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**Cabinet**

**3 September 2013**

## **Report of the Leader of the Cabinet**

### **Closer working with Leeds Bradford International Airport**

#### **Executive Summary**

1. This report proposes promotional activity to be undertaken at the Leeds Bradford International Airport (LBIA) as part of the city's efforts to maximise the city's access to international markets.
2. The proposed campaign would see approximately £10K for the development of a campaign for the promotion of the City of York as a destination to visit, do business, live and study. A further £75K per annum over four years would then be allocated to the roll out of this campaign, initially at Leeds Bradford Airport, with an initial 12 month contract that, depending on the results of the monitoring and evaluation of the initial campaign, could be renewed on a rolling basis. It is proposed that the funding come from the Economic Infrastructure Fund (EIF), and a business case is attached to this report.
3. In order to kickstart this campaign, the Council will provide the funding for the first year of the campaign from EIF, but it will seek contributions from partner organisations across the city for future years of the campaign should, on reviewing the outputs of the campaign, the Council seeks to renew this campaign in future years.

#### **Background**

4. As set out in the ***York Economic Strategy, 2011-15***, the city has agreed ambitious economic growth targets of becoming a top 5 UK city and top 10 European city by 2015. Within this strategy, there is an objective for the city to become more international and enterprising, and in the process, the Council has been facilitating the delivery of a strategy to "internationalise" the city – i.e.

developing better connectivity to and generate greater value from international markets.

5. In the interest of facilitating greater international market connectivity and awareness of the York offer, the Council's economic development and transport teams are working closely with the Leeds Bradford International Airport on the development of its strategic masterplan for the future, and are seeking to make maximum use of the Airport as a regional hub for international connectivity – facilitating greater trade between York and international markets, and equally encouraging greater interest from international markets in the York offer – for visitors, business, residents and students.
6. The Airport is currently undergoing a significant refurbishment, which is offering significant advertising opportunities for interested partners. Given the city's support of the Airport's recent development and its interest in working with the Airport on its internationalisation strategy, the Airports Commercial Team have offered a discounted package to the city of York for promotion of the city in key spaces around the terminal, arrivals and departures halls and lounges in the LBIA.
7. The Council is working with partners currently to improve access from York to the Airport, and as part of this it is looking at how it can facilitate the introduction of transport options potentially via a bus link, although conversations have been delayed while the Council develops a more viable approach with which to engage the private sector in these opportunities.

### **The proposal**

8. The proposal is to invest c. £10K in the design of a campaign, and c. £75K per annum for initially one year with the option of renewing that campaign on a rolling 12 month campaign.
9. Given the close working relationship of the Council to the Airport, there is mutual benefit to the campaign and thus the city is being offered a package that provides very good value for money. However, such a campaign could be rolled out with the option of considering further airport options in due course.

10. The **primary target audience** for the campaign is inbound passengers – both leisure and business, and our **primary target airlines would be** British Airways (particularly the London link flights but also other flights); Monarch and Ryanair.
11. The mechanism for generating interest via these target markets will be a strategically targeted campaign designed to build perceptions of the city as not only a great place to visit for history and heritage (for which the city is most widely known), but as a great place to visit for a wider audience as well as to invest as a business and student.
12. Specifically, the campaign will aim to attract:
  - Leisure visitors – particularly those of younger and more diverse backgrounds
  - Business visitors
  - Inward investors
  - Students
13. To develop the design concept, the proposal is to invest up to £10K in the design of a campaign that will showcase the city as a dynamic modern but historic and unique city, with much to offer the visitor, business, student and potential resident market.
14. The campaign will then be rolled out at a cost of £75K per annum for a package of sites offered by Leeds Bradford Airport. With over 450 flights per week, LBIA will offer the city the opportunity to advertise to a market of 2.7 million passengers a year, from a total of 75 destinations, including cities in over 25 international countries.
15. The package offered includes:
  - One (1) strategically positioned light box in International Arrivals
  - A large section of International Arrivals corridor prior to Immigration
  - Banner on the wall at top of stairs on entering the International Arrivals corridor
  - The British Airways Baggage Belt 4 (A frame and 2 floor to ceiling wall vinyls)
  - 100 Airport luggage trolleys (200 sides)

16. The proposal will be for a 12-month initial contract with LBIA with an option of renewing at the end of this period for a further 12 months.
17. The targets that the campaign will seek to achieve are as set out below:
  - An increase in leisure and business visitor inquiries via Visit York and other official agencies promoting the city
  - An increase in inward investment inquiries via CYC and other official agencies promoting the city as a destination to do business
  - Increased awareness of the York offer with the international passengers arriving through LBIA
  - An increase in student enquiries at the city's Universities and Colleges
18. In order to measure these indicators, the Council will use existing monitor/evaluation methods where possible, but is looking into the potential of an onward visitor survey as part of the package that may be rolled out alongside the campaign, pending cost/resource required.
19. The proposal would be the first step in exploring further potential packages of activity. The Council and Visit York are working together to explore potential editorial content for in-flight magazines on the city, and there is the potential for in-flight videos on landing into LBIA (similar to a recent campaign rolled out by Liverpool on flights into Liverpool John Lennon Airport. Further potential options include closer working between Visit York and online ticket booking operators to link in offers for visitors to York.

### **Council Plan**

20. The proposals will directly contribute to the delivery of the Council Plan Priority to Create Jobs Grow the Economy, through generation of greater trade activity expected from the campaign, both for local tourism business and for business investment in the city more widely.

## **Implications**

### Financial

21. The Council has already committed to investment in the EIF from which funding for this project is to be derived.

### Human Resources

22. There are no human resources implications arising from this report.

### Equalities

23. There are no equalities implications arising from this report.

### Legal

24. There are no legal implications arising from this report.

### Crime and disorder

25. There are no crime and disorder implications arising from this report.

### Information Technology

26. There are no information technology implications arising from this report.

### Property

27. There are no property implications arising from this report

### Other

28. There are no other implications arising from this report.

## Risk Management

29. The risks associated with this report are similar to those of any marketing or promotional spend – that the results anticipated do not materialise to the extent predicted.
30. Two measures are in place to mitigate this risk: (a) the design of the concept will be minimised to the greatest extent possible – via the limitation of the design budget to no more than £10K; and (b) the adoption of an initial £75K contract – which at the end of the first 12 months will enable CYC and Visit York to measure the impact from the campaign before the Council agrees any extension to the campaign.

## 31. Recommendations

Members are recommended to agree an EIF bid of £85K for the promotional activity set out above with Leeds Bradford International Airport.

Reason: To maximize access to international markets and meet the city's ambitions of being a top 5 UK city and top 10 European city by 2015.

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<b>Wards Affected:</b> All			
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**For further information please contact the author of the report**

**Annexes**

Annexe A – EIF Business Case: Closer Working with LBIA

**Background papers**

None