

Appendix 7: Guest Spend Briefing Note

Proof of Evidence – Need

September 2022

Introduction

1. This briefing note outlines the existing evidence of guest expenditure within London Borough of Harrow and London.
2. It draws on the information on stays and spend obtained from Guest Spend surveys conducted at events held within Premier Banqueting from 25/03/2022 - 02/04/2022, evidence published by VisitBritain and VisitEngland into domestic visitor spend¹ and the International Passenger Survey².
3. This evidence is subsequently used within the Economic Impact briefing note (Appendix 8) to estimate the guest spend per event at Premier Banqueting.

Guest Spend Survey³

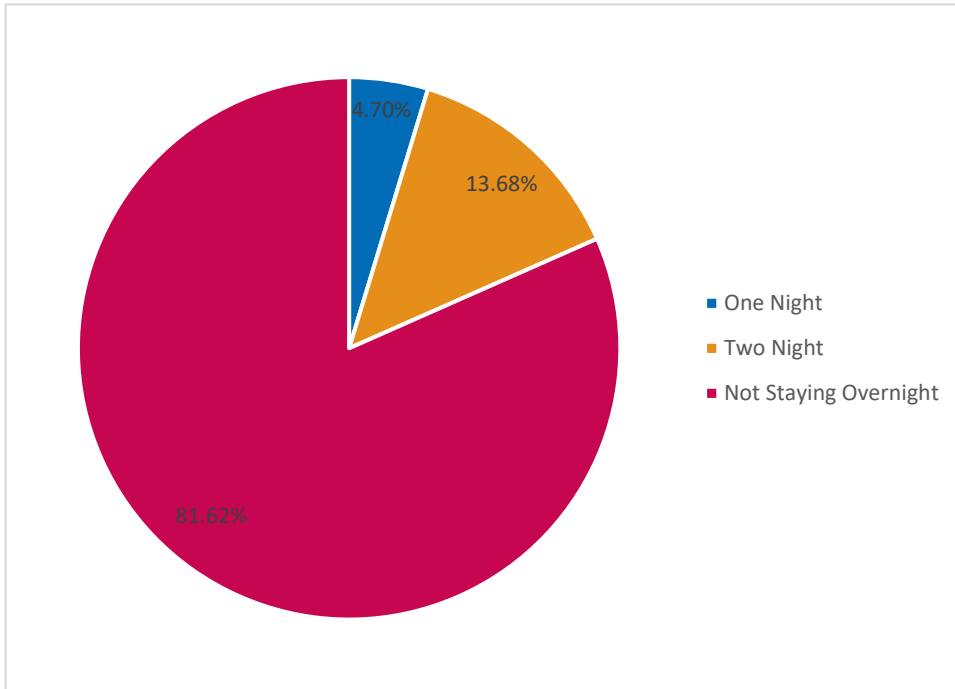
4. The Guest Spend surveys were conducted by the Appellant at five events held at Premier Banqueting from 25/03/2022 - 02/04/2022. A total of 55 surveys were completed, which incorporated an estimated 234 guests.
5. The surveys do not cover every guest that attended the events falling between these dates but do provide a useful indication of some of the spending patterns of guests from different places of residence. The questions and survey responses used for the analysis presented below are outlined in Appendix 6.
6. Of these estimated 234 guests, 43 guests were staying overnight. This equates to 18% of visitors to Premier Banqueting who completed the survey. Of these 43 guests, 11 stayed for one night and 32 stayed for two nights. All of those staying overnight indicated they were staying in a hotel.
7. Figure 1 shows the proportion of Premier Banqueting guests staying overnight, with c. 82% of guests not staying overnight, c. 14% of guests staying one night and c. 5% of guests staying two nights (does not sum due to rounding – see Figure 1 for exact numbers).

¹ The GB Tourist 2019 Annual Report is compiled by VisitBritain/ VisitEngland and outlines the participation in tourism across Great Britain and provides a measure for total expenditure and the number of nights and trips taken in each nation, region and local authority.

² ONS via VisitBritain (2021) Inbound trends by UK nation, region and country. Available at: www.visitbritain.org/inbound-trends-uk-nation-region-county. The International Passenger Survey is conducted by the Office for National Statistics and presented by VisitBritain to summarise guest expenditure by international visitors to Great Britain. The survey involves asking international visitors who spend at least one night in Great Britain where they stayed and other information. This Guest Spend briefing note focusses on international passengers visiting friends and relatives (VFR).

