



## Japan Local Government Centre, London

### Monthly Report for February 2011 – Destination Promotion in the UK 2

The strain on public finances in the UK is continuing to bite and forcing local authorities to consider cuts to all areas of activity. VisitEngland said that budget pressures on local authorities, coming at a time of tightened public finances and public anger over cuts to frontline services, meant that councils saw the non-statutory tourism promotion service as an easy cut to make. Local authority tourist information centres (TICs), once a visible feature in most town and city centres, were created following the 1969 Development of Tourism Act which established the British Tourist Authority (now VisitBritain) in response to the emerging popularity of continental holiday destinations among the British public.

Many local authorities surveyed by *The Guardian* newspaper said that they intend to close down TICs in the near future, in some cases replacing them with scaled-down tourist information points (TIPs) in public buildings. A major cause for concern is the extent to which the convenience of the internet has replaced the need for cost-intensive services involving staff and offices. However, beyond using the internet more, tourism promotion needs to become more innovative, industry sources say. The head of Visit Manchester pointed to the 1,000 visitors a day which visit its city centre 'store', modelled on Apple store lines: *"There's Liam Gallagher's clothing range, Manchester United and Manchester City merchandise,"* However, the centre only secured the required public funding by closing down other TICs in the region. And the city's squeezed finances have since seen it merge its six marketing, tourism and economic promotion bodies into three 'centres of excellence', with Visit Manchester and Marketing Manchester coming together as one, mirroring recent trends elsewhere in UK cities.

Even TICs such as the recently refitted and successful Visit Chester store are being transferred to the public-private partnership model and acting as box office for other events, as well as relying on more online integration. An official of the local authority trade union Unison in Cornwall said of the council's decision to review its centres: *"Cornwall relies on tourism; it's probably the largest industry in the county. Many local businesses could not survive without the help they receive from these centres. Many visitors arrive without having anywhere to stay and rely totally on the centres."*

Several local authorities in Scotland have now pledged to withdraw funding from VisitScotland. Glasgow City Council said that the decision, taken as part of budget cuts, was made on account of the need to fund its own successful city marketing bureau. Two years ago Edinburgh City Council undertook a similar move, claiming *Any opinions expressed in this report are solely those of the author and do not necessarily represent those of JLGC or CLAIR.*

the capital did not receive value for money from the national body. Last year the Scottish Government also reduced its share of funding by 6.3%. VisitScotland claimed the movement among local authorities would not impact on its activities, many of which are funded by the private sector, and that it would continue to “market every area of Scotland”. However, in March an inquiry by the Scottish Parliament’s economy, energy and tourism committee argued that Scotland’s 32 local authorities should be more involved in international engagement as a country, particularly around tourism, trade and investment.

The situation is also mirrored at UK level with VisitBritain, which will reduce its staff by 70 in the UK and abroad (30% of current numbers) as it contends with a reduction in government grant by 34% over four years. Visit Britain will close its London tourist information centre in Piccadilly once its current lease expires in 2012. It is understood that the body is in discussions with the Greater London Authority about the prospect of the new ‘London & Partners’ body providing tourist information in the capital. VisitBritain said its primary role is to promote the UK to external audiences, not look after visitors once they are here. Offices will also close in Argentina, the Czech Republic, Finland, Greece, Hong Kong (merging instead with Beijing and Shanghai), Hungary, Korea, Malaysia, Mexico, New Zealand, Portugal, Singapore, South Africa and Thailand. It said the remaining 21 main markets – with offices in 24 cities – account for 80% of UK income from tourists and also repeated the claim that the internet and smartphone applications will drive tourism promotion in future, reducing the need for public-facing staff.

The Head of Strategy at VisitEngland Jenny McGee said: *“When you look at the fact you can sit at home, surf, and get the information you require in advance, why would you sit on a telephone waiting for someone to answer between the hours of 9-5. Technology is changing, information sources are changing, so that service potentially in some areas needs to be redefined.”* However, she added: *“You want local people, local advice, and you can’t underestimate that personal touch. It’s the ambassador for the area. So, it comes down to how much does the local community value that?”*

In March the Department for Culture, Media and Sport published the UK *Government Tourism Policy*. The strategy looks to exploit the economic opportunities presented by next year’s Diamond Jubilee and the London Olympics, builds on the marketing plan, launched in January, which aims to generate four million extra overseas visitors over the next four years. The increase in overseas visitors would bring an extra £2 billion worth of visitor spend and help to create 50,000 new jobs across the country over that period, securing tourism’s place as one of Britain’s biggest industries.

Key elements in the policy paper include plans to increase visitor numbers by:

- Consulting on whether to lengthen the tourism season by moving the first Bank Holiday in May to create either a new St George’s Day holiday in

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England (St David's Day in Wales), or a Trafalgar Day bank holiday in the autumn half term;

- Helping to improve staff skills in the sector through extra apprenticeships and courses;
- Making tourist visas simpler, faster and more convenient to get;
- Repairing market failure by modifying the existing, long-established Tourist Boards to become smaller, highly focused, industry-led partnerships between tourism firms and government;
- Broadening the tourism offer by creating alternative destinations which match London, the UK's biggest and most successful single tourism destination to capture the spare tourism capacity and potential of other parts of Britain as well.

The report will also commit to

- Helping the industry prepare for changes in technology, so tourism information can be provided through i-phone and android apps, making every destination far easier and more accessible for visitors to navigate.
- Creating an industry task force, led by senior industry figures, to cut red tape. They will be asked to identify sector specific rules, regulations, inspections and forms which are holding the industry back so it can cut, modify or abolish as many of them as possible.

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