



Visit Kent's Business Barometer - August 2008

Welcome to the August Business Barometer produced by Visit Kent's research team. Thank you to those who have contributed loyally to the figures for June, July and August which has allowed us to make some meaningful comparisons. We are consolidating our lists of contributors to identify our constant sample going forward, so if you still want to take part but have not yet submitted your data, please contact Tracey Parker on 01227 862792 as soon as possible.

Kent Headlines - Comparison August 2007/2008

Kent Attraction Visitor Numbers including retail	- Up 38%
Kent Attraction Visitor Numbers excluding retail	- Up 7%
Kent Serviced Accommodation Occupancy	- Down 4%
Kent Self Catering Unit Occupancy	- Down 2%
TIC Visitor Numbers	- Down 16%
Cross Channel Passengers Port of Dover	- Down 4%
Cross Channel Passengers Eurotunnel	- Up 4%

Weather August 2008 (Source 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. As can be seen, in August England overall had 52% more rainfall than average, and only 67% of the average amount of sunshine, with the temperature being slightly above normal for the time of year.

England Mean Temperature Series	0.8°C above the 1961-1990 average.
England Rainfall Series	152% of the 1961-1990 average.
England Sunshine Series	67% of the 1961-1990 average

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Attractions

Kent Visitor numbers

The Business Barometer enables Visit Kent to gather actual visitor figures from over 40 attractions, and so although this does not provide a total figure for Kent overall, it is a strong indicator of business performance overall for August in Kent. The figure below includes retail. If retail is excluded visitor numbers are still **7% up**.

Visitor numbers	August 2007	August 2008	% Change
	1,081,299	1,492,583	38% up

Quarterly results	2007	2008	% change
June	1,139,006	1,336,974	17% up
July	1,155,564	1,383,558	20% up
August	1,081,299	1,492,583	38% up
QUARTER	3,377,876	4,215,123	13% up

From this quarter's figures, it can be seen that the attractions overall had a good summer compared to 2007. The retailers also had excellent footfall. However, the attractions have had to deal with rising operational costs and this is likely to impact on overall profit margins.

Performance according to attraction type

Gardens	Historic Building Heritage Attraction	Museum	Transport attraction	Zoo/ Animal Attraction	Outdoor Activity water sports	Other
Up 12%	Up 12%	Up 2%	Up 2%	Up 5%	Down 14%	Up 11%

Performance according to attraction location

In a continuing trend this summer the urban attractions are faring better than the rural and coastal attractions. This may be due in part to the weather having more of a negative impact on coastal and rural attractions. It may also be part of visitors' cost cutting, where a number of attractions can be taken in on a day trip, with minimal travel between involved.

Coastal Up 6%	Rural Up 7%	Urban Up 9%
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Performance according to attraction cost

Understandably in a time of high costs and 'purse tightening', the free attractions have benefited more from the increase in visitors than the charging attractions.

Charging Up 7%	Free Up 36%
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Range of performance amongst attractions

- ◆ 17 attractions had less visitors than last year, and their drop in visitor numbers ranged from -1% to -80%.
- ◆ 2 attractions' visitor numbers were unchanged.
- ◆ 19 attractions had more visitors than last year, and their rise in visitor numbers ranged from 3% to 434%.

Reasons cited for increase in visitor numbers

August 2008 had five weekends, and 2007 only had four, so for the attractions that rely on weekend business, this year was better for this reason alone.

However, some attractions felt that their increases were down to a number of other factors including:

- ◆ Better advertising to increase awareness, or increased interest due to publicity
- ◆ Shows, events, festivals and exhibitions which were either new to the attraction, or more successful this year
- ◆ New facilities and product development
- ◆ A reduction in road works around the attraction
- ◆ Extended opening hours
- ◆ Increased numbers of functions
- ◆ Strong coach numbers
- ◆ Improvements to interpretation

Reasons cited for decrease in visitor numbers

All the businesses who cited reasons for decreases in visitor numbers cited external factors including cuts in funding from their main sources, reduced Eurostar services at Ashford, increased competition, people seeking best value for money, and the economy overall.

