Economic Impact of Tourism

North Norfolk - 2025

Produced by:

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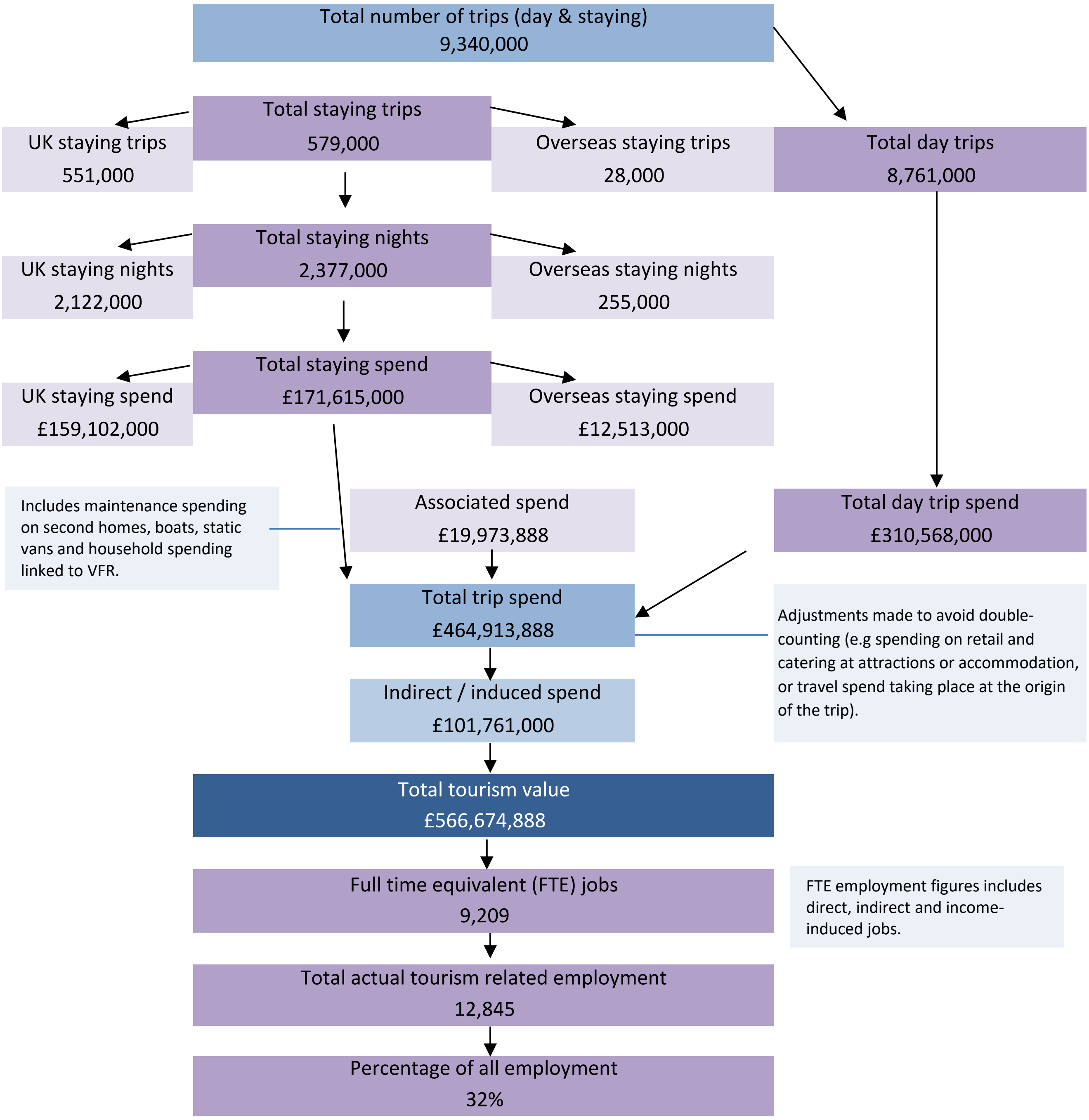
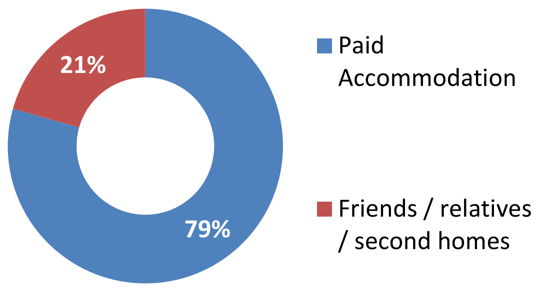
Economic impact of tourism – Headline figures North Norfolk - 2025



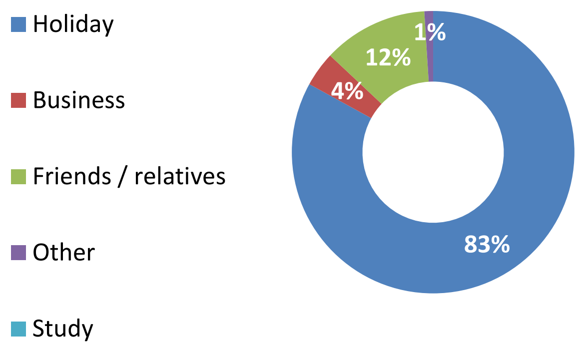
Economic impact of tourism – Year on year comparisons

