

**SCOTTISH TOURISM - A PROGRESS REPORT FOR 2003/04**

*Second progress report on Tourism Framework for Action*

**JUNE 2004**

# SCOTTISH TOURISM FRAMEWORK FOR ACTION – A PROGRESS REPORT FOR 2003/04

## Foreword by the Minister for Tourism, Culture & Sport



A huge amount of progress has been made across the tourism sector in Scotland during 2003/04, through the sheer hard work of the thousands of people who work in the multitude of businesses which form it. This report summarises the main outcomes from the second year of our Tourism Framework for Action, including a measurement framework which tracks the progress being made. It also sets that progress within the context of our recent announcement on tourism funding and structure.

The importance of tourism to Scotland and its economy has always been understood by the Executive. But it is fair to say that it has been re-emphasised since last summer to my Ministerial colleagues and me on the Ministerial Group on Tourism as we have looked across a wide range of issues affecting Scottish tourism.

It has been good to see continuing growth in some key markets following the strong growth in 2002. Many tourism businesses of all kinds and sizes have profited from that growth and tourism employment has grown. We in the Executive want to do all we can to stimulate continued growth in gross tourism revenues and employment. But none of us with the interests of the sector at heart can afford to be complacent, because tourism is one of the most competitive industries in the world and the competition is getting stronger. We need even more tourism marketing of Scotland and even better use of IT as it quickly becomes the world's favourite way of booking holidays. We need to improve the consistency of the quality of what our visitors experience when they come to this country, and as part of that, we need to achieve much better training and development of the people who make Scottish tourism what it is. Lastly, but not least we need a support structure for Scottish tourism which is not only able to help tourism businesses beat the competition to Scotland as a destination in today's international market, but is flexible enough to cope with tomorrow's challenges, whatever they turn out to be.

These are the reasons why, in order to build on the progress reported in this document, we have decided to increase our support for tourism, already running at around £80 million a year. We are increasing VisitScotland's marketing budget by 28% (£17m) over 3 years. £5m of that increase has already been put to good use, and we want the private sector to match the remainder by contributing £12m to joint marketing and other opportunities with VisitScotland. Working with the private sector, we want to build on the VisitScotland Quality Assurance Scheme to guarantee every one of our visitors the standards of quality and service which they expect to receive wherever they go. We are also developing the Area Tourist Board structure into a new network of tourism hubs, integrated with VisitScotland. These hubs will work closely with local partners such as Local Authorities and Local Enterprise Companies to reach outwards to the thousands of tourism businesses and organisations in their areas, as well as to the national tourism strategies for marketing and product development. Our aim is to continue to achieve the revenue growth of the last few years' right through the next decade, resulting in 50% growth by 2015.

I know that many in the tourism sector were frustrated by the length of time that passed since the ATB review was begun, but my colleagues and I very much wanted to put together a coherent package for Scottish tourism to help it to build on the strong foundations which exist already. We share your vision of tourism growing strongly in the years ahead, and becoming one of the main growth sectors of the Scottish economy. I and my colleagues in the Executive will certainly do all that we can to ensure that the vision becomes a reality, and I hope that the measurement framework set out in this report will help us to track our performance against that objective.

A handwritten signature in cursive script that reads "Frank McAveety". The signature is written in black ink and is centered on the page.

**FRANK McAVEETY**

## **SCOTTISH TOURISM FRAMEWORK FOR ACTION: A PROGRESS REPORT**

This is a progress report on one of Scotland's biggest business sectors. Tourism is hugely important to the Scottish economy as it is currently worth £4.5 billion a year and accounts for around 215,000 jobs, or 8% of the Scottish total.

In 2000, and against a background of declining tourism revenues, the Scottish Executive published our "New Strategy for Scottish Tourism". This identified 5 strategic priorities for action:-

- better marketing of Scotland in tourism markets at home and abroad;
- more effective use of IT to allow more bookings to be made online;
- the achievement of higher standards of quality and service;
- better development of the skills of those who work in the industry, and
- the need to ensure that the support structures for the industry are right.

In order to make the strategy work, and after a wide ranging consultation exercise, we published our Tourism Framework for Action (TFFA) in 2002. It represented the combined response from the industry and public sector partners to the strategy.

A Steering Group was established in 2002 under the chairmanship of the Minister for Tourism Culture and Sport to oversee progress under the TFFA; supported by an Implementation Group chaired by VisitScotland (membership of both Groups is at Annex A and minutes of Steering Group meetings can be viewed on [www.scotexchange.net](http://www.scotexchange.net)). A Progress report on the achievements of the first year of the TFFA was published in March 2003.

