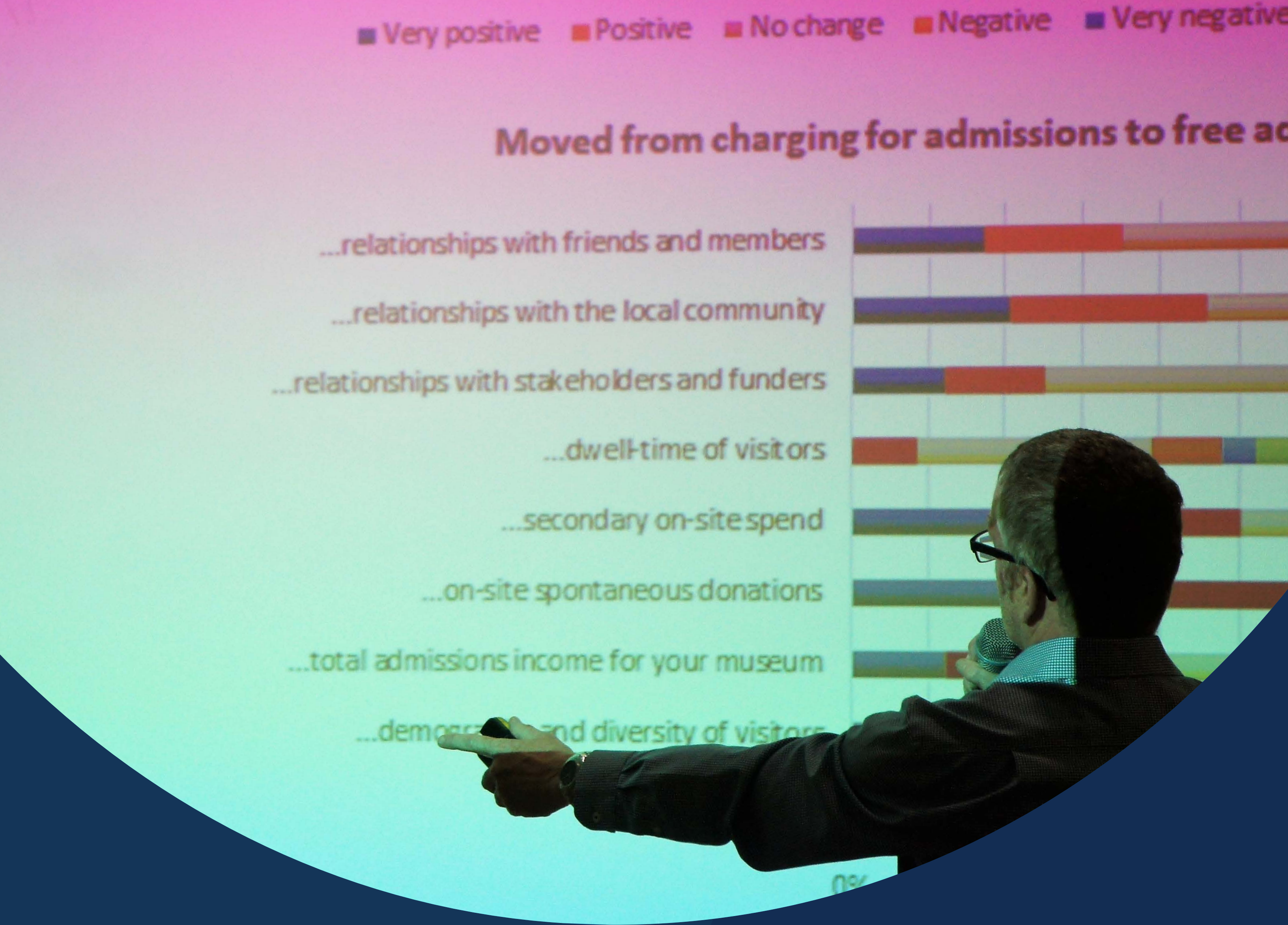


Association of Independent Museums

Economic Impact of the Independent Museum Sector 2024 – Key Findings Report

Charity Registration No. 1082215
Company Registration No. 1350939

Economic Impact of the Independent Museum Sector 2024

AiM Association of Independent Museums

The results included here estimate the overall (gross) economic contribution of independent museums to the (local) economies in which they are located. The extent to which such economic contributions are net additional is best considered at the local level using the 2024 AIM Economic Impact Toolkit.