Day Trips	2024	2025	Annual variation
Day trips volume	8,758,000	8,761,000	0%
Day trips value	£293,991,000	£310,568,000	6%
Overnight trips			
Number of trips	600,900	579,000	-4%
Number of nights	2,466,000	2,377,000	-4%
Trip value	£169,310,000	£171,615,000	1%
Total value	**£547,496,888**	**£566,674,888**	**4%**
Actual jobs	12,389	12,845	4%

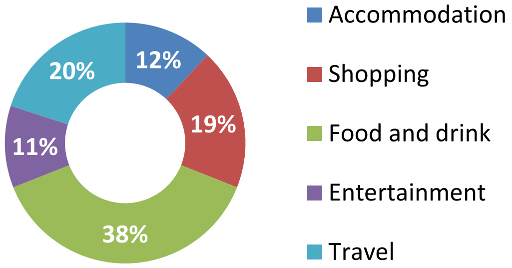
Type of accommodation



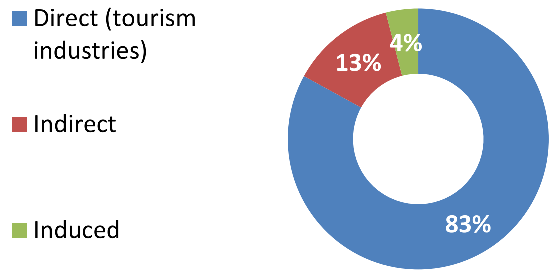
Trips by purpose

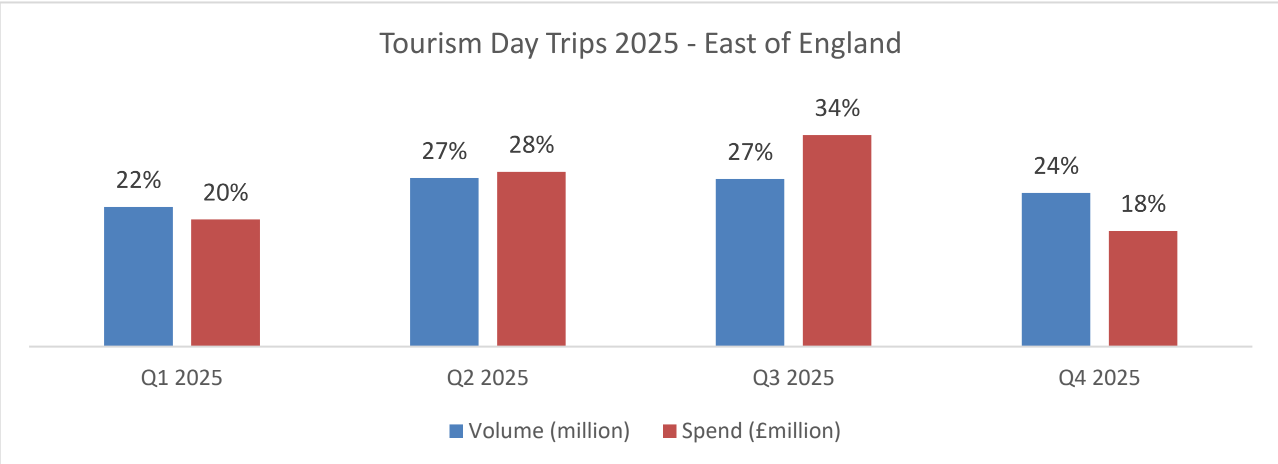


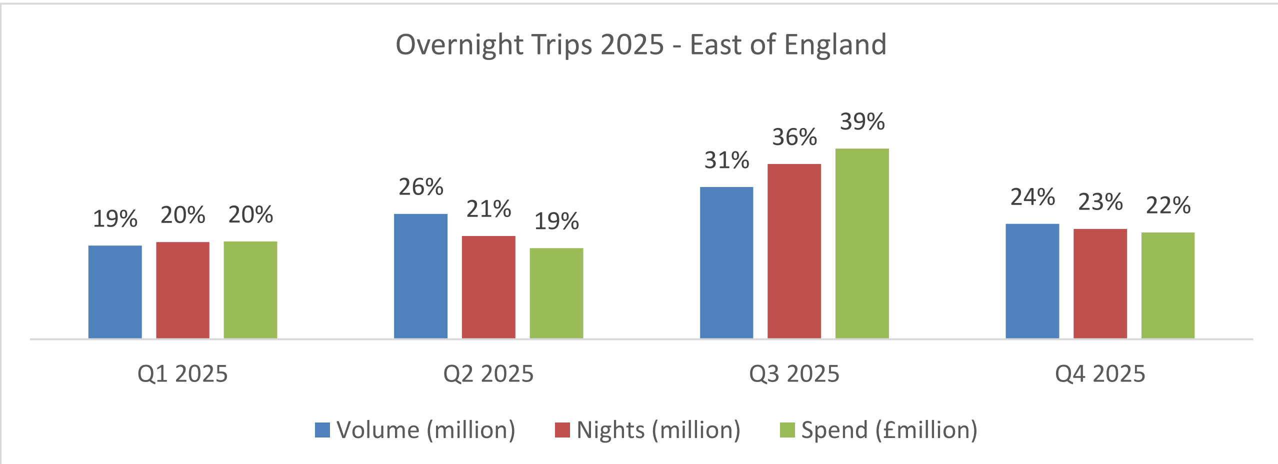
Breakdown of expenditure



Type of employment







Contents

Introduction

This report examines the volume and value of tourism in 2025 and assesses the impact of visitor expenditure on the local economy. It also provides comparative data against previously published results. The findings are derived using the Cambridge Economic Impact Model, operated under licence by Destination Research Ltd, and are based on the latest national tourism surveys alongside regional and local datasets.

The Cambridge Model is a tool that continues to evolve. In recent years, both domestic and international tourism surveys feeding into the model have undergone major methodological updates, including changes to sampling and data collection techniques. These revisions have resulted in notable shifts in reported travel behaviour and expenditure. At the same time, external factors such as COVID-19, the cost-of-living crisis, and rising energy costs have further influenced travel patterns. As a result, it is challenging to determine whether changes in reported activity reflect genuine behavioural shifts or are primarily driven by updated survey methodologies.

To address this, we have implemented a hybrid data approach involving a two-stage evaluation process. First, the Cambridge Model is used to break down regional tourism data into sub-regional areas using a top-down method. This is then combined with bottom-up inputs, including third-party datasets and business performance data collected at destination level by us and our partners. In addition, we have applied time-series analysis to previously published data, using concepts derived from State Space Models (SSM). The projected figures generated through this analysis, as presented in the Cambridge Model reports, act as a proxy for the potential outcomes that might have occurred in the absence of methodological changes.

This evolving methodology has been central to our ability to produce a dynamic and reliable picture of tourism trends throughout the pandemic, the cost-of-living crisis, and periods of inflationary fluctuation. It ensures that our results remain as timely, accurate, consistent, and comparable as possible. Examples of additional data sources introduced in the last five years include:

Attractions data – ALVA (Association of Leading Visitor Attractions)
VisitEngland Domestic Sentiment Tracker
Short-term rental stock and occupancy – Lighthouse / AirDNA
Local serviced accommodation data
Tourism business counts – Inter-Departmental Business Register (IDBR)
UK inflation data – CPI, CPIH, RPI
ONS Mid-Year Population Estimates
UK economy forecasts – Office for Budget Responsibility: *Economic and fiscal outlook*
