



Strategy and Business Plan

2011-2016

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Introduction

Cardiff & Co is the limited company established by Cardiff Council to draw together a strong public and private sector partnership with the aim of promoting Wales' capital city to the world.

It promotes the strengths of Cardiff as a destination of choice for people to live, work, invest, meet, study, visit, shop and play.

This Strategy and Business Plan presents the company's strategic vision for 2011-2016 as well as the practical activities it will undertake between 1 April 2011 and 31 March 2012.

This 5-year document has been assembled at the request of Cardiff Council who have committed to a new round of core investment in the company. In turn, renewed confidence in the company's longevity has resulted in fresh momentum being generated in the attraction of private sector investment.

As such, 2011-2016 represents the second phase of Cardiff & Co's development – a phase where the company will be in a position to focus entirely on delivery.

Section One – About Cardiff & Co

What's the “Co” in Cardiff & Co?

Cardiff & Co was founded in 2007 on the back of a £500k annual investment by Cardiff Council and Harbour Authority over an initial three year period. As the company made important strides forward in 2009-10, it managed to build on its reputation, develop its networks and supplement its core funding with private sector investment and income earned via commercial activities. Despite much uncertainty, the company managed to sustain its activities during 2010-11, something that has been rewarded with a new commitment from Cardiff Council and a request for this 5-year Strategy and Business Plan.

Cardiff & Co's key investors at the start of the 2011-12 financial year were the St. David's Partnership, Cardiff University, Cardiff Airport and UWIC. In addition, the Cardiff Hoteliers' Association invested in the employment of the Cardiff Convention Bureau Manager. The company is grateful for this support.

Without the support of these organisations and companies, the work that Cardiff & Co delivers would not be possible. Their investment and that of Gold and Silver Corporate Champions, ensures that Cardiff has a promotional vehicle capable of competing with similarly structured companies elsewhere in the UK and further afield, thereby enhancing our capital's chances of economic success.

What geographic area does Cardiff & Co cover?

Cardiff & Co covers the whole of the Cardiff city-region although it has never sought to define what that means. It has taken the view that others will make their own decisions and will see themselves as being part of the Cardiff city-region if the Cardiff / Caerdydd brand helps their business be more successful. In that respect, it is informative that Cardiff & Co currently receives membership fees from companies as far West as Seven Sisters, as far East as Magor and as far North as Brecon.

Unlike Cardiff Council's restricted boundaries which results in a population of only 320,000, the Cardiff city-region features a population of around 1.4m within 45 minutes travelling time of the city centre. Factors such as the size of the labour market and overall population are important considerations in the assessment of the attractiveness of an area.

But what does Cardiff & Co do?

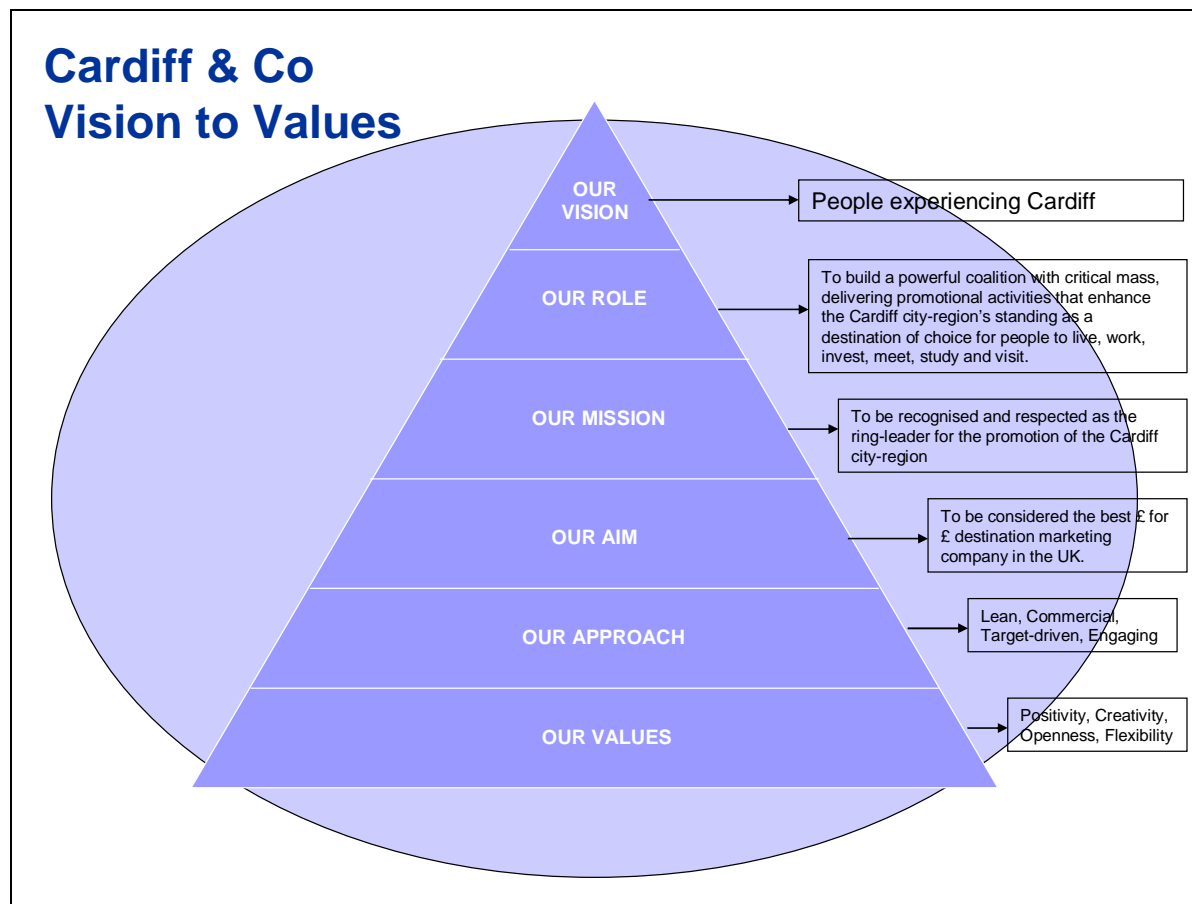
Cardiff & Co promotes Cardiff to the world as the ideal destination in which to live, work, invest, study, meet, visit, shop and play. A concise narrative addresses this issue in a little more detail and sets the context for the rest of this document.

