# Market Research
## Ddol Hir

Ddol Hir
Llanarmon Road
Glyn Ceiriog
LL207NP

# Contents

**Ddol Hir** ..... 1

1.0 Executive Summary ..... 3

2.0 What is Glamping? ..... 4

3.0 Tourist Demographic ..... 5

4.0 Key Tourism Markets ..... 7

4.1 Attractions ..... 7

4.2 Walks & Nature ..... 7

4.3 Food and Drink ..... 7

5.0 Visitor Accommodation Analysis ..... 8

6.0 Glamping Popularity ..... 9

7.0 PESTLE Analysis ..... 11

7.1 Political ..... 11

7.1.1 Brexit Uncertainty, Covid-19 Impact and Cost of Living Crisis ..... 11

7.2 Economic ..... 11

7.2.1 Inflation ..... 11

7.2.2 Cost of Living ..... 11

7.3 Social ..... 12

7.3.1 Outdoor Recreation ..... 12

7.4 Technological ..... 12

7.5 Legal ..... 12

7.5.1 Regulations ..... 12

7.6 Environmental ..... 12

7.6.1 Environmental Policies ..... 12

8.0 Summary ..... 13

9.0 References ..... 14

# 1.0 Executive Summary

This report is to understand the market for short-term rental accommodation in and around Glyn Ceiriog to demonstrate the requirement for a 5 unit glamping site at Ddol hir.

This report will examine whether current accommodation options local to Glyn Ceiriog and the surrounding areas are sufficient to meet tourist demand. It will also look at tourism trends to suggest if a new glamping site in this area is warranted. This will demonstrate the need for this glamping development, as well as its potential to benefit the local area economically, socially, and environmentally.

To demonstrate the need for and benefit of this development, this report will focus on local tourist demographic, key tourism markets in the area, existing visitor accommodation and demand, and recent tourism trends including glamping. This document will be supported by a PESTLE analysis to understand the external environment within which this development will exist and demonstrate the potential for success.

In summarising this report, a clear demand for this development will be determined and its contribution to the area highlighted. This will encapsulate a strong case for the support of this glamping site – Ddol Hir.

## 2.0 What is Glamping?

Combining glamour and camping, glamping is a refreshing way to escape the stresses of daily life and get back to nature. It is a style of camping which typically features larger, more luxurious units such as pods, shepherd huts, bell tents and yurts, as well as amenities not usually associated with camping such as ensuite bathrooms, hot tubs, and heating.

The Oxford Dictionary provides the following definition of glamping: -

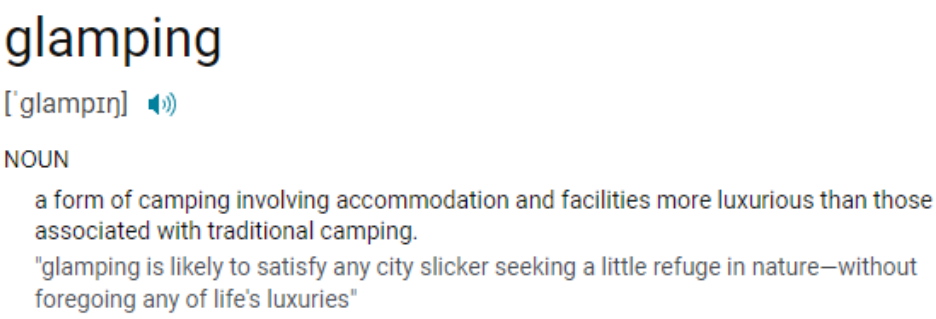



*Figure 1 – Glamping Definition. Source: Oxford Dictionary, 2022.*

Providing the luxury of a hotel in the outdoors setting of traditional camping sites, glamping is a great option for the more high-maintenance camper, or those looking to experience a little luxury!