Footfall data (town centres, major retail outlets, and car parks)

Contextual analysis - Recent issues affecting tourism

Inflation

The UK's annual Consumer Price Index (CPI) inflation rate fluctuated between 2.6% and 4.2% throughout 2025, ending the year at 3.4%. This follows an average of around 2.9% in 2024 and a peak of 9.1% in 2022. Although inflation has eased from its historic highs, the cumulative increases over the past three years have kept baseline prices elevated across the tourism sector.

Energy prices

Global prices for gas, electricity, and oil began rising in summer 2021 as economies reopened, further intensified by geopolitical tensions. By 2025, wholesale energy prices and the consumer price cap had stabilised compared with the extreme spikes of 2022. However, the average annual bill for typical gas and electricity use remained structurally higher than pre-pandemic levels, continuing to place significant pressure on hospitality businesses.

Cost of living

Despite lower headline inflation, cost-of-living sentiment trackers in 2025 consistently showed that more than 60% of consumers believed the worst of the crisis was still ahead. This persistent anxiety reshaped travel behaviour, driving a preference for late bookings, "trade-down" staycations, and value-seeking choices such as prioritising free outdoor activities over higher-cost dining and leisure experiences.

Value of the pound

Throughout 2025, the pound strengthened, ending the year at approximately $1.34 against the US dollar and €1.16 against the euro. A stronger pound makes UK trips more expensive for overseas visitors, reducing the UK's price competitiveness, while simultaneously making foreign travel relatively more attractive for UK residents.

Staffing issues

Staff vacancies and operational viability continued to be affected by rising employment costs. Alongside increases to the National Minimum Wage, April 2025 introduced additional tax burdens for operators, with employer National Insurance contributions rising to 15% and the payment threshold dropping to £5,000. New statutory tipping rules and employment rights legislation added further administrative complexity for tourism and hospitality businesses.

Electronic Travel Authorisation (ETA) and EU passport requirements

The UK's rollout of the £10 Electronic Travel Authorisation (ETA) reached its final phase in 2025. Following earlier requirements for non-visa nationals, the scheme was extended to visitors from European (EEA and Swiss) countries from 2 April 2025. As a result, all visa-exempt overseas nationals (except Irish citizens) must now obtain an ETA before travelling to the UK, introducing an additional pre-travel step for the UK's largest inbound market.

Tax-free shopping

Until 31 December 2020, non-EU visitors could reclaim VAT on goods purchased in Great Britain and taken home. This scheme ended after Brexit. By 2025, the continued absence of tax-free shopping remains a barrier to attracting high-spending international visitors. Industry groups report that recovery among these segments is slower in the UK than in countries such as France and Italy, where tax-free shopping continues to support international retail spending.

