# SMALL-SCALE ACCOMMODATION SURVEY (SSAS)

EVALUATION REPORT
JANUARY 2014

EXECUTIVE SUMMARY

- The Small-Scale Accommodation Survey (SSAS) was developed to provide reliable information to help grow the accommodation sector through improved business planning, and to provide industry and governments with a deeper understanding of sectoral performance. This came about as a result of the void left by the cessation of the ABS' Survey of Tourist Accommodation – Expanded Scope (STA–ES) collection of smaller accommodation establishments in the June quarter 2010.

- In October 2013, the SSAS ceased operation after only nine months of data collection. The decision was based on the poor take-up by industry.

- Of the estimated 3,800 eligible businesses that could have participated in the SSAS, only around 1,600 (or 42 per cent) registered their interest. This was well below Tourism Research Australia's (TRA) expectations and did not meet the Tourism Research Advisory Board's (the Advisory Board) target of a minimum of 2,000 registered operators.

- Of the 1,600 properties that registered, only between 269 and 359 businesses submitted data for the months of February 2013 to September 2013 (an average response rate of 19 per cent – refer Figure ES1). Consequently, data output was of little value, and data could not be reported or benchmarked for most tourism regions and mega regions.

- The online data collection system developed by STR Global Limited (STR) was simple and easy to use, and required minimum operator interaction. However, the continued low response rates demonstrated that operators either did not see the collection as being of value, or they simply were not interested in the data collection and its benefits.

- Key findings from this evaluation indicate that the SSAS was a well-conceived and developed program that was not supported by industry. There was clearly a disconnect between those who were advocating for the data collection and those who were required to provide the data.
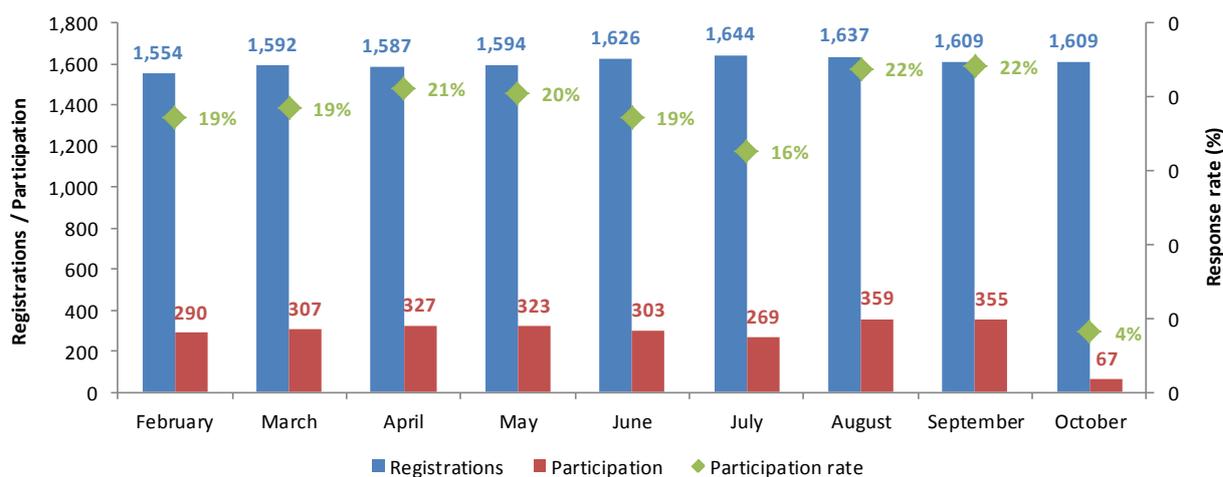
- In order for an industry survey—such as the SSAS—to be successful, the survey needs to be designed in one of two ways, each with its inherent challenges:

  o Engage the ABS, utilising the *Census and Statistics Act (1905)*, to collect data and enforce the compulsory participation of operators in the survey – this ensures an acceptable response rate and assists with achieving a representative sample of the population. However, the act is rarely applicable to statistical and research organisations outside of the Australian Bureau of Statistics (ABS).

  o Automate data collections with operators' reservation management systems, or similar data holding systems, to limit the need for regular and consistent operator interaction with the data collection system. This type of data collection system will have its challenges with operators having to grant permission for the two systems to be linked and the need for strict data confidentiality guidelines.

