

**EDINBURGH'S YEAR ROUND FESTIVALS 2004-2005
ECONOMIC IMPACT STUDY**

A Final Report to:

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

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economic development consultants

SQW Limited
19 Alva Street
EDINBURGH
EH2 4PH

Tel: 0131 225 4007
Fax: 0131 225 4077
Email: bmacdonald@sqw.co.uk



TNS Travel and Tourism
19 Atholl Crescent
Edinburgh
EH3 8HQ

Phone +44 131 656 4026
Fax +44 131 656 4001

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Executive Summary

Introduction

1. This report presents the results of an economic impact study of Edinburgh's Festivals throughout a full year (August 2004 to July 2005). SQW's research covers the impact of all the City's major festivals from the Summer Festivals, frequently described as the world's largest arts festival, through the hugely popular Hogmanay and Christmas events, to the Spring and Autumn Festivals which cater for a wide range of interests and ages.
2. Together these festivals attract over 3.1m attendances, with the Edinburgh Fringe responsible for almost half the total. These attendances were made during an estimated 1.4m trips. Across all the Festivals, just less than half of attendances were made by visitors to Scotland, helped by the high proportion of visitors attending the Edinburgh Fringe, Hogmanay and the Military Tattoo. These events not only bring people to Edinburgh but also to Scotland. Since the last impact assessment was done in 1997, there has been a substantial increase with attendances at Edinburgh's Summer festivals growing by 65% and many new festivals being introduced.

Table 12: Timetable and attendances of the Edinburgh Festivals in 2004-05

Festival	Dates	Attendances
Edinburgh International Jazz and Blues Festival	30 th July- 8 th August '04	75,000
Edinburgh Military Tattoo	6 th August- 28 th August '04	217,000
Edinburgh Festival Cavalcade	8 th August '04	185,000
Edinburgh International Games Festival	8 th August- 22 nd August '04	7,289
Edinburgh International Film Festival	8 th August- 29 th August '04	54,500
Edinburgh Festival Fringe	8 th August- 30 th August '04	1,461,997
Edinburgh International Book Festival	14 th August- 30 th August '04	200,000
Edinburgh International Festival	15 th August- 5 th September '04	334,900
MediaGuardian Edinburgh International TV Festival	27 th August- 29 th August '04	400
Edinburgh Mela	4 th September- 5 th September '04	40,000
Storytelling Festival	22 nd -31 st October '04	20,068
Capital Christmas	25 th Nov 2004- 4 th Jan '05	319,400
Edinburgh's Hogmanay	29 th Dec 2004- 1 st Jan '05	147,000
Ceilidh Culture	19 th March - 17 th April '05	7,204
Edinburgh Easter Festival	26 th – 27 th March '05	35,000
Edinburgh International Science Festival	1 st -10 th April '05	76,878
Edinburgh Children's International Theatre Festival	24 th - 30 th of May '05	10,802
Total		3,192,438

3. This economic impact study takes place against a background of heightened interest in culture and arts generally, both in Scotland and more widely in the UK. Specifically, more attention is now being given to the contribution that cultural activities make to regeneration and economic development generally. A great deal of work has been done in understanding the direct economic benefits generated by visitor expenditure for many Festivals and events, including this study, but much less research has been done to investigate the wider benefits. These include, for example, education, cultural diversity, city promotion, social inclusion, creativity and quality of life for residents.
4. SQW's research estimates the economic impact of the Festivals collectively and individually, but also develops some conclusions on other measures of the Festivals' success. The aim is not to examine the differences in performance between the Festivals but to better understand the role that they play within Edinburgh and the wider Lothians' economy. The work would not have been possible without the support and assistance of all the Festivals that took part and we appreciate the time and effort that went into providing information.

Approach

5. Economic impact is interpreted, within this report, to mean the contribution made to the economy's output, income and employment. These are presented as net figures, which exclude the activity that would have taken place without the Festivals. In other words, these figures represent the *difference* that the Festivals make. They therefore exclude the expenditure of residents, visitors or performers who would have been in the city anyway.
6. SQW's estimates and the wide range of visitor profile information are based on face to face interviews with 4,129 visitors attending Festival events, carried out by TNS, throughout the year. Although the Festivals are all unique, SQW was able to use similar questionnaires for the visitor surveys which produced robust and comparable data. In addition there were surveys of performers, delegates, journalists, organisers, retailers, hotels, guesthouses and B&Bs.

Economic Impact

7. The report estimates that Edinburgh's Festivals 2004/05 have generated:
 - **output of just under £170m in Edinburgh and £184m in Scotland**
 - **£40m in new income in Edinburgh and £51m in Scotland**

- **this supports 3,200 FTE jobs for a year in Edinburgh and 3,900 in Scotland.¹**
8. Four of the Festivals dominate the impact results, representing 82% of all the economic activity. The Fringe generates almost half of the total, supporting almost £70m of output in the Edinburgh economy and £17.2m in income. The Military Tattoo generates £23.3m in additional output, the International Festival £19.3m and the Hogmanay events £24.4m. The remaining 13 festivals contribute £30.7m of output and £7.7m of income to the Edinburgh economy.
 9. Together the Festivals reported receiving public funding of just over £3m and private sector support of £4m. For the public sector investment this suggests that each £1 of support has generated £61 of new output in Scotland and £17 of new income. The 3,900 jobs supported for one year, indicate a cost per job supported of £7,690 per FTE (ten year equivalent). All of these figures represent a good return for the public sector investment.
 10. The new visitor expenditure resulting from the Festivals generated a net increase of £31m for accommodation providers in the city and £22.5m for bars and restaurants, where many of the jobs are supported. The Festivals' impact also stretched well beyond Edinburgh. There were an estimated 39,000 trips that included an overnight stay in Glasgow, 34,000 that included an overnight stay in the Highlands and Islands and 18,000 to the old Central region. Given that these trips may have been for several nights this would represent a significant value to these areas.
 11. The advertising equivalent value of the press and broadcast coverage generated by the Summer Festivals is estimated to have been £11.5m in the UK. This cannot be added to the economic impact measures but is an indication of the level of media coverage. A summary of the economic impacts associated with each Festival is presented in Table 2 below.

¹ Output represents the total value of output generated by all businesses within the geographical area. Income is the measure of wages, salaries and profits retained within the economy as a result of the expenditure generated by the Festivals. Employment is shown as Full Time Equivalent jobs *for one year*.

Table 2: Economic impact of the Festivals in Edinburgh and totals for the Lothians and Scotland

Festival	Output £'000's	Income £'000's	Employment FTEs per year
Edinburgh International Jazz and Blues Festival	2,900	700	53
Edinburgh Military Tattoo	23,300	5,600	452
Edinburgh International Film Festival	2,100	600	42
Edinburgh Festival Fringe	69,900	17,200	1,382
Edinburgh International Book Festival	3,400	900	65
Edinburgh International Festival	19,300	4,700	375
Edinburgh Mela	800	200	16
Festival Cavalcade	3,300	800	70
Edinburgh International TV Festival	500	100	10
Edinburgh International Games Festival	900	200	18
Edinburgh Storytelling Festival	214	52	4
Capital Christmas	11,500	2,700	196
Edinburgh's Hogmanay	24,400	5,600	439
Edinburgh Easter Festival	3,333	1,055	74
Edinburgh Science Festival	1,287	299	23
Ceilidh Culture	266	60	5
Children's International Theatre Festival	290	67	5
Edinburgh Total²	167,690	40,833	3,229
Edinburgh and Lothians	184,190	47,182	3,735
Scotland	184,254	51,250	3,903

Visitor profile key points

12. Overall, the Summer Festivals attract a wide range of visitors and city residents. The youngest profiles were found among attendees to the International Games Festival (24% aged 16 or 17) and the International Film Festival (53% aged 18 to 34). The Winter Festivals attract a younger audience (Hogmanay and Capital Christmas) where 45% were under 34. The Spring and Autumn Festivals include more events for children (The Storytelling Festival, the Children's Theatre Festival, the International Science Festival and Easter Festival). They attracted fewer visitors from outside Scotland and the economic impacts tended to be lower, but they also have a wider range of objectives. Some of the key profile points are summarised below:

² Note that these figures are the total for each geographic area e.g. the figures for Scotland include Edinburgh.

- thirty three percent of attendances were by local residents, with 6% from the Lothians, 20% from elsewhere in Scotland, 26% from the rest of the UK and 15% by visitors from overseas.
- each of the Festivals demonstrated a different profile of visitors:
 - the Military Tattoo, Hogmanay, the Fringe and the Book Festival attract the highest proportion of visitors from outside Edinburgh
 - the Mela, Science Festival, Ceilidh Culture, the Storytelling Festival and the Easter Festival have the highest proportions of local residents attending
- for half of visitors to the city during the Summer, the Festivals were their sole reason for visiting Edinburgh (48%) while it was a very important reason for a further 16%. This was slightly lower during the Winter festivals (33%) and Autumn and Spring (37%). The Festivals most likely to represent a visitor's sole reason for coming to Edinburgh were the Military Tattoo (70%) and the Edinburgh International Festival (58%).
- around half of the audiences had decided upon all of the events that they were attending before their trip. This was higher amongst the Autumn/Spring festivals (59%) than the Winter (50%) and Summer festivals (44%). In contrast, 42% of those attending Fringe events had not decided on any performances before they embarked on their trip.
- the average number of attendances made by a visitor to any of the Festivals was 2.59. 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. The number of attendances at the Winter and Spring and Autumn Festivals was lower, both around 1.6.
- proportions of visitors on their first ever visit to the city were highest amongst those attending the Military Tattoo, the Mela and the Easter Festivals and lowest amongst International Book Festival attendees (11%) and those who went to the Festival Cavalcade (11%).
- just under a quarter of attendees at the Summer festivals stated that they expected to take one or more trips to Edinburgh in the next year in order to attend events or Festivals (23%). This figure was higher for the Winter festivals (40%) and the Autumn and Spring festivals (73%).
- just under half of the audiences at the Summer and Winter Festivals were on an overnight trip which involved at least one night away from home (47%). The proportion for the Spring/Autumn Festivals was much lower (18%).

Audiences at the Tattoo, the Fringe and Hogmanay were most likely to be staying overnight.

- Summer Festival visitors who were staying overnight stayed longer in Edinburgh (5 nights) than visitors to the Winter Festivals, who stayed 3.8 nights. Across all the Festivals the average duration of a stay amongst overnight visitors was 4.8 nights in Edinburgh.
- the use of accommodation varied considerably between those attending different Festivals. Those attending the Military Tattoo were much more likely (62%) to stay in larger hotels while 59% of those attending the Film Festival stayed with friends or relatives.
- highest ratings for the range of events, overall experience of the Festivals and value for money were given by those attending the Winter Festivals.

Conclusions

13. The report presents a substantial range of statistics and data on all the Festivals held through 2004/05. Although the results of this study are for a single year, the impact has effectively been built up over many years on the reputation of the Festivals for the high quality and the diversity of their programmes. Nor is this impact guaranteed every year. To ensure that Edinburgh and Scotland continue to benefit to this level, the Festivals must maintain and enhance their reputation. This should not mean making judgements on the basis of maximising short term economic returns but ensuring that, longer term, the Festivals remain at the forefront of their respective arts. The recently commissioned “Thundering Hooves” project will help in assessing this task.
14. There are also a number of issues relating to measurement which this study raises and which are becoming increasingly important for the Festivals. These concern the way in which we value the contribution of culture. This is at the heart of the way in which we view Festivals, which are often seen (and measured) as tourism activities rather than mechanisms for supporting social inclusion, civic pride, creativity and innovation, multi-culturalism, promotion of the city or maintaining traditions for future generations.
15. The economic impact study demonstrates that the Festivals are collectively a major success in terms of generating income for Edinburgh and Scotland. There is scope now to develop a much better understanding of whether and how it impacts on a wider set of agendas in the city and Scotland. The development of a more sophisticated framework to help understand the wider benefits of the Festivals would have three effects. It would help ensure that the work of the Festivals is fully recognised and supported. It would allow the public agencies to more effectively

assess their return and it would also identify opportunities for increasing the role of the Festivals in engaging with businesses and communities.

1 Background

- 1.1 This report presents the results of an economic impact study of Edinburgh's 2004/05 Festivals Programme. The research started in August 2004 with surveys for the Summer Festivals and has been completed 12 months later, covering a full year of Edinburgh's Festival programme. 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 Festivals throughout the year.
- 1.2 In this report we estimate the economic impact of the Festivals collectively and individually, but also try to deduce some conclusions on other measures of a Festival's success. The aim is not to consider the differences in performance between Festivals but the role that they play within Edinburgh and the wider Lothian economies. In the course of the work a huge amount of data has been collected and the challenge for this report has been to bring this together in a succinct and clear fashion. This main document sets out the results and conclusions.
- 1.3 The work would not have been possible without the support and assistance of all the Festivals that took part and we appreciate the time and effort that went into providing information. In addition the Principal Hotel and Guesthouse Associations in Edinburgh also provided valuable data for the analysis.

Objectives

- 1.4 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.
- 1.5 The work was carried out in three phases:
- The Summer Festivals, with a report produced in December 2004. This covered the 10 Festivals during August and included the MediaGuardian Edinburgh International TV Festival and the International Games Festival. The Storytelling Festival took place slightly later in October
 - The Winter Festivals, with reports produced for the Hogmanay and Christmas events

- The Spring Festivals, which included the Easter Festival, Edinburgh International Science Festival, Edinburgh Children's International Theatre Festival and Ceilidh Culture
- 1.6 This study is the first full impact study to bring together all this activity since 1991, although updates were carried out in 1996 and 1997 using the older data. The work provides a great deal more analysis of the expenditure associated with performers, journalists and organisers than has previously been available.
- 1.7 Although the report provides expenditure estimates for each of the Festivals individually, this has been a complex process requiring numerous assumptions, particularly during the Summer Festivals which take place largely simultaneously. Throughout the report we have sought to make these assumptions as transparent as possible.

The Edinburgh Festivals 2004/05

- 1.8 The largest element of Edinburgh's year round programme is the Summer Festivals. Together they represent the world's biggest arts Festival attracting a large and varied audience of spectators and performers from Edinburgh, Scotland, the rest of the UK and overseas. The Summer 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.
- 1.9 Table 1.1 shows the calendar of events covered by the economic impact work, the dates and the attendances or tickets sold. In total, **these events generated over 3,000,000 attendances**. The Edinburgh Fringe generates about half of this total (1.5m). Figures for the International Festival include the Bank of Scotland Fireworks and the Fringe figures include attendances at Fringe Sunday.

Table 1.1: Timetable and attendances of the Edinburgh festivals in 2004-5

Festival	Dates	Attendances
Edinburgh International Jazz and Blues Festival	30 th July- 8 th August '04	75,000
Edinburgh Military Tattoo	6 th August- 28 th August '04	217,000
Edinburgh Festival Cavalcade	8 th August '04	185,000
Edinburgh International Games Festival	8 th August- 22 nd August '04	7,289
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Edinburgh International Science Festival	1st-10th April '05	76,878
Edinburgh Children's International Theatre Festival	24 th - 30th of May '05	10,802
Total		3,192,438

- 1.10 For the core events in the Summer Festivals, there are attendance figures over the past few years. Since the work done in 1997, there has been a substantial increase in attendances with the overall figure growing 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 free events held, attracting more 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 1996-2004³

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	1.0m	1.4m	1.5m
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

- 1.11 Most of the Festivals show substantial increases in attendances. Attendances at the Fringe, the single largest Festival in terms of ticket sales, 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 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.
- 1.12 Although the number of attendances is not necessarily an indication of the overall attractiveness or quality of the Festivals, it is nevertheless a major factor in the calculation of economic impact.

Study methodology

- 1.13 The major objective of this study was to identify the profile of visitors to all the Festivals throughout the year and to articulate the additional economic impact generated in Edinburgh, the Lothians and Scotland. 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 4,129 interviews were conducted over the course of the Festivals.

