
The Economic Impact of Tourism

Tunbridge Wells Borough 2000

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INTRODUCTION

1.1 Background

A knowledge of the value and volume of tourism and its impact on a local economy is an essential requirement in developing policies and managing tourism in local areas. Nevertheless, such information is not readily available and its acquisition through primary research poses both technical problems and costs.

In response to the need for a cost-effective method of obtaining this information, Geoff Broom Associates have developed this model for application by the Regional Tourist Boards across England. This model uses a multi-tiered approach offering enhanced accuracy as additional local surveys are commissioned.

The South East England Tourist Board were commissioned by Tunbridge Wells Borough Council to define more clearly the economic impact of tourism to and within Tunbridge Wells Borough through the application of the Cambridge Economic Impact Model. This economic impact relates predominately to the estimated value and volume of tourism to the area and also provides an indication of the level of employment supported by this expenditure. All enclosed results refer to 2000, although data from 1998 and 1999 is considered in a new 'rolling average' methodology (see page 3).

1.2 Data Sources

The Cambridge Economic Impact Model uses standard national and regional statistics along with unpublished data gathered by Geoff Broom Associates. Local survey data, where available, is then used to enhance the accuracy of the model by superseding standard information.

Sources include:

- United Kingdom Tourism Survey (UKTS) (2000,1999,1998)
- International Passenger Survey (IPS) (2000,1999,1998)
- Day Visits Survey (1998)
- Survey of Visits to Tourist Attractions (2000)
- Population Census/ Registrar General Estimates (1998)
- Census of Employment (1998)
- New Earnings Survey (2000)
- Cambridge Economic Consultants Research Data (local purchasing, business structure, linkages)
- Local accommodation stock records
- South East England Tourist Board Serviced Occupancy Survey Data 2000
- Tunbridge Wells Destination Benchmarking Survey Data 2000

1.3 Outputs

The model provides an indicative estimate of the economic impact of tourism/ leisure spending in Tunbridge Wells Borough, generating:-

- an estimate of the value and volume of staying trips taken in Tunbridge Wells Borough by both domestic and overseas staying visitors
- an estimate of the number of nights spent by overseas and domestic visitors in Tunbridge Wells Borough.
- an estimate of the value and volume of domestic day trips taken in Tunbridge Wells Borough
- an estimate of direct visitor expenditure accruing to Tunbridge Wells Borough 's economy by business sector
- an estimate of the impact of associated multiplier and linkage spend
- an indication of the level of direct and indirect employment supported by visitor expenditure

1.4 Validation

The approach has been the subject of independent validation (R. Vaughan, Bournemouth University in December 1994). The model was judged robust and the margins of error acceptable and in line with other modelling techniques.

1.5 Limitations

The model in its basic form relies on using information from a range of sources. The methodology and accuracy of these sources varies and therefore the estimates can only be regarded as indicative of the scale and importance of visitor activity in the local area. Thus the model cannot take account of any leakage in and out of the local area from tourists taking day trips in and out of the area in which they are staying. Whilst it is assumed that these may broadly balance each other in many areas, in certain circumstances, where destinations have a particularly high profile e.g. Windsor, Canterbury and Brighton, there will be an underestimate in relation to overseas day visitors travelling from holiday accommodation in London.

Since the last application of the Cambridge Model for Tunbridge Wells Borough, a new rolling average methodology has been adopted. This approach offers the additional benefits of producing estimates using more county specific information and is based on three years of data for staying visitors, whilst providing additional outputs – notably expenditure and visitor nights by accommodation type. Given these methodological refinements, it should be noted that the estimates produced from this study are not strictly comparable with those from the previous 1997 Tunbridge Wells Borough study. In addition, the introduction of a new methodology to collect information for the United Kingdom Tourism Survey in 2000, has necessitated the readjustment of previous data years. This, again, means that outputs from this survey are not strictly comparable with those from previous studies.

2.0 METHODOLOGY

2.1 Estimating Staying Trips by Type of Accommodation

The approach for estimating tourism activity in any prescribed area uses the known accommodation stock information to step down the data collected in the UKTS and the IPS from the regional level. Data from the 1998, 1999 and 2000 surveys is taken into account in order to create a rolling average.

An assessment of the number of domestic and overseas trips per type of accommodation is made which is then applied to the area under review – in this instance Tunbridge Wells Borough.

A similar process is followed in respect of trips spent with friends and relatives except the local area's resident population is used to replace known accommodation stock figures for this category.

2.2 Estimating Nights/ Spend by Accommodation Type

Having generated an estimate of the volume of trips by accommodation type, estimates of the total number of nights spent in Tunbridge Wells Borough and the total value of those overnight trips can be made by reference to the average length of stay and spend per trip for each accommodation sector.

2.3 Estimating Staying Trips by Purpose

The volume of staying trips in Tunbridge Wells Borough is disaggregated into five main categories:

- a) Visiting friends and relatives (VFR), related to level of population
- b) Business trips (related to the level of population and the relative amount of hotel stock)
- c) 'Other' trips (related to the level of population and including those in the area for sporting, cultural and education events)
- d) 'Other: language school' trips (related to the level of population and weighted according to number in Tunbridge Wells Borough and class size)
- e) Holiday trips (remainder of staying trips)

2.4 Estimating Nights/ Spend by Purpose of Trips

Using the estimates for the number of staying trips by purpose of visit, estimates of the total number of nights and the total value of these staying trips can be derived through using the average length of stay for Tunbridge Wells Borough, and spend per trip for each purpose.

2.5 Estimating Day Trips

The number of day trips to and within the South East England Tourist Board area have been derived using revised estimates based on the 1998 Day Visits Survey. These are distributed on a county basis through a combination of admissions to visitor attractions, employment and population statistics. The average regional spend per trip is then applied to the volume of day trips to derive a total spend from day visitors.

For the basis of this study, day trips are defined as lasting a minimum of 3 hours and undertaken on an irregular basis. An additional analysis has also been undertaken to estimate the value and volume of day trips lasting at least 3 hours and comprising a round trip distance of 20 miles or more. (see appendix 1).

2.6 Support for Employment

Using the information provided in the national surveys, the various type of visitor expenditure is sub-divided by five key business sectors: accommodation, catering, retail, visitor attractions/ entertainment, and travel and transport.

For each business sector, the proportion of total turnover retained as wage costs and spending on local purchases and services has been estimated from national information sources and past survey data. By applying average annual wage costs the number of Full Time Equivalent jobs (FTE) supported by tourism spending in each sector has been calculated. The FTE jobs have been converted to estimates of actual jobs by reference to national and local data sources such as Department of Employment data and the population census. The actual jobs estimate takes account of full-time, part-time and seasonal employment.

In addition to the jobs supported in establishments receiving tourist spending directly, additional employment will also arise in businesses such as wholesalers providing goods and to service providers such as cleaning firms and accountants. An estimate of the number of linkage jobs has been calculated according to turnover generated in those businesses.

In addition to direct and linkage jobs, there is a further group of jobs supported indirectly by the initial tourism spend. These are so called multiplier jobs which arise as a result of spending by people employed directly or in linkage jobs generated by tourism. These have been estimated by applying a ratio of additional multiplier jobs to the total of direct and linkage FTE jobs.

3.0 SUMMARY OF CONCLUSIONS

- In the region of **319,000** staying trips were undertaken by tourists in Tunbridge Wells Borough in 2000, equating to around 6% of total staying trips for Kent.
- In total, the model estimated that staying visitors spend approximately **1.39 million** nights, with these visitor nights generating in the region of **£44.20 million** of direct tourist expenditure into the local economy.
- The model's outputs demonstrate the high value, low volume characteristics of overseas visitor markets. In total, it was estimated that in 2000, overseas staying visitors accounted for 17% of trips but 31% of staying visitor expenditure.
- In addition to staying visitors, the model also estimated that Tunbridge Wells Borough received **3.78 million** day visitors during 2000, which contributed a further **£80.6 million** to the local economy.
- Through combining day visitor and staying visitor expenditure, the model placed total tourist expenditure in Tunbridge Wells Borough at **£124.8 million**. Staying visitors accounted for 35% of this spend, despite only accounting for 8% of visitor trips in Tunbridge Wells Borough.
- Overall, the model estimated that the retail and catering sectors were the greatest recipients of tourist expenditure, accruing in the region of £38.3 million and £39.5 million respectively.
- In terms of employment generation, the model estimated that 1,745 FTE jobs are directly supported through tourist expenditure, rising to 2,417 FTE jobs when linkage and multiplier effects are taken into account. Through taking into account the effective of seasonality and part-time working, these were estimated to translate into **3,340 actual jobs**, with 2,573 being generated through direct tourist expenditure. The remaining 767 jobs are dispersed across the local economy and will include support services such as accountants, builders, as well as other consumer and business purchases.

4.0 STAYING VISITORS

Table 1 and Figures 1a, 1b, 1c and 1d below provides an estimate of the number of staying visitors to Tunbridge Wells Borough, and an indicative breakdown for the accommodation used during their stay.

4.1 Volume of Staying Visitors - Overseas: Domestic Breakdown

- The model estimated that in the region of 319,000 visitors stayed for one or more nights in Tunbridge Wells Borough. This equates to around 6% of total staying trips undertaken in Kent¹.
- Approximately 83% of these staying trips were undertaken by domestic visitors, with the remaining 17% being undertaken by overseas visitors. Whilst the national surveys do not provide breakdowns for the origin of overseas visitors at a county or Borough level, regional data places the USA as the South East's largest overseas markets at 18%, France at 13%, Germany at 12%, the Netherlands at 8% and Canada at 4% and Spain at 4%.
- As in the previous 1997 study, data from the South East England Tourist Board Occupancy Survey has been used to account for the higher (above the county average) occupancy rates recorded within the Borough.

4.2 Staying Trips by Accommodation Sector

- The model estimated that in the region of 19% of staying trips were accommodated within the county's hotels, inns and guesthouses.
- A further 10% were estimated to have stayed within bed and breakfast accommodation.
- 61% of all staying visitors chose to stay at the homes of friends and relatives resident in Tunbridge Wells Borough.
- 4% stayed in self-catering accommodation, whilst a further 1% utilised touring camping and caravanning accommodation.
- An additional 1% stayed in Tunbridge Wells Borough's group accommodation sector.
- The remaining 4% staying in 'other' types of accommodation. This category includes a range of options, visits to/informal letting of second homes, transit traffic, accommodation relating to au pairs and short-term domestic help.

¹ Please note that all figures in this report refer to the data year 2000. Value and volume figures for staying visitors have been derived using rolling averages based on the 1998, 1999 and 2000 IPS and UKTS surveys.

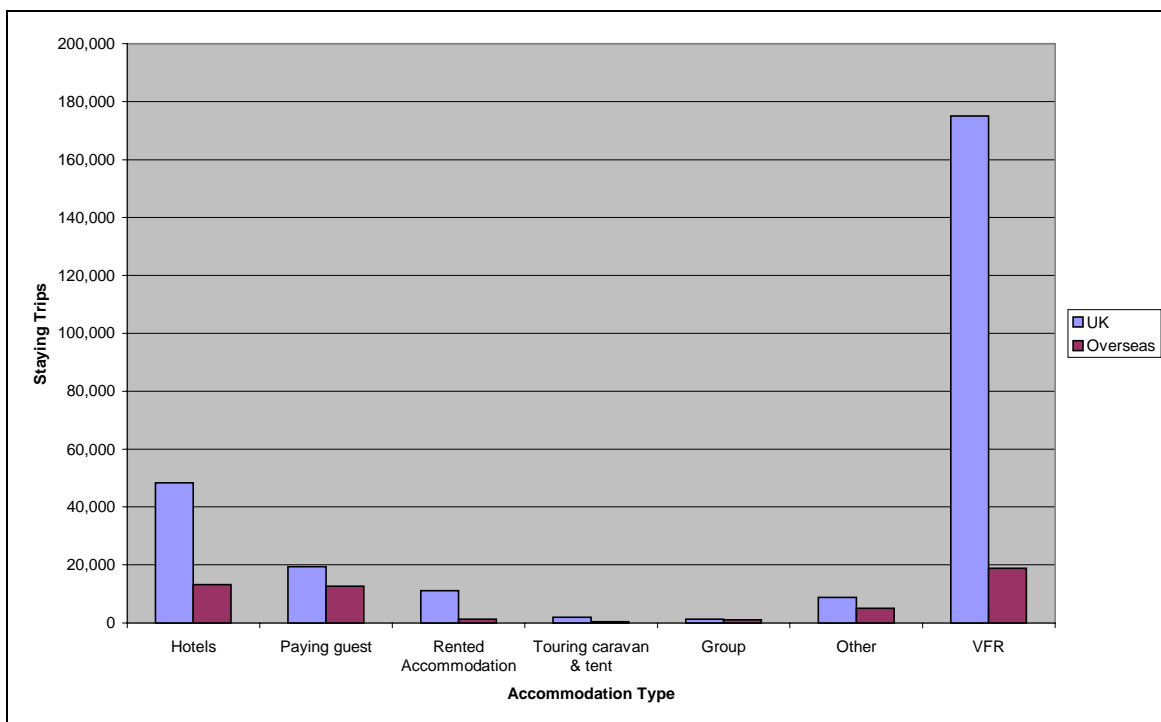
Table 1 Staying Trips by Accommodation Type

Accommodation	Total Trips			
	Domestic	Overseas	Total	% total
Hotel/ Guesthouse	48,000	13,000	62,000	19
B&B	19,000	13,000	32,000	10
Houses/ Chalet Units	11,000	1,000	12,000	4
Touring Caravan/ Tent	2,000	-	2,000	1
Static Caravan	-	-	-	-
Holiday Villages	-	-	-	-
Group Accommodation	1,000	1,000	2,000	1
Other	9,000	5,000	14,000	4
Local Resident	175,000	19,000	194,000	61
TOTAL TRIPS	266,000	53,000	319,000	100

NB The total trips in the above table may not sum due to rounding*

*

Fig. 1a Staying Trips by Accommodation Type



- Throughout this document, the figures in the tables have been rounded for the purpose of clarity. This means that in some cases totals may not sum exactly, and that percentages derived from the tables may not necessarily equate with those percentages quoted in some of the graphical illustrations.

