Business Barometer Survey 2022-23

January 2023

Key findings

Qa Research
Merchant House,
11a Piccadilly, York, YO1 9WB
01904 632039 www.qaresearch.co.uk

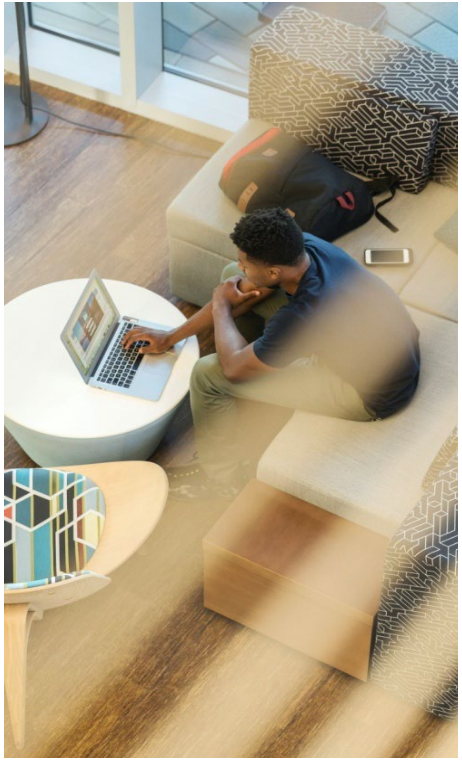
UKINBOUND
THE VOICE OF INBOUND TOURISM

Qa RESEARCH

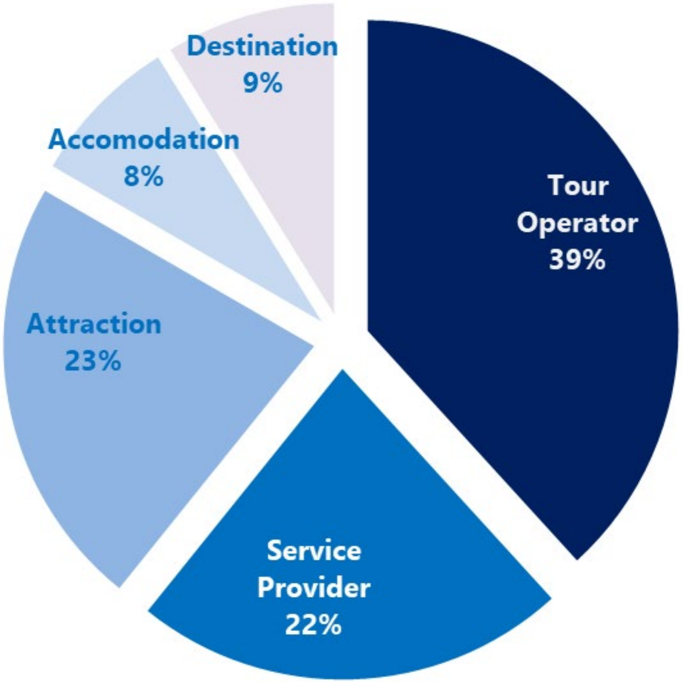
Aims & method

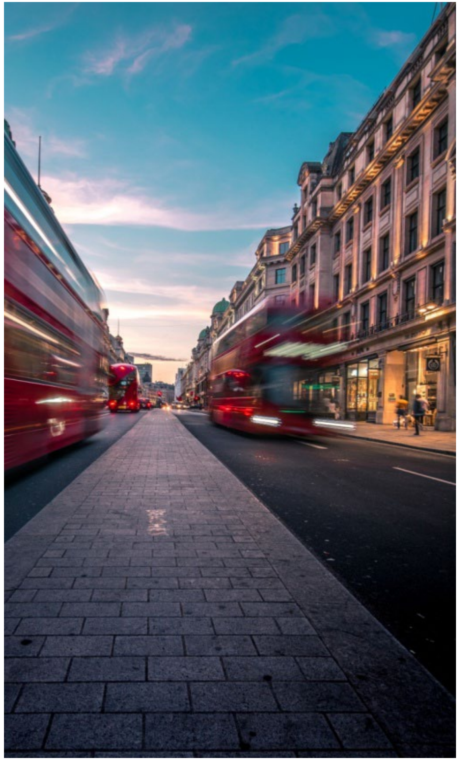
- **Survey of members:** your chance to have a say on how things are going
- **Main aims:**
  - Understand how different membership sectors are performing
  - Determine the level of business generated by membership
  - Inform lobbying & PR activity
  - Enable UKinbound to react to industry developments more quickly, by gathering feedback on current issues impacting the tourism industry
- **Online survey:** sent to members in December 2022, followed by a telephone top-up
- **Looks forward to January, February and March 2023:** while the barometer previously collected data from the past quarter, the emphasis on this survey now focuses on the upcoming quarter
- **Good response from members:** 93 members completed the survey, 28% of the membership base

