

Tourism trends quarterly bulletin Spring 2008 (Q2: Easter to mid July)

This bulletin provides the key findings of the tourism monitor for the period March 17th to July 13th 2008 (17 week period). This period includes the Easter bank holidays and the school holidays and continues through to just before the summer peak season. It also includes two bank holidays in May and the school spring half term holiday.

The early timing of Easter this year meant that Easter fell before the clocks changed to British Summertime and that this quarter was slightly longer than the second quarter last year (17 weeks versus 16 weeks). For the first time, many schools took their Easter holidays in April, separately from the bank holiday weekend.

Comparisons with historical data are based upon average number of visitors per week, to overcome the variations in quarter length. Where possible, comparisons are made with previous research dating back to 2002.

Introduction

The economic backdrop to this quarter was one of rising fuel, energy and food prices coupled with falling house prices, tighter restrictions on credit and increasing concerns about future rises in unemployment. Not surprisingly, consumer confidence was falling over the course of this quarter. In addition the pound weakened against the Euro making holidays in Europe more expensive.

Looking first at international travel¹, over the 3 month period from April to June, there were 8.1 million² overseas visitors into the UK which is 4% below the number in 2007. Despite the weakening of the pound, trips abroad made by UK residents increased by 2% to 17.7 million² versus 2007 however growth in trips to the USA was stronger than to Europe.

Focusing on the Isle of Wight, there was a busy schedule of events and festivals to attract visitors. The two key events were the walking festival in May and the music festival in mid June. In addition there were several other events including the Jazz Festival in April, the Yarmouth Old Gaffers Festival at the end of May and the Ryde Regatta in early July.

During this quarter the total number of visitors to the Island was on a par with last year and up by 4% on 2006 but there were changes to the types of visitors who came to the Island.

- Domestic day visits to the Island reached 336,000, an average of 20,000 per week; this is 21% up on last year. The most important type of day trip is the leisure day visits which increased by 9% to reach 175,000.
- Domestic short breaks (1 – 4 nights) decreased back to the level seen in 2006: there were 312,000 short breaks, an average of 18,000 per week.
- Longer holidays (5+ nights) also decreased, there were 80,000 of these.
- Staying visits to friend and relatives increased by 30% to 132,000.
- Staying business visits increased to 60,000 trips.
- It is estimated that more than 190,000 new or lapsed visitors (5+ years) came to the Island on a leisure trip (day or staying trip).

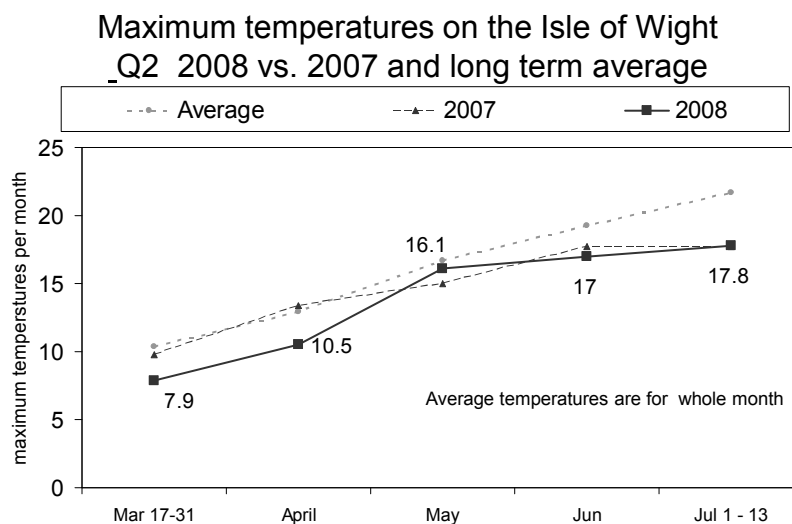
Tourism spend is estimated at just under £163 million, this is 13% below last year due to the fall in volume of short breaks and holidays achieved in this period. (This estimate excludes spending by those arriving by yacht.)

1. Source: International Passenger Survey.
2. Seasonally adjusted figures used due to the timing of Easter

Weather

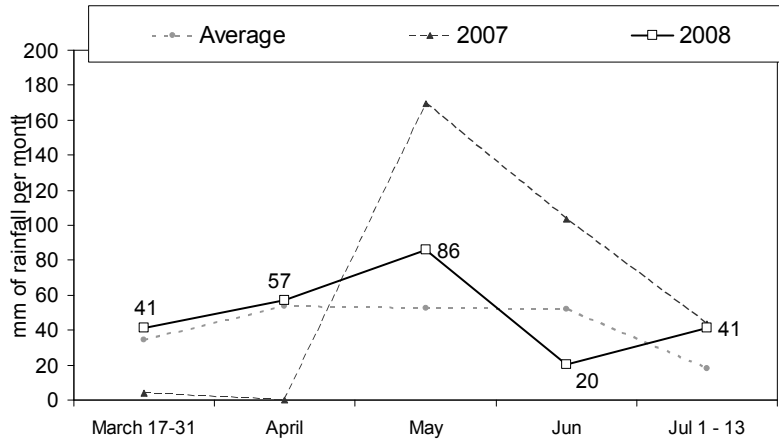
The spring season was cooler than average for the time of year, particularly over the Easter break and during early July.

