar focus should be placed on supporting up-market shops. This is reflected in the 2017 Town User Survey, in which leisure users noted the presence of too many charity shops and a lack of variety and businesses noting the "need to attract more interesting shops instead of charity shops, cafes and budget shops". Llandudno should also focus on encouraging high quality independents, as has been the case in the Brighton Lanes, North Laine and London Road areas of Brighton, as well as securing major brands at key sites within the town centre which can draw in visitors.

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[62] Businesses offering use of toilets to public
[63] http://www.conwy.gov.uk/en/Resident/Parking-Roads-and-Travel/Parking-and-Permits/Coach-and-Car-Parking/Pay-and-Display-Car-Parks/Llandudno-Car-Parks.aspx
[64] In Llandudno a large number of parking spaces are also available at Mostyn Champneys and Asda in proximity to the centre which may be utilised by paying customers. However these are excluded from the analysis as the public is on public sector car parks.
[65] https://present.brighton-hove.gov.uk/Published/C00000823/M00006112/AI00054961/$20161117101712_009947_0040615_HighwayAssetManagementStrategy.docxA.ps.pdf
[66] https://www.brighton-hove.gov.uk/sites/brighton-hove.gov.uk/files/downloads/transport/Streetscape_Design_Guidelines.pdf
[67] http://cf.datawrapper.de/o1Yhy/1/

Furthermore, in contrast with Llandudno, Brighton's town centre shops are opening until 6pm daily, with extended opening hours at Churchill Square (the main shopping centre) on Thursday, Friday and Saturday. Independent shopping areas such as North Laine tend to open later. Conversely, in Llandudno anecdotal evidence suggests the shops in Llandudno town centre do not tend to open later than 5.30pm (as is the case with the Victoria Centre), while retail estates such as Mostyn Champneys can open up to 8pm on an evening. Similar late night opening initiatives – particularly at peak times within the town centre – could bear fruit in Llandudno.

**Food and Drink**

Brighton has a comprehensive food and drink offer, with hundreds of restaurants, pubs and bars incorporating both chains and independents, with a particular strength in its vegetarian offer and its range of cuisines from around the world. Taking into account the resident population and number of visitors, Brighton has 2.6 times the number of food and drink establishments as Llandudno, with the shortfall particularly evident in restaurants and pubs, while the number of cafes is comparable.

In terms of quality, 14 restaurants in Brighton have been awarded AA rosettes, with the AA's Rosette Award a UK-wide scheme for assessing the quality of food served by restaurants and hotels. In contrast Llandudno has 5 restaurants or hotels that have been awarded AA rosettes. Based on the size of location, Brighton only holds a slight advantage in terms of the number of high-quality restaurants.

The food and drink offer within a location must match the needs of its residents and visitor profile. Such is the level of out-commuting to London, and the reliance of London-based tourism, the breadth of food and drink in Brighton appeals to a large city audience. However, the food and drink offer in Llandudno could be broadened – particularly in terms of the quality and range of cuisines and in growth areas such as locally-produced artisan produce and street food. For instance Brighton is home to Street Diner, a street food market which champions the city's outdoor dining scene every Friday 11am-3pm and attracts hundreds of visitors.

**Accommodation**

There are 32 3* or 4* hotels in Brighton, compared with 23 in Llandudno. A similar number of overnight trips are taken to Brighton as to Llandudno[68], suggesting that the number of good standard hotels is around 40% higher in Brighton, while appreciating that the purchasing power of staying guests in Brighton is likely to be considerably higher.

Average occupancy in Brighton is high at 78.3%, whereas in Llandudno average occupancy is expected to be around 68.0%[69]. This is driven by strong weekend demand for hotel accommodation, particularly between April and September, while midweek demand has increased due to a much stronger midweek leisure break segment. Furthermore an increase in city conferences since the refurbishment of the Brighton Centre in 2012 has added to demand for accommodation particularly during the peak conference months of January, March, April, September, October and November. A more comprehensive conference programme in Llandudno could therefore act to increase occupancy during the off season, but a sufficient quality and quantity of accommodation stock must be in place to allow this.

Conversely, guest house occupancy levels in Brighton have been hit by increased competition from Airbnb, with 39% reporting reduced occupancy levels on the previous year. However high quality, i.e. 4*+ guest houses bucked this trend and there remains robust demand across this type of accommodation. This suggests Llandudno should retain a key focus on the upgrading of facilities and quality within accommodation across the town, as noted by the 2017 LHA Policy Paper.

### 6.3 Harrogate

Harrogate is located in the heart of North Yorkshire. It is an attractive spa town, with Victorian and Edwardian architecture, English gardens, Turkish Baths and a metropolitan retail and food and drink offer, which affords visitors a base from which to explore a high quality natural environment and local heritage offer. It is within a rural district that contains the medieval city of Ripon, a designated Area of Outstanding Natural Beauty and four distinctive market towns; Boroughbridge, Knaresborough, Masham and Pateley Bridge. With the Yorkshire Dales also nearby it has a strong offer in terms of outdoor and adventure activities, from mountain biking to rock climbing and abseiling, or hiking across the fells.

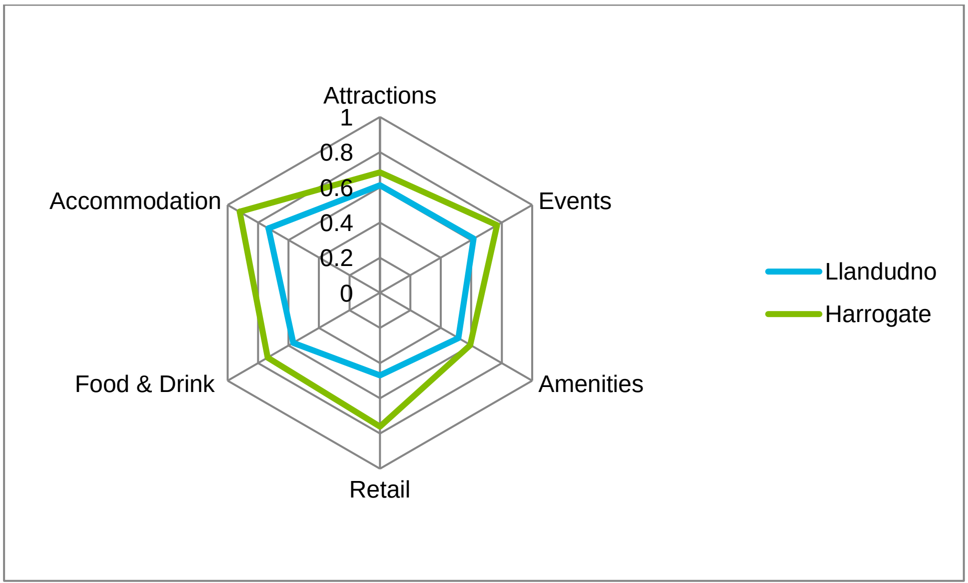
Conference and business tourism is a key driver of the district economy, a major source of direct and indirect employment and a key attractor of investment into Harrogate town centre. The Harrogate International Centre is

[68] https://www.visitbritain.org/sites/default/files/vb-corporate/Documents-Library/documents/England-documents/gb_tourist_report_2015.pdf
[69] Based on North Wales average occupancy for hotel rooms from Visit Wales

one of the UK's largest integrated conference and exhibition facilities and the Yorkshire Showground is home to the UK's premier agricultural show and is a key regional venue for outdoor events and exhibitions.

Despite not being a traditional seaside town, Harrogate does therefore display some similarities with Llandudno in relation to its Victorian heritage, high quality outdoor environment and the presence of its conferencing facility. Sub-regionally, Harrogate attracts 13% of visitors from the North West[70] and therefore can be seen as a competitor with Llandudno which sees 35.4% of visitors from this region. However Harrogate attracts a different demographic to that of Llandudno, with 22.7% of visitors aged 65+ compared with 42.4% in Llandudno, with the majority of Harrogate's visitors being within the 45-64 age bracket (46.4%).

**Figure 20. Llandudno vs. Harrogate Comparison**




**Attractions**

Harrogate has an attraction offer centred on the quality of its outdoor space, through RHS Garden Harlow Carr, The Stray and Valley Gardens, and its status as a spa town and associated heritage offer, through the Turkish Baths and the Victorian Royal Pump Room museum, one of the strongest sulphur wells in Europe. Other attractions include the Mercer Gallery, home to Harrogate District's fine art collection, Harrogate Theatre and Betty's Tea Rooms, a popular afternoon tea attraction in 100-year-old suite. The town also demonstrates a keen awareness of its role as a centre from which to explore attractions in the wider area, such as Brimham Rocks and Stump Cross Caverns, and linkages to nearby towns such as Knaresborough and Ripon and the Yorkshire Dales and Nidderdale AONB.

The RHS Garden Harlow Carr offers a year-round horticultural experience and covers 58 acres, and is Harrogate's most popular paid-for attraction. It attracted 416,288 visitors in 2017, significantly higher than the 196,920 visitors to the Great Orme Tramway in Llandudno despite the two towns having a similar number of day visitors. However this may be skewed by RHS membership schemes allowing year-round free entry to Harlow Carr, while Llandudno may indirectly benefit from visitors attracted to Bodnant Garden (an RHS partner garden) near Colwyn Bay.

Similar to Llandudno, Harrogate is also home to an events and conference venue, Harrogate Convention Centre. The main auditorium has capacity for 320 guests in cabaret style compared with 800 in Venue Cymru. There are also a number of other halls, suites and studios offering a range of capacities. Harrogate Convention Centre is directly connected to 320 rooms due to the integrated Premier Inn and Crowne Plaza hotel chains within the Centre and works with concierge services to source and book accommodation, and therefore offers an integrated option particularly for the conference market, an option which Venue Cymru does not provide. The Convention Centre remains one of the country's leading conference and exhibition venues and contributes in excess of £60m to the local economy each year, compared with £23 million for Venue Cymru within Conwy Borough[71]. The Harrogate Convention Centre is planned to undergo a reconfiguration of the 17,000 square metre site, with a masterplan currently being developed to ensure it remains a nationally competitive and attractive venue.

[70] http://www.northyorkmoorstourism.com/uploads/4/8/5/6/4856328/rvs_qa_research__tourism_network_report_final.pdf
[71] Economic Impact of Venue Cymru, Arad Research November 2016

While individual attractions may not be directly applicable to Llandudno, Harrogate's gardens are constantly evolving, with varied points of interest throughout the growing season to appeal to new and repeat visitors. Llandudno also has Happy Valley Botanical Gardens which are highly regarded and offer potential to engage more with the tourist market through marketing and promoting trails and events aimed at children during the peak period. The proposed renovation of the Harrogate Convention Centre, in light of increased competition and the need to integrate the Centre within the town centre, taken alongside its current superior economic impact, also suggests that Venue Cymru must also adapt to changing market conditions including: increased competition; increased focus on value-add/incentives; providing high quality facilities at acceptable rates; tailoring events (i.e. providing more creativity and imagination); openness to new ways of working/holding events and focusing on the whole visitor/integrated experience[72]. The proposed £3 million investment[73] to remodel Venue Cymru to make it more flexible in terms of its space is therefore a positive step to be built upon.

**Events**

The events calendar in Harrogate builds on its proximity to high quality countryside and the outdoors, through events such as Harrogate Flower Show, Countryside Live, Ripley Show and – its key event – The Great Yorkshire Show, which is held at the Great Yorkshire Showground in Harrogate and attracted 134,421 visitors in 2018. With Countryside Live being the autumn-based sibling to the Great Yorkshire Show, there may be potential for Llandudno to hold an agriculture-focused event to complement others across the Region such as the Caernarfon Show and Nefyn Agricultural Show. However this would be subject to the town identifying a suitable site with sufficient infrastructure in place to support such an event. Anecdotal evidence suggests that Bodafon Fields could be better prepared to support the hosting of events but currently lacks the infrastructure that would be required such as connections to arterial roads and utilities.

A variety of other events are held throughout the summer months, including Harrogate Music Festival, Crime Writing Festival, The International Gilbert & Sullivan Festival (featuring 40 full-scale performances), Harrogate Comedy Festival and 1940s Day. While Llandudno holds several niche cultural events, as in Harrogate, the town could focus on outdoor music performances or comedy festivals to attract visitors, building on its impressive settings such as the Great Orme or locating across small venues (pubs/cafes) across the town.

The breadth of events by type and date is significantly lower than in Harrogate, with Visit Harrogate listing 242 events compared with 90 listed by Visit Llandudno, the majority of which are at Venue Cymru.

**Amenities**

In Harrogate, there are 8 public toilet facilities maintained by the Local Authority. This is the same number as in Llandudno, though Llandudno also offers 11 through the community toilet scheme. Taking into account the resident population and the number of day visitors, Llandudno has higher provision than in Harrogate. According to a 2010/11 survey, public toilet facilities scored an average of 4.1/5 in terms of their availability and cleanliness in Harrogate, suggesting general satisfaction.

Looking at car parking spaces, Harrogate offers 2,230 car parking spaces compared with 1,312 in Llandudno[74]. Taking into account the resident population and number of day visitors, the parking provision offered by the Local Authority in Harrogate is 40% higher than in Llandudno[75]. Harrogate's Town Centre Strategy and Masterplan notes that it is well served by both on-street and off-street car parking for a town of its size but it recognises that it is important to maintain a sufficient level of parking spaces in the right location within the centre, particularly for those with reduced mobility (a key concern for Llandudno) and to cater for periods of peak demand.

Harrogate's Town Centre Strategy and Masterplan 2025 outlines its vision to be a leading UK destination for culture, shopping, leisure and business tourism, a key component of which is "public realm of outstanding quality"[76]. The improvements include a redesign of existing spaces to reinforce their visitor appeal, integrating key destinations and creating new spaces for events and leisure, and pedestrianisation of some routes. Visitors to Harrogate rated the cleanliness of its streets at 4.6/5 and the general appearance of the town at 4.7/5, suggesting high level of satisfaction. When looking at activities, 83% of visitors to Harrogate note "strolling around the streets and enjoying the ambience", suggesting that maintaining cleanliness is of particular importance to the destination. According to the 2017 Visitor Survey, the landscape and scenery (82%) and beaches (28%) are what attract

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[72] https://www.rightsolution.co.uk/projects/emerging-trends-conference-venues/

[73] https://www.thestage.co.uk/news/2018/llandudno-venue-cymru-3-million-refurbishment/

[74] http://www.conwy.gov.uk/en/Resident/Parking-Roads-and-Travel/Parking-and-Permits/Coach-and-Car-Parking/Pay-and-Display-Car-Parks/Llandudno-Car-Parks.aspx

[75] In Llandudno a large number of parking spaces are also available at Mostyn Champneys and Asda in proximity to the centre which may be utilised by paying customers. However these are excluded from the analysis as the public is on public sector car parks.

