TOURISM INDUSTRY PERFORMANCE MONITOR

APRIL TO JUNE 2009

'DESTINATION WORCESTERSHIRE'

PREPARED BY THE
CHAMBER OF COMMERCE HEREFORDSHIRE & WORCESTERSHIRE

Severn House
Prescott Drive
Worcester
WR4 9NE

TEL: 0845 641 1641

FAX: 0845 641 4641

enquiries@hwchamber.co.uk

Executive Summary & Results

Welcome to the latest edition of the Worcestershire Tourism Industry Performance Monitor.

The industry performance monitor is a quarterly survey designed to take a snapshot of the local tourism industry's performance in very general terms, and to monitor how tourism businesses are feeling about current and future business.

Since Destination Worcestershire has been collecting this information for some time it is possible to compare data with previous surveys and previous years and therefore to identify trends in local tourism business.

Input to the Industry Performance Monitor is by an on-line survey sent to members of ‘Destination Worcestershire’.

This report covers the period April to June 2009.

If you find the following information useful, but you have not participated in providing it, and are a Worcestershire based tourism business, please do take part in future surveys as the larger the number of contributors the more reliable the results will be.

The survey was sent to 354 Destination Member Businesses.
21 businesses completed the survey at a response rate of 6%.

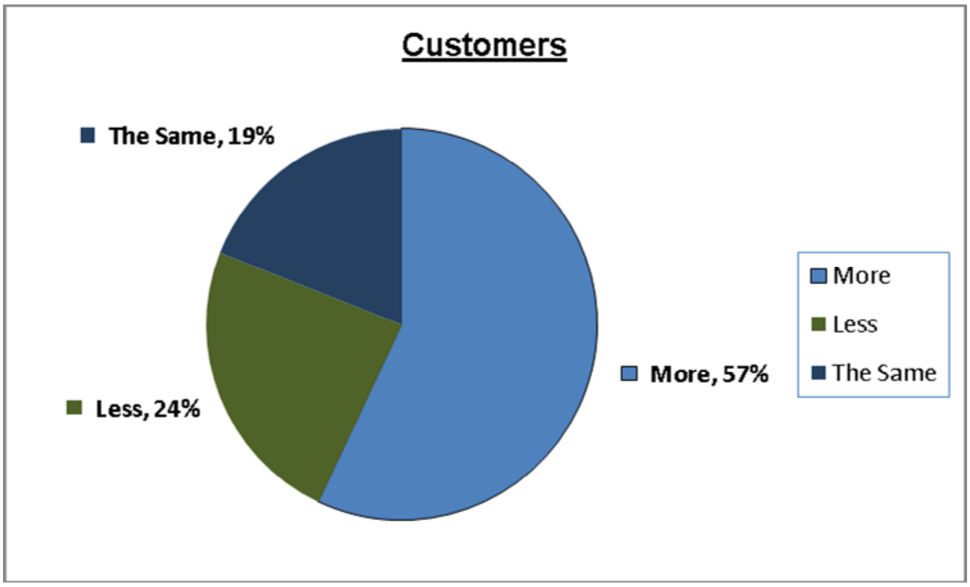
There were 8 questions in total and the results *which are based on the 6% of respondents* who took part are below:

❖ From the period April to June 2009 –

57% of the businesses surveyed have had *more* customers as in the same period in 2008. (This percentage is much higher than the previous survey which was '26% *more* customers' so is looking more positive).

24% have had *less* customers as in the same period in 2008. (This figure has decreased compared to the last survey which was 42%).

19% have had the *same* numbers of customers as in the same period in 2008.



❖ The table below gives the results for the number of customers by the 'Type of Business' for the period April to June 2009 compared with the same period in 2008.

The data is based on those who replied to the survey. Hence it is based on the 6% of members who replied.

The 'Attractions' industry type have had 67% *more* customers and Guest House/B&B have had 71% *more* customers which is encouraging.

Hotels have had 100% *less* customers and Food and Drink 50% *less* customers.

