Photos courtesy of Bedgebury Pinetum

Visit Kent's Business Barometer
September 2008

Welcome to the September Business Barometer produced by Visit Kent's research team. Although we now have our ongoing attractions sample, we are still a little short on accommodation and carrier contributors both to Tourism South East and to our Confidence Survey. 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 September 2007/2008

Kent Attraction Visitor Numbers	– Down 7%
Kent Serviced Accommodation Occupancy	- Down 0.3%
Kent Self Catering Unit Occupancy	- Up 15%
TIC Visitor Numbers	- Down 4%
Cross Channel Passengers Port of Dover	- Up 3%
Cross Channel Passengers Eurotunnel	- Down 53%

(Please note that the Eurotunnel figures reflect the loss of business due to the tunnel fire)

Weather September 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. In September temperatures in England were average for the time of year, but there was 35% more rainfall than average, and only 67% of the average amount of sunshine. September was described by the BBC as 'unsettled and wet through the first half of the month but much drier and brighter through the second half'.

England Mean Temperature Series	0.1°C above the 1961-1990 average.
England Rainfall Series	135% 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 September in Kent.

Visitor numbers	September 2007	September 2008	% Change
	286,005	266,463	Down 7%

It would seem that the Credit Crunch and economic climate generally have finally begun to affect visitor behaviour. September is traditionally the month when children return to school, and so their entertainment is no longer a priority for parents. It is also believed that visits to attractions generally are less of a priority in the current climate, and more visitors may be saving up for the main holiday at the expense of the day trip.

September was a four weekend month this year compared to last year where it contained five weekends, so where August benefited, September lost out by comparison. The weather has still not been conducive to outdoor activity either and so many may have been affected by this, although it did improve towards the end of September when some attractions reported a rise in numbers.

Specific reasons for changes in numbers, cited by the attractions themselves, are at the end of this section.

Performance according to attraction type

Gardens	Historic Building Heritage Attraction	Museum	Tour/Transport attraction	Zoo/ Animal Attraction	Outdoor Activity water sports	Other
Down 59%	Down 5%	Down 12%	Down 20%	Up 8%	Down 9%	Down 23%

Note that the Tours that marked themselves in the 'other' category have been added this month to the Transport attractions to make a more meaningful category. This is because the type of transport attractions who submit data could also be described as tours.

Performance according to attraction location

September was not a good month for any location, but urban attractions in particular suffered. The better weather at the end of the month may have encouraged people to

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travel into the rural areas to visit which may have also been helped by the reduction in fuel costs.

Coastal	Rural	Urban
Down 5%	Down 2%	Down 11%

Performance according to attraction cost

There was a considerable difference between charging and free attractions, with free attractions faring badly this month. In the free category, there are 10 attractions, and the percentage change varied from 89% down to 33% up for the year on year comparison. However, all but two attractions were down in the free category. The attractions tended to be museum type attractions in this group.

Charging	Free
Down 4%	Down 42%

In the charging category, results ranged from 64% down to 294% up. 16 attractions were up, and 12 were down which is a more positive picture.

Range of performance amongst attractions overall

- 20 attractions were down on visitor numbers ranging from 4% down to 89% down
- 19 attractions were up on visitor numbers ranging from 3% up to 294% up
- 2 attractions have only been able to submit 2008 figures

Reasons cited for increase in visitor numbers

Attractions that had increases in their visitor numbers felt that these were as a result of a number of factors including:

- Increased public awareness
- More advertising and publicity
- Better facilities
- New events
- Restoration in progress which interests visitors
- Good weather
- Good exchange rate
- Weather not good enough for the beach but satisfactory for the urban/rural attractions
- Additional guides and interpretation
- More consistent, or extended opening hours
- More people holidaying in the UK

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- More volunteers
- Growth in coach market
- Customers seeking less costly activities
- More students

