

FORESIGHT is a monthly commentary on significant issues within the inbound tourism sector. 'Market Focus' discusses economic, social and political factors that underlie demand for tourism now and in the future. In addition, a spotlight is focused on a significant tourism issue. This month 'Market Focus' profiles inbound visitors who watched or played sport during their visit. 'Issue of the Month' takes a look at global ageing, and what it might mean for international tourism.

Market Focus – Participating in or watching sport while in Britain

Britons love sport, both playing it and watching it, but what is perhaps less well known is that overseas visitors love coming to Britain to watch all manner of sports, be this golf, football, rugby, tennis, cricket or athletics. It is not only the thrill of watching sport that attracts overseas visitors, many make a pilgrimage to Britain in order to participate in amateur sport, ranging from a round of golf on a Scottish links to getting covered in mud during the Three Peaks Challenge.

Those visitors who play amateur sport in Britain no doubt have a memorable time, and while not all inbound sports spectators can be guaranteed to see their chosen team go home with a victory under their belts the spectacle of watching sport at an iconic venue such as Lord's, Old Trafford or St Andrews will doubtless have gone some way to soften the pain.

Nearly two million visitors watched sport in Britain in 2008, spending more than £1.3bn in the process. Meanwhile 1.4 million visitors played some form of amateur sport, contributing £1.3bn in spending. Some visitors both watched and played sport, but overall we can deduce from the figures that in some shape or form 'sport' helped attract more than 3 million visitors to Britain in 2008, nearly one-in-ten of all visitors, with the economy benefiting to the tune of £2.3bn as a consequence, that's about 14% of total inbound visitor spending in 2008.

	Visits (000s)	Spend (£m)	Average length of stay (days)	Average spend per night (£)	Average spend per visit (£)
Watched sport during visit	1,981	1,342	11	60	678
Watching sport main reason for visit	746	364	4	123	488
Played sport during visit	1,404	1,300	15	60	926
Playing sport main reason for visit	244	227	8	121	929

Looking at some of the other figures in the above table we can see that if watching or playing sport was the 'main reason' to be in Britain trip length was shorter, but average spend per night higher, than if sport was a secondary motivating factor. The figures for average spend per visit compare very favourably with the 'big picture' numbers which show that on average inbound visitors spent around £500 during their stay during 2008. Indeed, those playing amateur sport while in Britain (regardless of whether or not this was the main reason for the trip) had a typical spend per visit over £900, that's almost twice as much as the visitor economy earned from the 'average' inbound visitor.

Background

We know all these facts and figures thanks to a VisitBritain sponsored question included in the 2008 Office for National Statistics International Passenger Survey¹. The question asked departing international visitors to Britain whether or not they had either 'watched sport' or 'played amateur sport/taken part in physical activity' during their visit, and if so, whether this had been the main reason for their trip.

The sports/activities list included: athletics, basketball, cricket, cycling, equestrian, fishing, football, golf, hockey, netball, rugby, swimming, tennis (and other racquet sports), walking and water-sports.

For both watching and participating this had to be for pleasure rather than as a profession, so for example the results exclude international journalists covering sporting events. Watching sport on television was excluded; only respondents who were actually at an event are included in the analysis.

Top markets

As can be seen from the following table the most important market for watching sport in Britain, by a factor of two, is the Irish Republic, with nearly 400,000 visitors opting to do so in 2008. Eight out of the top ten markets are European, but two long haul markets feature on the list, with 176,000 visitors from the USA and 85,000 visitors from Australia watching sport during their stay.

Nearly seven in every ten visitors from Ireland who watched sport during their visit said that this was the main purpose for their trip. Other markets where watching sport was regularly cited as being a primary motivator include four Northern European markets; Sweden, Norway, Finland and Denmark.

More Americans played sport during their visit in 2008 than did visitors from any other market, while Canada joined Australia on the list of long-haul markets making it into the top ten. For one-in-three visitors from both Ireland and India who played sport this was the main reason for visiting Britain, while this was the case for one-quarter of visitors from the USA, New Zealand, Sweden and Denmark.

