

GUERNSEY TOURISM STRATEGIC PLAN 2015–2025

Great things happen in Guernsey



STATES OF GUERNSEY



STATES OF GUERNSEY

MIKE HOPKINS – Director of Marketing & Tourism, Commerce & Employment Department
LUKE WHEADON – Chairman, Chamber of Commerce Tourism & Hospitality Sub Group
KAREL HARRIS, CLIVE ACTON, KENRICK BROOKS, ANT FORD PARKER, SIMON VERMEULEN, ALEX FULLER,
JONATHAN WATSON – Members, Chamber of Commerce Tourism & Hospitality Sub Group

WELCOME BANJOUR

CONTENTS:

- | | | | |
|-----------|----------------------------------|-----------|---|
| 4 | <i>Executive Summary</i> | 20 | <i>The Role of The Chamber Sub Group</i> |
| 7 | <i>Tourism Trends</i> | 21 | <i>Vision, Mission and Growth Objectives</i> |
| 8 | <i>The Value of Tourism</i> | 22 | <i>Strategic Aims</i> |
| 9 | <i>Target Markets</i> | 23 | <i>Strategic Action Plans, Budgets and Priorities</i> |
| 10 | <i>Visitor Feedback</i> | 24 | <i>Action Plans</i> |
| 12 | <i>Travel Trends</i> | 29 | <i>Appendix 1; Specific Action Plans</i> |
| 17 | <i>Guernsey's Offering</i> | 30 | <i>Contact Details</i> |
| 19 | <i>The Role of VisitGuernsey</i> | | |

EXECUTIVE SUMMARY

The tourism industry has long been an important contributor to the Guernsey economy. Against a backdrop of a declining, yet once thriving, horticultural and agricultural industry, and the rise of the financial industry, tourism has remained a steady constant. It has provided not only wealth and employment for the Guernsey economy, but also a healthy and vibrant hospitality, accommodation and attractions offering which has benefited the leisure and business visitor and the local community of Guernsey.

2014 saw a return to positive growth for visitor numbers, with full year figures showing an increase of 2.5% for all visitors. The all-important and value generating 'Staying Leisure Visitors' increased by 5.1% and Leisure Day Visitors by an impressive 36%, the latter driven mainly by arrivals and departures by sea. Despite this healthy performance there are some underlying trends which are of concern, specifically the decline in Business Visitors, particularly Day Business Visitors.

The outlook for tourism looks healthy; following a period of decline, exacerbated by the financial crisis of 2008, which impacted the worldwide tourism industry, industry forecasters are more confident about future growth. Deloitte Consulting and The Oxford Economics Group predict the UK Tourism sector will grow at an annual rate of 3.8% through to 2025. This is significantly greater than the UK economies' predicted growth rate, and much faster than key sectors such as Finance, Insurance, Manufacturing, Construction and Retail. Whilst this does not necessarily translate into the same growth figures for Guernsey, what it does show is not only a real increase in confidence in the sector, but also an increase in consumer confidence. This is important for Guernsey as the UK accounts for over 70% of all visitors to the island.

As an island Guernsey is totally dependent upon its air and sea links to drive the tourism economy. Reliable, efficient and competitive air and sea links are essential to the on-going health and growth of the industry. The growth of the budget airlines and the increased competitiveness of other European destinations and other worldwide destinations require Guernsey to ensure it remains competitive in a fast moving market, and it is able to clearly articulate its unique and special offering to its chosen target markets.

A competitive offering means Guernsey must provide excellent value for money with regards to not only its air and sea links, but also its accommodation and hospitality offering, its on-island attractions and events, and its overall visitor experience. A competitive offering combined with Guernsey's natural beauty, its special history and heritage and unique small archipelago, will help its tourism industry tackle the future with confidence.

During 2014 Commerce and Employment's Director of Marketing and Tourism, Mike Hopkins, in collaboration with The Chamber of Commerce's Hospitality and Tourism Sub-group Chairman, Luke Wheadon, and the Sub-group members, worked hard to produce a ten year strategy for Guernsey's Tourism Industry.

The strategy has been presented to, and has received approval from the Commerce and Employment Board and is supported by the Department of Culture and Leisure.

The strategy sets out the opportunities and challenges to be addressed over the next ten years and clearly articulates the combined private and public sector group's vision, mission, growth objectives and five key strategic aims.

Over the next ten years the group will work in collaboration with Guernsey States departments and the wider Tourism Industry and Trade to deliver a c30% growth in the value of the tourism economy. This equates to an increase in visitor numbers from 309,000 in 2014, to 400,000 by the end of 2025. The group is confident that this can be achieved through the focussed delivery of five key strategic aims opposite.

The plan sets out the specific action plans required to deliver each strategic aim. Work has already commenced on many of the plans which identify the key actions, the public and private sector responsibilities and the timeframes necessary to support delivery over the next ten years.

KEY STRATEGIC AIMS 2015–2025

1



Evaluate new, sustainable and competitive routes to the islands

2



Strengthen the islands' unique product offering

3



Deliver an exceptional visitor experience

4



Develop a positive environment for growth and Investment

5



Develop marketing and messaging that is consistent and compelling





1. TOURISM TRENDS

2014 saw a recovery in performance, after a disappointing year of decline in 2013, with full year figures showing an increase of 2.5% for all visitors. Staying Leisure Visitors increased by 5.1% and Leisure Day Visitors by an impressive 36%, the latter driven mainly by arrivals and departures by sea (figure 1). However during this period there has been an accelerated decline in Business Visitors, in particular Day Business Visitors, which has declined by 24%.

Following the worldwide financial crisis of 2008 and the resulting recession, Guernsey, like the vast majority of other tourist destinations worldwide, experienced a significant downturn in visitor numbers. In 2007 Guernsey saw 324,000 visitors to the island; this dropped by 12% to 286,000 in 2008, however since then visitor numbers have started to recover slowly, increasing to 309,950 visitors by the end of 2014.

After a decline of 30% in visitor numbers over the last 15 years, Jersey, our closest and most direct competitor, saw a mixed performance last year. Staying Leisure Visitors increased by only 3.7% compared to Guernsey's 5.1%, and their Staying Business Visitors declined by nearly 1%, compared to Guernsey's -11%.

Nearly 90% of all visitors to Guernsey are from just three countries. 70% of visitors to Guernsey are from the UK, with 11% of visitors coming from Jersey, 8% from France, 5% from Germany and just 1% from Holland.

Jersey, whilst it is as exposed as Guernsey to changes in UK visitors, does have a healthier spread of visitors from other European markets, most notably France, Germany, Ireland and Scandinavia. Despite its close proximity to France, Jersey only receives 11% of its visitors from the French market. Unlike Guernsey however, Jersey does not rely as much on visitors from other Channel Island markets, with only 6% of visitors coming from Guernsey.

