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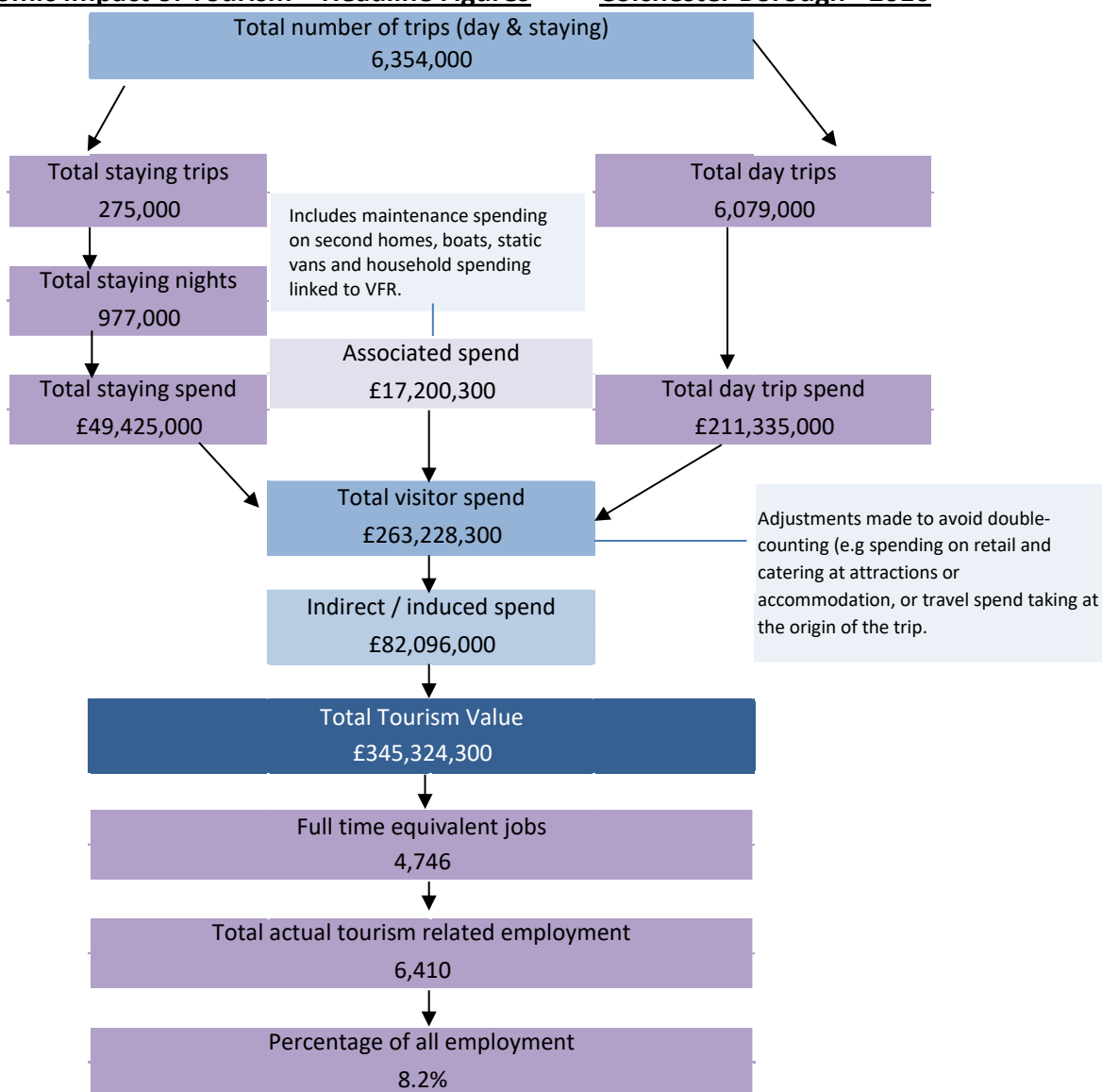
Destination Research  
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Economic Impact of Tourism  
Colchester Borough - 2016