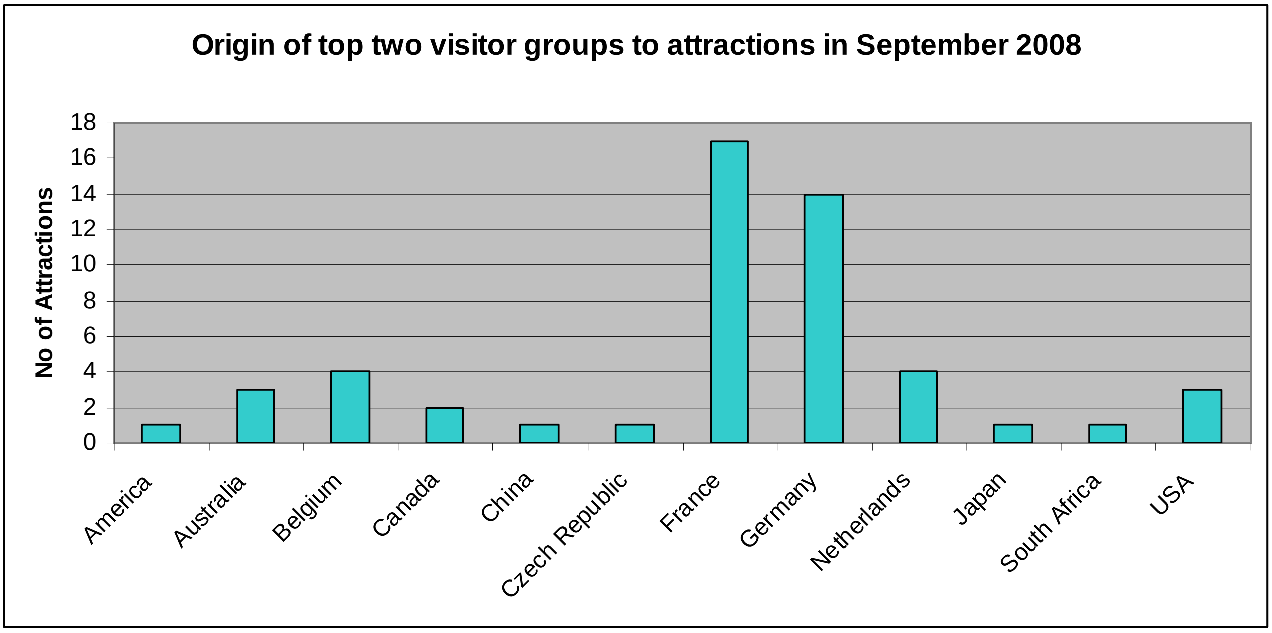
Reasons cited for decrease in visitor numbers

September 2008 had four weekends, and 2007 had five, so for the attractions that rely on weekend business, this year was worse for this reason alone. One attraction noticed an increase in visitors at the weekend, but a falling away of mid week visitors, resulting in an overall decrease. Other reasons for decreases in visitor numbers include:

- Increases in costs and therefore prices
- Downturn in economy
- Part closures for repairs, restoration or maintenance
- Poor public transport
- Problems with suppliers
- Lack of secondary spend
- Competition
- Poor Eurostar service at Ashford
- Price of petrol
- Threat of closure
- Attraction is comparatively expensive to others nearby

Overseas visitors to attractions in August

Not all attractions record their overseas visitor numbers, and origins of those visitors, but of the 30 attractions of our sample that did record, their estimates are detailed below. Kent's most important markets continue to be France, Germany, and the Netherlands, but in September, the Dutch visitors tailed off compared to previous months.



