

## Scrutiny Review of the Marketing of the Borough

### Progress to date – Phase 1 – The Visitor Economy

#### The local visitor economy

1. The visitor economy can be wide ranging in terms of the type of business included within it. Primarily the visitor economy would fall in to two categories; attractions including the natural environment, culture, retail, sport, leisure facilities, festivals, and services including hotels, pubs and restaurants, and day-to-day services.
2. The Tees Valley visitor economy, in common with other areas of the North East, experienced a period of growth from 2003 – 2009. The number of overnight visitors travelling to Tees Valley rose by 26% and visitor expenditure rose by more than £40 million over this time period. The most recent information available is drawn from the research undertaken on behalf of One North East in 2010 by Global Tourism Solutions, using the Scarborough Tourism Economic Activity Model (STEAM). Key headlines from the report are:
  - 2.1 million overnight tourists spending 4.6 million nights in the area
  - 13 million day visits
  - Total economic value of £563m (overnight visitors £233m, day visitors £330m)
  - 7,200 direct tourism jobs (full time equivalents)
  - 1800 jobs supported by indirect revenue from tourism
  - Two thirds of overnight visitors to Tees Valley stay with friends and relatives
3. This data is not now produced for Stockton Borough and there would be a significant cost to obtain it in the future. The report looks at the volume and value of visitors to Tees Valley in 2009.
4. A 2008 research survey carried out by One North East showed that the main visitors to the area (45.5%) were between 18 – 24 years old and that of those staying for one to three nights 40.3% were 25 – 34 years old and 25.7% were 45 - 54 years old and these mainly arrived from Yorkshire and Humberside. The top four reasons for visiting were Exploring Towns & Cities 44.6%, Exploring the Countryside 41.6%, Events 32.2% and Shopping 30.9%.

5. Overall visitor numbers to attractions in Tees Valley in 2010 grew by 6% in comparison to 2009. 2 attractions in Stockton were listed amongst the top ten most visited attractions in 2010 in the Tees Valley.

<b>Attraction</b>	<b>Visitor Numbers</b>
Preston Hall and Museum*	89,054
Saltholme	80,316

\*closed during Nov/Dec 2010

Source: One North East: North East Visits to Attractions Report 2010

6. Events and specialist markets are widely recognised as being an integral part of the Borough’s visitor economy. Visitor figures for SIRF 2011 show that:
- The average level of spend per head was estimated to be increased by £13.76 during SIRF.
  - It is estimated that SIRF created additional spending of £855,954 within the borough
  - Estimated visitor numbers were 65,000. 84% from the Tees Valley, 6% from rest of North East, 10% from rest of UK and 1% from abroad
  - 32% of visitors had attended SIRF 20 times or more
  - 93% of visitors thought SIRF was good for promoting Stockton as a place to visit
7. Sports events are also increasingly important to the local economy. The Triathlon and River Rat Race are two of the most high profile events on the River Tees with participation figures increasing over the last 2 years.

<b>Event</b>	<b>2010 Participants</b>	<b>2011 Participants</b>	<b>2012 Participants</b>
River Rat Race	760	981	1200

Triathlon	400	560	Did not take place
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8. During the course of the review Preston Hall re-opened and is projected to be a major attraction in the Tees Valley.

### **Changes in support to the tourism economy**

9. Nationally, **VisitEngland**'s role as the tourist board is to grow the value of tourism by working in partnership with the industry to deliver marketing campaigns and to provide advocacy for the industry and visitors. National Government policy demonstrated through VisitEngland's funding and marketing activity is designed to embrace such a public/private partnership approach.
10. VisitEngland oversees the national tourism strategy – England: A strategic Framework for Tourism 2010-2020. The strategy **sets out an 'attract and disperse' approach to marketing England as a destination to domestic and established overseas markets**. They will work with tourism partners and the private sector at a national and local level based but this is based on key criteria for destination management organisations.
11. VisitEngland has recently secured Regional Growth Funding for a 3-Year tourism project, 'Growing Tourism Locally' aimed at stimulating economic growth and jobs at a local level. The funding will be allocated to a number of destination management organisations in England that will work closely with VisitEngland to design and implement local campaigns.
12. Visit Britain recently announced a new strategy aiming to attract 40m visitors a year by 2020, compared to the 31m that currently visit. The aim is to build on Britain's strengths such as heritage and the exposure gained through the London 2012 Games, and address weaknesses in perceptions relating to 'natural beauty, food, value, and welcome'.
13. **There has been substantial change to the support and funding provided on a regional and sub-regional basis.** Formal regional structures to support the visitor economy ceased following the closure of **One North East (ONE)** in March 2012. ONE marketing activity ended in May 2010 as part of the restrictions on public sector spending this included North East marketing campaigns, North East Visitor Guide, marketing analysis and visitor attractions footfall data.
14. Former One North East promotional assets, such as branding and marketing collateral, have been protected through various acquisition and transfer arrangements. They remain available for Tees Valley use if desired.

