



How the tourism industry is evolving

Even during the current difficult economic times, tourism remains a strategic sector for Veneto's regional economy, as proved by the fact that the flow of visitors kept growing in 2013 (+1.1%), reaching almost 16 million arrivals. The trend toward shorter holidays, ongoing for several years now, was exemplified by a -1,3% in overnight stays; an impressive figure of 61.5 million admissions was however maintained.

As for the past years, it appears as if the passage of time drew a pattern that operators have been following in order to cater in the best possible way to the needs expressed by the constantly evolving national and international markets. In addition to the unquestionable primacy of our art cities, appreciated all over the world, and to the natural characteristics of our region, which will satisfy sea, mountain, lake, and spa lovers, specific types of tourism for all seasons are being constantly enhanced, involving among other things Venetian villas, the Pedemontana highway, the Po Delta, congress tourism, golf courses, etc. There is an increasingly obvious tendency to replace long holiday periods with shorter holidays or weekend getaways, while at the same time, the interest shown by the BRIC markets - primarily Russia and China - is a clear sign of a future big growth in demand. Studying customer satisfaction data is also a valuable tool for finding ways to be always attentive to customer interests and wishes.



How is the tourism industry evolving





6. How is the tourism industry evolving?

Foreigners greatly appreciate our Country and its immense landscape, cultural, and food and wine heritage: browsing the results of surveys and polls is enough to realize that Italy is always first in the desires of travellers from Europe and beyond. The 64th Federalberghi conference, which took place a few days before we went to press, discussed “the first signs of recovery of the Italian hospitality industry.” Federalberghi’s observatory noted a 2.5% average increase of tourist attendance in Italian hotels for the first quarter of 2014 compared to the corresponding period of 2013. After years of decline, foreigners went up by 4.2% and even Italian customers marked a small increase of 1%; naturally, this is not enough to compensate for the collapse of the previous years, but it boosts our desire to keep on and trust in a new beginning for our domestic market¹. Other top spots claimed by Italy brought up at the conference were the number of rooms and beds and the number of tourists from outside Europe. However, as pointed out by Federalberghi’s “VII Rapporto sul Sistema Alberghiero” (7th Hotel System Report), which will be published in the coming weeks, the competition is growing. According to this report, it turns out that the Italian hotel system is the largest in Europe for number of rooms and beds. With 1.1 million rooms, Italy leads Germany (about 950,000), Spain (915,000), the UK (720,000) and France (620,000). Italy ranks second in Europe for number of nights spent in hotels: 257 million versus Spain’s 281, with Germany coming in third followed by France. However, Italy ranks first in the flow of tourists from outside Europe, with 43 million overnight stays in hotels compared to the UK’s 37 million, followed by Spain (31 million) and France (28 million).

Parks, reserves, oases and green areas in general are another feather in Italy’s cap. An increasing share of tourists opts for these destinations in a reverse trend to the financial crisis of recent years. According to Coldiretti, ecological tourism reached a record high 12 billion Euro turnover in 2013 and promises to do well in 2014. In addition to sports

such as hiking, biking, bird watching, skiing and horseback riding, mainstays of ecological tourism are also relaxation, food and wine, and the rediscovery of traditions. Green vacations are quite often combined with the enjoyment of local food and wine; Coldiretti data reveal that Italy features the greatest variety of food and wine tours, supported by over 20,000 agritourisms. Still according to Coldiretti, Italy leads Europe in the production of organic food and local specialties, an endowment appreciated by Italians but also foreigners, an ever increasing number of which are beginning to discover Italy’s nature holidays.

Italy’s immense and unique heritage applied to tourism must be properly maintained and used in order to continue to be a tool for growth, acting where it is needed most and with the most suitable means, including promotion. To this end, the Minister of Tourism has established the Digital Tourism Laboratory (DTLAB) of Mibact, the Ministry of Cultural Heritage and Activities and Tourism, to quickly indicate concrete ways to bridge the digital gap of Italy’s tourism industry. This is what the Minister of Tourism said in his lab opening remarks, “Italy must strategize computer technology and the integration of culture and tourism to develop opportunities for growth and economic development. International rankings show that we are still far behind and, given the speed of this sector and strong competition from other Countries, we have no time left to lose.”

It is no secret that the advent of internet and IT in general has had a tremendous impact on tourism management, a subject much studied by both scholars and policy-makers. The web’s potential is fundamental for an essential commodity such as tourism information, which must be interesting and attention-grabbing. The quality and usefulness of web content go a long way toward establishing competitive power. Social media, specialist forums, theme blogs, media sites, etc. are the new communication channels aimed at the younger generations, the most advanced web users, the tourists who share their holiday experiences, advice, and evaluations with other inter-nauts. A single tourist’s power to shape general tendencies is therefore obvious. Every travelling experience becomes the basis of a Country’s perception.

¹ Bernabò Bocca, President of Federalberghi, communication at the 64th Federalberghi conference, (Trieste, 10 May 2014).



For example, big data and the development of semantic technology have become a powerful tool for understanding how Italy is perceived as a tourist destination; comments posted on the internet can be analyzed and summarized to determine “mood” or “sentiment”. In January 2014, a survey analyzed 218,000 English-language posts by people who travelled to Italy in the past 12 months²; the general sentiment indicator towards Italy as a whole stood at 62 out of 100, rising to 78 when considered as a tourist destination. Restaurants, pastry shops and squares offer the best experiences to tourists. The mood indicator for restaurants is 82 points, 81 for pastry shops and squares. Great experiences also at the beach, shopping, going to bars and hotels. Tourists very much appreciate the Italian way of life, especially as far as our restaurants, the quality of our sweets, and the sense of beauty and freedom of our historic piazzas. Piazza delle Erbe in Verona, with 90 points, affords the best experience, followed by Parma’s Piazza del Duomo and Turin’s Piazza Castello. The best tourist destinations are simple, rich in culture and free from the nightmare of driving in the city, which is hardly perceived as a happy and/or relaxing experience. As for museum visiting, this experience generally ranks slightly below average with 75 points. The biggest issues are long queues, waiting times, and difficulties when buying tickets. Although our museums exhibit works of inestimable value, overall visitor experiences are marred by organizational issues. One of the sorest points is transportation (except for high-speed trains). According to the previously mentioned survey of English-speaking internauts, the main discussion topic is how to get to places of interest, next comes the cultural element, and everything dealing with real-time digital connections right after that. The key points are Wi-Fi, online booking of museum visits, and other usual tourist services.

From the concrete experiences of people who travel to Italy, policy makers, stakeholders, and all insiders can understand their priorities in terms of needs, expectations, and fascinations, and then act accordingly. All these indications and forecasts for Italy may as well be considered valid for Veneto, since many years a favourite destination for foreign tourists enjoying its variety and culture of hospitality. Traditional holidays go hand in hand with natural resources and landscapes, historic towns and walled cities, the Venetian villas, but also golfing, horseback riding, bike riding, wellness, congress tourism, religious routes, fish tourism, all of it enhanced by the flavours of our food culture.

