

England Attractions Monitor

Quarter 3 Report

July – September 2010

Prepared for



bdrc
continental

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Background, objectives & methodology



Background, objectives & methodology

In January 2006, VisitEngland commissioned BDRC Continental to launch and manage the **England Attractions Monitor**, an online panel to help provide the attractions industry with rapid feedback on current trends in visits to attractions in England.

Objective to create a panel of **c.600 attractions** comprising:

- c.300 individual attractions recruited online, with geographic spread across England
- c.300 English Heritage/National Trust properties (with visit admissions data for each property provided centrally)

During the third 2010 quarterly period (July – September), **632 attractions** provided data, consisting of:

- 339 individual attractions recruited online;
- 293 English Heritage/National Trust properties (admissions data only)

A cross-section of attractions was recruited according to type, size and free/paid admission. Comparisons in visitor admissions figures are always made among constant samples where appropriate.

Regional Tourism Organisations also have the opportunity to enhance the survey within their region by boosting sample sizes to enable them to analyse their own results in greater detail. There is also the facility for regions to add bespoke questions.

Quarter 3 2010:

Summary of findings



Quarter 3 2010: Summary of findings (I)

By way of context, the weather during Q3 was changeable with showers and rain for the most part. July was largely settled and warm but often cloudy. August was characterised by cloudy and rather cool weather with showers or longer spells of rain at times. Much of September was changeable with showers or rain particularly across northern areas although it was generally warm in the first half, with some colder interludes later.

2010 has been a year of visit stabilisation following a strong increase during 2009, on the back of the staycation phenomenon. The continuation of staycations in 2010 and the decline in visits abroad has resulted in visits not falling back significantly. Indeed, visits increased slightly (up less than 0.5%) in Q3 2010, driven by a strong July (+3%).

Urban attractions (+3%) led the way in Q3 2010, with the environment more challenging for coastal attractions (-3%), following a strong 2009.

Those investing in membership/season ticket schemes to attract local visitors appear to be benefitting from increases in visits, with a quarter reporting visits from this segment up in their local market compared with only 14% reporting a decline.

Attitudes towards business performance might be described as 'satisfactory', with attractions generally failing to exceed the heady heights of 2009, but not falling back significantly.

Attractions remain generally cautious about the immediate future, with slightly fewer attractions more positive than less positive about Q4 2010. The larger, urban attractions are most positive

Quarter 3 2010: Summary of findings (2)

Continued uncertainty over the economy continues to drive this caution, with the spectre of government spending cuts now appearing as a specific concern for a notable proportion of attractions (7% in Q3 2010).

Those continuing to invest in events, exhibitions and other site improvements tend to be the most bullish and there is evidence that many attractions are increasing their investment in this area and in communicating their offer to the public.

Perhaps the one area of lower investment is in staff training, which is often a key driver of overall enjoyment or appreciation of the visit experience.

Times continue to be challenging for secondary spend, with a greater proportion of attractions reporting a year-on-year decrease (35%) than increase (29%) overall.

- Food and drink appears to be performing more positively, particularly the 'eat in' segment
- Retail appears to be struggling more, particularly in the high value items area

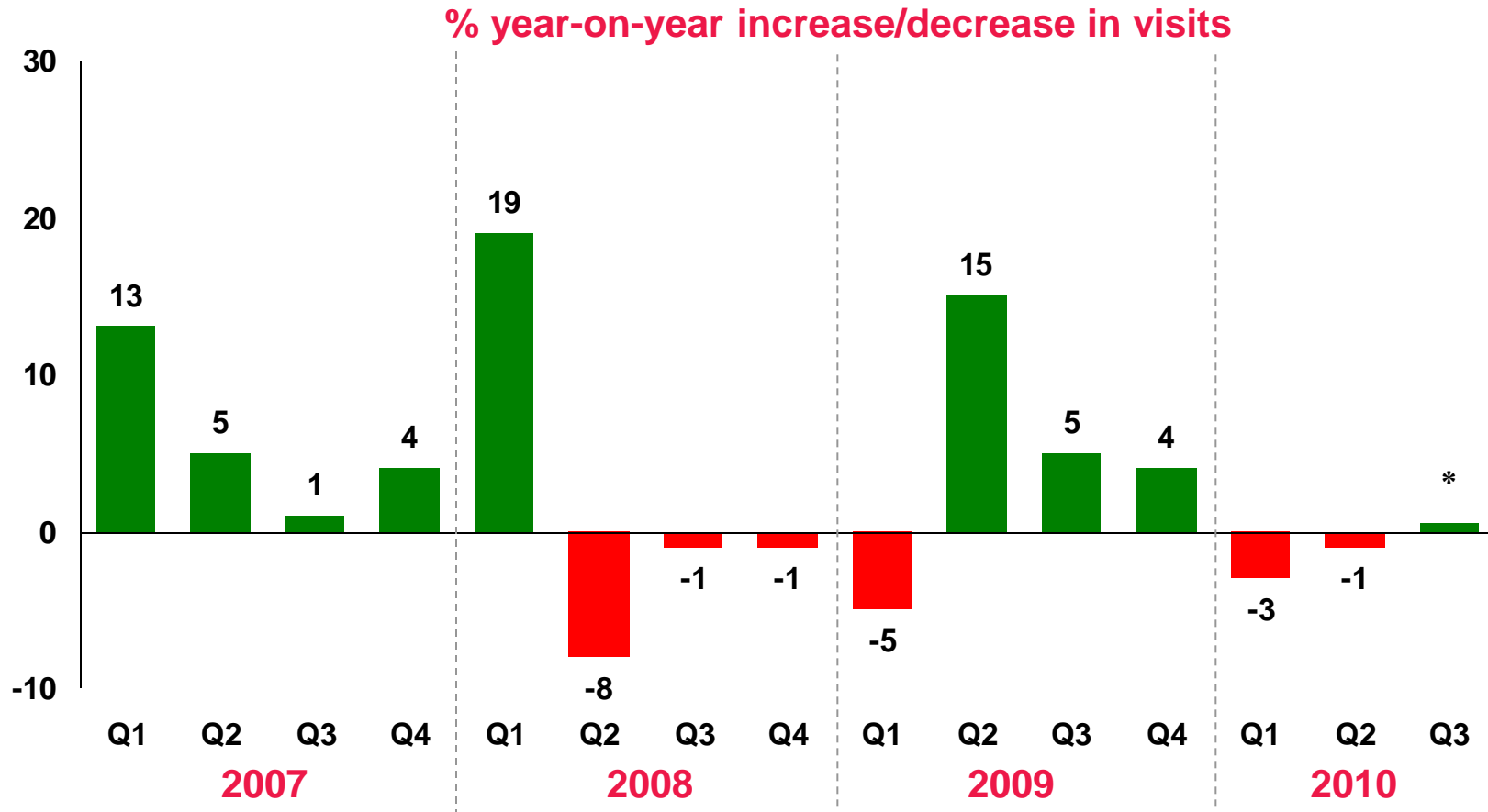
Main Findings:

