

Tourism Leadership Group Meeting

NOTE OF MEETING

Wednesday 17th January 2018
Institute of Directors, Edinburgh

Present:

- Robert Allan, Apex Hotels (RA)
- Fiona Cook, Scottish Government (FC)
- Marc Crothall, STA (MC)
- Danny Cusick, Scottish Enterprise (DC)
- Susan Deighan, Glasgow Life (SD)
- Stephen Duncan, Historic Environment Scotland (SD)
- Marina Huggett, Tourism Excellency Consultancy(MH)
- Anna Miller, Highlands & Islands Enterprise
- James Stuart, Entrepreneurial Scotland (JS)
- Paul Easto, Wilderness Scotland (PE)
- Charlie Smith, VisitScotland (CS)
- Stephen Leckie, Crieff Hydro (SL) - Chair
- Calum Ross, British Hospitality Association (part)

In Attendance

- Caroline Warburton, STA (CW)
- Sandy Kennedy, Entrepreneurial Scotland
- David Watt, Institute of Directors
- Chris Greenwood, VisitScotland (CG)
- Steve Dunlop, Scottish Canals
- Kevin Brady, Scottish Government
- Paul McCafferty, Scottish Enterprise
- Nikki Sherret, VisitScotland

Apologies

- Gordon Dewar, Edinburgh Airport (GD)
- Russell Imrie, Queensferry Hotels (RI)
- Judy Rae, Glasgow Science Centre (JR)
- David Allfrey, Royal Edin Military Tattoo (DA)
- Bettina Sizeland, Scottish Government (BS)
- Suzanne Cumisky, SLAED Tourism Group

1. Welcome & Note of Previous Meeting

SL welcomed all to the meeting, in particular the speakers and invited industry representatives. He also thanked David Watt of IOD for the meeting room and noted apologies.

The note of the previous meeting (Paper 1) was approved with comments made on actions below.

Actions	Who?	Update
CS to ask VS Insights Team for available insights drop in business travel, such as any analysis of trips between London & Scotland (flights or train passengers). <i>NB: business travel refers to meetings/work commitments, not for conferences & exhibitions.</i>	CS / VS	Business confidence is dropping (reflecting geopolitical uncertainty) and costs are rising. Both are contributing to reductions in corporate T&S budgets. Increased use of technology due to falling costs and rising ease of use reduces the need to travel for meetings. Improvements in travel could be making it easier to do meetings as a day trip therefore no overnight stay required. <i>It was noted that business travel is not currently recorded by the Day Visitor Survey but will be included in future surveys.</i> The group acknowledged that business travel figures are more likely to be influenced by wider economic factors than by tourism marketing and development activities therefore the strategy's ability to influence these figures are limited. The numbers are however included in the TS2020 headline KPIs. It was also noted that although business travel is falling, the conferences and exhibitions market (MICE) in Scotland was strong (not captured in business travel figures).
Session to discuss sources of tourism data to be held prior to next meeting.	CW	It was agreed that ensuring robust measurement of next strategy was essential. A sub-group will need to be established once the process has been agreed and there is agreement on what the strategic goals.

Comments / Actions	Who?	Decisions Asked of Group
Draft list of tourism investment priorities which have been submitted to Tourism Working Group to be circulate to TLG for comment.	FC	Information on the Tay City Region and Stirling & Clackmannanshire City Deals has been provided by Scot Gov to CW but was not for circulation. Agreement that summary paper on City Deals would be helpful so request to Scot Gov to extend summary paper to include all City Deals and Growth Deals. This would include:
Analysis of tourism projects included in City Deals to be provided.	FC	<p>City Deals</p> <ol style="list-style-type: none"> 1. Aberdeen City Region 2. Tay City Region 3. Stirling & Clacks 4. Glasgow City Region 5. Edinburgh & South East Scotland City Region 6. Inverness and Highland City Region <p>Growth Deals</p> <ol style="list-style-type: none"> 7. Islands Region 8. Moray Growth Region 9. Borderlands Region 10. Ayrshire Region <p>DC highlighted a meeting is being held to look at food & drink-related projects contained within City Deals. Organised by Scottish Government (F&D and City Deals team), Scotland Food & Drink and key partners. It was suggested that a similar meeting could be held to look at tourism and City Deals. Fiona Cook to consider.</p>

2. Tourism Scotland 2030 – The Next Steps

Appointed as Chair of a TS2030 sub-group at the last meeting, MC provided an updated on progress. In December, MC had emailed key partners (Scot Gov, VS, SE, HIE & STA) proposing a process (shown below) and asking for views.

Section 1: Developing a Strong Evidence Base (Feb – Jun 18)

- Review of TS2020
- Trends & Market Analysis
- Industry Analysis
- Competitor Analysis

Section 2: Drafting the Strategy (Jun – Sept 18)

- Market Opportunities & Priorities
- Sector & Industry Capabilities
- Vision & KPIs

Section 3: Getting Collective Commitment (Oct – Feb 18)

- Challenge & Build the Strategy
- Identifying Actions/Priorities
- Writing of Tourism Scotland 2030

Although there was general agreement, it was clear that further discussion was necessary to ensure clarity and consensus. This meeting is to be held on 6th February and MC will report back to the group on the decisions made. Some of the issues to be discussed include:

- **Scope:** evolution of current strategy or complete revolution; ability to create a relevant strategy for national, regional and sectoral levels;
- **Process:** key stages and timeline;

- **Responsibilities & Structures:** role of TLG & High-level Tourism Working Group; bringing in new thinking & ‘critical friends’; use of large consultancy firms such as Deloitte; size/composition of working group; budget; core staff.