Supporting Local Jobs

UK Wide more than 7,200 jobs (4700 FTE)

70% in the local area

The Value of Volunteers

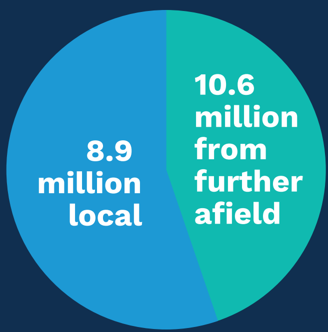
38,900 regular volunteers

Almost 518,000 volunteer days

valued at over £41 million

Attracting visits

more than 19.5 million visitors



Visitor spending

over £279 million spent off-site

estimated total spend £497 million

equates to around 3,800 FTE jobs

Sector spend

Independent museum sector spent £131.4 million on goods and services, which equates to 2,900 FTE jobs

49.5% spent in the local area

Significant economic contribution

Gross direct economic contribution

11,300 FTE jobs
£531.8 million of expenditure

Overall gross direct, indirect, and induced economic contribution

17,900 jobs
£838.7 million of expenditure

Introduction

AIM is pleased to share the latest update of our economic impact report and toolkit, highlighting the important contributions independent museums make across the UK through this report and enabling museums to assess their own local impact via the accompanying toolkit. First created in 2010, this work now forms a core AIM product, generously supported by Arts Council England.

Figures coming out in 2024 are encouraging - in 2023 our part of the sector contributed nearly £900 million to the economy, directly and indirectly; independent museums were visited by nearly 20 million people, supported by 4700 full-time equivalent staff and over half a million volunteer days.

Independent museums cared for cultural collections and heritage buildings and held events and programming to educate, entertain and inspire these visitors. And all, generally speaking, with minimal public investment.

(It should also be noted that these numbers are particularly positive following the pandemic, the cost-of-living crisis, and a general atmosphere of challenge, economic shocks which alongside changes to AIM's membership registration processes mean results aren't directly comparable to previous reports.)

At AIM we are keen to understand these impacts and share them to the widest possible audience: both to celebrate independent museums, our members, and your work; and to make the case for where public investment is needed.

This research comes at an opportune time with a new Government in Westminster for whom museums contribute to their mission to kickstart economic growth. The AIM economic impact toolkit is based on HM Treasury Green Book methodology, which means the analysis of independent museums' impact is reliable enough to be used in policymaking and political decision-making. Using these figures we can advocate for independent museums, to make the case that investment in our part of the sector has the potential to help local economies everywhere independent museums are – which is everywhere in the country.

Equally important is that the toolkit enables you to make that case yourselves to the people – funders, councils, visitors – who might want to support your museum and are keen to understand your place in the local area. There is a certain amount of work needed to use the tool to the fullest: the economic impact analysis for your museum is only as good as the data you input into it. But it can show sharply and succinctly why and how your museum contributes to economic health.

Do let us have your feedback, we'd be delighted to hear from you.

Lisa Ollerhead
Director, Association of Independent Museums

Key Findings

- In terms of direct employment, it is estimated that the independent museum sector accounts for **more than 7,200 jobs**.
- This is equivalent to **almost 4,700 full-time equivalent (FTE) jobs.**
- **70% of these jobs are in the local areas where the independent museums are located**, showing the **significant direct local employment impacts of independent museums.**
- The independent museum sector spent a total of **£131.4 million on the procurement of goods and services in 2023.**
- **Almost half (49.5%) of this procurement spend takes place in the local areas where the independent museums are located**, showing the **direct procurement impacts** of independent museums on their localities.
- Applying standard economic assumptions to this procurement expenditure shows that **this level of procurement expenditure equates to around 2,900 FTE jobs.**
- There were **38,900 regular volunteers in the independent museum sector, and these volunteers contributed more than half a million** (almost 518,000) **volunteer days in 2023.**
- Applying standard guidance (and using 2024 National Minimum Wage rates) **this scale of volunteer days is estimated to be valued at more than £41 million in 2023.**
- **Independent museums attracted more than 19.5 million visitors in 2023** based on the survey findings, and of these, it is assumed that **around 14.6 million are adult visitors.**
- The survey results show **that of the 19.5 million visitors, around 8.9 million are local visitors, whilst 10.6 million are day/overnight visitors from further afield** – clearly showing the role that independent museums play in attracting visitors to places.
- It is **estimated that the overall (gross) spend of these visitors is more than £497 million**, and much of this expenditure will contribute to the local economies in the places where independent museums are located.
- Based on the survey results, it is estimated that **most of this visitor spending (more than £279 million) takes place off-site** – i.e., outside of the museums themselves and in the local economies and communities where the museums are based.
- Applying standard economic assumptions to this off-site expenditure shows that **this level of off-site visitor expenditure equates to around 3,800 FTE jobs.**
- Adding together the direct employment, direct procurement, and off-site visitor impacts shows that the **independent museum sector's overall gross, direct economic contribution is in the region of 11,300 FTE jobs, which can also be expressed as £531.8 million of expenditure.**
- These results provide estimates of the overall (gross) direct economic contribution of independent museums to the local economies in which they are located. Applying standard local economic multipliers to these direct impacts suggests that the **overall gross economic impact (i.e. direct, indirect and induced impacts) of the independent museum sector could be around 17,900 jobs - which can also be expressed as £838.7 million of expenditure.**
- All the results included here estimate the overall (gross) economic contribution of independent museums to the (local) economies in which they are located. The extent to which such economic contributions are *net additional* is best considered at the local level using the 2024 AIM Economic Impact Toolkit.

