Marketing Heritage Tourism - understanding best practice

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- When I began…

Tourism Development

- Access
- Attractions
- Accommodation
- Activities

Visitor Attractions

- 1999 Attractions at the Heart of Tourism
- 2012 Attractions a Part of Tourism
- Low Cost Carriers
- Rise of Retail as alternative attraction
- Centrality of Web based Marketing
- Growth of Cities

Marketing – understanding the Consumer

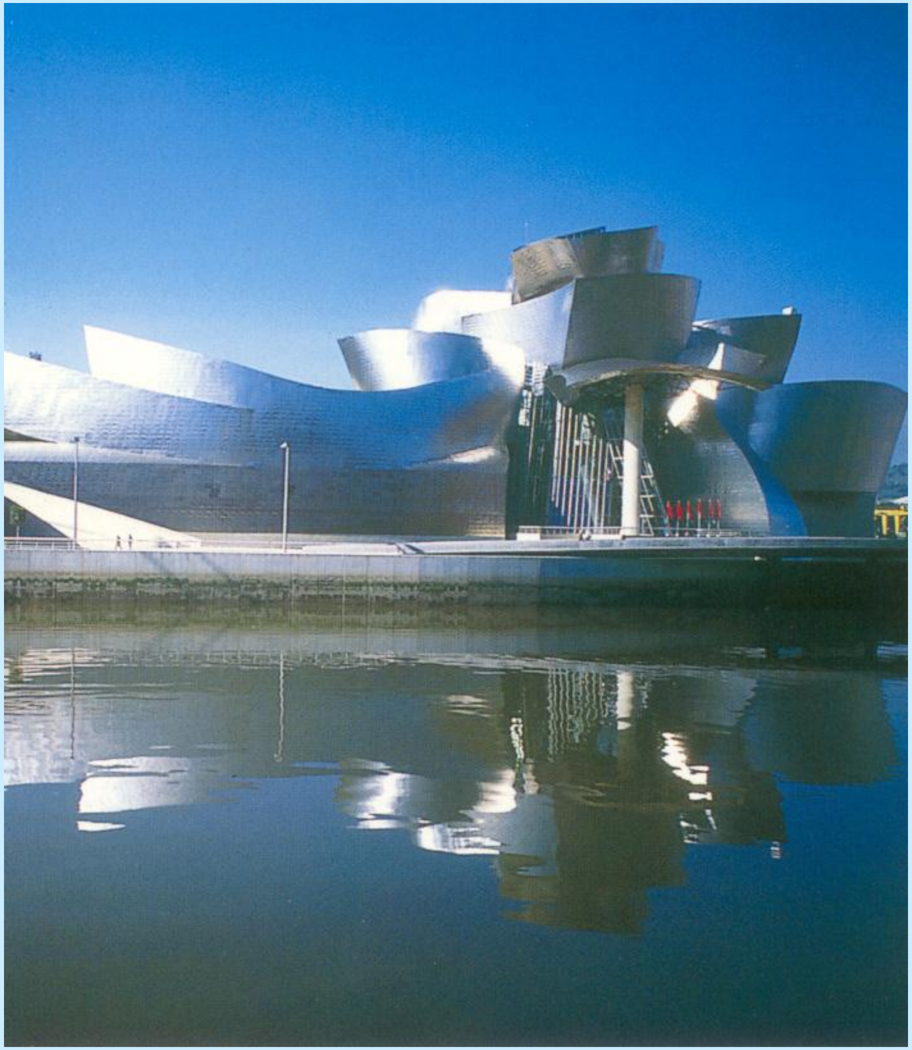
- What do you want to achieve ?
- Visitor Numbers always a good starting point to understand business
- Something of a struggle...

Consumer Research

- Retailers spend 120 x more than tourism companies on understanding consumer
- Pet Foods know more about consumer purchases of novelty items for pets than we know about tourism behaviour

