England Attractions Monitor

Quarter 3 Report

July to September 2009

Prepared for

VisitEngland

by

bdrc

1. INTRODUCTION

In January 2006, VisitBritain commissioned BDRC 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. The survey was enhanced in 2007 to incorporate not only recent visit trends but also questions relating to business confidence for the forthcoming quarter.

A further enhancement in 2008 saw the introduction of a quarterly **'hot topic' question** which, during Quarters 2, 3 and 4 of 2008 and Quarter 1 of 2009, asked attractions what overall impact, if any, they thought the current economic slowdown and credit crunch would have on visitor numbers. From Quarter 2 of 2009, this 'hot topic' question was changed with the objective of providing more detailed feedback on the impact of the economic situation on visitor profile and expenditure at attractions. It was agreed to continue with these questions again during Quarter 3 2009. Section 8 provides the details.

Quarter 3 2009 also retains the questions introduced in Quarter 2, to measure the impact of **public events and membership/friends schemes** on the business performance of attractions. Section 7 provides the detailed results.

2009 has also seen a significant extension in the scale of the monitor, aiming to increase the number of participating attractions by a further 100 per quarter, thereby increasing the robustness of sample sizes at a regional level. Details of methodology and sample sizes achieved are provided in Section 2.

2. METHODOLOGY

The objective for 2009 was to create an enhanced, committed panel of **c.600 attractions** comprising:

- c.300 individual attractions recruited online and by telephone (c.30-35 per England region);
- c.300 English Heritage/National Trust properties (with visit admissions data for each property provided centrally).

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.

During the third 2009 quarterly period – July to September - **679 attractions** provided data (English Heritage/National Trust properties provide visit numbers only), consisting of:

- **391 individual attractions recruited online;**
- **288 English Heritage/National Trust properties (admissions data only).**

The number of individual attractions taking part has increased from just 148 in Quarter 4 2008, significantly broadening the coverage of different attraction types within the monitor and providing a more robust basis for the business confidence and 'hot topic' elements of the survey. The significant increase in participation has been driven by a modified approach to recruitment in 2009 which made greater use of the annual Survey of Visits to Visitor Attractions as a recruitment vehicle (which now also includes an option for online survey completion).

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.

3. SUMMARY OF FINDINGS

This is a summary of the findings for the Quarter 3 (July to September 2009) period.

By way of context, the weather during Quarter 3 was somewhat mixed, wetter at the start and drier towards the end. July had a very warm spell at the start of the month but became unsettled with frequent periods of rain or showers and often thundery for the majority of the month. Rainfall was significantly above average. August was also unsettled, cloudy in the west and north, dry and sunny in the east and south. September was largely warmer, sunnier and drier than the preceding months, with temperatures above the norm in some parts and rainfall well below average.

Following the significant increase in visits to attractions across England reported in Quarter 2, Quarter 3 remains positive, with the overall quarterly uplift in visitor admissions (+5%) comparable with that observed in May (+9%) and June (+2%). All three months in Quarter 3 reported year-on-year increases in visits - July recorded a +4% rise and both August and September recorded increases of +6%.

Rural attractions (+11%) reported the largest increase in visitor admissions. Coastal attractions reported an encouraging +8% increase, supporting evidence from across the industry that seaside destinations have experienced a positive summer.

Q2 reported a slight softening of business confidence and this has continued into Q3. However, despite this fall (from 48% feeling more optimistic about their own attraction in Q2 to 42% in Q3), business confidence remains significantly higher than levels seen during 2008 and latter part of 2007.

Reasons for the continued high levels of business confidence tend to reflect attractions' experience over the past few months. Many have seen an upturn in fortunes and expect this to continue, believing that the prevailing economic conditions provide the platform for successful domestic tourism.

Q3 has also seen greater optimism driven by better provision of events and encouragingly, signs of a recovery in secondary spend.

On the negative side, there remain concerns over the recession and E-coli featured as a strong concern within the farm attractions sector.

During Q3 2009, over half (54%) of all attractions held a public event, an increase of +8% on Q2. These events were generally seen as making a positive difference to business performance, with the vast majority of attractions that held an event reporting a positive impact (and nearly a quarter claiming there was a major positive impact).

Q3 also demonstrates the rapidly increasing importance of membership/season ticket/friends schemes within the industry. Even between Q2 and Q3, the proportion of attractions feeling that such schemes were becoming more important to them increased from 34% to 38%. This supports anecdotal evidence that members have been looking to squeeze as much as possible from their memberships this summer.

The most striking increase in visitor admissions to attractions this quarter appears to have been generated among visitors using special offers, discounts and vouchers. Half (50%) of attractions for whom this was relevant reported an increase in their usage compared with the equivalent quarter of 2008, highlighting both the increased number of attractions promoting a value offer in 2009 and the public's greater propensity to seek out attractions where these value offers are available.

