

Economy and Enterprise Overview and Scrutiny Committee

26 March 2019



Visit County Durham (VCD) – Development and Marketing Activity

Joint report of Lorraine O'Donnell, Director of Transformation and Partnership and Ian Thompson, Corporate Director of Regeneration and Local Services

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The report provides members with background information on the activity undertaken by Visit County Durham (VCD) to develop and promote County Durham as a tourism destination prior to a presentation by Sarah Johnson, Marketing and Communications Manager, VCD, Regeneration and Local Services.

Executive summary

- 2 Members will recall that previously we have received detail of progress made in relation to the recommendations contained in the scrutiny review report focusing on the activity undertaken by VCD to develop and promote the County as a tourism destination with the last update considered by the committee at the meeting on the 5 April 2018.
- 3 The committee has now received the required three updates on the recommendations contained in the Scrutiny review report. However, to ensure that members are kept informed of the various development and marketing activity undertaken and the performance of VCD, arrangements have been made for Sarah Johnson, Marketing and Communications Manager to attend the meeting on the 26 March 2019 to deliver a presentation focusing on:
 - Partnership support and industry engagement
 - Destination development
 - Marketing and information

A copy of the presentation slides are attached as appendix 2.

- 4 It is proposed that the committee will continue to monitor the performance of VCD in developing and marketing the county as a tourism destination with a further update included in the committee's 2019/2020 work programme.

Recommendations

- 5 That the Environment and Sustainable OSC and the Economy and Enterprise OSC consider and comment on the information provided in this report and presentation provided at the meeting.
- 6 That the Environment and Sustainable Communities OSC includes in its work programme for 2019/2020 a further progress report detailing the future performance of VCD in marketing the county as a tourism destination together with examples of marketing undertaken.

Background

- 7 Visit County Durham is the destination management organisation (DMO) for County Durham working on behalf of businesses and public agencies, we came into being on 1 April 2006.
- 8 Our purpose is to provide strategic added value, coordination and leadership to tourism activity and the visitor economy in the county for public agencies, private sector, local authorities and tourism businesses. We deliver the county's destination management, destination marketing and place marketing functions.
- 9 Our main activity is destination management. This means influencing or delivering directly activities that relate to visitors and the visitor economy, including marketing, information services, product development, visitor experience, business engagement and workforce development.
- 10 Many people are involved in delivering a vibrant visitor economy, which is why we work in partnership with businesses, stakeholders and partners from across the county, in the region and nationally with England's tourism board VisitEngland. We take a different role in each of our areas of activity depending on need and existing arrangements.
- 11 Our objective is to ensure that the tourism sector performs to its maximum capacity and brings economic benefits to the county in the form of wealth and job creation. Our broad aims are to attract people to the area and to provide visitors with the best possible experience.

County Durham Visitor Economy

- 12 The Durham Tourism Management Plan (DTMaP) is the destination's plan which converts local, regional and national market research and strategies into a county-based plan to grow the county's visitor economy. The plan is for all organisations and individuals in Durham, and, where relevant, national bodies to help them understand what is being done, what needs to be done and how they can contribute to Durham's success.
- 13 The 2012 DTMaP set out a vision for the visitor economy that included ambitious targets for growth. One of which was the visitor economy would be worth £863.4 million by 2020 against a baseline measure of £738 million in 2011.
- 14 Since 2012 the county has seen continued year on year growth of approximately 2-3% in both the volume – number of people visiting and value – economic benefit to the local economy.
- 15 The latest figures for 2017 show:
 - 19.71m visitors, up 2.4% on 2016
 - £866.71m expenditure, up 5% on 2016
 - Total employment of 11,682 (FTE), up 5% on 2016
- 16 The 5% increase in visitor expenditure in 2017 means the visitor economy is now valued at £866.7 million, resulting in the achievement of the target of £863.4 million by 2020 three years ahead of original projections.
- 17 At a meeting of the Visit County Durham Ltd Board in September 2018 a revised target for the value of the visitor economy of £1 billion by the end of 2020 was approved by Directors.
- 18 This, again, is an ambitious target realistic given the amount of large-scale tourism development projects currently underway across the county, these include: the Auckland Castle Trust multiple projects in Bishop Auckland; Remaking Beamish; developments at Raby Estates; visitor centre and visitor accommodation at the Durham Heritage Coast; developments in Durham City and a number of smaller projects underway that will add to the critical mass of accommodation, attractions and activities.