Understanding the Customer Experience

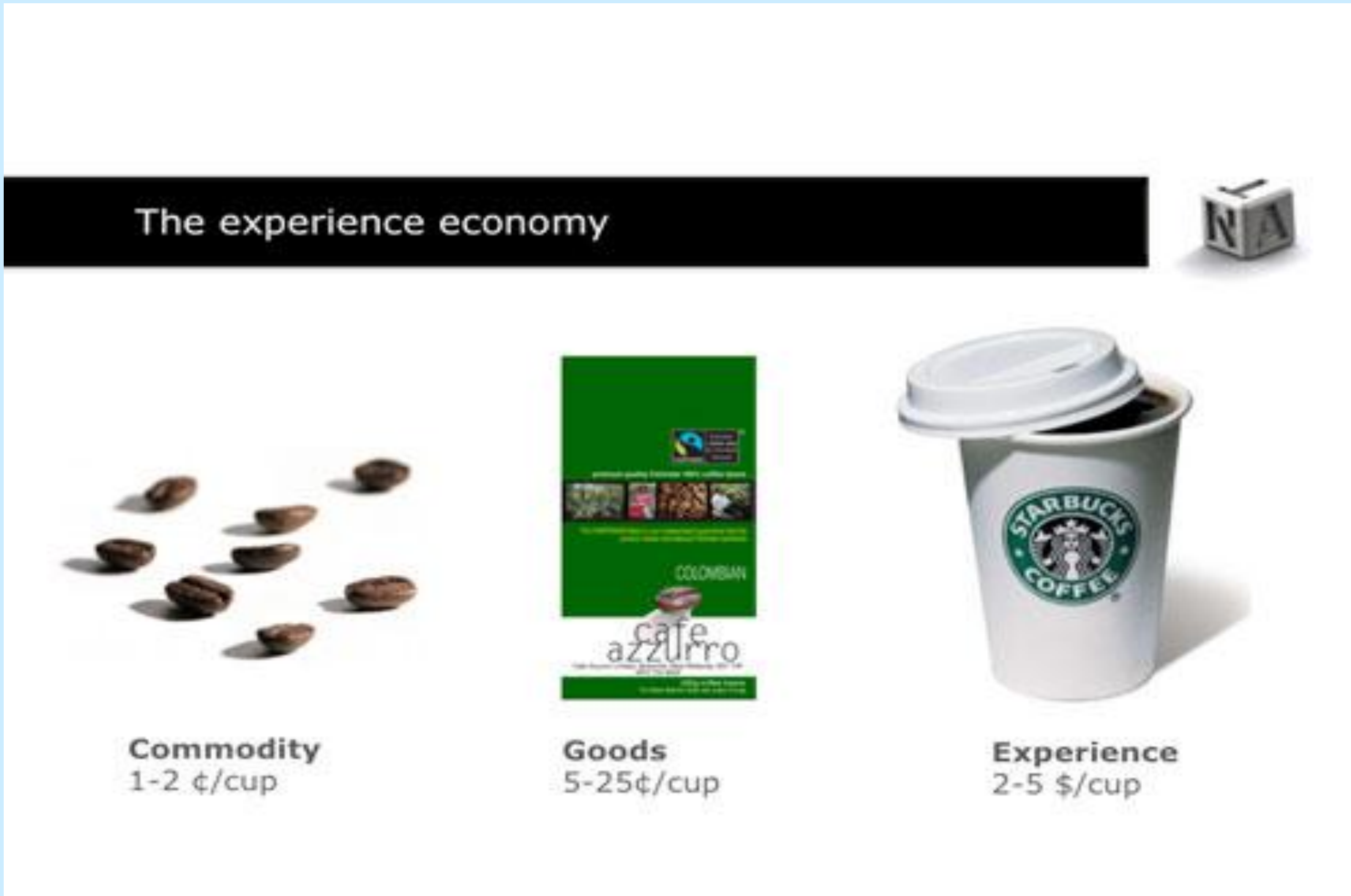
- Products, prices, people and technology are all so similar.



Understanding the Customer Experience

- Products, prices, people and technology are all so similar.
- The meaningful things that customers remember …such as the feel and perception of your product are delivered through the customer experience.
- Intangibles: friendliness, service, good feel, memorable.

Product and Experience



Visitor Attraction Experience

- The experience economy is all about:
  - Quality
  - Service
  - People
- It's about offering value for <u>time</u> as well as value for <u>money</u>
- <u>It is about creating a memory</u>

Visitor Experience

- Now electronic
- Trailed and Photographed
- Displayed and exchanged
- Consolidated and detailed
- Twitter, Flickr, Facebook

Experience in an uncertain operating environment

- Economic and Financial Problems facing customers
- EU: Greece, Portugal, Spain, Ireland and UK
- War and Terrorism
- Other unanticipated ‘shocks’...

Eyjafjallajokull Volcano

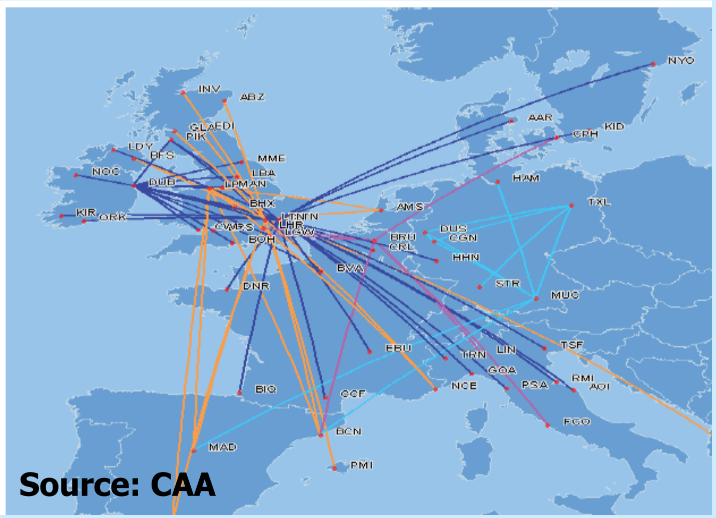
People will continue to travel but at different times and in different ways

