Tourism trends quarterly bulletin
Visitor statistics for the autumn 2008: (Q4)

Introduction

This bulletin provides the key findings of the tourism monitor for the autumn period, 1st September to 31st December 2008. Where possible, comparisons are made with previous research to provide the longer term trend in tourism performance on the Isle of Wight.

The global financial crisis has had a severe impact on consumer confidence this quarter. This index reached a new low point of 47 in December, down from 87 in December 2007. The financial crisis was gathering speed through the summer of 2008 but became much more prominent in September, the start of this autumn quarter, when Lehman Brothers collapsed and several of the major banks' problems became apparent.

To set the context for evaluating tourism on the Isle of Wight, it is relevant to look at how international and national travel has been affected by the economic situation. Over the autumn, September to December, the international travel market contracted significantly:

- There were 21 million trips abroad by UK residents, a decrease of 7% on last autumn and 8% below autumn 2006;
- Visits to the UK by overseas residents decreased by 11% versus 2007 to 9.6 million trips; these were 10% down on autumn 2006.

Looking at domestic travel, data is available for September to November only: this shows that overnight trips (1+ nights) taken within the UK declined by approximately 10% to 29 million trips. Month by month, September saw a 2% fall, increasing to 5% in October but the majority of this decline occurred during November when domestic staying trips fell by 25%, suggesting that December could also see a significant fall.

Focussing on the Isle of Wight, the Island continued to host events to attract tourists. Autumn started with the Bestival music festival in early September but this was affected by very heavy rainfall. Other key events were the classic car show and the cycling festival, a 9 day event.

It is estimated that there were just over 630,000 visits to the Island during the autumn, this represents a decline of 9% versus last year and is 4% below 2006. Staying visitors declined more significantly but day visitors increased in number.

- Domestic staying leisure trips decreased by 19% to 307,000. This is more significant than the 10% decline in domestic trips nationally, noted above, but is less than the 25% fall seen nationally in November ;
- Domestic short breaks fell by 18% to 123,000;
- Staying VFR trips fared much better than short breaks but still decreased slightly (-6%) to 105,000;
- Staying business trips were level with last year;
- Total domestic day trips increased by 6% to just under 300,000, the third year that day trips have increased in the autumn. This growth was driven primarily by business day trips and, to a lesser extent, VFR day trips;
- Visits by overseas residents were down by 18% to 26,000 but were up significantly on 2006;
- It is estimated that 83,000 new or lapsed visitors came to the Island on a leisure trip, 60% of whom were the higher value short break/holiday visitors;
- 29% of the leisure visitors went to an attraction, down by 7 points on autumn last year and evidence of visitors curbing their spending.

It is estimated that tourism contributed £75 million to the Island economy during the autumn. This is a decrease of 21% versus autumn last year (excluding inflation) and is attributable primarily to the decline in short breaks and longer holidays. The value of domestic tourism in the UK (Sept. to Nov.) dropped by 4.5% but this fall occurred primarily in November when value fell by 18%.

N.B. Data is taken from research conducted on board the six ferry routes to the Island. Isle of Wight Tourism. Medina Valley Centre and Shanklin weather station supply additional data.

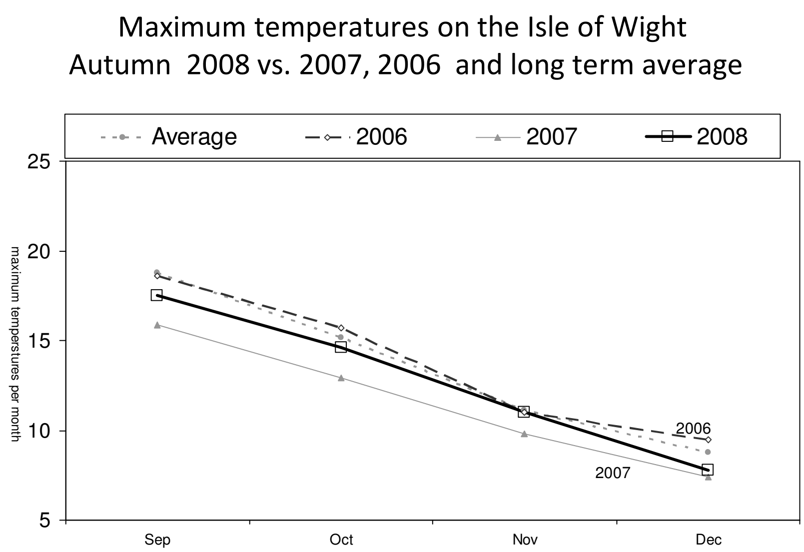
International travel trends are taken from the IPS, a government survey: figures shown are not seasonally adjusted.