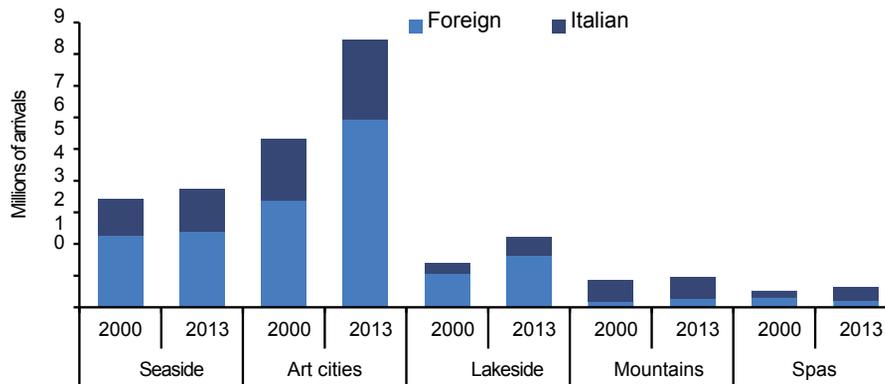
6.1 The evolution of the tourism industry through time

Over the years, Veneto’s tourism has gradually increased (ranging from 9% for seaside resorts all the way to 59.7% for lakeside resorts) and so has its foreign factor. Foreign visitors to our art cities went up to 70% compared to 63% in 2000. Even our mountain resorts prove to be more accessible to a foreign flow of tourists, which is now equal to about a third of all customers (up by 58% compared to 2000). The UNESCO effect is partly responsible for the international tourist demand regarding the Dolomites; however, for any given season, our countrymen still contribute the highest numbers, as our mountains provide respite from muggy heat in the summer and enchanted sceneries for adventures in the winter. As for lake and seaside resorts, the foreign tourists share has proven to be dominant and fairly stable over the years.

² The name of the survey is, “218mila post: gli occhi del mondo sull’Italia - Analisi semantica delle destinazioni turistiche” by Antonio Preiti and Filippo Nardelli, published by Trentino Sviluppo. Available online.



Fig. 6.1.1 - Foreign tourist arrivals by destination area. Veneto - Years 2000 and 2013



Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

In contrast to that, we see that spas have been attracting more and more of our countrymen, from 43% to 65% of all customers, an 86.9% increase since 2000, thanks in part to the spa therapy treatments subsidized by our National Health Service.

Shorter holidays

The average length of stays in holiday destinations has been decreasing all across the board, more so when it comes to Italian tourists.

Again in 2013, Veneto's tourism managed to keep up due to the continual and growing interest of foreign customers compensating for the decrease in tourists from Italy and Veneto itself.

Our famous art cities did well compared to 2012,

Crisis-beating destinations

with tourist flows (+3,2%) and overnight stays (+2,3%)

increasing for the fourth consecutive year. In addition to the traditional markets, our cultural destinations exert great attraction on the BRIC³ Countries, whose tourists have increased considerably from year to year; in 2013, Brazilians spent an average of € 139 per day, Russians € 146, Chinese € 197.

Spa towns also had increases in arrivals (+2.5%), together with stable attendance. The impact of the BRIC Countries was felt in this case too, with Chinese tourists ranking fourth in foreign arrivals and Russian tourists taking sixth place.

After years of consistently positive changes, Lake Garda experienced stability in arrivals (+0.1%), but a reduction in attendance (-2.1%). Here, the German component is of fundamental importance, as it amounts for more than half of all foreign attendance and has been showing significant increases since the very beginning of the crisis. Russians are also beginning to show up, but their impact is still low (0.9% of foreign arrivals in 2013).

Tab. 6.1.1 - 2013/2000 comparisons of tourist arrivals and average stays by area. Veneto

Area	Nationality	% var of arrivals 2013/2000	Average overnight stays	
			2000	2013
Seaside	Italian	14,9	8,2	6,3
	Foreign	6,0	6,7	6,9
	Total	9,0	7,2	6,7
Art cities	Italian	29,9	2,3	2,2
	Foreign	75,9	2,1	2,1
	Total	59,1	2,2	2,2
Lakeside	Italian	71,8	5,2	2,8
	Foreign	55,9	6,4	5,7
	Total	59,7	6,1	5,0
Mountains	Italian	-2,7	7,9	5,3
	Foreign	58,0	4	3,6
	Total	9,7	7,1	4,8
Spas	Italian	86,9	6,6	3,8
	Foreign	-24,2	7,3	5,8
	Total	23,5	7,0	4,5
Veneto	Italian	26,9	5,3	3,7
	Foreign	46,3	4,4	3,9
	Total	39,0	4,7	3,8

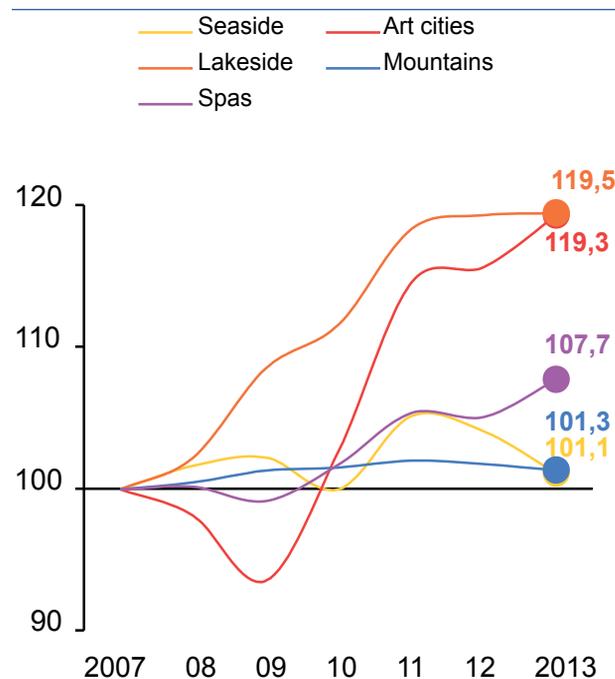
Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

³ BRIC stands for Brazil, Russia, India and China. These countries and their economies keep growing in spite of the global crisis, and their inhabitants increase their potential for income and therefore tourism spending.



As for our mountain resorts, stability in arrivals and a rapid decrease in attendance have been the norm for several years, respectively, -0.4% and -5.7% for 2013. Due to atmospheric conditions, seaside resorts have had a fluctuating trend over the years, showing a close to 3% reduction in tourist flows for 2013.

