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Tourism and the business of culture:

The views of small and medium-sized tourism businesses on Liverpool European Capital of Culture 2008

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Report by

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Executive summary

This summary presents the main findings of research into the views of small and medium-sized tourism businesses and tourism related agencies on Liverpool European Capital of Culture2008 (Liverpool ECoC). Impacts 08 commissioned Base Line Research and Survey to conduct in-depth interviews and an on-line survey of small and medium sized enterprises (SMEs) within Liverpool and Merseyside's visitor economy. The research was undertaken in two phases: between July and September 2007; and between January and May 2009. Both phases gathered responses from a range of key informants including tourism SME business representatives.

Knowledge and experience of the Liverpool ECoC

Before 2008

- Knowledge of Liverpool ECoC varied between businesses. Some, having been involved in preparatory discussions and activities, were well informed, and most others were aware of much that was going on. A minority of firms knew very little of the preparations.
- Several businesses spoke positively of Glasgow's experience as European City of Culture and hoped (or indeed expected) that Liverpool and Merseyside would similarly benefit from 2008 and its consequences.
- Glasgow apart, there was little knowledge of other cities as European Cities or Capitals of Culture. Some businesses felt that this demonstrated that people elsewhere might know little or nothing about Liverpool ECoC, and that this might mean that few additional visitors would emerge.
- Liverpool's title of European Capital of Culture (ECoC) 2008 was a source of great pride and enthusiasm.

After 2008

- Businesses in the tourism sector were overwhelmingly positive about Liverpool ECoC.
- Positive opinions were more common among Liverpool businesses than among those respondents based elsewhere.
- Businesses with 10 or more employees were more positive than smaller businesses.
- Hotels were slightly less positive about Liverpool ECoC than visitor attractions and other businesses.
- The most commonly identified positive impact of Liverpool ECoC was the change in perceptions of Liverpool and Merseyside.
- The events most commonly identified as having positive impacts were the Klimt exhibition at Tate Liverpool[1], Go Superlambananas[2] and La Princesse[3].
- Even the minority who identified negative impacts viewed Liverpool ECoC positively overall.
- The impacts of Liverpool ECoC on sub-regional prosperity are perceived as being cumulative and difficult to distinguish from other pertinent factors. However, more businesses were able to make a judgement on the importance of Liverpool ECoC as an influence on sub-regional prosperity than on ten other factors. Yet, Liverpool ECoC 2008 ranks eighth of eleven factors perceived as influencing sub-regional prosperity.

[1] In 2008 Tate Liverpool showed a major exhibition of Gustav Klimt's work, the first ever staged in the UK.
[2] Replicas of Liverpool's *Superlambanana* (a public art work by of Japanese-based artist Taro Chiezo on display in Liverpool since 1998) were decorated by artists and community groups from around the city and placed around the city for eight weeks in the summer of 2008.
[3] La Princesse was a 50 foot mechanical spider designed and operated by French performance art company La Machine, brought to the UK by Artichoke. The spider travelled around the city between 3rd and 7th September 2008, with a published timetable of 'events' to allow audiences to follow the spider's activity.

Specific business impacts of Liverpool ECoC

Before 2008

- Businesses were hopeful rather than expectant about the specific business opportunities likely to arise from Liverpool ECoC. Ignorance of the programme of events was cited as a reason for this uncertainty.
- There was considerable optimism about an economic revival of Liverpool and the ECoC title was seen as a contributory factor, but not the most important. Major infrastructure investments in the city, such as Liverpool One and the Arena and Convention Centre Liverpool (ACCL), were mentioned as more relevant factors.
- Overall, respondents found it difficult to disentangle the impact of Liverpool ECoC from the positive impact of other local developments and events.
- The impact of Liverpool ECoC was spatially variable, with businesses in the city centre much more likely to benefit than those in non-central locations. Businesses in outer Merseyside were most likely to benefit from overspill when peak periods filled central capacity.
- A few potential negative effects of Liverpool ECoC were suggested, particularly for peripheral attractions and services, such as displacement effects and potential for price-cutting in response to oversupply.

After 2008

- Liverpool ECoC had a positive impact on the turnover of most businesses in 2008.
- A much higher proportion of businesses in Liverpool than elsewhere saw turnover increase.
- Larger firms more commonly saw turnover increases than smaller firms.
- Liverpool ECoC and the ACCL were stronger positive influences on turnover than Liverpool One or the credit crunch.
- Turnover increases were more common in 2008 than in the previous five years.
- In 2009 turnover decreases were expected to be twice as common as turnover increases. Improved performance is expected in later years.
- The impact of Liverpool ECoC was strongest in the city centre, and decreased with distance.

Relations with Liverpool Culture Company:

Before 2008

- There was misunderstanding about the relative roles of Liverpool Culture Company and The Mersey Partnership with respect to responsibilities for business engagement in this sector.
- Most business respondents held a negative view of Liverpool Culture Company linked to a perceived lack of effective communications. The late alterations to the 2007 Matthew Street Festival[4] were frequently cited as a reason for this; however critics also gave examples of earlier Liverpool Culture Company inefficiency or insensitivity, such as delays in the publication of the final programme of events, which missed planning deadlines for local businesses. The latter is a common issue for most ECoC host cities.
- Other common complaints about the Liverpool Culture Company were that it did not consult enough, it did not appear to listen to, or acknowledge suggestions, and ultimately, it failed to maximise the potential benefits of working more closely with its local environment.
- Changes to the Board of the Liverpool Culture Company, announced during the first phase of research in this project, were widely welcomed, but some informants regarded them as too late to remedy previous misunderstandings.

[4] The Mathew Street festival is an annual live music festival that takes place in both indoor and outdoor city centre venues in Liverpool over a bank holiday weekend. In 2007 outdoor venues were cancelled on health and safety grounds as the locations and travel routes were undergoing extensive construction works. These changes in scope of the festival were made only a few weeks prior to the festival weekend.

- A minority of respondents did strongly support Liverpool Culture Company and believed it did not deserve the adverse political and media treatment it had received.

After 2008

- Most businesses rated the performance of the Liverpool Culture Company positively.
- Several businesses reported their evaluation of the Liverpool Culture Company had improved as a result of the Liverpool ECoC.
- Businesses involved with Liverpool Culture Company viewed its performance more positively than those without such involvement.
- Questions were raised about the current performance of The Mersey Partnership[5].

Important note on citation:

Note this report is not to be quoted or summarised without reference to McEvoy & Impacts 08. Suggested reference format: McEvoy, D & Impacts 08 (2009), *Tourism and the business of culture: the views of small and medium-sized tourism businesses on Liverpool European Capital of Culture 2008.* Liverpool, UK [online: http://www.liv.ac.uk/impacts08.htm]

[5] At the time of the research The Mersey Partnership was undergoing considerable restructuring which may have affected their ability to deliver tourism support. In addition, in early 2009 The Mersey Partnership experienced a break in their receipt of funding for a number of strands of work, which in turn created a decrease in their visibility within the tourism sector whilst certain strands were on hold. Comments should be read in this light.

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1. Introduction

This report examines the interaction of the tourism sector in Liverpool and Merseyside with Liverpool's European Capital of Culture (ECoC) 2008 title and its associated activities. The project has been conducted in the context of other work looking at the potential economic impacts of Liverpool ECoC and therefore provides useful commentary pertaining to the 'economy and tourism' theme of Impacts 08, but also to discussions about the cultural system and its sustainability (recognising the interdependency and overlap between the tourism and cultural sectors) and the governance and delivery process of Liverpool ECoC, with reflections from the tourism sector on Liverpool Culture Company.

This report brings together the findings of two phases of qualitative research into the experience of businesses in Merseyside's visitor attraction and support sectors; one, previously published as an Impacts 08 interim report – 'Tourism and the Business of Culture' [March 2008]) and a second undertaken after Liverpool ECoC had ended, encouraging both reflections on the year itself and on the resulting positioning of the city region for the future. Both of these phases build on findings from survey research into Merseyside and North West businesses' experiences of ECoC 2008.[6] They also complement research on the experiences of major physical infrastructure developers in the city.[7]

Base Line Research and Survey[8] was contracted by Impacts 08 to investigate how the tourism (i.e. visitor infrastructure and visitor attractions) sector on Merseyside has been affected by Liverpool's title as ECoC, and by the associated activities of 2008. Phase 1 of the research was conducted between July and September 2007; phase 2, between January and May 2009.

The specific objectives of this research project were:

- to characterise business attitudes to, and knowledge of, Liverpool's cultural system and the Liverpool ECoC within the visitor attraction and support sectors;
- to identify business opportunities specifically attributable to Liverpool ECoC;
- to explore the process of engagement between Liverpool Culture Company[9] and the business community.

1.1. Research methods

The evidence from Phase 1, in 2007, was based on qualitative interviews with eleven tourism SMEs (seven involved in visitor support – three hotels, two restaurants and two transport companies - and four visitor attractions) and five key informants working for organisations supporting the visitor economy. The evidence for Phase 2, in 2009, is based partly on repeat interviews with the five key informants and ten of the eleven business respondents, plus a close colleague of the eleventh. An extra interview was held with a sixth key informant, with particular knowledge of the operations of the Liverpool Culture Company.

The key informants provided two main inputs to the research: (i) views on the organisation and potential significance of the Liverpool ECoC, which helped to inform the interviews with business informants, and/or to

[6] Phythian-Adams SL, Sapsford D, and Southern A (2008). *Doing Business in the European Capital of Culture. A Profile and Initial Assessment of Impact on the Merseyside and North West Business Base.* Liverpool: http://www.liv.ac.uk/impacts08/Publications/thematicreports.htm

[7] Impacts 08 (2008). *European Capital of Culture and Liverpool's Developer Market. Impacts and Interactions.* Liverpool: web-site as above.

[8] Base Line is an independent consultancy, specialising in social, economic and environmental research, located in the School of Social Science at Liverpool John Moores University.

[9] The Liverpool Culture Company was the body in charge of delivering Liverpool ECoC.

place the business responses received in context; and (ii) the names of potential contacts among SMEs and in other agencies.

In addition, a second set of 2009 evidence was collected through an on-line survey of 43 further SMEs in the tourism sector. This represents about thirty per cent of the businesses invited to participate. In phase two to facilitate comparison of the interview results and the survey results, the eleven interviews were fed into the online survey. The maximum number of cases in any of the tables below is therefore fifty-four. When a table has fewer responses this indicates that some informants were not asked or did not answer a particular question. In view of the total number of informants and the response rate, it should be emphasised that we are not able to say whether any of these results are statistically significant.

More details on the methodology are included in appendix 5.1.

1.2. Business respondents

The fifty-four responding businesses comprised twenty-nine providing visitor accommodation, fifteen visitor attractions, and ten others. They are listed in appendix 5.2. Table 1 enumerates the respondents by local government unit. Twenty-four of the respondents are located in Liverpool, with the remaining thirty spread between surrounding localities. These are mostly in the outer districts of Greater Merseyside, but one is in the Ellesmere Port and Neston area of Cheshire.

Table 1. Responding businesses by category and local authority

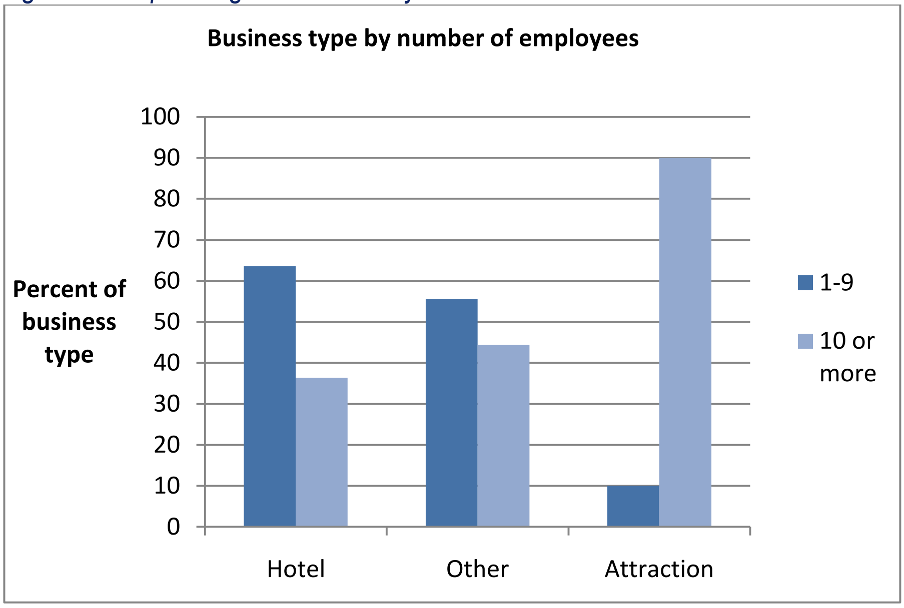
	Hotel	Attraction	Other	Total
Cheshire	1	0	0	1
Halton	0	2	0	2
Knowsley	1	2	0	3
Liverpool	12	6	6	24
Sefton	7	2	1	10
St Helens	2	2	0	4
Wirral	6	1	3	10
Total	29	15	10	54

Table 1 shows the share of each type of business in each locality. As might be expected, Liverpool has the largest share of all three business types. Both hotels and visitor attractions are represented in five of the six localities, but other businesses in only three.

Businesses were asked to provide their turnover during the 2008 financial year. Only 13 agreed to do so, and the figures are given in appendix 5.6, revealing a wide range of levels of turnovers, from £60,000 up to £8 million. Of the four largest two were hotels and two were visitor attractions. Three other attractions had turnovers below £1 million, and the very smallest businesses provided guest accommodation.

In the absence of turnover data the size of responding firms can be classified using number of employees as an indicator. This is done in figure 1. This suggests that visitor attractions typically employ more people than hotels or other businesses. Hotels on the other hand have the greatest size range, from single-handed bed and breakfast enterprises to much larger establishments with over a hundred staff, some of which were independent businesses not belonging to major chains. Business size information was not obtained from all firms (see appendix 5.2, table 13).

Figure 1 Responding businesses by size.



2. Phase 1 – Findings in 2007

2.1. Business and Liverpool's cultural system: engagement, knowledge and perceptions

2.1.1. Business engagement with the cultural system

The responding businesses varied greatly in their degree of engagement with other members of Liverpool's cultural system.[10] Several of the respondents engaged with the rest of the system by membership or leadership in local hotel, restaurant, visitor attraction or tourism organisations. Some also engaged in one to one relations with their peers. One visitor attraction for example referred to its collaboration with other nearby organisations on technical aspects of its activities.

Each of the hotels interviewed acknowledged the significance of cultural attractions in bringing visitors to the city and region, and therefore providing them with an important strand of their clientele. For one hotel this was an increasingly significant steam of revenue, though by no means its largest. One hotel played host to a number of visiting cultural professionals including film production teams.

Several hotels and restaurants spoke of the importance to their turnover of sporting events such as the Grand National and Premiership football. The latter provided regular weekend patrons over much of the year, while the former provided a substantial annual boost to profits. Local (amateur) sports teams were also promotional vehicles for a small number of firms, but it may also have been that where such sponsorship occurred, key executives had personal interests in the local clubs in question. No respondent spoke of using professional sport for promotional purposes.

A few businesses hired local entertainers (both professional and non-professional) for special occasions. One business supported cultural education by awarding student prizes. Several firms said that their main sponsorship activities were charitable rather than cultural, for example by supporting local hospices. One business was a periodic venue for commercial cultural events such as fashion photo shoots, television interviews and cultural product launches.

[10] Liverpool's cultural system is defined in the Impacts 08 Baseline report as a combination of sectors including cultural and creative industries, city attractions, visitor infrastructure and to a lesser extent, retail. This is illustrated in Appendix 5.5.

Many of the respondents spoke of their business performing many activities within the remit of the creative industries, such as design and marketing, which might have been contracted out. One informant explained that this was because outsourced designers produced work which looked good in the first instance, but whose quality deteriorated rapidly. Outsourced suppliers also often failed to understand the specific attributes of the attraction's visitors. When pressed, however, businesses providing in-house creative services usually said that when they did need external services they used local companies, professionals and craft workers. In the case of some family firms such locally-based creative practices were considered part of their identity. Some firms were unable to recognise that they engaged in marketing; they were listed in telephone directories and were listed by tourist boards, but for the most part they felt that their reputation was maintained by word of mouth. The chain hotel interviewed obtained many of its creative services from national suppliers contracted by its head office. The interviewee pointed out, however, that the chain chose to organise some of its corporate activities in the Liverpool hotel.

For some of the visitor attractions an important element of their engagement with the cultural sector was through the provision of information technology and technical services (e.g. joinery and electrical) to outside clients. This was mainly through their associated companies, rather than through the attractions themselves.

2.1.2. Business knowledge of the Liverpool ECoC

Most of the respondents possessed considerable knowledge of the development and press coverage of the Liverpool ECoC. Some were acquainted with the main executives in the Culture Company, or with old and new members of its board. Several respondents had served on committees or working parties associated with Liverpool ECoC. Others had participated in various ways in preparatory activities, such as the themed years. Most people had strong views on how things were shaping up for 2008.

Despite many strong negative views of the Culture Company (see section 2.3 below), most of the interviewees were enthusiastic supporters of Liverpool's as ECoC. There was a great deal of pride, on the part of both Liverpudlians and others, in the securing of the title, and it was interpreted as external recognition by an authoritative body (the European Union) that Liverpool really is as dynamic and important as many of its citizens already believe.

For several respondents the ECoC title reflected Liverpool's existing qualities and achievements. One called it a "badge of achievement", an indication that the city belongs at a high level in rankings of cities, and argued that since it was an attainment, "it doesn't require you to have a parade". He argued that some previous Cities or Capitals of Culture had done little that was special during their designated title year, relying instead on the title alone as a mark of prestige. On this front, the interviewee argued that it did not matter very much whether Liverpool's programme of events in 2008 was truly impressive, the important thing had been to win the nomination in the first place.

A key informant felt that the ECoC title had "got us on the radar which is an important factor in investment decisions". Several businesses appeared to concur, but a later key informant argued that this was not the case: "Capital of Culture did not get us new investments – most were in the pipeline before Capital of Culture was obtained". It may be, however, that this disagreement will be resolved in the future if the Liverpool ECoC attracts additional investments: one manager of a tourist attraction suggested, "Once you have Capital of Culture it doesn't just last for twelve months – impact in the next 5-10 years is important".

Several other respondents seemed to agree when they spoke positively of the impact of City of Culture status in 1990 on Glasgow's subsequent success and reputation. One said that City of Culture did not have a "big bang impact at one time in Glasgow"; it was not a "365-day party", but it had been a catalyst for future business. A key issue was how continuing benefits could be achieved in Liverpool, but most respondents felt that investments in the city centre showed that 2008 would not be a temporary revival of Liverpool's fortunes.

One interviewee did observe that the ECoC process involved some "class distinction – some people get involved – some are by-passed", however there was no mention of the alleged economic inequality of the effects of Glasgow's renaissance, nor was the likelihood of benefits from Liverpool's central revival spilling into the rest of the city and region discussed. Most informants seemed content that Liverpool's retail and tourist sectors were continuing to grow, and saw this as clearly a good thing.

Although most interviewees were uncertain about the full range and timing of Liverpool ECoC events during 2008, there was widespread belief that the year would be substantially beneficial for the city. Quite apart from the visitors it may attract, Liverpool ECoC was expected to be, "With a bit of luck, a lot of fun for a lot of Merseyside people".

Two respondents pointed out without prompting that most people (including themselves) did not know which city had the 2007 ECoC title. This was confirmed when the final two interviewees were asked if they could identify any other ECoC's with a particular year. Neither of them, nor any of several well-educated local professionals to whom the interviewer subsequently spoke, were able to answer either question, although several people volunteered that Glasgow had once been ECoC.

2.1.3. Business perceptions of Liverpool's cultural system

We were interested to explore how these visitor attractions and support companies viewed the rest of the cultural system of the city as this would help assess the potential sustainability of links made as a result of Liverpool ECoC.

Several respondents were familiar with many of the leading cultural sector bodies and personalities in their borough, and in some cases, in Merseyside as a whole. They followed news of cultural developments and their economic, social and political ramifications through the local media, and referred in a number of cases to the opinions of their business peers on these matters. This knowledge was seen either as an aspect of business, part of the opportunity structure; or it was information about the life of the region.

Most businesses did not see their activities, or the sectoral groups in which some of them were quite active, as part of the cultural system. They viewed 'culture' more narrowly, in terms of concerts, theatres and museums. They welcomed the clientele these activities generated, but they did not think this made their businesses part of culture. They were engaging in sensible business practice, rather than a cultural activity. Some of the visitor attractions were a partial exception to the general distancing of culture from business. Even so, several attractions were happier to identify with the tourism sector, rather than the cultural sector. This did not necessarily affect their ability to benefit from the audiences generated by the arts but it does offer potential explanation for the results below in terms of impacts of and engagement with Liverpool ECoC.

