Economy

FUTURE ECONOMY PROGRAMME

Changing perceptions, shaping the future

A STRATEGY FOR THE VISITOR ECONOMY

DEC 2023

Our Vision

To be a globally recognised, sustainable and enriching destination that Islanders are proud to share.

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1. INTRODUCTION

i. Ministerial Foreword

As Minister for Sustainable Economic Development I am acutely aware of the interdependencies that are present in Jersey's economy. The Visitor Economy is vital to the success of other sectors and vice versa, and it is of huge importance to our island community. The hospitality and leisure offering is a vital part of what makes any destination a great place to live and work, and nowhere more so than Jersey where the lifestyle is what continues to attract and delight Islanders.

The strategy for the Visitor Economy supports many of the objectives of the recently published Strategy for Sustainable Economic Development; it contributes in particular to the international element of our economy, enhances our resilience and provides balance to the economy, supports the connectivity which Islanders and businesses rely on, and enables us to promote and sell our culture with the world.

Given the importance of the Visitor Economy to the future of Jersey, I made it a priority to develop a strategy in 2023 to help guide and shape its future. It is also my intention that this will help build confidence and provide strategic direction to the industry, which has experienced extremely tough trading conditions in recent times, and I want to continue to support it through the generational transformation that is happening across the sector.

The publication of the strategy is just the first step in our journey to achieving our vision:

To be a globally recognised, sustainable and enriching destination

that Islanders are proud to share.

I am delighted at the cooperation that has happened already and very grateful to the work of the steering group that has come together to develop the strategy in partnership with Government. It is this spirit of collaboration that will be crucial to success and our ability to deliver over the coming years of transformation in the industry, laying the foundations for the decades to come. I recognise there is still much work to be done but we have a significant opportunity, which we must seize now, and the chance to build a positive future for Jersey.

DEPUTY KIRSTEN MOREL

MINISTER FOR SUSTAINABLE ECONOMIC DEVELOPMENT

ii. Visit Jersey Foreword

It has been a privilege to work collaboratively with industry and the Government of Jersey on this Visitor Economy Strategy, which I believe represents an innovative and comprehensive vision to elevate the Island's position as a premier destination for visitors from around the world.

Jersey is a jewel that captivates with its stunning landscapes, rich cultural heritage, and warm hospitality. As the global travel landscape continues to evolve, it is essential for destinations to adapt in order to thrive. Whilst Jersey has a celebrated legacy of tourism, we must now change perceptions to shape the future. The new Visitor Economy Strategy for Jersey embodies a forward-thinking approach, designed to create pathways that will enhance the Island's appeal, sustainability, and economic vitality.

As one of the fundamental economic drivers on the Island, Jersey's visitor economy plays a crucial role in the everyday lives of Islanders, but also works symbiotically with other sectors, including finance and agriculture. The future of these industries, and the countless hospitality venues and attractions enjoyed by Islanders, relies on the Island's ability to attract and accommodate more visitors. It is imperative that Jersey continues to grow and develop as a dynamic destination that can be enjoyed by a range of visitors for years to come.

Sustainability is at the core of this strategy, recognising the importance of preserving the Island's natural beauty and cultural integrity. By promoting responsible tourism practices, Jersey's environment and picturesque landscapes will be safeguarded for future generations, fostering a balance between economic growth and environmental conservation.

The future success of this strategy and its forthcoming delivery plan relies on collaboration, not just between industry stakeholders and Government, but across all sectors that rely on and benefit from our visitor economy. Through a collective effort, we can amplify the positive impact of tourism, creating a harmonious relationship that benefits both visitors and the local community.

As we embark on the journey outlined in this strategy, I encourage everyone — Islanders, businesses, and visitors alike—to embrace the spirit of exploration, discovery, and cooperation. Jersey has a remarkable story to tell, and with the implementation of this strategy, we have an opportunity to share that story in a compelling manner, paving the way for a vibrant and prosperous future for our extraordinary destination.

TRICIA WARWICK

CHIEF EXECUTIVE, VISIT JERSEY

2. BACKGROUND AND CONTEXT

THE IMPORTANCE OF TOURISM AND HOSPITALITY

Tourism has long been part of Jersey's economic make-up and hospitality (the activity of providing services to visitors and guests in hotels, restaurants, bars, attractions, etc.) is a vital part of what makes the Island an attractive place to live, work and do business. Much of the infrastructure that serves the needs of inbound visitors is also well used and embedded in the lives of local people. Whilst other areas have grown to be more significant in economic terms, tourism and hospitality remain important to Jersey for a number of reasons:

- Supporting connectivity for locals to travel off-island for leisure, to study and visit friends and family
- Making Jersey an attractive place to do and set up a business which can operate year-round profitably and easy for businesses to attract staff due to the quality of lifestyle and hospitality offering, and connectivity to other business hubs
- Offering the potential to make Jersey a more vibrant place to live, including for young people
- Providing employment opportunities to all and an alternative career choice to young people
- Contributing positively to the lifestyle of everyone who lives in Jersey
- Stimulating the need for things to do year-round
- Contributing to a diverse economy
- Providing export revenue in the form of Tourism spend
- Representing an opportunity to showcase our culture and share it with the world.

A TURNING POINT FOR THE INDUSTRY

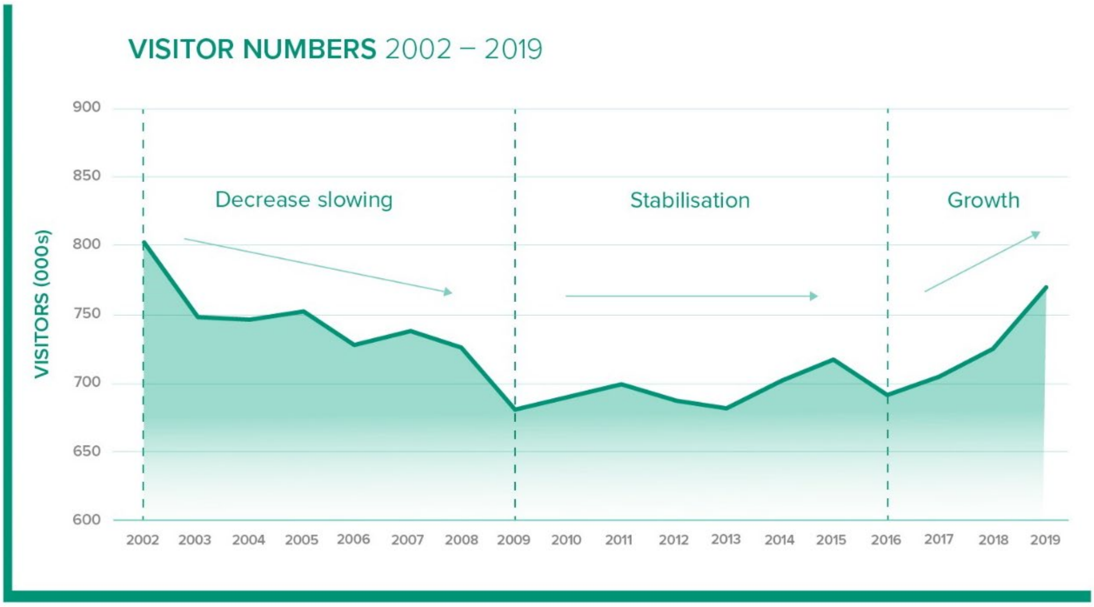
Following several years of disruption to global travel flows and the hospitality industry's ability to trade, we are continuing into a period of renewal and re-adjustment for the sector. Trading conditions remain challenging, particularly around things like staffing and increased operating costs, and whilst demand has recovered well against the lows of 2020, uncertainty remains in the short-term, particularly with the current economic climate.

A combination of external economic factors as well as limited strategic oversight from Government and lack of clarity on the direction of travel for the sector has led to a loss of investment confidence which is crucial to the continued survival, evolution and revitalisation of the hospitality and tourism industry.

There is strong interdependency between the level of air and sea connectivity the Island enjoys and the visitor accommodation capacity on-island, and there is a risk that we may lose connectivity due to the decline in levels of bed stock[1]. There is also a risk of Jersey not being perceived to offer good value for money if ageing product is not revitalised and modernised to suit the expectations of consumers and be better aligned with the relatively high cost of Jersey as a destination.

However, in the long-term there is reason for positivity: when we take a step back and look at the long-term trend, the tide has been turning for Jersey's tourism industry for several years. After a period of steep decline in visitor numbers to the early 2000s, this appears to have stabilised and indeed saw a return to growth for a number of years before Covid.

[1] Bed stock represents the number of beds available to sell to tourists for commercial purposes and is assessed using registered accommodation numbers as defined under the Tourism (Jersey) Law 1948



With travel forecast to continue to grow globally and remaining high on consumer priority lists despite the current economic climate, we know there is a significant opportunity to grow the spend of both visitors and Islanders if the product is right. The Visitor Economy has both a direct and indirect impact on many other parts of the economy and the spend of visitors and the revenues generated by hospitality businesses filters down to suppliers, producers, partners, and employees that contribute to our overall economic output and a balanced economy for the Island.

There is opportunity to drive productivity growth through a combination of stretching the seasons, increasing automation, and modernising businesses, which will enable operators to be sustainable and financially viable for decades to come.

We continue to see hospitality businesses open with new products entering the market to cater for ever-evolving consumers. However, there are pockets where investment is lacking, and we need to unlock this to allow the industry to continue its transformation from past to future. We also continue to see older product exiting the market, particularly accommodation, and we need to ensure that this is replaced by new product that will cater to the needs of tomorrow's customers and ensure we maintain the capacity that is needed to support the Island's connectivity.

As for any sector, investment is based on confidence in the future; the ability of investors to make decisions and take measured risks relies on having a clear strategy in place. There has not been a strategy from Government for the sector since 2004, and although Visit Jersey has developed destination marketing strategies since its inception in 2015, these have not gone as far as to address some of the structural issues and supply-side challenges the industry needs to grapple with. Things like building back capacity and accelerating the transformation of the accommodation sector, developing skills on-island to provide a future labour supply and an alternative career choice for young Islanders, embedding technology in the way businesses operate and engage with customers, using data for decision-making, and ensuring the industry develops in a way that is sustainable and has a positive impact on the community.

Such transformation will require collective responsibility and action by all involved. We recognise that change can be challenging and takes time, and so in addition to the strategy document itself, it is our intention to deliver the strategy in conjunction with industry, in the form of a change programme, led by Government, but adopted by all. All parties and individual businesses will need to take responsibility for their part of the solution.

The role of Government will be to enable and provide the conditions necessary for growth, and should limit intervention in the economy to areas where it is essential or where there is market failure, allowing the private sector to work naturally to transform the sector and grow the economy. We acknowledge the wide range of stakeholders involved in hospitality and tourism and the involvement of each and every one of them will be important to our ability to transform the Visitor Economy.

The purpose of the strategy is to set the long-term vision for Jersey's Visitor Economy, thinking as far ahead as 2040, and to identify the priorities which need to be addressed for the necessary change to happen. For some of these priorities, short-terms solutions have already been identified and so it is possible to include actions against these which can be addressed in short order or, in some cases, for which work has already begun. However, the further into the future we look, the more uncertainty exists, and so longer-term actions will become clearer as we move forward in time and adapt to constantly changing market conditions.

An action plan will be developed by the Visitor Economy Steering Group in 2024, and will include short, medium, and long-term goals, as well as metrics that will allow us to measure progress.

WIDER GOVERNMENT POLICY CONTEXT

The Visitor Economy Strategy does not exist in isolation given the interconnected nature of the industry with other areas of the economy and the community; it must be considered in the wider context of Government policy focused on the Island's Sustainable Economic Development.

There are a number of key policy areas that merit further consideration, most notably the Future Economy Programme. Below we examine how the Visitor Economy can support the Island to obtain some of the broader Government commitments and priorities set out in these frameworks.

FUTURE ECONOMY PROGRAMME

The Visitor Economy Strategy is part of delivering against the long-term challenges set out in the Strategy for Sustainable Economic Development, and is aligned with the overarching economic vision and 5 guiding themes of Government. Publishing and delivering the Visiter Economy Strategy is recognised as a key action in section 2.5 of the Delivery Framework, and is part of delivering against the long-term challenges identified therein.

OUR VISION

To be a consistently high-performing, environmentally sustainable and technologically advanced small island economy by 2040.

STRATEGY FOR SUSTAINABLE ECONOMIC DEVELOPMENT - 5 GUIDING THEMES

1. RESILIENT ECONOMY: AN ECONOMY RESILIENT TO ECONOMIC SHOCKS AND GLOBAL TRENDS, AND AGILE TO CHANGE.

   The Visitor Economy is, by its nature, something that must be consumed in person, and is unlikely to be replaced by technology. One has to come to the destination as a traveller to experience it and to enjoy the hospitality offering in person. This makes it more resilient to offshoring or automation than other sectors and will be part of Jersey's economy for the forseeable future. It also serves local people and businesses, and regardless of how those might change over time, will always serve a need in the local social landscape and business community. Whilst travel is somewhat correlated with global trends and shocks, recent research shows consumers' intention to prioritise spending on travel and leisure despite other economic pressures. However we must remain agile and adapt to changing consumer habits and needs to remain relevant and desirable in a highly competitive market.

2. INNOVATIVE ECONOMY: AN ECONOMY WITH A CULTURE OF ENTREPRENEURIALISM AND INNOVATION.

   The hospitality industry has long been one of entrepreneurialism and remains dominated by many small independent businesses. It is a sector that has relatively low barriers to entry in some areas, an opportunity which we continue to see being recognised by new entrants into the market. There are already examples of innovation in what is offered and how these are combined and sold to consumers: eg. a daytime coffee-shop chosing to partner with a food provider to create evening pop-up events, or a hotel offering a package which includes exclusive sea tours to Jersey's offshore reefs. There is signficant further opportunity for innovation in the product offering which enables businesses to make better use of their assets, and for us to offer more value to the consumer.

3. SKILLED ECONOMY: A CULTURE OF LIFELONG LEARNING, SUPPORTING THE FUTURE NEEDS OF THE ISLAND.

   The hospitality industry provides skills that are transferable and critical both for people who remain in the industry and those who go on to develop careers in other places. It is also an industry that provides continuous learning and opportunities for progression as well as global mobilisation for those who want it. As the economy evolves there will naturally be a shift in the need for different skills, and businesses and Government will need to work together to understand the skills needs of the future and include upskilling and re-training in their ways of working.

4. FAIR ECONOMY: AN ECONOMY WITH GROWTH THAT BENEFITS ALL ISLANDERS EQUITABLY.

   The Visitor Economy values all workers and provides employment opportunities at all levels, allowing people to partipate in the economy and work or start a business with lower barriers to entry than other business sectors. This can include flexible and part-time working, enabling people to participate in the workforce on terms that work for them. The Visitor Economy also provides balance in the economy and opportunities for work outside of the financial services industry for those who want something different.

5. INTERNATIONAL ECONOMY: PROTECT OUR GLOBAL REPUTATION AND DIVERSIFY OUR EXPORT OPPORTUNITIES.

   The Visitor Economy supports the international goals of Jersey's economy in a number of ways. Firstly, as previously mentioned, by supporting connectivity, which is one of the factors that makes Jersey a good place to live and do business. Secondly, the marketing and international promotion of Jersey as a visitor destination has the potential to enhance our global reputation and amplify the messaging that is put out across multiple stakeholders with responsibilty for promoting the Island on the international stage. Finally, tourism is a key part of Jersey's export revenues, providing diversity and balance across the Islands's service exports.

PRODUCTIVITY

Reversing the trend of declining productivity is one of the keys to unlocking economic growth identified in the Strategy for Sustainable Economic Development. Over the past decade or so growth has mainly been reliant on increased net migration, but it is recognised that Jersey's economy cannot continue to rely on this as a mechanim for growth, as it would put too much strain on the Island's resources (natural environment, critical infrastructure, public sector, etc.). As an Island, we must learn to grow within the boundaries of constrained optimisation, by using our limited resources appropriately, focusing them where needed and making strategic and sometime difficult choices about how to use them to ensure the best outcome for Jersey.

The means to achieving productivity improvement varies by sector and in general means either producing more output with the same resources, or producing the same output with fewer resources; for hospitality this is likely to be done principally through increasing output rather than a reduction in input (mainly staffing resources), but there are also some gains that can be made through more efficient use of resources (e.g. automation of certain processes, introduction of more efficient business models).

