



Meeting:	Cabinet	Date:	10 November 2021
Subject:	The Future of the Tourism and Destination Marketing Function Report		
Report Of:	Cabinet Member for Culture and Leisure		
Wards Affected:	All		
Key Decision:	No	Budget/Policy Framework:	No
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Appendices:	1. Business Case Retaining Gloucester's Tourism and Destination Marketing Function		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To review the work and impact of the tourism activity carried out by the Gloucester City Council's Tourism and Destination Marketing Team and the role they play in supporting Gloucester's Visitor Economy and decide on whether to keep the function within the Council past March 2022.

2.1 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that the Tourism and Destination Marketing Team should be kept within the City Council for the next three years.

3.0 Introduction

The Tourism and Destination Marketing Function (Visit Gloucester)

- 3.1 The driver for the Business Case has been the need to have greater visibility of the work of the Tourism and Destination Marketing team with regards to marketing the city and their activity that supports and advises the Visitor Economy businesses in the City. There is now the need to consider the future of the team past March 2022 and ascertain whether financial support for making the function permanent can be approved by the Council.
- 3.2 An overview of the Marketing and Promotion activity carried out by team can be found in the Business Case for the Tourism and Destination Marketing Team (Appendix 1 section 2). The highlights of this activity are the delivery of the Welcome Back Campaign which created exciting new marketing material for the city and delivered over 700,000 media impressions, and the Summer Passport which

saw 1,400 people take part in the trail around the city and received some really encouraging feedback from Gloucester businesses.

- 3.4 The service has an annual income target of £30,000 attached to it. To date the service has raised £6,300 through sponsorship of the Gloucester Passport marketing campaign. The Autumn Campaign has been kindly supported with £10,000 worth of support - £5,000 from GWR and a further £5,000 from Gloucester BID. It is anticipated that the income generation target will be met for this year.
- 3.5 The Business Case reviews the future of the marketing function in relation to the current situation following the release of the Destination Management Organisation (DMO) review (link to full report can be found here [The de Bois Review: an independent review of Destination Management The de Bois Review \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/644441/The-de-Bois-Review-an-independent-review-of-Destination-Management-The-de-Bois-Review.pdf)). A full synopsis of the DMO review can be found in the Business Case (Appendix 1 section 6). When the recommendations following the review have been adopted Visit Gloucester is likely to be a strong tier 3 Destination Partner and will be subsumed within a tier 1 Destination Development Partnership.

4.0 Social Value Considerations

- 4.1 Communication of social, cultural and economic activity with the wider community will bring benefits to the residents of Gloucester, such as instilling local pride and by supporting people's emotional well-being. Supporting the city's businesses will ensure that the economy can continue to recover, which will provide opportunities for people to be active and engage with cultural activities in the city as lockdown eases. The continued need for a marketing function for Gloucester will be key to positive impact on residents and visitors to the city alike. A concerted effort was made to encourage residents to have their say on how we position the city through the place positioning work. Over 1,000 people took part in the consultation phase of the place positioning project and will be invited to the feedback sessions in November to hear the results.
- 4.2 The team also play an important role in celebrating the diversity of people working and living in the city through promoting community and cultural events such as Jamaica Day, Kings Jam and Rooftop Festival. The team actively support organisations in the city which encourage young people through skills development such as The Music Works, Your Next Move and the Guildhall.

5.0 Environmental Implications

- 5.1 The small destination marketing team promotes all aspects of the city's cultural offer as well as encouraging sustainable forms of travel such as working with GWR to encourage people to visit by rail and emphasising the walkable nature of the city. There will be some limited impact on the environment, however, as increased tourism and movement of people will increase emissions. This is not specific to this industry and is a wider societal issue. However, the team will develop stronger environmental messaging, whilst the Marketing function remains within GCC as it will benefit from the support of other council departments and policies.
- 5.2 An increased use of digital marketing methods and a reduction in the production of large quantities of printed material should reduce the overall carbon impact of the destination marketing team.

6.0 Alternative Options Considered

- 6.1 The Business Case (Appendix 1, section 8) includes an options appraisal of different scenarios for the council to consider.

7.0 Reasons for Recommendations

- 7.1 The reasons for the recommendations are laid out in the Business Case.

8.0 Future Work and Conclusions

- 8.1 Future activity to be delivered by the team over the next couple of months include (a full list of planned activity can be found in the Business Case (appendix 1 section 3):
- A Halloween trail and dedicated Halloween activity page for the city. This activity is supported by Gloucester's Business Improvement District (BID) and We Are Destination
 - A co-branded Autumn campaign with Gloucester's BID and GWR which includes social media campaign, Spotify adverts, and outdoor media. This campaign will position the city as a destination for a weekend break to older generations.
 - The 20th Anniversary of Harry Potter in October will see the Destination Marketing team collaborating with the Film Office to promote film tourism and the cathedral where Harry Potter was filmed.
 - The City Branding Project is in its final phase. The consultation phase is complete and the narrative for Gloucester has been created. We are now gathering feedback from those who were consulted on the brand with a view to launching the brand for partners to use in January.
- 8.2 The team will require their contracts to be extended until March 2025.

9.0 Financial Implications

- 9.1 If the motion to continue to keep the Tourism and Destination Marketing Function within the City Council is adopted, budget for team to continue their operation will required. This will be identified as part of the budget setting process each year.

10.0 Legal Implications

- 10.1 None directly arising from this report.

11.0 Risk & Opportunity Management Implications

- 11.1 Risks of not accepting the recommendations – will result in the city not having an effective Destination Marketing function. This will disadvantage the city when compared to other areas of Gloucestershire and damage the visitor economy.

11.2 An effective and functioning Destination Marketing organisation attracts not only tourists, but supports businesses and attracts inward investment. These benefits would be to maintain the visibility and viability of Gloucester as an attractive destination to visit, live and invest.

