

Tourism Scotland 2020 Strategy Group Meeting

NOTE OF MEETING

Wednesday, 3rd February 2016

Microsoft, Edinburgh

Present:

- Stephen Balfour, S Lanarkshire Council / SLAED
- Judy Rae, Glasgow Science Centre (JR)
- Paul McCafferty, Scottish Enterprise (PM)
- Robert Allan, Apex Hotels (RA)
- Russell Imrie, Queensferry Hotels (RI)
- Stephen Duncan, Historic Scotland (SD)
- Fiona Cook, Scottish Government
- Gordon Dewar, Edinburgh Airport
- James Stuart, EPP Ltd
- Marina Huggett, Tourism Excellence Consultancy

In Attendance

- Caroline Warburton, STA (CW)
- Marc Crothall, STA (MC) - Chair
- Mhairi Clark, Scottish Tourism Alliance
- Virginia Grant, VMG Consulting
- Alister Wilson, VMG Consulting
- Willie Macleod, BHA Scotland

Apologies

- Paul Easto, Wilderness Scotland (PE)
- Calum Ross, British Hospitality Association
- Charlie Smith, VisitScotland
- David Allfrey, Royal Edin Military Tattoo (DA)
- Danny Cusick, Scottish Enterprise
- Chris Taylor, Highlands & Islands Enterprise
- Rebecca Brooks, Abbey Tours (Scotland)
- Stephen Leckie, Crieff Hydro Ltd (SL)
- Susan Deighan, Glasgow Life
- Barry McCulloch, FSB

1. Welcome

MC welcomed everyone to the meeting, and introduced STA Communications Manager Mhairi Clark who had been invited to attend to hear the key messages emerging from the discussion. MC reminded the group that this was the final meeting before the Mid Term Review findings are announced at Scottish Tourism Week.

2. Mid Term Review Process Recap

CW reminded the group of the Mid Term Review objectives and timeline as well as the role of the group itself. A process map of the review was presented, showing the remaining tasks to be completed.

The review has comprised 3 stages:

1. **Data Review:** analysis of progress towards targets, analysis of current economic conditions, discussion of trends affecting future performance; review of competitiveness.
2. **Progress to Date:** review of activity undertaken; what has been done and what difference it has made.
3. **Priorities to Close the Gap to 2020:** long list of possible priorities, reduced shortlist and development of PIDs for each recommendation

Decisions Asked of Group	Approved?	Comments / Actions	Who?
No decisions required			

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3. Key Findings from Mid Term Review

Using the TS2020 Framework (the rocket), CW presented the key findings from the review and invited comments on specific aspects outlined below:

3.1 Vision: *Scotland is a destination of first choice for a high quality, value for money and memorable customer experience, delivered by skilled and passionate people.*

- Whereas amendment to the text had been suggested by a few, the recommendation was that at this stage of the strategy, the vision should remain unchanged. This was agreed.

3.2 Mission: *Grow visitor spend through quality by £1bn to £5.5bn - £6.5bn (in real terms) by 2020.*

- The visitor spend measure remains valid, however reporting in real terms has at times caused some confusion. It was however considered to be a transparent way of reporting growth.
- Although the 2020 visitor spend forecasts predict a shortfall of £0.3bn to £5.5bn, this figure was still considered to be a deliverable with focussed effort.
- The group felt that consistency in reporting was important, therefore both the targets (£5.5bn - £6.5bn) and reporting in real terms should be retained. To avoid confusion, the shortened wording on 'the rocket' (growing visitor spend through quality to £5.5 - £6.5billion) should amended to "grow visitor spend through quality to at least £5.5billion".

3.3 Growth Markets

- The likelihood of each growth market reaching the potential stated in the original strategy was discussed, based on 2014 figures:
 - **Home Turf:** unlikely that 2020 spend potential will be reached.
 - **Near Neighbours:** on 2014 figures considered unlikely that 2020 spend potential will be reached.
 - **Distant Cousins:** maximum target already exceeded.
 - **Emerging Cousins:** maximum target already exceeded.
- The group agreed with the recommendation to maintain the market groups, but to update the potential growth figures to reflect current growth and future forecasts. The group also felt that there needed to be more intelligence and further discussion regarding the changing balance of Scotland's markets, what are the factors affecting these, whether Scotland is losing market share (particularly in Home Turf and Near Neighbours) and what could be done to maintain (or grow) our position.

3.4 Asset Groups

- CW outlined some of the key achievements across the assets, commenting that there had been significant progress in bringing industry together to establish common priorities. The focus now needed to be on delivery to drive growth and support to facilitate this will be required.

3.5 Other Key Initiatives and Issues

- CW highlighted key national initiatives being delivered (WorldHost Destinations, Glasgow Welcomes and adoption by other regions, Digital Tourism Scotland and Scottish Tourism Week).
- Robert Allan, Chair of the Tourism Skills Group, updated the group on the key themes emerging from the Tourism Skills Investment Plan Review - all of which resonate with the Mid Term Review. One aspect is the change from focus on 'training' towards 'learning and development' within the industry.

Decisions Asked of Group	Approved?	Comments / Actions	Who?
Vision To remain unchanged.	Y	Vision remains unchanged	

Mission: Maintain current targets & continue report in 'real terms'	Y	Target range unchanged, however where shortened to be shown as 'at least £5.5bn'.	CW
Growth Markets: Maintain current market groups Update growth forecasts.	Y Y	- CW to contact VS Insights for revised numbers. Further work required to better understand growth markets, industry alignment with VS campaign, industry opportunities and regional/sectoral data.	CW/VS CW/VS
Asset Groups: No decisions required	-	-	-
Other Key Initiatives No decisions required	-	-	-

4. The Emerging Priorities 2016 - 2020

Four clear priorities have emerged from the Mid Term Review. These have been consistently raised by industry and the other consultees as needed to be addressed if the 2020 target is to be reached.