- Late March and April were cooler than usual but sunshine and rain were in line with the average for the time of year. However this was a contrast to the last two years when it has been dry and sunny.
- May was much drier than last year but still very wet for the time of year, with rainfall around 70% above the average for the month. Consequently, sunshine hours were 30% down on the average for this time of year.
- June was dry: rainfall was 60% below the monthly average and sunshine hours were in line norm but it remained cooler than average. This was a big improvement on June last year which was exceedingly wet.
- Early July was very similar to last year with a return to unseasonably wet weather: rainfall was double the expected level for this time of year with little sunshine and below average temperatures.



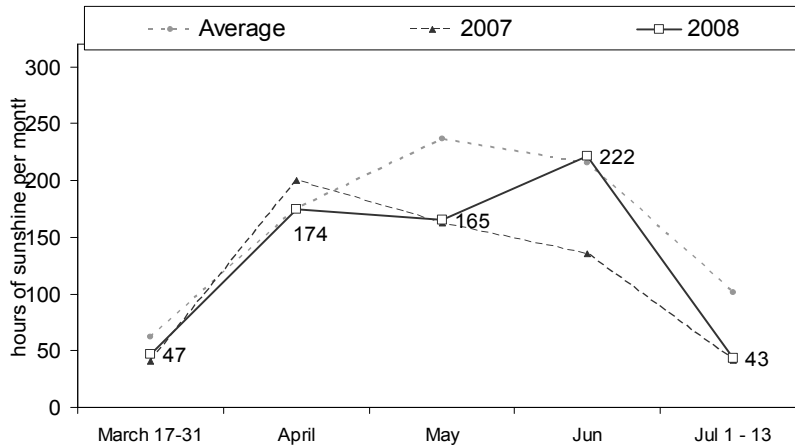
Weather data is supplied by Medina Valley Centre

Rainfall on the Isle of Wight Q2 2008 vs. 2007 and long term average



Weather data is supplied by Medina Valley Centre

Sunshine on the Isle of Wight Q2 2008 vs. 2007 and long term average



Weather data is supplied by Medina Valley Centre

Total travel across the Solent

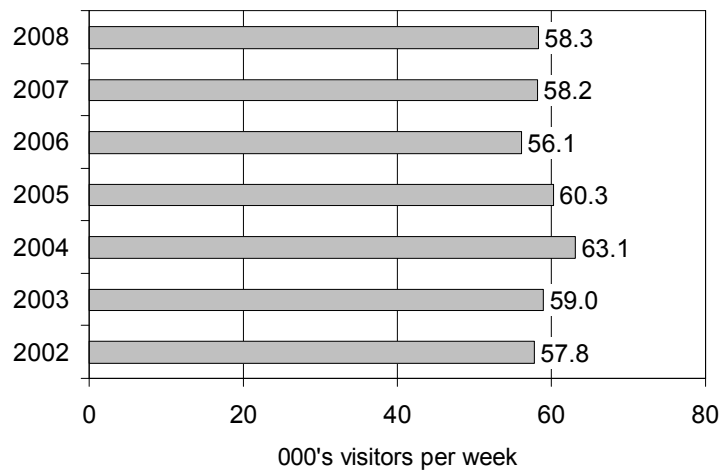
Total travel (residents and visitors combined) was down 4% versus last year and down by 6% since spring 1996. This fall was due to a reduction in travel by residents, down 11% versus 2007, whilst travel by visitors remained in line with last year.

Total visitors to the Island (domestic and overseas visitors combined)

An estimated 992,000 visits were made to the Island during this quarter. This is a weekly average of 58,000 which is level with 2007 and 4% up on spring 2006. The vast majority of these visitors were domestic visitors (95%).

