



To: Business, Economy and Enterprise Scrutiny Board (3)

Date: 11th January 2023

Subject: Tourism Strategy and Destination Coventry - Progress Report

1 Purpose of the Note

- 1.1 To update Members of the Board on progress in establishing Destination Coventry as a sustainable Destination Management Organisation (DMO) for the City. To review and update on activity undertaken by the DMO to promote Coventry as a destination for business and leisure tourism and to provide an overview of progress in delivering the Coventry Tourism Strategy 2019-2023 outcomes.

2 Recommendation

- 2.1 The Business, Economy and Enterprise Scrutiny Board is recommended:
- 1) To note the contents of the presentation and report.

3 Destination Coventry

- 3.1 In July 2021, a collaboration between Coventry City Council and Coventry & Warwickshire Chamber of Commerce was approved by the Cabinet Member for Jobs, Regeneration and Climate Change to deliver a new, pilot Destination Management Organisation (DMO).
- 3.2 A DMO is the umbrella term for arrangements in a place to support co-ordination and collaboration across the tourism sector's many stakeholders.
- 3.3 A two-year DMO proof-of-concept model was proposed and approved on the recommendation of an independent DMO Advisory Board comprising local sector stakeholders and industry specialists.
- 3.4 The Board considered that testing a proof-of-concept model for Coventry, through a period that included UK City of Culture and the Birmingham 2022 Commonwealth Games, would provide the best opportunities to establish the feasibility of such a new approach.
- 3.5 Destination Coventry was formally established in August 2021, as a public/private collaboration between Coventry City Council and the Coventry and Warwickshire Chamber of Commerce, to deliver this proof-of-concept model.
- 3.6 The following principles were established for the model – that Destination Coventry would:
- Lead in the management, development and promotion of Coventry's leisure and business tourism.
 - Continue to operate the Coventry & Warwickshire Convention Bureau.

- Assume responsibility for the provision of visitor information in the city.
 - Provide opportunities for the private sector to engage in a regular tourism dialogue
 - Coordinate delivery of the 2019-2023 Tourism Strategy, with stakeholders contributing to Strategy reviews and future iterations.
 - Not rely solely on Council funding – but will enable the private sector to contribute financially to the DMO’s destination marketing activities, with the aim of amplifying growth of the city’s visitor economy.
 - Deliver activities to include the development of income streams to ensure sustained financial viability.
- 3.7 The management and operations of Destination Coventry are overseen by an Oversight Board, chaired by the Commercial Director of Coventry Building Society Arena. The Board further includes representatives from the Coventry & Warwickshire Chamber of Commerce, Coventry BID, Coventry City of Culture Trust, Coventry City Council, Visit Britain and representatives of several tourism, leisure and hospitality sector businesses.
- 3.8 In December 2021, Destination Coventry successfully launched its membership scheme, which now incorporates the following membership categories: Full Membership, Patron Membership, Food, Drink and Nightlife Membership, Supplier Membership, joint Destination Coventry / Chamber of Commerce Membership; and Basic Membership.
- 3.9 Destination Coventry’s work through the 17 operational months of the pilot period to date, includes:
- Destination marketing and PR campaigns
 - Hosted buyer familiarisation trips (e.g. for tour operators and travel trade buyers)
 - Visiting media and influencer hosting (e.g. travel editors and social media bloggers)
 - Maximising major events opportunities
 - Producing printed collateral (e.g. promotional materials and official visitor guides)
 - Trade show attendance
 - New product development - including digital development of consumer websites
 - Paid search and search engine optimisation (e.g. Google, YouTube and Facebook)
 - Destination Coventry events (e.g. Annual Tourism Conference and networking events)
 - Sector specialist support (delivering and signposting to grants and business support)
 - Coventry and Warwickshire Convention Bureau (business events booking service)
 - Visitor information provision
 - Retail and merchandise
 - Research projects
- 3.10 Across the pilot DMO’s first 17 months of activity, Destination Coventry has:
- Provided circa £300k Community Renewal Fund and Additional Restrictions Grants, alongside business support, to over 60 businesses through a close partnership with the City Council’s Economic Development Service and the Chamber of Commerce.
 - Engaged with major city / hosted events (Coventry UK City of Culture, Birmingham Commonwealth Games 2022 and International Children’s Games 2022) to maximise the opportunities for Coventry’s visitor economy, as well as the enjoyment of visitors.