Fig. 1b Domestic Staying Trips by Accommodation Type

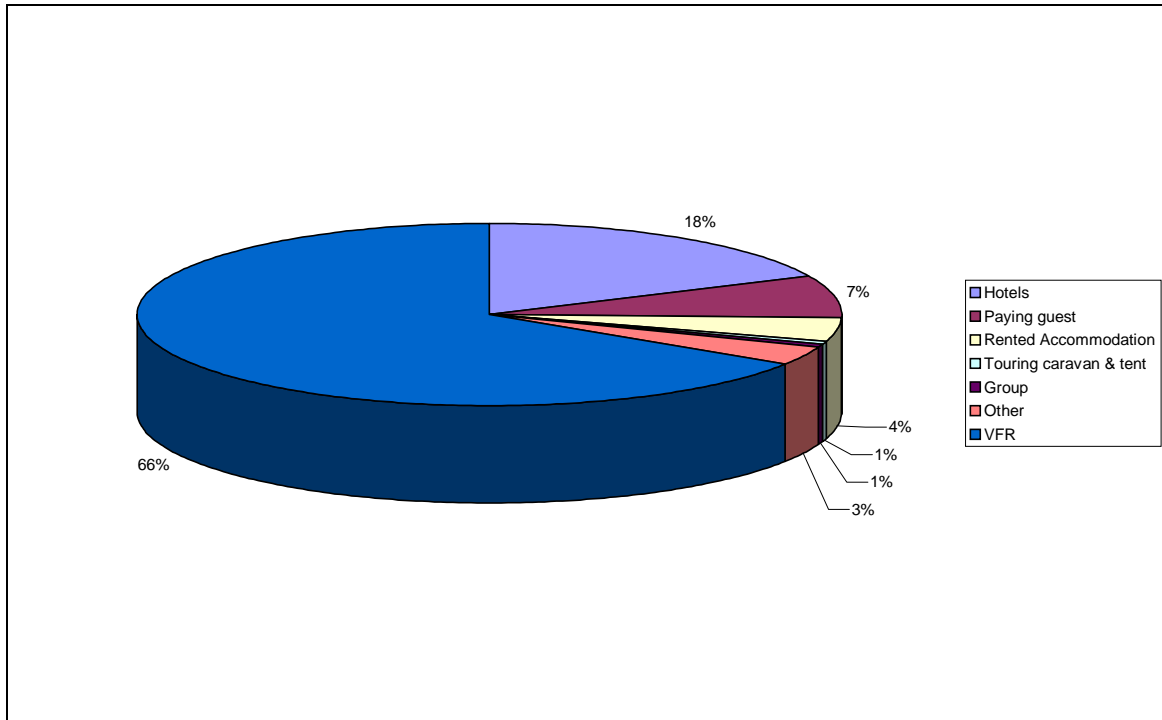


Fig. 1c Overseas Staying Trips by Accommodation Type

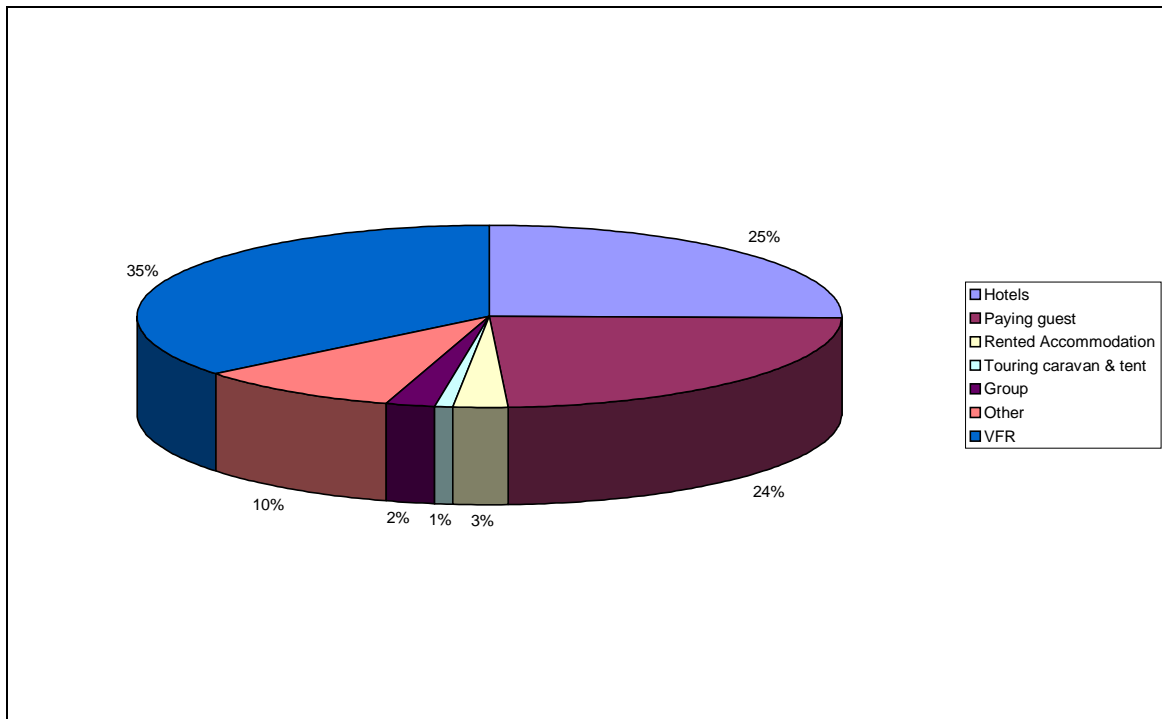
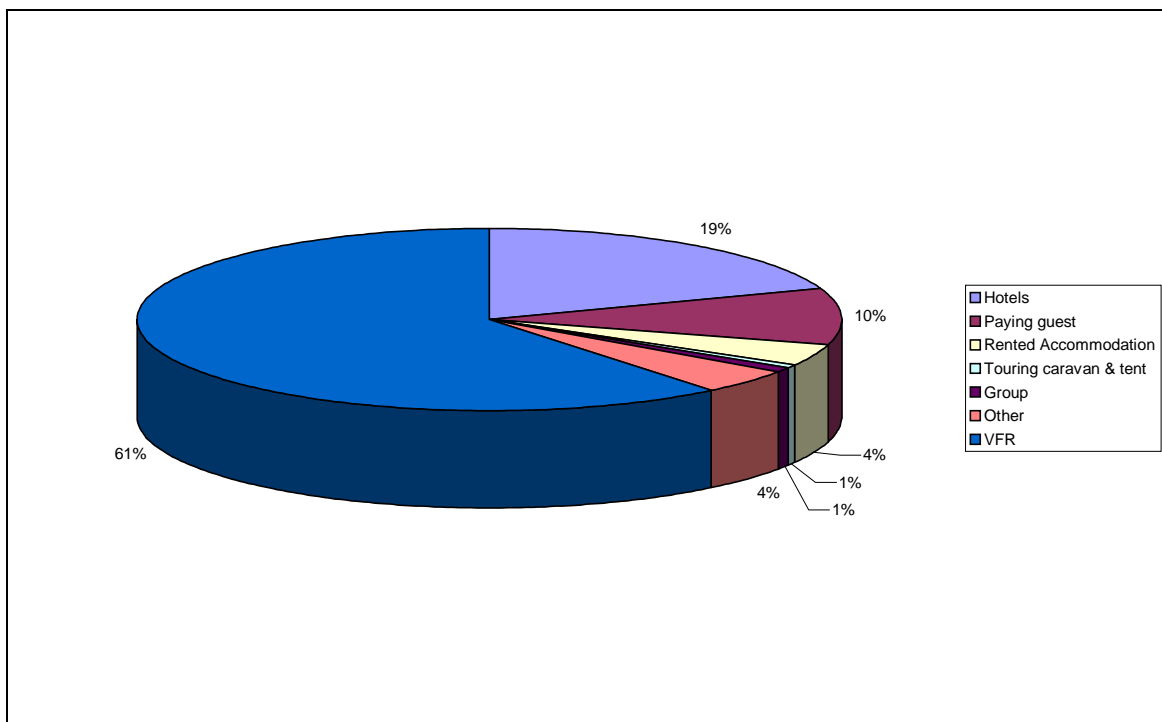


Fig. 1d Total Staying Trips by Accommodation Type



4.3 Staying Trips by Purpose of Visit

A segmentation of staying trips by purpose of visit is illustrated in table 2 and figures 2a, 2b, 2c and 2d below. In the context of this study, purpose of visit is categorised into holiday², business, visiting friends³ and relatives (VFR), other⁴ and language school visitors.

The model estimated that:-

- 55% of all staying trips in Tunbridge Wells Borough are undertaken by people on holiday.
- 30% of all visitors stayed in Tunbridge Wells Borough to visit friends and relatives. It is important, however, to note that a trip for the purpose of visiting friends or relatives is not necessarily accommodated by the friends and relatives, and, conversely, trips for other purposes may be accommodated at the homes of friends and relatives.
- Staying business visitors were likely to have accounted for approximately 9% of all staying trips.

² The term 'holiday' includes **both** trips which were initially described by the respondents as a holiday **and** trips initially described as visits to friends and relatives which on subsequent probing transpired to be for holiday purposes.

³ Visits to Friends/ Relatives is used to describe all the remaining visits to friends and relatives not thought of by respondents as a holiday.

⁴ 'Other' visitors typically include visitors coming to an area for reasons such as education and training, social or sporting events, or even business matters relating to personal or family duties.

- 4% of trips were motivated by 'other' reasons. These typically include trips undertaken to attend cultural, sporting and religious events, as well as trips motivated by education, medical and house-hunting reasons.
- Trips by overseas visitors to language schools accounted for a further 1% of staying trips.

Table 2

Staying Trips by Purpose of Visit				
	Domestic	Overseas	Total	% Total
All Holidays	152,000	25,000	177,000	55
Business	23,000	7,000	30,000	9
Friends/ Relatives	81,000	14,000	95,000	30
Other	10,000	3,000	13,000	4
Language School	-	3,000	3,000	1
Total	266,000	53,000	319,000	100
NB The totals in the above table may not sum due to rounding				

Fig 2a Staying Trips by Purpose of Visit

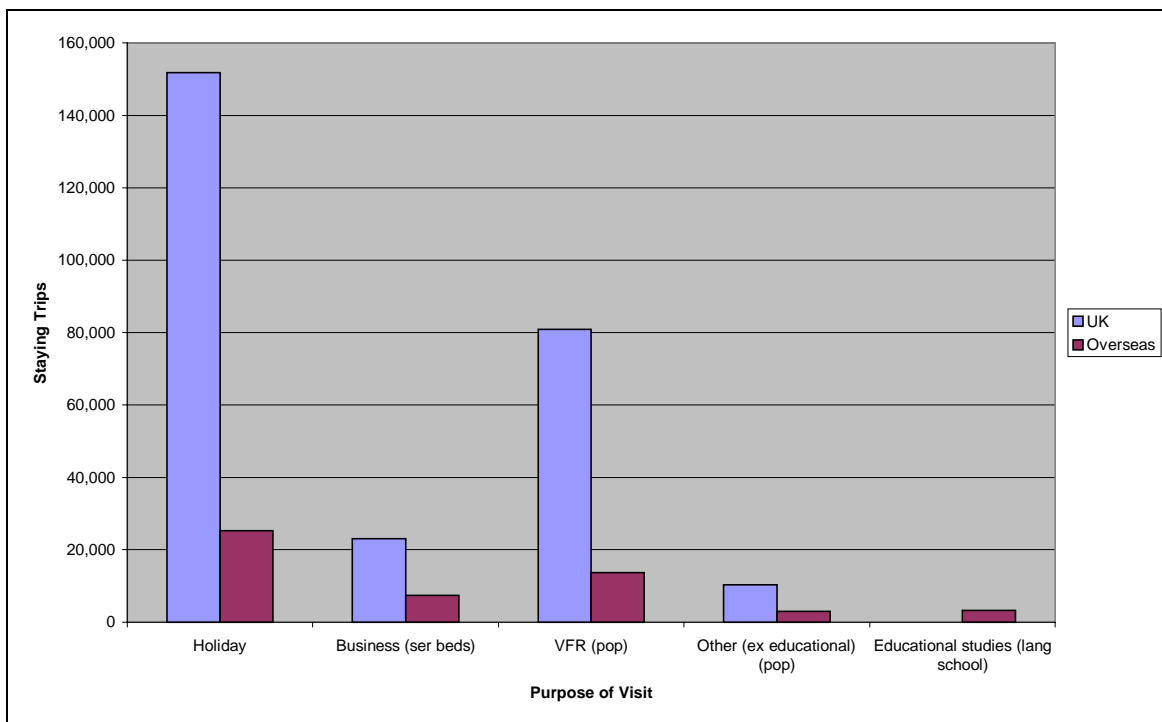


Fig. 2b Domestic Staying Trips by Purpose of Visit

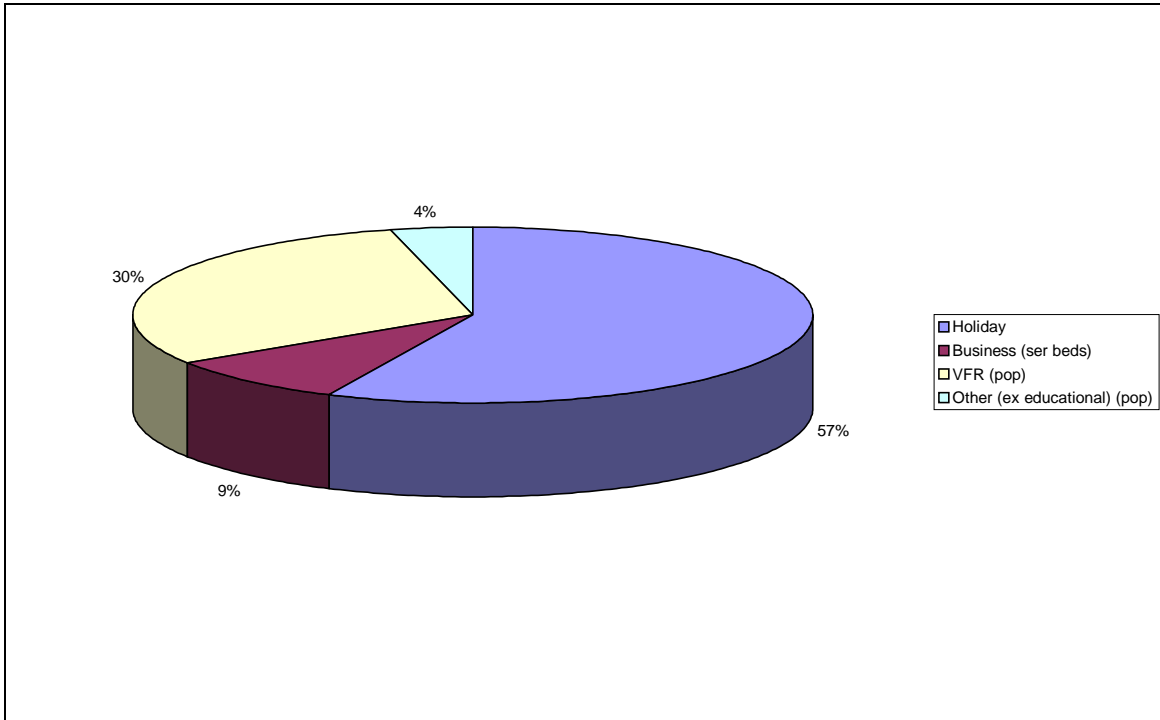


Fig. 2c Overseas Staying Trips by Purpose of Visit

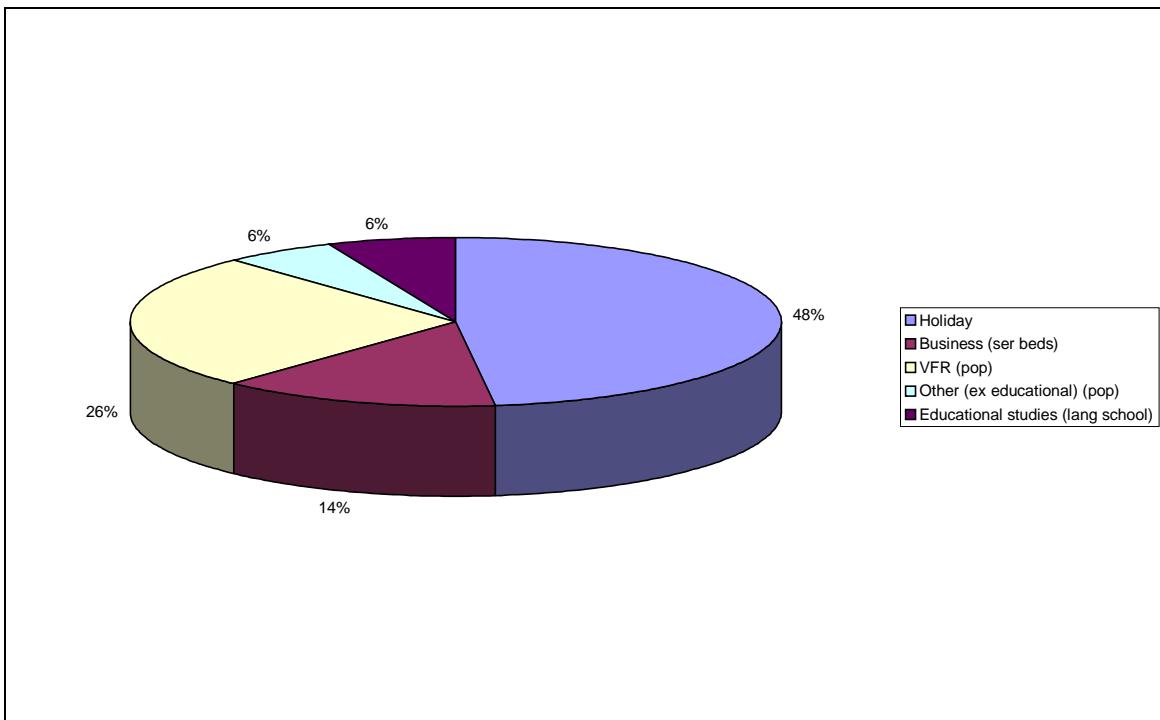
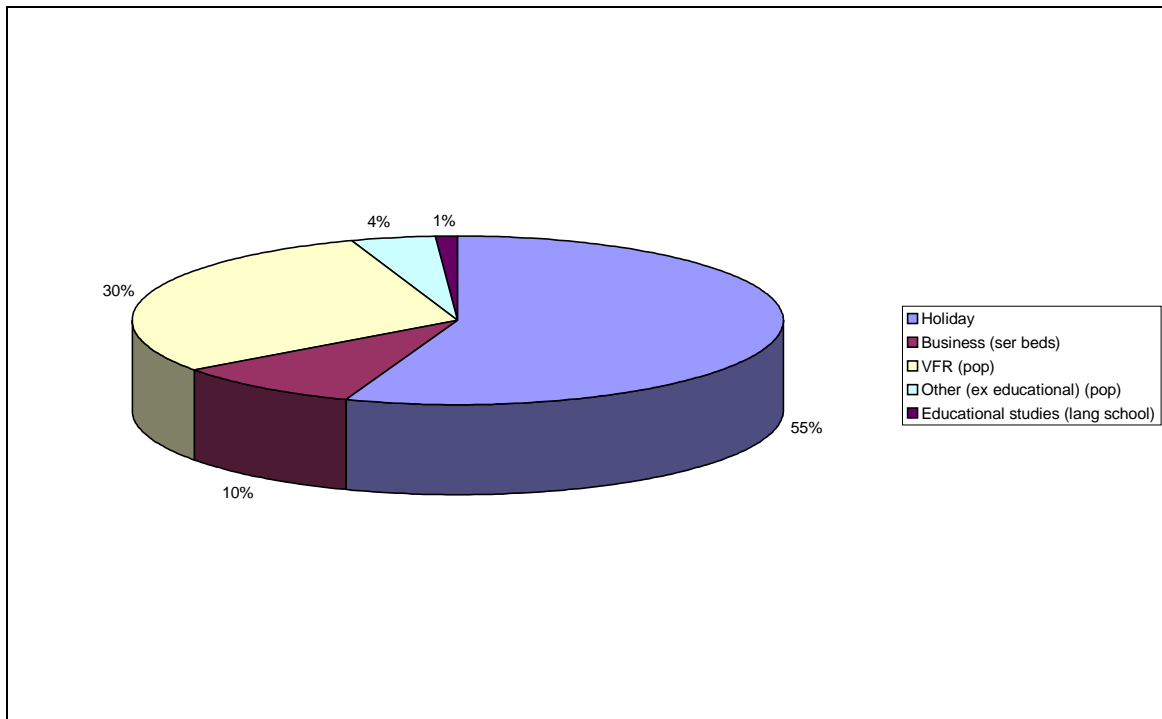


Fig. 2d Total Staying Trips by Purpose of Visit



5.0 VISITOR NIGHTS IN TUNBRIDGE WELLS BOROUGH

Table 3 and Figures 3a, 3b, 3c and 3d overleaf illustrates a breakdown for the total number of nights spent by staying visitors in Tunbridge Wells Borough, according to the accommodation used.

