Holiday Home Owners: a Route to Sustainable Tourism Development: an Economic Analysis of Tourist Expenditure Data.

Ziene Mottiar

Technological University Dublin, ziene.mottiar@tudublin.ie

Follow this and additional works at: https://arrow.tudublin.ie/tfschhmtart

Part of the Economics Commons, and the Geography Commons

Recommended Citation

This work is licensed under a Creative Commons Attribution-Noncommercial-Share Alike 3.0 License
For submission to Journal of Sustainable Tourism

Holiday home owners, a route to sustainable tourism development? An economic analysis of tourist expenditure data.

Dr. Ziene Mottiar, Faculty of Tourism and Food, Dublin Institute of Technology
Ziene.mottiar@dit.ie

Short title version: Holiday home owners’ – sustainable tourists?
No words: 6135
Holiday home owners, a route to sustainable tourism development? An economic analysis of tourist expenditure data.
Abstract
Although sustainability comprises economic social and environmental aspects, economic analysis has been less evident in this literature. This article takes an economic perspective to evaluate the contribution of holiday home owners to a local economy. Tourism destinations which are at the mature stages of the tourism lifecycle wish to maximise revenue from tourism while minimising costs such as overcrowding. A prime objective has to be to attract the more valuable tourists.

The analysis of North Wexford in Ireland poses questions such as: How does the holiday home owners’ expenditure in the local area compare to that of traditional tourists? Do they purchase different types of goods? What levels of local expenditure do holiday home owners engage in for the upkeep or development of their second properties? What implications of these findings?

The results show that there are clear economic benefits for an area that people deem attractive enough to build or purchase a holiday home in. This type of tourists has a high annual spend relative to other tourists and much of this expenditure seems to be concentrated in the local area. These findings need to be incorporated into the broader debate regarding the advantages and disadvantages of holiday home owners and the possibility of them comprising a route to sustainable development for local tourist areas.

Key words: holiday home owners, sustainability, tourist expenditure
This paper is concerned with the issue of sustainability and the development of a tourist destination. The central argument is that economic analysis of holiday home owners indicates that this is a group of tourists which may provide a route to more sustainable development for an established tourist area which is dealing with capacity issues. The basis of this argument is that they have a relatively high annual spend and much of this money stays in the local area.

In the first section the sustainability debate is outlined briefly and the relative lack of emphasis on economic issues in this discussion is noted. The contribution economics has made to the debate on expenditure of tourists is discussed and finally the literature on resort development and holiday home owners is outlined. Section 2 then presents the case study and results of the study and section 3 is the analysis and conclusion.

I Sustainability

1.1 The sustainability debate
As Swarbrooke outlines, the concept of sustainability dates back to planning and development of roman cities and many traditional agricultural systems (1999 p.3). However from a tourism perspective it is a newer phenomenon with the origins identified as emerging from the challenges created by the emergence of mass tourism from the 1960s. In the run-up to the United Nations Earth Summit at Rio de Janerio in 1992 ‘sustainable tourism became a buzzword for many in travel and tourism’ (Middleton, 1998, p.ix). This term ‘encompasses an approach to tourism which recognizes the importance of the host community, the way staff are treated and the desire to maximize the economic benefit of tourism, for the host community’ (Swarbrooke, 1999 p.9). As Aronsson (2000) notes ‘there are two seemingly paradoxical aspects to sustainable development namely conservation and development. Thus it is a matter of preserving, for instance, the wealth of species in a natural area, and at the same time, striving for development in a society in order to attain the goals of greater welfare for the people’ (p.33). This necessitates management of ‘the process of change in such a manner that it occurs in as benign a way as possible rather than by accident’ (Owen, Witt and Gammon, 2000, p.464). Sustainability can mean very different things and create very different
challenges to the different types of tourism, different sectors of tourism, different functions of management and different regions in the world (Swarbrooke, 1999).

The concept of sustainable tourism involves social, economic and environmental aspects but emphasis has always been on the environment. Perhaps this is appropriate as it is the environment which has been more neglected up until now. The idea of sustainable development as not only a concept which would pay heed to environmental impact, but promote the environment, has led to considerable emphasis in the literature on the development of eco tourism. This type of tourism has been set as the antitheses of mass tourism. More recent literature focuses on the idea that all tourism can become more sustainable thus broadening the debate somewhat. Thomlinson and Getz (1996) go one step further saying that ecotourism ‘might very well be the leading edge of mass tourism, rather than an alternative’ (p.185). Whilst the debate has gained from this broadening of concern ‘the emphasis on the environmental dimension to sustainability rather than the economic and social dimensions is a real problem in the debate on sustainability and sustainable tourism’ (Swarbrooke, 1999, p.6). As Muller (2000, p.4) states ‘an almost neglected dimension within the sustainability debate concerns the economy’. Wall (1996) notes that tourism development has to be economically viable to contribute to sustainable development. Economic viability is a precursor to development occurring, sustainable or not, the only way that sustainable projects will survive is if they are economically viable. Thus economics has to be an important feature of this debate.