- Hot Deals ; Low Season ; Last Minute ; Spend Less Overall ; Purchase Package ; wish fulfilment; the unusual…
- But do not forget the drivers…

Deal and Yields

Europe’s Low Cost Carrier market

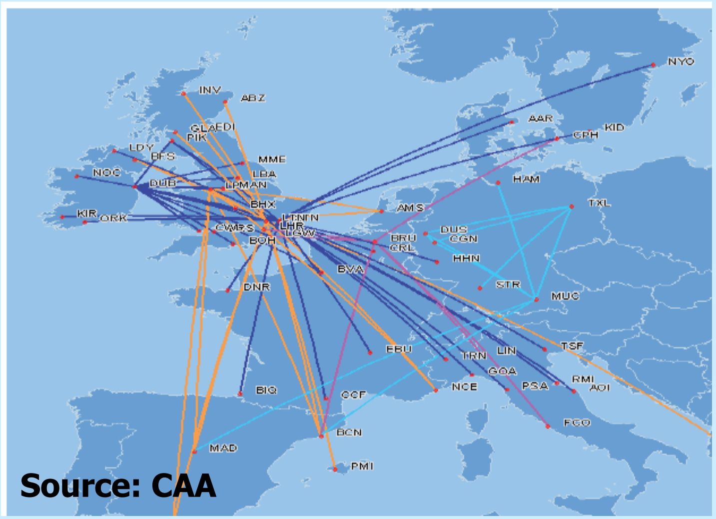
Low Cost Routes 2000



Source: CAA

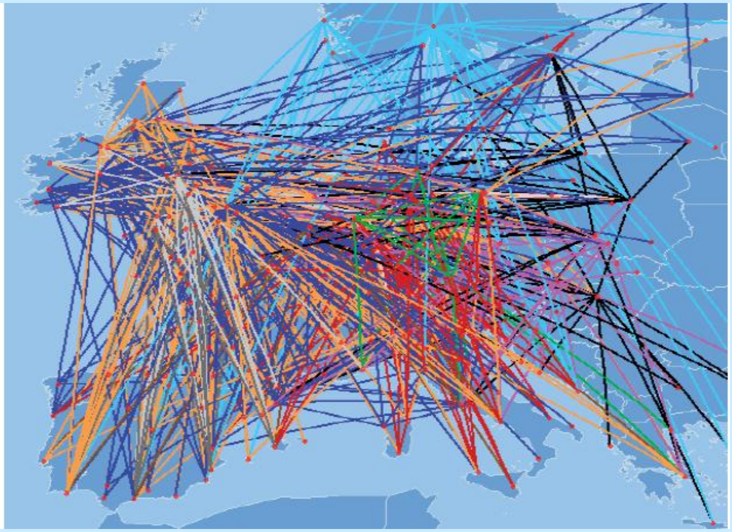
Europe’s Low Cost Carrier market

Low Cost Routes 2000



Source: CAA

Low Cost Routes 2011



People will continue to travel but at different times and in different ways

- Tourism behaviour (particularly in leisure time) will continue to define people perceptions
- What do you do ? Where do you live ?
- What car / What holiday destination ?
- Significance of Facebook content

People will continue to travel but at different times and in different ways

- Question ; Why are Cruise Sales up in a recession ?
- Some of the highest per capita expenditure in travel

Cruise Sector

- An industry that has shown real product / service innovation
- Investment and creativity in Cruise offer not seen in majority of Attractions industry
- Attractions have seen <u>process</u> innovation but limited <u>product</u> innovation

Cruise Sector

- Cruise :range of products, services and options as part of core package
- Attractions slow to embrace contribution pricing
- Inclusive pricing attractive in recession
- Bundling of services in an effort to contribute to operating costs and stimulate traffic

We have to get better at Innovation

Year	Visitors to Scottish Attractions
1999	30.1m
2011	38.7m
Rise	+ 20.6% in 12 years

