City Centre Management and Destination Marketing: Opportunities for Collaboration

World Congress 2010, ATCM Key Cities Group

Background
UK City Centre Management (CCM) has evolved dramatically over the last decade, from a mainly hands on practical/operational role to providing strategic leadership and coordination and inward investment.

In our major cities, this change is becoming even more pronounced, with new CCM models emerging to meet the many and varied challenging demands placed on public/private sector partnerships. As all resources get ever-tighter, organisations in the same city can find themselves in competition for the same limited funding. A shared agenda and a pooling of resources seems an increasingly attractive and mutually beneficial way forward.

Similarly, a number of the UK's Destination Management Organisations (DMOs) have repositioned themselves, often becoming over arching forward thinking organisations. They have moved from dealing with local tourism marketing activity and coordination of conference enquiries and become more strategic bidding for the 'right' world class events and implementing international marketing campaigns

New organisations, which combine CCM with destination marketing and/or inward investment, are now emerging, for example in:

- Bristol
- Coventry
- Belfast
- Worcester
- Birmingham
- Cambridge

Destination Management Organisations & City Centre Management
Although tourism is "managed" in most developed countries in terms of destinations, there has been very little detailed analysis of the nature of that management. Indeed, according to a recent report[1], most commentators agree that tourism organisations responsible for a destination (at whatever scale) are primarily Destination <u>Marketing</u> organisations, not Destination <u>Management</u> Organisations. To date, their primary role has been to attract visitors to the destination through various promotional activities, either alone or through joint marketing with operators in their area. This 'marketing' approach may be successful in the short term. However, to achieve destination sustainability a much broader set of functions is required.

[1] Moving from Destination Marketing to Destination Management: Exploring the Meaning of Sustainable Destination Management, David Foster

This is important. Without the ability to influence the quality of the "product" how can marketing be ever sucessful over time?

While these are often labelled 'destination management' functions, they are what is generally agreed to be City Centre Management functions in the UK:

The four "A":

- Attractions
    - Retail
    - Business and employment
    - Arts, culture, entertainment, leisure
    - Services (including education & health)
    - Transport hub
- Access
    - Local Transport Plans
    - Public transport initiatives
    - Car parking/park and ride
    - Orientation and signing
    - Disabled access/Shopmobility
- Amenities
    - Quality of experience
    - Safety and security
    - Cleanliness and maintenance
    - Planting, greening and festive lighting
    - Toilets and baby changing
    - Seating
    - Public spaces
- Action
    - Making things happen
    - Partnerships
    - Consultation and involvement
    - Strategies and development plans
    - Communication
    - Marketing and promotion
    - Monitoring and reviewing

Centre Management is a co-ordinated pro-active initiative designed to ensure that our town and city centres are desirable and attractive places. In nearly all instances the initiative is a partnership between the public and private sectors and brings together a wide-range of key interests. Today there are more than 500 towns and cities in the UK that have some form of management initiative. As locally developed initiatives working across centres of different scale, they are naturally varied in terms of their remit and activities. What they have in common is their increasing effectiveness in promoting the vitality and viability, striving to influence and improve the "product".

DMOs generally fall into one of the following categories:

- National Tourism Authorities or Organisations responsible for management and marketing of tourism at a national level
- Regional or County DMOs, responsible for the management and/or marketing of tourism in a geographic area defined for that purpose, sometimes but not always an administrative or local government region such as a county, region or tourism areas i.e. The Cotswolds
- Local DMOs, responsible for the management and/or marketing of tourism based on a smaller geographic area such as a borough or district, city or town.

The market environment facing DMOs has changed dramatically during the last decade, there are new issues facing these organisations and priorities are changing. Specifically the paramount importance of promoting and selling tourism products over the Internet has given rise to the need for new types of activity and new supporting technologies. At the same time new management models are emerging and, in the current recession, huge pressure on costs and revenue generation is becoming paramount.

The Challenge

Trends and forecasting studies by the World Tourism Organisation indicate that urban tourism will continue to be in high demand by visitors of all sorts, and the problems associated with the handling of these visitors will have to be more systematically tackled by all parties concerned.

Cities face, therefore, a double challenge. Firstly, they have to be able to respond to the rising expectations and needs of the growing numbers of tourists who are attracted to their rich and varied array of cultural, business, entertainment, shopping, sports and other attractions. Furthermore, they need to continuously regenerate and improve such facilities in order to maintain their share in the competitive tourism market and the benefits resulting from it.

Secondly, cities have to ensure that tourism is developed and managed in such a way that it benefits the resident population, does not contribute to the deterioration of the urban environment but rather leads to its enhancement, and does not become a financial burden to the local authority; it should be generator of wealth, not a cost.

