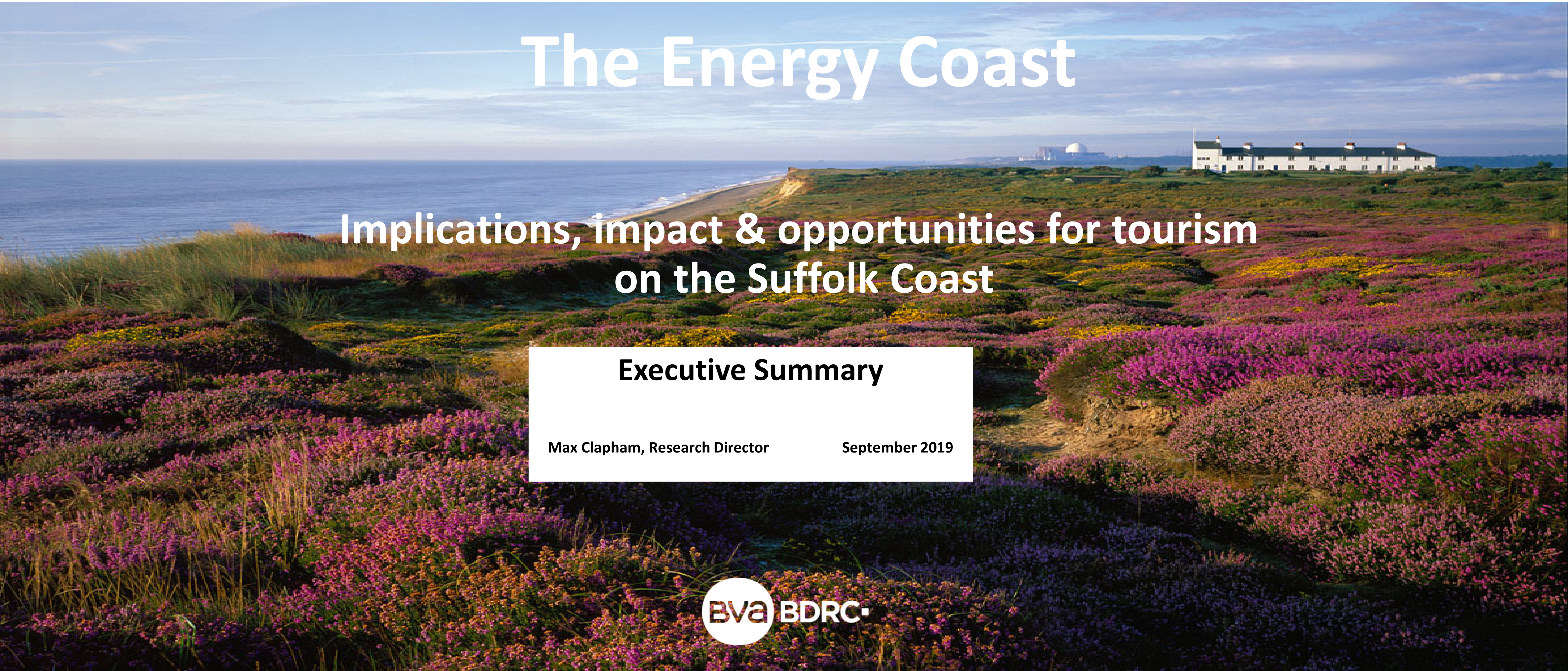


The Energy Coast

Implications, impact & opportunities for tourism on the Suffolk Coast

Executive Summary

Max Clapham, Research Director

September 2019

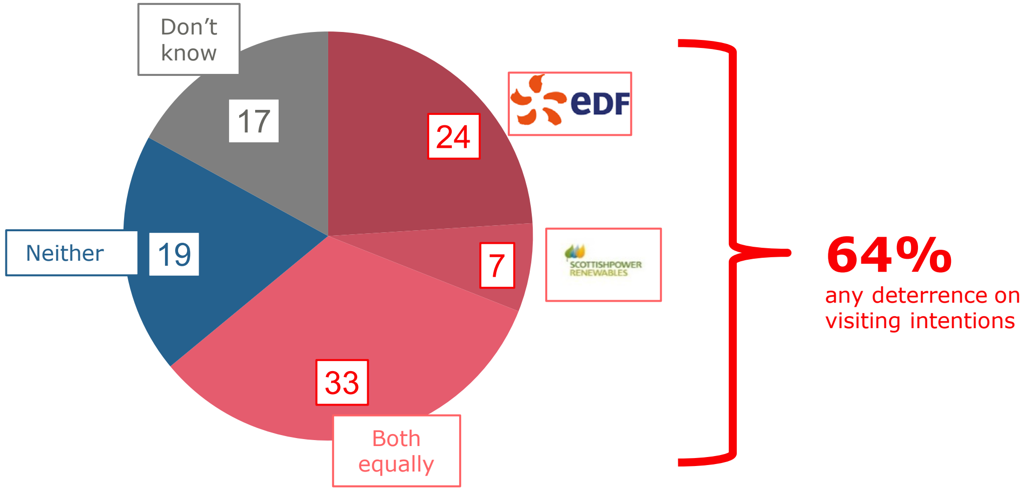
Executive summary (1)

In its current scope, EDF Energy's construction of the Sizewell C nuclear power station and ScottishPower Renewables (SPR) construction of onshore infrastructure connected to proposed new wind farms off the Suffolk Coast will have a significantly negative impact on tourism on The Suffolk Coast and Heaths AONB.

With fewer people prepared to consider visiting during construction of the energy developments, fewer trips will happen. Our analysis indicates this will cost the tourism sector at least £24million per annum*.

- Both developments deter the Suffolk Coasts main regional source market** for days out and holidays from visiting with EDF's Sizewell C considered the most disruptive. *(see opposite)*

Which of the two proposed developments will have a greater impact on deterring you personally from visiting the Suffolk Coast?



Base (n=1700) All regional market

