

DMO Update

1. Industry News and Developments

At a national level, the latest Passenger Survey is showing that Britons went on 16 per cent fewer overseas trips from January through April this year, as compared with the same period in 2008. The number of incoming visitors to the UK was also down, dropping by 10 per cent during the same period, to 8.9 million visits. VisitBritain is warning that inbound visits could drop by up to five per cent.

The recession is clearly having an effect on the Gloucestershire tourism industry, although it is not correct to say that figures are down across the board. For example, many outdoor attractions have had a good start to the year, due to good weather at key points.

For hotels and others, the most important factor is a sharp drop off in meetings, conference and business travel which has reduced vital midweek income. There is intense price competition in this sector with, especially, national chains cutting rates drastically.



On the leisure side, things are not so black and white. Business is holding up *relatively* well. B&B operators (admittedly we tend to have contact with the more professionally-run ones) say that Spring has been pretty good. Hoteliers often comment that business is down but relatively satisfactory – I sense that behind this is a mix of reasonable numbers of guests, but concern about the amount of discounting it takes to get them. There are clear signs of reluctance to invest – one very large luxury hotel group has put a hold on all advertising across the group, another has cancelled a £2.5m investment – not because finance isn't available but because it can't risk disruption to business.

The restaurant sector is clearly struggling and a figure of 15% down on last year has been mentioned by several event operators. Insolvency has affected, amongst others, Barnsley House (boutique hotel sector), Robinsons on the Hill/Wyck Hill House (country house hotel) and Westcote Inn (pub with rooms).

Self catering seems to be doing well – especially at the top end of the market.

We are receiving more requests for meetings with hotel managers, sales managers etc than ever before – and there is a more interest in partnerships and consortia to save marketing costs.

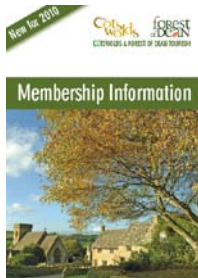
The most significant product development in the county has been the opening of Gloucester Quays, said to have increased footfall to city centre shops by 18%. The Tall Ships Festival attracted 75,000-100,000 people to the city.

Anecdotally, market factors quoted recently include some evidence of an improved UK/local market, return of some European markets ("the Dutch have started to come back"), a

'surprisingly' good performance by the Japanese/USA FIT staying visitor market, and business from the UK/local market – but with a reduced secondary spend.

2. Action since the last Board Meeting

Membership



Cotswolds and Forest of Dean Tourism is preparing to become a paid membership organisation with invitations to join for 2010 about to go out. This will coincide with promotion of the 2010 accommodation guides.

A free trial period membership for existing accommodation guide advertisers has been running for the first half of 2009. Already 12 businesses not featured in those guides have paid for membership. As importantly, we sense that there is now some understanding amongst switched-on tourism businesses of the shift from regional to local membership businesses. And enthusiasm for the idea too. The membership offer is summed up in our 2010 Membership brochure and Sarah Taylor is managing the transition to membership.

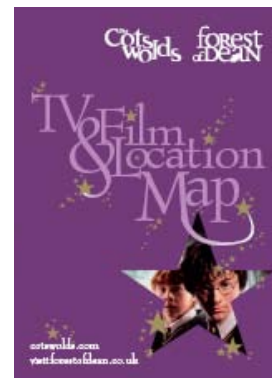
78 representatives from businesses attended our first members' events at the Rococo garden in June and we will repeat the exercise elsewhere in the county.

Culture Campaign

The campaign has been launched and exists as a simple flyer, postcard set, web presence, blog (accessible through the destination websites) and Twitter alerts. There has been only positive press response to the 'Rural Capital of Culture' claim (bar one Cheltenham hotelier!) and some substantial press articles as a result of the launch.

The task now is to sustain the campaign through to 2012.

In May, we emailed 20,000 addresses (drawing on an Arkenford mailing list of active arts 'consumers') with a 13.37% open rate and 1.48% click through rate. Interesting to note that these response rates are 'way above average'.



In June we posted a short culture campaign-branded web movie about cheese rolling to YouTube.

In July, to coincide with the opening of the *Harry Potter and the Half Blood Prince* film, we launch a TV and Film Location Map which will support our press work through the next few years .

The culture campaign is about bringing tourism promotion and the cultural life of the county closer

together. Arts businesses and venues have been very slow to adapt to the campaign – it is to be hoped that we can improve on this as the campaign continues. In some cases local authorities are in a position to do more.

The culture campaign is flexible, to embrace opportunities ranging from a gardens' competition to an agreement with Faber and Faber to Twitter the prologue to Alice Oswald's new poem *A Sleepwalk on the Severn*.

Visiting Travel Media

With no advertising budget, the promotion of the destination remains based upon productive work with travel writers and broadcasters and VisitBritain's worldwide network.

This includes the business of dealing with desk enquiries and also generating new media interest through stories and promotions.

Our objective this year is to improve results from UK media to support the expected good year for domestic tourism. We continue to have an established and productive network worldwide - and the aim of benefitting from the stronger Euro, reaching existing markets such as Japan and the USA and to keep an eye on emerging markets such as China/Russia.



The result has been one of the busiest years ever for media enquiries. With the help of local tourism businesses we would expect to have welcomed 200 journalists by the end of the year.

Local (Gloucestershire) media is supportive of our work and has covered both our campaigns and the story of how we promote tourism.

We have achieved some good results with regional media – Birmingham Post, Yorkshire Post, Kent Messenger.

Competition for space in national media is increasingly competitive (all those RDA-funded PR companies at work...) and, obviously, involves many more desk enquiries than visits. There are noticeable fewer journalists (and less editorial space) in national travel supplements as the recession continues. The solution is to pitch self-contained stories – we have had some successes with the culture campaign, although we need to be more inventive to secure more national coverage. It is also noticeable how difficult it is to encourage the UK national press to deviate from clichés about the Cotswolds and Forest of Dean

Overseas press interest is as strong as ever, including visits by:

May

Primo Magazine (Belgium)
Los Angeles Times
Trends Media Group Editor (Vogue China etc (China))
Tour Hebdo (France).
Kommersant Newspaper (Russia)

June

Mr Partner (Japan)
Efil Magazine (Japan)
L'Alsace (France)
Reizen Magazine (Belgium)
Bell Europa (Italy)

Forbes Magazine (Russian Edition)
Rex Features (Worldwide)

Ih Nravry (TV – Russia)
Frankfurter Allgemeine (Germany)

3. Future DMO activity.

The DMO is advertising for a DMO Project Manager for a one-year contract, 2 days per week.

At the time of writing we are awaiting clarification from SWERDA on possible recession recovery campaigns for tourism.

Gloucestershire First is also assessing recession recovery ideas – the key need, as described by the industry, is action to support the business and conference travel markets.

Katy Richardson is in post as Web Officer and at work on the business of developing the website, coordinating data for local and national tourism websites and innovating in how the destination is portrayed on the web – including in some of the ways described above.

The main projects over the next few months are to support the local tourism industry as fully as possible by promoting the destination creatively, to improve the web site content, links and search scores, to keep on top of any recession recovery bid possibilities and to successfully achieve the transition to become a fully subscribed membership organisation.