Executive Summary

BRITISH MARINE
LEADING THE INDUSTRY

FUTURES

THE FUTURES PROJECT PURPOSE

"**OUR VISION IS TO INCREASE THE NUMBER OF PEOPLE** enjoying all forms of Boating and associated Watersports throughout their lives"

INTRODUCTION

In response to the concerns of British Marine members, detailed research was undertaken during 2017 to establish the facts behind perceived industry views regarding the future shape of the leisure marine consumer market.

Specifically, leisure boating customer numbers appear to be declining with fewer younger or new customers joining the market.

FOUR KEY AREAS WERE RESEARCHED AS FOLLOWS:

Social Context of future customers
What is happening in the wider world that will affect future boating and Watersports participation

Statistics and Trends
What the numbers tell us now about boating, Watersports and other outdoor activities.

Emerging Themes The trends that will influence boating and Watersports participation

Benchmarking against other leisure sectors
Identifying data gaps, examining what needs to be done so that the marine sector has a clear picture to act upon and comparing ourselves with other sectors.

A detailed **Futures** report presenting the findings on the above was published on the British Marine website (*www.britishmarine/futures*) and this Executive Summary outlines how each of the identified topics are to be developed as part of a new and evolving 'Futures Strategy'.

FUTURES

ALTHOUGH LOOKING HEALTHY – ‘BOATING’ IS CHANGING

GROWTH IS NOT COMING FROM TRADITIONAL BOATING ACTIVITIES

- Sailing, power/motor or windsurfing

Activities that are showing growth trends

- Canal boating
- Canoeing
- Surfing & body boarding
- Paddle boarding
- Sea fishing

OUR AUDIENCE IS CHANGING

Research shows that we have 5 main audiences (outlined below). With the majority of the population in categories Generation Y – Z who are in the digital age and looking for more short burst experiences that they can enjoy and share online with friends and family instantly. With less time it's all about what they do and have done as opposed what they own.

Maturists (pre 1945)

Communication preference

Baby boomers (1945-1960)

Communication preference

Generation X (1961-1980)

Communication preference

Generation Y (1981-1995)

Communication preference

Generation Z (Born after 1995)

Communication preference

TO PLAY A ROLE IN FUTURE CUSTMERS' LIVES, BRANDS [OR ACTIVITIES] MUST HELP EMPOWER THIS AUDIENCE, allowing them to do, feel and share, if they are to remain a relevant, appreciated part of Millennials' lives

SUMMARY OF RESEARCH REPORT FINDINGS

The 'Futures Report' identifies irreversible trends impacting upon the leisure boating sector as lifestyles continue to evolve. The impact of the 2008 Financial Crash continues to be felt as disposable income remains under pressure where future generations clearly have less desire to own expensive assets such as cars or boats.

The 'Futures' research would indicate that many Millennials see boating as a sport where 20-30 year olds prefer functional and lifestyle experiences. The leisure boating sector has historically sold products or facilities rather than lifestyle benefits and what is clear is that new generations are not attracted by detailed information or the traditional learning models such as undertaking a training course. They just want to 'get on' and do whatever appeals at the time and learn or gain skills as they go.

There is also less desire to become a 'Club' member and own expensive assets such as boats and all that this entails but more importantly, finding access to equipment or the opportunity to try something out that is 'Trending' is what future consumers desire.

Millennials are seeking an ever increasing range of different experiences and the participation in just one or two hobbies or sports such as regularly sailing or boating is becoming less appealing. Social Networks are a huge influence on new generations' personal choices and with the emergence of Pay & Play solutions, participation can be experienced in an ever increasing range of activities from Track Days to 'Tough Mudders'. And the more experiences tried the better.

Consumers also expect instant gratification and lack the patience to break barriers such as finding a boat and joining a club. The solutions to their needs must be easily accessible on-line and can be booked almost by a click of a button. Sailing and boating can be seen to be both complex and confusing and it is vital that such barriers are identified and removed wherever possible

To succeed in the future, the industry is going to have to think and behave differently in order to make certain that we remain relevant and appealing.