Domestic and overseas trips: 2025 results

Domestic overnight visits

There were 103.0 million domestic overnight trips in Great Britain in 2025. Total domestic spend on overnight trips reached £35.1 billion, with average spend per trip rising from £312 in 2024 to £341 in 2025.

- Volume of domestic overnight trips decreased by 2% vs 2024 and 12% vs 2023.
- Spend on overnight trips in 2025 was 7% above 2024 and 12% above 2023.
- **Volume of overnight trips in the East of England was 8% below 2024 and 2% down vs 2023.**
- **Spend on overnight trips in the East was 1% above 2024 and 5% above 2023 levels.**

Domestic day visits

There were 1.06 billion domestic tourism day visits in Great Britain in 2025. Total spend reached £55.9 billion, while average spend per visit fell slightly from £53.32 in 2024 to £52.77 in 2025.

- Day-visit volume increased by 3% vs 2024 but decreased by 9% vs 2023.
- Spend on day visits in 2025 was 2% above 2024 and 7% above 2023.
- **Volume of day trips in the East of England was unchanged vs 2024 but 4% down vs 2023.**
- **Spend on day trips to the East was 8% above 2024 and 1% below 2023 levels.**

Visits to visitor attractions

According to the Association of Leading Visitor Attractions (ALVA), total visits to 409 ALVA sites reached 165 million in 2025. This represents a 2% increase on the previous year but remains 7% below the 170 million visits recorded in 2019.

Mixed sites combining indoor and outdoor elements saw the strongest growth, with a 2.5% increase in visitors, compared with a 2% increase at outdoor attractions.

Overseas visits

VisitBritain has paused use of ONS International Passenger Survey (IPS) data due to methodological changes that currently make year-on-year comparisons unreliable. Integration will resume once the ONS's updated approach stabilises. In the meantime, Visa card inbound spending metrics have been used as an alternative indicator.

Key Visa-based metrics include:

- **Spend amount** – total spend taking place in an area.
- **Cardholder visits** – number of unique Visa cards used in transactions within an area.
- **Transaction count** – total number of transactions in an area.
- **Average spend per transaction** – total spend divided by transaction count.
- **Average stay duration** and **average spend per trip** – calculated by identifying "visits" where travellers made purchases outside their residence for two days or more.
- **Stay duration** is based on the dates of the first and last transactions in Britain.

Volume of tourism

North Norfolk - 2025

Staying visitors - Accommodation type

Trips by accommodation

	UK		Overseas		Total	
Serviced	81,000	15%	2,100	8%	83,100	14%
Self catering	106,000	19%	4,100	15%	110,100	19%
Camping	71,000	13%	1,400	5%	72,400	13%
Static caravans	105,000	19%	600	2%	105,600	18%
Group/campus	39,000	7%	4,300	15%	43,300	8%
Paying guest	0	0%	0	0%	0	0%
Second homes	28,000	5%	1,400	5%	29,400	5%
Boat moorings	14,000	3%	0	0%	14,000	2%
Other	18,000	3%	1,200	4%	19,200	3%
Friends & relatives	89,000	16%	12,900	46%	101,900	18%
Total 2025	**551,000**		**28,000**		**579,000**	
Comparison 2024	**574,000**		**27,000**		**601,000**	
Difference	**-4%**		**4%**		**-4%**	

Nights by accommodation

	UK		Overseas		Total	
Serviced	229,000	11%	9,000	4%	238,000	10%
Self catering	336,000	16%	73,000	29%	409,000	17%
Camping	311,000	15%	6,000	2%	317,000	14%
Static caravans	553,000	26%	2,000	1%	555,000	23%
Group/campus	100,000	5%	70,000	27%	170,000	7%
Paying guest	0	0%	0	0%	0	0%
Second homes	119,000	5%	7,000	3%	126,000	5%
Boat moorings	57,000	3%	0	0%	57,000	2%
Other	109,000	5%	3,000	1%	112,000	5%
Friends & relatives	308,000	14%	85,000	33%	393,000	17%
Total 2025	**2,122,000**		**255,000**		**2,377,000**	
Comparison 2024	**2,212,000**		**254,000**		**2,466,000**	
Difference	**-4%**		**0%**		**-4%**	

Spend by accommodation type

	UK		Overseas		Total	
Serviced	£32,364,000	20%	£664,000	5%	£33,028,000	19%
Self catering	£28,640,000	18%	£3,910,000	31%	£32,550,000	19%
Camping	£28,137,000	18%	£237,000	2%	£28,374,000	17%
Static caravans	£36,059,000	23%	£142,000	1%	£36,201,000	21%
Group/campus	£7,791,000	5%	£3,506,000	28%	£11,297,000	7%
Paying guest	£0	0%	£0	0%	£0	0%
Second homes	£3,399,000	2%	£578,000	5%	£3,977,000	2%
Boat moorings	£3,911,000	2%	£0	0%	£3,911,000	2%
Other	£7,270,000	5%	£132,000	1%	£7,402,000	4%
Friends & relatives	£11,531,000	7%	£3,344,000	27%	£14,875,000	9%
Total 2025	**£159,102,000**		**£12,513,000**		**£171,615,000**	
Comparison 2024	**£157,337,000**		**£11,973,000**		**£169,310,000**	
Difference	**1%**		**5%**		**1%**	

Serviced accommodation includes hotels, guesthouses, inns, B&B and farms. Paying guest refers to overseas visitors staying in private houses (e.g. language school students). Other trips includes nights spent in transit, in lorry cabs and other temporary accommodation.

