Cross Channel Tourism Study

Executive Summary

Prepared by Arkenford Ltd for Kent County Council and Comité Régional de Tourisme Nord Pas de Calais

January 2007

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1 Executive Summary

1.1 Introduction

This document provides a summary of the key findings and recommendations from the Cross Channel Tourism study that was conducted between June 2005 and June 2006. This research is being conducted as part of a 2 year EU Interreg research programme known as 'Information for Decisions'. The programme was developed between the 2 partners (Kent County Council and Comité Régional de Tourisme Nord Pas de Calais) to develop complementary strategies and products on a European scale (which includes the Transmanche region) and was steered by a partnership of public and private sector organisations. Cross Channel partners who took part in the study include Port of Dover, Eurotunnel, P&O and SeaFrance.

1.2 Methodology

The methodology consisted of a three stage approach. The first stage used **self completion questionnaires** with trained interviewers onboard ferries and in the Eurotunnel departure lounge as well as questionnaires handed out by SeaFrance and Eurotunnel staff. These questionnaires were available in English, French, German and Dutch and a total of 12,853 interviews were obtained during the year. This provided the profile and volume data.

The second stage used **telephone interviews** from people recruited from the first stage and uncovered the motivations and attitudes behind the trip and towards each region. One thousand telephone interviews were obtained throughout the year.

The third stage was a series of eight **focus groups** covering various users and non users of the Channel crossing. The subjects of the groups were campervan users, low cost airline users, Kent transit passengers, Kent short stay visitors, NPDC transit passengers, NPDC short break visitors, UK short break visitors and France short break visitors.

A similar study was conducted in 1999/2000 and the results have allowed comparisons to be made to profiles and attitudes of Cross Channel passengers over this five year period.

1.3 Market Size & Trends

According to the International Passenger Survey, **14m trips** were taken across the channel in 2004 covering the Eurotunnel, Eurostar and Dover ferry routes. **11m trips** were taken during the same period excluding the Eurostar routes.

55% (8.1m) of all trips between the UK and France come via the Kent and Nord-Pas de Calais sea or tunnel routes and 70% of all trips between the UK and Belgium come via these routes.

The Cross Channel market between Kent and Nord-Pas de Calais has **declined by 2m trips** since 1999, driven in parts by the decline in UK day trips, the erosion of price differentials, the impact of terrorism and epidemics (Foot & Mouth Disease, SARS), the growth of the low cost carrier network and, probably most important, the £/€ exchange rate change that has impacted on the main UK outbound market to Europe. This decline is projected to continue.

80% (11.2m) of cross channel trips originate in the UK, 6% (0.8m) in France, 3% (0.4m) in Belgium, 3% (0.4m) in Germany and 2% (0.2m) in the Netherlands.

92% of trips originating in the UK using the Channel crossings are bound for France, Belgium, Germany or the Netherlands and 75% of trips to the UK using the Channel crossing are from these four countries.

1.4 Profile

The British and the French have an **older age profile** than the other nationalities crossing the Channel. The French, Dutch and Germans are more likely to be visiting friends or relatives and are likely to be travelling as family groups while NPdC is attracting less children than five years ago.

The average group size has increased slightly from 2.8 persons to 3.0 persons over the past 5 years.

After applying the **ArkLeisure**[1] segmentation model, there are two dominant segments among leisure passengers crossing the Channel – **Functionals (29%) and Cosmopolitans (21%)**. These two segments account for 50% of the passengers. The cross channel market also attracts Habituals who are less inclined to try new things.

The two main groups are independent, self-reliant and confident. Functionals will prefer tradition whereas Cosmopolitans may look for more individuality and may be a little more adventurous. Both are interested in new experiences. Both want good service. Both have an appreciation of art and culture. The significant difference is that the cosmopolitans are more prepared to spend and are more likely to try something new or fashionable. Of particular note, 89% of Functionals have internet access at home and 66% spend over 7 hours/week on the internet. They are the second highest internet user segment.

