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1. Chairman’s Message
1. Chairman’s Message

2014/2015 has been the year of upward movement for Marketing Edinburgh as we built on the confidence and credibility which we secured from a robust 2013/2014.

In my first full year as Chairman I am especially pleased at the manner in which the key stakeholder relationship, that of the City of Edinburgh Council, has been further grown to a position of mutual respect and trust. A number of high profile projects, operated jointly for the benefit of the city, have demonstrated to the wider stakeholder base this extremely positive relationship. These initiatives were truly for and by the city.

As the world evolves so should we. Edinburgh operates on a global stage. Whether that is for attracting business or leisure tourism, securing inward investment, promoting our education establishments or positioning the city as an outstanding place in which to live or work.

The landscape is increasingly competitive however, with more entrants and existing destinations developing their offering. This fierce environment demands that we have to continually improve if we even want to maintain our current position in this marketplace. The world isn’t sitting waiting to see what Edinburgh is going to do.

To become as we wish to be requires change. As a city, change in our approach, our funding, our collaborations, our going to the market with one, cohesive voice.

We are all acutely aware of the current, and future, fiscal restrictions that the public sector faces. This is a reality. As such we have to be inventive and creative in how we secure additional funding to augment the public investment in promoting the city, and to a level which elevates us, at least, to an equal level with our UK and International competitors.

Marketing Edinburgh, as the city’s official promotional body, has to be at the heart of the city’s efforts and a coordinator of multiple activities, bringing together the multiple stakeholders, in a coordinated manner.

2014/2015 has demonstrated that Marketing Edinburgh has earned this position, as we look forward to being a catalyst for further success for the city.
2. Executive Summary
2. Executive Summary

The 2014/2015 Review is being written under an agreed three year plan and Service Level Agreement secured with the City of Edinburgh Council in early 2014.

It is also being submitted against a backdrop of an extremely successful and productive 2014/2015 for Marketing Edinburgh.

Post a rebranding exercise Convention Edinburgh is on track to achieve £92M worth of economic impact, a record, has driven the greatest number of ICCA meetings in 5 years, launched a new website, created new incentive collateral to take advantage of the growth in incentive business and secured match funding from VisitScotland to conduct a North American campaign, which has already secured £17M+ of enquiries.

Convention Edinburgh was nominated as the best UK Convention Bureau in the prestigious M&IT awards, and as best Scottish Convention Bureau. This is the first time Convention Edinburgh has secured either of these nominations in its history.

Membership of Marketing Edinburgh is at an all-time high with 252 members now investing in the company. A new initiative, the Rewards Card, targets delegates and directs them to members businesses. This initiative is a world first in the conference market and is gaining significant traction.

Film Edinburgh goes from strength to strength and has secured 362 films which is ahead of target and has driven over £4.5M economic impact to the City, a record. The Film Charter created in conjunction with the City of Edinburgh Council assisted in converting a production worth over £1M in economic impact alone. The constituted Edinburgh Film Steering Group has been successful in promoting the interest of film in the City.

The brand campaign, This Is Edinburgh, has been an overwhelming success, with all targets and metrics being over achieved. The results have vindicated Marketing Edinburgh’s key role in the creation and delivery of the campaign, and confidence in the company has moved significantly positively as a result.

The campaign has been awarded as the winner in the Edinburgh Chamber of Commerce awards, in the Creative Marketing category.

The Commercial Plan has been written and approved focussing on digital revenue generation and the Corporate Partnership programme, which is gaining momentum and targets have been achieved, with a healthy pipeline in place.

There have been challenges regarding Conference Accommodation Booking Services’ reduced revenue, which is a direct result of fewer larger conferences coming to the City in the year, and by direct bookings by conferences. Commercial income has also been hit, principally by two factors: the refusal of planning permission on “The Big Screen” in Festival Square and the delay in the tram advertising opportunity.

Marketing Edinburgh has had a much improved relationship with Best Cities Global Alliance, having created the body’s new positioning and creative approach, and now leads the brand development project for this key body.

To have had such a positive year when there was personnel movement and office relocation is testament to the Marketing Edinburgh team.
3. Business Tourism
3. Business Tourism

Context

Business Tourism is vital to the economy of the City delivering significant financial benefits and economic impact. It also positions the City positively in key industry sectors, brings global expertise into the community and provides a platform for future investment.

