

AEDA Business Plan & Budget

FY 2022/23



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Adelaide Economic Development Agency acknowledges the traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today. And we also extend that respect to other Aboriginal Language Groups and other First Nations.

Image: Kuma Kaaru Dance Group, Creative City Still, Adelaide, 2019

Adelaide Economic Development Agency

The Adelaide Economic Development Agency (AEDA) is a subsidiary of the City of Adelaide established in January 2021 to accelerate economic growth in the city.

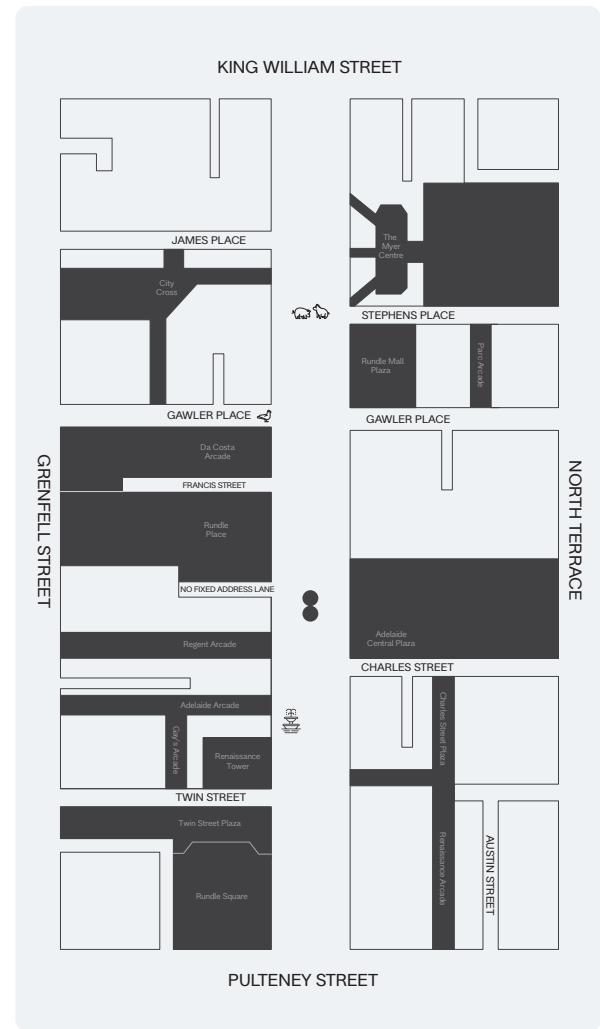
AEDA works closely with businesses, industry groups, the State Government and its agencies, and other relevant organisations to deliver a range of programs designed to stimulate the city's economic growth. AEDA's focus is investment attraction, growing our visitor economy, residential growth, marketing the city as a whole and promoting Rundle Mall as Adelaide's premier shopping destination.

AEDA is funded through an appropriation from the City of Adelaide, and from funds raised through the Rundle Mall Differential Separate Rate declared by Council on rateable land in the Rundle Mall Precinct. Funds from the separate rate will be expended specifically and only to support the delivery of the marketing plan, actions and operation of the Rundle Mall Precinct and not the broader city.

This Business Plan and Budget is prepared in accordance with Section 6.2 of the AEDA Charter, which requires AEDA to produce an annual business plan and budget consistent with the Charter and submit to Council for approval.



AEDA supports the economic growth in the city (postcodes 5000 and 5006)



Rundle Mall levy area

AEDA Teams

AEDA Board

AEDA was established as a Section 42 Subsidiary under the *Local Government Act 1999 (SA)*, and in all things acts through the Board. The Board has responsibility to manage the business and other affairs of the subsidiary, ensuring that AEDA acts in accordance with the *Local Government Act 1999* and the AEDA Charter.

The Board is skills-based including expertise across hospitality, property development, place making, business development, investment, events and tourism. The Board consists of a Chair, one Elected Member (the Lord Mayor) and up to 7 Board Members (including one representative from the Advisory Committee).

