



North Wales Tourism
Twristiaeth Gogledd Cymru



Assessing **Zip World's** Impact on the
North Wales Economy Review **2018**

Zip World has brought in excess of **£251,000,000** to the North Wales economy

Zip World has attracted 1 Million visitors

The average spend of a Zip World visitor in North Wales is £251 - £500

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Introduction

Zip World are a Sunday Times Fast Track 100 company.

An assessment of Zip World's impact on the North Wales economy was undertaken in **2016**. The assessment reviewed the attraction's economic impact by examining the value of visitor spend and employment opportunities made available. (For the purpose of the report the participant who took part in the Zip World activity is referred to as visitor)

The research had a number of purposes.

The main purpose was to form an understanding of the attraction's contribution to the North Wales economy. The secondary purpose is to understand the importance of the economic benefits it brings.

To ensure of a compressive assessment, three indicators were examined closely.

These include: A visitor analysis, Value of Zip World, Employment.

Research Methodology

By analysing these three areas, a complete review of Zip World's economic impact was gained.

The work undertaken in two stages, the first stage involved carrying out primary research using Zip World's visitor database. North Wales Tourism sent a survey to Zip World's database of **147,926** previous visitors. From this, **8214** people responded, which formed the basis of the findings.

The data was collected using Survey Monkey; a reliable data collection tool. The data was then put into tables and charts using Survey Monkey's software.

The second stage involved desk analyse using North Wales Tourism's economic measuring approach. This involved analysing the factors affecting the economy.

It is important to carry out continued research into the changing visitor behaviours. Tourists are notoriously prone to change, more so than other buyers. Understanding visitors, particularly their motivations, will enable us to understand the visitors better which will have significant implications to future economic growth.

Zip World commissioned SPIKE in 2018 to undertake a survey and collect data from 50,000 people to understand the customer segmentation which provided a rich insight into opportunities.

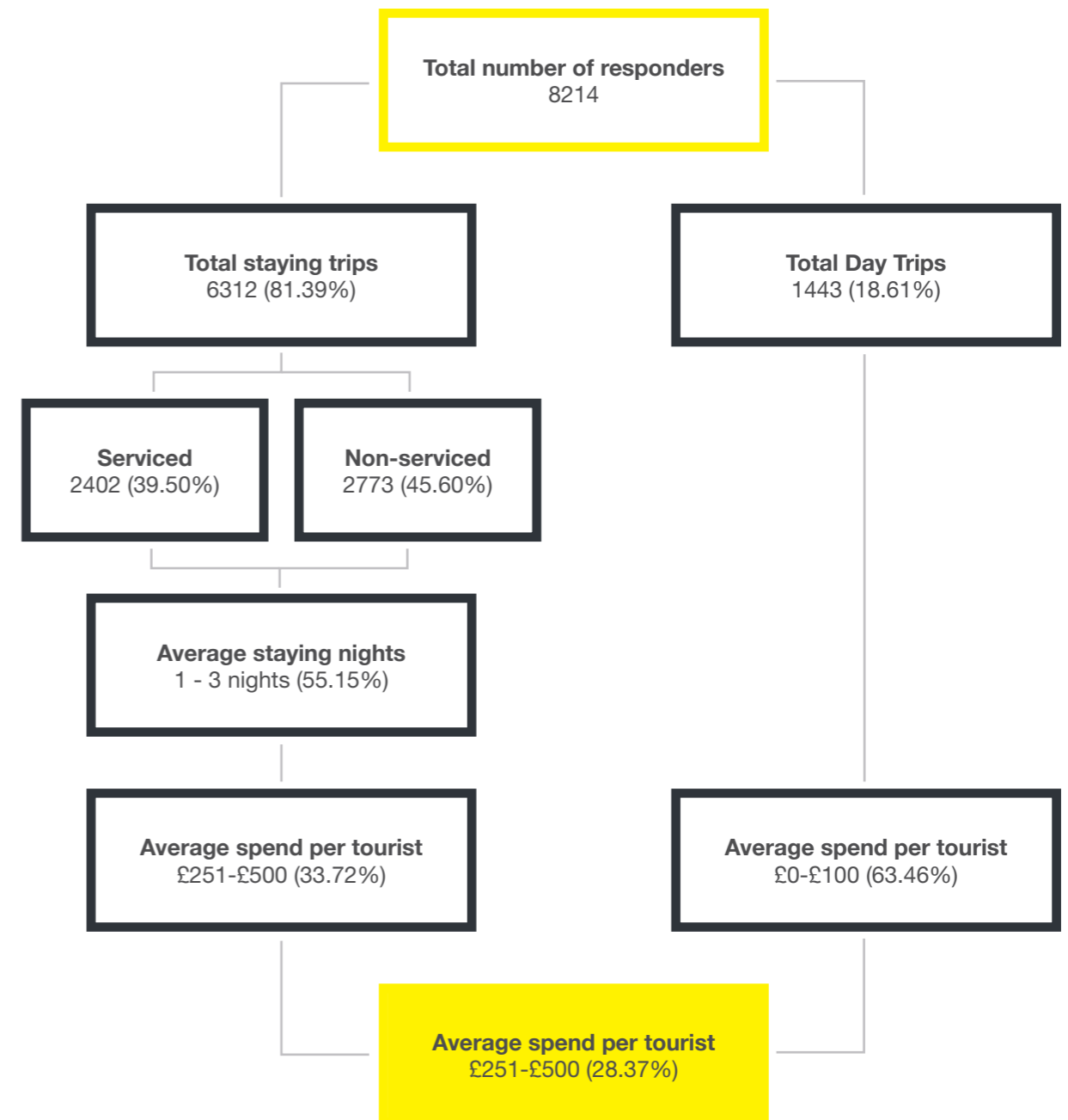
A number of stand out headliners were reported.