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## Economic Impact of Tourism – Headline Figures

## Colchester Borough - 2016

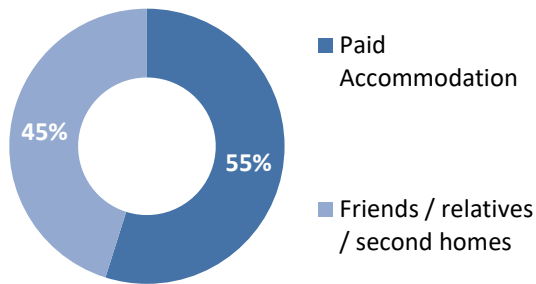


### Economic Impact of Tourism – Year on year comparisons

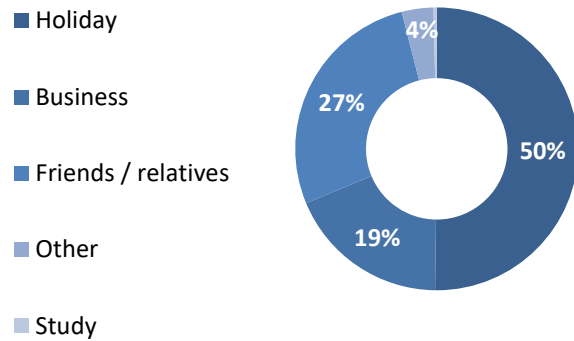
Day Trips	2015	2016	Annual variation
Day trips Volume	5,927,000	6,079,000	2.6%
Day trips Value	£204,976,000	£211,335,000	3.1%
<b>Overnight trips</b>			
Number of trip	274,000	275,000	0.4%
Number of nights	963,000	977,000	1.5%
Trip value	£48,343,000	£49,425,000	2.2%
<b>Total Value</b>	<b>£335,174,300</b>	<b>£345,324,300</b>	<b>3.0%</b>
<b>Actual Jobs</b>	<b>6,221</b>	<b>6,410</b>	<b>3.0%</b>

	2015	2016	Variation
Average length stay (nights x trip)	3.51	3.55	1.1%
Spend x overnight trip	£ 176.43	£ 179.73	1.9%
Spend x night	£ 50.20	£ 50.59	0.8%
Spend x day trip	£ 34.58	£ 34.76	0.5%