The narrative includes a vision as well as a definition of our role, mission, aim, approach and values. The vision is not meant to be a strapline or any sort of marketing device. It is strictly a concise encapsulation of the outcome that Cardiff & Co is seeking to achieve.

The vision statement highlights the fact that Cardiff & Co is about *people* – tourists, business people, students, shoppers etc – so that they are persuaded or enticed to *experience* the *Cardiff city-region*. The vision statement is an articulation of what we want to achieve rather than how we want to get there and therefore the focus is on the end game rather than any inputs that might be required.

See figure 2 for Cardiff & Co's vision through to values.

Figure 2: Cardiff & Co vision to values



As well as defining what a company stands for, it is also helpful sometimes to articulate what a company does and doesn't do – see Table 1 below.

Table 1: What Cardiff & Co does and doesn't do

<p>Cardiff & Co:</p> <ul style="list-style-type: none">• Doesn't have market leading budgets• Doesn't chase funding for the sake of it• Doesn't focus on marketing activities inside the Cardiff city-region• Doesn't fund other organisations• Doesn't manage the Cardiff product• Doesn't spend much on advertising• Doesn't market itself• Doesn't spend what it hasn't got• Doesn't lobby• Doesn't have a large staff complement• Doesn't contract work out that it can deliver itself• Doesn't just promote the city of Cardiff	<p>Cardiff & Co:</p> <ul style="list-style-type: none">• Does adopt a commercial approach so that money can be generated for re-investment• Does invest the bulk of its money in activities with an impact outside the Cardiff city-region• Does invest in other organisations if there's a clear ROI• Does work closely with its investors to ensure shareholder value• Does tell people what it's doing and what it's achieved• Does work with others to deepen its impact• Does take some risks in order to achieve cut-through• Does innovate, thinks laterally and does creative things• Does spend wisely• Does have an opinion from time to time• Does promote the Cardiff city-region
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Achievements in 2010-11

A full breakdown of Cardiff & Co's achievements is outlined in the company's Annual Review 2010-11. However, the highlights during 2010-11 included:

- The development of the Cardiff iPhone App

- The critical role of the Cardiff Commitment in the retention of the Speedway Grand Prix for Cardiff and the recapture of Rugby League's Millennium Magic weekend
- Continued growth in the Cardiff Tourism Network's membership
- The launch of the Cardiff Commercial Property Finder
- Further improvements to Cardiff's online presence, generating over 1.2m visitors
- Significant growth in the number of social media related followers, friends and connections
- The successful staging of a number of events, including the Cardiff Ambassadors Gala Dinner in Cardiff and Cardiff Ambassador events in London
- Successfully campaigning in partnership with the Council and others for the electrification of the main line between London Paddington and Cardiff
- Attraction of £1.1m of confirmed conference business for the future and £858k of completed conference business during 2010-11
- Delivery of £1.85m of media coverage on an editorial equivalent value basis
- Retention of existing investors and securing of new investors

Section Two – The Context and the Product

What is the UK Economic Context?

The UK, in common with most other parts of the world, has experienced a significant amount of economic turbulence since 2008. And despite the fact that the economy is no longer in recession, economic growth is lower than the historical trend of c2.5% and is likely to be tested further when the full impact of the tightening of the public purse is felt during 2011-12 and 2012-13.

Two factors are contributing to the challenging economic outlook.

Firstly, inflation remains stubbornly high. At the time of publication of this document, inflation stood at 4.5%, despite the fact that the economy as a whole has appeared to show restraint in terms of wages. Inflationary pressure has mostly come from increased commodity and energy costs, with the result that disposable income levels have been adversely affected.

Secondly, the budget deficit has been tackled via a combination of budget cuts and tax rises. This means that most people will see a reduction in either their level of take home pay or the benefits they receive.

Clearly, the factors above have already resulted in lower levels of consumer confidence and a lack of appetite or ability amongst some businesses to access capital for investment when the market for their products and services has contracted.

This climate presents continued challenges for the UK economy, especially in areas highly dependent on public sector jobs.

What about the Cardiff city-region economy?

Many parts of the Cardiff city-region economy have the kind of public sector dependency outlined above. In particular, efficiency savings at local authorities, in the Welsh Government's Civil Service and in other agencies will have an unavoidable impact on consumer confidence as a result of job losses and reduced levels of expenditure with private sector suppliers. However, much of the impact here will be drip fed into the economy over a period of years with local authorities in particular choosing different solutions to the same types of problem.

The inward investment market has been fairly limited over the last five years with the double impact of increasing competition across Europe and globally and fewer investment enquiries.

At the same time, however, areas such as tourism have seen dramatic increases in visitor numbers and visitor spend over the last few years. The latest Steam figures, the industry recognised survey for tourism destinations, show that Cardiff welcomed over 18.3m visitors in 2010 an increase of over 25% on 2009. In addition, visitors generated almost £852m for the Cardiff economy, an increase of 16.7% over the previous year. When the "St David's effect" is stripped out, the figures still show an increase in visitor numbers and spend despite the difficult economic climate.