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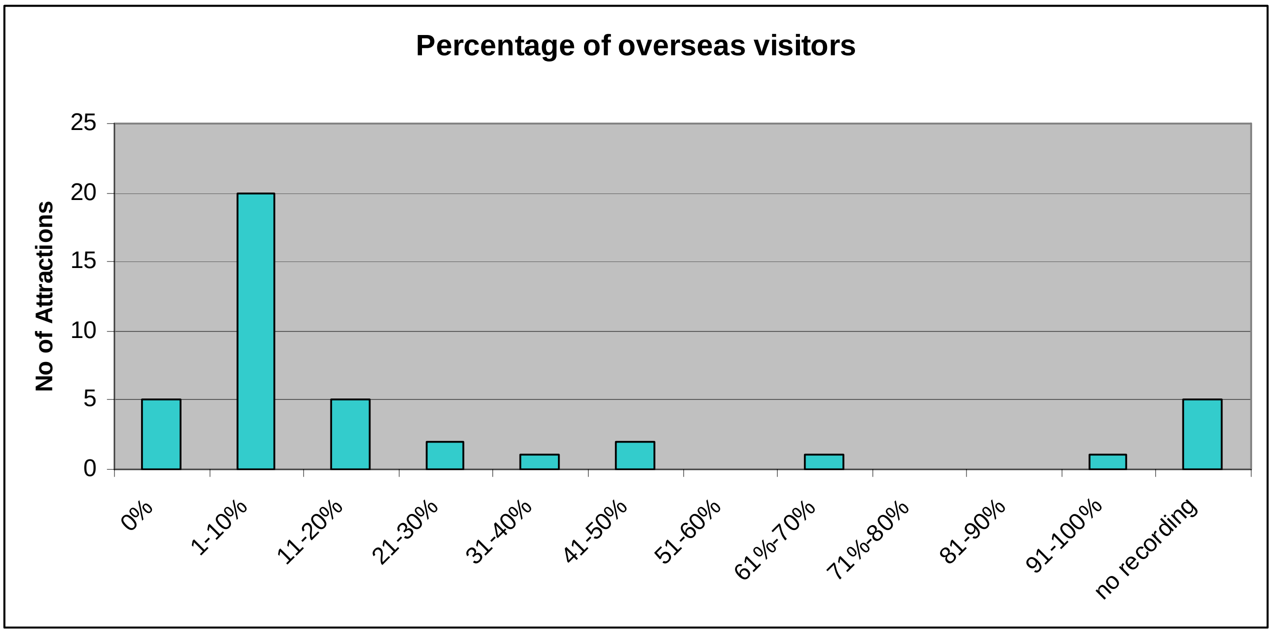

The majority of the attractions that submit to the Business Barometer estimate the proportion of their visitors who come from overseas. This is only an estimate, but gives an idea of the extent attractions rely on either domestic visitors, or overseas visitors. The measurements tend to come from simple manual recordings or tallies by staff at ticket booths or visitor centres.

Confidence

The survey this month contained the quarterly confidence survey questions.

Business performance compared with last year

The attractions in Kent seem to have had a quite a mixed year to September, with coastal attractions reporting the poorest performance compared with last year. Overall 56% of businesses felt their business had been the same or better than last year.

Location	Business Up	Business Same	Business Down
Rural	47%	32%	21%
Urban	45%	10%	45%
Coastal	33%	0%	66%
Overall	42%	14%	44%

Expectations for the next quarter

Expectations are also a mixed picture as coastal attractions are more pessimistic about the future than the other locations. However, overall it is still pleasing to see that many businesses (54%) still feel positive about the future, or expect business to remain the same in spite of the serious economic conditions we are all facing.

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Location	Expectations Up	Expectations Same	Expectations Down
Rural	47%	32%	21%
Urban	35%	15%	50%
Coastal	33%	0%	66%
Overall	38%	16%	46%

Coach Market to attractions

In September 2008, the coach market overall seemed to have been holding up for the year as it was felt to be up by 33% of attractions, the same in 45% and down in the other 22% of attractions. Analysed on a location basis the results are as follows and reveal a different picture for some locations.

Location	Coach Market Up	Coach Market Same	Coach Market Down
Rural	37%	42%	21%
Urban	35%	45%	20%
Coastal	0%	67%	33%

The rural and urban attractions are much more confident about their coach market, and feel it to be at least the same or up on last year. However, none of the coastal attractions felt confident about the coach market, and 33% believed it to be down on last year.

Industry concerns - attractions

Nearly all attractions submitting data in Kent stated that the UK economic conditions were an issue for them along with some reporting rising costs and overheads as a concern.

Top three concerns for attractions overall
1. UK Economic Climate
2. Strength of the pound/exchange rates
3. Weather

National Data on attractions (Source: Visit Britain)

The Quarterly Attractions Monitor for July, August, September has not yet been published on the site by Visit Britain and so we are not yet able to report on attractions specifically. However, there is more recent data from the International Passenger Survey (Source Visit Britain), which shows an erratic start to 2008. The two charts below give an indication of the movement patterns of UK Residents and how domestic tourism fared for the first 7 months of this year. The year begins with a strong Jan-March period of domestic tourism. Then in April with the poor Easter weather and split Easter break for schools, there is a surge of trips abroad and a drop in domestic tourism. May was a better month, but June and July were slightly down on last year for overnight trips. This ties in with the