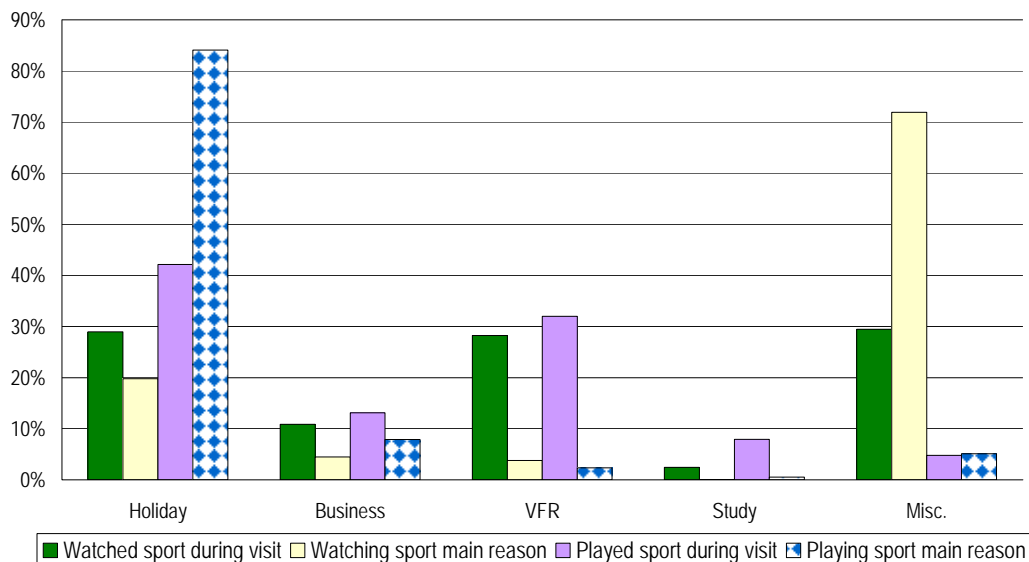
Watching sport main reason for visit				Playing sport main reason for visit			
Watched sport during visit		reason for visit		Played sport during visit		for visit	
Irish Republic	397,874	Irish Republic	269,529	United States	193,137	United States	55,274
France	183,447	France	69,477	France	167,467	Irish Republic	36,002
United States	175,647	Norway	64,217	Germany	118,194	France	24,446
Netherlands	124,033	Sweden	47,499	Irish Republic	110,078	Germany	22,947
Germany	109,970	Netherlands	43,868	Spain	85,864	Netherlands	16,122
Norway	93,861	Germany	30,496	Netherlands	84,333	Sweden	10,522
Australia	85,393	United States	27,369	Poland	57,905	Spain	7,542
Spain	82,372	Denmark	24,084	Italy	55,789	Canada	7,495
Italy	70,623	Belgium	20,761	Australia	54,874	Denmark	7,141
Sweden	68,605	Italy	20,170	Canada	54,536	Italy	6,961

Trip characteristics

The chart that follows reveals that nearly one-in-three visitors who watched sport during their visit in 2008 were on holiday, a further 30% were visiting friends and relatives and 30% had a 'miscellaneous' journey purpose – a group for whom watching sport will have been the primary motivator, as is evident from the fact that 70% of those for whom watching sport was a primary reason for visiting fell into this journey purpose category.

More than two-in-five of visitors who played sport during their visit were on holiday, with nearly a third of this group in Britain primarily to visit friends and relatives. Among those for whom playing sport was a primary reason for visiting we can see that more than 80% were on holiday.

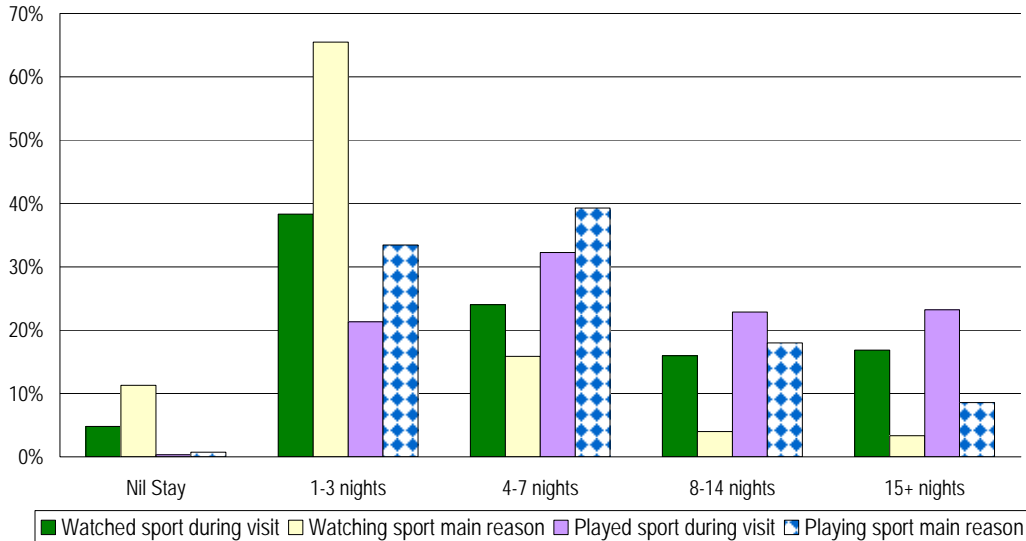
Main purpose of visit



About 10% of visitors to Britain who said that watching sport was the main reason for visiting managed to undertake this activity on a 'day-trip'. However the most likely duration of stay for those watching sport (regardless of whether this was the primary motive for visiting) was 1-3 nights.

