



National Statistics Quality Review Series

Report No.33

## **Review of Tourism Statistics**

Published by:  
Department for Culture, Media and Sport

Theme: Transport, Travel and Tourism

Department for Culture, Media and Sport (DCMS)  
2-4 Cockspur Street  
London  
SW1Y 5DH  
Tel: 0207 211 6000  
Fax: 0207 211 6319  
Website: [www.culture.gov.uk](http://www.culture.gov.uk)

National Statistics Customer Enquiry Centre  
Government Buildings  
Cardiff Road  
Newport  
South Wales  
Tel: 0845 601 3034 (minicom 01633 812399)  
Fax: 01633 652747  
e-mail: [info@statistics.gov.uk](mailto:info@statistics.gov.uk)  
Website: [www.statistics.gov.uk](http://www.statistics.gov.uk)

©Crown Copyright 2004

*Copyright in the typographical arrangement rests with the Crown.*

*This publication, excluding logos, may be reproduced free of charge in any format or medium for research, private study or for internal circulation within an organisation. This is subject to it being reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown Copyright and the title of the publication specified.*

*This is a value added publication which falls outside the scope of the HMSO Class Licence.*

*For any other use of this material, please write to HMSO, The Copyright Unit, St Clements House, 2-16 Colegate, Norwich NR3 1BQ. Fax: 01603 723000 or e-mail: [copyright@hmso.gov.uk](mailto:copyright@hmso.gov.uk)*

**Contact points:**

For enquiries about this review publication:

Vicky Coates  
Tourism Division  
DCMS  
2-4 Cockspur Street  
London  
SW1Y 5DH  
Tel: 0207 211 6326  
E-mail: [Vicky.coates@culture.gsi.gov.uk](mailto:Vicky.coates@culture.gsi.gov.uk)

For enquiries on the review programme:

The Review Programme Management Team, ONS  
Tel: 020 7533 6298 / 01633 812864  
Email: [ns.quality.review.teams.ldn@ons.gov.uk](mailto:ns.quality.review.teams.ldn@ons.gov.uk)

National Statistics are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

## **Review of Tourism Statistics**

This is the fourth review to be published under the National Statistics Transport, Travel and Tourism theme.

### **National Statistics Quality Reviews**

In 1999 the Government issued the “ *Building Trust in Statistics* ” White Paper, which set out the framework for quality assuring National Statistics outputs. This was confirmed in 2000 with the launch of National Statistics and publication of the Framework for National Statistics. A key component of the Framework is:

“ a programme of thorough reviews of key outputs, at least every five years, with the involvement of methodologists and outside expertise, as appropriate. ”

This programme of quality reviews is an important way of ensuring that National Statistics and other official statistical outputs are fit for purpose and that we are continuing to improve the quality and value of these outputs.

# **TOURISM STATISTICS IMPROVEMENT INITIATIVE**

## **REVIEW OF TOURISM STATISTICS**

Denis Allnut

“Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.”

(Tourism Satellite Account: Recommended Methodological Framework – published by the UN in 2001)

4 March 2004

# CONTENTS

<u>Pages</u>	<u>Chapter</u>
4-18	1. Executive Summary
19-21	2. Context
22-24	3. Approach Taken by the Review
25	4. Structure for Reporting Review's Analysis and Findings
26-44	5. Issues Facing Tourism Statistics: <ul style="list-style-type: none"><li>5.1 A: Key statistics of the nature, volume and value of tourism for the UK, its constituent countries and the regions of England</li><li>5.2 B: National and regional statistics where a rigorous statistical basis for the sample is less important</li><li>5.3 C: Local statistics</li><li>5.4 D: Statistical requirements of, and issues affecting, tourism businesses and their associations</li><li>5.5 E: The timeliness of tourism statistics</li><li>5.6 F: Dissemination of statistics</li><li>5.7 G: Organisational responsibility for tourism statistics</li><li>5.8 H: Other issues</li></ul>
45-75	6. Responses to the Identified Issues Facing Tourism Statistics <ul style="list-style-type: none"><li>6.1 A: Key statistics of the nature, volume and value of tourism for the UK, its constituent countries and the regions of England</li><li>6.2 B: National and regional statistics where a rigorous statistical basis for the sample is less important</li><li>6.3 C: Local statistics</li><li>6.4 D: Statistical requirements of, and issues affecting, tourism businesses and their associations</li><li>6.5 E: The timeliness of tourism statistics</li><li>6.6 F: Dissemination of statistics</li><li>6.7 G: Organisational responsibility for tourism statistics</li><li>6.8 H: Other issues</li></ul>
76-79	7. Consideration of Priorities
80-90	8. List of Recommendations with Indications of <ul style="list-style-type: none"><li>• Priority</li><li>• Timetable</li><li>• Cost</li></ul>
91-94	9. Relevance of Recommendations to Selected Specific Issues: <ul style="list-style-type: none"><li>• National Statistics</li><li>• Compliance with EU Tourism Statistics Directive</li><li>• Prompt Availability of Quantified Information at Times of Crisis</li><li>• Increased Media Attention</li></ul>

Appendices:

1. Consultation and Project Resource
2. Summary of Data Used by Groups of Users, and Data Gaps Perceived by Those Users
3. Bibliography – including data exercises identified
4. Acronyms Used in this Report
5. The Requirements of the EU Tourism Statistics Directive
6. Consultees' Suggestions For Data Improvements To Be Given Priority Because Of Value For TSA Development
7. The Scale of, and Trends in, Selected Elements of Tourism

# EXECUTIVE SUMMARY

## Summary view of the Review Steering Group

Following discussions at the last Steering Group meeting, the group arrived at this summary:

"Due to the sheer diversity of tourism services, and the unique challenge of measuring a consumer-defined industry, we have come to believe that there is no other sector in the UK economy as significant as tourism in which the key strategic and management decisions are so hampered by a lack of adequate data. Existing sources are no longer fit for purpose and the potential economic, social and environmental contributions of the tourism sector will only be realised if priority is allocated to better measurement."

## Introduction

1.1 Tourism data and statistics represent key management information for tourism decision purposes, for overall national and regional policy formulation, targets and monitoring. They are required for use in:

- Economic evaluation of tourism and monitoring of trends within both the national and regional economy – now and looking ahead to Tourism Satellite Accounting options;
- Planning –identifying the overall volume and forms of tourism to be supported and other forms to be discouraged through strategic and other planning guidelines for tourism;
- Marketing –targeting segments, targeting products and themes, campaign plans and monitoring systems to record progress;
- Sustainable development – meaning assessing tourism volume and value trends, product development trends and the use of indicators and benchmarks to monitor and guide progress on the environmental and social impacts of tourism;
- Advocacy –the use of data for demonstrating the economic, social and environmental values of tourism, especially in debates in which tourism priorities are established in comparison with other obligations of government.

We stress that although the bulk of the thrust of this report relates to national and regional data, exactly the same decision processes have to be undertaken at local level requiring equivalent data inputs. Such data also contributes to the needs of the private sector, especially in relation to investment and marketing decisions.

1.2 The importance of the sector is illustrated by its accounting for over 4% of UK GDP. The review concludes that significant developments are necessary if the available statistics are to adequately support the purposes listed above for this important industry.

1.3 This review takes the UN-endorsed World Tourism Organisation (WTO) definition of tourism reproduced on the cover page of this report as given. It concentrates on statistics of tourism activity in the UK, by UK residents and others. It does not address in any detail UK residents' tourism outside the UK. The review was conducted by an independent consultant working with a small team from DCMS and with a steering group representing a wide range of tourism interests and with extensive relevant experience. It involved widespread consultation through interviews with a substantial number of interested parties, an invitation to a larger number to participate in writing – including by responding to a questionnaire – and the public availability, on the web, of that questionnaire and details of the review. Annex 1 contains details of those involved.

## Summary

1.4 Major gaps identified by users include:

- Good quality lists of accommodation providers and other tourism businesses
- Frequent and timely statistics of day visitors
- Frequent and timely indicators of short term market trends
- More detailed statistics of tourist expenditure
- More comprehensive and robust local statistics.

1.5 The review also found that significant further resources need to be devoted to the main established surveys (and in particular the UK Tourism Survey (UKTS) and the Leisure Day Visits Survey (LDVS)). This is necessary if the surveys are to produce statistics, for the countries of the UK and regions of England, which are fit for purpose and warrant the reliance that those monitoring, allocating resources to, planning, developing, marketing and evaluating tourism need to place on them.

1.6 The broader development of panel surveys, of the type conducted for example by some trade associations, offers an opportunity to gain timely indications of short term trends of the type which many users indicated they would find valuable. These would cover a wider range of data than can be collected from statistically selected samples of businesses, and would provide a valuable addition to the range of available statistics. The value to users of these, and existing, statistics would be significantly enhanced if a wide range of relevant official and unofficial statistics were collated and disseminated in readily accessible, and actively promoted, formats – including through the web. While these developments do not represent a substitute for the improvement of the main surveys, they would cost considerably less and could be undertaken separately.

1.7 Local (and outside England, regional) area statistics cannot realistically be obtained from surveys of the type used nationally. An alternative approach to addressing this important user need (based on the development of an adequate list of accommodation providers) is suggested. The development of this list, which would be a substantial task, would also contribute to the improvement of one of the key national surveys, namely of accommodation occupancy. It would also benefit the quality of the results obtained from the models used to estimate the

volume and value of tourism for local areas. Furthermore it might also provide a base to help implement policy, in respect of improving accommodation quality.

1.8 Other important issues raised by the review include the needs to:

- Involve businesses and trade associations as partners in developing tourism statistics;
- Coordinate data collection from businesses so that – as far as possible- one request and return can serve many uses;
- Ensure that responsibility and accountability for statistical development is clearly allocated, and adequately resourced, in a manner which does not make the development of tourism statistics subsidiary to, or unduly influenced by, the wider objectives of the organisation(s) within which the relevant individuals work.

1.9 The main themes of the recommendations arising from the review relate to:

- Basic monitoring for the UK, its countries and the regions of England;
- Development of panel surveys giving timely indications of short-term trends;
- Local statistics;
- Statistical requirements of, and issues affecting, tourism businesses and their associations;
- Timeliness of tourism statistics;
- Dissemination of statistics;
- Organisational responsibility for tourism statistics.

1.10 Major expenditure is necessary to improve the main surveys – and in particular UKTS and LDVS - to make them fit for the purposes for which they are required. This could amount to an additional £7m to £8m per annum, though detailed investigations recommended in this report might arrive at a lower cost estimate. Such costs should be seen in the context of the contribution reliable statistics could make to improving the efficiency and productivity of a sector generating an estimated £76 billion annually and making a commensurate contribution to the Exchequer's tax income. Some of these developments would also necessarily be long-term – for example UKTS and LDVS could not realistically be merged with the Continuous Population Survey before 2009 and the establishment of a good quality accommodation register may take some years.

1.11 However, very valuable progress could be made meanwhile in other areas at considerably less cost – in the order of £0.5m to £1m per annum; and useful short-term progress could even be made with an immediate investment in the order of £0.1m. Neither of these two lower cost options would yield the improvements in the UKTS and LDVS that are needed.

### **Basic monitoring for the UK, its countries and the regions of England**

1.12 Five main surveys are used to assess the volume, value and nature of tourism at this level:

- United Kingdom Tourism Survey (UKTS);

- Leisure Day Visits Survey (LDVS);
- International Passenger Survey (IPS);
- United Kingdom Occupancy Survey (UKOS); and
- Survey of Visits to Visitor Attractions (SVVA).

The first three of these collect data from individuals rather than from businesses. The importance of such surveys reflects the definition of the sector by reference to the activities of consumers rather than the products of producers.

1.13 These surveys seek to collect much of the appropriate key data for:

- Tourism monitoring; and the related issues of
- Resource allocation to, and within, tourism; and
- The planning, development, marketing and evaluation of tourism activities.

However, there are some gaps in their coverage, including:

- Expenditure by those receiving visits from friends and relatives
- Some aspects of business tourism
- Business day trips qualifying as tourism.

1.14 More important than these gaps are inadequacies in the statistical quality such as the quality of the samples and the level of the response rates of the surveys. These prevent the surveys providing adequately robust key statistics for the uses listed above. The issues that need to be addressed include the following.

- a) The sampling frame used for UKTS is incomplete to a significant and biased extent and its response rate is inadequate. While a larger sample size is also desirable, remedying these faults is more important to the quality of the survey's results, and hence the first priority.
- b) The response rate for the most recent LDVS was poor and appears to have contributed to an inconsistency with previous surveys. Also, there is user demand for more frequent results from this survey – which covers a significant proportion (in the order of 40%) of tourism expenditure – implying that it should be conducted continuously with monthly, or at least quarterly, results for at least the UK. Third, the significant element of business tourism should be covered. One way of reducing the cost of such improvements could be to cover non-tourism trips (if at all) for only part of the sample and/or in less detail than at present.
- c) The national results from IPS are, if less timely and more subject to revision than some users would wish, of proper statistical quality. The regional results are not; they suffer from interviewing being focused on an inadequate breadth of ports and the lack of a regional element in their grossing. This survey would also be considerably more useful if questions about expenditure, and some others, were asked more frequently and some further questions were added.
- d) The fundamental deficiency of UKOS is the list of accommodation from which respondents are identified. The list is confined to serviced accommodation and, within that constraint, is incomplete and unrepresentative. The samples from which responses are obtained are then not statistically representative and the response rate, even from

accommodation providers who have agreed to take part, not uniformly high.

- e) The main concern with SVVA is the level of non-response, including from some of the largest attractions.

1.15 One approach to achieving the improvements in the first two of these surveys (UKTS and LDVS) may be to make them, in the longer term, part of the Continuous Population Survey (CPS) being developed by ONS. This possibility should be investigated in detail.

1.16 For UKOS and SVVA there could be considerable advantages in using an IT network such as Englandnet for the collection and dissemination processes. This would yield benefits in terms of:

- Efficiency
- Convenience for respondents
- Rapid data sharing and hence reduction in the number of overlapping surveys
- Speedy production and dissemination of provisional and final results (both national and regional/local)

The Englandnet approach might also efficiently extend to the panel surveys described below in 1.21. The detailed investigation of this possibility should include a cost benefit assessment.

1.17 In very broad terms, and subject to review and revision as detailed plans for the improvement of these surveys are developed, the costs of these improvements may be of the following orders:

- a. UKTS and LDVS – with LDVS sample size broadly equal to that for UKTS, and UKTS sample size unchanged: £7m p.a. in addition to the current expenditure on the two surveys, though this cost:

- i. could be reduced substantially if it were possible to combine the two surveys into a single survey, and
- ii. would depend on the extent to which the length of the interview could be reduced without losing essential information.

If insufficient resources can be made available, then a reduction in UKTS sample size should be accepted as a cost of improving the quality of the sample frame and response, and hence of both the national and regional results. If further resources, in addition to those needed to improve the underlying statistical bases of the surveys, can be made available, then an increase in the sample size would further improve the quality of these statistics, particularly at regional level.

- b. IPS:

- i. Increasing the number of ports at which IPS interviews take place might cost in the order of £10,000 per port in set up costs and £20,000 per year per port. The number of ports required would depend on which regions regarded such an improvement as worthwhile and the international travel patterns in those regions. In addition, there would be a relatively small cost for analysing the additional data along with the main IPS data.
- ii. The Office for National Statistics (ONS) are considering incorporating a regional element into the survey's grossing – if they decide to do

so there should be no cost to the tourism community; if they decide against, their work reviewing the possibility should provide the basis for estimating the cost of a special analysis.

- iii. The inclusion of detailed expenditure questions would cost in the order of £150,000 for each year they were included; the other questions might cost £35,000.
  - c. UKOS: the main initial additional cost would be the development of an adequate register of accommodation; this has been very broadly estimated at £300,000 per annum. The ongoing cost of improved surveys based on this would depend on factors such as the successful exploitation of IT networks for data collection and dissemination, and the extent to which local, and other partial coverage, surveys could be subsumed.
  - d. An initial approach to improving the SVVA response could be to drop the questions on income and employment – for which the response rate is very poor – and use the resources thus freed to increase the effort put into persuading operators of the value of the visitor number data to them. One could also usefully seek to reduce the overlap between the 30 requests for similar data that are reportedly addressed to operators. The net cost should be small if not nil.
- 1.18 More detailed recommendations about these developments are made in the first and fourth sections of Chapter 6. It may be noted that, in addition to the value of such developments for tourism purposes, they would lead to significant improvement in the statistics available for English regions which is of wider concern – see for example the review by Christopher Allsopp of Statistics for Economic Policymaking. The first section of Chapter 6 also includes less fundamental proposals relating for example to additional survey questions and development of more detailed classifications of e.g. resorts, accommodation, attractions, and tourists.
- 1.19 The development of Tourism Satellite Accounts (TSAs) will represent an important improvement in the national and regional tourism information base. This review identified the main priority for the development of valid TSAs for the regions of England as the production of well-based input-output tables consistent with one another and with the Regional Accounts. ONS should be further encouraged to produce regional Input-Output tables (which would be of value to other user constituencies as well as tourism). Only if that fails should the RDAs' England Regions TSA Project commission the production of tables in some other way. The second priority is the collection of more detailed data from a sample of businesses (as has been done in Wales). The production of the input-output tables and the collection of the additional data will incur substantial costs. The proportion of these costs to be met by the regional TSA Project will depend crucially on the extent to which:
- ONS can be persuaded that these are basic regional economic statistics which they have a responsibility to provide, and
  - Other potential users are willing to contribute to meeting the cost.
- 1.20 Many of the other recommendations of this review would also improve the data base for the development of TSAs. The review has also identified a number of other developments which different consultees see as important to TSA

development. The UK TSA Project led by DCMS and the RDAs' England Regions TSA Project should agree prioritisation of these.

### **Development of panel surveys giving timely indications of short-term trends**

1.21 There is a range of indicators for which regular collection from a statistically determined sample of businesses would be impracticable but which could still be usefully collected from panels of businesses. Many of these indicators involve financial data from businesses. Evidence on short-term trends in such indicators would be valuable, particularly for businesses, for marketing and for monitoring the impact of a crisis. These include:

- The rates at which accommodation is let
- Business confidence
- State of the market indicators of a broader nature than counts of bed-nights or visitors (e.g. including some financial measures)
- Forward bookings
- The Best Practice Forum's Key Performance Indicators
- Visitor attraction information.

1.22 Many, if not all, of these could be built on existing sources such as

- Data collected by trade associations
- Data collated by the Best Practice Forum
- Business confidence surveys recently introduced by the National Tourist Boards (NTBs)
- The Visitor Attraction Barometer conducted in Scotland.

1.23 The cost, at least of initial progress and in particular consultation, should therefore be small in relation to the costs of improving the main surveys. It will to a degree depend on the extent to which the active involvement, and leadership, of trade associations can be achieved. In that context it will be important that existing data collections are not duplicated.

1.24 More detailed proposals for these developments are in the second section of chapter 6.

### **Local statistics**

1.25 Local users require statistics for their area, and sometimes for comparable areas, similar to those provided for larger areas by UKTS, LDVS, and IPS. However, there is no realistic prospect of those surveys having a sufficiently large sample to provide such statistics. This review recommends addressing this need through

- Local surveys with samples defined by those using particular accommodation on particular nights
- Inclusion in household surveys interviewing in the locality of questions about friends and relatives staying

- Inclusion in national or regional household surveys of questions about day visits.

1.26 The costs of obtaining such data should fall to the local organisations requiring it. The cost of the underpinning improvement to the register of accommodation is addressed in the context of the basic UK monitoring surveys. However, it is very important to the quality and efficiency of the local statistics, and especially their comparability between areas, that clear guidelines and standards are produced for such work. This may cost in the order of £40,000 for those types of survey listed in the previous paragraph.

1.27 Models producing local estimates of the volume and value of tourism will continue to have a major role to play. Recommendations made in this review for other reasons would each improve the quality of the output of these models, for instance:

- The widespread use of nationally set definitions and standards to maximise consistency with the national/regional data
- The availability of local data for exploitation by others, and
- The improvement of the lists of accommodation stock as a basis for improved local and national statistics of occupancy.

### **Statistical requirements of, and issues affecting, tourism businesses and their associations**

1.28 Many of the improvements proposed elsewhere would be of particular value to businesses, especially those relating to:

- Local statistics
- Panel surveys:
- Ready and timely access to a wide range of statistics (official and not, specific to tourism and not), and
- The efficient use of IT for data collection and dissemination

1.29 Trade associations should be actively involved in, and indeed encouraged to take a lead in and contribute to the funding of, these improvements. They should be encouraged to see themselves as partners in the development of improved statistical information for the sector.

1.30 It is also important that business representatives are involved in the planning of the recommended improvements to UKOS and SVVA, in particular, and the development of classifications and questions for the other main surveys.

1.31 Businesses would, of course, also emphasise the importance of the recommendations relating both to reducing the number of requests for data, actively pursuing the 'collect once, use many times approach', and the speedy feedback of results. The importance of this to other users lies in the impact on businesses' willingness to respond to the main surveys.

1.32 The gross cost to the public sector of involving trade associations actively as partners in the improvement of the statistics would be relatively small, and the net cost – if associations were to take an active lead – could be negative. The positive impact on quality could be substantial.

### **Timeliness of tourism statistics**

1.33 Many users wanted the statistics to be more timely. This in part reflected a lack of knowledge of when, and where, the statistics are first available. Priority should be given to better dissemination of this information. In the longer term, development of a comprehensive web-site should help.

1.34 Unless the quality improvement programme leads to a reduction in the recall period used in the survey, it is not realistic to expect UKTS results to be available appreciably earlier than they now are.

1.35 Improvement in the timeliness of LDVS results is essentially dependent on it becoming a continual survey.

1.36 The timing of IPS results, and the need for subsequent revisions, is essentially determined by the availability of various data used in the grossing of the survey data. ONS have achieved some improvement in this and periodic attempts should be made to achieve further progress.

1.37 For UKOS and SVVA the time taken to obtain responses is a major determinant of the timing of the results. Closer involvement of trade associations and the use of EnglandNet or a similar network may reduce such delays. The possibilities of making local data and/or results, for their areas and comparator areas, available to local tourist boards (TBs) and others, and producing provisional results before the slowest returns have been received, should be considered in detail.

1.38 The availability of results is not necessarily the same as the availability of tables of key importance to users, e.g. tables required by the EU are not available with the first UKTS results. A key set of tables, to be produced with the first survey results, should be agreed with users for each of the main surveys.

1.39 None of these actions should be very costly, over and above the costs of underpinning developments allowed for elsewhere.

### **Dissemination of statistics**

1.40 To meet the needs of users, the following information should be made available on line – perhaps by enhancing [scotexchange.net](http://scotexchange.net) and [www.staruk.org](http://www.staruk.org) :

- A wide range of official and unofficial statistics, specific to tourism and more general
- Publication schedules for those statistics

- Readily accessible meta data describing those statistics (including information about their coverage, quality and reliability) and outlining what more may be available from the sources
- Access to micro data for secondary analysis and/or advice on how secondary analyses can be obtained
- Summary interpretive analyses of the data.

1.41 The annual cost of developing and maintaining such a site depends on the rate at which sources and services are added to the site. It is suggested that initially a full time site developer and half of a junior statistician might be appropriate – a cost of perhaps £60,000 p.a. This is included in the estimated cost of a Tourism Statistics Unit (TSU) below.

