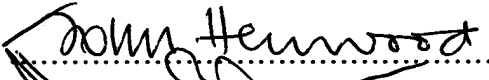



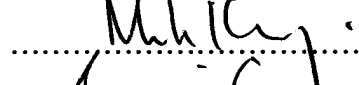
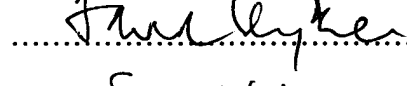
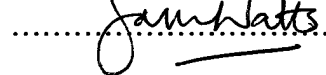


Preliminary Report of the Tourism Shadow Board

March 2014

To Senator Alan Maclean, Minister for Economic Development.

We present herewith for your consideration the Preliminary Report of the Tourism Shadow Board.

	John Henwood MBE
	Doug Bannister
	Tim Crowley
	Mike Graham
	Mike King
	David Seymour
	Sam Watts

The Board would like to thank Dr. Robert Crawford CBE who readily agreed to act as Special Adviser to the Board and whose knowledge and experience has brought a very valuable external perspective to our work to date.

We would also like to thank all those who have contributed, in various ways, to our work to date; they are listed at Appendix I.

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Foreword

This is the preliminary report of the Tourism Shadow Board (TSB). It is preliminary because, whilst we recognise the future of tourism is of great importance to Jersey, the solutions to the challenges presently faced by the industry are neither simple nor susceptible to instant fixes. We have been impressed by the evidence received that a degree of urgency is required in addressing fundamental issues of structure. We have published this preliminary report because unless these issues are addressed it will not be possible to move forward.

1. Executive Summary

The purpose of this report is to provide recommendations on the future structure of tourism in Jersey following a year of research, interviews and consideration by the TSB.

The States' strategic plan does not define 'tourism' and it is important to understand what is meant by the word in the context of this report. We have adopted the United Nations World Tourism Organisation (UNWTO) definition: "Persons travelling to and staying in places outside their usual environment for not more than a year for leisure, business or other purposes".

It is the TSB's aim to promote Jersey as a destination to the end of increasing the economic and social value of tourism to the Island.

Tourism in Jersey has been in decline for so long it has become widely accepted that further decline is inevitable. Having examined the situation, the TSB rejects this notion absolutely. We have come to the view that there is significant potential for growth in tourism and, given the approach we are recommending, believe Jersey can be the destination of choice for a million visitors a year within 15 years.

It is our view that the only route to success on this scale is through a radical rethink of the way in which the Island is promoted as a destination. It also demands a new deal involving the people and government of Jersey embracing tourism as an essential component not only of the Island's economy, but also a vital element of its social fabric, and committing to its success.

The TSB recommends that tourism is put in the hands of a fully independent, grant-funded body, which would subsume all activity currently undertaken by Jersey Tourism and certain other agencies, while developing an entirely new approach.

The first step on this path is to create the body that will work hand-in-hand with the tourism industry and re-energize it. This body will create a desire to visit Jersey among new sectors of our traditional markets and in new markets yet to be explored. In addition it will stimulate new investment, boost a struggling retail sector, create new jobs and in general spark a virtuous cycle of benefit.

What will the new entity look like?

- The new body, provisionally titled Visit Jersey, will be different from the existing Jersey Tourism model in that it will be independent from the States answering to a Board of industry representatives and relevant specialists
- For the first time Visit Jersey will directly connect the industry with the mechanism that promotes it
- Visit Jersey will be nimble enough to respond swiftly to change with the substance to compete effectively in an increasingly competitive market
- Only by operating outside the constraints of government will it have the freedom to take necessary risks
- It will be a performance led organisation run as a commercial entity with results measured in real outcomes
- By establishing a new operating model it will eliminate the divisions that exist between the industry and the body which currently promotes it, Jersey Tourism
- Working with the industry it will create a new, all-embracing, strategic approach to tourism
- It will work collaboratively with other agencies charged with promoting different aspects of Jersey
- Through this approach it will re-ignite confidence in the sector.

What is wrong with the current model?

- The flow of evidence considered by the TSB points to a breakdown in the relationship between the industry and Jersey Tourism; the sector's representative body, the Jersey Hospitality Association, is calling for urgent, radical change
- On the evidence of visitor statistics over 15 years, which show a decline in staying leisure visitors of 43% between 1997 and 2012, the current model has failed to arrest decline
- There is no viable overall strategic plan for tourism
- As a government-operated agency Jersey Tourism is inimical to risk taking and does not apply meaningful key performance indicators
- Poor and inconsistent communication with sectors of the tourism industry has led to lack of engagement
- A government-owned model will always be susceptible to political imperatives.

Key Findings

- Based on a consistent trend of declining visitor numbers, the current model is considered to be failing, placing Jersey at an accelerating competitive disadvantage
- The Tourism (Jersey) Law 1948 led to Jersey Tourism being set up as a regulator and product guardian, it was not established as a marketing organisation
- Whilst annual marketing plans are developed by Jersey Tourism, there does not appear to be a coherent long-term strategic plan for the promotion of Jersey as a destination
- Jersey Tourism's 2004 strategic plan failed in its main objective, which was to halt the decline in the number of visitors
- Insufficient political attention was paid to early signs of tourism decline

- There still appears to be some political equivocation as to the value and importance of tourism
- There are indications that Jersey's former near universal support for tourism has faded following many years of declining visitor numbers
- Jersey Tourism's marketing campaigns have not created sufficient desire to visit among new categories of visitor
- Staying leisure visitors have declined 43% in the last 15 years; in the same period total visitors have declined 30%
- A radical new approach to destination marketing would be a catalyst for revitalizing the sector
- In an Island noted for a generally conservative approach, everyone spoken to through the research phase advocates change; indeed, many have impressed upon us the need for urgent action
- The Jersey tourism industry in general and the hospitality sector in particular voiced little confidence in Jersey Tourism's ability to turn things around
- Tourism is vital to Jersey, not only because of its intrinsic economic and social value, but also for its complementary benefits to other sectors
- There should be an identifiable, unifying Jersey brand behind which all external marketing could align
- Tinkering with or making incremental changes to the existing model would, in all probability, achieve only minor short-term improvement
- Radical change will send a powerful signal to all stakeholders that continued decline will no longer be accepted.

Key Recommendation

Jersey would best be served were the future of tourism put in the hands of a fully independent, grant-funded body, which would subsume all activity currently undertaken by Jersey Tourism and certain other agencies, while developing an entirely new approach.

2. Terms of Reference and Methodology

Origin of the Tourism Shadow Board (TSB)

In July 2012 the States approved the Economic Growth & Diversification Strategy (P.55/2012). The strategy recognised that, “Existing sectors such as Tourism...have a key role in contributing toward the future success of the Island.” It went on to make clear that established enterprises will continue to be supported, but the application of resources will be linked to growth.

On 15 January 2013, and in line with this strategy, the States were asked to approve the establishment of a TSB, as put forward in P.113/2012.

In setting out his Proposition, the Minister for Economic Development said, “If approved, the shadow board will represent a major change in the way we look at marketing the Island as a destination for visitors... It will also represent a major change in the level of support and oversight for the sector. ...Tourism is a vital and enduring part of Jersey’s economy that has, contrary to what some may think, significant growth potential.”

At the heart of P.113/2012 the Minister set out the purpose and key aims of the TSB:

- In the first instance, to define the optimum operational and governance structure and make a recommendation to the Minister to implement changes as necessary;
- To strengthen governance and good practice in all areas of tourism operations;
- To challenge and support the executive teams;
- To develop strategy and business operations and ensure they are subject to rigorous independent commercial challenge in a manner which enhances governance at a pivotal time;
- To ensure optimum performance of the sector in delivering cost effective operational solutions for the development of tourism in Jersey;
- To undertake any other appropriate roles as agreed with the Minister.

In a debate lasting an hour and a half, 17 members spoke. The tone was overwhelmingly supportive of tourism as an important part of Jersey's economic and social mix. The Proposition was passed by 48 votes to 1 with no abstentions.

An independent chairman of the TSB had already been appointed (conditional upon the outcome of the debate on P.113/2012) following an open process run by the States' Appointments Commission.

Subsequently, thirty-seven applications were received for positions on the Board and in due course the Minister made five appointments. The Chief Executive and accounting officer of Economic Development, nominated by the Minister, joined these.

It is important to make clear that, with the sole exception of the Minister's nominee, all members of the Board were appointed following an open and transparent process undertaken by the States' Appointments Commission.

The TSB's Purpose

The TSB was established as a non executive board to oversee strategy and day-to-day operation of the Island's destination marketing programme. However, the Board has no authority to direct change in either strategic or operational matters, save only to recommend a course of action to the Minister.

In a practical sense therefore, the TSB cannot oversee operational matters, neither can it direct the development or delivery of a strategic plan.

Given these limitations the Board considered what could be achieved in a timely way and, in doing so, returned to its core purpose and key aims as determined by the Minister in P113/2012: "In the first instance, to deliver the optimum operational and governance structure" [for the promotion of Jersey as a destination].

Two words, 'optimum' and 'structure' stand out. Optimum means the best method of achieving an objective and is a very high hurdle. In other words, fit-for-purpose is not good enough; the aim must be higher, indeed as high as all practical issues allow.

The TSB therefore concluded that its initial task was to determine the best possible structure to deliver growth to a sector that, though diminished, is considered to be of great importance to Jersey's future.

The Approach

Although the TSB includes those with extensive knowledge and experience of many facets of tourism, including hospitality, transport, events, attractions and marketing, it was important to adopt, as far as possible, what the Minister referred to as a 'clean slate' approach.

Accordingly, the TSB adopted a methodology based on direct consultation with a broad spectrum of stakeholders. Since April 2013 the TSB has met regularly to hear evidence from a wide range of individuals and groups with views to offer.

To date the TSB has taken direct evidence from around 100 contributors¹. The TSB also reviewed the summary conclusions from Jersey Tourism's Strategy Consultation of 2012/13², an informal survey conducted by the Jersey Evening Post and numerous other local and international sources of material.

3. History of Tourism in Jersey

Beginnings

Tourism has been part of Jersey since the coming of steamships in the first half of the 19th century when regular contact between the Island and England began. In 1862 writer and publisher J. Bertrand Payne wrote, "Jersey has become a fashionable resort of a vast number of those of our own countrymen who find themselves with a fortnight and ten pounds to spend, and who, by coming hither, enjoy a thorough change of scenery, curious manners and customs, a fine air, amusements of a varied class and all with the comfort of having one's native tongue."

The immediate post-Occupation period saw agriculture as the mainstay of the Island's economy, but with the resumption of regular travel between the UK and the Island, tourism began to grow to the extent that the States of Jersey recognised the activity's potential to become a significant source of income.

¹ Appendix I: List of Contributors

² <http://www.gov.je/Government/Consultations/Pages/TourismStrategyConsultation.aspx>

Tourism Law

The September 1948 Tourism (Jersey) Law was the first primary legislation passed to deal with tourism matters. This legislation was more concerned with setting and maintaining standards than promoting the Island as a destination. It empowered the 'Minister' (at the time the President of the Tourism Committee) to: -

- provide, financially or otherwise, services, sports, amusements, or other facilities, calculated to improve tourism;
- provide, improve and maintain amenities and conditions which appear likely to affect tourism;
- establish any form of information bureau or agency in connection with tourism.

Other provisions included the publishing of guide-books, engaging in publicity and making charges for goods and services.

The Law, amended seven times between 1948 and 2001 and again in 2005 (simply to align with ministerial government) is that which still applies today. It led to the setting up of the Jersey Tourism Department as both regulator and promoter of tourism - seldom, if ever, a comfortable duality of responsibilities.

A Period of Expansion

The growth in visitor numbers was driven by a variety of factors, by no means the least of which was the travel benefits enjoyed by British Railways employees for whom Jersey was the southern-most point to which they could travel on British Rail ferries on free or preferentially-priced tickets. Such was the increase in passenger numbers through the 1950s that in 1960–61 two new ships were commissioned to operate the Channel Islands routes. Even when the nationalised rail and shipping interests were separated, leading to the formation of Sealink in 1970, growth in passenger numbers was maintained.

