Tourism Strategy for Leicester and Leicestershire

2011-2016

FOREWORD

Tourism forms an important part of the Leicestershire economy. It brings together more than 2,000 businesses ranging from attractions to hotels, restaurants and pubs to retail and cultural venues. As most of these businesses are small there is advantage in working together to make the area more attractive as a tourist destination.

The draft Tourism Strategy is a result of this approach. It first assesses the recent performance of the Leicestershire tourism industry and the main changes and issues that the industry is facing over the next five years or so. From this analysis it identifies four main themes which address the local tourism industry's ambitions in a practical way. These cover –

- expanding the quality of Leicestershire as a destination
- the positioning of Leicestershire to distinguish it from its competitors
- improving customer service through training and improved skills
- ensuring up to date intelligence and data

Finally it outlines a delivery framework and range of organisations and businesses which need to be involved and committed in delivering its priorities. When the final Strategy has been agreed a more detailed plan of action will be developed and pursued.

1. A Changing Tourism Market

Value of Tourism

Tourism and the hospitality sector forms an important part of the Leicester and Leicestershire economy. It includes the value generated in the area by day visitors, staying tourists, people visiting friends or relatives and people coming to Leicestershire for work or business purposes. It currently supports nearly 20,000 jobs in over 2000 businesses and provides about 7% of the value of the local economy.

As an industry it differs from many other parts of the local economy in that it has little homogeneity. The businesses which make up the industry vary in size and the mix of services they provide. They range from tourist attractions to hotels, bed and breakfast and other accommodation providers, through the retail sector to restaurants, cafes and pubs, transport services and operators of sports facilities, theatres and other cultural venues.

The varied make up of the industry complicates the synergy between its different services. Most tourism businesses also are small and inherently their main focus is on being successful as a business. Their capacity individually to develop Leicestershire as a tourism destination is limited. Because of these characteristics and the importance of the industry within the local economy, there is a shared ambition amongst tourism interests across the private and public sectors to create a more coherent and coordinated approach to tourism provision through a new tourism plan or strategy.

The benefits of this cooperation can lead to more successful and profitable businesses providing a vital source of jobs. There is the potential `spin off` of more local sourcing of supplies and services helping other businesses and increasing money circulating in the local economy. In some cases tourism helps to support facilities and services such as rural shops and transport, culture, arts and sports facilities that might not survive if only reliant on local use. This becomes a potentially reciprocal relationship for some communities with shared amenities and facilities adding to the quality of life for residents.

Policy Framework

The Leicester and Leicestershire Enterprise Partnership (LLEP), the Local Enterprise Partnership for Leicester and Leicestershire, will provide joint public and private leadership on the wide range of issues that impact on the local economy. The partnership provides strategic commissioning that will lead sustainable economic growth through investment in enterprise and innovation, employment and skills, housing, planning, infrastructure and the rural economy. The Commissioning Framework and Economic Strategy for Leicester and Leicestershire provide a common purpose, clearer sense of priorities and a framework within which the Tourism Strategy will fit.

This policy framework recognises that the sub-region enjoys a central location within the UK with excellent transport links. The county has a high quality natural environment, vibrant market towns and attractive villages which provide for a high quality life and a draw for tourism and recreation. Leicester is a truly international city of culture and seen as a model of community cohesion because of its diversity. Areas within the sub-region, such as Melton for food and drink, have their own local distinctiveness and offer opportunities on which to build and create a strong identity for the area.

This broad plan for economic growth is delivered through a partnership which brings together key delivery organisations with representatives of business and the voluntary and community sectors. It recognises that there needs to be clear arrangements to manage the respective roles, relationships and contributions which each of the partners can make in delivering the priorities. This approach applies equally in delivering the priorities outlined in this Tourism Strategy.

Tourism Market Context

The latest research for 2009 into the performance of the Leicestershire tourism industry indicates that the visitor economy has grown to over £1.3 billion with tourist and day visitor numbers within the county being more than 32.5 million during the year.

