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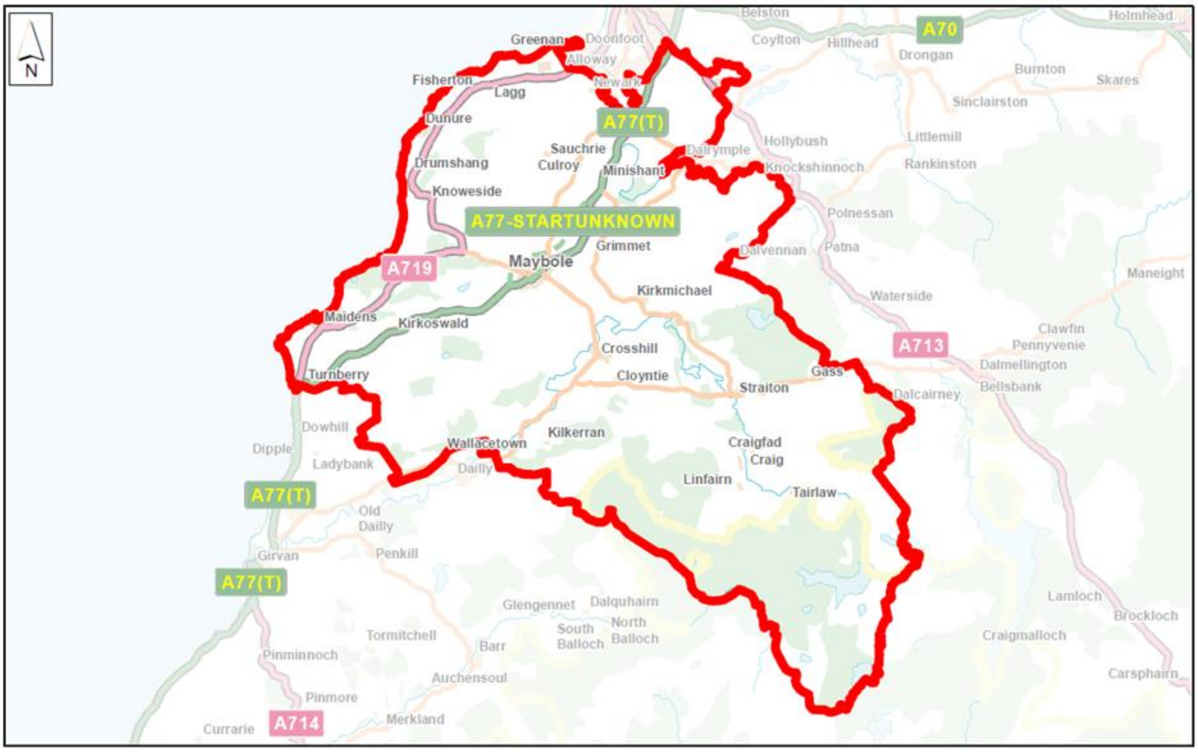

south AYRSHIRE COUNCIL Maybole and North Carrick Communities Locality
Scale 1:257623

NCCBC
Foundations for recovery - tourism data

Tourism data summary

11.09.22

Contents

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Market indicators

According to the World Tourism Organisation (WTO), global tourism experienced a mild 4% upturn in 2021, with 15 million more international tourist arrivals (overnight visitors) than in 2020 but remained 72% below the levels of pre-pandemic year 2019 according to preliminary estimates. This follows a 73% plunge in international travel in 2020, the worst year on record for tourism due to the COVID-19 pandemic[1].

There are no tourism statistics for North Carrick in isolation; it is a small geographic area with a visiting pattern that is difficult to quantify. A hiatus in national tourism surveys in 2020-21 because of COVID-19 restrictions is, in reality, of little consequence in looking forwards as exceptional years need to be excluded from time-series trends.

The Carey-Wardrop report strikes a note of caution in looking at market data. In particular it suggests 2019 may have been the high point in international tourism for a decade or more. COVID-19, climate change and post-pandemic economic hangovers are likely to depress international travel for a prolonged period. 2020 and 2021 saw significant increases in the number of people taking domestic breaks with an observed trend domestic visitors to "seek out rural locations to escape urban crowds and as a way to enhance their sense of well-being through reconnecting with nature". It is worth noting there was a sharp upturn in tourist visits to Scotland in the years before COVID (+17.3% in 2019)[2] so the sharp drop in 2020 came after a unique peak in visits and spend.

