



destination**research**
delivering results : measuring what matters



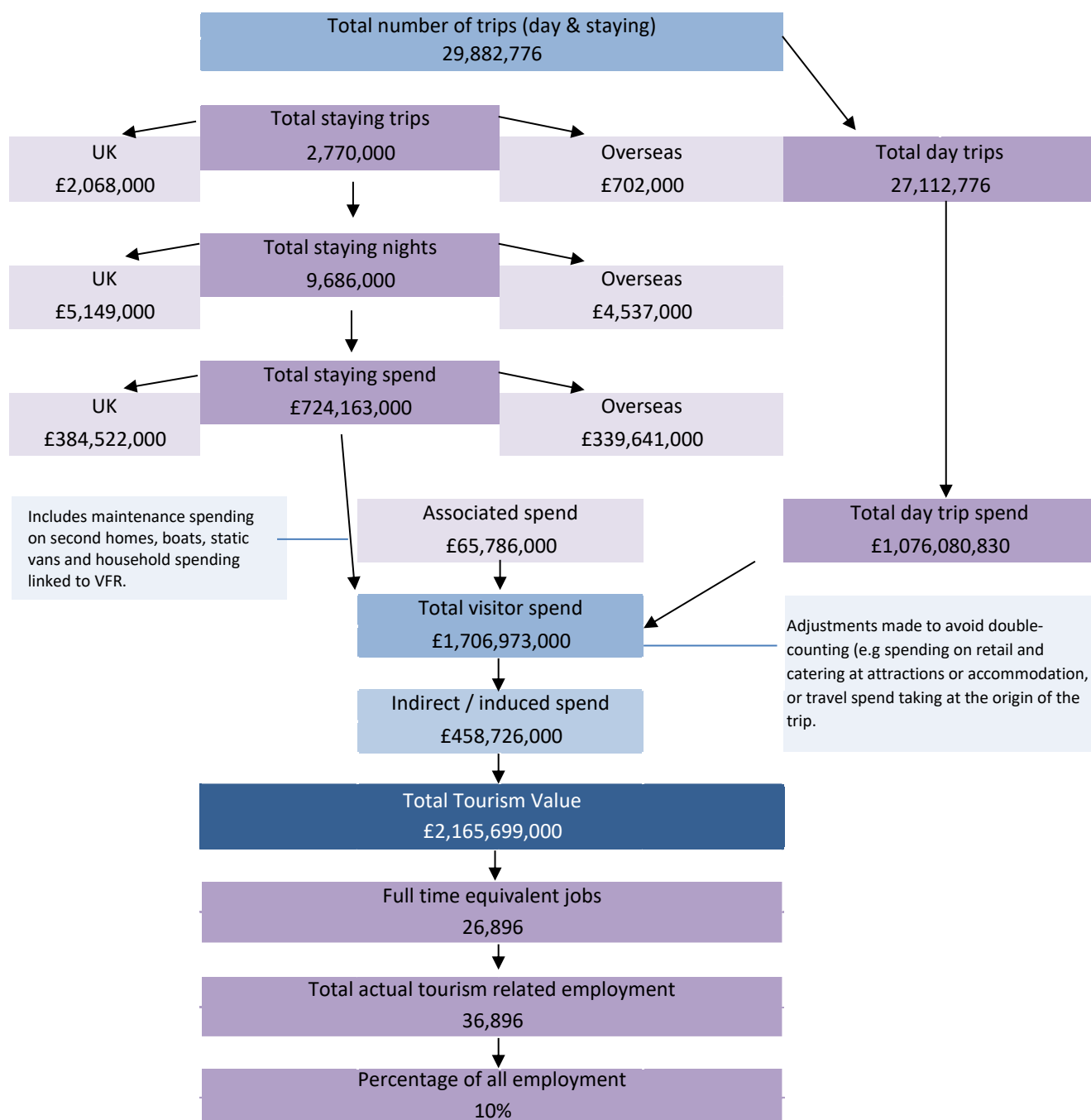
Produced by:

Destination Research
Sergi Jarques, Director

Economic Impact of Tourism
Oxfordshire - 2017

Economic Impact of Tourism – Headline Figures

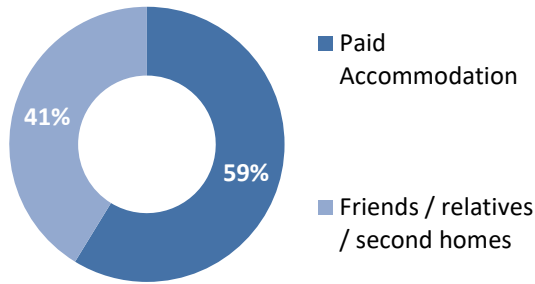
Oxfordshire - 2017



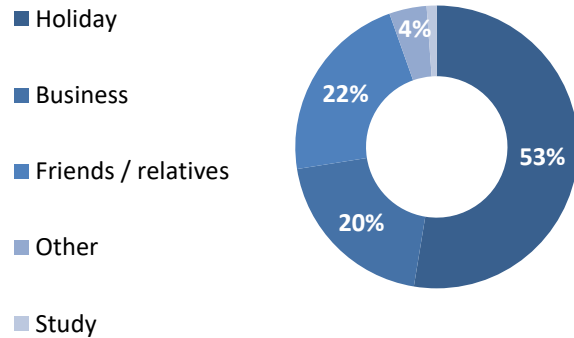
Economic Impact of Tourism – Year on year comparisons

