

Orkney Tourism Strategy 2020-2030

A strategy for sustainable tourism

Reviewed 29.08.2022





Ring of Brodgar, Stenness

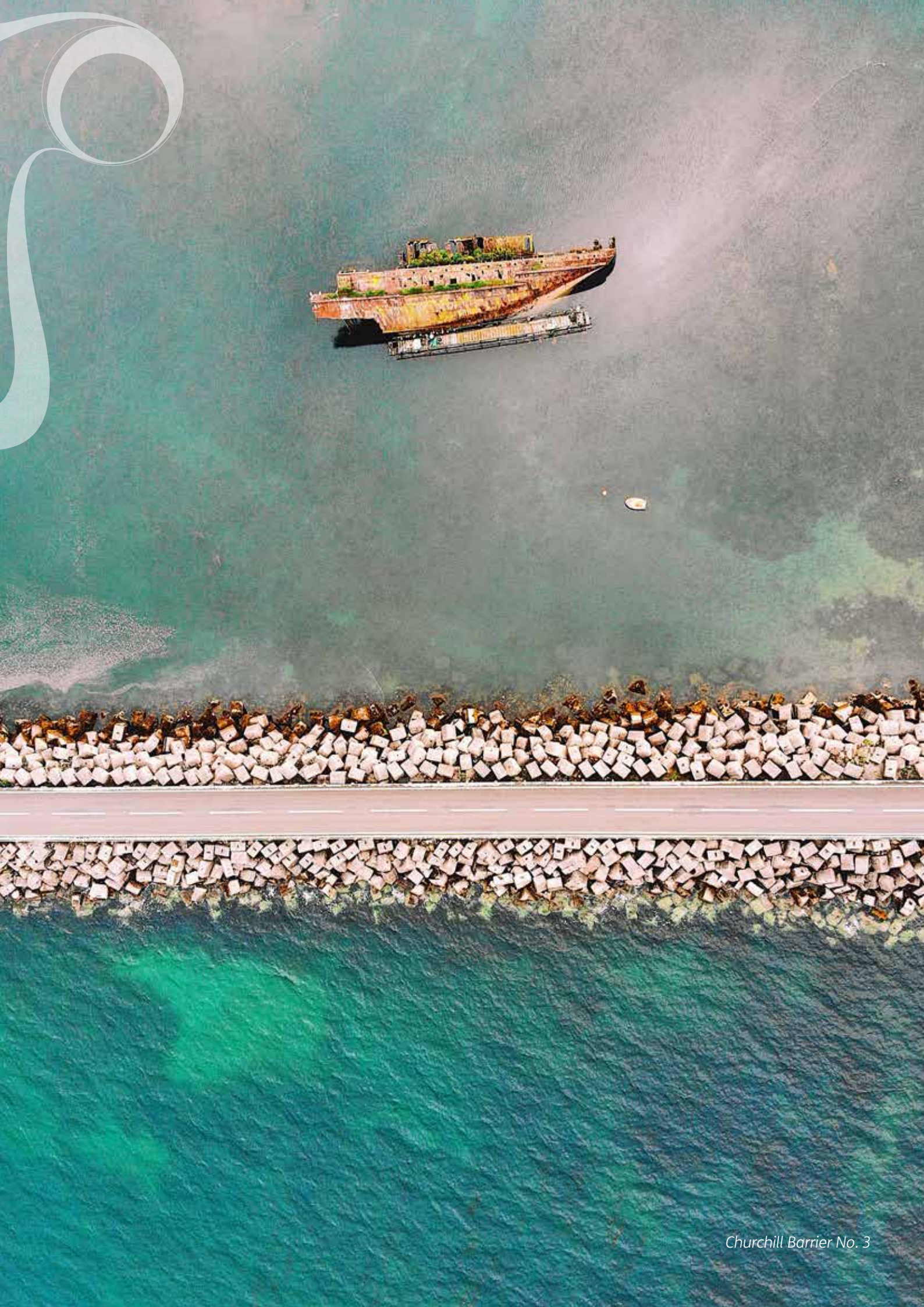




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1. Executive summary

Orkney's Tourism Strategy has been prepared under the auspices of the Destination Orkney Partnership which comprises:

- Destination Orkney Ltd, representing members of the tourism industry
- Orkney Islands Council
- VisitScotland
- Highlands and Islands Enterprise
- Historic Environment Scotland

Tourism is a key component of Orkney's economy and one which continues to grow in importance in terms of the creation of income and jobs in the islands. Whilst creating further opportunities, the rapid growth in visitor numbers also poses significant management challenges. The strategy recognises that it is vital that we protect and conserve the integrity of the Orkney environment and our local culture.