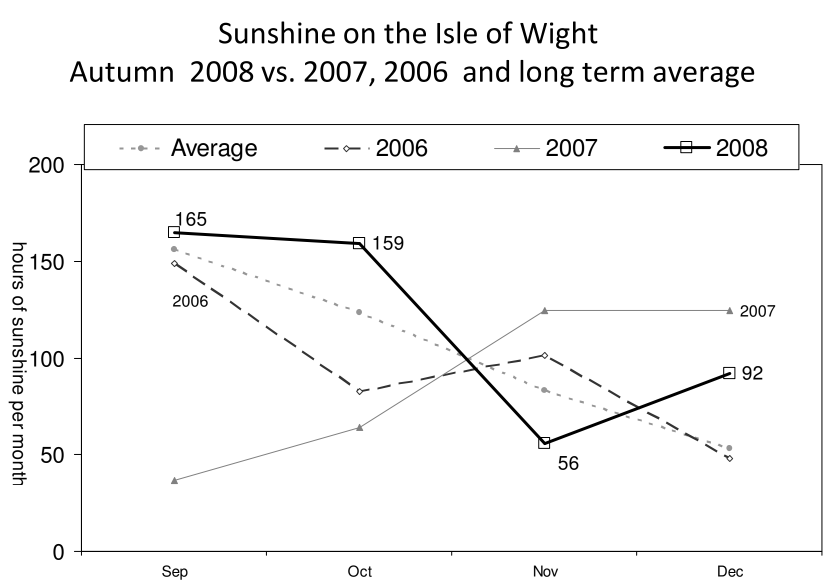
National travel trends are taken from UKTS, a survey conducted on behalf of Visit Britain.

Weather

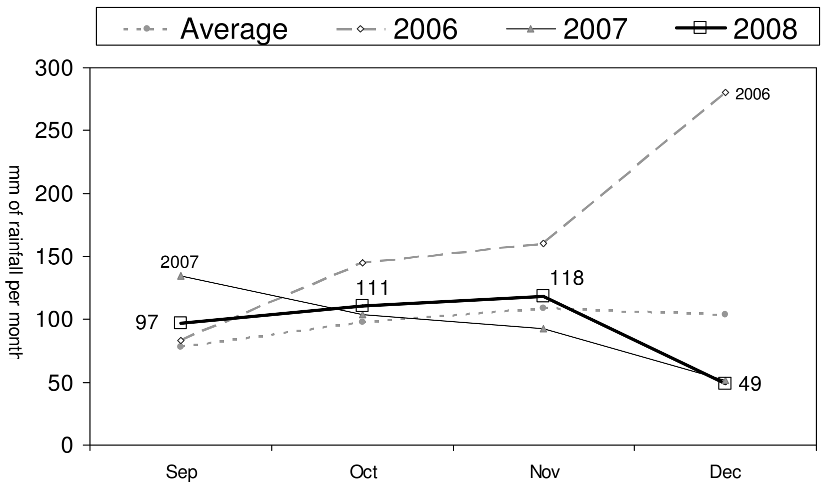
After a very wet and difficult peak season, the wet weather continued into the start of September and during the Bestival but then improved during the autumn season and was more in keeping with expectations for the time of year:

- Maximum temperatures were just below the long term average from September to November and fell slightly further below in December;
- Sunshine hours fluctuated around the norm; the period started with average sunshine hours in September but October saw much more sunshine (+30% vs. average). November was extremely dull but December was much sunnier. Both October and December were the second sunniest in the last 26 years;
- Rainfall: the first week of September was extremely wet: three quarters of the month's rain fell in the first six days. Rainfall was slightly above average in September, October and November but December was much drier than average, in line with last year.





Rainfall on the Isle of Wight
Autumn 2008 vs. 2007, 2006 and long term average

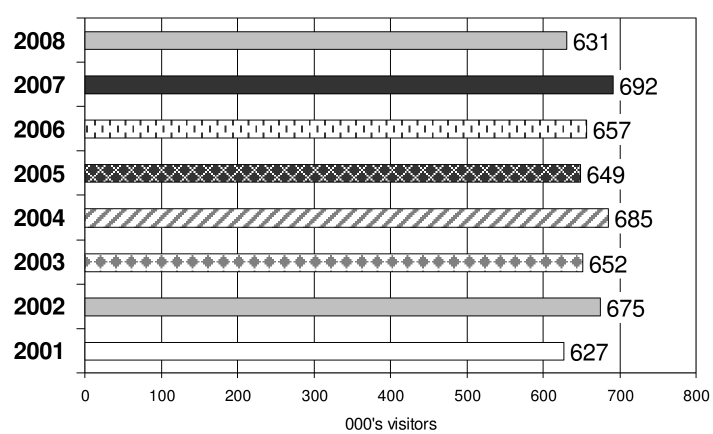


Weather data is supplied by Medina Valley Centre and Shanklin Weather Centre

Estimated number of visitors to the Isle of Wight

It is estimated that approximately 630,000 visits were made to the Isle of Wight during the autumn of 2008. This is a decrease of 9% on last year, but this decline is accentuated by the increase seen last year. Comparison with earlier years shows a less dramatic fall: -4% versus 2006 and -3% versus 2005.