15. The Northern Tourism Alliance, formed in 2011, is currently an informal partnership between Visit County Durham, Newcastle Gateshead Initiative, Northumberland Tourism, Hadrian's Wall Heritage and the North East Hotels Association. It is emerging as the possible public sector successor in relation to the promotion of tourism across the region. An officer from Tees Valley Unlimited (TVU) or one of the Councils has represented the Tees Valley at meetings so far.
16. Across the North East and Yorkshire all tourism and destination management organisations have undergone some form of review due to funding cuts. The majority have reduced the scale and scope of operations and are moving towards more private sector-led funding and governance arrangements.
17. **Visit Tees Valley** (VTV), the Area Tourism Partnership and Destination Management Organisation, was part of TVU which was subject to a full review that reported in March 2011. This resulted in the organisation being reduced to approximately one third of its previous size. TVU is now more focussed on strategic leadership of the sub-region.
18. VTV was responsible for the strategic direction of tourism in Tees Valley. Its priorities were based around improving the physical product, developing Tees Valley as an events destination, upskilling the tourism workforce, and marketing to improve the perceptions of Tees Valley. In 2010/11 VTV had a budget of £810k of which £213k was for marketing. TVU received direct funding from ONE of £600k towards the operational costs of VTV and all of that funding was withdrawn. An example of development of the workforce was the 'My Tees Valley / My Stockton' training courses, which were designed to increase local tourism industry staff's awareness of the area's heritage and other attractions.
19. Most marketing and business support activities for the visitor economy ceased in Tees Valley when VTV was wound up in March 2011 following the loss of that funding. At the time it was recognised that following the end of sub-regional activity and the reduction in direct support provided to the sector, it would be necessary for local tourism businesses to operate their own networks and play an increasing role in their marketing. TVU hosted a temporary tourism post focusing on exit strategies, and this post ended in March 2012.
20. TVU's marketing priorities are focused on attracting investment from priority sectors and promoting the new enterprise zone offer. The visitor and lifestyle assets in the Tees Valley are seen as an important element of the overall Tees Valley quality of life marketing proposition to potential sources of investment. The new TVU website and marketing information are continuing to be developed and will highlight quality of life aspects such as attractions, leisure, education and health provision in the area.

#### **Changes in services provided by SBC Regeneration and Economic Development**

21. **SBC's tourism service has been the subject of two Efficiency, Improvement & Transformation (EIT) reviews.** As a result of the review of Events, Arts and Tourism the vacant Tourism Promotions Assistant post was deleted from the structure. This was followed by

the review of the whole Regeneration & Economic Development service which considered the role of the Council in relation to tourism. In the light of the need to reduce expenditure and reprioritise support, it concluded that R&ED's role within tourism should be encouraging business growth and enabling the sector to support itself. This role was to be undertaken as part of the work of the wider business engagement role of the service. As part of that process the Tourism Promotions Manager post was deleted from the structure and a visitor economy specialism role was developed as part of one post within the business engagement team. The focus of the work is therefore now on providing support to visitor economy businesses to assist with their growth plans, ensure they are aware of and have access to the support available, and that they are able to benefit from the visitor attraction opportunities in the Borough.

22. Following on from the closure of Visit Tees Valley, the associated **website** was closed down in March 2012. The data behind the website was also linked to the Visit Stockton website via a system called Desti.ne which was no longer be funded as of March 2012. As a result of this the former stand alone website for Visit Stockton was redirected to the Leisure and Visiting page within the Council's website ([www.stockton.gov.uk/citizenservices/leisureandents](http://www.stockton.gov.uk/citizenservices/leisureandents)). This option carries no cost associated with it and houses links to external sites e.g. accommodation and visitor attractions and also a link to the Stockton Visitor Guide. Stockton Council has full control over the site and pages can be reviewed and updated as frequently as required.
23. There is currently a separate site for eateries within the Borough called Bite to Eat ([www.bitetoeat.co.uk](http://www.bitetoeat.co.uk)). This site is controlled and maintained by an external agency and we would incur costs every time updates or changes need to be made. It is not possible to easily measure if this site having any effect on the number of visitors to the restaurants. The need for and benefit of having such a website will be discussed with businesses through a restaurant promotions group that is currently being set up.

