

Economy and Enterprise Overview and Scrutiny Committee

23 June 2014



Update on the development of the Tourism offer within County Durham

Joint Report of Lorraine O'Donnell, Assistant Chief Executive and Melanie Sensicle, Chief Executive, Visit County Durham

Purpose of the Report

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with information on the development of the tourism offer within County Durham prior to the discussion with Melanie Sensicle, Chief Executive, Visit County Durham (VCD).

Background

- 2 The Economy and Enterprise Overview and Scrutiny Committee has received on a regular basis updates on the development of the tourism offer within County Durham with the last update considered by the Committee at the meeting on the 21 October, 2013. At this meeting Members were provided with information on the vision for County Durham as a visitor destination, what needs to happen, current performance gaps in offer, facts about Durham's visitor economy and the role of Visit County Durham.
- 3 It is considered timely for members to receive a further update at the meeting on the 23 June, 2014 providing an opportunity for the committee to receive information on the performance of Visit County Durham following the completion of the evaluation for 2013-14. Arrangements have therefore been made for Melanie Sensicle, Chief Executive, Visit County Durham to attend the meeting on the 23 June to give a presentation focusing on:
 - The reach achieved by VCD's national marketing activity
 - Additional spend in the economy generated by the Visitor Information Network
 - The reputation of Durham for its food and drink offer as a result of Taste Durham
 - The impact of the Welcome to Durham programme designed to improve customer facing skills in tourism businesses
 - Engagement of VCD with the county's tourism industry
 - A range of additional achievements by VCD between April 2013 and March 2014.
 - Challenges faced by VCD in the course of the year.

Durham Tourism Management Plan

- 4 County Durham has had a Tourism Management Plan since 2006. It was created by Visit County Durham in collaboration with the county's tourism Industry and a range of partners, including the County Council and the District Councils, and became the blue print for development of the visitor economy in the County. The Plan was based on a series of studies that provided intelligence about the County's product, its customers and its competitive position in England and the UK as well as significant input from across the County, particularly businesses operating in the visitor economy.
- 5 The Plan has been refreshed annually since 2006 in the light of new intelligence including visitor surveys in 2008 and 2010, annual economic impact surveys, a major customer segmentation study in 2007, a major study into the image and identity of the County to external audiences and benchmarking at a national level through Destination Performance UK.
- 6 The Durham Tourism Management Plan (DTMaP):
 - Converts local, regional and national market research and strategies into a county-based plan to grow the county's visitor economy.
 - Is for all organisations and individuals in County 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 our success.
 - Is managed by Visit County Durham, the team that coordinates the development of the visitor economy for DCC and manages and markets the destination.
- 7 The Durham Tourism Management Plan (DTMaP) is developed and monitored by the Board of Visit County Durham. It has also been the subject of several presentations and discussions at previous Economy and Enterprise Overview and Scrutiny Committees. It has been identified as an example of national best practice by Visit England.

Current position

- 8 In November, 2011 Visit County Durham embarked on a programme of work designed to track progress against the original objectives of the Durham Tourism Management Plan, test the existing objectives and the approach to each to see if they were still valid and to discover if any new priorities had emerged since 2006. The consultation took the form of an industry conference in November 2011, a series of presentations and discussions with relevant organisations and forums and a conference on rural tourism in March 2012.