2.2. Business opportunities specifically attributable to the Liverpool ECoC

For the most part businesses were hopeful rather than expectant about specific business opportunities likely to arise from the Liverpool ECoC. In a number of instances this viewpoint was attributed to the failure of the Culture Company to announce the programme of events for 2008 before September 2007. One respondent suggested that organisers of weekend break visits to Liverpool would be well aware of the packages they needed to create even without a confirmed programme, but most others believed that the unannounced programme was a real limitation on their ability to foresee likely upturns in trade.

The recurring perception of failure or delay in announcing the programme of events for 2008 is not unique to Liverpool, e.g. similar perceptions were rife before Lille 2004. In Liverpool there was a launch event of the highlights programme for 2008 in November 2006 which was specifically aimed at the international travel trade and media. In September 2007 a fuller events programme was launched and was aimed at the news media and general public. The nature of arranging a large, year long programme of events and the added complexity of contractual negotiations and timings makes it difficult to publish a detailed programme much earlier than was achieved in Liverpool. That many respondents saw this as a delay or failure suggests a communication issue rather than a delivery failure.

Many respondents emphasised that it would be difficult to disentangle the impact of the Liverpool ECoC from the positive impact of other local developments and events. For example the Arena and Convention Centre Liverpool (ACCL) opened during 2008.[11] This was almost universally regarded as an extremely positive factor for the local visitor industries, including attractions and visitor support organisations. The opening of the Cruise Liner Terminal in September 2007 was also seen as likely to be strongly beneficial, and to have a growing impact during 2008. It was emphasised, however, that 2008 would only be the beginning for both ACCL and the Cruise Liner Terminal, and that however much they added to ECoC-related events, their principal impact would be in the long term. Only one interviewee said his organisation already had increased bookings for 2008, but that this was related to events at the Arena, rather than to Liverpool ECoC. Another interviewee said there had been more enquiries than usual about 2008, but this had not resulted in more bookings. The same respondent said, however, that the normal time for bookings was six to eight weeks in advance of need.

Several respondents also enthused about the potential impact of Grosvenor's Liverpool One shopping centre development, also scheduled for a 2008 opening. One interviewee pointed to Liverpool's gradual slide down the national rankings of retail centres. Liverpool One would be likely to restore the city's status as a retail destination, thus bringing visitors to the city who would spend money in visitor attractions and restaurants. Two respondents referred to the beneficial impacts of the proposed investments on both sides of the Mersey (Peel Waters) by Peel Holdings, owners of the Mersey Docks and Harbour Company.

Respondents not involved in activities in central Liverpool felt that the impact of Liverpool ECoC on their businesses would be substantially less than the impact on central businesses, but that they would still benefit from overspill, particularly at peak periods. One example given of a peak period was the coincidence during the Liverpool ECoC year of the Open Golf Championship, at Royal Birkdale in Sefton, with the visit of the Tall Ships Race to Liverpool. This would be likely to fill all available hotel rooms in the region, and have an impact in other parts of the North West region.

It was also thought that peripheral providers of hospitality and events facilities might benefit from the dispersal of local corporate hospitality and training events from their traditional central locations. Apart from the factor of increased bookings, one reason for this might be price increases resulting from the events of 2008. One hotelier suggested that at peak periods there would be spikes in demand which would allow prices to be increased. These price increases might simply be the elimination of discounts which are used to fill capacity in times of normal demand.

Where respondents did feel able to disentangle the potential effects of the Liverpool ECoC from those of specific investments, it was broadly agreed that the ECoC as an events programme was less significant than these investments in the long run. However substantial the, as yet unknown, *direct* impact of the Liverpool ECoC, many saw it as a single year of events. This is not to say, though, that there was a lack of enthusiasm for the Liverpool ECoC. Even those who expressed views that Liverpool ECoC could have been better organised agreed that its impact was likely to be beneficial. There were several people who felt that visitors enjoying a positive experience in 2008 were likely to return subsequently, and that their return would be due to existing attractions, such as the Museums and Beatles celebrations, together with newer investments which

[11] Whilst it is important to recognise that, in seeking to differentiate between the impacts of different programmes, physical regeneration initiatives were not part of the Liverpool ECoC programme, and were managed and financed separately, it is worth acknowledging that the ECoC title created a focus and a deadline for key developments, particularly for the Arena and Convention Centre, which was explicitly timetabled to be completed to host the opening of the Liverpool ECoC programme in 2008.

would mean that there was much to encourage return visits. This fits with the attitudes of major infrastructure developers and the entrepreneurs of the arts sector who see Liverpool ECoC as offering a longer term impact, with the indigenous cultural sector having the potential to continue to attract those who came initially for the ECoC. One informant echoed the view that visitors would be impressed by the sight of so many cranes in the city, and therefore would feel encouraged to return to see the completed buildings. In the informant's view, this however, may frustrate the Culture Company as some visitors may simply believe the city was not ready for 2008.

A few interviewees suggested that there might be some negative business effects in 2008. One argued that the congestion arising from the Liverpool ECoC could disrupt his firm's substantial regular wedding trade. A visitor attraction outside Liverpool feared that the Liverpool ECoC might reduce visitor numbers to outer Merseyside during 2008 by diverting them to attractions within the city. Another respondent argued that with room utilisation currently at 83 per cent in Liverpool hotels, there was little spare capacity in which to accommodate an increase in visitors. The majority of such an increase in visitor numbers during 2008 might therefore only be attributable to day visits, and day visitors spend far less than those who stay overnight. One hotelier suggested that he was not expecting an increase in overnight stays, as he had little spare capacity, but saw some potential for growth in sales through providing afternoon teas to organised parties of visitors.

In contrast another hotelier suggested that the main problem was likely to be over-supply rather than limited demand. He argued that 1100 new hotel rooms were scheduled to be available in the next two and a half years. A key informant later suggested that many of these would come on stream in 2008 itself. A business respondent from an outer borough went further and suggested that there is "overcapacity now in Liverpool", meaning, he claimed, that while visitors in 2008 would be more easily accommodated than if the new rooms had not been developed, oversupply might result in price-cutting competition and lead to a return to the "bad old days" when low prices and low quality were part of Liverpool's image.

The question of which other European cities had been or would be ECoC was raised by two interviewees: if people in Liverpool, including those in the tourist industry, do not know which city is currently or recently ECoC, why should it be expected that those elsewhere should know about the Liverpool ECoC? And if they do not know about it, why should a significant surge in visitors to Liverpool be expected in 2008? Neither of the interviewees making this point was suggesting that Liverpool's visitor economy would not grow during 2008, but they saw it rather as part of a rising trend attributable to many causes which included, but was not limited to the ECoC.

2.3. Perceptions of and Engagement with Liverpool Culture Company

2.3.1. The tourism business support context in Liverpool

Visitor sector business engagement in Liverpool has traditionally been shared between Liverpool City Council (LCC) and The Mersey Partnership (TMP), the tourism marketing board for the sub-region, with LCC having a small tourism team and TMP taking the lead in terms of business engagement and marketing. With the establishment of the Culture Company and the need to consider a marketing strategy for the ECoC which would take in some elements of marketing traditionally carried out by a city council tourism team, there was a need to ensure that a strategic approach was taken to build on existing partnerships and ensure sustainability. A memorandum of understanding was signed between Liverpool City Council and TMP in 2005, clearly outlining the division of responsibilities, and a member of TMP staff was seconded to the Culture Company to take a lead in relations with the tourism and leisure business sector. This individual has led the relationships with both the overall tourism sector and the Merseyside boroughs in terms of tourism. This has potentially led to the perception of poor communication form the Culture Company as, in order to reduce confusion and duplication, the Culture Company has not sought to establish its own communications process, preferring instead to work through partners such as TMP and the individual boroughs through the Joint Working Group.

As a result of this division of responsibilities, there is a potential for misunderstandings about what sort of role the Culture Company should have had. As with other areas of ECoC impact, we find that the general public as well as stakeholders have been under the assumption that the Culture Company has failed to deliver on certain communication fronts because of an expectation that all ECoC related activity should be directly managed by the Culture Company (and presented under the Liverpool 08 banner). Thus the findings below need to be read in this light, in particular as there was considerable praise for the work of TMP in promoting tourism business opportunities.

2.3.2. Business Perceptions

A minority of the business interviewees argued that, although the Culture Company had made mistakes, these were more easily identified with hindsight than in advance. It was felt that the negative perception of the Culture Company was the result of a local and national media obsession with discovering bad news stories about Liverpool, and was encouraged by local politicians and other public figures more interested in advancing their own reputation than that of the city. However, it is fair to say that the majority of business respondents held a thoroughly negative view of the Culture Company, and some key informants tended to agree.

On the positive side, one of the respondents indicated that the Culture Company was "doing a fantastic job" in adverse circumstances; they had a "tough job" and suffered from a "bad press". The respondent was tired of people "picking over the bones" and "sick of the city shooting itself in the foot". Liverpool needed to "get behind it [the Culture Company and the ECoC]", and "stop talking about how it wouldn't work", but rather needed to "make it work", or the national media would build on past negativity. The same interviewee argued that 'public scepticism will be blown away' once the programme of events for 2008 was published. This respondent, like several others, was actively involved with the Culture Company in a working group preparing for Liverpool ECoC.

Some interviewees felt that the restructuring of the Culture Company Board, recently announced at the time of this phase of the research, would be likely to improve matters. However, many had mixed feelings and were doubtful that it would make a great difference to the ECoC. The appointment of Phil Redmond as new Deputy Chair of the Culture Company Board with responsibility for creative direction was welcomed, as he "will bring a real sense of theatre to 08". However, it was also added, "It's a shame he has been brought in too late. There is no positive spin, with three months to go". Ultimately, it was noted that the run up to Glasgow's year as ECoC had been marked by similar problems to Liverpool's preparations, and there had been Board changes there too, yet Glasgow's year was seen as a success. This should be seen as an indication that a strong programme of activity during the event year was the most important factor to overcome negative management perceptions and public scepticism.

Overall, while there was acknowledgement that the Culture Company was being unfairly treated by the press, it was also argued that the organisation had not done itself any favours by failing to communicate well and gain the trust of local businesses, as well as committing some important marketing and media management mistakes. The announcement of the late adjustments to the Matthew Street festival was seen as an extreme example of the latter. Referred to as an "absolute bloody farce", interviewees noted that the press announcement was handled in a damaging way, and ought to have talked of relocation rather than encouraging stories of cancellation. It was also suggested that there had been little follow up to the November 2006 announcement of the '08 Highlights', and that few links had been made between the Liverpool ECoC celebrations in 2008 and events to celebrate the 800th anniversary of Liverpool's charter in 2007. A particular complaint was that the Culture Company failed to give enough emphasis to the two elements that gave Liverpool a worldwide reputation: Liverpool Football Club and The Beatles. It was also suggested that the Culture Company had taken on too many activities, and was insufficiently focussed on the things that really mattered to make a strong marketing impact.

Businesses complained that the Culture Company was often late in its decisions and actions, which reflected the general view that the publicity materials the Company was responsible for producing frequently appeared too close to the event being promoted for them to be useful. The crucial example of Culture Company lateness, given by several of the business interviewees and some key informants, was the delay in publishing the programme of events for 2008. This caused concern as it meant that an opportunity to properly market the Liverpool ECoC outside the city and region had been lost. A key informant pointed out that summer was the season when hoteliers, restaurateurs and others prepare events and publicity for the following calendar year. The autumn was too late to inform businesses of what would happen in the following year. Tour operators, it was asserted, need to know when events are going to take place more than a year in advance, and so their programme of tours for 2008 would already be fixed by the time the Liverpool ECoC timetable was announced. This respondent doubted that visitors to Liverpool would reach the 20% or more increase that he claimed could have been achieved by 2008.

Again, many of these assertions suggest a misunderstanding regarding the timings and purpose of the two key announcements regarding the programme for 2008. The November 2006 highlights announcement was specifically aimed at the international travel trade and media whilst the September 2007 announcements including the ticket ballot were for the news media and the public. It seems likely that the Culture Company did not communicate the relative purpose adequately to its stakeholders.

Although one of the interviewees indicated that the Culture Company was supportive of joint working, there was widespread concern that the organisation failed to properly consult, to recognise local business' desire to help, or to acknowledge their input. Examples given included the lack of recognition for marketing ideas from the local business community that would instead be credited to external consultants; and the perception that the Culture Company "makes things difficult" for organisations which wish to get involved, which generates a 'waste of time' feeling among its would-be collaborators. A common claim was that that while "the staff did well to get it [the ECoC title]" and engage local people, very little of use was done in the wake of this success. The organisation "brought in outsiders without local listening capacity," and small enterprises had been "pushed aside." One informant suggested that the Culture Company was too engaged with prestigious organisations and spent too much in "expensive restaurants". This is consistent with the overall attitude of several informants, which could be summed up by one respondent's description of the Culture Company as "arrogant and defensive":

"There is no strong sense of direction, and no strong leadership."
"They keep people out of the loop."
"Why aren't these people accountable?"

One business respondent however commented that too many businesses were waiting to see "what they would get" from the Culture Company and the Liverpool ECoC. In contrast "clever firms have decided what they want to do". The Culture Company's critics, it was suggested, were from the former group.

A specific example that had damaged relationships between the Culture Company and local businesses was the licensing of the use of the Liverpool 08 logo. Businesses were dismayed that the Culture Company wished to charge them what they considered an exorbitant price in return for what they saw as free advertisement and an expression of their support of the ECoC. While it was felt that it was entirely legitimate for the Culture Company Board to have wished to maintain control over the use of the logo, cost ought not to have been a major barrier to its more widespread use.

It is also relevant to consider whether our assessment of business attitudes to the Culture Company may have been skewed due to the particular circumstances surrounding this exercise (ie. the wake of political and media criticism following the curtailment of the 2007 Matthew Street festival). Indeed this was a point raised by some key informants. In response it can be stated that by no means all of the responding businesses couched their responses in the light of this recent controversy. Several cited experiences from well before August 2007 as the source of their opinions.

3. Phase 2 – Findings in 2009

3.1. Attitudes towards Liverpool's ECoC title

The first question in the online survey was intended to be an easy one to answer, and it will be seen from table 2 that clear answers were given by fifty-two respondents. The question was whether the Liverpool ECoC had been positive or negative for Liverpool and Merseyside. The answers were overwhelmingly positive, with over half located within the 'very positive' category.

Table 2. General attitudes towards the Liverpool ECoC

How positive or negative would you say Liverpool being ECoC 2008 has been for Liverpool and Merseyside?		
Very positive	50.9%	27
Positive	41.5%	22
Neutral	5.7%	3
Negative	1.9%	1
Very negative	0.0%	0
Total	100.0%	52

Within this overall picture it is possible to examine how answers varied along three important dimensions, place, size and type of business.

Table 3 shows, perhaps unsurprisingly, that very positive answers were more common among Liverpool businesses than those from elsewhere. It is worth noting however that all the respondents from outside Liverpool gave a positive or very positive answer. The two neutral answers, and the one negative response were all from Liverpool.

Table 3. General attitudes to Liverpool ECoC by geography

	Percent within area (n)		
How positive or negative would you say Liverpool being European Capital of Culture 2008 has been for Liverpool and Merseyside?	**Liverpool**	**Elsewhere**	**Total**
Very positive	58.3	44.8	50.9
Positive	25	55.2	41.5
Neutral	12.5	0	5.7
Negative	4.2	0	1.9
Very negative	0	0	0
Totals	100(24)	100(29)	100(53)

Table 4 shows that within these generally positive answers it is possible to differentiate attitudes to ECoC by business size. Very positive answers were more common among businesses with 10 or more employees. The two neutral answers and the negative answer were among the smaller firms. It should be noted that this table is based on only 40 responses to the question on employees.

Table 4. General attitudes to the Liverpool ECoC by business size

	Percent by category (n)		
1. How positive or negative would you say Liverpool being European Capital of Culture 2008 has been for Liverpool and Merseyside?	1-9 employees	10 or more employees	Total
Very positive	42.1	61.9	52.5
Positive	47.4	38.1	42.5
Neutral	5.3	0	2.5
Negative	5.3	0	2.5
Very negative	0	0	0
Total	100 (19)	100 (21)	100 (40)

Table 5 suggests that within the overall positive picture hotels are slightly less positive than the other two sectors. This view is accentuated when it is recognised that two of the neutral answers and the negative answer came from hotels. The third neutral answer came from a restaurant in the other business category.

Table 5. General attitudes to Liverpool ECoC by business type

	Percent (number) by category			
1. How positive or negative would you say Liverpool being European Capital of Culture 2008 has been for Liverpool and Merseyside?	Hotel	Other	Attraction	Total
Very positive	46.4	60	53.3	50.9
Positive	42.9	30	46.7	41.5
Neutral	7.1	10	0	5.7
Negative	3.6	0	0	1.9
Very negative	0	0	0	0
Total	100 (28)	100 (10)	100 (15)	100 (53)

More complicated cross-tabulations of the data, for example by differentiating businesses in Liverpool by size, are precluded by the size of the overall sample.

As with business respondents the general opinions of the key informants were strongly approving of Liverpool ECoC as a whole. It was: "absolutely positive", "brilliant, and there was: "no single flop"; "It put us on the world map".

The former Culture Company employee presented a note of caution. The Liverpool ECoC had been extremely positive for Liverpool, but did not meet the expectations of other districts. This is consistent with opinions from business informants. Despite the difference in impact, the districts now had a more collaborative attitude than before Liverpool ECoC, having previously seen each other as rivals. Wirral had, for example, until three years ago hidden Liverpool in its promotional literature, but now played it up, with the Mersey seen as a link rather than a barrier.

One of the key informants summarised the impact of Liverpool ECoC with the words, "Liverpool has roared up the league table of UK cities on a number of important dimensions."

3.2. Specific impacts of ECoC 2008 on Liverpool and Merseyside

An optional sub-question in the survey allowed those who wished to add to their judgement on the positive or negative character of the Liverpool ECoC. Nineteen businesses chose to do so. Ten businesses made entirely positive comments, while eight provided answers containing mixed messages. Only one comment was negative, which is consistent with the balance of the numerical results above. This answer came from a Wirral hotel, which had given a positive answer, but added '"It could have been handled much better and with more passion".

The positive responses are listed in table 14 in appendix 5.4. Perhaps the most common point made is that perceptions of Liverpool, and sometimes Merseyside, have been changed for the better by Liverpool ECoC. These perceptions belonged both to local people: "… Liverpudlians found a lot of pride…" and to others: "…it changed people's perspectives around the country".

Other answers referred to: "stunning buildings"; "improvements to the Pierhead"; improving transport infrastructure; and the linking of the city centre to the Albert Dock by the building of the Liverpool One shopping centre. It might be argued that these physical features and changes are not the outcome of the Liverpool ECoC title or programme. This linkage, or confusion, of other positive contributions to local regeneration with Liverpool ECoC is a theme which will recur later in the report. Another emerging pattern is made explicit in one response: Liverpool ECoC was positive "in particular for the city centre". Other dimensions of positive comments included visitor characteristics and tourism skills.

Neutral or ambivalent comments are listed in table 15 in appendix 5.4. Some ideas mentioned in the positive comments emerge more strongly here. A contrast between Liverpool, sometimes the city centre, and the rest of Merseyside emerges strongly, including comments such as these:

> "I went to see Liverpool events. How many of them came to us?" and
> "the surrounding areas seem to have been … left in the shade".

Each of these reservations is however in the context:

> "The number of visitors put Liverpool on the tourist map";
> " … it has been extremely positive for Liverpool".

Two answers were critical of the launch event, but one of these also suggested that the "rest of year of culture was fantastic".

Two further responses raised the relationship of the Liverpool ECoC to other contributors to economic well-being:

> "...other factors are far more important" and
> "[the] impact of Capital of Culture is fogged by many other factors. Arena will give biggest boost to economy in the long run".

A final critical element of the ambivalent comments worth mentioning is the implication that the Culture Company's gratitude to others was not always apparent:

> "We suggested [*one of the successful events*] but received no credit for this."[12]

Following the enquiry about overall judgments on Liverpool ECoC, respondents were asked two questions on its positive and negative impacts on Liverpool and Merseyside. While there were no negative responses to the question calling for positive impacts, four of the answers on the negative impacts denied their existence:

> "Negative impacts? No I don't think so";

[12] The italicised portion of this quotation is a paraphrase in order to maintain informant confidentiality.

> "No negative, I just hope that the focus and attention and money made during 08 can be fed out to the areas of Liverpool that are run down and need help";
> "No negatives";
> "None".

These denials of negativity can be set alongside the positive impacts identified in table 16 in appendix 5.4. Respondents clearly interpreted impacts in different ways. Some seem to have understood them mainly as the range of new events presented as part of the Liverpool ECoC programme. Others were more concerned to identify the effects of hosting such events. In table 16, identification of impacts have been divided into four groups: ECoC events, changes in city perception, discovering the city's offer as more than The Beatles, and effects on the city's economic and physical development.