Telephones 1999-2011

Telephone 2012

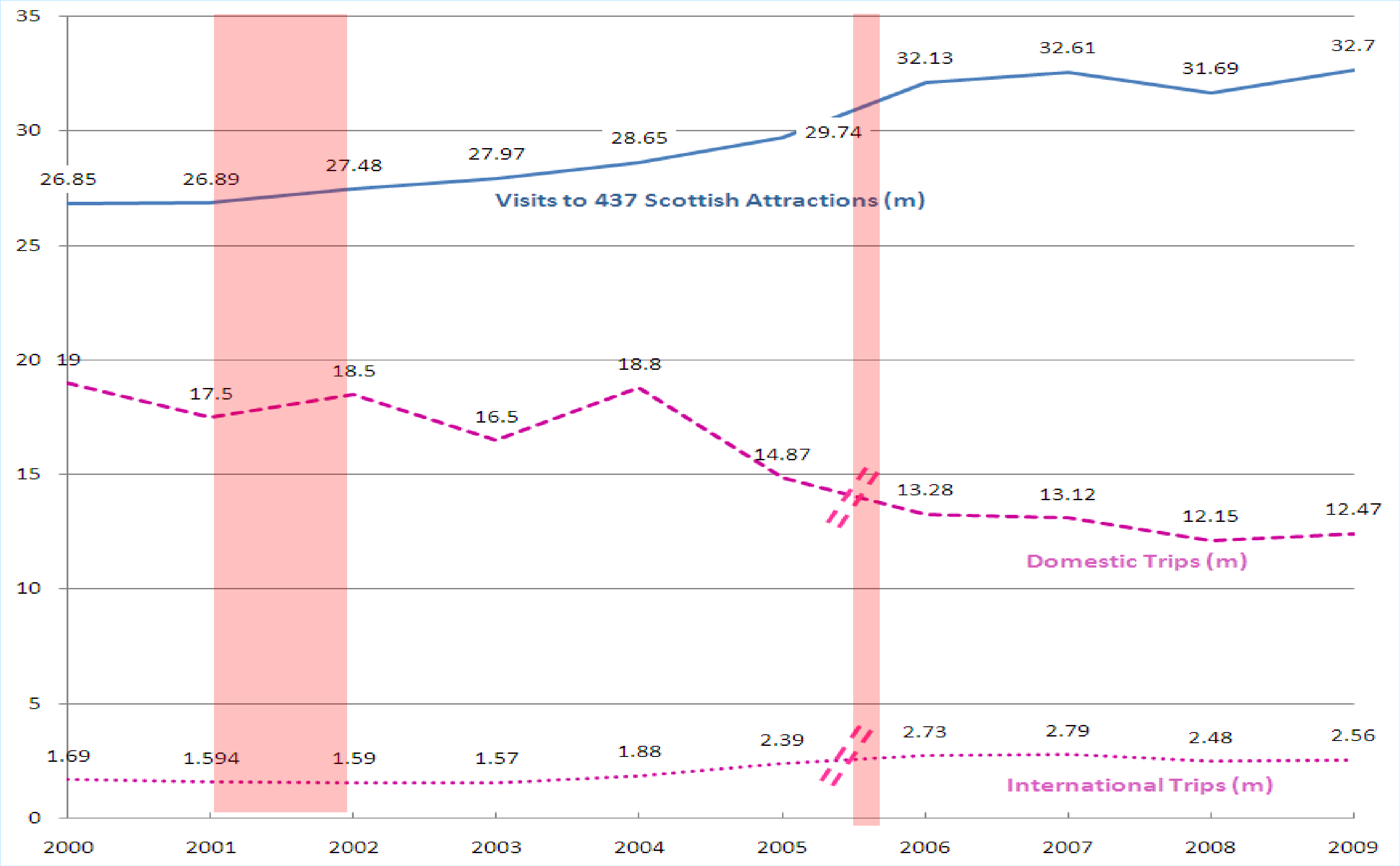
Understanding Innovation

- Mobile Tel Ownership 1999 5.5 million
- Mobile Tel Ownership 2011 2.6 Billion
- 1+ Mobile for every 3 individuals in the world

Understanding Attractions

- My experience and benchmarks
- UK data analysis
- England
- Scotland
- Wales
- Northern Ireland
- Western European

Tourism, Attraction Visits, Shocks



The Triumph of Cities

The importance of Real v Virtual

- Authenticity, Primacy of the Object, the genuine will become more visible positive features
- The massive volume of virtual experiences and data on line will catalyse demand for authentic alternatives

Real v Virtual

- Pastiche and simulation endure because they operate in a much more commercial reference frame
- They utilise Return on Investment and Shareholder return criteria
- Their marketing will continue to outclass the real unless significant changes to approaches occur

Role of the Influencer

- Older, main stream consumer will be increasingly important
- Redefining targeting when looking for people to talk about your products and services
- The young who are most active on social media sites are probably not key targets

Role of the Influencer

- How do you build the relationship with the Key Influencer / Viewer
- Think - You get 100 web views and 2% purchase tickets – how do maintain contact with all viewers – the other 98% have a significant propensity to consume
- How do you provide the experience

Understanding the Total Experience

- The retail sector has embraced the concept of ‘total shopping’ whereby a consumer is held in a megastore or mall for an elongated experience and will part with significantly higher levels of discretionary expenditure than anticipated
- Think Ikea, Walmart Megastores, (Retail Leisure combination)

