



Agenda Item

6

Tourism 2020 Strategy Update

FALKIRK COUNCIL

Title: Tourism 2020 Strategy Update
Meeting: Executive
Date: 9 January 2018
Submitted By: Director of Development Services

1. Purpose of Report

- 1.1 This report provides an update on the Council's tourism activity since the launch of the Falkirk Area Tourism Strategy 2015-2020. It updates members as to progress in the development of an independent Falkirk Area Tourism Partnership and seeks agreement to these proposals as a means of promoting tourism in the Falkirk area.

2. Recommendation(s)

2.1 It is recommended that the Executive:

- 1) **Notes the contents of this report in relation to tourism growth in the Falkirk area, as presented in the 2016 STEAM report.**
- 2) **Notes the feedback from the initial VisitScotland Tourism Industry barometer.**
- 3) **Notes the progress of the Visit Scotland Growth Fund, marketing activity and joint marketing activity undertaken with Visit Scotland.**
- 4) **Notes that the Falkirk area Tourism Strategy will be updated to include additional activity with the Heritage and Food and Drink sectors.**
- 5) **Agrees the proposals for formation of a new Visit Falkirk tourism partnership organisation to take forward marketing activities jointly with key industry partners.**

3. Background

- 3.1 The importance of tourism to the Falkirk economy continues to grow following the creation of the Falkirk Wheel, the Helix Park and the Kelpies. Significant investment is being made in existing and new attractions as well as investment in new accommodation.
- 3.2 The Falkirk Area Tourism Strategy – *Tourism Falkirk 2020*, launched in 2015, sets out to make Falkirk a destination of first choice with high quality, value for money and world-class attractions offering memorable customer experiences, delivered by skilled and passionate people. It was developed by the Council, through a Policy Development Panel and its key partners included local tourism businesses, national stakeholders and local communities.

4. Area Performance Update

Tourism Strategy

4.1 The Falkirk Area Tourism Strategy set three key targets:

- increase visitor expenditure in the Falkirk area by 20% over the next five years to 2020;
- increase overnight visitor accommodation (serviced bedrooms and self-catering units) in the Falkirk area by 20% over the next five years to 2020; and
- develop a Falkirk Area Tourism Partnership to take ownership of, to review and to implement the strategy

4.2 Whilst seeking to continue to support these objectives, the sustained increase in visitor numbers to the Falkirk area does require consideration of further targeted measures to take advantage of the area's rich heritage including food and drink sector. This will be achieved through working with partners to develop opportunities to provide increased information, promotion of activities and offerings in these sectors. For example, opportunities for additional visitor activity created by the Outlander television series, the area's significant history of battles, or awareness raising of the area's range of local food and drink sector businesses and dietary options on offer, all offer scope for promotion.

Measured Performance

4.3 Falkirk Council commissions an external report, based on an economic model, STEAM, to monitor the economic impact of tourism on an annual basis. The May 2017 STEAM report details the growth of tourism in the Falkirk area in the past year.

The most significant statistics from this report are as follows:

- visitor numbers to the Falkirk area between 2009 and 2016 increased by 50.2% and between 2015 and 2016 increased by 6.3%
- the economic impact of tourism to the Falkirk area between 2009 and 2016 increased by 51.6% and between 2015 and 2016 increased by 4.3%
- in total full time tourism employment within the Falkirk Area in one year between 2015 and 2016 increased by 3.8% with 1993 people now working in the sector.
- Falkirk remained within the top three areas for tourism growth in Scotland in relation to tourism in 2016.

4.4 Additional results from the 2016 STEAM report are detailed in the attached Appendix – which includes more information on two of the three key target areas described above.

4.5 Working in partnership with Visit Scotland, Falkirk Council has introduced The Scottish Tourism Industry Barometer, a new data collection initiative representing improved collaboration amongst Visit Scotland, local authorities which wish to participate, destination marketing organisations (DMOs) and businesses within the respective local authority areas. The Barometer is designed to inform and provide stakeholders with an overview of tourism performance at a regional and local level on a quarterly basis. Initial 2017 analysis summary indicate:

- the majority of Falkirk area tourism businesses are either very optimistic or quite optimistic about the performance of their business especially over the next 12 months with no businesses reporting 'not at all optimistic' over a 3, 12 and 24 month period.
- growth opportunities cited include the 'walking' market with businesses recognising the need to improve individual marketing activities to help them stand out from the competition.

Detailed results from the Barometer are contained in the attached Appendix.

Area Promotion

4.6 The results from joint marketing activity undertaken with Visit Scotland across various media platforms raising visitor awareness of the Falkirk tourism offering are set out in the Appendix.

