FORESIGHT
Issue 44 June 2007

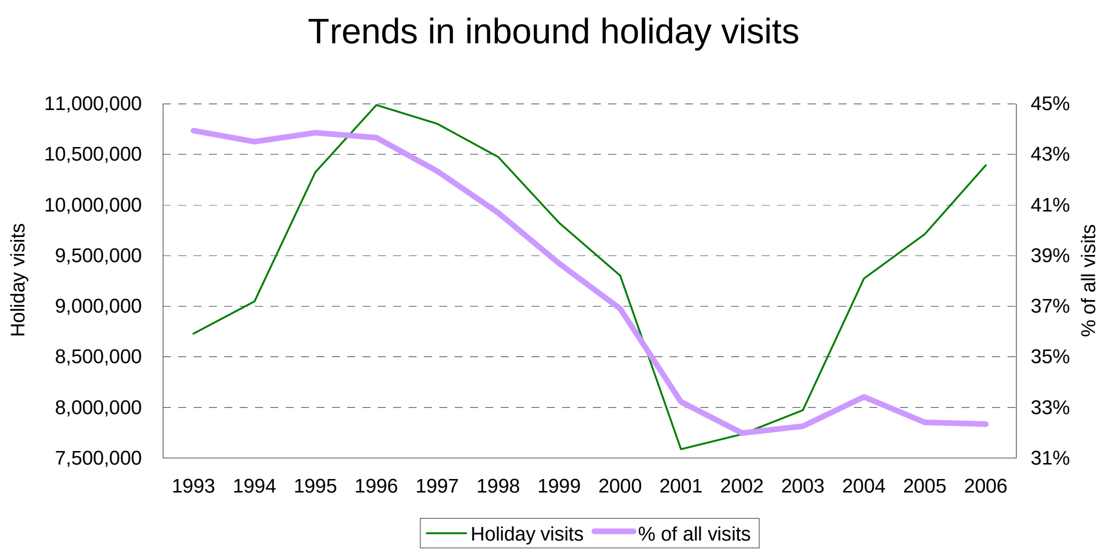
FORESIGHT is a monthly commentary on significant issues within the tourism sector. Each month 'Market Focus' discusses economic, social and political factors that underlie demand for tourism now and in the future. In addition, a spotlight is focused on a significant tourism issue. This month 'Market Focus' covers inbound holiday visitors with Issue of the Month considering the importance of nature and wildlife to UK tourism.

Market Focus – Inbound holiday visitors

Unlike visitors who come to Britain on a business trip or to visit friends and relatives 'holiday' visitors are making a conscious decision to 'choose' Britain instead of any number of other destinations that are on offer – so this month we take a look at trends and characteristics of this group, responsible for contributing £4.9bn to the UK economy in 2006 according to provisional figures from the International Passenger Survey[1] (that's 32% of all inbound visitor spending).

A rollercoaster ride

Lets start by considering the longer-term picture for inbound holiday visits over the past thirteen years. We can see from the chart that these have been some turbulent years encompassing periods of strong growth and steep declines in the absolute number of visits. Despite last year being another 'record year' for total inbound visits the same does not hold true for holiday visits. Despite five consecutive years worth of growth from the nadir in 2001 we can see that 1996 remains the year in which we welcomed the most inbound holiday visitors by a margin of well over half a million. The chart also highlights the share of inbound visits that is accounted for by those on holiday, and here the story is one of fairly consistent decline, meaning that in 2006 32% of visits were for a holiday, compared to 44% back in 1993.



Headline figures

The following table summarises a few key facts and figures relating to inbound holiday visits to the UK in 2006. The USA was our most important market, especially in terms of visitor spending, worth in excess of £900m. Apart from the USA the only other long-haul markets making it into the top tens are Australia and Canada.

