

**Minutes of a meeting of Visit Jersey Limited (“VJ”)
Held at Jersey Airport, St Peter, Jersey, on Tuesday 2nd May 2017 at 10.30am**

Present:	Kevin Keen (KK) – Chair
Keith Beecham (KB)	Doug Bannister (DB)
Tim Crowley (TC)	Mike Graham (MG)
Catherine Leech (CL)	Sam Watts (SW)
David Seymour (DS)	
(collectively referred to as the “Board” or the “Directors”)	
In Attendance	
Aimee Maskell, AM to PM Secretarial Services (Scribe)	
Darren Scott (DSc), Economic Development Tourism Sport & Culture (“EDTSC”)	
David Edwards (DE), VJ	

1. **APOLOGIES** - No apologies were received.
2. **CONFLICTS OF INTEREST** - No conflicts were noted.
3. **MINUTES OF PREVIOUS MEETINGS** - The Board reviewed the minutes dated 28th February and 4th April 2016, copies of which were circulated as part of the Board Pack. A number of minor amendments were noted on each and **IT WAS THEREFORE RESOLVED** that KK and KB would prepare final versions for approval at the next meeting. **Action: KK/KB**
4. **VJ’S APPROACH TO EVALUATION** – The Board reviewed DE’s paper on VJ’s Approach to Evaluation, a copy of which had been circulated as part of the Board Pack and DE provided a presentation on the same to the Directors.

The board noted that management took great care to evaluate the performance of VJ’s marketing campaigns to ensure they provide value for money and respond accordingly. It was noted that there were many other aspects of VJ’s promotional activity which whilst crucially important were less straight forward to evaluate.

KK, on behalf of the Board thanked DE for his work in undertaking the evaluation and **IT WAS RESOLVED** that KB and DE would work together to calculate a ROI on marketing spend and circulate the same to the Board in due course. **Action: KB/DE**

5. **2017 FORECAST** – DE provided the Board with a presentation on the 2017 Forecast, a paper on which had also been circulated as part of the Board Pack.

The Board discussed the figures set out in page 1 of the paper, which include the 2016 Business Plan target of 732,900 total visits, the 2016 actual target of 692k total visits, the 2017 Business Plan target of 749,100 total visits and the 2017 forecast of 709,370 total visits. KK expressed concern that the 2017 forecast indicates that the target of total visits set out in the 2017 Business Plan will not be reached and he suggested that the VJ Senior Management Team (SMT) needs to consider what can be done to change the numbers and prevent the forecast coming true.

DS suggested that the only opportunity to improve the figures will be during the shoulder months (from September onwards). DB queried what occupancy rates were in the summer and DE responded that during peak times there was approximately 10% capacity and over the three months as a whole (June, July and August) there was approximately 22-25% free capacity. He added that, at present, visitors for June and July were forecasted to be lower than last year and September and October were forecasted to be the same. He noted that visitors the first three months of 2017 were on a par with 2016. DB suggested that this also represents an opportunity to increase the forecasted visitor numbers during the summer season in order to reach the target.

SW stressed that whilst the Board should maintain a focus on the forecast visitor numbers, they

should consider year on year growth versus the start-up effect of a new brand and new activities, noting that it may take some time for VJ's marketing efforts to "kick in". She explained that she expects that there may be a plateau in visitor numbers prior to increases being seen as a result of the marketing activity and the new brand and she therefore suggested reviewing three year targets rather than being too concerned about yearly targets, albeit that the numbers should continue to be tracked. She added that focus must also continue to be placed on trade and product in a similar way to marketing. However, KK highlighted his concern about the current forecast and suggested that the Board should not defer taking any action, particularly due to the fact that the target of 749,100 was included in VJ's latest Business Plan which has been presented to the Minister.

The forecasted figure of 709,370 was discussed and DE explained that this has been calculated following a review of air capacity to (which is lower than last year); bed capacity (based on forward bookings); and external factors (e.g. the fact that younger people are comfortable conducting their meetings by video conference rather than incurring expenses flying to the Island). MG questioned DE's statistic of 22-25% free capacity during the summer months, noting that accommodation providers would be facing serious challenges if this was the case. He added that forward bookings were already very strong for 2017 and therefore suggested that it may not be necessary to react to the forecasted figures.