11.3 The city will benefit from a collaborative centralised destination marketing and management function being held within the city council as the city's visitor economy continues to recover following the coronavirus epidemic. The city can provide leadership and co-ordination when it would be high-risk to create a new organisation at this time.

12.0 People Impact Assessment (PIA) and Safeguarding:

12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

13.0 Community Safety Implications

13.1 None

14.0 Staffing & Trade Union Implications

14.1 Existing staff temporary contracts to be extended and/or made permanent.

Background Documents:

None



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1.Current Situation

In February 2020 Marketing Gloucester Limited, the arm's length Destination Management Organisation (DMO) for Gloucester ceased operating. To ensure continuity for the tourism marketing in the city, Gloucester City Council brought the service in house. The Marketing Team is responsible for the development, research, marketing, and promotion of all facets of the visitor economy for the city. The Team provide a support role when required for the activities of the Guildhall, the Museum of Gloucester, and the City Council's Festivals and Events team. The Team work closely with the Economic Development Team and the Heritage Team, as well as externally the BID, LEP and the Growth Hub.

The Team operate under the brand name of Visit Gloucester and a new identity was created for the launch of the website on 8 March 2021. The Team works closely with Gloucestershire's other DMOs: Visit Gloucestershire, The Cotswolds Tourism Destination Management Organisation, Marketing Cheltenham, and the Forest of Dean and Wye Valley Tourism Association, attending regular meetings and sharing knowledge. The Team also work with national tourism bodies, Visit Britain and Visit England, on nationally funded projects such the US Connections Project and Uncover the Cotswolds, which support businesses, growing resilience and value in the local economy.

The Destination Marketing Team

The Marketing Team currently consists of 3 full-time posts and one year in industry student placement:

- Rebecca Clay –Tourism and Destination Marketing Manager
- Ellie Birch –Tourism and Destination Digital Marketing Officer
- Zoe Larder – Tourism and Destination Senior Marketing Officer
- Millie Graves – Tourism and Destination Marketing Support (placement until May 2022)

Priorities

In December 2020, the Tourism and Destination Marketing Plan for 2021 was written which set out actions against priorities for the year ahead. The priorities related to the key recommendations identified in the Future Marketing of Gloucester Report (2020). Paramount was the development of a high-performing website that would meet the needs of contemporary users, giving functionality and performance with quality images and dynamic content to better promote Gloucester. Another priority was to establish a Marketing Steering Board and to commission a Place-Branding company to develop a strong city-narrative and resources. These have been the focus for the team in the first 18 months of operation. The priorities for the subsequent Marketing Plan were born out of consultation with 60 key stakeholders in the city.

The plan outlined the following objectives:

1. Deliver marketing campaigns that foster strong brand saliency regionally and nationally to raise awareness of Gloucester as a city break destination.
2. Review our brand and communications to position ourselves as one of the UK's leading visitor destinations for the domestic market in 2021.
3. Develop our online presence to a mixture of digital marketing campaigns and 'always on' activity.
4. To cultivate and grow our inbound audiences in 2021.
5. Set up a city-wide data project that sources and collects data on the city and from our partners and disseminates it to stakeholders.

6. Strengthen audience development and community engagement initiatives to diversify audiences and address brand perceptual barriers.
7. Build a robust network of partners in the city from a variety of businesses operating to serve the visitor economy.
8. Lead the tourism recovery in the city by supporting partners in their activity.
9. To consider the ethical and environmental impact of all marketing activities.

2. Marketing Activity

In 2021 the following major marketing campaigns were undertaken.

Welcome Back

A multi-channel marketing campaign to entice people back into the city. The campaign, designed to raise awareness of Gloucester as a destination in a number of key visitor geographies highlighted by the UberMedia Visitor data from 2020. The effect of the campaign could be seen looking at traffic to [visitgloucester.co.uk](https://www.visitgloucester.co.uk) - with a significant increase (+78%) during the campaign (compared to the 4 weeks prior), aligned to a decrease in traffic to the site in the 4 weeks post the campaign (-20%) i.e., the highest volume of traffic to the site was during the 4 week Outdoor Media and Google display campaign.

Campaign Length:	May – September 2021
Cost:	£19,385 (funded through “Re-Opening the High Street Safely” and “Welcome Back Funds”)
Outdoor Media Reach:	627,596
Facebook Reach:	35,141
Google Display Reach:	68,284
Social Engagement:	6,238
Ad Click through rate to website:	12,040

Escape the Everyday Campaign

Visit Britain ran a national campaign across the summer named Escape the Everyday. In order to support their work and be part of a UK wide campaign, we ran a series of blogs (<https://www.visitgloucester.co.uk/blog/read/2021/08/you-cant-view-a-citys-below-ground-ancient-defences-everyday-but-you-can-in-gloucester-b83>), highlighting all of Gloucester’s unique and best kept secrets.

Campaign Length:	July – September 2021 (to coincide with Visit Britain’s “Escape the Everyday Cities” Campaign)
Cost:	£0
Total Engagements:	545
Campaign Reach:	17,169

Love to Work Campaign

A series of short film which raised awareness of the benefits of working in the Visitor Economy in Gloucester.

The videos can be seen here:

[Bangkok Canteen](#) / [Love to Work in Gloucester](#) / [English Tourism Week 2021 - Here for Tourism](#)

Cost:	£3,500 ("Welcome Back" funded)
Total Engagements:	3,365
Campaign Reach:	29,688

My Gloucester Passport

A hugely successful event that we ran as our summer activity, encouraging visitors into and around the City, collecting their lanyard and passports sponsored by Gloucester BID and Gloucester Quays and Aspire Trust.