From a social point of view the sustainability debate has concentrated on the role of host communities as stakeholders in the development of tourism and the necessity of this development to be all inclusive and involve consultations at all levels (for example Jamal and Getz, 1999; Reed, 1997; Sautter and Leisen, 1999). There are also debates about the effect on local culture of tourists visiting an area (Boissevain, 1996; Smith 1989, Abram et al 1997). Swarbrooke (1999) argues that this debate needs to be broadened to include the four Es: equity among stakeholders, equal opportunities for employees and tourists, ethics in the tourism industry’s dealings with its suppliers and destination government
with both their host population and tourists and finally equal partners between tourists and tourism employees.

Sustainability in economic terms focuses on the issue of economic impacts of tourism and evaluates the positive and negative effects. In this regard the most important questions have been what are the cost and benefits of a tourism event or development? How are these benefits distributed within the region? What is the multiplier effect of tourism on the local area? Another area of interest has been that of government. It should be noted that a lot of work which economists engage in the area of tourism provides valuable resources to the sustainability debate but is not presented at such. Instead it is treated as simply expenditure data or multiplier data. (This is exemplified in the discussion in 1.2). Similarly much of this work is specifically economic in nature and does not cross over into the areas of the environment or local society.

Moving from a theoretical approach to a more practical vision of how to attain sustainability leads us to a debate about which should be paramount, the environment or the local economy. Hunter (1996) has three different scenarios. First is the ‘tourism imperative’ where development is primarily concerned with the needs of tourists and the tourism industry. The second position, ‘product led tourism’ is when environmental factors are considered but are secondary to the growth of the sector. In the third case ‘environmentally led tourism’ is as the name implies where the environment is of foremost concern and it incorporates the idea of eco tourism. In each of these scenarios the relationship between the environment and the economy differs. Relatively recent work by environmental economists has attempted to put a value on natural resources and thus facilitate easier evaluation of new developments and the construction of valuable cost benefit analysis

1.2 Tourism Economics: expenditure analysis

The expenditure of tourists is the clearest indication of the economic benefits of tourism for an area and according to Stabler (2000) it is ‘certainly the most important contribution that economics has made to the field [of tourism]’ (p.91). In some cases these studies
have been used to evaluate the importance of tourism for a region (for example Braun, Xander and White, 2002; Manente, 2000; Archer and Fletcher 1996, Cannon and Ford, 2002) while in others the concentration has been on how expenditure differs according to personal characteristics. For example Perez and Juaneda (2000) found that spending differed quite significantly according to age, nationality and professional group. Lee (2001) investigating the expenditure patterns of boaters found that their ‘sociodemographic and geographic characteristics, travel distance, type of destination and trip patterns were important determinants of total expenditures (p.659). Oppermann (1997) shows how the destination can affect the expenditure levels mentioning in particular how Singapore and Hong Kong have been able to position themselves as shopping paradises thus inducing a relatively high tourist spend. His earlier work investigates differing expenditure patterns between repeat and first time visitors (1996).

While such work is valuable it just presents the direct effect of tourism. The multiplier presents the full effect of tourism in an area by including the indirect and induced effects of tourism spending. Examples of this can be found in the work of researchers such as, Henry and Deane (1997) and Pajaarem (1999). Walpole and Goodwin (2000) show how the extent of leakages can dissipate the positive effects on the local economy. The calculation of the multiplier usually involves construction of input output tables and the collection of detailed data from both tourists and local firms. The primary difficulties with such studies are the costs involved and the challenge of collecting accurate detailed information, in particular in relation to the indirect and induced effects.

More recently in the literature there have been articles which have commented on the methodology undertaken when assessing tourism expenditure. Vaughan et al (2000) address the fact that studies of the economic impact of visitor spending ‘has. been subject to questioning by some academic authors in terms of relevance, validity and difficulty of understanding’ (p.95). Others have concentrated on the issue of how to best collect the information which is required (Yaun, 2001, Breen, Bull and Walo 2001, Leeworthy et al 2001).
1.3 Development and management of a tourist destination

With the posing of sustainability as an antithesis to mass tourism comes a debate on the appropriate development of a tourist area. Butler’s (1980) model of how a tourist area evolves traces development through periods of exploration, involvement, development, consolidation, stagnation and rejuvenation or decline. During the period of consolidation there will be less local control and major franchises and chains will be represented. This stage can also result in capacity issues which may themselves act as a disincentive to tourists. Plog (1973) differentiates between types of tourists and as Pearse (1995) surmises the stagnation period of development in a resort, as described by Butler, is likely to be dominated by the attraction of psycho centric visitors as the allocentrics move on to newer less discovered areas. As a resort reaches the stage of consolidation and perhaps endures capacity issues, both in terms of the environment and society, effective management and planning is required to direct the resort into rejuvenation rather than decline. One of the concerns in this regard can be to change the area in such a way as to move from a mass market to attracting a more up market higher spending tourist who will put less pressure on the local environment and yet yield similar levels of income. As Liu (2003) outlines ‘in order to develop tourism sustainably, demand management… is often more critical than resource management since tourist demand usually fluctuates more frequently and abruptly than tourist resources’ (p.463). This article poses the question: do spending differentials according to accommodation choice indicate that holiday home owners may be a route of sustainable development for a resort seeking rejuvenation and aiming to concentrate on higher spending visitors?