In practice, for the Visitor Economy this will include things like extending the season, increasing the product value by offering more to the consumer through innovation, and technology gains, thereby increasing spend, driving export revenues and making better use of existing assets. Improving productivity means not only growing the profits generated by businesses, but also increasing the benefits paid to employees.

We will explore further the opportunities for growth and productivity improvement across the economy by developing a sector productivity review for each sector and accompanying action plan in 2024.

AGEING POPULATION

As for many western economies, Jersey will need to adapt to this demographic shift, and the ageing of our population is another key element driving the need for change. This will also have consequences for the Visitor Economy. We will need to consider how this will impact businesses and customers and shift our ways of working accordingly.

From a supply point of view this will impact the nature of the workforce available, as well as a generational shift in businesses ownership and leadership. Our ability to attract and retain young people in the Island's workforce as the population ages will depend on the vibrancy and variety of job opportunities present, and hospitality presents an opportunity to do both of these.

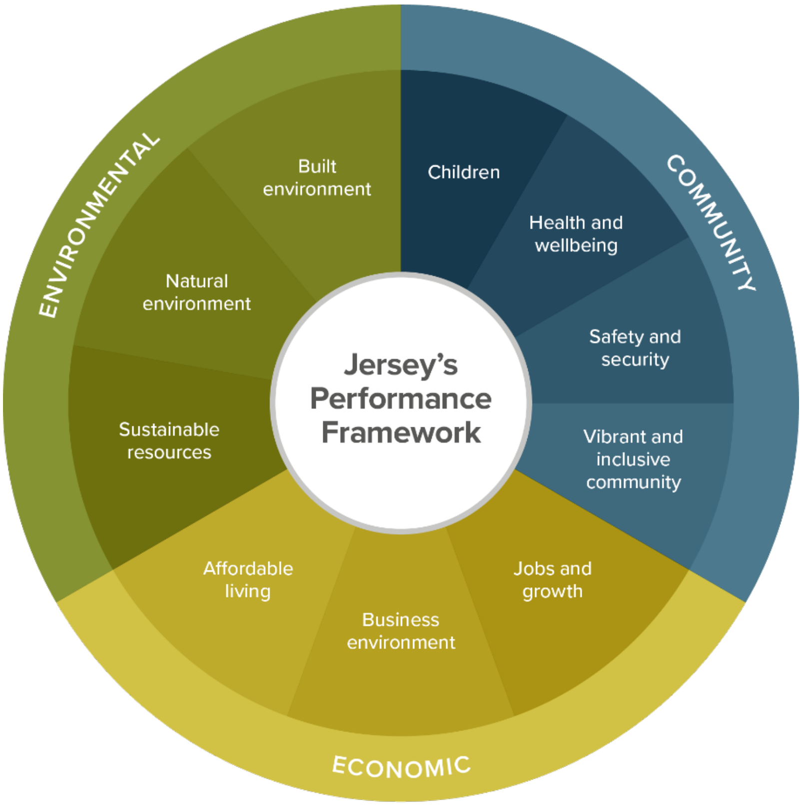
From a demand perspective it will also affect the potential customers we are able to attract as well as their expectations in terms of both physical product and service. The potential to attract more young people as visitors to the Island would also support a vibrant and dynamic economy and contribute positively to the lifestyle of Islanders.

PORTS POLICY FRAMEWORK

The Ports Policy Framework, which is also part of delivering Sustainable Economic Development for Jersey, and includes a number of key policy priorities of relevance to the Visitor Economy. Most notable among these is Strategic air and maritime connectivity, but also Investment in critical infrastructure and Development of our harbour and airport estates, which are expected to result in improvements to the accessibility of Jersey, the arrival experience of visitors, development of visitor accommodation, and to support the growth of our economy.

JERSEY'S PERFORMANCE FRAMEWORK

The Visitor Economy can seek to support the outcomes identified in the performance framework through its contribution to environmental, economic and community sustainability, which is explored further later in this document.



3. VISITOR ECONOMY OVERVIEW

We use the term Visitor Economy because this is a broader term concerned with the whole ecosystem and is more place-centric than the term Tourism, which is concerned with the person doing the visiting.

Tourism is:

> *"A social, cultural, and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which involve tourism expenditure[2]".*

The Visitor Economy is:

> ***"A place-centred concept concerned with the whole environment in which visitors, locals and tourists interact. It focuses on the elements that attract visitors and the infrastructure and services that support their visit[3]".***

The Visitor Economy is so much more than just tourism. It considers the whole supply chain and the businesses it comprises. It considers the interaction with the local community and the impact on it. Tourism cannot function without the other parts of the Visitor Economy and at its best it is a symbiotic relationship. The Visitor Economy has both a direct and indirect impact on many other areas and the spend of visitors and the revenues generated by attractions and hospitality businesses filters down to suppliers, producers, partners, and employees that contribute to our Island's economy and community.

Hospitality forms an important part of the offering. In its broadest sense it can be defined as "the business of providing accommodation, food and drink, and entertainment for visitors and guests[4]", however in economic terms it typically includes only those businesses that fall under the SIC codes[5] used to measure its economic output and provide statistics, including hotels, bars, restaurants, nightclubs, cafes, caterers, etc. (i.e. excluding attractions, tours, cultural and sporting activities, transport and other related services which are an important part of the offering).

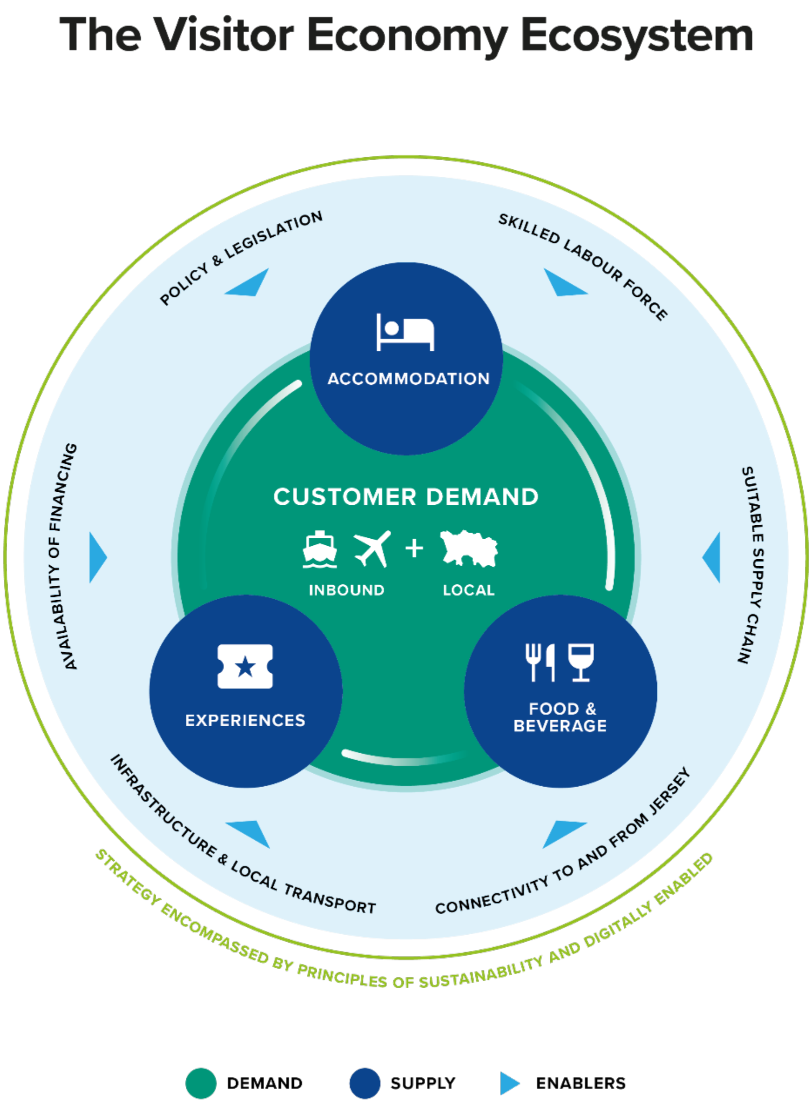
Herein lies one of the challenges in understanding the Visitor Economy: that it contains several elements which are all measured in slightly different ways. However, there are a number of key metrics we can use to understand the sector and its trends.

[2] UNWTO
[3] Visitor Economy Research Group, University of Derby
[4] Collins Dictionary
[5] classified using the UK Standard Industrial Classification 2003 system.

KEY METRICS

Metric	2002	2012	2019	2022
Demand Metrics				
Visitor Numbers *	802,460	688,310	771,000	475,000
Overnight stays *	n/a	n/a	2,737,631	1,293,600
Visitor Spend (£m) *	n/a	n/a	280	250
Domestic spend on hospitality and leisure ** (£m)			e. 350	
Supply Metrics				
Accommodation bed spaces **	13,697	11,079	10,594	9,531
Economic Metrics				
Hospitality Sector GVA (£m) **	203	196	246	242
Hospitality Sector Productivity GVA /FTE (£000s) **	37	36	44	46
Employment (FTEs) ** June December	n/a	n/a	5,900 4,980	5,710 5,070
Average earnings (£ per week)	289	385	473	550
Business undertakings **	n/a	n/a	530	520
Direct Travel and Tourism GVA (£m) ***			190	

Sources: *Visit Jersey, **Government of Jersey, ***Tourism Economics



To function, the Visitor Economy needs a number of moving parts to be present and to work in conjunction with each-other:

1) Consumer demand – The source of revenue, or "Spend" which filters through the economy. This includes inbound and local visitors, leisure, corporate and VFR[6]. The amount of each will depend on the type of destination or business and the time of day, week or year
2) The offering (supply) – The businesses that provide the product, service, or experience to the consumer
3) Enablers - Conditions that must be present for the industry to function. These areas are likely to need the input of several stakeholders and Government departments to create the right conditions.

[6] Visiting friends and relatives

Vision

ArtHouse Jersey's production of Floating Earth by Luke Jerram, taken by Max Burnett

4. THE VISION

> To be a globally recognised, sustainable and enriching destination that Islanders are proud to share.

We aim to be recognised internationally as a destination of relevance to travellers by adapting and responding to changing consumer needs and global trends. We aim to stand out by providing something inimitable, that cannot be replicated elsewhere due to a combination of unique and authentic genuine Jersey products and experiences delivered with a first-class welcome and excellent customer service supported by technology.

We want the Visitor Economy to serve as a mark of pride in the community, to be recognised as an attractive sector in which to work and do business, and to contribute positively to Jersey's attractiveness and vibrancy as a place to live and work. We strive to be a sustainable destination for operators, investors, industry stakeholders, guests, and Islanders from an economic, environmental and community perspective.

Overarching goals:

Growth

- To secure the growth of a vibrant, sustainable and productive Visitor Economy, grow export revenues and support the delivery of sustainable economic development through the Future Economy Programme.

Visibility

- To grow international awareness of "Brand Jersey", showcasing our unique and varied natural and cultural heritage.

Community

- To secure a vibrant future for Jersey as a community, providing services and experiences that benefit islanders and other sectors of the economy and contribute to making Jersey an attractive place to live, work and do business.

Environment

- To ensure all actions are guided by our environmental objectives, and to put sustainability and responsible tourism at the heart of our policies.

A PORTRAIT OF THE DESTINATION OF THE FUTURE

Jersey is known as the healthy destination and a place in which spending time allows one to rejuvenate mentally and physically, disconnect from a busy life elsewhere, feed one's curiosity, and leave feeling rejuvenated and reinvigorated. It is recognised as a leader in this field, and this theme is clear in the destination branding and throughout the product offering.

The target customer has shifted and is more diverse, with visitors coming from across the age spectrum, and from further afield, attracted by things that suit their interests and needs rather than based on demographic or geographic segmentation. We also see a more blended purpose of visit, with visitors often combining leisure with business or temporarily working from Jersey.

The potential of this is wide-reaching and has allowed us to develop new high-value market segments and develop the offering as a healthy, experiential destination, in areas such as sports tourism, specialised retreats, medical treatment, recuperation and recovery, sea-based therapies and other high-value niche areas.

It is possible to see, explore and learn about Jersey virtually, enabling us to grow our global reach, participate in the digital economy, and be discovered and experienced in new ways by new markets.

In an era of increasing urbanisation, population densification, over-crowding and over-tourism in some places, Jersey is perceived as a peaceful, safe, uncrowded destination, which is highly valued by the target audience and for which people are prepared to pay a premium.

It is firmly rooted in the principles of the experience economy; the offering resonates on an emotional level, and we see much greater customisation and consumer targeting than in the past, enabling people to find and experience "their Jersey".

Sustainability lies at the heart of how businesses operate and plays to the consciousness of the consumer who wants to know that their impact on the destination is positive. Jersey is known as an accessible and inclusive destination, which is valued by the purple and pink pound market.

The beauty of our natural environment is experienced by all through a range of activities, outdoor pursuits, tours and events which deepen our understanding and build our appreciation of our surroundings.

Food and produce, which has long formed part of our Island's agricultural landscape and created icons which have helped to develop Jersey's international reputation are synonymous with quality and embedded in the visitor experience.

The extraordinary and unique diversity of our heritage and modern-day culture are showcased and celebrated through both permanent physical spaces and temporary events, festivals and exhibitions and bring us together as a community.

All of this is brought to life through a combination of passionate and knowledgeable individuals supported by cutting-edge technology which gives the best of both human and technological interactions and provides a seamless experience for the customer.

The Visitor Economy has a hugely positive impact on Jersey as a place to live, work, and visit, and it is recognised as a vital sector of the economy across Government, Islanders and investors.

5. STRATEGIC OBJECTIVES

Our Visitor Economy Strategy will be framed around the following 8 strategic priorities:

1. Connectivity - We will support the ambition to protect and grow the existing route network and high-value air connectivity (in particular into Europe) through development of awareness of Jersey as a destination and development of the on-island offering.

2. Unlock investment in accommodation - We will unlock investment in critical infrastructure, in particular accommodation, to ensure its long-term viability and ensure the capacity exists to grow the whole Visitor Economy and support the growth of connectivity.

3. Unlock investment in product - We will enable the development and renewal of diverse and unique products and experiences that benefits visitors and Islanders and allows all to experience Jersey's cultural and natural assets in a way that works for them.

4. Sustainability - We will ensure that the growth of tourism and hospitality is sustainable in respect to our economy, our environment and our community. We will showcase and protect our natural environment by putting responsible tourism at the heart of all our policies and aligning with the Island's Carbon Neutral Roadmap.

5. Build Brand awareness - We will promote the Island internationally and contribute to its reputation through a clear brand and destination positioning.