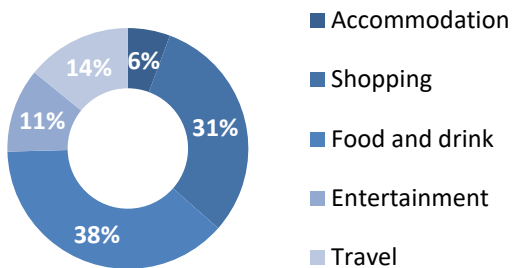
### Type of Accommodation



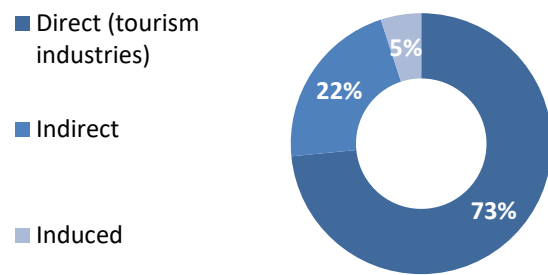
### Trips by Purpose



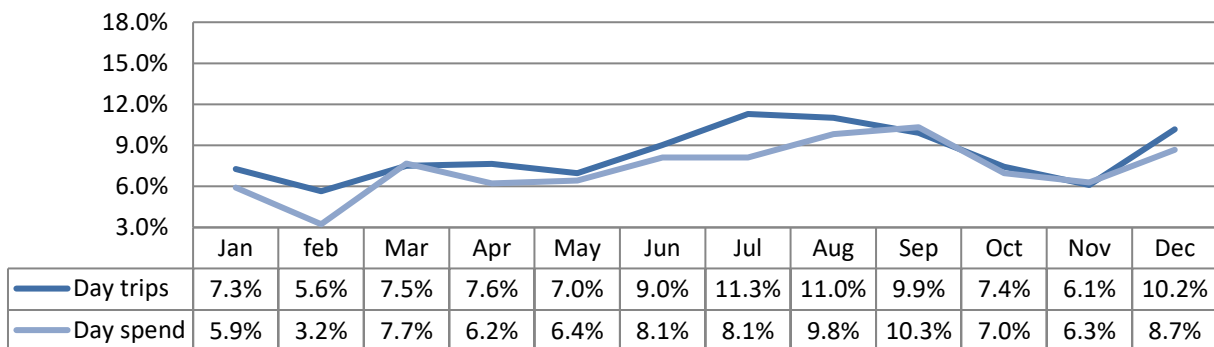
### Breakdown of expenditure



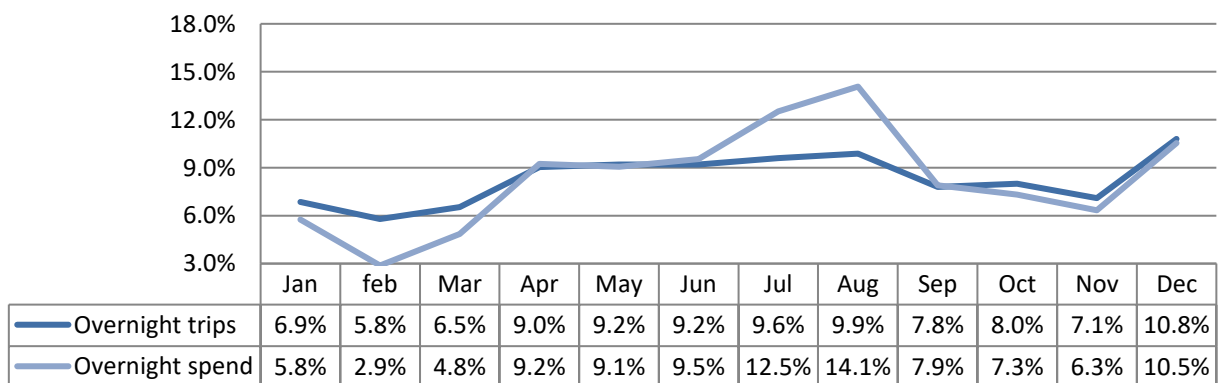
### Type of employment



### Seasonality - Day visitors



### Seasonality - Overnight visitors



## **Contextual analysis**

### **INTRODUCTION**

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in 2016 and provides comparative data against previously published data. 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 BG Day Visitor Survey (GBDVS), which measures tourism day visits.

#### **Domestic tourism**

##### **National Performance**

In 2016, British residents took 99.3 million overnight trips in England, totalling 295 million nights away from home. The number of domestic trips was 4% lower than in 2014, and nights were down by 5% in 2015. Holiday Trips in England in 2016 increased by +2% compared to the same period last year, with 44.7 million trips recorded. Visits to friends and relatives decreased by -9% to 36.9 million. Business trips increased for the January to December period, up by +2% to 14.1 million.

##### **Regional performance**

The East of England region experienced a 3% drop in overnight trips during 2016. Bednights were up by 2% on 2015 and expenditure was up by 2%. This resulted in an increase in the average length of trips (the number of night per trip) from 2.9 nights per trip in 2015 to 3.2 in 2016.

The average spend per night was unchanged at £57.7 and the spend per trip was up from £165.60 in 2015 to £183.11 in 2016. The region received less visitors in 2016 than in the previous year. However, those who did visit stayed for longer, which resulted in an average greater expenditure levels per trip.

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 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.

## **Visits from overseas**

### **National Performance**

The number of visits in 2016 grew 4% to a record 37.6 million, after several years of growth since 2010. The number of visitor nights spent in the UK increased by 2% in 2016 to 277 million, with the average number of nights per visit declining at 7.4.

