

# Response to the Independent Review of Destination Management Organisations (DMOs) Consultation

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## The Heritage Alliance

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## About Us

**The Heritage Alliance** unites over 150 independent heritage organisations in England as a powerful, effective and independent advocate for heritage. As England's biggest coalition of heritage interests, it brings together independent heritage organisations from the National Trust, English Heritage, Canal & River Trust and Historic Houses, to more specialist bodies representing visitors, owners, volunteers, professional practitioners, funders and educationalists. Its members – 7 million volunteers, trustees, members and staff – demonstrate the strength and commitment of the independent heritage movement. Most of England's historic environment is owned, managed or cared for by members of The Heritage Alliance.

## Opening Thoughts

### **6. What do you feel works well overall about the current ways in which DMOs are structured and operate in England?**

Overall, it is clear from across our membership that DMOs are felt to be important, where they engage with heritage organisations. Some heritage organisations are strongly involved with DMOs in their areas, with many larger sites feeling that DMOs are instrumental in the marketing and development of tourism in their region.

However, organisations in our membership have also reflected that DMOs are extremely varied, with some saying they have only chosen to be members of the ones that they feel are positively active and really support them as members - according to our members this proactivity is not common. It is felt that DMOs are too siloed, and do not work well with each other. This leads to an environment that is more competitive than collaborative.

Where DMOs are seen as succeeding in local engagement, this is based around recognising the local relevance and value of heritage. Understanding the needs of heritage sites and utilising insights which are updated regularly are key success metrics important to heritage organisations.

It is vital that DMOs recognise the economic, social and environmental value of England's heritage. Heritage is economically productive, with a total GVA of £26.6bn and providing over 563,509 jobs in 2019 (pre COVID-19) (Heritage Counts, *Heritage and the Economy* 2020). It was also recognised by the Building Better Building Beautiful Commission (2020) that heritage is "intimately linked to local distinctiveness".

It is also important to recognise the important role that heritage plays in our wellbeing economy, being an essential part of the social fabric of our society - as evidenced by the case studies in our 2019 report on Heritage, Health and Wellbeing. Heritage also has an important role to play in building back more inclusive local economies, communities and identities (Heritage and the Economy, 2020).

Organisations we represent are keen to engage with DMOs, especially those that are aware of their role in local place-making as well as regional brand marketing. DMOs should work collaboratively with local stakeholders, continuously develop based on insight, and work to understand and reflect the distinct needs of a given locality - its communities, businesses and environment.

## **7. And what do you think could work differently or could be improved about how DMOs are structured and operate in England?**

DMOs need to cover every region in England in order to best represent and support local heritage across the country. A restored regional approach to the management of DMOs in England could form a clearer, more consistent and more joined-up system, because each regional DMO can engage with local stakeholders and businesses, while feeding back into a collaboratively national strategy. Alongside a regional approach to DMOs, with high-level local engagement, a standard base level of DMO structure across the UK would ensure that heritage organisations, including many of our members, are able to work across multiple regions with ease. For instance, many national organisations (the National Trust, English Heritage, Historic Houses) cannot afford to be members of each individual DMO and would benefit from a more standardised, regional system where they could access the appropriate layers of support within a given area, as well as links to a national strategy.

DMOs must also improve their outreach and engagement across all areas to maximise their benefits for local tourism by forming stronger partnerships with local organisations and businesses and actively seeking to involve a network of local heritage organisations in their work. Better collaboration and less competition between neighbouring DMOs and close proximity areas would help DMOs to share learning and ensure a more joined up approach.

A more collaborative approach would support a clearer tourism strategy across the country and maximise the benefits for local areas and local heritage, as organisations and businesses in these destinations could use insights and learning from their local

DMOs to support their own local tourism efforts and work to increase public engagement. The benefits that DMOs can provide also extends to place-making, driving improvements to infrastructure and supporting local regeneration. For this, it is necessary that DMOs have a clearer role in working with local authorities, LEPs and other stakeholders to take a strategic approach to growing and managing the visitor economy.

Insecure funding and detrimental funding cuts have caused many smaller and rural DMOs to close, as well as those DMOs still operating to rely on project-based funding. This push to adopt a more project-specific approach has limited their ability to deliver longer-term aims on a broader, regional strategy. A suitable funding model would introduce sustainable funding for DMOs, which would ensure better planned and strategic insight and support to local stakeholders, resulting in more impactful outcomes for local tourism.