Scotland's new strategy suggests the market is open to more opportunities to uncover, showcase and move visitors around all of Scotland's assets creating memorable experiences for all types of visitor to enjoy, talk about and share. A move to relieve pressure on honeypot destinations would be good news for less well-known areas such as North Carrick[3].

However, we have little evidence on which to make assumptions about future market behaviour, indeed uncertainty is the only thing we are sure of. Scotland's Viewpoint[4] (April 22) reports that 73% of Scots adults are likely to take holidays or a break in 2022, up from 59% in January. This suggests the domestic market is now close to full recovery to pre-pandemic levels when the figures were closer to 75-80%. The turn-round has happened very rapidly, in the space of four months, and more quickly than the most optimistic forecasts. This is the principle reason for chaos at airports and border crossings. The good news is that Scotland is still the preferred destination, although the proportion has dropped from over half (53%) to 41%. Holidays in Scotland are relatively more appealing to empty nesters rather than families – who prefer to travel to England. Uncertainty over COVID-19 is also factored into holiday decisions.

[1] https://www.e-unwto.org/doi/abs/10.18111/wtobarometereng.2022.20.1.1
[2] GBTS GB Tourist Annual Report 2019
[3] https://scottishtourismalliance.co.uk/scotland-outlook-2030-overview/
[4] https://www.56degreeinsight.com/scotlands-viewpoint

The *COVID-19 Consumer Tracking Report* (Feb 22)[5] shows the UK public thinks 'the worst has passed' and people are more comfortable with activities such as shopping, walking in a country park and eating in a restaurant (up 44%pts since Jan 21). But there remain significant minorities of people who will avoid activities such as going to the cinema, nightclubs, indoor entertainment and indoor restaurants – suggesting a longer term return to 'fully normal' behaviours. These are particularly noticeable in older age groups. Flexible booking and payment, free cancellation and rebooking conditions are all seen as essential in allaying these fears. There is higher confidence in taking tourist trips in the UK in 2022 (37%) compared to a year ago (27%) and the groups most likely to do this are families and those in higher social grades. This mirrors closely the Scotland's Viewpoint findings. Notably the gap between UK and overseas trips taken in 2021 is larger than the gap in UK overseas/trip intention in 2022, suggesting overseas travel is set to pick up at a faster rate than domestic travel this year.

VisitBritain in its *Inbound COVID-19 Sentiment Tracker*[6] looks at the impact on overseas markets. Overall, 8 in 10 respondents would consider an international leisure trip in the next 12 months from August 2021 with 50% saying they would 'definitely' consider travelling – showing a steady and more established desire to travel despite prolonged pandemic uncertainties. While Australia and Norway have a more reserved attitude, France, Italy, the Irish Republic, India and the US show the most positive sentiment towards travelling abroad. By age, whilst younger demographics still have the highest propensity to travel there is a growing sentiment for travel for older generations as the vaccination rate increases. It is actually those aged 55+ who are more likely to have already decided (and booked) their next international leisure trip. Interestingly, travellers are getting more responsible and willing to discover new / less crowded places in a safer and more sustainable way. The role of the travel agents is valued in the uncertainty context, while leaving booking until last minute remains obviously dominant in the current market conditions.

[5] VisitScotland COVID-19 Consumer Tracking Report Waves 40-42 (February 2022)
[6] VisitBritain Inbound COVID-19 Sentiment Tracker Wave 3 (Sept 2021)

Short term drivers of change

Tourism markets are influenced by global factors including macroeconomic variations, conflict and most recently pandemic. So a small area can only react to larger market influences rather than exert any real influence, so its role is in adding weight to the Ayrshire (and Arran) and Scotland brands and maximising market share in Scotland. This means marketing has twin aims:

- Support brand Scotland in building market share (by value); and
- Increasing market share within Scotland.

In the short term – as we come out of the Covid-19 pandemic, there remains some volatility in the economy which makes short term planning a challenge. Economic growth in Scotland should mean that GDP should return to pre-pandemic levels during 2022, although growth rates remain unpredictable. The Fraser of Allander Institute[7] suggests the outlook is for the Scottish economy to meet pre-pandemic levels in the Spring, but Omicron casts a shadow over the speed of recovery in 2022 as restrictions are increased. The economy is now expected to get back to pre-pandemic levels in May 2022.