This includes:

- More than 1.4 million overnight tourists spending 3.2million nights in commercial serviced and non-serviced tourist accommodation
- Nearly 1.8 million visitors staying 5.5 million nights with friends and relatives
- Overnight visitors spending £450 million in Leicestershire and day visitors a further £850 million
- About 15,500 full time equivalent jobs supported by direct tourist expenditure and a further 4,325 jobs supported by indirect tourism revenue
- Average daily tourist expenditure in hotels and B&Bs was £91 and about £48.50 in self catering accommodation with those visiting friends and relatives spending £38 and day visitors £29 daily
- While the level of day visitors remains broadly constant throughout the year at 2.45 million days per month, non-serviced (self catering) tourist days are markedly seasonal rising from a low of 23,000 days in November to a peak of 229,000 days in August
- The performance of serviced accommodation (hotels etc) throughout the year is also broadly constant averaging 175,000 tourist days each month
- Approximately 13,000 sleeping spaces are available in serviced accommodation and 10,000 in non-serviced accommodation

Between 2006 and 2009 the economic impact of tourism in Leicestershire increased by over 10% while declining slightly across the rest of the East Midlands, employment increased by over 6% and tourist numbers by 5.0%.

There are a variety of potential changes facing the national and local tourism industry:

Changes in leisure time: Some people are working longer hours and though “cash rich` are `time poor”; some people are retiring earlier with more disposable income, others fear they won’t be able to retire until much later than planned; some have longer holiday entitlements. Leisure time is an important determinant of holiday and short break taking.

Ageing population: The number of people in Britain aged 65 or over is increasing rapidly - by 2015 they will outnumber the under 16s for the first time. This older population is likely to be more active, in better health and with higher disposable income than previous generations.

Increase in short break taking: this is partly as a result of the pressure on time, growth of the “cash rich, time poor” sector, huge range of low cost airlines and developing tourism destinations close to home. Sampling new activities and skills is a growing short break choice.

Increased segmentation: Not everyone wants a traditional city break or sun, sea, sand holiday. Motivations for going on holiday are changing and consumers are becoming more demanding. There are already packages which focus on sports tourism, health spas and relaxation, food and drink, heritage and films. There is likely to be demand for an ever increasing range of different types of holiday.

Sustainable tourism: There is a growing awareness of the impact of visitors on host destinations. Sustainability and ethical considerations will be increasingly important.

Holiday booking methods: A major change has been the increase in independent-holiday taking. Many people will continue to book packages with established tour operators but as they become more confident and adventurous they will make their travel arrangements directly with airlines and hotels.

Needs of disabled people: The final stage of the Disability Discrimination Act is now in force so it is not only illegal to ignore this important segment but more tourism providers are likely to realise the economic and social benefits of focusing more on disabled people.

Improved quality: Consumers are becoming more discerning, demanding better quality. VisitBritain and others are working to remove some of the confusion about accommodation grading systems in order to make them easier to understand.

2. The Tourism Strategy

Vision

Recognising the changing trends that are emerging within the tourism market, there is a growing sense of a common agenda amongst local tourism partners and interests. Over the next five years the shared ambition locally is that our tourism and hospitality sector will deliver sustained and sustainable growth and play an increasingly significant role in the success of the economy, creating a strong sense of place and improved quality of life for Leicestershire people. This vision would mean that in 2016 Leicestershire is a destination of choice for an increasing number of visitors, offering exciting opportunities for both business and leisure visits.

Sustainability

There is a perception that tourism is a major contributor to environmental damage. At the same time there is a growing customer awareness demanding a lower carbon footprint from tourism businesses and wider adoption of sustainability principles. These concerns align with the Leicester and Leicestershire Strategic Commissioning Framework for Economic Growth which has as one of its overriding priorities achieving a more sustainable environment.

In encouraging greater sustainability across the industry there are national accreditation schemes promoting the `green` credentials of tourism businesses. The schemes aim to improve energy efficiency, reduce waste, conserve resources such as water and promote the use of local produce. Visitor interest can also help to sustain and develop the active management of landscapes and nature reserves as well as a more pleasant urban environment. Ultimately, the main strands of a sustainable tourism strategy will be to:

- Welcome, involve and satisfy increasingly demanding and informed visitors
- Achieve a profitable Industry driven by quality
- Engage and benefit host communities
- Protect and enhance a distinctive local environment

Strategic Themes

There are four key themes which address our ambitions in a practical way. They establish also the rationale in linking with the wider ambitions and longer term direction being set by the Leicestershire Strategic Framework for Economic Growth. The themes are:

1. Destination: offering people a wide range of quality attractions, accommodation and experiences with growing local distinctiveness and a warm and genuine welcome
2. Positioning: developing and promoting the sub regions assets while differentiating between the business and leisure markets in a way which offers a unique and quality product
3. People: promoting tourism as a `first choice` career by investing in skills and training and creating a workforce capable of delivering high standards of customer service
4. Intelligence: providing a robust evidence base enabling tourism businesses and the public sector to make informed and more coordinated investment decisions.

