

BLUE SAIL ▶

VISITORS PLACES DESTINATIONS

FUTURE OF TOURISM ON SCILLY

THE BLUEPRINT REPORT – APRIL 2011

PART 1: OVERVIEW

Tourism is vital to Scilly. It supports jobs, businesses, services, transport and quality of life. And so it affects everyone living on the islands.

Scilly is a very special place, and many thousands of people love it. But visitor numbers are falling: they are down 8% since 2005, while UK leisure tourism is broadly level over that period.

The market is changing, and we believe Scilly needs to become more competitive.



WHAT SCILLY WANTS FROM TOURISM

Scilly wants and needs a sustainable visitor economy. By this we mean:

tourism that delivers and supports the livelihoods, services and quality of life the islanders want and need ... and that delivers what visitors require and expect ... without damaging the special nature of the islands.

To achieve this, Scilly needs to halt – and if possible reverse – the decline in numbers of visitors, and encourage them to stay longer and spend more. It needs to attract and retain many more first-time visitors. It needs to improve the experience so that it meets contemporary expectations. And all this must be done in a way that wins the support of islanders and does not undermine the character of the place.

If it's going to have sustainable tourism, there are some things that Scilly must get right:

- Sorting out the way tourism is organised, so that everyone is working together towards common goals
- Singing from the same songsheet to the outside world, so that more people understand what is special about Scilly and are motivated to visit
- Making it easier for potential visitors to find out more about Scilly, and to book and plan a trip
- At least maintaining – and ideally improving – transport routes between Scilly and the mainland
- Understanding what new customers need, and systematically tackling those aspects – of quality and service – that let Scilly down.



SCILLY'S VISITORS ARE CHANGING

Up to now, Scilly has depended on a very high level of return visitors. But now Scilly needs to attract – and keep on attracting – more first-time visitors than before.

The generation that became Scilly's 'loyal devotees' is ageing. And the visitors who must replace them are much more widely travelled. They have higher quality expectations. They are looking for a range of experiences and activities. They are much harder to please and they are much less likely to be loyal. Most importantly, the world is their oyster.

Distance and cost mean most potential staying visitors view a break on Scilly as a holiday, rather than a short break. While domestic short breaks have grown consistently over the last decades, domestic holidays have been hard hit, first by the introduction of low-cost package holidays, and more recently by the advent of low-cost airlines.

These days – for the same price or less than a break on Scilly – people can get a holiday with guaranteed sunshine and a mix of activities and experiences, plus high levels of hospitality and service.

SO THINGS NEED TO CHANGE

Scilly's natural environment is stunning, and the experience of being on Scilly and exploring the islands is very special.

But Scilly's tourism provision does not always do it justice. Quality and distinctiveness are so important – not just at the luxury end, but at every level, including budget.

There are some excellent individual businesses. And there are visitors who are loyal devotees who will 'make do' with sub-standard quality and service.

But Scilly will struggle to compete for today's new breed of first-time visitors because:

- It's relatively expensive to get to
- It isn't easy to find out about and book travel and accommodation

- Not all accommodation is up to scratch - in terms of quality or style
- Bits of Scilly don't look that great: there's not enough care taken about the 'public realm'
- Many places don't accept credit cards – which is inconvenient and off-putting, and makes Scilly feel more expensive while you're there
- There's not enough information en route, on arrival or around the islands, to help people explore and get the most out of their first trip.



ATTRACTING NEW VISITORS

Scilly isn't for everyone. It's a very distinctive offer, remote and difficult to get to, and comparatively pricey.

So the focus should be on attracting those new visitors who will love the place, respect its special nature, understand Scilly's character and pace of life, and share its values. And who can afford to come.

The best new prospects:

- will share certain values: they're 'early adopters', they're self-sufficient and outdoorsy, and they're responsible consumers
- will have a relatively short journey because either they live in South West England or near Southampton Airport, or they are people who are already holidaying in Cornwall (from UK or overseas, and could visit Scilly for day trips as well as stays)

Priorities are active empty nesters – with the time and money to take regular leisure breaks – and, to protect Scilly's core high-season market, comfortably-off families.

To be effective, Scilly will need to target them as tightly as possible, with communications aimed specifically at them – avoiding a scattergun 'something for everyone' approach.