DB accepted that VJ is currently tracking below its Business Plan targets. He therefore proposed that an exercise should be undertaken to establish how the gap can be closed. He suggested that progress should be made to reach the 749,100 target (or higher if possible) this year but if it is not possible to close the gap, every effort must be made to ensure it is closed over the next few years so that the interim goal of 800k visitors by 2020 is met. This was welcomed by KB who agreed that an exercise to start bridging the gap should happen. He noted that VJ has spent money on the holiday market through branding and is tracking ahead of average in the leisure market. However, he acknowledged that the total market includes business as well as staying leisure visitors. He reported that VJ is therefore in consultation with its partners about how it can re-visit some of the observations made in the Destination Plan with a view to gaining the support of stakeholders to progress in the area of business visitors, noting that whilst VJ can consult and advise in this regard, it is unable to influence the business market or make changes. He added that VJ can influence the leisure market (which is why it has focussed its attention in this area) but influence in other areas requires partnership from others.

The French day trip market was discussed and KK suggested that VJ could have some influence in this regard, noting that whilst it was not high value in terms of visitor spend, it was a way to increase visitor numbers, ensuring Ports and carriers were at least benefiting. This was acknowledged by KB. However, he advised that VJ was working with Condor on attracting staying leisure visitors from France. That said, he noted that whilst Jersey has never had a significant day tripper market from the UK, he believes this can be stimulated from Guernsey and France. TC expressed concern that day trippers will not result in a significant ROI and this was echoed by CL who stressed the importance of focussing on bed nights.

In answer to a question from SW, KB reassured the Board that tactical campaigns are taking place with, for example, Easy Jet. He advised that these tend to be price led offers which are very successful. SW stressed the importance of focussing on specific partners such as Easy Jet. However, TC noted that due to their current 90% capacity on flights to the Island, only the top bracket prices would be available for offers. CL noted that the capacity rates were not the same on all routes and DE reminded the Board that not all routes were year round. He therefore suggested that there were two focuses: filling the existing planes and increasing the number/frequency of routes. DB agreed that engagement with easyJet was important and this was echoed by CL who highlighted their importance in terms of brand reach. DB advised that as

part of easyJet's (EJ) contract with the Ports of Jersey, they are required to provide a new route per year for five years. He advised that there are currently seven routes albeit that some of these are only seasonal and are not all are daily. However, he reported that they have extended the number of days they fly to certain routes over time.

DS suggested that the price of Flybe flights was affecting their load factor and he queried whether there was any way to influence this. DB responded that Flybe have moved to a yield rather than a capacity approach. DS queried whether Flybe should be supported in this approach or whether consideration should be given to other airlines and DB advised that there were few alternatives, noting that Ryanair's aircrafts are too large for Jersey Airport and BA do not have any other routes available. He reported that whilst EJ may be able to provide more capacity/routes there are currently some challenges around their contract. He stressed that Flybe does well for Jersey and provides the greatest network for the Island. He advised that negotiations are currently taking place with the airline about targeted growth areas and he noted that the CEO of Flybe was due to visit the Island this month to meet with the Minister. In answer to a final question from DS, DB acknowledged that whilst Flybe presence in the market might be preventing another airline from entering, Flybe does deliver significant volume to the Island.

Referring back to the statistics, KK accepted that whilst he may be being pessimistic, he stressed the importance of being prepared. KB accepted that the SMT was concerned about missing targets and **IT WAS RESOLVED** that he would put forward some sensible activities on how this could be addressed and engage with the Board as required to look at options for the rest of the year and beyond not just for marketing but for all activity. **Action: KB**

DB provided the Board with a brief summary of the working being undertaken between the Airport and VJ on route access. He reported that consideration has been given to a best prospects model with a view to trying to match routes to it. The Board noted that a working plan has been established and the Airport team are drawing up a set of actions for VJ which should be ready shortly. DB advised that this will result in a better collaboration between route access and marketing. He added that running up to the recent routes conference a discussion took place as to what type of stimulation was required for each market. **IT WAS NOTED** that a further conference was scheduled for September focussing on worldwide routes and DB advised that whilst representatives from Jersey do not normally attend this, as it is being held in Barcelona this year, representatives may attend from the Airport and VJ.

KK expressed concern that although he has had sight of some data from the exit surveys in DE's paper and in the Annual Report, the Board do not appear to be receiving this on a regular basis. DE advised that a schedule was agreed setting out the dates on which data would be circulated and **IT WAS RESOLVED** that KB would circulate a further copy of the same to the Board for their information. **Action: KB**

DE noted that January's data has been circulated and he anticipates that March's data would be ready for circulation in early June, or before. However, he stressed that until July onwards, it will not be possible to make any life for like comparisons. In answer to a question from KK, DE explained that whilst the data in respect of volumes is available weekly, the data requires some cleansing and reviewing in order to report on other metrics. CL stressed that it was unacceptable that the members of the Board saw the exit survey qualitative data for the first time in the Annual Report and requested that going forward all data is reported to the Board before being made public.

