

Information / Discussion Paper

Overview and Scrutiny

Monday 26 February 2024

Tourism and Town Marketing Provision

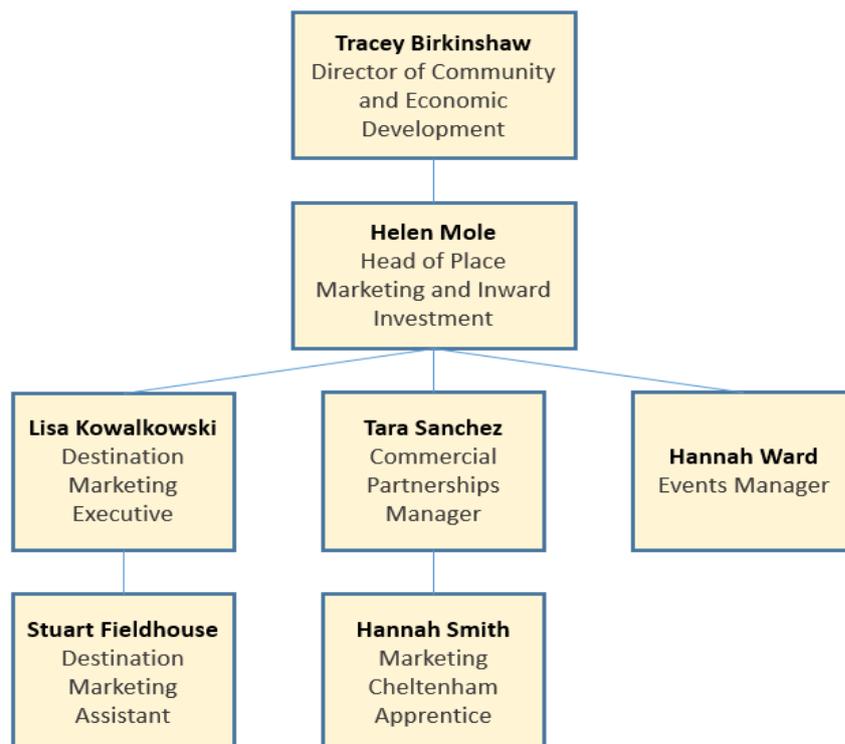
This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed.

1. Why has this come to scrutiny?

1.1 This note comes to the Overview and Scrutiny Committee at the request of members of that committee. It provides an update on the council's tourism and town marketing provision, including information about how the council monitors success, and plans for further development.

2. Summary of the Issue

2.1 The Place Marketing and Inward Investment service area sits within the Communities and Place Directorate and has been defined as a service since July 2022 following an organisational review. The team structure is as follows:



2.2 The council took ownership of tourism promotion in 2017 when the Visit Cheltenham brand was launched. The tourism service was brought in-house in 2019 and the Marketing Cheltenham team was formed.

2.3 A full review was undertaken in 2021/22 and this led to the broadening out of the activities of Marketing Cheltenham, with the service area's remit expanded to include responsibility for economic development and inward investment. The head of service is also responsible for overall programme management of the UK Shared Prosperity Funding allocation of £1,178,035 to 31 March 2025.

2.4 The key activities of the service fall into six workstreams:

The Visitor Economy – destination management and marketing

The team support visitor economy businesses and the wider town through both destination management and destination marketing activities. Cheltenham attracts around 2 million visitors each year who, in 2022, contributed £163,791,000 in visitor spend to the economy and almost 3,000 people are employed in tourism related work. Cheltenham aspires to be one of the UK's most liveable towns, with residents and visitors inspired by its culture, food, public spaces, education and the diversity and quality of accessible experiences.

Events in Cheltenham

With over 35 established major festivals and hundreds of smaller grassroots events, both sports and culture, Cheltenham's economy thrives because of the profile and the number of visitors these attract to the town. The team works to increase this impact and enable the delivery of high-quality events that create positive and memorable experiences for residents and visitors alike.