In the field of business tourism i.e. conferences, the city-region has seen a challenging year or so. RevPar, the hotel industry's favoured performance measurement, has declined slightly in Cardiff in some year on year comparisons recently. This can partly be attributed to the supply of hotel rooms having increased by around 30% since 2004. It can also be attributed to the belt tightening outlined in earlier sections as a result of reduced levels of consumer confidence and public sector cuts. The latter, in particular, has

led to hotels and venues across the Cardiff city-region seeing a sudden decline in their public sector sourced meetings and accommodation revenues. And the decline in consumer confidence has led to many confirmed conferences and events taking place with fewer delegates and attendees than had originally been anticipated. So far, however, there have been only a limited number of outright cancellations.

And the future prospects for the city-region economy?

The situation for the Cardiff city-region is far from doom and gloom. Indeed, the Cardiff city-region is relatively well placed to emerge from the current climate with its competitive position enhanced despite feeling the effects of the problems outlined above.

The transformation of the city which was started in the 1990s and sustained into the 2000s thanks to a can-do attitude and genuine ambition, continues apace.

On the infrastructure front, Cardiff Council and the Welsh Government will invest £60m between them in the development of the new Central Business District which will, in turn, unlock around £100m in private sector investment. Furthermore, the Council has reiterated its commitment to the development of a Convention Centre as part of this project and its wider effort to transform Wales' capital city into a destination recognised as being business friendly.

At the same time, the UK Government's commitment to electrify the main railway line between London and Cardiff will see the travelling time reduced by around 20 minutes, making London – a key gateway to the world – more accessible to Cardiff city-region businesses.

And a compelling case is being built for the electrification of the Valley Lines into Cardiff which will result in a more resilient network with newer trains, shorter journey times and more frequent services.

In the creative and media sector, the BBC will begin filming from its new Drama Village in Porth Teigr from the Summer of 2011 onwards, a development that will strengthen the city-region's profile in this sector and help attract fresh investment by media companies from other parts of the UK.

In the professional and financial services, Admiral, the city's flagship FTSE 100 company continues to grow, drawing on a talented pool of well educated and rewarded staff. Indeed, such is the company's confidence in its prospects and that of Cardiff, it is investing in the construction of a flagship 220,000 sq feet headquarters in the heart of the city centre.

In the tourism sector, investment in the city's hotels continues to grow with new hotels scheduled to be built in the city centre and bay during the lifetime of this document. At the same time, Cardiff continues to be a world class venue for major events with the Millennium Stadium's presence in the centre of the city being a world leading USP, something recognised by the decision to quite literally "kick-off" the London 2012 Olympics in Cardiff via the hosting of a large number of the football matches. And the city's retail performance continues to impress, not least because of the positive impact the St. David's Centre is having on footfall across the city but also because of dynamic new developments such as the city's Castle Quarter where individually owned shops and units provide a welcome contrast to the large chains elsewhere in the city.

There are also positive stories to tell in the city's remaining priority sectors, including ICT, BioSciences and Environmental technologies.

And across all sectors, the city-region labour market continues to benefit from an extremely strong University presence, including two of our Investor Members in the shape of Cardiff University and UWIC. With over 60,000 undergraduates in the city-region, the Cardiff labour market is young and well qualified, comparing favourably with most if not all of England's core cities and providing potential investors with the most important ingredient they are looking for - a high quality workforce

So, there are many economic challenges still to be faced. But at the same time, the Cardiff city-region product continues to be enhanced. It is against this backcloth that Cardiff & Co will champion the city-region's cause from 2011-12 onwards.

And how about the quality of life on offer in Cardiff?

Helpfully, the quality of life on offer in Cardiff helps reinforce Cardiff's attractiveness across the range of Cardiff & Co's marketing agendas – live, work, invest, study, meet, visit, shop and play.

For example, Cardiff has been made EU Capital of Sport in 2014. This recognises the city's rich sporting heritage but also the state-of-the-art facilities on offer across the city-region, including the Cardiff International White Water and Cardiff International Pool

in the Bay and other impressive facilities such as the Millennium Stadium, Cardiff City Stadium, SWALEC Stadium and Cardiff International Athletics Stadium.

Cardiff is also seen as a city of parks, with the remarkable Bute Park and surrounding areas invariably impressing visitors to the city, not least when fans walk that way to get to the SWALEC Stadium for an England international cricket match.

And on the theme of events, Cardiff has a truly world class reputation in delivering major events, including FA Cup Finals, the Rugby World Cup, pop concerts featuring artists like Madonna and U2, key parts of the Ryder Cup programme and motor sport events such as Speedway Grand Prix.

In the field of arts and culture, Cardiff benefits from the world renown Welsh National Opera and is the biannual host of the BBC Cardiff Singer of the World Competition. It is also the home of the Wales Millennium Centre – one of Wales’ most iconic buildings but one which is also alive with the sounds of performances and creative people going about their daily work.

Cardiff is also home to the National Museum in Cathays and in St. Fagans – two contrasting yet enthralling facilities that for different reasons have the capacity to inspire their visitors with world class exhibits, exhibitions and interpretive facilities.

And finally, Cardiff is a waterfront city, home to the Senedd – the seat of Government in Wales – and part of a nation with a proud heritage and culture, including its own language.

So, what could the Cardiff city-region do better?

Although product development is not a core part of Cardiff & Co’s remit, its role as the city’s marketing company does result in it being passed feedback on what the city needs in order to continuously improve its positioning.