[76] file:///C:/Users/alex.heath/Downloads/Consultation_report_appendix_11.pdf

visitors to Llandudno, suggesting that maintaining cleanliness is likely to be of similar importance to visitors and that this should remain a high priority.

**Retail**

Harrogate is ranked number 23 in the Harper Dennis Hobbs Retail Vitality Index, compared with Llandudno which is ranked number 169. While the vacancy rate in Harrogate comes in at 8.5%, higher than the 5.4% registered in Llandudno, it benefits from a higher proportion of up-market shops, in part due to its visitor and resident demographic.

Harrogate benefits from a range of high-end retailers within the city centre, with brands such as Jo Malone, Jaeger and Hobbs present alongside high street mainstays. Similar to Brighton, though on a smaller scale, there are also districts for thriving independents and boutiques, in particular within the Montpellier Quarter which is home to over 50 exclusive independent shops, health & beauty salons, pavement cafes, bars and restaurants, in addition to its traditional reputation for antiques and art. The development of this area has been supported and promoted by the Montpellier Quarter Retail Group, represented by a number of retailers which contribute to a fund which is put towards brochures, a web-site, advertisements, floral hanging baskets and Christmas lighting. Commercial Street in the town centre is also home to over 20 unique independent shops, with a particular focus on food and drink.

Llandudno could focus on bringing together retailers into a Retail Group focused on marketing and improving the frontages of a particular area/quarter, with this being of particular concern in relation to the verandas and frontage of several streets within the town centre. A focus could also be placed on preserving a certain area/quarter of the town for independent businesses, developing high-quality public realm surrounding this area to make it a vibrant area for shoppers to walk around and providing a mix of independent retail and food and beverage outlets.

**Food and Drink**

Harrogate's food and drink offer covers award winning independent cafés, afternoon tea at Betty's Tea Rooms, international cuisine from diverse locations including Vietnamese, and even Nordic inspired dishes through to Michelin starred fine dining at the nearby Yorke Arms.  Taking into account the resident population and number of visitors, Harrogate has 1.7 times the number of food and drink establishments as Llandudno, with the shortfall particularly evident in restaurants, while the number of cafes is higher in Llandudno and pubs comparable to Harrogate. As with Brighton, Harrogate demonstrates a notably varied food and drink offer and focus on quality local produce which Llandudno should look to foster.

In terms of quality, 7 restaurants in Harrogate have been awarded AA rosettes, 4 of which have multiple rosettes, as well as the Michelin starred Yorke Arms in nearby Pateley Bridge. In contrast Llandudno has 5 restaurants or hotels that have been awarded AA rosettes. Based on the size of location, Harrogate holds a slight advantage in terms of the number of high-quality restaurants, though a distinct advantage in terms of fine dining experiences.

**Accommodation**

There are around 67 establishments offering serviced accommodation in Harrogate[77], compared with 220 in Llandudno[78]. The majority of establishments offering serviced visitor accommodation in Harrogate are smaller scale guest houses and B&Bs. However larger hotels make up a greater proportion of the total bedroom stock in Harrogate, with 19% of establishments providing 72% of rooms, and these also tend to have higher room occupancy rates than smaller establishments.

There are 28 3* or 4* hotels in Harrogate, compared with 23 in Llandudno[79]. The number of overnight trips taken to Harrogate falls around 40% lower than in Llandudno[80], suggesting that the number of good standard hotels is around 68% higher in Harrogate[81], likely due to its strength in business tourism and the more affluent demographic of its tourism market.

Average occupancy in Harrogate is 67.0%, slightly lower than the average occupancy expected in Llandudno (68.0%). Harrogate's accommodation occupancy is strengthened by the business segment, with 33.2% of overnight stays resulting from business trips, driven by the in-town presence of the Harrogate Convention Centre, with the range of facilities at Harrogate International Centre are amongst the most extensive in the UK.

[77] Harrogate District Local Plan: Visitor Accommodation Study
[78] Llandudno Hospitality Association Policy Paper
[79] TripAdvisor
[80] https://www.visitbritain.org/sites/default/files/vb-corporate/Documents-Library/documents/England-documents/gb_tourist_report_2015.pdf
[81] However this does not take into account length of stay, for which comparable data is unavailable.

Conversely, just 4.3% of all overnight trips to Llandudno came from business travellers despite the presence of Venue Cymru[82]. At peak times Harrogate struggles to accommodate business visitors, which has resulted in conference business being lost alongside other issues such as Harrogate's poor transport connectivity.

Harrogate has seen an increase in the number of serviced apartments offered within the town, with several operators offering high quality apartments to the short term let market. This type of accommodation can be particularly attractive to business visitors and families as they offer comfort, size and flexibility. 37 properties provide serviced apartments in Harrogate compared with 18 in Llandudno[83]. This is therefore an area in which Llandudno could look to build capacity.

### 6.4 Margate

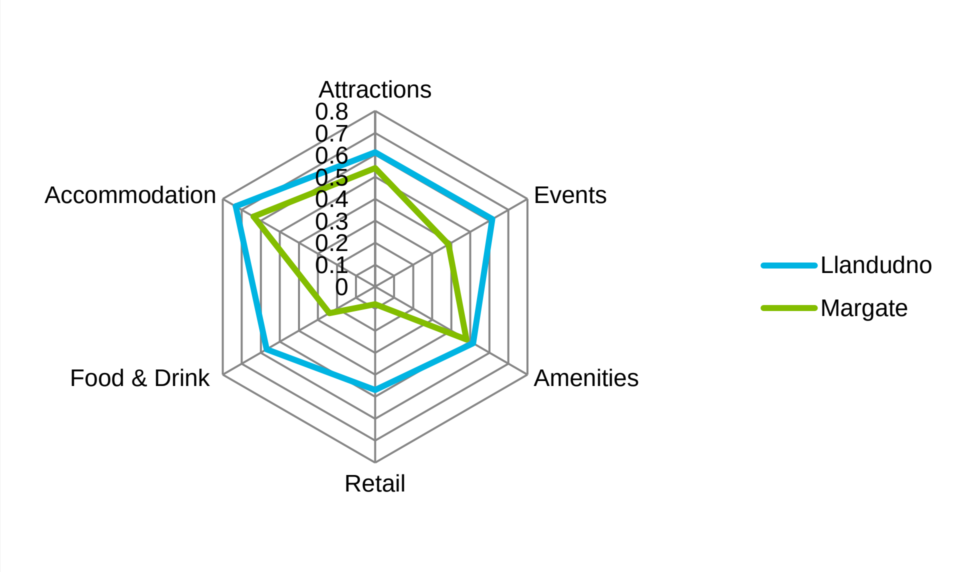
Margate is a quintessentially English seaside resort in Kent. Margate was a popular holiday destination for more than 200 years but became worn out and rundown in the late 20th century, suffering from the advent of the cheap package holiday to Spain and other destinations more certain of summer sunshine. As a result of this and a decline in traditional industries, the town suffered from high unemployment and a declining population, combined with an ageing demographic, benefit dependence and numerous redundant sites and buildings.

However, in recent years the town's fortunes have reversed owing to regeneration based around the visitor economy and – in particular – the role of the Turner Contemporary gallery which opened in 2011. This followed a decade-long initiative supported by Kent County Council, which set up Turner Contemporary as an organisation and unit of the Council in 2001[84], driven by the commitment and enthusiasm of a local resident, John Crofts, supported by the Margate Civic Society, who conceived the idea to commemorate Turner's association with Margate. This unit began to work on developing an audience for the visual arts, creating a programme that encompassed temporary exhibitions, commissions, talks and workshops. The site for the new building was specified as an area of land adjacent to Margate harbour and a £17.4 million capital budget set with funding from Kent County Council, Arts Council England and the South East England Development Agency, as well as a number of trusts, foundations and individuals. The Stirling Prize winning practice David Chipperfield Architects was appointed in 2006 and the building was completed and handed over to Turner Contemporary at the end of 2010. The gallery has gone on to generate an economic impact of £40 million[85] to the town since opening and resulted in the emergence of a new creative corner in the Old Town, littered with arts and crafts shops and studio spaces.

As with Brighton, Margate also benefits from its proximity to London, with a new high-speed rail link allowing a journey time of just over an hour from Kings Cross. Not only does this benefit the town through its ability to attract day visitors from the London, but Margate has also been successful in attracting new residents attracted by the quality of life and ability to commute into London. However, unlike Brighton, Margate does not attract a significantly higher spend per person, coming in at £35.25 per day trip and £59.29 per night, which is below the average for Great Britain. This is linked to its less-developed visitor offer, particularly in terms of retail, food and drink and attractions outside of the Turner Contemporary (which is free to visit) and the Dreamland amusement park.

[82] Great British Travel Survey - https://gbtswalesla.kantar.com/ViewTable.aspx
[83] According to Booking.com
[84] Turner Contemporary: Art Inspiring Change Social Value Report 2015/16s followed
[85] https://www.express.co.uk/travel/articles/689534/This-unlikely-seaside-town-has-just-been-voted-Britain-s-BEST-margate-kent

**Figure 21. Llandudno vs. Margate comparison**




**Attractions**

Margate's reputation as a quintessentially English seaside resort acts to attract visitors, through the its traditional assets of Margate Main Sands beach, The Lido and Dreamland, a recently refurbished and re-opened seaside amusement experience with historic rides, classic side shows, and eateries. Other attractions are available within the town, including museums such as the Margate Museum, which tells the history of sea-bathing and day-trippers, Hornby Visitor Centre toy experience and heritage assets such as Tudor House, a medieval house built in 1525. The town's Theatre Royal is the second-oldest in the country, while the Tom Thumb Theatre is one of the smallest theatres in the world.

In recent years, Margate has developed a burgeoning reputation as a cultural destination, driven by the opening of the Turner Contemporary on the Margate seafront in 2011, which has fast become a visitor attraction of national and international importance. The Turner Contemporary has acted as a catalyst for the regeneration of Margate and East Kent, welcoming over 1.5 million visits since opening, including 352,400 in 2015 which saw rail travel rise 30% to Margate[86].

Margate's Winter Gardens offers conferencing capability, as well as acting as an entertainment venue. It offers full conference and seminar facilities, with versatile room layouts to accommodate events ranging from a 1,400 theatre style conference – similar to the auditorium at Venue Cymru – to a 750 banquet with several other smaller syndicate rooms (less than the 1,000 banqueting option offered by Venue Cymru). In terms of entertainment, Margate Winter Gardens hosts a wide range of events but generally attracts less established artists than Venue Cymru and the current programme does not reflect a significant conferencing profile. However, Margate Winter Gardens does benefit from its heritage and Grade II listed status, with the 107 year-old venue named as "one of the UK's top ten most beautiful gig venues" by BBC Music[87].

As a seaside resort, Margate has undergone something of a revival, though this is mainly attributed to the arrival of the Turner Contemporary (both as a gallery and architectural attraction) and "priced out" Londoners relocating to the town, which is not easily replicated in Llandudno. However the town's exploitation of its artistic heritage through association with J.M.W. Turner and Tracey Emin has acted to attract visitors and resulted in a number of businesses and galleries relocating to the town, thereby cementing its reputation as a creative, artistic town. The Council has acted through grant provision to artists to de-risk the establishment of studios and galleries in the area such as in the case of the establishment of the Carl Freedman Gallery. The investments in the leisure offer such as at Dreamland demonstrate the positive impact that large-scale projects can offer  in the case of Dreamland facilitated through a town council-served compulsory purchase order – though Dreamland also acts as a cautionary tale, with a £50m relaunch in 2015 resulting in the attraction falling into administration before a further £25m relaunch in 2017 has seen the company exit administration, with crowds regularly reaching 15,000 and planning afoot for 9 new rides as part of the phased refurbishment.

86 http://www.artlyst.com/news/turner-contemporary-proves-popular-with-record-visits-for-2015/
87 https://theisleofthanetnews.com/margate-winter-gardens-named-in-top-ten-most-beautiful-uk-gig-venues/

**Events**

The events calendar in Margate is heavily focused around music and festival-style events, with the concurrent Margate Carnival and Margate Soul Festival, held in August, the biggest event held in Margate as well as other events such as Margate: NOW, Margate Rock & Blues Festival and the World of Dance weekend.

Though not formalised events, Margate's calendar is bolstered by the exhibitions being held at the Turner Contemporary, with Grayson Perry: Provincial Punk having been the gallery's most successful exhibition since its opening exhibition Revealed in April 2011, with 192,177 visits. Dreamland, through its wider role as an entertainment venue, also holds events such as Dreamland Introducing, a local music festival, and GEEK, a festival of computer games, held in 2018.

Otherwise, events are mainly held within the summer months and there is not the same level of visibility or breadth of event – both in terms of category and seasonal – in Margate as currently in Llandudno.

Margate's events calendar closely fits in with its reputation as a fashionable, modish destination (Shoreditch on Sea"[88]) suited to contemporary festivals of music and dance and gaming. The comparison with Margate highlights the need for Llandudno to retain a focus on its demographic when planning events and again a potential gap in the market with regards to events focused on music which, apart from the Llandudno Choral Festival and Llandudno Jazz, are relatively limited in Llandudno currently.

**Amenities**

In Margate, there are 12 public toilet facilities maintained by the Local Authority. This is more than the 8 public toilets in Llandudno, though Llandudno also offers 11 through the community toilet scheme. Taking into account the resident population and the number of day visitors, Llandudno has higher provision than in Margate.

Looking at car parking spaces, Margate offers 1,165 car parking spaces compared with 1,312 in Llandudno[89]. Taking into account the resident population and number of day visitors, the parking provision offered by the Local Authority in Llandudno is 40% higher than in Margate[90], though provision may reflect Margate's reliance on the London day-tripper market arriving by train.

