Discover England Fund
Years 2 & 3

Addressing market opportunities:
A guide for applicants
Towards a successful bid

Context

Round 2 of the Discover England Fund in Years 2-3 (2017-19) aims to develop world-class bookable English tourism products, targeted at the right customers, at the right time and through the right channels.

Specifically, partners are invited to come together to apply to develop innovative and exciting projects to achieve the following:

- Develop world-class English tourism products that respond to international customer demand and have the ability to be bookable and distributed through new and existing channels
- Join-up the product offering across large geographies or nationwide through a thematic approach for the benefit of the customer
- Drive a collaborative and partnership approach to delivery across Destination Organisations and LEP boundaries for the longer term

To give bids and the resulting products the very best chance of success it is important that the full development cycle is considered right from the beginning. A good idea alone does not guarantee commercial success. It is important to also begin thinking about how the product would be distributed - the route to market, and how it would be marketed effectively.

The very first steps should be an analysis of the market potential for the idea to understand who might be interested and why, and an assessment of the available assets and resources. Understanding the motivations and aspirations of all the relevant stakeholders is also needed before progressing to product development. This should be supported with sound rationale on how the product is made available to potential customers - through which channels, using which partners and the geographic focus. Consideration is also required of how potential customers will be made aware of, and engaged in the product, along with a longer-term view of how they could become advocates to encourage others to experience the product.

The below framework provides an overview of the 7 key steps of product development. More details on this will be made available to successful bidders following the Expressions of Interest stage. However, thinking ahead at this stage will improve your chances of success.

Framework for New Product Development (NPD)

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Market research</td>
</tr>
<tr>
<td>2</td>
<td>Assets analysis</td>
</tr>
<tr>
<td>3</td>
<td>Stakeholder consultation &amp; collaboration</td>
</tr>
<tr>
<td>4</td>
<td>Product development</td>
</tr>
<tr>
<td>5</td>
<td>Product distribution</td>
</tr>
<tr>
<td>6</td>
<td>Trade engagement</td>
</tr>
<tr>
<td>7</td>
<td>Marketing &amp; partnerships</td>
</tr>
</tbody>
</table>
Why is the market research step important?

This document provides some guidance on step 1 of the product development cycle – market research, as well as highlighting the implications for product development. The information, simple principles and frameworks will allow you to shape your expressions of interest and develop stronger project applications.

Strong product ideas of any kind, in any market, manage to address a clear customer or market opportunity. The first step of the process is therefore critical in ensuring there will be a genuine target audience for the product, and there is clear understanding of how it will deliver against their needs or overcome any barriers they may experience.

Whilst the temptation is to focus on how to optimise the product idea, spending some time and effort understanding the external opportunity is the cornerstone of good innovation. As well as providing a sound case and rationale for the potential of the idea, it helps to refine and position the idea against the target audience with whom it is most likely to connect.

The other reason the market research step is so crucial, is that not all opportunities are of equal merit, scale or feasibility. Some target audiences are smaller in number, customer segments have differing spending power, and some destinations or activities will be more appealing to them than others. Whilst some market opportunities may appear sizeable and of interest, there may be considerable competition – both domestically and internationally - in these spaces which would, on reflection, make them less appealing. Understanding your ‘right to win’ is a key part of deciding where to focus your projects.

Elements of a strong product idea

![Diagram showing the elements of a strong product idea]

There is a natural temptation to think exclusively about the internal considerations – refining the details of the product idea - without being clear on the external opportunity for it. This is all too often the Achilles heel of contestants on Dragons Den, who get carried away with the description of their business idea but come unstuck when asked some basic questions about the target audience and how their idea is different to the competition. If you invest some time and energy considering both the internal and external angles now, then you vastly improve your chances of commercial success.
To make the market research step more straightforward, we have consolidated data from a number of different sources to develop some simple tools that will help you to scope out the potential for your product idea, and will help to strengthen your resulting application.

4 KEY QUESTIONS

The following tools are arranged around four questions:

CREATING FOCUS

1. Who is the target audience for the idea?
2. Where are they interested in going / to do what?

MAXIMISING IMPACT

3. What benefit(s) will it deliver for visitors?
4. Which barriers will it overcome for visitors?

Working through these 4 questions will help you to shape your ideas without getting lost in data. You may want to verify or support your thinking subsequently using the range of information sources available via the VisitBritain / VisitEngland website: www.visitbritain.org/england-research-insights

CREATING FOCUS

1. Who is the target audience?

The target audience will be exclusively international visitors as this is the focus of the fund.