The most frequently raised issue is the need for a Convention Centre in the city centre – a convention centre that would enable the city to more effectively market itself as a business tourism destination and start targeting those conferences that are currently outside its reach.

Another frequent issue raised is the lack of a Michelin Star Restaurant in Cardiff. Fine dining is seen as key by many to the attractiveness of a city, particularly for those with high disposable incomes.

The need for an increase in the choice of destinations connected by air to Cardiff is also raised frequently as is the need for a relief road around the M4 Brynglas Tunnels near Newport.

And finally, Cardiff's night-time economy is also a source of negative comment, although it is mostly focused on anti-social behaviour as opposed to violent disorder.

It's interesting to note that progress is being made on most of the issues above apart from the M4 Relief Road which the Welsh Government has ruled out.

Cardiff & Co will continue to raise these issues with those relevant in order to ensure that the city region's product development is informed by deep engagement with the private sector.

Section 3 – Positioning the Product

How do people currently perceive Cardiff?

The simple answer to that question depends on whether they've been here or not. Those that haven't been to Cardiff and the wider city-region tend to be under the misperception that it is further away from London than it actually is. The Severn Bridge toll is also seen as a deterrent to visit because of the additional cost and inconvenience. They also don't have great expectations of the city and often associate it with negative stereotypical perceptions of Wales.

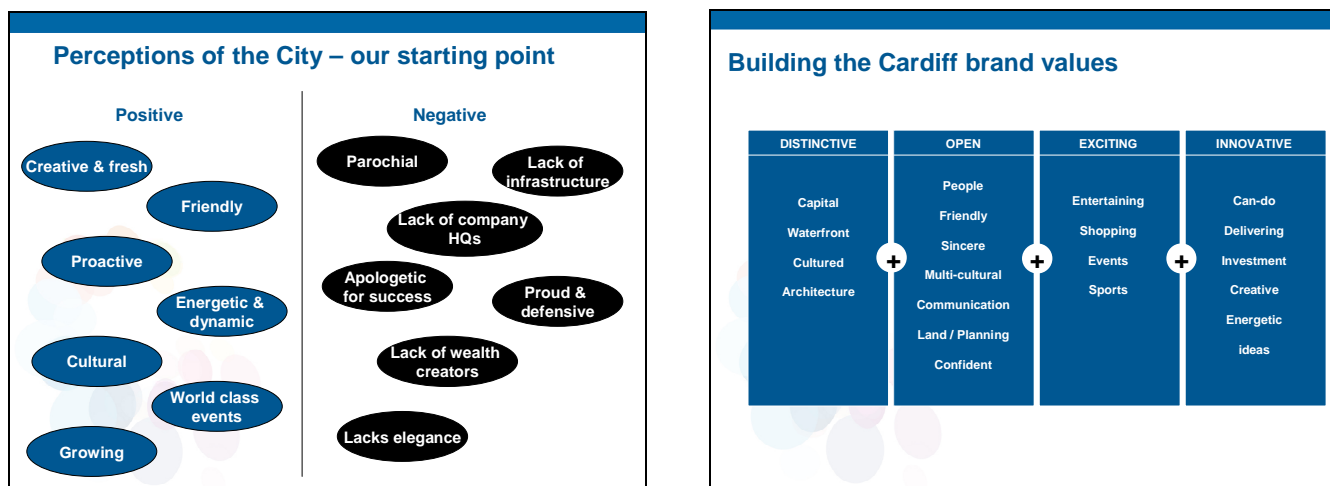
In the business context, those who don't know Cardiff and the city-region mostly wouldn't describe it as a business friendly city with their perceptions being coloured by outdated impressions of an economy dominated by heavy industry.

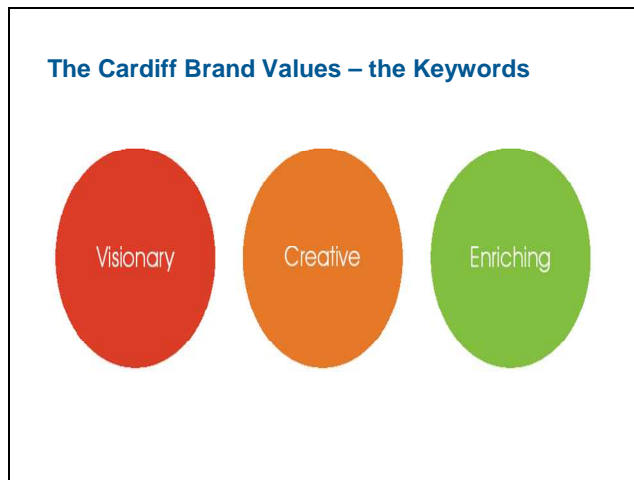
On the other hand, those that come to Cardiff for the first time find their expectations exceeded. The Cardiff Visitor Survey 2010 found that almost 99% of the 1282 people interviewed would recommend a visit to Cardiff to somebody else with 77% saying that they definitely would.

What is the Cardiff Caerdydd brand?

This Strategy and Business Plan focuses on the promotion of the Cardiff city-region in accordance with the Cardiff Caerdydd brand values that were developed in 2008. The brand values remain relevant and the Cardiff Caerdydd brand mark remains the symbol around which the Cardiff & Co marketing effort gravitates.

Figure 1: Developing the Cardiff Caerdydd brand values and brand mark





The brand values have the scope to be complemented by one or more strapline and be presented via creative and engaging executions.

How do people currently obtain information on Cardiff?

Apart from analysing our web statistics which show a steady year-on-year increase in the number of visitors to our websites, the Cardiff Visitor Survey provides some helpful insights into the way people find out about Cardiff before they visit.

