

# Insight Department

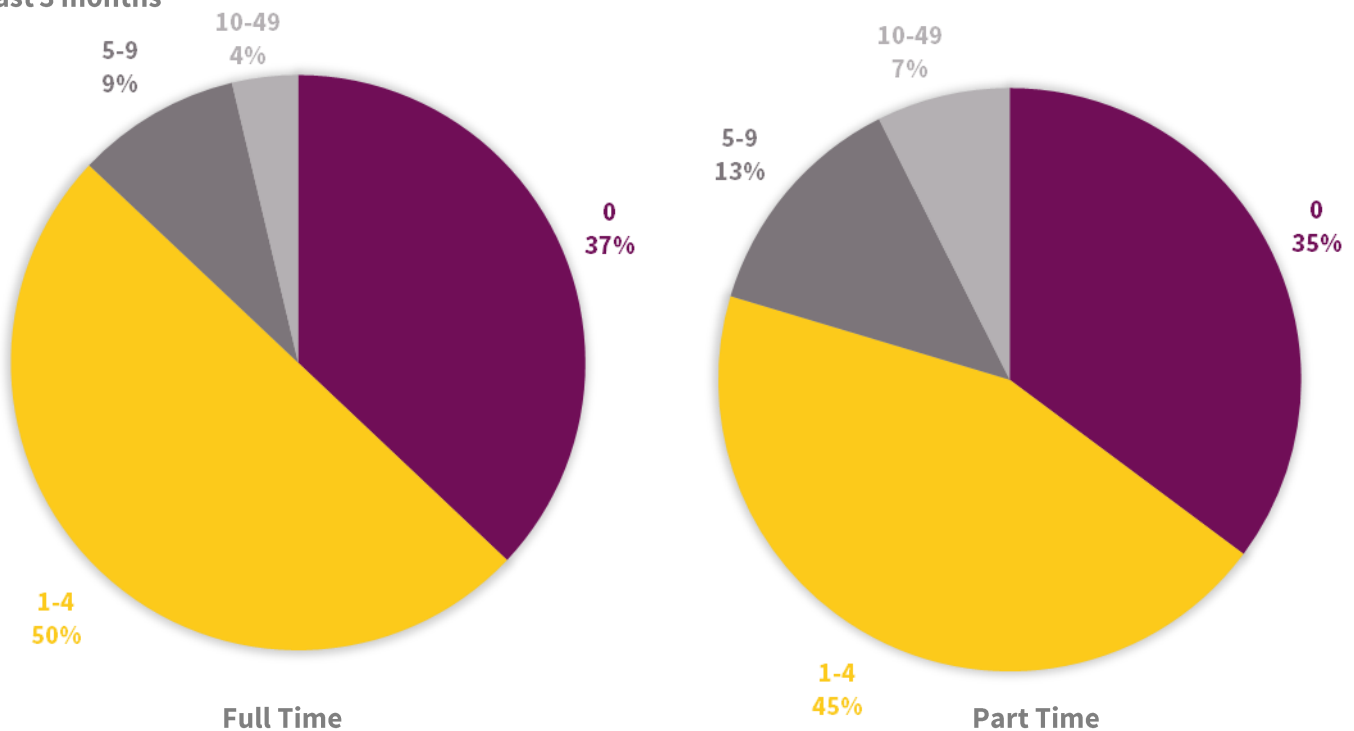
## Oban & Lorn Tourism Industry Barometer – Q4 2017

The Scottish Tourism Industry Barometer is a collaborative initiative with VisitScotland, Local Authorities, DMO's, and businesses within Scotland, designed to inform and provide stakeholders with an overview of tourism performance at a regional and local level on a quarterly basis.

### How would you describe the main activity of your business?

Type of Business	Responses
Hostel	4%
Hotel/B&B/Guesthouse	33%
Other	4%
Outdoor Activity Operator	4%
Restaurant/Cafe/Pub	4%
Self-catering	35%
Tour Operator	4%
Transport & Tours	2%
Visitor Attraction	11%

### Please select the number of full-time and part-time employees (including yourself) you have employed during the last 3 months



### How does this compare to the same quarter last year?

Variation	Full Time Staff	Part Time Staff
More than last year	20%	15%
Same as last year	78%	76%
Less than last year	2%	10%