To help identify the key target audience for your idea, we have created a simple visitor segmentation based on existing data sources. We have identified six distinct types of traveller and provided a description of each to help you decide which segment(s) would be most interested in what you are proposing to offer. Ideas are generally more compelling and distinctive if you have a focused target definition – hoping an idea will appeal to everyone and thus avoiding making a choice is not a strategy for success! The following ‘pen portraits’ of the six segments provide the key information to help you select your target.

These segments have been identified to help with the specific purpose of developing new product ideas backed by the Discover England Fund. Whilst they are not inconsistent with other overseas segment definitions you may have seen or used previously, they are more lifestage-based and intend to provide a very tangible understanding of what different visitor types are looking for. They do not replace or supersede other visitor segmentations – they are simply for the purpose of NPD within the DEF initiative.
Young active explorers

Millennials with the world at their feet looking for fun and excitement through travel. A spontaneous group who live for the moment, with few commitments to hold them back. Attracted to City life and higher octane activities away from the buzz.

**AGE PROFILE**
18-34 yrs old

**LIFESTAGE**
Mainly singles and pre-nesters

**KEY MARKETS**
Australia / Germany / India / Nordics / Spain

**SOCIO-ECONOMICS**
Varied – mix of young working professionals with disposable income and students with less spending power

**DEFINING ATTITUDES & TRAITS**
Open minded and adventurous
Seeking as many new experiences as possible
Spontaneous, technology, trend & fashion-led
Live for the moment and seek fun & excitement
Highly social and connected

**KEY INTERESTS**
Travel
Music
Technology
Experiencing new cultures
Meeting new people

**TRAVEL PREFERENCES**
Prefer short breaks
City / urban destinations
Activity / action focused breaks
Tours & multi-destinations
Make their own arrangements online

**HOLIDAY ACTIVITIES**
Shopping
Entertainment – music, nightlife
Active pursuits / extreme sports
Food & drink

**ACCOMMODATION PREFERENCES**
Wide range – depending on budget
From hostels to B&Bs and boutique hotels
Air BnB becoming popular
Location is a key factor - close to the action

**KEY CHALLENGES**
London is a natural destination for this segment but more effort is required to encourage them to visit other cities or regions in England

**POTENTIAL OPPORTUNITIES**
Leveraging England’s contemporary urban culture – through cities beyond London
More action / activity focused breaks away from the Capital / key cities
Cultural adventurers

Successful, independently minded young professionals with high disposable incomes. Seeking to soak up all aspects of the local culture in order to escape and unwind whilst experiencing something new. Interested in unique experiences with a touch of luxury.

**AGE PROFILE**
Core 25 - 39 yrs old

**LIFESTAGE**
Couples & partners pre-kids & parents with young kids

**KEY MARKETS**
China / GCC / India / Netherlands / Nordics

**SOCIO-ECONOMICS**
Successful professionals with high disposable incomes

**DEFINING ATTITUDES & TRAITS**
Independent, adventurous, busy
Interested in learning about and experiencing other cultures
Influential – a key advocacy group
Creative, risk taking

**KEY INTERESTS**
Travel
Experiencing new cultures
Food & drink
Arts – theatre, music, film, TV
Shopping - fashion
Watching sport
Outdoor activities / keeping fit

**TRAVEL PREFERENCES**
Frequent travel
Mix of short-stays and longer duration, long-haul trips
Trips planned in advance
Independent in decision making

**HOLIDAY ACTIVITIES**
Soaking up the culture and atmosphere of a new place – escaping home / work is key
Enjoying natural / cultural scenery
Shopping

**ACCOMMODATION PREFERENCES**
Preference for higher quality, more luxurious hotels
Looking for unique experiences – individuality key
Happy to take a risk on something a bit different

**KEY CHALLENGES**
A growing and attractive segment but many destinations vying for their attention - US and other European destinations all popular

**POTENTIAL OPPORTUNITIES**
Leveraging British culture and brands
Combine culture and heritage in an energetic & engaging way
Twin centre, city culture + countryside activity breaks
# Lifestyle Travellers

An upwardly mobile group who value social status and see travel as an expression of who they are. They seek ‘braggable moments’ that look good on social media but also deliver on their need to relax, unwind and compensate for their hard work.