Since then, the Implementation Group has continued its work, on 2 main fronts. First, it developed several specific projects designed to give practical expression to the consumer focus "pillar" of the TFFA (it having been agreed by the Steering Group that consumer focus should be the priority area for action under the Framework). Two of these projects have now been delivered. One is a consumer satisfaction record system for use by small accommodation and attraction businesses; developed by VisitScotland, it is available gratis to anyone who wants to download it from [www.scotexchange.net](http://www.scotexchange.net). The other is a careers pack prepared by Springboard Scotland to encourage potential entrants to tourism and hospitality to see it as a career of choice.

The second main strand of work within the Implementation Group has been to develop a measurement framework against which to measure progress against the original TFFA action points (an objective set out in the TFFA itself). The Implementation Group, with the agreement of the Steering Group, took the view that it would be impractical to develop a measurement framework for each of the 75 action points separately. Instead, these were condensed into 7 high level objectives for the tourism and related sectors. Key

performance measures and targets for each of these objectives were agreed. The 7 objectives are as follows:-

1. Increase in brand awareness
2. Increase in conversion of awareness to sales
3. Increase in direct access opportunities
4. More successful tourism business leadership
5. More investment in people and skills
6. Enhanced products and services
7. Increasing the profile of Scottish tourism

Two years on from the publication of the TFFA, much has been achieved against many of its actions. This report sets out the progress which has been made in 2003/04 against the above objectives. The measurement framework itself is set out at Annex B, listing for each of the above objectives how progress in achieving it is being measured against specific targets.

The TFFA is now in its third year of a 3 year programme. While the measurement framework will continue to be used to measure progress under it, it will also be necessary to consider what should be done to extend/replace it. The Steering Group will consider this issue within the next few months.

Tourism Policy Unit  
Scottish Executive  
June 2004

## **Objective 1 – Increase in Brand Awareness**

### Objective

To increasingly:-

- invest in, develop and promote a compelling brand for Scottish tourism;
- convey a consistent message to both UK and overseas visitors through subscription to the brand by all members of the tourism industry; and
- match the brand promise and the delivery of a distinctive product and experience.

### Achievements

**VisitScotland** has established the Scotland tourism brand (dramatic, human, enduring) through TV and cinema adverts and press coverage. A key element of the brand is propensity to visit Scotland, where in the UK market, the proportion very or quite likely to visit Scotland for a short break grew strongly from 49% in May 2003 to 55% in August 2003.

Within the overall Scotland brand, VisitScotland has developed brand portfolios for Freedom of Scotland, Active Scotland, Culture and Heritage, Cities and Business Tourism, with detailed strategies being deployed for all leisure and business tourism marketing. The ‘Senses’ campaign ran in the North of England throughout 2003/4, and the new Active TV and cinema advert achieved very high tracking scores for advert ‘enjoyment’ and ‘standout’. Overseas, brand research was carried out in the US, Germany, France and Spain through summer 2003. Focus groups with touring, city break and walking prospects provided clear direction on the most motivating delivery of the Scotland brand and portfolio in international markets. Consumer pre-testing of the resulting ad concepts in December 2003 saw these amended to optimise performance of the new US and pan-European campaigns to roll out in spring 2004.

Building on presentations and discussions with a wide range of industry bodies and businesses, VisitScotland produced a CD-ROM on the Scotland brand and the associated marketing strategy and distributed this to Area Tourist Boards and to Quality Assurance advisors as an additional channel to improve business understanding of the link with brand development work.

VisitScotland’s consumer PR teams have consistently achieved significant high profile and value editorial coverage for Scotland in UK and overseas media, with over 500 articles and broadcasts featuring the brand message and call to action for visitors.

Three successes were achieved at the 2004 Scottish Marketing Awards, including the Grand Prix for Innovative Marketing and the Best Large Organisation awards.

### Target

To further increase the number of adults in both the UK and other key markets likely to visit Scotland in the next twelve months.

## **Objective 2 - Increase in conversion of awareness to sales**

### Objective

To increase the number of “high yield” visitors to Scotland, and address the issues of extending the season and geographical spread by:-

- understanding consumer motivations;
- making it easy for them to buy a holiday or trip to Scotland;
- offering the right product mix.

### Achievements

**visitscotland.com** has achieved 98% participation by ATB member businesses. The website has been upgraded with improved design and mapping functionality and new on-line booking functionality was implemented in September 2003. Over £12 million of accommodation bookings have been generated for businesses since start up in Autumn 2000. User sessions in 2003/04 were 60% up on 2002/03, while 98% of surveyed visitscotland.com users are either happy or very happy with the service.