N.b. All of the above figures exclude passengers on the inter-Bailiwick air and sea routes of Alderney, Sark and Herm.

** These figures exclude "Other staying", "Other day" and "Long stay" visitors.*

*** Cruise passengers and visiting yachtsmen are in addition to the Total Departing Passengers shown at the top of the page, which only include passengers departing through the Airport and Harbour passenger terminals.*

VISITOR NUMBERS 2014 SUMMARY OF RESULTS – JANUARY TO DECEMBER

| | 2013 | 2014 | % CHANGE |
|---|-------------|-------------|----------|
| Total departing passengers | 590,100 | 598,400 | +1.4% |
| Total departing visitors | 302,400 | 309,950 | +2.5% |
| Departing visitors by air | 198,100 | 188,850 | -4.7% |
| Departing visitors by sea | 104,300 | 121,100 | +16.1% |
| Staying leisure visitors | 129,400 | 136,050 | +5.1% |
| Visiting friends and relatives | 57,000 | 56,200 | -1.4% |
| Staying business / conference | 40,450 | 36,000 | -11.1% |
| Leisure day visits | 29,450 | 40,050 | +36.0% |
| Business day visits | 28,550 | 21,600 | -24.4% |
| Total for the above purposes of visit* | 284,900 | 289,800 | +1.7% |
| Total staying visitors | 227,800 | 230,700 | +1.3% |
| Average length of stay | 4.75 nights | 4.79 nights | +0.8% |
| Total overnight stays (bed nights) | 1,074,500 | 1,098,300 | +2.2% |
| Total staying in commercial accommodation | 166,300 | 174,400 | +4.9% |
| Average stay in commercial accommodation | 4.40 nights | 4.43 nights | +0.7% |
| Bed nights in commercial accommodation | 731,800 | 773,450 | +5.7% |
| Day visits | 74,550 | 79,250 | +6.3% |
| UK visitors | 211,900 | 216,400 | +2.1% |
| Jersey visitors | 32,650 | 35,200 | +7.8% |
| Other nationalities | 57,900 | 58,400 | +0.9% |
| Cruise ship passengers** | 113,380 | 107,040 | -5.6% |
| Visiting yachtsmen** | 16,810 | 16,510 | -1.7% |
| Departing Guernsey residents | 286,200 | 287,200 | +0.3% |
| Departing residents by air | 212,150 | 222,400 | +4.8% |
| Departing residents by sea | 74,050 | 64,700 | -12.6% |
| Net Promoter Score | | 72% | |

FIG 1. Visitor Numbers 2014 Summary of Results – January to December

2. THE VALUE OF TOURISM

Latest GDP figures (fig 2) published by The Commerce & Employment department in 2014 estimate the direct value of the Tourism sector to be £60.4 Million for 2013 (65% Hospitality, 60% Transport, 12% Personal Services and 12% Recreation) accounting for 2.8% of total GDP. This contrasts with the estimate for the UK of 4.6% of GDP, as stated in the Deloitte / Oxford Economics report – Tourism, Jobs and Growth (November 2013).

The Commerce & Employment department has attempted to apply a ‘multiplier effect’ to estimate the additional contribution to the value of Tourism, made through indirect expenditure through the supply chain and Retail. By applying the ‘multiplier effect’, the contribution the Tourism sector makes through both direct and indirect expenditure equates to £108.8 Million, or 4.9% of total GDP.

A 1% increase in visitor numbers (c3000 visitors), therefore equates to approaching £1,080,000 additional value contribution to the Tourism economy.

LATEST GDP FIGURES (2013 PRICES, £ MILLIONS)

| | 2012E | 2013E | ANNUAL % CHANGE (REAL TERMS) |
|---------------------------|-------|-------|------------------------------------|
| Horticulture | 9 | 7 | -21.9% |
| Agriculture and fisheries | 16 | 16 | +4.1% |
| Manufacturing | 38 | 38 | +1.0% |
| Construction | 125 | 129 | +3.8% |
| Utilities | 15 | 14 | -4.9% |
| Transport | 36 | 34 | -3.2% |
| Hostelry | 52 | 52 | -0.6% |
| Wholesale | 35 | 34 | -3.2% |
| Retail | 124 | 115 | -7.2% |
| Personal services | 34 | 35 | +4.6% |
| Recreation | 18 | 17 | -4.7% |
| Finance | 790 | 780 | -1.3% |
| Legal | 45 | 48 | +7.2% |
| Business services | 218 | 232 | +6.7% |
| Information | 234 | 230 | -1.7% |
| Health | 54 | 54 | -0.2% |
| Education | 12 | 13 | +1.8% |
| Public administration | 234 | 235 | +0.5% |
| Non-profit | 8 | 8 | +0.1% |
| | | | |
| Sector not reported | 79 | 93 | +18.5% |
| | | | |
| Total GDP | 2,175 | 2,186 | +0.5% |

N.b. Figures may not sum to totals due to rounding.

3. TARGET MARKETS

3.1 POPULATION TRENDS:

The UK visitor is the main market driver for Guernsey's Tourism sector. Nearly 70% of all visitors to Guernsey travel from the UK. The estimated population growth of the UK population for the period 2015 – 2020 is expected to be 3.3%, according to the ONS Population Ageing statistics (February 2012).

Like most developed western nations the UK's population is aging, and as such, the expected growth for the same period for the population aged over 45 is expected to be 5.3% (28.1 – 29.6 million). The expected growth for the population aged over 60 is 8.6% (15.1 – 16.4 million).

The population growth predictions for the UK are positive for Guernsey as the high growth 'Aged sectors' fit neatly with the age profile of current and target visitors to the Island. According to VisitGuernsey's latest 2014 Survey Monkey Profile Survey, 61.6% of visitors to Guernsey are aged between 40 and 65, and 28% of visitors are aged over 65.



3.2 MARKET SEGMENTS:

Figure 3 illustrates the market opportunity offered by broad target markets sectors. Results from VisitGuernsey Survey Monkey and the VisitGuernsey Brochure Profile form surveys for 2013, show that Guernsey's core market is defined as being of an age profile: 45+ with a socio-demographic (ACORN) profile of ABC1.

The core market is more than likely to be affluent, active, cultured, empty nesters, with a propensity to take a number of short-breaks and holidays each year.