Use of the internet to help plan a visit jumped from 21% in 2009 to 40% in 2010. Other information channels such as leaflets / brochures (7%), guidebooks (7%) and the use of the Tourist Information Centres (10%) fell compared with 2009. Other sources included information obtained during a previous visit (39%) and word of mouth / recommendation (21%).

These findings show that the internet is an increasingly important channel for potential visitors. It also reinforces the earlier point about the positive impression Cardiff leaves on people who visit with the high levels of repeat visits and visits following a recommendation.

What are Cardiff's Priority Sectors?

The priority sectors for this Strategy are entirely consistent with the "A Competitive Capital" Economic Strategy 2007-12 and are considered relevant for the 2011-16 span of this document. The key sectors are:

- Professional and Financial Services
- Media and Creative
- Bio Science (Life Sciences)
- ICT
- Leisure and Business Tourism

In addition, increased importance is placed on the environmental technologies sector, not least because of its strong link with the third mission of the city's Universities but also because of the importance placed on it by the Welsh Government as part of its efforts to position Wales as a sustainable nation.

What are the key factors informing the strategy?

The key factors are:

- Those who visit Cardiff for the first time are invariably impressed by the city
- Those visiting are almost certainly likely to recommend Cardiff to other people

In other words, the key driver for the strategy is our confidence in the quality of the Cardiff city-region product.

So, what is our Strategy?

It's simple.

Let's entice people to Cardiff for the first time and then let's keep in touch with them to get them back for more!

And in the meantime, let's encourage them to tell their friends about their visit, whether it be on business, to attend a conference or simply to enjoy some leisure time.

And let's work on the basis that today's leisure visitor might be tomorrow's conference delegate and the day after inward investor.

How are we going to do it?

The operational element of this document outlines in detail the measures the company will take to deliver its agenda. However, in short, the emphasis will be on:

- Cost effective methods of getting the message out, particularly PR
- Enhanced e-marketing activities, including further web developments and social media marketing
- A focus on greater exploitation of the Cardiff Ambassadors programme as a means of deploying a powerful network of advocates for the Cardiff city-region
- A focus on the London market and to a lesser extent, the South East of England, South West and West Midlands, in order to generate critical mass for our activities and target the largest and most accessible markets
- A concerted sales driven effort to increase business tourism and event based tourism stays as a means of generating direct economic benefit for the city-region but also in order to generate opportunities for the promotion of the city as an investment location, place of study and short break destination
- The development of two or three campaigns each year aimed at "turning up the volume" on our activities during times of opportunity or, in the field of business and leisure tourism, times when the city is quieter.
- Greater investment of time and money in customer relationship management
- Carefully selecting a limited number of bespoke activities overseas where partnership approaches to funding the activity and / or the potential outcomes offer very high levels of ROI

What are we trying to achieve?

The following key performance Indicators are identified:

- An improvement in the city hotel sector's Revpar performance
- An increase in the city's £ per sq foot rental for Grade A office space
- A year on year increase in the visitor spend for the city

Clearly, these are KPIs where Cardiff & Co can only take part of the credit and part of the blame should they be achieved or missed. More detailed performance Indicators directly associated with Cardiff & Co's activities are outlined later in this document.

However, as a proxy for the company's overall impact, it would seem reasonable to use the following as a KPI given that the private sector in particular will only invest in a successful company:

- An annual increase in the company's turnover

How will we structure our efforts?

See the table below.

Agenda area	Key proposition(s)	Target audience(s)	Key intermediaries / channels
Inward investment	Availability of well qualified and skilled labour market Availability of competitively priced office space Connectivity with London	Large companies, predominantly in London, the M4 corridor and South east possibly looking to relocate back office functions Smaller fledgling businesses in	Welsh Government UKTI Cardiff Ambassadors Property agents PR

	Proximity to Universities Speedy decision-making thanks to Team Cardiff approach Quality of life	the same geographic patch whose owners are looking to relocate, possibly to improve their quality of life Foreign direct investors seeking to establish a presence in the UK	Investincardif.com Linked-in Corporate e-newsletter Publications Media visits
Business Tourism and Major Events	Compact city centre Competitively priced Connectivity with London and other parts of the UK The Cardiff Commitment The jewels in the crown - Millennium Stadium, Wales Millennium Centre and Cardiff Castle Range and quality of hotel stock The top retail destination in the UK's South West Arts, culture, sport, entertainment befitting a Capital city	UK based associations, unions and public sector UK and internationally based academic conference organisers Meetings, Incentives, Conferences and Exhibition travel organisers Major event owners worldwide	Welsh Government Conference Agencies PR Cardiff Ambassadors Linked-In Meetincardiff.com Conference e-newsletter Venue Directory FAM and Media visits Individual venues and hotels in Cardiff Applicable Associations
Leisure Tourism	Cardiff Bay The jewels in the crown - Millennium Stadium, Millennium Centre and Cardiff Castle The top retail destination in the UK's South West	Families from Southern England looking for multi-destination short breaks Event goers / supporters Young people from throughout the UK, plus Netherlands,	Visitcardiff.com Essential Guide PR Twitter Facebook Consumer e-newsletter

	<p>A varied arts and culture offer Capital of Sport Fun packed On the doorstep of the Brecon Beacons, Vale of Glamorgan, the Valleys and Swansea Bay and the Gower</p>	<p>Germany, Spain, France and Italy Tour operators assembling packages Destinations connected to Cardiff or Bristol via air routes</p>	<p>Southern Wales Tourism Travel trade e-newsletter Media visits</p>
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Section 4 – Running the Business 2011-16