<u>Day Trips</u>	2016	2017	Annual variation
Day trips Volume	24,874,106	27,112,776	9%
Day trips Value	£996,371,139	£1,076,080,830	8%
<u>Overnight trips</u>			
Number of trips	2,718,000	2,770,000	2%
Number of nights	9,843,000	9,686,000	-2%
Trip value	£699,200,000	£724,163,000	4%
Total Value	£2,044,477,000	£2,165,699,000	6%
Actual Jobs	34,856	36,896	6%

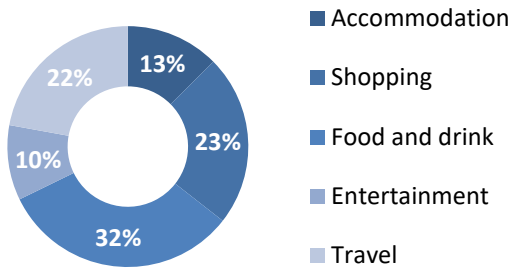
Type of Accommodation



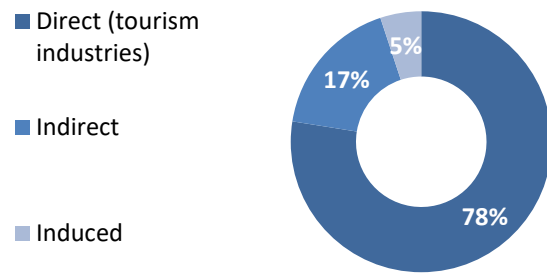
Trips by Purpose



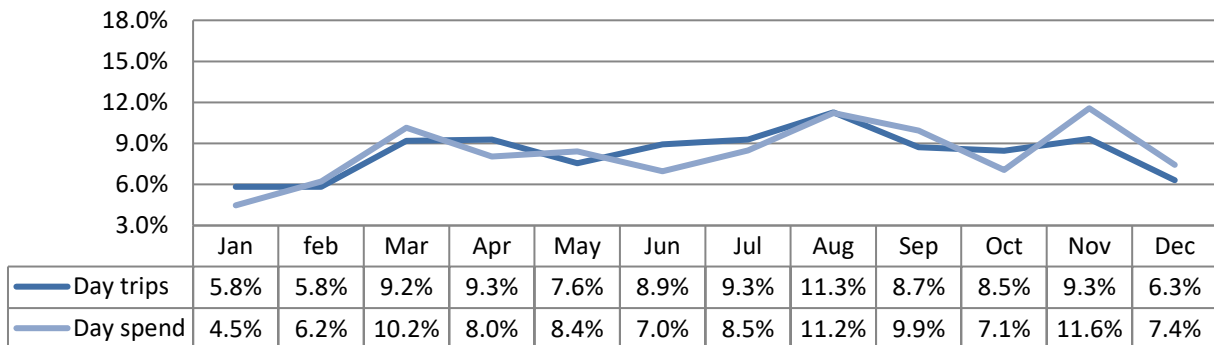
Breakdown of expenditure



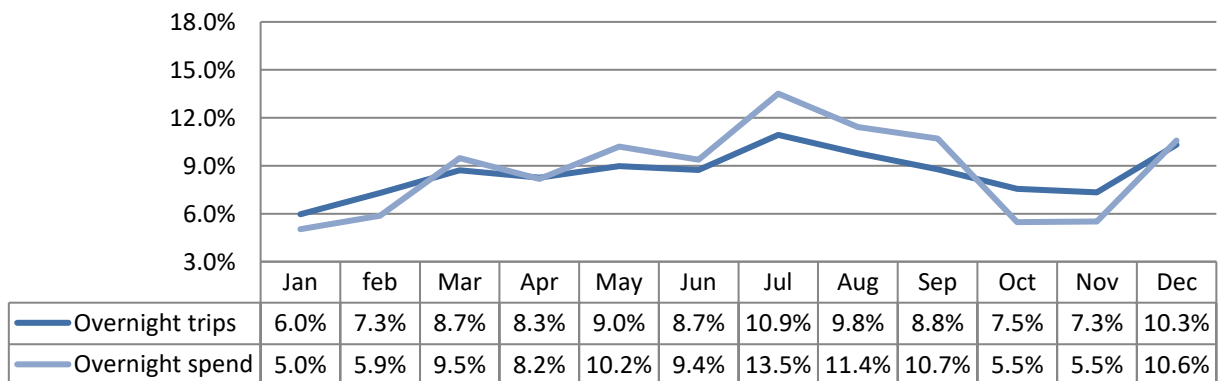
Type of employment



Seasonality - Day visitors



Seasonality - Overnight visitors



Contents	
<u>Contextual Analysis</u>	5
<u>Volume of Tourism</u>	8
Staying Visitors - Accommodation Type	9
Trips by Accommodation	
Nights by Accommodation	
Spend by Accommodation Type	
Staying Visitors - Purpose of Trip	10
Trips by Purpose	
Nights by Purpose	
Spend by Purpose	
Day Visitors	10
<u>Value of Tourism</u>	11
Expenditure Associated With Trips	12
Direct Expenditure Associated with Trips	
Other expenditure associated with tourism activity	
Direct Turnover Derived From Trip Expenditure	
Supplier and Income Induced Turnover	
Total Local Business Turnover Supported by Tourism Activity	
<u>Employment</u>	14
Direct	15
Full time equivalent	
Estimated actual jobs	
Indirect & Induced Employment	15
Full time equivalent	
Estimated actual jobs	
Total Jobs	16
Full time equivalent	
Estimated actual jobs	
Tourism Jobs as a Percentage of Total Employment	16
Appendix I - Cambridge Model - Methodology	18

INTRODUCTION

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in 2017 and provides comparative data against previously published data (2016). The results are derived using the Cambridge Economic Impact Model under licence by Destination Research Ltd based on the latest data from national tourism surveys and regionally/locally based data.

CONTEXTUAL ANALYSIS

The three key surveys used to measure volume and expenditure from tourism trips are the GB Tourism Survey (for domestic overnight trips), the International Passenger Survey (IPS) for visits from overseas, and the GB Day Visitor Survey (GBDVS), which measures tourism day visits. In addition, data from accommodation occupancy and visitors to visitor attractions have been used to estimate year-on-year changes in the volume and value of tourism related visits to the area.

Domestic tourism

National Performance

In 2017, British residents took 104.2 million overnight trips in England, totalling 299 million nights away from home. The number of domestic trips was 5% higher than in 2016, and nights were up by 4% compared to 2016. Holiday Trips in England in 2017 increased by 9% compared to 2016, with 48.9 million trips recorded.

Regional performance

The South East of England region experienced a 13% decrease in overnight trips during 2017. Bednights were down by 11% on 2016 and expenditure was down by approximately 4%. This resulted in a marginal increase in the average length of trips (the number of nights per trip) from 2.6 nights per trip in 2016 to 2.7 in 2017.

The region received less visitors in 2017 than in the previous year. However, those who did visit stayed for a slightly longer period of time and spent more during their visit. The average spend per night was up from £58.02 in 2016 to £63.00 in 2017.