A market that has been targeted on a number of occasions in recent years, and is considered to be important during the main peak season months, is the 33 to 44 age group, socio-demographic group ABC1. This sector is considered to be affluent, comprises singles and families, is quality seeking and is interested in food / cuisine and activities.

| MARKET PROFILE | | VALUE & FORECAST GROWTH* | | | | |
|--|-------------------|--------------------------|------|----------|------|----------|
| | | 2015 | 2020 | % GROWTH | 2025 | % GROWTH |
| CORE 45+ ABC1 UK | Volume (millions) | 14.0 | 14.7 | 5% | 15.0 | 2% |
| Affluent, Active, Cultured, Empty Nesters, Propensity to take more shorter breaks and holidays | | | | | | |
| 30-44 ABC1 UK | Volume (millions) | 6.6 | 7.0 | 6% | 7.4 | 6% |
| Affluent, Singles and Families, Quality Seekers, Foodies and Activity | | | | | | |



4. VISITOR FEEDBACK

Recent surveys conducted by VisitGuernsey, through the YouGov Omnibus Survey, to help understand the attitudes of potential visitors to Guernsey, and their views of Guernsey as a possible holiday or short break destination, have given clear feedback with regards to the perceived competitiveness of Guernsey's offering. The feedback has also provided important insights to help the shaping of marketing messages and propositions.

Results in Figure 4, from the 2014 survey, highlight the most important factors when selecting a short break or holiday destination. The quality of accommodation, scenery and natural beauty, cost considerations, the destinations' food and cuisine offering, and the heritage and sightseeing attractions are all high on the list of importance.

Insights gleaned from the 2014 YouGov survey illustrated in figure 5 show that for those respondents who had not visited or considered visiting Guernsey before, the main reason for not visiting were the perceived costs of getting to and staying in Guernsey, as well as the perception there was not much to do in Guernsey.

Figure 4:

IF YOU ARE PLANNING TO TAKE A SHORT BREAK NEXT YEAR, WHAT IS IMPORTANT TO YOU WHEN MAKING A CHOICE ABOUT THE LOCATION YOU PLAN TO VISIT?

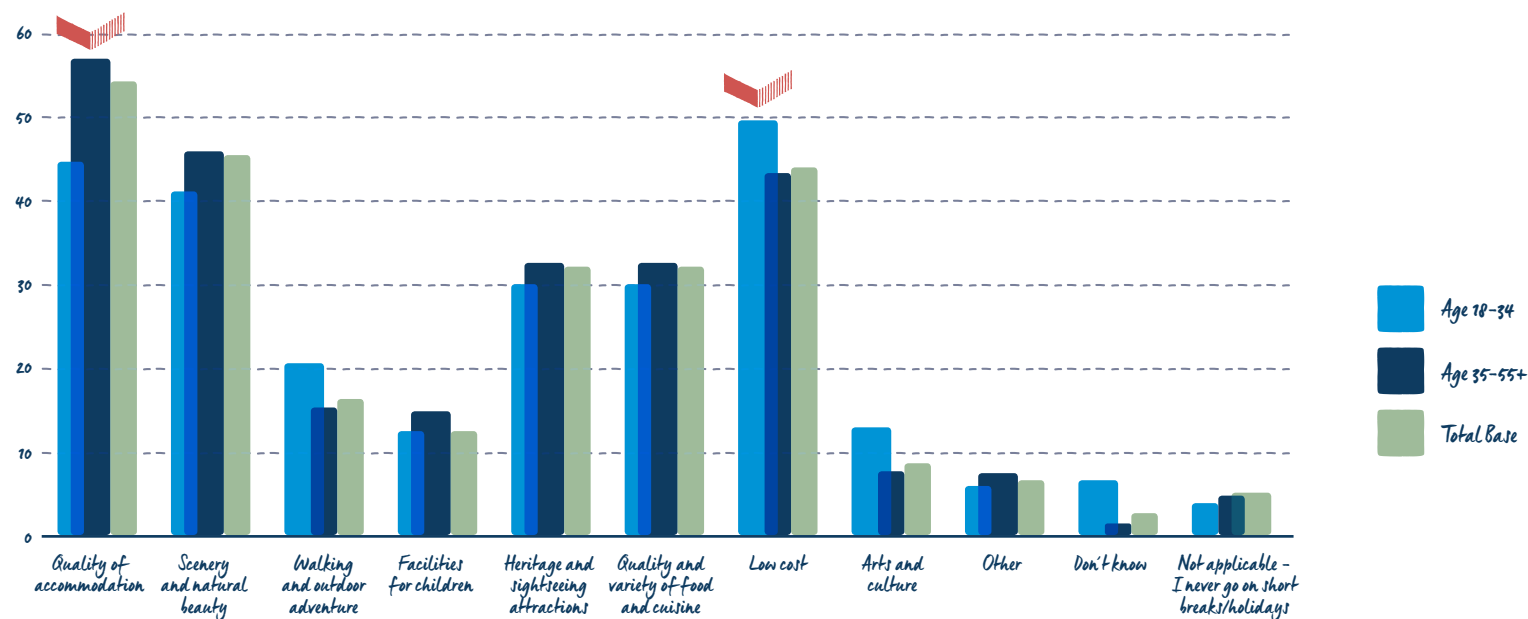
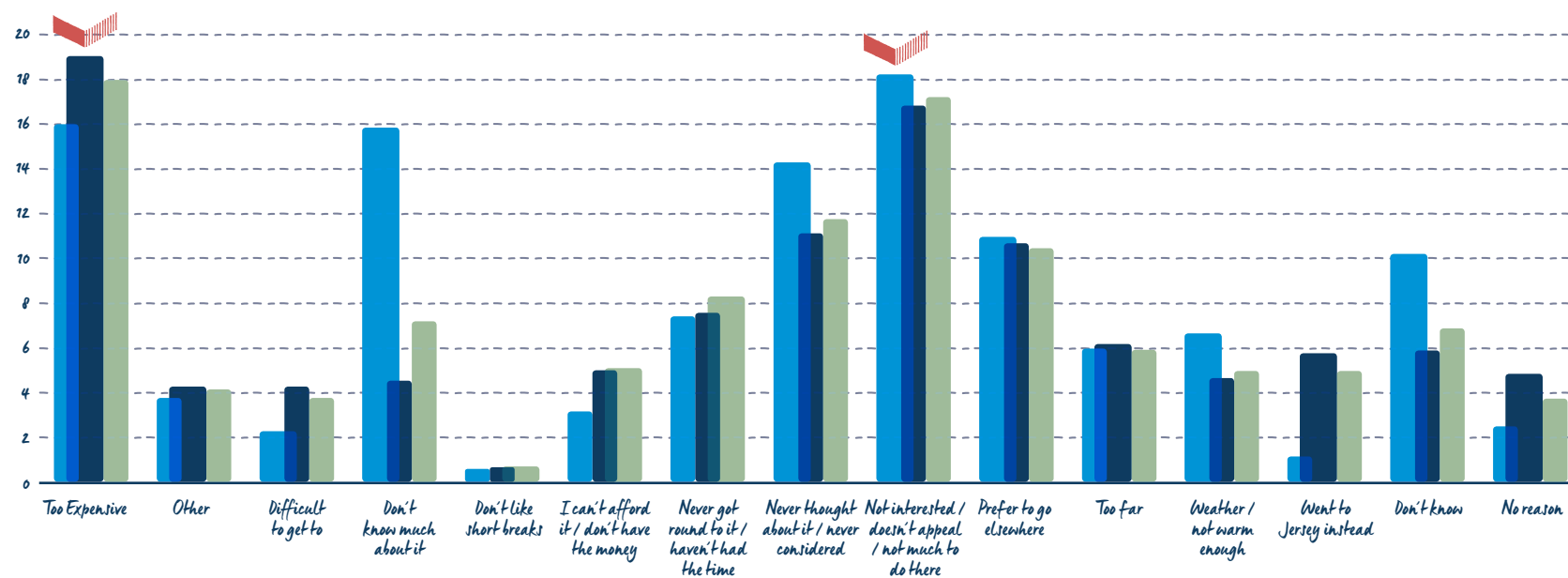


Figure 5:

WHY HAVE YOU NOT VISITED GUERNSEY FOR YOUR HOLIDAY /SHORT BREAK?