Maintenance of roads and pavements in Margate is the responsibility of Kent County Council. In 2017/18 gross expenditure of £8.5 million was allocated to general maintenance and emergency response which includes safety inspections, routine maintenance and minor repair of 8,500km of highway and 5,000km of pavements plus the coordination of all roadworks undertaken by utility companies and contractors. This has fallen markedly in recent years, having been as high as £12.4 million in 2014/15. The town retains a focus on improving the appearance of the retail areas: street furniture, litter, parking, flower beds, lighting and working with businesses and volunteers to improve the appearance and offer through festivals and events to attract visitors.

As with the rest of Margate, investment to the public realm is building from a low base, with the Economic Plan including a goal to reclaim the urban environment. The New King's Stairs, which linked Margate Harbour with the Old Town, was the winner of civic voice public realm national design award in 2015. Major projects are also in the pipeline on the Margate seafront, including the creation of Margate Coastal Park[91], 5 kilometres of coastline including clifftop public space with promenades and shelters to foreshore. This project aims to increase the recreation and leisure value of this public space by creating different zones of interest and use. The seven shelters would be re-purposed without changing their character creating hubs along the coastline; planting will be used introduce diversity to the landscape and define function. There is also the "String of Pearls" which aims to join up key attractions by quality public space throughout the town. With the condition of the shelters along Llandudno's Promenade noted as a key concern, a similar option may be applicable to Llandudno, which would in turn add to the visitor experience along the promenade.

**Retail**

Margate does not feature in the Harper Dennis Hobbs Retail Vitality Index, while Llandudno ranks at number 169. This reflects Margate town centre's malaise, particularly following the 2008 recession, which saw it awarded £100,000 from the Department for Communities and Local Government (now Ministry of Housing, Communities

[88] https://www.telegraph.co.uk/finance/property/11686806/How-the-East-Kent-coast-became-the-new-Shoreditch.html
[89] http://www.conwy.gov.uk/en/Resident/Parking-Roads-and-Travel/Parking-and-Permits/Coach-and-Car-Parking/Pay-and-Display-Car-Parks/Llandudno-Car-Parks.aspx
[90] In Llandudno a large number of parking spaces are also available at Mostyn Champneys and Asda in proximity to the centre which may be utilised by paying customers. However these are excluded from the analysis as the public is on public sector car parks.
[91] https://www.coastalcommunities.co.uk/wp-content/uploads/2016/05/Margate-CCT-Economic-plan-2016.pdf

and Local Government) and selected as one of the Portas Pilots, aimed at reviving failing high streets. In 2011, Margate had the highest vacancy rate of any UK high street, at 37.4%[92]. Despite the Portas Pilots being branded a failure, it resulted in the formation of the Margate Town Team aimed at renovating the town's retail market and the number of vacant units has reduced in recent years as the town has regenerated.

Such measures employed have been the "Pop-up – Margate" concept, a large unit that allows new businesses the opportunity to trade rate free with a rent of £35 a week. This has resulted in 15 new start-ups establishing themselves and moved into shops since starting at the pop up market[93]. Margate has also seen a rise in the number of the vintage shops, independent cafés and second-hand furniture shops, particularly within the Old Town, as well as the rise in fashionable boutiques in the Cliftonville area which has benefited from the recent property boom[94], which is also home to a Farmers' Market held on the last Sunday of every month. However high rents, a lack of parking and unaffordable business rates continue to affect retail businesses across the town[95].

Many of Margate's improvements in its retail offer have been linked to an influx of affluent residents from London, and have therefore happened organically. However, the Pop-up Margate concept does offer potential for Llandudno, particularly for start-up businesses looking to gain a foothold in the market or that may target specific niche markets (this could be the case if Llandudno is looking to foster certain capabilities such as nurturing its local food and drink retail offer or targeting new visitor profiles). The impact of high business rates, rent and a lack of car parking seen in Margate has also been reflected in the Llandudno Business Survey, which can have a stifling impact on town centre development if not appropriately managed.

**Food and Drink**

Taking into account the resident population and number of visitors, Llandudno has 1.38 times the number of food and drink establishments as Margate, driven by a significantly larger number of cafes in Llandudno. However Margate has a burgeoning reputation as a food and drink destination, with a "booming restaurant and bar scene[96]" and focus on independent businesses. There is also a focus on street food, with a street food hub established on the promenade, allowing high quality, informal food and drink to visitors and residents. This could be a particular focus area for Llandudno, with street food a new area of growth to cost and quality conscious consumers while casual dining chains have been seen to falter[97].

In terms of quality, 2 restaurants in Margate have been awarded AA rosettes, one of which – Sands Hotel – has multiples rosettes. In contrast Llandudno has 5 restaurants or hotels that have been awarded AA rosettes. Based on the size of location, Llandudno holds a marked advantage in terms of the number of high-quality restaurants.

**Accommodation**

There are 4 3* or 4* hotels in Margate, compared with 23 in Llandudno. The number of overnight trips taken to Margate is around 30% of the number taken in Llandudno[98], however, taking this into account, the number of good quality hotels is significantly higher in Llandudno[99]. This is likely due to Margate's reliance on day visitors and also a reflection of its slump predating the arrival of the Turner Contemporary.

There are signs that this is changing, with town houses that had previously been converted to flats re-opened for the tourist market, hotels of yesteryear being brought back to life and new investment in the visitor accommodation stock apparent, with plans for a 100-room hotel and events space next to the Turner Contemporary[100] (designed by Sir David Chipperfield) and a seven storey, 117 room boutique hotel in Cliftonville receiving planning permission[101].

### 6.5 Scarborough

Scarborough is a spa town in North Yorkshire which has been attracting tourists for over 400 years, and markets itself as the original seaside resort. Similar to Llandudno, Scarborough is a place linked by its two beaches. The South Bay is where the majority of the attractions are housed, including the harbour and its 3 piers, a funicular

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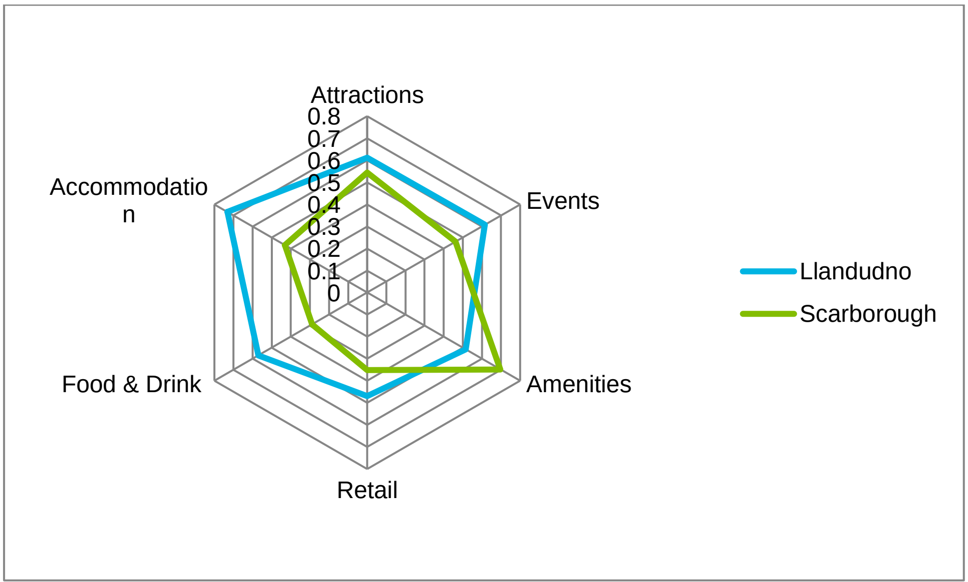
[92] https://www.theguardian.com/business/2011/feb/15/empty-shops-killing-uk-high-streets
[93] https://www.kentlive.news/news/kent-news/margates-high-street-slowly-regenerating-748674
[94] https://www.gq-magazine.co.uk/article/margate-city-guide-travel-tips
[95] https://www.kentlive.news/news/kent-news/margates-high-street-slowly-regenerating-748674
[96] https://www.gq-magazine.co.uk/article/margate-city-guide-travel-tips
[97] https://www.theguardian.com/business/2018/feb/03/emerging-markets-street-food-booms-as-investors-get-the-taste
[98] https://www.visitbritain.org/sites/default/files/vb-corporate/Documents-Library/documents/England-documents/gb_tourist_report_2015.pdf
[99] However this does not take into account length of stay, for which comparable data is unavailable.
[100] https://www.architectsjournal.co.uk/news/chipperfield-floats-hostel-plans-next-to-turner-contemporary-to-boost-margates-revival/10034004.article
[101] https://guyhollaway.co.uk/news/horses-corner-approval-granted/

railway and a funfair and arena. The North Bay is quieter in terms of attractions, which include a Japanese-themed park and sealife sanctuary, but has a wilder, more rugged feel and is popular with surfers. Scarborough is also in close proximity to a high quality outdoor environment with the North York Moors and Dalby Forest nearby, while other distinctive seaside towns such as Filey, Whitby and Staithes are along the coast.

As with Margate, towards the end of the 20th century Scarborough suffered from a fall in tourism and the decline of traditional industries such as fishing which affected the town. This has resulted in some long-standing social issues in the town, with low pay and high unemployment common features of life in Scarborough, along with high rates of bankruptcy and poor health and educational attainment.

In 2015 5.6 million tourism day trips were made to Scarborough Borough[102] in 2015, a 10% reduction compared to 2014. However, over recent years there has been steady year-on-year growth in tourism value – 2015 saw a 7% in overnight trip spend and a 2% increase in day visitor spend[103]. Average day visitor spend to Scarborough came in at £35.69 in 2015, slightly lower than the average across Great Britain while average expenditure per night came in at £69.75, slightly above average.

**Figure 22. Llandudno vs. Scarborough Comparison**




### Attractions

As a traditional seaside destination, Scarborough's attractions demonstrate some alignment with those in Llandudno, through the presence of its beaches, Scarborough pleasure steamers, amusement arcades and heritage railways such as the North Bay Railway, the North Yorkshire Moors Railway and Scarborough Cliff Railway. The Cliff Railway is Scarborough's most-visited paid-for attraction, seeing 470,000 visitors in 2017 compared with the Great Orme Tramway which attracted 196,420 visitors, this is despite Scarborough and Llandudno having a similar number of day visitors however the Great Orme Tramway does operate on a different system, which results in a lower service frequency along a much longer route, and is around 3 times more expensive. The town is also home to Scarborough Castle, the Rotunda William Smith Museum of Geology, which is the second oldest purpose-built museum in Britain, and has a heritage offer based on its seafaring history and history as a seaside resort, exemplified through the Scarborough Fair Collection and Maritime Heritage Centre and its historic water chute and boating lake, voted as one of the top 10 Vintage Seaside Attractions by The Guardian[104].

In recent years Scarborough has developed a number of family-oriented attractions with the recent additions of the £14 million Alpamare Waterpark, an outdoor, alpine-themed waterpark overlooking the North Sea, the North Yorkshire Waterpark, which offers a floating inflatable course and a multiplex cinema. These add to existing assets such as the Scarborough Sealife Sanctuary and have a strong profile – acting as attractors in their own right – though there are a limited number of wet weather attractions in the town. Scarborough has also invested in its harbour, through improvements to the public realm, and plans have been drawn up for the regeneration of

[102] This includes other resorts such as Filey and Whitby and therefore the number of day visits to Scarborough is likely to be significantly lower.
[103] The Economic Impact of Tourism on Scarborough District 2015
[104] https://www.discoveryorkshirecoast.com/Scarborough-Historic-Water-Chute-and-Boating-Lake/details/?dms=3&venue=1717617#

the West Pier, which include improved facilities for users of the port and potential new retail and commercial operations[105].

The town's entertainment offer has been bolstered by the redevelopment of Scarborough Open Air Theatre in 2010, which saw 75,000 attendees at 14 concerts in 2017[106], a 50% rise on the previous year and with 20 concerts planned in 2018 this is expected to rise further this year. Its theatre offer is also supported by its links with the celebrated playwright Alan Ayckbourn who is associated with the Stephen Joseph Theatre in the town. The Scarborough Spa Complex was refurbished in 2010 with support from the Council[107] and supports the town's entertainment offer, with the Grand Hall seating 2,000 and a 600 seat Victorian theatre, and is linked to the Cliff Railway. The Spa Complex also offers conferencing capability, though on a smaller scale to Venue Cymru and a limited conference programme. Scarborough is home to a casino, a £7m development which is housed in the old Opera House.

In terms of its attraction base as a traditional seaside location, there are few gaps between Llandudno and Scarborough, and the quality of some of Scarborough's attractions on its North Coast such as Luna Park have been perceived as "tacky" and attracting hen and stag parties[108]. However the relative success of its Cliff Railway, which registers nearly double the amount of visitors as does the Great Orme Tramway, suggests that more can be done with this attraction. Moreover a concerted effort has been made to invest in Scarborough's attraction base through refurbishments to the Open Air Theatre and Spa Complex as well as the additions of new attractions such as the Alpamare Waterpark, Sealife Sanctuary, North Yorkshire Waterpark and multiplex cinema. Scarborough has therefore broadened its attraction offer away from the traditional seaside offer. However the majority of its attractions are seasonal and few wet weather attractions are available within the town.

**Events**

Scarborough's events calendar focuses on its history and heritage through events such as Naval Warfare at Peasholm Park, a model naval battle first held in 1927; Seafest, a celebration of the maritime heritage of the North East Coast and Scarborough's Armed Forces Day, celebrating those in the community who served or are serving in the armed forces. Scarborough also hosts sporting events, benefitting from the Tour de Yorkshire, for which it has regularly been a "host town" on the seaside stage since the race's inception, which sees an influx of visitors to the town. Scarborough Cricket Festival, one of the most historic sporting events in the world, has played host to some of the world's greatest cricketers with the ground seeing large crowds of holiday makers watching first class cricket since 1876. Scarborough also holds a Bowls Festival and the 10k Yorkshire Coast Race.

Scarborough Spa Complex is instrumental in the town's events offer, hosting events such as Scarborough Jazz Festival, which has been running for 16 years, and The Gin Society Festival, focusing on the significant recent growth in the gin market. The Spa Orchestra also holds a number of concerts during peak season, such as a firework spectacular at Peasholm Park on the August Bank Holiday.

A range of other events are held throughout the year including those focused on the food sector, such as a monthly food market and the annual Festival of Food and Drink, as well as miscellaneous events including events focused on classic cars and motorbikes, Books by the Beach literature festival and Coastival, an annual arts festival held since 2009.