CONSUMERS SEEKING EXPERIENCES THAT ENRICH LIVES

The consumer mind set is evolving as they **seek experiences** that **enrich lives, add convenience** and **create memories**.

economic conditions have supported the emergence of a more confident leisure consumer and expenditure on leisure has grown nearly twice as fast as total consumer expenditure

The leisure sector is now broader than before with the **sharing economy** at the forefront of **introducing innovative leisure offerings** using new business models.

A new classification of leisure activities has emerged:

- **considered, occasional leisure activities**
- **frequent, habitual leisure activities**

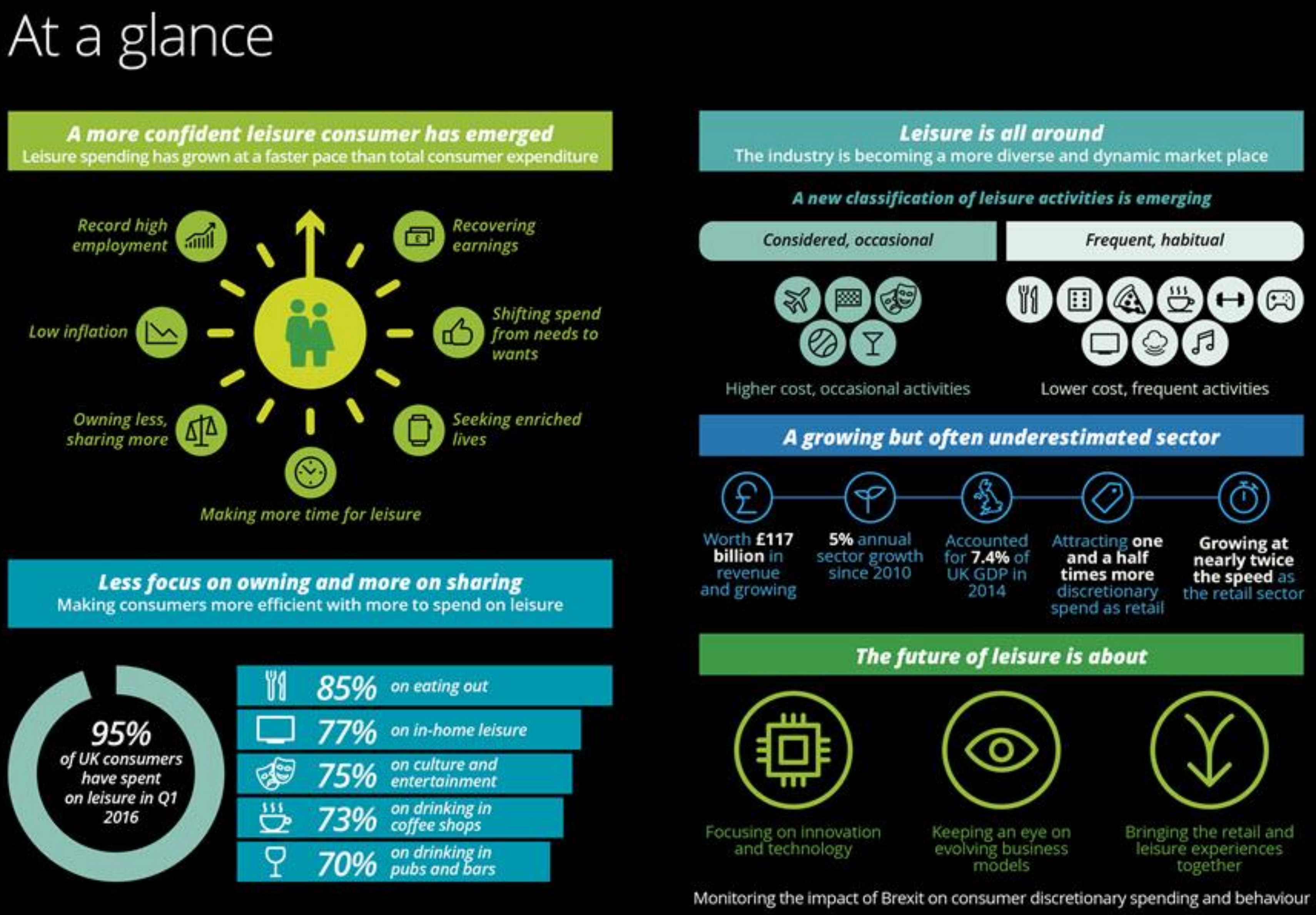
Leisure Consumer Q4 2016 update by Deloitte