Of course this doesn't mean that other people won't come. It is just a question of making best use of marketing resources.



PART 2: IN MORE DETAIL





ABOUT THIS STUDY

In September 2010 Blue Sail was commissioned by the Scilly Destination Management Group to carry out a study into the future of tourism on the Isles of Scilly, in consultation with local people.

We were asked to advise on how tourism can continue to support the islands' economy and the islanders' quality of life. We focused on how Scilly can become more competitive in the future, while retaining its unique character and special environment.

We have taken the islands through a 6-month process that has involved extensive consultation, site visits, market research, analysis, workshops and think tanks. And we have been able to bring an external, independent perspective to the challenges Scilly faces.

As a result of this work you now have:

- A clear set of recommended actions
- An analysis of the challenges
- A better understanding of your current and target markets
- Guidance on raising Scilly's profile and changing your marketing focus
- Many more islanders informed and taking part in the discussions about the future direction of tourism
- Broad consensus about the need to change the way tourism is organised, and a recommended way forward.



GREEN FRAMEWORK

Early on in this study, we developed a Green Framework to make sure that our recommendations are sustainable.

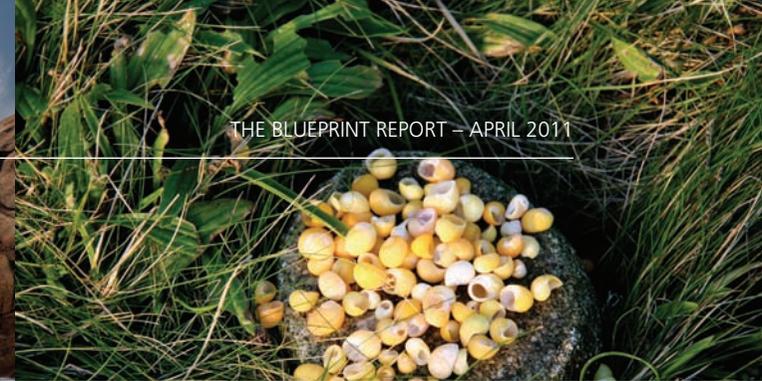
Scilly's natural environment and its distinctive character and customs are essential to the success of tourism on the islands. So our Green Framework recommends that Scilly uses a process called 'Limits of Acceptable Change' to manage tourism in a way that preserves its unique nature and ensures sustainable tourism.

This is a set of limits to be developed, agreed and jointly owned by the tourism sector, environmental agencies and the Council of the Isles of Scilly. These limits should be monitored and reviewed – and amended if necessary – annually, by a group representing the main interests on the islands.

Also, agreed limits of change should be produced for each of the off-islands to reflect their different characters and economic make-up.

Our Green Framework assesses the main issues about green tourism on the islands and suggests the initial 'Limits of Acceptable Change' for partners to take forward.

For more information see our Green Framework technical paper at www.scilly.gov.uk.



IMPROVING THE PRODUCT

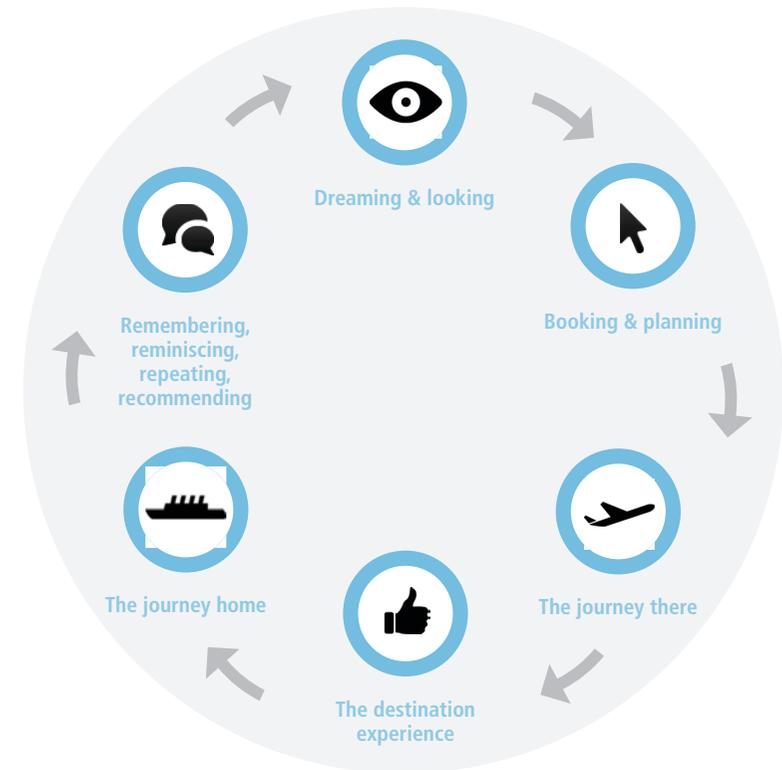
We have analysed Scilly's tourism 'product' using the concept of a circular 'Visitor Journey' and then produced a detailed Product Improvement Plan.

