snowdonia-active
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The Active Economy

The Value of Adventurous Outdoor Activities to North West Wales

Consultants: Newidiem, Cardiff

Research commissioned by **Snowdonia-Active**
in partnership with: WDA, Gwynedd, Skills Active, WCA

CYNGOR GWYNEDD COUNCIL

SkillsActive

PROJECT PART-FINANCED BY THE EUROPEAN UNION
European Regional Development Fund

WDA

Llywodraeth Cynulliad Cymru
Welsh Assembly Government

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Executive Summary

This study establishes the contribution of the adventure tourism industry to the local economy of the area within the Snowdonia National Park as well as the wider economy of North West Wales. North West Wales is an established destination for adventurous activities which include Bouldering; Caving; Canoeing; Climbing; Coasteering; Diving; Fell running; Kayaking; Kite surfing; Mountain biking; Orienteering; Paragliding; Road cycling; Sailing; Mountain Scrambling; Skiing; Snowboarding; Surfing; Walking; White water rafting and Windsurfing.

Based on the business survey data collected during the course of this study the adventure tourism industry is estimate to contribute over £140 million per annum to the North West Wales economy, £60 million of which is contributed to the economy within the Snowdonia National Park area. The industry creates (directly and indirectly) over 8,400 jobs across North West Wales, almost 5,500 of which are created within the Snowdonia National Park area. This equates to almost 6% of all employment across North West Wales.

Although the industry creates a great deal of employment opportunities, less than half of those employed directly within the industry enjoy year-round employment. The industry is also highly dependent on freelance workers.

Recruiting individuals into employment within the industry does not appear to be a significant problem for most employers surveyed. However of those that claimed that they had encountered difficulties most cited a lack of candidates with a lack of specific qualifications and experience to be the main reason for these. Despite a common perception that adventure tourism businesses do not offer many local employment opportunities the survey findings suggest the contrary with employers reporting that the vast majority of those recruited into the sector did indeed live locally at the time that they were recruited. It should be noted however that the survey did not establish whether or not these individuals had recently moved to the area before gaining employment. This is thought to be highly likely given the number of outdoor activists who move to the area to further their sporting ambitions.

Although recruitment is not a significant issue for the sector within North West Wales staff retention within the sector is relatively low. Furthermore and somewhat worryingly individuals leaving posts are often those with specific qualifications and experience, the most difficult to recruit and therefore replace. Despite these retention issues there is also a high degree of movement within the sector and as such specific skills and experience lost from individual businesses are not necessarily lost from the sector as a whole.

These relatively high staff turnover rates and the reliance on freelancers create challenges for upskilling and training across the sector as employers are reluctant to invest in training for staff that are unlikely to remain within their employment. Indeed the degree of work based training that takes place within the sector is relatively low. Unsurprisingly therefore a number of skill gaps are evident especially IT skills and specialist qualifications relating to specific areas of adventure tourism activities. Those employers that do participate in workforce development training appear to value informal 'learning by doing' modes of learning over and above more formal training provision delivered by external providers.

As well as creating additional employment and income to the North West Wales area, the adventure tourism industry and the activities associated with it also contribute to the positive clean and healthy image of the surrounding environment

which in turn attracts more tourism and creates an attractive location for individuals and businesses in general.

High and low level walking remain the most important activity attractions that influence businesses operating within the sector, although these are closely followed by rock climbing and to a lesser degree canoeing, kayaking and mountain biking. However opportunities for businesses operating in the area are not without their limitations with some of the main issues facing businesses operating within the industry being access to suitable activity venues, notably access to inland water as well as the availability of funding. The additional competition created between businesses as the sector grows is also a challenge increasingly faced by those operating in the area.

Areas cited by businesses surveyed where they would most welcome support include marketing, IT training as well as the opportunity to network. Creating a network of employers across the sector would enable skills needs to be aggregated which in turn would create a platform from which to influence appropriate training provision and relevant areas of business support could be influenced. Organisations such as ELWa and the WDA should play a significant role in facilitating the development and support of such a network.

It is clear that the adventure tourism industry is a distinct area of the wider tourism industry. Furthermore this study has clearly demonstrated that the sector creates a significant positive influence upon the local economy. However, its full contribution is yet to be realised and as such offers further excellent social and economic opportunities for the North West Wales. If these opportunities are to be capitalised upon the sector will require a great deal of business development and skill development support.

1 Introduction

1.1 The changing face of tourism

Tourism in Northwest Wales is a complex and fragmented industry, characterised largely by micro businesses. Over 1,700 small and medium sized businesses in Gwynedd alone are directly involved in tourism, either as accommodation providers or attraction operators. As such the industry is a key employer in Northwest Wales which has a significant effect on the local economy and acts as a key economic development driver in the region. However, the past few years have been turbulent ones for the industry especially for those operating within the outdoor and adventure tourism sector. The impact of foot and mouth and its aftermath had a particular and profound effect on businesses operating in this sector across Northwest Wales; indeed many businesses are still struggling to recover from its effects.

Despite these set backs the industry continues to grow and evolve. As traditional seaside holidays in North Wales decline, in line with the declining trends across the UK as a whole, tourists are increasingly turning towards short breaks that enable them to participate in adventure activities set in stunning natural environments. The landscape of the Snowdonia National Park and surrounding area offers just such an environment and has always attracted high and low level walkers. However, increasingly over the last 25 years the area has attracted visitors wishing to participate in a wider range of outdoor activities ranging from rock climbing, gorge scrambling to canoeing and mountain biking. Outdoor activities such as these form an integral part of the adventure tourism sector which in turn forms an increasingly important segment of the wider tourism industry in Northwest Wales.

1.2 Adventure tourism

As an established destination for adventurous activities Northwest Wales, and in particular Snowdonia National Park has the potential to lead the way in a market demonstrated to be typically associated with tourists who are well educated, affluent and environmentally aware. Furthermore the year round appeal of many of these activities enables the adventure tourism season to be expanded beyond the traditional May to August peak tourism period. These factors have led many to believe that the adventure tourism market offers many advantages over more traditional tourism, with participating visitors more likely to be higher spenders, participating in activities that promote health and mental wellbeing and utilise the local environment in a low impact and sustainable manner.

Attracting visitors to the area to participate in these activities also creates other positive knock on economic effects. Visitors are unlikely to limit their spending to goods and services linked directly with the activity which they are participating in. Visitors of this nature are also likely to spend money on food, drink, accommodation, equipment as well as other forms of entertainment not linked with adventure activities. The local business revenue generated by these expenditure patterns will in turn be passed on to employees in the form of wages and other local businesses up and down the supply chain. These direct, indirect and induced expenditure patterns within the local economy form the basis of the overall local economic impact generated by the sector.

Recognising the potential to enhance and develop the positive influence that the outdoor activity sector has on the local economy, environment and community a group of independent, freethinking outdoor business people from within Gwynedd, Môn and Conwy have come together to form Snowdonia-Active. The group share a common desire to better promote and safeguard adventure tourism and associated outdoor industries in Northwest Wales. Snowdonia Active's main broad aims are:

1. To support and develop Outdoor Activity Tourism and associated industries in Gwynedd, Conwy and Mon.

2. To highlight and safeguard the interests of the Outdoor Activity Tourism industry and users within the region.

3. To ensure that developments in and around the sector are sustainable and in sympathy with the environment, local culture and the prevalent sporting ethos.

4. To promote awareness and understanding between visitors, businesses and local communities.

5. To assist the Outdoor Activity Tourism industry and the community in which it resides to develop new projects, products and infrastructure.

The adventure tourism sector as defined by Snowdonia Active includes:

"*Activities that are focused upon engaging with the natural environment in a physically challenging manner where skill and an element of risk are central to the experience and the participant seeks to appreciate the aesthetic qualities of the natural environment in a peaceful manner. The sector as defined by Snowdonia Active does not include petrol sports or blood sports".*

The following comprise of the core activities that fall within this sector definition:

Bouldering; Caving; Canoeing; Climbing; Coasteering; Diving; Fell running; Kayaking; Kite surfing; Mountain biking; Orienteering; Paragliding; Road cycling; Sailing; Scrambling; Skiing; Snowboarding; Surfing; Walking; White water rafting and Windsurfing.

All references to the adventure tourism sector made to within this report are based upon this definition.

The purpose of this study therefore is to fully appreciate the economic contribution of the sector to the local economy of the Snowdonia National Park and its surrounding area as well as the wider northwest Wales economy. This report aims to provide detailed information regarding the local economic impact that sector creates as well as gain a detailed understanding of the business development needs and employment trends of operators within the sector. The study is commissioned by Snowdonia-Active, in association with the Welsh Development Agency, Gwynedd Council, The Welsh Canoeing Association and Skills Active UK. However, the interpretations of the study findings are those of Newidiem Cyf.

1.3 Main Findings

The following section outlines in brief the main study findings, more detailed information and supporting evidence can be found in the main text of the report.

This study identified just over 200 adventure tourism operators across Northwest Wales all of which were invited to participate in the survey. An excellent response rate was achieved with 63 of the businesses (31%) taking up the invitation and completing the postal questionnaire circulated. In order to gain a fuller understanding of the inter-linkages between adventure tourism operators and other operators within the tourism industry almost 600 accommodation providers ranging from hotels to B&B's to camp sites were also invited to participate in the survey. A lower, but nevertheless respectable response rate (11%) was gathered from these operators providing data from a good representative sample of respondents.

By applying turnover and expenditure data collected during the business survey conducted as part of this study to our economic impact assessment model we can conclude that:

- The adventure tourism industry adds over £140million to the North West Wales economy of which £60million is contributed to the economy of Snowdonia National Park;
- The adventure tourism industry employs on an annual basis 5,465 people in Snowdonia and 8,451 people in North West Wales as a whole;
- Adventure tourism provides 2,178 full time jobs within the Snowdonia national park area and 3,481 full time jobs within Northwest Wales;
    - The total non-seasonal jobs created by the sector within the Snowdonia National Park is 385 and the sector creates 516 non-seasonal jobs across Northwest Wales;
    - This represents almost 6% of all employment in Northwest Wales.

In order to put these findings into some form of context the proportion of employment generated by the adventure tourism sector across Northwest Wales (6%) is larger than the proportion employed directly within agriculture and fishing (4.2%) as well as the proportion employed directly within the energy and water sectors (3.4%) and the manufacture of food drink and tobacco (3.5%) across the same area. Indeed the proportion of the Northwest Wales workforce employed as a consequence of the adventure tourism sector is comparable with the proportion employed within transport and communication across northwest Wales (5.4%). (source: Nomis – Annual Labour Survey).

It should be noted that the 6% of all employment in Northwest Wales generated by adventure tourism reflects both direct and indirect employment (see section 4 for detailed explanation) whereas the proportions noted for other sectors reflect direct employment only. As such the above should not be regarded as measures to compare the relative size of the sectors but are offered as a means to demonstrate contextually the total employment generated by the adventure tourism sector.

According to Robert Huggins Associate figures, the GDP of Northwest Wales in 1998 is estimated to be £2.4 billion. Adventure tourism activities directly and indirectly contribute £140 million to the Northwest Wales economy indicating that it does offer a significant contribution to the local economy.
Despite the all year round attraction of many of the adventure tourism activities, less than half (45%) of those employed in the sector are employed all year round. Over

a quarter (28%) are employed for between 3 and 6 months of the year while a further 15% are employed for less than 3 months of the year (see figure 3.3). When we compare this to the employment patterns within the accommodation businesses surveyed where three quarters of those employed within the sector are employed all year round with the remaining quarter employed on a seasonal basis, we appreciate that businesses operating directly within adventure tourism activities offer fewer stable all year round employment opportunities. This can often create difficulties for individuals seeking employment security in order to finance mortgages and loans etc, and may partially explain some of the retention issues outlined below. However, it should also be noted that some areas of adventure tourism are more reliant than others on freelance operators for short periods of the year, hence increasing the proportion of individuals employed for less than three months of the year (see figure 3.5).

During the twelve months leading up to the survey the majority of adventure tourism business respondents (87%) reported that employment within their business had either remained constant or had grown. However, over 13% of businesses claimed that the number employed by their business during the same period had fallen compared to just over 7% of accommodation businesses who had experienced similar employment declines (see figure 3.8). However, adventure tourism businesses by and large envisage that employment over the next twelve months will either remain static or increase (se figure 3.9). Some all year round employment decreases were envisaged however by almost 6% of businesses surveyed while almost 8% of businesses envisaged decreases in the number employed for less than 3 months of the year. However over two thirds (69%) of adventure tourism businesses surveyed envisaged increases in the number employed up to three months of the forthcoming year. Overall it would appear that employment opportunities within active tourism businesses are set to grow, although most of this growth is likely to be within non-permanent seasonal jobs.

Although the employment and income factors noted above are clearly beneficial to Northwest Wales, survey respondents from both adventure tourism businesses and associated accommodation provision businesses ranked the importance of these economic influences below those that the sector holds in terms of promoting Northwest Wales as a region and its ability to attract higher volumes of all types of tourism trade to the area (see figure 3.31). In other words respondents appreciated that an area strongly associated with adventure tourism activities creates perceptions of an exciting, clean, healthy and desirable environment. Such appealing perceptions can attract individuals and business to the area, which although may not necessarily have direct links with these activities, nevertheless hold the potential to contribute to the economic prosperity of the area. Furthermore they regard these positive outcomes to be even greater than the outcomes generated for businesses operating directly within the sector. These wider implications cannot be factored into the economic model adopted here, and as such we can conclude that the overall economic benefits may be greater than those quoted above.

High and low level walking followed closely by rock climbing remain the most important areas of activity for the largest proportion of adventure tourism business surveyed. Indeed less than one in ten of all respondents considered walking and rock climbing activities to have no relevance to their business. This is a very low proportion when we consider the range of businesses surveyed and outlines that the importance of these activities cannot be overemphasised (see figure 3.41). It also serves to illustrate the influence that the mountains of Snowdonia / Yr Wyddfa itself have upon the sector. However, canoeing and kayaking were also regarded to be the most important activity relating to the business of more than one in five respondents (22% and 21% respectively) while mountain biking was considered to be the most important activity for 15% of respondents. Interestingly less than one in ten respondents (9%) regarded sailing to be the most important activity relating to their business with over half (53%) claiming that sailing had *no* relevance to their business. This is somewhat surprising given the developments of the Hafan Marina in Pwllheli as well as the proposed marina developments in Anglesey.

Three quarters of adventure tourism respondents were located within the Snowdonia national park boundary compared to just over half (54.3%) of the accommodation providers surveyed. Of those businesses located within the national park boundary 15% of adventure tourism businesses claimed that locating their business within the national park had no influence on their business while 5% claimed that locating within the national park had a negative effect on their business, presumably due to the development constraints that exist within the national park. This is somewhat surprising given that the quality of the natural surrounding environment has previously been cited as a key success factor for business of this nature. However the majority of adventure tourism businesses (66%) recognised that locating their business within the national park boundaries held at least some positive benefits. Indeed 15% of adventure tourism businesses considered that their business would not be viable if it were not located within the national park boundary. These positive responses were also echoed by respondents from the accommodation sector where almost all businesses (92%) recognised that locating within the national park boundary was at least partially beneficial.

