



**Special Economy and Enterprise
Overview and Scrutiny Committee**

Date Friday 4 September 2015
Time 9.30 am
Venue Committee Room 2, County Hall, Durham

Business

Part A

Items during which the Press and Public are welcome to attend. Members of the Public can ask questions with the Chairman's agreement.

1. Apologies for Absence
2. Substitute Members
3. Declarations of Interest, if any
4. Items from Co-opted Members or Interested Parties, if any
5. Scrutiny Review of Marketing Activity Undertaken by Visit County Durham: (Pages 1 - 34)
 - (i) Report of Assistant Chief Executive.
 - (ii) Presentation by Overview and Scrutiny Officer, Assistant Chief Executive's.
6. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Colette Longbottom
Head of Legal and Democratic Services

County Hall
Durham
26 August 2015

To: **The Members of the Economy and Enterprise Overview and Scrutiny Committee:**

Councillor R Crute (Chairman)

Councillor A Batey (Vice-Chairman)

Councillors E Adam, J Armstrong, J Bell, J Clare, J Cordon, M Davinson, D Hall, T Henderson, C Kay, B Kellett, J Maitland, H Nicholson, R Ormerod, A Patterson, M Simpson, P Stradling, O Temple, A Willis and S Zair

Co-opted Members:

Mr T Batson and Mr I McLaren

**Economy and Enterprise Overview
and Scrutiny Committee**

4 September 2015



**Economy and Enterprise Overview
and Scrutiny Review of tourism
marketing activity undertaken by
Visit County Durham**

Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose

1. The attached report presents the key findings and recommendations of the Economy and Enterprise Overview and Scrutiny Committee's Review Group report of tourism marketing activity undertaken by Visit County Durham (VCD).

Background

2. At a Special Meeting of the Economy and Enterprise Overview and Scrutiny Committee held on 28 January 2015 members agreed the terms of reference for the review with the aim of investigating the performance of VCD in marketing County Durham as a visitor destination and to determine how future marketing will continue to build upon recent success. It was agreed that the review would focus on:
 - the role and responsibilities of VCD in marketing the County as a visitor destination.
 - the work of other key partners in marketing Durham as a visitor destination, how they work in partnership with VCD and their views of the role and work of VCD, to include: members of the Strategic Marketing Partners Group; Durham University; Durham Cathedral; Durham County Cricket Club; Durham Business Improvement District Company; Beamish and The Bowes Museum.
 - the performance of VCD in marketing the County as a visitor destination, with a focus on the 'This is Durham' brand.
 - the future marketing plans of VCD and identify any future challenges in marketing County Durham as a tourism destination.
 - a case study of a recent marketing campaign undertaken by VCD (VCD's national marketing campaign).
 - examine with representatives from key visitor economy businesses their views on the work undertaken by VCD in marketing County Durham.

3. A Review Group of ten Members was established from the membership of the Economy and Enterprise Overview and Scrutiny Committee. Evidence was gathered over a period of six meetings with the Chairman and Vice-Chairman of the Committee also attending a meeting of the Visit County Durham Board on the 23 June 2015.
4. The Review Group's key findings are attached at Appendix 2 and have resulted in the formulation of the following recommendations (see pages 6-7 of report):
 - In relation to the partnership approach to marketing, VCD seeks to extend its work with partner destinations and the Durham Strategic Marketing Partnership and also use major events to attract out of region visitors to raise the profile of the county as a visitor destination.
 - That VCD continues to develop and redesign the 'thisisdurham.com' website and ensure that it remains responsive to the increasing and changing information demands resulting from developments in technology.
 - That VCD continues to research and identify national marketing campaign opportunities which benefit partners within the DSMP and wider tourism industry and promote County Durham as a tourism destination.
 - VCD ensures that robust performance targets and monitoring procedures for all online and offline marketing activity are in place.
 - That the performance evaluation of the effectiveness of marketing activity undertaken in relation to the national marketing campaign is promoted and reported to the County Council as part of its performance management process.
 - That VCD maximises all identified future marketing opportunities for 2015/16 including:
 - The use of major events and developments at attractions in County Durham.
 - The Northern Tourism Growth Fund, promoting northern destinations to overseas markets.
 - Championing as a future priority with the NECA the importance of the visitor economy.
 - That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet.

Service Response

5. The report was shared with the Regeneration and Economic Development (RED) Management Team and was well received. RED Management Team accepted the key findings and recommendations detailed in the report. The report highlights the partnership approach used by Visit County Durham (VCD) working with key tourism partners nationally, regionally and locally to market County Durham as a 'Destination of Distinction' for existing and new visitors. The Service Grouping will provide a response to members by the agreed timescale to the various recommendations contained within the review report.

Recommendations

6. That the Economy and Enterprise Overview and Scrutiny Committee agree the report of the Scrutiny Review Group looking at the marketing activity undertaken by Visit County Durham and attached as Appendix 2.
7. That the report of the Scrutiny Review Group is submitted for consideration by Cabinet at the meeting on the 21 October 2015.

| | | |
|-----------------|--|---|
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Appendix 1: Implications

Finance – None

Staffing – None

Risk – None

Equality and Diversity / Public Sector Equality Duty – The necessary Equality Impact Assessment has been prepared concerning the review report.

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Issues – None

Legal Implications - None



Economy & Enterprise OSC

Scrutiny review of tourism
marketing activity undertaken by
Visit County Durham

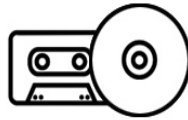
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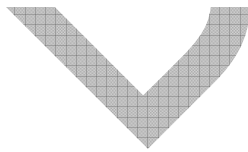


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Chairman's Foreword



Economic Development and Regeneration remains the top priority of Durham County Council with tourism contributing £731m to the economy of County Durham and supporting 10,800 (FTE) jobs in 2013. It is against this backdrop that the Economy and Enterprise Overview and Scrutiny Committee agreed to undertake a detailed review of tourism marketing delivered by Visit County Durham.

County Durham is on a journey towards becoming a 'Destination of Distinction' with major events such as the Lindisfarne Gospels Exhibition attracting 100,000 visitors and Lumiere attracting 175,000. These events along with the Ashes Test and other key events across the county helped boost visitor numbers to 17.9m in 2013. Events like these help to keep County Durham firmly on the cultural map and allow us to compete with other tourism destinations such as Northumberland, Yorkshire and Bath.

A further packed schedule of events is underway for 2015 to build upon the success of previous years and to continue to attract visitors from across the country. Events in 2015 include Magna Carta and the Changing Face of Revolt, Yves Saint Laurent exhibition at the Bowes Museum, Bishop Auckland Food Festival, Lumiere and England v New Zealand at the Emirates Durham International Cricket Ground.

It is anticipated that through the successful partnership approach used by Visit County Durham (VCD) working with key tourism partners nationally, regionally and locally to market the county as a tourism destination, 2015 will see a further increase in visitor numbers and more tourism spend within the economy.

During the review we received information on the tourism economy nationally, regionally and locally; the role and responsibilities of VCD in marketing the county; the marketing role of key partners together with their views on the marketing activity undertaken by VCD; the performance of VCD; future marketing activity and a case study focusing on VCD's national marketing campaign. The Vice-Chair and I also attended a meeting of the Visit County Durham Board on the 23 June, 2015.

This review report details key findings and proposes a number of recommendations which aim to build on the excellent work undertaken by VCD in promoting County Durham as a 'Destination of Distinction' for existing and new visitors.

I would like to thank all of those who have been involved in gathering information especially officers from VCD, representatives from the Durham Strategic Marketing Partnership and the Chair of Visit County Durham. I would also like to thank my fellow Councillors who have served on the review group.

