

Adelaide Economic Development Agency Initiatives and Programs

Tuesday, 7 June 2022

The Committee - Pre-Council
Discussion Forum

Strategic Alignment - Strong Economies

Public

Program Contact:

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Approving Officer:

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EXECUTIVE SUMMARY

Council at its meeting on 12 April 2022 requested a report be prepared outlining the key initiatives and programs delivered by the Adelaide Economic Development Agency (AEDA) since its formation in 2021 and to advise of any new programs delivered by AEDA which did not occur during the previous Economic Development structure.

AEDA commenced operation on 18 January 2021 following Council's decision on 6 October 2020 to enable the establishment of a city-wide economic development subsidiary.

This report responds to Council's request.

The following recommendation will be presented to Council on 14 June 2022 for consideration

That Council

1. Notes the report.
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IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Strong Economies 2.10 – Implement a City Wide Business Model
Policy	AEDA is governed by a Charter which was last reviewed and amended by Council in February 2022 and published in the South Australian Government Gazette on 24 February 2022.
Consultation	Not as a result of this report
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	Not as a result of this report
21/22 Budget Allocation	Not as a result of this report
Proposed 22/23 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	AEDA operates under Section 42 of the <i>Local Government Act 1999 (SA)</i> until such time as Council resolves for the subsidiary to be wound up. Pursuant to Section 3(4) of Schedule 2 of the Act, the subsidiary charter may be reviewed by Council at any time.
21/22 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

1. Council at its meeting on 12 April 2022 resolved:

That Council:

- *Requests administration to outline the key initiatives and programs delivered by AEDA since its formation in 2021, via a report to council.*
 - *In addition to above, requests administration to advise of any new programs delivered by AEDA which did not occur during the previous Economic Development structure.*
2. Since commencement, AEDA has delivered activations, marketing campaigns and activities in support of its objects and purposes:
 - 2.1 To accelerate economic growth in the City of Adelaide by attracting investment and supporting businesses, festivals and events, as well as visitor, student and residential growth;
 - 2.2 To promote the City of Adelaide as a destination and 'magnet city' and increase its visitation and use by residents, workers, visitors and the community in general;
 - 2.3 To position the Rundle Mall as the State's premier retail and commercial shopping precinct in order to sustain retail, business and economic viability; and
 - 2.4 To ensure that the Agency operates within the terms of this Charter and the Council's Strategic Plan.

Key initiatives delivered by AEDA since commencement in January 2021

3. Developed and implemented three voucher campaigns
 - 3.1 "Adelaide's Long Lunch" campaign in March and April 2021 to complement and leverage the South Australian Tourism Commission's Great State Vouchers incorporated paid experiences and hospitality offerings. The campaign involved 106 hospitality businesses for lunch bookings and 18 experience businesses within the city and North Adelaide. Over 45,400 South Australians registered for the ballot for a \$30 voucher with a 42% redemption of the initial 5,000 vouchers. The campaign was expanded to run until 30 June 2021 with a further 20,000 vouchers offered. The final result was a 30% redemption rate of vouchers. Total spend at participating businesses was \$432,845 for an investment of \$302,706.
 - 3.2 "Dinner's on Us" promotion giving away 5,000 x \$30 vouchers to use on dine-in dinners one of 92 participating businesses throughout the city and North Adelaide between 1 July and 31 August. Over 46,000 entries were submitted to be in the ballot for a voucher, with 49% of the 5,000 vouchers redeemed (including a 7 day lockdown during the redemption period). Total spend at participating businesses was \$225,759 for an investment of \$102,920. A survey of winners who redeemed their voucher noted that 70% of respondents said they would not have visited or were unsure if they would have visited without the voucher.
 - 3.3 A joint initiative City of Adelaide and the Government of South Australia, "ADL Unleashed \$30 Eats" delivered by AEDA had over 97,700 entries in the ballot for one of 25,000 vouchers for a dine-in breakfast, lunch, dinner or any meal at over 274 participating businesses in the city and North Adelaide. The campaign commenced on 21 March concluding at 6am on Wednesday 1 June 2022. As at 29 May 2022, over 53% of the vouchers had been redeemed for a total spend at participating businesses of \$1,135,837.
4. Events Recovery Fund
 - 4.1 The purpose of the fund is to provide financial support to eligible organisations to assist in the staging of events and festivals held within the City of Adelaide boundary. The fund offered three categories of funding designed to assist in the staging of COVID safe events that help drive visitation spend and vibrancy for the city:
 - 4.1.1 Quick response – up to \$10,000 is intended to support events with costs associated with disruption caused by the impacts of COVID-19. Council at its meeting on 8 February 2022 approved an increase from the previous maximum of \$10,000 available to each applicant in this category to a maximum of up to \$20,000.
 - 4.1.2 Expansion of Existing Events – up to \$50,000 to help existing events expand, enhance or activate additional areas of the city.
 - 4.1.3 New Events – up to \$200,000 to support new and exciting events within the city.
 - 4.2 Applications were sought between 15 September 2021 and closed on 30 April 2022, resulting in:

