

Cynulliad Cenedlaethol Cymru / National Assembly for Wales
Pwyllgor yr Economi, Seilwaith a Sgiliau/ Economy, Infrastructure and Skills Committee

Gwerthu Cymru i'r Byd / Selling Wales to the World

Ymateb gan This Week Media / Evidence from This Week Media

Preface

1. Instigated by the Economy, Infrastructure and Skills Committee of the 5th National Assembly for Wales, the Inquiry into Selling Wales to the World will be aware that all civil service activity relating to tourism development is subject to the 1969 Development of Tourism Act and the Tourism (Overseas Promotion) (Wales) Act 1992.
2. Though well intentioned, the 1969 Act led to confusion over the interpretation of promotion. Its opening paragraph refers to promoting the development of tourism i.e. activity that supports the whole concept. Clauses 2(2) (a) and 2(2) (c) further confuse the issue by using the word promote in its two different senses. This then fed through to the second Act and the significance of this should become clear as the Inquiry progresses
3. There is no mention of marketing in either Act yet this activity has eclipsed destination management at the expense of people, product development, host community engagement and visitors alike, all of which goes to the heart of sustainable tourism development in Wales and other exporting potential.
4. Nor did the Act foresee the emergence of the Internet, which was to result in UK Tourist Boards competing with new private sector enterprises more adept at conducting business for Wales in the new digital marketplace. Over the past ten years, little has done more harm to the prospects tourism to Wales than civil service engagement in marketing. The 1969 Act is now hopelessly out of touch with digital developments and tourism in the 21st century. Yet the activities of the civil service remain governed and handicapped by it.

Introduction

5. An ideal introduction to this new Inquiry is the work done, and outcomes from, the Inquiry into Tourism conducted by the Enterprise and Business Committee during the 4th Assembly. It's not immediately clear which of the newly formed 5th Assembly Committees are picking up on the various pieces of unfinished business from that Inquiry. Will it be the Economy, Infrastructure and Skills Committee, the Culture, Welsh Language and Communications Committee, and/or the Tourism Cross-Party Committee?
6. A total of 32 members and invitees have been working across these Committees, including 2 from the Climate Change, Environment and Rural Affairs Committee, and the Co-operatives and Mutuals Cross-Party Committee.

The knowledge of ‘Wales.Com’ web site and in particular the help given by Business Wales;

7. The Wales.com web domain was acquired for purposes unclear at the time and for an undisclosed sum. The .com top-level domain (TLD) implies commerce and better reflects the Wales brand than Visit Wales (see paragraph 8).

The clarity and strength of Wales’s international tourism “brand”;

8. The Wales brand has suffered dilution since 2003 when Visit Wales was created. Brands cannot be invented and any amount of marketing cannot make something of nothing. In reality, destination branding is a function of good management.¹

9. Destination managers are invariably local and national officials with the management skills, influence and power to make things happen for the benefit of visitors and host communities alike. Destination brands are the sum total of visitors’ experiences and the stories they tell and hear about destinations. If managers do things right, destination brands will grow naturally.

10. If destinations are badly managed their reputations will suffer and any amount of advertising and promotion will be to no avail. It’s not a science; it’s common sense and doesn’t need consultants to confirm this. Visit Wales’ focus on marketing has been money misdirected when Destination Management Systems (DMSs) weren’t planned to be Destination Marketing Systems. Moreover, Destination branding work is never complete. It’s an ongoing process that requires excellent destination management that can be sustained over a long period of time to build a destination’s reputation.

The success of Visit Wales’ international marketing activities;

11. If success is judged by the amount of funding raised by Visit Wales to deliver international marketing activities then its success is not in doubt. If, however, it’s to be judged on value for money and gross value added using realistic formulae for calculating these, then the results are likely to paint a rather different picture.

12. International markets targeted recently have been Ireland, Germany and the USA, accounting for total spending of £25m, £49m, and £47m respectively. Of these, holiday trip spending respectively was £12m, £27m, and £17m.² It remains to be seen what results are forthcoming.

13. In the case of Ireland, an opportunity exists to grow this market via the EU-funded Ireland–Wales Co-operation Programme 2014-2020.³

¹ *Management v Marketing; The Dividing Line*, Wales.info October 2012
<https://drive.google.com/file/d/0B5rjHDRReRhDoS2tHQ2pMaFYxYkU/view?usp=sharing>

² *Tourism Market Profiles*, Business Wales 2015
<https://businesswales.gov.wales/zones/tourism/market-profiles>

³ *Ireland–Wales Co-operation Programme 2014-2020*

<https://drive.google.com/file/d/0B5rjHDRReRhDoUzd3Qjv5NDFYUzA/view?usp=sharing>

How Colleges/Universities promote international studying in Wales;

14. When presenting last November (2016) to the newly-formed Co-Production Network for Wales,⁴ Edgar Kahn, originator of time banking and author of the *Co-Production Imperative*, observed that Wales had taken a world lead in these complementary practices for community development and social sciences. This, together with the truly innovative, ground-breaking Well-Being of Future Generations Act 2016 made Wales a global authority, opening the doors, he said, to academic tourism to Wales from around the world; China in particular.

