

Open for business

Thanks to the spectre of Foot and Mouth, the first half of 2001 was one of the worst periods in recent memory for British tourism. **David Quarmby**, Chairman of the British Tourist Authority (BTA), reports on the contribution his organisation has made to combatting the crisis, and outlines the initiatives that are being put in place now to ensure a full and long-term recovery for the industry as a whole.

The UK's tourism industry currently stands at a bit of a crossroads. Do we go straight ahead to major growth – far exceeding anything we were experiencing prior to the devastating outbreak of Foot and Mouth disease? Do we turn left and say we are happy to recover the ground that's been lost? Do we turn right and venture into new areas altogether, concentrating on a smaller but richer customer base? Or do we simply stay where we are, or even worse, go backwards?

I know which way I want to go, and I'm pretty sure everyone in the industry is with me on this. So I'd like to set out three areas for improved performance of British tourism. I believe these are essential if we want to achieve the kind of growth we're all dreaming of.

Tourism context

The first of these is the context in which tourism operates. The CBI's excellent tourism industry manifesto and its action group's forthcoming report provide a great framework. But Britain suffers from being an expensive destination – both in terms of getting here from Europe and in comparison with other European destinations. Research by the BTA shows that tourism is sensitive to prices and exchange rates. While this continues, the biggest single contribution the government could make to increase inbound tourism would be to lower taxation for our visitors.

A recent consultant's study shows that the direct tax content of what visitors to Britain pay is significantly greater than in other European destinations. Typically, about 20% of visitors' spending here goes directly into tax and duties, compared with a European average of 12.5%.

Meanwhile, the government already has a number of policies which can be helpful to tourism. The BTA's own advisory body, the British Tourism Development Committee, has compiled a comprehensive set of these policy statements and action points which, collectively, would really support inbound tourism. These recommendations will be officially published later this summer in a report called *Enabling Success*; preview copies are available now.

A common thread in both the CBI's report and *Enabling Success* is the need for a stronger voice for British tourism. The aftermath of Foot and Mouth and the arrival of a new British government present an unprecedented opportunity for the tourism industry to capitalise on the exposure of recent weeks, establish a much better organised voice for itself, and to start lobbying on some of the key issues of the day.

At the height of the Foot and Mouth crisis, while the concerns of the National Farmers Union were represented very visibly and audibly by Ben Gill, no figurehead was available to fulfil that role for

the beleaguered tourism industry. The contrast was stark, shocking and frankly embarrassing. There has to be a broader coalition of all those who see themselves as being involved in 'tourism'. While the statutory boards such as the BTA and the English Tourism Council will continue to play their part, the various sectors which comprise the tourism industry must come together to address the key issues. This 'Tourism Alliance' could have been enormously effective during the past few months.

Tourism marketing

The second key performance area for British tourism is our marketing. Here, I'm obviously thinking of the international perspective. The results of the BTA's own recent activities focusing on this issue make for interesting reading.