The value of spending increased by 2% to £22.5 billion. Average spend per visit was £599 in 2016, down from the peak of £650 per visit in 2013 and reflecting a lower spend per visit, due to shorter average length of stay.

### **Regional performance**

The number of Overseas trips to the East of England in 2016 grew 10% to reach 2.4 million overnight trips. The total number of nights was down by 1.5% to 16.4 million. Spend was down by 11% to £854 million in 2016.

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 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 2014-2016 the model assumes that the number of overseas trips to the East region in 2016 was up by 6%. The total number of nights was up by 4%. Spend remain unchanged.

## **Tourism Day Visits**

### **National Performance**

During 2016, GB residents took a total of 1,834 million Tourism Day Visits to destinations in England, Scotland or Wales, 3% up from 2015. Around £64 billion was spent during these trips, less than 1% up from 2015.

The largest proportion of visits were taken to destinations in England (1,557 million visits or 85% of the total). The distribution of expenditure during visits broadly reflects this pattern, with a total value of day trips to England totalling £53.5 billion (84%) of the total for GB).

### **Regional performance**

During 2016, the volume tourism day visits in the East of England increased by 3% to 140 million with a 4% decrease in expenditure (down to approximately £3.5 billion). The Visits to Visitor Attractions Survey (2016) shows that the volume of visitors to fee paying attractions in the East was up by 5% between 2015 and 2016.

We have used changes in admission charges as well as gross revenue levels to estimate likely visitor expenditure levels. The results show an approximate 8% increase in admission fees and a 6% growth in gross revenue. However, not all areas experienced the same level of growth. Growth revenue was up 6% in coastal areas, 5% up in rural areas and 8% up in more urban areas.

Based on these results the model assumes day trips to be up 3% and expenditure to increase by approximately 4%, meaning that expenditure per trip has increased slightly 2015 and 2016.

## Volume of Tourism

## Staying Visitors - Accommodation Type

### Trips by Accommodation

	UK		Overseas		Total	
Serviced	86,000	41%	19,000	29%	105,000	38%
Self catering	2,000	1%	0	0%	2,000	1%
Camping	11,000	5%	1,000	2%	12,000	4%
Static caravans	2,000	1%	0	0%	2,000	1%
Group/campus	6,000	3%	8,000	12%	14,000	5%
Paying guest	0	0%	1,000	2%	1,000	0%
Second homes	0	0%	0	0%	0	0%
Boat moorings	1,000	0%	0	0%	1,000	0%
Other	4,000	2%	11,000	17%	15,000	5%
Friends & relatives	99,000	47%	25,000	38%	124,000	45%
<b>Total</b> 2016	<b>210,000</b>		<b>65,000</b>		<b>275,000</b>	
<b>Comparison</b> 2015	<b>214,000</b>		<b>60,000</b>		<b>274,000</b>	
<b>Difference</b>	<b>-2%</b>		<b>8%</b>		<b>0%</b>	

### Nights by Accommodation

	UK		Overseas		Total	
Serviced	157,000	28%	72,000	17%	229,000	23%
Self catering	3,000	1%	10,000	2%	13,000	1%
Camping	46,000	8%	3,000	1%	49,000	5%
Static caravans	6,000	1%	0	0%	6,000	1%
Group/campus	12,000	2%	89,000	21%	101,000	10%
Paying guest	0	0%	8,000	2%	8,000	1%
Second homes	1,000	0%	4,000	1%	5,000	1%
Boat moorings	1,000	0%	0	0%	1,000	0%
Other	12,000	2%	17,000	4%	29,000	3%
Friends & relatives	317,000	57%	219,000	52%	536,000	55%
<b>Total</b> 2016	<b>555,000</b>		<b>422,000</b>		<b>977,000</b>	
<b>Comparison</b> 2015	<b>561,000</b>		<b>402,000</b>		<b>963,000</b>	
<b>Difference</b>	<b>-1%</b>		<b>5%</b>		<b>1%</b>	

