

Scotney Castle



Chislehurst Caves

## Visit Kent's Business Barometer February 2009

Welcome to the February Business Barometer produced by Visit Kent's research team. In the extraordinary current economic climate, it is hard to accurately reflect the underlying trends in average overall figures. Although overall performance is down, there are still many positive factors being reported by our contributing businesses. We have therefore added additional detail in this month's barometer to reflect this.

### Kent Headlines - Comparison February 2008/2009

**Kent Attraction Visitor Numbers overall** - Down 13%  
of which 53% were down by an average of 18%, 6% stayed the same, and 47% were up by an average of 8%. Coastal up 12%, Rural down 17%, and Urban down 5%.

**Kent Serviced Accommodation Occupancy** - Down 10%  
There seems also to be a trend for late booking.

**Kent Self Catering Unit Occupancy** - Down 4%  
Including a potential trend for early booking from European visitors to beat any change in the Euro

**TIC Visitor Numbers** - Down 19%  
of which 60% are down by an average of 19%, 20% are up by an average of 4% and 20% are not analysed due to reasons cited in the TIC table further on in the document

**Cross Channel Passengers Port of Dover** - No change  
Although minimal rise of 0.8% in coach traffic

**Cross Channel Passengers Eurotunnel\*** - Down 30%  
Eurotunnel only opened its second tunnel half way through this month after the fire in September

- February shows a very mixed performance - although the overall average shows a drop compared to last year, many businesses including 8 attractions are reporting an increase

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- The week of snow in February had an impact on businesses with many visitors not prepared to travel. This will have impacted the whole of the UK.
- There are good indications that the strong Euro is benefiting Kent with an increase in the numbers of school trip visits from France to the county as well as advance paid-up front bookings for self catering accommodation from the German market.
- Self catering up by 4% for overseas visitors
- Although serviced accommodation is facing challenges in the current economic climate, Kent is performing better than the national average being 1% up from October to December 2008 compared to the rest of the UK which was 4% down
- Anecdotal feedback for March is that business is performing well

## Weather February 2009 (Source [www.bbc.co.uk](http://www.bbc.co.uk))

The weather is cited as a concern for all businesses in all our surveys, and so is included in each of our monthly Business Barometers. According to the BBC, in February the first half of the month was very cold with some heavy snowfall. Thereafter the weather became much milder and more settled. The mean temperature for the month was close to normal. Sunshine duration was also close to normal and although rainfall was above normal in the south-east of England, it was 15% less than average across England as a whole.

<b>England Mean Temperature Series</b>	0.5 degrees above average
<b>England Rainfall Series</b>	85% of average rainfall
<b>England Sunshine Series</b>	96% of average sunshine

## Attractions

### **Kent Visitor numbers**

Visitor numbers to attractions in Kent were down during the month of February, compared with the previous year. However, many of the attractions cited the weather as a major issue, with several having to close due to snowfall. Many attractions had a number of positive factors affecting their business in February, and beneficial links with education providers through school visits were quoted by several attractions. The increase in interest from near European visitors also features in several attractions' commentary.

<b>Visitor numbers</b>	<b>February 2008</b>	<b>February 2009</b>	<b>% Change</b>
	<b>118,393</b>	<b>103,238</b>	<b>Down 13%</b>

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### Range of performance amongst attractions overall

The attractions' performance ranged from 36% down to 94% up. However, some of these attractions were either open more than usual, or had closed due to inclement weather, and so the rise or fall was made more dramatic. 9 attractions experienced a fall in visitor numbers, 2 were the same as last year, and 8 attractions reported a rise in visitor numbers.

### Performance according to attraction type

Gardens	Historic Building Heritage Attraction	Museum	Tour/Transport attraction	Zoo/ Animal Attraction	Outdoor Activity water sports	Other
None open	Down 17%	Up 2%	Up 8%	Down 20%	No change	Up 8%

Tours and transport attractions did better this year in February than last year, as did the attractions in our 'other' category. Museums remained steady. Outdoor activities suffered due to the inclement weather and snow.

### Performance according to attraction location

Coastal attractions fared well this month, with rural attractions perhaps being isolated by the snowy weather in the early part of the month. 67% of the coastal attractions were indoor attractions and so not subject to the weather, whereas all of the rural attractions were at least partially open to the elements. 80% of the urban attractions were indoor attractions.

