THE VISITOR ECONOMY OF AYRSHIRE:
THE PRESENT PROFILE AND FUTURE OPPORTUNITIES

Report prepared by
Policy, Performance & Communications
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for
The Ayrshire Tourism Strategy Implementation Group

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Executive Summary

1. As a prelude to developing a joint tourism strategy for Ayrshire, this report aims to bring together the available information on the value and nature of tourism in Ayrshire and to explore possible avenues for growing the area’s tourism income. The analysis includes not only tourists, namely those who spend at least one night away from home, but also day trippers. Together these two groups form the Visitor Economy.

2. In 2009, the Visitor Economy in Ayrshire & Arran generated £342M or about 3% of the Scottish total. There is a strong seasonal pattern to local visitor expenditure, with June, July and August accounting for 41% of the total. Around half of the income from the area’s Visitor Economy was accounted for by businesses in South Ayrshire. Since 2006, the local income generated by visitors has grown by 8%, but visitor numbers have dropped by an equivalent percentage. Most of the reported growth in income has been in North and East Ayrshire. However, the importance of the Visitor Economy locally is that it is a major employer, accounting for 12%, 8% and 5% respectively of all jobs in South, North and East Ayrshire. In total 13,500 people in Ayrshire & Arran depend on the industry.

3. In 2009, Ayrshire & Arran received 3.4M visitors, representing 7.1M visitor days. Around half the tourists were from elsewhere in Scotland. This was a significantly higher percentage than nationally (39%). In terms of age, the largest group were those aged over 55. Sixty per cent of all visitors were day trippers, though they only accounted for 30% of the income generated in 2009. However, in North Ayrshire this group accounted for 56% of the total income generated, while in East Ayrshire it was as high as 73%.

4. Table A overleaf summarises the characteristics of visitors to Ayrshire in terms of i) day visitors, ii) domestic tourists and iii) overseas tourists, together with the estimated value of business generated by each visitor group in 2009.

5. In terms of the reasons why people visited the area in 2008/09, the area’s association with Robert Burns, golf, horse-racing and the sea were the top four. In terms of the activities undertaken by visitors, visiting castles and churches, leisure shopping and visiting beaches were among the most important. While the area was perceived as offering things to see and do, the general level of cleanliness, the quality of customer service in shops and the quality of accommodation on offer came in for criticism. It also appeared that the area did not promote its strengths, which were perceived by visitors to include good quality shopping facilities, bars and restaurants.

6. The analysis suggests that attempts to ‘grow’ the visitor economy need to address four obvious issues, namely:

- How to attract more visitors?
- How to increase the spend per trip?
- How to reduce the seasonality of tourism in the area?
- What are the emerging trends in tourism?
Table A
The Ayrshire & Arran Visitor Economy in 2009: Characteristics and Market Size by Visitor Group

<table>
<thead>
<tr>
<th>Visitor Group</th>
<th>Characteristics</th>
<th>Market Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day Visitors</td>
<td>• 62% of all visitors to the area&lt;br&gt;• Low spend per trip (£28)&lt;br&gt;• High repeat visits&lt;br&gt;• Over 40% comprise families with children&lt;br&gt;• Leisure shopping is an important part of the trip&lt;br&gt;• Tendency to concentrate in a limited number of localities (eg Largs, Ayr)</td>
<td>• Bring in £80M a year&lt;br&gt;• Of greatest significance to East Ayrshire, where they account for nearly 40% of the total income generated by the Visitor Economy</td>
</tr>
<tr>
<td>Domestic Tourists</td>
<td>• 33% of all visitors to the area&lt;br&gt;• Fairly low spend per night (£39)&lt;br&gt;• Average stay of 3-4 days&lt;br&gt;• Average spend per trip of £155 per head&lt;br&gt;• Nearly half over the age of 55&lt;br&gt;• 70% are repeat visitors and nearly 80% spend most of their trip in Ayrshire&lt;br&gt;• Nearly 50% made up of couples or singles&lt;br&gt;• 35% stay with friends or relatives</td>
<td>• Bring in £200-£220M per year. Account for 70%-80% of income from the Visitor Economy on Arran and 65-75% in relation to South Ayrshire&lt;br&gt;• Of this, £800-£100M is linked to Burns, £20-£50M to golf tourism and £13-£20M to sailing&lt;br&gt;• Area has strong associations with horse racing, but only 20% of visitors to Ayr Race Course are tourists&lt;br&gt;• Some activity tourism (hiking, cycling, fishing, wildlife studying), but market size is small and no ‘hotspots’ or nodes for these activities.&lt;br&gt;• Business tourism is small, accounting for only 13% of all domestic tourists.</td>
</tr>
<tr>
<td>Overseas Tourists</td>
<td>• 5% of all visitors to the area&lt;br&gt;• Nearly 50% from the USA, Germany and Sweden&lt;br&gt;• Average spend per trip is £353 per head&lt;br&gt;• Average stay in Ayrshire is 6 days, but visit to Ayrshire is generally part of a wider tour of Scotland&lt;br&gt;• 60% of overseas visitors to Ayrshire stay with friends and relatives, compared to 30% nationally</td>
<td>• Bring in £40-£60M per year&lt;br&gt;• As much as 50% of the total income generated by overseas tourists is generated in South Ayrshire&lt;br&gt;• Attracted to the area by its association with Burns, golf and the sea. However, it is not possible to identify the income generated by overseas tourists and connected with these individual market segments&lt;br&gt;• Only Arran appears to have a TRI*M score that suggests that it is in the top 10%-20% of tourist destinations globally</td>
</tr>
</tbody>
</table>
7. Visitor surveys have shown that visitors associate the area with Burns, golf, horse-racing and the sea. However, the analysis of the markets for these ‘tourism offerings’ suggest that it is unlikely that any one of these will provide a vehicle for powering major growth in the Visitor Economy. Instead attracting more tourists will depend on increasing the diversity of ‘experiences’ to be had. This will require the identification of niche tourism activities and products, such as walking, fishing, cycling, eco-tourism and food tourism, which build on the area’s image. Central to this is developing the image of Ayrshire as a tourism destination.

8. However, attracting more visitors should perhaps take second place to increasing the spend per trip. In the case of day visitors, it is arguable that attracting more of them will merely increase the pressure on parking, transport systems and other public facilities for a comparatively small increase in income, because of this group’s low spend. It may even be the case that attracting less day visitors, but more higher spending day trippers would boost the income from this market segment. An example might be to increase the attraction of Ayrshire as a destination for families with children by increasing the range of paid attractions targeted at children. Likewise, the analysis suggested that the opportunities for significantly increasing the number of overseas tourists to Ayrshire might be limited and that the priority should be on increasing the spend in the local area. Only in the case of domestic tourists might efforts to attract more take precedence over increasing the spend. Among the possibilities is one of ‘converting’ day visitors to tourists by promoting short breaks or organising evening festivals and events that require an overnight stay.

9. The tourist ‘season’ is short. Visitor numbers in the ‘shoulder’ months of March, April and September, October are relatively lower than in other parts of Scotland, like the Scottish Borders and the Highlands. Extending the season could increase the income of the Visitor Economy. One possibility might be to target the business tourism market, which is reported to be skewed towards the ‘shoulder’ months. However, the indications are that there would need to be a less passive approach to attracting ‘out-of-season’ tourists and greater attention given to expanding the range of visitor ‘experiences to include activities less dependent on the summer season.

10. Above all, the history of the Visitor Economy in Ayrshire in the 20th Century has underlined that the tourism industry in Ayrshire has not managed to shake off its image as a traditional seaside destination. Both globally and domestically the tourism industry is rapidly evolving and new markets are emerging and, over the long-term, Ayrshire has become marginalised as a domestic visitor destination. If the Visitor Economy is to grow in the future, then the local businesses and tourism providers must become more successful at identifying future trends and developing offerings to meet these.

11. Table B overleaf summarises the key findings on the potential opportunities in respect of i) day visitors, ii) domestic tourists and iii) overseas tourists.

12. In terms of the existing local tourism strategies, the findings in this report are consistent with the broad strategic aims contained within these strategies. As such, the inference is that there is not a fundamental need to change direction, but there is arguably a need to become much more focussed and joined up. In particular, any future tourism strategy needs
to be underpinned by a clear vision of what tourism in Ayrshire will be like in 10 or 20 years time. This must include a clear vision on:

- where does Ayrshire & Arran’s comparative advantage lie in a fundamentally global market;
- who are the target group of visitors;
- what are the ‘experiences’ that will be on offer; and
- how will the resources be found to deliver this vision.

Table B
Future Opportunities for Developing the Visitor Economy in Ayrshire and Arran by Visitor Group

<table>
<thead>
<tr>
<th>Visitor Group</th>
<th>Potential Areas of Opportunity</th>
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</thead>
<tbody>
<tr>
<td>Day Visitors</td>
<td>• Focus should be on increasing the spend per trip rather than attracting more day trippers</td>
</tr>
<tr>
<td></td>
<td>• Possible strategies might include converting day trips into overnight stays through promoting short-breaks and through providing evening events/festivals necessitating overnight stays</td>
</tr>
<tr>
<td></td>
<td>• Developing and extending the portfolio of existing events and festivals, which attract a high number of day visitors</td>
</tr>
<tr>
<td></td>
<td>• Increasing the range of activities on offer at existing visitor ‘hotspots’, like Culzean Castle, Dean Castle and Kelburn County Centre to elicit a higher spend</td>
</tr>
<tr>
<td>Domestic Tourists</td>
<td>• Market for golf tourism is currently flat, but sailing tourism is growing by 5%-10% a year</td>
</tr>
<tr>
<td></td>
<td>• Extending the visitor season</td>
</tr>
<tr>
<td></td>
<td>• Improving integration between different parts of the local tourism industry to develop ‘packages’ that mix activities and experiences and which might attract a different type of client</td>
</tr>
<tr>
<td></td>
<td>• Developing business tourism, possibly based on golf course hotel complexes at Gailes, Troon and Turnberry</td>
</tr>
<tr>
<td></td>
<td>• Developing activity tourism</td>
</tr>
<tr>
<td>Overseas Tourists</td>
<td>• Focus should be on increasing the spend rather than attracting more overseas visitors</td>
</tr>
<tr>
<td></td>
<td>• Observations made on growing the market for domestic tourists apply</td>
</tr>
<tr>
<td></td>
<td>• Getting a higher proportion of overseas visitors to use hotels and guest houses rather than staying with friends and relatives</td>
</tr>
</tbody>
</table>
Background to the Report

The three Ayrshire Councils have decided to prepare a new joint strategy for tourism. As a prelude to developing this, the current report attempts to bring together the available information on the value and nature of tourism in Ayrshire and to explore possible avenues for growing the area’s tourism income. To provide a strong evidence base for the strategy, the current study seeks to:

- provide a brief overview of tourism in Scotland and the contribution that Ayrshire makes to the national picture;
- summarise the available information on the profile of tourism in Ayrshire and review local trends;
- assess the results of market research on the expectations of current and potential visitors on their ‘tourism’ experience;
- examine the potential opportunities for growing the local tourism business, including an assessment of market size, and identify the barriers to further tourism development; and
- review the existing separate tourism strategies for East, North and South Ayrshire and assess whether there are any tensions between the existing strategies and whether the current research suggests a need for a change of focus.