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

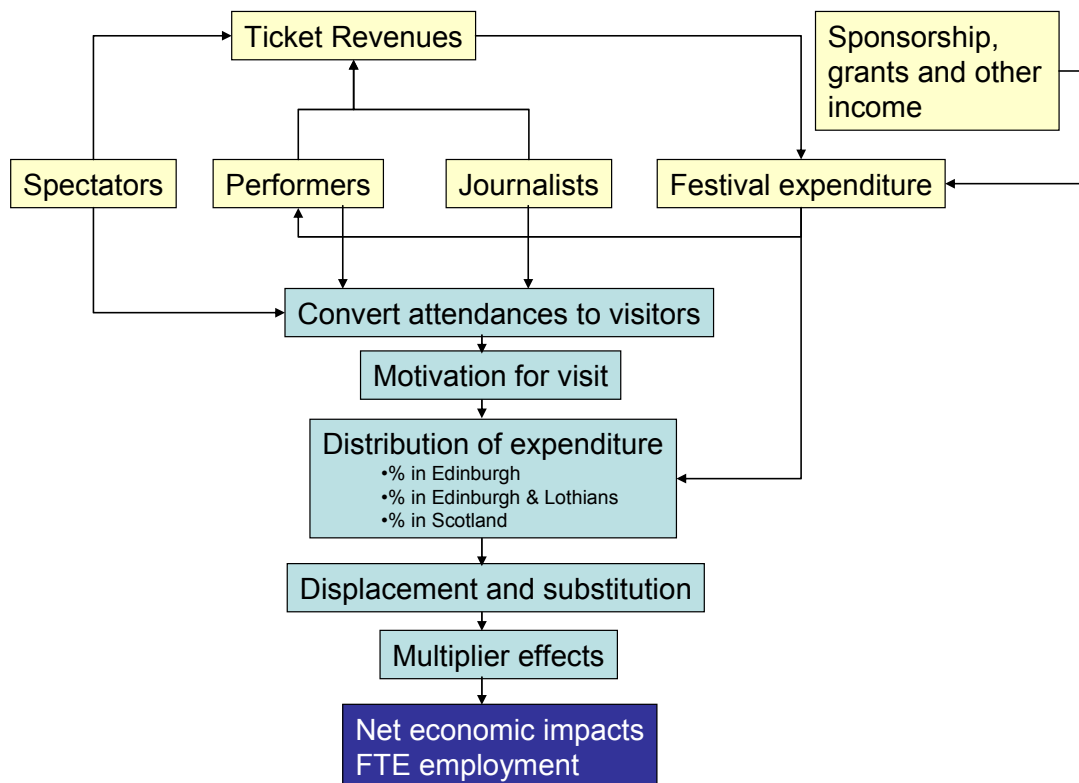
- **web surveys of 115 performers and delegates and 25 journalists/media** involved with one or more of the Festivals were conducted over the period of the Summer Festivals
- **19 major hotels in the city were contacted** via the Edinburgh Principal Hotels Association and **26 Guesthouses and B&B's** 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

2 Economic impact methodology

Introduction

- 2.1 Economic impact is interpreted within this report to mean the contribution made to the economy's output, income and employment. This can be presented as a gross figure, which is the total economic activity associated with the Festivals regardless of whether some of it would have occurred anyway, or as a net figure, which takes into account the activity that would have taken place without the Festivals. The process for calculating the economic impact is summarised in Figure 2.1.

Figure 2.1: the flow of expenditure from the four strands of economic impact



- 2.2 The impact of Edinburgh's Festivals has been derived using four strands:

- **spectator or audience expenditure**
- **journalists and media expenditure**
- **performers expenditure**
- **festival organisers' expenditure.**

- 2.3 The methodology has collected data in each of these strands, for each Festival, in order to calculate the impacts. This generates a large amount of data and the aim of this chapter is to summarise this as clearly as possible.
- 2.4 Figure 2.1 shows these four strands and also the links between them. For example, spectators will spend money on tickets, which are then used to support the event and in some cases pay performers. Performers themselves will buy tickets for other events during the Festivals. Income also comes from sponsorship or public sector grants. Depending on where this has come from, it can represent new expenditure in the economy.
- 2.5 Calculating the economic impacts generated by the Festivals together and individually presents some significant challenges that relate to their timing. During the Summer Festivals, understanding this flow and avoiding double counting becomes more complex as the expenditure of each individual has to be allocated or attributed across the different Festivals that they attended. Three key considerations emerge:
- to what extent are the Festivals themselves influencing visitors decisions to make the trip to Edinburgh?
 - 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?
- 2.6 The survey was used to identify the Festival that was the main motivation for their trip. This can mean that the number of visitors (and their expenditure) allocated to each Festival is very different from the results that would have been produced if the results were based simply on attendance figures. This approach avoids the double counting that would occur if each Festival were to do their own impact calculations and add them together.

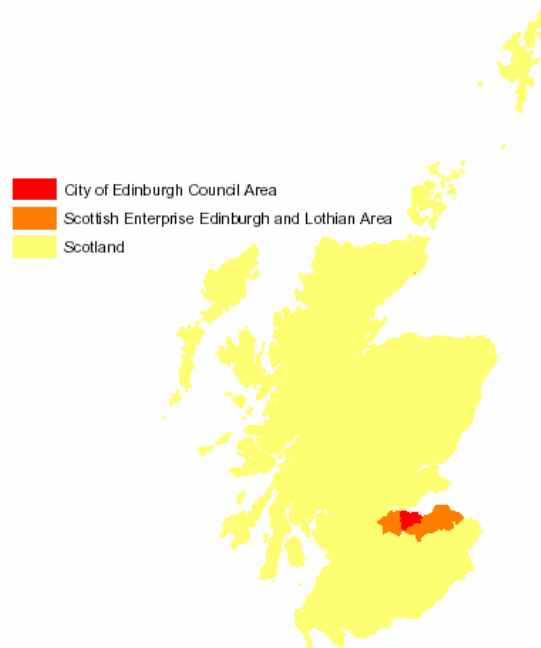
Additionality

- 2.7 At a UK level, “additionality” (the extent to which the activities add to the output or employment) will effectively be determined by its impact on the “supply side”. This relates to changes in the productive capacity of the economy. If there are no grounds for expecting a proposal to have a supply side effect, any increase in government expenditure would result in a matching decrease in private expenditure (known as crowding out). While the crowding out effects operate at a UK level, they are weaker at Scottish and Edinburgh levels.
- 2.8 The Green Book is the Treasury’s guide to appraisal and evaluation and includes guidance on calculating the concepts associated with additionality. These are leakage effects, deadweight, displacement and substitution. These effects are different at different geographical levels.

Leakage

- 2.9 Leakage refers to the benefits that are generated but are not captured by the spatial area or target group. In the case of the Festivals, this would include expenditure that is made outwith the area being analysed. To test this, the survey gathered data from visitors on their average length of stay and expenditure. In addition, we also asked *the proportion of this expenditure that was made in Edinburgh City, the Lothians and the rest of Scotland*. These figures were used in determining the results at different geographical levels. The three geographic areas used in the study are shown on the map in figure 2.2.

Figure 2.2: Diagram of impact geographies



Deadweight and displacement

- 2.10 Deadweight refers to outcomes that would have occurred anyway. For example, a proportion of those attending the Festival may have been in Edinburgh anyway. We would certainly expect this to be the case for residents. Displacement effects are when the activities of the Festivals generate benefits at the expense of activity elsewhere. For example, visitors to the Festivals may have visited Glasgow otherwise or taken a tour of the Highlands. This might represent a net gain to Edinburgh, but at a Scottish level, this would simply represent displacement from one city to another.
- 2.11 The survey asked visitors (and journalists and performers) whether they would have taken a similar trip to Edinburgh if the Festival had not taken place, and the results were used to work out the additional expenditure supported by the Festival. Another form of non-additionality is substitution, where the Festival causes businesses to service one market rather than another. For example, during the Summer Festivals in particular, hotels are likely to be full with

people attending events, possibly at the expense of other tourists. We also consider whether the sponsorship or other income attracted by the Festivals has been displaced from other projects.

Multipliers

- 2.12 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.
- 2.13 The Scottish Tourism Multiplier Study (STMS)⁴ 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 Scottish GDP.
- 2.14 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.
- 2.15 Income multipliers represent the overall change in income generated by the new expenditure. This is the measure of wages, salaries and profits which occur within the economy. It reflects the actual value to the economy of the new activity in terms of what is retained rather than the total output. The figures we have used are again drawn from the STMS and are shown in Table 2.1.
- 2.16 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 Retail Price Index (RPI). For the Lothians we have reduced the figure per job 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 one employment multiplier for hotels, catering and pubs because corresponding sector specific values are not

⁴ 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.

available. Inflating this to 2004/05 prices gives a net output per job of £26,156 for 2004. The multipliers we have used are shown in Table 2.1 below.

Table 2.1: Combined supplier and income tourism output multipliers by area									
	<i>Edinburgh</i>			<i>The Lothians</i>			<i>Scotland</i>		
	Output	Income	Output per job	Output	Income	Output per job	Output	Income	Output per job
Accommodation	1.52	0.33	£25,771	1.53	0.35	£24,225	1.74	0.51	
Food and drink	1.70	0.42	£25,651	1.71	0.45	£24,112	1.94	0.52	
Entertainment	1.55	0.50	£18,545	1.56	0.53	£17,432	1.78	0.67	£26,156
Shopping	1.54	0.33	£41,272	1.56	0.35	£38,796	1.93	0.34	
Transport	1.39	0.31	£51,541	1.40	0.33	£48,449	1.53	0.36	

- 2.17 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.
- 2.18 There are no local 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 Lothians and 1.5 for Scotland. The income and employment multipliers for organiser spend are based on the input output tables for Scotland. The Edinburgh and Lothians figures are estimates.

Table 2.2: Combined non-tourism multipliers used by area			
	<i>Edinburgh</i>	<i>The Lothians</i>	<i>Scotland</i>
Output	1.25	1.3	1.5
Income	0.5	0.53	0.65
Employment	£30,000	£28,200	£23,768

- 2.19 The various multipliers are applied to the net expenditure after allowing for additionality and displacement effects to produce the final results in the form of output or expenditure and income to each of the geographical areas and employment.

3 Audience expenditure

- 3.1 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 they were attending 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 one that they were actually attending. The analysis of visitor expenditure and all other strands of expenditure then follow a consistent process (Figure 2.1).

Estimating the number of trips and visitors

- 3.2 A distinction must be made between *visitors* and the number of *attendances* that they make. Firstly it was necessary to remove journalists and performers (including delegates at, for example the Film and Game Festivals) who are included in the attendance estimates. They are included separately. To do this we contacted 25 journalists and media and 115 performers in order to build up a profile of the total number of events they attended. Attendances and visits allocated to each Festival are shown in Table 3.1

Table 3.1: Attendances and number of visitors allocated to each Festival for expenditure purposes

Festival	Attendances	Visitor trips
Edinburgh International Jazz and Blues Festival	75,000	46,875
Edinburgh Military Tattoo	217,000	217,000
Edinburgh International Film Festival	54,500	18,793
Edinburgh Festival Fringe	1,461,997	339,999
Edinburgh International Book Festival	200,000	86,975
Edinburgh International Festival	334,900	83,725
Edinburgh Mela	40,000	28,571
Festival Cavalcade	185,000	185,000
MediaGuardian Edinburgh International TV Festival ⁵	400	400
Edinburgh International Games Festival	7,289	7,289
Edinburgh Storytelling Festival	20,068	15,381
Capital Christmas	319,400	106,545
Edinburgh's Hogmanay	147,000	147,000
Edinburgh Easter Festival	35,000	23,944
Edinburgh International Science Festival	76,878	52,131
Ceilidh Culture	7,204	4,599
Edinburgh Children's International Theatre Festival	10,802	3,709
Total	3,192,438	1,367,936

Gross visitor expenditure

3.3 The gross visitor expenditure is based on information collected during the face to face interviews with audiences at each Festival event, their length of stay and the proportions of expenditure made in each geographical area. Averages have been calculated for each type of visitor (e.g. overseas, day trips, staying visitors) and, based on the profile of visitors to each Festival, total figures have been extrapolated.

⁵ The International TV Festival was attended by delegates rather than a Festival audience and delegate expenditure is treated under performers

Table 3.2: Length of stay and average daily expenditure per person⁶ at each festival

Festival	Average nights stayed during trip for all visitors (day trips and overnight stays)	Average daily expenditure per person (including day trips)
Edinburgh International Jazz and Blues Festival	2.6	£36.97
Edinburgh Military Tattoo	5.5	£56.31
Edinburgh International Film Festival	2.2	£69.48
Edinburgh Festival Fringe	5.7	£61.51
Edinburgh International Book Festival	3.1	£25.80
Edinburgh International Festival	3.1	£49.77
Edinburgh Mela	1	£12.05
Festival Cavalcade	3.3	£20.10
Edinburgh International Games Festival	2.1	£25.66
Edinburgh Storytelling Festival	1.6	£11.29
Capital Christmas	5.6	£39.24
Edinburgh's Hogmanay	6.5	£55.61
Edinburgh Easter Festival	2.9	£23.62
Edinburgh International Science Festival	3.7	£15.75
Ceilidh Culture	3.1	£27.96
Edinburgh Children's' International Theatre festival	4.8	£17.80
Average	3.6	£34.31

3.4 In extrapolating from these averages, the 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.

Additionality

3.5 Additionality is the proportion of this overall expenditure that would not have been made in the city anyway. For example, we exclude expenditure 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 these effects 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'

⁶ Average daily expenditure includes, accommodation, food and drink, entertainment, shopping and transport for all visitors on daytrips and those staying overnight collectively

- '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'

3.6 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 Lothians and Scotland in terms of the origin of the visitor.

3.7 Table 3.3 shows the proportion of total visitor expenditure that can be attributed to each Festival after allowing for displacement. This, therefore, excludes the expenditure of local residents and visitors who would have been in the city anyway. It also allows for leakages of expenditure, when, for example, visitors stay outside Edinburgh.

Table 3.3: Allowing for displacement and leakage - % of gross visitor expenditure considered to be additional to Edinburgh

Festival	Gross Expenditure generated in Edinburgh £ millions	Additional expenditure as a proportion of gross expenditure	Net additional visitor expenditure £ millions
Edinburgh International Jazz and Blues Festival	3.4	53%	1.8
Edinburgh Military Tattoo	20.4	73%	14.9
Edinburgh International Film Festival	2.4	42%	1.0
Edinburgh Festival Fringe	56.0	63%	35.1
Edinburgh International Book Festival	3.1	58%	1.8
Edinburgh International Festival	28.8	40%	11.6
Edinburgh Mela	0.5	60%	0.3
Festival Cavalcade	2.7	59%	1.6
Edinburgh International Games Festival	0.3	67%	0.2
Edinburgh Storytelling Festival	0.4	37%	0.1
Capital Christmas	10.1	73%	7.4
Edinburgh's Hogmanay	20.9	76%	16.0
Edinburgh Easter Festival	1.0	61%	0.6
Edinburgh International Science Festival	2.3	36%	0.8
Ceilidh Culture	0.3	56%	0.2
Edinburgh Children's International Theatre Festival	0.3	69%	0.2
Edinburgh total	152.9	61%	93.6

3.8 The results in Table 3.4 reflect mainly two factors:

- The extent to which the Festival was the main reason for visiting Edinburgh- for example, the proportion of expenditure that is additional is lower for Capital Christmas because many of those attending were in Edinburgh anyway for Christmas shopping. The opposite is true for the Tattoo which attracts a large number of visitors to the city and is often the sole reason for their trip.
- The proportion of local residents attending – the higher the proportion the lower the level of additionality as resident expenditure is excluded. The proportion of additional expenditure associated with the Fringe and the International Festivals are slightly lower because they include large scale events (Fringe Sunday and the fireworks) that attract a higher proportion of residents.

3.9 Typically the amount of visitor expenditure treated as additional across all Festivals is around 60%. In other words, more than half of the total visitor expenditure associated with the Festivals is genuinely additional to the Edinburgh economy. Similar figures have been calculated for the wider Edinburgh and Lothians area and for Scotland. Gross expenditure made by visitors associated with the Festivals was £152m: of this the net additional visitor expenditure is estimated to be £94m.

Multiplier effects

3.10 The final stage of the analysis of audience expenditure is to apply multiplier effects. In practice this has been done using the different types of expenditure collected in the survey, for example, on accommodation, food and drink, shopping and transport. As Table 2.1 showed, there are different multipliers for each type of expenditure. Applying those multiplier values to the net additional expenditures made at each Festival by visitors gives the results shown in Table 3.4. These give estimates of output, income and employment generated by the new expenditure. Results in Table 3.4 below show the net impacts of audience expenditure for each Festival in Edinburgh and total impacts for Edinburgh, Edinburgh and Lothians and Scotland as a whole.

Table 3.4: Audiences' expenditure impacts (£'000's)

Festival	Output	Income	Employment
Edinburgh International Jazz and Blues Festival	£2,777	£662	50.9
Edinburgh Military Tattoo	£23,255	£5,552	450.2
Edinburgh International Film Festival	£1,607	£393	31.8
Edinburgh Festival Fringe	£54,791	£13,620	1,077.4
Edinburgh International Book Festival	£2,859	£706	53.7
Edinburgh International Festival	£18,219	£4,364	354.1
Edinburgh Mela	£507	£124	9.9
Festival Cavalcade	£2,593	£681	55.6
Edinburgh International Games Festival	£258	£62	4.9
Edinburgh Storytelling Festival	£212	£52	4.0
Capital Christmas	£11,449	£2,647	195.2
Edinburgh's Hogmanay	£24,760	£5,809	449.0
Edinburgh Easter Festival	£898	£206	15.7
Edinburgh International Science Festival	£1,285	£310	24.0
Ceilidh Culture	£300	£74	5.5
Edinburgh Children's International Theatre Festival	£292	£73	5.7
Edinburgh total	£146,063	£35,335	2,787.6
Edinburgh and Lothians total	£159,237	£40,566	3,203.3
Scotland total	£155,898	£42,578	3,284.9

- The audience expenditure dominates the economic impact results. For the City of Edinburgh, there was a net increase of £146m, generating income of £35m and supporting 2,800 FTE jobs for one year.
- The effect for Scotland overall was higher with £156m of new output and £43m of income supporting 3,300 FTE jobs for a year.