Covid-19

The past two years has shown rapid returns to near-normal levels of visits to retail and recreational venues as lockdown restrictions are eased, tempered by the on-off nature of restrictions as governments react to the variants. In the summer of 2021, KPMG observed a particularly strong level of demand because of *staycationing*, particularly in rural destinations away from urban centres. They say: "We expect this seasonal pattern of summer destinations to continue in the medium term, given the uncertainty related to local COVID-19 outbreaks and rules in other tourist hotspots globally[8].

Staff shortages and wage inflation

Tourism and hospitality businesses were hit very hard by government restrictions. Losing staff because of the downturn in business is compounded by a general tightening in labour markets because of Brexit and increasing competition for staff. This in turn is fuelling wage inflation. Unemployment in Scotland is around 2%pts lower than in 2019. Headline employment rates are moving towards pre-pandemic high levels reaching 74.1% in the last quarter of 2021. Indicators for economically inactive and unemployed people continue to trend downwards. Youth unemployment also fell sharply.

[7] The Fraser of Allander Institute FAI Quarterly Economic Review. (December 2021).
[8] KPMG UK Regional Economic Outlook January 2022

Inflation and energy costs

Inflationary pressures, largely caused by the pandemic, are starting to cause problems for businesses and individuals with the Bank of England predicting peak of 7.25% in April and a year of increasing hardship for low income groups. The signs are that disposable income will fall in 2022 from a combination of inflation, increased energy costs and increased National Insurance payments.

Market scenarios

Before COVID-19, there had been a long term increase in the volume and value of tourism to Scotland – the 'cake' was getting bigger. Up to 2019, on average, there was an increase in trip volume within Scotland since 2011 at +0.6% per annum. The number of bednights in Scotland also increased since 2011, by +0.3% per annum. In the same period, the spend on these trips increased by +1.8% per annum.[9]

The Fraser of Allander Institute (FAI) in its 2021 report *COVID-19 and Scottish Tourism in 2021*[10] lays out a set of scenarios for the short and medium term future of tourism in Scotland. This points out "the return of domestic trips, "staycations" and possibilities of overseas travel has been widely discussed in the media. However, COVID-19 has also so called "supply-side" impacts on businesses". These include high rates of sickness absence, absence because of isolation, reduced capacity of restaurants, bars and venues and supply chain disruption.

FAI estimates that Scotland will see a £5.5 billion (49.3%) reduction in tourism spend in 2021 compared to its estimated baseline. This will constitute an additional demand-side shock to our economic model, which will capture the knock-on impacts of this across all sectors and across the geography of Scotland.

While there are still major uncertainties over winter 2022, wider economic trends arising from UK Government policy, the war in Ukraine and wider political uncertainty suggest that the wider context for tourism in the short to medium is stabilising around the Fraser of Allander's middle scenario:

Doors Open. *These remain challenging times for consumers. Concerns over possible COVID-19 infection, worries over household incomes and job security result in people watching their spending and where they go and what they do.*

Resident market

The population estimate for North Carrick is 9892[11]. The area's population has been declining slowly since around 2005. Around half the resident population (47%) is estimated to be resident in Maybole (4678) with the rest spread among the villages and rural areas.

South Ayrshire (population 112,000) has an ageing population in common with most of Scotland. It has the fourth highest proportion of people over 65 at 26% and a decreasing number of young people (up to age 16) and working age people (16-65). Projections suggest that there will be approximately a 10% drop in the working age population whilst the percentage of individuals of

[9] GBTS The GB Tourist Annual Report 2019 (latest available)
[10] https://fraserofallander.org/covid-19-and-scottish-tourism-in-2021/
[11] https://simd.scot/images/simd.png 2020 mid-year estimates. Note datazones may not exactly match the North Carrick boundary.

pensionable age and over is due to increase by 21% by 2039[12]. This trend will have implications for the local market in terms of the types of activities and attractions needed to capture local spend. It also has implications for the availability of labour and skills to maintain local services.

Day visitors

South Ayrshire has long had strong appeal as a popular day trip destination. Visitors are attracted to the area because of the easy accessibility from West Central Scotland, particularly to Culzean, the beaches and for walking and water based recreational activity, with sunny weather stimulating last minute visits.