It is difficult to be precise due to the methods employed at the time, but in 1978 Jersey received an estimated 800,000 staying visitors and 180,000 day trippers and it is believed this marked a new peak of leisure tourism activity to the Island. At that time there were 27,500 registered tourism bed spaces, in addition to which there was an unquantifiable number of unregistered spaces³. The average length of stay was about 10 days.

³ Appendix II: Jersey Visitor Statistics

A Period of Contraction

There was a marked decline in leisure visitors between 1979 and 1981, probably triggered by the fuel crisis and the so-called Winter of Discontent with prevailing high unemployment and soaring inflation in the UK. In addition, the availability of relatively inexpensive package holidays to more distant destinations had given UK travellers many more holiday options.

The Bergerac Effect

In October 1981 a fictional policeman, Jim Bergerac, came to the rescue. The popular BBC television series set in Jersey ran to 87 episodes playing to large audiences in the UK over the next decade. That the decline in visitor numbers was gradually reversed until 1990 is very largely attributed to the exposure Jersey received through Bergerac. Jersey Tourism visitor surveys suggest there continues to be a noticeable, albeit declining, benefit from this series with many citing it as an influencing factor when deciding to visit.

Further Decline

The decline resumed in 1990 and accelerated sharply during the next two years. Consistent measurement of leisure visitors has been available since 1992⁴. At that time there were still more than 24,000 registered beds.

The early-1990s were prosperous years and Jersey Tourism was well resourced. It was on the front foot in terms of taking the message to a wider market, maintaining agents – a combination of PR, trade representation, advertising and marketing agencies - in several major European markets and as far afield as the United States.

For a time it seemed the efforts were being rewarded. However, the underlying trend continued to be downward and some of the established players in hospitality and leisure began to exit. This accelerated in the mid-1990s as some long standing practitioners weighed further investment in hospitality against the returns available from a strongly growing housing market and opted to exit the industry.

⁴ Published by Jersey Tourism

Prime Sites Policy

Concerned about falling bed numbers, the States of Jersey attempted to block exits by denying change-of-use. This 'prime sites policy' was misguided and caused friction and alienation with the hospitality sector. Government relented and there was a further reduction in beds. But in reality much of what was lost was probably already failing to meet the raised expectation of the market. Longer term, the removal of enforced constraints led to an increase in investment in both new and existing hotels and better alignment with new market expectations.

Decline Accelerates

The five-year period from 1997 was marked by further, rapid decline and during this period the size of Jersey Tourism, its budget, its representation overseas and its marketing activities all contracted. There followed a period of relative stability, but another dip occurred in 2009, almost certainly related to difficult economic conditions in Jersey's main markets. Since 2009 the downward trend in staying leisure visitors has continued, but more slowly⁵.

The Present Position

By 2012 Jersey had about 11,700 bed spaces. Notwithstanding the halving of capacity, occupancy levels in peak season were only around 70%. In 2012 there were 333,000 staying leisure visitors, a reduction of over 43% on the 1997 number. Adding all other categories there were 688,000 visitors that year compared with 985,000 in 1997; a reduction of 30%. During the same period visitors to the UK increased by almost 22% and the number of UK residents travelling overseas went up by 23%⁶.

4. The Current Scenario for Tourism in Jersey

Defining Tourism

P.55/2012 and P.113/2012 both refer to tourism as having a key role in contributing towards the future success of Jersey, but nowhere is the term 'tourism' defined.

⁵ Appendix II: Jersey Visitor Statistics

⁶ Appendix III: UK Traveller Statistics

It is clear tourism means different things to different people. In the main it is perceived to relate to the pursuit of leisure activities. Jersey Tourism currently places its marketing emphasis on staying leisure visitors and records these by point of origin. Other categories of visitor recorded are: visiting friends and relatives; business visitors; conference delegates; visiting yachtsmen; language students; leisure day-trippers and finally the catch-all category, 'other'.

The TSB has heard views expressed about the importance of business tourism as a category in its own right and there have also been representations on the potential of, for example, educational, arts and health tourism. Many have also pressed the importance of sport and events of a wide and diverse nature as key areas for development⁷.

The TSB believes that tourism is all of the above and more. It is vital to define it in as comprehensive a way as possible, to provide clarity and to assist with planning and strategic direction. Accordingly, we consider the United Nations World Tourism Organisation (UNWTO) definition: **“Persons travelling to and staying in places outside their usual environment for not more than a year for leisure, business or other purposes”**⁸ to be appropriate and relevant.

Brand Jersey

Whilst Jersey Tourism is most closely associated with promoting Jersey as a leisure destination, there are a number of other agencies whose role is to promote some aspect of the Island. Digital Jersey, Genuine Jersey, Jersey Business, the Jersey Conference Bureau, Jersey Finance, the Jersey Hospitality Association, Luxury Jersey Hotels, Locate Jersey and Ports of Jersey (the list is not exclusive) can all be said to have a mission to promote Jersey. Each currently projects its own 'personality' with no reference to an overall brand proposition for the Island.

It is easy to see the potential to exploit synergies between these bodies and the TSB was struck by the number of witnesses who were keen to emphasise the opportunities for greater co-operation. Currently very few of those opportunities are realised.

Presently there is no identifiable, unifying Jersey brand. This is not surprising given that no individual or agency has ultimate responsibility for the development and guardianship of such a concept. Were such a thing to

⁷ Appendix VII: Outline of Contributor Evidence

⁸ www2.unwto.org

exist we believe it would facilitate the creation of closer co-operation between the separate agencies and, importantly, serve to multiply and magnify benefits when promoting Jersey, in all its facets, to new markets.

Structure of Tourism Support

In 1948 the States of Jersey took responsibility for the regulation and promotion of Jersey as a tourist destination and since that time has been exercising that responsibility through Jersey Tourism as a department of government. Thus the model, the mechanism through which tourism is promoted, is States' initiated, funded and operated.

It is clear the principal aim of the Tourism (Jersey) Law 1948 was to regulate burgeoning tourism activity and improve the product. It appears almost an afterthought that the Law empowered the Tourism Committee:

- To prepare and publish guidebooks, itineraries, timetables and other publications, with or without advertising matter, for the benefit or assistance of tourists;
- To engage in any other kind of publicity in connection with tourism.

These are the only references in the Law to promotion and marketing. This is perhaps not surprising; from its adoption and through the boom years of the 1950s, 60s and 70s there was little need for extensive marketing activity and Jersey Tourism was focused primarily on the quality of the product and delivering its regulatory obligations. However, as the industry began to decline Jersey Tourism's main purpose had to change.

The vital job of promoting Jersey as a destination presently rests therefore with a mechanism not specifically designed for that purpose. Governments tend to see departmental roles and responsibilities much more in terms of social policy and regulation rather than marketing, which is a consumer-focused activity that by its nature is less constricted by policies and more dynamically responsive to market conditions.

Shifts in Public & Political Sentiment

Jersey's tourism industry has been in long-term and, apparently, inexorable decline, a situation that cannot be allowed to continue. It is surprising that an earlier generation of political leaders did not afford greater attention to the Island's second-most-important economic activity. Perhaps, as the TSB Chairman has articulated, politicians take

their cue from public sentiment and it seems Jersey fell out of love with tourism.

A laissez faire attitude to tourism may also be accounted for by the outstanding success of the finance industry, which outgrew all other economic sectors, leading to tourism no longer being regarded as of great importance. The TSB does not see any benefit in delving into the etiology of the matter; the industry is where it is and a solution to address decline is urgently needed.

However, even today there appears to be some equivocation as to the value of tourism. To date the States of Jersey has not lived up to its commitment to invest £10 million through the Tourism Development Fund⁹. Successive steep rises in impôt duty on alcohol and cigarettes over many years has been unhelpful and makes more difficult the task of regeneration.

The commitment by the Economic Development Minister to protect the tourism budget in a period of contraction in overall Economic Development Department budgets has been noted and is welcomed, however, this must be seen against the background that the States of Jersey's financial support for tourism has almost halved over the last 15 years¹⁰.

The TSB is strongly of the view that it is not too late to take decisive action, not only to halt the decline in visitor numbers, but also to create growth. No one should be under any illusion, returning to sustained growth will not be an easy task, but it is the TSB's opinion that it is attainable. However, it will require wholehearted support across government, working with the industry, if success is to be achieved.

5. Are the Current Arrangements Working?

Is The Marketing Plan Successful?

That pioneer of the automobile industry, Henry Ford, said, "The sole purpose of business is to create a customer." Ford might have said that his principal purpose was to build and sell cars, but he knew that first he had to create the desire to own one.

⁹ It had committed £3.85million to the end of 2012: Tourism Development Fund Annual Report 2012

¹⁰ From £8million in 1997 (c. £12million in today's value) to £6.4million in 2013

It appears Jersey Tourism has not created sufficient desire to come to Jersey among new categories of prospective visitor. This has been a persistent theme during the TSB's evidence-gathering¹¹ so far and it is summed up in this phrase used by one witness: "People who come to Jersey love the Island; the problem is reaching those who don't come."

Another old, but well-founded business principle is that it is easier to retain a customer than to create a new one. Jersey Tourism has had some success in retaining visitors, but Jersey's loyal customers are ageing and will fade away. There has been some progress in promoting the Island to non-UK markets, for example Germany, but these gains are very small compared with the losses from our main UK market¹².

What is going wrong? To begin with, whilst there are annual marketing plans, Jersey Tourism appears to have no up to date overall strategic plan. In 2004 Jersey Tourism published its strategy for revitalising tourism. It was very clear in its objective: "The implementation of this strategy will arrest the recent seven year decline of visitors to the island. By 2006 we will ensure that visitor arrivals to Jersey will be up year-on-year to that of 2003 figures."

That promise failed to be delivered. In 2006 staying leisure visitors were down 2.9% on 2003 and total visitors were down 2.7% in the same period¹³. More recent objectives have been expressed in less specific terms, like these from Jersey Tourism's current business plan:

- Manage marketing & promotions programme for UK, France & Germany with a balance between paid advertising & public relations to generate the maximum level of awareness & interest.
- Develop a proposal for growth in European & long haul markets to capitalise on the value of existing high value & emerging economies.
- Increase trade support through developing links with tour operators, incoming agencies & carriers.

Such objectives demand only output, not outcomes. They are not specific, time-bound nor, when the urgent need is to increase visitor

¹¹ Appendix VII: Outline of Contributor Evidence

¹² Appendix II: Jersey Visitor Statistics

¹³ Appendix II: Jersey Visitor Statistics

numbers, are they particularly relevant. They are 'soft' aims against which it is impossible to accurately measure performance.

It is absolutely vital that Jersey develops new categories of visitor from established markets whilst accelerating the promotion of what Jersey has to offer in entirely new markets. The marketing must create a desire to visit Jersey and the Island has to define and implement the right structure and business tools, including SMART¹⁴ objectives, for doing this.

Is the Current Model Optimum?

The TSB asked this question: if Jersey Tourism did not exist and the Board was invited to recommend a mechanism for the promotion of tourism, would a government initiated, funded and operated model be the optimum solution? The Board concluded it would not.

There is significant growth in world, European¹⁵ and UK tourism, but Jersey, with everything it has to offer, is in long-term tourism decline. Today the leisure traveller is much more sophisticated, discerning and demanding. In real terms the cost of travel is a fraction of what it was in Jersey's tourism heyday, opening new horizons and creating fierce competition among destinations. Jersey has failed to compete effectively within this changing environment. Whilst there are many factors to which this can be attributed, it is difficult if not impossible to avoid the conclusion that more effective marketing would have a positive impact.

Many witnesses have acknowledged there are good, dedicated, committed and hard working people doing their best at Jersey Tourism. The TSB accepts this to be the case. Yet fundamentally the Island is still trying to compete in this new, highly competitive, world using a governance model devised 65 years ago. It is not surprising that for too long the Island has failed to compete effectively.

Notwithstanding positive comments about those who work at Jersey Tourism, the overwhelming view among those whose opinions have been canvassed is that the government owned and operated model is no longer appropriate in current circumstances¹⁶. Indeed, it is worth underlining in other sectors such as communications and the digital

¹⁴ SMART: Specific, Measurable, Attainable, Relevant, Timebound

¹⁵ UNWTO: www2.unwto.org

¹⁶ Appendix VII: Outline of Contributor Evidence

economy, Economic Development has been moving away from this model for some years¹⁷.