We see a much flatter duration of stay distribution for visitors who played sport during their trip, for example 20% staying for more than 15 nights. Among the group of sports participants for whom this was the main reason for visiting we can see that almost two-in-five stayed in Britain for between 4 and 7 nights.

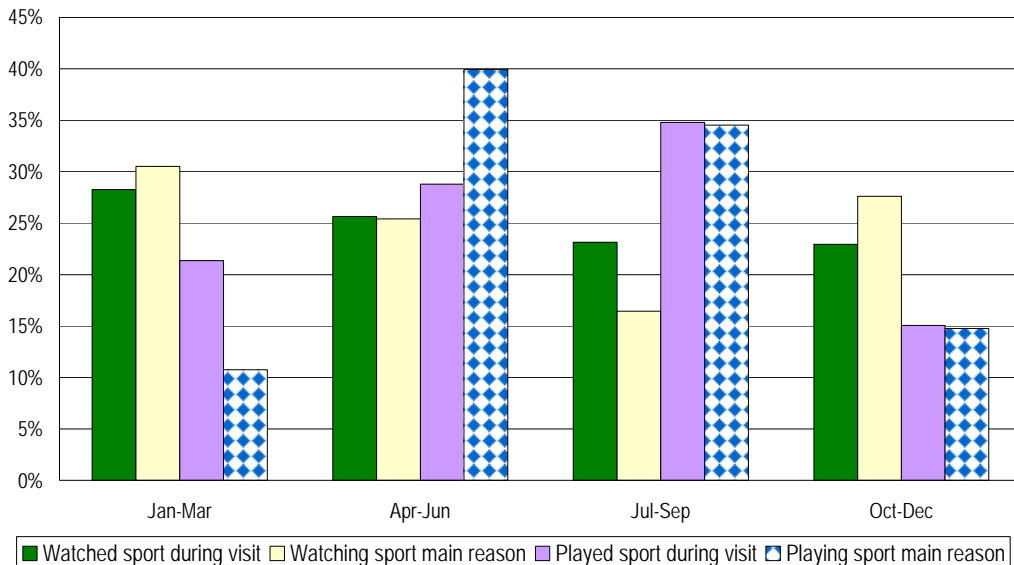
Duration of stay



We can see from the next chart that watching sport in Britain is a pastime for all seasons and for visitors stating that it was the main reason for their trip the winter months are particularly important, providing a strong hint that the bulk of spectating is at football or rugby matches.

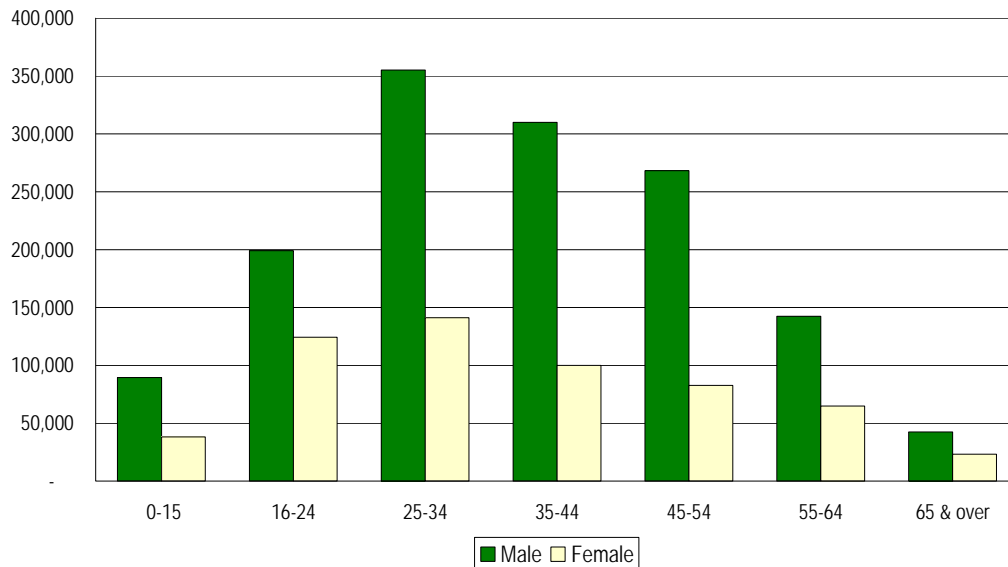
Playing sport while in Britain is rather more seasonal in nature with the most popular time of year being July to September (accounting for 35% of such trips). Among visitors for whom playing sport was a primary motivator we can see that the period April to June was marginally more important than the period July to September.

