

# Adelaide Economic Development Agency

## Quarter 1 Report

1 July 2024 – 30 September 2024

### Executive Summary

Between 1 July 2024 and 30 September 2024, AEDA:

- Engaged with over 40 businesses as investment leads that have the potential to bring in over 1500 jobs.
- Profiled over 115 city businesses and generated almost 2,500 leads for city operators through the See for Yourself campaign.
- Developed and launched the Chihuly City Trail, that leverages off the exhibition with 15 participating retailers taking part in the Trail
- Supported three events through the Event and Festival Sponsorship program which were delivered in the quarter with a combined anticipated attendance of 1.7million and an estimated gross economic impact of \$67.7 million. Supported four events through the Commercial Events Sponsorship Program which were delivered in the quarter with a combined anticipated attendance of 12,770 and an estimated gross attendee expenditure of \$2.5 million.
- Delivered Friday Night Winter Activations in the Mall, driving foot traffic and spend through pop-up dessert bars and live music.

### Financial Report

Operating Position	September YTD			Annual			
	\$000s	2024/25 Actuals	2024/25 Adopted Budget	Variance	2024/25 Adopted Budget	2024/25 Revised Budget	Variance
<b>Income</b>							
Rundle Mall Levy		1,015	1,012	3	4,017	4,017	0
Rundle Mall User charges		134	95	39	380	380	0
CoA Appropriation of Funds		1,962	2,494	-532	8,392	8,677	-285
Other Income		2	5	-3	19	19	0
<b>Total Income</b>		<b>3,113</b>	<b>3,606</b>	<b>-493</b>	<b>12,809</b>	<b>13,094</b>	<b>-285</b>
<b>Expenses</b>							
Employee Costs		953	1,101	148	4,843	4,828	15
Materials, Contracts and Other Expenses		1,288	607	(681)	4,628	4,628	0
Sponsorship, Contributions and Donations		822	1,122	300	3,249	3,549	-300
Depreciation, Amortisation and Impairment		22	22	0	88	88	0
<b>Total Expenses</b>		<b>3,086</b>	<b>2,852</b>	<b>-233</b>	<b>13,112</b>	<b>13,094</b>	<b>-285</b>
<b>Operating Surplus / Deficit</b>		<b>28</b>	<b>754</b>	<b>-726</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Year to Date (YTD) Financial Summary

### Income

- Rundle Mall Levy income has been spread evenly across the year; the financial table now recognises Year to Date (YTD) income. The Levy income is slightly favourable to the YTD budget.
- Rundle Mall user charges income 41% favourable to YTD budget.
- CoA Appropriation of funds represents the YTD AEDA expenditure (excluding Rundle Mall activities)
- Other income includes retail sales from the Visitor Information Centre.

### Expenditure

- Materials, Contracts and Other Expenses has an unfavourable variance of \$681k, mainly due to timing related to advertising
- Sponsorship, Contributions and Donations has a favourable variance of \$300k, due to timing related to Event and Festival Sponsorship payments

## Projected Annual Financial Summary

### Proposed Quarter 1 Variances and Budget Requests

- \$300k approved for the Commercial Events Fund (Strategic Project)
- \$15k minor changes for employee costs

### Risks and Opportunities

- Opportunity to capitalise on recent increase in investment/relocation inquiries being worked with

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

On 13 August 2024 Council considered a recommendation to re-appointment Matthew Poblocki for a term of 3 years, from the AEDA Board Selection Panel that comprised of the Councillor Couros, Councillor Giles, City of Adelaide's Chief Executive Officer, Chief Operating Officer, and AEDA Chair. Council endorsed the recommendation and Matthew Poblocki was reappointed to the AEDA Board from 14 August 2024 until 30 June 2027.

