



## Invitation to Tender

### Optimising all inclusive customer spend in the Pafos economy - Phase 2

#### 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. The aim being to ensure maximum economic benefits to local people, conserve and enhance the natural environment and promote local culture and heritage.

As part of this programme the partnership is delivering Phase 2 of a project that is helping to optimize spend of all inclusive customers 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. TF 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, TF has 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 outside the hotel complex 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 survey samples. Although the age range of tourists was considered to be one of the influencing factors as was the geography of the resort, Paphos attracts a slight older clientele and the resort is more spread out, the quality of the hotels in Paphos compared to the surrounding businesses was also significant. Tourists surveyed reported a lack of appealing shops, restaurants and activities as being factors that limited their spending outside of the hotels. Some hotels in Paphos have also undertaken significant re-fits, raising the quality of the hotel offer to a very high standard and creating an environment that is simply “too good to leave” according to those surveyed. The findings of this research echoed concerns from small businesses that tourists are both leaving the hotels less and spending less locally.

Following this initial research, Brighton Hospitality Research Group (BHR) were commissioned to carry out a pilot study to explore stakeholder views and potential buy-in solutions that could motivate tourists staying on an all-inclusive basis, to spend more time and money outside their hotel and thus better support the local community.

Based on the findings of this research, in March 2015 the partnership commissioned PwC to initiate Phase 1 of this project. This put in place the necessary infrastructure to deliver a scheme that would encourage guests out of the hotels, enable a number of local businesses to better promote themselves and to promote a higher spend in the local economy. The following have been achieved:

- A brand/local label has been established – “Destination Pafos”.
- Ten hotels in the Pafos area have committed to supporting the scheme.



- Forty “Ambassadors” have been trained in local Cypriot products and experiences and in customer relations; these are frontline staff from the ten hotels participating. Ambassadors are on hand in the hotel to encourage and help tourists to easily identify and locate businesses in Pafos which offer traditional Cypriot products or authentic experiences., outside the hotel, directing them to the businesses displaying the “Destination Pafos” label.
- A clear set of audit criteria has been developed on which to audit businesses interested in participating in the scheme and ensures that they offer something local or Cypriot, whether it be a product, experience or to be situated within an historical building.
- Thirty local businesses have been identified, audited using the criteria and successfully awarded the “Destination Pafos” label.

### **The brief**

In order to fully understand the level of impact from the initiative it is vital to collect reliable monitoring and evaluation data from both the businesses enrolled in the scheme and from the tourists using it. Any changes in spend and footfall in these businesses before and after the intervention needs to be captured. This will be achieved by the businesses collecting data on spend and visits as well as through tourist questionnaires.

### **Phase 1**

1. Visit the 30 approved businesses to gain their “buy in” and help them to understand that the information they provide will be crucial in assessing whether the pilot scheme has been successful. Decide with them what will be the best ways to collect data, this may include:-
  - a. Average shoulder and peak season weekly sales figures. (If business does not want to give figures they can keep this information private and give % increase in the final data collection)
  - b. Average number of shoulder and peak season weekly sales/covers
  - c. Recording how visitors heard about them through visitor’s book, staff training e.g. asking customers at the till or seeing them to their table.

Whether they use the above measurements or not, what is important is that each business commits to a measurement system and explains how they intend to implement it.

2. Outline the method of data collection to the partnership allowing for comments and refinements.



3. Carry out an initial assessment of data collected by a sample of 5 businesses and present the data to the partnership for comments and refinements.
4. Based on the outcomes from the sample group, confirm method of data collection with the final 25 businesses.
5. Provide ongoing monitoring and support for businesses collecting the data.

## Phase 2

1. Repeat comparable numbers of customer surveys in both August and October in order to get a picture before and after the initiative (these surveys have already been developed).
2. Carry out structured interviews with selected stakeholders and Paphos Ambassadors.
3. Collect the final data from the 30 approved businesses as agreed in Phase 1.
4. Collate all of the data and submit a final report to the partners.

## Management

The consultant(s) will report to Naomi McClure, Programme Officer, Travel Foundation.

## Budget

The Partnership has a budget of up to €6500 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 the following:

- 1) An outline of possible monitoring and evaluation mechanisms that could be put in place, including indicators, to measure the success of the initiative.
- 2) A risk analysis for some of the potential barriers to developing good data collection methods with businesses and suggestions for how they might be overcome.
- 3) Suggestions for potential stakeholders to be included in the structured interviews along with a list of questions that could be included.

In addition, please include:

- Suitability of the bidder to carry out this work, including relevant knowledge, experience and expertise, together with an example of relevant previous work undertaken
- CVs of all the people who will be involved in the project plus any proposed outsourced activities



- 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 Irene Yiasemi at [info@csti-cyprus.org](mailto:info@csti-cyprus.org) by Friday 24<sup>th</sup> July 2015. Tenders received after this deadline will not be considered. Successful applicants will be informed by Tuesday 28<sup>th</sup> July with a view to begin work immediately. We expect this work to be completed by mid November 2015.

Any queries in relation to this tender should be addressed to Irene Yiasemi at the email address above, or telephone 00357-99722393.

### **Assessment**

The bids will be assessed by a panel comprising members of the Partnership (which include representatives from the Travel Foundation, CSTI and CTO). 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.