EDINBURGH'S SUMMER FESTIVALS 2004
ECONOMIC IMPACT STUDY

A Final Report to:

The City of Edinburgh Council
Scottish Enterprise Edinburgh and Lothian
EventScotland
VisitScotland

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Executive Summary

Introduction

1. Together, Edinburgh's summer Festivals represent the world's biggest arts Festival. They attract a large and varied audience of spectators and performers from Edinburgh, Scotland, the rest of the UK and overseas. In 2004 the Festivals ran from 30th July to 5th September. This report represents the first part of a two stage study that will assess the economic impact of Edinburgh's festivals on the city itself, the Lothians region and Scotland.

Table 1: Timetable of the Edinburgh summer Festivals calendar

Festival	Dates
Edinburgh International Jazz and Blues Festival	30th July- 8th August
Edinburgh Military Tattoo	6th August- 28th August
Edinburgh International Film Festival	8th August- 29th August
Edinburgh Festival Fringe	8th August- 30th August
Edinburgh International Book Festival	14th August- 30th August
Edinburgh International Festival	15th August- 5th September
Edinburgh Mela	4th September- 5th September
Edinburgh Festival Cavalcade	8th August
MediaGuardian Edinburgh International TV Festival	27th August- 29th August
Edinburgh International Games Festival	8th August- 22nd August

2. In recent years the number of free and ticketed events held in Edinburgh's summer festivals has grown substantially with the estimated attendance at all the summer festival events reaching 2.6 million in 2004.

3. The research is based on a survey of 2,624 visitors attending Festival events carried out by TNS Market Research. Web surveys of performers, delegates and journalists were also carried out. Data was also collected from the Edinburgh Principal Hotels Association and Edinburgh Hotel & Guesthouse Association, the City Centre Management Company and each of the Festivals.

Overall impact

4. The 2.6m attendances were made as part of 845,000 trips to the Festival. The survey indicates that of these, there were 254,000 trips by Edinburgh residents (30%), 237,000 by people from the rest of Scotland (28%), 228,000 by visitors from the rest of the UK (27%) and 127,000 by overseas visitors (15%).

5. We estimate that the Summer Festivals generated around £130m of new expenditure or output in the Edinburgh economy and £31m of income. Income is the change in wages, salaries and profits which occurs within the economy as a result of this new expenditure.

6. This level of expenditure can be expected to support 2,500 full time equivalent jobs (FTE's) for one year. However the actual pattern of employment is likely to be more concentrated during the festival period. For example, this figure could represent 5,000 temporary jobs for six months. The results for Edinburgh, the Lothians and Scotland are shown in Table 2.

Table 2: Economic impact by area (£m's)

	Output	Income	Employment (FTE's for one year)
Edinburgh	£127m	£31m	2,500
Edinburgh and the Lothians	£140m	£36m	2,900
Scotland	£135m	£38m	2,900

Visitor profile

7. The survey collected a great deal of information on the profile of visitors to the Edinburgh Festivals. The main points are:

- thirty percent of all visitors were Edinburgh residents with 6% from the Lothians, 22% from elsewhere in Scotland, 27% from elsewhere in the UK and 15% from overseas
- for around half of the visitors from outside Edinburgh, the Festival(s) were their sole reason for visiting the city (48%) while it was very important for a further 16%
- a third of visitors had not decided which events to attend before their trip while just over 20% had decided on all of the events that they were attending
- on average, each trip involved 2.82 attendances to the Festivals
- just under a quarter of attendees (23%)expected to take one or more trips to Edinburgh in the next year in order to attend other events or Festivals
- just under a half of attendees were on an overnight trip which involved at least one night away from home (47%) while the remainder were on day trips
- of those who were on trips away from home, 85% spent at least one night in Edinburgh spending an average of five nights in the city
- 31% of visitors staying overnight in the city stayed with friends and relatives. 19% stayed in hotels with 50 or more rooms and 12% in smaller hotels

- visitors attending the festivals on average suggested that the range of events, overall experience of the festivals and Edinburgh as a place to visit were all slightly better than expected, with value for money being as they had expected.

Wider context

8. The wider context work provides more detail on who benefits, where visitors went outside Edinburgh and provides feedback from hotels, guesthouses and retailers. The main findings are:

- in total the *gross expenditure* made with accommodation providers by those attending Festival events was £76m. Of this approximately £49m was made in Edinburgh
- 29,000 people attending Festival events stayed in Glasgow (6%) and a similar number stayed in the Highlands and islands during their trip. Around 8,000 stayed in the Borders (2%) and 6,000 in Fife (1%)
- occupancy in the city's Principal hotels averaged 88% in August, slightly higher than September
- nearly all (90%) of the hotels in the survey had turned potential bookings away during peak periods throughout August e.g. weekends etc and of these, 40% had turned away more than 200 potential bookings
- Although a large majority of hotels (90%) believed that holding the Festivals together 'added to the overall appeal of the city', in terms of their own business performance, 37% would prefer them spread throughout the year
- 66% of guesthouses and B&Bs thought that holding the Festivals together added to the appeal of the city while, for their own businesses, 34% would prefer them spread throughout the year

Economic impact

9. Table 3 presents estimates of the output or new expenditure generated by each of the Festivals. This is, in effect, a distribution of the overall economic impact results. The estimates of economic impact are based on the identification of the number of trips made, rather than attendances. In order to allocate visitor expenditure between Festivals and to avoid double counting, visitors were asked which Festival had been the most influential on their decision to visit Edinburgh. The results only include expenditure that is new to Edinburgh, so spending by residents and others who would have been in the city anyway are excluded. The expenditure of performers, journalists and organisers are all included as are the "knock on" or multiplier effects that the new expenditure creates.

10. Festivals which attract more people from outside Edinburgh, where the Festival is the main reason for coming and where visitors stay for a long time, will have a higher

economic impact. On this basis, the Fringe, Tattoo and the International Festival generate the largest expenditure. For all these Festivals, the impact is substantial compared with many other events held around Scotland.

11. It is also important to understand that the economic impact is only one of many factors in the success of a Festival. In the longer term, the strength of the Festivals will not just be about a continuing increase in attendances but also enhancing the quality and attractiveness of the programmes and maintaining Edinburgh's position in the face of increasing competition from other Festivals.

Table 3: Output in Edinburgh, the Lothians and Scotland 2004 (£m's)[1]

	Edinburgh	Edinburgh and the Lothians[2]	All Scotland
Edinburgh International Jazz and Blues Festival	£2.9	£3.0	£2.9
Edinburgh Military Tattoo	£23.3	£29.2	£29.5
Edinburgh International Film Festival	£2.1	£2.5	£2.6
Edinburgh Festival Fringe	£69.9	£74.9	£74.8
Edinburgh International Book Festival	£3.4	£3.7	£3.9
Edinburgh International Festival	£19.3	£20.0	£14.4
Edinburgh Mela	£0.8	£0.9	£0.7
Festival Cavalcade	£3.3	£3.7	£4.2
Edinburgh International Games Festival	£0.5	£0.7	£0.6
Edinburgh International TV Festival	£0.9	£0.9	£1.1
Totals	**£126.5**	**£139.6**	**£134.7**

Conclusions

12. This is a complex analysis involving many different strands; visitors, performers, journalists and organisers. The research has gone into considerable detail in assessing these flows of expenditure. The overall results from stage one of the project indicate that in terms of overall expenditure or output, the summer Festivals generate almost £130m in Edinburgh and support almost 2,500 jobs.

13. These are net figures and exclude expenditure that would be made in the city anyway by those who live there or those who would be holidaying in Edinburgh in any case.

14. These figures also exclude what would be a major contribution to the promotion of the city through TV and other media coverage. Television coverage of the Tattoo and arts programmes with interviews and footage from all the Edinburgh Festivals

[1] *The impact is in some cases lower at a Scottish level than for Edinburgh. For example, where visitors claim that they would have been somewhere else in Scotland if the Festivals had not taken place, their expenditure would be considered "additional" to Edinburgh but not to Scotland.*

[2] *The figures for the Lothians are for Edinburgh and the Lothians. The figures for Scotland are for the whole of Scotland, including Edinburgh and the Lothians.*

generates a huge amount of valuable publicity that is likely to continue to generate new trips throughout the year.

15. An analysis of UK media coverage of these summer festivals from the 26th July 2004 to the 30th August 2004 covering local and national radio, TV and press conducted by TNS Media research has indicated an advertising equivalency value of £11.6m. This figure reflects a monetary measure of the newspaper space or broadcast time generated by the festivals as if it were purchased for advertising purposes. It does not include international press and media coverage.

16. As well as the economic impact, there is a great deal of information on the profile of visitors to the Festivals. One of the conclusions to draw from a number of the strands is the importance that is attached to holding the events at similar times. It is unlikely that any of the Festivals would be able to attract the attendances they do at the moment if they were held separately.

17. It is impossible to consider how tourism in the city would have developed without the Festivals. We would argue that while there may be some modest displacement of potential non-Festival goers, this, in all likelihood, would be offset by the positive effect that the Festivals have on attracting other trips to the city throughout the rest of the year.

18. The Festivals not only generate income for city residents, they also play an important role in the city's cultural life. They provide a diversity of entertainment and education which is as valuable for residents as it is for visitors. The Festivals also make a major contribution to the profile of the city and Scotland, making the it a more attractive place to live and work. Cultural factors and quality of life are increasingly recognised as drivers of economic development and in this respect the Festivals all make invaluable contributions.

1 Background and methodology

1.1 This report presents the results of an economic impact study of Edinburgh's 2004 summer Festivals. The research provides a robust and detailed assessment of the profile of visitors and associated expenditure generated in the Edinburgh, Lothian and Scottish economies as a result of hosting the summer Festivals. The research was conducted during the Festivals in August and September 2004 and through follow up interviews in October.

1.2 This study represents the first of two stages being carried out for the Festivals steering group. The second stage will assess the impact of the city's winter Festival programme, providing an overview of Edinburgh's year round programme.

Objectives

1.3 The main objectives of the study were to:

- identify and quantify the full economic impact of each Festival on Edinburgh, Lothian and Scotland, including the number of jobs created and supported
- develop a profile of the audiences for each of the Festivals, and for all the Festivals as a whole
- obtain consumer perceptions of the Festivals from both local residents and visitors.

1.4 This study is the first full impact study of the Summer Festivals to be carried out since 1991, although updates were carried out in 1996 and 1997 based on the 1991 research. This study provides a great deal more analysis of the expenditure associated with performers, journalists and organisers.

1.5 Although this report provides expenditure estimates for each of the Festivals individually, this is a complex process requiring numerous assumptions. Throughout the report we have sought to make these as transparent as possible.

The Edinburgh summer Festivals 2004

1.6 Together Edinburgh's summer Festivals represent the world's biggest arts Festival. They attract a large and varied audience of spectators and performers from Edinburgh, Scotland, the rest of the UK and overseas. The Festivals in 2004 ran from 30th July - 5th September. All the individual Festivals covered in this study are listed below. Importantly these Festivals also include the Bank of Scotland Fireworks event, which was run by the Edinburgh International Festival and Fringe Sunday which was part of the Festival Fringe.

Table 1.1: Timetable of the summer Festivals calendar

Festival	Dates
Edinburgh International Jazz and Blues Festival	30th July- 8th August
Edinburgh Military Tattoo	6th August- 28th August
Edinburgh International Film Festival	8th August- 29th August
Edinburgh Festival Fringe	8th August- 30th August
Edinburgh International Book Festival	14th August- 30th August
Edinburgh International Festival	15th August- 5th September
Edinburgh Mela	4th September- 5th September
Edinburgh Festival Cavalcade	8th August
MediaGuardian Edinburgh International TV Festival	27th August- 29th August
Edinburgh International Games Festival	8th August- 22nd August

1.7 Since the work done in 1997, there has been a substantial increase in attendances and the overall figure has grown by 65%. This growth has been driven by a number of factors. Firstly, there has been a substantial increase in the number of ticketed events and also the number of free events held, attracting visitors. Secondly, as the summer programme has developed new Festivals and events have been introduced to the calendar which have both diversified the overall product and added to attendance levels (Table 1.2).

Table 1.2:Attendance figures for the Edinburgh summer Festivals 1996-2004[3]

Audience figures	1996	1997	1998	1999	2000	2001	2002	2003	2004
Edinburgh International Jazz and Blues Festival events	37,400	34,079	38,866	46,087	47,639	48,259	49,581	N/A	75,000
Edinburgh Military Tattoo events	200,000	200,000	217,000	217,000	217,000	217,000	217,000	217,000	217,000
Edinburgh International Film Festival events	31,430	37,000	42,795	44,614	42,159	52,296	48,521	53,918	54,500
Edinburgh Festival Fringe events	790,000	800,000	814,000	860,000	835,196	873,887	1,023,687[4]	1,384,738	1,461,997
Edinburgh International Book Festival events	N/A	62,700	64,000	70,000	100,000	120,000	160,000	185,000	207,000
Edinburgh International Festival events	418,000	421,000	395,946	387,629	400,817	398,078	407,476	416,267	334,900
Edinburgh Mela events	30,000	9,500	14,000	15,000	23,000	30,000	40,000	N/A	40,000
Edinburgh International Games Festival									7,289
Festival Cavalcade									185,000

1.8 Most of the Festivals show substantial increases in attendances. Attendances at the Fringe, the single largest Festival in terms of ticket dales, have almost doubled. The Book Festival has also increased attendances by more than 100%. Numbers attending the Tattoo remain steadily around 200,000 while the attendance at the International Festival has fallen slightly. This is likely to be primarily due to the change of the day of the fireworks concert as the Edinburgh International Festival broadly exhibits a consistent level of attendance year on year and is concerned more with maintaining high standards than growing attendance.

1.9 The number of attendances is not necessarily an indication of the overall attractiveness or quality of the Festivals, but they are a major factor in the calculation of economic impact.

Methodology

1.10 The major objective of this study was to identify the profile of visitors to the Festivals and to articulate the additional economic impact generated in Edinburgh, the Lothian and Scotland.

[3] Data provided by Festival organisers themselves and Arts Development department of the City of Edinburgh Council

[4] Includes a lower attendance at Fringe Sunday event due to bad weather.

Our approach is consistent with other event studies that we have undertaken and is based on a number of sources:

- **a survey of visitors attending Festival events was undertaken by TNS Market Research -** altogether 2,624 interviews were achieved over the course of the Festivals, exceeding the target of 2500.

- **web surveys of 115 performers and delegates and 25 journalists/media** involved with one or more of the Festivals were conducted

- **19 major hotels in the city were contacted** via the Edinburgh Principal hotels association and **26 Guesthouses and B&B's** via the Edinburgh Hotel & Guesthouse Association. Information was also collected from four retailers via the Edinburgh City Centre Management Company

- **desk research** including work on previous economic impact studies of the Edinburgh Festivals and other research, including:
  - 'Edinburgh Festivals Economic Impact study', Jones Economics, November 1996
  - 1991 study into the Economic impact of the Edinburgh Festivals
  - 1999 supply and demand study of the Edinburgh accommodation sector, Edinburgh and Lothian Tourist Board

- **consultations with each of the Festival organisers** to obtain details of spending made in staging the event and revenues obtained through ticket sales and grants/sponsorship

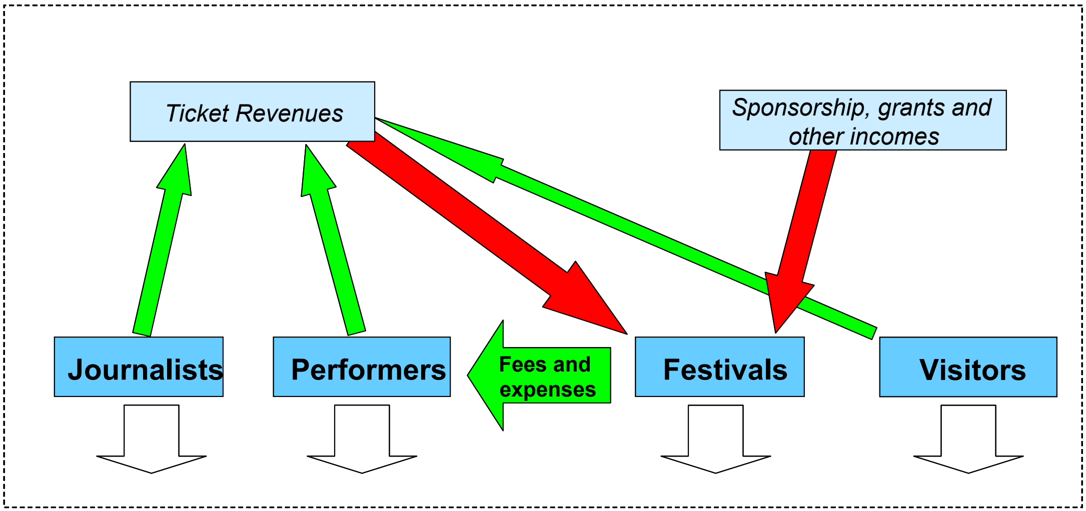
Impact methodology

1.11 The interviews collected information on:

- the direct expenditure made by each of the visiting groups and the revenues received by local accommodation providers and businesses
- accommodation and length of stay,
- perceptions of the event,
- satisfaction with the delivery of the event.