Fig. 6.1.2 - Index number (*) of tourist arrivals by area (base year = 2007). Veneto - Years 2007:2013



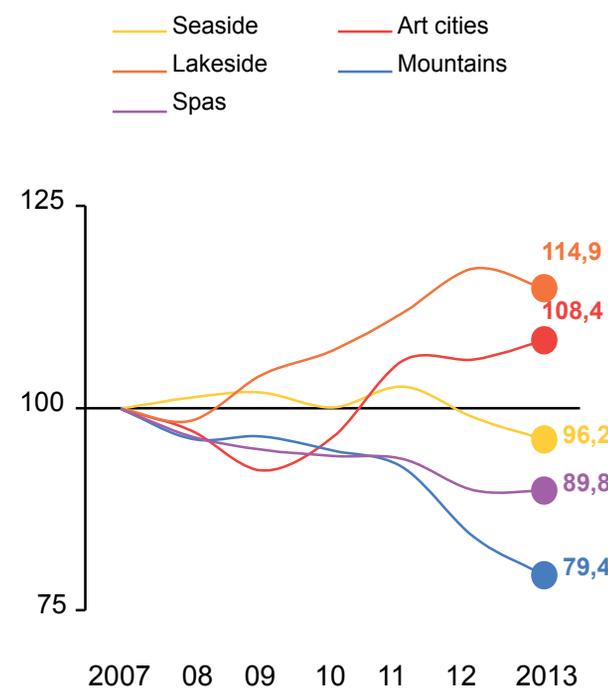
(*) Index number = (t-year arrivals/base year arrivals) x 100
 Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

Tab. 6.1.2 - 2013/12 percentage variation of tourist movements by area.

	Arrivals	Attendance
Seaside	-2,8	-2,8
Art cities	3,2	2,3
Lakeside	0,1	-2,1
Mountains	-0,4	-5,7
Spas	2,5	-0,1
Veneto	1,1	-1,3

Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

Fig. 6.1.3 - Index number (*) of tourist attendance by area (base year = 2007). Veneto - Years 2007:2013



(*) Index number = (t-year arrivals/base year arrivals) x 100
 Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

6.2 Tourists in Veneto: spending and satisfaction

In order to plan and promote, it is interesting and useful to investigate the reasons why one would travel to Veneto, have some information on the spending habits of tourists and also their comments on their most recent trips. Identifying strengths and criticalities and knowing the reasons why tourists are driven to repeat a given experience is essential to make the right choices for the future and keep up with our competitors.

Foreign tourists⁴

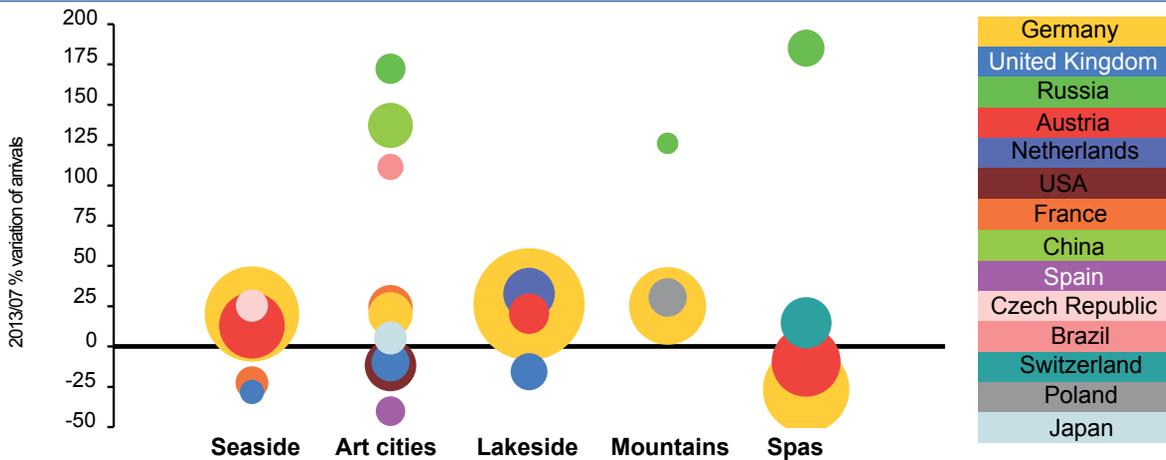
As observed, foreign tourist flows play a crucial role in Veneto's tourism, driving domestic demand in times of crisis. The Bank of Italy estimated that Veneto's 2013 foreign revenues amounted to € 4.709 billion, which included expenses for accommodations, shopping and a range of other services - a breakdown

⁴ Deriving from the use of individual data from a border survey made available by the Bank of Italy. Travelling costs to reach a destination are excluded from all calculations. The exclusion of round trip costs is set by the definition of the tourism balance of payments.



How the tourism industry is evolving

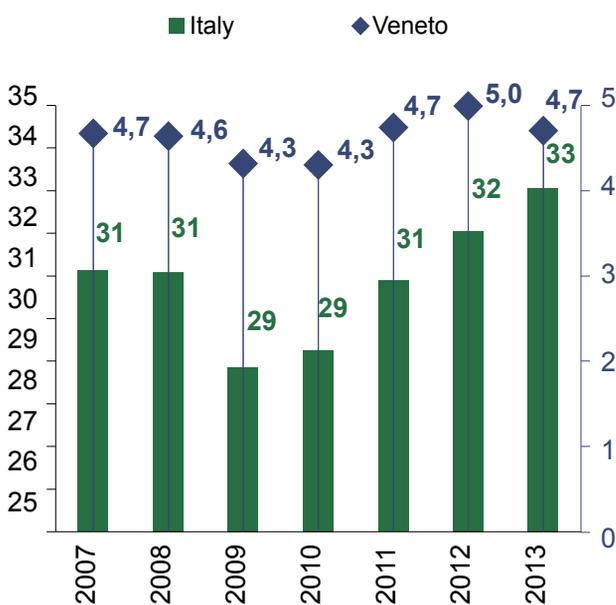
Fig. 6.1.4 - Main Countries of origin of foreign tourists by tourism area: percentage variation of 2013/07 arrivals and share of total foreign arrivals by tourism area (bubble size). Veneto - Year 2013



Source: Processing by Veneto Region - Regional Statistical System Section on Istat - Veneto Region data

of which will be given later - borne by those just passing through, visiting relatives or friends, staying in a second home, or paying for accommodations. This amount turned out to be an adjustment with respect to 2012, which had registered a big growth. Veneto's foreign currency inflow amounted to 14.2% of the whole Country, exceeded only by Lazio and Lombardy, where business travel takes on a greater role.

Fig. 6.2.1 - Foreign tourist spending (€ billion at current prices). Veneto and Italy - Years 2007-2013



Source: Processing by Veneto Region - Regional Statistics System Section on Bank of Italy data

The national value added generated by foreign tourism consumption, as estimated by Ciset, amounted to € 35.2 billion, Veneto again ranking third with a share of around 12%.

Foreigners who in 2013 spent a single day in our Country, without staying the night, had an average expenditure of € 79 for shopping, dining, moving around and other services. This figure is much higher than the national € 58 average, mainly due to the significant contribution of business travellers meeting with customers, attending trade fairs, taking training courses, etc. Those who stayed at least one night, but without spending anything because they stayed at relatives or friends or in a second home, spent € 64 per day for the same entries mentioned above. As for those who decided to stay in some paid accommodation, spending varied greatly depending on their destination; this includes housing, shopping, dining and all other services. The lowest average daily expenditure (about € 70) belonged to seaside holidays; however, so did the highest total expenditure per capita (€ 467) due to longer stays in holiday resorts (almost 7 nights). Foreign tourists spent about € 70 per day at lakeside resorts as well, but stayed a little less (almost 6 nights) and thus spent € 420 per capita. The highest figure per day was spent for cultural-culinary and green vacations



(€ 129-133 on average), with average stays of about 3 nights. German tourists contributed to Veneto's economy more than all the other foreigners: they spent only € 77 per day, but stayed a long time, especially at our beach resorts. Austrian, French and English tourists all spent around € 100 per day on average and stayed 3-4 nights. Australian, Canadian, Swiss and Russian tourists spent € 140-150 per day and stayed 2-5 nights. Chinese and Japanese tourists focused all their spending over one or two nights, but spent € 350-400 for the entire stay, which is not the highest figure. Round trip costs were not included in any of these estimates. Over the past few years, the economic crisis has affected personal choices in such a way that the interest shown for tourism by the various markets has changed, holiday duration has decreased in many cases, but the spending behaviour of tourists who choose Veneto as their destination has also changed.

