The economic impact of the visitor economy in Coventry

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City Centre South Coventry

DESTINATION COVENTRY

What is STEAM?

STEAM

The Scarborough Tourism Economic Activity Monitor (STEAM) is a tourism economic impact model, which indicates the volume of visitors attracted, how much they spend, their wider economic impact and the number of local jobs this supports.

It provides breakdowns by market (i.e. day visitors, staying visitors, those visiting friends and relatives) and by sector of spend (i.e. accommodation, food and drink, recreation, shopping and transport) and the 'multiplier effect' on local supply chains.

It is used by a wide range of destinations across the country as the 'official statistics' are based on very small sample sizes at a local level and so are not sufficiently robust or reliable.
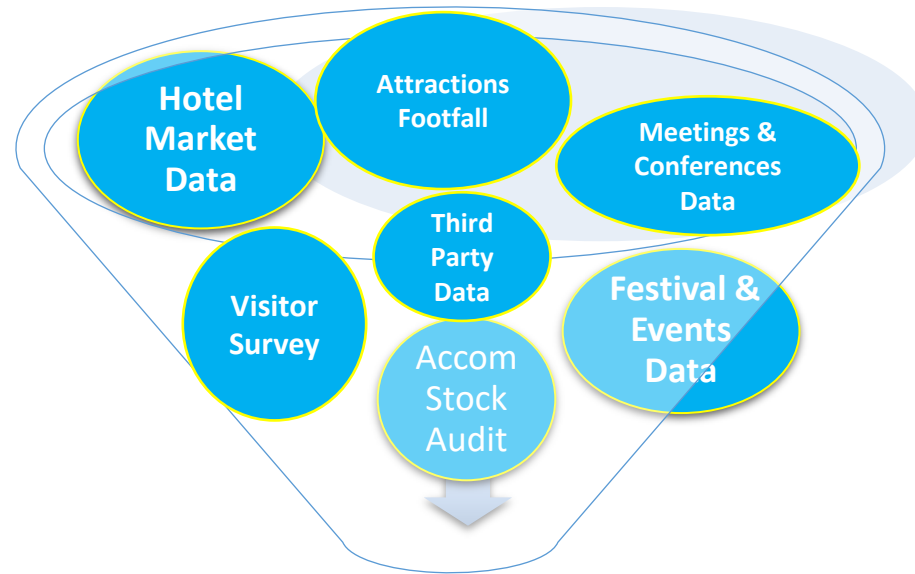
STEAM is a 'bottom up' statistical model which is underpinned by a wide range of local data.
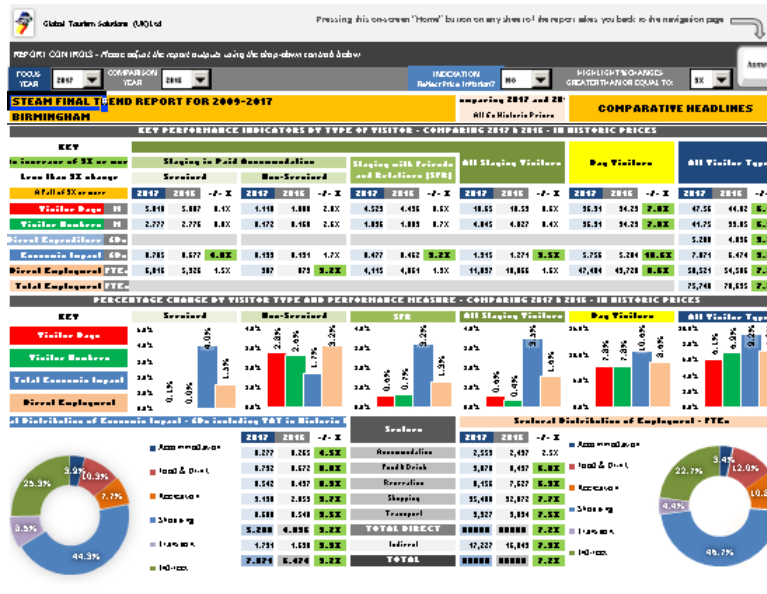
Coventry Cathedral Stained Glass

Key Findings

Coventry's visitor economy took a big hit in 2020:
- Visitor numbers were down by nearly 60% (6 million) on 2019
- Economic impact was down by 61% (£363 million)
- Jobs supported by tourism were down by 59% (more than 4,000)