1.4 Holiday homes literature

The literature on holiday home owners has often concentrated upon the debates of whether they constitute tourists or not (Cohen, 1974; Coppock, 1977; Jaakson, 1986 and Girard and Gartner, 1993) and attempting to quantify the numbers (Go, 1988). Pearce (1995) outlines literature, particularly from the late 1970s which analysed the spatial development of second home regions in relations to the urban centre.
The existence of holiday home owners can be traced back decades in several Western developed countries and in 1988 Go estimated that 35 percent of Italians owned a holiday home in their own country, the next highest ownership levels were 16 percent in Switzerland and 10 percent in France. The growing trend of purchasing abroad has further enhanced levels of holiday home ownership. Changing trends in terms of the type of home purchased have also been identified: Direction du Tourisme (2000) outlining the French situation says that prior to the 1960s, holiday homes tended to be authentic, vernacular dwellings, often inherited from family members and dispersed largely throughout rural areas. Between the early 1960s and the mid 1970s the form and spatial structure of holiday homes in France underwent significant transformations as large-scale, purpose built holiday home developments in seaside and mountain resorts emerged. Similarly Barke (1991) identified extensive urbanisation along the Malaga coast as a result of purpose built holiday home development.

The increasing concentration of holiday homes can have a significant influence on the local area. Gartner (1986) and Girard and Gartner (1993) found that holiday home owners were more opposed to developments in the local area than full-time residents. Furthermore Girard and Gartner (1993) studied second home owners perceptions of the services and facilities within the holiday home area. They noted that satisfaction may be influenced by the facilities in their permanent urban dwellings and how long they have had their holiday home. The level of satisfaction affects this group’s views on environmental and social issues and if as a group they have influence in the local area this can impact local environment, development and tourism policies and so sustainability. Jaakson (1986) reported how many lakes in Canada had formally organised ‘lake’ or cottager’ associations of holiday home owners to protect their interests. A study of Courtown in Ireland (Mottiar and Quinn, 2001) found that the actions of holiday home owners had altered the tourism development undertaken in local woodlands. Such activity serves to distinguish these users of the local place from other more transient tourists.

Some literature is quite positive about the effect of holiday home owners on the place in which they holiday in terms of negating the effects of rural depopulation and contributing
to the local economy (Muller, 2000). Grahn (1991) even argues that holiday home owners may protect existing culture in peripheral areas by simply upholding settlement structures and landscape. On the negative side there is the issue of the environmental costs of transport to and from holiday homes and the possibility of displacing local populations (Muller, 2000). From a social perspective there is the issue of an influx of holiday home owners changing the local population structure in the area as in the case of Torrevieja where the high level of retired immigrants has dramatically altered the age structure and needs of the population. (Casado-Diaz, 1999). There are also the added pressures on local infrastructure (McDonald, 1999) and the idea that ‘a proliferation of holiday homes …[can turn] the resort into a “ghost town” in the winter (Kilkee Chamber of Commerce as cited in Deegan, 2002). In Ireland there has been much popular comment about the negative effects of holiday homes especially following the tax incentive scheme discussed below in 2.2 which resulted in considerable growth in this type of purpose built housing in coastal resorts around the country. Local objections included fears that ‘a large influx of people into a small area could create a ghetto or enclave, with minimum contact with local people’ (Cannon, as cited in Siggins, 1998). Some counties for example Wicklow and Donegal have responded by banning housing development by anyone who is not a native of the county.

This article seeks to add to this debate by investigating the local economic contribution of holiday home owners. The extent of holiday home owners economic contribution, or how it differs from other tourists, has not been evaluated in the literature to date but it provides valuable information for balanced evaluation of the costs and benefits of this type of tourist development. At a time when many resorts are concerned with capacity management, choices need to be made regarding the type of tourist that each resort wishes to attract. Is it possible that holiday home owners could constitute a group who can create a relatively higher level of income and reduce the amount of seasonality in the area? If so could they constitute a route to sustainable development?
2. Case study

In order to address these questions the research sought to compare the expenditure patterns of tourists to the coastal area of North Co. Wexford according to their accommodation choice. This expenditure then constituted their economic contribution to the local area. Efforts were made to track the level of leakages in expenditure by each group.

