

# National Assembly Inquiry into Wales' International Connectivity

## Reflections on the issues from Capital Region Tourism

### Introduction

Capital Region Tourism (CRT) is one of 4 Regional Tourism Partnerships (RTPs) in Wales, active since 2002, and in receipt of resources and responsibilities devolved from Visit Wales to deliver regional tourism development and marketing strategies. All 11 local authorities in South East Wales (including Brecon Beacons NPA) sit on CRT's board of management together with 11 industry representatives elected by their peers.

The region contains Cardiff Airport and both Newport and Cardiff ports which have actively sought and received calls through the Cruise Wales initiative.

CRT has only become aware of the Inquiry belatedly and so begs the Committee's indulgence in submitting a short series of reflections on the issues from a tourism perspective. CRT supports the more considered evidence submitted by the South East Wales Economic Forum (of which it is an active member) as well as the relevant points raised by Prof Stuart Cole on rail connectivity and Martin Evans on the performance of Cardiff Airport.

### Tourism Issues

1. Happily, Wales is not dependent on air or sea connections for the major part of its tourism market which is derived from England and Wales itself. 85% of all overnight tourists in South East Wales arrive by private car. SE Wales also provides a gateway to West and Mid Wales for visitors from England and overseas visitors arriving through SE England airports.
2. Overseas visitors only account for 5% of tourism arrivals but account for 10% of tourism expenditure so represent high value if we can attract them. 50% of all overseas visitor expenditure is in SE Wales - not surprising as a function of the wider business economy or 'first time' leisure visits.
3. Overseas tourism is relatively much more important for England and Scotland but is this cause or effect at work?: Wales has few overseas visitors therefore overseas visitors are less important therefore we invest less in marketing and product development therefore we get less overseas visitors.....
4. Arguably if the UK market is healthy and increasing we can take a fairly relaxed view of overseas visitors as they are much more expensive and difficult to attract. At times when the overall UK market to Wales is in

decline however we should be far more interested in diversifying our markets. We also need to add in the more intangible value of the world's view of Wales generated through tourism connections e.g. Ryder Cup. CRT supports the Southern Wales overseas marketing campaign for the region, but overall resources available to public and private sectors for overseas marketing is a key issue.

5. There are issues around our preparedness to deal with overseas visitors in terms of cultural awareness, service levels and language skills although training is one of CRT's key areas of activity and we have sought to address some of these issues (e.g. foreign language guide training in Cardiff).
6. Many of the opportunities derived from direct international connectivity are tactical as well as strategic. Ireland is Wales' largest overseas market because of the frequent (and competitive) ferry routes. The most fanatical golfers in Europe are to be found in Sweden but we are not a destination of choice because there are no direct flights... CRT has worked with partners to develop markets at the other end of Cardiff flights but airlines do not have a long-term view of route development and are happy to pull the plug after a few months.
7. We have to decide whether we want Cardiff to be a truly international airport or a good regional one - either way it is likely to be a mix of leisure and business demand, inbound and outbound, that needs to be generated. If the latter, then links to governmental, EU capitals and financial centres are a priority as well as onward international connections through Amsterdam, Paris and Frankfurt as a minimum. From a tourism perspective incoming passengers are of paramount importance. To date, focus has been primarily on cheap outbound flights. Investment from both the owners and Government would enable the airport to offer a competitive package to attract airlines.
8. The evidence from Bristol points out Cardiff Airport's dilemma, but if we want a thriving airport we have to think seriously about its landside accessibility and connectivity, both real and perceived, and the USPs for airlines to use it (speed of turnaround, service levels, customer satisfaction etc.) Perhaps the recently announced Enterprise Zone is an opportunity to address these issues.
9. Wales has dipped its toe hesitantly into the Cruise market, with limited resources. CRT has supported Cardiff's efforts to understand and take advantage of the market on behalf of the region. We understand that individual ports need an average of 20 calls per year to make the business viable and although there are a number of market forces at work to increase business in the Celtic Sea, Wales' overall commitment

remains equivocal. There are understandable concerns about capacity and sustainability when each call currently is a separate 'event' which has to be geared up for and while the profits and rewards are largely exported from Wales. It is important that we develop Wales-based servicing of the Cruise sector to optimise retained income, expertise and local benefits.