### Spend by Accommodation Type

	UK		Overseas		Total	
Serviced	£17,592,000	63%	£3,590,000	17%	£21,182,000	43%
Self catering	£231,000	1%	£754,000	3%	£985,000	2%
Camping	£1,257,000	5%	£112,000	1%	£1,369,000	3%
Static caravans	£243,000	1%	£0	0%	£243,000	0%
Group/campus	£619,000	2%	£3,545,000	16%	£4,164,000	8%
Paying guest	£0	0%	£250,000	1%	£250,000	1%
Second homes	£24,000	0%	£119,000	1%	£143,000	0%
Boat moorings	£61,000	0%	£0	0%	£61,000	0%
Other	£172,000	1%	£1,116,000	5%	£1,288,000	3%
Friends & relatives	£7,678,000	28%	£12,062,000	56%	£19,740,000	40%
<b>Total</b> 2016	<b>£27,877,000</b>		<b>£21,548,000</b>		<b>£49,425,000</b>	
<b>Comparison</b> 2015	<b>£27,825,000</b>		<b>£20,518,000</b>		<b>£48,343,000</b>	
<b>Difference</b>	<b>0%</b>		<b>5%</b>		<b>2%</b>	

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	120,000	57%	18,000	28%	138,000	50%
Business	36,000	17%	15,000	23%	51,000	19%
Friends & relatives	49,000	23%	26,000	40%	75,000	27%
Other	5,000	2%	5,000	8%	10,000	4%
Study	0	0%	1,000	2%	1,000	0%
<b>Total</b>	<b>2016</b>	<b>210,000</b>	<b>65,000</b>		<b>275,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>214,000</b>	<b>60,000</b>		<b>274,000</b>	
<b>Difference</b>		<b>-2%</b>	<b>8%</b>		<b>0%</b>	

### Nights by Purpose

	UK		Overseas		Total	
Holiday	346,000	62%	95,000	23%	441,000	45%
Business	72,000	13%	50,000	12%	122,000	12%
Friends & relatives	125,000	23%	209,000	50%	334,000	34%
Other	12,000	2%	38,000	9%	50,000	5%
Study	0	0%	31,000	7%	31,000	3%
<b>Total</b>	<b>2016</b>	<b>555,000</b>	<b>422,000</b>		<b>977,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>561,000</b>	<b>402,000</b>		<b>963,000</b>	
<b>Difference</b>		<b>-1%</b>	<b>5%</b>		<b>1%</b>	

### Spend by Purpose

	UK		Overseas		Total	
Holiday	£13,866,000	50%	£4,625,000	21%	£18,491,000	37%
Business	£8,596,000	31%	£4,196,000	19%	£12,792,000	26%
Friends & relatives	£4,707,000	17%	£8,680,000	40%	£13,387,000	27%
Other	£708,000	3%	£1,492,000	7%	£2,200,000	4%
Study	£0	0%	£2,554,000	12%	£2,554,000	5%
<b>Total</b>	<b>2016</b>	<b>£27,877,000</b>	<b>£21,548,000</b>		<b>£49,425,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>£27,825,000</b>	<b>£20,518,000</b>		<b>£48,343,000</b>	
<b>Difference</b>		<b>0%</b>	<b>5%</b>		<b>2%</b>	

## Day Visitors

### Trips and Spend by Urban, Rural and Coastal Area

	Trips		Spend	
Urban visits	3,759,000		£135,722,000	
Countryside visits	1,234,000		£39,443,000	
Coastal visits	1,086,000		£36,170,000	
<b>Total</b>	<b>2016</b>	<b>6,079,000</b>	<b>£211,335,000</b>	
<b>Comparison</b>	<b>2015</b>	<b>5,927,000</b>	<b>£204,976,000</b>	
<b>Difference</b>		<b>3%</b>	<b>3%</b>	