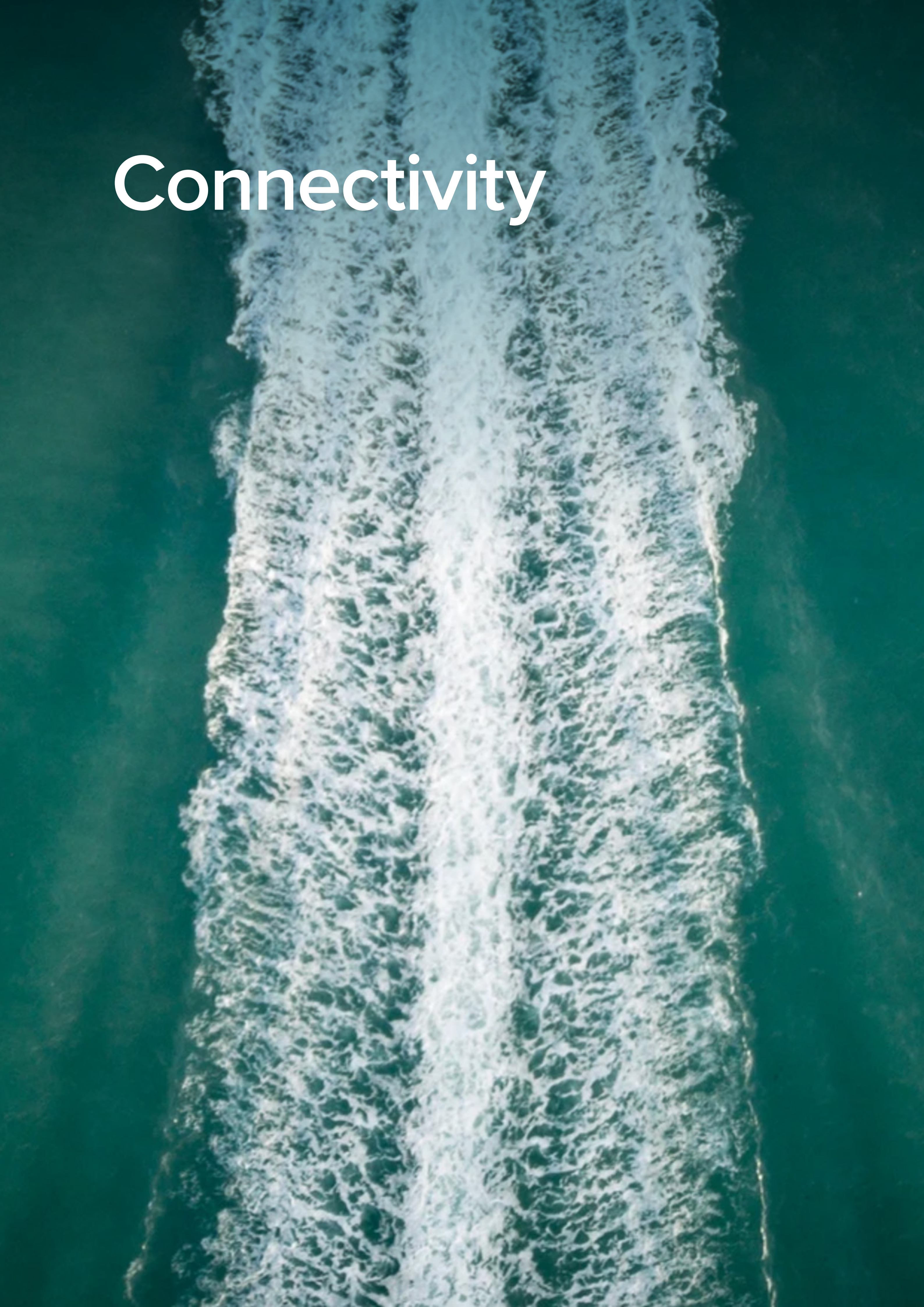
6. Digitalisation and people - We will unlock the potential of digital skills and solutions to improve the customer experience, drive business productivity and harness the potential of data.

7. Enabling regulatory framework - We will ensure the Regulation and Governance is shaped so that it enables the industry to achieve its goals and provides a supportive business environment.

8. Working together – We will work collaboratively to ensure all stakeholders are aligned in our aim to deliver a world class experience for visitors and achieve our overarching goals.

Each of these strategic priorities is outlined and explored over the following pages.

Connectivity



1. CONNECTIVITY

We will support the ambition to grow the existing route network and high-value air connectivity (in particular into Europe) through development of awareness of Jersey as a destination and development of the on-island offering.

CURRENT POSITION

1. Connectivity is a key driver of our **Island's economy** which enables corporate travel, enhances the attractiveness of Jersey as a business hub and feeds our Visitor Economy. It is also a crucial part of the supply chain and enables us to trade internationally.
2. Jersey's air connectivity ensures Jersey is an attractive place to live and do business and provides key **social links for Islanders** to access health care, education, to connect Islanders with friends and relatives and to enjoy leisure travel.
3. Whilst Jersey enjoys good levels of connectivity for an island of its size, it is not without **risk**, and there is room to strengthen it further.
4. We are mindful of the **impact of travel** to and from the Island on the environment and recognised we need to work together to minimise this.
5. Following the travel disruption from Covid-19 the sector is in **recovery** and the importance of re-building the Island's connectivity by putting in place framework agreements with key airline partners is critical.
6. The market for airlines is highly competitive and Jersey needs to compete with airports across Europe and to ensure it is a **strategic and commercially profitable choice** for airlines to secure new routes.
7. The decline in **accommodation capacity** has the potential to impact the viability of many routes and is a key risk factor in Jersey's ability to grow air connectivity in future.
8. The Island's connectivity remains **seasonal, UK focused**, and many of the international routes have relied on charter services mainly serving leisure tourists, either inbound or outbound.
9. **Inter-island travel** is currently expensive and too infrequent for travel agents to build multi-island itineraries for tourists at scale.
10. **Sea routes** provide access for 20-30% of arriving passengers in Jersey, the majority from France, although many of these are day trippers. Due to the scale and nature of services these are dominated by a single operator, supplemented by seasonal foot-passenger services with a secondary operator. Limited competition and reliance on these services for most of the Island's freight means scheduling and price is not always favourable to the growth in inbound passenger traffic.

STRATEGY

11. Responsibility for route development lies with Ports of Jersey, and the Ports Policy Framework, published at the end of 2023, sets out a number of key areas of **focus for sustainably growing Jersey's strategic air connectivity**:
    - To position Jersey Airport as a regional Hub within the Channel Islands and Northern France
    - Commercialising Jersey's stronger air connectivity to benefit local and nearby passenger segments outside of Jersey
    - To build year-round connectivity to the UK, Ireland and where possible, Europe **reducing the seasonality** of visitors
    - To develop a sustainable network of **European destinations** with a focus on:
        - Growing scheduled services to key European cities
        - Building routes into Northern France
        - Securing hub connectivity to a major European hub airport

12. Furthermore, Government and Ports of Jersey have a shared goal to ensure Jersey's life-line **ferry services** are resilient, reliable, customer-focused and deliver growth in passenger volumes.
13. Our **environmental responsibilities** and commitments are set out in the Government's Carbon Neutral Roadmap, and actions related to reduction of emissions from aviation and marine transport, as well as improvements to infrastructure at the port and airport that facilitate active travel options (as referred to in the Ports Policy Framework) will enable us to move us towards a more sustainable future economy.
14. Growing Jersey as a **regional hub** has the potential to impact tourism from neighbouring areas, grow inter-island travel and to be able to work more as "destination Channel Islands" with the potential for greater international reach.
15. Responsibility for **marketing** Jersey as a destination sits with Visit Jersey, and ensuring coordination with Ports of Jersey to make sure the selection of routes and sufficient lead times and funds are available to develop new routes will be critical.
16. Growing **international awareness** of Jersey as a destination in our key target markets will also help to support the growth in connectivity to and from the Island.
17. Enhancement of our on-island product and addressing the issue of **capacity and quality of accommodation** will make Jersey a more attractive destination for travellers and allow transport providers to run at sufficient load factors to make more routes viable.

POLICY PRIORITIES

WE WILL SUPPORT CONNECTIVITY GROWTH BY:

1. **Continuing to articulate our ambition and widening the understanding of how connectivity and accommodation capacity are interconnected.**
   Industry stakeholders and representatives will continue to highlight our growth ambitions and to increase the understanding of the interconnected nature of connectivity and accommodation capacity and how this supports the wider economy and community.
2. **Engaging closely with connectivity strategy to ensure new route growth and destination marketing to potential visitor demand are aligned.**
   Key stakeholders including Ports of Jersey, Visit Jersey and Government will continue to engage closely with each other to ensure the Island's connectivity growth is in the best interests of all concerned and where new routes are to be developed that the potential to grow visitor demand is understood and marketing activity can be developed accordingly with sufficient timescales and budgets allocated to this.
3. **Ensuring the objectives of Ports of Jersey and Visit Jersey are aligned and that responsibility for route marketing is clear and appropriately funded.**
   We will establish clear strategic responsibilities and, through the development of mid-term business plans for both organisations, ensure sufficient funds are available for airline partnership marketing now that the 3-year route access and short-breaks marketing funding granted under the 2020-23 Government Plan has expired.
4. **Ensuring product on-island is aligned with the expectations of future customers.**
   We will work to ensure the product that is being promoted by Visit Jersey, and the offering provided by business, is aligned with the needs of consumers and that we are communicating and sharing strategic intentions across industry regularly. This will ensure demand for Jersey as a destination is sustained in a way that supports connectivity growth.

Accommodation

2. UNLOCKING INVESTMENT IN ACCOMMODATION

We will unlock investment in critical infrastructure, in particular accommodation, to ensure its long-term viability and ensure the capacity exists to grow the whole Visitor Economy and support the growth of connectivity.

CURRENT POSITION

18. **Accommodation capacity decline -** Since the late 1980s the number of beds available on-island has been decreasing. This had slowed gradually over the early to mid 2000s and the market has seen a number of new openings begin to replace some of the older product. However, in the past couple of years we have seen an acceleration in the rate of closures; between 2019 and 2023 accommodation capacity has reduced by 11%, equating to approx. 1,200 bed spaces. As of November 2023, registered supply sits at 9,392 bed spaces (including 739 camping spaces) over 3,900 units. We expect there is still some product in the market that will exit in the medium-term. The decline in **visitor accommodation bed stock** is now reaching critical levels where there is a risk this could lead to connectivity loss (see Fig. 1-4).
19. **Accommodation is a pillar of the Economy** - Accommodation is a fundamental pillar of the Visitor Economy which enables us to welcome c. 400,000 overnight holiday visitors a year, amounting to an estimated total of >2.7 million visitor overnights (see Fig. 5 and 6). Approximately 80% stay in registered accommodation, the remainder being hosted by friends and family or staying in short-term lets. Furthermore, its decline is likely to impact other businesses and the economy in general both directly, through visitor spend, as well as indirectly, through the supply chain and employment for example.
20. **Further closures expected -** There is work to be done to establish in more detail the likely rate of further hotel and other accommodation closures, and although there are some positive signs in the form of new or planned developments, there is still significant risk in this area, and we know that without a concerted effort to rectify the situation we are unlikely to see the rate of replacement keep up with the rate of closure.
21. **Investment is needed -** We want to continue to transform our offering and encourage investment, through a combination of **modernisation of existing stock** and **development of new product**. We know there is growing consumer appetite for unique experiences and offerings, yet some of our product is ageing, or remains generic and unclear on its positioning and requires differentiation to appeal to a clear target market. Many properties have not seen significant asset management or investment other than redecoration for decades, if at all. There is opportunity to transform existing space to be better utilised, as well as a need to transition away from fossil-fuel based heating, cooking and power systems, and make buildings and operations more energy efficient (explored further in the section on Sustainability), both of which will require significant investment.
22. **Financing presents a challenge -** Recent rises in interest rates are impacting financing cost and availability, which combined with recent turmoil caused by Covid may mean businesses find it difficult to raise the much-needed capital to invest. Only those with a compelling offering, clear strategy, a strong business case and financial credentials will be able to secure the necessary funding to invest.
23. **Land is constrained and competition is high** - Land availability and cost of sites for development remains an issue in a land-constrained island and where historically other property uses have been able to compete for sites due to more favourable market conditions, including those that housed hotels, which has further exacerbated the visitor accommodation capacity issue.
24. **The investment challenge** - The combination of the above factors as well as other operational factors (such as the risk profile of operational property, rising operating costs and the seasonal nature of many operations), mean that currently

conditions for investment and new development are challenging. Further assessment is needed to understand the question of viability in more detail, but it is unlikely the destination will see significant new investment unless we proactively work together to make that happen, including the use of a range of Government levers.

25. **Short-term lets and peer-to-peer rental -** The past decade has seen a rise in platforms such as **Airbnb** allowing owners to list their properties online and let them to short-term visitors. The demand for this type of accommodation is also on the rise with consumers, as it often represents a more cost-effective, flexible and potentially more unique offering than traditional hotels. However, the size of many units (5 person or less) means there is no requirement to register as visitor accommodation under the Tourism law and there is therefore a lack of accurate data on how many units there are in this part of the market at any one time. This also fluctuates at different times of year, but recent analysis has revealed anything up to approx. 250 units on-island being advertised in this way.
26. **Staff accommodation -** The issue of declining bed stock is further compounded by the use of visitor accommodation beds to house staff, both by hospitality businesses themselves, as well as other sectors of the economy, e.g. construction and the public sector.

STRATEGY

27. In future we want to have a **quality offering across a range of accommodation types and price points** to appeal to a diverse set of customer needs and to remain relevant in an increasingly competitive environment. As we continue to move towards being a destination **focused on the value we provide to visitors**, we need to ensure all product moves in that direction. This doesn't mean everything needs to be luxury or upscale; to maintain connectivity we know that some order of volume is necessary, and becoming too expensive or exclusive as a destination could lead to further decline and reduce the potential pool of demand we are able to tap into.
28. Global macroeconomic factors and industry trends point to a rise in accommodation offering at affordable prices which suits both the needs of consumers and represents a lower cost model to owners and operators. **Limited-service structures** in the hotel and hostel[7] space which have far leaner operating models and lower staffing needs are well suited to respond to this. An increase in the number of **quality yet affordable options** should be encouraged to replace some of the stock that has or is likely to exit in the 2 and 3-star space, and likely in a higher-density (and therefore higher productivity) form than what was there previously.
29. Whilst the luxury and upscale part of the market has seen less shrinkage than other areas, there is room for more **unique and high-end** luxury and boutique product as well as an upgrade of existing properties.
30. As Jersey continues to attract a more independent, self-service guest, the need for self-catering holiday lets has risen. **Self-catering accommodation** is the only area which has seen net growth in supply in Jersey over the past 10 years, with stakeholders active in this area pointing to growing demand that currently exceeds supply at peak times. The need for more self-catering product is also referenced in the 2022 Product Audit[8] commissioned by Visit Jersey. Furthermore, on an international level, research highlights the growth in demand for short-term rentals across Europe, a trend that is expected to continue.[9] This demand may be satisfied by a combination of larger **serviced apartment or aparthotel** type properties, and to a lesser extent by individual holiday lets and temporary or flexible use spaces such as those sold via Airbnb. Depending on the form it takes and where it is

[7] Hostels: Opportunities in a fragmented market | Hospitality Investor
[8] Jersey Product Audit | Visit Jersey Trade and Media
[9] Europe's short-term rental segment on track for steady growth | PhocusWire

located this also has strong potential to cater to long-staying business visitors or workers on projects, as well as winter lets for locals in the off-season, which gives it the potential to be a highly productive asset class and generate good returns for owners on a year-round basis.

31. There are opportunities for developing more **rural accommodation** or farm-stay product connecting our visitors more to our agriculture sector through both articulating the opportunity to those who may wish to diversify and have buildings available for conversion, and ensuring the planning framework is set up for this.
32. As part of our ambition to have a varied offering, **alternative accommodation** types including camping and caravan/campervan pitches, glamping, lodges, pods, and floating accommodation should be encouraged. This would allow us to capture growing consumer demand for these types of accommodation, which sits well with our target audience who want to experience nature and the outdoor environment, the younger generation looking for a unique experience as well as a more cost-conscious consumer. There may also be potential to explore temporary or **pop-up** solutions which could move around or come and go according to demand e.g. around major events or at certain times of year, or simply to add interest and variety to the offering.
33. We want to have greater provision of **accessible accommodation** to be able to cater to the purple tourism market, and better welcome those with restricted mobility or other needs, and this needs to be factored into both new developments and renovations of existing product as much as possible.
34. Development of **branded properties** in particular should be encouraged; a clear brand and market positioning, international reach and proven operating models means these may attract investment more easily than independent hotels and assist with putting Jersey on the map via their strong loyalty and distribution networks.
35. We want to instill confidence in owners and investors, and ensure they have the **ability to invest** when needed, the appropriate skills and access to financing, with **proactive asset management** embedded far deeper into in the accommodation sector to ensure it sees the continued improvement and investment it needs.

POLICY PRIORITIES

WE WILL ADDRESS THE DECLINE IN ACCOMMODATION CAPACITY BY:

5. **Assessing and engaging with existing properties to identify opportunities for expansion and retention where appropriate.**

We will continue to engage with owners and operators to understand their intentions, assess the current supply and identify opportunities for growth. This will allow us to develop a better understanding of what barriers may exist on a case-by-case basis and enable us to support where appropriate.

6. **Managing further exits and preparing a communication plan to mitigate negative interpretation.**

By assessing the risk of further exits on an ongoing basis, and engaging with owners and industry representatives we will identify properties at risk of closure, support owners through the divestment process as appropriate and ensure the communication around them is consistent with our messaging of overall improvement and transformation of the Island's accommodation product.

7. **Unlocking development on Government-controlled sites.**

Given the challenges mentioned previously around cost and competition for sites, Government will need to exercise its powers to ensure sites are made available for development of visitor accommodation, or in certain circumstances ensure strategic sites are not lost to other uses. Measures to be considered include the allocation of sites on Government-controlled land as well as the introduction of pre-emption rights or compulsory purchase of assets which are deemed strategic. Through engagement with the Future Places Ministerial Group and relevant ALOs and Government-controlled entities (e.g. Ports, JDC) we will articulate the need and work together to find solutions and locations for new accommodation development.