Adventure tourism businesses were asked to cite the biggest issues affecting their business and the two main issues which affected the businesses were access to suitable activity venues and funding. Obtaining access to inland waters is a problem faced by many operators, while others found access generally a problem. With regards to funding, many respondents criticised the “spiralling costs of insurance”, but others also faced difficulties as a result of the tightening of education and local authority budgets or inflexible grant schemes. Other challenges faced by the businesses included increasing competition form other providers and finding dependable staff, and a couple of respondents cited issues that Snowdonia-Active cannot influence nor assist, such as the exchange rate and the weather.

Businesses were asked in the questionnaire to detail the support services that would be of most use to them. The most commonly cited service need was marketing of products / services support, networking opportunities, IT training/support and market research support.

As seen earlier the adventure tourism sector creates a significant amount of employment opportunities across Northwest Wales. The majority of adventure tourism businesses (62.5%) claimed that they had no problems recruiting suitable staff compared to less than half (47%) of accommodation providers (see figure 3.58). Nevertheless 37.5% of active tourism businesses reported that they did encounter recruitment problems and that lack of specific qualifications alongside a lack of specific experiences were cited to be the two main reasons for these difficulties. The lack of management skills and general business skills amongst candidates was only deemed to be an issue by 4.3% and 6.5% of business respectively.

In terms of the criteria adopted by adventure tourism employers in assessing candidates, interpersonal skills was cited as the main criteria by 28% of employers followed closely by industry specific experience and personality.

Of the 53% of accommodation businesses that claimed that they encounter recruitment difficulties, almost half (44%) cited a lack of interest or enthusiasm to be the biggest reason for this. A lack of specific experience was the second main reason although only 12% of those that had experienced difficulties cited this to be the main reason.

Both adventure tourism businesses and accommodation business respondents rely heavily on word of mouth as a means of advertising vacancies followed closely by advertisements in local press. Adventure tourism business have a higher tendency to advertise positions in advertisements published outside North Wales compared to accommodation providers and demonstrate a higher propensity to recruit via online websites. Indeed almost 13% of adventure tourism businesses surveyed claimed that they advertise posts on the web.

Having recruited staff almost one in five (19%) of the adventure tourism businesses surveyed claimed that they encountered difficulties retaining them. Indeed this is higher than the proportion recorded across accommodation business surveyed. Bearing in mind that the hotel sector commonly encounters high staff turnover rates and using this as a proxy to indicate the likely staff retention encountered by the accommodation sector as a whole, the fact that retention rates amongst adventure tourism businesses is higher creates some cause for concern and suggests that the issue may require further consideration. There is further cause for concern when we consider that the largest proportion of staff that leave their posts possess specific experience relating to the activities of the adventure tourism business. When we also consider that these posts were reported to be the most difficult to fill (as noted above) then the sector is unlikely to be in a position to sustain relatively high staff turnover rates. A relatively high staff churn rate does not create the same degree of concern for the accommodation sector as the main staff leakage encountered is largely concentrated amongst general support staff, which by and large are easier to replace.

On a more positive note almost a quarter (23%) of adventure tourism respondents claimed that staff left their posts due to seasonal demands suggesting a high possibility that they would return during more favourable seasonal demand periods. Similarly almost a third of staff that leave their posts (29%) leave to seek similar employment elsewhere, suggesting that there is movement of staff within the sector and that not all of the staff that leave their posts also leave the sector. Having said this, a significant proportion (19%) does leave to seek similar employment within the sector but outside the national park boundaries.

Seasonal demands is also one of the main reasons for staff leaving posts within the accommodation sector with almost a quarter of businesses reporting that staff leave their posts for this reason with a similar proportion leaving to seek alternative employment outside the sector.

In addition to staff recruitment and retention issues, business respondents were asked to comment on the skill areas that they considered required improving or were lacking amongst their current staff or workforce (skill gaps) as well as the areas of skill improvements required or skills lacked by the local potential workforce1 (skill shortages). Distinguishing between the skills issues of current staff and the skills issues amongst individuals generally within the local workforce

[1] The local workforce being the pool of local working age individuals (i.e. within Northwest Wales who may be considered as candidates during future recruitment processes.

enables us to assess the degree to which skill gaps within businesses mirror skill shortages amongst the local working age population. This in turn enables us to assess the potential for businesses to address skill gaps by recruiting locally as well as gauge employers' perceptions of the local workforce as viable candidates for future employment opportunities.

IT skills and qualifications relating to specific areas of adventure tourism activities were cited as the main skill gap areas within businesses surveyed, followed closely by Welsh language skills, general communication skills as well as experience relating to specific adventure tourism activities (see Figure 3.11). General communication skills followed closely by qualifications and experience relating specifically to adventure tourism activities were also perceived to be the main skill shortages amongst the pool of locally available workers. However, a lower proportion of adventure tourism businesses envisaged Welsh language skill shortages amongst the local workforces compared to the proportion that claimed that there were Welsh language skill gaps amongst their current staff and the same is also true for IT skills. Nevertheless, employers perceived that the proportion of individuals lacking customer service skills and enthusiasm to be higher amongst the local workforce than amongst their existing workforce. Furthermore, the specific experience and general communication skills shortages amongst the local workforce was perceived to be greater than the gap in the same skills areas amongst current employees. This would suggest that by and large employers may need to import staff, at least partially, from outside the local area if they are to gain the balance of skills that they require through recruitment policies. However, adventure tourism businesses to date do not appear to have recruited widely outside their local area, with less than 13% of current staff amongst surveyed businesses having been recruited from outside the Snowdonia national park area. This is lower than the 16% of staff recruited from outside the local area within surveyed accommodation businesses (see tables 3.56 and 3.57). It would appear therefore that the adventure tourism sector not only offers increasing employment opportunities but that these employment opportunities are being taken up by local workers, albeit that some skill gaps and shortages remain as a consequence.

Despite the apparent lack of IT skills reported by surveyed active tourism businesses, all but 3% of respondents reported that they used computers as part of their business operations. Sending and receiving e-mails was the most popular use noted followed by promoting the business on the internet and surfing the net themselves (see table 3.27). Just over three quarters of adventure tourism business respondents claimed to use computers to record financial accounts compared to only 59% of accommodation businesses surveyed.

Interestingly, although more than eight out of ten (82%) of the adventure tourism businesses advertised their business on the internet less than half (47%) actually took online bookings via the net, despite the fact that almost two thirds of the businesses reported that they purchase some of their own goods and services via the net (see figure 3.27). The proportion of adventure tourism businesses taking online bookings is considerably lower than the proportion taking bookings and reservations in the same way across accommodation businesses. Considering that a significant proportion of adventure tourism customers are likely to be relatively young computer literate individuals, and considering also the increasing trend for online tourism bookings, the inability or unwillingness of businesses to take online bookings is likely to place a significant brake on the amount of demand their business can generate.

Recruiting is not the only way to address skill gaps of course. Workforce development training is an essential element of most businesses that operate in activities that require a relatively high degree of knowledge and experience. Just over a quarter (27%) of individuals employed within the adventure tourism businesses surveyed had undergone some form of training during the twelve months prior to the survey, compared with over two thirds (67%) of individuals employed within the accommodation sector, albeit that we cannot qualify the nature or standard of the training received. The relatively low proportion of adventure tourism employees participating in training reflects in part the non-permanent nature of much of the employment outlined earlier.

Of those within adventure tourism businesses that had undergone some form of training a third had undergone on the job training, a fifth had participated in off the job training and the remaining half had participated in a combination of both on and off the job training (see figure 3.16b). The majority of adventure tourism businesses that participated in some form of training (57%) funded most of their training through their own funds (see figure 3.17). Other sources of funding have been available from the Local Authority, ELWa and the WDA, although less than 15% of businesses received Local Authority funding, just over one in ten (11%) received ELWa funding and less than 6% received WDA funding (See figures 3.18 and 3.19).

As well as funding issues the perceptions of employers as to the most effective modes of developing skills also influences heavily on the degree of training that takes place as well as the nature of the training e.g. formal training vs. informal learning. Adventure tourism businesses surveyed regarded learning by doing, real life experiences alongside mentoring and coaching to be the most effective methods of training, suggesting that most employers within the sector value informal approaches to training above formalised courses. However, employers did express an opinion that they did place some value upon the effectiveness of formal training methods such as on site training through external trainers as well as other formal off and on the job training. However, the range of opinions relating to these forms of training is appears to b very wide. Although over half of all respondents regarded these formal training methods to be at least partially effective, the opinions of other respondents ranged from a view point that they were very effective to one where employers regarded them to be completely ineffective. This is particularly the case in the views expressed regarding apprenticeships where the views of employers regarding the effectiveness of such training schemes ranged evenly from ineffective to effective See figures 3.20 and 3.21).

These widely ranging views of formal training may partially reflect individual business experience, but may also reflect a lack of communication between employers and training providers regarding the nature of training available and likewise the training needs that exist. As the focus of workforce learning initiatives becomes increasingly demand led focussed this may be an area that may require further investigation. This may be of a particular concern bearing in mind that over 10% of adventure tourism businesses viewed either the unsuitability of current training courses to either the business or employees to be the main barrier to participate in workforce development training (see figure 3.24).

1.4 Conclusions

The adventure tourism sector offers a significant contribution to the local economy of Northwest Wales both in terms of the financial injections generated from adventure tourism visitor spend as well the employment opportunities generated both directly and indirectly as a consequence of these activities. Furthermore the nature of the activities, in particular the way they promote healthy living and environmental sustainability, create an attractive image for the Northwest Wales area that comprises of Anglesey Gwynedd and Conwy, which in turn holds the potential of generating further economic and social benefits that are not captured within the remit of this study.

Net employment across the sector in northwest Wales has grown during the last twelve months and is set to continue in the same way over the next twelve months. However, the growth is not envisaged to be even across all areas of the sector with some employment decline also predicted. This suggests that businesses in some areas of the sector are still vulnerable and may require further support to overcome some of the restrictions or barriers to growth that they currently face.

Particular areas of support requested by businesses surveyed during the course of this study included marketing of products and services, the opportunity to network and exchange experiences as well as IT training support. Although support in these areas is currently available they are often aimed towards the tourism industry as a whole which may not always address some of the specific requirements of the adventure tourism sector of the industry.

The survey illustrated a number of skill gaps amongst those currently employed within the sector in particular IT skills, as noted above, as well as other sector specific skills. There also appears to be a lack of understanding amongst employers with regard to the local training opportunities that exist as well as amongst training providers regarding the skills development needs of businesses.

It would appear therefore that encouraging the development of an adventure tourism business network would provide a platform upon which a number of these businesses development issues could be realised and addressed.

It is clear therefore that adventure tourism as a distinct area of the wider tourism industry already contributes a great deal to the local economy of northwest Wales in a low environmental impact and sustainable manner. The stunning natural environment of northwest Wales offers a unique opportunity to develop an adventure tourism industry of global stature. However, many areas of the sector are still at their early stages of development and as such require further support from a number of quarters in order to ensure that the sector's full potential is realised.

1.5 Structure of the remainder of the report

The report is divided into the following sections:

Chapter 2: Methodology
The principal methodological tool for gathering information for the economic impact assessment has been a survey of adventure tourism businesses and accommodation providers, supplemented by more detailed case studies of sample businesses

Chapter 3: Survey Reponses
This section provides details and analysis of the survey results. Information is provided on staffing numbers, skill levels and requirements, training, use of IT, accreditation and advertising.

Chapter 4: Economic Impact Assessment
This chapter provides an estimate for the overall economic impact of the adventure tourism sector in Northwest Wales and outlines the economic impact model adopted.

2 Research Methodology

2.1 Outline of approach adopted

The main tool for collecting information to inform the economic impact assessment was questionnaire surveys. Two surveys were carried out in parallel and supplemented by interviews with some businesses. The principal survey tools were,

- Adventure Tourism Business Survey
- Accommodation Providers Survey
- Business Case Studies

2.2 Quantitative Research Methodology

2.2.1 Questionnaire Development

In order to collect information on the overall impact of adventure tourism, both businesses directly involved in the sector and accommodation providers needed to be surveyed. It was decided to conduct two separate surveys, one for the businesses and one for the accommodation providers as although much of the same information was required from the two sets of respondents, some required information differed. Two separate questionnaires were prepared.

2.2.2 Selecting Businesses to Survey

The interrogation of business databases, predominantly Snowdonia Active's own business database identified 200 outdoor activity businesses operating in the Snowdonia/Eryri area. Snowdonia Active also had access to databases of accommodation providers from which a representative sample were chosen to survey.

2.2.3 Questionnaire Topics

After a period of desk research and liaison with the Client, two questionnaires were prepared. Many of the questions asked of the businesses and the accommodation providers were identical so that comparisons could be drawn and information presented across the sector.

The questionnaire sought information on staffing levels and training, turnover, location of expenditure, support required, and details about their business.

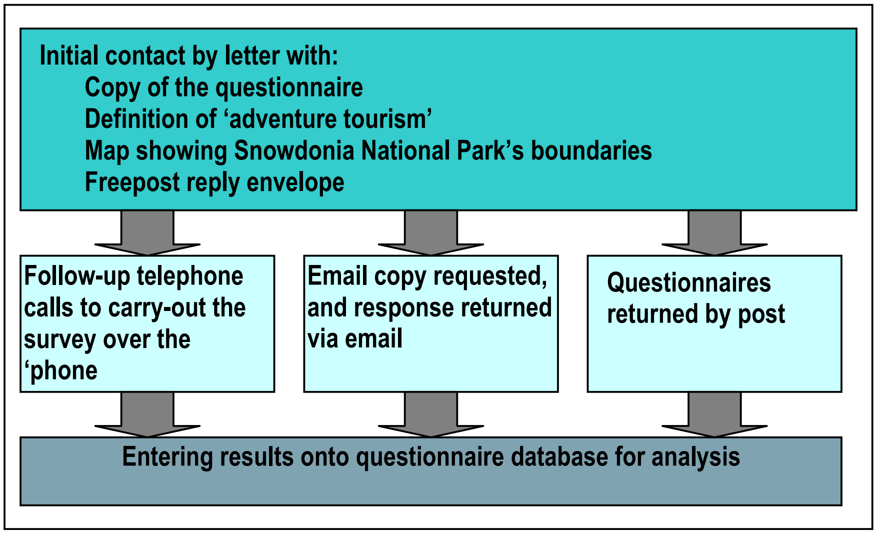
2.2.4 Conducting the Surveys

Initial contact with the businesses and the accommodation providers was by letter with a paper copy of the questionnaire. The letter was issued by Snowdonia Active and gave some background information to the purpose of the survey and contact details for the research team.

These letters were accompanied by questionnaires which were posted to all 200 adventure tourism businesses identified and to almost 600 specialist and non-specialist accommodation providers operating in Northwest Wales.

Businesses were given the option of returning a completed version of the paper questionnaire request by post, or an electronic version by email copy or to participate in a telephone interview. The same approach was second-hand for both surveys, and the telephone follow-ups took place from the 25 November 2003 until the Christmas break. The approach is summarised in figure 2.1.

Figure 2.1: Conducting the Survey.