The goal of Convention Edinburgh (CE) is to position Edinburgh as a world renowned, dynamic conference destination and by doing so contributing to the economic development of the City. The aim was to increase the economic benefit through Convention Edinburgh activities by 2.7% to £91.5M in 2014/2015.

Key activities for 2014/2015

VisitScotland Growth Fund

North America is a key and strategic market for Scotland and for the City of Edinburgh. CE had, until recently, focused its main activities to the UK and European markets and had not undertaken any proactive sales and marketing directly relating to North America. We therefore applied to VisitScotland’s Growth Fund to enable us to kick start our activities in the North American market. We were successful and £39K has been committed and match funded by VisitScotland. To date this has included a contribution to the Business Tourism Film, additional Edinburgh activity at IMEX America and the creation of an interactive pdf to promote Edinburgh as an incentive destination.

Business Tourism Collateral

In 2014/2015 the CE brand was created and collateral produced to support this in addition to creating a new sales tool kit for the sales team to work with. The Business Tourism Film launched in October 2014 was the first element of this suite of support material.

In January 2015 we launched a new website. The website offers conference organisers a comprehensive toolkit, practical support and clear, jargon-free guidance to the full - and free - CE service. This represented the latest stage in CE’s strategic business development plan and collateral rebranding, which aims to expand its main marketing and sales activity beyond the UK and Europe and into North America.

In March we completed a new interactive incentive brochure aimed at promoting Edinburgh more effectively to the incentive market and taking advantage of the recent upturn in incentive business.

Edinburgh Hotels Association (EHA)

In 2014/2015 Marketing Edinburgh secured Edinburgh Hoteliers Association (EHA) as a Corporate Partner and funding became available to undertake a series of business tourism initiatives to bring in additional business with particular focus on the shoulder months.

Business Tourism Activities

In 2014/2015 the CE Team delivered 22 key business tourism events which included 4 trade shows, 6 sales missions with members, 3 fam trips, 4 industry events and 2 Edinburgh Ambassador events including the annual Ambassador Dinner.

We attended IMEX America for the first time and generated over £17.6M in economic impact of enquiries - £767K has converted to date, and six site visits have been undertaken.

Edinburgh Ambassador Programme (EAP)

EAP continues to deliver for CE and we are on target to meet the recruitment of 50 new ambassadors. We aim to work closely with the Think Scotland Think Conference initiative that was launched in January 2015 by the Business Tourism for Scotland group and grow the number of corporate ambassadors in 2015/2016. An Ambassador is a professional who is based in a commercial organisation and has the ability to influence a colleague, or bring a corporate or association conference to Edinburgh.

The Annual Ambassador Dinner continued to grow in strength with a record 24 members participating and 70 Ambassadors attending. It delivers on business leads for Convention Edinburgh and our members by providing a platform for us to meet with many ambassadors at the same time under the one roof.

Convention Accommodation Booking Service (CABS)

CABS derive important revenue to Marketing Edinburgh from the commissions earned from hotel bookings. 2014/2015 was a disappointing year mainly due to the fact there were a smaller number of large conferences that in previous years and there were no major increases in expected delegate numbers.
4. Membership

Context

For 2014/2015 financial year the target of £300,000, whilst a stretched target, was achieved. Key successes were seen in a record number of new members joining, in excess of 70, bringing total numbers to 252. Sixty thousand delegates were in receipt of the Edinburgh Rewards Card, a new member initiative. The recruitment of an Edinburgh Reward Sponsor and the addition of 4 hotels to Convention Edinburgh’s accommodation portfolio will also help drive commission through CABS at the 3 star level leading to a positive conclusion of 2014/2015.

Key activities for 2014/2015

At the beginning of the 2014/2015 financial year 183 businesses were participating in membership. At the end of the year whilst attrition saw 17 businesses not renewing between 1st April 2014 to 31st March 2015 the year end position sees an all time high of 252 members. A record number of organisations, 86, joined in the year, 55 of which have joined in the new member category of Edinburgh Rewards (37% increase in member numbers).

The Edinburgh Rewards programme was developed in February of 2014 and launched on the 1st of May 2014 with a year-end target of 70 businesses participating. The program rewards visiting conference delegates with a range of discounts and added value benefits. Including Convention Members who have chosen to separately promote their bars and restaurants through the Rewards program and new businesses, the participating number stands at 105, far exceeding the target. New income driven by the program sits at £40K+. Of particular note is the welcome sponsorship of the program by City Cabs.