Campaign Length:	July – August 2021
Cost:	£5,400 (funded through contributions from the Gloucester BID, Gloucester Quays LLP and Aspire Trust)
Participants:	1,400 participants took part in the activity 1,100 completed the activity
Total Engagements:	4,412
Campaign Reach:	12,904

Evaluation feedback from the sponsors was overwhelmingly positive:

"We are really grateful for the opportunity to be involved with this campaign, there have been numerous people coming in that aren't fully aware of the work The Cavern & Treasure Seekers do - you have helped us spread the word and reach more people in need - thank you!"

"Passport scheme has been really good - we see probably 10-12 people a day for the past week, most of whom didn't know we existed! About 25% are stopping for food/drinks, and we have been able to give promo materials to those who don't stay. We've seen an increased number of reviews on Trip Advisor/FB/Google over the past week from people visiting as a result of the scheme (all 5)."*

Press and PR Campaign

From June to September 2021, a press and PR campaign was run to raise awareness of the Visit Gloucester brand and to position Gloucester as a destination for a summer staycation.

This campaign received **89** pieces of coverage from publications all over the UK. The reach of the campaign was huge with readership figures of **144,690,707** highlights included coverage in **Ok Magazine!** and the **Daily Express**. Press releases targeted topical news stories such as "The UK's most Instagrammable Cathedrals", "Gloucester Olympians", "The UK's Best Visitor Attraction Prisons", and "Unique Cities".

Gloucester Goes Retro Event Marketing Campaign

After a missed year in 2020, Gloucester Goes Retro returned on August 28th. The team managed the marketing and rebrand for this event. The event was a tremendous success,

and the engagement and reach from our digital promotions was some of our highest performing this year.

Campaign Length:	May – September 2021
Cost:	£8,700 (part funded by Gloucester City Council's Festivals and Events Team)
GGR Page Reach:	28,950
GGR page views on visitgloucester.co.uk:	5,032
Total Engagement from posts:	14,546
Campaign Reach from posts:	142,397

3. Planned Future Activity

As a result of the success and feedback of these campaigns the following activity is planned for the next few months.

Gloucester's Creepy Capers

A city-wide program of activities to run throughout October Half Term, under the umbrella brand of Gloucester's Creepy Capers to encourage visitors and locals into the City during October Half Term, with a range of free and charged activities, leading to increased visitor numbers and secondary spend.

Autumn Campaign

The Autumn Campaign working with GWR and Gloucester BID as campaign sponsors, will seasonal content to showcase Gloucester as a destination for a shoulder season city break. This campaign will target a slightly older demographic Gen X and Millennials. This is a multi-channel awareness raising campaign working across digital and outdoor media. Content will be pushed throughout the region targeting GWR's popular routes of Bristol, Reading and Swindon. A range of press and PR activity will be created to highlight the wonderful events this autumn/winter and create popular content that the press will engage with.

20th Anniversary of Harry Potter

November 2021 sees the 20th Anniversary of the filming and release of the first Harry Potter film, Harry Potter and the Philosopher's Stone, scenes from which were filmed in Gloucester Cathedral. In total, seven scenes across three of the Harry Potter films were filmed in Gloucester. We are working with Film Gloucester to capitalise on the worldwide celebrations of this, drawing interest to the City via both social and digital channels, with a series of blog posts, audience engagement and activities with partners in the City.

City Branding and Place Positioning Project

Working with experts in their field, thinkingplace Ltd, the team have led a comprehensive consultation exercise through workshops, focus groups, one-to-one conversations and surveys with over 1,000 people. The agency is now finalising the place narrative and visual assets for Gloucester and developing feedback sessions to re-engage with the people who took part in the consultation to get them to play an active part in taking it forward. There will be a launch for the new place approach in the new year and a new place ambassador scheme/board set up following the launch.

4. Income Generation

During a difficult economic climate, the Team have been able to leverage a combined income of £48,300 into the budget (through sponsorship of £16,300, plus successfully pitching for shares of the Re-opening the High Street Safely, Covid Outbreak Management Fund (COMF), the County COMF, and the Welcome Back funds totalling £32,000). Unfortunately, the grant funded money has not lowered the service budget as the spend had to match the funded amount exactly and did not allow for any officer time to be attributed to it. However, without the team in place with their knowledge of the industry and the target markets this money would not have gone very far through outsourcing to a marketing agency. As these were one off funding pots it was essential that the money delivered for the city and helped support the recovery. As the team already had the Covid19 Recovery Plan in place they were able to quickly and efficiently resource elements from this without delays (which would have been incurred by writing, issuing and scoring briefs or even going through full tender processes).

The team's success in securing sponsorship from our key partners, especially the excellent relationship that has been fostered with the BID has helped to build trust with our partners. The campaign reports and delivery has reassured the contributors that we have the expertise and knowledge to deliver on their behalf. This achievement cannot be underplayed, the ability to leverage sponsorship from partners who had previously lost their trust for tourism marketing in the city and win them over so they sponsored multiple campaigns and have expressed an interest in doing so again (as seen through the passport feedback).

The team are also well-placed to apply for funding which doesn't fit the remit for our other services such as The Cotswolds AONB Farming in a Protected Landscape Project which looks to connect communities and people with farms in the Cotswold's to help them diversify their income. The project delivers a number of strands across spanning the visitor economy and without a tourism team this funding couldn't have been leveraged into the budget. We are currently awaiting a decision from the Cotswold's AONB Farming in a Protected Landscape fund which if successful will have £9,960 worth of officer time to put against it, to help lower the service budget over this and the next financial year. The decision on this funding is expected in the middle of November (dates vary due to panel meetings).

Future for Income Generation include licensing the catenary wires within the Gate Streets for advertising and acting as the agent for this (which would see an income of £1,200), delivering the Inbound audience development for the Cathedral (already in discussions delivering £3,500) and the rest through sponsorship of campaigns (£15,000) and funding applications (£10,000).