The distinguishing feature emerging from the survey is the inordinate proportion of **Functionals who tend to be more price-conscious**. This is not explained solely by the' booze-cruisers' to NPdC as the segmentation does not vary greatly between transit, day or staying visitors.

The **day visit market** is made up of Functional couples, Functional groups of adults, Cosmopolitan couples and Habitual couples which is not a typical shopper profile, a large proportion of which would be made up of High Streets[2] and Style Hounds[3], who are into new trends and fashion labels. The Functional and Habitual shoppers are likely to be driven by the savings that can be made on groceries and household items.

[1] ArkLeisure is a value based segmentation designed by Arkenford and used extensively in the leisure & tourism industry. It goes beyond the traditional socio-economic & postcode classification segmentations and looks at peoples motivations and attitudes to buying leisure products. It takes into account an individuals lifestage and group composition for leisure activities as a trip away as a couple will undoubtedly have different requirements to a trip away with the family. The ArkLeisure model has eight segments.

[2] High Street traits – Main stream early adopters, followers of high street fashion, care what others think, happy to buy packaged options.

[3] Style Hound traits – 'Young free & single', impulsive, fashion counts, brand counts, looking for fun with friends, most not seriously sporty.

In terms of **people staying in NPdC**, it is dominated by couples, who are almost twice as common as other group compositions. This group is more mature than the national profiles and is getting older, as is the population in general. Again it is Habitual, Functional and Cosmopolitan couples that dominate. Family groups do stay, but mainly in the summer holiday period, when their volume is twice as much as at other times throughout the year and it is Functional families that are the dominant family group.

For **people not stopping at all** in NPdC, the common dominant theme is that they are on a longer holiday, dominated by couples and families, mainly in the Functional and Cosmopolitan segment.

The attitudes and profiles of cross-channel visitors have <u>not</u> altered significantly since the 2000 survey e.g.:

- The lack of awareness of both regions by those passing through
- The negative perceptions of both regions
- The difficulty of encouraging people to stop once they have crossed the channel
- The perceived high cost of visiting Kent

1.5 'Local' Market

50% (5.6m) of the UK outbound trips originate in counties close to the Channel crossing points and Kent accounts for 17% (1.9m) of the UK origin regions. It is a similar picture for French Cross Channel visitors with 55% (0.4m) originating in Nord-Pas de Calais or Ile de France.

The main reason people choose to cross between Kent and Nord-Pas de Calais is because it offers the shortest crossing (46%) or is **most convenient** for them (45%).

37% of cross channel trips have their final destination as Nord-Pas de Calais, 4% as Kent and 60% somewhere else.

1.6 Duration

Trips of 4 nights or more account for 47% (6.6m) of the cross Channel volume. Day trips are the next most popular duration at 30% (4.2m) of the volume. The proportion of day trips has declined and longer holidays has increased since the last survey in 2000. **Travellers on a longer duration trip are less likely to stop in Nord-Pas de Calais than day trippers** and this has contributed to the downturn in visitor numbers.

1.7 Purpose

Main purpose of trips is for leisure/ holiday (74%). The **continental Europeans are more likely than the British to be crossing the Channel to visit friends or family** or for business purposes. **Travellers stopping in Nord-Pas de Calais for up to one day are twice as likely to be travelling for the purposes of shopping** than other travellers.

1.8 Short Breaks

Motivations for a short break generally stem from a desire to have **a change from the normal routine of everyday life**. Travelling to a different country where the food, money, shops, and scenery are different can provide this change of scene. Kent or Nord-Pas de Calais can provide this very different culture that short break visitors desire without the need for a long trip.

1.9 Awareness & Perception

Awareness of the regions among the public at large is generally low and this can cause poor perceptions among potential visitors. Low awareness tends to create negative perceptions of the areas and a general opinion that there is nothing there to attract visitors. People with little awareness of Nord-Pas de Calais tend to focus their perception on the town of Calais and its industrial port. Those with the greatest level of awareness have the best impression of the areas and know that outside of the arrival ports there is some very attractive towns and countryside. It is a similar picture in Kent with many non-UK residents unable to name anywhere in the region. As a result of not knowing anything about the region they have an impression of an 'empty' space, or somewhere that is old-fashioned. There is also an impression that Kent is expensive (but this is a UK wide perception rather than just a Kent one).

