Thundering Hooves
Maintaining the Global Competitive Edge of Edinburgh’s Festivals
Executive Summary
May 2006
I Executive Summary

Background

1.1 This study was commissioned by the Scottish Arts Council in partnership with Festivals Edinburgh (formerly, the Association of Edinburgh Festivals), the City of Edinburgh Council (CEC), the Scottish Executive, EventScotland, and Scottish Enterprise Edinburgh and Lothian. Its purpose is to examine the competitive position of the eleven festivals belonging to Festivals Edinburgh and the extent to which that position is likely to be affected by:

- the burgeoning number of festivals, both in the United Kingdom and overseas, that are competing for artists, audiences and funding;
- the increasing use of cultural programming (festivals and events) as strategic devices to promote tourism and to build the brand-identity of the cities or regions where they are located; and/or
- any other factors.

1.2 The report is informed by extensive desk research and interviews with stakeholders; a comparison of Edinburgh’s festivals with a number of international competitors; and an analysis of longer term environmental, economic and social trends. This work, which included scenario planning workshops, took place during the second half of 2005.

1.3 Following a fuller account of the methodology of the study and a summary of recommendations, below, Section One of the report looks at the overall attributes of leading festival cities and the challenges that established festival cities such as Edinburgh face. In Section Two, Edinburgh’s own position is analysed and a recommended course of action discussed.

1.4 Festivals Edinburgh is presently made up of eleven festivals that are held on an annual basis in Edinburgh. These festivals are:

- Bank of Scotland Children’s International Theatre Festival (Imaginate)
- Edinburgh Art Festival
- Edinburgh International Book Festival
- Edinburgh Festival Fringe
- Edinburgh International Festival
- Edinburgh International Film Festival
- Edinburgh International Jazz and Blues Festival
- Edinburgh International Science Festival
- Edinburgh Mela
- Edinburgh Military Tattoo
- Edinburgh’s Winter Festivals (Hogmanay and Capital Christmas)
The growth in the scale and number of Edinburgh’s family of festivals has made the city a pre-eminent cultural destination over the six decades since the Edinburgh International Festival began, adding significantly to the national and international profile of the City of Edinburgh and of Scotland, as well as contributing to their economic well-being and cultural development.

The wider economic impact of the festivals has been analysed elsewhere and is explicitly not addressed in this report. It is, however, a (perhaps the) defining context for our recommendations. In Summer 2004, a study of the Edinburgh Festivals funded by the City of Edinburgh Council, Scottish Enterprise Edinburgh and Lothian, VisitScotland and EventScotland, estimated that the Edinburgh Festivals as a whole generate £184m. revenue for the Scottish economy, of which £135m. directly accrues to Edinburgh and the Lothians. Of this some £75m. was attributable to the Fringe. This total was generated by some 2.5 m visitors (compared to 1.25 m in 1997). The Winter Festivals alone were estimated to generate £44.4m., of which £39.5m. accrued to Edinburgh and the Lothians. Any fall from their pre-eminent position would have immediate economic repercussions for Edinburgh, the Lothians and the whole of Scotland.

Edinburgh's festivals were established in a less competitive environment than the current one, and most developed in an organic rather than a ‘top-down’ fashion. Their evolution has served as a model for many of the world’s leading international festivals. However, the client group is concerned about the gradual attrition of Edinburgh’s competitive position and, with it, a long term decline in its status as a cultural city in the eyes of artists, promoters, audience and media, disadvantaging both the festivals and Edinburgh alike.

The report was therefore commissioned because of a widespread perception, underlined repeatedly in interviews and workshops, that this pre-eminence is under threat. These perceived threats are from other cities within the UK and internationally that have adopted investment in cultural infrastructure and cultural programming as a policy instrument for multiple civic and national goals (usually higher-end tourism, inward investment, urban renewal and city branding). The fear is that members of Festivals Edinburgh are ‘living off their capital’ rather than reinvesting in the aspects of their programming that are likely to underwrite a continued pre-eminence, whether for reasons rooted in complacency and inertia or in systemic under-funding from public funders, or some insidious combination of all of these.