## Age Profile
30 - 49 yrs old

## Lifestyle
Couples & partners pre-kids & young families

## Key Markets
Australia / China / Germany / GCC / India / Italy
Netherlands / Nordics / USA

## Socio-Economics
Not the most affluent but the most conspicuous spenders - prepared to pay for aspirational experiences

## Defining Attitudes & Traits
Conspicuous spending & consumption
Want to be seen & be seen in the right places
Heavily trend led - trendy & stylish
Keen to impress others - highly networked on social media

## Key Interests
Sport / keep fit
Fashion
Shopping
Food & drink
Music
Relaxing, unwinding & escaping the routine

## Travel Preferences
Unique & impressive experiences
Frequent travel
Enjoy warm locations - beach hols
Want to go to the hottest new destinations

## Holiday Activities
Want to be pampered & unwind
Shopping
Sport / activities / fitness
Music / sport events
Going to best bars / restaurants

## Accommodation Preferences
Happy to pay more for comfort and luxury
Keen on accommodation with cachet - something out of the ordinary
Influenced by peers - where others have stayed

## Key Challenges
Given they are less interested in culture and more influenced by trends, they are a difficult group to target and require constant and responsive messaging to stay top of their minds

## Potential Opportunities
Focusing on places and/or activities with obvious bragging rights
Luxury & unique experiences away from London - places popular with celebrities
Outdoor enthusiasts
Nature lovers who love to get close to nature on active breaks with the family. Discovery and learning are an integral part of their holidays, given their keen interest in local heritage and cultures as well as spending time in the great outdoors.

AGE PROFILE
35 - 55 yrs old

LIFESTAGE
Families and empty nest couples

KEY MARKETS
France/ Germany / Spain

SOCIO-ECONOMICS
A wealthy segment who are prepared to pay more for their holidays

DEFINING ATTITUDES & TRAITS
Active and love adventure
Nature lovers
Curious – want to learn
Keen to get off the beaten track

KEY INTERESTS
Walking / hiking
Cycling
Spending time getting closer to nature
Learning about the culture and heritage of places
Spending quality time with the family

TRAVEL PREFERENCES
Tend to return to places they liked
Going beyond ‘sunshine countries’
Activity driven but value culture/heritage & scenery
A sense of discovery

HOLIDAY ACTIVITIES
Trying new sports/activities
Enjoying natural landscapes
Getting close to nature
Learning about culture /heritage/food
Seeing the sights, meeting people

ACCOMMODATION PREFERENCES
Wide range of options but would avoid mainstream hotel chains.
Independent hotels, B&Bs camping Air BnB
Something quirky, close to nature, adventurous

KEY CHALLENGES
Should be a target group for whom England has much to offer that meets their needs. The challenge is in packaging it up but still letting them tailor their own visits

POTENTIAL OPPORTUNITIES
Focus on areas that meet their diversity of interests e.g. Cornwall – showcase variety of activities, scenery, food, people and heritage
Mature experience seekers

A more mature segment that are best defined by their attitude - ‘young at heart’. With greater freedom, money to spend and time to enjoy themselves, travel is a key pastime that satisfies their desire for new experiences and learning.

AGE PROFILE
50 - 65+ yrs old

LIFESTAGE
Predominantly empty nest couples. Some retired some still working

KEY MARKETS
Australia / France / Germany / Spain / USA

SOCIO-ECONOMICS
A spread of incomes dependent on working status as well as social class

DEFINING ATTITUDES & TRAITS
Young at heart – new found freedom
Time to focus on themselves
Keen to learn, try new things, see new places
Considered and conscious – like to plan and research

KEY INTERESTS
Staying healthy & active
Time outdoors
High culture – fine art, classical music
Walking / hiking
Engaging with nature

TRAVEL PREFERENCES
Like to plan and research in advance
Active, cultured holidays with plenty of sightseeing
Easy access places
Open to organised tours

HOLIDAY ACTIVITIES
Time outdoors - walking
Learning about local heritage & culture
Trying a new activity / learning a skill
Sampling local food

ACCOMMODATION PREFERENCES
For city stays - wide range of accommodation ranging from budget hotels to comfortable 4-star.
Outside cities there are predominantly looking for accommodation with character (e.g. B&Bs, guesthouses, inns and small hotels)

KEY CHALLENGES
Not treating them as ‘seniors’ – not how they see themselves
Raising awareness and inspiring them to venture beyond London where much of what they seek can be found

POTENTIAL OPPORTUNITIES
This is a big and growing group and there is much about England for them to like.
Areas that offer variety should appeal – scenery, nature, food, and some local culture & heritage
Conservative retirees

Retired, financially secure travellers who seek reassurance in their quest for new experiences. They seek laid back yet stimulating trips that allow them to relax, meet new people and see new parts of the world, in a safe and convenient way.