1.42 In addition it would be:

- Consistent with good statistical practice,
- Welcome to many of the users consulted in this review, and
- Likely to increase media – and hence public - interest

for key results from each of the main surveys to be published promptly in a widely publicised Statistical Release. In the interests of demonstrating the independence and integrity of the statistics, the Release should follow the relevant National Statistics (NS) standards about neutral presentation, pre-announced publication dates and restricted access to the statistics in advance of publication.

### **Organisational responsibility for tourism statistics**

1.43 As was mentioned or confirmed by a number of consultees, no one organisation exercises overall responsibility for tourism statistics. Consequently there is little strategic approach to the development of those statistics. This has resulted in:

- The lack of a strong voice for tourism needs in the consideration of the development of wider statistics; and for statistical needs in the consideration of the allocation of government funds for tourism
- Under-resourcing of tourism statistics
- Piecemeal decisions about tourism statistics with some decisions thought to be unduly influenced by the objectives of a particular organisation
- A lack of co-ordination, and standardisation
- Under-exploitation of data, from all sources, through secondary analysis
- An unnecessary number of data requests addressed to tourism businesses
- Relevant skills being thinly spread
- Users not having a recognised, authoritative, “one stop shop” source of a full range of statistics, authoritative descriptions of the nature of those statistics, analysis and advice
- Most tourism statistics not benefiting from being produced under the National Statistics Code of Practice.

1.44 It is essential to:

- Implementation of improvements of the type described in the review;
- The ongoing strategic development of tourism statistics; and
- The development and maintenance of improved arrangements for disseminating tourism and related statistics

that:

- Responsibility for such activities is clearly allocated and resourced (in terms of skills and people as well as funds);
- These responsibilities are not limited by the other responsibilities and interests of the organisation(s) within which the responsible individuals work; and
- Those with the responsibilities are accountable to users – probably through an influential Advisory Group - and not only to their line management.

1.45 In the interests of the effective and efficient development and maintenance of adequate tourism statistics it is recommended that the relevant responsibilities be brought together into a single Tourism Statistics Unit (TSU). Such a unit would need appropriate resources and skills together with the authority to develop the national sources and the capacity to influence, and set standards for, data collection by local organisations and trade associations. It would also be essential for it to work closely with NTBs, DCMS, RDAs and other regional tourist organisations– including Regional Tourist Boards, Regional Observatories, trade associations and others.

1.46 A TSU's responsibilities should include:

- Development and maintenance of a strategic programme to ensure the production, dissemination, and exploitation of a sufficient range of statistics of adequate quality;
- Clear, timely and neutral dissemination of tourism statistics and indicators;
- Commissioning, and quality controlling, efficient national data collection producing statistics for the countries of the UK and regions of England;
- Facilitating secondary analysis of statistical data by NTBs and others;
- Establishing, and disseminating, best practice standards for local and sectoral data collection;
- Influencing local, regional and sectoral data collection to maximise the:
  - Use of best practice standards, perhaps supplemented with a quality kite-mark
  - Use of single data collection for more than one purpose
  - Availability of the data for secondary analysis;
- Challenging press and other comments based on partial or inaccurate information; and encouraging media use of the statistics it disseminates;
- Representing UK at international meetings concerned with tourism statistics and for compliance with EU Directives;

- Enhancing the perception of tourism statistics, by ensuring that appropriate parts of the National Statistics Code of Practice are followed, and by seeking National Statistics status for the main series.
- Acting as a central focus if additional data needed to be collected in times of emergency.

1.47 Subject to the more careful consideration that will be necessary if a decision to create such a unit is taken in principle, the unit might consist of three statisticians of different grades, a web-site developer and maintainer, and some administrative support. This might imply a staffing cost of some £250,000 p.a (including £60,000 recorded at 1.41). Some of this resource might be transferred from DCMS and NTB resources devoted to statistical work but a clear net addition would be required. The unit would also need the funds to commission the main surveys listed in 1.12; the existing funds should be transferred to the unit together with the additional funds to improve the surveys which are required whether or not a TSU is created.

1.48 While a case can be made, primarily in terms of closeness and sensitivity to the industry and its needs, for locating such a unit in DCMS or a NTB, the review – and many of those it consulted – would see a number of advantages in it being located in ONS. These include:

- It would be easier for the unit to have a UK remit
- The independence and integrity of the unit, and the statistics it produced, would be more readily recognised
- Ready access to senior experienced government statisticians as and when the need for such access should arise
- Readier access to relevant data that ONS collects for other purposes
- Clear indication that no change is implied regarding the location of responsibilities for tourism policy and delivery.

## Summary of recommendations

1.49 This review makes fourteen major recommendations.

1.50 Recommendation 1: UKTS and LDVS should be subject to a major redesign which should inter alia:

- Ensure adequate sample frames and response rates
- Consider a merger of the two surveys
- Consider merging the surveys with ONS's planned Continuous Population Survey
- Produce more frequent statistics for day tourism
- Cover those business trips that qualify as day tourism.

1.51 Full implementation of this recommendation, which is important to the fundamental quality of the basic statistics of tourism activity, will be both relatively long term and expensive: perhaps up to 5 years and, when the new surveys are implemented, an additional £7m per annum. However, detailed

consideration could lead to some reduction in the additional cost (e.g. if the two surveys can be successfully combined).

1.52 Recommendation 2: Some interim improvements should be made to the LDVS so that:

- More frequent statistics are produced
- A higher response rate is achieved
- Business trips qualifying as day tourism are covered
- The survey focuses more tightly on tourism and less on other leisure activities

Such development could to some extent be tailored to available resources. A significantly improved survey should be achievable with about £2m per annum.

1.53 Recommendation 3: The IPS should be improved as a source of tourism statistics. In particular:

- The analysis of the survey should more closely follow standard tourism definitions
- The expenditure trailer should be included more often
- The sample structure and grossing methodology should be revised to provide viable sub-UK statistics.

The second of these would cost about £150,000 for each year in which the trailer was included while the third might cost in the order of £100,000 per annum, plus some set up costs, for interviewing at additional ports.

1.54 Recommendation 4: The registers of accommodation and other tourism businesses should be improved to provide:

- Valuable information in their own right
- An improved basis for UKOS
- A basis for proposed development of local statistics
- Improved input to models of local volume and value of tourism.

It is estimated that this might cost in the region of £300,000 (plus annual maintenance costs).

1.55 Recommendation 5: UKOS should be improved to cover all types of commercial accommodation and provide viable statistics of occupancy and visitor nights.

1.56 Recommendation 6: SVVA should be amended to focus more on the quality and completeness of its statistics of visitor numbers.

1.57 Recommendation 7: Regional input-output tables of the best possible quality, and supplementary statistics from relevant businesses, should be produced as key input to the proposed development of TSAs.

1.58 Recommendation 8: Panel surveys should be developed to provide timely short-term indicators of trends for a range of relevant indicators.

- 1.59 Recommendation 9: Methods for producing local tourism statistics should be developed and piloted. These should include surveys based on the improved registers of accommodation and the use of additional questions in household surveys to cover types of tourism that could not be captured in the accommodation-based surveys.
- 1.60 Recommendation 10: Arrangements should be established for tourism interests to influence the development of employment and related statistics; also the exploitation of employment and economic statistical data for the production of tourism statistics should be increased.
- 1.61 Recommendation 11: The dissemination of tourism statistics, and information about the basis and quality of those statistics, should be improved. The same applies for other statistics of value to tourism. This should include the development of a high quality one-stop web-site and the development of release practices for statistics taking account of NS standards.
- 1.62 Recommendation 12: Various steps should be taken to improve the quality of statistics of Business Tourism.
- 1.63 Recommendation 13: The review also makes a number of other, relatively minor, recommendations; these are listed in chapter 8.
- 1.64 Recommendation 14: An effective organisation should be established and resourced to develop and maintain tourism statistics of appropriate quality. There is a fundamental need for such an organisation. This would most effectively take the form of a Tourism Statistics Unit, specifically accountable for the delivery of tourism statistics for the tourism community as a whole. It would probably be most appropriately located in ONS. Without some such clear allocation of relevant responsibilities, and the provision of appropriate resources, it is unlikely that adequate tourism statistics will ever be developed. As an immediate interim measure, it is recommended that resources should be sought to allow immediate progress, without awaiting the completion of the Action Plan, on a number of the relatively inexpensive and short term improvements recommended in this review. This could involve the appointment of a statistician in DCMS, (pending the establishment of a TSU); or a one year contract with a suitably experienced private sector statistician.

## **Priorities**

- 1.65 The relative priorities of these developments, and specific elements of them, are considered in Chapters 7 and 8. It is clear that achieving a basis of national and regional statistics adequate for the purposes described above will require substantial additional resources – perhaps of the order of £8m p.a. Some 85% of this cost relates to securing the quality of UKTS and LDVS, and the scale and coverage of LDVS. These developments would also take a considerable time to design in detail and then implement; however, a significant interim enhancement of day visits statistics could be achieved quite quickly if resources (perhaps £2m p.a.) were made available.

1.66 In any case, a wide range of valuable – if less fundamental - improvements could be made more quickly and at substantially less net cost. A considerable number of the review’s recommendations could be implemented quickly – or in some cases a useful start made –if a statistician were now appointed to progress them. In this way, at an initial cost of under £100,000 p.a. (allowing for some spend in addition to salary and T&S costs), important improvements could be achieved quickly and a clear signal given of the intention to achieve improvements to tourism statistics. Deployment of resources at this level would make major contributions to:

- The timely availability of relevant statistics to the tourism community;
- The improvement of IPS-based tourism statistics;
- The production and dissemination of additional relevant employment and related statistics;
- Maintaining the momentum towards, and beginning to lay the foundations for, major improvements to national, regional and local tourism statistics.

1.67 Additional expenditure in the order of £500,000 p.a. would permit:

- Establishment of a TSU, giving an important firm foundation for the ongoing development and maintenance of tourism statistics;
- Introduction of panel surveys providing valuable timely indicators of short-term trends in various elements of the tourism sector;
- Collection of expenditure detail in the IPS in alternate years;
- Production of much improved regional statistics from IPS;
- The development, on a pilot basis, of a more comprehensive register of accommodation providers and other tourism businesses;
- The detailed development and piloting of the proposed methods for obtaining local tourism statistics;
- The development of a relatively comprehensive one stop web-site for tourism statistics;
- Detailed investigation of the costs and benefits of specific actions to improve UKTS and LDVS.

If additional resources on this scale cannot be provided in one step it would be possible to phase these developments.

1.68 If resources of the order needed to fully implement this review’s recommendations cannot now be made available, the Action Plan to be prepared in response to this report might usefully:

- Report the work schedule for any statistician appointed in response to 1.66, or, if no appointment has been made, present a plan for the relevant developments
- Present a plan for the developments summarised in 1.67
- Present alternative scenarios – dependent on different patterns of resource availability – for the detailed planning, piloting and implementing of the fundamental improvements to the main statistical sources.

## CONTEXT

- 2.1 There are various contexts for this review. This section describes the policy and statistical contexts - domestically, with respect to the EU and in relation to the wider range of DCMS activities.

### **How the review came about**

- 2.2 The Tourism Industry is an important sector of the UK economy - it is estimated that it generates £76bn a year and contributes 4.4% of Gross Domestic Product. The sector has been on a growing trend for many years and expert opinion expects such a trend to continue. However, tourism is a complex sector and for statistical purposes it is not easily defined. It is a demand-side, customer-defined activity, and it also relies heavily on other infrastructures, e.g. transport.
- 2.3 Deficiencies in tourism data have been apparent for many years and an earlier initiative – Joint Industry Council for Tourism Statistics (JICTOURS) – in the early 1990s made recommendations for significant improvement. However, for a variety of reasons including constraints on public expenditure and changes in the government arrangements for tourism, these recommendations were not implemented. The weaknesses, or gaps, in tourism data became more apparent during the Foot and Mouth Disease crisis, and after September 11 2001. These events revealed the inability of the industry to produce prompt, reliable business data that could assist in policy decision-making.
- 2.4 The Secretary of State met senior industry representatives at the Hartwell House seminar in October 2001, when it was agreed that there was a need to focus on improving quality, skills, data and marketing, as well as working more closely in partnership with the industry and strengthening regional arrangements. One specific conclusion from that meeting was the need for better tourism data and it included the following:

*‘We will bring together the many sources of public sector data on tourism performance and trends, and create a partnership with the private sector to give the industry and Ministers the information which is needed to decide policy, make investments, and improve service to the customer. The first step is to rationalise what is there at present and improve coherence and leadership. ... There will be a regional and local dimension to this, but the first phase will look at national information and data.’*

- 2.5 Following on from this meeting, a joint Tourism Society and CBI working group produced a paper ‘Better Data for British Tourism – A Call for Urgent Action – September 2002’. Its key recommendations were to:
- Secure an action commitment and programme to deliver the implications of what has already been set out in public in the form of ‘issues and aspirations’;

- Use the action commitment to identify the information and database requirements of both the public and private sector in order to enhance the strategic planning, marketing, management and profitability performance of the tourism industry.
- 2.6 On 31 October 2002, the Secretary of State announced the nature of her Tourism Reform programme, under which the strengths of the English Tourism Council and British Tourist Authority would be combined into a new organisation, with responsibility for the marketing of Britain abroad and England domestically. This followed an announcement on 13 May about the need for radical change in the two NDPBs, which also said that the Regional Development Agencies would in future play a stronger part in the strategic leadership of tourism.
- 2.7 In the light of the Hartwell conclusions and the Reform programme, DCMS began some initial work planning for data improvement. Thus, as soon as Tourism Reform took effect on 1 April 2003, with the creation of VisitBritain and the assumption of the new RDA roles, DCMS was ready to commence work on the Tourism Statistics Improvement Initiative in earnest.
- 2.8 It was clear that this Review of data needs and quality had to be the first stage of the initiative in order to provide a comprehensive ‘map’ of the extant situation and a solid basis for prioritising actions to improve data according to what would be most helpful to users. This happened to coincide with an undertaking under the National Statistics Work Programme, that DCMS would conduct a strategic review of Tourism Statistics. Guidance and best practice on such reviews of statistics, and on user consultation, contributed to the planning of this review. (Chapter 3 describes the approach taken to the review.)

### **Responsibilities for tourism statistics**

- 2.9 For most major economic sectors data are produced within the Office for National Statistics or Government Departments and, as such, come within the Government Statistical Service (GSS). The GSS operates according to rigorous approaches and procedures that have now been formalised in the National Statistics Code of Practice and Protocols. This gives scope for those beyond the GSS to adopt such quality standards and working practices.
- 2.10 However, with the exception of the International Passenger Survey, the main Tourism Statistics sources are produced by National Tourist Boards (NTBs). They have a dual role – both commissioning and managing the surveys and being major users of the survey results.
- 2.11 DCMS has overall responsibility in central government for oversight of tourism statistics and so:
- Is a member of the steering groups of the main surveys;
  - Reports to National Statistics on plans on tourism statistics;
  - Represents UK interests on tourism statistics internationally;
  - Coordinates compliance in respect of the data that must be supplied to the European Commission under the Directive (see below).

## **International perspective**

- 2.12 There is a standard minimum data requirement for all EU countries in view of the economic importance of tourism. It covers main volume and value data, eg for Domestic, Inbound and Outbound Trips, plus Accommodation Occupancy and Stock. It is often referred to by its legal basis, the Directive of 1995. The detail of the requirement was in fact finalised in the 1998 Committee Decision (see Appendix 5). In fact, the UK already produced most of the required statistics, with the establishment of a UK-wide Occupancy Survey of Serviced Accommodation to common standards being the main development that emanated from this.
- 2.13 The data requirements are underpinned by the [European Methodology for Tourism Statistics](#). This defines the concepts and definitions to which all EU countries are bound.

## **Perspectives on the make-up of Tourism and overlap with other sectors**

- 2.14 The Tourism sector, because it is defined as the activities of tourists, cuts across a number of areas that are defined in their own right. Many of these are culture-related sectors - for example Museums, Galleries, Audio-Visual, Performing Arts and other Heritage. Sport also has strong links with tourism.
- 2.15 Even aside from these overlaps, Tourism is still a complex sector. In fact, it comprises the largest part of industry groups such as accommodation and air transport, as well as significant proportions of other business in other hospitality and other sectors. Consequently, the user community for all tourism statistics is broad and is in fact composed of many groups with different interests and priorities.
- 2.16 The definition of the sector by reference to the activities of tourists, rather than of selected businesses, means that for tourism statistics of volume and value that would for most industries be based on data collected from businesses have, in large part to rely on the necessarily expensive collection of data from individuals and households. Furthermore, where it is appropriate to collect data from businesses, this is made more difficult and expensive by the importance to the sector of substantial numbers of small businesses.
- 2.17 While tourism has its own established statistical frameworks and definitions (e.g. European Methodology; UN-endorsed Recommendations on Tourism statistics and on Tourism Satellite Accounts), some organisations such as DCMS and England's Regional Development Agencies need to consider Tourism in the wider context among related sectors. DCMS's [Cultural Data Framework](#) has been designed to cater for this wider perspective.

## APPROACH TO THE REVIEW

- 3.1 Within the context described in Chapter 2, it was decided that a Review of Tourism Statistics should be undertaken and led by an independent consultant working with experts in DCMS and steered by a group representing a wide range of tourism interests and with extensive relevant experience. The membership of the Steering Group is set out in Appendix 1. While in parts the review relates to the UK, the main focus has been on England and Scotland.
- 3.2 Although very few of the relevant statistics currently have the status of National Statistics, it was decided that the review should take the form of a strategic National Statistics Quality Review. In particular this requires that:
- The review team includes an independent member
  - The review includes widespread consultation
  - The Project Initiation Document (PID) and Report are public documents
  - Following the publication of the Review, DCMS will lead the development and publication of an Action Plan .
- 3.3 The programme of National Statistics Quality Reviews (for more detail see Annex 3 to the PID) is an important way of ensuring that (as far as possible) National Statistics and other official statistical outputs are fit for purpose, and that avenues for further quality improvements are identified and appropriate actions taken forward. This is a 'strategic review' as it considers the broad range of the need for, and provision of, tourism statistics with the intention of making relatively high level recommendations as to how the statistics should be improved and developed to better address user needs.
- 3.4 The consultation process for this review included:
- Publication of the PID on the web at [http://www.culture.gov.uk/global/research/statistics/tourism\\_statistics\\_review.htm](http://www.culture.gov.uk/global/research/statistics/tourism_statistics_review.htm);
  - Open invitation, via a questionnaire at the same web address, to contribute information and views;
  - Specific invitation to a large number of experts and organisations to respond to this invitation;
  - Interviews with a number of experts and representatives of relevant organisations;
  - Account taken of a number of previous reviews (see Appendix 3) and of four concurrent initiatives:
    - Review of Scottish Tourism Statistics by VisitScotland and the Scottish Executive
    - Survey of Private Sector Research and Marketing conducted for the Tourism Alliance by MORI
    - British-Irish Council consideration of tourism statistics
    - DCMS commissioned work towards developing a UK Tourism Satellite Account;
  - Invitation to all those who had contributed information or views to comment on a working paper outlining emerging issues;
  - Consultation with a number of producers of tourism statistics;

- Consideration of an emerging issues working paper and a Draft Report by the Steering Group.

Those who responded to the invitation to contribute are listed in Appendix 1; the review team is very grateful for the input from these people and from producers of the statistics.

3.5 Appendix 2 summarises, in tabular form, the information which those responding to our invitation for input gave about the data they use, the purposes for which they use it, and the gaps and inadequacies they perceive in the available data. Users require statistics both of the level of activity in a period and changes between periods.

3.6 The purposes to which tourism statistics are put naturally varies between different types of user, but include:

- Assessment and monitoring of the scale of the industry and of its contribution to the economy;
- Identification of markets and monitoring of trends as inputs to projections and to marketing and investment decisions;
- Benchmarking with other businesses and against local, regional and national trends;
- Development of tourism policy and national investment and industry support decisions;
- Advocacy - national, regional and local – for the industry; in particular in the context of decision-taking about public expenditure and investment.

3.7 The main national surveys are used by most types of user; they are of central importance to those working at the national and regional level and provide interesting background to users with a more local focus. Many of the latter need data of the type provided by national surveys but which relates to their locality. Businesses and their associations have a substantial interest in benchmarking data, of the type collected by the Best Practice Forum and several of the trade associations. They are interested in timely indicators – not necessarily based on ideal statistical samples – of short-term market trends. In common with some other users, notably RDAs, businesses also have a significant need for statistics relating to the economic and social context rather than specifically to tourism. A considerable number of sources specific to particular aspects of tourism were reported.

3.8 Among the most important gaps, users of all types identified the needs for an improved list of businesses – in particular of accommodation providers – and for improved data at a time of crisis which would be significantly facilitated by such a list. Similarly a range of users – including those concerned with local and national marketing and development of tourism- require more frequent statistics on day visits, including business tourism day visits. Some of the other frequently identified gaps – e.g. statistics about business tourism – were often reported to be less important or to have less priority. Others – e.g. statistics of the characteristics and expenditure of tourists – reflected dissatisfaction with aspects of the national surveys- e.g. the lack of robust local statistics, the infrequency of the LDVS and of the IPS expenditure trailer. Yet others – e.g. business confidence measures – reflected a lack of awareness of, in this case new, available statistics.

3.9 As recorded in the PID, the intention of the review is to:

*“identify user needs for tourism statistics, map existing data sources, and consider how the various sources, including:*

- *Major national sources such as: International Passenger Survey, UK Tourism Survey, UK Leisure Day Visits Survey, UK Occupancy Survey For Serviced Accommodation;*
- *Other tourism data, and*
- *Other related sources – e.g. labour market and economic statistics*

*might be:*

- *Extended to fill gaps in the meeting of user needs and/or*
- *Improved to better address those needs.”*

3.10 The PID also describes the main objectives of this review as:

- *“A well-documented account of user needs for tourism statistics, based on wide consultation and describing the purposes for which the statistics are, or would be, used;*
- *An assessment of the extent to which the available sources meet those needs; and*
- *Recommendations for development of those sources and for new ones to better meet user needs and better inform the public.”*

It goes on to list the main deliverables as:

- Questionnaire for user consultation
- A report on user needs and issues
- An emerging issues paper
- A map of existing sources
- Draft report to stakeholders for comment
- Initial paper for Ministers outlining findings
- A final report with clear recommendations covering:
  - Improvements to the statistics and/or recommendations for further work to more fully specify improvements required;
  - Whether, and in broad terms how, a wider range of tourism statistics should be produced as National Statistics;
  - Set of principles, related to National Statistics standards and other good practice for the production and dissemination of tourism statistics;
  - Improved dissemination of tourism statistics and promotion of better understanding of the scope and limitation of those statistics;
  - Where appropriate, broad assessments of cost implications and possible sources of funding.

## **STRUCTURE FOR REPORTING REVIEW'S ANALYSIS AND FINDINGS**

- 4.1 Within the context set by the previous two chapters the review found it useful to identify, and consider to some degree separately, the following types of statistics:

A: Key statistics, requiring routine series of known statistical quality, for the basic macro monitoring of the nature, volume and value of tourism for the UK, its constituent countries and the regions of England. These are the national and regional statistics of broadly the type produced by United Kingdom Tourism Survey (UKTS), Leisure Day Visits Survey (LDVS), International Passenger Survey (IPS), United Kingdom Occupancy Survey (UKOS), and Survey of Visits to Visitor Attractions (SVVA). Tourism Satellite Accounts (TSAs) are not primary statistics, in the manner of the results of these surveys, but are ways of combining, and presenting, statistical information from different sources so as to produce a more robust assessment of the economic size and importance of the sector. Nevertheless it is appropriate to consider their data needs in this category.