5.1 Total Visitor Nights

- Overall, the model estimated that in the region of 1.4 million nights were spent by visitors in Tunbridge Wells Borough during 2000. Compared to the county picture, this equates to around 7% of total nights spent in Kent.
- Due to their typically longer length of stay, overseas visitors were estimated to have accounted for 27% of total visitor nights, despite only accounting for 17% of total staying trips. Conversely, the remaining 73% of visitor nights were attributed to domestic visitors, who undertook 83% of total trips.

5.2 Visitor Nights by Accommodation Type

- The model estimated that 23% of total night nights were spent in Tunbridge Wells Borough's hotels, inns, guesthouses and bed and breakfasts.
- 61% of total nights were estimated to have been spent at the homes of local residents.
- 9% of nights were spent in self-catering units – reflecting this sector's longer length of stay, whilst a further 1% were spent in touring camping and caravanning provision.
- A further 2% of visitor nights were spent within group accommodation.
- The model estimated that 5% of visitor nights were accommodated within 'other' forms of accommodation.

Table 3

Nights by Accommodation Type				
	Domestic	Overseas	Total	% total
Hotel/ Guesthouse	208,000	49,000	257,000	18
B&B	29,000	39,000	68,000	5
Houses/ Chalet Units	83,000	36,000	119,000	9
Touring Caravan/ Tent	10,000	3,000	13,000	1
Static Caravan	-	-	-	-
Holiday Villages	-	-	-	-
Group Accommodation	6,000	16,000	22,000	2
Other	23,000	42,000	66,000	5
Local Resident	656,000	191,000	847,000	61
TOTAL NIGHTS	1,015,000	377,000	1,391,000	100
NB The total nights in the above table may not sum due to rounding				

Fig. 3a Visitor Nights by Accommodation Type

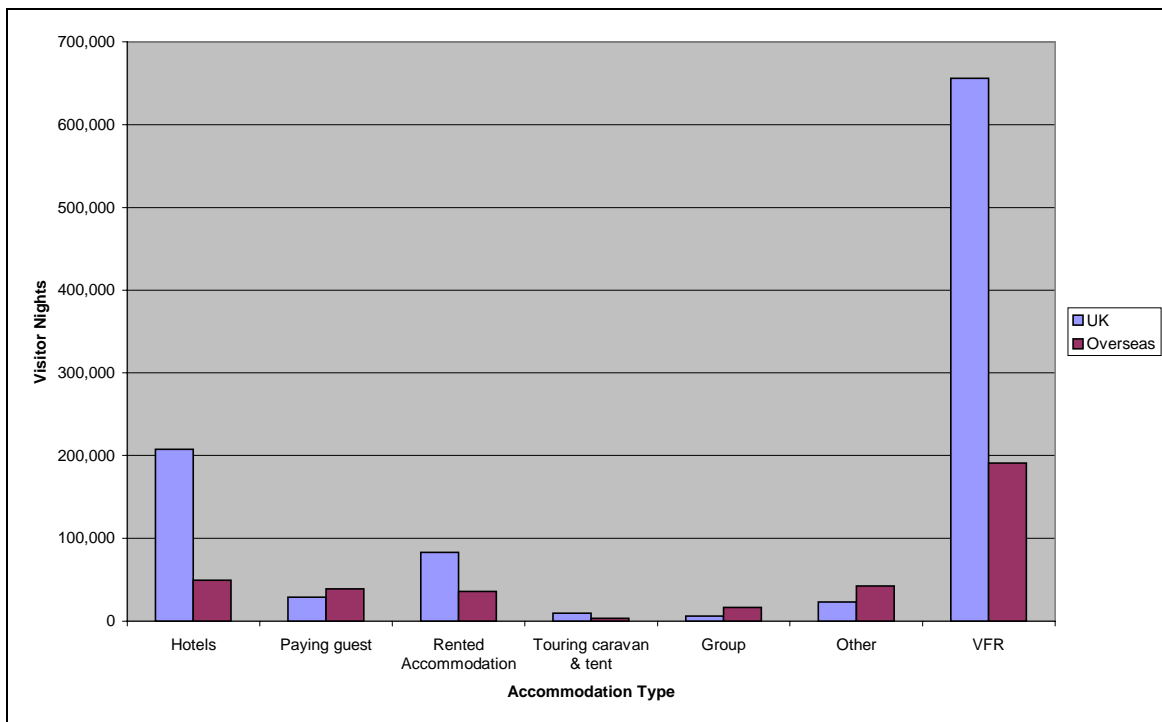


Fig. 3b Domestic Visitor Nights by Accommodation Type

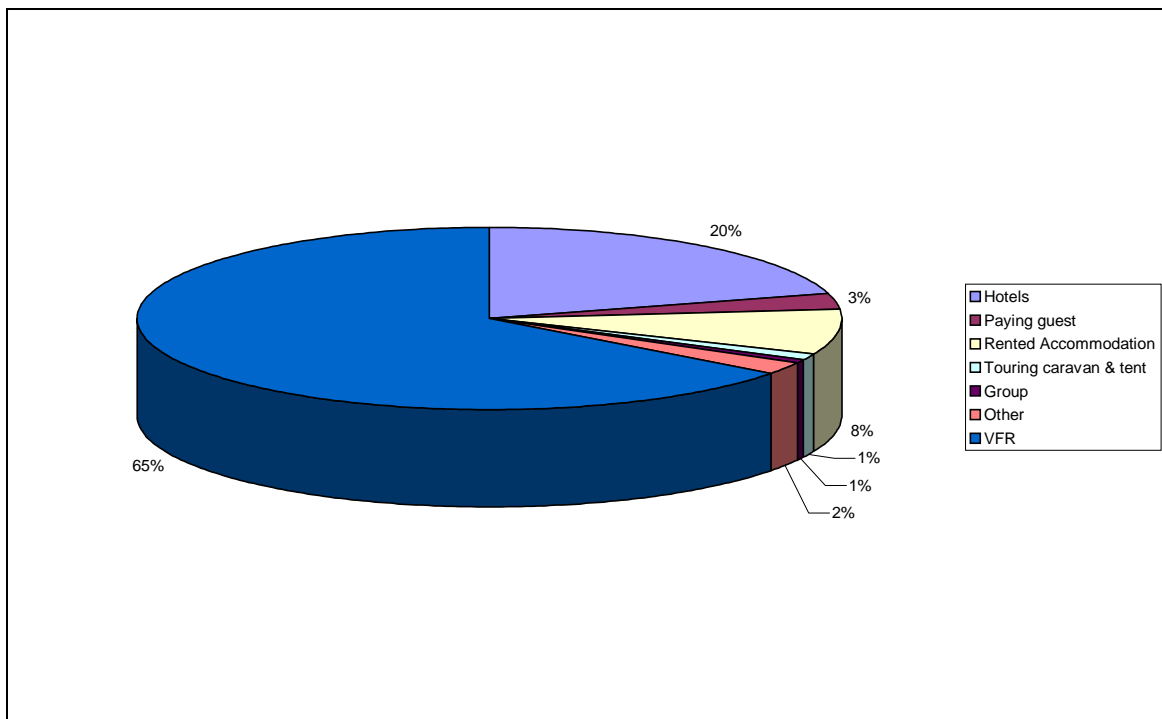


Fig. 3c Overseas Visitor Nights by Accommodation Type

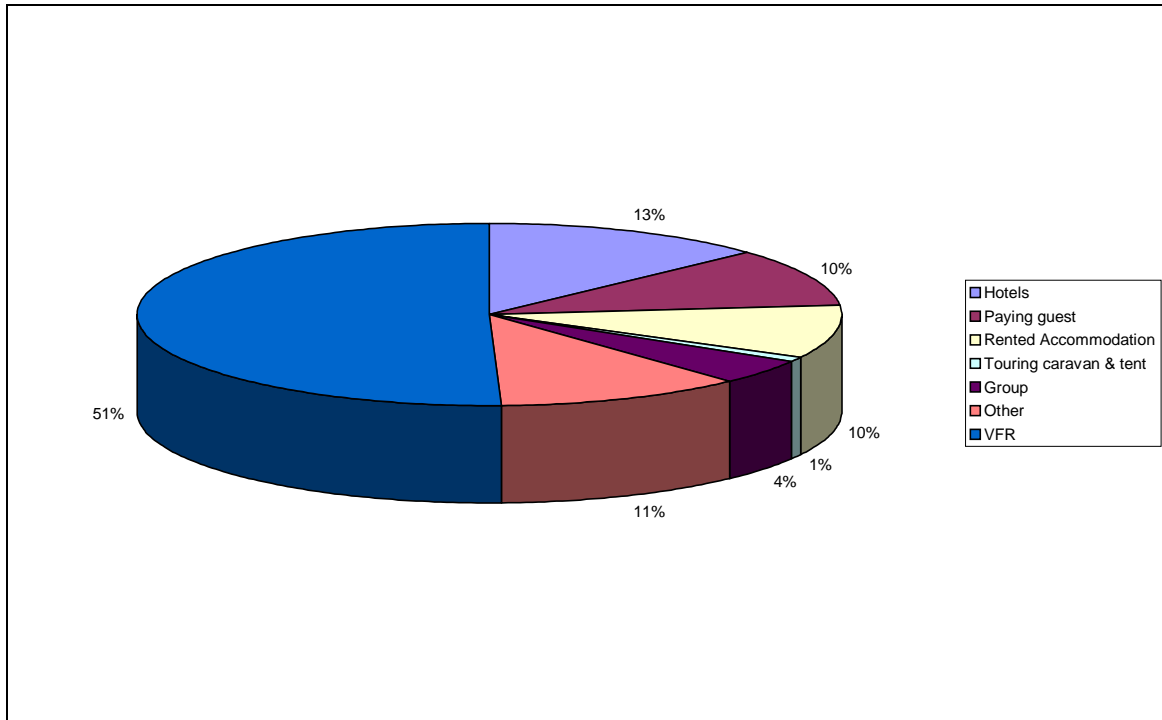
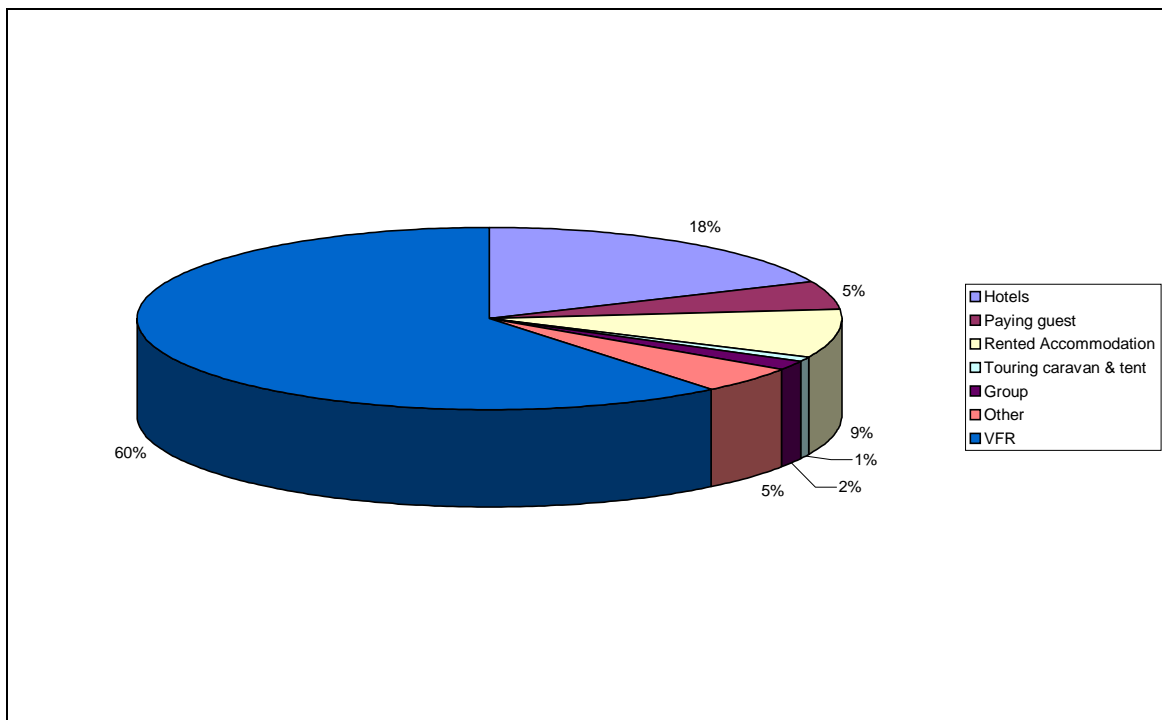


Fig. 3d Total Visitor Nights by Accommodation Type



5.3 Visitor Nights by Purpose of Visit

A breakdown of total visitor nights by purpose of visit is illustrated in table 4 below.

- The model estimated that 54% of the nights spent in Tunbridge Wells Borough were spent by holiday makers.
- Visits to friends and family accounted for a further 26% of visitor nights.
- Despite undertaking in the region of 9% of total staying trips, business visitors accounted for 7% of total nights. This represents their typically short length of stay.
- 'Other' types of trip were estimated to have accounted for another 6% of visitor nights, whilst overseas visitors specifically on formal language school study accounted for a further 7%.

Table 4

Visitor Nights by Purpose of Visit				
	Domestic	Overseas	Total	% Total
All Holidays	639,000	110,000	749,000	54
Business	78,000	27,000	104,000	7
Friends/ Relatives	258,000	103,000	361,000	26
Other	40,000	41,000	81,000	6
Language School	-	96,000	96,000	7
Total	1,015,000	377,000	1,391,000	100
NB The totals in the above table may not sum due to rounding				

Fig. 4a Visitor Nights by Purpose of Visit (2000)