Coventry trends 2019-2020

KEY PERFORMANCE INDICATORS BY TYPE OF VISITOR - COMPARING 2020 & 2019 - IN HISTORIC PRICES										
KEY		All Staying Visitors			Day Visitors			All Visitor Types		
An increase of 3% or more										
Less than 3% change										
A Fall of 3% or more		2020	2019	+/- %	2020	2019	+/- %	2020	2019	+/- %
Visitor Days	M	1.49	4.27	**-65.1%**	3.60	8.79	**-59.1%**	5.08	13.05	**-61.1%**
Visitor Numbers	M	0.43	1.24	**-65.1%**	3.60	8.79	**-59.1%**	4.03	10.03	**-59.8%**
Direct Expenditure	£M							173.40	446.73	**-61.2%**
Economic Impact	£M	90.50	252.90	**-64.2%**	140.38	341.46	**-58.9%**	230.88	594.36	**-61.2%**
Direct Employment	FTEs	883	2,146	**-58.9%**	1,293	3,129	**-58.7%**	2,176	5,275	**-58.8%**
Total Employment	FTEs							2,754	6,760	**-59.3%**

Source: STEAM 2019, GTS & West Midlands Growth Company

Monthly Volume
2019 and 2020 compared
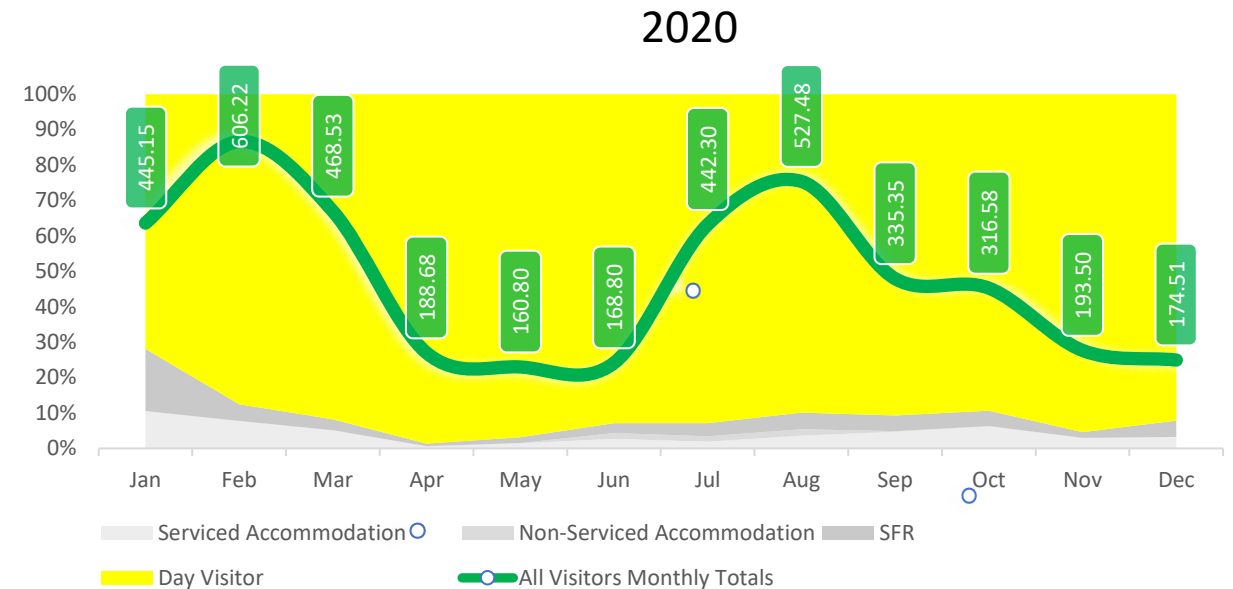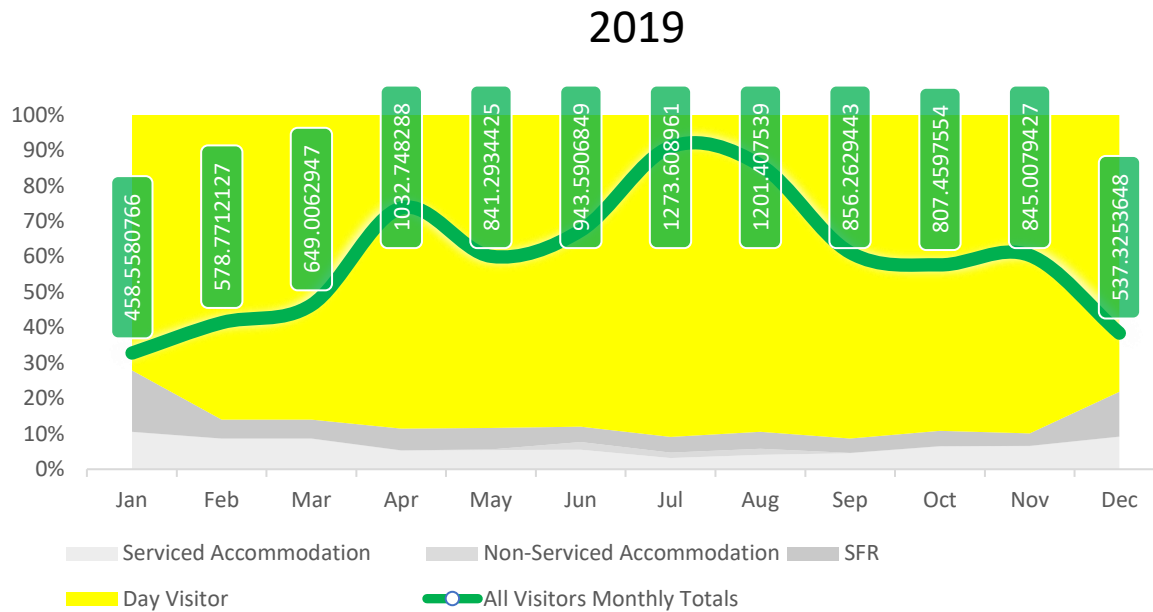
Normally, visitor numbers in Coventry peak at Easter and in the summer months - as they did in 2019.