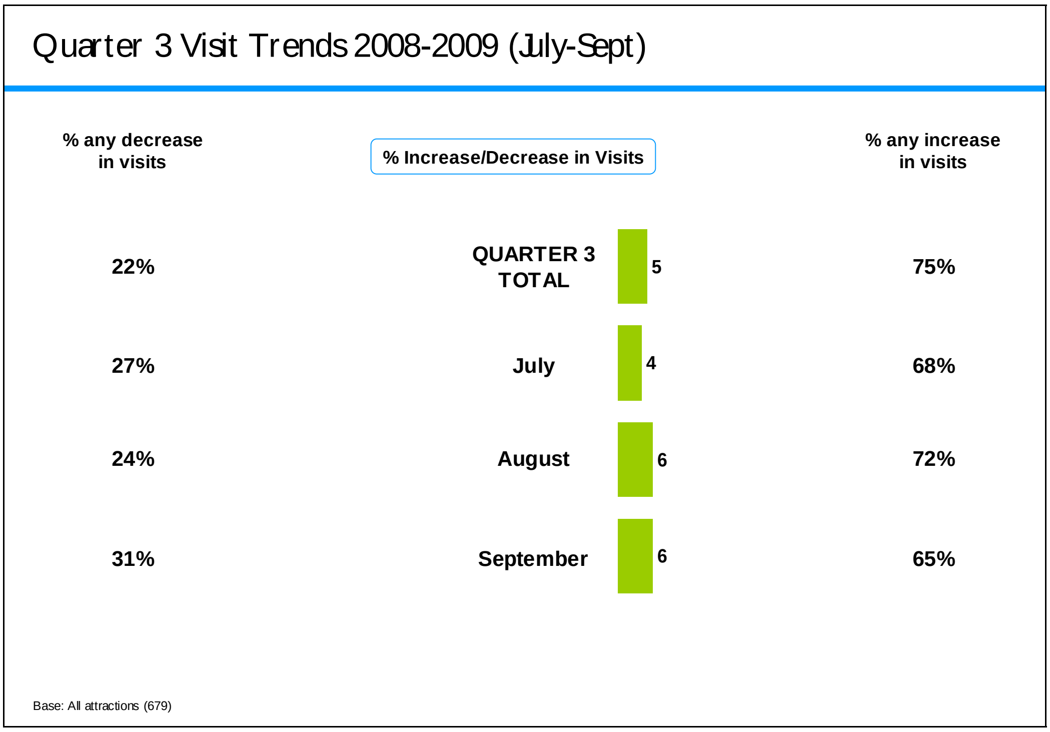
Attractions were also highly likely to report an increase in British visitors (54% reported a higher number in 2009), reflecting published UKTS data which illustrates the strong increase in overnight leisure stays among the domestic population. Further, the proportion of attractions reporting an increase in British visitors registered a sharp increase between Q2 (44%) and Q3 (54%), reflecting this rapid acceleration of domestic tourism during the summer period.

Visitors from the local area appear to have driven the domestic visitor increase as much as 'staycations' however, with increases in local visitors reported by 52% of attractions in Q3 compared with 44% in Q2.

There have also been some positive movements over the summer in terms of attractions reporting increases in secondary spend. The picture is now healthier for spending on food and drink, with 53% of attractions reporting an increase in Q3 2009 compared with Q3 2008. Although the recovery in retail spending appears to be further behind, there have also been some strong improvements reported in Q3 - 44% of attractions reported an increase in retail spending in Q3 compared with 38% in Q2.

4. VISIT TRENDS - Quarter 3 (July-Sept) 2008/9

The chart below illustrates the percentage change in visitor admissions between Q3 2008 and Q3 2009 among the 679 attractions taking part in the survey. It also identifies the proportion of attractions recording an overall increase and decrease in admissions.



Following the general downturn for the industry observed throughout 2008 and into the first quarter of 2009, Quarter 2 2009 reported a notable +15% increase in visits over the quarter justifying the higher optimism felt in Quarter 1 when looking ahead to Quarter 2 (although it should be noted that the scale of this increase was largely driven by the presence of Easter in April 2009 compared to March on 2008).

Quarter 3 remains positive, with the uplift in visitor admissions (+5%) comparable with that observed in May (+9%) and June (+2%).

All three months in Quarter 3 reported year-on-year increases in visits, with July recording a +4% rise, and a slightly higher +6% increase for August and September. Across these three months, attractions reporting an increase significantly outnumbered those reporting a decrease, with two-thirds or more of all participating attractions reporting increases.

The following charts illustrate how visitor admissions trends for Q3 vary by region, attraction category, size of attraction, location of attraction (coastal, rural or urban) and whether the attraction is paid or free entry.

Quarter 3 Visit Trends 2008-2009 (July-Sept) – By Region

Region	Total Qtr 3 Change (%)	Jul Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (679)	**5**	**4**	**6**	**6**
North East (53)	9	6	11	8
North West (73)	-10	-20	-7	2
Yorkshire & The Humber (60)	4	5	6	-1
East Midlands (61)	14	8	10	27
West Midlands (56)	12	-1	20	19
East (85)	11	9	14	10
London (36)	5	9	5	-
South East (132)	4	4	4	4
South West (123)	7	10	7	5

Quarter 3 Visit Trends 2008-2009 (July-Sept) – By Attraction Category

Attraction Category	Total Qtr 3 Change (%)	Jul Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (679)	**5**	**4**	**6**	**6**
Historic Houses/Castles (250)	12	12	16	8
Other historic properties (66)	11	17	18	-4
Museums/art galleries (137)	-2	-2	-4	2
Gardens (50)	11	4	13	18
Visitor/heritage centres (29)	13	6	14	21
Wildlife attractions/zoos (31)	1	-3	2	9
Others (115)	3	1	3	4

