3 Appraisal of the Tourism Sector

To understand the potential for developing tourism opportunities within the study area it is essential to analyse the tourism market within Rhondda Cynon Taff and the wider Heads of the Valleys area. The importance of this appraisal is to identify the nature of tourism in the area, its current volume and value, the potential future markets, tourism products and growth areas.

3.1 The Importance of Tourism

3.1.1 The Importance of Tourism in Wales

Tourism spend in Wales amounts to around £3 billion a year. Small independent operators dominate and approximately 100,000 people are employed in the sector, accounting for approximately 9% of the workforce. 70% of UK tourists to Wales visit for a holiday, while 20% visit friends or relatives (VFR) and 7% visit for business purposes. 50% of trips by UK tourists to Wales go to the countryside or small towns / villages with the most popular activities undertaken including walking, swimming, visiting historic attractions and visiting museums and galleries. [14]

3.1.2 The Importance of Tourism to the Region

In South East Wales in 2004 UK tourists took some 2.1 million trips to the area with a spend of £381 million. Visitors from overseas took 478,000 trips, spending £158 million. Total spend in the region therefore accounts for approximately 18% of total spend across Wales. South East Wales is more dependent on business tourism than other regions of Wales and seasonality is less pronounced in the South East region. [15]

3.1.3 Tourism in the Heads of the Valleys

As part of the first phase of the Tourism Winners project, Capital Regional Tourism (CRT) commissioned a report using Scarborough Economic Tourism Activity Model; STEAM report for the Heads of the Valleys sub-region. This provides trend data for tourism volume, value, profile, seasonality and employment. The report suggests that the existing visitor economy is significant – worth £108.4m in 2004 and supporting 2,205 fte jobs – some 7.9% of the overall regional contribution. Tourism has grown 8.4% in real terms (i.e. excluding inflation) since 1999. This compares, however, with overall regional growth of 13%. Data suggests a significant

[14] Data obtained from Visit Wales (Welsh Assembly Government)

[15] Data obtained from Wales Tourist Board (Now Welsh Assembly Government) 'Tourism to South East Wales 2004'.

over dependence on the visiting families and relatives (VFR) market in comparison with the rest of the region.[16]

3.1.4 Tourism in Rhondda Cynon Taff

The most recent research on volume and value of visitors in RCT has been compiled on behalf of RCTCBC and CRT using the STEAM model. The report suggests value of £113.5m for RCT in 2005, a figure which seems high, particularly when compared to the value of tourism for the whole of the Heads of the Valleys area which was calculated at £108m in 2004.

The following information shows visitor volume and spend characteristics for Rhondda Cynon Taff and is taken from the 2005 STEAM report, prepared specifically for the RCT area.

Table 3.1 below presents an analysis by sector of expenditure for Rhondda Cynon Taff in both 2004 and 2005. Total expenditure was 2% more in 2005 than in 2004. This figure does however mask variations between months. For example in the month of August total expenditure was 6% higher in 2005 whereas total expenditure in November of 2005 was 4% less than in November of 2004.

Table 3.1: Expenditure Analysis

Analysis by Sector of Expenditure (£'s millions)	2005	2004	% Change
Accommodation	5.8	5.4	9
Food & Drink	20.0	19.7	1
Recreation	8.9	8.8	1
Shopping	16.6	16.4	1
Transport	14.3	14.1	1
Indirect Expenditure	36.5	35.8	2
VAT	11.5	11.3	2
Total	**113.5**	**111.4**	**2**

Alongside the increase in visitor expenditure, the number of both tourist days and tourist numbers increased by 1%. The County Borough did not experience a fall in any categories below.

16 Data obtained from the Heads of the Valleys Tourism Audit.

Table 3.2: Tourist Days

Tourist Days (Thousands)	2005	2004	% Change
Serviced Accommodation	130	115	13
Non-Serviced Accommodation	62	59	5
Staying with Friends or Relatives	852	852	0
Day Visitors	2,078	2,071	0
Total	**3,123**	**3,097**	**1**

Table 3.3: Tourist Numbers

Tourist Numbers (Thousands)	2005	2004	% Change
Serviced Accommodation	87	81	8
Non-Serviced Accommodation	9	9	4
Staying with Friends or Relatives	358	358	0
Day Visitors	2,078	2,071	0
Total	**2,533**	**2,518**	**1**

3.2 Tourism Trends

Achieving our Potential: A Tourism Strategy for Wales (2000-2010) suggests that the industry is well placed to make a more significant contribution to the Welsh economy in the future. It suggests that there is potential for the industry to create and support a further 22,000 jobs (15,000 full time equivalents) by 2010. This suggestion is mirrored within the Rhondda Cynon Taff Tourism Development Strategy which recognises the potential of the industry.