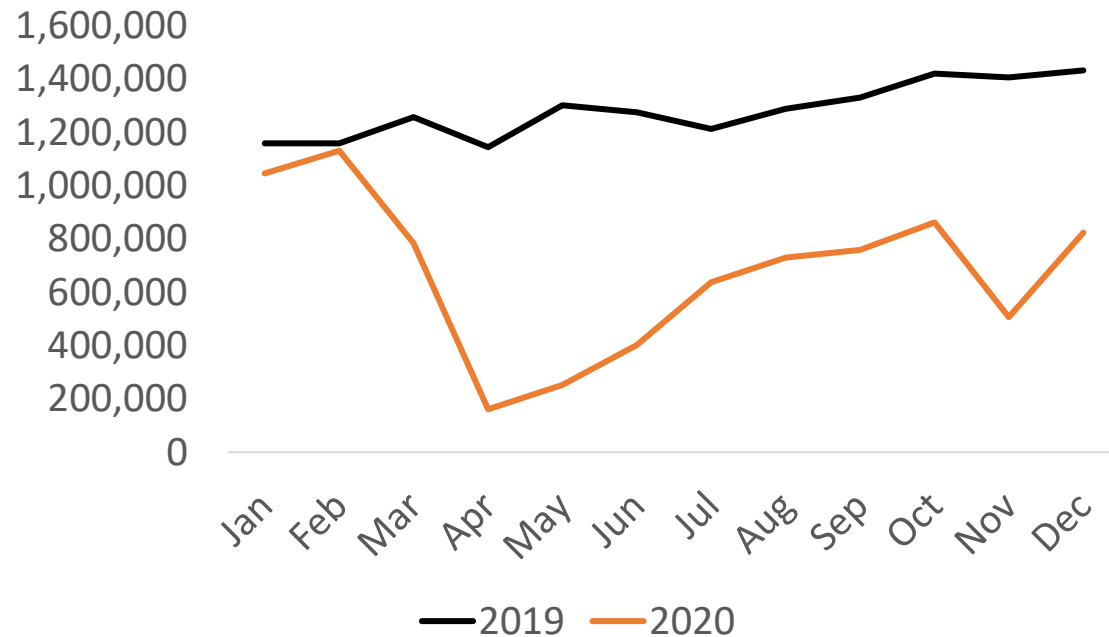But in 2020, lockdown led to a very different pattern:

- Numbers plummeted in March and April - then flat-lined through April and June
- There was a limited pick up in July and August as restrictions were eased
- But then numbers fell away again from September onwards