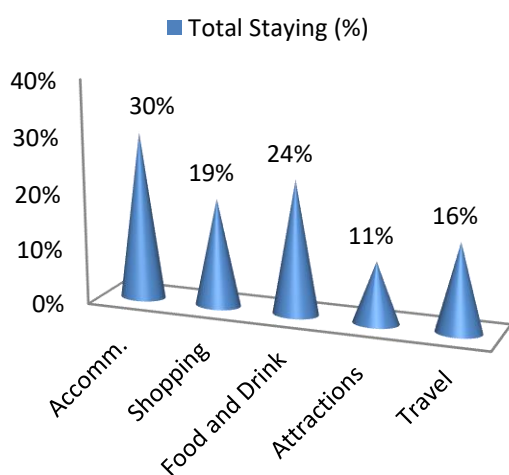
## Value of Tourism

## Expenditure Associated with Trips:

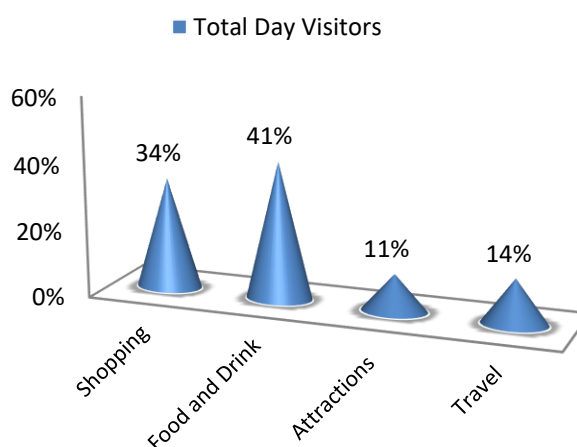
### Direct Expenditure Associated with Trips

		Accomm.	Shopping	Food and Drink	Attractions	Travel	Total
UK Tourists		£8,792,000	£3,408,000	£7,133,000	£2,809,000	£5,735,000	£27,877,000
Overseas tourists		£6,016,000	£6,135,000	£4,674,000	£2,630,000	£2,093,000	£21,548,000
<b>Total Staying</b>		<b>£14,808,000</b>	<b>£9,543,000</b>	<b>£11,807,000</b>	<b>£5,439,000</b>	<b>£7,828,000</b>	<b>£49,425,000</b>
<b>Total Staying (%)</b>		<b>30%</b>	<b>19%</b>	<b>24%</b>	<b>11%</b>	<b>16%</b>	<b>100%</b>
<b>Total Day Visitors</b>		<b>£0</b>	<b>£70,830,000</b>	<b>£87,504,000</b>	<b>£23,998,000</b>	<b>£29,002,000</b>	<b>£211,334,000</b>
<b>Total Day Visitors</b>		<b>0%</b>	<b>34%</b>	<b>41%</b>	<b>11%</b>	<b>14%</b>	<b>100%</b>
<b>Total</b>	<b>2016</b>	<b>£14,808,000</b>	<b>£80,373,000</b>	<b>£99,311,000</b>	<b>£29,437,000</b>	<b>£36,830,000</b>	<b>£260,759,000</b>
<b>%</b>		<b>6%</b>	<b>31%</b>	<b>38%</b>	<b>11%</b>	<b>14%</b>	<b>100%</b>
<b>Comparison</b>	<b>2015</b>	<b>£14,519,000</b>	<b>£78,095,000</b>	<b>£96,316,000</b>	<b>£28,657,000</b>	<b>£35,732,000</b>	<b>£253,319,000</b>
<b>Difference</b>		<b>2%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>

**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
£164,000	£1,025,000	£340,300	£15,671,000	£17,200,300

Spend on second homes is assumed to be an average of £2,100 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,100 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 £2,100. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £185 per visit has been assumed

### 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.

		Staying Visitor	Day Visitors	Total
Accommodation		£15,044,000	£1,750,000	£16,794,000
Retail		£9,448,000	£70,122,000	£79,570,000
Catering		£11,453,000	£84,879,000	£96,332,000
Attractions		£5,652,000	£25,582,000	£31,234,000
Transport		£4,697,000	£17,401,000	£22,098,000
Non-trip spend		£17,200,300	£0	£17,200,300
<b>Total Direct</b>	<b>2016</b>	<b>£63,494,300</b>	<b>£199,734,000</b>	<b>£263,228,300</b>
<b>Comparison</b>	<b>2015</b>	<b>£61,721,300</b>	<b>£193,744,000</b>	<b>£255,465,300</b>
<b>Difference</b>		<b>3%</b>	<b>3%</b>	<b>3%</b>