Visit Trends



Year-on-Year Quarterly Visit Trends

Following the strong recovery in visits observed during Q2-Q4 2009 (on the back of the staycation trend) which saw many attractions bounce back to a position stronger than in 2007, the first two quarters of 2010 saw visits fall back slightly. This decline stabilised in Q3 2010, with visits increasing marginally by less than 0.5%. This follows a strong performance in the equivalent quarter of 2009, where visits were up +5%.



* = less than 0.5%

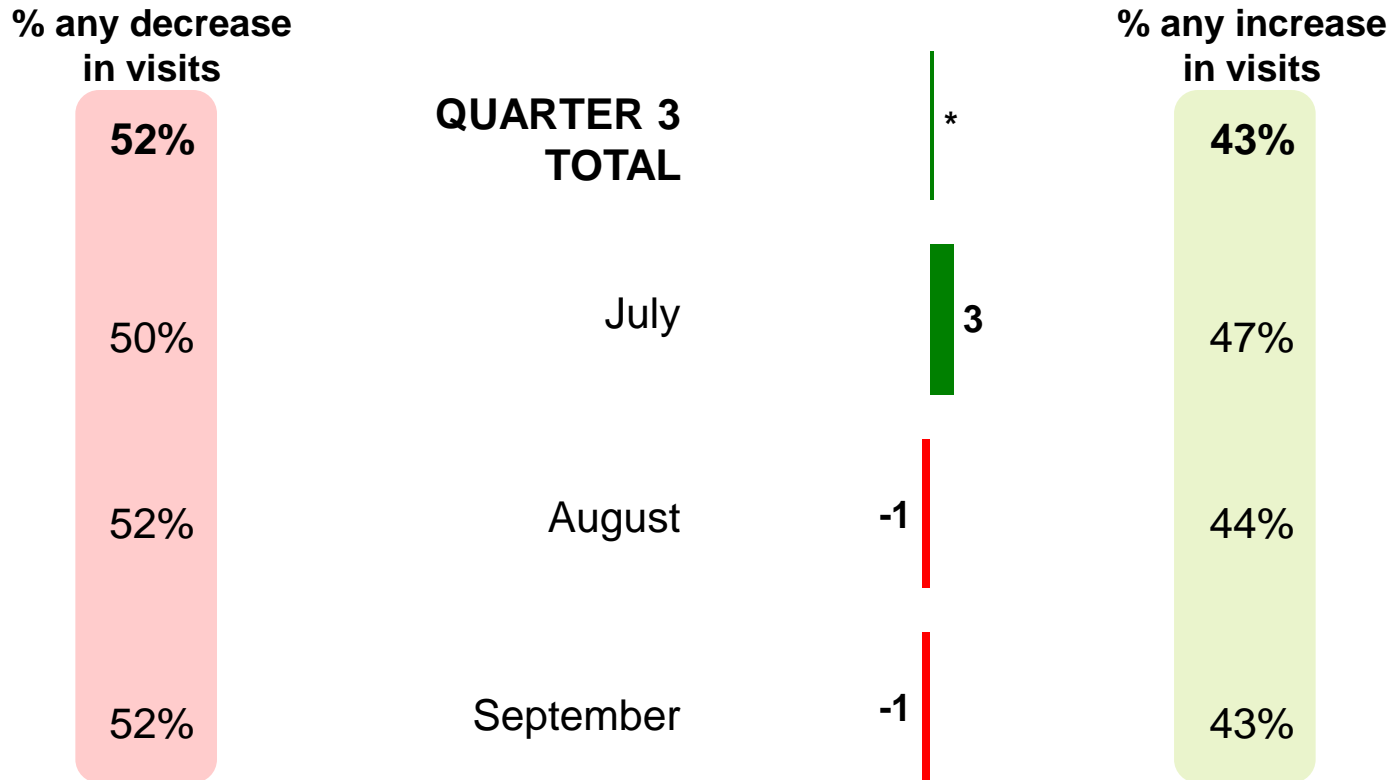
Base: All Q3 2010 attractions (632)



Quarter 3 (Jul-Sept): Visit Trends 2009-2010

The third quarter of 2010 saw an overall year-on-year increase of less than 0.5%, with visits increasing by +3% in July but declining slightly (-1%) in both August and September year-on-year. Across the period, slightly more attractions reported a decrease than increase in visits.

% Increase/Decrease in Visits



* = less than 0.5%
Base: All attractions (632)

Quarter 3 (Jul-Sept): Visit Trends 2009-2010 – By Region

All regions apart from Yorks & Humber, East Midlands and South East reported an increase in visits for Q3 2010, albeit minor in some cases. Attractions in the North East and London increased their visits most significantly.

Region	Total Qtr 3 Change (%)	July Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (632)	*	3	-1	-1
North East (50)	6	-1	12	7
North West (66)	*	1	-2	1
Yorkshire & The Humber (58)	-2	-1	-2	-3
East Midlands (52)	-4	-2	-6	-2
West Midlands (59)	2	9	-2	-1
East of England (79)	*	*	-1	3
London (35)	4	8	6	-3
South East (123)	-2	2	-7	*
South West (110)	1	3	1	*

* = less than 0.5%
Base: All attractions (632)

Quarter 3 (Jul-Sept): Visit Trends 2009-2010 – By Attraction Category

Stronger performance by other historic properties (primarily outdoor monuments) and museums/art galleries during the Q3 period. Admissions at most other attraction types fell marginally (-1). Gardens performed well in July, during the generally finer weather.