In 2024-25, the team will develop a new Events Strategy for the town which will include a focus on ensuring that events can be more environmentally sustainable, in line with net zero targets, building on the work of the [interim events strategy](#) approved in May 2020 which was heavily informed by the [Scrutiny Task Group review of events](#) in 2019. Key to this will be the implications of climate change and how the council can influence both procurement and onsite delivery.

Inward Investment

Promoting Cheltenham as a place to do business and attracting businesses to invest in the town is vital for the town's future economic wellbeing and prosperity. The Golden Valley Development, as clearly set out within the council's corporate priorities, presents an opportunity to create a destination of global significance and the team works closely with the regeneration and planning team to support this, while retaining a focus on the town as a whole and wider economy.

However, it's not just about strategic sites - ensuring the town centre plays its part as part of the wider county and regional economy remains a key outcome with a focus on retail, culture and supporting sectors and their role in supporting Cheltenham as a destination and driving the visitor economy. 2023/24 has seen developments in the council's approach to tackling [vacant units](#) as a key intervention in supporting economic growth, regeneration and diversification within the high street.

Commercial Income Generation

The service is part-funded by base budget contribution and part-funded by generating commercial income via advertising, sponsorship opportunities, delivery of events and the Marketing Cheltenham membership and partnership schemes. The team has 656 business members in the retail and hospitality sectors.

Economic Development

In supporting and enabling a diverse and resilient local economy, the team works in partnership with organisations including the Growth Hub and the county council to support businesses in Cheltenham and stimulate sustainable and inclusive economic growth. Of course, Cheltenham is not an island and the town's contribution to both the county and wider regional economy is key. The service works closely with regional and national partners including Western Gateway and the Department for Business and Trade to gain intelligence and look for opportunities for development of the economy.

UK Shared Prosperity Fund Programme Management and Reporting

The council has received £1,178,035 from the UK Government through the [UK Shared Prosperity Fund](#) (UKSPF). This programme is delivering significant benefits to the town with 12 projects funded on the themes of Community and Place, Supporting Local Businesses and People and Skills. The Head of Service is programme manager for this fund coordinating delivery via external and internal partners.

2.5 The service has four outward facing brands through which it communicates with key audiences as part of the strategy to promote Cheltenham as a place to live, work, visit, and do business:

Marketing Cheltenham is the brand which is used for destination management activities and communicating with visitor economy businesses and other tourism stakeholders, including VisitEngland and VisitBritain. www.marketingcheltenham.co.uk

Visit Cheltenham is the brand used for destination marketing and the official tourism website for the town providing information on attractions, dining, events, shopping, accommodation and touring. www.visitcheltenham.com

We're Moving to Cheltenham is an inward investment and business growth initiative. It seeks to boost economic confidence in the town, encouraging business growth and investment, and improving perceptions of Cheltenham as a great place to do business. www.movingtocheltenham.com

Meet in Cheltenham is a conference and venue finding service working with hotels, venues and event suppliers in Cheltenham and the surrounding area to provide a free to use venue finding service. www.visitcheltenham.com/meet NB - this service is currently undergoing a process to convert it to a regional service to be led by Cotswolds Tourism.

2.6 As per the brief set by the committee, this report focuses on the Visitor Economy workstream delivered through the Visit Cheltenham brand and does not go into detail on the other workstreams and priorities within the service area, however the summary above has been included to provide some indication of the broad strands of wider economic development activities and priorities.

The report will set out:

- Destination marketing activity promoting Cheltenham.
- Destination management activity to improve the visitor experience.
- Measurements of success in delivery, including engagement figures and the official visitor numbers for 2022 (the most up to date figures available).
- Future plans for development and growth.

A summary report of the outcomes of the 2023 ice rink event which was organised and promoted by the team is included at Appendix 2. It is noted that a full report on the Ice Rink will be considered by Cabinet in due course.