The GB Tourism Survey data is a key driver for the Cambridge model. However, it is not specifically designed to produce highly accurate results at sub-regional level. In order to improve the accuracy of results we have applied a 3-year rolling average to this data to help smooth out short term market fluctuations and highlight longer-term trends.

Tourism Day Visits

National Performance

During 2017, GB residents took a total of 1,793 million Tourism Day Visits to destinations in England, Scotland or Wales, 2% down on 2016. Around £62.4 billion was spent during these trips, about 2.4% down on 2016. The largest proportion of visits were taken to destinations in England (1,505 million visits or 84% of the total). The distribution of expenditure during visits broadly reflects this pattern, with a total value of day trips to England totalling £50.9 billion (81.5% of the total for GB).

Regional performance

During 2017, the volume of tourism day visits in the South East of England decreased by 4% to 232 million. However, the Visits to Visitor Attractions Survey (2017) shows that the volume of visitors to fee paying attractions in the South East was up by 4% between 2016 and 2017. Tourism Day Visit related expenditure was down 18% to approximately £7.1 billion. In terms of expenditure incurred at visitor attractions, we used changes in admission charges to visitor attractions as well as gross revenue levels to estimate likely visitor expenditure levels. The results show an approximate 3% increase in admission fees and a 10% growth in gross revenue. However, not all areas experienced the same level of growth. Growth revenue was up 3% in coastal areas, 8% up in rural areas and 7% up in more urban areas.

Day visits to Oxfordshire

As with overnight visits, and in order to improve the accuracy of results we have applied a 3-year rolling average to this data to help smooth out short term market fluctuations and highlight longer-term trends. The model assumes day trips to be up 9% and expenditure to increase by approximately 8%.

Bicester Village

Visits to Bicester Village are included in the day trips count. One of the key sources of data for day visitors is the GB Day Visitor Survey (GBDVS). The GBDVS report shows tourism day trips to Cherwell to be in the region of 2.1 million but it does not include visits to Bicester Village (6.6 million visitors in 2017, up from 6.4 million in 2016). For this reason, we also collect information about larger retail parks / shopping mall destinations that attract large numbers of visitors, and we include a proportion of these trips in the calculations.

The definition of tourism day trips includes 'special' shopping trips for items not bought regularly. A large proportion of shopping trips to Bicester Village will fall under that category. However, it is also a prerequisite that the destination of the visit is different from the place (city, town or village) where the participant lives. In other words, residents are excluded from the day trip count. Based on these parameters, and for the particular case of Bicester Village, about two-thirds of all visitors to Bicester Village (c4.5 million) have been included, bringing the total figure of day trips to c7.3 million day trips. We base this estimate on the proximity of Bicester Village to London, the good access by rail and the popularity of the shopping destination among overseas visitors.