The following market trends for Wales have been identified.

3.2.1 Market Trends

- Wales' is in competition with newly emerging tourism destinations such as locations in Eastern Europe, along with established destination areas in the UK.
- Wales share of international tourism business to the UK is low, attracting 3% of all overseas visitors. This reflects the poorly developed international transport links.
- Wales is still more dependent than the rest of the UK on longer stay (4+ nights) holidays. However, there is an increasing tendency for the British to take more of their main holidays abroad, causing a gradual decline in the longer stay market.
- The short break market tends to be less seasonal and offers higher expenditure and is a growth area for tourism in Wales.
- Wales is under-represented in national / international branded hotels.

3.2.2 Factors Affecting future Tourism Trends

Alongside the above trends there are considered to be a number of factors that may affect the future of tourism in Wales. These are outlined as follows:

- An ageing population and improvements in health mean that there are increasing numbers of active and more affluent seniors who have more free time.
- Increasing affluence among the population is likely to shift demand to higher quality accommodation.
- Growing awareness of the range of choices available mean that tourism destinations must meet the individual needs of each market segment and ensure that they offer value for money.
- As time becomes more limited and valuable and modern lifestyles more stressful, higher value is being placed on free time which leads to enhanced expectations, an insistence for greater value for money and an increased demand for short, additional holidays.
- There is a growing tourism market for groups such as single parent families, children travelling with grandparents, couples and extended singles travelling as groups of friends.
- Trends towards self-development, learning new skills and health and well-being may provide opportunities for providers of activity and special interest products.
- The increase and affordability of European short haul travel has increased competition in the short breaks market, however it also offers opportunities for Wales in new overseas markets.

Concern for the environment is increasing. More people will want to visit destinations which are perceived to be green and environmentally friendly. Climate change could lead to a significant change in visitor patterns to Wales, with drier summers attracting more visitors, whilst colder, wetter winters could reduce tourist volume and value outside the peak season.

3.2.3 Rhondda Cynon Taff Trends

Previous studies in relation to tourism within RCT highlight a number of weaknesses in the current market and challenges being faced by the area. The Rhondda Cynon Taff Tourism Strategy identifies that:

- Existing attractions tend to be concentrated in the South and East of the County Borough.
- Visitor services are fragmented with inconsistent provision of facilities, and
- Tourist sign posting is variable in terms of geographical distribution and quality.

The RCT Tourism Development Strategy identifies the following facilities as key to tourism in the region and satisfying the needs of growth markets:

- Cultural/Heritage Attractions
- Countryside Attractions
- Activity Attractions
- Craft Attractions, and
- Cultural Activities and Events

The Strategy also explores the main markets which the product on offer in the County Borough is likely to serve. A wide range of markets are identified and include:

- Empty nesters – affluent middle age
- Family markets
- Senior citizens – day visitors as part of a holiday package
- Activity markets and special interest
- Secondary holidays – short breaks
- Those visiting friends and relatives, and
- Business tourism

3.3 Tourism Growth Sectors

3.3.1 Golf

With the presence of the Ryder Cup in the Region in four years time, golf tourism is increasingly popular and the interest in the regions golfing facilities is likely to continue increasing. Reports from Ireland, host of the 2006 Ryder Cup, suggest that by 2005 75% of hotel beds within a 50-mile radius of the K Club had been sold and those looking for higher quality, 4 / 5 star accommodation would have needed to book by 2004. This is not surprising with an event expected to attract approximately 45,000 visitors per day. However, it is not just this short-term investment which is expected, for instance 40% of US tour operators believe their customers are more interested in visiting Ireland because of the Ryder Cup. Figures suggest that the early impacts of the Ryder Cup and success of promotional material such as the ‘Fairways to Heaven’ campaign are being felt in Wales already with a 10% increase in Golf Tourism in 2005, attracting nearly 155,000 visitors. RCT has the potential to benefit from the 2010 Ryder Cup at the Celtic Manor given its close proximity (30 miles) and the authority is working closely with Capital Wales to promote golf in RCT through the ‘Green Book’ and ongoing Ryder Cup marketing material. If trends in accommodation bookings and interest in golfing breaks reflect those witnessed in Ireland the event could bring a number of benefits to accommodation providers and golf courses in RCT as it is likely to be the case that visitors will stay in the area and may wish to partake in golfing activity on courses in the vicinity of their accommodation.