2.1. The case study area: North Wexford

North Wexford is a coastal area which is approximately 100 kilometres from Dublin the capital city of Ireland and main population centre. It has a long history of tourism with, in particular, Courtown tracing the first tourists back to 1863 (North Wexford Tourist Guide, 1999). It benefits from the attractions of sandy beaches, its closeness to Dublin and it’s proximity to Rosslare harbour which brings many English people to visit. A traditional coastal resort area, it has a variety of accommodation possibilities with mobile homes playing a particularly important role and more recently self-catering houses.

Holiday homes have existed for a number of decades in this area and although there are no official figures, interviews with residents have noted the existence since the 1970s of holiday homes near the coast, many of which were chalets, often temporary in their nature and on individual sites. More recently, and in particular since the initiation of the Seaside Resort Areas Scheme, which gave tax relief for the development of tourist facilities in designated coastal resorts, there has been a substantial increase in the number of purpose built second home developments in Courtown, one of the main tourist resorts in the region. Approximately 1,000 houses and cottages were built in the form of housing estates typical of more urban development (Mottiar and Quinn, 2001). Over three years there was a fourfold increase in the housing stock in an area with a small village, no chemist or large supermarket and a year-round village population of 354 (CSO, 1998). Although to a much lesser extent, such purpose built holiday houses in housing estates have also been built in villages such as Blackwater and Kilmuckridge in the area although
these are not tax designated resorts. The group of holiday home owners surveyed for this research comprise both those who own purpose built homes and those in former permanent dwellings.

The purpose of this paper is to answer questions such as how does holiday home owners’ expenditure in the local area compare to that of traditional tourists? Do they purchase different types of goods? How do these expenditure patterns compare when the issue of the length of stay is introduced? What levels of local expenditure do holiday home owners engage in for the upkeep or development of their second properties? What implications do these findings have for the sustainable development of an area?

2.2 Methodology
The expenditure data used for this study was collected as part of a research project which looked at North Wexford in Ireland. Three questionnaires were used, one for tourists, one for residents and one for holiday home owners. For this work the responses of tourists and holiday homes owners are to be considered. In total 76 holiday home owners responses and 345 tourist responses were collected at four different locations within the area throughout July and August 2001. Not all respondents answered questions about expenditure, in total 55 holiday home owners and 208 ‘traditional tourists’ provided information about their total expenditure, but this total number differed according to each question. For the purposes of this study the sample was broken into different groups according to their accommodation choice – these groups are identified in table 1 below.

Respondents were asked a variety of questions relating to tourism in the area. For the purposes of this article the main two questions asked participants to detail their approximate household spend in Wexford per day on groceries, meals and drinks, entertainment and miscellaneous items. Self catering visitors were also asked about where they did their grocery shopping during their stay.

To ensure that there weren’t significant differences in terms of the profile of the respondents from the different accommodation groups some frequency data was
analysed. It showed that while there was not an equal gender balance for accommodation groups what they had in common in all cases was a higher proportion of women respondents ranging from 68% in the case of B & Bs to 53% for those who owned their own mobile home. This continuity between the groupings indicates little or no gender bias in the accommodation groupings. It is important to note this as gender differences between the accommodation groups might explain particular types of expenditure.

An important factor in analysing expenditure data is the size of the group being analysed. These ranged from people travelling alone, to families with up to seven children. Analysis by accommodation sector shows that in each case the bulk of tourists were family groups with one to two children. The only notable factor is that those who rented caravans or mobile homes tended to have more children with 67 percent of respondents having three or more children. Other than that there are no discernable differences in the groups sizes in each accommodation grouping.

Another important factor for consideration is income levels as it would be expected that higher income earners might be concentrated in the holiday home category and this may then mean that this group would have a higher expenditure level. In each accommodation category, with the exception of those who rented houses and stayed with family and friends who were on holiday, more than 50 percent of respondents were earning in excess of €40,641 (£32,001). Thirty three percent of holiday home owners in the sample are in the highest income brackets of more than €55,888 (£44,001) but this is not significantly higher than those staying in other types of accommodation and is in fact lower than the group who owned their own mobile home as 50 percent of those were in this high income category.

2.3 Results

2.3.1 Daily expenditure compared (excluding accommodation)
Total expenditure – excluding accommodation

On average per day tourists spent €95.52 but this masks a considerable range of spending. Clearly this would reflect different group sizes but type of accommodation also has an impact, table 1 shows how this spending differs according to accommodation choice.

Insert Table 1

The groups which spend the most are those who stay with friends and family who are on holidays, in a rented house and in hotels. It is clear that in terms of total daily expenditure holiday home owners are in the lowest quartile, with the second lowest level of daily expenditure after people who own their own mobile or caravan in the area. These results are not unlike Paajanen’s (1999) findings in Virrat, Norway.