- **35-54** year olds are the main bookers of Zip World Activity. **51%** are families (**53%** female booker)
- **80%** want to return within a year.
- Most customers **63%** visited as part of a longer stay to North Wales with **7** nights being the most popular.
- Velocity is the most popular attraction in Zip Worlds portfolio, .Zip Caverns had the highest rating in terms of experience at **85%**
- Recommendation from a friend, family member or colleague was the key channel
- Most of the bookers to Zip World are married/living with a partner, with a slight female bias
- Over **80%**of those surveyed use facebook.

Source SPIKE 2018

Origin of leads Word of mouth **32.5%** • Website **24%** • Social Media **20%** • TV **9%**

Zip World Economic Impact Headline Summary Chart



Visitor Analysis

Introduction

It is important to carry out continued research into the changing visitor behaviours. Tourists are notoriously prone to change, more so than other buyers. Understanding visitors, particularly their motivations, will enable us to understand the visitors better which will have significant implications to future economic growth.

Date visited

Research into the dates visited shows the relevance of the study. We can evaluate this data to see economic trends overtime.

Table 1 gives a breakdown of the visitor’s surveyed responses.

The table shows that a high percentage of respondents (48.81%) stated that they had visited Zip World less than a year ago. Followed by 1 year ago (29.83%) and 2 years (15.67%).

This data could be interpreted in a number of different ways. The data of a visitor who visited Zip World less than a year ago, will be more up-to-date than someone who visited 3 or more years ago. Therefore, this data should be treated with caution.

Table 1 also shows that 304 responders haven’t visited Zip World. For the relevance of the study, these respondents’ answers have been removed from the research.

When did you visit Zip World?		
	%	Response
Less than a year	48.81%	3996
1 year ago	29.83%	2442
2 years ago	15.67%	1283
3 years or more	1.98%	162
Not visited	3.71%	304

Location

Segmenting visitors by location is important to understand key and growth markets to further stimulate the North Wales economy.

Table 2 gives a breakdown of the visitor’s surveyed responses.

The main markets for Zip World are the Midlands (21.96%) and the North West (21.31%). As key domestic markets for North Wales, Zip World acts as a major pull factor, supporting the marketing efforts of North Wales Tourism and Visit Wales.

The North Wales market (11.22%) is the 4th largest. This market can certainly be seen as a growth market. Providing less economic leakages and with fewer barriers to entry, the North Wales market has potential for growth.