3.3.2 Equestrian

Horse riding is an important tourist activity in Wales with an estimated 800,000 riding occasions each year and a direct expenditure of approximately £18.55 million. The Wales Tourist Board (Now Visit Wales/WAG) estimates a 10% growth in riding holidays as achievable, giving product strengths and assuming further developments to facilities. RCT is well placed to benefit from this anticipated growth with a very high proportion of horse ownership in the area and an excellent outdoor environment. The authorities proximity to the Brecon Beacons National Park also provides opportunities to link with established equestrian routes.

3.3.3 Cycle Tourism

The Wales Tourist Board cycle tourism strategy reports that cycle tourists, whether coming for cycling holidays, or participating in cycling as a holiday activity, represent a growing and valuable tourist market for Wales. Estimates suggest that the sector is currently worth as much as £8 million to Wales and could be worth over £34 million by 2007. The Strategy envisages mountain biking, Wales cycle breaks, family cycling and cycle touring in Wales as key growth market areas. The location of RCT between two of South Wales' most popular cycling destinations (Afan Argoed and Cwm Carn) and the presence of the Celtic Trail within the authority and Taff Trail along the eastern boundary present excellent opportunities for the development of cycling within RCT. The development of the Loops and Links network within the authority is a step forward in linking the established strategic trails to attractions and accommodation, drawing cycle tourists into the authority.

3.3.4 Walking

Walking as a holiday and a day visitor activity is very popular in Wales with over half of all day visits including walking activity (WTB Walking Tourism Strategy). Spend by walking visitors is estimated to bring over £550 million into rural and coastal communities. Walking visits bring other benefits, alongside the economic ones, including reducing seasonality and contributing to the development of sustainable tourism. Walking tourism can also bring together local communities to develop walking routes in their areas. RCT has an excellent opportunity to promote walking and already has established schemes such as the Festival of Walks and the Walking the Way to Health Initiative. The scenery within the authority and the many country parks makes it the perfect destination for a walking holiday. The proximity of the northern part of the authority to the Brecon Beacons and the many Strategic routes, which serve RCT, also increase the potential for the growth in Walking as a visitor activity.

3.3.5 Activity / Adventure Tourism

Adventure tourism includes climbing, caving and pot holing, non motorised watersports, diving, motorised land sports, air sports, mountain biking, hill walking / trekking and other land based activities. Adventure tourist visits involving these activities either as their main or secondary purpose of visit, currently account for at least 1.25 million visits to Wales per year and in the order of £180 million direct visitor spending. Anecdotal evidence suggests growth in this sector particularly given facility development, improved access and better marketing and promotion.

Specific development that may influence the growth in adventure / activity tourism include the potential development of a Welsh film studios 'Valleywood' and the development of an indoor off-road motorcycle facility / training centre.

3.3.6 Heritage / Genealogy

Heritage is already a key asset of the area and through initiatives such as the Interpretive Plan produced by HERIAN it is envisaged that it is a sector that will continue to grow. This growth is strongly associated with the development of specific niche markets, such as genealogy which has become a growth market over recent years. This growth is largely associated with developments on the Internet, and the launch of

Ancestry.com is likely to further promote the sector, allowing users to search family histories back to around 1790. As people establish family ties to Wales, a visit to their birthplace or town is often associated, bringing a number of benefits to the Welsh economy. The Rough Guide to Wales views genealogy as one of the fastest growing sectors in the travel industry which has the potential to be extremely lucrative in Wales due to the large numbers of Americans whose families originally came from Wales.

3.4 Visitor Research

A number of research studies are conducted on a regular basis to establish visitor profile and visitors volume and spend. One of the main ways that information on visitor profile is gathered is through the use of visitor surveys.