2.3.2 Are there differences in terms of the types of expenditure each group engages in?

As one would expect the goods purchased, in particular in terms of groceries and meals and drinks, are influenced by accommodation choice. The higher spenders in terms of groceries are those staying in rented houses, followed by those staying with friends and family who either live in the area or are holidaying here and then holiday home owners (see table 2). When expenditure on meals and drinks is analysed the highest spenders are those staying with friends and family who are on holidays in the area followed by those staying in hotels. It is notable that holiday home owners are the lowest spenders in this category. Similarly in expenditure on entertainment they are again the lowest spenders while hotel guests spend the most. These findings are similar to Petrick’s (2004) study of loyal visitors which found that they were more price sensitive and spent less than other visitors. However as they were more likely to visit in the future and spread word of mouth advertising, as well as offering a lower risk associated with their profitability, they were proposed by the author to be ‘good visitors’ nonetheless.

Average expenditure on miscellaneous items was in many cases not noted as an expenditure item, those that did account for it mentioned petrol, taxis and newspapers as
the main sources of expenditure and in two cases of holiday home owners DIY or hardware products were mentioned.

2.3.3 How much of this expenditure is in the local area?

In terms of expenditure among the holiday home owners group groceries are the most important category (see table 3). Interestingly this is only the case for this group, for every other group meals and drinks are the highest spend categories. This total expenditure data does not provide information about how much of this spending stays in the local economy. A question regarding where grocery shopping was undertaken was posed to determine whether much of this spending stayed in the local area or instead was spread to local towns and large supermarkets, or indeed were these goods purchased before arrival in the North Wexford area altogether.

Insert Table 2
Insert Table 3

It is clear that the majority of all holiday makers to the area tend to buy their groceries in the Wexford area. Investigating the ‘always’ and ‘mostly’ responses shows that 59 per cent of holiday home owners purchase their groceries in the local supermarket always or mostly, and the other high categories in this regard are those with rented caravans and those who own their own mobile home. As the holiday home and mobile home owners are the two groups that have a more long-term connection with the place this may suggest their greater embeddedness in the locality as well as a greater local economic influence.

2.3.4 Is there any expenditure particular to holiday home owners?

Questions were posed to ascertain whether holiday home owners engage in any particular expenditure. When asked to list the goods or services which they purchase locally the
most common responses included items like milk, bread, newspapers and groceries. This does not imply any distinctive expenditure from other groups of self-catering tourists. It is notable that 10.2 percent stated that they purchased ‘everything’ locally and that one individual even purchased their car in the local area.

Chaplin (1999) notes that in her sample many of the holiday home owners spent a lot of time renovating their holiday homes. This could indicate a unique form of expenditure for this group. In this sample 32 percent of respondents did renovation work to their holiday homes. As table 4 shows the economic impact of such expenditure was felt in the local village but also in other parts of the North Wexford region. Very little of this type of expenditure leaks out of the broader Wexford region. This is an important addition to the local economy and supports non-tourism sectors.

Insert Table 4

Another area of expenditure that was investigated was the use of local management or maintenance services, but interestingly 80 percent of respondents did not use such services. Those that did predominantly reported using local grass cutting and window cleaning services.

2.3.5 What effect does incorporating the issue of number of visits and length of stay have?

The analysis so far indicates clearly that traditional tourists spend more per day in the local area than holiday home owners and there are few distinctive additional types of expenditure that holiday home owners engage in. However on an annual basis, taking account of the number of nights that these two groups stay in the area and the number of visits that they make over the year are the conclusions the same? In this sample the duration of stay for tourists (excluding holiday home owners) was quite variable with 22 percent staying only one night and at the other extreme about 8 percent staying for more than 14 nights. However the average length of stay is 9 nights. Similarly for the holiday home owners the amount of time spent in the local area can range quite a lot. It is
interesting to note the fact that these homes appear to be used not just during the summer, with 58 percent saying that they stay ‘most weekends year round’. The average stay for this group is 63 nights during the year. This is probably influenced by the fact that the majority of holiday home owners live relatively nearby in Dublin, thus easily facilitating regular weekend visits. Annual expenditure now shows a different picture with holiday home owners spending €3,711.96 per annum while the majority of regular tourists spend on average less than €1,000, and in some cases considerably less.

Insert table 5

2.3.6 Including accommodation expenditure

Of course this analysis has excluded the important issue of accommodation which is often the largest category of expenditure for most tourists. Using average local industry estimates for each type of accommodation allows the inclusion of this important part of holiday expenditure. No value is included for holiday homes as the range of time periods over which their purchases were made make it impossible to estimate an average cost and also because this expenditure is a one off payment in terms of the local economy and it may not even stay in the economy if the seller was a holiday home owner too. Also these costs are incurred whether the person visits or not, they are equivalent to a fixed cost.