<b>Coastal</b> Up 12%	<b>Rural</b> Down 17%	<b>Urban</b> Down 5%
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### Performance according to attraction cost

In a recession gripped February, free attractions fared understandably better than charging attractions. All of the free attractions reporting this month were also indoor attractions and so not so subject to the weather.

<b>Charging</b> Down 14%	<b>Free</b> No change
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### Industry concerns – attractions

Top three concerns for Kent attractions overall in February 2009
Weather
Economy
The weather's impact upon opening hours

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## Issues having a positive effect on business in February ('sic')

### Positive effects on business

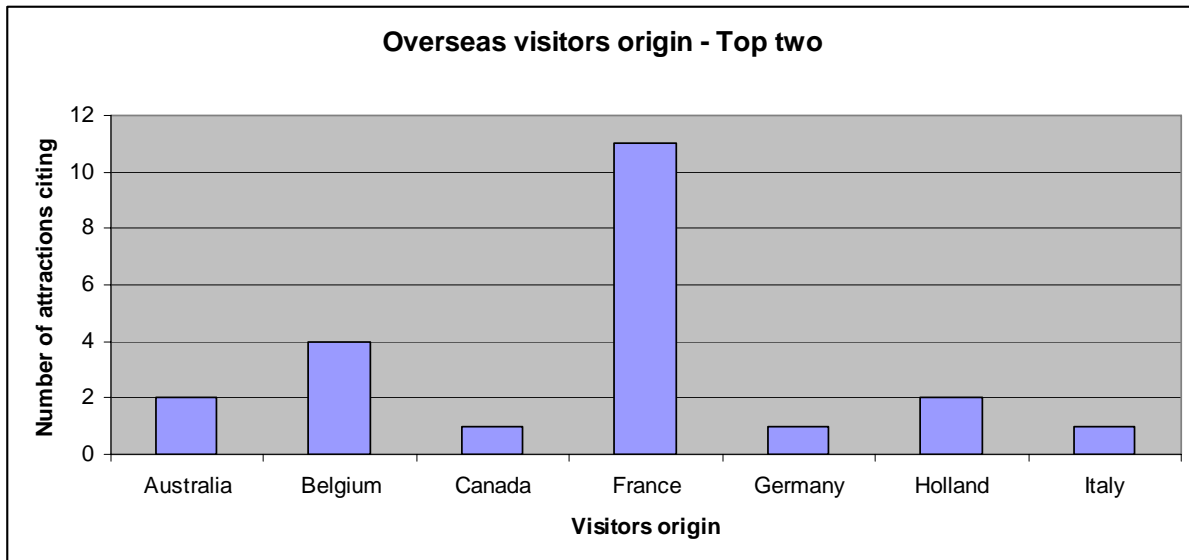
- More student groups
- Poor weather helped the attraction
- Strong school links and educational work
- Free attraction in a recession
- Good half term
- Domestic visitors
- European visitors
- Increase in tourists
- Publicity
- Special events
- Favourable value of the Euro
- Growth in French School groups
- We are an indoor and warm attraction
- 2 new attractions

## Issues having a negative effect on business in February ('sic')

### Negative effects on business

- Snow and cold weather
- Drop in group visits
- Site closure due to weather
- Attraction opened later this year
- Drop off in high street visitors
- Bad weather during weekends
- Snow caused closure
- Recession

## Overseas visitors to attractions in February



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In February 2009, the main visiting nation was France, and this is in line with feedback where several attractions reported educational parties from France visiting in higher numbers

### National Data on attractions (Source International Passenger Survey)

- The most recent International Passenger Survey from Visit Britain (December) shows that the number of overseas residents visiting the UK in the three months of October to December 2008 was down 12% compared with the same period of 2007, whilst spending was down 1% in nominal terms.
- Sterling was (on average) 26% weaker against the US dollar and 20% weaker against the Euro in December 2008 compared to December 2007, meaning that most visitors' currencies are going further.
- The full year-on-year picture is that visit numbers are down 2% for the whole of 2008 compared to 2007 and spend is up 3% in nominal terms.

From the table below, it can be seen that North American visitors to the UK have been dramatically affected by the current recession and are the worst affected group in 2008. Near European visitors have continued to come in spite of the recession, as the UK is cheaper with the current exchange rate. Their numbers have only fallen by 2% year on year which is a positive sign in the current market.