Our members have also called for full integration of heritage organisations within DMOs. The changes to DMOs over the past 10-20 years has meant that there is a great disparity in local coverage, and this hinders the ability of organisations to partner or pursue projects with DMOs. Many heritage sites are small and rural and would benefit the most from support by a DMO and engagement with partners and stakeholders in their local area. Better integration of heritage organisations within DMOs could improve the tourism offer in regions across the country and help to attract more local and foreign tourism to areas across the UK.

England's heritage is one of its greatest national assets and encourages inbound tourism, unites communities and enhances our nation's soft power internationally, as set out in our 2018 [International Report](#). England's heritage industry directly contributes £14.7bn in gross value added (GVA) and £18.4bn was spent on heritage-related visits and trips in 2019 ([Heritage and the Economy](#), 2020). We believe that locally based funding should be at the heart of the future UK Shared Prosperity Fund, and heritage should form a key delivery area, as maintaining and sharing the nation's heritage is key to the Government's levelling up agenda. There is heritage in all corners of the country, and we know it is essential to communities feeling a strong sense of place and identity. Targeted funding would help local communities to build back better from the COVID-19 pandemic and drive stronger development of both domestic and international tourism.

## **Views**

### **8. Why, in your view, should there be DMOs?**

DMOs are essential for promoting the brand profile of regions and local areas, which leads to strong visitor economy benefits. DMOs can play a leadership role, helping to unite networks of often fragmented local tourism services and providers and strengthening collaborations, which in turn will help to boost visitor engagement in destinations.

Well-organised DMOs can be very beneficial for the heritage sector. Tourism is one of England's major economic industries and heritage plays a significant role in attracting tourists to regions across the country, as well as featuring in tourism materials and tourist offers. Our members have highlighted that in areas where heritage organisations lack regional representation by DMOs, they have noticed tourism promotional ability is hampered compared to colleagues in areas with strong DMOs. Thus, DMOs can and should play a vital role in supporting the nation's heritage industry.

DMOs, as fundamentally audience and visitor-driven bodies, help to boost engagement with England's heritage assets and ensure that their benefit is enjoyed by a greater range and number of people across the country. Heritage can attract new businesses to local areas and increase production, as recognised in the 2013 report from the Heritage Lottery Fund New Ideas Need Old Buildings and our 2018 report: Inspiring Creativity, Heritage & The Creative Industries. DMOs could thus play a role in supporting the Government's commitment to levelling up all areas of the country by improving access to heritage for more people and growing local tourism economies.

## **9. What, in your view, should DMOs do to be at their best?**

At their best, DMOs should connect with visitor attractions and heritage sites on the ground and promote their best assets with potential visitors. DMOs are positioned to develop insight into potential audiences and their tourism-based desires and share tourism trends and insights with delivery stakeholders, while facilitating improvements to help to build visitor-bases and expand the breadth and quality of engagement with audiences that is possible. DMOs should actively seek out opportunities to work with local tourism providers to improve the delivery and coordination of local services for tourism. A DMO can provide support for all organisations involved in tourism services, from SMEs to sole traders, to charities and visitor attractions, and bring these stakeholders together by facilitating information sharing networks and creating partnerships, which will in turn boost local economies.

DMOs should galvanise collective tourism marketing in an area, increasing brand awareness for regions. DMOs can also help to highlight opportunities for funding for stakeholders and partnership projects and provide insight into particular markets which would suit local areas or organisations. DMOs should also have the capacity to advise local authorities on how their tourism-related products and services can be improved, including by providing incentives for areas to develop a coordinated tourism offer.

Specifically for heritage organisations, DMOs can work in partnership with heritage sites and accommodation providers such as the YHA, the Landmark Trust, the National Trust and English Heritage to promote regions, based around a 'star attraction' of a heritage site, and encourage visitors to increase their stay time.

DMOs should also actively contribute to local place-making and delivery against the Government's agendas for levelling up and regeneration, leading on and facilitating the delivery of a destination management plan that sets out aims specific to distinct locations.