## 3.0 Tourist Demographic

Wrexham has a thriving tourism market. The latest figures available were from 2018 and showed a 4% growth in tourism in Wrexham, contributing £123 million into the local economy (Wrexham.com, 2019). Additionally, figures showed a 2.6% increase in day visitors and 1.92 million visitors overall, and a 4.1% growth in visitor spend (Wrexham.com, 2019). Latest figures for visitor expenditure in Wales show a per holiday spend of £242, breaking down to £57 pounds per night.

**Table 3: Average spend and length of stay for main purpose of trip taken in GB and Wales (April to December 2021)**

| **All purposes** | **Wales** |
|---|---|
| Spend per trip £ | £198 |
| Spend per night £ | £54 |
| Nights per trip | 3.7 |
| **Holidays** | **Wales** |
| Spend per trip £ | £242 |
| Spend per night | £57 |
| Nights per trip | 4.2 |

*Figure 2 – Domestic GB Tourism statistics (overnight trips) 2021: Source: Welsh Government, 2021.*

For Ddol Hir, this tells us that the key tourist demographic will likely be domestic tourists. This is supported by the increasing trend of "staycations" (Shilling, 2021), something which the glamping industry has grown largely as a result of.

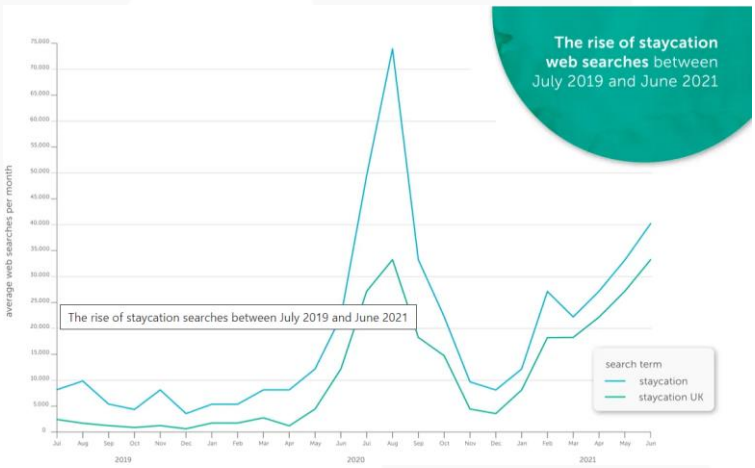



*Figure 3 – Rise of Staycations. Source: Shilling, 2021.*

A desire to holiday in the countryside has also risen over the last 5 years, with 25% or people taking a countryside holiday in the last 12 months according to the Association of British Travel Agents.

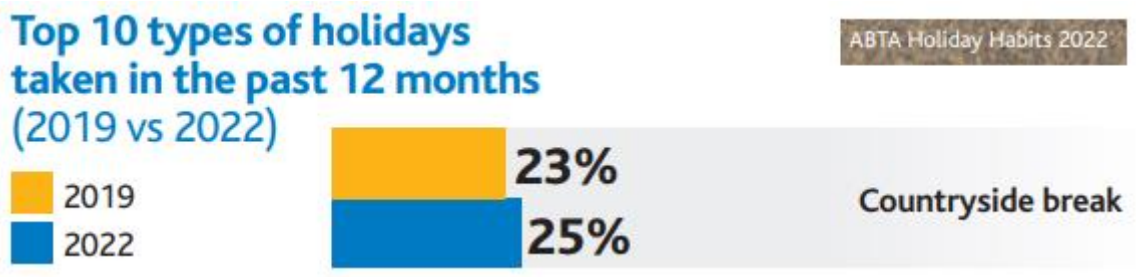



*Figure 4 – Types of Trip. Source: ABTA, 2023.*

Additionally, under 35's account for the largest proportion of visitors, with glamping attracting the most affluent visitors (NEC Group, 2022).