Attraction Category	Total Qtr 3 Change (%)	July Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (632)	*	3	-1	-1
Historic Houses/Castles (254)	-1	1	-3	-1
Other historic properties (64)	4	5	2	5
Museums/art galleries (130)	2	4	5	-4
Gardens (45)	-1	9	-8	-3
Visitor/heritage centres (22)*	-1	5	-6	-3
Wildlife attractions/zoos (25)*	-1	-3	4	*
Others (92)	1	3	-3	3

* = less than 0.5%

*CAUTION: Low base size

Base: All attractions (632)



Quarter 3 (Jul-Sept): Visit Trends 2009-2010 – By Other Segments

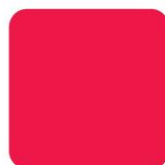
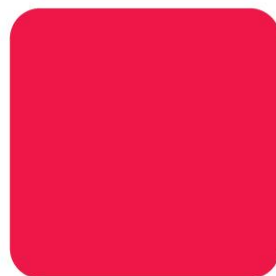
Visits to coastal attractions fell back in Q3 2010 (-3%), following their strong increases in 2009. However, visits to urban attractions increased by +3% to compensate.

		Total Qtr 3 Change (%)	July Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (632)		*	3	-1	-1
Visits per annum	Over 200,000 (48)	2	4	1	3
	100,001 – 200,000 (81)	-1	4	-3	-3
	50,001 – 100,000 (107)	-2	-1	-2	-2
	20,001 – 50,000 (141)	*	*	*	-2
	20,000 or less (254)	1	5	1	-4
Free/paid	Paid (508)	*	1	-2	1
	Free (124)	2	6	3	-4
Location	Coastal (80)	-3	-4	-3	-1
	Rural (357)	-1	3	-4	-1
	Urban (195)	3	5	5	-1

* = less than 0.5%
Base: All attractions (632)

Main Findings:

Business performance
and confidence



Quarter 3 (Jul-Sept): Overall Business Performance Trends 2009-2010

Similar to Q2 2010, 2 in 5 attractions in Q3 felt their business performance was better than in Q3 2009. Again as last quarter, a similar proportion felt their performance was worse than in 2009. Opinion of business performance was more positive in Y&H and London and among coastal attractions - despite their declining visitor admissions. Urban attractions and the largest sized attractions were also more likely to feel performance improved.



	% Better than 2009
Yorks & Humber	50
London	50
West Midlands	47
South West	44
South East	44

	% Better than 2009
Urban	48
Coastal	47
Rural	37
Over 200K visits p.a.	62

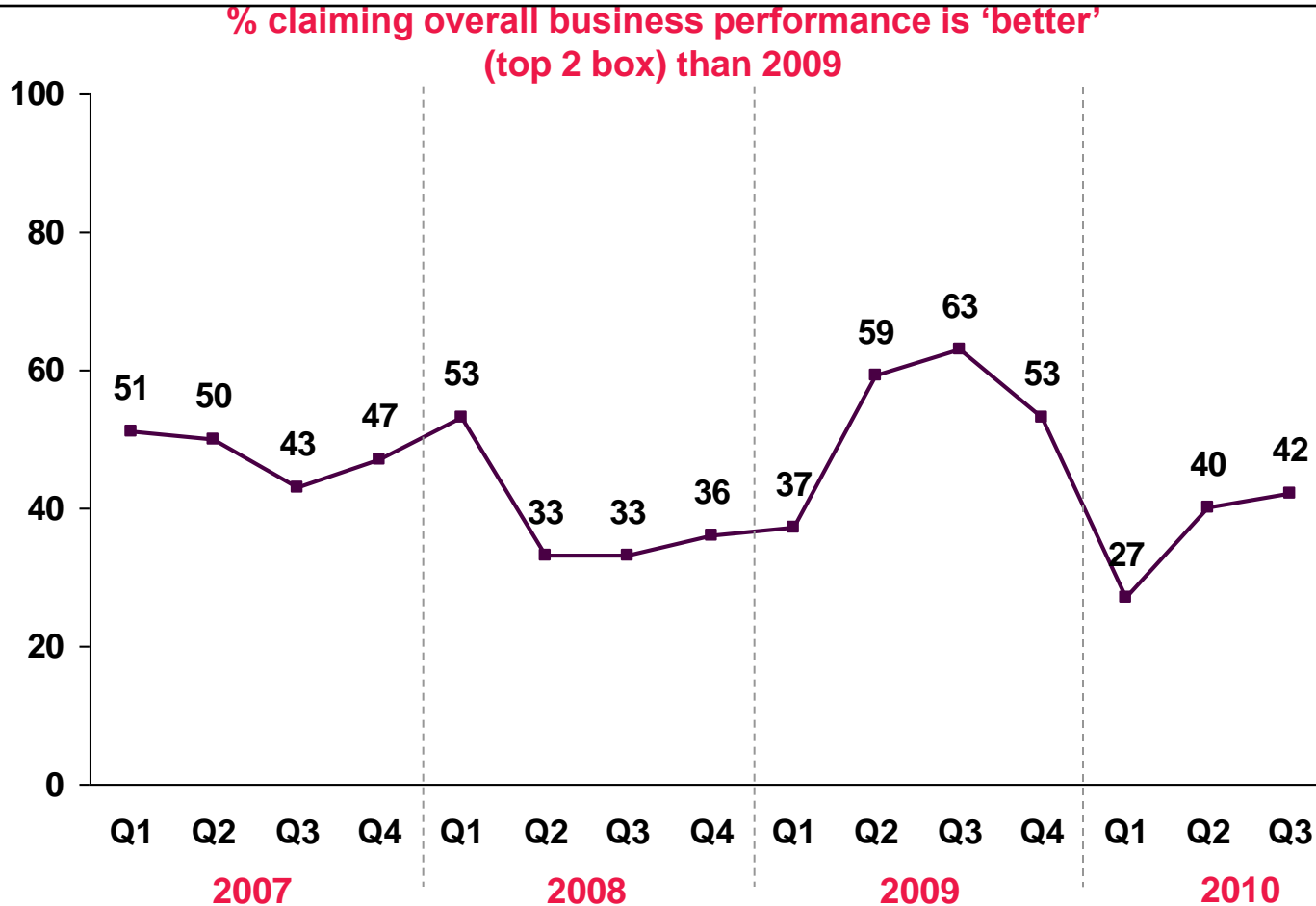
Base: Non EH/NT attractions (339)

Q. We would now like you to think about how the overall business performance of your attraction has changed in the July to September 2010 period compared with July to September 2009. Would you say that your overall business performance in the July to September 2010 period was....?



