

How's Business?

Greater Manchester Tourism Business Performance Survey

July – September 2009

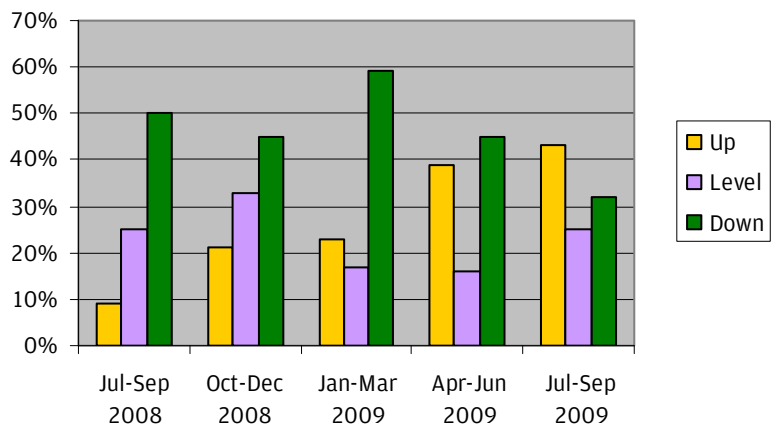
The How's Business survey for this period (July-September 2009) has reverted back to a quarterly survey.

The survey was also revised and distributed as four individual, shorter and more targeted questionnaires that related either to accommodation providers, eating establishments, visitor attractions or all 'other' tourism businesses.

Visitor Numbers

The graph shows how tourism businesses in Greater Manchester reported their visitor figures in the last 5 quarters compared to the same period in 2008.

The proportion reporting a rise in visitor numbers has continued to increase since the low of 9% in the July-September period last year, and at 43% is about level with the results of July-September 2007. However, there was some variation between the sectors, as shown below.



Visitor Numbers – by tourism sector

Accommodation providers reported the most negative results for this quarter when comparing the same quarter for 2008 and the boxes below provide further details on this.

Visitor Attractions

- 60% of visitor attractions reported that numbers were up compared with last year, and 40% that they were level.
- 80% of the sample were not-for-profit attractions but the remaining 20% who could comment on profitability reported that it was level with last year.
- An increase in domestic day visitors was reported by half the visitor attractions and this was felt to have affected numbers to some extent.

Eating Establishments

- 40% of eating establishments reported that visitor numbers were up compared with last year, and 40% that they were down.
- 60% reported that profitability was down, and 40% that it was level with last year.
- Discounted meals/meal deals as well as a decrease in customer spend had reduced profitability for all eating establishments in the sample.

Accommodation providers reported that guest numbers had decreased across all markets, but that the business and conference market had been the most affected by the credit crunch.



Accommodation Providers

- 71% of accommodation providers reported that visitor numbers and profitability were down compared with last year.
- A national decrease in the number of staying guests had affected profitability to the greatest extent, followed by discounted room rates.
- The business market has been most affected by the economic downturn, but half reported numbers were down across all markets.
- Both Manchester Pride and Manchester International Festival had generated bookings for the majority of hotels and guesthouses.

Other Tourism Businesses

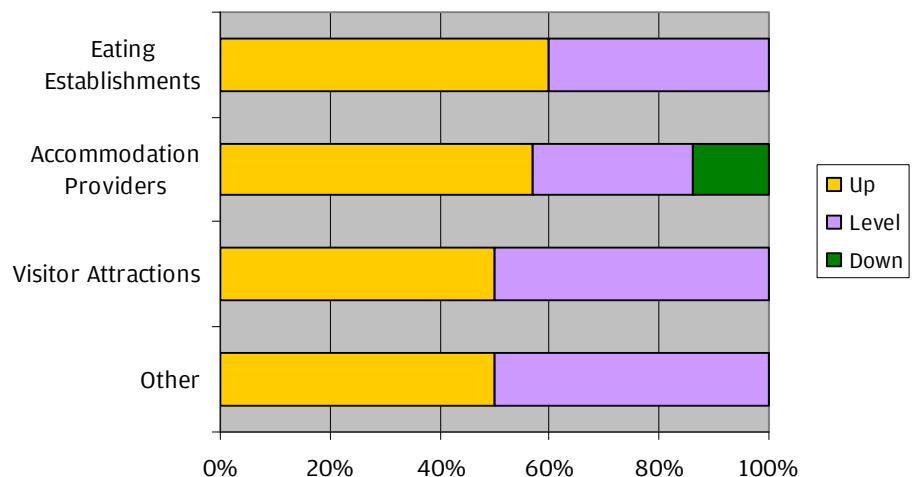
- This sector included conference venues, tour or transport operators, and other tourism businesses.
- Two-thirds (66%) of this sector reported that visitor numbers were up compared with last year.
- 50% reported that profitability was up compared with last year, and a third that it was level.
- Two-thirds of conference venues reported fewer bookings in this period.
- Other factors that had affected profitability for this sector were the weak pound (positive); the recession and the weather (negative).

Forecasts

Respondents were asked what their expectations were for 2010 compared with 2009, whether they expected business to go up, level, or down.

Results are cautiously optimistic, with 54% of tourism businesses reporting positive expectations of 2010.

There was little variation between sectors, although accommodation providers were the only sector to report some negative expectations of the coming year.



Participation : 36% visitor attractions, 25% accommodation providers, 18% eating establishments, and 21% other tourism businesses (including 11% conference venues and 4% tour or transport operators). Businesses participated from 8 of the 10 districts of Greater Manchester, with almost half the sample located within the district of Manchester.