**VisitScotland** marketing campaigns were targeted to achieve an overall £14.50 for every £1 invested in 2003/4. In the UK and Ireland campaigns focused on making it easy for consumers to get information on Scotland and to purchase serviced accommodation. The two main thematic marketing campaigns were Spring over January to June 2003 and Autumn Gold 2003. The Spring campaign generated an additional £12.7 million expenditure over the first half of 2003 - £7.50 for every £1 invested. Autumn Gold involved a 400,000 mail out which achieved 20% redemption on the main mailer, and 840,000 inserts in national papers which achieved 2.6% redemption; three times the predicted target level in papers such as the Telegraph. Autumn Gold results have still to be finalised but provisionally generated an additional £9.3 million - £8 for every £1 invested.

Product portfolio marketing elements included:

Freedom / Wildlife - involved a successful Scotland Underground Campaign in London in summer 2003 in association with Highland Spring, a partnership with Highlands of Scotland Tourist Board, and developing ‘Romantic Scotland’ as a year round destination for romantic breaks with a new brochure and website.

Active / Outdoor - introduced a new advert for cinemas and TV, while new brochures and websites were launched for ‘Walk Scotland’ and ‘Cycle Scotland’. VisitScotland supported the successful hosting of the Indoor Climbing World Cup at Ratho which achieved national media coverage, the Mountain Bike World Cup in Fort William, the Tiree Wave Classic and under the banner ‘Scotland the home of Golf’, conducted major golf promotion.

Culture and Heritage - involved redevelopment of the [ancestralscotland.com](http://ancestralscotland.com) website, an enhanced advertising and event presence at Tartan Day in New York and promotions at ‘Scotland at the Smithsonian’ in Washington DC and support for the MTV awards in Edinburgh and the Burns Festival in Ayr.

Cities - involved working with VisitBritain on its European Short Breaks Campaign, and with Edinburgh & Lothians Tourist Board and Greater Glasgow & Clyde Valley Tourist Board on the promotion of 'Scotland's Great Cities' in the key markets of Germany, France, Holland and Belgium.

Business Tourism - the former Scottish Convention Bureau was relaunched as the VisitScotland Business Tourism Unit, with an operational budget increased by 50% to £1.5 million in view of the high market growth potential. A redesigned trade website for [conventionscotland.com](http://conventionscotland.com) has been launched and is already attracting over 1,250 unique user sessions per month. The new Unit is working closely with the established convention bureaux across the ATB network to realise the benefits of synergy while building on their long established track record of success.

VisitScotland International marketing activity is aligned with the product portfolio and involved the following in 2003:

North America - included a touring campaign comprising print and online advertising in partnership with airline and tour operator partners, an expanded programme around Tartan Day, and a four month promotion 'Scotland at the Smithsonian', involving a programme of over 30 Scotland themed events and seminars targeting the members of the Smithsonian Associates, and culminating in the two week Smithsonian folklife festival attracting 1.1 million visitors in July 2003. These promotions attracted over 380,000 responses, with a conversion rate of 41% generating additional expenditure of \$72 million (approximately £45 million) for Scotland.

Germany - included a touring campaign comprising inserts, direct mail, TV, ion-line and tactical advertising in partnership with direct access carriers. A walking campaign involved direct mail, exhibitions and a major insert promotion with top magazine 'Wandermagazin'. The campaign generated over 52,000 responses and whilst results have yet to be finalised the target was £5 million of additional expenditure.

France - included a touring campaign comprising print, inserts, direct mail and a major co-operation with [lastminute.com](http://lastminute.com). The campaign generated 17,000 responses and whilst results have yet to be finalised the target was £5 million of additional expenditure.

Netherlands – included a touring campaign and a walking campaign comprising exhibitions, direct mail and themed inserts in walking magazines.

Belgium - included a touring campaign comprising advertorial and direct mail promotions with ferry and airline partners, involving the annual Scottish Weekend attended by 50,000 visitors, 100 pipe bands, battle re-enactments, Highland games and Scottish products.

Sweden – included creation of a new Scottish gateway website and involving online promotions and PR events with airline partners.

Spain - The 'Scotland in Catalunya' event was designed to support the new Girona / Prestwick route, touring and city breaks. Becoming part of the annual Barcelona Festival secured extensive promotion of a Scotland village showcasing tourism, food and drink, music, arts and crafts, and gala reception with the Scottish Executive targeted the business, media and travel trade communities.

The **Area Tourist Boards** were heavily involved with many of these marketing campaigns.

