

Adelaide Economic Development Agency

Quarter 2 Report

1 October 2023 – 31 December 2023

Executive Summary

Between 1 October 2023 and 31 December 2023, AEDA:

- Approved \$503,855 of funding to 29 organisations across 4 funding programs
- Delivered events including Adelaide Fashion Week and Wellfest Adelaide
- Heightened promotion and activity in Rundle Mall to capitalise on Black Friday and the Christmas trading periods
- Supported the visitor economy through participation in the Australian Tourism Export Council's Meeting Place event, delivery of services through the Visitor Information Centre and delivery of a cooperative marketing campaign with the SATC.

Budget is on track with variances primarily relating to staffing vacancies and timing of receipt of invoices from grant recipients.

Tracking against business plan remains strong with eleven measures completed/met and a further eleven on track.

Financial Report

Operating Position	December YTD			Annual			
	\$000s	2023/24 Actuals	2023/24 Q1 Budget	Variance	2023/24 Q1 Budget	2023/24 Proposed	Variance
Income							
Rundle Mall Levy		1,960	1,930	30	3,890	3,890	0
Rundle Mall User charges		242	180	62	360	360	0
CoA Contribution		0	0	0	9,291	9,332	41
Other Income		41	9	31	19	104	85
Total Income		2,243	2,120	123	13,560	13,686	126
Expenses							
Employee Costs		1,954	2,272	318	4,579	4,620	41
Materials, Contracts and Other Expenses		2,807	3,664	857	5,794	6,055	216
Sponsorship, Contributions and Donations		1,919	1,654	(265)	3,187	3,187	0
Depreciation, Amortisation and Impairment		21	0	(21)	0	42	42
Total Expenses		6,701	7,590	889	13,560	13,904	344
Operating Surplus / Deficit		(4,458)	(5,470)	1,012	0	(218)	(218)

Income

- Rundle Mall Levy income is favourable in comparison to the YTD budget as there have been no objections. This represents the \$30k favourable variance
- Rundle Mall user charges are favourable to YTD budget
- Other income includes retail sales from the Visitor Information Centre \$7k along with Adelaide Fashion Week income, which offsets some expenses in that activity.

Expenditure

Favourable expense variances are currently the result of timing and staff vacancies.

Variations and Budget Requests

Quarter 2 budget adjustments:

- Recognition of Rundle Mall prior year underspend of \$176k and depreciation of \$42k budgets
- Recognition of \$85k income - \$35k for Adelaide Fashion Week and \$50k forecast for AEDA Summit ticket sales. This will then to be offset by corresponding expenses, resulting in nil bottom line increase/decrease
- \$41k for 1.0 FTE increase for the Economic Research & Data Analyst Graduate. 2-year Fixed Term Contract from January 2024 in line with City of Adelaide Graduate program.

Risks and Opportunities

- Continued macroeconomic trends such as rising interest rates and cost of living pressures create a subsequent impact on potential spend in city businesses
- With new office stock coming online, opportunity exists to increase investment attraction activity

NB: AEDA's strategic risks are included within the City of Adelaide's Strategic Risk Register, which is reported through the Strategic Risk and Internal Audit Group that then reports into the Audit and Risk Committee

Board and Advisory Committee Term Changes

Within quarter two recruitment was undertaken for a Board Member position in preparation for the conclusion of Manuel Ortigosa's term that expired in January 2024. Jim Kouts was recommended for appointment by the selection panel and the appointment was endorsed by Council on 12 December 2023.

The term of office for Eloise Hall, Dino Vrynios, David West and Andrew Wallace for their positions on the Advisory Committee expired on 31 October 2023. Recruitment was undertaken and Lauren Giorgio and James Black were appointed to the Committee. Nikki Hamdorf was also appointed to the Committee via the vote of the collective Precinct groups as their representative on the Committee.

