



Tourism Barometer
Summary Report of Term 3 2007 / 2008



GEORGE STREET
RESEARCH

24 Broughton Street
Edinburgh EH1 3RH (UK)
Tel; +44(0)131 478 7505 Fax; +44(0)131 478 7504
Email; info@george-street-research.co.uk
VAT No: 502 484862

Registered Office:
St Paul's House
Warwick Lane
London EC4P 4BN (UK)
No: 2364135

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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 festive term of 2007 / 2008, carried out in January and February 2008.

General Business Situation

Compared with last year, just under a third of all respondents (28%) report feeling more optimistic about the general business situation in their sector, whilst a majority of around two in five (43%) feel the same as they did last year.

- *The proportion of tourism businesses who report feeling less optimistic than last year about the general business situation in their sector has risen to a quarter (25%).*
- *As in previous waves of research, Tour Operators show the highest levels of sector optimism with 56% reporting being more positive than last year. The transport sector showed the highest prevalence of being less optimistic (38%).*



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In terms of the general situation of respondents own businesses, almost two in five (39%) report being more optimistic compared with last year.

- *37% compare their business situation with the same level of optimism as last year whilst just over one in five (22%) describe themselves as less optimistic.*
- *Half of tour operators (50%) report an increase in levels of optimism for their own business compared with only 6% who are less optimistic.*
- *The lowest levels of optimism were amongst accommodation providers and the transport operators.*

On balance, the festive season of 2007/08 appears to compare favourably with the same period in previous years, although optimism levels appear slightly lower on average. 44% described the season as either very good compared to previous years (18%) or quite good compared to previous years (26%).

- *31% felt that the festive season 2007/08 was average, whilst around one in five felt it was either quite poor (14%) or very poor (3%) compared to previous years.*

Customers

As with previous waves, the relative proportions of customers reported throughout all sectors and regions during the Festive season 2007/08 were predominantly Leisure and UK based customers.

- *For this season, more than half of all respondents (55%) cite a ratio of at least 90%:10% leisure to business customers. Three quarters of all respondents (75%) report a proportion of at least 70% leisure 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 around two thirds of all respondents (69%) reported at least 70% UK based customers.

- *Specifically, 8% of respondents report having had 100% UK based customers for the festive season, with 30% reporting a ratio of 90%:10% UK to overseas.*



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Respondents were asked to indicate how customer numbers had changed when compared with the same period in the previous year. Overall, just under two in five respondents (37%) report a perceived increase in overall customer levels for the festive season in 2007/08.

- *The majority of respondents (42%) feel there were no noticeable changes compared with the previous year, whilst one in five (21%) report a decrease in total customer numbers for this period.*
- *More specifically, 27% feel they have had an increase in leisure customers compared with 29% who have experienced an increase in business customers.*
- *Additionally, 31% note an increase in UK based customers, whilst 22% have seen an increase in international customers.*
- *On the other hand for the Festive season 2007/08 compared with the previous year, 26% report an overall decrease in international customers; 17% report an overall decrease in leisure customers; 12% report a decrease in UK customers; and 11% report a decrease in business customers.*

The balance of opinion suggests an overall net decrease in the proportion of bookings coming in from visitscotland.com for the Festive season 2007/08, compared with the same period in the previous year.

- *The majority (51%) report no change in booking levels, whilst 14% report an overall increase and 35% an overall decrease.*

Compared with the same period in previous years, two in five (41%) expect to see an increase in the total level of customers. The same proportion expects to see no change in total customer levels and just under one in five (18%) expects to see a decrease.



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