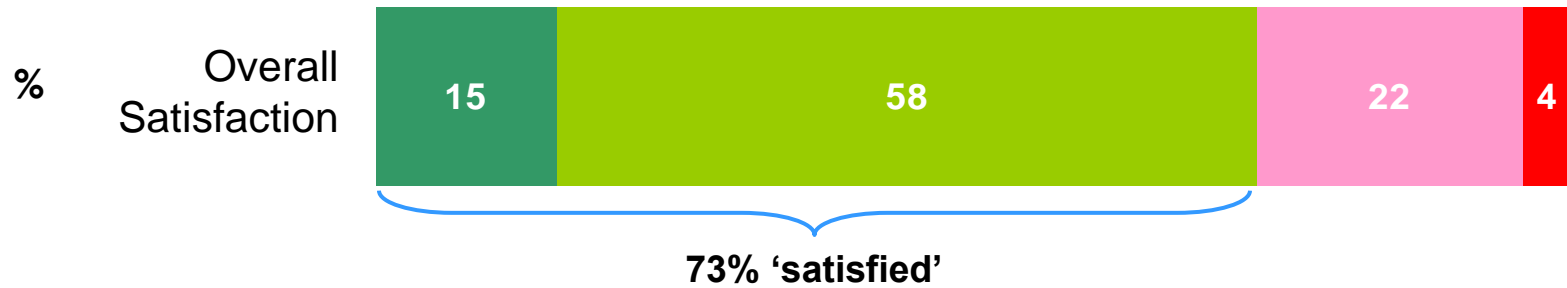
Overall Business Performance Trends

In line with the general stabilisation of visitor admissions for the most part of 2010, many attractions have found it tough to sustain business performance improvements experienced in 2009. In Q3 2010, 42% felt business performance this year improved compared with 63% in Q3 2009. However for both Q2 and Q3 2010, this remains higher than the level seen in the equivalent quarters of 2008.



Quarter 3 (Jul-Sept): Overall Satisfaction with Business Performance

Three-quarters of attractions were satisfied with their business performance in Q3 2010, although the majority are 'quite' rather than 'very' satisfied. The level of overall satisfaction perhaps reflects the recognition of the difficulty of exceeding the performance of 2009. Satisfaction was higher among the free and larger sized attractions.



■ Very satisfied
 ■ Quite satisfied
 ■ Not very Satisfied
 ■ Not at all satisfied
 ■ Don't know

	% Satisfied
West Midlands	81
South West	79
North East	78

	% Satisfied
Free	83
Paid	68
Museums/galleries	76
Historic houses/castles	74
Over 50,000 visits p.a.	79
Under 50,000 visits p.a.	69

Quarter 3 (Jul-Sept): Visit Expectations for Oct-Dec 2010

Around a fifth of attractions expect visits for forthcoming quarter to be higher than last year, especially attractions in the North East and London, historic houses/castles, larger and urban attractions. Slightly higher proportion (a quarter) expect a fall in visits.



	% Higher than 2009
North East	37
London	33
Yorks & Humber	29
South East	24
East Midlands	23

	% Higher than 2009
Museums/art galleries	31
Historic houses/castles	41
Under 50,000 visits p.a.	19
Over 50,000 visits p.a.	26
Urban	26
Rural	20
Coastal	15

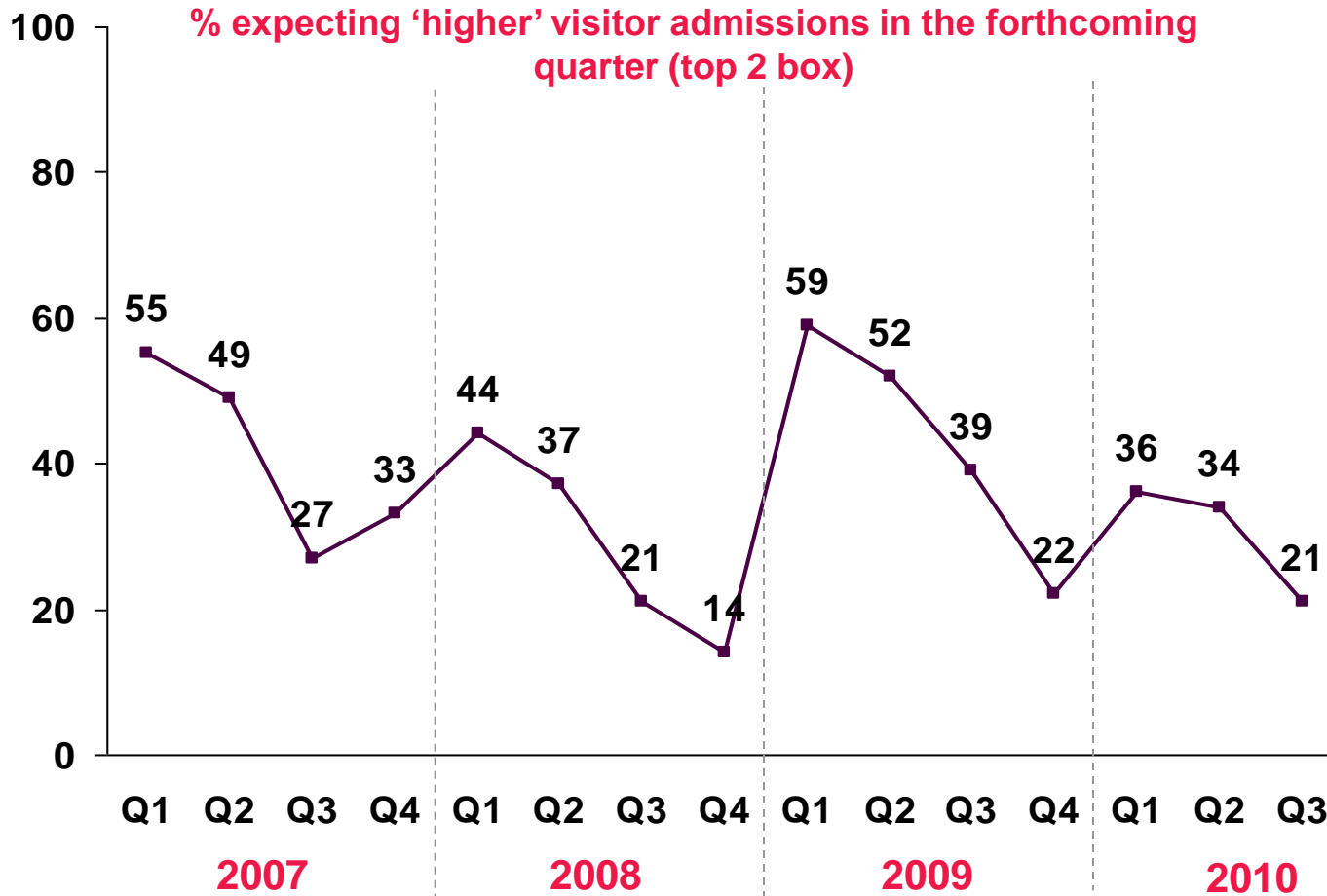
Base: Non EH/NT attractions (339)

Q. Thinking about the October to December 2010 period, do you expect visitor numbers (paid and free) compared with October to December 2009 to be....?



