Developing SE Destination Monitoring and Baseline Measurement

June 2010

SQWconsulting

Contents

Contact:	Bruce Macdonald	Tel:	0131 243 0721	email:	bmacdonald@sqw.co.uk

Approved by:	Bruce Macdonald Associate Director	Date:	20/6/10

1: Introduction

1.1 In 2007 SQW produced a baseline report covering the six tourism Destinations identified Scottish Enterprise. The report set out a series of indicators and guidance on how to assess changes in tourism activity within the Destination boundaries. Using these approaches the report went on to provide baseline values for a number of key indicators including tourist expenditure, contribution to GVA, occupancy and business numbers.

1.2 This report takes this on, looking at the methodology and the availability of data three years later and makes some suggestions about how this should be strengthened in future. In the final section of the report we draw together updated values where there is sufficient data and highlight the gaps that need to be filled.

1.3 Where possible we have included the baseline and 2008 update values. This has not always been possible where data is missing. It is clear, even from the data that we can provide that most of the values between 2006 and 2008 will have fallen in line with the national results. 2008 was badly hit by reductions in spending caused by the recession and it is likely that 2009 will provide a more positive set of figures. From 2006 to 2008 the number of nights stayed in Scotland fell by 14% although expenditure fell by around 3%. Given that the Destinations represent some of the most important areas for Scottish tourism they are likely to exhibit a similar pattern.

The Baseline in context

1.4 Before starting the analysis, it is useful to revisit the purpose of the work, the reasons for adopting the approaches chosen, some of the challenges and how we suggested that these should be addressed.

> **The baseline reflects the *condition* of tourism within the Destination boundaries. It does not reflect SE's activity or contribution to tourism which is captured through *evaluation*.**

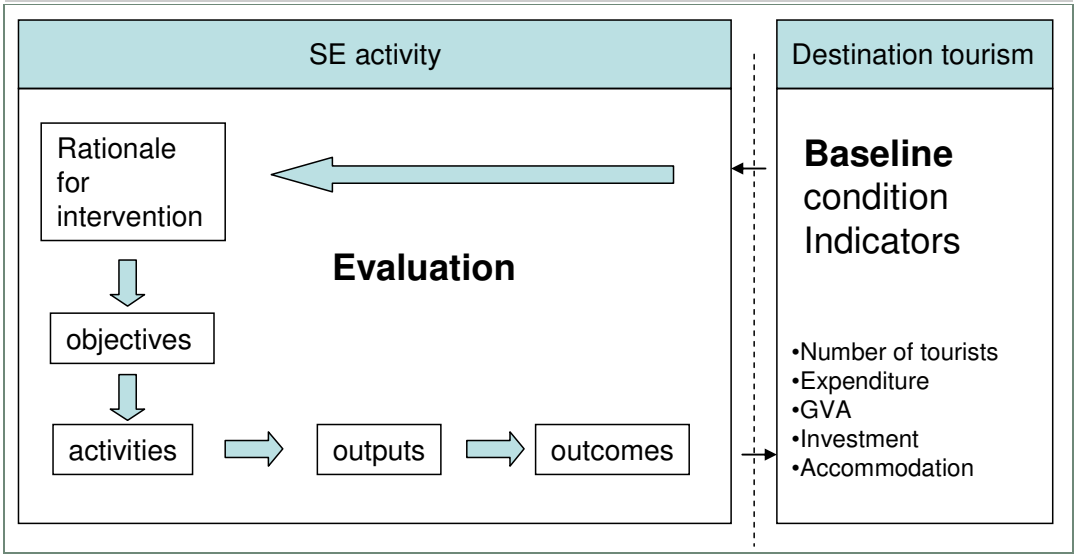
1.5 Figure 1-1 shows the relationship between SE's activities that are assessed through evaluation (their objectives, activities, outputs and outcomes) and wider Destination tourism which is reflected in the baseline. Although the two are largely separate, we would expect that the outcomes of SE's interventions would make a contribution to changes in the baseline.

1.6 It is quite possible for SE's interventions to have a very positive effect in a falling market or vice versa. While the baseline provides the backdrop, or context, for Scottish Enterprise the main measure of success is whether and on what scale their interventions have made a difference. Even within relatively small areas the dominant factor in determining tourism activity will be economic conditions and marketing.

1.7 The baseline does not demonstrate SE's contribution to tourism. It is intended to provide a broader context within which SE's role can be fairly assessed. This distinction is made even

starker in the 2008 tourism figures which show the value of Scottish tourism fell by 5% compared with 2006 which was used in the baseline. This is unsurprising given the recession but it is not a reflection of SE's performance. The baseline report, in reviewing the proposed activities, suggested that SE's contribution could be around £100 million of revenue a year, a very large number, but fairly small in relation to the national figure of £4,000 million. The real measure of the success of SE's investments will be identified through the evaluation of the activities that have been supported.

Figure 1-1: Relationship between Baseline and Evaluation



Source: SQW

Identifying core indicators

1.8 The baseline therefore has a dual role:

- to provide an informative quantitative representation of the condition of tourism within the destination, and
- to do so using indicators that match those that will be collected by SE as part of the evaluation

1.9 This means that there are two types of indicators that can be collected:

- Core indicators that relate to the SE's own objectives (e.g. tourist expenditure, visitors and GVA) and which should be collected centrally
- Destination indicators that Destinations wish to use to help inform decision-making and which may be valuable in helping businesses (for example day trip numbers, visitor profile, media coverage, marketing expenditure etc)

1.10 This baseline report is primarily about the collection of the core indicators, but Destinations should not be limited to this and assembling other baseline data that may be more appropriate to their own objectives could be very valuable.

Core indicators

- **Visitor expenditure** - Fundamentally the objective of SE's engagement in tourism is to increase the amount of money that tourists spend in each destination. This is measured as total visitor expenditure. This is also how progress against the National Tourism target of 50% growth is measured. It is therefore important to include this as a core indicator.

- **GVA** - visitor expenditure on its own does not take into account the contribution that is retained as profits, salaries and wages (or value added) that is created within the destination. This is represented by Gross Value Added (GVA). The relationship between GVA and visitor expenditure varies across sectors depending on how visitors spend their money. For example goods or services that require fewer inputs or raw materials have a higher GVA, while those that involve little added value (such as wholesale businesses) tend to have a lower GVA, per £1 of expenditure.

- **Employment** in the tourism/hospitality sector - Another core measure of economic impact is the number of jobs supported. Employment can be estimated using ratios of employment to GVA for tourism businesses

- **Visitor nights** - One of the main variables in tourism expenditure and GVA is the number of visitor nights in each Destination.

- **Bed stock** - The number of commercial bed spaces is another good indicator of tourism activity. It reflects the confidence in the tourism product and will drive visitor expenditure and GVA. An increasing stock will mean an increasing number of visitors and vice versa.

- **Investment** – The final core indicator should be a measure of private investment in the Destination. This is another indicator that will gauge confidence in the tourism sector and provide an early indication of future activity. There are several ways that this can be recorded which are discussed later.

Importance of consistency for core indicators

1.11 The main aim of the original baseline report was to develop an approach to produce simple and robust estimates of tourism gross value added (GVA) within each of the key destinations. The report stressed that *"the emphasis in this work must be on the consistency of approach. Without this it will be impossible to measure progress and as a result, refine policy decisions. More detailed work that reflects local conditions better can be developed by the destinations separately"*. The original report set out values for each of the destinations and made recommendations on ways in which the data collected could be improved.

1.12 The first stage of the work was to produce a common set of indicators and sources that were

- **Relevant** –representing aspects of performance that SE and its partners hope to achieve

- **Specific** – specific, measurable and clearly defined values

- **Repeatable** – the data must be from sources that will continue to be collected on a suitably regular basis over the next ten years.

1.13 The work started with a series of meetings to discuss the scope and the approach which was agreed. Interviews were held with each of the six destinations. Initially, there was still discussion on the definition of the Destinations which, for the purposes of assembling data, needed to be done using postcodes. The approach and the baseline data was gathered, discussed and agreed with each Destination.

1.14 The following section covers the agreed core indicators.

Bed spaces

1.15 This is the number of available bed spaces within each Destination. This is used to produce estimates of visitors staying in commercial accommodation. The main sources for this will be accommodation audits which are undertaken every few years. Over the last couple of years these have been done using the Destination boundaries.

1.16 Given that these are used in combination with occupancy data it is important to try and ensure that the data reflects the similar categories and that it reflects the number of bed spaces available throughout the year and not the maximum. This is particularly important in relation to campus accommodation which is only available for three or four months of the year. The data should be presented as an annual occupancy over the full year rather than as a percentage of the number of nights it is available.

1.17 The accommodation audits should be kept up to date as far as possible. In the cities for example, STEAM data uses an accommodation database and Destinations should check whether and how this is maintained and how it relates to the audits that have been done.

Table 1-1: Accommodation Audit position

	For baseline	**Now**
Glasgow	Original 2005	2010 update
Edinburgh	Original 2006	TRC paper in 2008 used for update
St Andrews	Audit carried out for Destination in 2007	2007 version used
Loch Lomond & Trossachs	Original 2005/06	Original – no update?
Cairngorms	Audit in 2005	Updated in 2009
Perthshire	Audit carried out for Destination in 2007	2007 version used

Source: SQW

Occupancy and visitor numbers

1.18 To estimate the number of visitors and their expenditure (using the available bed spaces) requires data on occupancy rates. The main source of this is VisitScotland's national Occupancy Survey carried out by TNS annually. This can be done using the Destination

postcodes and means that the approach can be fairly flexible if the areas change (as they have done in Perth)[1].

1.19 Using the national survey has the benefit of being carried out in the same form throughout Scotland. It can be sub-divided by postcode to provide results for each of the Destinations (subject to sample size) and it will be carried out annually for the foreseeable future. There are currently no other surveys that would offer this.

1.20 In the baseline survey, occupancy data was available for each of the destinations and was also available by category of accommodation (hotels, B&Bs and self catering). This was used to develop the baseline. To ensure that this data would be available for future monitoring the report recommended that:

> *Efforts should be made to generate higher levels of participation in the **Scottish Occupancy Survey** within the key destinations as this is an important variable in measuring the level of activity.*

1.21 However, the number of establishments responding to the survey appears to have fallen since the original baseline to the point where there are no figures for some categories of accommodation and in some Destinations. For example, there is no occupancy data available for St Andrews and Deeside/Cairngorms. **Given the importance of this to estimating numbers and expenditure this is perhaps the most problematic of the challenges in updating the baseline**. The occupancy rates and number of responses for each of the Destinations are shown in Table 1-2 for both 2006 and 2008. The Table is blank where there are less than 5 responses. This shows how in some categories the number of responses has declined, but in others, where the data tended to already be fairly strong it has increased.

[1] Sourced directly from TNS data with agreement from VisitScotland

Table 1-2: Occupancy data available for 2008 by Destination

	2006		2008	
HOTELS	Annual Average Bed Occ Rate	No of Estabs in sample	Annual Average Bed Occ Rate	No of Estabs in sample
Edinburgh	58.6%	40	56.8%	53
Glasgow	53.1%	11	49.4%	29
Perthshire	56.1%	12	70.9%	6
Cairngorms	49.1%	9	-	-
Loch Lomond	55.8%	8	36.7%	8
St Andrews	Fife occupancy used	-	-	-
GUEST HOUSES/B&Bs				
Edinburgh	47.8%	17	43.6%	14
Glasgow	50.6%	6	-	-
Perthshire	43.7%	12	36.9%	7
Cairngorms	42.0%	9	-	-
Loch Lomond	50.8%	15	49.1%	12
St Andrews	Fife occupancy used	-	-	-
SELF CATERING				
Edinburgh	60.7%	28	45.4%	47
Glasgow	64.3%	13	48.6%	25
Perthshire	63.4%	92	56.4%	40
Cairngorms	45.4%	24	-	-
Loch Lomond	64.1%	27	51.9%	36
St Andrews	50.9%	13	-	-

Source: Data extracted from the Scottish Accommodation Occupancy Survey 2008, commissioned by VisitScotland and conducted by TNS Travel & Tourism

Visiting Friends and Relatives (VFR)

1.22 VFR is frequently an important source of tourist visits (and expenditure) but Destinations are likely to have less influence over these numbers. Quite what determines the number of VFR visits is not always clear. However, clearly the size of the population is the core determinant. More generally, having a higher proportion of residents that have moved in from other parts of the country (students or retired people perhaps), or where the industry base has attracted employees from outside the area (the oil and gas industry in Aberdeen, for example). With greater numbers of friends and relatives outside the area, they are more likely to bring visitors and also to make visits themselves. Like other forms of tourism the arrival of cheaper flights and more routes along with wider car ownership makes visiting easier and more affordable.

1.23 Although there may appear to be less that can be done to boost VFR within Destinations, events and festivals as well as attractions and improved transport will all impact on the frequency of visits.

1.24 The data is taken from the number of VFR trips reported in the UKTS and IPS results for the closest VisitScotland area. The ratio of VFR to population is calculated and is then applied to the population of the Destination. The figures therefore depend on the robustness of these two surveys. However, the VFR numbers appear to vary quite considerably year to year and this might indicate some issues around the sample sizes within the UKTS and IPS surveys.

Table 1-3: Ratios of VFR to population

	2006	2008
Aberdeen and Grampian	8.2	6.3
AILLST	4.4	5.1
Edinburgh and Lothians	10.0	10.3
Glasgow	7.6	6.6
Fife	3.3	4.0
Perthshire	8.3	9.7

Source: Uses UKTS, IPS data and population statistics for each region

Visitor expenditure

1.25 Visitor expenditure is derived by multiplying the number of visitor nights by average expenditure per day. The only common source of visitor expenditure is through the UKTS and IPS survey data. This is available for three of the Destinations (Edinburgh, Glasgow and possibly St Andrews although the sample size is very low). For the others it is necessary to consider whether the next best proxy (expenditure for the larger VisitScotland area is appropriate or whether there are more robust local surveys. Given that expenditure data can vary significantly depending on the way in which these questions are asked, it is preferable to use the VisitScotland data where possible.