Introduction, Aims And Context

Introduction

In early 2024, the Association of Independent Museums (AIM) commissioned DC Research and Durnin Research to carry out the AIM Economic Impact Toolkit Refresh and Update 2024.

The original AIM Economic Impact Study took place in 2010, with the initial Toolkit developed at this stage, with a refreshed Toolkit produced in 2014 (this version updated tourism spend metrics only), and a fully revised version of the Toolkit and a new Sector Summary Report produced in 2019. The 2019 version refined and expanded the approach, enabling museums to capture both the gross and net economic impacts, helping make the case to funders and partners about the economic contribution of independent museums.

Each of the previous versions of the Toolkit have been very influential across the UK museums sector, with the study findings being used for a range of advocacy purposes and the Toolkit being used by a wide range of individual museums and geographic and thematic groups of museums across the UK. In recent times there has been ongoing demand from within the sector for the Toolkit to be updated.

This 2024 update provided the opportunity to refresh the 2019 work – which is now five years old – and ensure that the key assumptions underpinning the Toolkit are based on current/recent research, data and evidence; that it reflects the current scale and typology of the AIM membership; and that it reflects the current wider context for independent museums.

Aims

The two key aims of this 2024 AIM Economic Impact Toolkit Refresh and Update:

- To update the AIM Economic Impact Toolkit.
- To refresh the analysis of the overall economic contribution made by the independent museum sector in the UK.

The 2024 Toolkit has been produced as a separate document, and this report provides the key findings from the research in terms of the economic contribution of the independent museum sector in the UK.

Approach

The overall approach taken to assessing the economic impact of the independent museum sector and developing the AIM Economic Impact Toolkit 2024 was underpinned by the study team's approach to economic impact assessment which is **rooted in rigorous economics and best practice approaches**[i]**.**

The Toolkit sets out how individual museums can estimate their overall (gross) economic impact, as well as providing a process through which individual museums can also identify their net additional economic impact.

This 'key findings' report, which focuses on the overall economic impact of the independent museum sector, assesses the gross economic impact of the sector.

Throughout this report, the results presented provide estimates of the overall (gross) economic contribution of independent museums to the (local) economies in which they are located. The extent to which such economic contributions are *net additional* is best considered at the local level using the 2024 AIM Economic Impact Toolkit.

The key source of primary research evidence used in the analysis that underpins the findings presented in this report, as well as the information contained in the 2024 AIM Economic Impact Toolkit, was a survey of AIM members.

An online survey of AIM members took place during April and May 2024, and more than 250 respondents engaged in the survey, providing some level of response. Once the responses were cleaned (including removing any responses that were not sufficiently detailed to be included in the analysis) and de-duplicated, this resulted in a total of 166 valid and usable replies. This response level equates to 18% of the total AIM membership of museums (940 as at June 2024), and the respondents provide good coverage of the AIM membership in terms of museum size (which was regarded as the most important characteristic in terms of representativeness of responses).

The overall approach to the analysis used the results from the survey, identifying typical employment levels, volunteer activity, spend on goods and services, and visitor patterns (in terms of both number and type of visitor) for each category of museum size used by AIM (see below). These results were then aggregated across the rest of the AIM membership to provide an estimate of the overall economic contribution of the entire AIM membership. The AIM membership is used as a proxy to represent the overall independent museum sector in this analysis.

AIM museum members fall into four categories, and these categories were used as the basis for analysis and aggregation/extrapolation of the survey results to the broader independent sector. The categories are:

- Small (up to 20,000 visitors per annum).
- Medium (20,000 to 50,000 visitors per annum).
- Large (50,000 to 100,000 visitors per annum).
- Largest (over 100,000 visitors per annum).

Table 1 shows the breakdown of the AIM's museum membership in mid-2024 by size, and compares this to the 163 survey respondents that provided information about their museum size.