Theme 1 – Destination

To be successful in an increasingly competitive market place Leicester and Leicestershire must offer people good accessibility, great value for money, a wide range of quality attractions, accommodation and experiences, a warm and genuine welcome and be physically attractive. Developing local distinctiveness will also broaden the offer to tourists and attract a wider audience.

City Centre Leicester

Critical to success is continued investment in the city's award-winning public realm improvements with more pedestrianisation, ongoing historic building refurbishment, redevelopment of vacant sites and improved street cleanliness. New public realm development should reflect the city's heritage. Particular emphasis needs to be placed on important gateway routes into the city centre and visitor 'first impressions'Recent improvements have been made to the railway station and Narborough Road gateways, but this must be considered just the start of the process with continued improvements in these areas and work on other key gateway locations.

Vehicle access into the city centre requires more effective management through improved zoning of the city centre with use of the dynamic signage system for parking. Further encouragement of an alfresco culture including pavement cafés, markets, shopping and entertainment will help create a renewed cosmopolitanism. The acclaimed tourist information centre also needs to be relocated in an area of greater footfall and offering innovative and more flexible space.

City Culture

The city's wider cultural offering is an important tool in growing the visitor economy. To date, Curve has not had the desired impact in motivating people to stay overnight in Leicester. Though not a primary driver for the theatre`s programming policy more consideration should be given to how the theatre can help to grow tourism. Similarly, in considering the city's calendar of festivals and events their ability to attract more visitors to the city should be prominent. The comedy festival is an example of good practice. There has been investment in this sector recently including the impressive new o2 academy at Leicester University and the creation of a new city centre venue in a former cinema. With programming changes also likely at the city's de Montfort Hall, activity to drive overnight stays from these venues should be developed.

County Towns

Leicestershire's county towns should continue to invest in high quality public realm improvements that enhance the distinctiveness of each town. The county towns also need to address accessibility, cleanliness and the quality of their welcome. There are a number of town centre partnerships in place which are in a position to promote the distinctiveness of individual towns through events and linkage of attractions and interests between towns and their surrounding rural areas. A number of BID schemes are in development in county towns and these should embrace the development of the public realm and marketing in order to strengthen further the visitor economy to those areas.

A particular challenge faces the Loughborough/Charnwood area in responding to visitors drawn by the 2012 London Olympics. The recent announcement, following a review, that Loughborough University will be the base for the British Olympic Team in the run-up to the Games as well as the base for the Japanese Team, should further raise marketing opportunities.

Countryside

Leicestershire's rural landscape and wildlife offers variety and its own appeal. The challenge is to further develop and promote its quality and distinctiveness. For example, the contrast between the woodlands within the developing National Forest and the dramatic vistas of the Vale of Belvoir. It is harder but important to provide a range of visitor infrastructure in rural areas. There already are a number of clusters of attractions within the rural areas which offer further promotion opportunities. For example the considerable long term potential of the National Forest linked with the area`s mining heritage and the towns of Ashby and Coalville, the relationship between Foxton Locks and Market Harborough and, with the recent national publicity about the Bosworth battlefield site investigations, the battlefield exhibition with Ashby Canal, Shackerstone railway and Market Bosworth.

More needs to be done to help the diversification of traditional rural businesses into tourism. Local planning authorities should also be given better information about the value of proposed tourism projects that could grow the economy. The continued development of the county's extensive network of navigable waterways and heritage railways will open up the county to new markets and marketing opportunities while possibilities with neighbouring areas to widen the local attraction, for example in equestrianism and the National Forest, should be explored.