³ Turley (2022) Brockley Hill Guest Spend Survey Response Calculations

Figure 1: Proportion of guests staying overnight



Source: Guest Spend Survey and Turley Economics

8. Table 1 shows the estimated number of guests and the number of guests who had overnight stays when attending an event at Premier Banqueting.

Table 1: Estimated total number of guests and number of guests who stayed overnight (based on surveys conducted at five events falling 25/03/2022 - 02/04/2022)

Local Authority	Estimated Number of Guests	Number of guests who stay overnight
Barnet	8	0
Brent	21	0
Ealing	14	0
Enfield	5	0
Harrow	99	0
Hillingdon	3	0
Watford	9	0
Total within London	159	0 (0%)
Birmingham	32	32
Bradford	7	7
Central Bedfordshire	5	0
Hertfordshire	4	0

Luton	5	0
Milton Keynes	4	4
Slough	14	0
Total outside London	71	43 (61%)
Overall	234	43 (18%)

Note: Four estimated guests did not provide information on where they live, therefore the overall total is not the sum of the total within London and the total outside London

Source: Guest Spend Survey and Turley Economics

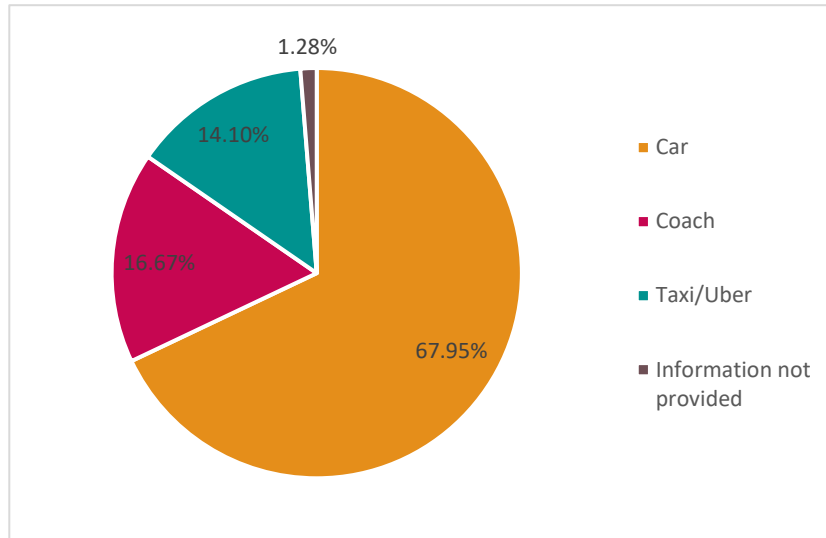
9. The key findings are:

- All of the guests that stayed for an overnight trip (43) live outside of London. This equates to 61% of the estimated guests from the survey that live outside of London.
- This is predominately a result of the estimated 32 guests from Birmingham that attended one event. All of these 32 guests stayed for two nights and travelled together to Premier Banqueting by coach.
- In addition, all seven of the guests who travelled from Bradford stayed overnight and all 4 guests from Milton Keynes also stayed overnight.
- Guests from London and nearby locations such as Hertfordshire, Central Bedfordshire, Luton and Slough did not stay overnight.
- Proximity of a guest's place of residence logically appears to have a bearing on the decision to stay overnight.

10. Figure 2 shows the mode of transport that the surveyed guests used:

- The majority of the estimated guests arrived at the venue by car (159 estimated guests or c. 68%).
- The second largest category of mode of transport is coach, equating to c. 17%. Most of the guests from the survey who arrived at Premier Banqueting by coach lived in Birmingham (32 guests). A total of seven guests travelled from Bradford to Premier Banqueting by coach. Therefore, a total of 39 guests travelled to the venue by coach.
- Similarly, c.14% of the estimated number of guests arrived at Premier Banqueting (33 guests) by taxi/Uber. This is also likely to generate additional economic benefits in the local economy.

Figure 2: Mode of transport used by guests



Source: Guest Spend Survey and Turley Economics

VisitBritain/ VisitEngland Data

11. This briefing note uses evidence from the GB Tourist 2019 Annual Report⁴ which is produced by VisitBritain. This report is the most recent report that presents guest spend at the local authority level since data collection was impacted in 2020 due to the Covid-19 pandemic.
12. This section covers the following:
 - Visitor expenditure per trip
 - Visitor expenditure by those visiting friends and relatives
 - Visitor expenditure by day visitors who “went to a special event of a personal nature such as a wedding, graduation, christening, etc”

Visitor Expenditure per trip

13. Table 2 shows the average spend per trip to London depending on the region of origin. It shows that tourists who live further away spend the largest amount per trip. For example, Scottish visitors spend £441.40 per trip to London on average.
14. The reverse is true for those living closest to London and unsurprisingly the lowest average spend per trip in London occurs from residents who live within the capital, averaging at £100.86. This is likely to be a result of residents of London being less likely to require overnight accommodation.

