

Information/Discussion Paper

Overview & Scrutiny - 24th February 2020 Marketing Cheltenham

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

- 1.1 To appraise members of the purpose of Marketing Cheltenham, its current areas of focus and how delivery and success will be measured.

2. Summary of the Issue

- 2.1 Following recommendations made in the 2015 'Strategic Tourism Outcomes' report and subsequent 2016 Cheltenham Visitor Economy Strategy for a new delivery body to lead the growth of Cheltenham's visitor economy and place ambitions, Marketing Cheltenham was created as the town's official Destination Marketing Organisation (DMO) by CBC in 2017.
- 2.2 Significant early progress was made, with 'Visit Cheltenham' establishing an increasingly prominent and influential presence in the market place. However, with initial delivery outsourced via commissioned consultants, this increasing reliance on consultancy contracts was seen to be unsustainable, prompting CBC to approve the creation of an in-house Marketing Cheltenham team (totalling five staff) with a funding commitment and delivery plan through to July 2021. Cheltenham BID together with other major stakeholders also committed their own financial support to Marketing Cheltenham – hence the July 2021 funding horizon, which brings it in line with the next BID ballot.
- 2.3 Members will be aware of recent publications and associated press coverage of Marketing Gloucester. It is important to note that the in-house and partnership approach adopted by Marketing Cheltenham is markedly different to the approach taken in Gloucester. Marketing Gloucester was created as a separate company with its own governance, albeit still wholly owned and funded by the City Council. Conversely, as a department of CBC with a director of CBC in the role of Senior Responsible Owner (SRO), Marketing Cheltenham is subject to direct CBC oversight and governance and CBC financial management and controls.
- 2.4 With CBC and partners having invested in its creation, albeit with a currently fixed term commitment to 31st July 2021, the challenge (and opportunity) is for Marketing Cheltenham to continue to demonstrate clear added-value to Cheltenham, CBC and its Place Vision and to secure the necessary confidence in its longer term future.

3. Summary of evidence/information

3.1 Purpose of Marketing Cheltenham

Marketing Cheltenham's principal purpose is to lead the delivery of Cheltenham's Visitor Economy Strategy, which ultimately seeks to grow the town's visitor economy by 5%pa from 2019 to 2021. By 2021, tourism will be worth £177m to Cheltenham's economy, will have created an additional 500 jobs and will have played – and continue to play - a significant part in realising the town's economic and cultural ambitions and wider Place Vision.

- 3.2 A further purpose of Marketing Cheltenham is to provide more direct support to the economic growth/inward investment agenda. There is clear alignment of some of the outcomes arising from the activities of a DMO on the wider economic prosperity of the borough. Reflections on the cities that consistently deliver against liveability indices

demonstrate the interrelationship between place making and economic growth.

	Survey	Top Cities	Criteria
EIU	Global Liveability Ranking (2017)	Melbourne, Australia Vienna, Austria Vancouver, Canada Toronto, Canada Calgary, Canada	<ul style="list-style-type: none"> • Stability • Healthcare • Culture • Environment • Education • Infrastructure
Mercer	Quality of Living Survey (2018)	Vienna, Austria Zurich, Switzerland Auckland, New Zealand Munich, Germany Vancouver, Canada	<ul style="list-style-type: none"> • Safety • Education • Hygiene • Healthcare • Culture • Environment • Recreation • Political-economic stability • Public transport • Access to goods and services
Monocle	Most Liveable Cities Index (2015)	Tokyo, Japan Vienna, Austria Berlin, Germany	<ul style="list-style-type: none"> • Safety/crime • International connectivity • Climate/sunshine • Quality of architecture • Public transport • Tolerance • Environmental issues and access to nature • Urban design • Business conditions & policy developments

3.3 Why invest in tourism and the visitor economy?

Recent figures have suggested that the tourism industry is now the fastest growing sector in the UK, putting it ahead of both financial services and banking – and the fifth largest sector in terms of GDP (11%). In 2019, tourism was one of the first industries to secure a national Sector Deal with UK government in line with its Industrial Strategy and, linked to this, VisitBritain (the national tourism body) has just launched its new five year tourism growth strategy which forecasts tourism spending to grow by more than £12 billion by 2025. At a regional level, GFirst LEP has also recognised the importance of tourism in its own draft Local Industrial Strategy.

3.4 At a broader level too, the important role that the visitor economy plays in place shaping and as a vital contributor to an area’s economic and social wellbeing has also become increasingly recognised in recent years. Local Authorities in particular are once again playing a key leadership role in capitalising on their local visitor economy’s growth potential, creating the conditions for it to thrive and ensuring a rich cultural offer to attract visitors and enhance the quality of life for local residents. Cheltenham’s Place Vision (and Visitor Economy Strategy) echo this.

3.5 Culture and the visitor economy have been at the heart of many of the UK’s economic growth success stories – from the renaissance of Liverpool post its year as European Capital of Culture in 2008, through to Manchester, Bristol, Newcastle, York and Chester – the list goes on. All have experienced significant economic growth in recent years, but at the same time have also successfully reshaped their place identities. By harnessing the potential of their cultural and visitor economies, these cities have created thriving communities and places where people (especially the young) want to live and work - not just visit.

3.6 Marketing Cheltenham priorities and work programme

With a full team recruited over the past 6-9 months now in place, Marketing Cheltenham has a clear work programme that is aligned to the Visitor Economy Strategy and CBC’s wider place marketing and inward investment ambitions. Its principal aim is **to:**

- **Lead the marketing of Cheltenham** as a place to visit, do business and invest, providing much needed coherence and cut-through in the marketplace by bringing partners together and amplifying the Cheltenham brand and proposition.

