

Economic Growth Scrutiny Panel

Agenda
Item:
A.4

Meeting Date: 5th April 2018
Portfolio: Culture, Heritage and Leisure
Key Decision: Not applicable:
Within Policy and
Budget Framework Not applicable
Public / Private Public

Title: BUSINESS & MARKETING PLANS FOR THE TOURIST
INFORMATION CENTRE
Report of: The Deputy Chief Executive
Report Number: CS20/18

Purpose / Summary:

This report provides the Economic Growth Scrutiny Panel with an update on Business and Marketing Plans for the Tourist Information Centre.

Recommendations:

The Panel are asked to consider the report and comment on proposals.

Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	N/A

1. BACKGROUND

The Tourist Information Centre (TIC), based in the Old Town Hall, acts as a gateway to Carlisle's Historic and Cultural attractions. It plays a significant role in orientating visitors and showcasing Carlisle District and the wider area including Hadrian's Wall, the Lake District and across the Borderlands region. The TIC also has a gift shop which stocks a range of souvenirs, many of which are locally produced.

The Tourist Information Centre was subject to a refurbishment in 2015. The overall aim of this was to increase the interpretation within the TIC and modernise the service to appeal to a wider audience. The Old Town Hall also includes the Assembly Room, which was sympathetically restored and is used for meetings, events and weddings.

CARLISLE VISITOR CENTRE STATISTICS 2017/2018		
MONTH	OVERSEAS	DOOR
April	457	6222
May	560	8254
June	460	7975
July	538	9722
August	639	12739
September	330	8462
October	305	6488
November	183	6639
December	80	5037
January	163	3533
February	149	4460
March		
TOTAL	3864	79531
2016/17	5505	73871
Difference	-1641	5660
%	-30	8

The current staff structure within the TIC comprises a Tourist Information Centre Manager (Full Time); a Senior Tourist Information Assistant (Full Time); a Tourist Information Assistant (Part Time); and an Administration Role (Part Time). This team is supplemented by seasonal and casual staff in the Summer months to offer a seven-day week service at the TIC.

A service review of the wider Contracts and Community Services Team (or more specifically the Car Parking and City Centre Team and the TIC team) has recently been completed. This proposes a significant redesign of the personnel and services operated by the Tourism Team.

2. KEY BUSINESS FUNCTIONS AND PROPOSALS

2.1 Staffing

The service review, which is currently out to consultation, proposes that the Tourism Team is enlarged to incorporate city centre management and events management. This will enable a more co-ordinated approach to events management and use of the city centre space to effectively promote Carlisle as a visitor destination and ensure that the events programme helps to attract increased footfall and tourists into the City, and increase resident engagement.

It is also proposed that the current Marketing Officer located within the Contracts and Community Services Team is assigned specifically to the Tourism service to increase the focus and resources available specifically to promote and market Carlisle as a visitor destination.

Finally, it is proposed that the management and editorial control of the Discover Carlisle website (a key tool in the promotion of Carlisle to Tourist audiences) is also transferred into the Tourism Service.

A new role of Destination Manager is proposed to lead this improved service and oversee a broader approach to destination marketing than the current focus on more traditional and limited Tourist Information Centre functions (accommodation booking etc). This has the added advantage of freeing up elements of the Tourist Information Centre Team Leader's role to focus on the commercial development of the retail offer within the TIC, the Assembly Rooms, as well as other income generating opportunities including third party promotion and marketing (advertising on the digital screens within the TIC etc).

The proposed staffing structure would comprise a Destination Manager (Full Time); a Tourist Information Centre Team Leader (0.8); 2 x Tourist Information Advisors (Full Time); a Marketing Officer (0.6) and a City Centre Officer (Full Time).

The additional costs of this new structure are minimal (as for the most part it involves the redeployment of existing Officers from other service areas, or redeployment of staff from other roles). The increase in costs will be funded by a reduction in the seasonal and casual staff budgets. This is manageable as creating an enlarged team will ensure that there is greater capacity to effectively provide staff cover at the TIC without requiring as many seasonal or casual posts.

2.2 Promotion and marketing of Carlisle

During 2017, Discover Carlisle has taken a more digital approach to marketing communications with potential and existing visitors. A new, high functioning but simple and easy to navigate website was developed with a strong emphasis on visual images and storytelling.

Alongside this, a more targeted approach was taken to attract couples and families for short breaks. A digital marketing campaign was used to target geographical areas (North East, southern Scotland, Yorkshire) at the same time building a database of emails for future e-marketing opportunities.

Our events programme was also used as a key product to market the city, attracting visitors regionally and nationally, encouraging couples and families to stay longer in the city.

Our Tourism marketing is increasingly web focused with the main focus on communication now significantly weighted towards online activity, although we still produce some printed literature.

The Discover Carlisle website is the main tool for promoting Carlisle, and the city's events programme, to national and international visitors. The website is a destination tool aiming to attract regional, national and international visitors to Carlisle.

Discover Carlisle's social media accounts are used to promote the city's activities to both a local, national and international audience.

In 2017/18, the Discover Carlisle holiday guide cost a total of £6,383 for 40,000 copies to be printed and distributed. The majority of this cost is offset by a £4,000 income target set against the holiday guide (achieved via advertising within the guide); in 2017/18 income of £4,310 was achieved.

In 2017/18 an additional £5,000 was spent on digital distribution resulting in 12,000 active emails being added to our database.