AEDA Team

AEDA is supported by an agile team, resourced to achieve the strategic outcomes of the organisation. Led by a Managing Director, the team is made up of experienced and passionate professionals in retail, events, property, investment, business support, tourism, brand and marketing.



Top row, L-R: Nikki Govan (Chair), Steve Maras (Deputy Chair), Tammy Barton, Oliver Brown, Jaimee Charlton.
Bottom row, L-R: Craig Holden, Tim Last, Manuel Ortigosa, Sandy Verschoor (Lord Mayor).

City Trends & Insights

The biggest challenge facing Adelaide for 2022/23 is recovering from the impacts of the COVID-19 pandemic. Many city-based businesses have been hard hit with numerous and fast-changing restrictions on trade and capacities. We know from city businesses that reducing business costs and getting people back into the city are key areas of focus that we can action. In developing this Business Plan there have been a number of challenges and complex issues to be considered. Some of these challenges, however, have also given rise to opportunities.

The following trends and insights have helped to prioritise and inform the strategies, outcomes and actions that AEDA has identified. Specific research on consumer perceptions of the city and employer/employee insights that is currently underway will further inform AEDA activities in 2022-23.

In the coming twelve months AEDA will focus on providing great experiences to attract more businesses, workers, visitors, students and residents into the city. This will ultimately drive more people back to the city to spend more money.

Covid Response

Adelaide will continue to play a key role in South Australia's prosperity.

Digitalisation and technology has gained even greater focus during the pandemic. This focus will remain and be the future of how we do business. Creating unique and enjoyable experiences that support wellbeing and collaboration will also be critical to city prosperity.

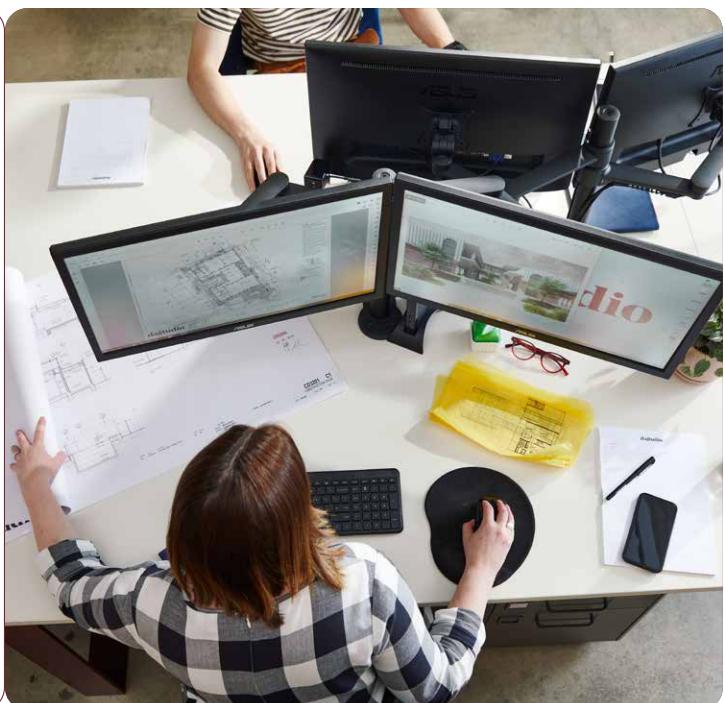
These challenges and changes give rise to opportunities for the city. To close the gap in the recovery period, as a city we need to understand and act on how best to support local business, the future economy and the environmental sustainability of our city.

Never has there been a better time to talk to our vision to make Adelaide the most liveable city in the world.

Flexible Working

Flexible workplaces are a global trend that is here to stay. With more people craving a greater work/life balance, businesses have had to adapt and find new ways of operating. Some businesses have embraced the concept and pivoted to accommodate the preferences of their people, others amplified their support for existing flexible arrangements.

This presents challenges for capital cities including fewer people coming into the city for work and the ripple effect into secondary economic drivers including hospitality, retail, and the night-time economy. It is critical moving forward that we activate and create experiences to encourage people to visit the city by day and night and define and capitalise on the city's point of difference.