1.12 In order to fully understand the level of economic impact generated by the event we have constructed a model that details each of the strands of expenditure by the various groups. This also helps to avoid any issues of double counting. Figure 1.1 shows the complex relationship between these expenditure streams.

Figure 1.1: Expenditure streams diagram



Distribution of spending i) % spent in Edinburgh,
ii) % spent in Edinburgh and Lothians, iii) % spent in Scotland

Gross expenditures

Displacement

Net expenditure and Multipliers

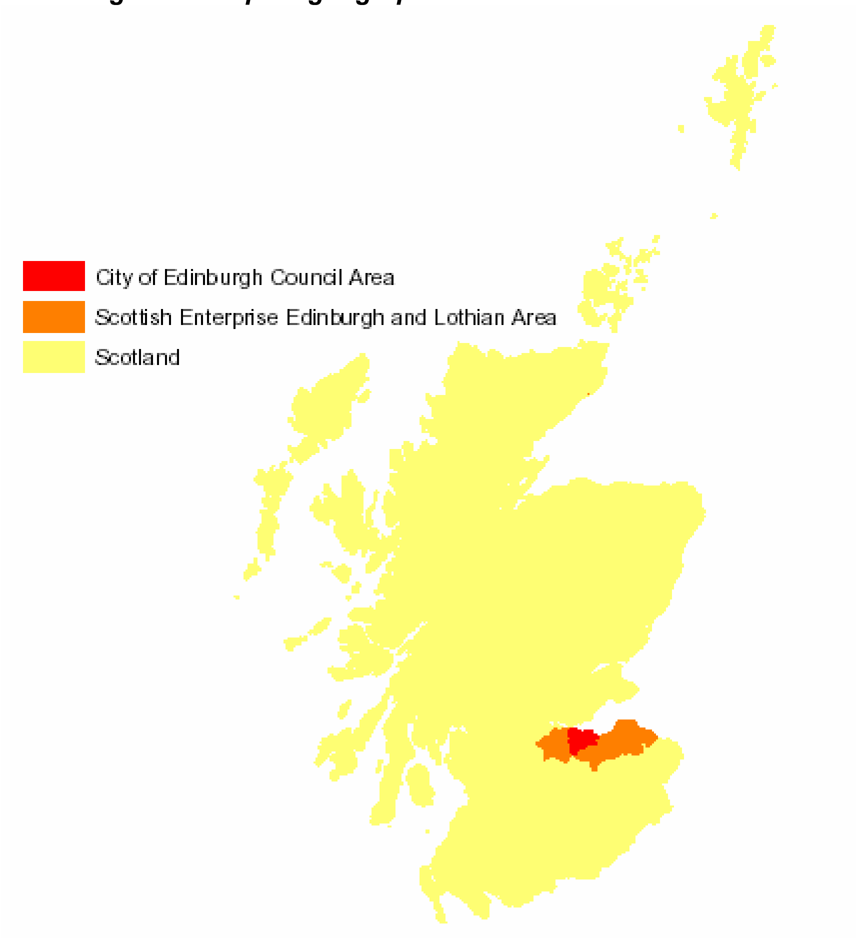
Economic Impacts and FTE jobs created

Defining the impact area

1.13 In order to assess the economic impact it is necessary to define the geographic areas to be covered. The study uses three areas:

- The City of Edinburgh
- The Lothians (including the City of Edinburgh)
- Scotland (including the Lothians)

Figure 1.2: Diagram of impact geographies



2 Highlights from the visitor survey

2.1 A major element of the work was a survey of the visitors who attended the Edinburgh Festivals. The interviews were co-ordinated and conducted by TNS Research. A total of 2,624 interviews were achieved, exceeding the target of 2,500. This overall sample was then weighted, both by the attendances associated with each of the Festivals and also by the proportion of visitors from different origins.

2.2 The analysis of the survey is based around six areas:

- audience profile
- motivations and marketing channels
- events attended, new visitors and revisits
- future attendance at events
- length of stay and type of accommodation
- attitudes to Edinburgh's summer Festivals and the quality of the visitor experience.

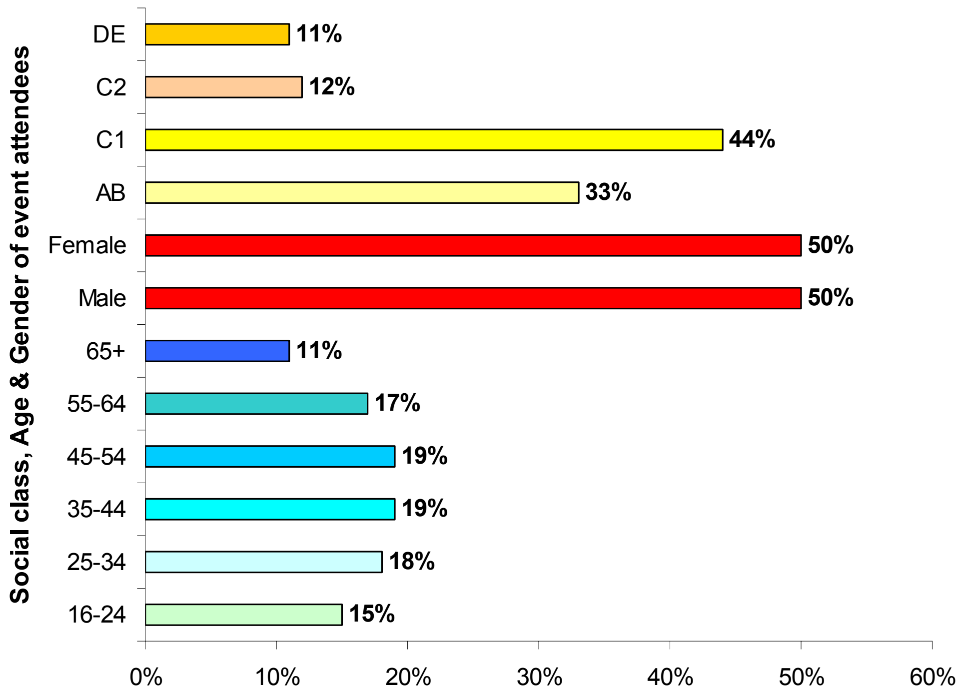
Table 2.1: Interviews achieved per Festival

Festival	Number of interviews achieved with individuals who attended each Festival	Attendance
Edinburgh International Festival	484	134,900
Bank of Scotland Fireworks concert	90	200,000
Edinburgh Festival Fringe	1,441	1,251,997
Fringe Sunday	176	210,000
Edinburgh International Book Festival	725	207,000
Edinburgh International Film Festival	510	54,500
Edinburgh International Games Festival	49	7,289
Edinburgh International Jazz and Blues Festival	167	75,000
Edinburgh Mela	118	40,000
Edinburgh Military Tattoo	832	217,000
Festival Cavalcade	102	185,000
Total	**2,624**	**2,582,686**

Audience profile

2.3 The table below illustrates the overall demographic profile of those interviewed. The age profile of attendees was fairly evenly spread with broadly similar proportions in the 16 to 34 (33%), 35 to 54 (38%) and 55+ (28%) bands. Equal proportions of attendees were male and female and around three-quarters were in the ABC1 social classes (77%).

Figure 2.1: Profile of all visitors



2.4 The demographic profile of interviewees at each of the summer Festivals and events varied (see Table 1, Appendix A). In terms of age, **the youngest profiles were found amongst those whom attended the International Games Festival (24% aged 16 or 17) and the International Film Festival (53% aged 18 to 34) from those interviewed**. A larger proportion of those interviewed at the Mela were aged between 25 and 54 (85%) and more attendees were aged 55 or over at the International Festival (46%) and Military Tattoo (55%).

2.5 While the overall gender profile of attendees to all of the Festivals was evenly split, more males were present at Mela (68%) and the International Jazz and Blues Festival (61%) while the majority of attendees were female at the International Book Festival (57%) and International Festival (56%).

2.6 Variations in the social class profile of attendees to each Festival included a larger proportion of ABs at the International Book Festival (58%), more C1s at the International Jazz and Blues Festival (65%) and more C2s and DEs at the Festival Cavalcade (41%) and Bank of Scotland Fireworks Concert (38%).

2.7 **Thirty percent of all visitors were locals from Edinburgh, with 6% from the Lothian, 22% from elsewhere in Scotland, 27% from elsewhere in the UK and 15% from overseas**. Each of the Festivals demonstrated a different profile of visitors, with the Tattoo and the Fringe attracting the highest relative proportion of visitors from outside Scotland, 73% and 56% respectively. Whereas events like the Mela and the Jazz and Blues Festival have a much higher proportion of locals in their audiences.

Table 2.2: Breakdown of origins amongst attendees

	Edinburgh	Lothian	Scotland	UK	Overseas
Jazz and Blues Festival visitors	62%	8%	12%	8%	11%
Military Tattoo Festival Visitors	17%	1%	9%	48%	25%
Film Festival visitors	53%	7%	16%	11%	12%
Fringe visitors	22%	5%	17%	38%	18%
Book Festival visitors	49%	6%	21%	16%	8%
International Festival visitors[5]	56%	1%	17%	16%	9%
Mela visitors	82%	4%	4%	7%	3%
Cavalcade visitors	49%	6%	17%	11%	18%
International Games Festival visitors	54%	7.6%	17%	16%	5%
All visitors	**30%**	**6%**	**22%**	**27%**	**15%**

2.8 Table 2.3 shows a more detailed breakdown of Festival attendees by origin. Forty two percent are from outside Scotland with 15% from outside the UK. Of the overseas countries represented the highest proportion, 3.1% is from the USA.

[5] It should be noted that whilst we expect the survey to be a robust and representative sample of each of these events, research conducted by the International Festival suggests that 39% of their visitors are locals, which is corroborated by 40% of their bookings being local compared to 56% in this study and in addition, 13% are from overseas, which is corroborated by 15% of ticket bookings, compared to 9% in this study.

Table 2.3: Breakdown of origins amongst attendees

Origin	% of visitors
Edinburgh	30%
Lothians	6%
Elsewhere in Scotland	22%
Rest of the UK	27%
Rest of the world	15%
USA	3.1%
Australia	2.0%
Canada	1.7%
Germany	1.3%
Ireland	0.8%
Sweden	0.8%
France	0.7%
South Africa	0.6%

Motivations and Marketing channels

2.9 To find out more about their decision making processes, respondents were asked to indicate,

- how important were the Festivals in their decision to visit Edinburgh and Scotland?
- had they decided on which Festivals they intended to visit before their trip?
- which Festival most influenced their decision to visit?
- what other factors influenced their decision to visit?
- what information sources did they use to plan their visit/trip?

How important were the Festivals in their decision to visit Edinburgh and Scotland?

2.10 **For around half of visitors who lived outwith Edinburgh, the Festival(s) were their sole reason for visiting the city (48%)** while it was a very important reason for a further 16%. However, 17% of attendees stated that, although they were attending at least one Festival event, this was of no importance at all in their decision to visit.

2.11 Attendees who were visiting Scotland were also asked to indicate how important the Festival(s) were in their decision to visit Scotland. Around two-fifths of these respondents indicated that the Festival(s) were their sole reason for coming (40%). A further quarter indicated that the Festival(s) were of no importance at all in their decision to visit Scotland.

Table 2.4: Influence of Festival(s) on decision to visit Edinburgh/ Scotland

	Decision to visit Edinburgh	Decision to visit Scotland
Sole reason for coming	48%	40%
Very important reason for coming	16%	17%
Fairly important reason for coming	10%	8%
Only a small reason	10%	10%
Of no importance at all	17%	24%

2.12 A comparison of the influence of the Festival(s) on the attendees to each of the individual Festival(s) highlights a number of significant variations (see tables 8 and 9 in Appendix A).

2.13 The Festivals most likely to represent a visitor's sole reason for coming to Edinburgh were the Edinburgh Military Tattoo (70%) and the Edinburgh International Festival (58%). By comparison, larger proportions of attendees to the free events stated that the event was of no importance at all in the decision to visit Edinburgh; most notably 38% of visitors at the Bank of Scotland Fireworks Concert stated that the Festival(s) were of no importance.

2.14 The influence the Festivals had on decisions to visit Scotland was similarly varied with 62% of all non-Scottish attendees to the Tattoo stating that this event was their sole reason for coming to Scotland.

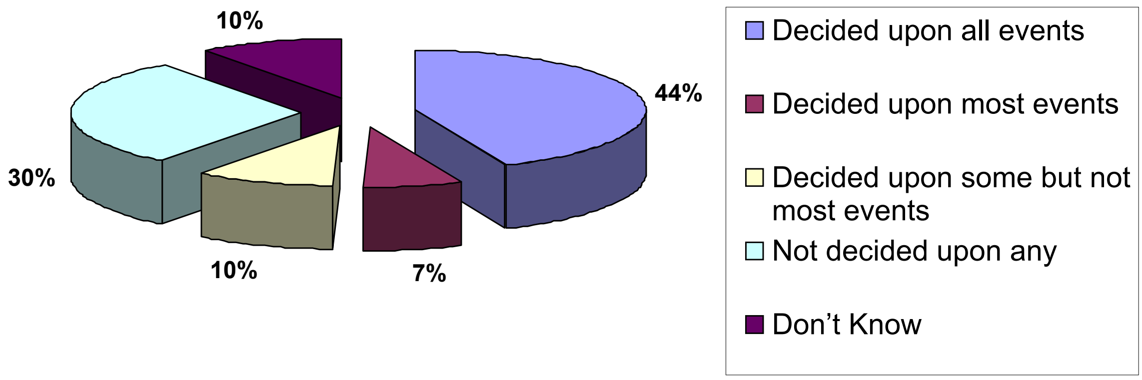
2.15 Other notable variations in the levels of influence in decisions to visit Edinburgh and/or Scotland included a larger proportion of overnight visitors on short breaks stating that the Festivals were their sole reason for coming to Edinburgh (63%) or Scotland (60%). By comparison, visitors on longer holidays were more inclined to indicate that the Festivals were only a small reason or of no importance in their decision to visit Edinburgh (37%) or Scotland (42%).

Had they decided on which Festivals they intended to visit before their trip?

2.16 Respondents were also asked whether they had decided upon the Festival events that they would attend prior to their departure. As the graph below illustrates, **just over two in five attendees had decided upon all of the events that they were attending before their trip (44%)** while 7% had decided upon most at this stage.

2.17 Conversely, some 30% of attendees had not decided upon any of the events they were attending before taking their trip.

