The Economic Impact of the Quantock Hills Area of Outstanding Natural Beauty Visitor Economy 2017

Quantock Landscape Partnership Scheme

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By
The South West Research Company Ltd.

The South West Research Company

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Introduction

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy in the Quantock Hills Area of Outstanding Natural Beauty (AONB) in 2017.

The figures were derived using the Cambridge Economic Impact Model undertaken by The South West Research Company (TSWRC). The model utilises information from national tourism surveys and regionally/locally based data. It distributes regional activity as measured in those surveys to local areas using 'drivers' such as the accommodation stock and occupancy which influence the distribution of tourism activity at local level. The model has been adapted and specific templates developed to produce the outputs required for this report through adapting the Cambridge Model Towns methodology developed by TSWRC. As with all modelled data the figures produced through this methodology should be treated as an indication of the size and scale of tourism activity in an area, rather than a definitive figure, but are derived from Cambridge Model local authority level outputs using a logical approach. District level data for the Somerset districts of Sedgemoor, Taunton Deane and West Somerset have been utilised to provide the basis for the outputs provided in this report alongside local visitor spend data where available.

For further information on the Cambridge Model and the terms used in this report please see Appendix 1 which accompanies this report.

For an overview of 2017, including key facts about the economy, weather and key events please see Appendix 2 of this report.

Value of Tourism 2017

Quantock Hills AONB

Key Facts	
27,700	Staying visitor trips
95,200	Staying visitor nights
£5,848,000	Staying visitor spend
674,000	Day visits
£2,095,000	Day visitor spend
701,700	Total day and staying visits
769,200	Total visitor days
£7,943,000	Direct visitor spend
£295,000	Other related spend
£8,238,000	TOTAL VISITOR RELATED SPEND
£9,678,000	TOTAL BUSINESS TURNOVER SUPPORTED
190	Estimated actual employment supported
140	FTE employment supported

Value of Tourism 2017

Quantock Hills AONB

Key Measures	
3.2	Domestic staying visitor nights per trip
£193	Domestic staying visitor spend per trip
£61	Domestic staying visitor spend per night
5.9	Overseas staying visitor nights per trip
£385	Overseas staying visitor spend per trip
£65	Overseas staying visitor spend per night
£3	Day visitor spend per trip

Quantock Hills AONB – Staying visits

Information on staying visits is derived from the Great Britain Tourism Survey (GBTS) for domestic visitors and from the International Passenger Survey (IPS) for Overseas visitors. The methodology of both surveys has been stable since 2006 allowing for direct comparison between years and the analysis of trend data. Data at a county level is derived from the national surveys for trips, nights and spend but adjusted to account for local data and modelled below this level.

Quantock Hills AONB - Staying visits by accommodation type

Domestic tourists	Trips	Nights	Spend
Serviced	11,300	26,300	£2,784,000
Self catering	1,100	4,500	£334,000
Touring caravans /tents	5,900	25,300	£865,000
Static vans/holiday centres	2,500	10,800	£461,000
Group/campus	500	1,000	£46,000
Paying guest in private homes	0	0	£0
Second homes	400	2,100	£45,000
Boat moorings	0	0	£0
Other	0	300	£20,000
Staying with friends and relatives	3,400	9,600	£292,000
Total	**25,100**	**79,900**	**£4,847,000**

Overseas tourists	Trips	Nights	Spend
Serviced	1,600	5,400	£559,000
Self catering	0	700	£29,000
Touring caravans /tents	300	1,500	£61,000
Static vans/holiday centres	0	200	£7,000
Group/campus	200	2,900	£187,000
Paying guest in private homes	0	0	£0
Second homes	0	700	£30,000
Boat moorings	0	0	£0
Other	0	300	£15,000
Staying with friends and relatives	400	3,600	£113,000
Total	**2,600**	**15,300**	**£1,001,000**

The largest proportion of trips to commercial accommodation types were spent in serviced accommodation (47%), which equated to 33% of visitor nights and 57% of visitor spend. The next largest proportion of trips was spent in touring caravans/tents which accounted for 22% of trips, 28% of nights and 16% of spend.

