

Destination Dumfries and Galloway Business Plan

Summary
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Background and Context

1. Tourism is fundamentally important to the economic well-being of Dumfries & Galloway. It is currently worth over £284m per annum to the local economy and contributes to supporting 8,150 jobs – or 11.1% of the workforce.
2. In 2008 Dumfries & Galloway welcomed 1.06m tourists who stayed for at least one night in commercial accommodation in the Region (both serviced and non-serviced accommodation) and who spent some £211m in the area. There were also 184,000 tourists who stayed with friends and relatives.
3. The majority of the overnight tourists are from the UK and Scotland with just 60,000 trips made by overseas tourists, many of whom are visiting friends and relatives.
4. Some 1.6m day visits are made to Dumfries & Galloway each year. These visits are primarily drawn from the Central Belt of Scotland, Ayrshire, Cumbria and the North-West of England. They contribute over £60m to the local economy.
5. In recent years the tourism industry across the Region has recognised that the Region had the potential to improve its visitor economy. It was realised that there was a real opportunity to match the area's tourist assets and appeal with the interests of new and fast growing markets in the UK and internationally.
6. There is also growing evidence that the industry is underperforming in economic terms. Other parts of rural Scotland are getting high levels of tourist and day visitor expenditure than is the case in Dumfries & Galloway.
7. At the same time, there is widespread acceptance in the industry that more could be done to improve the level of awareness of Dumfries & Galloway and achieve stronger standout as a tourism destination in the marketplace. Action is needed to re-energise the industry and to reposition the destination.
8. Elsewhere in Scotland a number of destinations have established a new type of organisation to lead the strategic development of their local tourism industry. These initiatives (such as in Arran, Loch Ness, Aviemore & Cairngorms), referred to as destination development organisations (DDOs) are founded upon business models that have been successful in many overseas countries (including: Switzerland, Austria, Denmark, Finland and in North America).
9. Consequently, in summer 2009 the Dumfries & Galloway Area Tourism Partnership (ATP), together with the Association of Dumfries & Galloway Accommodation Providers (ADGAP), fully supported by the Dumfries & Galloway Council (DGC), agreed to establish a new DDO for Dumfries & Galloway.
10. This decision followed the tourism industry's backing for the recommendations of a feasibility study undertaken by independent consultants, the Stevens View Partnership. This study was based upon widespread and extensive consultations with both the public and private sectors.

Establishing the Dumfries & Galloway DDO

11. Following the industry's backing to establish a DDO, the ATP and ADGAP have appointed ten industry representatives to act as the Shadow Board tasked with determining the organisational structure, strategy and business plan for the new body. The aim is to establish a fully constituted DDO by June 2010.
12. The immediate priorities for the Shadow Board, supported and part funded by the DGC, are to:
 - Secure buy-in from all stakeholders;
 - Undertake brand development to achieve destination standout;
 - Prepare a tourism strategy for the next five years;
 - Secure adequate funding for the work of the DDO.
13. Considerable progress has already been made by the Shadow Board especially in terms of working with VisitScotland; developing good relationships with the Council, FCS, SNH and others; and work is in progress to establish an industry (private sector) strategic advisory panel of business leaders from across the Region.
14. The establishment of the DDO reflects the obvious ambition and aspiration of the Region to succeed as one of Scotland's leading tourism destinations. There is a positivism and new dynamic that recognises the inherent strength and appeal to potential high value tourists in the future.
15. This is allied to the goal to achieve significant growth in the contribution that tourism makes to the local economy and in job creation. Together with the ambition to make tourism a year-round industry in this part of Scotland.

The Product Base – The Region's Tourist Appeal

16. Dumfries & Galloway has a strong tourism base and enjoys good access to key markets, especially those markets that are in growth and whose interests mirror the strengths of the Region based upon the quality of its natural environment, the built heritage and especially the cultural heritage.
17. There is a rich tradition of support for and nurturing creative talent in Dumfries & Galloway. Today there is an exciting, vibrant, creative dynamic that has become a key driver of the Region's tourist appeal and gives Dumfries & Galloway its **unique selling point** in the market with ...
 - ... internationally renowned artists;
 - ... world standout cultural projects;
 - ... world class landscapes, nature and wildlife;
 - ... internationally significant heritage properties and landscapes;
 - ... world class outdoor activities;
 - ... nationally significant events;
 - ... world class country sports.

