



# BED & BREAKFAST TOURISM

*Bed & Breakfast operations are defined in a number of categories, including the bed and breakfast home host operation, bed and breakfast multi-room inns and bed and breakfast self-contained cottages.*

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In January 2003 Tourism Queensland conducted a review of current research to gain a better understanding of the Bed & Breakfast (B&B) market. Specific objectives of conducting the review were to:

- Develop a market profile of the B&B tourism sector in Queensland;
- Provide information on what people are looking for in a B&B experience;
- Identify any product gaps; and
- Identify core issues that confront both the operation and development of B&B tourism businesses.

## 1.1 Market Insight

- 1,397,000 Australians stayed in Bed & Breakfast or guesthouse accommodation in the year ended December 2001 (NB – this figure does not include those who stayed in self-contained cottages).<sup>i</sup>
- 4,137,000 domestic visitor nights were spent in Bed & Breakfast or guesthouse accommodation in the year ended December 2001 (NB – this figure does not include those who stayed in self-contained cottages).<sup>i</sup>
- 44,699 international visitors stayed in B&B accommodation in Australia in the year ended June 2000.<sup>ii</sup>
- 250,398 international visitor nights were spent in B&B accommodation in the year ended June 2000.<sup>ii</sup>
- The majority of overseas guests at Bed & Breakfasts in Queensland come from the USA and Canada.<sup>iii</sup>
- Bed and Breakfast holidays are generally perceived to be a holiday experience that does not involve children. Hence the main target markets for this product are, empty nester, parents holidaying without children and young couples.<sup>iv</sup>
- Traditional Bed & Breakfast accommodation appeals more to the older segments, who are looking for a relaxing break in a homely atmosphere. Bed & Breakfast self-contained cottage accommodation has more appeal for young couples, who are looking for a romantic break.<sup>iv</sup>
- Bed & Breakfast accommodation can be perceived as a destination in itself or a place to stay while visiting an area and its attractions. Self-contained cottages are more likely to be perceived as a destination in themselves. Traditional Bed & Breakfasts are more likely to be perceived as a temporary stop or place to stay while visiting an area and its attractions. The perception of “destination” vs “place to stay” is also influenced by the popularity of the location (tourist location versus non-tourist location) and the purpose of the trip or holiday.<sup>iv</sup>
- The most appealing times of the year to visit a bed and breakfast are the cooler months of the year, namely autumn, winter or spring. This could be attributed to two issues: the fact that Bed and Breakfasts are considered to provide a warm and cosy atmosphere, with many respondents nominating a fireplace as a key benefit of the Bed and Breakfast accommodation style (hence the need for cooler weather); and the fact that Bed & Breakfasts are often perceived to be in mountainous areas and summer months are preferred for visiting the beach and swimming.<sup>iv</sup>

*Please note that most information pertaining to type of experience sought, activities, accommodation, transport and length of experience pertains to Australian travellers only.*

## 1.2 Type of Experience Sought

Bed and Breakfasts are generally associated with a holiday experience that does not involve children. Young couples are generally looking for a short romantic getaway that can be enjoyed in a private and luxurious environment. Older travellers are generally looking for a warm and welcoming environment, a home away from home atmosphere and an attentive, personal style of service. Business travellers staying at B&Bs are mostly looking for a break from corporate hotel style accommodation.<sup>iv</sup>

## 1.3 Activities<sup>v</sup>

Activities undertaken on bed and breakfast holidays include:

- Relaxing
- Local tours
- Leisurely walks
- Meeting new people
- Reading
- Fishing
- Wildlife watching

