

Open Report on behalf of Richard Wills, Executive Director for Environment and Economy

Report to:	Economic Scrutiny Committee
Date:	12 January 2016
Subject:	Place Marketing - Involving the Private Sector

Summary:

Greater Lincolnshire has ambitious targets for growth, with place marketing a potentially effective tool if targeted correctly. This report sets out how that targeting can be achieved.

Actions Required:

Members are asked to:

- i) Comment on relative benefit of the short and long term priorities.
- ii) Champion the need to commission a co-ordinated programme of activity for place marketing.

1. Background

Greater Lincolnshire has ambitious targets for growth reflected in our devolution proposal and the Strategic Economic Plan which is promoted by the Greater Lincolnshire Local Enterprise Partnership (GL LEP).

Over the past 3 months we have met and discussed how place marketing in Greater Lincolnshire can successfully support and achieve these aspirations for growth with over 30 businesses and stakeholders. There are a number of important messages emerging from these discussions, including:

- A coordinated approach to marketing is critical to the success of a place marketing strategy.
- Collectively we need to ensure that robust communications are in place to explain and sell the story to potential future investors, businesses, visitors and residents i.e. segmenting the market/target audience. This will complement the inward investment and investor development protocols already in place.
- Competing demands for a limited supply of private/public sector marketing investment capital means that through coordination, better value for that

investment can be delivered. This can reduce the risk of a fragmented approach that could damage holistic growth aims by providing mixed, or at worst, contradictory messages.

Our thinking has evolved from an exclusive emphasis on place marketing; by working with our 'Invest Lincolnshire' colleagues we have formed a **Framework for Investment and Growth in Greater Lincolnshire**. This strategy will set out how we aim to boost investment into Greater Lincolnshire. Our approach is holistic and collaborative to achieve the ambitious plans for growth set by the Local Enterprise Partnership.

Collectively we will broadcast Greater Lincolnshire to a wider audience to win investment. This includes:

- attracting and retaining businesses
- supporting businesses to create jobs
- appealing to new and highly skilled residents and students
- and enticing visitors to Greater Lincolnshire

Attracting investment is not exclusively about marketing and promoting the place; we must meet the needs of the different audiences we want to attract, providing a first-class service by:

- Developing and maintaining strong, positive working relationships across industry sectors in Greater Lincolnshire.
- Drawing on the expertise and enthusiasm across the county's business community to bring to life the reasons why Lincolnshire businesses are flourishing and why people enjoy working and living in the county.

Identifying our audience is critical and has been the first step to understanding and meeting their needs.

The table below shows how we have segmented the market/target audience.		
INVEST	VISIT	LIVE
Existing businesses looking to invest in growth	VFR Day visitors Short break Family/coast Heritage and culture enthusiasts Outdoor activity participants	House builders
New businesses Inward investment Businesses looking to relocate Supply chain development	Tourism businesses Event's organisers Attraction managers	Skilled People Doctors/nurses/ health care professionals Agri-food technical Skilled engineers

Intermediaries Agents Developers Financiers Contractors Investors	Destination Marketing Organisations Tourism themed groups (e.g. Farm Stay, Farm Attractions, Hotel Associations, etc.)	Students (attracting into higher education) Retaining talent
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The next step was to draw on our expertise, research and feedback from a variety of businesses to explore what the audience is likely to want and how we attract them. There were four key areas that presented as strong and reliable attractors:

1. Investment opportunities
2. Business Intelligence
3. Quality of life
4. Account management/Business support

We are now working on an action plan to show what specifically we require to meet the needs and how we can deliver. We will also be presenting a business case to the Greater Lincolnshire Local Enterprise Partnership detailing our long-term vision to deliver sustainable and profitable growth but specifically a focus on what can be delivered over the next 18 months. Specific objectives will be set within a context of the LEP's ambitions for growth and progress needs to measurable.

We welcome feedback on identifying short term and long term priorities:

Investment Opportunities:

1. Site specific information for development land and commercial property, together with helpful intelligence about the area – local demographics, research, regeneration initiatives, transport and travel, development land, up-to-date local information.
2. Enhancing our relationship with UKTI and promoting the benefits of investing in Lincolnshire.
3. Specific inward investment plan focussing on understanding the opportunities from China following the Hunan delegation.

