

# CAIRNGORMS BUSINESS BAROMETER 2015-16

## ANNUAL SUMMARY REPORT

Prepared for: **CAIRNGORMS BUSINESS PARTNERSHIP**

Prepared in: **MAY 2016**

Prepared by:



**LJ RESEARCH LTD**

*26 Alva Street*

*Edinburgh*

*EH2 4PY*

*Tel: 0131 623 6236*

*Fax: 0131 623 6239*

*E-mail: [info@ljresearch.co.uk](mailto:info@ljresearch.co.uk)*

*Website: [www.ljresearch.co.uk](http://www.ljresearch.co.uk)*

---

*LJ Research is a Company Partner of the Market Research Society, a registered Data Controller with the Information Commissioner's Office and complies with the ICC / ESOMAR International Code on Market and Social Research and ESOMAR World Research Guidelines*



# Contents

Executive Summary .....	3
Introduction .....	4
Methodology .....	4
Sample .....	5
Key Findings .....	6
Sample .....	6
Customer Profile.....	8
Business Levels .....	11
Levels of Investment.....	13
Costs .....	15
Barriers to growth .....	17
External Support.....	18
Influence of Cairngorms National Park .....	19
Business Confidence.....	20
Conclusions .....	21

## EXECUTIVE SUMMARY

The key headline findings of the 2015/16 annual Cairngorms Business Barometer results are as follows:

<b>Customer Profile</b>	<ul style="list-style-type: none"> <li>- A similar mix of customers in the Park area was observed compared to recent years. The spread was as follows: Scotland (46%), England (29%), Overseas (17%) and Rest of UK (8%).</li> <li>- An increase in visitors from London / South East was recorded. Meanwhile, there was evidence of fewer Scandinavian visitors.</li> </ul>
<b>Business Levels</b>	<ul style="list-style-type: none"> <li>- A slight overall decrease in customers compared to last year (2014/15) was apparent.</li> <li>- An outlook of slower growth in the next 12 months compared to 2014/15 was also evident.</li> <li>- Accommodation providers outperformed other businesses as the highest annual average occupancy on record was achieved (c. 60% occupancy).</li> </ul>
<b>Levels of Investment</b>	<ul style="list-style-type: none"> <li>- There was increased investment in staff training, marketing / promotion and buildings / infrastructure albeit at broadly the same rate as last year.</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>- Costs generally increased, however, supplier and administration costs saw the lowest increases on record.</li> </ul>
<b>Barriers to Growth</b>	<ul style="list-style-type: none"> <li>- Weather was perceived to be the greatest barrier to growth.</li> <li>- Staff costs saw the largest increase as a barrier to growth compared to last year.</li> </ul>
<b>External Support</b>	<ul style="list-style-type: none"> <li>- The overall contribution of organisations was rated at a record high level (5.01).</li> <li>- The CBP / DMO was rated most positively (6.01).</li> <li>- Local councils saw the steepest increase in perceived support compared to last year (increasing by 16% to 4.68).</li> </ul>
<b>Influence of Cairngorms National Park</b>	<ul style="list-style-type: none"> <li>- The influence of National Park designation in attracting customers and impacting on business operations and profitability continued to grow and reached record high levels.</li> </ul>
<b>Business Confidence</b>	<ul style="list-style-type: none"> <li>- Short, medium and long term business confidence (i.e. for the next 3 months, next 12 months and next 24 months) were rated at record high levels.</li> </ul>

## INTRODUCTION

The Cairngorms Business Barometer (or the Barometer) has captured business performance and sentiment insights from predominantly tourism-related businesses across the Cairngorms National Park (CNP or Park) since Q3 2009.

The Barometer acts as a rigorous 'health check' each quarter and enables important monitoring of the pace of change in prospects for businesses across the Cairngorms area.

The Barometer study in 2015/16 was undertaken again by LJ Research and was commissioned by Cairngorms Business Partnership (CBP) following support provided by Cairngorms National Park Authority (CNPA).

Insights from the survey inform activities and priorities for CBP and their partners in order to most effectively grow tourism in the Cairngorms area and facilitate business growth.

This report summarises key findings over the last year (i.e. from the last four quarterly surveys between Q2 – April to June – 2015 and Q1 – January to March – 2016, inclusive) and includes discussion of the results compared to previous annual results to enable a broader understanding of trends.

Additional insights in terms of business sector performance are also outlined to help CBP and their partners identify and act upon the threats and opportunities facing different types of businesses in the Cairngorms area.

## METHODOLOGY

The methodology used in the 2015/16 survey was identical to that of previous years.

At the start of each new quarter, online surveys in Visitrac<sup>1</sup> were created and distributed to businesses by LJ Research.

Surveys were created for businesses in the following five sub-areas of the Park:

- Badenoch & Strathspey
- Royal Deeside & Donside (hereafter referred to as Royal Deeside)
- Tomintoul & Glenlivet (hereafter referred to as Glenlivet)
- Angus Glens
- Atholl & Glenshee (hereafter referred to as Highland Perthshire)

An invitation email containing a link to the relevant survey was sent to business contacts in each of these five sub-areas.

Reminder emails were then sent to businesses by LJ Research and CBP to help augment the overall response each quarter.

---

<sup>1</sup> LJR's wholly owned and operated online survey system.

## SAMPLE

As in previous years, the vast majority of contacts invited to participate in the research represented tourism-related businesses based in the Cairngorms National Park.

The composition of the sample in terms of the five sub-areas of the Park is shown below.

**Figure 1: Survey Responses By Sub-Area & Quarter**

Sub-Area & Quarter	Emails	Emails (% of Quarter base)	Survey Responses	Survey Responses (% of Quarter base)
Badenoch & Strathspey Q2 2015	601	69%	57	63%
Royal Deeside Q2 2015	152	18%	19	21%
Highland Perthshire Q2 2015	67	8%	8	9%
Glenlivet Q2 2015	47	5%	6	7%
Angus Glens Q2 2015	4	1%	0	0%
<b>Q2 2015 (Total)</b>	<b>871</b>	<b>100%</b>	<b>90</b>	<b>100%</b>
Badenoch & Strathspey Q3 2015	600	69%	66	63%
Royal Deeside Q3 2015	150	17%	21	21%
Highland Perthshire Q3 2015	67	8%	9	9%
Glenlivet Q3 2015	46	5%	9	9%
Angus Glens Q3 2015	4	1%	0	0%
<b>Q3 2015 (Total)</b>	<b>867</b>	<b>100%</b>	<b>105</b>	<b>100%</b>
Badenoch & Strathspey Q4 2015	622	69%	58	64%
Royal Deeside Q4 2015	159	18%	21	23%
Highland Perthshire Q4 2015	67	7%	5	6%
Glenlivet Q4 2015	50	6%	6	7%
Angus Glens Q4 2015	4	< 1%	0	0%
<b>Q4 2015 (Total)</b>	<b>902</b>	<b>100%</b>	<b>90</b>	<b>100%</b>
Badenoch & Strathspey Q1 2016	579	70%	65	64%
Royal Deeside Q1 2016	143	17%	25	25%
Highland Perthshire Q1 2016	60	7%	5	5%
Glenlivet Q1 2016	44	5%	6	6%
Angus Glens Q1 2016	3	< 1%	0	0%
<b>Q1 2016 (Total)</b>	<b>82</b>	<b>100%</b>	<b>101</b>	<b>100%</b>
<b>Badenoch &amp; Strathspey (Total)</b>	<b>2402</b>	<b>69%</b>	<b>246</b>	<b>62%</b>
<b>Royal Deeside (Total)</b>	<b>604</b>	<b>17%</b>	<b>86</b>	<b>20%</b>
<b>Highland Perthshire (Total)</b>	<b>261</b>	<b>8%</b>	<b>27</b>	<b>9%</b>
<b>Glenlivet (Total)</b>	<b>187</b>	<b>5%</b>	<b>27</b>	<b>7%</b>
<b>Angus Glens (Total)</b>	<b>15</b>	<b>&lt; 1%</b>	<b>0</b>	<b>0%</b>
<b>CBB 2015/16 Total</b>	<b>3469</b>	<b>100%</b>	<b>386</b>	<b>100%</b>