Through its Armed Forces Day, Victorian Extravaganza and North Wales Choral Festival, Llandudno also demonstrates a keen focus on its heritage and history within the events calendar, which is a key draw for its visitor demographic, as it is in Scarborough. Aside from a strength with the Tour de Yorkshire passing through the town (while noting that Llandudno has previously been a stage for the Tour of Britain), Llandudno has a more diverse sporting offer though, as noted previously, there are gaps in Llandudno in terms of food-related events and outdoor concerts and productions in relation to the comparators.

**Amenities**

In Scarborough, there are 7 public toilet facilities maintained by the Local Authority. This is less than the 8 public toilet facilities in Llandudno, with Llandudno also offering 11 through the community toilet scheme. Taking into

[105] https://www.yorkshirepost.co.uk/news/major-new-plans-for-scarborough-s-historic-harbour-and-there-could-be-a-fishing-boom-1-8634524
[106] http://www.scarboroughopenairtheatre.com/2017/09/14/scarborough-open-air-theatre-set-exciting-future-new-10-year-deal-agreed/
[107] https://www.bbc.co.uk/news/10485146
[108] https://www.bbc.co.uk/news/uk-england-36938992

account the resident population and the number of day visitors, Llandudno has more comprehensive provision than in Scarborough.

Looking at car parking spaces, Scarborough offers 2,403 car parking spaces compared with 1,312 in Llandudno[109]. Accounting for the number of day visitors and resident population, parking provision from the Local Authority is markedly higher in Scarborough than in Llandudno. This likely reflects the relatively poor transport infrastructure in place in Scarborough, with rail journeys taking a significant amount of time e.g. Scarborough is just 40 miles from York, but a rail trip takes 50 minutes.

Scarborough's public realm has received investment in recent years, with investment secured through the National Productivity Investment Fund by North Yorkshire County Council. This was allocated towards resurfacing of Scarborough's main North Bay promenade and improvements to the public realm to encourage access to the heritage rich part of town and linking the town and the seafront. This included replacing the existing paving, street furniture and trees, new public art and much improved interpretation telling the story of the Old Town. This focus on modernising and improving the public realm and focus on heritage architecture in the old town reflects the importance of the attractiveness of the street scene which can increase footfall and foster a strong independent retail offer, which Llandudno should consider going forward.

**Retail**

Scarborough is ranked number 287 in the Harper Dennis Hobbs Retail Vitality Index, compared with Llandudno which is ranked number 169. This is driven by a higher vacancy rate in Scarborough (7.0% compared with 5.4% in Llandudno) and a higher proportion of undesirable shops such as bookmakers and fast food outlets.

Scarborough's retail offer extends from department stores and well known high street names, many of which are housed in and around the Brunswick Shopping Centre, to quirky boutiques, antique stores and local produce, such as those found in the town's Vaults Market. This is the town's unique, Tuscan-style indoor market that has been active since 1853[110].

Despite Scarborough having a relatively low vacancy rate at 7.0%, at the turn of the decade it was as low as 2.4% and the Council is focused on making improvements to the town centre to improve the experience for visitors and residents. As noted above this includes improvements to the street scene between the harbour and the Old Town, including public realm improvements while the Market Hall has also undergone a £2.78 million revamp, resulting in the creation of new market stalls for new enterprises and a new mezzanine level with a restaurant providing views of Scarborough Castle[111].

While Scarborough's retail offer does not provide many lessons for Llandudno to learn, the re-vamp of the Market Hall is of interest due to the growing food hall investments being seen across the UK, such as Altrincham Market and Mackie Mayor in Manchester, following the examples of markets in Europe such as the Time Out Market in Lisbon and La Boqueria in Barcelona.

**Food and Drink**

Taking into account the resident population and number of visitors, Llandudno has a similar number of food and drink establishments as Scarborough, with Llandudno having more pubs and cafes but fewer restaurants. Scarborough's food offer has a particular focus on seafood, with an active fishing fleet working out of the town's harbour, which Llandudno could look to replicate in relation to Conwy's charter boats, but lacks the relative levels of diversity seen in the other comparators.

In terms of quality, 2 restaurants in Scarborough have been awarded AA rosettes. In contrast Llandudno has 5 restaurants or hotels that have been awarded AA rosettes, including multiples rosettes for Bodysgallen Hall and Spa, Dunoon Hotel and Imperial Hotel. Based on the size of location, Llandudno holds a marked advantage in terms of the number of high-quality restaurants.

**Accommodation**

There are 16 3* or 4* hotels in Scarborough, compared with 23 in Llandudno, giving Llandudno a notable advantage in good quality accommodation. However occupancy in serviced accommodation is around 48.5%, significantly lower than the 68.0% expected in Llandudno. Despite the low occupancy levels Scarborough has seen recent plans for a 105 bedroom Premier Inn approved, on the site of the new Alpamare Water Park,

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[109] http://www.conwy.gov.uk/en/Resident/Parking-Roads-and-Travel/Parking-and-Permits/Coach-and-Car-Parking/Pay-and-Display-Car-Parks/Llandudno-Car-Parks.aspx
[110] https://www.visitengland.com/experience/experience-underground-shopping-scarboroughs-vaults-market
[111] https://www.northyorks.gov.uk/scarborough-precinct

suggesting the potential to link hotels to specific attractions as seen with Surf Snowdonia's plans for a 106 bed hotel to the Adventure Parc, featuring a zip line, events space, spa, and indoor adventure centre[112].

While not visitor accommodation, Scarborough Council also offers colourful beach chalets to visitors on weekly, annual, seasonal and winter lets on Scarborough's South Bay, with huts on the North Bay provided by a private operator. The beach huts have a sink, kettle, power supply and deckchairs, with some also having been adapted by the private operator for use as wedding reception venues. This could be an option should the West Shore develop an activity-based beach offer, with potential for storage of equipment.

[112] https://www.placenorthwest.co.uk/news/surf-snowdonia-aims-to-build-four-star-hotel-by-2020/

# 7. Future Options

### 7.1 Introduction

Our analysis suggests that Llandudno has the potential to achieve growth in its tourism market over the next 25 years. However, in order to achieve this, it will need to adapt to meet the needs of visitors and ensure that it competes effectively with other destinations.

**Table 14. Summary of potential ideas**

| | |
|---|---|
| **Accommodation** | Secure distinctive hotel chain which complements existing independent provision<br>Broaden range of accommodation types e.g. self-catering options such as serviced apartments/aparthotels<br>Quality improvements to existing provision |
| **Attractions** | **North Shore**<br>Signature indoor attraction e.g. gallery/museum<br>Broaden range of attractions e.g. indoor activity centre; escape rooms; sea life centre; water/theme park; indoor miniature golf; simulator experience<br>North Shore beach amenities – zip wire; beach volleyball and trampolines; toilets and cafes and pop-up bars/shops on the promenade |
| | **West Shore**<br>Beach zoning for different uses<br>Activity hub supporting watersports, bike hire and Segway hire,<br>Amenities such as café/bar and shower and changing facilities. |
| | **Great Orme**<br>Investment in, and modernisation of existing attractions<br>Improved linkages between attractions<br>Walking routes; viewing platform; mountain biking trails; high ropes; Center Parcs / Forest Holidays attraction |
| **Boosting the night time economy** | Light night initiative |
| **Retail** | Attract high quality independents e.g. pop-up stores and market opportunities<br>Support for independents e.g. Llandudno pound, targeted rates reductions, more flexible leases and the reconfiguration of shop spaces |
| **Food & Drink** | Regular covered food market<br>Market Hall development |
| **Amenities & Streetscape** | Maintenance of main shopping streets/frontage e.g. formation of retail group/BID/streetscape strategy<br>Refurbishment of the promenade shelters |
| **Events & Festivals** | Major winter event e.g. Fête des Lumières |

| | |
|---|---|
| | Food-based events; outdoor cinema and theatre and further support for existing events such as LLAWN<br><br>Infrastructure to support events e.g. Bodafon Farm |
| **Arts & Culture** | Temporary /public installations<br><br>Continuation of support for grass roots e.g. allocation of empty buildings for studio space by Mostyn Estates |
| **Miscellaneous** | Digital Strategy<br><br>Transport Study<br><br>Masterplan to support wider growth and benefits |

## Accommodation

**Need for distinctive chain hotel**

A key gap in Llandudno's ability to attract the conference market – particularly when booked through an agent or professional body – is the lack of a branded hotel chain in which to house delegates. Anecdotal evidence suggests that Venue Cymru misses out of conferences due to this, and has seen delegates having to stay in Chester (~50 miles away) due to company policy regarding hotels. Furthermore, evidence from the Llandudno Hospitality Association suggests that occupancy can reach capacity within the peak months and securing a chain hotel would also help to increase capacity. However, such a chain hotel should be distinctive from the current offer available in Llandudno and therefore complement existing provision through the Town's range of independents. Furthermore, it is imperative that investment in the form of a chain hotel should support the local economy, such as through the use of local labour and responsible, local procurement, as well as commit to work closely with the LHA.

The experience of Stockport Council suggests that CCBC can play a lead role in facilitating investment into the hotel stock and, with Venue Cymru being operated by CCBC, securing a branded hotel in the town would act to directly benefit its asset should suitable demand be identified in the upcoming Visitor Accommodation Survey.

**Case Study: Stockport Council SPV**

In January 2011 Stockport Council – using its prudential borrowing powers – acquired Stockport Exchange (a former leisure and entertainment complex) and procured Muse Developments Ltd as development partner, tasked with transforming the area through redevelopment of the site to create an office focussed hub with ancillary retail, hotel and multi storey car park. The Council established a project team comprising the Corporate Director for Corporate and Support Services and Corporate Director for Place Management and Regeneration, in conjunction with the Executive Councillor (Corporate, Customer and Community Services) and the Executive Councillor (Economic Development and Regeneration) to work with the developer to secure the most financially beneficial funding arrangement to secure the development and to enter into all the appropriate agreements and / or leases to enable the construction, funding, operation and use of the buildings.

The project team then moved to appoint Interstate Ltd (IHG) – which has a managed portfolio managed portfolio encompassing brands including Hilton Worldwide, InterContinental Hotels Group (IHG) and Wyndham Worldwide – and authorised work with the selected operator to agree Heads of Terms and appropriate management contracts to enable operation and use of the hotel. Prior to completion, Stockport Council created a Special Purpose Vehicle company – the Stockport Hotel Management Company Limited – to trade and operate the hotel at Stockport Exchange. The Council is not allowed to engage in trading activity directly and must do so through companies established for the purpose. Council officers, who receive no remuneration or personal benefit, were appointed as directors of Stockport Hotel Management Company Ltd.

The hotel building – a 115 room Holiday Inn Express – is leased to the Stockport Hotel Management Company Ltd which manages the contract with IHG to run the hotel. The business plan for the development anticipated that the Council's investment in this part of the development would result in the company trading at a profit within one to two years. The development of the Holiday Inn Express was also viewed as instrumental in facilitating wider investment into the hotel stock in Stockport, with Travelodge concluding terms for an 85 room hotel shortly after its completion.

**Range of accommodation types**

Llandudno's current accommodation mix is high skewed towards the hotels sector. The research and anecdotal evidence suggests Llandudno suffers from a lack, in terms of quantity and quality, of self-catering accommodation aimed at families and the multigenerational holiday market. Indeed, according to the Great British Tourism Survey, just 2% of overnight trips to Llandudno utilised self-catering accommodation. Although guest houses and hotels do offer family friendly accommodation, as identified previously, the market is increasingly demanding alternative types of accommodation. This trend is likely to continue in the next 5-10 years, particularly with the growth of platforms such as Airbnb through which existing family houses/homes are available. There are also approximately 80 Airbnb establishments available in and around Llandudno where guests can utilise the whole home. However, this provision relatively low compared with Scarborough where 160 Airbnb units are available.

To avoid a reliance on Airbnb accommodation, the accommodation stock of Llandudno may benefit from adding more serviced apartments/aparthotels in diversifying its accommodation mix. As previously mentioned, this has been an area where Harrogate has seen a particular increase in recent years owing to this type of accommodation being particularly attractive to business visitors during conference season – offering comfort, size and flexibility – as well as attracting families during peak tourism season. As such, investment in this type of accommodation may offer the town flexibility in providing an attractive self-catering proposition for families in the short term, while increasing its offer to conference delegates should this market pick up in the future.

**Quality Improvements**

The consultation highlighted the quality improvements made to the accommodation throughout Llandudno in recent years, particularly to the frontages along the North Shore and supported through the Llandudno Hospitality Association. However, the comparator assessment demonstrated that Llandudno does fall behind the aspirational competitors in terms of its overall standard of accommodation, which is held back somewhat by the "coach hotels". Furthermore, the comparison with Brighton highlighted that guest house occupancy levels have been hit by increased competition from Airbnb. However high quality, i.e. 4*+ guest houses bucked this trend and the town continued to see robust demand across this type of accommodation. This suggests Llandudno should retain a key focus on the upgrading of facilities and quality within accommodation across the town, as noted by the LHA Policy Paper (2017), to address increased competition through Airbnb[113] and other platforms and to bring quality levels closer to its aspirational comparators.

## Attractions

*North Shore*

There is an acknowledgement amongst consultees that Llandudno needs to develop all-year round seasonal (i.e. indoor) attractions, extending the season to attract new domestic and international visitors and overcome extreme seasonality in peak summer months. With North Shore being the focal point of the town's tourism offer, it is suggested that such an attraction should be in close proximity to this area in order to link up with the retail, food and drink and beach offer. The experience of Margate demonstrates the transformational impact that signature all-weather attractions such as the Turner Contemporary can have upon a resort, while the a similar impact has been noted on St Ives through launching a Tate Gallery in the town. However, the experience of establishing these galleries and other signature attractions within their respective towns has also highlighted the need for a strong, co-ordinated strategic approach to securing the investment, with Margate having a team in place for 10 years to deliver the investment to the town, supported by a local "champion" and financed by the local council.

It should also be noted that such "signature" attractions are sporadic and that Llandudno will benefit from retaining focus on broadening its all-weather attraction base, particularly when looking at comparators such as Brighton which has more high-quality attractions and Scarborough which has a broader range of family-oriented attractions such as its Alpamare waterpark, sealife centre and fairground. Individually, some of these attractions have a very strong profile, acting as attractors in their own right (e.g. Sea Life Centres, Alpamare waterpark in Scarborough and the i360 in Brighton). Collectively, they give the destination a real strength to the 'things to do and see' features pages for family audiences; something that is somewhat lacking for Llandudno currently.

