TOURISM INDUSTRY PERFORMANCE MONITOR

JANUARY TO MARCH 2010

'DESTINATION WORCESTERSHIRE'

PREPARED BY THE
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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 January to March 2010.

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 94 Destination Member Businesses.
19 businesses completed the survey at a very encouraging response rate of 20%.

There were 8 questions in total and the results *which are based on the 20% of respondents* who took part are below:

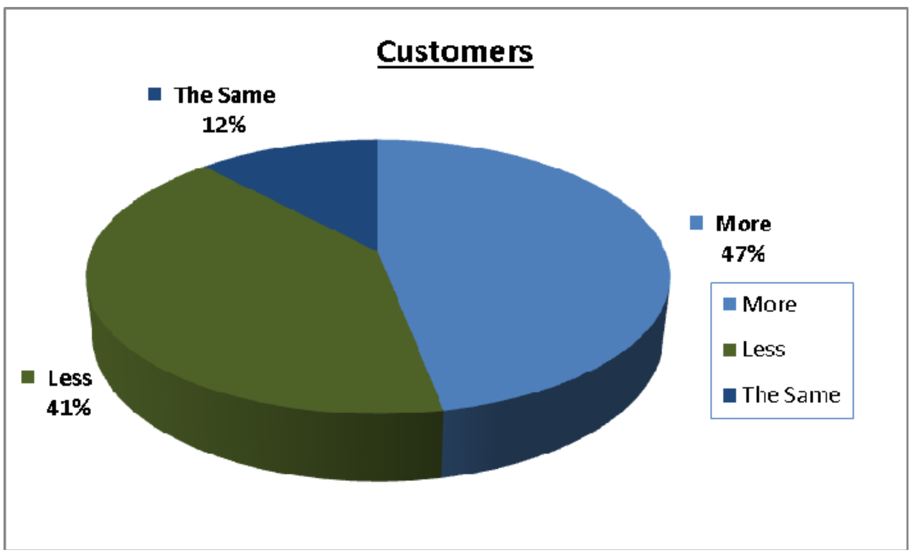
❖ From the period January to March 2010 –

47% of the businesses surveyed have had *more* customers as in the same period in 2009.

41% have had *less* customers as in the same period in 2009.

12% have had the *same* numbers of customers as in the same period in 2009.

This is a very encouraging result. In the previous survey, based on 26% of respondents who took part, 30% had *more* customers and 45% had *less*.



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

The data is based on those who replied to the survey. Hence it is based on the 20% of members who replied.

The Attractions industry has had 50% *less* customers.

Guest houses/B&B have had 50% *more* customers and self-catering have had 67% *more* and 33% *less* customers.

CUSTOMERS - MORE, LESS OR ABOUT THE SAME NUMBER OF CUSTOMERS AS IN THE SAME PERIOD 2009.			
TYPE OF BUSINESS	MORE	LESS	THE SAME
Attractions	**33%**	**50%**	**17%**
Guest House/B&B	**50%**	**25%**	**25%**
Hotels	**0%**	**0%**	**0%**
Self-Catering	**67%**	**33%**	**0%**
Camping & Caravanning	**0%**	**0%**	**0%**
Food & Drink	**0%**	**0%**	**0%**
Other	**0%**	**100%**	**0%**

- Comparing the period January to March 2010 with January to March 2009 *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 JANUARY TO MARCH 2010 WITH JANAUARY TO MARCH 2009				
	INCREASED	NO CHANGE	DECREASED	N/A
Leisure Customers	44%	17%	33%	6%
Business Customers	24%	29%	18%	29%
UK Customers	39%	22%	28%	11%
Overseas Customers	6%	44%	22%	28%
Marketing Spend	33%	39%	17%	11%
Discounting	33%	39%	0%	28%
Turnover	39%	17%	39%	6%
Costs	56%	28%	11%	5%
Staffing Levels	12%	59%	0%	29%

- There is a 56% *increase* in costs. There is a 44% *increase* in 'Leisure customers'. For 'Business customers' there is a 24% *increase*. Staffing levels are 59% *no change.*

- 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 January to March to January to March 2010 with January to March 2009.

CHANGES COMPARING JANUARY TO MARCH 2010 WITH JANUARY TO MARCH 2009				
	INCREASED	NO CHANGE	DECREASED	N/A
ATTRACTION				
UK Customers	33%	17%	17%	33%
Costs	33%	50%	0%	17%
GUEST HOUSE/B&B				
UK Customers	25%	50%	25%	0%
Costs	75%	0%	25%	0%
HOTEL				
UK Customers	0%	0%	0%	0%
Costs	0%	0%	0%	0%
SELF CATERING				
UK Customers	50%	17%	33%	0%
Costs	83%	17%	0%	0%
CAMPING & CARAVANNING				
UK Customers	0%	0%	0%	0%
Costs	0%	0%	0%	0%
FOOD & DRINK ESTABLISHMENT				
UK Customers	0%	0%	0%	0%
Costs	0%	0%	0%	0%
OTHER				
UK Customers	50%	0%	50%	0%
Costs	0%	50%	50%	0%

- There has been an 'Increase in Costs' for guest houses/B&B and self catering.

  There has been a 50% increase in 'customers' for self-catering.

- 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 2009.

  Expected 'Turnover' is 39% *increase*, 39% *no change* and 22% *decrease*.