2.2.5 Response Rate

In total, 134 responded to the survey, this was made up of,

63 Adventure tourism businesses
71 associated accommodation providers

This represents a response rate of around 31% for the businesses and 11% for the accommodation providers. This difference in response rate is unsurprising given that the nature and purpose of the questionnaire was focused on adventure tourism and would not have appeared as important or relevant for some of the more general accommodation providers in the region.

2.3 Qualitative Research Methodology

The next stage of the research was to visit to five key players in the adventure tourism sector within North West Wales, to enable the research team to conduct fully comprehensive interviews and compile mini case studies. These interviews allow for a more thorough exploration of business expenditure, for example whether materials such as equipment, food etc are bough in the Snowdonia/Eryri area or from further afield; what links and associations exist between the businesses; how and where staff are recruited and what kind of training do the businesses require.

3 Survey Responses

3.1 Profile of Respondents

As outlined earlier the survey differentiated between business respondents operating within the delivery of Adventure Tourism activities and business respondents operating as accommodation providers associated with adventure tourism activities. The section below outlines the profile of respondents from both areas of the sector.

3.1.1 Adventure Tourism businesses

Nearly two-fifths (38%) of the Adventure Tourism businesses (excluding general accommodation providers) surveyed described themselves as out Outdoor Activities or Adventure Tourism Operators. This was the largest group followed by retailers and education centres within the sector which accounted for 22.4% and 15.5% of the total respectively.

Figure 3.1: Profile of Adventure Tourism businesses surveyed

Description of business	Percentage
OUTDOOR ACTIVITIES / ADVENTURE TOURISM OPERATOR	37.9
Outdoor Education Centre	15.5
Retail of outdoor pursuit equipment / clothing	22.4
Manufacturer of specialist equipment	3.4
Outdoor activities specialist accommodation provider	6.9
Freelance Outdoor Instructor	13.8
Total	100.0

Of the accommodation providers associated with the sector surveyed during the course of this study over a quarter (28%) classified their establishments as self-catering, while nearly a further quarter (23%) classified themselves as hotels.

Figure 3.2: Profile of Non specialist accommodation providers surveyed

Establishment Classification	Percentage
HOTEL	23.1
Hostel	5.1
Bunk House	3.8
B & B	14.1
Self Catering	28.2
Camping and Caravan Site	11.5
Country House	1.3
Guest House	6.4
OEC	5.1

3.1.2 Case Study 1:

The Christian Mountain Centre (CMC), Pensarn Harbour

The Christian Mountain Centre is an Outdoor Education Centre which was established in 1965 at Beddgelert. It was the vision of one man, Mike Perrin to run an outdoor pursuits centre on Christian principles. The centre later moved location to Tremadog in order to expand and there they were able to cater for 32 residents. As the years progressed larger classes would ask for courses and so in 1997 they moved to Pensarn harbour, south of Harlech as a direct response to economies of scale. The centre has been going from strength to strength ever since. At Pensarn they can accommodate for 50 residential clients along with a further 30 day visitors. Their client base consists mostly of colleges, youth groups and schools.

The centre has 5 permanent staff members and 8 volunteers who usually work at the centre for a one or two year period. These volunteers are provided with board, lodging and training in their first year and an instruction course in their second year of volunteering. At the end of this period, if there is a job at the centre, they are in a good position to apply for it. The volunteers come from far and wide. The centre is keen to promote local links although there does not seem to be a great deal of interest locally in becoming a volunteer at the centre although they have had one or two local trainees in the past. It is a specialist accommodation provider that offers kayaking, walking, mountaineering, rock climbing, gorge scrambling, canoeing, white water rafting, walking biking and team building activities. In terms of finances, the centre breaks even, and it is believed that paying enough to get the calibre of staff required is important.

One of the ways in which the centre is keen to expand is by making their seasons longer. They have been doing this by offering split tariffs, and they are working on developing this further. According to Mark Downey, the centre's director, they are turning people away 'hand over fist' in the summer, yet the grey areas are still quiet. Their usual year runs from February to October and is split into distinct sections. February and March is the time when colleges and youth groups visit; Easter is the time for schools; with summer seeing special needs and youth groups at the centre then it's back to youth groups once again in September and October. Their clients come mostly from northern areas of England but also from Norfolk and Brighton. The centre is working on developing local links and Llandrillo College, Colwyn Bay, already visit once or twice a year. They are re-launching their links with local schools as of January 2004 through a programme of new contacts. The centre runs a Crusader group every week, which is a youth group and raises awareness amongst local children.

Although they are a Christian centre they cater for anyone and everyone. They advertise in specialist magazines and the majority of enquiries to their centre is through the internet. But the greatest means of bringing people to the centre by far is word of mouth. The centre works within the National Park and although it could operate outside the park's boundaries it would not be as successful, according to Mark Downey. It's location within the Park is a factor in deciding that people visit the area, but as a centre they do not notice the Parks presence. The centre has good links with the local businesses. They aim to buy products locally wherever possible, but go further afield if they can buy cheaper elsewhere. Specialist equipment required at the centre cannot be bought locally, but Mark Downey feels that by paying staff who live and operate locally they give the local economy a boost. Occasionally an activity they offer, such as fell running, provides an opportunity to support local bed and breakfast businesses.

They centre believes that outdoor activities should be accessible to all but emphasise the need to develop the sector responsibly without destroying the resources upon which adventure tourism depends. Some of the sites they are currently using are being eroded due to crowding and the biggest danger, according to the centre's director, that the area may be 'walked to death'. Responsible development is all important.

The centre would benefit from support for marketing of products and services, product development, networking opportunities training for IT and support for IT skills and management.

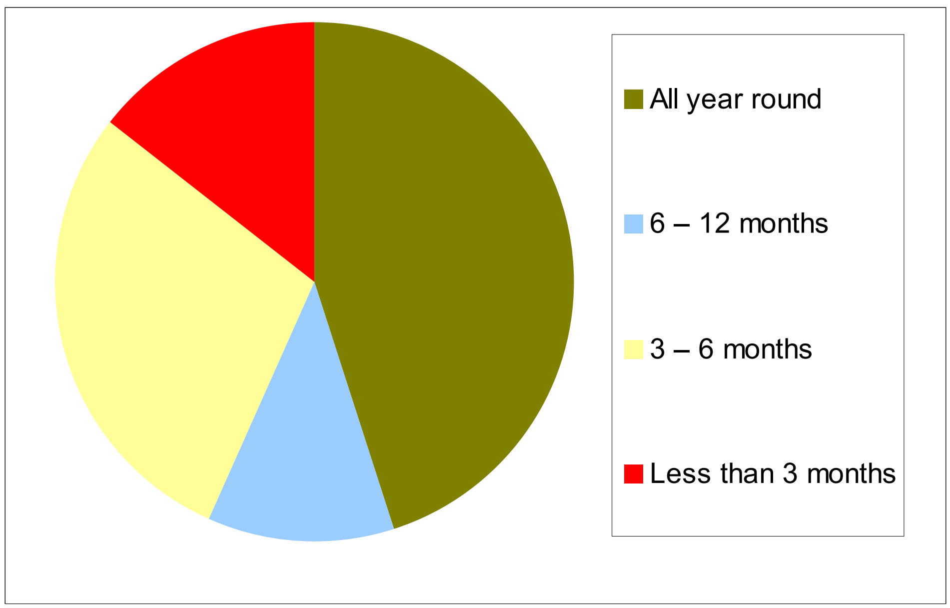
3.2 Employment within the sector

3.2.1 Number of Employees

The impact analysis findings outline the total number employed within the adventure tourism sector as a whole across North West Wales to be 8,451, of which 2,178 are directly employed within businesses operating adventure tourism activities.

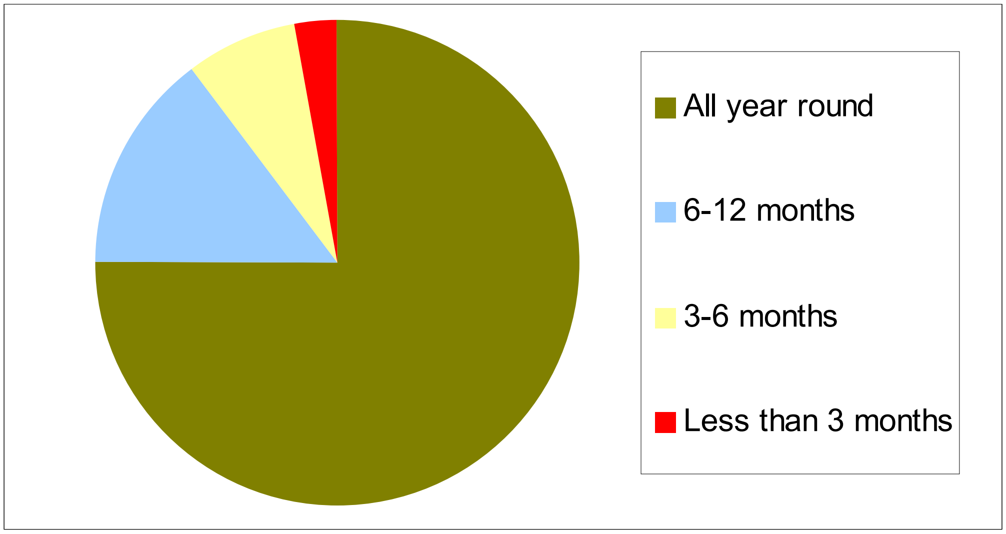
The survey results indicate that of those employed within the *businesses operating in the delivery of Adventure Tourism activities* (1,250 people) the largest proportion, albeit less than half, (45%) are employed all year round whilst over a quarter (28%) are employed between 3 and 6 months of the year. Just over 1 in ten 12% are employed for between 6-12 months of the year while a larger proportion 15% are employed for less than 3 months of the year.

Figure 3.3. Proportion of Adventure Tourism business staff employed at different periods of year.



On the other hand (74%) of those employed within accommodation provision businesses (659 people) associated with Adventure Tourism are employed all year round while 15% are employed between 6-12 months of the year. Only 6% of those working within these businesses are employed between 3-6 months of the year with less than 5% being employed for only 3 months of the year or less.

Figure 3.4. Proportion of accommodation provider staff employed at different periods of year.



Of the 45% of workers employed directly within Adventure Tourism businesses all year round, just over two-thirds (68%) are employed on a full time basis while 30% are employed on a part time basis with the remaining 2.3% employed on a freelance basis. Table 3.4 shows the proportions of each group employed on full time, part time and freelance contract basis.

Figure 3.5. Percentage of Adventure Tourism business staff employed full time, part time and freelance according to length of time per year worked.

	Percentage of Total	Percentage of Total employed		
		Full time	Part time	Freelance
All year round	45%	67.6	30.1	2.3
6 – 12 months	12%	35.8	13.5	50.7
3 – 6 months	28%	86.7	2.8	10.6
Less than 3 months	15%	0.0	4.4	95.6
All periods	**100%**	59.5	16.5	24.0

The table above illustrates an increased dependence on freelance workers amongst adventure tourism for employees that do not work all year round. Over half of employees that were employed between 6 and 12 months of the year by adventure tourism businesses worked as freelance. This compares with just over a third (36%) who are employed full time.

This contrasts with the data for those employed for between 3 and 6 months of the year. Within this larger group of employees, over 86% of workers are recruited on a full time basis while only 2.8% are employed on a part time basis and just over 10% taken on as freelancers.

The dependence on freelance workers is most pronounced in cases where individuals are employed for less than 3 months of the year. In such cases almost all (95%) are employed on a freelance basis. This is hardly surprising given that it is very difficult to attract workers to posts that offer contracts of less than three months unless they are contracted on a freelance basis.

On average, across all working periods, 60% of staff were employed full time with 16.5% part time and 24% freelance.

Within the accommodation area of the sector the proportion of full time staff compared with part time falls significantly according to the longevity of the contracts within which they are employed. Within the businesses surveyed 58% of staff employed all year round were employed full time, with 38% part time and just 3 percent on a freelance basis. In contrast, of all the staff employed between 6 and 12 months of the year just over a third (35%) are employed on a full time basis whilst over a half (53%) are employed on a part time basis, with the remaining 11% taken on as freelancers. Of those employed between 3 and 6 months of the year less than a quarter are taken on as full time employees. Similar to Adventure Tourism businesses, a large proportion (50%) of those employed for less than 3 months of the year are employed on a freelance basis.

These survey results indicate that a larger proportion of employees are employed on a full-time basis than the average for Welsh tourism. Although the figures are not directly comparable, data collected on behalf of the Wales Tourist Board for 1998 indicated that of those in tourism employment, half were in full-time employment and half were in part-time employment.

Figure 3.6. Percentage of accommodation staff employed full time, part time and freelance according to length of time per year worked.

		Percentage of total employees		
Period employed	**Percentage of Total**	**Full Time**	**Part Time**	**Freelance**
All year round	**74%**	58.5	38.5	3.0
6-12 months	**15%**	35.7	53.1	11.2
3-6 months	**6%**	24.5	65.3	10.2
Less than 3 months	**5%**	5.6	44.4	50.0

Number of staff compared with previous year

Over a quarter of Adventure Tourism operator businesses (28%) reported they had employed more staff during the last 12 months (2002-2003) than in 2001-02. This compared with 13.5% of respondents who said they had employed fewer staff and 58% who said the numbers were the same.

3.2.1 Case Study 2

Canolfan Conway Centre. Anglesey

This a residential education centre. They are a general accommodation provider with links to outdoor activities. The centre was previously the HMS Conway national nautical training school but was taken over in the 1970s by Cheshire council and changed to an LEA centre. The centre is leased from the National Trust by the three unitary authorities of Holton, Cheshire and Warrington, which grew out of Cheshire council. These authorities account for some 50% of their clientele.

Some 30% of their guests are there to participate in outdoor activities. The centre offers accommodation for cross-curricular activities. It is very typical of the centre to take on a whole year group from a school. Some of the activities are led by the centre's staff, and some by the schools themselves. They also offer day courses which cover field studies for GCSE and A level students. These students come from Cheshire, Stoke and as far a field as Kent. Groups of some 15 BTEC students from Coleg Llandrillo, Colwyn Bay come to the centre on Mondays and Tuesdays. The centre offers a great variety of courses from school groups to training management. The ethos at the centre is that being diverse means that they are less vulnerable.

They have 420 beds and have a fairly steady occupancy rate. They are looking to reduce the number of beds to some 370 but increase the centre's flexibility, by providing wheelchair access and changing the size of the rooms. The centre employs 60 permanent staff with 40 of those being part time. They also employ up to 20 freelance staff. The training staff are recruited through the Institute of Outdoor Learning's website, national newspapers and speculative CV's sent by individuals who have heard of the centre and are interested in being involved in their activities. Many of the staff have a degree and teaching qualification as well as experience of working with outdoor groups while others are from a vocational background. The centre runs a trainee scheme where 4 graduates or BTEC students learn the ropes. All support staff are recruited locally There is no staff accommodation in the centre and therefore all staff live out of the centre.

Their equipment is bought locally. Although they are owned by an LEA in England, the purchasing decisions are made at the centre. They are based on the best deal available. They have no problems getting equipment and only some 5% of their budget is leaked out of the area – beyond Gwynedd and Anglesey.