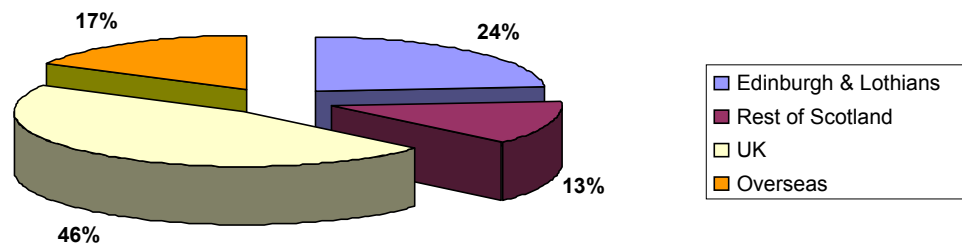
4 Journalist expenditure

Journalists

- 4.1 For some Festivals particularly those during the summer, journalist expenditure can be an important source of new expenditure. For the summer Festivals we have adjusted the journalist figures to allow for double counting as many cover more than one Festival. In total, the Festivals over the full year attracted 2,819 journalists.
- 4.2 In order to make estimates of expenditure and additionality, twenty five journalists were contacted from lists provided by the Festivals. The data collected covered origins, length of stay, expenditure and the proportions of that expenditure made in Edinburgh. 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. This expenditure has been allocated on the basis of the proportion of journalists accredited to each Festival.
- 4.3 Given that the vast majority of journalist visits are during the summer Festivals, the survey was conducted in August, but we have also used this expenditure data for the other Festivals.

Origins

- 4.4 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 figure 4.1 below.

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

Average expenditure per person and length of stay

4.5 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 Lothians 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

4.6 To allow for the immediate leakage, the survey asked journalists to estimate the percentage of expenditure made in Edinburgh. For Scottish and UK journalists, 88% was made in Edinburgh and 92% by overseas journalists.

4.7 The average 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 spent just over £500,000 across all the Festivals covered in the study. A large majority of this can be attributed to the major summer Festivals.

Additionality

4.8 To account for displacement journalists were asked what they would have done if the Festivals had not been taking place. The results were interpreted to ascertain the proportion that can be attributed to each geographical area. Journalists from Edinburgh and Lothians

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). The additionality assumptions are:

- Edinburgh & Lothians 0% of expenditure is treated as additional
- Scotland 60%
- Rest UK 60%
- Overseas 100%

Multipliers

4.9 Journalists' expenditure, like the audiences', will also have multiplier effects. Their patterns of expenditure were collected through the survey and allocated between accommodation, food and drink, entertainment, shopping and transport. The Scottish Tourism Multiplier Study values for Edinburgh were then used to calculate the impact that this expenditure would have on the city's output, income and employment. The results are shown in Table 4.2 for each of the Festivals. Note that in several cases the journalist expenditure is negligible.

Table 4.2: Attributable Journalists' expenditure impacts (£'000's)

Festival	Output	Income	Employment
Edinburgh International Jazz and Blues Festival	£2	£1	0.0
Edinburgh Military Tattoo	£40	£10	0.8
Edinburgh International Film Festival	£80	£19	1.5
Edinburgh Festival Fringe	£231	£55	4.4
Edinburgh International Book Festival	£76	£18	1.4
Edinburgh International Festival	£80	£19	1.5
Edinburgh Mela	£10	£2	0.2
Festival Cavalcade	£10	£2	0.2
Edinburgh International Games Festival	£1	£0	0.0
MediaGuardian Edinburgh International TV Festival ⁷	£0	£0	-
Edinburgh Storytelling Festival	£0	£0	-
Capital Christmas	£12	£3	0.2
Edinburgh's Hogmanay	£49	£12	0.9
Edinburgh Easter Festival	£4	£1	0.1
Edinburgh International Science Festival	£0	£0	-
Ceilidh Culture	£0	£0	-
Edinburgh Children's International Theatre Festival	£0	£0	-
Edinburgh total	£532	£126	10.0
Edinburgh and Lothians total	£536	£134	10.7
Scotland total	£698	£194	15.1

- The expenditure of the 2,819 journalists that attended the Festivals in 2004/05 is estimated to have generated output of £532,000 in Edinburgh and £698,000 in Scotland.
- This supported income of £126,000 in Edinburgh and 10 FTE jobs for one year. In Scotland the figures were £194,000 of income and 15 FTE jobs.

⁷ The International TV Festival was attended by delegates rather than a Festival audience and delegate expenditure is treated under performers

5 Performer expenditure

5.1 In total there were 29,330 performers (including delegates at the International TV Festival) participating in all of the Edinburgh Festivals over the year. These figures take account of performers taking part in more than one Festival (such as the Cavalcade and Fringe Sunday). These figures are shown in Table 5.1.

Table 5.1: Number of performers allocated to each Festival for expenditure purposes

Festival	Edinburgh and Lothians	Rest of Scotland	Rest of UK	Overseas	Total
Edinburgh International Jazz and Blues Festival	312	8	100	180	600
Edinburgh Military Tattoo	50	0	700	250	1,000
Edinburgh International Film Festival	23	55	245	122	445
Edinburgh Festival Fringe	3910	1190	7990	3910	17,000
Edinburgh International Book Festival	136	119	332	69	656
Edinburgh International Festival	120	100	600	1572	2,392
Edinburgh Mela	10	40	50	130	230
Festival Cavalcade	572	247	182	299	1,300
MediaGuardian Edinburgh International TV Festival ⁸	45	75	180	0	1,945
Edinburgh International Games Festival	58	97	1673	117	300
Edinburgh Storytelling Festival	29	27	4	2	62
Capital Christmas	83	35	64	48	230
Edinburgh's Hogmanay	141	70	13	96	320
Edinburgh Easter Festival	473	0	477	1200	2150
Edinburgh International Science Festival	111	16	32	31	190
Ceilidh Culture	212	120	40	28	400
Edinburgh Children's International Theatre Festival	20	12	55	23	110
Total					29,330

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 Summer 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.

⁸ The International TV Festival was attended by delegates rather than a Festival audience and delegate expenditure is treated under performers

- 5.3 In calculating the impacts, the most complex task is in distinguishing 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 organisation's expenditure.
- 5.4 To do this we 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. We have used the numbers from each origin and applied them to the average spending patterns based on the visitor survey depending on whether performers and delegates received any contribution to their expenses. Aggregating these results gives a gross expenditure for each of the Festivals. This is shown in Table 5.2 for each Festival.

Table 5.2: Performers' gross and net additional expenditure

Festival	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	£213,824	86%	£184,666
Festival Cavalcade	£577,690	84%	£483,131
Edinburgh International Games Festival	£183,819	91%	£166,363
MediaGuardian Edinburgh International TV Festival	£594,083	100%	£594,083
Edinburgh Storytelling Festival	£10,541	69%	£7,277
Capital Christmas	£10,703	75%	£8,013
Edinburgh's Hogmanay	£42,811	75%	£32,051
Edinburgh Easter Festival	£196,714	84%	£166,094
Edinburgh International Science Festival	£12,565	78%	£9,802
Ceilidh Culture	£21,578	72%	£15,514
Edinburgh Children's' International Theatre festival	£14,198	86%	£12,220
Total	£13,237,176	85%	£11,305,173

Additionality

- 5.5 Accounting for additionality and displacement requires identification of 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 additionality. The results are shown in Table 5.2.

- 5.6 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 Lothians, 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 in a Festival, if this Festival had not been taking place, it is unlikely that they would have visited.
- 5.7 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 performers figures. Overall given the high level of additionality for performers eighty five percent of the estimated gross expenditure is considered to be additional to the Edinburgh economy, £13.2m.

Multipliers

- 5.8 The survey of performers carried out during the Summer Festivals provides a good base for identifying the expenditure patterns. Using the same categories as for audience expenditure, the total expenditure was disaggregated into accommodation, food and drink, entertainment, shopping and transport. The multipliers described in Chapter Two were applied to produce final values for each Festival for output, income and employment (Table 5.3).

Table 5.3: Economic impact of performers' expenditure in Edinburgh

Festival	Output £'000's	Income £'000's	Employment FTEs per year
Edinburgh International Jazz and Blues Festival	£49	£12	1.0
Edinburgh Military Tattoo	£171	£44	3.5
Edinburgh International Film Festival	£70	£18	1.4
Edinburgh Festival Fringe	£13,971	£3,197	281.6
Edinburgh International Book Festival	£83	£21	1.7
Edinburgh International Festival	£372	£94	7.6
Edinburgh Mela	£281	£63	5.7
Festival Cavalcade	£737	£166	14.9
MediaGuardian Edinburgh International TV Festival	£256	£67	5.7
Edinburgh International Games Festival	£918	£222	18.4
Edinburgh Storytelling Festival	£8	£2	0.2
Capital Christmas	£67	£17	1.3
Edinburgh's Hogmanay	£158	£40	3.0
Edinburgh Easter Festival	£259	£68	5.0
Edinburgh International Science Festival	£22	£6	0.4
Ceilidh Culture	£24	£7	0.5
Edinburgh Children's International Theatre Festival	£19	£5	0.4
Edinburgh total	£17,465	£4,050	352.2
Edinburgh and Lothians	£20,221	£4,912	430.3
Scotland	£22,940	£6,654	498.4

- Overall, the output of the new expenditure made by performers and delegates participating in the Edinburgh Festivals is estimated to be £17.4m, generating £4m of income for the city and supporting 352 FTEs for one year. The figures for Scotland are slightly higher.

6 Festival organiser expenditure

- 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 in excluding ticket revenues as these are assumed to be captured through the visitor expenditure earlier. This substantially reduces the expenditures allocated under this heading and the results for this section should not be treated as the total expenditure by the Festivals. In some cases, after excluding ticket sales, expenditure is less than 50% of the original figure. Interviews 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 indicates the proportion leaking out of the local and Scottish economies. Once ticket sales are removed, we can estimate the gross expenditure made in each of the geographic areas by the Festival organisers themselves.
- 6.4 The gross expenditure of each Festival and the value of ticket sales are shown in Table 6.1. Overall, we estimate that Festival organiser expenditure accounts for £31.5m gross expenditure in the Edinburgh economy.

Table 6.1: Gross expenditure of Festivals and value of ticket sales (captured through visitor expenditure)

Festival	Gross expenditure of Festivals	Value of ticket sales revenue
Edinburgh International Jazz and Blues Festival	£472,270	£265,000
Edinburgh Military Tattoo	£3,250,000	£3,200,000
Edinburgh International Film Festival	£923,283	£225,000
Edinburgh Festival Fringe	£13,600,000	£12,500,000
Edinburgh International Book Festival	£988,660	£432,440
Edinburgh International Festival	£6,739,000	£2,050,600
Edinburgh Mela	£236,000	-
Festival Cavalcade	£125,693	-
Edinburgh International Games Festival	£206,411	£613
Edinburgh Storytelling Festival	£48,040	£17,049
Capital Christmas	£370,845	-
Edinburgh's Hogmanay	£2,209,108	£363,979
Edinburgh Easter Festival	£1,825,000	-
Edinburgh International Science Festival	£266,500	£77,000
Ceilidh Culture	£120,638	£77,161
Edinburgh Children's International Theatre Festival	£176,500	£33,550
Total	£31,557,948	£19,242,392

Displacement and net expenditure

- 6.5 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.
- 6.6 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 therefore is 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.
- 6.7 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.
- 6.8 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 organiser

expenditure, these figures on their own can be misleading. This is further complicated by the calculations at each geographic level.

- 6.9 The gross and net spending made by each of the Festivals and collectively can be seen in Table 6.1. The Festivals spend a total of £31.5m organising and delivering the Programmes. Of this £19.2m is generated through ticket sales, with the balance raised through public sector support, private sponsorship and other income. There are several caveats; in some cases the actual figures were provided by the Festivals and in others they gave ticket sales as a proportion of income (assumed to also be their expenditure). In other cases the expenditure is fairly complex. For example, Ceilidh Culture involved 27 venues organising events and estimates were made of these costs through a survey. Where the venues do not cover costs with ticket revenues they will generate income through bar or food expenditure, which is captured through the audience expenditure survey.
- 6.10 A large proportion of the expenditure of the International Festival is made to support performers from overseas visiting Edinburgh. This expenditure appears as income through performers' expenditure in the previous section rather than here. The same is true for the Easter Festival which handles the travel and accommodation of a large number of performers.
- 6.11 The key to this element of the analysis is in avoiding the double counting of expenditure on performers where this is included in the earlier analysis.
- 6.12 Determining the net effect of this expenditure is complex and different in each case. Each Festival was asked to provide details of their expenditure and we have used this information to calculate the values likely to remain in the local area and Scotland. 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. It is assumed that if the festivals had not taken place these revenues would have been used to support other projects within the area.
- 6.13 It is assumed that sponsorship from smaller Scottish companies is from a fixed budget and would have been used at some other point, on some alternative opportunity anyway. Expenditure from large corporate sponsors has been included in these net expenditure figures and it is assumed that the sponsorship from these firms is more likely to have been made on events outside Scotland, even if their headquarters are based locally.
- 6.14 Table 6.2 shows the net expenditure values after ticket sales, displacement, substitution and leakage have been allowed for. Since the expenditure used to stage the Festivals is predominantly raised locally or in Scotland but much of it is paid to performers outside Scotland, the net effect can be negative. This negative impact is exacerbated by the fact that if the net expenditure is lost outside the local and Scottish economies, the resulting multiplier effect which would have been enjoyed is also lost. Several of the Festivals show a negative

value, but this should be seen in the context of the overall positive impacts generated by visitors and performers.

Table 6.2: Net expenditure of Edinburgh's Festival organisers

Festival	Net expenditure of the Festivals after multiplier effects
Edinburgh International Jazz and Blues Festival	£47,416
Edinburgh Military Tattoo	-£102,000
Edinburgh International Film Festival	£274,892
Edinburgh Festival Fringe	£727,015
Edinburgh International Book Festival	£319,732
Edinburgh International Festival	£456,717
Edinburgh Mela	£11,800
Festival Cavalcade	-£15,083
Edinburgh International Games Festival	-£35,687
Edinburgh Storytelling Festival	-£5,890
Capital Christmas	0
Edinburgh's Hogmanay	0
Edinburgh Easter Festival	£1,540,313
Edinburgh International Science Festival	-£77,841
Ceilidh Culture	-£34,851
Edinburgh International Children's Theatre Festival	-£45,854
Total	£3,060,679

7 Overall economic impact of the Edinburgh's Festivals

7.1 This chapter brings together the key impact results from each of the strands analysed in the previous four chapters, the Audiences, Journalists, Performers and Organisers. The results represent estimates of the *net additional* output, income and employment generated as a result of hosting these Festivals in Edinburgh.

- **Output** is the net new sales produced by all the sectors of the economy as a result of the various new streams of expenditure and includes the outputs generated through the multiplier effects
- **Income** is defined as income from wages, salaries and profits accruing within the specified geographic area
- **Employment** is measured in terms of Full Time Equivalent (FTE) jobs which are defined as employment year round for more than 30 hours a week.

7.2 Table 7.1 sets out the economic contributions associated with each Festival. Over the full year 2004/05 the Festivals in Edinburgh covered within the study are estimated to have generated:

- **output of just under £170m in Edinburgh and £184m in Scotland**
- **£40m in new income in Edinburgh and £51m in Scotland**
- **supported 3,200 FTE jobs for a year in Edinburgh and 3,900 in Scotland.**

7.3 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. As we go on to stress later in the report, the impacts should be seen as the collective results of the Festivals and as only one indicator of their contribution to the economy.

Table 7.1: Economic impact by geography and Festival (£000's)

	Edinburgh			The Lothians			Scotland		
	Output	Income	Employment	Output	Income	Employment	Output	Income	Employment
Edinburgh International Jazz and Blues Festival	2,900	700	53	3,000	800	59	2,900	800	60
Edinburgh Military Tattoo	23,300	5,600	452	29,200	7,300	597	29,500	8,100	622
Edinburgh International Film Festival	2,100	600	42	2,500	700	51	2,600	800	54
Edinburgh Festival Fringe	69,900	17,200	1,382	74,900	19,400	1,559	74,800	21,400	1,592
Edinburgh International Book Festival	3,400	900	65	3,700	1,000	74	3,900	1,100	82
Edinburgh International Festival	19,300	4,700	375	20,000	5,200	409	14,400	4,200	306
Edinburgh Mela	800	200	16	900	200	19	700	200	14
Edinburgh Festival Cavalcade	3,300	800	70	3,700	1,000	82	4,200	1,300	89
Edinburgh International Games Festival	500	100	10	700	200	16	600	200	14
MediaGurdian Edinburgh International TV Festival	900	200	18	900	200	20	1,100	300	24
Storytelling Festival	214	52	4	224	57	4	84	18	2
Capital Christmas	11,500	2,700	196	12,400	3,000	223	12,800	3,100	265
Edinburgh's Hogmanay	24,400	5,600	439	26,600	6,500	504	31,600	8,200	665
Easter Festival	3,333	1,055	74	3,445	1,124	79	3,070	1,008	73
Edinburgh International Science Festival	1,287	299	23	1,438	359	28	1,415	378	30
Edinburgh Children's International Theatre Festival	266	60	5	275	67	5	302	77	6
Ceilidh Culture	290	67	5	308	75	6	283	69	6
Totals	167,690	40,833	3,229	184,190	47,182	3,735	184,254	51,250	3,903

Funding

- 7.4 Each of the Festivals provided figures for the total cost of managing and delivering their programmes. In total, the Festivals' own expenditure totalled just over £30m. This includes some expenditure that is made on behalf of performers to secure accommodation. Almost two thirds of this was funded through ticket sales, with a further £4m from the private sector and £3m from public funding sources, mainly from the City of Edinburgh Council and the Scottish Arts Council. Comparing the level of public support with the overall impacts gives a cost per job year of £769 in Scotland.
- 7.5 This cost per job figure is only for one year. An FTE job is usually measured over 10 years, so in order to provide a more appropriate comparison, the cost per FTE job would be £7,690. Compared with most investments this would be a good return, and compared with other events and Festivals, this represents excellent value for money.