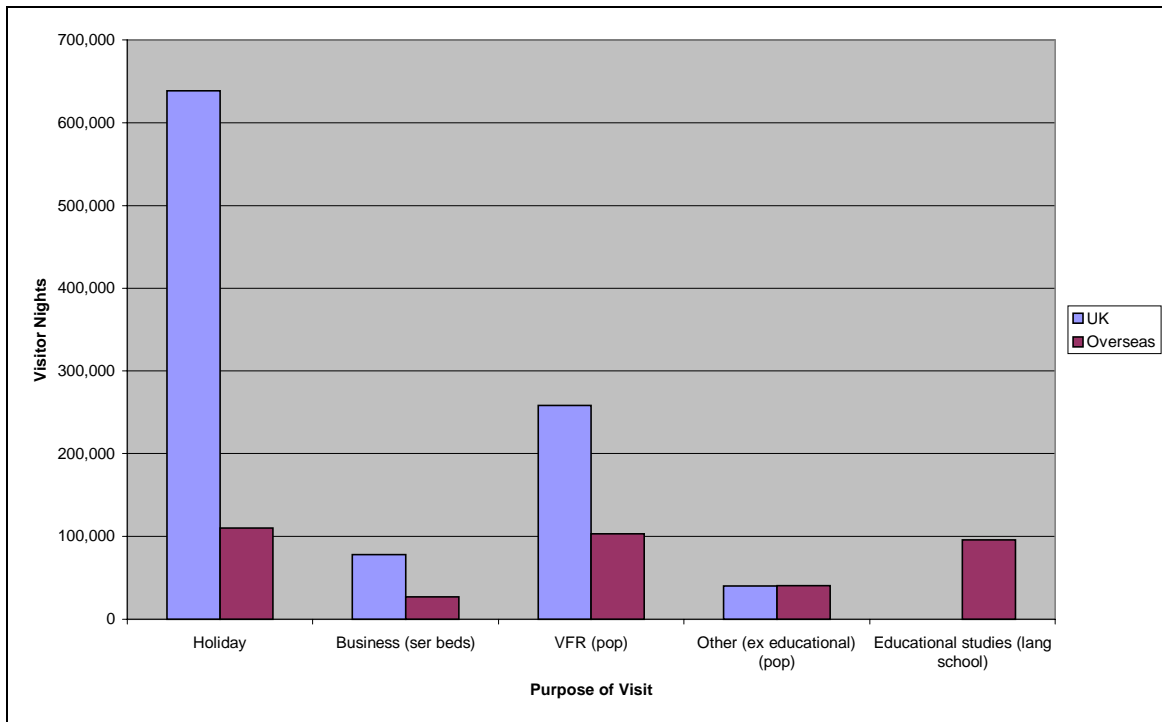


Fig. 4b Domestic Visitor Nights by Purpose of Visit

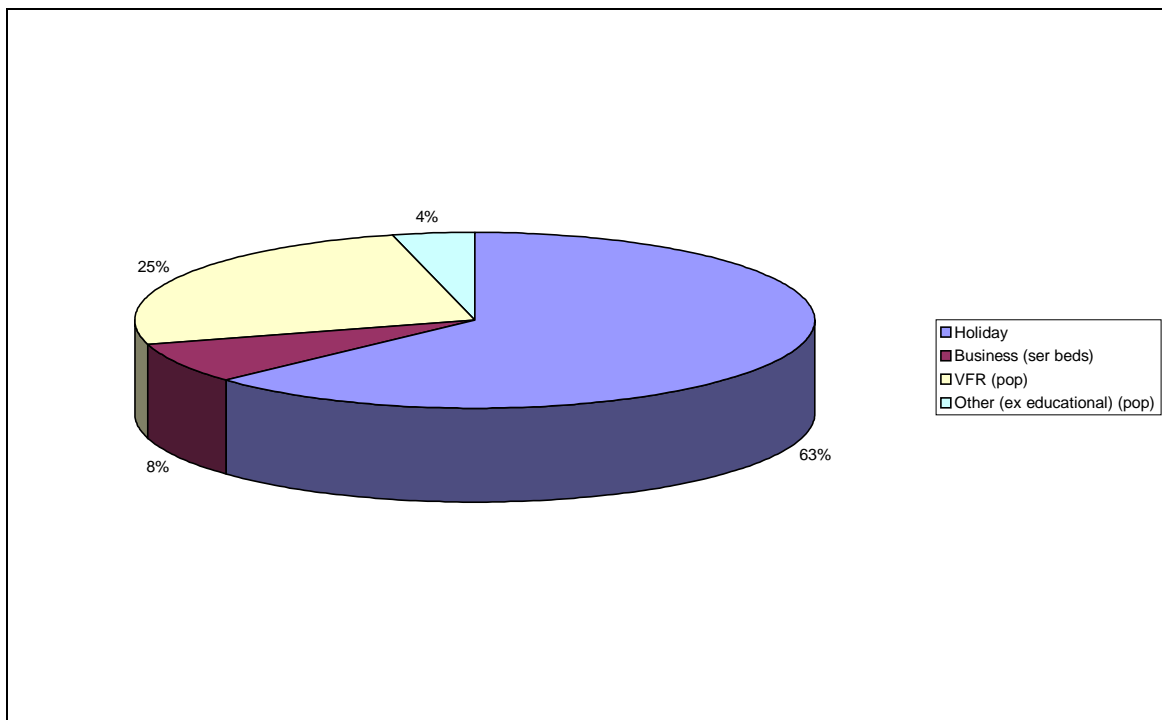


Fig. 4c Overseas Visitor Nights by Purpose of Visit

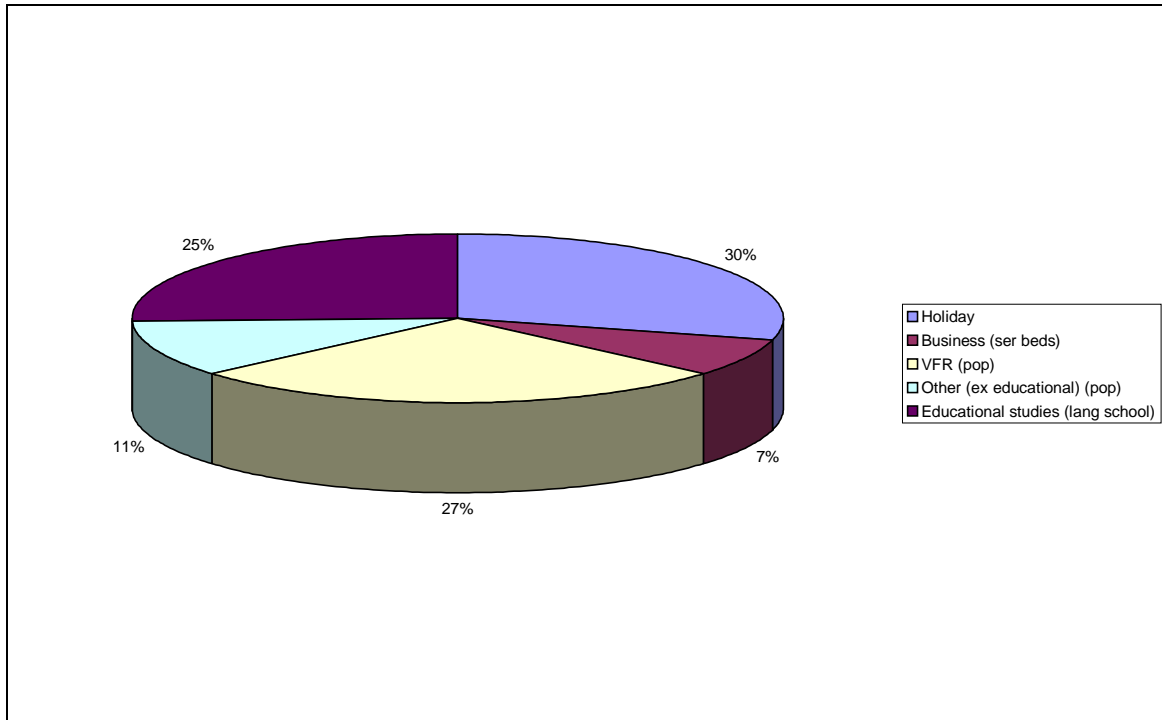
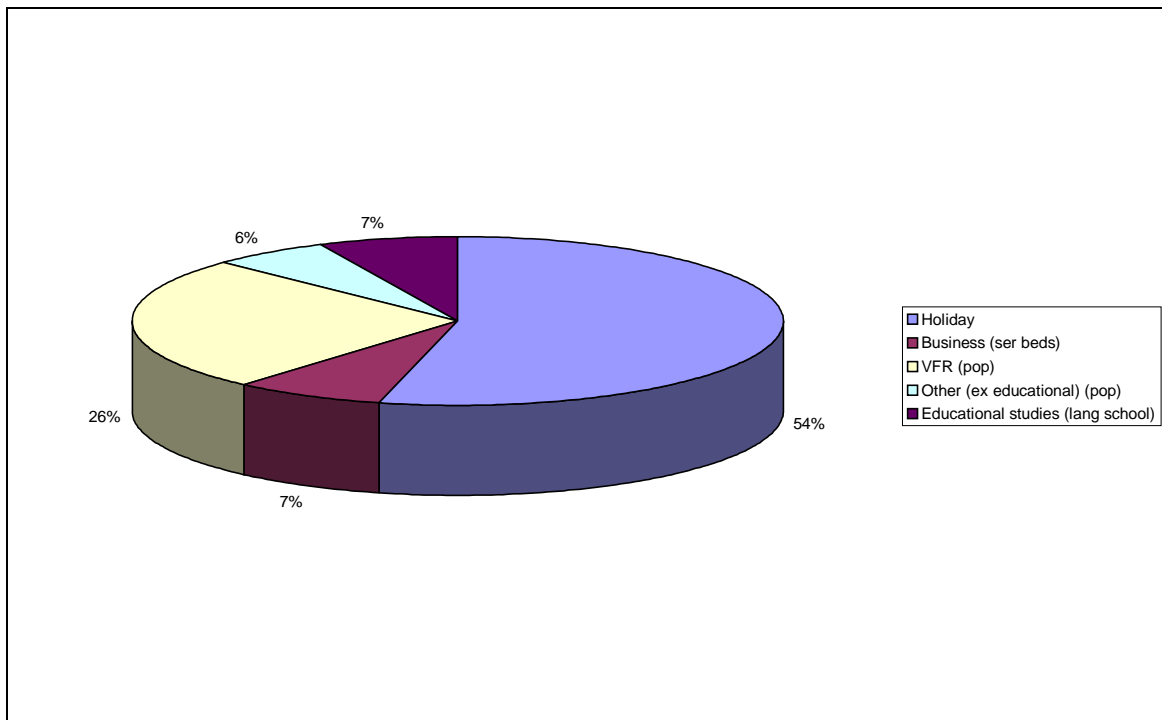


Fig. 4d Total Visitor Nights by Purpose of Visit



6.0 STAYING VISITOR EXPENDITURE

Table 5 and Figures 5a, 5b, 5c and 5d provide indicative breakdowns of expenditure by staying visitors in Tunbridge Wells Borough .

6.1 Total Staying Visitor Expenditure

- Overall, it was estimated that staying visitors spent in the region of £44.2 million in Tunbridge Wells Borough in 2000. This accounts for approximately 8% of all staying visitor expenditure in Kent for the same period.
- The domestic/ overseas breakdown for tourist expenditure was 31% and 69% respectively. Nevertheless, considering that overseas visitors only accounted for 17% of total trips, this breakdown certainly highlights the relatively high spending capacity of this lower volume market.

6.2 Staying Visitor Expenditure by Accommodation Sector

As illustrated in table 5 below, the model estimated that:

- Visitors staying in serviced accommodation (hotels, guesthouses, inns and bed and breakfast accommodation) accounted for 45% of total staying visitor expenditure.
- Visitors to self-catering cottages, houses and chalets accounted for 11% of staying visitor expenditure. Although the sector only accounted for 4% of total staying trips, the longer length of stay exhibited by such accommodation due to the nature of the week-long rental structure, results in a relatively high visitor spend.
- Staying visitors using the homes of local residents accounted for 37% of all staying visitor expenditure, despite representing 61% of trips, reflecting the savings made on accommodation costs and catering.
- Visitors using touring camping and caravanning accommodation accounted for 1% of staying visitor expenditure, reflecting the budget nature of this sector.
- Visitors using 'other' accommodation accounted for a further 4%, whilst visitors to group accommodation accounted for the remaining 2%.

Table 5

Spend by Accommodation Type (£ millions)					
	Domestic	Overseas	Total	% Total	
Hotel/ Guesthouse	£ 12.67	£ 4.28	£ 16.95	38	
B&B	£ 1.08	£ 2.11	£ 3.19	7	
Houses/ Chalet Units	£ 3.61	£ 1.38	£ 4.98	11	
Touring Caravan/ Tent	£ 0.24	£ 0.03	£ 0.27	1	
Static Caravan	£ -	£ -	£ -	-	
Holiday Villages	£ -	£ -	£ -	-	
Group Accommodation	£ 0.15	£ 0.56	£ 0.71	2	
Other	£ 0.64	£ 1.00	£ 1.64	4	
Local Resident	£ 12.13	£ 4.33	£ 16.46	37	
TOTAL SPEND	£ 30.51	£ 13.69	£ 44.20	100	
NB The total spend in the above table may not sum due to rounding					