A number of potential ideas were noted through research and during consultation with local stakeholders:

– Indoor attractions to build on or act as an introduction to/ a taster of the high adrenaline activities on offer across North Wales including: indoor climbing centre; trampolining; inflatanation/it's a knock-out

[113] It is noted that Airbnb is a platform that is utilised by existing, established accommodation providers in Llandudno. However the platform does open up the accommodation market to those with spare rooms or to rent out homes / second homes.

style attraction; indoor activity centre. Examples include Oxygen Freejumping[114]. In the short-run, as a temporary solution it was suggested that Venue Cymru should continue to offer available indoor space to these types of attraction during peak months when the Venue is going through its quieter periods.

- Indoor attraction to build on the town’s links to Alice in Wonderland through a Theme Park or high-end Escape Room type of attraction.
- Traditional attractions such as sea life centre; water park; indoor miniature golf such as Junkyard Golf[115].
- Family oriented attraction e.g. Peppa Pig World North, building on the success of Peppa Pig World in Hampshire[116]
- Development of an attraction similar to FlyOver Canada[117] in Vancouver, which utilises state-of-the-art technology to suspend visitors before a 20-metre spherical screen while a film whisks provides an exhilarating 8-minute journey across Canada, from east to west. Special effects, including wind, mist and scents, combine with the ride’s motion to create an unforgettable experience. This could be developed on a Wales/UK basis.

North Shore Beach is a vital component of the town’s tourism offer. 28% of visitors to Llandudno were attracted by the town’s beaches, and the proximity of the beach to the retail and food and drink offer available in the town is a unique feature of Llandudno compared to other destinations. As previously mentioned, a Beach Management Plan has developed a number of options with input from the Llandudno Coastal Forum to address the key issues of flood protection, wind-blown sand and – vitally for the tourism sector – amenity value. The current North Shore beach is formed of rounded cobble which has attracted negative comment in recent years, and is reflected in the Conwy Tourism Survey. The options developed as part of the Beach Management Plan offer the potential to address this negative amenity effect such as through beach nourishment at Children's Corner or through full replenishment of sand through fishtail rocks groynes. However there is a need to balance this against the need to provide a long-term, technical and cost-effective coastal defence solution.

The consultation as part of this study noted diverging option amongst consultees with regards to the need for sand replenishment at North Shore beach, while reflecting its overall importance to Llandudno’s “offer”. However the consultation and wider research did highlight some potential intervention areas:

Llandudno Pier provides the main focus for family fun activities at the North Shore, and is largely well used with recent investment having further aided its appeal. However, although visible from the beach, these activities feel somewhat removed from the beachfront and require the group to venture away from the beach to gain access – in other words, this is not a seamless experience of the beachfront that can be gained at other destinations with piers, for example Bournemouth, Brighton and Scarborough. Bournemouth has taken this a step further to create a zip-wire experience from the pier to the beach[118] and this demonstrates the potential for Llandudno to promote a similar intervention.

North Shore beach itself has been largely left untouched in terms of amenities and facilities to keep families entertained on a beach-based trip. The dichotomy here is how family friendly facilities can be presented in the area without detracting from its attractive character and potentially spoiling the enjoyment of the coast for others. A key aspect in this regard is the design of the public realm. Weymouth is a good example of how various facilities and amenities – such as bungee trampolines and beach volleyball courts – have been integrated into the beach landscape without detracting from its overall appeal. However such interventions would have to ensure that the beach was not hidden from the hotels and bars along part of the promenade. So there is an acute balancing act to be made.  From an amenity perspective, new facilities such as toilets and cafes and pop-up bars/shops on the promenade have the potential to improve the offer to tourists on the beach.

The integration of the beach into the overall tourism offer in Brighton is also supported by events such as Paddle Round the Pier, Europe's biggest free beach and watersports festival, Brighton’s Big Screen which shows iconic films and sporting events during the summer and Burning the Clocks, a winter solstice event with fireworks which attracts 20,000 visitors. The integration of the beach into the events calendar in Llandudno would act to strengthen its role within the town’s tourism offer and the Llandudno Sea Triathlon is a positive development in this regard.

[114] https://oxygenfreejumping.co.uk/
[115] https://www.junkyardgolfclub.co.uk/
[116] https://peppapigworld.co.uk/
[117] https://www.flyovercanada.com/
[118] http://rockreef.co.uk/pierzip/

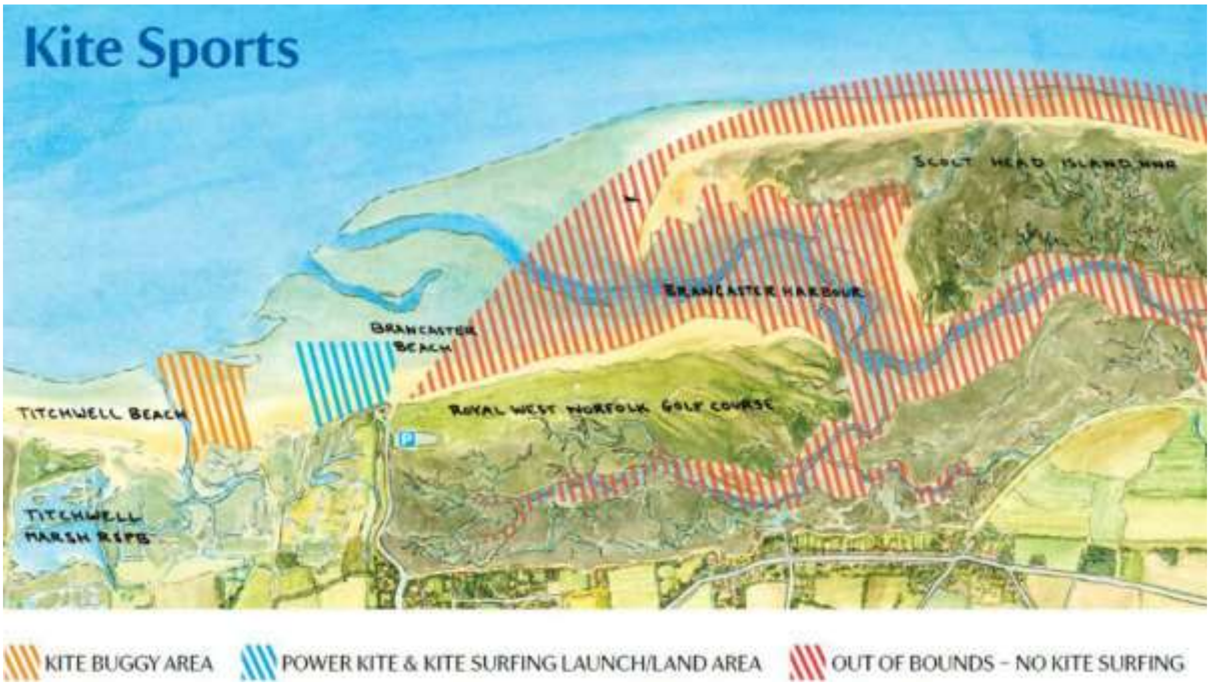
North Shore beach is somewhat disconnected due to its lack of accessibility due to the rounded cobble in place. Therefore any improvements to accessibility for all users as part of the Beach Management Programme would be beneficial to strengthen the beach's role as a focal point for visitors and the local community.

*West Shore*

The West Shore was noted by consultees as a "gem" and underutilised asset currently. As an attraction, West Shore is already successful in attracting kite surfers, who benefit from it being a good flat water area at the Great Orme end of the beach. Different tide times make it accessible by different groups, with low tide times suitable for beginners and high tide times more suitable for experienced kite surfers.

Consultees noted that this area should look to further develop as an activities hub, which would not only play into the high adrenaline offer available across North Wales but also has potential to promote a vibrant environment in Llandudno and attract a younger, more active audience. A more formalised offer at West Shore could follow the example of Brancaster Beach in Norfolk which, in order to maintain the safety and enjoyment of visitors and residents, ensures that the use of kites and buggies and the launching of is restricted to certain zones on the beach. A similar zoning approach would allow West Shore Beach to retain its popularity amongst the local community and accommodate a number of users of the beach e.g. dog walkers, swimmers, families.

**Figure 23. Kite Sports Zones on Brancaster Beach**[119]




Other activities could be supported at the Great Orme end of West Shore Beach, with consultees noting the potential for:

- Other watersports such as kite buggies, sea kayaking, paddle boarding and wind surfing.
- Activities such as bike hire and Segway hire, to take advantage of the route through to Deganwy and Conwy or into Llandudno.
- A café/bar development with integrated shower and changing facilities.

*Great Orme*

The Great Orme – while noted as one of the premier attractions across North Wales – was also viewed as under-utilised from a tourism and attractions perspective currently. As one of the unique aspects of Llandudno by allowing visitors both a town and high-quality outdoor experience, stakeholders noted a number of potential areas for improvement.

- Walking routes – At the top of the Great Orme, around the Great Orme Tramway Station, it was noted that there is little to do other than visit the Summit Complex and Visitor Centre. Improved signage to walking routes to explore the Great Orme, taking in the views and wildlife, and providing linkages to

[119] https://www.nationaltrust.org.uk/brancaster-estate/features/kite-sports-on-brancaster-beach

attractions on the Great Orme such as the Alice in Wonderland statues, Great Orme Mines and Great Orme Tramway/Cable Car.

- Viewing platform – Linked to the recent investment in the i360 in Brighton, and the rise of the Instagram and photograph sharing culture, the Great Orme, with its spectacular views either over Snowdonia or out onto the Little Orme and Conwy Estuary, would lend itself to a viewing platform. Examples include the AlpspiX observation deck in Grainau, Germany; the Stegastein lookout in Norway or Matteo Thun's Viewing Platform in Italy.
- Improvements to existing attractions – A number of attractions such as the Visitor Centre, Llandudno Snowsports Centre and the Summit Complex were noted to have suffered from a lack of investment in recent years which have left them tired in comparison to other attractions in Llandudno and nearby destinations. With the Great Orme receiving 600,000 visitors per annum, investment in these attractions could greatly improve the appeal of what is already a highly regarded attraction. For instance:
  - The Visitor Centre could be developed to provide a more modern, vibrant and interactive visitor experience by utilising new immersive technologies such as AR/VR building and providing a higher quality food and drink offer than that which is currently available on the Great Orme. This could build on the experience of similar visitor centres such as the Scottish Seabird Centre[120].
  - The Ski and Snowsports Centre could be modernised to provide a similar experience to alpine activity centres such as Snowtrax[121] by investing in the slope itself and integrating other features such as trampolines and an alpine adventure centre. The Zip World Fforest Coaster[122] in Betws y Coed also provides an example of improvements that could be made to a toboggan/tubing experience with investment in and around the attraction and toboggan track. Furthermore, other elements could be invested in such as a luge, an example of which is the Skyline Luge[123] developed in in New Zealand.
- With the attractions on the Great Orme under different ownership across the public and private sector, this can make it difficult to take a strategic approach to improving assets across the Orme, and addressing the aforementioned lack of investment. These separate entities could be brought together into a working group to discuss the potential for a more joined up approach to maximising the benefits to their business from visitors to the Great Orme and the attractions complementing one another, such as discussing pooled maintenance, marketing or combined tickets (such as with the Great Orme Tramway).

Outdoor attractions are less of an immediate priority in Llandudno, owing to the quality of its outdoor environment, however efforts should be made to maintain and update existing attractions in order to meet visitors' expectations and build the profile and perception on Llandudno. However, consultees did note some outdoor attractions:

- High Ropes Attraction (such as Go Ape)
- Center Parcs / Forest Holidays style of attraction
- Mountain biking trails

## Boosting the night-time economy

The need to boost the evening and night time economy is apparent in Llandudno, particularly if the business tourism market is to grow in the town. The Great Britain Day Visits survey shows that 21% of expenditure on day visits was either for a meal out or going on a night out, and therefore the anecdotal evidence of shops shutting at 5:30pm even during peak season and a lack of options to eat and drink during the evening suggests that Llandudno is missing out on an opportunity to boost tourism expenditure. Furthermore, improving the evening and night time economy can improve visitors' perception of the town's vibrancy and providing visitors with a positive evening and night time experience can be critical to retaining these visitors.

**Light Night Initiatives** – A number of towns have sought to bridge the bridge the divide between the daytime and evening economy through Light Night Initiatives. One such example was Head Out Not Home, which was a campaign set up by the Chester Business Improvement District whereupon businesses were encouraged to keep their doors open late every Thursday. This resulted in 40 businesses taking part and 22% more footfall over a 9-

[120] https://seabird.org/index.php
[121] https://www.snowtrax.eu/
[122] https://www.zipworld.co.uk/adventure/fforest-coaster
[123] https://www.skyline.co.nz/en/queenstown/things-to-do/skyline-luge-queenstown/

week trial period[124]. A similar initiative, called Alive After Five, has been in place in Newcastle/Gateshead since 2010, which has implemented late opening until 8pm each evening, supported by free parking after 5pm in the city centre. This initiative was found to add £131m to the local economy in 2017[125]. While also extending the opening hours of shops and food and drink outlets, late night initiatives are also supported by wider activities e.g. in Bury's Light Night initiative – called Enlighten – is supported by cultural activities such as light installations in key public spaces, public art exhibitions and activities such as sketch book socials within its Cultural Quarter[126].

There is potential for Llandudno to make a concerted effort in this space, particularly in the short-term during peak season (e.g. staying open until 8pm on Thursday – Saturday), which may lead businesses to realise an untapped market and implement a long-term initiative. However the organisation and management of a Light Night Initiative requires a concerted effort between a range of individuals and organisations such as the local authority, retailers, leisure operators and residents to ensure it is managed effectively and that possible negative impacts are effectively mitigated, making partnership, engagement and consultation pre-requisites. Such concerns include: parking; policing, marketing and street cleaning. As noted in its Manifesto for the Night Time Economy[127], there may also be the need to identify a Night Time Economy Champion with the leadership and charisma to bring parties together to develop the vision and then drive towards it.