The Tourism Strategy provides a framework for how we will work together to achieve our shared ambitions for responsible tourism in Orkney. It sets the scene for Destination Management and Destination Marketing plans and will help to channel resource and effort as we work to support Orkney to develop into a world-class sustainable destination.

Our vision is:

By 2030, Orkney will be a world-class sustainable destination enriching the lives of its people and visitors.

The objectives of the strategy are:

- Grow the prosperity of the islands through responsible tourism
- Responsibly manage visitor numbers to protect sites and improve the quality of experience for visitors and residents
- Develop the tourism resource and infrastructure that meets current and future demand
- All communities benefit from tourism and visitors enjoy a broader experience
- Mitigate climate change impacts of and on tourism

Three overarching principles must also guide all tourism-related planning and management decisions: (a) a 'cross-islands' approach should be adopted; (b) all tourism development is underpinned by sustainability considerations, including climate action, assessment of environmental impacts, social inclusion, and natural and cultural heritage preservation; all decisions will be evidence-based and informed by community and stakeholder engagement.



2. Introduction

Why do we need a strategy for sustainable tourism?

Orkney's tourism industry has been growing steadily and successfully over the past two decades. While growth generates income, creates jobs and encourages developments that can benefit the whole community, it also creates challenges in terms of capacity, facilities, maintaining a quality product and protecting the environment. Therefore, a responsible and co-ordinated management response is required.

Emeritus Professor Harold Goodwin, who, as one of the leaders of a global movement towards responsible tourism, was the guest speaker at the 2017 Orkney Tourism Summit, writes in his influential book *Responsible Tourism*: “*Tourism can help create better places for people to live in and for people to visit. However, this outcome can only be achieved if tourism is managed for that purpose.*”

At the 2017 Orkney Tourism Summit Professor Goodwin summarised this even more succinctly – **we either use tourism or we are used by it.**

The Orkney Tourism Strategy is therefore about sustainably and responsibly developing the sector: through aspiration and action, balancing the needs of visitors, our community and the tourism industry and by adopting the principle of ‘shared value’ - where the competitiveness of tourism and the health of the communities around it are mutually dependent

The strategy has drawn on a range of previous documents, partner strategies, and formal and informal consultations and discussions. Importantly it draws on a significant contribution from industry operators. The strategy will inform and influence other key policy documents, plans and strategies.



3. Why tourism matters to Orkney

Tourism is vital to the prosperity of Orkney's communities, businesses and economy. It creates and sustains businesses and jobs and generated more than £67 million of visitor spend in 2019 (Orkney Islands Visitor Survey 2019).

Visitors buy local products and services and many of them retain that loyalty long after their visit, seeking out Orkney produce such as food, drinks and crafts for purchase elsewhere or online. Some visitors return to Orkney several times, seeking new experiences; some even make a more permanent move to live here.

Tourism provides opportunities for young people. Experience in hospitality provides skills that are relevant whichever career path young people decide to follow.

Tourism helps sustain the events and festivals which we all enjoy throughout the year, and many of the places we like to visit. It enriches our cultural and social lives.

Tourism helps sustain our transport infrastructure, ensuring a wider variety of routes, more frequent services and lower fares.

Tourism's success and positive media profile helps convey affirmative messages regarding Orkney being a good place to buy from, invest in, study in and live, as well as visit.

Our sense of community pride ensures that visitors enjoy their experience of Orkney.

Tourism helps support a compelling brand for the islands which creates opportunities for other sectors, notably crafts and food and drink but it is also critical in attracting investment and attracting talent.

While these are the many benefits of a strong tourism industry, tourism and its stakeholders have a responsibility to enhance the economic and socio-cultural well-being of local communities, and to safeguard the natural, cultural and historic environment.



Inter-Island Flight, Kirkwall Airport

4. Where are we now?

Tourism is a key component of Orkney's economy. Data suggests that in 2019, Orkney attracted approximately 394,000 visitors, a figure which includes cruise passengers (132,000) and crew (circa 50,000), as well as approximately 28,000 other day visitors. Taken together, tourism spend is estimated at over £67m per annum in 2019.

