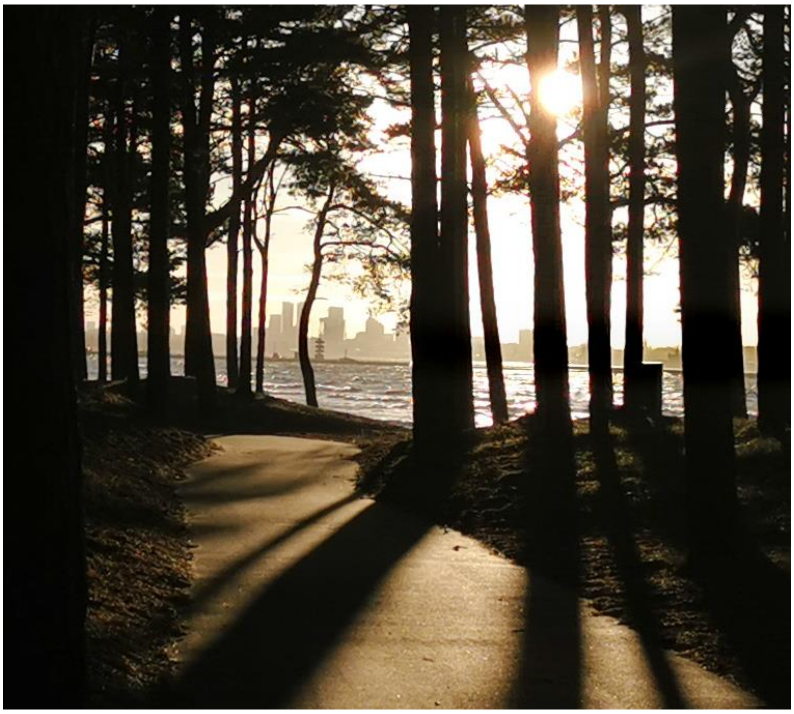


PROJECT RESTART

RECCOMENDATION – Appendix 1

"What got us here is not what will bring us forward…"

Strategic Consulting for Tourism Sector

CPV: **79400000-8** "business and management consultancy and related services"

Tourism Industry Consultation Detail

ESTONIA TOURISM
IT'S ABOUT TIME..
for a MARKETING GEAR CHANGE

PROJECT RESTART

RECCOMENDATION – Appendix 1

Tourism Industry Consultation Detail

1. Consultations Master List of Participants

2. Key Conclusions

   A. Kick-off Exploratory Workshop (online seminar)

   B. Individual Interviews & Group Discussions

   C. Key Conclusions – Top 10

   D. Estonia Tourism - "Portfolio Opportunities"

3. Industry Engagement Survey – Regions (pre-call) Highlights*

*Survey KEY QUESTIONS DETAIL RESPONSES - *as separate Appendix 2*
(CONFIDENTIAL RESTART SURVEY EXCERPT - KEY QUESTIONS - ALL RESPONSES)

1. Project RESTART: Participants Master List

This is the master participants list covering the key people engaged on the project in terms of formal 1-on-1 interviews, group discussions, Survey Monkey participation, workshop presentations and contributions and some informal consultation. This list does not include the full list of attendees - approximately 85 in total - at the initial kick-off April workshop.

STEERING COMMITTEE MEMBERS		
Annika Anton	Tegevjuht	Majandus- ja Kommunikatsiooniministeerium
Piret Mürk-Dubout	Juhatuse liige	Tallink
Ain Käpp	Juhatuse esimees	Eesti Hotellide ja Restoranide Liit
Eero Pärgmäe	Turundusjuht	Tallinna Lennujaam
Ott Sarapuu	Juhatuse liige	Eesti Konverentsibüroo
Liina-Maria Lepik	Direktor	EAS Turismiarenduskeskus

SPECIFIC CONSULTATIONS		
Paul Taylor	Kaaslooja	Unique Hotels Group
Guy Bigwood	Tegevdirektor	Global Destination Sustainability Movement
Mark Henry	Turundusjuht	Tourism Ireland
Ruth Andrews	Juhatuse liige	Irish Tourism Industry Taskforce / ITIC Irish Tourism Industry Confederation
Eoghan O'Meara-Walsh	Tegevjuht	ITIC Irish Tourism Industry Confederation