Table 1-4: Baseline expenditure data[2]

	Average expenditure used for baseline (2006)	Average expenditure for 2008	Sources
Deeside/Cairngorms	£51.69	£51.39	Source: UKTS and IPS for Aberdeen and Grampian
Loch Lomond	£53.14	£56.18	Source: UKTS and IPS for AILSST
Edinburgh	£73.67	£71.61	Source: UKTS and IPS for Edinburgh
Glasgow	£66.26	£73.55	Source: UKTS and IPS for Glasgow
St Andrews	£47.32	£65.12	Original values from Fife UKTS and IPS + allowance for golf spend Updated to 2008
Perthshire	£51.93	£57.10	Source: UKTS and IPS for Perthshire
Destination average	**£61.43**	**£64.50**	**Source UKTS and IPS figures**

Source: UKTS and IPS data 2006 and 2008

Total visitor expenditure

1.26 Total visitor expenditure is calculated by multiplying the number of visitor nights by their average expenditure.

Gross Value Added

1.27 Gross Value Added (GVA) is the measure that SE uses to assess and compare the economic contribution of its activities and therefore it must be a core baseline indicator. GVA is essentially the profit, wages and salaries that are generated by businesses in producing and selling products and services to tourists. Another way of looking at this is to assume that GVA broadly equals turnover minus the value of bought in goods and services.

1.28 A key assumption here is that the total expenditure by tourists is met by output from businesses. So that additional tourist expenditure results in an equivalent amount of additional business sales or turnover. Business GVA is estimated by identifying the proportion of this visitor generated turnover that will translate into profits, wages and salaries. The Annual Business Inquiry (ABI) data collected the Office of National Statistics provides the ratios of turnover to GVA for different sectors in the economy. For example, the GVA to turnover ratio in, say, manufacturing might by 40% i.e. GVA increases by 40p for every increase of £1 in turnover for these businesses. Similar ratios can be calculated for employment.

1.29 This type of analysis uses different categories of business (such as construction, manufacturing, banking etc.). These are based on Standard Industrial Classifications (SIC codes). Unfortunately "tourism" is not a distinct sector, but made up of the activities of a variety of different businesses (retail, entertainment, hotels, restaurants, transport etc.)

[2] Figures are derived by aggregating total expenditure by domestic and overseas visitors and dividing by the number of nights.

1.30 To produce a GVA to turnover ratios we must combine the data from different sectors. In the baseline work we used the definition of the tourism sector used by the Scottish Government. This used a definition of tourism used by the Scottish Government. This data from accommodation, food and drink and recreation sectors to produce ratios for tourism.

1.31 However, as we show in Table 1-5 this is not based on the profile of *visitor expenditure* but is intended to provide statistics on the "tourism-sector" itself. For example it includes the outputs of travel agents which are not typically related to staying tourist spending. Specifically it appears as though the inclusion of gambling (within recreation/entertainment) and skews the ratios substantially when producing a composite value.

1.32 This profile does not reflect the pattern of visiting tourist expenditure. Just under half of visitor spent is on accommodation and food and drink, with around 14% on recreation and entertainment.

1.33 As the Table shows the Government version assumes that 63% of tourist visitor expenditure is in recreation and entertainment. The actual proportion of visitor spend on this category (14%) is much lower than this definition assumes.

1.34 Because GVA as a proportion of turnover is much lower among recreation/entertainment businesses (they have low profit margins compared with the size of their turnover), assuming they make up 63% of visitor expenditure (as the official definition does) means that the overall GVA for tourism appears to be lower than if it makes up just 14%.

1.35 This is an important argument as the GVA generated by projects is often used a as measure of how successful they are.

1.36 A second major problem is that when these ratios are produced for very small areas like St Andrews and Deeside/Cairngorms, they can vary significantly over time.

1.37 We have constructed our own ratios based on the pattern of tourist expenditure in the first column in Table 1-5. This has been done for the local authorities that most closely match the key Destination boundaries.

Table 1-5: Proportions of expenditure from visitor survey and as used in tourism definition

Category	Proportion of actual expenditure	Proportions of turnover used in definition
Accommodation	32%	14%
Food and drink	16%	23%
Recreation/entertainment	14%	63%
Shopping/retail	23%	Not included
Transport	15%	Not included
Total	100%	100%

Source: VisitScotland 2008, Scottish Government tourism ABI data

1.38 Using the tourist pattern of expenditure we have produced GVA to turnover ratios for the local authority areas that most closely match the Destinations. This gives the following results using the 2006 ABI data and 2007 (the most recent year for which data is available).

The Table also shows the values you get when you use the original method (based on the Scottish Government definitions).

1.39 While these values (in the middle column) are more useful for our purpose and more consistent, they are not produced at the moment for the Destination boundaries. This could be done in the future.

1.40 To make the process simpler and less subject to inconsistencies over time we have produced a single average value across all the Destinations. Unless there is a genuine reason for believing that these ratios will be markedly different across the Destinations, it would make more sense to use a single value. It also removes the problems with some of the figures for smaller areas. A similar analysis has been done to produce GVA per job figures and the results are shown at the bottom of Table 1-6. These can be applied to the expenditure data.

Table 1-6: SQW GVA per job and GVA to turnover ratio 2006 and 2007

	GVA as % of turnover		
	2006	**2007**	**2007 (using official definition)**
Edinburgh	44%	42%	35%
Glasgow	40%	40%	22%
Perthshire	41%	43%	51%
Loch Lomond	45%	42%	44%
St Andrews	39%	36%	40%
Cairngorms	48%	47%	66%
Average to use for all Destinations	**43%**	**42%**	**-**
Average GVA per job	**£ 22,837**	**£ 23,721**	**-**

Source: Scottish Government and ABI data 2006 and 2007

Investment

1.41 The final indicator is the value of tourism investment. Although important for all the Destinations it the absence of any data in 2006 has made it impossible to include. However, given its importance we suggest that Destinations collect information on investment in order to populate future Destination baseline updates.

1.42 To do this will require some guidance on what can be included and over what time period. This will inevitably be fairly partial and it might be argued that it would fit more easily within the evaluation element of SE's measurement process. This would be the case if it was restricted to only investment that SE has influenced. If it includes much more than this then it is appropriate to cover it within the baseline.

1.43 As a starting point we suggest that Destination managers pull together a list of private investment projects under two headings:

- Title, description and value of investments announced in that year (speculative)

- Title, description and value of investments (actual).

1.44 This list would include projects that SE is involved in and others. Whether or not these are considered to be tourism-related will be down to the judgement of the Destination manager. As these lists build up over time it should be possible to ensure that there is no double counting. The main indicator would be the value of actual new investment taking place.

2: Issues to address

2.1 Overall, our view is that these indicators are the right ones, although there is a case for individual Destinations to look at some measures that might be particularly valuable for their businesses. This might include work on the number of day visits, profile of visitors, media coverage etc. Our main concern here is with the core indicators and developing a way forward.

2.2 There are four issues:

- does it still make sense to use this methodology when the nationally recognised IPS and UKTS data can provide figures for some Destinations
- How can the occupancy data be improved
- Can we improve the GVA and employment ratios by using a data that more accurately reflects visitor expenditure
- How robust are the GVA sources in small areas

2.3 Each of these is addressed below (Table 2-1)

Should we adopt UKTS and IPS data as a basis for monitoring three of the Destinations?

Table 2-1: Should we adopt UKTS and IPS data as a basis for monitoring three of the Destinations?

Yes	No
UKTS and IPS data is available for Edinburgh and Glasgow and potentially for St Andrews although. This would be three of the six Destinations	There remains some concern over the accuracy of the overall visitor numbers and total expenditure
It could be argued that as this is the main source of data used to measure national tourism, this should be done by the Destinations wherever possible	The figures for St Andrews are based on a very small sample and analysis of these suggests that they are not very reliable
It would avoid a lot of the problems that arise in trying to estimate occupancy and bed spaces and therefore significantly reduce the cost and complexity of producing future updates.	It would mean that the methodologies adopted by the Destinations would not be consistent and arguably no longer comparable
	It would still be useful to provide estimates of bed spaces and occupancy anyway as indicators of tourism activity

Source: SQW

2.4 On balance we would suggest that continuing with the methodology developed for the original baseline should continue if this is possible. Using UKTS and IPS for these Destinations should be a fall back position. **The most important task is to work on strengthening the bed space audits and occupancy surveys so that they provide robust baseline values.**

How can the occupancy data be improved?

2.5 While the occupancy data has become weaker in all Destinations, in Deeside/Cairngorms and St Andrews in particular it leaves a major gap. The national occupancy survey remains the best and most consistent source of occupancy data. Alternatives are available in the cities, but they are limited to hotels and the sample sizes tend to be no larger.

2.6 The second major gap is in guesthouse and B&B data. Strengthening the Occupancy Survey is now a priority. We suggest the following actions:

- Discussions with VisitScotland and TNS about what can be done in the Destination areas and whether there are specific actions that would help improve response rates.
- Destination managers should work with accommodation providers in the Destinations to encourage participation and raise the surveys profile. This would include involving DMOs and other groups.
- **If this does not work, it may be necessary to consider an alternative occupancy survey designed for the Destinations**

Can we improve the GVA and employment ratios by using data that more accurately reflect visitor expenditure?

2.7 This will need to be agreed with the Destination managers and discussed with Scottish government statisticians and possibly VisitScotland. Aside from the use of these ratios in monitoring, they are used in appraisal and evaluation of SE projects and may disadvantage them by underestimating GVA estimates.

2.8 The relatively small areas defined for several of the Destinations mean that the results for GVA ratios can fluctuate year to year as a result of smaller samples. Consequently we recommend that a single value should be used to avoid these fluctuations, but **wider consideration should be given to using this for SE tourism appraisals**. This could be updated every year. It could be refined further to reflect an average across the Destinations.

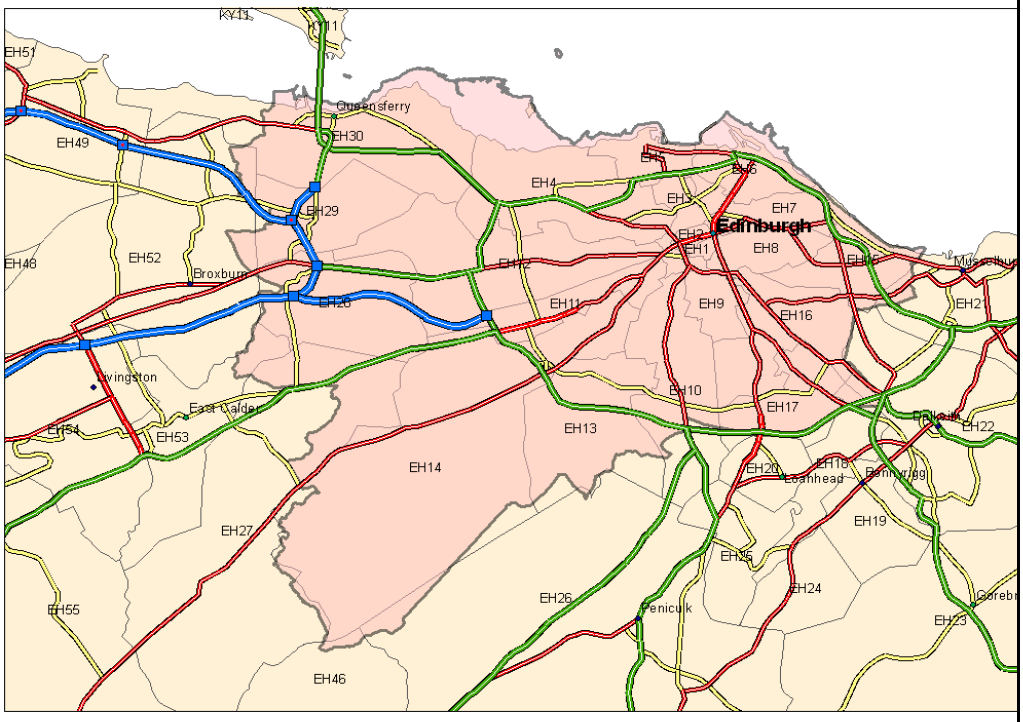
2.9 At this stage our preference is to use the average value for the local authorities most closely matching the Destinations. In this report we have moved to using a single GVA to turnover ratio of 42% and value of £23,721 of GVA per job based on the average values across the local authorities that most closely match the Destinations.

3: Edinburgh

3.1 For the purposes of monitoring tourism in Edinburgh, the City Council boundary has been used to define the destination area. There are several important caveats to make in relation to the Edinburgh analysis. The first is that Edinburgh is not only a destination in its own right, but also a gateway to the rest of Scotland. Many tourists who come to Edinburgh will go on to tour other parts of the country. Equally some people who stay and spend money in Edinburgh will be in Scotland to visit other destinations. Without a complex visitor survey, it is impossible to attribute visitors and their expenditure to specific destinations beyond the ones in which they stay. Consequently the baseline is restricted to capturing the level of activity in the city, but its wider role in attracting tourists to Scotland must also be borne in mind.

3.2 Secondly, visitor numbers, tourist expenditure and related GVA are only one set of outcomes generated by tourism-based interventions. A broader view of the rationale for these investments would include the contribution that is made to place competitiveness more generally. For example through attracting business investment, retaining and attracting graduates and improving the quality of life for residents. The local authority map of City of Edinburgh Council which is the basis of our analysis is illustrated in Figure 3-1 below.

Figure 3-1: Geographic definition of Edinburgh



Source: SQW

Accommodation stock

3.3 An accommodation audit was undertaken in 2005 and used in the baseline. A subsequent update has been carried out in 2008 by TRC which shows the changes in bed capacity. The updated analysis covered *Edinburgh and the Lothians* together and then only a subset of the accommodation. **It shows an increase of 1,296 beds in hotels and small hotels 2005 - 2008** (we estimate that 90% of this is in Edinburgh City). The largest of these projects is the new Dakota hotel in South Queensferry. Edinburgh accounts for 30 of the 35 new projects identified in the 2008 audit. Other serviced accommodation covered grew by 111. Non-serviced accommodation grew by 1,117 (again 90% is assumed to be in Edinburgh). This includes the Smart City hostel which offers 620 beds.

3.4 The analysis now also disaggregates the figures to show an estimate of the "festival stock" that was covered in the original 2005 work but not in the update. The 2005 report estimated that 75% of the campus accommodation was only available as festival stock and 33% of the self catering total. We have applied these percentages to give the figures in the table below.

Table 3-1: Number of beds by category from Edinburgh Accommodation Review – TRC (2008):

Indicator	2005 data	2008
Hotel / small hotel	14,234	15,400
Other serviced accommodation	7,202	7,302
Campus	1,017	1,017
Other non serviced accommodation	7,894	8,567
Festival stock estimates	6,938	7,269
Holiday / caravan park *pitches*	491	491
No of bed spaces[3]	**37,775**	**40,046**

Source: Based on TRC accommodation audit 2005 and 2008 update

Bed occupancy

3.5 Table 3-2 sets out the bed occupancy rates for accommodation in Edinburgh. We have used bed occupancy throughout the study as it provides a better base for estimating numbers of visitor nights. The Scottish Occupancy Survey provides estimates for each VisitScotland area and Glasgow and Edinburgh. In Edinburgh the sample is larger than other areas. Table 3.2 shows *bed* occupancy, which is relatively high for hotels, but lower among Guest houses and B&Bs. The estimate of the occupancy of campus beds is 25%, (assumes that campus accommodation to be full for a quarter of the year) and for Festival stock occupancy is assumed to be 100% for around 6 weeks (12%). For self catering accommodation we have also assumed bed occupancy of 75% of unit occupancy.