Many thanks for taking part!



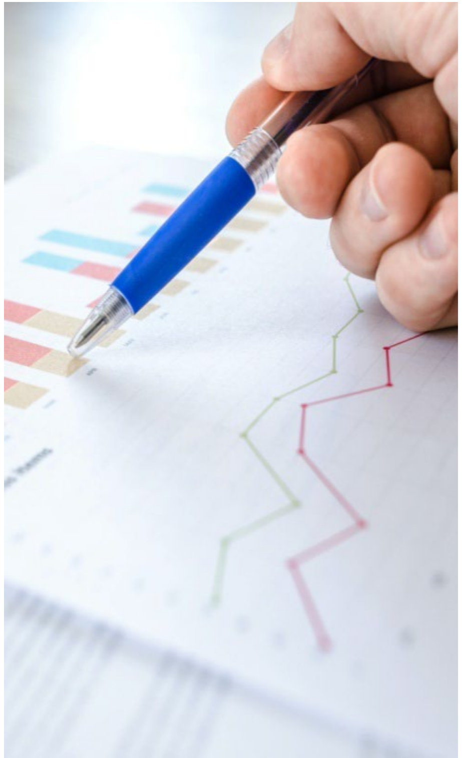
Varied mix of sectors participated





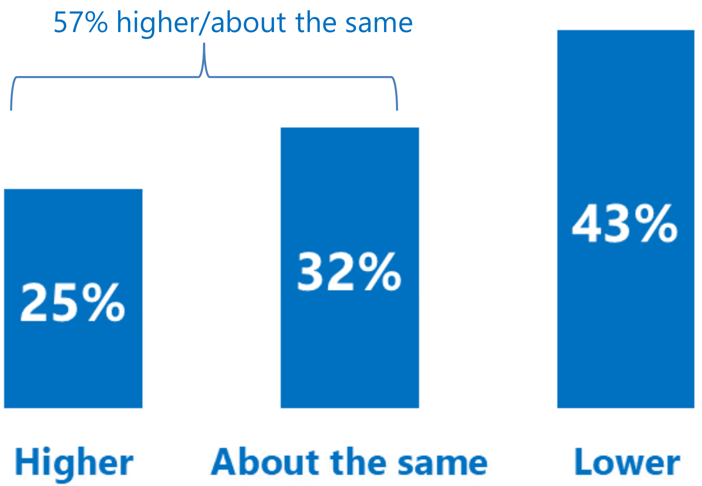
Q1. Which membership category do you fall into? Base: 93

Key findings



Over half of bookings now at the same or higher level than pre-Covid

Compared bookings in months January, February and March 2023 with pre-Covid levels