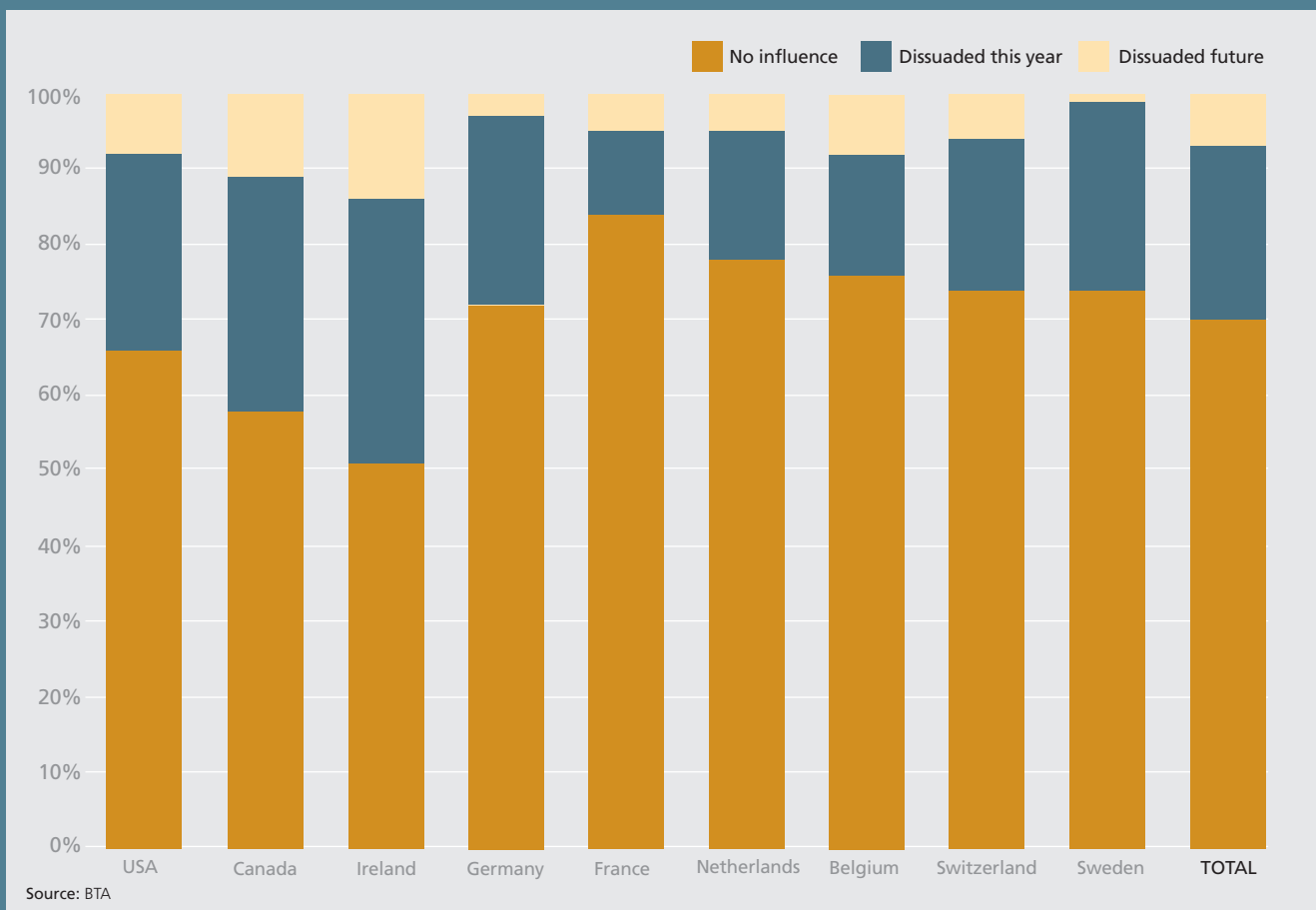
We have just carried out telephone research with consumers in nine of the overseas markets that have been most affected by the Foot and Mouth outbreak. We are still waiting for the full results but the preliminary findings are now available. Through this research we wanted to establish:

- whether Foot and Mouth has been uppermost in the minds of overseas consumers;
- whether Foot and Mouth had affected their plans to visit the UK;
- whether Foot and Mouth really is a barrier, or whether there are other factors;
- whether we might persuade overseas tourists to come to the UK either this year or next.

The results are encouraging in many ways. First of all, we found that positive images of Britain are still at the forefront of people's minds when asked about Britain. London is still the number one image, with a score of 38%, followed by culture and traditions (25%), parts of Britain (21%) and parks and scenery (17%). We also found that almost two-thirds of interviewees are likely to visit Britain sometime in the next three years.

However, when we asked those unlikely to visit for reasons why, a range of different issues came up, the second biggest of which was cost (substantiating what I was saying earlier about the need to reduce taxation).

The most astonishing finding of the research is awareness of Foot and Mouth. An amazing 97% of overseas consumers were aware of it – that's the same brand awareness as Coca Cola! We asked them whether they were concerned about Foot and Mouth, and half of the sample said yes, if they were visiting Britain. We asked them whether it would affect their plans to travel and, while 70% said it wouldn't, 30% said it would for at least this year.



This varies from market to market and bears out much of the anecdotal evidence that has previously emerged from the BTA's overseas offices. It shows there is a clear need for us to address these concerns, and to plan recovery activity on an individual market basis. So what has the BTA been doing?

Planning for recovery

Our recovery plan is summarised by the diagram below. As you can see, it falls into three stages. The first stage – mounted

within days of the first outbreaks in late February 2001 – has focused on the rapid dissemination of facts, information, reassurance and rebuttal. The internet has been crucial: during the weekend before Easter, we mounted a mammoth operation to check out tens of thousands of hotels, B&Bs and visitor attractions, in order to establish which had been individually affected by Foot and Mouth. All the results were posted on our website (www.visitbritain.com). We appointed a global PR agency, GCI, to target our media rebuttal and briefings more effectively.