- 4.2.1 \$50,000 provided through the New Event Fund to support the Under the Southern Stars Concert series held from 18 to 20 March 2022, presented by One World Entertainment.one event through the New Event Fund.
- 4.2.2 \$187,500 provided to CheeseFest 2021, Gathered Design Market, Adelaide Fringe: Volo: Dreams of Flight, Adelaide Festival: Skywhales, Gluttony, and Cabaret Fringe through the City-wide Events Expansion Fund.
- 4.2.3 \$207,500 provided to support the following events through the Quick Response Fund:
 - 4.2.3.1 Utopia Fashion Show
 - 4.2.3.2 Vegan Festival
 - 4.2.3.3 Solomon Street Party
 - 4.2.3.4 Gilbert Place Block Party
 - 4.2.3.5 The Garage International @ Fringe
 - 4.2.3.6 City Summer Dance
 - 4.2.3.7 Invigorate Adelaide Festival
 - 4.2.3.8 In the Pub Events Rob Roy Hotel
 - 4.2.3.9 Historian Hotel Street Party
 - 4.2.3.10 Adelaide Fringe Arts Theatre Hub
 - 4.2.3.11 Pennington Gardens Market
 - 4.2.3.12 National Volunteer Week Parade
 - 4.2.3.13 Mikis Theorodakis Tribute Concert
 - 4.2.3.14 Fork at Bonython
 - 4.2.3.15 Queens Live Music Friday
 - 4.2.3.16 Queens Sip & Create Saturday Sessions
 - 4.2.3.17 Arcadia

5. Digital Marketplace

- 5.1 Following Council's decision of 10 November 2020 to develop a digital marketplace to promote city businesses, AEDA has engaged technology partner Arcadier to deliver a citywide digital marketplace that will make local shopping simpler and support local businesses.
- 5.2 With no sign up fees to join the marketplace, businesses within the City of Adelaide will be able to upload their products, set prices, implement discounts, set stock levels and control their own store within the platform.
- 5.3 The digital marketplace offers a wealth of incentives to businesses, including competitive commission rates of only 5%, versus other well-known digital marketplaces that charge as much as 25%. It also offers marketing expertise, an existing large customer database, as well as convenient and fast delivery options.

- 6. Developed and implemented a contestable Strategic Partnership Program where organisations are able to apply for a minimum of \$50,000 up to a maximum of \$150,000 per project and are able to apply for more than one project each year. Through this program, funding has been provided to the Adelaide Convention Bureau, StudyAdelaide and Festivals Adelaide. A further three organisations have registered interest to apply for funding during the 2022/23 financial year.

- 7. Welcome Adelaide – a program to welcome and connect new firms to the city with Council programs and executive staff, as well as providing benefits for their employees to assist them during the settling in period. To date four companies: Accolade Wines, Perks Accountants and Wealth Advisors, Deloitte and Gallagher Insurance with a total of 590 staff have been welcomed through the pilot program with strong interest shown by other firms to be involved.

8. Tourism Partnerships

- 8.1 AEDA delivered a co-operative campaign with the South Australian Tourism Commission (SATC) and Luxury Escapes in June 2021 positioning Adelaide as a must stay destination targeting high value travellers. Over \$238,000 worth of packages were sold in the city and North Adelaide, with 344 bookings and 869 room nights during the travel period of June 2021 to June 2022 for AEDA's investment of \$40,000 into this campaign.
- 8.2 AEDA partnered with RAA Travel and SATC for an intrastate campaign to leverage the #Hit the Town and "Dinners on Us" campaigns from June to August 2021 to increase awareness and build excitement around exploring and discovering the city and North Adelaide in winter. Over \$55,000 in revenue was generated from 492 bookings (45 accommodation / 447 experiences) for AEDA's co-investment of \$38,700.