### Grant Funding Approved

The following Precinct Groups have received the Mainstreet Development Program grant upon submission of their activity plans:

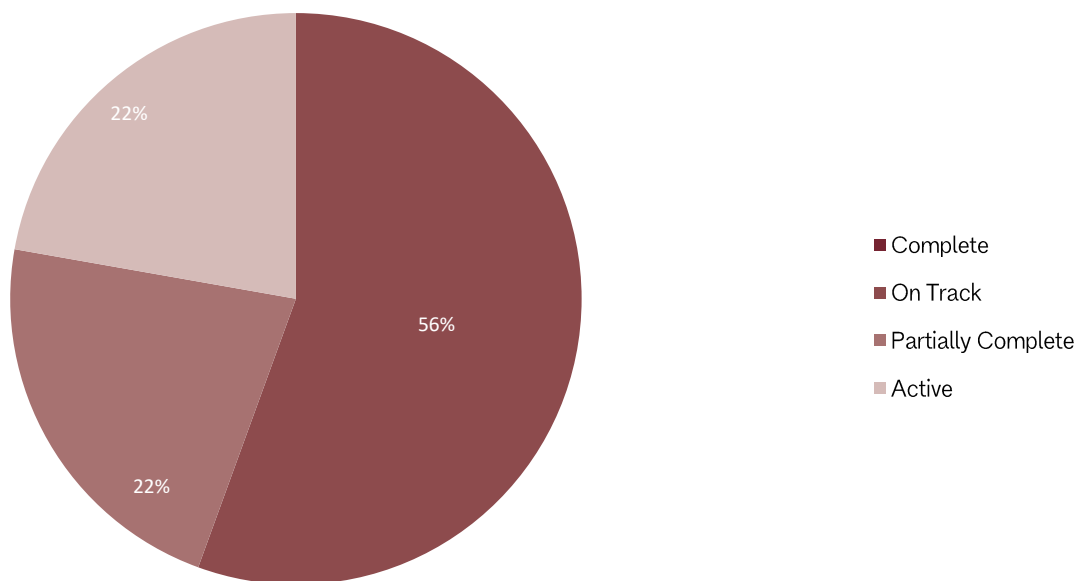
Organisation	Funding
Adelaide West End Association	\$25,000
East End Coordination Group	\$25,000
Gouger Street Traders Association	\$25,000
Grote Business Precinct	\$25,000
North Adelaide Precinct Association	\$25,000
City South Association	\$25,000

## Business Plan & Budget and Strategic Plan Measures

The 2024/25 AEDA Business Plan and Budget includes 18 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 one progress against the measures are as follows:

- No measures have been marked 'Complete' which would indicate they have been finalised or the annual target met;
- 10 measures are 'On Track', meaning the pro-rata measure is tracking ahead or in-line with the target;
- 4 measures are 'Partially complete', which indicates some progress has been made towards the target, but are not tracking ahead of the pro-rata benchmark and;
- 4 measures are 'Active' which means work is being done towards the target but no numerical figure towards the target has been recorded.



## 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 1,500 jobs	On Track	50	41	+28.5
Increase of bookable tourism experiences in the city (delivery of Strategic Project)	Active	-	-	-
30+ vacant shopfronts/premises activated	Partially Complete	30	4	-3.5
Deliver 3 industry briefing events	On Track	3	1	-
Outcomes from collaborative partnerships with MTPConnect; SouthStart and University of Adelaide/ Thinklab to support small businesses to grow and scale	On Track	-	-	-
5 projects/market interventions to support emerging industries in the city	On Track	5	3	+1.75
Supported/ facilitated 6 networking/knowledge transfer events for businesses.	On Track	6	3	+1.5

## Rundle Mall

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
Demonstrate uplift in market share and foot traffic across 3 core campaigns	Partially Complete	3	0	-0.75
5 new brands commit to Rundle Mall	On Track	5	1	-
2 public realm infrastructure projects completed	On Track	2	-	-
A minimum of \$20M new cap investment delivered or committed in the Rundle Mall precinct	On Track	\$20m	\$7.54m	+\$2.54m
10 Business or industry media stories relating to Rundle Mall	Partially Complete	10	1	-1.5
Uplift in Rundle Mall small business sentiment index over FY24/25	Active	-	-	-

## Visitor Economy

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
Delivery of the new Experience Adelaide Visitor Centre	Active	-	-	-
20 new bookable city tourism products/experiences	Partially Complete	20	0	5
Visitor & community sentiment index (being developed)	Active	-	-	-

## Brand & Marketing

Key Performance Indicator	Status	Annual Measure	Actual	Pro Rata Difference*
10% increase to \$2.2m on 2023/24 in media mentions (advertising space rate) with reference to AEDA. – Maintain a variance of 85% – 95% neutral and/or positive sentiment of media mentions.	On Track	\$2,420m	\$925,382	+\$569,236
Increase the brand health metric for Adelaide as a destination to visit to 6.5/10. (Currently 6.35)	On Track	6.5	-	-

\*Difference relates to the difference between the measure and the quarter 1 pro-rata benchmark, not the full KPI.