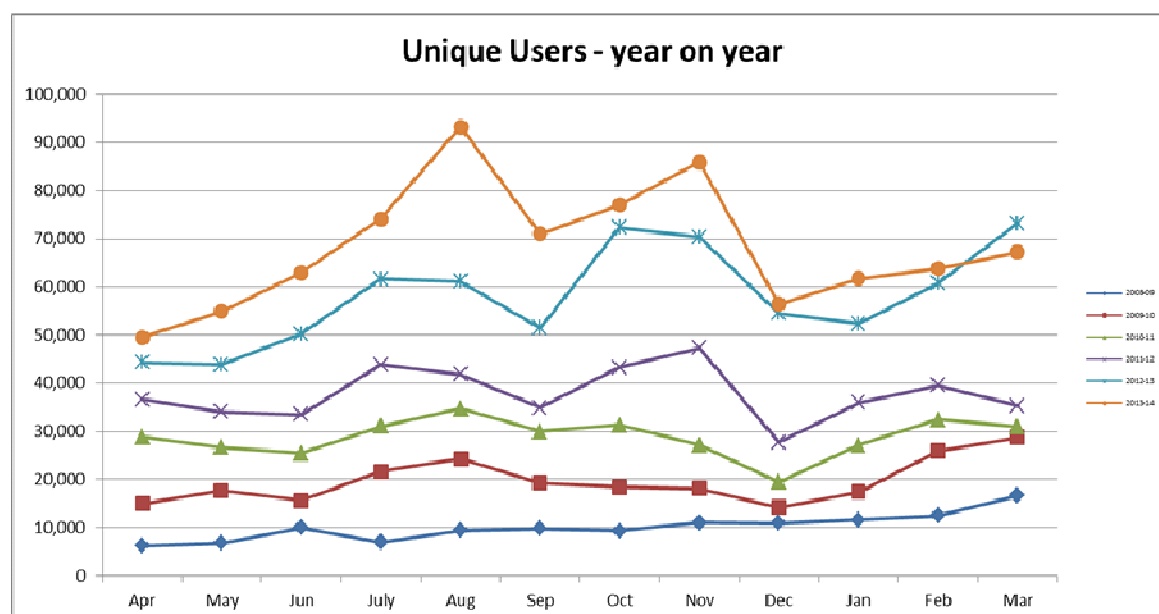
- 9 The new Durham Tourism Management Plan 2012-2016 identifies eight priorities that will deliver a more vibrant visitor economy:
1. Manage and maintain the public realm for visitors;
 2. Increase the contribution of Durham's rural areas to the overall value of the county visitor economy;
 3. Increase spend by implementing a step change in the quality of the visitor experience post arrival;
 4. Optimise the potential of Durham City making it a viable 48 – hour stay;
 5. Develop local distinctiveness in line with the destination brand;
 6. Tackle seasonality by focusing on events and business tourism;
 7. Grow the profile of the county regionally and nationally;
 8. Extend length of stay by optimising the potential of the county's market towns and town centres.
- 10 The revised plan confirmed many exiting priorities and was strongly informed by extensive visitor, market and product research and intelligence and is endorsed by:
- The Durham Tourism Management Plan (DTMaP) Committee made up of private and public sector visitor economy stakeholders from across the county.
 - Visit County Durham's board of directors drawn from the private and public sectors from across the county.
 - The tourism industry.
 - A range of institutional partners including Durham University, Durham Cathedral, Durham County Cricket Club and Durham County Council.
 - Visit England, the national tourist board.
- 11 The plan is the responsibility of everyone in the county involved in developing and delivering activity on the visitor economy. The plan is refreshed annually to take account of new and completed projects and this is managed and monitored by Visit County Durham. In terms of Visit County Durham, as part of the Economic Development & Housing service, performance is managed as part of the Council's performance management framework. In addition, internal audit carried out an assurance audit of VCD in 2013/14 and advised of a full level of assurance.
- 12 In 2012 Visit County Durham established a Tourism Officer Working Group within the County Council with representation from across service groupings. The group is focusing on priority 1, managing and maintaining the public realm for visitors as well as residents. Subjects under discussion for potential action include: long stay parking in towns, the city's riverbanks, evening economy facilities for visitors, litter in the countryside and transport.

Evaluation 2013-2014

- 13 The reach achieved by VCD's marketing activity measured in growth in conversion of unique visitors to thisisdurham.com and growth of overall number of unique visitors to the site

	Target	Year end
Unique visitors to thisisdurham.com	£850,000	£882,073

The performance of the site continues to go from strength to strength. In 2012 Visit County Durham identified an average percentage of unique visitors to the site that converted to paying visitors to the county at 60%. The indication is, therefore, that the website generated over half a million visits to the county over the period. Of the above total, 92,560 unique visits were made to the channel sites established for our national campaigns on countryside and heritage.



- 14 Additional spend generated by the Visitor Information Network (VIN) measured by the added value of the Durham Pocket Guide, the main tool of the network and visits to VIPs.

	Target	Year end
Additional spend from the Pocket Guide	£6m	£7m

The pocket guide delivers an additional £21.03 of spend per user. Based on the quantities printed in 2013-14 (300,000) and the assumption that each copy was used by at least 1 person (research indicates this is an underestimate) the additional spend generated by the Durham Pocket Guide totalled £6.3m.

Applying the same spend figure to visitors that actively engage with other aspects of the county's Visitor Information Network, specifically the contact centre and the kiosks at Visitor Information Points (VIPs) – 36,000 in total - we estimate that the measurable impact of the network is £7m of additional spend. The estimate is conservative for two reasons: we know that some copies of the pocket guide will be used by more than one person; we are not taking account of the impact of VIPs that do not have a kiosk e.g. Beamish.

Recent visitor survey data shows that of those surveyed that used the Durham pocket guide 9 out of 10 visited an additional attraction as a result of reading it - Beamish, Crook Hall and the Durham Dales were specifically mentioned.