Respondents identifying events as the main area of impact focused on three examples, namely the Klimt exhibition at Tate Liverpool, Go Superlambananas, and La Princesse. The Tate Liverpool's Klimt exhibition was credited with bringing a new class of "more polished" visitors to the city. With reference to Go Superlambananas, one respondent pointed out that they "moved people out from city centre", thus counteracting the city centre concentration of activity that had been seen by some as negative.

The single message running through those identifying a change in perceptions was that Liverpool ECoC had substantially improved the reputation of the city. Most comments can be summarised by one answer:

> "I think that people's opinions about Liverpool were very negative, even if they hadn't visited personally, before Capital of Culture. Now even if they haven't visited themselves, their ideas have changed".

There were two comments highlighting a positive surprise at the discovery that Liverpool had attractions other than the Beatles. These comments came from guest houses located outside the city: one in Southport, and the other in the western part of Wirral.

The final five positive impacts identified related mainly to physical redevelopment, which others have argued to be a parallel phenomenon rather than a specific Liverpool ECoC outcome,[13] and also to numbers of visitors and their spend, as well as help for the city's economy and entry to international markets. An interesting subsidiary remark, with relevance later in the report, is that "the city council … provided what they promised".

There were fewer replies to the invitation to identify negative impacts of Liverpool ECoC than to the previous question on positive impacts: twenty-two compared to twenty-seven (responses listed in table 17 in appendix 5.4). Moreover, it has already been noted that four 'negative' responses denied that there were any. The main emphasis of perceived negative impacts was on issues such as finance, perceived lack of legacy, construction work, organisational issues and inequalities. Regarding financial issues, three answers suggested that there was overspending. The most vitriolic suggested that there was a "waste of money on egotistical exercises".

This was a viewpoint echoed in one of the two comments that highlighted a lack of legacy:

> "Sad that there is no legacy. The massive party when the CEO went back to Australia was absolutely disgusting".

[13] See O'Brien & Impacts 08 (2010). *'Liverpool on the Map Again' - Liverpool Stakeholders' Reflections on Liverpool's year as European Capital of Culture 2008.* Liverpool, UK: Impacts 08
[online: http://www.liv.ac.uk/impacts08/Publications.htm]

Comments about "construction work" being a negative impact of Liverpool ECoC could be contested on the grounds that the issues identified were not really due to the Liverpool ECoC itself. The main issues identified were "road works that visitors had to negotiate" and took "so long to complete". Furthermore, two answers identified poor organisation, and three suggested that the benefits of Liverpool ECoC were unevenly distributed. In addition to the discrepancy between the city centre and elsewhere, already noted, these answers also identified taxi drivers as failing to benefit because of this spatial concentration. A further response was a specific complaint that crowds attending some events prevented customers reaching the respondent's restaurant. The final negative response is the suggestion that mass development has created blandness. Like the construction complaints, this is not directly attributable to Liverpool ECoC.

Lest too much should be made of these negative answers it needs to be remembered that most of those who gave them viewed Liverpool ECoC overall very positively.

Three further comments were neutral, since they contained both positive and negative elements. Their message seems to be that things went well despite the negative components identified:

> "In the years leading up to 2008 the infighting between council and other bodies didn't give much confidence in the Capital of Culture being a success but it was, in spite of this! I think it could have been an easier task had we had a more local person in place for the Culture Company from the beginning."
>
> "Ringo Starr and his television debacle and the anger it generated; however it was used by many to promote the region positively"

The key informants identified similar positives and negatives to business respondents. The Spider and Klimt exhibition were mentioned several times, often in glowing terms:

> "People were just bowled over, especially by La Princesse";
> "The Spider was awesome";
> "Klimt –outstanding";
> "the Klimt exhibition got high media treatment".

In addition

> "the Superlambananas were an amazing surprise".

The McCartney concert and the opening ceremony also received favourable mentions.

3.3. The importance of Liverpool ECoC in relation to other factors

3.3.1. General findings

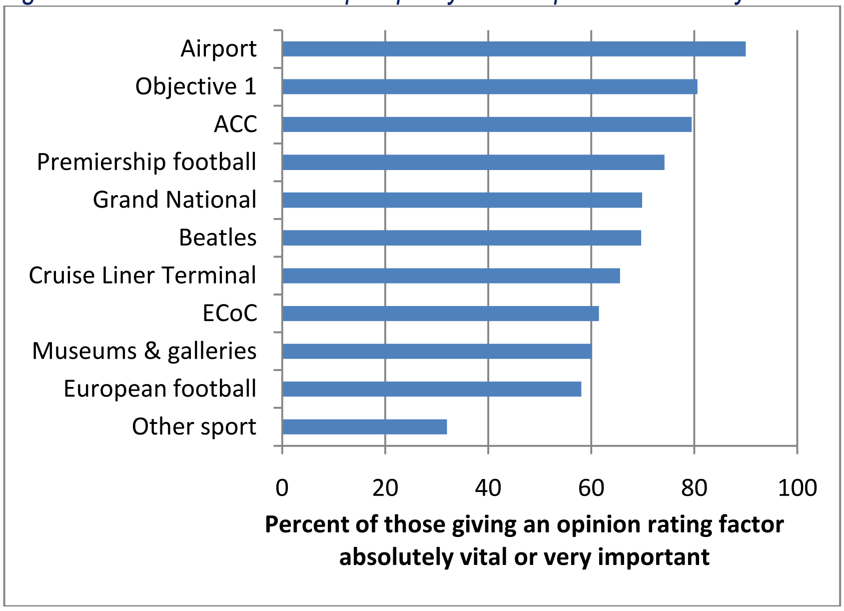
In previous sections Liverpool ECoC has mostly been examined in isolation from other factors. This leaves open the possibility that, however good or bad it is judged to be in itself, respondents may still consider that it was not particularly as valuable as other initiatives. Respondents were therefore asked to rate the importance of the Liverpool ECoC's contribution to the prosperity of Liverpool and Merseyside alongside the contributions of ten other factors which might be thought to be significant: the Arena and Convention Centre Liverpool; the Beatles; European Objective One status; European Football; Premiership Football; the Grand National; other large sporting events; Liverpool John Lennon Airport; the Liverpool Cruise Liner Terminal; and Museums and Galleries.

Successive panels of table 18 (in appendix 5.4) rate the importance of these eleven factors. They are listed in the order they were given in the survey. Liverpool ECoC was listed fourth rather than first to avoid any suggestion that the researchers expected it to be ranked highest.

At first sight, these results are quite flattering to Liverpool ECoC; 48 per cent of respondents rated it either absolutely vital or very important in its contribution to prosperity. Only the Arena and Convention Centre Liverpool on 61 per cent, and Liverpool John Lennon Airport on 53 per cent, did better. Moreover respondents were more willing to make a judgement on the importance of Liverpool ECoC than on any other factor. Only 22 per cent said they didn't know how to rate it. The typical level of 'don't know' answers was approaching 40 per cent, and only the Arena and Convention Centre Liverpool, on 23.5 per cent, also had fewer than 30 per cent don't knows.

This flattering image of Liverpool ECoC turns out, however, to be a result of the proportion of people willing to express an opinion on each factor. If we adjust the percentages so that those answering 'don't know' are excluded, we get the numbers in the final column of table 7. These revised figures are shown in In figure 2 which represents those rating each factor absolutely vital or very important. It turns out that Liverpool ECoC outranks only museums and galleries, European football and other sporting events when the figures are revised in this way. In fairness, it should be acknowledged that Liverpool ECoC scores over sixty per cent in these adjusted results, but this is a long way behind Liverpool John Lennon Airport on ninety per cent, and both Objective 1 and the Arena and Conference Centre on about eighty per cent.

Figure 2. Contributions to the prosperity of Liverpool and Merseyside.



The seeming paradox of Liverpool ECoC being viewed very positively, but not receiving such high ratings as seven other specified factors in a comparative context, can be resolved by recognising that Liverpool ECoC was a relatively short-term experience. Its contribution to the reputation of the city and region has been invaluable, but long-term prosperity needs to be sustained by more persistent drivers. Most of the other phenomena in table 7 are either apparently permanent features of the local tourism landscape, such as the airport or the Grand National horse racing event, or, like Objective One funding, much longer lasting and more capital-intensive than Liverpool ECoC. The only other intermittent events, European football and other sporting events, perform less well than ECoC 2008 in figure 3.

This explanation is partly endorsed by the opinions of the key informants. The impact of Liverpool ECoC and other events is variously seen as collective or as cumulative. Liverpool received repeated beneficial publicity as each new event is announced and later opened. European Union funding, especially Objective One, is seen as being a more specific programme, and therefore feeding more specific outputs.

3.3.2. Findings by business type

The next step is to examine how location, business size and type of business influence views on the contribution of Capital of Culture to the prosperity of Liverpool and Merseyside. In considering these variations it is important to recognise that the sample size for individual sub-categories is often very small. It is perhaps appropriate to say that the figures suggest that sub-types of firm vary in their views, but that the precise nature of that variation is problematic.

When businesses are differentiated by location, see figure 3, it can be seen that the firms outside Liverpool give a somewhat higher rating to the Liverpool ECoC than those in the city itself. This pattern of answers may seem at variance with that given in table 3, where Liverpool businesses rated the Liverpool ECoC more highly than other areas. Both questions were on five-point scales, although different labels were used. Moreover the question currently under examination asked about importance for prosperity, whereas the earlier question simply asked whether the Liverpool ECoC had been a positive or negative phenomenon. Other factors in figure 3 do not all differ spatially in the same way as this. Like the Liverpool ECoC, Objective One, the Grand National, other sporting events, the airport, the Cruise Liner Terminal and museums and galleries are all even more highly rated outside Liverpool. But the Arena and Convention Centre, The Beatles, and the two football competitions are viewed with greater favour within the city.

Figure 3. Contributions to the prosperity of Liverpool and Merseyside by local authority

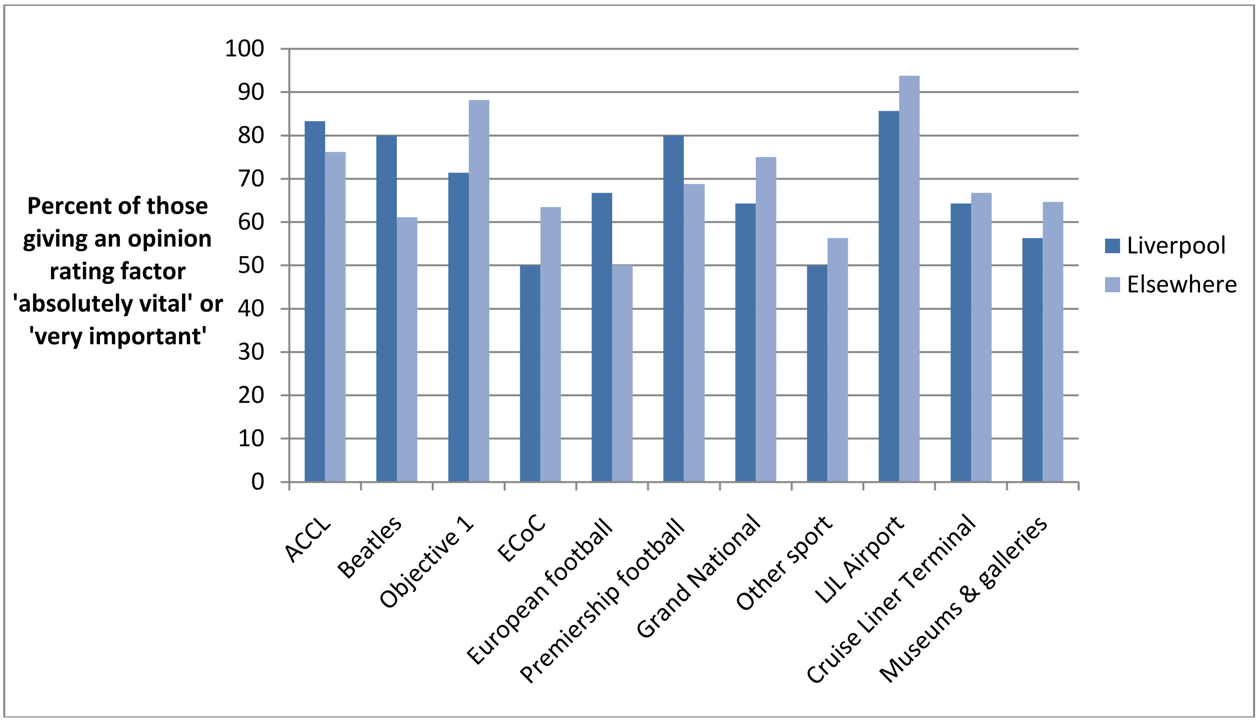


Figure 4. Contributions to the prosperity of Liverpool and Merseyside by business size

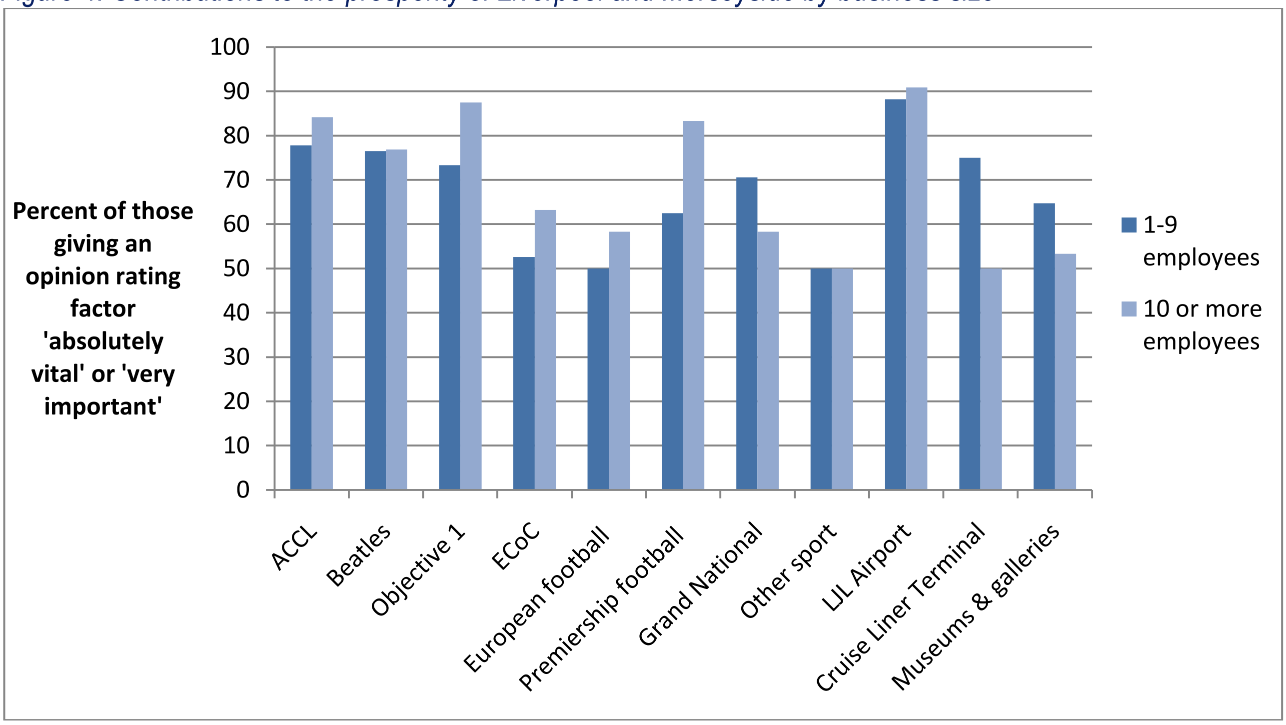


Figure 4 presents the answers on contribution to prosperity by business size. Larger firms appear to rate the Liverpool ECoC somewhat more positively than smaller businesses. This is consistent with the answers in table 4 relating to the more general question. Larger firms also rate most other factors more highly than smaller enterprises, but the Grand National, the Cruise Liner Terminal and museums and galleries are favoured more by smaller enterprises.

Figure 5. Contributions to the prosperity of Liverpool and Merseyside by type of business

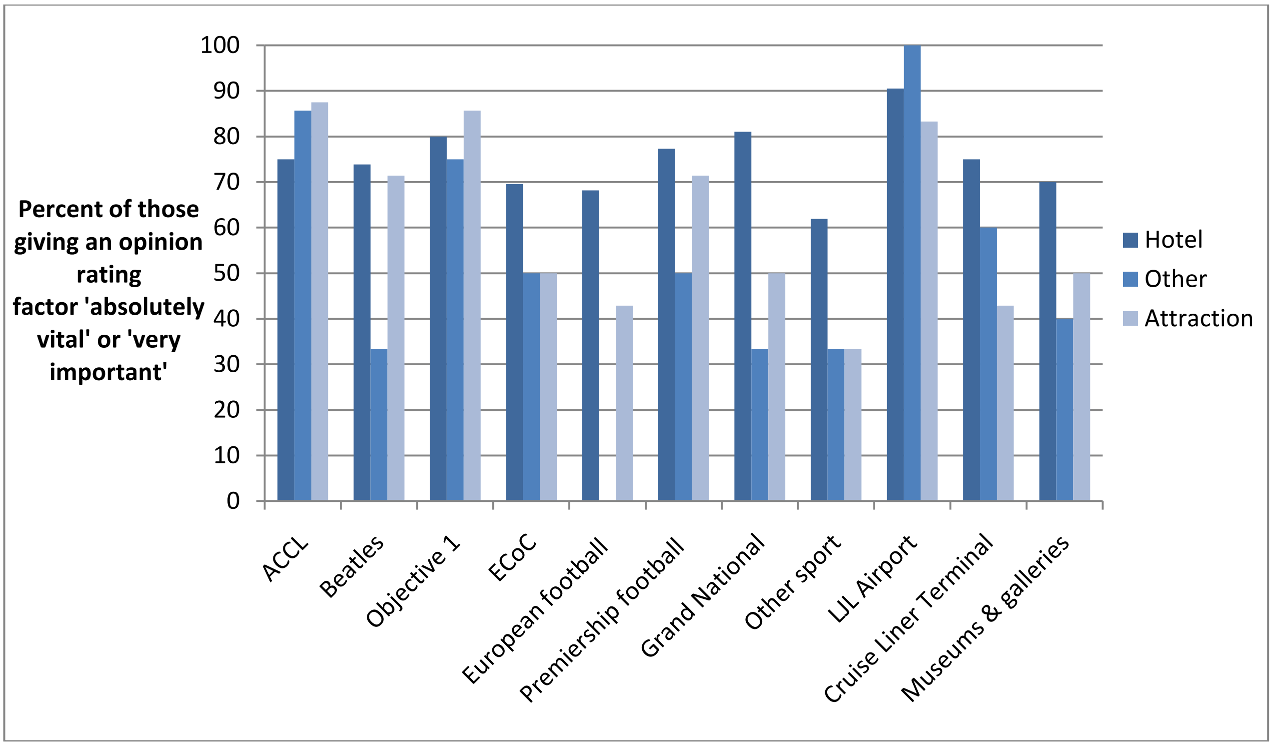


Figure 5 examines firms according to their type of business. Hotels appear to have rated the Liverpool ECoC more highly than visitor attractions or other types of business. This pattern recurs for The Beatles, the four sporting categories, the Cruise Liner Terminal, and for museums and galleries. The pattern differs for the Arena and Convention Centre Liverpool, Objective One and Liverpool John Lennon Airport, but not in a consistent manner.

Aware that particular businesses might take the view that they had not been asked about some contributions to prosperity, a qualitative question was asked about any missing factors and their degree of importance. Twenty-four businesses responded. Table 19 (see appendix 5.4) lists the answers, which have been grouped into six subsets.

A number of the responses chose to give a wider answer than the question strictly called for, by commenting on the difficulty of comparing different contributions to prosperity, implying that the previous questions offered an incomplete range of options. Several such views are in the answers labelled 'Multiple causation'. As one respondent put it:

> "It's hard to compare long-term and widespread impacts from Objective One with single year events and single place impacts".

Another suggested:

> "Major infrastructure is key to Capital of Culture, and Capital of Culture made Liverpool a destination".

Presumably 'Major infrastructure' refers at least partly to Objective 1 projects. A third opinion was that:

> "Objective 1 is less visible, but provided infrastructure and gave a framework. Capital of Culture cushioned credit crunch, along with Liverpool One shopping centre".

One of these answers suggested that, "Objective 1 penetrated outskirts more", though this was not the respondent who had criticised ECoC 2008 for failing to do this.

Several multiple causation answers referred to the Liverpool One shopping centre, and this was the entity most clearly identified as one which should have been asked about explicitly. Four respondents spoke of it positively, one in the most glowing terms:

"Liverpool One is more important than the factors listed. What recession?"

However a fifth answer compared Liverpool One unfavourably with Manchester's Trafford Centre, suggesting it lacked breadth, and that "some shops have closed already.

The final answer did not judge Liverpool One's importance, but pointed out that the coincidence of its opening with 2008 did not make it, as some thought, an ECoC event.

