



Business Barometer Survey 2019

Key Findings

March 2019



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Aims & method

- **Business barometer survey of members**
- **The aims of the barometer are to:**
 - Understand how different membership sectors are performing
 - Determine the level of business generated by membership
 - Inform lobbying & PR activity
 - Enable UKinbound to react to industry developments more quickly, by gathering feedback on current issues impacting the tourism industry
- **Online survey sent to members March 2019**
- **Additional telephone survey method increased participation**
- **100 completed surveys (47 online and 53 telephone)
= 26% of membership**
- **Many thanks for taking part!**

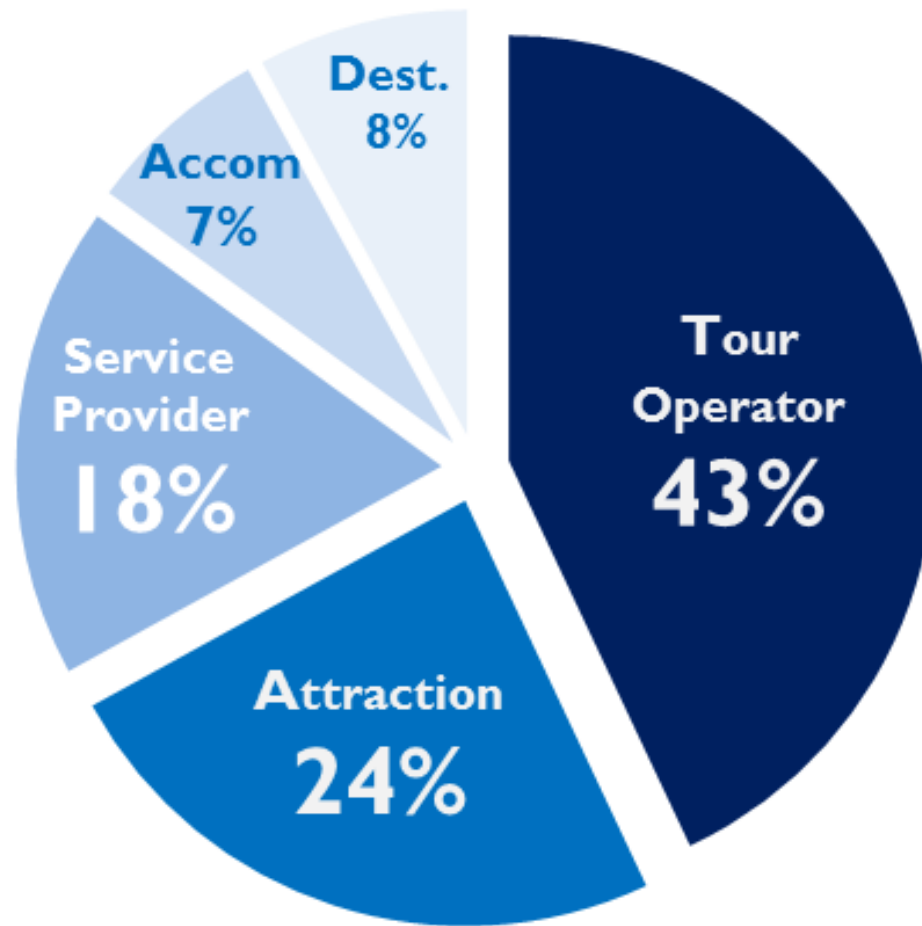
Q1: Which of the following factors are likely to impact future bookings / visitor revenues in either a positive or negative way over the next 12 months?

	Very positive	Positive	Neither no impact	Negative	Very negative
Air Passenger Duty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visa	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Exchange rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
UK competitiveness with other destinations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
VAT	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Welcome	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Awareness of UK tourism product	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Number of routes into the UK from overseas destinations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Airport capacity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
GREAT campaign	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality of accommodation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Awareness of value tourism generates to UK economy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
UK infrastructure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Previous Next

