
Economic Perspective 1

A TALE OF TWO SURVEYS

J Heeley and M McVey
Scottish Hotel School, University of Strathclyde

The dearth of reliable market intelligence in tourism is frequently remarked upon. At the regional and local levels, market information is usually either absent or incomplete. At the national level, where regular surveys exist to monitor tourism flows, the data frequently exhibit discrepancies and are of questionable validity. More specifically there exists a disparity in the latest estimates for domestic tourism spending in Scotland when the Scottish Tourist Board's figures, drawn from its National Survey of Tourism in Scotland (NSTS), are compared with those contained in the British Home Tourism Survey (BHTS) produced by the combined research services department of the British Tourist Authority and English Tourist Board.

The BHTS is a household sample enquiry to measure the volume, value and other characteristics of domestic tourism in Britain. Domestic tourism refers to all travel by British residents within Britain which involves at least one overnight stay and which is undertaken for leisure or business purposes. BHTS has been in existence since 1972 and is widely considered to be a leader in the field of national tourism and holiday surveys. It comprises personal interviews with approximately 2,000 individuals aged 16 and above, conducted in the interviewee's home. The sample is a random one carefully designed to be representative of the population of 43.3 million adults in Britain. Interviewees are asked for information on all domestic tourism trips undertaken in the previous two calendar months involving themselves and the children accompanying them.

NSTS is a new Scotland-only survey of domestic tourism with a much superior

sample size as compared to BHTS. It was commissioned by STB because BHTS was deemed to be insufficiently accurate at a disaggregated Scottish level. (The Board had used BHTS data over the decade 1972-82). NSTS is currently the dominant factor in the STB's research budget, and is based on a quota sampling technique. Paradoxically, the quota limits for the regions of origin of visitors were fixed by reference to BHTS data. It should be noted that quota sampling is a non-random technique. Financial constraints prohibited the employment of probability sampling methods as these would have doubled the cost of the survey to STB. Fieldwork for NSTS was conducted for the first time in 1984, enabling STB to this year break free from its previous reliance on BHTS. In the Chairman's foreword to the Board's 1984-1985 annual report* Alan Devereux referred to NSTS as a "more accurate method of data collection", declaring:

"Sales revenue figures for 1984 have been derived from a new and continuous Scotland-only survey which invalidates comparisons with former all-British studies of previous years".

The 'sales revenue' figures referred to are reproduced from the annual report in the first row of Table 1. These data reveal that the domestic tourism spending generated by an estimated 13.1 million trips and 63 million bednights was £1,161m. The comparison with BHTS aggregate statistics for Scotland's domestic tourism yields a spectacular difference (see line 2 of Table 1). While the BHTS trip and bednight figures are down by 6% and 12% respectively, those for spending are a staggering 44% lower than the NSTS estimate.

*Scottish Tourist Board, Sixteenth Annual Report 1984-1985, the Board, Edinburgh, 1985.

Table 1 Aggregate trips, bednights and expenditure figures, 1984 for Britain's member countries

	Trips (*000,000)	Bednights (*000,000)	Spend (*000,000)	Average spend per day (£)
NSTS figs. for Scotland	13.1	63.0	1,161.0	18.4
BHTS figs. for Scotland	12.3	55.4	649.9	11.7
BHTS* figs. for Wales	12.2	59.6	531.6	8.9
BHTS* figs. for England	116.1	448.7	4,798.5	10.7
IPS figs. for Scotland	1.2	12.1	245.0	20.2

Notes: *Provisional estimates contained in 1985 annual reports of the Wales and English tourist boards

A difference of such an order of magnitude cannot be lightly explained away*, suggesting that an urgent review is necessary of the data collection methods employed under the NSTS and BHTS. However, in the absence of such a review, there are prima facie grounds to be highly suspicious of the NSTS spending estimate. In effect, it runs counter to one of the few universal truths in tourism - substantiated in countless statistical studies - that in any one country the average daily spending of domestic tourists is considerably lower than that of their international counterparts by a factor of 2:5. If the NSTS estimate is taken at face value, it indicates that each domestic tourist in Scotland has an average daily spend of £18.4, £1.8 short of the comparable figure for overseas tourists in Scotland, as revealed by International Passenger Survey (IPS) statistics.** (See Table 1, lines 1 and 5.)

Table 2 Aggregate trips bednights and expenditure for Britain as a whole, 1984

	(*000,000)	(*000,000)	(£*000,000)	Average spend per day (£)
BHTS figs. for Britain	140	565	5,975	10.6
IPS figs. for Britain	14	155	4,175	26.9

This near comparability of the domestic (NSTS) and overseas (IPS) per capita daily spends simply does not fit with either common sense or the 'known' facts. Throughout the member nations of Europe, the general rule of thumb as enunciated in the report of the working group of the national tourist organisations of the EEC, is that on an average daily basis "domestic tourists spend 40% as much as international tourists".*** A telling confirmation of the 2:5 ratio is to be found in the all-British data for domestic/international spending using IPS and BHTS sources. For 1984 the per capita daily spend of domestic tourists was 39.4% that of their overseas counterparts (see Table 2). It is substantiated further by a special survey of Non-Business Visitors to Wales recently undertaken by Marplan for the Wales Tourist Board which covered both domestic and foreign tourism during the 1984 summer season. There, the relation between the average daily spend by overseas visitors (£26.03) and that by domestic visitors (£11.12) is of the expected order of 2:5 (see Table 3). Finally, various ad hoc regional and local scale tourism studies within Scotland consistently reveal that the per capita daily expenditures of overseas tourists is substantially greater than that of domestic tourists. For instance, a 1976 study of tourism to the Edinburgh and

*The per capita differences between the two surveys is reduced to a small extent by the fact that the NSTS trip and bednight figures do not include those made by children who are accompanying adults, whereas BHTS results do. However, since only a small proportion of domestic trips are made by groups which include children (the NSTS figure is 17%), the effect of adjusting the NSTS trip and bednight figures accordingly only has a marginal effect on the per capita calculations.

**The International Passenger Survey is carried out on behalf of the Department of Trade at all the major ports and airports in the UK which are used by international traffic. A random sample of passengers arriving in and departing from the UK are interviewed to identify those which are tourists, the length of their visits, and the amounts spent. The sample size is large (circa 164,000) and the results are highly reliable.

***See: The Economic Significance of Tourism within the European Community, A Fifth Report of the Working Group of the National Tourist Organisations of the EEC, British Tourist Authority, London 1983, p27.

Lothian regions, sponsored by STB and Lothian Regional Council, showed that the average daily expenditure of North American tourists exceeded that of domestic tourists by a factor of almost three.

Table 3 Per capita daily spending of domestic and international tourists to Wales, Summer 1984

	Av. spend per day (£)
Domestic tourists	11.12
International tourists	26.03

Source: Marplan Study of Non-Business Visitors to Wales

The 'sales revenue' results in the NSTS therefore run counter to the well-documented reality of per capita spending differentials as between the overseas and domestic markets. It is a reality that the STB chairman is well aware of:

"I am sure we shall come on to some marketing questions there, but an overseas visitor produces far more revenue than a domestic visitor per capita, does he not?

(Mr Devereux) Yes."

(Evidence given to
Select Committee on
Trade and Industry,
Wednesday, 27 February
1985.)

Such arguments were used in the STB's successful campaign to gain a direct presence in the overseas marketing of Scottish tourism. However, the STB are now providing us with figures showing that there is in fact very little difference in the amounts expended on a per capita daily basis by the overseas and domestic tourist. The Board can't have it both ways, and the evidence leads us to suggest that the NSTS estimate is badly out.