WE ARE LIVING IN AN ERA OF DISRUPTION

NEW BUSINESS MODELS ARE TRANSFORMING THE WAY CONSUMERS ACT:

Order taxis / access cars	Book accommodation	Buy their toiletries	Spotify	Young people stream music rather than own it	Older generations are buying vinyl
Monzo	Next generation intelligent banking	App first strategy + mobile	McDonalds	Using mobile & geo- fencing technology to disrupt its business	GPS triggers when a mobile device enters set boundaries to help avoid queues

Less focus on owning and more on sharing…



Leisure Consumer Q4 2016 update by Deloitte

ALTERNATIVE MODELS EXIST AND ARE EMERGING

MEMBERSHIP SAILING

flexisail

borrow a boat

Share2Sail
Your Gateway to Affordable Sailing

pure latitude

MEMBERSHIP POWER BOATING

BOAT CLUB
TRAFALGAR

THE MARINE CLUB
at MENAI BRIDGE

THE BOAT CLUB
SANDBANKS

The Henley Boat Club
Welcome to life afloat – at a fraction of the cost of ownership

UNDERSTANDING OUR MARKET

To succeed in the future, the industry is going to have to think and behave differently in order to make certain that we remain relevant and appealing

CONSUMER NEEDS TO BE AT THE HEART OF THE STRATEGY

"*SOME OF THE MOST SUCCESSFUL ONLINE BUSINESSES NOW STARTED WITH THE AUDIENCE IN MIND, BEFORE MAKING MONEY*"

A CLEAR UNDERSTANDING OF CONSUMERS NEEDS, MOTIVATIONS DRIVES THE STRATEGY – EG:

- Understand who they are
- What is going on in their lives
- Attitudes to leisure
- Attitudes to boating

Need to understand your audience and how to change or influence their behaviour

Then enable what they need through experiences – taster sessions

EXAMPLE 1
QUEEN MARY SAILING CLUB

Adapting membership models to suit today's customer

QUEEN MARY SC –
SELECT MEMBERSHIP

SELECT MEMBERSHIP WAS INTRODUCED IN 2003

- As a response to the rising costs and commitment of boat ownership
- Uses a shared economy model - based on a gym style membership

IMAGINE A GYM EXPECTING YOU TO:

buy a second hand treadmill for £2,500 & maintain it
pay £350 annual membership to access the gym
£150 to park your treadmill in the gym
Total £3,000 upfront …thank you...
+ please don’t touch any of the other treadmills…
Replace treadmill for dinghy, gym for sailing club, and this is the traditional entry into many sailing clubs