In presenting its findings, the report considers ‘tourism’ in its very widest sense. Conventionally, VisitScotland defines a ‘tourist’ as a person who spends one or more nights away from home on holiday. As such, this excludes those people who make day trips to local visitor attractions. However, as will be shown, this latter group makes a significant contribution to the total income from visitors to the area. As a result, rather than speak of tourism, the report will use the term ‘Visitor Economy’ to refer to this wider market. ‘Tourism’ will be restricted to people who enjoy overnight stays in the area.

Ayrshire’s Contribution to Tourism in Scotland

Scotland has as image as a tourism destination and is ranked in the top 20 countries in the world. In terms of its tourism ‘offering’ it is ranked highest in respect of its natural beauty and lowest for its vibrant city attractions. However, Glasgow and Edinburgh remain the top visitor destinations in Scotland and large cities account for half the reported visitor expenditure. In contrast, seaside locations contribute the least in economic terms. Overall, in 2009, the Visitor Economy directly contributed £5,200M in value added to the Scottish economy. However, if account is taken of the wider impacts of visitor spending on those industries that supply ‘tourism’ businesses, then the total


contribution increases to £11,100M. This represents 10.4% of Scotland’s Gross Domestic Product and accounts for 267,000 jobs, representing 10% of all employment in Scotland. About half of this is accounted for by tourists and the other half by day visitors. Over the past decade, the number of international tourists to Scotland has increased annually by 3.3%, while the average spend per visit has increased by 1.4% per year over the same period. On the other hand, in recent years domestic tourism has declined, with the number of domestic tourists falling by 2.1% per year over the period 2006-09. However, this has been compensated by strong growth of 2.3% per year in the average spend per domestic trip.

Despite the relatively strong performance of the Visitor Economy, Scotland runs a balance of payments deficit as far as tourism is concerned (see Figure 1). The International Passenger Survey for 2009 showed that 3.8M residents of Scotland travelled abroad for holidays or business purposes and spent £2,300M overseas. In the same period, 2.5M international visitors travelled to Scotland and spent £1,370M. However, this represents a narrowing of the balance of payments gap from 2008, when it stood at £1,500M. This is mainly due to a sharp drop in the number of Scottish residents taking overseas trips in 2009, down by nearly 900,000 trips or 20%. This trend seems to be continuing with statistics from the International Passenger Survey in November 2010 for the UK as a whole, suggesting that, compared to 2008, UK residents’ trips abroad are down by 20%. In contrast, in the period January-June 2010, the UK Tourism Survey reported that the number of Scottish residents visiting Scotland rose by 16% compared to the equivalent period in 2009. This might suggest that there is a switch from holidaying abroad to holidaying at home in response to the economic downturn. However, in the period January-September 2010, VisitScotland reported that the number of visitors to Scotland from the rest of the UK fell by 9% and the spend fell by 5% on the same period in 2009.

In terms of the total income generated by the Visitor Economy in Scotland, Ayrshire contributed £342M in 2009 or about 3% of the £11,100M spent by UK and overseas visitors in Scotland. Compared to 2006, the local income from visitors appears to have grown by about 8%, although the number of trips made to the area seems to have declined by an equal percentage from 6.35M to 5.85M. The geographic breakdown of visitor expenditure is shown in Figure 2. Nearly 50% of the income from visitors is generated in South Ayrshire. However, most of the recent growth in visitor income has been in North and East Ayrshire, which individually saw a reported increase in visitor spending of 13-15% between 2006 and 2009. In contrast, South Ayrshire only saw an increase in

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7 Tourism Intelligence Scotland. Fact Sheets.
11 VisitScotland Ayrshire & Arran tourism data.
spending of 2.5% in the same period. Although Ayrshire’s share of the income generated from tourism is comparatively modest, the significance of the industry is that it is a major employer in the local economy. In South Ayrshire tourism-related employment accounts for 12% of all local employment; the comparable figures are 8% for North Ayrshire and 5% for East Ayrshire\textsuperscript{13}. In total VisitScotland estimates that about 13,500 in Ayrshire depend for employment on the Visitor Economy. Of these about 8800 were directly employed in tourism-related businesses\textsuperscript{14}.

\section*{Figure 1}
\textbf{Trends in Overseas Visitors Spend In Scotland and Scottish Residents Expenditure on Overseas Trips, 2001-09, £M}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{Overseas Visitors Spend in Scotland and Scottish Residents Spend on Overseas Trips, 2001-2009, £M}
\end{figure}

\begin{itemize}
\item Overseas Visitors Spend in Scotland
\item Scottish Residents Spend on Overseas Trips
\end{itemize}

\textit{Source: Office of National Statics. Travel Trends}

\section*{Figure 2}
\textbf{Relative Shares of Income from Visitors to Ayrshire in 2009, £m}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure2.png}
\caption{Relative Shares of Income from Visitors to Ayrshire in 2009, £m}
\end{figure}

\begin{itemize}
\item South Ayrshire, 162.5
\item Isle of Arran, 29.3
\item Mainland North Ayrshire, 87.6
\item East Ayrshire, 62.9
\end{itemize}

\textit{Source: Global Tourism Solutions (UK) Ltd STEAM Results 2009}

\begin{flushright}
\textsuperscript{13} VisitScotland (2010). \textit{Tourism in Western Scotland 2009}.
\textsuperscript{14} Global Tourism Solutions (UK) Ltd (2010). \textit{Ayrshire & Arran STEAM Results}
\end{flushright}
Profile of Tourism in Ayrshire

In 2009, Ayrshire & Arran had about 3.4M visitors, representing about 7.1M visitor days. Around 1.3M of these visitors were tourists (ie those who stayed at least one night), who collectively stayed 5M nights\(^\text{15}\). As Table 1 shows around half the tourists were from elsewhere in Scotland; a significantly higher percentage than nationally (39%). In contrast, international tourists accounted for 13% of the trips made; this is a slightly lower percentage than nationally (17%). The breakdown of the visitors and visitor days by type of visitor (ie including day trippers) is shown in Table 2. From this it can be seen that day trippers account for around 60% of visitor numbers and about 30% of the visitor days. However, as Table 3 shows, they account for only about 25% of the total spend in the area. Thus, while the average income generated per tourist (ie a person staying overnight) was £204 per trip in 2009, the figure for day trippers was only £38\(^\text{16}\). Moreover, the geographic distribution of visitors in terms of number of visitor days and the proportion of the total income accounted for by tourists, by those visitors staying with friends and relatives and by day trippers differs across Ayrshire & Arran as shown in Table 4. Thus, South Ayrshire attracts a disproportionate number of the tourists staying in hotels, guest houses, self-catering accommodation or caravans. This group accounts for about 70% of the income generated by the Visitor Economy in this local area. The position is even more skewed on the Isle of Arran, where 86% of the tourism income in 2009 was generated by this visitor type. In contrast mainland North Ayrshire and East Ayrshire are more heavily reliant on day trippers and people visiting friends and relatives; together these visitor types account for 56% of the tourism spend in North Ayrshire and 73% in East Ayrshire.

Table 1
Breakdown of Visitors to Ayrshire & Arran by Country of Residence in 2009

<table>
<thead>
<tr>
<th>Country of Residence</th>
<th>Percentage of all Trips Made</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>South Ayrshire</td>
</tr>
<tr>
<td>Scotland</td>
<td>49</td>
</tr>
<tr>
<td>England</td>
<td>32</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>4</td>
</tr>
<tr>
<td>Wales</td>
<td>2</td>
</tr>
<tr>
<td>USA</td>
<td>2</td>
</tr>
<tr>
<td>Sweden</td>
<td>2</td>
</tr>
<tr>
<td>Germany</td>
<td>2</td>
</tr>
<tr>
<td>Ireland</td>
<td>1</td>
</tr>
<tr>
<td>France</td>
<td>1</td>
</tr>
<tr>
<td>Rest of World</td>
<td>5</td>
</tr>
</tbody>
</table>


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\(^{16}\) Global Tourism Solutions (UK) Ltd (2010). Ayrshire & Arran STEAM Report for 2009. These figures include not only the direct expenditure made in tourism-related businesses, but also the revenue indirectly generated in local firms supplying the tourism businesses.
### Table 2
Breakdown of Visitor Numbers and Days to Ayrshire by Type of Visitor in 2009

<table>
<thead>
<tr>
<th>Visitor Type</th>
<th>Visitor Numbers ('000s)</th>
<th>Visitor Days ('000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels, Guest Houses &amp; Bed and Breakfasts</td>
<td>550.0</td>
<td>1130.0</td>
</tr>
<tr>
<td>Self-Catering, Touring &amp; Camping</td>
<td>320.0</td>
<td>1990.0</td>
</tr>
<tr>
<td>Staying with Friends &amp; Relatives</td>
<td>510.0</td>
<td>1870.0</td>
</tr>
<tr>
<td>Day Visitors</td>
<td>2150.0</td>
<td>2150.0</td>
</tr>
<tr>
<td>Total</td>
<td>3430.0</td>
<td>7130.0</td>
</tr>
</tbody>
</table>


### Table 3
Breakdown of Expenditure by Type of Visitor in 2009, £M

<table>
<thead>
<tr>
<th>Visitor Type</th>
<th>Spend Generated , £M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels, Guest Houses &amp; Bed and Breakfasts</td>
<td>103.77</td>
</tr>
<tr>
<td>Self-Catering, Touring &amp; Camping</td>
<td>91.96</td>
</tr>
<tr>
<td>Staying with Friends &amp; Relatives</td>
<td>65.75</td>
</tr>
<tr>
<td>Day Visitors</td>
<td>80.83</td>
</tr>
<tr>
<td>Total</td>
<td>342.31</td>
</tr>
</tbody>
</table>


### Table 4
Geographic Breakdown of Numbers and Types of Visitor in 2009, % of Ayrshire Total

<table>
<thead>
<tr>
<th></th>
<th>East Ayrshire</th>
<th>Isle of Arran</th>
<th>Mainland North Ayrshire</th>
<th>South Ayrshire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of total number of tourist days, % of Ayrshire total</td>
<td>21.3</td>
<td>9.1</td>
<td>25.5</td>
<td>44.1</td>
</tr>
<tr>
<td>Share of tourist income generated from people staying in hotels, guest houses, self-catering accommodation and caravans, % of Ayrshire total</td>
<td>8.6</td>
<td>12.9</td>
<td>20.6</td>
<td>57.9</td>
</tr>
<tr>
<td>Share of income generated from people visiting friends and relatives, % of Ayrshire total</td>
<td>34.3</td>
<td>1.2</td>
<td>35.1</td>
<td>29.5</td>
</tr>
<tr>
<td>Share of income from day trippers, % of Ayrshire total</td>
<td>29.1</td>
<td>4.1</td>
<td>29.7</td>
<td>37.1</td>
</tr>
</tbody>
</table>

Source: Global Tourism Solutions (UK) Ltd STEAM Reports for 2009 for East, North and South Ayrshire.
More detailed analysis of the expenditure estimates shows that there is a strong seasonal pattern to tourism expenditure in Ayrshire, with 41% of the annual total accounted for by the months of June, July and August. In contrast, the months of December, January and February account for under 11% of the annual total (see Figure 3). However, the seasonal patterns differ for the different types of tourism. In particular, it is noticeable that those ‘staying with friends and relatives’ tend to be skewed more towards the months of April, May and June, helping to extend the season. While day visitors exhibit seasonality, the difference in income between January and August is only 293%, compared to 427% for income from visitors staying in hotels and guest houses. The seasonal nature of the income from the Visitor Economy is reflected in the estimates of the jobs (expressed as full-time equivalents) supported by tourism each month (see Figure 4).