Fig. 5a Spend by Accommodation Type

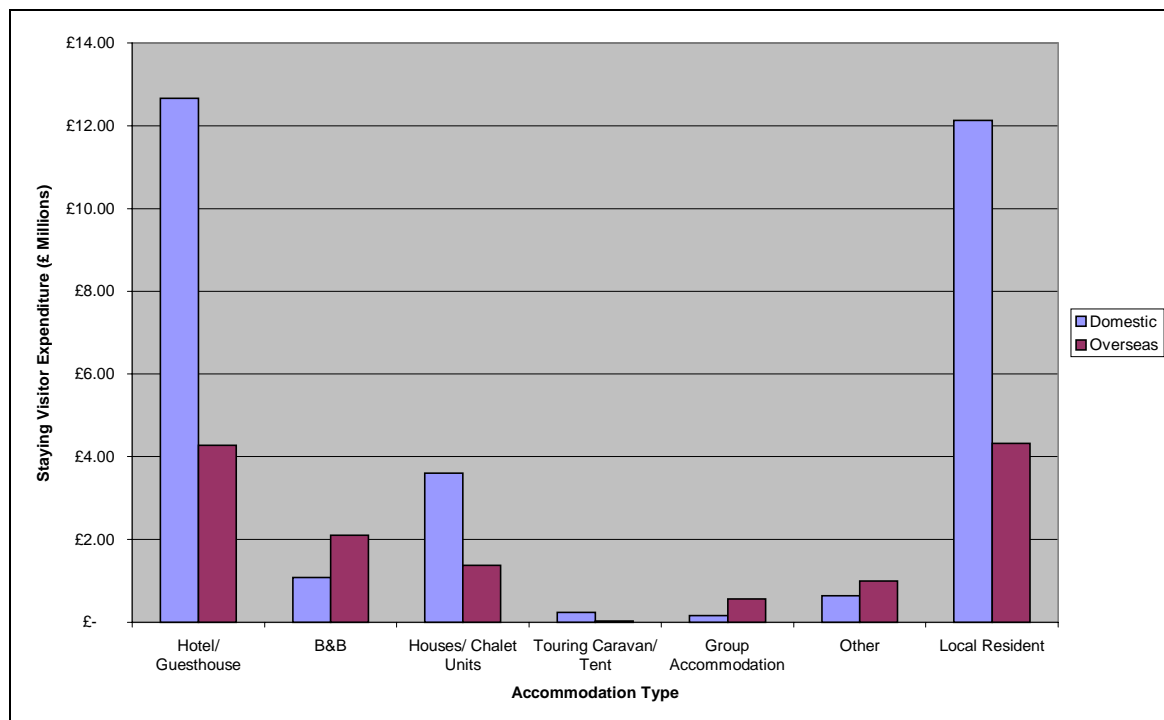


Fig. 5b Domestic Staying Visitor Expenditure by Accommodation Type

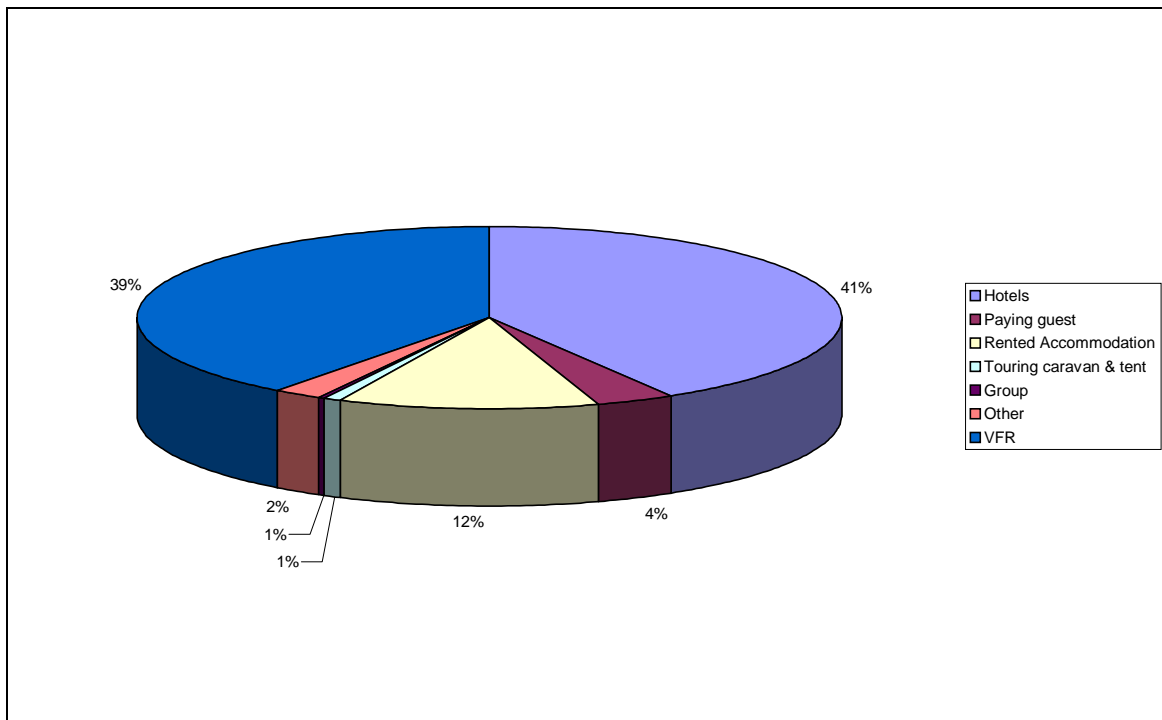


Fig. 5c Overseas Staying Visitor Expenditure by Accommodation Type

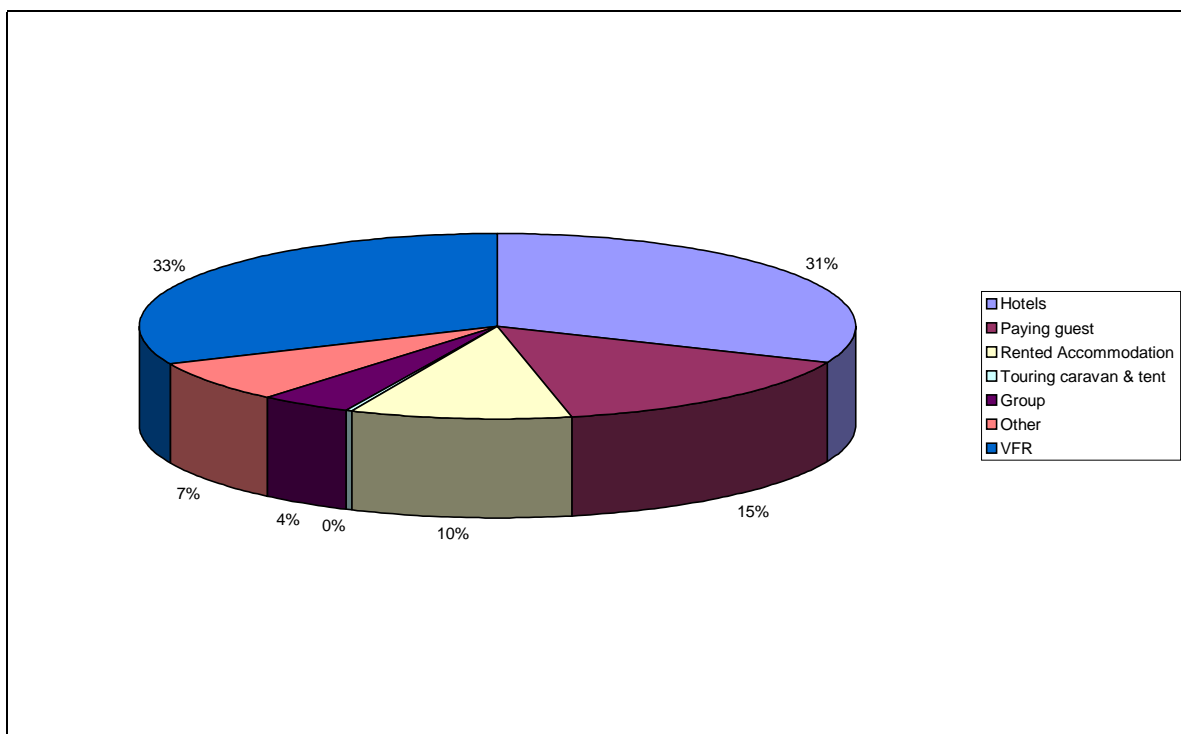
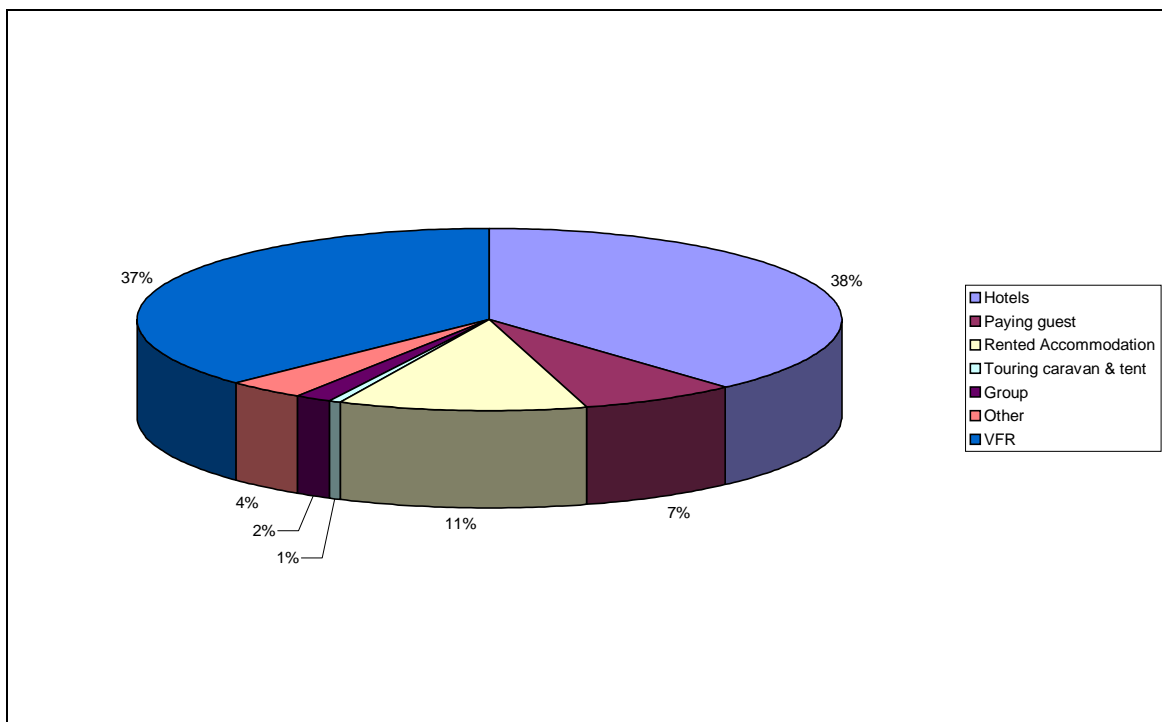


Fig. 5d Total Staying Visitor Expenditure by Accommodation Type



6.3 Visitor Expenditure by Purpose of Visit

The model's estimates for visitor expenditure according to purpose of visit are presented in table 6 below.

- 54% of expenditure was generated by holidaymakers to Tunbridge Wells Borough.
- The high spending business tourism market was estimated to account for a further 13% of expenditure.
- The VFR market accounted for an estimated 19% of total spend.
- The 'other' sector accounted for the remaining 5% of expenditure, whilst the long staying language school students spent the remaining 8%.

Table 6

Visitor Expenditure by Staying Visitors (£ Millions)					
	Domestic	Overseas	Total	% Total	
All Holidays	£ 19.24	£ 4.81	£ 24.05	54	
Business	£ 3.82	£ 2.03	£ 5.84	13	
Friends/ Relatives	£ 5.64	£ 2.90	£ 8.54	19	
Other	£ 1.81	£ 0.55	£ 2.36	5	
Language School	£ -	£ 3.39	£ 3.39	8	
Total	£ 30.51	£ 13.69	£ 44.20	100	
NB The totals in the above table may not sum due to rounding					

Fig. 6a Staying Visitor Expenditure by Purpose of Visit

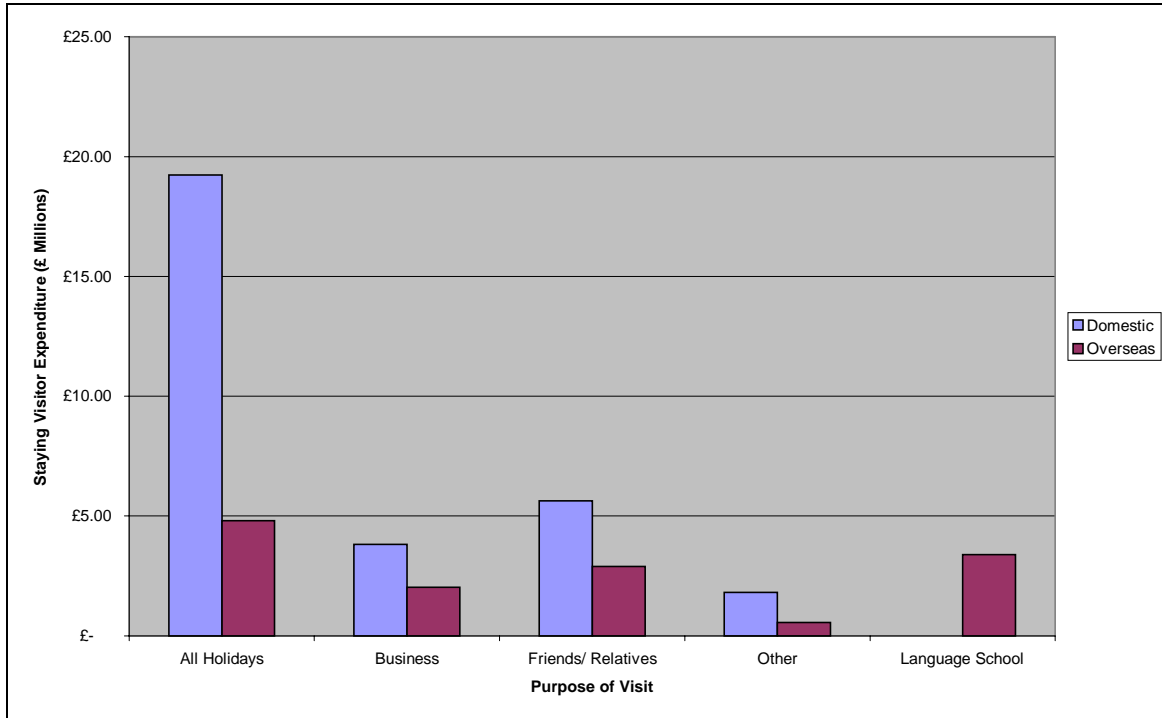


Fig. 6b Domestic Staying Visitor Expenditure by Purpose of Visit

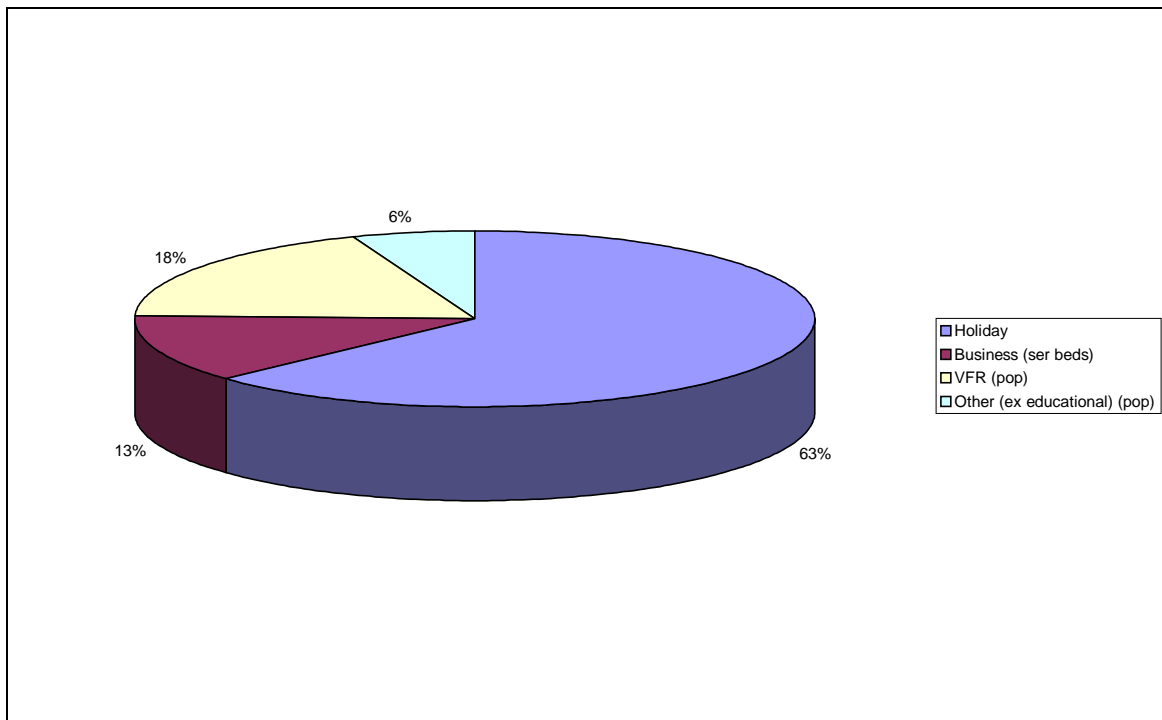


Fig. 6c Overseas Staying Visitor Expenditure by Purpose of Visit

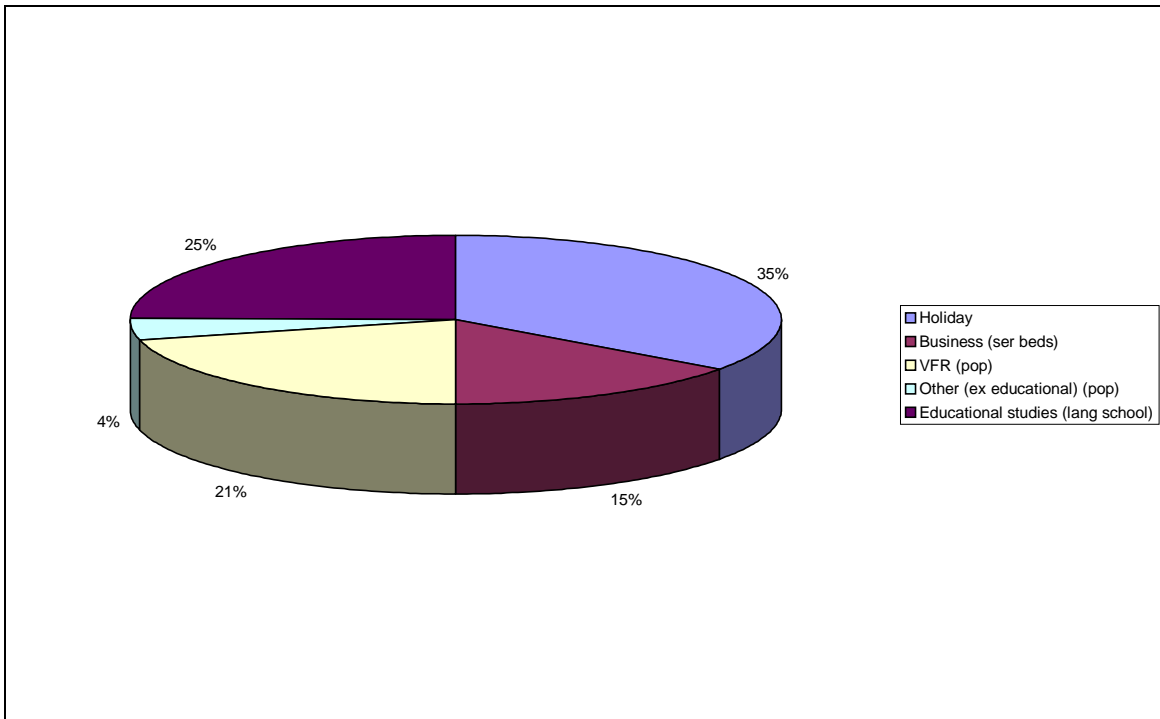
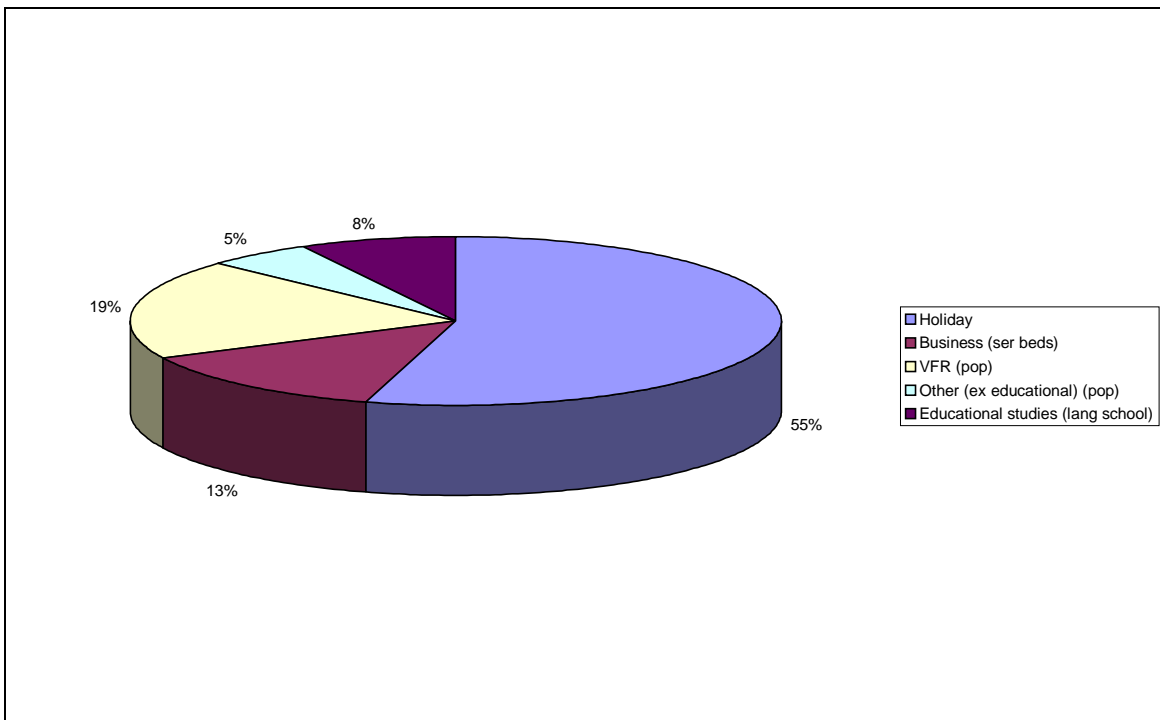


Fig. 6d Total Staying Visitor Expenditure by Purpose of Visit



7.0 DAY VISITORS

This section examines the value and volume of day trips undertaken to, and within, Tunbridge Wells Borough.

It should be noted that this study only accounts for leisure day visits made from home, as opposed to visits made while people are staying away from home. Due to the absence of any national survey monitoring overseas day visits, the standard Cambridge Model is not able to produce an estimate for this group of visitors.

This section of the study adopts the definition for tourism day trips which has been adopted by the Department of Culture, Media and Sport, where tourism day trips are defined as being of a three hour minimum duration and undertaken on an irregular basis. In previous Cambridge Model studies for the Borough, however, an alternative definition has been employed, where tourism day visits have a minimum duration of three hours and comprise a round trip distance of at least twenty miles. A separate analysis of such tourism day trips and their resultant economic impact is contained within appendix 1 of this report.

In analysing day trips, the model also categorises the day trips according to whether they were made to a predominately urban or rural destination. The figures presented relate to day trips undertaken within Tunbridge Wells Borough, as well as to Tunbridge Wells Borough.

Local survey data from the 2000 Tunbridge Wells Destination Benchmarking Survey has also been used to refine the estimates of day visitor expenditure to the Borough.