Figure 2.2: Decisions about event attendances prior to taking trip



2.18 Larger proportions of attendees of the following Festivals had decided upon all of the events they would be attending before the start of their trips (see table 6, appendices):

- Edinburgh Military Tattoo (87%)
- Bank of Scotland Fireworks Concert (87%)
- Edinburgh Mela (85%)
- Edinburgh International Games Festival (81%)

2.19 However, as many as 42% of Edinburgh Festival Fringe attendees had decided on none of the events they went to in advance of their trip.

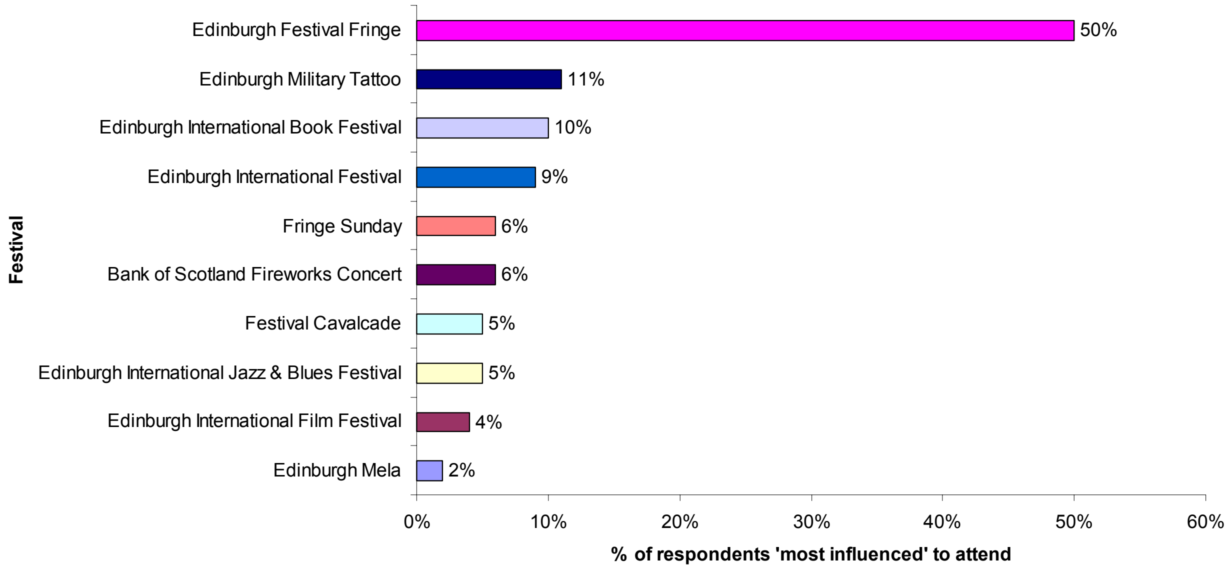
2.20 In general, attendees most likely to have decided upon all of the events they were attending in advance of their trip included males (47%), those aged 65 or over (58%), and residents of Edinburgh (56%).

2.21 On the other hand, attendees more likely to decide upon all of the events they were attending after the start of their trip included those aged between 25 and 34 (42%) and overseas visitors (54%).

Which Festivals most influenced their decision to visit?

2.22 As the graph below illustrates, around half of all attendees were influenced by the Edinburgh Festival Fringe (50%), 11% were influenced by the Edinburgh Military Tattoo and 10% were influenced by the Edinburgh International Book Festival.

Figure 2.3: Festivals 'most influencing' decision to visit Edinburgh



2.23 It is notable that the Edinburgh Festival Fringe influenced a large proportion of attendees at the other Festivals, most notably 29% of Film Festival attendees, 23% at the Book Festival, 21% at the International Festival and 11% at the Military Tattoo.

2.24 Other variations in the Festivals which influenced decisions to take trips reflected the profile of each Festival's audience with Edinburgh residents more likely than other attendees to be influenced by Fringe Sunday (12%) but less likely to be influenced by the Edinburgh Festival Fringe (36%). UK residents from outwith Scotland were the market most likely to be influenced by the Edinburgh Festival Fringe (68%) while larger proportions of overseas visitors were influenced by the Military Tattoo (23%).

What other factors influenced their decision to visit?

2.25 All attendees were asked, without prompting, to indicate what else influenced their decision to visit Edinburgh. As the table below illustrates, **the most frequently provided answers related to the general excitement and buzz in Edinburgh during the Festivals** (28%) while around a tenth of all visitors were influenced by a short break deal (11%). Other factors most likely to influence visitors included the opportunities to experience culture and history (9%) and chances to visit relatives (8%) or friends (7%).

Table 2.5: Other influences on visitor decisions to take trips	
The buzz/ excitement of Edinburgh	28%
A short break deal	11%
To experience culture and history	9%
The opportunity to visit relatives	8%
The opportunity to visit friends	7%
Shopping	4%
To have a restful/ relaxing holiday	4%
To visit a specific tourist site/ attraction	4%
Been before and wanted to return	2%
To enjoy pubs/ nightlife	2%
Business or conference	2%
Opportunity to mix with local people	1%
To discover a new destination	1%
Been to other parts of Scotland wanted to visit	1%
To experience arts/ galleries	1%

2.26 The factors influencing attendees varied between different segments of the overall Festival audiences. Some of the most notable variations included the following:

- *The buzz and excitement of Edinburgh* – male respondents (32%), those aged between 45 and 54 (38%) and residents of the Lothian (46%) were the most likely to state that this was an influence in their decision to visit.
- *A short break deal* – short break deals influenced around two-fifths of visitors on a short break to Edinburgh (39%).
- *To experience culture and history* – these factors were most likely to influence overseas visitors (23%) and those on longer holidays (22%).

What information sources did they use to plan their visit/trip?

2.27 As the table below shows, the most commonly used information source when attendees were planning trips, and the source most likely to influence choices of events attended, was the advice of friends or relatives.

2.28 Other sources used by around a fifth of attendees included press articles or reviews and the Edinburgh Festival Fringe programme.

Table 2.6: Information sources

	Used to plan trip	Influenced events attended
Advice from friend or relative	27%	20%
Edinburgh Festival Fringe programme	20%	13%
Magazine/newspaper article or review	19%	11%
Advert in newspaper/ magazine	8%	5%
Leaflet from someone in street	7%	3%
Edinburgh International Book Festival programme	6%	5%
Guide book	5%	2%
Edinburgh International Festival programme	5%	3%
Ed Festival.com	4%	1%
Internet, unspecified site	4%	3%
Poster in street, pub, etc.	3%	1%
Festivals map	3%	1%
Other leaflet	3%	
Edinburgh International Film Festival programme	3%	2%
Tourist Information Centre	2%	1%
Tourist brochure	2%	2%
Travel agent	2%	2%
Edinburgh Festivals Guide Daily	2%	1%
Edinburgh International Jazz and Blues Festival programme	2%	1%
TV	2%	1%

2.29 The sources of information used during trip planning varied between the audiences of each of the summer Festivals (see table 7, Appendix A). Some of the key variations included the following:

- *International Jazz and Blues Festival* – attendees more likely than other Festival audiences to have used a press advertisement when planning their trip (22%).
- *Edinburgh Military Tattoo* – attendees at this event were more likely to have used a travel agent when planning their trip (16%).
- *International Film Festival* – a fifth of attendees used the Edinburgh International Film Festival Programme to help plan their trip (21%).
- *Fringe* – just over a third of Fringe attendees stated that the Edinburgh Festival Fringe Programme helped them to plan their trip (35%) and around an eighth used a leaflet handed to them in the street (13%).
- *International Book Festival* – just over half of Book Festival attendees used the Edinburgh International Book Festival programme when they were planning their trip (51%).

- *International Festival* - just over half of the attendees of this event used the Edinburgh International Festival Programme (52%) while over a quarter used press articles or reviews (27%).

- *Mela* – just over a third of Mela attendees took the advice of friends or relatives when they were planning their trip (34%).

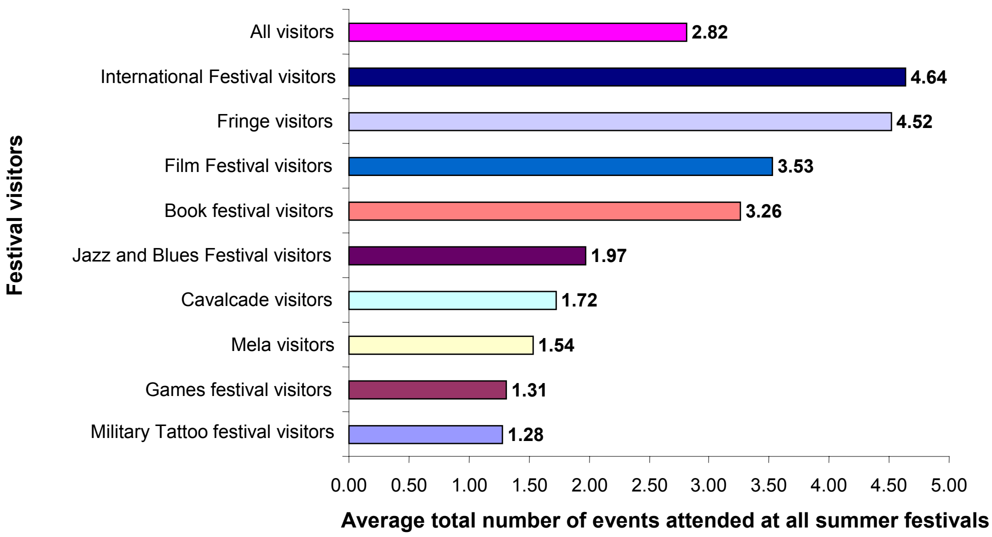
2.30 Other variations in the types of information influencing different segments of the overall Festivals audience included a greater proportion of visitors on holiday using guide books (10%) or the Internet (20%) while Edinburgh residents were more likely to use none of the sources of information listed (31%).

Events attended new visitors and revisits

2.31 Individuals were asked a series of questions relating to their attendance at the Edinburgh summer Festivals in 2004. Whether they were new visitors to the city or had been in the last 10 years and if so how many times they had visited to attend the Edinburgh Festivals.

2.32 **Overall, the average number of attendances made by a visitor to any of the Edinburgh summer Festivals was 2.82 attendances.** Visitors to the International and Fringe Festivals tend to attend the highest number of total events, with 4.64 and 4.52 average events attended respectively, whilst visitors to the Games and Tattoo Festivals tend to visit the fewest events at all the Festivals. The average total number of events attended by individuals who went to each Festival can be seen in the graph below.

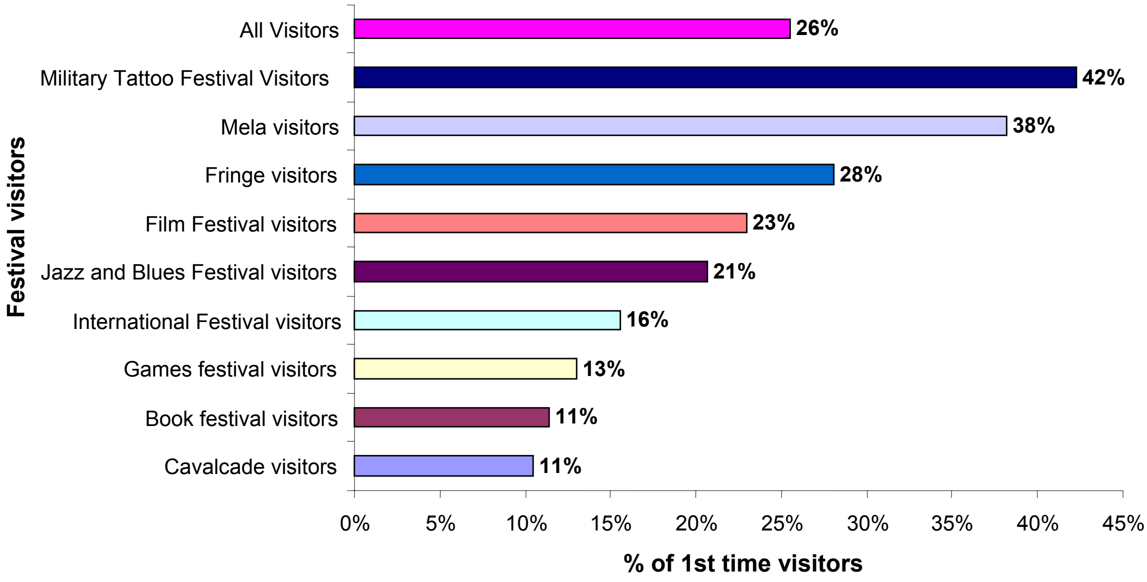
Figure 2.4 Total attendances made to Festival events by visitors to each Festival



2.33 Each individual respondent was also asked whether this was their first trip to Edinburgh and once again this has been broken down for all Festivals. Around a quarter of all attendees were on their first ever visit to Edinburgh (26%). As the chart below illustrates, **proportions of**

visitors on their first ever visit to the city were highest amongst those attending the Military Tattoo but lowest amongst International Book Festival attendees (11%) and those who went to the Festival Cavalcade (11%).

Figure 2.5: Proportion of attendees on first ever visit to Edinburgh



2.34 Across the wider Festivals audience as a whole, attendees most likely to be on their first ever visit to Edinburgh included those from overseas (65%) and those aged under 25 (52%).

2.35 Respondents who had been to Edinburgh before were asked to provide details of the number of visits they had taken to the city during the previous 10 years. The table below illustrates the profile of previous visits taken for any reason and those taken specifically to attend Festival events.

2.36 Just over a quarter of repeat visitors (27%) had been to Edinburgh on 1, 2 or 3 occasions during the previous 10 years (including their current trip) while a similar sized proportion had visited on more than 30 occasions.

2.37 In terms of trips taken to visit Festival events, 22% of respondents had only taken their current trip for this purpose while about a third had been on 2 or 3 visits for this purpose.

Table 2.7: Previous visits to Edinburgh in last 10 years

	Any visits	Visits to Festival events
First visit in 10 years	3%	22%
2 or 3 visits	24%	31%
4 to 7 visits	17%	16%
8 to 19 visits	14%	14%
20 to 30 visits	11%	5%
More than 30 visits	27%	6%

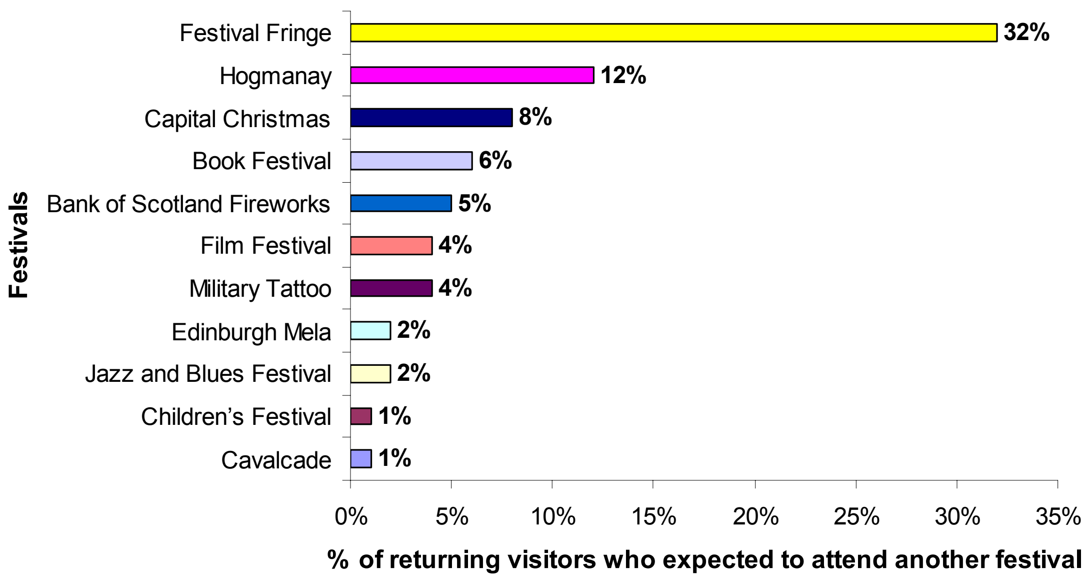
2.38 The frequency of previous trips taken to Edinburgh reflected the origin profile of attendees to each Festival with the most regular, local visitors attending the International Jazz and Blues Festival, Festival Cavalcade and Fringe Sunday (see Table 12, Appendix A).