5. The outlook for Tourism

In 2019 Tourism contributed £106 billion to the British economy & GDP and supported 2.6 million jobs (The value of tourism in England | VisitBritain). In March 2020, the pandemic saw the industry shut down completely overnight and since then has struggled to recover fully with inbound consumer confidence the hardest hit. Cities particularly suffered through the pandemic as they have the largest number of office workers, but they are also hubs for entertainment, hospitality and culture, sectors serving both residents and visitors. For these sectors, a combination of lockdowns and travel restrictions meant complete closure. Cities have been cited as being able to recover quickly (Oxford Economic). However, for the city to recover fully tourism marketing needs to be delivered by a dedicated team who know the city and are able to analyse data and implement change.

We know from The South West Research Company's Economic Impact Study last delivered in 2019 that Tourism was an important economic driver for Gloucester.

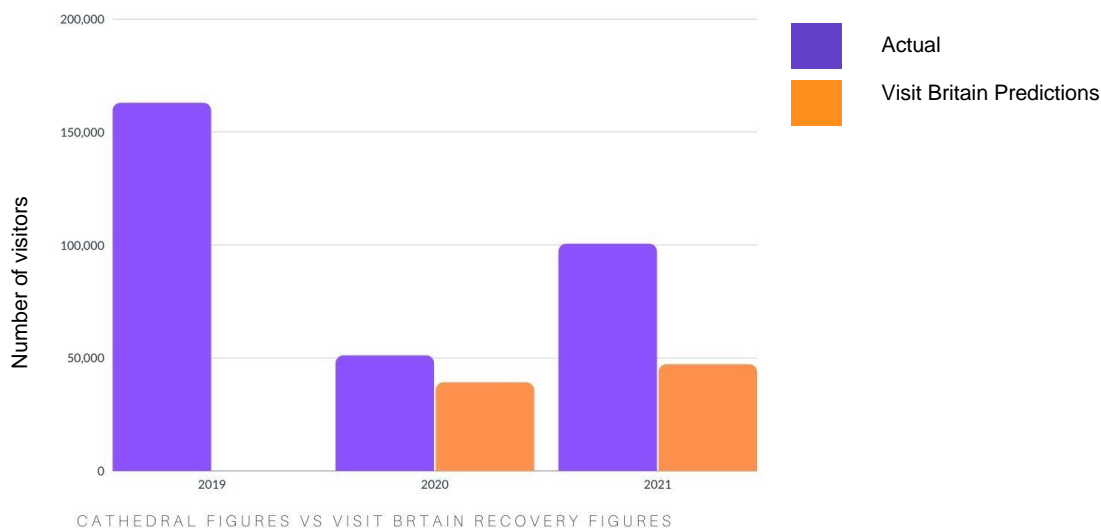
- attracted 313,000 domestic visitors to the city spending £50m in the city
- had 50,000 inbound visitors to the city spending £23m in the city

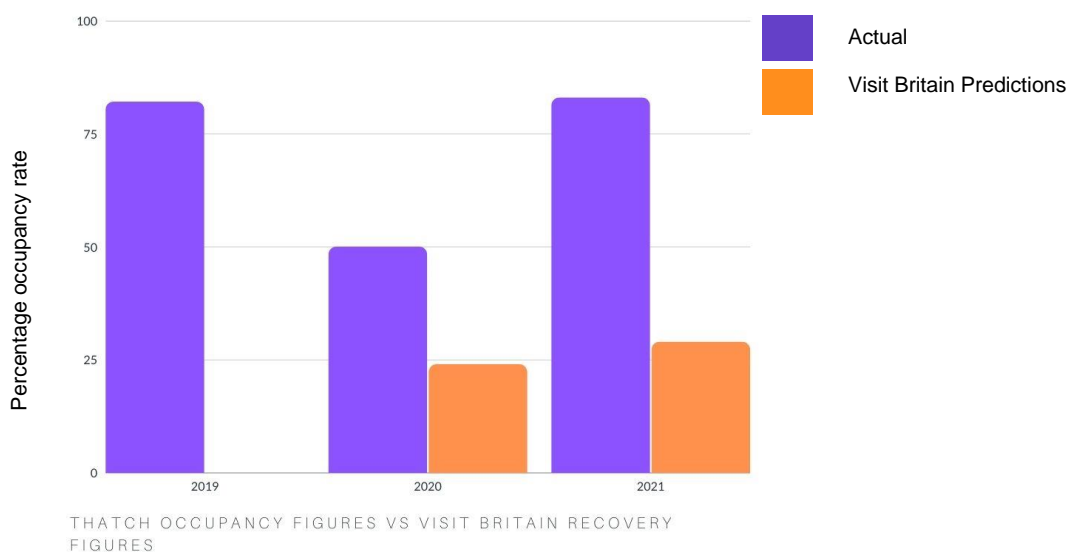
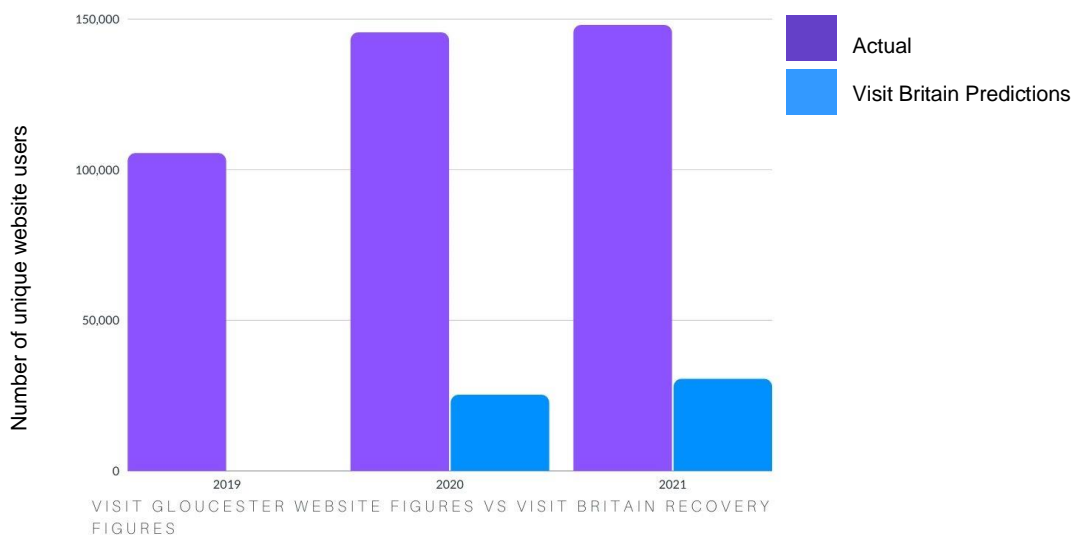
- 76% of visitors were visiting for a holiday
- 11% were visiting for business
- 12% were visiting friends and relatives
- A total of 3,438,000m day visits to Gloucester were taken attracting £140,722,000 spend in the city
- May was the busiest month for both overnight stays and day visits and spend 194,000 trips were taken with a spend of £13.3m.