Behind this lies a deeper concern that, as in many areas of global competition, second or third place – ‘silver’ or ‘bronze’ rather than ‘gold’ - represents a position that is considerably inferior to that of pre-eminence. In a ‘winner takes all’ situation, in which national and international press tend to have a limited attention span; and in which mobile, discriminating and informed audiences are interested in winners rather than the second placed, there is no stable equilibrium of ‘eminence’ between the status of pre-eminence that Edinburgh enjoys and that of being lost in the crowd of ‘also-rans’.

Edinburgh has a massive built-in advantage in facing its growing competition. Its major festivals have been around a long time and have all the brand recognition associated with pre-eminence, nationally and internationally. Whether the festivals and their funders choose to rest on their laurels or invest in growing them, they at least have those laurels. They face growing competition from UK cities that have been encouraged by initiatives such as the European Capitals of Culture...
programmes sponsored by the EU although such newer entrants will take time to
develop brand recognition as world class festival cities.

1.11 The impressive levels of start-up investment that Liverpool, Manchester and
Newcastle/Gateshead are spending on establishing their presence will take
sustained political and financial capital to maintain. Well-established festivals such
as Avignon and Salzburg are also viewing cautiously competition from cities
spurred by Capitals of Culture, Olympic Arts Festivals, and strategies that use
large-scale events as catalysts for programmes of regeneration and destination
marketing, such as those in Barcelona and the Ruhr Valley of Germany. Based on
our interviews, they are experiencing similar concerns.

1.12 Meanwhile, in the Middle East (particularly the Gulf states), Australia and Asia,
festivals and art fairs are being developed as major tourist and economic magnets,
as part of the strategic development of cities that are self-consciously seeking to
position themselves as a player in the global economy. China is rapidly expanding
its cultural infrastructure in cities such as Shanghai, Beijing and Hong Kong, in a
bid to capture a larger share of the world's tourist market, as are ‘gateway’ city-
states such as Abu Dhabi, Dubai and Singapore. As the world’s socio-economic
and cultural axes – or at least the perception of them – tilt decisively towards the
Middle and Far East, these represent significant potential threats to the long term
international tourism market that parallel Northern English cities' threats to
Edinburgh's domestic market.

1.13 Beyond these direct threats stand other transformational social and political
forces that are profoundly affecting patterns of cultural consumption and tourism
in complex and often contradictory ways – climate change, terrorism, the impact
of technology, competition for leisure time, and demographic change. The
cumulative impact is difficult to map, but it is clear that vigilance and a conscious
effort to invest in renewal are going to be critical attributes of long-term success.
This report is also drafted within the context of an increasingly focused
international debate about measuring the value of public investment in culture,
prompted by the growing emphasis on the need for organisations that are
supported by public funds to be governed and managed in a way that
demonstrably meets the strategic goals of funders and other stakeholders.

1.14 This report does not address the quality of programming of individual festivals but
focuses on the collective capacity of the festivals to maintain their international
competitive edge. However, it is reasonable for stakeholders and funders to
expect that their individual responses to the challenges identified should take the
form of robust and coherent business plans that articulate individual strategies for
competitive, artistic and programmatic excellence and long term financial viability;
and the benchmarks by which those successes can be measured or at least judged
by third parties.

1.15 Most of the recommendations have modest direct cost implications. They require
a more strategic and co-ordinated approach to managing the profile and
orientation of the festivals. The aggregate cost of recommendations relating to the
systematic commissioning of new work, and related 'research and development'
investment, and the strategic marketing of the collective festival offer requires
the engagement of the individual festivals in a detailed consideration of the
recommendations in this study. Recommendations with respect to continued
investment in infrastructure require a physical audit to quantify.
Methodology

1.16 There were three main dimensions to the study:

- Consultation with stakeholders and review of festival literature;
- Benchmarking of Edinburgh against other festival cities in order to gauge the present state of the competition and find examples of good practice;
- Involvement of the client group in a scenario planning process designed to facilitate long-term strategic thinking in the light of global trends.

1.17 The study of current challenges consisted of the following components:

- A desk-based review of relevant literature and data selected in consultation with the client team and festival managers. Each festival was asked to submit general information, plans or reports that had been generated or commissioned in the past few of years, and five years of audited financial statements;
- A series of one-to-one interviews conducted with key individuals identified in cooperation with the client group;
- An on-line questionnaire that posed similar questions to those used in the interviews, but that was sent to a broader cross-section of stakeholders;
- An on-line questionnaire designed to evaluate current levels of collaboration between each of the festivals.