Seasonality

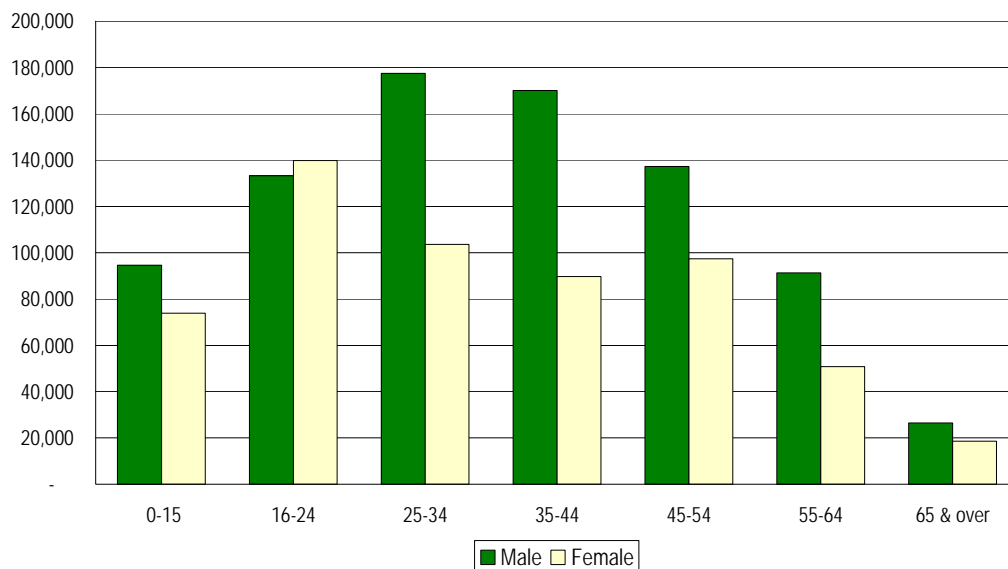


Turning to the demographic characteristics of visitors who watched sport it is apparent that this is primarily the preserve of males, especially those aged 25 to 44. There is much less of a gender gap when it comes to playing sport, and in fact more females in the age group 16-24 than males did so on a trip to Britain in 2008.

Watched sport during visit



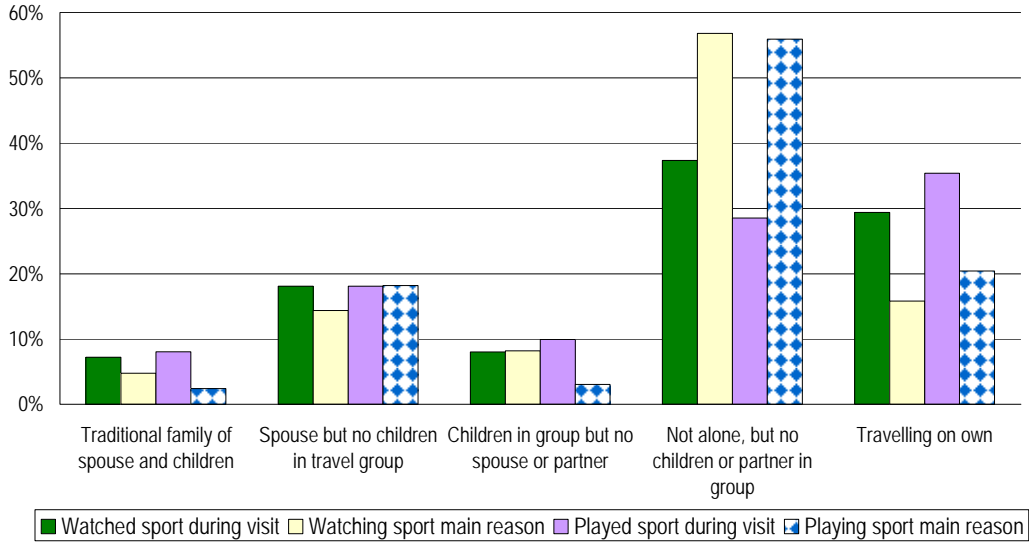
Played sport during visit



If we analyse the results of the sports questions alongside another VisitBritain question included on the International Passenger Survey we can get a feel for the types of travel groups most likely to have a sporting dimension to their stay. It is clear that the most likely group composition involves no children or partner, suggesting that groups of friends with a similar

interest are taking advantage of the breadth of sport on offer in Britain during their trip, or indeed that the sporting event was why the trip took place in the first place.