Insert table 6

It is clear that even including the important expenditure on accommodation, holiday home owners in North Wexford contribute more to the local economy annually than other tourists. This is primarily due to the fact that these tourists visit more often throughout the year so that while their expenditure per trip is not exceptional when compared to the other tourists, their regular visits make them particularly lucrative. It must be noted too that the contribution of the holiday home owner to the local economy via the purchase price of their property is not accounted for in this analysis. Another notable issue is that all of the accommodation cost for other tourists does not necessarily stay in the local
economy. For example many of the self-catering units are run by Self-catering Ireland which specialises in the rental and management of self-catering houses. Thus at least some of the accommodation fees are transferred out of the North Wexford area. Accounting for these facts may in fact increase the relative position of holiday home owners when it comes to analyzing expenditure patterns.

3. Discussion, Analysis and Conclusions

However from a supply side point of view per room each holiday home has less than 20 percent occupancy on an annual basis (63 out of 365 bed-nights). Whereas the other types of accommodation must have higher rates of occupancy to ensure that they are viable businesses. Data is only available for B & B, guesthouses and self-catering for the busy period June to September nationally and they show between 50 and 66 percent room occupancy for 2003 (Bord Failte, 2003). Although this is significantly lower for the rest of the year, the annual average is undoubtedly more than 20 percent. Therefore from a supply side perspective each holiday home is creating less money for the local economy than other types of accommodation.

However the analysis in this paper has taken a demand side approach and from that perspective over a year 1,000 holiday home owners can bring the same amount of money into an area as 7,000 tourists. This has to have clear implications for issues of sustainability. Aside from the numbers there is also an issue in terms of the time period whereby the visits of the 7,000 tourists are concentrated during the 2-3 months of the summer. The average stay of non-holiday home tourists was 9 nights and expenditure €59.23 per day. So if 7 groups of tourists stayed for 9 days each consecutively from the beginning of July to the end of August the same amount of money would be spent in the area as if one holiday home was used for the average of 63 nights spread throughout the year. (Indeed it is notable that in this survey many of the holiday home owners themselves talked about how they preferred to use the facilities when then weren’t so busy). So in terms of economic impacts the choice is simply whether the local

---

1 While there are some tourists years round the business is primarily concentrated in the summer months.
community prefers the economic gains to be concentrated during the summer season or spread throughout the year.

The security of a flow of income over a number of years must also be considered and in that regard holiday home owners are a relatively secure source of future revenue as the fact that they have a house in the area will guarantee their return year after year. On the other hand it must also be remembered that different sub-sectors of the local industry will favour different types of tourists depending on their spending preferences. It is notable that the spending patterns of holiday home owners will support the non-tourism industries in the locality in particular.

What about in terms of environmental impacts? The most apparent environmental impact of significant number of holiday homes in the area is in terms of the effect on the landscape. In the example above 1,000 houses are required for these holiday home owners whereas a significantly smaller number of B&Bs, hotels and caravan sites can house 7,000 tourists. But Muller (2000) makes an important distinction which is useful here between holiday homes that are purpose built and those which represent simply a changed use from a permanent to holiday home. In Ireland’s experience, purpose built holiday homes are less likely to be in keeping with the local environment and are more modern looking in nature, they also often defy rural settlement patterns and instead conform to urban norms of housing estates. This has been the case in Courtown in particular. The completion of large numbers of such housing in one go also results in an almost instantaneous pressure on the local resources when compared with one off developments staggered both in terms of time and geographical location. While no attempt is being made here to quantify, or even investigate the negative environmental consequences of holiday home owners the costs associated with holiday homes built in purpose built estates may significantly exceed those of single dwellings where ownership has transferred from a permanent holder to a holiday home owner. Some of the negative

---

2 It is noted that the non-holiday home tourists spending may also support builders but this will be indirectly and is unlikely to have as strong an impact as the holiday home owners direct spending will.
comments that are associated with holiday homes are as a consequence of bad planning which allows houses to be built which are not sympathetic with the local environment (Mottiar and Quinn, 2001). These different types of holiday homes need to be considered when evaluating costs and benefits.

Another important environmental consequence of tourism is overcrowding in the local area and this is extenuated by the concentration of tourists in a short time period. The time spent in the resort by holiday home tourists is often off-peak and so there is not such an intense impact on local resources.

In terms of the social impacts an issue that would warrant further investigation is whether repeat visitors, in this case holiday home owners, become more integrated into the local community and bridge that gap between insiders and outsiders. In previous research on Courtown (Mottiar and Quinn, 2003) the role of holiday home owners in delaying tourism development in the area was discussed and this showed that while these types of tourists definitely had a role in the area that was distinctive from the residents, nonetheless they were seen to have a vested interest in the local area and in some cases were well known locally. This relationship is quite different from transient holiday makers who visit for a two week holiday and thus one would presume that the social impacts are also different.

This paper contributes to the debate regarding tourist expenditure by concentrating on differences according to accommodation choice and incorporating the issue of length of stay. It is clear that some types of tourists spend more money than others, they often engage in different types of expenditure and the amount of expenditure that takes place in the local area where tourists are staying can also be quite different.

