Photos courtesy of Bedgebury Pinetum

Visit Kent's Business Barometer
October 2008

Welcome to the October Business Barometer produced by Visit Kent's research team. If you still want to take part but have not yet submitted your data, whether you are an accommodation provider, attraction, or carrier, please contact Tracey Parker on 01227 862792.

Kent Headlines – Comparison October 2007/2008

Kent Attraction Visitor Numbers	– Down 4%
Kent Serviced Accommodation Occupancy	- Up 5.4%
Kent Self Catering Unit Occupancy	- Up 10%
TIC Visitor Numbers	- Down 14%
Cross Channel Passengers Port of Dover	- Up 1%
Cross Channel Passengers Eurotunnel	- Down 20%

Please note that these figures reflect that Eurotunnel is still reduced to 1 tunnel due to the fire
Please also note that the attraction figures reflect a smaller sample due to the seasonality of some of the attractions.

Weather October 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. According to the BBC, in October, rainfall was well above average in England with some areas recording over double the average. The month contained periods of intense rainfall (and in some cases snowfall) combined with above average sunshine. Mean temperatures were below average, but Gravesend recorded a maximum temperature for England for the month of 22.9 °C on the 12th October.

England Mean Temperature Series	0.7 degrees below average
England Rainfall Series	123% of average rainfall
England Sunshine Series	132% of average sunshine

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Attractions

Kent visitor numbers

Due to the seasonality of tourism, the attractions able to contribute to the Business Barometer will reduce during the winter months. This month is 'out of season' for a number of our contributing attractions, and so the sample size is smaller at 31.

Visitor Numbers % change October 2007/8	Down 4%

Performance according to attraction type

The outdoor activity category had an insufficient sample, and so is not quoted this month. Museums and Zoos/Animal attractions seem to have fared the best this month.

Gardens	Historic Building Heritage Attraction	Museum	Tour/Transport attraction	Zoo/ Animal Attraction	Other
Down 3%	Down 4%	No change	Down 10%	Up 1%	Down 23%

Performance according to attraction location

The urban attractions have fared considerably worse than the rural attractions. The sample for coastal attractions was insufficient for analysis this month due to seasonal closures.

Coastal	Rural	Urban
Insufficient sample	Up 4%	Down 12%

Performance according to attraction cost

Free attractions experienced a better month than the charging attractions which is only to be expected in the current economic climate.

Charging	Free
Down 4%	Up 3%

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Range of performance amongst attractions overall

The range of performance ranged from 86% down, to 44% up, with coincidentally 13 businesses reporting a fall, one remaining the same, and 13 reporting a rise. October 2008 was also a five weekend month compared with October 2007, so this would have benefited those attractions whose main business is at weekends.

Reasons cited for increase in visitor numbers

The reasons cited by the attractions for any increase in visitor numbers are:

Additional functions business
Exhibitions
Good half term events
Good weather
Increased advertising & press releases.
October is very much end of season - if the weather is good it brings out families at weekends
Strong foreign coach market
Strong visitor numbers during half term
Value added events programme
Weak Pound against the Euro

Reasons cited for decrease in visitor numbers

The attractions experiencing a drop in visitors attributed this to:

Lack of groups and midweek visitors in the shoulder period
Lack of volunteers
Parking increases.
Poor offering for groups
Secondary spend is much lower than last year.
Shorter opening hours
Weather

Overseas visitors to attractions in October

The top three countries of origin for our visitors in October were 1st France, 2nd Germany and 3rd Netherlands. Other visitors came from Belgium, Canada, USA and Australia.