The majority of our overnight visitors are UK residents (42% Scotland; 29% rest of UK) whilst a smaller percentage are what VisitScotland refers to in its research as 'near neighbours' (i.e., Europe) and 'distant cousins' (which includes North America). These represent high-spending growth markets for much of Scotland while domestic markets are largely static. In 2019, 61% of our visitors were male and 72% were aged 45 or over, primarily 55-64, which suggests opportunities to develop tourism in a younger age group while continuing to serve this age group well. Our visitors stayed on average 6.7 nights with the majority planning their trip between 3 and 6 months before travel.

Visitors are largely concentrated in the summer months from May-September, with a peak in July and August, resulting in pressures on visitor sites and facilities.

The most popular attractions were:

- Ring of Brodgar
- Skara Brae & Skail House
- St Magnus Cathedral
- Italian Chapel
- Public museums/heritage centres
- Bishop's and Earl's Palaces

The key reasons for visiting Orkney cited by Leisure visitors were the scenery and landscape (62%) and the history and culture (57%). Over half (56%) stated that they had 'always wanted' to visit Orkney. Archaeology and specific attractions were also key reasons for visiting being mentioned by around one third of Leisure visitor respondents to the 2019 survey.



Skara Brae, Sandwick



Since 2019 we have experienced the impact of Covid that saw Orkney's tourism visitor numbers decimated and the international market disappear. Both are returning and at the time of writing, halfway through 2022, visitor numbers and forward bookings are reportedly 'as good as 2019'.

The expectation is that annual visitor numbers will continue to increase, with cruise bookings for 2023 in excess of 2022. However, other macro factors are yet to play out including Brexit, regulatory changes such as Short Term Let licensing; staff shortages affecting flight numbers, curtailed opening hours and service provision; rising energy and wage costs; and a predicted financial squeeze that could seriously impact disposable income. It makes for uncertain times ahead.

VisitScotland's latest consumer sentiment work (July 22 Consumer Sentiment Tracker) that shows the top four barriers for domestic trips for Summer 2022 were: 1. Rising costs of living (33%), 2. Personal finances (30%), 3. The costs of fuel (26%) 4. Perceived price of holidays.

Looking at the supply side of tourism, pre Covid there had been an increase in accommodation providers (including Airbnb), and in visitor attractions and facilities. A level of investment in existing and new businesses continues, but has not returned to pre-Covid levels. Confidence being impacted by market uncertainty.

Although recent rates of annual growth may not necessarily be matched in future years - and we should note we are facing the most turbulent and uncertain times in decades - there is increasing concern that unlimited growth in visitors is likely to be ultimately unsustainable for Orkney. Whilst further growth may still be possible, it is important to ensure that this growth is managed, and that the infrastructure and services necessary to accommodate that growth is achieved. Day visitors in particular create capacity issues at times which the existing infrastructure is not fully able to support. This has the potential to negatively impact not only the visitor experience, particularly of the independent traveller, but also at times, the day to day lives of local people. Orkney seeks to welcome all visitor categories and although it recognises a higher economic value from the independent visitor spend, the future of a successfully managed destination needs to be one of an optimal balance to ensure long-term viability, quality and sustainability.

Orkney has many sites of national and international importance that will require careful monitoring, management and investment if they are to be preserved for future generations to enjoy.



5. Industry trends

Pre-Covid there had been continuing growth in international markets into Scotland, and improved connectivity into the Highlands. This would suggest a need to maintain relationships with key EU markets and to build capability in the industry to exploit international markets.

Recent years have seen a changing holiday accommodation mix – growth in Airbnb, part-week lets, both of which may be affected by new licensing regulations for short-term lets. We have seen a slight increase in the use of online booking engines, as well as an increase in camping and caravanning.

There is reportedly a visitor trend towards shorter breaks, with consumers seeking authentic experiences and active holidays with opportunities to learn new things, meet new people and get a real understanding of the host communities they visit.

There is growing interest in ‘itinerary travel’, such as the North Coast 500 touring route, with visitors seeking the freedom of independent travel but enjoying an experience framework that has been created for them.

There is increasing awareness of climate change, pollution and the environmental impacts of tourism, with visitors seeking to act in consciously responsible ways. In the widest sense, the trend towards ‘wellbeing’ continues.

There is some evidence that Scotland’s traditionally older demographic is changing, with younger people having more leisure time and money to spend. Intergenerational travel, including grandparents/grandchildren travelling to share experiences, is becoming more common.