## Key Achievements



See for Yourself Campaign

The 'See for Yourself' campaign targeted at 22–49 year olds across Adelaide, challenged perceptions that the city is 'bland, boring and sleepy', particularly in winter. The campaign was in market from June to July to coincide with traditionally quieter period for city visitation and targets an audience that research shows has the desire and disposable income to enable them to experience the city. The campaign profiled over 115 business and generated 11,900+ visits to the SeeADL.com.au landing page, converting to 2,465 leads for city operators. The paid advertising resulted in a reach of 4.7m impressions (how many times an ad is viewed by users).

Communications tracking via the SA Tourism Commission (SATC) indicated respondents who had seen the campaign assets considered them to be distinctive (58% compared to 46% average) and appealing (48% compared to 44% average), exceeding the average\* on these metrics.

Qualitative information indicating how ads made respondents feel included: Excitement and pride in Adelaide, makes them happy to show people that Adelaide isn't boring, proud, made them excited to see what is happening in the city and drove motivation to experience more in Adelaide.

*\*Average refers to the SATC benchmark, based on a database of SATC ads tested since 2015*



Chihuly City Trail

AEDA and the Botanic Gardens State Herbarium are working together to leverage the profile of Chihuly in the Botanic Garden. The partnership enhances promotion of the event in the City and includes City Flag and Banner hire, printing and installation costs, support for a city business activation (Adelaide Celebrates Glass City Trail); and promotion of the exhibition and Trail across AEDA and Experience Adelaide digital channels and City of Adelaide digital screen network.

The Adelaide Celebrates Glass City Trail has been developed to enable businesses across the city and North Adelaide to leverage the exhibition and take advantage of the additional visitors to the city throughout the event period. The Trail encourages visitors to extend their stay in the city by promoting various Chihuly-inspired offers from 15 participating retailers including workshops and exhibitions, exclusive food and drink offerings and opportunities to purchase glass artworks.

The Trail will be promoted over the next seven months via Experience Adelaide and Botanic Garden's social media channels and EDMs, AEDA's Linked In and City Business; and each retailer is provided with in-store collateral and digital assets to promote their involvement. Businesses can still apply to be a part of the Trail – the Expression of Interest form will remain open until 14 March 2025.

Two art boxes were installed in Rundle Mall to allow audiences to take a peep inside the crates and view some of the stunning glass installations that will be on display as part of Chihuly in the Botanic Garden.





Rundle Mall Activations

A range of activations have been delivered in the Rundle Mall precinct increasing vibrancy and driving foot traffic and spend, including:

**Friday Night Winter Activations** were delivered as part of a new winter marketing campaign designed to keep Rundle Mall at the forefront of visitors minds during winter. It included a month-long residency of Shibui and series of Friday night activations including DJ's acoustic music performances and food offerings.

**NAIDOC In the Mall** was held on 9 July in the Gawler Place Canopy and featured a Kaurna Welcome to Country and Smoking Ceremony, followed by the unveiling of artwork by Aboriginal artists Mali Isabel and Drew Kilner. Attendees enjoyed live entertainment, native food and face painting.

Another three **Gathered Markets in the Mall** took place in the quarter on 14 July, 24 August and 8 September.

**Netball Australia** activated the Mall providing fans the opportunity to test their shooting or passing skills, get a photo with the Grand Final Trophy and win a double pass to the sold out Grand Final.

A **Welcome Home to Olympic Athletes** was held on 15 September to honour the achievements of the SA Athletes who represented Australia in the Olympics and provided fans the opportunity to meet them and hear their stories.

