

Tourism trends quarterly bulletin Spring 2007 (Q2: Easter to mid July)

This bulletin provides the key findings of the tourism monitor for the period March 26th to July 15th 2007 (a 16 week period). This period includes the Easter holiday (which was at the start of 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.

Where possible comparisons are made with previous research dating back to 2001. Variations in the timing of Easter mean that quarter 2 can differ in length some years. Comparisons with historical data are therefore based upon average number of visitors per week.

(N.B. When making comparisons with last year it should be noted that the football world cup dominated the media from 9th June to 9th July 2006 and had a huge effect on retailing, travel and visits to attractions.)

Introduction

The Bank of England base rate increased twice (May and July) during this period, pushing up mortgages rates, and thereby affecting disposable income in many households. These were the first base rate changes since early January and were accompanied by speculation about further rate rises.

Looking at international travel, over the 3 month period from April to June, the international travel market* contracted slightly versus the same period last year: overseas visitors into the UK numbered 8.1 million which is broadly in line with the same period in 2006, whilst UK trips abroad decreased by 6% to 16.8 million versus 2006.

Focusing on the Isle of Wight, at this time of year there is a well established schedule of events and festivals to attract visitors. The key events are the walking festival in May and the music festival in mid June; this, in particular, attracted huge publicity coverage. In addition there is the Jazz Festival in Ventnor in April which featured some famous names.

Domestic short breaks (1 - 4 nights) increased in number for the fourth successive year and reached a new record high: there were over 360,000 short breaks, which is 24% up on last year. Short breaks account for 75% of holidays/staying leisure trips at this time of year. There were 122,000 longer trips (5+ nights), which is 10% up on last year but below the number seen in 2005.

Day visits to the Island reached 280,000; this is down on last year, continuing the downward trend seen over recent years. The fall this year was due to a decline in business and VFR day trips. Domestic leisure day visits and visits made by overseas residents were level with last year.

It is estimated that more than 200,000 new or lapsed visitors (5+ years) came to the Island on a leisure trip (day or staying trip). In addition to these new visitors, there was a high proportion of repeat visiting within the last 12 months, indicating a high degree of satisfaction with the destination.

The website, islandbreaks.co.uk, goes from strength to strength with over 325,000 visits in the period; 26% more visits than the same period last year.

The value of tourism is estimated at just under £170 million, which is an increase of 17% on the same period last year (excluding inflation). This is due to the increase in short breaks and holidays achieved in this period. (This estimate excludes spending by those arriving by yacht.)

* Source: International Passenger Survey. Seasonally adjusted figures.

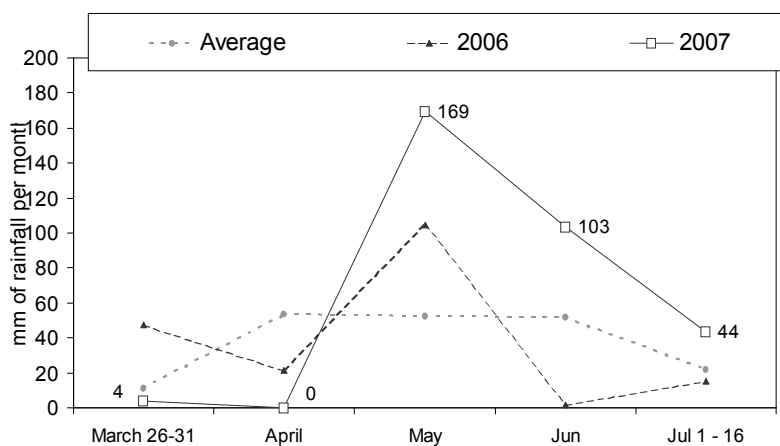
Weather

The spring season usually brings deviations from the long term average, but this year the weather was quite extreme.

- Late March and April, especially over the Easter holiday period, temperatures were high for the period and it was dry and sunny, although not as sunny as April last year.
- The good weather continued into early May but became more mixed through the month and a few periods of very heavy rain resulted in three times the average rainfall for the month.
- An erratic weather pattern continued through June and early July. During the last week of June double the monthly average rainfall fell. July brought more rain with double the average rainfall experienced in the first part of the month, most of which fell in the first week.