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

		Staying Visitor	Day Visitors	Total
Indirect spend		£14,596,000	£48,367,000	£62,963,000
Non trip spending		£3,612,000	£0	£3,612,000
Income induced		£8,454,000	£7,067,000	£15,521,000
<b>Total</b>	<b>2016</b>	<b>£26,662,000</b>	<b>£55,434,000</b>	<b>£82,096,000</b>
<b>Comparison</b>	<b>2015</b>	<b>£25,946,000</b>	<b>£53,763,000</b>	<b>£79,709,000</b>
<b>Difference</b>		<b>3%</b>	<b>3%</b>	<b>3%</b>

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

		Staying Visitor	Day Visitors	Total
Direct		£63,494,300	£199,734,000	£263,228,300
Indirect		£26,662,000	£55,434,000	£82,096,000
<b>Total Value</b>	<b>2016</b>	<b>£90,156,300</b>	<b>£255,168,000</b>	<b>£345,324,300</b>
<b>Comparison</b>	<b>2015</b>	<b>£87,667,300</b>	<b>£247,507,000</b>	<b>£335,174,300</b>
<b>Difference</b>		<b>3%</b>	<b>3%</b>	<b>3%</b>

## 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

### Direct employment

Full time equivalent (FTE)						
	Staying Visitor		Day Visitor		Total	
Accommodation	224	25%	26	1%	251	8%
Retailing	79	9%	586	25%	665	20%
Catering	169	19%	1,252	53%	1,420	44%
Entertainment	85	9%	385	16%	471	14%
Transport	28	3%	105	4%	134	4%
Non-trip spend	313	35%	0	0%	313	10%
<b>Total FTE</b>	<b>2016</b>	<b>899</b>	<b>2,355</b>		<b>3,253</b>	
<b>Comparison</b>	<b>2015</b>	<b>872</b>	<b>2,284</b>		<b>3,156</b>	
<b>Difference</b>		<b>3%</b>	<b>3%</b>		<b>3%</b>	
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Accommodation	332	27%	39	1%	371	8%
Retailing	118	10%	879	25%	998	21%
Catering	253	21%	1,877	54%	2,131	45%
Entertainment	120	10%	544	16%	664	14%
Transport	40	3%	149	4%	189	4%
Non-trip spend	357	29%	0	0%	357	8%
<b>Total Actual</b>	<b>2016</b>	<b>1,221</b>	<b>3,487</b>		<b>4,708</b>	
<b>Comparison</b>	<b>2015</b>	<b>1,186</b>	<b>3,382</b>		<b>4,569</b>	
<b>Difference</b>		<b>3%</b>	<b>3%</b>		<b>3%</b>	

### Indirect & Induced Employment

Full time equivalent (FTE)			
	Staying Visitor	Day Visitors	Total
Indirect jobs	331	879	1,210
Induced jobs	154	128	282
<b>Total FTE</b>	<b>2016</b>	<b>485</b>	<b>1,008</b>
<b>Comparison</b>	<b>2015</b>	<b>472</b>	<b>978</b>
<b>Difference</b>		<b>3%</b>	<b>3%</b>

Estimated actual jobs			
	Staying Visitor	Day Visitors	Total
Indirect jobs	377	1,003	1,380
Induced jobs	175	146	322
<b>Total Actual</b>	<b>2016</b>	<b>553</b>	<b>1,149</b>
<b>Comparison</b>	<b>2015</b>	<b>538</b>	<b>1,114</b>
<b>Difference</b>		<b>3%</b>	<b>3%</b>