**Fruhoc Appreciation Day** held on 27 September in Rundle Mall was a day where South Australians could gather together to celebrate the apricot and chocolate icon. Free activities included face painters, music, photobooth, games and giveaways.



Sponsored Events and Festivals

In quarter one, the following events took place that were sponsored by the **Events and Festival Sponsorship Program**:

- SALA Festival
- Adelaide Guitar Festival
- Chihuhly in Botanic Gardens

Through the Events and Festivals Sponsorship Program a total of \$185,000 was invested into the events/festivals in quarter one with an estimated gross economic impact of \$67.7 million and an estimated total attendance of 1.7 million.

*\*please note that 2 of the events/festivals continue into other quarters. \*\*estimated figures are derived from initial applications.*

In the quarter the following events that were supported by the **Commercial Events and Festivals Sponsorship Program** took place:

- Bastille Festival
- Hongdae in Adelaide
- Crown and Anchor's 171<sup>st</sup> Birthday
- Empyre Fire Festival

Through the Commercial Events and Festivals Sponsorship Program a total of \$64,500 was invested into eleven events/festivals in quarter one with an estimated gross attendee expenditure of \$2.5 million and an estimated total attendance of 12,770.

*\*estimated figures are derived from initial applications with the exception of two events who have completed their acquittal report.*



### Investment Attraction

Over the quarter, 41 businesses were engaged as investment leads, representing a potential 1,618 jobs. Many of these leads are still in the qualification stage to determine their full job creation potential.

During this period, five business expansions or relocations were confirmed, resulting in 129 new jobs. Of these, four companies from the Information, Media, and Telecommunications sector, as well as the Financial and Insurance Services industry, participated in our Welcome to Adelaide Program.

These relocations into the City of Adelaide contributed 95 new jobs.

### AEDA Reviews Implementation

Since Council's adoption of the AEDA Review Implementation Plan on 24 October 2023, which detailed how the 36 actionable recommendations from the Deloitte and KPMG reviews of AEDA would be addressed, 28 actions have been completed, including three this quarter.

The three actions completed this quarter were:

- Develop an overarching City of Adelaide Economic Development Strategy
- Develop further CoA strategies to indirectly drive economic growth
- Clearly define risk and mitigation strategies required by the Audit and Risk Committee
- The remaining 8 actions have been significantly progressed and are expected to be completed by the end of 2024.



### Data4Lunch – City Economy Fact vs Fiction

The sixth Data4Lunch was held on 21 August and included a presentation from Economy.id and AEDA's Economic Research Advisor that analysed the city's economic conditions and provided insights to how Adelaide's economy compares to other capital cities across Australia.

- Over 180 industry professionals attended
- Significant growth in digital engagement: a 360% increase in pageviews, 309% rise in user engagement, and overall blog improvements (+42% in pageviews, +73% in users, and +47% in user engagement)
- Extensive media coverage: 2 radio interviews, an article in *The Advertiser*, \$30,000 in media value, reaching 72,810 people, positive sentiment overall, plus a LinkedIn post and a blog featured on AEDA's website.

### AEDA Strategic Plan

The AEDA 2024/25 – 2028/29 Strategic Plan has been progressed through extensive consultation and in line with Councils Strategic Plan and Economic Development Strategy.

The Plan will be considered by the Board for formal endorsement in quarter two.

## Up Next

Coming up from 1 October 2024 to 31 December 2024

- Business & Investment team presenting at the 2024 MBEN Conference (Multicultural Business & Entrepreneur Network) on 8 October
- Adelaide Fashion Week commences 11 October
- First intake for the Games Plus Scholarship Program 2024-25
- Strategic Partnership Program – City Building Stream will go out to market in October
- Rundle Mall City Sessions commence in October, hosting a series of live music performances in the Mall
- The See for Yourself campaign has been extended into October, November and December
- Christmas in Rundle Mall including the return of the Pageant to the Mall
- South Australia's Biggest Black Friday Weekend started 29 November
- Finalisation of the AEDA Strategic Plan
- AEDA 2024 Annual General Meeting – 25 October