Staying visitors - Purpose of trip

Trips by purpose

		UK		Overseas		Total	
Holiday		468,000	85%	13,000	46%	481,000	83%
Business		22,000	4%	2,000	6%	24,000	4%
Friends & relatives		55,000	10%	12,000	43%	67,000	12%
Other		6,000	1%	1,000	5%	7,000	1%
Study		0	0%	0	0%	0	0%
Total	**2025**	**551,000**		**28,000**		**579,000**	
Comparison	**2024**	**574,000**		**27,000**		**601,000**	
Difference		**-4%**		**4%**		**-4%**	

Nights by purpose

		UK		Overseas		Total	
Holiday		1,825,000	86%	99,000	39%	1,924,000	81%
Business		64,000	3%	13,000	5%	77,000	3%
Friends & relatives		212,000	10%	133,000	52%	345,000	15%
Other		21,000	1%	10,000	4%	31,000	1%
Study		0	0%	0	0%	0	0%
Total	**2025**	**2,122,000**		**255,000**		**2,377,000**	
Comparison	**2024**	**2,212,000**		**254,000**		**2,466,000**	
Difference		**-4%**		**0%**		**-4%**	

Spend by purpose

		UK		Overseas		Total	
Holiday		£138,419,000	87%	£7,006,000	56%	£145,425,000	85%
Business		£7,955,000	5%	£501,000	4%	£8,456,000	5%
Friends & relatives		£11,137,000	7%	£4,505,000	36%	£15,642,000	9%
Other		£1,591,000	1%	£501,000	4%	£2,092,000	1%
Study		£0	0%	£0	0%	£0	0%
Total	**2025**	**£159,102,000**		**£12,513,000**		**£171,615,000**	
Comparison	**2024**	**£157,337,000**		**£11,973,000**		**£169,310,000**	
Difference		**1%**		**5%**		**1%**	

Day visitors

Total volume and value of day trips

		Trips	Spend
Urban visits		2,903,000	£104,666,000
Countryside visits		2,441,000	£85,788,000
Coastal visits		3,417,000	£120,114,000
Total	**2025**	**8,761,000**	**£310,568,000**
Comparison	**2024**	**8,758,000**	**£293,991,000**
Difference		**0%**	**6%**

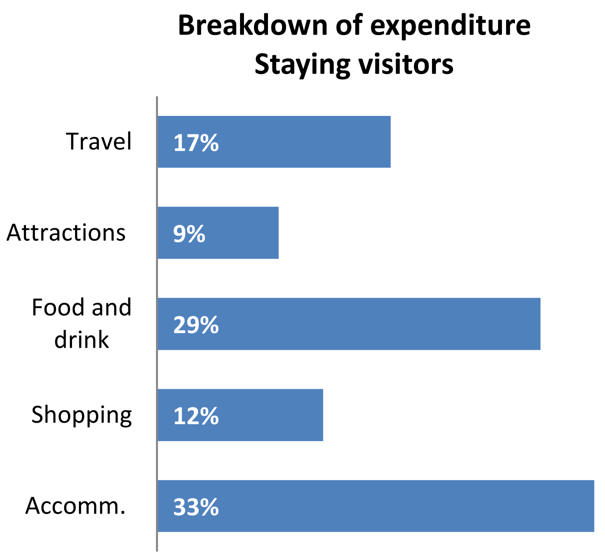
Value of tourism

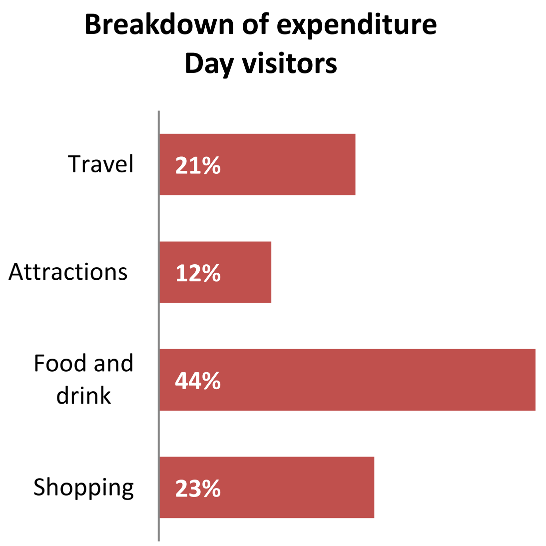
North Norfolk - 2025

Expenditure associated with trips:

Direct expenditure associated with trips

	Accomm.	Shopping	Food and drink	Attractions	Travel	Total
UK visitors	£52,503,700	£17,501,200	£46,139,600	£14,319,200	£28,638,300	£159,102,000
Overseas visitors	£3,378,500	£3,753,900	£2,878,000	£1,251,300	£1,251,300	£12,513,000
Total staying	£55,882,200	£21,255,100	£49,017,600	£15,570,500	£29,889,600	£171,615,000
Total staying (%)	32%	12%	29%	10%	17%	100%
Total day visitors	£0	£71,430,600	£136,649,900	£37,268,200	£65,219,300	£310,568,000
Total day visitors (%)	0%	23%	44%	12%	21%	100%
Total 2025	**£55,882,200**	**£92,685,700**	**£185,667,500**	**£52,838,700**	**£95,108,900**	**£482,183,000**
%	**12%**	**19%**	**38%**	**11%**	**20%**	**100%**
Comparison 2024	**£54,704,000**	**£93,675,000**	**£177,686,000**	**£51,649,000**	**£85,587,000**	**£463,301,000**
Difference	**2%**	**-1%**	**4%**	**2%**	**11%**	**4%**





Other expenditure associated with tourism activity

Other expenditure associated with tourism activity - Estimated spend				
Second homes	**Boats**	**Static vans**	**Friends & relatives**	**Total**
£10,168,000	£776,150	£4,241,738	£4,788,000	£19,973,888

Spend on second homes is assumed to be an average of £2,200 on rates, maintenance, and replacement of furniture and fittings. Spend on boats assumed to be an average of £2,500 on berthing charges, servicing and maintenance and upgrading of equipment. Static van spend arises in the case of vans purchased by the owner and used as a second home. Expenditure is incurred in site fees, utility charges and other spending and is estimated at £2,500. Additional spending is incurred by friends and relatives as a result of people coming to stay with them. A cost of £225 per visit has been assumed based on national research for social and personal visits.

Direct turnover derived from trip expenditure

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

		Overnight trips	Day trips	Total trips
Accommodation		£56,422,000	£2,751,000	£59,173,000
Retail		£20,437,000	£70,325,000	£90,762,000
Catering		£48,191,000	£133,399,000	£181,590,000
Attractions		£17,116,000	£40,434,000	£57,550,000
Transport		£17,670,000	£38,195,000	£55,865,000
Non-trip spend		£19,973,888	£0	£19,973,888
Total Direct	**2025**	**£179,809,888**	**£285,104,000**	**£464,913,888**
Comparison	**2024**	**£177,790,888**	**£271,390,000**	**£449,180,888**
Difference		**1%**	**5%**	**4%**

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

Supplier and income induced turnover

		Overnight trips	Day trips	Total trips
Indirect spend		£31,451,000	£40,063,000	£71,514,000
Non trip spending		£3,995,000	£0	£3,995,000
Income induced		£20,050,000	£6,202,000	£26,252,000
Total	**2025**	**£55,496,000**	**£46,265,000**	**£101,761,000**
Comparison	**2024**	**£54,890,000**	**£43,426,000**	**£98,316,000**
Difference		**1%**	**7%**	**4%**

Income induced spending arises from expenditure by employees whose jobs are supported by tourism spend.

Total local business turnover supported by tourism activity – Value of tourism

		Overnight trips	Day trips	Total trips
Direct		£179,809,888	£285,104,000	£464,913,888
Indirect		£55,496,000	£46,265,000	£101,761,000
Total Value	**2025**	**£235,305,888**	**£331,369,000**	**£566,674,888**
Comparison	**2024**	**£232,680,888**	**£314,816,000**	**£547,496,888**
Difference		**1%**	**5%**	**4%**

Employment

North Norfolk - 2025

Employment

The model generates estimates of full time equivalent jobs based on visitor spending. The total number of 'actual' jobs will be higher when part time and seasonal working is taken into account. Conversion of full time equivalent jobs into actual jobs relies on information from business surveys in the sectors receiving visitor spending.

Direct employment

Full time equivalent (FTE)					
		Overnight trips	Day trips	Total trips	
Accommodation		1,136	55	1,191	16%
Retailing		205	706	911	13%
Catering		883	2,444	3,327	45%
Entertainment		329	776	1,105	15%
Transport		133	288	421	6%
Non-trip spend		370	0	370	5%
Total FTE	**2025**	3,056	**4,269**	**7,325**	
Comparison	**2024**	**3,023**	**4,043**	**7,067**	
Difference		**1%**	**6%**	**4%**	

Estimated actual jobs					
		Overnight trips	Day trips	Total trips	
Accommodation		1,682	82	1,764	16%
Retailing		308	1,059	1,367	13%
Catering		1,325	3,667	4,992	47%
Entertainment		463	1,094	1,557	14%
Transport		188	407	595	6%
Non-trip spend		422	0	422	4%
Total Actual	**2025**	**4,388**	**6,309**	**10,697**	
Comparison	**2024**	**4,337**	**5,976**	**10,314**	
Difference		**1%**	**6%**	**4%**	

Indirect & induced employment

Full time equivalent (FTE)				
		Overnight trips	Day trips	Total trips
Indirect jobs		656	742	1,398
Induced jobs		371	115	486
Total FTE	**2025**	**1,027**	**857**	**1,884**
Comparison	**2024**	**1,016**	**804**	**1,821**
Difference		**1%**	**7%**	**3%**