8 Highlights from the visitor survey

8.1 An important part of the original brief for this study was to understand more fully the profile of audiences at the Edinburgh festivals and to develop a model survey tool which could be used for future research work. This chapter outlines the profile of festival audiences with more detail for each festival being provided in Appendix A. A copy of the survey questionnaire used at Edinburgh's Summer festivals is included in Appendix C.

Visitor survey

8.2 As part of the research a survey of the visitors who attended the Edinburgh Festivals was conducted. The interviews were co-ordinated and conducted by TNS Research. A total of 4,129 interviews were achieved. 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.

8.3 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 Festivals and the quality of the visitor experience.

8.4 In some cases we have aggregated the results from the interviews into three groups, including;

- the **Summer festivals** (including the Edinburgh International Festival, The Edinburgh Festival Fringe, the Edinburgh International Book Festival, the Edinburgh International Film Festival, the Edinburgh International Games Festival, the Edinburgh International Jazz and Blues Festival, the Edinburgh Mela, the Edinburgh Military Tattoo and the Edinburgh Festival Cavalcade).
- the **Winter festivals** (including Capital Christmas and Edinburgh's Hogmanay)

- the **Autumn and Spring festivals** (including the Edinburgh Storytelling Festival, the Edinburgh Easter Festival, the Edinburgh International Science Festival, Ceilidh Culture and the Edinburgh International Children's Theatre festival).

8.5 Where information has been aggregated into these three groups, the results for individual festivals can be found in the tables located in Appendix A.

Table 8.1: Dates, attendances and numbers of interviews achieved at each of Edinburgh's festivals

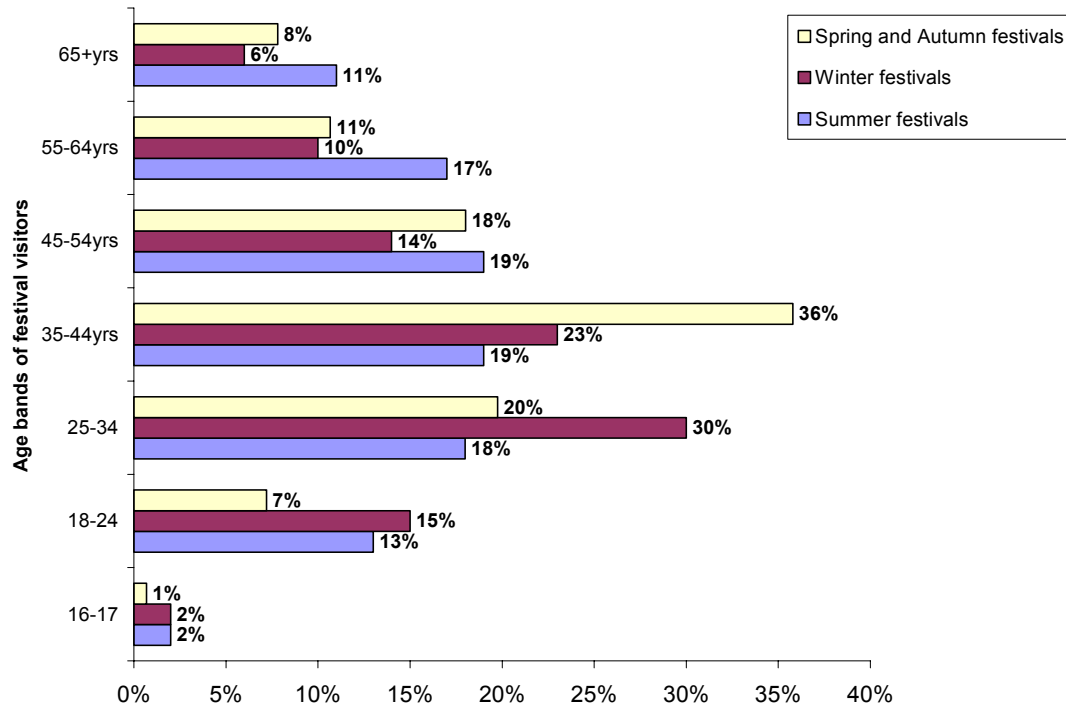
	Dates	No. of interviews	Attendance
Edinburgh International Jazz and Blues Festival	30 th July- 8 th August	167	75,000
Edinburgh Military Tattoo	6 th August- 28 th August	832	217,000
Edinburgh International Film Festival	8 th August- 29 th August	510	54,500
Edinburgh Festival Fringe	8 th August- 30 th August	1,617	1,461,997
Edinburgh International Book Festival	14 th August- 30 th August	725	207,000
Edinburgh International Festival	15 th August- 5 th September	574	334,900
Edinburgh Mela	4 th September- 5 th September	118	40,000
Festival Cavalcade	8 th August	102	185,000
Edinburgh International Games Festival	8 th August- 22 nd August	49	7,289
Summer festivals	30th July- 5th September	2,624	2,582,686
Edinburgh Capital Christmas	25 th November- 23 rd December	335	319,400
Edinburgh Hogmanay	29 th Decemeber-1 st January	406	147,000
Winter festivals	25th November- 1st January	741	466,400
Edinburgh Storytelling Festival	22 nd -31 st October	84	20,068
Edinburgh Easter Festival	26-27 th March	247	35,000
Edinburgh International Science Festival	1 st -10 th April	225	76,878
Ceilidh Culture	19 March-17 th April	104	7,204
International Children's Theatre festival	24 th -30 th May	104	10,802
Spring and Autumn festivals	22nd-31st October & 19th March-30th May	764	149,952
Totals		4,129	3,199,038

Audience profile

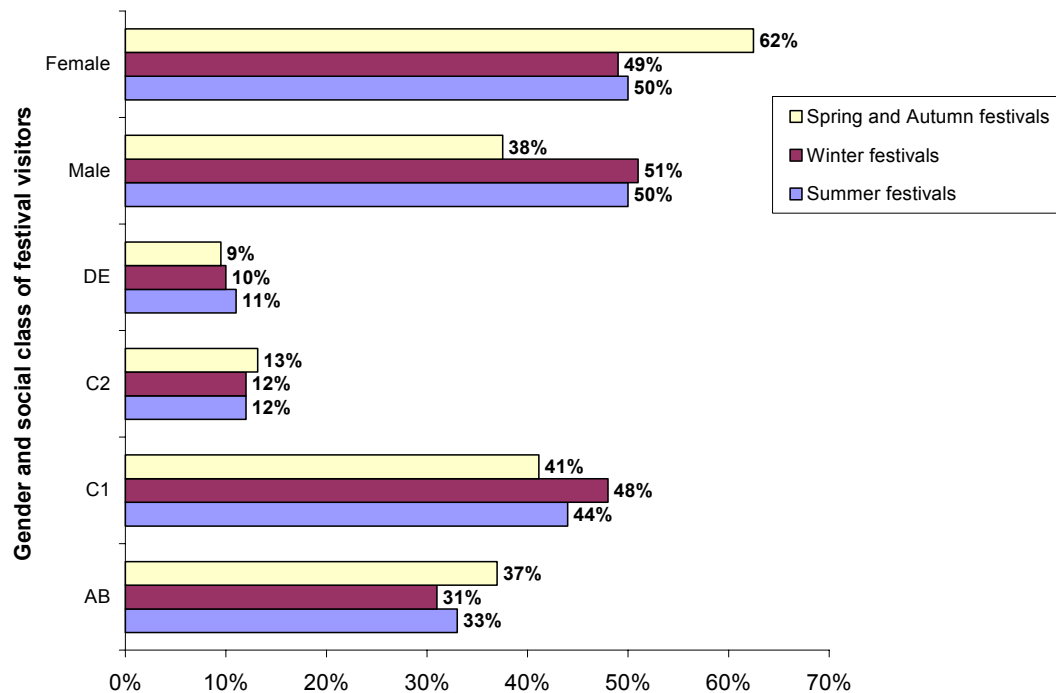
8.6 The table below illustrates the overall demographic profile of those interviewed at the Summer, Winter and Autumn/Spring festivals. It is clear from the graph that the Summer festivals have the broadest overall appeal in terms of age profile, with the winter festivals attracting a younger audience with higher proportions of interviewees in the 18-24 and 25-34 age bands. This young audience was more significant at Hogmanay events (53% aged 18-34) than at Capital Christmas (43%).

8.7 The Autumn and Spring festivals appear to attract a slightly older audience, however these results are likely to be slightly misleading as many of the Autumn and Spring festivals (notably the Edinburgh Storytelling, International Science and International Children’s Theatre festivals) are aimed specifically at children. They will therefore have attracted a large amount of under 16’s, however these individuals are too young to be interviewed in our visitor survey. In contrast, Ceilidh Culture attendees were predominantly older, with far more visitors in 55-64yr age band (33%).

Figure 8.1: Age bands of festival visitors



8.8 The demographic profile of interviewees at each of the Summer festivals and events varied. 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). 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%).

Figure 8.2: Gender and social class of festival visitors

- 8.9 The overall gender profile between each of the Summer and Winter festivals was fairly even however, there was a significantly higher proportion of female visitors at the Autumn and Spring festivals. This again might reflect the high proportion of mothers or guardians attending these events with their children, rather than couples and larger groups. The highest proportion of females amongst Autumn and Spring festivals was at the Storytelling Festival (73%), International Children's Theatre Festival (73%) and International Science Festival (65%).
- 8.10 While the overall gender profile of attendees to all of the Summer Festivals was evenly split, more males were present at the 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%).
- 8.11 Social classes at all the festivals were broadly around 35% AB's, 45% C1's, 10% C2's and 10% DE's, however the Autumn and Spring Festivals tended to attract a higher proportion of AB's than others. This is particularly evident in Ceilidh Culture and Storytelling events (48% each). Amongst the Winter, Spring and Autumn festivals, the Easter festival attracted the highest proportion of DE social class individuals (20%).
- 8.12 Variations in the social class profile of attendees to each of the Summer festivals included a larger proportion of AB's at the International Book Festival (58%), more C1s at the International Jazz and Blues Festival (65%) and more C2's and DE's at the Festival Cavalcade (41%) and Bank of Scotland Fireworks Concert (38%).

8.13 Thirty three percent of all visitors were locals from Edinburgh, with 6% from the Lothians, 20% from elsewhere in Scotland, 26% 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. These were closely followed by Hogmanay, 54% and Capital Christmas 51%. Amongst the Autumn and Spring festivals the Edinburgh International Children's festival attracted the largest number of visitors from outside Scotland. The Winter and Autumn and Spring festivals had a higher proportion of local Edinburgh residents attending (66%) and events like the Mela and the Jazz and Blues Festival have a much higher proportion of locals in their audiences amongst the Summer festivals. Thirty six percent of visitors to the Winter festivals were from Edinburgh.

Table 8.2: Breakdown of origins amongst attendees

	Edinburgh	Lothian	Scotland	UK	Overseas
Edinburgh International Jazz and Blues Festival	62%	8%	12%	8%	11%
Edinburgh Military Tattoo	17%	1%	9%	48%	25%
Edinburgh International Film Festival	53%	7%	16%	11%	12%
Edinburgh Festival Fringe	22%	5%	17%	38%	18%
Edinburgh International Book Festival	49%	6%	21%	16%	8%
Edinburgh International Festival	56%	1%	17%	16%	9%
Edinburgh Mela	82%	4%	4%	7%	3%
Festival Cavalcade	49%	6%	17%	11%	18%
Edinburgh International Games Festival	54%	8%	17%	16%	5%
Summer festivals	30%	6%	22%	27%	15%
Edinburgh Capital Christmas	38%	7%	13%	25%	16%
Edinburgh Hogmanay	33%	4%	9%	31%	23%
Winter festivals	36%	7%	13%	27%	17%
Edinburgh Storytelling Festival	66%	12%	13%	6%	3%
Edinburgh Easter Festival	65%	6%	4%	13%	11%
Edinburgh International Science Festival	68%	10%	12%	5%	5%
Ceilidh Culture	67%	4%	10%	8%	11%
Edinburgh International Children's Theatre festival	57%	8%	9%	21%	6%
Spring and Autumn Festivals	66%	9%	10%	8%	6%
All visitors	33%	6%	20%	26%	15%

8.14 The table below shows a more detailed breakdown of Festival attendees by origin. Amongst Summer festival visitors 42% were from outside Scotland with 15% from outside the UK. For the Winter festivals, 44% were from outside Scotland and 17% were from outside the UK. For the Autumn and Spring festivals far fewer visitors were from outside Scotland (15%) and the UK (5%). Of the overseas countries represented the highest proportions of visitors were from the USA, Ireland, France and Germany.

Table 8.3: Origins of visitors to Edinburgh's festivals

	Summer Festivals	Winter Festivals	Autumn and Spring
Edinburgh	30%	36%	66%
Lothians	6%	7%	9%
Elsewhere in Scotland	22%	13%	10%
Rest of the UK	27%	27%	8%
Europe	6%	7%	3%
North America	4%	4%	2%
Africa	1%	1%	1%
Asia	1%	2%	0%
Australasia	3%	4%	1%

Motivations and Marketing channels

8.15 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?

8.16 Amongst Summer festival visitors for around half of visitors who lived outwith Edinburgh, the Festivals were their sole reason for visiting the city (48%); this was a higher proportion than for the Winter festivals (33%) and the Autumn and Spring festivals (37%). However, amongst Summer festival attendees 17% stated that, although they were attending at least one Festival event, this was of no importance at all in their decision to visit the city. This was a similar proportion to those at the Winter festivals (15%) but much lower than those attending the Autumn and Spring festivals (36%).

- 8.17 Attendees who were visiting Scotland were also asked to indicate how important the Festivals were in their decision to visit Scotland. Around two-fifths of the Summer festival respondents indicated that the Festivals were their sole reason for coming (40%); this was the highest amongst all three groups, with the Winter festival visitors obtaining 30% and the Autumn and Spring festivals 11%.

Table 8.4: Importance of the festivals in visitors decisions to visit Edinburgh and Scotland

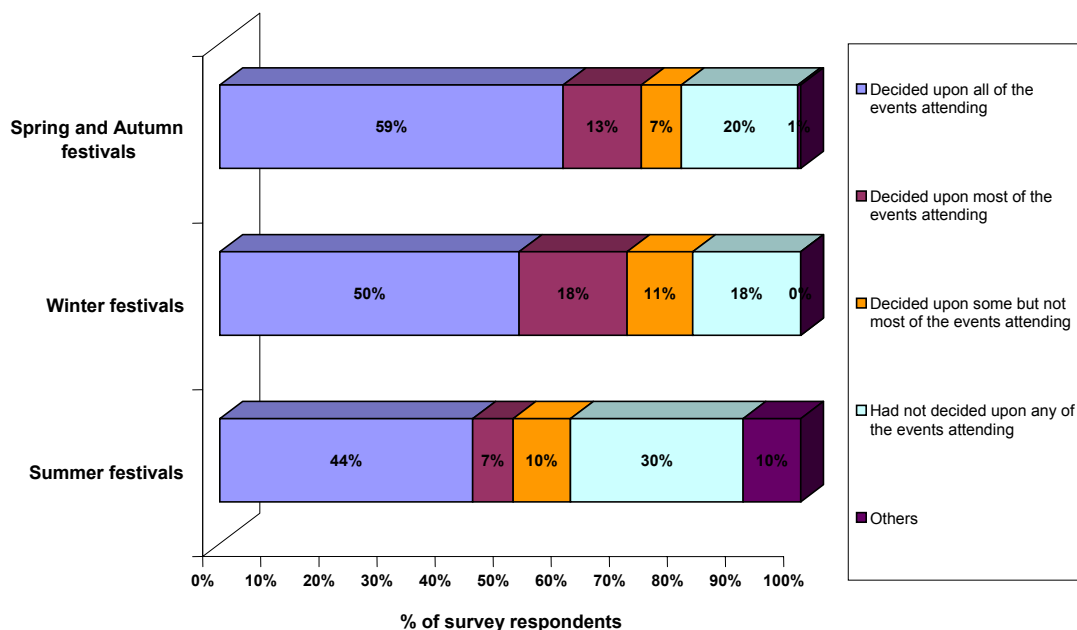
	Summer festivals		Winter festivals		Spring and Autumn festivals	
	Edinburgh	Scotland	Edinburgh	Scotland	Edinburgh	Scotland
My sole reason for coming	48%	40%	33%	30%	37%	11%
A very important reason	16%	17%	24%	31%	11%	9%
A fairly important reason	10%	8%	14%	16%	5%	4%
Only a small reason	10%	10%	14%	19%	11%	9%
Of no importance at all	17%	24%	15%	1%	36%	57%
Don't know	0%	0%	0%	3%	0%	11%

- 8.18 The Festivals most likely to represent a visitor's sole reason for coming to Edinburgh amongst the Summer festivals 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 Festivals were of no importance.
- 8.19 The influence the Summer 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.
- 8.20 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 Summer 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%).
- 8.21 Amongst the Winter festivals, 44% of visitors to Edinburgh's Hogmanay stated that it was their sole reason for visiting the city and 18% from outwith Scotland stated that it was their sole reason for visiting the country. This compares with 16% and 11% respectively for Capital Christmas. Autumn and Spring festivals were generally attended by a much more local audience with far fewer individuals from outside Edinburgh and Scotland.