Councillor Rob Crute
Chair Economy and Enterprise Overview and Scrutiny Committee

Executive Summary

- 1 As part of its work programme, the Economy and Enterprise Overview and Scrutiny Committee receive an annual update on the development of the tourism offer within County Durham.
- 2 The last update provided to the committee on 23 June 2014 highlighted that tourism supports over 10,800 (FTE) jobs in the County and brings additional spend of £731m (Scarborough Tourism Economic Activity Model (STEAM) evaluation report 2013/14) to the economy of County Durham. In addition, reference was made to the success of key signature events in 2013/14 such as Lumiere, the Lindisfarne Gospels Durham, the Ashes Test Series and the Bishop Auckland Food Festival.
- 3 During the subsequent discussion members identified tourism as playing a key role in the economy of County Durham and marketing as central to promoting the tourism offer. It was agreed by the committee that a scrutiny review would focus on the work undertaken by VCD in marketing County Durham as a tourism destination.

Focus of the Review

- 4 The aim of the review is to investigate the performance of Visit County Durham in marketing County Durham as a visitor destination and to determine how future marketing will continue to build upon recent success.
- 5 The terms of reference for the review were agreed by the committee at the meeting held on the 28 January, 2015. The review would cover the following objectives:
 - Examine the role and responsibilities of VCD in marketing the County as a visitor destination.
 - Examine the work of other key partners in marketing Durham as a visitor destination, how they work in partnership with VCD and their views of the role and work of VCD, to include members of the Strategic Marketing Partners Group: Durham University; Durham Cathedral; Durham County Cricket Club; Durham Business Improvement District Company; Beamish and The Bowes Museum.
 - Investigate the performance of VCD in marketing the County as a visitor destination, with a focus on the 'This is Durham' brand.
 - Consider the future marketing plans of VCD and identify any future challenges in marketing County Durham as a tourism destination.
 - Examine a case study of a recent marketing campaign undertaken by VCD (VCD's national marketing campaign).
 - Examine with representatives from key visitor economy businesses their views on the work undertaken by VCD in marketing County Durham.

Methodology

- 6 A review group of 10 members was established from the committee's membership which gathered evidence over six meetings with the Chair and Vice-chair of the committee also attending a meeting of the Visit County Durham Board on the 23 June 2015.
- 7 The evidence was provided via reports, presentations and discussions with the following DCC officers and partners:

Melanie Sensicle – Chief Executive, Visit County Durham;
Sarah Johnson – Marketing Manager, Visit County Durham;
Michelle Gorman – Senior Manager, Visit County Durham;
Alex MacLennan – Recreation and Public Affairs Manager, Hamsterley Forest;
Louise Thompson – Marketing Manager, Dalton Park;
Jacki Winstanley – Marketing Officer, Beamish Museum;
Dr Keith Bartlett – Director of Culture, Durham University;
Adam Deathe – Business Engagement Manager, Durham Business Improvement District Company;
Ruth Robson – Head of Marketing and Events, Durham Cathedral;
Richard Dowson – Chief Operating Officer, Durham County Cricket Club;
Ivor Stolliday – Chair, Visit County Durham.

Key Findings and Conclusions

- 8 VCD adopts a partnership approach to marketing County Durham working with key tourism partners including Visit England, Visit Britain, partner destinations and the Durham Strategic Marketing Partnership (DSMP). VCD has been very successful at working in partnership with neighbouring partner destinations and partners within the DSMP using major events organised by partners which have the greatest potential to attract out of region visitors as 'hooks' to then raise the profile of the county as a visitor destination, encourage visitors to stay longer and spend more in the local economy. Examples include the Ashes Test matches where the 'this is durham' branding was visible at the ground, information on the county was included in press packs and county wide images were displayed in the press room. VCD is currently working with Newcastle/Gateshead in relation to the Rugby World Cup and has worked with Northumberland on a food and drink campaign and the ongoing Dark Skies activity. This partnership approach to marketing increases the opportunities available for VCD to market the county whilst ensuring VCD's budget and staff resources are utilised to achieve maximum marketing impact.
- 9 VCD has a marketing activity budget of £58,100 for 2014/15 and adopts a mixed approach with both online and offline marketing activity, but with the majority of marketing activity now undertaken online. Online marketing provides the best return on investment and includes articles on partner websites, a monthly e-newsletter to over 40,000 recipients, social media marketing and search marketing ensuring that 'thisisdurham.com' appears prominently in search engine results. VCD continues with ongoing web and

content development with the website currently undergoing redesign. Offline marketing consists of traditional advertising in newspapers and magazines but only when funded by external sources (not covered by VCD's core budget), complimented by press and public relations work undertaken by VCD. Whilst there is a need for a mixed approach to marketing using both online and offline activity, VCD needs to continue to ensure best return on investment by continuing to develop and redesign the 'thisisdurham.com' website. This will ensure that the website remains responsive to increasing and changing information demands resulting from developments in technology.

- 10 VCD does not deliver or market individual events within County Durham, although they do market events as part of a destination sell (promoting key events outside of the region to encourage overnight stays and longer stays in the county). The delivery and marketing of individual events is undertaken by event organisers, which includes amongst others, partners within the DSMP, a partnership of key tourism partners including for example Beamish Museum; Durham Cathedral; Hamsterley Forest; Durham BID (see paragraph 53 for full details of partners). The DSMP and VCD work in partnership with VCD researching and identifying marketing campaign opportunities which promote County Durham nationally which are presented to the DSMP with appropriate partners invited to contribute to the various campaigns. VCD will then work with partners to develop the partner's input and identify how they will be featured in campaign activity. The DSMP will contribute cash and in-kind support, shaping the individual campaigns and are profiled in the resulting campaign activity. VCD and the DSMP need to continue to develop this successful approach to partnership working to ensure that current and future marketing opportunities are identified and developed for the benefit of County Durham.
- 11 VCD monitors both online and offline marketing activity. Online activity on the 'thisisdurham.com' website continues to increase year on year with on average 80,000 unique visitors on a monthly basis. Each online activity has associated targets with performance measures including social media engagement rates, number of e-newsletters opened and unique visitors to the 'thisisdurham.com' website. In relation to offline monitoring and evaluation this involves VCD identifying increases in web traffic and customer details captured following traditional advertising in newspapers and magazines in the form of advertorials or supplements. In addition, VCD sets an annual target (based on equivalent advertising value), for the value of out of region PR with the target for 2013/14 of £6m exceeded (£6.1m achieved) resulting in the target set for 2015/16 of £11m. The influence and impact of the Durham Pocket Guide has previously been evaluated by visitor surveys in 2009 and 2011 however future evaluation of the guide will be undertaken using an in-house online survey. It was felt by the Review group that VCD need to continue to set robust targets and performance monitor all online and offline marketing activity to ensure that campaigns and marketing activity undertaken have the required reach and produce the best return on investment.
- 12 The Review group as part of the review process considered a case study of Durham's Regional Growth Fund national marketing campaign undertaken by VCD which included detail of the evaluation of the campaign (for detail of case study see Appendix 1). The evaluation of the campaign was undertaken by

Visit England, and consisted of public focus groups looking at the effectiveness of the campaign creative with Durham's campaign artwork determined to be the 'most motivational' of all 14 destination campaigns and a twice yearly survey sent to consumers who had signed up to the campaign websites. The survey results were externally verified and signed off by the Department for Business Innovation and Skills (BIS). There is still 18 months left of the evaluation process however in relation to Durham's campaign the results so far show: a £13.1 million additional visitor spend for the County Durham economy; 245 jobs created or supported; £327,278 of match funding and over 14 million people reached by the campaign. The Review group consider that the performance evaluation of the effectiveness of marketing activity undertaken by VCD should be promoted and reported to the County Council as part of its performance management process.