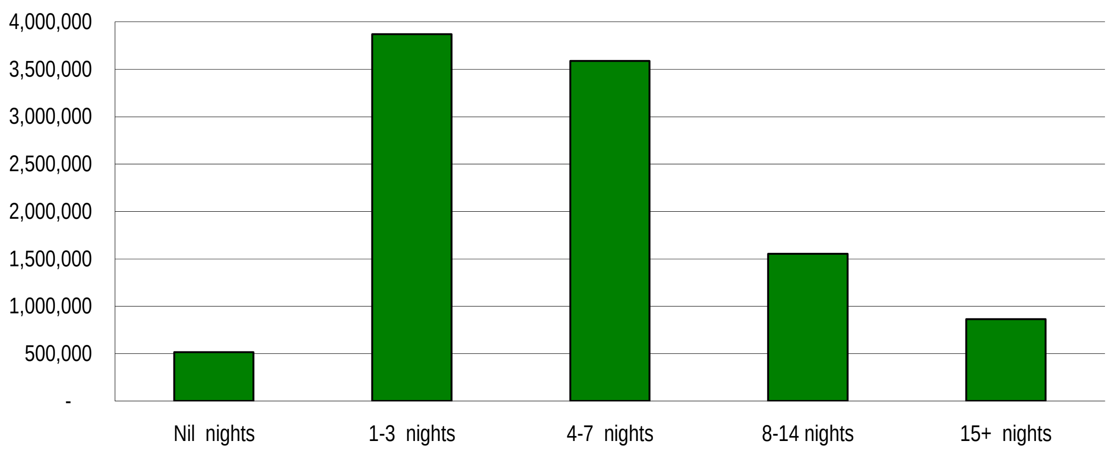
Top Ten: Visits		Top Ten: Nights (m)		Top Ten: Spend (£m)	
USA	1,427,011	USA	10.5	USA	911.1
France	1,246,241	Germany	6.8	Germany	389.8
Germany	1,116,301	France	5.8	France	320.6
Irish Republic	704,608	Australia	4.6	Spain	280.2
Spain	659,393	Spain	4.5	Australia	263.5
Netherlands	561,319	Italy	3.5	Italy	256.3
Italy	552,643	Poland	3.1	Irish Republic	241.2
Australia	384,580	Netherlands	3.1	Netherlands	177.3
Belgium	375,359	Irish Republic	2.6	Canada	169.2
Canada	280,413	Canada	2.6	Sweden	122.0

Averages		Share of holiday visitor nights by region			
Spend per night	£68	London	47%	Wales	3%
Spend per visit	£468	Rest of England	36%	Northern Ireland	1%
Nights per visit	6.9	Scotland	13%		