Of the £342M spent by visitors to Ayrshire in 2009, around 15% was spent on accommodation, 17% of food and drink and another 18% on transport. In contrast the direct expenditure on recreation activities only accounted for 7% of the total (see Table 5); shopping accounted for about the same percentage. Consistent with the differences in the make-up of tourism, there were geographic differences in the composition of the tourism income as shown in Figure 5. Thus, in South Ayrshire and the Isle of Arran, accommodation accounted for a larger share of the income generated compared to East Ayrshire and mainland North Ayrshire. In contrast, transport accounted for a higher share of the income generated in the latter two areas. For mainland North Ayrshire this is probably explained by the ferry services running to the islands. However, despite these differences in the composition of the Visitor Economy in the four geographic areas, there is considerable similarity in the spending patterns (see Figure 6). Thus, the income generated by day trippers is £36-£38 per trip regardless of the location. There is a bit more variation in the income (ie direct expenditure plus local income created within the supply chain) from tourists varying from £173 per trip in East Ayrshire to £253 per trip in mainland North Ayrshire.

Figure 3
Monthly Expenditure Generated by Different Types of Visitors to Ayrshire in 2009, £000s

Source: Global Tourism Solutions (UK) Ltd Ayrshire & Arran STEAM Report for 2009.F
Figure 4
Seasonal Pattern of Employment Provided by Tourism in Ayrshire in 2009, FTEs

Source: Global Tourism Solutions (UK) Ltd STEAM Reports for 2009 for East, North and South Ayrshire.

Table 5
Breakdown of Tourism Spend in 2009 in Ayrshire by Category of Expenditure, £M

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Spend, £M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation</td>
<td>51.42</td>
</tr>
<tr>
<td>Food &amp; Drink</td>
<td>58.11</td>
</tr>
<tr>
<td>Recreation</td>
<td>23.12</td>
</tr>
<tr>
<td>Shopping</td>
<td>22.70</td>
</tr>
<tr>
<td>Transport</td>
<td>63.17</td>
</tr>
<tr>
<td><strong>Total Direct Revenue</strong></td>
<td><strong>218.52</strong></td>
</tr>
<tr>
<td>Indirect Expenditure¹</td>
<td>85.55</td>
</tr>
<tr>
<td>VAT</td>
<td>38.24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>342.32</strong></td>
</tr>
</tbody>
</table>

Source: Global Tourism Solutions (UK) Ltd STEAM Reports for 2009 for East, North and South Ayrshire.

Note:¹ Secondary impacts within the local economy as a result of the direct expenditure.
Figure 5
Geographic Breakdown of Income from Visitors in 2009, %

Source: Global Tourism Solutions (UK) Ltd STEAM Reports for 2009 for East, North and South Ayrshire.

Figure 6
Geographic Differences in the Average Spend per Trip for Tourists and Day Trippers in 2009

Source: Global Tourism Solutions (UK) Ltd STEAM Reports for 2009 for East, North and South Ayrshire.
To some extent the geographic differences in the income generated locally per trip associated with tourists may reflect differences in the types of recreational activities participated in. Thus, data collected by VisitScotland in relation to Ayrshire indicates that activity tourists, such as golfers and walkers, spend about twice as much as ‘general’ tourists. Whereas tourists on average spend £38 per night and £154 per trip, activity tourists spend £40-£60 per night and around £300 per trip. Golfers are the most lucrative at £440 per trip, followed by £320 for watersports enthusiasts, £313 for walkers, £290 for fishermen and £200 for cyclists. Certainly, there are reported differences in the profile of activities undertaken by tourists between the four areas (see Figure 7). Thus, recent VisitScotland surveys suggest that visitors to South Ayrshire are more attracted by ‘events’, such as the Scottish Gold Cup and the Burns Festival, so they have an apparently lower participation rate in more traditional visitor activities.

Figure 7
Percentage of Visitors to an Area Reporting Participation in a Particular Activity in 2008/09


Profile of Visitors and their Expectations

VisitScotland’s *Ayrshire & Arran Visitor Survey of 2008-09* gives more information on the profile of visitors to Ayrshire and their expectations. The survey indicated that over 80% of the day visitors and tourists were over 35 and nearly 50% were over the age of 55. Only about 10%-15% were lone visitors, around 30% were couples and the rest were families or visiting with friends and relatives. The majority (over 80%) came on holiday to the area, with a further 18% visiting family and relatives; business tourism was insignificant. Around 60% of day visitors and 25% of tourists had visited the area more than 20 times in the last 10 years, reflecting a loyal customer base. On the other hand, the number of new visitors to the area, essential for growth, is small, accounting for 9% of day visitors and 26% of tourists in 2009. Moreover, most of those who visited the area (nearly 80%) came specifically to visit Ayrshire.

In terms of the reasons why people visited the area, Table 6 shows the top seven reasons given by day visitors and tourists. It can be seen that the area’s association with Burns, golf, horse-racing and the sea were significant for both groups. In terms of the activities undertaken by those visiting the area, Figure 8 shows that visiting castles and churches, leisure shopping and visiting the beaches were among the most important activities for both day visitors and tourists, although there were slight differences in the profile of activities for the two groups.

### Table 6

<table>
<thead>
<tr>
<th>Image/Activity</th>
<th>% of Day Visitors</th>
<th>% of Tourists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burns County</td>
<td>62</td>
<td>43</td>
</tr>
<tr>
<td>A place for golf</td>
<td>35</td>
<td>38</td>
</tr>
<tr>
<td>Traditional seaside</td>
<td>34</td>
<td>32</td>
</tr>
<tr>
<td>Ayr Racecourse</td>
<td>32</td>
<td>19</td>
</tr>
<tr>
<td>Prestwick Airport</td>
<td>35</td>
<td>18</td>
</tr>
<tr>
<td>Glasgow’s coastal area</td>
<td>17</td>
<td>29</td>
</tr>
<tr>
<td>Part of a Scotland tour</td>
<td>9</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: VisitScotland Ayrshire & Arran Visitor Survey 2008-09

Questioning both day visitors and tourists in more detail about their experiences when visiting Ayrshire, the visitor survey identified the i) strengths, ii) weaknesses and iii) hidden opportunities of the area. The results of this research is summarised in Table 7. While it is clear that Ayrshire offers things to see and do, the general cleanliness of the area, the quality of customer service in shops and the quality of accommodation were criticised. The area also does not appear to exploit or promote its strengths, which were perceived by visitors to include good quality shopping facilities, bars and restaurants. However, it would be wrong to regard Ayrshire & Arran as a single, undifferentiated tourist destination, as an analysis of the perceived strengths, weaknesses and opportunities by geographic area shows (see Table 8). In particular, the Isle of Arran appears to have comparatively
greater strengths as a visitor destination. This is reflected in its TRI*M Index, which essentially is a measure of customer loyalty and satisfaction. For the Isle of Arran the index reported in a recent VisitScotland survey was 93, compared to 68 for South Ayrshire. In terms of a global ranking, Figure 9 presents the TRI*M scores for Ayrshire & Arran as a whole and for the four geographic areas. While the Isle of Arran has a score consistent with the top 10% of visitor attractions, South and East Ayrshire only have scores consistent with the top 50% of attractions.

Figure 8
Percentage of Day Visitors and Tourists to Ayrshire Undertaking Particular Activities in 2008-09

Source: VisitScotland Ayrshire & Arran Visitor Survey 2008-09

<table>
<thead>
<tr>
<th>Visitor Type</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Hidden Opportunities</th>
</tr>
</thead>
</table>
| Day Visitors | - Made to feel welcome by locals  
               - The number of things to see and do  
               - Good quality accommodation  
               - Customer service in the shops and visitor attractions  
               - Value for money | - Good quality tourist information centres  
               - Good quality souvenirs  
               - Good quality shops  
               - Things to do in the evening  
               - Availability of locally produced food & drink  
               - Cultural events and festivals  
               - Quality public transport  
               - Pubs for families | |
| Tourists     | - Number of things to see and do  
               - Beautiful landscape  
               - Good quality accommodation  
               - Made to feel welcome by the locals | - Availability of locally produced food and drink  
               - Cleanliness of towns  
               - Activities and facilities for children  
               - Customer service in shops and attractions  
               - Cleanliness and availability of public toilets  
               - Value for money | - Good quality tourist information centres  
               - Standard of tourist signposting |
<table>
<thead>
<tr>
<th>Visitor Type</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Hidden Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Ayrshire</td>
<td>• Number of things to see and do</td>
<td>• Cleanliness of towns and public toilets</td>
<td>• Availability of locally produced food &amp; drink</td>
</tr>
<tr>
<td></td>
<td>• Quality of food when eating out</td>
<td>• Good quality accommodation</td>
<td>• Good quality tourist information centres</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Customer service in the shops and visitor attractions</td>
<td>• Quality public transport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Value for money</td>
<td>• Things to do in the evening</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Good quality shops</td>
</tr>
<tr>
<td>East Ayrshire</td>
<td>• Number of things to see and do</td>
<td>• Cleanliness of towns</td>
<td>• Good quality ships</td>
</tr>
<tr>
<td></td>
<td>• Made to feel welcome by locals</td>
<td>• Availability of public toilets</td>
<td>• Good quality souvenirs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Good quality accommodation</td>
<td>• Availability of locally produced food and drink</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Customer service in shops</td>
<td>• Cultural events and festivals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Value for money</td>
<td>• Quality of tourist information centres</td>
</tr>
<tr>
<td>North Ayrshire</td>
<td>• Activities and facilities for children</td>
<td>• Things to see and so</td>
<td>• Pubs for families</td>
</tr>
<tr>
<td></td>
<td>• Beautiful landscape</td>
<td>• Availability of locally produced food and drink</td>
<td>• Standard of tourist signposting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Cleanliness of towns</td>
<td>• Good quality tourist information centres</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Customer service in shops and attractions</td>
<td>• Good quality souvenirs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Historic attractions, museums and galleries</td>
</tr>
<tr>
<td>Isle of Arran</td>
<td>• Beautiful landscape</td>
<td>• Cleanliness of towns</td>
<td>• Good quality tourist information centres</td>
</tr>
<tr>
<td></td>
<td>• Good quality accommodation</td>
<td>• Cleanliness and availability of public toilets</td>
<td>• Historic attractions, museums and galleries</td>
</tr>
<tr>
<td></td>
<td>• Made to feel welcome by locals</td>
<td>• Customer service in shops and attractions</td>
<td>• Quality of public transport</td>
</tr>
<tr>
<td></td>
<td>• Number of things to see and do</td>
<td>• Value for money</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Availability of locally produced food and drink</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Value for money of accommodation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Source: VisitScotland Ayrshire & Arran Visitor Survey 2008-09*
Profile of Accommodation and Facilities

The area is dominated by small hotels, self-catering facilities and caravan sites (see Table 9). Small hotels (<26 rooms), guesthouses, bed & breakfast establishment, self-catering facilities and touring/camping sites provided 85% of the bed space in 2009. However, geographically more than half the ‘serviced’ bed spaces (hotels, guest houses and bed & breakfast establishments) and 65% of self-catering and touring bed spaces are located in South Ayrshire (see Figure 10).