## 1.4 Accommodation Preferences

- Key needs that must be met for people staying at bed and breakfast style accommodation include :
  - privacy
  - pampering and personalised service
  - an attractive location
  - attractive gardens or a view
  - an attractive house.<sup>iii</sup>
- The following attributes are also appealing:
  - Homely or wholesome atmosphere (older segments)
  - Luxurious/heritage surrounds
  - Home style meals
  - Area for conversing with other guests
  - Ability to tap into local knowledge of attractions and activities in local area.<sup>iv</sup>
- Guests at B&Bs were asked to identify the features and factors which motivated them to choose the establishment they were staying at. The friendliness of the host was the most important factor, followed by easy access to other places, the site being the most appealing place in the region, and the provision of interesting outdoor activities.<sup>iii</sup>
- Bed & Breakfasts generally need to be located in an appealing destination, generally one that is in close proximity to other attractions. Bed & Breakfasts located in the more popular or touristy areas are more likely to be seen as destination accommodation. Where this is not the case most consider a Bed & Breakfast to be an overnight accommodation for a break whilst driving to their ultimate location.<sup>iv</sup>

- Expected prices per room per night for Bed & Breakfast accommodation range from \$70 to \$200 depending on the location and facilities available. Most people expect the price to be around \$100.<sup>iv</sup>

## **1.5 Transport**

The main form of transport to to B&Bs is by privately owned vehicle. The second most common form of transport is a hire vehicle.<sup>iii</sup>

## **1.6 Travel Party**

- People staying at Bed & Breakfast accommodation are generally couples travelling without children.<sup>i</sup>
- Some singles prefer to stay in B&B accommodation because of the companionship it offers with hosts and other guests. A single person travelling for business can also value the homely atmosphere and companionship the Bed and Breakfast experience offers, viewing the B&B as alternative corporate accommodation.<sup>iv</sup>

## **1.7 Information Sources<sup>iv</sup>**

Travellers interested inn staying at Bed & Breakfasts most commonly say that they source information from the following places when planning their holiday:

- Word of mouth
- Past experience
- Brochures
- RACQ
- Internet
- Writing to the destination's local travel/tourism bureau or information centre
- Articles and advertising in newspapers and magazines

## **1.8 Length of Experience**

Bed and Breakfast accommodation is associated with a short break holiday of one to three nights.<sup>iv</sup>

## 1.9 Demographic Profile<sup>1</sup>

The following demographics are for **Australians who said they stayed in Bed & Breakfast or guesthouse accommodation** in Australia on their last holiday. The information has been sourced from the National Visitor Survey (Bureau of Tourism Research).

Age	
15-24	9%
25-34	24%
35-44	20%
45-54	25%
55-64	11%
65+	11%

Sex	
Male	46%
Female	54%

Marital Status	
Single	26%
Part of a couple	74%

Lifestage	
Young single living at home	6%
Young single living alone/ in shared accommodation	1%
Midlife single	11%
Young/midlife couple, no kids	16%
Parent with youngest child aged 5 or less	13%
Parent with youngest child aged 6-14	12%
Parent with youngest child aged 15+ still living at home	12%
Older working single	3%
Older non-working single	2%
Older working married person	11%
Older non-working married person	14%

Working Status	
Working full time	54%
Working part time	15%
Unemployed and looking for work	1%
Retired or on a pension	17%
Mainly doing home duties	7%
Studying	5%
Other	2%

Household Income	
Less than \$25,999	10%
\$26,000 - \$36,399 pa	9%
\$36,400 - \$51,999 pa	15%
\$52,000 - \$77,999 pa	23%
\$78,000 - \$103,999 pa	20%
\$104,000 - \$129,000 pa	10%
\$130,000+	12%