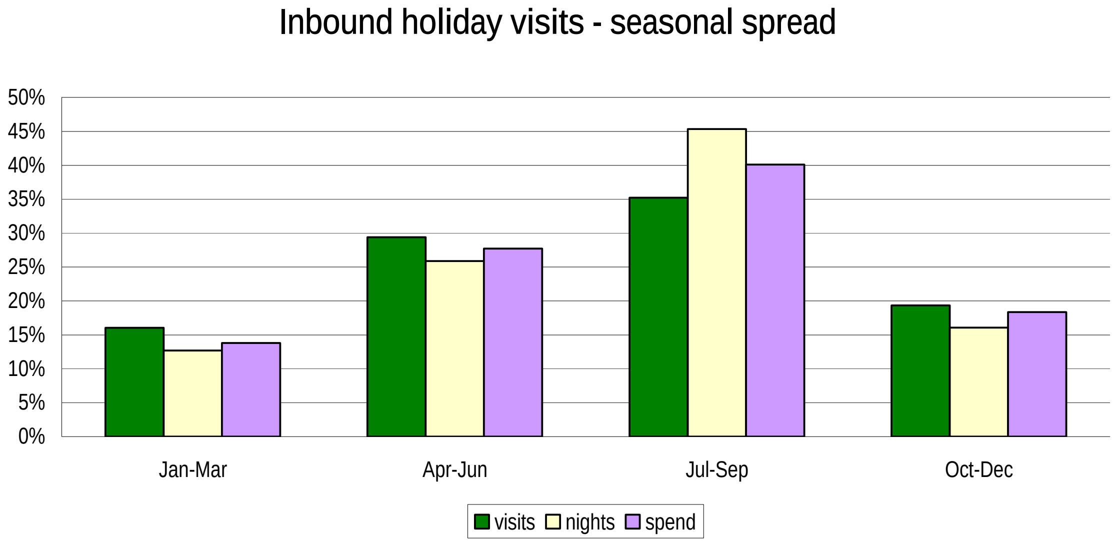
Characteristics

So, average trip length for holiday visits in 2006 was a fraction under seven nights, but an arithmetic average can often mask a far more interesting 'distribution', and as we can see from the following chart the most popular length of stay for a holiday trip is now 1-3 nights, accounting for very nearly two-in-five of all trips. Less than a quarter of holiday visits last for eight nights or more.

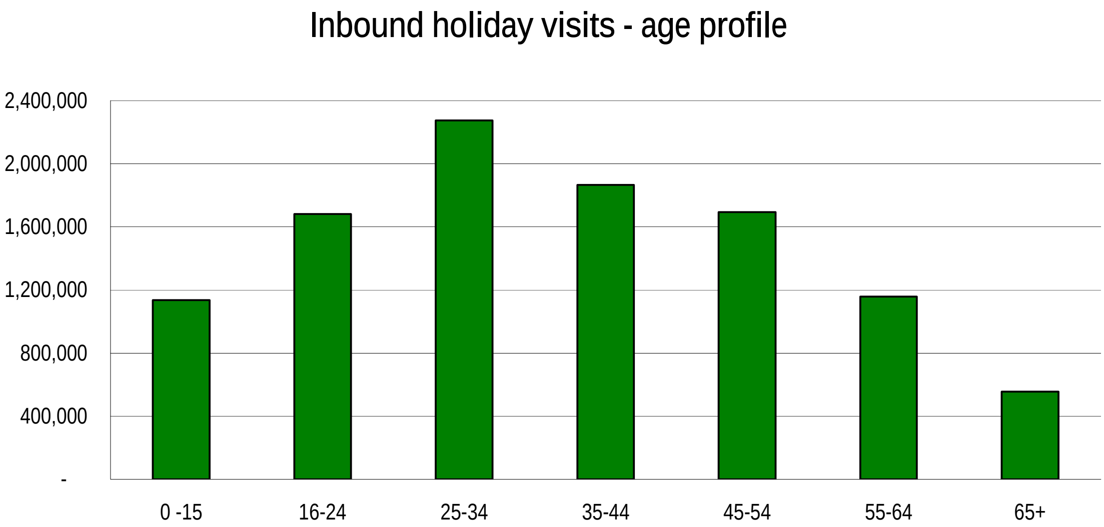
Inbound holiday visits - duration of stay



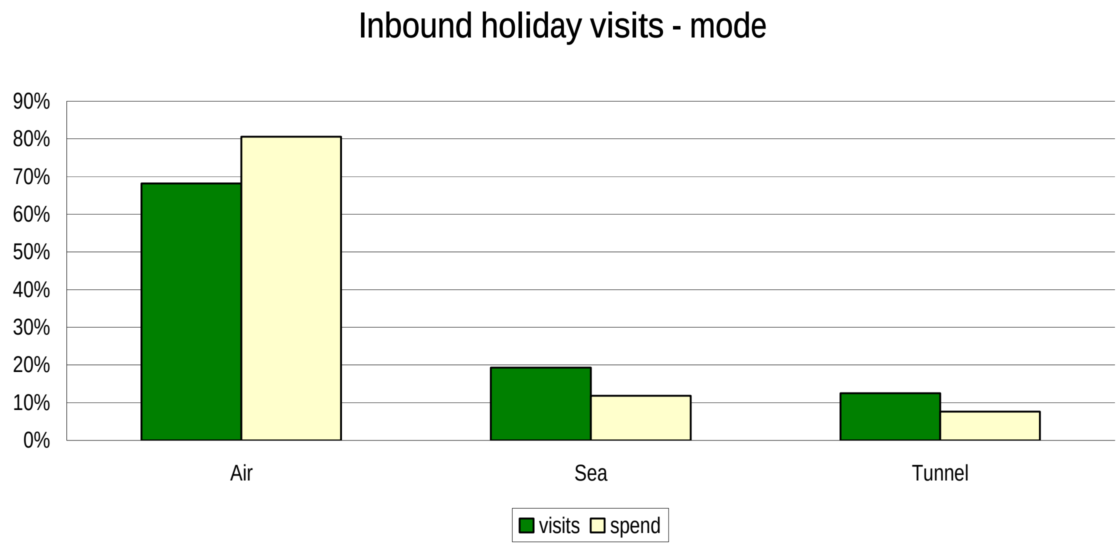
From the next chart we see that the time of year when longer holiday trips tend to take place is during the period July to September (when the typical trip lasts for 9 nights). Indeed, these three summer months account for 45% of inbound holiday visitor nights and 40% of spending. Not surprisingly January to March is the quietest time of year with 16% of holiday visits taking place during this period (note that Easter fell in April in 2006).