As can be seen above, the survey again achieved a good spread of responses from businesses across the five sub-areas and was broadly representative of the overall stock of tourism businesses across the CNP area.

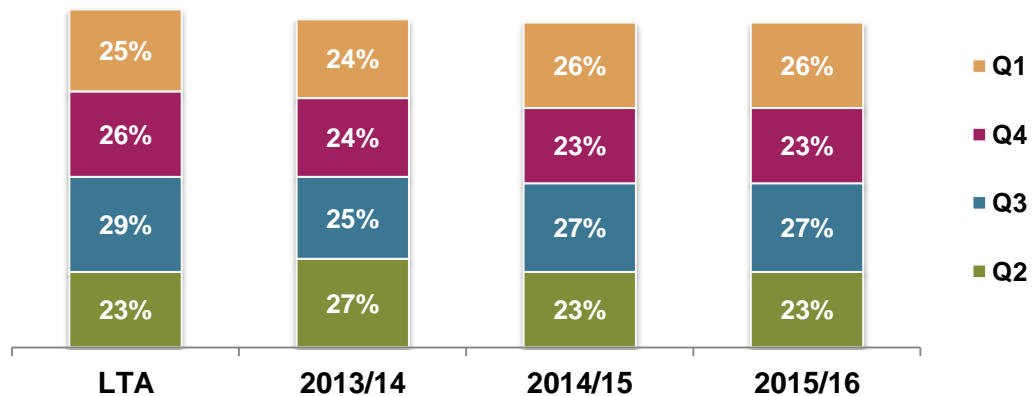
The overall response rate was just over 11% which was on par with the 2014/15 figure. Royal Deeside and Glenlivet achieved slightly higher response rates than the other two areas. The total number of completions did however decrease from 437 in 2014/15 to 386 in 2015/16.

## KEY FINDINGS

The following sections present the key findings from the aggregated quarterly Cairngorms Business Barometers. The findings are presented with annual comparator figures as well as the long term average (LTA), which is based on the aggregate quarterly figures starting in Q3 2009 until Q1 2016.

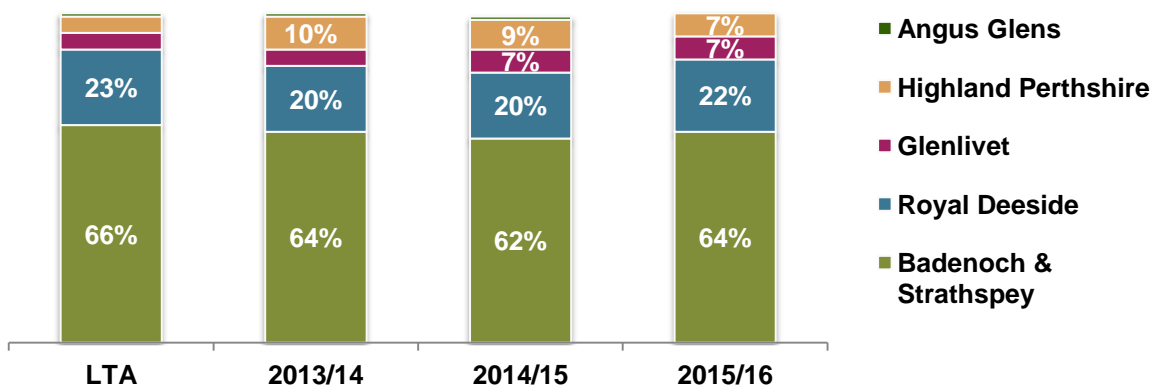
### Sample

#### Quarter



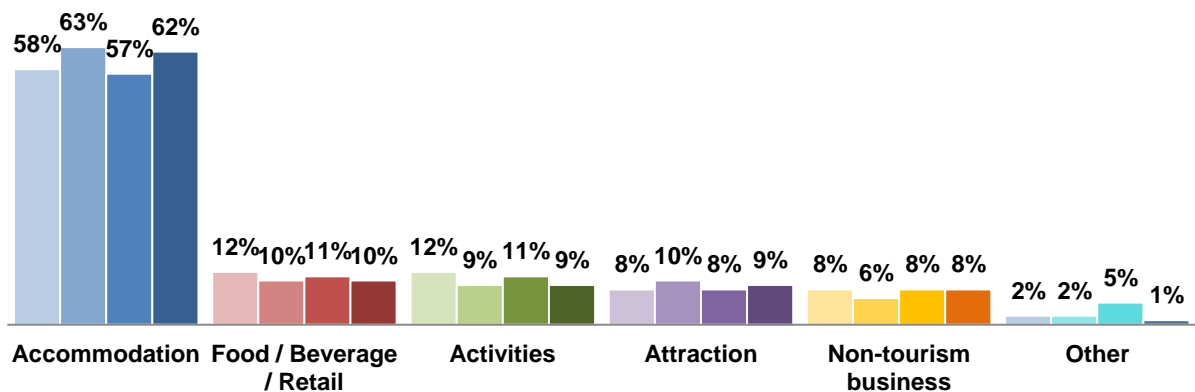
An even spread of responses was achieved across the four quarters of the year period. The highest sample was achieved in Q3 2015 (105 survey responses) whilst the lowest samples were achieved in Q2 2015 and Q4 2015 (each 90 survey responses).

### Sub-Area



The distribution of responses by business location is shown above. As can be seen, the majority of responses came from businesses located in Badenoch & Strathspey. No responses were achieved in 2015/16 from businesses within the Angus Glens sub-area, however, in recent years these businesses accounted for the smallest proportion of responses (1%).