Partnership support and industry engagement

- 19 There is c850 core tourism businesses in the county – accommodation, attractions and activities, plus an additional 500 plus businesses that contribute and are integral to the visitor economy, these include transport, cafes, restaurants, retail and suppliers of services to the tourism industry.
- 20 The VCD partnership scheme offers a package of enhanced promotional and tailored business support activities in exchange for an annual fee. The scheme is designed to encourage collaborative working for the benefit of the destination and does not exclude those who cannot afford to or do not want to pay. We continue to work with all visitor economy businesses and reinvests income generated through the scheme into initiatives that benefit the industry.
- 21 We engage with and support partners via several channels. Our weekly e-newsletter the Wednesday Grapevine is sent to over 1,200 contacts. Tailored training sessions are held throughout the year; in 2018/19 sessions included astro-tourism, weddings, social media, YouTube and informal drop-in days. We have an annual programme of industry events which includes informal networking and a spring and autumn conference.
- 22 In addition to our general partnership scheme we offer a Strategic Partnership service for key businesses to shape and influence destination development and marketing activity for Durham, this is an evolution of the Strategic Marketing Partnership that was set-up to deliver the Regional Growth Fund campaign. We work together in partnership to develop and deliver domestic and overseas marketing activities, monthly and annual themed campaigns.
- 23 Strategic Partnership is targeted at organisations that have an influential position within Durham’s visitor economy, they are integral to the success of Durham, share VCD’s ambitions and have significant capacity to help boost the area’s profile and drive forward its future growth and success. 23 organisations are currently signed up as Strategic Partners.
- 24 Visit County Durham continues to work in partnership with travel organisations who represent key points of entry in to the county, including the Port of Tyne, Newcastle and Durham Tees Valley Airports, LNER and TransPennine Express to identify opportunities to promote Durham through their activities, and to ensure VCD and partners are aware of travel partner initiatives that would benefit our own work.

Destination development

- 25 Work with national partner destinations remains focussed on product development to capitalise on Governments £40m Discover England Fund to help secure the county's future as a leading destination. Visit County Durham is a partner destination in 3 x large scale £1.5m projects:
- The Explorers Route (A1) – targeting Germany <https://www.visitlondon.com/englandoriginals/>
 - England Originals (15 x heritage cities) – USA <https://www.theexplorersroad.co.uk/>
 - Manchester Gateway (excursions from the airport) – USA <https://www.visitmanchester.com/things-to-see-and-do/gateway-to-the-north/explore-the-north>
- 26 The aims of the Discover England Fund projects are to increase the volume of international visitors by creating itineraries that showcase the city and county or excursions that open up the North of England.
- 27 A suite of toolkits has been produced to highlight wider market opportunities for those operating within the visitor economy. The aim is to provide hints and tips to businesses who are interested in attracting new markets – astro-tourism, walking, cycling, accessibility, visitor welcome, equestrian and dog friendly.
- 28 The regional Northern Saints Group, led by Visit County Durham, will start work on a project in April 2019, regenerate and create linked long-distance trails based on the heritage of Northern saints and the tradition of pilgrimage. The routes will be themed to draw together key aspects that link the saints with artefacts, heritage sites and buildings, and the stories of the saints.
- 29 We are working in partnership with Durham Police, Durham Prison, Durham Courts, Durham University, Beamish Museums, Durham Cathedral and DCC Archives and Heritage team to explore the potential of a Crime and Punishment theme for the city.
- 30 In early 2018 VCD and the DCC Regeneration team commissioned a county-wide accommodation study focussing on the potential for hotel developments in Durham City, Bishop Auckland and Seaham. Sector specific studies are underway for glamping, bed and breakfast, and pub accommodation. The final report will be complete in summer 2019 and VCD will work with potential investors and existing providers to implement the findings from the study

- 31 Visit County Durham offers support, advice and guidance for potential investors in the county's tourism product and submits formal responses to tourism planning applications. The last year saw a record number of enquiries totalling 83, ranging from glamping pods to visitor attractions. Tailored support is provided for key capital developments.