City Trends & Insights



Experiential

Events, activations, retail and hospitality experiences are going to be important to bring people into the city, and to create vibrant, dynamic spaces. As a city full of surprising places, we have the opportunity to create a city experience that makes people feel delighted, fulfilled and prompts the desire to explore more.

There is a growing understanding that cities are evolving from centres for office workers to centres of experiences: Central Experience Districts.

Green/Sustainability

Sustainability issues are increasingly becoming mainstream and embedded into business practices. This has been demonstrated by some of the largest ASX companies in Australia, the Australian and State Governments. There is a rising trend that more companies will make sustainability a core part of their brand identity. This will range from beauty to transport, sports to technology. There is a consumer expectation to see companies put sustainability at the forefront of their brand identity.

Emotional Impacts

The last two years have had a profound impact on our people. Many Australians have been impacted by isolation or increased anxiety from the impacts of COVID-19.

Moving forward as a city we need to market and communicate the benefits of being in a city that has health and wellbeing at its core. As a city we are committed to maintaining a high standard of liveability and vibrancy and will invest in a range of initiatives, projects and programs to support health and wellbeing. Being surrounded by Park Lands means we have 760 hectares of backyard to explore and escape to, replete with walking trails, runs and outdoor activities.

We will continue to build trust and hope in our community by creating opportunities for connection, authenticity, positivity, being outdoors in nature, hope, inspiration, community, family, love and fun.





Online/Digital/Omni channel retailing

Most businesses (particularly retail) have seen an increase in online shopping, with market share being diverted away from traditional bricks and mortar operations.

Many retailers have been pursuing omnichannel strategies for over a decade. At the end of 2019, an omnichannel approach referred to the combination of a store, website and app, with limited interaction between these channels. This approach now has many retailers re-thinking omnichannel as the full suite of ways a consumer can engage with a brand. This still includes a store, website and brand-owned app, but may also include a marketplace presence, selling on social media.

There is an opportunity for businesses to provide multi-platform experiences for their customers both in their physical stores and online. As a city, the opportunity is to both create interesting experiences and attract and retain physical stores, combined with rethinking distribution and online e-commerce platforms.

Regionalisation and Decentralisation

An impact of COVID-19 will see a change in people's behaviours and changes in their habits both professionally and personally. Regionalisation is going to be more common. From a Federal and State perspective regionalisation is going to be high on their political agenda to see growth and ensure that regional businesses and communities survive post the pandemic. There will be greater investment into infrastructure and jobs in the regions.

As a city we will need to consider how to encourage residential growth and attract people from intra and interstate to the city to build the local economy and make it thrive. We will need to look at the strengths of the city such as connectivity, sustainability, ease of mobility and affordability and determine how to leverage these strengths to secure business and investment for future growth.

Supporting Local

COVID-19 has seen buying habits change dramatically over the past two years. It is evident that even with fewer restrictions shopping behaviours such as an increase in online shopping and food deliveries have remained. More people are staying close to home and spending money in their local shopping district rather than visiting the city.

Consumer habits over time have shown that people want to buy from local and independent retailers. This trend is something that has continued to increase during the pandemic. There is a clear appetite for small, independent businesses with unique offerings and personalised customer service.

Innovation and re-creating new ways of doing business will be key. The opportunity will be to create event and retail experiences that city workers and visitors cannot have or buy in their local area or online.



Vision, Mission & Purpose

Vision

To make Adelaide the most liveable city in the world

Mission

To accelerate economic growth in the city by attracting investment and supporting businesses, growing the visitor economy, supporting residential growth, growing an annual events calendar and marketing the city as a whole including Rundle Mall