CUSTOMERS - MORE, LESS OR ABOUT THE SAME NUMBER OF CUSTOMERS AS IN THE SAME PERIOD 2008.			
TYPE OF BUSINESS	**MORE**	**LESS**	**THE SAME**
Attractions	**67%**	**17%**	**16%**
Guest House/B&B	**71%**	**15%**	**14%**
Hotels	**0%**	**100%**	**0%**
Self-Catering	**50%**	**0%**	**50%**
Camping & Caravanning	**0%**	**0%**	**0%**
Food & Drink	**0%**	**50%**	**50%**
Other	**67%**	**0%**	**33%**

❖ Comparing the period April to June 2009 with April to June 2008 *the respondents who replied to the survey* were asked how each of the following had changed - leisure customers, business customers, UK customers, overseas customers, marketing spend, discounting, turnover, costs, staffing levels.

The table of results can be viewed below:

CHANGES COMPARING APRIL TO JUNE 2009 TO WITH APRIL TO JUNE 2008				
	INCREASED	NO CHANGE	DECREASED	N/A
Leisure Customers	**57%**	**19%**	**19%**	**5%**
Business Customers	**24%**	**38%**	**24%**	**14%**
UK Customers	**62%**	**19%**	**14%**	**5%**
Overseas Customers	**24%**	**57%**	**5%**	**14%**
Marketing Spend	**43%**	**24%**	**33%**	**0%**
Discounting	**35%**	**45%**	**0%**	**20%**
Turnover	**67%**	**14%**	**19%**	**0%**
Costs	**62%**	**28%**	**10%**	**0%**
Staffing Levels	**19%**	**43%**	**24%**	**14%**

- There is a 62% *increase* in costs. This is a higher percentage than the last quarter. There is a 57% increase in ‘Leisure customers’ and a 19% decrease in ‘Leisure Customers’. For ‘Business customers’ there is a 24% increase and a 24% decrease. Staffing levels are 43% *no change* and 24% *decrease*.

- The next table gives the results for the changes in ‘UK Customers’ and the change in ‘Costs’, for the different ‘Industry Types’, comparing the period April to June 2009 with April to June 2008.

CHANGES COMPARING APRIL TO JUNE 2009 TO APRIL TO JUNE 2008				
	INCREASED	NO CHANGE	DECREASED	N/A
ATTRACTION				
UK Customers	67%	17%	0%	16%
Costs	33%	50%	17	0%
GUEST HOUSE/B&B				
UK Customers	71%	15%	14%	0%
Costs	71%	15%	14%	0%
HOTEL				
UK Customers	0%	0%	0%	100%
Costs	100%	0%	0%	0%
SELF CATERING				
UK Customers	50%	50%	0%	0%
Costs	100%	0%	0%	0%
CAMPING & CARAVANNING				
UK Customers	0%	0%	0%	0%
Costs	0%	0%	0%	0%
FOOD & DRINK ESTABLISHMENT				
UK Customers	0%	50%	50%	0%
Costs	100%	0%	0%	0%
OTHER				
UK Customers	33%	34%	33%	0%
Costs	33%	67%	0%	0%

- ❖ There is a trend for ‘Increases in Costs’.

  There is a positive ‘increase’ in UK customers compared to the last report.

- ❖ The next Table gives the results of ‘expected trends’ regarding turnover, costs and volume for the next three months compared with the same period in 2008.

  Expected ‘Turnover’ is 57% *increase*, 29% *no change* and 14% *decrease*. These results are more positive than the previous report.

  Expected ‘costs’ are an *increase* at 48%.

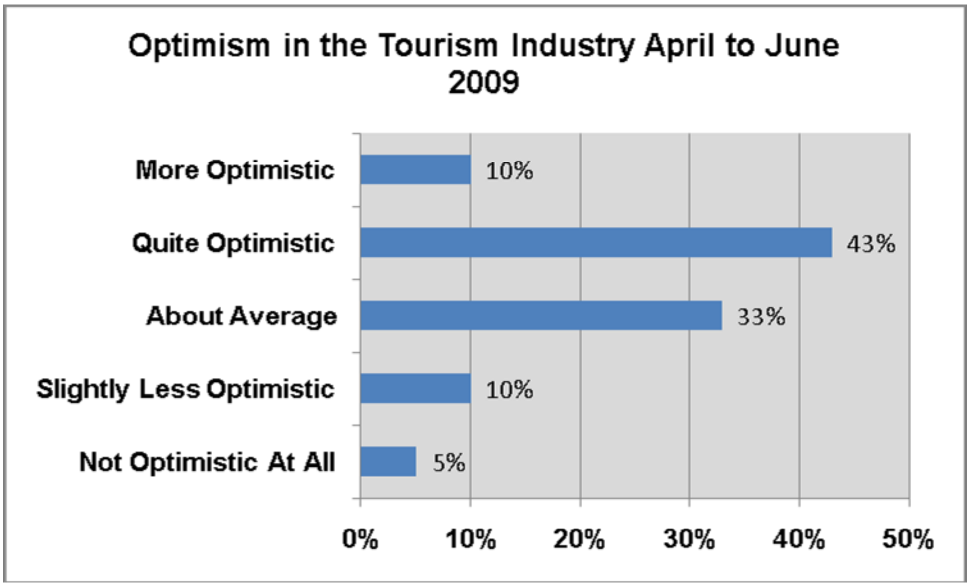
  Expected ‘Volume’ at 57% *increase*, 29% *no change* and 14% *decrease*. Again these results are very positive compared to the previous report.