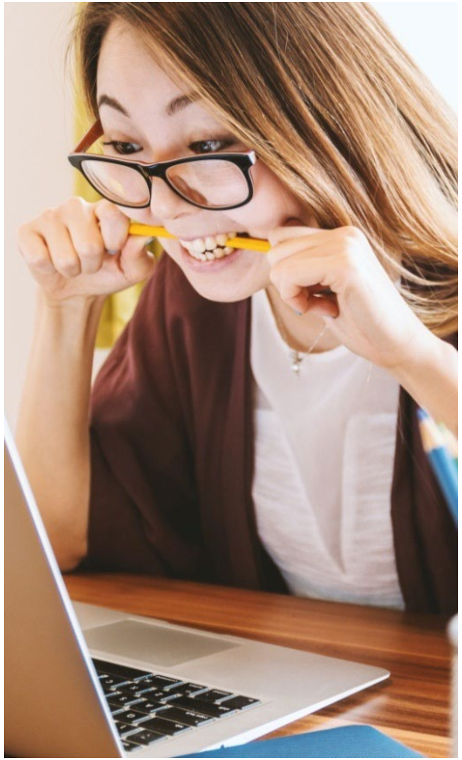


On average, orders INCREASED by **25%**

On average, orders DECREASED by **34%**

Positively, fewer are experiencing lower bookings (43%) compared to the previous quarter (52%). A higher proportion noting bookings are about the same (32% compared to 26% in the previous quarter).

Service providers (38%, n:8) were more likely to note **higher bookings** than before the pandemic.



Q3. Considering bookings / visitor numbers / customer orders you have / expect to receive in January, February and March 2023, how do they compare to the same period pre-pandemic? Base: 93

Positive signs as more markets resume providing new clients and bookings

"New clients with increased volume."

Tour Operator

"...people want to travel but also other segments in our business have done well such as weddings, meeting rooms etc."

Accommodation provider

"More forward bookings from US and European markets."

Service Provider

"..a general restart of worldwide group business with a good spread across low & shoulder seasons."

Tour operator

"The market confidence has increased coming out of lockdown."

Service provider

Q3b. Why did your bookings / visitor numbers / customer orders increase? Base: 23

..however long terms effects of Covid are still evident, with key markets recovering

"China, Japan and India were our three largest Inbound markets, none of these markets are currently travelling."

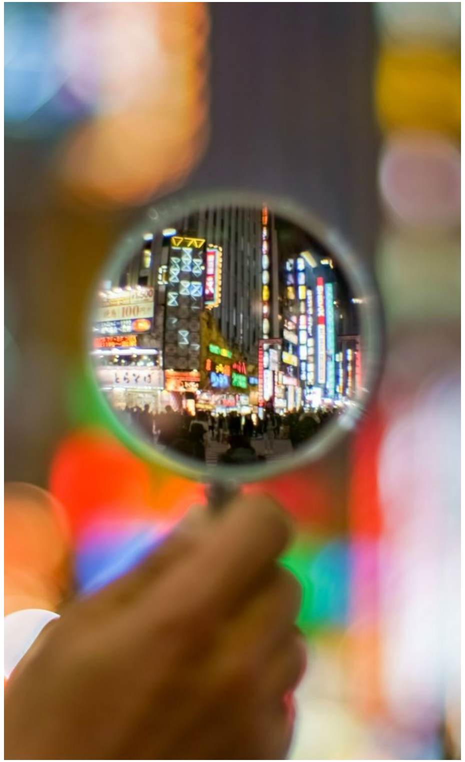
Attraction

"The market as a whole needs to recover."

Tour Operator

"Certain markets yet to recover or start up again. Held back by rise in cost of living."

Destination



"No Chinese market returning."

Tour Operator

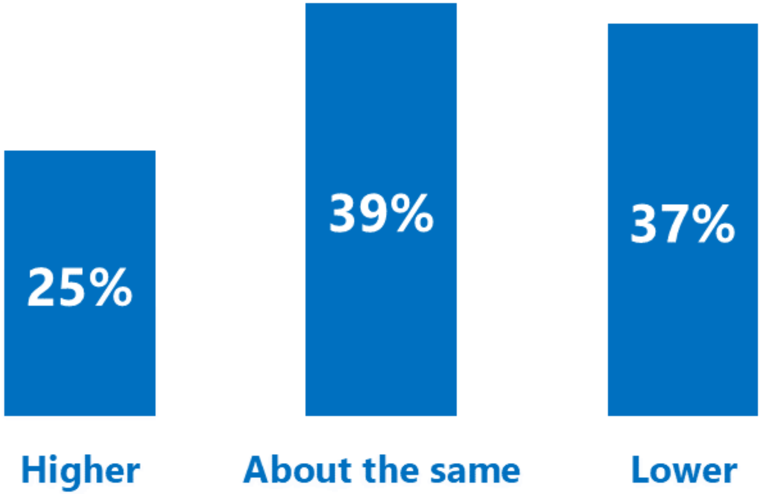
"Still long term effect of Covid Rebuilding customer base Other issues, visa, passport."
Tour operator

"Clients have less budget."

