



Belfast City Council

Report to: Development Committee

Subject: Belfast Visitor and Convention Bureau Monitoring Report

Date: 22 November 2011

Reporting Officer: John McGrillen, Director of Development, ext 3470

Contact Officer: Shirley McCay, Head of Economic Initiatives, ext 3459

1	Relevant Background Information				
1.1	<p>It was agreed by Members at Development Committee of 22 February 2011 to contribute £1,865,465 towards Belfast Visitor and Convention Bureau's (BVCB) marketing and visitor servicing plans in 2011/2012. Financial support goes towards the following activities:</p> <table border="0"> <tr> <td>Marketing and Communications</td> <td>£1,336,000</td> </tr> <tr> <td>Visitor Servicing</td> <td>£529,465</td> </tr> </table>	Marketing and Communications	£1,336,000	Visitor Servicing	£529,465
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1.2	<p>The Tourism, Culture and Arts Unit within Development Department is responsible for developing and marketing Belfast as a tourist destination. The unit delivers a range of product development initiatives (e.g. Belfast Music Week), manages the visitor signage, undertakes the Belfast Tourism Monitor research and delivers £1.4 million funding to the culture and arts sector to animate the city (for visitors and citizens). Marketing and visitor servicing are outsourced to BVCB to deliver.</p>				
1.3	<p>In summary, BVCB are responsible for:</p> <ul style="list-style-type: none"> - Attracting conferences to the city - Delivering co-operative campaigns in key markets e.g. working with the retailers to target the ROI market and working with air and sea carriers to target the GB market - Attracting cruise visit - Servicing visitor enquiries - Booking facility for accommodation providers, venues, festivals and events - Producing a range of marketing materials including destination guides and the gotobelfast.com website - Advising members on opportunities - Promoting Belfast as a day trip destination via above the line and tactical advertising 				

1.4	The key activities above are grouped under Leisure Tourism, Conference Bureau and Visitor Servicing.
1.5	BVCB is a public/private sector partnership with over 500 private sector members. The main funders are BCC and the Northern Ireland Tourist Board (NITB). Funding from these two organisations allows BVCB to lever additional funding from the private sector through joint marketing initiatives and this represents good value for money for BCC. In 2009/10 period total private sector income was £1,086,578.
1.6	The BVCB Board is representative of the sector and includes both private sector and elected representatives from Belfast City Council. Other councils also make smaller contributions but have no representation on the board. NITB sits as an observer, as do a range of interests including retail sector representatives.
1.7	The Development Committee on the 28 September 2011 received a BVCB performance and monitoring report (appendix 1). It was noted that the Northern Ireland Tourist Board financial contribution to BVCB has decreased and it was considered prudent to further evaluate how BVCB are measuring their performance based on the return of investment from its core funders. Members agreed to invite representatives from BVCB to present to the Committee on how their campaigns are meeting agreed targets and objectives.
1.8	It was noted that the permanent re-location of the Belfast Welcome Centre was a priority which needed to be fast-tracked.
1.9	<p>The top line targets outlined in the Belfast Integrated Strategic Tourism Framework (BISTF) http://www.belfastcity.gov.uk/tourism/ by 2014 are:</p> <ul style="list-style-type: none"> – 40% increase in overnight visitors to 2.38 million – 20% increase in bed-nights to 4.7 million – 20% increase in spend to £294 million
1.10	To reach these targets as outlined in the BISTF requires a joint effort between Belfast City Council, BVCB, Northern Ireland Tourist Board (NITB), Tourism Ireland and the private sector. To achieve these targets BCC has established an Officers Working Group involving BVCB, Belfast City Centre Management (BCCM) and NITB as well as a larger Belfast Tourism Forum with members from all industry bodies, tourism agencies and government departments. These groups are focused on the implementation of an Action Plan which has been developed from the BISTF and looks at infrastructure, product development, skills development and marketing.
1.11	In addition to the joint working groups officers meet BVCB on a regular basis to discuss progress of their plan and sit as observers on the Board. Eight Members of Belfast City Council are Directors on the Board of BVCB. A formal review of progress is undertaken by officers on a quarterly basis.