Future attendance of events

2.39 **Just under a quarter of attendees stated that they expected to make one or more trips to Edinburgh in the next year in order to attend events or Festivals (23%)**. As might be expected, residents of Edinburgh were the most likely to expect to visit Edinburgh again in the next 12 months to attend events or Festivals (33%) while overseas visitors were least likely to expect to return (6%).

2.40 Those respondents who did plan to return to attend other events or Festivals were asked to specify which they expected to go to. As the graph below illustrates, around a third of respondents expected to take trips to attend the Edinburgh Festival Fringe (32%), 12% expected to attend Hogmanay events and 8% expected to attend Capital Christmas events.

Figure 2.6: Suggested attendance at future Festival events for returning visitors



2.41 Respondents were also asked to specify whether they were planning to attend any other cultural events or Festivals in places *outside* of Edinburgh during the next 12 months. Overall, 18% of attendees expected to attend other events with those who went to the International Book Festival (38%) or the International Festival (29%) most likely to expect to go to other events or Festivals.

2.42 While the majority of respondents could not specify the names of the events they expected to attend in the next year, those mentioned most frequently were as follows:

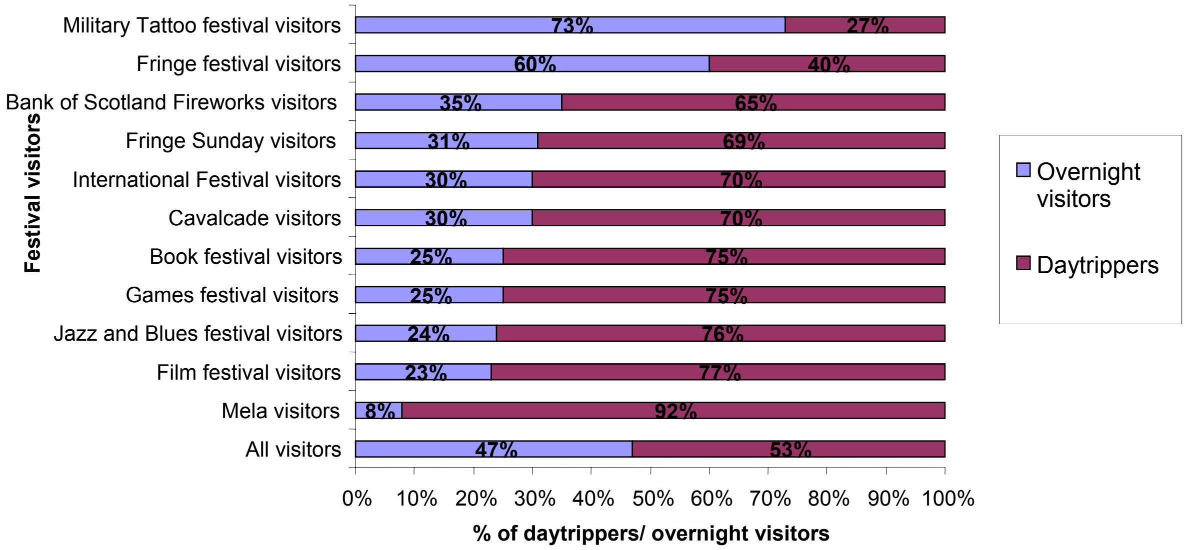
- Celtic Connections (22)
- Glastonbury (11)
- Music Festivals generally (10)
- London Film Festival (10)
- Hay on Wye (7)
- Munich Oktoberfest (6)
- Bath Folk Festival (5)
- Cannes Film Festival. (5)
- Dublin Fringe (5)
- Glasgow Jazz Festival (5)
- Cambridge Folk Festival (4)

Length of stay and type of accommodation

2.43 **Just under half of attendees were on an overnight trip which involved at least one night away from home (47%)** while the remainder were on day trips.

2.44 As the chart below shows, the majority of attendees to the Military Tattoo and Edinburgh Festival Fringe were on overnight trips (73% and 60% respectively) while the vast majority of those attending Mela were on day trips (92%).

Figure 2.7: Proportions of attendees on overnight or day trips



2.45 Those attendees who were on overnight trips were also asked to specify whether they were on a holiday, short break, a trip to visit friends or relative or a business trip.

2.46 Overall, around two in five overnight visitors stated that they were on holiday (40%) while a slightly smaller proportion described their trip as a short break (37%). Some 17% of overnight visitors were visiting friends or relatives during their trip, either as part of a holiday or for other reasons.

Table 2.8: Type of trip	
Holiday	40%
Short break	37%
Holiday, visiting friends or relatives	12%
Visiting friends or relatives for other reasons	5%
On business/ at conference	6%

2.47 Variations in the types of overnight trips taken by attendees to each of the Festivals (Table 3, Appendix A) included a larger proportion of those who were at the Military Tattoo describing their trip as a short break (59%) and a larger proportion of Film Festival attendees indicating that they were on a business trip (26%). Furthermore, a larger proportion of visitors who went to Fringe Sunday stated that their trips involved visits to friends or relatives (45%).

Length of stay and places visited

2.48 Attendees were asked to specify the total number of nights they were spending away from home during their trip and the number of nights spent in Edinburgh and elsewhere in Scotland.

2.49 **Of those who were on trips away from home, 85% spent at least one night in Edinburgh and the average number of nights spent in the city was five**. Notably, the proportion of visitors spending one night or more in Edinburgh and average length of stay varied between Festivals with half of Military Tattoo attendees not spending any nights in the city (50%) while Film Festival attendees stayed for longest at an average of 7 nights.

2.50 As the table below illustrated, overall, attendees spent just under half of their trip in Edinburgh (46%) with an average of five nights spent in the city and 10.8 nights spent away in total. By comparison, Film Festival and International Festival attendees spent the largest proportions of nights in Edinburgh (70% and 60% respectively) while Military Tattoo attendees spend the lowest proportion of their time in Edinburgh (23%).

Table 2.9: Average length of stay in Edinburgh and away from home in total *amongst those who did stay overnight*

	Nights in Edinburgh	Total nights	% of nights in Edinburgh
Jazz and Blues Festival visitors	5.8	10.7	54%
Military Tattoo Festival visitors	1.7	7.5	23%
Film Festival visitors	7.0	10.0	70%
Festival Fringe visitors	5.1	9.7	53%
Book Festival visitors	6.0	12.7	47%
International Festival visitors	6.3	10.5	60%
Fringe Sunday visitors	7.8	15.7	50%
Festival Cavalcade visitors	2.4	11.9	20%
All attendees	**5.0**	**10.8**	**46%**

2.51 Some 6% of those attendees who stayed away from home stayed overnight in the Lothian while nearly a quarter stayed elsewhere in Scotland (25%).

2.52 Attendees most likely to stay one night or more elsewhere in Scotland included those who attended the Military Tattoo (60%) or the Book Festival (38%) and visitors from overseas (43%).

2.53 The table below lists the places in Scotland stayed in by those visitors who spent at least one night outwith Edinburgh.

Table 2.10: Places stayed in outside of Edinburgh and the Lothian by those who spent at least one night outside.	
Glasgow	29%
Highlands and Islands	29%
Central	15%
Borders	8%
Grampian	6%
Fife	6%
Other Strathclyde	6%
Tayside	4%
Dumfries and Galloway	1%

2.54 **Some 29% stayed in Glasgow while a similar proportion stayed in the Highlands and Islands**. When asked to specify their reasons for staying outwith Edinburgh, the most commonly provided explanations related to visitors including other areas in a wider visit to Scotland or staying with friends or relatives who lived in other areas.

2.55 Much smaller proportions were forced to stay outwith Edinburgh and the Lothian because they could no find suitable accommodation (4%) or because accommodation was too expensive (3%).

2.56 Notably, most of the respondents who could not find suitable accommodation had attended the Military Tattoo (9 of the 13 providing this reason) while most of those who found accommodation in Edinburgh and the Lothian too expensive had attended Fringe events (7 of the 10).

Table 2.11: Reasons for staying outside of Edinburgh amongst those who did so	
Visited other area(s) as part of longer holiday in Scotland	60%
Was visiting or staying with friends or relatives	25%
Could not find suitable accommodation in Edinburgh and Lothian	4%
Accommodation in Edinburgh and Lothian was too expensive	3%
Coach company organised it	2%
Package holiday	1%

Overnight accommodation

2.57 Visitors who spent at least one night away from home were asked to specify the types of accommodation they had used during their trip, both in Edinburgh and elsewhere. Overall, the most common types of accommodation used were the homes of friends and relatives (31%), hotels with 50 or more rooms (19%) and smaller hotels with fewer than 50 rooms (12%).

Table 2.12: Type of accommodation used during trips	
Friends and relatives homes	31%
Hotel (50 or more rooms)	19%
Hotel (less than 50 rooms)	12%
Guest House	9%
Rented house/flat/cottage	8%
Bed & Breakfast	7%
University/ college accommodation	7%
Youth hostel/backpackers hostel	6%
Touring Caravan	2%
Tent	2%
Second home	1%

2.58 Visitors who described their trip as a holiday were more likely than others to stay in a guesthouse (15%), bed and breakfast (12%), youth hostel (10%) or rented house or flat (10%) but less likely to stay at the home of a friend or relative (16%).

2.59 Those who were on a short break were more likely to stay in a hotel with 50 or more rooms (31%) or smaller hotel (15%) but unlikely to stay in a rented house or flat (2%).

2.60 The types of accommodation used also varied according to the Festivals attended by visitors (table 5, appendices). Most notably, nearly two-thirds of those who attended the Military Tattoo stayed in hotels with 50 or more rooms (62%), Film Festival attendees were more likely to stay with friends or relatives (59%) and International Festival attendees were more likely to stay in a guesthouse or bed and breakfast (28%).

Attitudes towards Edinburgh's summer Festivals and quality of the visitor experience

2.61 Respondents were presented with a series of attitude statements and asked to state how much they agreed or disagreed with each using the following scale:

- Agree strongly (score of 5).
- Agree slightly (score of 4)
- Neither agree nor disagree (score of 3)
- Disagree slightly (score of 2)
- Disagree strongly (score of 1)

2.62 In the table below average scores are presented for each of the statements, suggesting that attendees were generally most likely to agree that *"It was easy to find the information about* *the Festival(s) I needed"* (mean score of 4.5) but most likely to disagree with the statement *"If the other Festivals didn't take place at the same time I would not have attended"* (2.01)

Table 2.13: Agreement with attitude statements (mean scores)

It was easy to find the information about the Festival(s) I needed	4.50
Having a variety of Festivals on at the same time adds to the overall appeal	4.38
It was easy to find and get to event venues	4.37
I would like to visit Edinburgh for reasons other than the Festivals	4.32
Edinburgh is a better place to live because of the Edinburgh Festivals	4.13
If the other Festivals didn't take place at the same time I would not have attended	2.01

2.63 Using mean scores makes it possible to compare levels of agreement with each statement amongst attendees to each of the Festivals (Table 10, Appendix A) and amongst other segments within the wider Festivals audience. Some of the main variations include the following:

- *It was easy to find the information about the Festival(s) I needed (4.50 overall)* – levels of agreement with this statement were highest amongst respondents who attended the Edinburgh International Book Festival (4.77) and the Bank of Scotland Fireworks (4.82). Agreement levels were also higher amongst residents of Edinburgh (4.65) and attendees aged 35 to 44 (4.63).

- *Having a variety of Festivals on at the same time adds to the overall appeal (4.38 overall)* – levels of agreement with this statement were highest amongst attendees at the Bank of Scotland Fireworks Concert (4.88) and Festival Cavalcade (4.71) but slightly lower amongst those attending the International Film Festival (4.15). Furthermore, residents of Edinburgh were more likely than overseas visitors to agree with this statement (4.51 and 4.14 respectively).

- *It was easy to find and get to event venues (4.37 overall)* – agreement with this statement was highest amongst respondents who attended the International Book Festival (4.60), the Festival Cavalcade (4.75) and the Bank of Scotland Fireworks Concert (4.66). Agreement was slightly lower amongst those who went to the International Film Festival (4.16).

- *I would like to visit Edinburgh for reasons other than the Festivals (4*.32 overall) – respondents most likely to agree with this statement included those who attended the Bank of Scotland Fireworks Concert (4.87), Festival Cavalcade (4.63) or Military Tattoo (4.42). Visitors from overseas (4.59) and visitors on short breaks (4.56) were also particularly likely to agree with this statement.

- *Edinburgh is a better place to live because of the Festivals (4*.13) – residents of Edinburgh were the most likely to agree with this statement (4.34) with 58% agreeing strongly and 23% agreeing slightly. However, some 6% of the Edinburgh residents spoken to disagreed with this statement. Respondents who lived outwith Edinburgh were generally more likely to state that they did not know.

- *If the other Festivals didn't take place at the same time I would not have attended (2.01 overall)* – this was the statement respondents were most likely to disagree with. In total 45% disagree strongly, 11% disagreed slightly and 22% neither agreed nor disagreed. Attendees more likely to agree included those who went to the International Film Festival (2.45) while those most likely to disagree included those who went to the International Book Festival (1.66) or International Games Festival (1.61).

Quality of the visitor experience

2.64 Respondents were asked to provide ratings of the value for money of events, range of events, their overall experience of the Festivals and their overall experience of Edinburgh using the following scale:

- much better than expected (score of 5).
- slightly better than expected (score of 4)
- same as expected (score of 3)
- slightly worse than expected (score of 2)
- much worse than expected (score of 1).

2.65 In the Table 2.13 below average scores are presented for each of the areas rated, suggesting that attendees found the range of events and the overall experience of the Festival(s) and Edinburgh generally to be at a similar level (3.84) while a slightly lower score was obtained for value for money (3.47), reflecting the 10% of respondents who found this element to be worse than expected.

Table 2.14: Trip v expectations

	Much better (5)	Slightly better (4)	Same (3)	Slightly worse (2)	Much worse (1)	Mean score
Range of events	26%	22%	37%	2%	-	3.84
Overall experience of Festival(s)	29%	21%	39%	2%	-	3.84
Overall experience of Edinburgh as a place to visit	32%	16%	45%	1%	-	3.84
Value for money of events attended	19%	14%	40%	8%	2%	3.47

2.66 A comparison of the scores provided by attendees to each of the summer Festivals and amongst different segments of the Festivals audience generally highlights the following key variations:

- *Range of events (3.84 overall)* – **the highest scores were provided by those who attended the Military Tattoo (4.15) and overseas visitors (4.02)** suggesting that these groups were most likely to find the range of events better than expected. Conversely, those who attended the International Book Festival or International Festival were more likely to find the range of events to be as expected (3.59 and 3.50 respectively).

- *Overall experience of Festivals (3.84 overall)* – **visitors most likely to have rated their overall experience of the Festivals as better than expected included those who went to the Military Tattoo (4.13) and those who attended the Festival Cavalcade (4.22).** Those more likely to state that their overall experience of the Festivals were as expected included attendees of the International Book Festival (3.55) and International Festival (3.57).

- *Overall experience of Edinburgh as a place to visit (3.84 overall)* – **respondents most likely to rate their overall experience of Edinburgh as a place to visit as better than expected included those who went to the Military Tattoo (4.24) or the Festival Cavalcade (4.34)** and visitors from overseas (4.16).