Grant Funding Approved

Strategic Partnership Program

Funding was approved by the AEDA Board at its meeting on 27 October 2023 to deliver intensive support programs which will aim to help the growth of participating businesses:

Organisation	Funding
The University of Adelaide/ThinLab	\$155,669
MTPConnect	\$114,213
SouthStart	\$135,118

New Year's Eve 2023 Activities and Events Fund for Businesses

Funding was approved in-line with the delegation of Council by the Acting Managing Director, AEDA on 11 October 2023 to support NYE events and activities:

Event	Funding
Chaise-lounge	\$6,000
Lion Hotel New Years Eve Block Party	\$20,000
New Year's Eve at Eleven	\$8,000
Bai Long Night on New Year's Eve	\$4,355
New Year's Owl	\$4,000
NYE at the Queen's Head Adelaide	\$10,000
NYE Balcony Party with Friends	\$5,000
Austral East End Street Party	\$20,000

Commercial Events and Festivals Sponsorship Program

Funding was approved by the AEDA Board at its meeting on 27 October 2023 to support the following events in the **medium-large** category. Based on information provided in the applications, these events are expected to deliver \$95.1 million in economic benefits:

Event	Date(s)	Funding
Laneway Festival Adelaide	9 February 2024	\$35,000
Garden of Unearthly Delights	15 February - 17 March 2024	\$40,000
Gluttony	15 February - 17 March 2024	\$45,000
Wonderland Spiegeltent Hub	16 February - 17 March 2024	\$20,000
Fool's Paradise	16 February - 17 March 2024	\$35,000
Adelaide Motorsport Festival	15 - 17 March 2024	\$40,000
Asia Street Food Festival	14 - 17 November 2024	\$25,000

Funding was approved by the Acting Managing Director, AEDA on 6 November 2023 to support the following events in the **small-medium** funding category. Based on information provided in the applications, these events are expected to deliver over \$13 million in economic benefits:

Event	Date(s)	Funding
Blitz Golf Adelaide	19 January 2024	\$14,000
Ebenezer Night Markets	3 February - 16 March 2024	\$5,000
Gathered Market in the Mall	11 February - 1 December 2024	\$18,000
The Courtyard of Curiosities	15 February - 17 March 2024	\$14,000
Sidebyside 2024	24 - 25 February 2024	\$14,000
Holi Festival Adelaide	9 - 10 March 2024	\$19,500
Home Base: Footy Place	4 - 7 April 2024	\$20,000
EMPYRE Fire Festival 2024	28 September 2024	\$20,000
Summer Sessions Vardon Ave	15 November - 21 December 2024	\$12,000

Mainstreet Development Program

The following Precinct Groups have received the mainstreet development program grant following the receipt of their acquittal of 2022-23 funding and their business plan for 2023-24

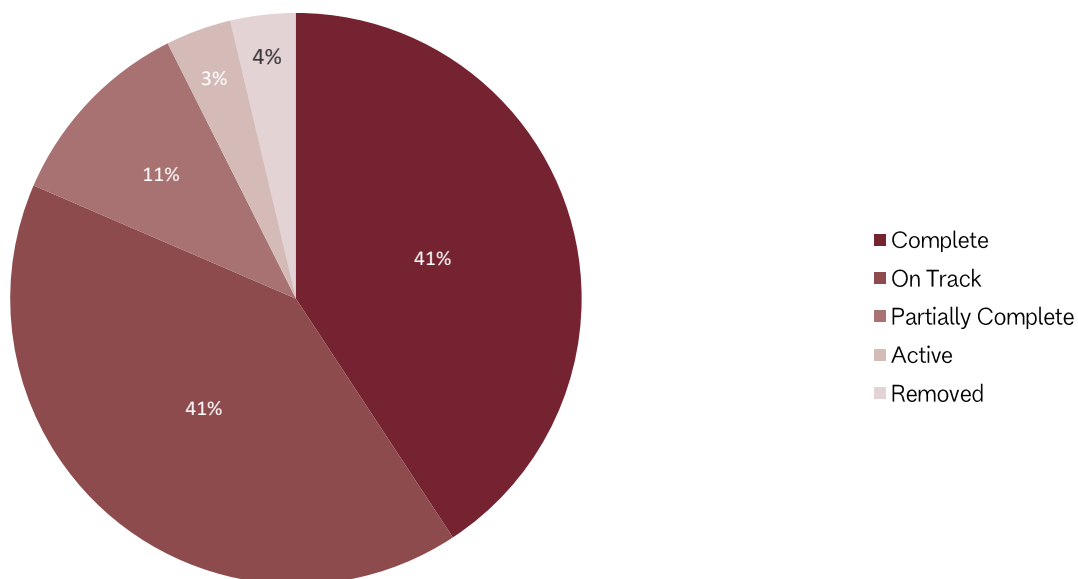
Organisation	Funding
City South Association	\$25,000
Grote Business Precinct	\$25,000

Business Plan & Budget and Strategic Plan Measures

The 2023/24 AEDA Business Plan and Budget includes 27 measures across the four key areas, Business, Investment & Residential Growth; Visitor Economy; Rundle Mall and Brand and Marketing.