B: National and regional statistics, for which a rigorous statistical basis for the sample is less important but relatively frequent, timely production is important. Typically, such statistics will be derived from panel surveys based on volunteer businesses. Examples include the state of the market surveys conducted by some trade associations, the surveys of business confidence conducted by NTBs and the Best Practice Forum's Key Performance Indicators.

C: Local (i.e. sub-regional in England and sub-national elsewhere) statistics, including data needed as input to models used to estimate Volume and Value of tourism for local areas.

- 4.2 The following range of other issues were also identified- the first of these embraces a category of statistics but also addresses broader issues:

D: Statistics required by tourism businesses and their associations plus other issues about the involvement of businesses and associations

E: The timeliness of statistics to users- both whether some statistics can be produced more quickly and whether users know when statistics become available

F: Dissemination of, and access to, statistics

G: Organisational responsibility for tourism statistics.

H: A range of other issues.

- 4.3 While these areas are not entirely separate, they have been used as a convenient structure for the next two chapters of the report. These, respectively, describe issues faced by tourism statistics and develop proposals in response to those issues.

## ISSUES FACING TOURISM STATISTICS

### A: KEY STATISTICS OF THE NATURE, VOLUME AND VALUE OF TOURISM FOR THE UK, ITS CONSTITUENT COUNTRIES AND THE REGIONS OF ENGLAND

#### General

- 5.1.1 There are four principal surveys which together provide the main statistical sources for tourism monitoring, and the related issues of resource allocation to, and within, tourism and the planning, development, and evaluation of tourism activities for the UK, its constituent countries and the regions of England. The coverage of these are
- United Kingdom Tourism Survey (UKTS): trips by UK residents involving at least one night away in the UK
  - Leisure Day Visits Survey (LDVS): leisure trips not involving a night away by UK residents
  - International Passenger Survey (IPS): trips to the UK by overseas based visitors, and trips abroad by UK residents
  - United Kingdom Occupancy Survey (UKOS): the occupancy of serviced accommodation in the UK.
- 5.1.2 A fifth survey – the Survey of Visits to Visitor Attraction (SVVA), which provides information about visitor numbers to (and income and employment of) visitor attractions in the UK - is rather different in nature in that it provides information about a particular type of activity. However it is appropriate to consider it alongside the four surveys listed above because:
- Many users see it as providing a key indicator in the same way as those surveys;
  - Like those surveys it provides an important input (consistent across the country) to models providing volume and value estimates for smaller areas;
  - Like those surveys it is operated at a national level.
- 5.1.3 TSAs, while they in no way provide a comprehensive range of statistical information about tourism, are emerging as potentially an important means of providing
- A proper assessment of the economic importance of tourism in a way which is convincing to government in demonstrating the importance, and case for support, of the industry;
  - A well founded description of the interaction with other industries;
  - A framework for the overall assessment of the impact of regional activities aimed at enhancing tourism;
  - A useful context, and framework, within which to develop and use local area statistics and the volume and value models for local areas;

- An incentive (e.g. by requiring confrontation of business and individual based data; and by reinforcing the need for sources to use standard definitions) to improvements in core tourism statistics;
- A firmer base for international comparisons;
- A sound basis for non-econometric modelling of the effect on the tourism sector of any external (proposed) change

They may also, at a national level, become a EU requirement.

5.1.4 Hence while TSAs are not primary statistics in the manner of the results of the surveys listed in 5.1.1 and 5.1.2 – but are rather ways of combining, and presenting, statistical information from different sources in a manner which produces a more robust assessment of the economic size and importance of the sector than will be produced from any one source – it is appropriate to consider the data needed for their production, though not the process of producing the accounts, in this review.

5.1.5 From the perspective of comprehensive statistics for the countries of the UK and the regions of England, these surveys seek to collect much of the appropriate key data for monitoring the scale and nature of tourism and for the related purposes of

- Resource allocation to, and within, tourism; and
- The planning, development, marketing and evaluation of tourism activities.

Nevertheless there are some gaps in the coverage of these sources; including:

- Expenditure by those receiving visits from friends and relatives is not identified
- Some significant aspects of business tourism are not covered
- The substantial number of business day trips that qualify as tourism is excluded from the LDVS.

5.1.6 However, of considerably greater importance than these gaps in coverage are inadequacies in the statistical quality of the sources. These inadequacies, which are described in the following paragraphs, prevent the surveys providing adequate robust key statistics for the uses listed above.

5.1.7 With respect to the coverage of these sources; it is important to note three current and emerging developments that may have implications for the range of data that should be collected by these surveys.

- The emerging wish to benchmark tourism performance between regions.
- The EU development of “QUALITEST”, a “Destination Quality Evaluation Index”.
- The UK development of Sustainable Tourism Indicators

5.1.8 The remainder of this section identifies issues relating to each of these surveys, and the data needs of TSAs, in turn. This is done from the perspective of statistics for the countries of the UK and the regions of England. Issues relating to the surveys’ results for smaller areas are considered in section C of this chapter.

## UK Tourism Survey

5.1.9 From a national and regional perspective the review identified the following technical concerns about UKTS.

- The basis of the sampling
- Response rates
- The length of the recall period
- For some regions, the size of the sample

In addition some user concerns about questionnaire content were identified.

5.1.10 The UKTS sample is based on random digit dialling of landline phones. The use of the phone for interviewing makes recalls relatively cheap and allows the sample to be un-clustered. It may also increase the chances of interviewing people who are frequently not at home. However there are problems about sampling by random digit dialling of landline phones. These include:

- Exclusion of the, a-typical, 4% of households who have registered not to receive commercial calls
- Uncertainties about the numbers of working numbers in each of the STD exchanges (and hence about the actual sampling probabilities in each area),
- Exclusion of the, a-typical, households (around 5% in 2000 and now probably larger) without a fixed telephone line
- The probability, given international experience, that the proportion of households without a fixed line will increase with households relying only on mobiles
- The effect on selection probabilities of households (6% in 1998 and now 10% or more) with more than one fixed line
- The negative effect on response rates of cold calling by telephone.

It is also relevant that the use of the phone for some interviewing does not require this form of sample selection; for example the Postcode Address File (PAF) could be used as the sampling frame and a face to face interviewer could where necessary make an appointment – giving an advance indication of the information needed – for a follow up phone call.

5.1.11 On the issue of response rate, while it has been reported that respondents are remarkably patient with the length of the interview, the response rate (successful interviews as a percentage of valid (e.g. not business) numbers included in the sample) is about 30%.

5.1.12 The use of an incomplete, and unrepresentative, sampling frame and achievement of a very low response rate represent fundamental challenges to the quality of the statistics. These would not be lessened by increasing the sample size.

5.1.13 Those interviewed are asked how many trips they took in the previous calendar month and in the month before that, and are asked for details of the three most recent trips in that two-month period. On average for any given

month those responding to interviews during the following month recall more than 20% more trips in the reference month than do those interviewed in the second month after the reference month. Furthermore different patterns of trips by type are estimated from one and two month recall; for example an analysis of the data for March and June 2003 shows that with a one month recall 27% of estimated trips were to outside UK while with a two month recall 33% of trips were of this type.

5.1.14 UKTS has a sample size of about 55,000 interviews and 24,000 trips (for which detailed information is provided). The resultant sampling errors (quoted from the report on the 2000 survey) are shown in the following table. However it is important to note that these confidence limits do not include the effects of the points described in 5.1.9 – 13 on the accuracy of the statistics; and these effects, or biases, are almost certainly larger than the sampling errors and would not be reduced by increasing the sample size.

	Percentage Confidence Limits at 95%		
	Trips	Nights	Spending
UK destinations	1.9	2.5	3.0
England	2.2	2.8	3.2
Scotland	5.8	7.4	10.3
Wales	7.1	8.9	9.7

(These may be interpreted as meaning that the impact of sampling errors is that there is a 95% chance that the true value is within this percentage of the value found by the survey; thus if the survey found 175.4 million trips in the UK there is 95% confidence that the true value is between 172.0 and 178.8 million; i.e. within 1.9% of 175.4. The errors introduced by the problems with the sampling frame, recall errors, and non-response described in the previous three paragraphs are additional to this, almost certainly larger, not symmetrical, and would not be reduced by simply increasing the sample size. As the samples in different years are independent, the confidence range on the estimate of change between two years is roughly 1.4 times as wide as the range on the estimate for one year; thus if the estimated number of trips increased from 170 million in one year to 180 million in the next there is 95% confidence that the true change was between 5 and 15 million; to the extent that the factors described in 5.1.9 – 13 have a constant effect over time they will have less effect on the quality of estimates of change than of level.)

5.1.15 Users also raised some points about the content of UKTS:

- The possibility of adding questions to provide more information about:
  - Motives/values/decision processes underlying tourism decisions (including the UK/abroad choice)
  - Satisfaction
  - Intentions and/or forward bookings
  - The substantial number of visits to friends and relatives (including expenditure by the host)
  - The types of expenditure;
- Need for improved consistency between UKTS and IPS;
- Development of an informative and standard classification of type of tourist (segmentation) for use in all appropriate sources;

- Development of a more defined classification of destinations (e.g. separating out and presenting as subsets of seaside activity predominantly built coastal resort based tourism from predominantly rural coastal based activity, or producing results for areas relevant to the planning and marketing of tourism rather than for administrative areas) and of attractions visited;
- Development of a more refined classification of types of accommodation used;
- Identification of cities or resorts visited – this (like the previous three items) was seen as potentially very valuable in the context of national marketing, as well as for local purposes.

5.1.16 From among these some users with experience of working on TSAs suggested that the most useful additions would be to split tourists by type as much as possible (e.g. separating different types of business tourism, e.g. fairs and exhibitions, conferences and meetings, individual business travel using a common classification in UKTS, LDVS and IPS) and to at least maintain the analysis of expenditure.

### **Leisure Day Visits Survey**

5.1.17 Turning to LDVS (for which the sample is drawn from the PAF and face to face interviewing is used) the main technical concern is the low response rate. The 2002 LDVS collected data about a sample of 5,000 trips qualifying as tourism trips (i.e. of more than three hours and not taken on a regular basis). It also collected data about 17,000 other leisure trips. These data came from about 6,600 interviews (about 3,200 in England, 1,450 in Wales and 1,950 in Scotland). This represents a 45% response rate; a disconcerting reduction from the 63% of the 1998 survey.

5.1.18 The three major concerns expressed by users were:

- The non-coverage of business trips qualifying as tourism;
- The infrequency of the survey; up to 1998 a biennial pattern had become the norm but after 1998 no survey was conducted till the recent survey for which fieldwork was carried out from March 2002 to February 2003. The results of this survey have been delayed pending a quality investigation and will now be released during 2004. No survey is planned for 2004;
- The sample size – e.g. monthly results are wanted for national marketing purposes and better regional results than can be supported by the 2002 sample.

5.1.19 Given that day visits account for a very substantial fraction of tourism (some 40% of tourism expenditure in the UK) the review shares the view of a substantial number of the users consulted that the difference in frequency of the UKTS and LDVS represents an inappropriate imbalance in the monitoring of the sector.

- 5.1.20 The exclusion of the substantial number of business trips cannot be justified if there is any wish to monitor the scale and nature of tourism, or to support the development of TSAs, as defined by the UN.
- 5.1.21 The LDVS collects summary information about all trips made in leisure time in the two weeks prior to interview and detailed information about the most recent seven trips. It also asks the number of leisure day trips taken (a) to a town/city, (b) to the seaside/coast and (c) countryside in the last 12 months and asks the reason if no such trips have been taken. Much of the data collected relates to trips that are too short to come within the definition of tourism. This reduces the efficiency of the survey as a vehicle for monitoring tourism activity. However such trips are of key interest to bodies in the consortium that funds the survey such as the Countryside Agency and the Forestry Commission.
- 5.1.22 Some of the suggestions for additional data listed for UKTS in 5.1.15 could also apply to LDVS.

### **International Passenger Survey**

- 5.1.23 The review identified concerns about the IPS that fall in the following categories:

- Sample size
- Survey design and grossing procedure
- Questionnaire content

- 5.1.24 In recent years the numbers of interviews of non UK residents leaving GB have been:

1999	55,300
2000	51,800
2001	48,100
2002	46,900
2003 (expected)	45,000

- 5.1.25 These result from a response rate of about 81% (this rate relates to interviews of all types; a separate rate cannot be produced for leavers). The non-response is made up of 7% minimum interviews (country of residence and nationality only – used only in grossing); 4% “clicks” (no interviewer free) and 8% others; mainly refusals.

- 5.1.26 For 2000 the sampling errors for the statistics for overseas visitors to the UK are calculated as (95% confidence limits):

Visits:	25,004,000 +/- 3.0%
Visitor nights:	203,186,000 +/- 3.8%
Visitor expenditure:	£12,603m +/- 2.9%

The survey design is primarily focussed on the production of national statistics. This reflects the interests of what, despite the EU Directive on

Tourism Statistics, ONS regard as the prime customers: statistics of balance of payments and of migration. Interviewing is conducted at a limited number of (air)ports which are not selected to be representative at the regional level. Some (air)ports of regional importance are excluded and growth in traffic at some ports is not immediately reflected in the selection of ports at which interviews are conducted. Sampling errors are not routinely produced for sub UK statistics but ONS have estimated that the estimated number of visits (of at least one night) to Scotland in a year would have 95% confidence limits of +/- 14.6% (but see the next paragraph).

5.1.27 In addition to the points made above, which are reflected in the sampling error quoted for Scotland, there is no clear regional dimension to the grossing. For example, the effect on the IPS statistics for Scotland of the increase (in some cases resulting from direct policy action) in non UK residents using certain Scottish (air)ports is the same as if the increase in traffic had occurred in the South West of England.

5.1.28 For these reasons the survey is not suitable for the production of tourism statistics, in particular statistics of annual change, for areas smaller than the UK. Concern about this was sufficient for Scottish Enterprise Ayrshire to commission its own survey at Prestwick airport.

5.1.29 There are two aspects of user concern about the questionnaire

- Questions which are not asked, or are asked insufficiently frequently
- Definitions inconsistent with those used in other tourism data sources and/or with those of the EU Tourism Statistics Directive.

5.1.30 Additional questions requested by users of tourism statistics included

- Expenditure detail of the type included in the 1997 trailer
- Inclusion of the accommodation usage question every year (the present alternate years results in the statistics required by the EU having to be estimated for the intervening years)
- Wider dissemination of the results of the accommodation usage questions (currently used only to provide statistics to EU)
- Information about attractions visited
- More frequent inclusion of questions about transport use in the UK; such as those used in 2003
- Identification of more than 5 towns at which the visitor has stayed.

A number of users also asked for additional questions to be added when relevant questions are in fact already included; these issues are picked up in section 5.6 dealing with dissemination.

5.1.31 Topics about which concern was expressed in relation to the definitions used by IPS and inconsistency with other tourism statistics sources and norms include:

- Medical patients and fees
- Duration of stay qualifying as tourism
- Treatment of students and their fees
- Lorry drivers and air crew

- Contract workers on site, sales reps
- People with two homes
- Overnight commuters
- Expenditure on pre trip shopping
- Travel paid for at home
- Treatment of internal air fares (excluded if bought abroad) differently from rail and bus fares (included wherever bought)
- Expenditure on durables bought on the trip
- Allocation of expenditure to UK regions
- Unaccompanied children
- UKTS dates trips according to the month in which the first day falls while IPS uses the last day.

## **UK Occupancy Survey**

5.1.32 UKOS is a monthly survey based on a sample of serviced accommodation. It monitors primarily bed-space and room occupancy. The survey combines surveys conducted or commissioned by the Tourist Boards of Scotland, Wales, Northern Ireland and the English Regions. A detailed Minimum Standards Manual sets out how the survey should be conducted.

5.1.33 The following concerns about UKOS, as an indicator of the volume of nonday visit tourism, were identified in the review:

- The need for a more complete list of accommodation for use as a sampling frame (i.e. structured list of accommodation from which a stratified random sample can be drawn) for the survey. There is virtually universal recognition among users of the need for better and more comprehensive information about the stock of accommodation by location, type and quality than is produced by the annual review of the list which is part of the conduct of the survey;
- The difficulty of, and lack of statistical basis for, the recruitment of a panel of accommodation providers indicating willingness to participate in the survey. As the Technical Report <sup>1</sup> notes “those who respond to the invitation [to be in the panel to be approached each month] are a relatively small, self selecting proportion of all those invited.”;
- Variable response in any given month from providers who have agreed to participate in the panel;
- The limitation to serviced accommodation.

5.1.34 The first three of these concerns result in a survey providing occupancy rates of unknown, but clearly poor, quality. This is because the rates are based on data from a non-statistically selected, and biased, sample of accommodation providers which is in turn taken from an incomplete, and atypical, list. As it was put by one of the many users concerned about this; these figures represent a very poor proxy for statistics, of known quality, of numbers of person nights and occupancy rates of different types of accommodation.

---

<sup>1</sup> UK Occupancy Survey Minimum Standards Manual, 1996

- 5.1.35 It is no surprise that a recent EU quality assessment of UK statistical systems for meeting the Directive on Tourism Statistics (which requires data for NUTS3 areas on numbers of establishments, bedrooms and bedspaces split by accommodation type) identified information on accommodation stock as being the area where quality was weakest; nor that some users reported UKOS results as sometimes conflicting with informal local knowledge. The importance of this is also reflected in a number of local and periodic attempts, beyond the annual review of lists required as part of the conduct of the survey, to improve the list of accommodation providers.
- 5.1.36 The limitation of the Occupancy Survey to serviced accommodation restricts its value as an overall indicator of tourism activity as well as leaving a significant gap for those specifically interested in caravans, holiday parks, camping etc. The importance of this is reflected in a number of proposals for partly filling the gap: including
- Cumbria TB are currently assessing the practicality and cost of a local survey of the occupancy of self catering accommodation;
  - Profit through Productivity have proposed data on unit occupancy for the self catering sectors;
  - Some TBs operate a self catering/caravan and camping survey;
  - VisitScotland operate a survey covering all commercial accommodation sectors;
  - Wales TB have, and are improving, a self catering occupancy survey and, with BH&HPA are conducting a study of the caravan sector including
    - In depth interviews with some site managers
    - Estimates of the type – household composition, demographics etc – of visitors to sites
    - Surveys – collecting UKTS type data – of samples of visitors.

### **Survey of Visits to Visitor Attractions**

- 5.1.37 For the Survey of Visits to Visitor Attractions
- The quality of the reported data can be a concern; in particular “estimates” reported by some attractions not reporting hard data can be very unreliable
  - The response to the income and employment questions is low
  - No firm basis for grossing the responses to provide whole sector estimates has been found
  - Data for free, and in particular un-gated, attractions is of poor quality as much of it is unconfirmed
  - Users from the enterprise network and a TB suggested (supported by the contractor) that their expertise and contacts could be better used in ensuring the universe of attractions is covered and the importance (and value to the operator) of good data is better recognised.

- 5.1.38 Despite the confidential basis of all the data except visitor numbers (and the ability of respondents to require even the visitor numbers to be treated as confidential) there are operators who will not provide data because they regard it as sensitive. In this context it should be noted that many users see the availability of individual attractions' data as giving them valuable flexibility in using the data.
- 5.1.39 There is also an issue about the definition of "attraction". The definition used for the survey states "...*The attraction must be a permanent established excursion destination, a primary purpose of which is to allow access for entertainment, interest or education; rather than being primarily a retail outlet or a venue for sporting, theatrical, or film performances.*" There are some venues that some users believe should qualify as attractions but which are being excluded from the survey as retail outlets, and the survey team expect to exclude some further venues as part of the ongoing improvement of data quality.

### **Data Needs of Tourism Satellite Accounts**

- 5.1.40 If TSAs, and their comparability with macro economic measures, are to be well based they need to be founded on input-output tables consistent with National and Regional Accounts. Indeed without such tables the production of genuine TSAs is impossible. Official input-output tables are currently published for the UK and Scotland but not for Wales or the regions of England. As much of the value of TSAs lies in the comparability between regions it is important that the input-output tables, and other aspects of the TSAs, are produced in a consistent fashion across regions.
- 5.1.41 Some subdivision of the relevant SICs within the input-output table is also needed. The illustrative pilot TSA for Scotland used data for Wales (from the Cardiff Business School) to achieve this. Such an approach is adequate for a pilot aimed at developing the methodology, illustrating the types of information a TSA would provide, and identifying the areas where more work is needed. However anything claiming to be more than that requires (given that the interactions between tourism businesses and other businesses, and the relative scale of inter and intra region transactions between businesses, vary between regions) such data to be obtained for the region concerned.
- 5.1.42 This review found a variety of views, summarised in Appendix 6, about which other data improvements would be most useful to the development of TSAs. Many of this review's proposals for addressing the issues discussed in the previous paragraphs of this chapter would also improve the quality of the data available for the development of TSAs. In particular from a TSA perspective it is important to split tourists by type as much as possible and, at least, maintain the analysis of expenditure.

## **B: NATIONAL AND REGIONAL STATISTICS WHERE A RIGOROUS STATISTICAL BASIS FOR THE SAMPLE IS LESS IMPORTANT**

- 5.2.1 The review has identified a range of topics for which it is not practicable to obtain information from a statistically selected representative sample of businesses but for which information could be collected from a panel of willing contributors and analysed (essentially using comparisons between those businesses providing data for both periods) to provide timely indications of change over time which would be valued by users.
- 5.2.2 In addition there are some data needs that might best be met by purchasing questions and results from existing surveys not specific to tourism.
- 5.2.3 The topics in the first category include:
- The rates at which accommodation is let
  - Business confidence
  - Very timely indications of the state of the market, covering both financial and physical data
  - Business Performance Indicators, e.g. of the type developed by the Best Practice Forum
- 5.2.4 Given the difficulties currently experienced in seeking relatively straightforward information from businesses in UKOS and SVVA, it is not realistic to propose the introduction of a survey based on a statistically rigorously representative sample of the industry to collect information of this type.
- 5.2.5 Those in the second category are:
- Panel data from households to support the development of econometric modelling of, in particular, the demand for tourism;
  - More extensive household data, again for econometric analysis of the tourism market, on the relationship between expenditure on tourism and on other goods and services.

The nature and range of data desired makes it unrealistic to envisage its collection through a survey primarily concerned with tourism.

## **C: LOCAL STATISTICS**

- 5.3.1 This section covers both statistics collected for local areas and the data requirements of the models used to estimate the volume and value of tourism in local areas.