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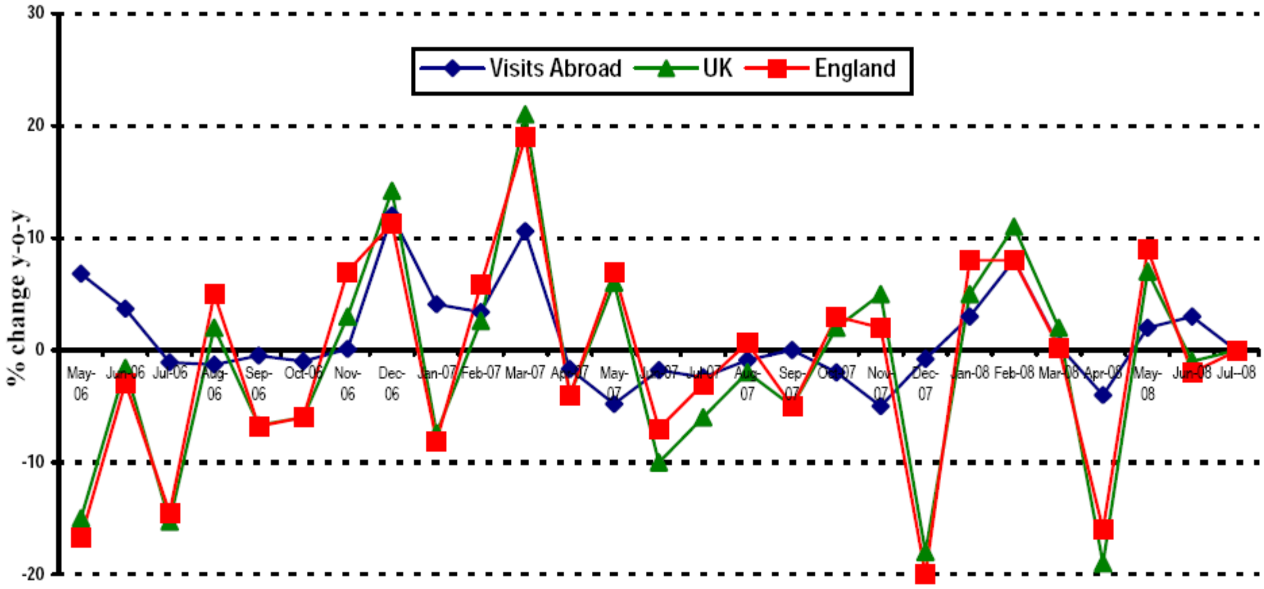
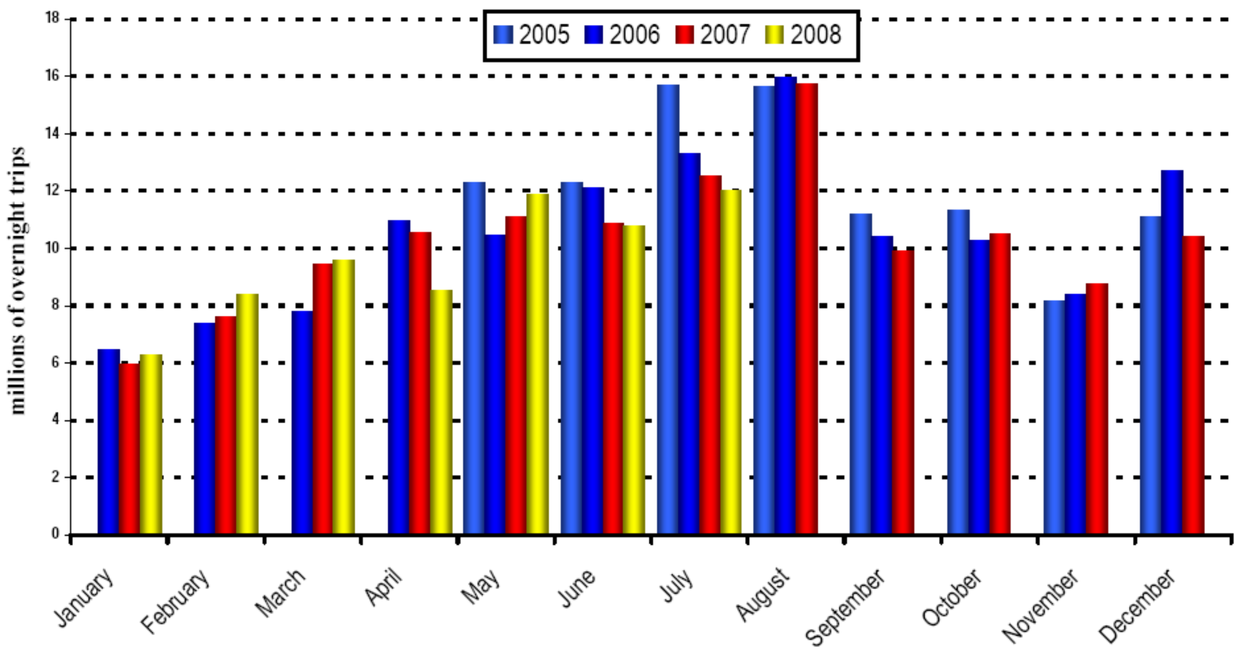
accommodation occupancy figures on the Business Barometers for June and July. August figures and beyond are not yet available.