Total Attractions Experience

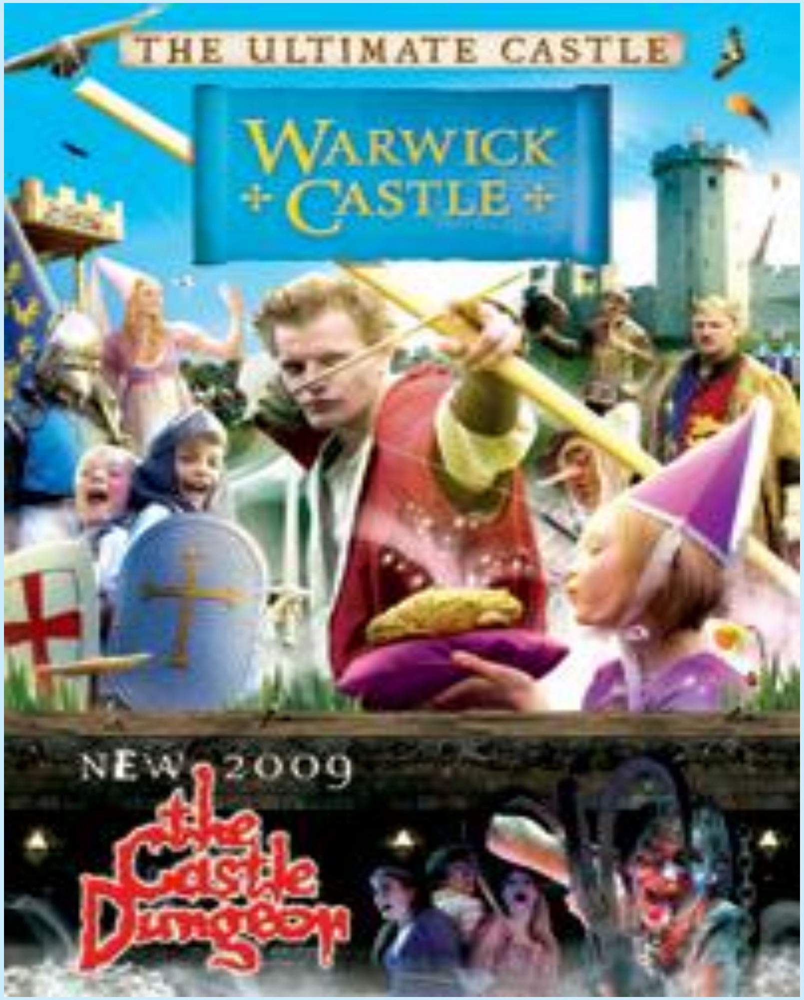
- Have any operators taken this development on board to date ?

Heritage that works

- **Who is out performing the sector** ?

Merlin Entertainment

- Heritage as Destination
- Heritage is a revenue and profit centre linked to entertainment, evolving product mix, deals and fun
- Dwell Time Target is 1 day plus



Merlin Entertainment

- Key Brands: Legoland, London Eye, Sea Life, Dungeons, Alton Towers, Tussauds (60+ attractions in total)
- Iconic operator in 3 continents
- No 2 global attraction operator

Merlin Entertainment

- Double digit sales growth in each of last 9 years
- 2011 Sales £769m +16% pa
- Total Group Visitors 38.5m +9.7% pa

Understand Heritage that works

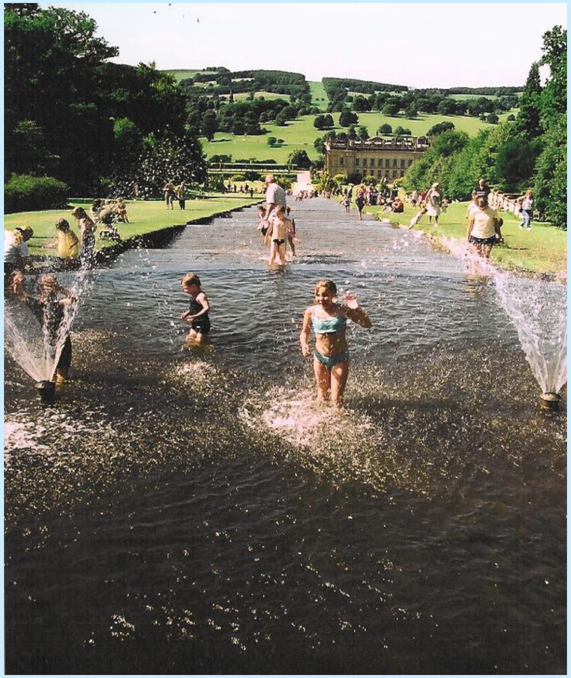
- Understanding the experience through the customer journey
- Marketing, anticipation, arrival, signage, interpretation, retail, hospitality, exhibitions, additional facilities, extending dwell time and building loyalty
- UK Best Practice : Chatsworth House and Garden

