Visit Kent's Business Barometer 2010 End of Year Report

Kent's most recent Economic Impact Model shows tourism is worth **£3.2 billion** to the county and **employs** over **63,000** people who assist nearly **57 million visitors** each year.

2010 Summary

Following such an excellent year in 2009 for attractions in particular, it would be hard for 2010 to match this performance. However, 2010 showed that not only did attractions hold their visitor numbers well, but accommodation providers had in many cases an improved or solid year, and performed above the national average. Channel crossings were also up across the board for passengers, cars and coaches.

End of year comparison 2009/10

Kent Attractions Visitor Numbers Based on the Business Barometer sample	**Down 2%**
Kent Serviced Accommodation occupancy (Larger hotels) provisional from STR	**Up 1.5%**
Kent Serviced Accommodation occupancy (Smaller hotels, B&B and Guest Houses)	**Down 0.5%**
Kent Self Catering Accommodation occupancy Based on the Business Barometer sample	**Up 2%**
TIC Visitor Numbers Based on the Business Barometer sample	**Down 5%**
Cross Channel Passengers Based on Eurotunnel and Port of Dover feedback	**Up 5%**
Visit Kent Consumer website visits	**Up 27%**
Visit Kent B2B website visits	**Up 10%**

The Business Barometer system

Visit Kent's Business Barometer started in 1999, as part of the Transmanche Tourism Research Programme. The new enhanced monthly version began in June 2008 providing continuous monthly feedback to the industry. It continues to receive funding for its development through the new European funded programme SusTRIP (Sustainable Tourism Research and Intelligence Partnership). The Business Barometer is based on information gathered directly from the industry in Kent, and through timely monthly feedback through which reasons for uplift or downturn in the market place can be identified to enable businesses to benchmark with others and respond to trends identified.

Monthly performance

The Business Barometers each month indicated a snapshot of how Kent was faring.

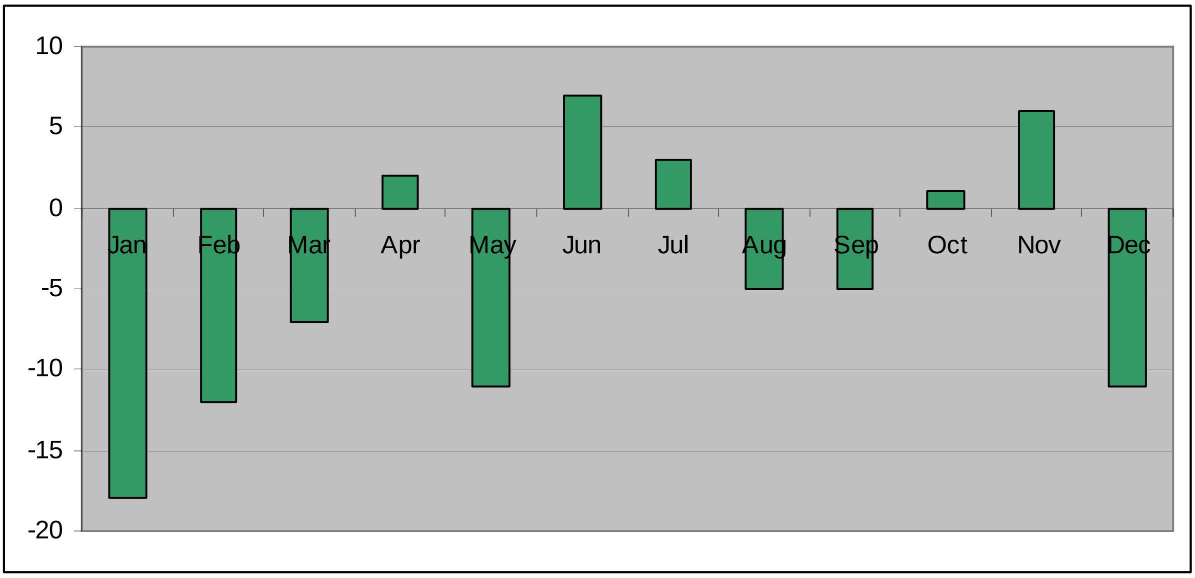
- **January** – a month of snow, and the coldest January since 1987. Tourist Information Centres handled many transport enquiries.
- **February** – continuing snow, but cross channel carriers offered cheap day trips to encourage travel.
- **March** – a cold month, with channel crossings by coach and car up 10%. A surge in website enquiries with visits up by 49% on March 2009. IPS data shows the staycation effect is still with us.
- **April** – the first month for improved weather, but the ash cloud from Iceland brings its own issues, and air travel for many is cancelled. Many Business Tourism cancellations. With air travel compromised, demand increases at the gateways to Kent, and the carriers handle 20% additional business.
- **May** – a cautious month as UK residents await the election results. Business Tourism was up 18% due to many election related meetings. Attractions, carriers and TIC figures were down and they experienced a quiet month.
- **June** – Half Term falling partly in June and good weather combined to make June a positive month. Coastal attractions welcomed family groups. Businesses from all sectors of the Barometer reported increases. Business Tourism benefited from rescheduled meetings from April's cancellations
- **July** – Gravesend reached the maximum temperature for July at 31.7c The better weather, and summer holidays for staycationers resulted in smaller serviced accommodation being up 12% compared to 2009, and hotels up by 7%. Business Tourism and channel crossings were strong.
- **August** – the height of the season was also the wettest August for 17 years. This impacted upon the day visitor market, attractions were down 5% and TICs down 7%. Business Tourism was exceptionally strong at 30% up compared to 2009.
- **September** – Accommodation occupancy returned to 2008 levels and showed strong signs of an improved year. Carriers reported a strong end of summer for car crossings. A changeable month for weather meant a fall in visits to attractions compared to 2009.
- **October** – A static month for attractions, cross channel carriers and accommodation. Coach crossings were strong, and business tourism events, but conference venues were not confident about reaching their targets after public sector cuts.
- **November** – For many the month started well, with relatively mild weather and the beginnings of the Christmas shopping and events rush. Attractions noted increased purchases in gift shops to beat the VAT increase. Heavy snow fell at the month end affecting all.
- **December** – The coldest month for 100 years with heavy snow across most of Kent for most of the month. This impacted severely upon tourism in Kent.