Consultation as part of the Wardrop Consulting and Carey Tourism 2021 study noted that visitors are 'mostly day trippers and mainly domestic ('local'): invariably Scottish and largely urban, mostly from Glasgow and Ayrshire towns. Most are families and some are couples. People come by car and caravan to walk, visit beaches and play golf. Despite golf and castles being important components of the destination product, local people do not think of these users as contributing much to the local economy. Culzean Castle and Trump Turnberry are perceived as separate and unintegrated. It is worth bearing in mind these are significant employers locally and contribute significantly through wages and incidental spend.

Supported by research undertaken by 56 Degree Insights during COVID-19 lockdown restrictions, the Wardrop/Carey report suggests that without substantial intervention 'the market will remain primarily local from a 30-90 minute drive time radius and that most visitors will remain day trippers spending only a nominal amount .

However there are several notable attractions of national scale showing that the right attraction or combination of facilities can act as a destination and attract significant numbers – resident/day visitors (with significant repeat visits), staying visitors (both have adjacent accommodation), and tour business.

Culzean Castle and Country Park was the fifth most visited paid attraction in Scotland in 2021 according to the Visitor Attractions Monitor. Although numbers were very depressed by COVID, it has been in the top ten for many years. In 2019 it reported 334,000 visits.[13]
Heads of Ayr Farm Park (paid entry) reports annual visits in excess of 140,000 and is open year-round.
Figures for Trump Turnberry are not published but, apart from being the largest hotel in the area, the range of facilities on site attracts significant numbers of resident and out-of-area day visits – as well as visits undertaken by hotel residents.
The Robert Burns Birthplace Museum is just outside the area and attracts over 260,000 visitors a year.

The most recent VisitScotland data (published in January 2021) for Ayrshire & Arran shows that there were some 5.9million day tourism visits to South Ayrshire per year on average between

[12] https://archive.south-ayrshire.gov.uk/locality-planning/documents/Maybole-North%20Carrick%20Locality%20Profile%20V5.docx
[13] ASVA Annual Visitor Trends Report 2019

2017 and 2019. These spend an average of £284million pa, or £48 per person per day visit. Day visit numbers and spend have increased in South Ayrshire over recent years.

The most popular activities undertaken as part of a day trip to the wider Ayrshire and Arran area (for 2016-2018 average) are:

1. Going out for a meal - 1.9 million pa
2. Going out for a drink - 1.4 million pa
3. Visiting a beach - 1.3 million pa
4. Visiting family for leisure - 1.3 million pa
5. Short walk - 1.3 million pa
6. Sightseeing on foot - 0.8 million pa
7. Centre based walk - 0.7 million pa
8. Visiting friends for leisure - 0.7 million pa
9. Going out for fast food - 0.6 million pa
10. Long walk - 0.6 million pa

