

Visitor Payback – Looking at the Realities Behind the Success Stories

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Visitor Payback Schemes can help to protect attractive landscapes from degradation

Introduction

For many visitors to Britain's countryside the perception of the landscape as a consumer good provided free of charge is one that fits neatly in the box labelled 'rural myths'.

Whilst the Foot and Mouth outbreak has caused widespread suffering, one of the silver linings has been the increased awareness of the complex interrelationships of the countryside. Not only has the value of rural tourism achieved a profile previously unthinkable, its reliance on the environment has been brought sharply into focus, along with a more subtle realisation: that the 'unspoilt natural landscape' promoted in brochures is one resulting from economic activity that does not simply 'look after itself'. The extent to which this new found awareness will be retained is, however, debatable. As well as memories fading, it should be recognised that, for many, the romantic image of a natural, self-maintaining landscape is central to the

appeal of visiting – a key element of the 'escape' from a world where everything is clearly manufactured and has a price.

What is Visitor Payback and Why does it Appeal?

The concept of visitor payback is centred on 'valuing' the destination. It seeks to convert the emotive value that visitors place on their destination area into a literal financial value. It is based on making connections. Connecting those charged with conserving the features that attract visitors to the visitors who enjoy them. Linking these two groups are often the tourism businesses, who both rely on the environment as their key product and have the face-to-face contact with the visitors.

Visitor payback is the term that has come to be used to describe the connecting mechanism, traditionally focussing on visitors making voluntary donations to projects looking after the area they are visiting. On the face of it, a simple concept, and one that holds significant appeal.

A significant source of funding – visitor expenditure in the English countryside was over £11.5 billion in 1998, yet little of that expenditure would have found its way to projects conserving it. By tapping into just a fraction of that expenditure, through converting an emotive into a literal valuing, 'countryside managers' could, in theory, solve many of their funding shortages. This potential was highlighted in the promotional leaflet for the Peak District scheme; "...if every visitor gave just 50p, over £10million each year would be raised to help carry out conservation projects".

Direct connections between donator and beneficiary project – whilst business and property taxes on tourism businesses do generate revenue from

visitors, these will generally be pooled in a global budget. By contrast, visitor payback offers a direct connection, even to the extent that donations made in a business will go to one specified project (e.g. a nearby footpath). This provides greater confidence to the potential donator that their contribution will make a tangible difference, fuelling the feel-good factor of having made a contribution to 'keep the area special'. For the business acting as the 'middle-man' in collecting donations, there is also an enhanced sense of connection to the 'resources' on which its appeal depends, and the opportunity to develop a competitive edge in projecting a caring image to its customers.

A palatable revenue raiser – whilst 'bed' or 'tourist' taxes are well-established in many countries, their implementation can create hostility amongst tourist businesses (the recent case in the Balearics being a case in point) and alienation in price-sensitive market sectors. Nonetheless, a considerable proportion of the tourism section within the Rural White Paper is dedicated to the debate of 'tourist charges', before recommending a voluntary rather than compulsory approach. The White Paper's rationale that "introducing new legislation...could be complex and burdensome", only scratches the surface of the arguments against compulsory taxes. The voluntary approach offers a potential win-win situation, as it prevents alienation amongst those not wishing to participate whilst enabling business and visitors who do contribute to experience the 'feel good' factor that would be absent in a compulsory scheme.

Given these alluring benefits, and case studies of self-catering agencies raising £45,000 over seven years to sponsor a footpath repair worker in the Lakes, it is not surprising that interest in visitor payback has grown significantly over the last five years. As a result of the interest shown by a number of the region's AONB projects, the East of England Tourist Board (EETB) secured funding to act as a facilitator in the development of visitor payback. The core element of this role has been the provision of research to provide potential schemes with the strongest possible foundation on which to build. Along with

visitor and business surveys in the relevant areas, a comprehensive review of existing schemes was carried out.

The Reality of Experience

As with many aspects of sustainable tourism, there is a danger in looking at a glossy case study in a best practice publication and expecting that the implementation of a similar initiative in your own area would see the benefits replicated. Visitor payback has possibly been viewed in this way with examples of good practice obscuring the difficulties experienced by even the most successful schemes. In reality, success on the ground has been much more patchy, with a number of pitfalls to negotiate if a scheme is to work effectively and prove sustainable.

Great Expectations

From EETB's study of existing schemes it would seem that much of the success of a scheme is determined in the early stages. There is a very real danger that the alluring benefits of payback, combined with favourable responses from superficial visitor surveys, can provide sufficient evidence alone to warrant the establishment of a scheme. In fact, some searching questions need to be asked.

Does the area have a sufficiently strong identity? Is there sufficient awareness, amongst visitors and businesses, of tourism's connection with the environment, to generate participation? Is the sole motivation behind a scheme to find a new source of revenue? Have the financial and staffing requirements of operating and sustaining a payback scheme been fully considered? Do the resources and enthusiasm exist to meet them? What is the extent of existing contact with the tourism industry? Has core funding been secured to cover the majority of administrative costs to allow donation income to be devoted solely to projects?

One message that emerges clearly from the experience of existing schemes is that payback is not something that can be entered into lightly.