The Visitor Information Network gained an overall customer satisfaction rating of 85% good or excellent. Additional level 1 partners in 2013-14 included Durham Town Hall, Bowlees Visitor Centre and Chatterbox Café in Weardale. New level 2 partners included Darling Station, Hamsterley Forest and Derwent Reservoir.

15 Visitor perception and satisfaction with the quality of food and drink – proxy measure for the impact of the Taste Durham programme

	Very Good	Good	Average	Poor	Very Poor
Eating 2010 Visitor Survey	30	61	7	2	0
Eating 2013 Visitor Survey	29	57	12	1	1

Taste Durham was piloted in 2007 and rolled out the following year (annual budget £10k). Between 2007 and 2010 there was an increase in the percentage of visitors rating Durham as a good place for food and drink. Between 2010 and 2013 visitor satisfaction with the county's food and drink offer has stayed pretty stable, with the 'very good' category showing a difference of just 1%. Taste Durham followed the same format throughout with a similar budget. In the same period two projects have sought to develop the region/county's culinary offer, Love Food (delivered by Teesdale Marketing with a budget of £300k) and Taste Club (regional, commercial company) alongside Taste Durham. The figures suggest that none have had a significant impact on visitor's perception or satisfaction rating in recent years. In 2013 Taste Durham was revitalised for 2014 alongside a dedicated food and drink marketing campaign in autumn 2014 to be executed jointly with Northumberland. It is hoped that the impact will be more evident by the time of the next visitor survey in 2016.

- 16 Number of people with Welcome Host Gold awards – measures improvements in customer service

	Year end 2012/13	Year end 2013/14
No. holding World Host award	9	19

This cumulative measure has changed due to the number of people with World Host accreditation which is the new outcome of undertaking the Welcome to Durham programme due to changes at a national level. Welcome to Durham has been developed and forms the core of the Northern Lands 'Sense of Place' Project.

- 17 Businesses actively engaged with Visit County Durham

	Target	Year end
Businesses actively engaged	80% of core businesses	81%

VCD can do very little without the support and participation of the core tourism industry in the county which comprises approximately 500 accommodation providers, 80 visitor attractions and 25 activity providers. In 2013-14 the team actively engaged with 81% of our core businesses as well as many businesses in the retail, hospitality and transport sectors (not included in the measure). Active engagement means: participation in a marketing activity, attendance at a conference or training programme, receipt of a 1-2-1 visit from VCD staff, receipt of direct support by email or phone from VCD staff and contribution to a development or research initiative.

- 18 A second tier of achievements, in addition to VCD's main KPIs, are monitored and reported within DCC and to the VCD Board annually. In addition to describing VCD's performance they provide a more rounded picture of the work of VCD than is reflected by the main KPIs. They are broken down under four headings: strategic planning and research, marketing and information management, partnership development and support and product development.

- 19 Strategic Planning and Research

- We **leveraged** c. £1.2m of investment into tourism development in Durham from the private sector, Visit England and other partners.
- We completed a visitor survey to create a set of three reports at three year intervals looking at visitor perception and the rating of the county as a visitor destination.
- We hosted the **Tourism Management Institute** conference (bid for and won in 2012) which was reviewed in the Tourism Society Journal and regarded as one of the best in the Institute's history.
- We secured 20 partners as **brand ambassadors** including Durham Cathedral, the Bowes Museum, Seaham Hall Hotel, Radisson Blu, Headlam Hall and Auckland Castle.

- We conducted a six month desk research programme and 30 1-2-1 interviews to uncover strong narratives for use in **place marketing** identifying three that have received wide support.
- Visit England identified five Visit County Durham initiatives for case studies that highlight **national best practice**: the Lumiere App, the Durham Visitor Information Network, the Destination Management Planning Process, Northern Lands and Taste Durham.
- Durham received 7 out of an available 15 gold awards at the **regional tourism awards** reflecting the growing strength of the product and a growing confidence among tourism businesses. The tourism team plays a major role in encouraging and supporting businesses to apply for the awards.

20 Marketing and Information

- The number of **bednights booked** was 626 with 1284 tickets sold for events.
- The contact centre handled **11,000 enquiries**, averaging 30 a day.
- Our three-year **national marketing campaign** with Visit England moved into its second year and exceeded all its three year targets in year 2 – contacts added to the database, ROI, match funding.
- VCD's creative for Durham's **national campaign** came out top in a comparison of all 14 destination campaigns in England showing that it was the most inspiring and motivating.
- We generated and managed **20 press visits** in the year and generated **£6.1m** worth of media coverage for the county.
- We created a digital app called **Virtual Lumiere** that created 1500 online lumiere presentations by people all over the world. The app was showcased at World Travel Market as an example of best practice in marketing Britain digitally.