Visitor Attractions

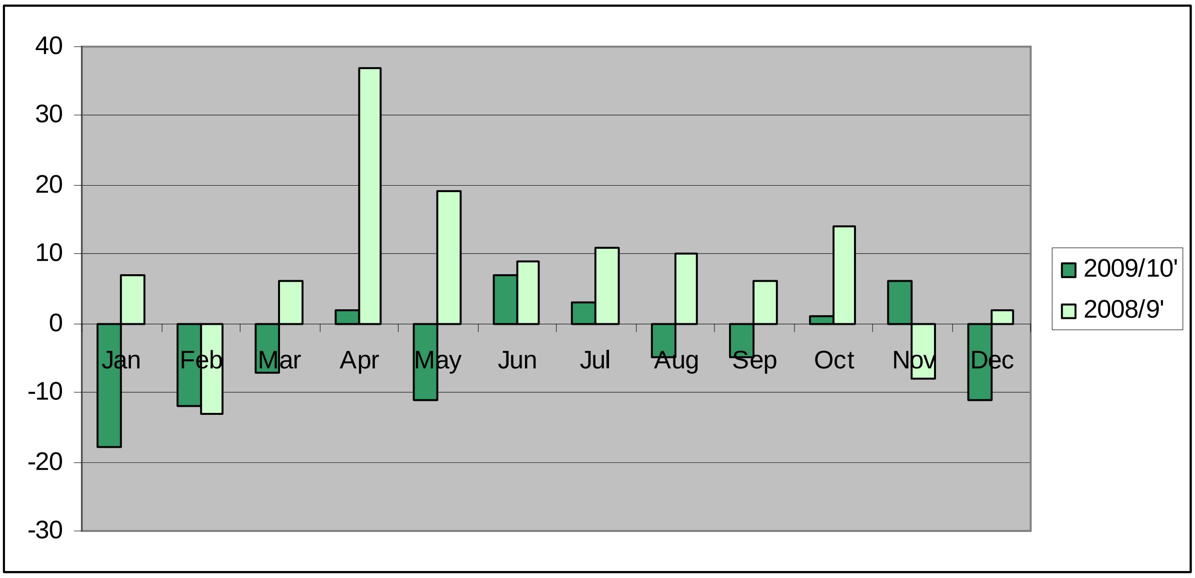
Visitor numbers to attractions in Kent (Business Barometer sample)

2010 was a steady year for attractions; with an average of a 2% fall compared to 2009 (2009 was a very strong year for attractions at 7% up on 2008). However, the month by month picture shows that the industry was hit by severe weather conditions during the year. January was the coldest since 1987, February the coldest since 1991 and December the coldest in 100 years. May and August were also very wet.

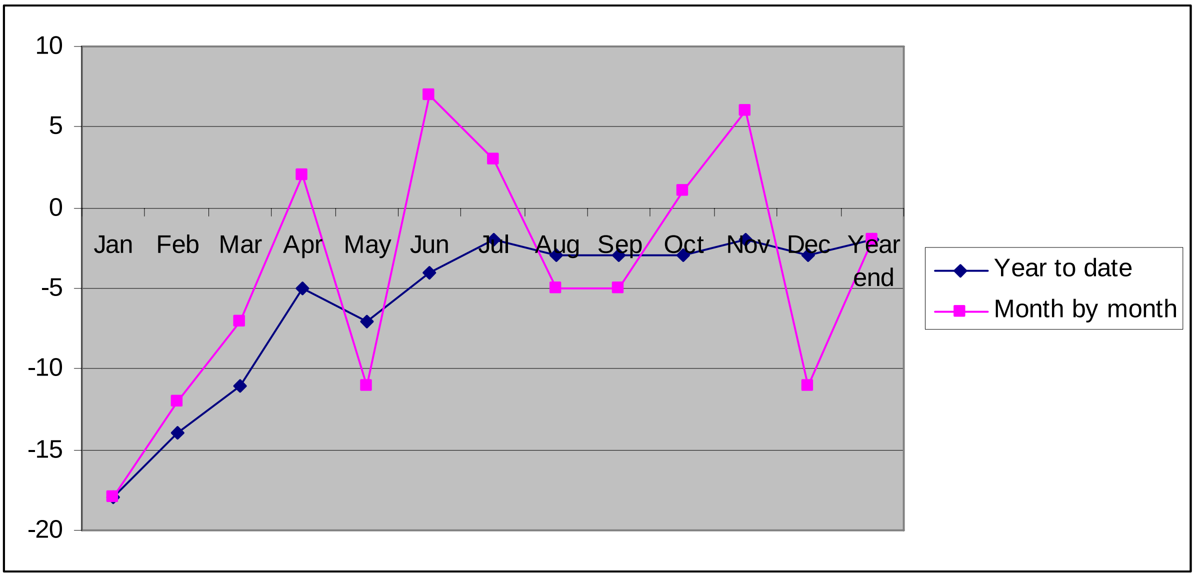
The rise and fall of visitor numbers in 2010, % change



Visitor numbers % change year on year 2008/9 compared to 2009/10



Comparison between 2009 and 2010 of visitor figures overall (year to date) and month by month differences 2009 v 2010



2010 visitor numbers for each attraction group

Coastal attractions	Up 4%
Urban attractions	Down 1%
Rural attractions	Down 4%
Tour and Transport attractions	Up 3%
Heritage attractions	Down 2%
Museums	Down 4%
Other attractions	Down 3%

The main issues affecting attractions were poor weather on key bank holidays, and in particular the August summer holiday period (rain), and beginning and end of year snow. Businesses that fared best tended to be those that had invested in either additional promotion, or product development prior to or during the year.

"Knole, the National Trust house in Sevenoaks, Kent, welcomed a record number of visitors (95,000) during 2010. The opening of the new visitor centre during the season transformed visitors' experience of the house, giving them touch screens, a video, timeline boards and an interactive model to find out about the lives of the people who shaped Knole, while the Orangery, unlocked for the public after two centuries, has given them space to wander among statues and lemon trees. Knole staff have been thrilled with the two new spaces, which have made it easier to welcome and talk to visitors, groups and school parties" ***Jane Maltby, Marketing Manager***

*"2010 has seen another busy season at **English Heritage** properties across Kent. Visitor numbers at **Dover Castle** have exceeded our expectations and with the opening of the new visitor experience in the Secret Wartime Tunnels in June 2011 we are hoping that this trend will continue into 2011. The challenge will be growing our business in a period of economic downturn and financial scrutiny."*

Adam Bray, English Heritage.

"2009 was a brilliant year for Leeds Castle but unfortunately the weather played a big part in reduced day visitor figures in 2010 as it rained on the key bank holidays and event days during half term and the summer. We did however sell out for our Fireworks and Theatre ticketed events and the majority of our daytime events beat our budget & last year's figures"

Shane Guy - Head of Publicity – Leeds Castle

"As Britain's oldest brewer we are proud of our heritage and delighted to show visitors the heart of the working brewery. The highlight of 2010 was winning the Small Visitor Attraction of the Year award at Tourism South East's "Beautiful South Awards" in October. We also enjoyed an increase in visitor numbers; there were 25 per cent more people on brewery tours compared to 2009, and 10 per cent more at special events such as Beer and Food Evenings and Ale Samplers' Suppers. We have had to increase the number of tours to meet demand. With even more events planned for 2011, we are looking forward to another busy year."

Graham Hukins, Visitor Centre Manager, Shepherd Neame.

England Attractions Monitor Dec 2010

According to the England Attractions Monitor, Kent's experience for visitor attractions was shared across the UK with a small overall fall in visitor numbers. The Attractions Monitor which is published quarterly contained the following summary.