The fact that there were more weekends in August this year may hide a less positive picture for the attractions for August too as the months are not directly comparable. The outdoor and rural attractions in Kent in particular bore the brunt of the poor weather. The

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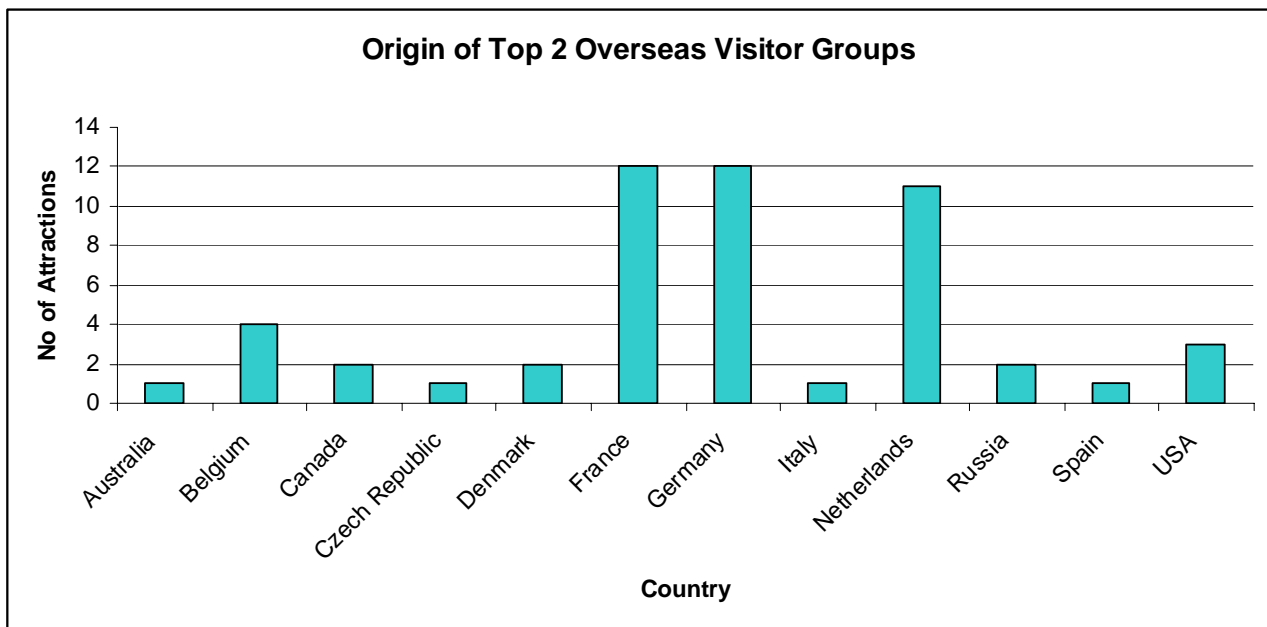
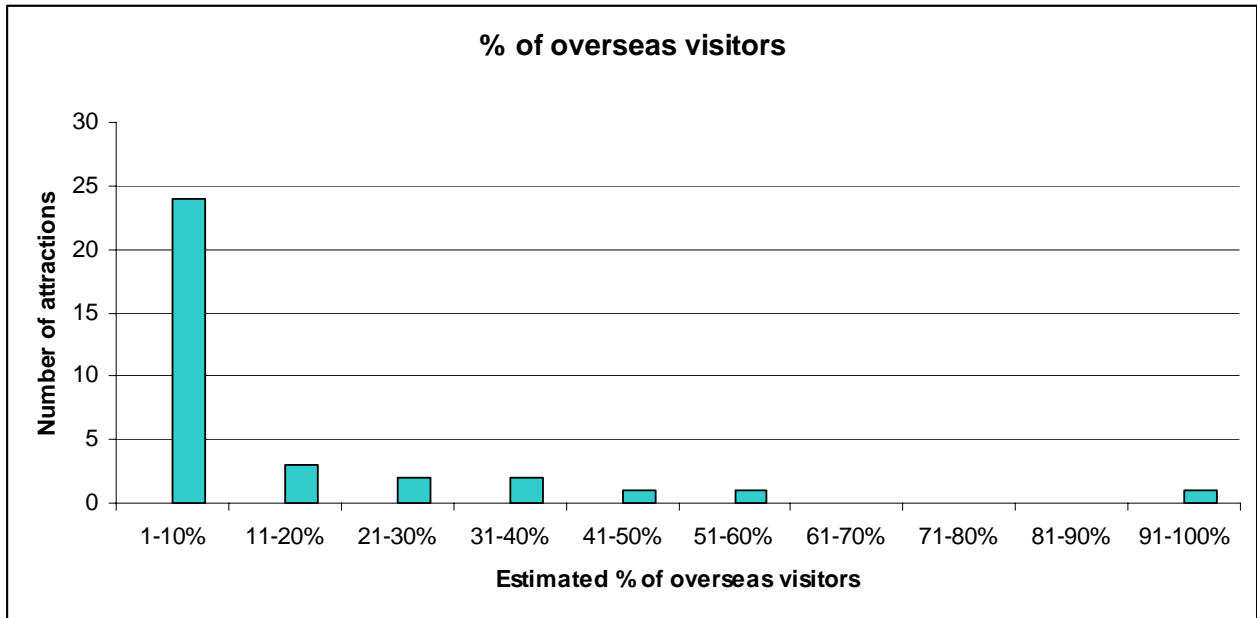
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industry overall also experienced a flurry of late bookings for overseas holidays by UK residents disillusioned with the weather.