Quarter 3 Visit Trends 2008-2009 (July-Sept) – By Other Segments

	Total Qtr 3 Change (%)	Jul Change (%)	Aug Change (%)	Sept Change (%)
TOTAL ENGLAND (679)	**5**	**4**	**6**	**6**
Visits per annum				
Over 200,000 (52)	*	-1	*	1
100,001 – 200,000 (78)	9	6	11	11
50,001 – 100,000 (117)	12	10	14	11
20,001 – 50,000 (158)	14	14	17	10
20,000 or less (273)	10	13	10	6
Free / paid				
Paid (541)	9	7	10	8
Free (138)	-2	-2	-3	1
Location				
Coastal (80)	8	11	8	3
Rural (384)	11	7	12	12
Urban (215)	-1	-1	-1	*

In Q3 2009, the Midlands, East (+14%) and West (+12%) and the East of England (+10%) each reported large percentage increases in visitor admissions, higher than the national average of +5%. In the Midlands the increase in visits was driven primarily by a strong September and for West Midlands a strong August.

The only region to report a decline in visitor admissions during Q3 2009 was the North West (-10%), particularly in July (-20%). As noted within previous reports in 2009, this was driven by some tough year-on-year comparables for attractions in Liverpool, as a result of the success of the Liverpool Capital of Culture event in 2008.

Year-on-year increases in visitor admissions continued to be the highest within the heritage sector - visitor/heritage centres (+13%), historic houses/castles (+12%) and other historic properties (+11%). Gardens appear to have benefited from the fine, dry weather during September in particular (+18%), contributing to an overall quarterly increase of +11%. Indeed, outdoor attractions generally appear to have benefited from the drier September in 2009.

Museums/art galleries suffered a drop in visits this quarter (-2%), partly driven by the tough year-on-year comparables from the Liverpool museums and partly driven by the drier 2009 weather. Wildlife attractions/zoos (+1%) also performed below average, driven by a difficult July (-3%).

Paid attractions continued to fare better than free attractions during the quarter, with paid attractions reporting a +9% increase in admissions compared with a decline of -2% for free attractions. Again, with many museums/art galleries being free, particularly the larger ones, this accounts primarily for the decline among free attractions.

The smaller sized attractions with 20,000 to 50,000 visits per annum reported the greatest increase during the quarter (+14%). The medium sized attractions (50,000 to 100,000 visits per annum) also reported a notable increase (+12%).

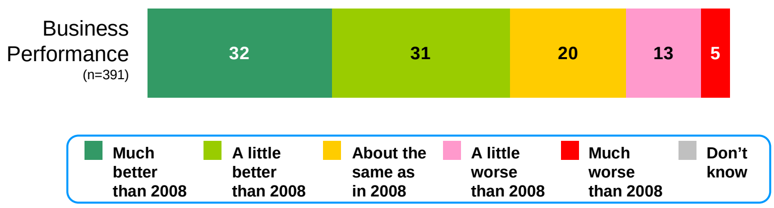
Only the very largest attractions with over 200,000 visitors performed below the national average of +5% over the quarter as a whole, achieving less than 1% increase in visitors.

Continuing the trend observed at Q2, rural attractions (+11%) reported the largest increase in visitor admissions. Coastal attractions reported an encouraging +8% increase, supporting evidence from across the industry that seaside destinations have experienced a positive summer. Conversely, urban attractions suffered a slight decline (-1%) across the quarter as a whole.

5. BUSINESS PERFORMANCE TRENDS Quarter 3 (July-Sept) 2008/9

In addition to being asked about visitor admissions, attractions were also asked to state how they felt that their business had performed overall during Q3 2009 compared with Q3 2008. The chart below illustrates the proportions of the 391 attractions (excluding English Heritage/National Trust properties) taking part in the survey in Q3 2009 who felt that their business had performed better or worse.

Quarter 3 Overall Business Performance Trends 2008-2009 (July-Sept) %



	% Better than 2008
Historic houses/castles	70
Museums/art galleries	58
Gardens	88
Paid	69
Free	50

Base: Non EH/NT attractions (391)

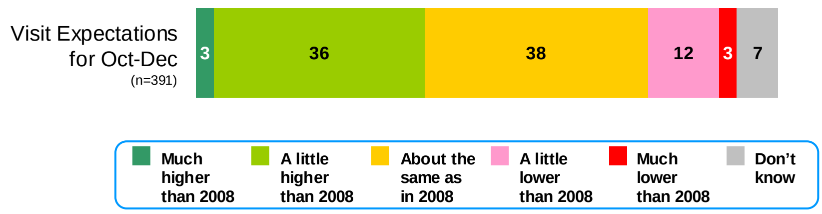
63% of attractions taking part in the survey felt that their business performance was either much better (32%) or a little better (31%) than in Q3 2008. This represents a further improvement on top of the significant shift seen during the previous quarter – Q2 2009 (59%) and on the proportions observed in recent quarters – 37% in Q1 2009, 36% in Q4 2008 and 33% in each of Q3 and Q2 2008.

Conversely, the proportion of attractions feeling that their business performance was worsening compared with the equivalent quarter the previous year continued to decrease - 18% compared with 20% in Q2 2009 and 25% in Q1 2009. 2008 saw these figures significantly higher – 29% in Q4 2008, 37% in Q3 2008 and 35% in Q2 2008.