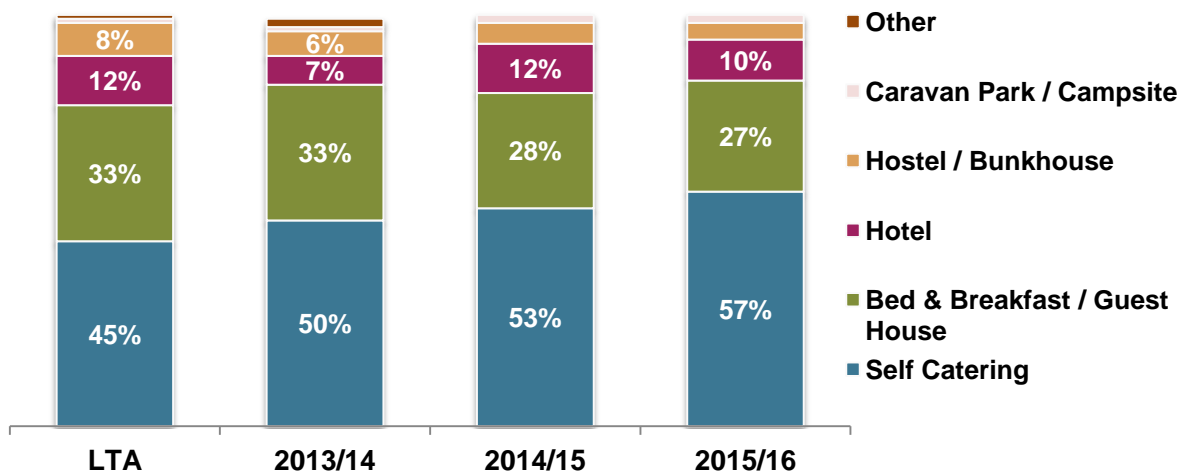
### Business Sector



**Note:** Chart series left to right is: Long term average (lightest shading), 2013/14, 2014/15, 2015/16 (darkest shading).

At 62%, the proportion of responses from accommodation providers in 2015/16 was above last year and the long term average (LTA). On par with the long term average, non-tourism businesses made up 8% of the sample in 2015/16.

Looking at the business mix across the various sub-areas shows that in 2015/16 (and in line with the long term averages) Royal Deeside had a much higher representation of retail and catering businesses compared to the other areas. Meanwhile, responses from Glenlivet and Highland Perthshire were much more influenced by the accommodation sector.

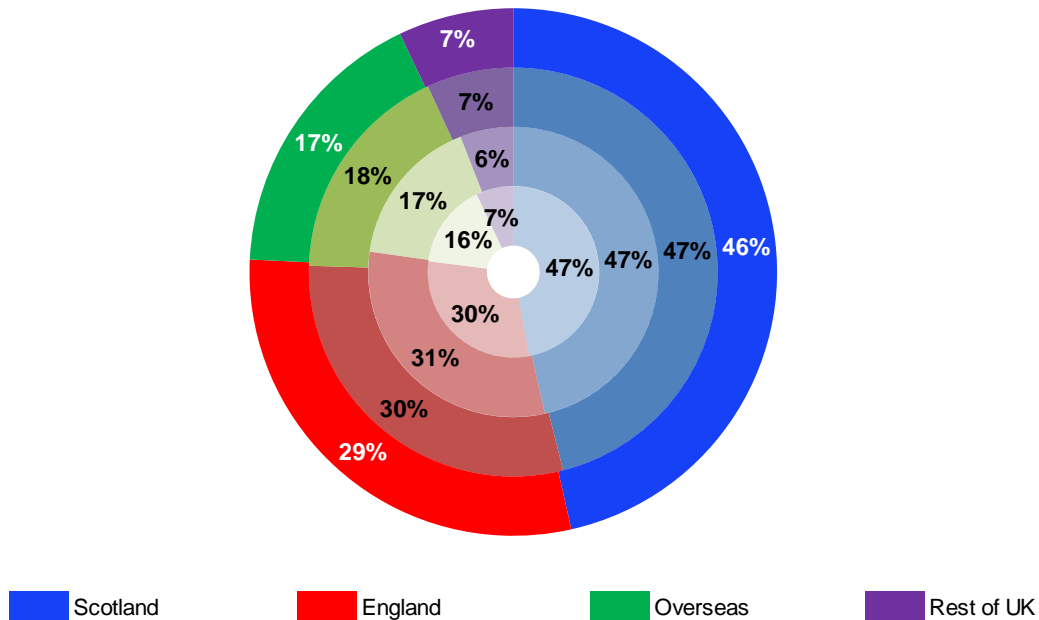


Continuing the trend of recent years, there was an increase in the proportion of self catering properties comprising the accommodation sector whilst the opposite was observed for bed & breakfasts.

## Customer Profile

Businesses were asked to estimate their mix of customers during each quarter in terms of origin and type (i.e. first time or repeat customers).

### Origin of customers



**Note: Chart series inner to outer: Long term average (lightest shading), 2013/14, 2014/15, 2015/16 (darkest shading).**

As in recent years, customers from Scotland represented nearly half of the overall customer base (46%). The presence of these local visitors was again particularly notable during the Q4 (October to December) and Q1 (January to March) periods.

Again on par with previous years, visitors from England made up roughly 30% of all customers. That being said, 2015/16 saw record lows and highs of the number of English customers dipping to 27% in Q3 2015 and rising to 34% of all customers in Q1 2016.

Consistent with recent years, overseas visitors accounted for around a sixth of all customers in the Park area. Highlighting the seasonality issues many tourism businesses face, the proportion of overseas visitors during the Q2 (April to June) and Q3 (July to September) periods doubled compared to the shoulder periods of the year.

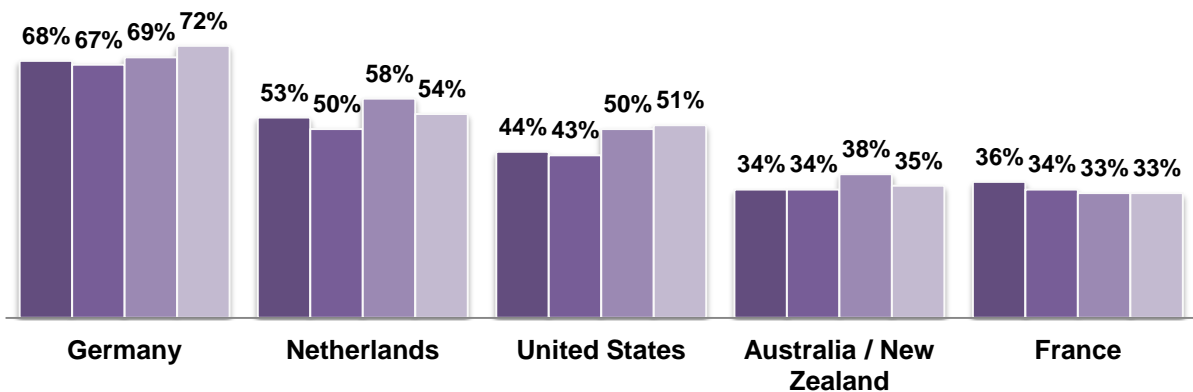
Looking at the long term averages, we can see that businesses located in the Glenlivet area as well as accommodation providers and attractions have a higher reliance on the overseas markets.