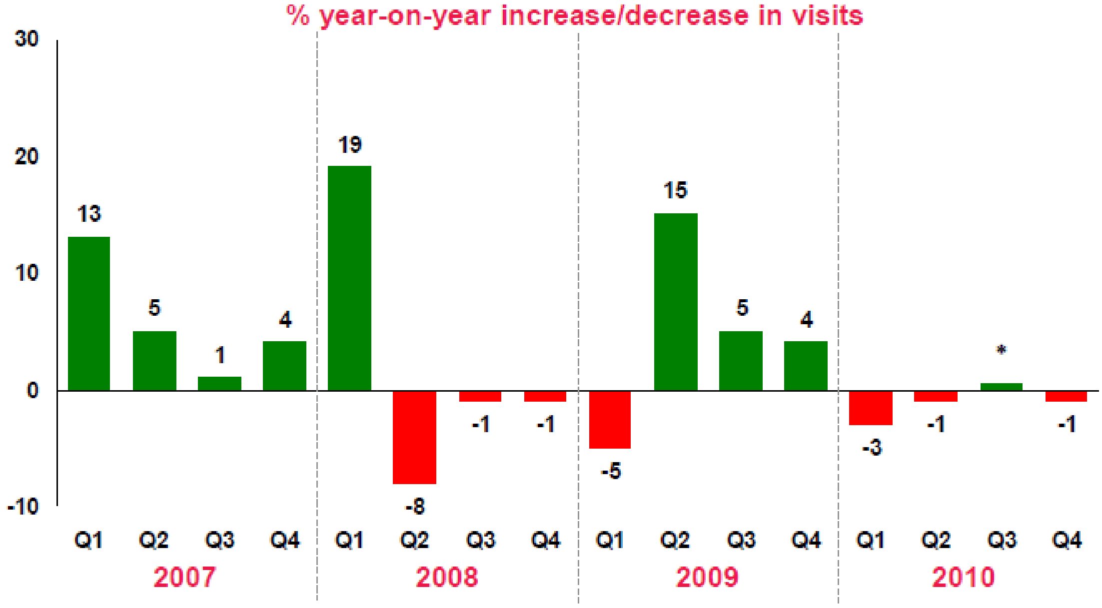
"Overall business performance and level of satisfaction tends to reflect the fact that most attractions could not exceed the heady heights of 2009 in 2010, but have not fallen back significantly. Three quarters (72%) were satisfied with their 2010 performance, but only 12% 'very satisfied'. A notable quarter were not satisfied"

Click here for full report

As in Kent, the national picture showed 2009 was a strong year, but early 2010 proved to be quiet due to snow and volcanic ash. The summer season remained strong with a slight rise on 2009, but the final quarter figures were down on 2009 due to the weather.

Year-on-Year Quarterly Visit Trends

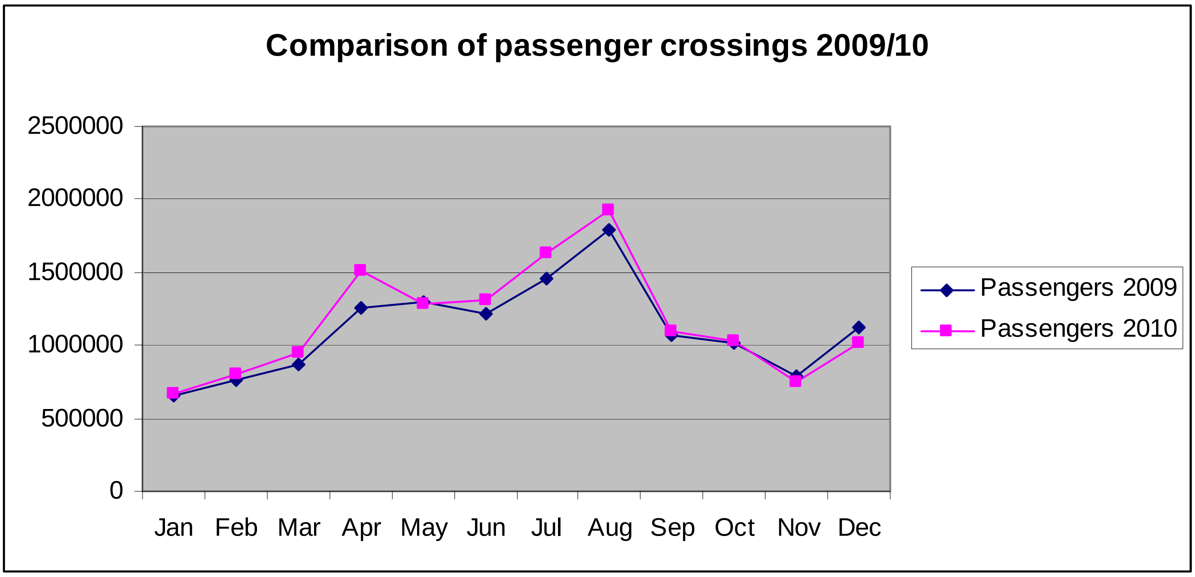
Following the strong recovery in visits observed during Q2-Q4 2009 (on the back of the staycation trend) which saw many attractions bounce back to a position stronger than in 2007, the first two quarters of 2010 saw visits fall back slightly, with this decline stabilising in the third quarter. In Q4 2010 visits were again similar to the strong equivalent quarter of 2009, declining only slightly (by -1%).



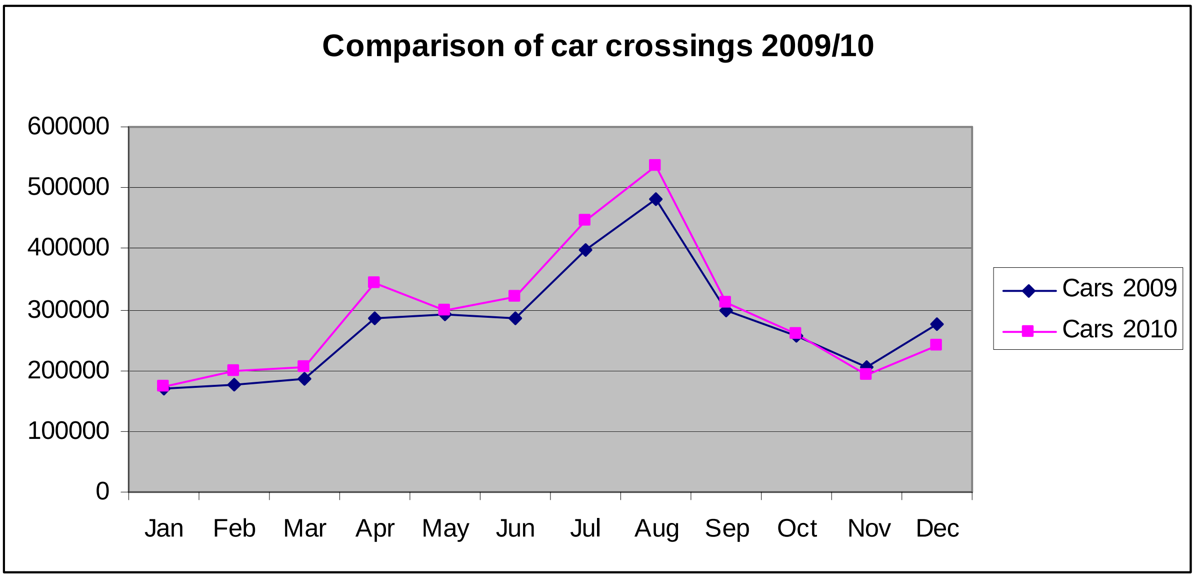
Cross Channel Carriers

Carriers	2009	2010	% change
Passengers	13,301,157	13,958,172	Up 5%
Cars	3,306,588	3,527,156	Up 7%
Coaches	95,159	99,419	Up 4%