Estimated number of total visitors
Q4 2008 vs. previous years

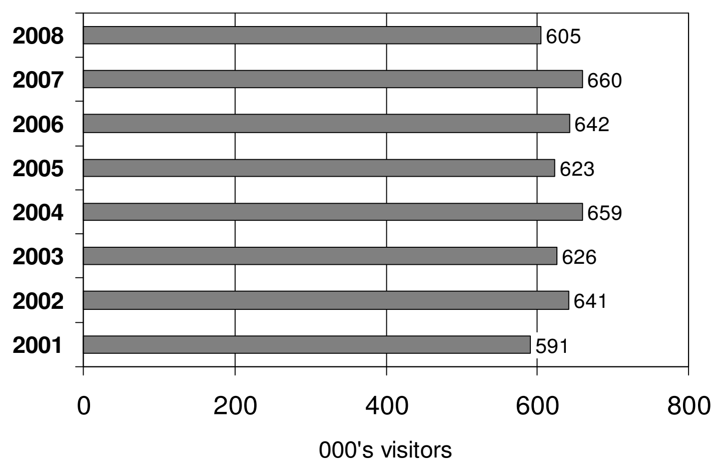


The majority of these visitors were domestic visitors, 96%, which is the norm at this time of year.

Estimated number of domestic visitors

Approximately 605,000 domestic visitors went to the Isle of Wight during autumn. The year on year trends are similar to total visitors with a decline in visitor numbers: - 8% vs. last year; -6% vs. 2006 but only -3% vs. 2005. Domestic visitors are now at their lowest number for seven years.

Estimated number of domestic visitors
Q4 2008 vs. previous years



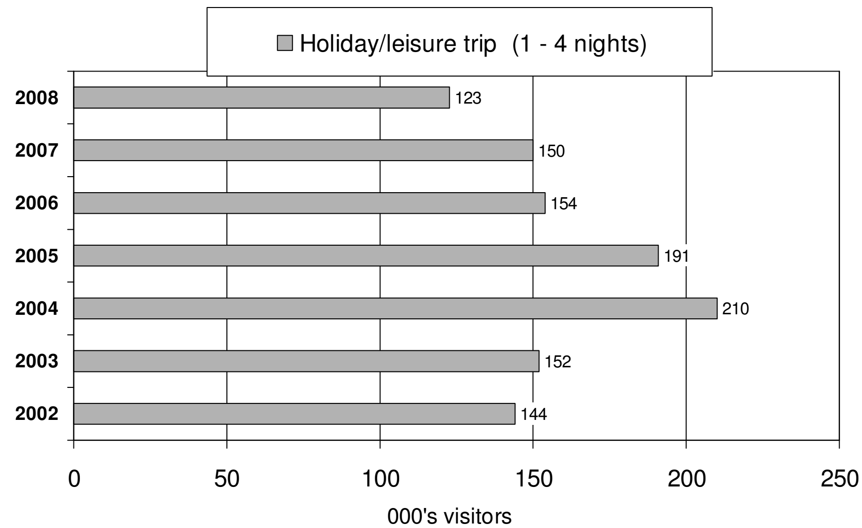
Domestic visitors are divided into staying and day visitors. The table below shows the balance between the two segments over the last three years. This year, staying visitors declined as a proportion of total domestic visitors to the point where there were equal numbers of staying and day visitors.

	Staying visitors %	Day visitors %
2008	51%	49%
2007	57%	43%
2006	56%	44%

Estimated number of domestic leisure short breaks

Short leisure stays are an important sector at this time of year, this autumn they accounted for 40% of the domestic staying visits. However, this sector has been declining over recent years and this autumn reached its lowest level over the seven year period illustrated. There were an estimated 123,000 short leisure breaks – down by 18% vs. 2007.

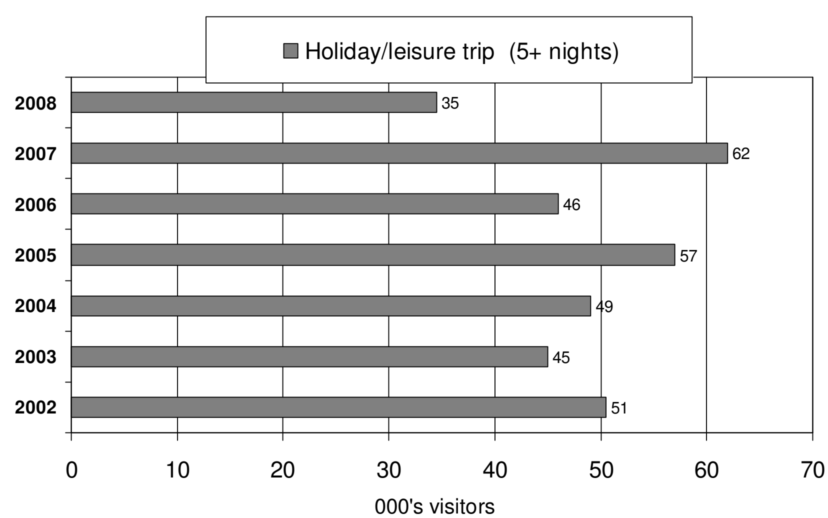
Estimated number domestic short break leisure trip visitors
Q4 2008 vs. previous years



Estimated number of longer stay domestic leisure visitors

There are relatively few longer stay holidays (5+ nights) during the autumn period, although their duration does mean they remain of some importance to accommodation providers. These accounted for just over 1 in 10 of domestic staying trips. The number of trips has fluctuated over recent years (partly due to the small base size); there were an estimated 35,000 longer holidays, 27,000 trips fewer than last year (12,000 fewer than in 2006) taking these to their lowest level during autumn in the last 7 years.