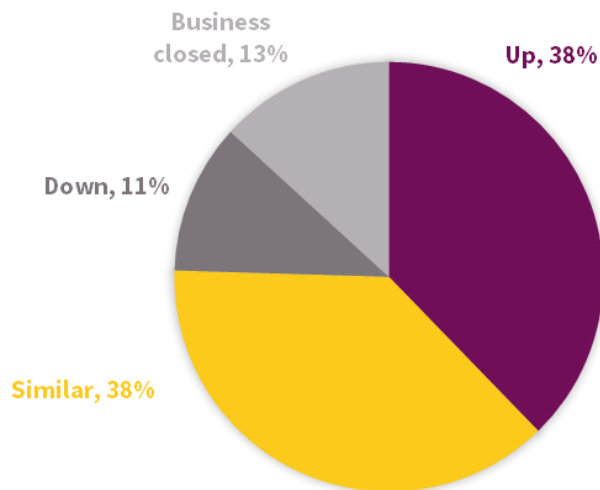
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## Oban & Lorn Tourism Industry Barometer – Q4 2017

How did your turnover compare in this quarter compared to the same quarter last year?

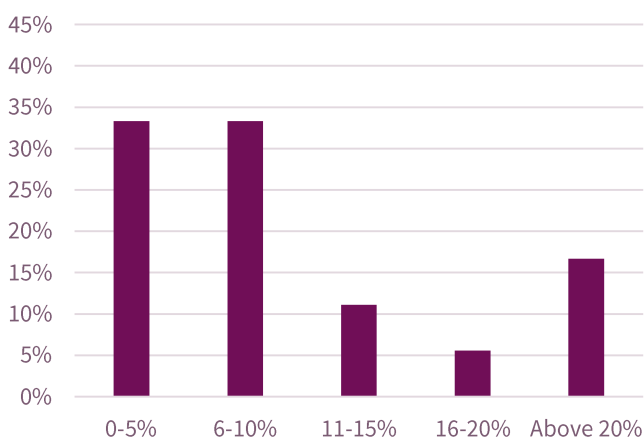
Turnover Comparison	% of Responses
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Up	38%
Similar	38%
Down	11%
Business closed	13%

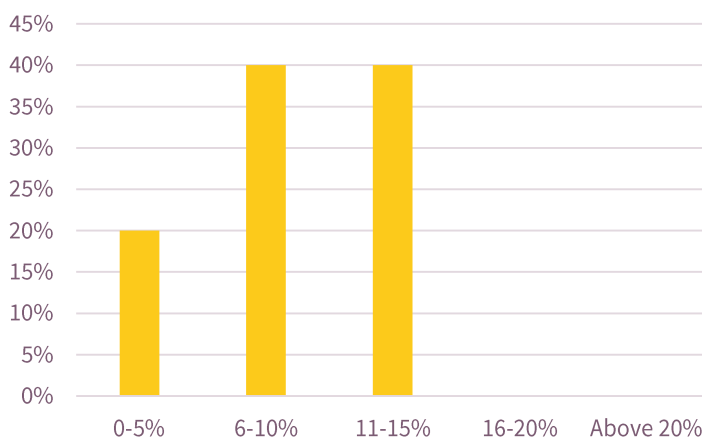


What was the percentage increase/decrease in your turnover?

Responses Indicating Increase in Turnover



Responses Indicating Decrease in Turnover



Have you noticed any significant change in the discretionary spend of visitors during this period?

Discretionary Spend	% of Responses
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No	81%
Yes	19%

If yes, please indicate how much of a percentage change this has been, against the same period last year

Change in Spend	% of Responses
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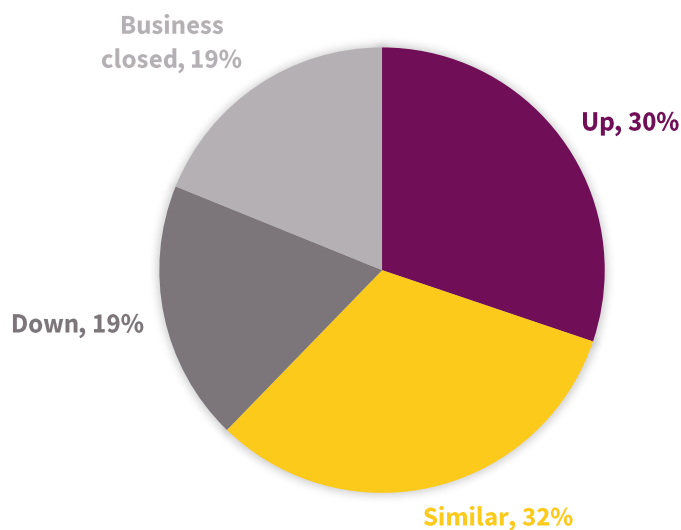
A large increase - over 15%	10%
A small increase - up to 15%	10%
No change	10%
A small decrease - up to 15%	40%
A large decrease - over 15%	30%
Not applicable	0%

