

# Bellerby Economics

in partnership with



## Economic Impact Assessment of Perth's St Andrew's Day Festival

Report for Perth & Kinross Council

January 2017

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## 1. Introduction

### 1.1 Preamble

The Perth Winter Festival was established by Perth & Kinross Council (PKC) in 2013 as an overarching festival for a series of events taking place from November to February. Over time the winter programme has been expanded and refined in order to ensure that it is a sufficiently appealing proposition that attracts visitors from outside Perth and Kinross. A key feature of the 2016 Winter Festival was the St Andrew's Day Festival held on 27<sup>th</sup> November 2016.

Bellerby Economics, in partnership with IBP Strategy and Research, were commissioned to undertake an evaluation of the 2016 St Andrew's Day Festival.

### 1.2 Study Objectives

The overall aim of this study is to estimate the economic impact of the event, focusing on:

- net additional expenditure in the PKC and Scottish economies; and
- Gross Valued Added (GVA) to the PKC and Scottish economies.

In addition the evaluation provides PKC with an understanding of:

- the importance of the Festival in a visitor's decision to come to Perth/Scotland;
- the geographical origin of event attendees;
- the expenditure of attendees during their stay on shopping, food/drink, entertainment, leisure activities and accommodation;
- length of stay by attendees at the event, split into: day visitors, Scottish visitors overnight stays, UK visitor overnight stays and overseas visitors overnight stays;
- quality of attendee experience at the event, including satisfaction levels, perception of the event, whether they would recommend it to others etc;
- perceptions of Perth as a visitor destination;
- how they heard about the event (reference marketing/PR activity/industry network/reputation etc); and
- basic information about attendees including age, gender, occupation, ethnic origin, residence, how they travelled to the event etc.

### 1.3 Method

The method adopted in conducting the study included:

- desk based review of:
  - data from PKC relating to footfall in the City; and
- a survey of:
  - 394 visitors to the City on the day of the Festival
  - local businesses via an online survey.

The footfall in the City on the day of the Festival was estimated to be **11,300**. The survey of the 394 visitors presented in **Chapter 3** therefore attracts a standard error of +/-5% - this suggests that the survey results are robust. This means, for example, that if the survey results say that 50% of the sample answered “yes” to a question, then when the answer is grossed up to the population as a whole, the true answer will lie somewhere between 45% and 55%.

## 1.4 Perth’s St Andrew’s Day Festival

The 2016 Festival was staged on 27<sup>th</sup> November 2016, and included the following events based in the City centre’s main streets:

- performances by Dougie McLean;
- performances by Red Hot Chilli Pipers;
- performances by other music entertainers;
- a Food and Drink Market; and
- a Pipe Band Parade.

## 1.5 Approach

### 1.5.1 Economic

The eventsIMPACT<sup>1</sup> Toolkit provides organisers and supporters of public events with some key guidance and good practice principles for evaluating the economic impacts associated with their event.

The approach adopted by Bellerby Economics is the *advanced impact* approach as this enables the analysis to reflect the full economic impact of the event.

### 1.5.2 Social & Community Benefits

The eventsIMPACT guidelines and principles identify that events also contribute to social and community benefits. The visitor survey sought to identify:

- **Satisfaction Impacts:** the extent to which attending the Festival event had been a pleasurable experience - quality of the event, atmosphere, the City’s amenities etc.

## 1.6 Report Structure

The remainder of this report is structured as follows:

- **Chapter 2** presents the results from the visitor survey;
- **Chapter 3** presents results from the business online survey;
- **Chapter 4** presents the economic impact analysis; and
- **Chapter 5** presents a brief set of conclusions.

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<sup>1</sup> eventIMPACTS is the result of collaboration between UK Sport, Visit Britain, EventScotland, the London Development Agency, the North West Development Agency, Yorkshire Forward and Glasgow City Marketing Bureau.

## 2. The Visitor Survey

### 2.1 Introduction

This chapter presents an analysis of the visitor survey conducted by IBP Strategy and Research at a number of locations in Perth City on 27<sup>th</sup> November 2016, the date of the St Andrew's Day Festival. A total of **394** interviews were completed.

### 2.2 Background to the Survey

The face-to-face survey of visitors was conducted on the basis of a random sample. The survey asked a series of questions to elicit information on:

- normal residence of the visitor;
- how they became aware of the St Andrew's Day Festival - PR, Marketing etc;
- importance of the St Andrew's Day Festival in the decision to visit Perth & Kinross (P&K)/Scotland;
- previous visits to P&K/Scotland;
- past and future visits to Winter Festival Events;
- whether the visitor is staying away from home;
- travel to and within Scotland;
- expenditure on food and drink, entertainment, shopping, travel etc;
- expenditure on accommodation;
- number in the visiting party;
- what they would have done that day if the St Andrew's Day Festival was not being staged;
- evaluation of the visitor experience at the St Andrew's Day Festival;
- perception of P&K/Scotland as a visitor destination;
- likelihood of future visits to P&K/Scotland; and
- demographics - age, gender, occupation etc.

### 2.3 Visitor Profile

The survey sample consisted of 41% males and 59% females. The age profile of the visitors surveyed is shown in **Table 2.1**.