- 5.3.2 It is unrealistic to expect UKTS to produce useful statistics for, broadly, areas smaller than the regions of the UK. Indeed neither the survey nor its users are done a real service by the availability of results based on very small samples. The use of three-year rolling averages (which is adopted by some users) can to some extent overcome problems of sample size, but in no way provides timely statistics which can be analysed in the context of variables which can change substantially over a three year period.
- 5.3.3 Furthermore, given the limited resources available to fund the survey, proposals elsewhere in this report for improvement of the overall quality of UKTS will probably involve a reduction in sample size. There is certainly no prospect of increasing the survey's overall sample size sufficiently to provide well-founded estimates for areas of the size for which users have expressed a need. Given that the sample has to be residence-based while the user interest is in the trips made to a particular area, there is no statistically sound and efficient way to increase the sample size for trips to particular local areas.
- 5.3.4 Similar points apply to LDVS and IPS.
- 5.3.5 For UKOS, with the improvements to that survey recommended elsewhere in this report, it should be practical to increase the sample (while maintaining its representative nature) so as to produce statistics of known statistical quality for particular local areas. As local businesses may more easily recognise the value of results for the locality this may have the side benefit of making it less difficult to achieve a good response rate.
- 5.3.6 For SVVA the quality of local statistics depend on response rates (the survey is in principle a census) and the point at the end of the previous paragraph again applies.
- 5.3.7 There are a range of surveys commissioned and conducted locally, in particular local visitor surveys, the place of which in any restructuring of tourism statistics as a whole would need to be considered.
- 5.3.8 As is recognised in, for example, DCMS's advice note of 1998 "Measuring the Local Impact of Tourism", models producing estimates of the volume and value of tourism have an important role in the tourism information base for local areas. Among the recommendations of this review the following in particular would have a beneficial effect on the output of the models:
- The widespread use of nationally set definitions and standards to maximise consistency with the national/regional data
  - The availability of local data for exploitation by others, and
  - The improvement of the lists of accommodation stock as a basis for improved local and national statistics of occupancy.

## **D: STATISTICAL REQUIREMENTS OF, AND ISSUES AFFECTING, TOURISM BUSINESSES AND THEIR ASSOCIATIONS**

- 5.4.1 Much of the information requirement of tourism businesses relates to very local – or in other ways specific - intelligence, not necessarily quantified, of specific relevance to their individual business and or plans. Such information is outside the scope of a review of statistics. However businesses do have a significant interest in
- The timely availability of a range of statistics and particularly the monitoring of short term trends; as could be achieved, e.g., through panel surveys of the type considered in section B – this is of more concern for the larger businesses than the SMEs; and
  - How statistics are produced, and in particular – and perhaps especially for the SMEs – the burden statistical data collection imposes on them.
- 5.4.2 Benchmarking between businesses can perhaps be seen as providing a bridge between the highly specific intelligence on the one hand and statistical information on the other. Benchmarking is an important means of improving the quality and efficiency of the sector and requires significant amounts of data. While benchmarking itself is outside the scope of this review it does depend on some principles which apply also to statistical data – e.g. comparability between data for different businesses, and in some cases with data from other sources, timely production, confidentiality of individual business data. This makes the data collated for benchmarking a potentially very valuable source for panel surveys of the type described in section B.
- 5.4.3 Other aspects, in addition to panel surveys, of the issues considered in this review – notably the timely production and accessibility of tourism statistics – are also of particular concern to tourism businesses.
- 5.4.4 Businesses – and indeed a number of other local, regional and national users - can also make good use of a wide range of statistics not specifically relating to tourism and/or not from official sources. For example
- General statistics on the local economy for use, e.g., in bidding for regeneration funds
  - Local statistics of unemployment and employment
  - Deprivation measures
  - Population statistics and projections
  - RPI
  - Data on arrivals and receipts for many countries as gathered by OECD/WTO
  - Exchange rates
  - Other countries' travel surveys
  - Mintel/Keynote/PKF/TRI/BHA data
  - Trade Association statistics
  - IATA/BAA/Airline data on air traffic
  - Leisure Pass Group statistics
  - Target Group Index statistics

- London Underground surveys identifying tourism element of their traffic
- Coach Tourism Council statistics
- BTA statistics
- BITOA statistics
- Road traffic data
- Weather statistics
- FES
- GHS
- Henley futures data

5.4.5 Turning to the issue of how statistics are produced and the burden placed on businesses, the review has heard, and endorses, concerns that the collection of data from businesses (specifically accommodation providers and attraction operators and including but not only UKOS and SVVA) often does not:

- Make efficient use of IT facilities;
- Maximise the use made of a single data collection by facilitating the use of a single provision of data for more than one inquiry (e.g. surveys conducted for TBs, by trade associations and for national purposes);
- Adequately explain the value – to the industry and to the individual business – of the statistics to which the business is asked to contribute;
- Provide sufficiently timely and useful feedback to respondent businesses;
- Sufficiently involve trade associations, and local organisations, in
  - Encouraging businesses to respond
  - Deciding what should be collected
  - Determining the definitions to be used.

Also, despite the assurances that are given, some businesses are not sufficiently convinced that their individual data will be kept confidential.

5.4.6 A number of consultees perceived that tourism businesses were subject to a plethora of unrelated and overlapping requests from different sources. This could lead to an unwillingness to respond to requests for data and a cynicism about the expertise of those responsible for the requests; for example the growth of private companies' (e.g. PKF and TRI) and local authorities' surveys of sectors of the accommodation market was reported as having added to the difficulty in obtaining responses to UKOS. A further example is provided by a recent review's identification of 30 data collection exercises from attractions.

## **E: TIMELINESS OF TOURISM STATISTICS**

5.5.1 Concerns expressed to the review about timeliness include:

- A wish for quicker, and in many cases more frequent, key national and sub-national results from all main surveys;
- Concern about revisions to IPS;

- Need for forward looking indicators and projections;
  - Desire for a quick, frequent, survey of a panel of businesses to assess trends in volume and value.
- 5.5.2 For the Day Visits Survey the major concern in relation to timeliness is the infrequency of the survey; see 5.1.18. A number of users, including in the context of national marketing of tourism, indicated a wish for monthly statistics from this survey.
- 5.5.3 For UKTS a number of users expressed concern about the infrequency and un-timeliness of the availability of results; uncomplimentary comparisons were made with what was said to be available in some other EU countries. This, at least to some extent, would seem to reflect a lack of knowledge of what is available and when (see 5.6 and 6.6). Given the use of a two-month recall period in the interviewing the scheduling of results is not unreasonable. For example in mid October 2003 key UK results for months up to and including June 2003 were available on [www.staruk.org](http://www.staruk.org), and for Scotland in the season to date paper on [www.scotexchange.net](http://www.scotexchange.net). The key 2002 results, for the countries and regions of the UK, were posted on the websites in May and the annual report – The UK Tourist – was published in July. Results for Wales are available quarterly while those for English regions are available annually. However the survey timetable does not make it possible to meet the EU's requirement for provisional statistics within three months of the end of the time period.
- 5.5.4 A number of users expressed a wish for monthly sub GB results from the IPS. Given the scale and design of the sample it would be foolish to pursue this.
- 5.5.5 As with UKTS, not all users appeared to know the timetable for the availability of IPS results.
- 5.5.6 The publication pattern is:
- Monthly GB figures are released in a First Release within 6 weeks of the end of the month;
  - Quarterly GB and component country figures are released, and the component monthly figures revised, via the ONS website some two months later (though until recently it was longer);
  - Final annual (calendar year) figures are published in Travel Trends in the following October or November but are released earlier – on a CD Rom – in about August. The component monthly and quarterly figures are revised at this time. Provisional annual figures are of course available earlier by summing the provisional monthly and quarterly results.
- 5.5.7 The fact that the monthly and quarterly figures are subject to revision in this way is a concern to some users.
- 5.5.8 There is a demand for quicker UKOS results available to TBs and industry for areas other than their own. Also the EU deadline for national and regional results within three months of the end of the reference period is not being met.

- 5.5.9 There is also concern about the delay in the availability of SVVA data. As Tourist Boards no longer collect the data and forward a copy to the centre, they have none of the information until they receive the prepublication results in confidence. There would also be considerable user interest in monthly, panel based, statistics of changes in numbers of visits to attractions – analogous to the “Barometer” which is in operation in Scotland.
- 5.5.10 Most users’ requirements include timely and forward looking evidence; including projections. While projections themselves are out of scope of this review, section 6.5 does include some suggestion for producing data of value in further development of econometric models. Also TSA – considered in other sections of this report – could provide a basis for social account matrix based modelling and hence projections.

## **F: DISSEMINATION OF STATISTICS**

- 5.6.1 There is a widespread feeling that more resource needs to be devoted to ensuring that a wide range of up to date information is readily available to the tourism community. This includes:
- Clear, concise, statements as to what is available and to what timetable;
  - Avoidance of unnecessary limitations on who can access information promptly;
  - Clarity as to the coverage and basis of any information; e.g. which of the following are included
    - Day visits
    - International tourism
    - Intra-regional tourism
    - Business tourism;
  - Easy links from statistics to definitions and description of methods underlying them;
  - For some users a degree of interpretation;
  - Coverage of a wide range of statistics – one may note in this context that a recent VisitScotland survey of tourism businesses found an unsatisfied demand for a wide range of economic and social statistics. In fact most, if not all, of the statistics do exist.
- 5.6.2 Scotexchange.net, [www.staruk.org](http://www.staruk.org) and the area folders produced by VisitScotland were all mentioned as beginning to address these needs; but the common view is that there is much further to go. Timely free fact sheets for English regions (similar to those produced by VisitScotland) would be welcome by many users, including tourism businesses. The now discontinued Tourism Intelligence Quarterly and the Annual Digest of Tourism Statistics were also mentioned. The National Statistics Website does not provide a good quality service for those wishing to use tourism statistics. For example it does not
- Provide access to an adequate range of tourism statistics;

- Clearly identify the main sources;
- Provide a clear, user friendly, structure for locating statistics – or advice about statistics – on relevant aspects of tourism.

Furthermore it points to IPS statistics in contexts where that survey provides only partial coverage of the relevant aspect of tourism. This lack of a site giving ready access to the full range of statistics and back up information contributes to an under-use of the available statistics.

- 5.6.3 It is also relevant that a number of users were not fully aware of what is available; for example, the availability of within year UKTS results does not appear to be known to all users who would find such data useful.
- 5.6.4 The value of clarity about the coverage and basis of information applies to the public use of information, by journalists' and others, as much as to the central authoritative dissemination of the statistics.
- 5.6.5 A number of consultees requested that additional questions be added to the IPS to provide information which in fact is already derivable from the survey. This suggests a need for more accessible, and well promoted, dissemination of relevant statistics.
- 5.6.6 Another aspect of accessibility and dissemination is the availability (subject to appropriate arrangements to ensure necessary confidentiality) of data for secondary analysis. VisitBritain are currently working to make LDVS and UKTS effectively available for secondary analysis. However at present it seems that
- The possibility of ad hoc analysis of the main surveys is too little known;
  - Some but not all appropriate organisations have access to the data from the major surveys for secondary analysis;
  - The data from a large number of exercises, conducted by a range of local and business organisations, are severely under-utilised (e.g. the data used only for a single report on a specific issue).

## **G: ORGANISATIONAL RESPONSIBILITY FOR TOURISM STATISTICS**

- 5.7.1 An underlying organisational issue became increasingly apparent as the review progressed, and was mentioned or confirmed by a number of consultees. In essence the problem is that no one is responsible for tourism statistics and there is no strategic approach to the development of those statistics.
- 5.7.2 This has resulted in
- The lack of a strong voice for tourism needs in the consideration of the development of wider statistics; and for statistical needs in the consideration of the allocation of government funds;
  - Under-resourcing of tourism statistics;

- Piecemeal decisions about tourism statistics with some decisions thought to be unduly influenced by the specific objectives of a particular organisation;
- A lack of co-ordination, and standardisation of definitions, in the wide range of data collection exercises by a wide variety of organisations;
- Under exploitation of data, from all sources, through secondary analysis;
- Related to the previous two points, an unnecessary number of data requests addressed to individual businesses;
- Relevant skills being thinly spread, and the benefits that flow from a critical mass of expertise working together being hard to achieve
- Users not having a recognised, authoritative, “one-stop shop” source of a full range of statistics (including relevant statistics not specific to tourism), analysis and advice;
- Most tourism statistics not benefiting from the appropriate parts of the National Statistics Code of Practice, and not obtaining National Statistics status and the related recognition of providing impartial measurement of the sector;
- A lack of readily accessible and clear statements of the coverage, definitions, underpinning methodology, and good and poor features of the available statistics.

## **OTHER ISSUES**

5.8.1 Consultees raised a number of topics for which in-depth surveys or research are required but for which annual surveys are not practical or necessary. Some of these topics may also be addressed through qualitative rather than quantitative surveys. They may also lead to new or revised questions being included (after appropriate piloting) in one or more of the main surveys.

5.8.2 Examples include:

- The motivation and attitudes affecting choice of type of tourism. To measure this appropriate segmentation of the population and of tourists in major data sources is required in order to maximise the usefulness of those sources for marketing purposes;
- Residents’ views of tourism and factors affecting those views;
- The mix of overnight and day tourism undertaken by different types of household;
- The practicality for household surveys of different classifications of resort or accommodation type.

5.8.3 There are three issues concerning the statistics of the tourism workforce which were of concern to a number of users

- Refinement of/revision to the SIC to get nearer to identifying tourism
- The use, without clear and prominent statements of definition, of different definitions of the tourism workforce

- Lack of workforce jobs estimates for tourism related industries for smaller areas.
- 5.8.4 There is also a significant user interest in more information about the skills and careers of those in the industry and the availability of suitably trained personnel.
- 5.8.5 Users of tourism statistics including, but not only, those engaged in developing TSAs, could also benefit from relevant parts of the economic data collected for much broader parts of the economy by ONS. This could, for example, in principle provide information about volume in money terms supplementing the information about numbers of people from UKOS and SVVA.

## **RESPONSES TO THE IDENTIFIED ISSUES FACING TOURISM STATISTICS**

### **A: KEY STATISTICS OF THE NATURE, VOLUME AND VALUE OF TOURISM FOR THE UK, ITS CONSTITUENT COUNTRIES AND THE REGIONS OF ENGLAND**

#### **General**

- 6.1.1 This review found no reason to discontinue any of the present key sources, though it recommends – in some cases substantial – improvements to each of them. It also endorses the development of TSAs for the UK, its constituent countries and the regions of England.
- 6.1.2 The issues (5.1.5) about visits from friends and relatives and business day trips are addressed in the consideration of UKTS and LDVS below.
- 6.1.3 There are a number of aspects to the issue of obtaining better data on business tourism.
- a) It would clearly be useful to ensure that business tourism of different types (e.g. conferences, training, visit to exhibitions) is consistently identified in the household and individual surveys. In the broader context (5.1.15) of identifying factors underlying tourism choices, the identification of those leisure trips where the choice of destination was affected by a previous business tourism trip could also contribute to the assessment of the impact of business tourism.
  - b) Improved data from business tourism organisations – e.g. conference centres, exhibition centres, hotel meeting facilities – would also contribute. The present sources – The British Conference Venues Survey, UK Exhibition Facts – are based on incomplete registers and responses from a low proportion of those on the registers. The first step towards improvement in this area could be the development of fuller lists of relevant businesses, and surveys based on statistical samples from those lists, in the manner suggested below for UKOS.
  - c) Information on business tourism would also be improved by
    - i. A Conference Delegate Expenditure Survey along the lines of the one conducted in 1998
    - ii. A survey of incentive travel updating the available research which relates to 1996
    - iii. Obtaining information about factors affecting the location choices of purchasers of business tourism

- iv. Developing data on Corporate Hospitality – the first step here is to assess the relevant data being newly collected by BHA in their survey of Contract Caterers.

- 6.1.4 Those responsible for tourism statistics should maintain close contact with
- Those considering benchmarking tourism performance between regions
  - The EU development of “QUALITEST”
  - The development of sustainable tourism indicators
- so as to ensure that
- Any such development of indicators takes full account of data availability and collection issues and does not simply assume that data will be made available for whatever indicators are developed
  - The production of any necessary additional data is properly planned.

### **UK Tourism Survey**

- 6.1.5 The issues related to the sampling basis and the response rate represent more fundamental quality concerns than those related to sample size. A larger sample biased in the same way as the present one would not represent a significant improvement in quality.
- 6.1.6 The review therefore recommends that changes to improve the UKTS national and regional statistics should focus on the sampling basis and response rate. To that end, and subject to a detailed review with ONS, it should become part of the planned Continuous Population Survey (CPS) (which will embrace a number of the major National Statistics Surveys). This would:
- Use a fuller sampling frame (in the shorter term the PAF, and later the planned Comprehensive Address Register (CAR)) while maintaining the un-clustered nature of the sample;
  - Achieve a higher response rate;
  - Extend the range of useful variables against which the data on trips can be analysed;
  - Share the cost of collecting basic classificatory data with other users;
  - Result in the grossing procedures, and hence the statistics, being more consistent with those for a range of other statistics;
  - Facilitate the adoption of National Statistics standards and hence achievement of National Statistics status.
- As part of the detailed review of the possibility of a merger with CPS consideration should be given to the possibility of repeating part of one year’s sample in the following year as a means of reducing the sampling error on statistics of inter year change.
- 6.1.7 If a merger with the CPS should prove impractical work to develop the UKTS should prioritise the use of a fuller sampling frame and achievement of a higher response rate.

- 6.1.8 Either within or without the CPS, this can be expected to increase the cost per interview. Once the necessary improvements to the sampling basis and response rate are achieved, an increase in sample size would clearly be desirable – particularly for regional statistics - and should be pursued if the necessary resources can be found. However if no, or insufficient, increased resources are available a reduction in sample size and/or (notwithstanding the points made below about survey content) a reduction in interview length should be accepted in order to improve the underlying basis of the survey and hence the quality of its national and English regional results. In this context it should be noted that the use of an address file as the sample frame does not preclude the use of telephone interviewing to follow up an initial face to face interview if, for example, the relevant individual is not at home when the face to face interview takes place. This would be less expensive than a recall face-to-face interview and such an approach should be piloted.
- 6.1.9 The sample size – of visitors to the region - is of particular concern to users of regional results. As the sampling frame relates to the area of residence and not the area visited, it is not practical to stratify the sample to increase the numbers of trips made by the sample members to those regions for which the sample size is a more severe problem. (While this could be done to some extent by increasing the sample in those areas where the propensity to visit a particular region is known to be high this would result in an unrepresentative sample of visits to that region). In the context of detailed planning of improvements to the UKTS, consideration should be given to some increase in the sample size on the basis that the additional sample are asked filter questions about whether they visited those regions for which the sample from the basic survey would be particularly small and asked further questions about only those trips. The cost implications of such an approach would be less if UKTS questions were a module in a CPS than for a separate free-standing survey. If such an approach is not practical and the regions concerned have additional resources to devote to the collection of such data their options would include funding
- A survey of the type proposed below (6.3.2) for sub regional areas; or
  - An across the board increase in the UKTS sample size.
- 6.1.10 As noted in 5.1.13, analysis of the results casts doubt on the quality of the data relating to a two-month recall period; confining attention to a one-month period should be seriously considered as one way of reducing the cost of interviews.
- 6.1.11 Such improvements, within or without the CPS, will introduce a discontinuity in the time series of statistics. In making any such change steps should be taken – including an overlap between the two versions of the survey – to estimate the size and nature of that discontinuity. Given the very substantial inconvenience of discontinuities in the time series, it is recommended that the survey should continue to be conducted in essentially its present manner until final decisions are taken on the above recommendations. Given that it is very unlikely that a merger with CPS would be possible before 2009, consideration should be given to the possibility of interim improvements to the basis of the

survey between any decision to merge with the CPS and the implementation of that merger.

6.1.12 There are fundamental difficulties about collecting the amount and nature of expenditure. Essentially, people don't remember, the questionnaire is long and the information requested detailed – especially, but not only, for a telephone survey. There can be little doubt that the use of diaries would improve the accuracy of the data. However it would:

- Further increase the cost;
- Further increase the burden on respondents;
- Probably reduce the possible number of trips reported per person responding as a diary covering a period as long as that for which recall data could be collected would be unlikely to be acceptable;
- Be difficult, if not impossible, for the diary to cover expenditure incurred some considerable time before the trip is made.

The possibility of using diaries could be considered further in the detailed design of tourism surveys linked to CPS but the review's initial judgement is that it is very unlikely to be cost justified.

6.1.13 Turning to the questions of content listed in 5.1.15:

- a) Questions about drivers and motivators underlying the choice of a particular form of tourism, and about satisfaction with a tourism experience, will often be more useful if they are incorporated in studies of visitors to particular areas, or users of particular types of accommodation. On the other hand it is important that such surveys cover those who only infrequently, or never, take trips and for this the national surveys can be appropriate. In depth investigation of these issues is properly a matter for occasional, local or national, research. Examples include VisitBritain's recently commissioned qualitative research on attitudes to rural tourism and more quantitative research on ways of segmenting consumers (according to the values they hold rather than age/sex etc) in ways which will be more informative for marketing purposes. Similar research might usefully address, for example,
- i. the assessment of satisfaction,
  - ii. the identification of different types of business – and other - tourist,
  - iii. the identification of different types of accommodation, or of resort.

One of the consultees offered to provide a suggested classification of destinations: this could be a useful input to such research, and illustrates the more general point that a range of tourism interests should be fully consulted in the planning of research on any of these issues. One objective of such research could be the development of summary questions for use in the routine surveys. Any work aimed at refining the classifications used in the main surveys should take full account of those specified in the EU Tourism Statistics Directive.

- b) It is unlikely – given the timetable for production of UKTS results - that individuals' intentions will be suitably firm for long enough ahead for the results of a question about intentions, or about forward bookings, to add usefully to the data available from, e.g., travel agencies. Visit London are

planning a survey on trip intentions and this may provide useful evidence on the value of such data.

- c) There is no reason in principle why UKTS could not also ask about whether the respondents had been the recipient of visits by friends or relatives (either staying with them or staying in paid accommodation but in order to be near them). Questions about expenditure by the hosts could then be asked to supplement the data already collected about expenditure by the visitors. This should be considered in more detail in the run up to any merger with the CPS (or following any decision not to proceed to such a merger).
- d) The degree of classification for which expenditure can realistically be collected in such a survey is limited. However users, and those involved in the preparation of Tourism Satellite Accounts, should be consulted in the run up to any merger with the CPS (or to any improvement of the survey outside the CPS) about refinement of the details of the expenditure questions. Questions to address user needs should be piloted.
- e) To address the marketing need to identify the most visited cities or resorts one might consider – subject to piloting and costing:
  - i. Using the information already collected, and used as the basis for identifying the region visited, to identify the city or resort;
  - ii. Adding additional simple questions along the lines of those used in IPS to identify cities visited;
  - iii. Increasing the sample in the manner suggested in 6.1.9 but with the filter question relating to cities or resorts of specific current interest.

However, it must be recognised that most data about localities must come from local sources.

- f) One might also usefully conduct a pilot to test the feasibility of using the location information already collected to produce results for non-administrative areas relevant to the planning or marketing of tourism.

6.1.14 It is likely (6.1.31) that the consistency between UKTS and IPS can be improved by amending the analysis of IPS. However to the extent to which this does not prove possible consideration could be given to the possibility, and desirability, of amending UKTS questions to improve consistency (see 6.1.31).

6.1.15 As noted above, the questionnaire is long. As part of the build up to incorporation in CPS the case for some of the more detailed, non-expenditure, questions might usefully be reviewed.

### **Leisure Day Visits Survey**

6.1.16 While the sampling frame issues do not apply, the other benefits of a merger with the CPS listed in 6.1.6 would also apply to LDVS. The possibility of

such a merger should be reviewed in detail with ONS; this should take account of the potential synergy with transport data.

