

APPENDIX 1.

Brighton & Hove's Tourism Economy - Summary of Recent Visitor Trends

1. Research shows that Brighton & Hove, through the work of VisitBrighton and partner organisations, has been successful in maintaining its position in the market place as a leading UK tourist destination. The Economic Impact Assessment 2015 (produced by Tourism South East) reports the total expenditure by visitors to Brighton & Hove is estimated to have been in the region of £858.1 million in 2015, which although buoyant, supporting approximately 15,683 FTE jobs and 21,374 across Brighton & Hove (around 17% of the labour market), reflects a fall of 1.7% compared to 2014.
2. The fall in expenditure was accounted for by a fall in tourism day trips in 2015, reflecting the regional picture. Following, year-on-year growth, volume dropped from 10 million tourism day trips in 2014 to 9.1 million tourism day trips in 2015 (fall of 9.0%). Trip expenditure fell by 6.4%.
3. Overall, an estimated 1,456,000 staying trips were spent in Brighton & Hove in 2014, of which around 1,069,000 were made by domestic visitors (73%) and 387,000 by overseas visitors (27%). Compared to 2014, total overnight trip volume increased by 1.5%.
4. Overnight trips resulted in an estimated 4,994,000 visitor nights spent in Brighton & Hove in 2015, up by 1.4% compared to 2014. Staying visitors spent in total £526 million on their trip, up by 1.5% compared to 2014. Domestic overnight trip spend increased by 1.1% and overseas visitor trip spend increased by 1.8%.

Operating Context / Future Trends

5. The operating context of tourism is evolves quickly, creating both opportunities and challenges, as demonstrated by Brexit in 2016. Ongoing pressures on Local Government finances mean that it is imperative that VisitBrighton continually seeks out innovative service delivery in order to maximise budgets whilst continuing to drive revenue streams. VisitBrighton will continue to focus on activity that is central to our core function, to drive awareness of Brighton & Hove to leisure and business tourists both locally, regionally, nationally and internationally.
6. In 2017 Britain is expected to see the biggest rise in tourist spending in four years and a surge in overseas visitor numbers, partly thanks to the slump in the value of the pound since the Brexit vote. Overseas visitors are expected to spend £24.1bn next year, up 8% on 2016, according to VisitBritain.

7. Just over 38.1 million tourists are expected to enter the UK, up 4%, on 2016, drawn by celebrations such as the 20th anniversary of the publication of the first Harry Potter book and the 200th year since the death of Jane Austen, as well as the potential to snap up bargain holidays given the weakness of the pound; the 10%-plus fall in the value of the pound against the euro and the dollar since the EU referendum in June 2016 means tourists' budgets will now stretch further, driving up the number of overseas staying visitors.
8. Domestically, VisitBritain anticipates that the 'staycation' market will increase, with domestic travellers electing to remain in the UK in light of the weak pound, and thus anticipates a rise in the number of domestic staying visitors in 2017.
9. The latest results from the GB Day Visits Survey, analysing domestic day visits, reported strong growth from Jan – Nov 2016, with year on year increases of 23% and 20% respectively, in terms of volume and value of day visits. During the 9 month period, 2,4 billion three hour plus day visits with a value of £68.1 billion pound were made. VisitEngland predicts that 2017 will continue to see domestic day visit numbers rise.

Business Tourism

10. The UK Conference and Meeting Survey 2016 (UKCAMS), reporting on 2015 trends, estimated £19.2 billion of direct expenditure generated by conference and meeting delegates and organisers in venues and in wider destination spend, a fall of 10% on 2014 figures. An estimated 1.34 million business events were held in the UK in 2015; an increase on 2014, although the average event size was smaller. The majority (61%) of events were held in hotels, with a further 20% held in unusual/multi-purpose venues whilst average event duration was 1.5 days. However, most events (67%) lasted a day or less.
11. Our competitor destinations are still witnessing inward investment with new facilities scheduled to open in Eastbourne in 2016 whilst Blackpool intends to open a new conference centre accommodating 7000 delegates in 2017. Facilities which opened in 2015 in Liverpool and Dublin are proving popular with buyers and offering a greater depth of choice to meeting planners. Conference expenditure is still under intense scrutiny and meeting planners are constantly seeking best value, applying significant budgetary leverage.
12. VisitBrighton Convention Bureau echoed the findings of UKCAMS, reporting a buoyant 2015-16 with higher than anticipated levels of enquiries and subsequent conversion, but static year-on-year direct economic benefit. With this in mind we must focus on increasing both the volume and value of business events coming to the City. We need to ensure there is an even more collaborative approach to bidding for

conferences and events, and focus on attracting both domestic and international events which deliver greatest economic benefit.

13. The 'Intellectual Capitals' concept came to prominence in 2015. Conference organisers are becoming increasingly engaged in identifying and subsequently locating events in cities that are considered to be aligned to their subject matter and areas of research, enabling events to engage with the local research communities. Competitor destinations including Edinburgh, Glasgow, Newcastle and Liverpool are specifically focusing conference sales initiatives on their sectorial areas of expertise, delivering impressive results. The VisitBrighton focus moving forward will be to target events that match our clusters of expertise and inspire similar events to make Brighton their destination of choice during the year ahead.