Fig. 6.2.3 - Foreigners staying in Veneto accommodation facilities: average daily spending and per capita spending (€) by trip reason (*). Veneto Year 2013

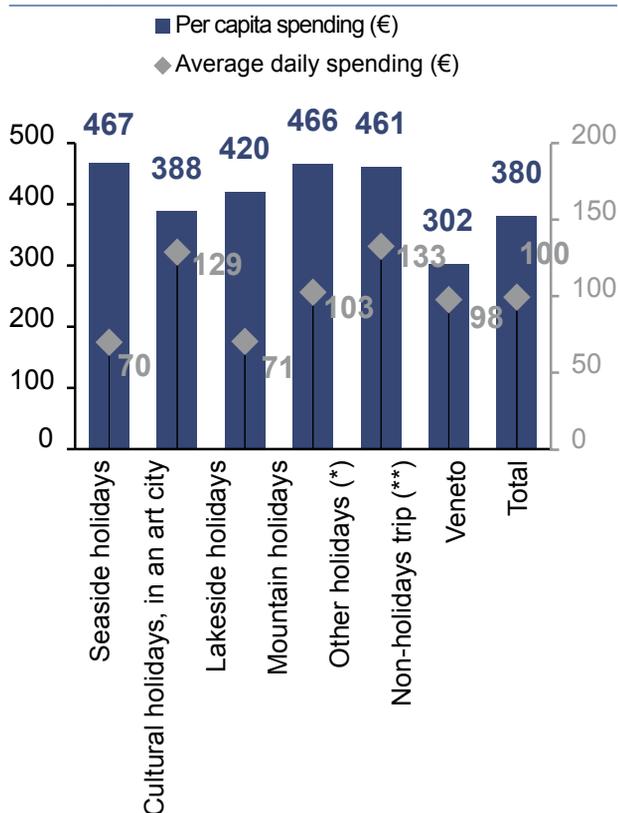
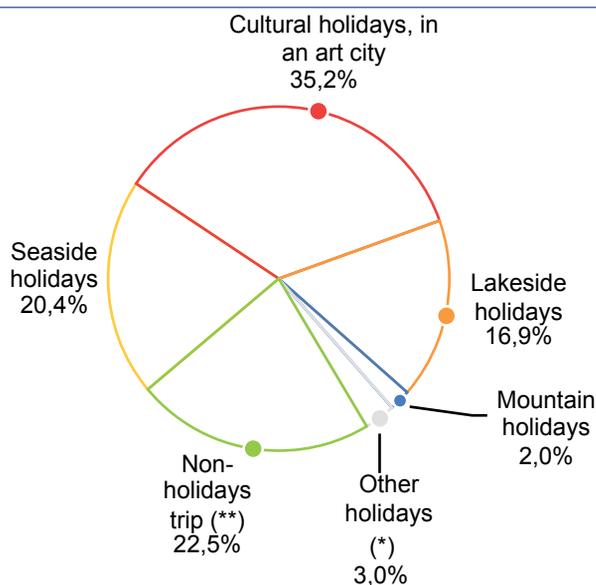


Fig. 6.2.2 - Foreigners staying in Veneto accommodations: share of overnight stays by trip reason - Year 2013



(*) Food and wine, green, sport, cultural or sporting events
 (**) At least one overnight accommodation for business, study, shopping, seeing relatives or friends, health, religious reasons, honeymoon, etc.
 Source: Processing by Veneto Region - Regional Statistics System Section on Bank of Italy data

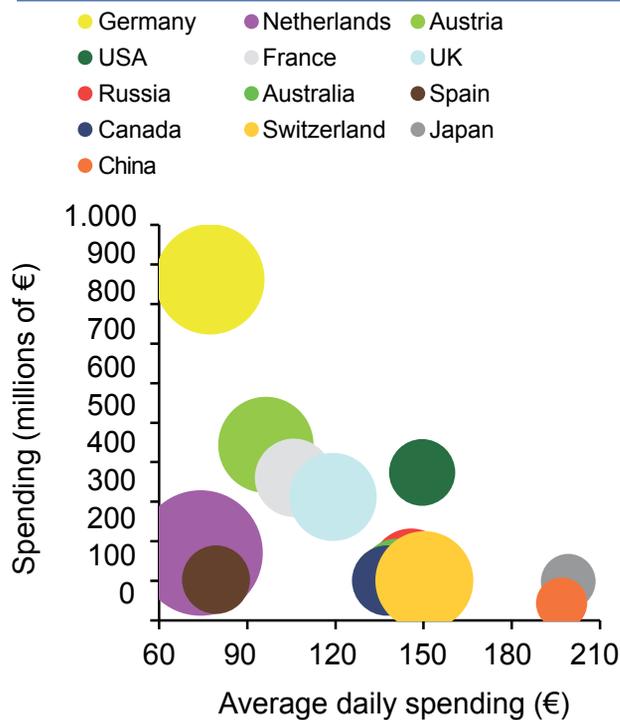
(*) This includes spending for accommodations, restaurants and bars, shopping, local transportation and other services (*) Food and wine, green, sport, cultural or sporting events
 (**) At least one overnight accommodation for business, study, shopping, seeing relatives or friends, health, religious reasons, honeymoon, etc.
 Source: Processing by Veneto Region - Regional Statistics System Section on Bank of Italy data

Two exemplifying cases are provided by the Spaniards and the Chinese. Spanish tourists have almost halved, and they sought cheaper holidays in Veneto, spending about € 30 less per day, whereas Chinese tourists have almost tripled since 2007 and spent an average € 150 more for the whole holiday.

The cost breakdown of foreign travellers to Veneto varied significantly according to the type of trip they took: for example, accommodation expenses took up from a minimum of 41% in art cities to a maximum of 69% at spas, restaurants and bars accounted for 11% at spas and 22% at Lake Garda and in art cities, other services (museums, shows, guided tours, car rentals, language courses, etc.) went from 1% at seaside resorts to 9% in the mountains, including ski lift and rental costs. Shopping and purchases in general proved to be more stable regardless of holiday type, settling at around 15%.