Estimated number domestic longer stay leisure trip visitors
Q4 2008 vs. previous years



Other types of domestic staying trips

Visits to friends and relatives are a significant sector during the autumn: these accounted for a third (34%) of all domestic staying trips. For the second year these decreased year and were down by 6% vs. last year but over the longer term are up by 8%.

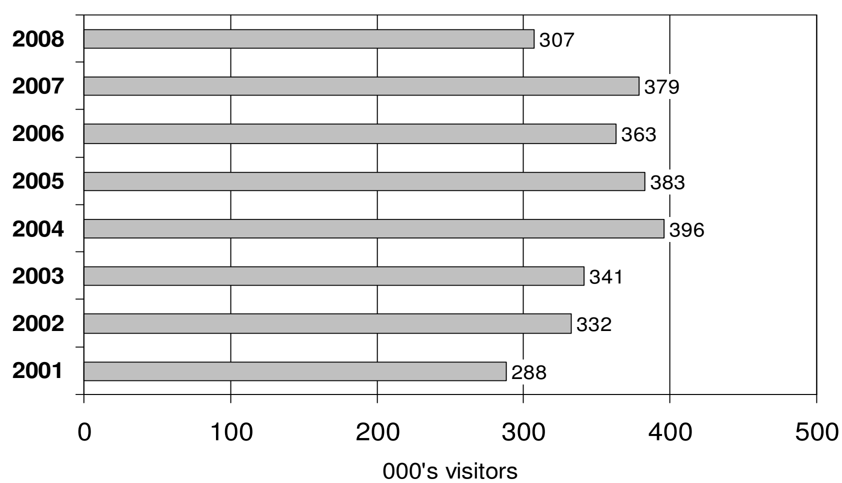
	2002	2003	2004	2005	2006	2007	2008
000's	97	97	87	94	118	112	105

Business trips are a small sector: there were 32,000 visits (business plus combined business and leisure trips) which is 10% of domestic staying trips. These were on a level with last year.

Estimated number of domestic staying visitors

The consequence of these falls in different categories of domestic staying visitors is a decline of 19% in domestic staying visitors. This remains ahead of 2001 but is below subsequent years. The decline nationally in domestic staying trips was -10% for the period September to November but the vast majority of this occurred in November (-25%), suggesting that December may also see a big decline.

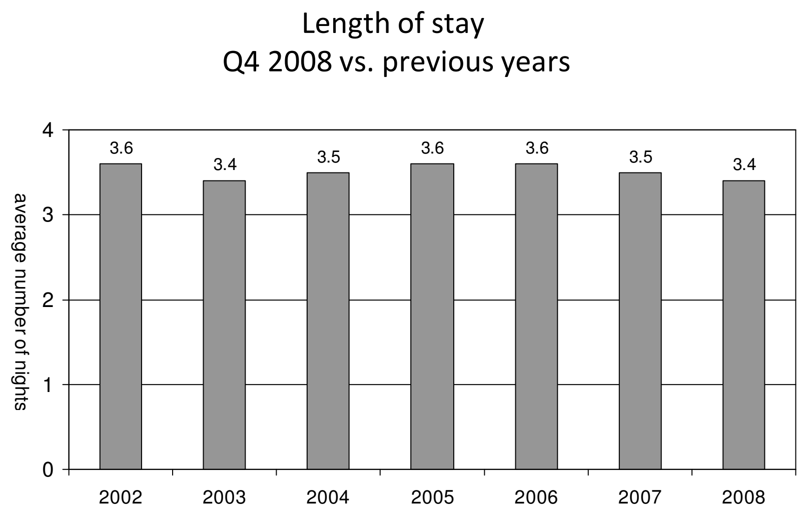
Estimated number of domestic staying visitors
Q4 2008 vs. previous years



Average length of stay

Against this backdrop of falling numbers of visitors, the average length of all domestic staying trips has remained fairly constant. At 3.4 nights it was down very slightly on recent years. This is significantly longer than the average length of stay seen nationally.

This resulted in an estimated demand for just over one million domestic visitor bednights on the Island; taking out VFR trips, an estimated 745,000 were needed.

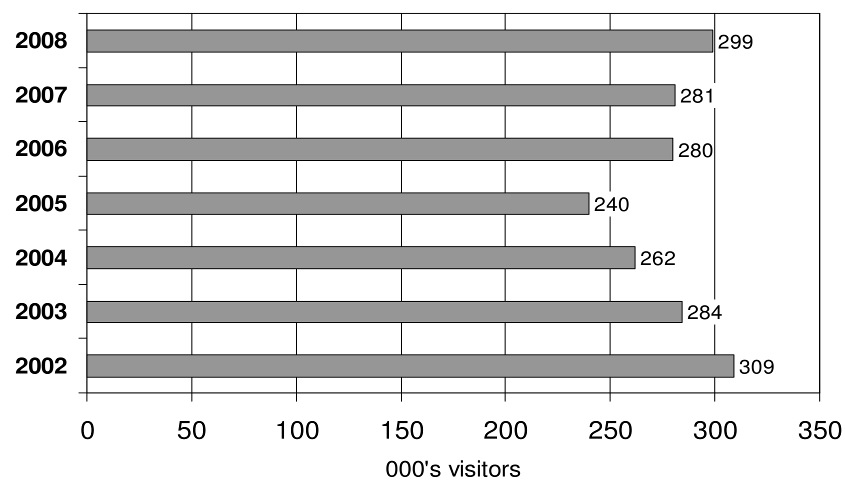


Estimated number of domestic day trips

There were approximately 300,000 day trips, an increase of 6% vs. last year. After three years of declining numbers between 2003 and 2005, this is the third year that day visits have increased.