6. BUSINESS CONFIDENCE TRENDS
Quarter 3 (Jul-Sep) 2008/9

The chart below examines attractions' expectations for visitor admissions in Q4 2009 compared with actual visitor admissions recorded in Q4 2008.

Quarter 3 Visit Expectations for Oct-Dec 2009



	% Higher than 2008
North West	46
London	32
Historic houses/castles	39
Museums/art galleries	37
Gardens	52
Paid	41
Free	37

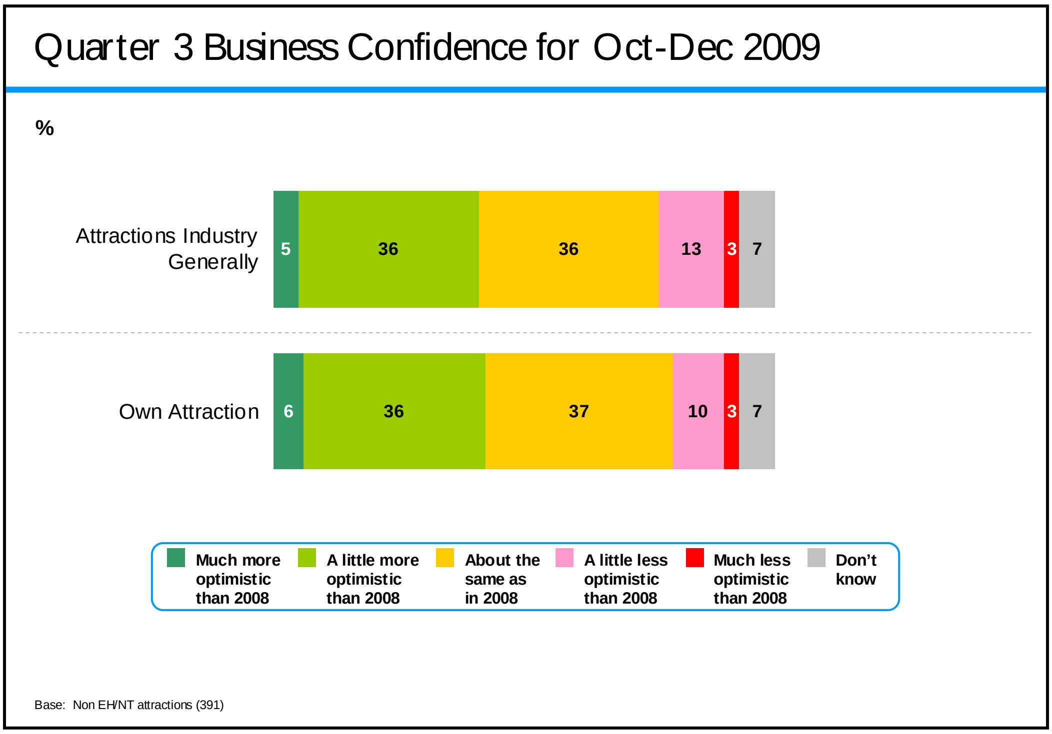
Base: Non EH/NT attractions (391)

Q1 represented a positive sea change in business confidence, with visitor admissions during Q2 (April to June) generally expected to increase compared with the equivalent quarter of 2008. Over half (59%) of attractions expected their visitor admissions for Q2 to be higher than last year compared with only 14% for the previous quarter.

Q2 saw a slight softening in this confidence, although there remained over half (52%) of attractions that expected their visitor admissions to increase during the July to September period.

Q3 has seen confidence softening further, with only 39% of attractions expecting visits to increase during the October to December period. This softening is likely, in part, to be seasonal – outdoor attractions such as gardens performing well in summer 2009 are either closed or unlikely to realistically expect similarly high levels of visitor increases in the Oct-Dec period.

The following chart examines business confidence for the forthcoming quarter among attractions in Q3 2009, among the 391 non-English Heritage/National Trust attractions taking part in the survey.



Following the very strong increase in business confidence for the forthcoming quarter observed in Q1 2009 and maintained in Q2 2009, confidence for the forthcoming quarter has declined slightly, with 42% of attractions feeling more optimistic about their own attraction than at the same point in 2008. But despite this fall, business confidence is still significantly higher than levels seen during 2008 and latter part of 2007 as the figures below demonstrate:

- 42% felt more optimistic in Q3 2009 (Jul-Sep);
- 48% felt more optimistic in Q2 2009 (Apr-Jun);
- 51% felt more optimistic in Q1 2009 (Jan-Mar);
- 12% felt more optimistic in Q4 2008 (Oct-Dec);
- 16% felt more optimistic in Q3 2008 (Jul-Sep);
- 25% felt more optimistic in Q2 2008 (Apr-Jun);
- 37% felt more optimistic in Q1 2008 (Jan-Mar);
- 35% felt more optimistic in Q4 2007 (Oct-Dec);
- 33% felt more optimistic in Q3 2007 (Jul-Sep);
- 45% felt more optimistic in Q2 2007 (Apr-Jun);
- 57% felt more optimistic in Q1 2007 (Jan-Mar).

The rapid decline in confidence experienced throughout 2008 seems to have been well and truly arrested. Only 13% of attractions are less optimistic now than they were during the equivalent quarter of 2008, which is even fewer than observed at Q1 2009 (19%) when confidence first showed a strong increase and at Q2 2009 (15%).