As noted earlier demand is very seasonal and occupancy rates are low outside the peak season of June to September (see Figure 11). As a result, much of the self-catering accommodation and caravan facilities close down from the end of October to the beginning of March, as shown in Figure 12. However, a significant minority of visitors to Ayrshire do not stay in any of this accommodation. Slightly less than 40% of both UK and overseas visitors (excluding day trippers) to the area stay with friends and relatives\(^\text{20}\).

Table 9
Number of Establishments and Number of Beds/Sleeping Spaces in South Ayrshire in 2009

<table>
<thead>
<tr>
<th>Accommodation Category</th>
<th>Establishments</th>
<th>Beds/Sleeping Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels with more than 50 rooms</td>
<td>8</td>
<td>1846</td>
</tr>
<tr>
<td>Hotels with 26-50 rooms</td>
<td>17</td>
<td>1328</td>
</tr>
<tr>
<td>Hotels with less than 26 rooms</td>
<td>175</td>
<td>2540</td>
</tr>
<tr>
<td>Guest houses/bed and breakfast</td>
<td>139</td>
<td>1871</td>
</tr>
<tr>
<td>Self-catering</td>
<td>468</td>
<td>10486</td>
</tr>
<tr>
<td>Touring/camping</td>
<td>47</td>
<td>3768</td>
</tr>
<tr>
<td>Total</td>
<td>854</td>
<td>21839</td>
</tr>
</tbody>
</table>

Source: Global Tourism Solutions (UK) Ltd East, North and South Ayrshire STEAM Reports 2009.

Figure 10
Geographic Distribution of Bed Spaces in 2009

Source: Global Tourism Solutions (UK) Ltd East, North and South Ayrshire STEAM Reports 2009.

Figure 11
Monthly Percentage Accommodation Occupancy Rates in Ayrshire & Arran in 2009

Source: VisitScotland Tourism in the West of Scotland 2009
The main visitor attractions in the area and the number of visitors that they received in 2009 are shown in Table 10. These visitor attractions accounted for 3% of visits to attractions in Scotland. From this it can be seen that five attractions, i) the Burns National Heritage Park, ii) Dean Castle, iii) Culzean Castle, iv) the Dick Institute and v) Heads of Ayr Farm Park, dominate the list, accounting for 75% of the 1.3M visits to attractions in the area in 2009. However, this underlines that Ayrshire has only a few key visitor attractions and between 2007 and 2009 the total number of visits to attractions in Ayrshire & Arran fell by 2%\textsuperscript{21}. This suggests that the area might be quite heavily dependent on its inland and coastal scenery, together with opportunities for sporting activities, to attract visitors.

In this regard the area has a total of 45 public and private golf courses, including the internationally renowned, Prestwick, Royal Troon and Turnberry courses. While figures on visitor numbers to Ayrshire golf courses are not available, the National Golf Tourism Monitor\textsuperscript{22} does report on a sample of sites in South West Scotland, covering Ayrshire, Argyll & Bute and Dumfries & Galloway. For 2010, the survey of clubs shows that the number of visitor rounds played in South West Scotland actually fell by 18.7% compared to 2009. In contrast, for Scotland as a whole the number of rounds played by visitors remained unchanged. The difference in the trends may reflect that the fact that golf courses in South West Scotland are more dependent than the national average on overseas visitors, especially from the USA. Apart from golf courses, the area also has three marinas at Largs, Ardrossan and Troon, with berths for more than 1450 yachts and accounting for about 27% of all berths on the Clyde and 11% of all Scottish berths\textsuperscript{23}. Just over 20% of these berths are rented by non-Scottish boat owners; a much higher proportion than in the rest of Scotland (7%)\textsuperscript{24}.

\textsuperscript{21}Comparative data taken from the 2007 and 2009 Visitor Attraction Monitors.
### Key Visitor Attractions in Ayrshire in 2009

<table>
<thead>
<tr>
<th>Visitor Attraction</th>
<th>Numbers of Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burn’s National Heritage Park, Ayr</td>
<td>282628</td>
</tr>
<tr>
<td>Dean Castle County Park, Kilmarnock</td>
<td>244050</td>
</tr>
<tr>
<td>Culzean Castle &amp; County Park Maybole</td>
<td>175210</td>
</tr>
<tr>
<td>Dick Institute Museum, Kilmarnock</td>
<td>156198</td>
</tr>
<tr>
<td>Heads of Ayr Farm Park, Ayr</td>
<td>129858</td>
</tr>
<tr>
<td>Kelburn Castle &amp; County Centre, Fairlie</td>
<td>59650</td>
</tr>
<tr>
<td>Eglinton County Park, Irvine</td>
<td>53117</td>
</tr>
<tr>
<td>Dean Castle, Kilmarnock</td>
<td>32473</td>
</tr>
<tr>
<td>Brodick Country Park, Brodick</td>
<td>25795</td>
</tr>
<tr>
<td>North Ayrshire Museum, Saltcoats</td>
<td>24115</td>
</tr>
<tr>
<td>Vikingar, Largs</td>
<td>19849</td>
</tr>
<tr>
<td>Museum of Ayrshire Country Life, Dalgaven Mill, Kilwinning</td>
<td>18000</td>
</tr>
<tr>
<td>Scottish Maritime Museum, Irvine</td>
<td>10630</td>
</tr>
<tr>
<td>Dumfries House</td>
<td>10000^1</td>
</tr>
<tr>
<td>Dundonald Castle, Dundonald</td>
<td>7097</td>
</tr>
<tr>
<td>Burns House, Mauchline</td>
<td>5614</td>
</tr>
<tr>
<td>McKechnie Institute, Girvan</td>
<td>5552</td>
</tr>
<tr>
<td>Centre for World Peace &amp; Health, Holy Island, Arran</td>
<td>3000-5000^2</td>
</tr>
<tr>
<td>Crossraguel Abbey, Maybole</td>
<td>3290</td>
</tr>
<tr>
<td>University Marine Biological Station, Cumbrae</td>
<td>2394</td>
</tr>
<tr>
<td>Souter Johnnies Cottage, Kirkoswald</td>
<td>2118</td>
</tr>
<tr>
<td>Baird Institute Museum, Cumnock</td>
<td>2097</td>
</tr>
<tr>
<td>Doon Valley Museum, Dalmellington</td>
<td>1586</td>
</tr>
<tr>
<td>Bachelors Club, Tarbolton</td>
<td>1244</td>
</tr>
<tr>
<td>West Kilbride Museum, West Kilbride</td>
<td>1086</td>
</tr>
<tr>
<td>Christian Heritage Museum, Largs</td>
<td>100</td>
</tr>
</tbody>
</table>


**Notes:**
1. Estimated visitor numbers in 2010, pers comm., Daniel Steel, Tourism Officer, East Ayrshire Council
2. Estimated visitor numbers, pers comm., Kathleen Don, Tourism Officer, North Ayrshire Council

### Key Characteristics of the Visitor Economy in Ayrshire & Arran

From this analysis of the profile of the Visitor Economy, the key characteristics of the Visitor Economy in the area can be summarised as follows:
the income from visitors in recent years has been growing at a modest 2% per year, but the growth has not been shared equally with most of the increased spending taking place in North and East Ayrshire;

despite the reported increase in income from visitors, the number of visitor trips made to Ayrshire has declined by 8% since 2006;

it is very seasonal, with 53% of visitors (including day visitors) coming between May and August;

it is heavily dependent on day visitors, who account for over 60% of all visitors, but less than a quarter of the spend;

it has a limited number of key attractions, so that it is dependent on the area’s inland and coastal scenery, together with the opportunities for outdoor activities, such as golf and sailing, to attract people;

a high proportion of visitors to the area are visiting friends and relatives (nearly 40% of those staying overnight), have come many times before (60% of day visitors and 25% of tourists) and are over the age of 55 (nearly 50% of the total), so that there is a suggestion that area’s visitor base is both stagnating and ageing; and

though the area is perceived by visitors to have beautiful scenery and things to do and see, it fails to make the most of its historic attractions, cultural events and retail facilities and is let down by a lack of cleanliness, poor customer service and a lack of good quality accommodation.

Thus, the area has to address four key issues if the Visitor Economy is to be both sustained and expanded, namely:

- How to attract more visitors?
- How to increase the spend per trip?
- How to reduce the seasonality of tourism in the area?
- What are the emerging trends in tourism?

In examining the potential opportunities, the following sections consider both the markets and the activities that might possibly provide the basis for future growth.

**How to Attract More Visitors?**

As recognised by the Scottish Executive at the beginning of the decade, one of the key problems as regards expanding tourism in areas like Ayrshire is how to spread the benefits outside the cities of Edinburgh and Glasgow\(^\text{25}\). In particular, Ayrshire does not have a strong brand image as a tourism destination and the image that it has is of a traditional holiday area for those living in Glasgow. With the development of the overseas holiday market in the 1970s, the area’s market has contracted and it has not managed to develop a new image. Despite efforts to rebrand and promote the area as a tourism destination in the last decade, the position is essentially unchanged. Thus, as an example, in

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2000, between January and September, South Ayrshire attracted 1.29M visitors of which 0.77M were day trippers; for the comparable period in 2009, 1.18M visitors, of which 0.66M were day trippers, visited the area.

To reverse the slide in visitor numbers, Ayrshire needs to identify what its comparative advantage is in terms of tourism and the type of visitors that it is seeking to attract. As identified in the VisitScotland’s Ayrshire & Arran Visitor Survey for 2008-09, visitors associate the area with Burns, golf, horse-racing and the sea. This would suggest that these form the pillars on which to expand visitor numbers.

**Building on the Area’s Association with Robert Burns**

The Moffat Centre for Travel and Tourism Business Development estimated in 2005 that the heritage of Robert Burns was worth nearly £160M to the Scottish economy. Of this 66% came from tourism, with the majority of the benefits accruing to Ayrshire. However, the report noted that the problem with the Burns heritage is that it is split between Ayrshire, Dumfries & Galloway and Edinburgh. Comparable literary attractions in the UK, such as the Shakespeare County, the Bronte County, Wordsworth’s Lake District and Beatrix Potter’s Lakeland have been able to sell themselves as an identifiable geographic destination. This partly explains why festivals, like “Burns an’ a’ That” have not had the economic impact anticipated. Although in 2009, it is estimated to have generated £0.15M of additional income for the Ayrshire economy, the numbers of ‘real’ visitors that it attracts is comparatively small. Only just over 4,700 of the 22,400 people attending the festival came from outside Ayrshire and of these only 2,400 were ‘tourists’ in the sense that their visit to the Festival involved an overnight stay in Ayrshire. Although the majority of people who attended the festival stated that it was their sole or main reason for coming, expenditure levels tended to be low with 89% of day trippers generating about £20-£21 per head, while the minority of ‘tourists’ (11% of the total) brought in about £300 per head. On the positive side, only one-third of those who attended in 2009 had attended in 2008 suggesting that the festival is attracting new visitors, although the majority of these are aged 45 and over. All this underlines that establishing South Ayrshire as ‘Burns County’ has still some way to go.