1-1 MEETINGS		
Külli Karing	Juhatuse liige	Via Hansa Eesti / Eesti Turismifirmade Liit
Tiiu Vilbrant	Projektijuht	Eesti Turismifirmade Liit
Tiit Pruuli	Tegevjuht	Go Group AS / Eesti Reisi- ja Turismiühing
Killu Maidla	Tegevdirektor	Eesti Hotellide ja Restoranide Liit
Raili Mengel	Juhatuse liige	Eesti Maaturism MTÜ
Tarmo Hõbe**	Juhatuse liige	Rally Estonia OÜ
Aire Toffer	Tegevjuht	Eesti Spaaliit
Kadri Karu	Tegevdirector	Eesti Konverentsibüroo
Mart Luik	Ettevõtlusdirektor	
Evelin Tsirk	Osakonna juhataja	Tallinna Strateegiakeskuse ettevõtlusteenistuse turismiosakond
Helen Sildna	Asutaja	Tallinn Music Week

**meeting postponed

SOUTH REGION		
Kertu Vuks	Abilinnapea	Elva Vallavalitsus
Eveli Jürgenson	Turismiarendusjuht	Jõgevamaa Arendus- ja Ettevõtluskeskus
Maimu Kelder	Juhataja	Jõgevamaa Arendus- ja Ettevõtluskeskus
Külliki Pikk	Ühingu liige	Tartu Giidide Ühing
Kadi Ploom	Tegevjuht	Peipsimaa Turism MTÜ
Kristi Kahu	Turismiarendusjuht	Põlvamaa Arenduskeskus
Ester Lemats	Arendusspetsialist	Räpina Vallavalitsus
Elin Priks	Juhataja	Setomaa Turism MTÜ
Liis Lainemäe	Juhataja	Sibulatee MTÜ
Helen Kalberg	Turundusjuht	Tartu Linnavalitsus
Anneli Kattai	Juhatuse liige	Valgamaa Arenguagentuur
Epp Kalja	Informatsioonispetsialist	Valgamaa Arenguagentuur
Kadri Moppel	Turismikoordinaator	SA Võrumaa Arenduskeskus

MIDDLE REGION		
Johan-Kristjan Konc	Turismiteenuste arendusjuht	SA Viljandimaa Arenduskeskus
Külli Eller	Turismi koordinaator	Järvamaa Arenduskeskus
Ruth Aarma	Juhataja	Järvamaa Arenduskeskus
Teele Kaeramaa	Turismivaldkonna juht	Põltsamaa Turismiinfopunkt
Aivar Ruukel	Turismiettevõtja	Soomaa Rahvaspark
Erge Hanschmidt	Turismikonsultant	SA Viljandimaa Arenduskeskus

EAST REGION		
Karin Reinberg	Juhatuse liige	Visit Virumaa MTÜ
Kadri Jalonen	Turismikoordinaator	Ida-Viru Ettevõtluskeskus
Meelis Kuusk	Projektijuht	Ida-Viru Ettevõtluskeskus
Kristina Ernits	Tourism consultant	Ida-Viru Ettevõtluskeskus
Kaisa Linno	Juhatuse liige	Kolgaküla Selts MTÜ
Mari Knjazev	Arendus- ja väliskoostööspetsialis	Lääne-Viru Omavalitsuste Liit
Olga Smirnova	Vanemspetsialist	Narva Linnavalitsus
Andres Jaadla	Abilinnapea	Rakvere Linnavalitsus

SOUTHWEST REGION		
Orvika Reilend	Turismiarenduse peaspetsialist	Pärnu Linnavalitsus
Tõiv Jõul	Digiturunduse spetsialis	Pärnu Linnavalitsus
Ave Lääne	Turismiarenduse spetsialist	Pärnu Linnavalitsus
Taivi Vesik	Abivallavanem	Kihnu Vallavalitsus

ISLANDS		
Riine Rander	Turundusjuht	Visit Saaremaa MTÜ
Liis Remmelg	Arenduskeskuse juht	SA Hiiumaa Arenduskeskus
Kristel Üksvärav	Koordinaator	SA Hiiumaa Arenduskeskus
Helina Andruškevit	Turismiteenistuse juhataja	Visit Saaremaa MTÜ
Rainer Paenurk	Juhataja	SA Saaremaa Arenduskeskus