The centre's turnover is £1.5 million and 25% of this is accounted for by outdoor activities. They are hoping to achieve a higher national profile with good practice and educational visits the short term future is that they are working on establishing more links with local schools in Anglesey. There is currently a bid for lottery money for day facility groups. Although financially the bid is not for a large amount - some £35,000 – it is significant in that it comes from the Anglesey local authority. In the past all the money has been from revenue. They are hoping that this will lead to a new area of funding and help in their policy of diversification.

There was little variation in businesses' responses for changes in the number of staff employed all year round and between 3 and 12 months of the year. Around a quarter of Adventure Tourism businesses reported taking on more staff on contracts of 3-6, 6-12 or 12 months.

However, there would appear to be greater volatility in the numbers of people employed for less than 3 months of the year. Almost 40% of businesses reported employing greater numbers in 2003-03 on such contracts than in 2001-02 and 23% reported employing fewer people. Just 38% employed the same number of people on contracts of less than 3 months compared with between 60% and 70% for contracts of 3-12 months.

Figure 3.7. Number of staff employed within Adventure Tourism businesses over the last 12 months compared with previous year.

Period employed	Higher	Lower	Same
Employed all year round	27.1	12.5	60.4
Employed between 6 and 12 months	25.0	16.7	58.3
Employed between 3 and 6 months	25.0	6.3	68.8
Employed less than 3 months	38.5	23.1	38.5
Total	28.1	13.5	58.4

There were some similarities in employment changes between adventure tourism businesses and accommodation providers. Once again a higher proportion of businesses had recruited more staff on contracts of less than 3 months. One third of accommodation providers reported an increase in the number of staff on such contracts compared with around a quarter that had increased the number of staff on contracts between 3 and 12 months.

However, whereas over 23% of adventure tourism businesses reported fewer staff on contracts of less than 3 months, the corresponding figure for accommodation providers was just 8%. The majority of accommodation providers - between 58% and 72% depending on length of contracts - employed the same number of people. This suggests that employment numbers within the accommodation providers have been relatively more stable than in adventure tourism businesses over the last two years.

Figure 3.8. Number of staff employed within accommodation provider businesses over last 12 months compared with previous year.

Period employed	Higher	Lower	Same
Employed all year round	23.0	4.9	72.1
Employed between 6 and 12 months	20.0	8.0	72.0
Employed between 3 and 6 months	26.7	13.3	60.0
Employed less than 3 months	33.3	8.3	58.3
Total	**23.9**	**7.1**	**69.0**

Future employment expectations

Nearly a third of adventure tourism businesses envisaged that they would employ more staff on an all year round basis during the next year, with just fewer than 6% envisaging having fewer all year round employees. Over half of businesses surveyed expected to employ more staff for between 6 and 12 months and just under half expected to employ more for between 3 and 6 months. No businesses envisaged employing fewer staff in either of these categories.

Once again, there appears to be greater volatility amongst adventure tourism businesses in the number of staff employed on contracts of less than 3 months. Less than a quarter of adventure tourism businesses anticipate employing the same number of staff on contracts of 3 months or less. This compares with 53% for contacts of 3-6 months, 45% for contracts of 6-12 months and over 60% for all year round contracts. Almost 70% of businesses anticipated an increase in the number of staff employed for less than 3 months of the year, with just 7.7% anticipating a decrease.

Figure 3.9. Envisaged change in number of staff employed within the Adventure Tourism businesses over the next 12 month period.

Period employed	Increase	Decrease	Same
Employed all year round	31.4	5.9	62.7
Employed between 6 and 12 months	54.5	0.0	45.5
Employed between 3 and 6 months	46.7	0.0	53.3
Employed less than 3 months	69.2	7.7	23.1

The employment outlook amongst accommodation providers is significantly less optimistic than amongst adventure tourism businesses. The vast majority of accommodation providers saw no change in the number of staff employed over the next 12 months. Less than a fifth (18%) of accommodation providers envisaged increasing the number of staff employed all year round, compared with over 31% of adventure tourism businesses.

A quarter of accommodation providers envisaged increasing the number of staff employed between 6-12 months and over 35% envisaged employing more staff for

3-12 months. The corresponding figures for adventure tourism businesses were 54% and 47% respectively.

Surprisingly just 17% of accommodation providers envisaged increasing the number of staff employed for less than 3 months. While this group of employees showed the greatest degree of volatility over the last 2 years amongst both accommodation providers and businesses (and had the most positive outlook from the latter), three-quarters of accommodation providers saw employment remaining the same.

Figure 3.10. Envisaged change in number of staff employed within accommodation provider businesses over the next 12 month period.

Period employed	Increase	Decrease	Same
Employed all year round	17.7	1.6	80.6
Employed between 6 and 12 months	25.0	0.0	75.0
Employed between 3 and 6 months	35.3	5.9	58.8
Employed less than 3 months	16.7	8.3	75.0

3.3 Skill improvement requirements

The most common responses given by adventure tourism businesses regarding the skill requirements of their current staff were IT skills and specific qualifications relating to the nature of their business (both 11.3% of responses). Welsh language skills were also seen as requiring improvement according to 10.8% of responses. Communication skills (10.3%) were also commonly given as requiring improvements as was specific experience relating to the nature of their business.

Responses regarding the skills improvement requirements of the local workforce followed a similar pattern with over 11% citing communication skills, specific qualifications and experience. However, customer service (10.7%) and enthusiasm (8.6%) were more commonly seen as requiring improvements than Welsh language or IT skills (5.6% and 6.1% respectively).

Figure 3.11. Skills improvement requirements of current staff employed within Adventure Tourism businesses and amongst the local workforce

Main areas of skill improvement requirements	Percentage of Adventure Tourism businesses' responses	
	Current staff	Local workforce
Numeracy	2.5	2.5
Literacy	1.5	3.0
Welsh language skills	10.8	5.6
Foreign Language Skills	4.4	3.0
Problem Solving Skills	3.4	4.6
Communication Skills	10.3	11.7
IT Skills	11.3	6.1
Leadership/Motivational skills	6.9	4.1
Management skills	5.9	4.1
Team Working Skills	4.9	6.6
Entrepreneurial Skills	4.4	5.6
Customer Service	6.9	10.7
Enthusiasm	5.4	8.6
Specific Qualifications	11.3	11.2
Specific Experience	9.8	11.2
Other	0.5	1.5

Communication skills and enthusiasm were most commonly seen by accommodation providers as requiring improvements. Amongst their current staff, accommodation providers most commonly perceived enthusiasm, communication, IT and customer service skills as requiring improvements. Fewer accommodation providers than adventure tourism businesses perceived that improvements were required in specific qualifications and experience related to the nature of their business.

Amongst the local workforce, accommodation providers saw enthusiasm and communication skills as a priority whilst IT skills were seen as less of a priority. This mirrors the pattern seen amongst adventure tourism businesses with customer service skills in the local workforce also commonly cited by both accommodation providers and adventure tourism businesses. Interestingly, both accommodation providers and adventure tourism businesses commonly saw IT skills as one of the main gaps within their current staff but less so amongst the local workforce.

The responses of both accommodation providers and adventure tourism businesses are broadly in line with the findings of the *Future Skills Wales 2003 Generic Skills Survey*. The survey of businesses found that the most common skill gaps in the workforce were IT skills, followed by communication skills and then, reported by far fewer people – showing initiative, problem solving and ability to learn.

Figure 3.12. Skills improvement requirements of current staff employed within accommodation businesses and the local workforce

Main areas of skill improvement requirements	Percentage of accommodation providers' responses	
	Current staff	Local workforce
Numeracy	1.4	2.0
Literacy	0.0	2.0
Welsh language skills	7.6	4.1
Foreign Language Skills	2.8	2.0
Problem Solving Skills	3.4	6.8
Communication Skills	11.7	14.3
IT Skills	13.8	6.8
Leadership/Motivational skills	4.1	4.1
Management skills	2.8	4.1
Team Working Skills	4.8	8.2
Entrepreneurial Skills	4.8	5.4
Customer Service	14.5	12.9
Enthusiasm	13.8	15.6
Specific Qualifications	6.9	3.4
Specific Experience	6.2	5.4
Other	1.4	2.7

Criteria for assessing candidates and recruiting new staff

Inter-personal skills, followed by industry specific experience, personality and industry specific qualifications were the most important criteria by which Adventure Tourism businesses assessed candidates and recruited new staff. Interestingly IT skills were given as a criterion by just 2.2% of responses despite being most commonly cited as a skills improvement requirement for current staff.

The responses here are somewhat in contrast to the *Future Skills Wales* survey's findings which found that businesses with skills gaps most commonly cited IT skills as lacking. However, the high ranking of inter personal skills here concur with the Future Skills Wales survey which found that communication skills were the second most commonly cited area of skills shortage.

Figure 3.13. Adventure tourism businesses criteria for assessing candidates and recruiting new staff

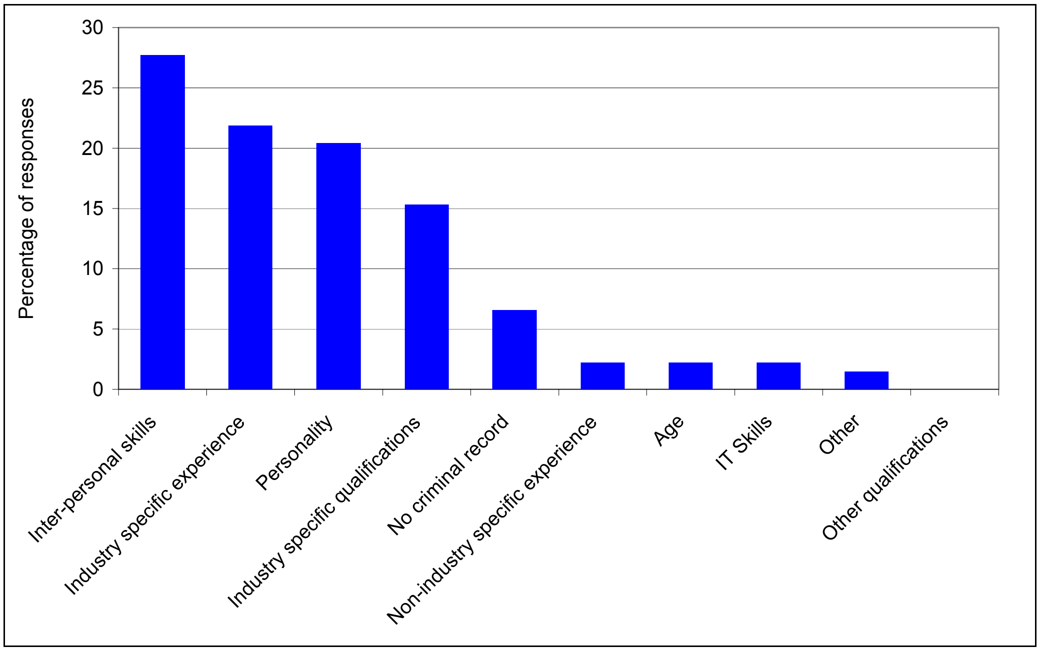


Figure 3.14. Adventure tourism businesses' criteria for assessing candidates and recruiting new staff

Most important criteria when assessing new staff	Percentage of adventure tourism businesses' responses
Inter-personal skills	27.7
Industry specific experience	21.9
Industry specific qualifications	15.3
Other qualifications	0.0
Non-industry specific experience	2.2
Age	2.2
Personality	20.4
No criminal record	6.6
IT Skills	2.2
Other	1.5

Accommodation providers placed a great emphasis on similar skills to adventure tourism businesses, with personality and inter-personal skills seen as the most important criteria in 46% of responses. Industry specific experience was also commonly cited by accommodation providers with 18.5% of responses. Industry-specific qualifications were seen as less important amongst accommodation providers with just 5.6% of responses compared with 15.6% amongst adventure tourism businesses. Again very few accommodation providers cited IT skills as important criteria in assessing new staff (2.2%) despite 13.8% of responses noting it as an area requiring skills improvement in current staff.

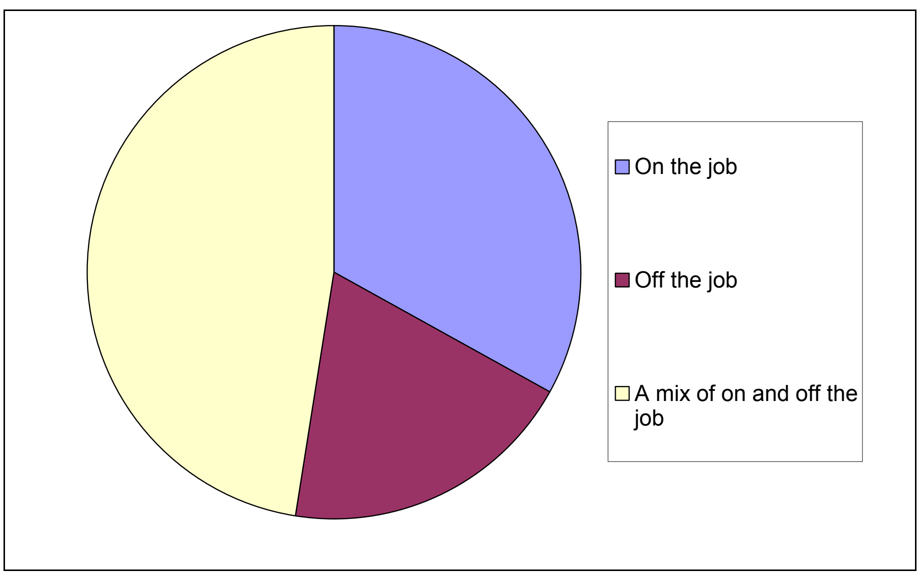
Figure 3.15. Accommodation providers' criteria for assessing candidates and recruiting new staff

Most important criteria when assessing new staff	Percentage of accommodation providers' responses
Inter-personal skills	20.2
Industry specific experience	18.5
Industry specific qualifications	5.6
Other qualifications	0.0
Non-industry specific experience	4.0
Age	10.5
Personality	25.8
No criminal record	9.7
IT Skills	1.6
Other	4.0

3.4 Job related training over the last 12 months

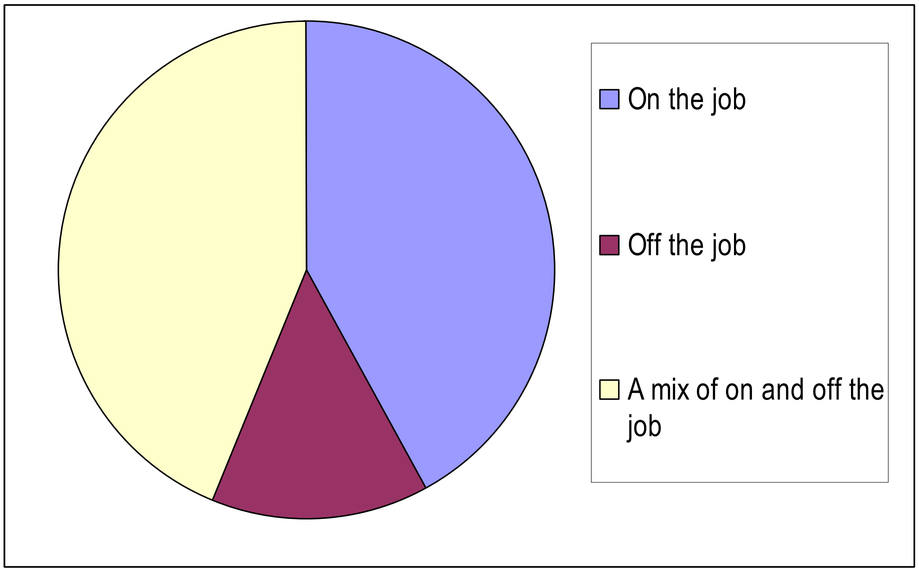
A total of 343 adventure tourism businesses' employees had undertaken some form of training over the last 12 months, representing around 27% of the total number of employees in the businesses surveyed. Around a third of these had participated in on the job training only, around a fifth in off the job training only whilst 47.5% had participated in a mix of the two.