Estimated number of total visitors
Q2 2008 vs. previous years

Average visitors per week



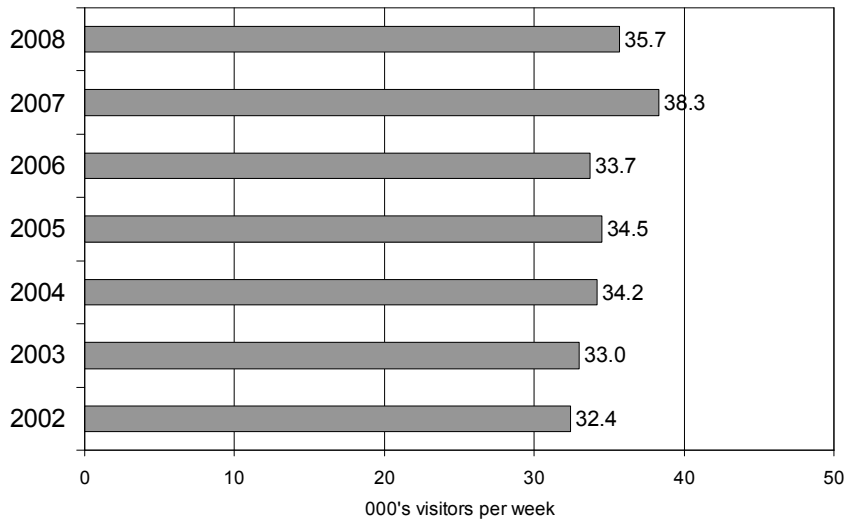
Within this total, there have been changes to the mix of visitors to the Island.

Domestic staying visitors to the Island

The chart below shows the number of domestic staying visitors. There were an estimated 608,000 of these visitors, which equates to 36,000 per week. This is a decline of 7% on last year but up by 6% on 2006 and slightly ahead of the previous four years.

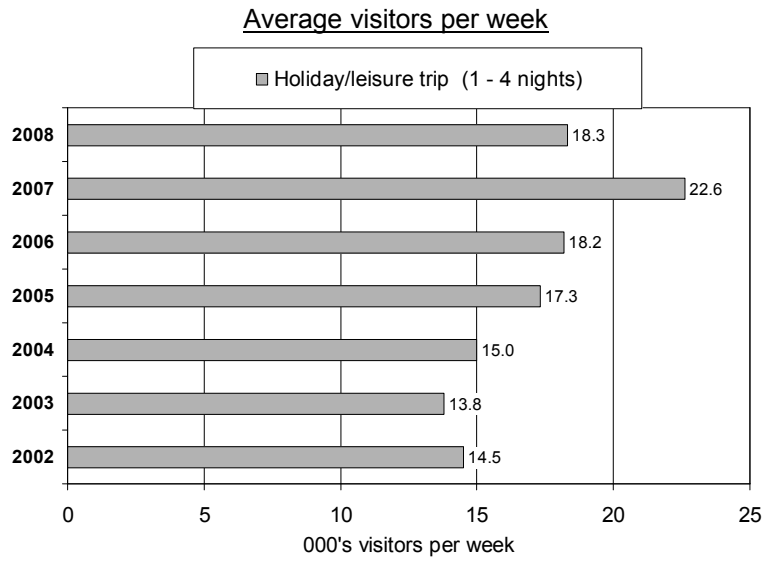
Estimated number of domestic staying visitors Q2 2008 vs. previous years

Average visitors per week



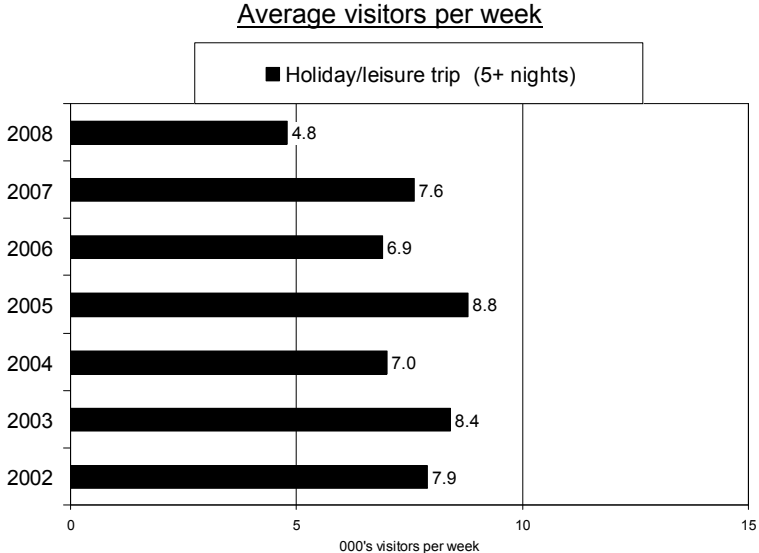
At this time of year the most important reason for visiting the Island is for a short break or short leisure trip (1 – 4 nights). An estimated 312,000 short breaks were taken on the Island, an average of 18,000 per week. Last spring saw a significant growth in this market but this year the volume dropped back to the 2006 level (-19%). The very early timing of Easter and the cold weather over that period may have contributed to the decline. However short break volumes remain ahead of 2006 and earlier years and, over the longer term, the trend is towards an increase in short breaks.

Estimated number of domestic short break leisure visitors
Q2 2008 vs. previous years



As expected at this time of year, a much smaller number of visitors came to the Island for a longer holiday (lasting 5+ nights) than for a short break. This spring there were just over 80,000 longer holidays, an average of almost 5,000 a week. This is down from 7,600 per week last year and 6,900 in 2006. Whilst volumes have fluctuated each year, over the long term the trend has been away from longer stay holidays.