As at the end of the quarter two progress against the measures are as follows:

- 11 measures have been 'Complete';
- 11 measures are 'On Track', meaning the pro-rata measure is tracking ahead or in-line with the target;
- 3 measures are 'Partially complete', as some progress has been made towards the target, but we are not tracking ahead of the pro-rata benchmark;
- 1 measure is 'Active' which means work is being done towards the target but no numerical figure towards the target has been recorded and;
- 1 target has been removed from tracking



Business, Investment and Residential Growth

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
50 inward investment proposals/local expansions supported, with at least 10,000sqm of office space committed to	On Track	50	37	+12
1,000 Welcome to Adelaide employee introduction packs distributed	Partially Complete	1,000	312	-188
30+ vacant shopfronts/premises activated	Partially Complete	30	13	-2
Deliver AEDA Business Summit	On Track	1	0	-
Deliver 3 industry briefing events	On Track	3	2	+0.5
Enrolled international student numbers 5+% above 2019 levels (44,318 students across all segments) Source: StudyAdelaide	Complete	44,318	48,019	7,678
2+% increase in the number of city workers above 2020/21 levels (148,369) Source: Economy.id	Complete	2% (151,336)	157,498	+7,645
2+% increase in the number of city businesses above 2020/21 levels (12,018) Source: ABS	Complete	2% (12,518)	12,558	+290
2 campaigns/projects/market interventions to support emerging industries in the city	Complete	2	5	+3

Visitor Economy

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
Delivery of the new Experience Adelaide Visitor Centre	Active	1	0	1
Maintain accreditation of the Visitor Information Centre	Complete	1	1	-
8 training sessions with VIC volunteers and staff	On Track	8	6	+2
2 destination marketing campaigns or initiatives with the state government to increase the number of people visiting the city	On Track	2	1	-
20 new bookable city tourism products/experiences	On Track	20	12	2
City hotel occupancy above 70%	Partially Complete	70%	68%	-2%

Rundle Mall

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
3 recommendations from Rundle Mall place vision workshop implemented	On Track	3	2	+0.5
5 major brands committed to Rundle Mall	On Track	5	3	+0.5
Stakeholders agree that the volume and quality of communication and data/insights to stakeholders has improved over the previous 12 months	On Track	1	-	-
Rundle Mall average strip vacancy rates below 8%	Complete	8%	5.7%	2.3%
Average vacancy rates below 20% for arcades, centres and laneways in the Rundle Mall precinct	Complete	20%	19%	1%
3 significant campaigns that are aligned with exclusive city events and festivals	Complete	3	3	-
Uplift in foot traffic across 3 major events/festivals	Complete	3	3	-
Uplift in market share across 3 major events/festivals	On Track	3	2	+0.5
Moving annual total market share remains above 5%	Complete	5%	5.7%	+0.7%

Brand & Marketing

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
Generate \$2 million in advertising space rate with reference to City of Adelaide/AEDA	On Track	\$2m	\$1.3m	+\$300,000
Support 200 city businesses to establish or extend their e-commerce capability on byADL.com.au	Removed	200	N/A	-
Total city expenditure above \$4.45b	Complete	\$4.450b	\$4.560b	+\$110k

*Difference relates to the difference between the measure and the quarter 2 pro-rata benchmark, not the full KPI.

Key Achievements



ADL Fashion Week

The second ADL Fashion Week was held Friday 20 to Sunday 22 October 2023 with 33 events and 80 additional fashion-related experiences or offers. Tickets across AFW events reached 87.6% of capacity (1,720 / 1,964 tickets).

Of the 33 events, 21 were part of the citywide Associated Events Program - an initiative that created opportunity for city businesses to leverage the festival benefits. These events reached 78.6% of capacity with \$44k generated in ticket sales.