3.4.1 Visitor Surveys

Research for the wider Heads of the Valleys area conducted by Omnibus (who conduct regular household surveys to give a nationally representative sample) in 2001 provides an overview of the types of people regularly visiting the area. The main findings were as follows:

- 44% of all those surveyed said they would be interested in taking a short break or day trip in South Wales
- Those in the 34-44 age group showed most interest
- 78% of people surveyed said that whilst on a short break or day trip in South Wales, they would be interested in an industrial heritage attraction that tells the story of working people
- The 44-55 and 55+ age groups were more likely to visit an industrial heritage attraction and the 16-24 age group the least likely.

Alongside these surveys 3 focus groups were also conducted and reveal interesting findings. Group 3, which contained people who had never visited Wales retained long established views of South Wales as an area of deprivation, heavy industry and unfriendly people. All focus groups demonstrated poor understanding of the geography of South Wales and did not understand what was meant by the term ‘World Heritage Site’ which limits the appeal of Blaenavon. When discussing interpretive themes the strongest interest across groups was in ‘how things were made’ and ‘home and social life’.

Surveys with coach operators across the UK revealed relatively low demand for coach tourism in South Wales. Importantly several operators stressed the importance of comprehensive information and suggested that lack of operations to the area may be due to lack of information on the product. It is considered that a key market for South Wales industrial heritage tours would be privately hired educational and special interest coach parties.

Wider research is conducted periodically by Capital Region Tourism in the form of the South East Wales Visitor Survey. The 2005 Survey, which was published in December 2005 and replaced the 2003 visitor survey, draws the following main conclusions and comparisons:

- Over half of all visitors were on a day trip (53%) to the area, just under a third (31%) were staying on holiday in South East Wales, with a further 9% staying outside of the area. This incidence of day visits was higher than the previous survey and the number of visitors staying on holiday also increased;
- 46% of visitors came from Wales with over a third coming from the area itself. 42% came from other parts of the UK, whilst 12% came from overseas;
- The majority of visitors interviewed were aged between 55 and 64 years, representing a shift from 2003 where those aged between 35 and 44 years were the highest proportion of visitors surveyed;
- The greatest proportion of visitors to South East Wales were classified C1 (36%) with only 15% being classed as DE;
- The average party size to the region was 3.3 persons;
- Over four fifths of respondents had visited the area before (85%), an increase on the previous study;
- Those staying in South East Wales were most likely to be staying with friends or family (27%). A hostel, lodge motel or inn was the second most popular type of accommodation (17%);
- The scenery, landscape and countryside continue to be the main influence for visits to the area (16%). The historic interest is also influential (10%) and the good range of shops and shopping has an influence (9%);
- Primary activities undertaken during visits were sightseeing (54%), shopping (46%) and visiting a town or village in Wales (38%);
- Nearly all of the visitors surveyed would recommend the area to friends or relatives (97%); and
- Visitor satisfaction rated highly with 40% of respondents scoring the visit as excellent and a further 56% rating it as good.

3.5 Summary

The review of the tourism sector has identified key findings for the identification of tourism opportunities:

- STEAM figures for the Heads of the Valleys area suggest the tourism sector is already a significant contributor to the local economy, in 2004 it was worth £108.4 million supporting 2,205 full time jobs;
- The Wales Tourist Board suggest there is potential for the industry to create and support a further 22,000 jobs in Wales by 2010 and this is

reflected in other strategies such as Turning Heads and the RCT Tourism Strategy which recognise the potential of the industry;

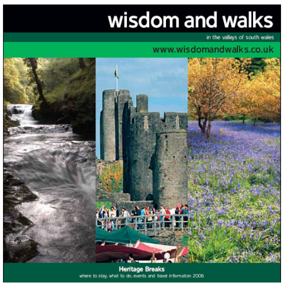
- The main growth areas within Wales are expected to be Golf Tourism, Equestrian Tourism, Walking and Cycle Tourism, Activity and Adventure Tourism and Heritage / Cultural Tourism (including events and festivals). Within RCT growth markets are broadly similar to Wales as a whole and include cultural / heritage attractions, countryside attractions, activity attractions and cultural activities and events.
- RCT has particular opportunities to benefit from a number of growing markets including golf, equestrian activity, heritage / genealogy tourism, cycling and walking tourism and general visits associated with the outdoors.