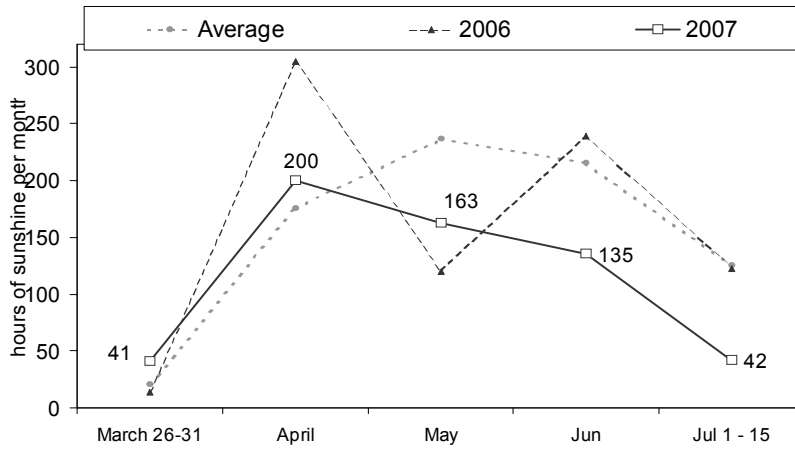
Average maximum temperatures were slightly below the average in May and June; not surprisingly, the heavy rain in July reduced temperatures further below the norm.

Rainfall on the Isle of Wight
Q2 2007 vs. 2006 and long term average



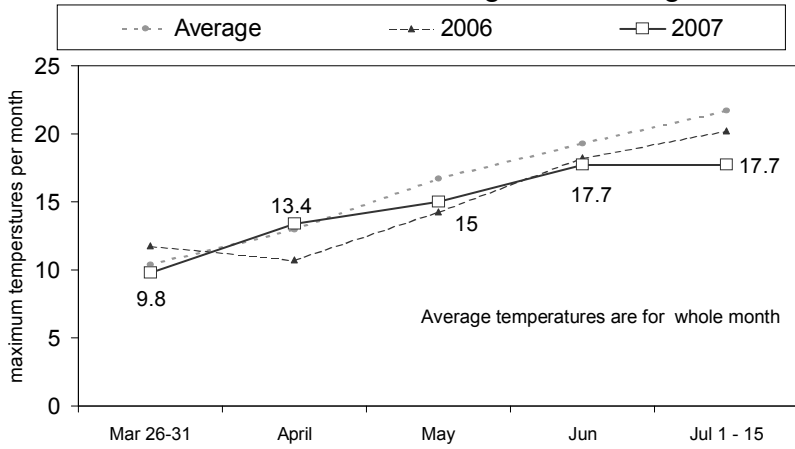
Weather data is supplied by Medina Valley Centre

Sunshine on the Isle of Wight Q2 2007 vs. 2006 and long term average



Weather data is supplied by Medina Valley Centre

Maximum temperatures on the Isle of Wight Q2 2007 vs. 2006 and long term average



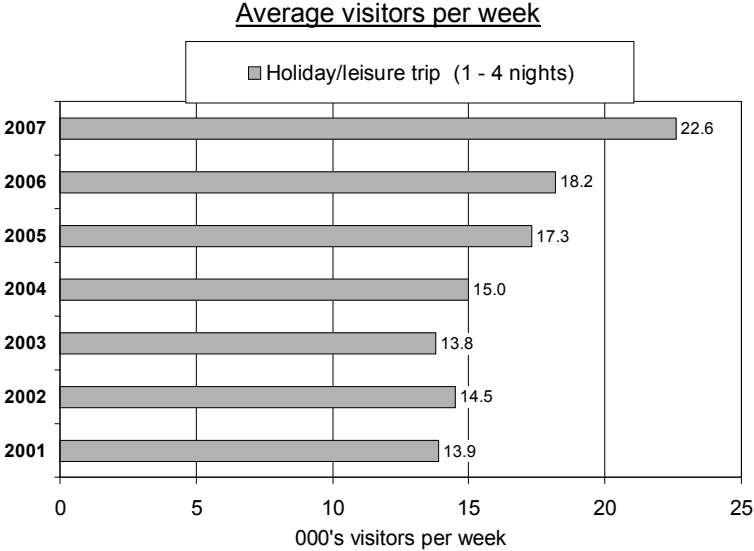
Weather data is supplied by Medina Valley Centre

Estimated number of leisure short break visitors

The spring period is an important time in the short breaks market; during this time, it is estimated that there were more than 360,000 domestic short breaks (lasting 1 - 4 nights), which is an average of 22,600 per week.