Table 1: Summary of AIM Membership mid-2024 and Survey Responses (by Size Bands)

	AIM members		Survey Respondents	
	Number	Percent	Number	Percent
Small Museums	735	78%	122	75%
Medium Museums	128	14%	21	13%
Large Museums	36	4%	8	5%
Largest Museums	41	4%	12	7%
Total	940	100%	966	100%

Source: Data on AIM Membership 2024 provided by AIM, and DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Overall, the survey responses were broadly consistent with the breakdown of AIM membership as can be seen in Table 1, although there were some areas of slight over and under representation.

In terms of size, largest and large museums were slightly over-represented in the survey responses, whilst both small museums and medium museums were slightly under-represented.

However, given the small percentage variance between the membership breakdown and the survey respondents breakdown by size for each category, it can be concluded that the survey is sufficiently representative of the AIM membership to be used to develop the economic impact estimates presented in this report.

This section presents the key findings from the analysis of the overall economic contribution of the independent museum sector. Firstly, employment impacts (focusing on paid staff but also encapsulating the contribution of volunteers) are considered, followed by procurement spend impacts, and then visitor spend impacts. Finally, an aggregation of the combined impacts of these aspects are presented to provide an overall estimate of the gross economic impact of the independent museum sector.

Employment

In terms of employment impacts, survey respondents were asked whether they had paid employees at their museum/attraction. Those that did (**61% of respondents reported that they do have paid employees**) were then asked for information about the overall number of people employed at the museum, the full-time equivalent (FTE) number of employees, and the proportion of paid employees that live within the local area where the museum is based.

Table 2 shows the breakdown of responses for those that do have paid employees, presenting the range of responses, and the median[ii] values in terms of **overall employment**. The median number of employees in responding museums varies notably by size – from four employees for small museums to more than 62 staff in the largest museums.

Table 2: Total Employment in Museums Responding to the Survey that have paid employees

Size	Number of Responses	Range		Average (median)
		Minimum	Maximum	
Small	60	1	28	4
Medium	18	1	96	7
Large	7	11	40	23
Largest	12	2	515	62.5
Total	97			

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Table 3 shows the breakdown of these responses, the range of responses, and the median values in terms of **full-time equivalent (FTE) employment**. The median number of employees in responding museums again varies notably by size – from 2.5 FTE for small museums to 42.5 FTE staff in the largest museums.

Table 3: FTE Employment in Museums Responding to the Survey that have paid employees

Size	Number of Responses	Range		Average (median)
		Minimum	Maximum	
Small	59	0	11	2.5
Medium	19	0.35	75	5
Large	7	4	25.5	12.5
Largest	12	2	336	42.5
Total	97			

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Taking the median data from Tables 2 and 3, and applying it to the entire AIM membership, results in a total jobs figure of more than 7,200. In terms of FTE employment, it is estimated that the independent museum sector has almost 4,700 FTE jobs. These results are broken down in Table 4 below.

Table 4: Employment in the Independent Museum Sector

Size	Overall Employment	FTE Employment
Small	2,940	1,837.5
Medium	896	640
Large	828	450
Largest	2,562.5	1,742.5
Total	7,226.5	4,670

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

The survey also asked museums about the residential location of their employees (Table 5), which is used the calculate the proportion of employment that 'leaks' out of local economies. This is an important metric for the 2024 Toolkit.

Table 5: Proportion of Paid Employees that Live Locally from Responding Museums

Size	Range		Average (median)
	Minimum	Maximum	
Small	5%	95%	83%
Medium	5%	95%	74%
Large	5%	95%	61%
Largest	5%	95%	66%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

These results show that for each size category of museum, the vast majority of paid employees live in the local area where the museum is located. Applying these results to the overall employment findings in Table 4 shows that **70% of these jobs are in the local areas where the independent museums are located** – showing the **significant direct local employment impacts** of independent museums.

Role & Contribution of Volunteers

The survey found that not all museums have paid staff, with **39% of responding museums reporting that they do not have any paid employees at all.** In this context the role and contribution of volunteers can be critical for some museums.

The survey asked respondents about the number of regular volunteers, and the annual number of volunteer days at their museum. Applying the survey results across the entire AIM membership shows that **there are almost 38,900 regular volunteers, contributing 518,000 days per year**.

