

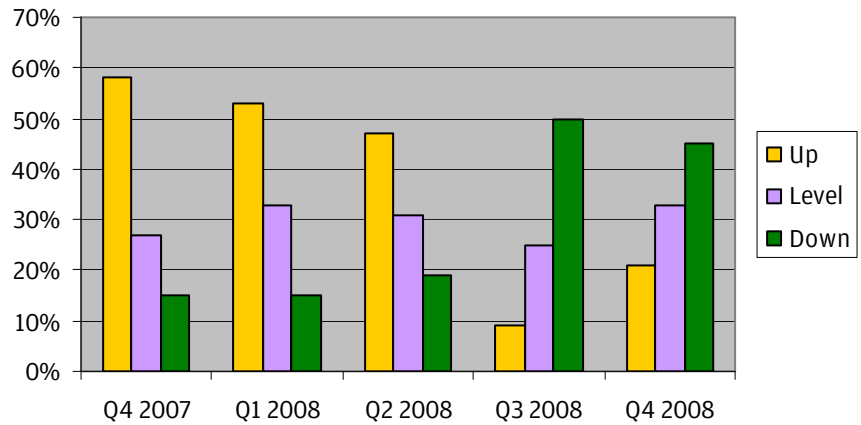
# How's Business?

## Greater Manchester Tourism Business Performance Survey

October-December 2008

Each quarter businesses are asked how their visitor numbers compare to the same quarter 12 months earlier: whether they are up, level or down. The graph shows how businesses in Greater Manchester reported their visitor figures in the last 5 quarters.

Tourism businesses continue to experience a fall in visitor numbers, with almost half of our sample reporting that numbers were down in comparison with the same period last year, and a third that they were level.



### Factors Affecting Businesses



- All the businesses in our sample have taken steps to protect themselves against the credit crunch, especially by : targeting new and previous customers, developing the website/investing in search engines, and offering special deals or promotions.
- Less demand is the most common trading difficulties faced this quarter.
- Increased business costs, cancellations, and cashflow problems have affected over a third of our sample.
- A smaller number of businesses are suffering from bank loans being renegotiated, unavailability of credit and difficulties with repayments.

The questions to this quarter's How's Business survey were reviewed to reflect concerns over the economic downturn and its impacts on local tourism businesses. This would provide greater detail to both Visit Manchester and the Northwest Development Agency on the current situation and the expectations for the short-term future.

Businesses were asked how profitability was for each month : October 2008 was the most difficult month, with 45% experiencing decreased profitability in comparison with the previous year; in November 43% reported decreased profitability, and in December the figure fell to 36%.

Participation : 26% catered accommodation providers, 19% visitor attractions, 13% conference venues, 14% restaurant, pub or cafe, 10% conference venues, 7% self-catering, 7% retail businesses, 5% transport or tour operator, and 12% 'other' tourism businesses. All 10 districts of Greater Manchester are represented in our sample.