BACKGROUND BEHIND THE DEVELOPMENT OF THE SSAS

- When the STA–ES ceased in 2010, the Minister and the then Departmental Secretary (for Resources, Energy and Tourism) received feedback from industry that the STA–ES should either continue, or be replaced with a viable alternate. Several options, including reinstating the STA–ES collection, were investigated by the ABS and TRA and discussed at several meetings of the Advisory Board in 2011. Most options were rejected due to cost, scope or geographic coverage.

- STR is a recognised (and highly credible) accommodation data collection and publishing organisation, with a reputation as a global leader in hotel benchmarking surveys. STR has extensive experience conducting its monthly global Hotel Survey, which employs online data collection and reporting systems. Consequently, STR was approached to develop and run a survey for the small-scale accommodation sector.

- Following its teleconference in December 2011, the Australian Standing Committee on Tourism (ASCOT) agreed that STR would be engaged to develop and conduct the SSAS. As part of the contract between TRA and STR, STR would develop the data collection system; collect the data electronically; and process and deliver reports to TRA on a monthly basis. TRA was responsible for developing and maintaining the sample frame database, and for communicating the outcomes from the SSAS to industry and stakeholders.

DEVELOPMENT AND OPERATION OF THE SSAS

- In collaboration with TRA, STR developed the secure online data collection system and processed the monthly data to ensure that the monthly Property Reports and Sector Reports were distributed within two weeks of data collection. Over the operational period, STR maintained the online collection system and worked collaboratively with TRA to make improvements to the display and functionality of the online portal.

- The SSAS was designed so that businesses could directly submit their own key data via a secure online platform on a monthly basis. The system was easy to use, confidential, and timely with a two week turn-around between data collection and reporting.

FIGURE ES2: SUBMITTING MONTHLY DATA VIA THE SSAS ONLINE DATA COLLECTION PORTAL

- Participants were required to submit three data points each month: total stock available, total stock sold and total revenue generated. Participants were encouraged to submit the current month's data, in addition to as many months of historic data (as far back as July 2010) as they were able, to build a reliable time series.

- As an incentive, participating operators were sent via email free confidential monthly property reports containing data from their own property, benchmarked to the performance of their sector within their region. A full monthly sector report was also produced, and available publically from the TRA website.

- Very low participation in the monthly survey resulted in reliable data not being able to be reported for most regions, meaning that many properties received property reports with benchmarks limited to state/territory or even national levels.

- TRA worked collaboratively with STR to inform the following entities of the SSAS, as well as encouraging them to promote it in communication collateral to their members, to motivate their small accommodation members to register for the SSAS, and to submit data:

  o state/territory and regional tourism organisations (STOs and RTOs)

  o Tourism Industry Councils (TICs)

  o industry associations (including the National Tourism Alliance (NTA); the Australian Tourism Export Council (ATEC); AAA Tourism; YHA Ltd (YHA); and the Caravan, RV & Accommodation Industry of Australia Ltd (CRVA)).

- The SSAS communications strategy included:

  o SSAS webpage on the TRA website
  o Two YouTube videos introducing the SSAS and explaining benchmarking
  o Email invitations to all operators in the sample frame, encouraging registration
  o Emails to STO, RTO, TIC and industry association CEOs (including NTA, ATEC, AAA Tourism, YHA, Nomads World Hostels, and CRVA) encouraging them to promote the SSAS on their websites and in communication collateral to their members
  o Presentations and attendance at appropriate conferences, workshops, industry forums and meeting opportunities, as well as media opportunities
  o Direct communication with individual operators willing to act as advocates for the SSAS.

EVALUATION OF THE SSAS

- Following the closure of the SSAS in October 2013, TRA undertook to evaluate the SSAS using a SWOT Analysis (refer Table ES1), and worked with STR to undertake an evaluation survey of those operators registered in the SSAS Master List. Two hundred and sixty operators completed the online survey.