(6) UK Resident Trips Abroad vs. UK and England Domestic Trips, May 2006-July 2008



Source: UKTS, International Passenger Survey

(7) UK Domestic Trip Volume by Month, 2005-2008



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.

We are pleased to say that we now can show the occupancy levels for more Districts as Tourism South East (who do a regional collection of data) and BDRC (who do the national collection of data) are now combining their survey databases and so a more extensive sample is available.

District serviced accommodation	% room occupancy September 2007	% room occupancy September 2008	% change for month September		Length of stay Sep 2007	Length of stay Sep 2008	Change for month Sep
Ashford	65.7	65.4	Down 0.3		2.3	1.9	- 0.4
Canterbury	67.8	75.4	Up 7.6		1.6	1.8	+0.2
Dover	75.5	71.9	Down 3.6		1.4	1.4	No change
Maidstone	78.2	65.3	Down 12.9		2.0	2.1	+ 0.1
Medway	43.3	78.2	Up 34.9		2.0	2.1	+ 0.1
Sevenoaks	42.4	33.3	Down 9.1		2.0	1.7	- 0.3
Shepway	54.1	62.9	Up 8.8		2.1	2.8	+ 0.7
Swale	61.8	56.3	Down 5.5		2.0	2.1	+ 0.1
Thanet	55.9	43.8	Down 12.1		2.1	2.5	+0.4
Tunbridge Wells	79.6	65.4	Down 14.2		2.1	1.4	- 0.8
Kent occupancy average overall	65.7	65.4	Down 0.3%				

Overall there has been a minimal drop in occupancy of 0.3% in Kent between September 2007 and September 2008. The figures show that most Districts have experienced a drop in their occupancy levels again this month, although three Districts have experienced a rise. Canterbury, Medway and Shepway District did well, and this may have been in part due to sunny weather for Canterbury's Eurofair and Shepway's Folkestone Triennial.

Medway's impressive figure could be for a number of reasons. The area previously had a lack of supply of accommodation and new high quality accommodation has opened over the last couple of years. This has meant that the area has been more appealing as an overnight stay to a broader range of visitor types. This in turn, combined with business visitors increasing because of the regeneration in the area, and the new combined sample from TSE/BDRC, has meant a surge in occupancy levels overall. The higher graded accommodation is doing particularly well.

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Kent self catering occupancy data

The results for September 2008 show that for Self Catering accommodation, the market is still strong. Although length of stay has reduced slightly, occupancy overall has increased by about 15% between 2007 and 2008. This continues to reinforce the understandable trend for visitors to look for cost savings in the current economic decline. Savings are being sought through accommodation where visitors can organise their own catering and activities. Exchange rates and sterling's weak position might also have influenced UK visitors to holiday domestically, and this may be influencing the proportion of UK/Overseas residents in self catering accommodation. This late season holiday activity also may have been stimulated by the better weather towards the end of September compared to the earlier months.

Self-Catering occupancy comparison data September 2007/8

	Average Stay	Net unit occupancy	Average Party size	% UK residents	% Overseas residents
Average September 2007	7.4	62.3	2.4	69.4	30.6
Average September 2008	6.6	77.6	2.6	82.4	17.6
Change from 07/08	Down 0.8 days	Up 15%	Up 0.2 people	Up 13%	Down 13%

Confidence – Accommodation Providers overall

The accommodation **Quarterly Confidence Survey** for July to September 2008 was sent out by Visit Kent directly to accommodation providers from all sectors. The respondents were from a good spread of locations and size but the sample was small in number and we would like to improve this. Please bear this in mind when interpreting the results.