Applying these figures to the project near Glyn Ceiriog shows the potentially significant economic impact this proposal will have on the local economy. The development will offer 22 bed nights per day. Assuming a 70% occupancy rate, development will allow for an additional 5,621 bed nights per year. This would account for over **£320,397** per annum of expenditure in Wrexham, based on a £57 spend per night as shown in figure 2. Significantly, over the first 10-year period, this development would generate an estimated **£3.2 million** for the local economy.

Although statistics specific to Wrexham are not available at present, we strongly believe that the scale of the tourism industry in the region overall demonstrates the demand for visitor accommodation and supporting this development would be a positive step for the Council to take, allowing for more tourist accommodation to be provided in the area and boosting the local economy accordingly.

# 4.0 Key Tourism Markets

## 4.1 Attractions

The region is home to a plethora of historic sites and attractions, all within a suitable distance from the proposed glamping site. TripAdvisor lists 2 attractions in Glyn Ceiriog. Nearby Chrik is home to National Trust – Chirk Castle, and Llangollen offers various historic attractions and landmarks, as well as many other attractions in the surrounding local areas.

Surprisingly, there are only 5 visitor accommodation offerings in Glyn Ceiriog listed on TripAdvisor. This highlights the capacity for the development of more tourist accommodation to boost visitor numbers to the available attractions.

## 4.2 Walks & Nature

Within reasonable proximity to the proposed location lay many nature sites and walks for those who wish to explore when visiting the region. Pisgah Quarry North Wales Wildlife Trust Nature Reserve and Wenffrwd Nature Reserve are both accessible to the proposed site, alongside a plethora of walks and footpaths.

Hiking trails and scenic points in the area include Vivod Mountain, The Llangollen Round and The Panorama Mountain. The natural beauty of the area undoubtedly contributes to the significant visitor numbers previously discussed, and this glamping development will be an excellent opportunity to provide accommodation which further connects visitors to the natural environment.

## 4.3 Food and Drink

Local highlights for food and drink to the area include The Oak Y Dderwen, The Three Eagles, and Castle Bistro. There are also distilleries and breweries nearby – Jin Ceiriog Distillery and Llangollen Brewery being closest to the proposed site.

Somewhat surprisingly, there does not appear to be a large variety or number of restaurants available. As the glamping units proposed are self-catering, restaurants nearby are not a necessity, though there is no doubt that any restaurants nearby would likely be used by the visitors if available. This will benefit the food and drinks industry in Glyn Ceiriog.

## 5.0 Visitor Accommodation Analysis

Below is a list of the 5 closest accommodation options to the proposed glamping site as shown on Google Maps.

- **Cieriog Valley Park**
  **Website**: Link
  **Approximate Nightly Cost**: £31
- **Glyn Valley Hotel**
  **Website**: Link
  **Approximate Nightly Cost**: £129
- **Cefn Ceiriog**
  **Website**: Link
  **Approximate Nightly Cost**: £133
- **Fron Frys**
  **Website**: Link
  **Approximate Nightly Cost**: £35
- **The Mulberry Inn**
  **Website**: Link
  **Approximate Nightly Cost**: £162

It should also be noted that the closest glamping site to this proposal is Offa's Dyke Yurts, at 6.0 miles away. However, given the very different type of glamping experience offered here, the huge demand for glamping, and overall demand for accommodation in the area, it is felt that both sites will be able to thrive. There could also be a hidden benefit to each other through increased promotion and reputation for glamping in the area, and consequent increase in overnight visitors to the area.

It is clear that local accommodation options tend towards B&Bs or self-catering cottages. There are glamping sites identified in the areas surrounding the proposed development, however these are insufficient to fully maximise the economic benefit of the demand that exists. With glamping's popularity growing ever stronger (and the impact of Covid-19 likely to accelerate it further), we can be confident of large glamping demand to justify Aisha Ali.

By comparison to the choices above, the proposed glamping site would be a completely different proposition to the current options and likely attract a new, wider tourist demographic. The site could expect to command upwards of £145 per night per unit, generating an estimated £95,520 annual profit, while creating an additional **£320,397** per annum into the Wrexham economy annually through visitor spend.