Fig. 6.2.4 - Foreigners staying in hotel facilities: average length of stay (bubble size), total spending (millions of €) and average daily spending (€) by Country of origin. Veneto - Year 2013



Source: Processing by Veneto Region - Regional Statistics System Section on Bank of Italy and Veneto Region - ISTAT data

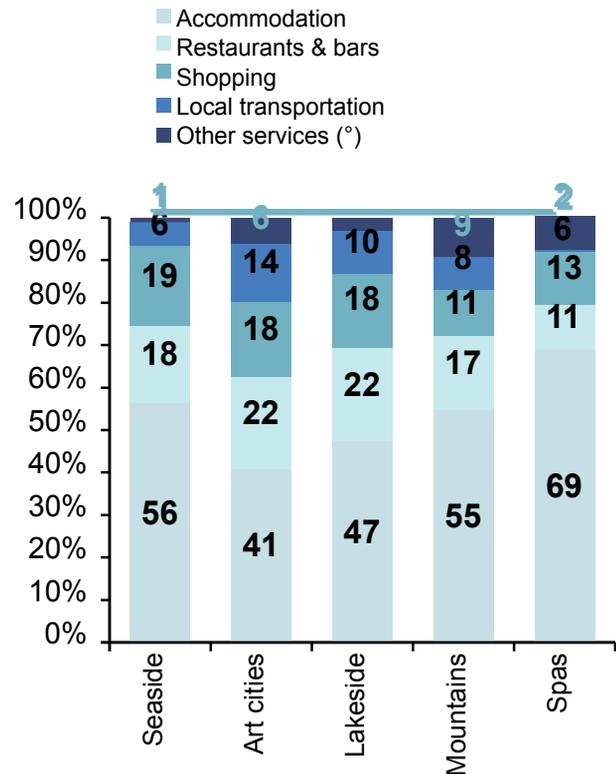
Tab. 6.2.1 - Ratings by foreigners who stay overnight in paid accommodations by tourism area (*). Veneto and Italy - Year 2013

Tourism area	Average overall rating	Highest average rating
Seaside	8,8	Safety and courtesy (9,0)
Art cities	8,3	Art (9,0)
Lakeside	8,4	Environment (9,2)
Mountain	8,5	Environment (8,9)
Spas	8,7	Hotels and meals (9,0)
Veneto Total	8,4	Art (8,9)
Italy	8,4	Art (8,8)

(*) On a scale from 1 (awful) to 10 (excellent)
Processing: Veneto Region - Regional Statistics System Section on Bank of Italy data

The overall opinion of overnight foreign guests about their stay in Veneto was very positive for any area and each destination got the highest ratings for the feature that best characterizes it and makes it unique.

Fig. 6.2.5 - Breakdown of spending made by foreigners who stayed in Veneto hotel facilities by tourism area - Year 2013



(°) Other services include spending for museums, shows, guided tours, car rental, language courses, etc. Processing: Veneto Region - Regional Statistical System Section on Bank of Italy data

The most appreciated factors included the environment, art, security, hotel quality, courtesy and meals. The lowest ratings, albeit still above sufficient, went to the prices.

Italian tourists⁵

Bank of Italy's border survey did not provide information on Italian tourism; this information gap was filled by a Ciset ad hoc survey performed from June 2012 to May 2013 regarding Italians who spent at least one night in Veneto (anywhere with the exception of Venice).

Italian tourists who decided to spend time in Veneto and paid for it were on average 49 years old and had a medium or medium-high education level. About 3 out of 4 respondents were employed, 13.4% were retired, 4.9% were housewives and 3.9% were students. Employed respondents may be broken down further into office workers (51.2%), freelance professionals (11, 7%), executives (10.3%), and self-employed

⁵ From the Ciset-Università Ca' Foscari paper "I turisti italiani in Veneto: caratteristiche del viaggio, comportamento di spesa e livelli di fatturato", July 2013.



workers (9.9%). The economic profile was therefore medium or medium-high.

The majority of them (84%) had already stayed in Veneto and almost 64% had previously stayed in the surveyed resort.

“Sunshine and seaside” tourism was the main reason for staying in Veneto for a fourth of the respondents, followed by mountain holidays (15.1%), visiting cultural attractions and surrounding areas (12.8%), and lakeside holidays (5.8%). Business and conference tourists amounted to 7.1% of the total respondents. Interestingly, about 15% did not state a specific reason but a general need for relaxation and recreation, not belonging to any particular holiday destination. 26% were residents of Veneto and 74% came from the rest of Italy.

Tourism by families staying in one place was prevalent: 79% of the respondents stated they shared expenses with other people; of these, 86% spent their holidays with family or a partner, 10% with a group of friends, and less than 3% with family and friends or relatives.

Italian tourists having holidays in Veneto spent on average 94 € a day, of which 40.6% went to cover accommodation expenses (38 €) and 13.9% for food (13 €). As for shopping, they spent almost 16 € per capita, corresponding to 16.9% of the daily consumption basket, whereas average daily expenses

Italian tourists spend on average € 94 per day

for services were above 14 € per capita. The latter included

expenses for general cultural, sports, and recreation activities as well as expenses specific to some types of tourism (e.g., access to bathing facilities and ski lifts and the costs of spa treatments).

On average, daily transportation costs amounted to 8 € per person, including all expenses regarding travel to and from as well as inside Veneto and (gas, tolls, parking, car rentals, etc.).

Tab. 6.2.2 - Average daily spending per capita by top spending item (€). Veneto (*) - Year 2013

Spending item	Average daily spending per capita (€)	% share
Accommodation	38,4	40,6
Food	13,1	13,9
Transportation	8,0	8,5
Shopping	16,0	16,9
Services	14,5	15,3
Other	4,7	5,0
Total	94,6	100,0

(*) Venice not included
Source: Processing by Ciset on Ciset-Veneto Region data

Italian tourism turnover in Veneto

As an initial approximation, the numbers regarding the economic impact of Italian tourism in Veneto during the June 2012 - May 2013⁶ period are as follows: a turnover of almost 5.3 billion €, of which 45% were generated by tourists residing in Veneto and 55% by tourists coming from other Italian regions.

What kind of tourism do these results pertain to? That of Italian tourists who spent at least one night in Veneto, regardless of the accommodation. The survey conducted in collaboration with the provincial governments collected data and expenses regarding tourists who stayed in either registered or non-registered accommodations (such as a second home, staying with friends and relatives, etc.), thus providing an overall regional picture of this phenomenon.

Beach tourism amounted to nearly 2 billion €, over a third of the total turnover generated by Italian tourists in Veneto, followed by cultural and business tourism with 1.21 billion € (23%), and mountain tourism with 1.19 billion € (22.5%). It goes without saying that these figures were generated by diverse attendance volumes, implying different daily average expenses per capita. For instance, business and cultural tourists stayed less and spent more than mountain tourists. Lakeside, spa and wellbeing tourism lagged behind: the turnover generated by Italian tourists who chose the Veneto side of Lake Garda was around 527 million €, equivalent to 10% of the total, and the spa and wellness sector was about 376 thousand € (7.1%).

⁶ Venice not included.



Tab. 6.2.3 - Italian tourism turnover by tourist Country of origin, accommodation type and area. Veneto (*) - June 2012-May 2013

	Estimated turnover (billions of €)	% share
Origin		
Veneti	2,4	45
From other Italian regions	2,9	55
Accommodation type		
Hotel	2,2	42
Other	3,1	58
Destination		
Seaside	2,0	38
Culture and business	1,2	23
Mountain	1,2	23
Lakeside	0,5	10
Spas and wellness	0,4	7
Total	5,3	100

(*) Venice not included
Source: Processing by Ciset on Ciset-Veneto Region data

Seaside tourists: profile and satisfaction level

As part of the European STAR⁷ project, the Veneto Region performed a survey during the months of July and August 2013 aimed at profiling the tourists staying at seaside resorts and assessing their satisfaction level.