5. TRAVEL TRENDS

5.1 UK VISITORS

Travel trends over the past 50 years have changed immensely. During the Tourism ‘Heydays’ of the 60’s and 70’s Guernsey welcomed approaching 500,000 visitors to the island.

The growth of package holidays, and more recently budget airlines, has made frequent flying and holiday making to a greater choice of European and international destinations more accessible to the UK tourist.

The vast majority of scheduled flights to and from Guernsey are operated by Guernsey based airlines, Aurigny and Blue Islands. Flybe is currently the only non-island based airline to operate scheduled flights to the island. Budget airlines, such as EasyJet, Jet2 and Ryanair, do not currently fly to Guernsey, but do to Jersey. Direct air routes to Guernsey from outside of the UK are also not available apart from peak season charters.

The decision by Flybe, following a wide ranging strategic review of their business, to cease flying to the island out of Gatwick in March 2104, reduced capacity significantly on the route (Fig 6). In September 2014 Flybe announced that it was reducing the number of rotations from Southampton from four per day to only one per day following increased competition from Blue Islands.

During 2014, 66% of visitors travelled by air, and 34% by sea to Guernsey. Ferry services from Portsmouth, Poole and Weymouth accounting for a significant proportion of visiting families, and day visitors during the peak season.

The announcement recently by Condor of their purchase of the new Austal 102 trimaran will provide an enhanced experience for their passengers which is good news for the Island.

2014 PASSENGER DEPARTURES INCLUDING ALDERNEY, SARK AND HERM DEPARTURES

*Cumulative Passenger Departures
by Route January – December 2014
(including Alderney, Sark and Herm):*

| | VOLUME | % OF TOTAL PAX. | 2014 VS. 2013 |
|--------------------------|----------------|--------------------|------------------|
| London Gatwick | 157,700 | 21.2% | -9.0% |
| Southampton | 90,200 | 12.1% | +32.6% |
| Manchester | 31,800 | 4.3% | -4.5% |
| East Midlands | 13,400 | 1.8% | -8.4% |
| Birmingham | 12,100 | 1.6% | +9.6% |
| Bristol | 11,700 | 1.6% | -8.2% |
| Exeter | 11,400 | 1.5% | +2.6% |
| Stansted | 10,400 | 1.4% | +8.6% |
| London City | 2,500 | 0.3% | +100.0% |
| Other UK Air | 900 | 0.1% | -42.9% |
| Total UK Air | 342,000 | 46.0% | +2.0% |
| Jersey | 66,200 | 8.9% | -5.8% |
| Alderney | 18,600 | 2.5% | +0.5% |
| Total CI Air | 84,000 | 11.4% | -4.5% |
| Dinard | 1,550 | 0.2% | -28.3% |
| Swiss Air | 80 | * | -38.8% |
| Other Foreign Air | 2,550 | 0.3% | -17.9% |
| Total Foreign Air | 4,200 | 0.6% | -22.6% |
| Total Air | 431,000 | 57.9% | +0.4% |
| UK Sea | 87,600 | 11.8% | +5.2% |
| Jersey | 53,200 | 7.2% | +2.8% |
| Herm | 76,700 | 10.3% | +1.6% |
| Sark | 50,300 | 6.8% | +5.3% |
| Alderney | 100 | 200 | -59.0% |
| St. Malo | 38,800 | 5.2% | +5.8% |
| Other French Sea | 6,400 | 0.9% | -15.3% |
| Total Sea | 313,100 | 42.1% | +3.4% |
| Total Departures | 744,100 | | +1.6% |

FIG 6. 2014 Passenger Departures Including Alderney, Sark and Herm Departures

5.2 EUROPEAN VISITORS

The European market is very important to the visitor economy, but a lack of direct scheduled routes into Guernsey from Europe, apart from a limited Aurigny route from Dinard, and the reluctance of operators to underwrite charter seats, has seen a significant decline in visitors by air from France, Germany and Holland.

Although indirect scheduled routes are available to Guernsey, either through Jersey or through the UK ports, the inconvenience of the customs clearance process, and the associated time and cost implications of indirect flights have clearly impacted visitor numbers also.

The Charter business has experienced many changes over the past few years. Charters from Dusseldorf will see a further decline due to the decision for operational reasons by Air Berlin to limit their Charter rotations to one per week, rather than the previous two per week. However Air Berlin has agreed to test a charter from Stuttgart for 26 weeks during 2015.

In January 2015 Blue Islands announced their decision to halt all flights to Zurich, Paris and Amsterdam via Jersey. CityJet has however agreed to run a charter flight from Rotterdam, in collaboration with tour operators Buro Scanbrit and SunAir, and Swiss operator Rolf Meier Reisen has also confirmed they will operate a charter from Zurich during 2015 with Intersky.

Although relatively small in numbers, c 3–4000 visitors from Spain, Ireland and Italy travel to Guernsey each year despite a lack of direct connections. Ireland provides opportunity for growth and is currently an important market for Jersey, benefiting from direct flights from Dublin.

5.3 WORLDWIDE VISITORS

Whilst visitors from the UK, Jersey, Germany, France and Holland account for the vast majority of visitors. Due to historical connections, Cruise holiday visits and the popularity of the bestselling book 'The Guernsey Potato Peel Pie Society', Guernsey does attract a steady number of visitors from the USA and Canada. A good choice of competitive connections from the UK and key European hub airports is key to further development.



5.4 ACCOMMODATION FACILITIES



A healthy range of hotels and self-catering accommodation service Guernsey. Over the past 25 years the quality of accommodation has improved significantly. The introduction of the UK ‘Star’ grading system, the States Boarding Permit system, mandating the need for a minimum ‘One Star’ rating, together with the resulting and continued investment in improved facilities has contributed to an upward migration to higher star rated accommodation.