Visit Britain's latest projections for inbound tourism over the next few years are:

- 2020: 76% decline in visits, 80% decline in spend on 2019 figures
- 2021: visits to only reach 29% of 2019 levels, spend to reach 23%
- 2025: overseas visitor numbers are not forecast to return to 2019 levels until 2025

We are still progressing towards a co-ordinated approach to partner data. However we can already see the impact that having an effective and dedicated tourism marketing team is having by looking at our partners recovery against what Visit Britain were predicting. We can also look at our website visitor figures as an indicator of performance. Analysing the number of users per month in 2019 vs 2021, figures have more than doubled; particularly after the new website was launched in March 2021. 73% of visits came from Google, suggesting that the content published is being well optimised for search engines.





6. The DMO Review

In May this year the Government commissioned Nick De Bois to conduct a thorough independent review of Destination Management Organisations across the UK. The full report was issued on 15 September:

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1011664/2585-C_The_de_Bois_Review_ACCESSIBLE_for_publication_.pdf).

The Pandemic had thrown into sharp focus the plight of smaller DMO's many of which had folded following the onset of the pandemic and the difficulties in their membership to pay their fees. Even larger organisations like the Cotswolds had to apply to Visit Britain for the DMO survival funding. There was also an emphasis on overlap, Devon in particular was cast into the spotlight as having too many DMO's (9) working in silo's delivering similar activity.

A useful synopsis of the DMO Review by Kurt Janson at the Tourism Alliance said that:

The recommendations state that DMOs should be grouped at a regional level through a lead organisation and provided with centrally funding for core activities that fit with Government priorities such as sustainability, skills, inclusive tourism and levelling up. VisitEngland would be charged with managing and supporting this new structure. The report also recommends that the Tourism Minister is elevated to a Minister of State position and either reallocating

responsibilities from other departments or the activities of teams within multiple departments to provide greater policy support.

The main recommendations for Government coming out of the review are:

Recommendation 1:

The Government should bring coherence to England's DMO landscape via a tiering approach, using an accreditation process to create a national portfolio of high performing Destination Management Organisations that meet certain criteria. I would also suggest a move away from the confusing 'DMO' term and call these nationally accredited Tourist Boards.

Recommendation 2a:

The national portfolio should then be split into two tiers – a top tier of accredited Tourist Boards acting as 'Destination Development Partnerships' or as leaders of them (these could be described as 'hubs') and a second tier of accredited Tourist Boards acting as members of these Partnerships ('spokes'). Destination Development Partnership status could be awarded to either an individual accredited Tourist Board covering a large enough geography (e.g. a city region) or to a coalition of willing accredited Tourist Boards within an area that come together under a lead Board.

Recommendation 2b:

The Government should then provide core funding to each Destination Development Partnership. The funding should be focused on activities that ensure their destination remains sustainable, competitive and responsive to high level strategic challenges identified by the Government such as those around sustainability, skills, inclusive tourism and levelling up. The Destination Development Partnership would be expected to pass down a degree of funding to accredited Tourist Boards amongst its coalition and work collaboratively with them to deliver a shared vision.

Recommendation 3:

DMOs that do not meet the national accreditation criteria should be automatically considered as part of a 'third tier'. These are likely to be small, localised Destination Marketing Organisations and the Government should minimise its engagement with them.

Recommendation 4:

As it is England's National Tourist Board, with the statutory responsibility for growing tourism at an England level, the Government should charge Visit England with responsibility for creating, maintaining and supporting this new tiered structure. It should receive sufficient funding and resources to do this.

Recommendation 5:

The Government must also change its approach, to maximise the success of the new system. There is currently insufficient appreciation of the importance and promise of the visitor economy at the top of government, leading to unfilled potential in DMOs and the wider tourism landscape. In practice, responsibility for tourism policy cuts across multiple departments, creating a confusing picture. Practical measures to address these issues could include elevating the Tourism Minister to a Minister of State position and either reallocating responsibilities from other departments to sit under that Minister or making the Minister responsible for the activities of teams within multiple departments – this latter suggestion is an established practice already in other policy areas which cut across Whitehall departments

Recommendation 6:

In order to help DMOs and Local Authorities take decisions on how best to develop the visitor economy in their local area, the Government should improve access to quality data by introducing the proposed Tourism Data Hub as a matter of urgency.