Chatsworth House and Gardens, UK

- 800,000 people paid to visit the house, garden, farmyard and playground, between March & December 2011
- 280,000 attended large scale outdoor events
- Up to 600,000 used the park and woods free throughout the year

Don’t touch, don’t run, don’t eat,
don’t shout, don’t walk, don’t come

3 or 4 generations of local visitors have memories of paddling in the Cascade



FARMYARD & ADVENTURE PLAYGROUND

Attracts a third of paying visitors and

becoming the centre of the estate's education service

Interpretation, <u>Entertainment</u>, Communication and Education

Behind the scenes tours in the house and garden, led by <u>members of staff</u> who are <u>explaining</u> their own work

‘I’ll never complain about paying to look round a house again’

RETAIL AND CATERING

- £12.5 million per annum
- Gift Shops, Catering, Farm Shops, Licensing

Context

- People Service and Welcome
- Memory and Loyalty
- Entertainment and Fun
- If there are shops they must be great shops

Best Practice:

Metropolitan Museum of Art

Metropolitan Museum of Art, New York, USA

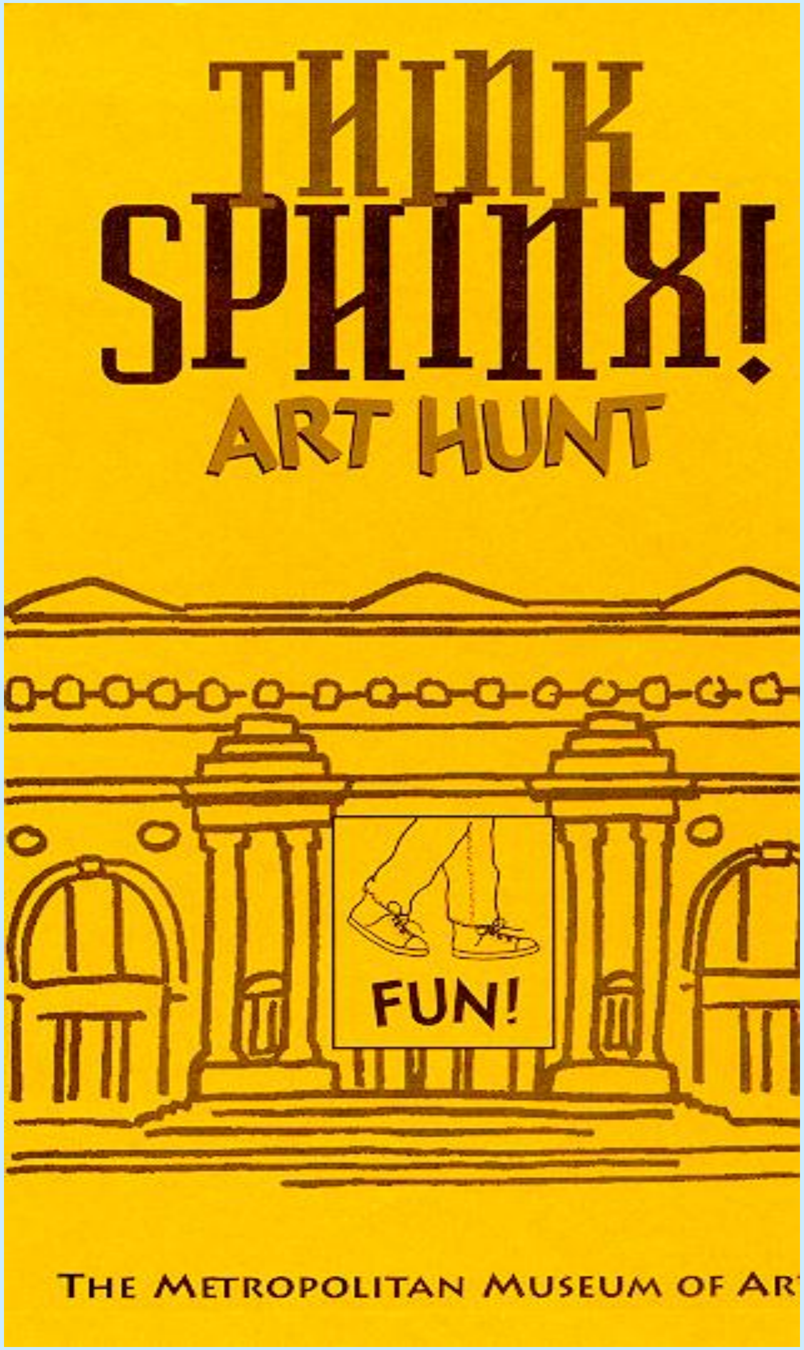
- A world class collection that defies one visit to appreciate or comprehend
- A management that takes the commercial and non-curatorial operation as seriously as the ambition to become one of the World’s finest collections