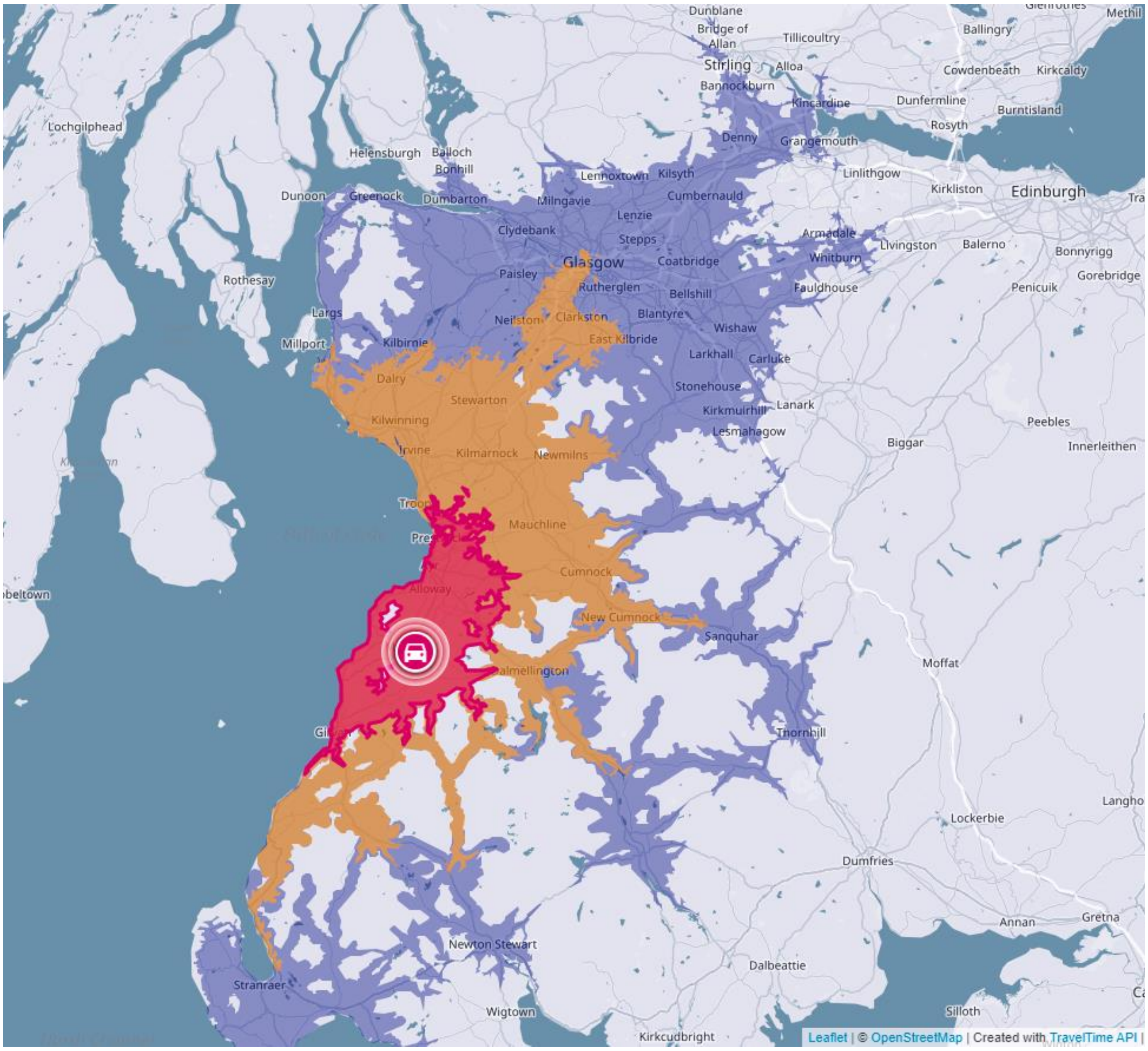
Notably, visiting attractions or heritage-based visits are not identified in the top ten.

In terms of visit proportion, Day Visits make up 93% of tourism visits to Ayrshire and Arran and 78% of tourism days spent in the area (allowing for multiple days spend by overnight visitors) and 69% of all tourism spend.

Day trip drive time catchment populations, shown in Figure 1 below number:

- 30 minutes – 120,000 people
- 45 minutes – 400,000 people
- 60 minutes – 2 million people
- 90 minutes – 2.8 million people

Figure 1 30, 60 and 90 minute travel times by car from Maybole (source: traveltime.com)



Overnight tourist visitors

The Carey-Wardrop (March 2021) report also provides a good in-depth overview of the North Carrick visitor market, albeit highlighting the lack of data specific to South Ayrshire, hindering future tourism planning and development. Only a brief summary of the overnight tourist market is provided here.

The VisitScotland Ayrshire and Arran Factsheet (2019) provides figures for 2019 and the more accurate 2017-19 annual averages, which show annual totals, for Ayrshire and Arran of:

- 81,000 international overnight tourists staying 520,000 nights and spending £50m (£95 per day and average stay of 6.4 nights) – mostly from USA (25%) and visiting between April and September (73%)

- 661,000 domestic overnight tourists staying 2,460,000 nights and spending £139m (£57per day and average stay of 3.7 nights) – with a longer April to December visitor season – note that average spend for 2019 alone was higher at £69 per day for domestic tourists

These figures illustrate that 89% of overnight tourism trips are by UK residents and indeed Scottish residents accounted for 55% of trips, 45% of nights and 39% of spend.

The Scotland Visitor Survey 2015-2016 (Ayrshire and Arran – 2015) provides useful profile related insights related to overnight tourists. It shows that:

- The scenery and landscape is the main motivating factor for visits (68% of people), compared with 50% for Scotland overall
- History and culture is the 6th most influential factor, motivating 27% of visitors (compared with 33% for Scotland overall, the second most common factor)

In terms of activities undertaken:

- Sightseeing by car / coach / on foot is the most common, undertaken by 72% of people (also most common for Scotland overall at 74%)
- Visiting a historic house, stately home, castle is the third most common activity (54%) compared with 60% for Scotland overall and the second most common activity
- Visiting a visitor / heritage centre is the 9th most common activity (30%) and is not in the top ten for Scotland overall

Accommodation and visitor capacity

A definitive audit of accommodation in North Carrick is not available although the STEAM model uses a database which is currently being updated by South Ayrshire. Accommodation availability through popular web platforms such as AirBnB, Booking.com etc fluctuates wildly and is very difficult to track. A spot count yielded in excess of 100 AirBnB listings in North Carrick on AirBnB alone, so the total availability will be higher than this. The availability of static caravan lets is also difficult to measure – as is the occupancy of the large number of privately owned static vans in the area. Apart from Turnberry, there is little formal hotel accommodation and perhaps 20-30 B&B establishments in the area.