Marketing

- 32 Visit County Durham continues to raise the profile of the county as a destination for outdoor breaks, with the delivery of two successful national marketing campaigns.
- 33 Countryfile presenter Anita Rani travelled to Durham to help launch the 2018 'Great Outdoors' campaign, where she starred in a video showcasing the best outdoor activities to enjoy during a break to the county.
- 34 The video, which has generated over 126,000 views since its release, showcased some of the most popular walks in Durham City, the Durham Dales and the Durham Heritage Coast, and presenter Anita enjoyed family activities including cycling and walking in Hamsterley Forest and also experienced the dark skies of the North Pennines Area of Outstanding Natural Beauty.
- 35 The current 'This is Wild, This is Durham' campaign, delivered in partnership with Hamsterley Forest and Raby Estates, launched in October 2018 and will run for six months. Activity includes a promotional partnership with BBC Countryfile magazine and a series of blogs with high-profile bloggers Family Travel Collective, showcasing the very best of Durham's wild landscapes and wild activities, attracting both outdoor enthusiasts and families looking for new experiences.
- 36 The county's past was brought to life by Visit County Durham's successful 'This is History, This is Durham' national marketing campaign, which ran from April to August 2018. Delivered in partnership with Beamish Museum, Durham Cathedral, Durham University, The Bowes Museum and Raby Castle, plus accommodation partners; Seaham Hall, Raddison Blu Durham, Hotel Indigo, Headlam Hall and The Rose & Crown at Romalldkirk, campaign activity included a series of promotional videos which achieved over 150,000 views, along with a partnership with family blogger Travel Loving Family, and national media coverage in The Times, The Sun and Prima Magazine.

- 37 The county's place brand, 'This is Durham, Place of Light', developed by Visit County Durham, continues to be showcased through the national Celebrating Durham campaign. Visit County Durham are working closely with Durham County Council to shine a light on the county's people, businesses and attractions which illuminate Durham as a great place to live, work, visit, study and invest.
- 38 Activity has included national digital billboard advertisements on the East Coast rail network, including London Kings Cross and Edinburgh Waverley stations, as well as high profile advertising at Newcastle International Airport. The latest in a series of supplements in The Times national newspaper was published in December 2018, and regional business advertorials have also featured in The Journal and Chronicle regional press.
- 39 VCD is leading negotiations with the ECB/ICC Cricket World Cup 2019 team to ensure that the county derives maximum benefit from the tournament which takes place from 30th May to 14th July 2019.
- 40 The tournament has an expected global viewing audience in excess of 1.56bn which makes it the third largest sport in the world, after the Football World Cup and the Olympics. Durham Riverside will host three games:
- Friday 28 June, 10:30 Sri Lanka v South Africa
 - Monday 1 July, 10:30 Sri Lanka v West Indies
 - Wednesday 3 July, 10:30 England v New Zealand
- 41 VCD lead negotiations on behalf of Durham County Council, Durham County Cricket Club and VCD to secure the commercial advertising rights for Durham as a host city in exchange for a package of in-kind support.
- 42 A County Steering Group has been established to ensure all relevant partners are kept informed and regular meetings take place between VCD, DCC Marcomms and Durham Cricket Club to support the tournament with marketing and promotion for ticket sales, recruitment of volunteers, trophy tour and raising awareness of the tournament.
- 43 The 100-day schedule for the domestic leg of the ICC Cricket World Cup Trophy Tour started 19 February on its 100 day journey across the length and breadth of England and Wales, making stops in more than 20 towns and cities.

- 44 The Durham section of the CWC Trophy Tour 6 – 8 April, will visit some of the county's iconic landmarks and attractions, ahead of the Cricket World Cup matches to be held at Durham's Riverside ground. Proposals for each venue will combine photo opportunities with family focussed activity, confirmed locations are:
- Saturday 6 April – Raby Castle
 - Sunday 7 April – April at Durham Cathedral and Durham University will be rowing with the trophy down the River Wear
 - Monday 8 April at Beamish Museum and Durham County Cricket Club in Chester-le-Street.
- 45 #Durham19 – the county's Year of Culture. 2019 is designated as a Year of Culture in Durham, with an unprecedented programme of events, festivals, anniversaries and openings taking place across the county.
- 46 For a number of years Durham has had continued growth and investment in cultural, sporting and heritage activity through Durham County Council, wider partners and cultural institutions large and small, and 2019 sees the impact of this sustained investment.
- 47 The #Durham19 campaign, launched by Visit County Durham in partnership with Durham County Council, County Durham Cultural Partnership and partners from across the county, uses the Year of Culture to attract overnight visitors, increase day visits and event footfall, and engage with local communities.
- 48 Events with international profile, including the Cricket World Cup in Summer and Lumiere Durham, the UK's largest light festival in November will put the county on the world stage, and multi-million pound developments at Beamish, The Living Museum of the North, Durham Cathedral and The Auckland Project, with Auckland Castle set to reopen later this year, will make 2019 an unforgettable year. But what makes the Year of Culture so unique to Durham is the diversity of the annual programme, which covers sport, culture, arts and heritage; with festivals that attract staying visitors, to events with their roots at the heart of local communities.
- 49 Campaign activity will include: a series of Events Guides; a media partnership with the Evening Standard; a partnership with What's On North East; editorial in regional newspapers; media visits; commissioning of influencers; social media marketing; e-newsletter marketing.