Qa RESEARCH

Varied mix of sectors took part

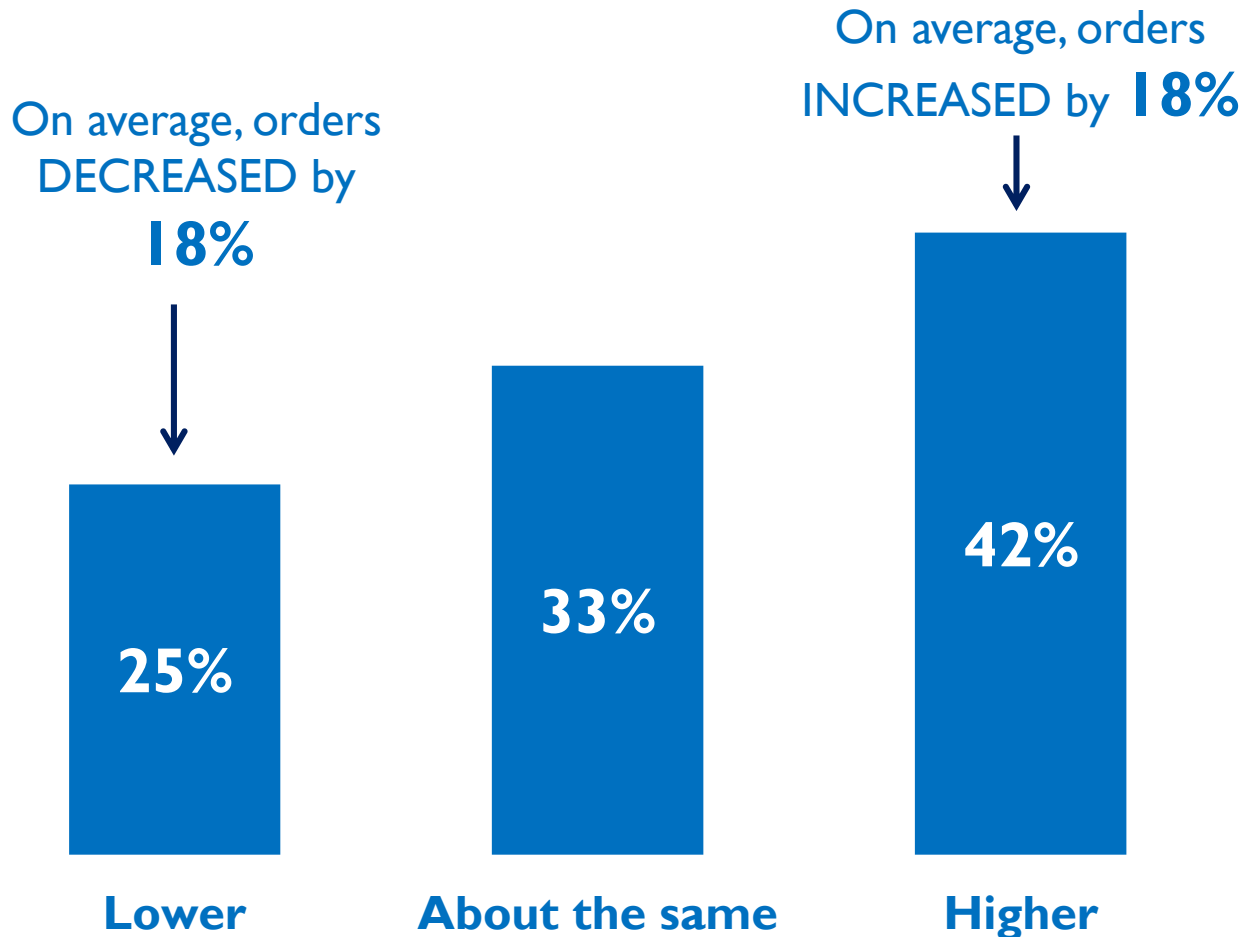




RESULTS

More than 2 in 5 (42%) had increased business

In January and February '19 compared with the same months in '18
with bookings/visitor numbers/customer orders



Solid increases for attractions and service providers:

Half (50%) of attractions and service providers saw increased bookings

Mixed fortunes for Tour Operators:

While 42% saw an increase in bookings, over a quarter (28%) saw decreases



Why did your bookings/visitor numbers/orders *increase*?

“UK domestic has been very strong, due to Brexit.”

Attraction

“Popularity of Scotland amongst the international market means that there is less seasonality - Chinese visitors visit in January and February.”

Attraction

“Our market is predominately US, performing well at the moment - also post terrorism from 2017, so UK is seen as a safe place to visit.”

Tour Operator



“Good weather! which has dramatically skewed the increase in passenger numbers.”

Attraction

“We are focused on the Chinese market which is increasing this year.”

