

**28 May 2010.**

## **RESULTS OF SECOND SURVEY ON THE IMPACT OF VOLCANIC ASH CLOUD ON UK TOURISM BUSINESSES**

“The second wave of ash cloud did not have such a negative impact on the tourism industry as the first. Over two-thirds of businesses reported that business is either at the same level or better than they would have otherwise expected.”

Detailed results:

- Given the less extensive disruption to air travel, it is not surprising to see the number of businesses reporting a negative impact has fallen from 66% (in wave 1) to 49% (in wave 2), and fewer businesses are reporting a very negative impact (down from 20% to 8%)
- Businesses operating in all regions of the UK have experienced a less negative impact in wave 2 than wave 1, but the scale of the reduction has been less pronounced in Scotland (falling from 75% to 67%) where disruption to air travel has been more frequent than in other regions
- 80% of tour operators felt some sort of negative impact in wave 2 (similar to wave 1) despite less extensive disruption to flights. However, fewer experienced a ‘very negative’ impact (down from 28% to 11%)
- Business is back to normal (or better) for two thirds of businesses, but at a lower level than expected for one third. It is not completely clear whether this is driven by ash or economic concerns – probably a mixture.
- Initially, when the whole of UK airspace was closed in April, 44% of businesses anticipated a negative long-term impact (with 6% anticipating a very negative long-term impact)
- This has grown to 49% (with 10% anticipating a very negative impact), driven by the concerns of tour operators and businesses operating in Scotland
- There are concerns that potential visitors are losing confidence in booking trips to Britain
- However, other businesses feel the ash presents an opportunity, with 19% now anticipating a positive long-term impact (compared to 11% in wave 1)
- This has been driven by an anticipation of more staycations as UK residents may lose confidence in outbound travel

### **Notes to Editors**

- 381 respondents completed the survey. Businesses from England, Scotland and Wales contributed to the survey although the sample is not representative of all tourism businesses in the UK.