## Retail

As previously stated, Llandudno's retail offer benefits from a markedly low vacancy rate. Existing evidence from the comparator studies, Town Centre Users and Business Surveys, as well as feedback received from stakeholders, suggests a number of common themes for how to build on Llandudno's current retail offer.

Need for more high-quality independents – respondents noted that Llandudno benefits from a strong café culture in and around the high street, but that there was a need for increased variety and quality in the shops and a move away from low-value shops such as charity shops. In order to encourage independent retailers to establish in the town, the business environment must be supportive (both through rates and support from the Council/Chamber of Trade) and anecdotal evidence suggests that this is the case. A number of schemes have been trialled across the UK that Llandudno can refer to:

- Pop Up Margate – As noted in the comparator analysis, in response to a declining high street the Pop-Up Margate concept was trialled as an opportunity for small businesses who otherwise wouldn't be able to afford a shop to trade, to promote and sell their products rate free with a rent of £35 a week. Over the years 15 new start-ups have established themselves and moved into shops since starting at the pop up market. While Llandudno is starting from a different base – with a significantly higher performing retail sector – a similar approach could be trialled in vacant units.
- First Pitch – This was a scheme set up by the National Market Traders Federation to give budding entrepreneurs the chance to test their business ideas by setting up a market stall, benefitting from reduced stall rental. Llandudno could establish a makers-style market[128] in the town on a monthly basis (more often during peak season), allowing entrepreneurs to do live market testing for their wares, with success leading to potential establishment of independent businesses within the town.

In addition to attracting new independents, support could be extended to existing independents in Llandudno, building on support from the Chamber of Trade such as the discount/voucher scheme to support local independents. This could be extended to include the development of the Llandudno pound, building on the example of Bristol[129] which has helped to commit people to spend locally, which also helps forge new business relationships with businesses spending locally too. Support for independents in other areas has included targeted rates reductions, more flexible leases and the reconfiguration of shop spaces (smaller spaces)[130].

Consultees also noted the potential damaging impact from the proposed move of Marks & Spencer from Mostyn Street to Parc Llandudno, which was expected to reduce footfall on the main high street and have a damaging effect on other businesses. Efforts should be maintained in seeking to retain and attract reputable stores within the town centre to avoid its hollowing out. However it is noted that market conditions are challenging for these store and decisions are largely out of the control of the public sector and landowners.

[124] https://experiencechester.co.uk/bid-boost-evening-economy-chester-hailed-success/
[125] https://www.chroniclelive.co.uk/business/business-news/alive-after-five-added-131m-13812266
[126] https://www.bury.gov.uk/CHttpHandler.ashx?id=17596&p=0
[127] https://cornerstonebarristers.com/cmsAdmin/uploads/night-time-economy-final.pdf
[128] http://www.themakersmarket.co.uk/
[129] https://bristolpound.org/
[130] https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/consumer-business/deloitte-uk-consumer-review-role-of-the-high-street.pdf

## Food & Drink

A comprehensive food and drink offer is vital to appeal to visitors, increase visitor expenditure and in order for Llandudno to realise its goals for developing its evening and night economy and ability to attract conferences. Furthermore, a good range of cafes, bars and restaurants not only increases the 'dwell time' of visitors but the average spent during trips to town[131]. Llandudno has a high volume of cafes but, compared to the comparators we looked at in the previous section, falls behind in terms of its number of restaurants and, to a lesser extent, bars.

Anecdotal evidence suggested that, while improvements had been made through recent investments to the local food and drink offer such as Dylan's, Providero and Johnny Dough's, there was the need to modernise the food and drink offer in the town to appeal to different demographic groups and move beyond the offer to elderly visitors and also to increase the overall quality of the food and drink offer to visitors. Developments in this area may be organic, with anecdotal evidence suggesting that many hotels have been closing down their kitchens as a food offer is difficult to sustain throughout the year, which may lend itself to in-town developments. Efforts should therefore be made to attract and support high quality restaurants in the area, and to develop the food scene such as through:

- Covered market – A possible intervention to support the food and drink offer in Llandudno – building on the comparator analysis of Brighton, Margate and other locations – is to locate a regular, covered food market in Llandudno. This could be similar to Street Diner in Brighton, an outdoor covered market which is held every Friday and champions local food producers. Consultees noted the Colonnade as a potential location for this to located, however as prominent a location as possible within the town centre would act to increase footfall.
- In the long-term, as mentioned in relation to Scarborough in the comparator studies, an indoor food hall option could also be developed to weather-proof the offer, with the option for larger restaurants to also acquire space. This could champion local producers from North Wales, drawing on the experience of other food halls such as Altrincham Market or Mackie Mayor in Manchester.

## Amenities & Streetscape

Public amenities and the streetscape are of paramount importance to visitors' perceptions of Llandudno, impacting the quality of their stay, willingness to return and likelihood to recommend the town as a destination. Consultees noted that Llandudno has been successful in retaining its Victorian heritage, particularly in recent years, which is vital to the wider tourism offer and that this will need to be built upon in the future. A number of themes emerged from consultation, informed by wider research:

Maintenance of main shopping streets/frontage – Consultees noted the need to invest in order to maintain the pavements and Victorian verandas in the main retail areas which tourists frequent, and for ownership/responsibility issues to be overcome in this regard. While noted to have improved in recent years, the frontages of shops and general streetscape (planting, street furniture etc.) was also noted to differ markedly on different streets. A number of approaches have been trialled to overcome similar issues in comparators such as:

- The Montpellier Quarter Retail Group in Harrogate which sees a number of retailers in the Quarter voluntarily come together to contribute to a fund which is put towards floral hanging baskets and Christmas lighting, as well as wider resources such as brochures, a web-site and advertisements.
- Business Improvement District, in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area. However, with the 2017 Business Survey noting high business rates as a key concern of businesses this would need to be taken into account/the area chosen wisely.
- CCBC could also consider adopting Streetscape Strategy as in Brighton. With consultees noting a lack of coordination across the town in terms of flower boxes, street furniture and colours of shop fronts, this would allow uniformity and contribute to high quality public realm, with Mostyn Street viewed as an example of good practice.

Promenade Shelters – The refurbishment of the promenade shelters was noted by consultees as a key intervention area in maintaining the Victorian heritage of the town. The comparison with Margate suggests a broader approach can be taken in renovating shelters to improve the wider public realm. The Margate Coastal Park improvements aim to increase the recreation and leisure value of the public space by creating different zones of interest and use. The seven seafront shelters are to be re-purposed – without changing their overall

[131] https://www.gov.uk/government/news/challenging-high-streets-get-a-helping-hand

character – creating hubs along the coastline, with planting will be used introduce diversity to the landscape and define function. A similar approach in Llandudno could see the shelters redeveloped by themes (such as aspects of Llandudno heritage / Alice in Wonderland) or could see public art within the shelters, to make them functional and to work as an attraction to draw people in along the Promenade.

In terms of public amenities, Llandudno compares favourably with other destinations in terms of the number of public toilets and parking spaces run by the Council for a town its size. However, it should continue to review the location and quantity of provision, with a number of points noted such as car parking along the promenade and with access to Mostyn Street, with 25% of respondents to the 2017 Llandudno Shoppers Survey noting parking being their suggestion for improving their experience. The quality and access to public toilets from Mostyn Street was also noted as a concern, with 14% of respondents noting this as either their first or second improvement suggestion.

## Events & Festivals

The broad perception was that the events currently held in Llandudno, such as the Victorian Extravaganza and Armed Forces Day were of a high quality and of great benefit to the town. However, alongside broadening the all-year-round attraction offer, events and festivals can help to draw in visitors during the off-season. Tourism in Conwy Borough is highly seasonal, with a significant drop-off between November and January as shown in Figure 9, and there is a gap in the events calendar over this period. In its Economic Growth Strategy CCBC notes the need to hold a major event that can run over several weeks during this period, with ideas including holding a Fête des Lumières-style event, comprising a number of light art-installations, as well as illuminating iconic buildings and locations across the town as have been implemented in Leeds and Liverpool. Consultees also noted the need for:

Major winter event – Consultees noted the success of the Christmas Fayre in attracting visitors to the area, with more than 35,000 visitors over the 4 days. This performance, it was argued, should be built upon by increasing the number or breadth of festive events, such as developing the Christmas Fayre into a Winter Wonderland-style attraction, integrating elements such as an ice rink; fireworks; Christmas lights alongside an expanded market offer. A themed market offer, such as German or Scandinavian was also suggested by consultees, though these ideas would require a large pedestrianised location over an extended period of time.

Food-based events – The comparator analysis with Brighton and wider research suggests that Llandudno's events offer could benefit from food themed events. For instance, in Brighton the Big Cheese Festival, VegFest UK, Foodies Festival, Vegan Summer Festival, Fiery Food Festival and Oktober Fest, amongst other smaller events, are held throughout the year. In 2015, 25.4 million people wanted to attend food festivals in the UK, compared to the 30 million people who attended music festivals in 2017. While Conwy Feast takes place within the Borough, this evidence suggests potential demand for Llandudno to hold an event in this space.

Further support for existing events – LLAWN (Llandudno's Art Weekend), held in September each year, was noted as a success by consultees, attracting 16,000 visitors over the course of the weekend. It was noted that LLAWN could be expanded to include a wider range of indoor and outdoor productions. This would require further financial support, with the rationale for a larger scale event enhanced by the announcement that Festival Number 6 in Portmeirion will no longer be held in the immediate future, leaving a gap in the arts and music event space in North Wales.

The comparator studies highlighted gaps in terms of Llandudno's outdoor theatre and cinema offer, an area which has registered growth in recent years with comparators such as Brighton offering outdoor cinema showings on its beach during summertime. , The breadth of the town's activity-based events should continually be reviewed to adapt to developing trends. Furthermore, consultees also noted the need to ensure that the appropriate infrastructure is in place to support events, such as investigating the potential to support large-scale events at Bodafon Farm (and associated demand for such a space) and the need for infrastructure along the promenade (such as power supply).

However it was also noted by consultees that the town still needs to work for locals who use it as a retail centre. In this regard road closures and traffic can have an adverse effect on retailers, which tend to see lower levels of footfall, as well as residents. As such, focus should be retained on the quality of events to avoid disruption unless entirely necessary.

## Arts & Culture

The experience of Margate in particular demonstrates the positive impacts that boosting the artistic and cultural capital of a location can have upon tourism, both in terms of visitor numbers to galleries and the wider impact on visitor perceptions and the destination "brand". This often requires concerted action and support over a number of years and Llandudno, through Mostyn Estates, has sought to develop its arts and culture offer through Mostyn Gallery and through the allocation of empty buildings for studio space, following on from the experience of other areas such as Whitstable and St Ives which have fostered a creative scene. This support for the grass roots will be essential should Llandudno wish to develop a culture and arts offer over the long-term, which in turn has the potential to open up tourism opportunities through changing visitor perceptions and exploiting potential linkages that artists establish with a location, as seen by Damien Hirst's connection with Ilfracombe and Tracey Emin's relocation to Margate.

In the short-term actions can be progressed to attract visitors based on the creative scene. For instance, temporary /public installations can attract people to an area. In York a two-year project called 'Vespertine' was funded by York City Council and Arts Council England to inspire people to stay in the city centre for longer in the early evening through musical performances, light projections and art installations which will come to life as shops are closing[132]. Furthermore, Damien Hirst's installation of "Verity" in Ilfracombe[133], Anthony Gormley's Another Time installation in Margate and the permanent sculpture park at Gibbs Farm[134] in Kaipara, New Zealand have benefitted the towns in terms of attracting visitors. Brighton has also installed a public art plinth near to Brighton Beach – the Hove Plinth – which showcases works for up to 18 months.

## Miscellaneous

**Marketing** – It was noted by many consultees that the perception of Llandudno needs to change in order to attract different groups and their associated spend. Views suggested that Llandudno needs to be seen as vibrant and exciting, rather than as a place for coach tours or the elderly population. With partners such as Visit Wales and North Wales Tourism, CCBC should look to promote this image, linking to the wider attractions across North Wales such as Surf Snowdonia, Zip World and the Snowdonia National Park. These attractions are within easy reach of Llandudno, supporting its role as an accommodation base, but there is disconnect between these key assets when comes to awareness and marketing material.

The analysis of Llandudno and the wider trends that have the potential to impact the tourism industry suggest the potential need for CCBC to take proactive action to prepare for these eventualities. This includes:

- **Digital Strategy** – The rise of technology will have a profound effect on our lives, working practices and tourism/leisure habits and expectations. As noted in the future trends section, how digitally "ready" Llandudno is will be a key issue if it is to adapt to the changing reality of increased digitalisation. A Digital Strategy would be a way for the County to identify weaknesses and prioritise actions in this area. Furthermore, the increasing connectedness of physical objects, devices, vehicles, buildings and other items through the Internet of Things will have a considerable impact and allow analysis of available data to tailor the tourism experience. Many areas are looking to become Internet of Things Pilot Areas, and Llandudno could pursue this avenue.
- **Transport Study** – It was noted that current transport conditions, such as a lack of frequent rail services into Llandudno town centre, sporadic bus services and congestion on the A55 affect Llandudno's tourism sector. Furthermore the future trends identified considerable change in the offing, particularly the phasing out of petrol and diesel vehicles by 2040 and the associated need to integrate e-vehicle charging infrastructure across the town, in addition to changing transport habits amongst the younger generation. A comprehensive Transport Study would allow Llandudno to identify the key transport and infrastructure priorities for the town and ensure robust planning is in place for the changes due to impact the sector, and the knock-on impacts on the town which could affect the tourism sector.
- **Masterplan to support wider growth and benefits** – As much as this document and the recommended activities are focused on the visitor market, any investment should also look to address the needs of the residents of Llandudno. The existing population will benefit from and provide demand for many of the services and facilities identified, helping to diversify the town's offer and supporting growth. Beyond this there is also a need to consider how to grow Llandudno – both in terms of its population and its economic profile – beyond the visitor economy to support economic development. The town provides a good quality environment and supporting infrastructure for its residents and is an attractive proposition for different demographic groups that might be looking to move and relocate. However it is currently unclear what the growth and development aspirations are for the town that

[132] http://www.yorkpress.co.uk/news/12699540.__100_000_boost_for_York_s_evening_economy_-_18_new_events_and_art_projects_planned/
[133] https://www.devonlive.com/news/devon-news/five-years-verity-how-damien-597690
[134] http://www.gibbsfarm.org.nz/

could support investment and activity in the tourism sector and wider economy. To this end consideration should be given to the development of a town-wide masterplan to demonstrate future ambition and aspirations both to residents and potential investors.