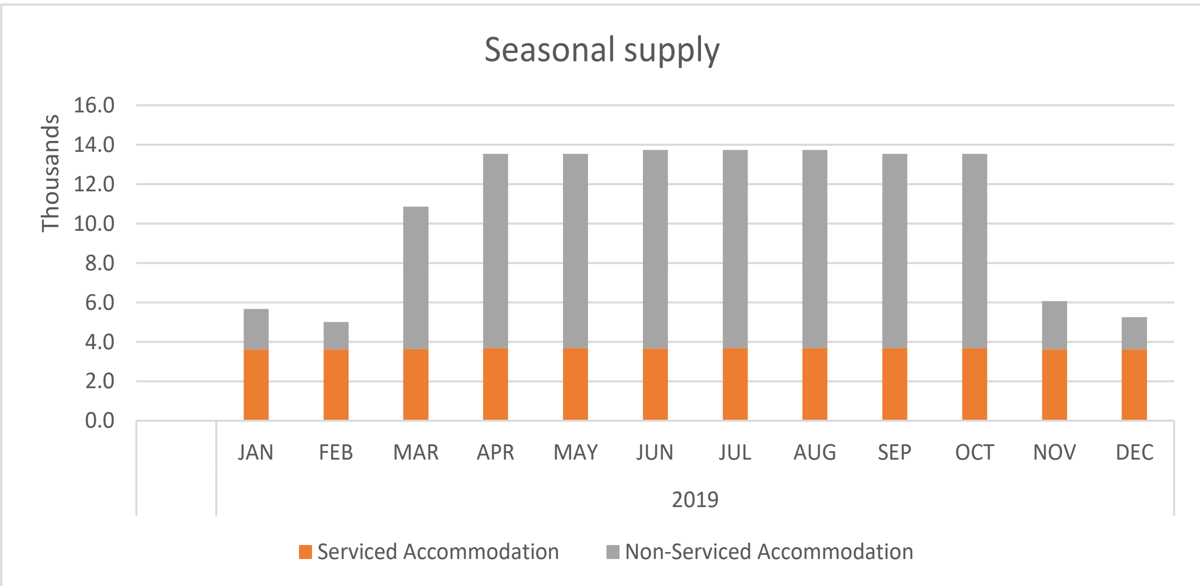
However, visitors will make use of accommodation across a much wider area – and the wider area will benefit from increased spend from North Carrick developments.

STEAM figures for 2019 are shown in Figure 2 below. In Figure 3 the supply is seen to be more or less fully available from Easter to October, with about 40% of beds available year-round.

Figure 2 Accommodation supply South Ayrshire (source STEAM / South Ayrshire Council)

Serviced Accommodation Total	**101**	**3,683**
+50 Room	**7**	**1,859**
26-50 Room	**8**	**596**
<26 Room	**34**	**798**
Guest Houses/B&Bs	**52**	**430**
NON-SERVICED ACCOMMODATION 2019	**2019**	
	Est.	**Beds**
Non-Serviced Accommodation Total	**149**	**10,059**
Self-Catering	**117**	**6,900**
Touring/Camping	**32**	**3,159**
DISTRIBUTION BY TYPE OF ACCOMMODATION 2019	**2019**	
	Est.	**Beds**
All Paid Accommodation Total	**250**	**13,742**
Serviced Accommodation Share of Total	**40%**	**27%**
Non-Serviced Accommodation Share of Total	**60%**	**73%**

Figure 3 seasonal supply of beds (source: STEAM/South Ayrshire Council)



Accommodation occupancy over the same period is shown in Figure 4

Figure 4 Monthly accommodation occupancy (source VisitScotland)