Estimated actual jobs				
		Overnight trips	Day trips	Total trips
Indirect jobs		748	846	1,594
Induced jobs		423	131	554
Total Actual	**2025**	**1,171**	**977**	**2,148**
Comparison	**2024**	**1,159**	**917**	**2,076**
Difference		**1%**	**7%**	**3%**

Total jobs

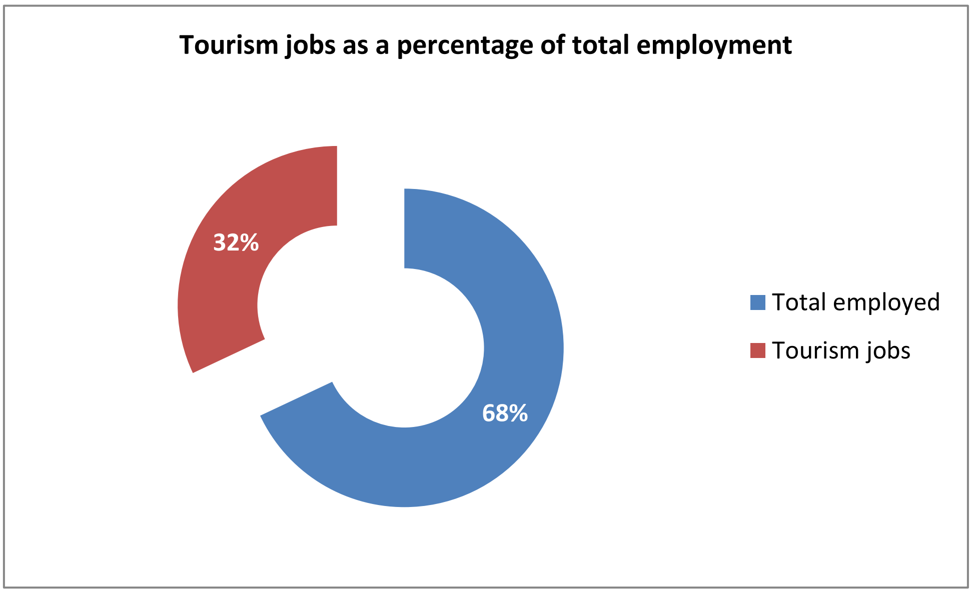
> Actual jobs are estimated from surveys of relevant businesses at locations in England and take account of part time and seasonal working.

Full time equivalent (FTE)							
		Overnight trips		Day trips		Total trips	
Direct		3,056	75%	4,269	83%	7,325	80%
Indirect		656	16%	742	15%	1,398	22%
Induced		371	9%	115	2%	486	5%
Total FTE	**2025**	**4,083**		**5,126**		**9,209**	
Comparison	2024	4,040		4,848		8,887	
Difference		1%		6%		4%	

Estimated actual jobs							
		Overnight trips		Day trips		Total trips	
Direct		4,388	79%	6,309	86%	10,697	83%
Indirect		748	13%	846	12%	1,594	13%
Induced		423	8%	131	2%	554	4%
Total Actual	**2025**	**5,559**		**7,286**		**12,845**	
Comparison	2024	5,496		6,893		12,389	
Difference		1%		6%		4%	

Tourism jobs as a percentage of total employment

		Overnight trips	Day trips	Total trips
Total employed		40,000	40,000	40,000
Tourism jobs		5,559	7,286	12,845
Proportion all jobs		**14.0%**	**18.0%**	**32.0%**
Comparison	2024	5,496	6,893	12,389
Difference		1%	6%	4%



Economic impact of tourism – Headline figures North Norfolk - 2025

The key 2025 results of the economic impact assessment are:

9.3 million trips were undertaken in the area.
8.8 million day trips.
0.6 million staying trips.

2.4 million nights in the area as a result of staying trips.

£482 million spent by tourists during their trip to the area.
£40 million spent on average in the local economy each month.

£172 million generated by staying trips.
£311 million generated from irregular day trips.

£567 million spent in the local area as result of tourism, taking into account multiplier effects.

12,846 jobs supported, both for local residents and for those living nearby.
10,697 tourism jobs directly supported.
2,148 non-tourism related jobs supported linked to multiplier spend from tourism.

Appendix I - Introduction about Cambridge Model

This report examines the volume and value of tourism and the impact of visitor expenditure on the local economy. The figures have been derived using the Cambridge Economic Impact Model, with research undertaken by Destination Research.

Data sources

The Cambridge Model draws on a wide range of national, regional, and sub-regional datasets, including:

- **Domestic tourism statistics** – combined online survey covering domestic overnight and day trips.
- **Domestic and inbound card-spending data** – Visa transaction data.
- **Local accommodation stock records** – known serviced and non-serviced accommodation supply.
- **Attractions data** – supplied by ALVA (Association of Leading Visitor Attractions).
- **Short-term rental stock and occupancy** – Lighthouse / AirDNA.
- **Hotel market data and benchmarking**.
- **Resident population estimates** – latest Census-based figures.
- **ONS employment-related surveys** – selected labour market datasets.
- **Countryside and coastal datasets** – national designations and coastline length (where relevant).