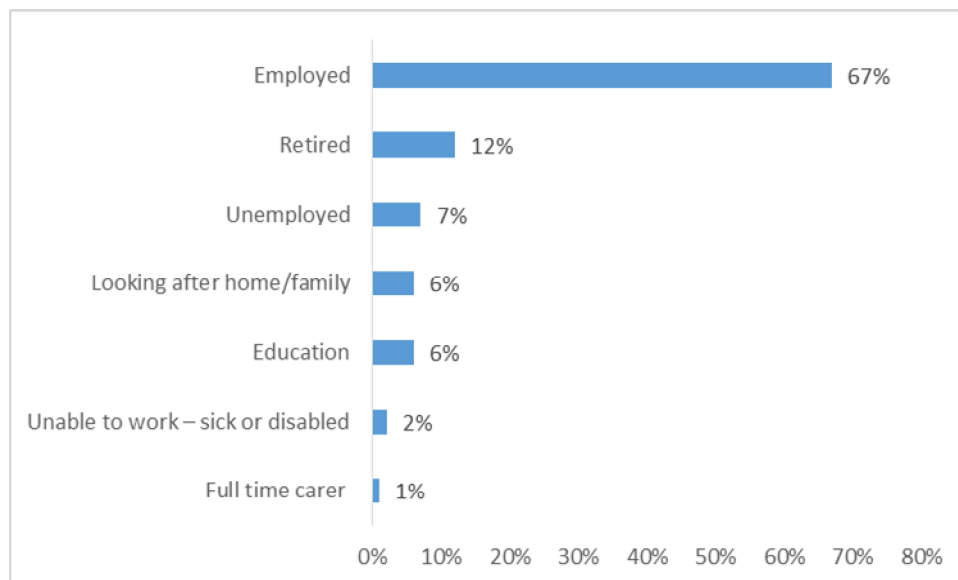
**Table 2.1: Respondent Age Groups**

Age Range	Total	%
18-19	11	3%
20-24	24	6%
25-34	57	14%
35-44	106	27%
45-54	104	26%
55-64	52	13%
65+	36	9%
Prefer not to say	4	1%
<b>Total</b>	<b>394</b>	<b>100%</b>

The survey data highlights that just over half of visitors (53%) are aged 35-54.

**Figure 2.1** illustrates the employment status of the sample.

**Figure 2.1: Employment Status of the Sample**



Over 70% of the sample is economically active, with two-thirds of respondents in full, part-time or self-employment.

Based on survey responses to questions about the occupation and industry of the chief wage earner in the interviewee's immediate family, the following social class categorisation was made<sup>2</sup>.

- 25% belonged to the upper middle/middle class group (AB) e.g. higher or intermediate managerial or professional;
- 36% fell into the lower middle class group (C1) e.g. junior managerial, supervisory or clerical;
- 23% were identified as skilled working class (C2) e.g. skilled manual workers;

<sup>2</sup> These social class classifications are from the Registrar General's Social Class categories, taken from Census of Population. They exclude 105 individuals whose answer prevented us from making a judgement.

- 10% were working class (D) e.g. semi and unskilled manual workers; and
- 6% fell into the lowest level of subsistence group (E) e.g. casual or lower grade workers.

The survey suggests that St Andrew's Day Festival drew almost two-thirds of its visitors from the higher social groups as 61% were identified as middle class - upper and lower.

Table 2.2 illustrates the ethnic background of the sample.

**Table 2.2: Ethnic Background**

	Number	%
White - Scottish	311	79%
White - British	46	12%
White - Irish	18	5%
White - Other	4	1%
Asian - Indian	1	>1%
Asian - Chinese	1	>1%
Asian - Pakistan	5	1%
Mixed	1	>1%
Other	3	1%
Prefer not to say	4	1%
<b>Total</b>	<b>394</b>	<b>100%</b>

The survey suggests that almost all visitors were of white origin (97%), with White Scottish accounting for 79% of all visitors.

Table 2.3 reports the normal place of residence of the sample.

**Table 2.3: Usual Place of Residence**

	Total	%
Perth & Kinross	293	74%
Elsewhere in Scotland	91	23%
Elsewhere in UK	6	2%
Outside the UK	4	1%
<b>Total</b>	<b>394</b>	<b>100%</b>

Almost all visitors were from Scotland - 74% from the local area with 23% visiting from other parts of Scotland. The Festival attracted 2% of visitors elsewhere in the UK and 1% from overseas.

Those surveyed were asked how many individuals were in their immediate party, including themselves, and the results are shown in Table 2.4.

**Table 2.4: Size of Visiting Group**

	Size of Groups
Total number of adult males	453
Total number of adult females	552
Total number children (aged under 16)	320
<b>Total</b>	<b>1,325</b>

Those surveyed were part of a wider visiting party totalling 1,005 adults, of whom 453 were male, 552 female, and 320 children.



Of those who normally reside outside Scotland (10 respondents) 90% had visited Scotland before, and of those who normally reside outside P&K (101 respondents) only 10% have never visited the region before.