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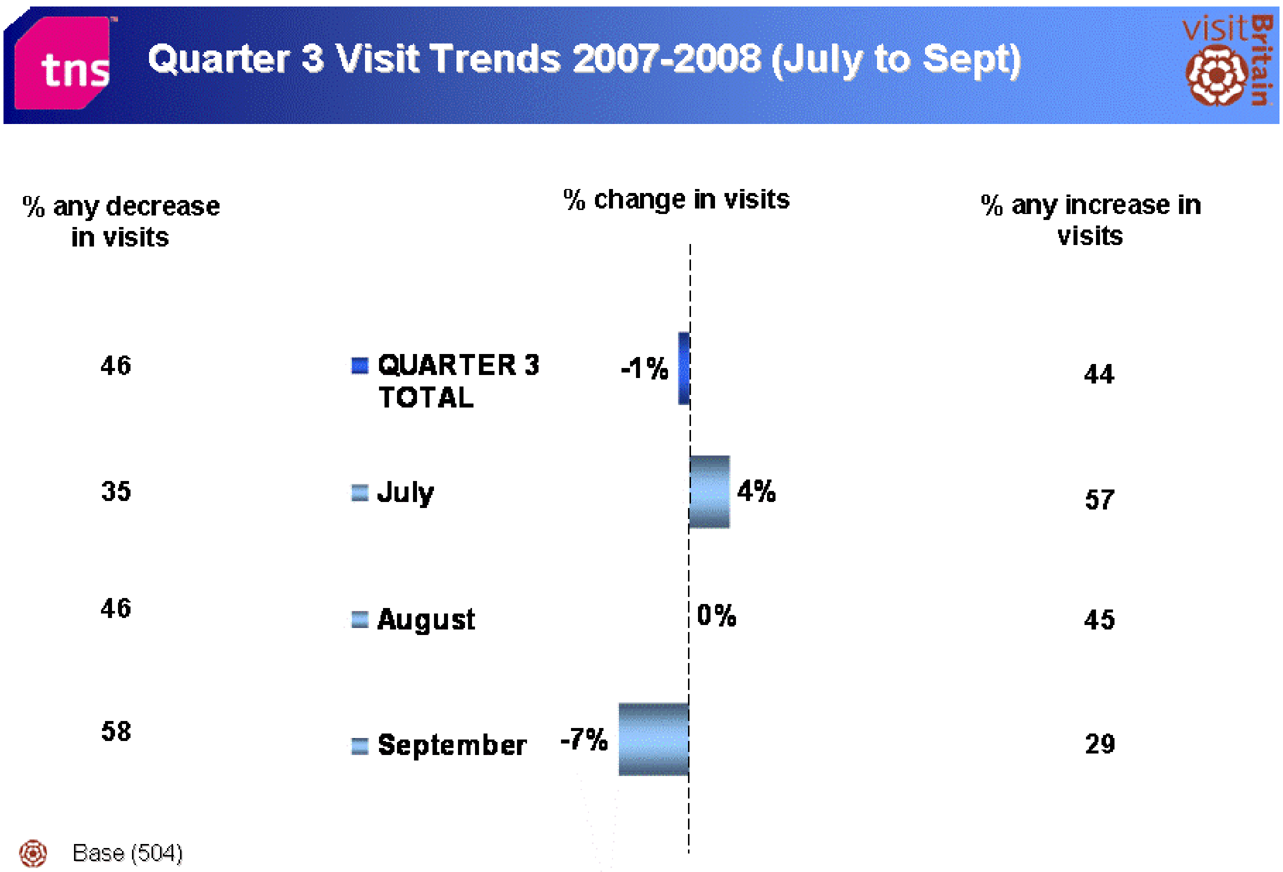
National Data on attractions (Source: Visit Britain)

The Quarterly Attractions Monitor for July, August, September has now been published by Visit Britain. It shows that across the 504 attractions nationally that submit their figures, overall a drop in visitor numbers of 1% was experienced in the third quarter.

As in Kent, the tourism attractions nationally did relatively well compared to other industries during the summer and nationally in July 57% of businesses reported an increase in visitor numbers. In August, 45% were still reporting a rise, but this dropped to 29% in September, when a 7% drop in visitor numbers overall was recorded. Coincidentally in September, attractions in Kent also reported a 7% drop.

	Kent Source Business Barometer	**England (Source Visit Britain)**
September	Down 7%	Down 7%



As far as the region is concerned, Kent has fared well for this quarter, but that may be due to its proximity to London and to Europe. Visit Britain report that in the South East July visitor numbers were down 3%, there was no change in August, and in September, figures were 7% down.

For the different attraction categories, the results from Visit Britain for the third quarter were as detailed below. Winners appear to be museums and art galleries, who were not so badly affected by the poor weather, and wildlife attractions/zoos. The current high profile of zoos and wildlife attractions on a number of television programmes may be helping their situation too.