Food and Drink

Further development of the already strong food and drink offering will be important to achieve tourism growth. More high-end restaurants and dining opportunities are needed as is support for diversity of the city's food and drink products. The county's food and drink offering is most developed within the Melton and Belvoir area and there is potential to further strengthen this asset. Group travel, already strong in the sector, can be further encouraged by the provision of a dedicated food attraction in the Melton area with substantial industry links. The East Midlands Food Fair and its future growth also needs a clear forward strategy. However, there are existing and emerging product and experiences across the whole city and county and there an opportunity to expand the area of impact beyond Melton and the Vale.

Accommodation

In the last few years the city and county has seen considerable growth in the scale and profile of its accommodation stock. Occupancy levels suggest that there is enough capacity in the current supply. But to improve the earning potential of the county continued growth in accommodation provision is necessary. Future growth, however, needs to be focused on attracting established and high profile brand names that will draw in new audiences and allow existing meeting and event venues to improve their performance through expanded accommodation.

Recent investment mostly has been in the budget sector and there is now a need for more rooms at the premium end of the market. Leisure tourism growth in rural areas will require an increase in high quality self catering facilities. The creation of an urban touring caravan site in the city to exploit this rapidly growing sector and create new year-round audiences also needs consideration. A structured approach to future growth is needed to support existing suppliers and influence investment focused on creating opportunities and meeting new market requirements.

Attractions

The county already enjoys a good range of high quality and diverse visitor attractions. Future investment in the existing stock should centre on two priorities. First, ongoing improvements in the overall quality of the offering and improved customer experience. Secondly, the addition of major new experiences to ensure they remain competitive and are able to attract repeat visitors. Our top 5 attractions should aim to introduce a major new exhibit/facility/development at least every 5 years. Some key attractions currently are provided by the public sector. To help their future viability they need to maximise income opportunities to reduce their call on the public purse.

Transport

To compete effectively in global markets, the sub-region has to be easily accessible by air, rail and road. Transport infrastructure has to be of a standard and sufficiently integrated and efficient to support future visitors' needs and link people locally with employment opportunities. Overall access is good, but further improvements are necessary. Investment in inter-city rail infrastructure, cross county links and other public transport services will be required to create a truly integrated transport network increasingly expected by travellers. Many innovations need not be expensive or difficult to introduce. Through-ticketing, smart card technology, improved information provision and integrated tickets for transport and events are all increasingly demanded by visitors.

Locally there is a growing network of cycle, walking and riding routes where further investment will allow tourists to access more of the tourism product in a sustainable way. New public transport services using heritage railways and the waterways network also may be feasible and further support the tourist economy.

Theme 2 – Positioning

The traditional driving force for local tourism has been conferences and events for the business market. Weekday accommodation occupancy has been much higher than at weekends. Recent efforts to grow leisure tourism through short break packages and media marketing has started to broaden the tourism economy. This has been supported by investment in Leicester city centre and at many county attractions. An encouraging amount of further capital investment is either underway or planned. Differentiating between the business and leisure markets remains essential and it is imperative that the county's assets are developed and promoted to offer a truly unique, quality product to distinguish Leicestershire from its competitors.

Leisure Tourists

In assessing future tourism trends, research suggests that people will be prepared to pay more for an experience than for goods and that more money will be spent on leisure. In return people will be looking for greater quality, value for money and an authentic experience. Factors influencing the type of product demanded will include an ageing population, greater levels of discretionary spend and more fragmented households. All impact on how much leisure time people have and how they choose to use it. The local emphasis has been on increasing numbers of short break visitors using local hotels by actively targeting the family market. This market will remain important with the future priority being to widen the coverage so that more venues benefit through the packaging of accommodation and attractions within particular parts of the sub-region.

To widen impact, new products should be developed to attract other market segments. Priorities will be the 'older active' and 'high street' groups. Key sectors will be food and drink, heritage, waterways, outdoors, shopping, culture and the arts which will appeal both to the individual traveller and the group travel market.