**The whole of the Council's web presence is currently being reviewed.**

24. The **Tourist Information Centre** (TIC) was in the Shambles but has recently moved to 134b High Street and has re-opened as the Visitor Information Centre (VIC) within the Rediscover Stockton Shop. It is the frontline customer facing part of the service and is run by 2.5 FTE staff. Stockton was the highest ranked for customer service in the Tees Valley following a recent VisitEngland Mystery Shopper survey.
25. Following the recommendations of both EIT reviews, further consideration is to be given to visitor information functions being made available in the Customer Contact Centres and other appropriate premises.

### **Feedback from the local visitor economy**

26. The Committee has heard from representatives of the local economy. **Saltholme Nature Reserve** described their experiences since setting up in the Borough in 2009. Key issues included:

- Saltholme attracts over 70,000 per year. There has been a small decline in visitor numbers since the opening year, in line with other RSPB reserves in the north, including in family groups. 50% of visitors live within 10 miles, 75% are repeat visitors. The economy appears to be having some effect as although the attraction is free to enter, there is a chargeable car park and most people arrive by car due to location. Improvements to public transport would be of benefit, such as bus and cycle lane provision (nb. since the meeting the Sunday bus route has been re-instated for a trial period).
- Marketing included joint advertising with neighbouring reserves, RSPB website, free local publications including Council newspapers, social media sites and local radio. Joint marketing also took place with sites in the Yorkshire region. Representatives from the Washington RSPB site had visited Saltholme to understand its approach. It was identified that further work may be necessary to increase local awareness.
- the Reserve expressed a desire to be included in eating guides such as Stockton's 'Bite to Eat' as Saltholme had a 98 seater cafe.
- the Reserve often attracted school visits and was currently National Lottery finalists for the 'Best Education Category for Life Long Learning' award.

**27. Mohujos Restaurant** in Billingham provided a briefing of their activity, including reference to their marketing techniques: ...

- impact of the recession and the challenges Mohujo's faced for continued growth, and how the Restaurant had benefitted from the small business NNDR reduction scheme;
- in terms of marketing, the business has grown via word of mouth rather than heavy marketing campaigns, however there was usage of the web and facebook, and a desire to work in partnership with other businesses and local organisations such as Billingham Forum where pre theatre meals had been offered at discounted prices on production of a voucher from the Forums brochure. They have also investigated other opportunities such as entering into online offers on Groupon.
- positive response received from participating in local events such as the Stockton Riverside Festival which was funded by the Authority and Stockton Town Team, and involvement in events was seen as worthwhile; Mohujos were involved in the World Market Festival in September. It was suggested that businesses be included in future events at the early stages to allow a bigger input.

**28. Infinity Marine and Café** outlined progress on their new café and marine chandlers venture at Castlegate Quay on Stockton Riverside

- The owner outlined the new attractions he hoped to bring to the area, such as water taxis on the Tees, potentially ferrying people from Stockton to Yarm and other locations accessible via the river. This would be assessed following a trial scheme that Infinity Marine intended to run in the near future, and would involve assessing river access points and timetabling.

- It was recognised that public funds were limited, and that in terms of support, advice and practical help from the Council and agencies were as important.
29. Evidence from all three organisations suggested that there was further scope for increased networking opportunities, and development of web presence.
  30. Joint ticketing/packages with other businesses were discussed making a day in Stockton more attractive for visitors, such as; joint themed evenings at eating venues, creating joint packages between the various attractions, and the surrounding areas, and taking better advantage of natural attractions such as the Tees Heritage Park, and Preston Park.

#### **Ongoing development of Stockton as a visitor destination**

31. Stockton Borough Council is continuing to support the visitor economy through its £20m investment in improvements in Stockton Town Centre, the £7m investment in Preston Hall & Park, the expansion of the events programme as part of the strategic development ambition to create stronger links and visitor flow between Stockton Town Centre and the River Tees, and the further expansion of the programme of specialist markets. Investment is also planned in the Globe Theatre which will provide a 2000 capacity conference and events venue, and the RSPB continues to invest in the facilities at the Saltholme International Nature Reserve.