**Opportunities for Expanding Golf Tourism**

It is estimated that in 2010 the income brought into Ayrshire by Golf Tourism was about £19.6M. This figure is based on the estimate that the income from green fees was about £4.9M. The fees,
however, only account for about 25% of the total direct spend of golf visitors, with accommodation, shopping, restaurants & bars and transport costs accounting for the remaining 70%\textsuperscript{34}. Of these visitors, 39% were from North America and 19% were from Europe. These overseas visitors tend to come in the months of May to September.

The opportunities for expanding golf tourism may rest on both expanding the target markets and seeking to attract more visitors ‘out of season’. In 2010, it was reported that golf tourists from North America were increasingly focussing on ‘top end’ links\textsuperscript{35}. In addition, American golfers exhibit a higher sensitivity to exchange rate movements and economic factors than other nationalities, so that the annual numbers of golfers visiting from America are more volatile\textsuperscript{36}. This puts a greater premium on attracting golfers from Europe and from new emerging markets, who have found the weak Pound an attraction. However, golf tourists from Germany and Scandinavia are more budget conscious, than the Americans, seeking 3-star and bed & breakfast accommodation rather than 4- and 5-star hotels\textsuperscript{37}. However, the Scandinavians are potentially of interest, as they come in the ‘shoulder’ months of April, May and September, in response to the shorter day length at home\textsuperscript{38}.

There is also a tendency for golf tourists to Scotland to be male and aged 35-54\textsuperscript{39}. This has led to the suggestion that more should be done to attract women and families. In turn, this might suggest that greater attention should be given to offering holiday packages which combine golf with other activities, like shopping\textsuperscript{40}. Certainly, 51% of tourists, who came to Ayrshire in 2009, stated that they engaged in leisure shopping\textsuperscript{41}. However, attracting more golf tourists may only be feasible if they can be persuaded to come outside the May-September period, when the demand for rounds of golf outstrips supply on the more prestigious courses. This may not be easy, as surveys of European golfers have suggested that the weather is an actual deterrent to more visiting Scotland\textsuperscript{42}. In particular, if families and couples take a ‘golfing holiday’, the indications are that they prefer to go to sunnier destinations, like France, Spain and Portugal\textsuperscript{43}.

\begin{thebibliography}{99}
\bibitem{} SQW Limited (2009). \textit{Scottish Golf Tourism Market Analysis 2009.}
\bibitem{} Tourism Intelligence Scotland (2009). \textit{Golf Tourism in Scotland: Opportunities for Growth.}
\bibitem{} VisitScotland (2009). \textit{Ayrshire & Arran Visitor Survey 2008-09.}
\bibitem{} Tourism Intelligence Scotland (2009). \textit{Golf Tourism in Scotland: Opportunities for Growth.}
\end{thebibliography}
Expanding the Market for Horse-Racing

Among day visitors, but not tourists, Ayr Racecourse ranked quite high as a tourist attraction and a reason to visit Ayrshire in VisitScotland’s *Ayrshire & Arran Visitor Survey 2008-09*. Moreover 32% of all day visitors and 19% of tourists to Ayrshire stated that they associated the area with racing. In 2009, Ayr Racecourse had a total attendance of nearly 95,000. This compares with 94,000 in the 2008 season. However, attendances tend to be concentrated around the Ayr Grand National (in April) and the Ayr Gold Cup (in September), which together account for just over 40% of all attendances (see Figure 13). Nevertheless, over the last decade, annual attendances have grown by 15% from around an average of 81,800 in the period 2000-02 to 93,800 in the period 2007-09 (see Figure 14).

![Figure 13](https://example.com/figure13.png)

**Figure 13**

Monthly Attendance Figures at Ayr Racecourse in 2009

Source: Racecourse Attendance Enquiry

![Figure 14](https://example.com/figure14.png)

**Figure 14**

Annual Attendance Figures at Ayr Racecourse 2000-2009

Source: Racecourse Attendance Enquiry

Although specific information for Ayr Racecourse is not available, it is estimated that 20% of all visitors to Scottish racecourses had at least one overnight stay and for the Ayr Gold Cup the figure

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44 Racecourse Attendance Enquiry data.
was over 30%45. Thirty-two per cent of all visitors also travelled more than 50 miles, with 8% of those attending the Ayr Gold Cup Festival coming from Ireland. Consequently, racing ‘tourists’ appear to have a significant positive effect on the business of local accommodation providers, pubs and restaurants.

To increase attendances, Scottish Racing46 identified that Scottish courses generally needed to attract visitors to them by putting on festivals/events targeted at non-traditional markets. Examples in recent years at Ayr have been the Saints and Sinners Racenight and Ladies Day, which probably account for the growth in attendances in recent years. Also the development of floodlit all-weather tracks would allow more racing in the winter months when the number of fixtures is traditionally low. However, this latter development would entail significant investment and the only course to contemplate it, Musselburgh, has so far not invested in it. This underlines that significant growth in attendance levels at Ayr Racecourse are probably unlikely in the short-term and would entail major investment.

**Developing the Tourism Potential of Coastal Areas**

Over 30% of both day visitors and tourists in VisitScotland’s *Ayrshire & Arran Visitor Survey 2009* stated that they associated the area with traditional seaside holidays and about 45% of tourists and 15% of day visitors to Ayrshire stated that they visited local beaches. The survey also showed that the area’s scenery and landscape were the most important attractions as regards visiting the area for both day visitors and tourists and were also the aspects that had the highest satisfaction rating. The problem is that the development of overseas holidays has sapped the market for the UK traditional seaside holiday and, if Ayrshire is to tap more of its potential tourism value, it has to look at developing new ‘experiences’.

**Sailing**

One of the fastest growing activities in the last decade has been sailing. On the Clyde, between 2000 and 2009, marina operations grew at a compound rate of 6.1% a year47. Of the six marinas on the Clyde, three are in Ayrshire at Largs, Ardrossan and Troon. Together they account for about 27% of all the berths on the Clyde. As an estimate, the gross income generated by marina activities in Ayrshire has conservatively been put at £12M48, generating about 750 jobs49 and adding about

48 Tourism Resources Company in its report in 2010 to Scottish Enterprise on *Sailing Tourism in Scotland* estimated that the total gross income directly and indirectly generated by sailing on the Clyde was £44M. Assuming that 27% of the berths on the Clyde are accounted for by Ayrshire marinas, this gives an income generated by the Ayrshire marinas of £12M. This maybe a conservative estimate, as an earlier presentation in 2007 by Robin Cole to the River Clyde Users Group, *Sailing in the Clyde Estuary*, put the gross income from sailing in the Clyde at £80M, implying a gross income from the Ayrshire marinas of £22M.
49 Includes both local employment in the marinas, by suppliers to the marinas, as well as suppliers of accommodation and food.
£7M\textsuperscript{50} to the local economy. Of this it is estimated that ‘visitors’ (non-Scottish berth holders and visiting boats) contribute about 38\%\textsuperscript{51}.

As a group, yacht owners have a high spend. It is estimated that the average spend per night by visiting boats is £130 per night per boat and the Clyde has around 49,000 visiting boat nights. Of this perhaps 13,000 accrue to the three Ayrshire marinas. In addition, permanent English berth holders, who rent a berth for a season on the Clyde, are estimated to spend about £7,000 per year, of which £3500 is accounted for by mooring charges, with the rest for fuel, repairs, accommodation and food\textsuperscript{52}. Given this and the growth in the marina activity on the Clyde in the last decade, it has been estimated that the demand for berths in the Clyde over the next 10 years could grow by 44\% and the number of visiting boat nights could rise by 55\%. It is projected that, assuming the share of berths taken by non-Scottish boats is unchanged, it is assumed that the gross spend by sailing tourists in the Clyde could increase by £8.5M. If Ayrshire & Arran maintains its share, this would imply an additional £2.3M per year coming into the area. However, North Ayrshire Council already has plans to see a doubling of the revenue (direct and indirect income) from visiting boats in the next couple of years\textsuperscript{53}. As part of this strategy, it is investing heavily in projects, like the Scottish Sailing Institute (SSI) at Largs, and attracting national and international competitions, like the Laser Radial World Championships in 2010, which was estimated to have brought in £1M alone\textsuperscript{54}. Apart from the SSI at Largs, the area also has Sportscotland’s National Centre on Great Cumbrae, a recognised centre for watersports’ instruction\textsuperscript{55}.

Already, there are plans to expand the number of berths at Ardrossan by another 600 over the next ten years\textsuperscript{56} and at Girvan proposals are well advanced to provide a 70-berth ‘safe haven’ to provide a facility for boats sailing between the upper Clyde, the Irish Sea, Northern Ireland and the Isle of Man\textsuperscript{57}. The opportunities for developing marinas at Brodick, Ayr and Irvine have been identified\textsuperscript{58} as have plans of creating ‘sail to destinations’ with overnight moorings and walk on/walk off facilities at Lochranza, Millport and Fairlie. In particular, Arran has been identified as a key location in the movement of yachts back and forth across the Clyde Estuary\textsuperscript{59}. All this underlines what has been termed the ‘latent potential’ of sailing tourism on the Clyde generally and in Ayrshire & Arran specifically. The potential is sufficient for Scottish Enterprise to consider elevating Sailing Tourism to a strategic tourism product\textsuperscript{60}. However, competition in the sailing tourism sector is growing.

\textsuperscript{50} This figure represents the Gross Value Added locally.
\textsuperscript{51} Assumes 21.5\% of berths are rented by non-Scots, as indicated in \textit{Sailing Tourism in Scotland} by the Tourism Resources Company in 2010.
\textsuperscript{53} Kathleen Don, Tourism Officer, North Ayrshire Council, \textit{personal communication}. The target is to increase the income from £9M to £18M a year.
\textsuperscript{55} http://www.s1millport.com/groups/sportscotland-national-centre-cumbrae/
\textsuperscript{56} http://www.eveningtimes.co.uk/news/marina-expansion-plan-launched-in-9m-deal-1.1017635
nationally in the UK and action will need to be taken if Ayrshire is to retain its market share. This will probably involve a combination of investing in infrastructure and instigating promotion strategies designed to encourage more boat owners from outside Scotland to consider Ayrshire as their home port.\(^{61}\)

**Activity Tourism**

In 2006 an evaluation was undertaken of the opportunities for activity tourism (eg cycling, canoeing, horse riding, paragliding, etc).\(^{62}\) The significance of this is that VisitScotland surveys conducted in Ayrshire have shown that activity tourists spend up to twice as much per trip as the average tourist.\(^{63}\) **Figure 15** shows the estimates per visitor to Scotland of the relative spend per night and per trip by activity for those who stated that the particular activity was the main reason for the trip. In each case expenditure has been expressed as a percentage of the ‘average’ tourist spend. The estimates underline that golf and sailing (water-sports) tourists tend to spend appreciably more than the ‘average’ tourist. However, it also shows that those who come specifically for hiking, fishing and wildlife study also tend to spend a bit more than the average tourist. Interestingly, cyclists appear to spend less than the average. Although a report on the opportunities for activity tourism in South Ayrshire noted that the area was unlikely to offer the right conditions for ‘extreme’ sports, like white water kayaking, it also concluded that it was well suited to offerings like kite surfing, kayaking, water-sports and horse-riding.\(^{64}\) Certainly, 5% of tourists (6,500 people) to Ayrshire were reported to visit the area for the main purposes of hill-walking and 2% (2,600 people) came to study wildlife.\(^{65}\) The steady ageing of the population and the growing size of the retired population is expected to increase the number of domestic walking holidays taken.\(^{66}\) In contrast, although there are opportunities for promoting cycling holidays in Scotland generally, all the indications are that cycling tourists (ie those who come specifically to cycle) only bring in £20-£30M per year nationally. In economic terms, recreational sea angling can and does bring in more income. A recent report by the Scottish Government\(^{69}\) estimated that this activity brought in about £11M to the communities on the Clyde. However, as a destination for visiting anglers from the rest of the UK the area has declined in popularity in the last 20 years and now 95% of the sea fishing is done by the locals. Nevertheless, most of the sea angling takes place on the south side of the Clyde, with Girvan being the most popular launch site on the Clyde for angling trips involving fishing from a boat (as compared to fishing from the shore).