3. Summary of evidence/information

Please note - all figures quoted are the latest available (see footnotes for sources)

3.1 The importance of destination marketing and management

In 2022, the travel and tourism sector contributed an estimated £237.1 billion to the UK's GDP and supported around 3.64 million jobs¹. Following a challenging period during the Covid-19 pandemic, visitor numbers are recovering well (though still not quite at 2019 levels) and tourism continues to play a vital role in economic sustainability and vitality at both a macroeconomic and local level.

Forecasts for 2024 predict that around 39.5 million people from overseas will visit the UK during the year, spending a total of £34.1 billion².

The domestic market is of even greater importance, with 272 million Day Visits by GB residents within England between July and September 2023, spending a total of £11.9 billion³. It is important to highlight that destination marketing is not only aimed at visitors from outside of the area. In Cheltenham's case, there is a population of c.118,900 locally and a much wider catchment area including Gloucestershire and the surrounding counties.

In a crowded marketplace, with tourist destinations competing for their share of visitors, effective, well-coordinated destination marketing activity is essential to encourage more visitors to the town and support the visitor economy. When combined with centrally coordinated place marketing and management activity (factoring in business partnerships, inward investment and reputational management), the economy as a whole benefits.

Cheltenham's strong cultural offer is one of the key selling points used in inward investment activities, showcasing Cheltenham as an attractive place to live, and supporting the case to move a business to the area.

3.2 Visit Cheltenham destination marketing activity

3.2.1 All destinations experience seasonal fluctuations in visitor numbers, usually with key peaks in summer and at Christmas. Cheltenham also sees a peak in March because of the impact of the Cheltenham Festival (Race Week). It is important to adopt seasonal destination marketing campaigns building on strengths within the local area to attract as many people as possible at these key times for visitor facing businesses.

All Visit Cheltenham campaigns are designed with the following objectives in mind:

1. Communicating what's on and where to go - attracting visitors and residents.
2. Working with local business partners - especially businesses in the visitor economy such as events, hospitality, retail, accommodation providers, etc.
3. Presenting a positive image of Cheltenham, highlighting key features, and reinforcing the message that Cheltenham is a great place to live, work, visit and do business.

¹ <https://www.statista.com/topics/3269/travel-and-tourism-in-the-united-kingdom-uk/#topicOverview>

² <https://www.visitbritain.org/visitbritain-publishes-inbound-tourism-forecast-2024>

³ <https://www.visitbritain.org/research-insights>

4. Encouraging people to stay within the area for longer and engage in multiple activities while they are here.

The team communicate these campaigns through multiple mediums, with emphasis on achieving value for money for the council and generating the maximum amount of engagement and promotion for the town and its businesses. All visitor economy businesses in the town receive some form of marketing support for free, but they have the option to pay for an enhanced level of service via the Marketing Cheltenham partnership scheme. In addition, the team works alongside the council's communication team to drive content through corporate channels.

A brief summary of Visit Cheltenham seasonal campaigns is included in the table below:

Time period	Marketing campaigns
January to February	<ul style="list-style-type: none"> • Mind, Body, Soul campaign. Focusing on health, wellbeing. • Valentines Day – shop, eat, drink, stay in Cheltenham. • Promoting the Cheltenham BID organised Big Wheel event.
March	<ul style="list-style-type: none"> • The Cheltenham Festival. Encouraging visitors to shop, eat, and stay locally. Promoting accommodation providers in the town and maximising the economic impact of this event.
April to October	<ul style="list-style-type: none"> • The Festival Town. Promoting major festivals and grassroots events and maximising the economic impact of events. • Spring and Summer weekend breaks – encouraging visitors to stay longer in the town.
September	<ul style="list-style-type: none"> • Promoting Cheltenham as a world-class food destination at a time when local hospitality venues often see a drop in business before the Literature Festival in October and after the summer holidays. As part of this food promotion, the team run the campaign for Cheltenham Food + Drink Week, now in its third year.
October to December	<ul style="list-style-type: none"> • Christmas campaign to celebrate the 100+ Christmas events in the town, encourage gift buying and promote hospitality venues for Christmas parties. • Promotion of Christmas and winter weekend breaks. • Promotion of the Christmas ice rink.