VisitScotland continued to lead on a number of marketing events that are critical sales platforms for the industry, including EXPO at the SECC in Glasgow, World Travel Market in London, and national and international exhibitions and events, and to benchmark Scotland against competing destinations and disseminate results on channels such as [www.scotexchange.net](http://www.scotexchange.net).

### Targets

To achieve steady growth in tourism revenues by:

- Growing Scotland's market share of UK expenditure within the UK.
- Growing Scotland's market share of overseas expenditure in the UK.
- Stabilising Scotland's share of international tourism trips.
- Achieving the business plan target for [visitscotland.com](http://visitscotland.com) for total enquiries and bookings.

### **Objective 3 - Increase in direct access opportunities**

#### Objective

To achieve better direct access to Scotland by air, sea, road and rail, which is vital for growth of the tourism industry; to better understand visitors' travel needs and work in partnership with transport providers to make sure visitors' needs are met.

#### Achievements

**The Scottish Executive** launched its Route Development Fund in November 2002. Since then, **Scottish Enterprise** and **Highlands and Islands Airports Ltd** have been actively involved in negotiating new routes to Scotland. Most of the new routes are to key markets in Europe but they also include the new Emirates service between Glasgow and Dubai, and the Continental Airlines' service from Edinburgh to New York (Newark) which is due to commence on 11 June 2004. The objective of the Scottish Executive's investment is to share the risk inherent in starting new air services and to work towards the sustainability of routes. Through the Route Development Fund and other work, links from the Highlands and Islands were strengthened by the new direct air services from Inverness Airport to Birmingham and to Stockholm.

**VisitScotland** advises on those air and ferry routes that offer greatest opportunity for developing additional inbound visitor traffic to Scotland. Working in partnership with direct access partners by air and sea, VisitScotland worked to counter perceptions of inaccessibility and cost, and via extensive promotional programmes, to generate increased awareness and demand for these routes. VisitScotland promotions with carrier partners included touring campaigns as well as a major new city break advertising programme in Germany, France, Netherlands, and Belgium, which have achieved a return on investment of £25 for every £1 of expenditure.

The benefits of additional air services can be demonstrated through a study carried out into the economic impact of the Ryanair services operating out of Glasgow Prestwick Airport. This showed that Ryanair's inbound passengers stayed for 2.4 million nights in Scotland during 2002-2003, pumping around £13.8 million into the Ayrshire economy.

In 2002, Scottish Enterprise supported by VisitScotland was instrumental in attracting the new Superfast ferry service which runs between Rosyth and Zeebrugge. An extensive programme of joint promotions with Superfast in its first two years of operation has achieved high levels of awareness and demand from the service. During 2003 the tourism benefits of this service became evident with over 300,000 passengers travelling on the ferry between the start of the service in May 2002 and December 2003.

Within the Highlands and Islands there was an emphasis on improving access by land and sea. This led to the establishment of the Tobermory – Kilchoan ferry service on an all year round basis; an extended summer timetable period on the West Highland Line; and the implementation, for the first time of Sunday train services on the lines to Kyle and Wick and Thurso.

#### Targets

To increase year on year the number of new direct access routes to Scotland.

## **Objective 4 - More successful tourism business leadership**

### Objective

To encourage the many entrepreneurial business leaders who are at the heart of the tourism industry's success, and to help others to emulate their example. Business leaders read the market, lead and manage change, adapt or reinvent existing businesses, or set up new ventures. All business managers have a leadership role within their business – anticipating and adapting to changes in the market place. In the tourism industry, where the total visitor experience is what counts, customer focus will increasingly call for leadership that promotes collaboration across all tourism-related businesses and sectors.

### Achievements

The private sector **Tourism Innovation Group** developed its activities in 2003 through a Project Executive working on a range of activities including the learning journey to Slovenia to study best practice there.

**Pride & Passion** is now two months into its Phase 1 development, which will be completed with a full business plan by August. **Pride & Passion** has the role of 'the visitors' champion' and will be rolling out activity to the industry to encourage a greater customer focus. The activity will be aimed directly at Tourism Business as well as through existing initiatives and programmes within the public sector and trade groups. The approach will be to 'influence others to influence' through enthusiasm and best practice in order to create an all involving culture of increased understanding of our visitors.

**Scottish Enterprise** runs a substantial programme of skills support aimed specifically at senior managers and business owners. 2003 saw the biggest programme of its kind ever run in Scotland, including the Gleneagles Tourism Masterclasses; a programme of major industry conferences; practical workshops and learning journeys. Overall, some 1,400 tourism business leaders / managers participated in the leadership development programme in 2003.