1.18 The aim of the second part of this exercise was to provide a description and analysis of the Festivals’ wider competitive environment, both regionally and internationally.

1.19 The material was gathered through desk research and interviews. Data that was collected and analysed from each of the comparable cities included:

- General population and other demographic data;
- Quality of life data;
- Innovation status;
- Size and scope of cultural budgets;
- Transportation infrastructure;
- Tourism data.

1.20 The data were obtained by extensive desk research. Sources included statistical agencies, official city websites, city surveys, city cultural strategies, city tourism strategies and city budgets and accounts.
1.21 In addition, for each comparator city, three festivals were selected for their similarity to specific Edinburgh Festivals or their overwhelming importance for the local festival ecology. The cities and festivals are detailed in the Table 1.

Table 1: Comparative Cities and Festivals

<table>
<thead>
<tr>
<th>City</th>
<th>Festival 1</th>
<th>Festival 2</th>
<th>Festival 3</th>
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<tbody>
<tr>
<td>Amsterdam</td>
<td>The Holland Festival</td>
<td>Uittart</td>
<td>Amsterdam Roots Festival</td>
</tr>
<tr>
<td>Barcelona</td>
<td>Barcelona Grec</td>
<td>Sonar</td>
<td>Barcelona International Jazz Festival</td>
</tr>
<tr>
<td>Manchester</td>
<td>Manchester International Festival</td>
<td>Manchester Comedy</td>
<td>Manchester Jazz Festival</td>
</tr>
<tr>
<td>Melbourne</td>
<td>Melbourne International Arts</td>
<td>Melbourne Writers' Festival</td>
<td>Melbourne Fringe Festival</td>
</tr>
<tr>
<td>Montreal</td>
<td>Montreal International Jazz Festival</td>
<td>Just for Laughs</td>
<td>Montreal International Festival of New Cinema and New Media</td>
</tr>
<tr>
<td>Newcastle</td>
<td>Newcastle Science Festival</td>
<td>Newcastle Mela</td>
<td>The Source of the Tyne Festival</td>
</tr>
<tr>
<td>San Francisco</td>
<td>San Francisco Jazz Festival</td>
<td>San Francisco Blues Festival</td>
<td>San Francisco Fringe Festival</td>
</tr>
<tr>
<td>Singapore</td>
<td>Singapore Arts Festival</td>
<td>Singapore Writers' Festival</td>
<td>Singapore Art Show</td>
</tr>
</tbody>
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1.22 In the third leg of the exercise, a two-day workshop was developed to explore potential positive and negative scenarios for the future of the Edinburgh Festivals. The results can be found in Appendix A. These sessions were used to identify the critical factors likely to affect the current national and international standing of the festivals and the festivals ability to secure audiences, artists, funders and media attention. Contact was maintained with representatives of the bodies that commissioned the study, drafts of chapters were circulated, and their comments and questions were considered in the drafting of the final report.
Recommendations

1.23 From an examination of total attendance levels and visitor numbers for Edinburgh’s festivals, it appears that there are grounds for confidence in the short term. However, the scale of finance being made available to support new cultural infrastructure and festival activity in other cities, and the rapidly developing quality of other festivals’ programmes and managements suggests that Edinburgh can not risk complacency. The longer term changes in this report – demographic, technological, and governmental trends – also require careful on-going monitoring. The non-profit cultural sector throughout western democracies is undergoing profound changes and the festivals, by virtue of their reliance on, and relationship to, the ‘global’ cultural economy are sensitive to those changes.

1.24 Competition between cities in relation to their festivals tends to be evaluated simplistically on the basis of profit (sales), prestige (media profile), size (numbers of events), often translated into numbers of visitors and attendances, extent and value of media coverage, and scale of economic value-added impacts. There is evidence, especially in the UK, of local and city government supporting and even directly instigating and managing particular festivals themselves to achieve local or regional economic objectives, often defined very narrowly (sales, jobs, tourists). There is also a growing number of smaller more local community-based festivals and events in cities, most often supported by local councils, that have been spawned partly as a reaction to larger festivals that have become prime economic drivers. Such community-based festivals often try to re-claim cultural ground based on their social, educational and participative value.

1.25 Following an examination of the data, our conclusion is that when viewed against the sustained development of some of the actively competitive cities over a time span of the next five - seven years, Edinburgh’s current enviable position as a pre-eminent festival city is vulnerable. In Chapter Two we identify the distinguishing characteristics of successful festival cities – some 20 in total. Edinburgh enjoys many of these characteristics, though not all.