Purpose

Attract

Get more people, businesses, visitors, students and residents into the city

Stay

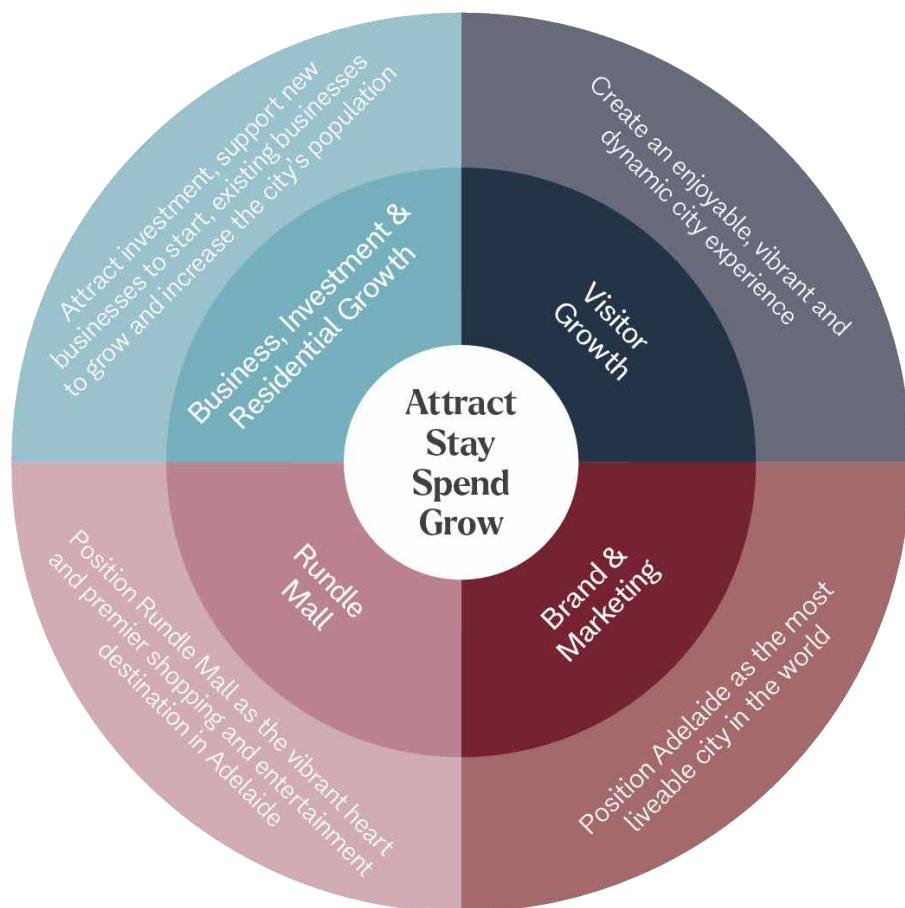
Provide a positive experience so people stay longer, move around the city and return more often

Spend

Stimulate economic growth by providing more reasons to spend in the city

Grow

Support new and existing businesses and industries to grow and create jobs



Strategies & Actions

KEY RESULT AREA 1

Business, Investment & Residential Growth

Attract investment, support new businesses to start, existing businesses to grow and increase the city's population

Outcomes

- Increase the number of people working and living in the city including students
- Support new workers to integrate into the life of the city
- Support existing businesses to grow and attract new firms, including retailers
- Leverage investment in the city's innovation assets to drive greater economic benefit for the CBD
- Partner with the State Government, private investors and industry groups to stimulate residential and commercial development
- Optimise outcomes from the precinct group funding program

| 2022/23 Planned Actions | Measurement |
|---|--|
| <ul style="list-style-type: none">• Support workforce attraction and engage new city workers into the life of the city• Review and redesign approach to business support and growth• Activate vacant shop fronts/premises• Implement an approach to Investment Attraction including:<ul style="list-style-type: none">- Supporting the State Government to build its Growth Sectors (space, defence, health, hi tech (VFX, Gaming))- Directly target firms in industries that are large occupiers of commercial office space but not State Government priorities (business services, finance etc)- Identifying and targeting appropriate retail brands- Tourism infrastructure and unique visitor experiences• Deliver targeted approach to corporate and industry engagement to obtain information about opportunities, threats and their experience of operating in the city• Progress residential growth initiatives including engaging with property owners, developers and government agencies to identify opportunities for large or strategic sites, build to rent initiatives and community housing opportunities.• Provide high quality, current information and data by developing a research & thought leadership function• Deliver AEDA Summit• Progress opportunities to deliver a contemporary approach to local economic development• Identify and progress partnership activities with entities including Lot Fourteen and Biomed city• Maintain up to date information and data on the economic performance of the city through mechanisms such as an online economic dashboard | <ul style="list-style-type: none">• 500+ businesses participate in business support & growth initiatives• 20+ vacant shopfronts/ premises activated• At least 15 inward investment proposals supported (collectively employing 1,000+ staff)• 3 significant retail brands & at least one AAA Visual Effects (VFX) company committed to Adelaide• Deliver a strengthened/ reshaped precinct model• CoA residential population target forecast at 2030 of 40,994** <p>**Current forecast for CoA based on assumptions of growth. This forecast was last updated in April 2019 however it does not currently account for COVID-19 impacts.</p> |