Visits from overseas

National Performance

The number of visits in 2017 grew 4% to a record 39.2 million, after several years of growth since 2010. The number of visitor nights spent in the UK increased by 3% in 2017 to 286 million, while the average number of nights per visit declined slightly from 7.4 in 2016 to 7.3 in 2017. The value of spending increased by 9% to £24.5 billion. Average spend per visit was £625 in 2017, up from £599 per visit in 2016.

Regional performance

The number of Overseas trips to the South East of England in 2016 grew 2.0% to reach 5.3 million overnight trips. The total number of nights was up by 6.4% to 38.4 million. Spend was down by 3.4% to £2.14 billion in 2017.

Overseas visits to Oxfordshire

The International Passenger Survey (IPS) data is a key driver for the Cambridge model. However, as with the GBTS, it is not specifically designed to produce highly accurate results at sub-regional level. In order to improve the accuracy of results we have applied a 3-year rolling average to this data to help smooth out short term market fluctuations and highlight longer-term trends.

Based on data for the period 2016-2017 the model assumes that the number of overseas trips to Oxfordshire in 2017 was up by 3.0%. The total number of visitor nights was marginally up by 0.4%. Spend was slightly up by 3.9%.

Volume of Tourism

Staying Visitors - Accommodation Type

Trips by Accommodation

	UK		Overseas		Total	
Serviced	785,000	38%	293,000	42%	1,078,000	39%
Self catering	55,000	3%	21,000	3%	76,000	3%
Camping	43,000	2%	17,000	2%	60,000	2%
Static caravans	5,000	0%	1,000	0%	6,000	0%
Group/campus	89,000	4%	84,000	12%	173,000	6%
Paying guest	0	0%	25,000	4%	25,000	1%
Second homes	12,000	1%	7,000	1%	19,000	1%
Boat moorings	34,000	2%	0	0%	34,000	1%
Other	149,000	7%	35,000	5%	184,000	7%
Friends & relatives	895,000	43%	220,000	31%	1,115,000	40%
Total	2017	2,068,000	702,000		2,770,000	
Comparison	2016	2,040,000	678,000		2,718,000	
Difference		1.4%	3.5%		1.9%	

Nights by Accommodation

	UK		Overseas		Total	
Serviced	1,487,000	29%	841,000	19%	2,328,000	24%
Self catering	198,000	4%	252,000	6%	450,000	4%
Camping	226,000	4%	54,000	1%	280,000	3%
Static caravans	30,000	1%	3,000	0%	33,000	0%
Group/campus	158,000	3%	1,178,000	26%	1,336,000	14%
Paying guest	0	0%	326,000	7%	326,000	3%
Second homes	17,000	0%	156,000	3%	173,000	2%
Boat moorings	174,000	3%	0	0%	174,000	2%
Other	583,000	11%	74,000	2%	657,000	7%
Friends & relatives	2,276,000	44%	1,653,000	36%	3,929,000	41%
Total	2017	5,149,000	4,537,000		9,686,000	
Comparison	2016	5,326,000	4,517,000		9,843,000	
Difference		-3.3%	0.4%		-1.6%	

Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£227,652,000	59%	£167,828,000	49%	£395,480,000	55%
Self catering	£12,865,000	3%	£17,103,000	5%	£29,968,000	4%
Camping	£10,245,000	3%	£1,069,000	0%	£11,314,000	2%
Static caravans	£758,000	0%	£105,000	0%	£863,000	0%
Group/campus	£13,258,000	3%	£63,069,000	19%	£76,327,000	10%
Paying guest	£0	0%	£21,379,000	6%	£21,379,000	3%
Second homes	£709,000	0%	£2,138,000	1%	£2,847,000	0%
Boat moorings	£7,158,000	2%	£0	0%	£7,158,000	1%
Other	£26,560,000	7%	£9,064,000	3%	£35,624,000	5%
Friends & relatives	£85,319,000	22%	£57,886,000	17%	£143,205,000	20%
Total	2017	£384,522,000	£339,641,000		£724,163,000	
Comparison	2016	£372,239,000	£326,961,000		£699,200,000	
Difference		3.3%	3.9%		3.6%	

Serviced accommodation includes hotels, guesthouses, inns, B&B and serviced farmhouse accommodation. Paying guest refers to overseas visitors staying in private houses, primarily language school students. Other trips includes nights spent in transit, in lorry cabs and other temporary accommodation.

