



Invitation to Tender

Optimising all inclusive customer spend in the Paphos economy

Cyprus Destination Partnership

In 2010 The Travel Foundation, Cyprus Sustainable Tourism Initiative (CSTI) and the Cyprus Tourism Organisation (CTO) entered into a partnership agreement to establish a programme of initiatives to support the destination in becoming a leader in sustainable tourism, ensuring maximum economic benefits to local people, conserving and enhancing the natural environment and promoting local culture and heritage. As part of this programme the partnership is scoping a project to optimize AI customer spend in the Paphos economy.

The Partners

The Travel Foundation

The Travel Foundation (TF) is an independent UK charity, set up through partnership between the outbound tourism industry, government and non-governmental organisations (NGOs) in the UK.

The Foundation aims to ensure that tourism from the UK gives a greater benefit to the people, environment and economy in destination countries. Set up in 2003, we have worked in 19 countries, implementing sustainable tourism projects, as well as developing a number of tools and training materials to support the travel industry in developing best practice.

Cyprus Sustainable Tourism Initiative (CSTI)

CSTI is an independent non-profit organisation registered with the Cypriot Charity Commission. CSTI aims to harness tourism demand with the supply of tourism resources to develop a sustainable approach to tourism in Cyprus.

Cyprus Tourism Organisation (CTO)

CTO is the official tourism body in Cyprus.



Background and purpose

In 2012 the Travel Foundation commissioned research into the contribution of the hotel sector in Cyprus resorts to the local economy: in particular, the extent to which it was influenced by the following factors.

- The star rating/quality of the hotel
- Its board status –AI, BB, FB etc
- Size of the hotel
- Its location
- The nature of the surrounding small businesses
- The ownership/management structure
- Whether it's part of a chain or not
- Contractual terms with the management agency/tour operator

One of the findings from the research was that tourists staying in Paphos spent 50% less than those staying in Ayia Napa and 25% less than those staying in Protaras, despite the mix of board bases and hotel star ratings being consistent across the samples. Although age range was considered to be one of the influencing factors (Paphos attracts a slightly older age group), as was the geography of the resort (being more spread-out), the quality of the hotels in relation to the surrounding businesses was also significant. A number of tourists reported the lack of appealing shops, restaurants and activities as being factors that limited their spend outside of the hotels. Equally, some hotels in Paphos have undertaken significant re-fits, raising the quality of the 'offer' to a very high standard and creating an environment that is simply 'too good to leave'. The findings of this research echoes concerns from small businesses that tourists are both leaving the hotels less and spending less locally.

In partnership with the CTO (Cyprus Tourism Organisation) and CSTI (Cyprus Sustainable Tourism Initiative), the Travel Foundation is proposing to develop and implement new initiatives that will stimulate greater tourist spend within the local economy; increasing customer satisfaction with the holiday experience, encouraging repeat visits and helping to ensure the long term sustainability of Paphos as a holiday destination. The focus will be on hotels with an all-inclusive offer since they comprise the majority of bed spaces in Paphos.



The brief

The Travel Foundation is inviting tenders from consultant(s) to deliver phase one of this project: to research and scope what these initiatives might look like, where they could be piloted, who should be involved and how they could be implemented.

The research should include the following:-

- a) A literature review of any initiatives to encourage greater consumer spend locally implemented in other destinations, including challenges, successes and lessons learned
- b) An analysis of initiatives undertaken in Paphos and other Cyprus resorts that encourage tourist spend locally; to include activities by hotels, tour operators and other tourism organisations, and their levels of success.
- c) Stakeholder consultation to assess the receptiveness of different businesses and organisations towards this project and to gain ideas on what types of initiatives might have the best chance of success.
- d) The identification of a business cluster (to include hotels, restaurants, bars and shops) with whom the initiatives could be piloted. We envisage that the greatest challenge will be that many businesses in the cluster groups may want to get involved but simply not have the capital available to make changes given the current economic situation. In view of this we expect possible solutions to be suggested/scoped as part of phase one.
- e) Engagement of those businesses to ensure commitment to phase two of this project.
- f) Recommendations on the types of initiatives that could be implemented and the level and type of support that would be required in terms of cost, capacity building etc.

Potential initiatives to be explored

- Incentives – voucher system that allows the AI customer to ‘swap’ one or more of their hotel meals with a local restaurant meal, discount vouchers for local businesses, loyalty schemes etc.
- Promotional/marketing activities – guides to local eating & shopping, self-guides walking tours, ‘eat local, buy local’ campaign, themed events etc.
- Training and capacity building – workshops with local businesses on market demand and support with product development, local ‘ambassadors’ in hotels etc.



NB: this list is not exhaustive and we would expect the consultant(s) to bring their own creative and innovative ideas to the research, in consultation with local stakeholders.

Outputs

- A report outlining recommendations on what initiatives could be implemented and with whom (i.e. an appropriate business cluster). For each initiative details should be provided on activities to be undertaken, the role of different stakeholders, anticipated outputs, timeframes and costs.
- Information on key findings from the literature review should also be provided as well as details of stakeholders consulted and feedback given.
- Establishment of a local stakeholder group to be ready to work in consultation on phase two of this project.

Management

The consultant(s) will report Suzie Newham, Programme Officer, The Travel Foundation

Budget

The Partnership has a budget of up to £20,000 including VAT for this work. All costs incurred by the consultant(s) including transport, admin and other costs must be covered within this budget.

The Tender

The tender document should be a maximum of 6 pages (plus supporting documents) and should include:

- A short interpretation of the project brief
- A description of the approach/methodology to be used
- Suitability of the bidder to carry out this work, including relevant knowledge, experience and expertise
- CVs of all the people who will be involved in the project
- A full budget breakdown including staff and admin costs and the number of days allocated for the delivery of the work.
- Responsibilities for project management and quality control
- Contact details



Timescale

The tender should be emailed to Julie Middleton at julie.middleton@thetravelfoundation.org.uk by Friday 12th July 2013. Tenders received after this deadline will not be considered. Successful applicants will be informed by Friday, 19th July 2013. We expect the field work to take place in September/October 2013.

Any queries in relation to this tender should be addressed to Julie Middleton at the email address above, or telephone 0117 927 3049.

Quality

The tender document will be used as an indicator of the applicant's ability to present a professional looking document that communicates clearly and concisely.

Assessment

The bids will be assessed by a panel comprising members of The Travel Foundation Executive. Tenders will be scored against the following criteria:

- Quality of the overall tender
- Appropriateness of methodology/approach
- Value for money
- Deliverables and ability to meet delivery timescales
- Capability, track record and capacity to meet tender requirements.