8. **Re-establishing a mechanism to support investment in the sector.**

We will conduct further research to ensure the financing market is functioning as it should be to enable accommodation business to access the capital they need to invest in product. We will develop our understanding of the commercial viability and feasibility of new development and investment and explore other forms of stimulus that may be necessary to support development, including grants, loans, or other balance sheet mechanisms, joint ventures or public-private partnerships as well as the potential to raise funds to invest further in product development and other initiatives relevant to the sector via a bed tax.

9. **Developing clear policy to allow growth in the short-term holiday let and self-catering market.**

We will work together across the economy, housing and planning policy areas to increase the clarity of existing policy relating to the development of self-catering accommodation, to keep this under review to ensure it enables development where appropriate and in a way that is economically attractive, and communicate this to the industry and general public to ensure opportunities can be brought to fruition and not foregone due to misinformation or confusing regulations.

10. **Increase investor interest and owner confidence by articulating and marketing the opportunity for growth.**

We will encourage private investment by engaging directly with stakeholders from the hotel investment community, to outline the opportunity, articulate the need, stimulate conversations and facilitate introductions between relevant parties. This will be done in alignment with outbound activity identified as part of the Inward Investment Strategy.

We will continue to monitor the accommodation pipeline, supporting developers through close working relationships with the Department for the Economy and other areas of relevance (e.g. planning).

Product

3. UNLOCKING INVESTMENT IN PRODUCT

We will enable the development and renewal of diverse and unique products and experiences that benefits visitors and Islanders and allows all to experience Jersey's cultural and natural assets in a way that works for them.

CURRENT POSITION

36. Jersey's **non-accommodation product offering** is extremely rich and diverse and encompasses food and beverage operators, events and cultural activities, retailers, attractions, heritage sites, sporting and outdoor activities, tours and transport as well as the public realm and natural and marine environment. However, the landscape is **fragmented**, particularly with regards to the **customer experience**. Access to **information about what's on and the ability to book** is not seamless, and there is limited collaboration between businesses to create packages or curate experiences around different themes. Visit Jersey markets potential options to appeal to certain customer segments, but these cannot be booked in one place and require shopping around from the customer across multiple websites or businesses.
37. The **sense of arrival** in Jersey is not always positive, with feedback pointing to transport and infrastructure, including the airport and port arrival experience, taxis or other onward transport not always meeting expectations and negatively impacting the initial welcome to the Island. Customer service is lacking in some areas, with the ability or willingness to help and provide recommendations to visitors inconsistent.
38. As for the accommodation sector, there is a **lack of investment and innovation** in many areas of the wider hospitality and activities offering, in part driven by the dominance of small businesses. There is a need to adapt more rapidly to the changing needs of the consumer, as we continue to move away from a commoditised offering towards a more experiential one and where possible, a more **personalised and customised guest experience**.
39. Some businesses fail to stand out and do not reflect Jersey's culture or local flair; local produce could be more prevalent, and the cost to value ratio is not always evident. Whilst we know that businesses have experienced significant increases in costs in recent years, if customers do not perceive value for money in the quality of product and experience, demand will dwindle. Businesses will need to make strategic choices around **positioning and business model**, particularly with ongoing challenges in the labour market. More focused targeting and **clearer value propositions** with well-differentiated business offerings will improve their appeal and make them more competitive, whilst changes to business operations and greater uptake of **technology** will help drive efficiency and overall productivity.
40. Some of the **supporting infrastructure** with which visitors and locals interact is lacking investment, and the **public realm** is disappointing in some areas. This encompasses the maintenance of the natural and urban environment, footpaths, cycle paths, signage, removal of seaweed from beaches, refuse and recycling facilities, provision of drinking water, public toilets, as well as the transport network, car park availability and payment systems, bicycle and car hire, electric charging infrastructure, etc.
41. Even during the summer season, **road and building works continue**, with little regard for how this impacts the experience of the visitor. In many destinations such works are not permitted to reduce negative impact during the high season which is key to the economy's functioning.
42. Where shops are vacant or building works and renovations are ongoing, the appearance of the surrounding areas is negatively impacted and attempts to improve this, through **hoardings**, are inconsistent and, in general, unimpressive.

43. The appearance of **St Helier** also requires improvement to enhance the visitor experience and sense of place. In the 2022 Product Audit [10] conducted by Colliers International, reference was made to the importance of St Helier in the overall attractiveness of Jersey as a destination, stating:

> *"A high proportion of the Island's hotel accommodation is in St Helier. The image and reality of the experience of St Helier is, therefore, likely to play a major role in the decision of people as to whether to visit the Island and their overall enjoyment of the visit.*
>
> *It could be sensible to develop and promote a brand for St Helier because of its importance in this respect.*
>
> *St Helier is, realistically, only moderately enticing as a place to stay. Its main advantages are a more independent and distinctive retail offer than most UK towns, and a large number of places to eat and drink, many of which now have outdoor seating, which gives the town a more continental feel than in the past.*
>
> *The public realm is now dated, however, as is the market. The town centre does not integrate well with the waterfront.*
>
> *There is much opportunity to enhance the quality of St Helier as a place to live and visit."*

44. There is room for improvement in all of the above areas, and work needs to be done to ensure all facilities become a factor of delight not disappointment for the customer. Responsibility for these elements sits across the private and public sector, either through central Government or the parishes, but **coordination is not optimised** to ensure that collectively we are doing everything we can to give a good impression and contribute to the overall attractiveness of Jersey as a destination, not just in businesses that cater specifically to the inbound visitor market but as an island as a whole. This would also have a positive impact on Islanders, improving the overall offer that make Jersey an attractive place to live, and encouraging further spend in our local economy.

STRATEGY

45. We want to be known for our **inimitable hospitality offering** that cannot be replicated elsewhere due to a combination of unique and authentic genuine Jersey products and experiences.
46. We want to **foster partnerships** between businesses and encourage more **curation of experiences** and packaging up of activities and hospitality to provide something uniquely valuable to guests (e.g. hotel and yoga retreat, camping and foraging experience, meet the maker and foodie experience).
47. We want Jersey to be recognised internationally as a destination that provides a consistently **high-quality, varied and good value for money offering** to its visitors throughout the year and in all interactions with people and spaces from the start to the finish of their visit. We want to be known for excellent standards of **customer service and a seamless customer experience** that overdelivers against customer expectations, with high Net Promoter Scores in our target segments.
48. We want **Visitor Information Services** to be available through multiple channels and with an evolving mix of digital and in-person services to suit the changing customer expectations.
49. We want to be known as an **inclusive and accessible** destination and to improve the ability of all customers, including those with reduced mobility or other disabilities, to experience and enjoy our inimitable offering. There are some examples which do this well already (Healing

[10] Jersey Product Audit | Visit Jersey Trade and Media

Waves, Maison des Landes, Beach mobility) but we want this to be much more widespread across the visitor offering in future, and not just in businesses that cater specifically to this audience. Opportunities exist to improve not only the physical access to food and beverage outlets, attractions, and experiences but also through greater use of technology and information provision to enable Jersey to open itself up to the **Purple tourism market**.

50. In their "Hospitality in Focus" report, PWC noted the opportunity to embed the hospitality sector better within the broader visitor and cultural economy […] maximise visitor spend, while […] enabling visitors to experience more of Jersey's local culture and community. Greater collaboration in the sector and across arts and culture as well as an ability to cater to both local and visitor needs within the same spaces will enable visitors to experience the Island more as a local and feel more **embedded in the community**.
51. We want to have a **public realm and infrastructure** that shows Jersey in its best light and is consistent with our vision to be a **globally relevant and sustainable destination that Islanders are proud to share**.
52. We will continue to see reduced **seasonality**, as product shifts towards a more year-round offering and is marketed accordingly. This will also drive productivity in the sector.
53. We will have a vibrant and varied **events calendar** which is an integral part of the Visitor Economy, stimulates interest throughout the year, enhances the experience of both visitors and locals and provides a showcase for our heritage, culture and community.
54. We want to see business **opening hours** expand to suit consumer expectations, particularly in the high season; capacity and staffing constraints currently make this difficult for some, but there is opportunity to generate more business by remaining open throughout the day or opening on Sundays and Mondays. Better communication and coordination among the industry would help mitigate the risk that customer expectations are not met if they find things are not open on certain days or not able to serve them throughout the day.
55. We want to enable real-time **feedback from customers**, ideally with the support of technology, so issues can be identified, shared and actioned by relevant stakeholders and contribute to the development of a positive feedback loop within the Visitor Economy.
56. All of the above rely upon the ability of industry to collaborate and **work in partnership**, which will be brought together through the creation of an island partnership for the Visitor Economy, and through the continued working of the Visitor Economy Steering Group.

POLICY PRIORITIES

WE WILL UNLOCK INVESTMENT AND ENHANCEMENT OF PRODUCT AND EXPERIENCES BY:

11. **Improving the customer arrival experience and welcome and identifying a mechanism for continuous feedback.**

Ports of Jersey will take the lead, supported by Visit Jersey and industry representatives in working together to improve the customer experience at the Harbour and Airport. A cross industry and Government approach to address our gaps throughout the customer journey on-island and explore ways to gather consumer feedback and act upon areas needing improvement will become a focus.

12. **Improving the customer information and booking journey to provide a seamless experience.**

Through Visit Jersey we will establish a working group to bring together industry stakeholders and digital solutions providers to consolidate and enhance the provision of information and tickets for attractions, tours and events.

We will secure the future provision of Visitor Information Services and ensure these are in line with customer expectations.

13. **Improving accessibility, allowing us to unlock the potential of the Purple Pound.**

We will seek feedback from stakeholders of relevance regarding the current provision and identify areas needing improvement.

14. **Fostering collaboration in the industry to develop unique experiences.**

We will work with industry associations and encourage their members to develop closer working relationships and partnerships. We will establish a forum to foster collaboration, enhance and curate our inimitable offering, seek continuous improvement to the customer experience and business environment and ensure alignment with Visit Jersey's marketing strategy.

15. **Re-establishing a mechanism to support investment in the sector.**

As for the accommodation sector, we will collaborate with industry to understand the need and financial mechanism(s) that may be required to unlock investment and liaise with the Treasury department in the establishment of an infrastructure fund.

16. **Developing a coordinated approach to events which ensures these stimulate demand from visitors, out of the high season where possible.**

We will create the conditions necessary for event organisers to thrive, with improved coordination and promotion, better access to infrastructure, suitable venues and a more fit for purpose regulatory framework. This will be done in conjunction with Visit Jersey, the Creative Island Partnership and Events stakeholder group being coordinated by Arts Culture and Heritage within Government's local economy team.

17. **Ensuring on-island infrastructure is consistent with a high-quality visitor offering.**

Visit Jersey and industry representatives will continue to work together to understand gaps and risks in areas such as transport, technology and public amenities and find solutions as necessary.

Where Government assets are concerned (e.g. Central Markets, Fort Regent, Waterfront) we will continue to work across departments to ensure the needs of the Visitor Economy are clearly articulated and understood by relevant stakeholders.

18. **Addressing investment in the public realm, in particular St Helier, to ensure this enhances Jersey's attractiveness.**

We will ensure the interests of the Visitor Economy are considered by engaging with the Future Places Ministerial Group and coordinating with the Minister for Infrastructure and the Constable of the Parish of St Helier and others as appropriate. We will seek industry and consumer feedback to identify areas needing improvement.

Sustainability

4. SUSTAINABILITY

We will ensure that the growth of tourism and hospitality is sustainable in respect to our economy, our environment, and our community. We will showcase and protect our natural environment by putting responsible tourism at the heart of all our policies and aligning with the Island's Carbon Neutral Roadmap.

CURRENT POSITION

Economic sustainability

57. Tourism and hospitality are key pillars of Jersey's **economic sustainability**, in particular relating to its international reach, and attractiveness to live and do business.
58. The services it provides will always exist as an in-person **experience**, cannot be replaced by technology, and as such it is a **resilient sector** in the long-term which has and always will have a place in Jersey's economy. It also provides **balance** to the economy, alternative employment choices and provides services that are important to businesses in the wider economy.
59. Tourism is a key source of demand for air and sea travel and therefore an important pillar of **supporting the connectivity** that is needed for the economy to thrive.
60. The **productivity** of the hospitality sector has been gradually but continually improving over the past decades, reaching £46,000 per FTE in 2022, although this remains one of the lowest after agriculture (see Fig. 7 and 8).
61. **Economic output** in terms of GVA amounts to approx. £240m for hotels, restaurants and bars, representing 4.8% of the Island's 2022 GVA excluding rental income (see Fig. 9). There is opportunity to grow this, and for its contribution to increase as a proportion of total economic output of the Island. The indirect and induced impacts of Tourism on the economy are also to be noted; in its 2017 report on the Economic Contribution of Tourism to Jersey[11], Tourism Economics estimated that Tourism contributed a total of 8.3% of total GVA (in 2015).
62. Tourism is also an important source of **export revenue** for Jersey, accounting for £280m of Visitor Spend in 2019, or approx. 20% of the Island's service exports.
63. The economic sustainability of the sector is threated by the loss of **accommodation capacity**, (and, as a consequence, connectivity) so we must address that as a matter of urgency to enable the sector to seize its growth potential.

Environmental sustainability

64. There is a need to act now on the issues of environmental sustainability and carbon reduction and there is currently **no sustainability framework** for tourism or hospitality in Jersey.
65. The industry is **energy and fossil fuel intensive** in some areas, and potentially wasteful in others. There has been strong push back from industry on attempts to roll out initiatives such as a commercial waste charge due to the cost to business.
66. As mentioned in the chapter on unlocking investment, there is a need to transition away from fossil-fuel based heating, cooking and power systems, and make buildings and operations more energy efficient. There is currently no regulation to require minimum **energy efficiency** or **carbon emissions standards**.
67. **Investment in M and E[12], energy infrastructure and building insulation** incurs significant costs, and is potentially disruptive to business. This is also considered defensive / non-value-accretive capital investment, meaning it is does not generate a return, and can therefore be more difficult to borrow against, unless part of a wider investment plan. This represents a significant cost to business at a time when many have reduced reserves of cash post-covid, and cost increases are impacting business margins.
68. **Monitoring** and measurement of energy use, waste and carbon emissions are limited, meaning we do not have data to understand the impact the industry is currently having nor the ability to follow the trend over time. Energy Performance Certificates provide building performance

[11] https://cdn.jersey.com/images/v1661936875/Trade/Economic-Contribution-of-Tourism-Report-May-2017/Economic-Contribution-of-Tourism-Report-May-2017.pdf

[12] Mechanical and Electrical

measurement but currently these are not mandatory in Jersey.

69. **Accreditation** or certification by internationally recognised organisations and schemes such as Green Globe or Green Tourism is limited, but consumers are paying increasing attention to this when they travel and, in the brands, and businesses they choose to purchase from, associate with and work for.
70. The Island's **Electricity Grid** is currently not able to provide power to cover all energy needs of business in some areas, particularly for large hotels. Work is needed to make this ready to allow all businesses to switch to fully electric heating and power should they wish to and preferably without incurring the significant cost of substations themselves.
71. **Transport** on-island is important for visitors to get around but there are significant supply gaps across the year in coach transfers, hire cars, taxis and guided coach tours of the Island. Feedback on the public bus service is very good, especially if travelling from town, but connectivity between attractions and out of town destinations leaves room for improvement. Roll-out of electric car charging facilities, e-bikes and cycle-friendly infrastructure across the Island and at accommodation sites and attractions needs to be accelerated to ensure we can offer these options to consumers and allow them to be less reliant on fossil fuel intense alternatives.

Community sustainability

72. The hospitality industry is **embedded in the local community** both as employees and as customers and much of the offering accommodates both local and visitor demand.
73. However, it continues to suffer negative **perception** in some areas, which can make it challenging to recruit locally, and in some areas is heavily reliant on a seasonal and imported labour force.
74. There is also work to be done to ensure all people who come to live in Jersey, permanently and temporarily, can feel **welcome and integrated** into the community and be informed and able to access information before and after arrival.
75. There is room for improvement in **accessibility** so that all members of the community are able to enjoy and participate in the Visitor Economy in a way that works for them.