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

8.22 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 at Summer festivals had decided upon all of the events that they were attending before their trip (44%) while 7% had decided upon most at this stage. These figures were higher at the Winter festival (50% and 18% respectively) and the Autumn and Spring festivals (59% and 13% respectively) and the Autumn and Spring festivals (59% and 13% respectively). This is likely to reflect the much greater degree of choice in the Summer festivals due the overlaps in timing in contrast to the other festivals which happened much more in isolation.

Figure 8.3: Decisions about event attendances prior to taking trip



8.23 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.

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

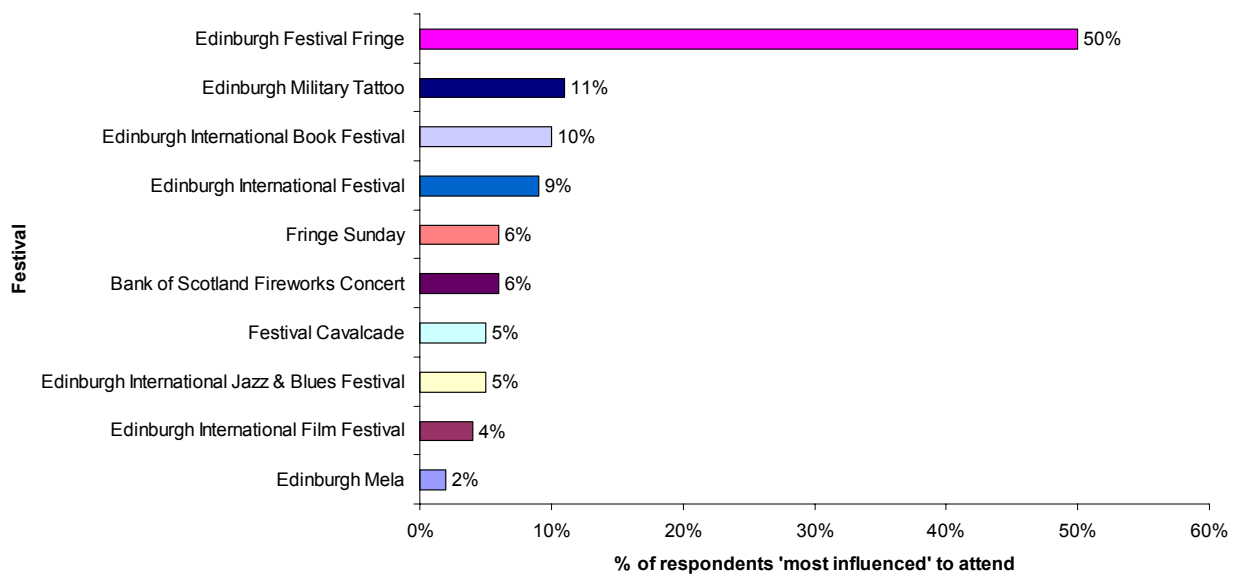
8.24 However, as many as 42% of Edinburgh Festival Fringe attendees had decided on none of the events they went to in advance of their trip.

Which Summer Festivals most influenced their decision to make their visit?

8.25 Due to the overlap of festival programmes at the Summer festivals, visitor surveys conducted during this period collected which festival had most influenced visitors' decisions to come to Edinburgh. Since the Winter, Autumn and Spring festivals happen almost exclusively in isolation, this is much less of an issue.

8.26 As the graph below illustrates, around half of all attendees at Summer Festivals 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 8.4: Festivals 'most influencing' decision to visit Edinburgh amongst summer festival visitors



8.27 It is notable that the Edinburgh Festival Fringe influenced a large proportion of Summer 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.

8.28 Other variations in the Summer 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?

8.29 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% Summer,

18% Winter and 6% Autumn and Spring) while around a tenth of all visitors at the Summer festivals were influenced by a short break deal (11%). This was less important for Winter festival visitors (2%) and Spring and Autumn visitors (6%). Other factors most likely to influence visitors included the opportunities to experience culture and history (9% Summer, 9% Winter and 6% Spring and Autumn). Amongst Winter festival visitors, Shopping was relatively much more important with 13% of visitors stating this was an influence in their decision to visit the city and visiting a specific attraction was more important amongst the Autumn and Spring festivals (13%).

Table 8.5: Other motivations for visiting Edinburgh between the Summer, Winter and Spring and Autumn festivals

	Summer festivals	Winter festivals	Spring and Autumn festivals
The buzz/ excitement of Edinburgh	28%	18%	6%
A short break deal	11%	2%	6%
To experience culture and history	9%	9%	6%
The opportunity to visit relatives	8%	7%	4%
The opportunity to visit friends	7%	8%	5%
Shopping	4%	13%	5%
To have a restful/ relaxing holiday	4%	3%	1%
To visit a specific tourist site/ attraction	4%	2%	13%
Been before and wanted to return	2%	2%	2%
To enjoy pubs/ nightlife	2%	2%	1%
Business or conference	2%	2%	3%
Opportunity to mix with local people	1%	0%	1%
To discover a new destination	1%	6%	1%
Been to other parts of Scotland wanted to visit	1%	2%	0%
To experience arts/ galleries	1%	9%	3%

8.30 The factors influencing Summer 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?

- 8.31 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 or festival programmes.
- 8.32 Other important sources used included articles and reviews in the press, leaflets and websites, these were especially important amongst the Autumn and Spring festivals.

Table 8.6: Information sources used to plan trips and influencing visitor decisions to attend certain events

	Summer festivals		Winter festivals		Spring and Autumn festivals	
	Used to plan trip	Influenced events attended	Used to plan trip	Influenced events attended	Used to plan trip	Influenced events attended
Advice from friend or relative	27%	20%	42%	31%	25%	19%
Festival programme	36%	24%	10%	9%	17%	13%
Magazine/newspaper article or review	19%	11%	11%	5%	12%	7%
Advert in newspaper/magazine	8%	5%	10%	7%	9%	5%
Leaflet	10%	3%	3%	1%	19%	14%
Guide book	5%	2%	8%	2%	1%	1%
Specific festival website	4%	1%	8%	5%	15%	6%
Internet, unspecified site	4%	3%	13%	13%	6%	4%
Poster in street, pub, etc.	3%	1%	3%	0%	5%	4%
Tourist Information Centre	2%	1%	4%	2%	1%	1%
Tourist brochure	2%	2%	6%	2%	2%	0%
Travel agent	2%	2%	2%	1%	0%	0%
TV	2%	1%	1%	0%	0%	0%

- 8.33 The sources of information used during trip planning varied between the audiences of each of the Summer Festivals. Some of the key variations included the following:

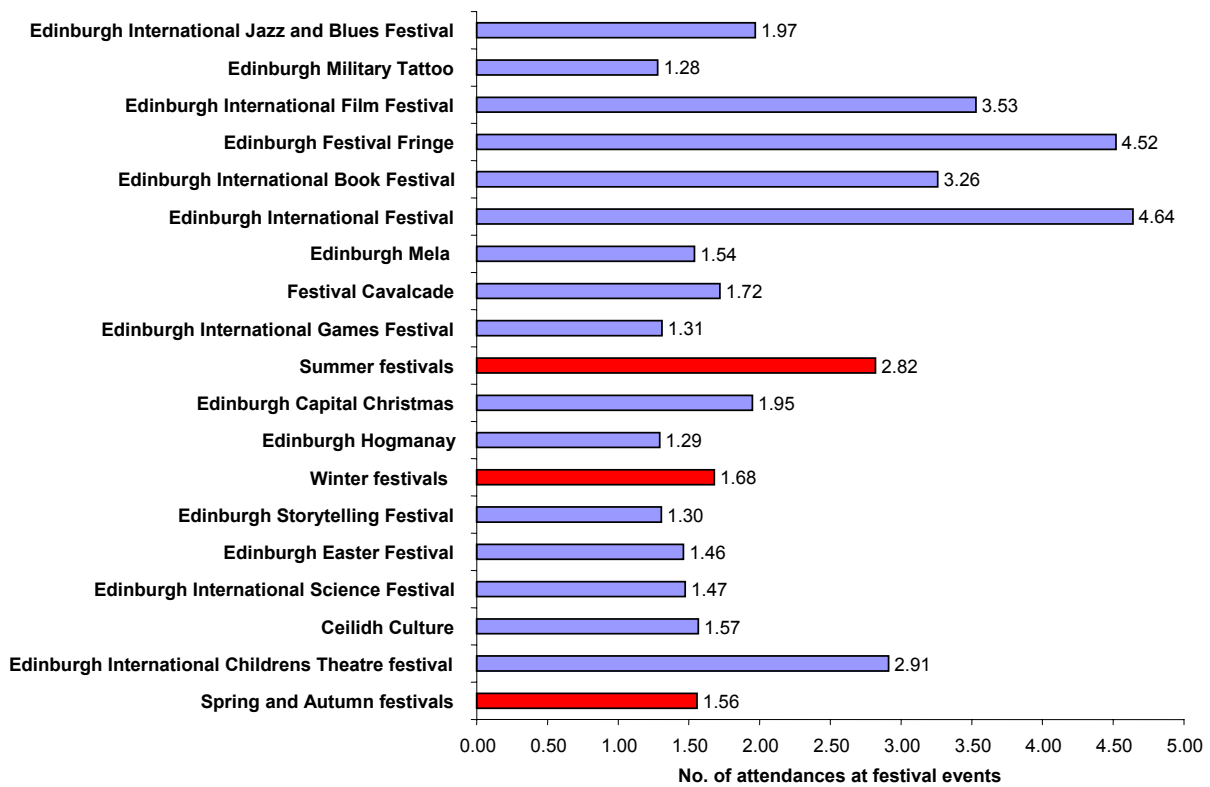
- *International Jazz and Blues Festival* – attendees more likely than other Festival audiences to have used a press advertisement when planning their trip (22%).
- *Edinburgh Military Tattoo* – attendees at this event were more likely to have used a travel agent when planning their trip (16%).
- *International 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%).

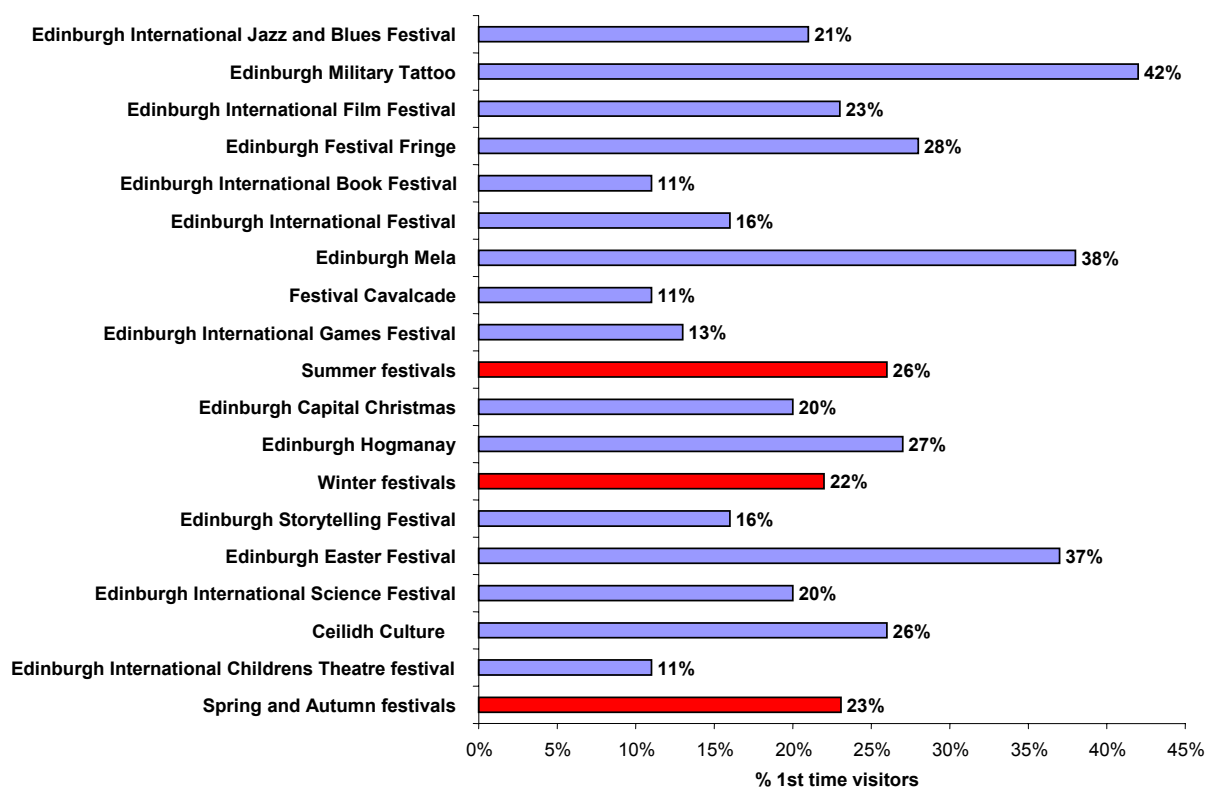
Events attended by new visitors and revisits

- 8.34 Individuals were asked a series of questions relating to their attendance at the Edinburgh Festivals in 2004/05. 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.
- 8.35 Overall, the average number of attendances made by a visitor to any of the Edinburgh Festivals was 2.59 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, Hogmanay, Storytelling 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 overleaf.

Figure 8.5: Total attendances made to Festival events by visitors to each Festival



8.36 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, the Mela and the Easter festivals but lowest at the Edinburgh International Book Festival (11%), Edinburgh International Children’s Theatre Festival (11%) and those who went to the Festival Cavalcade (11%).

Figure 8.6: Proportion of attendees on first ever visit to Edinburgh

8.37 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.

8.38 Just over a quarter of repeat visitors at the Summer festivals (27%) had been to Edinburgh on 1, 2 or 3 occasions during the previous 10 years. This was higher for the Winter festivals (33%) but lower for Autumn and Spring (17%) (including their current trip). A similar sized proportion of those at the Summer and Winter festivals had visited on more than 30 occasions (27% and 30% respectively) but the proportion visiting on more than 30 occasions was much higher at the Autumn and Spring festivals (41%).

Table 8.7: Previous visits to Edinburgh in last 10 years

	Summer festivals	Winter festivals	Spring and Autumn festivals
This visit only	3%	6%	1%
2 or 3 visits	24%	27%	16%
Between 4 and 7 visits	17%	17%	11%
Between 8 and 19 visits	14%	11%	7%
20 to 30 visits	11%	9%	19%
More than 30 visits	27%	30%	41%
Don't Know	0%	1%	5%

Future attendance at events

- 8.39 The amount of attendees stating that they expected to make one or more trips to Edinburgh in the next year in order to attend other Festivals varied significantly between festival periods, with 23% at the Summer festivals, 43% at the Winter festivals and 70% at the Autumn and Spring festivals stating that they intended to do so. 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, while overseas visitors were least likely to expect to return.
- 8.40 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 table below illustrates, the most popular festivals were the Edinburgh Festival Fringe, the Edinburgh International Festival and Hogmanay.

Table 8.8: Suggested attendance at future Festival events for returning visitors

	Summer	Winter	Autumn and Spring
% considering attending any other festivals in Edinburgh in the next 12 months	23%	43%	70%
Edinburgh International Jazz and Blues Festival	2%	2%	5%
Edinburgh Military Tattoo	4%	8%	6%
Edinburgh International Film Festival	4%	3%	9%
Edinburgh Festival Fringe	32%	51%	62%
Edinburgh International Book Festival	6%	7%	23%
Edinburgh International Festival	5%	29%	29%
Edinburgh Mela	2%	0%	0%
Festival Cavalcade	1%	0%	2%
Edinburgh International Games Festival	0%	0%	0%
Capital Christmas	8%	1%	3%
Edinburgh's Hogmanay	12%	6%	3%
Edinburgh Storytelling Festival	0%	0%	1%
Edinburgh Easter Festival	0%	0%	2%
Edinburgh International Science Festival	2%	1%	4%
Ceilidh Culture	0%	0%	0%
Edinburgh International Children's Theatre Festival	1%	0%	5%
Others	11%	2%	4%

- 8.41 Respondents at Edinburgh's Summer festivals 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 Summer festival 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.

8.42 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

8.43 Just under half of attendees at the Summer and Winter festivals were on an overnight trip which involved at least one night away from home (47% for both). This was a much smaller proportion of visitors at the Autumn and Spring festivals (18%).

8.44 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 (92%), Storytelling (86%) and Science festivals (86%) were on day trips.

Table 8.9: Proportions of attendees on overnight stays or day trips

	% of day trips	% of overnight stays
Edinburgh International Jazz and Blues Festival	76%	24%
Edinburgh Military Tattoo	27%	73%
Edinburgh International Film Festival	77%	23%
Edinburgh Festival Fringe	40%	60%
Edinburgh International Book Festival	75%	25%
Edinburgh International Festival	70%	30%
Edinburgh Mela	92%	8%
Festival Cavalcade	70%	30%
Edinburgh International Games Festival	75%	25%
Summer festivals	53%	47%
Edinburgh Capital Christmas	57%	43%
Edinburgh Hogmanay	43%	57%
Winter festivals	53%	47%
Edinburgh Storytelling Festival	86%	14%
Edinburgh Easter Festival	76%	24%
Edinburgh International Science Festival	86%	14%
Ceilidh Culture	77%	23%
Edinburgh International Children's Theatre festival	70%	30%
Spring and Autumn festivals	82%	18%

8.45 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 relatives or a business trip.