7.1 The Volume of Day Trips

As illustrated in table 7 and figure 7 below, the model estimated that in 2000:

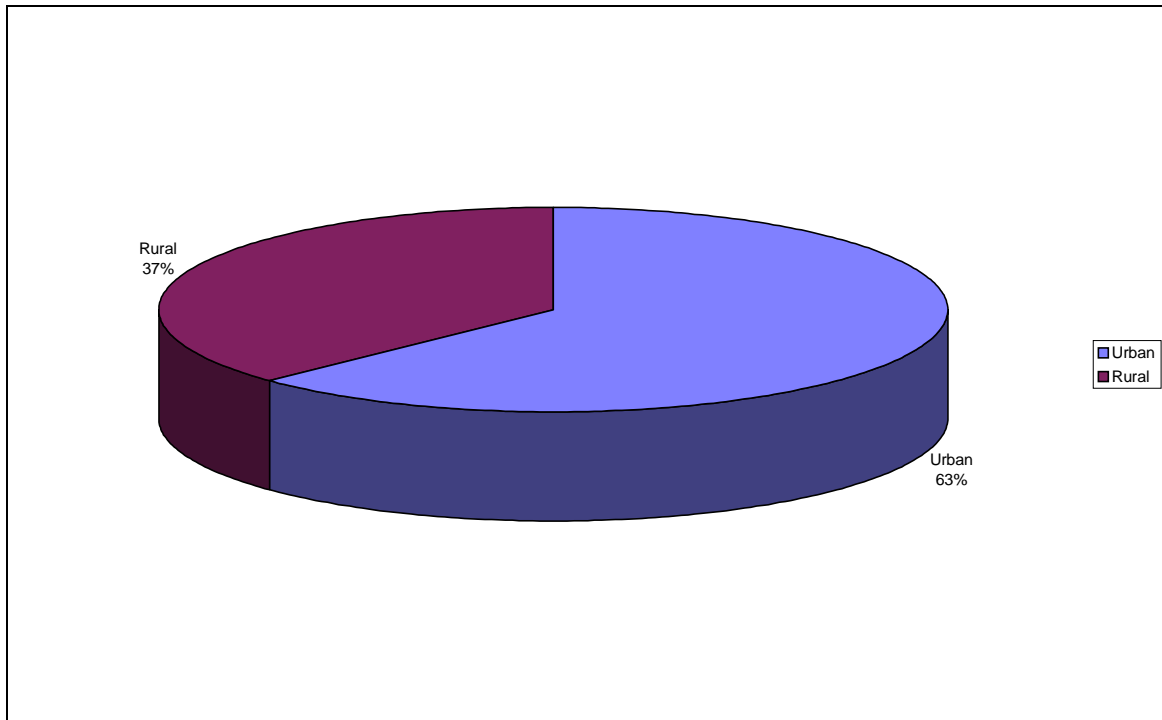
In terms of irregular tourism day visits, lasting 3 hours or more duration, the model estimated that in 2000 there were:

- 3.78 million day visitors were undertaken to, and within Tunbridge Wells Borough.
- 63% of day trips were undertaken primarily to urban or built up parts of Tunbridge Wells Borough.
- A further 37% were primarily to 'rural parts'/ open spaces of Tunbridge Wells Borough.

Table 7

Day trips from home	Number of trips
Urban	2.37
Rural	1.41
Total	3.78

Fig.7 Volume of Day Visits in Tunbridge Wells Borough (2000)



7.2 The Value of Day Trips in Tunbridge Wells Borough

Table 8 and figure 8 below outline the estimates for day visitor expenditure within Tunbridge Wells Borough during 2000. These estimates have been refined using data from the 2000 Tunbridge Wells Destination Benchmarking Survey.

Overall, it was estimated that:

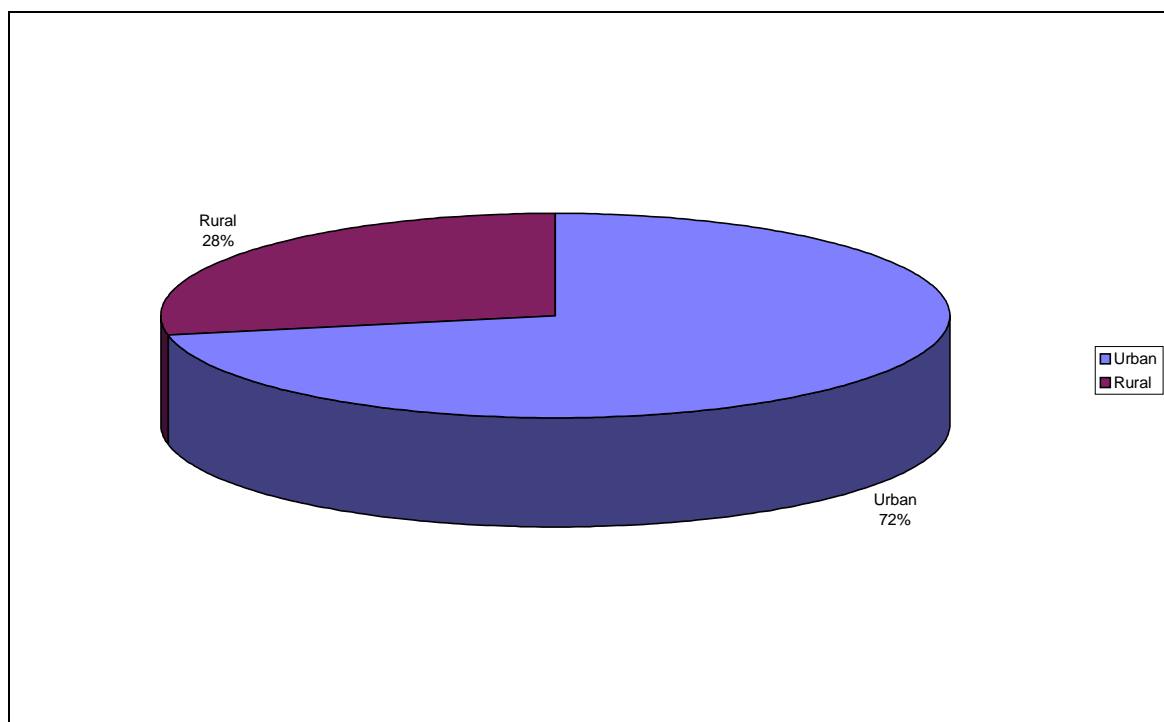
- Total domestic day visitor expenditure within Tunbridge Wells Borough during 2000 was in the region of £80.63 million.
- Visits to urban or built up areas were estimated to have accounted for around 72% of spend.
- Rural areas received the remaining 28% of day visitor expenditure.

It is important to note that a visit to an urban area may also include a visit to a rural area, and that these breakdowns are classified according to the primary motivation of the trip.

Table 8 Value of Day Visits

Spend on day trips from home	Total Spend
Urban	£ 57.98
Rural	£ 22.65
Total	£ 80.63

Fig.8 Value of Domestic Day Trips in Tunbridge Wells Borough



8.0 TOTAL VISITOR EXPENDITURE IN TUNBRIDGE WELLS BOROUGH

Through the addition of the estimates for total day and staying visitor expenditure, it is possible to derive an estimate for the total direct tourist expenditure accruing to Tunbridge Wells Borough during 2000.

Table 9 Total Tourist Expenditure in Tunbridge Wells Borough

Tourist Expenditure (£ millions)	
Domestic Staying Visitors	£ 30.51
Overseas Staying Visitors	£ 13.69
Day Visits from Home	£ 80.63
All Tourism	£ 124.83

Fig 9. Total Tourist Expenditure

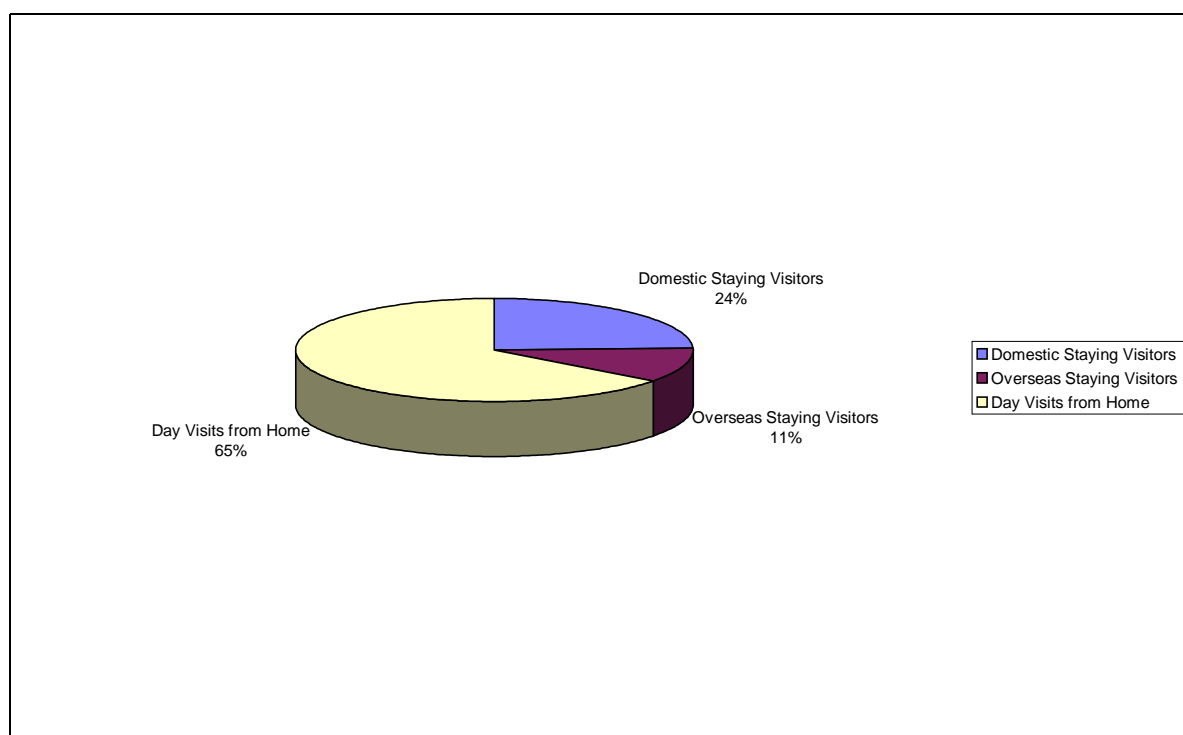


Table 9 and Figure 9 above illustrate a comparative breakdown for domestic staying, overseas staying and domestic day trip expenditure. Overall the model estimated that:-

- In the region of £124.83 million accrued to Tunbridge Wells Borough economy through direct tourist expenditure.
- 65% of this expenditure was generated by estimated 3.78 million day visits to Tunbridge Wells Borough .
- 24% of total tourist expenditure can be attributed to the estimated 266,000 domestic staying visitors.
- The remaining 11% can be attributed to the estimated 53,000 overseas staying visitors.

9.0 VISITOR EXPENDITURE BY BUSINESS SECTOR

9.1 Domestic Staying Visitors

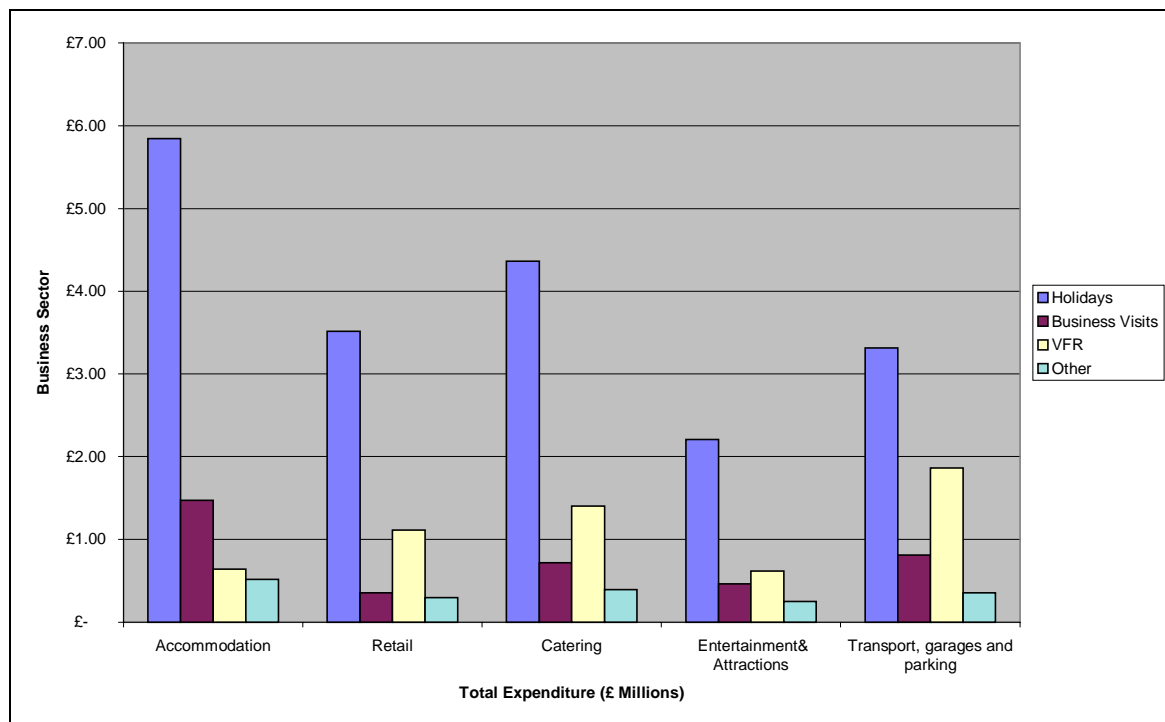
Table 10 and Figures 10 below illustrates a breakdown for domestic staying trip expenditure by business sector. The analysis is further segmented according to whether the expenditure was undertaken by holidaymakers, business visitors, those visiting friends and relatives or those visiting Tunbridge Wells Borough for 'other' purposes.

- As highlighted in section one, the model placed total expenditure by domestic visitors at £30.5 million in 2000.
- The accommodation sector were estimated to have benefited from 28% of domestic tourist expenditure. Again, the holiday market was identified as the major contributor to this sector.
- The catering sector (pubs, restaurants, tearooms etc) was estimated to have received a further 23% of this expenditure. The largest contributing market to this sector was holidaymakers to Tunbridge Wells Borough.
- Expenditure on travel and transport was estimated to account for 21% of domestic staying expenditure, whilst retail businesses accrued an additional 17%.
- The attractions and entertainment sector received the remaining 12% of tourist expenditure.

Table 10 Domestic Staying Visitor Expenditure by Business Sector

Tourism Expenditure by economic sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
UK Tourists						
Holidays	£ 19.24	£ 5.84	£ 3.51	£ 4.36	£ 2.21	£ 3.32
Business Visits	£ 3.82	£ 1.47	£ 0.35	£ 0.72	£ 0.46	£ 0.81
VFR	£ 5.64	£ 0.64	£ 1.11	£ 1.40	£ 0.62	£ 1.86
Other	£ 1.81	£ 0.51	£ 0.30	£ 0.39	£ 0.25	£ 0.36
Total UK Spend	£ 30.51	£ 8.47	£ 5.28	£ 6.88	£ 3.54	£ 6.34
N.B The totals in the above table may not sum due to rounding						

Fig. 10 Domestic Staying Visitor Expenditure by Business Sector



9.2 Overseas Staying Visitors

Table 11 and Figures 11 detail expenditure undertaken by overseas visitors across the five main sectors outlined in the previous sector. The analysis is again segmented according to the main purpose of the visit.

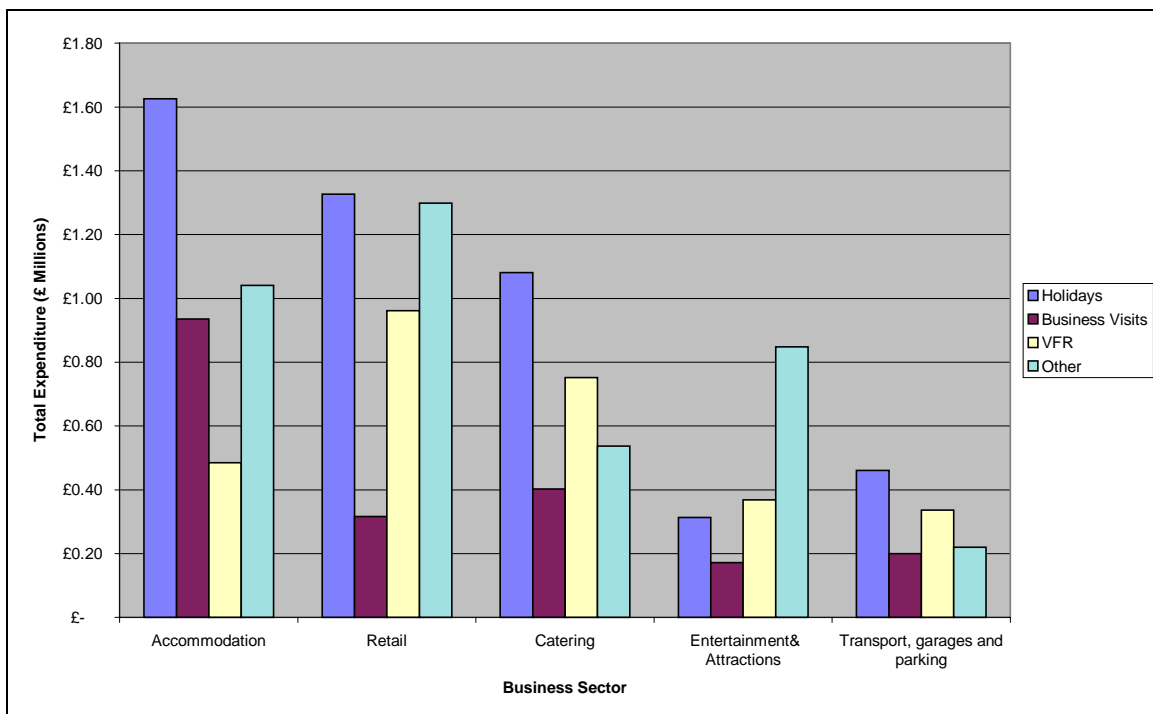
- The model estimated that in the region of £13.69 million was spent by overseas visitors in Tunbridge Wells Borough in 2000.
- Accommodation providers and retailers were estimated to have received 30% and 29% of this expenditure respectively.
- Catering businesses directly receiving tourist expenditure were estimated to accrue in the region of 20% of overseas staying visitor spend.
- The entertainment and attractions sector received in the region of 12% of this expenditure, whilst expenditure in transport-related industries was placed at 9%.