Holiday visitors aged between 25 and 34 account for just over one-fifth of all holiday visits as we can see from the next chart – later in the year we will be able to get a much deeper understanding of the types of 'travelling group' for those coming to Britain for a holiday, or indeed any other type of trip, thanks to a VisitBritain sponsored question that was introduced to the International Passenger Survey in 2006. This will show who it is that all these 25-34 year old holiday visitors are travelling with – their partner, young children, adult friends etc.



The crucial role aviation plays in allowing UK tourism to prosper is highlighted by the following chart revealing that over two-thirds of inbound holiday visitors travel by air. More noteworthy still is the fact that holiday visitors arriving by air have a higher spend per visit (£550) than those using other forms of transport (£290). This means that more than 80% of inbound holiday visitor spending is attributable to visitors who opt to fly to and from Britain.

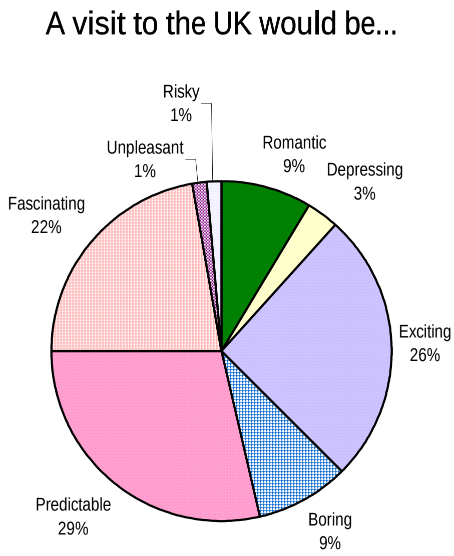


Perceptions

By taking a look at the Anholt-GMI Nations Brand Index we can find out how overseas residents perceive Britain as a destination – one of the questions respondents are asked being:

Please pick the adjective which you think most accurately describes the experience of visiting the United Kingdom

It is important to remember that the majority of respondents will not have visited the UK, but nevertheless we can see from the pie chart that a majority (57%) select a positive adjective to describe their expectations about a visit, with 'Exciting' and 'Fascinating' the top two positive adjectives chosen. The negative adjective eliciting the largest response was 'Predictable' with 29% of those surveyed selecting it.



Source: Anholt-GMI Nations Brand Index, Wave 1 2007

Inspiration

It is the holiday visitor above all other types of inbound visitor that has to be inspired to choose Britain rather than one of our ever increasing number of competitor destinations. Last month VisitBritain fired another shot in its salvo to boost inbound tourism, with a particular focus on inspiring holiday visits, with the relaunch of its global websites featuring next generation functionality, improved navigation and accessibility, and the ability to make purchases online, coupled with thousands of pages of inspirational and practical content. Recognising that the US is our single most important market for holiday visitors VisitBritain is pursuing its 'Be a Brit Different' campaign in the US with vigour - highlighting a different region of Britain each month - and aspires to return the value of US holiday visits to more than £1bn per annum, something not achieved since 2000.