NORTH		
Karmen Paju	Juhatuse liige	Põhja-Eesti Turism SA
Hannes Ojangu	Juhataja	Harju Ettevõtlus- ja Arenduskeskus
Katri Tšeskidov	Turismikoordinaator	Harju Ettevõtlus- ja Arenduskeskus
Lemmi Kann	Turundusjuht	SA Läänemaa
Anu Kikas	Juhataja	SA Läänemaa
Anneli Kana	Tegevjuht	MTÜ Metsanurme
Jaune Riim	Tegevjuht	Raplamaa Arendus- ja Ettevõtluskeskus
Olari Nebokat	Projektijuht	Visit Haapsalu MTÜ
Marilin Pehka	Tegevjuht	Kõrvemaa Matka- ja Suusakeskuse juht

For the destinations regional sessions - we also circulated a pre-meeting short confidential non-attributable survey to determine participants opinions on a number of critical tourism marketing related issues as well as to act as a “warm up” for each consultation session.

Selected Highlights are in the form of slides at the end of this appendix 1.

More detail on key questions is summarised in separate appendix 2 document, circulated separately

2. Industry Consultations - Overall Conclusions

This is the summary of conclusions from all of the industry consultations carried out throughout the RESTART project. The essence of these consultation and their conclusions are reflected in the main reports recommended strategy, approach and action priorities. There is some more detail and context here.

A. Kick-off Exploratory Workshop (online seminar)

The April industry engagement workshop's objectives were to ignite the RESTART consultation process, get external perspective and some inspiration from the highest level of another country (Ireland), surface some of the bigger strategic industry level issues, take industry temperature on COVID recovery sentiment, explore some relevant innovative but practical marketing tactics

There was a mixed reaction from the very broad range of attendees – content was mostly seen as good and relevant although some fond the material too general and not specific nor sufficiently action oriented, However some serious industry issues did surface

Clearly the attendee profile was too broad a range; the virtual presentation/panel discussion format was quite difficult and we did not get the level of engagement required.

B. Individual Interviews and Group Discussions

Subsequently we agreed to change tactics and go for a series of 1-on-1 interviews and group discussion sessions, - the later preceded by simple survey research as guiding primer to the group discussions.

A number of supplementary meetings (Tallinn, Pärnu) were held and a number of others are planned.

We also presented to the Estonia Hotel & Restaurants Association annual conference and held some informal discussions with various industry people there.

This engagement process although labour intensive - worked much better and we secured a high level of engagement on both the 1-on-1 calls as well in the group sessions. All these group sessions voluntarily extended and featured relevant content debate conclusions and covered both high level strategic issues (e.g. *role of the regions, perspectives on Estonia internationally*) as well as more specific relevant to the region issues *(e.g. linkage with other regions, international tourists "different" perspective of distance and time etc.).*

C. Industry Engagement Key Conclusions List – top 10

1. **COVID well prepared in the short term and it changes everything in the long term…**
    - a somewhat surprising - in a positive way - strong degree of agreement that regions are well prepared to welcome back tourists post COVID and particularly strong understanding of COVID safety procedures amongst local staff (see survey results highlights following)
    - although COVID in the immediate term is clearly challenging, it is also mostly positive in the long term and importantly to the advantage for Estonia…in comparison to competing destinations. Particular relevant post-COVID positives include *existing strong reputation for nature and the outdoors, remoteness and low population density,* with *little evidence of mass tourism* (with the noted exception of an often crowded Tallinn old town in July and early August)
    - Post-COVID is a chance to re-present Estonia to those that that know Estonia - or think that they know – as well as to people that are not familiar at all with Estonia, and that are maybe now looking for a safer less crowded non mass-tourism alternative

2. **The future is all about the specialist tourist..**
    - There is a clear understanding and growing awareness that the "specialist tourist" travelling for a specific purpose and/or focussed on a special interest is of more value than the traditional general interest tourist Estonia and for its regions.
    - Understanding these more specific groups, having the "right product" for them and then reaching them efficiently - mainly digitally - are seen as the key current and future challenges.
    - This will require more and more active partnerships with specialists, with other regions and of course with Visit Estonia and in particular a serious upgrade in digital marketing presence, content and engagement