## 2.4 Visit to the St Andrew's Day Festival

### Awareness

When asked whether they knew that the St Andrew's Day Festival was taking place Perth today 76% replied that they did, suggesting a highly effective marketing campaign. Almost 60% of visitors were aware that the St Andrew's Day Festival was part of the Perth Winter Festival.

### Recommendation

When asked if they would recommend the St Andrew's Day Festival to others 97% said that they would - 72% definitely and 25% probably - with only 3% saying that they would not recommend it to others. The reasons offered for their answer included:

- would recommend:
  - great bands
  - fun for children
  - great family day out
  - brings community together
  - great range of stalls
  - well organised, lots of variety
  - part of our history and culture
  - great atmosphere in the City; and
- would not recommend:
  - not enough to do/see.

### Perth Winter Festival

When questioned as to whether they had already, or intended to, visit any future event staged in Perth & Kinross area as part of the 2016 Winter Festival 67% said they would be, 23% had not yet made a decision, and 9% would not.

The key events that they intend to visit are illustrated in **Table 2.5**. The most popular events are: Christmas Lights Switch on, Santas' Run and Perth's Farmers' Market.

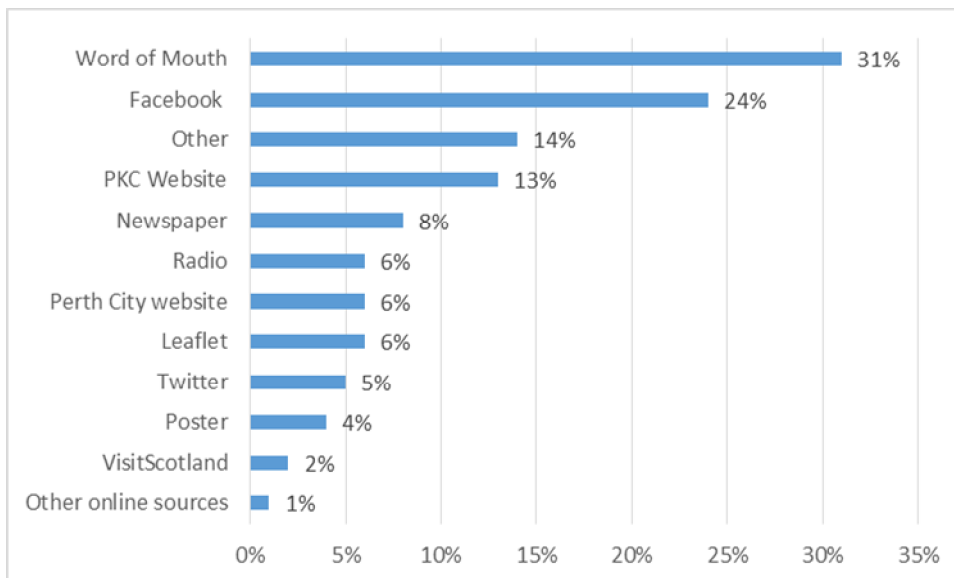
**Table 2.5: % Visiting 2016 Winter Festival Events (unprompted responses)**

Event	%	Event	%
Scotland’s Outdoor Festival of Chocolate	12%	Christmas Carol Concert at Scone Palace	3%
Perth Community Christmas & Craft Market	14%	Santa’s Run	26%
Perth Christmas Truck visit	10%	Elftastic Fun - Playtime with Santa's Little Elves	3%
Christmas Lights Switch On	40%	Dick McWhittington Pantomime	13%
Pitlochry Christmas Festival	4%	Perth Youth Theatre Concert	3%
Pitlochry New Year Street Party	5%	Child Line Christmas Concert	3%
Christmas Lantern Parade & Nativity Scene	5%	Carols at the Castle	6%
Perth Farmers’ & Craft Markets	23%	Phil Cunningham’s Christmas Song Book	1%
Cancer UK Christmas Fair Scone Palace	2%	Chinese New Year Party	2%

## Marketing & Promotion

Respondents were asked, unprompted, how they became aware of the St Andrew’s Day Festival and the most common responses are outlined in **Figure 2.2**. It highlights that a wide range of marketing and promotional material informed them that the Festival was taking place. Word of Mouth and Facebook were the key sources of information.

**Figure 2.2: Awareness of the Festival event (multiple answers allowed)**



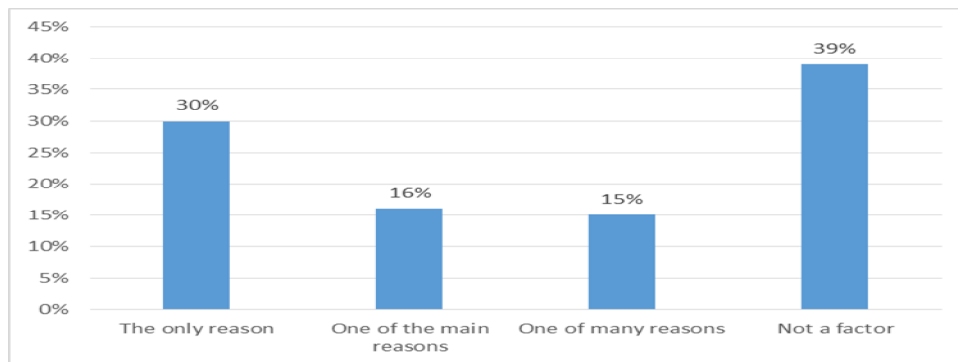
Most of those who answered “other” reported finding out about the event when passing-by an event when in Perth.