Case Study: Bristol

Destination Bristol plays a key role in the city centre through the delivery of the 2009-2014 Broadmead Business Improvement District, and by facilitating new partnerships in other central areas designed to bring together organisations and individuals with a shared interest, to devise initiatives to help businesses become more successful, and to enhance the appeal of the city centre to all residents of the city and visitors.

In Bristol Tourism planning is at a watershed. A sustainable tourism strategy is no longer a matter of choice; it is mandatory and the natural desire to increase receipts from tourism has to be balanced against the need to minimize its impact on the environment and maximize the contribution it makes to the host community. Bristol's strategy will not be just sustainable, but able to respond to fluctuations in the market, be consultative and delivered in partnership with key stakeholders.

The Bristol Tourism Marketing plan is a strategy for growth in the visitor economy of the city. The plan is a key outcome of the Bristol place making and marketing plan '*Competing for Talent, Tourism and Trade'* (Yellow Railroad 2009) and dovetails with the regional tourism strategy *Towards 2015*, the *Britain Marketing & 2012 Games Global Strategy 2010 – 2013,* Visit England's strategy, and Destination Bristol's Corporate Plan 2010-2015.

Along with the Broadmead Business Improvement District business plan, and Destination Bristol's service programmes developed in conjunction with the company's four stakeholder forums, the visitor economy marketing plan underpins Destination Bristol's five-year corporate plan.

Their marketing strategy will define:

- What kind of visitor destination Bristol is
- What kind of visitors is it best placed to attract
- What gives Bristol its competitive edge
- What opportunities can best be exploited
- What are the challenges that need to be overcome
- How will success is to be measured

Urban Tourism

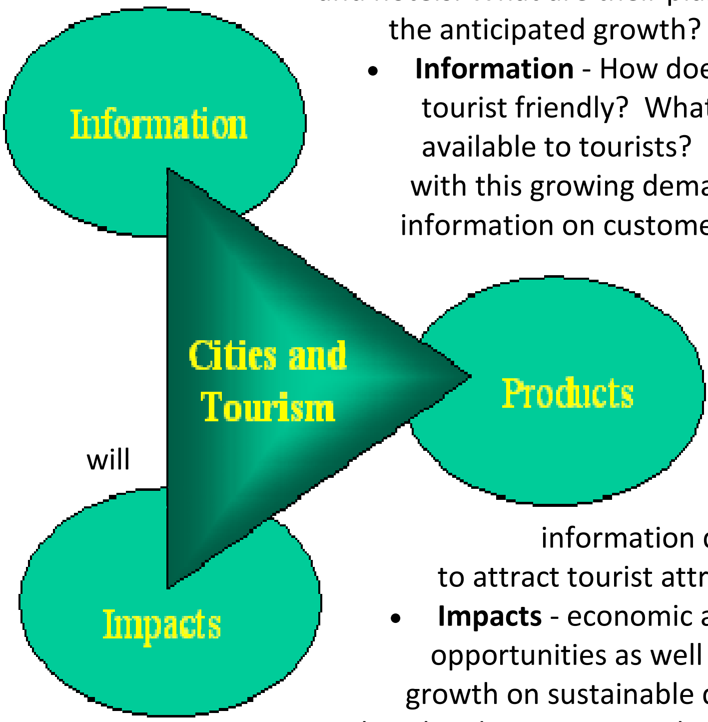
Many of the key stakeholders in urban tourism are the same as in city centre management organisations and Business Improvement Districts (BIDs):

- Private Sector i.e. retailers, hotel operators and owners, leisure operators, tourist attraction operators (theme parks, events etc.), property owners, bus and train operators , the media and major employers.
- Public Sector i.e. city centre managers (from the historic city to the seaside resort), local authorities, the Police, economic development agencies, parks, government departments and offices;
- Tourism Institutions i.e. museums, art galleries, historic facilities and organisations like civic societies.

According to, "TOURISM AND THE CITY: The challenge of sustainability"[2] there are three key dimensions of tourism in cities and urban areas:

[2] AIDE MEMOIRE - "TOURISM AND THE CITY: The challenge of sustainability", 1999, Madrid, Spain

- **Products** - the anticipated changes necessary from tourist attraction providers; theme parks, operators of events (sports, shows, fairs), museums and hotels. What are their plans, how do they respond to the anticipated growth?



- **Information** - How does a city make itself more tourist friendly? What are the information systems available to tourists? How do tour operators deal with this growing demand? How to accumulate information on customer preferences and requirement, seasonal changes, age groups etc.? How to develop enduring attractions which will provide sustainable development? What information does the city provide in order to attract tourist attraction providers?
- **Impacts** - economic and development opportunities as well as the impact of tourism growth on sustainable development, transportation, cultural and environmental, social and economic aspects.