Visit Scotland Growth Fund

4.7 Visit Scotland's Growth Fund supports collaborative marketing projects to assist visitor and economic growth in the tourism sector and is part of the *Spirit of Scotland* marketing tourism campaign. The fund offers a platform to support local tourism bodies in leveraging additional and focused marketing investment, stimulating collaboration within the industry and achieving strategic alignment of the area with the national Tourism 2020 strategy.

4.8 Falkirk Delivers (the Business Improvement District delivery arm of Falkirk Towns Ltd), the Council and tourism partners in the Falkirk area successfully made an application to this fund in March 2017, to develop a series of video itineraries based on family fun, cycling, heritage and the evening economy. Film and resources for these itineraries will be hosted on www.visitfalkirk.com, a newly created Visit Falkirk YouTube channel and shared through the Council's Visit Falkirk social media channels. Funding was also provided to fund an innovative digital marketing campaign to promote video itineraries aimed in particular at travellers from outwith a 90 minute drive time e.g. North of England, to encourage a two to three night stay in the area. The initial results from this campaign have been highly successful and are detailed within the Appendix.

Falkirk Area Tourism Partnership

- 4.9 The Falkirk Area Tourism Partnership operates as an informal body at present and includes the Council, Visit Scotland, Falkirk Towns Ltd, Falkirk Community Trust, Scottish Canals, Bo'ness and Kinneil Railway and a number of businesses from the Falkirk area. The Falkirk Area Tourism Strategy 2015 – 2020 sets out as a key target, the development of a formalised partnership to take ownership of, to review and implement the strategy. This is important for the area's tourism sector given pressure on resources.
- 4.10 In January 2017 Executive agreement was sought to establish a formal legal structure for the tourism partnership. During 2017 Falkirk Council facilitated a number of meetings with the Falkirk Area Tourism Partnership. The Partnership is independently chaired, led by a private sector Chair and supported by Scottish Enterprise and Council staff. A core working group of tourism businesses was established to consider the formalisation of the Tourism Partnership structure.
- 4.11 Tourism sector businesses have been consulted and have agreed to progress the establishment of a company limited by guarantee with cooperative articles of association. It is proposed that the Council will be co-opted into the Falkirk Area Tourism Partnership as a Non Executive member, represented by a Council Officer who will continue to provide secretariat support for the first two years of its existence. This independent tourism group will be better placed to secure external funding opportunities as well as determine future direction of marketing activities and promotion of the area.

5. Consultation

- 5.1 Tourism businesses have been consulted in relation to the development of a formal Falkirk Area Tourism Partnership model at a number of tourism partnership meetings facilitated by Falkirk Council. A number of tourism businesses have been involved in the latest Growth Fund application. Businesses are regularly supported and informed through e-zines and emails.

6. Implications

Financial

- 6.1 The Tourism Strategy is being delivered within current revenue budgets, supplemented where possible through contributions from partners.

Resources

- 6.2 None.

Legal

- 6.3 None

Risk

6.4 None.

Equalities

6.5 No equality and poverty impact assessment was required.

Sustainability/Environmental Impact

6.6 No sustainability assessment has been completed as part of compiling the report.

7. Conclusions

7.1 Tourism in the Falkirk area is continuing to grow as evidenced from the latest nationally benchmarked performance STEAM figures and the area's marketing reach performance set out in the appendix. Given this growth, tourism continues to be an increasingly important sector within the Falkirk area economy. To support this growth and, whilst recognising the strengths of the existing Falkirk Tourism Strategy 2015-2020, additional outputs are to be added to the strategy targeted at supporting heritage and food and drink sector growth. Given the Council's resource pressures there is a need to attract external support to continue to raise awareness of the Falkirk area as a tourism destination. Tourism businesses within the Falkirk area are fully engaged with the promotional activity and, as such, the establishment of a formal partnership model to take forward area promotion opportunities supported by the Council has now been developed.

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APPENDICES

Appendix One – Tourism Support Progress Report

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- **None**

APPENDIX 1

TOURISM SUPPORT PROGRESS REPORT

1. INTRODUCTION

This report provides an update on the Council's tourism support activity as delivered by the Growth & Investment Unit within Development Services along with key tourism partners.

2. FALKIRK AREA TOURISM PERFORMANCE

2.1 STEAM (*Scarborough Tourism Economic Model*) statistics for the Falkirk Area

STEAM quantifies the local economic impact of tourism, from both staying and day visitors, through analysis and use of a variety of inputs including visitor attraction numbers, tourist accommodation bed stock, events attendance, occupancy levels, accommodation tariffs, macro-economic factors, visitor expenditure levels, transport use levels and tourism-specific economic multipliers.