AGE PROFILE
65+ yrs old
Skewed female

LIFESTAGE
Retired

KEY MARKETS
France / Germany / Netherlands / USA

SOCIO-ECONOMICS
Financially secure but lack of income means they seek good value for money

DEFINING ATTITUDES & TRAITS
Traditional values but want new experiences
Conservative - avoid unnecessary risks
Like to take it easy, not be rushed
Family & friends important
Prefer convenience over adventure

KEY INTERESTS
Family
Meeting new people
Good food
Music
Theatre

TRAVEL PREFERENCES
Somewhere known to be safe
Travel with family / friends
Escorted trips / packages
Reliant on advice from agents / family and friends

HOLIDAY ACTIVITIES
Sightseeing
Sampling local food
Meeting new people
Relaxing – not being rushed
Nothing strenuous or physical

ACCOMMODATION PREFERENCES
Looking for value for money
Will tend to play it safe - mid-range, chain hotels
Accommodation often part of a package

KEY CHALLENGES
This group tend not to venture too far from home so they’ll need convincing England is safe and offers new experiences.
A growing segment that is worthy of focus.

POTENTIAL OPPORTUNITIES
Leveraging their passions - food, culture and sightseeing
Taking away the risk and uncertainty - all inclusive tours, packages - joining up the gaps between elements of a visit
A note on families

Whilst none of these visitor segments is a ‘family segment’ per se, this does not mean families are not of interest or that ideas targeted at families are not welcomed - they are.

Families show up in 3 of the segments: Cultural Adventurers, Lifestyle Travellers and Outdoor Enthusiasts. Considering which type of family your product could attract should be more helpful than thinking about families in general, as there are important differences driven by the parents and their lifestages, values and attitudes. Product ideas that have potential to attract international families by making England more motivating as a holiday destination are very much in scope.
Which markets?

The pen portraits of the segments give an indication of some of the markets where these audiences can be found. However, this list is not exhaustive, and in considering which international markets to target, you should also review visitor profile and trend information for your region.

Detailed profile information can be found in the report “Discover England: summary insights on overseas visitors to England’s regions” available at www.visitbritain.org/england-research-insights, but you may find the following two analyses particularly helpful.

Holiday visits to each region by market – 2013 to 2015 average (000’s)

<table>
<thead>
<tr>
<th></th>
<th>London</th>
<th>North East</th>
<th>North West</th>
<th>Yorkshire</th>
<th>West Midlands</th>
<th>East Midlands</th>
<th>East of England</th>
<th>South West</th>
<th>South East (exc. London)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>357</td>
<td>12</td>
<td>51</td>
<td>45</td>
<td>30</td>
<td>18</td>
<td>30</td>
<td>66</td>
<td>72</td>
</tr>
<tr>
<td>France</td>
<td>1,094</td>
<td>13</td>
<td>40</td>
<td>29</td>
<td>34</td>
<td>13</td>
<td>59</td>
<td>105</td>
<td>244</td>
</tr>
<tr>
<td>Germany</td>
<td>748</td>
<td>22</td>
<td>59</td>
<td>36</td>
<td>43</td>
<td>18</td>
<td>54</td>
<td>188</td>
<td>265</td>
</tr>
<tr>
<td>USA</td>
<td>947</td>
<td>15</td>
<td>63</td>
<td>56</td>
<td>37</td>
<td>19</td>
<td>43</td>
<td>96</td>
<td>122</td>
</tr>
<tr>
<td>Netherlands</td>
<td>332</td>
<td>17</td>
<td>32</td>
<td>22</td>
<td>25</td>
<td>16</td>
<td>43</td>
<td>75</td>
<td>136</td>
</tr>
<tr>
<td>Spain</td>
<td>546</td>
<td>8</td>
<td>32</td>
<td>23</td>
<td>14</td>
<td>9</td>
<td>25</td>
<td>41</td>
<td>43</td>
</tr>
<tr>
<td>China</td>
<td>72</td>
<td>3</td>
<td>14</td>
<td>6</td>
<td>7</td>
<td>1</td>
<td>8</td>
<td>9</td>
<td>19</td>
</tr>
<tr>
<td>Nordics</td>
<td>920</td>
<td>12</td>
<td>55</td>
<td>24</td>
<td>22</td>
<td>9</td>
<td>30</td>
<td>51</td>
<td>77</td>
</tr>
<tr>
<td>India</td>
<td>108</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>GCC*</td>
<td>231</td>
<td>2</td>
<td>23</td>
<td>7</td>
<td>8</td>
<td>4</td>
<td>6</td>
<td>9</td>
<td>17</td>
</tr>
</tbody>
</table>