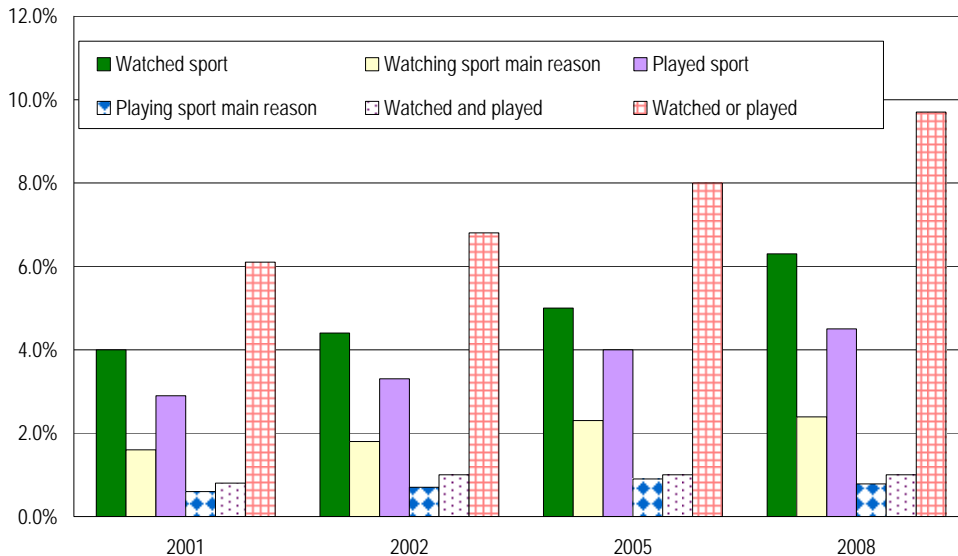
Composition of travelling group



Trends

VisitBritain has sponsored the sports questions on the IPS a number of times in the past and the following chart demonstrates clearly that over the past decade or so the importance of watching or playing sport in Britain for visitors from overseas has grown markedly, with the proportion of visitors doing either increasing from 6% in 2001 to nearly 10% in 2008.

Trends



The 2012 opportunity

A study undertaken on behalf of VisitBritain and Visit London by Oxford Economics estimated that the potential tourism legacy of the 2012 Olympic and Paralympic Games (that's looking at the years before and after the Games as well as 2012 itself) stood at £2.1bn. Indeed, if lessons were learned from previous mega sporting events and appropriate measures adopted this tourism legacy could be closer to £2.9bn.

These benefits will accrue not just thanks to visitors who come to watch the Games in 2012, but thanks too to the Cultural Olympiad, related business events and by leveraging the unprecedented amount of global media (press and broadcast) coverage about London and Britain that will occur throughout 2012.

VisitBritain will be using the 2012 Games to promote the wider messages and interests of destination Britain. Our 2012 Games programmes will centre around three core objectives:

- To deliver and showcase a world class welcome in 2012 and beyond
- To enhance the image of Britain
- To maximise the economic benefits for tourism across the UK

While sport is the catalyst, it is clear that the 2012 Games provides a unique opportunity to put Britain's tourism offer centre stage around the world, but equally clear is the fact that to secure the legacy on offer partnerships will need to be forged, with public diplomacy partners, Games sponsors, the media, British tourism businesses and of course frontline staff across the sector who can be the most effective ambassadors for British tourism.

Sport matters to tourism

We have seen that the number of overseas visitors to Britain who either watch or play sport during their trip number in their millions and this is a market that over the past decade has grown in both absolute and relative terms. Whether it is watching or playing sport the British economy benefits enormously from inbound visitors drawn to Britain by the prospect of seeing a favourite football team or playing a few rounds of golf.

The annual £2.3bn of spending by these visitors is estimated to support more than 50,000 jobs across the length and breadth of Britain and with the parallel tracks of 'perennial' sporting events and fixtures (for example Wimbledon, Premier League, Test cricket) and 'set piece' events over the next few years (Ryder Cup in Wales, London 2012 Olympic and Paralympic Games, 2014 Commonwealth Games in Glasgow) Britain is in a uniquely strong position to further develop the role that watching and playing sport fulfils in building the value of inbound tourism to Britain.

Issue of the Month – Global ageing

While it is tough to argue against the claim that everyone is getting older at the same rate, when it comes to thinking about global demographics there is little doubt that over recent decades there has been a shift in the age structure of populations around the world, with older generations representing a growing proportion of the population. This has come about thanks to increased life expectancy and changing birth rates.