The tourist trade in winter months is naturally low in most parts of the UK. Despite this, based on our experience working on over 600 glamping projects and reviewing demand in winter months, there would still be sufficient demand for a glamping site in low season, again due to the additional level of comfort and luxury allowed by the proposed style of units.

## 6.0 Glamping Popularity

Each year we witness an increase in google searches for glamping (as seen below). This trend matches Glampitect's experience of witnessing increasing demand. Interestingly the trend shows increased demand for both peak and off-peak season & shows no sign of decreasing for the time being.

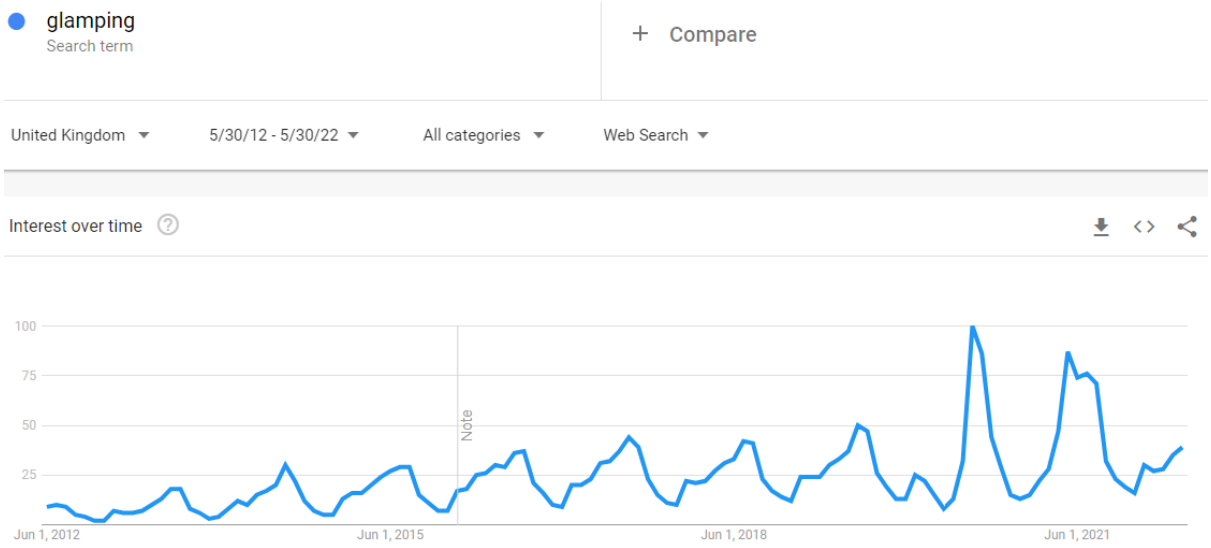



*Figure 5 - Glamping Popularity. Source: Google.*

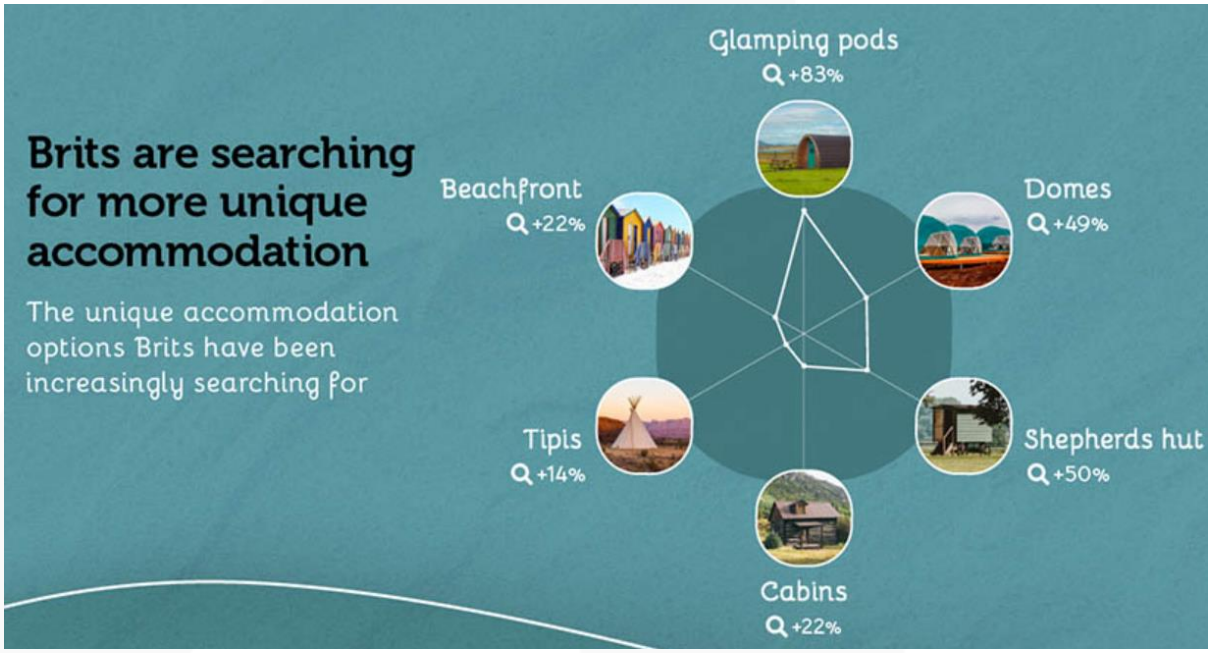



*Figure 6 – Staycation Searches 2020-2021. Source: Parkdean Resorts, 2021.*

The concept of luxury glamping has been growing massively in popularity in the UK over the past 10 years, with standards and guests' expectations on the rise. Given the popularity of glamping and the need for accommodation in the area, a luxury glamping site would be beneficial. Therefore, we feel the site would provide a positive alternative for visitors to the area and allow the applicants to access a sector of the market that is not yet saturated.

We have seen in other parts of the country that glamping sites are popular even in areas short of tourist attractions, and when close to other glamping options. Furthermore, glamping demands a much higher nightly rate than camping (Cool Camping, 2021), thus attracting a typically higher average spend and consequently boosting the local economy.