Source: STEAM 2019, GTS & West Midlands Growth Company

Coventry city centre footfall

Footfall was 50% down over the year and
80-90% down in April and May

Key attractions closed in 2020

- Herbert Art Gallery & Museum
- Coventry Transport Museum
- Coventry Music Museum
- Midland Air Museum
- The Empire
- The Albany Theatre
- Belgrade Theatre
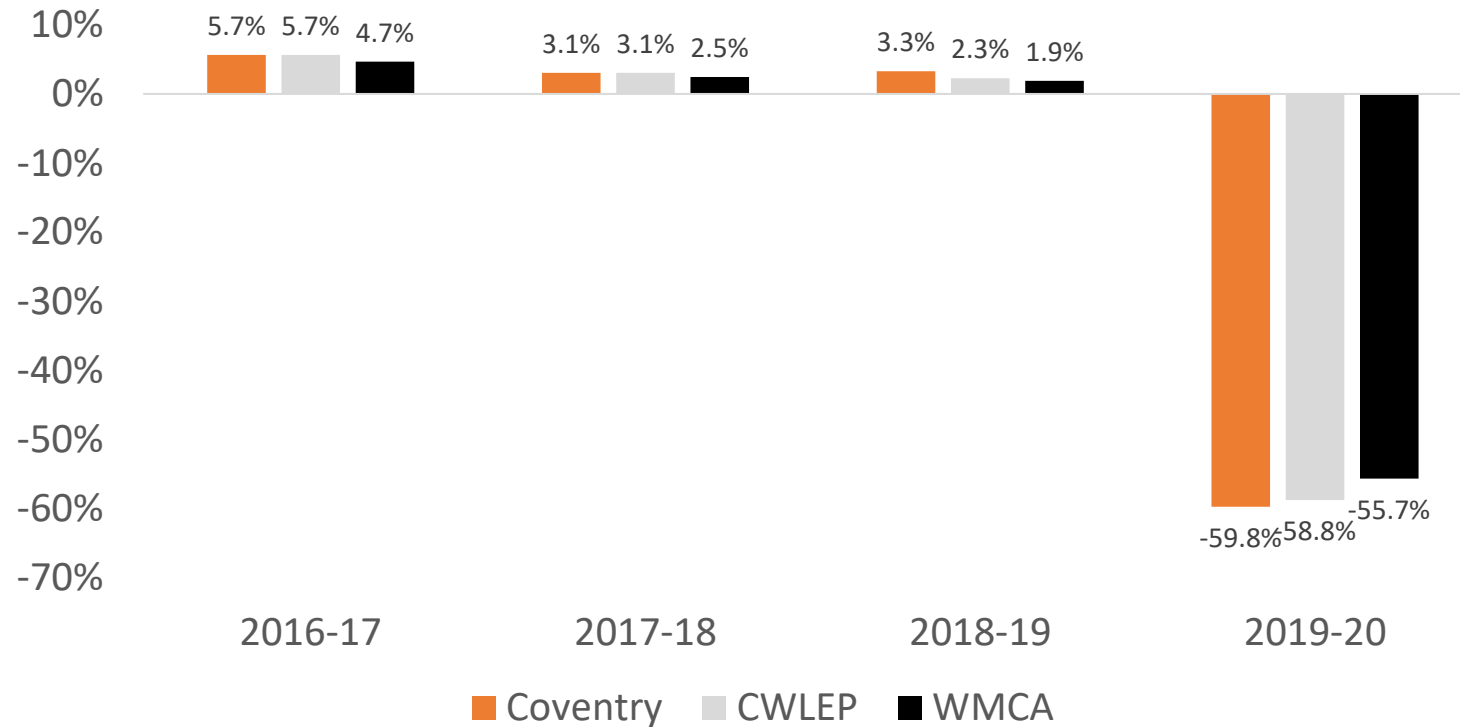- Criterion Theatre
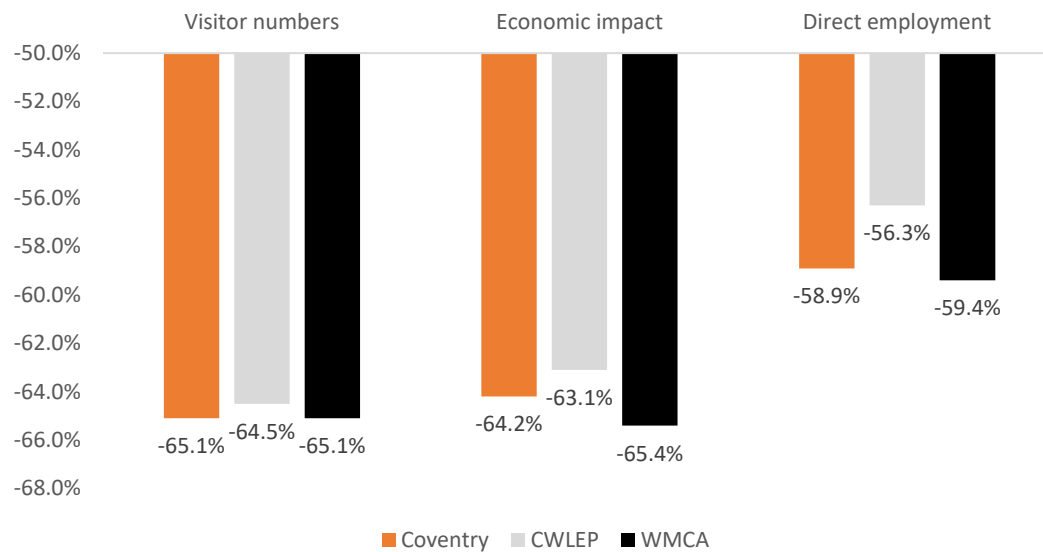
Godiva Festival, Covenrty