Priority 1: Strengthen Industry Leadership:

- To enhance the quality of the visitor experience
- To deliver TS2020 growth ambition – locally, nationally, in urban and rural settings.

Priority 2: Strengthen Digital Capability:

- To accelerate industry's use of digital technologies to increase sales (grow top line) and reduce costs (reduce bottom line) to improve competitiveness.

Priority 3: Enhance the Quality Visitor Experience:

- To enable businesses to develop their people (quality & international)
- To enable people to develop the right skills (quality & international)

Priority 4: Influence Investment:

- Built infrastructure, digital connectivity, flight access & transport connectivity, and business growth finance.

The group split into four subgroups to discuss the following points in relation to each priority:

1. What specifically needs to be changed, developed or delivered differently in order to make a difference in this priority area?
2. How will a greater focus on this priority enable industry - specifically asset / industry groups - deliver their vision and growth targets?
3. What needs to be in place to support them to do this (e.g. expertise, knowledge, access to data)?
4. What key messages will help mobilise the industry behind this priority?

Decisions Asked of Group	Approved?	Comments / Actions	Who?
No decisions required		CW to write up notes & circulate to group.	CW

5. TS2020 Framework (The Rocket)

A fifth priority had been identified in the review specifically relating to the TS2020 framework:

Priority 5: Updating the TS2020 Framework:

- 5.1 Adapt the framework to take account of significant changes, e.g. vision / mission / rocket / underlying principles.
- 5.2 Align with VisitScotland Marketing Strategy to achieve market focussed approach.
- 5.3 Ensure longer term strategic marketing perspective, with focus on researching, understanding and undertaking preparation for potential high growth markets, embedding opportunities for innovation and ensuring a continuous broad scanning approach to future proof the strategy.
- 5.4 Develop a standard approach to initiating and monitoring TS2020 projects based on a project initiation document (PID) method.
- 5.5 Rebalance the emphasis of specific elements of the TS2020 framework.

5.1 Adapting the Framework

Changes to the TS2020 rocket were discussed in agenda item 3 above. Additional agreed changes were:

- Change “Marketing” to “Marketing & Intelligence”
- Change “Sustainable Tourism” to “Sustainability”

5.2 Alignment with VS Marketing Strategy

- There needs to be clear link between VisitScotland’s marketing strategy and TS2020 in order to demonstrate the impact which the marketing strategy will have on the delivery of TS2020. It will also strengthen the opportunity for TS2020 Strategy Group to publicly endorse, support and champion the new campaign with the industry and to Scottish Government.

5.3 Longer Term Strategy Marketing Perspective

- Felt to be essential if TS2020 is look forward and not reflect on historic data, however further work on how this might be achieved is required. Activity will relate to 5.2 and 3.3 above together with ongoing horizon scanning in preparation for 2030 ambitions (and the next tourism strategy).
- It was also agreed that a ‘risk register’ should be developed for the strategy to identify the main strategic issues which could knock the strategy off course between now and 2020.

5.4 Standard Approach to Initiating and Monitoring TS2020 Projects

- As part of the consultancy brief for workstreams 2 and 3, draft PID templates for each strategic priority and specific projects have been developed. These have been shared with the Mid Term Review Group and are available to TS2020 Strategy Group if requested.

5.5 Emphasis on specific elements of the TS2020 Framework should be rebalanced.

- Using the four main priorities, CW presented a revised version of the rocket. There was much discussion about which revisions should be included with no consensus. There was however a view that the updated rocket should be professionally designed. It was agreed that several versions would be send to group and the most popular would be used.

5.6 Other Issues:

CW highlighted other issues which, although not specifically mentioned in the rocket diagram, had been highlighted in the review, namely:

- To ensure consistent monitoring of the strategy and other key factors influencing its delivery;
- To continue to develop an effective visitor satisfaction measure for strategy;
- To improve quality and availability of market intelligence and volume and value data to industry;
- To ensure focus on innovation, productivity (efficiency) and competitiveness.

There was brief discussion about future resources to help support industry to lead the strategy. MC informed the group that planning over resources will begin now that the Mid Term Review findings have been agreed and there is more clarity over what is required in order to support delivery.

Decisions Asked of Group	Approved?	Comments / Actions	Who?
5.1 Adapting the Framework	-	CW to update marketing and sustainable tourism boxes as agreed.	CW
5.2 Alignment with VS Strategy	Y	TS2020 Gp/VS to show alignment	VS/CW
5.3 Longer Term Markets Perspective		Continuous scanning work to be scoped (link to 5.2 and 3.3) CW to draft risk register for TS2020.	SE/HIE/VS CW/STA
5.4 Standard Approach to Projects	-	-	-
5.5 Rebalancing of Priorities Approval of revised rocket	N	ALL to vote on preferred version	ALL

6. Talking to the Industry: Scottish Tourism Week (11 – 18 March)

The main findings will be announced at Scottish Tourism Week with the following outputs:

1. **STA Signature Conference:** presentation by SL (main announcement);
2. **STW Roadshow:** 15 industry events across country, 10-15min slot at each;
3. **Online publication:** proposed rework of TS2020 Key Messages document;
4. **Report of Review Findings:** compilation of the reports as a record of the process undertaken.

Decisions Asked of Group	Approved?	Comments / Actions	Who?
No decisions required.			

Dates of Next Meetings

27th April, 1.00pm – 4.00pm, Microsoft Offices, Edinburgh

21st Sept, 1.00pm – 4.00pm, TBC (likely to be Microsoft), Edinburgh

1st Dec, 10.30am – 2.30pm, TBC, Edinburgh