Note: planned activities are subject to change depending on AEDA's operating environment. For additional detail and/or current status of work plans for individual areas, please contact AEDA.

Strategies & Actions

KEY RESULT AREA 2

Visitor Growth

Create an enjoyable, vibrant and dynamic city experience

Outcomes

- Deliver new events, activations and experiences that bring people into the city
- Position Adelaide as a world class events city
- Drive tourism initiatives that attract regional, national and international visitors
- Manage AEDA Strategic Partnership Program

| 2022/23 Planned Actions | Measurement |
|---|--|
| <ul style="list-style-type: none">• Develop a 12-month event and activation calendar that supports bed nights and city businesses• Leverage and expand event and festival industry partnerships• Grow capability of the events sector• Deliver the Events & Festivals Sponsorship program• Deliver the Event Recovery Fund• Develop an Event Strategy for the city• Operate the Visitor Information Centre, Visitor Services program and provide ongoing support to the volunteer program• Deliver a new innovative Experience Adelaide Visitor Centre and city-wide digital visitor experience• Develop the Adelaide Tourism Alliance to support tourism operators, hotels and experiences• Work with tourism distribution partners to drive promotion and sales for city tourism businesses• Create initiatives and programs for Visitor Economy sector partners that grow the knowledge of Adelaide nationally and internationally | <ul style="list-style-type: none">• Grow intrastate and interstate visitors and spend in line with South Australian Tourism Commission's Visitor Economy Plan 2030*.<ul style="list-style-type: none">- 2025 State target \$10b- 2025 Adelaide metro region target \$5.9b• Launch of the Adelaide Tourism Alliance with 20 partners• Collaborate with trade partners to deliver 4 intrastate / interstate campaigns• Delivery of new Experience Adelaide Visitor Centre on time and within budget <p>* 2025 target is 59% of state target - the Adelaide metro region is currently tracking at 40%</p> |

Note: planned activities are subject to change depending on AEDA's operating environment. For additional detail and/or current status of work plans for individual areas, please contact AEDA.

Strategies & Actions

KEY RESULT AREA 3

Rundle Mall

Position Rundle Mall as the vibrant heart and premier shopping and entertainment destination in Adelaide

Outcomes

- Position Rundle Mall as the premier retail destination in South Australia
- Be the hub of Precinct data and information and support retail and businesses
- Support a safe, enjoyable and vibrant customer experience and public space
- Advocate for future Council and State Government funding and influence projects for Precinct growth
- Deliver event, activations and experiences that bring visitors into the Precinct to spend