Age profile of visitors to the UK by target market (2015)

<table>
<thead>
<tr>
<th></th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>30%</th>
<th>40%</th>
<th>50%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
<th>90%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Inbound markets</td>
<td>16%</td>
<td>17%</td>
<td>19%</td>
<td>22%</td>
<td>16%</td>
<td>14%</td>
<td>12%</td>
<td>17%</td>
<td>16%</td>
<td>14%</td>
<td>7%</td>
</tr>
<tr>
<td>Australia</td>
<td>11%</td>
<td>12%</td>
<td>9%</td>
<td>4%</td>
<td>7%</td>
<td>10%</td>
<td>11%</td>
<td>21%</td>
<td>19%</td>
<td>23%</td>
<td>7%</td>
</tr>
<tr>
<td>France</td>
<td>13%</td>
<td>18%</td>
<td>24%</td>
<td>25%</td>
<td>19%</td>
<td>21%</td>
<td>23%</td>
<td>25%</td>
<td>24%</td>
<td>21%</td>
<td>2%</td>
</tr>
<tr>
<td>Germany</td>
<td>22%</td>
<td>18%</td>
<td>25%</td>
<td>19%</td>
<td>24%</td>
<td>19%</td>
<td>17%</td>
<td>25%</td>
<td>22%</td>
<td>22%</td>
<td>2%</td>
</tr>
<tr>
<td>Spain</td>
<td>23%</td>
<td>18%</td>
<td>25%</td>
<td>19%</td>
<td>24%</td>
<td>19%</td>
<td>17%</td>
<td>25%</td>
<td>22%</td>
<td>22%</td>
<td>2%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>16%</td>
<td>17%</td>
<td>19%</td>
<td>22%</td>
<td>16%</td>
<td>14%</td>
<td>12%</td>
<td>17%</td>
<td>16%</td>
<td>14%</td>
<td>7%</td>
</tr>
<tr>
<td>USA</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>China</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Nordics</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>India</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>GCC*</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Considerations

- Which one visitor segment would be the core target for your idea?
- To which other segments could it also appeal?
- Be selective and realistic about why these segments could be more interested in your idea than other destinations and products available to them
- How might you need to flex or adapt your idea to increase its appeal to your chosen segment(s)?

*GCC countries are: Saudi Arabia, Kuwait, UAE, Qatar, Bahrain, Oman. Source: IPS 2013 - 2015.
CREATING FOCUS

2 Where are they interested in going/to do what?

The next consideration is the type of destinations and activities that will appeal to potential visitors in order to better understand whether you are focusing where currently there is significant spend, or where spend could increase in future.

Again, using a number of data sources, we have consolidated the types of destinations/activities into seven clusters. A number of research findings point to the importance of combining destinations with activities, as visitors want to understand how they will spend their time when at the destination. These seven clusters are therefore a combination of destination and activity. Each of these has been sized based on estimated current spend by overseas visitors. Understand which of these seven clusters your idea sits within, or use the thinking to refine your idea or even explore a different opportunity.