This is an increase of 24% versus last year and is the fourth consecutive year that the number of short breaks has increased; this takes short breaks to a new record high over the 7 year period illustrated.

Estimated number of domestic short break leisure visitors
Q2 2007 vs. previous years

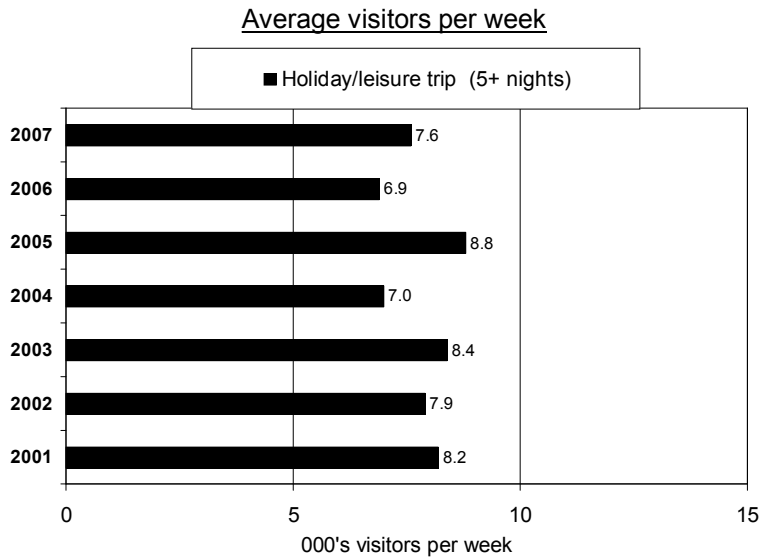


In addition to these domestic short breaks there were an estimated 9,200 short breaks taken on the Island by overseas residents.

Estimated number of longer stay leisure visitors

Longer stay holidays are less prevalent than short breaks at this time of year. It is estimated that there were 122,000 domestic longer holidays/leisure trips (5+ nights), which equates to 7,600 per week. This is an increase of 10% on last year but below the high point seen in 2005.

Estimated number of domestic longer stay leisure visitors Q2 2007 vs. previous years

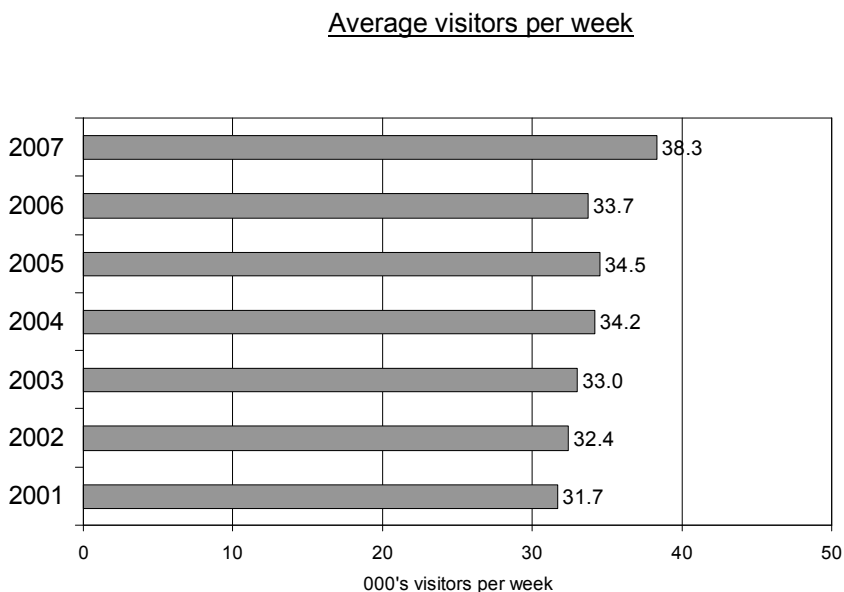


In addition to these domestic holidays, there were a small number of longer stay holiday/leisure visits made by overseas residents - an estimated 5,800.

Total number of staying visitors

Looking at all staying visitors, it is estimated that more than 650,000 visitors went to the Island on an overnight trip. The vast majority of these were domestic visitors (94%). This equates to an average of 38,000 domestic staying trips per week. Over recent years this volume has been fluctuated very little but this year it increased by 14% versus last year.