Staying Visitors - Purpose of Trip

Trips by Purpose

	UK		Overseas		Total	
Holiday	1,208,000	58%	255,000	36%	1,463,000	53%
Business	370,000	18%	170,000	24%	540,000	20%
Friends & relatives	397,000	19%	217,000	31%	614,000	22%
Other	92,000	4%	27,000	4%	119,000	4%
Study	0	0%	32,000	5%	32,000	1%
Total	2017	2,068,000	702,000		2,770,000	
Comparison	2016	2,040,000	678,000		2,718,000	
Difference		1.4%	3.5%		1.9%	

Nights by Purpose

	UK		Overseas		Total	
Holiday	3,187,000	62%	1,048,000	23%	4,235,000	44%
Business	846,000	16%	610,000	13%	1,456,000	15%
Friends & relatives	922,000	18%	1,555,000	34%	2,477,000	25%
Other	195,000	4%	343,000	8%	538,000	6%
Study	0	0%	981,000	22%	981,000	10%
Total	2017	5,149,000	4,537,000		9,686,000	
Comparison	2016	5,326,000	4,517,000		9,843,000	
Difference		-3.3%	0.4%		-1.6%	

Spend by Purpose

	UK		Overseas		Total	
Holiday	£249,380,000	65%	£97,456,000	29%	£346,836,000	48%
Business	£72,809,000	19%	£68,572,000	20%	£141,381,000	20%
Friends & relatives	£52,321,000	14%	£85,508,000	25%	£137,829,000	19%
Other	£10,013,000	3%	£19,725,000	6%	£29,738,000	4%
Study	£0	0%	£68,381,000	20%	£68,381,000	9%
Total	2017	£384,522,000	£339,641,000		£724,163,000	
Comparison	2016	£372,239,000	£326,961,000		£699,200,000	
Difference		3.3%	3.9%		3.6%	

Day Visitors

Total Volume and Value of Day Trips

		Trips	Spend
Total	2017	27,112,776	£1,076,080,830
Comparison	2016	24,874,106	£996,371,139
Difference		9.0%	8.0%

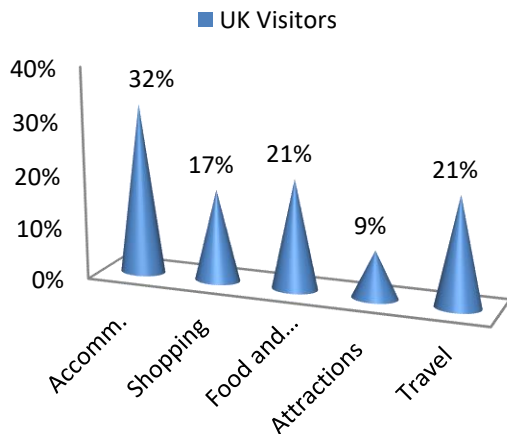
Value of Tourism

Expenditure Associated with Trips:

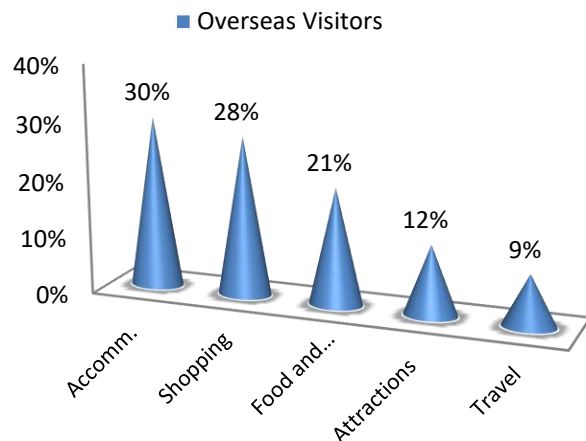
Direct Expenditure Associated with Trips

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Visitors		£124,163,000	£66,629,000	£79,893,000	£34,360,000	£79,477,000	£384,522,000
Overseas Visitors		£102,091,000	£94,885,000	£69,702,000	£41,965,000	£30,997,000	£339,640,000
Total Staying		£226,254,000	£161,514,000	£149,595,000	£76,325,000	£110,474,000	£724,162,000
Total Staying (%)		31%	22%	21%	11%	15%	100%
Total Day Visitors		£0	£252,612,000	£430,432,000	£105,251,000	£288,199,000	£1,076,494,000
Total Day Visitors (%)		0%	23%	40%	10%	27%	100%
Total 2017		£226,254,000	£414,126,000	£580,027,000	£181,576,000	£398,673,000	£1,800,656,000
%		13%	23%	32%	10%	22%	100%
Comparison 2016		£218,477,000	£389,743,000	£542,989,000	£171,116,000	£373,629,000	£1,695,954,000
Difference		3.6%	6.3%	6.8%	6.1%	6.7%	6.2%

Breakdown of expenditure



Breakdown of expenditure



Other expenditure associated with tourism activity

Other expenditure associated with tourism activity - Estimated spend				
Second homes	Boats	Static vans	Friends & relatives	Total
£1,163,000	£3,106,000	£60,000	£61,457,000	£65,786,000

Spend on second homes is assumed to be an average of £2,000 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,000 on berthing charges, servicing and maintenance and upgrading of equipment. Static van spend arises in the case of vans purchased by the owner and used as a second home. Expenditure is incurred in site fees, utility charges and other spending and is estimated at £2,000. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £175 per visit has been assumed based on national research for social and personal visits.