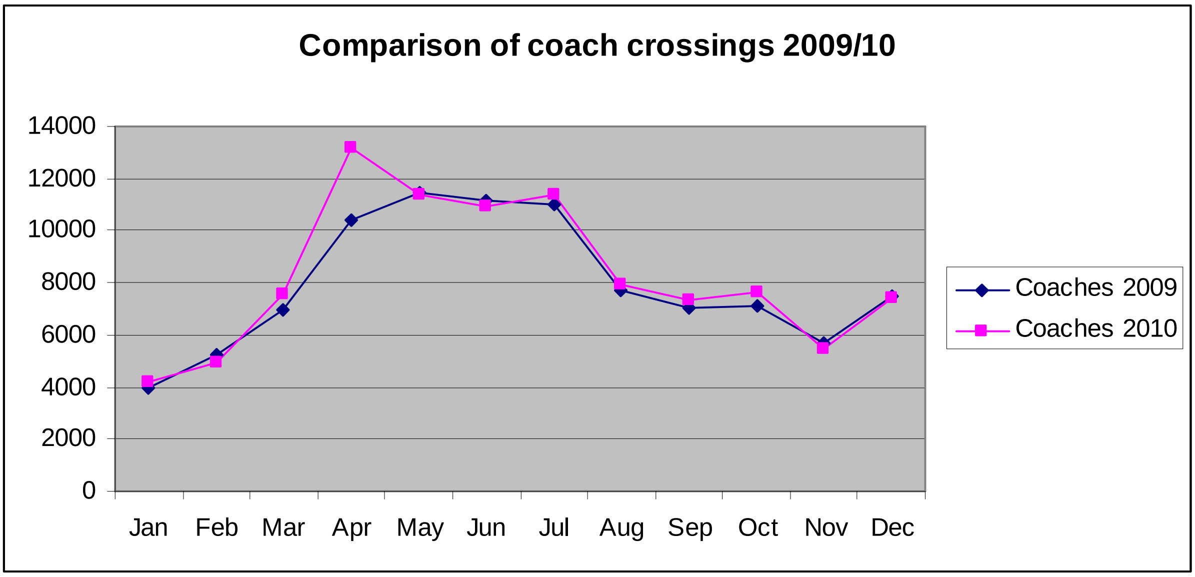
2010 was a good year for cross channel carriers, who experienced a 5% rise in passengers carried. The increases were mainly over the April to August season.



All months of 2010 except for December recorded an increase in car crossings on 2009. Peaks were, as expected, in the Easter and summer holidays. The year on year increase for 2009/10 was 7%.



Coach crossings were up 4% with April showing a clear surge and the remaining months fairly comparable to 2009.



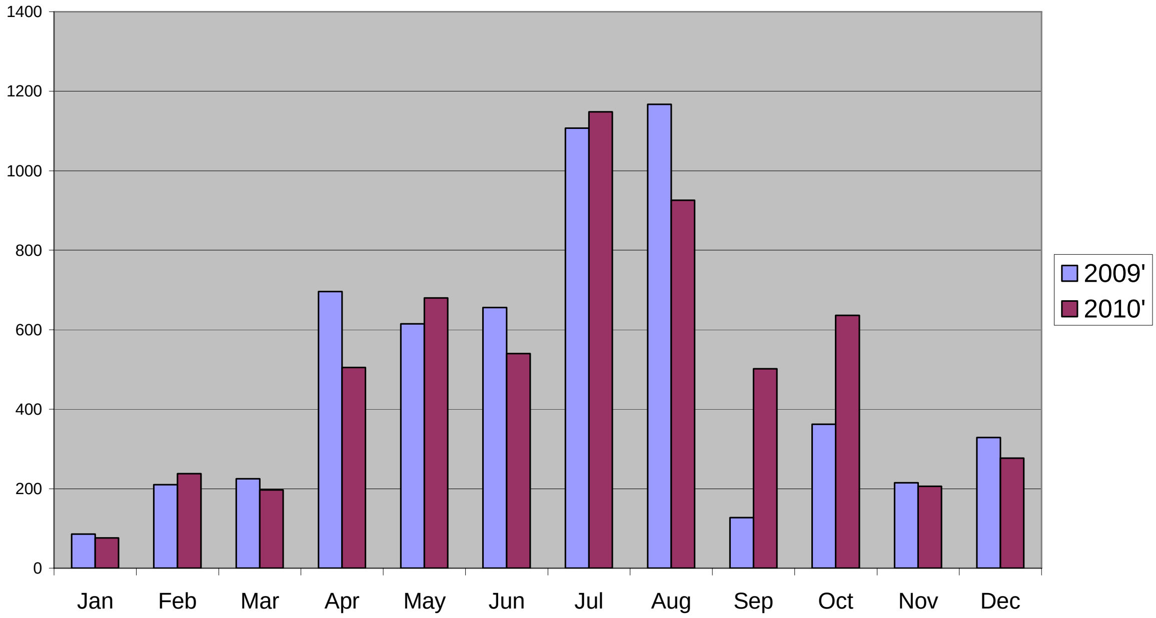
"Despite a challenging and competitive market within the ferry business, 2010 saw positive growth in the tourist sector. Dover's cruise business celebrated a record year with over 300,000 visitors welcomed to the iconic port and the coach market also saw a pick-up with traffic through the port increasing. The industry proved extremely resilient in 2010 - the port remained open despite several bouts of severe weather and also provided a service where other modes of transport could not, as seen during the episode of volcanic eruptions that affected UK airspace. As predicted last year the outlook for the port is optimistic with a return to a positive yet steady growth pattern across all markets." ***Port of Dover***

Accommodation

Self catering accommodation

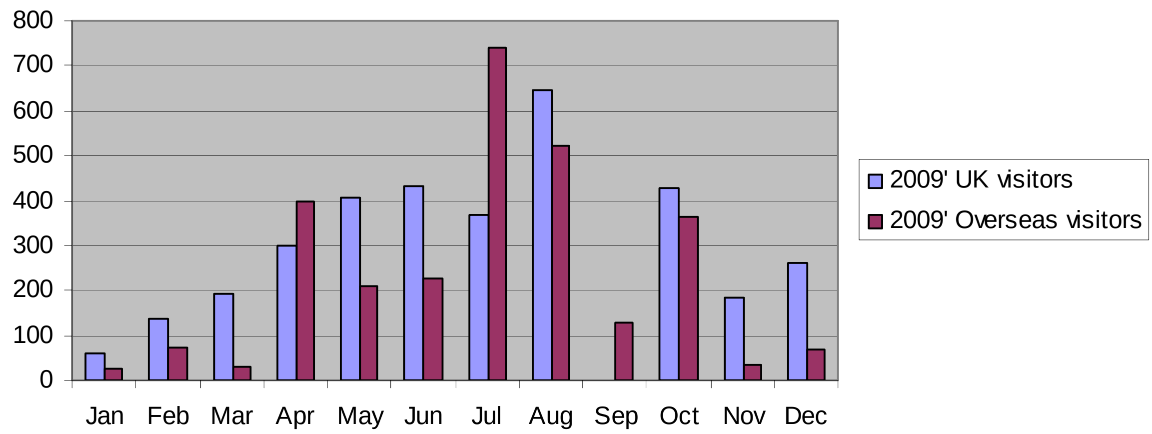
The number of visitors using self-catering accommodation in 2010, although about comparable to 2009 in the first quarter, was down during Easter and in the peak of the summer holidays in August. However, in September and October, business picked up strongly again with the better weather.