Visitors staying with friends and relatives accounted for 14% of both trips and nights and 7% of spend.

Quantock Hills AONB - Staying visits by purpose

Domestic tourists	Trips	Nights	Spend
Holiday	23,000	74,000	£4,479,000
Business	500	900	£110,000
Visits to friends and relatives	1,900	4,800	£225,000
Other	100	300	£33,000
Total	**25,300**	**80,000**	**£4,847,000**

Overseas tourists	Trips	Nights	Spend
Holiday	1,900	10,500	£638,000
Business	100	200	£35,000
Visits to friends and relatives	800	4,700	£316,000
Other	0	100	£13,000
Total	**2,800**	**15,300**	**£1,001,000**

When staying visits are analysed by the main purpose of trip, holiday visits were the key driver for the majority of trips to Quantock Hills AONB.

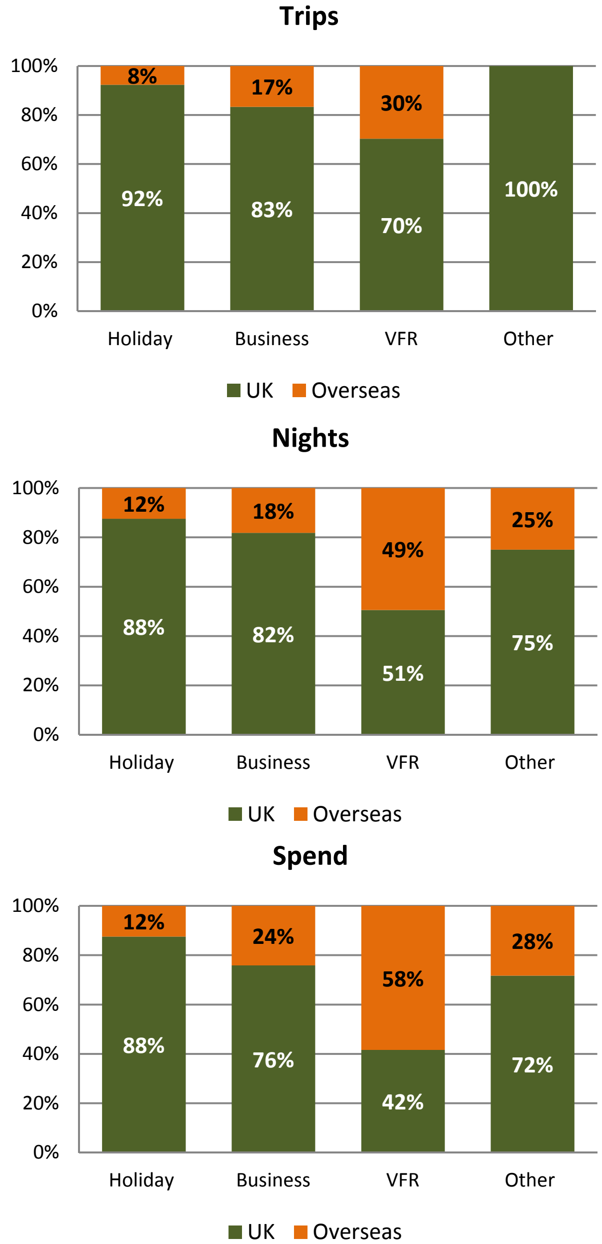
<u>Overall proportions of volume and value by purpose:</u>

Holiday – 89% of all trips, 89% of all nights and 88% of all spend.

Business – 2% of all trips, 1% of all nights and 2% of all spend.

VFR – 10% of all trips, 10% of all nights and 9% of all spend.

Other – Less than 1% of all trips and nights and 1% of spend.