Your location	%	Response
Scotland	1.14%	90
North West	21.31%	1667
North East	4.26%	335
East Anglia	4.55%	358
Midlands	21.96%	1728
South West	7.48%	589
South East	11.74%	924
London (Inside M25)	4.63%	364
North Wales	11.22%	883
South Wales	6.73%	530
Other	4.98%	392

NB – popular “other” locations included Mid Wales and USA (no specific location)

Further data was analysed to monitor growth markets. Significant increase was noticeable in the South East (+.64), South Wales (+.34%) and London (+.33) over the last year. Other locations fluctuated only slightly.



74.74%
of visitors
stayed at least
one night

93.3% of
Zip world
employees
were local
to the area

Zip world
has created
over 450
paying jobs

Visitor Influences

Evaluating the influences of visitors will determine the most effective means of communicating. Finding the most effective communication methods will ultimately improve awareness and bring more visitors to North Wales.

From table 3, word of mouth is the most effective form of marketing communication (34.99%). This is followed by website (20.31%) and TV (18.44%).

At 8.48% “other” was a popular choice for this question. Noted on the table is that “gift” was cited a number of times. This could also be considered “word of mouth”. Other factors that scored high were television shows such as Blue Peter and search networks like Google.

	%	Response
Word of mouth	34.99%	2751
TV	18.44%	1450
Website	20.31%	1597
Social media	12.68%	997
Publication	2.01%	158
Flyer	3.09%	243
Other	8.48%	667

NB – High percentage of “other” quoting gifts

Pull factors over time

Table 4 shows the effectiveness of the communication overtime.

Word of mouth has consistently been the most powerful way to communicate with visitors. Visitors are more susceptible to visiting somewhere based on the feedback from others. Success models include TripAdvisor and more recently Facebook reviews. As Zip World’s product has matured, more people are recommending the attraction, as presented in table 4. Word of mouth was responsible for 37.51% of the trips made by our respondents last year.

Other significant increases were flyers. The influence of flyers have risen over the last three years. Social media has become more influential overtime, increasing by 4.73% from 3 or more years ago.

Decreases were noted in almost all other communication methods. Websites influence decreased by over 6.53%. TV also decreased, with the percentage falling by 5.06%.

	Less than a year ago	1 Year ago	2 years ago	3 years ago or more
Word of mouth	37.51%	33.47%	30.47%	31.25%
TV	20.56%	21.64%	23.05%	25.62%
Website	14.72%	19.96%	20.08%	21.25%
Social media	12.86%	12.32%	13.36%	8.13%
Publication	1.68%	2.09%	2.73%	3.13%
Flyer	3.51%	2.67%	2.73%	1.88%
Other	9.15%	7.84%	7.58%	8.75%

Value of Zip World

Introduction

This section covers the value of Zip World to the economy of North Wales. The data is of both primary and secondary research. Examined in this section is the average visitor spend and the change overtime. The assessment then looks at the influence of Zip World and how this effects the economy.

Visitor Spend

Table 5 shows that the average visitor spend is £251 - £500 (28.37%).

Only 10.32% of responders answered that they spent more than £1,001 during their visit. This number is lower than the top 4 grades (£0 - £1000). Zip World had attracted over **482,758** visitors since 2013. Combining this with the average spend, we were able to calculate that Zip World has brought in excess of **£121,172,258** to the North Wales economy. Since the last survey was carried out by North Wales Tourism, Zip World has welcomed over **1 million visitors** since inception. Using this figure and the previous financial formula we estimate that Zip World has contributed over **£251,000,000** to the local economy of North Wales.

Zip World have continued to enhance the overall visitor experience by developing existing sites in Fforest and Penrhyn Quarry. They launched another World first attraction in Fforest, called Plummet 2 which gives two riders the closest thing to a free fall experience. A forest slider has been added to the Tree Top Nets adventure. Penrhyn Quarry has now 4 lines in operation and a brand new system which enhances the experience for riders needing greater accessibility. Velocity 2's 'power fan' system is uniquely designed to bring riders in at even greater speeds, meaning we can operate in bad conditions. 'Air beds' is a totally new feature on Velocity, designed to lower and raise riders onto the Zip Line.