Service provider

Q3b. Why did your bookings / visitor numbers / customer orders decrease? Base: 40

Revenue mainly expected to be about the same or lower than pre-Covid



On average, revenue INCREASED by **26%**

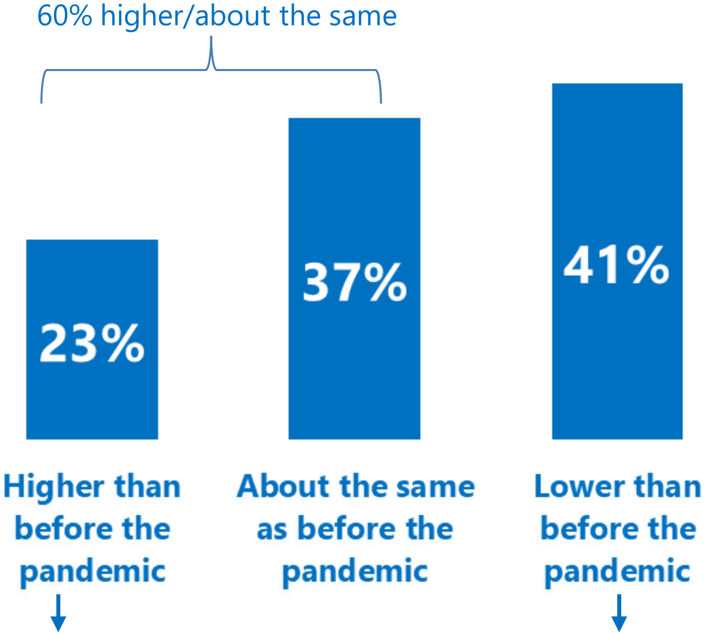
On average, revenue DECREASED by **33%**

Higher revenue more likely to be expected amongst Tour Operators (31%) and Service Providers (33%).

Q4. Considering predicted revenue yield in January, February and March 2023, how does this compare to the same period pre-pandemic? Base: 93

Booking expectations for Spring show little change from Winter

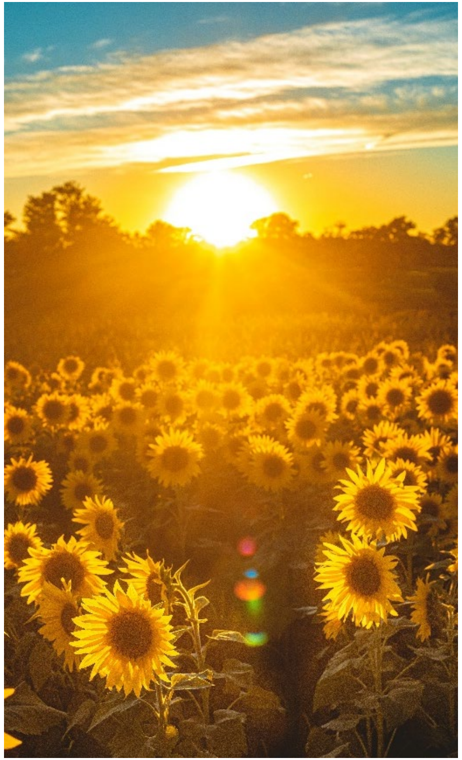
Compared expectations of April to June 2023 with same period pre-Covid.