If you are an accommodation provider in Kent who would like to submit their data and support the Business Barometer, please contact Tracey Parker on 01227 862792 or tracey.parker@visitkent.co.uk.

The survey revealed the following information:

Accommodation business performance September 2008 compared with September 2007

Location	Performance Up	Performance Same	Performance Down
Rural	33%	50%	17%
Urban	50%	50%	0%
Coastal	33%	33%	33%
Kent	39%	44%	17%

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Urban accommodation providers seemed to be experiencing better performance than their rural or coastal counterparts in this third quarter. The majority of businesses (83%) felt that their performance was at the same level or up on last year, which is surprising in the current economic climate.

Accommodation providers' expectations for business for the next quarter October to December 2008

The businesses, however, do not expect this positive phase to last. Expectations for the remainder of the year were much less positive with accommodation businesses expressing concerns in the current economic environment.

Location	Expectations Up	Expectations Same	Expectations Down
Rural	0%	33%	66%
Urban	0%	50%	50%
Coastal	33%	33%	33%
Kent	11%	39%	50%

Industry concerns - accommodation

The top three concerns for accommodation providers remain the same as in the previous quarter.

Top three concerns for the accommodation providers
1. Strength of the pound/ exchange rates
2. UK economic climate
3. Weather

Specific factors affecting the reporting accommodation businesses are:

POSITIVE

Building contracts in the town
More overseas visitors, lots of repeat business
Business bookings; European customers
Quite high repeat business as guests enjoyed their visits the first time round
Incoming foreign groups later on the year
Leisure Business
Some good weather, rooms already booked and paid for in advance so not cancelling.
Plenty of contractors coming into the area that need accommodation

NEGATIVE

Fear of the credit crunch
World financial climate - general cutbacks
People are nervous about spending their money, more people are asking for cheaper prices even though we haven't put the prices up

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Weather, economy
Time of year and unstable economic climate - people are not wanting to spend money
General concern over the economy
Decrease in leisure
Lack of Corporate
End of wedding season, people are starting to watch the pennies.

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.

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

Table 1: Occupancy Levels: June 2006 – 2008

	Bedspace occupancy %			Room occupancy %			*Sample size*		
	2006	2007	2008	2006	2007	2008	*2006*	*2007*	*2008*
England	53	58	49	69	72	66	*791*	*951*	*941*
Northern Ireland	45	46	44	63	67	64	*217*	*195*	*188*
Scotland	55	57	53	71	71	69	*465*	*427*	*395*
Wales	48	49	44	64	63	59	*222*	*204*	*189*
UK	53	57	49	69	71	66	*1695*	*1777*	*1713*

UK bedspace occupancy in June 2008 was 49%, 8 percentage points lower than in June 2007. At 66%, room occupancy was 5 percentage points lower than in June 2007. When compared with June 2007, both room and bedspace occupancy fell in all four countries, with the greatest falls being recorded in England (of 6 percentage points for room occupancy and 9 for bedspace occupancy).

Table 1: Occupancy Levels: July 2006 – 2008

	Bedspace occupancy %			Room occupancy %			*Sample size*		
	2006	2007	2008	2006	2007	2008	*2006*	*2007*	*2008*
England	58	60	54	71	71	71	*786*	*891*	*1073*
Northern Ireland	44	46	44	57	64	61	*214*	*195*	*193*
Scotland	60	57	57	71	71	70	*462*	*427*	*393*
Wales	56	51	50	69	64	64	*235*	*200*	*197*
UK	58	59	54	71	70	70	*1697*	*1713*	*1856*

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UK bedspace occupancy in July 2008 was 54%, 5 percentage points lower than in July 2007. At 70%, room occupancy was the same as in July 2007. When compared with July 2007, bedspace occupancy remained unchanged in Scotland but fell in England, Wales and Northern Ireland. Room occupancy remained at its 2007 level in England and Wales but fell in Scotland and Northern Ireland.

Carrier News

Port of Dover Figures

SEPTEMBER	2008	2007	% CHANGE
Passengers	656,964	636,031	Up 3.3%
Car	148,250	140,599	Up 5.4%
Coaches	4,785	4,506	Up 6.2%

The Port of Dover has benefited in September from the closure of Eurotunnel and redirected cross channel traffic.

Eurotunnel Figures

Due to the incident of fire in the tunnel during September, the figures were 53% down, which is only to be expected with one tunnel out of action. Eurotunnel expect to reopen fully by February 2009. The main sources of cross channel traffic in September, through Eurotunnel, other than UK passengers were France and Benelux.