*Figure 7 – Glamping Price. Source: Cool Camping, 2021.*

Glamping has a certain novelty, meaning it is now an attraction in its own right. The location of this site, whilst being close to plenty of other attractions, will certainly appeal to potential visitors – drawing tourists to the area and benefiting the local economy.

# 7.0 PESTLE Analysis

A PESTLE analysis is a strategic framework used to identify the external environment in which a business operates. It provides an opportunity to recognise and adapt to factors which could influence the business, positively or negatively.

This PESTLE analysis will analyse the external environment of the proposed development in order to identify opportunities, threats, and influential factors which may impact, positively or negatively, upon the likelihood of success for this business.

## 7.1 Political

### 7.1.1 Brexit Uncertainty, Covid-19 Impact and Cost of Living Crisis

Historically, uncertain political times have seen UK-based tourists favour 'staycations' over foreign holidays. The limitations on foreign travel posed by the Covid-19 Pandemic led to a boost for the staycation industry, with the love for exploring the British countryside, nature, and other outdoor pursuits that are now so prevalent as a result of lockdown continuing to support this growth and encourage home-based tourism.




*Figure 8 – Staycation Statistics. Source: Parkdean Resorts, 2020.*

This is reinforced by data from Verdant Leisure who found that one in three holidaymakers are keen to explore UK countryside getaways, with the most popular holiday destinations for domestic vacations being the coast and seaside (Nath.V, 2022 with reference to figures from Verdant Leisure, 2022).