Building Commitment

- In order to build visitation and ownership an extensive programme of evening, weekend and functions operate throughout the year
- Jazz at the Met
- Roof Garden Bar
- Red wine and Rodin

The Metropolitan Museum of Art

New York



Attracting Children

- Child Focus Marketing - to ensure all local children utilise museum - important repeat client with ‘parent’ minders
- Arts for the under 10s
- Make Art a Game – make it fun and they might come back
- Children are the patrons and benefactors of the future

Heritage and Museum Stretch

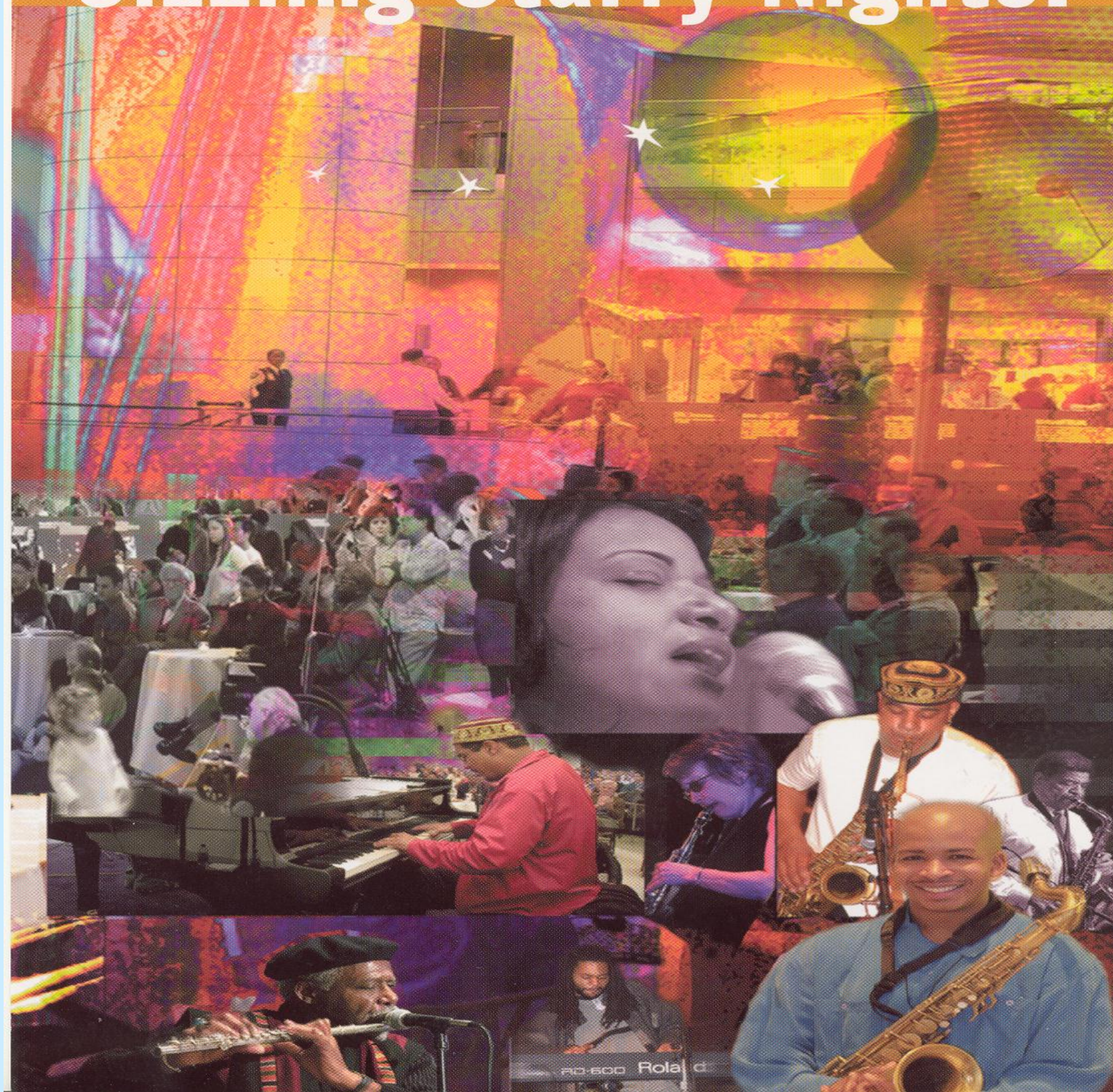
- Museums and Heritage as venues, stages, back drops
- Different purposes
- New reasons to visit
- Look again and think again