3.2.2 Year-round marketing activity is also important for successful destination marketing, and this is carried out by the team in the following ways:

Activity	Engagement
Daily posts and engagement on social media accounts	c.61,000 followers on social media accounts. Good levels of engagement and shares. Almost 50% of the audience are from Cheltenham, Gloucester and surrounding towns. This is important as it demonstrates that Visit Cheltenham needs to serve both local needs as well as a wider audience.
Fortnightly newsletter	23,947 subscribers with an average open rate of 40% compared to an average open rate of 21.3% across all industries.
Visit Cheltenham website – events guide, itineraries, blog posts, campaign pages	1,195,050 website sessions in 2023. 2,307,451 overall page views in 2023. 16% of visitors from Gloucestershire.

	92% from the UK, 8% international.
Printed town guide – town map and guide to businesses	70,000 printed guides distributed since July 2022 in regional leaflet stands, local businesses, attractions, tourist destinations, service stations, and more.
Printed posters in town	Highlights of key events and a town map distributed in permanent signage around the area and seen by visitors to the town.

See Appendix 1 for details of performance compared to previous years.

3.3 Destination Management

3.3.1 Destination management is the coordinated management of all of the elements that make up a tourism destination. It helps to avoid overlapping functions and duplication of effort with regards to promotion, visitor services, training, business support and more, and identifies any management gaps that are not being addressed.⁴

It involves the development and maintenance of strategic partnerships with key visitor economy stakeholders, coordination of local services and a cohesive approach to the development of local plans and strategies.

3.3.2 Strategic Partnerships

Officers from the service area sit on a number of boards and hold key strategic relationships with partners to support effective destination management in the area, including those highlighted below:

The Local Visitor Economy Partnership (LVEP)

This is the VisitEngland recognised regional partnership made up of tourism officers from local authorities. It was established in 2023 following many years of successful informal partnership working and its remit is to engage with VisitEngland, apply for national funding opportunities (when available), and to support the visitor economy for the region.

Cheltenham Culture Board

A partnership of local cultural organisations working together with the cultural sector to bring arts, digital and heritage innovation together to support creative and inclusive communities where everyone has the chance to thrive.

Events Consultative Group

A group of stakeholders interested in the safe and effective delivery and coordination of events in the town.

Cheltenham Economic Advisory Board

A partnership of individuals with a diverse range of skills, knowledge and expertise to give their perspective in areas of business, education and skills alongside wider employee-related issues. It should be noted that in the context of the 2023 LGA peer review the council is reviewing partnerships and the Economic Advisory Board held its last meeting December

⁴ <https://www.unwto.org/policy-destination-management>

2023.

Cheltenham BID

A strong and effective partnership is in place with Cheltenham BID, supported by regular meetings between the two organisations and shared understanding of mutual objectives and separate priorities. The team works closely with Cheltenham BID in a number of areas:

- The BID commissions the team to deliver marketing activity, supporting campaigns and creating dedicated promotions for businesses and events.
- The council's events manager is contracted to deliver several annual events on behalf of the BID, including the Big Wheel event, Christmas launch, and various high street popups throughout the year.
- The BID makes a contribution from its budget to enable the Marketing Cheltenham team to extend membership services to all BID businesses, supporting promotion and interaction to improve visitor numbers and footfall.
- The teams work together to identify opportunities to support businesses in the town.
- The BID has collaborated on work to identify and manage town centre vacancies, working to promote these and support occupation.