- The evaluation survey aimed to identify why the gap between the number of operators registered and the number participating was so large, to understand why operators dropped out of the survey, and to identify the key benefits of the SSAS to operators.

- Key findings from this survey included:

  o Operators most commonly registered to participate in the SSAS because they had a desire to better understand their business performance, to be able to compare their business' performance to others in their sector, and to support their industry.
  o This desire to better understand their business resulted in operators (on average) finding "*Being able to compare my business to others in my sector or region*", as well as "*Property Reports*" and "*Sector Reports*" as the most valuable aspects of the SSAS.
  o A large proportion of operators were registered for the SSAS but did not submit any data – the evaluation survey showed a very obvious misconception that the SSAS was time consuming and was not perceived as representing a good use of operators' valuable time. Reasons for registering but never participating were most commonly around time and system issues:
      - "*It looked like it would be too time consuming*"
      - "*I did not have the staff available to complete the survey each month*"
      - "*I could not login to the secure website*"
      - "*The system was too confusing for me*"
      - "*This survey did not look like it would be a valuable use of my time*"
  o Many operators did not continue to submit data (ie dropped out) – again, time was a major issue for operators to stay involved, with "*It was too time consuming to submit data*" and "*I no longer had the staff available to submit the data*" the top two reasons for operators choosing to stop participating.
  o A small group of operators continued to regularly submit data – this group appeared to be very active advocates for their industry and on the whole were keen supporters of the SSAS, and its potential to support the industry as a whole. For this group, the importance of having access to good information to track their individual business' performance and to benchmark to their sector was paramount. Access to data supporting business and investment decisions was also a common reason for continuing to participate in the SSAS. However, they were largely disappointed with the lack of support from more operators across the industry for the SSAS and acknowledged that many operators struggle with time and other business priorities when participating in the SSAS.

KEY LEARNINGS

- There are several key learnings from the SSAS that can be applied to industry surveys requiring regular and consistent industry participation. In particular, the SSAS has shown that, in general, operator interest in participating in industry surveys is low and that either the incentive to participate needs to be very high, or operator interaction with the data collection system needs to be minimal.

- The following learnings were derived from the development and management of the SSAS and they have relevance for other surveys of small businesses in Australia:

    o Data collection via the ABS using the *Census and Statistics Act (1905)* for compulsory acquisition of data from in-scope establishments is the only truly effective means to collect representative data.

    o Despite the minimal time required for operators to submit their data to the SSAS, operators either had incorrectly perceived that a lot of time would be required or they simply were not interested in doing so. Linking the data collection to existing reservation management systems may overcome the operator engagement problem. However, the challenge of getting operators to agree to an automatic upload of their data should not be underestimated and needs further exploration.

    o The fact that groups advocating for the need to collect data are sometimes different to those who have to actually provide the data needs further consideration. In the case of the SSAS, it was clear that the disconnect between these two groups was a factor in the project not meeting expectations. It is critical to ensure ongoing and co-ordinated promotion of the data collection, supported by a range of incentives to encourage stronger and consistent operator participation.