Donation Methods

A critical area in the effectiveness of schemes relates to the methods used to collect donations. Tourism businesses are traditionally viewed as providing the main collection point but securing their participation frequently proves to be a difficult and time-consuming process. The fragmented nature of the rural tourism industry, made up predominately of micro-businesses, often competing primarily on price at the margins of profitability, provides the scheme operator with a considerable challenge. As anyone who has attempted to engage such businesses in 'green business practice' will know, beyond the handful of enthusiasts prepared to participate purely on altruistic grounds, converting the generally good intentions of the majority of businesses into action is extremely difficult, even when financial savings are involved.

To present such businesses with a scheme that could, on the face of it, put their prices up, and expect an enthusiastic response is unrealistic. The majority of businesses will need some convincing that participation will deliver tangible image and marketing benefits, be simple to administer, and, most importantly, will provoke a positive response from their customers. It is not surprising that in such a scenario the proportion of businesses persuaded to participate is generally limited and even then the majority find donation boxes more palatable than opt-out supplements on bills. The irony is that those businesses that do use an opt-out levy receive praise and participation from visitors, whilst those with donation boxes tend to find that they attract more dust than donations. This is where the benefit of having 'ambassador' businesses cannot be underestimated as there is no voice more convincing to a tourism business than one of their peers.

If a scheme operator can make use of 'ambassadors', combine it with clear information on the practicalities of handling donations, and offer the business tangible image and marketing benefits (though prominence in key marketing literature, or on a high profile website, for example), then the gap between visitor and business enthusiasm is likely to

be reduced. The experience of existing schemes also shows that looking to a wide range of donation opportunities, such as fundraising days and corporate sponsorship from large businesses connected to the area, can prove to be as important a source of income as the more 'traditional' methods associated with payback.

Administering a Scheme

Given the level of negotiation required with a large number of small businesses, the need to accompany it with the development of other sources of income, never mind the administration and dispersal of funds and publicity work, it is not surprising that payback proves to be an extremely labour intensive activity.

This is the crunch issue. Compared with other fundraising methods, payback tends to raise relatively small sums of money and therefore relies on significant funding to cover the administrative costs so that donations can be devoted to beneficiary projects. Working from within an existing organisation, having strong contacts with tourism businesses prior to the scheme, and securing the participation of some large tourism businesses from the outset, all eases a scheme's establishment, but even in the best-case scenario significant support will be required. If this is covered by a time-limited source, such as European funding, then there is an inevitable danger that the scheme will prove unsustainable. Likewise, if revenue generation is the sole motivation in starting a scheme then disappointment is inevitable. It is increasingly accepted that other motivations, such as developing partnership between the tourism industry and conservation bodies, improving resident attitudes towards visitor impact, and using payback as part of other initiatives encouraging tourism businesses to act in an environmentally sustainable manner, are required to justify the time and effort.

Visitor Willingness

Given the above scenario it is understandable that attention has focussed on securing participation from businesses and ensuring that the scheme remains sustainable. Visitors' willingness to participate has

been taken as read, providing there is sufficient publicity and opportunities to contribute (although not relying too much on donation boxes in tourism businesses). Whilst this has some justification, such as the high participation rates in opt-out levies, EETB's research shows some cause for concern. Existing schemes were generally preceded by visitor surveys, but the depth of these surveys was relatively limited with the high percentage responding positively to a general question regarding willingness to make a donation taken as sufficient backing. Little analysis of potential variations appears to have been carried out, whether between day and staying visitors (and the views of residents), different locations, or even different donation methods.

When these factors were incorporated into the visitor surveys carried out by EETB significant variations were found to exist in all three aspects. For example, whilst staying visitors had the greatest willingness to contribute, the proportion of local residents stating that they would definitely make a donation exceeded the proportion of day visitors. There were significant variations between destinations attracting different types of visitor, and the willingness to make a donation on a product, as opposed to an overnight stay or meal, was extremely high, all of which points to a need for more focussed targeting of visitors.

Another more concerning result was that the level of willingness to make a contribution was significantly lower than had been indicated by previous surveys. Whilst this may have been due to the deliberately searching nature of the questions, one reason that emerged, unprompted by a specific question in the survey, was that visitors felt that they were already paying excessive prices for tourism services. It would appear that visitors' perception of whether they are receiving value for money during their stay has a significant impact on their willingness to make a voluntary donation. As the national political arena is increasingly dominated by discussions of stealth taxes, it is possible that visitor payback could be perceived by the visitor as being an example of such despite its voluntary basis. This has serious ramifications for suggestions as to whether a

nationwide payback scheme should be developed. It may well be the case that, whilst raising the profile of visitor payback nationally would assist local schemes, as visitors come to see it as a natural part of their holiday, anything resembling a national scheme could be counterproductive.

Conclusions

Visitor payback clearly offers much potential, and it is not surprising that interest in its development has significantly grown. However, realising that potential has proved to be a much greater challenge than is sometimes portrayed by snapshot case studies. The sustained success of a scheme appears to be largely determined in the early stages with the right motivations, resources and research being essential. It is not something that can be done on a whim. As many areas around the country look at the possibility of developing their own schemes it is essential that lessons are learnt from the pioneer schemes, ensuring that development is established on the basis of realities, not assumptions.

References

Department of the Environment, Transport and the Regions (2000) "The Rural White Paper. Our Countryside: The Future. A Fair Deal for Rural England", Stationary Office, London.

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The Countryside Recreation Network is organising a workshop on Visitor Payback Schemes for the autumn 2001. Contact CRN on 029 2087 4970 if you are interested in receiving details of this event or visit the CRN website: www.CountrysideRecreation.org.uk.