Quantock Hills AONB – Day visits

Information on day visits within this report has been derived from the 2017 Great Britain Day Visit Survey (GBDVS). The survey, which was first undertaken in 2011, provides a much needed update on day visit activity in Great Britain and generally speaking estimated greater frequencies of trip taking than the previous day visit survey (England Leisure Visits Survey 2005). As a result of the new methodology in 2011 comparisons with previous day visit estimates are not possible.

The GBDVS distinguishes between day visits to a town or city; to the seaside and coast; and to the countryside. Different drivers are used within the model to distribute these trips. Local 'drivers' such as attraction footfall, quality and size of countryside and coastline are factored into the model for this purpose.

Total day visits	Total day visit spend
674,000	£2,095,000

The large majority of visits to the Quantock Hills AONB are considered to be rural or countryside visits (96% of all day visits and spend) with the remainder being coastal visits (4% of all day visits and spend).

Quantock Hills AONB - Direct visitor expenditure by category

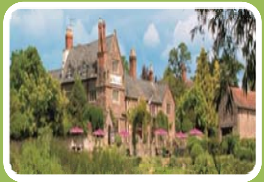
Information on the breakdown of visitor spending is available from the three main tourism and day visitor surveys by type of visitor. The Model divides the expenditure between five sectors:

- Accommodation
- Shopping for gifts, clothes and other goods
- Eating and drinking in restaurants, cafes and inns
- Entry to attractions, entertainment and hire of goods and services
- Transport and travel costs including public transport, purchase of fuel and parking

The following pages look at the breakdown of this expenditure and business turnover arising from this expenditure.

By applying the expenditure breakdown to the estimates of visitor spending the Model generates estimates of total spending by the five business sectors. Visitor expenditure in each sector represents additional turnover for businesses in those sectors. However, evidence from national studies suggests that some minor adjustments are required to match visitor spend to business turnover. In particular, some expenditure on food and drink actually takes place in inns and hotels that fall into the accommodation sector and at attractions. The turnover for each business sector has therefore been adjusted to take account of these marginal changes. More significantly, expenditure on travel costs associated with individual trips is as likely to take place at the origin of the trip as it is at the actual destination. It is therefore assumed that only 60% of total travel expenditure accrues to the destination area.

Quantock Hills AONB – Direct visitor expenditure by category



Accommodation

• UK staying visitors	£1,810,000
• Overseas staying visitors	£288,000

Shopping

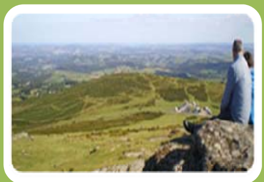
• UK staying visitors	£628,000
• Overseas staying visitors	£290,000
• Day visitors	£155,000

Food & drink

• UK staying visitors	£1,071,000
• Overseas staying visitors	£234,000
• Day visitors	£1,442,000

Attractions/entertainment

• UK staying visitors	£539,000
• Overseas staying visitors	£87,000
• Day visitors	£243,000



Travel

• UK staying visitors	£798,000
• Overseas staying visitors	£102,000
• Day visitors	£256,000

The proportions and totals by category of all direct visitor expenditure within the Quantock Hills AONB were;

Accommodation 26% - £2,098,000

Shopping 14% - £1,073,000

Food & Drink 35% - £2,747,000

Attractions 11% - £869,000

Travel 15% - £1,156,000

Quantock Hills AONB – Other visitor related expenditure by category

Second Homes

£29,000

Visiting friends and relatives (non-visitor spend)

£266,000

Additional visitor related expenditure arises from spend on second homes which covers things such as rates, maintenance and replacement of furniture and fittings and also by friends and relatives increasing their personal expenditure as a result of having people visiting them. The non-visitor spend generated an estimated £295 thousand in total in the Quantock Hills AONB in 2017.