  Expected 'Costs' are an *increase* at 61% and *no change at* 39%*.*

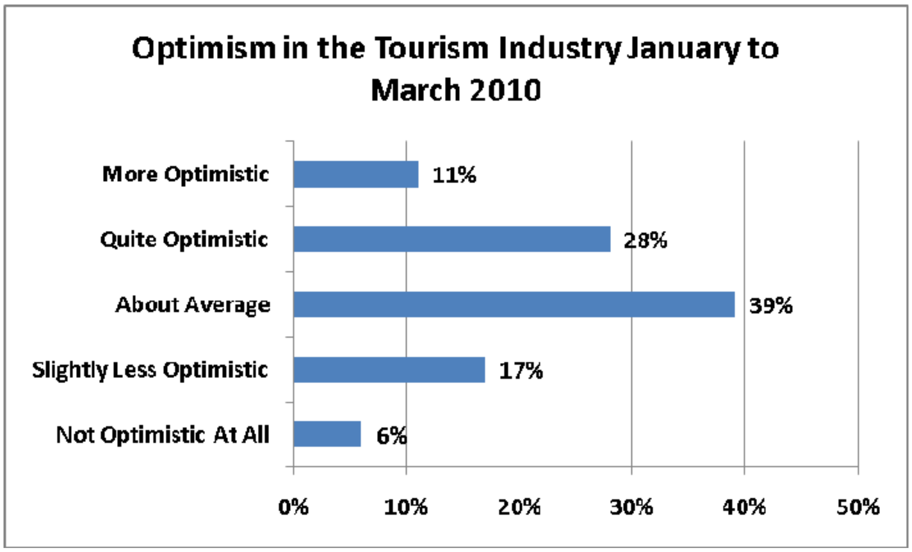
  Expected 'Volume' is 44% *increase*, 34% *no change* and 22% *decrease*.

EXPECTED TRENDS FOR THE NEXT THREE MONTHS COMPARED WITH SAME PERIOD IN 2009			
	INCREASE	NO CHANGE	DECREASE
Turnover	**39%**	**39%**	**22%**
Costs	**61%**	**39%**	**0%**
Volume	**44%**	**34%**	**22%**

- The *main* external factors affecting demand for tourism over the Spring/Summer months are the '*result/confidence of the General Election'; 'weather'; 'Ash cloud/volcano'; 'economic climate' and 'The need for more effort to promote tourism'.*

- 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'; 'World Cup'; 'shop closures in Worcester city and cost of parking'; 'impact of the closure of* *two training centres in Kidderminster and Hartlebury'; 'busy time with many shows at the Three Counties' and 'Broadway Arts Festival in June bringing in more visitors'.*

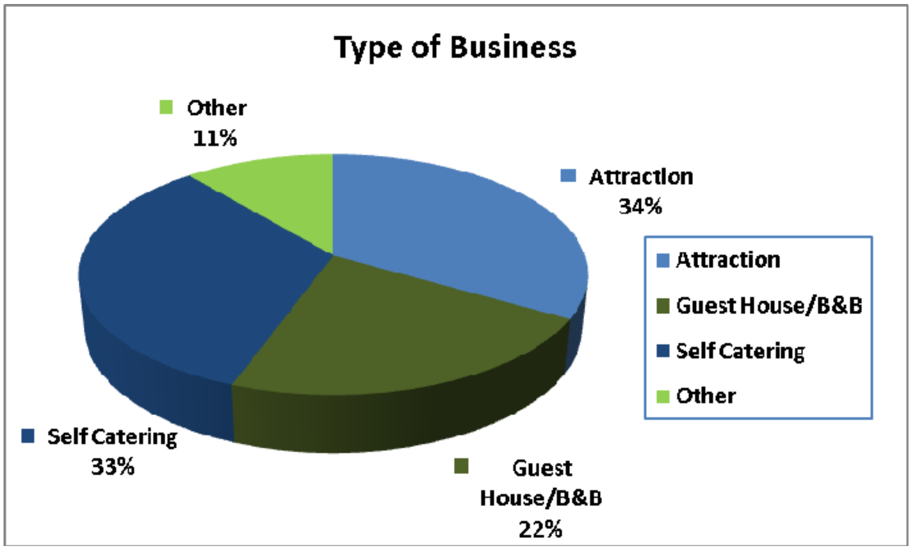
- 11% of the businesses who responded to the survey are *more optimistic* about the tourism industry in general compared with the same time last year, 28% *quite optimistic*, 39% *about average*, 17% *slightly less optimistic* and 6% *not optimistic at all*.



- The below table gives business performance (turnover, costs, volume) over the period January to March 2010 compared to the same period in 2009.

BUSINESS PERFORMANCE JANUARY TO MARCH 2010 COMPARED TO THE SAME PERIOD IN 2009			
	INCREASE	NO CHANGE	DECREASE
Turnover	**50%**	**11%**	**39%**
Costs	**67%**	**28%**	**6%**
Volume	**39%**	**33%**	**28%**

- The type of businesses who responded to this survey are – 34% Attraction, 22% Guest House/B&B, 33% Self Catering, Other 11%.



The results of this report are more positive than the previous report.

Over the Spring/Summer months the General Election, weather and economic downturn are concerns for businesses

In regards to ‘optimism’, 11% are ‘more optimistic’ compared with 0% who were ‘more optimistic’ in the last survey. 6% are ‘not optimistic at all’ compared with 10% who were ‘not optimistic at all’ from the previous survey.