## 2.5 Reasons for Visiting and Counterfactual

An event such as the St Andrew’s Day Festival has the opportunity to generate not only additional visitors to the area during the Winter Festival, but can help to improve the level of repeat visits made by visitors and assist in creating a wider economic impact in the local economy. The following sections will illustrate how the St Andrew’s Day Festival led to people from outside P&K both attending the event and spending money in the area on accommodation, transport, food and drink, leisure and shopping, etc.

**Figure 2.3** examines the extent to which the St Andrew’s Day Festival was an important factor in respondents’ decisions to visit P&K.

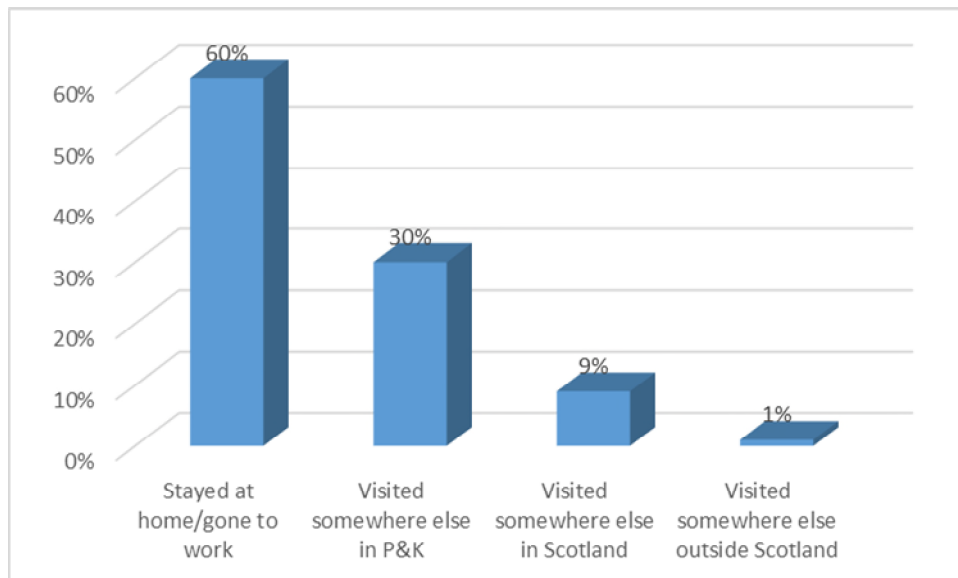
**Figure 2.3: Importance of the Festival event in Decision to Visit P&K (non-residents)**



**Figure 2.3** shows that the Festival was an important factor in the decision to visit Perth & Kinross for 46% of non-residents - for 30% it was the only reason, and for 16% one of the main reasons why they visited Perth on the day of the Festival.

Respondents were then asked what they would have done if they had not visited Perth City that day. **Figure 2.4** presents their answers.

**Figure 2.4: What Would Have Done Instead?**



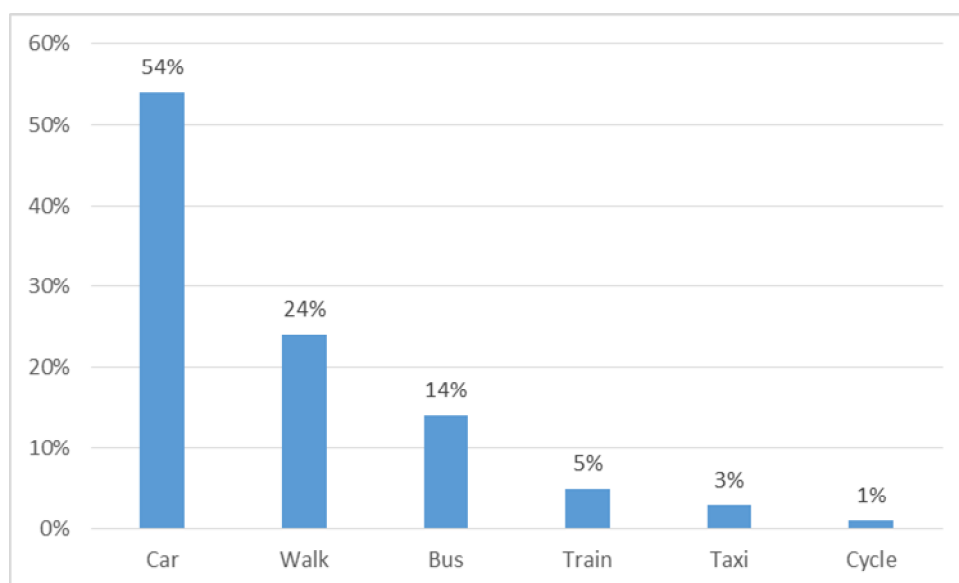
Most (60%) of individuals that attended the Festival event would have stayed at home/gone to work had it not been for the event, and over 30% would have visited somewhere else in P&K.