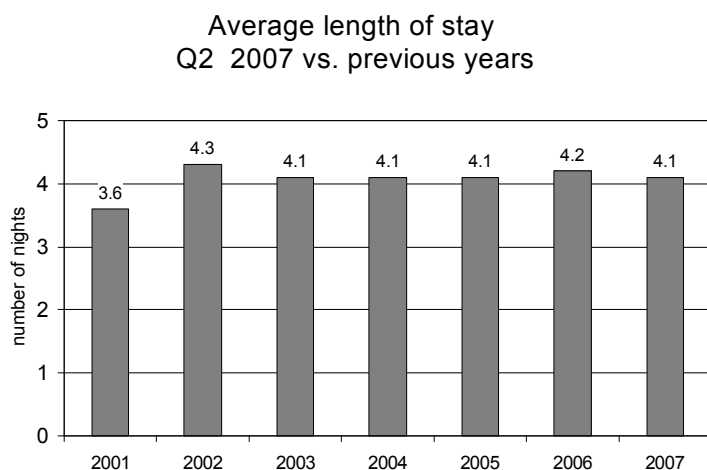
Estimated number of domestic staying visitors Q2 2007 vs. previous years



As noted earlier, the main change has been the increase in short breaks; VFR trips and business/business and leisure trips have both declined slightly this spring.

Average length of stay (domestic visitors)

The average length of all types of staying trips has remained fairly constant over the course of recent years: this spring it was 4.1 nights.



Overseas residents

An estimated 40,000 overseas residents visited the Island on a staying trip, an average of 2,500 per week. This is a considerable increase on the last two years: up a estimated 50% versus 2006 and 30% versus 2005.

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

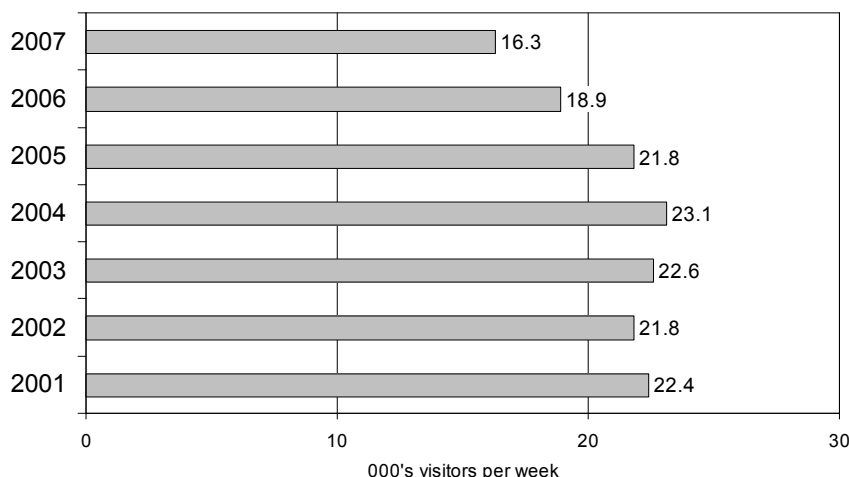
Numbers of day visitors

An estimated 280,000 day visits were made to the Island: in line with staying trips, the majority were domestic day visits (93%). This equates to an average of 16,000 domestic visits per week, which is 14% down on last year and is the third year that day trips have declined. Leisure day trips were level with last year but business day trips, VFR day trips and other unspecified types of day trip were down significantly.

Day trips made by overseas residents were level with last year.

Estimated number of domestic day visitors Q2 2007 vs. previous years

Average visitors per week



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 staying visitors and 2% of VFR day visitors were on their first visit to the Island.)

The Island needs to attract a mix of regular and new (or lapsed) visitors. A base of regular leisure visitors indicates a high degree of visitor satisfaction, but new/lapsed visitors mean the Island does not become over reliant on a defined visitor base. During this spring period a good balance of new/lapsed and regular visitors came to the Island.

- Day visitors: over half the leisure day visitors were on a repeat trip during the last 12 months and 18% 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 a long break.
- Staying visitors: staying visitors were slightly more likely than day visitors to be new or lapsed visitors to the Island. 17% were visiting for the first time; 13% were returning for the first time in 5 years and 18% came back after a break of 1 - 5 years.