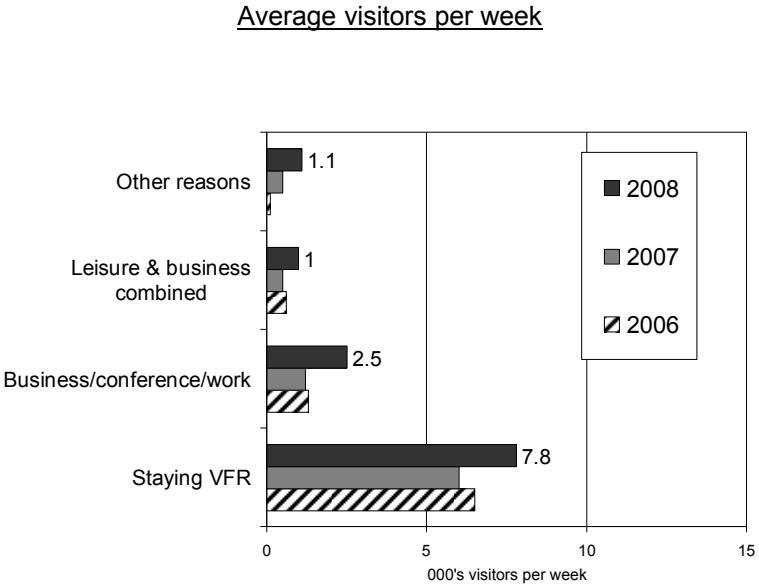
**Estimated number of domestic longer stay holiday visitors
Q2 2008 vs. previous years**



Other key reasons for visiting the Island on a staying trip were to visit friends/relatives and for business, or a combined business and leisure trip. Trips to visit friends/relatives increased this spring, reaching 132,000 visitors or almost 8,000 a week. These were up by 30% vs. last year and +20% vs. 2006.

There were over 60,000 business trips (taking pure business and leisure/business together), this is more than double the number last spring, with both categories showing an increase.

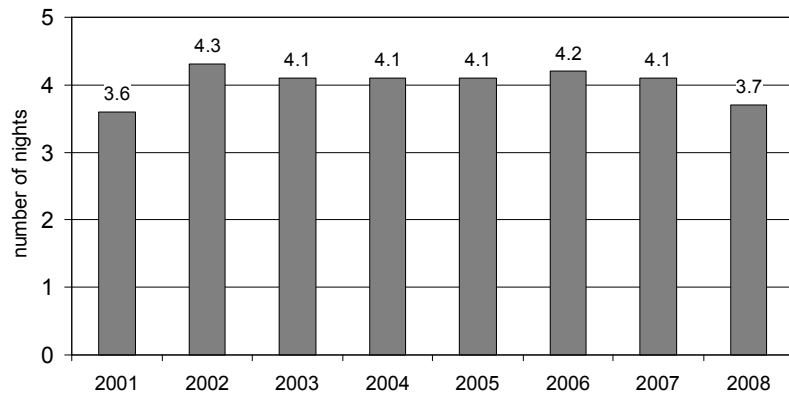
**Purpose of other domestic staying visits
Q2 2008 vs. previous years**



Average length of stay (domestic visitors)

The average length of all types of staying trips has remained fairly constant at around 4 to 4.2 nights over recent years. During this spring it declined for the first time with the average stay lasting 3.7 nights.

Average length of stay
Q2 2008 vs. previous years

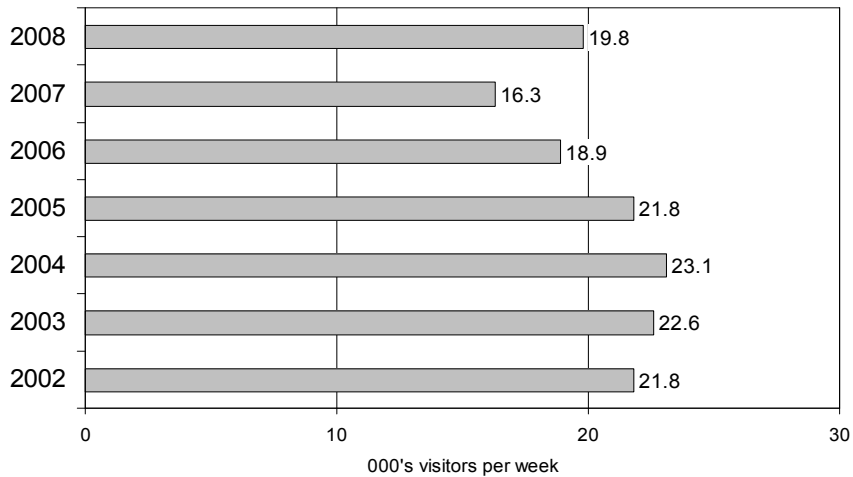


Domestic day visitors to the Island

In contrast to staying visitors, domestic day visitors increased in number to an estimated 336,000, an average of 20,000 per week. Last year domestic day visitors declined significantly but this year these increased by 21%, taking the average weekly number slightly above that seen in 2006 and back towards the levels seen in earlier years.