Figure 3.16b Type of training undertaken by adventure tourism businesses' employees during the past 12 months



A total of 445 accommodation providers' employees had received some form of training during the last twelve months, representing a higher proportion (67%) of the total workforce than amongst adventure tourism businesses. A higher proportion of these (42%) received on the job training only with just 14% participating in off the job training only. Around 44% of accommodation providers' employees received a mix of on and off the job training.

Figure 3.16a Type of training undertaken by accommodation providers' employees during the past 12 months



Training funding source

Almost 60% of accommodation providers had used their own funding to pay for training with just over 15% using ELWa funding. The WDA and local authorities provided 9% and 8% of firms with funding respectively.

Figure 3.17. Accommodation providers' training funding source

Method of funding training	Percentage of accommodation providers' responses
Company's own funds	58.5
ELWa funding	15.4
WDA funding	9.2
Local Authority Funding	7.7
Other	9.2

The majority of adventure tourism businesses (57.1%) also funded training through their own funds although 14.3% of firms used funding from local authorities – significantly higher than the proportion of accommodation providers. The WDA and ELWa provided 5.7% and 11.4% of firms with funding respectively.

Figure 3.18. Adventure tourism businesses' training funding sources

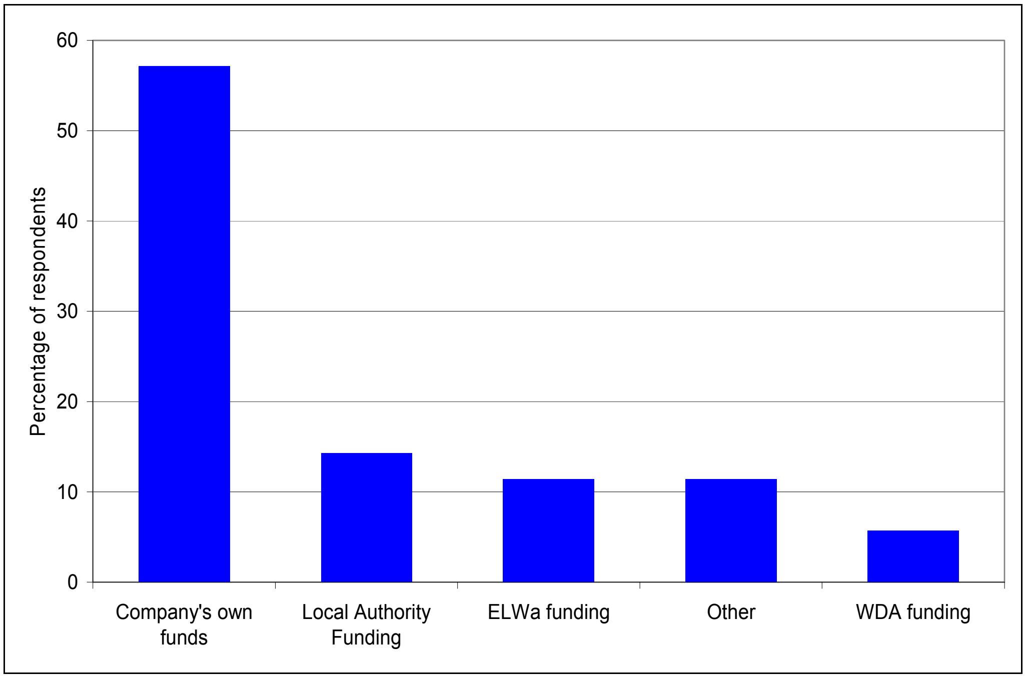


Figure 3.19. Adventure tourism businesses' Training Funding Sources

Method of funding training	Percentage of Adventure Tourism businesses' responses
Company's own funds	57.1
ELWa funding	11.4
WDA funding	5.7
Local Authority Funding	14.3
Other	11.4

3.5 Most effective methods of training

Accommodation providers and adventure tourism businesses reported similar patterns in their assessment of a variety of training methods Accommodation providers rated learning by doing, real life experiences, relevant industry experience and mentoring/coaching as the most effective forms of training. Formal courses, bringing external trainers on site, apprenticeships and in house training schemes were rated as ineffective by between 18 and 40% of accommodation providers. Responses regarding apprenticeships were most evenly spread between positive and negative opinions.

Amongst adventure tourism businesses, real-life experience, mentoring/coaching and learning by doing also scored highest in terms of their effectiveness as training methods with over 70% of respondents rating them as 'very effective'. Around 100% of respondents rated these methods - as well as relevant industry experience and in house training schemes - as either effective or very effective.

3.5.1 Case Study 3

Plas Menai

Plas Menai is the National Water Sports Centre for Wales and is owned and operated by the Sports Council for Wales. It is located near Caernarfon on the Menai straits overlooking Anglesey.

The National Water Centre was located on the Menai straits for shelter and suitability. The centre is able to use the straits for general sailing activities all year round and as the road and rail access to Plas Menai is good, the site is easily accessible. There are 5 conference rooms at the centre and they offer a very wide range of activities. Although the straits are used all year round, their activities are also carried out throughout various locations across the world.

They are working on broadening the shoulders of the season and from March to November they are very busy. They are always looking for ways to diversify during the quieter winter months and one of the ways in which they do that is to run training programmes overseas – in January for example they run a course in Spain.

The centre offers any activity to do with water –except diving. They have yachts, dinghies of all sizes, canoes and power boats. They run national governing body courses and also long term instructor training residential courses. They have schools outdoor activities, unaccompanied children's courses as well as theory courses. Also, they have national training camps for all the Welsh squads involved in water sports. They can accommodate up to 120 people.

The centre has 24 full time staff employed by the Sports Council and there are catering and cleaning staff employed by a private company. They also have 12 to 13 seasonal instructors who are usually freelancers recruited through word of mouth. These freelancers often take the largely take up positions as an opportunity to develop their own experience as opposed to mere employment opportunities.

Their staff are recruited from Britain and Europe. All domestic and administrative staff are recruited locally. Their instructors fall into four levels. The heads of department hold the highest level of coaching qualification and are very experienced. The levels drop down to entry level instructors who are multi-qualified at a low level, and work with entry level groups. It is possible to move up the scale within the centre as experience is gained. Staff turnover is low but cyclical and some staff members are not on a permanent contract. Within the sector, more and more people want to work on a freelance basis as it gives them more flexibility, although this does not suit Plas Menai very well as the centre is very structured. Recruiting staff is no problem as long as the salaries offered is good. There is no shortage of candidates for well paid posts according to the centre manager Alan Williams.

Clients come from all over the UK and Ireland, and groups from Europe, the Middle East as well as China and Hong Kong also use the centre. At Plas Menai they feel that it is important to take a pro-active role in promoting links with the local community. They run a HND course with Coleg Menai the local further education college; they work with the Urdd; the Countryside Council;, Caernarfon Harbour Trust; television companies to whom they offer facilities and training; local schools and Gwynedd Council . They offer local courses in the spring, summer and autumn at a much cheaper rate than the standard. The purchasing policy of the centre is that they buy from the cheapest supplier. If a local firm can match that, then they are happy to buy locally.

The national water sports centre is a centre which specializes and is given grant in aid for this. There is a long term ambition to get to zero running costs. The centre reviews its courses every year and if the national governing body courses change then the centre has to adapt its courses accordingly. Fundamentally what is offered stays the same but they offer more or less of a certain activity due to demand. They are pro-active to trends.

As regards the sector in general Alan Williams feels that there is quite a bit of overlap in the services offered, but if anything is able to promote the area it is good thing. If a co-ordinated approach to promoting training could be offered it would help the sector greatly in his opinion. At the moment the industry is so fragmented and there are so many ways to get into it that a more unified approach would be of great benefit.

Plas Menai is a centre that makes its own way in life but values its location and its links with the local community.

Apprenticeships had an extremely mixed response from adventure tourism businesses with positive, very positive and negative responses evenly spread. They were rated as 'ineffective' by 30% of adventure tourism business respondents (although 40% rated them 'effective' and 30% 'very effective'). Formal training courses (on and off the job) were rated 'ineffective' by around a fifth of respondents and they also scored lowest in terms of being labelled 'very effective'.

Figure 3.20. Adventure tourism businesses' most effective methods of training

	Percentage of Adventure Tourism businesses responses		
Method of training	**Ineffective**	**Effective**	**Very effective**
Learning by Doing	1.9	26.9	71.2
Mentoring/Coaching	2	26	72
Apprenticeships	29.7	40.5	29.7
Real-life Experiences	0	28	72
Relevant Industry Experience	0	51.1	48.9
Bringing external trainers on site	13.9	52.8	33.3
In house training schemes	0	50	50
Formal training courses off the job	17.8	55.6	26.7
Formal training courses on the job	19	61.9	19

Figure 3.21. Adventure tourism businesses' most effective methods of training

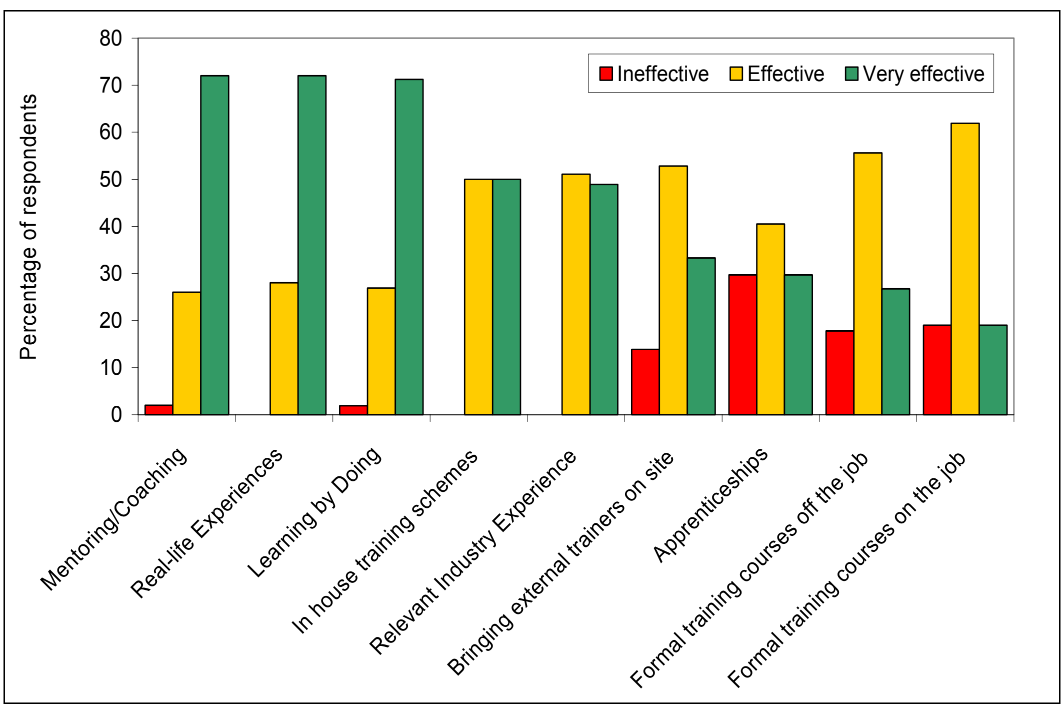


Figure 3.22. Accommodation providers' most effective methods of training

	Percentage of responses		
Method of training	**Ineffective**	**Effective**	**Very effective**
Learning by Doing	3.5	22.8	73.7
Mentoring/Coaching	4.3	50.0	45.7
Apprenticeships	26.3	44.7	28.9
Real-life Experiences	4.0	32.0	64.0
Relevant Industry Experience	4.8	50.0	45.2
Bringing external trainers on site	40.5	38.1	21.4
In house training schemes	25.6	35.9	38.5
Formal training courses off the job	31.7	46.3	22.0
Formal training courses on the job	18.4	44.7	36.8
Other	50.0	0.0	50.0

3.6 Training resources within firms

The most common training resources available to adventure tourism businesses were staff training and development plan and a training budget (25.3% of responses each). Twenty two percent of respondents stated that they had none of the training resources available to them whilst just 7.7% had a training department.

Figure 3.23. Training resources within adventure tourism businesses

Training resource	Percentage of Adventure tourism businesses' responses
A staff training and development plan	25.3
A training budget	25.3
A human resource manager	9.9
A personnel Manager	7.7
A training department	7.7
Other	2.2
None	22.0

A significantly higher proportion of accommodation providers (45%) reported having none of the training resources listed below available to them. The most common resources available to accommodation providers were the same as adventure tourism businesses, but fewer respondents had such facilities available to them. Fifteen per cent had a staff training and development plan and 14% had a training budget.

3.6.1 Case Study 4

Llanberis Surflines.

This is a private business established in September 2000 by two partners. It is a retail outlet and a coaching/training centre. Located at a small industrial estate in Llanberis on the banks of the lake, they specialise in canoeing sports. It is a niche market and generates significant income. Initially the balance between the two aspects of the business was 80% retailing to 20% coaching, but now the ratio has changed to 65% retailing and 35% coaching. The retailing side of the business has supported the training aspect in the past, but cash value isn't the issue as they aim for recognition in both categories. The company has declared a small profit each year. In 2002 the company opened a seasonal retail outlet in the village's high street. In 2002 it was open throughout the winter months, but in 2003 it was closed for Christmas and Easter. The purpose of the high street outlet was to develop the local market rather than the tourist trade. The partners feel that this has potential and they do have a customer base at this outlet, but at the moment it drains other aspects of the business.

The company runs activity courses for schools and colleges who have arranged their own accommodation. Both partners run the courses and some four others are employed on a full time basis to conduct the courses. These instructors are qualified for the specific course they are taking. The qualifications required to work for the company are the British Canoe Union Qualification, minimum level 2 training; MLTB single pitch award and a qualification in mountain leadership. Ideally the instructors will also have qualifications and experience in youth leadership. The company does not actively advertise for staff as freelancers come to them offering their services. Usually they are people living and working in the area already. The ethos within the company is quite different from working in a large centre. Staff often move on as the nature of freelance workers means that they like to have the freedom to travel.