Assuming a standard working day of seven hours and applying the 2024 minimum wage rate, **this scale of volunteer days is estimated to be valued at more than £41 million in 2023.**

Summary of Employment Impact Findings

- In terms of direct employment, it is estimated **that the independent museum sector accounts for more than 7,200 jobs.**
- This is **equivalent to almost 4,700 full-time equivalent (FTE) direct jobs.**
- **70% of these jobs are in the local areas where the independent museums are located**, showing the **significant direct local employment impacts** of independent museums.
- A notable proportion of independent museums do not have any paid staff. Based on the survey results this could be as many as 39% of independent museums.
- Therefore, it is not surprising that there is a **notable contribution from volunteers to the operation of independent museums** – based on the survey results, there were **38,900 regular volunteers in the independent museum sector, and these volunteers contributed more than half a million (almost 518,000) volunteer days in 2023.**
- Applying standard guidance (and using 2024 National Minimum Wage rates) **this scale of volunteer days is estimated to be valued at more than £41 million in 2023.**

Procurement

In terms of procurement impacts – i.e., the impact of museums spending on purchasing goods and services – survey respondents were asked to provide information about how much they had spent in the last year on procurement.

Table 6: Procurement Spending Museums Responding to the Survey (rounded)

Size	Number of Responses	Range		Average (median)
		Minimum	Maximum	
Small	93	£0	£529,000	£33,200
Medium	18	£1,500	£2.2 million	£101,500
Large	7	£500	£490,000	£350,000
Largest	11	£150,000	£7.3 million	£1.98 million
Total	129			

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Taking the median data from Table 6, and applying it to the entire AIM membership, results in a **total procurement value of £131.4 million for independent museums spend on purchasing goods and services in 2023.**

Applying standard economic assumptions to this procurement expenditure shows that **this level of procurement expenditure equates to around 2,900 FTE jobs** [iii].

In addition, survey respondents were also asked to identify the geographic distribution of this procurement spending (in terms of how much took place locally, nationally and internationally). These results are summarised in the tables below/overleaf.

Table 7: Proportion of Procurement from Responding Museums that is spent locally

Size	Range		Average (median)
	Minimum	Maximum	
Small	0%	100%	54%
Medium	0%	90%	55%
Large	20%	100%	50%
Largest	15%	90%	45%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Table 8: Proportion of Procurement from Responding Museums that is spent nationally

Size	Range		Average (median)
	Minimum	Maximum	
Small	0%	100%	44%
Medium	10%	100%	42%
Large	0%	80%	46%
Largest	9%	84%	53%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Table 9: Proportion of Procurement from Responding Museums that is spent internationally

Size	Range		Average (median)
	Minimum	Maximum	
Small	0%	50%	2%
Medium	0%	45%	3%
Large	0%	10%	4%
Largest	0%	5%	2%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

These results show that for each size category of museum, the overwhelming majority of procurement takes place locally and nationally. Applying these results to the overall procurement findings above shows that **49.5% of this procurement spend takes place in the local areas where the independent museums are located** – showing the significant local procurement impacts of independent museums. In addition, 48.3% of this procurement spend takes place nationally, showing the significant wider economic impacts of museums in terms of their procurement spending.

Summary of Procurement Impact Findings

- The independent museum sector spent a total of **£131.4 million on the procurement of goods and services in 2023.**
- Applying standard economic assumptions to this procurement expenditure shows that **this level of procurement expenditure equates to around 2,900 FTE jobs.**
- **49.5% of this procurement spend takes place in the local areas where the independent museums are located (and 48.3% is spent nationally)**, showing the **direct procurement impacts** of independent museums on their localities and the wider economy.

Visitors

In terms of the impacts of visitor spending, survey respondents were asked for information about the total number of visitors to their museums, the type of visitors, the cost of admission for visitors, and the typical other on-site spend per head for visitors – as well as the importance of the visitor economy to the local area in which the museum is based and the contribution of the museum to the overall tourism offer.

Some of these results are presented below, whilst other aspects are incorporated into the 2024 Toolkit assumptions.

163 survey respondents gave information on visitors to their museums and Table 10 below shows the breakdown of these responses, the range of responses, and the median number of visitors to each category of museum.

Table 10: Number of Visitors in Museums Responding to the Survey (rounded)

Size	Number of Responses	Range		Average (median)
		Minimum	Maximum	
Small	122	0	19,000	4,800
Medium	21	20,000	47,900	29,500
Large	8	50,000	89,000	61,600
Largest	12	102,800	11,000,000	244,300
Total	163			

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Taking the median average data in Table 10 and applying it to the entire AIM membership results in an **estimated total number of visitors to independent museums in excess of 19.5 million in 2023** – see Table 11.

Table 11: Total Estimated Number of Visitors to Independent Museums in the UK

Size	Visitors (rounded)
Small	3,503,400
Medium	3,777,100
Large	2,216,700
Largest	10,016,700
Total	19,513,900

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

To assess the economic impact of these visitors, it is important to distinguish between different types of visitors, especially between local visitors, day trippers, and overnight visitors – with different spend values and different attributions of the proportion of the day being applied to different types of visitors.