6. ANY OTHER BUSINESS

(a) Condor Ferries Update – The Board discussed Condor's proposal to purchase an additional ship from which to operate day trips between Jersey and Guernsey. It was agreed that

whilst this was a service which was required, the proposed prices appeared expensive and did not offer any family type tickets which would encourage visits, albeit it may be attractive for business visitors.

IT WAS NOTED that Condor have been in discussion with the States of Jersey and Guernsey about funding their proposal at a cost of £500k (£250k each) and the Board noted the difficulties of justifying Government subsidies when there was already some provision on the route. . **IT WAS THEREFORE RESOLVED** that DSc would feedback the Board's views to the Minister.

Action: DSc

(b) Liquid Waste Charges – KK proposed that VJ submit a written response to the Scrutiny Panel's review of the proposed Liquid Waste Charges and **IT WAS RESOLVED** that KB and KK would work together to draft the same by the closing date on 15th May 2017. **IT WAS FURTHER RESOLVED** that TC would share his personal submission with KB/KK and that KB would request copies of the Jersey Hospitality Association and the Chamber of Commerce's submissions.

Action: KB/KK/TC

(c) It was noted That Jennifer Ellenger who was head of Product had resigned and would be leaving VJ in the next month.

IT WAS NOTED that KB has drafted a new job description for the position of Head of Product on which SW has provided a number of comments. **IT WAS RESOLVED** that he would circulate a copy of the same to the Board for their comments / input by Friday 5th May 2017 in order for the recruitment progress to begin as soon as possible. **Action: KB/Directors**

KB proposed appointing a product consultant in the interim and welcomed referrals of appropriate individuals from the Board for this position, ideally on island to enable the appointment to be able to move forward as soon as possible.

IT WAS NOTED that the recruitment of a further NED was required and **IT WAS RESOLVED** that KB would liaise with KK about the necessary process for this and the position of Head of Product together with SW who had agreed to be involved in the selection process. **Action: KB/KK/SW**

(d) Trade - SW proposed that a review of the structure of Trade within VJ should be tabled to the Board for discussion, possibly prior to the next meeting (scheduled for 18th July 2017) and as a priority over the appointments within Product, discussed above. She suggested that consideration should be given to appointing a Trade Director, noting that at present the only resource in this area was Meryl Le Feuvre. However, KB reassured the Board that Hills Balfour have been appointed to put together a strategy on trade which he will present on at the next meeting. Furthermore, he noted that he is heavily involved in trade in addition to Meryl.

(e) Tourist Information Centre - TC suggested that consideration should be given to including the Tourist Information Centre under Product going forward.

(f) Out of Season Activities – DS reiterated that the opportunity for growth in visitor numbers is likely to come out of season. He therefore requested sight of what activities are being planned for October 2017 to March 2018 to take advantage of this. KB reassured the Board that this is in hand and **IT WAS RESOLVED** that he would share details with the Board. **Action: KB**

(g) Chartered Institute of Marketing (CIM) – KB reported that VJ recently won the CIM Brand Launch Award for Marketing for an SME and he wished to thank the VJ team for their work in this regard. The Board offered their congratulations to KB and the VJ team.

7. DATE OF NEXT MEETING

IT WAS NOTED that the next meeting was scheduled for Tuesday 18th July 2017 at 10.30am at La Mare Wine Estate.

There being no further business the meeting was closed at 11.15pm.

Actions:

- 1) KK/KB to update minutes dated 28th February and 4th April 2017 for approval at 18th July 2017 meeting
- 2) KB/DE to work together to calculate an ROI on marketing spend and circulate the same to the Board
- 3) KB to issue suggested activities to “bridge the gap” between the Business Plan targets and forecasted targets for 2017 visitor numbers
- 4) KB to circulate the schedule for release of data from the exit surveys to the Board
- 5) DSc to feedback the Board’s comments on the Condor proposals
- 6) KB/KK to draft a submission to the Scrutiny Panel’s review on liquid waste charges
- 7) TC to provide KB/KK with his submission to the Scrutiny Panel
- 8) KB to request a copy of Chambers/JHA’s submissions to the Scrutiny Panel
- 9) KB to circulate the JD for Head of Trade to the Board and Board to provide their comments by 5th May 2017
- 10) KB to work with KK and SW regarding the recruitment process for the Head of Product and NED
- 11) KB to share details of proposed activities for October 2017 – March 2018 with the Board