## 2.6 Travel to the Event

When asked which method of travel they had used to arrive in Scotland to attend the St Andrew's Day Festival, most of the very small number who live outside Scotland arrived by car, bus, train or plane.

When asked which method of travel they had used to get to the St Andrew's Day Festival on the day that they were interviewed, the most popular was by car, followed by bus and walking. **Figure 2.5** presents the full details.

**Figure 2.5: Mode of Transport on the Day (multiple answers allowed)**



When asked whether they would have preferred to have travelled by another method only 4% answered in the affirmative - the preference here was for more frequent bus/train timetables.

## 2.7 Length of Stay

A very small proportion of the visitors to the St Andrew's Day Festival were overnight visitors (5% - 20 respondents), with 95% being day visitor. Overnight visitors spent an average of 1.2 nights away from home to attend the Festival.

## 2.8 Accommodation

Just under half of those staying overnight to attend the event (47%) stayed with friends and relatives, 42% in a hotel, and the rest (11% - 2 respondents) did not provide an accommodation type.

There was a wide variation in the nightly expenditure on accommodation from £20 to £95. The average spend on accommodation was £55; when those staying with friends and relatives who had no accommodation costs are included, the average falls to £30.

## 2.9 Other Expenditure

Table 2.7 shows average level of expenditure (excluding accommodation) whilst attending the St Andrew’s Day Festival by normal area of residence.

Table 2.7 shows that those from elsewhere in the UK and elsewhere in Scotland had considerably higher expenditure levels than local respondents and those from outside the UK, at an average of £115.83 and £79.22 per day respectively. The “other” spend was typically parking fees.

Table 2.7: Average Expenditure

Origin	P&K	Rest of Scotland	Rest of UK	Outside UK
Food and Drink	£14.71	£21.65	£27.50	£12.00
Leisure/Entertainment	£6.35	£9.03	£6.67	£3.75
Other Shopping	£24.78	£41.13	£81.67	£10.00
Transport	£1.14	£7.32	£0.00	£1.50
Other	£0.27	£0.10	£0.00	£0.00
<b>Total</b>	<b>£47.26</b>	<b>£79.22</b>	<b>£115.83</b>	<b>£27.25</b>

## 2.10 Quality of the Visit

Respondents’ experience of their visit to the St Andrew’s Day Festival and the wider P&K area can encourage repeat visits and enhance the profile of Perth and Kinross and Scotland.

Table 2.8 highlights visitors’ experience of the St Andrew’s Day Festival.

Table 2.8: Quality of Visit to the St Andrew’s Day Festival

Activities	Very Good	Good	Neither Good Nor Poor	Poor	Very Poor
Dougie McLean	41%	49%	19%	0%	0%
Red Hot Chilli Pipers	54%	38%	7%	>1%	>1%
Other music entertainers	51%	41%	8%	0%	0%
Food and Drink Market	47%	39%	9%	2%	2%
Pipe Band Parade	53%	44%	2%	1%	0%
The buzz/atmosphere in the City	48%	47%	5%	1%	0%
Your overall experience of the event	50%	49%	1%	1%	0%

\* Those who did not experience a particular activity or who did not answer are excluded from the analysis.

Table 2.8 reveals very high levels of satisfaction with the event, particularly the overall experience of the event. Each aspect of the event achieved a 90%+ rating of very good/good apart from the Food and Drink Market whose score was 86% very good/good.

Respondents were also asked to rate the quality of the various amenities that they had experienced during their visit to the St Andrew’s Day Festival. Table 2.9 details the responses of those who experienced an amenity. Almost all (97%) rated their Overall Experience as very good/good.

**Table 2.9: Rating of Amenities - Perth & Kinross Area**

Amenity	Very Good	Good	Neither Good Nor Poor	Poor	Very Poor
Accommodation	36%	47%	17%	0%	0%
Restaurants	67%	26%	6%	1%	0%
Bars	50%	36%	12%	1%	1%
Other entertainment	54%	36%	8%	2%	0%
Shopping	46%	39%	10%	3%	2%
Parking	45%	27%	11%	14%	3%
Overall	61%	36%	3%	0%	0%

\* Those who did not experience a particular amenity, who did not answer or who live in P&K are excluded from the analysis.

Restaurants, Other Entertainment and Bars in P&K received very high positive ratings - each attracting a very good rating from 50% or more respondents experiencing the amenity. All other amenities achieved a very good/good rating from 80% of visitors.

Table 2.10 reveals very high levels of satisfaction with their visit to P&K and Scotland, with all offering a very good/good rating.

**Table 2.10: Rating of Visit Experience**

Ranking	P&K	Scotland
Very good	80%	100%
Good	20%	0%
Average	0%	0%
Poor	0%	0%
Very poor	0%	0%

NB: Excludes those who live in P&K/Scotland or who did not answer

## 2.11 Return Visits

Visitors were asked how likely they were to revisit P&K in the next three years. Table 2.11 shows that almost all non-P&K residents are very likely/likely to return within the next 3 years.