## 7.2 Economic

### 7.2.1 Inflation

With inflation sitting at 6.4% (Office for National Statistics, 2023), many Britons may face tighter financial situations in the coming year. Whilst this could be a threat to tourism, when compared with figure 7, we can see that as inflation rose, so did the staycation trend. Therefore, it is reasonable to conclude that given continuous inflation, staycations will continue to rise accordingly, demonstrating a need for more visitor accommodation and glamping sites in the UK.

### 7.2.2 Cost of Living

The rising cost of living will also have an impact on holiday intentions. Recent data from GoCompare shows only 1% of people will choose a more expensive destination this year, with their findings showing many will opt for more staycations than they previously planned (GoCompare, 2022). Given these intentions, it is clear that additional luxury accommodation in Wrexham is needed to capitalise.

## 7.3 Social

### 7.3.1 Outdoor Recreation

Participation in outdoor recreation has been a significantly growing trend over the last few years as Covid-19 has pushed communities to meet up outdoors and encouraged people to take up new pastimes in the natural environment such as cycling, resulting in the "bike boom" (Muittari, 2021). Running app Strava recorded a significant growth in users since the start of the pandemic (Muittari, 2021). Nature and sporting activities have become higher priorities during the pandemic. Some 27% and 22% of camping and caravanning customers would be encouraged to choose a site that offered nature-spotting tours and stargazing tours, respectively (NEC Group, 2022). 28% of customers are more likely to book a site that offers activities such as adventure sports or fishing (NEC Group, 2022). Glamping provides a great opportunity to connect this trend with visitor accommodation in your area, giving tourists a real connection to the natural environment in which they are staying.

## 7.4 Technological

At *Glampitect* we have seen an increased number of applications and glamping guests who are seeking to visit and establish sites which offer a high-tech glamping experience. Noting this, the applicant intends to meet this trend by including TVs with a sound system in each unit to give guests a more luxurious experience.

## 7.5 Legal

### 7.5.1 Regulations

As is the case with any development or new business, there are many regulations which must be adhered to. In this case, the applicant recognises this and has enlisted the assistance of glamping experts *Glampitect* to ensure that all legalities are met, and the future glamping business abides by all relevant regulations.

## 7.6 Environmental

### 7.6.1 Environmental Policies

We recognise the importance of the natural environment in Glyn Ceiriog and have closely examined the policies that the Wrexham Council considers against planning applications to maintain this landscape amenity. As glamping units require minimal excavation, physical landscape damage is typically very minimal with this kind of development. In addition to this, at *Glampitect* we take great care in the design process to ensure that our projects protect and enhance the environment around them.



## 8.0 Summary

As identified within this report, the Wrexham area experiences large numbers of visitors, the majority of whom are domestic tourists taking advantage of the staycation trend.

The key tourism markets which draw visitors to Glyn Ceiriog are attractions, walks and nature, and food and drink. However, it has also been noted that the food and drink market remains relatively small in comparison to others, and the addition of this development will provide the opportunity for growth within the industry.

Existing accommodation in the area was examined, and a clear gap in the market for glamping development has been identified. Ddol Hir will fill this gap and increase the available accommodation offering in the area, thereby contributing an estimated **£320,397** per annum to the local economy.

Glamping is an indisputably accelerating trend within the UK, and one which is likely to increase with the continuous impact of Covid-19. Demanding a higher nightly rate than traditional camping and most nearby hotels, it will be an excellent way to diversify accommodation offerings within Glyn Ceiriog and boost the nightly rate in the area.

Finally, having conducted a PESTLE analysis, multiple opportunities have been identified for this development, including Covid-19 and Brexit, inflation as a driver for staycations, the growing trend of outdoor recreation, and renewable energy. Many factors which would typically impact negatively upon a business success will likely impact positively upon this development, making glamping an excellent venture.

It has been demonstrated that the proposed development will boost the local and rural economy and offers a desirable accommodation style for visitors. Therefore, we are confident that Ddol Hir will be beneficial to Glyn Ceiriog economically, socially, and environmentally.

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