Quantock Hills AONB – Business turnover

Turnover derived from trip expenditure	Staying visitor related	Day visitor related	Total
Accommodation	£2,124,000	£29,000	**£2,153,000**
Retailing	£909,000	£153,000	**£1,063,000**
Catering	£1,266,000	£1,399,000	**£2,665,000**
Attractions/entertainment	£649,000	£259,000	**£907,000**
Transport	£540,000	£154,000	**£693,000**
Arising from non trip spend	£295,000	£0	**£295,000**
Total Direct	**£5,783,000**	**£1,993,000**	**£7,776,000**

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

Total business turnover supported by tourism activity	Staying visitor related	Day visitor related	Total
Direct	£5,783,000	£1,993,000	**£7,776,000**
Supplier and income induced	£1,446,000	£456,000	**£1,902,000**
Total	**£7,229,000**	**£2,449,000**	**£9,678,000**

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

Direct tourism expenditure in the Quantock Hills AONB in 2017 provided approximately £7.8 million pounds business turnover in the area. The largest proportions of this fell within the catering and accommodation sectors.

When the purchase of services locally and the spending of wages by employees whose jobs are supported by tourism spending is calculated (supplier and income induced turnover) the total estimated business turnover in the Quantock Hills AONB arising as a result of visitor activity was an approximate £9.7 million pounds in 2017.

Quantock Hills AONB – Tourism related employment

Having identified the value of turnover generated by visitor spending in each business sector it is possible to estimate the employment associated with that spending.

The use of visitor expenditure to generate job numbers underestimates the number of jobs arising in the attractions/entertainment sector. The underestimate arises because local authorities and voluntary bodies do not always seek to recoup the full operating costs of individual attractions of facilities from entrance charges. Therefore an additional percentage of direct employment is added to the attractions sector estimates to take account of this factor.

This section of the report looks at employment on three levels;

- **Direct Jobs** - Direct jobs are those in businesses in receipt of visitor spending. For example, jobs supported by visitor spending at a hotel would be direct jobs.

- **Indirect Jobs** - Indirect employment arises as a result of expenditure by businesses in direct receipt of visitor expenditure on the purchase of goods and services for their businesses. For example, some of the employment at a business supplying food and drink may be supported through the supplies that the business sells to hotels (or any other business in direct receipt of visitor expenditure).

- **Induced Jobs** - Induced jobs are those that are supported by the spending of wages by employees in direct and indirect jobs. Such spending will be spread across a wide range of service sectors.

Estimates are shown for actual jobs and full time equivalent jobs (FTE’s).

Quantock Hills AONB – Tourism related employment

Estimated actual employment

Direct	Indirect	Induced	Total
160	30	10	200

Full time equivalent employment (FTE's)

Direct	Indirect	Induced	Total
110	20	10	140

Direct employment in businesses in receipt of visitor expenditure (FTE's)	Staying visitor related	Day visitor related	Total
Accommodation	30	0	**30**
Retailing	10	0	**10**
Catering	20	20	**40**
Attractions/entertainment	10	0	**20**
Transport	0	0	**0**
Arising from non trip spend	0	0	**0**
Total Direct	**70**	**20**	**100**

There were approximately 200 actual tourism related jobs within the Quantock Hills AONB equating to approximately 140 FTE's. 80% of the estimated actual employment in the AONB was supported by direct visitor expenditure.

A further 15% of estimated actual employment was categorised as indirect and supported by the spending of businesses in receipt of direct visitor expenditure to purchase local supplies and services. 5% of estimated actual jobs were categorised as induced and supported by the spending of employees whose jobs were supported by tourism expenditure.

The distribution of direct FTE employment amongst businesses in receipt of visitor expenditure shows the largest proportion of FTE's arising in the catering sector (40 jobs – 40% of all FTE's).

The South West Research Company Ltd. – About Us

Business partners Paul Haydon and Diane Goffey have gathered over forty years' research experience in the tourism industry and offer an extensive knowledge of tourism and research and statistics built up over many years with an established network of contacts in the industry. Based in the South West, we are proud to be part of and contribute to one of the major industries in our region.

We offer a full range of research services tailored specifically to meet our clients needs and available budgets. **For further information on the services we offer please contact info@tswrc.co.uk**

South West based current and previous clients include;

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