3. ***"We need to better understand the customer perspective and their journey and buying cycle.."***
   There was plenty of evidence – especially in the regions – of stakeholders growing acknowledgement and realisation that they <u>did not really fully understand nor appreciate the nuances of external customers</u>

perspectives on Estonia in general and on specific tourism and related critical issues to them – the tourist e.g. the customers view on *time, distances, geo-location, weather, facilities, convenience, safety, food service, value, language, culture, "locals"*
Understanding key target tourists insights on existing perceptions, attitudes and behaviours as well as their customer journeys is seen as a missing and this clearly needs addressing.
This is covered as a key element of the main reports action recommendations

4. On Digital – *"we in the regions are way behind and we need help.."*

- This Digital Deficiency was well recognised by almost all stakeholders and in the pre-call survey was identified as one of the top 3 most significant current challenges facing the regions and the number one issue needing change going forward. *Survey questions 12 & 19 refer.*
- In discussion the majority of stakeholders also recognise that foreigners especially have a relatively high expectation for anything and everything digital to do with Estonia – hence the quality bar is already high for an Estonia tourism digital experience – hence we particularly have to fix this Digital Deficiency – right across the industry as a matter of priority.

5. On Green Issues, Sustainability, Regenerative Tourism – "*it's actually almost a standard here , it's like we don't have to say it…" … BUT YES WE DO HAVE TO SAY IT…*

- So this was an interesting insight and indicates that Estonia's green sustainable *"natural"* advantage needs to be carefully and confidently communicated – and not in a generic box-ticking way, like almost all European destinations – but more in a way that stresses the fact that respect for nature, bio diversity, the planet – has been the Estonian way "*naturally"* and for years, long before it became first cool for some .. and now essential for everyone*……Naturally Green(before the term was invented)…*
- The various - relevantly Green - facts, key measures, accreditations and initiatives should serve as a growing bank of evidence of Estonia's consistent long term commitment to the natural environment, bio-diversity and overall balanced sustainable regenerative development and be communicated as such consistently rather than focussing too much on any specific award or score.
- Measures include, but are not limited to - e.g. overall population density, various bio-diversity measures, the just released top 5 ranking for Estonia in *Top Countries for Sustainable Tourism* report released from Euromonitor International - and in Tallinn's case - parks and trees density (highest city in EU), EU city clean air index ranking , GDS Index participation, European Green Capital Awards finalists etc…

6. Getting around Estonia is incredibly easy..!!

- We are very much clouded by our own local perspective see survey question 12 – where pre-discussion people felt that the single biggest challenge for their region was "tourist's access" and "*difficulty in getting there (to the regions) "* subsequently this opinion was reversed
- The ease of getting around Estonia, and also around Tallinn - with the overall relatively short distances, proximity, general absence of large crowds and the choice and availability of private/independent travel and mobility options – is an-under sold major advantage of the Estonian tourism experience and this story needs to be communicated much more assertively

7. "Finland is slipping.."

- … the older people have seen it all in Estonia now and in any case its now a lot less attractive in value for money terms; the younger Finns are either not that aware of Estonia and/or don't see it as a cool place to go and or are not sure what to do in Estonia
- There is a clear opportunity in specifically going after the less cool rural Finns and presenting Estonia as an attractive particularly post COVID (& now relatively safe) alternative to rural Finland tourism…"Estonia is abroad but also very like home …and of course so easy to get to.."
- Getting to the younger Finns is more difficulty but the efforts of the recent Visit Estonia campaigns and appeal to the younger FIT makes a lot of sense

8. **An acknowledgement of changes happening in roles and responsibilities across the industry**
All recognises, see the reasons for and expect more changing roles and responsibilities to more effectively and more efficiently market Estonia tourism.. *Covered in main report.*

Estonia Tourism - "Portfolio Opportunities"

Considering the move to a more experience and product oriented marketing architecture and model and considering all the evidence and input from industry consultation there seems to be opportunity for a portfolio of viable regional and specialist tourism packages or parts of packages in combination with other regions/products or Tallinn – as well of course as Tallin itself as a clear "stand alone" offering.