- 13 Regional Growth Fund (RGF) investment of £450,000 provided a significant opportunity for VCD to market the county extensively to a national audience over a three year period from 2012-2015. However this funding has now ended which has resulted in VCD identifying a number of marketing challenges for the future including: the need to continue to develop effective partnership working to maximise the marketing budget; a small tourism business base both in number and size of businesses; lack of a new product; need to ensure a good visitor experience to encourage repeat visits; a range of marketing opportunities are provided suitable for all tourism businesses; County Durham continues to get a national profile in media and staff resource. In addition, VCD has also undertaken work to identify future marketing opportunities for 2015/16 including:
- Focusing on partnership working with the DSMP and using major events and developments at attractions including:
 - Auckland Castle;
 - Durham County Cricket Club;
 - Magna Carta;
 - Open Treasures;
 - The Bowes Museum - Yves Saint Laurent event;
 - Bishop Auckland Food Festival;
 - Lumiere;
 - Brass;
 - Durham Book Festival.
 - The Northern Tourism Growth Fund (£10m) provides opportunities to promote northern destinations to overseas markets with VCD already contributing to a project proposal along with other northern destinations which has been agreed by the Department for Culture, Media and Sport.
 - The establishment of the North East Combined Authority (NECA) has also been identified as a further opportunity to promote the importance of the visitor economy at a regional level.

Members of the Review group and VCD, as part of the Northern Tourism Alliance were agreed in seeking to champion the visitor economy via the NECA as a future priority.

- 14 Representatives from the DSMP attended a Review group meeting to provide detail of the marketing activity they undertake and their views on the role and work of VCD in marketing the county as a tourism destination. Seven

partners from the DSMP attended the meeting together with the Chairman of VCD's Board. It was confirmed that partners use a range of marketing activities with some using a mix of online and offline activities and some opting to use only offline or online activities. Partners commented that as a result of limited marketing budgets and tourism not being a core activity for a number of partners within the DSMP, a joint approach between partners and VCD is essential. This partnership approach provides the opportunity to pool resources (budget and staff) and use VCD's expertise, guidance and robust evidence base to respond to changing market conditions and target future marketing activity. The DSMP highlighted the success of using major events taking place within the county as a 'hook' to raise the county's profile as a tourism destination and it was confirmed that the DSMP and VCD intend to continue to use this approach in 2015/16. The DSMP welcomed the continuing support and importance placed upon tourism by DCC, particularly against a backdrop of ongoing austerity pressures.

Recommendations

Recommendation 1

In relation to the partnership approach to marketing, VCD seeks to extend its work with partner destinations and the Durham Strategic Marketing Partnership and also use major events to attract out of region visitors to raise the profile of the county as a visitor destination.

Recommendation 2

That VCD continues to develop and redesign the 'thisisdurham.com' website and ensure that it remains responsive to the increasing and changing information demands resulting from developments in technology.

Recommendation 3

That VCD continues to research and identify national marketing campaign opportunities which benefit partners within the DSMP and wider tourism industry and promote County Durham as a tourism destination.

Recommendation 4

VCD ensures that robust performance targets and monitoring procedures for all online and offline marketing activity are in place.

Recommendation 5

That the performance evaluation of the effectiveness of marketing activity undertaken in relation to the national marketing campaign is promoted and reported to the County Council as part of its performance management process.

Recommendation 6

That VCD maximises all identified future marketing opportunities for 2015/16 including:

- The use of major events and developments at attractions in County Durham.
- The Northern Tourism Growth Fund, promoting northern destinations to overseas markets.
- Championing as a future priority with the NECA the importance of the visitor economy.

Recommendation 7

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet.

DRAFT

Detailed Report

Background on the tourism economy

- 15 Since 2010 tourism has been the fastest growing sector in the UK in employment terms, responsible for one third of the net increase in UK jobs between 2010 and 2012. In 2013, Visit Britain commissioned a report 'Tourism; Jobs and Growth' (Deloitte UK), which stated that the tourism economy in the UK was worth £127 billion (includes investment and effects of supporting businesses in the supply chain) equivalent to 9% of the Gross Domestic Product (GDP). It supports over 3.1 million jobs (9.6% of all jobs) with the sector predicted to grow at an annual rate of 3.8% through to 2025, significantly faster than the overall UK economy. The report continues by forecasting that the 'Tourism Economy' is expected to increase to £257 billion in value added terms by 2025 (9.9% of forecast UK GDP) representing almost 3.8 million jobs.
- 16 Tourism spend in 2013 reached £113 billion of which £24 billion was spending by international visitors on visits to the UK and fares paid to UK carriers and £89 billion spend from the domestic market. Inbound tourism is expected to continue to be the fastest growing tourism sector with spend by international visitors forecast to grow by 6.1% annually in comparison with domestic spending by UK residents at just over 3%. The report forecasts the value of inbound tourism to grow from £24 billion in 2013 to £57 billion by 2025.
- 17 In 2012, the North East attracted 74 million day visits resulting in 8.79m overnight visitors to the region. These visitors contributed £4.2 billion to the regional economy which supported 65,148 (FTE) jobs in the region (4.5% of regional jobs) with the visitor economy contributing 5.9% to regional Gross Value Added (GVA) (Office of National Statistics – ONS).
- 18 The visitor economy in 2012 supported 10,000 businesses within the North East including 3,300 accommodation businesses and 6, 700 pubs, restaurants and cafes (Office of National Statistics).
- 19 In County Durham, over 1.5 million overnight tourists visited County Durham in 2012 spending over £300m. A further 16.3 million day visits were made to the County accounting for £408 million, making the County Durham visitor economy in 2012 worth £708 million and supporting more than 10, 600 (FTE) (6.7% of total jobs (158,500) in County Durham) jobs in the County (Office of National Statistics).
- 20 The Scarborough Tourism Economic Activity Model (STEAM is an economic impact model used by destinations across the country to determine the volume and value of tourism). The evaluation report 2013 shows the economic value of tourism to County Durham economy as £731m supporting 10,800 (FTE) (6.5% of total jobs (167,200) in County Durham) jobs in the County.
- 21 The following are the key tourism bodies/ organisations nationally, regionally and locally:

- Visit Britain – is the trading name for the British Tourist Authority (BTA) which has been in existence since the 1969 Development of Tourism Act, with Visit Britain in its current form standing since 2009 when responsibility for marketing England to the British was passed to Visit England.
- Visit England – launched in 2009 following the British Tourism Framework Review (BTFR) which recommended that England should have a national tourist board just like Scotland, Wales and Northern Ireland. Visit England is a non-governmental organisation supported through a grant from the Department for Culture, Media and Sport (DCMS) and is the National Tourist Board for England.
- Northern Tourism Alliance – formed in 2011 to maintain regional co-ordination and grow the visitor economy after the demise of One North East. The Alliance works to share information plan and work cooperatively on a coordinated, coherent and effective approach to the development of North East England's visitor economy and the promotion of its visitor offer. The Alliance consists of representatives from North Tyneside Council, South Tyneside Council, Sunderland City Council, Visit County Durham, Newcastle Gateshead Initiative, North East Hotels Association and Northumberland Tourism.
- Visit County Durham (VCD) – formed in 2006 is the Destination Management Organisation (DMO) for Durham. VCD work closely with Visit England, Visit Britain and a wide range of public and private sector partners and tourism businesses, both in Durham and across England, to grow the county's visitor economy and coordinate the promotion of the county nationally and internationally. VCD is core funded by Durham County Council.
- Durham Strategic Marketing Partnership (DSMP) – formed by Visit County Durham in 2012 to aid the development and delivery of the Regional Growth Fund national marketing project. The partnership currently consists of 16 key tourism partners within the County.