3.6 Table 3-2 also shows bed occupancy in Edinburgh from both the Lynn Jones Forecaster and from the Principal Hotels Association for 2006 and 2007 as reported in the TRC accommodation audit. The samples from these are smaller than the Scottish Occupancy Survey for the hotel sector and do not offer any coverage of other categories.

[3] Includes camping and caravan *pitches* rather than maximum beds

3.7 From this data our view is that the Occupancy Survey remains a reasonable and consistent measure and while the other sources provide useful comparators, it should remain the main source for the core indicators.

Table 3-2: Bed occupancy rates:

Category	SOS bed occupancy from 2006 data	SOS bed occupancy 2008	Lynn Jones Forecaster 2009	Principal hotels data 2006 (2007)
Hotels	59%	57%	56%	53% (56%)
Guest house / B&Bs	48%	44%	-	-
Campus	25% (SQW estimate)	25% (SQW estimate)	-	-
Self catering (unit occupancy)	61% unit occupancy	45% unit occupancy	-	Includes some self catering
Holiday / caravan park	26% (SQW estimate)	26% (SQW estimate)	--	-

Source: SQW estimates, VisitScotland (TNS), Lynn Jones Forecaster and Principal hotels data

Visitor numbers

3.8 Table 3-3 below uses calculations which are based on bed spaces and occupancy rates to establish a number of bed nights in commercial accommodation. In addition, we need to incorporate visitors staying with friends and relatives (VFR) who will also be spending in the area. Combining the UKTS and IPS data gives an estimate of 4.8 million bed nights spent with friends and relatives. Based on the above calculations, there are then just over 11 million overnight stays in 2008.

Table 3-3: Number of overnight stays

Accommodation category	2006	2008
Total serviced overnight stays	4,327,000	4,377,000
Total non serviced overnight stays	1,527,000	2,103,000
VFR staying nights	4,691,000	4,842,400
Total staying nights	10,546,000	11,322,000

Source: SQW

Length of stay

3.9 Length of stay is also a useful baseline measure. Although it is not relevant when using the number of visitor nights as the basis for calculating expenditure it helps understand the profile of visitors and should continue to be monitored. For Edinburgh, the values from the UKTS and IPS should be used. The average has stayed the same between 2006 and 2008.

Table 3-4: Average length of stay (nights)

	2006	2008
Weighted average	3.9	3.9

Source: Visit Scotland

Expenditure

3.10 Along with volume, expenditure is the other key variable in measuring total expenditure and therefore GVA. Total expenditure is calculated by multiplying the number of visitor nights by the average visitor expenditure (of both UK and overseas visitors). This had fallen in 2008 from £73.67 to £71.61.

3.11 Total expenditure derived by multiplying average daily expenditure by the number of nights was £816 million in 2008, roughly the same as in 2006.

Table 3-5: Average expenditure and total

	2006	2008
Average daily expenditure	£ 73.67	£ 71.61
Total tourism expenditure	£804,835,000	£816,536,000
Scottish average	£56.54	£63.70

Source: VisitScotland and TRC data

3.12 Unlike the other destinations in this study which have been defined using best-fit postcode sectors, there are already tourism profiles produced by VisitScotland for the cities of Glasgow and Edinburgh. Data from the UKTS and IPS (2006 and 2008) provides a comparator for tourism activity in the city. This shows a fall between 2006 and 2008 of 8%, but from a much higher starting point. **These figures use a quite different methodology based on interviews with tourists rather than based on the destination capacity**.

3.13 Overall the data suggests that between 2006 and 2008 the level of tourism remained broadly at the same level. The fall in visitor expenditure compensated by a slight increase in visitor numbers. The UKTS/IPS data shows an increase in the number of nights stayed, but this is not sufficient to offset a fall in the number of nights stayed.

3.14 The evidence of reduced spend is an important issue for Edinburgh. Increasing this is crucial in achieving higher overall expenditure and should be considered by SE and ETAG's in reviewing their activities.

Table 3-6: For comparison - VisitScotland nights and expenditure 2006 and 2008

	2006	2008
Nights	13.9	£13.1 million
Tourist expenditure	£1,024 million	£941 million

Source: VisitScotland

Derived GVA and employment from staying visitors

3.15 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 3-7: Direct GVA and employment

Indicator	2006	2008
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£345,330,000	£339,264,000
Associated direct employment	15,121	14,302

Source: SQW estimates

Edinburgh Summary

Table 3-8: Summary

Baseline summary	2006	2008
Total commercial bed spaces (including Festival stock)	37,775	40,046
Number of staying visitor days (Ex VFR)	6,234,348	6,559,104
Number of VFR days	4,691,000	4,842,000
Total number of visitor days	10,925,000	11,401,000
Length of stay	3.9	3.9
Average expenditure per person per day	£73.67	£71.61
Total expenditure made by staying visitors	£804,835,000	£816,464,000
Associated GVA (staying visitors)	£345,330,000	£339,264,000
Associated direct employment	15,121	14,302

Key issues for monitoring in Edinburgh

- Accommodation data has been updated, but results are for Edinburgh and the Lothians and limited to hotel and self-catering accommodation. This could be disaggregated to provide figures for Edinburgh and Guesthouse and B&B data will also need to be updated
- The figures also now take into account the number of beds available only during the Festival. Is this an appropriate adjustment?
- The City Council already manages STEAM. It is unclear as to whether and how the accommodation data in this is updated. It would be useful to check whether this data could be used as the basis for monitoring accommodation stock in the future?
- Investment figures to be added

4: St Andrews

Introduction

4.1 St Andrews has been identified as one of Scotland's six key Destinations and its success and profile is based on the following factors:

- development of golf resorts and facilities, building on global reputation as the home of golf (regularly hosting the British Open and Dunhill Links Championships)
- increasing levels of business tourism (again often based around the golf attractions)
- attraction of talent to Scotland's oldest university and increasing levels of commercialisation which is in turn creating new business opportunities.

Baseline

4.2 The size and distinctiveness of St Andrews within the surrounding area means that it is very difficult to define the area geographically. However for the purposes of this study and to be comparable with the other destinations, we have established a 'core area' based on the postcode sectors of KY16 9 and KY16 8 which includes the town of St Andrews itself and the other major tourist locations based outside the town, specifically Fairmount St Andrews and Kingsbarns.

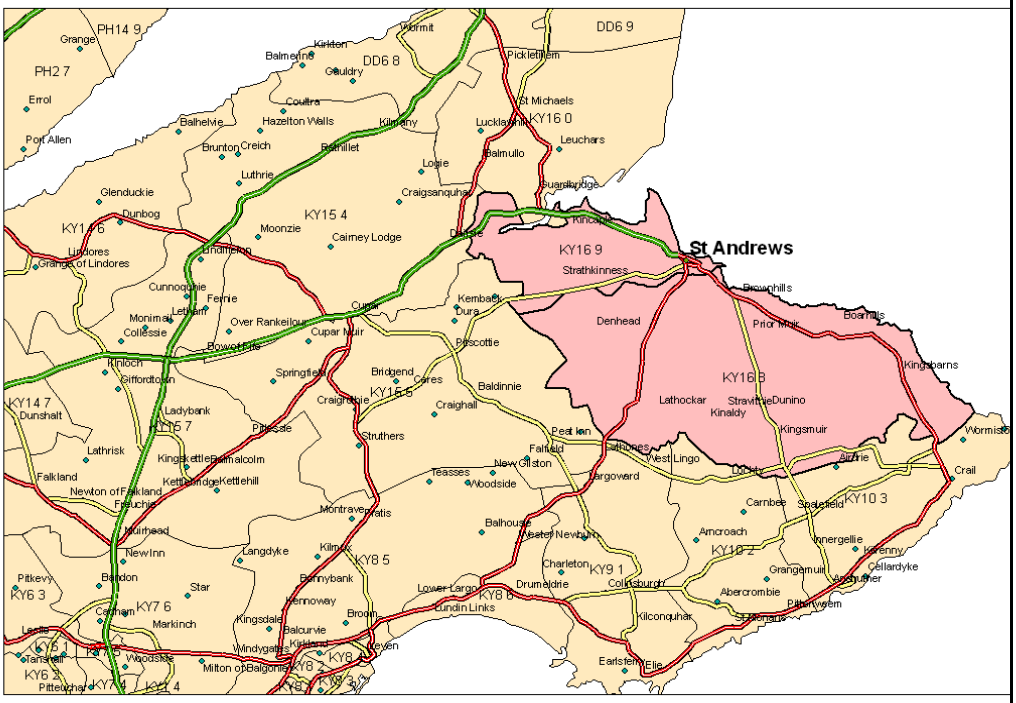
4.3 The combined population of KY16 9 and KY16 8 at the last census was 17,893 – the town is home to most of these residents (14,209 in 2001).[4] The postcode sectors for St Andrews are illustrated in Figure 1. Although this appears a much wider area, the vast majority of tourism (and economic) activity takes place within the town.

4.4 There are several important caveats to make in relation to the St Andrews analysis. The first is that St Andrews is slightly unusual in its high profile in relation to golf. This has two effects; the town will host a lot of visitors that are touring more widely and the full economic impact of these tours cannot be captured in a baseline using data from the town. Many golfers travel around Scotland because of St Andrews and its reputation as the home of golf.

4.5 A second related issue is that golf visitors spend considerably more than most other categories of tourists. Because of the concentration of these visitors in St Andrews, the use of area or regional expenditure data is inadequate in reflecting the importance of tourism to the destination. Because of this we have used data from the St Andrews Visitor Survey. Finally the development of St Andrews World Class included an important link with the research and development activity and the actions that are taken in this sphere cannot readily be captured in the baseline structure adopted in this work.

[4] www.scrol.gov.uk - Scottish Census Results On-Line

Figure 4-1: Geographic definition of St Andrews



Source: SQW

Accommodation stock

4.6 An accommodation audit was carried out in 2007 and forms the basis of the following tables. This has not been updated since then.

4.7 At peak season, the town is estimated to have just less than 7,700 bed spaces (including camping pitches). In practice these pitches can accommodate significantly more (we assume 2.5 beds per pitch later in the analysis). Using TRC's analysis of room availability we have been able to calculate the number of bed spaces available through the year. This is significantly less given the importance of campus accommodation in the town. There is around 2.26 million bed spaces available a year. The average number of self catering beds available is much smaller than the peak number because of the high proportion of university accommodation included here.

4.8 The high proportion of self catering that is operated by the University means that the analysis must take into account its availability which is constrained by student use. This is not usually the case in other Destinations where self catering is largely private and operated throughout the year.

Table 4-1: No of bed spaces in St Andrews by category of accommodation (2007)

Type of accommodation	Bed spaces
Hotel / small hotel	1,522
Other serviced accommodation	789
Campus	1,093
Other non serviced accommodation	2,981
Holiday / caravan park pitches	1,269
No of bed spaces[5]	**7,654**

Source: TRC accommodation audit 2007

Bed occupancy

4.9 Although some occupancy data was available in 2006, in 2008 there were too few observations to be able to produce sufficiently reliable values. This means it is not possible to provide updated estimates of visitor numbers.

4.10 The figures below (Table 2) show the occupancy rates for different categories of accommodation from 2006. The estimates were taken from the Scottish Occupancy Survey using the postcodes defining the destination.

4.11 The figures for the baseline use several assumptions:

- For camping, we have used the Fife average values of 45% pitch occupancy over 7 months (26% a year) and assumed 2.5 people per occupied pitch
- Campus accommodation is assumed to be 75% occupied over the 4 months it is available giving and annual value of 25%
- Self catering occupancy is taken from the Occupancy survey data for 2006 and adjusted for availability because of the large amount of university accommodation that it includes which unavailable during term time
- While the survey sample was sufficient for self-catering/non-serviced accommodation, TNS provided hotel occupancy for Fife to ensure a sufficient sample
- To differentiate between occupancy of self-catering 'units' and actual bed spaces, we have multiplied the self catering rate by 75% (assuming that three quarters of the beds are taken when the unit is described as "occupied")

[5] Includes camping and caravan *pitches* rather than maximum beds

Table 4-2: Bed occupancy rates

Accommodation category	Bed occupancy data 2006	Bed occupancy data 2008
Hotels	46%	Too few observations in the sample to provide estimates
Guest house / B&Bs	47%	
Serviced accommodation	**47%**	
Campus	**25%**	**25%**
Self-catering (unit)	51% (26% after adjusting for availability)	
Camping/caravan pitches	**26%**	**26%**

Source: VisitScotland 2006

VFR

4.12 In addition, we need to incorporate visitors staying with friends and relatives (VFR) who will also be staying in the area. Using VisitScotland data, it is possible to estimate that the number of VFR trips to ST Andrews has risen from 3.5 to 4.0 staying nights per head of population in Fife. Applying this ratio to the population of St Andrews (KY16 9 and KY16 8), we estimate a figure of 62,600 VFR staying nights in 2006 and 71,000 in 2008.

Table 4-3: VFR estimates

Accommodation category	2006	2008
Total VFR	62,600	70,100

Source: Visit Scotland

Visitor numbers

4.13 Together there were just over 1.1 million visitor nights to St Andrews based on the accommodation audit and occupancy rates in 2006. With no data on accommodation stock or occupancy there is no estimate of visitor nights.

Table 4-4: Number of overnight stays

	2006	2008
Total including VFR	1,128,000	-

Source: UKTS and IPS 2006 - 2008

Length of stay

4.14 For the average length of stay we have used the UKTS and IPS statistics for 2006 and 2008. These are produced for St Andrews although the sample size is fairly small. This shows a slight fall from 4.8 to 4.4 nights.

Table 4-5: Average length of stay (nights)

	2006	2008
Weighted average	4.8	4.4

Source: UKTS and IPS data for 2006 ,2008

Expenditure

4.15 Estimating expenditure is done by multiplying the number of staying visitors by the average expenditure. There are a number of sources for expenditure:

SQW estimate

4.16 The baseline analysis combined an estimate of expenditure for Fife with an adjustment for golfer expenditure. Work by MW Associates on the number and profile of golfers in 2005/06 estimated that there were 98,000 staying golfer nights. Estimates of expenditure in the same report show an average of £371 a day for visiting golfers, ranging from £450 a day for US visitors to £200 a day for UK visitors.