*Results mapped to Economic Impact of Tourism Suffolk Coast & Heaths AONB -2017 report produced by Destination Research. Above calculation places the weight on feedback only from individuals already familiar with the Suffolk Coast. i.e. they had already been on at least one day out or holiday to the Suffolk Coast AND were "At least somewhat aware of what there is to see and do on the Suffolk Coast" AND were "Aware and knew at least a little about developments at both Sizewell C and SPR" prior to completing the survey. It is based on the cumulative impact of a 9% decline in day visits and 21% decline in holiday visits from this audience. A higher figure of £35 million would have been the calculated loss had all regional respondents been equally weighted.
** 1700 regionally representative sample comprising 700 respondents residing in "near regional" market (within 90 minute drive-time) and 1000 residing in "wider regional" market (between 90 – 180 minute drive-time of the Suffolk Coast). Sample more representative of actual market than a nationally representative sample.

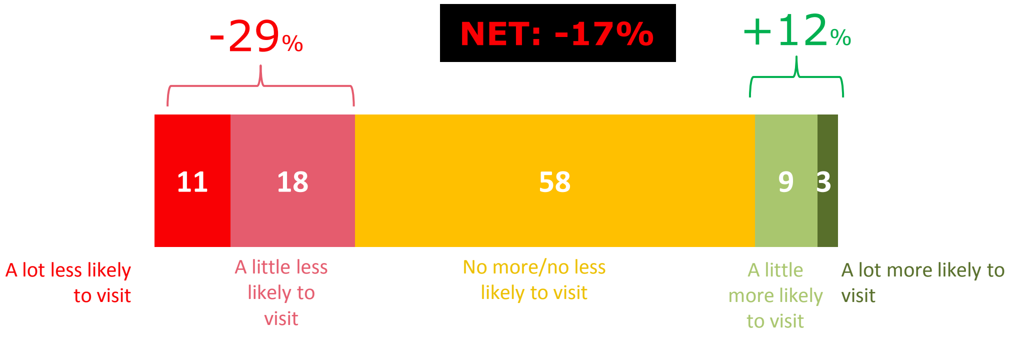
Executive summary (2)

Deterred from visiting

During construction the net: loss of natural landscapes, tranquility, nature and the regions unique charms, are the concerns most likely to deter visitors from the Suffolk Coast.