There is some evidence that business travellers are becoming more open to combining leisure experiences with business activity.

Ancestral research and ancestral tourism remain popular in Orkney, attracting visitors from the US, Canada and Australia to explore their ancestry in person as well as online, and quite literally to walk in the footsteps of their ancestors.

Digital technologies have become all-pervasive, with smart phones and tablets carried everywhere. Visitors expect to be able to access information on the move and use social media to share their experiences in real time with friends. Visitors expect to be able to make bookings online, with some making online book-ability a determining factor when making holiday decisions. This is an area where Orkney has historically not performed well.

On the other hand, there is part of the market which, while appreciating the benefit of digital connectivity, values the opportunity to switch off as well.

Source of trends info: VisitScotland





St Magnus Cathedral, Kirkwall

6. Where do we want to be?

Orkney must reap the benefits of ongoing growth in visitor numbers but this must be done in a responsible, sustainable way which benefits the whole community. Orkney should have the solutions to emerging worldwide 'over-tourism' concerns, leading by example, keeping quality and customer satisfaction levels high across the sector, protecting the environment that draws people here, and never being 'used by tourism'.

Specifically, with the tourism carrying capacity of Orkney very much in mind, active destination management will ensure that resources are protected and visitors get the best possible experience of Orkney both in the main season and in the shoulder months.

We have deliberately adopted a short timescale requiring partners to be ambitious and focused, given the increasing concerns about the impact of tourism, particularly in light of its continuing rate of growth.

Here we imagine the outcomes of Orkney's new tourism development effort.

Our vision is:

that by 2030, Orkney will be a world-class sustainable destination enriching the lives of its people and visitors



Stromness waterfront

... In 2030

Booking a holiday to Orkney will be straightforward and simple, with the right visitor information being provided at the right time and place, and travel within Orkney offering integrated options. In-destination visitor information will be consistent, coherent and inspirational, encouraging visitors to do more and purchase more products and services. Holidaymakers will consider visiting the inner and outer islands an essential part of their Orkney experience and find it easy and affordable to visit the island(s) of their choice.

Destination marketing will be based on a strong, universally-used brand. Orkney's distinctive culture and heritage will be central to marketing activity with a vibrant calendar of events and festivals all year round. Visitors will be motivated to enjoy our natural environment and will understand Orkney's commitment to sustainable tourism in every season. Orkney's food and drink, and the creativity of its people, will continue to be integral parts of the authentic Orkney experience.

Cruise ships and other day visitors will continue to visit Orkney and should be welcomed, served by a world-class infrastructure, attracted by well-managed sites and by a variety of themed itineraries attracting new and repeat visitors. Day visitors will be inspired to return for longer visits and to become online customers of our products. Orkney will have an enviable reputation as an accessible and welcoming tourism destination which caters for every visitor.

Using its world-leading renewable energy credentials, Orkney will increasingly be seen as a 'green' destination, prioritising low carbon initiatives and minimising negative environmental impacts.

Tourism spend will increase through improved, well-managed product offerings. If a widespread consultation exercise were to find support for a tourism levy, there could be additional revenue for reinvestment in the tourism offering.

A career in tourism will be a popular choice with Orkney's young people, and business support will be offered to new and growing businesses to help them succeed.

Digital technologies will be used extensively and creatively in support of tourism. Everyone involved in tourism will strive to continually improve the quality of products and services, and the overall quality of our visitors' experience of Orkney through improved use of digital technologies and data.

The Orkney community will be involved in shaping the future of tourism and its delivery and will value tourism as a positive force that enhances their quality of life. The Destination Orkney Partnership will be effective, appropriately resourced and have a 'virtual team' approach based around a shared ambition for tourism.

Through the DO partnership, industry will have a vital voice which will provide a barometer through which the partnership will know if the tourism strategy is working for Orkney and will be able to recognise success as well as gaps or areas for increasing action.





Maeshowe, Stenness

7. How will we get there?

Our sustainable Tourism Strategy is formulated under 5 key strategic objectives:

- Grow the prosperity of the islands through responsible tourism
- Responsibly manage visitor numbers to protect sites and improve the quality of experience for visitors and residents
- Develop the tourism resource and infrastructure that meets current and future demand
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Three overarching principles must also guide all tourism-related planning and management decisions: (a) a 'cross-islands' approach should be adopted; (b) all tourism development is underpinned by sustainability considerations, including climate action, assessment of environmental impacts, social inclusion, and natural and cultural heritage preservation; all decisions will be evidence-based and informed by community and stakeholder engagement.