On average, bookings expected to INCREASE by **22%**

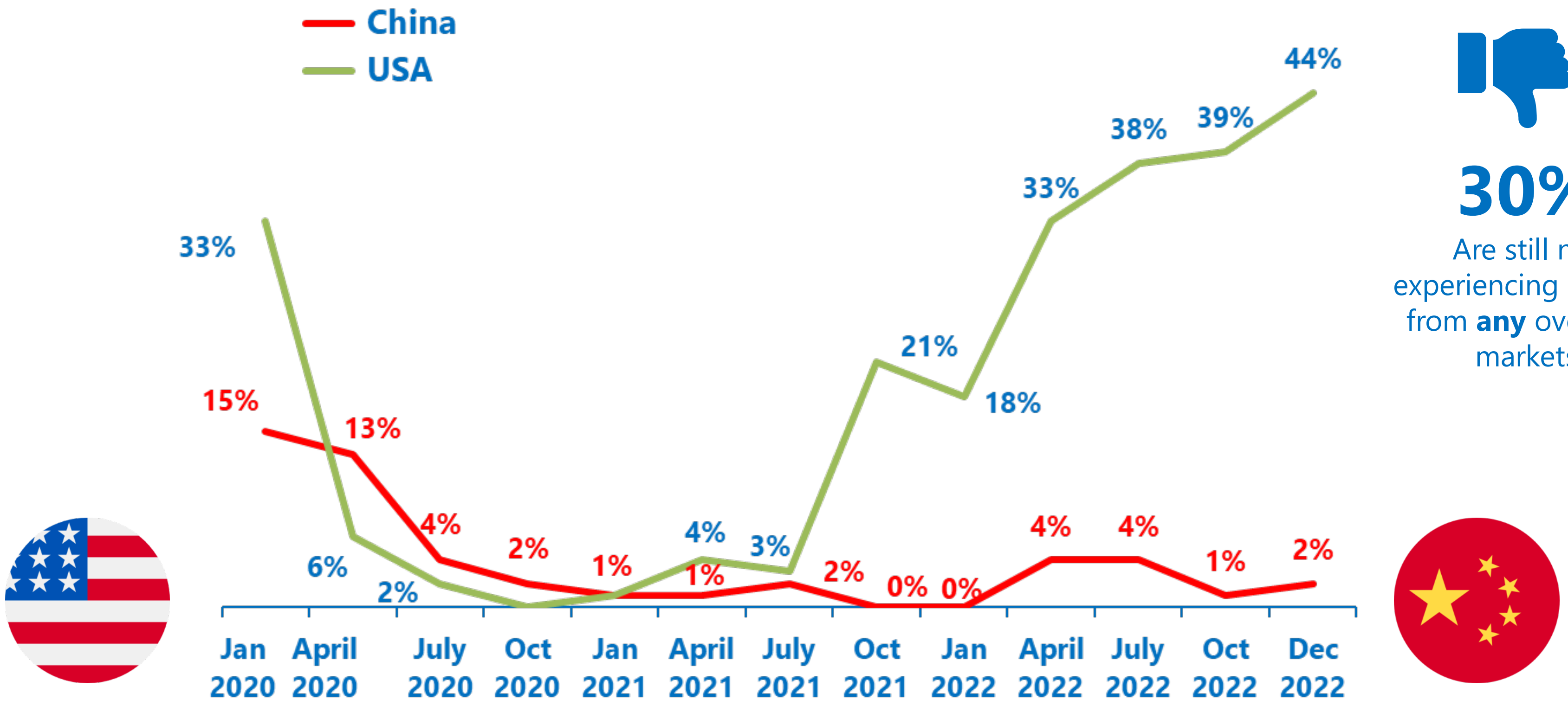
On average, bookings expected to DECREASE by **28%**

Service providers (33%) more likely to expect bookings for the Apr-Jun 2023 period to be higher than pre-pandemic.



Q5. Thinking about the April to June spring season (2023), how do you expect bookings / visitor numbers / customer orders to compare to the same time of year pre-pandemic? Your best estimate based on the current situation is fine. Base: 93