Local tourism sector

- 22 County Durham has about 70 visitor attractions with the most visited including Durham Cathedral and Beamish Museum. Other attractions with significant visitor numbers include Hardwick Park (primarily residents), Locomotion, Hamsterley Forest, the World Heritage Site Visitor Centre (Palace Green-Durham City), Durham County Cricket Club, Adventure Valley, The Bowes Museum, Raby Castle, Botanic Gardens (Durham City), Barnard Castle, Killhope Lead Mining Museum, High Force, Durham Light Infantry Museum and Sedgfield Racecourse.
- 23 The County boasts a number of historic townscapes and attractive rural areas that offer local and national walking, cycling and riding routes which link beyond County Durham's borders. The County holds major events and exhibitions which attract large visitor numbers including Lumiere (Durham City), the Lindisfarne Gospels Durham 2013 (Durham City) and the Great Goodbye at Locomotion.
- 24 The emerging County Durham Plan identifies the visitor economy as an important and resilient part of the County Durham economy, however it

highlights that there remains a great deal of untapped tourism potential within the County. The plan identifies the need for further enhancement, promotion and expansion of tourism and leisure development including visitor attractions, leisure facilities and visitor accommodation.

Durham Tourism Management Plan (DTMaP)

- 25 In 2007 VCD developed the Durham Tourism Management Plan (DTMaP) in collaboration with the county's tourism industry and a range of partners including Durham County Council. The plan is the blueprint for development of the visitor economy in the County, prioritising investment in the tourism industry.
- 26 The DTMaP is based on a series of studies that provided market intelligence including visitor surveys, economic impact surveys, customer segmentation study in 2007, an image and identity study of the county and benchmarking at a national level.
- 27 The DTMaP is developed and monitored by the Board of VCD with the priorities identified in the plan endorsed by the DTMaP committee, the tourism industry conference and a range of visitor economy partners. The DTMaP is refreshed on an annual basis to take account of new and completed projects. The DTMaP 2012-16 identifies the following eight priorities (bullet points 5 and 7 are the most pertinent to the review):
- Manage and maintain the public realm taking into account the needs of visitors as well as residents in the county.
 - Increase the contribution of Durham's rural areas to the overall value of the county visitor economy.
 - Optimise the potential of Durham City to attract visitors to the county by making it a viable 48 hour stay.
 - Increases in spend by implementing a step change in the quality of the visitor experience post arrival so that the county attracts higher spending visitors.
 - *Develop local distinctiveness by using the destination brand name 'Durham', its sub brands – Durham City, Vale of Durham, Durham Coast and the Durham Dales.*
 - Tackle seasonality by focusing on two areas of development: events and business tourism.
 - *Grow the profile of the county regionally and nationally by developing and marketing products with national resonance.*
 - Extend the length of stay by optimising the potential of market towns and town centres to draw visitors into rural areas.

County Durham's target visitor markets

- 28 VCD uses a lifestyle visitor segmentation model used by Visit England to identify which groups to target with marketing activity. The model identifies 'Discoverers and Traditionals' as the two main groups who need to be targeted. These groups like the County Durham product and are already visiting the County in some numbers. Wherever possible County Durham develops its product and gears marketing towards these two groups to grow the visitor economy.

- 29 'Discoverers' are: independent individuals; little influenced by style/brand unless it represents their personal values; value technology, new products services and experiences; unlikely to be worried about what others might think; function far outweighs style as a purchase driver; high spenders on what they want, but intolerant of substitutes; they enjoy intellectual challenges but 'arts and culture' are negatively perceived and they value good service.
- 30 'Traditionals' are: relatively self-reliant and independent; more likely to hold traditional values; unlikely to justify spending on expensive alternatives; brand is not a key purchase driver but the preferences they have will tend to value more traditional established brands; functionality is far more important than style and individuality; they value and will pay for good service which to them means recognition and individual attention and they live life at a relaxed pace enjoying intellectual challenges, arts and culture.

Role and responsibilities of Visit County Durham in marketing the county

Visit County Durham

Key Conclusions:

- All VCD marketing campaigns are supported by a strong evidence base to ensure the best return on investment by marketing to people with the greatest propensity to visit.
- VCD has aligned the research available and identified the following three main marketing themes for the county which are prominent in VCD's marketing activity: Outdoors, Heritage and Food & Drink.
- VCD has developed a strong identity for the county through the 'this is durham' branding with over 50 businesses now using the brand in their promotional activity.
- VCD works in partnership with DSMP and partner destinations to market the county through third parties. This includes the use of significant events taking place in the county and in neighbouring partner destinations to profile County Durham ensuring VCD's marketing budget and staff resources are used to maximum effect.
- VCD works in partnership with Visit England, England's Heritage Cities and Visit Britain to ensure that the county is profiled nationally and internationally.
- VCD adopts a multi-layered approach to both online and offline marketing activity with the majority of marketing activity now undertaken online.
- Online marketing provides the best return on investment and includes articles on partner websites, a monthly newsletter distributed to over 40,000 recipients, social media marketing and 'search marketing'.

Background

- 31 VCD was established on 1 April 2006 as a private, not-for-profit company, limited by guarantee and has a board of eleven directors, nine private sector and two public sector. In 2011 VCD became part of the Regeneration and Economic Development Service Grouping (Economic Development and Housing Service) of Durham County Council.
- 32 VCD is a Destination Management Organisation (DMO) performing the role of destination management and marketing for County Durham, working on behalf of businesses and public agencies. The company also acts as a

'facilitator' to bring people and organisations together to make things happen, or as a 'deliverer' where VCD undertakes and runs activities or projects. It also has a key role in the county's large festivals and events using them as a 'hook' to encourage overnight stays and longer visits.

- 33 VCD has 21 staff (15 FTE at the time of the review), plus project staff which are split between four divisions: development, marketing, visitor and industry services and administration. The core budget is £800,000 per annum.
- 34 VCD's key roles and responsibilities are: market intelligence; partnership working; strategic direction; support for sector; promoting the destination; connecting and championing the sector; developing the sector; leveraging Investment and generating income to support marketing initiatives (consultancy work; advertising within the Durham Pocket Guide and project delivery).

Marketing role and responsibilities

- 35 VCD promotes Durham as a whole destination, changing perceptions of the county, raising awareness and communicating its appeal, attracting visitors from outside of the region and persuading them to stay. Currently 8% of total visitors to the county stop overnight, however these visitors make up 42% of the total tourism spend, therefore persuading visitors to stay longer and spend more will grow the county's visitor economy. VCD has a marketing team consisting of five staff members with a marketing activity budget of £58,100 for 2014/15.
- 36 VCD ensures there is a strong evidence base to support the rationale behind marketing campaigns. This includes research carried out by Visit England and other sources on what the latest national trends are for holidaying at home aligning this with visitor research for County Durham (lifestyle visitor segmentation model) which identifies the target visitor groups for County Durham as 'Discoverers' and 'Traditionals'. This evidence based approach ensures the best return on investment by marketing to people with the greatest propensity to visit.
- 37 In 2011 VCD reviewed national trends, the type of visitor attracted to the county and the county's tourism products which resulted in the identification of three main marketing themes which are prominent in VCD's marketing activity. These themes are Outdoors, Heritage and Food and Drink. There are also a number of supporting themes including culture, spa breaks, hidden gems, family fun, sport, events and parks and gardens which add breadth and depth to the county's offer, broadening our audience and ensuring a promotional platform for all tourism businesses.
- 38 A key element of VCD's approach to marketing is to develop a strong identity for the county by communicating a consistent, coherent and compelling image through all of VCD's promotional work. This resulted in the development of the 'this is durham' branding. VCD works with tourism businesses in the county to encourage them to use the Durham brand with currently over 50 businesses now using the brand in their own promotional activities. In addition, VCD has launched an image library so tourism businesses and

media have access to over 120 on-brand images of the county, a further way of developing consistent images.