Destinations & activities – definitions and estimated current spend

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Definition</th>
<th>Estimated Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialised Tourist Experiences</td>
<td>Attractions and iconic destinations that are designed specifically to appeal to and entertain tourists, and whose reputation relies on doing so.</td>
<td>£180m</td>
</tr>
<tr>
<td>History &amp; Heritage Highlights</td>
<td>Learning about and experiencing some of England’s rich history and heritage – focused on key cities &amp; historical sites.</td>
<td>£3,630m</td>
</tr>
<tr>
<td>Experience City Life</td>
<td>Immersive urban experiences to soak up everything the city has to offer – entertainment, culture, shopping, sightseeing, food &amp; drink.</td>
<td>£3,740m</td>
</tr>
<tr>
<td>Scenery &amp; Rural Life</td>
<td>Experiencing the English countryside or coastal areas, to enjoy the scenic backdrop, meet local people and sample local food &amp; drink.</td>
<td>£1,040m</td>
</tr>
<tr>
<td>Outdoor Leisure</td>
<td>Engaging in more leisurely pursuits in the great outdoors (country &amp; coastal) such as walking, golf, boating, including tours from one location to another.</td>
<td>£430m</td>
</tr>
<tr>
<td>Action &amp; Challenge</td>
<td>Travelling to England to experience a more action-focused break, or to pursue a personal challenge such as learning a new skill or fulfilling the need for personal achievement.</td>
<td>£155m</td>
</tr>
<tr>
<td>Events: Music &amp; Sport</td>
<td>Trips to England driven by attendance of specific events such as music festivals, concerts, football, or other sporting fixtures.</td>
<td>£440m</td>
</tr>
</tbody>
</table>

There are two specific destinations/activities not mentioned overtly in these clusters but are nonetheless implicit within several of them. These are coastal areas and food and drink.

Coastal destinations are an important asset but there are several reasons for visiting these locations – from enjoying the views, to taking part in adrenaline-fuelled activities such as ‘coasteering’. Coastal destinations are therefore present in ‘Scenery & rural life’, ‘Outdoor leisure’ and ‘Action & challenge’. Understanding the motivations of potential visitors is both important and helpful when tailoring products and in understanding which target audience they are best suited to.

Similarly, ‘Food & drink’ is not pulled out overtly as an activity. Research findings show that whilst there is significant spend on eating and drinking, and a positive food and drink experience undoubtedly enhances visits to England, it is not something that currently attracts visitors in its own right. Perceptions of English food amongst overseas visitors are still somewhat based on past reputation and do not reflect the recent quality improvements, helped by the growth of local craft producers. Therefore, food & drink is implicit as a key component within ‘Scenery & rural life’ and ‘Experience city life’ but has not been identified as a key driver of increased visitor numbers in its own right.

Considerations

- Are you clear which of these destination & activity clusters your idea falls within?
- How might you refine or enhance your idea to make it fit better with one (or more) of these clusters?
Where to focus?
Combining these two factors (target audience and destination/activity) provides a helpful framework for identifying the areas that have the most potential for the Discover England Fund projects.

The below ‘heat maps’ show which combinations of targets and activities currently provide the best opportunities for growing visitor numbers and spend.

The first heat map shows for each consumer segment which type of destination/activity is more (green) or less (red) interesting. Opting to target a space currently coloured red may still be an option, but it is important to acknowledge the challenge involved in so doing. E.g. Conservative Retirees are less interested in music or sporting events, so targeting a product idea here would represent a greater challenge than a music/sporting event product aimed at Young Active Explorers, for whom this is an area of significant interest.

Heatmap of interests by visitor segment
The second heat map shows the current estimated spend by international visitors. It is intended to guide you towards the opportunities with most obvious potential based on current visitor spend. It reflects the size and spending power of the different visitor segments as well as the destinations and activities that they currently spend money on. For example, Lifestyle Travellers are a reasonably large cohort who tend to spend a lot on travel, and typically visit London to soak up the history, heritage and culture of the city – hence the dark green shading at this intersect. By contrast, Young Active Explorers have less money to spend and currently don’t spend much, if any of it enjoying the scenery and lifestyle of the English countryside – hence the red shading at this intersect.

**Heatmap of estimated current visitor spend**

<table>
<thead>
<tr>
<th>LIFESTAGE</th>
<th>Young Active Explorers</th>
<th>Outdoor Enthusiasts</th>
<th>Lifestyle Travellers</th>
<th>Cultural Adventurers</th>
<th>Mature Experience Seekers</th>
<th>Conservative Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience City Life</td>
<td>£3,740</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scenery &amp; Rural Life</td>
<td>£1,040</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor Leisure</td>
<td>£430</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action &amp; Adventure</td>
<td>£155</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Events: Music &amp; Sport</td>
<td>£440</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specialist Tourist Experiences</td>
<td>£180</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>History &amp; Heritage Highlights</td>
<td>£3,630</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Considerations**

- Does your idea target one or more ‘hot spot’ – where target and destination/activity combine?
- If not, could it be positioned against a different target or destination/activity cluster?
- Does your idea line up with the areas where current estimated spend is relative high?
- If not, do you have strong rationale for why it could still be of interest?
Opportunities of particular interest for the Discover England Fund

Not all the potential opportunities on these frameworks are of equal merit when it comes to driving interest in England, based simply on; a) our right to win – given the strength of the assets we have in this country, and b) the strength of competition from other destinations around the world. We have therefore highlighted a number of opportunity areas that should be of greater interest for the Discover England Fund.