The main recommendations for DMOs coming out of the review are:

Recommendation 7:

DMOs must accept that they also have a role to play in driving forward change; it cannot just be left to the Government. To maximise the success of the new structure I have outlined, DMOs will need to take a less territorial approach, have a greater focus on collaboration, and

recognise that the current fragmentation is holding them back from acting as effective advocates for the visitor economy.

Recommendation 8:

DMOs should seek to diversify their income streams and should share and learn from examples of best practice. This will enable them to best leverage the core funding I propose, and I would expect a commitment to diversification as being an accreditation criterion.

Recommendation 9:

DMOs should have a rigorous focus on keeping the skill sets and expertise of their own staff up-to-date, particularly with respect to digital skills, so as to ensure their destination's offer continues to be sustainable and competitive.

Recommendation 10:

DMOs should have more diverse boards that fully represent their communities as well as their businesses and visitors.

Recommendation 11:

Local Enterprise Partnerships must realise the value of tourism, ensure the visitor economy is fully integrated into their economic strategies and play their full role as partners in the activities of their local accredited Tourist Board and Destination Development Partnerships. They should recognise that DMO type organisations are best placed to drive growth in regional tourism, and they should actively support them.

Recommendation 12:

Local government – be that a District Council, County Council, Mayoral Combined Authority or any other formulation – must also realise the value of tourism and should strive to play their part in supporting their accredited Tourist Board and Destination Development Partnership. They should accept that for DMOs to be at their best, they need to be public/private/community partnerships, not based solely in a Local Authority but working in close partnership with them. They should also involve their DMO in any policy decision-making affecting the visitor economy.

The next step in the process is that the Government will respond to the findings and decide whether to adopt and implement any, some or all of the recommendations. It is unlikely that all recommendations will be passed but we can expect some of the report's suggestions to be implemented within the next 5 years.

What this means for Visit Gloucester

Visit Gloucester and the Tourism and Destination Team would likely be a strong 3rd tier category of DMO's. Without partnering with another tier 3 DMO it is likely that would remain in this category for the long term. This would mean we would no longer by ourselves be eligible for funding from Visit Britain. However, no funding had been given directly to Marketing Gloucester or Gloucester City Council from Visit Britain. The service is able to access marketing support through Discover England Funded Projects (US Connections and Uncover the Cotswolds) through larger DMO's, so it is unlikely to change our position significantly. We will continue to leverage income through other funding streams as listed in income generation.

In the short term we will continue to work toward the recommendations listed for DMO's especially around forging meaningful collaborative networks and working with the other DMO's, LEP and the BID.

Following the DMO review both Visit West (who own and manage Visit Bristol and Visit Bath and their convention bureaux) and The Cotswold Tourism Partnership (who own and manage Visit Cotswolds) who expressed an interest in becoming one of the 25 Destination Development Partnerships would be interested in subsuming Visit Gloucester into their partnerships. The brand would fit with either of these proposed partnerships and has excellent relationships with both, however location suggests that Cotswold's would be a more

comfortable fit. How that relationship would work will be the course of discussion over the next 3-5 years.

7. Stakeholder Research and Feedback

In August 2020 we commissioned Flying Geese to lead consultation with our key partners in the city to gauge their feel should happen to the service past 2022.

A range of Stakeholders were interviewed from all sections of the Visitor Economy and asked 3 questions about the service designed to draw out what their experience has been and what they would like to happen to the service past March 2022. Here is a synopsis of the report:

1) What has been your experience of the service to date?

a. How would you rate the service in terms of communications and service of the team?

It is almost unanimous that the new team at the DMO over-achieved all expectations. Their presence, their availability, their enthusiasm, their proactiveness is abundant and it has really changed the pass across the City. Much needed and very welcome.

b. What results has your business seen from the team, for example, an increase in visitor numbers, increased brand awareness, more website referrals etc

In a Covid year, it is difficult to evaluate, however, the consensus is that without the new team, and their activity, things would be a lot worse. The Passport and the other trails have visibly brought visitors to locations, and one stakeholder noted that 25% of these visitors spent money while there. Branding and quality has been superb. The provision of the Visit Gloucester website has provided a much-needed resource for the city.

c. Where do you see areas of improvement?

There is a lack of clarity over the purpose of what the DMO is supposed to do. How does what the DMO do differ from the BID, Gloucester Culture Trust, or So Glos.

There is a real need across the city for data collecting and data sharing, and organisations are needing to have evidence of the reach and impact of the campaigns that are being run.

There is concern that the DMO is not representing lower-level cultural events that appeal to residents - for example, acoustic music in pubs and bars, and although this won't act as the stimulus that will 'bring in the tourists', it will encourage the tourists to 'stay' in Gloucester rather than 'visit' Gloucester just for a day. Representing these events will also build pride amongst residents.

The DMO should use its power to lobby other council services, and other key stakeholders, about the value of culture in the city.

2) What are your views on the future of the service?

a. Would you like it to continue in the same vein as it is currently, or do you have other suggestions?

There are concerns that if the DMO service continues as a Council Service, decisions made will be influenced by politics. Although there is little evidence that this is happening, there is concern that it will happen. (City of Culture has been cited many times by many stakeholders). But all things considered, remaining part of the council is considered to be the safest bet, as the council has a duty to offer this service - and even at arm's length - the council would be so heavily involved, it may as well remain part of the council anyway.

A membership scheme is worrying to many people, because the same big players would be able to afford it, and the same smaller ones would not. and there is a concern about what the membership would get them, that is different to the BID and the Council Levy. However, there is a need for income, and 'project based marketing packages' would suit the majority of stakeholders. This would enable smaller stakeholders, whose income goes up and down, to buy marketing support when they have project-based funding.