4.17 We used this figure for the 98,000 staying golfers and combined it with the average expenditure for Fife for other visitors. This gave expenditure of around £75.00 a day for the baseline, considerably higher than the Fife average at the time of £47.00.

4.18 For 2008, the average Fife expenditure has risen significantly to £65.12. Using a similar method to adjust for golf expenditure (and keeping golfer spending and numbers the same) produces an estimate of £92.00 a day. This has the effect of a large overall increase in expenditure in St Andrews.

Visitor survey

4.19 An alternative approach would be to use the St Andrews Visitor survey (Quarter 1). This estimates an average expenditure of £135 per visitor. However, this data includes day trips so further analysis of the raw data would be needed to get expenditure per day for staying visitors. The expenditure on accommodation by staying visitors looks quite high with spend of £252 over an average of 2.7 nights. This would mean around £100 per person per night, or £200 for a room for a couple. This would cover VFR and camping trips where expenditure would be much less. There is potential to use this type of data but the expenditure questions would have to be made more robust.

UKTS/IPS

4.20 A final source is the UKTS and IPS data for St Andrews that produces an expenditure figure of £148 per person per night. This is double the value of £75 that it estimated for 2007 and suggests that the small sample size may be causing considerable variation. It is not likely to be very reliable as an average.

4.21 Table 4-6 shows the baseline value and the 2008 values which do not include any allowance for changes in accommodation stock or in occupancy. The main reason for showing them is to demonstrate the large impact that the changes in visitor expenditure have had on overall levels of activity.

Table 4-6: Average expenditure and total

	2006 baseline	2008 value(based on expenditure changes only)
Golfer expenditure	£36.3 million	£36.3 million
Other tourism expenditure	£48.2 million	£67.3 million
Total staying tourism expenditure	**£84.5 million**	**£103.6 million**
Average expenditure per night	£75.00	£92.00
All Destination average	£61.43	£64.50

Source: Derived from previous tables

4.22 Our view is that the visitor survey could be potentially be used as a vehicle for gathering spending data. This is likely to require some refinement of the questions and careful sampling to provide data on the full range of visitors. If this is done it would provide a more reliable source than the UKTS/IPS data for St Andrews and the combined method. In the meantime, we have continued to use the Fife values adjusted for golf expenditure.

Derived GVA and employment from staying visitors

4.23 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 4-7: Direct GVA and employment (based on change in expenditure NOT accommodation or occupancy

Indicator	2006	2008
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£35,613,000	£43,488,000
Associated direct employment	2,000	2,000

Source: Derived from previous tables

4.24 Direct employment is derived from the GVA estimate using the tourism ratios from ABI. On this basis employment remains around 2,000 jobs, while GVA rose.

UKTS and IPS data for St Andrews

4.25 Although not available for 2005, IPS and UKTS survey data has been made available for St Andrews for 2006 to 2008. This has been provided by TNS. The pattern shows a very large increase in expenditure although the number of domestic visits falls very sharply in 2008.

4.26 The Table is shown to demonstrate a potential source of baseline data, but the spend figures in particular appear to be very erratic due to the small sample size.

Table 4-8: UKTS and IPS data for St Andrews 2006 - 2008

		Visits	Nights	Spend (£ millions)	Average spend (£s)
UKTS	2006	159,000	705,000	29	41.13
	2007	147,000	919,000	42	45.70
	2008	112,000	383,000	57	148.82
IPS	2006	75000	413000	40	96.85
	2007	83000	505000	65	128.71
	2008	77000	441000	65	147.39
Combined	2006	234,000	1,118,000	69	61.71
	2007	230,000	1,424,000	107	75.14
	2008	189,000	824,000	122	148.05

Source: IPS and UKTS

4.27 On this basis we would recommend continuing to develop an approach based on accommodation stock and occupancy rates rather than using UKTS and IPS.

Summary

Table 4-9: St Andrews baseline and update summary

	2006	2008 (assuming unchanged accommodation and occupancy figures)
Total commercial bed spaces	7,654	7,654
Number of staying visitor days (Ex VFR)	1,059,000	1,059,000
Number of VFR days	62,626	70,902
Total number of visitor days	1,122,000	1,130,000
Length of stay	4.8	4.4
Average expenditure per person per day	£75.57	£91.63
Total expenditure made by staying visitors	£84,792,000	£103,543,000
Associated GVA (staying visitors)	£35,613,000	£43,488,000
Associated direct employment	2,000	2,000

St Andrews key issues

- The results shown here are the result only of an increase in expenditure and do not reflect any changes in either accommodation stock or occupancy
- The occupancy data collected by TNS for the national survey in 2008 does not include sufficient cases to produce updated visitor numbers. This is the biggest challenge and we recommend the three stage process described at the end of the report in paragraph 9.7

- The second biggest challenge is in estimating expenditure. We do not consider that the sample size from UKTS/IPS is sufficient to capture this. We recommend that the existing visitor survey is refined to allow sufficiently robust estimates to be produced and/or more work is done to update golfer numbers and expenditure to improve the adjustments.
- Campus, camping and self catering occupancy could be refined and would require interviews with providers at the appropriate time to feed into further updates.
- Because it is a relatively small area with the data from the Annual Business Inquiry will vary year to year. To address this we have proposed using single set of values for all the Scottish destinations.

5: Glasgow

5.1 As Scotland's largest city, Glasgow plays a major role in the Scottish tourism industry. The nature and scale of tourism in Glasgow means that the performance of the city is critical to the national tourism targets. Some of the city's main tourism characteristics are outlined below:

- further substantial urban regeneration planned for Clyde Waterfront including new tourism facilities (e.g. hotels, attractions, entertainment)
- anticipated growth of business and conference-based tourism
- established reputation for major cultural and sporting events
- continuing importance of retail tourism as UK's best retail centre after London
- growing leisure/short break market with easier access from Scandinavia and England.

Baseline

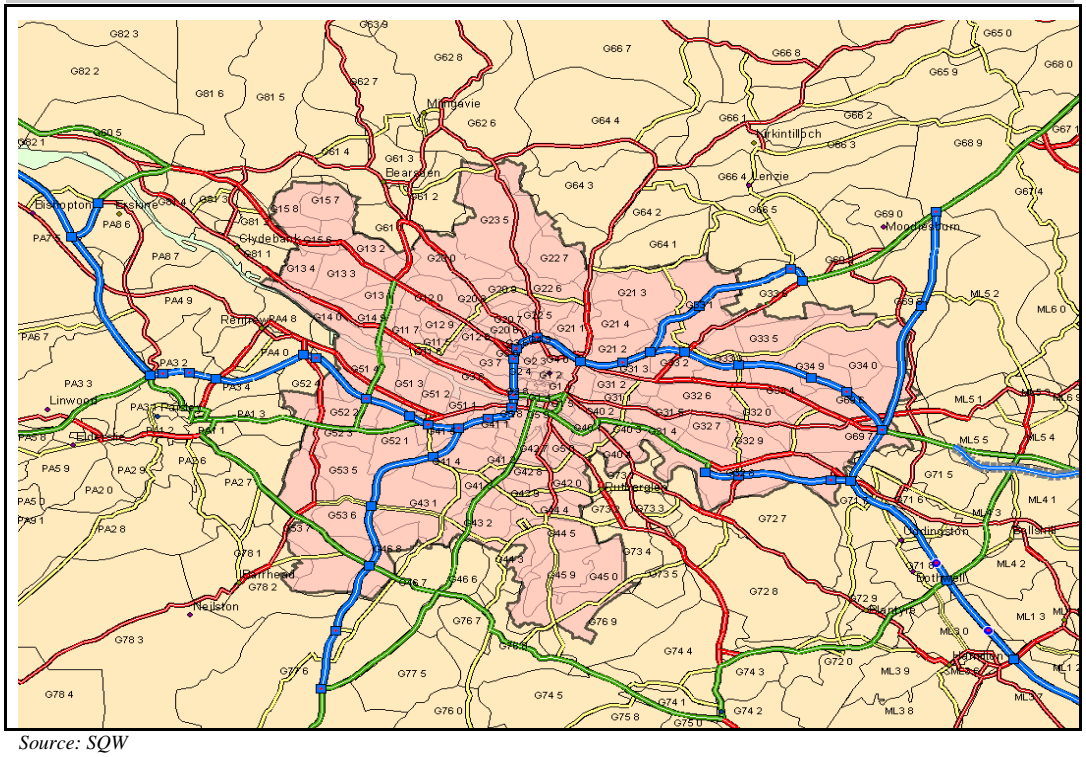
5.2 Although quite a narrow definition, the analysis set out below is based on the local authority boundary of Glasgow City Council. This provides the simplest and most straightforward approach and has also been used for Edinburgh. It is also important to note that the main national data sources, UKTS and IPS produce visitor data for Glasgow and Edinburgh based on these boundary definitions.

5.3 There are several important caveats to make in relation to the Glasgow analysis. The first is that Glasgow is not only a destination in its own right, but also a gateway to the rest of Scotland. This adds complications to measuring the influence of the destination and, over time, the impact of its interventions. Equally, Glasgow as a major city may benefit from staying visitors whose main motivation is visiting other destinations, including Loch Lomond. Without a complex visitor survey, it is impossible to attribute visitors and their expenditure to specific destinations beyond the ones in which they stay.

5.4 Secondly, visitor numbers, tourist expenditure, employment and related GVA are only one set of outcomes generated by tourism-based interventions. A broader view of the rationale for these investments would include the contribution that is made to place competitiveness more generally. This is very important in Glasgow where there are major investments in infrastructure projects. Tourism is this context is bound closely with place competitiveness and the image and perception of the city. Attracting visitors is only one outcome. Others would include attracting business investment, retaining and attracting graduates and improving the quality of life for residents. This is goes beyond the scope of this work (which sets out the tourism related outcomes) but in assessing the effectiveness and efficiency of tourism-related public sector investment, this full set of benefits should be reflected.

5.5 The local authority map of Glasgow City Council, which is the basis of our analysis, is illustrated in Figure 5.1 below.

Figure 5-1: Geographic definition of Glasgow:



Source: SQW

Accommodation stock

5.6 **An accommodation audit was carried out for the city of Glasgow by TRC in 2005 and this has been updated for 2010**. The values included in Table 5-1 are those used in for the baseline.

Table 5-1: Number of beds by category from Glasgow Accommodation Review – TRC (2005)

Indicator	Baseline figures 2005	2010
Hotel / small hotel	11,563	13,371
Other serviced accommodation	2,535	1,423
Campus accommodation	3,240	2,448
Other non serviced accommodation	1,593	2,468
Total	18,931	19,710

Source: Based on TRC accommodation audits 2005 and 2010

Bed occupancy

5.7 Table 5-2 sets out the baseline statistics for Glasgow and the source of this data. We have used bed occupancy throughout the study as it provides a better base for estimating numbers of visitor nights. Room occupancy requires an adjustment for the number of sleepers, although it is the more frequently used ratio.

5.8 The Scottish Occupancy Survey provides estimates for each VisitScotland area and Glasgow and Edinburgh. There should be some caution in interpreting these results as the number of respondents varies by area. In 2006 hotel bed occupancy was estimated to be 53% (close to the average for the sample of all destinations as a whole (56%)) and in 2008 this was estimated to be 49.4%. This very similar to the Lynn Jones Forecaster estimates of hotel occupancy which produces a value over the same period of 51.6%.

5.9 The Scottish Occupancy Survey included 29 cases compared with the Lynn Jones estimates which are based on 30. Given the comparable size of the samples and the very similar results there is no reason why the approach to measuring hotel bed occupancy should be changed.

5.10 The other categories are more challenging. The 2008 sample is too small for guest houses and B&Bs and will require to be boosted in future. However, there is a figure for self catering.

5.11 The figures use several assumptions:

- Campus accommodation is assumed to be 75% occupied over the 4 months it is available giving and annual value of 25%
- Guest house and B&B occupancy is unchanged from 2006
- To differentiate between occupancy of self-catering 'units' and actual bed spaces, we have multiplied the self catering rate by 75% (assuming that three quarters of the beds are taken when the unit is described as "occupied")

Table 5-2: Bed occupancy rates

Category	2006	2008
Hotels	53%	49%
Guest house / B&Bs	51%	51% (2006 figure used due to insufficient sample)
Campus	25% (SQW estimate)	25% (SQW estimate)
Self catering	64% (bed occupancy of 48%)	49% (bed occupancy of 37%)

Source: VisitScotland

VFR

In addition, we need to incorporate visitors staying with friends and relatives (VFR) who will also be spending in the area. VFR nights are based on the figures reported in by VisitScotland through the UKTS and IPS surveys. These figures estimate that there were 4.3 million VFR nights in Glasgow in 2006 and 3.8 million in 2008.

Table 5-3: Estimate of VFR

VFR	2006	2008
Total VFR	4,423,000	3,827,200

Source: VisitScotland/UKTS/IPS

Visitor numbers

5.12 The table below uses calculations which are based on bed spaces and occupancy rates to establish a number of bed nights in commercial accommodation (Table 5-4). These figures are based on the same bed stock but can be updated with the new accommodation audit.

Table 5-4: Number of staying nights by accommodation type

Accommodation category	2006	2008 (based on 2010 accommodation data)
Total no of hotel overnight stays	2,236,862	2,391,403
Total no of other serviced overnight stays	471,890	264,891
Total no of campus overnight stays	295,650	223,380
Total no of other non serviced overnight stays	279,094	331,051
Total VFR	4,305,000	3,827,200
Overnight stays incl VFR	**7,588,496**	**7,037,926**

Source: SQW estimates

Length of stay

5.13 Length of stay is also a useful baseline measure. Although it is not relevant when using the number of visitor nights as the basis for calculating expenditure, it helps understand the profile of visitors and should continue to be monitored. For Glasgow, the values from the UKTS and IPS are used. These have changed over the 2006 – 2008 period as follows:

- Length of stay by UK visitors has fallen from 3.0 nights to 2.5
- Length of stay for overseas visitors has fallen from 6.2 nights to 6.0
- The weighted average has fallen from 3.8 days to 3.5.

Expenditure

5.14 Along with volume, expenditure is the other key variable in measuring total expenditure and therefore GVA. Total tourism expenditure can be calculated by multiplying the number of visitor nights by the average visitor expenditure (of both UK and overseas visitors).

5.15 Expenditure has risen slightly from £67.40 to £73.55. The values using *expenditure averages* are shown in Table 4 below and show the average spend in Glasgow is higher than Scotland and has grown at a similar rate.