These global demographic changes happen over the course of decades not months, but nonetheless we need to be cognisant of the fact that they are ongoing and feed through into the mix of international tourists for whose 'dollar' Britain is competing.

We can see from the table that in the period since 1995 (based on figures from the International Passenger Survey) that the number of inbound visitors to Britain aged over 55 has increased at a rate twice that for the under 55s. For spending the differential is not quite as large, but remains significant.

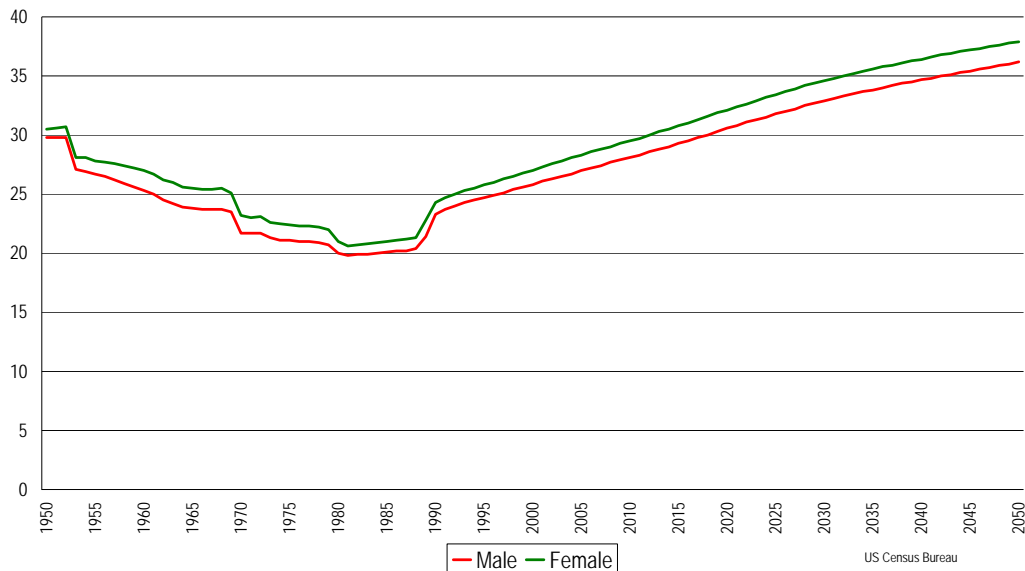
	Growth 1995-2008	
	Visits	Spend
Under 55	41%	45%
55+	92%	85%

Global median age

The US Census Bureau provides a veritable goldmine of information relating to historical and projected population estimates including the 'median age' of the global population. A 'median' represents the mid point of a series of data that is arranged from lowest to highest. From the following chart we can see that in the period 1950 to 1980 the global median age was getting younger courtesy to some extent of the 'baby boom' from the late 1940s through to the 1960s.

From the mid 1980s onwards the median age of both males and females has been increasing, with this trend forecast to persist through to the middle of the century. By 2050 the median age for females will be 37.9 years and for males 36.2 years.