- 39 VCD works in partnership, utilising partner's funds and promoting County Durham through third parties. This approach ensures that VCD's budget and staff resources are used to maximum effect whilst strengthening marketing activity with potential visitors receiving information about the county from a number of sources. Current partners include:
- Durham Strategic Marketing Partnership (DSMP) (local) - VCD works in partnership with partners in the DSMP, using events that partners organise which attract out of region visitors to market the county. This approach ensures the maximum economic benefit for the county by using the events as 'hooks' to then raise the county's profile and encourage longer stays and more spend in the economy. For example, VCD worked with Durham County Cricket Club during the Ashes test matches to ensure branding at the ground, information in press packs, county wide images in the press room and a supply of video footage of the county to broadcasters.
 - Partner 'destinations' (regional) such as Northumberland, Newcastle/Gateshead -- A joint approach to marketing is stronger and VCD has worked with Northumberland on the recent Food and Drink campaign and the ongoing Dark Skies activity. Working in partnership provides an opportunity for Durham to benefit when a significant event is taking place in a neighbouring county with work currently taking place with Newcastle /Gateshead on the Rugby World Cup.
 - Visit England and Visit Britain (national) - VCD works closely with Visit England and Visit Britain to ensure that the county is profiled through their marketing activities and when it is, that it is on brand and supports the messages that VCD are communicating. Visit Britain had recently profiled Durham as part of a £1m advertising campaign at Heathrow airport focusing on the North East. VCD work with Visit England and Visit Britain on press trips, welcoming national and international journalists to the county and they ensure that the county receives prominent profiling on both Visit England and Visit Britain websites.
- 40 Group travel is not a growth area within the county, however it is recognised that for some of the county's tourism businesses it is their 'bread and butter' and VCD works in partnership with 'Discover Durham' a consortium of the county's main attractions (including Beamish, The Bowes Museum, Auckland Castle, Durham Cathedral and Raby Castle) with an interest in group travel. The consortium works together, under the Durham umbrella to promote the county as a group travel destination via a destination wide offer.
- 41 The Review group commented on the success of the partnership approach adopted by VCD, working with the DSMP and partner destinations, using events that have the greatest potential to attract out of region visitors as 'hooks' to then raise the county's profile, encourage longer stays and more spend in the economy. Members felt that VCD needs to continue with this successful partnership approach to marketing, extending its marketing activity with neighbouring partner destinations and the DSMP. This approach

increases the marketing opportunities available whilst ensuring VCD's budget and staff resources are utilised to achieve maximum marketing impact.

Recommendation 1

In relation to the partnership approach to marketing, VCD seeks to extend its work with partner destinations and the Durham Strategic Marketing Partnership and also use major events to attract out of region visitors to raise the profile of the county as a visitor destination.

Marketing approach

- 42 To attract new visitors to the county, VCD adopts a mixed approach to both online and offline marketing activity with the majority of marketing activity now undertaken online. Research shows that 80% of people now research or book holidays online and this figure is growing year-on-year.
- 43 Online marketing is funded by VCD's core activity budget and provides the best return on investment. Online activity is constant and includes: articles on partner websites; a monthly e-newsletter distributed to over 40,000 recipients; social media marketing on Facebook, Twitter, Pinterest, YouTube and Instagram; and 'search marketing', ensuring that 'thisisdurham.com' appears prominently in search engine results. The 'thisisdurham.com' website offers free listings to businesses and includes information about the county events taking place and any special offers. VCD continues with ongoing web and content development with all current marketing and PR activity aimed to drive traffic to the website. The current website is two years old and work is currently being undertaken by VCD to redesign it.
- 44 Offline marketing activity includes more traditional advertising in newspapers and magazines which are selected through research as being the publications read by the visitor groups we are trying to attract. Articles on Durham have appeared in the Times, the Guardian and the Observer. This type of activity is funded externally through monies received for national marketing via the Regional Growth Fund and the Durham Strategic Marketing Partnership.
- 45 VCD has undertaken externally funded national marketing 'out of home advertising' which includes posters on the London Underground and key stations on the rail network (Birmingham, Manchester and Liverpool) together with digital billboards at London King Cross, Edinburgh Waverley and Manchester Piccadilly.
- 46 Press and Public Relations (PR) work undertaken by VCD compliments the various campaigns and is seen by the consumer as impartial endorsement. Coverage can be as a result of a press trip, pitching feature/story ideas to journalists and submissions for round ups. Recent examples include a six page spread in the Discover Britain magazine focusing on the Durham Dales and roundups in the Mail on Sunday and the Times (100 fantastic Autumn events and 100 perfect places to get away from it all in the UK).

- 47 The Durham Pocket Guide produced and distributed by VCD encourages visitors to stay longer and spend more. The guide combines inspirational editorial with business adverts, maps and special offers. A total of 250,000 copies of the guide were produced in 2015 with production costs and distribution costs met through advertising income. Research shows that each copy was seen by at least 2 people, a reach of 500,000 people and displayed in 300 Durham outlets and a further 350 outlets regionally.
- 48 The Review group commented that whilst there is a need for a mixed approach to marketing County Durham using both online and offline activity, VCD needs to continue to ensure best return on investment by being proactive in the development and redesign of its website. This will ensure that 'thisisdurham.com' website remains responsive to the increasing and changing information demands as a result of developments in technology.

Recommendation 2

That VCD continues to develop and redesign the 'thisisdurham.com' website and that it remains responsive to the increasing and changing information demands resulting from developments in technology.

Marketing activity of Durham Strategic Marketing Partnership (DSMP)

Key conclusions:

- VCD does not deliver or market individual events within County Durham, although they do market events as part of a destination sell. The delivery and marketing of individual events within the county is undertaken by event organisers and includes amongst others, partners within the Durham Strategic Marketing Partnership (DSMP).
- The Durham Strategic Marketing Partnership (DSMP) was established in 2012 by VCD following the announcement that Durham was to receive Regional Growth Fund investment of £450,000 across a three year period for national marketing activity.
- VCD had to secure £210,000 in match funding (cash and in-kind) in order to secure monies.
- The partnership consists of the key marketing partners within the county who are committed to retaining the DSMP and developing the partnership by increasing the number of partners and undertaking more partnership working with VCD.
- VCD works in partnership with DSMP identifying national campaign opportunities develop the campaign with partners and determine how they will feature in the campaign activity.
- As part of this partnership approach the DSMP will contribute cash and in-kind support, help shape the campaign and will be profiled in campaign activity.
- VCD continues to offer marketing opportunities to microbusinesses and SME's including advertisements in the Durham Pocket Guide and e-newsletters.

- 49 As part of the review process members identified that they wanted to receive detail of the marketing activity undertaken by key partners within County Durham and how they work in partnership with VCD