	DECEMBER		3 MONTHS TO DECEMBER		FULL YEAR 2008	
	Visits	% change	Visits	% change	Visits	% change
	(000)	08/07	(000)	08/07	(000)	08/07
North America	180	-33	670	-27	3,840	-13
EU15	1,360	-12	4,230	-9	18,300	-2
A12	160	-37	680	-15	3,340	8
Rest of Europe	150	-7	520	-8	2,090	0
Rest of World	260	-21	920	-10	4,470	0
Total Visits	2,110	-17	7,010	-12	32,010	-2
	Spend	% change	Spend	% change	Spend	% change
	(£m)	08/07	(£m)	08/07	(£m)	08/07
Total Spend	1,155	-21	3,835	-1	16,440	3

Source: International Passenger Survey, Office for National Statistics

The A12 visitors were 8% up (A12 = Bulgaria, Cyprus (south), Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.) and for Kent

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this could mean an increase in visitors due to our proximity to the European mainland, and the tendency to travel by road for many of these nationalities.

## Accommodation

### Kent self catering occupancy data

Self Catering accommodation net unit occupancy was down by 3.6%, but there was a rise of 4% in overseas residents occupying the accommodation compared to February 2008. Self catering is faring better than serviced in the current economic climate. According to word of mouth reports from a handful of self catering accommodation providers German visitors have been paying in advance for their self catering breaks in 2009 and 2010 to avoid any deterioration in the exchange rate of the pound with the Euro.

### Self-Catering occupancy comparison data February 2008/9

	Average Stay	Net unit occupancy	Average Party size	% UK residents	% Overseas residents
Average February 2008	12.1	68.2	2.6	76	24
Average February 2009	10.8	64.6	2.5	72	28
Change from 08/09	Down 1.3	Down 3.6	Down 0.1	Down 4%	Up 4%

### Kent serviced accommodation occupancy data

For all serviced accommodation, February seems to have been a poor month especially for Canterbury, Medway, Thanet and Tunbridge Wells. Length of stay at all but three Districts has decreased too. Some visitors have moved from serviced to self catering accommodation, and word of mouth from some providers who offer both is that their self catering is filling up well whereas bed and breakfast is very slow so far this season.

District serviced accomm.	% room occupancy February 2008	% room occupancy February 2009	% change for month February	Length of stay February 2008	Length of stay February 2009	Change for month Feb
Ashford	44.6	40.7	- 3.9%	1.5	1.4	- 0.1
Canterbury	59.3	47.2	-12.1%	1.8	1.5	-0.3
Dover	52.3	44.4	- 7.9	2.3	1.2	-1.1
Maidstone	62.7	56.3	- 6.4	2.6	2.2	- 0.4
Medway	63.6	43.8	- 19.8	2.0	2.0	No change
Sevenoaks	16.0	29.9	13.9	1.6	1.7	0.1
Shepway	28.9	29.5	0.6	1.7	1.8	0.1
Swale	54.3	43.6	- 10.7	2.8	2.4	-0.4
Thanet	51.9	37.9	- 14	2.1	2.0	-0.1

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District serviced accomm.	% room occupancy February 2008	% room occupancy February 2009	% change for month February	Length of stay February 2008	Length of stay February 2009	Change for month Feb
Tonbridge & Malling	No data	No data	No data	No data	No data	No data
Tunbridge Wells	59.3	30.5	- 28.8	1.8	2.0	0.2
Kent average overall	50.6	41.0	-9.6	2.0	1.7	-0.3

Please note that for Sevenoaks data from 2008 is not confirmed

### National accommodation data - Source: Visit Britain

Due to the more prompt feedback now available from Kent businesses through our system and liaison with Tourism South East, national data will be reported retrospectively as the UK occupancy survey is not available as frequently as our local data. However, data is now available for October, November and December 2008 from Visit Britain and shows that urban accommodation has suffered the highest fall in the final quarter.

### National serviced accommodation occupancy from the UK Occupancy survey Comparison between 2008 and 2007

	Bed space occupancy	Room occupancy	Location and differences in results
<b>October 07/08</b>	Down 4%	Down 4%	Seaside and small towns/country villages were the same or up slightly. Urban accommodation bed occupancy was 5% down, room occupancy 5% down
<b>November 07/08</b>	Down 5%	Down 4%	Seaside and small towns/country villages were the same or up slightly. Urban accommodation bed occupancy was 8% down, room occupancy 7% down
<b>December 07/08</b>	Down 5%	Down 4%	All locations experienced a fall in occupancy. Greatest fall was in small towns.