| 2022/23 Planned Actions | Measurement |
|--|--|
| <ul style="list-style-type: none">• Deliver on the KPMG Performance Review recommendations• Deliver a 12-month events and activations calendar to attract visitors• Deliver campaigns linked to key retail and public holiday trading periods which create a vibrant and dynamic city• Update the operating agreement with City of Adelaide and define service levels to the Precinct• Leverage the Economic Dashboard to include datasets relevant for the Rundle Mall Precinct• Commission external expertise to identify and target new retail brands• Improve stakeholder engagement with levy payers through information sessions, roundtables and workshops to feed into the wider Rundle Mall strategy• Review Rundle Mall brand context by conducting competitor research• Conduct brand reputation consumer research into activations and incentives to drive visitation and improve customer experience• Deliver online campaigns to increase visitation and engagement across digital channels• Revisit the Rundle Mall masterplan and advocate for future development• Engage with Renew Adelaide to activate retail vacancies• Deliver a proactive public relations strategy based on campaigns and industry positioning• Build relationships with property owners to understand experiences and challenges in attracting new business at street and upper levels and support new developments e.g. 60KW, City Cross and Myer Centre• Advocate for upgrade of sound system in Rundle Mall | <ul style="list-style-type: none">• Passer-by traffic at least 90% of 2019• Market share Moving Annual Total (MAT) maintained above 5.5% for main trade area• Deliver 1 x brand reputation (consumer) research and share with stakeholders• Deliver 1 x brand context (competitor) research and share with stakeholders• Website:<ul style="list-style-type: none">- Increase average monthly users to 35K (2.4% increase on 2021)- Increase average monthly pageviews to 71K (4% increase on 2021)• Social Media:<ul style="list-style-type: none">- Increase Instagram followers +12% to 32.5K and engagement rate of 4%- Increase Facebook followers +10% to 65K and engagement of 1%• Welcome packs provided to 750+ new city workers which include Rundle Mall vouchers• 3 significant retail brands committed to Adelaide |

Note: planned activities are subject to change depending on AEDA's operating environment. For additional detail and/or current status of work plans for individual areas, please contact AEDA.

Strategies & Actions

KEY RESULT AREA 4

Brand & Marketing

Position Adelaide as the most liveable city in the world

Outcomes

- Promote Adelaide as a destination to work, invest, live, study and visit
- Enhance and grow AEDA communication channels, platforms and tools to communicate directly with consumers and businesses
- Deliver ongoing marketing, communication and engagement strategies that support the growth of the city in partnership with each AEDA program
- Partner with State Government and industry on joint marketing initiatives (e.g. SATC, DTI, DPC, Property Council)

| 2022/23 Planned Actions | Measurement |
|--|--|
| <ul style="list-style-type: none">• Create and deliver campaigns that promote Adelaide as a destination to work, invest, live, study and visit• Raise awareness and profile of AEDA in the Adelaide business community• Develop brand Adelaide with clear Unique Selling Propositions (USPs) for invest and visit, underpinned by Adelaide Designed for Life philosophy. Investigate collaboration with SATC and DTI• Establish a digital marketplace for all city businesses to sell products/services online• Collaborate with precincts to improve promotion of different districts and their unique personality/offering• Complete website rollout to fully reflect AEDA offering (and all focus areas) and transition remaining destination or business content that didn't come over from City of Adelaide in first phase• Consolidate and increase utilisation of existing city assets and develop new methods or technology for communication purposes (screens, audio systems, public places)• Consolidate brand platform for AEDA to ensure consistent communication and identity across business to business (B2B), business to consumer (B2C) and campaigns• Establish benchmarks for future KPI measurement. e.g. awareness levels of AEDA, social engagement | <ul style="list-style-type: none">• Define and implement success measures for all marketing campaigns• Media coverage of at least four thought leadership pieces• Grow Social channels following<ul style="list-style-type: none">- Facebook 25%- Instagram 30%- Twitter 40%- LinkedIn 40%• Grow electronic direct marketing database<ul style="list-style-type: none">- What's On by 10%- City Business by 20%• Increase Experience Adelaide website metrics<ul style="list-style-type: none">- Page views by 10%- Time on site by 10%• Digital Marketplace, onboard 300 businesses |

Note: planned activities are subject to change depending on AEDA's operating environment. For additional detail and/or current status of work plans for individual areas, please contact AEDA.