- 50 VCD does not deliver or market individual events within County Durham, although they do market events as part of a destination sell (promoting key events outside of the region to encourage overnight stays and longer stays in the county). The delivery and marketing of individual events within the county is undertaken by event organisers, which includes amongst others, partners within the Durham Strategic Marketing Partnership (DSMP).
- 51 DSMP was established in 2012 by VCD in response to the announcement that Durham was to receive £450,000 Regional Growth Fund Investment across a three year period (2012-2015) to promote County Durham to a national audience. VCD had to secure £210,000 in match funding (cash and in-kind) in order to secure monies.
- 52 The range of marketing activities used by individual partners within the DSMP varied with some using traditional based marketing such as leaflets and local newspaper advertisements (offline), some using social media (online) including Facebook and Twitter and some using a mixture of both.
- 53 The DSMP consists of the key marketing partners within the County and includes: Beamish Museum; The Bowes Museum; Locomotion; Durham Cathedral; Durham University; Hamsterley Forest; Dalton Park; North Pennines AONB partnership; Durham Heritage Coast Partnership, Northumbrian Water; Seaham Hall; Auckland Castle; Durham BID and Durham County Cricket Club.
- 54 The DSMP take a destination wide view and understand how their business can derive benefit from working with each other and VCD as part of the destination offer. VCD will research and identify national campaign opportunities which are then presented to the group with appropriate partners invited to contribute to the various campaigns. VCD will then work with partners to develop partner's input and identify how they will be featured in campaign activity. As part of this partnership approach the DSMP will contribute cash and in-kind support, help shape the campaign and will be profiled in the resulting campaign activity.
- 55 Partners are committed to retaining the DSMP beyond RGF funding by continuing to develop the partnership, increasing the number of partners with a further three partners joining in 2014/15 (Auckland Castle, Durham BID and Seaham Hall) and more marketing activity undertaken in partnership. The DSMP continue to work with VCD on additional marketing campaigns, match funded by VCD's core budget. These campaigns include:
- Visit England's English Countryside Campaign which ran in March 2014 with Durham receiving 2 pages in a 24 page supplement in the TimeOut magazine.
 - Year of the Bike was a national tourist board campaign that aimed to capitalise on the increased interest in cycling generated by the Tour de France activity and included a 100 page guide in The Guardian with Durham receiving 4.5 pages.
 - VCD is currently taking part in a national Visit England campaign (with the Bowes Museum, Beamish, Durham Cathedral and Durham University as

partners) to promote England's historic spots, with Durham featured on Classic FM and online adverts.

- VCD are participating in national activity to commemorate the 800th anniversary of the Magna Carta with the development of trails and a website, with Durham Cathedral and Durham University as partners.

56 VCD as part of the national marketing campaign offered a range of marketing opportunities to microbusinesses and small and medium sized enterprises (SME's) within the county including being featured on the campaign website. VCD continues to provide marketing opportunities to microbusinesses and SME's including advertisements in the Durham Pocket Guide (from £150) and on e-newsletters (from £50).

57 As a result of this successful approach to partnership working VCD has been asked to feature in a case study produced by Visit England for the Regional Growth Fund activity. The Review commented that this partnership approach needs to continue to be developed to ensure that current and future marketing opportunities are identified and developed for the benefit of County Durham.

Recommendation 3

That VCD continues to research and identify national marketing campaign opportunities which benefit partners within the DSMP and the wider tourism industry and promote County Durham as a tourism destination.

Monitoring of Visit County Durham's marketing activity

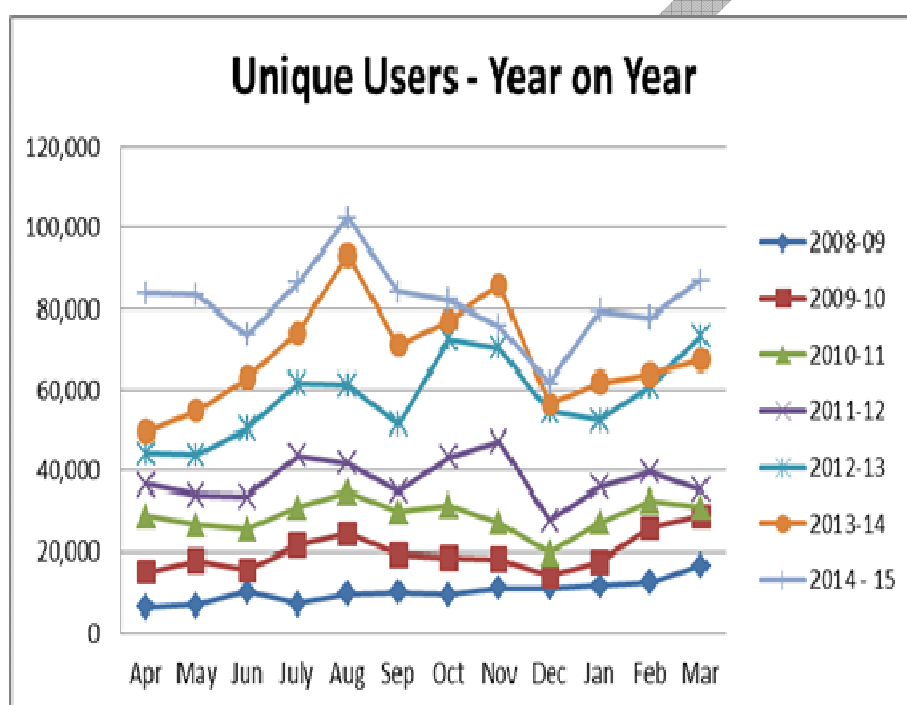
Key conclusions:

- VCD monitors the performance of each online activity and has associated targets with performance measures including social media engagement rates, number of e-newsletters opened and unique visitors to the 'thisisdurham.com' website.
- Offline monitoring and evaluation involves VCD identifying increases in web traffic and consumer details captured enabling further marketing activity to take place including the receipt of the monthly e-newsletter.
- Pocket Guide surveys have been undertaken in 2009 and 2011 providing a variety of tourism data on the post arrival publication including detail of the influence and impact of the Guide. An in-house online survey has been developed for 2015 which will update the data provided in the 2011 survey.
- The evaluation process for the RGF national marketing campaign involved public focus groups looking at the effectiveness of the campaign creative of all 14 destinations. Durham's campaign artwork was determined the 'most motivational' of all 14 destinations with Durham scoring above average for almost all categories.
- The evaluation also included a twice yearly survey undertaken by Visit England and sent to consumers who had signed up to the campaign websites. The survey showed that 66% of visitors who were undecided when visiting the website then visited County Durham, 35% were influenced to stay longer, and 38% visited more places than planned.

- There is 18 months left of the evaluation process however the results so far show £13.1m additional visitor spend for the County Durham economy, with 245 jobs created or supported, £327, 278 of match funding and over 14 million people reached exceeding all targets.

58 VCD monitors the performance of each online activity and has associated targets to ensure effectiveness, inform future developments and enhance activity. Performance measures used include the 'open rate' of e-newsletters (identifying how many people clicked on the e-newsletter to read it), social media engagement rates (how many people interact with Facebook and Twitter), unique visitors on a monthly basis to the 'thisisdurham.com' website (on average has 80,000 unique visitors a month), bounce rates and dwell time to inform developments.

59 Below is the web traffic graph showing the year on year increase in online activity (the anomaly in November 2014 was due to Lumiere in the previous year).



60 Offline monitoring and evaluation activity undertaken by VCD will look at increases in web traffic and consumer details captured which enables further marketing to take place as they will then receive the monthly e-newsletter.

61 In relation to national marketing 'out of home advertising' VCD monitors and evaluates this type of activity by looking at increases in web traffic. This activity was externally funded through the Regional Growth Fund which has now ended.

62 VCD monitors press and public relations (PR) performance through a press cuttings contract which monitors coverage against an annual target/value for national destination PR for out of region coverage based on equivalent advertising value (the value of the press coverage received if VCD had paid for the advertising space). For 2013/14 the target was set for an annual value of £6m however VCD achieved £6.1m of coverage with the assistance of a

national PR agency. VCD has set a target of £11m for 2015/16 for out of region and national media outlets. Due to budget reductions VCD can no longer use the services of a national PR Agency and some of this activity has been brought in-house.

- 63 Pocket Guide surveys carried out in 2009 and 2011 provided a wide variety of data on the guide including detail of its impact and influence. The evaluation of the guide showed that 84% of users surveyed visited an attraction they had not planned to as a result of the guide and 79% visited an area of the county they had not planned to. The survey in 2011 showed that the Pocket Guide had generated an additional spend of £21.03 per visitor resulting in an additional £6 million spend in the County Durham economy. In order to implement a cost saving an in-house online Pocket Guide survey for 2015 has been developed which will update the data obtained in 2011 and will include detail of the impact and influence of the Guide.
- 64 The Review group highlighted the importance of continuing to set targets and monitor performance to ensure that the marketing activity undertaken has the required reach and produces the best return on investment.