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

- BA carried 5.6% fewer passengers in September than a year earlier
- An air traffic control glitch caused some 100+ flights to/from the UK to be cancelled on 25th September

Other carrier feedback from confidence survey
Other concerns from carriers submitting our confidence survey included a perceived lack of funding from local authorities, but positive feedback on performance compared to last year due to better management and more managerial focus.

Tourist Information Centres

Visitor numbers at Kent TICs - September 2008

Visitor Numbers to

TICs	% change 2007-8
Coastal	Down 2%
Urban	Down 5%
Rural	Insufficient sample
Kent overall	Down 4%

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Telephone Enquiries to

TICs	% change 2007-8
Coastal	Down 9%
Urban	Down 12%
Rural	Insufficient sample
Kent	Down 11%

Postal and Email Enquiries to

TICs	% change 2007-8
Coastal	Up 7%
Urban	Up 12%
Rural	Insufficient sample
Kent	Up 9%

Nationality of TIC visitors
The TICs that provided information for this month and their results are detailed below:

September 2008	% Domestic Visitors	% Long Haul Visitors	% European Visitors
Ashford	87	2	11
Canterbury	80	5	15
Dover	60	18	22
Faversham	87	4	9
Folkestone	97	1	2
Gravesend	92	3	5
Herne Bay	85	3	12
Maidstone	96	2	2
Medway VIC	80	5	15
Royal Tunbridge Wells	50	15	35
Sandwich	90	4	6
Whitstable	80	3	17

Other News

Our new website conversion research for the Visit Kent website is now available on www.ktanet.co.uk under research. The headlines are:

Conversion Research – October 2008 (Arkenford)

Arkenford conducted an online survey of 1,796 people whose data had been captured by www.visitkent.co.uk or www.kenttourism.co.uk. The results show that:

- 14% of enquirers on the Visit Kent website decided to visit Kent afterwards
- 12 % visited as a direct result of the promotional information they received.
- This equates to an estimated £1.4 million to the local economy.
- 75% of respondents are planning at least one type of visit to Kent in 2008-2009.

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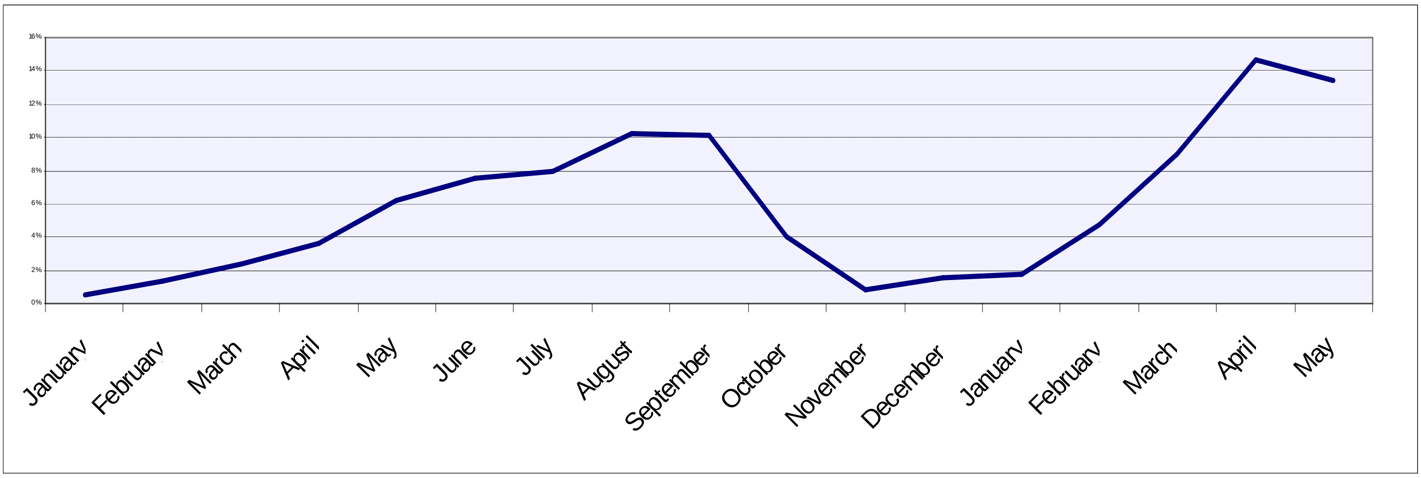
Visitor Profile

- 80% of respondents are aged over 40
- 58% are female
- 54% are from the South East, Greater London or Eastern areas
- Strong frequent repeat visitors
- High Streets and Cosmopolitans are the biggest segments

Canterbury is the most popular destination, both as a main destination and as an "other" place visited as part of a visit. Canterbury Cathedral was the most popular attraction with Leeds and Dover Castle performing well.