2016 Falkirk Area Results - With the exception of Orkney and Shetland, which saw significant growth due to the impact of cruise ships, Falkirk is one of the best performing local authority areas in terms of continued visitor number increases between 2015 and 2016. Falkirk area tourism performance statistics are set out below:

Falkirk Area Comparative Headlines	2015	2016	+/- %
Day Visitors 000's	447.5	496.26	10.9 % increase
Staying in Paid Accommodation - Serviced	241.8	246.82	2.1% increase
Staying in Paid Accommodation - Non Serviced	5.884	7.294	24% increase
Staying with Friends & relatives	181.58	181.29	0.2% decrease
ECONOMIC IMPACT £M	105.7	110.24	4.3 increase
Total Employment FTE	1920	1993	3.8%increase

Falkirk Area Key Visitor Trends 2009 – 2016

	2009	2010	2011	2012	2013	2014	2015	2016	% Change from 2009
Visitor Numbers	620.48	628.04	621.58	627.67	627.89	796.14	876.76	931.66	50.2%
Visitor Days	1,443.88	1,462.15	1,468.68	1462.92	1474.1	1650.92	1729.51	1797.85	24.5%
Economic Impact	72.71	76.23	79.33	81.2	84.09	97.04	105.7	110.24	51.6%
Total Employment	1675	1658	1641	1627	1631	1833	1920	1993	19%

2.2 Visit Scotland – VIC Performance

Figures in the table below illustrate the performance of the Visit Scotland Information Centre (VIC) based at the Falkirk Wheel.

	2013/14	2014/15	2015/16	2016/17
VIC Footfall	37308	45501	49435	50770
VIC Bookings	45	54	41	45
VIC £ Additionality	199,597	243,430	264,477	271,620

Since season 13/14 and season 16/17 there has been an increase in footfall of 36% and a further 2.7% increase between seasons 15/16 and 16/17.

Visit Scotland have announced it is the intention to close the Falkirk Visitor Information Centre by March 2019 as part of a national review of Visitor Information Centres and as a direct consequence of the diverse and fundamental changes in the way visitors' access information. Area visitor information will be integrated within the Falkirk Wheel visitor centre.

2.3 Visitor Numbers to Key Attractions

The following table highlights visitor numbers at local attractions within the Falkirk area:

Attraction	2012	2013	2014	2015	2016
The Falkirk Wheel	414386	406693	514170	595750	538373
Bo'ness & Kinneil Railway	64647	68306	68329	73,784	77,940
Blackness Castle	15179	14716	17624	21556	30,053
Callendar House	30897	35621	28781	47282	45,265
Bo'ness Hippodrome	34015*	28957	27602	30220	27,485
Kinneil Museum	4524	2716**	3153	3940	3,537
Mariner Centre	228636	217021	180643	240206	206,265
The Helix	NA	NA	952506	742575	558,427
The Kelpie Tours	NA	NA	47840	34102	31,162

* Hippodrome 100 celebrations

** Advised a new system of counting was introduced in this year

This illustrates the steady growth in visitor numbers at attractions such as The Bo'ness & Kinneil Railway and Blackness Castle. The 'Outlander effect' has impacted significantly on Blackness Castle.

2.4 Falkirk Industry Barometer 2017

The Falkirk Tourism Industry Barometer was issued to over 200 tourism related businesses throughout the Falkirk area in Quarter 2 and Quarter 3 of this year.

Key findings from Quarter 2 research include:

- 25 % of businesses reported an increase in full time staff compared to this time last year
- 38% of businesses reported an increase in part time staff compared to this time last year
- 56% of businesses had seen an increase in turnover compared to the same quarter as last year

- 63% of businesses had seen an increase in customer/visitor/guest numbers compared to the same quarter as last year
- 31% of business plan to significantly invest in their business in the future
- In terms of where customers are coming from
 - 53% had seen an increase in visitors from overseas
 - 47% had seen an increase in visitors from the rest of the UK
 - 20% had seen an increase in visitors from rest of Scotland
- The majority of businesses are optimistic about the performance of their business especially over the next 12 months due to:
 - Developments within the local authority
 - Increased interest in the canal system

Key findings from Quarter 3 research includes:

- 22% of businesses reported an increase in full time staff compared to this time last year
- 28% of businesses reported an increase in part time staff compared to this time last year
- 42% of businesses had seen an increase in turnover compared to the same quarter as last year
- 38% of businesses had seen an increase in customer/visitor/guest numbers compared to the same quarter as last year
- 60% of business plan to significantly invest in their business in the future
- In terms of where customers are coming from
 - 48% had seen an increase in visitors from overseas
 - 30% had seen an increase in visitors from the rest of the UK
 - 29% had seen an increase in visitors from rest of Scotland

3. VISIT SCOTLAND

3.1 2017 Growth Fund Marketing Activity

As part of the 2017 Visit Scotland Growth Fund Marketing submission which resulted in award of £18,800 match funding from Visit Scotland. Falkirk Delivers, Visit Falkirk and partners are creating 4 themed videos to meet pre defined KPI's as set by Visit Scotland. To date:

- Film 1 – Visit Falkirk Family Fun – Launched July 2017 - 91,000 views through Visit Falkirk Facebook and a further 57,500 views through the Visit Scotland Facebook page
- Film 2 – Visit Falkirk Cycling - Launched Sept 2017 – 265,000 views to date through Visit Falkirk Facebook and a further 129,000 views through the Visit Scotland Facebook Page
- Film 3 (Visit Falkirk Evening Economy) will launch at the beginning of December and Film 4 (Heritage) will launch at the beginning of March.

Since the launch of the campaign, in July, The Visit Falkirk social media presence has grown as follows:

Social Media Channel	Followers at outset of campaign	Current Followers	% increase
Visit Falkirk Facebook	9611	11368	18%
Visit Falkirk Twitter	1542	1984	28.6%
Visit Falkirk Instagram	611	1019	66.7%

YouTube Channel launched July 2017

- Film 1 (full length) has received 1044 organic views
- Film 1 (shortened version) has received 207 organic views
- Film 2 uploaded 11th Sept has received 190 organic views

3.2 Visit Scotland Marketing Activity

Campaign Spring 17 - Budget: £6,000

Timing: February – April

Complementing the global Scot Spirit activity a spring campaign was developed with Visit Scotland promoting Falkirk to inspire and raise awareness of the region to potential visitors.

This campaign was based on digital activity focused on Facebook adverts through CTW(Click to website) posts and video posts. This approach drove engagement which is one of the most important KPI's for evaluating social media activity as well as encouraging visits to visitfalkirk.com.

Facebook activity has proven to be one of the best performers in previous campaigns.

Results - Opportunities to See (OTS):

- OTS Total: 1,200,770
- Engagement*: 16,000
- Landings: 2,000

* Engagements include any kind of engagement including clicks, likes, shares, comments and any video views.

Daily Mail Its Friday Features

Visit Scotland continues to work with the Daily Mail on its weekly Friday What's On to deliver extra coverage for Scotland. Falkirk Council supply Visit Scotland with information about key events in the area and this coverage has featured the Falkirk area on a number of occasions reaching over 4 million readers. Examples from 2017 are detailed as follows:

- Feb Dig in at the Dock, Bo'ness
- March Silent Film Festival, Bo'ness
- May Wee Jaunt, Helix Park and Bo'ness & Kinneil Railway
- May Kinneil House Open Evening, Bo'ness
- June Forth Valley Artbeat, throughout Forth Valley
- June The Kelpies, Helix Park
- July Heritage Tours, Falkirk
- July Rock the Stadium/Burke and Hare Falkirk
- Sept Storytelling Festival Falkirk

Visit Scotland Social Media Channels

VisitScotland continues to share postings about the Falkirk area through its own social media channels, raising the profile of the attractions throughout the Falkirk area in positive manner to a worldwide audience.

Visit Scotland Virtual Reality App

Launched in February 2017 this is a virtual reality travel app which immerses the consumer in a 360 degree view of Scotland. The Falkirk Wheel and Kelpies are included within this app.

Visit Scotland E Book

Falkirk Council are currently working with Visit Scotland to develop an e-book to promote the Falkirk area and its attractions. This will be ready to assist with the promotion of the Falkirk area for season 2018.

4. FALKIRK AREA SECTOR NETWORKING EVENTS

The Visit Falkirk team have co-ordinated a series of extremely well attended networking events in Dec 2016, March 2017 and October 2017. These events which have had speakers from Scottish Tourism Alliance, Expedia and Google are extremely well received by the industry as it provides the opportunity for tourism businesses in the area to come together and allow for collaboration and cross selling of facilities and attractions e.g. Macdonald Inchyra now work with the Helix and offer Kelpie tours as part of their accommodation packages. Additionally business support advice and courses are also promoted through business advisors from Business Gateway attending and supporting the events.