Tour Operator

Why did your bookings/visitor numbers/orders *decrease*?

“Tours dropped off. No large bookings only ad hoc groups.”

Service Provider

“Main market is US. Expect Brexit is having something to do with it.”

Tour Operator



“Less enquiries or high end clients visiting London.”

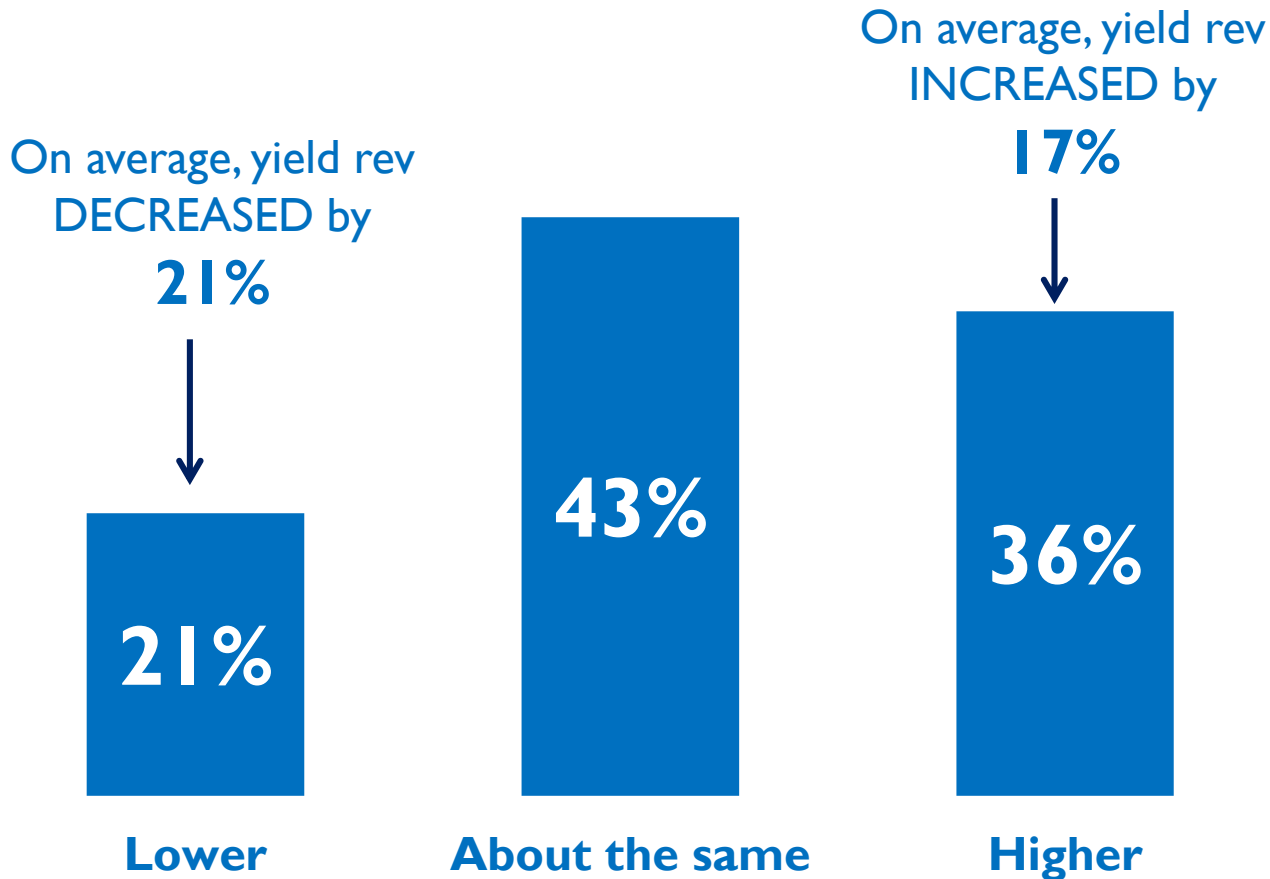
Attraction

“Brexit!!!! Negative press throughout Europe, particularly Germany, on how the Brexit negotiations are mishandled by both the Government and Parliament in the UK.”