1.26 Below we identify those areas where we believe action needs to be taken, based on analysis outlined in the body of the report.

Long-term Planning and Strategy:

1.27 Festivals development should be considered in minimum blocks of five years, and set within a longer-term strategic context of a city’s long-term development and competitiveness.

1.28 The festival strategy of the city as a whole needs to be kept under review by stakeholders. The commissioning forum for this report, for example, is ad hoc in character although it offers the prospect of a model for longer term strategic oversight of the aggregate festival offer and the policy steps required to support it.
1.29 **Recommendation One**: That the Festivals and their stakeholders ensure that there is on-going forum in which the longer term health of Edinburgh as a Festival City is monitored and the investment strategy required to sustain its position cost effectively is articulated and overseen. The forum should include external members with a long term perspective on the internationally competitive economic and cultural standing of Edinburgh and Scotland. This need not, as a mechanism, challenge the artistic autonomy of the Festivals. It should, however, provide a context for indicative planning and early warning as to the impact of competitive trends. The festivals and their stakeholders should, through this mechanism, become more consciously aware of the need to direct investment - whether in marketing or presenting - toward specific competitive challenges.

Investing in Quality over Quantity:

1.30 Success depends on achieving and sustaining a consistent international quality threshold for all festivals in order to ensure that the brand value of the festivals is sustained. Volume per se is of little intrinsic strategic value - that is, either the size or number of festivals, once some base threshold has been agreed. Careful impact assessment of any new festival to be added to an existing mix should be a requirement. This is more a question of understanding the implications (both positive and negative) of new entrants than creating a cartel of existing players.

1.31 Edinburgh’s strategy as a Festival City is one of pre-eminence. It is to ensure that the brand is uniformly supported by the offer. This means that the stakeholder strategy should be to ensure that available resources for funding are focused on those aspects of the festival offer that do or can attain a degree of distinctiveness and pre-eminence within their respective art forms.

1.32 **Recommendation Two**: That stakeholders and funders take a more strategic view of their funding obligations, ensuring that the collective impact of their resource allocation is such that those programmatic initiatives that they support have the potential to be, or already are, world class in their quality and delivery and that their ability to meet such standards clearly and explicitly informs decision-making on resource allocation.

1.33 The City of Edinburgh Council should consider increasing its current cultural spend from 2.8% to 4% in the first instance and work in tandem with other public stakeholders to develop an investment plan for the festivals over the next five to seven years, based on the key investment areas highlighted in this report.

1.34 The comparatively small tax base that Edinburgh has compared with benchmark cities provides a strong rationale – in the context of its economic impact for the whole of Scotland – for the festivals funding framework to access the wider, national, tax base. The Scottish Executive should consider how the national tax base and Edinburgh’s contribution might be better reflected in the annual settlement to the City of Edinburgh Council and Creative Scotland to assist in increasing the levels of investment to both Edinburgh’s Festivals and cultural infrastructure.
Recommendation Three: That the Festivals, in turn, focus their planning efforts on the creation and marketing of competitive programming, appropriate to their current and potential mission and aims at regional, national and international level. This should explicitly inform strategic planning, goals should be articulated and costed and progress toward them monitored as part of the standard apparatus of accountability to funders.

Recommendation Four: That no new festival should be embraced as part of the City’s offer unless its niche and ability to fulfil that niche in the international arena is clear.

Talented and Experienced Direction:
Visionary artistic and managerial leadership are essential and conditions for recruitment, selection, retention and succession need to be carefully considered to attract the best talent and to support the creativity that such leadership inspires.

The Festivals are in a globally competitive market for administrative and programming talent. The quality of their curatorial and administrative leadership, together with the resourcing of that leadership, are perhaps the most important factors in retaining pre-eminence. As leadership changes take place the Festival boards and their stakeholders should ensure that every step is taken to attract and retain executive leadership of internationally competitive calibre.

Recommendation Five: The festival boards should give the closest possible attention to succession planning, and ensure that the recruitment and retention of leadership is undertaken in a way that attracts the interest of the strongest pool of eligible candidates.

Focused and Innovative Programming:
The cultural programmes must be curatorally focused and continually innovating; investment in innovation is a prerequisite of sustainability.