Recommendations for 2018/19

- To produce a slimmed down printed holiday guide for 2018/19 supported by a Places to Visit leaflet, highlighting the city's main attractions. This leaflet would also include a map and would aim to be self-financing (via advertising). Both items, can be supplied to partners, to widen the distribution of printed material.
- To increase the number of e-newsletters sent to addresses on our database, promoting Carlisle as a short break destination. There is potential to include relevant, paid for messages, from third parties.
- To implement improved evaluation of marketing channels (via visitor survey) to better plan and target our activity.
- To promote use of the TV screens in the TIC as an advertising tool, charging third parties for the opportunity to promote their own messages.
- To encourage use of space within the TIC for promotional activity by third parties e.g. displaying promotional material/pop ups to promote individual businesses or events.
- To increase overall the amount of cost recovery from advertising opportunities to support this service area.

2.3 Retail

Within the TIC shop we stock a diverse range of both local and nationally produced souvenirs. There is a stock system in place which records incoming and outgoing stock and the valuation. Mini stock takes are continual in addition to the annual one on the 31st March.

Evaluation and monitoring is an important part of maintaining a good stock system. To consistently achieve high standards, we must be aware of both the needs of our visitors and the quality of their experiences whilst in the TIC. We have an alcohol licence and we sell Local Beer (Carlisle Brewery) Local whisky (Lakes Distillery), which have been very successful whilst promoting State Management Story.

Some local lines haven't sold as well as others (i.e. jewellery and confectionary), we believe this to be a pricing issue due to the high cost of buying in and the mark up cost this is currently being reviewed.

The purchasing decisions for all new items of stock takes into account a list of factors which includes Price (cost and retail); Shelf life; Minimum order quantities; Customer demand; Existing stock levels; Product quality; Specific to the area; Display Space; Season; Locality (with preference offered to goods produced within a 30 mile radius).

Although struggling with internal income targets, the retail section has performed well from a commercial perspective in recent years. In 2017/18 to date (12th March 2018), the service had spent £10,570 on goods for resale (shop stock) and had achieved a gross income of £28,594 this represents a surplus of £18,024.

Recommendations

- The income target for sale of goods has steadily increased over the last few years from £47,300 to £66,600 with seeing no increase in the budget for buying goods which is currently £12,300. For us to achieve our income target we would have to mark - up our products by 500% which is unrealistic. The refurbishment saw an improved retail area as far as displaying the products, however, the floor space has been reduced so we are unable to stock the same number of products. Consideration needs to be taken around the income targets with the above in mind. It is recommended that this income target is reduced in 2018/19, this would be done at no net cost to the Council by using other revenue budgets within the service (particularly a reduction in seasonal and casual staffing budgets)
- The development of an online shop on Discover Carlisle would bring in an additional income. Online shops work very well with other Tourism Destinations, Leicester Tourist Information generate £20,000 through their shop.

- Take the product to the customer. Selling at the markets, contacting organisations to make them aware what Carlisle products we sell and speaking with the local hoteliers and other stakeholders about joint marketing and production.

2.4 Assembly Room

Assembly Room lettings have shown an increase in income for the last year few years which bodes well for the future. If the current trend is maintained the target of £6,100 should easily be met for in 2017/18.

We had our first wedding in 2017/18 which was a success and we currently have another two weddings booked. There is now a premises licence in place which means the sale of alcohol is permitted with the Assembly Room and TIC.

We have a regular monthly booking with a craft fair organisation, the room is also used for yoga, Dutch language classes, workshops and conferences.

Recommendations

- The prices for the Assembly Room have not increased for the last few years. However, if we are to achieve an increased income target beyond 2019/20 price increases will need to be considered. Prices for out of office hours events need to be re-assessed to include the additional costs of staff coming in beyond their usual working hours.
- It is recommended that the team begin to attend wedding shows and fairs to market the assembly rooms as a wedding venue. We will also approach independent Wedding Planners and invite them to tour the venue.
- Increased targeted marketing promoting the room as a multi-use venue to large organisations for a training/conference venue.

2.5 Ticket sales

Ticket sales for local events now make up a significant part of our income generation (although we only retain a small amount of the revenue of bookings taken.).

Currently our commission rates are 10% for a commercial enterprise and 5% for a not-for-profit event. So far, this year we have sold nearly £80,000 worth of tickets.

Through operating this service, we can support local business and events and also provide a more comprehensive offer to our visitors. We are continually expanding of box office and support many local venues and event organisers.

The Tourist Information Centre provides a box office for events at the Old Fire Station. The growth in popularity of the venue has increased footfall into the TIC and introduced a new audience to the facilities of the Old Town Hall (OTH).

We are one of the main boxes offices for the Wannasee festival in Penrith which is getting more successful every year.

Recommendations

- Approach more 3rd parties across Carlisle offering our box office services.
- Increase the commission charges. These are currently set at a relatively low level for the service that is provided. The team will consider an increase of 2.5% in the commission for both commercial and not for profit ticket sales. With the commission increase we will included some additional benefits such as an advertising slot on our TV screens in the TIC promoting their event and some social media promotion.

2.6 Accommodation Bookings

The TIC still offers an accommodation booking service. We take a £4 booking fee but no longer take a commission from the accommodation providers (which is where we generated a large part of the income in previous decades).

Accommodation bookings have reduced dramatically due to online growth of booking sites and freedom for the customer to look for the best price and option for themselves. To move with customer demand, we have recently become affiliated with booking.com. This will enable us to still book accommodation throughout the UK and receive a 5% commission, and it is a brand that the customer will recognise and trust.

We don't envisage an increase in booking enquiries due to current trends, but it will make us able to offer a wider range and area of bookable properties.

Recommendations

- It is recommended that the income target for accommodation bookings is reduced from £7,900 to approx. £1,000. This is reflective of the modern market place and accommodation booking methods. Funding will be drawn from the review of base revenue budgets in the service and from increasing income in other trading areas.

Contact Officer: Darren Crossley

Ext: 7004

**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Community Services -

Corporate Support and Resources –

Economic Development –

Governance and Regulatory Services –