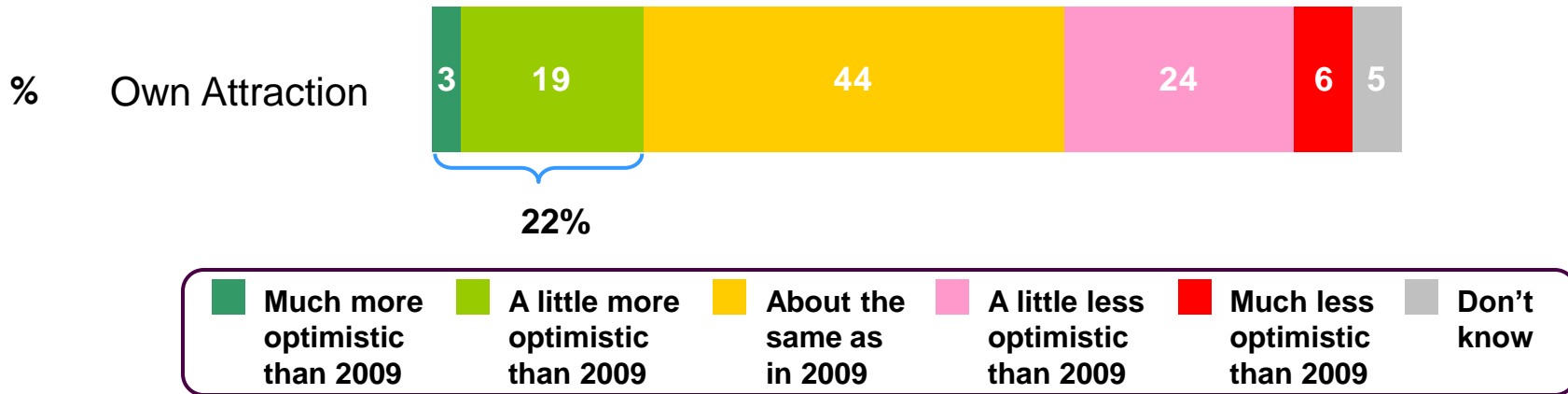
Visit Expectations Trends

Attractions tend to be more bullish about their performance for the year ahead at the start of the calendar year, with expectations diminishing as the year progresses. 2010 has seen the lowest visit expectations of the past four years in each quarter, reflecting the very strong performance of attractions in 2009. This has perhaps softened slightly looking forward to Q4 2010.



Quarter 3 (Jul-Sept): Business Confidence for Oct-Dec 2010

In line with expected visits, positive business confidence for the forthcoming quarter (Q4) has fallen to 22%, with a larger proportion of attractions (30%) less optimistic than they were a year ago. Attractions in the North East and larger, urban attractions are most positive about Q4.



	% More optimistic than 2009
North East	41
Yorks & Humber	29
South East	27

	% More optimistic than 2009
Under 50,000 visits p.a.	20
Over 50,000 visits p.a.	25
Urban	26
Rural	20
Coastal	20

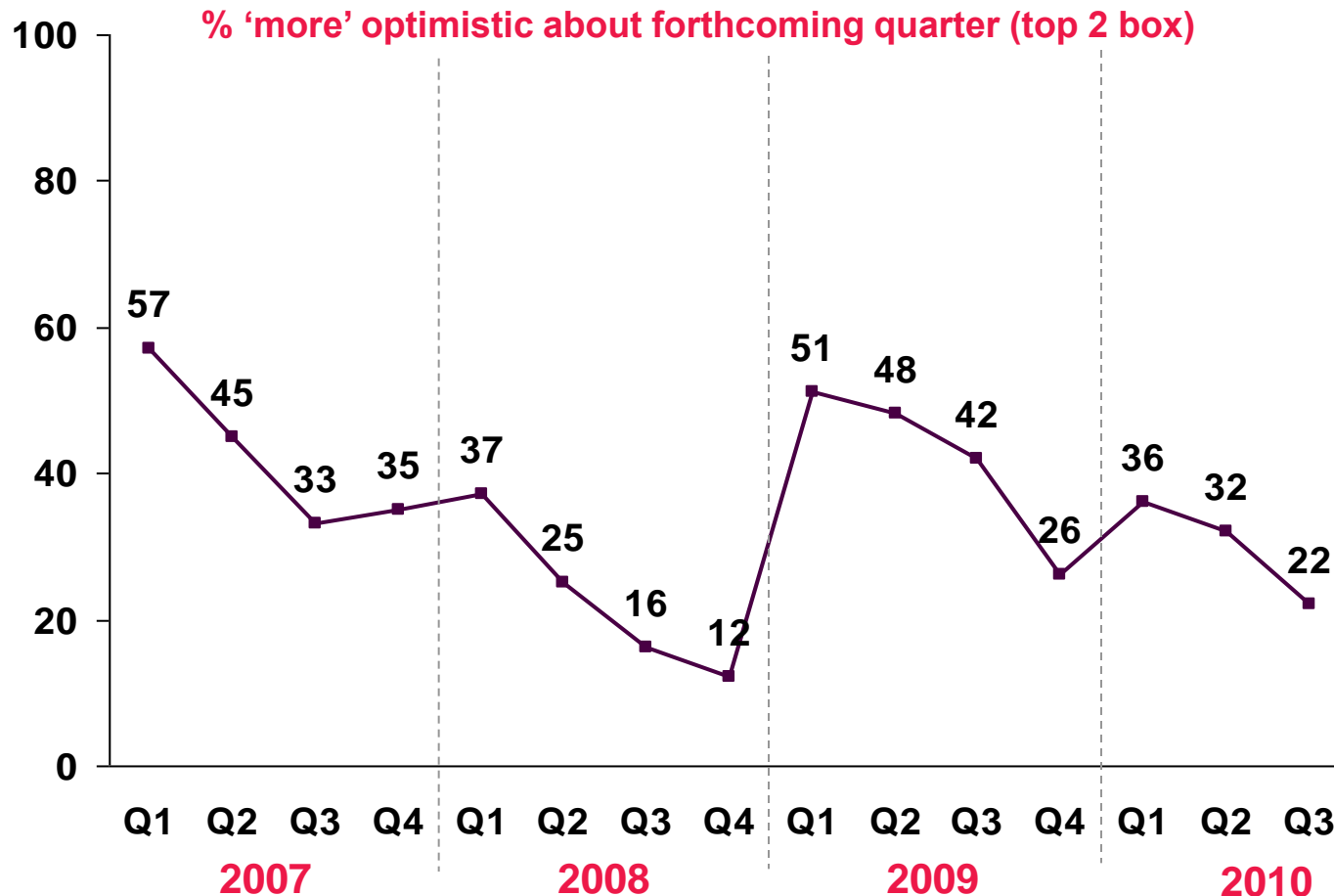
Base: Non EH/NT attractions (339)