Industry Engagement

Evidence has been heard from industry¹⁸ that the current structure is flawed in that:

- it has an aversion to risk
- lacks dynamism
- has a deficit of new ideas
- communicates poorly
- has no clearly-defined strategy.

There is a strong belief that the solution is not simply to provide more money to enable more advertising. The hospitality sector has made it clear it has little confidence in Jersey Tourism's ability to halt the decline and believes fundamental change is urgently required. The Board has noted these and many more negative comments without offering a judgement upon them. It is clear, however, that an organisation that has lost the confidence of the sector it seeks to promote is not well placed to turn that industry around.

External Evidence

As shown elsewhere in this report the volume of total visitors to Jersey has declined by 30% over the last 15 years, but others have fared less badly. For example, during the same period the number of Guernsey visitors went down by 24% whilst visitors to the Isle of Man declined by 13%.

However, if one looks at more recent performance, whilst Guernsey and the Isle of Man appear to be turning around their declining performance, Jersey is not. In the five years between 2008 and 2012 Jersey visitor volumes declined by more than 5%, but Guernsey increased visitor numbers by 11% and the Isle of Man by almost 7%¹⁹.

The UK has been and continues to be by far the largest single source of visitors to Jersey. In 1997, 78% of staying leisure visitors to Jersey were from the UK and in 2012 the number was still as high as 72%. However, while UK

¹⁷ The incorporation of Jersey Telecom and Jersey Post and the establishment of Digital Jersey respectively

¹⁸ Appendix VII: Outline of Contributor Evidence

¹⁹ Appendix IV: Jersey, Guernsey and Isle of Man visitor numbers. No consolidated data is available for 2013 at the time of this report.

outbounds increased by 23% during the period 1997 to 2012²⁰ the number of staying leisure visitors to Jersey from the UK declined by almost 48%²¹. So, while there was a significant increase in the propensity of those resident in our main market to visit another destination, significantly fewer of them were choosing to come to Jersey.

This bears emphasising: while the size of the UK market has grown by almost a quarter in 15 years, the number of staying leisure visitors coming to Jersey has almost halved. Had the number of leisure visitors to Jersey from the UK grown in line with the number of outbound UK residents over those years then the volume of staying leisure visitors to Jersey would have grown from 462,000 in 1997 to 568,000 in 2012. However, instead of reflecting a growing market, the number of staying leisure visitors from the UK had fallen to 241,000 by 2012.

In short, while ever greater numbers of UK residents are travelling overseas, Jersey has experienced a dwindling market share.

The Potential for Tourism

The TSB looked closely at historic trends over a 15 year span and has tried to form a forward view of around a similar period. At present there is no comprehensive measurement of tourism in terms of GVA. The States' Statistic Unit measures GVA by sector including 'Hotels, Restaurants & Bars', which affords an incomplete picture of the value of tourism, but is as close as we have available. However, it is worth noting that this segment of the economy is showing growth. The latest provisional GVA is £130 million and it has been on an upward curve since 2009²². Against the background of falling visitor numbers this is indicative of visitors spending more in hotels, restaurants and bars, an increase in residents' consumption or, as seems likely, a mix of both. It is nevertheless a positive indicator.

It is impossible to predict all economic circumstances that will prevail between now and, say, 2030, but actuarial forecasts indicate that Jersey will be approaching the point where the economically active population is balanced by the economically inactive. A generally ageing UK population has potential benefits for Jersey as a leisure destination if the pattern of today's typical leisure visitor - middle aged or above – is maintained. However, it is vital that Jersey also becomes more attractive to a younger market. It must be borne in mind that creating new

²⁰ Appendix III: UK Traveller Statistics

²¹ Appendix II: Jersey Visitor Statistics

²² www.gov.je/Government/JerseyWorld/StatisticsUnit/BusinessEconomy

customers among the 35 year old young professionals of today is vital if we are to retain appeal among older age groups in future.

World tourism is presently growing at around 4% a year and the UNWTO is predicting the trend will be maintained indefinitely²³. Similarly, Visit Britain is also forecasting growth of the order of 3.8% based on its own independently commissioned research. A report by Deloitte for Visit Britain²⁴ predicts UK tourism will double in value by 2025. Jersey will have to begin from a negative growth position and it will take time to halt the current trend before real growth can begin, but the TSB is confident that Jersey can achieve similar growth levels. There has been a significant increase in overseas visitors to the UK – up almost 22% since 1997²⁵ and, with good and improving transport links, any visitor to the UK is also a potential visitor to Jersey.

The issue of an ageing population will also present a serious challenge to the tourism industry in terms of employment. It must confront the challenge of persuading more of the economically active population, particularly young people, that hospitality affords attractive career prospects. This is vital if Jersey is to manage its population and reduce unemployment whilst sustaining a period of growth in tourism.

Conclusion

From quite an early stage in the TSB's work, the core issues facing the industry were established. That is not to say that all those who gave evidence had identical views²⁶, far from it. But, very quickly, some clear themes emerged and these have not changed markedly.

Examples include:

- Absence of a visionary plan for the future
- The challenge of increasing peak months occupancy versus the desirability of extending into shoulder months
- Debate around volume versus value and whether it is possible to achieve a position of relevance for all

²³ www2.unwto.org

²⁴ Deloitte report for Visit Britain

²⁵ Appendix III: UK Traveller Statistics

²⁶ Appendix VII: Outline of Contributor Evidence

- The lack of a product development strategy aimed at attracting a broader mix of visitors
- The perception of Jersey as a destination for older visitors
- The need for ongoing route development
- Problems around the perception that it is expensive to get to and stay in Jersey
- Jersey Tourism's on-line presence is well below state-of-the-art
- Insufficient attention paid to opportunities afforded by social media
- Lack of confidence in Jersey Tourism's ability to play an effective role in halting decline and generating growth

In an Island noted for its conservative attitude to change, it is remarkable that no one has counselled that present circumstances should be maintained. Every single witness has advocated change, and many have pressed upon the TSB the urgency of the need for that change.

6. Potential Alternative Arrangements

Having come to the view that the current model is not working in a way that will achieve what needs to be done, the TSB has considered possible alternatives that could deliver on the tourism purpose.

In so doing the Board reviewed the substantial body of work that went into considering whether a Public Private Partnership would be the right mechanism for tackling the problem of tourism's decline. It was noted that this model eventually foundered on issues largely relating to cost. While the TSB was tasked with seeking the optimum solution, not the cheapest one, due regard has been given to cost-effectiveness in the proposed solution.

The Status Quo

The Board considered whether the current model, as represented by Jersey Tourism might, through some application of additional resources or

the introduction of new thinking and/or leadership, be able to turn the situation around.

The Board concluded that such initiatives might help, but would, in all probability, achieve only minor short-term improvement. Further, it has to be acknowledged that there has been ample time for Jersey Tourism to put in place measures to arrest decline, yet these have evidently proved beyond its reach.

Such is the scale of the task of turning tourism from a diminishing to a growing sector, and such is the lack of confidence to be found in Jersey Tourism's ability to achieve that task, that the Board does not believe anything that resembles the status quo is a viable option.

Tender for Private Sector Provision

The TSB considered whether the best approach to the promotion of Jersey as a destination might be to issue a tender to private enterprise. This would involve inviting interested parties to put forward a fully-costed business plan for all functions currently discharged by Jersey Tourism with specific, measurable and timely objectives. This would be likely to solicit some creative thinking in balancing the tender price – the government contribution – with the potential for commercial income. Each bid would have to be accompanied by a fully-developed marketing strategy and the successful bidder would not necessarily be the one who proposed the lowest price, but the one who presented the most convincing strategy.

Whilst there is much to commend a wholly market-driven approach, on balance the Board concluded that it does not represent the optimum solution at this time.

Merging Tourism with Ports of Jersey

It was suggested that the soon-to-be-incorporated Ports of Jersey, with its clear objective to increase traffic through the harbour and airport, might offer an opportunity for an incorporated, government-owned, corporately-funded structure in which obvious synergies between tourism and the gateways through which tourists pass, might be realised to mutual benefit.

This looked an intriguing possibility. But, once debated by the TSB and in reviewing evidence received, it did not represent a fully-integrated, satisfactory solution. Too much emphasis would be placed on trade and

route development and not enough on product development and marketing. The Board is strongly of the opinion that success for the industry will only come when these three elements work together to achieve a greater whole. Evidence received suggested the hospitality sector in particular would be against such a move, primarily because of concern that the distinct role and importance of tourism might be diluted.

Ports of Jersey has a challenging agenda as its own Shadow Board steers a course toward incorporation. The TSB therefore concluded that it would be unhelpful to bring together two vital aspects of Jersey's economy when both are going through a period of change. At another time and in different circumstances it might be worth revisiting this possibility.

7. Recommendations

As stated, the TSB is charged with recommending the optimum structure and has taken the requirement literally. Careful consideration has been given to the question, bearing in mind all the circumstances currently prevailing, what would be the best possible mechanism not only to halt the decline in tourism, but also to grow it in order to increase its economic and social value to the Island?

The TSB proposes the following to be the optimum model: a fully independent, grant-funded body, which would subsume all the promotional activity currently undertaken by Jersey Tourism and certain other agencies, while developing an entirely new approach. The minor residual regulatory functions relating to such matters as rooms sizes can, in the Board's view, safely be let go in the knowledge that the market forces, which have made other grading and regulatory functions largely redundant, will deal effectively with them.

An entirely new structure would in itself be a catalyst for revitalising the sector creating a radical new approach that would send a powerful signal that the old ways will no longer do. This is certainly consistent with the message, and desire, received from the tourism sector.

The Board **recommends** that Jersey should move to this new model with all due haste.

Proposed New Model – Visit Jersey

The Name

Choosing a name is not the most important part of this work, but for the purposes of distinguishing the proposed new model from others, the TSB has selected Visit Jersey. It aligns with that in common usage elsewhere (Visit Britain, Visit England, Visit Scotland – there are many other examples) and it has certain advantages in an era where the internet plays a vital role in search and information provision. The Board is not committed to any particular nomenclature on a permanent basis, but sees this merely as an acceptable working title for the sake of clarity and differentiation from the current model.

The Structure

What would the body look like? It would be a not-for-profit corporate entity, possibly in the form of a non-charitable purpose trust and comprise a Chairman and Board of Directors.

The Chairman would be independent of the tourism sector with other Directors appointed from among senior figures drawn in the main, but not necessarily exclusively, from key parts of the industry. At least one member of the board would be external to Jersey and possess relevant national or international experience at a senior level. Importantly, the Chief Executive of Visit Jersey would also be a board member.

All members of the board would be appointed on merit, as any ex officio appointment would be perceived as prejudicing the independence of the board. Clearly, Visit Jersey would be expected to comply with the principles of the Corporate Governance Code 2010 as updated from time to time.

The Funding

In accordance with current government policy, the new body would negotiate a rolling three year funding settlement (aligned with the States medium term financial plan periods) with the Economic Development Minister based on an agreed business plan. The expectation would be that the plan would require a level of funding equivalent to, or greater than, that part of the EDD budget currently devoted to tourism. It would be a key requirement that the new body should seek additional sources of financial support and the Board would set specific targets for the executive in relation to the raising of external funding.

The security of the government part of the funding would be achieved through a service level agreement, specifying performance criteria agreed between the Board and the Minister.

The Team

A small executive team is envisaged, appointed by Visit Jersey on term contracts, with remuneration in part determined by the attainment of clear, numerical, performance-related targets. Apart from some administrative support, other resources would be acquired in the market place. The precise size of the team and the description of key posts would form an important part of the next phase of the TSB's work.

The Remit

The overarching and primary objective of Visit Jersey will be to promote Jersey as a destination in order to increase the economic and social value of tourism to the Island.

In order to begin delivering this objective all the functions currently delivered by Jersey Tourism would fall under the remit of Visit Jersey. In addition, the objectives currently delivered by the **Jersey Conference Bureau** and the **Tourism Marketing Panel** would be also move to Visit Jersey.

The relationship between Visit Jersey and the **Tourism Development Fund** would be governed by a close alignment of the distribution of TDF monies to a clear strategic plan for product development, created by Visit Jersey. This alignment is probably best achieved through a member of the Visit Jersey Board chairing the Tourism Development Fund Panel.