This year the most important category of day trip was business trips and these were up by 47% to 130,000. These made up 43% of all domestic day visits. Leisure day visits (LDV) are traditionally the biggest sector in the autumn but these were down by 18% vs. last year to an estimated 96,000. This fall was due solely to a decline in LDV's starting from home; LDV's taken whilst on holiday on the mainland were up. In addition there were 66,000 VFR trips which is 4% up on last year. This move away from leisure day visits to VFR day visits is evidence of visitors reducing their discretionary spending.

Estimated number of domestic day visitors
Q4 2008 vs. previous years

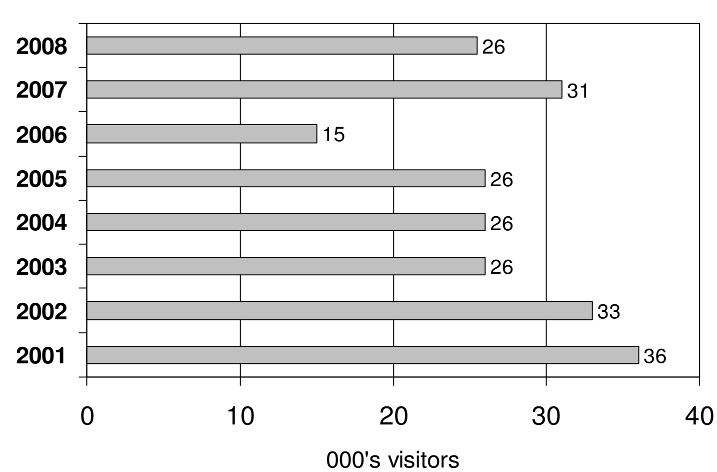


Estimated number of visits made by overseas residents

During autumn, there are relatively few visits by overseas residents, the important periods for these visitors being spring and the peak season. An estimated 26,000 visits were made by overseas residents, down on last year, but up on 2006 and level with 2003 - 2005.

N.B. The base for estimating this number is small, hence estimates fluctuate.

Estimated number of visits by overseas residents
Q4 2008 vs. previous years



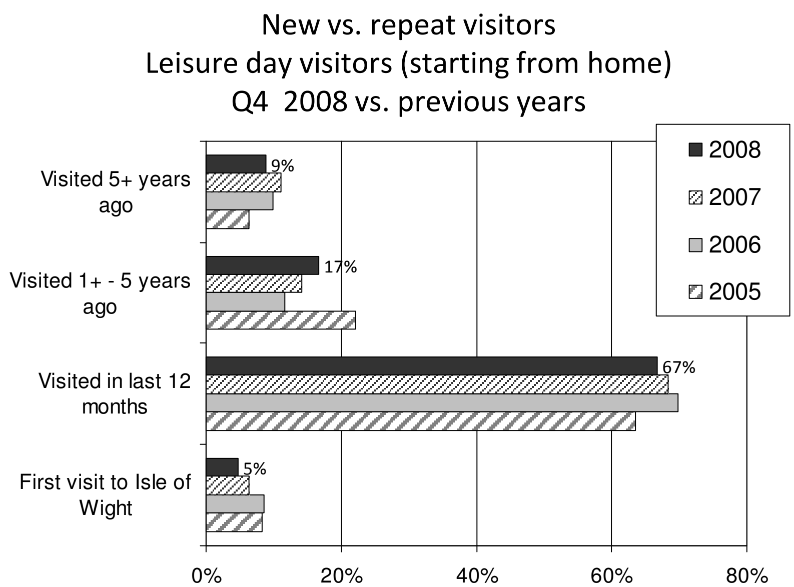
NB. Estimates of abroad visitors based on small sample

New visitors versus repeat visitors to the Isle of Wight

Day and staying leisure visitors are asked when they last went to the Isle of Wight, if at all. The following data excludes those visiting friends and relatives as these are, by definition, likely to be frequent visitors. (Only 3% of all VFR visitors were on their first visit to the Island.)

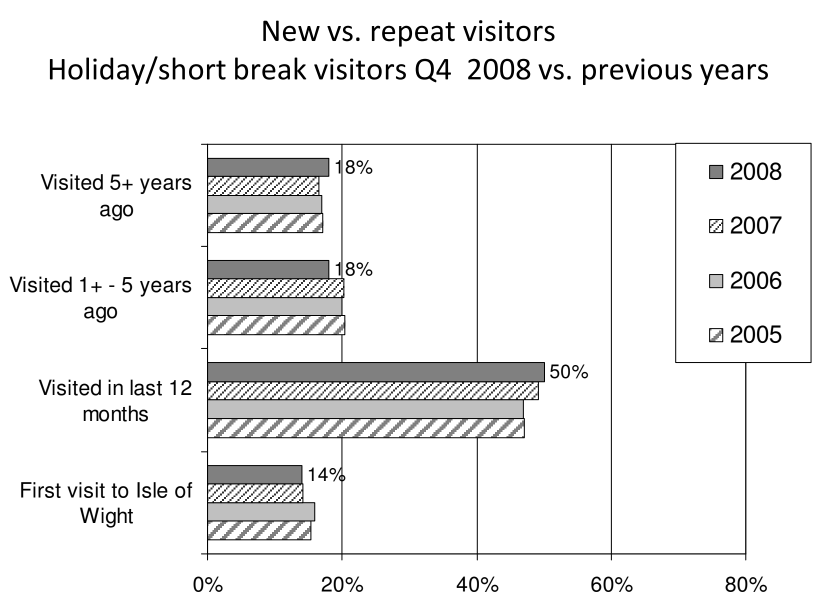
Leisure day visitors (trip starting from home): at this time of year only a minority (5%) of people were on their first visit; in addition 9% had returned to the Island after a long break (5+ years), a similar proportion to the last two years.