Two of the Liverpool One answers, and two of those on multiple causation, mentioned the Arena and Convention Centre Liverpool. Collectively they suggest its main impact should be in the future, with one suggesting its potential might mean that it is too small.

Five responses mentioned different aspects of the city, including its attractiveness to visitors, the waterfront and the Matthew Street Festival. The least positive answer felt that Liverpool, being hilly and dispersed, needed a tram system. An interview response from St. Helens commented on the geographical reach of the Liverpool ECoC; it petered out midway to Manchester.
Two answers referred to sport, one adding golf courses, wildlife and coastal walks to the list of Merseyside attractions. Three answers emphasised the importance of performing arts and nightlife. One of them pointed out the economic significance of students and the universities in supporting them. Full responses are tabulated in table 19.

3.4. Business Turnover

One of the most crucial questions in the survey related to change in turnover during 2008. If the Liverpool ECoC is to be of economic significance in the longer run, it can be assumed that there must have been a substantial positive effect on business during the year itself. Responses were obtained from fifty-one businesses, although two of these amounted to refusals to answer. Table 6 shows strong positive change overall with thirty-one of the forty-nine clear responses saying they had an increase in turnover, and only eight saying turnover declined.

Figure 6 shows that a much higher proportion of businesses in Liverpool enjoyed an increase in turnover. Elsewhere only a minority of firms saw turnover increase, albeit a large minority. Reference to the detailed data on which this figure is based shows that only one of the businesses surveyed in Liverpool experienced an actual decline in turnover during 2008. This was a small bed and breakfast in the Edwardian suburbs. The other answers from this business suggested very little engagement with the Liverpool ECoC. Outside Liverpool five accommodation businesses and two attractions saw their turnover fall.

Table 6. Change in turnover during 2008

Up over 50%:		5.9%	3
Up 21-50%:		27.5%	14
Up 1-20%:		27.5%	14
No change:		19.6%	10
Down 1-20%:		11.8%	6
Down 21-50%:		3.9%	2
Down over 50%:		0.0%	0
Do not wish to say:		3.9%	2
Total		100.1%	51

Figure 7 shows that larger firms generally had a better 2008 than smaller firms, though a majority of both saw their turnover increase. Figure 8 indicates that a majority of hotels, visitor attractions and other businesses all saw their turnover increase, but the highest proportion was in the latter. The sample sizes in figures 6-8 are quite small in several cells, so too much reliance should not be placed on them.

Figure 6. Change in turnover during 2008 by geography

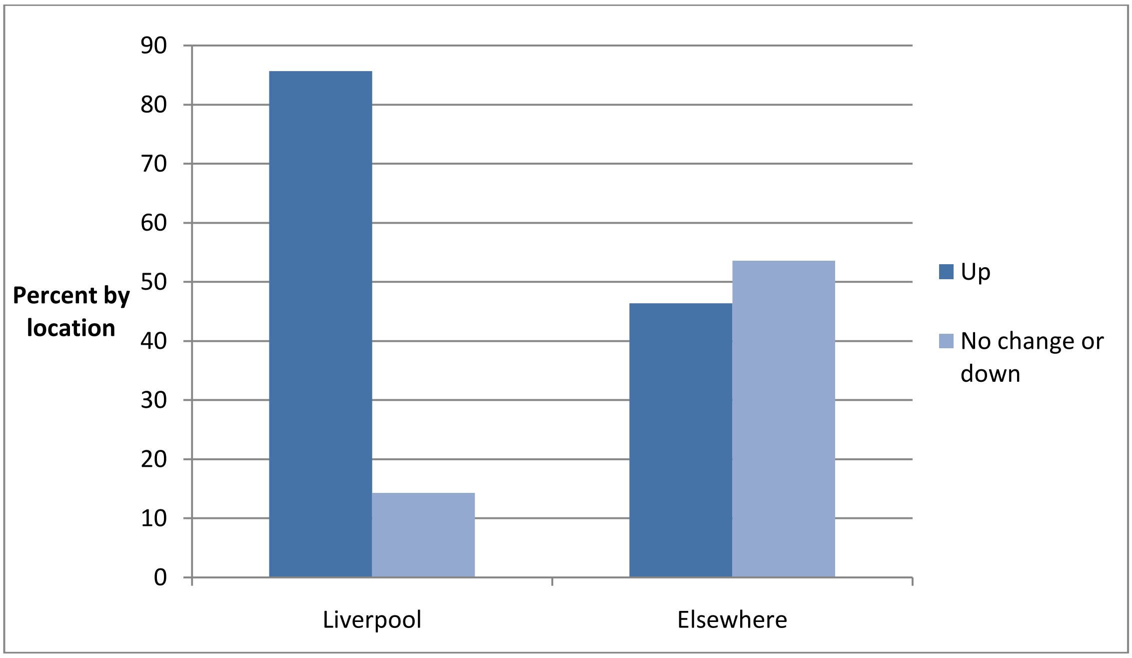


Figure7. Change in turnover during 2008 by business size

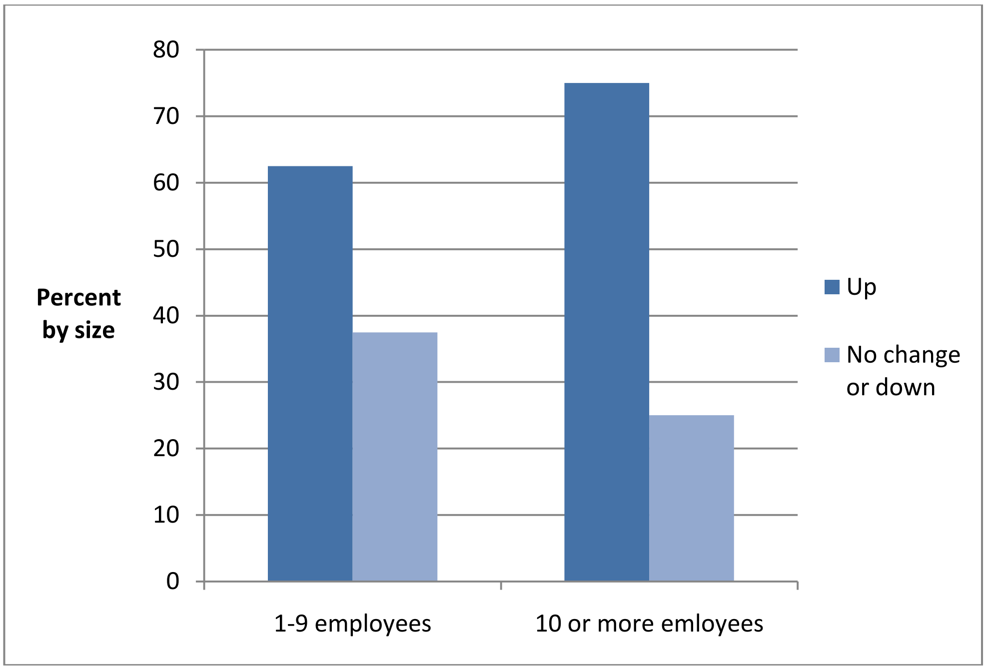
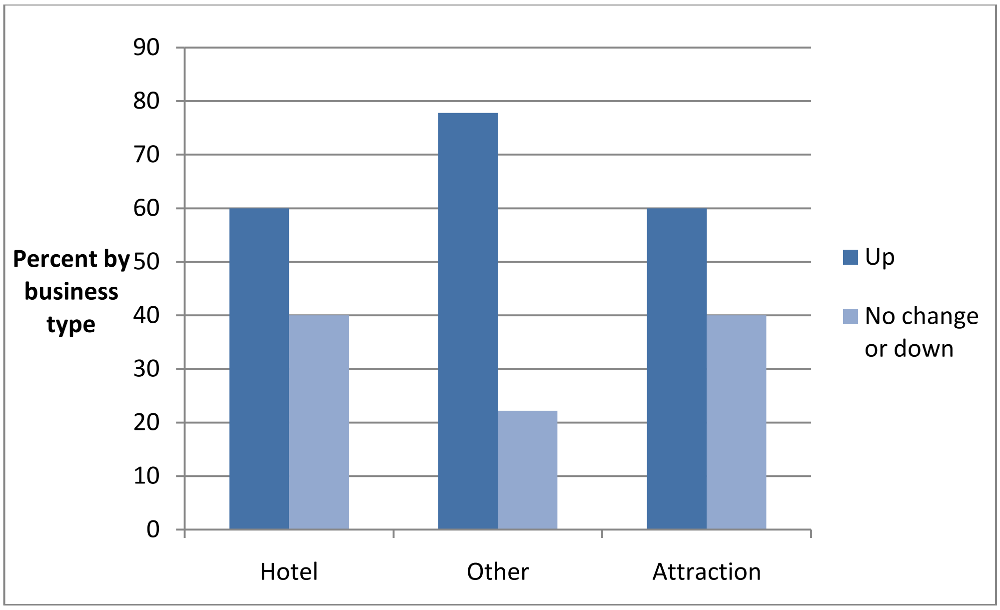


Figure 8. Change in turnover during 2008 by business type



Respondents were invited to assess the impact of four specific factors, including the Liverpool ECoC, on their 2008 turnover. Forty-five responded on the Liverpool ECoC, forty on the Arena and Convention Centre Liverpool, and thirty-nine each on Liverpool One shopping centre and the credit crunch. In each case the answers were split almost evenly between businesses in Liverpool and those elsewhere. The proportion of answers saying the factor had had a positive influence on their turnover in 2008 is given in figure 9.

The Liverpool ECoC was a positive influence for over half the businesses both in Liverpool and elsewhere, but the Liverpool figure was higher. The positive influence of the Arena and Convention Centre Liverpool was almost as strong as the Liverpool ECoC in Liverpool, but very much weaker elsewhere. Liverpool One was a positive influence for only about twenty-five percent of businesses. Perhaps unexpectedly, businesses outside

Liverpool rated the influence of Liverpool One only slightly below firms in the city itself. Most surprisingly four businesses outside Liverpool, though none within it, reported that the credit crunch had influenced their turnover positively. Three provided accommodation, while one was a small restaurant. One of these pointed to the strength of the Euro against the pound as a reason why more weekend visitors were coming to Merseyside (see appendix 5.4, table 20). Relying on this explanation requires the reasonable inference that the falling value of the pound has been a consequence of the credit crunch. (Any rebound in the value of the pound against the Euro and other currencies would challenge the long-term significance of this factor.)

Figure 9. Influences on turnover during 2008 by geography

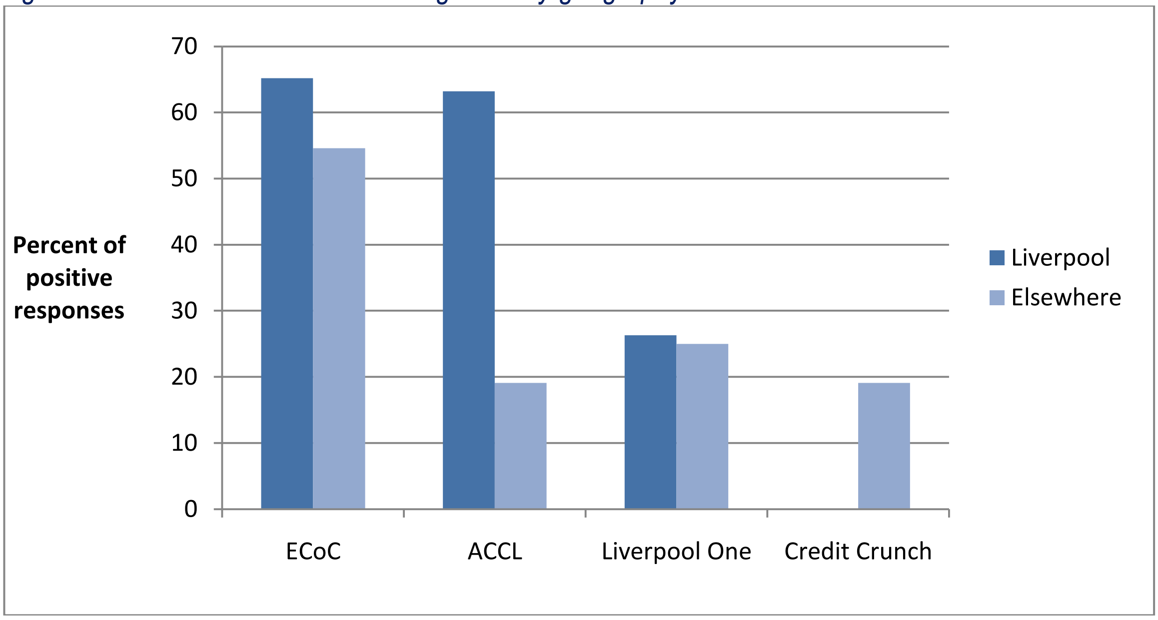


Figure 10 looks at how business size relates to the four influences on 2008 turnover. There were forty-one respondents on the Liverpool ECoC, forty on the Arena and Convention Centre Liverpool, and thirty-nine each on Liverpool One shopping centre and the credit crunch. In each case the answers were split almost evenly between businesses in the two size categories.

The Liverpool ECoC received a marginally higher positive response from larger firms than from smaller firms, but both figures exceeded seventy-five percent. The other three influences had much less impact, but it was higher in small firms in each case. Positive answers on the Arena and Convention Centre Liverpool were around forty per cent of the total, those for Liverpool One either side of thirty per cent, and those for the Credit Crunch between five and twenty percent. If applicable above, the exchange rate explanation also applies here.

The four influences on turnover are examined in relation to business type in figure 11. The sample sizes are forty-one, forty, thirty-nine and thirty-nine in the same order as before. However the subdivisions of the samples between hotels, other businesses and visitor attractions are uneven, with hotels outnumbering the other two combined by some margin, and attractions more numerous than other businesses. The small sub-samples make the pattern in figure 11 unreliable. However the chart suggests that hotels generally benefited from the Liverpool ECoC and Liverpool One to a greater extent than attractions and other businesses. For the Arena and Convention Centre Liverpool, and for the Credit Crunch, hotels benefited about as much as other businesses. Visitor attractions benefited least from all four influences.

Figure 10. Influences on turnover during 2008 by business size

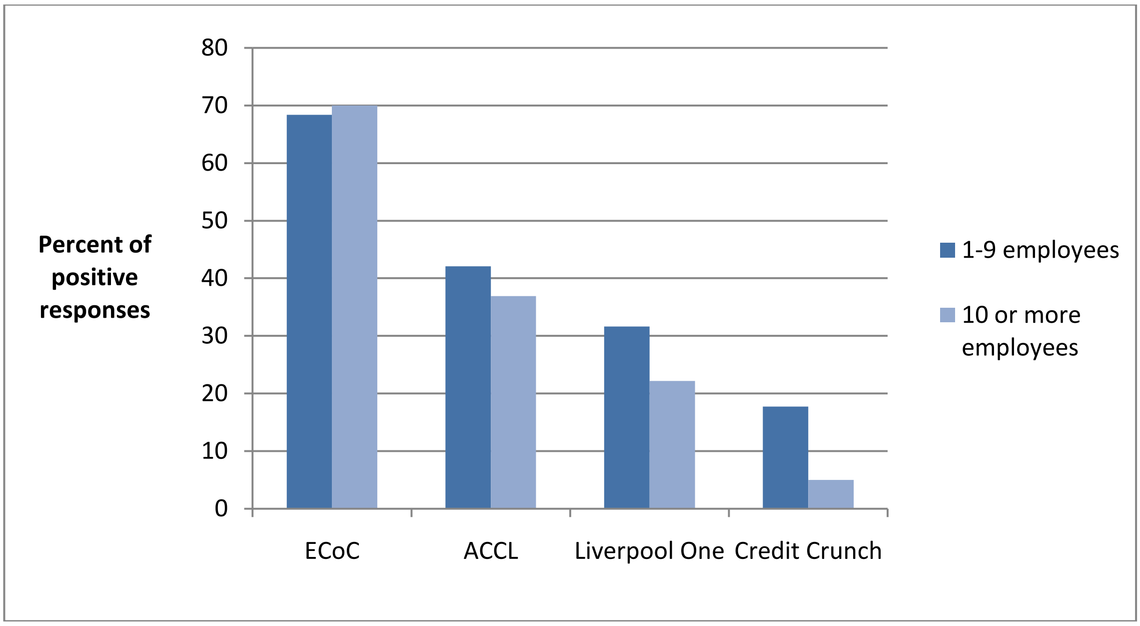
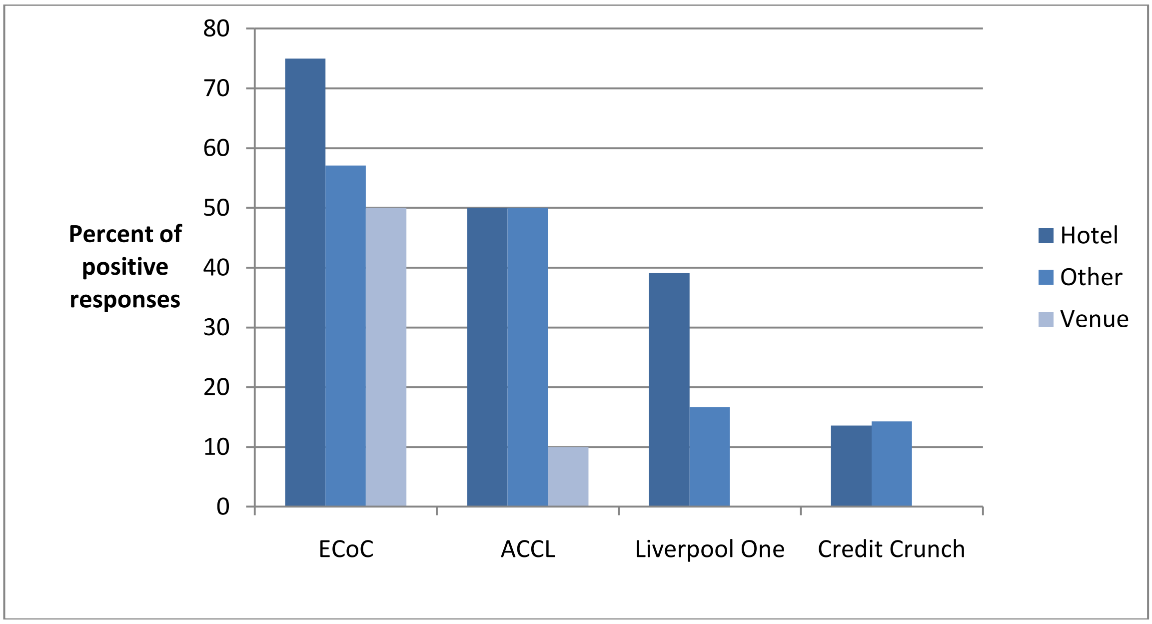


Figure 11. Influences on turnover during 2008 by business type



Sixteen respondents took the opportunity they were given to add qualitative comments on their turnover. As table 20 (appendix 5.4) shows seven of these were positive, six neutral or ambivalent, and three were negative. We have already discussed the positive effect of the value of the Euro. Two replies from hotels in the outer parts of Merseyside referred to their benefiting from overflow bookings when big events in Liverpool filled all hotels in the city centre. One city centre said base business that their owners were now keener to invest because of improved financial performance. The remaining positive replies concentrated on details of their particular business, one arguing that the Liverpool ECoC may have "shamed" more people into attending the theatre.

The three negative answers included a restaurant and a retailer in the city centre, and a visitor attraction in an outer borough. The latter emphasised the argument that events in Liverpool would attract visitors away from other attractions in the region:

> "Only a fool would expect Capital of Culture Liverpool to have a positive effect on wider region".

One of the central respondents ignored the Liverpool ECoC and complained of the competitive impact of Liverpool One on customer volumes. The other was also concerned about a non-ECoC factor, namely the delinquent behaviour of people around Duke Street, which went unchecked by the police.

The neutral and ambivalent answers included two positive mentions of benefits from the Open Golf tournament at Royal Birkdale, and positive and negative interpretations of Liverpool One. The latter was a further assertion of the shopping centre's competitive threat to other businesses, although this answer came not from a retailer but from a visitor attraction which feared that money and time spent at Liverpool One could not be spent elsewhere. A Wirral attraction claimed immunity from the competitive effect of the Liverpool ECoC but felt it had "made a massive difference to Liverpool itself". Other negative effects included the poor summer weather in 2008 and a flood of new hotel rooms in central Liverpool. The longest answer came from a business which "didn't need Capital of Culture". It suggested that it is hard to detect strong effects from the Liverpool ECoC, the Arena and Convention Centre Liverpool, Liverpool One and the credit crunch. It seems clear that only one or two of these answers comment directly on the Liverpool ECoC; most of them are concerned with other impacts on business.