Tourist attractions, event organisers and cultural venues

The team works closely with tourist attractions, event organisers and cultural venues to support with planning their activities and to help promote them to visitors and residents. A mutual partnership exists with many of these organisations who will also promote Visit Cheltenham to their audiences and visitors to encourage longer stays and participation in other activities across the town as a whole.

3.3.3 Tourist Information Provision

In person tourist information is available from the Municipal Offices Reception on Mondays to Fridays in opening hours. A trial to deliver in-person tourist information on weekends from a temporary Pod located on the High Street was carried out during the 2023 tourist season. The casual staff who were recruited were tasked with collecting information about the people using the services of the Pod, and a summary of results and lessons learned is included here:

1. 533 people were spoken to across 34 shifts, an average of 17 people on a Saturday and 15 people on a Sunday. The quietest day saw staff speaking to two people and the busiest day saw 33 people.
Lesson learned: There were not as many people looking for information as might have been expected. When all costs for the trial are factored in, this meant that it cost £11.63 to speak to each person.
2. Two-thirds of all people spoken to were from Cheltenham and the surrounding counties, and one-third classed themselves as tourists.
Lesson learned: The service was primarily used by local people instead of tourists.
3. The largest source of enquiry was people looking for literature for festivals (33%) and the next most common was from people asking for Visit Cheltenham town guides (18%).

Lesson learned: Most people spoken to were simply looking for printed literature, rather than in-person advice or information.

4. Staff were instructed not to ask for people's ages but instead to make an approximate guess. The largest age range spoken to was, or appeared to be, over the age of around 65.

Lesson learned: Younger age groups may be less likely to seek printed literature but it does demonstrate the value of continuing to provide printed literature to ensure we reach all demographics of visitors.

Utilising the lessons learned from this trial, a programme of measures is being implemented to increase the access to tourist information for visitors to the town seven days a week, including:

- Increasing the scope of places where tourist information literature can be accessed via new literature stands, new venues, and updated marketing collateral. This will ensure that printed literature is available in more places and is more accessible to people who prefer this medium.
- A programme of training courses is being set up for customer facing staff in local businesses to create a team of 'Cheltenham Ambassadors' and equip them with knowledge about Cheltenham's offer to support visitors. This will include food and drink venues, accommodation providers and attractions.
- Targeted promotional activity in sites around the town to highlight the useful information available on the Visit Cheltenham website.
- Continued review of all online forms of tourist information to ensure these are accessible to all.
- A review of tourist information signage is underway including a refresh of static town centre maps and event guides.
- Proactive invitations to attractions, hospitality businesses and accommodation providers to host information about the town and ensure that printed literature is easily accessible for visitors.

3.3.4 **Forthcoming Events Strategy**

The council currently has an interim events strategy which will be updated and adopted during 2024-25. This will include an increased focus and support for events to be more environmentally sustainable, in line with the borough's net zero targets. The strategy will also seek to increase the economic impact of events and to introduce measures to ensure that event organisers are given access to best practice and training.

3.3.5 **Training, support and signposting**

The team share advice, training and VisitEngland updates with visitor economy businesses to help them to understand the opportunities available to their businesses and raise awareness of legislative updates which may impact them. Details of local business support services (e.g., The Growth Hub) are shared, along with information about free events and training courses available via funded routes.

3.3.6 **Event Management**

As well as a series of events organised under contract to Cheltenham BID, the team were also responsible for delivery of the 2023-24 Christmas ice rink and a summary of the outputs and outcomes from this event are included at Appendix 2, ahead of the full report to a future Cabinet meeting.