Museums were asked about the proportion of their visitors that were local, national and international, and Tables 12, 13, and 14 set out the number of local, national and international visitors to responding museums by size.

Table 12: Proportion of Local Visitors in Responding Museums

Size	Range		Average (median)
	Minimum	Maximum	
Small	4.5%	96%	53%
Medium	10%	80%	48%
Large	5%	80%	39%
Largest	10%	90%	44%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Table 13: Proportion of National Visitors in Responding Museums

Size	Range		Average (median)
	Minimum	Maximum	
Small	4%	90%	39%
Medium	5%	80%	41%
Large	18%	85%	48%
Largest	10%	85%	43%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Table 14: Proportion of International Visitors in Responding Museums

Size	Range		Average (median)
	Minimum	Maximum	
Small	0%	50%	8%
Medium	0%	50%	11%
Large	2%	45%	13%
Largest	0%	60%	14%

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Based on these results, Table 15 shows the estimated number of visitors to independent museums by visitor type.

The table shows that more than 8.9 million are local visitors, just over 8.2 million are national visitors from elsewhere in the UK, and 2.3 million are international visitors – clearly showing the role that independent museums play in attracting visitors to places.

Table 15: Total Estimated Number of Visitors to Independent Museums in the UK - by visitor type (rounded)

	Local	National	International	Total Visitors
Small	1,866,000	1,361,000	276,000	3,503,000
Medium	1,821,000	1,552,000	404,000	3,777,000
Large	861,000	1,072,000	299,000	2,232,000
Largest	4,382,000	4,272,000	1,363,000	10,017,000
Total	8,930,000	8,257,000	2,342,000	19,529,000

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

Prior to assessing the visitor spend impacts, it is important to make a judgement on the adult/child split in terms of visitor numbers – this is because the visitor spend data used relates to the typical spend per adult visitor. In terms of the adult/child split, an assumption of 75%/25% has been applied – i.e. that 25% of visitors to the museums are children, and that 75% of visitors are adults[iv]

Applying this ratio to the overall visitor numbers in Table 15, results in an **estimate of the total number of adult visitors to independent museums of 14.6 million per year.**

In order to assess the gross visitor spend impacts of these 14.6 million adult visitors, the most recently available official visitor volume and value data from Visit Britain was used to develop visitor spend values. Drawing on data released in 2024, the average (national) spend metrics used for day (i.e. national) and overnight (i.e. international) visitors is £44, with 'local' visitor metrics of one-half of these values being applied for local visitors.

It should be noted that these metrics are national-level results. Local authority-level results, where available, are included in the 2024 Toolkit and should be used where possible by individual museums applying the 2024 Toolkit.

Based on the above results, it is **estimated that the overall (gross) spend of these 14.6 million adult visitors is more than £497 million**, and much of this expenditure will contribute to the local economies in the places where independent museums are located (see Table 13 for a breakdown of these results).

Table 16: Total Estimated Visitors Spend Impacts from Visitors to Independent Museums in the UK - by Visitor Type (rounded)

	Local Visitors	National and International Visitors	Total
Small	£30,792,000	£54,027,000	£84,819,000
Medium	£30,040,000	£64,567,000	£94,607,000
Large	£14,200,000	£45,238,000	£59,438,000
Largest	£72,302,000	£185,947,000	£258,249,000
Total	£147,334,000	£349,779,000	£497,113,000

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

To assess the scale of impact that occurs off-site (i.e. outside/beyond the museum) it is necessary to adjust for the total value of visitor spend that takes place within the museum (i.e. on admissions, retail spend, and catering spend) and subtract this from the overall total.

Using results from the survey (cross-checked with other relevant sources) shows that the average (median) values of on-site spend[vi] for each museum type are: Small - £4.06; Medium - £7.50; Large - £12.71; and Largest - £21.93. Applying these results to the findings above, it is estimated that around £217.9 million of the total spend in Table 16 occurs on-site, and resultantly the **estimate of off-site visitor impacts for visitors to independent museums across the UK of £279.2 million.**

This shows that, based on the survey results, it is estimated that **most of this visitor spending (more than £279 million) takes place off-site** – i.e., outside of the museums themselves and in the local economies and communities where the museums are based.