For the festivals to retain, or in some cases attain, collectively their pre-eminent international position, they need to have the resources to invest in what in other sectors would be described as ‘strategic product research and development’ — that is, the commissioning, development and presentation of work that is new to their target audiences or is interpreted and presented in new ways. There is no prospect of retaining international re-eminence without a secure budget line dedicated to this.

Recommendation Six: The Festivals should identify in their strategic plans their required investment strategies to ensure that their programming includes a significant element of the presentation (and as appropriate commissioning) of new work and that the rationale for that new work is articulated.
Recommendation Seven: The Festivals’ core funders embrace the relationship between continued pre-eminence and innovation and pay particular attention in reviewing funding proposals to the need that research and development requirements are adequately funded.

Excellent Facilities:

Provision of world-class venues, outdoor event spaces and other festival infrastructure to accommodate world-class programmes, including the need for continuous innovative use of existing and new indoor and outdoor spaces is an attribute of successful festival cities. Edinburgh is now faced with aggressive world-wide competition in cultural facilities and supporting infrastructure. The cultural building boom of the past two decades has resulted in world class venues in even relatively small cities. Edinburgh currently has a number of first class venues but have no overall strategic plan for capital investments in the costs.

The capital resources to achieve the levels of investment required may prove to be considerable. Consideration should therefore be given to alternative sources of funding such as the introduction of a Tourism Bed Levy or casino levy or the hypothecation of Airport tax with resources raised directed into cultural and tourism infrastructure.

Recommendation Eight: That City of Edinburgh Council undertake a development plan for the infrastructure (including venues) required for the success of the Festivals (drawn up jointly with relevant partners).

Strategic Promotion:

As international competition for the attention of the cultural tourist and international media increases, Edinburgh will have to work hard to retain its edge, let alone lead the pack. In order to do this, the Festivals will need to continue to work with EventScotland, VisitScotland and other relevant agencies to develop a joint marketing strategy aimed at selling Edinburgh as the world’s premier festival city. Individual festivals will not be able to compete in this marketplace on their own. At the same time, tourism agencies need to acknowledge the value of the Festivals in promoting Edinburgh and Scotland as a destination.

In addition to tourism marketing, a joint message is critical for retaining UK media attention, especially in the coming years when the media will be focused on Liverpool in 2008 and London in 2012. Many media sources need quick access to information, so creating a centralised source (preferably on-line) where journalists can get information about all of the festivals will be crucial.

Many of the festival cities studied are recognising the importance of a more coherent and longer-term approach to marketing. In many cases, these strategies are developed in cooperation with local government and tourism agencies. The driver for such strategies is the desire to use festivals as a way of elevating the profile of a city. The hope is that these sorts of activities will drive tourism and result in significant economic impacts on the city.
After being named the European Capital of Culture for 2008, Liverpool unveiled an extensive plan to transform the city’s cultural profile. In addition to significant investments in venue infrastructure and the creation and presentation of new work, the city has allocated nearly £3 m per year to brand and market the city as a cultural destination.

As of April 1, 2005, Canada Economic Development for the Quebec Region has increased its support for national and international marketing of sporting events from C$5m. to C$7m. The Just for Laughs Festival and the Festival International de Jazz de Montréal received $2.1m and $1.975m. respectively over three years to market and promote the 2005, 2006 and 2007 festivals internationally.

Singapore is setting up an Arts Marketing Task Force to develop systematically marketing practices in the arts industry to attract more audiences and sponsors from Singapore and abroad. This will be supported by an additional fund of S$500,000 over three years. However, this is an initiative that is being developed from above, and is not a recommended approach in Edinburgh where the Festivals themselves should take the initiative and invite other stakeholders to collaborate.

**Recommendation Nine:** The machinery and resources should be put in place under an agreed management structure to promote Edinburgh, the Festival City worldwide.

**Recommendation Ten:** A joint festivals marketing strategy should be developed by Festivals Edinburgh members and their stakeholders and resourced by those stakeholders that have a strategic interest in Edinburgh’s continued pre-eminence as a festival city.

**Strategic Intelligence:**

**Recommendation Eleven:** The Festivals should continue to commission joint research so they maintain a sense of who their individual and collective audiences are. They should also use this data to understand audience cross-over between festivals so they can target specific segments that are interested in programming from multiple festivals.