The below framework shows the ‘hot spots’ that we believe combine an interesting market opportunity and a strong right for England to win in the broader Global context.

What makes a promising opportunity?

Recommended focus areas for years 2 & 3

TARGET SEGMENTS

<table>
<thead>
<tr>
<th>TYPE OF TRIP / DESTINATION</th>
<th>Young Active Explorers</th>
<th>Outdoor Enthusiasts</th>
<th>Lifestyle Travelers</th>
<th>Cultural Adventurers</th>
<th>Mature Experience Seekers</th>
<th>Conservative Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialist Tourist Experiences</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>History &amp; Heritage Highlights</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience City Life</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scenery &amp; Rural Life</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor Leisure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action &amp; Adventure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Events: Music &amp; Sport</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban Immersion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>History &amp; Heritage beyond London</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Plus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quintessentially English Experience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Healthy Living</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Easy Outdoor Adventures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor Adventure Hubs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gen Y Action Trips</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Each of these opportunities is explained in more detail below:

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Description</th>
<th>Target Audience</th>
<th>Why of interest?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Immersion</strong></td>
<td>Helping Gen Y visitors to soak up the best that cities have to offer in terms of heritage in an engaging way and cultural highlights eg music, nightlife, fashion</td>
<td>Young Active Explorers</td>
<td>Big opportunity to drive visits beyond London. Good fit with Northern cities. City perceptions can be tailored to the target audience.</td>
</tr>
<tr>
<td><strong>History &amp; Heritage Beyond London</strong></td>
<td>Encouraging visitors to explore the rich history &amp; heritage in cities and towns away from the capital, via day trips, 2 centre breaks, leveraging film &amp; TV locations etc.</td>
<td>Lifestyle Travellers Cultural Adventurers Mature Experience Seekers</td>
<td>A natural extension of what England is currently offering. Strong fit with England's assets.</td>
</tr>
<tr>
<td><strong>City Plus</strong></td>
<td>Making more of the hinterlands of our great cities so visitors feel compelled to venture farther afield - either for the day or for longer stays out of the city they travelled to</td>
<td>Lifestyle Travellers Mature Experience Seekers (Outdoor Enthusiasts)</td>
<td>Natural extension of current travel patterns. Chance to showcase broader range of assets - but we need to be clear about the kind of attractions / experiences that can entice visitors out of the city.</td>
</tr>
<tr>
<td><strong>Quintessentially English Experiences</strong></td>
<td>Packaging up the core of what England is all about to overseas visitors and presenting them the very best of it in an easy and joined up way</td>
<td>Lifestyle Travellers Conservative Retirees (Cultural Adventurers)</td>
<td>We have a unique right to win! Range of relevant assets - history, heritage &amp; potentially some rural elements - maybe food and drink could play a role.</td>
</tr>
<tr>
<td><strong>Natural Healthy Living</strong></td>
<td>Giving visitors the opportunity to exercise their interest in, and commitment to healthy, active lifestyles through their holiday choices</td>
<td>Outdoor Enthusiasts Lifestyle Travellers</td>
<td>An on-trend opportunity - less overtly about spas, wellbeing, yoga etc. but more about clean, wholesome, healthy living - responsibility may have a role to play.</td>
</tr>
<tr>
<td><strong>Easy Outdoor Adventures</strong></td>
<td>Combining rural scenery, food &amp; lifestyle with a sense of adventure via point-to-point tours, road trips, cycle / walking journeys etc</td>
<td>Outdoor Enthusiasts Mature Experience Seekers Cultural Adventurers</td>
<td>Resolves the issue of what to do in the countryside. Addresses the growing trend in experiences and challenges that are achievable.</td>
</tr>
<tr>
<td><strong>Outdoor Adventure Hubs</strong></td>
<td>Establishing city/town centres from which to enjoy a range of outdoor activities - from the strenuous to the more leisurely eg. Sheffield, Bristol</td>
<td>Outdoor Enthusiasts (Young Active Explorers)</td>
<td>Maximise appeal of assets that are generally only known about by domestic visitors.</td>
</tr>
<tr>
<td><strong>Gen Y Action Trips</strong></td>
<td>Attracting Gen Y visitors via their key interests of music, popular culture, sport, keep fit, technology and connecting with like-minded people</td>
<td>Young Active Explorers (Cultural Adventurers)</td>
<td>An interesting target audience - high potential lifetime value. Feels like a strong right to win &amp; potential to stretch beyond London.</td>
</tr>
</tbody>
</table>