There are concerns that being a Council DMO, there is a preference towards only marketing the 'sparkly events' of the city, and therefore It is suggested that the marketing activity for these project-based customers, is outsourced to another agency, to both help with capacity and permit activity associated with more challenging, grungy, gritty events.

3) Would you like the Tourism Destination Marketing Office to concentrate on in the future?

a. What would you like the service to focus on?

- Data collection and interpretation - city wide, and partnership sector support.
- Proof and evidence of campaign results of reach
- Lobbying stakeholders to demonstrate the value of culture. To be on a mission to make more people value the sector
- Bringing influencers - from other cities who are getting it right - to give presentations to key stakeholders and other council members. For example, organise a presentation from a previous city of culture, to key people, before deciding to go for City of culture, as the presentation would get buy-in from the start
- Tourism marketing, national and international reach, tours, groups, international trade

There is Debate amongst stakeholders about the DMOs role in the smaller events representing the City. It is Flying Geese' opinion that GCT should fill this gap. However, this is not a report for GCT.

b. How would you like the service to behave?

Concerns that the current availability - which is superb, will eventually become unmanageable. They don't want it to change, but there are concerns for the team and stamina.

More regular presentation type meetings where results and data and forward plans are shared

People don't know about the 'board' and therefore think that one needs to be put in place. Recommendation here is to use the 'board' to hold meetings with their sector representatives to gather views etc and then feedback to DMO.

8. Options Appraisal

Three key options have been identified; these are:

- **Option 1: External Destination Management Organisation with membership**
Visit Gloucester announce their intention to start charging their partners a 'membership' fee on a sliding scale for businesses. Suggested rates: (based on Marketing Cheltenham membership) Large partners such as the Rugby Club, Cathedral would pay £795 per year, medium sized organisations would pay £495 per year and small organisations would pay £250 per year.
- **Option 2: Don't have a Tourism and Destination Marketing Team**
The contracts for the team end in March 2022. The website and information are maintained by either Central Comms for the Council or Cultural Services marketing leads. The BID is given responsibility for business support for the visitor economy. Festivals and Events outsource their event marketing and PR.
- **Option 3: Retain the Tourism and Destination Team in house**

The Tourism and Destination team will continue to be incubated by Gloucester City Council and grow the visitor economy in the city for the next three years. The current staff contracts are extended by three years. After this time, we will review the post DMO Review landscape to see which Destination Development Partnerships (DPD) have been created and look to be part of their Tier 3 offer. It is likely the DPD structure will remove a layer of management and that only our content and marketing officers will be retained by the DPD.

These options are evaluated in the table below.

8. Options Appraisal

	Option 1: External Destination Management Organisation with membership	Option 2: Don't have a Tourism and Destination Marketing Team	Option 3: Retain the Tourism and Destination Team in house
Pros	<ul style="list-style-type: none"> • Diversifies income. • Would concentrate on maintaining and building relationships with our big players in the city as the biggest potential for earning. • Support for the Visitor Economy continues through partner relationships, promotion and research and the Visitor Economy in the city prospers. • A Destination Management Plan is created that informs growth as a Destination for Gloucester. • Promotion of the city continues in a way that complements the brand of Gloucester, and drives footfall and overnight stays into the city. • Inbound audience development continues through forging excellent travel trade relationships and the city begins to see growth its inbound audience and associated spend in the city increases. • Doesn't get swayed by political will. • Research conducted by our partners is brought together by the team and analysed to inform marketing strategies. • Supporting the Visitor Economy's recovery creates new jobs in the city and contributes to Gloucester as a thriving city. 	<ul style="list-style-type: none"> • Reduces staffing budget for Gloucester. • Head of Culture has less direct reports and can focus time on cultural infrastructure. 	<ul style="list-style-type: none"> • Support for the Visitor Economy continues through partner relationships, promotion and research and the Visitor Economy in the city prospers. • Continues to support Gloucester City Council's Cultural Marketing Officers in their development. • A Destination Management Plan is created that informs growth as a Destination for Gloucester. • Gloucester's increasingly positive brand and reputation are protected and enhanced. • Promotion of the city continues in a way that complements the brand of Gloucester, and drives footfall and overnight stays into the city. • Funders recognise the city as one that invests in itself and its brand and are more willing to support projects in the city. • The team continues to work closely with the Economy and Development Team and Gloucester's reputation for business is enhanced and more businesses bring their companies into the city. • Inbound audience development continues through forging excellent travel trade relationships and the city begins to see growth its inbound audience and associated spend in the city increases. • Event marketing is undertaken with the Council's Festivals and Events Team. It is

	Option 1: External Destination Management Organisation with membership	Option 2: Don't have a Tourism and Destination Marketing Team	Option 3: Retain the Tourism and Destination Team in house
			<p>carefully curated, and targets researched audiences and footfall to events increases.</p> <ul style="list-style-type: none"> Research conducted by our partners is brought together by the team and analysed to inform marketing strategies. Supporting the Visitor Economy's recovery creates new jobs in the city and contributes to Gloucester as a thriving city.
Cons	<ul style="list-style-type: none"> Requires a lot of administrative support (Visit Cotswolds employ a full-time person just to deal with Membership administration) Many of our existing partners are struggling financially and would not pay The income we could generate would not cover one member of staff time (based on 30% of our 180 partners paying an average of £500 a year) £27,000 We are still a growing brand in the city, having had to rebuild from scratch last year Would compete with the BID's levy payers We would be beholden to the big players in the city such as The Quays, Cathedral and Gloucester Rugby, who have large enough numbers of staff, that would not need our help as much as our smaller partners We would still require the same level of support from the council as the admin time would subsume all income 	<ul style="list-style-type: none"> It could jeopardise the level of funding we could leverage into the city, especially as the Arts Council have recently announced they want to fund Place-based arts and culture projects The T&D team spend a week a month talking to our partners. Support for our partners would suffer leading to businesses closing or moving elsewhere Programming in the city suffers from not being joined up as partners don't know what each other are working Without promotion, footfall to the city declines, retail suffers, and we see more empty shops, the high street is unappealing Gloucester receives less press coverage as a prospering destination, fewer businesses want to bring their companies here, the economy of the city suffers The branding work we have invested heavily in suffers and the narrative isn't adopted by the key players. Gloucester's 	<ul style="list-style-type: none"> Gloucester City Council has to find additional funds to support the service. By extended staff contracts and not making them permanent, staff do not get the benefits of being a permanent employee of the council, which may affect morale. Toward the end of the three years, you are likely to see staff leave as job security past March 2025 isn't guaranteed.