Jersey Conference Bureau

The Bureau was re-organised in 1996 as a public private partnership between Jersey Tourism and members of the events and hospitality sectors, both sides contributing to funding the venture.

In the year of its establishment Jersey Conference Bureau recorded 8,320 conference delegates. During the next six years delegate numbers averaged 14,600. However, numbers slumped in 2003 to 4,250 delegates and although they climbed back to 1996 levels, or marginally above, they

remained flat at around 9,000 delegates until 2012 when there was another sharp downturn²⁷.

In its reporting the Bureau appears to measure output rather than outcomes. The most recent Marketing Activity Report contained in the Bureau's 2012 Annual Review speaks of significant growth in its website visits, but doesn't report the conversion rate. Similarly, the numbers of emails dispatched, brochures mailed, sales meetings conducted, trade exhibitions organised and responses to requests for information are listed, but there is no measurement of results against all this activity. There is no doubt that the Bureau has been very busy, but it is impossible to say the activity has been productive in the absence of any meaningful performance metrics.

So, for evidence of performance the TSB has had to rely on headline statistics from the Jersey Conference Bureau 2012 Annual Review. Looking at the Bureau's latest outcomes, one sees continuing decline in the number of delegates as previously noted (-32% year on year) and also sharp decline in the volume of bed nights (-35%) and total on Island spend (-45%).

With changes in the Bureau's financial arrangements, the private sector funding declined in 2012 to only £46,000 from £100,000 and it is understood to have fallen further in 2013. Government funding remained at £220,000 in cash, plus a significant additional contribution in kind through rent-free accommodation, business and PR support and IT services. Of total cash funding of £277,000 last year £102,000 (37%) was absorbed in salaries and associated costs.

The Chairman of the Jersey Conference Bureau explained that the Bureau was not established as an organisation for the promotion of conference business, rather a solutions agency, responding to enquiries and putting together packages. It leaves open the question: which agency, if any, does bear responsibility for promoting Jersey as a conference destination?

It has been put to the TSB in evidence that much of Jersey's conference activity is now generated by local businesses and would probably be achieved without the Bureau. Clearly it's difficult to determine how true this might be, but the present cost of the Bureau does not appear to represent best value, particularly in light of the dwindling private funding and proportionate increase in the government contribution through Jersey Tourism.

²⁷ Appendix II: Jersey Visitor Statistics

The Board therefore **recommends** that the Jersey Conference Bureau's role and responsibilities should be subsumed into Visit Jersey and the resources presently allocated to it be applied to better advantage.

Tourism Marketing Panel

After an exhaustive, but ultimately inconclusive, investigation into the merits of promoting Jersey as a leisure destination through a Public Private Partnership, the Tourism Marketing Panel was introduced in an attempt to bring some external involvement to the marketing of Jersey as a leisure destination. Marketers from various tourism-related enterprises were brought together with others from different sectors to advise and support Jersey Tourism.

It should be noted that many individuals have given freely of their time and experience with the sole aim of improving the marketing of Jersey as a leisure destination.

Some members of the Panel have offered views indicating that the mechanism is not entirely satisfactory. The Director of Tourism has said that, despite initial difficulties, he felt a good working relationship had developed. He described it as a valuable forum for industry views. It was his opinion that the Panel was probably too large and, under a new arrangement, there should be a direct link with a board.

Meetings are initiated by the Tourism Department and they appear to have become less frequent, with significant gaps between each meeting. There was no meeting between December 2012 and July 2013, when the Marketing Panel was given a presentation of work-in-progress for the 2014 marketing campaign. This approach did not afford the Panel the opportunity to offer advice or guidance during the developmental stage of the campaign and reduced its role to that of critic rather than partner in the process.

It is clear the Marketing Panel has not entirely fulfilled initial expectations; it has brought external marketing skills to the mix, but no evidence could be found that it has had a direct or significantly beneficial effect on Jersey Tourism marketing.

The Board **recommends** the Marketing Panel should be dissolved and its role absorbed by Visit Jersey.

Tourism Development Fund

The Tourism Development Fund (TDF) was set up in 2002 to stimulate investment in the tourism product and infrastructure. It was established as an independent body with its funding separate from that of the Tourism Department. This structure was intended to operate at arms-length from the day-to-day responsibilities of the Department and thus due objectivity could be maintained, although there has always been close liaison between the two.

It would appear the TDF was inconvenienced from an early stage by the States of Jersey's failure to deliver on the funding promise, which attended its establishment, of £10 million over five years.

In the 12 years since inception to the present, the TDF has received £3.85 million, with the commitment to a further £0.5 million in 2014. This is easily perceived as evidence of a lack of wholehearted commitment to the role of tourism as a vital element of the overall economic mix.

At the time of writing this preliminary report, the TDF had approved the funding of 107 projects²⁸ and a run rate of supporting about nine projects a year is being maintained.

A substantial amount of the distributed funds have gone to States Departments or related bodies. In its 2012 Annual Report the TDF shows that of around £718,000 distributed during the last three years over 40% of the total went to Jersey Tourism and Jersey Heritage with another two relatively small grants to Jersey Harbour and Jersey Airport. Additionally in 2009 a grant of £250,000 was made to the Tourism Department to reinforce the marketing campaign. Whilst not criticising the decisions of the TDF in these matters, it might reasonably be argued if the TDF did not exist or had expended available funds on non-States projects these items would have had to be funded from States departmental budgets.

Since July 2012 the rules, which previously allowed only not-for-profit entities to access funds, have been changed. So far, perhaps surprisingly, this has not brought about a flood of new applicants. In Autumn 2013 around 20 new applications were submitted²⁹.

There is no doubt the TDF has been a diligent guardian of the modest resources made available, setting and maintaining a high hurdle to

²⁸ Tourism Development Fund Annual Report 2012

²⁹ Tourism Development Fund minutes

access. The TDF's funding run rate has been somewhat less than £300,000 a year. This seems a small amount considering the original objective was to improve the tourism product and infrastructure. It also appears that the TDF is compelled, under its governance terms, to be risk averse. Thus an application for a grant of, say, £1,000 will demand the same of an applicant as that for £100,000. It is possible the cost of processing an application for a very small sum may be almost as great as the value of the grant. This does not seem right.

Although, as noted, there has been regular liaison between TDF and Jersey Tourism, no direct link could be discerned aligning the work of TDF with an overall strategic plan for the product development and marketing of Jersey as a tourism destination. This appears to be a key requirement if the TDF is to fulfil its original objective. An idea may appear well worth support, but without understanding how that idea fits into the bigger picture there is a risk that resources will be employed to poor effect.

It is the TSB's **recommendation** that the States of Jersey should deliver on its original commitment to fund the development of the tourism product and infrastructure, making available in a measured, but timely way the £5.65 million still outstanding.

There remains a vital and ongoing need to support the improvement of the Jersey product and funds for this purpose should continue to be ring-fenced. It is recommended that the work of TDF should be directly aligned with the strategic plan for the product development and marketing of Jersey as a tourism destination that will be developed by Visit Jersey. This alignment is probably best achieved through a member of the Visit Jersey Board chairing the Tourism Development Fund Panel.

8. Implementation of Recommendations

Implementation Plan

Realistically, it will take up to a year to build an effective, dynamic team starting with the Chief Executive, Visit Jersey. During the early months his/her priority will be to develop a marketing plan for 2015; inevitably, this will be a measure designed to hold the fort until the reinforcements arrive. That is to say, the 2015 marketing plan will not be reflective of a whole new strategic approach, but it will allow time to build an effective team and begin development of a long term strategy.

There is no doubt that the hospitality sector regards the development of a new marketing approach a matter of urgency³⁰. The aim is that the 2015 marketing plan will arrest the current industry decline and a new long term strategic plan will begin to show growth from 2016. Bearing in mind the protracted nature of the Island's tourism decline, this is a challenging objective.

In order to achieve it the Visit Jersey board will set SMART objectives for the executive bearing in mind that the real key to the success of this model is that it will be directly aligned with the needs and aspirations of the main stakeholders. By aligning the objectives of Visit Jersey to those of the industry the Board firmly believes that, for the first time, they will feel a sense of ownership and control of the destiny of their sector.

Strategic Planning

Outlined above is clear rationale for the TSB's focus to date, with concentration on structure in order to achieve optimum results for the industry. That does not mean that no thought has been given to strategy.

The TSB's intention is that Visit Jersey will devise a plan that embraces the following three principal areas:

- **Product Development** – defining, nurturing and investing in the product areas, events and attractions that will fulfil the demands of a broad range of existing and potential visitors to the Island
- **Access management** – protecting and developing all routes into Jersey and managing trade relationships to ensure all forms of travel and booking methods are embraced
- **Marketing & brand management** – identifying and attracting the most valuable market segments through accurate research, strategic planning and creative execution whilst remaining true to the desired Island brand positioning.

Unless there is balanced commitment and visionary, strategic insight into the convergence of all three areas Jersey will not succeed in a sustainable way as a destination³¹.

³⁰ Appendix VII: Outline of Contributor Evidence

³¹ Appendix V: Building A Successful Tourism Industry for the Future

A New Deal

Any new strategy for tourism cannot end with Visit Jersey. Success demands nothing less than a new deal; an all-Island commitment to the principle that tourism is a vital part of the Island's economy and its social fabric, not just now, but for the foreseeable future. The sector must be master of its own destiny and capable of dealing with the vicissitudes of economic and social circumstance. Every part of government must be prepared to acknowledge the importance of tourism and consideration must be given to possible consequential benefits or detriments to tourism in States of Jersey policies.

That means a greater degree of understanding and 'joining-up' than has been evident in recent years between such diverse areas as planning, education & training, population & employment, licensing, taxation & duty, local transport, right down to such detail as the phasing of road works, all of which have an impact on the 'Jersey product'. This isn't revolutionary; it isn't even particularly new. It is by and large what the Island did when tourism was Jersey's main source of income and, as such, important enough to be worth more consideration than it has been afforded in recent years.

In addition the TSB believes that the largely overlooked issue of 'Brand Jersey', discussed elsewhere in this report, must be tackled as a priority at the highest level. The desirability of an approach in which all agencies with a mission to promote aspects of Jersey might be joined within a single umbrella organisation was considered, but the TSB concluded that such a prospect was not achievable in the short to medium term and may not, in any event, be perceived as desirable. However, that is not to say that it would be impossible or even particularly difficult for separate agencies to agree a set of common principles that, together, would constitute an identifiable Jersey brand. This, forming part of each agency's approach to its individual special task, would present a much stronger, more comprehensive and cohesive image of Jersey to the rest of the world.

The TSB absolutely believes that, given the support of the people and States of Jersey and the setting of big, audacious goals, with progress toward them closely monitored and measured, Jersey can again achieve tourism volumes and values that many believe belong only in the past.

How should growth be measured? Is it in the number of staying leisure visitors or the length of stay? In terms of yield or visitor spend? Or is it simply an increase in the sector's GVA? The TSB considered all these questions and concluded that, from the position the Island is in now, all growth is

good growth. It would be the role of Visit Jersey in developing a strategy to consider and resolve these and other details.

Some Growth Objectives

As we have shown, 15 years ago Jersey welcomed 985,000 visitors, including 590,000 staying leisure visitors, 160,000 leisure day trippers and 104,000 business and conference visitors³². Since then it appears the decline of Jersey as a destination has come to be accepted as inevitable.

Although the downward trend is now long established, the TSB does not believe the best that can be done is to manage that decline. Jersey begins from a negative growth position and so the decline has to be halted before further progress can be made. It would appear prudent therefore to take a less aggressive stance than the UK and assume that it will take time to reach full momentum.

Ultimately Visit Jersey and its Executive would define success criteria, but for the purpose of illustrating the potential of a new approach the TSB felt a simple measure based on visitor volumes would be appropriate. The goal in the short to medium term would be to increase the number of visitors to Jersey within the existing capacity. The TSB believes that an initial set of targets based on increasing the number of staying visitors will have a material impact on businesses throughout the tourism industry. With greater volumes will come an improvement in both yields and profits thereby leading to improvements in the other measures such as employment.