## **10. Who and/or what do you think benefits from the work DMOs carry out?**

Attractions, businesses and local residents that provide key services in destinations can greatly benefit from the work of DMOs, alongside their visitors, through both direct and indirect tourism income. There were 17.9m heritage-related international visits in 2019, with £10.4bn spent in England by international tourists on heritage-related visits. This is of a total £215m heritage-related visits and trips in England and a total spend of £18.4bn total spend in 2019 (before COVID-19).

Owners of large hotels in destinations, alongside heritage accommodation providers, often receive a large benefit, as could a wider set of businesses and organisations in a destination, were there a wider vision in place to engage with these locally and regionally.

## **11. What examples do you have of DMOs demonstrating their value and/or Returns on Investment to stakeholders?**

Examples that our members identified as demonstrating their value are: Visit Greenwich, Visit Cornwall, Visit Kent, Visit Surrey, Visit County Durham and 1066 Country in Sussex. Two examples from our member organisations are: working with Visit Greenwich to teach students about DMOs and Visit County Durham facilitating numerous collaborative projects which succeeded in accessing funding and delivering relevant and rewarding collaborations for organisations. A further example is Visit Eden, partners of Cumbria Tourism, and its partnership with Historic England to produce Eden's Heritage Trails, which has brought together various heritage organisations into one connected visitor experience.

Member organisations also highlighted the value added by DMOs in bringing partners together through networking events, sharing best practice, and using their wider social media reach to boost the activities of local organisations and businesses.

However, some of our members struggled to list any examples, citing a disconnect between DMOs and their heritage stakeholders.

## **12. What views do you have about the ways in which DMOs are funded currently, and how this could change?**

With DMOs funded as they are currently through membership, their work seems more reactive, with fewer opportunities for genuine partnership. This is also pertinent as due to the requirement of membership fees, they can become expensive for organisations to join, meaning that only certain players are able to engage.

Our members have called for a return to a centralised funding model, in line with a new regional approach to DMOs (with DMOs covering every region), to extend coverage across the UK. We support the views of the Tourism Alliance, set out in their response to this consultation, around the potential benefits that a centralised funding system for DMOs could provide, and their suggestion that this funding could be

allocated from the future UK Shared Prosperity Fund. Funding under the current model is not distributed evenly across the country, with a larger focus on areas such as London and the South East which have a better-known reputation than other areas across England. A more centralised funding model would support the Government's agenda to 'level up' areas across the country and improve equal access to support for heritage assets and local tourism in Britain.

### **13. What views do you have about the ways in which individual DMOs are structured currently, and how this could change?**

The current structure for individual DMOs is varied and lacks consistency. This means that the output of different DMOs is in turn varied, and can often be limited, meaning an inconsistent system of support overall for different regions.

Our members have highlighted that some individual DMOs can be very business orientated, operating instead like Business Improvement Districts (BIDs). They can often appear to be largely driven by short-term income generation, rather than driven by the needs of places and communities. This is likely a result of the current funding model, which due to its lack of apparent sustainability, has driven DMOs to lose flexibility in their approach.

Improvements to the system would see better local and regional partnerships between individual DMOs, which would deliver information and insight sharing and opportunities for joined up marketing and engagement. A new, regional structure for DMOs, with more secured, future proof funding programmes, could enable DMOs to take a long term, strategic view over a reactive one, which would lead to more sustainable support for local areas and help to ensure more impactful local tourism strategies.

DMOs can add real value where they bring public and private organisations together behind the development of a single visitor economy strategy and should therefore work with LEPs and local authorities to set long-term visions for local tourism and how to better engage a wide range of stakeholders.

### **Ways of working**

#### **14. What do you think works well about how DMOs work with: a) other DMOs; b) local/regional tourism businesses; and c) other relevant sectors currently, and what could work better?**

The partnership between DMOs and local tourism bodies works well in some cases and can be very supportive of local businesses. However, DMOs must act as a conduit between local stakeholders, facilitating geographical collaborations and working to reach out to a range of local providers (and not just the 'big players').

One of our members shared that trying to work with larger DMOs is sometimes "like trying to get into an expensive club". DMOs should be more accessible, maintaining

regular contact with local communities and being more responsive to new partnerships.

It is also vital that DMOs work effectively together, as where they do this leads to positive results, as evidenced through the Discover England Fund projects. Our members have found tensions between regional and local DMOs hinder collaborative partnerships and thus limit the potential benefits of DMOs in those areas.