In addition, the model incorporates contextual and sector-specific data from third-party sources, as well as destination-level business performance data captured by or on behalf of our partners. These include:

- **Tourism business counts** – Inter-Departmental Business Register (IDBR).
- **UK inflation data** – CPI, CPIH, RPI.
- **UK economic forecasts** – Office for Budget Responsibility: *Economic and fiscal outlook*.
- **Footfall data** – town centres, major retail outlets, and car parks.

Limitations of the Model

The model cannot account for leakage of expenditure from tourists who take day trips outside the area in which they are staying. While such movements may broadly balance out in many destinations, locations receiving significant numbers of day visitors from London are likely to see an underestimate in the number of overseas day visitors staying in London accommodation.

Although these limitations should be acknowledged, we remain confident that the estimates produced are as reliable as possible within the constraints of the available data.

Rounding

All figures used in this report have been rounded. As a result, some tables may show slight discrepancies between totals and subtotals.

Staying Visitors
Data on domestic overnight visits is sourced from the new combined online survey that replaced the separate Great Britain Tourism Survey and Great Britain Day Visits Survey. The survey provides information on the total number of trips to each region and the proportions using different types of accommodation. By aligning these figures with known accommodation supply, the model derives regional averages for trips per bedspace or per accommodation unit. To minimise volatility caused by small sample sizes, the model applies three-year rolling averages.

VisitBritain has paused use of ONS International Passenger Survey (IPS) data due to methodological changes that currently make year-on-year comparisons unreliable. Integration will resume once the ONS's updated approach stabilises. In the meantime, Visa card inbound spending metrics have been used as an alternative source.

Day Visitors
Regional-level information on day trips is drawn from the same combined online survey. Because the survey includes all leisure-related trips taken from home, many of which are short, routine journeys made by residents, the model aligns with official national statistics to isolate genuine tourism. Specifically, it filters this data to define a Tourism Day Visit as a trip lasting at least three hours that is taken irregularly (less often than once a week) and takes place outside of the participant's local authority boundary.

Impact of tourism expenditure
This section assesses the impact of tourism expenditure in terms of direct, indirect, and induced effects, as well as the number of actual jobs (both direct and indirect) supported by visitor spending in the county. The surveys referenced earlier provide a detailed breakdown of visitor spending. The initial round of expenditure is subsequently increased by multiplier effects:

- **Indirect impacts:** purchases of supplies and services by businesses receiving visitor expenditure.
- **Induced impacts: e**mployees spending wages earned in both the first round of business activity and subsequent supplier activity.

The Annual Survey of Hours and Earnings (ASHE) provides earnings data by industry sector and region. It is supplemented by an internal business database containing information on business expenditure structures, local linkages, and multiplier ratios drawn from studies undertaken by Geoff Broom Associates, PA Cambridge Economic Consultants, and others. Applying these breakdowns to visitor spending enables the model to generate estimates of total direct expenditure.

Evidence from national studies indicates that minor adjustments are required to align visitor spending with business turnover. For example, some food and drink expenditure occurs within businesses classified under accommodation or visitor attractions rather than food and beverage services. More significantly, a proportion of travel expenditure associated with trips is incurred at the origin rather than the destination. The model therefore applies an adjustment to reflect the share of travel expenditure that accrues within the destination area.

Number of full time job equivalents
Having estimated the turnover generated by visitor spending, it is possible to estimate the employment supported by that expenditure. A share of business turnover is absorbed by employment costs, including staff wages and proprietor drawings where applicable. By applying sector-specific employment cost ratios to the additional turnover generated in each sector, the model estimates the total expenditure on employment. Average employment costs are derived from the ASHE survey, adjusted to reflect regional differences. These employment costs are then used to estimate the number of full-time equivalent (FTE) jobs supported by visitor expenditure.

After allowing for additional employment costs such as National Insurance and pension contributions, an average employment cost per full-time equivalent (FTE) job can be estimated. The number of FTE jobs supported within the local area is then estimated by dividing the amount of business expenditure on wages and proprietor drawings by the average employment cost per job.

Number of Actual Jobs

The model generates estimates of full-time equivalent (FTE) jobs supported by visitor spending. However, the total number of actual jobs will be higher once part-time and seasonal employment are taken into account. The FTE jobs arising directly from visitor spending are converted into actual jobs using evidence from business surveys in the sectors receiving visitor spending, principally accommodation, food and drink, retail, visitor attractions and transport. In these sectors, the conversion factor between FTE jobs and actual jobs is typically around 1.5.

The indirect and induced jobs arise across a much wider range of employment sectors. Therefore, the average factor of 1.16 for all sectors, based on Business Register and Employment Survey (BRES) data, is used to convert full-time equivalent jobs in these sectors into actual jobs.

The employment estimates generated by the model include both employed and self-employed people supported by visitor expenditure. The model also includes an estimate of the additional jobs supported within the attractions sector that are not directly related to visitor expenditure. However, the estimates do not include wider tourism-related employment, such as local authority tourism staff (for example, tourist information personnel), public realm and parks staff, public conveniences, maintenance services, or employment arising from capital investment in tourism infrastructure.

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