**Considerations**

- How do these focus areas change the way in which you may approach your idea?
- With which of these focus areas does your idea best fit?
- How would you tailor the idea to make it better fit the focus area you think has most potential?
- How can you make your idea better or different to the other destinations or products that compete in the focus area you have chosen? What do think would be your Unique Selling Point (USP)?
Once you have created focus for your product ideas, the challenge is to maximise the appeal and impact of the idea. This requires consideration of the needs and barriers of the target audience, and understanding how these will be addressed by the product.

A key step in any product development process is being clear which needs the new product is targeting. Understanding whether there is a genuine need and if so, what it is, helps with developing and refining ideas.

There is a relatively small number of macro needs that are experienced by target visitors. Again, from several pieces of previous research, we have identified nine commonly experienced needs that span the different visitor segments.

These are outlined below:

### Nine commonly experienced visit needs

<table>
<thead>
<tr>
<th>Simplification</th>
<th>Experience Enhancement</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Making visits easier and more convenient for travellers</td>
<td>Providing visitors with an enhanced, more enjoyable experience that makes the trip truly fulfilling</td>
<td>Providing visitors the opportunity to feel a sense of achievement through tackling a challenge - no matter how small - or trying something new</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bespoke / Tailoring</th>
<th>Status</th>
<th>Learning / Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing visitors / agents the ability to tailor aspects of trips to the specific preferences of individuals</td>
<td>Helping to give visitors a sense of desired status through their choice of trip / activity / accommodation</td>
<td>Satisfying visitors’ desires to learn, acquire a skill, broaden their horizons and be left with a legacy from their trip</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Connection / Social</th>
<th>Luxury</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helping visitors to connect with English people and their way of life, whether urban, rural, historic etc.</td>
<td>Delivering high perceived value, high discernment experiences – can be ultra-luxury for HNWIs or more ‘mass-tige’ for wider audience</td>
<td>Travelling with a conscience and minimising the impact on the immediate and broader environment</td>
</tr>
</tbody>
</table>

### Considerations

- Based on the target audience(s) you believe most important for your product idea, consider:
- Which of these needs are you intending to satisfy?
- How could you optimise your product idea to better meet these needs?
- Is it possible to address several needs in order to increase appeal? How?
There are valid reasons why potential visitors are not currently choosing to visit England, and why current visitors do not come more often or spend more whilst they are here. To deliver on the Discover England Fund objectives, it is important for projects to have the potential to overcome one or more of these barriers. We have identified five types of barrier - see below:

**Considerations**

- Which of these barriers do you think will be the most important to address for your idea?
- What could you plan on doing or exploring during the development process to help address these barriers and give your idea the best chance of success?
Strengthening your applications

These simple tools and prompts are intended to help improve the quality of your expression of interest and subsequent funding application. Focusing your product idea in the areas with most potential and ensuring the idea takes into consideration the visitors’ desired benefits, and the barriers they will experience will improve your chances of successes.

However, it is important to also bear in mind that we need ideas to generate greater interest in England more broadly – not increase visits and spend in one particular location/destination. Your product idea must be scaled across a broad geography or nationally through a thematic approach to maximise its impact. This will require large-scale collaboration across Destination Organisations, key partners and asset owners.

Checklist

To recap, ensure you have considered:

The 7 step NPD framework and the implications for your idea beyond just the first steps.

Creating focus:

• Who is the target audience for the idea?
• Where are they interested in going / to do what?

Maximising impact:

• What benefit(s) will it deliver for visitors?
• Which barriers will it overcome for visitors?

Creating scale:

• How will the idea drive interest across a broader geographic footprint in England?
• How can you broaden geographic appeal via a thematic approach?

Please refer to www.discoverenglandfund.org for detailed guidance on applying to Round 2.
Please review this guidance before submitting your Expression of Interest.
This pdf can be downloaded at www.discoverenglandfund.org
For VisitBritain and VisitEngland data and information sources see www.visitbritain.org/england-research-insights