How the Welsh Government can assist in attracting large international events to Wales;

15. Economic impact assessments of projects delivered to date such as hosting the Ryder Cup, NATO Summit and Football World Championships will help inform future policy and to consider whether funds supporting these major events might be better spent on home grown events that have longevity and are a better reflection of Welsh culture.

16. Prime examples of this are the peripatetic National Eisteddfod of Wales, the Urdd National Eisteddfod and the Royal Welsh Show; the latter as a major world showcase for Welsh food and drink which represents 23% (£453m) of visitor spend after accommodation, with post-visit multiplier expenditure swelling this figure. Sesiwn Fawr, winner in 2000 of the Wales Tourist Board's Event of the Year (sponsored by This Week Wales and rechristened the Greatest Show in Wales) is also a fine example of Welsh culture on display in the small provincial town of Dolgellau.

17. All this is hugely reminiscent of the inspirational, 1988 Study into the Impact of Tourism on the Culture and Language of Wales, conducted by the European Centre for Traditional and Rural Cultures (ECTARC) for the Wales Tourist Board.⁵ It was this study that inspired the founders of This Week to produce the national tourism newspaper for Wales on the cusp of the digital revolution.

18. Today, it's the Arts Council Wales that has taken the lead by creating the Digital Innovation Fund for the Arts in Wales in partnership with the National Endowment for Science, Technology and the Arts (NESTA).

19. An earlier project to reconstitute Gwyliau Cymru—Festivals of Wales to partner the Association of Irish Festivals and Events (AOIFE) in a bid for EU funding to support the development of tourism under the Interreg II inter-regional programme, sought a letter of support from Visit Wales. The applicants were told,

⁴ *Co-Production Network for Wales*, European Centre for Traditional and Rural Cultures <https://coproductionnetworkwales.wordpress.com/who-we-are/>

⁵ *Study of the Social, Cultural and Linguistic Impact of Tourism in and upon Wales; A report to the Wales Tourist Board*, European Centre for Traditional and Rural Cultures (ECTARC) 1988 https://drive.google.com/file/d/1OzB2utVd-L1R2GSRTi9eZF_-SziO4cynkCzp41ZDr_jX4ORuWJ0xAtZ_piL0Di95ehoFh0F1548XXgji/view?usp=sharing

however, that this was not Visit Wales' policy to support indigenous events; they were only looking to attract major events from outside Wales. After much debate, a letter was finally forthcoming but by that time the funding window had closed and all work done on forging an Agreement⁶ between the two associations came to nothing.

The use made of support from the EU and the impact of Brexit;

20. Effective use of EU funding by the civil service in Wales to support tourism development has been patchy, ill-informed, wrongly-advised, lacking in innovation, anti-competitive, and has produced no discernable or convincing evidence of value for money and gross value added.

21. Before embarking on further expenditure it would be wise at this junctures to review the structures within which this expenditure takes place; look hard at new policy to produce better results for Wales, and consider the associated risks.

22. Wales has received substantial amounts of European funding to support tourism since the original 1994-1999 Objective 2 and 5b ERDF programmes. A State aid report in 2011, however, revealed product innovation crippled by civil service intervention In free markets where no failure existed. It was not so much market failure as government failure to understand the dynamics at play in the new digital marketplace.

23. The EU-funded Digital Tourism Business Framework is an example of a civil service ill equipped to deliver innovative programmes to the extent they deserved. On this occasion, there's little doubt Visit Wales bit off more than it could chew, forced a cut back the original 2009 budget of £17.4m to £8.9m through two reprofiling negotiations negotiated with the Welsh European Funding Office (WEFO).

24. In doing so, Visit Wales backed away from a key element of the programme that would have been better delivered through partnerships with private and third sector players, rather than competing with them for the funding in the first place.

What lessons Wales can learn from similarly sized countries?

25. Put another way, what lessons can similar sized countries in the EU learn from Wales' experience over the last 20 years, particularly new entrants from the eastern bloc that need all the help, advice and guidance they can get when implementing tourism projects that are sustainable. They can better learn from mistakes made by a Wales littered by projects that have proved unsustainable through lack of private sector partner engagement to deliver projects that are commercially sustainable.

⁶ *Co-operation Agreement FOW and AOIFE*, Project Management Group Meeting 3rd April 2002
<https://drive.google.com/file/d/0B5rjHDRReRhDoX1hhQWlzQlpVRkk/view?usp=sharing>

Declaration of Interest

26. During a seventeen year spell as joint publisher of the [national tourism newspaper for Wales](#) (1988-2005), extensive research was carried out with what was then the Wales Tourist Board into the information gathering habits of visitors pre- and during visit: what drove them to come to Wales in the first place, what their interests were, and what prompted decisions to return to Wales for a holiday or short break. No effort was spared gathering information visitors needed, then delivering it just in time in a familiar, cost-efficient, free newspaper format.

27. Twelve year's on, with new research and beta testing carried out under the EU-funded Digital Tourism Business Framework (DTBF) programme in Wales, [This Week](#) is to re-launch online leading on local festivals, events and entertainment – the most difficult information to capture owing to its transience and granularity. This Week needs access to this data through existing APIs, APIs that the newspaper will create for content partners, and new methodologies for gathering temporal data in conjunction with the Open Data Institute.