6.1.17 Whether or not a merger with CPS proceeds – and if it does in the interim period before the merger can be achieved - priority should be given to improving the response rate above that achieved for the 2002 survey. Also future surveys – whether as part of CPS or not - should be conducted continually. They should cover business trips qualifying as tourism under the WTO definition, and should produce national monthly results (without which the timely information base for marketing and other purposes is seriously deficient) and at least quarterly regional results to a timetable no slower than that for the UKTS. This would, of course, require a substantial increase in sample size and the development of questions, and classifications, to identify tourism business day trips consistently with the WTO definition.

6.1.18 As is noted at 5.1.21, LDVS collects summary information about all leisure trips including trips that are too short to come within the definition of tourism. Development of the survey could focus the available resources more tightly on the production of tourism statistics; e.g. by collecting only very limited data about all trips; with more detail about tourism trips (i.e. of more than three hours and not taken on a regular basis). Details about particular types of non-tourism trips would be collected only if

- The full marginal costs were covered by specific users; and
- The additional questioning was limited to avoid damaging the response rate on questions about trips qualifying as tourism.

Alternatively the survey might be completely confined to tourism trips, leaving other leisure activities to be surveyed separately.

6.1.19 A number of the points about additional questions for UKTS (6.1.13) apply also to the Leisure Day Visits Survey; specifically those relating to:

- Identification of different types of tourist and in particular types of business tourist
- Questions about visits from friends or relatives
- Detailed classification of expenditure
- Classification of places visited
- Collection of data for most visited cities or resorts

In addition a consultee has offered to provide a suggested refined classification of attractions; this might form an input to the development of questions identifying the type(s) of attractions visited.

6.1.20 User interests, and the desirability of monitoring the totality of tourism, argue for the introduction of a continual Day Visits Survey being given priority among the desirable developments of the three main surveys of individuals. If resources permit, a continual LDVS could usefully be introduced while a detailed review of the longer-term options for UKTS and LDVS is conducted.

6.1.21 In the interests of reducing overall costs that detailed review of should include an assessment of the practicality, and pros and cons, of merging the two surveys into a single survey.

## International Passenger Survey

6.1.22 For the sample size of the IPS is to be increased ONS would require that

- The additional cost to be fully funded by tourism interests
- The increase was permanent and not just for selected years
- It could be demonstrated to be of commensurate value to National statistics.

The increase in sample size could be confined to people leaving the UK (it is not possible to sample only non residents leaving the UK which is the element of interest to the scope of this review). As a broad indication of the scale of costs ONS advise that a doubling of the sample size for those leaving the UK would cost in the order of £0.9m per annum, with an additional start up cost in the order of £0.2m. These costs are on the basis that interviewing would be confined to the ports presently covered. The balance of user demand would seem clearly to imply that any additional resources to fund larger samples would be prioritised to other surveys. To achieve a similar increase but cover more ports would add a further £10,000 per new port to the start up cost. To add an additional port (with perhaps 2-3,000 interviews per year) without changing the sample size of the existing survey would cost perhaps £20,000 p.a. plus a start up cost in the order of £10,000.

6.1.23 As is explained in 5.1.26 -28, the structure of the sampling and the form of grossing presents problems for the sub UK results. Without an improvement in this area the sub UK results, and in particular those for changes from year to year, are of inadequate quality – to an extent, in my judgement, that their NS status is open to challenge. Any resources for additional IPS interviewing should be allocated in a way which would improve the regional results of the survey, and not to a simple increase in sample size with the present sample structure.

6.1.24 ONS advise that they may evaluate the possibility of introducing a grossing system that includes a specifically regional element to reduce this problem. However, they also advise that there is no current timetable for such work which will have to compete for limited resources.

6.1.25 Furthermore, an adequate response to the problem-for example to monitor the impact of the policy to increase direct Scotland/Continent flights- would require interviewing at (air)ports where no IPS interviews are currently conducted. ONS are unwilling to adjust the pattern of IPS interviewing in this way, though for broader reasons they are currently considering introducing interviewing at Prestwick. Hence regions for which this is an important issue should consider with ONS how they could themselves commission additional interviewing in a manner which could be analysed jointly with the official IPS data. ONS advise that they would be unlikely to undertake the analysis of such data themselves but would consider making IPS data available (at an unknown cost) so that another organisation could analyse in combination with such additional data.

- 6.1.26 Turning to survey content, ONS would in principle – and subject to its priority in relation to any competing request for additional interviewing from other user interests - be willing to use the expenditure trailer more frequently but not every year. The cost for a year would be in the order of £150,000 (on the previous basis that the trailer is addressed to 1 in 10 of the sample) and would have to be met by those interested in tourism statistics. Thus the provision of more frequent data of this type depends to a substantial degree on the priority which the tourism community is prepared to give to funding its collection. The detailed questions in any expenditure trailer should take account of the outcome of any work of the type suggested in the fourth bullet of 6.1.13.
- 6.1.27 It is particularly important in the context in which this survey is conducted to keep the interview brief. Also ONS give priority to the survey's main purposes – to provide information for balance of payments and migration statistics purposes. For these reasons ONS would be reluctant (despite the requirements of the EU Directive) to include the accommodation usage question every year rather than, as is currently the norm, in alternate years (with it currently scheduled next for 2005). They would however consider a strong case if it were put to them. The annual cost is of the order of £20,000. In general ONS would look for any additional questions to be offset by the dropping of other questions to avoid a net increase in the questionnaire length which could compromise the survey's value for its main purposes.
- 6.1.28 ONS would similarly be reluctant to include the transport use question more frequently; it was asked in 2003, at a cost of £18,000, and previously in 2000.
- 6.1.29 ONS would be very reluctant to add questions about attractions visited (which could be time consuming and are irrelevant to the survey's main purposes) or to identify more than 5 towns at which the tourist stayed (only 2% of respondents report as many as 5) and there seems no value in pursuing these suggestions. However if work suggested in 6.1.13 leads to refinement of questions for UKTS and LDVS, about type of tourist, careful consideration should be given to whether they could also be used in IPS.
- 6.1.30 This review is not in general covering UK residents' tourism outside the UK. However one aspect of the statistics of such tourism should be considered because of the scope for reducing the questionnaire length, and cost, of UKTS. UK residents' trips abroad are (unlike both UK residents' trips in the UK and foreign residents' trips to the UK) monitored by both UKTS and IPS. However the IPS alone would suffice with the addition for UK residents travelling abroad of questions about accommodation type and method of booking. All questions about such tourism (which UKTS covers only so that those EU demands can be met) could be removed from UKTS. It is roughly estimated that this would result in a small net saving (ONS advise a cost in the order of £32,000p.a. to IPS and the saving to UKTS is thought likely to be a little larger). It would also increase in the number of domestic trips for which UKTS collects detailed information, and result in the loss of comparable data on UK tourists' spending on trips abroad and within the UK.

- 6.1.31 Concerns about inconsistencies of definition between IPS based statistics on the one hand and the relevant EU Directive, and other tourism sources on the other, are noted in 5.1.31.
- 6.1.32 A number of these issues could, and should, be dealt with by omitting (or separately identifying) certain groups when analysing the IPS data. There seems very little prospect of ONS changing the definitions used in the IPS questionnaire. This reflects the priority given by ONS to the definitional requirements of the Balance of Payments statistics. In the context of TSA development there may be benefits in consistency with definitions used in Balance of Payments Statistics, and the review has not found evidence that the inconsistencies between IPS and UKTS definitions are a major concern of many users of tourism statistics. Consideration might nevertheless be given to amending definitions used in UKTS. This might be particularly appropriate in the case of allocation of expenditure between regions where the use, as in IPS, of an adjustment based on a cost index for each region would seem to be an improvement, or the time referencing of trips in which context the UKTS currently allocates trips to months using the first day of the trip while the IPS uses the last day. On the other hand, it would not be appropriate where it involved moving away from EU Directive definitions. The Scottish Executive has investigated, and discussed with ONS, many of these issues and their expertise should be fully exploited in any development of ways of minimising them.

### **UK Occupancy Survey**

- 6.1.33 For UKOS to become a valuable element in the macro level monitoring of tourism activity, it is essential that a much improved list of businesses providing accommodation is developed. Such an improvement is also an essential underpinning for the recommendations elsewhere in this report for the improvement of statistics for smaller areas. This list should cover:
- Serviced accommodation more comprehensively than the lists used at present :and,
  - Non-serviced accommodation which is used by a substantial proportion of tourists.
- 6.1.34 To this end a project should be established initially in some pilot areas. This should produce and evaluate the quality of lists by combining the information available in the following sources.
- Local knowledge (including from local authorities and enterprise networks)
  - Phone books
  - TB lists
  - IDBR
  - Business rating lists
  - Farm Structure Surveys (the Scottish survey at least identifies accommodation in its diversification questions)
  - Lists used for STEAM and other local models

- List held by EnglandNet
- LA lists for environmental health, fire protection, etc. (DCMS' Fitness for Purpose exercise – being piloted with 6 LAs – is relevant here) held by local authorities
- Liquor license lists
- Members of relevant trade associations including, e.g., Farm Stay UK, BH&HPA, BHA
- Lists of self catering accommodation, caravan and camping sites used by some TBs for their own surveys
- Organisations (e.g. AA) providing quality ratings
- A search of relevant websites

Evidence from pilots might indicate the use of a smaller number of sources in a national roll out of this approach. As part of such pilots the classification of accommodation to be used within the list (by type, size, quality etc) should be developed. This should be based on both identification of the classifications the sources can support, and consultation with users about which classifications would be of most use. It should also take account of the classifications required by the EU Directive on Tourism Statistics. Wherever possible electronic versions of the data (e.g. phone directories) should be used. Once produced, the list would then be maintained by continual reference to those of the above sources which prove to cover some providers not covered by the other lists; and those updated – with births and deaths of businesses - most promptly. It would be important to establish procedures for quality reviewing the maintenance of the lists, and for ensuring that data derived from the IDBR was used only for statistical purposes. The nature of those procedures would depend on the relative values of the different sources, as established in the initial exercise, but would doubtless include some process for establishing that a provider has indeed ceased trading before removing them from the list.

6.1.35 It would also be important to ensure that any such exercise made full use of improvements to the IDBR which are likely, e.g. in the context of the Allsopp Review of Statistics for Economic Policymaking and of the NS Quality Review of Statistics of Employment and Jobs, to be made in the next few years.

6.1.36 Such a project might usefully begin with a review of the experiences in a number of areas where attempts have been made to improve the lists. For example:

- Forth Valley LEC
- Cumbria TB
- Visit London
- VisitHeartofEngland
- HOAST.

6.1.37 If it is decided to attempt to improve the statistics of business tourism through collecting improved data from relevant businesses (see the second bullet of 6.1.3) or to review the coverage of SVVA (6.1.43), it may well be more

efficient to develop the lists of these businesses as part of the same project, though fewer sources may be involved for the non-accommodation businesses.

- 6.1.38 At present lists are used for administrative, marketing and statistical purposes. In principle ONS are content for IDBR to be used as suggested above provided that any list dependent on the IDBR is used only for statistical purposes. This would not preclude the lists being available to contractors employed to undertake statistical work; however a detailed proposal to use the IDBR in this way would need to be considered by the ONS Microdata Release Panel. The definition of any extracts from the IDBR used in developing such lists would need to be based on the SIC (2003). The charge ONS would levy for the use of the IDBR in this way would depend on the details of the procedures adopted and the amount of work required of ONS. ONS would expect to operate under a Service Level Agreement.
- 6.1.39 Given an adequate list of accommodation providers one should then aim for a genuine statistical sample and a high response rate. The sample could be geographically stratified to provide results for important local areas as well as national and regional statistics. It could also be stratified by any size or type indicator it proved possible to include in the list of providers. The potential for collecting more of the data from hotel groups rather than individual hotels within a group should be investigated. The difficulty of achieving a high response rate should not be underestimated, particularly given the large number of SMEs involved. The aim should be to provide timely monthly statistics of numbers of occupants (as distinct from merely occupancy rates) in different types of accommodation. Where appropriate (e.g. much if not all of the caravan and self-catering sectors) the survey should use unit, rather than bed-space, occupancy. As hotels are one of the less well covered areas in the British Conference Venues Survey (see 6.1.3), the possibility of combining the collection of such data with the occupancy survey, for relevant accommodation providers, should be considered.
- 6.1.40 Some users suggested that such a survey should also collect data on the rates for which accommodation has been let. However, at least in the shorter term, this seems likely to work against the achievement of a satisfactory response rate. Hence it is suggested, see section 6.2, that at least initially the collection of such data is covered by sources to which less rigorous statistical quality criteria are applied.

### **Survey of Visits to Visitor Attractions**

- 6.1.41 There seems little prospect, at least in the short term, of significantly improving the very poor response achieved to the questions on income and employment. It is suggested that these be dropped from the survey for the moment while:
- Such information is collected in surveys, see section 6.2, to which less rigorous statistical quality criteria are applied;
  - A fuller response to the visitor number questions is encouraged. Local and National TBs should do this in collaboration with the relevant

operators' associations. The survey collection resources released by the dropping of the other questions should also be deployed. The fuller response has two aspects

- Discouraging the use of “estimates” rather than genuine data – at least in the case of paying visitors; and rigorously challenge any “estimates” which look implausible, and
- Encouraging present non responders to participate;

In this context it is relevant that

- Genuine data should be of value to the operator
- Comparisons with the performance (whether average or individual) of similar operators should be of value to the operator; and the non-participation of some major attractions significantly reduces the value of the survey for this purpose and, importantly, for national marketing purposes.

6.1.42 No firm basis for grossing the responses to provide whole sector estimates has been found. If a significantly improved response rate can be achieved this will be a less important issue. If the improved register exercise proposed at 6.1.33 were to be extended to cover attractions it might prove to be the case that IDBR data could provide information (on employment or turnover) which could be used as a basis for grossing SVVA responses for some types of attraction. One significant problem arising from the lack of an adequate grossing method is the difficulty in estimating annual change when comparison between the results for two years is affected by the fact that different attractions will have responded in different years. The review identified no better approach, unless and until it proved possible to use IDBR data, than the present one of basing estimates of change between years on the responses of those attractions responding in both years.

6.1.43 It is not surprising that data on visitor numbers for free, and in particular un-gated, attractions is relatively poor. This is unlikely to change and results for free attractions should continue to be reported separately. Consideration might be given to also separating the figures for un-gated attractions and, at least initially, confining any attempt at producing grossed results to paid attractions.

6.1.44 A number of users value the publication of visitor numbers for individual attractions because of the flexibility it gives them in choosing comparators against which to assess either their own performance or a proposal to invest in a new attraction. However, and despite the option for an individual attraction's figures to be kept confidential, it is doubtless a factor in the unwillingness of some attractions to participate in the survey. A more refined classification of type of attraction than is currently used could increase the user value of aggregate results relative to data for individual attractions. Hence, if the suggestion at 6.1.19 that such a classification might be developed is pursued, the underpinning research could usefully take account of the potential of a classification to be used in SVVA as well as in household surveys.

6.1.45 As noted in 5.1.39 some users are querying the exclusion from the survey of some businesses on the grounds that they are judged to be primarily retail outlets. Users should be encouraged to debate such cases with those responsible for the survey. This also raises a more general point to be taken into account in any work to develop and refine the list (6.1.40) or classification of attractions (6.1.42). Retail purchasing is projected to become an increasing part of tourism activity and in that context it would seem appropriate to consider an extension of the survey to cover (separately identified) venues which are primarily retail outlets aimed specifically at tourists.

### **Data Needs Of Tourism Satellite Accounts**

6.1.46 Input-output tables are crucial to any development of TSAs and their production should be a priority of the RDAs' England Regions TSA Project. To that end the project should establish a common cause with the other interests that wish to see the development of these tables for the regions of England; for example in the context of any attempt to influence ONS's response to the statement in the First Report of the Allsopp Review (paragraph 3 of the Summary) that "The key requirement is for better quality Regional Accounts". RDAs should have a major role in this. The aim of this collaboration should be to identify any available sources of funding for this work and to give maximum encouragement to ONS to produce the tables. However ONS advise that they are very unlikely to be in a position to develop the tables in the short or medium term. If that remains the position, the project should give priority to the consistent production, outside ONS, of such tables for all regions consistent with the official regional accounts. ONS involvement in ensuring the quality of such a development should be maximised within the severe limits likely to be imposed by ONS priorities. In addition ways should be sought, within the constraints of statistical confidentiality, to maximise the use of relevant data held by ONS. The recent appointment of a single contractor working on TSAs for all regions is very welcome in that it has significantly reduced the risk that the necessary tables would be developed independently for each region: that would have been the worst outcome in terms of efficiency, quality, and comparability between regions. As, particularly in the light of the other priorities of ONS, the production of input-output tables will be a lengthy process it may be appropriate for the RDAs' England Regions TSA project to commission the production of synthetic tables for use in the development of pilot, provisional TSAs. This would allow experience to be gained in the other aspects of TSA preparation in parallel with the production of input-output tables based on the full range of necessary data. If this is done it will be important that the pilot and illustrative nature of the resulting TSAs is fully recognised.

6.1.47 Additional data collection will be necessary to provide the detail needed for input-output tables to support TSAs. This should be put in hand promptly, and the collection of such data by the Cardiff Business School will provide a useful starting point for designing data collection for other areas. The data requested included:

- A more detailed classification of business type (for the local unit) than provided by SIC;
- Employment - by gender, full or part time, whether seasonal or not, and occupation;
- Visitor profile – duration, nature of family/group, place of residence;
- Analysis of business expenditure – type (ranging from food and beverages to bank charges); amount, location purchased in (e.g. Wales/rest of UK/rest of world);
- Analysis of business revenue – type (visitor spend/grants/other to be specified); amount; from Wales/rest of UK/rest of world

6.1.48 Useful lessons may also be learnt from Scotland’s Global Connections Survey in which companies are being asked for their sales to various parts of the world including (separately identified) to visiting tourists. Present indications are that it is proving very difficult to obtain such information; final results should be available in 2004

6.1.49 The resolution, in consultation with the relevant experts, of the variety of views about other priority data needs for TSAs and the establishment of a consensus prioritisation of those needs should be an early objective of DCMS’s UK TSA project and the RDAs’ England Regions TSA project. In this context some priorities have been identified in 5.1.16.

**B: NATIONAL AND REGIONAL STATISTICS WHERE A RIGOROUS STATISTICAL BASIS FOR THE SAMPLE IS LESS IMPORTANT**

6.2.1 The topics for which the review has found that timely indications of change over time would be valued by users but has judged that it is not practicable to obtain information from a statistically selected representative sample of businesses are:

- The rates at which accommodation is let;
- Business confidence;
- State of the market indicators of a broader nature than counts of bed-nights or visitors (e.g. including some financial and yield measures);
- The Best Practice Forum’s Key Performance Indicators;
- Visitor attraction numbers;
- Forward bookings.

6.2.2 There are a number of collections – e.g. by trade associations such as BHA, the Best Practice Forum, the Visitor Attraction Barometer which is run in Scotland, and the business confidence surveys recently introduced by VisitBritain and VisitScotland – which provide relevant information from panels of willing businesses. These can be analysed so that changes over time are not affected by changes in which businesses respond in different periods. Despite the lack of statistical robustness such surveys can provide valuable

timely indicators covering a wider range of topics than it is possible to cover in more statistically robust surveys. The value of such sources is confirmed by their widespread use in other industries. Some RTBs have also collected data on such a basis – relating, e.g., to future occupancy and to accommodation yield indicators – and this experience and data should be used in any development of the type proposed here.

6.2.3 Surveys of this type should be developed, in collaboration with those currently running panel surveys, in such a way as to

- Provide timely and accessible results to the whole tourism community
- Cover the full range of relevant industries rather than only members of a particular association
- Avoid duplicate collections by using a single collection to support both the generally available results and any continuing surveys with a narrower coverage – e.g. members of a single association. Where relevant, i.e. for UKOS, a single collection should also support both the panel results and the more formal survey results
- Maximise the involvement of business representatives in contributing to and leading such a development; including the use without charge of data they already collect and possible funding – in cash or kind – in other ways.

Points made elsewhere about collaboration, standardisation of questions, and accessibility of data apply particularly in this context.

6.2.4 While the panel surveys described above all involve the collection of data from businesses, there is also significant user interest in very timely key indicators of the type which can be collected from individuals. The Short Term Domestic Tourism Tracker introduced by VisitBritain in April 2003 addresses this need by including brief questions on overnight trips taken and planned in a fortnightly telephone omnibus survey. This survey should be reviewed when it becomes possible to compare results with those for a year earlier, and the results made more widely available.

6.2.5 As 5.2.5 notes there are also needs which, while statistical robustness is desirable, cannot reasonably be met by a specifically tourism source. In response to these needs:

- The addition of tourism questions to the British Household Panel Survey could – because of its panel nature - provide an improved data base for econometric modelling.
- The commissioning of further questions about tourism in the “Target Group Index” could provide valuable data about the relationship between expenditure on tourism and on other goods and services.

These possibilities, and their costs, should be investigated in detail.

## C: LOCAL STATISTICS

- 6.3.1 Those requiring local statistics need – and should pay for – supplementary local surveys that should follow nationally set standards.
- 6.3.2 As noted in 6.1.9, the usual residence based sampling frames are not appropriate to surveys measuring tourism in a locality. If adequate lists of accommodation providers (6.1.33) are developed they could provide a sampling frame for local surveys to supplement UKTS and IPS with the sample formed by those staying in sampled accommodation on sampled nights. (The significant numbers staying with friends and relatives would not be covered and are considered later in this section.) It is recommended that such surveys be introduced subject to successful piloting. To maximise their value, both to the commissioning area and to others, such surveys should, to the maximum extent possible, use standard procedures and questionnaires (defined centrally in consultation with interested local parties), and their data should be available for analysis by other interested parties.
- 6.3.3 Among the issues to be considered in any pilots of such surveys would be:
- Balance between face to face interviews and self completion questionnaires;
  - Means of encouraging response;
  - Balance between collection of data at, or after, end of trip or (probably including expected spend etc) at date of selection; options to be evaluated for collection at or after the end of trip would include:
    - Obtaining phone numbers/email addresses at the end of/during the trip with agreement to follow up interview by phone/completion of questionnaire by email;
    - Providing a self-completion questionnaire on checking out.
  - Whether resultant data could usefully be collated centrally or whether ready access for all to results would be sufficient;
  - Whether a common IT system should be developed to analyse the data from such surveys for all areas;
  - The details of the methodological guidance, including specification of core questions, given the needs to:
    - Maximise comparability with the national surveys and with similar surveys in other areas
    - Improve efficiency by reducing the development time needed in individual areas.
- 6.3.4 Some TBs might wish to divert resources from LVS to such – statistically more firmly based – surveys.
- 6.3.5 As noted above such surveys would not cover the visitor nights spent in friends or relatives' homes (some 40%). To cover these, one would need to include relevant questions in household surveys conducted in the locality – or if there were no such surveys conduct ones own household survey. Pilots would be needed to investigate whether adequate data could be collected from the host or contact would need to be made through the host with the visitors.