**Note:** Chart series left to right is: Long term average (darkest shading), 2013/14, 2014/15, 2015/16 (lightest shading).

Although the source market proportions of visitors did not change this year, there were notable year on year differences with decreases observed among those from the North and the Midlands and an increase in visitors from London and the South East. The latter perhaps being a reflection of the targeted marketing approach taken by the CBP and partners towards the end of the 2015/16 contract period with Q1 2016 seeing the proportion of visitors from London / South East rising to 60%.



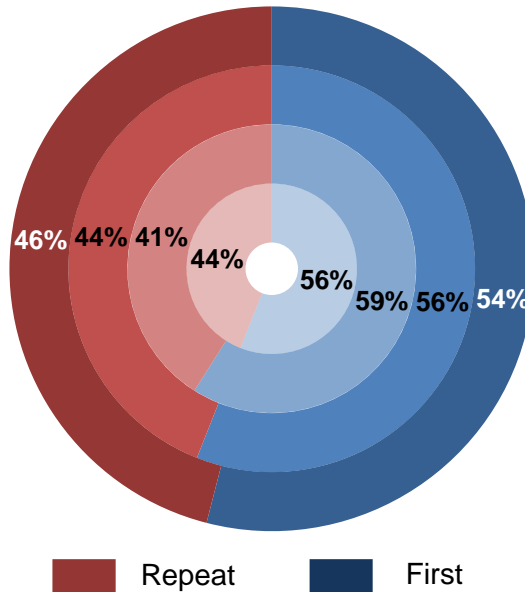
Germany was again identified as the key international source market by businesses: over 7 out of 10 businesses that traded with overseas visitors engaged with German customers. This figure (72%) was both an increase from last year's results and above the long term average.

The next most common overseas market was The Netherlands (54%) followed by the United States (51%) which was at its highest level since the survey began.

Another indication of the increased presence of the Northern American market was the slight growth noted amongst the Canadian market. With 23% of businesses indicating they traded with Canadians in 2015/16 compared to 19% in the long term average.

Looking at the reductions in 2015/16 compared to the long term average, the most significant decrease came from the Scandinavian market (24% in 2015/16 compared to 33% LTA). The Scandinavian market in the past has been quite stable across the quarters, however in 2015/16 stark drops were evident in Q4 and Q1 as only 16% of businesses indicated they traded with visitors from those countries.

**Type of customer**



**Note: Chart series inner to outer: Long term average (lightest shading), 2013/14, 2014/15, 2015/16 (darkest shading).**

Although roughly on par with the long term average, a decrease over the last two years was noted in the proportion of first time customers. They accounted for 54% of the total customer mix with the remaining 46% made up of repeat customers.

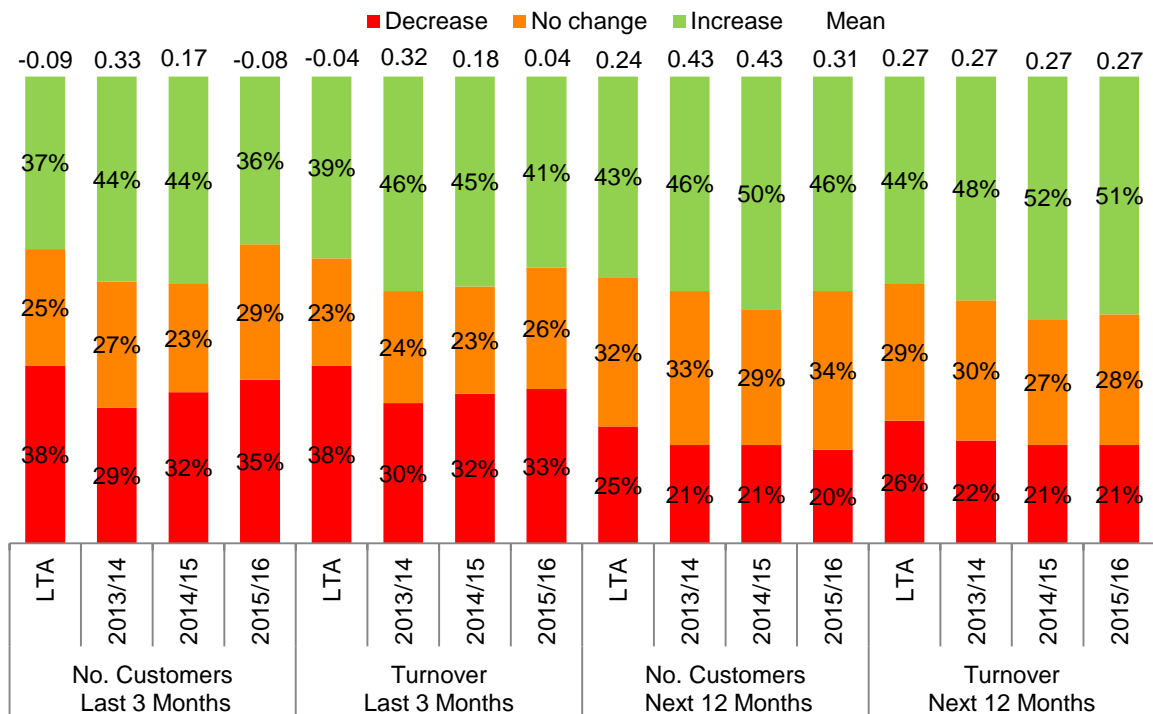
With a more diverse customer base, it is no surprise that the number of first time visitors peaks during Q2 and Q3 of each year. Additionally, with a heavier reliance of overseas visitors, both the Glenlivet area and the accommodation sector have an above average engagement with first time customers.

## Business Levels

### Customer numbers and turnover

Businesses were asked about performance each quarter compared to the same quarter a year ago in terms of customer numbers and turnover. They were also asked about how they expected to perform in the next 12 months compared to their current level of performance.

The chart below shows the results of 2015/16 compared to the last two years and the long term average (LTA). The results include weighted average scores – using a seven point scale from -3 to +3 – to summarise the overall trend. A weighted average score less than 0 implies a decrease in overall business levels and a score greater than 0 implies an increase in overall business levels.