Table 5-5: Average expenditure and total

	2006	2008 (based on 2010 accommodation data)
Average expenditure per night	£66.26	£73.55
Total tourism expenditure	£510,653,000	£517,617,000
Scottish average	£56.54	£63.70

Source: Various

5.16 Unlike the other destinations in this study which have been defined using best-fit postcode sectors, there are already tourism profiles produced by VisitScotland for the cities of Glasgow and Edinburgh. In 2006 the UKTS/IPS figures for Glasgow estimated tourism expenditure of £656 million. In 2008 this had fallen to £620,000.

5.17 This demonstrates (at least in Glasgow's case) a significant difference in the calculation of tourism expenditure depending on whether the analysis is based on the top-down approach which estimates the volume of visitors from a sample of tourists or whether the analysis is based on bed stock and occupancy levels.

Derived GVA and employment from staying visitors

5.18 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 5-6:Direct GVA and employment

Indicator	2006	2008 (based on 2010 accommodation data)
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£219,091,000	£217,402,000
Associated direct employment	9,594	9,165

Summary

5.19 The final table summarises the baseline and the 2008 updated values and provides commentary on the assumptions and actions for development.

Table 5-7: Summary

Baseline summary	2006	2008 (based on 2010 accommodation audit)
Total commercial bed spaces	18,931	19,710
Number of staying visitor days (Ex VFR)	3,283,496	3,210,726
Number of VFR days	4,423,000	3,827,200
Total number of visitor days	7,706,000	7,038,000
Length of stay	3.8	3.5
Average expenditure per person per day	£66.26	£73.55
Total expenditure made by staying visitors	£510,620,000	£517,623,000
Associated GVA (staying visitors)	£219,091,000	£217,402,000
Associated direct employment	9,594	9,165

Key issues for Glasgow

- **Although the summary results produced here are labelled as 2008, the analysis of accommodation uses data from 2010**.
- Tourism expenditure in Glasgow fell around 5% between 2006 and 2008 according to UKTS and IPS figures. Based on the figures calculated here expenditure has remained broadly the same. The more positive picture is a result of the increase in accommodation.
- An encouraging sign is that expenditure has increased to reach parity with Edinburgh.
- There is now a much smaller gap between the UKTS/IPS data and the calculations here. An increase in expenditure and accommodation has offset slightly lower occupancy rates in 2008.
- Building back occupancy is the key to increasing visitor expenditure overall
- Occupancy data for hotels is well covered, but further work should be done to:
  - Boost sample for guesthouses and B&B's
  - Refine estimates for campus accommodation and to check ratio of self catering unit occupancy to bed occupancy
- Investment data will need to be added.

6: Loch Lomond and the Trossachs

Introduction

6.1 The Loch Lomond and the Trossachs National Park was designated in July 2002 and following spatial prioritisation exercise in 2004 the area was identified as one of six key tourism locations within the Scottish Enterprise area.

Baseline

6.2 For the purposes of this study, postcodes representing the National Park and the areas immediately around it have been used to define the Destination. The Park has been divided into four core areas that correspond with those that the National Park itself and partners use:

- Loch Lomond (SE area)
- Trossachs (SE area)
- Breadalbane (SE area)
- Argyll Forest (HIE area).

6.3 The results can then be compiled in various combinations to show baselines for the SE and HIE areas with and without the two towns, as well as the total for the National Park destination as a whole. The postcodes used for each of these areas are shown in Table 6-1 to allow future comparison.

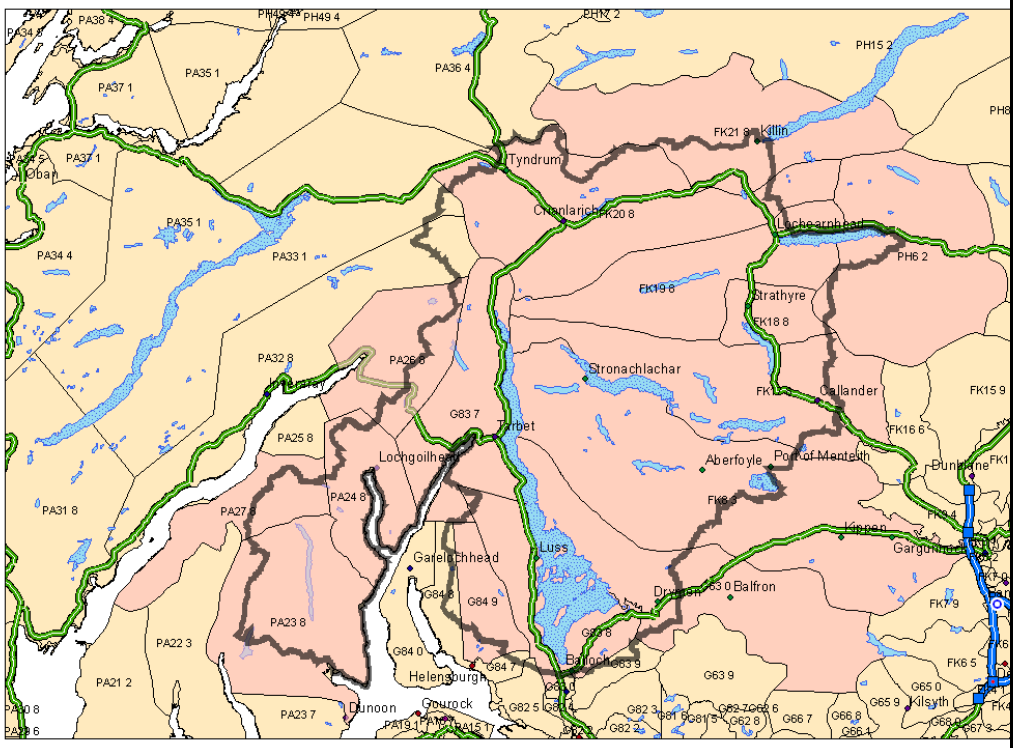
Table 6-1: Postcode definitions and map

Area	Postcodes
Loch Lomond	G63 0, G83 7, G83 8
Trossachs	FK17 8, FK8 3
Breadalbane	FK18 8, FK19 8, FK20 8, FK21 8, PH6 2
Argyll Forest	PA23 8, PA24 8, PA26 8, PA27 8

Source: SQW

6.4 The full destination area is shown in Figure 6-1. This also shows the destination area relative to the National Park boundary. The area excludes Dunoon and Helensburgh.

Figure 6-1: Geographic definition of Loch Lomond and the Trossachs



Source: SQW

Accommodation stock

6.5 The analysis of accommodation is based on work carried out by TRC in 2005 and this has not been updated yet. There are two accommodation audits – one for West Loch Lomond and one for Forth Valley, which includes a significant part of the National Park. The original data from these studies has been *analysed by postcode* to provide estimates of the number of beds, by type, for each of the four areas within the Park.

6.6 These have then been brought together to produce the values reported in Table 6-2. These are used in both the baseline and the update. The estimate of touring and holiday park accommodation is based on the number of pitches (not bed spaces).

6.7 Assuming that there was not change between 2005 and 2006, there were 14,151 bed spaces available within the defined destination area. This includes 2,911 camping and caravan pitches.

Table 6-2: Number of beds by category from West Loch Lomond and Forth Valley Accommodation Review – TRC (2005) (not updated and assumed to remain constant to 2008)

	2006	2008
Hotels	4,274	4,274
Bed & Breakfast/ Guesthouses	1,890	1,890
Self catering	5,076	5,076
Touring/holiday park (pitches)	2,911	2,911
Total	14,151	14,151

Source: Based on TRC accommodation audits 2005

Bed occupancy

6.8 Table 6-3 sets out the bed occupancy rates for accommodation in the *overall* area. Data for 2006 was available for the Park as a whole. These figures are used across all areas. In 2008 a much lower hotel occupancy figure of 37% was reported. This appears low but is based on eight cases similar to the number in 2006. The figure for guesthouses and B&B's appears more reliable with a slightly larger sample as does the self catering estimate of 52% even though this represents a fall of around 18%.

Table 6-3: Bed occupancy rates

Category	2006 data	2008
Hotels	56%	37%
B&B and Guesthouse	51%	49%
Self catering	(64.1% unit occupancy) 48%	(52% unit occupancy) 37%
Touring/holiday park	26%	26% based on regional occupancy over a full year

Source: Scottish Occupancy Survey, TRC and SQW

Visitor numbers

6.9 Table 6-4 below uses calculations which combine the available bed spaces and occupancy rates to establish the number of bed nights in commercial accommodation. This excludes visitors staying with friends and relatives (VFR) who will also be spending time and money in the area.

6.10 The figures use several assumptions:

- For camping, we have used the regional average values of 45% pitch occupancy over 7 months (26% a year) and assumed 2.5 people per occupied pitch
- Although the analysis produces a relatively low number, we have used the figure for hotel bed occupancy (which was based on a sample of 8 cases).
- To differentiate between occupancy of self-catering 'units' and actual bed spaces, we have multiplied the self catering rate by 75% (assuming that three quarters of the beds are taken when the unit is described as "occupied")

6.11 The results show a total of 2.8 million bed nights within the full destination area in 2006 falling to 2.3 million in 2008. This assumes that the number of bed spaces is maintained.

Table 6-4: Visitor numbers 2006 and 2008

	2006	2008 (Based on original accommodation audit)
Total no of hotel overnight stays	874,000	577,000
Total no of other serviced overnight stays	352,000	338,000
Total no of other non serviced overnight stays	889,000	723,000
Total no of holiday park overnight stays	691,000	691,000
Total number of overnight stays excl VFR	2,806,000	2,329,000

Source: Combined accommodation audits and occupancy rates

Visiting Friends and Relatives (VFR)

6.12 Estimates of the number of VFR nights are based on the ratio of VFR nights per head of the population within the AILLST VisitScotland area. There are approximately 471,000 people within the AILLST area. The VisitScotland (UKTS and IPS) data in 2008 indicates that there are 2.4 million VFR nights within the area. This gives an average of 5.1 VFR nights per head of the population (compared with 4.4 in 2006). The population for each of the areas within the Park destination area is shown in Table 6-5 below along with the ratio and the estimate of VFR nights.

6.13 Together these figures show 2.5 million visitor nights to the Destination in 2008, although this crucially excludes any update in accommodation stock and requires figures for hotel occupancy.

Table 6-5: VFR estimates

Accommodation category	**2006**	**2008**
VFR per head	4.4	5.1
VFR	118,758	137,552
All overnight stays incl VFR	2,925,000	2,467,000

Source: UKTS/IPS and SQW estimates

Length of stay

6.14 Length of stay is also a useful baseline measure. Although it is not relevant when using the number of visitor nights as the basis for calculating expenditure, it helps understand the profile of visitors and should continue to be monitored. For AILLST, the values from the UKTS and IPS should be used.

Table 6-6: Average length of stay (nights)

	2006	**2008**
Weighted average	4.0	3.9

Source: Visit Scotland

Expenditure

6.15 Along with the volume of visitors, spend per visitor is the other key variable in measuring total expenditure and therefore GVA. Total expenditure is calculated by multiplying the number of visitor nights by the average visitor expenditure (of both UK and overseas visitors). These values are drawn from the UKTS and IPS data for AILLST in 2006 and 2008.

Table 6-7: Average expenditure and total

	2006	2008
Expenditure per person per night	£53.14	£56.18

Source: UKTS and IPS 2006 & 2008

Total expenditure

6.16 Total expenditure represents the direct spending of visitors staying overnight in the destination. This is derived simply by multiplying the average daily expenditure with the number of visitor days. Combined, staying visitor expenditure was estimated to be around £140 million. The figures in the following table assume that the accommodation stock has remained the same.

Expenditure

Table 6-8: Average expenditure and total

	2006	2008 (assumes accommodation stock remains the same)
Total tourism expenditure	£155,411,000	£138,578,000

Source: derived from accommodation audits, occupancy data and expenditure average (see previous tables)

Derived GVA and employment

6.17 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 6-9: Direct GVA and employment

Indicator	2006	2008 (assumes accommodation stock remains the same)
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£66,682,000	£57,583,000
Associated direct employment	2,920	2,427

Source: derived from accommodation audits, occupancy data, ABI data and expenditure average (see previous tables)

Summary

6.18 The final table summarises the baseline and the 2008 updated values and provides commentary on the assumptions and actions for development.

Table 6-10: Summary table

Baseline summary	2006	2008 (assumes accommodation stock remains the same)
Total commercial bed spaces	18,518	18,518
Number of staying visitor days (Ex VFR)	2,806,000	2,329,000
Number of VFR days	118,758	137,552
Total number of staying visitor days	2,924,758	2,466,552
Length of stay	4.0	3.9
Average expenditure per person per day	£53.14	£56.18
Total expenditure made by staying visitors	£155,411,000	£138,578,000
Associated GVA (staying visitors)	£66,682,000	£57,583,000
Associated direct employment	2,920	2,427

6.19 The results for Loch Lomond & Trossachs show a modest decline. Although the number of visitors has fallen and occupancy slipped, expenditure has risen as has the number of VFR trips.

Key issues for Loch Lomond and the Trossachs

- There is no new accommodation data for the area which would help refine future estimates
- Occupancy data for hotels is weak and requires a larger sample from the Scottish Occupancy survey
- Check ratio of self catering unit occupancy to bed occupancy (currently assumed to be 75%)
- Expenditure data currently drawn from UKTS/IPS from AILLST, is there a better source? We could use data disaggregated by type of visitor?
- Investment data will need to be added.

7: Perthshire

Introduction

The geographic definition of Destination Perthshire was changed between the initial baseline work and this update. The size of the Destination has been reduced considerably and now covers only the north and more rural parts of Perthshire. This is defined using five postcodes:

- PH 8
- PH9
- PH15
- PH16
- PH18

7.1 These selected postcode sectors are illustrated in Figure 7-1. The new boundary is shown by the pink outline. The map also highlights the Perth and Kinross local authority boundary which is the same as the VisitScotland regional boundary.