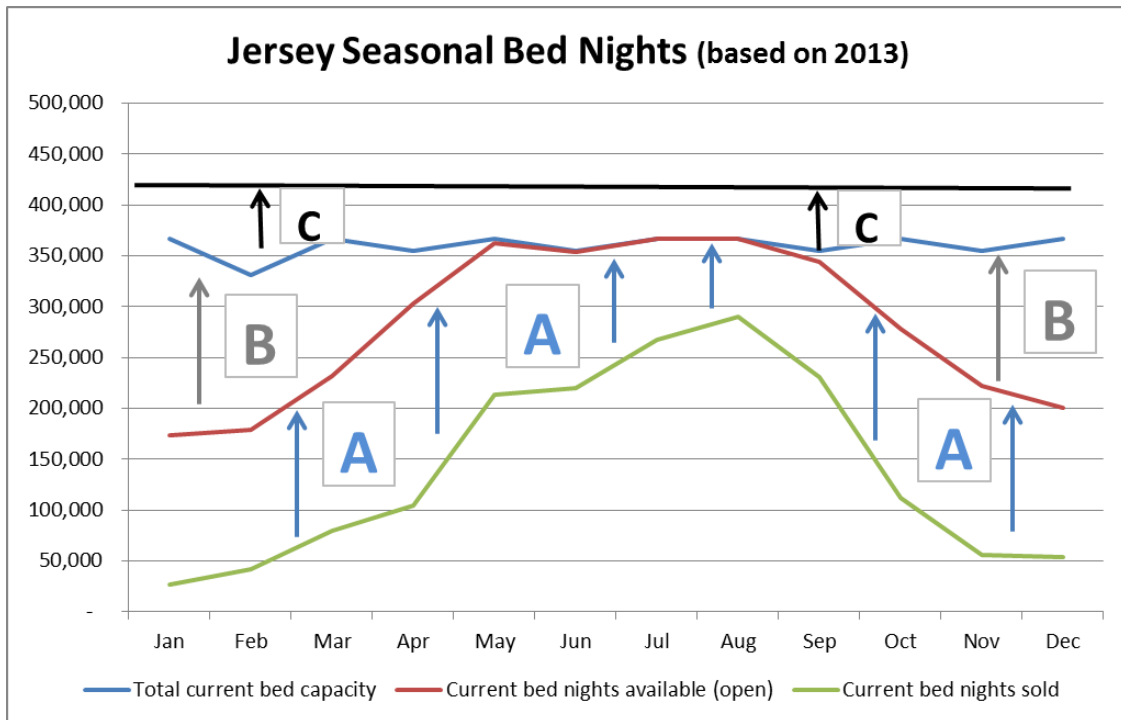
The TSB concluded that once Visit Jersey is established its success could be measured in these areas:

- **A** Improving the level of occupancy throughout the year, with an initial concentration in the summer peak season
- **B** Improvement in open available bed nights in shoulder and winter seasons driven by the industry's increased confidence in visitor numbers

³² Appendix II: Jersey Visitor Statistics

- **C** With the improvement in volumes and occupancies, confidence to invest further would create an increase in bed night capacity

Viewed graphically, our focus would therefore be:



We believe these objectives should be achievable within 3-5 years.

To further illustrate growth possibilities the TSB also considered the matter of visitor volumes against UNWTO and Visit Britain growth forecasts. On the working assumption that Visit Jersey will be established in time to influence the 2015 marketing campaign and that the decline will continue at about 1.5% a year until then, total visitors will be 668,000 in 2014. Taking that as the starting point, 2015 is seen as a stabilising year and in 2016, with a new strategy in place, we anticipate modest growth of between 1% and 2%. Over the next two to three years growth will accelerate to around 3.5%, eventually matching world trends. Over 15 years this would achieve an increase in the total number of visitors to Jersey of around 66%³³.

³³ Appendix VI: Projected Total Jersey Visitors 2015-2030

9. Potential Benefits of Action

Elsewhere in this report we have remarked on the positive effect brought about by the States abandoning its 'prime sites policy'. No longer feeling constrained by the absence of an exit from the sector a number of senior figures in hospitality felt encouraged to invest. The evidence is all around us: The Radisson Blu, The Royal Yacht, Hotel De France, the Merton and Pomme D'Or Hotels, The Club Hotel & Spa, The Grand Hotel are just some examples of relatively recent private sector hotel investment. The Jersey Hospitality Association estimates its members have invested around of £200 million in the last decade. Elsewhere in the industry, The War Tunnels, Durrell, Jersey Heritage, aMaizin', Les Ormes and La Mare Vineyards are examples of attractions that have invested to improve the overall product offering. There are many more examples of investment across the entire tourism sector.

Many of those we have spoken to feel disappointed that substantial private sector investment has not stimulated or been matched by a more dynamic performance from Jersey Tourism³⁴. That said, we discern a willingness for further investment, but it is waiting for some positive indicators to justify such a step. It is the TSB's view that an entirely new approach, one in which the industry will feel a sense of ownership, will encourage and stimulate the whole sector.

A virtuous cycle, sparked by a halt in the decline of visitor numbers and involving a visionary new strategic approach leading to sustained growth, will lead to more investment in the Jersey product which in turn will attract new categories of visitor. More visitors and more demand will open new routes. Further economic benefit will flow from better hotel occupancy and higher yields; increased visitor spend will stimulate the retail sector; the demand for more produce will help stimulate agriculture. Indeed, such is the nature of tourism as an economic activity that the benefits will permeate all segments of our society.

Nor are the benefits only to be measured in fiscal terms. As the market adjusts to revitalised tourism a greater number and variety of jobs will be created. As we have seen, the bed space capacity is now down to 11,700. If we are to grow the sector broadly in line with the growth of World or even UK tourism – and the TSB has heard no compelling argument against such a proposition – Jersey will eventually need more hotel beds and self-catering opportunities; visitors will seek more restaurants and bars and new attractions. So, the stimulus will touch upon

³⁴ Appendix VII: Outline of Contributor Evidence

construction, travel & transport, communications and so on. In short, sustained growth of tourism plays to the strengths - the enterprising nature - of Jersey and its people.

10. Potential Consequences of Inaction

The TSB's evidence has been gathered largely from those with an involvement and interest in the tourism sector. Many have invested heavily in improving the Jersey product and infrastructure in recent years and their view that the current scenario is not tenable cannot be overlooked.

Unless confidence can be engendered in the private sector and convincing reasons given for why and how the tourism economy in Jersey will grow, the Island will see no, or very little, new investment. This will result in further contraction in the number of hotels, restaurants and other amenities that support not only tourism, but also many other sectors. The number and frequency of air and sea transport services will come under pressure and diminish. The spectre is of further decline leading to an accelerating downward spiral, which will be very difficult, if not impossible, to arrest.

The Tourism Shadow Board is firmly of the view that the argument for urgent and radical change is compelling.

Appendix I: List of Contributors

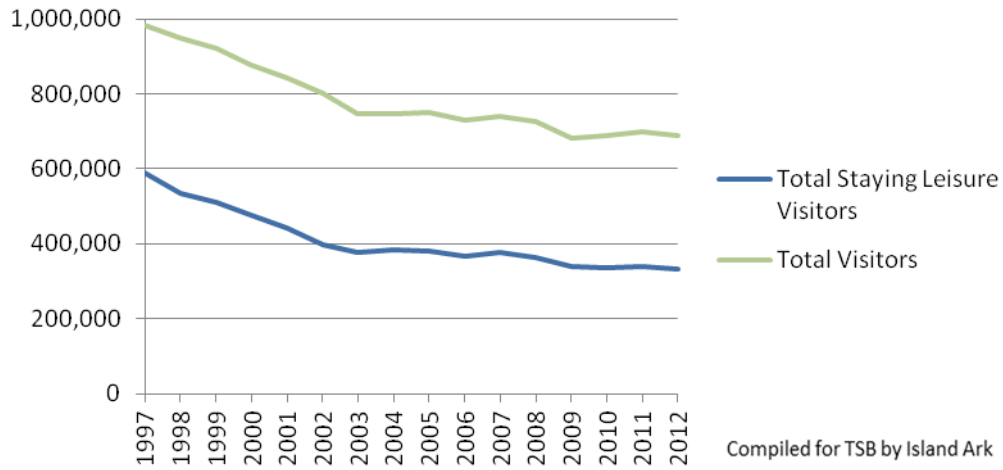
R Anthony	Senator Lyndon Farnham	Paul Luxon
Phil Austin	Kristina Le Feuvre	
	Gerald Fletcher	Robert Mackenzie
Steve Bailey	Gordon Forrest	Senator Alan Maclean
Julian Barber	James Fulford	Peter Marshall
Kelly Barker	Peter Funk	Paul Masterton
Ian Barnes		Seamus Morvan
A.R. Beer	Wayne Gallichan	Sean Morvan
James Berresford	A & M Gibaut	Joe Moynihan
Peter Bewers	Hugh Gill	
Jackie Boulter	Jane Gilley	Carole Oliver
Deputy Rod Bryans		
Patrick Burke	Nigel Hall	Robert Parker
Marc Burton	Deputy Roy Le Herissier	Tony Perkins
	Deputy Mike Higgins	Dennis Pinner
Basil Carré	Jennifer Houiellebecq	Joan Pinner
Jon Carter	Andrew Hosegood	
David de Carteret	Betty Howell	Chris Robin
Sarah Cilliers	Lawrence Huggler	Nigel Robson
Charles Clarke	Steven Hunt	Ted Ridgway Watt
Stephen Clipp	Rosalind Hutchinson MBE	
Geoff Cook		Jonathan Segal
Richard Corrigan	P L Jackson	Maurice Segal
Joe Da Costa	Clive Jones	Ray Shead
Mark Crowther	Merv Jones	Andrew Shrimpton
Constable Simon	Robert Jones	
Crowcroft	Tom Jordan	Ian Taylor
Comité des Connètable		Mick Tostevin
	Kevin Keen	
Gennette Dagtoglou	Chris Kelleher	Curt Volpert
Margaret Devoy	Inna Krotov	
Tom Dingle		Lucie Wesley
Bill Dolan	Jason Laity	Mark Wigmore
Jackie Donald	Catherine Leech	Greg Wills
Karen Duffy	Susan Lissenden	Daniel Wimberley
Gary Duncan	Margaret Llewellyn OBE	MJ & V Wootton
	John Lord	

Appendix II: Jersey Visitor Statistics

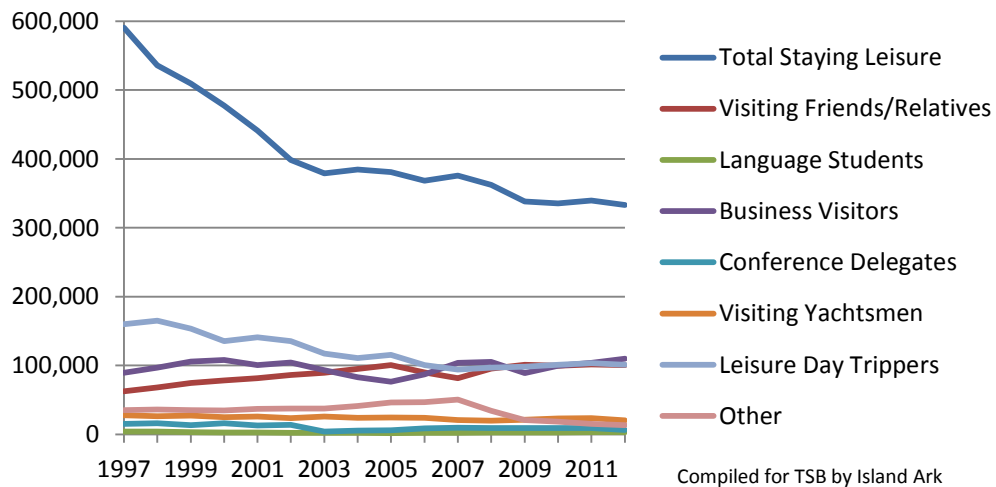
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Staying Leisure Visitors	590	536	509	478	441	399	379	385	381	368	376	362	338	335	340	333
Visiting Friends/Relatives	62	68	75	78	82	86	89	95	101	90	82	95	101	100	102	101
Language Students	4	4	3	3	3	2	2	2	2	2	2	3	3	3	3	3
Business Visitors	89	97	106	108	100	105	93	83	76	87	104	105	89	100	104	110
Conference Delegates	15	16	13	16	13	14	4	5	6	9	10	9	9	9	9	6
Visiting Yachtsmen	27	27	27	25	26	24	26	24	24	24	21	19	21	23	23	21
Leisure Daytrippers	160	165	154	135	141	135	117	111	116	101	94	97	98	101	103	101
Others	35	36	35	35	37	37	37	41	47	47	51	35	21	18	15	13
TOTAL	985	950	922	878	843	802	749	747	752	729	739	726	681	690	700	688