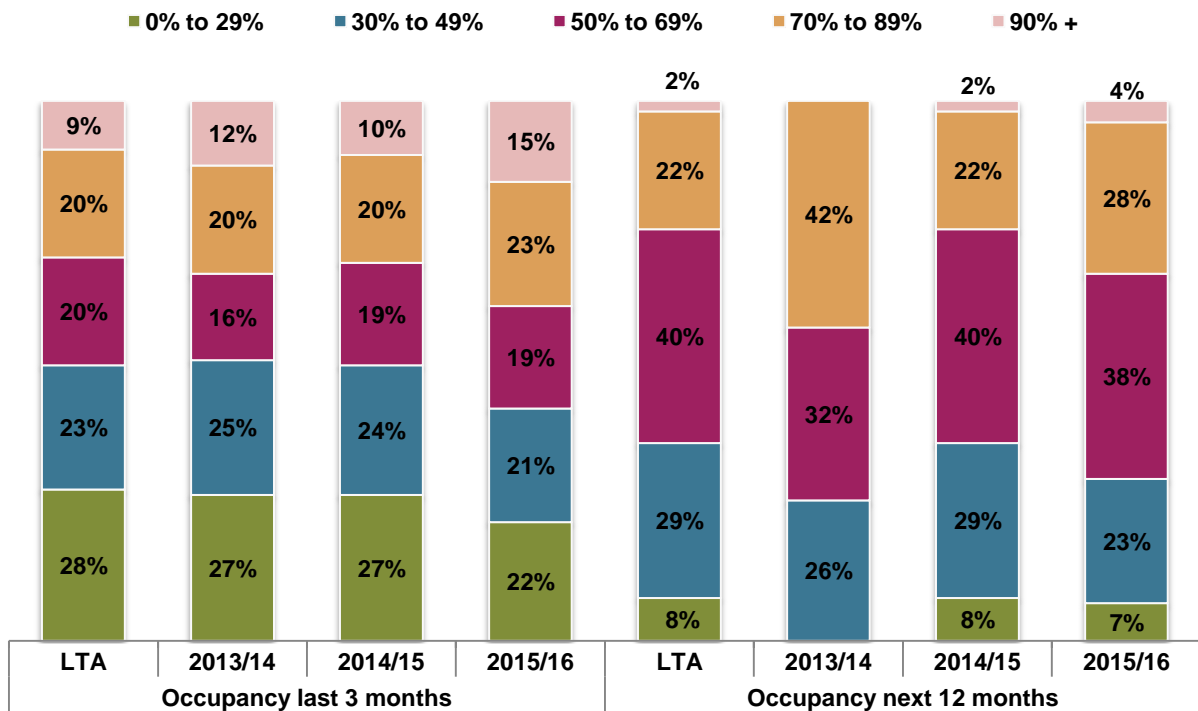
The 2015/16 results did not bring about the same positive performances as observed in the past two years with both customer numbers and turnover underperforming compared to 2013/14 and 2014/15. After two consecutive periods of year on year growth, overall customer numbers decreased very slightly, however, those decreases were broadly on par with the LTA. Meanwhile, revenue growth was sustained as turnover saw a slight overall increase but at a much slower rate than observed in 2014/15 and 2013/14.

Business levels were most affected during the Q4 and Q1 period which can, at least, partially be attributed to both the direct and indirect impacts of major flooding in the Royal Deeside area in late 2015 and early 2016.

Highlighting the severity and the effect of the flooding, over a quarter of businesses (26%) in the Royal Deeside area indicated a decrease of 11% or more in their customer numbers and turnover which was well above the overall 2015/16 average of 12%.

A more positive picture was evident when businesses were asked to compare the next 12 months performance against their current performance as businesses expected to grow customer numbers and turnover. The growth in terms of customer numbers was, however, expected to be at a slower rate than the past two years but remains well above the LTA.

### Occupancy



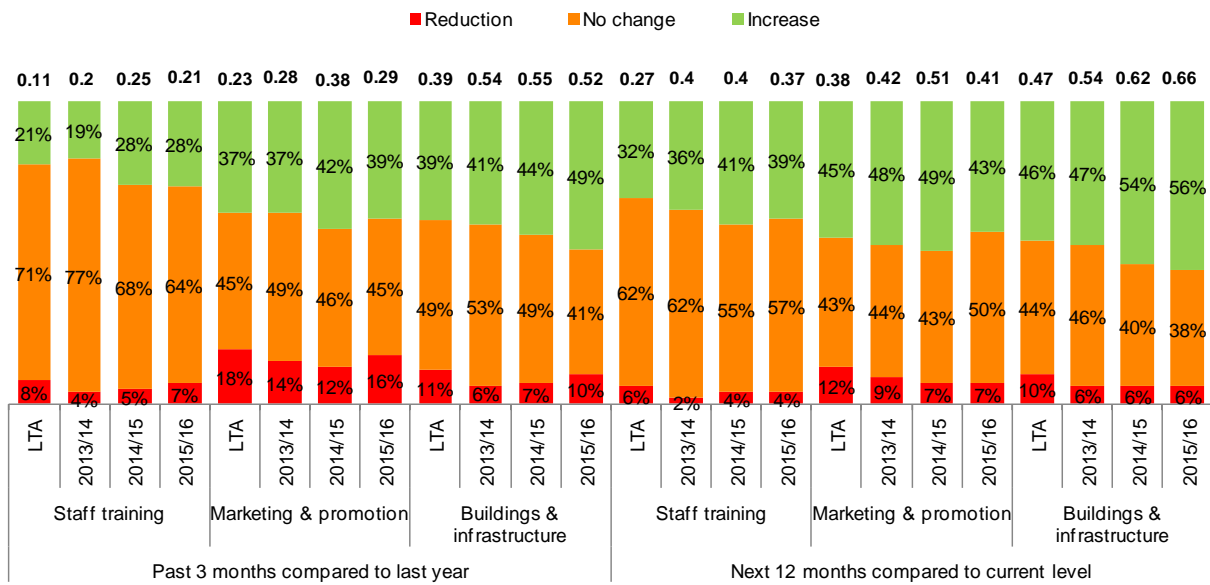
Contrary to the subdued customer number and turnover performance, in 2015/16 accommodation providers achieved the highest annual average occupancy rates on record since the barometer began, approaching the 60% occupancy mark. The most significant boost to the annual average came in Q3 2015 when nearly 40% of businesses indicated they achieved occupancy of 90% or above.

Looking ahead, businesses anticipated an average occupancy in line with their current performance of roughly 60%. These expectations were slightly more optimistic than recent years and the LTA.

## Levels of Investment

Businesses were asked to estimate changes in investment in staff training, marketing and promotion and buildings and infrastructure compared to the same quarter a year ago. They were also asked how much they expected to change their current levels of investment in these areas over the next 12 months.

The chart below shows the results of 2015/16 compared to the last two years and the long term average (LTA). The results include weighted average scores – using a seven point scale from -3 to +3 – to summarise the overall trend. A weighted average score less than 0 implies a decrease in overall investment and a score greater than 0 implies an increase in overall investment.



### Staff training

A similar rate of change in terms of staff training investment was apparent compared to last year and a steeper increase was observed compared to the LTA with 28% of businesses indicating an increase of investment. As in previous years, the vast majority of businesses (64%) neither increased nor decreased investment which led to only a small overall increase in staff training being recorded.