- 8.3 Over December 2021 and January 2022, AEDA partnered with RAA Travel to deliver an intrastate digital marketing campaign featuring experiences including Adelaide Zoo, Earth Adventures Kayaking, Popeye High Tea cruise and BBQ Buoys cruise and drink. Over \$33,000 in revenue was generated for Adelaide CBD / North Adelaide experiences for AEDA's co-investment of \$10,000.
- 8.4 AEDA also partnered with the Expedia Group online platform Wotif, and the SATC to deliver an interstate campaign "Get a little bit more out of Adelaide" enticing travellers to visit Adelaide from December 2021 to January 2022. The campaign targeted leisure travellers through digital marketing on social channels and website advertising. The campaign generated 4,572 room nights for hotels in Adelaide and total booking revenue of \$967,000 for AEDA's co-investment of \$30,000.
- 8.5 Building on the success of the interstate summer collaboration with SATC and the Expedia Group's online platform Wotif "a little more than expected in Adelaide" campaign is designed to push the message of discovering the new Adelaide and scratching beneath the surface to find curiosity of the city. This autumn campaign runs from 26 April to 30 June 2022. To further stimulate interest in Adelaide, the first 328 bookings will receive a \$100 Rundle Mall Digital Mastercard which can be used only within the Rundle Mall precinct. AEDA is investing \$35,000 for the Rundle Mall Digital Mastercard.
9. In February 2021 we engaged with stakeholders from across business, industry, retail and sector partners to inform the key priorities for the 2021/22 AEDA Business Plan and Budget. Feedback from attendees on the initiative to consult before the business plan was developed was positive. The draft 2022/23 AEDA Business Plan and Budget has been prepared following input from city stakeholders through an in-person workshop held in February 2022.
10. Throughout June, July and August, AEDA ran a digitally led campaign "Hit the Town" curating city events and activities to drive visitation to the city during traditionally quieter winter months. The campaign highlighted more than 50 events including Adelaide Winter Staycations and Winter Weekends within the city.
11. On 3 September 2021, the National Retail Association (NRA) named Rundle Mall as the Retail Precinct of the Year. This award honours shopping centres and precincts for leading the way in providing experiential and entertaining opportunities for customers. The NRA judges were impressed with Rundle Mall's continued efforts to provide the best possible experience to retailers and customers alike.
12. Go to Town Campaign
 - 12.1. Launched by the then Premier Steven Marshall and the then Deputy Lord Mayor Mary Couros at the beginning of September, this Adelaide CBD and North Adelaide re-activation campaign invited South Australians to enjoy all that the city has to offer through a range of city-based deals and events while supporting local business including City of Adelaide UParks.
 - 12.2. As part of this broader campaign, AEDA partnered with the State Government, and the Property Council South Australia on the FOMO Fridays initiative which included activities aimed to encourage CBD workers back into offices and out of working from home on Fridays.
13. Inaugural WellFest Adelaide
 - 13.1 Held from 15 to 31 October 2021, core events of WellFest Adelaide included the WellFest Adelaide Business Leaders Luncheon (15 October) Wellness Squared activations across Whitmore Square (17 October), Light Square (24 October) and Victoria Square (31 October) and Hounds on Hutt event on Hutt Street and in Victoria Park (23 October).
 - 13.2 The Business Leaders Lunch was a paid event held in the Adelaide Town Hall. The event targeted citywide business leaders and wellbeing/wellness organisations and attracted 90 guests.
 - 13.3 The Wellness Squared and Hounds on Hutt events were free but ticketed events to enable contact tracing, database acquisition and compliance with SA Health requirements.
 - 13.4 The inaugural WellFest Adelaide attracted over 13,000 patrons.
14. Inaugural AEDA Business Summit
 - 14.1 Held on 25 May 2022 the inaugural AEDA Business Summit (the Summit) provided a unique platform for 350 city business leaders to listen to insights on the city, network and forge relationships.
 - 14.2 Keynote speakers included The Honourable Peter Malinauskas MP, Premier of South Australia, Bernard Salt AM head of The Demographic Group, Adrian Tembel, Chair South Australian Productivity Commission and Clare Mockler Chief Executive Officer, City of Adelaide.
 - 14.3 Comprising speaker and panel sessions, the Summit covered the economic and commercial property outlooks for Adelaide (2022 and beyond), the role of the Adelaide CBD in a post COVID-19 environment, Jobs, Workforce and Skills Attraction, tourism and events.