But does this go far enough? As we saw earlier the "product" or destination such as a city centre is made up of a myriad of interests and offers. The phrase "tourist attraction providers" must, we argue be widened to include all the aspects of a city centre that a visitor is likely to encounter or use; it is not just the Attractions.

This included retail and food and drink; it would in fact bring in all the elements from the four "A"s:

- Attractions
- Accessibility
- Amenities and
- Actions

Consumer research by East of England tourism has thrown up some interesting opportunities. Across audiences and life stages now is the time of opportunity and freedom to travel because:

- world has become smaller
- everything is more accessible
- so many more places to go
- more confidence

As a consequence the competition is more challenging than ever at a time when the current economic environment has caused many to consider the UK as a destination. This has been heightened by media encouragement – the *staycation.*

> *We know so little of the country around us and yet we know so much about everywhere else*

High Street

It was also found that there was a sense of real pride in England as a place to visit and a thirst to learn and experience more; a belief in the old days 'we made more of it' and the younger (lost) generation are embarrassed by their lack of knowledge about their own country.

The Prize

There were 674,000,000[3] (six hundred and seventy four million) tourism visits to inland towns/cities Inland towns/cities in the UK, which received £31.2 billion expenditure from tourism visits (tourism visits are round trips from home that last three hours or more and are not taken regularly). Not only that, but the British Retail Consortium tells us that every tourist £1 generates 35p for retail.

According to East of England Tourism[4] key activities undertaken by those of holiday are shopping and eating out.

Activities undertaken - by customer origin	London	East	Rest of UK	Overseas
Eating out/ drinking	**83**	**69**	**75**	**66**
Shopping	**65**	**72**	**72**	**59**
Historic attractions	**30**	**13**	**34**	**57**
Walking	**33**	**26**	**27**	**25**
Local markets	**26**	**19**	**20**	**32**
Museums/galleries	**22**	**8**	**14**	**32**
Nature/wildlife/gardens	**24**	**13**	**14**	**21**
Other attractions	**9**	**7**	**13**	**19**
Waterways	**7**	**3**	**10**	**8**

[3] England Leisure Day Visits Survey (2005)

[4] Regional Visitor Survey (2007

The Olympics will serve to raising the profile of the UK - not just London – and offer a great chance to attract tourists. The extra spending for tourism is estimated to be as much as £24 million during Games themselves and there will be an increase in demand for hospitality businesses and leisure attractions across the board.

Marriage or Merger?

To compete effectively, destinations have to deliver wonderful experiences and excellent value to visitors. The business of tourism is complex and fragmented and from the time that visitors arrive in the destination, until they leave, the quality of their experience is affected by many services and experiences, including a range of public and private services, community interactions, environment and hospitality.

Delivering excellent value will depend on many organisations and stakeholders working together in unity, with a clear vision and strategy. The "vehicle" for this might be a City Centre Partnership, DMO or BID. Effective destination management calls for a coalition of these different interests to work towards a common goal to ensure the viability and integrity of their destination now, and for the future.

Many destinations now have Management Organisations to lead the way. Traditionally responsible for destination marketing, the role of the DMO (often Tourist Boards) is becoming far broader. DMOs today should not only lead on marketing, but must also be involved in strategic leadership in destination development. This role requires them to drive and coordinate destination management activities within the framework of a coherent strategy. Promotion must be to attract people to visit in the first place; creating a first class environment and quality delivery on the ground will ensure that visitors' expectations are met at the destination and that they then both recommend the destination to others and return themselves on a future occasion.

This is undertaking that many City Centre Partnerships have been working towards for up to 20 years. In recent years they have evolved into Business Improvement Districts (BID) in many larger locations. The "product", the city centre, must be right if the "marketing" of the DMO is to be effective. Therefore, the marketing and management must go hand in hand. For DMOs to "operationalise" will lead them to become, de facto town centre management organisations od a BID.

A BID is an innovative concept that has already received substantial support from both public and private sectors. A BID can provide a funding base to help reduce crime, improve cleansing, promote and market the town, lever in further funding – to improve the trading environment of your town.

Conclusion

The synergy between place management and place marketing are obvious. Why then are there not more "mergers"? Historically, the disciplines have come from differing backgrounds. Town Centre Management tends to start out as addressing operational needs and, through a life cycle, become more strategic in view; principally, working to attract a local audience. Destination Marketing focuses much more on the external audience and working at a strategic level. The common factor is the needs for first class partnership working between the public and private sectors.

Given the imperative to ensure good value for both sectors it has been suggested that a marriage of disciplines is called for. In an increasing number of locations in the UK the partners, CCM & DMO, have gone willingly down the aisle; the “whole” being greater than the sum of the parts.

This should be taken on a case by case basis. But the question now being asked is not “why?” but more likely “why not?”

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