Consistent with the staff training investment undertaken, businesses demonstrated above average intent to increase staff training investment over the next twelve months. On par with last year's results, roughly 40% of businesses thought they would increase investment in this aspect.

### Marketing and promotion

An overall increase in marketing and promotion investment was observed as more businesses intended to increase their investments rather than decrease investment in this aspect. The rate of increase was above the long term average, on par with results from two years ago, but below 2014/15 levels. That being said, throughout the 2015/16 year, variations were observed with Q1 2016 seeing the highest ever increase in

marketing and promotion investment: (indicated by 47% of businesses compared to 39% of the 2015/16 average.).

In line with marketing and promotion investment undertaken, there was positive intent to continue investing more in marketing and promotion over the next 12 months. The rate of change was broadly on par with that of the LTA and two years ago, but below that of last year.

### **Buildings and infrastructure**

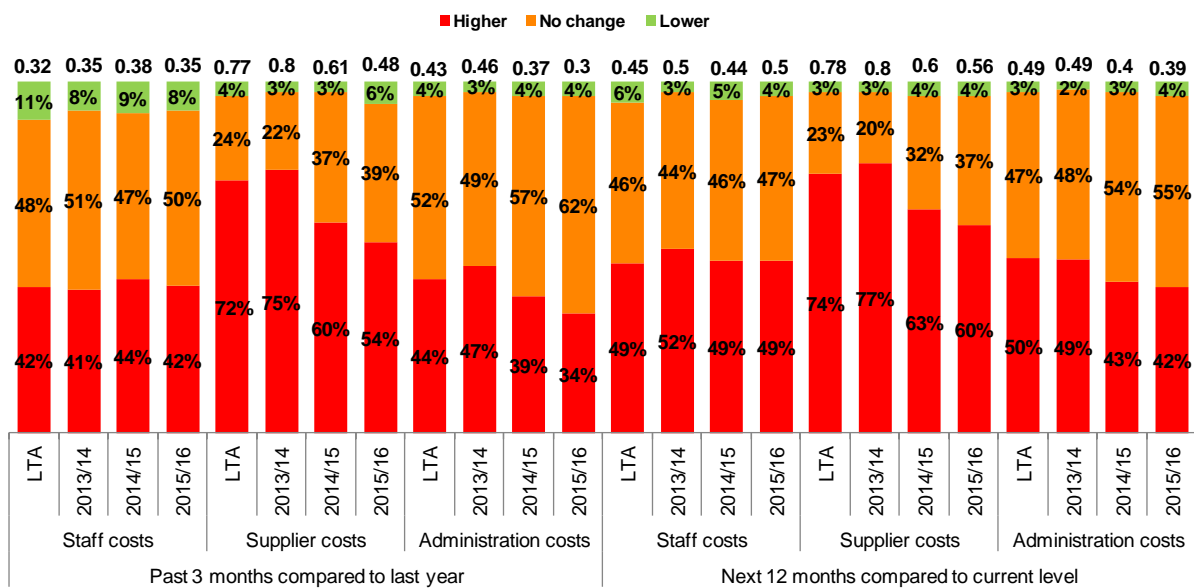
Nearly half of all businesses indicated they had increased their investment in buildings and infrastructure in 2015/16 compared to the year before. Increased infrastructure investment was most prevalent amongst the accommodation sector with 60% indicating an increase. Although overall infrastructure investment was at a record high level, the rate of change was broadly on par with last year and that of 2 years ago, but well above the LTA.

Looking to the next 12 months, businesses intended to increase their infrastructure investments at a faster rate of change compared to the actual rate. This was broadly on par with findings from last year.

## Costs

Businesses were asked to estimate how much staff, supplier and administration costs had changed compared to the same period a year previously. They were also asked how much they anticipated these costs would change over the next 12 months.

The chart below shows the results of 2015/16 compared to the last two years and the long term average (LTA). The results include weighted average scores – using a seven point scale from -3 to +3 – to summarise the overall trend. A weighted average score less than 0 implies a decrease in overall costs and a score greater than 0 implies an increase in overall costs.



### Staff costs

Although half of the businesses indicated no change in their staff costs compared to last year, there was an overall increase noted as more businesses indicated higher staff costs (42%) than lower staff costs (8%). The rate of change recorded this year was broadly on par with that of the last few years and the LTA.

With the introduction of the national living wage starting in Q2 2016, it will be interesting to assess changes in staff costs going forward. In 2015/16, there were no notable differences between the expectations of staff costs for the next twelve months compared to the previous year.

### Supplier costs

As in recent years, businesses saw an overall increase in their supplier costs. However, there was a significant reduction in these costs compared to previous years and the long term average. A reflection of the sustained low oil prices in 2015, the slowest rate of change in supplier costs was observed since the barometer began in 2009.

Looking ahead to the next 12 months, businesses expected supplier costs to continue increasing and at a faster rate of change than the rate incurred. However, these expected increases were below that of the past 2 years as well as the LTA.

## **Administration costs**

Although the majority of businesses indicated there was no change to administration costs, an overall increase was noted with 34% indicating higher costs for this aspect . That being said, a continued trend of less steep increases in administration costs compared to recent years and the LTA was observed. In fact, the lowest ever increases in administration were observed in Q3 2015 and Q4 2015 which greatly influenced the overall annual result.

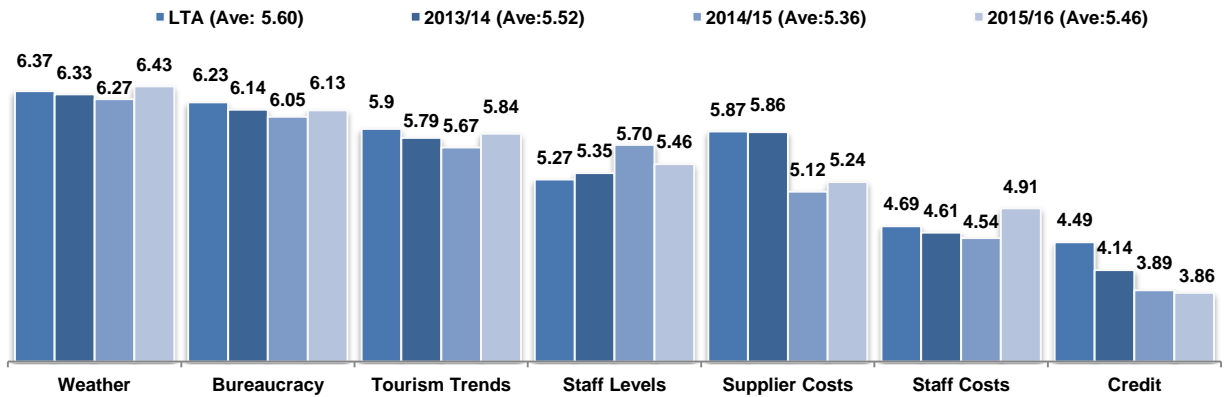
Non-tourism and retail and catering businesses were more adversely affected by rising administration costs compared to the other sectors.