- 6.3.6 Furthermore there is no clear analogue for day visits to the approach described in 6.3.3. One approach would be for local interests wishing to have such data to approach organisations running national surveys with bids (in the dual sense of requests and funding) for questions in those surveys. Such questions could use a filter question along the lines of “Have you in the last week made a day visit to X” so that the effect on the majority of respondents would be very small. If there were a sufficient numbers of bids for such data the LDVS sample might be substantially enlarged but with a filter question for a large part of the sample to collect such data.
- 6.3.7 The improvements recommended in 6.1 for UKOS and SVVA would also support improved local statistics. In the case of UKOS this would be by the facility to stratify the sample and increase the sample size in those localities wishing to fund such an increase. For SVVA it would be through the increased focus on the response rate.
- 6.3.8 Local Visitor Surveys – despite their lack of statistical representativeness – are also important to some of those responsible for tourism at a local level. VisitScotland and Wales TB have both introduced a degree of standardisation into these surveys and are currently looking at the possibility of producing useful information by amalgamating surveys from different areas. A judgement of the value of doing this, and/or developing a standard methodology, standard core questions and best practice guidance for LVS on a UK basis, should await the outcome of these exercises in Scotland and Wales.
- 6.3.9 Various other types of surveys are run by TBs, local authorities etc. These have not been investigated in any detail in this review but there would be a case for assessing the value of greater standardisation of such surveys and sharing of the results.
- 6.3.10 Paragraph 5.3.8 identifies some priorities for the improvement of data used in the models which produce estimates of the volume and value of tourism for local areas. These are each addressed, in other contexts, elsewhere in this report; their value for local volume and value estimation of course adds to the case for those improvements.

#### **D: STATISTICAL REQUIREMENTS OF, AND ISSUES AFFECTING, TOURISM BUSINESSES AND THEIR ASSOCIATIONS**

- 6.4.1 As is noted in 5.4, a number of the recommendations elsewhere in this report – notably those concerned with panel surveys, timely statistics, and the accessibility of statistics – are of particular interest to tourism businesses, particularly the larger ones, and their associations.
- 6.4.2 As is also noted in 5.4, the collation of data for benchmarking between businesses is largely a matter for the businesses and their associations to operate, and not for central bodies. However, in the interests of

- Comparability between the simpler elements of benchmarking data and the national and regional statistics, and
- The use of single data collections to support benchmarking and provide data for national surveys

it is highly desirable that national definitions and standards are set in consultation with industry; and that once they have been established, industry benchmarking exercises use those standards.

6.4.3 Existing benchmarking exercises should also provide a key element in the development of panel surveys (6.2.2), providing frequent timely indicators covering a wider range of variables than can be collected in the main statistical surveys.

6.4.4 Many businesses conduct their own surveys of the characteristics of their customers and their satisfaction with the service they receive. In this context, it is relevant that a number of consultees pointed out that attraction operators need a considerably wider range of data than is collected in SVVA. For marketing and product development purposes they need a better idea of the characteristics of their, and others', visitors including:

- A core set of information, including information on income and employment, agreed nationally between operators and other potential users of the data;
- A split between tourism and other visits;
- Classification by purpose (e.g. education) of visit;
- Identification of repeat visits and frequency of visit;
- Identification of other attractions visited;
- Information about the nature (e.g. family outing) of group visiting.

A proposal, from the Moffat Centre, to collect such data in the Survey of Visits to Visitor Attractions was not accepted by VisitScotland, for reasons of cost, relevance and the ability of the attractions to provide such data. Given the difficulty experienced in obtaining much less detailed data from operators such an extension to SVVA would almost certainly be impractical. However there could be merit, (both to increase the value of such information to those who do collect it, and as a step towards the possible inclusion of such data in the panel surveys of the type suggested at 6.2.2), in investigating the types of information, and definitions, used by those businesses who do collect such information and seeking to negotiate common standards. Any such investigation should be in collaboration with trade associations and the Best Practice Forum.

6.4.5 An extensive – but doubtless incomplete – list of types of statistics of value to the tourism community, and tourism businesses in particular, is at 5.4.3. Any website (6.6), or other one-stop shop development designed to maximise the ease with which the sector can access relevant statistics, should cover such statistics as well as specifically tourism statistics.

6.4.6 Turning to the concerns about data collection listed in 5.4.4, the use - subject to detailed investigation - of EnglandNet to:

- Collect UKOS and SVVA data;

- Make them accessible as appropriate to local TBs and DMOs, trade associations, etc, on receipt and;
- Promptly disseminate national, regional and local results to the same organisations and to responding businesses,

would:

- Represent an appropriate use of an IT infrastructure which will, for other purposes, be receiving data from and sending data to many of the businesses and other organisations concerned;
- Facilitate the closer involvement of local TBs, DMOs and trade associations in encouraging businesses to respond and in explaining the value of the statistics;
- Facilitate the use of a single return from a business for local, trade association and national purposes (this may in some cases involve obtaining data for these surveys from associations rather than sharing data collected for the national surveys with the associations).

6.4.7 For this to be pursued it would also be necessary for EnglandNet to

- Establish and maintain a suitable procedure for collecting data from those businesses not using EnglandNet, including those who do not have IT capacity;
- Develop ways of deriving the required data direct from the administrative IT systems used by some businesses;
- Establish arrangements, where it would be more convenient to the businesses, for obtaining UKOS data from central reports from hotel groups;
- Match their list of businesses with any fuller list of the type proposed at 6.1.33, to provide fuller coverage to form the basis for statistically structured samples;
- Hold any details of businesses derived from the IDBR and any data provided – by ONS or by businesses - for statistical purposes only as confidential.

6.4.8 For UKOS, and any monthly survey of attractions, the aim should be to provide monthly results – local (for their own area and others), regional and national – to users within the month; in addition to, as at present, providing responding businesses with a comparison of their figures with those for the county and region. The contacts between EnglandNet, RTBs, LAs and DMOs and the businesses, and the IT underpinning, should make this a realistic aim.

6.4.9 In advance of any such development – and even more so if it were decided not to proceed with such a development – active steps should be taken to further involve trade associations and local tourism interests in encouraging businesses to participate in the surveys.

6.4.10 There is a perception, and evidence, that there is considerable overlap and duplication of data collection from businesses. This can reduce businesses' willingness to respond to surveys. It is thus important that steps are taken to identify, and wherever possible eliminate, duplication of enquiries and achieve the single collection and multiple use of data from businesses. While the IT

underpinning the use of EnglandNet, or something similar, could provide would greatly help in this; steps in this direction should be attempted more quickly than the use of EnglandNet is likely to be achieved.

- 6.4.11 A number of associations and other bodies (including Profit through Productivity) have indicated a willingness to share data – so as to reduce the demands for data from their members – and to negotiate standard definitions and the inclusion of core questions in their collections. For example the possibility of using data sharing to reduce the data collection for the “How’s Business” surveys operated by some RTBs should be considered.
- 6.4.12 Steps should be taken to bring together as many as possible of the organisations collecting data from, e.g., accommodation providers, and identify ways of reducing the number of collections while not reducing the availability of data. It will almost certainly be necessary to make some changes in what is collected, and to develop efficient procedures for making providers’ returns simultaneously available to all relevant organisations to whom the provider is willing to provide data
- 6.4.13 More generally, it is important to the quality of various of the tourism statistics that tourist business and their associations are seen, and treated, as partners in the development of those statistics. The important specific issues related to this, (listed in 5.4.4), have each been addressed elsewhere in this chapter in different contexts, but it is important that the right general tone is set. As part of this, a forum of business representatives should be established to review all collection of tourism data from businesses, promote standardisation and data sharing, and advise on the development of panel surveys. It is for consideration whether this should be combined with the collectors’ group proposed in the previous paragraph.
- 6.4.14 The involvement of business, and their associations, in determining standard definitions, should not be confined to data to be collected from business.
- 6.4.15 The explanation of the value of data, and the engagement of trade associations, could be of particular importance in any attempt to collect detailed input-output data for use in TSAs.

## **E: TIMELINESS OF TOURISM STATISTICS**

- 6.5.1 In the first part of this section we consider each of the main surveys.
- 6.5.2 As indicated at 5.5.3 the results from the UKTS are available as quickly as it would be reasonable to expect, except that
- Results for the regions of England should be made available quarterly, as are those for Wales;
  - If, for reasons of quality, the recall period was reduced to one month a corresponding increase in timeliness could be expected;

- A considerable number of users did not appear to be aware that any results were available before the annual report on the survey.
- 6.5.3 User satisfaction could be improved, at little cost, by effectively advertising the timetable for the production of key results from the main surveys; this should be done as a matter of urgency. However a full range of key tables is not available with the first results – e.g. the tables required for the EU are delayed further beyond the EU deadline because they are not produced with the first results. One of the lead organisations for tourism statistics should agree a set of key tables with users and these should be produced as soon as first results are available.
- 6.5.4 As is recommended elsewhere the LDVS should become a continual survey. In that event - and subject to the possibility that the sample size may result in it being inappropriate to produce regional results for periods as short as for UKTS – results should be expected on no less timely a basis as those from UKTS.
- 6.5.5 The timeliness of IPS results is limited by the timing to which the data needed to gross up the sample becomes available. The need for routine revisions – which of course equates to a further delay in the availability of the final statistics – reflects the later availability of the data needed to fully refine the grossing.
- For monthly results provisional passenger figures from BAA (not complete for all airports), DfT, and Eurotunnel are used;
  - For quarterly results BAA data are replaced with data from CAA which covers all airports;
  - For annual results other data (e.g. from the Irish Republic’s CSO, and final interliner data) are also available for use.
- 6.5.6 A consideration of the 2002 data confirms that the final results can differ appreciably from those first released. Even if one looks only at the quarterly figures (not including the quarterly figures that can be derived by summing the first published monthly figures) the revisions when the final annual figures became available were, for the quarters in turn: -0.6%; +1.4%; -1.0%; and +4.7%. These revisions, while not dramatic, are not trivial in relation to typical annual changes in the order of 2%.
- 6.5.7 ONS have achieved some improvement in the timing with which the data needed for grossing are available, and do not believe that the suppliers can make any further useful improvements. It does not seem that more can be done to improve this situation than for ONS to periodically revisit the situation with the suppliers of the grossing data.
- 6.5.8 Proposals that would be expected to improve the timeliness of UKOS (incidentally allowing the EU deadline for such results to be met) and SVVA are made at 6.4.6-9. In the shorter term it remains to be seen whether the imminent new system for UKOS, which will give VisitBritain and Visit Heart Of England (who are responsible for coordination of the regional surveys) access to the micro data, will lead to timeliness improvements –particularly for

England and the UK results and local results for areas other than the respondent's own area – in UKOS. If it remains the case that UKOS results are delayed because of the tardiness of one or two RTBs the possibility of producing provisional results pending the arrival of the data for those areas should be investigated. As a first step an assessment should be made of how accurate they would have been if they had been produced for past periods. Turning to the SVVA, and pending any improvements along the lines proposed in 6.4, one might consider arranging for the SVVA data collector to share the non-confidential data for their areas with TBs as the data are provided by the operator.

- 6.5.9 The proposals for panel surveys (6.2) would also provide timely statistics for a variety of users.
- 6.5.10 Related to users' interest in timely statistics is their interest in projections. TSAs (the data needs for which are considered in a later section) could provide a basis for social account matrix-based modelling and hence projections. The proposals at 6.2.5 will also address this issue by improving the data available for econometric modelling and hence forecasting.

## **F: DISSEMINATION OF STATISTICS**

- 6.6.1 It would be
- Consistent with good statistical practice,
  - Welcome to many of the users consulted in this review, and
  - Likely to increase media – and hence public - interest in the results
- for key results from each of the main surveys to be promptly published in a publicly available Statistical Release. This release should be widely publicised in particular to the press. In the interests of demonstrating the independence and integrity of the statistics, the Release should follow the relevant NS standards about neutral presentation, pre-announced publication dates and restricted access to the statistics in advance of publication.
- 6.6.2 Turning to the dissemination of statistics to the tourism community, the concerns expressed by consultees in part reflect a patchy knowledge of what data exist and how to find it. There is a clear need for a well advertised service providing
- Not only the official tourism statistics but also a range of other statistics of interest to the tourism community such as those identified in 5.4.3;
  - Readily accessible and clear statements of the coverage, definitions and underpinning methodology – and hence advice on quality and reliability - of the available statistics and of the range of analyses that each source can support;
  - Indications of when the next statistics from each source will be available;
  - Advice on how secondary analysis of existing data can be arranged (the present service for UKTS does not appear to be uniformly well known);

- Possible access to the base data for some sources in a format which allows the user to perform their own secondary analysis.
- 6.6.3 In developing a system – preferably, in terms of efficiency and achieving suitable prominence, one for the UK - to make such information effectively available it is, of course, important that potential users are fully consulted. The best approach may well be a mixture of website and periodic summary reports in hard copy (for example timely regional free fact sheets would be particularly welcomed by a number of the industry representatives who were consulted); both of which would need to be well advertised. The consultation should also cover content as well as format. Users should be consulted both about the range of statistics to be included (for this the list at 5.4.3 could be a useful starting point) and about what tables should be produced as standard from each survey and included in the website. As is evidenced by the point made at 5.6.5 it is important to ensure that users’ responses to such a consultation are not limited by a misunderstanding of the range of analyses that a survey could support.
- 6.6.4 It will also be important to consider to what extent data should be included on the site and to what extent the site should explain how to obtain data. It may, for example, be appropriate for some topics to include national and regional statistics on the site and provide advice, and/or hyperlinks to other sites, on how to obtain statistics for smaller areas. As part of this, those developing such a site should ensure that it underpins and complements – and does not compete with, or duplicate work for - any dissemination of tourism statistics by Regional Observatories.
- 6.6.5 Furthermore, users seeking tourism statistics from the National Statistics website should be referred to this site; with a warning that many of the statistics it contains are not National Statistics. Pending the development of the new site, ONS and DCMS should work together to improve the user service provided by the NS site.
- 6.6.6 It may be argued that such extensive free availability of statistics is inappropriate and users should be charged for access to the statistics. This review does not accept this as widespread use of the best available statistics is in the national interest (through the beneficial effect it should have on the performance of the tourism industry and the quality of decision taking in relation to the industry) and the costs of attempts to charge for the statistics can be expected to be large relative to any likely level of income generation. Furthermore, the statistics are being collected because their value to the main users cost-justifies them; for example other sections of this review argue that the cost of data for benchmarking between businesses should not be borne by the public purse and the cost of local statistics beyond the limited local information that may be derived from national surveys should be borne by the local interests. We, however, envisage that tourism organisations should continue to provide, and charge for, ad hoc analysis services which would provide results not included in the routine statistics. It is not unlikely that wider access to, and use of, the routine statistics would increase the demand for such additional analyses.

## **G: ORGANISATIONAL RESPONSIBILITY FOR TOURISM STATISTICS**

- 6.7.1 The issues outlined in 5.7 indicate a need for clear and accountable responsibility for implementing improvements of the type described in this report and for maintaining an adequate status for, and ongoing strategic development of, tourism statistics. It is important that those to whom such responsibilities are given are:
- Adequately resourced (in terms of skills as well as funds);
  - Not limited by the other responsibilities and interests of the organisation(s) within which they work;
  - Clearly and transparently accountable to users of the statistics, and not only to their line management.
- 6.7.2 While it might be possible to allocate relevant responsibilities between various organisations, the necessary work is very likely to be more effectively and efficiently undertaken if these responsibilities are brought together into a single unit. The establishment of such a unit, which the review calls a Tourism Statistics Unit (TSU), is recommended. Such a unit should have explicit responsibilities for the development and maintenance of adequate tourism statistics and be judged against those responsibilities. Performance against an action plan prepared as part of the response to this review could be one basis for such a judgement. The unit would need an appropriate level of skilled staff and other resources. Its responsibilities should include:
- a) Development and maintenance, in consultation with the industry and other users, of a strategic programme to ensure the production, dissemination, and exploitation of a sufficient range of statistics of adequate quality;
  - b) Clear, timely and neutral dissemination of tourism statistics and indicators based both on formal statistical sources and on administrative and other sources;
  - c) Commissioning, and quality controlling, efficient national data collection;
  - d) Establishing, and disseminating, best practice standards for local and sectoral data collection and for the maintenance of confidentiality where the data source requires it;
  - e) Influencing local, regional and sectoral data collection to maximise the
    - i. Use of best practice standards
    - ii. Joint use of single data collection for more than one national/local/sectoral purpose
    - iii. Availability of the data for secondary analysis
    - iv. In doing this it should build on existing activity and good practice in NTBs, RTBs and elsewhere; and consider the possibility of developing and operating a good quality kite mark (as Christopher Allsopp recommends, in the broader context of his first report from the Review of Statistics for Economic Policymaking, should be introduced by ONS) for such surveys;

- f) Facilitating secondary analysis, by e.g. NTBs, RDAs, RTBs and trade associations, of a full range of tourism data;
  - g) Developing and maintaining the dissemination arrangements described in 6.6;
  - h) Challenging press and other comments based on partial or inaccurate information; and encouraging media use of the statistics it disseminates;
  - i) Working in consultation and collaboration, building on and improving the existing collaboration, with the relevant organisations both public and private; including Regional Observatories;
  - j) Representing UK at international meetings concerned with tourism statistics and for compliance with EU Directives;
  - k) Enhancing the perception of tourism statistics, by ensuring that appropriate parts of the National Statistics Code of Practice are followed; and, where and when appropriate, in seeking National Statistics status for the main series;
  - l) Acting as a central focus if additional data need to be collected in times of emergency so as to lessen the risk – which was apparent at the time of the foot and mouth outbreak – of overlapping and un-coordinated collections.
- It is recommended that priority should be given to finalising a statement of the responsibilities of a TSU.

6.7.3 It is important that whoever-TSU or not- assumes responsibility for any development of tourism statistics takes full account of the points in 6.4.6-13. In a number of cases this will mean extensive consultation as part of the planning of a specific development.

6.7.4 To ensure the TSU's sensitivity to user requirements, there should be an Advisory Group with the right to be consulted about all aspects of the unit's work and plans. This should represent all the main interests including:

- DCMS
- Scottish Executive
- Welsh Assembly
- National, regional and local tourist boards
- Trade associations
- Local Authorities
- RDAs

Such an Advisory Group would supplement, and in no way be a substitute for, the TSU continually liaising at a working level with the tourism business community and others. It may also be appropriate to establish an executive group of those organisations able to exert a significant influence on the size of the unit's budget.

6.7.5 The TSU would not be responsible itself for collecting data nor for preparing the basic report on each survey. It would have a commissioning, expert customer and quality assurance role for the main surveys. For example household surveys would be commissioned from survey organisations (ONS if they are linked to the CPS); surveys of accommodation providers and attraction providers could be commissioned from EnglandNet or elsewhere. It would also not seek to duplicate the interpretative role of NTBs, Regional Observatories etc.; rather, it would disseminate the key statistics and make the

underlying data available so that others could prepare and disseminate interpretative analyses. Nor should it take over the present responsibilities of Tourist Boards, RDAs and others for research – for example surveys of the type described in 5.8.1,2 could well be led from a NTB. It would, however, seek to maximise the use of existing statistical data in such research, and the use of standard definitions in any data collected for such research.

- 6.7.6 For statistics about the workforce - and related issues such as skills, training and the perception of careers in tourism – a TSU would work closely with the Sector Skills Council for Tourism to influence those – primarily ONS and LSC – with responsibility for such statistics across the whole economy. The unit’s responsibility for ensuring that relevant data are well disseminated to the industry would extend to these data, as indeed to a range of other statistics not specifically related to tourism, as a common route is an essential part of effective dissemination.
- 6.7.7 If it is decided that such a unit should be established a second, subsidiary, decision will need to be taken about where it should be located.
- 6.7.8 Some of the consultees proposed locating the TSU in VisitBritain. They saw the advantages being:
- a) VisitBritain and its partner organisations are the main users of the data derived from the national surveys;
  - b) The marketing functions of VisitBritain and its constituent partners depend on the statistics, and on related research;
  - c) The strong links and synergy between the main national surveys and other research require co-location;
  - d) The value of data is dependent on its dissemination in usable form which VisitBritain is well placed to ensure;
  - e) VisitBritain has the staff resources and links for knowledge and involvement in tourism necessary to inform data specification;
  - f) VisitBritain has the overseas network linkages (ETC, WTO) necessary for exchange of best tourism practice;
  - g) With a unit in VisitBritain it would still be possible for the independence and integrity of the main surveys to be assured by giving ONS direct control of their conduct and specification; such an arrangement might also give the TSU access to other data collected by ONS.
- 6.7.9 However there are counter arguments:
- a) There are dangers – as were noted in the review – in particular users being especially, and organisationally, influential in decisions about the coverage and nature of statistical sources; a TSU located outside VisitBritain would of course expect to draw on the relevant expertise of VisitBritain staff;
  - b) There are many examples of good quality research – often using statistical sources – being undertaken by units neither organisationally nor physically located with those responsible for the relevant statistics;
  - c) The preparation and dissemination of interpretative reports using national statistical and other sources would not be a TSU

responsibility; a separate unit with specific responsibility for the dissemination of key statistical series would be expected to achieve significant improvements – as identified in the review – over the present NTB led arrangements for such dissemination;

- d) ONS control of aspects of a VisitBritain unit would introduce complexity, increase cost through a degree of duplication, and risk conflict; it would be unlikely to provide the same degree of access to ONS data as could be possible for a unit in ONS.

6.7.10 In the review's opinion the clear balance of advantage lies with the TSU being located in ONS; perhaps jointly with an academic institution. The advantages include:

- a) It would make it easier for the unit to have a UK remit, which is very desirable;
- b) The user community would recognise the independence and integrity of a unit located in ONS – many consultees have expressed this opinion – and of the statistics it produced;
- c) It would provide ready access to senior experienced government statisticians as and when the need for such access should arise;
- d) It may also facilitate access to relevant data collected, primarily for other purposes, by ONS;
- e) It could be easier to convince businesses that the data they provide as confidential would be used only for statistical purposes;
- f) It would clearly reflect the expectation that the establishment of a central TSU would not imply any change in the location of responsibilities for tourism policy and delivery;
- g) The perceived risk of the unit's resources or priorities being influenced by non-statistical priorities would be avoided.

Furthermore, location in ONS would clearly signal an intention to break with past practise and give a new priority to the establishment of statistics of adequate quality.

6.7.11 In the detailed planning of a TSU, consideration might be given to establishing the unit as part of ONS but physically locating it with VisitBritain so as to get the benefit of readier, and less formal, contact with tourism experts than might be achieved by phone, email and visits.

6.7.12 Subject to the more careful consideration that will be necessary if a decision to create such a unit is taken in principle, the unit might consist of three statisticians of different grades, a web site developer and maintainer, and some administrative support. This, which would represent a small unit in relation to the number of statisticians working on many other industries, might imply staffing costs of the order of £250,000 per annum. The unit would also need the resources to fund the main surveys (improved as recommended elsewhere in this report). It is assumed that with a small unit additional accommodation and similar costs would not arise.