Cardiff & Co's greatest challenges 2011-2016

In order to deliver its agenda, Cardiff & Co must overcome a number of challenges. These are outlined as:

- To get people to think of the city-region, not just Cardiff, and recognise their interdependencies
- To get public sector institutions in Wales to match the private sector's enthusiasm for the capital city as a powerful brand to be exploited for wider economic benefit and as a reference point for the wider area
- To overcome the existing fragmentation of voice and develop a more unified and powerful approach
- To generate the income to make everything else possible

Our approach for 2011-2016

Consequently, Cardiff & Co's approach will be to:

- **Deliver** the Service Level Agreement (SLA) negotiated with Cardiff Council and enhance shareholder value – ensure that the Council's core requirements are satisfied and that added value is demonstrated to all investors and sponsors
- Focus on **quality** rather than quantity – do a small number of things well and be known for delivering high quality activities rather than letting standards slip
- Invest well in areas that generate the maximum possible **return on investment** – e.g. recognise the contemporary effectiveness of e-marketing and PR
- **Grow** the company – increase the turnover and secure increased levels of commercial income, particularly via business tourism, Corporate Champion investments and project buy-in.
- Strengthen our constituency – refresh and optimise the use of the Strategic **Board** in terms of its representation and expertise.

- Develop our **networks** – build on the success of the Cardiff Tourism Network and the Cardiff Ambassadors' Programme, recognising the value of networks in disseminating a positive message about the Cardiff city-region and Cardiff & Co
- From Cardiff city centre to Cardiff **city-region** – consistently articulate in terms of city-region so that the term gains currency and acceptance
- Get the Welsh Government to recognise the importance of the Cardiff city-region and facilitate **collaboration** on inward investment.

Our key words:

Delivery, quality, ROI, growth, Board, networks, city-region, collaboration

Financial Position

This section has been removed as it includes commercially sensitive information.

Budget management and treatment of income

The activity budgets outlined above will be controlled by a nominated budget holder. At present, the budget holders are as follows:

- Investment promotion – Head of Trade and Investment
- e-marketing and e-communications – MarComms Manager
- Network development – Head of Networks
- Commercial operations – Head of Commercial Operations
- Business tourism – Convention Bureau Manager
- Leisure tourism – Head of Networks
- PR and branding – MarComms Manager

The role of the budget holder will be to ensure that judgements are made in-year regarding priorities. In other words, although the value of the activities identified in the operational plan exceeds the budget available, the budget itself will not be exceeded.

It should also be noted, however, that the budgets quoted are gross budgets. In other words, the net expenditure might be lower than the budget due to receipt of income which has been catered for in “Other commercial income”, “Miscellaneous” or “Corporate Champions” where a contra arrangement is in place. To be clear, different types of income will be treated as follows:

- Investor member and corporate champion income – treated as corporate income and not used to offset individual budgets. Level of income monitored in-year to determine whether individual budgets can be increased or need to be reduced.
- Business and leisure tourism commission - treated as corporate income and not used to offset individual budgets. Level of income monitored in-year to determine whether individual budgets can be increased or need to be reduced.
- Project buy-in / sponsorship – where a member of the team is able to secure buy-in to a project from partners, the income raising potential over and above that budgeted for can be used to seek approval for increases in budgeted expenditure.
- One-off funding allocations for a specific project not covered within the income projections – added to the appropriate budget line
- Other one-off funding allocations – treated as corporate income
- CTN Membership, Advertising, ticket sales and other miscellaneous forms of income – treated as corporate income as these funds are already taken into account in assembling the e-marketing and the leisure and business tourism related budgets.

Overheads, including staff costs

Although the proportion of expenditure on labour and overheads appears high in relation to the expenditure on activities, the reality is somewhat less stark.

Unlike most public and private sector organisations, Cardiff & Co does not contract out for services such as PR support and copy-writing. Instead, Cardiff & Co delivers all of these activities in-house. Examples include:

- All of the copy on the suite of Cardiff & Co websites is written in-house
- The copy for the Cardiff Investment brochure was written in-house

- The Cardiff & Co Annual Review is written and designed in-house
- All Cardiff & Co advertisements are designed and written in-house
- All of Cardiff & Co's PR activities are delivered in-house

As a result, the activity budgets outlined above are a little misleading as they do not take into account the staff time spent delivering in those areas and therefore, do not represent the totality of the activity. For a fuller picture on Cardiff & Co's delivery during 2011-12, please refer to the section on "Activities" and for a summary of its activities during 2010-11 please refer to the Annual Review 2010-11.

The projection for overhead expenditure shows an initial 10% reduction which we aim to achieve by securing contra arrangements with the suppliers of certain services followed by modest increases from 2012-13 onwards. The increases – around 2.5% per annum – reflects the following:

- annual inflation of >3.0%
- an increase in credit card payment commission charges payable by Cardiff & Co
- but a continuing offsetting effort to drive down overheads via robust procurement

In terms of staffing, the budget shows a very small increase over the period of this Strategic Business Plan (6% between 2011-12 and 2015-16). The intention is to use the staffing budget to take advantage of subsidised student placement opportunities from time to time afforded by the Go Wales programme and depending on the nature of the market, employ short term staff to provide added impetus to the business tourism agenda. There are some risks linked with allocating such a small increase, including the reliance currently placed on a secondment arrangement with the Welsh Government and the £15k contribution per annum received from the Cardiff Hoteliers' Association towards the cost of the Convention Bureau Manager post. If either of these arrangements ceased, it would result in the budget and / or staffing having to be revisited.