THE CONCEPT

A GYM STYLE MEMBERSHIP AT A SAILING CLUB

ITS FOUNDATION IS A MONTHLY DIRECT DEBIT MEMBERSHIP

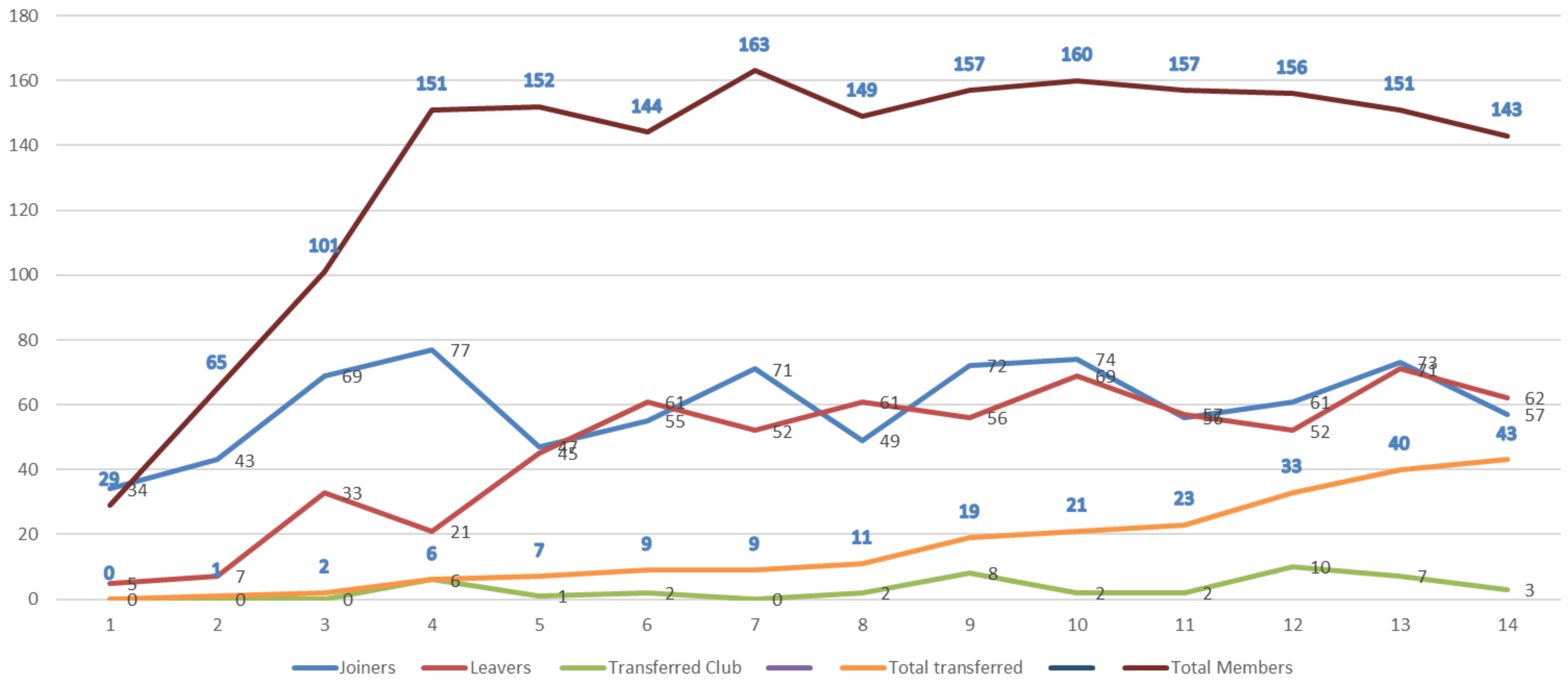
OPTIONS WITH OR WITHOUT TUITION.

- Options with or without tuition.
- RYA training courses in sailing and/or windsurfing included (optional)
- Unlimited free equipment hire (10 lasers, 6 D/H, 2 Cats + WS kit)
- Discounted 1:1 tuition (45%)
- Use of wetsuits, buoyancy aids, harnesses and helmets
- Support and advice from our team + Weekend launch and recovery team

Adult sailing and windsurf	Hassle free without the time and costs involved in owning your own equipment	QMSC currently has 142 Select members – sharing use of 16 boats	30% of QMSC membership income comes from 4% of boat park space

PERFORMANCE 2003 TO 2016

SELECT HISTORY



EXAMPLE 2

BRITISH CYCLING – SKY RIDE & RIDE LOCAL 2008-14

The following Case Study – ***Sky Ride*** is how another leisure sector tackled the same issues faced by Leisure Marine and Watersports sector. It demonstrates how changes can be made to become more appealing and attract a wider audience.