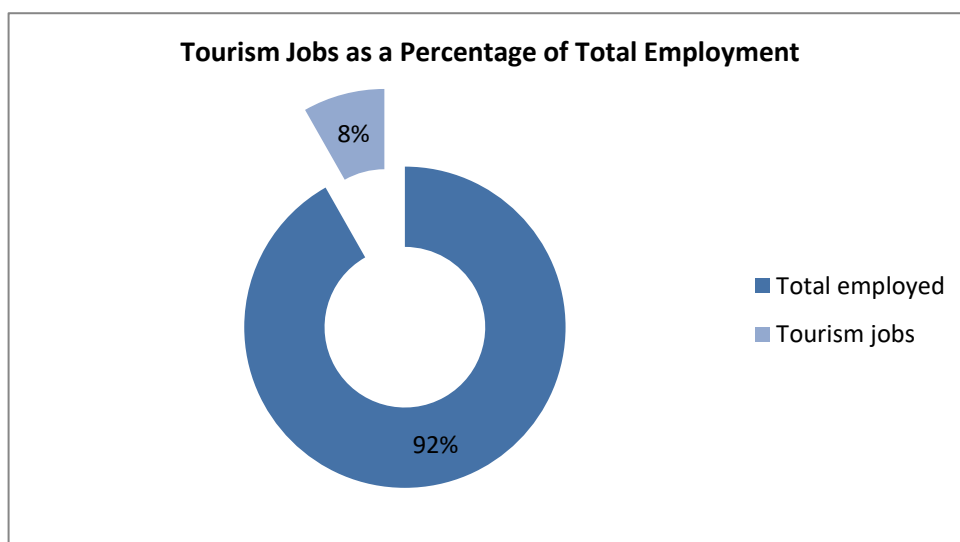
## Total Jobs

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)						
	Staying Visitor		Day Visitor		Total	
Direct	899	65%	2,355	70%	3,253	69%
Indirect	331	24%	879	26%	1,210	26%
Induced	154	11%	128	4%	282	6%
<b>Total FTE</b>	<b>2016</b>	<b>1,383</b>		<b>3,363</b>		<b>4,746</b>
<b>Comparison</b>	<b>2015</b>	<b>1,344</b>		<b>3,261</b>		<b>4,605</b>
<b>Difference</b>		<b>3%</b>		<b>3%</b>		<b>3%</b>
Estimated actual jobs						
	Staying Visitor		Day Visitor		Total	
Direct	1,221	69%	3,487	75%	4,708	73%
Indirect	377	21%	1,003	22%	1,380	22%
Induced	175	10%	146	3%	322	5%
<b>Total Actual</b>	<b>2016</b>	<b>1,773</b>		<b>4,636</b>		<b>6,410</b>
<b>Comparison</b>	<b>2015</b>	<b>1,724</b>		<b>4,497</b>		<b>6,221</b>
<b>Difference</b>		<b>3%</b>		<b>3%</b>		<b>3%</b>

## Tourism Jobs as a Percentage of Total Employment

	Staying Visitor	Day visitors	Total
Total employed	77,978	77,978	77,978
Tourism jobs	1,773	4,636	6,410
<b>Proportion all jobs</b>	<b>2%</b>	<b>6%</b>	<b>8%</b>
<b>Comparison</b>	<b>2015</b>	<b>1,724</b>	<b>4,497</b>
<b>Difference</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>



**The key 2016 results of the Economic Impact Assessment are:**

**6.4 million trips** were undertaken in the area

**6.1 million** day trips

**0.3 million** overnight visits

**1.0 million** nights in the area as a result of overnight trips

**£261 million** spent by tourists during their visit to the area

**£22 million** spent on average in the local economy each month.

**£49 million** generated by overnight visits

**£211 million** generated from irregular day trips.

**£345 million** spent in the local area as result of tourism, taking into account multiplier effects.

**6,410 jobs** supported, both for local residents from those living nearby.

**4,708 tourism jobs** directly supported

**1,702 non-tourism related jobs** supported linked to multiplier spend from tourism.

## **Appendix I - Introduction about 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- 2014 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 and coast including, national designations and length of the coastline.

## **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 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

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