Outlook for the attractions industry generally has also shown a strong positive turnaround.

The following charts illustrate how current business confidence varies by region, attraction category, size of attraction, location of attraction (coastal, rural or urban) and whether the attraction is paid or free entry.

Quarter 3 Business Confidence for Oct-Dec 2009 (Own Attraction) – by Region

Region	% more optimistic than 2008	% less optimistic than 2008
TOTAL ENGLAND (391)	**43**	**13**
North East (29)	41	14
North West (52)	42	13
Yorkshire & The Humber (38)	58	8
East Midlands (38)	32	8
West Midlands (29)	55	17
East (58)	47	10
London (19)	21	26
South East (69)	35	19
South West (59)	44	14

Base: Non EH/NT attractions (391)

Quarter 3 Business Confidence for Oct-Dec 2009 (Own Attraction) – by Attraction Category

Attraction Category	% more optimistic than 2008	% less optimistic than 2008
TOTAL ENGLAND (391)	**43**	**13**
Historic Houses/Castles (53)	49	7
Museums/art galleries (133)	33	16
Visitor/heritage centres (27)	60	11
Wildlife attractions/zoos (29)	44	19
Gardens (24)	56	4
Others (107)	45	16

Base: Non EH/NT attractions (391)

Quarter 3 Business Confidence for Oct-Dec 2009 (Own Attraction) – by Subgroup

	% more optimistic than 2008	% less optimistic than 2008
TOTAL ENGLAND (391)	**43**	**13**
Visits per annum		
Over 200,000 (43)	39	22
100,001 – 200,000 (36)	55	11
50,001 – 100,000 (58)	49	11
20,001 – 50,000 (90)	44	11
20,000 or less (163)	38	13
Free / paid		
Paid (262)	47	12
Free (129)	35	15
Location		
Coastal (50)	45	10
Rural (199)	48	10
Urban (142)	35	18

Base: Non EH/NT attractions (391)

Business confidence was highest in the Yorkshire and the Humber (58% more optimistic and 8% less optimistic) and West Midlands (55% more optimistic, 14% less optimistic) regions.

Of all the regions, optimism was lowest among London attractions when looking forward to Q4. In fact, it is the only region in which the proportion pessimistic (26%) outweighs the optimistic (21%). United Kingdom Tourism Survey data has indicated that London has perhaps benefited rather less than other regions from the domestic 'staycation' phenomenon of 2009 and with only modest increases in overseas leisure visitors to the UK in 2009, this appears to have had a negative impact upon business confidence of London attractions.

Optimism was highest among visitor/heritage centres (60% more optimistic, 11% less optimistic) and gardens (56% more optimistic, only 4% less optimistic). As observed in previous quarters, museums/art galleries tended to be slightly less optimistic than other attractions (33% more optimistic, 16% less optimistic) although optimism still far outweighed pessimism.

The smallest (20,000 or less visits per annum) and largest (over 200,000 visits per annum) attractions appear to be the least optimistic about Q4 with below average optimism (38% optimistic for smallest and 39% for largest).

Again optimism was higher among paid (47% more optimistic than in 2008) than free attractions (35% more optimistic). As noted in the last two quarters, free attractions have suffered less than paid attractions during the economic downturn and perhaps paid attractions are now feeling more optimistic that 2009 has/will provide some respite from the nadir of 2008.

As was the case in earlier quarters, urban attractions are slightly less optimistic (35%) than either rural (48%) or coastal (45%) attractions, reflecting business performance so far in 2009.

Attractions were asked to state reasons for their level of optimism for Q4 (Oct to Dec) 2009. The charts below illustrate positive and negative reasons for business confidence.

Quarter 3 Reasons for Business Confidence Oct-Dec 2009 (Own Attraction) - Positives

	Quarter 3 % (391)
Visitor number trends improving/hope it will continue	10
Increase in domestic holiday market/short breaks	5
More/new/better events	4
Good/positive weather/hoping for better weather	4
Positive forward / advance bookings	4
Economic climate / interest rates	4
New/better/more advertising/marketing	4
Increase in secondary spend (retail/catering)	3
New exhibitions/additional attractions	2
Increase in visitors from Europe/overseas	2
Weaker Pound/exchange rate/strong Euro	2
Free/cheaper admissions/ticket offers	2
Longer opening hours/7 days/throughout year	2
Better known/increasing interest in area	2
Better PR/media coverage/publicity	2
Refurbishments/improvements to site/investment	2
Better value for money	2

Base: Non EH/NT attractions

Quarter 3 Reasons for Business Confidence Oct-Dec 2009 (Own Attraction) - Negatives

	Quarter 3 % (391)
Economic climate/recession	7
Refurbishment/building work/closed due to building work	6
Less spending power of the public	3
Visitor numbers are lower this year/trend is down	3
E-coli	2
Decline in groups/coach parties	2
Lack of/declining external investment/funds	1
Reduction in visitor/secondary spend	1
Lack of help/promotion by tourist board	1
Shorter opening hours	1
Negative forward/advance bookings	1
Poor weather/forecast	1
Visitor/competition/area decline	1

Base: Non EH/NT attractions

The continued high level of optimism for the forthcoming October to December quarter of 2009 appears to be being driven primarily by the positive experiences that they have observed at their own attraction over the past few months.

