



Tourism Barometer
Summary Report of Term 1 2007



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RESEARCH

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Tourism Barometer Third Term 2006

Summary Report

Introduction

George Street Research has been commissioned by VisitScotland to administer its Tourism Barometer, a regular tracking study amongst a panel of industry-based volunteers. The main purpose of this research is to build upon previous industry findings uncovered in the preceding *Industry Opinion Survey* and *Business Confidence Monitor (BCM)*, with a strong emphasis on performance monitoring, assessing past and present trends within the industry, future prospects and the general market performance across Scotland.

Specifically, the research aims to:

- Measure changes to market performance by sector, compared with the same period in the previous year;
- Identify factors influencing changes in each sector's market performance;
- Establish perceived future prospects for market performance by sector;

The following outlines the main findings assessing the Spring/Easter term of 2007, carried out in May and June 2007.

General Business Situation

Compared with last year, around two in five panel members (42%) are more optimistic about the general business situation in their sector of the tourism industry. Just over a third of those surveyed (36%) feel the same as they did last year.

- *A small proportion of the tourism industry (19%) feels less optimistic than they did last year for the general business situation in their sector of the tourism industry.*
- *The sector showing the highest levels of optimism about the situation in their respective sectors was the activities sector with 61% reporting being more positive than last year.*



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In the post-Spring/Easter season, a positive shift in levels of optimism for the situation in respondents' own businesses is more evident. In this measure, more than two in five (43%) report being more optimistic compared with last year.

- *A slightly smaller proportion (36%) compare their business situation with the same level of optimism as last year and a small minority (17%) describe themselves as less optimistic.*
- *Again, the activities sector shows the highest levels of overall optimism (57% are more optimistic than they were last year). All sectors show a net positive shift in overall levels of optimism.*

Overall, the Spring/Easter season of 2007 appears to compare quite well with the same period in previous years. More than two in five (44%) described the season as either very good compared to previous years (15%) or quite good compared to previous years (29%).

- *Around a third of all respondents (30%) felt that the Spring/Easter season 2007 was average, whilst around one in five felt it was either quite poor compared to previous years (16%) or very poor compared to previous years (5%).*

Customers

As with previous waves, the majority of customers reported throughout all sectors and regions during the Spring/Easter season 2007, were made up primarily of Leisure customers and UK based customers.

- *Around three quarters of all respondents (73%) report at least 70% of its customers as leisure related. Specifically, 32% report 100% leisure customers and 24% on a ratio of 90%:10% leisure to business.*
- *The mean average proportion of leisure customers per business during the Spring/Easter season 2007, up until the end of April, was 78% compared with 22% business customers.*

When asked about the ratio of UK customers to international customers, the majority of businesses reported a high majority of UK based customers. Overall three quarters of all respondents (75%) reported at least 70% UK based customers.

- *Specifically, a total of 19% of respondents report having had 100% UK based customers for the festive season, with 29% reporting a ratio of 90%:10% UK to overseas.*



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- *The mean average proportion of UK based customers during the Spring/Easter season was 78%, compared with 22% overseas based.*

The proportions of Leisure to Business and UK to overseas customers is very similar to the same period last year.

Respondents were asked to indicate how customer numbers had changed when compared with the same period in the previous year. Overall, around two in five (41%) reported a perceived increase in overall customer levels for the Spring/Easter season in 2007. The majority of those remaining (37%) felt there were no noticeable changes compared with the previous year, whilst one in five (22%) felt they had experienced a decrease in total customer numbers.

- *An overall shift in all customer types compared with the same period in 2006 is apparent from the research. 29% feel they have had an increase in leisure customers compared with 31% who feel they have experienced an increase in overall business customers. Additionally, 32% have noticed an increase in UK based customers, whilst 25% have seen an increase in overseas customers.*

Compared with the same period in previous years, the majority of tourism businesses are optimistic about the expected levels of customers for the forthcoming summer season. Around half of all respondents (52%) are expecting an increase, whilst just over a third (35%) do not expect to see any change.



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