# Appendix A National Context and Current Trends

The Llandudno Tourism Study needs to be realistic and achievable, aimed at maximising the benefits of tourism for the town in a sustainable manner. In order to achieve this there is a need to understand the underlying trends currently affecting consumer and visitor habits, spending patterns and market activity alongside wider factors such as economic, demographic, social, and technological change.

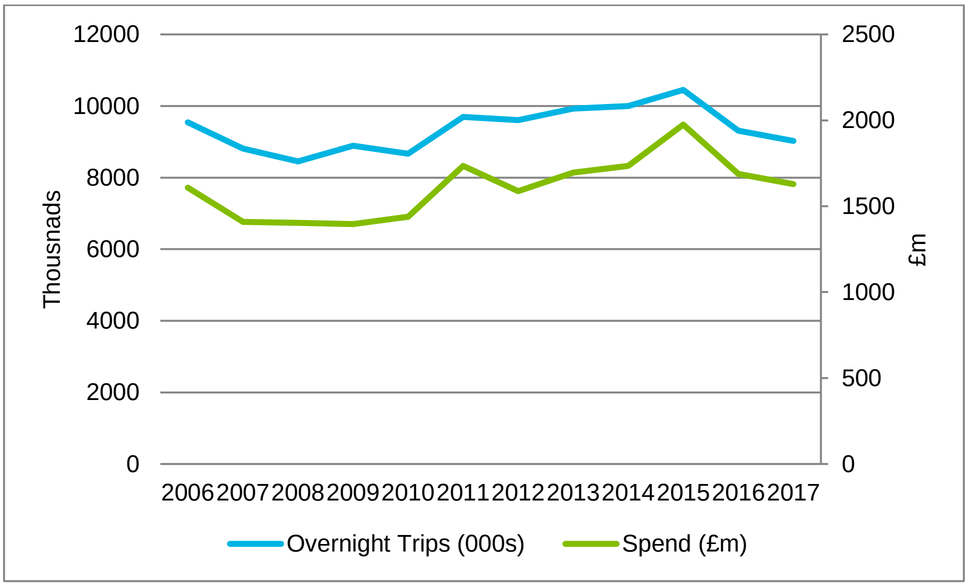
## 7.2 Tourism context

### The National Picture[135]

The tourism sector plays a pivotal role in the Welsh economy, acting to reinforce a distinctive and compelling national identity for Wales as a place to visit, invest in and as a place to do business. The annual Gross Value Added (GVA) attributable to the Welsh tourism sector is around £2,844 million and the tourism sector supports around 122,900 jobs across Wales.

There were 9.02 million overnight domestic GB trips to Wales in 2017, generating a related expenditure of £1,628 million. However both the number of overnight trips and associated spend has fallen over the past two years. The top three countries of origin for international visitors to Wales in 2017 were the Republic of Ireland, Germany and the United States.

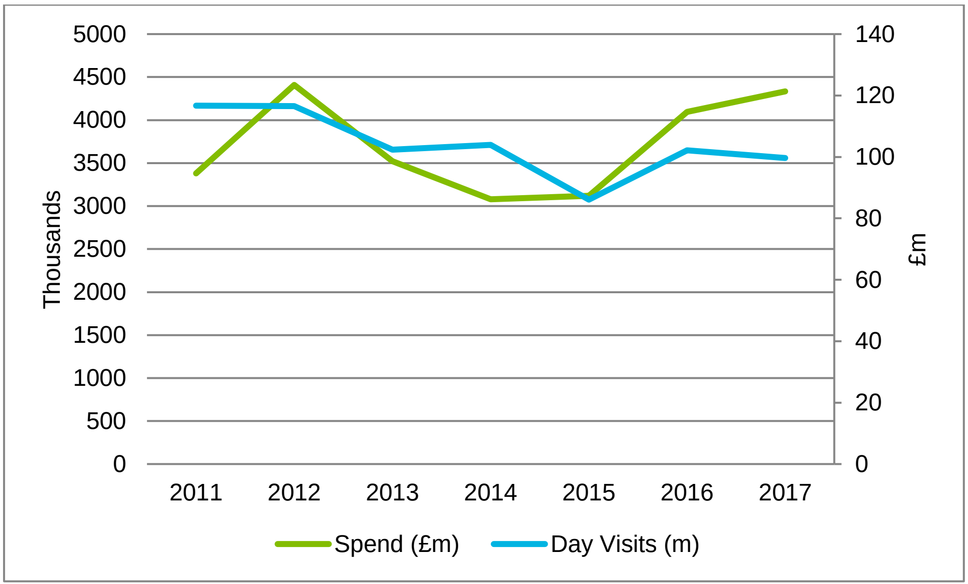
**Figure 24. Trend in Overnight Trips and Expenditure in Wales**




During 2017 there were 99.7 million Tourism Day visits in Wales. These visits generated £4,332 million of expenditure. While the general trend over the past 5 years has seen the number of day visits decrease, expenditure has shown a more volatile profile, rising sharply over the past 2 years in particular.

[135] https://gov.wales/statistics-and-research/?topic=Tourism&lang=en

Figure 25. Trend in Day Visits and Expenditure in Wales




**Seaside tourism**[136]

Seaside locations have a distinctive tourism offer are a key driver of activity in Wales. In 2016 Welsh coastal locations attracted over 4 million overnight visits and £800 million of expenditure. The Welsh coast also received 25 million day visitors, accounting for an expenditure of £897 million. These visits amount to 24% of all tourism day visits taken in Wales and 22% of spend, much higher than the proportion for Great Britain as a whole, which sees just 11% of all tourism day visits to seaside or coastal destinations.

Around half of all visits to the coast in Wales originate from the North West of England and the West Midlands. 19% come from within Wales, demonstrating the importance of the 'home' market to domestic seaside tourism. Just 4% came from London, 5% from the South East and 6% from the South West, suggesting the opportunity to attract more visitors from these regions, particularly should proposed improvements to transport infrastructure come to pass.

Wales accounts for 17% of all domestic overnight visits to the coast within the UK, more than any other region except South West England (32%). For international visitors, research indicates that 53% visited a Welsh coastal location and 38% went walking by the coast. These are higher proportions than for any other region of Great Britain. Visits to the Welsh coast tend to involve children (47% of overnight stays and 24% of day trips), are often made by people from lower social grades and the majority of overnight stays are accommodated in camping/caravanning accommodation (44%) with hotels/motels on 26%.[137]

The trend related to seaside resort tourism is less clear than for other types of resort or tourism destinations. A pure beach offer is difficult to maintain against international competition owing to poorer weather conditions in the UK. However many resorts have been able to successfully adapt and to re-invent to attract new audiences, such as the examples of Margate and St Ives which have developed a strong arts and culture offer linked to galleries being located in the town. The changing demographic structure across the UK may help resorts in the future. With more children and older people entering the market, having an easily accessible and family-orientated seaside destination will be ideal for multigenerational (and shorter) family holidays. Meanwhile, the traditional, appeal of the seaside has been re-kindled by many visitors returning after a long absence.

However there is a need to adapt and modernise seaside resorts to attract new visitors. Unique activities and experiences from sport to cuisine mean seaside resorts can offer the experience-led option that domestic guests increasingly require, and will be the focus of this Llandudno Tourism Study.

## 7.3 Current Trends

### Demographic and Social Trends

[136] https://businesswales.gov.wales/sites/business-wales/files/tourism/YOS_Business_Guide_A5_EN.PDF
[137] https://www.visitbritain.org/sites/default/files/vb-corporate/Images/England-stats-insights/seaside.pdf

The UK population is currently at its largest ever, with over 65.6 million residents. Fundamentally, the population is getting older, with nearly 1 in 5 (18.0%) of the population being aged 65 years and over. This compares to just 14.2% in 1976. Moreover, it is predicted that the 65+ age group will account for nearly a quarter (24.7%) of the population by 2046. Conversely, the proportion of younger and middle age groups is expected to decline over time.

**Table 15. Age distribution of the UK population, 1976 to 2046 (projected)**

| | 0 to 15 years (%) | 16 to 64 years (%) | Aged 65 and over (%) | UK population |
|---|---|---|---|---|
| 1976 | 24.5 | 61.2 | 14.2 | 56,216,121 |
| 1986 | 20.5 | 64.1 | 15.4 | 56,683,835 |
| 1996 | 20.7 | 63.5 | 15.9 | 58,164,374 |
| 2006 | 19.2 | 64.9 | 15.9 | 60,827,067 |
| 2016 | 18.9 | 63.1 | 18.0 | 65,648,054 |
| 2026 | 18.8 | 60.7 | 20.5 | 69,843,515 |
| 2036 | 18.0 | 58.2 | 23.9 | 73,360,907 |
| 2046 | 17.7 | 57.7 | 24.7 | 76,342,235 |

In 2016, there were some 18.9 million families[138] in the UK. This is an increase of around 2.3 million in the 20-years from 1996 (16.6 million). However, the composition of families is changing. For instance, there are many more cohabiting couples (3.3 million in 2016 compared with 1.5 million in 1996) nowadays and there are more lone parent families (2.9 million compared to 1.5 million).

Likewise, there are more single person households now (7.7 million in 2016) than 20-years ago (6.6 million in 2016). Nevertheless, one family households[139] (15.5 million in 2016) remain the dominant household type in the UK.

Linked to the demographic change observed over the past couple of decades, grandparents have assumed a greater role in the provision of childcare. This is linked to rising costs, with the average cost of sending a child under two to nursery full time at £232.84 per week.  This in itself may lead to opportunities with grandparents taking children on day trips as part of their caring responsibilities. As grandparents and great-grandparents become increasingly involved in childcare and family life, businesses and destinations in the tourism market are having to cater for an increasing number of multigenerational family holidays and cover all bases.

From a tourism perspective, these factors mean that the overall tourism market in the UK is growing and will continue to grow. Whilst the family market will remain key, particularly for seaside destinations like Llandudno, it is important to recognise that the composition of trips by demographics will look slightly different in the future. In particular, there will be more single people, friendship groups, lone parent family trips and multigenerational trips, along with trips from older age groups who are more likely to be agile and mobile for longer than in the past. The importance of these changes is evident when looking at the key trip statistics by life-stage.

***Young adults (Millennials/Gen Y)***

The so-called Millennials/Gen Y represent adults that were loosely born between the early-to-mid-1980s and mid-1990s. This group has grown up in a technological age, an age of improving social and environmental awareness and has also become used to changing family lifestyles, friendship ‘networking’, and online retailing. They also face considerable financial pressures, with students finishing university with high levels of debt due to tuition fees and the rising cost of houses meaning that many young adults live with their parents into their mid-to-late 20’s, and even early 30’s[140].

The following trends have been noted in relation to key tourism influences, behaviours and patterns on this group:

– This group is generally more footloose, with greater freedom to explore and ‘meander’ from place to place, and travel when they want to.

[138] Married, civil partnered or cohabiting couple with or without children, or a lone parent, with at least one child

[139] One family household: couple and one family household: lone parent, can contain dependent and non-dependent children

[140] https://www.theguardian.com/commentisfree/2017/apr/27/millennials-living-parents-sustainable

- They are more likely to be risk-takers when choosing destinations, and are more willing to try somewhere new. Many have or will take a year out to travel the world.
- Exploration, cultural discovery, adventurous activities and evening entertainment are key ‘needs’ for this group.
- Social media has a greater influence on travel choices amongst this group, with 87% looking to Social Media (e.g. TripAdvisor, Twitter, Facebook, etc.) for travel inspiration[141]. In essence, they demand a digital dialogue, succinct language and powerful imagery.
- They will also look to influence others through feedback on destinations (i.e. user-generated content in the form of reviews, photos, videos and even blogs), with the vast majority likely to post their experiences on social media.
- A lower level of affluence amongst students and those in their early 20’s means that lower cost accommodation (i.e. hostels, camping, budget hotels and pod hotels) are generally preferred, though they will still prefer some kind of ‘cool’ factor. More of their travel expenditure is likely to be focused on activities, events and experiences that offer a high reward value.
- This changes in the latter stages of this age range as relationships build and careers progress, with opportunities for romantic, relaxation and cultural breaks. Higher value items such as quality accommodation[142] (i.e. hotels, aparthotels and higher-end Airbnb), boutique retail, spa and fine dining become more important here.

A study by Harris (2017) reveals that the generation born between 1980-1996 not only highly values experiences, but they are increasingly spending time and money on them: from concerts and social events to athletic pursuits, to cultural experiences and events of all kinds. More than 3 in 4 millennials (78%) would choose to spend money on a desirable experience or event over buying something desirable, and 55% of millennials say they’re spending more on events and live experiences than ever before.

There is a recent trend of millennial parents placing a higher value on entertainment and leisure with their families compared to older generations of parents, and their spending habits reflect this with younger generations reporting a higher spend on holiday parks and theme parks, with families with children aged 4-6 years old spending more than £200 on visiting holiday parks[143].

**Mid- life Adults**

Although those aged 35-49 – a key target market for the sector currently – are set to decrease in number over the next 10 years, after this period the age group will slowly start to grow again but will still shrink as a proportion of the UK’s population overall. This group is often described as independent thinkers, tech-savvy, and pragmatic[144]. However, either as families or empty nesters, this group is also striving for a better work-life balance, and is looking to dedicate more time towards pursuing leisure experiences.

This group will change its behaviours based upon whether they are in a family household or empty nesters. As such, we have decided to split the analysis between families with dependents and ‘empty-nesters[145]’.

***With families***

- Although retaining personal interests is important to this group, families are more susceptible to seeking compromise between own needs and broader family needs.
- Safety and security are important to the decision-makers of this group, meaning that they will often return to familiar places or go to recognised ‘safe’ places, particularly those recommended to them by other family groups.
- Comfort and ease of access to the key aspects of the holiday are also important, with child-friendly activities a highly valued aspect of any destination. However, the child friendly ‘activity’ will be age appropriate.