8.46 Overall, around two in five overnight visitors at the Summer festivals stated that they were on holiday (40%) while only 28% and 20% at the Winter and Autumn and Spring festivals respectively stated they were on a holiday. The Winter and Autumn and Spring groups had a much higher proportion of visitors on 'Short breaks' or 'Holidays, visiting friends and relatives'.

Table 8.10: Type of trip at the Summer, Winter and Spring and Autumn festivals

	Summer festivals	Winter festivals	Spring and Autumn festivals
Holiday	40%	28%	20%
Short break	37%	44%	46%
Holiday, visiting friends or relatives	12%	16%	15%
Visiting friends or relatives for other reasons	5%	2%	7%
On business/ at conference	6%	3%	9%

- 8.47 Variations in the types of overnight trips taken by attendees to each of the Festivals 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

- 8.48 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.
- 8.49 As the table below illustrates, overall, attendees at the Summer festivals 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, the Winter festival visitors spent 61% of their trip in Edinburgh with this being 3.8 days of their 6.2 days overall. Visitors to the Autumn and Spring festivals spent 66% of their trip in Edinburgh with this being 4.4 days of their 6.6 days overall.

Table 8.11: Average length of stay in Edinburgh and away from home in total amongst those who did stay overnight (only overnight stays)

	Nights in Edinburgh	Total nights	% of nights in Edinburgh
Edinburgh International Jazz and Blues Festival	5.8	10.7	54%
Edinburgh Military Tattoo	1.7	7.5	23%
Edinburgh International Film Festival	7.0	10.0	70%
Edinburgh Festival Fringe	5.1	9.7	53%
Edinburgh International Book Festival	6.0	12.7	47%
Edinburgh International Festival	6.3	10.5	60%
Festival Cavalcade	2.4	11.9	20%
Summer festivals	5.0	10.8	46%
Edinburgh Capital Christmas	3.3	5.1	65%
Edinburgh Hogmanay	4.0	6.7	60%
Winter festivals	3.8	6.2	61%
Edinburgh Storytelling Festival	4.4	6.4	69%
Edinburgh Easter Festival	3.5	5.0	70%
Edinburgh International Science Festival	4.7	7.6	62%
Ceilidh Culture	5.2	7.6	68%
Edinburgh International Children's Theatre festival	3.7	4.0	92%
Spring and Autumn festivals	4.4	6.6	66%

- 8.50 Some 6% of those attendees at the Summer festivals who stayed away from home stayed overnight in the Lothians while nearly a quarter stayed elsewhere in Scotland (25%). Twenty one percent of Winter festival visitors and 20% of Autumn and Spring festival visitors who stayed away from home also stayed overnight elsewhere in Scotland.
- 8.51 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%).
- 8.52 The table below lists the places in Scotland stayed in by those visitors who spent at least one night outwith Edinburgh.

Table 8.12: Places stayed in outside of Edinburgh and the Lothians by those who spent at least one night outside

	Summer festivals	Winter festivals	Spring and Autumn festivals
Glasgow	29%	35%	23%
Highlands and Islands	29%	17%	9%
Central	15%	10%	2%
Borders	8%	2%	3%
Grampian	6%	0%	2%
Fife	6%	12%	12%
Other Strathclyde	6%	1%	2%
Tayside/Perth and Kinross	4%	7%	3%
Dumfries and Galloway	1%	4%	19%
Other/Don't know	0%	12%	26%

- 8.53 Some 29% of Summer festival visitors, 35% of Winter festival visitors and 23% of Spring and Autumn festival visitors stayed in Glasgow while a smaller proportion stayed in the Highlands and Islands overall.
- 8.54 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 of the country. Much smaller proportions were forced to stay outwith Edinburgh and the Lothians because they could not find suitable accommodation or because accommodation was too expensive.
- 8.55 Notably, most of the respondents who could not find suitable accommodation at the Summer festivals when we would expect some constraints on accommodation had attended the Military Tattoo (9 of the 13 providing this reason) while most of those who found accommodation in Edinburgh and the Lothians too expensive had attended Fringe events (7 of the 10).

Table 8.13: Reasons for staying outside of Edinburgh amongst those who did so

	Summer festivals	Winter festivals	Spring and Autumn festivals
Visited other area(s) as part of longer holiday in Scotland	60%	40%	28%
Was visiting or staying with friends or relatives	25%	33%	56%
Could not find suitable accommodation in Edinburgh and Lothian	4%	4%	0%
Accommodation in Edinburgh and Lothians was too expensive	3%	4%	1%
Package holiday	1%	3%	10%
Other/Don't know	7%	12%	5%

Overnight accommodation

- 8.56 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, hotels and guesthouses.

Table 8.14: Type of accommodation used during trips

	Summer festivals	Winter festivals	Spring and Autumn festivals
Friends and relatives homes	31%	29%	39%
Hotel (50 or more rooms)	19%	29%	19%
Hotel (less than 50 rooms)	12%	9%	14%
Guest House	9%	10%	10%
Rented house/flat/cottage	8%	4%	5%
Bed & Breakfast	7%	6%	6%
University/ college/ language school accommodation	7%	2%	1%
Youth hostel/backpackers hostel	6%	8%	5%
Caravan	2%	1%	4%
Tent	2%	0%	0%
Second home	1%	1%	2%

- 8.57 The types of accommodation used also varied according to the Festivals attended by visitors. 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 Festivals and quality of the visitor experience

8.58 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)

8.59 In the table below average scores are presented for each of the statements. Generally, respondents agreed with statements about finding information but this was less strong at Autumn and Spring festivals. There was also general agreement that it was easy to find and get to the venues and that Edinburgh was a better place to live because of the festivals, although again this was less obvious amongst the Summer festival visitors.

Table 8.15: Agreement with attitude statements (mean scores)

	Summer festivals	Winter festivals	Spring and Autumn festivals
It was easy to find the information about the Festivals I needed	4.5	4.29	3.84
Having a variety of Festivals on at the same time adds to the overall appeal	4.38	N/A	N/A
It was easy to find and get to event venues	4.37	4.62	4.40
I would like to visit Edinburgh for reasons other than the Festivals	4.32	N/A	N/A
Edinburgh is a better place to live because of the Edinburgh Festivals	4.13	4.14	3.45
If the other Festivals didn't take place at the same time I would not have attended	2.01	N/A	N/A

8.60 Summer festival visitors were also asked to suggest their agreement with other attitude statements relating to the overlap of festival programmes and the number of festivals taking place at one time. Using mean scores it is possible to compare levels of agreement with each statement amongst attendees to each of the Festivals and amongst other segments within the wider Festivals audiences. Some of the main variations at the Summer festivals include the following:

- *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).
- *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.
- *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

8.61 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).

8.62 In the table below average scores are presented for each of the areas rated, suggesting that attendees found their experience at the Winter festivals to exceed their previous expectations more so than for the Summer and Autumn and Spring festivals in all areas except value for money.

Table 8.16: Trip v expectations

	Summer festivals	Winter festivals	Spring and Autumn festivals
Range of events	3.84	4.1	3.80
Overall experience of Festival(s)	3.84	4.21	3.68
Overall experience of Edinburgh as a place to visit	3.84	4.14	3.41
Value for money of events attended	3.47	3.49	3.70

8.63 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.

9 Wider issues

Introduction

- 9.1 This chapter considers some of the wider issues surrounding the research into the impact of the Festivals. These include the distribution of expenditure by sector and geography, accommodation occupancy rates and feedback from hotels, bed and breakfast providers and retailers. This chapter also considers the synergies reported between the Summer Festivals and issues around capacity constraints and displacement.

Distribution of expenditure

- 9.2 It is helpful to understand how this expenditure has been made across different types of business and how it is spread geographically. Figure 9.1 shows how both the net and gross visitor expenditure figures are broken down. The gross figures show how all of the expenditure made is divided across the categories. The net figures are after the results have been adjusted to take account of additionality and reflect only the *new expenditure* made. These are slight underestimates as they exclude 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.
- 9.3 In total visitors spend a total of £152m during their trips to attend Festival events and of this £93m is considered to be additional. Figure 9.2 shows the net new expenditure generated by the Festivals in each category. The Festivals generate an additional £31.6m for accommodation providers in Edinburgh and £22.5m for restaurants and pubs. There are also substantial amounts generated for entertainment (much of this is captured by the Festivals through ticket sales, although this represents the *net* additional expenditure and so does not include local residents' expenditure). £17m was spent on shopping and £7m on local transport such as taxis, car hire, buses and petrol.

Figure 9.1: Gross and net visitor expenditure by category

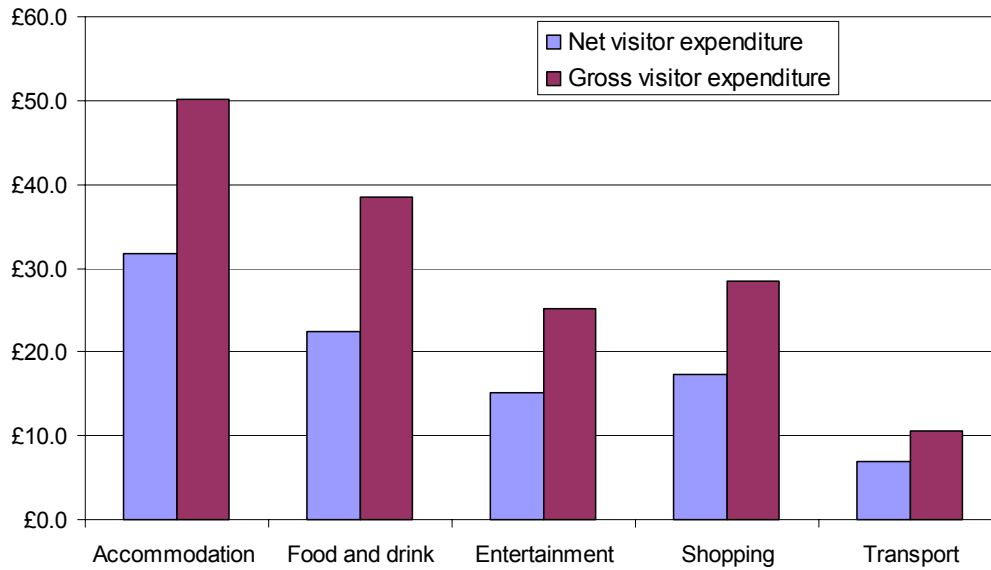
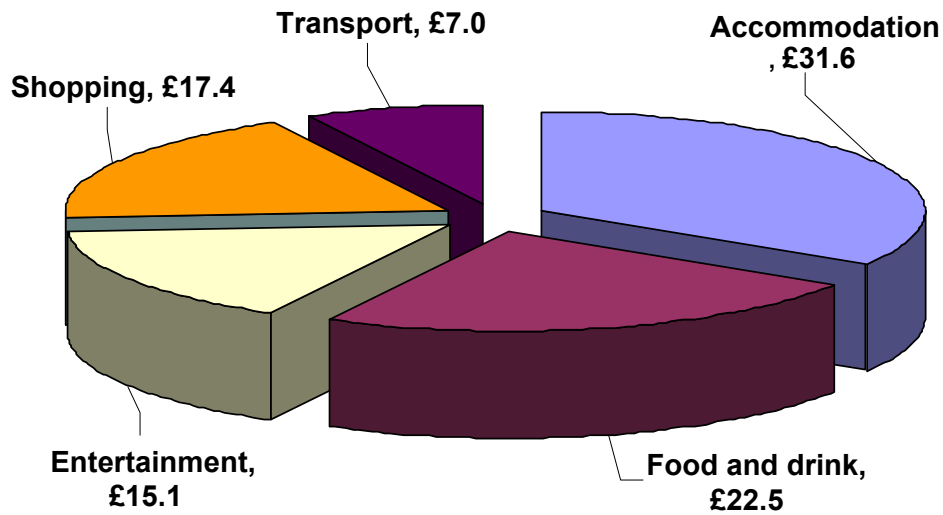


Figure 9.2: Distribution of net visitor expenditure from total of £93m (values in £millions)



Distribution of visitors by geography

9.4 The Festivals generate a lot of activity outside the city. During the Summer Festivals 47% were staying away from home and of these 25% stayed outside Edinburgh and the Lothians (around 100,000 trips). Among those visiting for the Winter Festivals 47% were staying

overnight and 21% stayed outside Edinburgh and the Lothians during their trip. The Spring and Autumn Festivals tended to have fewer overnight visitors (18%).

9.5 In total there were:

- 39,000 trips that included at least one night in Glasgow
- 34,000 in the Highlands and Islands
- 18,000 to the Central region
- 8,600 trips that included nights spent in the Borders
- 9,700 trips to Fife and
- over 6,000 trips to Grampian

Table 9.1: trips that included overnight stays in other parts of Scotland

	Summer Festivals		Winter Festivals		Spring and Autumn Festivals		Total trips
Total trips	845,000		277,617		99,764		
% staying away from home	47%		47%		18%		
Staying outside Edinburgh	25%		21%		20%		
Glasgow	29%	28,793	35%	9,590	23%	833	39,217
Highlands and Islands	29%	28,793	17%	4,658	9%	336	33,787
Central	15%	14,893	10%	2,740	2%	68	17,701
Borders	8%	7,943	2%	548	3%	101	8,592
Grampian	6%	5,957	0%	0	2%	68	6,025
Fife	6%	5,957	12%	3,288	12%	433	9,679

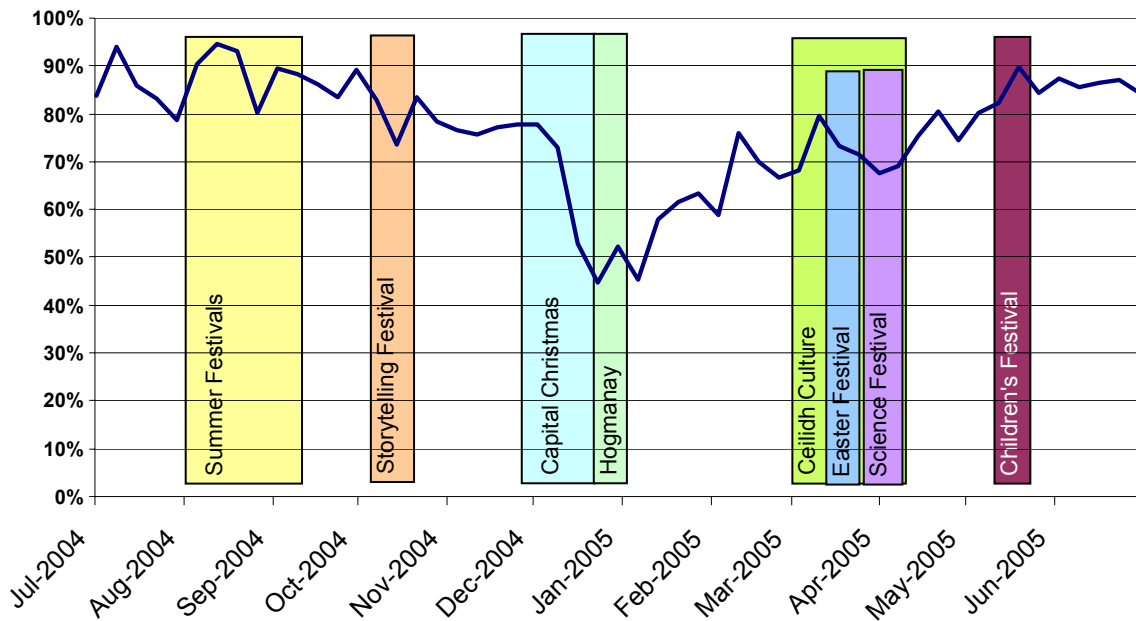
9.6 Given an average length of stay elsewhere in Scotland of five nights, this represents a considerable level of impact. However, many of these trips will not solely be because of the Festivals so much of the associated expenditure would not be considered additional in the calculations.

Hotel occupancy

9.7 Figure 9.3 shows the weekly room occupancy rates recorded by the Edinburgh Principal Hotels Association throughout the year covered by the study. Occupancy rates are at the highest throughout the summer, dipping in early January with a spike where the Hogmanay events can be seen to have an impact. Occupancy then remains between 50% and 70% until Spring and Easter. Figure 9.3 overleaf shows how the Festivals relate to these trends. The main capacity constraints are in the summer when occupancy is regularly over 90%. The Winter Festivals take place at a period of relatively lower occupancy although there will be

several nights hidden within these weekly averages that are higher, particularly Hogmanay itself. The Spring Festivals help to boost occupancy at a time when demand is starting to rise again to 70% - 80%.

Figure 9.3: occupancy rates and the Festivals through 2004/05



9.8 With so much of the Festival activity and demand centred on the Summer Festivals, this is the time when there are most likely to be capacity constraints on the accommodation stock. To gather data on the levels of occupancy and collect feedback on the Festivals from the accommodation sector, an e-survey of the Edinburgh Principal Hotels Association was carried out. The group provided occupancy and booking data from the 'EPHA forecaster' model in Edinburgh. This covers 47 establishments and 5,361 rooms.

9.9 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 Summer festivals. A majority of the hotels were themselves hosting Festival related events including dinners or parties. Several were used as Fringe venues.

9.10 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.