The biggest group were regular visitors: two thirds were on their second or subsequent visit in the last 12 months whilst another 17% were returning after a short break (1-5 years).



NB. Estimates based on small samples

Leisure staying visitors: these visitors were more likely than day visitors to be new to the Island (14%) or returning after 5+ years (18%). However, the majority were regular visitors: half had already visited in the last 12 months and another fifth had visited relatively recently (1-5 years).



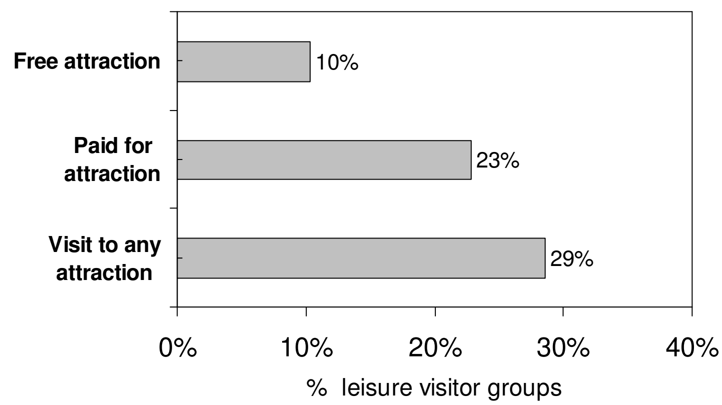
Based upon these visitor patterns it is estimated that approximately 83,000 new or lapsed (5+ years) visitors went to the Island during autumn. This is a drop of approximately 15% versus last year. Over 60% of these new/lapsed visitors were the higher value staying leisure visitors.

	Leisure day visitors (not VFR)	Short break/holiday visitors (not VFR)
000's new/lapsed visitors	30	53

Visits to attractions

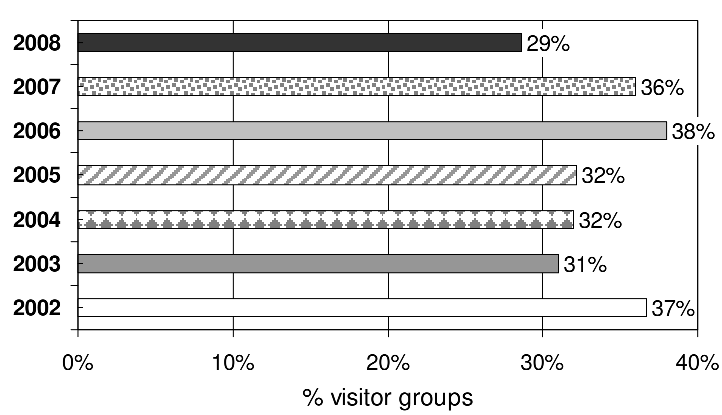
Just under a third (29%) of leisure visitors went to an attraction; 23% said visited one charging an entrance fee whilst 10% visited a free attraction.

Estimated visits to types of attractions
Q4 2008



This is a significant reduction in the proportion visiting attractions, down by 6 points on last year and down by 9 points vs. 2006. This reduction in propensity to visit combined with a reduced number of leisure visitors will have had a significant impact on visitor numbers to attractions.

Estimated visits to any attractions
Q4 2008 vs. previous years



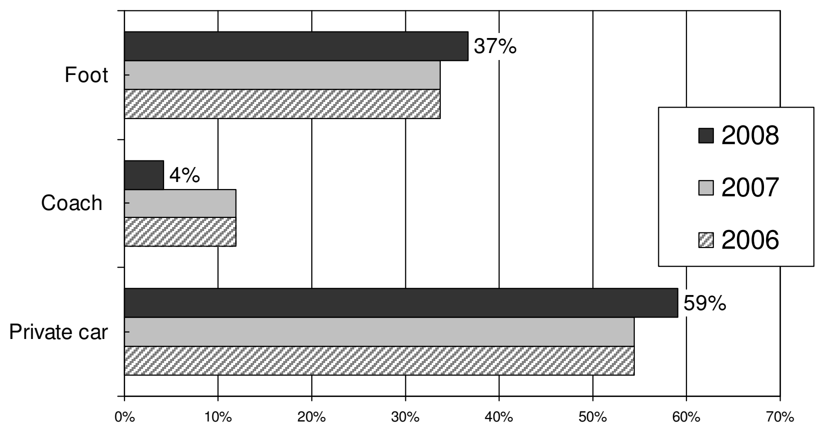
Mode of transport

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

The private car continues to be the most popular mode of travel to/from the Isle of Wight, and the proportion choosing this increased by five points to 59%. Most of the remainder (37%) travelled on foot and this proportion is also up slightly on last year. Only 4% travelled to the Island by coach, this figure is down by eight points, thereby continuing the erosion of this mode of travel. The decline in coach travel is linked to the decline in short breaks as traditionally short break holidays by coach are an important sector in the spring and early autumn.