A faster rate of increase in administration costs was expected in the year ahead compared to the actual rate during the year. Expectations of administration cost increases were broadly on par with 2014/15 results, but below the LTA.



## Barriers to growth

A range of seven potential barriers to growth were listed in the survey and each quarter businesses were asked to rate the significance of each aspect using a rating scale from 1 to 10, where 1 was 'not at all a barrier' and 10 was 'very much a barrier'.



Demonstrating a general positive trend, the overall annual barrier to growth score of 5.46 was slightly above last year's record low, but below recent years and the long term average score of 5.60.

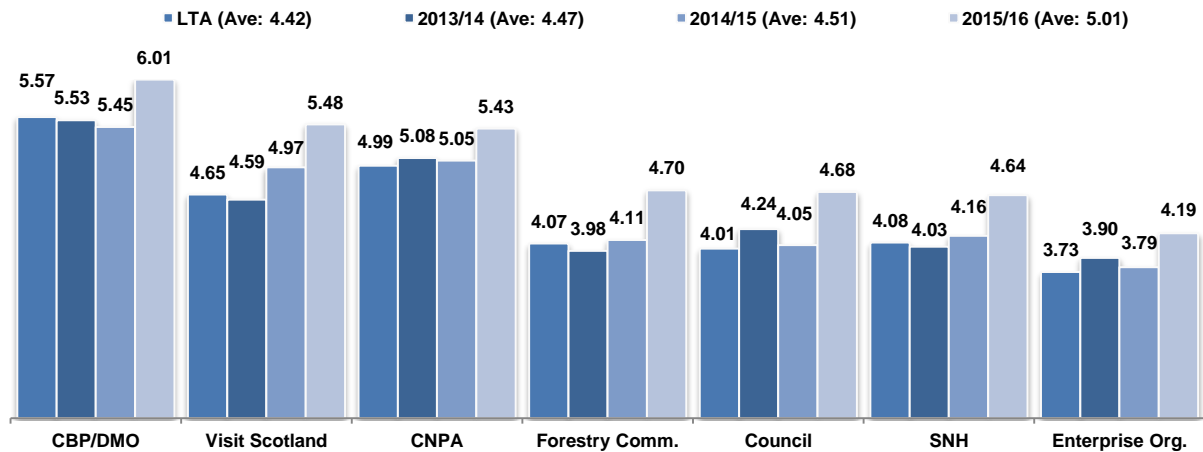
For the fifth year in a row, weather was cited as the number one barrier to growth for businesses. Considering the torrential downpours and flooding the area saw during the period, it is no surprise that this barrier increased in magnitude from the levels recorded in 2014/15 and 2013/14.

All barriers except staff levels and lack of available credit were rated higher than the 2014/15 levels. For most of these categories the increases were only minimal, however, staff costs as a barrier to growth increased significantly compared to last year. With the new national living wage being introduced in Q2 2016, it is expected that both the actual cost and the perception of this as a barrier to growth will increase.

Catering and retail businesses recorded an above average annual barrier to growth score, with bureaucracy, staff costs and lack of credit being the most prominent barriers.

## External Support

Businesses were asked to rate the contribution of organisation operating in the Park are using a 1 to 10 rating scale, where 1 was ‘very poor contribution’ and 10 was ‘very good contribution’.



The overall contribution of organisations playing a role in tourism across the Cairngorms broke last year’s record to achieve its highest ever level of 5.01, which constituted an 11% increase from 2014/15. This marks the first year in which the overall external support score has crossed the 5 point mark.

As in previous years, the level of support and contribution provided by the CBP / DMO was rated most positively of the seven organisations evaluated (6.01 out of 10). This score was at its highest ever level and constituted the first satisfaction score of 6 or above recorded for an organisation.

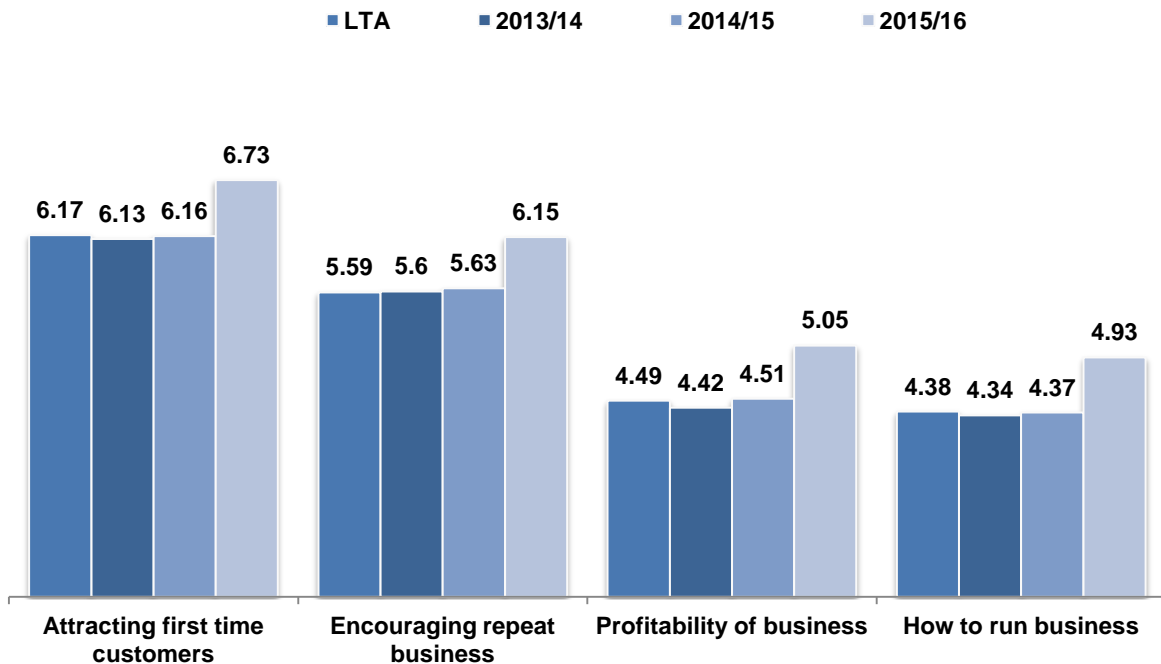
VisitScotland’s perceived support and contribution rose by over 10% from last year and, in doing so, was ranked second among the organisations evaluated. The third most valued organisation was CNPA which also saw an increase from last year, albeit the least steep of the seven organisations.

Although below the 5 point mark, the steepest change in perception from last year was for the various local councils: the average barrier score for councils was (4.68 out of 10 which was 16% higher than last year.

Despite being perceived more positively than last year and indeed recent years, Enterprise Organisations were once again the least positively rated organisation.

## Influence of Cairngorms National Park

Using a rating scale from 1 to 10, where 1 was ‘not at all influential’ and 10 was ‘very influential’, businesses were asked to rate the influence of the Cairngorms National Park in attracting first time and repeat customers and its perceived impact on business operations and profitability.