The surveyed tourists reported staying on average about a week, mainly with their families (60.3%), less frequently as a couple (25.3%) or with friends (11%), and only occasionally staying alone (3.4%). The respondents were mostly younger than 45, especially so with foreigners (over 65% of these). The majority of respondents reported staying in hotels (47.9%), with a preference for 3-star accommodations. Apartment accommodation (32.7%) was the second best choice, followed by camping and tourist villages (16.4%), with B&B accommodations (3.0%) holding up the rear. Foreign tourists reported staying in hotels more frequently than their Italian counterparts (52.7% versus 44.6%).

Respondents were classified into four profiles depending on the people with whom they spent their holidays (“alone”, “with friends”, “with a partner” and

“with family”). The questions asked during the interview allowed us to profile the tourists and understand the characteristics that differentiate these four profiles.

Tourists having holidays by themselves were mainly Italian (87.9%) and aged from 26 to 35; they stayed mostly in hotels and their average daily expenses were restrained (36.4% of them stated they spent less than 50 € daily).

As expected, the majority of people having holidays by the sea with friends were young (under 25 years of age) and preferred hotels and tourist apartments in equal measure; their average daily expenses were also restrained (38.4% of them stated they spent less than 50 € daily).

Respondents who stated they were on holidays with a partner were aged from 26 to 35 and stayed more frequently in hotels, spending more daily than those travelling with friends or alone.

Most tourists having holidays with family were aged from 36 to 45 and chose to stay mostly in hotels or apartments in equal measure, staying longer than other profiled groups (10 days versus 7).

In order to measure the degree of tourist satisfaction, we evaluated different aspects of their holidays by using a scale of 1 (lowest) to 5 (highest) and calculated the percentage of excellent ratings (scores of 4 or 5). The most votes went to security, sanitary services, comfort of accommodations, food quality, cleanliness and landscape.

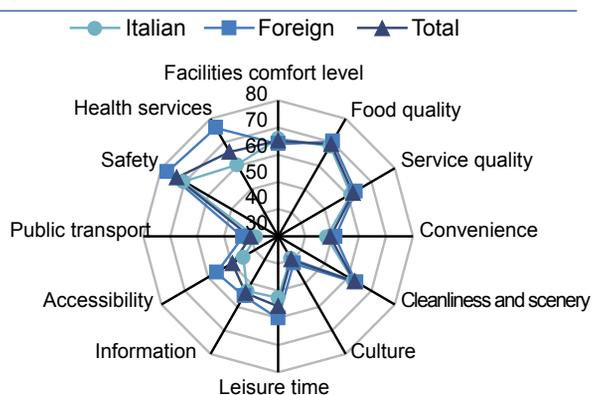
Despite the very positive overall scores, a lower satisfaction level was observed regarding the price quality ratio of the holidays, public transportation and cultural activities. Considering the cultural potential that our region has to offer, the last point bears some reflection; the cultural aspect usually receives excellent reviews - is its low rating by seaside tourists due to the fact that they do not budge even to visit the most classic destinations or because they do not pay as much attention to it as those who travel for cultural reasons?

Among the respondents, foreigners turned out to be generally more satisfied than Italians, showing greater appreciation for the sanitary services, accessibility and security of seaside resorts.

⁷ The Regional Statistical System Section participated on behalf of the Veneto Region in the European STAR Project (Statistical networks in the Tourism sector of Adriatic Regions), in collaboration with ten partners from five Countries, all included in the Adriatic tourism area: Italy (the regions of Emilia Romagna, Veneto, Marche, Abruzzi, and Apulia and the province of Rimini), Bosnia and Herzegovina, Croatia, Albania and Greece.



Fig. 6.2.6 - Percentage of surveyed tourists who were (very) satisfied (*) - Veneto beach tourism. July-August 2013



(*) Rating from "excellent" to "very good", i.e. higher than 3 on a scale of 1 to 5.

Source: Processing by Veneto Region - Regional Statistical System Section on Veneto Region data

Given that 89.6% of respondents stated their intention to return to the same seaside resort, we used an appropriate statistical methodology⁸ to identify the tourist satisfaction factors that could have a greater influence on this choice. The results of our analysis showed that those who gave excellent ratings regarding the comfort level of their accommodations or the local public transport service or the quality price ratio of their holidays or the quality of their meals were more likely to return to the same location (other factors did not turn out to be statistically significant).

Getting back to our classification of tourists into four profiles (alone, with friends, partner, and family), we can identify some characteristics that differentiate them as for the evaluation of their stay.

People who went on holidays by themselves showed a greater appreciation for the quality of food and public transportation and were more critical with regard to cleanliness and the landscape.

Surveyed tourists who spent their holidays at the beach with friends proved to be more attentive to offers for leisure activities, which received the lowest scores.

Safety was considered a main point for those having holidays with friends or a partner, and a key issue for tourists on holiday with family, reflecting a greater need for this aspect for those travelling with their children .

6.3 Growth of niche tourism

The Veneto region offers its visitors and residents a complete experience, to admire, live and enjoy, which constitutes the richness and strength of our land and goes beyond the usual classification of the five tourism areas (seaside, mountains, lakeside, art cities and spas). It is essential to have a synergy between public and private stakeholders to bring out all the productive aspects that make us immediately recognizable, leading to the flourishing of systems that approach the market under the same flag while at the same time expressing the uniqueness of each participant: some examples of this are congress tourism, Veneto's villas, the Pedemontana highway and the Po delta. The range of our offers keeps developing in order to respond to the needs of an increasingly wider audience looking out for the best ways to satisfy its expectations.

Taking into account the German-speaking, British and Scandinavian markets alone, golf tourism, which up until a few years ago was considered as a type of niche tourism because practiced by a privileged section of society, is an opportunity for economic growth assessed by Ciset as 100 million per year generated by allied industries. There are 64 million golfers worldwide, of which 14 million in Europe and

Tab. 6.2.4 – Holidays feature rating depending on surveyed tourist type - Veneto beach tourism. July-August 2013

Customer satisfaction	Alone	With friends	With a partner	With family
Highest rating	food quality and public transport	accessibility and security	accessibility and security	service accessibility and quality
Lowest rating	cleanliness and scenery	leisure time	cleanliness and scenery	security

Source: Processing by Veneto Region - Regional Statistical System Section on Veneto Region data

⁸ The propensity to return to a resort was assessed using odds ratios estimated with a multivariate logistic model adjusted for gender, surveyor, nationality and age group.



about 100 thousand in Italy, spanning 378 golf courses. In 2013, Veneto was declared the “Undiscovered Golf Destination of the Year” by IAGTO, the most important organization of golf tourism journalists and tour operators in the world. Veneto has 45 golf courses spread over all of its seven provinces; some of them are among the most spectacular in the world and all of them feature the necessary international standards for customers who demand detail and quality. This sector can still offer good growth potential and this is why initiatives are being promoted for it. For example, the Marca Treviso tourism promotion consortium, Golf project leader for Veneto, thanks to the financial support of the Veneto Region and the active collaboration of Veneto Promozione, ENIT America Latina and several golf clubs, hotels, restaurants, tourist guides and other Veneto services, has put together an educational tour for Brazilian tour operators and ambassadors to discover our region’s golf facilities. The program gave our guests the opportunity to try out our best golf courses and cuisine, taste Veneto’s typical products, visit our most significant culture and art locations, and go shopping.