In addition to asking for information on turnover change during 2008 the survey also asked about past changes from 2003 to 2007, and future expectations from 2009 to 2013. The results are incorporated in table 7 below. The penultimate column in the top half of the table shows the number of answers increases from only twenty-one in 2003 to a peak of forty-nine in 2008 itself. The number then falls away to sixteen in 2013. This pattern suggests inability to recall as answers farther into the past were called for, and an increasing unwillingness to forecast as the more remote future is considered. The economically uncertain present cannot have helped such an exercise. It should be pointed out that the eleven interview informants were not asked these questions, but even if all had answered, and eleven responses had been added to the years 2003-07 and 2009-13, the trends of increase and decrease around 2008 would persist. The gradient of change would simply be less steep.

Table 7. Past and anticipated turnover change

	No of businesses				
	Up	No change	Down	Total answers	Nil response
2003	8	11	2	21	33
2004	11	8	3	22	32
2005	13	6	4	23	31
2006	12	12	1	25	29
2007	15	10	3	28	26
2008	31	10	8	49	5
2009	7	14	15	36	18
2010	5	11	5	21	33
2011	7	9	2	18	36
2012	10	5	2	17	37
2013	8	5	3	16	38
	Percent of answers				Percent of responses
	Up	No change	Down		Nil response
2003	38.1	52.4	9.5		61.1
2004	50.0	36.4	13.6		59.3
2005	56.5	26.1	17.4		57.4
2006	48.0	48.0	4.0		53.7
2007	53.6	35.7	10.7		48.1
2008	63.2	20.4	16.3		9.3
2009	19.4	38.9	41.7		33.3
2010	23.8	52.4	23.8		61.1
2011	38.9	50.0	11.1		66.7
2012	58.8	29.4	11.8		68.5
2013	50.0	31.3	18.8		70.3

Examining the percentages in the lower half of table 7 shows that the proportion of businesses enjoying an increase in turnover peaked, as common sense would suggest, in the year of the Liverpool ECoC. The earlier years did not, however, show any strong trend towards this peak. Also, the column showing the number of businesses suffering reductions in turnover in the years from 2003 to 2008 do not confirm 2008 as a year of peak prosperity. Indeed, 2008 looks like the second worst year in the period. It may well be that these businesses have all suffered because of the centralising force of the Liverpool ECoC. Only one of them, a budget bed and breakfast, is in Liverpool, and it is well away from the city centre. The remaining businesses seeing falling turnover in 2008 are all in outer local authorities, though none was in the Wirral. Two were visitor attractions and one of these explicitly claimed to have lost customers because they went to Liverpool ECoC events instead. The remaining four businesses seeing 2008 decline provided accommodation, and only one targeted the economy customer. Six of the declines recorded were in the one to twenty per cent range but one hotel and one attraction saw turnover fall by over twenty per cent.

The figures for 2009 in table 7 show a strong reversal from the predominant turnover increase of 2008, and this on the basis of thirty-six responses. Since 2009 was well under way when the survey was conducted businesses were more willing to give an answer than for any year except 2008 itself, and the answer was usually negative. In 2009, less than twenty per cent of respondents anticipated an increase in turnover, while over forty per cent expected a decline. In subsequent years pessimism decreases, with fifty per cent or more of firms expecting turnover to grow in 2012 and 2013. This is clearly a response to the national and international economic downturn which became apparent during 2008. The length of this recessionary impact is however uncertain, as indicated by the low number of firms willing to forecast figures in 2010 and later.

Those with the confidence to speculate so far ahead seem however, on balance, to believe that normal patterns of growth will return within a few years.

In order to see if the onset of recession was a factor influencing turnover before 2009, in the ECoC year itself, businesses were asked if their 2008 turnover had differed from the usual seasonal pattern. In order to avoid prompting particular answers no mention of economic downturn, or the credit crunch, was made. Table 8 shows that forty-two clear answers were given, and that twenty-three of these said that there had been an abnormal seasonal variation.

Table 8. Deviations from normal seasonal turnover pattern

Yes:		42.6%	23
No:		35.2%	19
Don't know:		13.0%	7
Do not wish to say:		9.3%	5

A supplementary question invited explanations of the nature and causes of any seasonal variations in turnover. Eighteen answers were provided, of which eleven can be construed as referring to positive impacts on turnover, three as containing mixed messages, with only four as referring to negative effects (table 21 in appendix 5.4). Of the latter only two mention credit crunch effects. A Southport hotel referred to cancellation of regular Christmas bookings, and an up-market restaurant in central Liverpool said cancellations late in the year were the result of the credit crunch. Of the other two negative answers one, a guest house in inner city Liverpool explained that "our business was seriously affected by the vast extra volume of new accommodation/ boutique hotels/service apartments etc", presumably in the city centre. The other, a west Wirral guest house, simply argued that Capital of Culture visitors wanted to see Liverpool rather than elsewhere.

One of the three mixed answers mentioned recessionary cancellations: "no Christmas party when redundancies loom", but balanced this with a busier summer than expected. A Sefton hotel repeated a complaint, already discussed (see table 20, appendix 5.4), about bad summer weather balanced by business from the Open Golf tournament. The third comment simply reported that a suburban attraction's normal pattern of business had continued.

Some of the positive answers identified genuine seasonal variations in business:

> "The fall-off in trade during the universities vacation was less in 2008";
> "Capital of Culture event we organised saw doubling of numbers from previous years".

However others seemed simply to be reporting overall increases:

> "All months saw increased turnover in 2008; low months got higher; high months got higher";
> "Increased occupancy throughout the year".

And some simply reported whom the additional business came from:

> "More visitors from outside Liverpool";
> "Corporate guests staying for extended periods of time in low season".

As with the business interviewees, the key informants were not asked all the questions covered in the online survey. Their answers to the questions they were asked did, however, confirm the general thrust of the business answers on turnover. Visitor numbers were up, along with turnover, during 2008, with an extreme increase of six hundred per cent claimed for bookings at the childhood homes of John Lennon and Paul McCartney. For big attractions estimates of twenty to forty per cent were offered by several informants, and hotel occupancy was said to have increased from seventy-one to seventy-six per cent, despite a large number of new rooms becoming available in 2008. The Tate Gallery had had more visitors to its Klimt exhibition than to the whole gallery in 2007, while the two cathedrals saw a thirty-five to forty per cent increase in visitors.

Most of these answers probably referred to Liverpool alone. A word of caution came from an outer borough respondent, "It was a good year, but not as good as previous expectations". Moreover the former Liverpool Culture Company employee believed "that the further out you go the less the impact of Capital of Culture. Halton and St. Helens were never optimistic".

In 2009 key informants are aware of a changing market. Hotel occupancy rates are down. One informant quoted a figure of sixty-two per cent against sixty-eight per cent in 2008 and sixty-six per cent in 2007. (Note the discrepancy with the figure in the previous paragraph, and also the additional rooms available from 2008.) The 2009 decline is largely from midweek corporate bookings, because weekend and international visitors are up, and budget accommodation is reporting stronger trading. Visitor attractions may be faring better than hotels because day trips are up at a time when the value of the pound does not favour overseas holidays. It seems to most key informants that the Credit Crunch is a much more likely explanation of these trends than the ending of Liverpool's year as ECoC.

Not all key informants were clear about trends beyond 2009. One spoke enthusiastically of new attractions in Liverpool and the Wirral, including the U-Boat story at Woodside Ferry Terminal, and a new Beatles attraction in Liverpool. Hopes were also expressed that the reported popularity of Liverpool with Cruise Liner passengers would lead to increased number of vessels calling. The completion of the canal link and other works at the Pier Head were also spoken of favourably.

On the other hand, one informant was concerned that some conference venues were struggling, and another firmly asserted that, "We need more major events", a problem that a surviving element of the Culture Company, the City Council's Events Team, was trying to address.

3.5. Connections with Liverpool Culture Company and views on its performance

As noted above, in the 2007 study, in the run-up to the Liverpool ECoC, the qualitative respondents gave their opinions on the Culture Company. While a minority of that small sample strongly supported the Culture Company and believed it did not deserve the adverse political and media treatment it had received, most of the judgements were unfavourable. The Culture Company was accused of inefficiency, insensitivity and failure to acknowledge the inputs of others. There were, however, some hopes that changes to the Board of the company, announced during the 2007 interviews, would improve matters.

The 2009 interviews and survey therefore sought to see if opinions had changed by asking how well the the Culture Company had organized the Liverpool ECoC. Before raising this general question a more specific enquiry was made about respondents' experiences of involvement with the Culture Company. The pattern of involvement is described in table 9. Only fifty-three answers were received, and twelve of these opted out of saying whether they were involved or not. Only a minority, eighteen of the forty-one businesses providing a clear response, claimed involvement with the Liverpool Culture Company.

Table 9. Involvement with Liverpool Culture Company during 2008 or prior to it.

Yes:		34.0%	18
No:		43.4%	23
Don't know:		20.8%	11
Do not wish to say:		1.9%	1

Table 22 (appendix 5.4) shows that seventeen answers about the nature and quality of engagement with the Culture Company were received. Eight of these were positive, and only four were negative, with five expressing noncommittal or balanced opinions. Two of these five were from businesses saying they had no involvement, and simply repeated this fact, with the explanation of distance from Liverpool given in one case. Two further answers simply described the nature of the involvement, without passing judgement on it. The final response balanced a very good overall experience with questions about early programme confirmation and artistic direction.

Three of the negative comments were highly critical:

> "Let's talk Merseyside; let's mean Liverpool";
> "they want everything for nothing";
> "With 6 months to go … thinking was still blue sky without costed projects".

The remaining negative answer, from a suburban Liverpool guest house suffering a twenty per cent drop in turnover, complained of hearing nothing about Capital of Culture.

The seven positive responses were mainly about specific satisfactory experiences, ranging from the small scale to the broad relationship:

> "the language course in Spanish …was great";
> "Welcome training – good"[14];
> "Constant stream of journalists";
> "Countdown Committee[15] was a positive experience";
> "The partnership with the Culture Company went well".

Forty-seven respondents gave a clear answer to the question, "How well did the Liverpool Culture Company organise Liverpool's year as European Capital of Culture 2008?" As can be seen in table 10 (below) thirty-one replies said either "very well" or "quite well", with the latter slightly more numerous. There were seven answering "adequately", and only five saying that the Culture Company did "quite badly" or "very badly". The positive balance of these answers, taken alongside a similar picture in explanations of involvement with the culture company, indicates that either the opinions given in 2007 were unrepresentative of the wider constituency of tourism-related businesses at the time, or that the opinions have changed.

[14] It is worth noting that the 08 Welcome training workshops were funded by The Mersey Partnership, but branded through the Culture Company. This is an example of the way in which a body, such as TMP, may be responsible for ensuring that something takes place, but may not gain credit for doing so if the front-end engagement with the beneficiary is handled by another partner. This is also, therefore, an example of the way in which confusion can be created for sectors outside the infrastructure around 'who is doing what'. It should be noted that such complex funding and delivery partnership are now commonplace within public sector delivery, and so this kind of confusion is unlikely to be unique to Liverpool's experience of the ECoC.

[15] The 'Countdown Group' was set up in April 2007 to co-ordinate activities in Liverpool to ensure that the city was prepared for the ECoC year. The group was chaired by the Chief Executive of Liverpool Vision, the city's economic development company, and members included the Project Director for the Liverpool ONE development, as well as other public and private sector stakeholders and decisionmakers.

Examination of the detailed 2009 views of the 2007 respondents suggests that the former possibility may apply. These eleven cases contain four of the five negative judgements on the Culture Company's performance. When asked to explain their opinions three of the four responded with trenchant criticisms (see appendix 5.4, table 23). The strongest 2009 condemnation came from a visitor attraction which had accused the Culture Company of being "arrogant and defensive" in 2007, and now suggested they were "a criminal waste of money". The fourth business however gave reluctant credit: "It could have been a disaster, but they got away with it by the skin of their teeth". Lest we think of this group as unthinking critics, it should be emphasised that they distinguished their views on the Culture Company quite sharply from those on the Liverpool ECoC as a whole. Two of them were positive, and the other two very positive, on the overall value of the Liverpool ECoC.

We should also recognise that although the 2007 respondents included severe critics of the Culture Company, slightly more of them said that the Culture Company organised Liverpool's year as ECoC either quite well or very well. One business, which said that in 2009 the Culture Company had performed very well, had been of a contrary view in 2007. As the respondent admitted, "I was disillusioned beforehand", but in the light of events was now prepared to reach a different conclusion. Three of the other supporters of the Culture Company in 2009 were informants who had been unwilling to say anything in 2007, but the other, while previously critical of details of its performance to date had strongly advocated making the Liverpool ECoC work.

Table 10. How well did the Liverpool Culture Company organise Liverpool's year as European Capital of Culture 2008?

Very well:		25.9%	14
Quite well:		31.5%	17
Adequately, but no more:		20.4%	11
Quite badly:		7.4%	4
Very badly:		1.9%	1
Don't know:		11.1%	6
Do not wish to say:		1.9%	1

Turning now to the full set of explanations in table 23 (appendix 5.4) we can see that there were ten positive comments, six neutral and six negative. Once again the balance is favourable towards the Liverpool Culture Company. A number of answers admitted that the respondents had changed their view on the Liverpool Culture Company:

> "I was previously sceptical, but they did a good job";
> "It took a while for it to get going … but it did deliver a very strong year in the end and much of their work was outstanding";
> "I was disillusioned beforehand …but the year went better than anybody could have imagined".

The "Credit where credit is due" answer also came from a previous critic.

Some of the positive explanations contained reservations:

> "Cost versus outcomes: I don't know";
> " … there were serious issues at various points";
> "The council employees who moved across to the Culture Company were not very impressive".

These can be added to the adverse comments lower in the table, but several of the positive comments offered unrestrained praise:

> "A massive range of events and performances were delivered";
> "nobody perceived it as anything but a good thing";
> " it did deliver a very strong year";
> "all credit to the Liverpool Culture Company for having planned and organised the various events";
> "They did a good job";
> "the year went better than anybody could have imagined".

The neutral comments sometimes continued the congratulatory tone, but often alongside criticisms. Even the question "Why did we need a Culture Company?" was accompanied by the admission:

> "But Culture Company made a good choice of events, such as Cityscape, Klimt, Tall Ships";
> "The spider was amazing, but at what cost?"

another informant combined recognition that "…they pulled it off by the seat of their pants"with the complaint:

> "The Culture Company were a very self-congratulatory bunch. They did some profligate things. Large amounts were wasted on hospitality".

The final response in this category began "Overall, things went really well", but went on to complain that Liverpool One shopping centre and the public works of the 'Big Dig' ought to have "been ready for when visitors starting arriving in 2008 for the Capital of Culture year".
Their final note was however positive:

> "I think visitors will have found arrangements very accommodating in terms of the ease by which they could travel to destinations and visitor and tourist attractions based in the city centre."

The minority of respondents offering criticism of the Liverpool Culture Company sometimes made up in vehemence what they lacked in numbers. One claimed there were:

> "lots of mediocre events - launch night was a particular disappointment".

A second argued that the Culture Company was "Pointless!" The informant continued "Long-standing events groups never got accepted".

A third suggested "The Culture Company was a waste of money, a criminal waste of money"; which " ... hired ridiculously expensive and incompetent people".

Other criticisms included unfavourable comparisons with Glasgow's 1990 European City of Culture, and a larger Paul McCartney concert than Liverpool's in Kiev. There was a complaint about overspending and mismanagement, and another about delay in the publishing of the event programme. There was also a suggestion that:

> "Wastage involved tired ideas hawked round other festivals - little to do with Liverpool".

Even the much-praised Spider was not immune to the objection that it cost "A dreadful amount of money...[and]… didn't attract new visitors".

This is also supported by a comment among the neutral remarks noted above. Despite the hard-hitting nature of these remarks, however, there was a perhaps reluctant admission that, when he was given executive authority in September 2007, Phil Redmond "focussed roughly in right direction".

An interesting point arising from the questions on Liverpool Culture Company is the extent to which engagement with that organisation influenced opinions on its performance. From figure 12 (below) it can be seen that those who had some involvement with the Culture Company were much more likely to view its performance favourably than those who did not. Among those not involved the proportion approving of the Culture Company's performance was only a little larger than that disapproving. Though it has not been looked at within this project, it would be interesting to explore on what basis participants who had not had direct engagement with Liverpool Culture Company formed their opinion of the organisation's performance, and the possible extent to which negative local media coverage might have played a part in influencing the views of businesses.

The possible effects on views of the Culture Company's performance of business location, business size and business type are considered in figures 13-15. In the first of these charts we see very little difference between the views of businesses located in Liverpool and those elsewhere. Sample sizes are twenty-two and twenty-five respectively. In figure 14, smaller firms seem to take a slightly more favourable view of the Culture Company's performance than larger companies. The sample sizes are sixteen and twenty one. In figure 15 the views of hotels and visitor attractions are identical, and both appear slightly more favourable to the Culture Company than those of other businesses. However with sample sizes of 22 hotels, 10 other businesses and 15 visitor attractions, limited confidence should be placed on the differences shown.

The key informants were perhaps even more positive than business respondents about the Culture Company. They did:

> "a fantastic job – against all odds … expectations were over fulfilled";
> "It wasn't easy but look at the number of events and their quality".

An informant repeating the "fantastic job" assessment, added that this had "pleasantly surprised" her, perhaps because, as someone else said, "They were there to be shot down – that's the sort of city Liverpool is". Jason Harborow, sometime Chief Executive of the Culture Company, was quoted as forecasting "pessimism until the launch", which the informant added "was right". The task facing the Culture Company had been a stiff one, and many people had been sceptical about it being successfully completed. As the former Culture Company insider said, The Culture Company would have taken the blame if it had gone wrong".

The key informants accepted that mistakes had been made in particular areas, especially in charging for the use of the 08 logo, and in communications. Widespread criticism of the sort voiced in 2007 by our business respondents was an illustration of the latter: "People didn't know what was happening, and thought nothing was happening". Moreover there had been a time when emails to the Culture Company had not been systematically replied to. One respondent voiced the more general criticism that the Culture Company focussed on its own priorities, not on the needs of business.

Figure 12. Effect of Culture Company involvement on views of Culture Company performance