**Table 2.11: Likelihood of a Return Visit with Three Years**

Likelihood	%
Very Likely	88%
Likely	9%
Not Sure	2%
Very Unlikely	1%
Definitely Will Not Visit	0%

NB: Excludes those who live in P&K or who did not answer

## 3. The Business Survey

### 3.1 Introduction

PKC City Centre Team sought to understand the impact of the 2016 St Andrew's Day Festival on City centre businesses. Each city centre business on their database was sent a link to an online survey that asked a series of questions to enable it to quantify the scale of the impact - both positive and negative impacts were sought. Those without email addresses were sent hard copies of the questionnaire.

The key areas of questioning relevant to this report focused on whether the 2016 St Andrew's Day Festival:

- attracted additional visitors and shoppers to the city centre; and
- had an impact on their business.

To date (9 December 2016) 14 responses have been received, although not all answered every question. Our analysis excludes those who did not offer an answer.

### 3.2 Increased Visitors and Shoppers

The respondents were slightly more likely to suggest that the St Andrew's Day Festival had brought additional visitors in to Perth on the 27<sup>th</sup> November 2016 (50%) than additional shoppers (43%). Of those who suggested that the event had brought additional shoppers into Perth, they estimated that their business had seen an increase in shoppers of up to 10%.

### 3.3 Business Benefits

When asked whether the St Andrew's Day Festival had any benefit to the business, replies were received from all 14 businesses. Of these:

- 36% indicated that the event had had a positive benefit on the business;
- 36% suggested the event had had no impact on their business;
- 7% felt that the event had had a negative impact on their business; and
- 21% did not know whether the event had had an impact on their business.

A small number of businesses offered comments in support of their answer:

- Positive - extra sales; and
- Negative - people were in the City for the event rather than to shop.

### 3.4 Scale of the Positive Impact

Businesses reporting a positive impact were asked to quantify the positive benefits in terms of increased sales. Four of the businesses that reported an increase in sales suggested sales growth of up to 10%, with one business replying "don't know".

## 3.5 Quality of the Switch On event

Businesses were asked to rate, from a business perspective, the quality of the St Andrew's Day Festival event. Table 3.1 present their responses.

Table 3.1 shows high levels of satisfaction where four of the events attracting a very good/good rating from 100% of businesses, and the remaining events a very good/rating from 80%+ of businesses.

Table 3.1: Quality of Visit to Festival

Activities	Very Good	Good	Neither Good Nor Poor	Poor	Very Poor
Dougie McLean	50%	50%	0%	0%	0%
Red Hot Chilli Pipers	63%	37%	0%	0%	0%
Other music entertainers	57%	43%	0%	0%	0%
Food and Drink Market	43%	57%	0%	0%	0%
Pipe Band Parade	43%	43%	14%	0%	0%
The buzz/atmosphere in the City	50%	38%	12%	0%	0%
Your overall experience of the event	44%	44%	12%	0%	0%

## 3.6 How to Improve the Festival

Businesses were afforded the opportunity to comment how the Festival could be improved to the benefit of their business. However, of the two businesses that did respond:

- one was unaware that the event was on that day; and
- the other does not open on a Sunday.

None of the other business who responded to the survey chose to answer this question.



## 4. Economic Impact Assessment

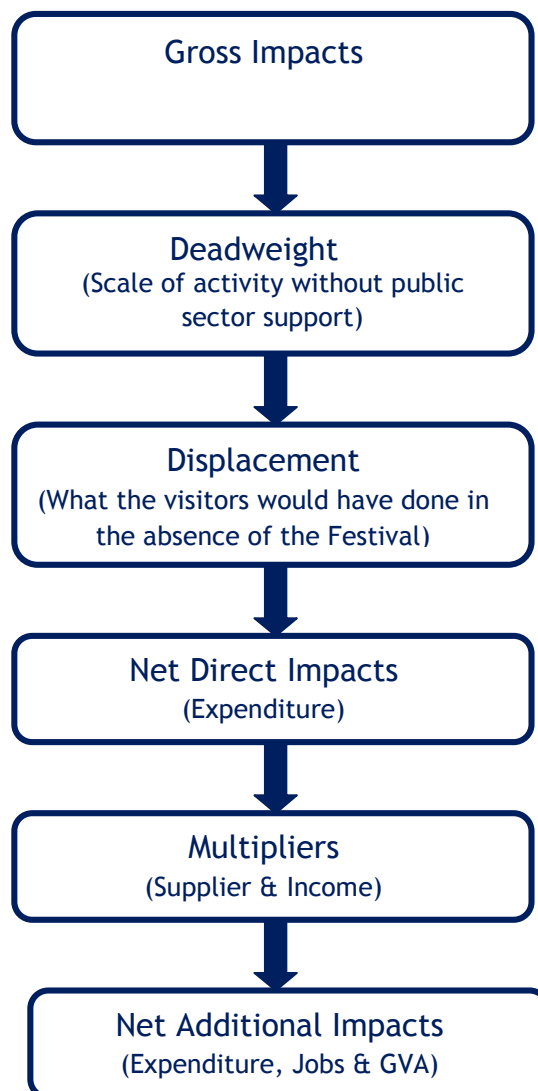
### 4.1 Introduction

This Chapter provides an assessment of the economic impact of the 2016 St Andrew's Day Festival, utilising data from the survey work and from PKC. The economic impact has been assessed at the Perth & Kinross (P&K) and Scottish levels.