- Despite the low awareness of individual towns, there is some evidence to suggest that people know of places such as Lille and Le Touquet but are unaware that they are in Nord-Pas de Calais.
- With the exception of Canterbury, awareness of places within Kent is also generally low. Even those whose final destination was Kent found it difficult to name somewhere other than Canterbury
- Local 'brand' awareness was better in Kent than in NPdC e.g. the Garden of England and White Cliffs had awareness factors over 76% while the Fortified Towns and Cote d'Opale were generally lower. Awareness was much stronger amongst the domestic markets e.g. Cote d'Opale was recognised by 82% of French respondents.

1.10 The Internet

The most important strategic change in marketing terms is the positive opportunity afforded by the phenomenal **growth in internet usage.** In response to this, all the ferry operators have now developed sophisticated websites to promote travel and handle passenger bookings. Crucially, 51% of all bookings were made on the internet. This increasing proportion of online bookings is set to continue. (Mintel 2005)

The focus groups highlighted the increasing importance of the internet for travel research and booking.

1.11 Nord-Pas de Calais

Of the 11m trips passing through NPdC:

- **7.1m (65%) travel through NPdC without stopping** and 5% (0.5m) stop for less than 2 hours; this represents 59% of the UK originating market and 88% of the European originating market
- **2.4m (22%) stop for a day visit** (26% of the UK market and 6% of the French market)
- **Only 990,000 (9%) of the total market stays more than one day** (10% of the British market and 5% of the French market

Nord-Pas de Calais is the most popular French destination region accounting for 52% of all the trips to France. This increases to **97% for day trips** and 55% for short breaks (1-3 nights). The **regions in the south of France are more popular for longer duration trips** accounting for 28% of these trips compared to 11% for Nord-Pas de Calais.

Almost all the visitors to NPdC (92%) have visited the region previously in the past two years and 55% of the current visitors have visited on more than 5 occasions for day trips in the past two years.

The main attraction of Nord-Pas de Calais as a place to visit is the shopping around Calais, particularly Cite Europe. Having a meal in the area is also a popular activity. These two activities accounted for 77% and 71% of visitors respectively.

The hypermarkets and restaurants are the most motivating factors attracting visitors to Nord-Pas de Calais. In addition to these factors the countryside and history of the region are motivating factors for staying visitors.

Hotels or motels are the most common accommodation type for UK visitors to Nord-Pas de Calais.

Spend is high on shopping for visitors to Nord-Pas de Calais. 50% are spending more than £200/€300 during their visit.

The majority of cross channel passengers do not stop in Nord-Pas de Calais with only 35% spending any time in the region. 72% of those passing through did not stop because **they just wanted to get to their final destination and/or did not have time**.

1.12 Kent

Of the 11m trips passing through Kent:

- **8.6m (79%) travel through Kent without stopping** and 6% (0.7m) stop for less than 2 hours; this represents 89% of the UK originating market and 67% of the European originating market
- **880,000 (8%) stop for a day visit** (6% of the UK market and 15% of the European market)
- **767,000 (7%) of the total market stays more than one day** (4% of the British market and 18% of the European market

Kent is the most popular destination region in the UK for day trips using the Kent Channel crossing accounting for 57% and London is the most popular for short breaks (1-3 nights) accounting for 30%. Longer duration trips are spread out across the country but London, Kent & Cornwall are popular destinations.

The main attractions of Kent are the countryside, the history of the region and the coast. Visitors are looking for a peaceful and relaxing time, which is why the countryside appeals.

Staying with friends or relatives is the most common form of accommodation for the continental Europeans visiting Kent, partly due to the perceived high cost and low quality of accommodation in the UK.