Visitors staying in Self Catering Accommodation - overall

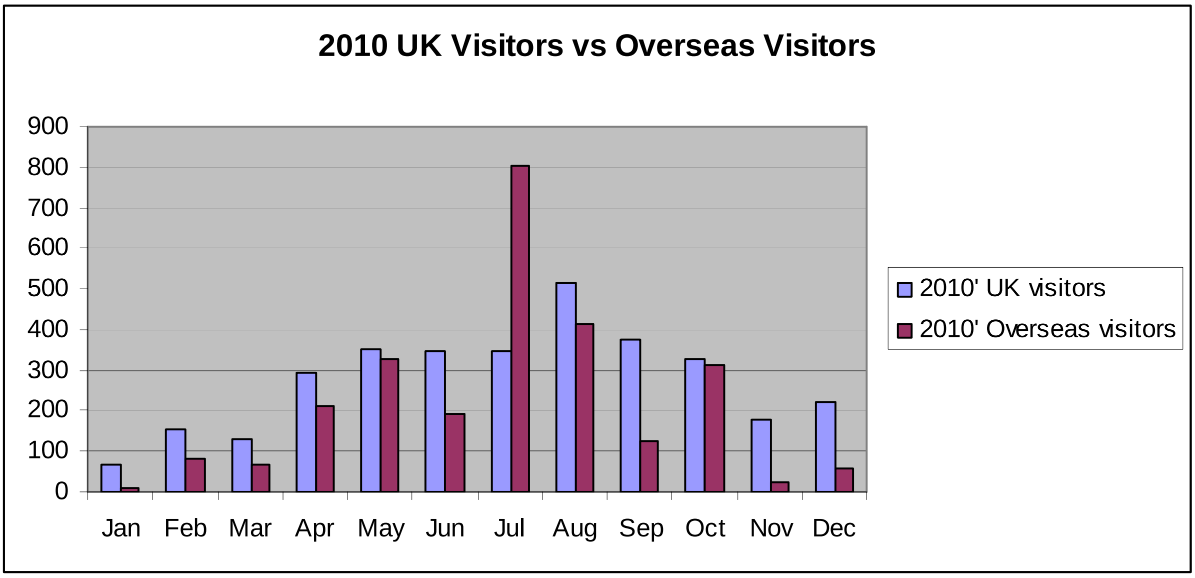


To compare 2010 with 2009, in the table below it can be seen that in 2009 the peaks for overseas visitors in self-catering accommodation were in April, July, August and October.

2009 UK Visitors vs Overseas Visitors



In 2010, April was quieter for overseas visitors as was August. Only in July 2010 did overseas visitors outnumber UK visitors. Self-catering overseas visitors mainly originated from the Netherlands (one third of the market), and just under 10% from Germany. All other groups were less than 1% of the market, except for Australia, Belgium and France who were between 1 and 2% of the market.



"Holiday cottage accommodation in 2010 continued to benefit from the trend towards 'staycations' and holidaying in the UK. In addition there remained strong demand from in-bound visitors, particularly those travelling from Northern Europe. Year on year bookings were up with particular demand for last minute holidays which we put down to visitors' economic concerns delaying their decision making. We expect 2011 with The Open at Sandwich and the continued demand for UK holidays to carry on this upward trend of visitors to our stunning county." ***Sarah Wood, Mulberry Cottages***

2010 was a year of steady growth for us, with website traffic, holiday bookings and property numbers all increasing. It is particularly encouraging to note that bookings were spread nicely across the whole year – showing that customers consider Kent to be a year-round destination – and that we have a high percentage (22%) of repeat bookers, suggesting that customers are happy with the range of properties and levels of service we offer.

Jean Spencer, General Manager, Freedom Holiday Homes

Serviced accommodation

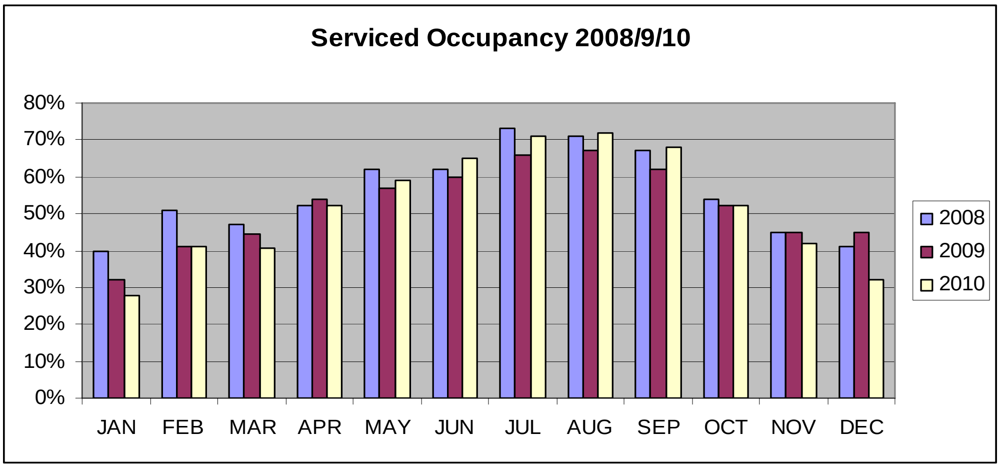
Serviced accommodation reported an improved year generally compared to 2009. Larger hotels were up by 1.5% on the year (STR global, Ltd). The revenue per available room (RevPAR) was down by 2.6% indicating that the improved occupancy had been as the result of some discounting. However, overall revenue was only down by 1.1%.

"Some positives and some negatives to take from 2010. Day delegate room hire suffered hugely from the government cut backs however the 24hour market was very successful with high speed rail links to Ashford. Our leisure market particularly tour groups from Holland and Germany performed well."

Deirdre Billing ,
General Manager, Ashford International

Smaller accommodation, such as B&B's and guest houses were only marginally down at 0.5% (www.ribos.co.uk/kent). Many reported that they would have been able to report a good year overall if it had not been for the heavy snow in December.

Smaller serviced accommodation



"In the 9 months of our financial year April to December inclusive we had exactly the same number of guests as 2009 with an increased income of 20% which indicates that our higher prices and the downturn in the economy have not affected our business at all. "

Simon Marston, Hononton Cottage

"We were much busier this summer than last summer, but November and certainly December were dead. All our bookings in December were cancelled due to the snow. Some people had paid deposits and I offered to carry forward the deposits to a future booking as a gesture of goodwill."