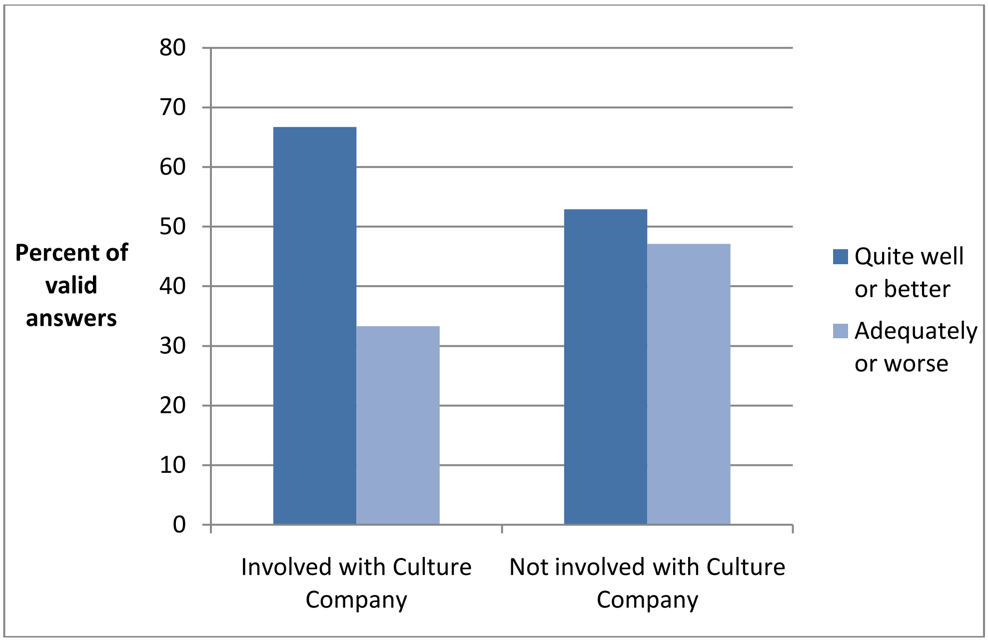


Figure 13. Effect of geography on views of Culture Company performance

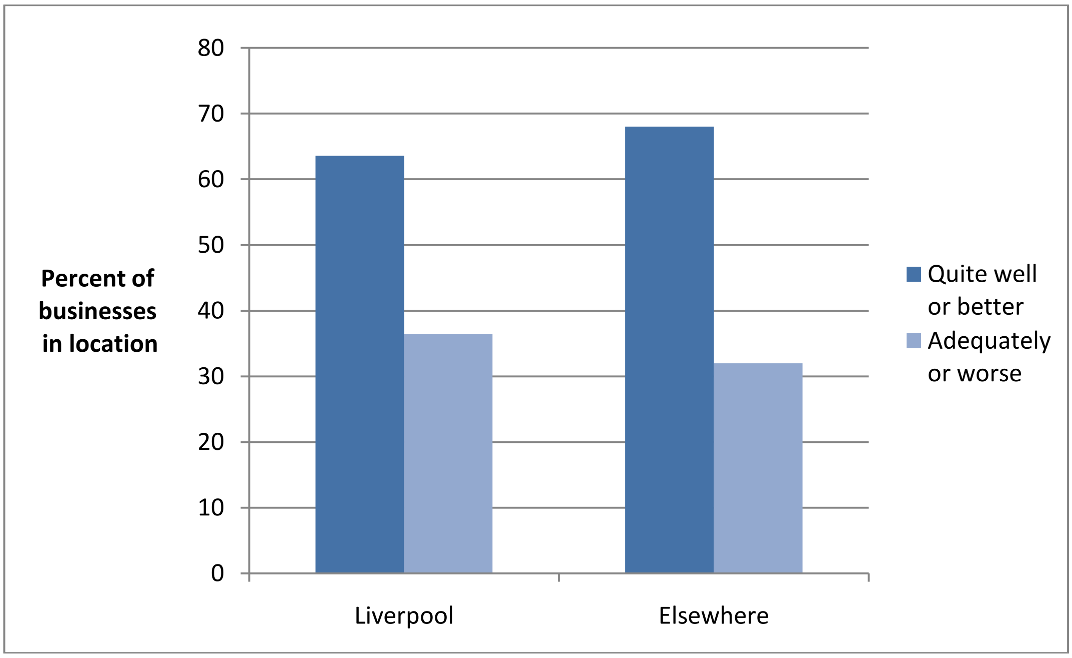


Figure 14. Effect of business size on views of Culture Company performance

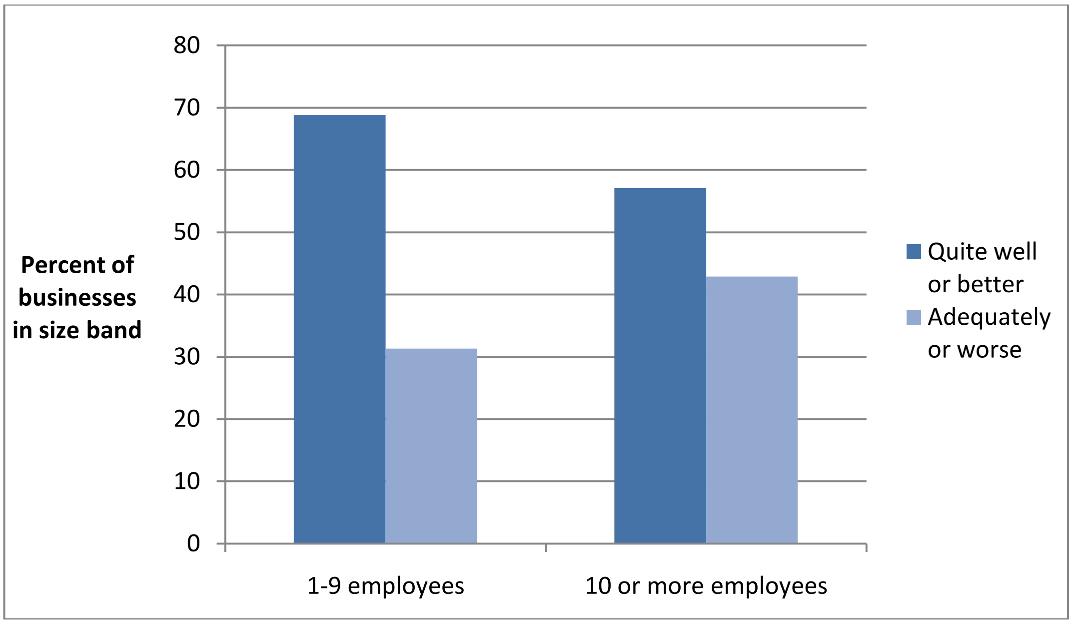
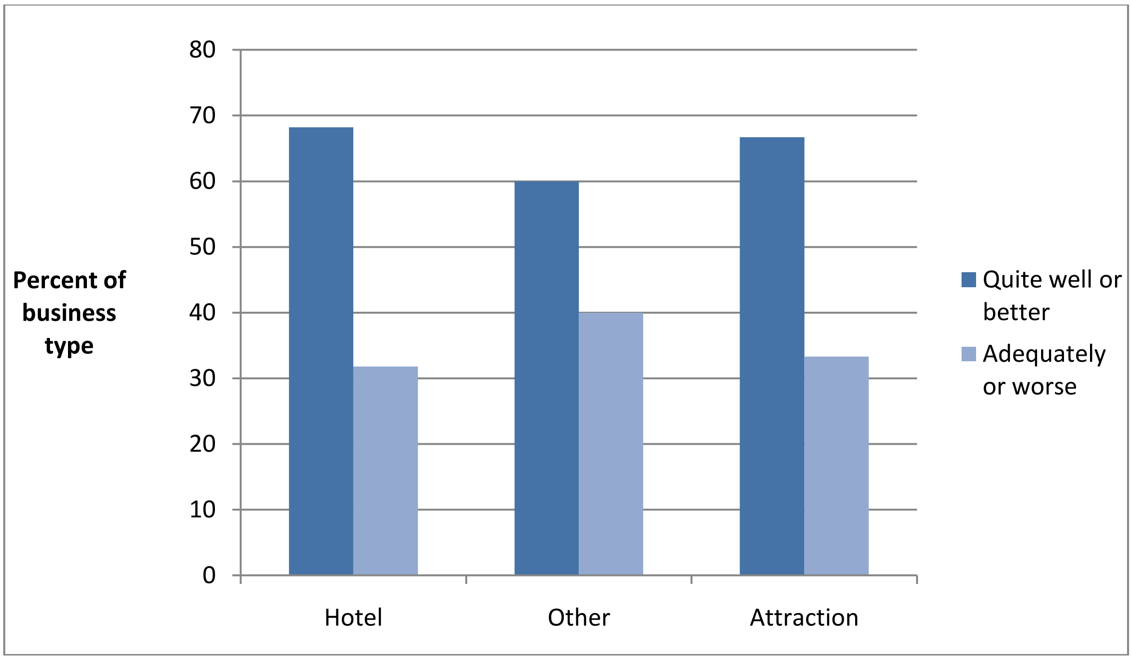


Figure 15. Effect of business type on views of Culture Company performance



3.6. Customers

Businesses were asked about their customers in both quantitative and qualitative terms. Table 10 gives the numerical answers and table 11 the responses for hotels alone. These results are not particularly informative. In table 10,the 'did not say' row indicates that around forty per cent of businesses did not answer this question. The picture for hotels is more complete with the equivalent line in table 11 indicating that only about a quarter of hotels did not respond. Unfortunately the combination of these two sets of non-response figures implies that well over half of the visitor attractions and other businesses did not reply. With such poor response levels overall, and for two of the three business types, interpretation of the data is extremely risky. This is a great pity because this information, if reliable, would have provided an indication on how far the surveyed businesses, as intended from the outset, were indeed components of a visitor or tourism sector.

The figures in table 11 give us some insights into the customers of hotels. We see that six hotels obtain around a quarter of their business from visitors to Merseyside. Another four get about fifty per cent of their custom from visitors, five obtain about three-quarters, and a final five almost all of their business from this source. At first sight these figures are puzzling. Surely hotels are the paradigm case of businesses serving visitors. Part of the answer is in the other highlighted figures in the table. Seven hotels obtain around a quarter of their custom from businesses outside Merseyside, three around half, and one about three-quarters. Not all visitors are tourists; a sizeable number are business visitors. We also need to remember that many hotels, particularly those which are larger, obtain a sizeable fraction of their trade from wedding receptions and other domestic occasions, from corporate events, from sports club dinners, and a variety of other sources not involving many overnight stays. These types of business are represented in the 'about a quarter' figures for businesses based in Merseyside, for other businesses with Merseyside operations, for Merseyside residents, and for others. The identity of the latter is unclear, but it may include all those organisations which are not thought of as businesses in the mind of hoteliers. This might include both the public sector and voluntary bodies.

The figures in table 10 appear to reflect the same sort of pattern as that revealed in table 11, a consequence of the dominance of hotels among answers to the customer question. The unreliable data for visitor attractions and other businesses are not reproduced here, but if they hint at anything it is that these businesses are more reliant on Merseyside custom than hotels. There are exceptions however. One visitor attraction says that three-quarters of its customers are visitors to Merseyside, and another says almost all its customers are in this category.

Table 10: Number of businesses by type of customer

	Businesses based in Merseyside	Other businesses with Merseyside operations	Businesses outside Merseyside	Merseyside residents	Visitors to Merseyside	Others
None	5	6	1	3	0	6
Very few	13	17	15	15	4	7
About a quarter	10	6	9	9	12	11
About a half	3	1	3	3	5	3
About three-quarters	0	0	2	3	6	0
Almost all	0	0	0	1	6	1
All	0	0	0	0	0	0
Total	31	30	30	34	33	28
Did not say	23	24	24	20	21	26
Grand total	54	54	54	54	54	54

Table 11: Number of hotels by type of customer

	Businesses based in Merseyside	Other businesses with Merseyside operations	Businesses outside Merseyside	Merseyside residents	Visitors to Merseyside	Others
None	5	5	1	3	0	2
Very few	10	11	10	14	2	5
About a quarter	5	5	7	4	6	10
About a half	2	1	3	1	4	2
About three-quarters	0	0	1	0	5	0
Almost all	0	0	0	0	5	1
All	0	0	0	0	0	0
Total	22	22	22	22	22	20
Did not say	7	7	7	7	7	9
Grand total	29	29	29	29	29	29

The qualitative comments on customers are contained in table 24 (appendix 5.4). Only seven of them relate to the types of customers, and none help to complete the patterns in tables 10 and 11. Several imply that the categories used in the quantitative question were not very meaningful to them. For example one says:

> "As some of the sections overlap this may not add up but people use us for various reasons, business or pleasure".

Another clarifies that businesses include public sector bodies, and a third explains that the "'Businesses' mentioned are mostly school parties".

One respondent said that many customers are English-speaking overseas visitors, another referred to hosting Irish fans of Liverpool FC, and a third claimed "visitors from all over the world", but also UK visitors. Two answers mention the corporate and wedding markets mentioned above, while another mentions that Cruise Liner passengers are visitors not initiated by ECoC 2008.

The majority of answers in table 19 address an issue which respondents clearly felt they should have been asked about directly: the explanation of business trends in 2009 after the Liverpool ECoC ended and the credit crunch had truly set in. Several of these responses are still quite positive, or find positive dimensions in a difficult economic situation:

> "trading … is still viable given today's economic conditions";
> "Liverpool is now a very cheap destination for Europeans";
> "Labour supply now easier than in past";
> "They said the knock-on effect would continue, and it has";
> "tours … are now running 12 months a year and 2009 is better than 2008";
> "The Pier Head has been reinvigorated".

Some answers identify a real decline in business:

> "The 'credit crunch' has caused business to become pretty slow so far for this year";
> "In 2009 all hoteliers struggling, partly due to number of new hotel room [sic]";
> "The Credit Crunch had a massive negative effect from January 2009 onwards";
> "conference people have been coming for fewer nights";
> "Turnover down in 2009 because we are a paid attraction".

This last remark came from a visitor attraction outside Liverpool, and raises the problematic issue of the ability of private sector businesses trying to compete with Liverpool's substantial number of free national museums.

The remaining answers on 2009 were not sure how things were going yet:

> "We need to see summer 2009 takings before impact of credit crunch can be assessed";
> "Too early to tell … I have yet to be convinced that the Credit Crunch is having an effect on visitor numbers";
> "We don't know how 2009 is going yet";
> "It's a second nervous year for us".

The last answer came from an out-of Liverpool visitor attraction which had complained that the Liverpool ECoC attracted its usual customers into Liverpool.

Although some businesses quoted in table 19 refer to the Liverpool ECoC as a "hard act to follow"; another claimed:

> "The positive effects on visitor numbers have continued in 2009 … I don't think it will ever go backwards",

The majority of businesses appear already to be focussing on future issues, not least the credit crunch, but also particular issues for their own business, such as a "new attraction", and the flow of continental visitors.

3.7. Networking

Businesses were asked of which organisations or networks they were members, and how well each of these served them. They were also asked whether membership had any positive or negative impact on their experience of Liverpool as ECoC. While interesting information was obtained about a number of membership bodies (appendix 5.4, table 25), it seems clear that listing the organisations and networks, and passing judgement on their worth, distracted from the request to comment on impacts on experience of the Liverpool ECoC.

Only four answers addressed the impact of membership bodies on experience of the Liverpool ECoC. A Wirral business said the seven networks with which it was affiliated, which included The Mersey Partnership (TMP), "had a positive impact in promoting the region and 08". A visitor attraction was a little more specific, explaining that the groups it was in "all had the Capital of Culture in mind during meetings"; and that working with Liverpool was a collective aim. A guest house in Southport mentioned, in a neutral manner, that, "The Mersey Partnership offered familiarisation walks of Liverpool and welcome training". The fourth response linking membership and the Liverpool ECoC was more negative; a transport business suggesting that "The Mersey Partnership took a bit of a back seat to the Culture Company in 2008".

This was one of several negative comments made about the general performance of TMP, a contrast with the mainly favourable remarks made about this organisation in 2007. Those offering these criticisms included 2007 respondents who had not then been critical. There were however also several favourable comments. But the transport company already quoted, while saying that TMP "continued to be beneficial"; also warned that it "was not as proactive as previously".

Given TMP's role as tourist board for the Liverpool City Region suggestions that "It has collapsed tourism-wise," must raise concerns about its ability to contribute fully to developing a successful legacy from the Liverpool ECoC.[16]

TMP excepted, most membership organisations receiving comment were positively assessed. Liverpool Arts Regeneration Consortium is a "very positive network"; Liverpool Attractions Group, though limited is "good..[and]...worth the membership"[17]; national and regional biodiversity networks "work smoothly"; the Liverpool Hoteliers Group is "professional and committed … Participation is now clearly beneficial"; and so on. Even if criticisms of TMP are well founded there may be other organisations in place to help the tourism sector to prosper.

3.8. Additional thoughts

At the end of the survey two questions were asked in order to allow respondents either to round off their thoughts on the Liverpool ECoC, or to add anything about their business and its context which they thought we would wish to know. Some of the answers given were further comments on questions already asked, and some have been incorporated above with the responses to those questions. General concluding thoughts on the Liverpool ECoC 2008 have however been listed in table 26 (appendix 5.4), and final thoughts on anything else in table 27.

The fifteen answers on ECoC 2008 included six which were highly positive and echoed the widespread approval of the year of celebration reported above:

> "a positive event for both our company and the region";
> "the best thing to happen to this city in many years";
> "lasting impact for the city";
> "It would be great to have Capital of Culture on the Wirral";
> "The Arena and Conference Centre and Liverpool One might not have gone ahead without it";
> "Can we make it an annual event?"

While four of these six endorsements were from businesses in central Liverpool, the other two came from the other boroughs of Merseyside.

Four answers have been classified as neutral because each of them identified a gradient of ECoCimpact:

> "It helped city centre Liverpool but no one in the surrounding areas" said a hotel in suburban Liverpool;
> "More pronounced effect in city centre" said a central hotel;
> "There is a big difference between the positive impact in Liverpool and the impact on our business" said an attraction outside Liverpool;
> there is even an "impact gradient in the city centre" claimed a business on its periphery.

These answers also contained some strongly positive components. The Liverpool ECoC provided "phenomenal publicity we could not have paid for"; while "Liverpool is now a base for regional activities - more acceptable to visitors in this role".

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[16] Comments on The Mersey Partnership's (TMP) performance in this year appear to partially reflect the confusion over who, in 2008, was responsible for undertaking tourism marketing in the year. Liverpool Culture Company included a dedicated marketing team who undertook a substantial amount of work re-branding and positioning Liverpool for tourism markets, perhaps from time to time undertaking work which TMP might have undertaken in a normal year.

[17] The Liverpool Attractions Group was facilitated by tourism staff from Liverpool City Council, some of whom were internally seconded to Liverpool Culture Company for the period of its operation.

Only one of the five comments classified as negative is truly critical. "Did it happen" asked a guest house in Liverpool, but outside the central area. The others are simply statements from businesses in outer Merseyside that, as one put it, "we were too far away from the heart of the action to feel any great benefit from the celebrations".

Taken together these concluding thoughts by respondents are, on balance, of the view that the Liverpool ECoC was beneficial to business and the region, but more so to those with a central location.

The information and views in table 27 (appendix 5.4.) are a very mixed bag. Comments on labour supply suggest shortages of skilled workers, including chefs and mechanics, which might be a problem for the continued expansion of Merseyside tourism. One view from a restaurateur based in the city centre also questioned the availability of well-motivated unskilled workers. Key informants defended the city on this score. One argued that the reluctance of workers to try the hospitality industry is UK-wide. The same respondent argued that Liverpool One shopping centre had run a successful programme recruiting and training staff from among the unemployed in deprived central areas. The implication was that workforce quality is something businesses can do something about, not an environmental factor. Another informant pointed to an initiative to train chefs as a response to the acknowledged shortage in this area.

Two final comments on teamwork are divided between the opinion that insufficient collaboration undermined the success of the Liverpool ECoC, and the possibly contrary argument that it had created more opportunities for teamwork "Pan-Merseyside". The latter view came from an enterprise in Halton. Two businesses reported changes relating to merger, one having been sold, and the other making an acquisition. A third acknowledged that age of the owners prompted an "exit strategy". One respondent assessed the merits of other years with thematic titles. While this might be a theme worth wider discussion it was not one which had occurred to other informants.

Three answers looked to the future. There was individual praise for the Arena and Convention Centre Liverpool linked to the judgement that "overall everything connected with both European Capital of Culture and the regeneration of the city has been really impressive". The respondent hoped both would have a lasting impact. Another answer called for the reinstatement of at least some of the Superlambanana replicas, then raised the whole question of "what next, where, when how and who to get involved".

The third prospective view emphasised the need to "maintain visitor interest...[to prevent Liverpool becoming]...a previous place".

The last comment reported might explain why more answers were not received, and why some questions were not answered by everybody. The survey was "Too long!!"

4. Conclusion

Overall, within the visitor attraction and visitor support sector there were variable levels of knowledge about the Liverpool ECoC and varying degrees of engagement with the cultural system more generally, although SMEs in the sector revealed pride in and enthusiasm for Liverpool's year as ECoC, both before and after the year.

Businesses in the sector share the view of businesses in the sub-region generally, that Liverpool's economy is reviving as a result of local developments and events, and that Liverpool ECoCis part of this revival. However it is difficult to disentangle the contribution of the Liverpool ECoC to the revival, and it was understood to be less important than some other events and, in particular, less important than other long-term regeneration interventions (such as Objective One) or large-scale capital developments (such as Liverpool ONE).

Before the year respondents feared that the business impact of the Liverpool ECoC was likely to be variable, with businesses in the city centre much more likely to benefit than those in non-central locations. This is confirmed by the post-2008 research which shows a concentration of beneficiaries in the city itself, but a falling away of impact outside the city and in other local authority areas.

Prior to 2008, a few respondents suggested that there might be some negative business effects in 2008, particularly in terms of displacement of audiences from existing attractions to ECoC-specific events and from the rest of Merseyside to Liverpool City Centre. Although this has been born out in a limited way in the post-2008 responses from attractions it is also supported by the views of hotels and other parts of the tourism infrastructure, with a particular spatial bias towards the City Centre being recognised.

Before the year there was, overall, a negative perception of the engagement between the Liverpool Culture Company and SMEs, related partly to misunderstandings over roles but also to specific criticisms over engagement, lack of promotion and poor communication generally. The first interim report from this research voiced extensive criticism of the organisation in charge of delivering the Liverpool ECoC and, although some of the criticisms arose from misunderstandings, it highlighted that there were some serious issues in terms of communication between the Culture Company and members of the visitor support and attraction sector.

After 2008 impressions of the performance of the Culture Company had improved, with a number of respondents associating the perception of the year as a success with the organising body directly. Some criticisms, however, did remain: concerns over cost (though this was sometimes a broader issue concerning perceptions of the value of culture-led regeneration); issues with high profile personnel; and a residual dissatisfaction over communication difficulties encountered earlier on.

Finally, the overall reflections and final thoughts from the second phase of the research help to place the responses in some overall context: most respondents felt that the year was a success for Liverpool, if not for them as individual businesses. Future concerns focus predominantly on how this success can be maintained and supported in the medium to long term.

5. Appendices

5.1. Notes on the methodology

Survey work:

Responses to the surveys reached up to 30% of all business invited to participate. In order to reach this response rate a senior manager of each business was first approached by telephone for permission to email a link to the electronic survey. Less than five businesses declined participation at the telephone stage; most non-responses occurred after the link to the survey had been sent, and after an email reminder had been sent. It is not known if failure to reply was a result of antipathy to surveys, or e-surveys, in general, or to particular characteristics of this survey.

Eight of the answers received were to an abbreviated, six-question, version of the original twenty-three question enquiry. These were sent to potential respondents at least a week after the initial survey link in order to improve response rates. Two survey forms were sent and received by post when the telephone approach revealed that the small hotels in question did not have email. Three 'survey' responses were obtained by personal interview.