Issue of the Month – Nature and wildlife

This month we take a look at the role that nature and wildlife plays in underpinning a successful UK tourism industry. Whether it is the sighting of a robin perched on a frosty bush in midwinter, lambs gambling in springtime, a field of cornflowers and poppies in July or a deer emerging from an autumnal mist, Britain's nature and wildlife deliver a fabulous mosaic of images all capable of triggering a decision to visit a destination, be it for a few hours or a few days.

Testimony to the diversity and pulling power of Britain's nature and wildlife Kew Gardens welcomes 1.4 million visitors per annum and hundreds of ornithologists venture to the Orkney and Shetland Islands to enjoy the spectacle of thousands of puffins and other seabirds during spring and summer. We cannot take the existence of such attractions for granted as habitats face challenges ranging from climate change through to urbanisation. It will be essential for the tourism industry to work in partnership with a range of other organisations to ensure that these assets continue to flourish and can be enjoyed by the next generation of visitors.

Management and protection

There is a definite balancing act between ensuring nature can be enjoyed by both residents and visitors whilst protecting these assets against the possible harmful effects of excessive demand. For example a cliff top footpath that ends up attracting too many walkers may become eroded to such an extent that repair becomes impractical, thereby denying the experience to future visitors.

This is why the UK has a number of mechanisms for protecting key nature and wildlife assets. Looking just at England we find some 4,000 Sites of Special Scientific Interest (SSSI) all of which have special status and cover 7% of England's land area.

On a larger scale 15% of England is classified as an 'Area of Outstanding Natural Beauty' designated for its landscape qualities and for the purpose of conserving and enhancing its natural beauty. The map shows the location of the 36 AONB sites across England, ranging from the Isles of Scilly at 16sq km through to the Cotswolds at over 2,000 sq km.

Demand

There are many ways in which we can attempt to gauge the importance of nature and wildlife to visitors, be these visitors form overseas, UK residents on overnight trips or 'day trippers'.

Firstly there are visitor attractions that have nature and/or wildlife as their main theme (excluding zoos and 'wildlife parks') and taking a look at the table we can see that, according to the 2005 Annual Visitor Attractions Survey, four out of the top 16 paid attractions fall into this category.

Rank	Attraction	Visits
6	Kew Gardens	1,354,928
10	Eden Project	1,177,189
14	Rother Valley Country Park	945,832
16	Bradgate Park	850,000

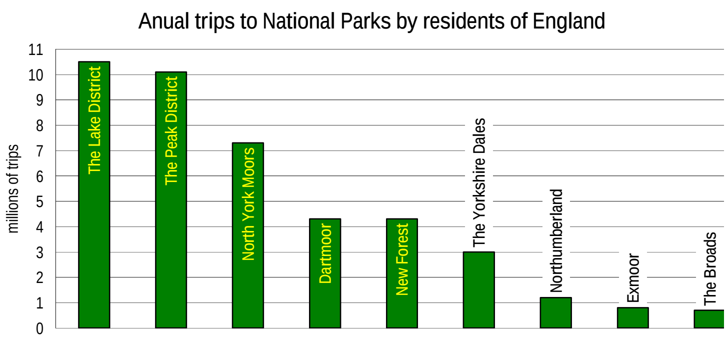
Many trips to areas where nature and wildlife are the main attraction, even if not in the form of a 'paid attraction', are 'day visits'. According to the England Leisure Visits Survey for 2005 59% of those aged 16 or over visit the countryside each year, with 37% visiting the seaside coast (excluding seaside towns or cities which are classified separately).

Focussing on 'tourism day visits', that is visits lasting more than three hours and not taken on a regular basis, we see from the table that such trips to countryside or seaside coast destinations accounted for over £4.5bn worth of spending during 2005.