\(^{68}\) This figure probably fails to take account of mountain bikers, but these tend to be concentrated in a few ‘hotspots’ like Aonach Mor in the Highlands.

**Developing Niche Markets**

**Eco-Tourism**

Possibly of greater significance in the future is eco-tourism. In particular, South and East Ayrshire Councils, in conjunction with Dumfries & Galloway Council, have been exploring the possibility of capitalising on the area’s rich biodiversity to create a Biosphere Reserve, covering south-west Scotland, under the UNESCO ‘Man and Biosphere’ programme. A recent socio-economic evaluation\(^{70}\) has indicated that in the period 2010–2020 such an initiative could generate additional tourism expenditure of between £0.8M and 1.3M per year to Ayrshire\(^{71}\). In addition, in the period 2015–2020, it is speculated that an additional expenditure of £0.4M to 1.5M per year could be generated from angling. On Arran, part of Holy Island has been set aside as a nature reserve and at Lamlash Bay, home to grey seals, bottlenose dolphins and basking sharks, a marine conservation area has been created and Scotland’s first ‘no-take’ zone set up\(^{72}\).

**Food Tourism**

The opportunity may also exist for South Ayrshire to capitalise on its ‘rural’ image in a different way by developing the concept of food tourism. In Scotland, in 2005, UK tourists spent £600M on food and drink\(^{73}\). While food and drink is not the key driving force behind the decision to choose Scotland as a holiday destination, almost three quarters of respondents to VisitScotland’s Visitor Experience

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\(^{71}\) Assumes 37% of the global benefits accrue to East and South Ayrshire, based on the relative populations living in the Biosphere Reserve.


2008 stated that they were interested in the local cuisines of their holiday destination\textsuperscript{74}. While all the evidence points to food tourism representing a small segment of the market, it can potentially be important as food tourists are often big spenders\textsuperscript{75}. It is this that inspired Castle Douglas to try and promote itself as a food town since 2002\textsuperscript{76}. In promoting itself, it recognised that food tourism was not just about experiences in cafes and restaurants, but involved the relationship with local suppliers and producers. Thus, research by the UK National Association of Farmers Markets found that farmers markets were an important element in building up an area’s image as a ‘gastro’ destination\textsuperscript{77}. Recognition of this fact was a key factor in the setting up of a ‘Taste of Arran’, which has proved to be a successful business collaboration and product development initiative and which has become an integral part of Arran’s tourism offerings\textsuperscript{78}.

**Improving Access to the Area**

Increasing the range of facilities and experiences on offer can only be part of any strategy for developing the Visitor Economy. Improving transport links into the area is just as important. In this regard the development of passenger services from Glasgow Prestwick Airport to an increasing number of international destinations in the last decade has been seen as a key factor in attracting more visitors to the area. However, VisitScotland’s *Ayrshire & Arran Visitor Survey 2008-09* suggested that only about 3% of visitors to Ayrshire came by plane. Nevertheless, the latest assessment of the economic impact of Glasgow Prestwick Airport suggests that its presence may be more significant\textsuperscript{79}. In 2006-07, it is estimated that just under 600,000 visitors\textsuperscript{80} passed through the airport and of these about 150,000 stayed overnight in Ayrshire, spending an average of 3.1 nights each in the area. Although some of those who stayed overnight might have come to Ayrshire by train or other means if the Prestwick flights had not existed, it is estimated that around 110,000 would not. Thus, these passengers represent additional visitors to Ayrshire.

**Expanding the Visitor Base: Summary**

This analysis has identified some of the key pillars that may form the basis on which tourism might be expanded in Ayrshire. However, it has also shown that it is unlikely that any one activity or initiative will provide the basis for this growth. Instead attracting more tourists will depend on increasing the diversity of ‘experiences’ to be had. In particular, to compete with what is fundamentally a global market will require the identification and development of niche tourism

\textsuperscript{78} http://www.taste-of-arran.co.uk/aboutus.asp.
\textsuperscript{80} This figure is not total passengers, which include Scottish residents, but solely visitors to the area.
‘products’, which build on the area’s image. Developing the brand image of Ayrshire may therefore be as important as developing the ‘experiences’.

**How to Increase the Spend per Trip?**

The average spend per day visitor to Ayrshire was £29, while the average tourist, staying overnight in the area, spent £39 per night\(^{81}\). The latter figure is markedly lower than the Scottish average for tourists of £62 per night\(^ {82}\). This may be due to there being fewer high cost activities available within Ayrshire, with people taking advantage of activities such as walking or cycling to allow them to enjoy the rural character of the area. It also probably reflects the composition of the tourists. Whereas 21% of the tourists visiting Scotland in 2009 were from overseas, local surveys suggest that only 12% of visitors to Ayrshire come from outside the UK\(^ {83}\). The significance of this is that UK tourists to Ayrshire only spend about 67% as much per day as overseas visitors\(^ {84}\). Combine this with the fact that the average length of stay in 2009 was only 3.4 nights for UK tourists and 6.0 for overseas visitors, then the average UK tourist only brings in £174 per head per trip, while overseas tourists bring in £353 per head per trip\(^ {85}\). The comparable figures for Scotland are £219 and £531\(^ {86}\). This underlines that the spend by tourists in Ayrshire is well below the national average and suggests that increasing the spend is just as important as increasing the number of visitors. This can be achieved by:

- finding ways to encourage visitors to spend more nights in the area;
- offering new experiences or facilities to encourage the existing visitors to spend more per day; and
- attracting new visitor groups, whose spend per head is known to be higher.

Within Ayrshire & Arran, there is also evidence that the tourist spend varies by local area. As Figure 16 shows, although the average daily spend by day visitors was fairly constant in 2009 at £27-£29 per head, the spend by overseas tourists varied from £34 per head per day in East Ayrshire to £42 in South Ayrshire. This may reflect the fact differences in the ‘offerings’ in the different areas. Certainly, East Ayrshire only attracted 17% of all tourists (both UK and overseas) to Ayrshire & Arran, compared to 47% for South Ayrshire.

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\(^{81}\) These figures are estimated from the 2009 STEAM Reports for East, North and South Ayrshire (Global Tourism Solutions Ltd) and only include the direct expenditure; including the income generated indirectly through suppliers to tourism businesses the respective estimates are £38 and £53 per day. The figures of £29 and £39 per day compare with the estimates of the direct spend from VisitScotland’s Ayrshire & Arran Visitor Survey for 2008-09 of £17 per day for day visitors and £28 for those staying overnight.

\(^{82}\) VisitScotland (2010). *Scotland: The Key Facts on Tourism in Scotland 2009*.

\(^{83}\) This figure comes from VisitScotland’s Ayrshire & Arran Visitor Survey 2008-09. However, VisitScotland’s *Tourism in Ayrshire & Arran in 2008* suggests that overseas tourists accounted for 17% of all trips to Ayrshire.


\(^{85}\) VisitScotland (2010). *Tourism in Western Scotland 2009*.


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Increasing the Length of Stay

Around 63% of all the visitors (2.15M) to Ayrshire in 2009 comprised day visitors\(^87\). For these the prospects of extending the length of stay are very limited. Thus, it is the remaining 37% (1.28M visitors), who stay one or more nights, for whom there is an opportunity to increase the length of their stay in Ayrshire. VisitScotland estimated that the average UK tourist to Ayrshire in 2009 stayed on average 3.4 nights, while the average overseas visitor stayed 6.0 nights\(^88\). The average length of stay for UK visitors to the area is close the Scottish average (3.7 nights), but that for overseas visitors is only about 70% of the Scottish average (8.6 nights)\(^89\). Moreover, around 32% of all visitors staying overnight in Ayrshire stay with friends and relatives, with a further 25% staying in self-catering accommodation or caravans\(^90\). Only around 45% (576,000) were reported to have stayed in hotels, guest houses and bed & breakfast. There is some evidence that this is a lower percentage than nationally, but this is difficult to establish as VisitScotland data does not agree with STEAM data on the numbers in Ayrshire & Arran staying in serviced accommodation (hotels, guest houses and bed & breakfast)\(^91\).

All this is consistent with research conducted earlier in the decade and which showed that over half the visitors to Ayrshire described their trip as a secondary holiday and a further 25% said that they were on a short-break\(^92\). Moreover, most overseas visitors to Ayrshire tended to be touring around

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\(^{88}\) VisitScotland (2010). *Tourism in Western Scotland 2009.*

\(^{89}\) These figures are from VisitScotland’s *Scotland: The Key Facts on Tourism in 2009*. VisitScotland’s *Ayrshire & Arran Visitor Survey 2008-09* suggested a higher average for all (UK and overseas) tourists of 6.6 nights, but this is at variance with the 2009 STEAM estimates by Global Tourism Solutions, which put the average length of stay for all tourists (both domestic and overseas) to Ayrshire at 3.1 nights.


\(^{91}\) For 2009 VisitScotland report for Ayrshire & Arran suggests that only about 230,000 tourists stayed in hotels, guest houses and bed & breakfast.

Scotland, staying only a few days in any one centre. Thus, VisitScotland’s *Ayrshire & Arran Visitor Survey* for 2008-09 reported that over 50% of the stays in Ayrshire are for less than 6 nights and only around 20% are for more than 10 nights\(^9\). With its image as a place for short-breaks or a place to visit as part of a wider tour, for example of premier Scottish golf courses, this suggests that it may be quite difficult to increase the average length of stay in Ayrshire. Arguably the focus should be on increasing the daily spend.

**Increasing the Spend per Trip**

Given that overseas tourists spend more than domestic visitors, increasing the share of overseas visitors would be one way of increasing the spend per trip. Thus, *Figure 17* shows that visitors to Scotland from the USA, Germany, Australia, Italy and Canada spend between 2 and 3 times as much as domestic visitors; in part this is because they stay for much longer (see *Figure 18*). However, these figures which are for Scotland may be deceptive, since, although overseas tourists make longer trips than domestic tourists, they are less likely to stay in one place. Thus, in 2009, the average overseas tourist stayed in Scotland 8.6 nights, while the average domestic visitor stayed 3.7 nights\(^9\), but the comparable figures for Ayrshire were 6.0 and 3.4 nights\(^9\). Thus, only a proportion of the extra spending per trip associated with overseas visitors will accrue to Ayrshire & Arran. Also VisitScotland data suggests that the profile of overseas tourists visiting Ayrshire & Arran is already better than for Scotland as a whole, with 43% of Ayrshire’s overseas visitors coming from the USA, Germany, Australia, Italy and Canada, compared to 35% for Scotland\(^9\). Nor do overseas tourists as a whole make up a significantly smaller proportion of all visitors to the local area (13% cf 16% nationally). This suggests that the Ayrshire & Arran may already receive a fair proportion of the high spending visitor groups. As such, trying to target specific overseas markets as a way of attracting more high spending tourists may be less successful than looking at ways of increasing the spend generally by providing more opportunities to spend.