Continued growth from the US but little change for the Chinese market



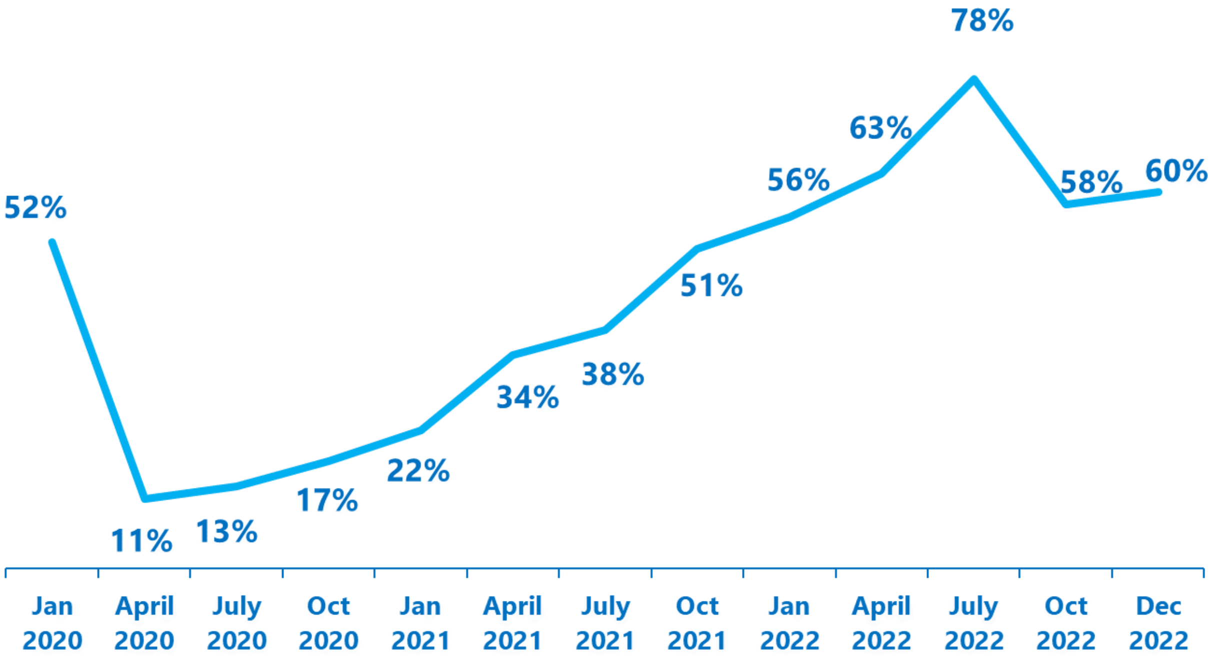
30%

Are still not experiencing growth from **any** overseas markets

Q4. Select the main market that you are currently experiencing growth in. Base: 93

Confidence level increases slightly after a sharp decrease in the previous quarter

Following a sharp decline in confidence, this quarter shows a small increase from 58% to 60%.



Q2. Looking ahead to the next 12 months, how confident are you feeling about bookings / visitor revenues / customer orders? Base: 93

Forward bookings continue to boost confidence for the year ahead..

"Bookings are looking very positive for 2023 with key markets for our company all returning."

Tour Operator

"Lots of repeat forward bookings, lots of confidence in the market."
Service provider

"From the bookings that we have so far from the next year - seem good."

Attraction

"For us the US market is really important and that is bouncing back really well."

Destination

"We have good forward bookings and our other tour operator partners are equally confident."

Tour Operator

Q2a. Why do you feel confident about bookings/visitor numbers/customer orders for the next 12 months? Base: 56

..however cost increases and supply side concerns are impacting on confidence

"Uncertainty over the cost of living situation and problems around inbound tourism with travel restrictions."

Attraction

"Rise in the cost of living, cost of running businesses, ongoing difficulties with staffing levels."

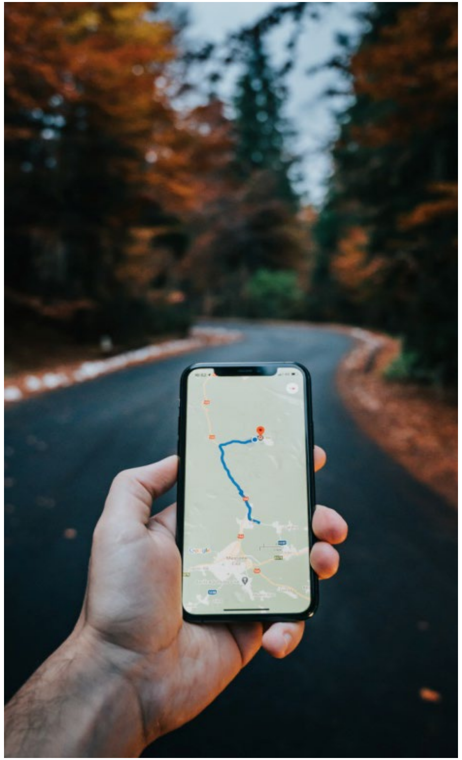
Destination

"With the inflation and price rise."