Overseas visitors to attractions in August

Not all attractions record their overseas visitor numbers, and origins of those visitors, but of the 31 attractions of our sample that do record, their estimates are detailed below. Kent's most important markets are Germany, France and the Netherlands.



National Data on attractions (Source: Visit Britain)

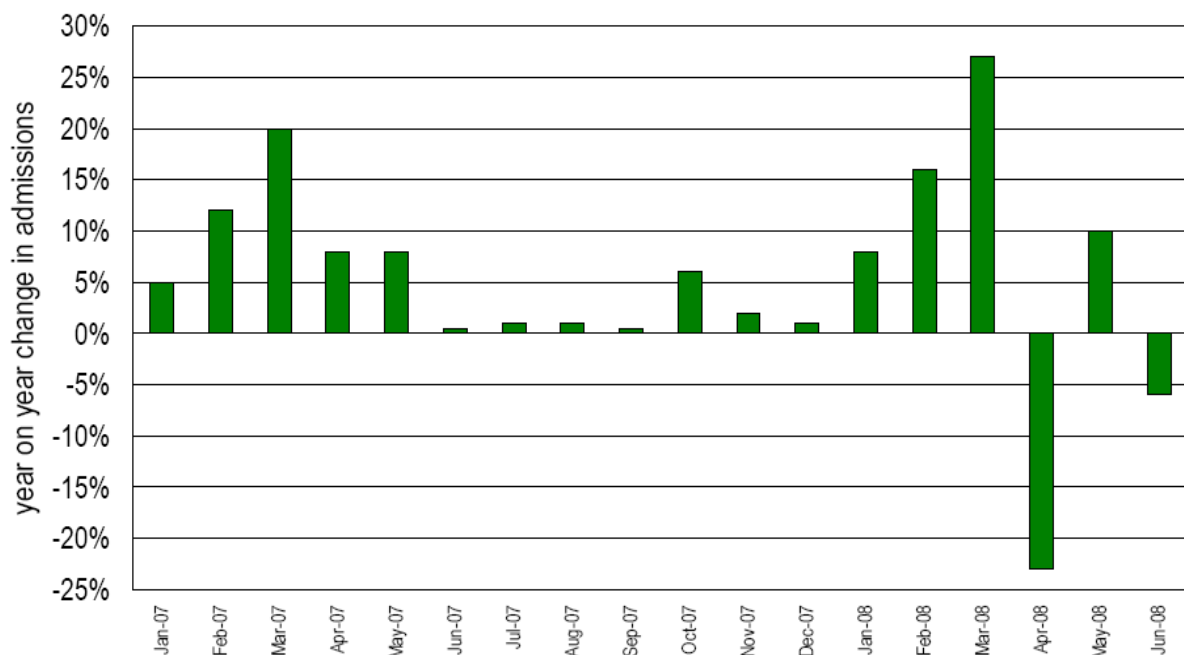
The Quarterly Attractions Monitor for July, August, September has not yet been published by Visit Britain and so we are not yet able to report on this. However, they have produced an overall assessment of the visits to visitor attractions in England and their report can be found in full by clicking on the link below, or going to www.tourismtrade.org.uk and clicking on Foresight.

http://www.tourismtrade.org.uk/Images/Foresight%20Issue%2060_tcm12-43904.pdf

The main points are quoted direct from Visit Britain's Insight.