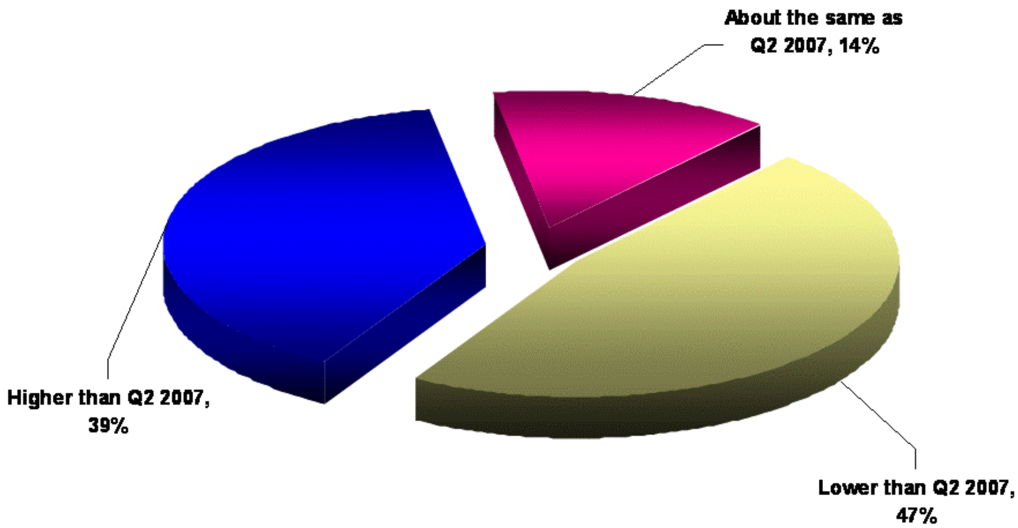
tns Quarter 3 Visit Trends 2007-2008 (July to Sept) –by attraction visit Britain

ATTRACTION CATEGORY	Jul change (%)	Aug change (%)	Sept change (%)	Total Quarter 3 % Change
Historic Houses/Castles (271)	11	-1	-11	**-1**
Other historic properties (29)	4	4	-6	**1**
Museums/Art Galleries (63)	7	14	-1	**8**
Gardens (43)	9	-10	-13	**-4**
Visitor/heritage centres (10)	5	-3	-23	**-5**
Wildlife attractions/zoos (20)	12	3	1	**5**
Others (68)	-4	-3	-5	**-4**
Total England (504)	**4**	**0**	**-7**	**-1**

The attractions' location was also an issue for some, with coastal attractions in particular doing poorly in September.

Location				
Coastal (26)	2	0	-18	**-4**
Rural (353)	11	-2	-9	**0**
Urban (125)	-3	1	-3	**-1**

Considering the current economic situation, the third quarter was surprisingly positive with 39% recording an increase in visitor numbers, and 14% reporting no change. However, 47% did experience a drop in numbers, and this is likely to continue into the winter months, the final quarter of 2008, and first quarter of 2009. Please be aware that the chart below is directly quoted from Visit Britain and contains an error. It should say Q3 for each section marker rather than Q2.



Business confidence seems to be higher for the larger attractions and for the free attractions. Nationally, as well as in Kent, the attractions who are more positive about the future and have experienced a better season tend to be those who have invested in the business, developed new events, or implemented improved marketing strategies. The figures below give an indication of the reasons for confidence levels of attractions with the first table showing negative factors and the second table, positive factors.

Negative factors affecting attractions in Quarter 3

	Quarter 3 %
Credit crunch/economic downturn	47
Weather	17
Visitor decline/competition/area declining	12
Increase in fuel prices	5
Advertising/marketing/PR	4
Facility decline/refurbishment/investment	3
Tourism/economic market changes	1
Other negative	1
ANY NEGATIVE	**61**

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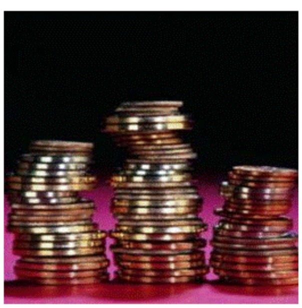
Positive factors affecting attractions in Quarter 3

	Quarter 3 %
Events/exhibition improvement	10
Visitor number trends improving	10
Advertising/marketing	6
'Free' Attraction	6
Better business organisation/practices/management	4
Christmas/festive period	4
Facility improvement/refurbishment/investment	3
Credit crunch/economic downturn	3
Publicity/PR	3
New facilities/shop etc increasing visitors	3
Increase in school/educational visits	2
Other positive	4
ANY POSITIVE	**39**

The economic situation is also understandably a key issue for many, and so this was dealt with by Visit Britain as a 'hot topic' for a second quarter.

Hot Topic: Credit Crunch

What impact, if any, do you see the current economic slowdown and credit crunch having on your visitor numbers for the rest of the year ?