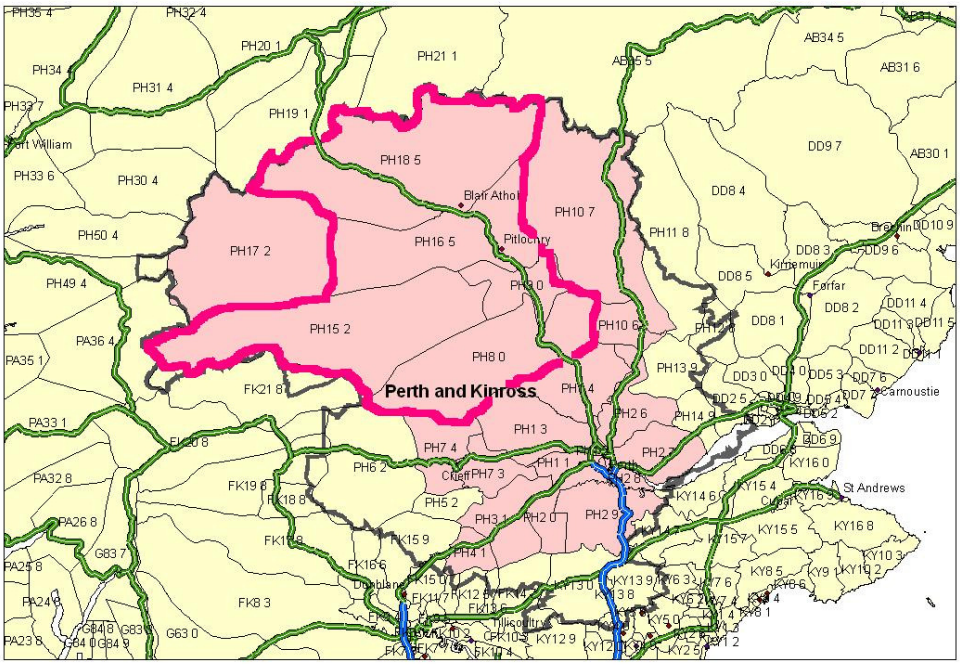
7.2 The area and the nature of the tourism product in Perthshire create some challenges for the baseline and monitoring. There has been and continues to be a lot of work to create an environment that is attractive to resort investors. Outdoor activities are an important part of the area's attraction along with several events including Etape Caledonia (4000 participants) or Enchanted Forest (25,000 visitors out of season). There are also several planned resort developments at Taymouth and Croft while the Pitlochry Festival Theatre is a key part of the Destination.

7.3 In undertaking the calculations, the tourism figures will exclude second homes, of which there are likely to be a substantial number in Perthshire. The marketing of the new resort-type developments is increasingly more akin to selling second homes than timeshare and can attract high spending visitors. Capturing this type of tourism activity through either the UKTS and IPS surveys or through an occupancy based model is very difficult.

7.4 Perthshire and the A9 corridor are well positioned to attract day trips from the major conurbations of Glasgow and Edinburgh. As with all the destinations, the scale of the day trip market is almost unknown and would require new survey work. STEAM data estimates day visitors to the area at 295,540 with revenue of £13.22m.

7.5 We would also argue that these investments contribute more generally to place competitiveness. Promoting, improving access and interpretation to the attractive areas in the A9 corridor directly contributes to the quality of life of residents. An attractive place also helps attract new business investment and retaining and attracting key staff. This goes beyond the scope of this work (which sets out the tourism related outcomes) but in assessing the effectiveness and efficiency of tourism-related public sector investment, this full set of benefits should be reflected.

Figure 7-1: Geographic definition of Perthshire



Source: SQW

Accommodation stock

7.6 Table 7-1 sets out the number of bed spaces within the new Perthshire destination boundary. These figures have been taken from the most recent TRC audit of accommodation (2007), so there are no separate figures for 2008.

Table 7-1: No of bed spaces in Perthshire by category of accommodation

Category	2007 audit
Hotel / small hotel	2,378
Other serviced accommodation	989
Other non serviced accommodation	3,170
Holiday / caravan park pitches	1,813
No of bed spaces[6]	**4,983**

Source:TRC Audit 2007

Bed occupancy

7.7 The figures below show the different occupancy rates for different categories of accommodation in the Perthshire destination. These estimates have been taken from the Scottish Occupancy Survey for the postcodes that define the area.

[6] Includes camping and caravan *pitches* rather than maximum beds

7.8 The biggest change is in hotel bed occupancy which is shown as 71%. This appears high given trends elsewhere in 2008 but given that there are more than five responses we have included it.

Table 7-2: Bed occupancy rates

Accommodation category	2006	2008
Hotels	56%	71%
Guest house / B&Bs	44%	37%
Non-serviced accommodation	48% (assumes 75% of unit beds taken)	42% (assumes 75% of unit beds taken)
Camping and caravan	16% of maximum (assumes that 2.5 beds per pitch are occupied and 26% annual pitch occupancy)	16% of maximum (assumes that 2.5 beds per pitch are occupied and 26% annual pitch occupancy)

Source: VisitScotland (2007)

Visitor numbers

7.9 The Table uses calculations which are based on bed spaces and occupancy rates to establish a number of bed nights in commercial accommodation.

7.10 The figures use several assumptions:

- For camping, we have used the national average of 45% pitch occupancy over 7 months (26% a year) and assumed 2.5 people per occupied pitch – this gives 16% of the maximum number of bed spaces
- To differentiate between occupancy of self-catering 'units' and actual bed spaces, we have multiplied the self catering rate by 75% (assuming that three quarters of the beds are taken when the unit is described as "occupied").

7.11 In addition, we need to incorporate visitors staying with friends and relatives (VFR). In 2006 there were around 1.2 million VFR nights in Perthshire. In 2008 this was reported as 1.4 million. This gave a VFR per head of the population of 5.3 which increases to 9.7 in 2008, one of highest values of the Scottish regions. In the new Destination the population is 10,934, which gives a VRF figure of 106,000 visitor nights.

7.12 In total this shows the total number of visitor nights at around 1.7 million.

Table 7-3: Number of staying nights by accommodation type

Accommodation category	2006	2008 (Based on original accommodation audit)
Total no of hotel overnight stays	486,063	616,259
Total no of other serviced overnight stays	158,833	133,564
Total no of other non serviced overnight stays	546,706	485,961
Total no of holiday park overnight stays	423,517	423,517
VFR	91,063	105,809
Total	1,622,000	1,666,000

Length of stay

7.13 Using the UKTS and IPS statistics, in 2006 the average length of stay was 4.3 nights. In 2008 the figures were very different with overseas visitors staying just 4.5 nights and UK visitors 3.4, giving an average of 3.5 nights.

Table 7-4: Average length of stay (nights)

	2006	2008
Weighted average	4.3	3.5

Source: Visit Scotland

Expenditure

7.14 Along with volume, expenditure is the other key variable in measuring total expenditure and therefore GVA. Total expenditure is calculated by multiplying the number of visitor nights by the average visitor expenditure (of both UK and overseas visitors). This has risen from £51.93 in 2006 to £57.10 in 2008.

7.15 Total expenditure derived by multiplying average expenditure by the number of nights was just over £100 million in 2008.

Table 7-5: Average expenditure and total

	2006	2008 (Based on original accommodation audit)
Average expenditure per night	£51.93	£57.10
Total tourism expenditure	**£88,960,000**	**£101,182,000**
Scottish average	£56.54	£63.70

Source: Derived from previous tables

Derived GVA and employment from staying visitors

7.16 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all

the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 7-6: Direct GVA and employment

Indicator	2006	2008 (Based on original accommodation audit)
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£38,170,000	£42,044,000
Associated direct employment	1,671	1,772

Source: SQW estimates

Summary

7.17 The final table summarises the baseline and the 2008 updated values and provides commentary on the assumptions and actions for development.

Table 7-7: Summary table

Baseline summary	2006	2008 (Based on original accommodation audit)
Total commercial bed spaces	8,350	8,350
Number of staying visitor days (Ex VFR)	1,622,000	1,666,000
Number of VFR days	91,000	106,000
Total number of staying visitor days	1,713,000	1,772,000
Length of stay	4.3	3.5
Average expenditure per person per day	£51.93	£57.10
Total expenditure made by staying visitors	£88,960,000	£101,182,000
Associated GVA (staying visitors)	£38,170,000	£42,044,000
Associated direct employment	1,671	1,772

Key issues for Perthshire

- One of the issues here is that the occupancy data for hotels is weak. The small number of cases gives a very high occupancy rate and this make a very big difference to the over all results. For example using the previous hotel result would reduce expenditure to £93 million. A larger sample from the Scottish Occupancy Survey would help
- The Accommodation audit was carried out in 2007 and there has been no update for this report
- Check ratio of self catering unit occupancy to bed occupancy (currently assumed to be 75%)
- Investment data will need to be added.

8: Cairngorms/South Deeside

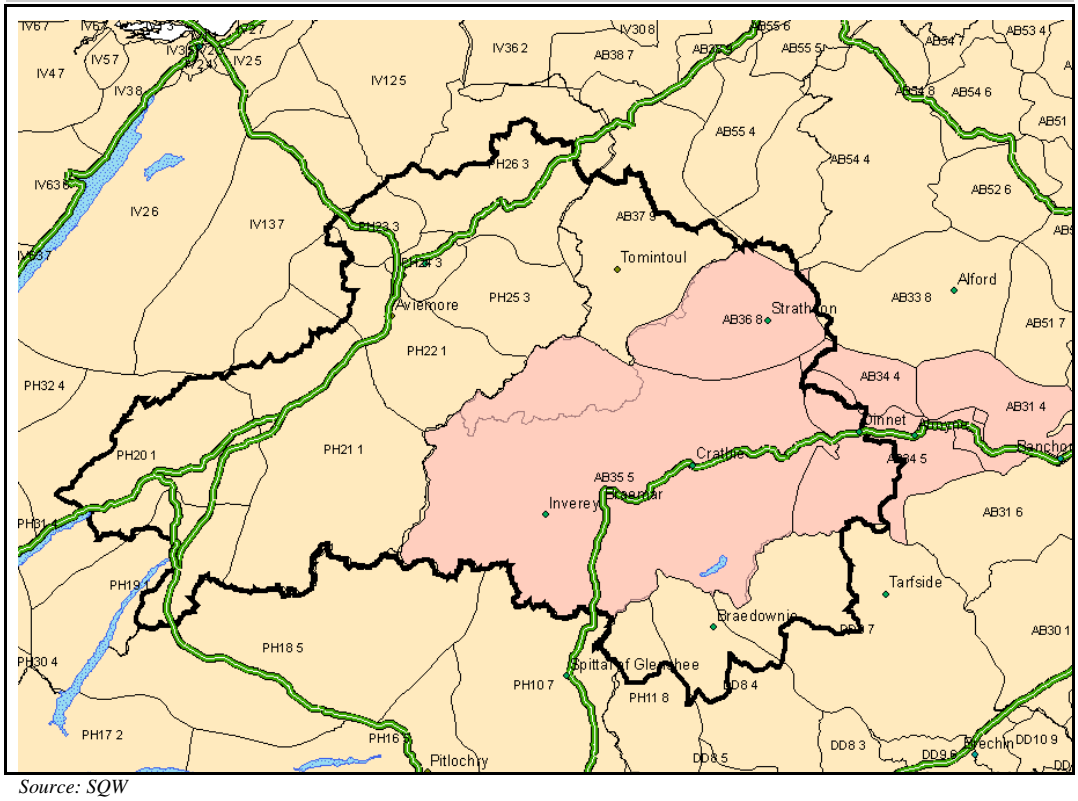
Definition of the area and map

8.1 Cairngorms/Deeside covers the East and South of the Cairngorms National Park and continues further east along Royal Deeside and through Aboyne. It essentially covers the Dee valley and the A93 from Braemar and east to Banchory. This is a rural area but with relatively little tourism resort development. The postcodes used for the analysis are:

- AB31 4
- AB34 4
- AB34 5
- AB35 5
- AB36 8

8.2 These are shown in the map below.

Figure 8-1 Deeside/Cairngorms boundaries



Source: SQW

Accommodation stock

8.3 Table 8-1 sets out the number of bed spaces within the Cairngorms destination boundary. These figures have been taken from the most recent TRC audit of accommodation (2009), which shows accommodation changes between 2005 and 2009.

Table 8-1 No of bed spaces in Perthshire by category of accommodation

Category	2005	2009
Hotel / small hotel	1,287	1,202
Other serviced accommodation	475	474
Other non serviced accommodation	1,615	1,984
Holiday / caravan park pitches	998	998
No of bed spaces[7]	**4,375**	**4,658**

Source:TRC Audit 2006 and 2009

Bed occupancy

8.4 A major gap in the baseline update is the smaller number of responses to the Scottish Occupancy survey in 2008. Although it was possible to provide estimates for 2006, there were no categories in which more than five responses were received. This means that despite having the most up to date accommodation data the lack of occupancy figures means that it is not possible to provide estimates of visitor numbers. The figures below show the 2006 results only.

Table 8-2: Bed occupancy rates

Accommodation category	2006	2008
Hotels	49%	-
Guest house / B&Bs	42%	-
Non-serviced accommodation	34%	-
Camping and caravan	26%	-

Source: VisitScotland (2006)

Visitor numbers

8.5 The next table uses calculations which are based on bed spaces and occupancy rates to establish a number of bed nights in commercial accommodation. This is done using the 2006 occupancy rates.

8.6 The figures use several assumptions:

- For camping, we have used the national average of 45% pitch occupancy over 7 months (26% a year) and assumed 2.5 people per occupied pitch

[7] Includes camping and caravan *pitches* rather than maximum beds

- To differentiate between occupancy of self-catering 'units' and actual bed spaces, we have multiplied the self catering rate by 75% (assuming that three quarters of the beds are taken when the unit is described as "occupied")

VFR

8.7 In addition, we need to incorporate visitors staying with friends and relatives (VFR). The total population within the postcodes identified for the destination is 12,202. The UKTS and IPS data for Aberdeen and Grampian indicate that around half of domestic staying visitors to the area stay with friends and relatives.

8.8 The average VFR per head in the region was 8.2 in 2006 and this has fallen to 4.5 in 2008. The overall figure for Aberdeen and Grampian has fallen from 3.7 million VFR nights in 2006 to 2.0 million in 2008. A very significant change. The combined visitor numbers show a total of 840,000 in 2006.

Table 8-3: Number of staying nights by accommodation type

Accommodation category	2006	2008
Total no of hotel overnight stays	230,180	-
Total no of other serviced overnight stays	72,818	-
Total no of other non serviced overnight stays	200,422	-
Total no of holiday park overnight stays	236,776	-
VFR	103,717	76,599
Overnight stays incl VFR	**843,911**	**-**

Source: derived from occupancy data 2006 and VFR estimates

Length of stay

8.9 Using the UKTS and IPS statistics, in 2006 the average length of stay of overseas visitors to Aberdeen and Grampian was 3.8 and this increased in 2008 to 4.2.

Table 8-4: Average length of stay (nights)

	2006	2008
Weighted average	3.8	4.2

Source: Visit Scotland

Expenditure

8.10 Along with volume, expenditure is the other key variable in measuring total expenditure and therefore GVA. Total expenditure is calculated by multiplying the number of visitor nights by the average visitor expenditure (of both UK and overseas visitors). This had fallen slightly from £51.69 in 2006 to £51.39 in 2008.