- Hosted Destination Coventry's inaugural Annual Tourism Conference in September 2022, delivering keynote lectures, panel discussions and workshops, on subjects such as sustainable tourism, recruitment and skills challenges, and Google advertising, to over 100 senior delegates from the sector
- Launched the Official Coventry Visitor Guides for the 2022 and 2023 years
- Hosted ten international group travel buyer and media familiarisation (fam) trips, from nations such as India, Canada, Australia and the Far East.
- Exhibited at trade shows including The Meetings Show (London), Conference and Hospitality Show (Birmingham), Excursions Group Travel Show (London), Group Leisure and Travel Show (Milton Keynes), and IBTM World (Barcelona) where Destination Coventry attended alongside multiple partners and generated event enquiries valued at over £500k for the region.
- Commissioned a package of research including Coventry's STEAM report (tourism economic impact model), Accommodation Audit, Hotel Market Data and Analysis, Attractions Footfall Monitor, Events & Festival Impact Assessment, Visitor Survey, and Visitor Sentiment Report.
- Operated Visitor Information Centres at Coventry Railway Station and Pool Meadow Bus Station, giving advice and guidance to over 15,000 visitors in 2022 alone.
- Attracted 105 member business across the Destination Coventry Membership Scheme, including seven Patron Members: No Ordinary Hospitality Management, Amadeus, Coventry Building Society Arena, Warwickshire County Council, CV Life, Coventry and Warwickshire Reinvestment Trust, and Coventry City of Culture Trust.

3.11 In 2021, Destination Coventry further achieved:

- 318,059 broadcast TV impressions
- 1,924,846 YouTube views
- Broadcast and digital radio reach of 600,879
- 1,054,940 social media accounts reached
- 455,510 website page views

3.12 The organisation's reach in 2022 will be reported and compared, following analysis of year-end performance figures.

4 Coventry Tourism Strategy 2019-2023

- 4.1 Continued delivery of Coventry's Tourism Strategy 2019-2023 is a core principle and ongoing key priority for the Destination Coventry model.
- 4.2 Progress is measured against planned priorities and actions outlined in the Coventry Tourism Strategy, across the four key themes of: Partnership, Product, Place and Positioning.
- 4.3 Tourism Strategy deliverables are outlined and monitored through delivery of the Destination Coventry Business Plan and regularly reviewed by the Oversight Board.
- 4.4 Sector performance is also monitored and performance-managed through use of the aforementioned annual Scarborough Tourism Economic Activity Monitor (STEAM) data – a tourism economic impact model that reports how many visitors Coventry attracts each year and that quantifies the contribution the sector makes annually to the local economy. Clearly, the COVID-19 pandemic had a significant impact on the UK hospitality and tourism industry in 2020 and 2021. However, of note in the recently published Coventry 2021 STEAM report, Coventry saw accelerated levels of recovery across all metrics, in comparison to the West Midlands Combined Authority area and the Coventry and Warwickshire sub-region, including:

- A 103% increase (8.20m versus 4.03m) in visitor numbers (compared to a WMCA average of 72%)
- A 115% increase (£495.29m versus £230.88m) in economic impact (compared to a WMCA average of 78%)
- A 95% increase (5,367 versus 2,754) in total employment (compared to a WMCA average of 66%)

4.5 Furthermore, overall visitor numbers doubled (returning to levels above the 2018 baseline for the Strategy) overnight visits were stable at 11% (up from an 8% baseline in 2018) and levels of average Day Visitor Spend and Overnight Visitor Spend were at record levels since the Strategy was launched. It can be concluded that commencement of the UK City of Culture year in May 2021 played a significant part in this recovery, but ongoing benefit is anticipated into 2022, with recovery and performance further supported by wider events such as the Birmingham Commonwealth Games 2022.