Recommendation 4

VCD ensures that robust performance targets and monitoring procedures for all online and offline marketing activity are in place.

National marketing campaign evaluation

- 65 As part of the review process, the Review group considered a case study of Durham's RGF national marketing campaign. As part of the case study the review group received detail of the evaluation process undertaken by Visit England in relation to the 14 destination campaigns including information on the performance of Durham's campaign. The evaluation consisted of focus groups arranged by Visit England's research agency requiring members of the public to look at the campaign creative of all 14 destinations, focusing on the effectiveness of the various marketing activity undertaken in relation to:
- Showing the destination in a new light – Durham scored highly in this area along with York and Newcastle/Gateshead and Bristol.
 - Strong location – Durham identified as strong, along with York however Leeds identified as being less effective.
 - The effect the advertising had including:
 - Being aware – makes members of the public think differently about the destination, it is imaginative and stays in your mind.
 - Forming some sort of opinion - Identifies a lot to see and do at the destination.
 - Seeing, liking and being motivated to do something about it - Destination is different to other destinations in England.

Durham's campaign artwork was determined the 'most motivational' of all 14 destinations with Durham scoring above average for all the above categories.

- 66 The evaluation process also consisted of a twice yearly survey carried out by Visit England to consumers who had signed up to the individual campaign websites developed by VCD following campaign activity. The surveys showed that 66% of the visitors who were undecided were influenced by the website to turn a possible visit in to a certainty with 35% influenced by the site to stay longer and 38% influenced to visit more places than planned.
- 67 There is still 18 months left of the evaluation process however the results so far of the campaign are:
- £13.1 million additional visitor spend for the County Durham economy.
 - 245 jobs created or supported (above the target of 149 set by Visit England).
 - £327, 278 of match funding (including over £60,000 from the SMP and over £31,000 from SME's), with 47% cash (above the target of £210,616).
 - Over 14 million people reached by the campaign.
- All evaluation was undertaken by Visit England with the survey results externally verified and signed off by the Department for Business Innovation and Skills (BIS). For full details of the case study see appendix 1.
- 68 The Review group commented that the performance evaluation of the effectiveness of the marketing activity undertaken by VCD and DSMP should be promoted and reported to the County Council as part of its performance management process.

Recommendation 5

That the performance evaluation of the effectiveness of marketing activity undertaken in relation to the national marketing campaign is promoted and reported to the County Council as part of its performance management process.

Future marketing activity of Visit County Durham

Key conclusions:

- VCD faces a number of challenges in marketing the county which include: continuing to develop effective partnership working to maximise the marketing budget of £58,100 for 2014/15; a small business base; new product; ensure a good visitor experience; balancing the needs of the DSMP with the needs of the destination; continuing to get national profile in the media which is competitive and staff resource.
- VCD has identified a number of marketing opportunities to promote the county as a tourism destination for 2015/16 via partnership working, using major events and planned development of attractions and opportunities to market northern destinations to overseas markets via the Northern Tourism Growth Fund.
- The establishment of the North East Combined Authority (NECA) provides further opportunities to champion tourism with conversations currently taking place concerning how the Northern Tourism Alliance will work with the North East Local Enterprise Partnership (NELEP) and the NECA in terms of tourism.

- 69 Regional Growth Fund investment provided a significant opportunity for VCD to market the county to a national audience however this funding has now

ended which has resulted in VCD identifying a number of future marketing challenges including:

- Budget – VCD’s marketing budget for 2014/15 is £58,100 (part of the core budget from DCC) therefore effective partnership working and the further strengthening of the DSMP is essential.
- Business base – the tourism business base in County Durham is limited in terms of numbers (650) and size of business (95% SME’s) making the amount of income for marketing which VCD can raise from the business base limited – Cumbria/Northumberland have double the number of tourism related businesses.
- Lack of new product – marketing needs news, whether that’s a development, new business or event. Without a new product we have no new ‘hooks’ to market the county to the press or visitors.
- A good visitor experience – County Durham needs good recommendations and return visits. In the age of social media a poor visitor experience can have a significant impact.
- Balancing the needs of DSMP with the needs of the destination and ensure that VCD provides opportunities for all tourism businesses within the county to benefit from marketing activities.
- Getting national profile in media – acquiring national press coverage is competitive and often relies on relationship building with many journalists based in London. VCD no longer has a London based national PR agency with this work now brought in-house and is an area that needs to be closely monitored and developed.
- Staff resource – VCD has a marketing team consisting of five staff members.

70 As part of the review process the Chair and Vice-Chair of the Economy and Enterprise Overview and Scrutiny Committee attended a board meeting of VCD on the 23 June where discussion focused on the development of new branding for County Durham, planned developments at attractions and progress of events for 2015/16, updates on VCD’s marketing performance and progress on the Northern Tourism Growth Fund which are all areas reflected in the review report.

71 VCD has identified a number of future marketing opportunities for 2015/16 using planned events and developments at attractions to market the county as a tourism destination. The planned developments and events include:

- Developments at Auckland Castle
- Durham County Cricket Club – England V New Zealand One Day International.
- Magna Carta and the Changing Face of Revolt
- ‘Open Treasures’ at Durham Cathedral.
- The Bowes Museum – various events and developments including an Yves Saint Laurent event.
- Bishop Auckland Food Festival.
- Brass.
- Durham Book Festival.
- Lumiere.

- 72 The Northern Tourism Growth Fund provides opportunities to promote northern destinations to overseas markets, the US, Germany, Netherlands, Australia/New Zealand and China. The fund provides £10m with Visit England the project lead. VCD was engaged in the process of developing a proposal working in partnership with representatives from some of the 30 plus northern destinations eligible for this funding and the team at Visit England and Visit Britain. The project proposal was submitted by Visit England and approved by the Department for Culture, Media and Sport in March 2015. The £10m allocated to the project is expected to be matched with a further £10m giving a total project spend of £20m. The match funding is being secured by Visit England's partnership team from private sector companies such as airlines together with individual destinations and their businesses providing match funding by buying in to activities they wish to be part of.
- 73 VCD has received a request for product information for use in the programme activity. Beamish, Durham Cathedral and Castle World Heritage Site have been put forward as hero products with Durham's outdoors and heritage put forward as signature experiences. Visit England and Visit Britain will have the final say on what will be featured as a hero. VCD has been asked to lead a project together with Leeds and Lancashire to develop the overall creative, content and collateral for the entire project.
- 74 The establishment of the North East Combined Authority (NECA) provides further opportunities to champion tourism via elected members and senior officers who serve on the NECA Boards with discussions currently taking place concerning how the Northern Tourism Alliance will work with the North East Local Enterprise Partnership (NELEP) and NECA in terms of tourism.
- 75 Members of the Review group and VCD were agreed in seeking to champion the visitor economy via the NECA as a future priority.

Recommendation 6

That VCD maximises all identified future marketing opportunities for 2015/16 including:

- The use of major events and developments at attractions in County Durham.
- The Northern Tourism Growth Fund, promoting northern destinations to overseas markets.
- Championing as a future priority with the NECA the importance of the visitor economy.

Views of key tourism partners on the marketing activity undertaken by VCD

Discussion with Durham Strategic Marketing Partnership

Key conclusions:

- DSMP commented on the success of partnership working within County Durham, particularly the use of key major events to promote the county such as the Ashes Test in 2013 and the England versus New Zealand match in 2015.

- Partners have limited marketing budgets and therefore have to work smarter by pooling resources and targeting their marketing activities at relevant visitor markets. Partnership working with VCD provides the opportunity to access VCD's expertise, guidance and robust evidence base to respond to changing market conditions and target their future marketing activity.
- Partners are committed to expanding the membership of DSMP and partnership working undertaken with VCD particularly in relation to marketing activity.