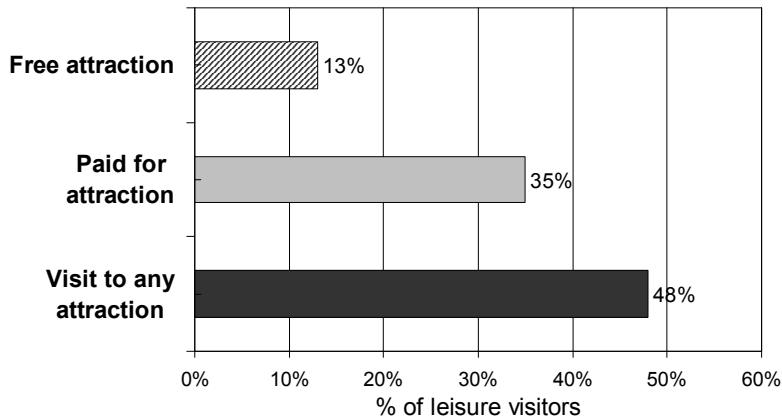
	Leisure day visitors (not VFR)	Short break/holiday visitors (not VFR)
First visit to Island	16%	17%
Visited before in last 12 months	53%	45%
Visited before 12 months to 5 years ago	18%	22%
Visited before but more than 5 years ago	13%	17%

Therefore an estimated 205,000 new or lapsed (5+ years) leisure visitors came to the Island on a day trip, short break or holiday during the spring. Over three quarters of these were the higher value staying visitors.

Visits to attractions

An estimated 48% of leisure visitors went to at least one of the Island's attractions. More than twice the number of visitors (35%) went to paid for attractions than to the free attractions (13%). *

Estimated visits to types of attractions
Q2 2007

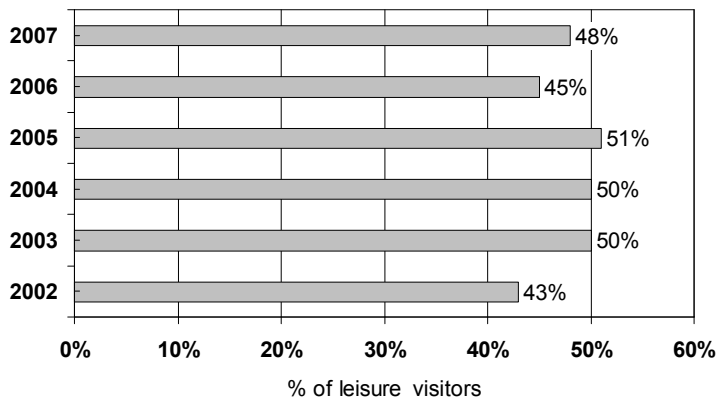


* N. B. Recall of visits to free attractions may be underestimated due to the reliance on respondent's recall.

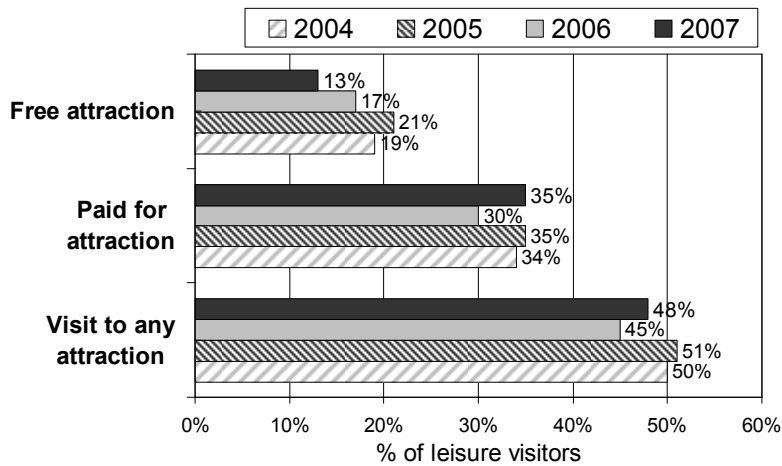
Visits to attractions were up slightly on last year, showing the benefit of more visitors taking short breaks and longer holidays on the Island. This takes visits to attractions back towards the level seen over the previous three years. The reduction seen last year was likely to have been due, at least partially, to the football world cup coverage throughout the month of June.

This increase in visits to attractions has been solely within the paid for sector; visits to free attractions were down on last year.