- 6.7.13 Some resources for the unit might be transferred from organisations with existing responsibilities in this area. The extent to which transfers can appropriately be made should be examined during the preparation of the Action Plan. However there can be no doubt that – whether or not a TSU is created – a net increase in resource devoted to the planning and development of tourism statistics will be needed if the improvements identified in this review are to be achieved. Initially one might envisage transfer of one post each from DCMS and VistBritain plus the funding presently devoted to the five main surveys. In the longer term one would need to ensure that the implied ring fencing of the data budget did not prevent users from having a sufficient influence in ensuring an adequate TSU budget.
- 6.7.14 While organisational change of the type described in this section – and extensive improvement to at least 3 of the 5 main surveys - is important for the future health of tourism statistics, this report makes a considerable number of recommendations which could lead to significant improvements quickly and relatively cheaply. Unless a TSU is established almost immediately, resources should be sought to allow the immediate appointment of a statistician (or experienced assistant statistician) – initially in DCMS but with the intention that they would join the TSU when it was established – to progress these recommendations. Alternatively, though the continuity benefits of employing someone who would in due course become a member of a TSU would be foregone, a statistician could be commissioned on a one year contract to take this work forward. This should not await completion of the Action Plan. The relevant recommendations, as numbered in Chapter 8, include
- 3a. Agreeing with ONS how to modify the analysis of the IPS to maximise – within the constraints of the existing questionnaire – consistency with UKTS and standard tourism definitions;
  - 3c(part) Agreeing with ONS an improved grossing procedure for IPS regional statistics;
  - 3c(part) Identifying demand and resources for additional interviewing to improve IPS regional statistics and negotiating such a development with ONS \* (see 7.16);
  - 3d. Identifying funding sources for IPS expenditure trailer and negotiating its inclusion with ONS \* (see 7.16);
  - 3f. Ensuring that in 2005 ONS press suppliers of IPS grossing data for more timely data;
  - 3g. Comparing the costs and benefits of using IPS or UKTS for some data about UK residents going abroad;
  - 9e. Ensuring adequate liaison about possible data developments with providers of models to estimate local volume and value of tourism;
  - 10a. Establishing route for influencing statistics on employment, skills, careers, etc;
  - 10b. Ensuring tourism interests are taken fully into account in review of the SIC;
  - 10c. Establishment of a standard nomenclature for different definitions of tourism related industries;
  - 10d. Commissioning and disseminating statistics of employment in tourism related industries for local areas;

- 10e. Determining which economic statistics should be produced for tourism related industries;
- 11a. Consulting on a draft list of statistics for inclusion in a tourism statistics website;
- 11b. Advertising the timing to which tourism statistics become available;
- 11c. Consulting on formats for standard tables to be available from main sources at the same time as first results;
- 11d. Ensure that the recent UKOS system maximises the timely availability of results;
- 11e. Identify with contractor a way of making local SVVA data available to TBs more quickly;
- 11g Ensuring the NS website provides appropriate information about tourism statistics;
- 13c Providing a focal point for NTBs and others to consult when planning any occasional and/or research surveys to ensure consideration of whether the survey could be used to develop questions for the regular surveys;
- 13d. Maintaining contact with work on inter regional benchmarking of tourism performance, and the developments of the EU's QUALITEST and of sustainable tourism indicators to ensure that they take full account of measurement practicalities and production of any necessary data is planned.

Such a statistician might also make useful early progress on other recommendations including:

- 1. Planning the necessary work on reviewing aspects of UKTS and LDVS;
- 1d. Identification of sources of funding for improvements to major surveys; and in particular for early introduction of continual LDVS;
- 4a. Planning for the pilot improvement of business register;
- 8a. Establishing the forum to consider standardisation and sharing of data from businesses and development of panel surveys;
- 9a-c. Planning for work to pilot local surveys.

6.7.15 In this way such a statistician would make major contributions to the timely availability of relevant statistics to the tourism community, the improvement of IPS based tourism statistics and of relevant employment and related statistics and would maintain the momentum towards, and begin to lay the foundations for, major improvements to national, regional and local tourism statistics. Some relative priorities between the tasks listed in the previous paragraph are identified in Chapters 7 and 8 and should inform the work programme of any statistician appointed in response to this recommendation.

6.7.16 Such an appointment might cost £50,000 per annum (including salary costs travel and subsistence and support costs). In addition to making significant progress on the substance of recommendations from the review it would signal a clear intention to achieve improvements in tourism statistics. Only the two actions marked \* in the above list should be limited by success in identifying further additional resources.

## **H: OTHER ISSUES**

6.8.1 Surveys of the type described in 5.8.1, 2 are research exercises rather than the basis of statistical series. While it is appropriate for any tourism organisation to take the lead on such surveys, it is however important to their quality, and that of tourism statistics generally, that whichever organisation takes the lead

- Consults widely, including with any TSU, at the planning stage;
- Considers whether the development and testing of questions suitable for inclusion in the main statistical surveys should be part of the objective;
- Uses existing standard questions whenever appropriate;
- Makes the results and data widely available.

6.8.2 Statistics about the workforce (and related issues such as skills, training and the perception of careers in tourism) which are of interest to a wide range of users of tourism statistics fall into a different category from the other main sources of tourism statistics. In the interests of quality, efficiency and comparability with other industries they should be produced by those with responsibility for such statistics across the whole economy; that is primarily ONS and LSC. The most appropriate body to influence ONS and LSC in this context will be the Sector Skills Council for Tourism who will, of course, need to liaise widely with the whole tourism community, including the Best Practice Forum and any Tourism Statistics Unit.

6.8.3 However on the three specific issues identified in 5.8.3 DCMS, in collaboration with the TSA project, should be able to make progress building on their present activities.

6.8.4 The tourism industry is demand- or user-defined (rather than - as is conventionally the case for the definition of an industry – producer, or provider, defined). Therefore the industry cannot be defined, or properly reflected, by the SIC classification of businesses – for example a bar may be simultaneously serving tourists and locals. However there are aspects of the SIC which could be refined to provide a better – though still imprecise - identification of tourism; these are being pursued by DCMS as part of the SIC review.

6.8.5 Perhaps not surprisingly, therefore, there is more than one definition of tourism related industries. For example DCMS use two in different contexts, and some statistics of employment in tourism related industries are based on a combination of the industry in which people work and their occupation. It can certainly be argued that there are good reasons for the variety of definitions for use in different contexts but it should always be clear which definition a particular set of statistics is following. To that end it would be useful to establish a nomenclature using different titles for different definitions (and to terminate the use of any unnecessary alternative definitions).

6.8.6 A number of users wanted statistics of employment in tourism-related industries for smaller areas, similar to the national statistics of workforce jobs which DCMS produce, from the ONS statistics for relevant SICs. ONS advise that:

- The employee element could be produced (for the aggregate of tourism related industries and for the larger areas some subdivision of that total) annually from the ABI for each county;
- They are currently conducting statistical research to determine, in a more general context, the degree of detail in which LFS results can be released for counties and small areas.

DCMS should liaise with ONS so that the most useful possible statistics are widely accessible as soon as the statistical research is completed.

6.8.7 A number of the developments of employment and job statistics likely to flow from the current review of employment and jobs statistics will be of value in the context of tourism statistics. These include a greater focus by ONS on the estimates of change in employment between years (which for some tourism industries have in the past been implausible), and improvements in the quality of SIC coding in the Labour Force Survey.

6.8.8 As noted in 5.8.5 there is also a potential interest in economic statistics for businesses in tourism related industries. ONS could make available quarterly UK, and annual regional, statistics for tourism related industries in aggregate and for some individual industries within that aggregate. These statistics could include:

- Net capital investment
- Turnover
- Gross value added
- Output
- Capital stock

6.8.9 DCMS should, in consultation with ONS and the TSA projects, determine which of these statistics might be most useful for TSAs and for tourism purposes more generally, and arrange for them to be produced and made readily available to the tourism community.

## CONSIDERATION OF PRIORITIES

- 7.1 Chapter 6 develops responses to the various issues about the collection, preparation and management of tourism statistics identified in Chapter 5. These responses are formalised as recommendations in Chapter 8. The current chapter provides an initial assessment of the relative priority of those recommendations, taking account of user needs as represented to the Review and its judgement of the significance of the desired improvements. References to the recommendations as numbered in Chapter 8 are included in square brackets in this chapter. Refined assessments of priority will need to be developed in the light of available resources and updated assessments of the likelihood of successful implementation. This should be taken forward in producing and implementing the Action Plan.
- 7.2 In order to produce firmly based statistics for the countries of the UK and regions of England – (for monitoring the volume, value and nature of tourism and for use in decision-taking) it is necessary for the statistical quality of the main surveys to be improved. If Government and the industry are committed to improving the evidence base, additional funding will need to be made available to allow these improvements- this should be done as soon as possible. [1 to 5]
- 7.3 Nevertheless, many aspects of these important developments are necessarily relatively long-term processes. For example:
- UKTS and/or LDVS cannot realistically be merged with CPS before 2009;
  - Due to the imminent expiry of the present contract, the job of running the UKTS is being tendered on essentially the present basis up to and including at least 2007;
  - The establishment of a good quality accommodation register may prove to be a lengthy process and is a pre-requisite for substantial improvement to UKOS.
- Furthermore, the improvements will be expensive – perhaps of the order of £8m per year when fully implemented, though many of the elements of recommendations 1, 2 and 3 propose evaluation of possible ways of reducing that cost. Within the major and most costly developments, priority should be given to establishing, as soon as possible, a continual LDVS covering business as well as leisure trips [2d], and improving the register of businesses [4]. The first of these will address the major gap (as distinct from concern about quality) in the available statistics. The second, in addition to providing useful information in its own right, will provide:
- An essential basis for an improved UKOS [5];
  - Improved input to models used to estimate local volume and value of tourism;
  - An essential basis for an attempt to produce statistics similar to those available for large areas from UKTS and IPS for relevant local areas[9].
- 7.4 Also of fundamental importance is the establishment of a Tourism Statistics Unit [14] with clear responsibilities and accountability for the development, maintenance and dissemination of tourism statistics. This would be considerably

less expensive at approximately £250,000 (less the value of any posts transferred from DCMS or NTBs, for professional staff, T&S and support costs). Pending the establishment of such a unit, the immediate appointment of a statistician [14a](costing up to perhaps £50,000 including T&S and marginal support costs) with specific responsibility for progressing various of this report's recommendations – as listed at 6.7.14 - would allow important significant progress to be made and would provide early evidence of a clear intention to improve tourism statistics. We recommend that resources should be sought to allow such an appointment to be made without awaiting the completion of an Action Plan in response to this review. The amount of progress that could be made would be greater if an additional £50,000 were available to fund pilots and other input from survey experts.

- 7.5 As may be inferred from this, the report has identified important improvements which can be progressed at considerably less cost than the fundamental improvement of the main surveys. These include:
- a) The development of panel surveys building on data presently collected by a number of organisations [8];
  - b) Improved, and more timely access, to a wide range of relevant statistics [11];
  - c) A range of improvements to the IPS [3];
  - d) Piloting the development of an adequate list of tourism businesses [4a]- this is particularly important as it underpins the proposals to improve UKOS and the collection of statistics for local areas, and would improve the data input for models estimating the volume and value of tourism for local areas;
  - e) Piloting proposals for production of local statistics analogous to the national and regional statistics available from the main surveys-and developing guidance based on the pilots [9];
  - f) Focussing SVVA more tightly on visitor numbers [6a];
  - g) Ensuring availability of a wider range of more clearly defined employment and related, and economic, statistics for tourism related industries [10]
  - h) Other more minor activities included in the lists at 6.7.14.

As noted in 6.7.14, an immediate start could be made on much of this through the appointment of a statistician working full time on progressing the relevant recommendations. Full implementation of these recommendations would require:

- i) A TSU of a slightly lesser scale than recommended at 6.7.12, reflecting the exclusion of work on some of the recommendations of this review – notably those concerned with UKTS and LDVS- giving a staff and T&S cost of perhaps £175,000 p.a.;
- j) Commissioned work on panel surveys of perhaps £50,000 p.a.;
- k) Perhaps £100,000 p.a. (plus £50,000 one-off set up costs) for additional IPS interviewing;
- l) £75,000 p.a. for inclusion of the IPS expenditure trailer in alternate years;
- m) £25,000 for piloting the development of an adequate register of businesses;
- n) Perhaps £40,000 for piloting local survey methods;

Hence, (and allowing for some possible slight underestimation in the individual figures above) significant progress could be made through the establishment of a responsible and accountable unit with expenditure in the order of £500,000 p.a. Relative priorities between aspects of these various developments are indicated in Chapter 8; these should be taken into account by any TSU in planning its work programme.

7.6 The establishment of a full TSU, with an additional staff and T&S cost in the order of £75,000 p.a. plus a one-off sum in the order of £100,000 for the commissioning of various detailed designs and pilots, would allow the development of detailed, and more reliably costed, plans for the introduction of adequate major surveys. More specifically it would allow:

- a) Piloting of a combined UKTS and LDVS which, if successful, would substantially reduce the cost of an adequate survey programme, and also of the use of filter questions to increase the sample size for small regions [1a];
- b) Detailed investigation of the relative practicality, cost and benefits of achieving the necessary improvements to UKTS and LDVS (a) through merger with CPS and (b) outside CPS [1b];
- c) Detailed evaluation of the cost and value of the second month of the UKTS recall period [1c];
- d) Planning the handling of the discontinuity between the present and improved UKTS – though very important, this need not be planned in detail until the plans for the improved survey are relatively well advanced. [1g];
- e) Review of questionnaire content and classification detail, plus design of necessary additional questions [1f, 2a, 2b];
- f) Planning the national roll out of an improved register of businesses [4b];
- g) Development of an improved UKOS [5].

An additional annual resource in the order of £300,000 would enable the annual roll out of the improved register of businesses.

7.7 Other recommendations which are likely to be given less priority but would also be included in the remit of the TSU include:

- a) Evaluation of use of diaries for collecting expenditure data in UKTS – this seems very unlikely to be cost-effective and a detailed assessment could be dispensed with [1e];
- b) Revision of IPS or UKTS questions to increase consistency between the two beyond what can be achieved by refining the analysis of the IPS [3b];
- c) Costing of periodic covering of non-tourism trips in LDVS [2c];
- d) More frequent use of accommodation usage and transport usage questions in IPS, and addition of new questions (the user interest and the likelihood of obtaining agreement from ONS are both relatively low). [3e];
- e) Developing a refined classification of attractions [6b];
- f) Detailed consideration of the extent of the scope of SVVA [6c];
- g) Improving statistics of business tourism [12];

- h) Consideration of adding tourism questions to British Household Panel Survey (BHPS) and/or Target Group Index (TGI) [13a, 13b].

7.8 Development of TSAs will, as international experience shows, be a long-term exercise. The detailed prioritisation, scheduling of, and identification of funding for, the necessary work should be done by the DCMS UK TSA Project and the RDAs' England Regions TSA project, but priorities for immediate action should include [7]:

- a) Pressing ONS to schedule the production of official input-output tables for the regions of England;
- b) Maximising input of ONS expertise and data to any interim work on input-output tables and the TSA development as a whole;
- c) Planning the collection of necessary more detailed data from businesses;
- d) Reaching a consensus about which other data improvements – including in particular any changes to the classification of expenditure- would be most beneficial to TSA development. The proposals from this should then be the basis of consultation with a wider range of users.

7.9 Particular emphasis might usefully be placed on the need for high and urgent priority to be given to establishing a group [8a], representing all relevant interests, to critically review all collection of data from tourism businesses by central and non-central organisations in the interests of:

- a) Reducing the number of demands for data received by businesses;
- b) Ensuring that useful data collected by non-central organisations are made available for general use;
- c) Demonstrating partnership working with business;
- d) Establishing the widespread use of standard definitions;
- e) Developing panel surveys based on existing data collections and their extension.

Given the benefits that would be expected to accrue to businesses, this is an area where much of the work might be undertaken, or funded, by trade associations.

## LIST OF RECOMMENDATIONS

8.1 This chapter lists the recommendations arising from Chapter 6 and provides:

- References to the relevant paragraphs of other chapters of this report;
- Indications of:
  - Key elements of the recommended action;
  - Possible lead organisation
  - Priority – see 7.1;
  - Broad scale of cost- these estimates will need to be refined as the work is planned and defined in greater detail;
  - Initial timetable.

8.2 ‘TSU’ indicates lead to be taken by any Tourism Statistics Unit that may be established; if it is decided not to create a TSU, or work precedes (a decision on) establishment of a TSU, the lead should be allocated to DCMS or an NTB; where another lead is identified they should maintain close liaison with any TSU, or with a nominated NTB or DCMS.

RECOMMENDATION AND LEAD	PURPOSE AND IMPORTANCE	ELEMENTS AND REFERENCES	PRIORITY	COST	TIMETABLE
<p><b>1. Detailed review and redesign of UKTS and LDVS to achieve adequate sample frame and response rate</b></p> <p>LEAD: TSU with ONS survey experts and users of the surveys</p> <p>Note: the costs and timetables reported here are for the individual investigations: adequate surveys could cost about £7m p.a. in addition to the current level of spending though the work recommended here could identify less expensive options: merger with CPS unlikely to be an option before 2009</p> <p>7.2,3; 6.7.14, 7.5</p>	<p>To achieve the best practical survey - based national and regional statistics of UK tourism by UK residents</p> <p>Improvements essential if adequate statistical monitoring of tourism is to be achieved</p> <p>Temporal priority within this recommendation should be given to those aspects which support introduction of a continual LDVS covering tourism trips (see recommendation 2)</p>	<p>a. Pilot test the combination of main elements of UKTS and LDVS questionnaires into a single face to face questionnaire with telephone follow up when interview cannot be achieved at first visit, and using filter question to adjust regional structure of UKTS trip sample 6.1.8, 9, 21; 7.6</p>	<p>HIGH– key evidence on cost of survey of adequate quality: a combined survey and successful telephone follow up would each reduce costs; successful filter question would enable sample size increases for the smaller regions.</p>	<p>In order of £10,000</p>	<p>Immediate*</p>
		<p>b. Detailed review of relative practicality, cost and benefits of achieving adequate quality (a) as part of CPS or (b) as free-standing survey(s) 6.1.6-10, 16, 17; 7.6</p>	<p>HIGH- necessary precursor to detailed planning of adequate surveys</p>	<p>Desk exercise In order of £10,000</p>	<p>Immediate* (to fit ONS plan to consult on CPS in first half of 2004 and take decisions in 2005)</p>
		<p>c. Review the cost and value of the second recall month in UKTS 6.1.10; 7.6</p>			<p>2005 would be in time for any likely timetable for an improved UKTS</p>
		<p>d. Identify funds – mainly from DCMS, RDAs and NTBs – for improved surveys: initial focus in 2004 on funding an early and larger LDVS for tourism trips 6.1.5, 17; 6.7.14; 7.6</p>	<p>HIGH– will determine the achievable scale and quality</p>	<p>Desk exercise</p>	<p>2004 and ongoing</p>
		<p>e. Evaluate use of expenditure diaries 6.1.12; 7.7</p>	<p>LOW – unlikely to be cost effective</p>	<p>Could be subsumed into broader CPS development work</p>	
		<p>f. Review questionnaire content 6.1.8, 17; 6.7.14; 7.5, 6</p>	<p>HIGH – impacts on quality</p>	<p>Desk exercise plus piloting In order of £15,000</p>	<p>From 2004 – commencing with LDVS</p>

		g. Plan handling, including extent and cost of overlap between the surveys, of discontinuity between present and improved UKTS 6.1.11; 7.6	HIGH – important to users	Desk exercise	To fit start of improved survey
<b>2. Improvements to LDVS pending introduction of fully improved surveys</b>  LEAD: TSU with ONS survey experts and users of the surveys  Note links with Recommendation 1; in particular d and f  7.2; 7.3	To provide relatively frequent statistics of all tourism day trips thus filling a major gap in the range of national and regional tourism statistics	a. Design questions to extend to cover business tourism trips 6.1.17; 7.6	HIGH– this substantial element of tourism should be monitored; also important for TSAs	Desk exercise and piloting In order of £15,000	To fit into timetable for next LDVS
		b. Design questions to focus on tourism trips 6.1.18; 7.6	HIGH – will reduce survey cost		
		c. Cost the addition of non-tourism trips 6.1.18; 7.7	LOW – but necessary if relevant organisations are to be offered chance to fund addition		
		d. Establish LDVS as a continual survey producing at worst quarterly national results 6.1.17; 7.3	HIGH– many users of different types, and TSA developers, see statistics of day visits as being as important as those of overnight trips	Depends on outcome of preliminary work, and on sample size Est. £2-4m	As soon as resources can be found
<b>3.Improve IPS as a source of tourism statistics</b>  LEAD: TSU with IPS Unit in ONS; except for 3a on which Scottish Executive should work with IPS Unit- 3b should build on Scottish Executive work  7.2; 7.5	To provide improved incoming tourism statistics, particularly at regional level	a. Maximise the extent to which analysis of IPS data adopts UKTS/EU Directive definitions 6.1.31, 32; 6.7.14; 7.5	MEDIUM – good practice to adopt standard definitions where data allows	Low – analysis costs only	Aim for 2005 tables, and back series, on new basis
		b. Identify any further areas where consistency should be improved; by changes to questionnaire or to analysis of UKTS 6.1.14; 7.7	MEDIUM – could improve consistency and/or quality of statistics but not of major user concern	Low – desk exercise	To fit improved UKTS timetable
		c. Improve the sample structure and grossing procedure for regional statistics 6.1.23-25; 6.7.14; 7.5	HIGH – poor quality of present statistics is of user concern	Grossing: low sample: Perhaps £20,000 p.a. plus £10,000 set up per port	Aim to operate from 2005
		d. Identify resources to fund expenditure trailer in IPS and agree schedule for inclusion with ONS 6.1.26-28; 6.7.14; 7.5	HIGH– a frequently expressed need; resource availability should be tested	Identifying is a desk exercise Trailer: £150k for each year	Aim for inclusion in 2005

		e. Identify any questions which could be dropped to allow more frequent inclusion of questions on accommodation and transport 6.1.27,28; 7.7	LOW– user pressure for other questions probably greater than EU, and other user, pressure for a change	Low – desk exercise	As time allows, unless user pressure increases
		f. Ensure ONS periodically presses the suppliers to provide IPS grossing data more promptly 6.5.5-7; 6.7.14; 7.5	MEDIUM	Very low	Ensure pressure applied in 2005
		g. Compare costs and benefits of including accommodation type and booking questions for UK residents going abroad in (a) UKTS and (b) IPS 6.1.30; 6.7.14; 7.5	LOW– potential cost savings seem small and would lose comparability of UK residents’ spending at home and abroad	Low-could identify a cost saving	Aim for decision for 2005 surveys
<b>4. Improve registers of accommodation and other tourism businesses</b>  LEAD: TSU with custodians of business lists, RTBs and others  7.2; 7.3	Adequate list for accommodation providers essential for good quality EU statistics, valid UKOS and improved quality results from models of local volume and value; for other businesses, could underpin improvements to SVVA and statistics of business tourism	a. Develop lists, and procedures for their maintenance, in pilot areas 6.1.33-38; 6.7.14; 7.5	HIGH – essential to a range of important improvements to tourism statistics	In order of £25,000	Complete first half of 2005
		b. National roll out 6.1.33-38; 7.6	HIGH – subject to results of pilot	In order of £300,000 plus annual maintenance costs	Complete 2006