All publicly-funded arts organisations are under increasing pressure to demonstrate how they are expanding audiences. The Festivals have benefited from the resources of The Audience Business, a market-research organisation responsible for delivering audience and visitor research in Edinburgh. The Festivals have access to considerable amounts of market data and, when funding permits, are able to commission additional high quality research.

However, not all of the individual festivals do this. Research should always be commissioned with a strong strategic direction in mind or with specific decisions linked to the outcomes. In order to develop a lasting audience for the arts in Edinburgh, the Festivals should share data more routinely and assist one another in developing strategies. This recommendation is directly linked to the preceding recommendation to develop a joint marketing strategy. The Audience Business can continue to play an important role in this regard, and the Festivals should embark on the construction of a unified database of findings.
1.58 Important changes will come with the implementation of the new box office data collection (‘vital statistics’) system from Purple 7 towards the middle of 2006, which will allow all venues’ box office data, including the festivals, to be collated and collected on a daily basis. It will allow for sophisticated segmentation of Edinburgh audiences, and will make it easier to target non-core audiences.

1.59 The Festivals have been committed in recent years to strengthening educational programmes, not only to satisfy government agencies, but to prepare the next generation of local festival goers and to develop long-term relationships with the local community. However, similar to other initiatives, they are fragmented and spread across different festivals; there appears to be limited pooling of expertise and experience between education workers and teams, and no consolidated effort to coordinate and expand provision as a whole. This is a priority that requires to be addressed across all festivals, and should be a core activity of Festivals Edinburgh.

1.60 **Recommendation Twelve**: Additional collaborative projects should be developed that focus on audience and educational development.

**Political Will Matched by Strong Leadership and Political Independence:**

1.61 Sustained policy-driven support by funders should be linked to strong leadership offered by the governing structures. Members of governing bodies should have appropriate expertise and have an appropriate balance of skills, interests and contacts to support a festival’s objectives. The programme should not be influenced by political interests, and the operational structures should be autonomous, characterised by strong governance. Political and operational alliances must work toward commonly agreed goals.

1.62 The Festivals’ boards should be strengthened in composition, vigour of oversight and organisational articulation to overcome any impediment to long term organisational development.

1.63 **Recommendation Thirteen**: The festivals and their stakeholders should invest in a programme of board development, ensuring that the board composition and *modus operandi* match the aspirations and achievements of the festivals.

**Coordinated Processes of Monitoring and Evaluation:**

1.64 The primary aim of monitoring and evaluation should be to promote a learning environment that encourages continuous improvement, with the acknowledgement of successes and achievements as well as problems and mistakes of the festivals and the funders. Financial control systems should be in place to help negate adverse cost variances, as well as business planning that uses options appraisals, scenario planning and financial modelling techniques.
Recommendation Fourteen: The Festivals and their core stakeholders should agree the criteria, priorities and processes for monitoring and evaluation of each festival's contribution to the strategic objective of retaining the City's pre-eminent festival status and festivals as a whole. A 'toolkit' should be devised that balances economic, social and cultural goals with innovation and management effectiveness suitable to the regional, national and international fit of each festival.
Appendix A: Scenarios

2.1 To get the client group to step away from the day to day operational issues of each of the festivals and think about how some of today’s global trends will redefine their business over the longer term, the consultants developed two workshops that resulted in the articulation of a positive and negative scenario for the Festivals through 2020. These two scenarios are summarized below.

**Negative Scenario - The Low Road**

**Infrastructure**

2.2 The British economy and the Scottish economy in particular enter a period of decline. Many of the infrastructure plans, including the airport expansion, the tram and cultural venue restoration and enhancements are delayed or are put on hold indefinitely. The value of real estate in the City Centre continues to climb and many of the spaces once used as non-traditional fringe venues are converted for residential, retail or commercial use.

2.3 Local universities move to a year round timetable and the availability of affordable bed spaces for visiting artists declines dramatically. Existing hotels increase their prices during August and over the Christmas Holidays in response to high demand, further increasing the cost of housing available to the Festivals for use by artists, performers and visitors.

2.4 With some infrastructure projects on hold and others in construction phase, traffic congestion in the City Centre increases, having a negative impact on the visitor experience and leading to frustration and apathy. Local residents in particular are put off by the congestion and opt to stay at home rather than battling the downtown crowds.