In 2018 Zip World now employ over **450** people, up from **218** in 2016 **93%** are local employees. In addition from a social corporate responsibility perspective Zip World have raised 1000's for local charities. They have. Invested in a new fleet of electric vehicles with more on order, with the longer plan to have the entire fleet 'go green'.

Since the last survey carried out by North Wales Tourism, Zip World has welcomed over 1 million visitors since inception and using the previous survey formula contributed over £251m to the local economy of North Wales.

	%	Response
£0-£100	17.31%	1328
£101 - £250	26.35%	2022
£251 - £500	28.37%	2177
£501 - £1,000	17.66%	1355
£1,001 - £1,500	4.89%	375
£1,501 - £2,000	2.41%	185
£2,000 - £3,000	0.93%	71
£3,001 +	2.09%	160

Visitor spend over time

Table 6 shows that visitors to Zip World's average spend in North Wales is increasing. 12.77% of visitors who went to Zip World less than a year ago spent more than £1,001. This is a 4.46% increase from the year previous.

Also encouraging is the increase in the minimum spend. Visitors spending £0-£100 has decreased by 7.8% from 3 years ago and 3.27% from the previous year.

Factors influencing the growth in spend include more accommodation on offer. More products in the glamping and self-catering markets have supported this development. Our research shows that 45.03% of visitors choose to stay in self-catering accommodation when visiting Zip World compared to 39.67% serviced and 15.29% family and friends.

North Wales' strong occupancy growth rate for serviced accommodation has been supported by Zip World's product (Visit Wales, 2016). Occupancy has increased year-on-year to 68% for hotels (+1% YoY) and to 37% for B&Bs & guesthouses (+2% YoY).

Another factor in the visitor spend is the increase in visitor attractions. New additions like Surf Snowdonia and investment in Greenwood have helped boost the tourism product in North Wales. Visitor numbers for attractions in North Wales grew by at least 5.4% last year (Visit Wales, 2016).

	Less than a year ago	1 Year ago	2 years ago	3 years ago or more
£0 - £100	15.77%	19.04%	18.01%	23.57%
£101 - £250	23.83%	28.51%	29.70%	29.30%
£251 - £500	27.54%	29.31%	29.62%	24.84%
£501 - £1,000	20.09%	14.84%	15.77%	15.29%
£1,001 - £1,500	6.05%	4.03%	3.04%	3.82%
£1,501 - £2,000	3.09%	1.68%	1.92%	0.64%
£2,000 - £3,000	1.34%	0.63%	0.24%	0.64%
£3,001 +	2.29%	1.97%	1.68%	1.91%

Influence

Zip World's direct effect on the North Wales economy has been measured. This is calculated by examining the primary motivation for visiting North Wales. The primary motivation acts as the instigator and main pull reason to North Wales. Therefore, we can assume that these visits wouldn't have taken place without Zip World's influence.

Table 7 shows the main influence to visit North Wales. 60.79% of the visitors who responded cited Zip World as their main motivation to visit.

Table 7: Main motivation		
	%	Response
Visit Zip World	60.79%	4775
Visit attractions	9.98%	784
Take part in adventure activities	17.58%	1381
Visit family or friends	7.27%	571
Other	19.01%	1493

NB – popular answers included “visiting Snowdon” and “holiday”

New Visits

Table 8 shows the amount of respondents whose main motivation was to visit Zip World and if they had visited North Wales before. This will show the exact amount of visits Zip World is directly responsible for.

Table 8: Main motivation Zip World / never been to Wales before		
	%	Response
Been to Wales before	74.90%	3566
Haven't been to Wales before	25.10%	1195

The data shows that Zip World is directly responsible for 25.10% visits to North Wales based on the responses from the survey. Further research shows that the average spend of these tourists average spend is £101 - £250.

Length of stay

The length of stay indicates the amount of visitors Zip World converted into tourists.

Citing their main motivation to visit North Wales as Zip World, 74.74% of responders stated that they stayed for at least one night, and by definition, became tourists. This provides strong reason to believe that Zip World is a strong tourism generator for North Wales.