Benefits included advantages beyond the festival period. 78.6% of surveyed respondents said that attending the event would increase their likelihood of shopping in the city, 83% said it increased their chances of engaging with the SA fashion industry and 82% agreed that it strengthened Rundle Mall's positioning as a place of fashion.

Industry participants believed participating increased awareness of their brand (73%) and increased business exposure/publicity (46%). 18% said they received bookings and 27% said it generated future leads. Following the event, three brands expressed interest in conducting a pop up in Rundle Mall.

Within Rundle Mall, the Gift with Purchase offer performed extremely well with 47.9% more customers visiting to take up the offer (3,076), 9.4% higher average spend per customer (\$348) and 61.8% higher total spend recorded (\$1,069,209) on receipts redeemed.

Rundle Mall Foot traffic over the weekend was up 9.7% on AFW 2022 weekend and market share was 6.1% up on benchmark for Oct 5.2%



Strategic Partnership Program

The 2023-24 Strategic Partnerships program aimed to support to initiatives that support growth oriented business in the city. The University of Adelaide/ThinLab, MTPConnect and South Start were awarded funds to deliver programs.

Throughout the quarter existing Strategic Partners delivered on the following achievements: Renew Adelaide launched ten new ventures into vacant premises including Dulcie Vintage, Longplay Bistro and Frida las Vegas. 120 Grenfell St was offered as a new available site.

Adelaide Business Events supported Dreamtime, attended by 94 international business event planners, the Professional Organisers Association Conference, that was attended by more than 400 professional conference organisers, event planners and industry suppliers and hosted a Famil for the Direct Selling Association of Singapore to showcase Adelaide's best attractions and activities.

Festival City Adelaide hosted a leadership breakfast that informed stakeholders and government about the opportunities and challenges facing the festival sector and delivered a TV Commercial Campaign during ADL500 to cross promote the broader event calendar.

StudyAdelaide hosted their Christmas Garden party attended by over 400 international students, launched a new Accommodation Advisory Service for international students, visited Vietnam, Cambodia and India meeting with over 220 education agents and helped Adelaide host the Australian International Education Conference with over 1,700 delegates.



Christmas & Boxing Day in Rundle Mall

AEDA and City of Adelaide combined resources to deliver a new decorative, interactive city-wide experience called 'The Santa Course'. Nine giant inflatable illuminated, and bespoke Santa's were placed around the city, with 3 being located in Rundle Mall. Complementing the Santa Course in the Mall was the Santa Course Christmas trail, street entertainment and performances (including Australia Girls Choir and the Adelaide Symphony Orchestra) and extended Christmas trading hours.

Despite signs of slight reductions of foot traffic to the precinct in December (-2% in total traffic in December YoY) the foot traffic over the Christmas and Boxing Day period in relation to the activations was strong:

- The last Thursday before Christmas experienced total traffic 40% higher than the average of the four Thursdays before it and 28% higher than the average day of the month.
- On the same Thursday passerby traffic was 51% higher than the average of the four Thursdays before it and 41% higher than the average day of the month.
- Boxing Day total traffic was 26% higher than 2022.



WellFest Adelaide

WellFest Adelaide 2023 was delivered over the weekend of 06 –08 October 2023 and the program consisted of:

- Over 65 city-wide free and paid experiences as part of the city-wide activation
- WellFest Adelaide Amazing Race – 7 checkpoints around ADL CBD and finishing in Rundle Mall. Gawler Place activated with DJ, Cosi as the MC and goodie bag for each entrant.
- WellFest Adelaide B2B Breakfast presented by Showcase SA at the Hotel Grand Chancellor
- Vera Mai "Moon Feast" A place, taste and story of first nations foods and experience in partnership with Nature Festival at Carclew.

The event analysis further noted the potential for longer term impact in terms of:

- Benefits to organisations participating in the event with all operating participants indicating they were satisfied with the involvement in the event and 43% rating it as 10/10 in terms of beneficial outcomes.
- A community wellbeing impact that has longer term economic outcomes, with 92% of attendee respondents believing the event had had positive impact on their mental wellbeing, 74% on their physical wellbeing, and 89% on their social wellbeing.

Longer term tourism outcomes –92% of survey respondents indicated that they would be likely (29%) or very likely (63%) to attend the event in 2024 should it be repeated.