In order to convert this value of visitor spend to employment equivalents (i.e. the number of jobs this supports) drawing on previous research[vii] a value of £73,400 turnover per job is used to estimate the number of FTE jobs that this spend supports. Applying this ratio shows that the **off-site spend impacts of visitors to independent museums equates to just over 3,800 jobs.**

Summary of Visitor Impact Findings

- **Independent museums attracted more than 19.5 million visitors in 2023** based on the survey findings, and of these, it is assumed that **around 14.6 million are adult visitors.**
- The survey results show that **of the 19.5 million visitors, around 8.9 million are local visitors, whilst 10.6 million are day/overnight visitors from further afield** – clearly showing the role that independent museums play in attracting visitors to places.
- It is **estimated that the overall (gross) spend of these visitors is more than £497 million**, and much of this expenditure will contribute to the local economies in the places where independent museums are located.
- Based on the survey results, it is estimated that **most of this visitor spending (more than £279 million) takes place off-site** – i.e., outside of the museums themselves and in the local economies and communities where the museums are based.
- Applying standard economic assumptions to this off-site expenditure shows that **this level of off-site visitor expenditure equates to around 3,800 FTE jobs.**

Overall Impacts of the Independent Museum Sector

In order to provide an estimate of the overall, gross direct economic contribution of the independent museum sector, the direct employment impacts (4,700 FTE jobs) can be added to the procurement impacts (2,900 FTE jobs) and the off-site visitor impacts expressed in employment terms (total of 3,800 FTE jobs) – **leading to an overall gross employment impact for the independent museum sector of 11,300 FTE jobs.**

These jobs can also be expressed in terms of expenditure, and (i) applying standard values of spend per job from the aforementioned tourism research[viii] and (ii) drawing on Annual Business Survey data for museum specific jobs[ix], shows that **this level of employment can be expressed as £531.8 million of expenditure.**

These results provide estimates of the overall (gross) direct economic contribution of independent museums to the local economies in which they are located.

In order to estimate the wider (i.e. indirect and induced effects[x]) that result from this level of direct economic contribution, standard multiplier values can be applied to the direct impacts. Adopting a multiplier of 1.577[xi] suggests that the **overall gross economic impact (i.e. direct, indirect and induced impacts) of the independent museum sector could be around 17,900 jobs.**

These jobs can also be expressed in terms of expenditure, and applying the same standard values of spend per job and Annual Business Survey data for museum specific jobs as referenced above, shows that **this level of employment can also be expressed as £838.7 million expenditure.**

Comparisons With Previous Work about the Economic Contribution Of The Independent Museum Sector

As noted in Section 1, this 2024 report builds on previous similar studies commissioned by AIM in 2010 and 2019. Whilst comparisons may inevitably be made between the results from the two most recent studies (2024 and 2019) **it is important to understand the variances in approach, data, and scope between these studies before making any such comparisons.**

The overall approach and the key assumptions that have been made for this 2024 study are fully set out in the preceding report sections, and the relevant endnotes, and these assumptions should be borne in mind when using and interpreting the results and advocating about the findings.
The range of key assumptions that underpin the approach and method that has been used to develop the 2024 estimates follow – **<u>with one notable exception</u>** – the same approach as that adopted in the equivalent 2019 research study.

In terms of the **notable exception**, in this 2024 study it has been possible to provide an estimate of the overall scale of procurement by independent museums, and this is included in the analysis. This was not possible in the previous 2019 study, and as such these results are not directly comparable to the 2019 study. To enable comparisons to be made between 2019 and 2024, the table overleaf sets out what the 2024 results would be if exactly the same approach as 2019 was followed.

Furthermore, in terms of considering any variance in the results between 2019 and 2024, other factors also come into play. Of greatest importance is the assumption that the AIM membership, in terms of museums members, is used as a proxy for the overall independent museum sector. This assumption has been used in all previous studies of the economic impact of the independent museum sector that AIM has commissioned. However, the way in which AIM records active membership has developed in recent years and, as such, the membership in 2024 is now less than it was in 2019. This change in membership accounts for some (and in the case of employment and visitors a notable proportion) of the variance between the 2019 and 2024 results.

Noting the difference in collation in 2024, if the 2019 membership numbers are applied to the 2024 survey findings, the results in terms of employment (both employment count and FTE jobs) and visitors are very similar for 2019 and 2024. This should be recognised in any presentation of results that seeks to compare the findings from the two studies. In addition, it also leads to the conclusion that, for any future studies, further consideration may be required to ensure that the assumption of the AIM membership being used as a proxy for the overall independent museum sector is still valid.

As mentioned above, the approach and method adopted in 2024 is different to that used in 2019 in one key aspect – the inclusion of procurement expenditure. If the impacts of procurement expenditure are excluded from the 2024 analysis to enable direct comparisons with 2019, the results would be as summarised below in Table 17.