### 4.2 Economic Impact Assessment Method

Our approach to the economic impact assessment is given in **Figure 4.1**, and is consistent with the *advanced impact approach* within the eventsIMPACT Toolkit.

**Figure 4.1: Economic Impact Assessment Method**



## 4.2.1 Gross Expenditure

Gross expenditure relates to the direct spend of the visitors to the St Andrew's Day Festival on accommodation, food, shopping, entertainment etc. This information is derived from the visitor survey, where a series of questions were asked to determine the average level of expenditure by the respondent.

Gross expenditure impacts will be measured according to the following formulae:

$$GE = ndv.dedv.ndv + nov.deov.lov$$

Where:

GE	gross expenditure
ndv	number of day visitors
dedv	daily expenditure of of day visitors
ndv	number of days visited
nov	number of overnight visitors
deov	daily expenditure of overnight visitors
lov	length of stay of overnight visitors

## 4.2.2 Gross to Net

The net impact of the 2016 the St Andrew's Day Festival is the true measure of the economic benefit to P&K and Scotland. To move from gross to net it is necessary to take account of:

- deadweight;
- displacement; and
- multiplier effects.

### Deadweight

Without funding from PKC the Festival would not have gone ahead in the form it did - scale and quality.

We therefore assume zero deadweight.

### Displacement

Displacement is a measure of the extent to which the St Andrew's Day Festival has simply moved expenditure from one part of the economy to another. Displacement levels have been assessed using information from the survey on:

- visitor origin;
- importance of the event in the decision to visit the area; and
- counterfactual i.e. what the visitor would have done in the absence of the Festival.

The displacement factors shown in **Table 4.1** relate to the proportion of the visitors by origin reporting that they would have been in P&K irrespective of the St Andrew's Day Festival and whose expenditure is therefore displaced - i.e. not included in the calculations.

**Table 4.1: Displacement**

	Perth & Kinross	Scotland
<b>Day Visitors</b>		
Perth & Kinross	1.00	1.00
Elsewhere in Scotland	0.49	1.00
Overseas	0.50	0.50
<b>Overnight</b>		
Elsewhere in Scotland	0.83	1.00
Elsewhere in UK	0.67	0.67
Overseas	0.50	0.50

P&K residents are allocated a displacement factor of 1 at both the P&K and Scotland level - indicating that at some point in time they would have made their expenditure elsewhere in the local/Scottish economy. Scottish residents are also allocated a displacement factor of 1 at the Scotland level - indicating that at some point in time they would have made their expenditure elsewhere in the Scottish economy.

Table 4.1 demonstrates that:

- day visitors:
  - a visit to the Festival event was the only or main reason why 51% of day visitors from elsewhere in Scotland were in Perth - hence a displacement factor of 49% (0.49)
  - a visit to the Festival event was the only or main reason why 50% of day visitors from overseas were in Perth - hence a displacement factor of 50% (0.50);
- overnight visitors:
  - a visit to the Festival was the only or main reason why 17% of rest of Scotland overnight visitors were in Perth on the 27<sup>th</sup> November. Their displacement factor is therefore 83% (0.83)
  - a visit to the Festival was the only or main reason why 33% of UK overnight visitors were in Perth on the 27<sup>th</sup> November. Their displacement factor is therefore 67% (0.67).
  - a visit to the Festival was the only or main reason why 50% overseas overnight visitors were in Perth on the 27<sup>th</sup> November. Their displacement factor is therefore 50% (0.50).

Table 4.1 shows high levels of displacement, indicating that most visitors to Perth on the day of the Festival would have been in Perth even if the event had not taken place.

## Multipliers

The expenditure generated as a result of the St Andrew's Day Festival event will have had two types of wider impact on the economy:

- **supplier effect:** an increase in sales in a business will require it to purchase more supplies than it would have otherwise. A proportion of this 'knock-on' effect will benefit suppliers in the local and national economies; and

- **income effect:** an increase in sales in a business will usually lead to either an increase in employment or an increase in incomes for those already employed. A proportion of these increased incomes will be re-spent in the local and national economies.

The Scottish Tourism Multiplier Study (STMS)<sup>3</sup> provides standard supplier and income multipliers for the tourism sector. This estimates that the combined supplier and income multiplier for Perth & Kinross of **1.32** at the local level; and **1.52** at the Scottish level.

## 4.3 The Visitors

### 4.3.1 Numbers and Origin

As discussed in **Chapter 1** it has been estimate that the number of visitors to Perth on the 27<sup>th</sup> November was 11,300. **Table 4.2** shows the visitor numbers, split by day and overnight, with only 5% spending at least one night away from home to attend the St Andrew's Day Festival.

**Table 4.2: Type of Visitor**

Type of Visit	Number	%
Day Visitor	10,735	95%
Overnight	565	5%
<b>Total</b>	<b>11,300</b>	<b>100%</b>

The pattern of visitor behaviour varies by origin and type of visit i.e. day and overnight. Therefore these effects have been analysed separately in order to derive the economic impact. **Table 4.3** gives a breakdown of type of visitors by origin.