Black Friday – Citywide Campaign

Following a resolution of Council, a campaign promoting shopping in the city over the Black Friday period was delivered from 13–27 November, covering the fortnight leading up to and including Black Friday through to Cyber Monday.

Promotion highlighted the unique attributes of shopping in the city including longer trading hours, best bargains and greatest choice.

Advertising directed shoppers to a Shop Black Friday page on the Experience Adelaide website.

Results included:

- 16,900 landing page views from 13,600 visitors - the highest performing page across the site and 3 times higher than the next best performing page
- Radio/podcasts: 244,734 spots (2,000+ hrs of airtime)
- Ooh media screens: 180,980 spots (502 hrs of screentime)
- Search Engine Marketing & social media 146,300 impressions, 2,300+ clicks
- EDMs 120,200 article views / 10,300 clicks



Black Friday – Rundle Mall

To reinforce Rundle Mall's position as the premier destination to shop during Black Friday, a range of initiatives and activations were delivered including:

- Rundle Mall Concierge: a complimentary concierge service for shoppers to leave their bags and continue to shop
- Pit Stop Bar – a bar was set up under the Gawler Place Canopy with seating to allow shoppers to take a break
- Valet Service – a valet service was offered via a buggy on the Mall that was available at no costs to shoppers to get from one shop to the next, to their parking or public transport
- DJs – through out the mall pop up DJs were scattered

Spend and foot traffic that compared 2022 to 2023 demonstrated:

- Foot traffic for Rundle Mall increased on Black Friday by 8.2%
- Rundle Mall had 12.5% of market share compared with the usual Friday average of 6.7%.
- Comparing Black Fridays across the years, market share increased from 12.3% in 2022 to 12.5% in 2023.



Australian Tourism Export Council

AEDA sponsored the Australian Tourism Export Council's 'Meeting Place' trade event in October. AEDA attended 24 business to business trade engagement appointments and break-out sessions. These appointments were with tourism product providers and tourism operators, which provided the opportunity to showcase the city as a Tourism destination and promote AEDA's roles in the city's visitor economy.

Delegate surveys indicated that 96% are very likely or likely to recommend South Australia as a tourism destination.



Data4Lunch

The most recent industry briefing, Data4Lunch was hosted on 8 November 2023, one day after the Reserve Bank of Australia's interest rate decision. The RBA's decision to lift interest rates tied into the theme of the "State of the Economy". Registrations booked out weeks in advance at 145 attendees.

Event speakers, including ANZ State General Manager for SA and the NT, Adele Fiene, and AEDA Economic Researcher, offered perspectives on Adelaide's economic status and trends compared to the broader national landscape. These insights sought to equip attendees to make informed decisions and position their organisation for success.



Frida Trail

AEDA established the Frida trail, engaging 26 city businesses that offered a Frida inspired experience or product during the exhibition (24 June – 17 Sept) as reported previously. Results of the trail are now available and through the campaign 11,000 visitors viewed the webpage and 725 leads were sent to participating businesses.

75% of participating businesses believed the trail was helpful in promoting their business and attracting more visitors to the city, and 100% wanted to be involved in future city trail initiatives. AGSA exceeded their target of 60,000 visitors, reaching 80,000.



Co-op Campaign with SATC

SATC's 'Travel Our Way' campaign launched in October 2023. Within the first two months there have been 5,321 page visits generated from AEDA's ads and 1,850 ATDW leads directly to city businesses.

Up Next

Coming up from 1 January 2024 – 31 March 2024 are:

- AEDA & Council Members workshop – 30 January 2024
- Partnership with the Property Council to deliver the Office Market Report, supported by a data and insights presentation from AEDA's Economic Research and Data Analyst – 1 February 2024
- Commercial Events and Festivals Sponsorship Program round two (small – medium category) opens 5 February 2024
- Lunar New Year in Rundle Mall – 16 February 2024
- MallFest in Rundle Mall – 16 February – 17 March 2024
- Annual round of Events and Festivals Sponsorship Program will open Mid March
- 2024 Edition of the Adelaide Visitor Guide will be delivered February/March 2024
- City Restaurants and Bars Tourism Product Development program commences
- Development of AEDA Business Plan and potential progression AEDA Strategic Plan.