Q. And compared with this time last year, which of these statements best describes how optimistic you feel about the business prospects for the attractions industry generally / your attraction's business prospects for the October to December 2010 period?



Business Confidence Trends (own attraction)

Overall business confidence trends also tend to start the year at high levels and decline as the year progresses. Business confidence continues to hold up slightly better than visit expectations, remaining at a level higher than in 2008 in Q3.



Quarter 3 (Jul-Sept): Business Confidence for Oct-Dec 2010 (Own Attraction) – by Region

Pessimism is either equal to or outweighing optimism in most regions in Q3 2010. The exceptions are the South East and North East. Confidence is much lower in the East Midlands and South West.

Region	% more optimistic than 2009	% less optimistic than 2009
TOTAL ENGLAND (339)	22	29
North East (27)*	41	22
North West (45)	20	31
Yorkshire & The Humber (34)	29	29
East Midlands (30)	17	40
West Midlands (32)	19	19
East (52)	15	25
London (18)*	22	33
South East (62)	27	24
South West (39)	18	36

* CAUTION: Low base sizes
Base: Non EH/NT attractions (339)

Quarter 3 (Jul-Sept): Business Confidence for Oct-Dec 2010 (Own Attraction) – by Other Segments

The largest (200,000+ visits per annum) attractions appear to be the slightly more optimistic about the forthcoming period. Coastal attractions appeared to be particularly concerned.

		% more optimistic than 2009	% less optimistic than 2009
TOTAL ENGLAND (339)		22	29
Visits per annum	Over 200,000 (39)	26	24
	100,001 – 200,000 (35)	24	22
	50,001 – 100,000 (49)	25	37
	20,001 – 50,000 (71)	21	36
	20,000 or less (144)	20	26
Free / paid	Paid (224)	24	30
	Free (115)	19	28
Location	Coastal (48)	20	31
	Rural (169)	20	29
	Urban (122)	26	28

Quarter 3 (Jul-Sept): Business Confidence for Oct-Dec 2010 (Own Attraction) – by Attraction Category

Attraction Category	% more optimistic than 2009	% less optimistic than 2009
TOTAL ENGLAND (339)	22	29
Historic Houses/Castles (55)	20	27
Other historic property (16)*	26	11
Museums/art galleries (126)	24	28
Visitor/heritage centres (20)*	9	40
Wildlife attractions/zoos (23)*	37	32
Gardens (16)*	7	36
Others (83)	23	31

*CAUTION: Low base sizes
Base: Non EH/NT attractions (339)

Quarter 3 (Jul-Sept): Reasons for Business Confidence Oct-Dec 2010 (Own Attraction) – Positives

Optimism for the forthcoming Q4 in 2010 tends to be driven from actions taken by attractions themselves rather than market factors – recent investment in improvements to events/exhibitions or to the site generally.

	Quarter 3
Improvements to events/exhibitions/attractions	6
Visitor number trends increased/hope it will continue	5
Refurbishments/improvements to site/investment	4
Increasing interest in the area / better known	3
New/better/more advertising/marketing	2
Good positive weather forecast	2
Economic climate / interest rates	2
Positive / forward advance bookings	2
Increase in domestic holiday/short break	1
Increased Europe / overseas visitors	1

Verbatim – Positives

“The numbers of visitors to the park continue to grow rapidly since it's renovation, although a plateau will no doubt be reached, it does not appear to be happening yet.”

“We have more events planned for Halloween and for Christmas these year which we are confident will bring more visitors in as our events so far this year have been well attended.”

“Visitor figures and spend better than expected so far, so expect trend to continue. New art gallery and business centre opened in September opposite the museum so expecting increased footfall in our part of town.”

“We're running a Christmas event between 26 Nov and 24 December this year which we didn't do at all last year so expect to get a lot more visitors in over this period as a result.”

“We have more on offer this year to last, we've introduced more booking fees, to help increase revenue, we've developed marketing materials and branding and we're also hoping to launch a new website this month.”

“London over ground now open, serving our Museum. Jubilee Line closures are at last get less frequent.”

“This time last year we were heading into the great unknown - we now know a little bit more about the publics reaction to the recession and how we can make the most of the situation.”

“The early part of the year was not as busy as last year but the second half of the year has been busier than last year so we are hopeful this trend will continue for the rest of the year.”

“People are not saving at the moment as interest rates are so bad so they are spending instead. People are fed up with what the high street has to offer so are searching out independent outlets like ourselves.”

Quarter 3 (Jul-Sept): Reasons for Business Confidence Oct-Dec 2010 (Own Attraction) – Negatives

Concerns over the economic climate remain at the root of pessimism for attractions, with government funding cuts now appearing as a specific concern in its own right (7%).

	%	Quarter 3
Economic climate/interest rates/fuel prices		11
Closed for refurbishment / works		9
Government funding cuts		7
Visitor numbers/trends down this year		5
Less spending power of public		5
Reduction in visitor/retail spend		4
Lack of exhibitions		3
Poor weather/forecast		2
General visitor decline		2
Shorter opening hours		2
Lack of help by Tourist Board		2
Lack of / declining external investment		1
Lack of car parking		1
Limited space for visitors / exhibitions		1
Increase in entry prices / pricing issues		1
Negative forward / advanced bookings		1
Poor location of attraction / inconvenient for visitors		1
Decrease in staff		1
Decrease in school / education visits		1

Base: Non EH/NT attractions (339)

Why do you feel this way about your attraction's business prospects for October to December 2010?