- *Value for money of events attended (3.47 overall)* – **attendees to the Military Tattoo (3.98) were the most likely to rate value for money as better than expected** while larger proportions of those who attended the Edinburgh Festival Fringe (3.35) and overseas visitors (3.30) found it to be worse than expected.

3 Visitor economic Impact

3.1 The economic impact of Edinburgh's summer Festivals have been derived using four strands:

- visitors expenditure
- journalists and media expenditure
- performers expenditure
- Festival organisers' expenditures.

3.2 The collective economic impact of these strands is outlined in this chapter, whilst the splitting of these impacts between the individual Festivals is outlined in Appendix B and an aggregate summary of impact at the three different impact geographies is given in chapters7 and 9.

Methodology

3.3 Calculating the economic impacts generated by the Summer Festivals together and individually presents some significant challenges that relate to their timing. Since these events are run at the height of the tourism season in late summer (predominantly August) and their programmes are overlapping (see Table 1.1) two key considerations emerge:

- to what extent are the Festivals themselves influencing visitors decisions to make the trip to Edinburgh and how many of these visitors are likely to have visited the city anyway, if the Festivals were not taking place
- since most individuals attended more than one event and more than one specific Festival, how can we attribute spending between them?

3.4 In developing a methodology, we account for these considerations, but it is also important that the approach is robust, as simple as possible and comparable with the previous Festival studies.

Allocation of visitor expenditure

3.5 It is necessary to allocate visitor expenditure between the Festivals. The most obvious way would be to use the number of attendances at each of the Festivals as a basis for this allocation. However, this would not take into account the *profile and quality* of events in terms of their appeal (motivations for visit), simply the *opportunity to attend* (overall attendance and ticket sales). For instance the rare opportunity to see an overseas act is likely to be a greater motivator for a visit than the opportunity to see a local one, but both might experience similar numbers of ticket sales due to the scale of the venue. The key point is that a rarer opportunity is likely to be a greater motivator for a visit than one more common, this will likely make the event a more prominent motivator for making a visit and encourage visitors from further away.

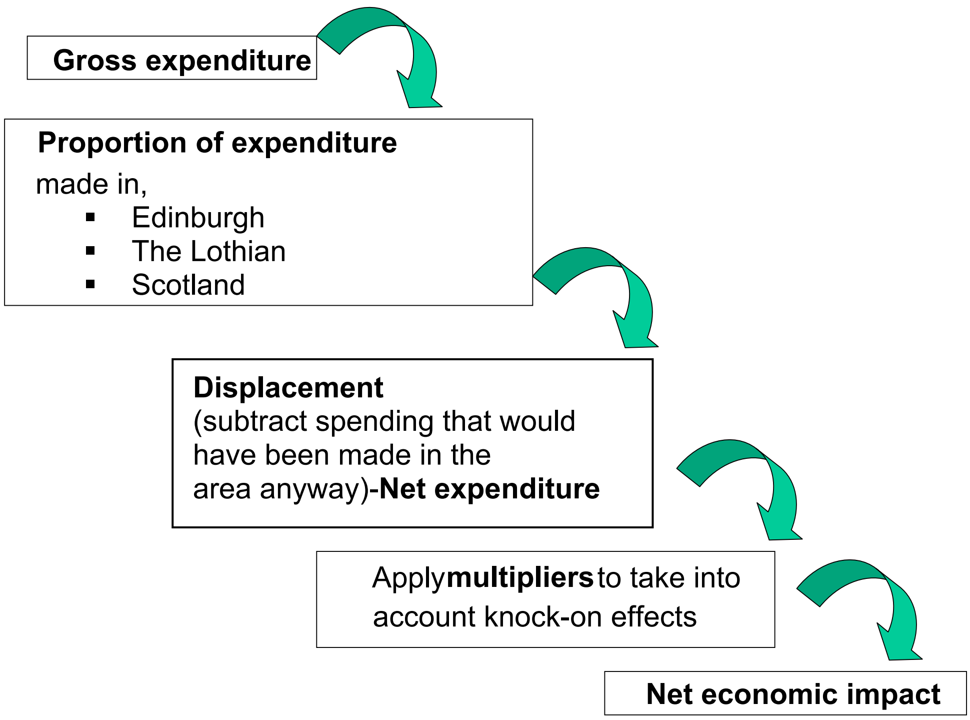
3.6 The survey asked visitors to identify the Festival that influenced their decision to visit Edinburgh. We have used the responses to this question to allocate their trip expenditure. Where they have been unable to provide an answer we have allocated their expenditure to the Festival at which they were attending an event when interviewed. This is done on the basis that if they did not feel strongly that any single Festival was influential, the impact should be allocated to the ones that they were actually attending.

Analysis

3.7 The analysis of visitor expenditure and all other strands of expenditure then follow a consistent process (Figure 3.1).

- **Weighting** - The overall results have been weighted to take account of any interviewing bias in the sample. Weighting has been done to provide representative results for local and non-local people and by attendance figures for each of the Festivals
- **Gross expenditure** – the total expenditure reported by each person interviewed
- **Proportion of expenditure made in each area** – Edinburgh, Lothian and Scotland
- **Displacement** - an allowance is made for the proportion of gross expenditure that would have taken place in the area anyway. This includes excluding expenditure made by local people and visitors who would have been in Edinburgh anyway
- **Multiplier** – these are ratios that are used to take account of the wider, knock-on effects in the economy as a result of increased business for suppliers and new income for local people that is then spent in the local area.

Figure 3.1: Economic impact calculation methodology



3.8 The methodology is used to produce expenditure estimates generated by the Festivals in:

- Edinburgh
- the Lothians
- Scotland.

Estimating the number of trips and visitors

3.9 A distinction must be made between *visitors* and the number of *attendances* that they make. The headline figure of 2,583,186 is the *number of attendances*, but these were made during a a smaller number of trips and people attending many events.

3.10 Journalists and performers (including delegates at, for example the Film and Game Festivals) also attended events at the Festivals. While these are included later in the analysis, they need to be removed from the visitor expenditure to avoid double counting. To do this we contacted 25 journalists and media and 115 performers in order to understand the events that they attended to build up a profile of the total number of events they attended.

3.11 We also consulted each Festival to gain information on the total numbers of performers involved and the total number of journalists who attended (based on accreditation). The overall numbers of journalists, performers and attendances at each of the Festivals are outlined in the Table 3.1.

Table 3.1: Attendances, visitor numbers, performers, delegates and Journalists at each Festival[6]

	Attendances	Performers/delegates	Journalists
Edinburgh International Jazz and Blues Festival events	75,000	600	12
Edinburgh Military Tattoo events	217,000	1,000	200
Edinburgh International Film Festival events	54,500	445	400
Edinburgh Festival Fringe events	1,461,997	17,000	1,150
Edinburgh International Book Festival events	207,000	656	380
Edinburgh International Festival events	334,900	2,392	400
Edinburgh Mela events	40,000	230	50
Festival Cavalcade	185,000	1,300[7]	50
Edinburgh International Games Festival	7,289	300[8]	5
Edinburgh International TV Festival	0	1945[9]	0
Totals	**2,582,686**	**25,868**	**2,647**

3.12 While the figure for performers takes account of those who are involved in more than one Festival, journalists are likely to have covered a number of Festivals and so the total figure of 2,647 journalists is an overestimate. In total our research showed that on average journalists covered 1.52 Festivals, indicating that it is likely that **there were 1,740 journalists in total.** Performers listed above are unique to each Festival and we have accounted for any double counting (for example by fringe performers involved in the Cavalcade). We estimate therefore that **there were 25,868 performers and delegates in total.**

- **Performers** attended on average 7.4 Festival events whilst in the city and since there were 25,868 in total, they will have **attended in total 191,423 events**.

- **Journalists** attended on average 5.2 Festival events whilst in the city and since there were 1,590 in total, they will have **attended in total 9,056 events**.

3.13 This indicates that Journalists and Performers accounted for 200,479 of the overall attendances; ergo the remaining 2,400,000 attendances are likely to have been made by visitors.

[6] Information was obtained by Festival organisers, but information from the Mela was not available and so estimates have been used.

[7] In total 3,100 Performers were involved in the Cavalcade, but 900 of these were from the Tattoo and 900 were from the Fringe, these have been discounted at avoid double counting.

[8] 300 delegates from the EIGF have been placed in the performers section, importantly, their expenditure is based on data from survey work conducted by McPhearson research of 42 delegates attending the event, but has been displayed alongside other festivals in the performers section

[9] 1945 delegates from the MGEITF have been placed in the performers section, importantly, their expenditure is based on data from a previous study into the Economic Impact of the 2003 MTV EMA's where interviews were conducted with Media guests who more accurately reflect the profile and spending patterns of these delegates, although their information has been displayed alongside other festivals in the performers section.

- Visitors attended an average of 2.82 Festival events per trip whilst in the city and since they made 2,400,000 attendances in total, **this represents 845,000 individual trips.**

- In addition there were a further 25,868 performers and delegates and 1,740 journalists. This gives a total number of trips to the Festival events of roughly **873,000.**

Visitors were also asked how many trips to the Festivals they would be making in addition to their current one. Respondents from Edinburgh, the Lothians and Scotland made on average 2.7, 3.3 and 1.9 trips respectively, whilst those from elsewhere in the UK or overseas are assumed to have made just one. **This indicates that the 844,932 visitor trips were made by around 470,000 visitors. Including performers, delegates and journalists suggests there were 500,000 people who visited Edinburgh for the summer festivals.**

Gross visitor expenditure

3.14 This section presents the gross expenditure impacts generated in Edinburgh and explains the process by which these have been calculated. Although similar calculations have been carried out for the Lothian and Scotland, these are not shown. The actual analysis is done using a series of more complex averages based on day and overnight visitors and by origin.

3.15 Visitors to the Summer Festivals account for the largest proportion of the overall economic impact and the numbers. To provide as accurate a figure as possible the results were disaggregated into several groups depending on:

- which Festival had motivated them to make their trip
- where they live
  - Edinburgh
  - the Lothians
  - Scotland
  - elsewhere
- and the length and nature of their stay:
  - day trips
  - overnight visitors.

3.16 Each of the spectators interviewed was asked to estimate the *spending of their group for the day* that they were interviewed. We also recorded the proportion of spending in each of the three areas (Edinburgh, the Lothians and Scotland). This figure is divided by the number of people in their party to provide the *average expenditure per day per person*. This process of separation of spending by Festival, origin and the type of trip involves the creation of a complex spreadsheet. The following tables show only the average results and for Edinburgh.

3.17 In allocating expenditure we have included Fringe Sunday in the figures for the Festival Fringe, while expenditure associated with the Bank of Scotland Fireworks is included with the Edinburgh International Festival.

Table 3.2: Average expenditure patterns amongst Festival visitors[10]

	Average daily expenditure per group per day	Group size	Average expenditure per person per day	% spent in Edinburgh	Average gross expenditure per person, per day *in Edinburgh*
Jazz and Blues Festival visitors	£69.44	1.9	£36.97	95%	£34.96
Military Tattoo Festival Visitors	£117.16	2.1	£56.31	90%	£50.86
Film Festival visitors	£98.75	1.4	£69.48	98%	£68.29
Fringe visitors	£109.89	1.8	£61.51	93%	£57.49
Book Festival visitors	£50.25	1.9	£25.80	97%	£25.06
International Festival visitors	£90.29	1.9	£49.77	95%	£47.12
Mela visitors	£30.42	2.5	£12.05	99%	£11.93
Edinburgh International Games Festival	£64.16	2.5	£25.66	98%	£25.15
Cavalcade visitors	£38.94	1.9	£20.10	94%	£18.99

3.18 These figures are influenced by the profile of the audience, or more strictly the visitors that have been allocated to each Festival. Events like the Film, Fringe and Military Tattoo bring in higher than average spending visitors, smaller scale or free events like the Games and Mela Festivals tend to bring in lower spending visitors. The inclusion of the Fireworks in the International Festival reduces the average spend as it attracts a significant local audience as does Fringe Sunday which is included in the overall Festival Fringe data. Equally, Festivals with higher proportions staying with friends or relatives will also have lower average daily expenditures.

3.19 These averages are aggregated on the basis of the overall attendance of 842,551 total trips and give a gross economic impact figure. **The aggregate gross expenditure generated by visitors to the Festivals in Edinburgh is £145m**.

[10] Average UK visitor spend per night 2002 in Edinburgh was £57 and £53 for overseas visitors

Displacement

3.20 Displacement is the proportion of this overall expenditure that is likely to have been made in the city anyway, for example either by local residents, or by visitors on holiday who would have visited the city even if the Festivals were not taking place. In order to account for this displacement effect all visitors were asked what they would have done if these events had not taken place. They were given four options,

- 'I would have stayed at home or gone to work'
- 'I would have done something else in Edinburgh/visited the city anyway'
- 'I would have gone elsewhere in Scotland'
- 'I would have gone elsewhere outside Scotland'

3.21 These responses have been analysed for each of the Festivals and crucially for visitors from different origins. For example, a local Edinburgh resident who would have stayed at home or gone to work if the Festival had not existed is likely to have made their expenditure in the city anyway at some later date. The expenditure of an international visitor, who would have gone elsewhere in Scotland if the Festivals had not taken place, is effectively displaced from elsewhere in Scotland, but is additional to Edinburgh. Displacement therefore varies, between Edinburgh, the Lothian and Scotland and in terms of origin. The responses for visitors attending each, and all Festivals, is shown in Table 3.3.

3.22 It is noticeable that the responses, disaggregated by Festival, do not vary significantly. Those attending the Jazz and Blues Festival and the Cavalcade were perhaps slightly more likely to have been in Edinburgh anyway along with those attending the Mela.

Table 3.3: Displacement amongst Festival visitors

	% stayed at home/gone to work	% would have visited Edinburgh anyway	% would have visited another part of Scotland	% would have visited an area outside Scotland
Jazz and Blues Festival visitors	59%	37%	4%	0%
Military Tattoo Festival Visitors	51%	21%	26%	1%
Film Festival visitors	59%	31%	10%	0%
Festival Fringe visitors	54%	25%	20%	1%
Book Festival visitors	57%	33%	7%	2%
International Festival visitors	55%	28%	16%	1%
Mela visitors	55%	40%	5%	0%
International Games Festival	55%	18%	28%	0%
Cavalcade visitors	55%	39%	6%	0%

3.23 By accounting for displacement the resulting figure gives a net expenditure associated with the Festivals. This is the spending that is attributable to the Festivals.

Table 3.4: Gross and net expenditure after displacement (£m's)

	Gross Expenditure generated in Edinburgh	% Attributable after displacement	Net Expenditure generated in Edinburgh, accounting for displacement
Edinburgh International Jazz and Blues Festival events	£3.4	52%	£1.8
Edinburgh Military Tattoo events	£20.4	73%	£14.9
Edinburgh International Film Festival events	£2.4	43%	£1.0
Edinburgh Festival Fringe events	£56.0	63%	£35.1
Edinburgh International Book Festival	£3.1	58%	£1.8
Edinburgh International Festival events	£28.8	40%	£11.6
Edinburgh Mela	£0.5	61%	£0.3
Festival Cavalcade	£2.7	60%	£1.6
Edinburgh International Games Festival	£0.3	68%	£0.2
All Festivals	**£117.6**	**58%**	**£68.4**

- **The net expenditure generated by visitors to the Festivals is estimated to be £68.4m in Edinburgh**

4 Journalist expenditure

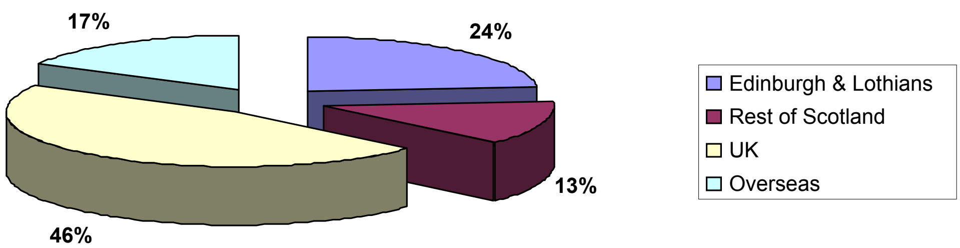
4.1 Overall we have estimated that 1,740 journalists and media attended Edinburgh's summer Festivals in 2004. We contacted 25 journalists using information provided by the Festivals. The data collected covered origins, length of stay, expenditure and the proportions of that expenditure made in Edinburgh.