BRITISH CYCLING

sky ride

BRITISH CYCLING – VISION 2008

TO SUSTAIN INTERNATIONAL SUCCESS

TO INSPIRE MORE PEOPLE TO RIDE MORE OFTEN

TO GET MORE FROM THEIR BIKE RIDING FOR SPORT, RECREATION OR TRANSPORT

- More than 2m people cycle at least once / week (Jan 2016)
- 750,000 took part in Sky Ride 2009-13
- After taking part in Sky Ride Local guided ride 87% of occasional cyclists will ride their bike more often

British Cycling

HOW DID BC TACKLE THE CHALLENGE?
- CREATED A CUSTOMER FOCUSED PLAN

MARKET UNDERSTANDING

Who rides a bike

How often

Why / Why not?

1

APPROPRIATE PROGRAMMES

Provide initial step into cycling for occasional and lapsed cyclists

Provide support to help people to become regular cyclists

Provide flexible and fresh opportunities to retin existing frequent cyclists

2

RIGHT MESSAGE

Targeted marketing

Participant education

Find and book online

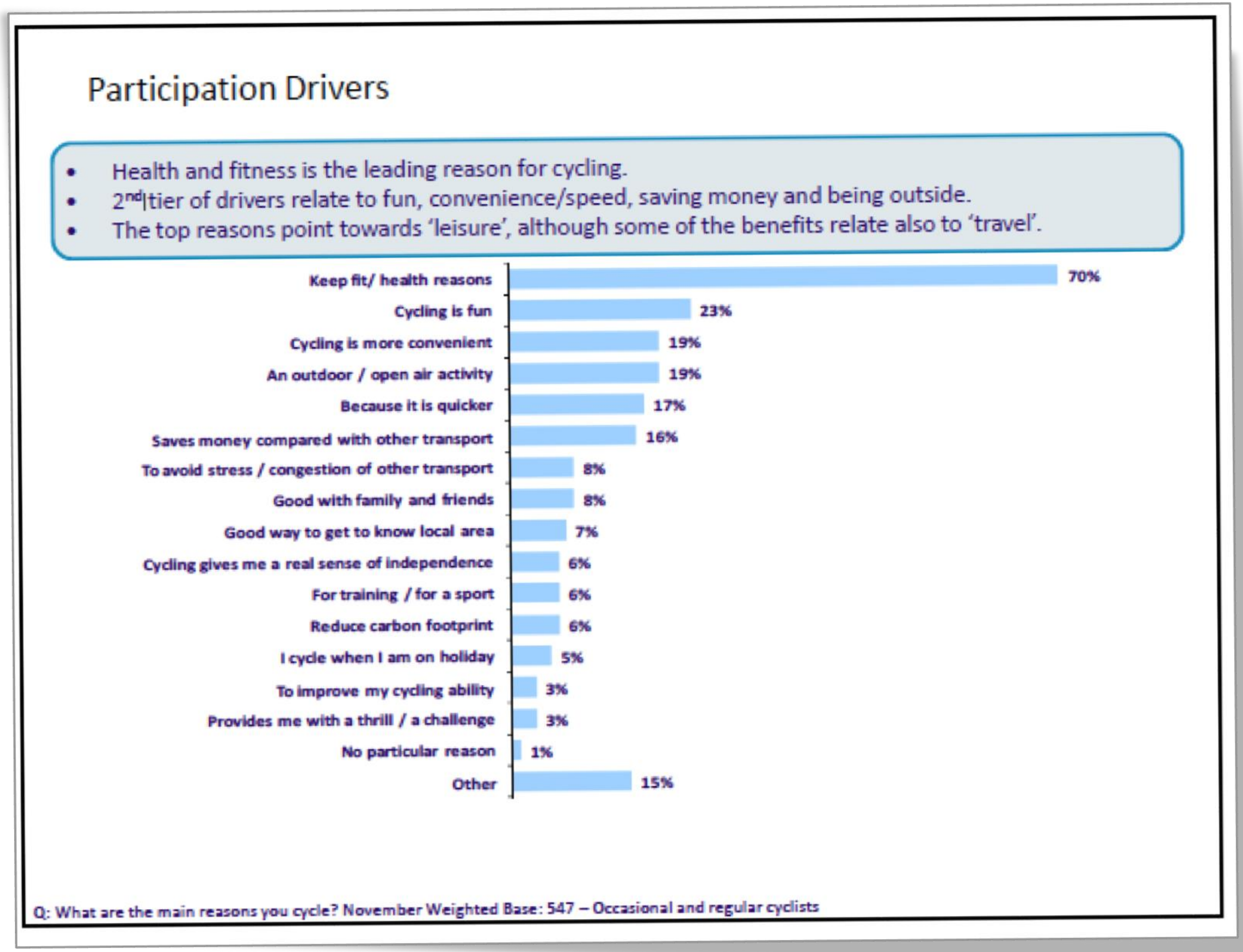
After booking communication

Post event satisfaction

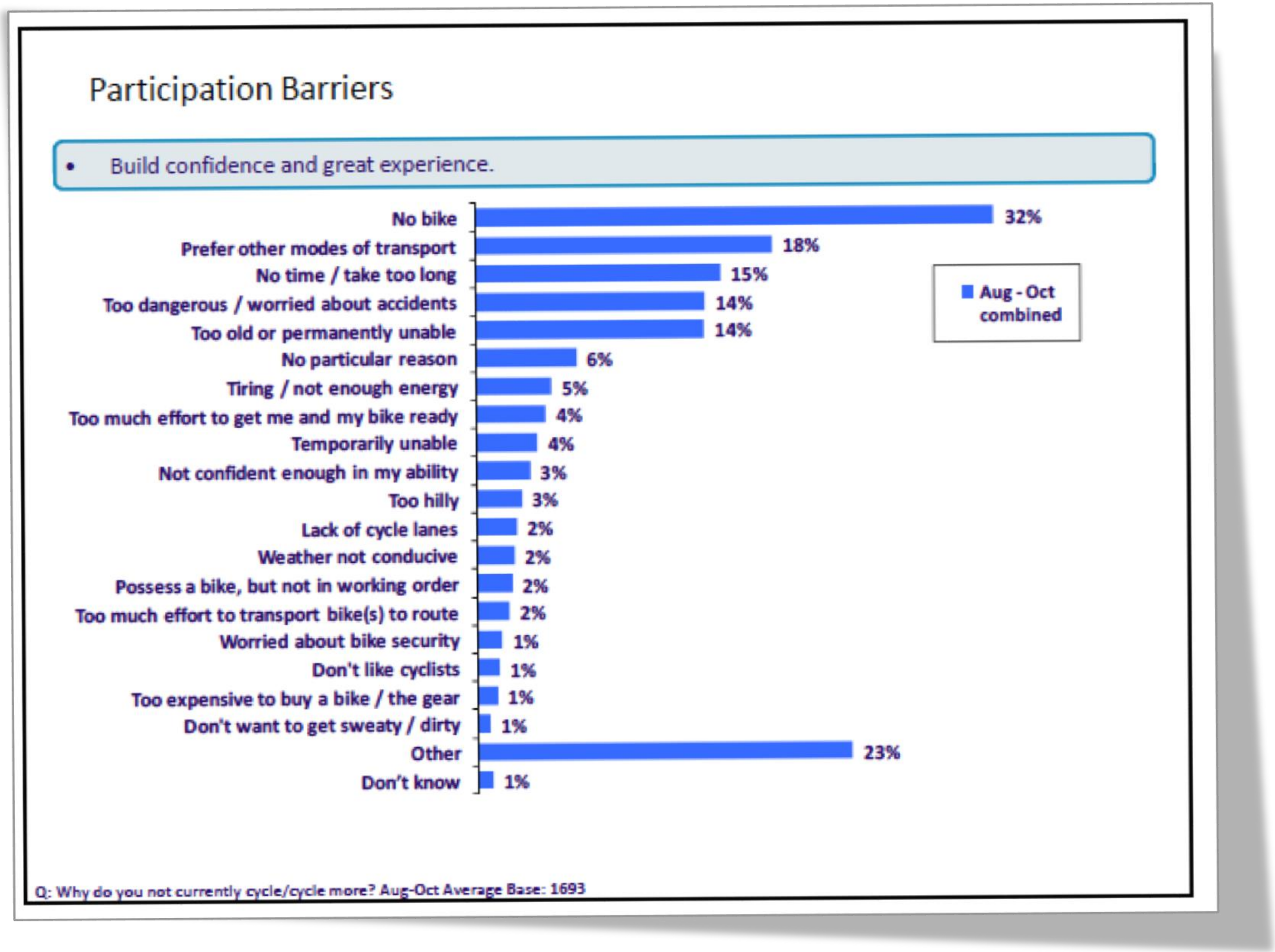
Other rides you might like

3

UNDERSTAND THE DRIVERS TO PARTICIPATION

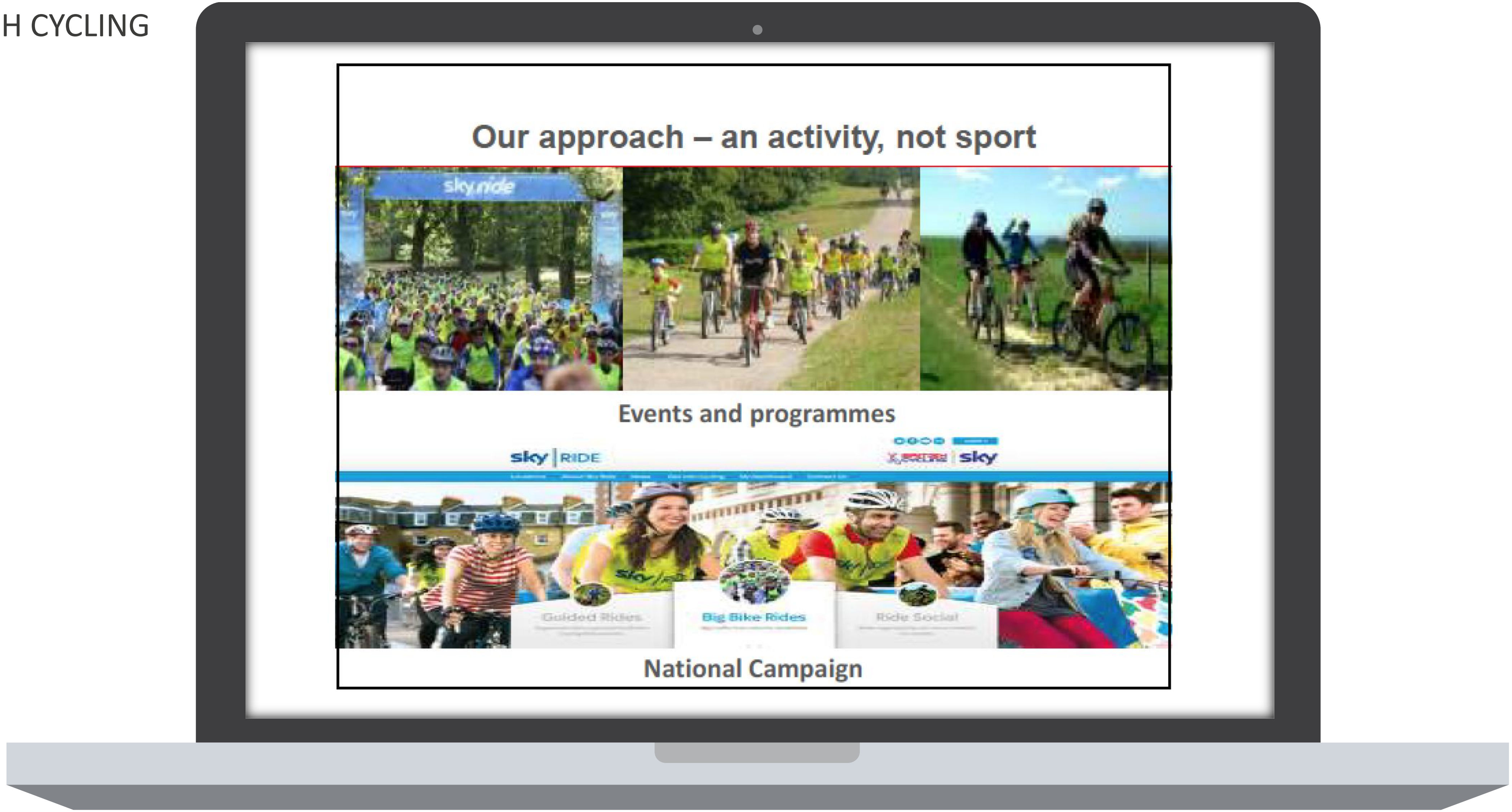