Working on the basis that these risks won't materialise, the intention is to keep staff costs under close control. However, this does not rule out making changes to the staffing structure or changing individual levels of remuneration. Should either or both be necessary, proposals will be put to the F&GP Committee.

Strategic Relationship with Cardiff Council

It is recognised that for this Strategy and Business Plan to be successful, the excellent strategic relationship between Cardiff & Co and Cardiff Council needs to be maintained. Underpinning the relationship are regular quarterly performance review meetings between the parties as well as informal update meetings held on a monthly basis. Furthermore, the Council's Service Redesign Project is likely to result in yet deeper levels of mutual understanding between the Council and its destination marketing company.

Section Five – The Operational Plan

Performance Indicators

The Performance Indicators have evolved and been updated over the last couple of years and the table below shows the upward trajectory in all areas. There are slightly fewer PIs for 2011-2016 but they continue to demand year-on-year improvements in performance.

No	Item	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Comments
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		actual	actual	actual	actual	target	target	target	target	target	
1.	Total web visits (sessions) to Cardiff & Co websites	631,692	901,624	1.374m	1.232m	1.5m	1.7m	1.8m	1.9m	2.0m	Reduction entirely due to rationalisation of web stats packages used
2.	Business Tourism: value of business generated through Cardiff & Co from completed events	£819,433	£1,035,273	£1.2m	£858,299	£1.2m	£1.5m	£1.7m	£1.85m	£2.0m	
3.	Business Tourism: new business in pipeline for Cardiff for next financial year onwards	n/a	£1,331,124	£2.36m	£1,110,203	£1.3m	£1.6m	£1.9m	£2.2m	£2.5m	
4.	Media Coverage: Editorial Equivalent Value	£1.175m	£766,000	£1.565m	£1.86m	£1.7m	£1.9m	£2.0m	£2.1m	£2.2m	
5.	Number of Cardiff Tourism Network members	100	140	164	173	190	205	220	230	235	
6.	Delivery of annual non-Cardiff Council income (excluding VAT) and including value of in-kind support	n/a	£416,079	£554k	£411,900	£480k	£500k	£520k	£545k	£570k	Includes value attributed to contra deals and external contributions to secondments (excl. Council)
7.	Number of business investment enquiries generated	n/a	n/a	44	36	150	200	250			
8.	Value of leisure tourism bookings made directly via Cardiff & Co's on-line booking system	£102,708	£160,778	£136,738	£62,565	£70,000	£80,000	£90,000	£100,000	£110,000	Reduction in 2010-11 due to focus on CTN members rather than

table will give a clear indication of the approach the company will adopt in order to deliver the KPIs and PIs identified in the previous sections. Where possible, indicative budgets have been provided to give an idea of the rough cost of the activity.

Heading	Types of Activity	Lead	Timescales	Indicative budget (where more than £1k)	Comment
PR and Branding	On-going programme of PR covering breadth of the Cardiff & Co agenda	Hywel Thomas	On-going	n/a	
	Programme of media visits	Hywel Thomas	On-going	£3k	Targeted approach to be adopted with a focus on high value media and on increasing the proportion of media coverage obtained in the investment promotion field.
	Exploitation of events and launches to generate media coverage e.g. Heineken Cup Final and Amlin Challenge Final, St. David's Week, Hay Book Festival, The Big Cheese Festival and the opening of the BBC's Drama Village	Hywel Thomas	Ongoing	£4k	
	Delivery of joint media campaigns with partner organisations such as the BBC, Wales Millennium Centre, St. David's Centre etc.	Hywel Thomas	Ongoing	£2k	
	Continued updating of the Cardiff media pack for general usage	Hywel Thomas	Ongoing	n/a	

	around big events				
	Targeted welcoming and hosting activities for media in partnership with Cardiff event organisers e.g. Six Nations rugby, Speedway etc	Hywel Thomas	Activity will depend on date of events.	£3k	But seek to reduce via partner contributions.
	Reproduction of the Cardiff pocket map	Anna Garton	May 2011	£5k	Maps were extremely popular during 2009-10 and were equally valued by leisure and business tourists.
	Production and distribution of portfolio of Cardiff & Co e-newsletters	Hywel Thomas / Ed Townsend	On-going	£1k	Need to renew templates for: Visit Cardiff Newsletter Convention Bureau Newsletter Travel Trade Newsletter Corporate Newsletter "What's Occurrin?"
	Further development of high quality image library using Flickr to embed within web pages	Adele Page	On-going	£7k	Contract needs to be signed with photographer to enable us to use the images and share them with our partners
	Media Monitoring - PR Press Cutting service ongoing	Ed Townsend	Already in place	£4k	
	Corporate Publications – Print & Design	Adele Page	On-going	£2k	Covers Annual Review and the Strategy and Business Plan 2011-16
	Press Photography	Anna Garton	As necessary	£4k	
	Regular updating of research activities demonstrating how Cardiff compares with its competitor cities.	Ed Townsend	On-going	n/a	PR activity or production of publications to be considered on back of research.
	Production and effective usage of promotional merchandise (carrier bags, pens, mugs, pin badges etc)	Adele Page	June 2011	£4k	