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Hotel (Room Occ.)	48%	70%	72%	78%	83%	82%	85%	81%	82%	73%	71%	51%	**73%**
Guest House/B&B (Room Occ.)	N/A	N/A	8%	25%	47%	47%	72%	45%	27%	30%	19%	6%	**34%**
Self-Catering (Unit Occ.)	39%	36%	41%	44%	46%	59%	60%	64%	62%	65%	58%	46%	**51%**
Hostel (Bed Occ.)	7%	26%	31%	51%	59%	56%	61%	68%	47%	36%	N/A	78%	**47%**

Visitor spend

According to GBTS, holiday visitors to Scotland spend an average of £232 per person per trip – a figure higher than in other parts of the UK. Average spend per night was £69. Length of stay is slowly decreasing with a trend for more, but shorter holidays in the domestic market. According to VisitScotland (2019):

- Overseas visitors spent an average of £95 per night with an average length of stay of 6.4 nights (total £612 per visit)
- Domestic staying visitors spent an average of £57 per night with an average length of stay of 3.7 nights (total £211 per visit)
- 5.9 million day visitors to South Ayrshire (2017-19 average) spent £284 million at an average of £48 per visit.

By comparison, the STEAM figures (calculated differently) show a total economic impact of £248 million in 2019, supporting over 3500 jobs, the highest figures for over a decade in real terms.

Reasons to visit and activities undertaken

The last major visitor survey in Ayrshire and Arran was completed in 2016[14]. The top ten reasons to visit are shown in Figure 5.

Scenery and landscape was the top factor attracting two-thirds of visitors to Ayrshire & The Isle of Arran. More than a third of visitors viewed the area as a place of retreat, somewhere 'to get away from it all'. Visitors were attracted to the area both through a sense of familiarity and desire to return; and for first time visitors as a place they have always wanted to visit. Being easy to get to

Figure 5 Top ten reasons to visit (2016)

	Base	185
1	The scenery & landscape	68%
2	To get away from it all	36%
3	Holidayed here before and wanted to return	34%
4	A place I have always wanted to visit	32%
5	To visit family / friends who live there	28%
6	The history & culture	27%
7	It is easy to get to	27%
8	The range of activities available	23%
9	Its reputation for friendly people	19%
10	Closeness to home	17%

14

was also a driver for some visitors, as was its 'closeness to home'.

The same survey asked people about the things they did while in the area. Sightseeing was the most popular activity undertaken by 72% of visitors to Ayrshire & The Isle of Arran.

Visiting historic houses, stately homes or castles and country parks and gardens, were also important for visitors to this area. Over half of visitors said they had gone for a short walk or stroll during their visit whilst two-fifths undertook a long walk, hike or ramble. Visitors to were more likely than those in other areas of Scotland to visit a beach or to visit woodland or forest areas (Figure 6).

Figure 6 Activities undertaken

	Base	184
1	Sightseeing by car / coach / on foot	72%
2	Visited a beach	62%
3	Visited a historic house, stately home, castle	54%
4	Short walk, stroll	53%
5	Visited a country park / garden	40%
6	Long walk, hike, ramble	40%
7	Shopping	39%
8	Visited a woodland / forest area	39%
9	Visited a visitor / heritage centre	30%
10	Watched wildlife, bird watching	30%

Conclusions

While it is difficult to estimate the absolute scale and value of tourism in a small geographic area like North Carrick, the data provides some good indicators of potential. In particular:

a) Indications suggest the market has rebounded quickly post COVID although anecdotally the services are slower to respond to the increased demand (across Scotland). This is partly because of the difficulty of reopening, recruiting and training staff (in short supply) as well as general caution about exposure to the risk of recurring lockdowns.

b) So far the effects of higher prices do not seem to have dampened demand for holidays, although continued inflation will inevitably have an effect on disposable income.

c) There is probably a significantly larger accommodation supply in North Carrick and South Ayrshire available than official figures suggest because of informal letting through web platforms. The figures suggest there is underutilised static caravan availability.

d) The proximity of several attractions of national scale suggests the visitor market – in particular the day visit market – is buoyant. This provides a solid platform of existing visits to build new and additional attractions, services and experiences on.

e) In the same vein, building a structured 'web' of quality visitor facilities in North Carrick and improving the welcome, capitalising on a traffic-free hub in Maybole and better coordination, cross-selling and cooperative business development is a sensible way to develop tourism in a sustainable way that benefits residents and communities.

NCCBC:
Foundations for recovery

Monthly report - May 2022

produced by

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