⁴ Kantar on behalf of VisitBritain (2019), The GB Tourist 2019 Annual Report

Table 2: Average spend per trip in London by region of origin

Region of Origin	Number of trips	Expenditure (£)	Spend/Trip (£)
Scotland	802,000	£354,000,000	£441.40
North East	471,000	£158,000,000	£335.46
Wales	463,000	£144,000,000	£311.02
Yorkshire and the Humber	942,000	£283,000,000	£300.42
East Midlands	1,170,000	£322,000,000	£275.21
West Midlands	1,461,000	£389,000,000	£266.26
South West	1,245,000	£310,000,000	£249.00
North West	1,329,000	£329,000,000	£247.55
East of England	887,000	£211,000,000	£237.88
South East	2,224,000	£418,000,000	£187.95
London	1,160,000	£117,000,000	£100.86

Source: The GB Tourist 2019 Annual Report⁵ and Turley Economics

15. Table 3 shows the overnight visitor expenditure across the local authority of Harrow, London and England. The key findings are as follows:

- The largest spend per night is in London as a whole (£106.49), which is a reflection of the capital being a popular tourist destination.
- The national average spend night is £66.99, which is lower than the average spend per night in London, but larger than the average spend per night in the local authority of Harrow (c. £26.55).
- This difference in tourist expenditure is not surprising given that Harrow is located outside of central London and is not generally perceived as a tourist destination.

⁵ Kantar on behalf of VisitBritain (2019) The GB Tourist 2019 Annual Report. Table 1.6.1 and 1.6.5

Table 3: Visitor expenditure

	Harrow	London	England
Trips (million)	0.15	12.20	99.10
Nights (million)	0.53	28.50	290.30
Expenditure (£ million)	£14.00	£3,035	£19,448
Spend/Trip (£)	£93.54	£248.77	£196.25
Spend/Night (£)	£26.55	£106.49	£66.99

Source: *The GB Tourist 2019 Annual Report*⁶ and *Turley Economics*

Visitor expenditure by those visiting friends and relatives

16. When the sample is reduced based on the purpose of the trip, for those visiting friends and relatives (VFR) the following is revealed:

- The average spend per trip is £58.28 and the average spend per night is £14.98 in Harrow.
- This is substantially lower than spend per night for London and England as a whole as shown in Table 4.

Table 4: Visitor Expenditure for those Visiting Friends and Relatives (VFR)

	Harrow	London	England
Trips (million)	0.11	4.16	36.08
Nights (million)	0.42	11.56	103.92
Expenditure (£ million)	£6.33	£507.33	£3,982.33
Spend/Trip (£)	£58.28	£122.07	£110.39
Spend/Night (£)	£14.98	£43.91	£38.32

Source: *The GB Tourist 2019 Annual Report*⁷ and *Turley Economics*

Visitor expenditure by day visitors attending a special event

17. The trips and expenditure data for those who went to a 'special event of a personal nature such as a wedding, graduation, christening, etc' is available in relation to both London and England from the Great Britain Day Visitor 2019 Annual Report⁸. This data is not available at local authority level.

18. To estimate this at the local authority level, this briefing note applies the ratio of spend/night for Harrow-London in Table 4 to the spend/day for attending a special event (as per the above definition) in London to determine the apportioned value for Harrow.

⁶ Kantar on behalf of VisitBritain (2019) *The GB Tourist 2019 Annual Report*. Page 5 and Table 2.8.

⁷ Kantar on behalf of VisitBritain (2019) *The GB Tourist 2019 Annual Report*. Page 5 and Table 2.8.

⁸ Kantar on behalf of VisitBritain (2019) *Great Britain Day Visitor 2019 Annual Report*

19. Using this approach, it is estimated that:
- Day visitors attending a special event of a personal nature such as a wedding will spend an estimated £17.11 in Harrow.
20. As outlined in the Guest Spend Survey section of this briefing note, the majority (c. 82%) of guests to Premier Banqueting do not stay overnight and hence can be considered as 'day visitors'.