BTA Tourism recovery strategy



Source: BTA

We decided not to prioritise consumer information campaigns, and instead focused on briefing the travel trade, who needed hard information and reassurance, and who were in direct contact with consumers.

You may recall that, in late April, we organised a world travel leaders' summit. We invited 40 delegates from 10 overseas markets – presidents of travel agents' associations, major tour operators, seasoned travel trade editors and writers – on a four-day, high-profile, fact-finding tour of some of the worst affected areas of Britain. These people all returned home convinced about the minimal impact of Foot and Mouth on the visitor experience, and determined to do their bit by spreading the word. By the middle of May the amount of negative overseas media coverage was decreasing. The day before the British general election, 6 June, was the first since 21 February that there was no mention of Britain's Foot and Mouth outbreak in the US media.

Our second stage, medium-term plan consists of a wide range of tactical marketing initiatives now underway with commercial partners; airlines are joining us on specific promotions, many of them price-led, as are tour operators and some hotel groups, particularly in the US, Canada and Ireland. We are conducting e-mail campaigns to 10 million prospective visitors in key markets, mailing several million of our recent enquirers and travellers to Britain with excellent offers. And a very large number of trade and press farm trips are planned for the summer and autumn.

Star appeal

We have also signed up a number of celebrities from the worlds of sport, show-business and the arts to help us with key campaigns, and announced this on the front page of the *Sunday Times*. I can tell you that we do *not*, as has been rumoured, have David Beckham signed up for a £14 million international advertising campaign, but we *do* have written endorsements for the work we are doing from almost 30 celebrities – including Becks.

One of the silver linings which has emerged from the Foot and Mouth cloud was the offer to the BTA from the FA Premier League and Barclaycard to be their international partner for the next two seasons. Every time a Premier League match is shown overseas, it will have an advert for Britain at the start and the end. We will have perimeter board advertising for www.visitbritain.com digitally superimposed over the actual ground advertising which UK audiences see. With a worldwide weekly audience of 160 million in over 100 countries this gives us a reach far beyond our wildest dreams.

Looking ahead

The third stage, the long term, is to relaunch and re-present Britain to the world, when Foot and Mouth is all cleared up. Right

now, we don't even talk about it. We are likely to focus on two main umbrella themes, one being heritage, culture and the golden jubilee: still some 65% of visitors to the UK come for the heritage and history. We believe it's time to return to and build upon our core values.

The other main theme is sports tourism, using the Commonwealth Games to build a destination marketing programme for Manchester, the North West and the UK, as well as building on the reach to football viewers around the globe.

All this will be possible with the additional £14.2 million of special government funding, and illustrates what we can do with further funding to develop some imaginative new marketing activity and drive more business here.

But we cannot do all this alone, which brings me to third and final key performance areas for British tourism – the product itself.

Tourism product

My view is that the quality of many tourism products here in the UK is not as good as it should be. We have got to do something about this. Without quality products you can forget about marketing and you can forget about sustainable growth. Even if the BTA had limitless budgets and the most creative marketing campaigns in the world, the most we could achieve is a short-term boost. Even a reduction in taxation and a more favourable exchange rate will not make our visitors *recommend* Britain unless the quality and value is there.

Of course, our biggest priority at the moment is to make sure that visitors aren't put off by Foot and Mouth and other issues. But surely we want more than this for Britain? We want people to *enthuse* about Britain, to see us as a desirable destination whether or not they can afford it. And this will only happen if every single visitor who does come here goes back raving about it.

The key issue is the quality of some of our accommodation, especially – although not exclusively – in London. As long as the use of the tourist boards/AA/RAC rating schemes is voluntary, we have an uphill struggle. The BTA has now adopted a policy of only promoting or including in its promotional materials accommodation which is rated under these schemes or is otherwise of 'requisite quality'. We will be progressively implementing this as fast as existing commercial arrangements allow. Indeed, many local authorities have already done so, and I urge other tourist bodies to do the same.

This crisis has been cathartic for the tourism industry, and devastating for some. But we look for the silver linings, and there is an opportunity to build on the togetherness which has united so many in this crisis. Meanwhile, we in the BTA will do all we can, with energy, creativity and professionalism, to drive forward this recovery plan, working with many different partners.