8.11 Total expenditure derived by multiplying average expenditure by the number of nights was £93 million in 2008.

Table 8-5: Average expenditure and total

	2006	2008
Average expenditure per night	£51.69	£51.39
Total tourism expenditure	£43,622,000	-
Scottish average	£56.54	£63.70

Source: Derived from previous tables

Derived GVA and employment from staying visitors

8.12 GVA and employment can be derived from total expenditure in the Destination. The Scottish Government produces figures which allow ratios of GVA to turnover and to employment to be calculated for specific sectors. As described in the first chapter, we propose using a single average value which is based on the pattern of expenditure by visitors and averaged across all the Destinations to avoid some of the inconsistencies that arise from smaller area data. This gives the following ratios, which are then applied to the total expenditure data.

Table 8-6: Direct GVA and employment

Indicator	2006	2008
GVA per employee	£22,837	£23,721
GVA as % of turnover	43%	42%
Associated GVA (staying visitors)	£18,717,000	
Associated direct employment	820	

Source: SQW estimates

Summary

8.13 The final table summarises the baseline and the 2008 updated values and provides commentary on the assumptions and actions for development.

Table 8-7: Summary table

Baseline summary	2006	2008 (figures based on 2006 occupancy results)
Total commercial bed spaces	4,375	4,658
Number of staying visitor days (Ex VFR)	740,194	770,632
Number of VFR days	103,717	54,346
Total number of visitor days	843,911	824,978
Length of stay	3.8	4.2
Average expenditure per person per day	£51.69	£51.39
Total expenditure made by staying visitors	£43,622,000	£42,398,000
Associated GVA (staying visitors)	£18,717,000	£17,618,000
Associated direct employment	820	743

Key issues for Cairngorms/Deeside

- Although Cairngorms/Deeside has the most up to date accommodation audit, there is not adequate occupancy data on which to produce estimates of visitor numbers, expenditure, GVA and employment
- the accommodation audit could be revisited with a sample of businesses to gather some occupancy data, which would be of use at least at a local level
- VFR estimates are still based on Aberdeen and Grampian as is expenditure data. There has been a significant change in these figures and this makes a big difference to Cairngorm/Deeside results
- Although these are not dramatically different from other areas, it is important to consider whether there are any better sources of data.
- Check ratio of self catering unit occupancy to bed occupancy (currently assumed to be 75%)
- Investment data will need to be added.

9: Conclusions

Summary of data and gaps

9.1 Table 9-1 sets out the tourism expenditure values for each Destination in the baseline year and the most recent update. Overall the figures have not changed a great deal (although nationally tourism expenditure fell by around 3% between 2006 and 2008). In part this is because elements of the data had not been updated, are actually from later years or in some cases we have used estimates from the original values.

Table 9-1: Expenditure estimates and occupancy data

	Total expenditure made by staying visitors £ millions		
	2006	**2008**	
Edinburgh	£804.84	£816.46	occupancy OK
St Andrews	£84.79	£103.54	no occupancy (based only on expenditure increases)
Glasgow	£510.62	£517.62	occupancy OK (except for GH/B&Bs)
Loch Lomond & Trossachs	£155.41	£138.58	occupancy OK but smaller numbers
Perthshire	£88.96	£101.18	occupancy OK but smaller numbers
Cairngorms/Deeside	£43.62	£42.40	**no occupancy (**based only on expenditure increases**)**

Source: various SQW estimates

9.2 Although it is difficult to provide a fair analysis of the results given the gaps in the data, some patterns do appear to be apparent. Overall, using the assumptions throughout this report, the value of tourism expenditure is likely to be broadly flat. Typically the fall in occupancy rates reported in most Destinations have been offset up higher numbers of VFR and higher levels of expenditure. Perthshire and St Andrews stand out as having much higher figures in 2008.

9.3 These are two areas, along with Glasgow where expenditure increased significantly. By more than 10% in Perthshire and 38% in St Andrews. This may because of the smaller sample sizes in the UKTS and IPS. It will take several more years of data to understand whether these results are unusual or are part of a wider trend.

9.4 Across the six Destinations the total expenditure remains around £1.7 billion between 2006 and 2008. This is relatively encouraging given that 2008 was considered to be such a poor year.

Conclusions

9.5 The analysis to date raises a number of important conclusions. Most of these were raised in the opening chapter but are worth summarising here. The main issues are:

Should we continue using this approach to estimating tourism expenditure and GVA within the Destinations and what are the alternatives?

9.6 Our view is that the methodology and approach works and the problems can be managed if there are improvements to the data available and the timing of its collection. There are few viable alternatives. There is little prospect that outside of Edinburgh and Glasgow the UKTS and IPS data will be sufficiently robust and in any case is based on specific places rather than allowing areas to be defined by postcode.

If so how can we improve the source data?

Occupancy estimates

9.7 This is one of the biggest challenges. For the baseline the Scottish Occupancy data was used although the samples were relatively low, they produced reasonably consistent results and the sample could be enhanced over time. In practice this has not been the case. The sample is now too low in a number of areas and this should be addressed.

9.8 Several alternative sources have been suggested including Lynn Jones Forecaster results and local occupancy surveys. In the case of the latter the results are little different from those in the Scottish Occupancy survey and the samples are of a similar size. Furthermore this type of data is only available in Edinburgh and Glasgow where there are fewer problems with the Scottish Occupancy survey. Local surveys will be less consistent and may not be undertaken over the longer term.

9.9 Our view is that SE should continue to use the national occupancy survey as part of the baseline and work with VisitScotland to enhance it in the areas that are weakest. The most immediate problems are with guesthouse and B&Bs across all areas and all accommodation in St Andrews and Cairngorms/Deeside.

9.10 To take this forward we recommend:

- Discussions with VisitScotland and TNS about what can be done in the Destination areas and whether there are specific actions that would help improve response rates.
- Destination managers should work with accommodation providers in the Destinations to encourage participation and raise the surveys profile. This would include involving DMOs and other groups.
- If this does not work, it may be necessary to consider an alternative occupancy survey designed for the Destinations

Accommodation audits

9.11 Using the accommodation audits as the basis for destination bed stock is now becoming more effective. The baseline data was for different years, but with most destinations now updating these in a common format the process is improving.

- It would be best if all the Destinations were able to update these in the same year, and we would recommend a single, centralised exercise to do this, say, every couple of years.

9.12 It would be even better if these databases could be kept up to date more regularly as accommodation changes. This could potentially be a very powerful tool for the Destinations.

Expenditure

9.13 The expenditure data is currently drawn from the UKTS and IPS results for the appropriate VisitScotland area. In some cases, St Andrews and possibly Loch Lomond and Cairngorms/Deeside this may not reflect the types of visitors specific to the Destination. In these cases it may be possible to use local visitor survey data, but this must be collected using a well balanced sample and be disaggregated by use of accommodation. For example the existing St Andrews survey could be used to collect expenditure data that could be fed into the model.

- For St Andrews we recommend that the existing visitor survey is refined to allow sufficiently robust estimates to be produced and/or more work is done to update golfer numbers and expenditure to improve the adjustments

VFR data

9.14 The VFR estimates are based on the VisitScotland proportions for the appropriate region. However there does appear to be a reasonably large fluctuation in some of these vales. Even so, it remains the best source of VFR data and the existing methodology should continue to be used.

Use of GVA data

9.15 Although this has been a problem in the previous baseline work, this report has used a single national turnover to GVA ratio and a single GVA to jobs value. This avoids some of the more extreme changes in the data that occur in some of the smaller destinations. Continuing to use this method should avoid some of these problems and they could be used more widely in tourism project appraisal and evaluation.

Should there be additional indicators

9.16 The most obvious omission currently is investment. As covered earlier we recommend that as a starting point, Destination managers pull together a list of private investment projects under two headings:

- **Title, description and value of investments announced in that year (speculative)**
- **Title, description and value of investments (actual).**

9.17 This list would include projects that SE is involved in and others. Whether or not these are considered to be tourism-related will be down to the judgement of the Destination manager.

As these lists build up over time it should be possible to ensure that there is no double counting. The main indicator would be the value of actual new investment taking place.

How should the data be collected consistently

9.18 A baseline plan should be developed setting out the timings for the work to deliver the data required for future updates. This would involve agreeing across the Destinations a timetable for accommodation audits and updates. This should be organised centrally to ensure that they are all carried out within the same year.

9.19 There should be agreement on actions to ensure higher levels of response to the occupancy survey and this would then be checked over the period of the survey with VisitScotland and TNS. Investment figures would be submitted each year.

Annex A: Technical annex

Calculation of turnover to GVA ratio and employment ratio

9.20 Tourist expenditure is 48% on accommodation and food and drink, 14% recreation, 23% on shopping and 15% transport (UKTS data for Scotland 2009)

Table 9-2: Proportions of expenditure from visitor survey and as used in tourism definition

Category	Proportion of actual expenditure
Accommodation	32%
Food and drink	16%
Recreation/entertainment	14%
Shopping/retail	23%
Transport	15%
Total	**100%**

Source: UKTS analysis of visitor expenditure

9.21 We have applied the appropriate SIC codes for these groups

Table 9-3: SIC Codes used

SIC code	Category
52	Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
55	Hotels and restaurants
60 / 61 / 62 / 63 / 64	Transport, storage & communication
90 / 91 / 92 / 93	Other community, social and personal service activities

Source: SIC codes

9.22 We have used the ABI data for 2006 and 2008, for these categories. The results are shown for Edinburgh City Council area. It illustrates the calculation that produces the single average estimate. By weighting the values for each type of expenditure, a weighted average is produced in the row. This indicates that GVA represents 44% of the turnover generated by tourism expenditure in Edinburgh in 2006.

9.23 Similar calculations were produced for each relevant local authority area. A more complex case is Loch Lomond and Trossachs which uses the sum of Stirling, West Dunbartonshire and Argyll. The calculations are repeated for each area and for each year.

Table 9-4: Derivation of proportion of GVA relative to turnover weighted by tourist expenditure

	Proportion of tourist expenditure by category	Total turnover in these sectors in Edinburgh in 2006	Gross value added in these sectors in Edinburgh in 2006	Ratio of GVA to turnover	Weighted value(col 1 times col 4)
Hotels and restaurants	48%	1,181	647	55%	26%
Other service activities	14%	934	286	31%	4%
Retail trade	23%	2,134	559	26%	6%
Transport, storage & communication	15%	1,577	758	48%	8%
Sum (weighted average)	**100%**				**43%**

Source: SQW derived figures

Turnover to jobs ratios

9.24 A similar process is used to estimate the amount of GVA that supports a job. The example below uses 2006 data for Glasgow City. The figures are again weighted using the values for each f the SIC category in the left column. These are multiplied the amount of tourist expenditure per job in that category. These are summed to give a weighted average of £23,847 in 2006. These calculations are repeated for each year and for each relevant local authority area

Table 9-5: Derivation of GVA that supports one job weighted by tourist expenditure in Glasgow in 2006

	Proportion of tourist expenditure by category	From ABI data – GVA Per job in each sector in Glasgow in 2006	Weighted value(col 1 times col 2)
Hotels and restaurants	48%	12,738	6,114
Other service activities	14%	26,056	3,648
Retail trade	23%	24,245	5,576
Transport, storage & communication	15%	56,722	8,508
Sum (weighted average)			**23,847**

Destination averages

9.25 The ABI data is based on a sample survey and therefore the numbers in some local authorities can vary significantly year to year. This can have a large effect on the Destination figures. To avoid this we have used an average across the Destinations for both GVA as a proportion of tourist expenditure and for the amount of GVA that supports one job. The results of the analysis are shown in the following Table with the averages at the bottom.

Table 9-6: GVA per job and GVA to turnover ratio 2006 for each Destination in 2006

	GVA as % of turnover 2006	£'s of GVA that support one job
Edinburgh	44%	27,853
Glasgow	40%	23,847
Perthshire	41%	20,670
Loch Lomond	45%	23,970
St Andrews	39%	15,704
Cairngorms	48%	24,981
Average to use for all Destinations	**43%**	**£ 22,837**

Source: SQW calculations from ABI data 2006

Annex B: Destination models

Glasgow

	2006	2008	Source
Hotel / small hotel	11563	13371	TRC Audit 2005 & 2010
Other serviced accommodation	2535	1423	TRC Audit 2005 & 2010
Serviced bed spaces	**14,098**	**14,794**	
Campus	3240	2448	TRC Audit 2005 & 2010
Other non serviced accommodation	1593	2468	TRC Audit 2005 & 2010
Holiday / caravan park	0	0	TRC Audit 2005 & 2010
Non serviced bed spaces	**4,833**	**4,916**	
Total	18,931	19,710	
Average occupancy rates			
Hotels	53%	49%	TNS data 2006 & 2008
Guest house / B&Bs	51%	51%	TNS data 2006 & 2008
Campus	25%	25%	SQW estimate
Self catering	48%	37%	TNS data 2006 & 2008
Holiday / caravan park	26%	26%	Estimate based on national seasonal occupancy of 45% for 7 months
Total no of hotel overnight stays	2,236,862	2,391,403	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays	471,890	264,891	(Bed space x 365 days x occupancy)
Total no of campus overnight stays	295,650	223,380	(Bed space x 365 days x occupancy)
Total no of other non serviced overnight st	279,094	331,051	(Bed space x 365 days x occupancy)
Total no of holiday park overnight stays	-	-	(Bed space x 365 days x occupancy)
Total number of overnight stays excl VFR	3,283,496	3,210,726	Total
VFR			
Total VFR	4,423,000	3,827,200	VFR estimate from UKTS and IPS data 2006 and 2008
Overnight stays incl VFR	7,706,496	7,037,926	Total
Average length of stay (days)	3.8	3.5	From UKTS and IPS data 2006 and 2008
Total number of tourists	2,023,928	1,995,331	= overnight / length of stay
Average expenditure per night	£66.26	£73.55	From UKTS and IPS data 2006 and 2008
Total tourism expenditure	**£510,653,000**	**£517,617,000**	

	2005	2008	
GVA per employee	£ 23,516	£ 23,721	SQW calculation from ABI 2006 and 2007
GVA as % of turnover	43%	42%	SQW calculation from ABI 2006 and 2007