Earlier it had been noted that activity tourists to Ayrshire spend twice as much as other tourists, spending around £40-£60 per night and £300 per trip, compared to £38 per night and £154 per trip for other tourist groups\(^9\). By attracting more of these types of tourists, it could be possible to increase the spend per trip. At the same time, increasing the attraction of staying in hotels rather than other forms of accommodation or with friends represents another tactic for increasing the spend. Thus, it is reported that while around 50% of golfers visiting Scotland stay in hotels\(^9\), this figure is reported to be nearly 80% in Ireland\(^9\). One possible way for increasing the proportion of golfers staying in hotels may be to attract more couples and families on golfing holidays. Branching out from simply providing the facilities for activity tourism to providing training and instruction is also another potential way of attracting more revenue from this group of tourists. Thus, at Largs marina, the Royal Yachting Association provides sail training courses. Further afield at Aonach Mor

\(^9\)Tourism Intelligence Scotland (2010). *Golf Tourism in Scotland.*
by Fort William a skiing and mountain biking complex has developed, which not only provides the facilities, but also training opportunities.

Figure 17
Average Spend per Trip by Overseas and Domestic Visitors to Scotland in 2009

Figure 18
Average Number of Nights which Overseas and Domestic Visitors Stayed in Scotland in 2009

The inference of all this is that expanding tourism may require a more coordinated and cross-cutting approach than exists locally at present. For example, attracting more families and couples on golfing holidays would seem to require the development of holiday packages, which include not just golf, but visits to shopping and other leisure facilities. Likewise a move from promoting golf to providing golf schools for tourists from countries like Germany and Switzerland, where the opportunities for beginners to play golf are limited, will appear to require a more joined-up approach to golfing in the area from existing providers. The reason for this is that there will be strong competition from other areas of Scotland to the development of a golf school in Ayrshire and support of the Professional Golfers Association is likely to be critical.

**Attracting New Visitor Groups**

Tapping novel markets can have a major impact on tourism in the area. In 2009, Boscombe near Bournemouth opened an artificial reef for surfing. As a result, it is estimated that visitor numbers are up 32% and 91 leisure-related jobs have been created as a result of the associated redevelopment of the town’s water front. However, for every idea that succeeds, there are many failures. In 2000 the Big Idea opened as a science centre in Irvine at a cost of £14M. In its first year of opening it attracted 120,000 visitors. The second year saw visitor numbers fall to 50,000 and, after attracting very low numbers in its third year, it closed in 2003. This illustrates that it is not the number of visitors that can be attracted initially, but the number of repeat visitors that determine whether novel tourism facilities/experiences are sustainable. Also the contrasting experiences at Boscombe and Irvine to developing ‘novel’ tourism products reflect another key factor. At Boscombe, there was already a nascent surfing industry before the artificial reef was developed, but at Irvine the Big Idea, though initially unique, rapidly suffered competition from the Glasgow Science Centre.

The inference of this is that novel markets, building on an established pre-existing base and underpinned by a sound business plan, can make a major contribution to increasing the tourism income. For Ayrshire, it is arguable that this means looking at ways to develop the value-added from golf tourism, sailing and horse-racing. One possibility might be to develop an associated market for business tourists. VisitScotland have estimated that 13% of domestic tourists and 8% of overseas visitors coming to Ayrshire in 2009 were business tourists, here for business events or conferences. As a group, they are significant, since they spend 80% more per night than leisure visitors. In 2009 in Scotland the average spend per trip was £293 for a UK business tourist and £538 for an overseas business tourist. Against this the average trip is short; 56% are less than a day and a further 27% are only 2 days in duration. Surveys have shown that the attraction of Scotland for business tourists is that it is perceived to have dramatic landscapes, offers unique

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103 VisitScotland (2010). *Tourism in Western Scotland 2009*.
venues for meetings and is the home of the best golf in the world\textsuperscript{107}. It is the last of these attributes and the existence of Turnberry, Royal Troon and Western Gailes with high quality hotel facilities, which potentially offer a ‘hub’ for developing business tourism. An added attraction, as shown in Figure 19, is that the business tourism and conference market tends to be skewed towards the ‘shoulder’ months of March/April and August/October. However, for Ayrshire, the problem will be to capture a larger share of this market, which is currently concentrated in Edinburgh and Glasgow\textsuperscript{108}, particularly given the paucity of conference facilities to hold large business conferences.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{seasonal_distribution_of_conferences.png}
\caption{Seasonal Distribution of Conferences in Scotland}
\end{figure}


\textbf{Increasing the Spend from Day Trippers}

Much of the preceding discussion has focussed on ‘tourists’ rather than ‘day trippers’. Because of the latter’s low spend, in the UK the focus has been on converting day trips into overnight stays, by promoting short breaks and holding special evening festivals necessitating an overnight stay\textsuperscript{109}. The problem is that this kind of thinking arguably ‘marginalises’ day visitors in tourism strategies. Whether Ayrshire & Arran can afford to do this is questionable. In 2009 for Ayrshire & Arran as a whole 63\% of all visitors to the area were day trippers\textsuperscript{110}. For East Ayrshire the position was even more acute, with day visitors accounting for 75\% of all visitors\textsuperscript{111}. Even on the Isle of Arran they made up 40\% of all visitors in that year\textsuperscript{112}.

The Ayrshire & Arran Visitor Survey of 2008/09 indicated that the main reasons for visiting Ayrshire were to do something different (25\%) and to visit a specific attraction or an event (24\%). Surveys in

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England have also revealed that leisure shopping is also an important activity on day trips\textsuperscript{113}. Thus, 15\% of day visitors to Ayrshire & Arran went leisure shopping. In North Ayrshire, 45\% of day trippers said they went leisure shopping\textsuperscript{114}. The most popular activity in terms of shopping is reported to be shopping for clothes, followed by food and drink purchases and the buying of traditional gifts\textsuperscript{115}. The inference is that day visitors to places like Largs and Ayr want to easily access local shopping facilities. Improving access may increase the spend per visitor.

The \textit{Ayrshire & Arran Visitor Survey of 2008/09} also indicated that another significant factor influencing day visits was that the area was perceived to offer something good for children. Six per cent of all day visitors to Ayrshire & Arran in 2008/09 identified this as one of the main reasons for visiting the area. This reflects the fact that in 2008/09 families made up 42\% of all day trips to Ayrshire & Arran, while singles made up only 14\%. Day visitors are also strong ‘repeat’ visitors. Thus, in 2008-09 seventy-seven per cent of day visitors to Ayrshire & Arran stated that they had made a previous visit to the area\textsuperscript{116}. To sustain these repeat visits, it has been contended that the visitor ‘experience’ must be kept fresh by constantly updating the ‘product’\textsuperscript{117}.

However, even should it be possible to increase the daily spend per trip for day visitors, as a group they present a problem. Rather than being evenly distributed seasonally, they tend to be concentrated on bank holidays and weekends in the summer. This concentration puts enormous pressure on public facilities, like parking, toilets and waste disposal\textsuperscript{118}. As a result, investments, which are only used fully for a few days a year, have to be made. Having less day visitors may bring economic benefits that outweigh the costs.

**Extending the Season**

Like other visitor destinations, the seasonal pattern of visits (both day visitors and tourists) to Ayrshire & Arran is highly skewed towards the summer months, as shown in \textit{Figure 20}. At the same time, \textit{Figure 21} shows that for tourists (ie those staying one or more nights) the average length of stay increases from 2.8 days in November to 5 days in July. The result is that hotel, guest house and self-catering unit occupancy rates show a very skewed seasonal distribution (\textit{Figure 22}), with occupancy rates of 20-30\% in the period November-February and of 55-80\% in June-September.

\textsuperscript{114} VisitScotland (2009). \textit{Ayrshire & Arran Visitor Survey 2008-09}
\textsuperscript{116} VisitScotland (2009). \textit{Ayrshire & Arran Visitor Survey 2008-09}
\textsuperscript{118} Kathleen Doon, Tourism Officer, North Ayrshire Council, \textit{personal communication}. 
Figure 20
Number of Visitors and Number of Days Spent by Month in Ayrshire in 2009


Figure 21
Average Length of Stay in Days for Overnight Visitors to South Ayrshire in 2009


Figure 22
Percentage Occupancy Rates for Hotels, Guest Houses and Self-Catering Units in Ayrshire by Month in 2009

The pattern is consistent with many traditional seaside areas. However, a comparison of the occupancy rates for both hotels (see Figure 23) and self-catering accommodation (see Figure 24) in Ayrshire, Scottish Borders and Highlands does suggest that some other ‘rural’ areas in Scotland are more successful in sustaining occupancy rates, especially outside the summer season from November through to February. This shows that it is not just cities, like Edinburgh and Glasgow, that can sustain higher occupancy rates than Ayrshire, but other areas reliant on ‘outdoor’ and ‘rural’ holidays. The inference is that Ayrshire needs to be less passive in attracting ‘out-of-season’ tourists and give more consideration to expanding the range of visitor ‘experiences’, to include activities less dependent on the summer season.

Emerging Trends in Tourism

The recent economic recession has underlined that the tourism market is unpredictable and subject to rapid and dramatic change. Thus, successful tourism destinations need businesses that are forward-looking and capable of adapting their offering to the changing demands of visitors. This section attempts to identify the emerging trends in both global and domestic tourism.

Globally, tourists are becoming more adventurous and seeking out more exotic destinations. However, the drivers for this trend have relevance for tourism locally. Internationally there has been a growth in the numbers of travellers travelling to poverty-stricken places, like India and Vietnam. Behind it lies a search for ‘authentic’ vacation experiences. This has arguably found its counterpart in the domestic market in the reported increase in young families looking for traditional holidays, involving walking, cycling and visiting beaches. Both globally and domestically, there has also been a sharp rise in woman travelling on their own. The last six years have seen a 230% increase in the number of women-only international travel companies. Domestically this has been echoed in the rise a new breed of visitors, the so-called ‘thriver’. These are single, older, divorced women, in search of new experiences and who expect single accommodation without a supplement. ‘Religious’ tourism is another area of growth and this may have significance for Ayrshire, with the presence at Millport of the Cathedral of the Isles on Cumbrae and the Centre for World Peace and Health on Arran; both these offer facilities for retreat and religious study. More generally, high-pressure lifestyles, coupled with the development of on-line booking, have resulted in people taking more short trips, often booked at short notice. Service and accommodation providers that do not have on-line booking facilities are increasingly likely to lose out.