"The following chart shows the month-by-month story for participating attractions in England over the past 18 months. In only two months, April and June 2008, has the survey found an annual decline in admissions, with the most likely explanation being the early Easter (falling in March 2008) and the onset of high fuel prices in June (especially over the weekend during which some tanker drivers took industrial action) deterring discretionary travel.

Visits to visitor attractions in England



All types of attractions seem to have had a good start to the year, and then have been hit by the early Easter break and split school holidays. However, the picture varies according to attraction location as can be seen in the chart below. It will be interesting to see how England compares to Kent when the July – September figures are available.

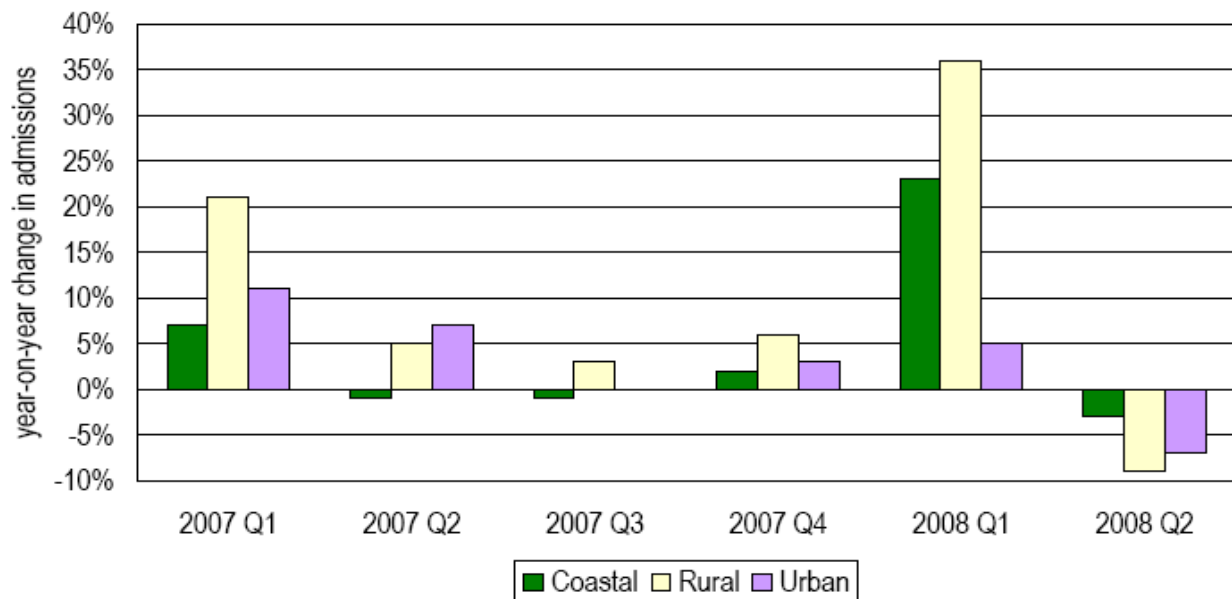
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Attraction location



Accommodation

Kent serviced accommodation occupancy data

Districts where the number of providers submitting information is still too small to analyse are not included in this table. The Districts with sufficient sample size, and their results, are detailed below.

District serviced accommodation	% room occupancy August 2007	% room occupancy August 2008	% change for month August	Length of stay August 2007	Length of stay August 2008	Change for month August
Canterbury	69.6	56.3	- 13.3%	2.0	2.2	+0.2
Dover	82.7	77.2	- 5.5%	1.5	1.4	-0.1
Maidstone	74.9	66.0	- 8.9%	1.9	1.4	-0.5
Sevenoaks	39.0	62.9	23.9%	2.6	2.3	-0.3
Shepway	60.6	52.7	- 7.9%	2.0	1.9	-0.1
Swale	61.4	63.6	2.2%	2.5	1.9	-0.6
Thanet	71.8	63.0	- 8.8%	3.0	2.3	-0.7
Tunbridge Wells	82.7	69.9	- 12.8%	3.1	2.4	0.7
Kent occupancy average overall		55.1	- 4%			

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The figures show that most Districts have had a drop in occupancy levels, except for Sevenoaks where an exceptionally poor August result last year has meant the % change for this year is more exaggerated. The overall fall in occupancy and length of stay is in keeping with the industry feedback from accommodation where many visitors seem to be taking day trips rather than staying overnight. Serviced accommodation has been hit harder than self catering, but both groups seem to be suffering.