3.4 Examples of destination management activities in 2023-24

Visitors and residents are often unaware of the destination management activity that has contributed to their positive experience of a destination, but there are a number of examples of the ways in which visitors and the economy have benefitted from the approach taken by the service area, including:

- Updated signage and a clear town guide available widely to help people to get around the town and provide information on things to do.
- Comprehensive themed itineraries and other content showcasing local businesses.
- Collaboration and partnerships to share best practice amongst stakeholders, encouraging efficiencies in planning and organising of the tourist offer.
- Shared marketing activities to increase the coverage of town-wide marketing campaigns. For example, the Christmas 2023 campaign included financial or in-kind contributions from Cheltenham BID, Everyman Theatre, Cheltenham Trust, and more, to help more people find out about the town's Christmas offer.
- A shared events calendar is being created to minimise clashes of key events. This has already proved valuable in managing multiple key dates for the town over Christmas 2023, helping maximise audiences for all.
- A partnership with The University of Gloucestershire to promote the town to students. This is not only a large potential customer base for local businesses but also an important way to encourage graduates to stay in the area.

3.5 Measuring Success

3.5.1 It is vital that all council activities are monitored, and the impacts measured, to ensure the best use of public resources. The service area monitors impacts and outputs in two distinct areas:

- Organisational performance measures including marketing engagement metrics.
- Destination performance measures. Each year, the council commissions an independent assessment of the volume and value of tourism and the impact of visitor expenditure on the local economy. This has been carried out for Cheltenham using the same model since 2018, so year-on-year comparison figures are a fairly reliable indicator of the current position of the sector.

Full details of these with comparisons to previous years where available are in Appendix 1.

3.5.2 Summary of latest data

KPIs and engagement metrics at the end of December 2023 (Q3 2023-24)

KPIs are currently on target to be achieved by the end of the year. Of particular note is that engagement with the Visit Cheltenham website has increased by 22.2% when compared to the same period in 2022-23. This can partly be attributed to the impact of the ice rink, and partly to improved processes in the management and content creation for the site.

Volume and value data for 2022

The latest volume and value data has now been released for Cheltenham in 2022 and these show that there has been significant growth experienced across every measure between 2021 and 2022. This is positive news, but it must be reviewed in the context that 2021 was still a year in which visitor numbers were affected by the impacts of Covid 19. A comparison to 2019 data shows that, by 2022, tourism numbers had not yet recovered to pre-Covid levels.

Comparable national statistics are not available but reports from other authorities show that Cheltenham's visitor numbers are in line with national trends. The same analysis will be carried out and shared with members once 2023 figures are released at the end of 2024.

However, although the indicators from this data are that visitor numbers are now recovering well from Covid, the industry as a whole is still reporting challenges with recruitment, fuel bills, and economic pressures. It is therefore more important than ever that those businesses are supported with destination management and marketing support.

4. Next steps and plans for development

The service area has a workplan for 2024-25 which is set in line with the Corporate Plan objectives and includes a continued focus on achieving engagement from visitors and residents, supporting local businesses, and ensuring increased visitor numbers. There are several plans for the visitor economy area of the service, including:

- Enhancement of cultural marketing and what's on guide in line with culture strategy objectives.
- Transition away from the Cheltenham Pod trial to alternative forms of in-person tourism information provision. Continued review and development of the in-person visitor information available, as set out in section 3.3.3 above.
- Support for visitor economy businesses to help them to navigate the challenges they face.
- A re-focus of priorities to support commercial income generation.
- An ongoing review (already underway) of services to ensure efficiency and to maximise the return on investment.
- The development of an event organisers network to share best practice, advice and resources.

The team is committed to delivering the above activities (and more) and to continuing to recognise the value of Cheltenham's visitor and cultural offer in highlighting the town as a place to live, work, visit, and do business.