The vast majority of hotel accommodation is of a ‘Three Star’ rating or higher, and the island currently has c45 hotels in operation with a bed stock of c3000. The average number of beds per hotel is less than 70. There are three hotel groups now represented on the island; Best Western, Hand Picked Hotel and the Red Carnation group. The island does not have any of the major hotel groups who operate hotels with 100+ rooms with comprehensive conferencing and leisure facilities. Including self-catering accommodation and guest accommodation, Guernsey’s bed stock currently totals just over 5000.

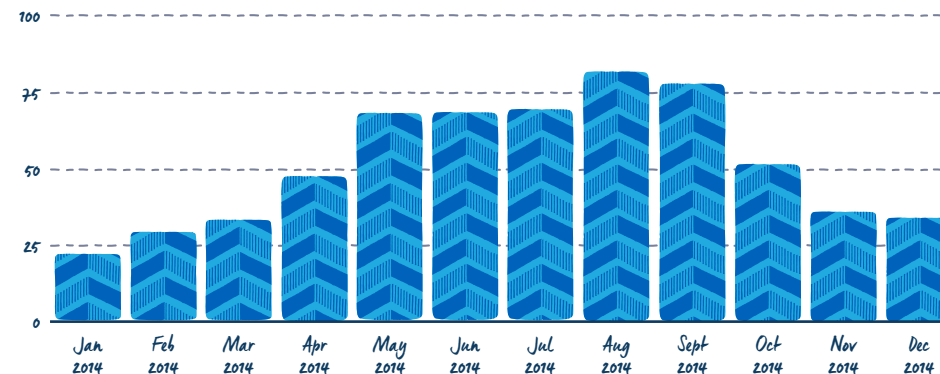
VisitBritain reported in their 2013 report that a significant proportion of visitor growth has been facilitated by the high growth in the quality budget hotels, e.g. Premier Inn, Holiday Inn Express, Ibis and Jury’s Inn. Currently there are no firm plans for a budget hotel group to enter the Guernsey market; however a quality budget hotel group has expressed initial interest in entering the Guernsey market. Availability of suitable locations and sites to develop is an issue though. It was announced in late 2014 that Premier Inn is planning its first hotel for the Jersey market.

Hotel and Self Catering accommodation occupancy levels are monitored on a monthly basis using the States ARIES reporting system (Fig 7). Hotels and Self Catering establishment voluntarily input their occupancy levels each month and all submissions are aggregated to provide a total average figure.

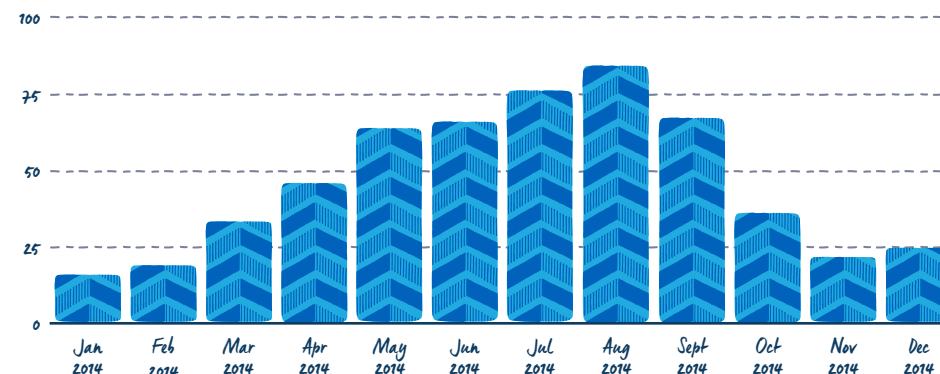
To December 2014, occupancy levels for Hotels were 51% (66% April to October) and 63% (April to October) for Self Catering.

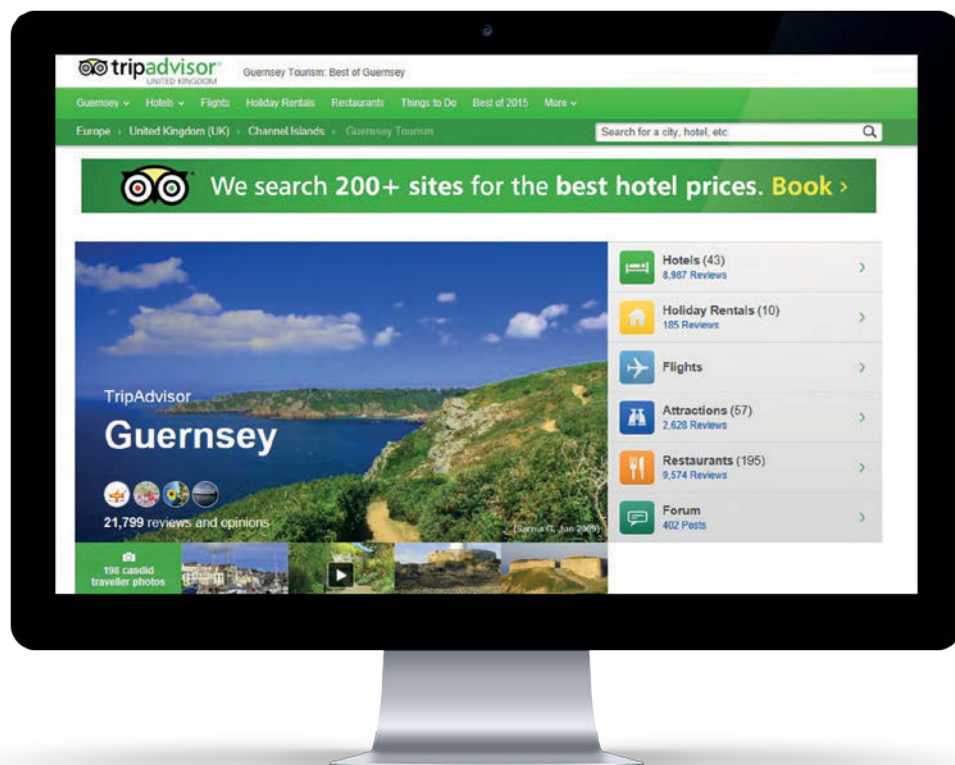
Figure 7:
ARIES OCCUPANCY REPORT

Occupancy achieved by room: hotel (Percentage)



Occupancy achieved by room: self-catering (Percentage)





5.5 TOUR OPERATORS



The Tour Operator sector has come under increasing competitive pressure from the trend to book directly or through online booking engines. Tour operators are being squeezed from both sides. The traveller is achieving competitive rates by booking direct, and the ability of accommodation providers and airlines to more easily market themselves directly to their target market via the web and booking engines enables them to achieve higher margin business. Nevertheless, Tour operators still bring between 30% and 40% of all staying visitors to Guernsey, and are key to providing marketing reach for Guernsey as a tourist destination.