Estimated visits to any type of attraction
Q2 2007 vs. previous years



Estimated visits to types of attractions Q2 2007 vs. previous years



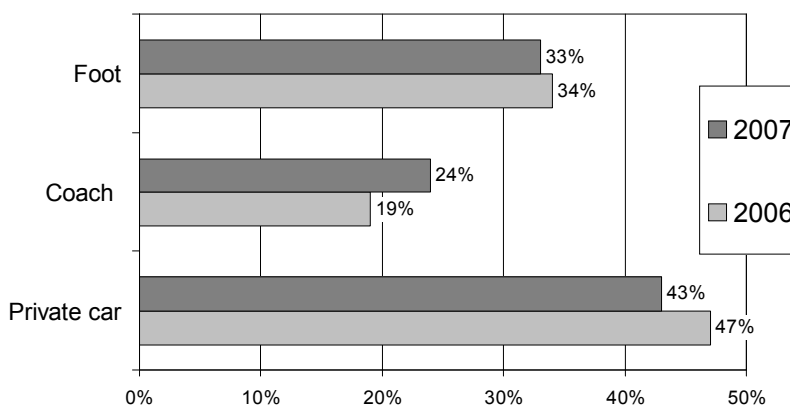
Mode of transport

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

An estimated two fifths travelled with a car on board the ferry, slightly fewer than last year (down from 47%). A third travelled as foot passengers, in line with last year last year. Coach travel accounted for a quarter of visitor travel; this is up slightly from the level seen last spring (19%) and is due to an increase in the size of coach parties rather than an increase in the number of coaches travelling.

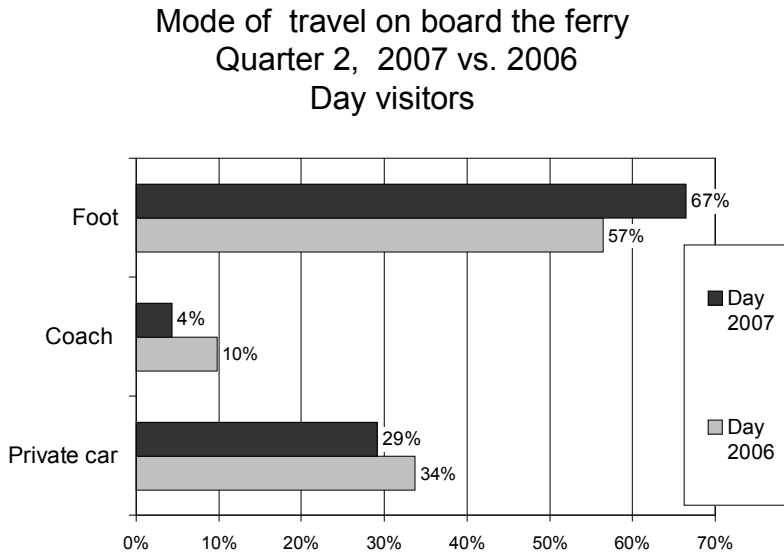
Mode of travel on board the ferry Quarter 2, 2007 vs. 2006



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

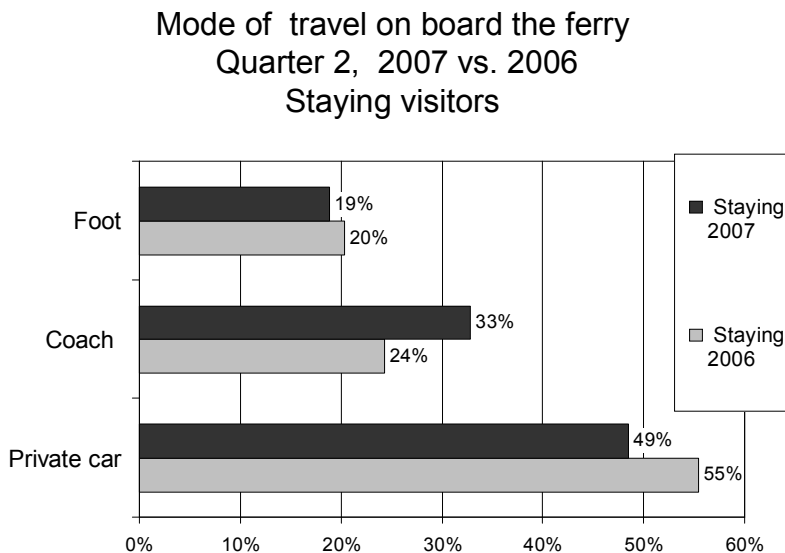
Day visitors

Two thirds of day visitors travelled as a foot passenger, this was a 10 point increase versus last year. There was a corresponding drop in coach and car travel.