Comparative Trends

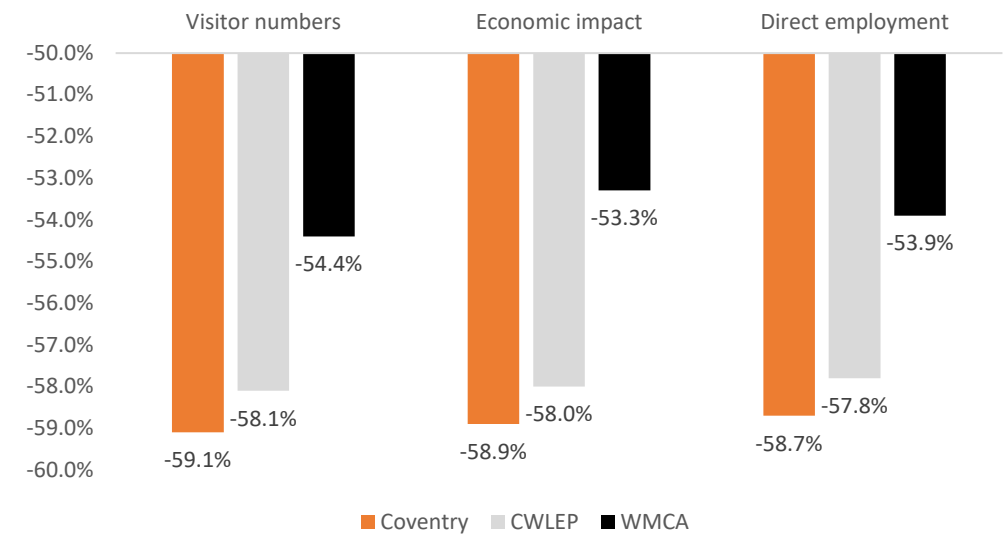4 year trend - total visitor numbers

After out-performing the region pre-pandemic, Coventry was hit harder by the Covid restrictions.

Source: STEAM 2019, GTS & West Midlands Growth Company

2019-2020 comparative trends - staying visitors

Visitor numbers | Economic impact | Direct employment

-65.1% -64.5% -65.1% | -64.2% -63.1% -65.4% | -58.9% -56.3% -59.4%

Coventry ■ CWLEP ■ WMCA

2019-2020 comparative trends - day visitors

Visitor numbers | Economic impact | Direct employment

-59.1% -58.1% -54.4% | -58.9% -58.0% -53.3% | -58.7% -57.8% -53.9%

Coventry ■ CWLEP ■ WMCA

While the decline in numbers of staying visitors was similar across the region, Coventry's day visitor market took a bigger hit than elsewhere.