**Estimated number of domestic day visitors
Q2 2008 vs. previous years**

Average visitors per week



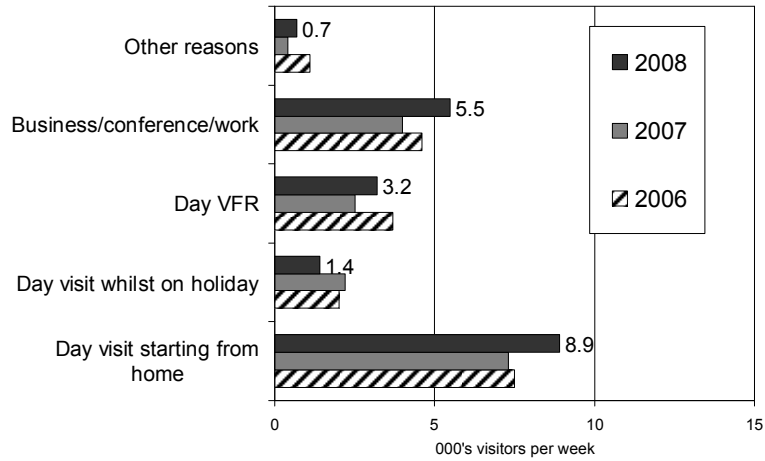
In this quarter, the most important reason for taking a day trip to the Island was for a leisure day trip. These were predominately day trips starting from home, 151,000 or 9,000 a week, due to the time of year. There were a few leisure day visits made by people on holiday on the mainland, 24,000 or 1,400 a week. Leisure day visits are up by 9% versus last year.

There were 55,000 VFR day trips, an average of 3,200 a week, which is up 30% versus last year but slightly below 2006.

An estimated 93,000 business day trips were made, 5,500 a week, which is a significant increase on the last two years.

Purpose of other domestic day visits Q2 2008 vs. previous years

Average visitors per week



Overseas residents

An estimated 48,000 overseas residents visited the Island, an average of 2,800 per week. This is a reduction of approximately 20% versus last year. 36,000 were staying visitors and 12,000 came on a day trip.

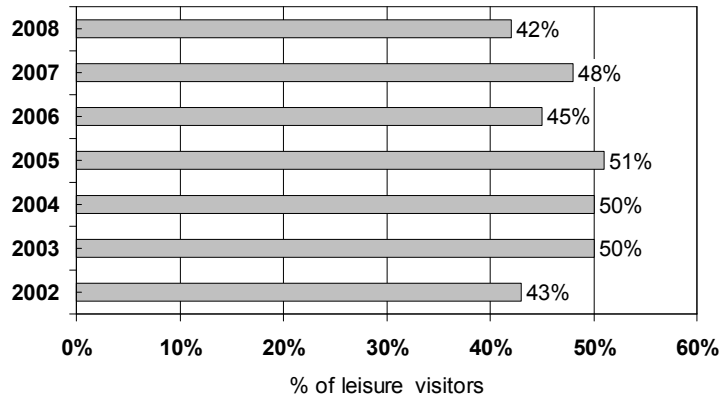
N.B. sample sizes are fairly small resulting in fluctuations in data from year to year

Visitors to the Island attractions

The percentage of people visiting attractions was lower than spring last year: 42%, down from 48% in 2007.

The propensity to visit is higher amongst staying leisure visitors than day leisure visitors (53% vs.21%) and the number of staying leisure visits has declined, consequently visits to attractions will have been adversely affected and the reduction in visits more than the 6 point fall illustrated below.

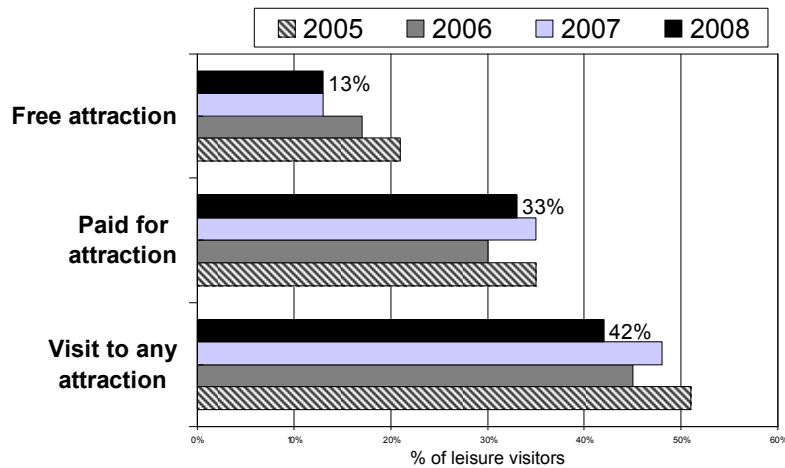
Estimated visits to any type of attraction
Q2 2008 vs. previous years



* N. B. Recall of visits to free attractions may be underestimated due to the reliance on respondent's recall.