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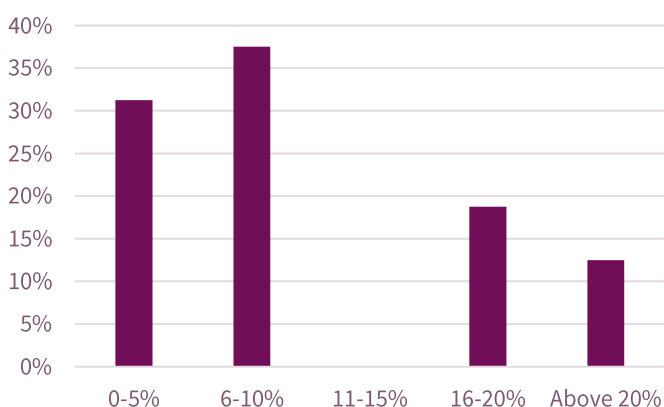
How were your customer/visitor/guest numbers in this quarter compared to the same quarter last year?

Visitor Numbers	% of Responses
Up	30%
Similar	32%
Down	19%
Business closed	19%

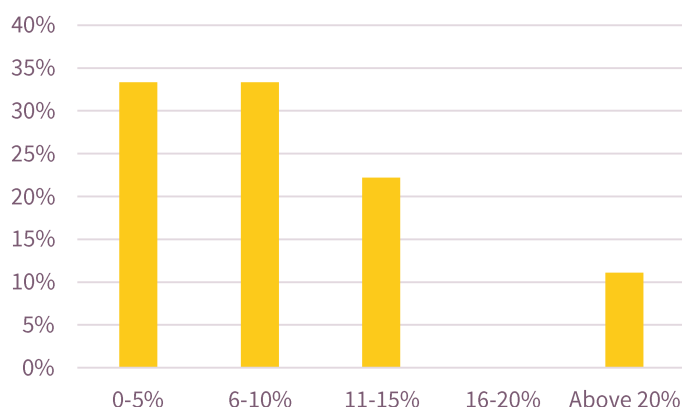


What was the percentage increase/ decrease in your customer/visitor/guest numbers?

Responses Indicating Increase in Visitors



Responses Indicating Decrease in Visitors



Has there been any difference in who your customers / visitors have been this season compared to last year?

Change	Local (%)	Rest of Scotland (%)	Rest of UK (%)	Overseas (%)
More of these	10%	17%	15%	35%
Same/similar numbers	77%	66%	68%	46%
Less of these	6%	15%	15%	16%
Don't know	6%	2%	3%	3%