Many visitors to Kent are staying in the region to visit friends or family, especially if they are continental European visitors or, for UK residents, because it is convenient for catching a train or ferry to cross the Channel.

17% of non UK visitors to Kent are visiting attractions in the region. Most will have a meal, visit family or friends, or go shopping.

Spend is relatively low for visitors to Kent. The UK visitors are generally spending a short time before crossing the Channel so spend money on a meal. Many non UK visitors are staying with family or friends and seem to be fairly inactive so are not spending much money. The UK in general is also considered to be expensive for visitors.

The **vast majority of cross channel passengers do not stop in Kent**. Only 21% stop. Of those who did not stop, 58% stated time desire to get on/time pressures but significantly more people said it was because it was **too close to home** (31%). Here 68% said that nothing would encourage them to stop, while around 8% referred to promotion and 4% referred to product improvements. 17% did not know.

1.13 Encouraging current passengers to stop

Although it will be impossible to persuade many of these customers to stop at all, there is some limited potential to encourage those passing through to stop.

Increased awareness of what is on offer is not likely to sway those passing through easily so attempts to increase business need to be carefully focussed on the particular situation and needs. In any communication, there is therefore a need to **focus on the relevant positive attributes**.

Major new developments may encourage potential visitors to stop but these will have to be of real significance.

More and better information needs to be communicated direct to this existing market in order to raise awareness and thereby encourage passengers to stop.

It is possible to communicate with this group at specific stages/points in their holiday decision-making cycle but the sooner in the process the better. **Given the new and growing use of the internet for booking passages by ferry and tunnel, there is a major opportunity to communicate directly with the individuals concerned with specially tailored emails.**

There are opportunities to **tailor messages to travellers based on their profiles**.

The research showed that the most common place to pick up information on the destination was on the ferry or at the terminal:

- **The terminal buildings** currently provide limited brochure displays that appear ill-maintained with appropriate literature. Here there is an opportunity for more pro-active promotion, perhaps with **an arresting exhibition** including powerful images of the respective regions. NB: Cite d'Europe could be considered as a visitor centre playing a similar role.
- **On the ferries**, there are other opportunities either by way of brochure distribution, posters or the new illuminated screens available on some ferries.

Improvement of **signage in and around the ports** directing passengers to hotels, restaurants or specific attractions could also be an important factor in encouraging them to stop.

Another potential, but less targeted, opportunity to communicate with committed travellers is afforded by **local petrol stations** on the main routes leading to the ports.

1.14 Encouraging more repeat business

The research shows that for those people who have visited the region before, there is a greater awareness of more destinations, there are **high levels of satisfaction and strong intentions to visit** in the future. People who have visited the region before are therefore probably the most open to Kent and NPdC holiday propositions and additional visits.

The most effective way of reaching this segment is through local operators
- Encourage them to undertake direct promotions to past guests/passengers, or
- Develop a destination campaign, in co-operation with the operators, using all available (e)mailing lists. (The KTA DMS incorporates a booking engine for accommodation operators which could be useful to smaller providers.)
- A quarterly newsletter to keep past visitors up to date with new products or offers encouraging people to venture further into the regions and visit different places and attractions
- Continue capturing contact details for follow-up campaigns

Given the prevailing Arkleisure segments, such campaigns should **focus on incentives/promotions and new reasons to visit, particularly cultural events**. Cosmopolitans rather than Functionals will be attracted by the **eating out opportunities.**

Given the high percentage of visitors who return to both regions, **provision of information to these visitors during their visit** – acting as a prompt for future visits - should be a focus, with leaflets outlining the full diversity of what is on offer throughout the year distributed at TICs, attractions, hotels and restaurants.

In order to capitalise on this segment, there is also a need to **address the areas of least satisfaction and the perceived weaknesses** in the respective products.

1.15 Encouraging longer stays

Longer stays will be encouraged by better information on the diversity of what is on offer prior to the visit but - again - a targeted approach is necessary as mere awareness-raising will not be enough to persuade people to stay longer.