The growth in accommodation has also been strong in Coventry across this period. The 2021 STEAM report shows that Coventry has 72 serviced and non-serviced establishments (11,880 beds) which is six establishments (1,722 beds) up on the previous year. In addition, the new Indigo Hotel at Friargate is under construction (100 bedrooms), and there are a further eight developments (2,700 beds) at various stages of planning consent.

5 Destination Coventry Budget

5.1 The Destination Coventry Business Plan included a two-year operational budget, which is monitored on a monthly basis by the Coventry City Council and Coventry & Warwickshire Chamber of Commerce teams, alongside the Destination Coventry team. To date, performance against budget is tracking well, and there is a high level of confidence that the two-year financial plan will be delivered to budget.

6 The 'de Bois' Review of Destination Management Organisations and Future DMO Landscape

- 6.1 A review of Destination Management Organisations in England, commissioned by DCMS, and conducted by VisitEngland Advisory Board Chair, Nick de Bois, was published in September 2021. The review examined and assessed how Destination Management Organisations (DMOs) across England are funded and structured, and how they perform their roles, in order to establish whether there may be a more efficient and effective model for supporting English tourism at the regional level, and if so, what that model may be.
- 6.2 The UK Government published its response to the review in July 2022. The response recognised that Destination Management Organisations are a vital part of England's tourism landscape, connecting with local businesses and Government agencies to attract investment and visitors across the regions, boosting the visitor economy. The response stated that, for this to happen, it is necessary to transform the DMO landscape at a local level and address long-running concerns about the structure, funding models and fragmentation of England's DMO landscape.
- 6.3 As a result, the Department for Digital, Culture, Media & Sport (DCMS) has announced that it will provide £4 million over the next three years for VisitEngland to develop and administer a new accreditation scheme. This funding will also be used to create a pilot in one region of the country, giving one top-tier DMO or a group of local DMOs the opportunity and investment to restructure under a new model.
- 6.4 Under the new accreditation scheme, DMOs will be renamed Local Visitor Economy Partnerships (LVEPs). Running alongside this, the pilot of a tiering model in a region of England will run over the next couple of years. It will give one top tier partnership, or a collection of partnerships (known as a Destination Development Partnership), funding and the

opportunity to focus on activities that ensure their destination remains sustainable, competitive and responsive to challenges such as boosting skills, accessibility and levelling up. This pilot will take place in the North East of England and be led by Newcastle Gateshead Initiative (NGI).

- 6.5 The accreditation scheme for LVEPs features a set of core criteria that organisations will be expected to meet in order to be considered for accreditation. At the point of application, LVEPs will be expected to demonstrate their plans for meeting an additional set of development criteria (with the support of VisitEngland) over an agreed time period.
- 6.6 The likely de Bois recommendations were known to the City Council whilst it was going through the process of developing its new DMO operating model. As a result, both the core and development criteria were built into the operating principles of the model, meaning that Destination Coventry will be well-placed to apply for LVEP status at the appropriate time.

7 Health Inequalities Impact

- 7.1 The establishment of Destination Coventry as a proof-of-concept model for a new DMO was anticipated to increase resources for tourism promotion and destination management, thereby creating opportunities to improve service delivery, invest in the City's visitor offer and strengthen the business and leisure tourism economy within the City and its surroundings.
- 7.2 Destination Coventry has successfully secured additional resources to support tourism promotion and destination management, with a current high level of confidence that the two-year financial plan will be delivered to budget. Whilst it should be noted that the model is still in its relative infancy (with early memberships currently going through their first renewal cycle), the projected success of the DMO model will contribute to sustaining and increasing employment in the tourism and hospitality sectors, creating positive opportunities for local people. This will further promote Coventry as a visitor destination and focus for investment, promoting opportunities for sustainable and inclusive growth in the City, thereby contributing to positive health outcomes for local residents.

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