EXPECTED TRENDS FOR THE NEXT THREE MONTHS COMPARED WITH SAME PERIOD IN 2008			
	INCREASE	NO CHANGE	DECREASE
Turnover	**57%**	**29%**	**14%**
Costs	**48%**	**52%**	**0%**
Volume	**57%**	**29%**	**14%**

- ❖ The main external factors affecting demand for tourism are the ‘*weather’,* ‘recession*’, ‘strength of the Euro’ and ‘swine flu’.* (19 people responded to this question with 14 of the respondents stating that ‘weather’ is a main factor).

- ❖ When asked if there is anything in their specific area that is likely to affect business over the next quarter, the main responses were - *‘weather’, ‘road closures’, ‘swine flu’; ‘attraction closures’.* (15 people responded to this question).

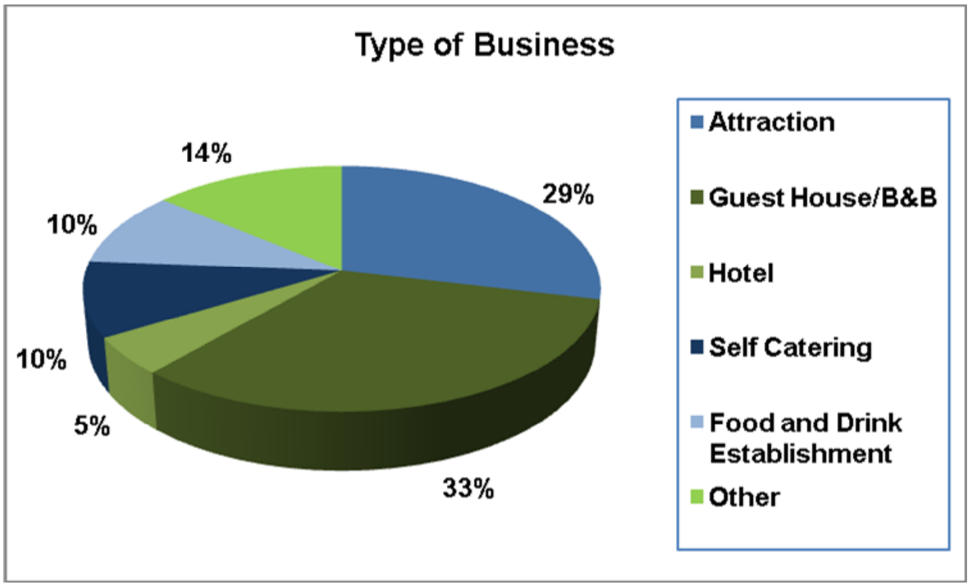
❖ 10% of the businesses who responded to the survey are *more optimistic* about the tourism industry in general compared with the same time last year, 43% *quite optimistic*, 33% *about average*, 10% *slightly less optimistic* and 5% *not optimistic at all*.



❖ The below table gives business performance (turnover, costs, volume) over the period April to June 2009 compared to the same period in 2008.

BUSINESS PERFORMANCE APRIL TO JUNE 2009 COMPARED TO THE SAME PERIOD IN 2008			
	INCREASE	NO CHANGE	DECREASE
Turnover	**70%**	**5%**	**25%**
Costs	**67%**	**28%**	**5%**
Volume	**71%**	**10%**	**19%**

- The type of businesses who responded to this survey are – 29% Attraction , 33% Guest House/B&B, 5% Hotel, 10% Self Catering, 10% Food and Drink Establishment, 14% Other.



Optimism has increased in this quarter's report compared to the last quarter and there is generally a more positive feel.

The recession and weather are still a major concern for businesses but the overall results are definitely more encouraging.