Staying visitors

There was a shift from car travel to coach travel versus last year, resulting in around half of staying visitors travelling by car, a third by coach and a fifth on foot.

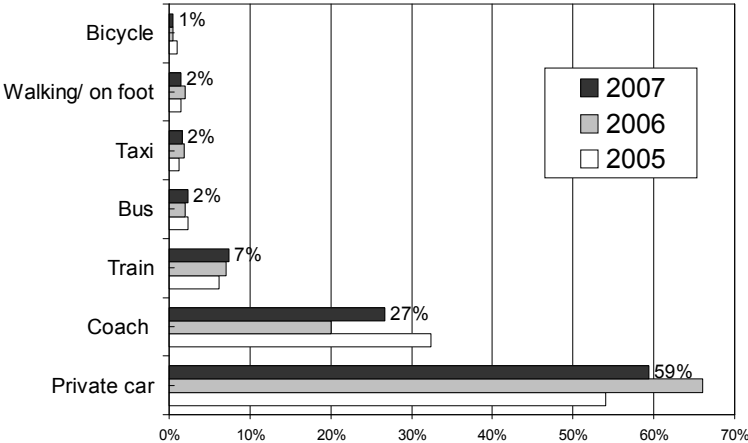


Mode of transport to the mainland terminal

In line with last year, the majority travelled to the mainland port by car (59%) or coach (27%)
A minority travelled by bus or train (2% and 7% respectively).

Use of the car was up versus 2005 but down slightly on last year. Conversely, coach travel declined considerably last year but regained some of that ground this spring. Travel by train shows evidence of a slight upwards trend over the three year period.

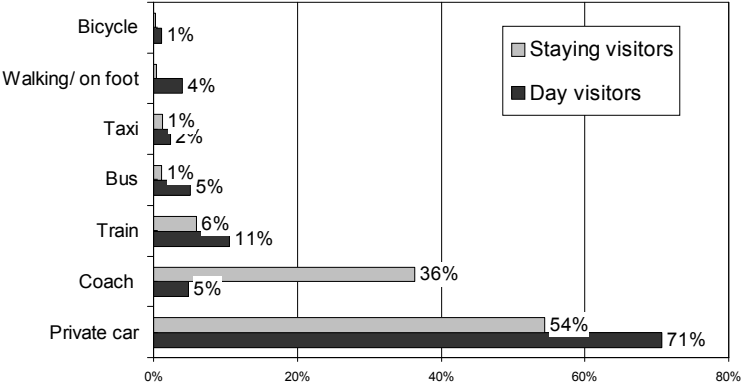
Transport used to travel to the mainland terminal
Q2 2007 vs previous years



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.

Looking at day and staying visitors separately; private car was used by 71% of day visitors versus only half of staying visitors. Use of the train and bus was also higher amongst day visitors. Staying visitors were much more likely to travel by coach than day visitors.

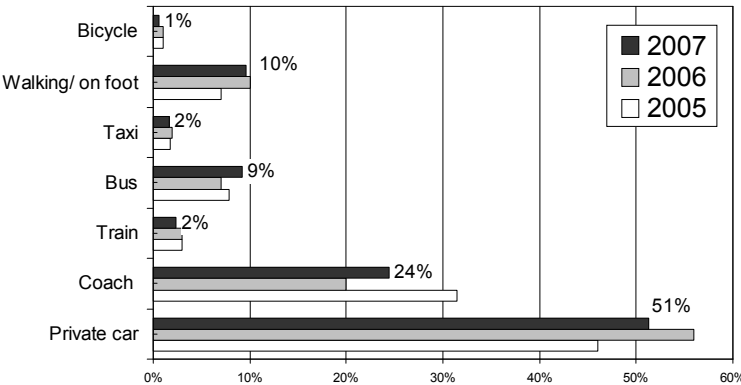
Transport used to travel to the mainland terminal
Day versus staying visitors
Q2 2007



Mode of transport to travel around the Island

Once on the Island, half the visitors travelled by private car (either their own or that of a relative), this proportion has fallen slightly versus last year. Another quarter travelled by coach, up a little on last year. 10% were walking and 9% made use of local bus services.