Staying Leisure Visitors 43.5% decline
 Conference Delegates 60.0% decline
 Leisure Daytrippers 58.4% decline
 Total 30.1% decline

Total Jersey Visitors and Staying Leisure Visitors 1997-2012

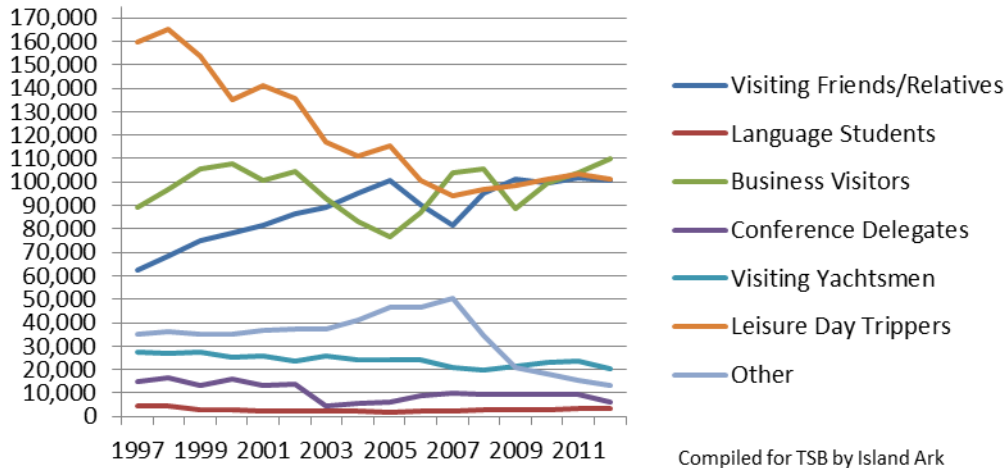


Jersey Visitor Statistics 1997-2012



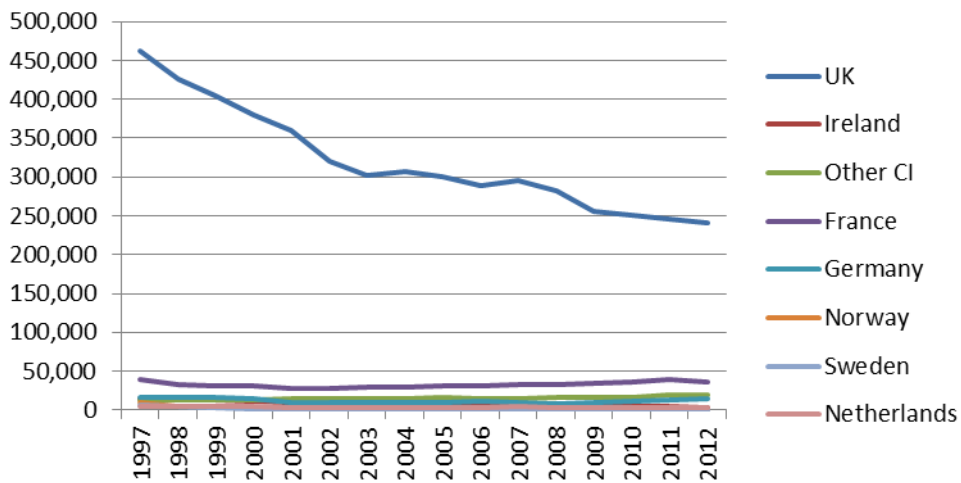
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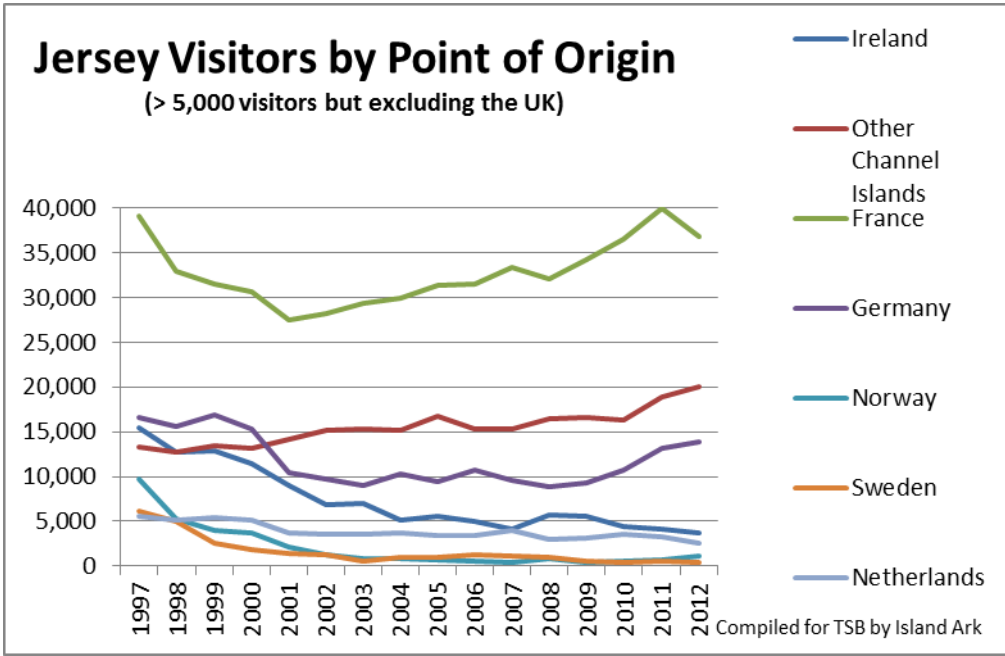
(excluding Staying Leisure Visitors)



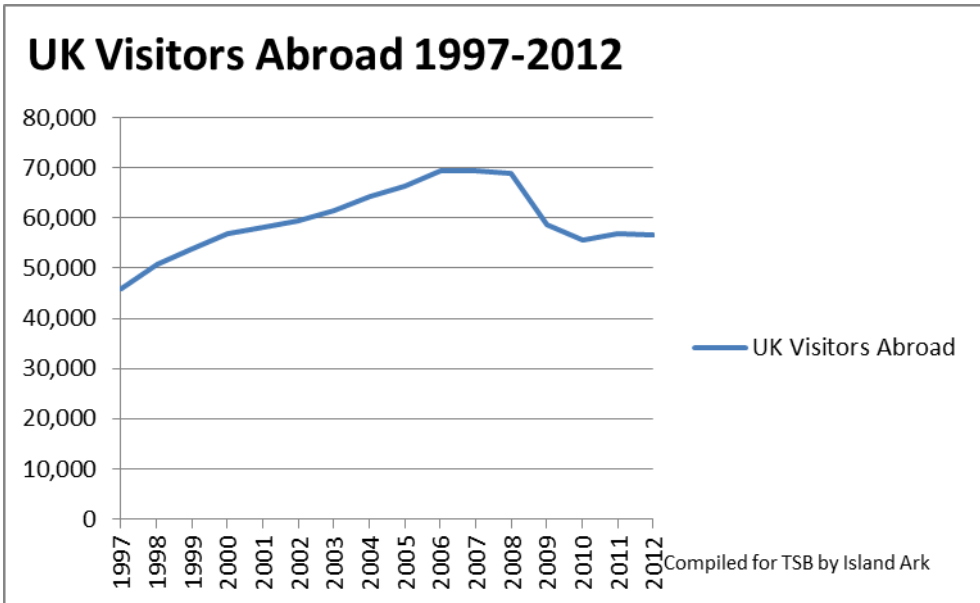
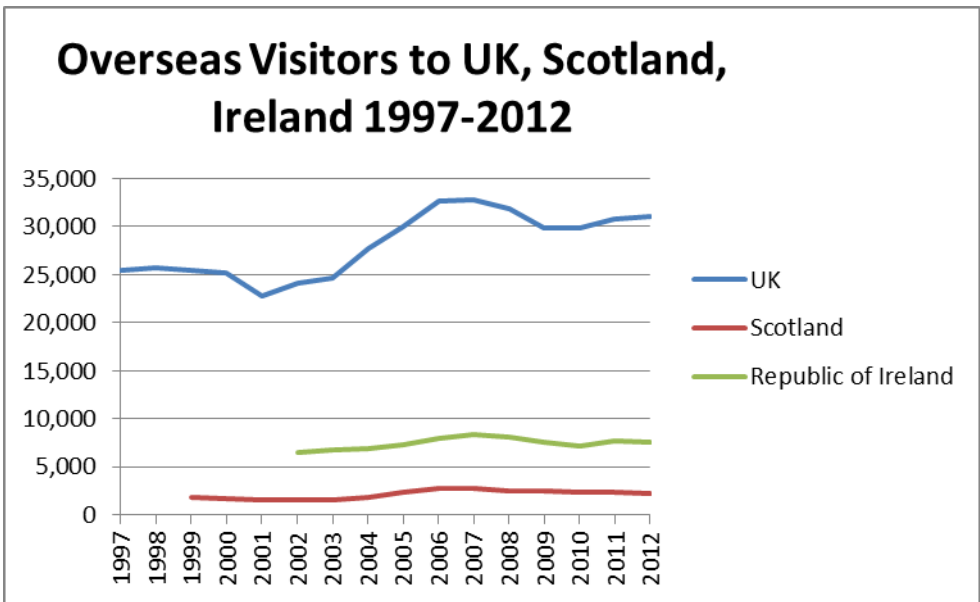
Jersey Visitors by Point of Origin

(> 5000 visitors)