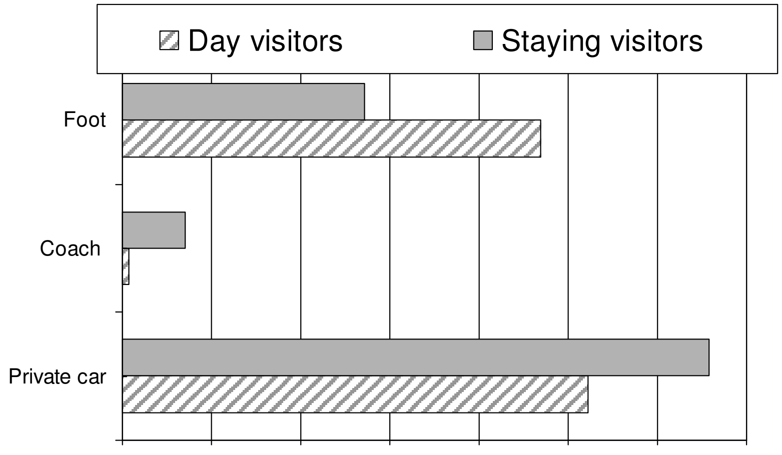
Mode of travel to/from the Island
Autumn 2008 vs. previous years



The mode of travel selected by day and staying visitors differed significantly:

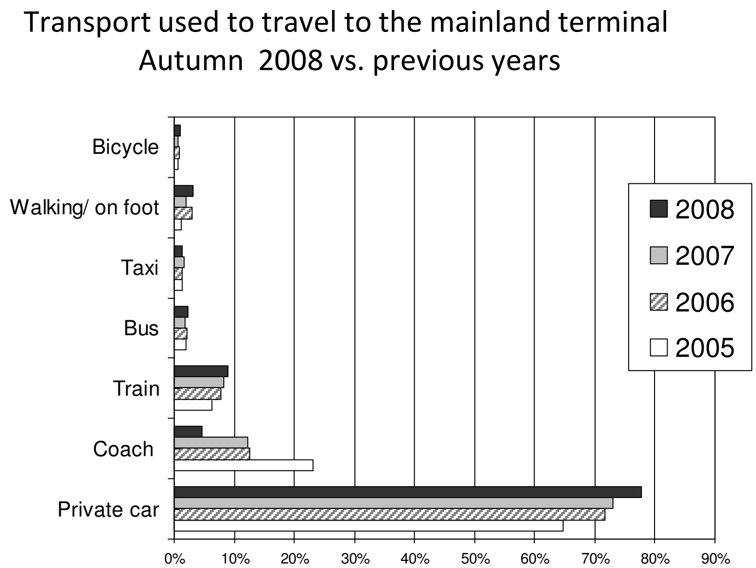
- Staying visitors were most likely to travel by car: 66% vs. 52% of day visitors.
- Almost half, 47%, of day visitors travelled on foot vs. 27% of staying visitors.

Mode of travel to/from the Island
Autumn 2008



Mode of transport to the mainland terminal

Over the four years illustrated there has been a gradual shift towards use of a private car to get to the mainland terminal and this is now 13 points ahead of 2005. Alongside this, coach travel has declined quite dramatically and is down by more than three quarters versus 2005. Other modes are at a similar and fairly low level. Comparing this with mode of travel on board shows that about one fifth travelled to the terminal but did not take their car to the Island, creating demand for car parking on the mainland.



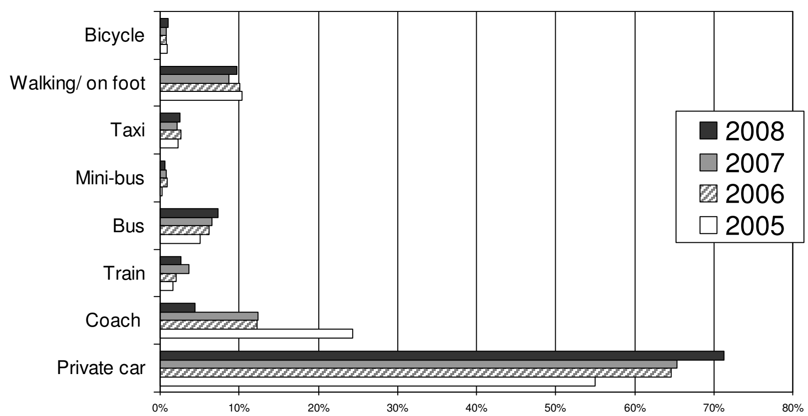
N.B. It is assumed that anyone travelling with their own car on the ferry uses that as their main mode of transport to the port. Likewise, those travelling with a coach on the ferry are assumed to travel by coach to the port.