Visits to free attractions remained in line with last year, the decline was in the paid for sector.

Estimated visits to types of attractions
Q2 2008 vs. previous years



New versus repeat visitors to the Island

Day and staying leisure visitors are asked when they last visited the Isle of Wight. The following data excludes those visiting friends and relatives as these are, by definition, likely to be frequent visitors. (Only 4% of VFR visitors were on their first visit to the Island.)

The Island needs to attract a mix of regular and new/lapsed visitors. A base of regular leisure visitors indicates a high degree of visitor satisfaction, but this visitor base needs to be refreshed with new/lapsed visitors to prevent an over reliance on a small group. During this spring period a mix of new/lapsed and regular visitors came to the Island.

- Leisure day visitors: almost half the leisure day visitors were on a repeat trip during the last 12 months and almost a quarter were attracted back after a break of 1 – 5 years. The remaining 29% were either new visitors to the Island or had decided to return after 5 or more years.
- Staying leisure visitors: these were slightly less likely than day visitors to be regular visitors to the Island although 40% were on a second or subsequent visit in the last 12 months, 16% were visiting for the first time; 19% were returning for the first time in 5 years and 24% came back after a break of 1 – 5 years.

	Leisure day visitors (not VFR)	Short break/holiday visitors (not VFR)
First visit to Island	15%	16%
Visited before in last 12 months	49%	40%
Visited before 12 months to 5 years ago	23%	24%
Visited before but more than 5 years ago	14%	19%

Based on these percentages, an estimate of the numbers of new and lapsed visitors can be made. Approximately 190,000 new or lapsed (5+ years) leisure visitors came to the Island, with the majority of these on a short break or holiday (140,000); the remaining 50,000 were on a leisure day visit.

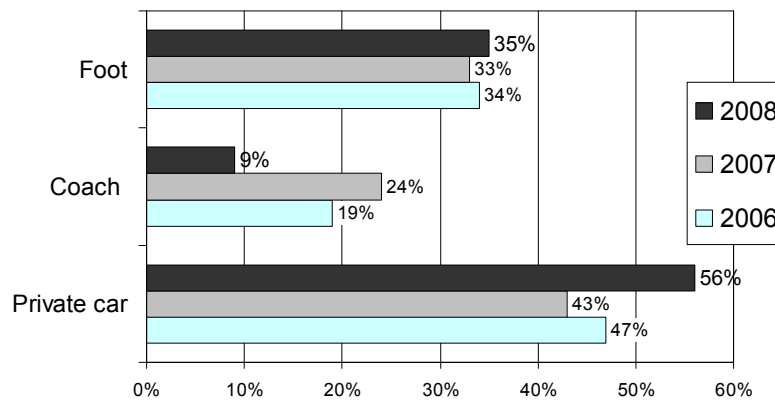
Mode of transport

All visitors are asked how they travel to the mainland terminal and around the Island. Mode of travel on board the ferry is also recorded and used to estimate the overall split between visitors travelling as car, coach and foot passengers.

Mode of travel on board the ferry

A sharp rise in car accompanied travel resulted in over half (56%) travelling by car. A third travelled as foot passengers, in line with the last two years. Travel by coach reduced significantly, down to 9%; this is a fall of 13 points versus last year and is due primarily to a change in travel mode by staying visitors – see below.

Mode of travel on board the ferry
Quarter 2, 2008 vs. previous years

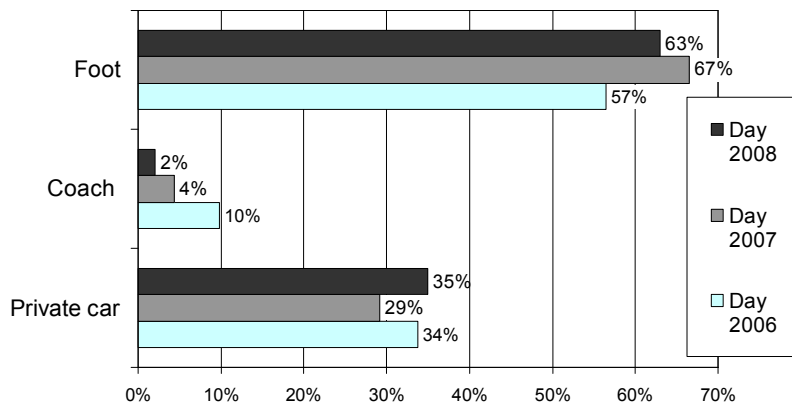


Mode of travel on board differed between day and staying visitors.