STRENGTHS	WEAKNESSES
- Filled the gap created by the ABS no longer conducting the STA-ES. - Supported by major industry bodies, key stakeholders and all levels of government. - Strict data confidentiality rules employed – participating operators confident about providing their data. - Good data reporting guidelines used – enabled data to be aggregated into 'mega regions', states/territories, or nationally. - Sample frame built from a combination of sources – improved the potential reach of the program. - Conducted by STR – world leader in hotel benchmarking surveys. - Data collected via a convenient, fast and easy to use online system. - Online data collection system connected to the data processing system – eliminated data entry error and decreased timelines. - Participating operators received a free monthly Property Report benchmarking their property to their sector in their region.	- STR located overseas – difficult for operators to make contact for technical problems. - The online system not always efficient – many reported password access issues. - Many email contact errors – a large group of operators unable to receive emails. - Not all industry bodies were willing to get involved and assist to register their members. - Not all STOs used a consistent communications message to their operators. - The format of the data collection system did not always match the output from operators' RMS systems – increased time to submit data. - Poor monthly response rates – data could not be reported or benchmarked for most tourism regions and mega regions. - Poor monthly response rates – poor Property Reports for many operators. - Complex Excel system used to maintain the sample frame – maintenance was inefficient. - Operator registrations received via an online registration form or Excel workbook – merging registrations was inefficient and introduced errors.
OPPORTUNITIES	THREATS
- Improved sector productivity by establishments increasing their understanding of their property's performance relative to their region. - Improved sector awareness about TRA and the resources available to assist their businesses. - T-QUAL Tick and T-QUAL Grants programs could integrate participation in the SSAS as necessary criteria – improving SSAS registrations and response rates. - Linking SSAS data collection with reservation and booking RMS systems could reduce operator interaction with the data collection system and reduce weaknesses related to system errors and operator resources. - An integrated communications campaign through STOs to their RTOs could strengthen the sample frame, increase response rates and improve data available. - A step-by-step educational video could overcome operator uncertainty about the SSAS system. - SSAS registrations and response rates could be improved by recruiting positive operators to act as SSAS advocates.	- Changing business models, structures, ownership and staff turnover – threat to data collection and continuity. - Change of governments – reduced/withdrawn funding. - Poor response rates and resulting poor Property Reports – withdrawal of discouraged operators. - Poor response rates and poor Sector Reports – SSAS no longer represents value for money and not a good use of Australian Government resources. - Changes to strategies and priorities for industry associations and key stakeholders – need for the SSAS is reduced. - Dissatisfied operators leading to negative word-of-mouth – response rates and data quality worsen.

TABLE ES2: TIMELINE OF KEY MILESTONES, ACHIEVEMENTS AND EVENTS

MILESTONE / ACHIEVEMENT / EVENT	DATE
Survey of Tourist Accommodation – Expanded Scope (STA-ES) collection discontinued	30 June 2010
Tourism Research Advisory Board (Advisory Board) asks TRA to undertake industry workshop to assess industry and government data needs	September 2011
Final consultation held with industry and government representatives with a professional facilitator	15 November 2011
STR Global Ltd (STR) chosen to develop the SSAS	December 2011
Contract between the former Department of Resources, Energy and Tourism (RET) and STR comes into effect	29 June 2012
Development of the SSAS sample frame	July–December 2012
Industry focus groups held to determine the survey scope, web-based collection tool functionality, and broader industry communication strategies for the SSAS	August–September 2012
Advisory Board sets target of 2,000 registered operators by March 2013	December 2012
Low operator registrations ~1,200	End December 2012
Tourism and Events Queensland (TEQ) requests the Advisory Board delay its decision on the future of the SSAS	7 February 2013
SSAS online portal launched and collecting historic data	22 February 2013
SSAS online portal opens for the first month of data collection – February 2013 – 22% response rate achieved	1 March 2013
Advisory Board requests that TRA explore opportunities to increase participation through reservation management systems	March 2013
Low operator registrations ~1,500	End March 2013
TRA consults with two reservation management system companies about integrating with SSAS	April 2012
SSAS online portal opens for data collection – March 2013 – 21% response rate is achieved	1 April 2013
SSAS online portal opens for data collection – April 2013 – 21% response rate is achieved	1 May 2013
SSAS online portal opens for data collection – May 2013 – 20% response rate is achieved	1 June 2013
SSAS online portal opens for data collection – June 2013 – 19% response rate is achieved	1 July 2013
SSAS online portal opens for data collection – July 2013 – 16% response rate is achieved	1 August 2013
SSAS online portal opens for data collection – August 2013 – 22% response rate is achieved	1 September 2013
TRA recommendation to withdraw the SSAS is agreed to by the Advisory Board	September 2013 (out of session)
SSAS online portal opens for data collection – September 2013 – 22% response rate is achieved	1 October 2013
TRA recommendation to withdraw the SSAS is agreed to by ASCOT	October 2013 (out of session)
TRA recommendation to withdraw the SSAS is agreed to by TMM	11 October 2013
TRA notifies STR of contract termination and withdrawal of the SSAS	14 October 2013
SSAS online portal opens for the last month of data collection – October 2013 – only 4% response rate achieved	1 November 2013