DINING

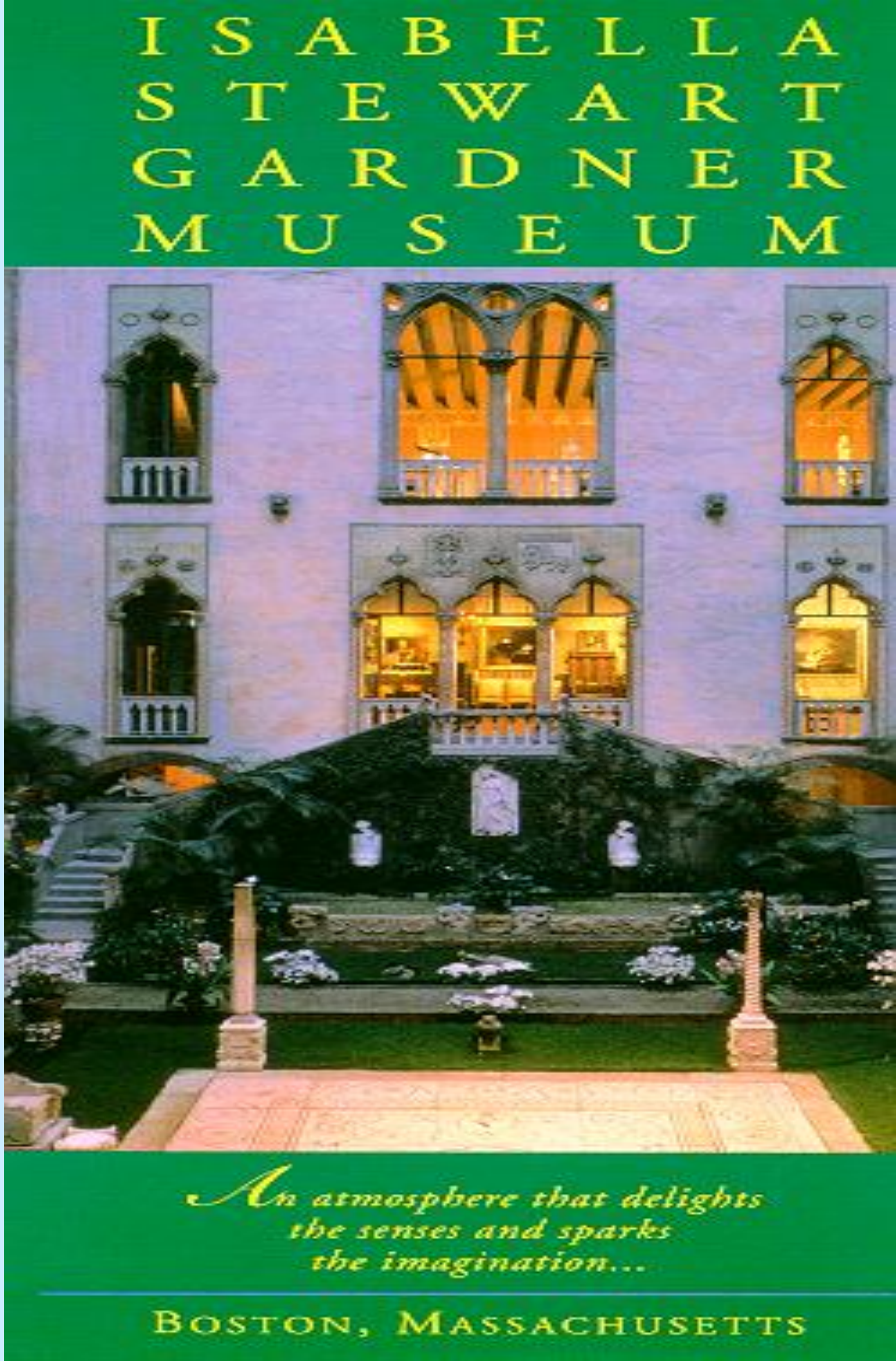
AMERICAN MUSEUM OF NATURAL HISTORY

AMERICAN MUSEUM OF NATURAL HISTORY

Sizzling Starry Nights!



Museum as a Wedding Venue



Commercial Imperatives

- Thus without authenticity and state funding sites become must see and must visit locations
- They offer lessons to the real and the authentic places like your heritage sites

Visitors will come ?

- Heritage sites will attract
- Heritage sites and Natural Wonder (Spectacular Scenery, Northern Lights) will attract more
- However...
- To grow, maintain awareness and grow we have to think more radically

Experience and Authenticity

- Developing memories
- Building the experience
- Differentiating from the competition
- Without the aid of authentic documents, original records, heritage buildings and sites – history will be nothing more than conjecture and fable.

The past...

...is not separate from the present – it is constantly being broken down and reintegrated into the present, reinterpreted by historians, curators, anthropologists, popular novelists and film makers.

The past...

- These sites are vital to our understanding of our shared past – to market and increase their appeal is as critical as conservation, maintenance and record keeping.

- To ignore this is to threaten their significance and importance.

Moving Forward

- Planning realistically
- Clustering products – growing experiences
- Realism about appeal and extent of challenge

- A ship is safe in the harbour…but
- That is not what the ship was designed for

Thank you

- For inviting me and listening
- Your questions are welcome