Secondly, an issue of concern for those interested in developing sustainable tourism is that of seasonality. A local tourism industry can only survive if a regular income can be made by the firms. The results of this research show quite clearly that while the other tourists stayed for up to two weeks during the summer period, almost 60 percent of
holiday home owners were visiting the area regularly throughout the year. This creates a more consistent income for the area and reduces seasonality; it can also result in better services for the local community as the holiday home owners swell their numbers. However while reducing seasonality may be a government and industry objective, some members of the community like the seasonality of tourism, in other work conducted in Courtown Mottiar and Quinn (2001) found that ‘locals “like to see them (tourists) come, but like to see them go”. In general, they are glad to see September – as one resident said ‘in July and August you cannot get parking and cannot get a pint in the local pub (p.80).

In conclusion, this article simply shows that there can be clear economic benefits for an area which people deem attractive enough to build or purchase a holiday home in. This type of tourist has a high annual spend relative to other tourists and much of this expenditure seems to be concentrated in the local area. This may facilitate the development of tourism areas into less seasonal and more sustainable areas. These findings need to be incorporated into the broader debate which criticizes holiday home tourists as creating ‘ghost towns’ and re-constructing the social fabric of local villages. Merging this type of economic analysis with social and environmental analysis is likely to result in a clear and rigorous all-encompassing evaluation of this issue. This research represents a first stage in this processes, it challenges us to consider the possibility of holiday home owners being a route to sustainable development in some tourism areas. And invites comment and research from environmental and social perspectives which would facilitate effective cost-benefit analysis

**Bibliography**


Bord Failte (2003) Occupancy figures for B&Bs, guesthouses and hotels


Butler, R. W (1980) The concept of a tourist area cycle of evolution; implications for management of resources, Canadian Geographer. 24 Issue 1 pp.5-12


CSO, 1998, Population Census


Go, F (1988) Holiday Homes in Europe Travel and Tourism Analyst Vol. 3 pp.20-33


McDonald, F (1999) A traditional holiday village is being turned into an environmental slum *The Irish Times* 19th June


Mottiar and Quinn (2001) The economic and social effects of the Seaside Resort Areas Scheme *Administration* Vol. 49 No. 3 pp. 68-87

Muller, D (2000) Second Home Tourism and Sustainable Development in North European Peripheries, *TTRA Conference, Sweden*


Opperman, M (1997) *Pacific Rim Tourism* CAB.


Plog, S C (1973) Why destination areas rise and fall in popularity *Cornell H.R.A. Quarterly* Nov. pp.13-16


**Table 1: Daily expenditure according to accommodation choice**

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Total number respondents (n)</th>
<th>Average total daily expenditure (excluding accommodation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B &amp; B/ guesthouse</td>
<td>45</td>
<td>67.48</td>
</tr>
<tr>
<td>Rented house/apartment</td>
<td>46</td>
<td>99.42</td>
</tr>
<tr>
<td>Hotel</td>
<td>23</td>
<td>89.95</td>
</tr>
<tr>
<td>Accommodation choice</td>
<td>13</td>
<td>63.02</td>
</tr>
<tr>
<td>----------------------</td>
<td>----</td>
<td>-------</td>
</tr>
<tr>
<td>Staying with friends/family who live here</td>
<td>9</td>
<td>116.42</td>
</tr>
<tr>
<td>Staying with friends/family who are holidaying here</td>
<td>28</td>
<td>60.62</td>
</tr>
<tr>
<td>Rented caravan</td>
<td>44</td>
<td>41.58</td>
</tr>
<tr>
<td>Own mobile home/caravan</td>
<td>55</td>
<td>58.92</td>
</tr>
</tbody>
</table>

**Table 2: Types of expenditure**

<table>
<thead>
<tr>
<th>Accommodation choice</th>
<th>Average daily expenditure on groceries</th>
<th>Average daily expenditure on meals and drinks</th>
<th>Average daily expenditure on entertainment</th>
<th>Average daily expenditure on miscellaneous items</th>
</tr>
</thead>
<tbody>
<tr>
<td>B &amp; B/ guesthouse</td>
<td>18.15</td>
<td>40.47</td>
<td>19.05</td>
<td>25.59</td>
</tr>
<tr>
<td>Rent iced house/apartment</td>
<td>30.78</td>
<td>40.84</td>
<td>26.67</td>
<td>20.32</td>
</tr>
<tr>
<td>Hotel</td>
<td>11.65</td>
<td>45.66</td>
<td>29.88</td>
<td>18.42</td>
</tr>
<tr>
<td>Staying with friends/family who live here</td>
<td>16.65</td>
<td>32.64</td>
<td>18.15</td>
<td>19.05</td>
</tr>
<tr>
<td>Staying with friends/family who are holidaying here</td>
<td>26.99</td>
<td>55.33</td>
<td>23.81</td>
<td>0</td>
</tr>
<tr>
<td>Rented caravan</td>
<td>18.54</td>
<td>23.75</td>
<td>28.02</td>
<td>16.62</td>
</tr>
</tbody>
</table>