In order to encourage the respondents (both interviewees and survey respondents) to be as informative as possible, all respondents were assured that their answers would be treated as strictly confidential by Base Line. None of the responding firms or organisations has therefore been identified in this report. Nor have any individuals been named. Gender has occasionally been interchanged, or deliberately concealed. Moreover the descriptions of our informants given below have been structured so that it is not possible to identify respondents by cross-tabulation of individual characteristics. Care has also been taken in reporting or quoting from the answers to maintain respondent anonymity. This means that some very precise information and comment on the Liverpool ECoC, and on the Culture Company, have been generalised below. This means that some of the judgements reported are supported by evidence which cannot be specified.

5.2. Profile of survey responding businesses (phase 2)

A total of fifty-four businesses responded to the survey questionnaire. Many of the descriptions in the tables are those given by the respondents, but some have been generalised to preserve anonymity. This applies particularly to some of the visitor attractions, many of which have a highly distinctive character, and would be identifiable if more precise descriptions were given.

Most hotels are independently owned or part of small local chains, but a few of them are part of large chains. The latter were included to ensure coverage of a full range of accommodation types. A majority of the visitor attractions consulted were not privately owned, but in the public or voluntary sectors. No establishments belonging to National Museums Liverpool were included.

Table 12. The responding businesses (self-description)

Hotels	Visitor attractions	Others
3 star town centre hotel	Art Gallery	Cafe/restaurant/bar
3* hotel with restaurants, bars and lounges	Arts Centre	Cafe/ takeaway
4* hotel	Entertainment	Picture shop
Boutique hotel	Heritage attraction	Restaurant
Budget Guest Accommodation	Major visitor attraction	Restaurant
Economy urban guest house / B&B	Outdoor attraction	Restaurant
Four star guest house	Outdoor attraction	Restaurant with associated facilities
Full service hotel	Small Visitor Attraction	Tourist gift shop
Function Hotel	Theatre	Transport company
Guest houses	Theatre	Transport company
Guest house	Visitor attraction	
Guest house	Visitor attraction	
Guest house	Visitor attraction	
Guest house	Visitor attraction	
Guest house	Visitor attraction	
Guest house		
Guest house		
Guest house		
Hotel		
Hotel		
Hotel		
Hotel 4 star		
Hotels – 3-4* full service market		
Low budget B&B		
Luxury serviced apartments.		
Major chain hotel		
Privately owned 3 Star hotel		
Public House with Bed and Breakfast facilities		
Tourist accommodation		

Table 13. Responding businesses by size

Number of employees	Hotel	Other	Attraction	Total
1	3	0	0	3
2-3	6	1	0	7
4-6	3	2	1	6
7-9	2	2	0	4
10-14	1	0	2	3
15-19	0	0	0	0
20-29	0	1	2	3
30-49	2	2	2	6
50-99	1	0	0	1
100 or more:	4	1	3	8
Total	22	9	10	41

5.3. Key informants

The five key informant who were interviewed in Phase 1 and Phase 2 were senior executives of relevant business, economic and cultural agencies. The selected agencies operated at the interface of the public and private sectors but most were perceived as public sector bodies by SMEs. Only one was seen as a specifically private sector entity.

Three of the agencies had specific responsibilities in the tourism and visitor sector; the other two had wider remits in the support of SMEs. Some agencies also had wider responsibilities for economic development in general. Two of the key informant organisations had responsibilities for Liverpool; one had responsibilities for one of Merseyside's outer boroughs; and the other two had cross-authority responsibilities. The sixth key informant, recruited in 2009, was an employee of the Liverpool Culture Company in the run-up to the Liverpool ECoC, and during 2008 itself, but has now moved to other employment in the public sector.

5.4. Specific impacts of ECoC 2008 on Liverpool and Merseyside

Table 14. Positive responses to invitation to add to overall judgement on the Liverpool ECoC

Capital of Culture attracted more transient travellers; many young bargain-seeking Europeans.
Capital of Culture was positive, a fantastic opportunity to raise profile of the city, but at what cost? 2008 was a fantastic opportunity for local businesses to entertain clients. Many Capital of Culture visitors had a prior Liverpool connection, but they might not have been here for 20 years or more. People aged 50-70 visiting exhibitions had their experience enhanced by Capital of Culture.
It put Liverpool on the map, and raised awareness of Merseyside in general.
In particular for the city centre and its image; feedback is much more positive about the city now
It was wonderful to see Liverpool work so hard on both its image and tourism skills, promoting the vast area it covers and to celebrate the stunning buildings within it.
Others say their business is up too.
The Capital of Culture events brought the whole city together. It also physically brought the city together in terms of building Liverpool One adjacent to the Albert Dock- and also the improvements to the Pierhead. The transport network had seen improvement, which is vital for any modern city to attract visitors back time and time again.
The psychology of Capital of Culture was huge. A lot of Liverpudlians found a lot of pride; they realised their city was enthralling them.
We had a lot of visitors coming specifically for 08 events and they gave lots of positive feedback about their experiences of events and the city too, we also heavily promoted events as we are very proud of our city and the progress it has made to make the most of its positive assets.

Table 15. Neutral or ambivalent responses to invitation to add to overall judgement on the Liverpool ECoC

Launch misfired and dragged on. It didn't engage audience enough. Rest of year of culture was fantastic. We suggested one of the successful events, but received no credit for this.
Mildly positive. Capital of Culture brought Liverpool to people's attention, but it was not as big as it could have been. The opening event could have been better.
I presume City Centre Hotels benefited but we on the fringes of the City Centre didn't see any difference.
Positive for Liverpool, neutral for Merseyside. I went to see Liverpool events. How many of them came to us?

The number of visitors put Liverpool on the tourist map. I'm not convinced it generated visitors to the rest of the region.
I think it has been extremely positive for Liverpool but in the same breath the surrounding areas seem to have been forgotten and left in the shade.
Impact of Capital of Culture more important for the region than for this business, but impact of Capital of Culture is fogged by many other factors. Arena will give biggest boost to economy in the long run. When ACC has big events, such as Elton John, or Liverpool has a big Premiership match Liverpool hotels put a two-night minimum on stays.
Capital of Culture had no impact on my business - other factors are far more important in positive and negative ways.

Table 16. The most positive impacts of the Liverpool ECoC for Liverpool and Merseyside

a. Events
Spider; Turner Prize.
Spider, superlambananas. They got people to use city facilities.
La Machine best for residents.
Lambananas and Spider; liners and naval ships.
Superlambananas promoted interaction and moved people out from city centre La Princesse; crystal spider in Exchange Flags, Klimt. What went well was there all along.
Klimt exhibition was a really big draw. Superlambananas. Focus on what's here all along. We have really great buildings and museums.
Klimt exhibition, the Spider, the Tall Ships.
Opening ceremony; Klimt exhibition massively important it brought in a new type of individual – more polished; La machine
b. Perceptions
Raising of awareness was most beneficial for me; morale boost for everybody, including people of Liverpool.
Raising the profile of the City
Changed people's perception of Liverpool and of Liverpool people
General exposure. PR
Greater / wider profile of Liverpool and greater awareness of what Liverpool has to offer
Improved public perception of Liverpool
I think that people's opinions about Liverpool were very negative, even if they hadn't visited personally, before Capital of Culture. Now even if they haven't visited themselves, their ideas have changed
One of the most positive impacts has been in that people living in the UK, who have always viewed Liverpool as an extremely run down, violent city have visited Liverpool during 08 and have been shocked at just how nice it has been and have been back with family and friends.
Changing the 'calm down' stereotype: guests report of the warm and friendly reception of total strangers and feeling as visitors they were welcomed. Challenging the perception we are a crime ridden city we regularly had to assure guests we had the lowest car crime in the UK and Liverpool was very safe to walk around, which guests reflected back in their feedback to us.
Showing Liverpool is developing and friendly
Showing Liverpool to the rest of the world in a positive light.
Self-confidence in the city much improved perceptions elsewhere in UK recognition and strengthening of the city's cultural assets
c. More than just The Beatles
Showing Liverpool has more than just the Beatles
Feedback from my guests has been that Liverpool is more than the Beatles and is a fantastic vibrant City.

d. Economy and development
Redevelopment of the city
I would say most positive impact has been the welcome everyone received when visiting. It is known as a friendly and safe place to visit. Also the visitor spend per head has helped increase the economy.
More visitors and also redevelopment of Liverpool
Investment in the city and confidence in the city council who provided what they promised
Putting Liverpool on the international market

Table 17. The most negative impacts of the Liverpool ECoC for Liverpool and Merseyside

a. Finance
Cost e.g. le machine
Overspending
Waste of money on egotistical exercises. No legacy; legacy should have been starting point.
b. Legacy
Impression is that little is happening post-2008.
Sad that there is no legacy. The massive party when the CEO went back to Australia was absolutely disgusting.
c. Construction work
Continuing public works, such as the canal; were unfortunate
Some guests were very disappointed by the amount of building work taking place in what should have been a showcase year. Some expressed that the whole of city centre was just a building site and would not be encouraged to return in the future.
Too many "Bob the Builders " and road works that visitors had to negotiate
The scheduled road works/renovations in the Albert Dock/Liver Buildings area taking so long to complete.
d. Organisation
Poor organisation in the run up. Failure to involve city-region.
Removal of miniature superlambananas; main one is in wrong place.
e. Inequality
The worst thing about Capital of Culture was that streets were blocked off for various events not only the Machine. I lost a lot of trade - a lot. I rely on walk-by custom and others who try to park near the restaurant - so it was very bad for business at these times. Was it all really necessary to block off streets?
Not enough done for the people of Liverpool itself. Liverpool is not only based in the city centre
Many who should have benefitted didn't, for example taxi drivers, partly because so much was focussed in the city centre.
f. Other
Mass development (blandness)
Neutral or ambivalent comments
In the years leading up to 2008 the infighting between council and other bodies didn't give much confidence in the Capital of Culture being a success but it was, in spite of this! I think it could have been an easier task had we had a more local person in place for the Culture Company from the beginning.
The fact that it has ended and that the city might go a little quiet might have a negative impact. Throughout the actual year it seems every event was well attended from what was shown on the television.
Ringo Starr and his television debacle and the anger it generated; however it was used by many to promote the region positively.
Denial of negative impacts
Negative impacts? No I don't think so.

No negative, I just hope that the focus and attention and money made during 08 can be fed out to the areas of Liverpool that are run down and need help.
No negatives
None

Table 18 The importance of the Liverpool ECoC and other factors to the prosperity of Liverpool and Merseyside

Arena and Conference Centre Liverpool				
Absolutely vital:		25.5%	13	33.3%
Very important:		35.3%	18	46.2%
Important:		15.7%	8	20.5%
Minor importance:		0.0%	0	0.0%
Not important:		0.0%	0	0.0%
Don't know:		23.5%	12	Excluded
Total		100.0%	51	100.0%
The Beatles				
Absolutely vital:		19.6%	10	30.3%
Very important:		25.5%	13	39.4%
Important:		15.7%	8	24.2%
Minor importance:		3.9%	2	6.1%
Not important:		0.0%	0	0.0%
Don't know:		35.3%	18	Excluded
Total		100.0%	51	100.0%
European Objective 1 funding				
Absolutely vital:		34.0%	17	54.8%
Very important:		16.0%	8	25.8%
Important:		12.0%	6	19.4%
Minor importance:		0.0%	0	0.0%
Not important:		0.0%	0	0.0%
Don't know:		38.0%	19	Excluded
Total		100.0%	50	100.0%
European Capital of Culture 2008				
Absolutely vital:		22.0%	11	28.2%
Very important:		26.0%	13	33.3%
Important:		26.0%	13	33.3%
Minor importance:		2.0%	1	2.6%
Not important:		2.0%	1	2.6%
Don't know:		22.0%	11	Excluded
Total		100.0%	50	100.0%

European football			
Absolutely vital:	15.7%	8	25.8%
Very important:	19.6%	10	32.3%
Important:	21.6%	11	35.5%
Minor importance:	2.0%	1	3.2%
Not important:	2.0%	1	3.2%
Don't know:	39.2%	20	Excluded
Total	100.1%	51	100.0%
Premiership football			
Absolutely vital:	21.6%	11	35.5%
Very important:	23.5%	12	38.7%
Important:	11.8%	6	19.4%
Minor importance:	2.0%	1	3.2%
Not important:	2.0%	1	3.2%
Don't know:	39.2%	20	Excluded
Total	100.1%	51	100.0
Grand National			
Absolutely vital:	17.6%	9	30.0%
Very important:	23.5%	12	40.0%
Important:	15.7%	8	26.7%
Minor importance:	2.0%	1	3.3%
Not important:	0.0%	0	0.0%
Don't know:	41.2%	21	Excluded
Total	100.0%	51	100.0%
Other sporting events			
Absolutely vital:	10.0%	5	16.7%
Very important:	22.0%	11	36.7%
Important:	22.0%	11	36.7%
Minor importance:	6.0%	3	10.0%
Not important:	0.0%	0	0.0%
Don't know:	40.0%	20	Excluded
Total	100.0%	50	100.1%
Liverpool John Lennon Airport			
Absolutely vital:	29.4%	15	50.0%
Very important:	23.5%	12	40.0%
Important:	3.9%	2	6.7%
Minor importance:	2.0%	1	3.3%
Not important:	0.0%	0	0.0%

Don't know:		41.2%	21	Excluded
Total		100.0%	51	100.0
Liverpool Cruise Liner Terminal				
Absolutely vital:		22.0%	11	34.4%
Very important:		20.0%	10	31.3%
Important:		16.0%	8	25.0%
Minor importance:		6.0%	3	9.4%
Not important:		0.0%	0	0.0%
Don't know:		36.0%	18	Excluded
Total		100.0%	50	100.1%
Museums and galleries				
Absolutely vital:		24.0%	12	36.4%
Very important:		16.0%	8	24.2%
Important:		26.0%	13	39.4%
Minor importance:		0.0%	0	0.0%
Not important:		0.0%	0	0.0%
Don't know:		34.0%	17	Excluded
Total		100.0%	50	100.0%

Table 19. Additional contributions to the prosperity of Liverpool and Merseyside

Multiple causation
Difficult to judge relative importance of factors in local prosperity. Objective 1 is less visible, but provided infrastructure and gave a framework. Capital of Culture cushioned credit crunch, along with Liverpool One shopping centre.
I'm not sure I can compare Objective 1 with other things. Major infrastructure is key to Capital of Culture, and Capital of Culture made Liverpool a destination. Liverpool One is very important and has closed the gap between the city and the waterfront. The Arena is a great and needed facility, but its impact is still to be seen, especially whether it has a spin-off. The Cruise Liner Terminal always provides interest on the river; it brings people out to see them; so do naval visitors.
It's hard to compare long-term and widespread impacts from Objective 1 with single year events and single place impacts. Objective 1 penetrated outskirts more. Capital of Culture was catalyst for everything.
Objective 1 was massive; it is the only reason for Capital of Culture, which is a result of what they have done around the docks and city centre. Liverpool One is not yet a worldwide impact; ACC will promote Liverpool in years to come, but European Capital of Culture is ahead of both in terms of awareness, publicity and value for money.
Liverpool One Shopping Centre
How about Liverpool One the new shopping mall. The people I know all head over to Liverpool mainly for the shops as well as for the above mentioned important places.
Liverpool One has not helped us directly, but it has helped the look and reputation of the city.
Liverpool One is more important than the factors listed. What recession?
Liverpool One shopping centre might become important, but it only serves locals at the moment; it lacks the breadth of the Trafford Centre; there are too many people selling the same brands. In today's difficult climate some shops have closed already. The Arena and Convention Centre have much potential in the long term, but it is poorly booked at the moment. Of course there is a recession, but perhaps it should have been 20000 sq ft instead of 10000.
Liverpool One. Three girls from London commented on level of security, day and night - no need to take taxis
People thought that the opening of Liverpool One was a Capital of Culture event, but it was coincidental. I don't know if the Arena and Conference Centre has had an impact; their opening times don't coincide with ours.
The city
Liverpool. The city is spread out and quite hilly. There need to be trams for 2 purposes. 1. To bring visitors and others into Liverpool from reasonably priced car parks on the city edges. 2. To get people say from Lime Street down to L1 (and so near to (my restaurant). Trams are popular - there would need to be a frequent shuttle service from up town to downtown (L1). This would be a massive boost to the city and to L1. Massive. L1 is a lonely place - many of the companies are struggling to pay rents there; it is cut off from a lot of the main city.
Overall ambience and attractiveness to visit / have a base be that work or home
Transport links from Airport into the City.
Matthew Street Festival / Beatles Weekend Liverpool Ambience / Waterfront / Built Culture
Effect of Capital of Culture is comparable to that of Manchester's Commonwealth Games. Both peter out midway between them.
Sport
More major sporting arenas around the city.
The abundance of fantastic championship golf courses v. imp The seaside resorts close by v. imp The coastal tourism product i.e. wildlife/walk etc very important.
Accommodation and hospitality
Additional hotels, creating jobs and competitive rates
Guest house or hotel accommodation shopping good food offer warm and friendly welcome
Local people's attitude to visitors. Businesses need to invest in customer services training for all their staff.
Retail, food and drink, crime street safety
Entertainment

Performing arts, music and theatre - absolutely vital
Theatres
Students are crucial so it's important to have world-class university facilities and things to support students in the city. Theatres play a key role as people come for the shows too. Nightlife is also a significant part of the city's prosperity. Festivals such as the churches festival of hope.

Table 20. Comments on turnover

Positive factors
More European visitors are coming as the Euro is strong which has positively impacted on short breaks
Our contract business was steady, but our private hires were up 15% and city centre tours up over 100%. The opening of the Arena and Conference Centre saw bookings take off.
We received more monies for 08 to facilitate our programme. We think that the fact we were Capital of Culture 'shamed ' people into going to the theatre more than they would normally.
Visitors come for the attractions rather than souvenirs. We are near other tourist attractions and the hotels.
We enjoyed spin-off from big events in Liverpool. We were seeing more one-night corporate people, because Liverpool was fun, for example when the spider came.
When Liverpool was busy because of events held in the centre of town, people were then referred to the outskirts for accommodation.
Because of our financial performance our owners are keener to invest in premises and property.
Neutral or ambivalent factors
Building work at the Pierhead had a negative effect on us. Liverpool One helps link the city centre to the waterfront.
Although Capital of Culture didn't impact too much the credit crunch has proved to do so negatively, because in a year when the 'Open Golf' was here, one would have expected an increase in turnover
In 2008 bad weather from July to September was a downside, but we have seen worse. Open Golf helped balance things out. We saw some spin-off from Capital of Culture.
Our attraction is not based in Liverpool; it is Wirral across the water. Therefore we do not feel we felt any major impact from the Capital of Culture, although we feel it made a massive difference to Liverpool itself.
The main cause of our increased turnover was a substantial and well-publicised expansion. Capital of Culture must have had some effect, but I think marginal. ACC almost zero. Cruise Liner Terminal had a small positive effect. Liverpool One competes with us for the time and money of visitors, so it may have had a negative effect. Impact of Credit Crunch is probably slightly negative, but it is hard to work out, even today, because multiple factors are changing. It is even possible that the credit crunch effect could be positive if people are finding UK diversions in place of foreign travel. The recent winter has been quieter than anticipated, but what were the main causes: no Capital of Culture, the credit crunch, the weather? Visitor numbers in 2009 are down on 2008, but up on 2007. Our expansion was not related to Capital of Culture; we didn't need Capital of Culture.
We were not influenced much by Capital of Culture, being small and quite out of the way. But we were able to maintain our rates. Strong competition is now coming from new hotel rooms and serviced apartments. The flood of rooms and rate cuts has seen 2009 falling off a cliff. At weekends we rely on weddings, not visitors. The conference part of ACC generates nice business from corporate dinners and entertainment. Less so with concerts.
Negative factors
Liverpool One affects us negatively. Saturday daytime trade is down about 40%. It diverts shoppers who used to eat with us. ACC also has a local impact; no spread beyond Liverpool One.
Poor environment in the Duke Street area. I wish the police and others would work on it for heaven's sake. Drunks sleep on the pavement; accost my customers, sometimes very aggressively. At night especially, there is vandalism, windows are broken etc. Hemingway's tried to move on some of the drunks and had windows broken night after night. A big improvement in the area would be to restrict the licence of the 24-hour booze outlet - 24-hours, who needs that! People who give these licences have no idea - no idea at all of running a business. You are dependent on having a decent environment; people come out for a good meal and a relax - and pay good money - and they have this hassle. Never mind Capital of Culture - get a few basics sorted out.
Only a fool would expect Capital of Culture Liverpool to have a positive effect on wider region. Few events outside Liverpool.