21 Partnership Development and Support.

- The **Wednesday Grapevine**, our weekly e-bulletin for the industry which is subscribed to by over 1000 people retained its 25% open rate - well above industry standards - which demonstrates that it is valued by its audience
- We increased the number of accommodation providers signed up to the **booking scheme** from 92 to 115, so that we are able to offer consumers more choice. Relaxation of our quality policy is responsible for some of the increase.
- Our **autumn conference** was particularly well received and has translated into increased engagement with the Taste Durham programme and strong participation in our new Food and Drink Guide (to be published in April 2014).
- We sourced a new training provider for **Welcome to Durham**, Durham Employment and Skills, for 2014/15 enabling us to reduce the costs of the course so that it is almost self-financing.

- We delivered our part of the **Lindisfarne Gospels Durham** project – marketing communications and regional festival. It was a considerable success selling out before the end of the run and generating very significant media coverage and profile for Durham nationally and internationally. The festival comprised over 500 events. The event has gone on to win Best Tourism Event and Best Tourism Experience at the regional tourism awards, Best overall event at the regional culture awards and to be shortlisted as a national finalist in the Heritage and Museum Awards (Marketing and Learning categories) and the national Tourism Awards (Best Tourism Experience).
- We secured £100,000 from Arts Council England as a contribution to **Lumiere 2013**.
- We supported the **Arts means Businesses** conference sourcing accommodation and handling delegate bookings as well as promoting it through our channels.
- We **supported 203 businesses** with 1-2-1 visits in the year.
- The national marketing investment from Visit England enabled us to create a **strategic marketing partnership** that looks likely to continue into 2014-15 when the national marketing money runs out.

22 Product Development

- The **Bishop Auckland Food Festival 2013** was delivered. Attendance was estimated at over 20,000 and the Fabulous Baker Brothers events sold out, again. New successful content included the Eat England pop up restaurant, the Taste Cumbria Market and the Love Food Hate Waste Demonstration kitchen. Most traders reported good business.
- We created a **new Taste Durham** programme and recruited a steering group to help us develop it: Martin Blunos, Bill Oldfield and Neal Holloway.
- We secured **Defra funding** for the Northern Land's programme, almost £0.5m and set up the regional programme and steering group.
- We became leaders for two **Northern Land's projects**, food tourism and sense of place.
- We produced a new play, **A Funny Thing Happened on the Way to Durham**, in partnership with the Gala Theatre. It toured the North East and received critical acclaim.

23 The year presented challenge as well as successes:

- The Bishop Auckland Food Festival in 2013 was successful in developing as an event that will attract food tourists and in terms of audience feedback and audience numbers but it received criticism from local audiences and stakeholders and had an income deficit.
- The new BAFF beer and wine event lost money and wasn't successful for the beer and wine producers.
- The number of people using the kiosks in the county's visitor information points totalled 26,200 at year end a decrease of 5% on the previous year. This is not an accurate estimate of the VIN usage as some information points do not host a kiosk but may indicate changing consumer trends away from fixed information points to mobile devices.

24 Our targets for 2014-15 are:

- **950,000 unique visitors to thisisdurham.com.** We remain optimistic that we can achieve this despite a significant reduction to the marketing budget
- **£7m of additional spend generated by the Visitor Information Network.** We aim to maintain the current level even though we will print fewer of copies of the pocket guide and kiosk use is declining.
- **50 people holding a World Host accreditation,** counted cumulatively from the start of Welcome to Durham
- **65% of core tourism businesses activity engaged with Visit County Durham.** The policy change that relaxed our quality threshold has added an additional 200+ businesses into the pool of core tourism businesses in the county. The target is, therefore, realistic and takes into account that: many of the non-assessed accommodation providers newly in the pool are non-resident in the county and therefore more difficult to engage; many businesses added to the pool fall into the self-catering category which are the most difficult sector to engage, we are still in our first year of engaging with these businesses, compared to a seven year relationship with many others, and our human resource will continue to be stretched.

Recommendations

- 25 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 26 That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report on the development of the tourism offer in County Durham and the performance of Visit County Durham at a future meeting of the Committee.

Background Papers

- Cabinet Report – 30 May 2012 – Durham Tourism Management Plan – 2012-2016.
- Economy and Enterprise OSC – 21 October, 2013.

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Appendix 1: Implications

Finance – None

Staffing – Relevant staff now serve on the Tourism Working Group which supports and co-ordinates activity within DCC to develop the visitor economy.

Risk – None

Equality and Diversity – None

Accommodation - None

Crime and Disorder – None

Human Rights – None

Consultation – The Durham Tourism Management Plan (DTMaP) was heavily influenced by visitor market intelligence and also went through a comprehensive consultation process with the relevant stakeholders.

Procurement – None

Disability Discrimination Act –None

Legal Implications – None