2.5 The train schedule between Glasgow and Edinburgh continues to be a problem. There are no late night trains and therefore Glasgow residents are excluded from attending many of the Festivals longer or late night activities.

**The Festivals**

2.6 The newly recruited artistic leadership at the Edinburgh International Festival, the Edinburgh International Film Festival and the Edinburgh Mela move toward a more insular way of operating. A lack of investment in joint delivery of information and signage triggers a decline in audience tolerance levels as they perceive this inability to co-operate as “bad customer service”.
2.7 For many of the Festivals’ employees, there is no full time working pattern and opportunities for advancement and professional development are limited. Some of the new festivals in the U.K. (i.e. Liverpool, Manchester) offer higher wages and better opportunities. These festivals recognise the curatorial and administrative capacity of the Edinburgh Festivals’ staff and they are aggressively recruited. As a result, the quality of artistic production and delivery drops as staff defect to other cities. Edinburgh’s inability to deliver a top notch product due to a lack of resources precipitates the closure of certain festivals.

2.8 The competitive cities have a number of distinct advantages. New IT systems, much easier to build from scratch, give a competitive edge to the new festivals entering the marketplace. The media splash around these new festivals attracts the attention of artists who see an opportunity to get more publicity and coverage. With the loss of leading staff and artists, Edinburgh is viewed as losing its edge, becoming ‘a well-known has-been’.

2.9 National and city agencies focus their attention on one-off events, such as the MTV Music Awards and the Commonwealth Games. Massive amounts of money are poured into trying to win these events as funding to the existing festival infrastructure recedes. Festivals are forced to produce sub-standard work as sponsorship and audience interest decreases, creating a vicious downward spiral. The closure of cultural venues leaves limited space for artists to develop and grow. Eventually, they go off to pursue other opportunities in cities where investment in the arts is higher.

2.10 There is a rise in nationalism and insularity around the world. The mindset in Scotland is no different and individuals in every sector begin to turn inward. There is no political vision or long-term policy agenda, an increase in parochialism at the local level and a lack of engagement with the arts community which results in cuts in arts funding. The country becomes more fragmented as local politicians push their individual agendas and petty politics overshadow any vision around a cohesive future.

2.11 The fragmentation of the Festivals’ marketing message continues. Audiences, artists and media get the sense that Edinburgh has nothing new to offer. There is a decline in media coverage which makes it more difficult to attract the calibre of artists and sponsors that the Festivals have had in the past. The cachet of the Edinburgh Festivals diminishes at a rapid pace. It’s just Edinburgh – the same old thing – we’ve been there, done that.

2.12 Other competitive cities develop comprehensive websites that provide information about their collective festivals and events throughout the year. These sites, through partnerships with companies such as Expedia.com and lastminute.com, also give visitors the option to purchase packages that include tickets to multiple festivals, airfare, accommodations and car rental. The option of one-stop-shopping is very attractive to international visitors when compared to what Edinburgh is offering.

2.13 As Edinburgh stands grazing in the field, the Thundering Hooves gallop past.
Positive Scenario – High Road

Infrastructure

2.14 After being named the fifth most talked about city in the world, Edinburgh continues to build upon its existing foundations to become an even better place to live and visit. The airport expansion continues as international carriers add direct flights to Edinburgh, making it the second busiest UK region for both domestic and international traffic after London. Direct access to Edinburgh from international cities paired with VisitScotland’s extensive tourism campaigns in Europe and the Americas increases overall visitor traffic to Scotland.

2.15 Within the city, transportation infrastructure continues to improve. Two new light rail lines – the first connecting the City Centre to Leith and Granton and the second connecting Haymarket to the Airport and Newbridge – open in 2009 and make Festival venues and events more accessible to audiences from the outlying areas of the city. Ongoing negotiations with the Strategic Rail Authority result in the development of an intra-Scotland bullet train that provides fast and reliable transport between Edinburgh and Glasgow 18 hours a day, allowing residents of Glasgow to stay around for late-night events. The development of this integrated transport system decreases congestion, making movement around the city much less frustrating for all.

2.16 The hotel infrastructure is maintained and, in fact, enhanced as additional high-end international hotels open up in the City Centre. In addition, new world class hotels, cruise ship berths and marina facilities open as part of the waterfront development in Leith and Granton, providing a significant number of additional bed spaces in the region.