Source: STEAM 2019, GTS & West Midlands Growth Company

Day trips by purpose in 2019
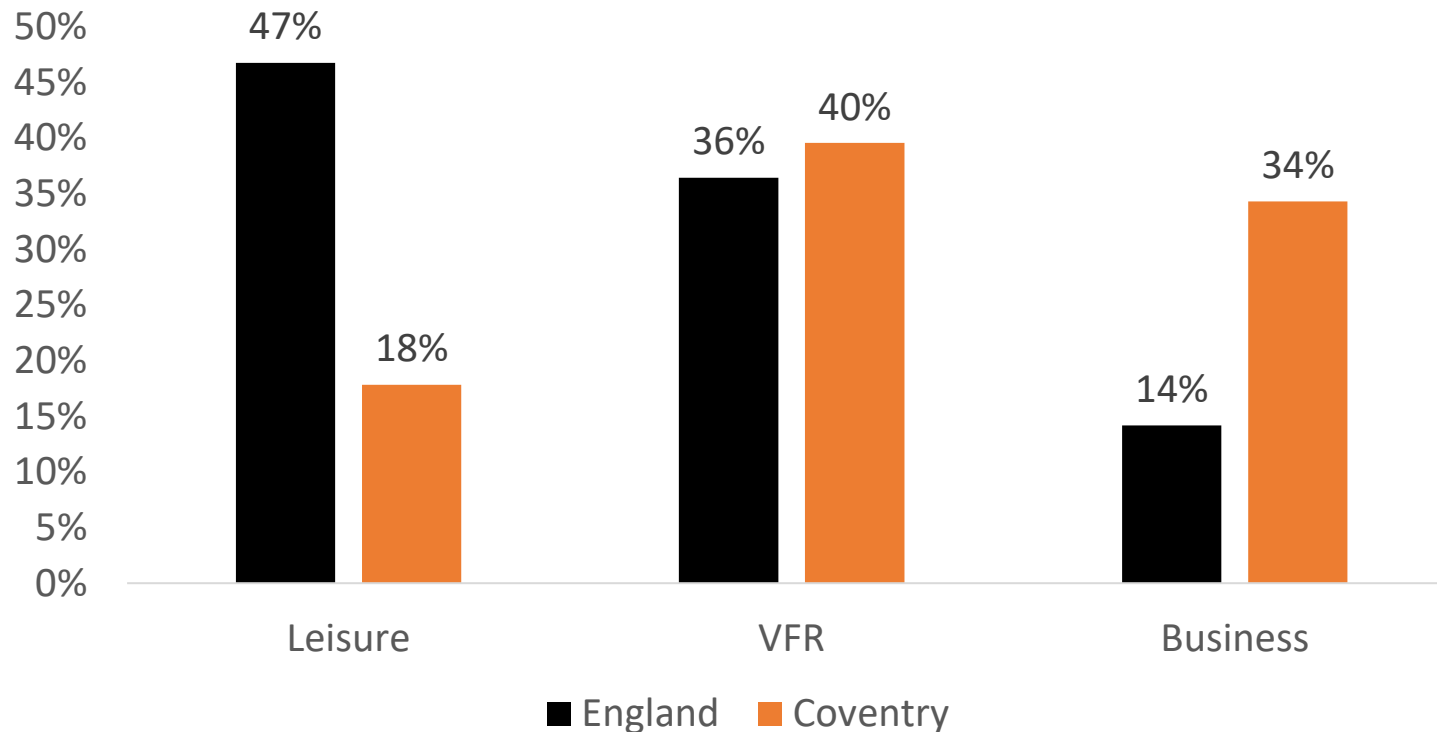
With key venues, such as the Coventry Building Society Arena and Warwick Conferences, based in the area, business visits are a particularly important component of Coventry's visitor economy and day visitor market.

Nationally, the number of business conferences and events held fell by 86% between 2019 and 2020.
(Source: UKCAMS)

Source: VisitBritain GB Day Visitor Survey 2019 (latest available data)

What next?

- Recovery in 2021 and beyond

- The city's venues report that the MICE sector was almost back to pre-pandemic levels of demand by the end of the year

- City of Culture should have helped underpin a degree of recovery in the leisure market for 2021-22

- The Birmingham 2022 Commonwealth Games and the region-wide Business and Tourism Programme should also be starting to boost the visitor economy in 2021-22 and beyond

- The next STEAM study should hopefully reflect all this…

Hay Lane, Coventry