Table 11 Overseas Staying Visitor Expenditure by Business Sector

Tourism Expenditure by economic sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
Overseas Tourists						
Holidays	£ 4.81	£ 1.63	£ 1.33	£ 1.08	£ 0.31	£ 0.46
Business Visits	£ 2.03	£ 0.94	£ 0.32	£ 0.40	£ 0.17	£ 0.20
VFR	£ 2.90	£ 0.48	£ 0.96	£ 0.75	£ 0.37	£ 0.34
Other	£ 3.95	£ 1.04	£ 1.30	£ 0.54	£ 0.85	£ 0.22
Total Overseas Spend	£ 13.69	£ 4.09	£ 3.90	£ 2.77	£ 1.70	£ 1.22

N.B The totals in the above table may not sum due to rounding

Fig. 11 Overseas Staying Visitor Expenditure by Business Sector



9.3 Day Visitor Expenditure by Business Sector

Table 12 and Figures 12 illustrate domestic day visitor expenditure by business sector.

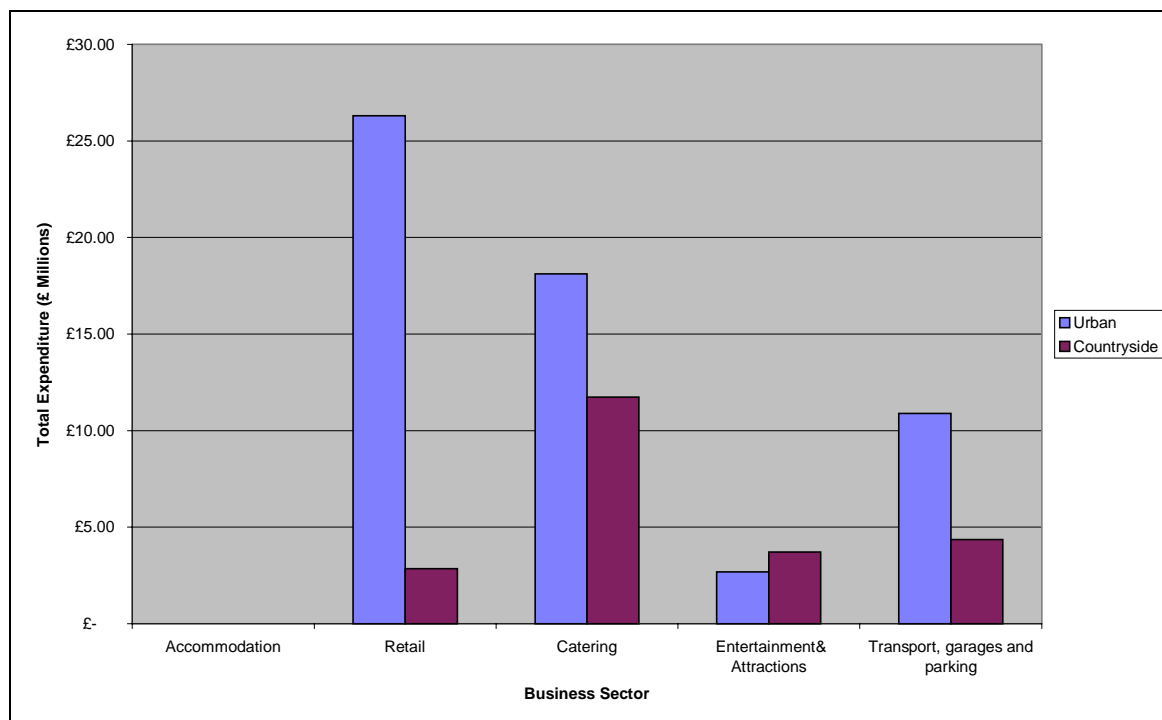
- Domestic day visitors spent in the region of £80.63 in Tunbridge Wells Borough during 2000.
- The catering sector was the largest recipient of day visitor expenditure at 37%.
- A further 36% and 19% was received by the retail and transport sectors respectively.
- The entertainment and attractions sectors were estimated to be the recipients of the remaining 8% of day visitor expenditure.

Table 12 Domestic Day Trip Expenditure by Business Sector (2000)

Tourism Expenditure by economic sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
Domestic Day Trips						
Urban	£ 57.98	£ -	£ 26.30	£ 18.12	£ 2.68	£ 10.88
Countryside	£ 22.65	£ -	£ 2.85	£ 11.73	£ 3.71	£ 4.35
Total Day Trip	£ 80.63	£ -	£ 29.15	£ 29.85	£ 6.39	£ 15.23

N.B The totals in the above table may not sum due to rounding

Fig. 12 Domestic Day Trip Expenditure by Business Sector (2000)



9.4 Total Tourist Expenditure

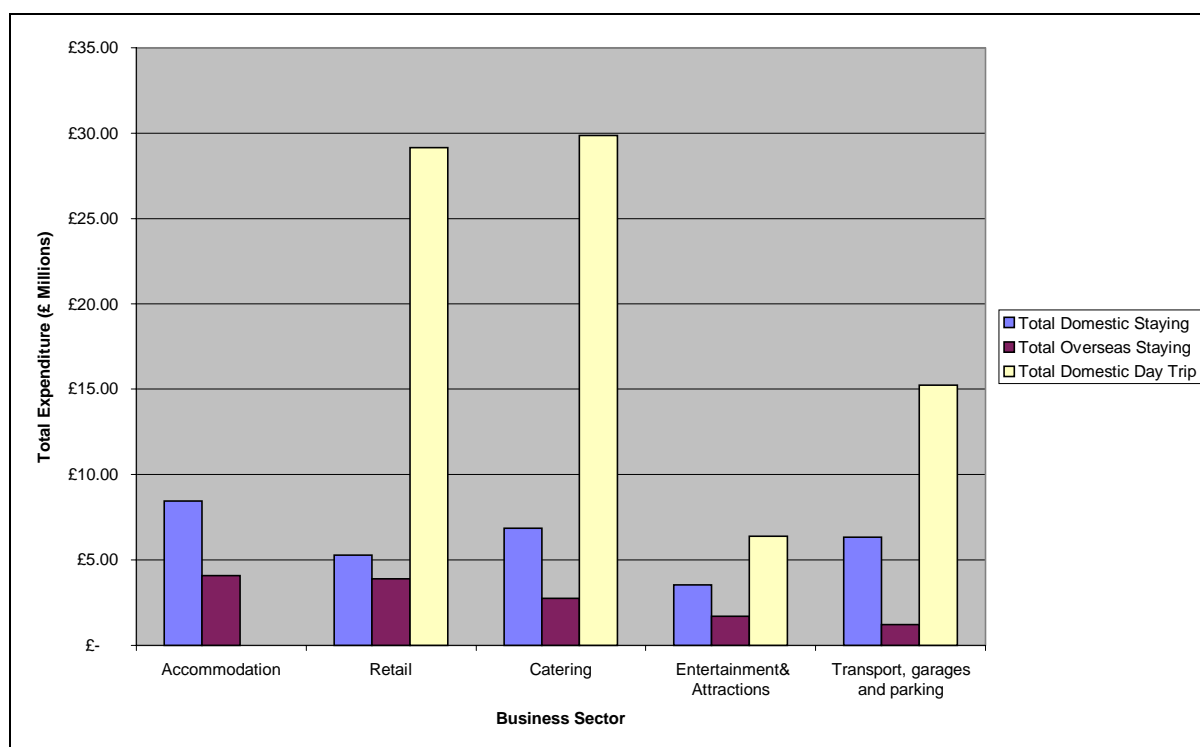
- As highlighted earlier in the report, the model estimated that tourists spend in the region of £124.8 million in Tunbridge Wells Borough in 2000.
- Overall, the catering sector is likely to have received the largest proportion of tourist expenditure (32%).
- The retail sector received the second greatest share of income, accounting for 31% of total direct expenditure, whilst in the region of 10% of expenditure was directly received by accommodation providers.
- The entertainment/ attractions sector and transport-related industries were estimated to have accrued 9% and 18% respectively.

Table 13 Total Tourist Expenditure by Business Sector

Tourism Expenditure by Economic Sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
Total Domestic Staying	£ 30.51	£ 8.47	£ 5.28	£ 6.88	£ 3.54	£ 6.34
Total Overseas Staying	£ 13.69	£ 4.09	£ 3.90	£ 2.77	£ 1.70	£ 1.22
Total Domestic Day Trip	£ 80.63	£ -	£ 29.15	£ 29.85	£ 6.39	£ 15.23
Total Visitor Spend	£ 124.82	£ 12.56	£ 38.33	£ 39.50	£ 11.64	£ 22.80

N.B The totals in the above table may not sum due to rounding

Fig. 13 Total Tourist Expenditure by Business Sector



10.0 EMPLOYMENT

10.1 Jobs directly supported by tourist expenditure

Through calculating visitor expenditure in different sectors of the local economy, the model is able to estimate the turnover and the proportion of turnover on wages. The proportion of turnover on wages will differ by sector, depending on the labour element of the overall 'product'.

Table 14

Direct Full Time Equivalent (FTE) jobs directly supported by tourism expenditure			
	Turnover £ m	Wages £m	Direct FTE jobs
Retail	37.9	8.0	372
Catering	38.3	11.5	693
Att/ Ent	12.4	4.0	309
Transport	13.7	2.7	121
Accommodation	13.3	4.4	250
Total	115.7	30.6	1,745

As table 14 above illustrates, there are 1,745 FTE time jobs directly supported by tourist expenditure in Tunbridge Wells Borough. 40% are in the catering sector, with the attractions and retail sectors accounting for 18% and 21% respectively.

10.2 Linkage and Multiplier Jobs

Linkage Jobs

Having calculated the jobs directly supported by tourism expenditure, the model estimates the spend generated supporting linkage jobs – i.e. those jobs which are directly related to expenditure on local suppliers and services (e.g. goods wholesalers, cleaners, accountants etc.) These jobs are in addition to the direct jobs generated in those businesses directly in receipt of tourist expenditure.

Multiplier Jobs

The model then estimates the multiplier spend and jobs, which arise from the spending of wages by those employed directly and in linkage jobs – in addition to the jobs arising as a result of additional residents living in the area where the household income is from tourist support spending. This comprises multiple rounds of spending, although the multiplier factor drops considerably in each successive round of expenditure. In addition, the linkage and multiplier jobs will occur across the spectrum of industries in Tunbridge Wells Borough.

As illustrated in table vii below, linkage spend in Tunbridge Wells Borough totals £21.4 million, supporting some 453 jobs. In addition, the multiplier spend, estimated at £12.1 million supports another 220 jobs, which combined with the direct jobs (1,745), gives a total of 2,417 FTE jobs supported in Tunbridge Wells Borough. Total direct and indirect expenditure, therefore, is estimated to be in the region of £158.3 million.

These figures suggest a direct visitor expenditure multiplier of 1.27 and a FTE employment multiplier of 1.39

Table 15 Linkage and Multiplier Jobs

Local linkages spend £m	Local linkages FTE* jobs	Local multiplier spend £m	Local multiplier FTE* jobs	Total direct & indirect FTE jobs
21.4	453	12.1	220	2,417
* FTE= full time equivalent				

10.3 Actual Jobs Supported by Tourism Expenditure

Working with the full time equivalents detailed above, this section considers the proportion of jobs in different sectors in seasonal and part-time jobs. It is important to note that while it is possible to provide estimates of direct actual jobs by sector, indirect actual jobs will occur in a variety of sectors throughout the economy of Tunbridge Wells Borough.

Table 16

Actual jobs supported by tourism expenditure			
	Actual Direct	Actual indirect	Actual Total
Retail	558		
Pubs/ Restaurants	1040		
Attractions/ Entertainment	435		
Garages/ Transport	171		
Accommodation	370		
Total	2,573	767	3,340

As illustrated in Table 16 above, the model estimates that:

- 3,340 actual jobs are supported by tourism expenditure, 77% of them directly.
- 40% of direct employment is supported in pubs and restaurants (catering), 14% in the accommodation sector, 22% in the retail sector, 17% in the entertainment and attractions sector, and 7% in the transport sector.
- The 767 indirect jobs are dispersed over the local economy and will include support services such as accountants, builders, as well as other consumer and business purchases.

APPENDIX ONE – TOURISM DAY VISITS

As highlighted in section 7.0, tourism day visits can be defined in different ways. Previously within Cambridge Model studies the following definition of tourism day visits has been adopted, where tourism day visits ' have a minimum duration of three hours and comprise a round trip distance of twenty-five miles.'

In order to provide destination managers with the widest range of available data, a separate analysis has been undertaken to provide estimates for the value, volume and resultant economic impact of this market.

I The Volume of Day Trips

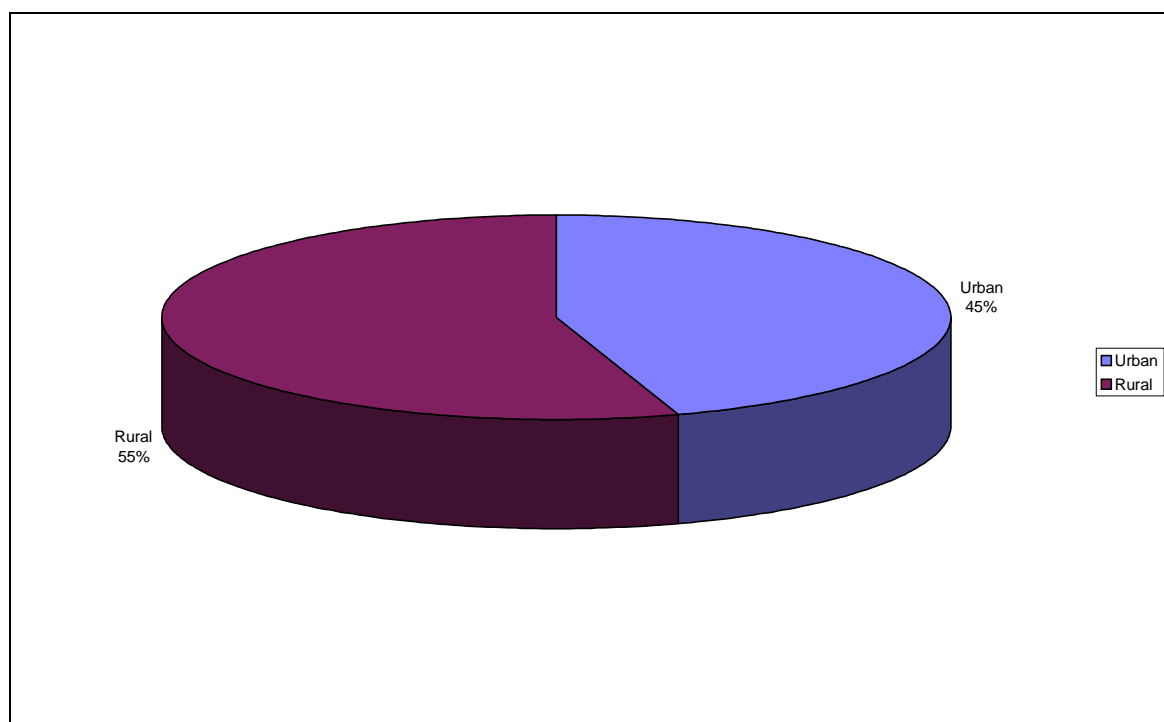
In terms of irregular tourism day visits, lasting 3 hours or more duration, the model estimated that in 2000 there were:

- 2.60 million day visitors were undertaken to, and within Tunbridge Wells Borough.
- 45% of day trips were undertaken primarily to urban or built up parts of Tunbridge Wells Borough.
- A further 55% were primarily to rural areas of Tunbridge Wells Borough.

Table i

Day trips from home	Number of trips
Urban	1.17
Rural	1.44
Total	2.60

Figure i Volume of Day Visits in Tunbridge Wells Borough



II The Value of Day Trips in Tunbridge Wells Borough

Table 8 and figure 8 below outline the estimates for day visitor expenditure within Tunbridge Wells Borough during 2000. These estimates have been refined using data from the 2000 Tunbridge Wells Destination Benchmarking Survey.

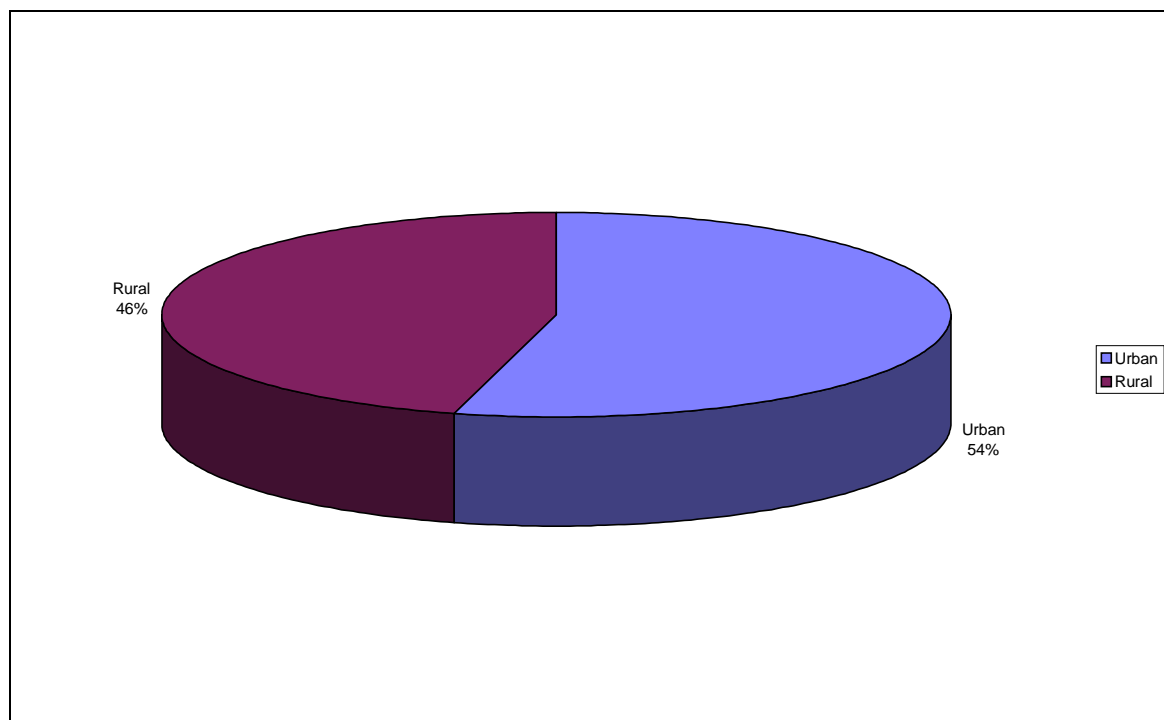
- Total domestic day visitor expenditure within Tunbridge Wells Borough during 2000 was in the region of £52.72 million.
- Visits to urban or built up areas were estimated to have accounted for around 54% of spend.
- Rural areas/ open spaces received the remaining 46% of day visitor expenditure.