[141] https://www.travelprofessionalnews.com/the-millennial-travel-trends-of-the-largest-generation-july-2017/
[142] https://www.travelagentcentral.com/running-your-business/stats-52-millennials-prefer-hotels-not-airbnb
[143] https://www.barclayscorporate.com/content/dam/corppublic/corporate/Documents/Industry-expertise/destination-uk.pdf
[144] The MetLife Study of Gen X: The MTV Generation Moves into Mid-Life
[145] Please note, the term may need to be taken more lightly these days due to young adults/non-dependent children living with their parents for longer.

- This group will seek attractive landscape settings, as well as opportunities to have fun and share good family time. Beach resorts with plenty of activities to keep the entire group engaged are likely to do well, or those that offer activities and adventure[146].
- This group is keen to explore and they are willing to spend money to maximise the overall experience value of their stay. However, advanced booking of activities is also more likely for this group to ensure they are able to access these experiences – i.e. they are less willing to leave things to chance and therefore will seek suggested itineraries.
- Family-friendly accommodation and catering are a must, although accommodation with a kitchen is becoming increasingly important (i.e. self-catering, serviced apartments/aparthotels, and Airbnb).
- Comfort trumps price to some extent when considering destination and/or accommodation types. Additional premiums for selective services (e.g. pools, play areas, kids clubs and child-friendly excursions/activities) are also generally accepted.
- Grandparents have an increasing role within the 'family' domain, with children becoming more likely to holiday with grandparents (either at their homes or when they go on holiday) at some point (see below).
- Multi-generational family trips are also becoming more common, meaning that larger accommodation types offering more space are important.

***Empty Nesters***

- This group has a greater propensity to travel individually or as a couple rather than as a family.
- An increasing proportion of this group are considered 'Affluents' (particularly those over 50), with their level of disposable income generally increasing through career progression and less dependents[147].
- This group is increasingly looking for discovery and exploration, culture, often within high quality natural or built environments.
- Experiential Travel (concerning more authentic and engaging travel experiences) is also important[148], often mixed with activities (e.g. walking, cycling, horse riding, watersports, and wellness/spa).
- Similarly, 'learn to' experience-based holidays and breaks which tap into a past or unfulfilled passion or interest (e.g. cooking, painting, woodwork, photography, nature, golf, and watersports) are important for this group.
- This group has more 'free' time. As previous families, for the first time in a long time, they are able to travel outside of school holidays when there is less demand and cost is usually lower. Out-of-season main holidays, second holidays, and mid-week short breaks are more common.
- Value for money remains important, but how they judge 'value' has changed. Premium comfort and luxury products are important to this group, as is the value they place on the landscape settings
- Being able to 'hop' from place to place is an important aspect, with evidence that more of this age group will take multi-destination trips. This includes from going on cruises and later life 'world' trips, and discovery tours. However, these trips will also need to be socially and environmentally responsible travel options.

***Older Adults***

The next retired generation will be heavily comprised of the baby boomer cohort, which differs greatly from previous older generations in their attitudes to leisure as they are generally more affluent and far more leisure focussed than previous generations of older people. This is underscored by the fact that those aged 55+ in the UK take longer breaks than the average, typically staying away for 3.39 nights, compared to 3.06 nights across all trips. As a result their total spend on a domestic trip is higher than the average (£206.93 vs £196.26), which is further bolstered by a high average spend per night of £60.98, which is only exceeded by married couples with no children.[149]

**Table 16. Domestic Overnight Trips by Life Cycle**

| Lifecycle | Average spend per trip | Average spend per night | Average trip length (nights) |
|---|---|---|---|

[146] https://insights.ehotelier.com/global-news/2018/05/11/top-family-travel-trends/
[147] Ipsos Affluent Survey: Affluent Traveler Segmentation
[148] Peak + Shift - The Rise of Experiential Travel
[149] Great Britain Domestic Overnight Trips Summary - All Trip Purposes – 2017

| | | | |
|---|---|---|---|
| **16-34 unmarried no children** | £188.47 | £58.35 | 3.23 |
| **16-34 married no children** | £198.45 | £83.64 | 2.37 |
| **16-34 with children** | £180.78 | £58.32 | 3.10 |
| **35-54 no children** | £234.53 | £84.33 | 2.78 |
| **35-54 with children** | £160.92 | £55.15 | 2.92 |
| **55+** | £206.93 | £60.98 | 3.39 |

Traditionally this group is at the latter stages of their career and is characterised by the following observations:

- This group, once retired, is footloose in tourism terms, meaning they can travel at any time and for longer than other age groups and suggesting this group is a key target for a year-round tourism offer.
- This group is more inclined than any other age groups to travel overseas[150]. However, because they have less time constraints, they are also more inclined to travel multiple times in a given year, with many taking domestic holidays at least once during the year[151].
- As with those in mid-life, exploration, discovery, culture, history/heritage, and quality natural environments are key needs for this group. Quality accommodation, food and drink, and retail are also important.
- Travel and tourism for health purposes (wellness tourism) also features strongly for this group, although the focus tends to be on luxury spas and the ‘softer’ elements of the wellness category[152].
- Solo travel is more likely amongst this group, with around 1 in 5 (18%) expected to be travelling alone[153]. Likewise, organised travel is attractive to this age range, as seen in Llandudno with the continuing popularity of coach trips[154].
- This is the least tech-savvy group, with over a quarter (27%)[155] booking holidays by phone. However, this suggests that a high proportion are currently booking online via a PC/tablet/mobile phone – just not as a high as for other groups.
- Travel with the extended family is commonplace, with grandparents increasingly taking grandchildren on holidays.

**Wider Trends**

**Lifestyle Factors**

Recent years have seen an increasing emphasis on having a more active and healthier lifestyle, driven by time pressures and effective national campaigns. Increasing work pressures are blurring the lines between work and leisure meaning that working age people are looking for short breaks to ‘escape’, which has resulted in an increase in spa breaks. Health tourism is also growing on the back of an older generation that is increasingly health conscious while with lives being increasingly integrated with technology there has also been a rise in “digital detox” breaks, though this is expected to be a short-term trend as the inexorable integration of technology within our lifestyles continues.

Barclays (2017)[156] found that 82% of UK domestic visitors stated escapism/distraction as a primary factor in choosing UK-based holidays. Experience-led breaks are becoming ever more popular and this is true for both families and individuals. People are increasingly looking for a break where they can “collect” unique, high-quality experiences such as learning new skills, enjoying relaxation facilities or experiencing quality cuisine. As a result, visitor products and offers that were once considered niche have become more popular such as adrenaline sports like surfing and rock climbing.

The growing demands of juggling the work/family lifestyle means that holiday makers value a break which allows them time to spend with family. 80% of domestic visitors stated spending time with family a major factor in their reasoning for a holiday. This is a large market and offering a range of accommodation and activities will attract this demographic.

[150] https://www.ft.com/content/fd666878-083c-11e8-9e12-af73e8db3c71
[151] Eurostat - Tourism trends and ageing
[152] https://www.spafinder.com/blog/press-release/study-shows-age-has-significant-impact-on-wellness-travel-preferences/
[153] Abta - Holiday Habits Report, 2017
[154] Peak + Shift - The Rise of Experiential Travel
[155] Abta - Holiday Habits Report, 2017
[156] https://www.barclayscorporate.com/content/dam/corppublic/corporate/Documents/Industry-expertise/destination-uk.pdf

### Activity-based Tourism

Linked to the above lifestyle factors, a reaction to more sedentary lifestyles has seen the rise of activity-based tourism. According to the 2016 Welsh Visitor Survey, a third (32%) of domestic staying visitors, a quarter (25%) of domestic day visitors, and a fifth (21%) of overseas visitors to Wales did so to undertake a specific activity or outdoor pursuit during their stay.

Walking is by far the most popular form of activity, but cycling/mountain biking, swimming, horse riding, golf, canoeing, and fishing also feature strongly. Importantly, Wales is considered a destination for those seeking outdoor pursuits, with visitors generally considering this as a more distinctive asset for Wales than its scenery/countryside. New activities are increasingly being introduced to the market that, albeit niche, will have a strong and/or unique appeal for the destination where they are – e.g. zip lining, extreme biking, sky swinging[157], triathlons, iron man events and ultramarathons.

### Technological trends

The choice of a tourist destination today is often inspired and influenced by a range of different channels: traditional travel guides, review sites and apps, pop culture, the feeds of social influencers, as well as our own friends and family. For many – particularly the young – the internet has become the first port of call when choosing a destination. Consumers now have a wealth of information at their fingertips, allowing them to compare destinations based on leisure attractions, activities, hotels and food and drink options.

The wealth of information also allows travellers to plan trips in a more cost-effective way. As a result, providers and marketers are increasingly reliant on the internet as a marketing channel while technology and media are also an increasingly common means of intelligence on visitors' experiences and ratings that consumers use to help decision making – for instance through TripAdvisor and other forums.

Social media is also driving another shift in consumer attitudes to leisure. The ease with which people can share their leisure activities – both with people they know and with people they don't – increases our exposure to different experiences. This will catalyse a 'fear of missing out' as consumers will want to try these new experiences and will not want their peers to be having more fun than they are. Overall this is a positive trend for tourism, increasing consumers' desire for different activities and broadening leisure portfolios overall.

### Brexit[158]

The impact that Brexit stands to have on the tourism sector is uncertain at present, with negotiations ongoing in relation to when and under what terms the UK will leave the European Union. On the one hand, since the Brexit announcement the pound has undergone a devaluation, making international trips relatively more expensive and trips to the UK cheaper, thereby increasing the potential for domestic holidays (staycations) and more international visits in the short term. Indeed two thirds of international holidaymakers are more interested in coming to the UK for a vacation with the weakness of the pound (and therefore higher spending power) cited as major factor[159].

However Brexit has also increased uncertainty in relation to policy and funding to support the tourism sector, which was subject to EU edicts and benefitted from EU funds. Furthermore the EU is the main source market for visitors to the UK, with EU residents currently spending £6.4bn per annum[160] in the UK. Brexit could not only reduce the number of EU visitors but could also affect attitudes towards the UK with regards to the UK's openness to international visitors. This could affect international visitor numbers. The potential inability of destinations to draw upon the European labour market, which has supported the leisure and tourism industry across the UK, may also damage the industry and increase costs to businesses. EU migrant workers in the hospitality sector account for approximately 15% of its 4.5m strong workforce or approximately 700,000 people.

Whilst Brexit poses threats to the industry opportunities also exist. The UK currently ranks 137th of 141 countries for ticket charges and airport taxes on airline travel. Post-EU the UK has the potential to reduce these costs, therefore reducing passenger charges. Leaving the EU means the UK can abolish the double taxation on domestic flights and improve internal connectivity and reduce costs[161].

[157] E.g. hanging from a harness and soaring through the jungle at speeds of up to 100kph on the Cairns Minjin Jungle Swing, Australia's only multi-person swing
[158] https://www.wta.org.uk/post-brexit-manifesto.html
[159] https://www.walesonline.co.uk/business/business-opinion/how-tourism-can-shining-star-12991526
[160] https://www.abta.co.uk/assets/abta%20Brexit%20Report%202017.pdf
[161] https://www.abta.co.uk/assets/abta%20Brexit%20Report%202017.pdf

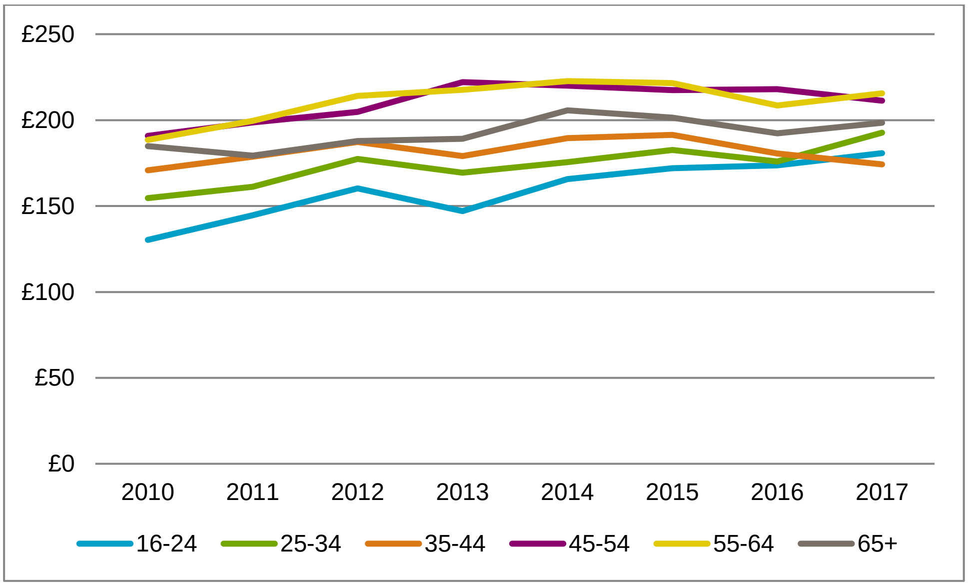
## Economic Trends

While the UK has returned to growth following the global financial crisis in 2008, the after effects are still evident terms of fiscal policy, with public expenditure still constrained relative to pre-recession levels. The UK has seen the labour market out-perform expectations, with unemployment at historic lows. However, there is a concern in relation to in-work poverty, exacerbated by zero-hours contracts and other negative working practices, and underemployment within the labour market.

Furthermore structural conditions are affecting different demographics within the UK economy, with the millennial generation the first to be worse off than their parents. This generation has also been hit by high house prices which have limited their disposable income and ability to get on the housing ladder whereas the generation before have benefitted from rising house prices, which has increased their wealth[162].

However British holiday makers appear to have increased budgets for their domestic trips with the average spend per trip of domestic tourists of £196.26 in 2017 compared with £171.09 in 2010[163]. Furthermore 30% of visitors are planning to spend more on leisure activities than in previous years[164]. The increased quality and value of UK destinations has meant that domestic visitors are being retained, whilst some tourists may choose UK breaks in addition to a holiday abroad. With growing numbers of domestic tourists as well as increasing budgets this provides a real opportunity for the industry should this be maintained.

**Figure 26. Domestic Tourism – Average expenditure per trip by age category[165]**




[162] Those born in the 1950s have received an average property windfall of £80,000, as well as £45,000 from generous defined benefit pension schemes.
[163] Visit Britain Great Britain Tourism Survey
[164] https://www.home.barclays/content/dam/barclayspublic/docs/BarclaysNews/2017/Apr/Tourism%20Report%202017%20digital%2026.04.17.pdf
[165] Great Britain Tourism Survey