The forecast for one year of the Rewards card in circulation is 104 conferences participating with 60,000 delegates cards distributed.

Membership income target for 2014/2015 is £299,000 which is set to be met with final invoices being prepared for new members. Of note new members include the Motel One hotels and new properties Village Urban Resort, Mercure Edinburgh Quay and a return to membership of The Edinburgh Corn Exchange which offers meeting facilities for up to 1000 delegates. Enquiries to come into membership are extremely strong and are believed to be driven by the visibility and success of the This is Edinburgh campaign.

The next financial year is already looking positive with the sales pipeline extremely healthy and the addition of a full time Business Development Manager. Early indications are that we shall achieve our 95% retention on members.
5. Marketing and Commercial
5. Marketing & Commercial

Context (Commercial)

Commercial activity is critical to the future work and success of Marketing Edinburgh. In addition to funding received from the City of Edinburgh Council, commercial revenue will ensure that the core work of promoting the City to the world and generating economic benefit for the City can continue at the levels required.

Key Activities 2014/2015

Corporate Partnerships

Securing three new Corporate Partners in 2014/2015 has generated £90K in additional revenue that Marketing Edinburgh has used in promotional campaigns, with outcomes that benefit the Partner at the same time as shining a light on the City. This model will be continued in order to increase Corporate Partner revenue to £300K from three levels of Partner: £15K, £30K and Super Partner.

Following recent meetings with a number of prospects, the current three Partners, which comprise the University of Edinburgh, Edinburgh Hotels Association and Edinburgh Airport, will soon be joined by Virgin Trains and The Royal Edinburgh Military Tattoo. A number of ongoing hot leads are also being pursued with BA CityFlyer, easyJet, Etihad Airways, a University Trio comprising Napier University - QMU - Heriot Watt, EICC, Essential Edinburgh, Edinburgh Zoo and Artisan/Corona Real Estate. In addition to Abellio, Atlantic Airways, Transport for Edinburgh and Brodies.

Prospecting activity continues in earnest with calls, emails and meetings to the partner pipeline, which has so far generated a good number of positive interactions and statements of intent from a number of quality, potential partners.

Marketing Edinburgh will host an event in Q1 to showcase the benefits of being a partner while highlighting the recent case study with the Edinburgh Hotels Association to approximately 25 to 30 potential new partners. A small number of intimate dinners will also be held with a smaller target list of key potential partners, involving existing partners as ambassadors to assist in converting new partners. Our network of existing partners, stakeholders and Board members is also being utilised for leads, contacts and introductions and the Board in particular is requested to forward any leads onto the Head of Marketing & Commercial.

A management fee of at least 10% will be taken from each partnership in order to contribute towards Marketing Edinburgh’s resource costs.

Digital Marketing

A great deal of consumer loyalty and value has been built up during the first year of the City centre marketing campaign and it was always the intention to capitalise on that value. Website visitor no's are now averaging 55K/month, from zero at the beginning of the campaign with over 130K social media followers giving Marketing Edinburgh a high performing platform to offer to potential advertisers to promote their businesses.

A new website using the new Edinburgh.org domain name, recently acquired from VisitScotland, will be built, aimed at an international audience and will be monetised through digital advertising and affiliate marketing, once traffic no’s are comparable to those of thisisedinburgh.com.
5. Marketing & Commercial cont’d

Context (Marketing)

The focus and activity of Marketing Edinburgh’s marketing team for the past 12 months, has been dominated by the City centre marketing campaign (CCMC) 'This is Edinburgh', which to date has successfully achieved its single minded intention: City centre footfall is 3.5% above UK average, retail sales turnover is 2% above UK average, the social media audience exceeds 135K and unique website users total over 4.

Key Achievements 2014/2015

A recent on-street survey concluded that, out of those surveyed: 88% recognised the campaign (rising to 98% when shown the branding), 96% said they felt more positive about the City centre than they did one year ago and 89% stated This is Edinburgh has made a positive difference.

This has been achieved through an integrated mix of PR and media, print and TV advertising, a strong online presence and a range of events offering enticements such as money-off promotions.