## 1.10 Barriers

- The most common concerns from the **guests' perspective** about bed and breakfasts are the perception of lack of privacy, the fear of not getting on with the proprietor or other guests, the need to plan ahead to notify owners of meal attendance, and the lack of personal bathroom facilities.<sup>iv</sup>
- Areas of concern for Bed & Breakfast **operators** were the costs of marketing knowledge/involvement, the need to work longer hours, less time to spend with family and friends, and problems due to the seasonal nature of tourism.<sup>iii</sup>
- It must be kept in mind that there is a time and travel factor involved in location. For operators it seems to be almost impossible to get people to drive more than about 2-3 hours for a weekend away and about an hour to an hour and a half for an overnight stay. So, consequently, if an operator is more than 2-2.5 hours drive from a large population centre then it is extremely unlikely that they will get large numbers coming through their doors. Overseas tourists, particularly those who have flown for any length of time, have an aversion to travelling more than an hour and a quarter. If travel times are longer, overseas originating agents immediately start looking elsewhere.<sup>vi</sup>
- The tourism industry, along with other industries, is reporting concerns over major increases in premiums for public liability insurance. In many instances companies are seeing their premiums jump significantly despite the fact that no recent claims have been made. National Tourism Alliance (NTA) members report increases ranging from 200 – 1000%, mainly across adventure tourism, events, horse riding, farmstay, attractions, backpacker hostels and caravan parks.<sup>vii</sup> Excessively high premiums may make it difficult for small businesses (such as Bed & Breakfasts) to enter or remain in the tourism industry.

## 1.11 Opportunities

- Bed & Breakfasts provide mutual benefits for both the visitor and the operator. Visitors have the opportunity for a relaxing break in a homely environment. Operators have the opportunity to develop a profitable business, make new friends and contacts, understand the cultures and lifestyles of others, and to educate guests about their way of life.<sup>iii</sup>
- Income and leisure time have changed so that shorter breaks with greater choice of leisure activities are sought. Changing work patterns have increased the popularity of shorter breaks that minimize the absence from work and the effect of absences on workflow and involvement.<sup>viii</sup> Bed & Breakfast holidays tend to be short break holidays and could benefit from the increased popularity of short breaks.
- Sales of food and beverage can help to increase income.

## 1.12 Marketing

- Bed and Breakfasts are most commonly perceived to be located in mountainous or hinterland type areas, cooler regions or near wineries. Due to this, many people perceive that Bed & Breakfasts accommodation is a place to stay mainly in the cooler months.<sup>iv</sup> Operators may need to consider educating the potential guest about the fact that B&B's are suited for all times of the year and promote activities that are possible in the warmer months in order to round out seasonal variations.
- Potential visitors can be accessed via industry associations, Farmstay and Bed & Breakfast guidebooks, Visitor Informations Centres and regional tourism initiatives.
- Marketing support can be accessed through membership of the Queensland Bed & Breakfast Association. The Queensland Bed & Breakfast Association has a website and publishes a Bed & Breakfast brochure. All members of the association are listed on the website. Members can also elect to pay to be included in the brochure.
- It could be useful to include information relating to the following features in any marketing materials, in order to "package" the product.
  - the location (including proximity to other local attractions),

- the type of accommodation offered (home host operation, multi-room inn, self-contained cottages),
- access to the property (roads, signage),
- attractions on the property (gardens, views),
- leisure opportunities (games, crafts, recreational pursuits), and
- local area attractions (tourist drives, museums, events).

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<sup>i</sup> National Visitor Survey, Bureau of Tourism Research, 2001.

<sup>ii</sup> International Visitor Survey, Bureau of Tourism Research, 2000.

<sup>iii</sup> Bed & Breakfast and Farm Tourism Research Report, Robyn Stokes, QUT, September 1998.

<sup>iv</sup> Bed and Breakfast and Farm Stay Qualitative Research, MCR, 2001

<sup>v</sup> www.babs.com.au

<sup>vi</sup> Community Economic Development Conference, Farm Stays, Adrian Leonards, Co-proprietor The Gorge Station Retreat

<sup>vii</sup> Public Liability Insurance, National Tourism Alliance, March 2002.

<sup>viii</sup> Rural Tourism: Panacea and Paradox: Exploring the Phenomenon of Rural Tourism and Tourism's Interaction with Host Rural Communities, Ian Knowd, Lecturer in Tourism Studies, School of Environment and Agriculture, University of Western Sydney, 2001.

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