Business Tourists

Globally business tourism is experiencing unprecedented growth in the supply of facilities and competition has grown considerably. Within this intensely competitive and crowded marketplace Leicestershire has modest but rapidly improving facilities in this sector. For example the recent expansion of the Leicester Tigers stadium has created the largest banqueting suite in the East Midlands with seating for 1,000 people. However, the sub-region has limited marketing resources. Creative and innovative solutions therefore are needed for the share of this essential market to grow. Moving locally from a traditional conference bureau operation to an event bidding strategy has been successful. But in continuing a strategy of providing attractive, informative and current data to buyers through a full functional website further investment is needed. More emphasis should be placed on identifying events and conferences that have a strategic fit with Leicestershire. This 'event bidding' approach should be fully developed and properly supported. The key to developing this market is to target events that match the strengths of Leicestershire, identify local champions and work in partnership to progress an event bid. Winning significant events also has an impact on event management to ensure that hosted events are delivered to the highest standards. Consequently, full and proper planning and resourcing is needed to ensure the full economic potential of all events staged and hosted is achieved. This applies for larger activity such as the Olympic Games in 2012.

Sales Channels

` goleicestershire` has become a highly successful tool, receiving over one million visits in 2009 and becoming a top five most visited destination web site in the country. Providing information to tourists, the channel stimulates bookings for short breaks, overnight stays and business events. It has become the main research and data collection vehicle through registrations, competitions, brochure requests and surveys. Continuing investment is needed to ensure the latest technology motivates and facilitates users to visit the destination. Priority will be given to increase the range of directly bookable product available by supporting the accommodation and attractions sector to move into online booking. This will ensure that more of the local tourism product is available for sale through national and international facilities such as laterooms, lastminute and the visitengland website. Full use needs to be made of emerging ways of engaging with tourists through the use of SMS and other mobile technologies including fully exploiting social media channels.

Theme 3 – People

In the tourism industry, people are the greatest asset. Investment in skills and training and promoting tourism as a 'first choice' career is fundamental in creating a workforce capable of delivering a high quality tourism product. In the tourism industry, perhaps more so than in any other, high standards of customer service are essential in order to preserve and develop a reputation as a first rate visitor destination. Successful businesses require inspirational managers and leaders who nurture and value their staff and a skilled workforce delivering quality service in an industry providing first choice employment and career opportunities. Nationally the sector skills council, People First, has targeted improvements in the international perception and experience of the sector's 'welcome and service'. Leicestershire will also put customers at the centre of plans to drive growth in the sector by embracing fully the 'visitor journey' model adopted by VisitBritain. This will drive tactical plans to improve the product, accessibility, marketing and training.

National Skills Strategy

The national skills strategy for tourism centres addresses four priorities around management and leadership, customer service, chef skills and staff retention. Programmes have been developed through the National Skills Academy to define excellence in training and development for the hospitality industry. Leicestershire must ensure that its education and training provision for the sector is fully aligned with this strategy and provides opportunities that are market-leading. A baseline audit of the sector should be carried out to establish the skill improvements required.

Tomorrow's Leaders

Providing a culture of service excellence across the tourist experience requires leadership development in all aspects of management. A close partnership between education and industry is in place to develop management excellence. It is also important to improve perceptions of the industry and establish tourism and hospitality as a career of choice. A new 'rising stars' scheme will be introduced to identify at least 50 people a year to benefit from a multi-discipline leadership development course based around existing training opportunities but tailored for the tourism industry.

Vocational Training and Apprenticeships

Diplomas combine theory and practice and form a key part of reforms to 14-19 education. Currently two of the 17 diplomas in development - the Diploma in Hospitality and the Diploma in Travel and Tourism - relate to the tourism sector. Diplomas offer an effective alternative education route for pre-16 year olds providing an introduction to the sector and its perception as a career path. The new education and industry partnership should facilitate the delivery of hospitality diplomas across Leicestershire. Apprenticeships in the tourism sector also should be encouraged and developed to improve further potential staff`s understanding of tourism as a serious career option.

The Visitor Journey

The other half of the people equation is the customer. Respecting the needs, desires and demands of the people who fuel the tourism economy is vital. The Visitor Journey approach recognises that people - the visitor - should be at the heart of tourism planning. Few destinations have truly embraced this approach and Leicester and Leicestershire can develop competitive advantage by doing so. This will be at the heart of activity to improve quality, customer contact, marketing, accessibility and training programmes.

Theme 4 – Intelligence

A high quality, robust evidence base is essential both for investment decisions taken by tourism businesses and in assessing the value and impact of investment by the public sector to improve performance.