However, consideration needs to be given to our low business location index score (GrantThornton Place Analytics insight, October 2015), which shows the performance of areas attracting foreign-owned businesses and UK businesses considering relocating. Identified as low quality/low cost presents the challenge of 'regenerating and restricting the local economy, in part by marketing the area to niche sectors where access to markets is less critical and where cost is more of a concern.' The report identifies important implications in the development of inward investment strategies:

Economic Performance: Inward investors and businesses considering location are keen to understand how well the economy of an area is currently performing. Equally weighted criteria included economic scale, productivity, knowledge-driven businesses and business and enterprise.

People and skills: The skills of the workforce and characteristics of the local labour market are critical considerations in business location. Equally weighted criteria included economically active workforce, skills and qualifications, knowledge worker and labour market.

Environment and infrastructure: The characteristics of an area's environment and infrastructure are the third key consideration for inward investors and businesses considering location. Equally weighted criteria included connectivity, innovation and quality of life.

Account Management:

The LEP Growth Plan Investor Development states: 'It is important to note that over 70% of all new investments come from investor development i.e. FDIs that are already in the local area. It is vital therefore to have this account management approach ...'

1. 'Investor friendly' by providing a trusted single point of contact, the right information, intelligence, suggested itineraries, knowledge of the area, etc. Offering a supportive service to investors. Attracting, developing and retaining relationships with investors.
2. Supporting foreign owned companies and large indigenous companies with the aim of retaining and increasing the workforce and/or investment. Business advice based on growth plans.

Promotion:

1. Lincolnshire Advocates to inspire and share in their success:
 - i. Bringing together networks of companies to cooperatively market Greater Lincolnshire.
 - ii. Create and maintain a positive image of the area amongst the businesses of Lincolnshire and disseminate those strong messages creatively to talk to investors and the media.
 - iii. Draw on the expertise and enthusiasm across the county's business community to bring to life the reasons why Lincolnshire businesses are flourishing and why people enjoy working and living in the county.
2. Create and maintain a positive image of the area amongst the people of Lincolnshire and disseminate those strong messages creatively to talk to visitors, investors and the media. By drawing on the authenticity of the area and the people we would set a truthful expectation of the experience, and tell these stories when communicating to stakeholders.
3. Concentrating promotion on specific sectors so skilled individuals have confidence that there is career progression within the area.
4. Focus on creating and promoting the destination as unique. Utilise thematic projects to collaborate across district and county boundaries ensuring tourism is joined up and aligned with the government's ambitions to grow tourism outside London.

It is advisable to bear in mind that the visitor economy in particular is recognised nationally as being fragmented, with a "difficult mosaic" of over 200 Destination Management Organisations (DMO) nationally (plus parts of the country, and Greater Lincolnshire, not covered by a DMO at all). The recent LEP Business Live event demonstrated the disjointed promotion of the county currently and obvious areas of duplication as noted by both private and public sector delegates.

We ask for your support in addressing fragmentation and in doing so achieve better use and management of resources.

Evidencing Success:

Without intelligent information on our existing product, what is currently being done and the ability to have a starting point/benchmark to develop from, we will not be able to evidence the impact on growth.

Work in progress for LEP: Business plan: April 2016 – December 2017

We have identified four specific outcomes to support the above priorities. We are currently working on the detail of these and investigating associated costs and resources to deliver the following within an 18-20 month period.

Toolkit: Free to access and the first step to creating a network of businesses to cooperatively market Greater Lincolnshire.

Website: If we are to effectively reach any of the goals, there has to be a conduit for information – a website that promotes Greater Lincolnshire as a great place to invest, work, live, visit and study.

Hotel Investment: There is a recognised need for more hotel investment, agreement that there has been a piecemeal approach to this in the past and that we may not have been supplying the sort of information that a potential investor would require. A Lincolnshire-wide approach and no mixed messages are necessary to achieve growth in this area.

Develop Sustainable Model For Future: Initial feedback has suggested an arm's length organisation to Lincolnshire County Council would be needed to achieve 'buy-in' from the private sector. There would be a coordinating role to 'own' and drive forward the strategy and get support from stakeholders. Support and influence of LCC and the GL LEP is crucial to add gravitas yet autonomy is equally important to attract financial support and operate for the benefit of multiple stakeholders.

2. Conclusion

Place marketing can be effective, but it needs to be targeted. This report sets out how that targeting can be achieved.

3. Consultation

a) Policy Proofing Actions Required

n/a

4. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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