Impact of economic slowdown on visitor numbers	Quarter 2 (Apr-Jun) %	Quarter 3 (Jul-Sept) %
No impact	9	18
Too early to tell	33	22
A major increase in admissions	1	1
A minor increase in admissions	7	9
A minor decrease in admissions	33	36
A major decrease in admissions	9	8
Don't know	8	6

Base (175)

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Accommodation

From the figures submitted to Tourism South East, October was a relatively strong month for accommodation in Kent, which may be due to UK residents taking their half term holidays domestically rather than overseas. Those districts where the sample was too small in 2007 have been noted accordingly, and for these a year on year comparison can not be given.

Kent serviced accommodation occupancy data in each District

District serviced accommodation	% room occupancy October 2007	% room occupancy October 2008	% change for month October		Length of stay Oct 2007	Length of stay Oct 2008	Change for month Oct
Ashford	Sample too small	54.4	n/a		Sample too small	1.4	n/a
Canterbury	61.0	57.3	3.7 down		2.2	1.7	0.5 down
Dover	58.2	60.5	2.3 up		1.4	1.4	No change
Maidstone	Sample too small	56.9	n/a		Sample too small	2.4	n/a
Medway	Sample too small	61.9	n/a		Sample too small	2.3	n/a
Sevenoaks	36.8	43.2	6.4 up		2.0	1.9	0.1 down
Shepway	46.6	42.6	4 down		1.6	2.1	0.5 up
Swale	20.6	62.8	42.2 up		2.1	2.9	0.8 up
Thanet	36.6	39.0	2.4 up		1.7	1.9	0.2 up
Tunbridge Wells	39.9	47.6	7.7 up		1.6	1.7	0.1 up
Kent occupancy average overall	47.5	52.9	5.4 up		1.9	1.9	No change

However, from the accommodation statistics provided to us by Tourism South East, it would appear that there has been a dramatic increase in the percentage of overseas guests at Kent serviced accommodation this season overall. The table below shows the comparative month's data from 2007 and 2008, and shows how this year seems to have seen a strong rise in overseas visitors taking advantage of the weak Pound.

In January, there was an increase of 4.9% followed by two months of little change, then in April, after the poor weather around Easter, the occupancy dropped as overseas visitors went elsewhere to find better weather. Then from May, as the Credit Crunch started to bite, and exchange rates turned in favour of the Euro, occupancy by overseas visitors increased from between 7% and 16% during the main season. This situation has continued into the autumn.

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Percentage of overseas visitors to serviced accommodation in October

	% overseas visitors 2007	% overseas visitors 2008	% change
January	3.5	8.4	Up 4.9
February	5.5	4.0	Down 1.5
March	5.0	4.8	Down 0.2
April	8.5	5.2	Down 3.3
May	6.9	20.9	Up 14
June	8.1	24.3	Up 16.2
July	10.7	17.5	Up 6.8
August	6.0	20.1	Up 14.1
September	9.0	14.7	Up 5.7
October	6.5	14.5	Up 8

Kent self catering occupancy data

The picture for self catering accommodation is slightly different, with net unit occupancy up 10%, but mainly UK residents. This may indicate the continuing trend for UK residents to stay in less 'serviced' accommodation, or lower graded accommodation to save on costs. The net unit occupancy is up by 10% which is beneficial for the accommodation provider. Overseas visitors may find the beneficial exchange rate means that they can stay in higher graded accommodation, and so are seeking out bargains in the serviced sector.

Self-Catering occupancy comparison data October 2007/8

	Average Stay	Net unit occupancy	Average Party size	% UK residents	% Overseas residents
Average October 2007	**7.0**	**65.4**	**2.5**	**61.8**	**38.2**
Average October 2008	**6.9**	**75.4**	**2.6**	**64.0**	**36.0**
Change from 07/08	**Down 0.1**	**Up 10%**	**Up 0.1**	**Up 2.2%**	**Down 2.2%**

National accommodation data
Source: Visit Britain, UK Occupancy Survey

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.