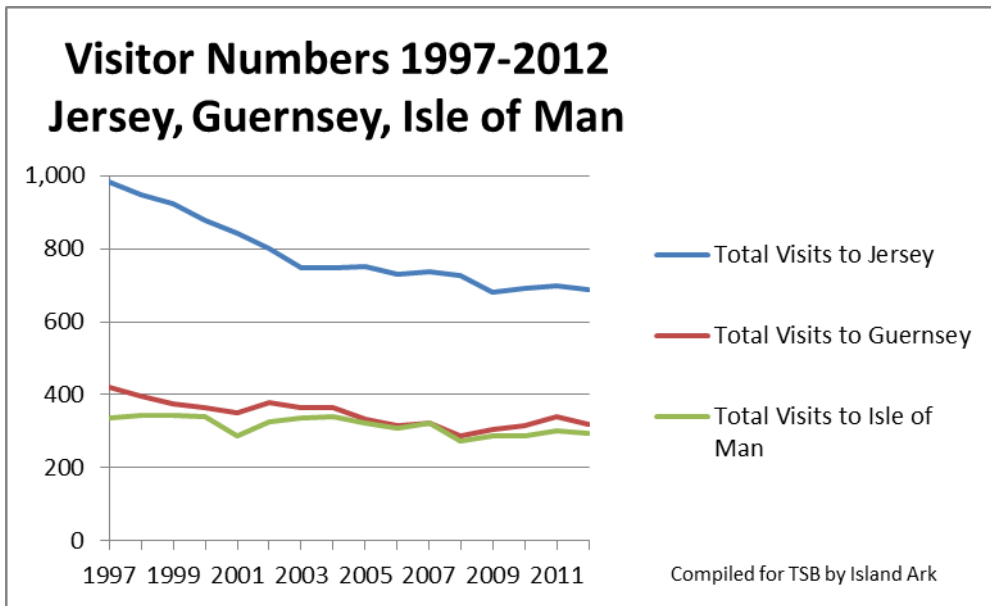




Appendix III: UK Traveller Statistics



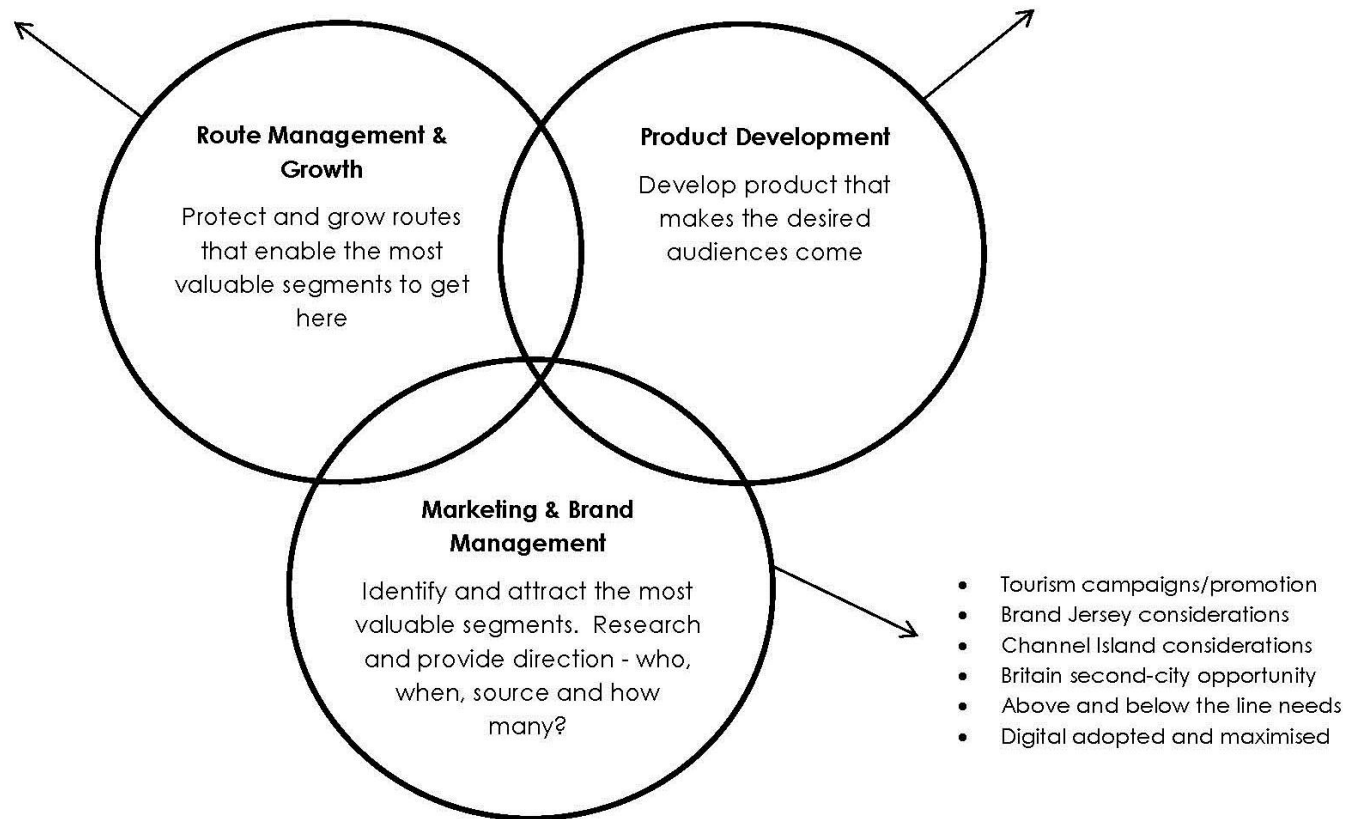
Appendix IV: Visitor Numbers to Jersey, Guernsey and Isle of Man



Appendix V: Building a Successful Tourism Industry for the Future

- Ports relations
- Carriers negotiation & management
- Tour Operator management (on and offline)

- Hospitality (hotels, guest houses, restaurants, attractions)
- Niche - sports, health, arts, education, heritage & culture etc.
- Events - large and small, year-round programme/seasonal
- Jersey itself - 45 square miles of product to enjoy



Appendix VI: Projected Total Jersey Visitors 2015 – 2030

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
% increase	Flat	1.5	2.0	3.0	3.5	3.5	3.5	3.5	3.5	3.5	4.0	4.0	4.0	4.0	4.0	4.0
Total visitors 000s	668	678	692	713	738	764	791	819	848	877	912	949	987	1,026	1,067	1,110

Cumulative 15 year growth = 66%

Appendix VII: Outline of Contributor Evidence

This appendix is not a summary of all the evidence received by the TSB; it is a digest of some recurring themes and is provided to give a flavour of the strength and depth of views received, collated under a number of broad headings.

Aspects of Jersey as a destination

- Island holiday perception – friendly people, good to get away from it all, idea you are cut off from everywhere else, unspoilt character, holiday feeling enhanced
- Weather not a major factor in choosing Jersey
- 60% of beds in Jersey are mid-market
- Visitors see heritage as part of the whole background character of the Island: a 2006 survey revealed that 79% of visitors to the Island said that heritage had motivated them to book their holiday and today 50% of visitors to the Island attend a Jersey Heritage site
- Visitors feel good when they experience Jersey's arts product
- TV ads research indicates these are well received and show the breadth of quality and product offer of Jersey, which is seen as a positive
- Price point in advertising draws people in and shifts perception to Jersey being more affordable
- Jersey is known for good food and drink
- An increase in rooms in the 4 and 5 star sector has been seen and as a result larger hotels have had to invest significantly in their properties in order to "raise their game"

- Jersey is seen as a place for old people because of parents & grandparents having visited in the past
- General awareness of what Jersey has to offer is relatively low; it is perceived as a place for old people and cost is seen to be an issue
- Thought to be a 'nice place to go to 'sometime', but not on the immediate consideration list
- Seen as a short break solution thus competing in the city breaks market
- Island perception a weakness and strength – it can be explored quickly, but what else is there to do?
- Unless you like beaches it's only going to be good for short breaks
- Perception of the high cost of travel to the Island
- Price of getting to a destination is a big factor in choosing destination and Jersey is seen as an expensive place to get to
- Sole focus on the luxury market would be to the detriment of the sector, driving perception that Jersey is expensive and focusing on attracting 'nomadic' luxury cosmopolitans who will visit once and move on: 69% of hotel beds are in 2/3 star markets.

Lack of overall strategic plan for Jersey tourism

- There is no short, medium or long term vision for tourism for the future
- No clarity around the measurement of ROI in tourism
- No clearly defined brief or top level SMART business objectives – no clear targets against which to measure success

- Additional funds were found by the States in 2007-2011 to boost Jersey Tourism's marketing effort, but always late in the day; if these were part of the original budget they could be better integrated into the overall campaign and more effectively applied
- Funding received from EDD isn't aligned with Jersey Tourism budgeting or spending requirements; sometimes additional allocation of funds comes too late in the year
- Jersey needs to face the change in the market from 'high volume, low value' to 'low volume, high value'
- More must be done than simply manage decline
- The Tourism Development Fund is too complex
- 'Warmest Place' campaign failed – warmth (weather) is nice to have, but is not a primary driver/decision maker or breaker
- Visitor Services desks are centralised in an office visitors find difficult to locate; representation is needed at the points of entry
- Traditional above-the-line brand destination advertising is problematic as it is a very crowded space; there are inherent risks in this form of advertising given the cost of gaining sufficient attention on TV
- The marketing output does not reflect the excitement and dynamism of the Jersey product
- Timing of advertising is not optimised and needs to be year-round to cater for all lead times; ads run around Christmas are soon forgotten and put pressure on budgets against the need to sustain awareness levels
- Pressing need to combine customer retention with acquisition of new business; convert 'came once' to 'visiting is a way of life'
- Failure to capitalise on the Bergerac effect

- Focus on year-round traffic rather than concentrating on maximising occupancy during peak summer months
- Focus has to be on increasing visitor numbers in peak season, increasing occupancy and yield
- To support our hospitality industry during the shoulder months, our island needs to communicate the message that we're an attractive and aspirational year-round destination
- Across the summer period one third of beds remain empty so focus on increasing occupancy between May and September
- The belief Jersey Tourism should drive visitor spend is wrong; Jersey Tourism should concentrate on getting more visitors here and the industry should concentrate on maximising visitor spend
- Not enough bums on seats, particularly in peak season; it is vital to secure greater volume to ensure a 'buzzy' destination; one third of beds are empty May-Sept. so we need to achieve higher occupancy to improve yields
- Since 2008, winter (Oct.-Mar.) visitors down by 15,000 (-24%); a year-round visitor market is desirable, but not credible
- The disparate nature of the industry means you will never get a unanimous view on the way forward
- Volume is more important than value because, regardless of whether tourists are rich or poor, they will still need to pay entrance fee to sites and attractions
- Tourism statistics in Jersey are indicative rather than wholly accurate, but STR Global is an independent and accurate way of tracking occupancy and yield and would provide daily, weekly and monthly comparison with the competitor set

- It would be very beneficial if more local hotels were to sign up to STR Global (one of the world's leading hotel benchmarking companies); this has the ability to benchmark and measure yield accurately which is essential to monitoring the success of the Island's tourism strategy
- There is a void between Jersey Tourism and rest of EDD
- Integration of Arts, Heritage (cultural and historic) and Sports strategies into Tourism and Economic Development strategy would maximise opportunities, but it is difficult to square long term cultural strategy with EDD/TDF desire for short term returns
- Opportunity to develop Island of Culture 2015 with Branchage, Island Games, Jersey Live etc.

On line, digital & social media shortcomings in promoting Jersey

- jersey.com is a powerful asset but not optimised for brand building and transactions
- No means of buying itinerary online before a visit
- There is an opportunity to introduce online trip planner, which would be a revenue generator
- Jersey's Central Reservation System (CRS) is ineffective though taking smaller commission than alternatives such as Expedia or bookings.com
- High traffic to jersey.com but poor conversion with no research detailing reasons
- Digital marketing is not used effectively enough; more use of social media needed
- First impressions of the Island needs to be improved starting from when people begin searching Jersey as a destination online

- There should be a Director of Digital Marketing
- Embrace digital marketing opportunities to engage customers, shift from print to digital to save cost and be more effective
- Involve all stakeholders in online 'conversations' (i.e. user generated content) although recognised this can have downside
- Consider the Flybe model where 78% bookings and 60% of revenue are taken online
- Develop innovative and viral campaigns that punch above their weight rather than dependency on above-the-line promotion
- Why Jersey? Why me? jersey.com to allow for profiling and serving up content suitable to site visitor
- Grow transactional element of jersey.com or one-stop-shop portal particularly for independent, non-structured market
- Digital Jersey could be a leader pulling together the Island's digital tourism presence and invigorating it
- Development of a central booking system for sports and similar activities (best as a private sector initiative) that service providers would welcome
- Technology to allow visitors to build a holiday around a theme including things to do and places to visit allowing them to book and pay there and then
- Digital marketing essential as now 60% trade hotel bookings come online
- Jersey Tourism's app resembles a magazine compared with New Zealand's app which is comprehensive, immediately provides the 'top 10' things to do and includes a booking facility
- Provision of free coast-to-coast wi-fi access would enable visitors to easily access information

Problems in the relationship between Jersey Tourism and the industry

- There is a disconnect between Jersey Tourism and key stakeholder groups
- Lack of off-island relationships in sectors such as the arts means lost opportunities, e.g. Royal Academy's travel and outreach programme
- Staff at Jersey Tourism have out dated job descriptions with no recognition of the current state of play or need for results
- Jersey Tourism's structure has remained the same, in terms of control and method of funding, for many decades
- Jersey Tourism's marketing personnel are not specifically trained to deliver a plan for Jersey; with limited resources it is vital to have specialist, effective marketing professionals to deliver a strategy
- Jersey Tourism isn't sharp, hungry, nimble or keen, lacks leadership and the staff has not changed; the private sector is faster moving
- Marketing Advisory Panel has achieved little; perception that the presentation of Jersey Tourism plans for 2014 were a 'done deal' without input from the industry
- Jersey Tourism needs to think and act more commercially, engage with industry more proactively and consider outsourcing
- Jersey Tourism's unwillingness to engage with industry and potential partners means the opportunity to benefit from industry led promotions are missed

- No SMART business or marketing objectives have been defined by Jersey Tourism
- The right people are needed to lead tourism with a clear strategy, clear objectives and the necessary resources
- We need a 'best value' review of Jersey Tourism covering structure and budget allocation
- There is an opportunity to outsource Jersey Tourism activity such as visitor services
- Success requires a body that is independent of government with clear vision and strategy, which government and industry supports
- Need for a series of objectives and KPIs, which measure performance against those objectives
- There needs to be greater cooperation and proactive engagement across the whole tourism industry, including transport, to align activity and measure progress
- Introduction of a Global Business Development role within Jersey Tourism could promote Jersey's tourism proposition abroad