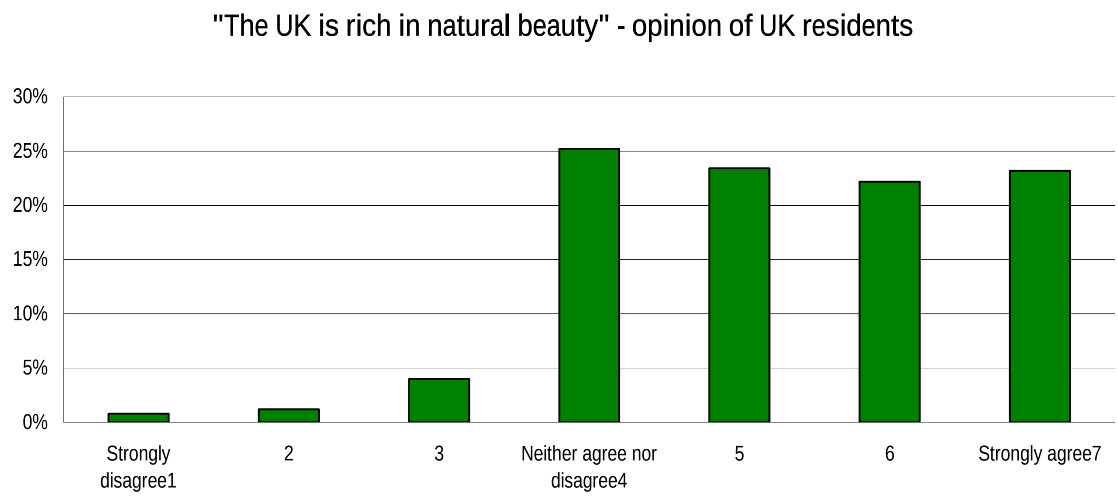
Tourism Day Visits	Trips (m)	Spend (£bn)	Spend per trip (£s)
Countryside	135.7	4.039	29.77
Seaside Coast	14.8	0.524	35.31

Turning to overnight trips taken by domestic residents provisional figures from the 2006 United Kingdom Tourism Survey indicated that roughly one-in-five overnight trips are to the countryside, that's some 24 million trips. On average overnight trips to the countryside lasted 3.2 nights, and were worth an estimated £3.4bn.

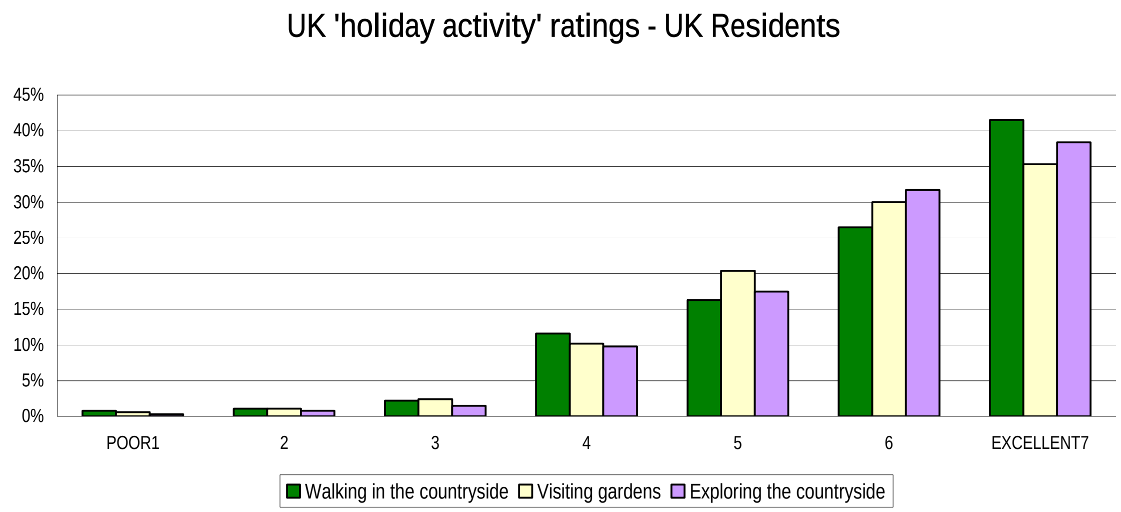
Again looking at data from the England Leisure Visits Survey we can be fairly sure that nature and wildlife has been the inspiration for a large proportion of tips to National Parks. The number of day trips by residents of England to its National Parks (from either home or a 'holiday base') in 2005 was well in excess of 40 million.