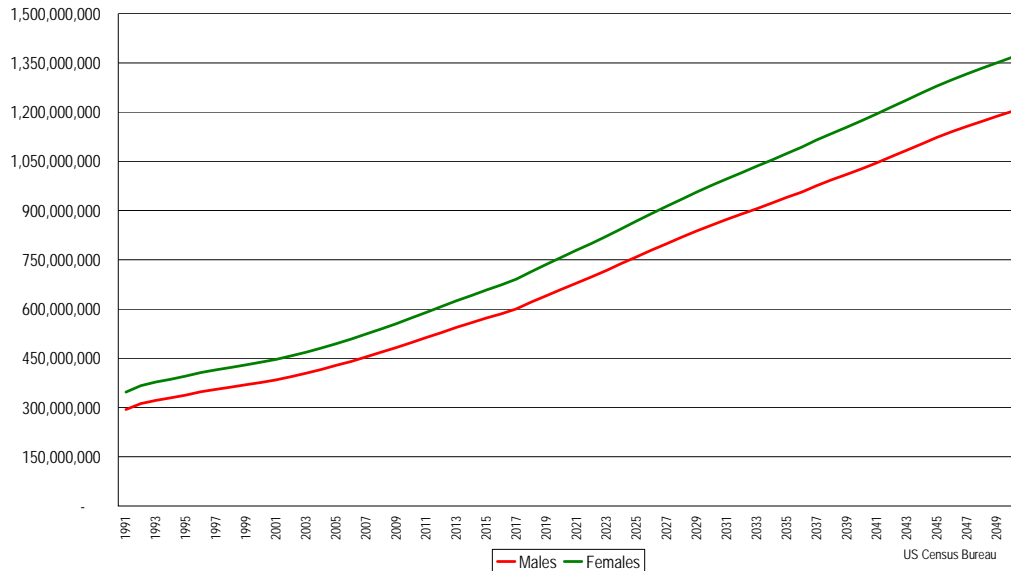
Trends in global median age



The over 55s

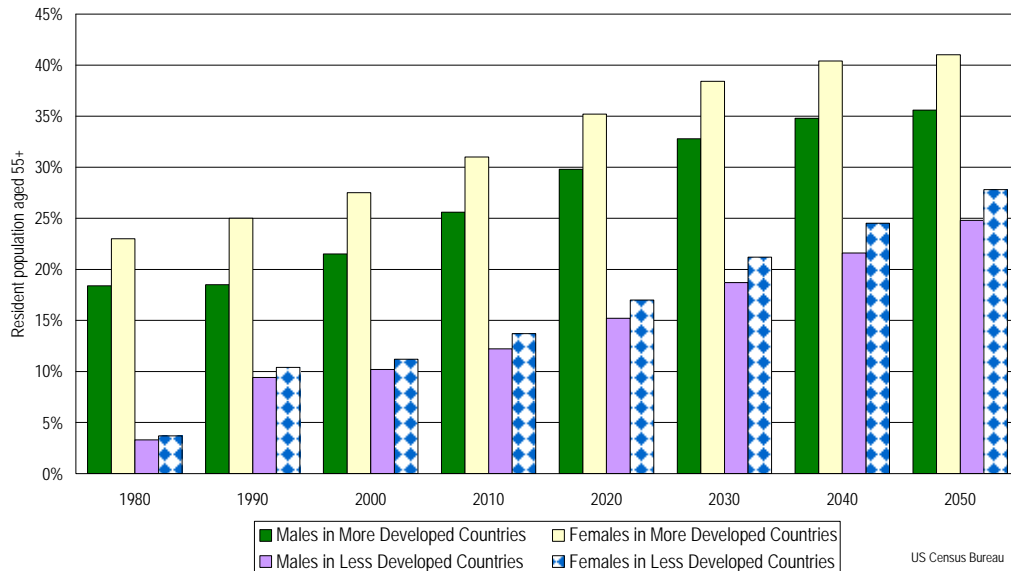
In 1991 the world was home to 300 million males and 350 million females aged 55 or over. As can be seen from the following chart these are demographic groups that have expanded in number rapidly in the past two decades, with today's population aged over 55 consisting of 500 million males and over 570 million females. Based on current global mortality and fertility rates the US Census Bureau project the trend to continue at a quickening pace. By 2050 there could be 1.2 billion males aged 55+ and more than 1.36 billion females.

Global population aged 55+



We can explore the numbers a little further and the next chart presents estimates of the proportion of the population aged 55+ split by gender and whether or not the country in which they reside is 'more developed' or 'less developed'.

The geography of ageing



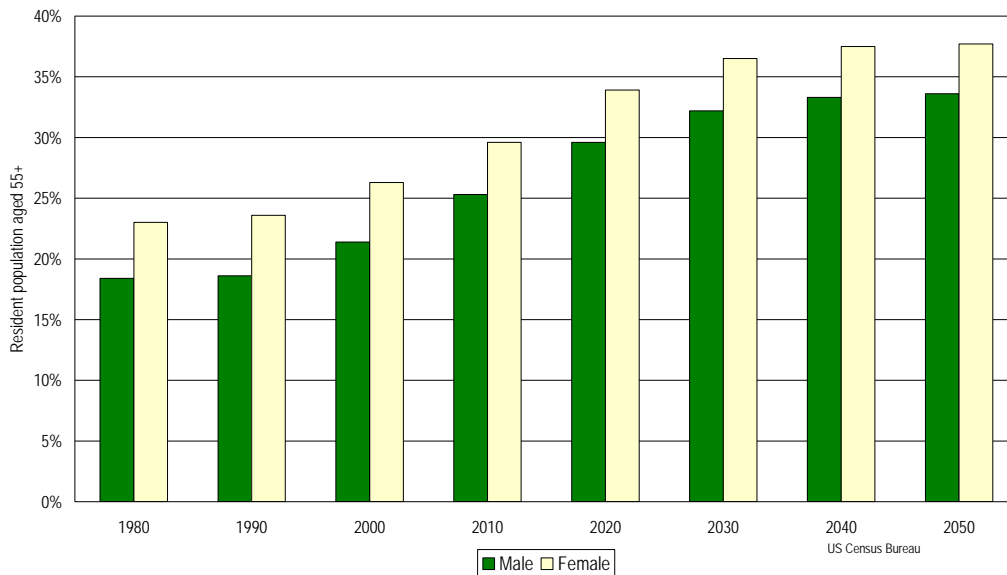
Back in 1980 just over one-in-five females and just under one-in-five males living in more developed countries was aged 55+. Today the equivalent figures are just under one-third of females and just over one-quarter of males, while by 2050 two-in-five females living in more developed countries and well over one-third of males will have been born in 1995 or earlier.