Convention tourism

Convention tourism is a particular type of hospitality that represents an important part of the growth of the sector and enriches the multifaceted Veneto tourism offer even more. This is a sector which is also able to diversify and prolong the activities of the operators of the Veneto tourism system.

It relates to the organization of meetings, gatherings, conferences, conventions, cultural or company meetings in conference centres, historical buildings or actual hospitality facilities. In this context, the “Venice Region Convention Bureau Network” was established, Italy’s first regional network among the various provincial Bureaus⁹, with the aim of ensuring a high-level coordinated offer, meeting the standards in the convention sector. Veneto’s convention tourism system is also proposed at the global event represented by Expo 2015. The Veneto offer includes 100 conference centres, 36 historical buildings and 215 hotels that outline among the various services those typical of the conference and/or convention facilities.

The hotels have at least three stars and in 74.9% of cases are 4- or 5-star hotels that are therefore very large in size with an average number of beds equal to 160 compared to 70 of the average Veneto hotel. In 2013 these facilities hosted around one quarter of the guests of the entire Veneto hotel sector, representing important attractive centres in the provinces of Treviso, Padua, Vicenza and Rovigo, collecting in each area over 40% of the hotel flows.

The hotels that are also conference sites are present in the whole Veneto area, generally with a major concentration around the main municipalities in addition to Asiago and Cortina d’Ampezzo. The highest influx of tourists in hotels which are conference sites is recorded for the facilities in the province of Venice (31.1%) followed by those of the province of Padua (25.3%).

Tab. 6.3.1 - Conference and convention facilities. Veneto - Year 2013

Province	Conference centres and historical buildings (*)	Conference hotels			
		Businesses	Average number of beds	% arrivals out of the total hotels	% arrivals
Belluno	27	24	115	16,7	3,1
Padua	29	49	203	48,4	25,3
Rovigo	22	6	79	40,1	1,9
Treviso	9	28	123	50,9	12,1
Venice	20	38	215	15,6	31,1
Verona	15	31	188	20,5	17,7
Vicenza	14	39	99	44,7	8,8
Veneto	136	215	160	24,7	100,0

(*) Figures on 24/4/2014 of museums, castles, villas, theatres, holdings, agritourisms, etc.

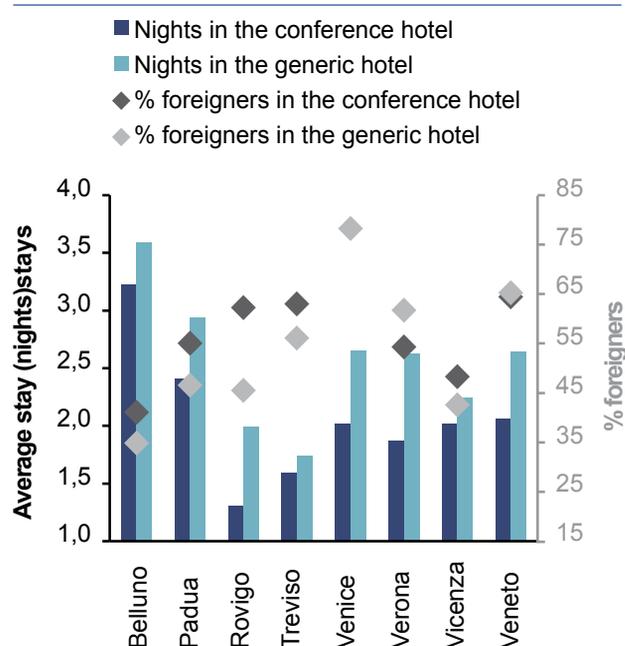
Source: Processing by Veneto Region – Regional Statistical System Section on Veneto Region data

⁹ Venice Region Convention Bureau Network includes all the 7 seven provincial Convention & Visitors Bureau: Belluno Dolomites Convention Bureau c/o Consorzio Dolomiti; Padova Terme Euganee Convention & Visitors Bureau of Consorzio DMO Padua; Convention Bureau Meet in Polesine c/o Consortium of tourism promotion CARD of Po; Convention Bureau Marca Treviso; Welcome2Venice Convention Bureau; Verona & Lago di Garda Convention Bureau c/o Consorzio Verona Tuttintorno; Vicenza Convention Bureau.



Given the reason for the journey, the clients of the conference hotels stay on average less than those who are guests at generic Veneto hotels (2.1 nights compared to 2.6). This characterization can be found in each of the seven Veneto provinces. The conference hotel offer of each province attracts a larger number of foreign guests than the generic hotel with the only exception of the province of Verona.

Fig. 6.3.1 - Average stay of the guests (*) and percentage of foreign guests in conference hotels and total per province. Veneto - Year 2013



(*) Average stay = presence of tourists / arrivals
 Source: Processing by Veneto Region – Regional Statistical Section System on Veneto Region data

Veneto villas

Veneto Villas offer new destinations at the highest level of attractiveness, capable of increasing slow tourism which enhances the territory, the discovery of artistic, architectural and landscape excellences and cultural heritage of those zones that cannot be included in the traditional tourist proposals. Therefore, they also represent a strong point for the delocalization and deseasonalisation of tourist flows.

They are a unique and inimitable phenomenon, made even greater and more famous by Andrea Palladio¹⁰, and they are testimony to the progress

of the long period of peace brought about by the Most Serene Venetian Republic: in an area where safety was guaranteed and with excellent road and river connecting routes, these represented centres of economic, agricultural, artisan, cultural and civil development. They were established as workplaces, centres for driving the economy, places for social gatherings, transport and trade. 3,966 are officially catalogued, built by nobility and rich Veneto families. Buildings and architectural complexes were scattered everywhere. 98% of the municipalities of the region host at least one and a greater concentration is found in the provinces of Venice, Treviso, Verona and Padua, in particular along the Brenta river, on the road from Venice to Treviso, in the foothills area, in the Euganean and Berici Hills and on the plains of the lower Veneto. The structure and the exterior architectural appearance of these historical buildings is very varied, also due to their use at the time of construction: there are monumental buildings such as Villa Pisani in Stra or gems of Palladian architecture such as la Rotonda in Vicenza or Villa Piovene in Lugo di Vicenza; others were stately nobiliary farms such as Villa Papadopoli in Maserada; or the Villa serving as a development centre of the local community, for example Villa Contarini in Piazzola sul Brenta.