	Option 1: External Destination Management Organisation with membership	Option 2: Don't have a Tourism and Destination Marketing Team	Option 3: Retain the Tourism and Destination Team in house
	<ul style="list-style-type: none"> • Would skew the way we promote the city to benefit our partners which would undo a lot of the work of the branding project • Programming in the city suffers from not being joined up, as we would only know about what our members are working on 	<p>brand is undermined and is confusing for visitors and investors</p> <ul style="list-style-type: none"> • Outsourcing the event marketing to agencies is expensive and any saving from the Tourism and Destination Team costs could be swallowed up by this • Outsourcing the marketing to agencies requires excellent contract management and would put extra pressure on the Culture Team. • No team available to attend Travel Trade events would a slower return of international audiences to the city and perhaps never to the same numbers as in 2019. Inbound audiences spend on average 2.5X more money than domestic • The Tourism and Destination Team spend a lot of time researching current and future audiences for Gloucester and sharing the data with our partners. Partners are less informed about potential and the current audience's marketing budget is spent unwisely and visitor figures drop. • If Gloucester decided in the future to have a DMO again, everything would have to be set up from scratch again a lengthy undertaking. • Puts pressure on the Council's Comms Officer to deliver all communications for the city including Festivals and Events, opportunities get missed. 	
Timelines	12-16 months	4 months until March 2022	3 years until March 2025
Effort/Cost	Admin person on Grade C £24,651.28	Low effort as all staff is on fixed term contracts, however the costs for outsourcing	Low effort as all staff is in post and are aware of and in and support of this proposal. The

	Option 1: External Destination Management Organisation with membership	Option 2: Don't have a Tourism and Destination Marketing Team	Option 3: Retain the Tourism and Destination Team in house
		event marketing could be somewhere in the region of £150,000 so the total saving would be £59,000 and the risk to Gloucester's recovery is high.	Tourism and Destination Manager is aware that her management level role is unlikely to be subsumed into the new DDP and is happy with the risk this poses. The costs to the council each year are roughly £220,000.

9. Budget

If the recommendation is accepted and **Option 3** adopted then the forecast budget requirement for 2022-23 would be £666,700. This budget would allow the continuation of the destination management activity at the same level as for 2021-22 but without the benefit of the grant funds received from the “COMF”, “Welcome Back” and “Re-Opening the High Street Safely” funds. As such additional income sources will need to be explored and secured.

The partnerships developed during 2021-22 with Gloucester BID, the Gloucester Quays, and Gloucester Cathedral would be strengthened with the aim of developing further successful partnership campaigns similar to the Gloucester Summer Passport scheme during July-August 2021. Opportunities to build stronger partnerships with the other key organisations to the City’s visitor economy will continue to be explored and collaboration regarding marketing activities.

There will also be close collaboration with the Council’s Events, Economic Development and Communications teams to leverage the maximum value for money from the Council’s overall budget for communications and marketing. This collaborative approach will allow synergies to be built across the organisation to allow the Council to build strong bids for the various funding streams that present themselves over the year.

During 2022-23 the regeneration of King’s Square and the Forum development will enhance the attractiveness of Gloucester as a visitor and economic destination. The in-house Destination Marketing Team will represent a strong investment in ensuring the appropriate wider-messaging surrounding these projects.

The team has an income target of £31,200 which will be achieved through sponsorship of marketing campaigns, audience development support for organisations and grant applications.

The breakdown of the budget for 2022-23 is suggested here:

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	Income	Forecast Spend 22-23
Salaries		£ 137,442.96
Photography and Film		£ 8,000.00
Design		£ 10,800.00
Inbound Marketing		£ 3,295.00
Domestic Marketing		£ 25,000.00
Website Development		£ 8,800.00
Market Research		£ 4,650.00
Digital Promotion		£ 15,100.00
Training		£ 2,500.00
Travel		£ 2,500.00
Income Target	£31,200	
Total	£ 31,200.00	£ 218,087.96

10. Recommendation

That the Tourism and Destination Team are retained within the City Council for the next three years until March 2025 whilst keeping a close eye on the how the recommendations from the DMO review are adopted. We will commission an independent review in financial year 2023-24 before starting formal discussions with relevant Destination Development Partnerships. We will write a business case that positions Visit Gloucester as strong Tier 3 DMO. To do this we will continue to embody the characteristics of a successful DMO as identified by Visit Britain.

The characteristics of a successful DMO can be defined as:

- Strategic leadership - A clear destination management Plan or Tourism Strategy and secure funding. Visit England suggest this is ideally from a combination of commercial income and local authority grants.
- Branding - A defined geographical area which recognises visitor boundary and combines smaller destinations where relevant
- Strong support from and for local businesses
- Balances the needs of residents and visitors
- Strong partnership and collaboration with local and national decision makers - (LA's, LEP, Visit Britain and Visit England)
- Understanding of domestic and international visitors and where the DMO fits into the national regional picture

We would operate on a lean budget as set out above which after 2022-23 only increases with inflation each year.