Lynn Mathias, Starborough Manor

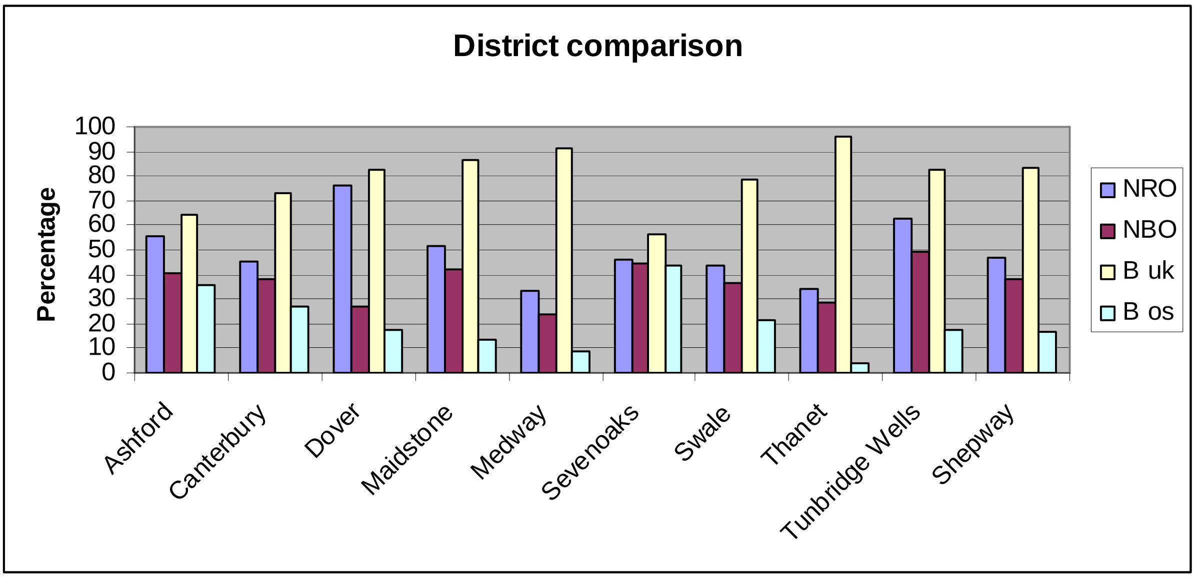
Comparison according to location

Large town occupancy was highest at 56%, then seaside at 49%, followed by small town at 47% and countryside/village location at 45%. UK residents tended to be more prevalent in seaside (92%) and small town locations (91%), with overseas visitors being more prevalent in large towns (20%) and countryside locations (33%).

Dover and Tunbridge Wells' Districts had the highest room occupancy in 2010. Sevenoaks and Tunbridge Wells had the highest bed room occupancy. Thanet and Medway attracted the highest UK bed space occupancy rate. Ashford and Sevenoaks had the highest overseas occupancy rate.

	% Room occupancy	% Bed occupancy	% bedspace UK	% bedspace Overseas
Ashford	55.35	40.55	64.52	35.48
Canterbury	44.92	37.98	72.90	27.10
Dover	76.02	27.14	82.61	17.39
Maidstone	51.86	41.76	86.49	13.51
Medway	33.49	23.44	91.57	8.43
Sevenoaks	46.24	44.38	56.37	43.63
Swale	43.85	36.28	78.50	21.50
Thanet	33.81	28.59	96.11	3.89
Tunbridge Wells	62.49	49.49	82.49	17.51
Shepway	46.74	37.91	83.72	16.28

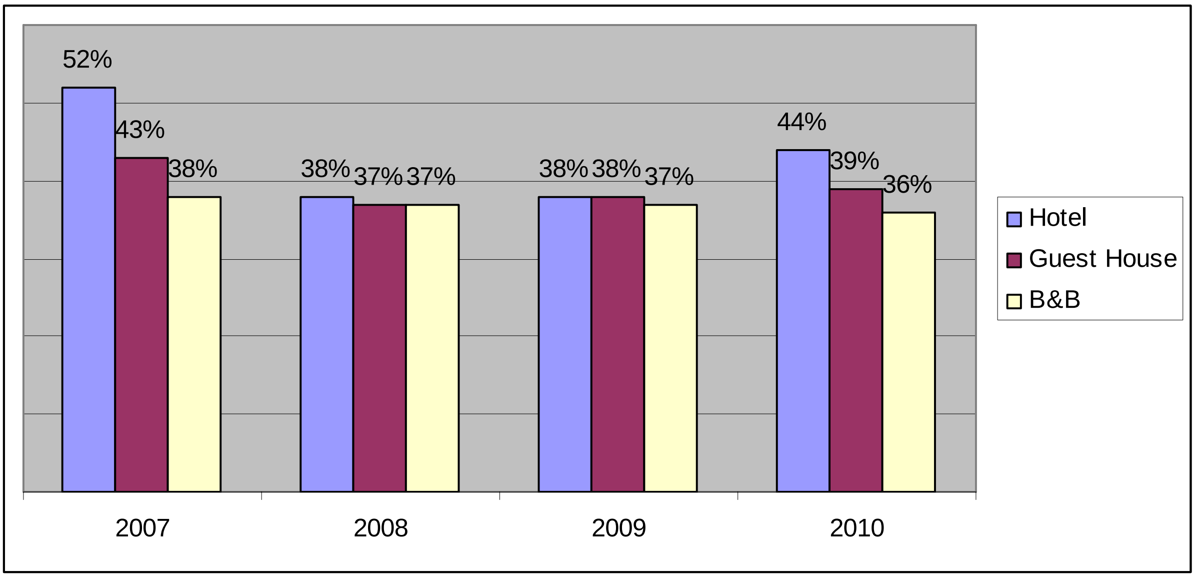
Comparison of Districts' occupancy levels in 2010



NRO = net room occupancy, NBO = net bed occupancy, B uk = bed space taken by UK residents, and B os = bed space used by overseas residents.

England Occupancy Survey Dec 2010

Accommodation occupancy nationally improved in 2010 compared to 2009 for hotels and guest houses, but still has not reached the 2007 peak. Kent performed particularly well in comparison to the national picture with Hotel occupancy (STR) 6% above the average at 50%, Guest House occupancy (RIBOS) 16% above the national average at 55%, and B&B occupancy (RIBOS) 4% above the national average at 40%. [Click here for full report]



Kent Conference Bureau

"2010 was expected to be a hard year in Business Tourism. Despite all the uncertainty, the Kent Conference Bureau (KCB) enquiry value increased three fold and also saw an increase of 50% in the number of confirmed business and event bookings.

KCB and conference venues across the County saw changes in the booking patterns in 2010, the enquiry lead time was shorter, there were fewer residential meetings and a lot of organisations started to use in-house resources, this however created space for new business to take place."

Kent Conference Bureau

Dawn Bowen
Conference Officer
Kent Conference Bureau

Web visits

The consumer website is often the first point of call for many visitors to Kent gathering information for their day trip or overnight stays. The site has continued to attract increased visitors and page views, and experienced a 27% rise in visits in 2010.