Since the September Business Barometer, the serviced occupancy figures from August 2008 and September 2008 have been released by Visit Britain as collated by the United Kingdom Occupancy survey. The results are as follows:

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Table 1: Occupancy Levels: August 2006 – 2008	Bedspace occupancy %			Room occupancy %			*Sample size*		
	2006	2007	2008	2006	2007	2008	*2006*	*2007*	*2008*
England	60	65	59	71	73	70	*792*	*927*	*1303*
Northern Ireland	51	54	54	66	72	69	*203*	*185*	*195*
Scotland	67	69	65	79	80	77	*449*	*404*	*394*
Wales	61	59	55	72	70	67	*229*	*200*	*184*
UK	61	65	59	72	74	71	*1673*	*1716*	*2076*

- UK bed space occupancy in August 2008 was 59%, 6 percentage points lower than in August 2007. At 71%, room occupancy was 3 percentage points lower than in August 2007.
- In Kent serviced accommodation room occupancy was down 4% in August which is comparable to the national figure of 3%.
- When compared with August 2007, UK occupancy levels in bed and breakfast establishments rose while those in hotel and guest houses fell.
- In Kent, this ties in with the move of guests to lower categories of grading, or self catering accommodation in August.

Table 1: Occupancy Levels: September 2006 – 2008	Bedspace occupancy %			Room occupancy %			*Sample size*		
	2006	2007	2008	2006	2007	2008	*2006*	*2007*	*2008*
England	57	56	50	74	71	69	*799*	*800*	*1280*
Northern Ireland	45	47	44	65	70	63	*213*	*177*	*184*
Scotland	57	58	53	73	74	70	*451*	*395*	*394*
Wales	54	51	47	69	66	62	*223*	*197*	*181*
UK	57	56	50	73	71	69	*1686*	*1569*	*2039*

- UK bed space occupancy in September 2008 was 50%, 6 percentage points lower than in September 2007. At 69%, room occupancy was 2 percentage points lower than in September 2007.
- In Kent, we compared favourably with these figures, in that our serviced accommodation room occupancy only fell by 0.3% compared with 2% nationally.
- When compared with September 2007, national occupancy levels fell in all size categories, with the greatest fall (of 15 percentage points) being in bed space occupancy in the largest establishments.
- With the exception of room occupancy in small town locations (which rose by 1 percentage point) occupancy levels fell in all locations with the greatest fall (of 10 percentage points for bed space occupancy) being in city/large town locations.

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The national results differ to the Kent results in the sense that other areas do not seem to be benefiting from the overseas visitors to the same extent as Kent. This could be due to our proximity to mainland Europe, which enables and facilitates short breaks by sea, car and rail.

- In August in England, the average percentage of non UK guests dropped from 13% in 2007, to 12% in 2008.
- In September in England, the average percentage of non UK guests stayed constant at 11% between 2007 and 2008.

Carrier News

Port of Dover Figures

OCTOBER	2008	2007	% CHANGE
Passengers	559,728	552,599	Up 1.3%
Car	110,101	109,298	Up 0.7%
Coaches	4,042	3,754	Up 7.7%

As can be seen from these figures, the coach market is strong in October and may reflect increased organised visits from nearby mainland Europe, in particular the German coach market.

Eurotunnel Figures

Due to the incident of fire in the tunnel during September, the passenger figures continued to be down 20% during October with one tunnel still out of action. Eurotunnel expect to reopen fully by February 2009. The main sources of cross channel traffic in October, through Eurotunnel, other than UK passengers were France and Belgium. Eurotunnel estimated about 20% of passengers overall were from overseas.

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

- British Airways carried 6.5% fewer passengers in October than a year earlier.
- The volume of car traffic in Great Britain declined at an annual rate of 2.4% in the period July to September.
- The number of long-distance rail journeys undertaken in Britain in the period April to June 2008 was 5% up on a year earlier.

Tourist Information Centres

Visitor numbers at Kent TICs – October 2008

For the TIC's October was a difficult month, with footfall down by 14% overall, telephone enquiries down by 47% and Postal and Email enquiries down by 29%. The combined effects of the economic downturn and visitor's increased use of the internet for independently acquiring information, has meant that many TICs have suffered. Coastal

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TICs have fared the best with an overall 5% increase in their footfall during October, and those that did particularly well are Margate, Sandwich and Herne Bay. In a couple of TICs visitor where numbers were down, spend within the TIC was up due to changes in stock, or additional visitor's services.