Verbatim – Negatives

“Local Government cutbacks and the Comprehensive Spending Review due shortly have already had an impact on our service and are likely to have a very negative impact in the future.”

“It is believed that the Government Spending Review will have a major impact on the tourist industry as personal budgets will have to be tightened.”

“Discretionary spending is likely to be squeezed hard by unemployment, pay freezes, and the VAT increase in prospect.”

“The recession and the spend per head is going to continue for some time as the public see how much their discretionary spend is going to reduce.”

“We feel that the economic climate has an important bearing in the lower number of visitors to our museum. Also, as we depend purely on donations to keep the museum running, we have found that our income has fallen quite substantially. We cannot see any improvement in the future and are therefore not very optimistic about the next few months or the next year or so. We have also found that there is a significant decrease in the number of coach parties visiting the museum.”

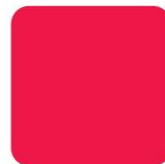
“Uncertainty in the economy. The 2010 season was poorer than 2009 so there are no real causes for optimism in the next 3 months.”

“2009 was a very good year overall and we have struggled to repeat that this time around, like a lot of attractions. It has returned more to 2008 levels.”

“Our visitor numbers fluctuate with the weather, but combined with the economic outlook, as far as visitor spend is concerned, I am expecting a very hard period.”

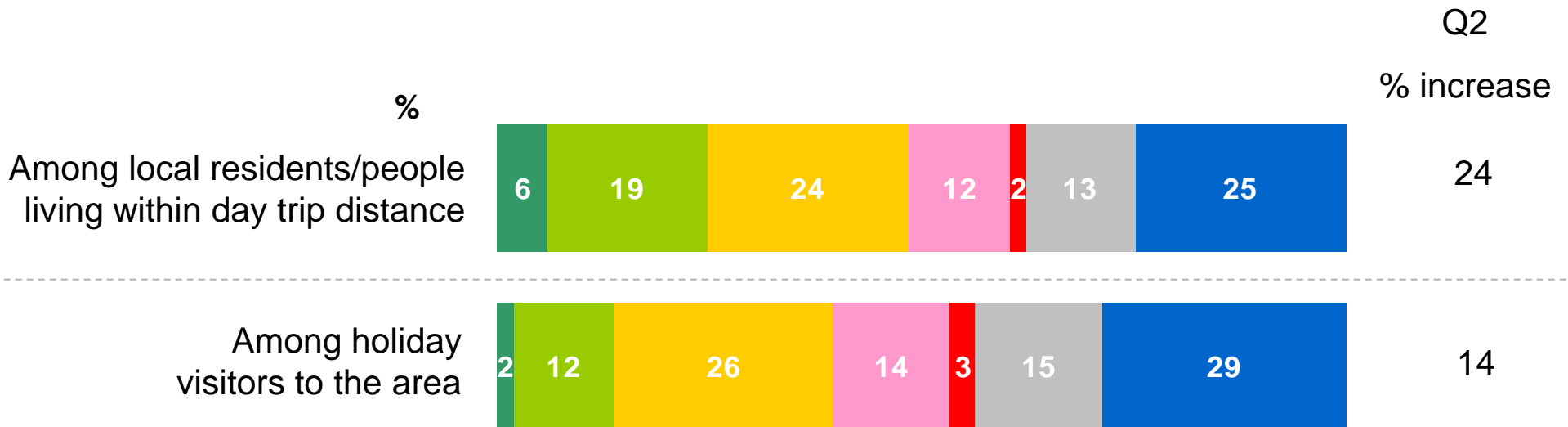
Main Findings:

Hot Topics



Quarter 3 (Jul-Sept): Hot Topic Question: Changes in membership subscriptions

The role of members/season ticket holders within the local market continues to be strong, with a quarter of attractions feeling that the number of these visitors has increased since Q3 2009 compared with only 14% seeing numbers decrease. The impact has been much less pronounced among members/season ticket holders on holiday in the area of the attraction.



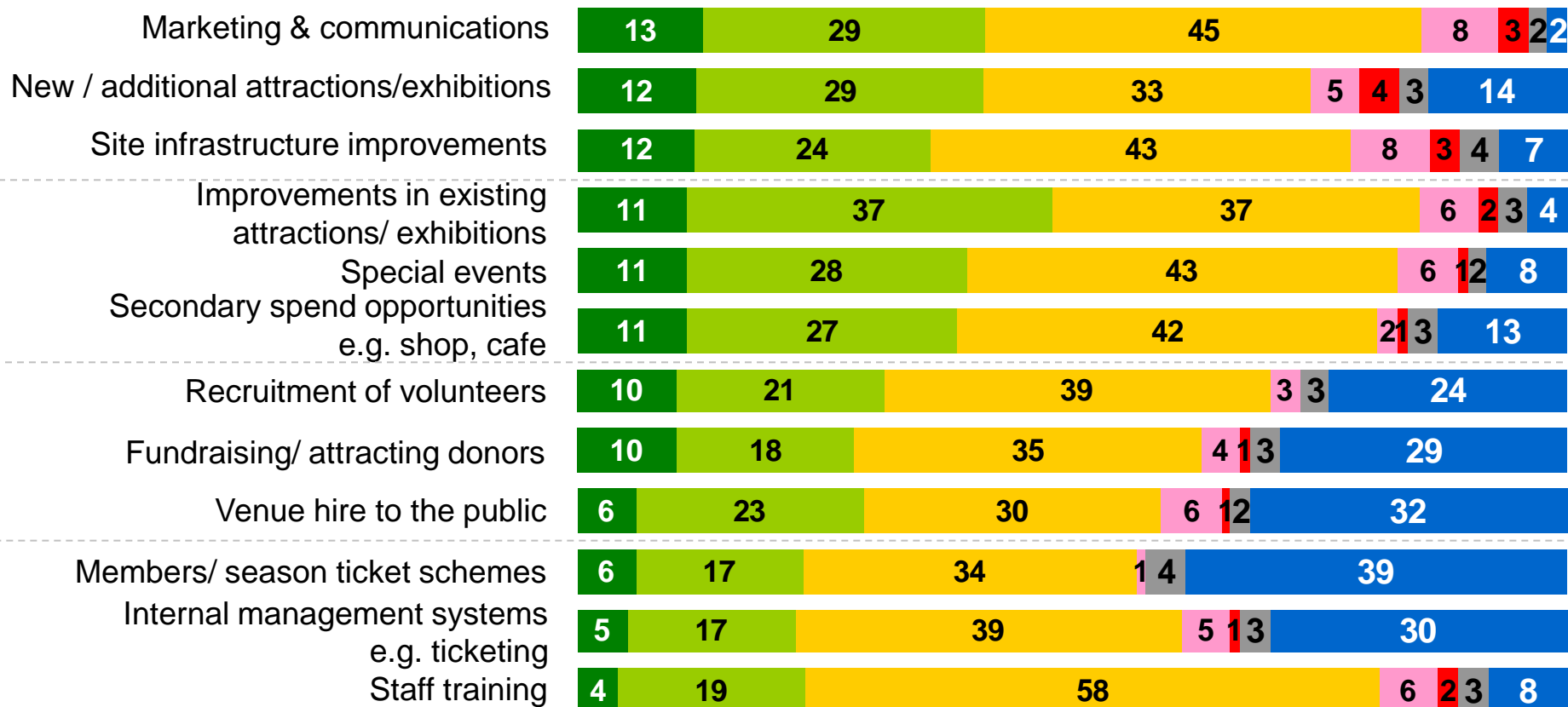
■ Increased a lot
 ■ Increased a little
 ■ Has not changed
 ■ Decreased a little
 ■ Decreased a lot
 ■ Don't know
 ■ Not applicable No scheme