These serviced room occupancy figures compare with Kent as follows:

	Kent	National figures
<b>October</b>	Up 5%	Down 4%
<b>November</b>	Down 2%	Down 4%
<b>December</b>	Up 1%	Down 4%

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Kent seems to have fared relatively well with the national picture, although the Kent sample is much smaller, a good number of the national survey contributors would be based in London, and London accommodation is particularly badly affected by the recession, so this would bring down their averages.

## Carrier News

### Port of Dover Figures

<b>FEBRUARY</b>	<b>2009</b>	<b>2008</b>	<b>% CHANGE</b>
Passengers	388315	388494	No change
Car	64972	65010	- 0.1
Coaches	2708	2687	+ 0.8

Numbers were pretty static in February for the Port of Dover, although a marginal increase was noted in coach parties.

### Eurotunnel Figures

Eurotunnel reopened their second tunnel earlier than planned in February, and for normal business to resume for the second half of the month Passenger numbers were down 30% for the month overall, due to the part closure during this month. March will be the first month where the tunnels will have been open throughout and an accurate comparison can be made with 2008. Eurotunnel reported that most of their overseas visitors came from France, with Belgium the second most frequent origin

## Tourist Information Centres

The Tourist Information Centres in Kent reported a number of factors affecting their visitor numbers this month. Positive factors were that the weak pound is leading to an increase in French visitors and driving enquiries from other European countries such as Germany and Holland and further afield.

Negative factors affecting TICs were poor weather, the economic climate, and changes in how the service is delivered. For two TICs, their opening times had changed since last year.

### Visitor numbers at Kent TICs – February 2009

#### Visitor Numbers to

<b>TICs</b>	<b>% change 2008-9</b>
<b>Coastal</b>	Down 11%
<b>Urban</b>	Down 21%
<b>Rural</b>	Down 24%
<b>Kent overall</b>	Down 19%

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### Telephone Enquiries to

TICs	% change 2008-9
Coastal	Up 10%
Urban	Down 55%
Rural	Up 10%
Kent	Down 33%

### Postal and Email Enquiries to

TICs	% change 2008-9
Coastal	Up 5%
Urban	Up 11%
Rural	Down 14%
Kent	Down 2%

### Figures for individual TICs February 08/09

Name	Footfall February 2009	Footfall February 2008	% change Feb 08/09	Phone calls Feb 2009	Phone calls for Feb 2008	Postal/email enquiries Feb 2009	Postal/email enquiries Feb 2008
Ashford	895	1133	-21%	245	434	218	235
Broadstairs	460	680	-32%	24	17	0	0
Canterbury	19277	23145	-17%	633	2684	353	256
Deal	1154	1400	-18%	131	139	384	418
DOVER	4837	4283	+13%	1323	1244	998	895
Faversham	809	951	-15%	0	0	0	0
Folkestone, Hythe & Romney	No longer face to face contact	No longer face to face contact	Not applicable	534	438	173	193
Gravesend	3333	3172	+ 5%	276	362	235	302
Maidstone	2579	6378	Not directly comparable see note below	281	391	59	50
Margate	2438	3304	-26%	221	200	108	83
Medway	16864	20205	-17%	631	1119	121	122
Ramsgate	1612	2094	-23%	82	76	21	16
Royal Tunbridge Wells	4201	5430	+23%	322	376	340	229
Sevenoaks	No figures	No figures	No figs	No figs	No figs	No figs	No figs
Tonbridge and Malling	1330	1742	-24%	794	724	1968	2281

Maidstone TIC has changed its organisational structure between 2008 and 2009 and so accurate comparison is not possible. Canterbury reported a computer fault during the month, and Royal Tunbridge Wells was reliant on a manual footfall count for 10 days of the month.