Kent self catering occupancy data

The results for August 2008 are detailed below and show a better picture than the serviced accommodation with only a small drop in occupancy and length of stay.

Self-Catering occupancy comparison data August 2007/8

	Average Stay	Net unit occupancy	Average Party size	% UK residents	% Overseas residents
Average August 2007	8.4	74.6	3.3	64.4	35.6
Average August 2008	7.1	72.4	3.3	63.3	36.7
% change from 07/08	-1.3	-2.2	No change	-1.1%	+1.1%

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.

The occupancy figures from June 2008 have not yet been released; however, the UKTS for June shows that within England in June 2008 there were 8.7m domestic overnight trips, -2% less than in June 2007 while nights and expenditure increased by 2% and 10% respectively. UK residents made 1.5m fewer domestic trips in June 2008 than they did in June 2005 with the greatest decline seen between June 2006 and June 2007

Carrier News

Port of Dover Figures

AUGUST	2008	2007	% CHANGE
Passengers	932,257	972,189	Down 4.1%
Car	229,466	229,753	Down 0.1%
Coaches	4,298	4,937	Down 12.9%

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Eurotunnel Figures

Eurotunnel report that passenger numbers were up in August by 4%, due to an increased market share. Overseas visitors originate mainly from France and Benelux and make up 21% of the total. The September report will be able to identify how the recent fire has affected business.

National carrier news for August (Source: Visit Britain – Trends update)

In August BAA airports handled 1.7% fewer passengers than a year earlier; domestic traffic was down 6.5% and European scheduled traffic down by 0.2%, whereas North Atlantic traffic was up 1.3%, though long-haul traffic to/from other parts of the world was down 1.2%

Tourist Information Centres

Visitor numbers at Kent TICs - August 2008

This month we asked the TICs to submit their telephone, letter and email enquiry figures in addition to footfall, to give a more accurate picture. The visitor figures firstly are below showing that the Rural TIC sample was too small to analyse. However the coastal TICs seem to be faring better than the Urban TICs. This may be because urban areas are generally better known and more visited than coastal areas and so the visitors may have less information needs or find more available on the internet.

Visitor Numbers to

<u>TICs</u>	<u>% change 2007-8</u>
Coastal	Down 3%
Urban	Down 26%
Rural	Insufficient sample
Kent overall	Down 16%

Telephone Enquiries to

<u>TICs</u>	<u>% change 2007-8</u>
Coastal	Down 0.2%
Urban	Up 0.2%
Rural	Insufficient sample

Postal and Email Enquiries to

<u>TICs</u>	<u>% change 2007-8</u>
Coastal	Down 22%
Urban	Down 15%
Rural	Insufficient sample

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Nationality of TIC visitors

The TICs that provided information for this month and their results are detailed below:

August 2008	% Domestic Visitors	% Long Haul Visitors	% European Visitors
Medway VIC	70	5	25
Ashford	75	5	20
Broadstairs	95	1	4
Canterbury	65	5	30
Deal	90	2	8
Dover	51	25	24
Folkestone	95	1	4
Herne Bay	80	5	15
Maidstone	96	2	2
Margate	97	1	2
Ramsgate	97	1	2
Tonbridge	80	10	10
Royal Tunbridge Wells	60	20	20
Whitstable	75	5	20

Other News

Domestic Economic News update - Source: Trends Update – Issue 91 (8.10.08)

- UK consumer confidence remains weak but steady in September.
- UK service sector activity shrank at its fastest rate for more than 12 years in September according to the Chartered Institute for Purchasing and Supply, with hotels and restaurants said to be particularly hard hit.
- The British Chambers of Commerce says that results from its latest survey of 5,000 companies are 'exceptionally bad' and that UK unemployment may increase by 350,000 over the next year or so.

Tourism research Source Travelmole (Fearis, Oct 08)

1) Some new research from caravan insurance specialists Towergate Bakers reveals that 65% of Britons will be switching to cheap UK holidays over the next 12 months to beat the economic downturn. It claims operators and agents selling long haul and expensive package holidays overseas face a tough year ahead.