STRATEGY

Economic sustainability

76. We want to see the sector continue to **grow** both in absolute terms (GVA) and in terms of productivity (GVA / FTE).
77. We want to continue to see **growth in spend** through a combination of both volume and price, which may vary over time according to priorities and market conditions.
78. We will continue to promote the **opportunity to drive productivity growth** through a combination of reducing seasonality, increasing automation, and modernising businesses, which will enable operators to be sustainable and financially viable for decades to come.
79. We want to attract **investment** in the sector and in particular into new accommodation as set out in Strategic Priority area 2, to ensure the long-term viability of the Visitor Economy and the Island's connectivity and to ensure capacity expands to accommodate future growth ambitions.

Environmental sustainability

80. We want to be **recognised** as a destination that takes its environmental responsibilities seriously, including the impact of transport to and from the Island as well as the impact of activities, transport and businesses that visitors interact with on-island.
81. Jersey's natural environment will continue to be a major feature of our visitor offering and so we must continue to nurture it and **educate visitors and Islanders** to ensure it is protected for generations to come.
82. We want consumers to be informed and able to **make purchases with visibility of environmental impact**, with low-carbon options widely available and fit-for-purpose offset schemes where appropriate.
83. We need to be clear on our current position and where we aim to be and ensure we have a **roadmap and associated implementation plan** to

allow the industry to support the delivery of the Carbon Neutral Roadmap. This will involve Visit Jersey and industry stakeholders as well as the Eco-active network and Government officers with an interest in sustainability, energy and environmental policy.

84. The Carbon Neutral Roadmap sets out a policy intention to make Energy Performance Certificates mandatory at the point of sale or rental of a property. This is due to come in from January 2026, and includes a mechanism to apply **minimum energy and carbon standards** from 2028. Consultation on these plans is expected in 2024.
85. In the longer-term Jersey should be ready to adapt to **new transport options**, in order to trial and embrace these, be seen as a cutting-edge destination and enable us to explore new types of connectivity, both to and from the Island and on-island.

Community sustainability

86. We want hospitality to remain a vital part of island-life that provides vibrancy and makes Jersey an attractive place to live, and the industry is keen to explore ways to measure this.
87. We want to see **diversity and inclusion** embedded further into the services and experiences it provides to consumers and the working environment it provides to employees and be recognised as an accessible industry for all members of the community.
88. We want to grow **pride in our community** and a sense of place that **showcases our culture** and allows us to share Jersey with the world.

POLICY PRIORITIES

ECONOMIC SUSTAINABILITY

19. **Continued focus on productivity improvement making businesses more resilient and financially sustainable.**

This will involve addressing the opportunities for productivity gains identified in the Strategy for Sustainable Economic Development, beginning by completing sector productivity reviews in 2024. Productivity improvements are also expected to be supported by delivery of the actions that stem from the Barriers to Business report published in December 2023.

20. **Secure growth of the sector through connectivity, accommodation capacity and improved customer value proposition.**

We will secure the future growth of the Visitor Economy by addressing these key areas.

ENVIRONMENTAL SUSTAINABILITY

21. **Accelerate de-carbonisation of the industry by supporting investment in necessary but non-value accretive Capex, particularly energy systems and building insulation, and ensuring the energy grid is ready for this.**

We will work together across Government and industry to better understand the current situation and explore the development of a scheme that will assist tourism accommodation businesses to transition away from oil and LNG powered heating systems and to improve thermal insulation.

22. **Increase monitoring and reporting to better understand impact and carbon emissions.**

Establish a mechanism for sharing and reporting and setting benchmarks for best practice across different types of business and incorporate this into a wider data strategy for the sector.

23. **Adopting greater accreditation so consumers have greater knowledge of the product they are purchasing.**

Working with Visit Jersey and industry representatives we will review current business accreditation, raise awareness of the options and encourage uptake of schemes across all businesses that are part of the Visitor Economy. We will explore the need for financial incentives to do this.

24. **Increasing greener on-island transport options for visitors.**

Liaise with providers in the public and private sector to ensure the needs of the Visitor Economy are understood, infrastructure is available at hotels, attractions, transport hubs and points of interest, and identify opportunities to market these services to visitors.

COMMUNITY SUSTAINABILITY

25. **Ensure the industry continues to provide an attractive and flexible option to work or start a business across all sectors of the community.**
    We will continue to promote the benefits of working in tourism and hospitality via the industry representative organisations and ensure conditions for entrepreneurialism and innovation are favorable as set out in the Strategy for Sustainable Economic Development.
26. **Provide amenities and events that bring local community and visitors together for the benefit of all.**
    We will continue to collaborate and engage across the Visitor, Retail, Hospitality and Arts, Culture and Heritage sectors, International Culture Centre and Visit Jersey to provide a calendar of events that benefits a variety of audiences.
27. **Embracing and building an international culture and workforce in Jersey and embedding this in the community.**
    We will continue to celebrate the richness of Jersey's cultural diversity and meet the challenges involved in building a strong community through the work of the International Culture Centre which aims to i) support a range of local and international cultural celebrations, ii) offer information and support for Islanders who have cultural backgrounds outside of Jersey and iii) speak to communities to learn more about the barriers to integration and how we can overcome them.

Brand Awareness

5. BUILDING BRAND AWARENESS

We will promote the Island internationally and contribute to its reputation through a clear brand and destination positioning.

CURRENT POSITION

89. Whilst Jersey has a strong following and repeat guests among its traditional target audience in the UK, in many other places **awareness** is limited. There is a tendency in parts of the industry and among Islanders to think that everyone has heard of Jersey, but among certain audiences this is not the case. On a global level, it may be that the Channel Islands has a greater reach than either Jersey or Guernsey on an individual basis, something that could be harnessed more, in particular outside of the UK market.
90. **Younger audiences** may not associate Jersey as a destination they would be attracted to, which leaves an opportunity to target a new audience of significant size and spending power.
91. There is also a need to better articulate a clear offering around the key product pillars, to tell stories and market ourselves as a destination with more **consistent branding and communication**, and to increase collaboration and cohesion across stakeholders with responsibility for marketing and representing Jersey internationally.

STRATEGY

92. We want to increase collaboration and improve the consistency of messaging across all stakeholders in the Visitor Economy as well as other agencies which represent Jersey on the international stage. This will enable us to harness the potential of the Visitor Economy and for it to play a greater role in the Island's **international and cultural diplomacy** and elevate our **Island Identity** on the world stage.
93. Visit Jersey will work in partnership with industry to ensure branding and communication are aligned around core values and product pillars and seek opportunities for **strategic collaborations and brand partnerships**. This will enable us to grow our reach with relevant consumer audiences, benefit from marketing in kind and enable budgets to go further by combining spend and running joint campaigns.
94. We will look for opportunities to convene stakeholders from across Government and ALOs to develop a **consistent brand approach and personality,** building on the **Island Identity** work, potentially along the lines of the cross-sector Great campaign used in Great Britain. We will also look to champion and use existing tools that present Jersey, in order to enhance their visibility and value.
95. Where possible we will also look to expand awareness of our offering across the Channel Islands and northern France and enable industry partners to sell multi-destination itineraries which could have greater **global reach** and appeal to new audiences.

POLICY PRIORITIES

WE WILL BUILD BRAND AWARENESS BY:

28. Continuing the mandate with Visit Jersey to support the promotion of the Island to Visitors.

Visit Jersey will continue to play a key role in raising awareness of Jersey as a destination and in influencing the way our brand is perceived internationally, beginning with their revised purpose "*Changing perceptions, shaping the future*".

29. Encouraging collaboration with other ALOs and Government departments with responsibility for marketing the Island internationally.

Visit Jersey will engage with other ALOs and SOEs (e.g. Jersey Finance, Digital Jersey, Jersey Business, Ports of Jersey) as well as Government departments and international offices (e.g. External Relations, International Development) to increase alignment and consistency in brand messaging. This may take the form of communications, digital marketing and collateral, but also roadshows, missions and events that are an opportunity to showcase our culture and heritage through our visitor offering and marketing activity.

30. Embedding the Island Identity work in our brand development.

Building on the research and development that has been done already, we will look for opportunities to weave this into our branding and communications.

31. Building community support for the sector and using locals as ambassadors for and of Jersey's Visitor Economy.

Visit Jersey, Government of Jersey and industry associations will continue to reinforce the importance of the Visitor Economy among the local population and diaspora and engage with them in such a way as to make all Islanders ambassadors of and an important part of the welcome visitors receive when they are here. Visiting Friends and Relatives (VFR) has been an increasingly important segment of traveler demand with strong levels of spending and high propensity to return, and therefore one we wish to continue to attract.

Digitalisation and People

6. DIGITALISATION AND PEOPLE

We will unlock the potential of digital skills and solutions to improve the customer experience, drive business productivity and harness the potential of data.

CURRENT POSITION

DIGITALISATION

96. Digitalisation of the **customer experience, information and booking journey** is fragmented and inconsistent. Visit Jersey's website does not include booking functionality and there is a plethora of other platforms that provide information and, in some cases, booking for both locals and visitors with varying levels of success. This has the potential to cause both confusion and frustration for the customer, and for businesses and event organisers to miss potential audiences because sales and marketing is not optimised.
97. There is currently limited use of technology to support the **visitor experience** in both outdoor, public places and private environments, either to provide information or through the use of VR and AR for discovering and learning about places.
98. On-site **signage and information boards** (e.g. at attractions and points of natural and historical interest) is often analogue, with signs in need of renovation due to exposure to the elements. Some have not been replaced for many years, the amount of information they include is limited, and is only available in one or two languages. These were also funded by a variety of organisations and mechanisms in the past (including the now dormant Tourism Development Fund) and in some cases ownership is unclear.
99. There is a need for Jersey's economy to increase **productivity** through automation and the hospitality industry is recognised as one of the sectors with the greatest opportunities for digital adoption.
100. Small and independent businesses in particular tend be less **technologically enabled** and have less data to understand their businesses and customers.
101. **Data** is currently fragmented and inconsistent and does not give us a good picture of the whole of the Visitor Economy in once place. Some measures relating to inbound demand are available via Ports of Jersey and Visit Jersey, statistics relating to hospitality businesses, economic output and employment are published via Statistics Jersey but do not include all businesses associated with Tourism and some hotel performance metrics are available via a private provider but only to subscribers and only include participating hotels. Visibility of local demand and spend in the Visitor Economy is limited. All information is backward looking and some of it only available with a few months delay. Definitions are inconsistent across different data sources. This means it can be difficult for policy makers and businesses to get an accurate and up-to-date understanding of the market.
102. Government no longer requires registration cards to be completed by guests in visitor accommodation, so **data on guest profile**, source market and length of stay is not available other than via the exit survey. It also means there is currently no visibility of occupancy or revenue levels other than via private sources of market performance data.

PEOPLE

103. The sector has historically been considered less attractive by many Jersey residents to work and build a career in, and **struggles to compete** with other sectors such as finance **for local talent**. Low unemployment has also created a need to import labour from overseas.
104. Shifts in the labour market post-Brexit and post- Covid as well as improving pay and conditions in European countries where many workers have come from has led to **staff shortages** across many industries, but especially hospitality which is more reliant on seasonal and immigrant labour.

105. The number of people coming to Jersey on **work permits** has dramatically increased in recent years and gives rise to a need for accommodation to be secured by employers prior to arrival. The presence of many workers who do **not have access to the housing market** also has **cost implications to businesses**, and in many cases, where businesses are unable to provide staff accommodation, they are unable to recruit despite there being suitable candidates available.

106. Additionally, whilst temporary recruitment from overseas has provided a short-term source of labour for hospitality[13] businesses, it **does not extend to all businesses within the Visitor Economy** so there are areas for which this model is not a viable option (e.g. transport and activity providers) creating additional hurdles to recruitment.

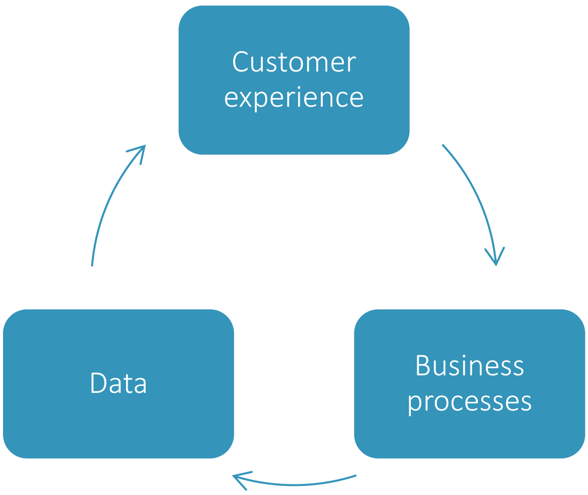
107. The use of temporary work permits also has implications from a **staff development and customer service** point of view as it creates a high level of staff turnover.

108. The Visitor Economy is likely to maintain a degree of reliance on employees from other jurisdictions on short-term contracts for the foreseeable future. A similar situation is known to exist in other sectors, such as agriculture, construction, and the care sector. It is nevertheless readily apparent that the availability of affordable but good quality **accommodation** for such workers is particularly **limited**. Given that a significant proportion of such workers are likely to require a work permit, the need to improve the availability of **affordable accommodation** that is accessible to these valued workers is becoming critical.

STRATEGY

DIGITALISATION

The digitalisation of the sector will allow us to address three key areas which are interlinked:



109. We want to improve the **experience** for the digitally savvy and connected consumer of the future, to ensure we both capture their interest before they visit, and provide them with the information, maps, experiences, communication options, payment systems and on-island engagement they expect when they are here.

110. Use of technology, **digital marketing and booking platforms** that work better for all users and across different business types will help to do this, with information available across multiple channels in real time, making it easier for guests to customise their visit to their needs, and for businesses to target their customers.

111. We also recognise the ability to **augment the visitor experience** across attractions and the public and natural environment realm using digital tools such as AR and VR.

112. There is also significant opportunity for businesses to embed technology much deeper into their operations and increase **automation** of some processes, especially for routine and manual tasks, enabling humans to focus more on customer facing tasks.

113. Business leaders and decision makers from across industry and Government need to be able to **harness the potential of data**. We want to

[13] As defined by the SIC codes 2003.

see a much more joined up approach to this in future so relevant data is easier to obtain and gather insights from.

114. Development of a **digital record of guests** staying in hotels and people visiting the Island would provide richer data about the nature of demand and insights that would be of value to Government, Visit Jersey, and Industry.

115. With the increase in digital tools we will need to ensure visitors are able to use these without fear of roaming charges, so solutions need to be found so that everyone has affordable **internet access** in Jersey.

PEOPLE

116. In the immediate term, we must continue to monitor the situation to ensure that **Government policy** that impacts staffing is fit for purpose and does not place undue barriers or cost burdens on businesses that hamper their ability to trade and grow. This will include keeping immigration and work permit policy under review and considering whether changes to the Control of Housing and Work Law may be necessary or whether the application of licenced permissions needs to be modified.

117. In the long-term, if the number of seasonal businesses continues to reduce, the need for **seasonal labour will lessen** to some extent. Increasing the **participation of local people** working in the industry would also help to provide more staff, and **automation** will help to address some of the strain currently present in the labour market. A combination of these factors should lead to a less acute need for **staff accommodation** and cost to employers.

118. However, where accommodation is required, we will need to ensure regulations around standards allow for new models to be developed that suitably accommodate the demand yet give greater flexibility around space and potential for **shared housing models** to be developed.

119. The need to recruit from abroad is expected to continue for the foreseeable future - Government has established relationships with other jurisdictions to provide short-term career development opportunities and possible education and training exchanges for hospitality industry staff and will continue to work with the sector to explore new relationships with other jurisdictions. It will also work to ensure that employees benefit from **appropriate pay, conditions and living standards**.

120. Education programmes delivered locally need to be reviewed to ensure they are fit for purpose, attractive to students and employers and provide the necessary **training** that provide the **skills** needed in future.

POLICY PRIORITIES

Drive digitalisation of the industry by:

32. **Developing a data hub for industry which gives businesses and key stakeholders access to better data for decision making.**
    This has begun in 2023 led by Visit Jersey as part of the short-term actions identified by the Strategy Steering Group. There are also steps towards improving access to Government data outlined in the Digital Economy Strategy. This will continue to be developed in 2024 in order to clarify the scope and identify the appropriate funding mechanism.
33. **Encouraging adoption of digital booking solutions and collaboration on a single platform to improve the customer experience.**
    We will work together to establish what is needed, and to understand current provision, in order to identify an optimum solution for Jersey. This will be done by Visit Jersey in conjunction with industry and other relevant stakeholders, with the aim of driving customers and businesses to a more appropriate solution.
34. **Accelerating the adoption of technology in the industry, to drive productivity and free up staff time to concentrate on value-adding customer interactions.**

We will collaborate and engage with initiatives outlined in the Digital Economy Strategy to support the industry's digital evolution.