This is then supported by four underpinning priority areas:

- **Collaboration & Partnership** - Ensuring Marketing Cheltenham takes a collaborative approach in all that it does, galvanising partners from across the town and wider region

behind a shared, destination and place marketing approach

- **Destination Management & the visitor experience** - For Marketing Cheltenham to play an increasingly influential role in helping to manage and further develop Cheltenham's tourism and cultural offer and the quality of the visitor experience
- **Supporting Inward Investment** – For Marketing Cheltenham to play a B2B facing role through development of a platform 'Cheltenham means Business' and a vehicle to raise the profile of Cheltenham as the UK's cyber tech capital
- **A sustainable organisation** - Establishing Marketing Cheltenham as a respected and valued DMO, providing solid foundations for a sustainable future for Marketing Cheltenham beyond 2021

Marketing

Activity under this priority area has and continues to see Marketing Cheltenham driving forward a number of marketing initiatives via its Visit Cheltenham channels. Examples of our delivery include:

- The launch and roll-out of The Festival Town branding last year, which has created a much stronger identity and shared story and continues to be adopted by partners across the town.
- Refreshed visitcheltenham.com website and supporting social media channels. In 2019, visitcheltenham.com received more than half a million visitors – a huge 60% increase on 2018, while our social media following and reach has doubled in the past year.
- Secured national and international PR and media coverage for Cheltenham, from The Times and FT to some of the most influential online influencers and bloggers.
- Delivery of all consumer marketing for Cheltenham BID – campaigns and event marketing to date have included major Christmas campaigns in 2018 and 2019; Light Up Cheltenham in 2019 and 2020; Cheltenham Boutique Sale and a new Cheltenham Restaurant Week in 2020. Campaign results have been impressive, including a 47% recall rate for the Christmas campaign, 1m+ reach via social media and increased town centre footfall (town centre cameras).
- Partnered with Cotswold Tourism on a major overseas tourism project, securing £250,000 from Visit Britain to grow international visitors into the region. We are hopeful of a further extension to this project in 2020/21.
- Launched a new Meet in Cheltenham conference and venue finding service to grow the volume and value of business tourism in the town (visiting Cheltenham for meetings, incentives, conferences and exhibitions).
- In the process of creating a Cheltenham Means Business brand, website and supporting marketing activity to encourage inward investment into the town and raise the profile of Cheltenham as the UK's cyber tech capital.

Partnership & Collaboration

- Major match funding commitments secured from Cheltenham BID and The Jockey Club with shared marketing and event delivery programmes.
- Marketing Cheltenham membership scheme established, with more than 100 businesses in membership, plus a further 500+ via an affiliate scheme with BID levy payers.
- Recognising the importance of securing the confidence of partners and industry,

Marketing Cheltenham continues to build relationships with stakeholders across the town and wider region, actively attending and speaking at networking events, partner meetings whilst also maximising corporate PR and profile.

- Actively engaged in related strategic groups, including Cheltenham Culture Board (commissioning and development of a new Cheltenham Culture Strategy), Cotswold Tourism Partnership and the GFirst LEP Visitor Economy Sector Group.
- Recognised by Visit Britain and Visit England as the official Destination Management Organisation for Cheltenham and actively engaged in the national destinations forum.
- Development of Cheltenham Means Business web platform that enables B2B engagement and collaboration. This will feed from the GFirst ERDF Inward Investment programme website – Invest in Gloucestershire.

Destination Management & The Visitor Experience

- Marketing Cheltenham continues to directly manage and deliver a number of high profile events, including the Cheltenham Festival of Cycling, Christmas Lights Switch On and Parade and Light Up Cheltenham, whilst 2020 will see management and oversight of the new Cheltenham Ice Rink and Christmas Market on behalf of Cheltenham BID and CBC respectively.
- Informed by the O&S Events Task Group, Marketing Cheltenham has produced an interim Events Strategy, providing a framework to guide CBC's future support and delivery of events in the town.
- Currently leading a review of the Tourist Information service in Cheltenham including the scoping of future delivery models and forms.

A sustainable organisation

- In line with our partnerships and membership programme described above, Marketing Cheltenham continues to employ a commercially focused approach with clear income targets to offset CBC's pump-priming investment. Increased revenue streams from membership (including from a wider business base), advertising sales, sponsorship and commission are targeted to achieve a net ROI on CBC investment by 2021.
- With an in-house team of five now in place (mid 2019), possessing 40+ years of experience in destination management, marketing and event delivery, Marketing Cheltenham can be a valuable asset to CBC and the town over the coming years.

3.7 Measurement

The impact and outcomes of Marketing Cheltenham's delivery can be categorised into two areas: **Organisational performance measures**, consisting of marketing metrics and financial KPIs (causal measures) and **Destination/Town performance measures** (effect measures). These measures and their relative baselines and targets to 2021 are included as a background paper below.

4. Next Steps

- 4.1** To continue to recognise the value of Cheltenham's visitor economy and culture in place shaping, economic development and in creating a place where people want to live, work, study and invest.
- 4.2** To continue to champion and support Marketing Cheltenham to lead a coordinated and professional approach to the marketing of Cheltenham (to visitors, investors, students etc) and to recognise the need for longer term and sustained investment.

- 4.3 To support the implementation of new Events and Culture Strategies for the town and the role that Marketing Cheltenham can play in their delivery.
- 4.4 To be alive to and agile in capitalising on new opportunities that may emerge to work with partners or across a wider area, including helping to shape wider county/regional ambitions alongside neighbouring districts/DMOs and GFirst LEP.

Background papers	https://marketingcheltenham.co.uk/about/cheltenham-tourism-strategy/
Contact Officer	David Jackson, Manager, Marketing Cheltenham, 07780 023325 david.jackson@marketingcheltenham.co.uk
Accountability	Councillor Steve Jordan, Leader of the Council