- 50 The #Durham19 campaign also encourages event organisers and businesses to capitalise on the county's Year of Culture by utilising the promotional platform, and using events, festivals, anniversaries and openings in their own activities to attract customers. To provide businesses with the support they need, a toolkit has been developed and available to download from visitcountydurham.org/durham19.
- 51 A celebration event, held at Durham Town Hall on March 20th, showcased some of the events, festivals and developments that are set to make 2019 such an incredible year for the county, and gave guests the opportunity to find out more about the #Durham19 campaign and the county's Year of Culture.

Performance

- 52 Market intelligence is essential in order to accurately inform and shape the work of Visit County Durham and our partners, we gather and analyse current and relevant intelligence and information to help the county's tourism sector to prosper and grow.
- 53 One of the main pieces of research undertaken is the annual economic impact assessment STEAM, which approaches the measurement of tourism from the bottom up, through its use of local supply side data and tourism performance and visitor survey data collection. The latest results from 2017 show:
- 19.71 million people visited Durham in 2017, up by 2.4% on the previous year.
 - The number of days visitors spent in the destination grew by 3% to 22.25 million visitor days.
 - Overall visitor expenditure stands at £866.71 million, up by 5% on 2016
 - The number of people directly employed in tourism in Durham in 2017 stood at 9,350, up by 5% on the previous year. When indirect employment in the supply chain is taken into account total employment stands at 11,682, up also by 5%.
 - The number of overnight visitors to Durham stands at 1.536 million with these visitors spending 4 million nights in the destination. These visitors spend £359 million while in Durham, up by 9% on 2016.
 - Day visitor levels have grown by 2% to 18.2 million visitor, with expenditure levels also up by 2% to £507.69 million.

- 92% of all visits are day visits with these visitors accounting for 59% of all expenditure.
- Average expenditure for overnight visitors is £177.08 per trip while the average day visitor spend is £20.71 per trip.

Challenges and opportunities

- 54 Day visitors decreased in 2017 by 1% with the split of day visitors vs overnight visitors back at 2015 levels. Day visitors account for 92% of all visits to the county with overnight visitors at 8%.
- 55 Despite our marketing efforts targeted to audiences external to the county several factors influence the high proportion of day visitors compared to overnight, including:
- lack of visitor accommodation in key tourism areas
 - lack of visitor product, particularly targeted at the family market
 - strong neighbouring destination brands (Yorkshire, Cumbria, Scotland)
- 56 Developments are underway which will help plug some of the gaps and improve the visitor offer, these include hotel, retail and leisure developments in Durham City. Developments in Bishop Auckland. Accommodation development enquiries in Seaham. Hotel developments in Stanley and Consett. Smaller scale glamping and self-catering developments in various locations across the county. Strong festivals and events programme.
- 57 The Durham Place of Light place brand is helping to create a positive image, reputation and identity for the county giving us a consistent and coherent platform to tell the story of Durham, which will support the county to compete with stronger, more well-known established brands.

Conclusions

- 58 Overview and Scrutiny members will be aware of work undertaken by VCD, the various forms of marketing undertaken and the performance of VCD in marketing the county as a tourism destination.
- 59 It is intended that the committee will continue to monitor the performance of VCD in marketing the county as a tourism destination and it is suggested that the committee includes a further progress update in its work programme for 2019/2020.

Background papers

- Durham Tourism Management Plan 2016-2020
- STEAM Economic Impact Report 2017

Other useful documents

- None

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Appendix 1: Implications

Legal Implications

Not applicable

Finance

Not applicable

Consultation

Not applicable

Equality and Diversity / Public Sector Equality Duty

Not applicable

Human Rights

Not applicable

Crime and Disorder

Not applicable

Staffing

Not applicable

Accommodation

Not applicable

Risk

Not applicable

Procurement

Not applicable