Some of the "regional" examples below are also featured as examples in the product development summary section 1 of the main recommendation report

Tallinn first:

- **"Tallinn Breaks"** – maybe not with the traditional generic *"euro city break"* content and look and feel, but more explicitly tailored for a post COVID city audience & stressing Tallin's high quality difference! This would require some work on tightening down a more specific and more competitive post COVID positioning for the Tallinn brand versus its usually much larger scale competitive set. This could involve
    1. dialling up the city nature, city trees, city parks, city beach side; outdoors, cycle & walking amenities; overall internal proximities in terms of short distances and ease and range of tourism independent mobility options) scooters, bikes, cars, public transport; and family friendliness – kids activities, general security and safety; and digital connected-ness.. the recent GDS Sustainability program, the clean-air European city top 5 ranking and finalist selection as European Green Capital 2023 – are all good supporting evidence also
    2. additional featuring of course the traditional Tallinn unique benefits - historical old town (UNESCO designation), and range and quality cultural attractions
    3. target markets: a move to possibly a more upmarket segmented targeting of special interest groups in European cities in general with particular focus on priority air connection source cities - *London Paris Vienna Frankfurt Zurich Warsaw Rome Amsterdam*: longer term potential long haul markets: *USA, Japan*
    4. seasonality: all year but spring and autumn particularly with a winter Christmas niche market

- **Tallinn as the "new" MICE in-location** – Tallinn particularly has significant international credentials – even more so post COVID - as a leading modern, green, digital-first site for small and medium hybrid senior management meetings.
    1. Although the overall international meetings and incentives business and especially the large scale convention market is clearly slow to recover…there is growth increasingly evident in this niche of smaller senior and management international companies physical and hybrid meetings. Much of this driven by the rise is remote and hybrid work practises.
    2. Tallinn has proven itself over the past year particularly in hybrid event management in challenging circumstances. This focussed opportunity builds naturally on Estonia's global digital reputation, the country's smallness, flexibility and agility – major advantage amongst European capitals and larger cities.
    3. Other major Tallinn competitive advantages here include the availability of highest quality historical venues with full tech support and a significant range of "add-on" cultural experiences, range of local transport options.
    4. Importantly there are clear leverageable international MICE trade and industry PR opportunities in this "story". Particular opportunities exist for joint initiatives with the tech community as well as with the development of satellite events programs for the bigger "under threat international large scale events. In this specific regard – KATALEST is facilitating a direct approach for the Estonian Convention Bureau to the leadership team at the websummit organisation – organisers of some of the world's biggest and most prestigious "tech in society" conferences - to explore possibilities for hybrid events for Tallinn.

The rest of Estonia…some potential examples..

- **a *Borderland soviet theme product/package - centred on the Narva** region and potentially connected to the Soviet museum offerings in Tallinn; significant niche market for European, cold-war and Soviet history enthusiasts and a growing general interest market. Lessons to be learnt from other European cities Berlin, Vienna, Prague, Budapest etc. Target audience is relatively easy to identify and connect with digitally via specialist websites, conventions, academic communities etc. Potential opportunity for "summer schools", festivals etc…as well as tie-in with St Petersburg
    1. target markets: special interest history groups in European cities including priority air connection locations - *London Paris Vienna Frankfurt Zurich Warsaw Rome Amsterdam*: longer term potential long haul markets: *USA, Japan*

2. <u>seasonality:</u> essentially weather independent so could be focussed on shoulder periods and specific winter offering

- **a *<u>Baltic-Islands</u> set of offerings –** focussed on (but not limited to) an upmarket presentation of Saaremaa - with a *Baltic Martha's Vineyard' type of image; proximity and direct air linkage to Tallinn
    1. <u>target markets:</u> upmarket yacht/harbour resort enthusiasts in Germany Scandinavia Netherlands; upmarket family holidays from Scandinavia, Germany, UK/Ireland
    2. <u>seasonality:</u> Spring & Summer

- **Pärnu** - <u>2 separate products</u> - 1. *family beach activity holiday – high quality, safe, child-friendly, teenage safe, quality spas – proximity to and access via both Tallinn and Riga; 2. specialist Spa enthusiasts

    1. * Pärnu <u>family beach activity holiday</u>
    - <u>target markets</u> expand beyond traditional strongholds of domestic Estonia, Latvia to Germany, Sweden (some limited success currently) as well as to Netherlands & UK
    - <u>seasonality:</u> Spring & Summer

    2. * Pärnu <u>specialist Spa Experience</u>
    - <u>target markets</u>: domestic Estonia, Latvia, Germany, Sweden, Netherlands
    - <u>seasonality</u>: Autumn & Winter

Importantly the above are illustrative conceivable examples of mainly geographically rooted potential portfolio product/package offerings.