If a destination satisfies the customer at all stages of the Visitor Journey, the result is repeat business and recommendations – a virtuous circle in fact!

Scilly has many loyal devotees who visit regularly and 'know the ropes'. But it is now more important than ever to make sure the Visitor Journey works for first-time visitors.

Improvements to the first stage – Dreaming & Looking – and the final stage – Remembering, Reminiscing, Repeating & Recommending – are covered by our Marketing recommendations.

So how does Scilly perform at each of the other four stages – and what needs to improve? There is much more detail in the Plan itself: but the following page shows some of the main recommendations.





Booking & planning

We identified these challenges:

- Booking is complex and time-consuming
- Cost is an issue
- There's not enough easy-to-find practical information

Our recommendations include:

- One-stop journey planning, through-tickets, travel + accommodation packages and realtime availability – all available online
- Information-rich, 'handbook-style' guidance for Scilly first-timers – both online and in print
- Support for businesses to switch to accepting credit cards and PayPal



The journey there

We identified these challenges:

- Journey is unpredictable and long
- There is a lack of information en route and on arrival

Our recommendations include:

- More customer information en route about travel and transfers – including flat screens on boat and at airports
- Clearer information and in-person 'meet & greet' on the quay at St Mary's



The destination experience

We identified these challenges:

- Quality of customer service & value for money
- Some accommodation outdated
- Lack of providers with obvious 'green' credentials
- Hugh Town: some unattractive public realm and traffic issues
- Lack of information on islands
- Only minimal activities and entertainment

Our recommendations include:

- Exploring the potential for grants, interest-free loans and supportive planning policies for accommodation improvements
- Programmes to improve quality standards, green business practice and staff training



The journey home

We identified these challenges:

- Same as 'Journey There', plus practical issues at Penzance for those travelling home by boat/train

Our recommendations include:

- Under-cover facilities and luggage storage at Penzance



Remembering, Reminiscing, Repeating, Recommending

We've covered this stage of the Visitor Journey in our Marketing Plan

And our recommendations in this Plan include:

- More businesses using local produce and products, and more opportunities for visitors to buy local produce and products – on the islands and online

For more information see our Product Improvement Plan at www.scilly.gov.uk.

MARKETS AND MARKETING

There is a lot of good marketing of Scilly already. But the market is changing and Scilly needs to reach more first-time visitors than ever before. So it's time for a re-think about how and where to focus the limited destination marketing resources.

For this study, we've found out more about current visitors, we've heard what non-visitors think about Scilly, and we've looked at competitors' marketing. We've asked businesses on the islands what sorts of visitors they want to attract in future.

Our detailed Marketing Plan looks at who Scilly should be targeting, how to reach them and what messages will attract them. And it looks at how to use good customer relationship management to stay in touch with visitors, so that they repeat and recommend.

We've found these opportunities for Scilly in today's market trends:

- The 'stay-cation' effect – since 2008, an increasing number of British people are interested in taking breaks in Britain
- The success of neighbouring Cornwall – with very high visitor numbers, satisfaction levels, and consumer awareness as a holiday destination – means Scilly has a huge potential market on its doorstep
- The 'New Traditionals' trend – a growing number of comfortably-off people are looking to their leisure

breaks as an opportunity to escape from an over-commercialised world and immerse themselves and their families in a simpler, slower-paced way of life

- Advances in digital marketing – which means small destinations can target new customers, including niche markets, cost effectively. And strengthen relationships with existing customers.