2.17 A plan is brought forward to create an artist village, a subsidised residential development that will be used by the Festivals as needed throughout the year. When not being used to house artists, the facilities are used as low cost convention accommodation or as hostel accommodation for backpackers.

2.18 The Leith/Granton waterfront development also provides the Festivals with additional cultural venues, including a 5,000 seat arena next to the Ocean Terminal, an outdoor theatre in Alexandra Dry Dock, a new cultural hub that includes an international standard theatre complex and a performance space at the Granton Lighthouse. Many of the City’s existing cultural venues go through a period of renovation and transformation between now and 2012, funded largely by the City Growth Fund. These venue developments add additional capacity for medium and larger scale events.

The Festivals

2.19 A new entrepreneurial spirit permeates each of the Festivals as new delivery systems respond to changes in the global marketplace. At the same time, Edinburgh celebrates its history as the “original and best” festival experience in the world. Other festivals, including the Edinburgh Art Festival, the Interactive Media Festival and the Festival of Politics join the Festivals Edinburgh (the
Association of Edinburgh Festivals) in an effort to further strengthen the Festival brand. This model of local festival collaboration is picked up by other regions of Scotland and leads to the creation of the Association of Scottish Festivals, which brings together members from each region to discuss how Scotland’s festivals can work together to bring more people to the country.

2.20 The world’s most innovative and sought-after artists continue to be engaged to create new work in addition to reinterpreting works from the past. As a result, emerging and mid-level artists continue to view their participation in the Edinburgh Festival as essential to their career development. Additional non-traditional venues develop around the city, providing opportunities for artists to present site-specific works. These new venues also open the Festivals’ programming up to new audiences who are not accustomed to attending traditional venues.

2.21 By 2010, the Festivals have a joint marketing and sales strategy in place, which is carried out in close coordination with agencies including VisitScotland and the Convention and Visitors Bureau. The Audience Business continues to generate robust data on Festival audiences that allow the Festivals to respond to the region’s changing demographic patterns. This data serves as the basis for individual festival marketing plans and the overall Festivals strategy. A joint box office system provides audiences with easy access to tickets for all of the festivals, both online and at kiosks in strategic locations throughout the city. The Festivals website, www.edinburghfestivals.co.uk, becomes a centralized information hub that links visitors to information about each festival and allows them to buy tickets to multiple Festival events on-line.

2.22 After extensive negotiations, the Festivals strike a programming deal with BBC Scotland (similar to the Proms), in which select Festival centrepiece events are broadcast nationally. In addition, alliances are made with niche media outlets to provide appropriate opportunities for artists (media artists in particular) to develop content for broadcast and digital mediums (i.e. Tribeca/Amazon Short Film Festival). These initiatives result in broader media coverage both at home and abroad.

2.23 The Festivals’ participation in high profile international events (Commonwealth Games, 2012 Olympics) further build Scotland’s brand as an exciting place to visit.

2.24 The Thundering Hooves report is accepted and endorsed by all stakeholders. Local, regional and national agencies align to support the Festivals after fully understanding their value in raising Scotland’s international profile. The Minister for Tourism, Culture and Sport within the Scottish Executive leads an initiative to raise the profile of Scotland’s festivals and events. Other government agencies are given a remit to think about strategic ways of reinforcing the Festivals.
2.25 By 2020, the Edinburgh’s festivals have created an umbrella organisation that manages collaborative enterprises between the Festivals. Each Festival continues to maintain a degree of autonomy but many of the purely administrative areas are jointly managed. Due consideration is given to the process of developing this entity and there no top-down pressure from government agencies/funders. A renewed focus and articulated vision allows the Edinburgh Festival to retain its profile amongst one off events (i.e. Commonwealth Games in Glasgow).

2.26 By maintaining Edinburgh’s role as the world’s festival city, the Festivals continue to attract leading curatorial and administrative staff. A proper resource package is put in place to ensure that the Festivals are able to pay competitive salaries. The cachet of the Edinburgh Festivals, the beauty of the city and the opportunity to work with the world’s best artists makes living and working in Edinburgh more attractive than other competitive festival cities.

2.27 Other cities in the U.K. and around the world try to copy the Edinburgh Festivals model, but in the end, the authenticity of the Edinburgh experience prevails and the Festivals remain at the front of the pack.

2.28 The beat of thundering hooves becomes distant and faint as Edinburgh continues to outpace all competition through bold, well-planned and well-managed developments.