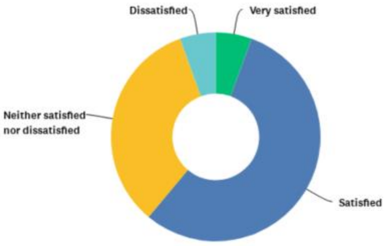
<u>The recommended Product Market Fit Model (section 4 of the RESTART main recommendation) combined with fresh insights from the recommended research (section 7) will of course determine the most "attractive" product offerings and target marketplaces and this is what should ultimately govern product development priorities.</u>

Project RESTART ESTONIA Tourism Recovery & Reset

For KATALEST June, 2021

Powered by SurveyMonkey

Q9: Considering ESTONIA's general record performance over the last few years pre-COVID how satisfied are you about your regions performance compared to the national performance?



Powered by SurveyMonkey KATALEST

Q2: In your opinion what are the most important tourism products or attractions for ESTONIA in the long term? Please chose the top 5 only..... Add any products/attractions you think are worth including.

ANSWER CHOICES	RESPONSES	
ESTONIAN Spa Experience	84%	16
City break	79%	15
Museums & History	32%	6
Classical Music	11%	2
Birdwatching	26%	5
Specialist Business and/or Academic Conferences	26%	5
Nature pursuits	95%	18
Specialist sports e.g. cycling, walking	26%	5
General Family outdoor camping, caravaning	53%	10
Specialist Music Events Packages	26%	5
Please list any others we missed!	21%	4
Total Respondents: 19		

Powered by SurveyMonkey KATALEST

Q12: In your opinion and from your experience what are the most important challenges - outside of the COVID crisis - facing your region's tourism business right now? Tick anything you think is important and add anything missing in the "other" box.

ANSWER CHOICES	RESPONSES	
general lack of awareness of region & attractions	50%	9
insufficient accommodation here	39%	7
difficulty in getting here	72%	13
not enough things for visitor to do here	22%	4
not enough marketing support behind region	44%	8
poor signage ? - difficult to know where they are ?	11%	2
lack of clear digital presence/website in right languages	50%	9
cant get enough good trained tourism service staff	28%	5
Total Respondents: 18		

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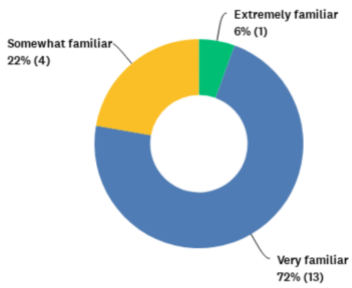
Q17: Considering COVID Safety procedures and protocols in your region - how familiar are general tourism staff about COVID safety procedures?



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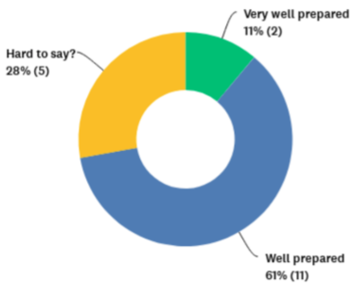
Q18: Considering COVID in your region - how well prepared do you think your region is for welcoming back tourists confidently?



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Q19: Thinking about going forward from here can you identify the most important changes you believe are necessary for your region to grow its long term tourism business?

ANSWER CHOICES	RESPONSES	
more training for general tourism & hospitality staff	50%	9
getting more digital & digital marketing competence	89%	16
more information marketing material for the region	22%	4
more linkage & active partnerships with other regions	44%	8
understanding the customer journey a lot better	78%	14
development of local tourism packages	72%	13
development &/or more promotion of local tourism brand	50%	9
building more product development competence	56%	10
more marketing funding for region	50%	9
Total Respondents: 18		

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