MC also highlighted the opportunity to announce plans for developing the next strategy at the STA Signature Conference which opens [Scottish Tourism Month](#).

Decisions Asked of Group	Approved?	Comments / Actions	Who?
		Meeting to be held on 6 th Feb with principle partners. MC to report back to TLG on decisions.	MC

3. Leadership & Entrepreneurship

James Stuart, TLG member and Managing Director of Entrepreneurial Scotland facilitated the discussion, referencing the importance of leadership in TS2020 and as a mid-term review priority. He highlighted the Scottish Government [CanDo] vision of ‘Scotland as a world-leading entrepreneurial nation’ which links well to Entrepreneurial Scotland’s vision of ‘making Scotland the most entrepreneurial society in the world’.

David Watt of IOD and Sandy Kennedy of Entrepreneurial Scotland were asked to provide their thoughts on the leadership and entrepreneurship within the tourism sector. The key themes from the presentations and discussions were:

- **Importance of balancing the focus on ‘internal leadership’ (skills to lead and run a business) and ‘external leadership’ (leading the sector).** The group also recognised role of leaders in communities to help drive tourism and considered how they might be supported and encouraged.
- **Aspiration/Mindset:** leadership is about vision, transformation, determination and passion. Leaders need to be agile, particularly in uncertain times, and have the determination to see their vision through. Reference was made to [EY \(2014 “The Bold Ones” report\)](#). Need to raise the growth ambition of tourism businesses across Scotland, encouraging them to have an ambition to compete with peers internationally, not just in Scotland.
- **Focus and financial support for entrepreneurship has often been on start-ups,** but need to recognise importance to scale-ups, larger firms and public sector. Importance of fostering “intrapreneurial” mindsets within organisations. Felt to be relatively few scale-up businesses in tourism. Why is that and how might we change it? Lack of capital for scale-up tourism businesses may be stifling growth (and ambition as a result).
- **Investing in leadership (ourselves and future leaders).** Do we invest enough time and resources? Lack of investment/focus on entrepreneurial leadership within tourism businesses. How can we improve this? Such investment could have a significant impact on productivity in tourism. General consensus that there is support available however it is not being accessed.
- **Importance of peer-learning** (tribal nature of learning – i.e. wanting to be as good if not better than our peers). Is there sufficient understanding and appreciation by the sector of the different ways people learn (experience, observation/influence or teaching)?

It was agreed that this topic was not one which any one organisation could lead, but for everyone to work together to support our tourism leaders and drive up the collective ambition for 2030. There was a commitment to continue the discussions with IOD and Entrepreneurial Scotland on driving forward the leadership and entrepreneurship opportunities for the tourism sector.

4. Tourism Insights, Data & Intelligence – What Do we Need It To Tell Us?

Chris Greenwood, Insights Manager at VisitScotland gave a brief presentation (circulated with note of meeting) on the need start consideration of the metrics required for the analysis, targets and monitoring of the next tourism strategy. The metrics used will not only depend on what the strategy intends to deliver, but

also what data is available. If new datasets are required then the cost and effort required to attain the data will need to be taken into consideration.

Current methods available to measure tourism & marketing include:

- **Volume & Value** (e.g. Tourism Monitors, IPS)
- **Official Statistics** (e.g. SABS, BRES, Input/Output Tables)
- **Gross / Net Economic Impact** (i.e. total and new money in the economy that would have happened without the intervention)
- **Industry Performance** (e.g. confidence barometers, Purchase Managers Index, FSB survey)
- **Customer Experience Measurement** (NPS / Advocacy Scores, sentiment analysis)
- **Return on Investment** (e.g. impact/analytics of specific marketing campaign or investment)

It was agreed that although the TS2020 target of increasing visitor spend provided a clearly understood and measurable goal, the GTBS/IPS datasets have not been sufficiently robust to allow interrogation at regional or sectoral levels. Therefore we have been unable to identify the relative impacts of different interventions and activities. A number of aspects were raised during the discussion including:

- Markets (visitor profiles and spend)
- Productivity (efficiency of tourism activities)
- Inclusion (distribution of visitors)
- Exports (international visitor spend)
- Business performance (yield, employment)

As the strategy has progressed there is now a consensus that robust strategic tourism measures are essential. The opportunity to establish a series of measures which will accurately track the strategy tourism industry's progress will need to be factored into the TS2030 development process. A baseline will be required, following by continuous monitoring.

Decisions Asked of Group	Approved?	Comments / Actions	Who?
		Data considerations to be factored into the TS2030 development process.	Strategy sub-group

5. TS2020 Update on Progress

Paper 2 was tabled and approved.

6. AOB

There was no AOB.

Dates of Next Meeting

CW proposed that a future meeting might be held further north (Perth, Aviemore or Inverness).

25 April, 2pm – 4.30pm, Edinburgh

19 September: 2pm – 4.30pm, **Stirling**

28 November: 11am – 1.30pm, Edinburgh