Direct Turnover Derived From Trip Expenditure

Business turnover arises as a result of tourist spending, from the purchase of supplies and services locally by businesses in receipt of visitor spending and as a result of the spending of wages in businesses by employees whose jobs are directly or indirectly supported by tourism spending.

	UK Overnight	Overseas	Day Visitors	Total
Accommodation	£125,806,000	£103,441,000	£8,609,000	£237,856,000
Retail	£65,963,000	£93,936,000	£250,085,000	£409,984,000
Catering	£77,497,000	£67,611,000	£417,519,000	£562,627,000
Attractions	£35,760,000	£43,676,000	£112,081,000	£191,517,000
Transport	£47,686,000	£18,598,000	£172,919,000	£239,203,000
Non-trip spend	£65,786,000	£0	£0	£65,786,000
Total Direct 2017	£395,990,000	£349,770,000	£961,213,000	£1,706,973,000
Comparison 2016	£382,337,370	£337,710,630	£890,013,000	£1,610,061,000
Difference	3.6%	3.6%	8.0%	6.0%

Adjustments have been made to recognise that some spending on retail and food and drink will fall within attractions or accommodation establishments. It is assumed that 40% of travel spend will take place at the origin of the trip rather than at the destination.

Supplier and Income Induced Turnover

	UK Overnight	Overseas	Day Visitors	Total
Indirect spend	£83,201,000	£73,489,000	£185,449,000	£342,139,000
Non trip spending	£13,157,000	£0	£0	£13,157,000
Income induced	£39,478,000	£34,870,000	£29,082,000	£103,430,000
Total 2017	£135,836,000	£108,359,000	£214,531,000	£458,726,000
Comparison 2016	£125,194,398	£110,581,602	£198,640,000	£434,416,000
Difference	8.5%	-2.0%	8.0%	5.6%

Income induced spending arises from expenditure by employees whose jobs are supported by tourism spend.

Total Local Business Turnover Supported by Tourism Activity – Value of Tourism

	UK Overnight	Overseas	Day Visitors	Total
Direct	£395,990,000	£349,770,000	£961,213,000	£1,706,973,000
Indirect	£135,836,000	£108,359,000	£214,531,000	£458,726,000
Total Value 2017	£531,826,000	£458,129,000	£1,175,744,000	£2,165,699,000
Comparison 2016	£507,531,768	£448,292,232	£1,088,653,000	£2,044,477,000
Difference	4.8%	2.2%	8.0%	5.9%

Domestic, 53%

Overseas, 47%

Employment

Employment

The model generates estimates of full time equivalent jobs based on visitor spending. The total number of 'actual' jobs will be higher when part time and seasonal working is taken into account. Conversion of full time equivalent jobs into actual jobs relies on information from business surveys in the sectors receiving visitor spending.

Direct employment

Full time equivalent (FTE)					
	UK Overnight	Overseas	Day Visitor	Total	
Accommodation	1,783	1,466	122	3,372	17%
Retailing	547	779	2,075	3,402	18%
Catering	1,038	906	5,594	7,538	39%
Entertainment	489	597	1,532	2,617	13%
Transport	327	128	1,186	1,641	8%
Non-trip spend	554	490	0	1,044	5%
Total FTE	2017	4,739	4,366	10,509	19,615
Comparison	2016	4,668	4,123	9,731	18,522
Difference		1.5%	5.9%	8.0%	5.9%
Estimated actual jobs					
	UK Overnight	Overseas	Day Visitor	Total	
Accommodation	2,639	2,170	181	4,990	17%
Retailing	821	1,169	3,113	5,103	18%
Catering	1,558	1,359	8,391	11,308	40%
Entertainment	689	842	2,160	3,691	13%
Transport	461	180	1,673	2,314	8%
Non-trip spend	632	558	0	1,190	4%
Total Actual	2017	6,800	6,278	15,517	28,595
Comparison	2016	6,705	5,922	14,367	26,995
Difference		1.4%	6.0%	8.0%	5.9%

Indirect & Induced Employment

Full time equivalent (FTE)				
	UK Overnight	Overseas	Day Visitors	Total
Indirect jobs	1,432	1,264	2,944	5,640
Induced jobs	627	553	462	1,642
Total FTE	2017	2,058	1,818	3,405
Comparison	2016	1,987	1,755	3,153
Difference		3.6%	3.6%	8.0%

Estimated actual jobs				
	UK Overnight	Overseas	Day Visitors	Total
Indirect jobs	1,632	1,441	3,356	6,429
Induced jobs	714	631	526	1,872
Total Actual	2017	2,346	2,072	3,882
Comparison	2016	2,265	2,001	3,594
Difference		3.6%	3.6%	8.0%