9.11 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.”

9.12 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.

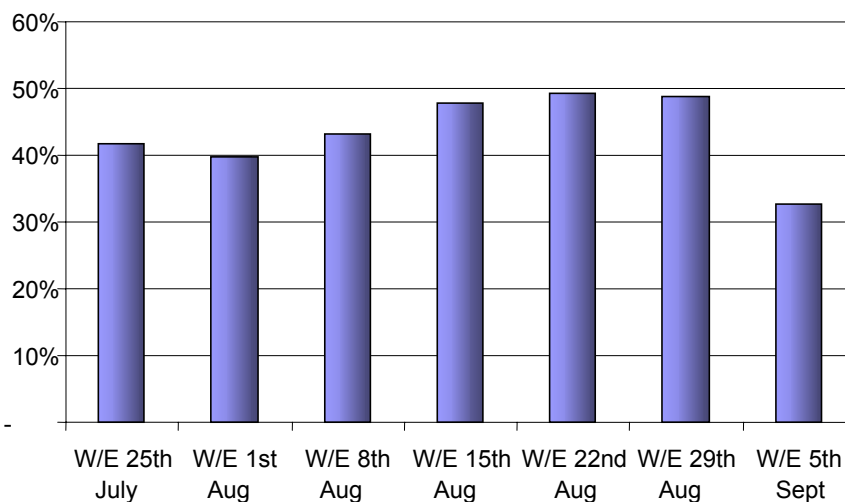
9.13 For hotels the key Festivals were the Tattoo and the Fringe. These were seen as critically important to supporting the high levels of occupancy achieved. The International Festival and the Book Festival were also important.

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

Guesthouses and bed and breakfasts

9.14 An e-mail survey of guesthouses and B&Bs during the Summer Festivals 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 9.4 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 9.4: Guesthouses and B&Bs room occupancy by week during Festivals 2004



- 9.15 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”

- 9.16 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 a year round destination and it would greatly benefit everyone to spread and focus”

“Stop the bad publicity re Edinburgh being always full during the Festival”

- 9.17 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

- 9.18 A small number of retailers were contacted during the Summer Festivals 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 9.2: Proportion of accommodation providers that consider each of the Summer Festivals 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

- 9.19 The Accommodation Supply and Demand Study 2000 – 2005 provides estimates of the number of rooms and beds available in Edinburgh and the Lothians in 1999 and forecasts the level of supply to 2005.
- 9.20 In 1999 there were a total of 15,301 rooms in Edinburgh and the Lothians of which 90% (13,841) were in Edinburgh. With growth of 10% in accommodation in the area, it would not be unreasonable to assume that the total number of rooms has risen to 17,000.
- 9.21 The research carried out during the Summer Festivals estimates that there were 845,000 visitor trips made with a further 1,600 journalists and 26,000 performers visiting. 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.
- 9.22 The availability of 17,000 rooms gives 646,000 room nights available in August and the first week in September⁹. This would give a room occupancy generated by Festival visits of around 88%. This is consistent with the occupancy rates reported by hotels and guest houses of around 88% during the Summer Festivals.
- 9.23 Such a high level of occupancy and the evident importance of the Festivals at this time of year raises questions about potential displacement, or loss of other tourism business.

⁹ Based on 38 days

Capacity displacement during the Summer Festivals

- 9.24 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.
- 9.25 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.
- 9.26 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.
- 9.27 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 that hotels believed would find alternative accommodation.
- 9.28 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.
- 9.29 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 will be able to rearrange their trips.
- 9.30 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.

Synergies between Summer Festivals

- 9.31 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 this has a positive impact on their trip.
- 9.32 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

- 9.33 The Audience Business Survey of Festival audiences in 2000 found a high proportion of visitors who attended events at more than one Festival (Table 9.3).
- 9.34 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 9.3: 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

- 9.35 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.
- 9.36 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 Summer Festivals together

- 9.37 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.
- 9.38 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 that they attended. A negative response, disagreeing, means that the Festivals happening together made little difference to their decision.
- 9.39 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.

- 9.40 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.
- 9.41 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 fare 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.

10 UK media value

10.1 As part of the research, TNS Media conducted research into the scale and value of media coverage of the Summer Festivals. This was restricted to UK coverage and analysed press and broadcast coverage relating to the Edinburgh Festivals from 26 July to 5 September 2004. Media value is usually measured as Advertising Equivalent Value (AVE), described below. This is not strictly an economic impact but an indication of the level of coverage that the Festivals generate. The figures cannot be added to the economic impact figures calculated elsewhere.

10.2 The research covered three areas:

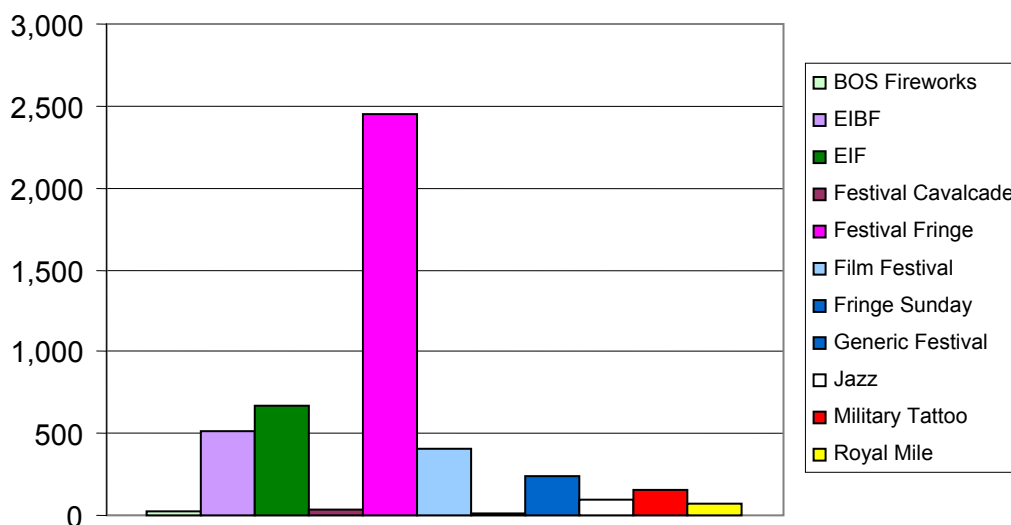
- **Favourability:** There are a number of factors which influence the favourability rating of articles. The key factors are:
 - Relative proportions of beneficial and adverse comment
 - The style of language used
 - Favourability of the headline
- **Opportunities to See (OTS):** This is a measurement of audience and will be recorded as a cumulative number of audiences for publications and broadcasts and is sourced from the quarterly feed of National Readership Survey, Broadcasters' Audience Research Board (BARB) and Radio Joint Audience Research Ltd (RAJAR) data.
- **Advertising Value Equivalent:** On the basis of the audited information available, it is possible to establish the discount rate values for placing advertisements in the UK press. These costs per thousand figures are updated quarterly and will reflect a monetary measure of newspaper space or broadcast time as if it were purchased for advertising purposes.

10.3 Table 10.1 sets out the main results. There were 4,500 press and broadcast items relating to the Festivals during the period of the analysis. The opportunities to see (OTS) ranged up to 1.9 billion for the Fringe and 584m for the International Festival. The advertising equivalent value for all the Summer festivals was £11.6m.

Table 10.1: Value of UK media coverage

Festival	Volume	OTS	AVE
Festival Fringe	2,450	1.9 billion	£6,600,000
Edinburgh International Festival	671	584 million	£1,900,000
Film Festival	412	270 million	£1,200,000
Book Festival	519	350 million	£967,122
Jazz and Blues Festival	91	37 million	£162,860
Festival Cavalcade	35	21,880	£78,715
Military Tattoo	153	133 million	£266,176 ¹⁰
Bank of Scotland Fireworks	28	22,982	£63,678
Royal Mile	74	52.7 million	£290,874
Fringe Sunday	12	5.5 million	£33,634
Total	4,445		£11,563,059

10.4 The Festival Fringe dominated the media's attention throughout the period, with 52% of all media coverage by volume. At the opposite end of the scale, Fringe Sunday received 12 mentions and comprised less than 1% of the total volume.

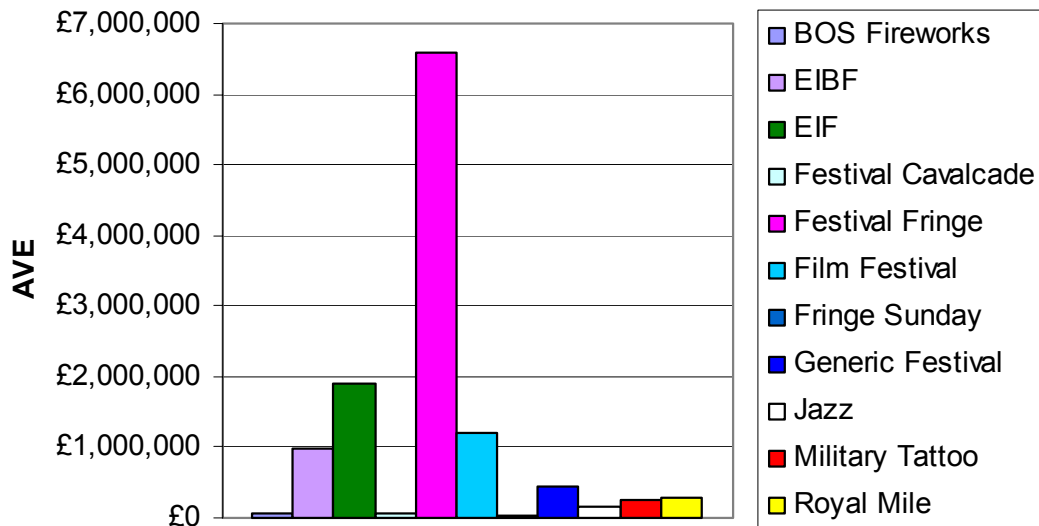
Figure 10.1: Volume of coverage by festival

10.5 The AVE for each of the Festivals, based on the number of media items and equivalent advertising cost are shown in Figure 10.2. In this analysis the Fringe dominates these figures, but the International and the Film Festival also generated over £1m of AVE. The highest AVE of a single item found during the monitoring was on BBC1. The piece focused on the Festival Fringe and was worth £249,960. However, the broadcast TV monitoring only covers

¹⁰ This does not include the coverage of the Tattoo on the BBC, this TV coverage in 2005 generated an AVE of £1.1m alone.

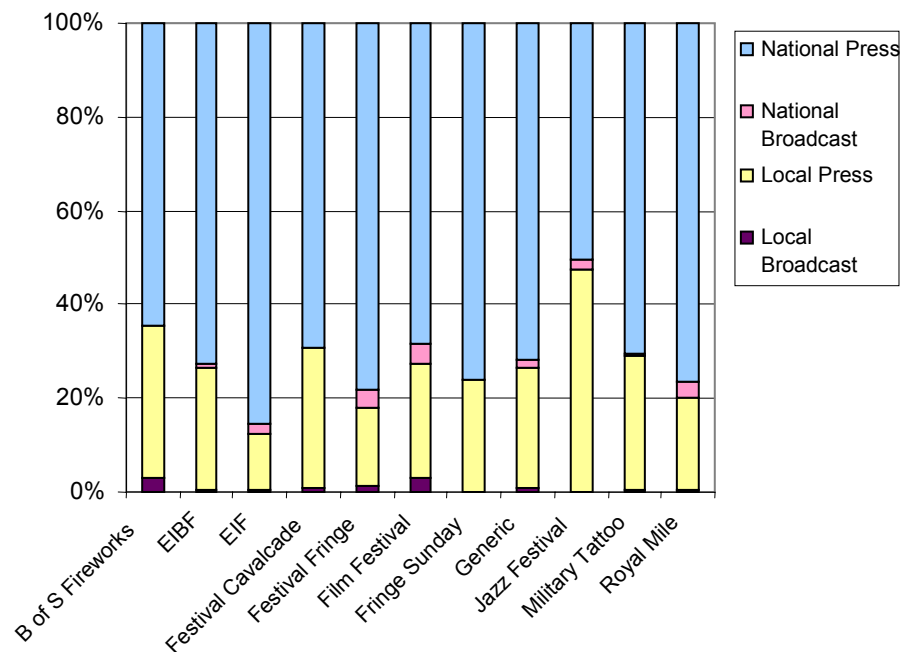
the major news reporting time slots and the Edinburgh Tattoo is broadcast through an hour long programme on the BBC every year. In 2005 this programme took place on Saturday the 28th of August on BBC2. The AVE for this coverage would have been £1.1m. In addition, this film is then sold on to television stations in several other countries elsewhere in the world which would inflate this figure substantially.

Figure 10.2: AVE values per festival



10.6 The national press provided the highest opportunities to see for all the Festivals followed by local press coverage. On average around 77% of OTS came through the national press coverage, boosted by coverage in high circulation titles, the News of the World and the Sun.

Figure 10.3: Proportions of local and national press and broadcast coverage per festival



Tone analysis

- 10.7 All tone analysis throughout this report was conducted using press coverage only. Out of 3,502 press items, 56% were deemed positive and 36% neutral. Neutral items were generally straight news pieces without any comment. Negative articles accounted for 266 items (8%). This included negative reviews of acts or events. The negative item with the highest AVE of £19,640 was from The Daily Mail “*Way beyond the Fringe*”, which was critical of the “increasingly commercialist” nature of the Festival Fringe. The Mail on Sunday had the positive item with the highest AVE of £69,359. “The Edinburgh Festival is no longer just a showcase for British talent, but a global phenomenon that attracts some of the world’s finest artists.”

11 The economic impact of the Festivals in context

Background

- 11.1 This economic impact study takes place against a background of heightened interest in culture and arts generally, both in Scotland and more widely in the UK. Specifically, more attention is now being given to the contribution that cultural activities make to regeneration and economic development generally. A great deal of work has been done in understanding the direct economic benefits generated by visitor expenditure for many Festivals and events, including this study, but much less research has been done to investigate the wider benefits. These include, for example, education, cultural diversity, city promotion, social inclusion, creativity and quality of life for residents.
- 11.2 The emphasis on measuring the direct economic impact is partly because it is one of the few indicators that can be readily calculated, but it is also because the impacts of festivals and events in particular have tended too be seen in terms of tourism effects rather than in terms of culture and education. The Edinburgh Festivals contribute to all of these to varying degrees. While some festivals are shown to generate significant direct economic benefits others will contribute to much less tangible objectives. It is important to stress the importance of seeing the impacts of the Festivals within this wider context. The direct economic impacts are part of this picture but there is a need to develop a more holistic framework against which the full contribution of Festivals can be assessed.
- 11.3 The Scottish Cultural Commission report 2005¹¹, among its many recommendations, recognises the issues around assessing the wider impacts. The Commission found that there was almost universal agreement that there is a need for a better system of evaluation, however, this is extremely complex. There have been a number of recent studies that attempt to link culture to regeneration and community cohesion, but this is still proving difficult to do and the evidence suggests that while there are examples of successful projects, not all demonstrate a clear link. A report to DCMS on The Contribution of Culture to Regeneration in the UK: A review of Evidence, was a stock take of the evidence based literature on the impact of culture on social, economic and environmental regeneration together with an analysis of the limitations of the evidence. Perhaps the most important conclusion for the work by Evans and Shaw is that they suggest that the “rationale for measuring cultural impact in relation to regeneration is often absent or not sufficiently understood”. Another report (Oakley, 2004) argued that “in many cases the evidence base is underdeveloped and thus few conclusive claims can be supported or disproved. Much of the research has been carried out

¹¹ Final Report of the Cultural Commission 2005

in an ad-hoc, small scale way and often as part of making the case for cultural investment. Thus much of the work is a thinly-disguised advocacy and lacks the rigour that is necessary in evidence based policy making”.

- 11.4 The reasons for this are complex but the problems include, the time that culture led impacts can take to appear and the lack of practical examples of how this can be done. Evans and Shaw describe a “surfeit of guidance, but a dearth of their actual application”. As a result project champions can talk generally of a range of social and community benefits, although these are rarely tested. If cultural projects are to be treated as serious contributors to economic and social regeneration, there must also be a more rigorous measurement of the outcomes that they generate.
- 11.5 While this analysis of Edinburgh’s Festivals is primarily about the direct economic impact, there are some indicators of the wider impacts that they might be having.

External perceptions of Edinburgh

- 11.6 The following indicators are good proxies for the role that the Festivals have played in promoting the city to an external audience.
- 2,819 journalists attended the Festivals
 - 1,751 from outside Scotland
 - 476 from outside the UK
 - 4,445 items of press and broadcast coverage in the UK
 - 56% of press coverage was positive (36% neutral)
 - 48% of visitors found Edinburgh a better place to visit than expected

Social inclusion

- 11.7 The Festivals have an important role to play in providing opportunities for all groups in society to access arts and culture. Many of the Festivals deliver significant outreach activities to encourage specific groups to participate and attend Festival events. This has included offering cheaper tickets as well as promoting resident artists and authors.
- 11.8 The survey of audiences attending Festival events has allowed us to collect and map the postcodes of Edinburgh residents (Figure 11.1). The results are relatively robust across the full sample with data from 814 interviews.
- 11.9 The Scottish Index of Multiple Deprivation (SIMD) ranks around 550 ‘data zone’ areas in Edinburgh according to four categories- income, health, employment and education and skills, with each of these data zones designed to cover an area of around 1,000 residents. By

mapping the postcodes of the sample of Edinburgh residents we can determine the proportion that live within the lowest ranked 20% of these data zones. Figure 11.1 shows the worst ranked 10% and 20% areas in the city and the postcodes of those in the sample attending Festival events.