### Nationality of TIC visitors

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February 2009	% Domestic Visitors	% Long Haul Visitors	% European Visitors
Ashford	90	2	8
Broadstairs	85	7	8
Canterbury	55	10	35
Deal	95	1	4
Dover	60	15	25
Faversham	98	1	1
Folkestone	75	10	15
Gravesend	98	1	1
Maidstone	98	0.5	1.5
Margate	99	1	0
Medway VIC	85	5	10
Ramsgate	99	0	1
Royal Tunbridge Wells	85	10	5
Sevenoaks	No figs	No figs	No figs
Tonbridge & Malling	85	10	5

## Other News

### Domestic Tourism

Visit England recently undertook research to support its 'Enjoy Every Minute' campaign commencing 4<sup>th</sup> April 2009. From their research, it would seem that Domestic Tourism may receive a welcome boost this year due to the economic climate. The report states:

*“While some 90% of the population are cutting back on their overall spend, the importance of holidays mean that these are more protected than many other areas, while 1 in 5 of those who took an overseas holiday last year have said that they would consider switching to the UK this year to save money. The research has also highlighted that the strength of the Euro is a barrier to overseas travel - 60% said that the exchange rate currently puts them off taking holidays and breaks abroad.”*

### Air Travel

Research from IATA says that global air travel declined at an annual rate of 10.1% in February (Source Visit Britain, Trends Update, 27<sup>th</sup> March 2009)

### Serviced Accommodation Research

Research on the serviced accommodation sector by Price Waterhouse Coopers in their UK hotels forecast for March 2009, was conducted with 30 hotel operators, including small, medium and chain operators. As can be seen from the table below, predictions for 2009 for the serviced accommodation industry are for a severe contraction in revenue. The 'provinces' are expected to fare better than London, but this is to be expected due to the premium location of London hotels warranting premium room rates. The need for cost

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cutting will mean that business tourists and leisure tourists are looking for cost savings in their accommodation.

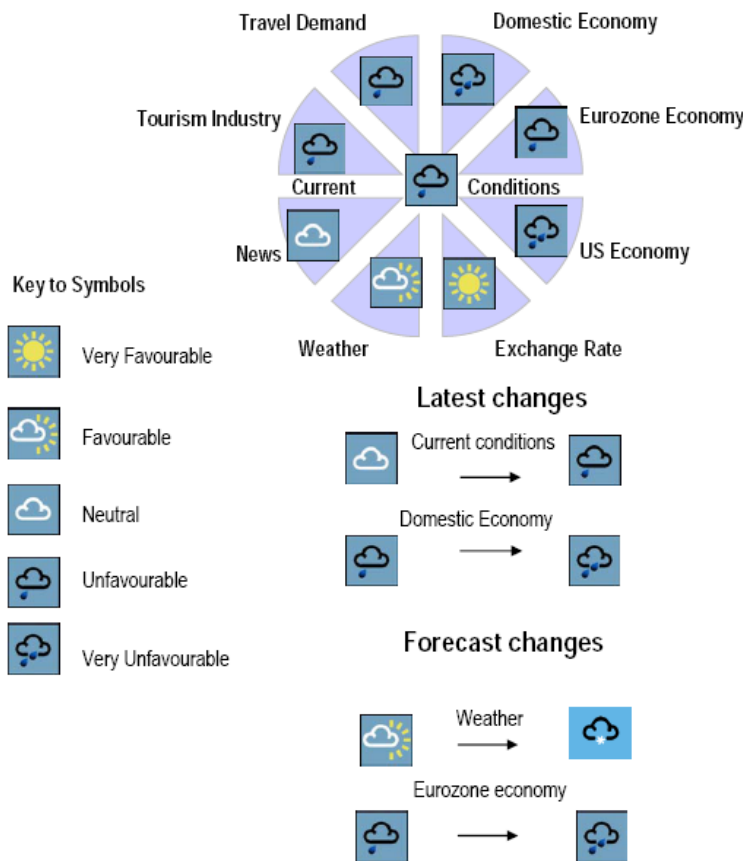
**Table 3: Baseline scenario RevPAR forecast growth rates by quarter for UK, London and Provinces (on same quarter of previous year)**

	2009 Q1	2009 Q2	2009 Q3	2009 Q4
UK	-9.4	-18.3	-22.0	-24.9
London	-10.3	-23.4	-30.4	-36.6
Provinces	-8.7	-13.0	-12.8	-11.6

Econometric Forecasts: PricewaterhouseCoopers February 2009  
 Benchmarking Data: STR Global February 2009

**Please note that RevPAR refers to the revenue per available room**

## Factors contributing to tourism trends in Britain, February 2009



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