The trend in less developed countries mirrors that in more developed countries, but the 'speed' with which the population is ageing is accentuated. In 1980 just 3% of males and 4% of females were aged 55+, today the figures are 14% of females and 12% of males. In relative terms the proportions are set to double by 2050 to 28% of females and 25% of males.

Britain's top inbound markets

What about the demographic mix of the most important inbound markets for British tourism? By looking at our 'top ten' markets we discover that in 1980 23% of the female population and 18% of the male population who called these countries their home was 55+, increasing to 30% and 25% today. Unsurprisingly this trend is set to persist, and by 2050 (based on the markets that are currently most important for inbound tourism to Britain) 38% of females and 34% of males will be aged 55+.

Britain's top 10 inbound markets

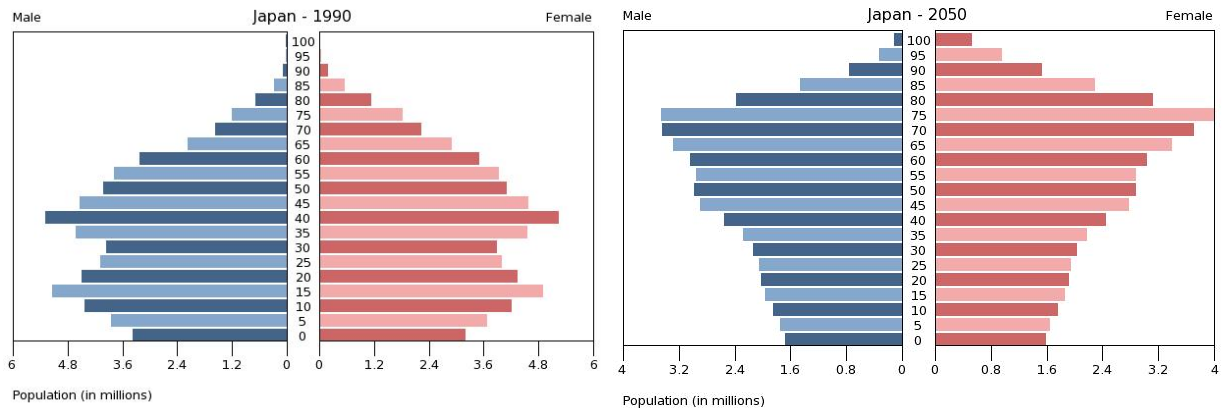


Centenarians

Increasingly those aged in their 80s are continuing to travel internationally as health in older age improves. There are growing numbers of centenarians around the world, an estimated 67,000 males and 290,000 females. The number of centenarians is projected to mushroom in the decades to come as the post war baby boomer generation enjoy extended longevity. In fact the US Census Bureau forecast that by 2050 there could be as many as 4.4 million females aged 100+ with nearly 1 million males of a similar age.

The following 'population pyramids' provide a suitably apt illustration of the key trends discussed here. The chart on the left shows the age and gender structure of the Japanese

population in 1990 and that on the right the structure in 2050. The growing dominance of older generations is clear.



Implications

We should be in no doubt then that the potential pool of international tourists will be characterised by a growing dominance of older age groups in the decades to come. A few of the implications for tourism businesses include the growing trend for grandparents to take their grandchildren on holiday, a growing potential customer base with plenty of leisure time, and if pension time bombs don't explode in developed countries, disposable income.

Certainly more and more people in later life enjoy good health but inevitably as the number of older people increases so to does the number who have mobility or other health problems. The presence of illness or impairment need not be a barrier to international travel, and as a generation who have been used to taking foreign holidays moves into their 70s, 80s and 90s it is likely that they will expect tourism businesses to provide goods and services tailored to their particular needs.

It is not just the demand side that tourism businesses need consider in terms of an ageing population. We will see a growing pool of skilled workers in their 60s and 70s choosing to (or sometimes due to financial pressures having to) remain in employment beyond the traditional age of retirement, presenting both a challenge, but equally a unique opportunity to tap into a wealth of experience, most notably a level experience of international travel never previously found among these age groups.

¹ Data from International Passenger Survey has been made available by the Office for National Statistics and has been used by permission. The ONS do not bear any responsibility for the analysis or interpretation of the data reported here. Crown Copyright 2010. Source: ONS

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