Baseline summary	2005	2008	
Total commercial bed spaces	18,931	19,710	Calculated from above
Number of staying visitor days (Ex VFR)	3,283,496	3,210,726	
Number of VFR days	4,423,000	3,827,200	
Total number of visitor days	7,706,000	7,038,000	
Length of stay	3.8	3.5	
Average expenditure per person per day	£66.26	£73.55	
Total expenditure made by staying visitors	£510,620,000	£517,623,000	
Associated GVA (staying visitors)	£219,091,000	£217,402,000	
Associated direct employment	9,317	9,165	

Edinburgh

		2006		2008	Source
Hotel / small hotel		14,234		15,400	TRC Audit 2006 & 2008
Other serviced accommodation		7,202		7,302	TRC Audit 2006 & 2008
Serviced bed spaces		**21,436**		**22,702**	
Campus (non-festival)		1,017		1,017	TRC Audit 25% non-festival stock (25%*4066)
Other non serviced accommodation		7,894		8,586	TRC Audit (67% availability * 11782 and 12,787)
Holiday / caravan park pitches		491		491	TRC Audit 2006 & 2008 pitches
Festival stock		6,938		7,269	Audit has 75% as Festival stock and 33% of self catering)
Non serviced bed spaces		**16,340**		**17,363**	
Total		**37,776**		**40,065**	
Average occupancy rates					
Hotels		59%		57%	TNS 2006 & 2008
Guest house / B&Bs		48%		44%	TNS 2006 & 2008
Campus		25%		25%	SQW Estimate
Self catering		46%		34%	TNS and adjusted 75% for bed occupancy
Holiday / caravan park		26%		26%	Based on national seasonal occupancy of 45% for 7 months
Festival stock		15%		15%	SQW estimate (Assumes 100% occupancy for 8 weeks)
Total no of hotel overnight stays		3,065,292		3,203,970	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays		1,261,790		1,172,701	
Total no of campus overnight stays		92,801		92,801	
Total no of other non serviced overnight st		1,318,199		1,575,199	
Total no of holiday park overnight stays		116,490		116,490	Assumes 2.5 beds per pitch
Total no of Festival stock stays		379,831		397,989	
Total serviced overnight stays		**4,327,082**		**4,376,671**	
Total non serviced overnight stays		**1,907,322**		**2,182,479**	
Total number of overnight stays excl VFR		6,234,404		6,559,150	
VFR					
Total VFR		4,691,000		4,842,400	From UKTS & IPS 2006 & 2008
Overnight stays incl VFR		10,925,000		11,402,000	Total
Average length of stay (days)		3.9		3.9	From UKTS & IPS 2006 & 2008
Total number of tourists		2,766,619		2,932,935	(Overnight stays ÷ length of stay)
Average expenditure per night	£	73.67	£	71.61	From UKTS & IPS 2006 & 2008
Total tourism expenditure		**£804,835,000**		**£816,536,000**	(Overnight stays x spend per night)
		2006		**2008**	
GVA per employee	£	23,516	£	23,721	SQW calculations see annex A
GVA as % of turnover		43%		42%	SQW calculations see annex A

Baseline summary	**2005**	**2008**
Total commercial bed spaces	37,776	40,065
Number of staying visitor days (Ex VFR)	6,234,404	6,559,150
Number of VFR days	4,691,000	4,842,000
Total number of visitor days	10,925,000	11,401,000
Length of stay	3.9	3.9
Average expenditure per person per day	£73.67	£71.61
Total expenditure made by staying visitors	£804,835,000	£816,464,000
Associated GVA (staying visitors)	£345,330,000	£339,264,000
Associated direct employment	14,685	14,302

St Andrews

	2006	2008	Source
Hotel / small hotel	1,522	1,522	TRC Audit 2007
Other serviced accommodation	789	789	TRC Audit 2007
Serviced bed spaces	**2,311**	**2,311**	
Campus	1,093	1,093	TRC Audit 2007
Other non serviced accommodation	2,981	2,981	TRC Audit 2007
Holiday / caravan park pitches	1,269	1,269	TRC audit 2007
Non serviced bed spaces	**5,343**	**5,343**	
Total	7,654	7,654	Total
Average occupancy rates			
Hotels	46%	46%	VS Fife estimate 2006
Guest house / B&Bs	47%	47%	TNS 2006
Campus	25%	25%	SQW estimate assumes 3 months in full use
Self catering	24%	24%	Adjust for university use - TNS occ. 51% x available to public 48% of year (TRC)
Holiday / caravan park	26%	26%	Estimate based on national seasonal occupancy of 45% for 7 months
Total no of hotel overnight stays	257,766	257,766	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays	134,777	134,777	
Total serviced overnight stays	**392,543**	**392,543**	
Campus	99,736	99,736	
Total no of other non serviced overnight st	265,836	265,836	
Total no of holiday park overnight stays	301,070	301,070	assumes 2.5 beds per pitch
Total non serviced overnight stays	**666,643**	**666,643**	
Total number of overnight stays excl VFR	1,059,185	1,059,185	Total
Regional VFR (Fife)	1,264,800	1,428,500	VFR in Fife UKTS and IPS 2006 & 2008
2005 pop est	356,700	356,700	From Census 2001 data for region
VFR per head	3.5	4.0	Divide regional visitor nights by population
Population of KY16 9	8281	8281	Population
Population of KY16 8	9612	9612	
VFR for KY16 9	28984	32814	VFR estimates
VFR for KY16 8	33642	38088	
Total VFR	**62626**	**70902**	**Total**
Overnight stays incl VFR	1,121,811	1,130,087	Total nights
Average length of stay (days)	4.8	4.4	From UKTS & IPS for Fife 2006 & 2008
Golfer nights	97,930	97,930	Estimated from MW Associates 2006
Total no of non golfer overnight stays incl '	1,023,881	1,032,157	Total minus golfers
Average expenditure per night	£47.32	£65.12	From UKTS & IPS for Fife 2006 & 2008
Golfer spend	£371.00	£371.00	Sports Marketing golf research 2007 (VisitScotland)
Golfer expenditure	£36,332,030	£36,332,030	Total golf expenditure
Other tourism expenditure	**£48,445,373**	**£67,218,790**	Fife expenditure x other nights
Total tourism expenditure	**£84,777,403**	**£103,550,820**	Total
St Andrews average	£75.57	£91.63	Average
Total number of tourists	233,711	256,838	

	2006	2007	
GVA per employee	£ 20,959	£ 23,721	SQW calculation from ABI 2006 and 2007
GVA as % of turnover	42%	42%	SQW calculation from ABI 2006 and 2007

Baseline summary	2005	2008	
Total commercial bed spaces	7,654	7,654	Calculated from above
Number of staying visitor days (Ex VFR)	1,059,000	1,059,000	
Number of VFR days	62,626	70,902	
Total number of visitor days	1,122,000	1,130,000	
Length of stay	4.8	4.4	
Average expenditure per person per day	£75.57	£91.63	
Total expenditure made by staying visitors	£84,792,000	£103,543,000	
Associated GVA (staying visitors)	£35,613,000	£43,488,000	
Associated direct employment	2,000	2,000	

Perthshire

	2005	2009	Source
Hotel / small hotel	2,378	2,378	TRC 2008
Other serviced accommodation	989	989	TRC 2008
Serviced bed spaces	**3,367**	**3,367**	
Other non serviced accommodation	3,170	3,170	TRC 2008
Holiday / caravan park **pitches**	1,813	1,813	TRC 2008
Non serviced bed spaces	**4,983**	**4,983**	
Total	8,350	8,350	Total
Average occupancy rates			
Hotels	56%	71%	TNS 2006 & 2008 (reported 71% but only 6 cases)
Guest house / B&Bs	44%	37%	TNS 2006 & 2008
Self catering	47%	42%	Adjusted for 75% bed occupancy TNS reported 63% and 56% unit occupancy
Holiday / caravan park	26%	26%	Estimate based on national seasonal occupancy of 45% for 7 months
Total no of hotel overnight stays	486,063	616,259	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays	158,833	133,564	
Total serviced overnight stays	**644,897**	**749,823**	
Total no of other non serviced overnight st	546,706	485,961	
Total no of holiday park overnight stays	430,134	430,134	Assumes 2.5 per pitch
Total non serviced overnight stays	**976,840**	**916,095**	
Total number of overnight stays excl VFR	1,622,000	1,666,000	
Regional VFR (Perthshire)	730,000	730,000	VFR in Perthshire UKTS and IPS 2006 & 2008
2005 pop est	138400	138400	From Census 2001 data for region
VFR per head	8.3	9.7	Divide regional visitor nights by population
Population in destination	10,934	10,934	Population in Destination
VFR	91063	105809	VFR estimates
Overnight stays incl VFR	1,713,000	1,772,000	**Total**
Average length of stay (days)	4.3	3.5	From UKTS & IPS 2006 & 2008
Average expenditure per night	£51.93	£57.10	From UKTS & IPS 2006 & 2008
Total number of tourists	397,217	503,290	(Overnight stays ÷ length of stay)
	2004	**2007**	
GVA per employee	£ 23,516	£ 23,721	SQW calculations see annex A
GVA as % of turnover	43%	42%	SQW calculations see annex A

Baseline summary	**2005**	**2008**
Total commercial bed spaces	8,350	8,350
Number of staying visitor days (Ex VFR)	1,622,000	1,666,000
Number of VFR days	91,000	106,000
Total number of visitor days	1,713,000	1,772,000
Length of stay	4.3	3.5
Average expenditure per person per day	£51.93	£57.10
Total expenditure made by staying visitors	£88,960,000	£101,182,000
Associated GVA (staying visitors)	£38,170,000	£42,044,000
Associated direct employment	1,623	1,772

Loch Lomond & the Trossachs

	2006	2008	Source
Hotel / small hotel	4,274	4,274	TRC 2006
Other serviced accommodation	1,890	1,890	TRC 2006
Serviced bed spaces	**6,164**	**6,164**	
Other non serviced accommodation	5,076	5,076	TRC 2006
Holiday / caravan park pitches	2,911	2,911	TRC 2006
Non serviced bed spaces	**7,987**	**7,987**	
Total	14,151	14,151	
Average occupancy rates			
Hotels	56%	37%	TNS 2006 & 2008
Guest house / B&Bs	51%	49%	TNS 2006 & 2008 Adjusted for 75% bed occupancy
Self catering	48%	39%	TNS reported 64% & 52% unit occupancy Estimate based on national seasonal
Holiday / caravan park	26%	26%	occupancy of 45% for 7 months
Total no of hotel overnight stays	874,000	577,000	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays	352,000	338,000	
Total serviced overnight stays	**1,226,000**	**915,000**	
Total no of other non serviced overnight st	889,000	723,000	
Total no of holiday park overnight stays	691,000	691,000	
Total non serviced overnight stays	**1,580,000**	**1,414,000**	
Total number of overnight stays excl VFR	2,806,000	2,329,000	Total
Regional VFR in AILSST	2,081,400	2,410,800	VFR in AILLST IPS 2006 & 2008
2005 pop est	471,250	471,250	Regional populaiton
VFR per head	4.4	5.1	Divide regional visitor nights by population
Population in destination	26888	26888	Population in Destination
VFR	118758	137552	VFR estimate for Destination
Overnight stays incl VFR	2,925,000	2,467,000	**Total all visitor nights**
Average length of stay (days)	4.0	3.9	From AILLST UKTS & IPS 2006 & 2008
Average expenditure per night	£53.14	£56.18	From AILLST UKTS & IPS 2006 & 2008
Total number of tourists	727,000	640,000	(Overnight stays ÷ length of stay)

	2004	2007	
GVA per employee	£ 23,516	£ 23,721	SQW calculations see annex A
GVA as % of turnover	43%	42%	SQW calculations see annex A

Baseline summary	2006	2008
Total commercial bed spaces	14,151	14,151
Number of staying visitor days (Ex VFR)	2,806,000	2,329,000
Number of VFR days	118,758	137,552
Total number of visitor days	2,924,758	2,466,552
Length of stay	4.0	3.9
Average expenditure per person per day	£53.14	£56.18
Total expenditure made by staying visitors	£155,411,000	£138,578,000
Associated GVA (staying visitors)	£66,682,000	£57,583,000
Associated direct employment	2,836	2,427

Deeside/Cairngorms

	2005	2009	Source
Hotel / small hotel	1287	1202	TRC 2009 report
Other serviced accommodation	475	474	TRC 2009 report
Serviced bed spaces	**1,762**	**1,676**	
Other non serviced accommodation	1615	1984	TRC 2009 report
Holiday / caravan park pitches	998	998	TRC 2009 report
Non serviced bed spaces	**2,613**	**2,982**	
Total	4,375	4,658	Total
Average occupancy rates			
Hotels	49%	49%	TNS 2006 occupancy data
Guest house / B&Bs	42%	42%	TNS 2006 occupancy data
Self catering	34%	34%	Adjusted for 75% bed occupancy TNS reported 45%unit occupancy
Holiday / caravan park	26%	26%	Estimate based on national seasonal occupancy of 45% for 7 months
Total no of hotel overnight stays	230,180	214,978	(Bed space x 365 days x occupancy)
Total no of other serviced overnight stays	72,818	72,664	
Total serviced overnight stays	**302,997**	**287,642**	
Total no of other non serviced overnight st	200,422	246,214	
Total no of holiday park overnight stays	236,776	236,776	assumes 2.5 beds per pitch
Total non serviced overnight stays	**437,197**	**482,990**	
Total number of overnight stays excl VFR	740,194	770,632	
Regional VFR (Grampian)	3,355,800	2,768,400	VFR from A&G UKTS & IPS 2006 & 2008
2005 pop est	323,500	323,500	From Census 2001 data for region
VFR per head	8.5	4.5	Divide regional visitor nights by population
Population in destination	12202	12202	Population in Destination
VFR	103717	54346	VFR estimates
Overnight stays incl VFR	843,911	824,978	**Total**
Average length of stay (days)	3.8	4.2	From A&G UKTS & IPS 2006 & 2008
Average expenditure per night	£51.69	£51.39	From A&G UKTS & IPS 2006 & 2008
Total number of tourists	222,082	197,944	(Overnight stays ÷ length of stay)

	2005	2008	
GVA per employee	£ 23,516	£ 23,721	SQW calculations see annex A
GVA as % of turnover	43%	42%	SQW calculations see annex A

Baseline summary	2005	2008
Total commercial bed spaces	4,375	4,658
Number of staying visitor days (Ex VFR)	740,194	770,632
Number of VFR days	103,717	54,346
Total number of visitor days	843,911	824,978
Length of stay	3.8	4.2
Average expenditure per person per day	£51.69	£51.39
Total expenditure made by staying visitors	£43,622,000	£42,398,000
Associated GVA (staying visitors)	£18,717,000	£17,618,000
Associated direct employment	796	743