**Highlands and Islands Enterprise** gave priority to skills development by tailoring support programmes to cater for the diverse needs of business owners and managers and the employees within their businesses. For 12 business owners and managers in the HIE area a Learning Journey Programme was started in Alberta, Canada last year to absorb and utilise best practice in that area. Currently 57 businesses are being supported by the HIE Network through a combination of advisory services, networking events and training.

### Targets

To increase the percentage of owners/managers participating in on and off the job training.

## **Objective 5 - More investment in people and skills**

### Objective

To increase the uptake of training and skill development among tourism people. If Scotland is to meet and exceed visitor expectations, businesses must continue to be driven by developing skills and learning. Skills development should apply at every level of the industry, from business leadership and management to key skills in marketing, customer relations management, developing new ideas, e-business and human resource development. The industry and individual businesses must be able to attract and retain high-quality people in an increasingly tight and competitive labour market.

### Achievements

Data published in 2003 by **Future Skills Scotland** showed that tourism is a major employer accounting for around 215,000 employees; has a high level of part-time working (over 50%) compared to other industries; has a level of labour turnover nearly double that of other industries; has skills gaps for a higher proportion of employees and workplaces compared to other industries; and tourism employers were less likely to have plans for staff training and development.

**Scottish Enterprise** and **Highlands & Islands Enterprise** manage an extensive programme of short training courses focussed on improving service quality. These courses include “Welcome Host” and “Scotland’s Best” in which there have been over 78,000 participants in the last 10 years.

**VisitScotland, Scottish Enterprise and Highlands and Islands Enterprise** are working closely to factor in the skills and training criteria into the quality assessment process in a demonstrator project involving 20 tourism businesses, the results of which are under review.

**Tourist Board Training Ltd** is an initiative between VisitScotland and Scotland’s 14 Area Tourist Boards. In partnership with a number of organisations it led a range of initiatives to deliver skills development in Wildlife Tourism, Family History Tourism, National Park Welcome and the Professional Development Award in Visitor Attractions.

At the instigation of the TFFA Implementation Group, **Springboard Scotland** has developed material to showcase Scottish tourism as an attractive career opportunity. The careers pack is a flexible resource that includes a full ranging video and CD ROM that has been made widely available to promote Scottish tourism to the fullest extent, careers postcards, promotional posters and Career Compass – a magazine depicting different sector opportunities. This pack was produced in collaboration with the industry and now has 120 Springboard Ambassadors throughout the Highlands & Islands Enterprise and Scottish Enterprise areas that are now working closely with local schools.

### Targets

To increase the proportion of tourism employees participating in on and off the job training and the proportion of employers offering on or off the job training for employees.

## **Objective 6 - Enhanced products and services**

### Objective

To maximise the benefit that tourism provides to Scotland by developing more effective working partnerships, including:

- Business to business
- Business to support agencies (VisitScotland, the ATBs and the enterprise networks)
- Support agencies with each other
- Local Authorities and communities with businesses and support agencies.

The above includes building stronger links between tourism and related sectors such as retail, food and drink and transport, which have a major influence on the tourism “experience”, and which also benefit from tourism.

### Achievements

The **Area Tourist Board** network worked during 2003 on the following trade supported initiatives:-

**Making Tracks** - a nature based tourism project for the South of Scotland bringing together farmers and tourism businesses, aimed at visitors with an interest in wild life, the environment and nature based tourism.

**Scotland's Sea Kingdom** - a total of 32 projects being progressed by local trade and community groups to develop and promote cultural and heritage tourism throughout Argyll and the Islands.

**Golf Tourism** - several regional golf marketing groups undertook a series of joint promotions within the UK and overseas. The Scottish Borders developed Scotland's best selling golf passport scheme – the Freedom of the Fairways –generating over 18,000 rounds of golf in the Borders.

**The Other Side of Scotland** - Aberdeen & Grampian, Angus & Dundee and Kingdom of Fife joining forces to raise awareness of the East of Scotland, generating almost £2 million in additional visitor expenditure.

**Escape to the Highlands & Islands** – Five ATBs initiated “Escape to the Edge” and “Escape to the Highlands & Islands” which promotes thousands of tourism businesses in some of Scotland's most peripheral areas. In addition Western Isles Tourist Board has developed ten niche websites under the VisitHebrides.com project.

**Direct Access Promotions** – Five ATBs were successful in securing substantial European funding to maximise the benefits of the Zeebrugge – Rosyth ferry.

**Events** – Perthshire ATB supported the “Music Across Perthshire” initiative and Kingdom of Fife ATB provided pump-priming funding for over thirty local events and projects. Ayrshire & Arran ATB co-ordinated the “Burns an’ a That Festival” which attracted 30,000 visitors in 2003. Orkney ATB co-ordinated a marketing programme to raise the profile of traditional events.