- 14.4 The Summit also provided a platform to promote City of Adelaide's Reignite activities.
15. Rundle Mall Program Performance Review
- 15.1 In response to the opportunities seen in the Rundle Mall Precinct, and in light of the challenging and unprecedented conditions experienced by retailers in the wake of COVID-19, the AEDA Board, on advice from the Managing Director, engaged KPMG to undertake an independent third party review to conduct a robust assessment of the efficiency and effectiveness of the Rundle Mall Program. This has been done with a view to support the delivery of better services and outcomes for the Rundle Mall Precinct levy payers, including traders, Arcade and Centre managers.
- 15.2 The review resulted in 28 recommendations. To date 12 have been implemented with the remaining 16 in progress. Progress on implementing the recommendations will be reported to the Audit and Risk Committee on 29 July 2022.
16. Developed the ADLocal campaign to help promote small businesses within the city and North Adelaide who have limited financial capacity and/or resourcing to market themselves at scale. With more than 100 businesses included in the promotion to date, this is a local's guide to the best and brightest hidden gems across retail, hospitality and other types of city businesses.
17. Developed experienceadelaide.com.au website, social media channels and Electronic Direct Marketing databases.
18. AEDA is partnering with Game Plus on a scholarship program "Finding your way into the Games Industry". The scholarship is targeted at individuals seeking to grow and develop commercial opportunities in the electronic games sector within the city.
19. As part of the Reignite initiative, Council provided AEDA funding of \$250,000 for an intrastate tourism campaign targeted primarily at regional South Australians promoting Adelaide hotels and city experiences. The campaign will be seen across the following channels:
- 19.1 Television advertising - Spencer Gulf, Broken Hill, Riverland and Mt Gambier
- 19.2 Newspapers - Eyre Peninsula, Murraylands, Flinders/Outback, Clare, Riverland, Barossa, Adelaide Hills, Limestone Coast, York Peninsula
- 19.3 Radio advertising (Limestone Coast, Flinders/Outback, Eyre Peninsula, Riverland, Murraylands, Barossa)
- 19.4 Outdoor digital screens, Venue ads and roadhouse ads - across regional SA
- 19.5 Social media channels – also includes metropolitan audience
- 19.6 YouTube
- 19.7 Google Discovery Ads.

Continuing activities previously delivered under the Economic Development structure

20. Administration of the annual Events and Festivals Sponsorship program.
21. Visitor Information Services
- 21.1 Relocating the Adelaide Visitor Information Centre service in February 2021 from James Place to co-locate within the City of Adelaide Customer Centre and open between 9 am and 5 pm each weekday (excluding Public Holidays).
- 21.2 Adelaide Greeter Service and Mobile Visitor Information Services resumed early in 2021 after being halted due to COVID-19 impacts.
- 21.3 Support for History Month in May 2022.
- 21.4 These services operate with the support of many knowledgeable volunteers.
22. Due to the impact of the COVID-19 pandemic on many small businesses and vacancies within the City of Adelaide, the existing contractual commitment and partnership with Renew Adelaide was extended for a further 12 months. Since July 2021, Renew Adelaide has launched 16 new ventures, supported 28 ventures (new and continuing) created over 34 jobs and activated over 2,796 square metres of space.
23. Supporting the residential growth agenda with the development of Initiatives to Accelerate Residential Growth which were noted by Council on 9 November 2021 and subsequently presented to the Capital City Committee. AEDA staff are part of a Coordinating Group within the City of Adelaide that has responsibility for progressing the Residential Housing and Growth Action Plan approved by Council on 10 May 2022.
24. Support of seven city precinct groups through the Mainstreet Development Program.