Tour Operator

Well over a third (36%) increased revenue yield

In Jan & Feb '19 compared with the same months in '18



Attractions largely avoid a drop in revenue:

42% reported an increase, 50% stayed the same & only 8% reported a decrease

TOs show mixed fortunes:

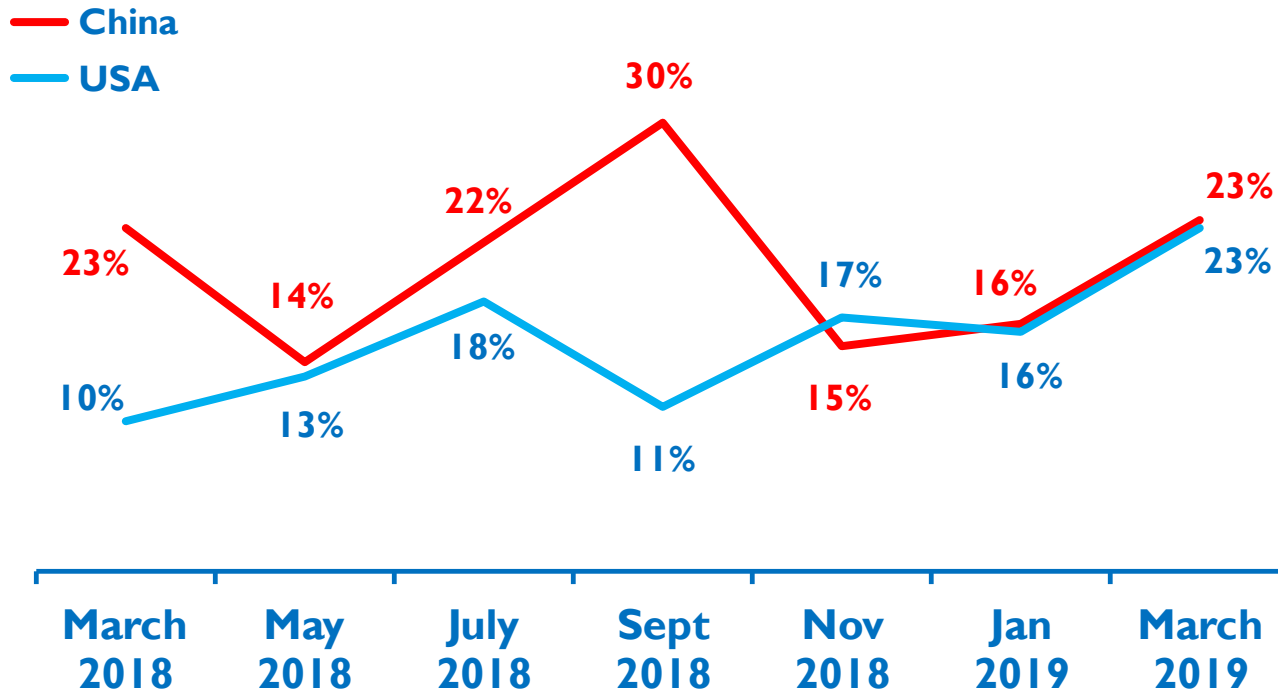
While 35% reported increases, 42% saw no change, and nearly a quarter (23%) saw a drop in revenue

Service providers similarly mixed:

39% saw increased yield, 39% remained static, and 22% saw a decrease



China and USA both show strong growth



26%
Not experiencing growth from any overseas markets



Q4. Select the main market that you are currently experiencing growth in. Base: 100