The sum for the types of expenditure for each accommodation type in table 2 does not correlate with the total expenditure of table 1 as a number of respondents only provided a figure for the total expenditure and did not break it down according to expenditure type.
Table 3: Level of local spending on groceries

Percentage of respondents who said they always or mostly do their shopping in the following places

<table>
<thead>
<tr>
<th>Accommodation choice</th>
<th>Local supermarket</th>
<th>Supermarket in Wexford</th>
<th>Supermarket in Gorey</th>
<th>Supermarket before you come to Wexford (e.g. Dublin)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rented house/apartment</td>
<td>44</td>
<td>9</td>
<td>40</td>
<td>7</td>
</tr>
<tr>
<td>Staying with friends/family who live here</td>
<td>33</td>
<td>19</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Staying with friends/family who are holidaying here</td>
<td>50</td>
<td>25</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Rented caravan</td>
<td>58</td>
<td>3</td>
<td>27</td>
<td>12</td>
</tr>
<tr>
<td>Own mobile home/caravan</td>
<td>62</td>
<td>8</td>
<td>19</td>
<td>11</td>
</tr>
<tr>
<td>Own holiday home</td>
<td>59</td>
<td>16</td>
<td>13</td>
<td>11</td>
</tr>
</tbody>
</table>
Table 4: Percentage of respondents who indicated where they sourced suppliers, contractors and workers when doing renovation work

<table>
<thead>
<tr>
<th></th>
<th>Your local village</th>
<th>Elsewhere in North Wexford</th>
<th>Elsewhere in Co. Wexford</th>
<th>Dublin</th>
<th>Elsewhere</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers</td>
<td>27</td>
<td>42</td>
<td>11.5</td>
<td>8</td>
<td>11.5</td>
</tr>
<tr>
<td>Contractors</td>
<td>29</td>
<td>67</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Workers</td>
<td>21</td>
<td>63</td>
<td>17</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
### Table 5: Average total expenditure per year according to accommodation group

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Average total daily expenditure (excluding accommodation)</th>
<th>Average stay</th>
<th>Average total expenditure (excluding accommodation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>B &amp; B/ guesthouse</td>
<td>67.48</td>
<td>7</td>
<td>472.36</td>
</tr>
<tr>
<td>Rented house/apartment</td>
<td>99.42</td>
<td>7</td>
<td>695.94</td>
</tr>
<tr>
<td>Hotel</td>
<td>89.95</td>
<td>9</td>
<td>809.55</td>
</tr>
<tr>
<td>Staying with friends/family who live here</td>
<td>63.02</td>
<td>6</td>
<td>378.12</td>
</tr>
<tr>
<td>Staying with friends/family who are holidaying here</td>
<td>116.42</td>
<td>11*</td>
<td>1,280.62</td>
</tr>
<tr>
<td>Rented caravan/mobile home</td>
<td>60.62</td>
<td>6</td>
<td>363.72</td>
</tr>
<tr>
<td>Own mobile home/caravan</td>
<td>41.58</td>
<td>5</td>
<td>207.90</td>
</tr>
<tr>
<td>Own holiday home</td>
<td>58.92</td>
<td>63</td>
<td>3711.96</td>
</tr>
</tbody>
</table>

* note in this category one respondent stayed for ninety days which skews the average figure.
## Table 6: Average total expenditure including accommodation

<table>
<thead>
<tr>
<th>Type of accommodation</th>
<th>Average total expenditure excluding accommodation</th>
<th>Average total expenditure including accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td>B &amp; B/ guesthouse</td>
<td>472.36</td>
<td>650.16</td>
</tr>
<tr>
<td>Rented house/apartment</td>
<td>695.94</td>
<td>1,270.27</td>
</tr>
<tr>
<td>Hotel</td>
<td>809.55</td>
<td>1,495.35</td>
</tr>
<tr>
<td>Staying with friends/family who live here</td>
<td>378.12</td>
<td>378.12</td>
</tr>
<tr>
<td>Staying with friends/family who are holidaying here</td>
<td>1,280.62</td>
<td>1,280.62</td>
</tr>
<tr>
<td>Rented caravan/mobile home</td>
<td>363.72</td>
<td>690.30</td>
</tr>
<tr>
<td>Own mobile home/caravan</td>
<td>207.90</td>
<td>1,350.90*</td>
</tr>
<tr>
<td>Own holiday home</td>
<td>3,711.96</td>
<td>3,711.96</td>
</tr>
</tbody>
</table>

*Note that the cost of accommodation for the mobile homes is the annual cost as this is paid regardless of length of stay. All other accommodation costs are calculated on the basis of the average number of nights spent in the area.*