Surflines is very much a Llanberis business and that is important to the company. The decision to come to Llanberis was based on the fact that there is so much potential in the area and is a natural venue for outdoor activities, although they feel that they have created their own market. There is a non-competitive business community in the village and local people are very supportive of the business, according to Nick Cunliffe, one of the partners running the company. The company works with other local businesses in that it recommends accommodation to their customers within the area – customers get an information sheet from the company and on that a couple of hotels in Llanberis are recommended. The company tries to spend its money locally if it can. All stock is bought nationally and internationally with the nearest supplier being in Liverpool. Marketing for the company is done in Llandudno. The company has advertised in specialist magazines in the past, but as their customers are often new to the sport they don't usually read such publications and therefore the company did not see the returns on this form of advertising. At the moment the company is not sure where to expand its advertising. There are restrictions to growth. And there are some factors which hinder local potential. There are well documented access issues and there are certain restrictions on the lake. The lake is non-motorised which the company support but 25% of the lake is accessible to anglers only which causes some disappointment to the company. There is no access to the Seiont which is a top grade river for water sports, as it is exclusively used for angling. The local disused quarries could be used as a world class cycling venue as well as an excellent paragliding area, but again there are access issues. The advantage they have is that they can be flexible and offer a flexible programme.

The company believes that there is more interest in the sport and that they have generated local interest due to their presence. They feel that they have made a difference as they help people get a foothold in the activity. The company feels that they offer a relaxed and informal service compared to the larger centres and people can pop into the shop and book a course there and then. During the summer they attract tourists and a number of individuals who want a flavour and an initial experience of the sport. The advantage they have over the larger centres is that they can be flexible and offer a flexible programme. They offer a relaxed and informal service and people can pop into the shop and book a course there and then. There's a personal element to the service they provide and this is appealing to many customers. Often they have picked up a leaflet at a tourist centre. Customers come from all over the UK but the North Wales customer base comes from the Careers Wales youth programme and these run throughout the year they also work with, Goriad –Bangor, some North Wales schools and they now have a contact with Gwynedd council who have drawn down some objective 1 funding. This may lead to Llanberis surflines running courses at Rhyd – Ddu centre, which is owned by Gwynedd Council on a franchise basis.

The company has been well supported by organisations including the WDA who have addressed perceived weaknesses. The company feels that Snowdonia Active could be a useful lobbying power which would benefit them indirectly.

Figure 3.24. Training resources within accommodation providers

Training resource	Percentage of accommodation providers' responses
A staff training and development plan	15.2
A training budget	13.9
A human resource manager	6.3
A personnel Manager	8.9
A training department	7.6
Other	3.8
None	44.3

3.7 Restrictions to Training

Over 30% of adventure tourism businesses noted that there were no restrictions to training participation amongst the employees at their company. The most commonly given barriers to training though were lack of time, the cost of training and the cost of staff replacement.

Figure 3.25. Restrictions on training in adventure tourism businesses

Barriers to training current employees	Percentage of adventure tourism businesses
No restrictions	30.2
Lack of time	30.2
Training is too expensive	28.6
Business cannot afford staff replacement costs	27.0
Lack of covering staff	17.5
Staff already possess adequate skills and qualifications	14.3
Individual staff are not eligible for training support grants	9.5
Training courses available are unsuitable for the needs of the business	9.5
Training courses are unsuitable for the needs of individual members of	9.5
Unpredictable nature of business	4.8
The business fears that staff will leave following the training	3.2
Other	3.2

Over a quarter of accommodation providers said there were no restrictions facing their employees. The most commonly cited barriers were lack of time, ineligibility for training support grants and costs of staff replacement.

Figure 3.26. Restrictions on training within accommodation providers

Barriers to training current employees	% of accommodation providers
No restrictions	26.8
Lack of time	21.1
Training is too expensive	9.9
Business cannot afford staff replacement costs	16.9
Lack of covering staff	4.2
Staff already possess adequate skills and qualifications	5.6
Individual staff are not eligible for training support grants	19.7
Training courses available are unsuitable for the needs of the business	9.9
Training courses are unsuitable for the needs of individual members of staff	4.2
Unpredictable nature of business	5.6
The business fears that staff will leave following the training	8.5
Other	2.8

3.8 Use of Information Technology

The most common computer related activities adopted by adventure tourism businesses surveyed were sending emails, promoting the business via a website, surfing the internet and recording financial accounts. Just 3.2% of adventure tourism businesses said they did not use a computer.

Figure 3.27. Use of Information technology in adventure tourism businesses

Computer related activities adopted by business	Percentage of adventure tourism businesses
To record financial accounts	76.2
To send and receive emails	90.5
To surf the internet	79.4
To purchase goods/equipment on-line	65.1
To take bookings/orders via a website	47.6
To promote the business activities on a website	82.5
Other	7.9
Do not use a computer	3.2

The most commonly undertaken computer related activities undertaken by accommodation providers were sending emails, surfing the internet, promoting the business via a website and taking bookings online, recording financial accounts and to purchase goods / equipment. All of the accommodation providers used computers.

Figure 3.28. Use of Information technology in accommodation providers

Computer related activities adopted by accommodation provider	Percentage of accommodation providers
To record financial accounts	59.2
To send and receive emails	91.5
To surf the internet	85.9
To purchase goods/equipment on-line	60.6
To take bookings/orders via a website	70.4
To promote the business activities on a website	77.5
Other	8.5
Do not use a computer	0.0

3.9 Challenges faced by the Adventure Tourism Sector

Adventure tourism businesses were asked to cite the biggest issues affecting their business and the two main issues which affected the businesses were access and funding. Obtaining access to inland waters is a problem faced by many operators, while others found access to suitable activity locations generally a problem. With regards to funding, many respondents criticised the “spiralling costs of insurance”, but others also faced difficulties as a result of the tightening of school and local authority budgets or inflexible grant schemes. Other challenges faced by the businesses included increasing competition form other providers and finding dependable staff, and a couple of respondents cited issues that Snowdonia Active cannot influence nor assist, such as the exchange rate and the weather.

The businesses were asked in the questionnaire to detail the support services that would be useful to them. The most commonly cited service that would be useful to businesses was marketing of products / services, noted in over a fifth of responses. Networking opportunities were cited by over 15% with IT training/support and market research noted in around 11% of responses.

Figure 3.29. Support services useful to adventure tourism businesses

What services would be useful to support your business	Percentage of adventure tourism businesses' responses
Marketing	20.1
Networking opportunities	15.6
Product development	9.0
Skills Audit	1.0
IT training and support	11.1
Business review/planning advice	7.5
Management training	6.5
Legal support	7.0
Accessing specialist equipment/advice	4.5
Market research	10.6
Recruitment and other staff development	6.0
Other	1.0

Marketing was the service most commonly cited by accommodation providers as something that would be useful to them. IT training and support was also commonly cited along with market research, recruitment and networking opportunities.

Figure 3.30. Support services useful to accommodation providers

What services would be useful to support your business	Percentage of accommodation providers' responses
Marketing	22.3
Networking opportunities	10.2
Product development	4.5
Skills Audit	1.3
IT training and support	14.6
Business review/planning advice	7.6
Management training	3.2
Legal support	5.7
Accessing specialist equipment/advice	3.8
Market research	12.7
Recruitment and other staff development	10.2
Other	3.8

3.10 Impact of outdoor activities sector on local economy

Accommodation providers noted that most significant impact of the outdoor activities sector was on promoting North West Wales and increasing tourism. Regeneration and employment opportunities were also noted as being significantly impacted by the sector whilst the impact on increased road traffic and environmental enhancement were less clear to respondents.

Figure 3.31. Accommodation providers' perceptions of impact of outdoor activities sector on local economy

Impact of outdoor activities sector on…	Percentage of accommodation providers' responses				
	No Impact				Significant impact
	1	2	3	4	5
Promoting North West Wales	1.4	4.2	11.1	30.6	52.8
Increasing Tourism	2.8	4.2	16.7	29.2	47.2
Regeneration	10	4.3	27.1	35.7	22.9
Increased employment opportunities	7	9.9	16.9	32.4	33.8
Increased road traffic	4.2	15.5	32.4	31	16.9
Environmental enhancement	13	10.1	40.6	27.5	8.7
Other	16.7	0	0	0	83.3

Figure 3.32. Adventure tourism businesses' perceptions of impact of outdoor activities sector on local economy

Impact of outdoor activities sector on…	Percentage of adventure tourism businesses' responses				
	No Impact				Significant impact
	1	2	3	4	5
Promoting North West Wales	0	3.5	5.3	28.1	63.2
Increasing Tourism	0	0	10.5	36.8	52.6
Regeneration	1.9	7.5	17	37.7	35.8
Increased employment opportunities	3.6	7.1	16.1	33.9	39.3
Increased road traffic	5.4	16.1	25	35.7	17.9
Environmental enhancement	5.7	11.3	39.6	34	9.4
Other	0	0	33.3	0	66.7

The most significant impact of the outdoor activities sector was seen by business respondents as promoting North West Wales. Over 90% rated the impact of the sector on promoting the area as 4 or 5 on a scale from 1 (No impact) to 5 (significant impact). Over half of respondents rated the impact of the sector on increasing tourism as 5, whilst over a third noted that the sector had a significant impact on regeneration and increasing employment opportunities.

The sector's impact on increasing road traffic was split, with 21.5% of responses rating it as 1 or 2, whilst 53.6% rated it as 4 or 5. Responses to the sector's impact on environmental enhancement were more ambiguous, with around 40% rating it as 3.
In general, adventure tourism businesses were more positive regarding the impact of the outdoor activities sector. In terms of promoting North West Wales - 91.3% of

adventure tourism businesses rated it 4 or 5, compared with 83.4% of accommodation providers. Adventure tourism businesses were also more positive regarding the impact of the sector on increasing tourism – 89.4% rated it 4 or 5 compared to 76.4% of accommodation providers.

In terms of regeneration and increased employment, over 73% of adventure tourism businesses rated the effect of the sector as 4 or 5 in both cases compared to 58% and 66% of accommodation providers respectively. Interestingly, and somewhat paradoxically more adventure tourism businesses than accommodation providers thought the sector would have a significant impact on increased road traffic as well as on environmental enhancement.

3.11 Method of Advertising Business

The most popular method of advertising amongst accommodation providers was through the business's own website followed by word of mouth, printed brochures and Wales Tourist Board publications. National and local press were least popular as forms of advertising.

Figure 3.33. Accommodation providers' method of advertising

Method of advertising	Percentage of accommodation providers' responses
The business website	26.3
Word of mouth	17.1
Printed brochures/flyers	14.5
WTB publications	14.5
Do not advertise	1.3
National press	1.3
Other tourism related publications	10.5
Specialist publications	10.5
Local press	3.9

The most common method of advertising employed by adventure tourism businesses was through their own website, followed by printed brochures/flyers, Wales Tourist Board publications, specialist publications and word of mouth. These five methods made up over 80% of responses.

3.11.1 Case Study 5

Dewi Evans, Eryr Evans. Stryd Fawr Y Bala.

This business was established in 1994 as a fishing tackle shop but due to decreasing interest in this hobby and a gap in the market it changed in 1997 to retailing outdoor pursuits equipment/clothing. It is located on the High Street in Bala and the shop employs one full time and 2 part time members of staff. The shop caters mostly for walkers/ mountaineers but has links with water sports and also provides equipment for this sector – due to their location near Llyn Tegid and The National White Water Centre Canolfan Tryweryn.

The older visitors tend to be the ones who spend more money in the shop. The local community are very supportive but it is a small area and the company depends on visiting trade. People staying in the local caravan parks are regular customers. Having said that, the shop owner builds interest within the local community by organising walking trips with a trip to Nepal in the pipeline.

There are links with other businesses in the area with a 10% discount for customers who stay in certain accommodation. Not much stock is bought locally. The employees are local, welsh speakers who have been located by word of mouth. They are recruited for their relevant experience and inter personal skills. In Dewi's opinion, the outdoor activities sector has a significant impact on promoting the North West Wales area.

The greatest expenditure for advertising the business is spent on specialist publications. With other expenditure being on local press and flyers. Increasingly, the company is using its website to do business. This is a very recent thing and up until a few weeks before Christmas they would have said that their website did not bring business – however it changed within the week before the interview to being a good thing. The business still feels the effects of the foot and mouth crisis to some extent and the fact that they could not get rid of stock at that time. Customers from Manchester, Liverpool, Midlands, Machynlleth, Mold – gained mostly through word of mouth although the internet is gaining ground

Bala is located at the gateway to the Snowdonia National Park. Dewi Evans feels that some areas are favoured, whilst others are neglected by the Park at the moment. Llyn Tegid being Wales' largest natural lake, seems to be ignored by the authorities according to him. This honey potting leaves an area such as Bala at a disadvantage, despite being the gateway to Snowdon and a centre for water sports second to none. He feels that Bala has not been marketed properly. In this respect, he feels that being within the boundaries of the National Park has a negative influence on the success of the business. In all other aspects of the business he feels that there is some slight positive influence on his business from being within the national park.
Many people visit the Bala area because of the water activities offered at the national water centre in Canolfan Tryweryn 'The resources are in place in the area, yet no one can decide where we are geographically – either north or mid Wales, and under whom to operate or present ourselves' according to Mr.Evans. .Maybe what is needed in his opinion is an information centre for Bala

Figure 3.34. Adventure tourism businesses method of advertising

Method of advertising	Percentage of adventure tourism businesses' responses
Do not advertise	2.4
Word of mouth	15.9
Local press	8.7
National press	4.4
Printed brochures/flyers	16.7
WTB publications	15.9
Other tourism related publications	4.4
Specialist publications	13.1
The business website	18.7

Accommodation providers' Wales Tourist Board classification

The majority of accommodation providers surveyed (56%) were classified as 3 or 4-star establishments by the Wales Tourist Board. Almost a third were classified as 3-star establishments, with around a fifth each classified as 2 or 3-star. Seven percent were classed as five-star accommodation.

Figure 3.35. Accommodation providers' Wales Tourist Board classification

Wales Tourist Board Classification	Percentage of accommodation providers' responses
1*	1.4
2*	18.3
3*	22.5
3*/4*	1.4
4*	32.4
4*/5*	4.2
5*	7.0
N/A	12.7

Accommodation providers: Number of bed nights, cost per night and average occupancy

In total, the accommodation providers surveyed could accommodate 17,949 bed nights on a weekly basis – an average of over 252 each. Table 3.36 below shows the spread of size of establishments in terms of bed nights. It should be noted that one accommodation provider alone accounted for 7000 bed nights although the majority of establishments (72%) catered for 200 bed nights or less.

The 9 accommodation providers which classified themselves as camping & caravan parks made up 10,042, or 56% of the total. Excluding these from the calculation gives a total of 7907 bed nights per week or an average of 128 per establishment.

Figure 3.36. Number of bed nights in accommodation providers' establishments

Number of bed nights per week	Percentage of accommodation providers' responses
0 - 25	27.6
26 - 50	10.3
50 - 100	15.5
100 - 200	19.0
200 - 300	8.6
300 - 500	10.3
500 - 1000	3.4
1000 +	5.2

Average occupancy between April and September was 75% whilst between October and March, the figure was 40%. The tables 3.36 and 3.37 below show the spread of accommodation providers with different occupancy rates from April to September and form October to March.