Consumer website

	Visits	Page views
2008	1,209,178	6,800,719
2009	1,685,246	11,461,355
2010	2,144,580	12,744,911
% change	**Up 27%**	**Up 11%**

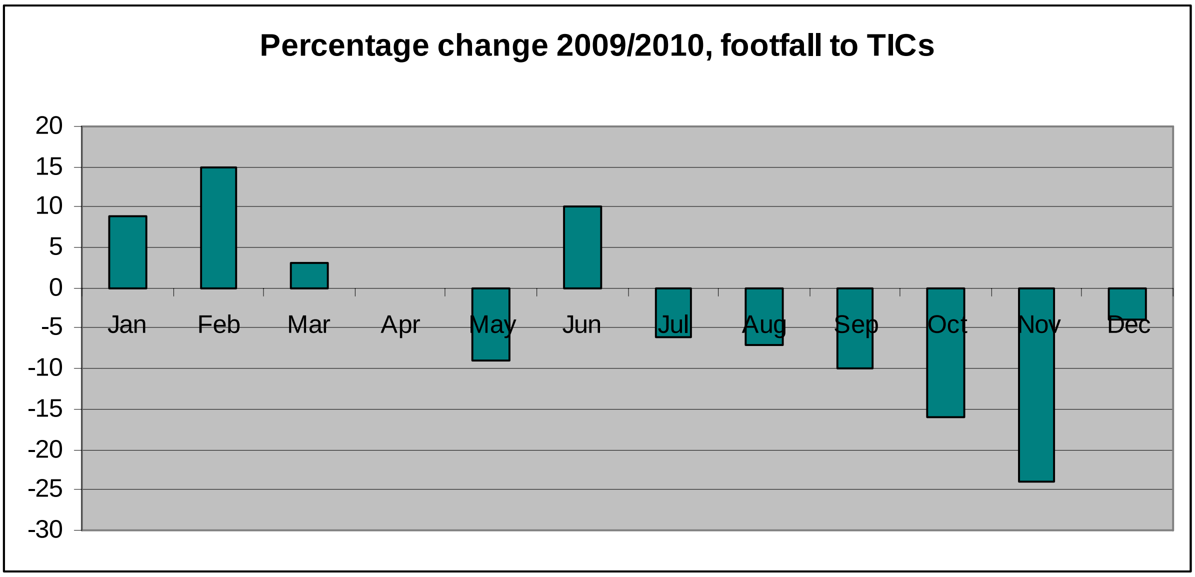
The B2B website is becoming well established as a source of information for businesses and journalists seeking statistics and information on Kent. A 10% increase in visitors to the site was recorded during 2010.

B2B website

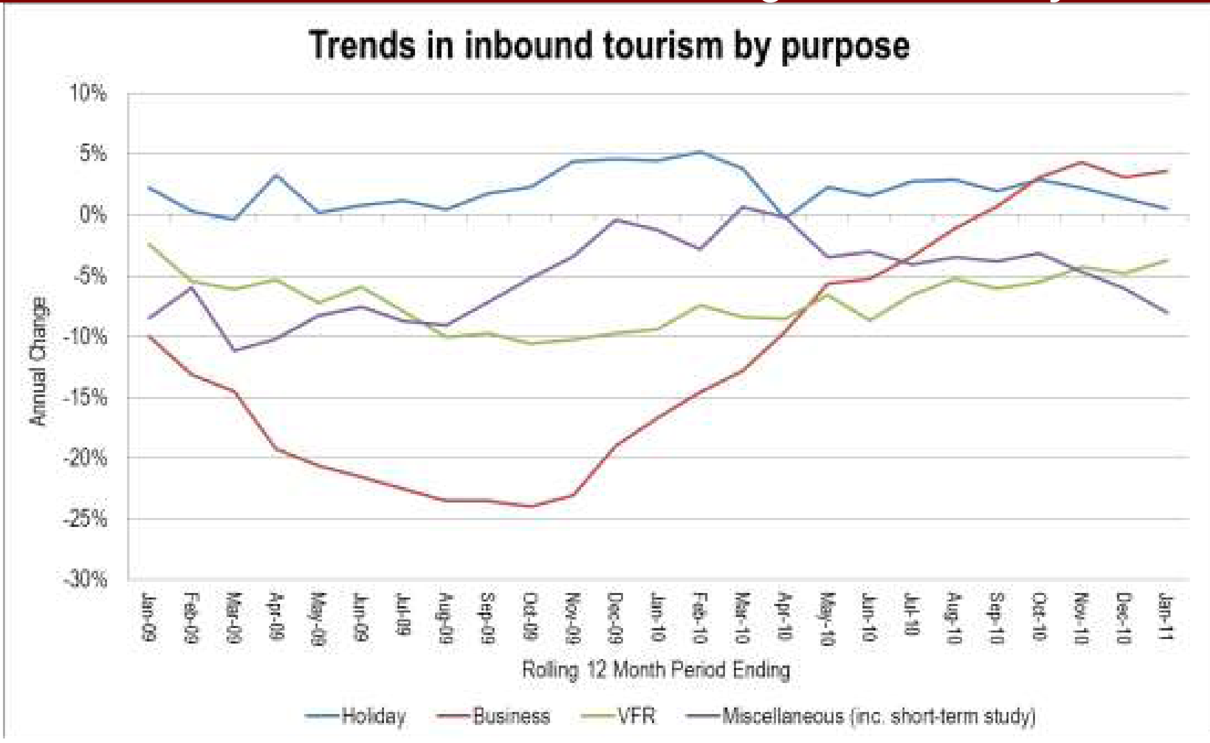
	Visits	Page views
2009	14,455	44,099
2010	15,866	47,141
% change	**Up 10%**	**Up 7%**

Tourist Information Centres

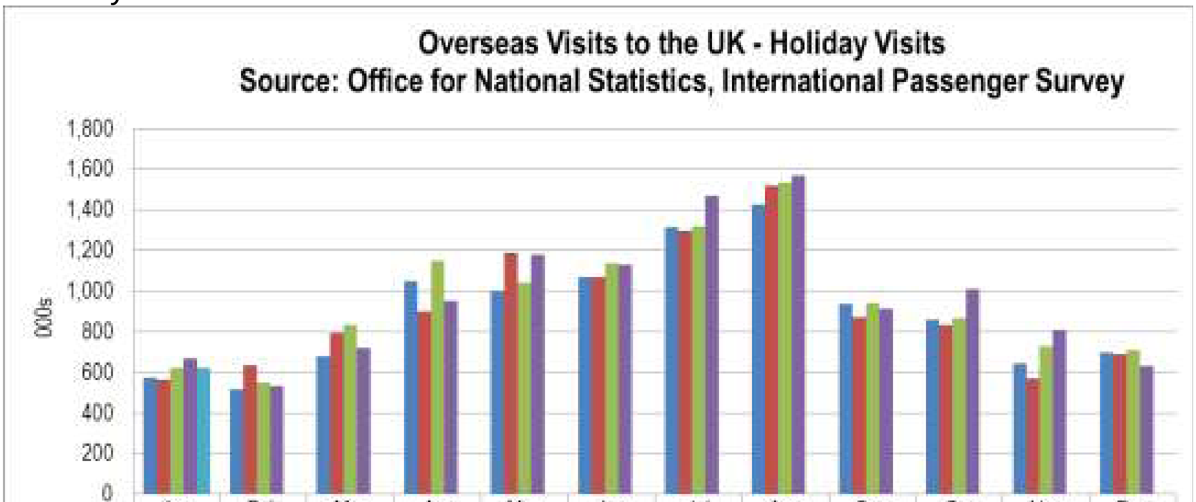
Due to the nature of TICs they are not directly comparable with each other, only with themselves over time. Each TIC has its own particular location, ownership, style of operation, and opening hours. Over the past year, several have changed structure. The chart below reflects the year on year comparisons 2009/2010 for the TICs but also shows the continuing fall of face-to-face visitors to the traditional style TIC as they find information through alternative means such as email and the Internet.