UNDERSTAND THE BARRIERS TO PARTICIPATION



APPROACH – AN ACTIVITY NOT A SPORT

BRITISH CYCLING



CLEAR PROPOSITION

Sky Ride makes it easier for you to enjoy cycling with friends & family – for fitness & fun

SINGLE CALL TO ACTION GOSKYRIDE.COM

- TV adverts
- Postcode search/finder
- Ambassadors & social content

FUTURES

TARGETED ACTIVITIES – CLEAR PROPOSITION

SKY RIDE LOCAL

- access between beginner and club
- Ride social – find buddies
- Rides for women
- Grows informal groups
- Created advocates
- Training of volunteers & workforce

sky ride

BEHIND THE SCENES – DATA IS KEY

EASY TO USE WEB BOOKING AND INFORMATION

Data driven programme

- Online registrations
- Participant dashboard trails
- Admin dashboards

Customer data & motivations

- by age, ability level and rider frequency

Bespoke collateral & tool kits provided by British Cycling

Treated like a business

Programme delivered via Key Partnerships

Plus

- BC team
- Volunteers & groups

Model enabled partners to leverage BC and Lottery match funding

Creating an effective accessible database driven platform is not that difficult.

The technology platforms exist already. It’s a case of bolting them together

Whatever you do, there is no need to re-invent the wheel!”

DEVELOP THE FUTURES STRATEGY

Working with partners such as RYA, British Canoeing and Navigation Authorities we will:

PART ONE	Promote Leisure Boating and Watersports lifestyle to potential users and engage with the industry on how to benefit from the Futures research and deliver best practice
PART TWO	Make all forms of leisure boating and Watersports easier to find and accessible to meet everyone's budget.
PART THREE	Once active, keep people 'active', motivated and engaged to become lifelong participants

FUTURES PROJECT

Our vision is to increase the number of people enjoying all forms of Boating and associated Watersports throughout their lives

Engage & Promote

Increase the number of regular participants through improved marketing and communications

Refresh the profile and image. Increase appeal as: social, fun, healthy, family & enjoying nature

Targeted diversity

Create adventure & challenge. Modernise and enhance boat shows and events

Focused national campaigns with strategic partners to drive the profile up

Pathways & Locations

Shift from supply side to demand led approach (pay & play)

Broader delivery network (marinas & boatyards)

Improve & strengthen pathways into boating and watersports

Showcase activities through a series of national and local events

Connect customers and newcomers through a single & easily accessible online database detailing where and how to get afloat

Staying Active & Connected

Encourage more people to continue with their boating & watersports through their changing live stages

Highlight governing bodies and benefits of club membership

Encourage volunteers and general participation across all levels

Provided guidance on courses and knowledge transfer via online information and through the promotion of clubs and training centres

Should further information be required, please contact:

Sarah Dhanda
Chief Officer of Membership & Services
British Marine
T: 01784 223629
M: 07775 902572

Jon Eads
Futures Project Manager
M: 07802 668065

Working with key stakeholders:

BRITISH MARINE LEADING THE INDUSTRY · BRITISH CANOEING · RYA