4.2 Using this data, a profile of expenditure was constructed. Displacement was accounted for by deducting those expenditures that would have been made in the city anyway, for example, by journalists working for the local Edinburgh press or TV, to obtain a net expenditure figure for the city. Finally we applied sector specific multipliers for output and employment to calculate the overall new expenditure generated by journalists attending the Edinburgh Festivals (see chapter 7). This expenditure has been allocated on the basis of the proportion of journalists accredited to each Festival.

Origins

4.3 To accurately account for origins the final address lines (postcodes within the UK or countries for overseas journalists) of journalists who were accredited to the Festival Fringe were obtained. The Fringe has the largest number of accredited journalists attending with a spreadsheet of over 1100 names. Analysing this information allowed us to sort journalists by postcode within the UK and collect numbers of overseas journalists. This has provided a very robust indication of where these groups came from. The origins of journalists from this dataset are outlined in the chart below.

Figure 4.1: Origins of Journalists attending Edinburgh's Summer Festivals in 2004



Average expenditure per person and length of stay

4.4 The table below shows the average expenditure made by journalists per day while they were in Edinburgh and the length of time they spent there. Expenditure among journalists from Edinburgh and the Lothian was low, just £18 per person, while overseas journalists, who stayed for over two weeks in Scotland, had a much higher expenditure.

Table 4.1: Average spend per group per day by journalists from different origins and length of stay in Edinburgh and Scotland

Origin	Expenditure on accommodation	Expenditure on Food and drink	Expenditure on Event tickets and programmes	Expenditure on Other entertainment	Expenditure on Shopping	Expenditure on Transport	Total expenditure	Nights spent in Edinburgh	Nights spent elsewhere in Scotland
Edinburgh & Lothians	£0.00	£0.00	£11.00	£0.00	£10.00	£15.00	£36.00	0.0	0.0
Scotland	*£30.26*	*£30.29*	*£13.67*	*£9.30*	*£12.34*	*£11.48*	£107.34	4.5	1.3
Rest UK	£30.26	£30.29	£13.67	£9.30	£12.34	£11.48	£107.34	4.5	2.3
Overseas	£47.27	£15.26	£2.77	£1.69	£5.37	£18.83	£91.20	10.3	4.2

Table 4.2 : Average gross expenditure per person per day in Edinburgh

Origin	Expenditure p/group p/ day	Persons covered by this expenditure	Average spend p/p p/day	% spent in Edinburgh	Average gross expenditure in Edinburgh per person per day
Edinburgh & Lothians	£36.00	2.0	£18.00	100%	£18.00
Scotland	£107.34	1.8	£58.55	88%	£51.72
Rest UK	£107.34	1.8	£58.55	88%	£51.72
Overseas	£91.20	1.3	£71.65	92%	£66.18

Displacement

4.5 The average gross expenditure per person per day can then be multiplied by the number of nights spent in Edinburgh to produce the overall gross impact for journalists: *We estimate that journalists attending the Edinburgh Festivals made a total gross expenditure in Edinburgh of £448,696.*

4.6 To account for displacement journalists were asked what they would have done if the Festivals had not been taking place. The results are shown in Table 5.3 and interpreted to demonstrate the proportion that can be attributed to Edinburgh. Journalists from Edinburgh and Lothian would have been in the city anyway, while 40% of those from elsewhere in Scotland and the rest of the UK would also have been in Edinburgh (60% would not).

4.7 The table overleaf outlines the gross impacts by journalists from different origins and overall and also sets out % attributable to the Festivals after we have accounted for displacement.

Table 4.3: Gross expenditure generated in Edinburgh by journalists attending the Summer Festivals in 2004 and % attributable after displacement.

Origin	Gross expenditure	% Attributable	Total net expenditures
Edinburgh & Lothians	£7,435	0%	£0
Scotland	£52,095	60%	£31,257
Rest UK	£188,241	60%	£112,945
Overseas	£200,924	100%	£200,924
Total	**£448,696**	**77%**	**£345,126**

- **Overall we estimate that journalists attending the Edinburgh Festivals generated £345,126 net expenditure in the Edinburgh economy.**

5 Performers

5.1 In total there were 25,868 performers (including delegates) attending the Edinburgh Summer Festivals in 2004. We have taken account of performers taking in part in more than one Festival (such as the Cavalcade and Fringe Sunday). The overall breakdown is shown in Table 5.1.

Table 5.1: Breakdown of performer number between Festivals

Festival	Attendances	Performers and delegates
Edinburgh International Jazz and Blues Festival	75,000	600
Edinburgh Military Tattoo	217,000	1,000
Edinburgh International Film Festival	54,500	445
Edinburgh Festival Fringe	1,461,997	17,000
Edinburgh International Book Festival	207,000	656
Edinburgh International Festival	334,900	2,392
Edinburgh Mela	40,000	230
Festival Cavalcade	185,000	1,300
Edinburgh International Games Festival	7,289	300
Edinburgh International TV Festival	0	1,945
Totals	**2,582,686**	**25,868**

5.2 In order to understand the likely expenditures generated by these groups, we conducted a survey of 115 performers from a number of the Festivals and consulted with representatives of the Festivals in order to understand which performers were paid fees or expenses. The survey collected data on the Festivals attended, origins, and length of stay, expenditure, displacement and the proportion of expenditure made in Edinburgh, the Lothians and Scotland. Our final analysis of these groups is informed by our own survey data and research provided by the Festivals themselves.

5.3 A distinction must be made between those Festivals that paid performers fees or allowances for accommodation, travel and expenses, and those who did not. This is important to avoid double counting as some performers' expenditure may also be reported as part of the organisations expenditure.

5.4 In order to assess the performer expenditure accurately we have split the sample of 115 into those who have been paid fees and per diems etc. (89) and those who have not (26). The starting point for our assessments is average expenditure amongst these groups.

Table 5.2: Average spend per group per day by from different origins and length of stay in Edinburgh and Scotland

	performers and delegates paid		performers and delegates unpaid	
Origin	Average gross expenditure in Edinburgh per person per day	Nights spent in Edinburgh	Average gross expenditure in Edinburgh per person per day	Nights spent in Edinburgh
Edinburgh & Lothians	£11.10	1.2	£28.34	1.0
Scotland	£23.43	3.0	£73.98	2.5
Rest UK	£34.36	3.5	£67.94	12.3
Overseas	£26.94	4.4	£68.96	13.0

Calculating gross expenditure

5.5 In order to calculate the gross expenditure made by performers, it was necessary to consider where they were from. This is important, as the average expenditure tables show that the impacts from performing groups from further away are likely to be much greater than those made by local performers.

5.6 Table 5.3 illustrates the origins of performers and delegates that attended the Edinburgh Summer Festivals, the results shown are based on details provided by the Festivals themselves.

Table 5.3: Breakdown of performers and delegates by origin

Festival	Total	No. from Edinburgh	No. from the Lothians	No. from the rest of Scotland	No. from the rest of the UK	No. from overseas
Edinburgh International Jazz and Blues Festival	600	304	8	8	100	180
Edinburgh Military Tattoo	1,000	40	10	0	700	250
Edinburgh International Film Festival	445	23	0	55	245	122
Edinburgh Festival Fringe	17,000	3400	510	1190	7990	3910
Edinburgh International Book Festival	656	117	19	119	332	69
Edinburgh International Festival	2,392	100	20	100	600	1572
Edinburgh Mela[11]	230	10	0	40	50	130
Festival Cavalcade	1,300	520	52	247	182	299
Edinburgh International Games Festival	300	30	15	75	180	0
MediaGuardian International TV Festival	1945	58	0	97	1673	117
Totals	**25,868**	**4602**	**634**	**1931**	**12052**	**6649**

[11] Data from performers at the Mela was not available so these figures are based on estimates made by viewing the performing groups on the programme.

5.7 We have used the numbers from each origin and applied them to the average spending patterns outlined in the early tables depending on whether performers and delegates received any contribution to their expenses. Aggregating these results gives a gross expenditure for each of the Festivals.

Displacement

5.8 Accounting for displacement, identifies the proportion of gross spending which is new to Edinburgh. We have used the origin of performers and, from the survey, their likelihood of being in Edinburgh anyway, to derive an overall estimate of displacement (or non-displacement). The results are shown in Table 5.4.

5.9 There is clearly a very low level of displacement among this group. This is because performers and delegates for all Festivals were predominantly from outside Edinburgh and the Lothian, with performers in most cases coming from areas in the rest of the UK outwith Scotland. As a result they are unlikely to have been in the city anyway. In addition because these individuals came to the city to work and perform specifically on a Festival, if this Festival had not been taking place, it is unlikely that they would have visited.

Table 5.4: Gross and Net expenditure generated by performers and delegates working at each of Edinburgh's Summer 2004 Festivals

	Gross Expenditure	% Attributable	Net expenditure (including displacement)
Edinburgh International Jazz and Blues Festival	£38,262	82%	£31,291
Edinburgh Military Tattoo	£114,431	96%	£109,567
Edinburgh International Film Festival	£48,109	93%	£44,785
Edinburgh Festival Fringe	£10,831,436	84%	£9,148,813
Edinburgh International Book Festival	£58,247	92%	£53,339
Edinburgh International Festival	£268,165	89%	£238,164
Edinburgh Mela e	£213,824	86%	£184,666
Festival Cavalcade	£577,690	84%	£483,131
International Games Festival	£183,819	91%	£166,363
International TV Festival	£594,083	100%	£594,083
Totals	**£12,928,065**	**86%**	**£11,054,202**

5.10 Apart from this displacement factor it is clear that some Festivals generate more expenditure from performers than others. This is related to the overall number of performers, but also to whether these performers had their accommodation and travel paid, or were paid fees. If this was the case, then these expenditures will be included in the expenditure made by the Festival organisers rather than in the performer figures.

- **Overall, the net new expenditure of performers and delegates is estimated to be just over £11m**

6 Festival organisers

6.1 The final strand of the analysis is to take into account the expenditure made by the Festivals themselves. The most important element of this is that ticket revenues must be excluded as these are covered through the visitor expenditure earlier. This substantially alters the expenditures and these figures should not be treated as the actual expenditure by the Festivals. In some cases, after excluding ticket sales, expenditure is less than 50% of the original figure. Discussions with representatives of each Festival have helped clarify this flow of expenditure.

6.2 In the previous section care was taken in distinguishing between performers working at Festivals who were covering some part of their artists or companies' expenses and those who were not. This expenditure paid by festivals to performers in fees and expenses will be included in this section.

6.3 It is also important to understand what proportions of this expenditure were likely to have been made in each of the Geographical areas, since this will indicate what proportion of this expenditure is leaking out of the local and Scottish economies.

6.4 Once we have removed ticket sales, we can simply aggregate what proportions of expenditure were made in each of the geographic regions in order to understand the **gross expenditure made in each of the geographic areas by the Festival organisers themselves.**

6.5 The overall gross expenditure generated by the Festivals collectively and individually in the Edinburgh economy after we have taken these considerations is shown below. Overall we estimate that Festival organiser expenditure accounts for £5.1m gross expenditure in the Edinburgh economy.

Table 6.1: Gross expenditure made by Festivals

Festivals	Edinburgh
Edinburgh International Jazz and Blues Festival	£117,416
Edinburgh Military Tattoo	£88,000
Edinburgh International Film Festival	£354,262
Edinburgh Festival Fringe	£1,204,981
Edinburgh International Book Festival	£403,165
Edinburgh International Festival	£2,285,193
Edinburgh Mela	£129,800
Festival Cavalcade	£452,905
Edinburgh International Games Festival	£55,565
Totals	**£5,091,287**

Displacement and net expenditure

6.6 It is important to remember that these organisations are not profit making. In some cases they return a net loss and in others, such as the Tattoo, the excess revenue is donated to a national charity.

6.7 In order to account for displacement we have used some simple assumptions. Excluding ticket revenues, the Festivals are also funded through grants and sponsorship. One of the issues is therefore what proportion of their expenditure *would* have been made in the local economy anyway. For example, a local arts grant given to the Festivals is likely to have been spent on an alternative project if the Festivals had not taken place. It would not be counted as additional to the local economy. The Scottish Arts Council support would have been spent in Scotland anyway so is not "new" expenditure in the Scottish economy.

6.8 In order calculate a net expenditure reflects the extent to which each Festival has attracted new income and spent it in the local economy. The net effect of the Tattoo shows a negative figure as the organisational expenditure it makes in Edinburgh is less than it receives from local sources, although this excludes the substantial impact it makes through visitor expenditure.

6.9 Because of the complexities of this calculation and the fact that the revenue or expenditure generated through ticket sales is included as visitor expenditure rather than organisers' expenditures, these figures on their own can be misleading. This is further complicated by the calculations at each geographic level.

6.10 The gross and net spending made by each of the Festivals and collectively can be seen in Table 6.2.

6.11 In making these calculations, we have assumed that grants provided by public bodies both locally and nationally should be discounted from the net expenditures at these geographies. This is because it is assumed that, counterfactually, if the festivals had not taken place these revenues would have gone to other projects and opportunities that are within the geographic remit of these bodies and so the expenditure would have been made anyway. Likewise with smaller Scottish companies, it is assumed that they would have made this expenditure at some other point, on some alternative opportunity anyway. Expenditures from large corporate sponsors has been included in these net expenditure figures, since it is assumed that the sponsorship from these firms could have almost anywhere else in the world and so it is unlikely that this would have been spent in Scotland, even if their headquarters are located locally.

Table 6.2: Gross and Net expenditure made in Edinburgh by each of the Festivals and collectively

	Gross Expenditure	Net expenditure
Edinburgh International Jazz and Blues Festival	£117,416	£47,416
Edinburgh Military Tattoo	£88,000	-£102,000
Edinburgh International Film Festival	£354,262	£274,892
Edinburgh Festival Fringe	£1,204,981	£727,015
Edinburgh International Book Festival	£403,165	£319,732
Edinburgh International Festival	£2,285,193	£456,717
Edinburgh Mela	£129,800	£11,800
Festival Cavalcade	£452,905	-£15,083
Edinburgh International Games Festival	£55,565	-£35,687
Totals	**£5,091,287**	**£1,684,801**

- **Overall we estimate that after displacement, the net expenditure made in the local Edinburgh economy by the organisers of the Edinburgh Summer Festivals is £1.6m.**

Table 6.3: Net expenditure and output impact made by the organisers of Edinburgh's Summer Festivals 2004

Festivals	Net expenditure	Output impact
Edinburgh International Jazz and Blues Festival	£47,416	£61,640
Edinburgh Military Tattoo	-£102,000	-£132,600
Edinburgh International Film Festival	£274,892	£357,359
Edinburgh Festival Fringe	£727,015	£945,119
Edinburgh International Book Festival	£319,732	£415,652
Edinburgh International Festival	£456,717	£593,732
Edinburgh Mela	£11,800	£15,340
Festival Cavalcade	-£15,083	-£19,608
Edinburgh International Games Festival	-£35,687	-£46,393
Totals	**£1,684,801**	**£2,190,242**

- **Overall therefore, we estimate that the output generated in Edinburgh from the expenditure made by the Festival organisers is £2.2m.**

7 Multiplier effects

7.1 This section of the report takes the net economic impacts on expenditure calculated in the previous chapters and applies multiplier values to provide overall estimates for the Edinburgh, Lothian and Scottish economies.