International Passenger Survey

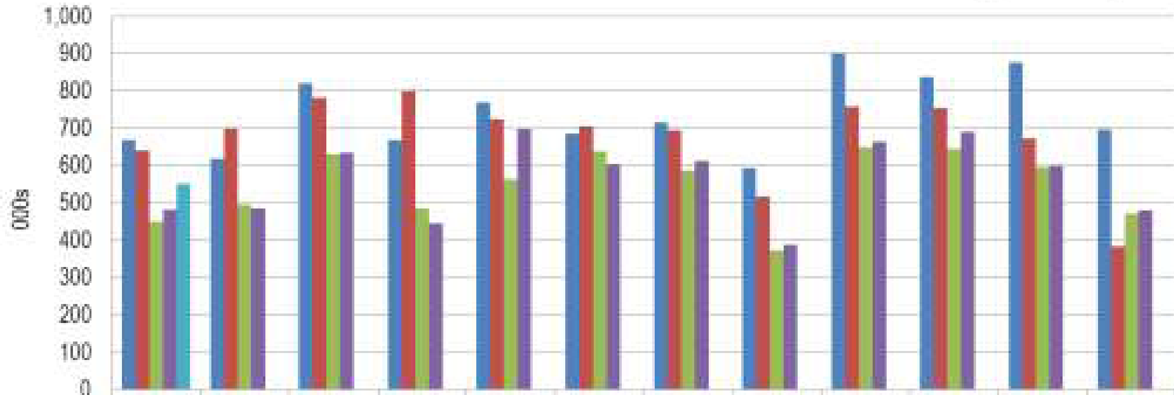


The charts and graph (source Visit Britain) shows the contrast between holiday and business visits to the UK – holiday and leisure tourism has been far more resilient to the economic downturn, showing modest growth over the last couple of years, whilst business visits have suffered a significant downturn, but have shown robust signs of recovery in recent months



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007	575	517	678	1,048	1,002	1,067	1,313	1,425	936	858	642	696
2008	561	636	795	899	1,188	1,069	1,294	1,518	869	834	568	691
2009	621	549	832	1,148	1,042	1,136	1,319	1,534	942	868	727	708
2010	668	533	720	950	1,180	1,130	1,469	1,568	913	1,010	810	630
2011	620											

Overseas Visits to the UK - Business Visits
Source: Office for National Statistics, International Passenger Survey

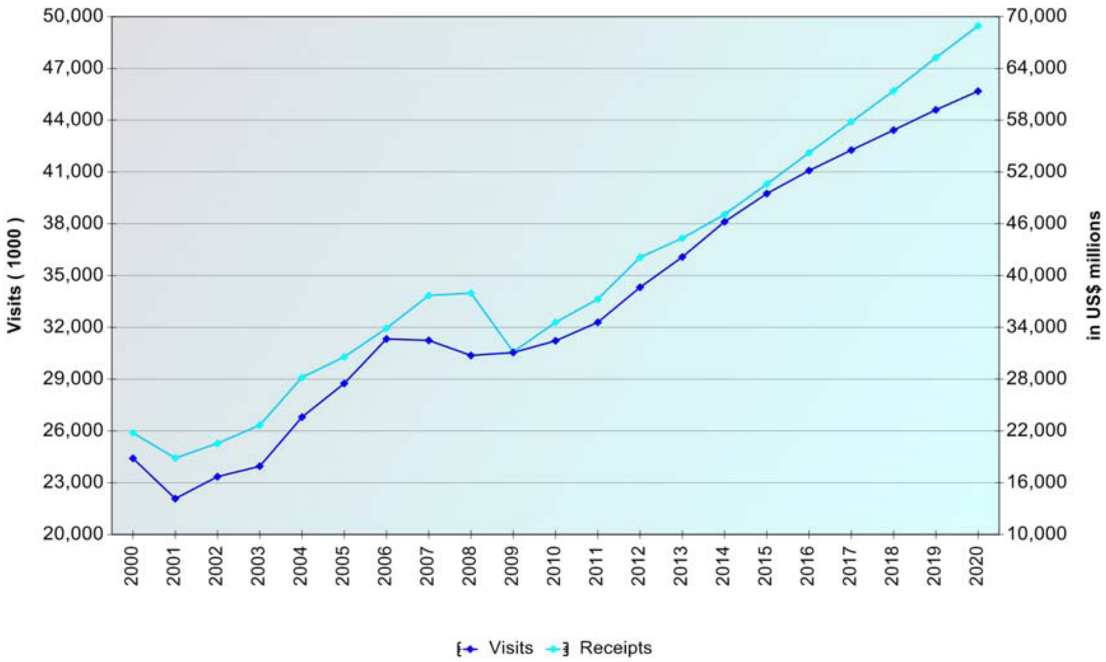


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007	669	618	820	667	768	685	715	593	901	837	875	696
2008	641	701	781	798	724	705	693	516	758	753	672	382
2009	450	495	629	486	564	637	587	373	648	644	596	471
2010	482	485	634	446	698	603	613	388	663	690	600	480
2011	550											

Forecasts for 2011 from VisitBritain

The following analysis is based on projections made by Tourism Economics. As with all forecasts these should be seen as subject to a margin of error; unforeseen events regularly influence tourism flows, be these social, political or economic events. More detailed forecasts for individual markets can be found in VisitBritain's Market and Trade Profile publications. That said the prospects for UK tourism according to these predictions remain very positive.

Forecast Inbound Tourism to the UK



VisitBritain forecast that the volume of inbound tourism in 2011 will be 30 million visits, with inbound visitors spending £17.2bn. These forecasts, which will be reviewed in May 2011, suggest that the number of inbound visits will increase by 1% with spending forecast to increase by 2% (before inflation, with Consumer Price Indices forecast to increase 2.5% next year).

Contacts

For comments or more information about the Business Barometer, or to participate in the 2011 surveys please contact Tracey Parker, Research Manager on 01227 812905 or on research@visitkent.co.uk.

To take part in the Visit Kent online occupancy survey for accommodation providers and obtain free and fast benchmarking data register at www.ribos.co.uk/kent . See details below.

Thank you

We would like to thank all participants in the Visit Kent Business Barometer. With your help we can provide key tourism intelligence to businesses in Kent. We are working together to make Kent more competitive.