Table 5: Visitor expenditure for day visitors for those that “went to a special event of a personal nature such as a wedding, graduation, christening, etc”

	Harrow ⁹	London	England
Trips (million)	-	13.4	57.0
Expenditure (£ million)	-	£671.90	£2472.1
Spend/day (£)	£17.11	£50.14	£43.37

Source: Great Britain Day Visitor 2019 Annual Report¹⁰ and Turley Economics

International Passenger Survey¹¹

21. The International Passenger Survey is conducted by the ONS and published by VisitBritain. The survey involves asking visitors from overseas who spend at least one night in the UK where they stayed, and for other information which is then aggregated to estimate the number of visits, nights and spending. This briefing note uses data for international passengers visiting friends and relatives (VFR).
22. Table 6 shows the average spend per visit and night for international passengers who visited London. With the particular market for Premier Banqueting in mind, Table 6 shows the average spend per night for those visiting from India and Pakistan as well as 'Other Asia' countries¹².
23. The key findings are:
- Overall, the average spend per visit is £687.24 across these categories of countries, with £553.53 being spent per visit by people travelling from India, and £838.23 being spent per visit on average by people travelling from Pakistan. The average is marginally higher than the average for passengers visiting from all countries which is £680.80.
 - The average spend per night across the Asian countries considered is £95.47 and is therefore greater than those travelling from within the UK (see VisitBritain data in section above).

⁹ Apportioned to Harrow on the basis of the ratio of the spend per night for those Visiting Friends and Relatives (VFR) for Harrow to London.

¹⁰ Kantar on behalf of VisitBritain (2019) The GB Tourist 2019 Annual Report. Page 5 and Table 2.8.

¹¹ ONS via VisitBritain (2021) Inbound trends by UK nation, region and country. Available at: www.visitbritain.org/inbound-trends-uk-nation-region-county

¹² This includes all other countries within Asia with the exception of China, South Korea, Singapore, Hong Kong, Malaysia, Taiwan, Thailand, India, Indonesia, Pakistan and Japan.

- The average spend per night for passengers travelling from any country into London is £119.50, which is higher than the average for passengers visiting from the Asian countries discussed¹³.

24. If friends and relatives travel to attend an event at Premier Banqueting from countries outside of Great Britain, then it is expected that there will be higher expenditure in the local areas of Harrow and London equating to c. £95.47 per night, than if guests were from the UK alone. See Table 6.

Table 6: Average spend per visit and night

Country of Origin	Average Spend per visit	Average Spend per night
India	£553.53	£97.89
1-3 nights	£539.80	£195.34
4-7 nights	£569.61	£101.07
8-14 nights	£558.01	£56.61
15+ nights	£550.11	£14.17
Pakistan	£838.23	£99.68
1-3 nights	£148.98	£82.76
4-7 nights	£971.93	£177.70
8-14 nights	£930.37	£89.57
15+ nights	£980.05	£37.70
Other Asia	£709.39	£88.63
1-3 nights	£585.88	£300.68
4-7 nights	£394.02	£67.20
8-14 nights	£556.86	£61.38
15+ nights	£1,239.05	£31.30
Overall	£687.24	£95.47

Source: International Passenger Survey and Turley Economics

Summary

25. This briefing note has drawn on the information and data provided from the Guest Spend surveys conducted within Premier Banqueting, VisitBritain data and the International Passenger Survey. It has found that:
- An estimated 43 guests (out of 234) from the Guest Survey of visitors to Premier Banqueting (c. 18%) stayed overnight.

¹³ The above average spend per visit is therefore likely a reflection of staying longer.

- Of these 43 guests, 11 stayed for one night and 32 stayed for two nights.
- Approximately 61% of the estimated number of guests from the survey who live outside London stayed overnight in London.
- The majority of the estimated guests arrived at the venue by car (c. 68%). Approximately 14% of the estimated number of guests arrived at Premier Banqueting by taxi/Uber, generating additional economic benefits in the local economy.
- VisitBritain data indicates that a typical overnight visitor to Harrow for the purposes of visiting friends and family spends an average of £14.98 per night. A typical day visitor for a special event such as a wedding spends an average of £17.11.
- The International Passenger Survey indicates that the average spend per night for those visiting friends and relatives in London from India, Pakistan and 'Other Asia' countries is £95.47. Therefore, if friends and relatives travel to attend an event at Premier Banqueting from these countries, there will be greater expenditure in the local areas of Harrow and London than for events with only UK-based guests.

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