Tab. 6.3.2 - Total villas, villas available to visit, villas adhering to the charter of services, villas as hospitality facilities. Veneto - Year

Province	Total villas		Villas adhering to the services charter on 30/11/2013	
	Villas	Of which available to (*)	Villas (**)	Of which hospitality facilities
Belluno	196	49	11	2
Padua	638	110	26	10
Rovigo	250	29	4	1
Treviso	787	69	29	15
Venice	573	98	20	12
Verona	677	100	23	8
Vicenza	845	287	31	9
Veneto	3.966	742	144	57

(*) Can be visited at opening times, subject to booking etc.
 (**) Villas that are places of culture, villas that open parks and gardens to the public and villas as hospitality facilities are included.
 Source: Processing by Veneto Region – Regional Statistical Section on Istituto Regionale Ville Venete and Veneto Region data

¹⁰ The 23 villas of Palladio are recognised by Unesco as World Heritage

¹¹ More information and documentation is available on the pages dedicated to tourism of the institutional portal of the Veneto Region: www.regione.veneto.it



How the tourism industry is evolving

Veneto Region aimed to enhance this large heritage by focusing on the international tourism as an own well-defined “cultural product”, thus offering villas a chance to recover an active role in a sector, that of tourism, which is a real industry creating richness by enhancing the territory. In order to perform this function, the owners of the villas adhere to the Charter of services¹¹ adopted by the Veneto Region and commit to maintaining a set level of quality of the tourism services offered on the basis of defined standards. These offer, according to certain times and methods, the possibility of visiting the interiors and/or parks, staying there or dining with local wine and agrifood products. Up to 144 villas have adhered to the Charter of services up to now and are subsequently part of the regional tourism promotion circuit. Of these, 57 also offer the accommodation service, thus being included in the Veneto hospitality facilities and in 2013 hosted around 133,000 guests.

The biggest number of guests who in 2013 had the privilege of benefitting of this specific niche offer was in the province of Treviso (62.9%), followed by Venice and Verona (13.6% and 10.7% respectively). The duration of the stay is on average 1.8 nights. The Veneto villa is chosen mainly by foreign clients (67.2% of arrivals) as a place where you can live embedded in a world completely different from their own.

People enjoy entering this magical world and tasting all the aesthetic, gastronomic and cultural aspects etc. The villa also constitutes one of the essential proposals of the hospitality sector aimed at couples who choose our region to fulfil their dream wedding in exclusive settings. Moreover, the Veneto Villas system also represents the flagship of the Expo 2015. In fact, the network of villas will be made available to operators organizing packages for visitors.

¹¹ More information and documentation is available on the pages dedicated to the tourism sector of the institutional portal of the Veneto Region: www.regione.veneto.it



NEW THEME TOURISM SYSTEMS (TTS)

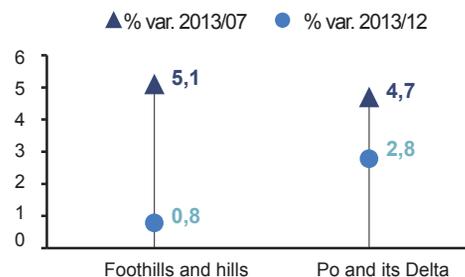
AN OFFER TO DISCOVER AND REDISCOVER

Demand and tourism offer. Year 2013		
	Foothills and hills	The Po and its delta
Municipalities involved (*)	152	23
Hospitality businesses	1.893	176
Hotels	233	29
Arrivals 2013	728.537	79.883
Tourists present 2013	1.765.639	257.113
% out of Veneto total	2,9	0,4
% foreigners	46,6	58,4
% hotels	64,2	35,5
Average stays (nights)	2,4	3,2
Average daily spending 2010-2013 (€)	104	68

(*) The thematic system, identified by DGR 1870/2013 and to which the two citations belong, is not strict as the Municipality can ask the region to transfer from one theme to the other

INTEREST INCREASES, ALSO IN TIMES OF CRISIS

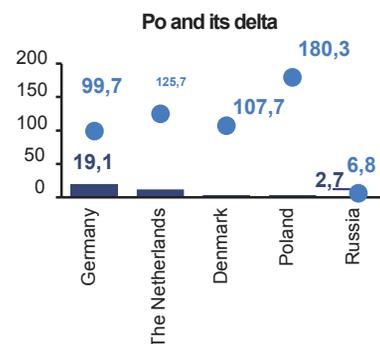
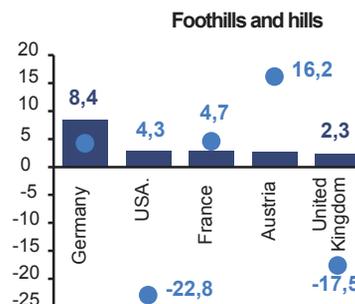
Percentage variation of the arrivals



THE MARKETS

The top five countries of origin: % out of the total tourists in 2013 and % variation 2013/07

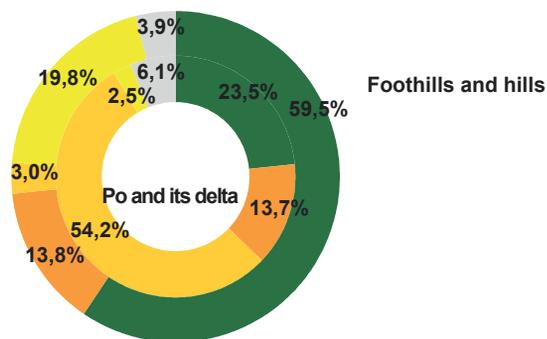
■ % out of total tourists ● % var. 2013/07



REASON FOR THE STAY

Reason for staying in hospitality facilities of the TTS - Years 2010-2013

- Work/business
- Cultural holiday
- Seaside holiday
- Other holiday (*)
- Other personal reasons (*)



(*) Food and wine, sports, nature, lake, mountains, etc.
 (*) Study, honeymoon, visiting parents or relatives, shopping, pilgrimage, etc.

What type of holiday shows an ever-increasing attractiveness despite the period of crisis?

For the fourth consecutive year, our famous cities of art experienced an increase in the tourist flow and in the overnight stays. In particular, the municipality of Venice is increasing in attractiveness with over 4.2 million arrivals in 2013 (+17.2% compared to 2007) and almost 9.8 million tourists (+10.6%). However, also the other municipalities showed significantly increasing growths: in comparison with the anti-crisis situation, Padua recorded a +29.9% of the arrivals, Verona +27,6%, Vicenza and Belluno around +17%, Rovigo +5.4% and only Treviso showed a 4.7% decrease.

What role is played by the foreign tourism?

Foreign flows play an important role in Veneto tourism, acting as a driving force in moments of crisis for the domestic demand. From an economic point of view, the revenues deriving from all the expenses made by foreigners once reached their destination – overnight or quick stays, guests of parents and friends, housed in second houses or in hospitality facilities – were equal to 4,709 billion € in 2013, an amount that after various adjustments is returned to the pre-crisis value.

The tourist arrivals in Veneto in 2013: +1.1% compared to 2012 and +12.9% compared to 2007

The tourists in Veneto in 2013: -1.3% compared to 2012 and +0.6% compared to 2007

The foreign tourists in Veneto give the highest mark to art (8.9) and the lowest one to prices (6.6)

The foreign tourists spend on average 100€ a day in Veneto