- 10% felt that visitor numbers had improved and hoped that it would continue;
- 4% had positive forward/advanced bookings;
- 3% had seen an increase in secondary spend (further evidence that this area is recovering).

The underlying belief that domestic tourism will continue to flourish under the prevailing economic conditions was also prominent, although is less influential than at Q3:

- 5% mentioned a belief that there would be an increase in the domestic holiday market/short breaks;
- 4% economic climate/interest rates;
- 2% mentioned the weaker Pound/exchange rate – limiting outbound tourism.

Similar to Q2, there were few mentions of the economy/exchange rate benefiting inbound tourism (2%), reflecting published industry data on declining inbound UK visits.

As at Q2 and supporting the increasing influence of events within the attractions sector, there was a significant proportion of attractions mentioning an enhanced events programme for this quarter (4%).

Although remaining at lower levels than positive mentions, there remain a minority who are feeling less optimistic than the equivalent quarter of last year and the reasons for this lack of optimism are similar to those of recent quarters:

- 7% mentioned the economic climate/recession (and a further 3% the reduced spending power of the public);
- 6% mentioned refurbishment work / building work which tends to be a more commonly mentioned reason for pessimism during the Q4 and Q1 periods.

Only 1% mentioned a reduction in visitor/retail spend compared with 4% at the last quarter, further evidence that this aspect is recovering.

E-Coli was mentioned by 2% of all attractions, all of which were farm attractions (half of these mentioned e-coli as a reason for their lower confidence), although swine flu reported negligible mentions this quarter after appearing as a concern at Q2.

The decline in groups/coach parties was mentioned by 2%.

Some verbatim comments that exemplify the above follow.

Positive Mentions:

- *Strong domestic market. Strong Euro.*
- *A good summer has contributed to this confidence*
- *Bookings up and next year looking even better*
- *With more people staying in the UK and less gardens open at this time of year, if the weather is kind our prospects will look good, although very good days will be balanced by very poor weather days.*
- *Although much will depend on the weather, the general trend this year has been an increase in visitor numbers. The combination of fewer overseas trips and tightening purse strings has meant that more people are looking for a good value day out closer to home.*
- *Although visitor numbers are similar to last year spends per head have greatly increased. Last year everyone was talking about the recession and what was to come, it has not hit the majority in the way people were expecting.*
- *Better, focussed marketing. Historic problems solved, good cash flow situation, public still looking for good value days out close to home.*
- *The low pound and domestic 'staycations' have benefited us so far, and this is likely to continue over the next few months as continentals will take advantage of the low pound for their Christmas shopping.*
- *We have a great winter design and craft show this year featuring a high profile artist - significantly different to last year.*
- *Because the pound continues to be weak and over 70% of my visitors are from overseas.*
- *During the year so far we have been performing better than 2008 and at this moment in time this trend is continuing. Advance bookings for events in December show the same trend.*
- *We have seen a benefit from the recession as people have stayed in the UK and we have also seen a rise in the overseas tourist market - last year we were unsure of the effect the recession would have.*
- *We have special plans for December. This involves investment but will deliver customer satisfaction.*
- *We are beginning a series of film nights in November, but of course do not know how well received these will be at present, therefore I have erred on the side of caution.*

Negative Mentions:

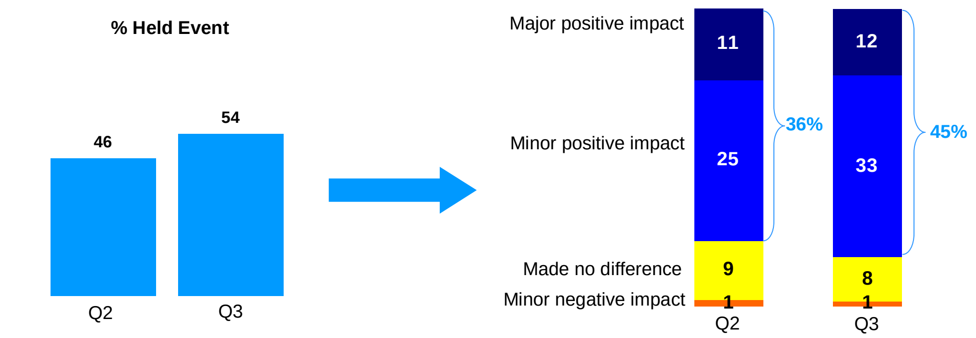
- *With the credit crunch there is a great concern that people are less likely to spend money to visit attractions, get married or hold corporate events.*
- *Current economic climate is affecting peoples' willingness to visit and spend money*
- *We have seen an decrease in both general visitors but also pre-booked groups*
- *Business shutting down for winter renovation work.*
- *The E-coli being in the public mind I think will cause less public to visit the open farm.*
- *Rely mainly on corporate clients. Budgets are much reduced.*
- *The general feeling throughout the UK and the economic climate. Negative media reporting.*
- *Severe disruption on site due to major coastal project work. Subsequent lack of wildlife spectacle and viewing facilities. General economic climate.*
- *Based on the visitor figures for the summer and the ongoing economic situation.*
- *We believe that the continuing gloomy economic news will reflect in lower visitor numbers and spend per head in the period leading up to Christmas 2009.*
- *Due to the current economic climate and local authority cuts - we are now closed one day a week*
- *There's less money about in general due to the recession and as we head into the festive period this will become even more of an issue, with people having to choose between visiting attractions and paying for Christmas.*
- *Due to the e-coli outbreak during August in Kent we have been severely affected in September and early October. Unfortunately there was no positive reflection or counter to Professor Pennington's statement 'I would think very carefully about taking under 5's to a farm'. Despite the tragic incident there has been no feedback about the benefits of visiting farms. We have gone for a keep low and let it blow over policy, but this will only get more air when the farm is taken to court. We need to be able to sell the virtues of taking children out into the countryside and what is good practice.*