Research 'Spring Clean'

Standardisation of methodology and channels for information sharing and dissemination must be improved. Wherever possible market data and intelligence should be provided so that it can easily be aggregated and used in multiple ways. A review of existing research will be undertaken to ensure that it is appropriate and effective. The review will also assess current methods of sharing and communicating research and providing user friendly interpretation of the results for partners, industry and investors to ensure that it is accessible, useful, timely and relevant to all those involved in the industry.

Embedding Intelligence

Complementing the local review of tourism data and intelligence a new research, forecasting and evaluation framework is being planned regionally which will provide comparative data at a local level across the East Midlands. This is being prepared in conjunction with other regional and sub-regional partners and will be implemented by and build upon the work of Intelligence East Midlands and the Tourism Research Intelligence Partnership. This work also needs to dovetail at a national level with the work currently being undertaken by the English Tourism Intelligence Partnership.

There is a particular need to improve data on visitor perceptions, attitudes and satisfaction levels both prior to and following a visit which will support the Visitor Journey approach outlined in Theme 3 – People.

3. Delivering The Strategy

Working Arrangements

A plan is of limited value without the sustained commitment of key organisations and individuals and means to deliver it. There are existing working arrangements overseeing local economic development activities which revolve around the Local Enterprise Partnership. This brings together representatives from the public sector with those from the business community and the voluntary and community sector. Its role is to approve the economic strategy for the sub-region, ensure that more specific strategies, such as that for tourism, fit with the area`s main economic priorities and influence where public funds should be directed in supporting the local economy.

Within these working arrangements a separate not for profit company, Leicestershire Promotions Ltd, has been formed to promote Leicester and Leicestershire as a tourism destination. It is funded from the public purse through the City and County Councils and regional tourism body and generates private sector income from a growing range of partners. It has a Board which includes local tourism business expertise. Its focus is on tourism development and marketing through promotion and sales, supporting quality improvements and influencing infrastructure development. Some limited 'place marketing; activity that is broader than the visitor economy is also undertaken.

Key Organisations and Early Action

Delivering the priorities identified within the Tourism Strategy will require the coordinated effort of many organisations and businesses across the private and public sectors. Within the

Strategy there are more than 60 key actions highlighted many of which will require shared responsibility and commitment to delivery. As a tourism destination management organisation Leicestershire Promotions (LPL) will have an important role to play in delivering and helping to coordinate action for many of the priorities. But in addition to LPL and the local authorities many other businesses and business groups will need to be involved and committed to action. Examples include commercial partners within the city and county town centres, individual hotels and the hotel association, a variety of attractions across the county, rural businesses and landowners, the Strategic Rail Authority, Waterways Trust and local heritage railways and education and training providers along with JobCentrePlus.

Within the key actions outlined there are a number which can be developed or pursued during the first year of implementing the Strategy. These include – Suggestions on the list below, still appropriate?

- continuing investment in Leicester city centre and county town public realm
- more effective management of city centre vehicle access
- further support and encouragement of business diversification especially in rural areas
- developing cross boundary marketing particularly within the National Forest
- pursuing plans for a dedicated food based facility in the Melton area
- considering an urban caravan site in Leicester
- improving the income potential of public sector attractions
- introducing more through ticketing and improved information for transport and events
- creating new short break packages for the `older active` and `high street` sectors
- developing and implementing an `event bidding` facility
- increasing the scope for booking online and the number of businesses selling online
- undertaking a local baseline audit of current tourism sector skill levels
- developing hospitality diplomas and pursuing tourism apprenticeships
- re-evaluating existing tourism intelligence, better gathering and use of market data and sharing of results with the industry

Developing Action Plan Priorities

Finally it is intended that a Tourism Action Plan will be prepared immediately following agreement of the Strategy. As a practical document its purpose will be both to present priorities in more detail and coordinate early action where investment and effort will be focused. It will become a rolling three year programme with emphasis on the first year. Given the complex interrelationships of the tourism industry and how it draws upon investment decisions across many parts of the local economy, the coordination role of the Action Plan potentially will be significant as will its ability to influence investment decisions made primarily for other purposes but which would benefit the tourism industry. In doing so the Plan will use STEAM (the Scarborough Tourism Economic Activity Model used since 2003 across the East Midlands) both as a means of guiding public sector investment and in evaluating the impact of this investment. This will allow individual priorities and action to be adjusted as the Strategy is pursued.