35. **Ensuring guests have access to affordable digital connectivity and can make best use of the available technology.**
    We will ensure that visitors can access the internet and digital tools while on-island, by increasing awareness of local telecoms providers and their services, including E-Sims, promoting the use of free public Wi-Fi networks and exploring ways to reduce mobile roaming costs.
36. **Encouraging use of AR and VR to enhance the customer experience.**
    We will seek to identify businesses or opportunities that can support evolution of the customer experience at attractions and around the Island to help move this into the digital age.

Ensure appropriate people and skills are available by:

37. **Identifying the future skills needs of the industry and aligning on-island training with these.**
    Through the work done by Skills Jersey and through initiatives outlined in the Digital Economy Strategy and Strategy for Sustainable Economic Development, we will continue to monitor and identify the current and future skills needs of the Visitor Economy and ensure education and training provision is aligned with these.
    We will continue to ensure business investment support is available to those who need it via Jersey Business alongside other private providers. Businesses need to have the necessary business acumen, tools and skills to be able to continue transformation and there is likely to be a need for strategic planning and financial and investment analysis support for many of the operators.
38. **Keeping work permit policy under review to ensure this adapts to the changing labour market.**
    We will continue to work across Government, JCIS (Jersey Customs and Immigration Service) and with industry stakeholders to gather data to better inform future decisions in this area and to monitor relevant policy to ensure it is fit for purpose and evolves to support growth in the Visitor Economy.
39. **Addressing staff housing availability, quality and cost to ensure this is not a barrier to growth.**
    We will consider ways to reduce the number of visitor accommodation units unavailable for sale due to use for staff accommodation by tackling the issue of staff accommodation and making it easier for business to buy and convert property for this purpose where possible. We will increase clarity around staff accommodation standards and engage with industry and property developers and agents to identify sites for potential development of new facilities. We will work collaboratively as a cross-department policy team on matters relating to housing and planning and ensure regulations and processes are clear and fit for purpose.
40. **Ensure working conditions and pay are fair and the sector an attractive place to work.**
    Government will respond to recommended actions outlined in the Work Permit Holder Welfare Review and work with industry and representatives and employees to ensure working conditions, pay and other benefits are fair and attractive.

Regulation

7. ENABLING REGULATORY FRAMEWORK

We will ensure the Regulation and Governance is shaped such that it enables the industry to achieve its goals and provides a supportive business environment.

CURRENT POSITION

121. The **regulatory environment** includes some areas that require review as these are deemed unsuitable, unclear or cumbersome to business and are not optimised to facilitate the creation and modernisation of the hospitality offering.

122. The **Tourism Law** and associated general provisions have been identified as requiring review, and although a consultation took place in 2017, modernisation of the laws did not take place due to resource constraints. These have been subject to a review in late 2023 and depending on the findings of this work, amendments may need to be brought forward.

123. It is also recognised that the **Licensing (Jersey) Law 1974** requires review, and the **Unlawful Public Entertainment (Jersey) Regulations** are no longer fit for purpose. Successive governments have been unsuccessful in their attempts to update these despite extensive consultation, leading to **frustration** within industry. There is also a need to ensure these reflect new and emerging business models and enable them to trade in keeping with changing customer expectations (e.g. for pop-up businesses, off-site trade and events).

124. Other **barriers to business** that may impact the sector have been identified through the project undertaken by Jersey Business in 2023 on behalf of the Department for the Economy. The report was published in December 2023 and the process for delivering the priority actions underneath it will be established in 2024.

STRATEGY

125. Through an ongoing working partnership with Government and industry we will continue to monitor the **regulatory environment** to ensure the ease of doing business in hospitality is not negatively impacted by Government decisions or out-of-date legislation.

126. We want to see a **planning environment** that facilitates development of new accommodation, both through a) ensuring **Planning Policy** and relevant areas of legislation that govern development linked to the Visitor Economy are fit for purpose and enable development (to be articulated through the next Island Plan), and that b) the **Planning process** is optimised and risk to developers minimised through the expediting of applications for new visitor accommodation, by prioritising these in the application and review process. The dedication of a specialist officer to be able to handle these throughout the pre-application and approval process would also be of benefit.

POLICY PRIORITIES

WE WILL TRANSFORM THE REGULATORY AND GOVERNANCE FRAMEWORK INTO ONE WHICH WORKS FOR INDUSTRY AND SUPPORTS GROWTH BY:

41. **Reviewing the Tourism (Jersey) Law 1948 and Licensing (Jersey) Law 1974 and amending or creating new legislation, as appropriate.**

In 2024, we will progress recommendations resulting from the Tourism Law Review that has been conducted in the latter part of 2023. Subject to the outcome of that, we will progress with the development of proposed amendments, conduct consultation and lodge if relevant in 2024.

Will also review, consult on and if appropriate lodge proposed amendments to the Licensing Law, beginning with a review in 2024.

42. **Developing an events strategy and appropriate legislation.**

We will develop, consult upon and lodge new legislation to establish an effective, proportionate and accessible event and public entertainment licensing regime and to replace the existing Unlawful Public Entertainments (Jersey) Regulations 2007.

43. **Ensuring the planning policy and process are shaped to support economic development.**

We will work across Government to articulate the needs of the economy and areas where growth and development are needed and ensure policy is shaped accordingly. We will explore ways to reduce the risk in the process and expedite applications of economic importance.

44. **Progress recommendations from the Barriers to Business report published in 2023.**

We will explore opportunities for making interactions with Government clear, proportionate and easy to navigate, particularly for small businesses. Where appropriate we will consider exceptions to certain legislative requirements for small businesses. We will look for ways to streamline processes that involve information returns and interaction with Government.

Working Together

8. WORKING TOGETHER

We will work collaboratively to ensure all stakeholders are aligned in our aim to deliver a world class experience for visitors and achieve our overarching goals.

CURRENT POSITION

127. There are opportunities for improvement in the **interactions** with businesses and Government departments who are not primarily concerned with the Visitor Economy and hospitality industry.

128. Industry stakeholders are looking to Government to broaden its **policy impact assessment processes** to include a more comprehensive assessment of scope for impact on the tourism and wider hospitality industry. Completion, publication and a proportionate response to such assessments would enhance sectoral confidence in Government's understanding of how the sector functions and the interconnectivity with other key sectors of the Island economy. Such action might in turn be expected to increase investor confidence that Government values tourism and wishes to maximise the future prospects of the sector.

129. A number of policies and strategies advanced by Government over the last decade have had significant scope for impact on tourism. Land use, tax, population and employment, sustainable transport, solid and liquid waste and a range of other policies influence the nature and competitiveness of the tourism offer. The quality of **engagement** with the sector on these and other policies is regarded by industry as variable, with some notable successes and some potential for enhancement.

STRATEGY

130. The ability of the Island to transform its Visitor Economy depends on the ability of **Government, ALOs and businesses to work together** to understand issues, identify opportunities and deliver solutions at a pace that is commensurate with changing consumer expectations.

131. We want to **foster collaboration** (both within Government and externally), and work together on building our future, rejuvenating and revitalising the industry which we know can continue to contribute very positively to Jersey in the future as a place to live, work and do business. To this end, the function of a Steering Group, initially set up to contribute to the development of the strategy, has the potential to evolve into a mechanism for implementation of the strategy and to act as a network for collaboration and communication across the sector.

132. The presence of delivery partners that are fit for purpose with clarity on roles and responsibilities has been identified as a critical success factor for the industry. We will continue to work with our **industry partners** and **Government-funded organisations** to ensure their scope is clear and appropriate and sustainable funding mechanisms are in place.

POLICY PRIORITIES

We will foster collaboration and understanding by:

45. **Encouraging industry to work together and package up unique products and experiences to be marketed to relevant audiences.**
    Using consumer research and marketing strategy undertaken by Visit Jersey, industry can be guided to develop partnerships and products that provide a unique offering that meets consumer needs and is greater than the sum of its parts.
46. **Growing awareness of the Island's economic needs and objectives among the wider political sphere and across the civil service and creating a better forum for communication between departments with an interest or impact on the Visitor Economy.**
    We will work collaboratively across Government to ensure that policies with material scope for impact on the tourism sector are subjected to suitably comprehensive economic impact assessments and analysis.
47. **Developing a partnership approach for the Visitor Economy to enable collaboration in the delivery of the strategy.**
    We will work in partnership to support the delivery of current projects and identify future opportunities for industry collaboration
48. **Celebrating and recognising best practice.**
    We will establish a mechanism that enables industry to celebrate and recognise good examples of new businesses, ideas and customer service initiatives that benefit the industry and can be shared as examples of best practice. We will encourage a culture of positive feedback and recognition that inspires creativity and innovation.

6. DELIVERY AND REPORTING

This strategy is intended to be long-term, and the policy principles designed to outlive Government terms and organisations' mid-term business plans.

In addition to the strategy, for the Policy Priorities identified above, a delivery plan will be developed in 2024, with appropriate prioritisation, accountability and any associated funding needs to be identified. Actions will be divided into short, medium and long-term and will be reviewed annually as progress is made, market conditions change, and new issues arise. The delivery plan will also include metrics against which we will be able to measure progress. Given the long-term nature of the strategy, it is not possible to know what all the actions will be at this time; some of it is simply too far ahead to see and we cannot predict how market changes will influence our need to act.

The Business Plans of Visit Jersey and Ports of Jersey (and other organisations of relevance to the Visitor Economy) will also set out the specific outcomes and deliverables for a certain time period, either annually, or, in the case of Strategic plans for 3-5 years. Those will include measurable KPIs and targets that will change over time.

Government's short-term actions will also be set out in Ministerial Delivery plans published on an annual basis. For 2024 actions of relevance to the Visitor Economy are likely to include the following[14]:

ID	Ministerial Action	What we will do in 2024	Deadline
2.4a	Enabling productivity growth by attracting appropriate inward investment to support the diversification of Jersey's economy and supporting the delivery of key productivity-focused initiatives by Jersey Business, Digital Jersey, and other delivery partners.	Develop and promote new inward investment propositions (aligned with relevant sector strategies and ministerial objectives) (Q3)	Q3 2024
3.1	Developing a programme to champion enterprise across our business environment and Government processes.	The Future Economy Programme will take forward the actions in the Delivery Framework for Sustainable Economic Growth that help create a better business environment in Jersey and encourage entrepreneurship.	Ongoing
3.2	Lowering barriers to business and preparing necessary legislative changes, where needed.	Identifying and actioning the priorities for Government to address that were raised in the Barriers to Business report, working with GoJ colleagues and relevant delivery partners	Q4 2024
3.3	Reviewing the Tourism (Jersey) Law 1948 and the Licensing (Jersey) Law 1974 to ensure they are fit for purpose and enable businesses to operate efficiently within the sector.	We will progress the recommendations of the Tourism (Jersey) Law 1948 review conducted in Q4 2023, with a view to lodging any necessary amends in 2024. We will review the Licensing (Jersey) Law 1974 following the publication of the Visitor Economy strategy.	Q3 2024
4.1	Enhancing our economic ties with France and other neighbours, including the implementation of the Export and Inward Investment strategies.	ii) Leverage the Ports Policy Framework to target connectivity enhancements between Jersey and northern France across air and sea transport policy	Q4 2024
4.3	Deepening our cultural, sporting, and economic links with France, particularly the departments of Ile et Villaine and La Manche as well as other European jurisdictions.	Continue to develop and promote links via the Bureau des Îles Anglo-Normandes (BIAN) office and beyond via External Relations contacts. Develop existing joint projects with France and continue existing partnership with institutions in Rennes.	Ongoing

[14] Ministerial Delivery Plans for 2024 are subject to the outcome of the 2024-26 Government Plan debate in December 2023 and will be finalised and published in early 2024.

ID	Ministerial Action	What we will do in 2024	Deadline
5.2	Working with the Ports Policy Group to develop priorities to provide clear policy direction to Ports of Jersey as a vital States-owned body.	Identify and initiate - or continue - critical projects under the 8 strategic priorities within the Ports Policy Framework. Projects will be focussed on Jersey's connectivity, supply chain resilience, and regulatory compliance obligations.	Ongoing
5.3	Supporting the identification and allocation of suitable areas of land for economic use.	Working with Arm's-Length Bodies, Arm's-Length Organisations, Jersey Property Holdings, and planning, we will undertake a review based upon economic analysis of States-Owned and controlled land to assess and rank its economic potential.	Q4 2024
5.4	Delivering a safe, secure, and resilient environment for developing the digital economy through the implementation of the Digital Economy Strategy.	We will publish a Digital Economic Strategy in Q1 of 2024 outlining actions and deliverables supporting the development of Jersey's digital economy in line with the aims and objectives of the Future Economy Programme.	Q1 2024
8.1	Completing the Jersey Opera House refurbishment to enable this venue to host major events from 2025.	The Jersey Opera House Refurbishment Project Board, led by the Department for the Economy, will oversee the refurbishment works are completed on time and in budget.	Q4 2024
8.2	Progressing the refurbishment of Elizabeth Castle as a major capital project.	Ensure, through Jersey Heritage Trust, that the refurbishment works are completed, and the additional facilities are available for the general public's use.	Q3 2024
9.1	Engaging with stakeholders from across the tourism sector to implement the Visitor Economy Strategy.	We will begin to promote the strategy in Q1 and progress actions with delivery partners and across the stakeholder group as set out in the strategy.	Ongoing
9.2	Working with our retail and visitor partners to facilitate new opportunities for growth in the daytime, evening, visitor, and events-led economies.	We will continue to engage with businesses and representative organisations to understand the situation and work with other Government departments to ensure the opportunities and needs of the economy are clearly communicated and barriers to doing business are reduced wherever possible.	Ongoing