Table 7: Main motivation		
	%	Response
Day Visit	25.26%	1,200
1-3 Nights	53.40%	2,537
4-7 Nights	16.78%	797
8 Nights or Longer	4.57%	217

Digital connectivity

Further developments have seen an enhanced customers' digital experience by building a brand new website for 2018. The enhanced UX has resulted in greater feedback online and onsite and increased customer transactional spend which is up by **30%**.

Trip Advisor, Facebook, and google reviews are all up by 20% in terms of customer satisfaction. A new 2018 6-week campaign called 'Find Your Adventure in the Summer of 2018' attracted over 2,000 new customers and over £100k in revenues.

Social Media engagement is up by **150%** vs. 2017 with more people responding to the new innovative videos and posts than ever before.

Employment

Introduction

The focus of this section is to review the job opportunities made available by Zip World. A strong economy relies on an abundance of jobs for local people. The model reviews the type of employment created by Zip World and the locality of the employee. From this, we can accurately review the economic leakages and job creation.

Type of employment

Table 10 shows the type of employment of the Zip World Staff who replied.

Table 10: Type of Employment		
	%	Response
Part-time	63.33%	19
Full-time	36.67%	11

In a highly seasonal industry, Zip World provides a high amount of part-time jobs. 63.33% of responders stated that they were in part-time employment with Zip World. A trend that developed was the progression of employment that was responsible by Zip World. 30% of employees who came from no income previously (student, unemployed and volunteer) were in paying jobs at Zip World. 14% of employees who were previously in part time jobs are now in full-time jobs in Zip World.

Local Jobs

Research was carried out into where the member of staff lived before their employment with Zip World. This was to show the local job creation the attraction is responsible for. As of September 2018, Zip World employed a total of 450 people. Our study has shown that Zip World hires locally. 60% of responders indicated they were from Gwynedd - whilst 33.3% stated they were from neighbouring Conwy. From the results of the study, we can see that 93.3% of employees were local to the area.

Table 11: Where did you live before your employment with Zip World?		
	%	Response
Gwynedd	60%	19
Conwy	33.3%	11
Anglesey	0.00%	0
Denbighshire	0.00%	0
Flintshire	0.00%	0
Other	6.67%	2

The locality of the employee shows that Zip World employs very few people from outside of the area - only 6.67%. Because of this, there are fewer leakages, with the money ultimately being made and spent in the local economy.

Conclusion

The review shows a number of key findings that have been summarised below:

Zip World is responsible for bringing at least £251,000,00 into the North Wales economy.
Based on amount of visitors vs. average spend.
The figure above does not include non participants on Zip World products which we estimate is a further 30%.

Zip World acts as a driver for tourism from North Wales' key markets.
The Midlands and North West were the most popular locations.

The average spend of a Zip World visitor in North Wales is £251 - £500.
Higher than the UK average, £161.

Zip World is a strong pull factor.
Zip World was the main factor to visit with 63% of responders visiting as part of a longer stay with over 25.10% stating that they hadn't been to North Wales before.

74.74% of visitors stayed at least one night.
Zip world's pull further boosts the amount of tourists in North Wales.

Zip World has created over 450 paying jobs. A major employer in Gwynedd.

93.3% of Zip world employees were local to the area.
Majority employed from Gwynedd and Conwy.

The findings above show the importance of Zip World to the North Wales economy. The attraction stimulates the wider tourism industry, generating additional business for the accommodation sector.

From an employment prospective, the attraction creates jobs, supports progression and employs local people. 30% of Zip World's staff had no income previously (student, unemployed or volunteer) were now employed by Zip World. Whilst 14% went from part-time to full-time jobs.



northwales**tourism**
twristiaethgogleddcymru



North Wales Tourism
9 Wynnstay Road | Colwyn Bay
Conwy | LL29 8NB

Phone 01492 531731
E-mail croeso@nwt.co.uk

Visitor Website
www.gonorthwales.co.uk
Trade Website
www.northwalestourism.co.uk
Distribution Website
www.northwalesdistribution.co.uk