- The average group size is 3, with 2 being the most common
- 23% visited Kent with children
- Late summer to autumn is the most popular time to visit
- For staying visitors, the average trip length is 3.7 nights
- 21% stay with friends or relatives
- The overall enjoyment of a visit to Kent was 7.7 out of 10

Month of Visit



Base: All 2007/2008 Visitors (493).

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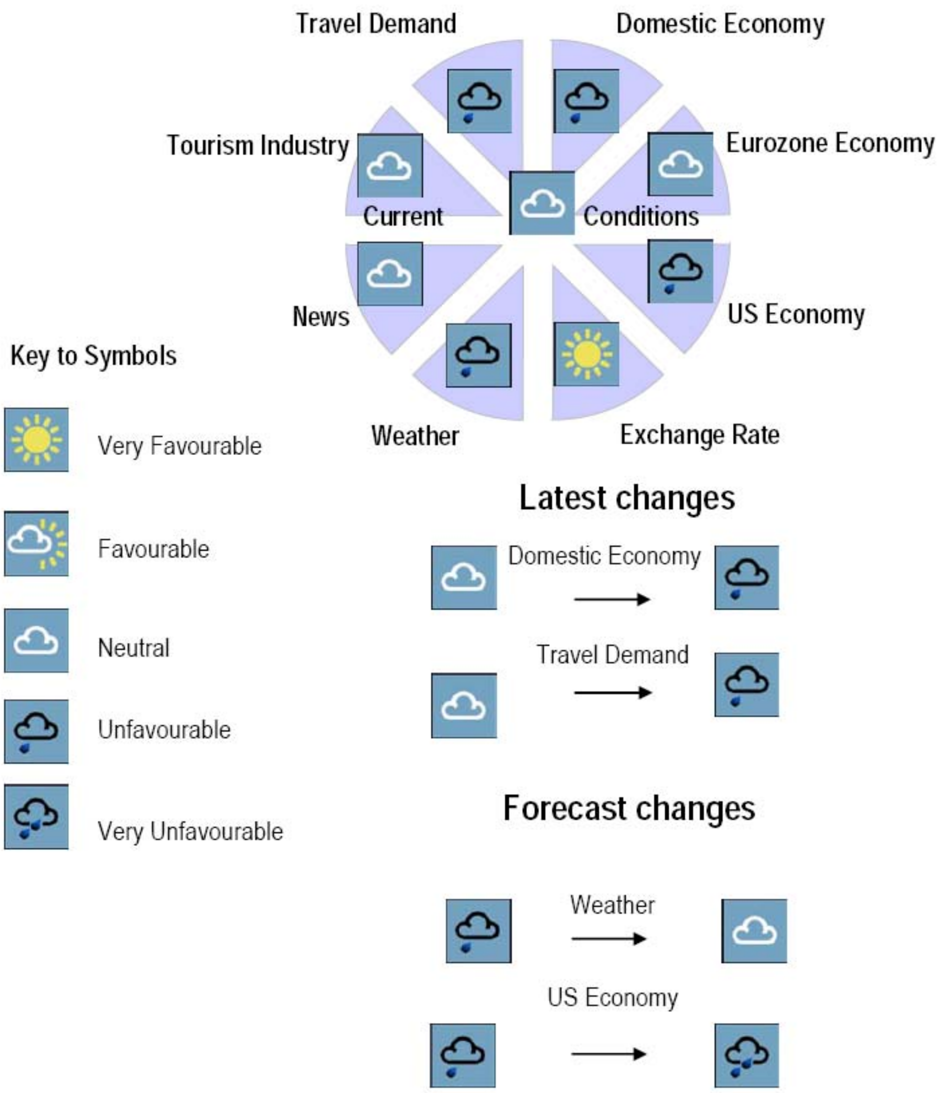
Factors contributing to tourism trends in Britain, September 2008



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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