No overall Jersey brand / poor collaboration between agencies

- There is no clear product proposition – all things to all people means Jersey does not have a strong enough market proposition; positioning against competitors means Jersey is not known well enough for anything
- We need to pinpoint what Jersey wants to be rather than trying to be all things to all people

- Jersey should be marketed as an upmarket, aspirational destination where visitors can spend quality time relaxing in attractive and safe settings; an aspirational image can be effective across the full range of Island hospitality providers
- Locate Jersey has own budget, resource and collateral to promote Jersey for potential inward investment and 11Ks, but there is no link with Jersey Tourism's proposition
- Disconnect between marketing, trade and production development means no one is working to common goal and some are demotivated by lack of direction and leadership
- Debate around volume versus value and whether it is possible to achieve a position of relevance for all
- There should be a joined-up approach to marketing 'brand Jersey' with Locate Jersey, Jersey Finance, Jersey Dairy, Digital Jersey, Genuine Jersey, Jersey Conference Bureau, Arts Trust and other agencies; a central organisation, e.g. Jersey Marketing Plc, would ensure marketing synergy across all bodies
- There should be a mechanism to enable a central feed of information and overcome 'silo' mentality
- When it comes to how Jersey is presented, it would be beneficial and empowering for industry groups to work together
- Improve the relationship between Tourism and Education Sports & Culture; the arts, heritage, sport collectively could have huge impact on product and visitor offering
- Centralise the funding pot and agree joint objectives for achieving 'brand Jersey' proposition

- Jersey's heritage organisations work well together but Jersey should recognise the importance and reach of its heritage story internationally
- Luxury Jersey has been developed in a belief that working together will deliver additional benefits to members; each member is committed to marketing its own hotel but is also undertaking additional marketing as part of the Luxury Hotels Group
- 'Hunt as a pack' targeted opportunities need to happen
- We need to expand the non-UK markets by working much more closely with the Ports Authority and Jersey Finance and in tandem with airlines and charters

Opportunities for further development of tourism

Sport

- Jersey Rugby Club in National League has increased visitors, profile and business engagement opportunities; this has impacted positively on perception of Jersey brand
- Island Games 2015: curator employed to maximise cultural element and visitor engagement and thus promote return visits
- Sports tourism in general is a huge opportunity with many sportsmen already visiting Jersey for competitions
- Create an outsourced sports tourism sales organisation to develop the market
- If a key element of Jersey's tourism strategy is going to be to promote sports tourism, it will need to upgrade its facilities to a very high standard

- There is a requirement for a sports co-ordinating body to having control of the whole process of supporting visiting sports clubs to book travel accommodation and facilities, i.e. a one stop shop
- Jersey should promote diving holidays because it already has a number of wrecks that would be of interest to divers

Food & Drink

- Food and hotel proposition strong but would be enhanced with introduction of global hotel brand
- Development of food festival and cooking holidays to build on celebrity chefs & quality of general food offering
- Conversely, food festivals are not good for providers as they negatively affect sales during and after
- Four Michelin starred restaurants and well represented gourmet offering is recognised nationally
- Food and hotel proposition is strong for business traveller
- Visit Britain has recognized opportunity & launched a campaign focused on the UK's pub offering; half of visitors to the UK visit a pub; pub customers spend more on holiday

Conferences and Events

- Key events in peak season e.g. Battle of Flowers create opportunities; some others don't differentiate themselves sufficiently from alternative events, e.g. Jersey International Air Show and Bournemouth equivalent
- Jersey needs better, unique events to raise its profile
- Conference product is no longer good enough and the world has changed

- Closing of the Great Hall at the Hotel de France is a loss to the industry in general as Jersey needs a structure capable of hosting large-scale events
- Costs associated with catering for large numbers at Fort Regent & RJA&HS are too high
- Event-led tourism has been successful and this should be built upon with more conferences and events being organised in the shoulder months; Jersey should have a number of stand-out events
- Battle of Flowers needs to be revamped if it is to remain a stand-out event
- Events and conferences are an opportunity to bring new people to the Island and to showcase Jersey expertise, e.g. in technology
- 70% of people attending day parade of Battle of Flowers are tourists
- More effort needs to go into organizing new exceptional events and conferences that would put Jersey on the map

Other Segments

- Business travellers to the Island return with families for leisure visits, we need to maximise this opportunity
- The Island's world-class heritage is an exciting story and reinforces the bigger picture of all that Jersey and the Channel Islands have to offer; could Jersey Heritage be encouraged or supported to extend their season?
- Make Jersey a cruise ship destination close to Southampton, but outside the EU; this would require infrastructure investment in a berth
- Major cruise lines may be willing to provide financial support for infrastructure
- Possibility of developing medical tourism and convalescence, e.g. 'The Wellness Island'

- Shopping tourism an idea for off peak months, e.g. 'Jersey on Sale'
- Development of digital learning and online courses that could be run in partnership with local institutions would create an opportunity for educational tourism
- Day tripper market spend on Island and should be encouraged
- Day trippers spend money while they are on the Island thereby giving a boost to retail and the economy and greater effort should be made to attract more of them
- Growth market also in non-staying leisure visitor markets such as day trippers, sports visitors, business visitors, heritage visitors, e.g. archaeology, family history, ice age
- The family market really matters and should be a significant sector
- 'Bucket and spade' holiday proposition still very strong for family market and it's important that it isn't lost in the luxury and weekend break noise
- Embracing Jersey as a year-round short break destination will have a positive impact on occupancy in the difficult shoulder months
- Arts products could develop opportunities with artists in residence from UK and elsewhere; opportunity for Jersey to become place to develop new ideas

Point of Origin Opportunities

- Global Tourism is growing
- Opportunity and threat - holiday trend is for shorter more frequent holidays; Jersey may be someone's third or fourth holiday or break
- Growth of Chinese tourism – the UK inbound visitor market

- Important to work closely with the other islands and near neighbours like Normandy and Brittany
- BRIC and Scandinavian countries have potential
- Scandinavia, Germany and Eastern Europe represent greatest opportunities
- Target USA and Australian visitors to UK for break within break

Marketing Opportunities

- More money should be invested on marketing in Europe, rather than the UK as this is where the growth is
- Channel Island 'staycation' product with inter-island promotion to bring in younger visitors
- Marketing should stand out and take risks
- Destination marketing should be aspirational, but inclusive and appealing across all target groups
- Budget should be spent on attracting a few well-known faces to the Island, and getting them pictured here in Jersey; we must get Jersey noticed in new markets
- Development of bespoke packages for high end visitors who want an exclusive one-to-one service
- Focus on lengthening the season by targeting holidays without children
- More people in the UK now over 65 than under
- Island Games working with Jersey Arts Trust and Digital Jersey to promote cultural and technology element of games respectively
- A Channel Island Tourism Organisation could market into Europe

- Investment should be made in marketing Jersey as a stable and safe place to visit, compared to those tourist destinations presently suffering from political and financial instability

Product Range

- Not enough camping and self-catering stock
- Jersey does not have sufficiently attractive competitive winter product
- That Jersey is a safe and stable destination to visit is a strong message
- Important to offer more pub and club entertainment with longer opening hours for younger visitors
- 'Acts of random kindness' scheme where tourists are given vouchers, which they can redeem whilst on their holiday, e.g. parking pay cards with vehicle hire
- Taxi drivers should be required to obtain a certificate or qualification similar to the Blue Badge Guide on their knowledge of the Island

Crucial nature of transport links

- Relationship of Ports of Jersey with inbound operators means strong negotiation skills are getting results
- Tour operators remain critical to continued success of Jersey's visitor economy; 58% of visitors in 2012 had purchased a package (Jersey Travel Survey)
- 45% of all air traffic comes through Gatwick, but other summer seasonal routes are essential
- It is critical to support the development of air routes

- easyJet and British Airways confirmation of increased schedule from spring 2014 brings better times for leisure visitors, more choice, more seats and new slots to counter withdrawal of Flybe
- London City link doing well and could be used to encourage weekend and/or short breaks
- Jersey receives a high level of interest from BA because it is grouped with Gatwick
- Dependency on air links to encourage European visitors; Norwegians came in 10,000s in 90s and are coming now in 1,000s because of loss of direct air route
- Need financially secure carriers because transport links are essential for any growth in tourism
- Jersey needs a direct ferry service to UK, not via Guernsey, to attract more UK day trippers and be a more attractive short break proposition
- There are challenges to attracting more Europeans under Channel Island branding
- Expense of operating in Jersey as an air or sea carrier is an issue
- Harbour facilities are not up to the standards of the airport
- Late publication of the sailing timetable has a big, negative impact on personal plans and trade engagements
- Flybe withdrawal from Jersey base from Spring 2014 is a negative
- There is no transport policy for the Island, for sea and air which would satisfy both business and leisure traffic with a year-round service
- Lack of link to Heathrow is a problem both for business travellers and for interconnecting from countries such as China

- Two tier structure for taxis and private hire cabs leads to price differential and problems in supporting the Jersey taxi app
- Infrastructure instability such as Huelin Renouf and Flybe has a negative impact on logistics for hospitality industry in terms of visitors and supplies to the Island
- Outcome of Condor service decisions and negotiations for long-term license are important; there is a negative impact on brand experience of ageing vessels
- Increase of low cost airlines is good for individual travellers, but not so good for encouraging group bookings
- Carriers need to encourage sports visitors and not see them as a problem, e.g. with understanding about need to carry sports kit
- Pan-Island transport policy needs to be create
- BA is now offering a new group fare which they hope to market to sports clubs

Views on Tourism, its role and importance

- A dedicated Tourism Minister is required
- Not one piece of legislation has been passed in recent years to benefit the tourism industry
- Significant interest in the future of tourism from within Jersey; a Jersey Evening Post social media poll received more than five times the usual response
- More than £200m has been invested by the private sector in the industry in the recent years, seen as positive during a period of decline

- Appointment of TSB to review tourism strongly supported by government and industry
- Additional funds found for Jersey Tourism from 2007-2011 to boost marketing (£3m over five years)
- The States Medium Term Financial Plan supports tourism, but doesn't define what tourism means to Jersey
- Innovation fund could provide an opportunity for tourism products
- Island's dependency on finance industry needs to be balanced with tourism sharing the load; a great product should not be hard to sell
- Upturn in the economy will provide an opportunity for tourism
- A political leader is not necessary, but tourism needs a political champion
- High level of duty on alcohol is putting Jersey in uncompetitive position; it is many times higher than European competitors
- Visa and entry requirement changes for visitors into the UK have an impact on international visitors to Jersey
- Further cuts in Jersey Tourism's marketing budget will significantly impact visitor numbers
- Lack of political support to fund large-scale arts projects, which would be of long-term benefit to the Island; looking at short term results is not the way to decide, e.g. Branchage failing to happen 2013
- Regulation stifling exit or change of use for hotel stock has a negative impact
- The hospitality industry is not respected and is not considered a major contributor, with the States of Jersey paying lip service to the importance of the tourism sector

Wider issues

- UNWTO says world tourism increasing 4% per annum
- Independent report for Visit Britain predicts UK tourism will grow 3.8% per annum
- The travel market is flooded with discount holidays, cruises and all inclusive packages for sunshine holidays
- The global economy continues to impact on disposable income; it has been an incredibly hard five years, when will it turn?
- Opportunity and threat as the holiday trend is for shorter more frequent holidays
- The Island's continuing dependency on the finance industry
- The ageing population and the need to attract younger visitors
- Jersey's ageing population, the problems of fewer economically active 'qualified' employees and consequent employment issues
- Cost of employing staff increasing, adding further to financial pressures
- Desire to employ reducing pool of residentially qualified staff over immigrants has a negative impact on costs
- Long term dependency of industry on migrant workers possibly not a sustainable business model
- Hospitality not seen as an attractive industry to work in and available higher education courses are outdated
- Lack of employment licences a threat as it is impossible to find good, well qualified, staff locally which leads to poor service and retention issues
- The need for continuing investment in product development.