Investing in Scotland's Tourism Success

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A new report published today, commissioned by the Heritage Lottery Fund (HLF), reveals for the first time the scale of the heritage tourism industry in the UK, estimating its gross domestic product (GDP) contribution to be £20.6 billion. This makes the sector bigger than the advertising, car manufacturing or film industries. These findings highlight the importance of continued investment from leisure, culture and heritage budgets in supporting tourism and its ability to help with post-recession recovery.

The report," Investing in success: Heritage and the UK tourism economy" demonstrates that heritage is a major motivation behind the tourism expenditure of both overseas and domestic visitors. In figures published last week by the Association of Leading Visitor Attractions, it was three heritage institutions that topped Scotland's most popular free visitor attractions, Kelvingrove Art Gallery & Museum, the National Gallery of Scotland and the National Museum of Scotland, all of which have all benefitted from multi-million pound HLF investment.

Colin McLean, Head of the Heritage Lottery Fund Scotland, said: "We now have the figures to prove that heritage packs a substantial economic punch. Last year, domestic and overseas holiday visitor numbers grew as the wider UK economy was shrinking. Our museums, historic sites and landscapes, are proving to be an immense and essential attraction, bringing in new visitors and boosting local economies. As we all look to economic recovery, we must keep investing in heritage tourism so that it continues to flourish, bringing with it key economic benefits."

Tourism Minister, Jim Mather, said: "Scotland's rich heritage is proven to be a strong and lasting magnet for visitors from across the world. Our stunning landscapes, first-class museums and fascinating historical sites are an incredible asset, and play an important role in attracting growing numbers of domestic and overseas holidaymakers, in spite of wider economic turbulence. Heritage tourism continues to be an important part of the Scottish Government's commitment to stimulating growth through the delivery of our economic recovery plan - for the benefit of the whole of Scotland and its millions of visitors."

Key points in the research report

• Over 10 million holiday trips are made by oversees visitors to the UK each year with 4 in 10 leisure visitors citing heritage as the primary motivation for their trip to the UK – more than any other single factor.
• Tourism in Scotland employs around 200,000 people in 20,000 diverse businesses.
• Of the annual £12.4 billion spent in the UK on heritage-based tourism, domestic tourism or the 'staycation' is the main component with 60% coming from UK residents on day trips and UK holidays.
• Outdoor activities such as walking and cycling are growing in popularity. Over 330million visits were made to Scotland's outdoors for recreation purposes in 2007. Almost a quarter of all tourists walk as their main activity or as part of a trip.
• The GDP contribution of heritage tourism – the wages and profits earned by tourism businesses as a direct result of heritage visits – is estimated at £7.4bn a year. Once economic multiplier impacts are included, the total GDP contribution is £20.6bn a year.
• Tourism has the potential to be one of the fastest growing sectors of the economy over the next decade, and the appeal of heritage will be vital to that growth.

Ian Jardine, Chief Executive of Scottish Natural Heritage, comments: “HLF’s report shows just how important heritage tourism is to our economy. Scotland’s stunning landscapes and wildlife attract tourists from near and far, and are consistently cited as the most important factor in drawing visitors to the country. Our natural heritage has an enduring popularity, a popularity which we must build upon if we are to help our economy prosper.”

Notes to editors

HLF’s Investment in Scotland
HLF has invested over £1/2 billion in the Scotland’s heritage since 1994. Over the past five years, the organisation has carried out extensive research into the impacts of completed projects including a series of visitor surveys and economic-impact case studies.

The research has shown that:
• Visit numbers typically increase by more than 50% following an HLF-funded project.
• 88% of visitors rate the value for money of HLF’s investment as either ‘good’ or ‘excellent’.
• Every £1million of HLF funding leads to an increase in tourism revenues for regional economies of £4.2million over 10 years.
• HLF has invested over £31million regenerating 25 of Scotland’s parks increasing visitor numbers by 80%.
• Over 1,900 historic buildings and monuments have been given a new lease of life thanks to HLF funding.
• £167million of HLF funding has helped 120 Scottish museums and galleries improve learning facilities, collections, displays and the overall visitor experience.

The Kelvingrove Art Gallery and Museum opened in 1901 in an imposing Gothic building that Glaswegians once voted their favourite in the city. It houses collections of art, natural history and historical artefacts, and is the most visited museum in the UK outside London.

HLF funding of £13.2million has resulted in a transformed attraction with six additional public galleries, twice the number of objects on display, two ‘object cinemas’, a 150-seat lecture theatre, a restaurant and new cafés. The display of the museum’s collections also underwent a radical overhaul, with galleries redesigned so that objects are shown in a way that tells a story.

A total of 2,232,475 visitors were recorded in 2007 – more than twice as many as were visiting before the renovation. Though the majority (54%) of visitors come from within Glasgow and a further 25% are from the rest of Scotland, a fifth are from outside the country, including 8% from overseas.

The ongoing economic impacts of the project have been substantial. The museum has created 43 new jobs in the management and day-to-day running of the facilities. Visitor expenditures are estimated to support a further 108 jobs within Glasgow and 110 jobs in the wider regional economy of central Scotland. In total, the project is estimated to have created 151 local jobs, and is generating GVA of £3.7million per year.

Reasoning and Methodology
In 2009, HLF commissioned economic consultancy Oxford Economics to undertake a detailed analysis of the heritage-based UK tourism sector. The analysis looked at the extent to which tourism visits and expenditure are motivated by heritage. From this analysis, the researchers were able to estimate the contribution that heritage tourism makes to the UK’s economic output, and the employment impact of heritage tourism.

HLF reviewed a random sample of 62 projects that completed between 2004 and 2007.

Heritage Lottery Fund – Over the past 15 years, using money raised through the National Lottery, HLF invested £4.4 billion in around 34,000 projects right across the UK. From museums, parks, traditional skills and historic places to archaeology, the natural environment and species, we invest in every part of our diverse heritage.

Further information

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