<p><b>5. Develop improved UKOS</b></p> <p>LEAD: TSU with maximum involvement of all those who may be able to influence businesses to participate and EnglandNet</p> <p>7.2; 7.3; 7.6</p>	<p>Essential for robust, national, regional and local statistics of occupancy and numbers of tourism nights</p> <p>Aim for structured sample, high response, quick results and feedback plus joint use of data with other surveys</p>	<p>a. Pilot survey in areas covered by improved register pilot (see 4a) 6.1.39</p>	<p>HIGH– pilot essential to design of improved survey</p>	<p>Depends on unknown factors such as nature of improved register; possibility of using EnglandNet in pilot</p>	<p>2005/6 following completion of register pilot</p>
		<p>b. Evaluate in detail the costs and benefits of using EnglandNet for surveys of businesses: relevant also to Recommendations 6 and 8 6.4.6, 7</p>	<p>MEDIUM– could have a major impact on efficiency</p>	<p>The evaluation is a desk exercise</p>	<p>Aim for decision no later than mid-2006 to fit 2007 introduction of improved UKOS</p>
		<p>c. Roll out national improved UKOS 6.1.39; 6.4.8</p>	<p>HIGH – substantial improvement to quality of national, regional and local statistics</p>	<p>Depends on outcome of pilot, sample size, and detailed design</p>	<p>2007; following national roll out of improved register</p>
<p><b>6. Improve SVVA</b></p> <p>TSU in close collaboration with representatives of operators and users</p>	<p>Users wish to see more complete and timely results from this source</p>	<p>a. Discontinue employment and income questions and use released resources to encourage greater response and less reporting of estimated figures 6.1.41; 7.5</p>	<p>HIGH – releases resources devoted to production of inadequate statistics of employment and income</p>	<p>Neutral</p>	<p>Immediate</p>
		<p>b. Develop more refined classification of attractions for use in presenting survey results: links to similar development for use in UKTS and LDVS at Recommendation 1.f and to register development at 4.a 6.1.19, 44; 7.7</p>	<p>MEDIUM– may make results more useful</p>	<p>Desk exercise</p>	<p>If undertaken in conjunction with the pilot of improved register – by mid-2005</p>
		<p>c. Review range of businesses covered by SVVA 6.1.45; 7.7</p>	<p>LOW priority for proactive consideration Respond to individual issues as raised by users</p>	<p>Low for reactive Uncertain for proactive</p>	<p>Reactive: ongoing Proactive: as resources permit unless decide to do as part of register pilot</p>

<p><b>7. Progress production of key data for development of TSAs for UK and regions of England</b></p> <p>LEAD: RDAs' England Regions TSA Project and DCMS UK TSA Project in collaboration with, in particular, ONS and RDAs</p> <p>7.8</p>	<p>TSAs will, in particular, provide a valuable means of assessing the economic scale of the tourism industry and its interaction with other industries</p> <p>Without adequate data reliable TSAs cannot be developed</p>	<p>a. Ensure production of best possible regional input-output tables 6.1.46; 7.8</p>	<p>HIGH– without good quality and consistent tables the benefits of TSAs cannot be achieved</p>	<p>Depends crucially on extent of involvement of non-tourism users</p>	<p>Pursue with ONS immediately</p>
		<p>b. Commission the consistent collection of the necessary additional detailed data from businesses 6.1.47, 48; 7.8</p>	<p>HIGH– without these data the benefits of TSAs cannot be achieved</p>	<p>Significant TSA contractor should be asked to advise</p>	<p>To be determined by the TSA Projects Account should be taken of the timing of other developments – e.g. questionnaire review for UKTS and LDVS</p>
		<p>c. Reach a consensus prioritisation of other data needs for TSAs 6.1.49; Appendix 6; 7.8</p>	<p>MEDIUM – the consensus view is that the most crucial needs are covered at 7. a and b above</p>	<p>Low – though the outcome may be expensive data collection</p>	
<p><b>8. Develop Panel Surveys</b></p> <p>LEAD: TSU to seek leadership from tourism business community</p> <p>7.5</p>	<p>To provide timely indicators of a wider range of variables than UKOS and SVVA can support</p> <p>Important to a wide range of users</p> <p>Multi use of data is particularly important in this context</p>	<p>a. Establish a forum to review all collection of tourism data from businesses and to promote standardisation, data sharing, and the development of panel surveys. Links to Recommendations 5 and 6 6.2.2-4; 6.4.2, 3; 6.4.9-14; 6.7.14; 7.5; 7.9</p>	<p>HIGH – the achievement of these objectives is important to business and the results from panel surveys are valuable, to many types of user but will not be achieved without active business involvement</p>	<p>Low – some of the work might be undertaken, or funded, by trade associations</p>	<p>Immediate*</p>
		<p>b. Introduce Attractions Panel Survey – analogous to Scotland's Attraction Barometer 6.2.2, 3</p>	<p>Depends on users' willingness to fund and operators' willingness to participate</p>	<p>Could make conditional on user funding</p>	<p>**</p>
		<p>c. Consult about future and development of NTBs' business confidence surveys 6.2.2, 3</p>	<p>HIGH – user awareness needs to be raised and views considered</p>	<p>Low</p>	<p>Immediate*</p>
		<p>d. Develop other panel surveys, based perhaps on Best Practice Forum data or extension of BHA surveys 6.2.1-4; 7.9</p>	<p>HIGH – considerable user demand</p>	<p>Possible private funding and/or use of existing data</p>	<p>An early start should be made – progress depends on businesses</p>
		<p>e. Review VisitBritain's Short Term Tracker survey of individuals 6.2.4</p>	<p>HIGH – user awareness needs to be raised and views considered</p>	<p>Low</p>	<p>Immediate*</p>

<p><b>9. Improve local statistics</b></p> <p>LEAD: TSU in close collaboration with others as shown for each element</p> <p>7.5</p>	<p>Considerable user demand for local area statistics and while this should be met from local resources there is an important central role in developing and testing methods, preparing standards and offering guidance</p>	<p>a. Pilot, and provide advice on, local surveys to supplement UKTS and IPS – TSU to involve RDA, RTB and industry representatives with influence in the pilot area(s) 6.3.2, 3; 6.7.14; 7.5</p>	<p>HIGH – very considerable user interest and these approaches should be piloted a.s.a.p.</p>	<p>In order of £40,000</p>	<p>Detailed planning to commence a.s.a.p.*</p>
		<p>b. Pilot survey questions to identify and obtain information about visits to stay with friends and relatives – TSU to involve ONS or other household survey expert 6.3.5; 6.7.14; 7.5</p>			
		<p>c. Pilot survey questions to identify and obtain information about tourism day trips to a particular area – TSU to involve ONS or other household survey expert 6.3.6; 6.7.14; 7.5</p>			
		<p>d. Review Scottish and Welsh experience of standardising Local Visitor Surveys – ONS to involve VisitScotland and Wales Tourist Board 6.3.8</p>	<p>LOW – unlikely to make a major contribution to improvement of available local statistics</p>	<p>Low – the NTBs will review for own purposes</p>	<p>To be set by the NTBs</p>
		<p>e. Maintain liaison with providers of models estimating local volume and value of tourism 6.3.10; 6.7.14; 7.5</p>	<p>HIGH – the detailed design of many of the actions in response to this report must take account of the needs of these models</p>	<p>Low – and model providers may be a funding source</p>	<p>Ongoing</p>
		<p>f. Establish a forum to review sample household and individual surveys conducted by TBs, s Local Authorities etc and assess scope for - and potential value of - best practice advice, standardisation, data sharing etc. 6.3.9</p>	<p>LOW – limited interest from users and no equivalent to the data providers concerns about the number of data collection exercises that applies for business surveys</p>		<p>**</p>

<p><b>10. Improve employment and related statistics for tourism industries, and the usefulness and exploitation for tourism purposes of economic statistics collected from businesses</b></p> <p>LEAD: TSU (initially DCMS) with Sector Skills Council for Tourism and ONS</p> <p>7.5</p>	<p>While for most users this is not a high priority, there is a wish for improved tourism employment statistics and the value of the economic statistics should be maximised</p>	<p>a. Establish a consultation route through which the sector can influence the Sector Skills Council for Tourism, and through them ONS and LSC and hence the development of statistics on employment, skills careers etc</p> <p>6.8.2; 6.7.14; 7.5</p>	<p>MEDIUM – these were not seen as the most important statistics by the majority of users but it is important that the sector has a well established route of influence</p>	<p>Low</p>	<p>As required by SSC for Tourism</p>
		<p>b. Refine the relevant areas of the SIC</p> <p>6.8.4; 6.7.14; 7.5</p>	<p>HIGH – important to many users though it will not be possible for the SIC to accurately identify tourism</p>	<p>Low – in progress</p>	<p>Need to meet ONS timetable</p>
		<p>c. Establish a standard nomenclature for different definitions of tourism related industries</p> <p>6.8.5; 6.7.14; 7.5</p>	<p>MEDIUM – such a nomenclature would aid clarity and reduce the scope for confusion but it was not high on users’ lists of concerns</p>	<p>Low</p>	<p>**</p>
		<p>d. Commission from ONS and disseminate statistics of employment in tourism related industries for local areas</p> <p>6.8.6; 6.7.14; 7.5</p>	<p>HIGH – clear user demand and the basic statistics exist</p>	<p>Low</p>	<p>Immediate*</p>
		<p>e. Determine which economic statistics should be produced for tourism related industries</p> <p>6.8.8, 9; 6.7.14; 7.5</p>	<p>LOW – little user interest unless TSA developers give it higher priority</p>	<p>Low</p>	<p>**</p>

<p><b>11. Facilitate ready and timely access by the tourism community to the wide range of relevant available statistics (and related meta data) and ensure better understanding of what is available and when</b></p> <p>LEAD: TSU With, for 11.d, VisitBritain and Visit Heart of England</p> <p>7.5</p>	<p>This recommendation reflects clear and extensive user demand - it is important that this is addressed so as to maximise the value of expensively obtained information (at relatively very little additional cost)</p>	<p>a. Consult on a draft list of the statistics which exist and are of interest to the tourism community 6.6.3; 6.7.14; 7.5</p>	<p>HIGH – a start should be made on this important development</p>	<p>Low</p>	<p>Immediate*</p>
		<p>b. Advertise widely in the tourism community the timing to which main survey results become available 6.5.3; 6.7.14; 7.5</p>	<p>HIGH – a number of users believe the statistics are less timely than they are</p>	<p>Low</p>	
		<p>c. Consult on formats for standard tables to be available with first results from each main survey 6.5.3; 6.7.14; 7.5</p>	<p>HIGH – key tables for a number of users, including EU, are not available promptly</p>	<p>Low</p>	
		<p>d. Ensure that the recent UKOS system maximises the timely availability of results 6.5.8; 6.7.14; 7.5</p>	<p>HIGH– present delays reduce value of survey to users</p>	<p>Low – intention of current development</p>	
		<p>e. Identify with contractor a way of making local SVVA data available to TBs more quickly 6.5.8; 6.7.14; 7.5</p>	<p>HIGH – the fact that these data are no longer routed via TBs has lost them a valuable source of timely data</p>	<p>Low – only requires existing data to be sent or accessible</p>	<p>Prepare project plan as part of Action Plan</p>
		<p>f. Develop, building on 11 a and c and information on existing sites – notably <a href="http://www.staruk.org">www.staruk.org</a> - a comprehensive statistics for tourism web-site 6.6.2-4</p>	<p>HIGH – this would represent an important resource to many users and would maximise the use of expensively obtained statistics</p>	<p>Perhaps £60,000 in the first full year of development</p>	
		<p>g. Ensure the National Statistics website provides an improved service for enquirers for tourism statistics 6.6.5; 6.7.14; 7.5</p>	<p>HIGH – present routing to Travel Trends report on IPS represents an inadequate service</p>	<p>Low</p>	<p>Immediate*</p>
		<p>h. Develop improved release practices – taking account of NS standards – for tourism statistics 6.6.1</p>	<p>This could contribute to the status – and media use – of the statistics; and give users valuable forward notice of availability of statistics- some aspects might be deferred until after improvements are made to the statistics</p>	<p>Low</p>	<p>Plan specific actions as part of Action Plan</p>

<p><b>12. Improve statistics of Business Tourism (in addition to extending coverage of LDVS)</b></p> <p>LEAD: TSU with Business Tourism Partnership and trade associations</p> <p>7.7</p>	<p>Most users did not identify this as a high priority - unless TSA development leads to it being given higher priority, the rate of progress (apart from aspects progressed in response to other recommendations) might reasonably be determined by the extent to which BTP are able to give a lead and provide resources</p>	<p>a. Improve business tourism statistics by developing standard survey questions identifying types of business tourism: links to Recommendation 1.f 6.1.3</p>	<p>LOW – could usefully be combined with other question development (see 1.f); some of which would have a higher priority</p>		<p>**</p>
		<p>b. Improve business tourism statistics by improving the registers of such businesses and the structure and size of responding sample 6.1.3, 37, 39</p>	<p>LOW – but some elements could efficiently be combined with other high priority work on registers (Recommendation 4)</p>	<p>Some funding may come from BTP</p>	<p>**</p>
		<p>c. Improve business tourism statistics by additional ad hoc surveys, for example: Conference Delegate Expenditure Survey, Incentive Travel Survey, Survey of factors affecting choices of purchasers of business tourism, Development of a Corporate Hospitality Survey 6.1.3</p>	<p>LOW- however the last element may be significantly addressed by new relevant data in BHA’s survey of Contract Caterers; and BTP may wish to lead and give higher priority</p>		<p>**</p>
<p><b>13. Miscellaneous recommendations</b></p> <p>LEAD: TSU</p>	<p>a. Add tourism questions to British Household Panel Survey (BHPS) to provide panel time series data of value for modelling purposes 6.2.5; 7.7</p>	<p>b. Add further tourism questions to Target Group Index to provide tourism information in the context of broader expenditure information of potential use for modelling purposes 6.2.5; 7.7</p>	<p>LOW- limited demand identified in the review; convenient opportunities to assess level of demand should be taken</p>		<p>**</p>
	<p>c. In conducting any occasional surveys, NTBs and others should consult TSU and consider whether the survey could be used to develop questions for the regular surveys 6.8.1; 6.7.14; 7.5</p>			<p>High – to ensure maximum benefit from such surveys</p>	<p>Low – these surveys not funded from statistical resources</p>
	<p>d. Maintain contact with work on inter-regional benchmarking of tourism performance, and the developments of the EU’s QUALITEST and of sustainable tourism indicators to ensure that they take full account of measurement practicalities and production of any necessary data is planned 6.1.4; 6.7.14; 7.5</p>		<p>High– unnecessarily high measurement costs and inability to monitor indicators both represent unacceptable failure</p>	<p>Contact cost very low Data production cost unknown</p>	<p>Determined by others</p>

<p><b>14. Establish, and resource, effective organisation to develop and maintain tourism statistics of appropriate quality</b></p> <p>LEAD: DCMS in consultation with NTBs and National Statistician</p> <p>6.7; 7.4; 7.5; 7.6</p>	<p>Sufficient resource, clear allocation of responsibility, clear accountability and an organisational structure in which the production of statistics for the tourism community is given sufficient priority are all essential to the development and maintenance of suitable statistics. Note: The cost of the TSU would subsume most of the costs of the other recommendations apart from the costs of piloting, conducting and analysing surveys; the development and maintenance of business registers; and any other work which had to be commissioned rather than undertaken in house.</p>	<p>a. Seek resources to allow immediate appointment, as an interim measure, of a statistician with responsibility for achieving immediate progress in response to Recommendations 3a,c, d, f, g; 9e; 10; 11a-e,g; 13c,d; and for some initial planning of other developments 6.7.14-16; 7.4</p>	<p>HIGH– significant improvements could be achieved for little cost; apart from the substantive value of the improvements this would importantly provide evidence, to those who doubt it, of a genuine intention to achieve improvements</p>	<p>Say £50,000 in salary, T&amp;S and support costs for a year plus a similar amount for external spend</p>	<p>Immediate</p>
		<p>b. Confirm or amend the list of key responsibilities of a TSU 6.7.2, 5</p>	<p>HIGH – essential that proper responsibilities are identified</p>	<p>Low</p>	<p>During Action Plan</p>
		<p>c. Decide the location of the TSU, the accountability arrangements, and the level of, and procedures for reviewing, resources 6.7.4; 6.7.7-9</p>	<p>HIGH – these are essential for the effective operation of the TSU: if it were to be decided that the responsibilities should be shared among more than one organisation, equivalent decisions about the operation of that approach would be needed</p>	<p>Low</p>	<p>In Action Plan</p>
		<p>d. Establish the TSU 6.7</p>	<p>HIGH– the TSU will have the main responsibility for improving tourism statistics</p>	<p>Provisionally estimated at £250,000 p.a. less the value of any posts transferred from DCMS or NTBs</p>	<p>End 2004/5</p>
		<p>e. Develop and publish Action Plan in response to this review</p>	<p>HIGH– key to action taking place; requirement of a National Statistics review</p>		<p>Six months after report published</p>
		<p>f. TSU to publish reports of progress against Action Plan and updates of the plan</p>	<p>HIGH – important element of accountability</p>		<p>As required by Advisory Committee</p>

\* Dependent on immediate appointment of statistician.

\*\* Timescale to be determined according to available resources

## **RELEVANCE OF RECOMMENDATIONS TO SELECTED SPECIFIC ISSUES**

9.1 There are four issues, three of them mentioned in the PID, for which it may be helpful to describe how the relevant recommendations address each issue.

- National Statistics
- Compliance with EU Tourism Statistics Directive
- Prompt Availability of Quantified Information at Times of Crisis
- Increased Media Attention

### **National Statistics**

9.2 The PID requires the review to address “Whether, and in broad terms how, a wider range of tourism statistics should be produced as National Statistics”.

9.3 The requirements of National Statistics are defined in the Code of Practice and Protocols which is available at [www.statistics.gov.uk](http://www.statistics.gov.uk)

9.4 Various of the recommendations developed, for other reasons, in this review would represent major steps towards the production of statistics from UKTS, LDVS, UKOS, or SVVA as National Statistics. Specifically:

- An improvement in their statistical quality, along the lines developed in 5.1.9-22, 5.1.32-39, 6.1.5-20 and 6.1.32-43;
- The establishment of routine procedures for the neutral and timely publication of the statistics to a pre-announced timetable as recommended in 6.6.1.

In addition, the undertaking of this review should underpin any subsequent applications for National Statistics status.

9.5 As recommended in 6.7.2, any TSU should, in developing the main sources and in particular the publication arrangements, ensure that appropriate parts of the National Statistics Code of Practice are followed. At an appropriate stage National Statistics status should then be sought for the main series.

### **Compliance with the EU Tourism Statistics Directive**

9.6 This Directive and its requirements are described in Appendix 5.

9.7 The main areas in which the UK has difficulty in complying with the requirements of the Directive are set out below

- Data on tourist accommodation stocks- the UK falls significantly short on quality in meeting the EU requirement for data, for NUTS 3 regions, on the number of establishments, bedrooms and bed-

spaces split by accommodation type. Figures at NUTS 3 level for Scotland have to be crudely estimated, since the only available data has been for quality assured accommodation at the level of regional tourist boards. A recent EU quality assessment of UK statistical systems for meeting the Directive on Tourism Statistics identified information on accommodation stock as being the area where quality was weakest;

- Timeliness of UKTS and UKOS- the UK is unable to meet the EU requirement for provisional data within 3 months of the end of each time period;
- UK statistics on the type of accommodation used by overseas visitors-these are based on additional questions included in the IPS every 2-3 years. For intermediate years estimates of the proportion of visitors staying in each type of accommodation are used.

9.8 Each of these issues is addressed in this Report.

- The proposals for an improved list of accommodation in 6.1.33 would, in addition to their substantial benefits for UK users of tourism statistics, significantly improve the quality of the data on accommodation stock that could be made available to the EU;
- While there seems little prospect of improving the timeliness of key results from UKTS (unless the recall period is reduced), the proposal (6.5.3) that a wider range of tables of key importance to users should be produced simultaneously with the first results, could allow the UK to provide its statistics substantially nearer to the EU deadline. For UKOS, successful implementation of the longer-term proposals (6.1.37 and 6.4.6) would result in far more timely statistics for EU, and for UK users', purposes. In the short term, the proposal (6.5.8) that provisional results might be produced pending the availability of data for the last few areas could reduce the delay in providing at least provisional figures to the EU;
- The possibility of including accommodation type questions more frequently in the IPS is addressed at 6.1.26. However, this should have a very low priority given:
  - ONS's justified reluctance to extend the length of the IPS interview;
  - The range of other desirable improvements and additions to the IPS;
  - The EU's acceptance of the present estimates.

9.9 The broader proposals for improvement to the main surveys – in particular UKTS and UKOS – would also lead to substantial improvement in the quality of statistics that the UK provides to the EU.

9.10 The recommendation, at 6.1.4, about involvement in the EU development of QUALITEST is also relevant to relations with the EU.

9.11 Finally, 6.1.29 considers the possibility that one EU demand – for statistics of accommodation type and method of booking for UK residents travelling

abroad – might be met more efficiently by, in effect, transferring questions from UKTS to IPS.

### **Prompt Availability of Quantified Information at Times of Crisis**

9.12 The PID refers to the need for a “robust system for producing prompt, regular data during a crisis”.

9.13 Various recommendations from this review would contribute to such a system and, if jointly implemented, would comprise such a system. These are:

- Establishment (6.1.33-35, 37) of a good quality list of businesses – particularly if it covered other relevant businesses in addition to accommodation providers: this would provide much better information than previously as to whom requests for advice on the impact of the crisis should be addressed;
- Establishment, and continual use, of IT-based facilities for collecting information from and disseminating information to tourism businesses (6.4.6): this would provide a readier route than previously for obtaining additional information relevant to the crisis;
- Timely panel surveys of the type describe in 6.2.1-3: these would provide an established statistical series – which would continue through the crisis – monitoring short term trends for a range of volume and value indicators;
- The establishment of a permanent and widely used series of the Short Term Domestic Tourism Tracker (6.2.4);
- A more timely and well founded UKOS (6.1.39): this would provide reliable monthly indicators of the volume of overnight tourism and, with an improved list of accommodation and an efficient collection system, it would be easier to increase the sample in areas affected by the crisis;
- The timely routine maintenance of a wide range of indicators (5.4.4, 6.6.2): this would provide readier access to data that has hitherto been scattered, and which would have led to a need for increased skill in its interpretation;
- The establishment and recognition of a TSU (6.7.2): this would reduce the risk of uncoordinated data collection by a variety of organisations, which a number of consultees have indicated was a problem in recent crises.

9.14 The improvement to the quality of the UKTS and an equally frequent LDVS could also be useful in this situation.

## **Increased Media Attention**

9.15 The PID draws attention to the desirability of increased media attention to the importance and performance of tourism.

9.16 It can be argued that a greater media focus on the size and significance of tourism would be easier to achieve if the statistics provided more reliable timely information; this is the focus of the bulk of this report.

9.17 However there are other relevant recommendations from this review:

- Regular Statistical Releases issued, inter alia, to the press (6.6);
- Pre-announced publication schedule (6.6);
- An interesting range of panel surveys producing short-term statistics (6.2.1-3);
- More timely statistics (6.2, 6.5);
- Readily accessible (in both an IT and language sense) descriptions of the basis of official and non-official statistics (5.4.3, 6.6.2);
- A focal point, the TSU, with explicit responsibility to encourage the use of its statistics and to challenge the use of inappropriate statistics or the misrepresentation of statistics (6.7.1-2).