4 Tourism Marketing Review

In order to understand the potential for developing tourism opportunities the study has undertaken a review of the current approaches to marketing tourism. The way in which the study area is branded, noted locations are identified, and consumer propositions presented, provides a good indication of the nature and range of tourism opportunities that will best fit within the local market.

4.1 International and National

The attention key international guidebooks give to Rhondda Cynon Taff and the Heads of the Valleys area provides one perspective on the potential tourism opportunities. Neither the Lonely Planet nor the Rough Guide approaches the study area as a packaged destination. The Lonely Planet (2004) recognises one key attraction – Rhonda Heritage Park – within the 'Southeast Wales & Brecon Beacons' area. Rough Guide (2000) gives a more descriptive account of the area as 'The Valleys'. There is reference to Pontypridd and its local attractions and Rhondda Cynon Taff Valleys, but provides an inadequate mention of the tourism offer within the Heads of the Valleys area as a whole.



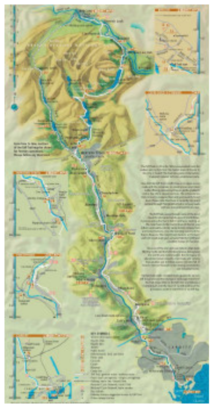
At the national level, Visit Wales incorporates the study area within the 'South Wales Valleys'. It aims to promote visits to the study area using key themes packaged under the marketing banner of 'Wisdom and Walks'. The key themes covered provide an integrated package for the tourist to link visitor destinations with activities and experiences:

- 'Festival of Walks' – a compilation of walks and trails.
- 'Outdoor and Active' – combining a range of activities including leisurely strolls, challenging bike trails, kayaking and golf.
- 'Heroes of the Industrial Revolution' – personifying South Wales industrial heritage.
- 'Artists' Impressions' – reflecting the range of interpretation and artwork displays.
- 'Folklore and Fairytales' – South Wales Valleys as a land steeped in myth and legend.
- 'Genealogy' – encouraging visitors to discover their Welsh roots and track down their ancestors.
- 'Relax and Revive' – promoting towns and portraying Welsh culinary delicacies

- 'Heritage Breaks' – promoting quality accommodation in the Valleys of South Wales.

4.2 Regional

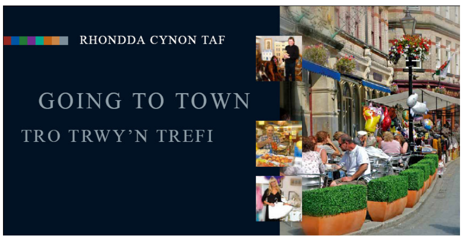
Regionally, Heritage in Action (HERIAN) has produced marketing material to 'Discover the Story of Industrial South Wales'. Material includes a map of South Wales to explore how present buildings and structures stand as proud monuments for the history of the area.



Other regional partnerships have produced marketing material for the area. A good example is the Taff Trail leaflet produced by the Taff Trail Project (Groundwork Merthyr and Rhondda Cynon Taff) funded by the European Regional Development Fund and Visit Wales. It is a fold out map of the trail suitable for cyclists and walkers, incorporating pubs, campsites, bicycle shops and linked long distance trails.

Cordell Country is a brand promoted by a partnership of Local Authorities including RCTCBC. The material provides touring routes for visitors to discover the locations that feature in Alexander Cordell's novels. These tours span the Heads of the Valleys and acknowledge local Tourist Information Centres for providing additional information on their respective areas.

4.3 Local



RCTCBC have recently produced two tourism guides – 'Going to Town' (2005) and 'Discovering Rhondda Cynon Taff…Touring Country' (2005). 'Going to Town' focuses on the attractions of eight town centres within the County including Aberdare, Pontypridd, Ferndale and Mountain Ash. They combine heritage, transport, landmarks and social/cultural attractions to identify town centres worth visiting, each with their own individual characteristics. 'Touring Country' on the other hand has devised five thematic tours through Rhondda Cynon Taff. It similarly draws on heritage and social/cultural attractions but along descriptive routes. As an addition it introduces regional culinary specialities alongside the tours that add to the visitor experience.