**Gateway Tourist Information Centres** – Edinburgh & Lothian ATB entered a management arrangement to provide a joint information service at Edinburgh Airport, while the Loch Lomond Trossachs National Park Authority joined forces with the local ATB to provide a new gateway centre to Scotland's first National Park.

**Scottish Enterprise** launched a comprehensive programme of services and events in January 2003, aimed at achieving higher levels of innovation and service development, and applying lessons drawn from exemplars in other successful tourism destinations. The programme included a tourism innovation “toolkit” with linked workshops which have been attended by 320 businesses and 615 individuals; the Tourism Innovation Development Awards with 61 applicants and 15 winners; a Tourism Innovation Day conference with 280 industry leaders attending the inaugural event in January 2003; and introduction of an Innovation award at the Tourism Thistle Awards.

On infrastructure development, **St Andrews World Class** is an industry-led initiative designed to realise the town's brand potential. Scottish Enterprise has supported it by working with the private sector to develop its vision for the town, resulting in the development of an integrated action plan. Scottish Enterprise will contribute to the delivery of the plan by focusing on key activity areas of innovation, business development, skills and infrastructure improvements.

**Highland & Islands Enterprise**, working closely with the Highlands and Islands Partnership Programme, completed a 3-year programme of financial assistance that allowed a wide range of tourism businesses to upgrade their facilities and this coupled with other activity provided assistance to 387 enterprises.

Highlands & Islands Enterprise promoted Broadband through a series of business road shows with in excess of 300 tourism businesses taking advantage of this opportunity. It also completed a programme of financial assistance that led to a total of 387 businesses upgrading their facilities.

**VisitScotland** activity included:-

**Arran** was identified as the first area in which to run a total quality destination initiative. This is an industry led development supported by VisitScotland with Ayrshire & Arran Tourist Board and Argyll and the Isles Enterprise, which aims to increase tourism by improving the experience of every visitor to the island. Destination Arran has a dedicated project manager and will run till September 2006 under funding provided by VisitScotland and Argyll and the Isles Enterprise.

**The Scotland's Adventure Pass** has been developed and launched by Perthshire activity operators, Perthshire Tourist Board and VisitScotland to make it easier for visitors to access different adventure experiences in Perthshire. The pass has also been developed to encourage better packaging and linkages between sectors.

**Traditional Music** – working with ‘Hands Up for Trad’, VisitScotland sponsored a St Andrews Day traditional music celebration involving 32 events across Scotland. It is hoped the event will be further developed in 2005 as part of raising the profile to tourists of both St Andrews Day and traditional music.

**Scottish Natural Heritage** has audited suitability of their sites for their potential for delivering a quality visitor experience. SNH will develop a strategic approach to upgrading these sites to ensure that those with greatest potential give the visitor a better experience. SNH has also worked with partners in the delivery of wildlife tourism awareness training events for 270 people within the Highlands and Islands, and is developing a sustainable

visitor management system for its countryside sites. It has also delivered a range of support to about 15 tourist facilities and visitor centres within Loch Lomond and the Trossachs.

**Local Authority** activity in 2003 included:-

**Aberdeenshire Council** led development of the Stone Circle Trail and the Nave Nortrail and is a partner in a project to promote golf tourism.

**Scottish Borders Council** together with local businesses produced a brochure – Getting Married in Scottish Borders.

**Falkirk Council** with other attraction operators promoted the Falkirk Wheel, the Bo'ness and Kinneil Railway and Falkirk Town Centre Management through a joint area brochure.

**Angus Council** helped pilot the Angus Glen Walking Festival in May 2003, with 16,000 walkers receiving information, and an additional 750 tourist days generated in the area. This event was nominated for a Thistle award.

**Clackmannanshire Council** has been actively involved in creating a Tourism Association and **East Lothian Council** was pivotal in establishing an Attractions Group.

**Joint Agency** – Working together, Scottish Enterprise, Highlands & Islands Enterprise, tourism businesses and VisitScotland developed the following:

**Whisky** – Together with the whisky industry, a Whisky Tourism Initiative was launched in 2003, led by a dedicated development manager. Work is well underway to develop whisky ambassadors and centres of excellence.

**Genealogy** – A range of innovative product ideas are being worked up by industry led groups with support from the agencies. Market research was carried out and the results presented to 150 delegates attending a Genealogy and Tourism conference.

**Golf** – Work continues to implement the National Scottish Golf Tourism Strategy, with initiatives including development and delivery of training schemes for over 130 golf clubs, assisting 19 industry-led golf development groups, research and monitoring and joint marketing promotions.