Table 21. Nature and causes of deviation from normal seasonal turnover pattern

Positive factors
All months saw increased turnover in 2008; low months got higher; high months got higher.
August was the key difference in occupancy Rates achieved higher during the rest of the year.
Capital of Culture event we organised saw doubling of numbers from previous years.
Corporate guests staying for extended periods of time in low season.
Increased occupancy throughout the year.
More tourist accommodation
More visitors from outside Liverpool
More visitors to the hotel, coming to Liverpool in many instances for the first time because of Capital of Culture.
No, we had the usual school holiday increases. Lots of visitors during Tall Ships race.
One week additional hire in August when we are normally closed.
The fall-off in trade during the universities vacation was less in 2008.
Neutral or ambivalent factors
In 2008 bad weather from July to September was a downside, but we have seen worse. Open Golf helped balance things out.
Summer was busier than expected, but Christmas saw long-standing customers pulling out of corporate bookings at the last minute: no Christmas party when redundancies loom (e.g. estate agents).
We had the expected amount of business from our groups and education visitors as we always do, and did not see a massive change in our seasonal pattern.
Negative factors
At Christmas some of biggest regular parties were cancelled or scaled down, for example property companies and quantity surveyors.
Most of my visitors came to see Liverpool only.
We are a small urban guest house 2 miles from the centre - our business was seriously affected by the vast extra volume of new accommodation / boutique hotels / service apartments etc ... and we had to substantially vary our marketing & marketing budgets to compensate.
Yes, bookings very last minute or not at all, some cancellations later in the year due to credit crunch.

Table 22. Nature and quality of involvement with Liverpool Culture Company.

Positive answers
Client. Gave additional monies to support our programme.
Countdown Committee was a positive experience.
Hosted some dinners for them. Constant stream of journalists.
Member of Mersey Partnership. Plenty of info available of coming events.
Very satisfactory involvement with all the above. We provided accommodation and meeting rooms.
We did the language course in Spanish and it was great as we linked in with a local pub to do it and gave an opportunity to network, learn and have fun too. Felt The Mersey Partnership did a great job in getting information out to us on key events so we were aware of events going on locally.
We were a key partner. We were involved in some of the events, especially the tall ships. The partnership with the Culture Company went well; they briefed us well, and linked well with Wirral Borough Council too.
Welcome training – good.
Neutral or ambivalent answers
08 Welcome Training Welcome International.
One of major cultural partners working with Culture Company and receiving funding. Relationship was very good, though there were issues early on regarding confirmation of events, and overall artistic direction.
Very small / little impact
We are too far out for involvement with the Culture Company.
We sold items of 08 products in our museum gift shop and helped promote any Liverpool event where we could by flyers, posters etc. We mentioned Capital of Culture on our website.
Negative answers
Didn't hear anything from anything to do with Capital of Culture.
They didn't try to engage with us. They turned down our offer of very specific assistance at one point. Let's talk Merseyside; let's mean Liverpool. They agreed previously that all parts of Merseyside would be part of it.
We did work for them. They paid on time. In general however I still take a dim view of those up there - they want everything for nothing.
With 6 months to go I was pulled into central team. Thinking was still blue sky without costed projects

Table 23. Reasons for judgement on Culture Company performance

Positive explanations
A massive range of events and performances were delivered, not only in 08.
Credit where credit is due. Managed to pull it off despite board and staff turnover. Cost versus outcomes: I don't know. Wise in long term, though not in short.
I felt they worked very hard in promoting all events throughout the course of the year and where [sic] very willing to help with enquiries from visitors.
I was previously sceptical, but they did a good job. I thought they might make a balls of it, but nobody perceived it as anything but a good thing. Clever marketing and lots of money thrown at it. Liverpool is much bigger than Southport. I couldn't prove Liverpool attracted people away from us. There was 16% overcapacity in Liverpool. Enquirers were put off by us being 18 miles from the city centre. The Mersey Partnership guide needs changing.
It seemed to go quite well. The spider gave us more people over that weekend. Overall we got more people on a regular basis.
It took a while for it to get going and there were serious issues at various points, but it did deliver a very strong year in the end and much of their work was outstanding.
Once launched felt it came into its own after the bad press it sometimes got pre-launch.
There seem to have been a lot of things going on around the city, which is all credit to the Liverpool Culture Company for having planned and organised the various events.
They did a good job.
They did very well. I was disillusioned beforehand, but the change of Board membership and the installation of Phil Redmond really mad a difference. Redmond almost single-handedly pulled it out. The council employees who moved across to the Culture Company were not very impressive, but the year went better than anybody could have imagined.
Neutral or ambivalent explanations
Certain events such as the Spider were really good and caught the public's imagination... However, I have a small criticism of the lead up to all the events. I had to fight my corner. This is with particular reference to road closures because of Capital of Culture events and building work in the city centre. For instance, when there was building work related to the King's Dock Arena - signs were put up saying: "Kings Waterfront closed", which lead many people to believe that this included the Albert Dock. This shop fought to get these signs removed and admits that although I was invited to certain meetings during and after the build up, though it was a little bit over my head, but I think the business did OK in the end.
Following initial fragmentation *… [response not completed]*
It could have been a disaster, but they got away with it by the skin of their teeth. Things happened by chance. It could have been much better. Phil Redmond didn't help particularly. Events were too scouse-centred. Why did we need a Culture Company? They frequently demanded free rooms. But Culture Company made a good choice of events, such as Cityscape, Klimt, Tall Ships.
It was initially shambolic - embarrassing. The spider was amazing, but at what cost? But they pulled it off by the seat of their pants. The Culture Company were a very self-congratulatory bunch. They did some profligate things. Large amounts were wasted on hospitality. But I'm prejudiced against Liverpool Council.
Not sure. Lack of consideration for existing businesses at times.
Overall, things went really well, however there are criticisms of the authorities for not planning things better. Many new developments surrounding the Albert Dock complex were only half completed, not to mention the road works - 'Big Dig'. It would have been ideal if the Pierhead and Liverpool One developments had been ready for when visitors starting arriving in 2008 for the Capital of Culture year. I recognise that there was advertising with particular reference to the Albert Dock, however, I suggest that it was not done as well as it could have been. I was however happy with transport arrangements -in terms of both trains, buses and taxis; and in particularly happy with the travel arrangements between Liverpool Airport and Liverpool City Centre. I think visitors will have found arrangements very accommodating in terms of the ease by which they could travel to destinations and visitor and tourist attractions based in the city centre.
Negative explanations
Again did not involve the people of the city. Look at Glasgow. Say no more.
Culture year was overspent years before 08; perception of continual mismanagement - lots of mediocre events - launch night was a particular disappointment.

I can only comment on the basics. For example there was no literature or calendar of events available until Jan/Feb 2008. People make plans the year before and to encourage and maximise revenues this should have been done at least by September 2007. We could have promoted the events and encouraged visits with much more conviction and success.
Most of what happened only underlined my previous views on the Culture Company. Pointless! Long-standing events groups never got accepted. They could have used Capital of Culture funding. What went well was there all along. Systematic failure from the beginning. I never saw Redmond, but he put blocks on a lot and focussed roughly in right direction. Wastage involved tired ideas hawked round other festivals - little to do with Liverpool.
The Culture Company was a waste of money, a criminal waste of money. Culture Company hired ridiculously expensive and incompetent people. Major things were done despite the Culture Company. They just stuck a label on them e.g. Klimt, the derby game. The Culture Company did the McCartney Concert. Kiev did one for 300,000 in which citizens could share. A dreadful amount of money was spent on the Spider, which didn't attract new visitors. The publicity was ex post facto. It was too late; they'd missed it. When a Beatles industry group was created the Culture Company wanted to control it, and destroyed it.
They got the dates wrong in 2007 booklets. Not much better in 2008. We wonder why in the fourth month after the close nobody has asked us how it could have been done better. A snapshot is needed by now.

Table 24. Further comments on customers

Business in 2009
Although current trading is not as bumper last year, nevertheless it is still viable given today's economic conditions
Business was good during the Capital of Culture year- but the current economic situation has seriously jeopardised any serious opportunity to try and match the income received during the Capital of Culture year. The 'credit crunch' has caused business to become pretty slow so far for this year and most businesses connected to the tourist/ visitor industry, particularly those on the Albert Dock, are just "ticking over".
Customer split UK/overseas used to be 45/55, but by early 2009 it is now 30/70. Only about 4-5% of visitors are from Merseyside. Liverpool is now a very cheap destination for Europeans.
Impact of credit crunch is less negative for us than more expensive restaurants. We need to see summer 2009 takings before impact of credit crunch can be assessed. Will continental visitors be maintained? We didn't change our business for 2008, but we were event-sensitive. In 2008 we saw lots of European and national short-stay visitors. Although we have a bar our ambience is not drink-centric. Continentals feel at home. Maybe we are in the right guide books.
It's over: no legacy at this stage. In 2009 all hoteliers struggling, partly due to number of new hotel room, but 2008 was good for all. Labour supply now easier than in past. It's too early to tell, but we hope to see 2008 visitors returning.
The Credit Crunch had a massive negative effect from January 2009 onwards. Corporate-linked trade was down. Only in April did it become brighter. Big ACC or football events still have their impact. Impact of Credit Crunch on market is shown by lateness of bookings and the silly rates offered by our competitors (e.g. £20 per person for day delegates). Planned expansion for 2009 put off, but Jan 2010 remains possible start date.
The positive effects on visitor numbers have continued in 2009. They said the knock-on effect would continue, and it has. We get unbelievably good feedback. I don't think it will ever go backwards.
Too early to tell whether bookings are down in 2009. The pattern is now for late bookings. The early part of the year has been quite slow; conference people have been coming for fewer nights. But Southport events have been getting stronger. I have yet to be convinced that the Credit Crunch is having an effect on visitor numbers
Tours peaked in summer, but we are now running them 12 months a year and 2009 is better than 2008. Easter was early last year, and the weather was poor.
Turnover down in 2009 because we are a paid attraction
We don't know how 2009 is going yet, still less the future. One particular exhibition was very beneficial for us last year, and its 2009 successor has a hard act to follow. But a newly re-opened attraction, and a new attraction are possible positives for us. The completed renovation of the Pierhead, where leisure passengers start their journeys, and of the canal link, are likely to help. The Pierhead has been reinvigorated.
We feared that visitors would migrate to Liverpool- some did and may not come back - people will anticipate free Matthew Street Festival again this year. How can you compete with 52 free events and the World Museum? The Tall Ships - you can't compete with that. It's a second nervous year for us.
Types of customers
As some of the sections overlap this may not add up but people use us for various reasons, business or pleasure.
At weekends we rely on weddings, not visitors.
'Businesses' mentioned are mostly school parties. We get lots of English-speaking overseas visitors.
Businesses include public sector bodies.
Even before the C O Culture we had many visits from cruise liners docking at Liverpool, and we have continued to have them, no more no less.
Irish Football Fans - Liverpool supporters.
We are finding we are getting more corporate bookings, which is our target market. We are also getting visitors from all over the world and lots of home UK visitors too.

Table 25. Memberships

Liverpool Arts Regeneration Consortium
LARC very positive network of major cultural organisations in the city. Chamber of Commerce. The Mersey Partnership.
LARC, Chamber of Commerce.
LARC, Chamber of Commerce.
Mersey Partnership
Mersey Partnership
Merseyside Partnership
Merseyside Partnership Accommodation group Wirral Visit Britain
The Mersey partnership, Visit Chester, Wirral Investment Network, Wirral Accommodation Subgroup, Quality in Tourism, Train 2000, Wirral Business Forum. Networks had a positive impact in promoting the region and 08.
The Mersey Partnership doesn't do well. It has collapsed tourism-wise. Liverpool Attractions Group is limited but good. Liverpool Chamber of Commerce doesn't give us much value because of the nature of our business.
The Mersey Partnership - served well, positive impact. Merseytravel - served well, positive impact
The Mersey Partnership. Chamber of Commerce. Both continue to be beneficial. The Mersey Partnership took a bit of a back seat to the Culture Company in 2008; it was not as proactive as previously.
The Mersey Partnership. No benefits from this. St Helens Chamber. No benefits from this either, despite close proximity. We used to be in Liverpool Conferencing, but we pulled out in early 2008; we were getting no business from our subscriptions. Most other people in our borough have pulled out.
The Mersey Partnership. Not happy with Tourist Board. It's giving the wrong information out. It ran out of our leaflets and didn't ask for more. We are not the only complainers.
The Mersey Partnership. [...] it would be improvident of us to quarrel with them; they control NWDA funds. They concentrate too much on the city centre. Southport needs marketing in its own right, not as an adjunct to Liverpool. Southport Tourism: Southport is not as bad as it was; this public/private partnership benefits from a progressive Council. The north-south divide in Sefton is less than it was.
The Mersey Partnership
The Mersey Partnership, Federation of Small Business. The Mersey Partnership offered familiarisation walks of Liverpool and welcome training.
The Mersey Partnership - well VCC - little FDO - Very Well
The Mersey Partnership very important - really good bookings service. No longer in Chamber of Commerce because of the expense. It did nothing for us, though it is positive for many others. Restaurant Association.
The Mersey Partnership, Wirral Tourism Business Network
Wirral Chamber of Commerce: -recently re-launched - no benefits yet apparent.
Sector groups
Attractions group is worth the membership.
English and NW biodiversity networks, Mersey Partnership, UNESCO committee. All work smoothly. Problem with local strategic partnership networks is their proliferation - meetings multiply.
Hoteliers Group - this and other groups more professional and committed. Participation is now clearly beneficial.
Local Tourist Board ***GOOD** On-Line booking services Late Rooms ***Very Good** Booking.com ***Very Good**
Restaurant Association GB and Wirral
Southport Hotels Association, Federation of Small Business.
Sefton Tourism Business Network - well The Mersey Partnership - quite well. Sefton Chamber of Commerce - quite well. No real impact for 2008 Capital of Culture.

Southport Tourism Business Network, The Mersey Partnership, Southport hoteliers, Visit Britain.
We are in 2 tourism consortiums. 1 Wirral Attractions Partnership 2 Favourite Days Out in Chester & Cheshire Also we are part of Wirral Tourism Network. They all had the Capital of Culture in mind during meetings and we all tried to work with Liverpool to improve our visitor numbers.

Table 26. Further comments on the Liverpool ECoC and its impact

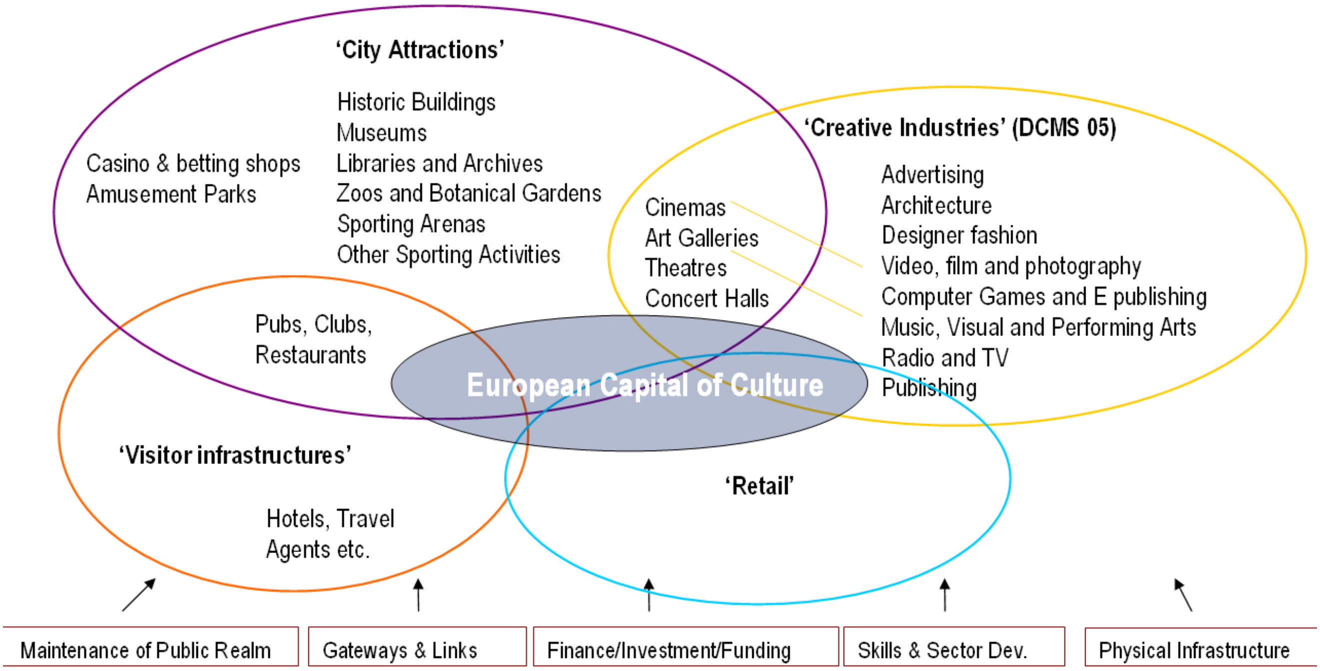
The Liverpool ECoC in general – positive comments
Capital of Culture **Excellent*** Can we make it an annual event?
Capital of Culture and the regeneration of the city has been really impressive and hope both have a lasting impact for the city.
Capital of Culture was a positive event for both our company and the region. We are hoping the effect will continue.
Capital of Culture was the best thing to happen to this city in many years.
It would be great to have Capital of Culture on the Wirral so we can show what wonderful places, arts, culture and people's talent we have to offer.
Winning the Capital of Culture triggered enormous investment. The Arena and Conference Centre and Liverpool One might not have gone ahead without it.
The Liverpool ECoC in general – neutral or ambivalent comments
It helped city centre Liverpool but no one in the surrounding areas
Labour turnover low, so not a problem. There is a Capital of Culture impact gradient in the city centre. Liverpool is now a base for regional activities - more acceptable to visitors in this role. Our business is in competition with places nearer ACC and Liverpool One. We have advantage of nearby universities.
More pronounced effect in city centre, but ripple effect will continue. We displaced a lot of business during big events. Objective 1 was massively important, but 2008 gave a high point to the marketing of the city - phenomenal publicity we could not have paid for.
The Capital of Culture and free attractions in Liverpool prompted us to relaunch our literature, advertisements and brand awareness in 2008. We now emphasise our local character. There is a big difference between the positive impact in Liverpool and the impact on our business.
The Liverpool ECoC in general – negative comments
Being an all day attraction and 8 miles from the Pier Head we were too far away from the heart of the action to feel any great benefit from the celebrations.
Did it happen?
Low impact.
Made very little (minimal) impact to our business.
We had less visitors because it is mainly local groups who visit and they concentrated on what the Capitol of Culture had to offer knowing we would still be here 2009 onwards.

Table 27. Final additions to answers

Labour supply
For once chefs are available. Previously we were held to ransom. Trying to get a scouser to do the washing up or cleaning is like pulling hen's teeth. They would rather be on benefit. We use Czechs and Poles who have a much better attitude than locals. We also use Irish students.
Long-term shortages of skilled labour continue. Chefs are difficult to recruit. Casual staff are usually young people from affluent local families.
We have difficulty getting mechanics, but there is a glut of drivers at the moment.
Teamwork
A lot more for Liverpool could have been achieved if the whole City working as a TEAM
Raised the profile of the area, created more opportunities for Pan Merseyside working.
Business changes
Ownership has changed in past two years. A number of shareholders felt it was an appropriate time to exit. The business is now in secure local ownership. Our aim is to drive tourism up in Liverpool, independently of the city and quangos.
We have an exit strategy in mind because of our age.
We acquired a major tourist attraction during the year.
Other years
Not convinced follow-up year of environment is a good idea; programme is list of things happening anyway. Prior Year of Faith was good in anticipation.
Other comments
I like the Arena - and think it will have a knock effect for the Albert Dock with customers/ visitors of the Arena also using the Albert Dock. I think that overall everything connected with both European Capital of Culture and the regeneration of the city has been really impressive and hopes both have a lasting impact for the city.
The Superlambananas were a huge draw and they should be reinstated even if only in part, our guests loved them even today we have checked a family in who came to see the original in Tithebarn Street (the husband was receiving cross words for not coming and doing the whole trail from his very disappointed wife). The momentum must continue it should not be a case of its all done it should be 'what next, where, when how and who to get involved' I like the blue sky thinking of a superfast ferry from Southport to New Brighton/Seacombe/Woodside/Pier Head to John Lennon Airport
Very keen eye needed to maintain visitor interest and flow do not need Liverpool to become a "previous place".
The burden on respondents
Too long!!

5.5. The city's cultural system

The Impacts 08 Baseline Report[18] portrays the city's cultural system as a Venn Diagram of sub-sectors, for which volume can be assessed using standard industrial classification (SIC) codes.



Source: Impacts08 (March 2007) Baseline Report

18 Impacts08 Baseline Report (2007) http://www.liv.ac.uk/impacts08/Publications/backgroundpapers.htm

5.6. Approximate turnover figures during 2008 financial year

Turnover	Business type
£8.5million	Attraction
£5m	Hotel
£4.8 million	Hotel
£3m+	Attraction
£2m	Other
c. £1.5m	Other
£1m	Attraction
£900,000	Attraction
£858,000	Attraction
£324,000	Attraction
£115,000	Hotel
£115k	Hotel
£60,000	Hotel