- However despite being deterred, it is reassuring that the majority of the regional market are unlikely to actually change their broad attitudes towards visiting the Suffolk Coast whilst these developments take place.
- Although outnumbered by those less likely to visit, a small minority of respondents even suggested they would be more likely to visit the Suffolk Coast during this period. *(see below)*

Now that you are aware of the plans for Sizewell C and the SPR wind turbines with construction of onshore infrastructure, whilst the infrastructure is being built do you think you are more or less likely to visit the Suffolk Coast for days out or a holiday?



Base (n=1700) All regional market

Business pessimism

Clearly the concern for the Suffolk Coast is that it doesn't require much of a downturn in visitor spend to severely impact local businesses and the viability of the local visitor economy.

- Of the businesses that responded to our survey* the majority *(58%)* expect annual turnover to decrease during the 9-12 year period of construction i.e. the years covering the development phase of Sizewell C and the SPR onshore infrastructure for the wind turbines.
- Of businesses foreseeing a loss in turnover, a majority expect their revenue to fall by at least 20% per annum with nearly a quarter (23%) anticipating annual decreases of more than 50%. Accommodation providers feel particularly vulnerable.
- Projecting our core analysis further we can calculate that at least 400 full time equivalent local jobs** are at risk from the energy developments, all other things being equal.

*113 tourism related businesses operating in the Suffolk DMO completed a complementary business survey at the same time as the market survey. 56% of respondents were accommodation providers.
**Results mapped to Economic Impact of Tourism Suffolk Coast & Heaths AONB -2017 report produced by Destination Research. Above calculation places the weight on feedback only from individuals already familiar with the Suffolk Coast

Executive summary (3)

Evidence supports grounds for economic pessimism, particularly regards the future holiday market

The regional consumer study provides strong grounds for pessimism, as energy developments look set to promote a decline in both the days out and, more acutely, the regional overnight holiday market, during their construction.

- When mapped amongst those most familiar with all that the Suffolk Coast has to offer, consideration for holidays during infrastructure development falls 21%. For days out, consideration declines 9%.

- Even at the conclusion of the construction phase, whilst the regional market is more inclined to visit the Suffolk Coast than during the construction, the uplift is not always significant.

Executive summary (4)

Fears of an East Coast brand dominated by energy

Suffolk competes regionally for domestic coastal tourism with traditionally better-known destinations.

- Unprompted by any stimulus 30% of the regional market still consider visiting a further afield Devon for holiday/days out in the future, whereas 23% consider Suffolk. Consideration to visit rises a lot when the regional market is shown a description of the broader Suffolk Coast visitor offer.

The fear for the Suffolk Coast is that with limited brand salience of their offer currently, the area will become known more for its concentration of energy developments than for its wild and natural beauty. Nature related reasons *(Net: 84%)* are the main motivations for those considering visiting the Suffolk Coast in the future.

- Only 10% of the regional market are encouraged by energy coast branding, nearly half (43%) are put off by it. Businesses feel it will be a much more negative brand development for the area *(86% NET: negative)*

In a battle to win over the hearts and minds of potential visitors, significant investment will need to be made to ensure the Suffolk Coast brand is not dominated by energy and the region does not fall further behind the regional competition.