- 76 It was agreed when scoping the review that members would have the opportunity to discuss with partners from the DSMP their views on the role and work of VCD in marketing the county as a visitor destination and detail of any marketing activity they undertake.
- 77 The review meetings on the 24 March and the 7 April provided this opportunity with the following partners attending: Durham University; Durham Cathedral; Durham BID; Durham County Cricket Club; Hamsterley Forest; Beamish Museum; Dalton Park and the Chairman of VCD's Board. The Strategic Marketing Partners were asked questions on their marketing activity, partnership working, views on the marketing activity undertaken by VCD and future challenges.
- 78 Partners have limited marketing budgets therefore partnership working was essential particularly on large scale projects, pooling together budgets to maximise impact. Partners from the DSMP and VCD have worked together on the Lindisfarne Gospels event and more recently on the Magna Carta with VCD helping to identify key funding pots and advising on the correct marketing channel such as social media, radio and pitching feature/story ideas to journalists and/or submissions for round ups.
- 79 Partners commented on the success of using key major events to promote the county as a destination. VCD worked in partnership with Durham County Cricket Club during international events such as the Ashes Test in 2013 and the England versus New Zealand match in 2015 to ensure branding at the grounds, the 'thisisdurham.com' website contained detail of various visitor attractions and places to eat and stay, information on the county was included in press packs and video footage of the county provided to broadcasters.
- 80 As a result of reduced marketing budgets partners within the DSMP will need to work smarter in the future and target their marketing activities at relevant visitor markets. Partners such as Durham County Cricket Club have a large amount of data to analyse from the 2013 Ashes Test which will allow them to target their marketing activity for the test matches in 2016. Other partners within the DSMP will need VCD's expertise, guidance and robust evidence base (including visitor surveys undertaken by VCD) to respond to changing market conditions and target their future marketing activities.
- 81 VCD is committed to expanding the number of members in the DSMP and to further develop partnership working particularly in relation to marketing activity. For detail of further marketing activity undertaken in partnership see paragraph 55.

82 In conclusion, partners thanked DCC for continuing to support tourism investment within the county particularly during the austerity measures through the work of VCD. The advice and support provided by VCD had been invaluable to the DSMP particularly as tourism is not a core activity for a number of the partners with few dedicated marketing staff within partner organisations.

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Case study of Durham's Regional Growth Fund national marketing campaign

Background

In 2012 County Durham was selected as one of 14 destinations along with Bath, Birmingham, Bristol, Cornwall, Cumbria, Manchester, Liverpool, Newcastle/Gateshead, Northumberland, Nottinghamshire, Peak District, York and Leeds chosen by Visit England to directly receive Regional Growth Fund (RGF) monies for national promotion as a destination. All destinations received different levels of funding and had different match targets. Durham received £450,000 funding with a match funding target of £210,616 which had to include private sector cash.

VCD's approach to the campaign proposal was consistent with the VCD strategy of being evidence based and working in partnership with further research undertaken to identify campaign themes. The research resulted in the following three themes identified as the areas of focus for the campaign:

- Outdoors (walking and cycling);
- Heritage (social and industrial);
- Food and drink

The DSMP was established and the relevant partners invited to work with VCD on each campaign theme. This approach resulted in the following partners participating:

- Outdoors – North Pennines AONB Partnership; Durham Heritage Coast Partnership; Forestry Commission (Hamsterley); Northumbrian Water; and Dalton Park (outdoor retailers).
- Heritage – Beamish Museum; Durham Cathedral; Durham University for the Lindisfarne Gospels Durham; Locomotion; The Bowes Museum; and Durham County Cricket Club.
- Food and Drink – Northumbrian Water (lake to plate) and Beamish Museum (heritage food).

DSMP contributed to the match funding requirement (£60,000), provided input into the development of the campaigns and were profiled in campaign activities according to their cash support. VCD ensured that all of the county's tourism industry was provided with the opportunity to be part of and benefit from Durham's largest ever national marketing campaign by offering a range of marketing opportunities, starting at just £50 to be featured on the campaign website. Over 150 of the County's businesses took up one or more of the available marketing opportunities resulting in over £31,000 of match funding. Contributions from VCD's core budget, cash from DSMP, cash from tourism businesses and in-kind match from VCD, DSMP and tourism businesses resulted in VCD exceeding the target for match set by Visit England.

The campaign proposals focusing on the three themes were submitted to Visit England for approval by them and the Department for Business Innovation and Skills who were heavily involved in the project. In summer 2012 the proposals were approved.

In addition to the national level objectives set by Visit England, VCD set its own objectives for the campaign of: raising the national profile and appeal of the county; and increasing the 'shoulder season' occupancy. Within the three themes there were a number of additional objectives set by VCD which included:

- Outdoors - Support cycling and walking businesses and events; raise the profile of the Durham Dales/ Durham Heritage Coast.
- Heritage – Support Beamish to establish a national profile as the UK's premier open air museum; raise the profile of Locomotion and Durham's other heritage attractions; encourage visitors to the Lindisfarne Gospels exhibition to stay longer and spend more.
- Food and Drink – Raise the profile of Durham's food and drink offer, and therefore as a foodie destination; establish a marketing partnership with Northumberland.

Campaign marketing activity

The Outdoors campaign ran from September 2012 until March 2013 with marketing activities including: representation at the Active Travel Show in London; inserts in national cycling and walking magazines; an eight page supplement in the Independent newspaper; posters across the rail network and London Underground and digital billboards at London King's Cross and Edinburgh Waverley train stations; e-newsletters and presence on the Telegraph; Guardian and AA websites.

The Heritage campaign ran from April to September 2013 and included: an eight page supplement in The Times; posters across the rail network and London Underground; digital billboard at London King's Cross train station together with online adverts and e-newsletters.

The Food and Drink campaign ran over September and October 2014 and featured: an editorial in The Evening Standard, The Observer Food Monthly and the Telegraph magazines; online adverts and e-newsletters; posters across the London Underground; digital billboards at Manchester Piccadilly and Edinburgh Waverley train stations.

VCD supported the individual marketing campaigns using a mixed approach with: separate campaign websites, several press and (PR) activities including: press trips; suggestions for press articles and 'round ups'; and the use of social media and search marketing in support of the campaigns.

The total marketing costs for each campaign varied however generally the 'out of home advertising' including digital billboards at London's King's Cross and Edinburgh Waverley together with posters across the rail network and London Underground cost £78,000 - £130,000, press supplement costs ranged from £40,000 -£45,000 depending on the newspaper used, on-line

advertising £30,000 - £32,000, e-newsletter contacts £3,000-£8,000 and inserts (excluding printing) £5,000.

Challenges

A number of challenges were identified in relation to the campaign which included: the securing of match funding (£210,616 was required); ensuring that all types and sizes of businesses within County Durham had the opportunity to be included in the appropriate campaigns; balancing the needs of the DSMP who had contributed to the match funding with the needs of the destination; and the complexity and scale of the national campaigns.

The national marketing campaigns resulted in the following:

- VCD shortlisted in the national 'Out of Home' awards with other nominees including Samsung and Guinness.
- VCD was Gold winner in the Chartered Institute of Public Relations Awards for the best Integrated Campaign.
- VCD is a trusted delivery partner of Visit England due to VCD's performance during the campaigns and the way in which they managed and monitored the project.
- A 'step change' in the support from the tourism industry within County Durham for promotional activity as smaller businesses were previously not used to purchasing opportunities.
- A large library of stunning photography for future use by businesses and the press to keep them 'on message'.
- The establishment of the DSMP and the raising of the County's national profile.

The national marketing campaign has been extremely successful in marketing County Durham to a national audience with a further 18 months of evaluation to be undertaken.