25. Fortnightly communications with 7,000 city business workers through the City Business Newsletter.
26. Support the Ten Gigabit Adelaide Community network including hosting a webinar “Leveraging your commercial property with Ten Gigabit Adelaide”. This event had 16 attendees and was followed with a copy of the recording and tool kit to promote Ten Gigabit Adelaide being sent to 32 commercial real estate agents.
27. Management of the City of Adelaide Outdoor Activation Grant offered to more than 170 businesses in the city and North Adelaide, funded by the City of Adelaide and the Government of South Australia. This grant assisted businesses to activate the outdoor areas adjacent to their business, enhance the presentation of a building or business and contribute to a more interesting and exciting street experience.
28. Administration of the Shopfront Improvement Grants funded by the City of Adelaide as part of Reignite Adelaide. This grant will assist 92 businesses within the city and North Adelaide to enhance the presentation of a building or business, business, contribute to amenity for their customers and/or make a creative or unique contribution to the streetscape. This could include repainting, signage improvements, adding external materials and treatments, improving accessibility, greening elements, display lighting, improvements to frontages to interact with the street (eg removal of security shutters, installation of bi-folds windows etc).
29. In June 2020, Council entered into a two year agreement with Business SA for that organisation to provide a package of small business support and advisory services. Council provided additional funding in January 2022 as part of the Reignite program to extend the program to 31 December 2022. The Government of South Australia also provided additional funding in January 2022 to support more businesses with additional services by 30 June. Over 600 businesses have been supported since the commencement of the agreement. The Business and Investment team within AEDA have managing oversight of this partnership and regularly liaise with Business SA to understand performance in relation to the contract.
30. The Business and Investment team also continue to assist businesses to connect with local decision makers to identify funding and support option to enable growth in their success.

Rundle Mall activities

31. Between January 2021 and May 2022, Rundle Mall has hosted 658 events/activations and concessions.
32. Delivered key Christmas, Black Friday and Boxing Day promotions and activations.
33. Lunar New Year celebrations for Year of the Ox in 2021 and Year of the Tiger in 2022.
34. Presented the Urban Kitchen activation in Rundle Mall which provided shoppers with the opportunity to meet regional producers, taste their products and purchase a range of fresh items. This activation included 32 sold out demonstrations with a total of 930 participants.
35. Hosted Adelaide Festival activities including the Plastic Bag Store in 2021 which attracted over 12,600 people and Groundswell in 2022 that attracted over 9,400 people.
36. To encourage visitation to the precinct, the Rundle Mall team continue to source attractions to be located within Rundle Mall including the Illuminate Adelaide activation “Sky Castle” between 16 July and 15 August 2021 and HEXADECA between 14 May and 2 June 2022.
37. Vogue Festival
 - 37.1 Vogue Festival returned to Rundle Mall and Rundle Street on 8 October to 10 October 2021. This was the fourth instalment of Vogue Festival with the Festival previously held in 2017, 2018 and 2019.
 - 37.2 The 2021 Vogue Festival provided a range of exclusive activations and special offers that were only available on the Mall and by shopping in store, in the centres and arcades and into Rundle Street.
 - 37.3 The 2021 Vogue Festival generated \$36.5 million in sales for the city with a 12.3% increase in foot traffic in Rundle Mall compared to the median, with a significant increase in the time customers spent exploring the Mall.
 - 37.4 All shoppers surveyed during the event advised that events like Vogue Festival increases the likelihood of them choosing to shop in Rundle Mall and the city vs their suburban shopping centre.
 - 37.5 Many retailers advised their satisfaction with the atmosphere within Rundle Mall and their retail results during the event.
38. Win @ Rundle Mall
 - 38.1 Run between 2 July and 31 August 2021, this campaign encouraged shoppers to spend \$50 within Rundle Mall and go into the draw for \$30,000 worth of prizes.
 - 38.2 A total of 6,998 entries were received, with consumers able to submit multiple entries if they spent more than \$50. On average, consumers submitted three competition entries with an average spend of \$134 per entry.

38.3 Consumers spent at 424 different businesses within the Precinct during the campaign.

DATA AND SUPPORTING INFORMATION

Nil

ATTACHMENTS

Nil

- END OF REPORT -