**Country Sports** – Work with the Country Sports Tourism group to help with better market information and to identify gaps and opportunities. Areas covered are shooting, stalking and fishing, involving business representatives from all sectors.

**Northern Periphery Programme Nature Based Tourism Project** – Trans-national product development and business to business exchange involving VisitScotland, Highland and Islands Enterprise, Scottish Natural Heritage, Tourism Environment Forum and private sector.

**Wild Scotland** - Establishment of a private sector Scottish Nature and Wildlife Operators Association, supported by public agencies including Scottish Natural Heritage and the Tourism Environment Forum.

## **Events**

In 2003 Scottish Executive and VisitScotland established a joint venture dedicated to the specific task of attracting, developing and supporting major events. EventScotland's aim is to make Scotland one of the world's foremost event destinations by 2015, with an investment

budget of £3 million for 2004/5. Events encouraged over 2003-04 included the Tiree Wave Classic, the Mount Stuart Motorsport Classic, the British Senior Golf Championship Turnberry, the Scottish Senior Golf Championships Roxburghe by Kelso, the Senior Mens European Volleyball Championships Glasgow, the UIAA/ICC 2003 Climbing World Cup at Ratho, the Loch Lomond Great Adventure Race, the 10th European Cross Country Championships Edinburgh, International Festival of the Sea Leith, Nova Balmoral Road Race, Edinburgh Hogmanay and the MTV Europe Music Awards.

**Scottish Enterprise** played a key role in attracting the MTV Europe Music Awards to Scotland in November 2003. The economic benefits of the event to Scotland exceeded more than £9 million with more than 50% of the contracts issued by MTV for the event going to local companies. The longer lasting benefits of the event are even more significant with the show being broadcast to a global audience of one billion people in 140 countries.

**Highland & Islands Enterprise** supported events including the Hebridean Celtic Festival that generated £1m of visitor expenditure over a 4 day period and the Mountain Bike World Cup held in Lochaber that attracted 15,000 visitors.

**Edinburgh's EICC** hosted the Meeting Professionals International 2004 Professional Education Conference – Europe, involving 500 highly influential delegates.

### Targets

The target is to:

- improve visitor satisfaction levels in quality, service and value for money across main products and services.
- Increase the number of businesses engaged in operating Customer Satisfaction Surveys via the Pride and Passion project.
- Increase the number of repeat visits to Scotland.

## **Objective 7 - Increasing the profile of Scottish tourism**

### Objective

That the tourism industry and its customers will be taken into account when policies which affect tourism are being developed and implemented, for example in areas such as transport, the environment, culture, sport and rural development. In addition, we must demonstrate to the Scottish people that tourism is vital to the economy. It has important economic value and benefits both rural and urban communities. It also enhances the value of our culture, heritage and natural environment. Everyone has a role to play if tourism is to become more successful, for example by welcoming and helping our visitors, ensuring we maintain a litter-free environment and involving visitors in national and local events and festivals.

### Achievements

**VisitScotland** has developed and promoted the 'Tourism is Everyone's Business' initiative, incorporating a series of business breakfasts with local business interests. The VisitScotland Chairman and Chief Executive have also been involved in making the case in public and to meetings of opinion formers that given the right level of investment and effective working together, tourism has the potential to grow 50% in expenditure terms over the next ten years. A very encouraging 81% of key business people in the VisitScotland annual opinion survey believe that tourism is in the top 3 sectors of the Scottish economy. Significant contributions were made to the reviews of tourism carried out by the Scottish Executive Enterprise and Life Long Learning Committee and the Cabinet Ad Hoc Committee, and have conducted a programme of key speaker lunches and conference addresses, such as to the Scottish Council for Development and Industry, to raise the profile of tourism. VisitScotland has also been able to get recognition of the value of tourism from businesses outwith the mainstream through involvement of other sectors in its marketing work, such as Highland Spring in its Underground campaign in London.

Within the political community, combined action across the industry succeeded in improving the favourability rating for tourism amongst MSPs from 56% to 60% at October 2004.

### Targets

Increase the percentage believing that tourism is in the top three sectors of the Scottish economy.