On the other hand, the belief that the recent sharp depreciation in the buying power of the Pound Sterling will create a phenomenon termed ‘Staycation’ or holidays at home is probably wide of the mark. While recent surveys have indicated that more Britons have stated that they are less likely to fly on holiday in the coming year, only 20% of those surveyed said that they were more likely to choose a holiday destination within the UK to avoid having to fly. Where they felt discouraged from flying, they were more concerned about the disruption through volcanic ash and civil disturbance in the destination country than the cost of the holiday. Whether in the longer term, because of concerns about carbon dioxide emissions, people may become more reluctant to fly is uncertain. For the moment, people pay lip service to green tourism, but are not yet ready to curtail their flying. Nevertheless, there is a perception that consumer thinking has undergone a major change recently. A report by the Futures Company has described this as a move from the ‘Era of

119 Tourism Intelligence Scotland (2010). *Ear to the Ground, 7.* (June 2010)
120 http://economictimes.indiatimes.com/quickiearticleshow/3708562.cms
121 Tourism Intelligence Scotland (2010). *Ear to the Ground, 7.* (June 2010)
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126 http://economictimes.indiatimes.com/quickiearticleshow/3708562.cms
Indulgence’ to the ‘Era of Consequences’ and puts the change point at the outset of the recession\textsuperscript{128}. In the UK the chief consequence of this for those considering holidays is that they feel poorer and less certain of their choices. However, there are no signs that the UK population has undergone a change of heart, but only a change of circumstance. As regards holidays, ambitions and dreams still remain the same, but now consumers are questioning their brand loyalty. One observed consequence of this has been a reversion from self-booked holidays to more expensive package holidays, as security against travel disruption\textsuperscript{129}. There are also some signs that despite the cost, some people are trading up and spending more to secure better value holidays. A Mintel report described this trend as a form of ‘escapism’, with the consumer rejecting the ‘tyranny of value’ to spend freely\textsuperscript{130}. Although there is firm evidence of this trend\textsuperscript{131}, it may be dangerous to assume that it is necessarily a long-term trend. The reality is that tourists are fickle consumers and adaptability is the key requirement for a successful visitor destination.

The Challenge for the Future

In conclusion, although the Visitor Economy is an important employer in the area, the reality is that the income from tourism in Ayrshire is growing comparatively slowly, especially in South Ayrshire. The average spend per trip tends to be low, with the majority of overnight stays being short-breaks (<5 days) and a significant proportion of visitors stay with friends and relatives. While the proportion of ‘repeat’ visitors is high, the age profile is quite old and there is evidence that the area is not attracting the younger age group. Well over half the visitors to the area are day trippers, who have a very low spend and so only account for 25% of the tourism income in 2009. The season also tends to be short (May-September). In this the area compares unfavourably with other areas in Scotland were occupancy rates and visitor numbers appear to hold up better in the early spring and late autumn.

However, beyond this general picture, the analysis has underlined that the local Visitor Economy has a number of distinct market segments, which are of differing economic significance to the different localities in Ayrshire. Table 11 tries to summarise the characteristics of these market segments, their relative importance to the different localities and the activities/tourism products that would appear to offer the greatest future potential. Table12 takes the findings summarised in Table 11 and examines them within the context of the existing tourism strategies for the area. In particular, it examines the strategic ‘pillars’ outlined in the South Ayrshire Council Tourism and Events Strategy 2008-2013, 2008 Carrick Economic Development Strategy and Action Plan, East Ayrshire Tourism Strategy and Action Plan 2009-2015 and a recent update on progress with the East Ayrshire Strategy provided by its Tourism Officer. In the case of North Ayrshire a copy of the latest tourism strategy


\textsuperscript{129} Tourism Intelligence Scotland (2010). Ear to the Ground, 7. (June 2010)


was not available; instead the Tourism Officer provided a verbal update on the main thrust underpinning the vision for tourism in North Ayrshire and Arran.

Examining Table 12, it is clear that:

- the future direction of development for the Visitor Economy in Ayrshire & Arran implied by the present analysis is reasonably consistent with the broad strategic thrusts contained within the various existing local tourism action plans and strategies; and
- although the tourism markets and products identified in the individual strategies and action plans reflect geographic differences in opportunities and facilities, there is a fairly high degree of agreement across them about the future areas for growth.

However, what the strategy documents also arguably reveal is that the vision for the area as a tourism destination is still lacking clear foci. There appears to be a failure to prioritise the two or three key development objectives, which in turn hampers efforts to develop a distinctive ‘image’ for the area as a tourism destination. Moreover, while the local tourism action plans and strategies tend to refer to the area’s natural advantages and facilities, the planned actions do not always seem to fully reflect the reality, which is that the public perception of a locality as a tourism destination is increasingly ‘created’ not ‘inherited’. To see this, it only has to be noted that the most visited tourist attractions are no longer famous beaches and capital cities, but man-made products, like Orlando and Las Vegas. As such, what an area has by way of ‘natural’ attractions is potentially less important than the rate at which it creates and upgrades new attractions. While the Highlands still draw visitors to the area because of its wild beauty, the area is promoting investment in outdoor activities and seeking to add to the visitor ‘experience’.

At the same time, evidence globally suggests that success in expanding tourism opportunities is closely linked to having a focussed approach to visitors and to defining exactly the type of visitors an area wants to attract. In Ayrshire, as reflected in the local strategies, an ambivalent attitude has developed to day trippers, who make up the largest percentage of visitors to the area, but are frequently perceived of as low value visitors, because of their low spend. The importance of being clear about the type of visitors that should be attracted is reflected in the experiences of New Zealand. Essentially, it has developed itself as a tourism destination by seeking to attract visitors, whose motivation for travel is aligned with what the country has to offer, and whose horizons are essentially global rather than local. Translating this into the context of Ayrshire does not just mean simply developing a highly specific market niche based on its four or five areas of comparative advantaged identified in this study, but of being clear on the target group of visitors and developing focussed plans to support the infrastructure investment needed to attract these visitors. At the moment the existing local tourism strategies and action plans may be open to the criticism that they have not been explicit enough about where they want tourism in Ayrshire to be in the next 20 years. To do this will involve answering questions, like:

<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Characteristics</th>
<th>Market Size</th>
<th>Potential Areas of Opportunity</th>
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</table>
| Day Visitors   | ● 62% of all visitors to the area in 2009.  
● Low spend per trip (£28/trip)  
● High repeat visits  
● Over 40% comprise families with children  
● Leisure shopping is an important part of their activities  
● Tendency to concentrate in limited number of localities (eg Largs, Ayr) | ● Brings in £80M a year.  
● Of greatest significance to East Ayrshire, where they account for nearly 40% of the total income generated by the Visitor Economy. | ● Attracting more day trippers is likely to increase pressure on public facilities, so perhaps focus should be on increasing the spend per trip  
● Strategies pursued elsewhere in the UK have centred on trying to convert day trips into overnight stays through promoting short-breaks and through providing evening events/festivals necessitating overnight stay.  
● Developing and extending the range of Festivals, like ‘Burns an a that’, SeptembAyr, Marymass, Largs Regatta Week and Largs Viking Festival, which attract a high number of day visitors  
● Increase range of activities on offer, at existing visitor hotspots like Largs, Ayr, Culzean Castle, Dean Castle and Kelburn Country Centre to elicit higher spend. |
### Table 11 (cont’d)

**Future Opportunities for Growing Different Segments of the Ayrshire Visitor Economy**

<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Characteristics</th>
<th>Market Size</th>
<th>Potential Areas of Opportunity</th>
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</thead>
</table>
| Domestic Tourists    | - 33% of all visitors to the area in 2009  
- Fairly low spend per night (£39), compared to Scottish average (£62)  
- Average stay of 3-4 days  
- Average spend per trip is £155 per head  
- Nearly half over the age of 55  
- 70% are repeat visitors and nearly 80% will spend most of their time in Scotland in Ayrshire  
- Nearly 50% were made up of couples or singles  
- 35% of domestic tourists to Ayrshire stay with friends or relatives | - Brings in £200-£220M per year  
- Of this £200M, £80-£100M linked to Burns, £20-£50M with golf tourism and £12-£20M with sailing.  
- Area has strong associations with horse racing, but only 20% of visitors to Ayr Race Course are ‘tourists’  
- Potential perceived for activity tourism (hiking, cycling, fishing, wildlife studying), but market size unclear and currently no strong ‘hotspots’ or nodes  
- Of greatest significance to the Isle of Arran (70-80% of all tourism income) and South Ayrshire (65-75% of all tourism revenues)  
- The area’s share of the business tourism market is small, accounting for only 13% of all domestic tourists. | - Although the market for golf tourism is looking flat at the moment, the market for sailing tourism looks good, with growth rates of 5-10% a year.  
- Compared to other areas in Scotland, the visitor ‘season’ is short and there are opportunities for extending the season if the right products/attractions can be found.  
- Some evidence that there is a lack of integration between different parts of the tourism industry, so that there is a missed opportunity to offer ‘packages’ that mix different activities and experiences and which might attract a different type of client eg families rather than singles  
- May be opportunities for developing business tourism, based on the golf course-hotel complexes at Gailes, Troon and Turnberry.  
- Apart from golf and sailing, external consultants have reported perceived opportunities for activity tourism. However, the area currently lacks a strong focus for such activities. |
## Table 11 (cont’d)
### Future Opportunities for Growing Different Segments of the Ayrshire Visitor Economy

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<tr>
<th>Market Segment</th>
<th>Characteristics</th>
<th>Market Size</th>
<th>Potential Areas of Opportunity</th>
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</thead>
</table>
| Overseas Tourists    | • 5% of all visitors to the area in 2009.  
• Nearly 50% were from the USA, Germany and Sweden in 2009  
• Average spend per trip is £353 per head  
• Average stay in Ayrshire & Arran of 6 days  
• For a significant proportion of overseas visitors, Ayrshire is only part of a wider tour of Scotland  
• An astonishingly high percentage (60%) of overseas visitors to Ayrshire stayed with friends and relatives. This is twice the Scottish average (30%). | • Brings in about £40M-60M per year  
• As much as 50% of the overseas tourist income of Ayrshire & Arran appears to be generated in South Ayrshire.  
• For overseas tourists, the area’s image is bound up with Burns, golf and the coastal scenery. It is not possible to identify the share of these local markets accounted for specifically by overseas tourists.  
• Only Arran appears to have an ‘offering’ that potentially ranks it among the top 10%-20% of tourist destinations globally. | • Consensus of ‘experts’ is that trying to target specific overseas markets may be less successful than trying to increase spend per head.  
• Observations made on growing domestic tourism market apply.  
• In addition, the high proportion of overseas visitors staying with friends and relatives raises questions regarding the opportunities for getting more to use hotels and guest houses. |
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<tbody>
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<td>Golf Tourism</td>
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<td>Heritage &amp; Culture (Burns, the arts, castles, etc)</td>
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<td>Sailing &amp; Marine Tourism</td>
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<td>Horse Racing</td>
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<td>Outdoor Activity Tourism</td>
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<td>Festivals and Events</td>
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<td>Business Tourism</td>
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<td>Leisure Shopping</td>
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<td>Day Visitors</td>
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</table>
- What is the role of traditional day trippers?
- What will be the area’s ‘unique selling points’?
- What investments and planning are required to support and develop this vision?
- How will the area promote its brand image?

Although it would be unfair to say that the existing local strategies tourism have nothing to say on these issues, the tendency in them is to assume that growing the Visitor Economy involves developing on what is already there, rather than asking where Ayrshire wants to be as a tourism destination in 20 years’ time. As noted in the discussion of emerging trends, the marketplace for tourism is increasingly volatile, with yesterday’s top destination being tomorrow’s ‘has-been’, as both Greece and Spain have learned. The ability to adapt to market changes will be critical to success, requiring any tourism strategy to build in a measure of flexibility and not to be too prescriptive about the future.