The more there is for people to do, or at least the more they are aware of things to do, the longer they will stay. **A specific campaign aimed at potential hosts of VFR trips should be worthwhile**. The Big Day Out initiative organised by KTA is a good example of this, where local residents are offered free tickets on a specific day to a number of attractions in the region to raise awareness and pride in their region where they live.

For other visitors, promotion of good value hotels and restaurants and free attractions would alleviate fears of high costs, particularly in the UK.

Day visitors do not necessarily want to spend additional money or time so attempts to encourage them to prolong their visit must take this into account. There is an opportunity, however, to capitalise on the fact that many return several times a year by, for example, **offering a free night's accommodation in a hotel near Calais after three trips within a year**. They could then be targeted with information on restaurants and local attractions to use while they were there. Given the trend for repeat visitors, there is a good chance they would return and stay again.

Campervans, motorhomes and motorcyclists are important staying markets for Nord Pas de Calais, and improved facilities to cater for their specific needs (such as secure parking, high quality and accessible camp sites) will encourage them to stay longer, or even take their whole holiday in the region.

1.16 Attracting new visitors

As with the existing markets, any campaign should address **the continuing theme of low awareness and/or poor perception** of the two regions.

Communication should focus on the **acknowledged attributes** over and above the potential for general relaxation (e.g. Kent's *'Relax, Refresh, Inspire'* campaign).

The two regions both have heritage, countryside, coastal products which are, in general, very similar to many other areas. So, in order to attract visitors, the respective **offers need to be clearly differentiated** from that available elsewhere.

Similarly, the research and focus groups identified that **the proximity of the two regions is important**. Convenience is crucial, particularly with children so to be able to travel by car, abroad but not too far away, relatively cheaply must be an opportunity. This is a powerful offer that is implicit in current marketing but needs to be made much more of.

Initiatives directed at new visitors might include:

- **Local campaigns** targeted at the identified groups across the channel featuring the key attributes of the regions but including time-based campaigns.
- These campaigns should focus on the **popular themes** using strong, **new bold images** of well-known destinations such as Canterbury or Lille and other attributes such as the beaches, countryside, pubs etc to raise awareness.
- Within the two domestic markets, **focus on the opportunity to visit across the water**. This is the USP. Just over half the French would consider staying in NPdC so they could visit England while they are there.
- Packages could also include **themed offers** (such as gardening, military history, wining and dining) marketed directly to interested groups through specialist magazines or websites.
- **Special day trip offers** featuring 'something different' i.e. a meal, shopping or heritage trip for Kent or Nord Pas de Calais residents who cross the channel.
- **Raise the profile of individual destinations** (and activities) in all communications within each region, at the expense of the regional titles. For example, promotion in NPdC should no longer refer to the region which includes the negative term Calais and concentrate on the individual towns with the existing strap-line e.g. *'Discover Lille: Real France, Real Close'*. Where the subject is an activity and needs a geographical locus, use the term Northern France e.g. *'Eating Out in Northern France: Real France, Real Close'*.
- Kent needs to be portrayed as a younger, more diverse destination in conjunction with its attractive physical and cultural heritage with its people as a central feature.

- In order to address the perception that Kent is very expensive**, attractions which are free, such as museums and places to wander around in with friends and relatives, should be highlighted.**
- Focus groups identified that wider use of the Euro in Kent would be beneficial.

1.17 Collaboration

In order to maximise the potential of reaching existing cross-channel passengers and those currently booking, **the destinations will depend in large part on the co-operation and good will of the operators** (and Port Authorities).

It will be **important for KTA and NPdC to work together more closely**. The two regions have worked together in the past but more could be done. The two agencies are looking at the same market(s) and so there is considerable scope for collaboration

It will be important that these recommendations are brought to **the attention of the two respective national tourism organisations** (Maison de la France and Visit Britain) and for there to be follow-up consultation on how they can support the various initiatives.