Table 17: Comparison of the 2019 and 2024 AIM Economic Impact Results (if the exact same approach and method is applied)

	2024	2019
Jobs – count	7,200	8,900
Jobs – FTE	4,700	6,000
No of regular volunteers	38,900	34,500
Volunteer days	517,500	494,000
Value of Volunteering	£41.4 million	£28.4 million
Visitors	19.5 million	24.5 million
Adult visitors	14.6 million	18.4 million
Local visitors	8.9 million	14 million
Non-local visitors	10.6 million	10 million
Visitor spend (on- and off-site)	£497 million	£440 million
Off-site visitor spend	£279 million	£290 million
Direct impact (jobs)	8,500	11,400
Direct impact (expenditure)	£400million	£487 million
Direct, indirect and induced impacts (jobs)	13,400	17,100
Direct, indirect and induced impacts (expenditure)	£631 million	£730 million

Source: DC Research/Durnin Research analysis of Economic Impact of Independent Museums AIM Survey Data 2024.

i. (e.g., HM Treasury Green Book; Homes and Communities Agency Additionality Guide; Scottish Enterprise Additionality & Economic Impact Assessment Guidance Note, etc.).

ii. The median rather than mean values from the survey results are used throughout this analysis. The median results are thought to provide a more appropriate basis for analysis as they are less likely to be influenced by notable outliers than the mean values for the same data.

iii. This assessment used bespoke data about average turnover per job derived from the survey results from this research study to carry out this analysis. Whilst official ONS (Annual Business Survey) data would typically be used to underpin such analyses, due to recognised, ongoing issues with turnover data for the relevant SIC for museum activities (9102), the survey data was used as the preferred source of this information.

iv. This 25% assumption is applied building on a number of sources, including a range of recent individual museum economic impact studies carried out by the study team (which shows, on average, the child proportion being between one-fifth and one-quarter), as well as previous AIM research about economic impact and data from DCMS.

v. DC Research/Durnin Research analysis of tourism volume and value datasets, 2024 (data released in March 2024, relating to calendar year 2023) i.e. https://www.visitbritain.org/research-insights and specifically: https://www.visitbritain.org/media/3110/download?attachment (Domestic day visits Q4 2023 and 2023 overall (Published 12th March 2024)) which shows that the average spend per visit for both a GB Tourism Day Visit and an England Tourism Day Visit was £44 in 2023.

vi. Median values from the survey results of the on-site cost of admission combined with the median values for other on-site spend (e.g. from retail and catering) have been used to develop values for the on-site spend of each type of museum (Small - £4.06; Medium - £7.50; Large - £12.71; and Largest - £21.93). These results have been cross-checked with various research studies across the UK that have reported on-site admission, retail and catering spend values. Based on these cross-checks, the results presented are regarded as appropriate estimates that can be used for this purpose.

vii. Tourism: jobs and growth The economic contribution of the tourism economy in the UK (2013) by Deloitte/Oxford Economics (https://www.visitbritain.org/sites/ind/files/2023-08/The%20economic%20contribution%20of%20the%20tourism%20economy%20in%20the%20UK.pdf) shows that £54,000 of spend is required to support one additional job. This metric has been selected, updated to mid-2024 prices (£73,400) using the Bank of England inflation calculator (Inflation calculator | Bank of England), and applied to this analysis.

viii. Tourism: jobs and growth The economic contribution of the tourism economy in the UK (2013) by Deloitte/Oxford Economics (https://www.visitbritain.org/sites/ind/files/2023-08/The%20economic%20contribution%20of%20the%20tourism%20economy%20in%20the%20UK.pdf) shows that £54,000 of spend is required to support one additional job. This metric has been selected, updated to mid-2024 prices (£73,400) using the Bank of England inflation calculator (Inflation calculator | Bank of England), and applied to this analysis.

ix. This value is the average turnover per job in the museum sector (defined as Museum Activities Section 91.02) and taken from the Annual Business Survey – data for 2022, released in June 2024; and from BRES employment data – data for 2022, released in 2023: https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/datasets/uknonfinancialbusinesseconomyannualbusinesssurveysectionsas and https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=189

x. Indirect Impacts – i.e. the supplier linkage effects generated elsewhere in the local economy due to purchases made as a result of the museum and further purchases associated with linked firms along the supply chain. Induced Impacts – i.e. the income multiplier effects generated in the local economy as a consequence of the spending of wages/salaries of those employed through both the direct and indirect impacts.

xi. The selection of a multiplier of 1.577 is based on the GVA Multiplier taken from the United Kingdom Input-Output Analytical Tables, 2020 (consistent with UK National Accounts Blue Book 2023 & UK Balance of Payments Pink Book 2023) for R91: Libraries, Archives, Museums And Other Cultural Activities, taken from: https://www.ons.gov.uk/economy/nationalaccounts/supplyandusetables/datasets/ukinputoutputanalyticaltablesindustrybyindustry, data released May 2024.

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