Accommodation

"Suppliers side many concerns (very low availability, low performance)."

Tour Operator



Q2a. Why do you feel less confident/neither about bookings/visitor numbers/customer orders for the next 12 months? Base: 36

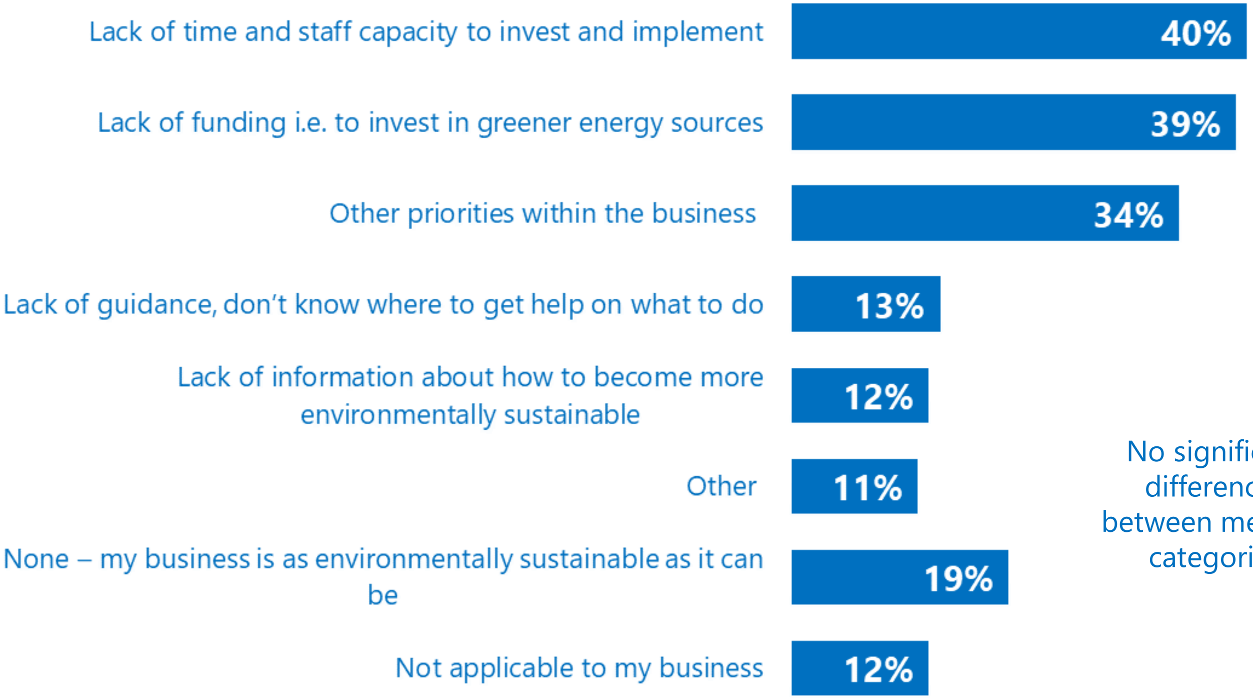
Higher costs and staffing issues are the biggest barriers to growth in 2023

Inflation and energy costs are more likely to be a barrier for Attractions (76%).

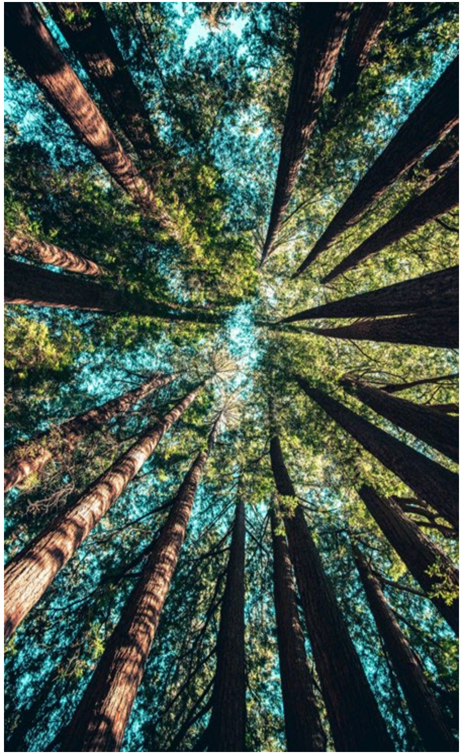
Supply side capacity more likely to be a barrier for Tour operators (61%).