Economy

VISITOR ECONOMY STRATEGY: DATA ANNEXE

DECEMBER 2023

Fig. 1 - Accommodation Supply – long-term trend

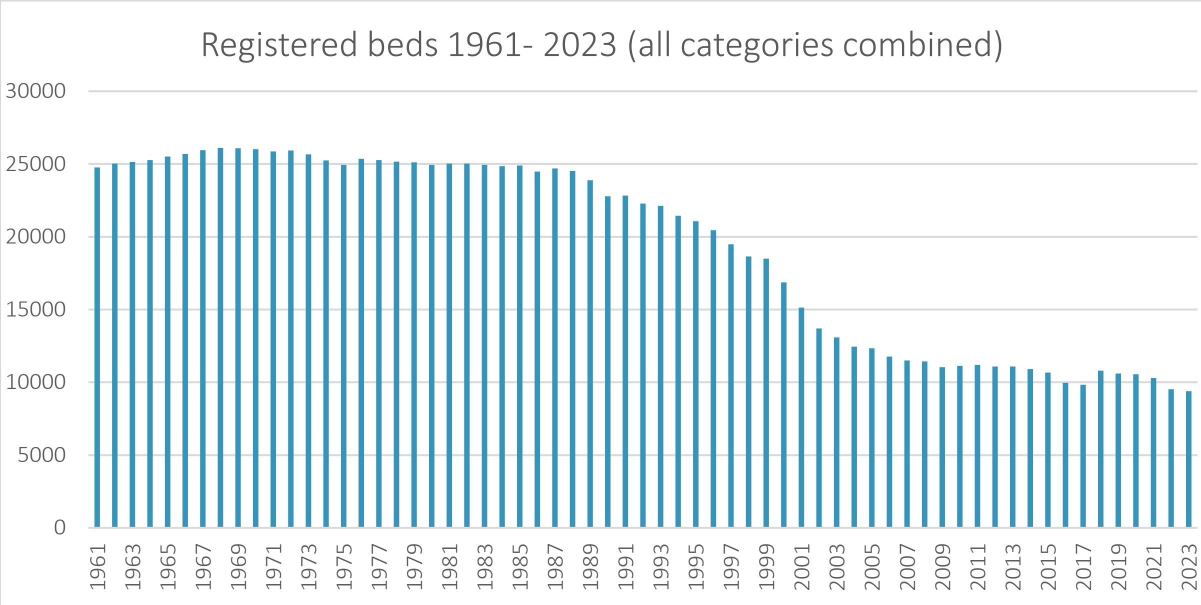


Fig. 2 – Year on year change in supply since 2000

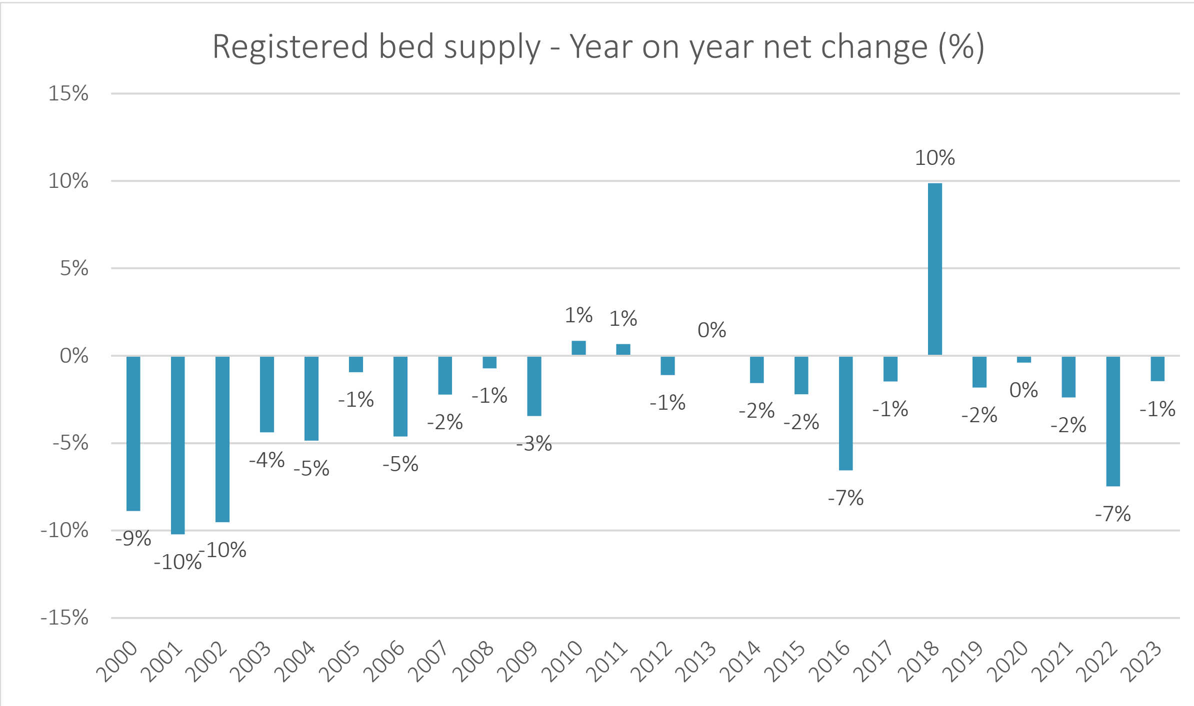


Fig. 3 – Accommodation supply trend over time by category

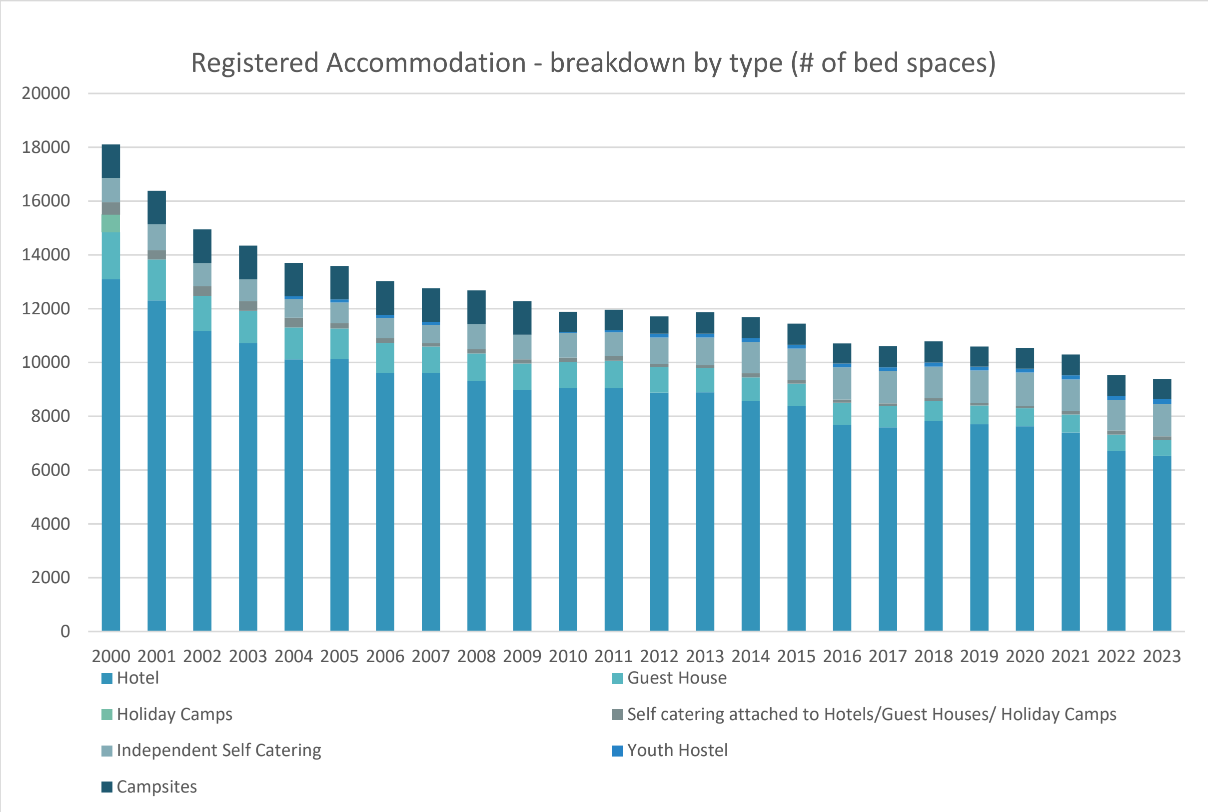
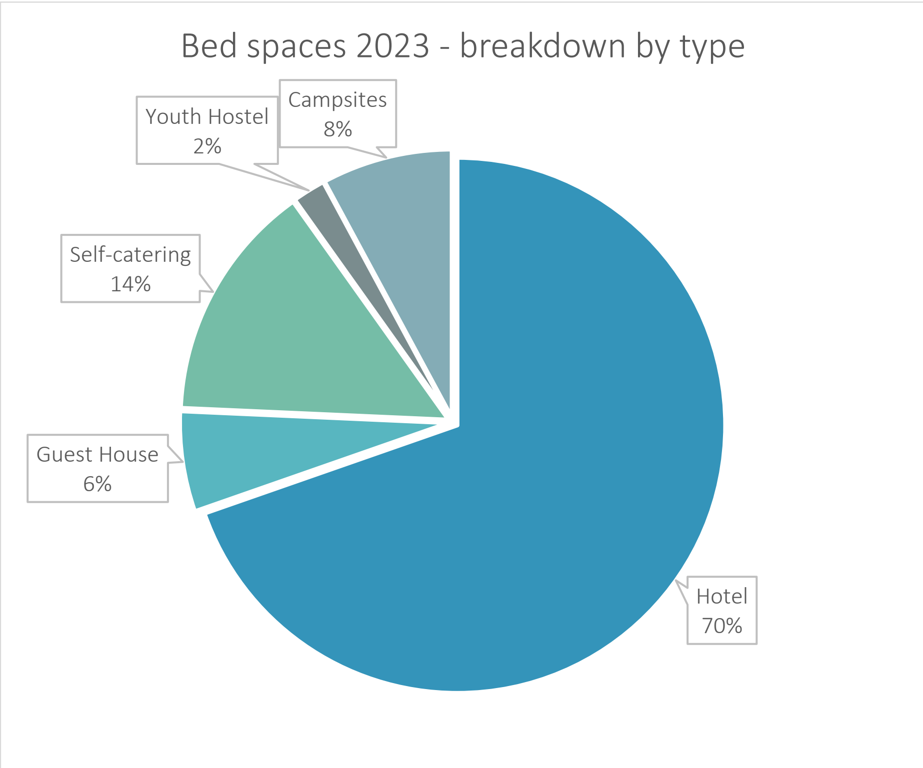


Fig. 4 – Accommodation breakdown by category



Please note:
For both graphs full year data was unavailable in 2020 and 2021 due to the COVID-19 pandemic.

Fig 5. – Visitor numbers and overnight holiday visits trend since 2000

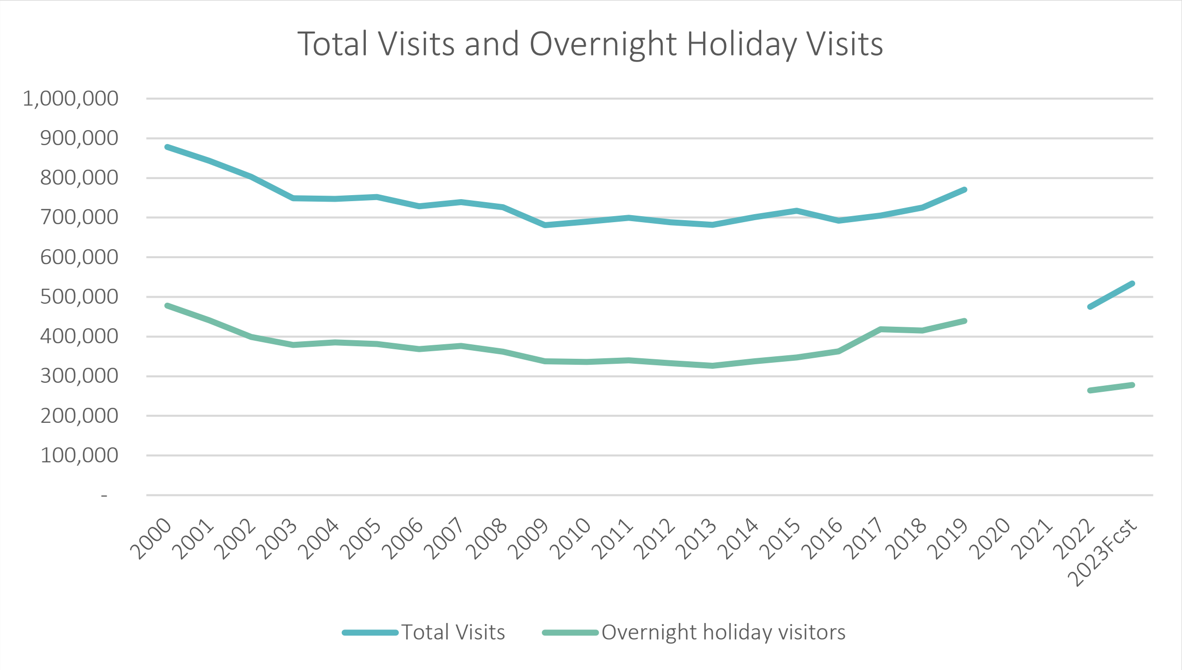


Fig 6. – Estimated visitor spend since 2005

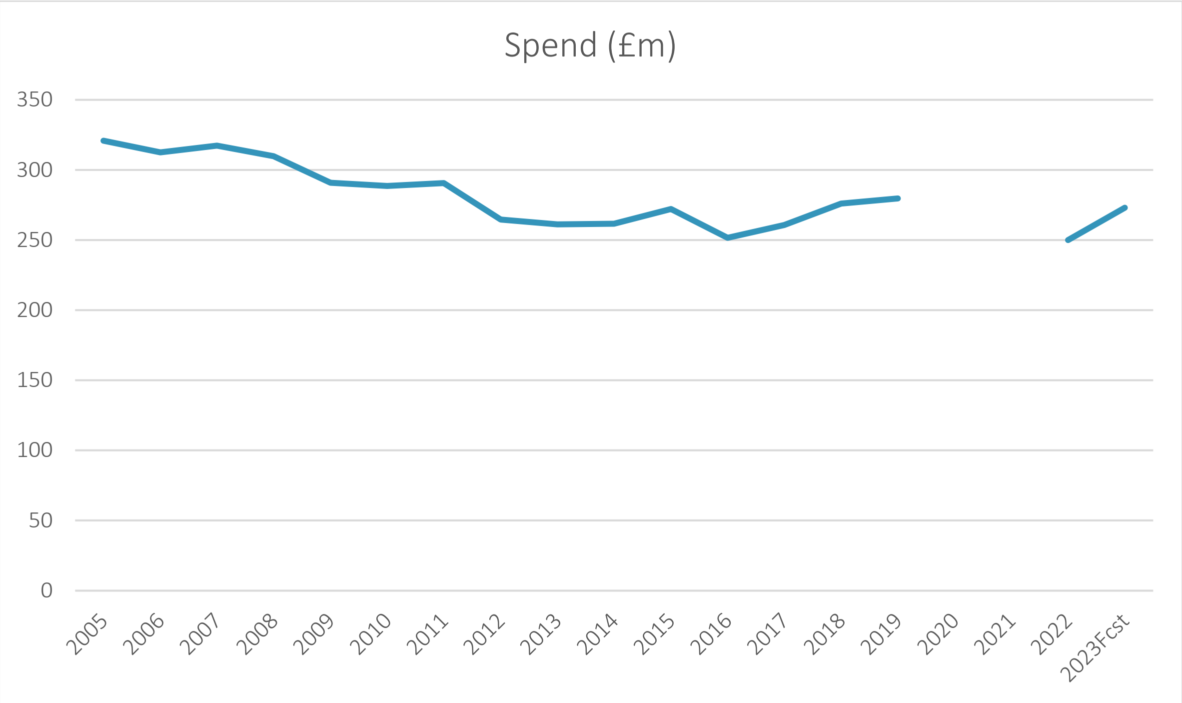


Fig 7 – Productivity Trend (GVA /FTE) trend since 2000

(GVA per FTE in real terms - constant 2022 values)

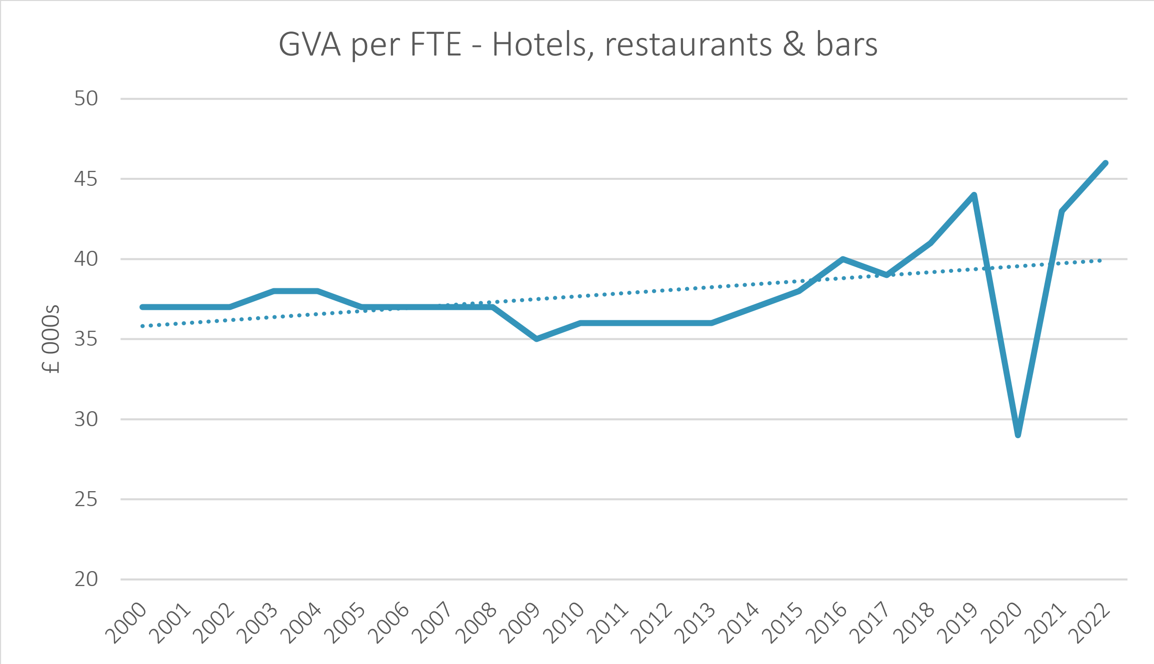


Fig. 8 – Productivity (GVA /FTE) by sector

(GVA per FTE in real terms - constant 2022 values)