This is Edinburgh was born at a time when City centre pride was at an all-time low and, in the face of significant challenges, has successfully re-engendered a deep sense of pride and love for the City among those who matter most - its residents. Most importantly this has generated significant public action in direct response to the campaign.

Benefits enjoyed

- Strategic partnerships forged – increased levels of collaboration among stakeholders for the greater good of the City
- Financial efficiencies - by working closely with a number of key stakeholders
- Unified messaging - the target audience has been better able to connect with and respond to messages and promotions
- A more vibrant City centre – greater positivity and economic stability
- Reputational value and credibility increased – through the delivery of a successful campaign
6. Film
6. Film

Context

Film is a powerful tool in the promotion of the City as a place to live, visit, invest, study and work. Visit Britain research states that 40% of visitors to the UK want to visit locations they have seen on the screen. It is Film Edinburgh's role to facilitate and attract film productions to the Edinburgh City region in order to maximise economic benefit and promotional value of filming.

Key activities for 2014/2015

This year was one of the most successful since the Edinburgh Film Office was created over 25 years ago. Film Edinburgh exceeded its KPIs, achieving 542 enquiries with a conversion rate of 67% bringing in over £4.5M to the City region. Production highlights included Murder by director Birger Larsen of The Killing, Eve and Teacup Travels, I Survived A Zombie Apocalypse and Outlander, the high-value TV series by Sony/Starz, shot for 19 days in the City region. The first series of Outlander is now being broadcast in the USA to audiences of over 5 million viewers per episode and Scottish tourism businesses are already creating Outlander packages in anticipation.

The quality and quantity of local production personnel is key in attracting production. Film Edinburgh maintains a database of over 400 production crew and facilities based in the City region that can service inward production, and we review this annually. Film Edinburgh will continue to work closely with Edinburgh's film education sector and trade bodies on professional development courses in Edinburgh for both new entrants and established production personnel.

Building on the success of promotional activity around Sunshine On Leith, in 2014 Film Edinburgh launched a series of film maps in collaboration with local authorities and VisitScotland, raising local and visitor awareness of film in the City region. Over 20,000 Edinburgh Film Maps were distributed around all of the City centre hotels, cinemas and visitor attractions, while 10,000 East Lothian film maps were distributed to visitor attractions and VICs in East Lothian. The Scottish Borders Council is following suit with a commission for 10,000 film maps. Awareness of the benefits of on-screen promotion led to the City of Edinburgh Council and Apex Hotels working with Film Edinburgh/Marketing Edinburgh on the creation of the This is Edinburgh Media Centre for the Scottish Independence Referendum. This was an opportunity to showcase Edinburgh to the world through the influx of media coming to the City. The media centre was used by over 400 journalists from 43 different countries around the world, resulting in over 150 live broadcasts as well as print and radio.

The film office successfully rebranded as Film Edinburgh in 2014 and created print advertisements for Scottish, UK and international trade publications.
7. Operations
7. Operations

Context

Operations exists to support the key business functions in ensuring that the environment, facilities and processes are fit for purpose, ensuring the smooth delivery of the business.

This philosophy allows the functions to focus entirely on the delivery of their objectives.

Headed up by the Operations Manager in this key area, in 2014/2015, ensured that the transition from the previous premises to 26 Frederick Street, Edinburgh, EH2 2JR, was an extremely efficient one, and at no time was the business not trading.

Key activities for 2014/2015

During 2014/2015 a number of savings were identified as a result of the office move.

Alongside the move, an overhaul of the company’s IT structure was undertaken. This included an audit of our existing IT provision and a list of staff IT requirements was created. A local IT support company was appointed, and the overall result is that a much more streamlined and responsive system is in place. The cost for IT provision has also reduced significantly.

The company’s previous accounting auditors had been appointed for a three year period which expired following the audit carried out for 2013/2014.

A brief was created and six companies were approached to tender for the period 2014/2015 - 2016/2017. Proposals were received from five of the companies approached.

Following a rigorous and thorough selection process, the Audit and Risk sub-committee of Marketing Edinburgh appointed Chiene + Tait as auditors for the next three year period.

Several staff polices have been established in 2014/2015 to be read alongside the existing staff handbook – these include lone working policy and staff bonus policy.

The annual BestCities quality audit was carried out in April 2014. This practice identifies areas for improvement in administration processes. It was pleasing to note that there were minimal changes to the existing company procedures identified.