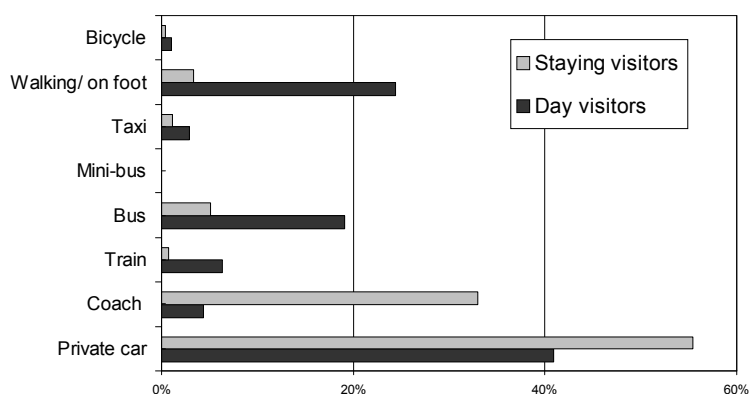
Transport used to travel around the Island
Q2 2007 vs. previous years



Transport around the Island differed considerably between day and staying visitors. There was a high propensity to walk or use public transport amongst day visitors: a quarter were walking, and almost a fifth used local bus services.

Staying visitors were much more likely to be travelling by car or by coach once on the Island.

Transport used to travel around the Island
Day versus staying visitors
Q2 2007



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 is estimated to have generated almost £170 million. Adjusting for the quarter length, this equates to an average weekly spend of £10.7 million. Last year the value of tourism fell by 6% during the spring; this year the value has increased by 17% versus 2006 and is also up by 13% on spring 2005 (excluding inflation). This increase is primarily due to an increase in short breaks and holidays. Visits by overseas residents have also contributed more to the economy versus last year.

Staying trips are worth £159 million and day trips account for another £10 million.

<u>Staying trips</u>	
All domestic staying trips	£144 million
All overseas staying trips	£15 million
<u>All staying trips</u>	<u>£159 million*</u>
<u>Day trips</u>	
All domestic day trips	£9 million
All overseas day trips	£1 million
<u>All domestic day trips</u>	<u>£10 million</u>

* Individual figures are rounded to the nearest £million.

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

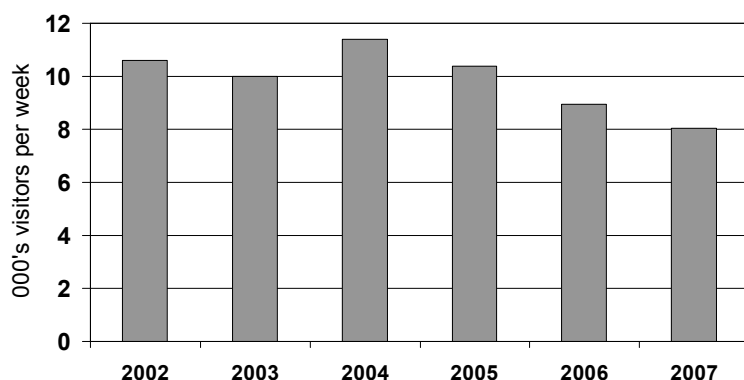
Activity at Island Tourist Information Centres

128,000 people visited the Island TIC's in the spring, which is an average of 8,000 per week. Whilst this is a reduction (10%) compared to last year, it is more than offset by the increase in website visitors (see below).

The increasing tendency to research and book travel on line reduces the need to visit the TIC's amongst a sector of the market. A recent pan Europe study* estimated that on line booking will increase by 22% in 2007 vs. 2006 and internet bookings will reach 18% of total sales. Government research shows that 60% of GB households now have internet access.

Average spend by visitors was £8.42, up from £8.32 in spring last year and £7.92 in 2005.

Number of visitors to TIC offices
Q2 2007 vs. previous years
Average number of visitors per week



Website activity: islandbreaks.co.uk

There were 325,000 visits to the website in the spring period, an average of 20,000 per week. This is an increase of 26% on the same period last year. This continues the dramatic year on year increase in use of the website. For the 4 month period April to July, visits this year are up by 69% versus 2005.

Occupancy statistics

The Isle of Wight occupancy statistics for spring 2007 will be issued in a separate bulletin in late September.

Summer peak season tourism bulletin (16th July to 2nd September, 2007)

Visitor statistics for the next trading period will be circulated in October with the occupancy statistics due early November.

* Source: Trends in European Internet Distribution of Travel and Tourism Services by Centre for Regional and Tourism Research