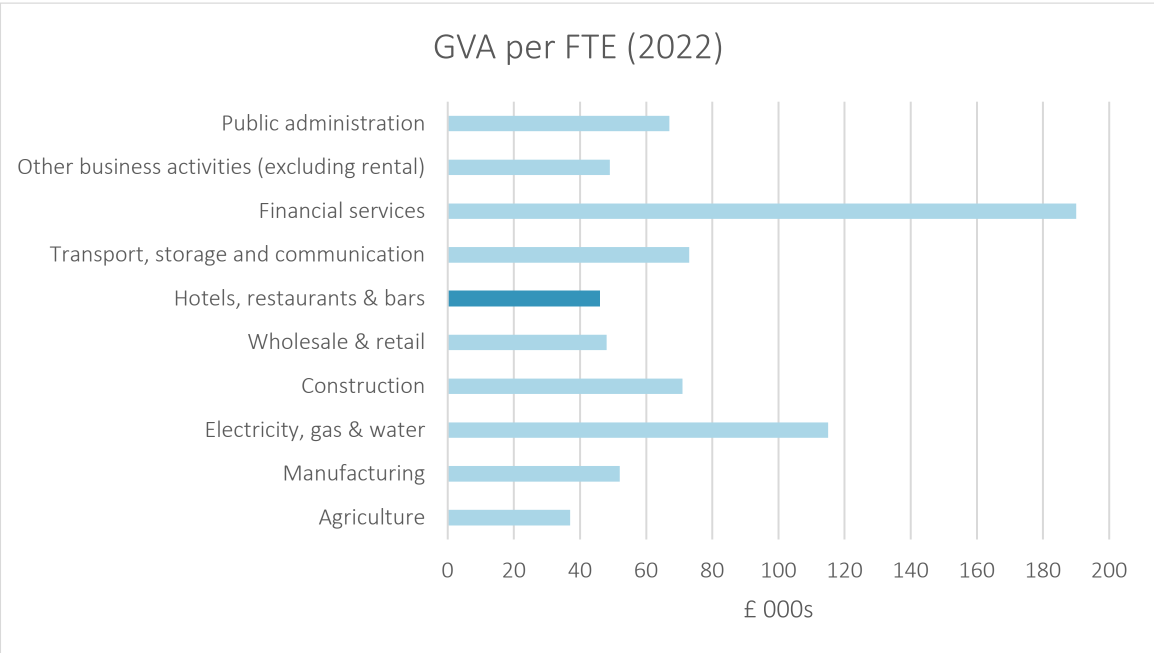


Fig.9 – Economic Output (GVA) trend over time

(GVA in real terms, constant 2022 values)

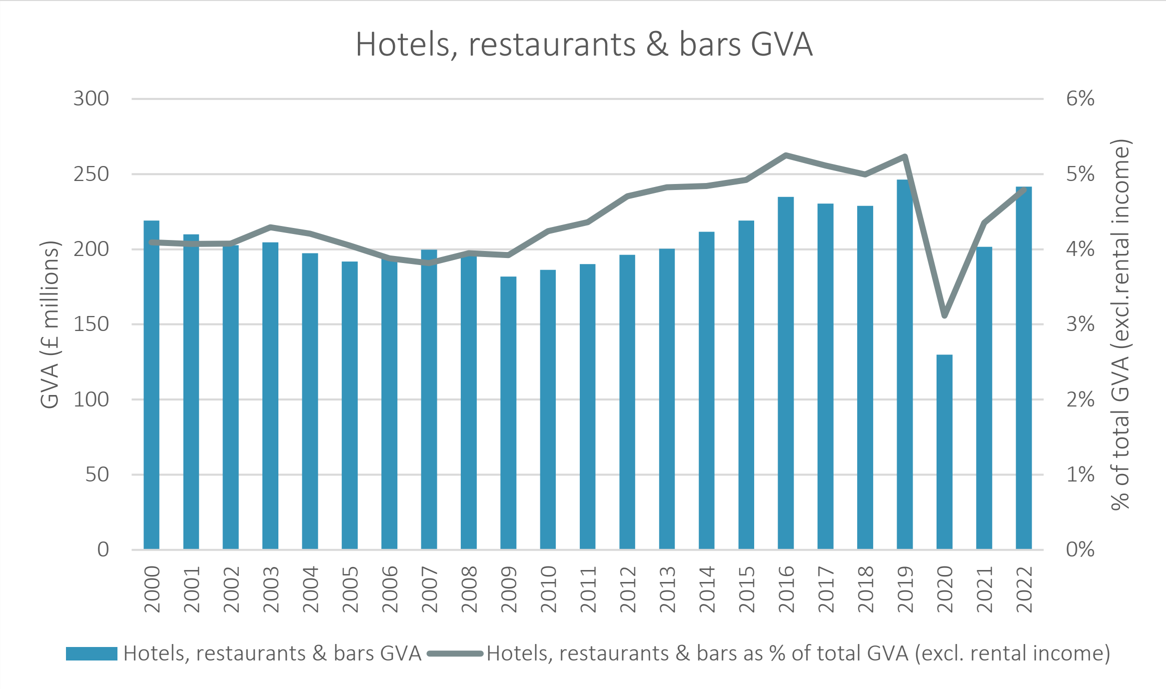


Fig.10 – Private Sector Undertakings by number of employees – Hotels Restaurants and Bars

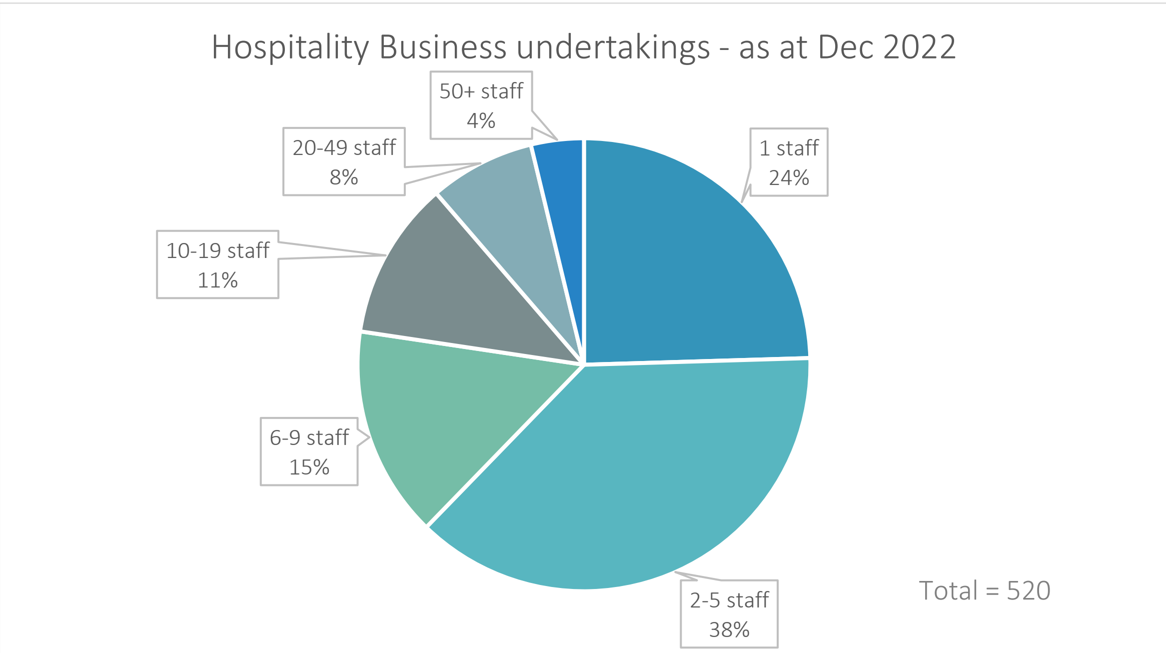


Fig.11 – FTEs (Full Time Equivalents) in Hotels Restaurants and Bars - trend since 2013

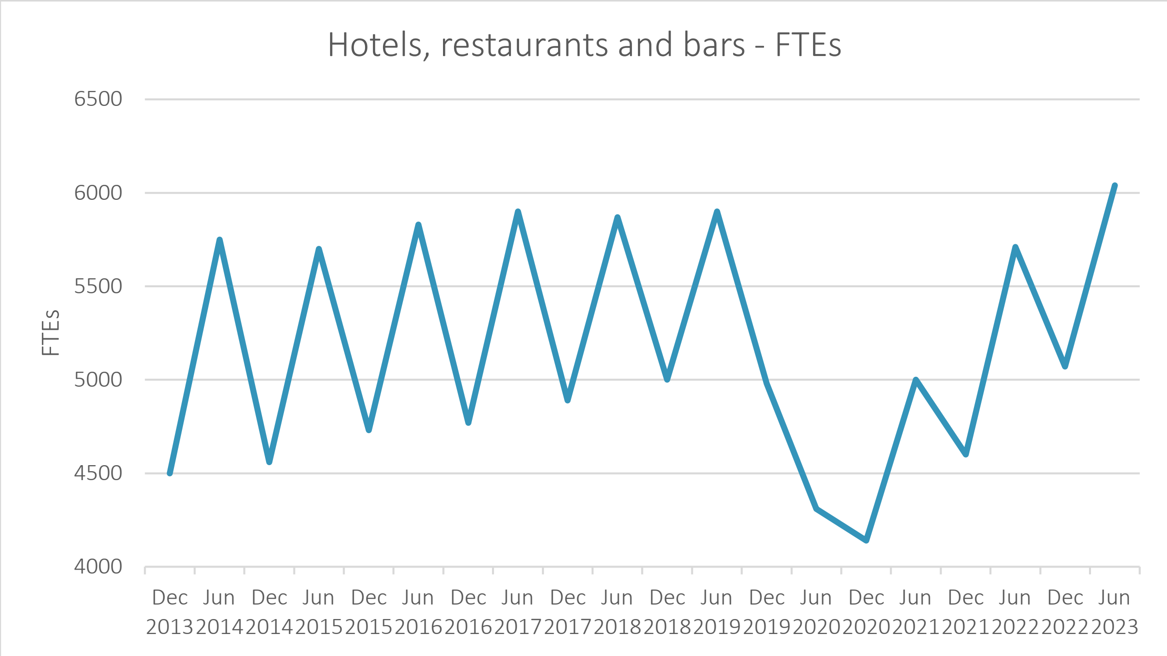


Fig.12 – FTEs (Full Time Equivalents) by Sector

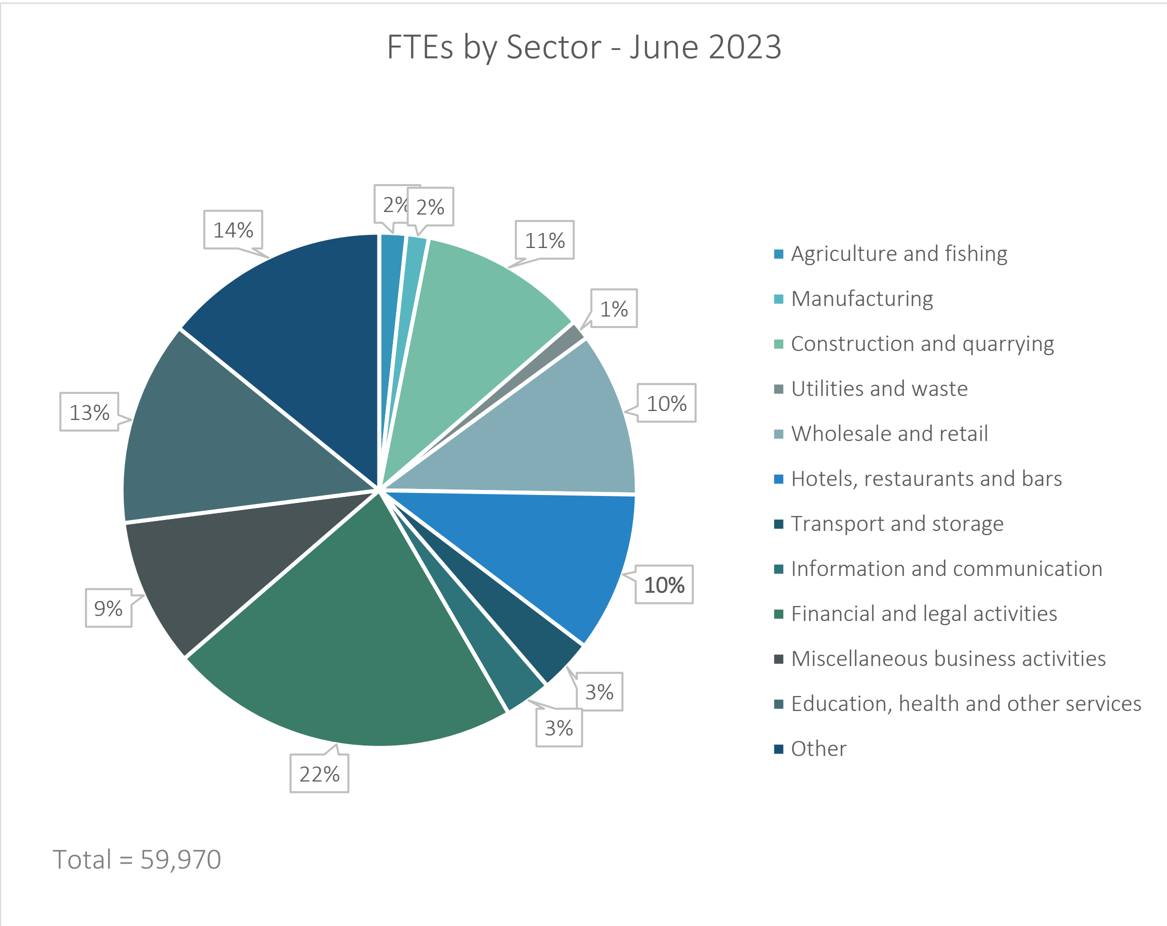
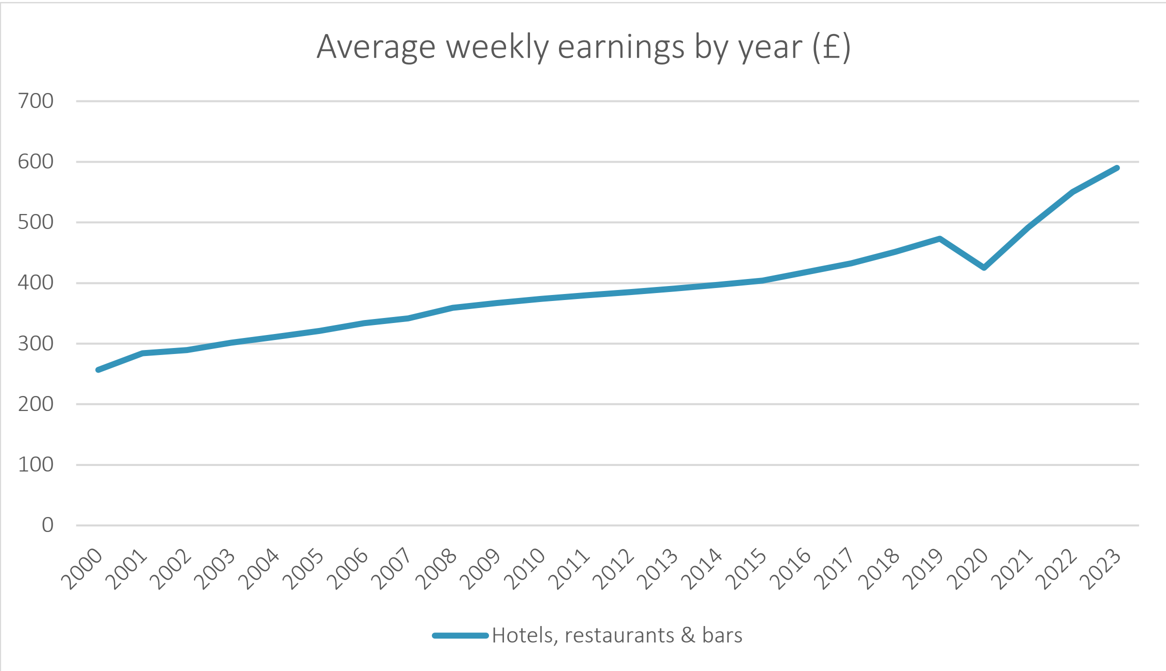


Fig. 13 - Average earnings by sector - 2023

Fig 14. - Hotels, restaurants, and bars - average earnings trend since 2000



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