7.2 The increase in economic activity as a result of the Festivals will have two types of wider "multiplier" effects:

- **supplier effect** - an increase in sales in a business will require that business to purchase more supplies. A proportion of this 'knock-on' effect will benefit suppliers in the local economy.

- **income effect** - an increase in sales in a business will usually lead either to 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 economy.

7.3 The Scottish Tourism Multiplier Study (STMS)[12] provides supplier and income multipliers for the tourism sector. The multipliers we have used here are the specific sectoral output multipliers for Edinburgh and Scotland. To take into account the wider Lothian area, we have assumed that the multiplier value is 6% of the difference between the Edinburgh and Scotland values. This is based on the rest of Lothian's share of rest of Scotland GDP.

7.4 Output multipliers reflect the total level of expenditure stimulated by the increase in spending. These produce a figure that represents the total output generated by all businesses within the geographical area. The output multipliers we have used are shown in Table 7.1 below.

Table 7.1: Combined supplier and income tourism output multipliers by area

	Edinburgh	*The Lothians*	*Scotland*
Accommodation	1.5175	1.5310	1.7425
Food and drink	1.6984	1.7131	1.9439
Entertainment	1.5493	1.5631	1.7801
Shopping	1.5408	1.5642	1.9302
Transport	1.3864	1.3950	1.5295

7.5 Income multipliers represent the overall change in income generated by the new expenditure. This is the measure of wages, salaries and profits which occurs within the economy. It reflects the actual value to the economy of the new activity in terms of what is retained rather

[12] The Scottish Tourism Multiplier Study was carried out by the Surrey Research Group on behalf of Scottish Tourist Board, Scottish Enterprise, Highlands and Islands Enterprise and The Scottish Office in 1991. It provides supplier and income multipliers for the tourism industry.

than the total output. The figures we have used are again drawn from the STMS and are shown in Table 7.2.

Table 7.2: Combined tourism income multipliers by area

	Edinburgh	*the Lothians*	*Scotland*
Accommodation	0.33	0.35	0.51
Food and drink	0.42	0.45	0.52
Entertainment	0.50	0.53	0.67
Shopping	0.33	0.35	0.34
Transport	0.31	0.33	0.36

7.6 Finally, employment is calculated using employment multipliers. We have used two sources for these. At an Edinburgh level, there are figures from the STMS. These have been inflated from the original 1991 study using the RPI. For the Lothian we have reduced the figure per job required by 6% to allow for the bigger geographical area. At a Scottish level we have used the Scottish Input Output Tables from 2000 and taken the employment effect multiplier for hotels, catering and pubs. Inflating this to 2004 prices gives a net output per job of £26,156.

Table 7.3: Combined tourism employment multipliers by area

	Edinburgh	*The Lothians*	*Scotland*
Accommodation	£25,771	£24,225	
Food and drink	£25,651	£24,112	
Entertainment	£18,545	£17,432	£26,156
Shopping	£41,272	£38,796	
Transport	£51,541	£48,449	

7.7 The organisers' expenditure stream is slightly different. Additional money used to stage the event is also subject to multiplier effects, although these are not tourism based. These figures capture the expenditure of employees working on the site, payments to suppliers (who are unlikely to be tourism related companies) by those involved in the production of the events and profits retained in the area.

7.8 There are no multiplier values for non-tourism expenditure and the values will vary between different geographical areas and economies. They are usually in the range of 1.2 to 1.6. SE Project development guidance suggests that a combined local multiplier would be around 1.15 and regionally between 1.32 – 1.65. Given the high proportion of Edinburgh and Scottish based contractors, the multiplier value for this expenditure is likely to be fairly high. On this basis we have used an Edinburgh multiplier of 1.25, 1.3 for the Lothian and 1.5 for Scotland. The income and employment multipliers for organiser spend is based on the input output tables for Scotland. The Edinburgh and Lothian figures are estimates.

Table 7.4: Combined non-tourism multipliers used by area

	Edinburgh	*The Lothians*	*Scotland*
Output	1.25	1.30	1.5
Income	0.5	0.53	0.65
Employment	£30,000	£28,200	£23,768

Calculating economic impact

7.9 The multipliers are applied to the total net impacts reported in each of the previous chapters. We have shown the results by geography (Edinburgh, the Lothians and for the whole of Scotland) and by Festival for Edinburgh.

7.10 The total new output generated by the Festival is estimated to be £150m in Edinburgh. This generates £31m in income to the city and supports 2,482 FTE jobs for one year. The results differ slightly when the Lothian are included to give the Scottish Enterprise Edinburgh and Lothian area and for Scotland as a whole.

Table 7.5: Economic impact by geography (£m's)

	Output	**Income**	**Employment**
Edinburgh	**£126.5**	**£31.0**	**2482**
The Lothians	**£139.6**	**£36.1**	**2886**
Scotland	**£134.7**	**£38.4**	**2857**

7.11 By Festival, Table 7.6 shows that the Fringe is estimated to generate just under £70m of output in the Edinburgh economy and £17m of income, supporting 1,382 FTE jobs for one year. The other major contributions are from the International Festival and the Military Tattoo.

Table 7.6: Economic impact by Festival (£m's) (In Edinburgh only)

	Output	**Income**	**Employment**
Edinburgh International Jazz and Blues Festival	£2.9	£0.7	53.2
Edinburgh Military Tattoo	£23.3	£5.6	452.0
Edinburgh International Film Festival	£2.1	£0.6	41.7
Edinburgh Festival Fringe	£69.9	£17.2	1,381.5
Edinburgh International Book Festival	£3.4	£0.9	64.9
Edinburgh International Festival	£19.3	£4.7	374.7
Edinburgh Mela	£0.8	£0.2	16.1
Festival Cavalcade	£3.3	£0.8	70.2
Edinburgh International Games Festival	£0.5	£0.1	9.7
Edinburgh International TV Festival	£0.9	£0.2	18.4
Totals	**£126.5**	**£31.0**	**2,482.3**

8 Wider context

Distribution of expenditure

8.1 It is useful to understand how this expenditure has been made across different types of business and how it is spread geographically. Table 8.1 shows how the *gross* visitor expenditure is broken down. This represents the total expenditure made by visitors to the Festival. It is likely to be a slight underestimate as it excludes expenditure made by the Festival organisers (for example, we know that this included expenses such as accommodation in some cases) and some hotels also operated as venues or hosted events which will have generated additional revenue.

8.2 The Festival generates around £49m for accommodation providers in Edinburgh and £32m for restaurants and pubs. There are also substantial amounts generated for entertainment and shopping (although this is fairly modest in the context of Edinburgh's overall retail activity).

8.3 The Lothians benefited from around £10m of expenditure of which accommodation providers received around £4.7m. The wider effects on Scotland are also positive. In total, expenditure associated with Festival visitors was £201m, including Edinburgh. Excluding Edinburgh, the rest of Scotland received around £70m in gross expenditure. Accommodation providers received a total of £76m, meaning that around £27m was outwith Edinburgh.

8.4 These results show the gross direct expenditure made with these types of businesses. Some of this expenditure would have been made anyway and is accounted for in the full analysis of displacement elsewhere in the report.

Table 8.1: Distribution of gross expenditure by geography (£m's) – Visitors

	Edinburgh	The Lothians	Scotland
Accommodation	£48.7	£53.4	£75.9
Food and Drink	£31.7	£33.5	£46.7
Entertainment	£23.0	£24.6	£32.9
Shopping	£19.5	£21.0	£34.3
Transport	£8.2	£8.8	£11.7
Totals	£131.0	£141.3	£201.4

Distribution of visitors by geography

8.5 The Festivals generate a lot of activity outside the city. Within the sample, 47% were staying away from home and of these 25% stayed outside Edinburgh and the Lothian. On the basis of the estimated 845,000 trips made to Festival events, this represents around 100,000 trips. For many of these, 60%, this was part of an extended holiday or staying with friends and relatives. Using these figures we estimate that

- 29,000 people who attended Festival events stayed in Glasgow
- 29,000 people stayed in the Highlands and islands
- 15,000 stayed in the old Central region
- 8,000 stayed in the Borders
- 6,000 stayed in Fife
- 6,000 stayed in Grampian

8.6 Given an average length of stay elsewhere in Scotland of five nights, this represents a considerable level of impact. However, many of these trips will not solely be because of the Festival and so much of the associated expenditure would not be considered additional in the calculations.

8.7 While the overall expenditure generated by the Festival is important, it is also valuable to understand where this expenditure is being made. The net figures for the whole of Scotland are shown in Table 8.2 disaggregated by expenditure category. These exclude the multiplier effects which are not related to any specific sector but to suppliers and the way in which any additional income is spent.

Table 8.2: Net expenditures from each festival disaggregated by category (£000's)

	Accommodation	Food and Drink	Entertainment	Shopping	Transport	Totals
Edinburgh International Jazz and Blues Festival	£550	£562	£193	£301	£200	£1,853
Edinburgh Military Tattoo	£6,530	£3,032	£2,183	£2,604	£730	£14,978
Edinburgh International Film Festival	£434	£259	£211	£147	£76	£1,402
Edinburgh Festival Fringe	£17,055	£9,654	£8,447	£5,652	£3,550	£45,084
Edinburgh International Book Festival	£396	£549	£378	£430	£171	£2,244
Edinburgh International Festival	£4,999	£3,189	£1,585	£1,552	£593	£12,375
Edinburgh Mela	£274	£62	£79	£74	£30	£530
Festival Cavalcade	£743	£660	£555	£111	£44	£2,098
Edinburgh International Games Festival	£135	£41	£92	£20	£49	£301
MediaGuardian Edinburgh International TV Festival	£288	£90	£108	£72	£36	£594
Totals	£31,402	£18,098	£13,831	£10,963	£5,480	£81,458

Hotel feedback

8.8 An e-mail survey of the Edinburgh Principal Hotels Association was carried out. The group provides occupancy and booking data for forecast model in Edinburgh. This covers 47 establishments and 5,361 rooms. The actual monthly *room* occupancy rates for July, August and September 2004 were:

- July 2004 86%
- August 2004 88%
- September 2004 86%

8.9 The data suggests that most of these hotels are recording high occupancy throughout this extended period with only a small increase in August when the majority of the Festival activity takes place.

8.10 Nineteen businesses responded to the e-mail survey, accounting for 107 suites and 2,700 rooms. Those responding estimated that around 70% of their occupancy was taken by guests attending the Festivals. A majority of the hotels were themselves hosting Festival related events including dinners or parties. Several were used as Fringe venues.

8.11 Nearly all (90%) of the hotels had turned potential bookings away and of these 40% had turned away more than 200 potential bookings, a strong indication of capacity constraints over the Festival period. The majority believed that those turned away had been able to secure accommodation elsewhere. Given that these are the main city hotels, it is not surprising that they receive so many enquiries and it supports the view that during busy periods, visitors are more likely to take accommodation at less well known hotels and guesthouses, often further from the city centre. This is reflected in the comments of some of the guesthouses.

8.12 In general, hotels were supportive of the Festivals taking place over roughly the same period. Ninety percent believed that holding the Festivals together added to the overall appeal of the city while 37% would prefer them spread throughout the year. There was some specific concern over the timing of the fireworks:

"Fireworks on a Sunday had a negative effect on our business, F&B takings down. Why moved to Sunday?"

"The Fire works which are tremendous are too late for UK holiday makers, should either be incorporated into August Bank Holiday or at beginning August to start the Festival season."

8.13 It should however be noted that this is the first year that the event has been moved and this movement could in time extend the festivals season and increase the economic benefits by encouraging visitors to stay longer.

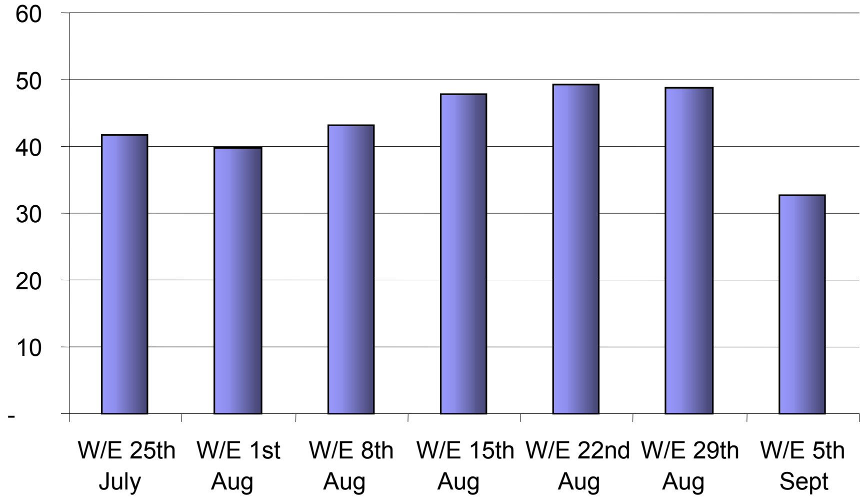
8.14 For hotels the key Festivals were the Tattoo and the Fringe. These were seen as critically important to supporting the high levels of occupancy achieved. The International Festival and the Book Festival were also important.

"The big impact on our business was the later start to tattoo."

Guesthouses and bed and breakfasts

8.15 An e-mail survey of guesthouses and B&Bs received 25 valid responses. On average these establishments had 6.7 rooms each. Of these 15 provided room occupancy data over the eight weeks covering the Festival. The results in Figure 9.1 show occupancy of around 40%, rising slightly in mid August, but certainly most appear to have had capacity. However, 93% reported turning potential bookings away. This may reflect high demand for this type of accommodation over the weekends.

Figure 8.1: Guesthouses and B&Bs room occupancy by week during Festivals 2004



8.16 Guesthouses reported that around 70% of occupancy was related to the Festival. Overall there was a slightly higher percentage (66%) that thought that holding the Festivals together added to the appeal of the city compared with 44% suggesting that spreading more evenly would be beneficial. This is a higher proportion than among the hotels.

"The beauty of having various Festivals intertwined gives the Festival period its unique atmosphere. It would be an absolute folly to spread the Festivals throughout' the year. You have to remember outlying areas also benefit hugely from this massive influx into Edinburgh at this one period of the year, not just hotels and guesthouses like ourselves in the centre, but the Borders and Perthshire"

8.17 The visitor survey also supports the view that other areas such as the Borders and Perthshire also benefit as accommodation fills up in and around Edinburgh.

"As you can see from the occupancy figures the last week of the Festival shows a dramatic downturn due to the finish of the tattoo. I feel all the Festivals should begin and finish at the same time. This year's firework display was not as busy as in previous years due to the change in timings. However, there were some that believed that there was scope for broadening the Festival season further from mid-July to end or mid September."

"Move 'Minor' Festivals to off-peak months to raise profile and focus as clearly Fringe/International and 'Tattoo'/ overshadow everything else. Edinburgh is an year round destination and it greatly benefit everyone to spread and focus"

"Stop the bad publicity re Edinburgh being always full during the Festival"

8.18 For guesthouses and B&Bs the most important Festivals were the Tattoo and the Fringe but the International Festival was rated as more important than it had been amongst hotels as were most of the smaller Festivals and single day events.

Retailers

8.19 A small number of retailers were contacted through the Edinburgh City Centre Management Company. There were responses from four businesses. Overall, there was a modest increase in footfall and turnover in late August. There were several specific comments

"The licensed trade and restaurant sectors are huge beneficiaries during Festivals, more so than retailers"

"Provide to International Press Festival packs with the full city arts/heritage/tourist/retail experience story and photographs to help papers fill copy"

Table 8.3: Proportion of accommodation providers that consider each Festival to be important or critically important to their business

	Hotels	Guesthouses
Jazz and Blues Festival visitors	5%	12%
Military Tattoo Festival Visitors	95%	75%
Film Festival visitors	32%	31%
Fringe visitors	90%	69%
Book Festival visitors	43%	18%
International Festival visitors	53%	56%
Mela visitors	12%	18%
Cavalcade visitors	10%	31%
Fireworks	27%	38%
Fringe Sunday	21%	34%

Supply and Demand

8.20 The Accommodation Supply and Demand Study 2000 – 2005 provides estimates of the number of rooms and beds available in Edinburgh and the Lothian in 1999 and forecasts the level of supply to 2005.