7. PUBLIC EVENTS AND MEMBERSHIP Quarter 3 (Jul-Sept) 2009

For the first time in Q2 2009, attractions were asked to evaluate the impact of public events on their business performance. Public events were defined as any cultural, music or sporting events / festivals that take place on a single day or very limited period which are outside the usual operation of the attraction. Temporary exhibitions or seasonal operations such as Ice Rinks etc. were excluded from the definition.

The following chart illustrates the proportion of attractions that held public events during Quarter 3 and the impact that these events had upon business performance.

Impact of public events 2009



Q3	% Positive Impact
North West	52
Historic houses/castles	58
Museums/art galleries	47
Under 50,000 visits p.a.	44
Over 50,000 visits p.a.	49

Base: Non EH/NT attractions (391)

During Q3 2009, over half (54%) of all attractions held a public event, an increase of +8% on the last quarter. These events were generally seen as making a positive difference to business performance, with the vast majority of attractions that held an event reporting a positive impact (and nearly a quarter claiming there was a major positive impact).

Overall in Q3, nearly half (45%) of all attractions participating in the monitor had held public events which resulted in a positive impact upon their business performance – up from Q2 2009 but mainly attributed to an increase in 'minor positive impact' (33%) rather than an increase in 'major positive impact', which remains virtually the same as in Q2.

As was the case in Q2, impact of events tended to be most positive at historic houses/castles, with two thirds (66%) holding a public event and 58% reporting a positive impact upon business performance.

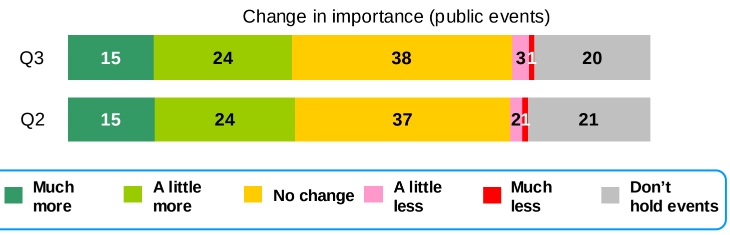
Again as seen in Q2, the impact of events in the North West was especially strong, with 55% of all attractions holding an event and 52% reporting a positive impact.

Impact was also greater among larger attractions, with 55% of attractions with over 50,000 visits per annum holding events and 49% reporting a positive impact upon business performance.

Attractions were also asked for their broader opinion of the extent to which such public events were becoming more or less important to them. The following chart illustrates the findings for Q3 2009.

Changing importance of events (July-Sept 2009)

Q. In general, would you say that these kinds of public events have become more or less important to your attraction in the past couple of years?



Q3	% More important
Yorkshire & the Humber	50
North West	46
Historic houses/castles	49
Museums/art galleries	40
Gardens	58

Base: Non EH/NT attractions (391)

Public events now play a major role within the industry, with over three quarters (80%, similar to Q2) of participating attractions ever holding public events.

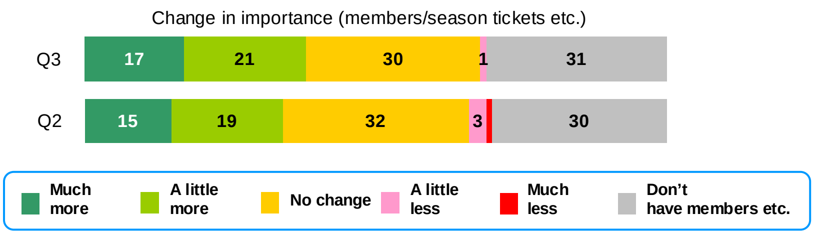
The importance of these public events appears to be growing, with 39% of all attractions reporting that such events are more important to them now than a couple of years ago, 15% claiming that they are now much more important. Only 4% reported that they had become less important.

Again, historic houses/castles (55%) and gardens (59%) were most likely to report an increase in importance. Attractions in the North West and Yorkshire & Humber were also more likely to report an increasing importance of public events (46% and 50% respectively). As noted in Q2, the increase in the North West perhaps reflects the positive impact of the Liverpool Capital of Culture event in 2008.

The following chart illustrates the changing importance of membership, season ticket and friends schemes to attractions.

Changing importance of members/season ticket holders/friends (July-Sept 2009)

Q. Thinking about the past couple of years, would you say that the members/season ticket holders/friends that your attraction has, have become more or less important to your attraction?



Q3	% More important
Paid	46
Free	23
Historic houses/castles	33
Museums/art galleries	34
Less than 20k visit p.a.	29
20k-50k visits p.a.	38
50k-100k visits p.a.	50
100k+ visits p.a.	51

Base: Non EH/NT attractions (391)

The chart demonstrates the rapidly increasing importance of such schemes within the industry. Even between Q2 and Q3, the proportion of attractions feeling that the schemes were becoming more important to them increased from 34% to 38%.