**15. What do you think works well about how DMOs work with other local structures (e.g. local authorities, local enterprise partnerships, mayoral combined authorities, universities, etc), and what could work better?**

Our members reflected that it is positive that some DMOs seem to get involved with other local structures, helping to support local tourism.

Many DMOs are currently linked to the above structures and are sometimes highly integrated with them. However, given their specialism, DMOs should also operate on a regional level, rather than being managed by one organisation, such as a local authority.

For DMOs to improve, their work should be better connected with that of LEPs and local authorities, helping to direct investment towards place-based projects. Local authorities should provide investment in local tourism through DMOs. Greater statutory investment in DMOs would see greater development of tourism and better collective marketing.

DMOs could work more effectively with universities on developing consistent brand place messaging and DMOs could improve their relationships with Business Improvement Districts (BIDs), where a clearer differentiation of roles is required to make the outputs of both more effective. Fiscal support for DMOs would allow them to independently pursue partnerships across local economies to deliver strategic and effective tourism marketing and experiences.

**16. What do you think works well about how DMOs currently work with the British Tourist Authority (VisitBritain/VisitEngland), and how could this work better?**

Although we have limited feedback from our members on the work of DMOs with VisitBritain/VisitEngland, we would always encourage more collaboration.

DMOs should be targeted in the scope of their market reach and avoid duplication with national bodies, while supporting the work of VisitBritain and VisitEngland. DMOs could also develop stronger relationships with the end consumer, as well as strengthening relationships with Travel Trade partners.

Our members reflected that larger DMOs appear to receive preferential treatment, in terms of funding and support, than others. It should be clear that where DMOs do receive further support, they should be bringing in the widest benefit. Improvements

should be made in terms of promoting a wider UK or England offer, without leading with the larger DMOs, such as those in London and the South East.

One member also highlighted that some DMOs appear not to be interested in general tourism, instead being more interested in high spend tourism. DMOs could play a clearer role in national campaigns, such as the Government's GREAT international promotional campaign, and involve more organisations on a local level.

**17. What do you think works well about how DMOs currently work to support business visits and events, and how could this work better?**

[The Heritage Alliance did not submit a response to this question.]

**18. How do you think DMOs can best support government priorities, both locally and nationally?**

DMOs can best support government priorities by first being financially supported to carry out their services to the best possible level. This should also encompass a standardised tourism model that is managed overall on a national level, then devolved regionally, allowing information, insight and engagement to move both up and down the structure of organisations.

Better widespread regional support through DMOs could facilitate the Government's levelling up agenda across local areas, by helping to secure plans for regeneration, boosting economies by increasing tourism, and providing skills development and increased job opportunities. On a local level, DMOs should better understand and support local priorities and activities, reflecting in their work the right level of tourism for a local or regional area. DMOs have traditionally been about attracting visitor spend into an area, but DMOs can and should also work to benefit regional residents.

Heritage is an essential part of the social fabric of our society and has an important role to play in our wellbeing economy ([Heritage and Society](#), 2020). DMOs can therefore support to increase both individual and societal wellbeing through supporting and promoting the work of local heritage organisations.

DMOs can also play a key role in the Government's green and Net-Zero goals, by encouraging, or even requiring, funded projects to involve green tourism initiatives, as well as running marketing campaigns about green and sustainable travel, and care and respect for local environments.

**19. What lessons do you think can be learned from other historical and/or international models for structuring and/or funding DMOs?**

Our members cited the early 2000's centralised funding model as one that should be returned to, which would improve coverage across the UK and improve support for smaller providers and partners. DMOs should seek to partner with sector specialists and maintain formal links across regions, developed through collaborative projects.



In terms of successful international examples, one member cited that for the Peloponnese in Greece.

## Looking ahead

### **20. How can DMOs best support the recovery and rebuilding of the tourism sector over the next year both in terms of leisure and business tourism, following the COVID-19 pandemic?**

DMOs should seek to support smaller providers and partner with organisations that can bring in new products to help boost tourism across different areas. They could engage in large-scale brand campaigns to drive visits to target destinations and champion best practice, based on informed insights.