Towergate Bakers asked a representative sample of more than 2,000 people what sort of holidays they were planning for the year ahead in order to avoid getting further into debt. The most popular UK holiday choices were cottage holidays (26%), UK seaside town breaks (23%), caravan/caravan parks (20%) and camping (17%). Caravan holidays are

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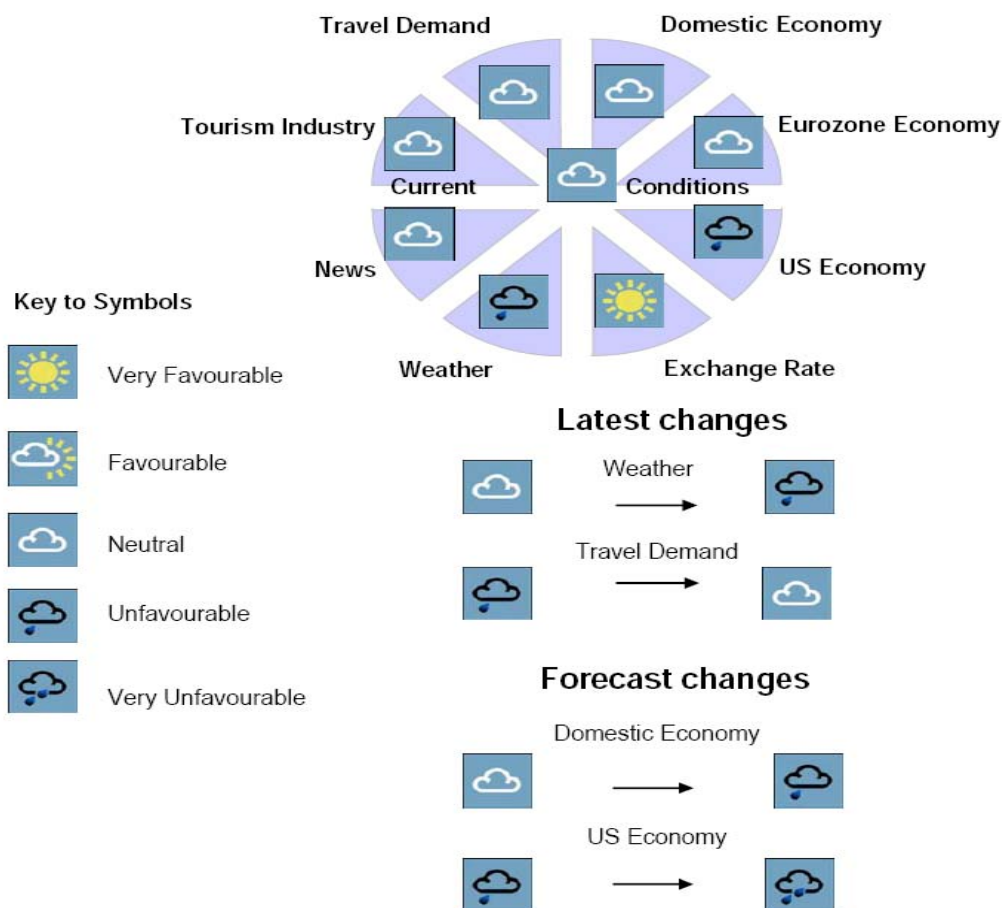
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the top choice UK break for couples or parents in their 30s (21%).

The seaside town revival is most prevalent among 20 and 30 year olds (27%). People from London are least likely to be attracted to the idea on spending their holiday in a tent or on a camp site (14%), preferring the comforts of a holiday cottage. Wales emerged as the new 2008-9 caravanning capital of the UK – with 24% of adults planning a caravan or caravan park break in the year ahead.

2) The rising price of flights has prompted 50% of Brits to change their travel plans this summer, according to a survey of 2,000 members of European travel portal, trivago.co.uk. The poll found that 10% flew less, 21% stayed at home and 4% did not make any long-distance trips.

Factors contributing to tourism trends in Britain, August 2008



Please feedback to Tracey Parker, Research Manager at Visit Kent, tracey.parker@visitkent.co.uk (01227) 862792 if you have any suggested improvements for the style or content of the Barometer.

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