Background Papers

See Appendices

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Accountability

Councillor Max Wilkinson

Appendix 1 - Performance Measures

Team KPIs

Measure	Target by end of 2023-24	Achievement at 31/12/23
Engagement with Visit Cheltenham website	Increase website sessions by 20% compared to same period in previous year	Increased by 15.7%
	Increase page views on Visit Cheltenham compared to previous year (2022 to 2023)	Increased by 16%
Engagement with Visit Cheltenham social media	Increase followers by 20% on baseline at 1 st April	Increased by 15.9%
Engagement with Marketing Cheltenham social media (B2B)	Increase followers by 35% on baseline at 1 st April	Increased by 39.7%
Engagement with Moving to Cheltenham	Increase followers by 5% on baseline at 1 st April	Increased by 5%
Visit Cheltenham e-newsletter	Increase subscribers on baseline at 1 st April	Increased by 144% This is largely attributable to significant growth due to ice rink visitors.
	Increase open rate	Increased from 32.7% to 44%
Commercial Income	Target £215,000	£163,700 = 76%

Destination KPIs

Volume and Value Data 2022, 2021, 2019

Category	2022	2021	2022 – 2021 comparison	2019	2022 – 2019 comparison
Staying Visitor Trips	371,800	256,000	45.2%	396,700	-6.3%
Staying Visitor Nights	1,035,000	741,000	39.7%	1,104,000	-6.3%
Staying Visitor Spend	£83,579,000	£53,755,000	55.5%	£84,981,000	-1.6%
Day Visits	1,607,000	1,509,000	6.5%	2,000,000	-19.7%
Day Visitor Spend	£73,451,000	£64,875,000	13.2%	£81,266,000	-9.6%
Direct Visitor Spend	£157,030,000	£118,630,000	32.4%	£166,247,000	-5.5%
Other Related Spend	£6,761,000	£3,310,000	104.3%	£6,534,000	3.5%
Total Visitor Related Spend	£163,791,000	£121,940,000	34.3%	£172,781,000	-5.2%
Total Business Turnover Supported	£205,856,000	£158,827,000	29.6%	£221,325,000	-7%
Estimated Actual Employment	2,875	2,420	18.8%	3,314	-13.2%
FTE Employment	2,146	1,791	19.8%	2,469	-13%
Proportion of all Employment	4%	4%	0	5%	-1%

As referenced above, the 2019 comparison is important because it shows the progress in recovery from the impacts of the Covid-19 pandemic. National comparison figures are not available but reports from other authorities show that Cheltenham is in line with national trends in terms of visitor economy recovery.

Appendix 2 - Cheltenham Ice Rink Outputs Summary

A full report on lessons learned and the financial position is scheduled to be presented to Cabinet in due course.

Economic Impact

- A total of £1.6m was spent in Cheltenham by all those visiting the ice rink.
- A total of £860,000 was estimated to be additional and only occurred as a result of the ice rink taking place.
- The additional money into the town supports 13 FTE jobs or 17 actual jobs.
- 83% of all visitors to the ice rink cited the event as the main reason for their visit to Cheltenham.
- 31% of those went on to undertake other activities in Cheltenham that they would not have done if the ice rink was not present in town.
- Car parking revenue over-performed in November and December by over £82,000.
- All visitors spent an average of £39.38 per person during their visit to Cheltenham including spend at the ice rink and elsewhere in the town.

Environmental Sustainability

- The 2023 ice rink used **12.7%** of the fuel used by the 2021 ice rink (5,656 litres compared to 44,530).
- The 2023 ice rink generated 1.778 tonnes of CO₂e compared to approximately 139.07 tonnes generated in 2021 - **a reduction of 98.7%**.
- An innovative power solution was developed, the first of its kind and a future case study and PR opportunity.

Accessibility and Social Value

- The ice rink was fully accessible to all, including wheelchair users and other disabilities, as well as via relaxed sessions.
- Social value was achieved through local employment, local suppliers, and more.
- HAF / No Child Left Behind ensured accessibility to local families.

Profile

- Local and regional publicity for the event
- 11% of the audience were first time visitors to Cheltenham.
- Just under 7,000 email addresses added to the Visit Cheltenham mailing list (with GDPR agreement) so these visitors will be kept informed about what's on in Cheltenham and encouraged to visit again.

Feedback

- No complaints about noise attributable to the ice rink were received.
- Positive feedback from local residents and businesses.
- 90% of visitors would recommend the event to friends and family.