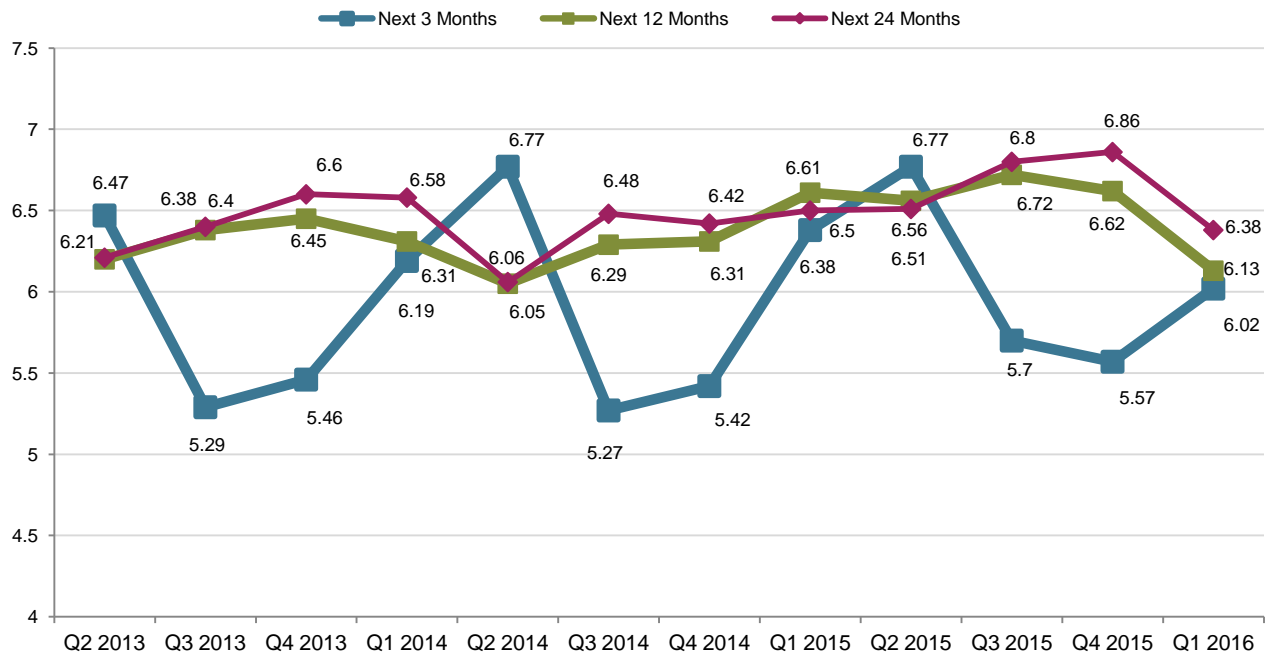
Q3 2015 saw the start of a trend of improved perceptions towards the Cairngorms National Park. Three successive quarters of record breaking scores for the influence of the Park were recorded which contributed to generate record high annual scores in 2015/16.

As in recent years, National Park status was deemed to be of higher importance in attracting first time customers rather than repeat customers. Although both scores experienced nearly 10% growth from last year, the average scores still indicate that the Park’s influence is still relatively passive in these aspects.

Despite rising by over 10% from last year, the influence of the Park on business operations and business profitability continued to be rated relatively low. However, increasing recognition of the importance of the National Park for ongoing business success was evident as roughly a third of businesses attributed a high level of influence of 8 or more out for 10 for these two aspects.

## Business Confidence

Businesses we asked to rate their short-term (Next three months), medium-term (next 12 months) and long-term (next 24 months) confidence using a 1 to 10 rating scale, where 1 was 'very low' and 10 was 'very high'.



Averages	Long Term Averages	2013/14	2014/15	2015/16
Next 3 Months	5.55	5.87	5.92	6.00
Next 12 Months	6.02	6.33	6.32	6.51
Next 24 Months	6.19	6.44	6.37	6.63

Breaking last year's score, short term business confidence in 2015/16 was rated at 6.0, peaking in Q2 2015 at 6.77. Royal Deeside had notably below average short term confidence scores reflecting the impact of the adverse weather and flood damage.

Confidence in the medium term – next 12 months – saw a small increase from last year's results to also reach a new record high level.

The largest year on year increase was apparent for long term confidence which increased to 6.63 – a new record high annual score.

## CONCLUSIONS

In 2015/16, the Cairngorms Business Barometer showed that business performance was slightly subdued compared to recent years. Dampened future trading prospects were also evident. That said, businesses showed a degree of resilience and optimism for the months ahead.

Following on from two years of successive growth, business levels underperformed in 2015/16. There was a small decline in overall customer numbers, largely attributable to the flood damage in Q1 2016. Turnover was by-and-large flat which compared to the last two years constituted a weaker performance. Interestingly though, accommodation providers achieved record high occupancy performance throughout the year. These results highlight volatility in tourism business performance across the region and point to the need to understand specific issues among different types of businesses in the Park.

As a whole, businesses reported that costs had generally increased. That said, the increases in administration costs and supplier costs were lower than average, the latter having been influenced by record low prices for oil throughout the 2015/16 period. The rate of increases in staff costs were in line with 2014/15 levels. However, with the introduction of the national living wage in Q2 2016, it seems likely that staffing will cause a greater strain on local businesses going forward.

The overall barrier to growth score increased compared to last year but was below that of 2013/14 and the long term average despite challenging weather and the introduction of the national living wage. It must be borne in mind that 2014/15 recorded historically low perceptions of barriers to growth. In this context, whilst businesses experienced more challenges than the previous year, the results indicate generally favourable trading conditions. The sustained low oil prices of 2015/16 controlled the negative impact of supplier costs but this is a volatile aspect which will require close monitoring in subsequent periods.

There was evidence that organisations continued to step up their levels of support to local businesses as all external support scores grew significantly compared to the previous year. New efforts such as increased DMO and other partner collaborations have given a positive boost to perceptions of support provided by external organisations. That said, the evidence suggests that there is still much advocacy and engagement work to be done as four out of the seven organisations were scored below the 5-point (out of 10) mark.

There was a sense of increased recognition, perhaps associated with growing support for the DMO and other agencies, of the role the National Park plays in driving business to the area. Although this was still rated at moderate levels, record high importance was attached to the Park both in terms of attracting customers and impacting on business operations and profitability. Improved perceptions of the Park among businesses will, in turn, generate additional benefits for the area. For example, businesses are likely to increase their support of Park initiatives if they place greater importance on the role of the Park in driving footfall.

Indicating resilience and optimism among businesses, the short, medium and long term business confidence scores achieved record breaking levels. Ongoing economic and political factors such as the 'Brexit' referendum and oil price fluctuations will continue to

influence business sentiment going forward. The Cairngorms Business Barometer will act as a crucial gauge of business performance and perception in relation to these factors and other local, national and international issues.