Visitor Numbers to

TICs	% change 2007-8
Coastal	5%
Urban	-21%
Rural	Insufficient sample size
Kent overall	-14%

Telephone Enquiries to

TICs	% change 2007-8
Coastal	-15%
Urban	-57%
Rural	Insufficient sample size
Kent	-47%

Postal and Email Enquiries to

TICs	% change 2007-8
Coastal	-20%
Urban	-35%
Rural	Insufficient sample size
Kent	-29%

Nationality of TIC visitors

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

October 2008	% Domestic Visitors	% Long Haul Visitors	% European Visitors
Ashford	85	3	12
Canterbury	80	5	15
Deal	90	3	7
Dover	52	18	30
Folkestone	96	1	3
Gravesend	95	3	2
Herne Bay	90	2	8
Maidstone	97	2	1
Medway VIC	75	5	20
Royal Tunbridge Wells	55	25	20
Sandwich	90	3	7
Whitstable	90	2	8

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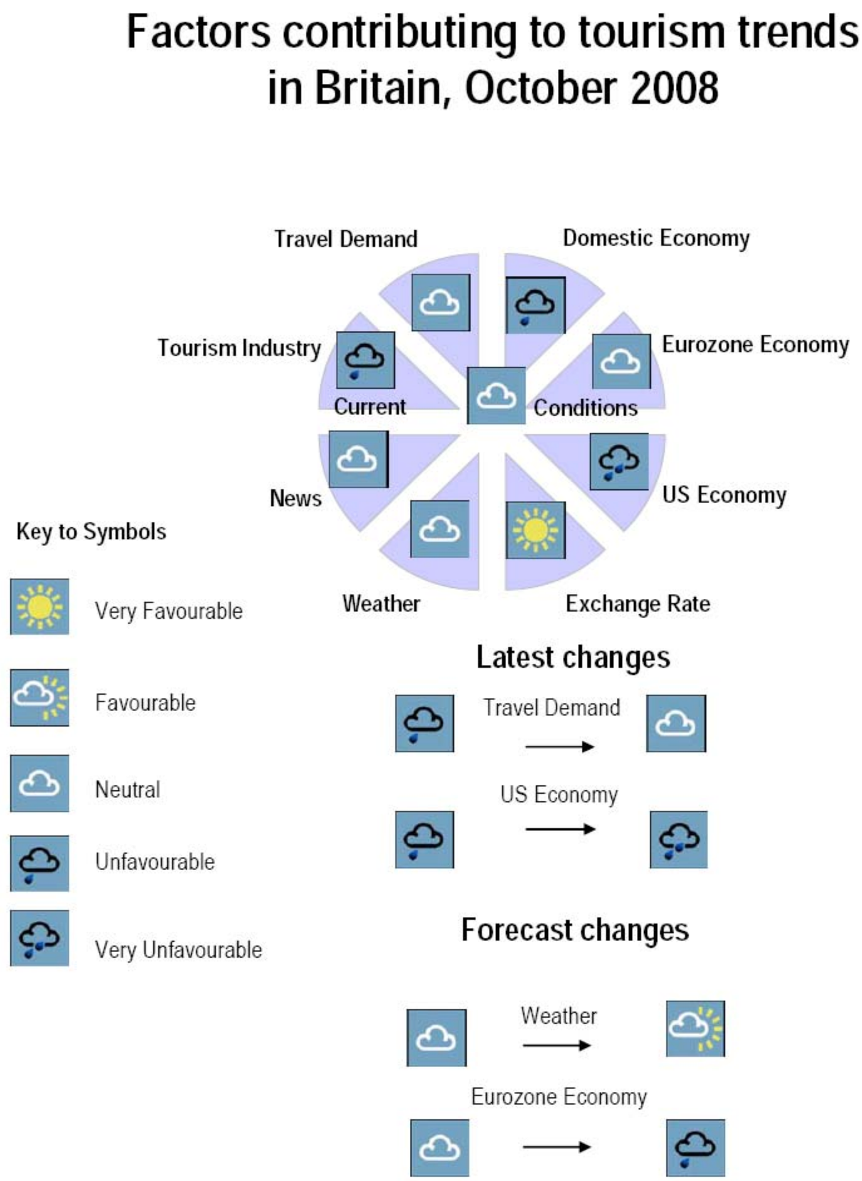
Other News – B2B website is launched!

Our new B2B website is now up and running and can be found at www.visitkentbusiness.co.uk. This replaces www.ktanet.co.uk with immediate effect. The new site comprehensively covers the areas of activity of Visit Kent, and provides up to date contact details for the team to support tourism businesses in Kent.

The Business Barometer headlines each month are displayed on the home page, with a click through button (shaped as a Barometer) for the full details. All our other published research can be found in the Research and Development section.



The November issue of the Business Barometer, due to Christmas closure, will be available in mid January. Please send in your November figures as soon as they are ready to enable a prompt turnaround on the next issue.

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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