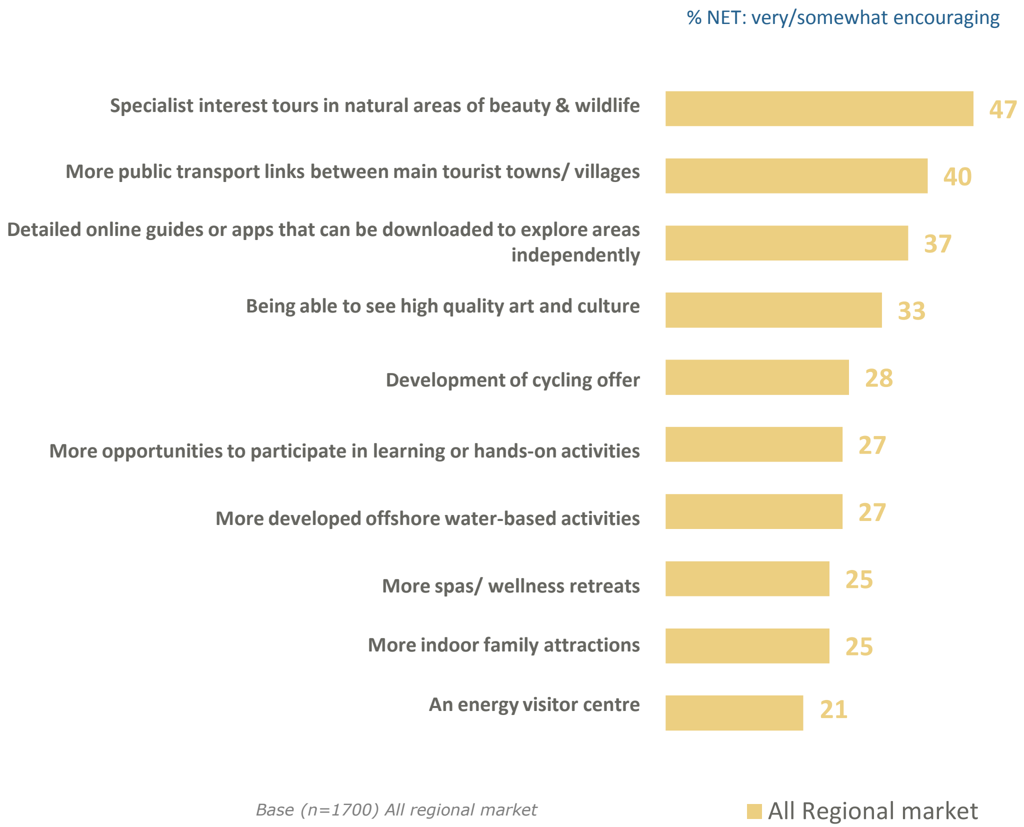
Executive summary (5)

Some opportunities for the Suffolk Coast

Alongside increased marketing of the destinations traditional assets, there exists opportunities for targeted tourism investment to encourage additional visits, despite the energy developments.

- New initiatives generally receive the greatest support from families and pre-family audiences, a lesser tapped audience for the Suffolk Coast but one that could mitigate some of the negative impact. *(see opposite)*

Which, if any, of the following developments would encourage you to visit the Suffolk Coast more often or stay for longer in the future?



Base (n=1700) All regional market

Accreditation

BVA BDRC is certified to ISO 20252 and 27001, the recognised international quality standards for market research and information security.

- Adherence to the standard is independently audited once per year.
- Where subcontractors are used by BVA BDRC, they are assessed to ensure any outsourced parts of the research are conducted in adherence to ISO 20252 and 27001.
- All work will be carried out in conformity to these standards, the MRS Code of Conduct, and all relevant legal requirements
- Full methodological details relevant to the project and a full report are available upon request

Statistical Difference

This research was designed to ensure robust sample sizes for analysis. As the online survey is conducted with a sample of the target audience (nationally representative), we cannot be 100% certain that a census of the whole population would yield the same results.

We can be 95% certain that the actual figure (in the population as a whole) falls within a certain range of the survey figure. The percentages within the table represent the error variance.

Example Bases	5 / 95%	20 / 80%	50 / 50%
Total Sample (1,700)	+/- 1.0%	+/- 1.9%	+/- 2.4%
Male (850)	+/- 1.5%	+/- 2.7%	+/- 3.4%
Female (850)	+/- 1.5%	+/- 2.7%	+/- 3.4%
16-24 (187)	+/- 3.1%	+/- 5.7%	+/- 7.2%
25-34 (294)	+/- 2.5%	+/- 4.6%	+/- 5.7%
35-44 (267)	+/- 2.6%	+/- 4.8%	+/- 6.0%
45-54 (309)	+/- 2.4%	+/- 4.5%	+/- 5.6%
55-64 (257)	+/- 2.7%	+/- 4.9%	+/- 6.1%
65+ (387)	+/- 2.2%	+/- 4.0%	+/- 5.0%