Total Jobs

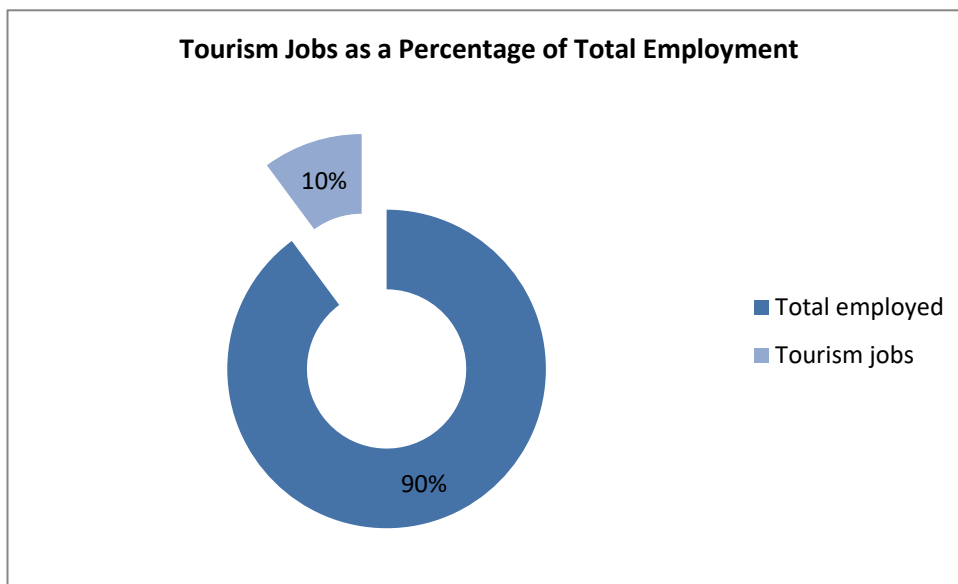
Actual jobs are estimated from surveys of relevant businesses at locations in England and take account of part time and seasonal working.

Full time equivalent (FTE)						
	UK Overnight	Overseas	Day Visitor		Total	
Direct	4,739	4,366	10,509	76%	19,615	73%
Indirect	1,432	1,264	2,944	21%	5,640	21%
Induced	627	553	462	3%	1,642	6%
Total FTE	2017	6,798	6,184	13,915	26,896	
Comparison	2016	6,655	5,879	12,884	25,418	
Difference		2.1%	5.2%	8.0%	5.8%	

Estimated actual jobs						
	UK Overnight	Overseas	Day Visitor		Total	
Direct	6,800	6,278	15,517	80%	28,595	78%
Indirect	1,632	1,441	3,356	17%	6,429	17%
Induced	714	631	526	3%	1,872	5%
Total Actual	2017	9,147	8,350	19,399	36,896	
Comparison	2016	8,970	7,923	17,962	34,856	
Difference		2.0%	5.4%	8.0%	5.9%	

Tourism Jobs as a Percentage of Total Employment

	UK Overnight	Overseas	Day visitors	Total
Total employed	363,900	363,900	363,900	363,900
Tourism jobs	9,147	8,350	19,399	36,896
Proportion all jobs	2.5%	2.3%	5.3%	10.1%
Comparison	2016	8,970	8,350	17,962
Difference		2.0%	0.0%	8.0%
				5.9%



The key 2017 results of the Economic Impact Assessment are:

29.9 million trips were undertaken in the area.

27.1 million day trips.

2.8 million staying trips.

9.7 million nights in the area as a result of staying trips.

£1,801 million spent by tourists during their visit to the area.

£150 million spent on average in the local economy each month.

£724 million generated by staying trips.

£1,076 million generated from irregular day trips.

£2,166 million spent in the local area as result of tourism, taking into account multiplier effects.

36,896 jobs supported, both for local residents and for those living nearby.

28,595 tourism jobs directly supported.

8,301 non-tourism related jobs supported linked to multiplier spend from tourism.

Key DOMESTIC staying trips

2.1 million staying trips.

5.1 million nights spent in the area as a result of staying trips.

2.5 nights per trip.

£385 million spent by tourists during their visit to the area.

£185.94 spend per trip.

£74.68 spend per night.

£32 million spent on average in the local economy each month.

Key OVERSEAS staying trips

0.7 million staying trips.

4.5 million nights spent in the area as a result of staying trips.

6.5 nights per trip.

£340 million spent by tourists during their visit to the area.

£483.82 spend per trip.

£74.86 spend per night.

£28 million spent on average in the local economy each month.

Appendix I - Introduction to Cambridge Model

This report examines the volume and value of tourism and the impact of that expenditure on the local economy. The figures were derived using the Cambridge Economic Impact Model and the research was undertaken by Destination Research.

The model utilises information from national tourism surveys and regionally based data held by Destination Research. It distributes regional activity as measured in those surveys to local areas using 'drivers' such as the accommodation stock and occupancy which influence the distribution of tourism activity at local level.

Limitations of the Model

The methodology and accuracy of the above sources varies. The results of the model should therefore be regarded as estimates which are indicative of the scale and importance of visitor activity in the local area. It is important to note that in the national tourism surveys the sample sizes for each area changes year on year. This is as a result of the random probability nature of the methodology. As such, the results of the Cambridge Model are best viewed as a snapshot in time and we would caution against year-on-year comparisons.

It should be noted that the model cannot take into account any leakage of expenditure from tourists taking day trips out of the area in which they are staying. While it is assumed that these may broadly balance each other in many areas, in locations receiving significant numbers of day visitors from London, there is likely to be an underestimate in relation to the number of overseas day visitors staying in holiday accommodation in London.