Day visitors

The majority of day visitors travelled on foot, 63%, whilst the remainder used a car (35%). Travel by coach was negligible amongst day visitors.

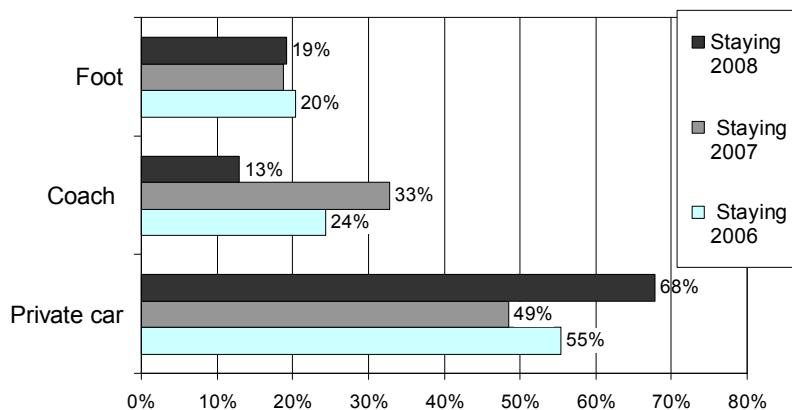
Mode of travel on board the ferry
Quarter 2, 2008 vs. previous years
Day visitors



Staying visitors

The majority of staying visitors travelled by car, 68%, a significant increase over the last two years. All of this increase has come from the coach accompanied market which has seen a corresponding decline. A fifth travelled on foot, a proportion which has remained constant over the 3 years.

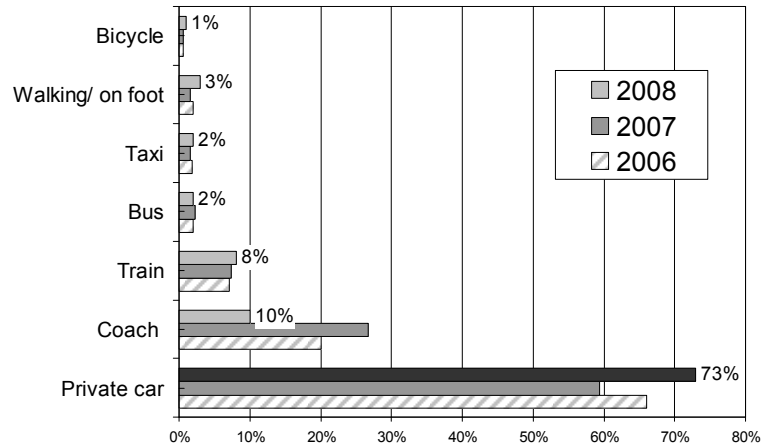
Mode of travel on board the ferry
Quarter 2, 2008 vs. previous years
Staying visitors



Mode of transport to the mainland terminal

Travel to the mainland port was primarily by car (73%), up from 59% last year. 10% travelled by coach, down significantly from last year. A minority travelled by bus or train (2% and 8% respectively).

Transport used to travel to the mainland terminal
Q2 2008 vs previous years



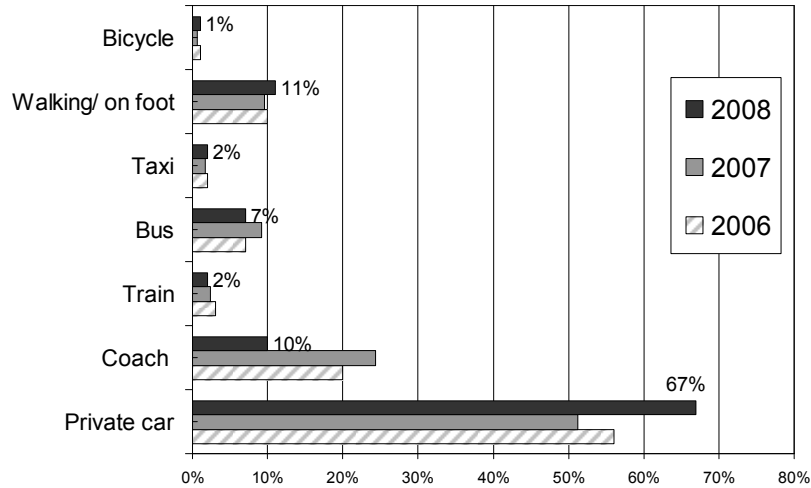
N.B. It is assumed that anyone travelling with their own car on the ferry uses that as their main mode of transport to the port. Likewise, those travelling with a coach on the ferry are assumed to travel by coach to the port.

