Where do we stand right now

No TSA table 8.

No comprehensive and consistent framework for analyzing tourism investment.

Sporadic case-based knowledge

No focus on tourism investment’s direct (demand side) contribution to economic growth

We do understand that investment will be increasingly important for tourism

Ad hoc analysis based on NA-data
Long term growth on the political agenda

1.8% annual growth in tourism demand from 2008 to 2016.

1.4% annual growth in tourism capacity 2008-2016.

National strategy for Danish tourism 3.0% annual growth in tourism demand 2015-2025.

=> 15 mio. more in 2025.

Capacity in accommodation industry must expand faster in order to facilitate continued growth,…

... and probably also need for expansion in other industries.

Tourism demand measured by number of bednights with paid accommodation. Capacity measured as beds at hotels, holiday centres, camping and rented holiday dwellings.
What we have done ...so far (method)

Ad hoc analysis of tourism investment.

Based on national accounts data:
- *Net capital stock*
- *Gross fixed capital formation*

For tourism-centric industries defined as:
- *Accommodation and food service*
- *Travel agent activities*
- *Arts and entertainment*
- *Sports activities and amusement and recreation*

*Source: Statistics Denmark, VisitDenmark*
What we know ...so far (some findings)

The capital stock in tourism-centric industries fell 12% from 2008 to 2015.

Investment not sufficient to maintain the real productive capacity.

Tourism demand increased 10%, so investment is lagging behind tourism demand generated by an increasing number of bednights.

Overall demand-side effect on economic growth was negative in the period 2008-2013.

Tourism investment’s contribution to GDP growth was -0.2%point.

Less investment in buildings and transport equipment than in intellectual property, ICT and machinery.

Tourism demand measured by number of bednights with paid accommodation.

Source: Statistics Denmark, VisitDenmark
Issues and questions

Where do we find data
- National accounts are good, but insufficient break down by industry and asset type
- ...and they are old news
- Other sources

What will table 8 do for us
- Consistent method and framework
- Economic value of tourism investment
- Other?

What are your experiences!
Thank you for listening

Questions are very welcome

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