Finally we can assess the importance of nature and wildlife by examining some of the results of the Anholt-GMI Nations Brand Survey. Whereas in the past two issues of Foresight we have been looking at the perceptions of overseas residents, the following two charts are based on the opinions of UK residents. One of the core NBI questions focuses on ratings for a country's natural beauty, and as is evident UK residents gave a broadly positive response, with two-in-three agreeing to some extent that the UK was 'rich in natural beauty' and only 6% actually expressing disagreement with the statement.



VisitBritain sponsored questions that are included in the survey help us understand how UK residents rate different types of holiday activity on offer in Britain that are linked with nature and wildlife, and as the next chart reveals Britons are overwhelmingly upbeat about exploring the countryside, walking in the countryside and visiting gardens as potential activities to participate in during a holiday in Britain.



Supporting these findings is earlier research conducted by TNS on behalf of VisitBritain that looked at how English residents, who had taken at least one holiday or short break in England in the past year, rated different types of holiday activity on offer in England. The TNS study found that 'unspoilt countryside' and 'facilities for walking, rambling or hiking' to be 'strengths' – that is to say factors that are very important to visitors and at which England is already recognised as excelling.

The research discovered that the 'chance to see wildlife in its natural habitat' was a 'priority', meaning that it is a factor which is very important to visitors, but at which England is not currently seen as excelling. This could potentially be addressed through educating visitors where to look for wildlife (for example the Royal Society for the Protection of Birds has over 200 reserves open to the public), but it highlights the potential negative ramifications for domestic tourism of not protecting the rich mix of species currently to be found in Britain.

Biodiversity

According to the Department for Environment Food and Rural Affairs (DEFRA) the UK has lost 100 species of plants or animals over the course of the past century, and without a rich biodiversity of plants and animals our vital 'nature and wildlife' tourism product will diminish in stature and appeal.

DEFRA notes that "In a local context biodiversity has particular importance in giving a distinctive character to an area whether it be chalk downland, estuary, woodland or mountain. Even in towns and cities, oases of wildlife habitat make an important contribution to the quality of life" – highlighting just how important biodiverstiy is in delivering a 'sense of place', an essential element in destination marketing.

In line with the 2002 biodiversity strategy for England 'Working with the Grain of Nature', the government released a set of 'biodiversity indicators' in 2003, with an update covering no fewer that 51 separate indicators published in 2006. By monitoring these indicators it is possible to assess the outcomes emerging from the strategy and identify progress towards meeting EU objectives of halting biodiversity loss by 2010. We can see from the table based on the 'headline' indicators that in 2006 six out of the eight were assessed as having a trend that was moving towards the objective.

Summary assessment of headline indicators		2003 assessment	2006 assessment
H1(a)	Populations of wild birds in England	≈	≈
H1(b)	Populations of butterflies in England	Indicator not developed	✔
H2	Condition of Sites of Special Scientific Interest (SSSIs) in England	No trend data	✔
H3	Status of Biodiversity Action Plan priority species and habitats in England	✔	✔
H4	Area of land under agri-environment scheme agreement in England	✔	✔
H5	Biological quality of rivers in England	✔	✔
H6	UK fish stocks fished within safe limits	≈	✔
H7	Delivery of local biodiversity targets in England	Indicator not developed	No trend data
H8	Public attitudes to biodiversity	✔	No assessment
Indicator trend moving towards objective		4	6
Indicator trend uncertain or insufficient data		5	3
Indicator trend not moving towards objective		0	0

✔ Clear positive trend

≈ No trend or uncertain trend

✘ Clear negative trend

Summing up

Nature and wildlife is a fundamental asset for the UK tourism industry and as we have discovered is highly valued by visitors. However, there is no doubt that competing demands on our limited land resource will continue to place wildlife habitats and scenery under pressure in the coming decades. It will be necessary for both the tourism industry and visitors alike to support efforts designed to ensure biodiversity loss is halted, and that the beauty of the landscape remains as captivating as it is today long into the future.