2	Key Issues
2.1	<p><u>NITB Funding</u> NITB funding has been reduced from £600,000 to £416,667, with the main impact on Leisure Tourism Marketing, which they no longer support (a decrease of £175,000). NITB has increased support towards Business Tourism Marketing and continue to support Visitor Servicing, although the latter on a decreasing scale. NITB has given a commitment to fund BVCB up to 2015, subject to budgets prevailing and satisfactory performance.</p>
2.2	<p><u>Relocation of Belfast Welcome Centre (BWC)</u> BVCB have been leading on a visioning paper and business model for the Belfast Welcome Centre relocation. NITB has indicated that they will support a proportion of the capital costs (up to £1 million) for the relocation of the Belfast Welcome Centre (subject to application and appraisal) on the basis that any move would contribute to the BWC being more financially viable and less dependent on public funding. The vision and business case will be presented to the SP&R committee in order to seek capital contribution from BCC.</p>
2.3	<p>BVCB commissioned a marketing and visitor servicing plan in 2010 (attached as appendix 2). This plan outlines a number of challenges for tourism in Belfast and for BVCB. Officers believe the following to be the most prominent:</p>
2.4	<p><u>Digital Marketing</u> The tourism sector has been revolutionised by digital media and marketing. BCC and BVCB have developed a series of iphone apps, developed skills in social networking and invested in upgrading websites. As the destination marketing agency for the city, it is critical that BVCB is a leader in the technology used by the city's visitors – both in the market place and in the destination. This is a challenge for a small organisation, however a priority for the city.</p>
2.5	<p><u>Addressing market decline</u> The GB leisure market and the overall business tourism market have been in decline. Both mainly due to the economic recession, increased competition and access to Belfast/Northern Ireland. BVCB require specific, measurable and targeted activity to address these specific areas.</p>
2.6	<p><u>Influencing Marketing Spend and the Belfast message</u> BVCB must develop a strong influencing role to ensure that Belfast is positioned appropriately within both NITB and Tourism Ireland marketing activity. It is important that the council and BVCB influence the NITB's £2million marketing budget as well as Tourism Ireland's £20 million marketing budget to ensure the city can deliver the step change that 2012 and 2013 creates the platform to achieve.</p>
2.7	<p><u>Focus Activity and better integration</u> BVCB need to prioritise market segments and activity. As a city we need to know exactly who we are targeting, set realistic growth and monitor performance. Belfast City Council invests in events, product development and also carries out marketing and communications activity. It is critical that BVCB align activity to support Belfast City Council's investment into events and tourism product and there are agreed roles and responsibilities as to marketing activity.</p>

2.8	<p>Research and Evaluation</p> <p>This remains an important issue to be addressed at multiple levels. This will require a joint approach between Belfast City Council, BVCB, NITB and DETI (NISRA). While research is required to measure visitor satisfaction levels, more focused research will be necessary to monitor BVCB's specific marketing campaigns to monitor the return of investment.</p>
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3	Resource Implications
3.1	<p><u>Financial</u></p> <p>Next instalment of BVCB's funding, £759,500 has been released.</p> <p>Committee approved the overall contribution of £1.865 million which is included in Departmental budgets for 2011/2012.</p>

4	Equality and Good Relations Considerations
4.1	There are no specific equality or good relations considerations attached to this report.

5	Recommendations
5.1	<p>Members are asked to note the contents of this report and:</p> <ul style="list-style-type: none"> - Receive the presentation from BVCB.

6	Decision Tracking
The next performance report is due back in January 2012.	
Timeframe:	January 2012
Reporting Officer:	Shirley McCay

7	Key to Abbreviations
<p>BCC - Belfast City Council BCCM - Belfast City Centre Management BVCB - Belfast Visitor and Convention Bureau BWC - Belfast Welcome Centre DETI - Department of Enterprise, Trade and Investment NISRA - Northern Ireland Statistics and Research Agency NITB - Northern Ireland Tourist Board</p>	

8	Documents Attached
<p>Appendix 1 – Performance and Monitoring Report April – September 2011 Appendix 2 - BVCB Marketing and Visitor Servicing Plan 2010 – 2014</p>	