8.21 In 1999 there were a total of 15,301 rooms in Edinburgh and Lothian of which 90% (13,841) were in Edinburgh. The report estimates that the number of hotel rooms in Edinburgh would rise by 28% or around 2,000 new rooms. With growth of 20% in other categories of serviced accommodation in the area, it would not be unreasonable to assume that the total number of rooms has risen to 19,000.

8.22 The research carried out for the Festivals estimates that there were 845,000 visitor trips made to the Festivals and 1,600 journalists and 26,000 performers. This gives a total of 872,600 visitor trips. Of those 49%, 427,000, were on trips staying overnight in Edinburgh and the Lothian. Among those staying overnight 40% stayed in serviced accommodation, 171,000.

With an average stay of five nights, this would generate 855,000 bed nights. Assuming average room occupancy of 1.5, this would require 570,000 rooms.

8.23 The availability of 19,000 rooms gives 760,000 room nights available in August and the first week in September. This would give a room occupancy generated by Festival visits of around 75%. This is consistent with the occupancy rates reported by hotels and guest houses of around 88% and the hotels' claims that around 80 – 90% of guests were attending Festival events that month.

Synergies between Festivals

8.24 One of the key issues for the Festivals is the extent to which being held largely over the same period helps or hinders their impact. There are several findings in the study which can help understand this. The first is the extent to which visitors to one Festival attended events at others on the same trip. This in itself shows that there is some benefit. Presumably, this behaviour indicates that by attending events at more than one Festival that this has a positive impact on their trip.

8.25 These figures relate only to the trip on which the respondent was interviewed. This means that for some local people in particular it does not capture all the Festival events they attend across all their trips. For example, someone from East Lothian may come to an event at the Book Festival on this trip, but make a separate trip to an event at the International Festival. Consequently, the survey provides overlap in event attendance per trip rather than for the entire Festivals programme. As a result the figures are much lower than reported in previous research. Based on our interviewing, 6% of Jazz Festival visitors, 10% of those attending the Tattoo, 15% of those attending the International Festival and 18% of those at the Film Festival also visited the Fringe on the same trip. The overlap between other events was generally lower, around 5%.

Other research

8.26 The Audience Business Survey of Festival audiences in 2000 found a high proportion of visitors who attended events at more than one Festival (Table 8.4).

8.27 The highest figure shows that eighty six percent of those attending the Book Festival also attended Fringe events, as did 58% of those attending the Tattoo. For other Festivals cross over was also high, with around half of those at the Book Festival also attending the film Festival and a third of those attending the Tattoo also attended International Festival events.

Table 8.4: From The Audience Business research 2000 - % of visitors attending other Festivals

Others attended ➔ **Main Festival ↓**	Jazz and Blues events	Military tattoo events	Film Festival events	Fringe events	Book Festival events	International Festival events
Jazz and Blues Festival	100	29	48	73	37	41
Military Tattoo Festival	16	100	23	58	21	32
Film Festival visitors	26	22	100	84	44	41
Fringe visitors	18	25	37	100	33	36
Book Festival visitors	22	23	49	86	100	46
International Festival visitors	21	30	40	78	40	100

8.28 The TAB figures seem to be on the high side. The International Festival's own research indicated that of their attendees, 56% also went to the Fringe, 35% to the book , 20% the film Festival and 7% to the Tattoo. Research for the Book Festival reported that 77% of their visitors also went to the Fringe, 30% to the Film Festival, 12% to the Jazz Festival and 11% to the Tattoo.

8.29 Our survey is based on trips which underestimates the cross over among visitors. Using the evidence from TAB and other sources points to a high level of cross over among visitors.

Importance of the holding the Festivals together

8.30 Another strand of evidence comes from the qualitative questions about the importance of holding the Festivals at the same time. Interviewees were asked whether "having a variety of Festivals on at the same time adds to the overall appeal". The results show that the vast majority, over 80% agreed (strongly or slightly). Taking only those that strongly agreed, the higher percentages were among those who attended the Book Festival, the Cavalcade, the Jazz and Blues Festival and the Mela.

8.31 The second question was "if the other Festivals did not take place at the same time I would not have attended". In other words, a positive response, agreeing, would mean that it was because the Festivals happen together they attended. A negative response, disagreeing, means that the Festivals happening together made little difference to your decision.

8.32 35% of interviewees disagreed compared with 2% agreeing. The majority neither agreed nor disagreed. If anything, it suggests that for around a third, the Festivals taking place at the same time makes no difference. This was strongest among those attending the Book Festival, The Games Festival, the Cavalcade and the Fireworks. Those attending the TV Festival agreed strongly that having the Festivals together influenced their decision to come.

8.33 The conclusion that we can draw is that while, it is very clear that those attending the Festivals are very supportive of holding them at the same time and believe that this adds to the Festival experience. In practice we found that the overlap between Festivals was perhaps not as strong as we might have expected.

8.34 In our view, although the actual overlap is fairly limited, the critical mass the Festivals together have generated has enormous pulling power. It is impossible to estimate how any of these Festivals might fair at a different time of year as this would be dependent on when and how it was promoted. It is unlikely that independently any of the Festivals would be able to attract the attendances they do at the moment. This view is supported by the additional surveys with hotels and guesthouses.

Capacity displacement

8.35 One of the issues in assessing the net benefit that the Festivals bring to Edinburgh and Scotland is what would happen without them. This is covered among those attending and performing through the surveys carried out and the assumptions made about where people would have been had they not taken place. This provides the net impact generated by this activity. There is, however, a wider perspective. Without the Festivals, it could be argued that there would also be other visitors, who at the moment are crowded out by the Festival. This cannot be estimated using the visitor survey.

8.36 The Festivals have been held for more than 50 years and to try and imagine a situation in which they do not happen is difficult. In many ways they have become so much part of Edinburgh's identity that they cannot easily be separated. One reason for the growth in accommodation might be the importance of the festivals.

8.37 A further complication is that the growth in accommodation has also been driven by the increasing importance of the Festivals. Without the Festivals, it is unlikely that as many new hotels in the city, as well as guesthouses and B&Bs would have opened or survived. As a result the overall capacity of the city has expanded.

8.38 The evidence from the hotel survey indicates that they were turning away many potential bookings. These were a mixture of potential Festival goers, business or wedding guests. The hotels believed would find alternative accommodation.

8.39 The issue is whether because of the Festival, potential non-Festival visitors were discouraged from visiting the city. It is important to bear in mind that we are considering only the displacement caused by a subset of visitors, those that stayed overnight in serviced accommodation and thereby potentially prevent other non-Festival visitors coming to the city. The issue is whether there are people who would visit Edinburgh in August but cannot because of capacity constraints.

8.40 The supply of rooms can be fairly elastic and our conclusion is that over the period of the Festival, it stretches to meet demand. Flats become available and visitors stay with friends and relatives. At the same time visitors are more willing to use accommodation further from the city centre, where there is usually more capacity. The evidence of excess demand is largely from people hoping to attend the Festival and not being displaced by it. Even in these cases, a high proportion that will be able to rearrange their trips.

8.41 It is clearly impossible to consider how tourism in the city would have developed without the Festivals, we would argue that while there may be some modest displacement, this, in all likelihood, would be offset by the positive effect that the Festivals have on attracting other trips to the city throughout the rest of the year.

9 Summary and Conclusions

9.1 This chapter brings together the key points from the previous chapters under three sections:

- economic Impact
- visitor profile
- overview

Economic Impact

9.2 We estimate the economic impact generated as a result of Edinburgh's summer Festivals is:

- **just under £130m of output in the Edinburgh economy and £31m of income supporting 2,500 FTE's for one year**
- **£140m of output in Edinburgh and the Lothians and £36m of income and supporting 2,900 FTE jobs for one year**
- **£135m of new output in Scotland, including Edinburgh and the Lothian and £38m of income and supporting 2,900 FTE's for one year.**

Table 9.1: Economic impact by area (£m's)

	Output	Income	Employment (FTE's for one year)
Edinburgh	£127m	£31m	2,500
Edinburgh and the Lothians	£140m	£36m	2,900
Scotland	£135m	£38m	2,900

Results by Festival

9.3 The results can also be shown for each Festival. The analysis allocated the expenditure based on visitors' indication of which Festival was most influential in their decision to visit Edinburgh. With around 50% of the total attendances at the summer Festivals, the Fringe generates the greatest impact £70m in Edinburgh, but each Festival makes a significant contribution. The results for all the Festivals across each area are shown in Table 9.2.

Table 9.2: Economic impact by geography and Festival (£m's)

	Edinburgh			The Lothians			Scotland		
	Output	Income	Employment	Output	Income	Employment	Output	Income	Employment
Edinburgh International Jazz and Blues Festival	£2.9	£0.7	53.2	£3.0	£0.8	59.0	£2.9	£0.8	60.1
Edinburgh Military Tattoo	£23.3	£5.6	452.0	£29.2	£7.3	597.3	£29.5	£8.1	622.0
Edinburgh International Film Festival	£2.1	£0.6	41.7	£2.5	£0.7	50.7	£2.6	£0.8	54.1
Edinburgh Festival Fringe	£69.9	£17.2	1,381.5	£74.9	£19.4	1,559.4	£74.8	£21.4	1,591.7
Edinburgh International Book Festival	£3.4	£0.9	64.9	£3.7	£1.0	73.9	£3.9	£1.1	81.8
Edinburgh International Festival	£19.3	£4.7	374.7	£20.0	£5.2	409.3	£14.4	£4.2	305.7
Edinburgh Mela	£0.8	£0.2	16.1	£0.9	£0.2	18.9	£0.7	£0.2	14.2
Festival Cavalcade	£3.3	£0.8	70.2	£3.7	£1.0	81.7	£4.2	£1.3	89.3
Edinburgh International Games Festival	£0.5	£0.1	9.7	£0.7	£0.2	15.8	£0.6	£0.2	13.8
Edinburgh International TV Festival	£0.9	£0.2	18.4	£0.9	£0.2	20.0	£1.1	£0.3	23.9
Totals	**£126.5**	**£31.0**	**2,482.3**	**£139.6**	**£36.1**	**2,886.0**	**£134.7**	**£38.4**	**2,856.7**

Visitor profile key points

- in 2004, Edinburgh's Summer Festivals recorded a combined total of 2,582,686 attendances. Of these the Fringe Festival generated just under half. This compares with a total in 1997 of 1,264,086
- the youngest profiles were found amongst attendees to the International Games Festival (24% aged 16 or 17) and the International Film Festival (53% aged 18 to 34).
- thirty percent of all visitors were locals from Edinburgh, with 6% from the Lothians, 22% from elsewhere in Scotland, 27% from elsewhere in the UK and 15% from overseas. Each of the Festivals demonstrated a different profile of visitors, with the Tattoo and the Fringe attracting the highest proportion from outside Scotland, 73% and 56% respectively. Whereas events like the Mela and the Jazz and Blues Festival have a much higher proportion of locals in their audiences.
- for around half of visitors who lived outwith Edinburgh, the Festival(s) were their sole reason for visiting the city (48%) while it was a very important reason for a further 16%.
- the Festivals most likely to represent a visitor's sole reason for coming to Edinburgh were the Edinburgh Military Tattoo (70%) and the Edinburgh International Festival (58%).
- just over two in five attendees had decided upon all of the events that they were attending before their trip (44%) while 7% had decided upon most at this stage.
- the average number of attendances made by a visitor to any of the Edinburgh Summer Festivals was 2.82 attendances. Visitors to the International and Fringe Festivals tend to attend the highest number of total events, with 4.64 and 4.52 average events attended respectively
- proportions of visitors on their first ever visit to the city were highest amongst those attending the Military Tattoo but lowest amongst International Book Festival attendees (11%) and those who went to the Festival Cavalcade (11%).
- just under a quarter of attendees stated that they expected to take one or more trips to Edinburgh in the next year in order to attend events or Festivals (23%).
- just under half of attendees were on an overnight trip which involved at least one night away from home (47%) while the remainder were on day trips.
- of those who were on trips away from home, 85% spent at least one night in Edinburgh and the average number of nights spent in the city was 5

- when asked to specify their reasons for staying outwith Edinburgh, the most commonly provided explanations related to visitors including other areas in a wider visit to Scotland or staying with friends or relatives who lived in other areas.

- overall, the most common types of accommodation used were the homes of friends and relatives (31%), hotels with 50 or more rooms (19%) and smaller hotels with fewer than 50 rooms (12%).

- highest ratings for range of events, overall experience of the Festivals and value for money were given by those attending the Tattoo and the Cavalcade.

Wider context

9.4 The wider context work both provided more detail on who benefits, where visitors went outside Edinburgh and gave feedback from hotels, guesthouses and retailers. The main findings were:

- in total the gross expenditure made with accommodation providers by those attending Festival events was £76m. Of this approximately £49m was made in Edinburgh.

- total expenditure in the Lothians, excluding Edinburgh was around £10m

- we estimate that 29,000 people who attended Festival events stayed in Glasgow during their trip and 29,000 also stayed in the Highlands and islands. Around 8,000 stayed in the Borders and 6,000 in Fife.

- occupancy in the city's Principal hotels averaged 88% in August, slightly higher than September. Occupancy in Guesthouses was much lower

- nearly all (90%) of the hotels in the survey had turned potential bookings away and of these 40% had turned away more than 200 potential bookings

- a large majority, of hotels were supportive of the Festivals taking place over roughly the same period. Ninety percent believed that holding the Festivals together added to the overall appeal of the city while 37% would prefer them spread throughout the year.

- there was a slightly higher percentage (66%) of guesthouse and B&Bs that thought that holding the Festivals together added to the appeal of the city compared with 44% suggesting that spreading more evenly would be beneficial.

- a review of the supply and demand data is broadly consistent with the estimates of the number of serviced accommodation nights generated by the Festivals and lends credibility to the overall findings of the study.

- because the survey data is based on trips rather than the entire Festival overlap was more limited that previous research has found. These other surveys are therefore likely to be a better indicator of cross over

- the responses to the questions about the value of holding the Festivals concurrently provided much greater support and suggested that together they have generated considerable pulling power. It is unlikely that independently any of the Festivals would be able to attract the attendances they do at the moment.

- it is impossible to consider how tourism in the city would have developed without the Festivals. We would argue that while there may be some modest displacement of potential non-Festival goers, this, in all likelihood, would be offset by the positive effect that the Festivals have on attracting other trips to the city throughout the rest of the year.

Conclusions

9.5 This is a complex analysis involving many different strands, visitors, performers, journalists and organisers. The research has gone into considerable detail in assessing the flows of expenditure. The overall result indicates that in terms of overall expenditure or output, the Festivals generate around £130m in Edinburgh and support almost 2,500 jobs.

9.6 As well as the economic impact, there is a great deal of information on the profile of visitors to the Festivals. One of the conclusions to draw from a number of the strands is the importance that is attached by both visitors and service providers in the city to holding the events at similar times.

9.7 It is important to see these results in context. For all these Festivals, the impact is substantial compared with many other events held around Scotland. These are net figures that exclude the expenditure that would be made in the city anyway by those who live in the city or those who would be holidaying in Edinburgh in any case.

9.8 These figures also exclude what would be a major contribution to the promotion of the city through TV and other media coverage. Television coverage of the Tattoo and arts programmes with interviews and footage from all the Edinburgh Festivals generates a huge amount of valuable publicity that is likely to continue to generate new trips throughout the year.

9.9 Finally, the Festivals not only generate income for city residents, they are also play an important role in the city's cultural life. They provide a diversity of entertainment and education which is as valuable for residents as it is for visitors. The Festivals and the profile that they provide for Edinburgh are also influential in attracting and retaining people in the city and Scotland.