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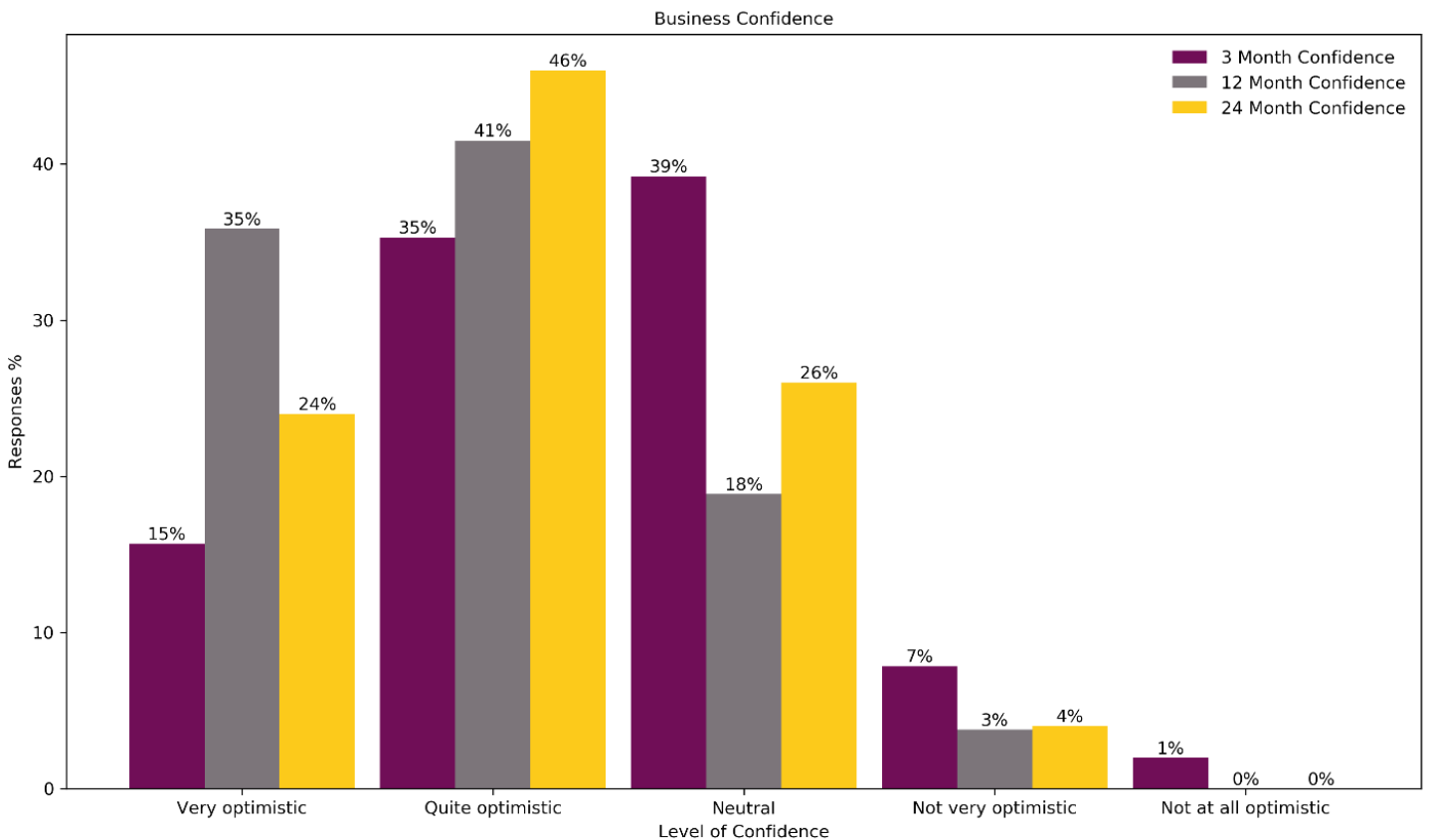
Do you have any plans to significantly invest in your business in the near future?

If yes, over what period is your investment planned for?

Business Investment	% of Responses
No	45%
Yes	55%

Period of Investment	% of Responses
Next 12 months	66%
Between 12 and 18 months	10%
Between 18 months and 2 years	0%
Over 2 years	21%
Don't know	3%

Please indicate how confident you feel about the performance of your business over the following periods



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## Oban & Lorn Tourism Industry Barometer – Q4 2017

Results from the Q4 tourism industry barometer in Oban & Lorn appear largely positive, in line with Argyll and the Isles overall. 38% of businesses experienced an increase in turnover on 2016, with almost a quarter achieving an increase greater than 16%. Of those businesses who saw a decline in turnover, no decrease of more than 15% was recorded.

Around a third of businesses noticed an increase in the number of visitors, and a similar number noticed no change, indicating stability in the sector. An increase of international visitors to Oban & Lorn was observed by 35% of tourism businesses, and this was identified as a reason for positivity moving forward, by a number of respondents. The discretionary spend of those visiting the area was not perceived to have changed by the majority of businesses (81%). Of those that did see a change, this was reported as a decrease in expenditure by visitors. Oban and Lorn had a higher proportion of businesses reporting to be closed during this period, which was also reflected in some concerns around seasonality and the attractiveness of Oban and Lorn as a visitor destination in the winter months.

The business confidence of those operating in Oban and Lorn is less than that seen in the wider Argyll area, with only 50% of businesses considering themselves “very” or “quite optimistic”. This increases to 76% over the coming 12 month period, bringing it back in line with the surrounding area. Some concerns were raised around possible overcrowding of the accommodation market place, and increase in shorter term stays, which is likely to reduce business confidence in the shorter term. This relative lack of confidence is reflected in some hesitance to invest, with 55% of businesses intend to invest in their operation. More positively, of those who are planning to spend, the majority intend to in the coming 12 months.

Employment in the tourism sector in Oban and Lorn remains steady, with some reduction in staff levels, but the majority of businesses being able to maintain or increase the number of full and part time staff. Some concerns were raised around recruitment and training of staff as a barrier to ongoing success.

As with the wider area transport problems, related to ferries and roads, and internet connectivity issues are seen as barriers to success. There are also concerns around marketing of the area as a visitor destination, however many businesses noted an increase in enquiries and bookings, especially from international markets such as the US and Germany, and are optimistic about the future of tourism in the area.



**Sample Size: 54**

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