**Table 4.3: Visitors by type and origin**

Type of Visit	Day		Overnight	
	Number	%	Number	%
Perth & Kinross	8,266	77%	0	0%
Elsewhere in Scotland	2,362	22%	339	60%
Elsewhere in UK	0	0%	169	30%
Overseas	107	1%	57	10%
<b>Total</b>	<b>10,735</b>	<b>100%</b>	<b>565</b>	<b>100%</b>

### 4.3.2 Expenditure

The level of expenditure also varies by origin, and day and overnight visitors. The average daily expenditure of each group is shown in **Table 4.4**.

**Table 4.4: Average Daily Expenditure**

Origin	Day	Overnight
Perth & Kinross	£36.65	£0.00
Elsewhere in Scotland	£73.04	£153.33
Elsewhere in UK	£0.00	£128.33
Overseas	£18.00	£51.50

<sup>3</sup> Surrey Research Group (1993), *Scottish Tourism: Multiplier Study*, Volumes 1-3, Report for the Scottish Office, HMSO.

The average length of stay for overnight visitors to enable them to attend the St Andrew's Day Festival is 1.2 nights.

Applying the gross expenditure formula detailed in Section 4.2 gives gross expenditure figures as detailed in **Table 4.5**.

**Table 4.5: Gross Spend**

Gross Expenditure	
Day Visitors	£475,446
Overnight Visitors	£91,969
<b>Total</b>	<b>£567,414</b>

### 4.3.3 Net Additional Expenditure

Applying displacement and multipliers gives net additional expenditure resulting from visitors, as set out in **Table 4.6**.

**Table 4.6: Net Additional Expenditure**

	P&K	Scotland
Gross spend	£567,414	£567,414
Displaced Expenditure	£458,477	£557,055
Net Direct Expenditure	£108,938	£10,360
Multipliers	1.32	1.52
<b>Net Additional Expenditure</b>	<b>£143,798</b>	<b>£15,747</b>

The high levels of displacement (indicating that significant numbers of visitors were from P&K and most the non-local visitors would have been in Perth even if the Festival event had not taken place) are key factors in reducing the gross spend, and thus the overall economic impact.

## 4.4 Net Additional Employment

Due to the short-term nature of St Andrew's Day Festival the employment impacts will not meet HM Treasury criteria of being full-time and of 10 year in duration.

It is, instead, likely that the employment impacts will be short-lived. We have, therefore, calculated annual equivalent jobs (aejs). We have applied output: employment factors derived from the STMS up rated for inflation: £53,643 at the local level; and £44,849 at the Scottish level.

Applying the output: employment factor to the net additional expenditure figures gives employment impacts generated by the visitors to the Festival of:

- 2.7 aejs at the P&K level; and
- 0.4 aejs at the Scotland level.

## 4.5 Gross Value Added

Gross value added (GVA) provides a monetary value for the amount of goods and services that have been produced, less the cost of all inputs and raw materials that are directly attributable to that production.

For the purpose of this impact assessment we apply GVA per employee ratios<sup>4</sup> of £20,205 at the P&K level and £19,856 at the Scottish level. This gives changes in GVA attributed to the St Andrew's Day Festival of:

- £54,554 at the P&K level; and
- £7,942 at the Scotland level.

## 4.6 Overview

Table 4.7 presents an overview of the economic impact of the St Andrew's Day Festival.

Table 4.7: Summary of Economic Impacts

Impact	P&K	Scotland
Net additional expenditure	£0.14m	£0.02m
Employment impact (annual jobs)	2.7	0.4
GVA	£0.05m	£0.008m

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<sup>4</sup> These values are estimated from data obtained from Scottish Annual Business Statistics 2014 - the latest data available - and relates to the *accommodation and food service activities* used as a proxy for tourism spend. These data were last updated in August 2016.

## 5. Conclusions

### 5.1 Introduction

This Chapter provides conclusions for the study centred on the key aims of the evaluation. The conclusions therefore cover:

- Economic measures:
  - net additional expenditure in the Perth and Kinross and Scottish economies;
  - Gross Valued Added (GVA) to the Perth and Kinross and Scottish economies; and
- Social & Community Benefits.

### 5.2 Economic Measures

The economic impacts generated by the staging of St Andrew’s Day Festival are detailed in Table 5.1.

**Table 5.1: Economic Impact Measures**

	P&K	Scotland
Net additional expenditure	£0.14m	£0.02m
Employment impact (annual jobs)	2.7	0.4
GVA	£0.05m	£0.008m

### 5.3 Social & Community Benefits

Within the eventsIMPACT tool kit social and community benefits relate to

- **Satisfaction Impacts:** the extent to which attending the event had been a pleasurable experience -quality of the programme, atmosphere, the City’s amenities etc.

Evidence from the visitor survey identifies very high levels of social and community benefits, in that:

- each aspect of the event achieved a 90%+ rating of very good/good apart from the Food and Drink Market whose score was 86% very good/good; and
- Restaurants, Other Entertainment and Bars in P&K received very high positive ratings - each attracting a very good rating from 50% or more respondents experiencing the amenity. All other amenities achieved a very good/good rating from 80% of visitors.