Figure 3.37. Average Occupancy April – September

Average Occupancy April - Sept	% of accommodation providers' responses
25% - 50%	13.6
50% - 75%	32.2
75% - 100%	54.2

Figure 3.38. Average Occupancy April – September

Average Occupancy Oct - March	% of accommodation providers' responses
25% - 50%	37.7
50% - 75%	34.0
75% - 100%	17.0

Around half of accommodation providers priced one night's stay at between £10 and £30. Most commonly accommodation providers (28% of them) priced one night's stay at between £20 and £30, with slightly fewer than 15% of providers pricing accommodation at less than £10 per night on average.

Seventeen per cent of respondents had an average price between £30 and £40 whilst 8.6% of providers priced accommodation at between £40 and £50 and over £50 respectively.

Figure 3.39. Accommodation providers' average rate for one night's stay

Average rate for one night's stay	Percentage of accommodation providers' responses
Less than £10	14.3
£10 - £20	22.9
£20 - £30	28.6
£30 - £40	17.1
£40 - £50	8.6
More than £50	8.6

Participation of accommodation providers' guests in outdoor activities

Accommodation providers on average gave 55% as the percentage of guests participating in outdoor activities. The spread of responses given by accommodation providers is shown in table x below.

Figure 3.40. Participation of accommodation providers' guests in outdoor activities

Percentage of guests participating in Outdoor Activities	Percentage of accommodation providers' responses
0% - 25%	25.4
25% - 50%	25.4
50% - 75%	20.6
75% - 100%	28.6

Adventure Tourism Businesses: Relative importance of outdoor activities

Adventure tourism business respondents were asked to rate the importance of outdoor activities from 1 (least) to 5 (most important).

The activities rated most important (highest percentage of '5' ratings) by adventure tourism businesses were high and low level walking, and rock climbing. These activities scored 5 in 50%, 43% and 42% of respondents respectively. Figure 3.41 below shows the percentage of responses in each rating category for each of the activities.

Other activities (cited by fewer than 5 respondents each) were wakeboarding, orienteering, wind surfing, sea kayaking, kayaking, mine exploration, skateboarding, horse riding and scuba diving.

Figure 3.41. Importance of activities to adventure tourism businesses

	Not relevant 0	Least important 1	2	3	4	Most important 5
High level walking	14.6	6.3	2.1	8.3	18.8	50.0
Low level Walking	8.2	8.2	10.2	16.3	14.3	42.9
Rock climbing	8.9	11.1	11.1	13.3	13.3	42.2
Gorge Scrambling	14.0	14.0	18.6	11.6	16.3	25.6
Canoeing	28.9	22.2	11.1	6.7	8.9	22.2
Kayaking	26.1	17.4	10.9	10.9	13.0	21.7
Mountain Biking	20.8	22.9	20.8	14.6	6.3	14.6
Sea Kayaking	29.8	25.5	14.9	6.4	10.6	12.8
Sea Level traversing	20.9	32.6	9.3	16.3	9.3	11.6
Sailing	53.3	17.8	4.4	8.9	6.7	8.9
White water rafting	50.0	26.2	4.8	4.8	7.1	7.1

3.12 Associations with other businesses

Just over half of adventure tourism business respondents said their company had links or associations with other businesses.

Figure 3.42. Adventure Tourism Businesses' associations with other businesses

Associations with other businesses	Percentage of adventure tourism business responses
Yes	50.9
No	49.1

The majority of accommodation providers (over 75%) did not have any links or associations with other businesses.

Figure 3.43. Accommodation providers' associations with other businesses

Associations with other businesses	Percentage of accommodation providers' responses
Yes	24.6
No	75.4

Businesses' Possession of AALA License

Just over a quarter of adventure tourism business respondents said they held an AALA (Adventure Activities Licensing Authority) license with 72.5% not holding such a license.

Figure 3.44. Adventure Tourism Businesses' Possession of AALA License

Possession of AALA License	Percentage of adventure tourism business responses
Yes	27.5
No	72.5

Of the 26 adventure tourism business respondents that did not hold an AALA license, only 19% said that this hindered or restricted their business activities.

Figure 3.45. Effects of not holding an AALA license on Adventure Tourism businesses

Does not holding an AALA License hinder business?	Percentage of adventure tourism business respondents
Yes	19.2
No	80.8

Wales Tourist Board Accreditation

Fewer than 15% of adventure tourism business respondents hold any Wales Tourist Board accreditation.

Figure 3.46. Adventure Tourism Businesses holding Wales Tourist Board accreditation

Does the business hold any WTB Accreditation?	Percentage of adventure tourism business respondents
Yes	14.8
No	85.2

Less than 10% of the adventure tourism businesses that do not hold any Wales Tourist Board accreditation said that this hindered or restricted their business.

Figure 3.47. Restrictions of not holding WTB license on Adventure Tourism businesses.

Does not holding WTB Accreditation hinder business?	Percentage of adventure tourism business respondents
Yes	8.3
No	91.7

Other Accreditation

Over half of adventure tourism business respondents hold some other accreditation.

Figure 3.48. Adventure Tourism Businesses holding other accreditation

Other accreditation	Percentage of adventure tourism business respondents
Yes	54.0
No	46.0

Eleven percent of adventure tourism business respondents said that any other accreditations or legal requirements were restricting the operations or development of their business.

Figure 3.49. Restrictions of other accreditations / legal requirements on adventure tourism businesses

Do any other accreditations or legal requirements hinder business?	Percentage of adventure tourism business respondents
Yes	11.1
No	88.9

3.13 Location within Snowdonia National Park

Almost three-quarters of adventure tourism businesses were located within the Snowdonia National Park boundary.

Figure 3.50. Adventure Tourism Businesses located Within Snowdonia National Park boundary

Within Snowdonia National Park boundary?	Percentage of adventure tourism business respondents
Yes	74.5
No	25.5

Just over half of the accommodation providers were located within the Snowdonia National Park boundary.

Figure 3.51. Accommodation providers' location within Snowdonia National Park

Within Snowdonia National Park boundary?	Percentage of accommodation providers' responses
Yes	54.3
No	45.7

The vast majority (80%) of adventure tourism businesses that were located within the National Park said that the park had some positive influence on their business. Over a third noted that their business could operate outside the park but not as successfully, and 15% said their business would not be viable outside the park.

Figure 3.52. Influence of being within Snowdonia National Park on Adventure Tourism businesses

Influence of being within Snowdonia National Park on business	Percentage of adventure tourism business respondents
Has a negative influence	4.9
Has No influence	14.6
Some but only marginal positive influence	31.7
Could operate outside the park but not as successfully	34.1
Not viable outside the park	14.6

The vast majority of accommodation providers (92.3%) stated that locating within Snowdonia National Park had at least some positive influence on them. No accommodation providers said they could not operate outside the park but almost 40% said they could not operate as successfully outside the park. Just 2.6% of accommodation providers said they were negatively influenced by the National Park.

Figure 3.53. Influence of locating within Snowdonia National Park on accommodation provider

Influence of being within Snowdonia National Park on accommodation provider	Percentage of accommodation providers' responses
Has a negative influence	2.6
Has No influence	5.1
Some but only marginal positive influence	53.8
Could operate outside the park but not as successfully	38.5
Not viable outside the park	0.0

3.14 Ability to speak Welsh

The majority of staff (61%) in adventure tourism businesses has some understanding of Welsh, with over 43% fluent in the language. Thirty nine per cent has no understanding of Welsh. One adventure tourism business employing a large number of staff had 90 Welsh speaking staff, this accounted for 37% of all Welsh speaking staff therefore considerably skews the data. If we omit this company the figures become: Fluent – 32%; Some Ability 21%; Non-Welsh speakers (47%).

Figure 3.54. Ability to speak Welsh in Adventure Tourism businesses

Ability to speak Welsh	Percentage of adventure tourism business respondents
Fluent	43.3
Some Ability	17.6
Non-Welsh Speakers	39.0

The majority of accommodation providers' staff (58%) has some understanding of Welsh, with over 41% fluent in the language. Forty-two per cent are non-Welsh speakers.

National Statistics local area labour force survey data for 2001-2002 shows the percentage of people over 3 years old who can speak Welsh is 67.2% in Anglesey, 42.2% in Conwy and 79.1% in Gwynedd. The average for the three local authorities combined is 65.8%.

Figure 3.55. Accommodation providers' staff's ability to speak Welsh

Ability to speak Welsh	Percentage of accommodation providers' staff
Fluent	41.7
Some Ability	16.1
Non-Welsh Speakers	42.3

3.15 Recruitment of staff

Over 87% of adventure tourism businesses' staff are recruited from within the national park, with 45% from Gwynedd and 42% from Conwy.

Figure 3.56. Recruitment of staff to Adventure Tourism businesses

Area staff recruited from	Percentage of staff recruited to adventure tourism businesses
Within the national park - Gwynedd	44.8
Within the national park - Conwy	42.3
Live outside the national park area	12.9

Over 83% of accommodation providers' staff recruited in the last 12 months were recruited from within the national park, with 42% from Gwynedd and 41% from Conwy.

Figure 3.57. Area accommodation providers' staff are recruited from

Area staff recruited from	Percentage of accommodation providers' staff recruited
Within the national park – Gwynedd	42.5
Within the national park – Conwy	41.1
Live outside the national park area	16.5

Thirty seven per cent of adventure tourism business respondents said they had experienced difficulties in recruiting staff.

Figure 3.58. Difficulties recruiting staff to adventure tourism businesses

Difficulties recruiting?	Percentage of adventure tourism business respondents
Yes	37.5
No	62.5

A larger proportion, just over half, of accommodation providers said they had experienced difficulties in recruiting staff.

Figure 3.59. Accommodation providers' difficulties in recruitment of staff

Difficulties recruiting?	Percentage of accommodation providers' responses
Yes	53.4
No	46.6

The most commonly given reasons for difficulties by adventure tourism businesses were that candidates lacked specific qualifications or experience relevant to their business. Almost half of adventure tourism businesses responses cited one of these two reasons.

Figure 3.60. Reasons for difficulty in recruitment to adventure tourism businesses

Reasons for difficulty in recruitment	Percentage of adventure tourism business respondents
Candidates lack specific qualifications relevant to your business	23.9
Candidates lack specific experience relevant to your business	23.9
Candidates lack general communication skills	8.7
Candidates lack general business skills	6.5
Candidates lack appropriate management skills	4.3
Candidates lack of interest/enthusiasm	13.0
Other	19.6

The most commonly given reasons for difficulties amongst accommodation providers were that candidates lacked interest or enthusiasm (44%).

Table 3.61. Reasons for difficulties in recruitment of staff in accommodation providers

Reasons for difficulty in recruitment	Percentage of accommodation providers' responses
Candidates lack specific qualifications relevant to your business	8.0
Candidates lack specific experience relevant to your business	12.0
Candidates lack general communication skills	2.0
Candidates lack general business skills	2.0
Candidates lack appropriate management skills	4.0
Candidates lack of interest/enthusiasm	44.0
Other	28.0

Amongst adventure tourism businesses, word of mouth was the most common method of recruiting staff (27.6% of responses) followed by local advertisements (20.7%).

Table 3.62. Method of recruiting staff to adventure tourism businesses

Method of recruiting staff	Percentage of adventure tourism business respondents
Word of mouth	27.6
Local Advertisements	20.7
Press advertisements outside North Wales	12.9
Advertisements in specialist publications	14.7
On line via websites	12.9
Through employment agencies	5.2
Other	6.0

Word of mouth was the most common method of recruiting staff amongst accommodation providers (37.8% of responses) followed by local advertisements (28.6%).

Table 3.63. Accommodation providers' methods of recruiting staff

Method of recruiting staff	Percentage of accommodation providers' responses
Word of mouth	37.8
Local Advertisements	28.6
Press advertisements outside North Wales	8.2
Advertisements in specialist publications	5.1
On line via websites	6.1
Through employment agencies	9.2
Other	5.1

3.16 Retention of staff

Nineteen per cent of adventure tourism business respondents said they had had difficulties in retaining staff.

Table 3.64. Difficulties in retention of staff in adventure tourism businesses

Difficulties retaining staff?	Percentage of adventure tourism business respondents
Yes	18.9
No	81.1

Fifteen and a half per cent of accommodation providers said they had had difficulties in retaining staff.

Table3.65. Difficulties in staff retention for accommodation providers

Difficulties retaining staff?	Percentage of accommodation providers' responses
Yes	15.5
No	84.5

None of the adventure tourism business respondents noted that management staff had left their business. The staff which most commonly left adventure tourism businesses were individuals that possessed specific experience relating to the area of their business activity. Other general support staff were cited in almost a third of adventure tourism businesses' responses.

Table 3.66. Position / qualifications of staff that leave adventure tourism businesses

Position / qualifications of staff that leave	Percentage of adventure tourism business respondents
Individuals that possess specific qualifications relating to the area of your business activity	22.7
Individuals that possess specific experience relating to the area of your business activity	40.9
Management staff	0.0
Other general support staff	31.8
Other	4.5

The majority (62.5%) of staff leaving accommodation providers were general support staff according to responses. Just 6.3% were management staff and 12.5% were individuals that possessed specific qualifications relating to the area of their business activity

Table 3.67. Position / qualifications of staff that leave accommodation providers

Position / qualifications of staff that leave	Percentage of accommodation providers' responses
Individuals that possess specific qualifications relating to the area of your business activity	12.5
Individuals that possess specific experience relating to the area of your business activity	0.0
Management staff	6.3
Other general support staff	62.5
Other	18.8

The most commonly given reasons for staff leaving adventure tourism businesses were 'seasonal demands' (23%) and 'to seek similar employment elsewhere outside the park boundary' (19%). Seeking alternative employment outside the sector was also commonly cited by 17% of adventure tourism business respondents.

Table 3.68. Main reason for staff leaving adventure tourism businesses

Main reason for staff leaving	Percentage of adventure tourism business respondents
To seek alternative employment outside the sector	17.3
To seek similar employment elsewhere within the park boundary	9.6
To seek similar employment elsewhere outside the park boundary	19.2
Dismissed	1.9
Retired	13.5
Sickness	3.8
Seasonal Demands	23.1
Other	11.5

The most commonly given reasons for staff leaving accommodation providers were 'seasonal demands' (24%) and 'to seek similar employment elsewhere outside the sector' (22.6%).

Table 3.69. Reasons for leaving employment with accommodation providers

Main reason for staff leaving	Percentage of accommodation providers' responses
To seek alternative employment outside the sector	22.6
To seek similar employment elsewhere within the park boundary	6.5
To seek similar employment elsewhere outside the park boundary	11.3
Dismissed	4.8
Retired	11.3
Sickness	4.8
Seasonal Demands	24.2
Other	14.5

4 Economic Impact Assessment

4.1 Background

This analysis provides an estimate of the overall economic impact of the adventure tourism sector in North West Wales (taken here to include Conwy, Gwynedd and Anglesey), and the Snowdonia National Park. Our assessment comprises not just the incomes received directly from outdoor activity participants, but is an estimate of the overall economic impact of the sector. It can be seen as representing the local 'value added' of adventure tourism.