It is important to note that a visit to an urban area may also include a visit to a rural area, and that these breakdowns are classified according to the primary motivation of the trip.

Table ii

Spend on day trips from home	Total Spend	
Urban	£	28.56
Rural	£	24.16
Total	£	52.72

Figure ii Value of Day Visits



III TOTAL VISITOR EXPENDITURE IN TUNBRIDGE WELLS BOROUGH

Through the addition of the estimates for total day and staying visitor expenditure, it is possible to derive an estimate for the total direct tourist expenditure accruing to Tunbridge Wells Borough during 2000.

Table iii Total Tourist Expenditure in Tunbridge Wells Borough

Tourist Expenditure (£ millions)		
Domestic Staying Visitors	£	30.51
Overseas Staying Visitors	£	13.69
Day Visits from Home	£	52.72
All Tourism	£	96.91

Fig iii Total Tourist Expenditure

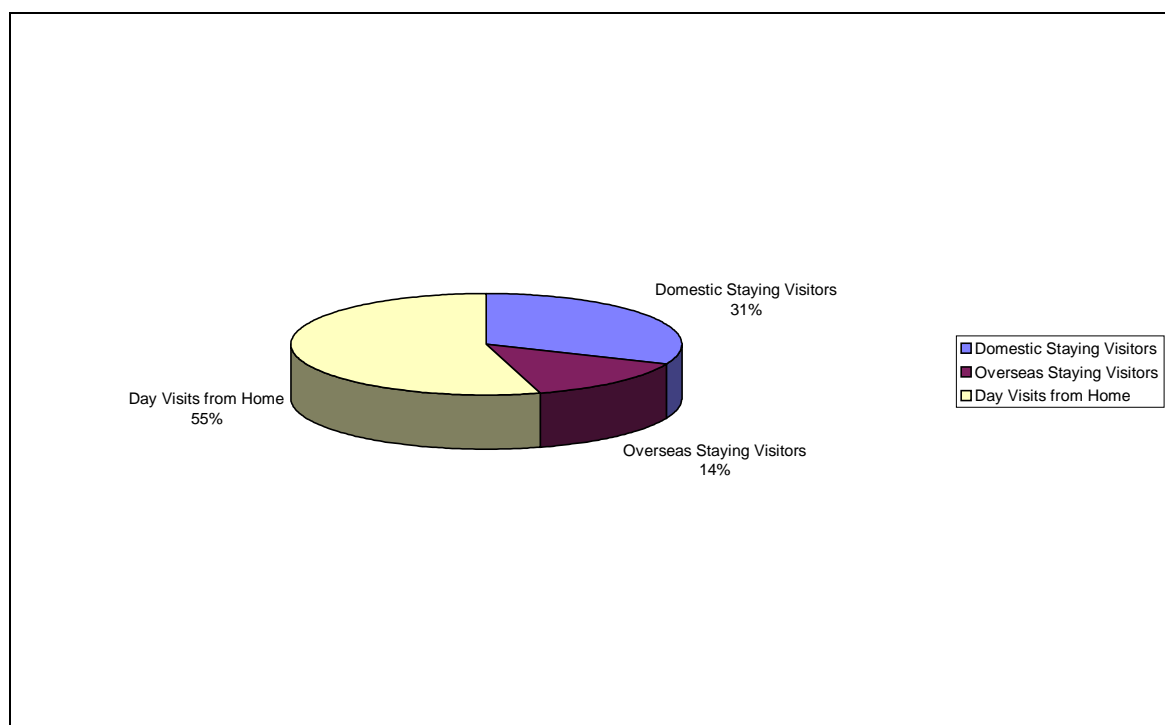


Table 9 and Figure 9 above illustrate a comparative breakdown for domestic staying, overseas staying and domestic day trip expenditure. Overall the model estimated that:-

- In the region of £96.9 million accrued to Tunbridge Wells Borough’s economy through direct tourist expenditure.
- 55% of this expenditure was generated by estimated 2.60 million day visits to Tunbridge Wells Borough .
- 31% of total tourist expenditure can be attributed to the estimated 266,000 domestic staying visitors.
- The remaining 14% can be attributed to the estimated 53,000 overseas staying visitors.

IV Day Visitor Expenditure by Business Sector

Table iv and Figure iv below illustrate the breakdown of domestic day visitor expenditure by business sector.

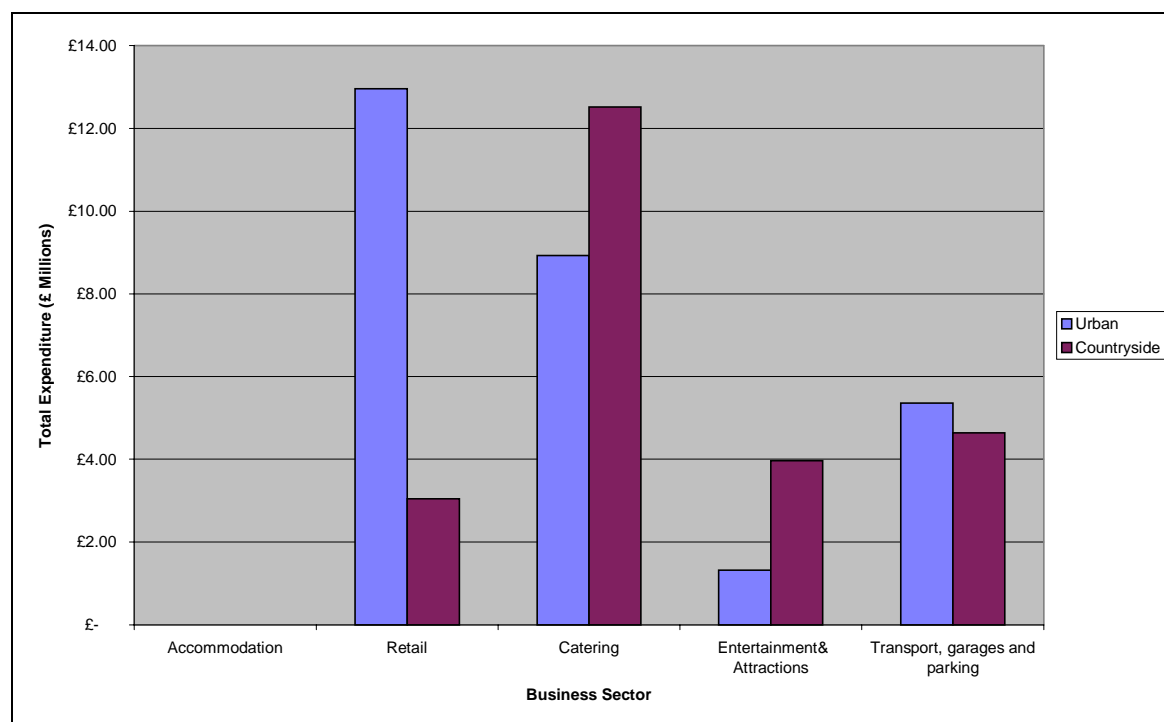
- Domestic day visitors spent in the region of £52.7 million in Tunbridge Wells Borough during 2000.
- The catering sector was the largest recipient of day visitor expenditure at 41%.
- A further 30% and 19% was received by the retail and transport sectors respectively.
- The entertainment and attractions sectors were estimated to be the recipients of the remaining 10% of day visitor expenditure.

Table iv Domestic Day Trip Expenditure by Business Sector (2000)

Tourism Expenditure by economic sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
Domestic Day Trips						
Urban	£ 28.56	£ -	£ 12.95	£ 8.92	£ 1.32	£ 5.36
Countryside	£ 24.16	£ -	£ 3.04	£ 12.51	£ 3.96	£ 4.64
Total Day Trip	£ 52.72	£ -	£ 16.00	£ 21.44	£ 5.28	£ 10.00

N.B The totals in the above table may not sum due to rounding

Figure iv Domestic Day Trip Expenditure by Business Sector (2000)



V Total Tourist Expenditure by Business Sector – 2000

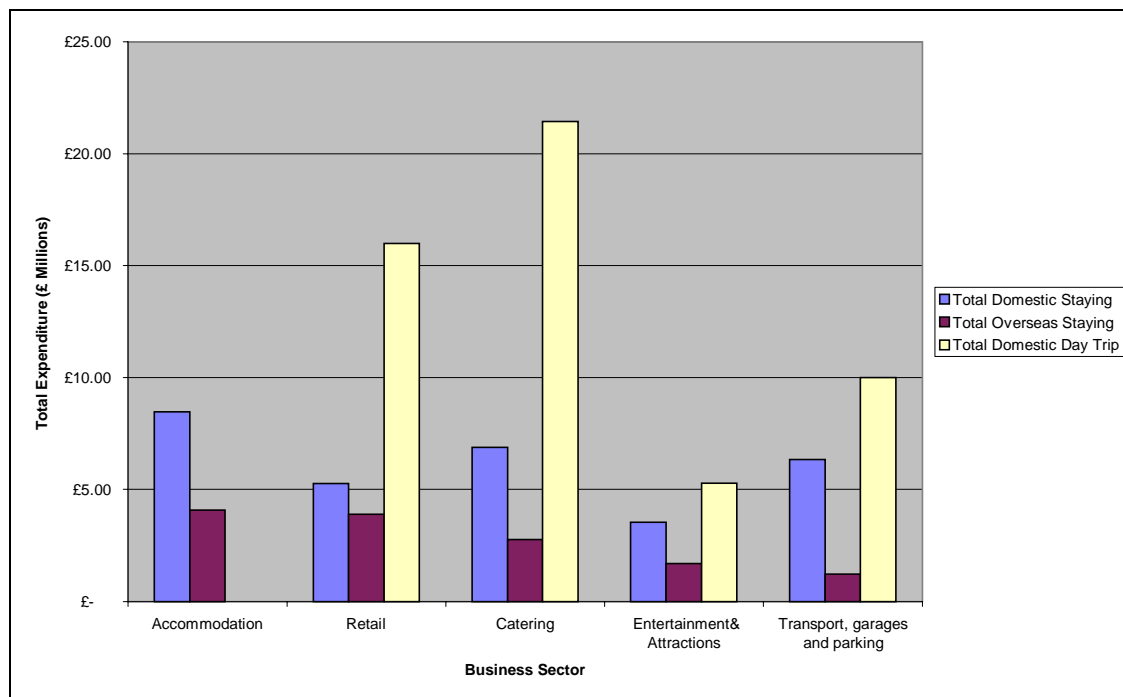
As for the previous analysis of total expenditure by business sector, retail and catering remain the largest beneficiaries of tourist expenditure, with the majority of this spend originating from the day visits market.

Table v Total Tourist Expenditure by Business Sector 2000

Tourism Expenditure by Economic Sector (£ Million)	Total	Accommodation	Retail	Catering	Entertainment & Attractions	Transport, garages and parking
Total Domestic Staying	£ 30.51	£ 8.47	£ 5.28	£ 6.88	£ 3.54	£ 6.34
Total Overseas Staying	£ 13.69	£ 4.09	£ 3.90	£ 2.77	£ 1.70	£ 1.22
Total Domestic Day Trip	£ 52.72	£ -	£ 16.00	£ 21.44	£ 5.28	£ 10.00
Total Visitor Spend	£ 96.91	£ 12.56	£ 25.18	£ 31.09	£ 10.52	£ 17.56

N.B The totals in the above table may not sum due to rounding

Figure v Total Tourist Expenditure by Business Sector 2000



VI EMPLOYMENT

Jobs directly supported by tourism expenditure

Table vi

Direct Full Time Equivalent (FTE) jobs directly supported by tourism expenditure			
	Turnover £ m	Wages £m	Direct FTE jobs
Retail	24.9	5.2	244
Catering	30.2	9.0	545
Att/ Ent	11.1	3.5	276
Transport	10.5	2.1	93
Accommodation	13.2	4.3	247
Total	89.9	24.3	1,405

As Table vi above illustrates, there are 1,405 time jobs directly supported by tourist expenditure in Tunbridge Wells Borough. 39% are in the catering sector, with the accommodation and retail sectors accounting for 18% and 17% respectively.

As illustrated in table vii below, linkage spend in Tunbridge Wells Borough totals £17.8 million, supporting some 379 jobs. In addition, the multiplier spend, estimated at £9.8 million supports another 178 jobs, which combined with the direct jobs (1,405), gives a total of 1,963 FTE jobs supported in Tunbridge Wells Borough. Total direct and indirect expenditure, therefore, is estimated to be in the region of £124.51 million.

These figures suggest a direct visitor expenditure multiplier of 1.28 and a FTE employment multiplier of 1.40

Table vii Linkage and Multiplier Jobs

Local linkages spend £m	Local linkages FTE* jobs	Local multiplier spend £m	Local multiplier FTE* jobs	Total direct & indirect FTE jobs
17.8	379	9.8	178	1,963

* FTE= full time equivalent

Actual Jobs Supported by Tourism Expenditure

Table viii

Actual jobs supported by tourism expenditure			
	Actual Direct	Actual indirect	Actual Total
Retail	367		
Pubs/ Restaurants	818		
Attractions/ Entertainment	389		
Garages/ Transport	131		
Accommodation	365		
Total	2,070	635	2,705

As illustrated in Table viii above, the model estimates that:

- 2,705 actual jobs are supported by tourism expenditure, 77% of them directly.
- 40% of direct employment is supported in pubs and restaurants (catering), 18% in the accommodation sector, 17% in the retail sector, 19% in the entertainment and attractions sector, and 6% in the transport sector.
- The 635 direct jobs are dispersed over the local economy and will include support services such as accountants, builders, as well as other consumer and business purchases.

APPENDIX TWO Impact of the loss of commercial accommodation within Tunbridge Wells Borough

- From 1997 to 2000, there has been a notable loss in serviced accommodation stock within the Borough. Audit work undertaken for the 2000 study identified a loss of 88 hotel bedspaces, which represents an 8% loss. Hotel bedspaces are key drivers of staying tourism value and volume and, in this case, a loss in capacity will result in a loss in tourism value and volume.
- It is estimated that this loss of hotel bedstock within the Borough resulted in the number of staying trips to hotels being 8% lower than they would have otherwise been. This was also reflected in an 8% drop in visitor nights and spend within hotel accommodation within the Borough – representing a loss of 15,500 staying trips, 21,800 visitor nights and £1.44 million expenditure.
- The audit process also identified a loss of 100 bed and breakfast bedspaces across the Borough since the previous audit, representing a 19% decrease in stock levels. The loss of these bedspaces within the Borough resulted in the number of staying trips to bed and breakfast accommodation being 19% lower than they would have otherwise been if this stock had been retained. This loss of trips resulted in a 17% drop in visitor nights and spend to the sector – representing a loss of 6,500 staying trips, 13,900 visitor nights, and £0.65 million in expenditure.
- Since the previous audit, it was also estimated that self-catering accommodation stock levels had decreased in the Borough by 24 units (a 25% decrease). It is estimated that the impact of this loss led to a 22% reduction in staying visitor trips, nights and spend to self-catering units within the Borough – representing a loss of 3,600 trips, 34,000 visitor nights and £1.43 million in expenditure.
- Combined, it is estimated that the loss of accommodation stock resulted in a loss of 15,300 trips (5% of total volume of staying trips 2000 estimate), 70,000 visitor nights (5% of total volume of visitor nights 2000) and £3.5 million of staying visitor expenditure (8% of staying visitor expenditure).
- The key reason for the loss of tourism stock has been conversion to residential use – which is driven by high residential property prices within the Borough. It is worth noting that during the above period serviced accommodation occupancy levels within the Borough have remained higher than the county average and at comparable levels between 1999 and 2001. Feedback from a leading local self-catering agency has also indicated that self-catering occupancies within Tunbridge Wells Borough outperform other parts of the region.
- If stock levels continue to decline on current levels and are not increased, Tunbridge Wells Borough will lose market share and the ability to significantly grow the value of tourism to the area. Provision for staying visitors is disproportionately important as staying visitors account for 8% of visitor trips, but 35% of total visitor expenditure. Retaining and increasing bedstock capacity, therefore, is fundamental to achieving the strategic objectives of the current Tunbridge Wells Borough Tourism Strategy of fostering low volume, high value tourism.