Q7 What do you anticipate will be the biggest barriers to growth for your business in 2023? Base: 93

Lack of time and funding are key barriers to becoming environmentally sustainable



No significant differences between member categories



Q8. What are the barriers for your business in becoming more environmentally sustainable in 2023? Base: 93

Qa Research
Merchant House
11a Piccadilly
York
YO1 9WB

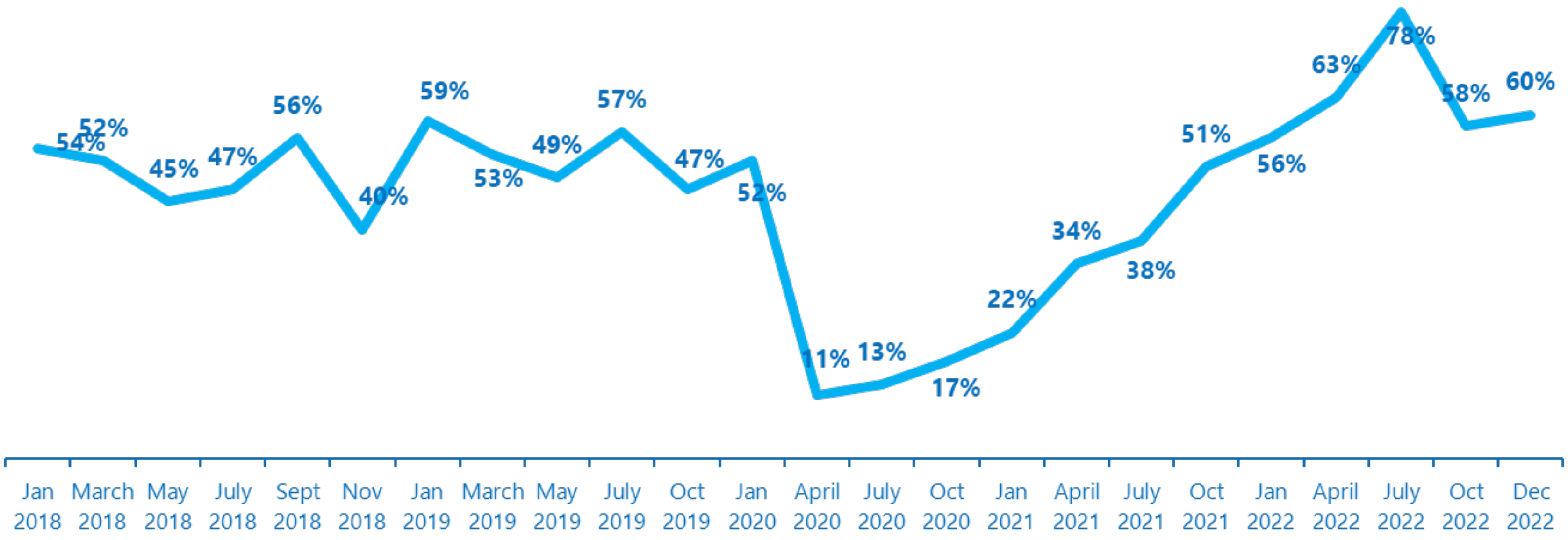
01904 632039
info@qaresearch.co.uk

Qa Research is a trading name of QA Research Ltd, UK registered, company registration number 3186539, address in York as above.

Project code: TRISM04-9095
File name: BB_Report_Dec22_V1
Date: January 2023
Approved by: Georgina Culliford
Authors: Lisa Downie
Comments to: lisa.downie@qaresearch.co.uk

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

Appendix: Confidence levels over 5 years (Jan 2018-Dec 2022)



Q2. Looking ahead to the next 12 months, how confident are you feeling about bookings / visitor revenues / customer orders?