A market still exists for the ABTA protected and 'no hassle' Tour Operator package holiday and booking services, one that is being further developed through aggressive and more dynamic multi-channel marketing. Four Tour Operators account for the vast majority of visitors brought to Guernsey; they are Premier Holidays, Travel

Smith (who also operate Condor Breaks), CI Travel Group and Island Getaways.

The industry has seen recent rationalisation, with Preston Holidays, one of the larger operators, being forced into liquidation during 2014. The Preston brand still continues, having been purchased by 3X Travel.

5.6 BOOKING ENGINES & COMPARISON SITES

The growth of booking engines and comparison sites such as Expedia, Ebookers, lastminute.com and TripAdvisor, has contributed towards a real paradigm shift in the research and booking behaviour of both leisure and business tourism.

TripAdvisor claims that 41% of all travel site traffic uses TripAdvisor. Of those users, 76% use TripAdvisor to research multiple destinations, 75% have a general region or activity in mind and use TripAdvisor to compare, and crucially 40% recall booking a different destination as a result of visiting the site. The power of consumer recommendations and the advocacy effect is

now one of the key marketing tools for any tourism related business. To be the top of the 'rated' league, ensure and maintain a competitive positioning and actively promote to an increasingly information hungry and demanding market, requires committed resource and constant vigilance and speed of response.



5.7 CRUISE LINERS



The number of cruise liners visiting the island has increased significantly over the past five years. Due to the combined effort of VisitGuernsey, Guernsey Harbours and industry partners, visiting cruise liner visitors experience of the island has improved immensely.

It is estimated that approaching 115 cruise liners will visit the islands during 2015. 90 visited the islands during 2014. Cruise liners operated by the top Cruise companies such as Celebrity Cruises, Saga Cruises, P&O Cruises and Royal Caribbean Cruises, have visited the island in ships accommodating between 300 and 3500 passengers, and larger 5000 passenger ships are scheduled to arrive in 2015. Disney Cruises has also announced that it will visit Guernsey for the first time during 2016. This is very good news for Guernsey as it reinforces the broadening appeal Guernsey has as a holiday destination.

In 2014 107,000 Cruise Liner passengers came ashore and enjoyed a 'taste' of Guernsey. Guernsey is now considered to be Europe's largest Cruise Liner tender port. Jersey has recently announced a serious intention to grab a slice of this important market with proposals to invest in a deep water berth for visiting cruise liners.

The latest European Cruise Liners report shows that cruise liner visitors spend on average £45 whilst in port. This spend alone contributes £4.8 million to the islands economy, helping to boost the revenues and profits of not only the island's cafés and shops but also the accredited guides, coach companies, bike hire, leisure boat hire and ferry businesses.

Currently c.2.5% of the annual cruise liner passenger numbers re-visit the islands for a short break or longer holiday, this contributes another c£1.2m to the islands economy each year and offers significant opportunity for further growth. The total cruise liner visitor economic value contribution is estimated to be c£6million each year.

6. GUERNSEY'S OFFERING

Guernsey has a host of unique offerings which help set it apart from its competitors. Historically the marketing message has focussed primarily on the natural beauty of its coastline, cliffs and bays and its rich history and heritage. However Guernsey offers much more and can provide a unique and special visitor experience throughout the year.

6.1 THE ISLANDS OF THE BAILIWICK



The archipelago of the Bailiwick, (Guernsey, Sark, Herm and Alderney), is clearly one of Guernsey's most unique propositions. Each island offers a truly unique experience to the visiting tourist. Guernsey provides the ideal hub from which visitors can easily and quickly hop between the islands, whether by sea or air.

6.2 HISTORY & HERITAGE



Guernsey's history extends back thousands of years, and physical evidence still exists to see and experience on the island. The legacy of fortifications, lookout towers and bunkers are well preserved to tell the visible tale of the islands fight against occupation over hundreds of years. The wealth and breadth of the islands history and heritage is readily accessible to all to see and experience throughout most of the year. The island's history of occupation and liberation in particular offers a truly unique perspective on life during World War II for all visitors to discover and contemplate.

6.3 CULTURE AND THE ARTS



Guernsey's most famous adopted author, Victor Hugo, has provided a compelling reason for those that love and admire his work, or simply are intrigued to find out more about this fascinating giant of literature, to visit his home of exile.

Guernsey's Culture and Arts offering has improved over recent years with the launch of the Guernsey Photographic Festival and the Guernsey Literary Festival. The latter attracting big literary names to the island such as: Lynda La Plante, Janet Street Porter, Dr Lucy Worsley and Kate Adie. The success of, and support for, the Literary Festival has encouraged the organisers to stage the event more frequently. The island also houses many galleries, museums and artisans all offering an insight into the islands creativity and special personality.





6.4 SPORT AND LEISURE



As an island Guernsey draws many sea-loving visitors, whether yachtsmen, motor cruisers, swimmers and divers. Guernsey has also for many years attracted visits from leisure walkers and ramblers. The island's natural beauty and walking friendly terrain provides year round enjoyment and discovery, and has provided the inspiration for the very successful Tasty Walks proposition.

The island also hosts many popular sporting events and leagues in a packed calendar, attracting a good number of visiting competing sportsmen and sportswomen from Jersey and the mainland. The island is also building a reputation for the more adventurous and blood pumping outdoor activities such as kayaking, surfing, rib rides and coasteering.

6.5 FOOD AND CUISINE



Guernsey's fabulous food and cuisine offering is one of the islands best kept secrets, and one which can provide an opportunity to attract more visitors to the island. The quality and provenance of its natural produce is unrivalled, and the breadth and variety of its independent restaurants, absence of UK chains, its coastline cafés and kiosks, and its idiosyncratic hedge veg, makes Guernsey a place for food lovers like no other. Guernsey has also enjoyed the hugely successful October and November Tennerfest promotional offering over the past decades.

6.6 FLORAL GUERNSEY



Guernsey has a long horticultural and floral heritage. A thriving industry during the sixties, seventies and eighties the Guernsey floral industry has seen a decline, but the islands love of flowers has not died. Summer festivals celebrate Guernsey's floral heritage and the energetic volunteer group – Floral Guernsey invests thousands of hours throughout the year nurturing floral displays which provide a feast for the senses across the island. Such is the group's dedication and expertise that Floral St Peter Port won RHS Britain in Bloom 2014 gold and were overall winners of 'Best Coastal Town'.

THE ROLE OF VISITGUERNSEY

The remit for VisitGuernsey is to target agreed market segments, help raise the awareness of Guernsey as a short break and holiday destination and generate interest in visiting the islands. As a result, this helps to drive an increase in enquires for the trade and local tourism industry to convert into bookings.

The VisitGuernsey team is responsible for developing and executing compelling and consistent brand and marketing campaigns, using the full mix of marketing channels and media available, including digital, PR, print, and TV to promote Guernsey's unique offering.

