

How's Business?

Greater Manchester Tourism Business Performance Survey

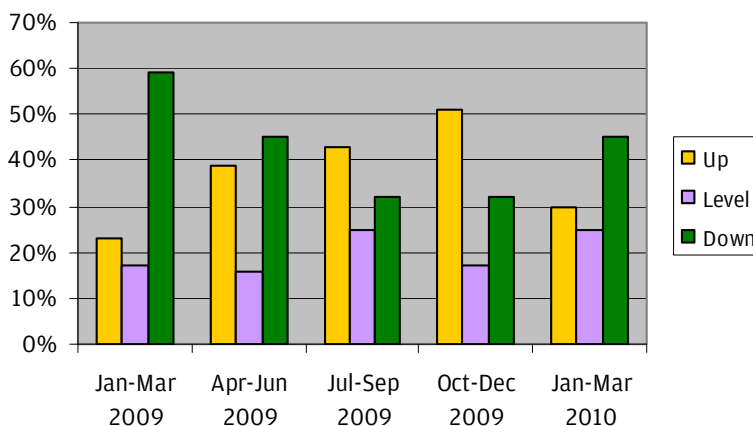
January-March 2010

The How's Business survey is distributed as four on-line surveys tailored for accommodation providers, eating establishments, visitor attractions, and one for the 'other tourism businesses' that complete Greater Manchester's tourism sector.

Visitor Numbers

The graph shows how tourism businesses in Greater Manchester reported their visitor figures across the last 5 quarters as compared with the same period the year before.

Results for January-March 2010 reverse the positive trend of the previous two quarters covering July to December, with a greater proportion (45%) reporting that numbers were down this quarter compared to early 2009.



Visitor Numbers - by tourism sector

Visitor Attractions

- The feedback from this sector showed an even split reporting figures to be up, down or level compared with the same period last year.
- Three-quarters of attractions (75%) reported that the increase in the number of UK residents taking day trips had affected visitor numbers to 'some extent'.
- A third reported that the increase in the UK residents taking a 'staycation' had affected their business to 'some extent'.
- As with visitor numbers, attractions were divided on profitability, with a third each reporting profitability was up in comparison with early 2009, level with last year, and down on last year.

Accommodation Providers

- Half of accommodation providers (50%) reported that guest numbers were down compared with last year, while a third (33%) reported numbers were up.
- The conference market was most affected, with three-quarters (75%) reporting conference guest numbers were down compared with early 2009.
- 83% agreed that the long-term trend of shorter lead times had been accelerated in 2009 by a significant growth in last-minute bookings.
- Two-thirds (67%) reported that profitability was down compared with the same period last year.



Other Tourism Businesses

- This sector included tour and transport operators, retail venues, conference venues/provision, and other tourism businesses.
- Half of these tourism businesses reported that visitor numbers were down compared with the same period last year, a third reported numbers were level, and 17% that they were up.
- 60% reported that profitability was down in comparison with January-March 2009, while 20% reported numbers were level, and 20% that they were up.

Eating Establishments

Please note that the sample size of eating establishments was not robust enough to provide representative feedback for the sector this quarter and therefore this is not reported on separately as a sector or provided in the chart below.

Other Factors

Respondents were asked what factors (positive and negative) had impacted on their business during the quarter:

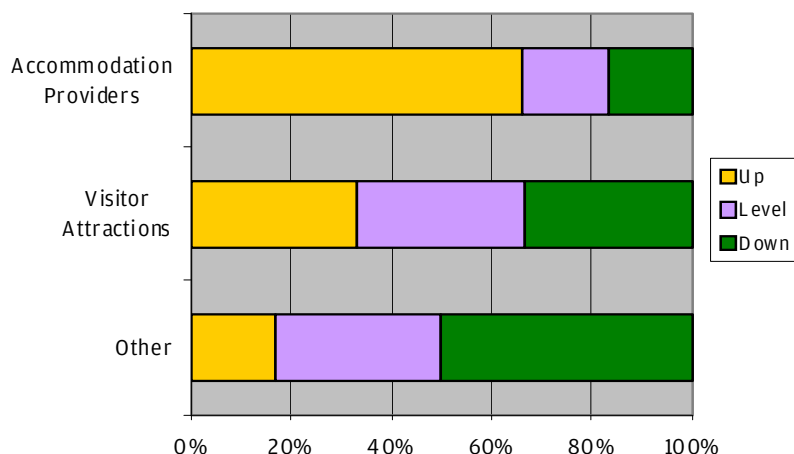
- Two accommodation providers reported that the heavy snow and icy conditions of January 2010 had resulted in cancellations as well as having a negative impact on bookings; while one eating establishment and four 'other' tourism businesses (retail venues and tour or transport operators) had also found business was adversely affected by the weather.
- One accommodation provider, one eating establishment, and three 'other' tourism businesses referred to the global economic crisis, reporting that the downturn had damaged customer confidence.
- Two businesses also reported customer uncertainty in the run-up to the 2010 general election.

Forecasts

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

Overall, 43% of respondents forecast business would be up in 2010 compared with 2009.

The proportion of accommodation providers forecasting an increase in business during 2010 remains level with last quarter (67%). Other sectors reported a more negative expectation for the year ahead.



Participation : 34% 'other' tourism businesses (including 10% tour or transport operators and 10% retail venues), 28% accommodation providers, 28% visitor attractions, and 10% eating establishments. Businesses participated from nine of the 10 districts of Greater Manchester, excluding Bolton, with 38% in the district of Manchester.