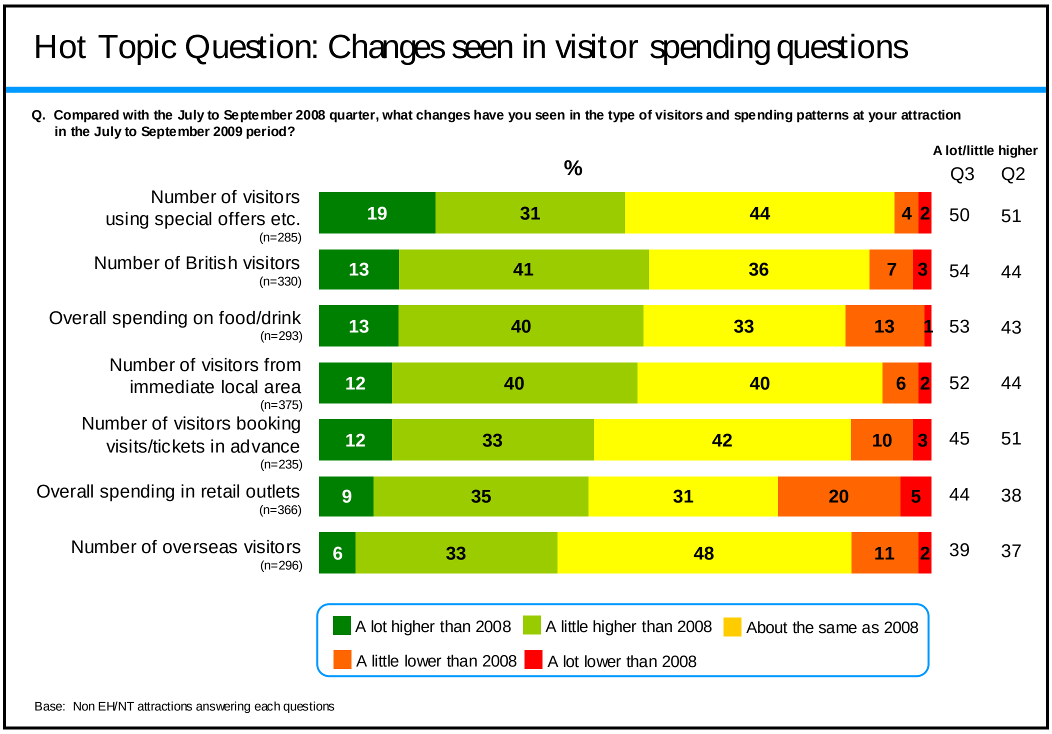
This supports anecdotal evidence that members have been looking to squeeze as much as possible from their memberships this summer.

Around two-thirds of participating attractions have a membership, season ticket or friends scheme. The importance of such schemes is perhaps enhanced during periods of economic downturn.

Paid attractions generally (46%) and larger attractions with 50,000+ visitors per annum (51%) were most likely to report that these schemes were becoming more important to them.

8. HOT TOPIC – IMPACT OF ECONOMY Quarter 3 (July-Sept) 2009

The chart below illustrates the findings from this question for a second quarter (first introduced in Q2). Attractions were asked what changes they had observed in the type of visitors and spending patterns at their attraction compared with the equivalent period in 2008 in order to examine the detailed impact of the economy on the industry. Results for each aspect are based upon those attractions for whom the aspect was both relevant and measurable.



The strong overall increase in visitor admissions in Q3 2009 compared with Q3 2008 has resulted in attractions being more likely to report visitor admissions increasing within each category of visitor. As noted in Q2 2009, the most striking increase in visitor admissions during this quarter appears to have been generated among visitors using **special offers, discounts and vouchers**. Half (50%) of attractions for whom this was relevant reported an increase in their usage compared with the equivalent quarter of 2008, and of these 19% (+4% on the previous quarter) stated this was 'a lot higher'. This highlights both the increased number of attractions promoting a value offer in 2009 and the public's greater propensity to seek out attractions where these value offers are available.

Attractions were also more likely to report an increase in **British visitors** (54% reported a higher number in 2009) than overseas visitors (39%), reflecting published UKTS data which illustrates the strong increase in overnight leisure stays among the domestic population. At the same time, IPS data reported fairly static leisure overseas visits to the UK. Further, the proportion of attractions reporting an increase in British visitors registered a sharp increase between Q2 (44%) and Q3 (54%), reflecting the rapid acceleration of domestic tourism during the summer period.

Visitors from the **local area** appear to have driven the domestic visitor increase as much as 'staycations' however, with increases in local visitors reported by 52% of attractions in Q3 compared with 44% in Q2.

There have also been some positive movements over the summer in terms of attractions reporting increases in secondary spend. The picture is now healthier for **spending on food and drink**, with 53% of attractions reporting an increase in Q3 2009 compared with Q3 2008. This represents a significant increase in the proportion of attractions reporting an increase at Q2 (43%). Similarly those who reported a decrease declined from 22% in Q2 to 14% in Q3 2009.

Although the recovery in **retail spending** appears to be further behind, there have also been some strong improvements reported in Q3. 44% of attractions reported an increase in retail spending in Q3 compared with 38% in Q2. Further, only 25% reported a decrease in retail spend compared with 33% at Q2.