There is little difference between mode of travel to the port used by day and staying visitors. Staying visitors were more likely to travel by coach than day visitors and day visitors made a little more use of the train or walking.

Mode of transport to travel around the Island

Once on the Island, two thirds of the visitors travelled by private car (either their own or that of a relative), a significant increase on the last two years. One in ten travelled by coach, down on last year. 11% were walking; 7% made use of local bus services and 2% the local trains.

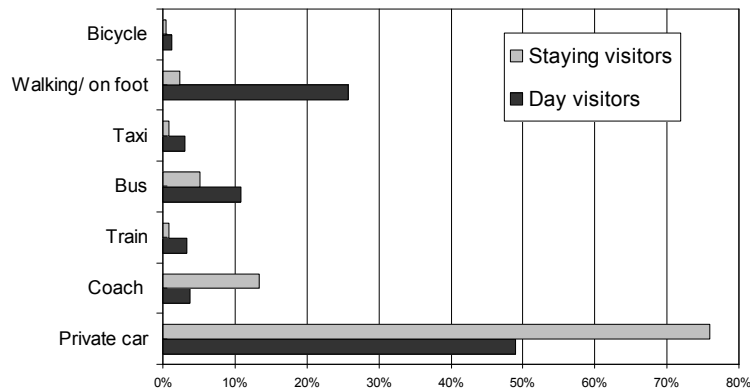
Transport used to travel around the Island
Q2 2008 vs. previous years



There are considerable differences between day and staying visitors:

- Day visitors were more likely to be walking (26%) and also made use of public transport: 11% used local buses; 3% used the train. Only half used a car.
- Staying visitors were much more likely to be travelling by car, 76%. 13% used a coach and 5% a local bus.

Transport used to travel around the Island
Day versus staying visitors
Q2 2008



N.B. It is assumed that anyone travelling with their own car on the ferry uses that as their main mode of transport around the Island. Likewise, those travelling with a coach on the ferry are assumed to travel by coach on the Island.

Value of tourism

During the spring of 2007, tourism spend is estimated at almost £163 million. Adjusting for the quarter length, this equates to an average weekly spend of £9.6 million. This is a 13% reduction in the weekly average (excluding the effect of inflation) and reflects the fall in short breaks and holidays. Whilst business trips, VFR and day trips rose in number, these visitors spend less than the staying leisure visitors and therefore did not make up for the fall in spend from short breaks and holidays.

Estimated spend by overseas residents is also down slightly versus last year due to a fall in visitors from overseas.

Staying trips were worth £150 million and day trips accounted for another £13 million.

<u>Staying trips</u>	
All domestic staying trips	£136 million
All overseas staying trips	£14 million
<u>All staying trips</u>	<u>£150 million</u>
<u>Day trips</u>	
All domestic day trips	£12.5 million
All overseas day trips	£0.5 million
<u>All domestic day trips</u>	<u>£13 million</u>

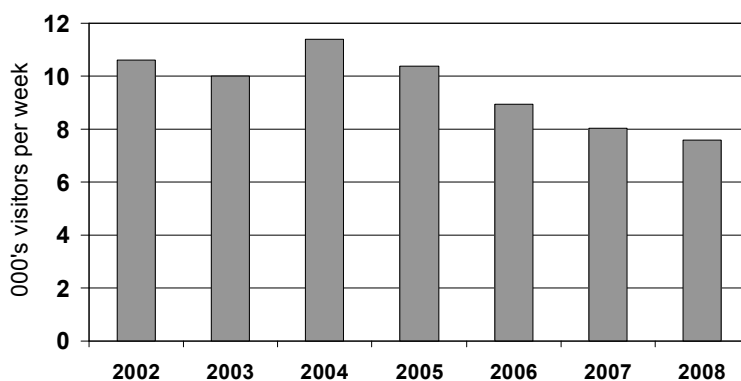
* Individual figures are rounded to the nearest £million.

N.B. Spending by visitors arriving by yacht is not included in this calculation.

Activity at Island Tourist Information Centres

129,000 people visited the Island's TIC's across this quarter, an average of 7,600 per week. This is a reduction of 5% on last year and continues the trend away from visiting TIC's in person. Average spend (for April, May, June) exceeded £10 and was 20% up on spend for the spring quarter last year.

Number of visitors to TIC offices
Q2 2008 vs. previous years
Average number of visitors per week



Website activity: islandbreaks.co.uk

There were 337,000 visits to the website in the spring period, an average of 19,800 per week. This is a slight reduction (-2%) on the same period last year and is the first time in the last five years that an increase in visitors has not been recorded.

Occupancy statistics

The Isle of Wight occupancy statistics for spring 2008 will be issued in a separate bulletin.

Summer peak season tourism bulletin (14th July to 31st August, 2008)

Visitor statistics for the peak season period will be circulated in October and the occupancy bulletin in early November.