Scilly's 'new breed' of potential visitors have low awareness or understanding about where – and what – Scilly is. They are experienced and savvy consumers. They prefer to make holiday decisions based on recommendations from other consumers, independent travel writers and trusted brands.



So Scilly's destination marketing needs to:

- Raise awareness and use a Shared Story™ approach – so that everyone can sing from the same songsheet: this must be a true story that does not over-promise, but does position Scilly strongly as somewhere different and special
- Identify, understand and target those market segments that are most likely to deliver new visitors
- Develop product (quality, experiences, events, offers etc) that will appeal to and satisfy them
- Deliver on the whole visitor journey, which means:
 - Develop marketing communications that inspire and inform
 - Satisfy the customer through the next stages: booking and planning, travel, and the destination experience itself
 - Stay in touch following the visit
 - Provide visitors with the tools and channels to make it easy to recommend Scilly to others.

Scilly's destination marketing should be:

- Integrated into a single programme, even if delivery is outsourced to different people. The programme should be developed with and shared with stakeholders
- Tightly targeted, with separate activities and approaches for different segments/niches – but all under the single integrated programme mentioned above
- Single-minded about applying Scilly's Shared Story™ – so that the key messages about what makes Scilly special and different are loud and clear across all your marketing, and are carried further afield by partners too
- Exceptionally creative - to achieve clear differentiation and 'cut through' in this crowded marketplace.

When it comes to marketing channels and tactics, we are recommending:

- Updating Scilly's digital marketing – with a new website and much more emphasis on e-marketing and social media
- A new approach to print (brochures, leaflets, direct mail) to make sure Scilly stands out as different and special
- An increase in strategic marketing partnerships e.g. with Visit Cornwall and VisitEngland, as well as producers on Scilly itself
- Continuing and developing your PR work to gain national and international media coverage
- Developing a strategic sales approach to grow and exploit the day visits market.

For more information see our Marketing Plan – which includes the Shared Story™ for Scilly – at www.scilly.gov.uk.



TOURISM ORGANISATION

Putting this Blueprint into action needs clear leadership and coordination.

But Scilly's current destination management arrangements involve three tourism organisations: the Isles of Scilly Tourist Board, Island Tourism and Island Marketing. This isn't ideal.

Scilly needs a single body that:

- Has the commitment and collaboration of all the sectors
- Is given the authority to lead the management and promotion of the islands as a destination
- Operates in a spirit of equal partnership where no single interest dominates
- Brings together resources – and applies them rationally to deliver the tourism strategy and priority actions.

We recommend that:

- The three existing bodies merge to form a single organisation – a partnership of all the sectors and interests
- It should be a membership body, open to all businesses and organisations by subscription on a tiered scale
- It should receive – as far as practicable – the tourism resources of the three existing organisations.



The aim of the new Scilly Tourism Partnership, under the leadership of its Board, will be to coordinate the management, improvement and marketing of the islands as a visitor destination, while respecting the environment and interests of the local community. The Board must prioritise its work, as resources are limited. We recommend some priorities in the Blueprint Action Plan.

Our detailed technical paper describes the recommended Governance, Membership Benefits, Resources, Staffing, Accountability and Relationships.

The aim is to have decisions on the new structure complete by early 2012, to be operational by April 2012 or as soon as possible after that. An Interim Process to achieve this is described in our technical paper.

For more information see our Tourism Organisation technical paper at www.scilly.gov.uk.

For more information about Blue Sail go to www.bluesail.com.

Blue Sail was commissioned by the Destination Management Group on behalf of Island Marketing – the consortium comprising Council of the Isles of Scilly, Duchy of Cornwall, IOS Steamship Company, British International Helicopters, Tresco Estate and Island Tourism – with financial support from the Local Action Group.

Photography: all rights reserved. Used here by kind permission of: Rachel Lewin, John Clinch, Nigel Bread, Jo Callaghan, Tresco Estate, Council of the Isles of Scilly, Island Marketing, Mercury PR.



All information and analysis supplied by Blue Sail Consulting Ltd and our sub-contractors is done in good faith and represents our professional judgement based on the information obtained from the client and elsewhere. The achievement of recommendations, forecasts and valuations depend on factors beyond our control. Any projections, financial or otherwise, in this report are only intended to illustrate particular points of argument and do not constitute forecasts of actual performance.