Q. What change, if any, has there been in the number of members/subscriptions/season ticket holders/friends for your attraction since this time last year?

Base: Non EH/NT attractions (339)

Quarter 3 (Jul-Sept): Hot Topic Question: Areas of investment

In these uncertain times, it is encouraging that attractions appear to be continuing to invest in their attractions, both in terms of improving the visitor experience and in communicating their offer to the public. Perhaps the one point of concern is the lower proportion of attractions increasing investment in staff training – one of the most important drivers of the overall visitor experience.



■ Much more emphasis
 ■ A little more emphasis
 ■ About the same emphasis
 ■ A little less emphasis
 ■ Much less emphasis
 ■ Don't know
 ■ Do not invest in this area

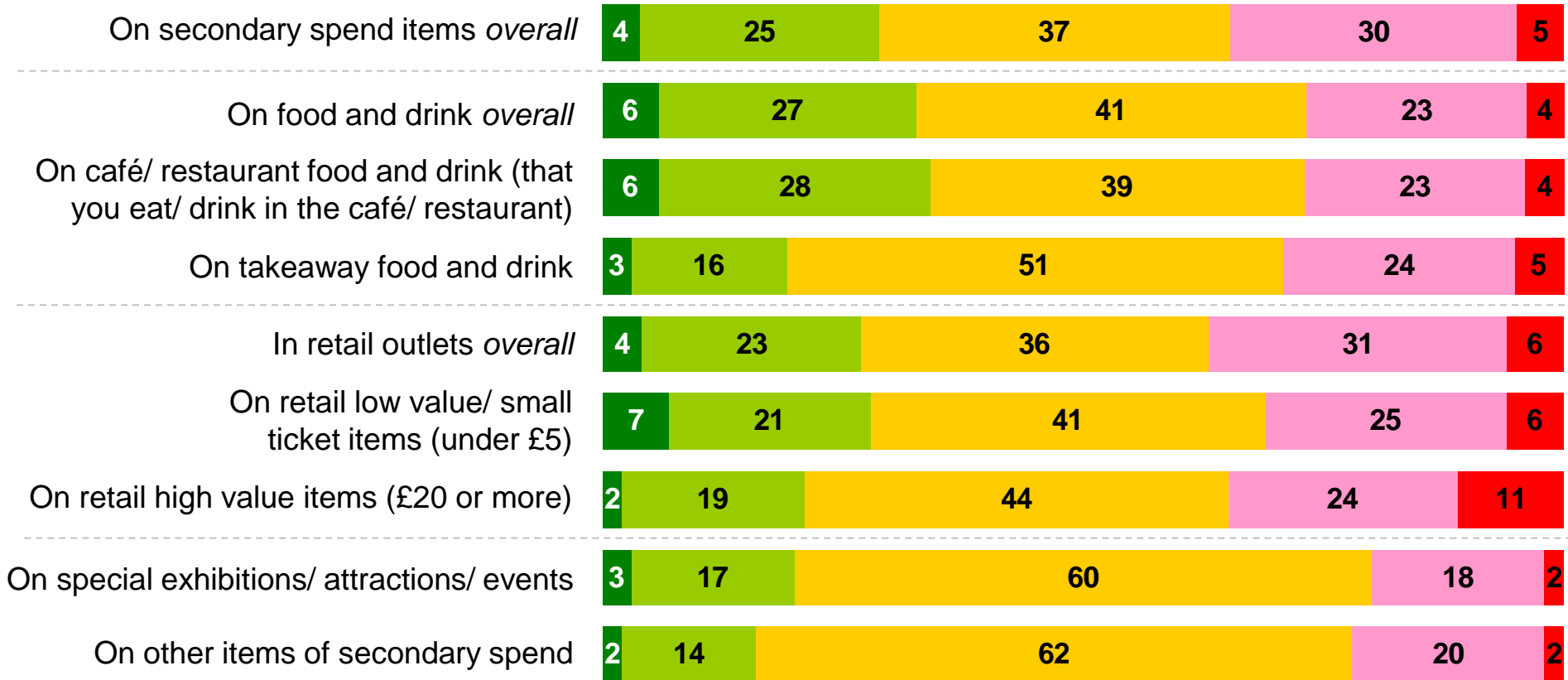
Base: Non EH/NT attractions (339)

Q. Thinking specifically about investment, compared with last year, how is investment in your attraction changing? Is there more, less or about the same emphasis on each of the following areas?



Quarter 3 (Jul-Sept): Hot Topic Question: Changes in secondary spend

Times continue to be challenging for secondary spend, with a greater proportion of attractions reporting a year-on-year decrease (35%) than increase (29%) overall. Food and drink appears to be performing more positively than retail, particularly the 'eat in' segment. Retail is struggling more, particularly in the high value items area.



■ A lot higher than 2009
 ■ A little higher than 2009
 ■ About the same as 2009
 ■ A little lower than 2009
 ■ Much lower than 2009

Base: Non EH/NT attractions answering each question

Q. And finally, compared with the July to September 2009 quarter, what changes have you seen in the spending patterns at your attraction in the July to September 2010 period? Is the spending per visitor?