Germany overtakes France as main declining market

12%

Experienced decline
from German market

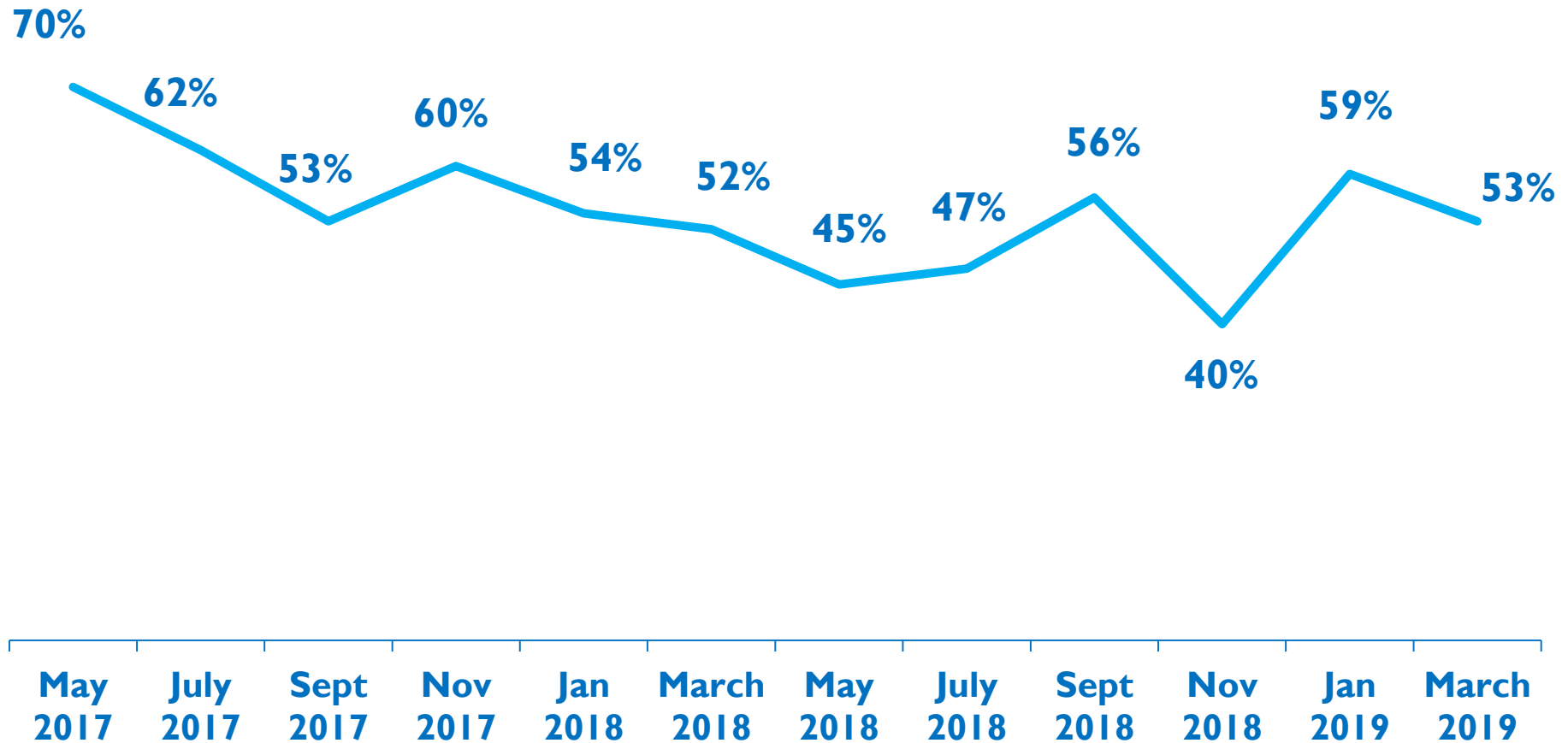
52%

Not experiencing
decline from any
overseas markets.

8%

Experienced
decline from
French market

Confidence in future business levels drops slightly



'Future bookings' continues to trigger confidence in year ahead

"Because of the strength of the American market, and also due to the weakness of the Pound - it makes UK much cheaper for our clients."

Tour Operator

"Despite Brexit guests still want to visit the UK and Europe for Holidays."

Tour Operator

"Forward bookings are looking strong and our growth in market share continues to have a positive influence on our performance."

Service Provider

"Difficult to know what will happen with Brexit. Consensus of opinion is that there may be a short drop in European tourism, but that overseas visitors should make up the shortfall."

Attraction

"This summer we're nearly booked out."

Tour Operator



'Brexit' uncertainty main cause in lack of confidence

“Because of Brexit - we do not know how it will affect groups. Our biggest market for school tour groups is France, and post Brexit - if entry into the country is more difficult, this could have an effect on us.”

Attraction

“Slow down in Chinese outbound and ridiculous Brexit uncertainty.”

Attraction

“The Brexit uncertainty is causing European markets to book elsewhere.”

Tour Operator





61%

would find relaxed rules for international graduates to
stay and work for up to two years in the UK
'beneficial' or 'very 'beneficial'



Q8. If the rules are relaxed for international students to stay and work for up to two years in the UK following their graduation, how beneficial would this be for your business? Base: 100



This research has been carried out in compliance with
ISO 20252, (the International Standard for Market and Social research),
The Market Research Society's Code of Conduct and UK Data Protection law.



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