RCTCBC has also produced specific marketing material for attractions such as Rhondda Heritage Park and Dare Valley Country Park. Marketing material promotes sites not only as attractions in their own right but also as venues for conference facilities or major events. The Borough Council has also packaged events into a festival booklet for the summer months.

4.4 Web Marketing

The Visit Wales web site provides the principal gateway for online tourism searches for visitors to Wales particularly those from outside the country and overseas. Essential information is provided and the visitor is introduced to the South Wales Valleys and the tourism opportunities available through the Wisdom and Walks referred to above.

For tourists wishing to research Rhondda Cynon Taff and the Heads of the Valleys, information is more limited as they are both largely undeveloped brands. RCTCBC has a small 'Tourism and Travel' section on its web site that can only be found through its 'Leisure and Culture' link. There is currently no dedicated web page for Rhondda Cynon Taff with an easy link to tourism related attractions.

Sports are promoted on the Council's website but unfortunately there is no reference to pursuing outdoor activities. It is similarly hard to navigate to pages listing current events and festivals. Heritage is similarly poorly promoted; there is a link to the Rhondda Heritage Trail although without a link to tourism infrastructure or key attractions in the area. At the time of this review, much of the tourism content of the Council's website was lost during a system upgrade and the intention is to create a standalone website linked to the Council's main site through a recently acquired 'visitrct.com' domain name.

Other websites such as the 'Big Anthem Fawr' (www.biganthemfawr.com) designed specifically to celebrate the 150th anniversary of the Welsh National Anthem, does offer visitors a diary of events in RCT and is well linked from the Councils homepage. However, the site is very specific to the celebration of the Anthem and does not provide more general tourism information such as accommodation and infrastructure. The Council's tourism website should seek to present a similar level of linkages and contain similar events information.

4.5 The Brecon Beacons National Park

The Brecon Beacons National Park is an internationally recognised tourism destination and brand that has the potential to provide a catalyst for developing tourism in the northern valleys of RCT and the Heads of the Valleys area as a whole.

Promotional material for the National Park focusing on walks and events and welcoming the visitor to the area already include reference to attractions outside its area including Rhondda Heritage Park. However, considering the potential links with the study area in terms of recreation and activities, there is significant scope for improving the marketing of these opportunities. The relatively unexplored relationship between RCTCBC and the Brecon Beacons National Park is also reflected by the limited on-line references to attractions within Rhondda Cynon Taff.

4.6 Tourist Information Centres/Points

There are no Tourist Information Centres (TIC's) within the study area, with the closest located at Pontypridd or Merthyr Tydfil. A review of the information available at these TIC's and those located further a field was undertaken, and also included a sample of tourism information points located throughout RCT.

It is apparent that tourist information ranges from overarching, regional tourist brochures produced by Visit Wales, to flyers and information for individual attractions in the area. The level of information provided by TIC's from outside the study area varied with the majority focussing on attractions within their 'home' authority, and where information was available for attractions from adjoining areas, this tended to focus on major attractions such as the National Waterfront Museum in Swansea, Caerphilly Castle and the World Heritage Site in Blaenavon.

The various attractions and sites around Rhondda Cynon Taff also provide a broad range of information although the quality and type varied between destinations. The Rhondda Heritage Park for example was felt to be well stocked with general tourism information for the local authority area and areas beyond, however, and perhaps surprisingly, Dare Valley Country Park had limited tourist information for visitors to take away, although the Park does have the electronic on line information point. Provision of information in Aberdare Town Centre was also considered to be limited for such a significant destination, although the Cynon Valley Museum did keep a stock of attraction leaflets.

4.7 Summary

The study area is currently promoted within the South Wales Valleys as a visitor destination, which links to well established destinations including the Wye Valley, Cardiff and the Brecon Beacons. Within this destination the main tourism propositions have been identified and currently promotions tend to focus on integrating the offer under themed experiences directed towards the day visitor and short break market. These include:

- opportunities for walking and cycling through a wide network of trails
- outdoor activities ranging from the relaxed to the challenging
- heritage - both industrial and linked to myths and legends
- genealogy
- social and cultural activities including local food and the arts
- town centres as hubs for tourism services and facilities and places to experience the unique Valleys culture.

It is a general observation that there is no consistent approach to providing marketing information at key destinations or for promoting the key attractions located within the study area. Web based information is also in need of significant improvement.