Download earlier editions of FORESIGHT: www.visitbritain.com/research

		Market Focus	Issue of the Month
Issue 1	November 2003	USA, Canada and Mexico	Implications of an ageing population in Britain
Issue 2	December 2003	France, Italy, Portugal and Spain	Airport capacity in Britain
Issue 3	January 2004	Poland, Russia, China and South Korea	Visits to Britain by British Nationals living overseas
Issue 4	February 2004	Britain	School holidays and their impact on seasonal spread
Issue 5	March 2004	Australia and New Zealand	West Nile Virus
Issue 6	April 2004	The EU Accession States	
Issue 7	May 2004	South Africa, Nigeria, Kenya and Ghana	The Internet Part 1: Consumers
Issue 8	June 2004	India and Pakistan	The Internet Part 2: Businesses
Issue 9	July 2004	Belgium, Netherlands, Luxembourg and Ireland	Trends in Cross-Channel Travel Behaviour
Issue 10	August 2004	Japan, Hong Kong, Philippines and Taiwan	Cost of visiting Britain compared with other destinations
Issue 11	September 2004	Brazil, Argentina, Chile and Venezuela	What might climate change mean for tourism in Britain
Issue 12	October 2004	Norway, Sweden, Denmark and Finland	London's Olympic Bid – implications for British Tourism
Issue 13	November 2004	Britain	Smoking in public places
Issue 14	December 2004	UAE, Saudi Arabia, Kuwait and Iran	Outlook for inbound tourism to Britain in 2005
Issue 15	January 2005	Germany, Austria and Switzerland	Inbound tourism and the value of Sterling
Issue 16	February 2005	Malaysia, Thailand and Singapore	Britain's ethnic diversity
Issue 17	March 2005	Greece, Romania, Bulgaria and Croatia	Britain's transport infrastructure
Issue 18	April 2005	Israel, Egypt and Turkey	Foreign Direct Investment & inbound business tourism
Issue 19	May 2005	Poland, Czech Republic and Hungary	Inbound study visits
Issue 20	June 2005	USA, Canada and Mexico	Low-cost Airlines
Issue 21	July 2005	France, Italy, Spain and Portugal	Weddings, Stag Weekends and Hen Weekends
Issue 22	August 2005	Latvia, Lithuania, Estonia, Ukraine and Belarus	The Day Visit Market
Issue 23	September 2005	Russia and China	Quality
Issue 24	October 2005	Australia, New Zealand and South Africa	Daylight Saving
Issue 25	November 2005	India, Sri Lanka and Bangladesh	Outlook for Inbound Tourism in 2006
Issue 26	December 2005	Twenty-five years of Inbound Tourism	
Issue 27	January 2006	Benelux and Ireland	Tourism Satellite Accounts
Issue 28	February 2006	Japan, South Korea and Hong Kong	Tourism and the Disability Discrimination Act
Issue 29	March 2006	Brazil, Argentina and the Caribbean	Tourism and the National Lottery
Issue 30	April 2006	Nordic region and Iceland	Next generation aircraft
Issue 31	May 2006	Central Europe	The cruise line boom
Issue 32	June 2006	UAE, Kuwait, Bahrain and Oman	The power of football
Issue 33	July 2006	North Africa, Malta and Cyprus	Wind Farms and the Visitor Economy
Issue 34	August 2006	Inbound tourism - the global context	
Issue 35	September 2006	Singapore, Malaysia and Thailand	International tourism balance of payments deficit
Issue 36	October 2006	Greece, Turkey, Bulgaria and Romania	Inbound visitor decision lead times
Issue 37	November 2006	Inbound visits by the over 55's	Seasonality
Issue 38	December 2006	Outlook for Inbound Tourism in 2007	
Issue 39	January 2007	USA and Canada	Second homes
Issue 40	February 2007	Ferry passenger visitors	Accommodation choices
Issue 41	March 2007	What will shape tourism in the next decade?	
Issue 42	April 2007	The value of tourism in the UK	Holiday activity perceptions (Part 1)
Issue 43	May 2007	India and Japan	Holiday activity perceptions (Part 2)

[1] Data from International Passenger Survey has been made available by the Office for National Statistics and has been used by permission. The ONS do not bear any responsibility for the analysis or interpretation of the data reported here. Crown Copyright 2007. Source: ONS