The department also has a responsibility to work with industry to improve Guernsey's offering and develop and successfully execute a coherent and cohesive strategy for investment and growth. It also must work with and support the tourism trade and industry to help ensure the marketing message and USP's of Guernsey are consistently communicated, and opportunities to drive visitor growth are identified and acted upon swiftly.



THE ROLE OF THE CHAMBER SUB GROUP

The Chamber of Commerce, Tourism and Hospitality sub group is responsible for championing the cause of the Tourism Industry on behalf of the industry. As a team it is responsible, for highlighting the opportunities for, and the needs of, the industry to both private and public stakeholders, and for working with the appropriate States departments in the development and execution of an agreed Tourism Strategy.

It is also responsible for representing and engaging with the rest of the industry, to encourage and help facilitate increased investment in tourism, and to lobby for policy change with the objectives of delivering the agreed strategy.



7. VISION, MISSION AND GROWTH OBJECTIVES

It is important for any organisation to articulate its Strategic Plan in simple terms; i.e. where it wants to get to or 'Vision', how it will get there or 'Mission', and its 'Growth' objectives'. This sets the context and main goals for the development of the Strategic Plan.

7.1 VISION

To be a top destination of choice and to ensure every visitor is delighted with their Bailiwick of Guernsey experience.

7.2 MISSION

Develop a tourism offering that delivers a unique archipelago experience, exceptional value for money and world class customer service.

7.3 GROWTH OBJECTIVES

2015

320k Visitors / +£4M GPD (+4%)

2020

350k Visitors / +£14.8M GDP (+13%)

2025

400k Visitors / +£32.8M GDP (+30%)

8. STRATEGIC AIMS

Against a backdrop of worldwide recession, Guernsey has weathered the recent economic crisis relatively unscathed. The economy is still growing and unemployment is very low, however the tourism industry has experienced a tough period of consolidation and low growth since 2008. Confidence in the UK tourism market is strong again, and Guernsey's core targets markets are some of the UK's highest growth sectors both in volume, but also wealth and discretionary spend. European markets are also starting to show improved confidence and propensity to travel.

To fully exploit the evident growth opportunities VisitGuernsey together with the Chamber of Commerce Tourism and Hospitality Sub-group, have identified five key strategic aims and areas of focus. The five key strategic aims focus on what is needed to develop critical links to the island, strengthen Guernsey's offering and it's supporting infrastructure, increase visitor satisfaction, influence government policy and regulation, and focus investment in marketing. The five key strategic aims will be delivered through 22 supporting Strategic Action plans.

KEY STRATEGIC AIMS 2015–2025



1

Evaluate new, sustainable and competitive routes to the islands



2

Strengthen the islands' unique product offering



3

Deliver an exceptional visitor experience



4

Develop a positive environment for growth and Investment



5

Develop marketing and messaging that is consistent and compelling

9. STRATEGIC ACTION PLANS, BUDGETS AND PRIORITIES

The agreed Strategic Action Plans and resulting priorities aim to articulate the key actions required to exploit the macro and micro market opportunities identified, build on the strengths of Guernsey's current offering, and address the threats to, and weaknesses of, its current tourism offering.

9.1 STRATEGIC ACTION PLANS

The 'Strategic Action Plans' summarised in the document aim to be realistic and deliverable within the timeframes stated. Each 'Action Plan' is supported by a more detailed 'Specific Action Plan' which detail the specific feasibility studies, business cases, actions and initiatives required to deliver against the objectives set.

9.2 BUDGETS

Each action plan includes an estimated likely incremental increase to visitor numbers and to GDP contribution as a result of implementing the action plan. Also included is an estimated range of costings. For the purpose of this document the source of funding (public or private) has not been specified. It is anticipated that a significant proportion of the funding will require public and private investments, but the relative contributions will be subject to feasibility studies and the approval of subsequent detailed business cases.

Where business cases support public investment this will be proposed and approved through the normal States of Guernsey budgeting process, or through exceptional applications to the Strategic Development Fund (e.g. as in the case of the additional £250K funding for additional TV advertising during 2015).



9.3 PRIORITISATION



The prioritisation of each action plan has been assessed against the estimated incremental contribution to visitor volumes and GDP and the relative costs of delivering that incremental value (I.E. High Value – Low Cost = Priority 1).

The authors of this document are under no illusion that it will be a challenge to deliver every one of its proposed plans and objectives successfully. However it states a clear intention for ongoing collaboration between The States and Industry, and a desire to make things happen. Crucially it sets out a clear direction for the future development and growth of the industry.

9.4 PROGRESS UPDATES AND REPORTING



Progress is already well under way with many of the action plans. Update on progress will be provided during the Tourism Seminars held by VisitGuernsey each year, and as appropriate, during other industry briefings.

10. ACTION PLANS

1. EVALUATE NEW, SUSTAINABLE AND COMPETITIVE ROUTES TO THE ISLANDS

MAIN FOCUS:

- Airlines long term commitment to the island and ability to attract new carriers
- Lack of direct connections to the North and North east, Scotland and Ireland
- Lack of direct connections to European markets, especially high value German, Dutch and Scandinavian markets
- Perception that Guernsey is relatively expensive to get to



| | ACTION PLAN | VALUE | COST | WHO | WHEN | PRIORITY |
|---|---|-------------------------------|----------------------|--------------------|-----------------|----------|
| 1 | Evaluate new and stronger route connections to the island (UK and Europe) | +9000 Vis's +£3.2m | Over £1m | C&E, PSD, T&R, CoC | 2015 – On-going | 1 |
| 2 | Encourage competitive fares on all routes to the island | +9000 Vis's +£3.2m | £100k– £1 million | C&E, T&R, PSD, CoC | 2015 – On-going | 1 |
| 3 | Discuss opportunities to maximise potential with new Aurigny Jet | 3–9000 Vis's £1.1m – £3.2m | £100k – £1m | C&E, T&R, CoC | 2015 – On-going | 2 |
| 4 | Question runway length and ability to attract airlines with wider reach and larger jets | +9000 Vis's +£3.2m | Over £1m | C&E, T&R, PSD, CoC | 2020 | 1 |

2. STRENGTHEN THE ISLANDS' UNIQUE PRODUCT OFFERING

MAIN FOCUS:

- Perception that there is not much to do on the island!
- Strong History and Heritage based attractions but other key areas are lacking – e.g. Family oriented attractions
- Feedback that it is relatively expensive to stay on the island
- Lack of events to rival other destinations
- Decline in Business visitors



| | ACTION PLAN | VALUE | COST | WHO | WHEN | PRIORITY |
|---|---|---------------------------------|-------------|----------------------------------|-----------------|----------|
| 1 | Improve quality and content of island events – Food, Heritage, Arts | 3–9000 Vis's £1.1m – £3.2m | £100k – £1m | C&E, C&L, TG, CoC | 2015 | 2 |
| 2 | Develop and support family oriented attractions | 3–9000 Vis's £1.1m – £3.2m | Over £1m | C&E, C&L, Planning, CoC | 2015–16 | 2 |
| 3 | Develop the Weddings Offering | 3–9000 Vis's £1.1m – £3.2m | Up to £100k | C&E, Home, Planning, CoC | 2016–17 | 2 |
| 4 | Investigate the Conferencing and Meeting offering | 3–9000 Vis's £1.1m – £3.2m | £100k – £1m | C&E, Planning, CoC | 2015 – On-going | 2 |
| 5 | Re-visit Glamping & Camping offering | Up to 3000 Vis's Up to £1.1m | £100k – £1m | C&E, Planning / Environment, CoC | 2015 | 3 |
| 6 | Work to facilitate improvements to our Marina facilities | Up to 3000 Vis's Up to £1.1m | £100k – £1m | C&E, PSD, Environment, CoC | 2015 – On-going | 3 |
| 7 | Work with Operators to improve package offering | 3–9000 Vis's £1.1m – £3.2m | £100k – £1m | C&E, CoC | 2015 – On-going | 2 |

3. DELIVER AN EXCEPTIONAL VISITOR EXPERIENCE

MAIN FOCUS:

- *No consistent measure and benchmark for visitor satisfaction*
- *Need for improved and consistent customer service*
- *Need to maximise the value of cruise liner visitors*
- *Industry confusion over our Accessibility provision and concern over what legislation will demand of the industry*



| | ACTION PLAN | VALUE | COST | WHO | WHEN | PRIORITY |
|---|---|------------------------------------|-------------|---|-----------------|------------------|
| 1 | Industry to focus on NPS & Visitor Satisfaction | +9000 Vis's +£3.2m | Up to £100k | C&E, C&L, CoC | 2015 | 1 |
| 2 | Become an Accessibility friendly island | Up to 3000 Vis's Up to £1.1m | £100k – £1m | C&E, C&L, PSD, Environment, T&R, GDA, Dis'Go, CoC | 2015 – On-going | 1 Legislation |
| 3 | Improve the Cruise Liner visitor experience, encourage repeat visits and generate more value | +9000 Vis's +£3.2m | £100k – £1m | C&E, C&L, PSD, Environment, CoC | 2015 – On-going | 1 |
| 4 | Improve the St Peter Port experience for visitors | +9000 Vis's +£3.2m | Over £1m | C&E, C&L, Environment, CoC | 2015 – On-going | 3 |

4. DEVELOP A POSITIVE ENVIRONMENT FOR GROWTH AND INVESTMENT

MAIN FOCUS:

- *Perceived barriers to industry investment and development – ‘Change of Use’ policies, Housing policies etc.*
- *Opportunity for States departments to work collaboratively with industry and support a joined up tourism plan*



| | ACTION PLAN | VALUE | COST | WHO | WHEN | PRIORITY |
|---|--|-------------------------------|-------------|--|-----------------|----------|
| 1 | Input into Planning Policy changes to help provide more tourism friendly legislation | +9000 Vis's +£3.2m | Up to £100k | C&E, Planning, CoC | 2016 | 1 |
| 2 | Facilitate access to States land & property for Tourism development | 3-9000 Vis's £1.1m – £3.2m | Over £1m | C&E, C&L, Environment / Planning, T&R, CoC | 2015 – On-going | 3 |
| 3 | Input into Housing policy re impact on hospitality staff accommodation and retention | 3-9000 Vis's £1.1m – £3.2m | Up to £100k | C&E, Environment / Housing, CoC | 2015 | 2 |

5. DEVELOP MARKETING AND MESSAGING THAT IS CONSISTENT AND COMPELLING

MAIN FOCUS:

- *Our competitors are ‘Out-gunning’ us – TV spend alone is between £1.2m & £5m!*
- *The Bailiwick experience and island hopping a key underexploited USP.*
- *Opportunity for joined up Channel Island messaging – ‘Better Together’*
- *Opportunity for consistent and coherent messaging across all tourism stakeholders – Trade and Industry*



| | ACTION PLAN | VALUE | COST | WHO | WHEN | PRIORITY |
|---|---|-------------------------------|--------------|----------|-----------------|----------|
| 1 | Promote the Bailiwicks unique Archipelago and Island Hopping experience | +9000 Vis's +£3.2m | £100k to £1m | C&E, CoC | 2015 – On-going | 1 |
| 2 | Collaborate with Jersey to push the Channel Island message | 3–9000 Vis's £1.1m – £3.2m | £100k to £1m | C&E, CoC | 2015 – On-going | 2 |
| 3 | Secure more budget for TV opportunity | +9000 Vis's +£3.2m | £100k to £1m | C&E, CoC | 2015 | 1 |
| 4 | Joined up marketing with Industry and the Trade | 3–9000 Vis's £1.1m – £3.2m | £100k to £1m | C&E, CoC | 2015 – On-going | 2 |

Appendix 1

SPECIFIC
ACTION PLANS

A more detailed 'Specific Action Plan' has been produced for each of the 22 broad action plans identified to support the delivery of the five key strategic aims; see example below: 5.3. Secure additional budget for TV opportunity', which has been delivered and is in support of the 'Key Strategic Aim' – 'Develop marketing and messaging that is consistent and compelling'.

5. DEVELOP MARKETING AND MESSAGING THAT IS CONSISTENT AND COMPELLING



5.3 SECURE MORE BUDGET FOR TV OPPORTUNITY

| | |
|--|---|
| <i>Broad Action Plan</i> | <ol style="list-style-type: none"> 1. Submit paper / Business case to secure additional Marketing and Tourism budget for TV media 2. Deliver strong media plan and TV campaign to target core audiences 3. Support plan with multi digital channel and Social media activity and partner activity to broadcast ad 4. Measure impact to justify a maintained / increased budget for subsequent years |
| <i>Impact:</i> | High – Over 3% increase in visitor numbers / +9073 visitors / +£3.2m GDP |
| <i>When: Key Milestone</i> | <ol style="list-style-type: none"> 1. Submit paper – Q4 2014 / Q1 2015 2. Produce media plan – Q4 2014 3. Execute media plan Q1 2015 4. Measure impact and performance – Q1 – Q4 2015 |
| <i>Who: Main Lead & Project Team</i> | Chambers Group – N/A States – Mike Hopkins |
| <i>Dependencies</i> | |
| <i>Cost:</i> | Medium – £100k – £1million |
| <i>Priority:</i> | 1 |



CONTACT DETAILS

MIKE HOPKINS
DIRECTOR OF MARKETING & TOURISM

E: mike.hopkins@commerce.gov.gg

LUKE WHEADON
CHAIRMAN

E: luke@bellalucehotel.com







STATES OF GUERNSEY