DMOs should also share clear information around safe travel to and within the UK, including information on restrictions, to ensure that people feel comfortable and informed when travelling to different destinations. DMOs should also be aware of the [Heritage Recovery Plan](#), recently prepared by Historic England with and on behalf of the Historic Environment Forum, and where they can play a part in contributing to its delivery through supporting measures that will aid the sector's medium and long term recovery and overall resilience. This includes actively boosting public confidence around heritage-related visits through public awareness campaigns, connected to those on a national level (such as the GREAT campaign).

### **21. What risks do you see for the potential for DMOs to support the recovery and rebuilding of the tourism sector, again both in terms of leisure and business tourism, over the next year?**

A lack of funding is a major risk to DMOs, as these organisations should be critical in supporting the recovery and rebuilding of the tourism sector. Reductions to local authority funding in general towards non-statutory services, such as non-statutory local authority arts and culture funding, is a broader and related risk.

A further potential risk is that DMOs adopt too narrow a focus. They will need to be flexible in order to deal with a change in focus to reflect more local visitors and less overall spend in destinations as the country rebuilds.

### **22. What do you see as the biggest opportunities for DMOs over the next ten years?**

DMOs should reform their product to engage more with local people and local visitors to destinations within England, as this is an area that will likely increase in the coming years, both as a response to COVID-19 as well as climate change and environmental sustainability.

DMOs can also take on a progressive leadership role in local and regional tourism. This would require a restructure of the system, to better support a more coherent and effective tourism strategy for England, and indeed Britain as a whole.

**23. And what do you see as the biggest challenges for DMOs over the next ten years?**

Long term, it is important that DMOs remain useful and engaged in tourism and heritage. For this, they need secured funding to ensure that they have the flexibility to reform their products responsively and effectively, and to engage with more local people. DMOs should work with local bodies, organisations and businesses to maximise the potential of local tourism and 'staycations', alongside the development of international tourism.

**24. What one thing do you think could be done to ensure the financial and organisational sustainability of DMOs over the next ten years?**

DMOs should maintain collaborative links with local councils and Government, who should be offering DMOs consistent support in terms of resource and funding. This will allow DMOs to plan strategically 5-10 years into the future which will ensure that their work is impactful.

**DMO best practice**

**We know English DMOs have carried out and are continuing to carry out excellent work to support the leisure and business tourism sector in a variety of ways (e.g. partnership working, diversifying income streams, product development, bidding for events). We would welcome any examples of recent DMO best practice you are aware of which you wish to highlight here:**

Specific examples given by our members included the work of Visit Greenwich, the Great West Way, England Originals, Visit Eden, the Welcome to Yorkshire membership and tree planting schemes, and regional marketing campaigns- for example in London, for Visit Kent, Visit Cornwall and Visit York.

**Closing thoughts**

**25. Is there anything else you'd like to share about DMOs that you feel hasn't been covered above?**

The Heritage Alliance supports this review of DMOs. We believe that DMOs could more consistently deliver a wider range of benefits, both economic and social. All DMOs should thus play a part in strategic place-making, supported by inward investment, to allow for a more joined-up approach to tourism strategy across Britain. It is important that the system is improved to facilitate better and more sustained

partnerships between DMOs and the range of heritage organisations and businesses in local areas, in order to boost tourism in these destinations and across the UK.

We would therefore like to see a more consistent system for managing DMOs, specifically in their structure and funding. This would allow DMOs to be more strategic, share insight and best practice, and facilitate collaborative working to achieve more impact in their outcomes. Better structured and funded DMOs will also maximise the potential for heritage organisations to be engaged in tourism at different levels and operate as part of a broader, collaborative network for boosting regional branding and place-making. DMOs should play a role in boosting productivity through domestic and international tourism, which together was £18.4bn in 2019 (before COVID-19). Heritage organisations are keen to be involved in the work of DMOs, working together to deliver high quality, effective products and services on offer in specific areas for local people and visitors.

We support the National Trust's call, in their response to this consultation, for a more sustainable approach to growing local tourism, via holistic, place-based visitor economy strategies, which address the distinct needs of local businesses, communities and environments. Enabling all DMOs to pursue a strategic approach to local tourism will ensure that individual regions and local areas will receive the differentiated support they need, whilst operating all DMOs under one system that ensures a wider coverage of support overall across the country.

**For further information or queries, please contact The Heritage Alliance.**

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