18. There is a need, however, for the Region to continue to enhance its tourism infrastructure (accommodation, restaurants, visitor services) in order to meet the needs of tourists wishing to enjoy these attractions and activities. The tourism development strategy being prepared by the Shadow Board will prioritise how to address these weaknesses and **a pilot initiative with VisitScotland will ensure this is market led and in line with VisitScotland's national product development plan.**
19. There is a need to ensure all public and private stakeholders work together in the future to enable the destination to achieve competitive standout and for the DDO to achieve its vision.

The Vision

19. The following Vision for the DDO has been adopted by the ATP / ADGAP for the Shadow Board and, eventually, the full Board:

“To establish a bold, strong, DDO committed to establishing Dumfries and Galloway as Scotland's premier rural creative tourism destination that will be comparable with the world's leading rural creative tourism destinations in terms of its innovative approach to marketing, product development and the delivery of unique visitor experiences.”

The DDO Strategic Aims

20. The Business Plan (2 October 2009) adopted by the Shadow Board sets out four strategic aims for the DDO;
- (a) Know and understand the 'Business of tourism' in the destination, from the uniqueness of the product in the destination to the existing and potential customer base. Keeping ahead of the competition in customer service and in product development and being informed by the most up to date market information including trends and national/ international best practice;
 - (b) Create a bold and confident brand strategy and identity for the destination with strong brand values and positioning based on the area's unique selling point and informing all tourism investment, community and environmental development opportunities;
 - (c) Work together with VisitScotland on a pilot project to create a tourism development strategy for the region in partnership with other public sector stakeholders ensuring all investment funds are aligned to the unique positioning of Dumfries and Galloway in the future, strengthening the tourism proposition as well as ensuring Dumfries and Galloway is a better place to live and work for the wider community;
 - (d) Continue to work together to measure the success of projects and tactical campaigns aiming to achieve the ambitious destination vision through a positive and collaborative approach.

The DDO Activities

21. The Business Plan (2 October 2009) identifies a range of activities that support the strategic aims. They include as priorities (amongst others):
- **Strategy** – produce, lead and coordinate the implementation of a destination-wide vision and strategy with prioritised actions in partnership with VisitScotland and other key public and private sector stakeholders in the region.
 - **Collaborate** – Work collaboratively with all stakeholders in the public and private sectors to deliver, through product development, and promote , through marketing, this vision
 - **Market Research** – invest in an ongoing programme of market research and trend analysis to inform product development and marketing activity.
 - **Branding and Positioning** – develop a bold and aspirational brand with strong positioning supported by a destination marketing and a PR campaign geared to creating high profile.
 - **Product Development** – use customer feedback, destination positioning and trends in tourism to inform the development of a prioritised programme of product development in partnership with VisitScotland and taking account of the National Tourism Investment Plan.
 - **Marketing** – review destination marketing activity and agree a tactical market plan that will secure additional buy in from businesses, including web development that complements the brand and PR activity to reposition the destination.

The DDO Organisation

22. The Company will be established as a company limited by guarantee. The company will be led by a strong and influential Chair and managed by a small and efficient board of Directors who will be representative of the tourism businesses and co-opt relevant representatives from the key public bodies. The Company will create a strategic advisory group of the region's leading private sector businesses to give strategic support and guidance.
23. Sectoral groups will be formed / developed where they already exist to create marketing activity and product development plans in line with the destination branding. These will include:
- Mountain biking / cycling;
 - Creative industries;
 - Outdoor adventure activities;
 - Country sports;
 - Walking;
 - Wildlife and nature;
 - Golf;

- Business tourism.
24. A schedule of detailed actions and activity has been agreed by a Shadow Board of ten industry representatives that has been established to take this initiative forward. The Shadow Board will transfer responsibilities to a fully constituted Board no later than June 2010.
 25. An operational budget of £175,000 is required for year 1 of the operation of the Shadow Board to achieve its short-term goals with income from both the public and private sector.
 26. The six and 12-month targets have been agreed by the Shadow Board. They include:
 - (a) Six Months
 - Undertake brand development
 - Prepare a tourism strategy
 - Establish an integrated approach to product development with VisitScotland
 - Establish the basis for a permanent Board
 - Invest in high profile PR campaign and establish a web portal site.
 - (b) 12 Months
 - Undertake market research
 - Appoint a permanent Board
 - Work in partnership with public and private stakeholders to undertake a series of key initiatives including developing the visitor experience and better understand of Dumfries and Galloway visitors
 - Set SMART targets going forward.