A commitment to well-planned, timed action plans will increase the chance that we can meet these objectives and achieve the Orkney tourism strategy vision.

We will work to clear, timed action plans which cover the following:

The Destination Management Plan will address:

- Tourism carrying capacity
- Seasonality
- Visitor dispersal
- Management of sites
- Minimising negative environmental impacts
- Accessibility and sustainability
- Training and education
- Stakeholder engagement
- Visitor behaviour
- Investment in assets and infrastructure

The Destination Marketing Plan will direct:

- Product development
- Market development
- Digital marketing
- Visitor engagement
- Local understanding of tourism



8. Destination Management Plan: actions and monitoring

This strategy sets the scene for longer-term Destination marketing planning and the Orkney Destination Management Plan (DMP) being developed by partners. The strategic objectives outlined above will therefore continue to direct the development of DMP action themes and the specific actions required to meet the strategy's objectives. The DMP will be used by all the partners as a framework for action with all having recognised areas of responsibility.

The DMP describes the commitment made by the Destination Orkney partner organisation to work together as well as defining roles, responsibilities that are required to deliver the agreed, prioritised and defined actions.

Destination Orkney (Ltd) will take a lead role in measuring progress, encouraging activities to move the strategy forward and help identify any barriers which risk preventing progress.

The Strategic Partnership will meet biannually to discuss progress and will report annually on updates to the strategy and action plan.



Standing Stones, Stenness



Italian Chapel, Lamb Holm

Conclusion

The Orkney Tourism Strategy 2020-30 builds on the work done over many years to grow tourism into one of Orkney's most important industries. The industry touches everyone's lives either directly or indirectly, and we are committed to acting responsibly to develop its potential to bring sustainable benefits to visitors and businesses in a way that improves the lives of our community.



Appendix

SWOT analysis

Strengths	Weaknesses
Growing visitor numbers Growing business numbers Increase in accommodation Quality and quantity of visitor attractions Number of new visitor attractions Archaeology and UNESCO World Heritage Unique heritage Archipelago Landscapes and seascapes Marine environment Nature and the environment High quality food & drink offer High quality craft product Globally recognised renewable energy sector Booking engines/digital Orkney.com AirBnB Strong town centre offerings Get away from it all potential Good air and sea links Warmth of local welcome/ local people Cross sectoral collaboration	Critical lack of hospitality staff Short season Lack of online booking in accommodation sector Viability of businesses that are only busy for a few months Inconsistent information Lack of vehicular capacity on ferries for islands travel Lack of product on outer islands/or lack of information about these Lack of appropriate visitor facilities in some areas Cost of inter-island travel Concern amongst local people that industry is growing too fast Lack of young people/families visiting Growth in lower spending visitors Few indoor attractions Lack of product geared for younger/family market Public transport Digital connectivity Deficit of appropriately serviced touring sites
Opportunities	Threats
Increasing overnight visitor numbers and return visits Increasing spend per head Extension of season Extension of day (night time economy) Dispersal of visitors Online booking Touring destination - North Coast 500 RET impact Tourism levy Destination management New markets Niche markets Expanding business tourism Industry engagement and investment Product development (adventure, active travel, wellbeing, marine tourism) Themed years Leveraging online retail opportunity to visitors who have left	Growing visitor numbers Unlimited volume tourism Political uncertainty Competition from other areas Increasing travel costs Degradation of visitor attractions Tourism levy Climate change concerns – people may choose to travel less Lack of investment funding RET impact AirBnB impact Environmental impact of tourism Economic uncertainty Return of Covid/other health restrictions Staff shortages



Summary of SWOT Analysis

The number of strengths and opportunities demonstrate Orkney's enviable position in the tourism market. The tourism product is impressive. There is no shortage of things to see and do; the limitations are the physical size of Orkney, the size of its working population, and the ability of its visitor attractions to manage and local people to welcome increasing visitor numbers. To embrace growth there is a clear necessity to both temporally and geographically disperse visitors to less visited attractions and areas.

There is a balance to be struck between maximising the opportunity of existing assets and infrastructure and the need to protect our natural and cultural heritage as well as Islanders' quality of life. Provided growth is carefully considered and managed, Orkney will continue to provide a quality experience for visitors and offer the warm welcome for which our destination is renowned, while continuing to be a place where people want to live.



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