Differences between day and staying visitors in mode transport to the mainland terminal: were slight: staying visitors were more likely to arrive by coach and train than day visitors and day visitors made greater use of the car.

Mode of transport to travel around the Island

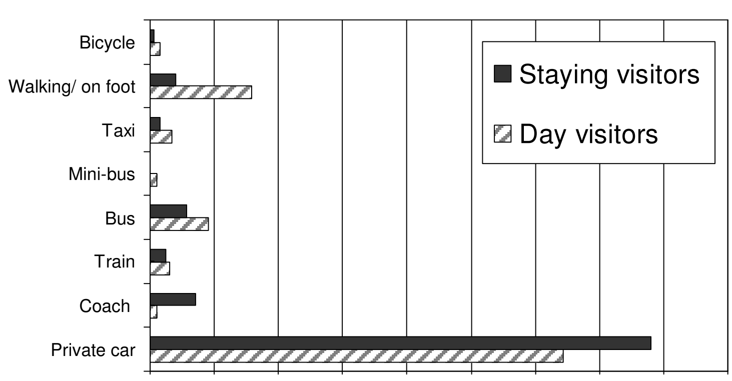
When travelling around the Island, the private car continued to dominate travel; over 7 out of 10 used their car (includes the use of a relative's car) and this figure has increased significantly over a short period of time. Coach travel on the Island decreased and accounted for only 4% of travel, reflecting the decline of coach holidays and short breaks. 10% were walking, in line with recent years; use of local public transport was at a low level but similar to recent years.

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



There were differences between day and staying visitors: staying visitors were more likely to travel by private car. They were also more likely to travel by coach although use of coach travel was low even amongst staying visitors. Most of those walking, cycling or using public transport (the bus/train services), were day visitors.

Transport used to travel around the Island
Day versus staying visitors
Autumn 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

The value of tourism during autumn is estimated at £75 million. This represents an estimated drop of 21% versus the autumn 2007 (excluding inflation). This significant reduction is due primarily to the reduced number of short breaks and longer holidays taken on the Island this autumn.

Staying trips are estimated to be worth £64 million, the majority of which, £58 million, is from domestic staying trips. Day trips are estimated to be worth £11.5 million.

Staying trips	
All domestic staying trips	£58 million
All overseas staying trips	£5.5 million
All staying trips	£64million*
Day trips	
All domestic day trips	£11 million
All overseas day trips	£0.4 million
All domestic day trips	£11.5 million*

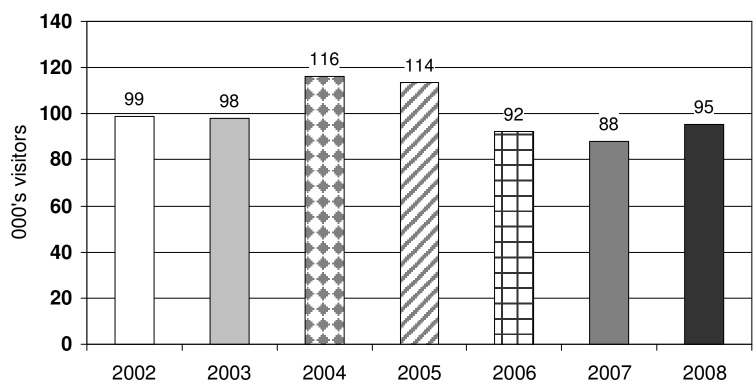
N.B. Spending by visitors arriving by yacht is not included in this calculation.

Activity at Island Tourist Information Centres

There were 95,000 visitors to the Island TIC's during the autumn. This is an increase of 8% versus last year and at a similar level to autumn 2006, despite the decline in new and lapsed visitors to the Island (page 10).

Average spend per head was £8.77 which is level with last year but a significant increase on 2006 (+25%).

Number of visitors to TIC offices
Q4 2008 vs. previous years

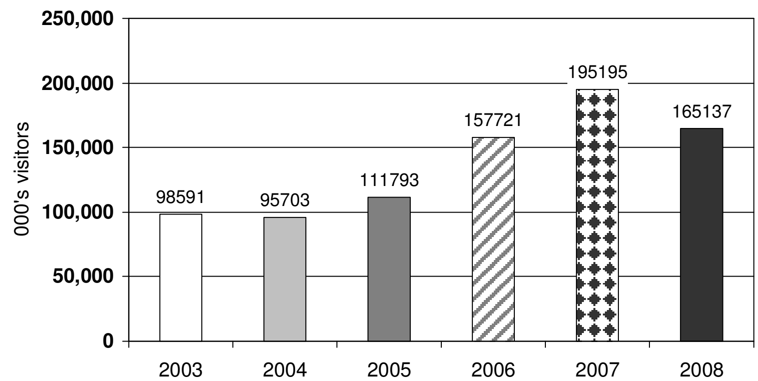


islandbreaks.co.uk website activity

There were 165,000 visits to the website during the autumn. This is 15% down on last year and is the first year there has been a decline in visits to the website, however visits remain 5% above the number seen in 2006 and are up significantly over the long term.

The number of unique visitors has held up better than actual visits: these were down by 10% versus last year but up by 31% vs. 2006.

Number of visitors to Isle of Wight Tourism website
Q4 2008 vs. previous years



Occupancy statistics

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