The methodology used here is broadly based on the standard Keynesian multiplier approach. The key to this approach is it takes into account 'knock-on' effects on the local economy beyond the initial expenditures by outdoor activities participants. Knock on effects or 'induced' effects can be seen as the trickle-down of wealth beyond the incomes of those directly involved in the sector.

Multiplier models are based on multiple rounds of spending. Each round of spending represents an increase in income in the economy. The first round of spending is made up of the direct economic impacts of the sector. The induced effects make up the subsequent rounds of spending. The total economic impact, or total increase in income, is the total of all the rounds of spending.

4.1.1 First Round Expenditure

The direct monetary injection of adventure tourism consists of the spending by participants on outdoor activities and spending on accommodation by 'adventure' tourists. However, the impact on the local economy is not felt until such an injection is transformed into wealth increases as a result of the following actions:

- Adventure tourism operators draw salaries and pay the wages of those working in the sector.
- Accommodation providers draw salaries and pay their employees as a result of the income from 'adventure' guests.
- Businesses purchase equipment and investment goods as a result of their outdoor activity based incomes. A proportion of this expenditure stays in the local economy.

This represents the first round of spending which adds to local incomes. The above increases in wealth have been calculated using our survey of operators and accommodations providers.

The sample businesses were asked to estimate their total annual spending on salaries and goods and services. The totals from our sample have been aggregated to estimate the spending by all operators and accommodation providers in the area. Accommodation providers were also asked to estimate the proportion of their income that comes from 'adventure' guests. The accommodation providers spending estimate has been discounted to represent only that spending which derives from 'adventure' guests. The salary and spending estimates are given in figure 4.2.

4.1.2 Induced Rounds of Spending

The first round increases in income have 'knock on' effects on other areas of the economy:

- A proportion of the salaries received in first round are spent on locally produced goods and services.
- Businesses that benefit from the spending by adventure tourism operators and accommodation providers also pay wages and purchase goods and services themselves.
- Tourists who visit the area in order to participate in outdoor activities also purchase non-activity related goods and services during their stay.

The above are not captured directly by our survey results. The induced spending can be seen as the proportion of the direct income increase that is spent in the North West Wales and Snowdonia/Eryri economy. To estimate this we first discount the initial income to get a figure for disposable income (income after taxation). Then we estimate how much of this disposable income re-enters the local economy. This is explained more fully in 4.1.3.

Non-activity related goods and services purchases by adventure tourists include things like expenditures on food, drink and transport in the local area. Again we are unable to estimate this from our survey results. This indirect expenditure is derived from Wales Tourist Board average tourist expenditure estimates for North Wales. The final estimate is given as 'other tourist expenditures' in figure 4.2.

We have demonstrated how the initial expenditure has produced an induced round of expenditure. This 'second round' can be seen as a fresh increase in income. Once again this increase in income corresponds to a level of disposable income. Of that disposable income, a proportion stays in the local economy. The second round has triggered a third round increase in income and the process continues.

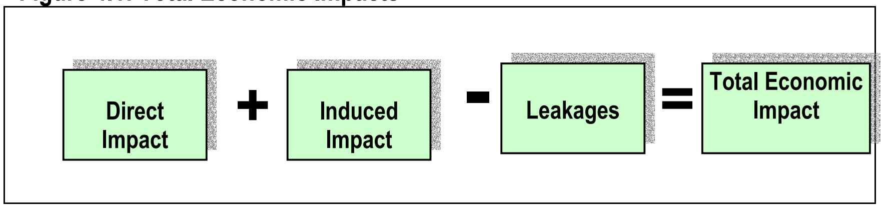
4.1.3 Leakages

At each round of spending the subsequent increases in output and income become smaller as money is 'leaked' from the local area economy. There are four sources of such leakages:

- Income transfer is reduced by direct and indirect taxes.
- A proportion of business spending on wages, goods and services takes place outside the local economy.
- Local employees save a proportion of their salaries.
- A proportion of spending by local employees is on goods produced outside the local economy.

Knock on effects are felt until leakages render the income increases from spending rounds negligible. The ratio of the initial injection and the increase in income after all spending rounds is called the multiplier effect. In any economic impact assessment the overall impact is dependant on the size of the initial input and the significance of the leakages.

Figure 4.1: Total Economic Impacts



4.2 The Model

The model used for the calculation of the economic impact of the outdoor activities sector broadly follows the method used by Huggins and Cooke in a study of the local area impact of Cardiff University[2]. This methodology is applicable to any economic impact assessment. However, in order to apply the formula to the North West Wales and Snowdonia/Eryri area, the values for the leakages (tax rates, retention rates and saving rates) have been chosen to reflect the specific characteristics of the area.

The first stage of the model is a calculation of the initial monetary injection. The initial injection is the sum of labour incomes, L, and goods and services purchased, G, by all businesses and accommodation providers:

Equation 1: $\mathbf{Y_1 = L + G}$

***Where*:** $\mathbf{L = L_B + L_A}$

$\mathbf{G = G_B + G_A}$

(Subscript $_B$ denotes outdoor activity businesses and subscript $_A$ denotes accommodation providers)

The first round gross local impact produces a level of disposable income after tax. Income tax is taken to be an average of 25% and VAT is 17.5%:

Equation 2: $\mathbf{D_1 = (1\text{-}\mathit{t})(Y_1 - \mathit{v}G)}$

***Where*: *t* denotes the level of income tax and *v* is the rate of VAT.**

Finding the level of disposable income D_1 allows us to calculate the second round gross local impact. D_1 is discounted by the amount of income saved and the amount of consumption which takes place outside the local area. We assume that 90% of disposable income is used for consumption and 10% is saved, giving a marginal propensity to consume of 0.9%. This is a reasonable estimate based on the family expenditure survey. The amount of consumption expenditure on locally produced goods and services is called the retention factor.

Our retention factors differ for Snowdonia/Eryri and North West Wales. Naturally, a greater proportion of spending by residents and businesses in the smaller economic

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2 **Huggins, Robert and Cooke, Phillip, *The Economic Impact of Cardiff University; innovation learning and job creation.* Centre for Advanced Studies, University of Wales, Cardiff 1996.**

area will be on goods and services produced outside the local economy. Therefore less wealth is retained within the smaller economy from each round of spending to the next. A proportion of spending 'leaks' from the Snowdonia/Eryri economy into the North Wales economy.

We take a retention rate of 0.32 for North West Wales based on previous sub-regional studies in Wales and a rate of 0.15 for Snowdonia/Eryri derived from the relative area base of the Snowdonia/Eryri economy.

Of all disposable incomes then, in North West Wales, 90% is consumed and 32% of consumption spending remains within the local economy, and in Snowdonia/Eryri, 90% is consumed and 15% of consumption spending remains within the local economy.

Finally, in the second round, we also introduce the spending by 'adventure' tourists on non-activity related goods and services.

Equation 3: $Y_2 = Z + m\mu D_1$

***Where*: *Z* denotes other tourist spending, *m* is the marginal propensity to consume, and μ is the retention factor.**

Again the gross local impact is discounted for taxes:

Equation 4: $D_2 = (1-t)(1-v)Y_2$

The process continues to round three:

Equation 5: $Y_3 = m\mu D_2$

After each round of spending the subsequent income increases become smaller and smaller. The process continues until income increases become insignificant.

4.3 Applying the Model

Our research produced the following key results for Snowdonia/Eryri and North West Wales:

Figure 4.2:

		Snowdonia		North West Wales	
Outdoor Activity Businesses					
	Salary Expenditure	£	8,267,359	£	15,791,985
	Goods and Services Expenditure	£	1,560,201	£	6,119,284
Accommodation Providers					
	Salary Expenditure	£	20,177,406	£	36,410,969
	Goods and services Expenditure	£	4,275,643	£	13,669,940
Other Tourist Expenditures		£	25,711,257	£	41,929,127

Inputting the above results, the model was run over 9 rounds, the total economic impact being the sum of the 9 gross local impact figures.

	Snowdonia		North West Wales	
round 1 (Initial injection)	£	34,280,610	£	71,992,179
round 2	£	23,847,195	£	57,291,590
round 3	£	1,991,986	£	10,209,361
round 4	£	166,393	£	1,819,308
round 5	£	13,899	£	200,599
round 6	£	1,161	£	57,773
round 7	£	97	£	10,295
round 8	£	8	£	1,835
round 9	£	1	£	327
Initial injection	£	34,280,610	£	71,992,179
induced income	£	26,020,740	£	69,591,088
TOTAL IMPACT	**£**	**60,301,349**	**£**	**141,583,266**
MULTIPLIER		**1.76**		**1.97**

4.4 Analysis of the Results

The results can be interpreted as the following:

- **The outdoor activities sector adds over £60million to the Snowdonia/Eryri economy. Every pound spent on outdoor activities and accommodation, generates a further £0.76 for the local economy.**

- **The outdoor activities sector adds over £140million to the North West Wales economy. Every pound spent on outdoor activities and accommodation, generates a further £0.97 for the local economy.**

- **42.6% of the overall impact on the North West Wales economy is felt in Snowdonia/Eryri.**

- **To put this in context, the Wales Tourist Board estimate that total spending by tourists in 2002 was £1795 million for Wales as a whole and £535 in North Wales.**

The results confirm the importance of the outdoor activities sector to the economy in Snowdonia/Eryri and in North West Wales as a whole. The overall economic impact extends far beyond expenditures on the activities themselves, justifying an analysis of this nature. Local 'knock-on' effects are significant. The multipliers are reasonable for a sub-national model.

Despite the majority of outdoor activity being based in Snowdonia/Eryri itself (74.7% of businesses), the wider economy impact is almost double the Snowdonia/Eryri economic impact. This is because the largest part of the initial monetary impact is as the result of 'adventure' tourist's spending on accommodation and other goods and services. Many of those who enjoy activities based within Snowdonia/Eryri stay in accommodation outside the national park. In addition, much of the expenditures made by businesses based within Snowdonia/Eryri go to employees and businesses based outside the national park. The geographical distribution of the economic impact, therefore, is partly a consequence of the natural tendency of local area incomes to 'leak' into the wider economy.

4.5 Employment Impact

It is also possible to develop a similar assessment of the employment effects of the adventure tourism sector in Snowdonia/Eryri and North West Wales. The following estimations are derived from the above multiplier-based model. The total employment creation is the sum total of the direct employment of staff in the adventure tourism industry and the indirect employment associated with the induced output change. Therefore we can talk about total employment in terms of direct employment effects and induced employment effects.

The direct employment effects have been calculated from our sample of adventure tourism operators and accommodation providers. The induced employment has been derived from our estimation of induced output effects. An output-employment ratio has been developed from national data sources. The total induced employment is the product of induced output and the output-employment ratio. The most significant results are shown below.

		Snowdonia	North West Wales
Outdoor Activity Businesses			
	Total Non-Seasonal Employment	**1291**	**1728**
	Full Time Employment	**872**	**1167**
	Part Time/Freelance Employment	**419**	**560**
	Seasonal Jobs	**1586**	**2122**
Accommodation Providers			
	Total Non-Seasonal Employment	**1178**	**2139**
	Full Time Employment	**689**	**1251**
	Part Time/Freelance Employment	**489**	**888**
	Seasonal Jobs	**394**	**714**
Induced Effect Employment			
	Total Employment	**1016**	**1749**
	Full Time Employment	**617**	**1063**
	Part Time Employment	**399**	**686**

The total employment effect is the sum of the direct effects and the induced effects of the adventure tourism sector. The direct employment effects can be seen as the employment involved in the production of the first round gross local output. The induced employment effects can be seen as the employment involved in the production of rounds 2 – 9. For ease of calculation we have assumed that all induced employment is non-seasonal.

	Snowdonia	North West Wales
Full Time Employment	2178	3481
Part Time/Freelance Employment	1307	2134
Seasonal Employment	1980	2836
All Non-Seasonal Employment	3485	5616
Employment Multiplier	1.41	1.45
% of Area Employment	NA	5.998%

Sector Employment and Employment Shares in North West Wales

	North West Wales	
	%	Total jobs
Adventure Tourism (estimated)	5.44	5612
Agriculture and Fishing	4.20	4339
Energy and Water	2.59	2675
Manufacturing	10.34	10669
Construction	9.14	9436
Distribution, Hotels and Restaurants	23.08	23827
Transport and Communications	5.44	5615
Banking, Finance and Insurance	8.05	8314
Public Administration, Education and Health	29.39	30343
Other Services	7.55	7796
Total Services	73.42	75792

Source: Nomis, Labour force Survey 2003

The main results are as follows:

- **The adventure tourism industry employs, annually, 5465 people in Snowdonia/Eryri and 8451 people in North West Wales.**
- **Adventure tourism provides 2178 full time jobs directly in Snowdonia/Eryri and 3481 full time jobs directly in North West Wales.**
- **Total non-seasonal job creation as a result of the industry is 3485 in Snowdonia/Eryri and 5616 in North West Wales.**
- **This represents over 5% of all employment in North West Wales, compared to 4.2% for agriculture and 10.3% for manufacturing.**
- **For every 10 jobs created as a direct result of adventure tourism, a further 4.5 jobs are created in North West Wales.**

In North West Wales, nearly 60% of adventure tourism employment is seasonal or part time. This compares to 40.7% for all industries.

4.6 Conclusions

The adventure tourism sector offers a significant contribution to the local economy of Northwest Wales both in terms of the financial injections generated from adventure tourism visitor spend as well the employment opportunities generated both directly and indirectly as a consequence of these activities. Furthermore the nature of the activities, in particular the way they promote healthy living and environmental sustainability, create an attractive image for the Northwest Wales area that comprises of Anglesey Gwynedd and Conwy, which in turn holds the potential of generating further economic and social benefits that are not captured within the remit of this study.

Net employment across the sector in northwest Wales has grown during the last twelve months and is set to continue in the same way over the next twelve months. However, the growth is not envisaged to be even across all areas of the sector with some employment decline also predicted. This suggests that businesses in some areas of the sector are still vulnerable and may require further support to overcome some of the restrictions or barriers to growth that they currently face.

Particular areas of support requested by businesses surveyed during the course of this study included marketing of products and services, the opportunity to network and exchange experiences as well as IT training support. Although support in these areas is currently available they are often aimed towards the tourism industry as a whole which may not always address some of the specific requirements of the adventure tourism sector of the industry.

The survey illustrated a number of skill gaps amongst those currently employed within the sector in particular IT skills, as noted above, as well as other sector specific skills. There also appears to be a lack of understanding amongst employers with regard to the local training opportunities that exist as well as amongst training providers regarding the skills development needs of businesses.

It would appear therefore that encouraging the development of an adventure tourism business network would provide a platform upon which a number of these businesses development issues could be realised and addressed.

It is clear therefore that adventure tourism as a distinct area of the wider tourism industry already contributes a great deal to the local economy of northwest Wales in a low environmental impact and sustainable manner. The stunning natural environment of northwest Wales offers a unique opportunity to develop an adventure tourism industry of global stature. However, many areas of the sector are still at their early stages of development and as such require further support from a number of quarters in order to ensure that the sector's full potential is realised.

Snowdonia-Active
Yr Hen Ysgol, Brynrefail
Caernarfon, Gwynedd, LL55 3NR

tel: 0870 922 0554
info@snowdonia-active.com

www.snowdonia-active.com