**Steering Group membership**

Frank McAveety	Minister for Tourism, Culture & Sport (Chair)
John Mason	Scottish Executive
Clare Gallagher	Centre for Customer Awareness
Dr Jim Hunter	Highlands & Islands Enterprise
Peter Lederer	VisitScotland
Douglas Logan	Scottish Destination Management Association
Andrew Mathieson	Area Tourist Board Network
Eva McDiarmid	Association of Scottish Visitor Attractions
Graeme Munro	Historic Scotland
Crawford Rix	British Midland International
Sir John Ward	Scottish Enterprise
Mike Closier	Scottish Exhibition & Conference Centre
Peter Taylor	British Hospitality Association
Pat Watters	CoSLA
Laurence Young	Tourism Innovation Group
Marjory Rogers	Confederation of Passenger Transport UK

**Implementation Group membership**

## Core members

Hugh Hall	VisitScotland (Chair)
John Brown	Scottish Executive
Eddie Brogan	Scottish Enterprise
John Ward	Highlands & Islands Enterprise
Alan Rankin / Ivan Broussine	Scottish Tourism Forum
Elizabeth Barclay / Fiona Moriarty	Scottish Retail Consortium
John Downie	Federation of Small Businesses
Liz Buchanan	Tourist Board Training
Marc Robertson / Denise Drummond	Tourism People
Janet Reuben	ATB Network
Catriona MacLean	CoSLA
Fiona Docherty / Owen Kelly	Historic Scotland
Martin Robertson / Jane Ali-Knight	Tourism Knowledge Scotland
David Cochrane	Springboard Scotland
Bob Leitch	Scottish Chambers of Commerce
Colin Houston	VisitScotland
Joe Summers	VisitScotland
Stuart Aitken / David Purdie	Scottish Executive

## Other agencies involved

Caroline Docherty	Scottish Arts Council
Jane Ryder	Scottish Museums Council
Richard Robinson	Scottish Natural Heritage
Richard Broadhurst	Forestry Commission
Lee Cousins	SportScotland
Amanda Clark	Taste of Scotland
Steve Farrant	VisitBritain



OBJECTIVES	MEASURES	TARGETS
	markets in Europe between March 2003 and March 2005	(Source: Scottish Executive Aviation Policy Branch)
4. Successful Business Leadership	Training participation rates for owners/managers	<p>4. a) Increase the % of owners/managers' participation in on and off the job training in 14,900 businesses of 10 and fewer employees:  Actual 2002: 35%  Target by March 2006: 41% 2002 rate for other sectors</p> <p>4. b) Increase the % of owners/managers' participation in training in 5,700 businesses of 11 and more employees by 3% per annum:  Actual 2002: 59%  Target by March 2006: 66%  (Source: Future Skills Scotland annual employers survey – next useable results due October 2004)</p>
5. Investment in People and Skills	Training participation rates for non-owners/managers	<p>5. a) Increase the % participation of employees (excluding owners/managers) in on and off the job training in 20,600 tourism businesses:  Actual 2002: 41%  Target by March 2006: 46% 2002 rate for other sectors</p> <p>5. b) Increase the % of employers offering on or off the job training for employees:  Actual 2002: 45%  Target by March 2006: 53% 2002 rate for other sectors  (Source: Future Skills Scotland annual employers survey – next useable results due October 2004)</p>

OBJECTIVES	MEASURES	TARGETS
6. Enhanced Products and Services	Visitor satisfaction levels	<p>6. a) Improve visitor satisfaction levels in quality, service and value for money across main products and services:  2003/4 Benchmark: To be established 2004  2004/5 Target: To be established 2004  (Source: VS Tourism Attitudes Survey)</p> <p>6. b) Number of businesses engaged in operating Customer Satisfaction Surveys via the Pride &amp; Passion project:  2004 Benchmark: To be established 2004  2005 Target: To be established 2004  (Source: Pride &amp; Passion customer satisfaction database - to be established)</p> <p>6. c) Increase repeat visitors to Scotland (UK data only available):  Actual 2000: 78.6% of 18.956 million trips  Actual 2001: 79.1% of 17.543 million trips  Actual 2002: 79.4% of 18.535 million trips  (Source: United Kingdom Tourism Survey)</p>
7. Taking Account of Tourism & Increased Profile	<p>Stakeholder opinion on the importance of tourism as an industry</p> <p>Stakeholder opinion on the status of tourism as a career</p>	<p>7. a) Increase the % of key business people believing that tourism is in the top 3 sectors of the Scottish economy:  Actual August 2002: 71%  Actual March 2004: 81%  Target by March 2005: 75%  (Source: VS Annual Opinion Survey)</p> <p>7. b) Increase the favourability rating for tourism amongst MSPs:  Actual October 2003: 56%  Target October 2004: 60%  (Source: MORI omnibus survey)</p> <p>7. c) For Key Business People (tourism), benchmark and increase the % who agree 'I'd feel a sense of pride if my relative/friend chose a career in tourism based on my recommendation':  Actual March 2004: 78%  Target by March 2005: 85%  (Source: VS Annual Opinion Survey)</p>