AEDA Budget Summary

| AEDA Income Summary | | AEDA 2022/23 Budget |
|---|--|---------------------|
| AEDA Contribution from City of Adelaide | | \$7,188,619 |
| Rundle Mall Levy | | \$3,817,218 |
| Total Income | | \$11,005,837 |

| AEDA Expenditure Summary | | AEDA 2022/23 Budget |
|---|--|---------------------|
| Business, Investment & Residential Growth | | \$2,426,591 |
| Visitor Growth | | \$3,113,439 |
| Brand and Marketing | | \$1,664,828 |
| Rundle Mall Marketing and Events* | | \$1,977,617 |
| Rundle Mall Operations* | | \$1,823,363 |
| Total Expenditure | | \$11,005,837 |

* Further information below

| Rundle Mall Finance Summary | | 2022/23 Budget |
|--------------------------------|--|----------------|
| Rundle Mall Levy Income | | (\$3,817,218) |
| Admin Operations Expenditure | | \$1,831,016 |
| Marketing Activations | | \$1,986,202 |

| Rundle Mall Admin Operations Expenditure | | 2022/23 Budget |
|---|--|--------------------|
| Security Retainer | | \$270,566 |
| Employee Costs | | \$1,183,323 |
| Cleaning, Business & Investment support, Horticulture | | \$267,213 |
| Utilities, Storage Rent, Licenses, Insurance | | \$109,914 |
| Total Admin Operations Expenditure | | \$1,831,016 |

| Rundle Mall Marketing Activations Expenditure | | 2022/23 Budget |
|---|--|--------------------|
| Major Events & Activations (eg Christmas, Lunar New Year) | | \$1,496,660 |
| Marketing Services & Subscriptions | | \$283,200 |
| On Mall Assets Branding | | \$74,310 |
| Research & Insights | | \$81,350 |
| Digital Retail Calendar Support | | \$50,682 |
| Total Marketing Activations Expenditure | | \$1,986,202 |



Appendix

Rundle Mall Events, Activations & Promotions Calendar

| Months | Activity – Events, Activations & Promotions |
|--------------------------|--|
| July 2022 | <ul style="list-style-type: none"> • Placemaking <ul style="list-style-type: none"> - refresh of lighting in trees and overhead festoon • World day activations and pop ups • School holidays activations • NAIDOC week • Umbrella Music Festival • Retailer Support Campaign |
| August 2022 | <ul style="list-style-type: none"> • SALA • World day activations and pop ups • Retailer Support Campaign |
| September 2022 | <ul style="list-style-type: none"> • Spring Launch Campaign in the Mall • Fashion Festival Pre-Promotion – advertising and digital campaign • Father's Day Activations and retailer support • World day activations and pop ups • Retailer Support Campaign |
| October 2022 | <ul style="list-style-type: none"> • October long weekend trading hours • Fashion Campaign and activations • Wellness and wellbeing activations and events with WellFest Adelaide • World day activations and pop ups • School holidays • Retailer Support Campaign |
| November & December 2022 | <ul style="list-style-type: none"> • Christmas decorations (4 Nov) • Black Friday weekend (25 Nov) activations • Rundle Mall Christmas Carts • Choirs and music performances • Activations to support extended trading hours and add vibrancy to the Mall • Boxing Day event and activations to launch sales in the city • School holidays • Retailer Support Campaign |
| January 2023 | <ul style="list-style-type: none"> • Retailer support for January sales • World food day activations and pop ups • School holidays • Australia Day activations and support for trading hours • Lunar New Year activations and retailer support • Retailer Support Campaign |

Appendix

Rundle Mall Events, Activations & Promotions Calendar

| Months | Activity – Events, Activations & Promotions |
|---------------|--|
| February 2023 | <ul style="list-style-type: none">• Valentine's Day Digital Campaigns and retailer support• World day activations and pop ups• Retailer Support Campaign• Curated Festival Activity to support Fringe & Adelaide Festival• University support for O Week |
| March 2023 | <ul style="list-style-type: none">• Festival activity continued• Long weekend trading hours support• World food day activations and pop ups• Retailer Support Campaign |
| April 2023 | <ul style="list-style-type: none">• Easter Friday 7 April to Monday 10 April• ANZAC Day trading hours support• World day activations and pop ups• Retailer Support Campaign |
| May 2023 | <ul style="list-style-type: none">• Mother's Day – digital campaign• World day activations and pop ups• Retailer Support Campaign |
| June 2023 | <ul style="list-style-type: none">• Support retailer activity for mid-year sales• June long weekend• World day activations and pop ups• Retailer Support Campaign |



Adelaide
Economic
Development
Agency

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