- 11.10 20% of the city's population live within the 20% worst ranked areas. Overall, 14% of city residents attending the Festivals throughout the year live in these areas, suggesting that they are under-represented. Within this, the Mela, the Cavalcade and the Film Festival attract higher percentages while the Book Festival, the International Festival, Games Festival and the Jazz and Blues Festivals attracted much lower percentages. Residents from these areas were fully represented at the City's Winter Festival events, Capital Christmas and Hogmanay, but the lowest percentages were for some of the Spring and Autumn Festivals (Table 11.1). The figures for the individual Festivals are not shown as sample sizes for some become less reliable.

Table 11.1: Percentage of Edinburgh residents living in the worst ranked 20% of SIMD areas attending Festivals

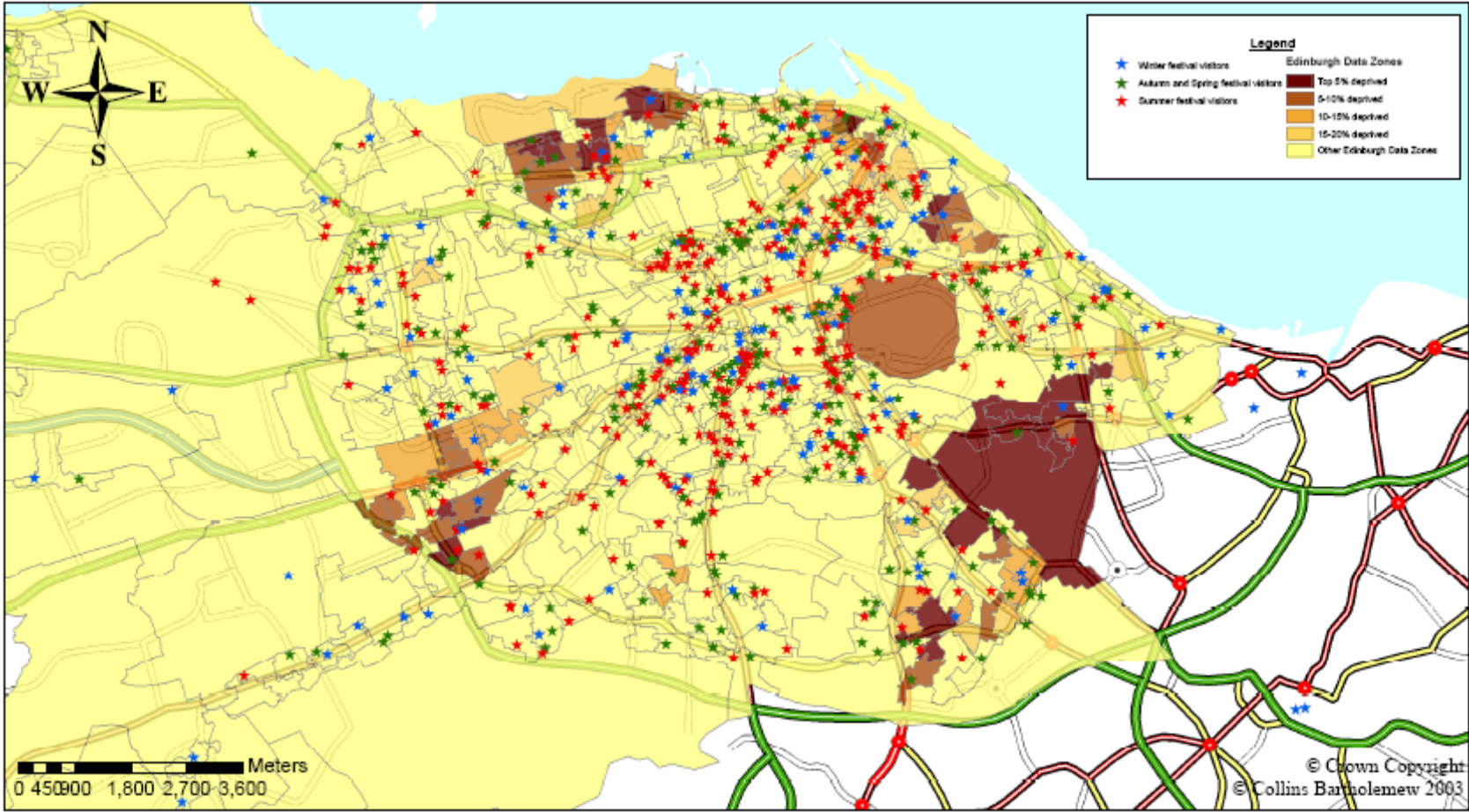
	% within 20% worst ranked SIMD zones
Summer Festivals	14%
Winter Festivals	19%
Spring and Autumn Festivals	9%

Civic Pride

- 11.11 Only one question in the survey related to the value of the Festivals in relation to Civic Pride, but the responses were very positive. 58% of Edinburgh residents attending events strongly agreed that the Festival made Edinburgh a better place to live and work and 23% agreed slightly with 6% disagreeing. This is an area where further research could help strengthen understanding of the way in which Festivals make a place more attractive to both residents and visitors.
- 11.12 The Festivals certainly contribute other aspects of social and economic development. The work of Richard Florida is regularly cited now to support the value of culture and creativity in economic development. His research has centred round the importance of a "creative class", who are becoming increasingly important economically. The Edinburgh Festivals undoubtedly contribute to this, but measuring their effect on the creativity and innovation of the city's residents or the contribution to attracting people to live and work in Edinburgh and Scotland would be extremely valuable. The Festivals are one of Scotland's most high profile cultural exports.
- 11.13 While measuring the economic impact makes it clear that the Festivals make a significant contribution to the city and national economies, it does not capture the full range of benefits.

On its own, the economic impact can only provide a partial measure of the benefits of Festivals and with no other method of assessing benefit it is difficult to allocate resources between competing claims. A framework or structure which allowed a more holistic assessment of these benefits would complement the economic measures and help to make the case for further investment in activities like the Edinburgh Festivals more compelling.

Figure 11.1: Origins of festival visitors in Edinburgh and most deprived data zones



12 Summary and Conclusions

12.1 This chapter brings together the key points from the previous chapters under the three main objectives set out in the brief. The first section summarises the economic impact, the second presents the key elements of the visitor profile and the third discusses the model and its development. A final section outlines some general conclusions on the results and the importance of developing a broader measurement framework.

Economic Impact

12.2 The report estimates that Edinburgh's Festivals 2004/05 have generated:

- output of just under £170m in Edinburgh and £184m in Scotland
- £40m in new income in Edinburgh and £51m in Scotland
- this supports 3,200 FTE jobs for a year in Edinburgh and 3,900 in Scotland.

12.3 Four of the festivals dominate the impact results, representing 82% of all the economic activity. The Fringe generates almost half of the total, supporting almost £70m of output in the Edinburgh economy and £17.2m in income. The Tattoo generates £23.3m in additional output, the International Festival £19.3m and the Hogmanay events £24.4m.

12.4 Together the Festivals reported over 3.1m attendances over the year, with the Fringe responsible for almost half the total. These were made during an estimated 1.4m trips. Across all the Festivals, 41% of attendances were made by visitors to Scotland helped by the high proportion of visitors attending the Fringe, Hogmanay and Tattoo. Thirty three percent of attendances were made by Edinburgh residents.

12.5 Together the Festivals covered reported receiving public funding of just over £3m and private sector support of £4m. For the public sector investment this suggests that each £1 of support has generated £61 of new output in Scotland and £17 of new income. The 3,900 jobs supported for one year, indicate a cost per job supported of £7,690 per FTE (ten year equivalent). All of these figures represent a good return for the public sector investment

12.6 The new visitor expenditure resulting from the Festivals generated £31m for accommodation providers in the city and £22.5m for bars and restaurants, where many of the jobs are supported. The Festivals impact also stretched well beyond Edinburgh. There were an estimated 39,000 trips to the Festivals that included an overnight stay in Glasgow, 34,000 that included an overnight stay in the Highlands and Islands and 18,000 to the old Central region.

Given that these trips may have been for several nights this would represent a significant impact.

- 12.7 The advertising equivalent value of the press and broadcast coverage generated is estimated to be £11.5m in the UK. This cannot be added to the economic impact measures but is an indication of the level of media coverage. A summary of the economic impacts associated with each Festival is presented in Table 12.1.

Table 12.1: Economic impact of the Festivals in Edinburgh, Edinburgh and Lothian and Scotland

Festival	Output £'000's	Income £'000's	Employment FTEs per year
Edinburgh International Jazz and Blues Festival	2,900	700	53
Edinburgh Military Tattoo	23,300	5,600	452
Edinburgh International Film Festival	2,100	600	42
Edinburgh Festival Fringe	69,900	17,200	1,382
Edinburgh International Book Festival	3,400	900	65
Edinburgh International Festival	19,300	4,700	375
Edinburgh Mela	800	200	16
Festival Cavalcade	3,300	800	70
MediaGuradian Edinburgh International TV Festival	500	100	10
Edinburgh International Games Festival	900	200	18
Edinburgh Storytelling Festival	214	52	4
Capital Christmas	11,500	2,700	196
Edinburgh's Hogmanay	24,400	5,600	439
Edinburgh Easter Festival	3,333	1,055	74
Edinburgh Science Festival	1,287	299	23
Ceilidh Culture	266	60	5
Edinburgh Children's International Theatre Festival	290	67	5
Edinburgh Total	167,690	40,833	3,229
Edinburgh and Lothians	184,190	47,182	3,735
Scotland	184,254	51,250	3,903

Visitor profile key points

- 12.8 Overall, the Summer Festivals attract a wide range of visitors and city residents. 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). The Winter Festivals attract a younger audience (Hogmanay and Capital Christmas) where 45% were under 34. The Spring and Autumn Festivals include more events for children (The Storytelling Festival, the Childrens' Festival, the Science Festival and Easter Festival). They attracted fewer

visitors from outside Scotland and the economic impacts tended to be lower, but they also have a wider range of objectives. Some of the key profile points are summarised below:

- the youngest profiles were found amongst attendees to the International Games Festival (24% aged 16 or 17), the International Film Festival (53% aged 18 to 34), the Winter Festivals (45% of those attending Hogmanay and Capital Christmas were aged under 34yrs).
- thirty three percent of attendances were by local residents, with 6% from the Lothians, 20% from elsewhere in Scotland, 26% from the rest of the UK and 15% by visitors from overseas.
- each of the Festivals demonstrated a different profile of visitors:
 - the Tattoo, Hogmanay, the Fringe and the Book Festival attract the highest proportion of visitors from outside Edinburgh
 - the Mela, Science Festival, Ceilidh Culture, the Storytelling Festival and the Easter Festival have the highest proportions of local residents
- for half of visitors to the city during the Summer, the Festivals were their sole reason for visiting Edinburgh (48%) while it was a very important reason for a further 16%. This was slightly lower during the Winter festivals (33%) and Autumn and Spring (37%). The Festivals most likely to represent a visitor's sole reason for coming to Edinburgh were the Tattoo (70%) and the Edinburgh International Festival (58%).
- around half of the audiences had decided upon all of the events that they were attending before their trip. This was higher amongst the Autumn and Spring festivals (59%) than the Winter (50%) and Summer festivals (44%). In contrast, 42% of those attending Fringe events had not decided on any performances before they embarked on their trip.
- the average number of attendances made by a visitor to any of the Festivals was 2.59 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. The number of attendances at the Winter and Spring/Autumn Festivals was lower, both around 1.6.
- proportions of visitors on their first ever visit to the city were highest amongst those attending the Military Tattoo, the Mela and the Easter Festivals and lowest amongst International Book Festival attendees (11%) and those who went to the Festival Cavalcade (11%).

- just under a quarter of attendees at the Summer festivals stated that they expected to take one or more trips to Edinburgh in the next year in order to attend events or Festivals (23%). This figure was higher for the Winter festivals (40%) and also Autumn/Spring festivals (73%).
- just under half of the audiences at the Summer and Winter Festivals were on an overnight trip which involved at least one night away from home (47%). The proportion for the Spring/Autumn Festivals was much lower (18%). Audiences at the Tattoo, the Fringe and Hogmanay were most likely to be staying overnight.
- Summer Festival visitors who stayed overnight spent longer in Edinburgh (5 nights) than visitors to the Winter Festivals, who stayed 3.8 nights. Across all the Festivals the average duration of a stay amongst overnight visitors was 4.8 nights in Edinburgh. Including day trips, this figure is much lower with the average trip lasting 3.6 nights in total.
- the use of accommodation varied considerably between those attending different Festivals. Those attending the Tattoo were much more likely (62%) to stay in larger hotels while 59% of those attending the Film Festival stayed with friends or relatives.
- highest ratings for the range of events, overall experience of the Festivals and value for money were given by those attending the Winter Festivals.

Developing the model

- 12.9 Throughout the year and across each of the Festivals, the analysis has used a consistent approach, outlined broadly in the methodology section. Although the Festivals are all unique, we were able to use similar questionnaires for the visitor surveys which produced robust and comparable data. A copy of the questionnaire is included in Appendix C. Designing the questionnaire is only part of the approach. A careful assessment of the Festivals and events beforehand is essential to ensure that the sample interviewed is representative of all the attendances made. In some cases interviewers used quotas to ensure that there were sufficient numbers of interviews with visitors from outside Edinburgh.
- 12.10 During the study, an Excel spreadsheet was developed to provide a consistent approach to the analysis. This is fairly complex and requires inputs from the survey on expenditure, length of stay, origin and additionality across each type of visitor (day trips and overnight visitors from the rest of Scotland, UK and overseas). The data was analysed using SPSS¹² to produce average values and then entered into the spreadsheet model. An electronic copy of the model

¹² SPSS is a statistical analysis software package which was used to analyse the results from the visitor survey in spreadsheet form.

has been made available to the project sponsors for use in analysing future Festivals and events.

- 12.11 The analysis of journalist, performer and organiser expenditure is different in each case and although this uses the stages set out in the methodology section, it requires an understanding of the Festival and its funding sources in order to construct the estimates.

Towards a stronger model

- 12.12 There are a number of issues relating to measurement which this study raises and which are becoming increasingly important for the Festivals. These concern the way in which we value the contribution of culture. This is at the heart of the way in which we view Festivals. Culture and Festivals have a much wider range of benefits than are captured through the increase in expenditure of visitors. These include education, social inclusion, civic pride, creativity and innovation, multi-culturalism, promotion of the city and maintaining traditions for future generations.
- 12.13 These are all difficult to measure and it can take a long time for the benefits to be recognised. Because of this, it is hard to either prove or disprove the existence or scale of these benefits and therefore to make an honest assessment as to the merits of one activity over another. This is a serious challenge for policy makers in allocating resources and for the culture sector and festivals in arguing for support.
- 12.14 There has been a growing interest in measuring economic impact but as we have argued, this is only one impact of the Festivals and in some cases not even a central one. Clearly many of the Festivals covered in this report are not primarily tourist events. The Science Festival is an extremely valuable asset in popularising science, particularly important among young children, the Mela supports multi-cultural diversity, while the new Festival of Politics, the Storytelling Festival and the Children's Festival all have quite different sets of objectives.
- 12.15 The tendency has been to treat these activities as tourism related, which reinforces the emphasis on measuring visitor numbers and expenditure rather than other benefits. This in turn makes it more difficult to identify the opportunities that hosting the Festivals provide. These would include the contributions that they make to supporting creative businesses in the city, the role they play in education and also social inclusion.
- 12.16 These issues are raised here both to demonstrate that the economic impact results provide a valuable but partial picture of what the Festivals are achieving and also to suggest that a better understanding of these actual or potential benefits would help greatly in understanding why Festivals should be supported and how strongly they are linked to local businesses and communities.

- 12.17 There is scope for future research to develop a measurement framework that would cover some of these wider benefits. It might include a measure of engagement with education, with local businesses and look at the benefits of participation of specific groups. The link between the Festivals, image and inward investment or the role in attracting people to live and work could help understand other benefits and help inform policymakers decisions in allocating resources. Work being done for Liverpool City of Culture 2008 for example is attempting to measure the success of cultural activity in addressing regeneration goals.

Conclusions

- 12.18 The report presents a substantial range of statistics and data on all the Festivals held through 2004/05. Although the results of this study are for a single year, the impact has effectively been built up over many years on the reputation of the Festivals for the high quality and diversity of their programmes. Nor is this impact guaranteed every year. To ensure that Edinburgh and Scotland continues to benefit to this level, the Festivals must maintain and enhance their reputation. This should not mean making judgements on the basis of maximising short term economic returns but ensuring that longer term, the Festivals remain at the forefront of their respective arts. The recently commissioned “Thundering Hooves” project will help in assessing this task.
- 12.19 The economic impact study demonstrates that the Festivals are collectively a major success in terms of generating income for Edinburgh and Scotland. There is scope now to develop a much better understanding of whether and how it impacts on a wider set of agendas in the city and Scotland. The development of a more sophisticated framework to help understand the wider benefits of the Festivals would have three effects. It would help ensure that work of the Festivals is fully recognised and supported. It would help the public agencies to more effectively assess their return and it would also identify opportunities for increasing the role of the Festivals in engaging with businesses and communities.