Whilst it is important to be aware of these issues, we are confident that the estimates we have produced are as reliable as is practically possible within the constraints of the information available.

Rounding

All figures used in this report have been rounded. In some tables there may therefore be a slight discrepancy between totals and sub totals.

Data sources

The main national surveys used as data sources in stage one include:

- Great Britain Tourism Survey (GBTS) - information on tourism activity by GB residents;
- International Passenger Survey (IPS) information on overseas visitors to the United Kingdom;
- Day Visits in the annual Great Britain Day Visitor Survey using information on visits lasting more than 3 hours and taken on an irregular basis.

These surveys provide information down to a regional level. In order to disaggregate data to a local level the following information sources are used:

- Records of known local accommodation stock held by Destination Research;
- VisitEngland's surveys of Visits to Attractions, which provide data on the number of visitors to individual tourist attractions;
- Mid- 2017 estimates of resident population as based on the 2011 Census of Population;
- Selected data from the 2011 Census of Employment;
- Selected data on the countryside including national designations.

Staying Visitors

The GBTS provides information on the total number of trips to the region and the relative proportions using different types of accommodation. By matching these figures to the supply of such accommodation, the regional average number of trips per bedspace or unit of accommodation can be derived. The IPS provides information on the total number of trips by overseas visitors to the region. The model uses three year rolling averages to reduce extreme highs and lows which are due to small sample sizes, rather than being a reflection on drastic changes in demand year-on-year.

Day Visitors

Information on day trips at the regional level is available from the Day Visits in Great Britain survey. The survey includes all leisure-related trips from home. It should be noted that a large proportion are local trips made by people resident in the locality. The model uses information from the survey to estimate the number of longer day trips (defined as those lasting at least 3 hours and involving travel of more than 20 miles) and irregular trips lasting more than 3 hours.

Impact of tourism expenditure

This section examines the impact of the tourism expenditure in terms of the direct, indirect and induced expenditure as well as an estimate of the actual jobs (both direct and indirect) supported by tourism expenditure in the district.

The GBTS, IPS and Day Visits to Great Britain survey data on the breakdown of visitor spending. The impact of this initial round of expenditure will be subsequently increased by multiplier effects. These arise from the purchase of supplies and services by the businesses in receipt of visitor expenditure (indirect impacts), and by the income induced-effects arising from the spending of wages by employees in the first round of business and in subsequent expenditure in supplier business (induced impacts).

The New Earnings Survey which provides information on wage levels by industry sector and region; an internal business database which includes data on the structure of business expenditure, local linkages and multiplier ratios drawn from a wide range of business and economic studies carried out by Geoff Broom Associates, PA Cambridge Economic Consultants and others. By applying the breakdown to the estimates of visitor spending, the model generates estimates of total direct spending.

Evidence from national studies suggests that some minor adjustments are required to match visitor spend to business turnover – for example, some expenditure on food and drink actually takes place in inns and hotels that fall in the accommodation sector and within attractions. More significantly, expenditure on travel costs associated with individual trips is equally likely to take place at the origin of the trip as at the destination. Therefore the model assumes that only 40% of travel expenditure accrues to the destination area.

Number of full time job equivalents

Having identified the value of turnover generated by visitor spending, it is possible to estimate the employment associated with that spending. Wages for staff and drawings for the proprietors will absorb a proportion of that turnover. By applying these proportions to the overall additional turnover in each sector, the amount of money absorbed by employment costs can be calculated. The New Earnings Survey provides data from which the average costs by business sector, adjusted to take account of regional differences, can be calculated.

After allowing for additional costs such as National Insurance and pension costs, an average employment cost per full time equivalent job can be estimated. The number of such jobs in the local area can then be estimated by dividing the amount of business expenditure on wages and drawings by the average employment cost per job.

Number of Actual Jobs

The model generates estimates of full time equivalent jobs based on visitor spending. However, the total number of actual jobs will be higher when part time and seasonal working is taken into account. The full time equivalent jobs arising directly from visitor spending are converted into actual jobs using information from business surveys in the sectors receiving visitor spending. In general, the conversion factor varies around 1.5 in those sectors.

The indirect and induced jobs arise across a much wider range of employment sectors. Therefore, the average 1.16 for all sectors based on Census of Employment data has been used to convert full time equivalent jobs in this sector to actual jobs.

The employment estimates generated by the model include both self employed and employed people supported by visitor expenditure. The model also includes an estimate of the additional jobs arising in the attractions sector, which are not related to visitor expenditure. However, the numbers do not include other tourism-related employment such as jobs in local authorities arising from their tourism functions, e.g. tourist information staff, additional public health, parks and gardens, public conveniences, maintenance sections and jobs arising from capital investment in tourism facilities.

Produced by:



Registered in England No. 9096970
VAT Registration No. GB 192 3576 85

45 Colchester Road
Manningtree
CO11 2BA

Sergi Jarques
Director
Tel: 01206 392528
info@destinationresearch.co.uk
www.destinationresearch.co.uk