	Other ad hoc PR and branding activities consistent with the company's strategy	Anna Garton/ Hywel Thomas	Ongoing	n/a	
e-Comms and e-Marketing	Maintenance and further development of existing and additional New Mind powered websites for the Cardiff city-region	Anna Garton	Annual	£18k	
	Migration of remaining websites from existing supplier to New Mind	Anna Garton	Annual	£22k	
	DMS Charges	Anna Garton	Annual	£5k	
	Continued promotion of the Cardiff iPhone App	Anna Garton	Annual	£1k	
	Annual bandwidth charges for Cardiff on Show	Anna Garton	Annual	£5.5k	
	Development work over sites to improve special offers capability, reporting and appeal	Anna Garton	July 2011	£2.5k	
	Continued development of content across all sites, particularly news stories, offers etc, in order to keep content fresh and sites highly ranked in search engines	Anna Garton	Ongoing	n/a	
	Additional e-mails for Communicator e-newsletters	Anna Garton	December 2011	£1k	
	Update and migrate foreign	Anna Garton /	September 2011	£7k	The cost will be reduced provided a contra

	language sites to new supplier, ensuring enhanced SEO performance	Adele Page			deal can be struck with a translation company in return for Corporate Champion status.
	Promotion of our new online marketing channels such as banner advertising, featured products etc	Anna Garton	Early September 2011	£500	
	Continued development of Cardiff & Co's social media activities, including via Twitter, facebook and Linked-In	Carys Pugh D'Auria, Anna Garton / Richard Thomas	Ongoing	£500	
	Other costs associated with ad hoc surveys, newsletters, ad word campaigns etc	Anna Garton	Ongoing	£1k	
	Other ad-hoc e-Communications and e-Marketing activities consistent with the company's strategy	Anna Garton	Ongoing	n/a	
Inward Investment	Further development and migration of www.investincardiff.com website as part of wider development referred to above.	Carys Pugh D'Auria & Anna Garton	Ongoing	n/a	
	Maintenance of Property Portal	Carys Pugh D'Auria	Ongoing	n/a	Evolvin will project manage the property portal in lieu of Silver Corporate Champion status. There are two advert spaces on this site which can either be offered as part of an investor package or can be sold.
	Further development of	Carys Pugh	Ongoing	n/a	The work here will include examining

	www.workincardiff.com and www.liveincardiff.com websites as part of wider development referred to above.	D'Auria & Anna Garton			the potential for linking up with head hunters, recruitment agencies, estate agents etc
	Copy-writing, design and print of Inward Investment Publications, eg: <ul style="list-style-type: none"> • Media and creative • Financial and Professional Services • ICT 	Carys Pugh D'Auria	Autumn 2011	£2k	
	Updating of Investors' Guide and digital publication	Carys Pugh D'Auria	Summer 2011	£2k	
	Updating of Top 10 Reasons to Invest in Cardiff and print	Carys Pugh D'Auria	Summer 2011	£2k	
	New pop-up stands as required	Carys Pugh D'Auria	Summer 2011	£0.5k	
	Viral marketing campaigns focused on priority sectors	Carys Pugh D'Auria	Ongoing	n/a	
	Online advertising to drive visitors to the website	Carys Pugh D'Auria	Ongoing	£5k	
	Subscription to relevant titles, networks, databases	Carys Pugh D'Auria	April 2011	£3k	
	Sector marketing: Four Cardiff Ambassador events in London to focus on key sectors	Carys Pugh D/Auria	May, July, Sept, Nov 2011	£20k	Costs to be offset by contra deals and sponsorships.
	PR for the above events	Carys Pugh	Ongoing	n/a	Consideration to be given to contra

		D'Auria			deal
	Develop sector information packs for journalists to include overview, company case studies and potential spokespeople (online and offline)	Carys Pugh D'Auria	Ongoing	£1k	
	Development and implementation of an @creative Cardiff festival as an umbrella identity for a number of events and activities already developed	Carys Pugh D'Auria	October 2011	£10k	Budget to be supplemented by contributions from elsewhere
	Launch of Financial Sector Skills Council Wales report in conjunction with Welsh Government sector team	Carys Pugh D'Auria	September / October 2011	£2k	
	London based activities with London Welsh RFC and Wales in London	Richard Thomas / Carys Pugh D'Auria	Ongoing	£7k	Part of the company's efforts to increase its visibility in London
	Event in association with the Cardiff Commercial Property Forum	Carys Pugh D'Auria	By end of March 2012	£2.5k	
	Presentation to Pension Fund Managers in London on the Cardiff 2020 Vision	Carys Pugh D'Auria	Autumn 2011	£3k	
	Visit programme for sectoral journalists and / or investment contacts	Carys Pugh D'Auria	Ongoing	£5k	
	Collaboration with Welsh	Carys Pugh	tbc	£5k	

	Government sector teams on selected key projects	D'Auria			
	Research on conferences and conventions focused on Cardiff's priority sectors so that the Convention Bureau team can follow up	Carys Pugh D'Auria	Ongoing	n/a	
	Other ad hoc activities consistent with the company's strategy.	Carys Pugh D'Auria	Ongoing	n/a	
Business Tourism	Further development of www.meetincardiff.com website as part of wider development referred to above. To include addition of sample itineraries, social programme ideas, maps / travel distances, subvention and assistance details etc	Anna Garton / Heledd Williams	Ongoing	n/a	
	Attend Meet the Buyer events, including C&IT, M&IT, for face-to-face networking and speed-dating sessions	Heledd Williams	Ongoing	£6k	
	Partnering with an organisation like Eventia to deliver an event in London targeting conference buyers	Heledd Williams	By end March 2012	£5k	
	A Cardiff based event to strengthen links with hotel and venues operational sales staff	Heledd Williams	July 2011	£3k	
	Use of Cardiff Ambassadors	Heledd	Ongoing	n/a	

	events in London to generate new contacts, entertain existing contacts and secure introductions to potential conference and event buyers	Williams			
	Quarterly Meet in Cardiff e-Newsletters and ad hoc editions as and when appropriate	Heledd Williams	Ongoing	£2k	Will include occasional distribution to a segmented market e.g. those within a specific geographic patch.
	Attendance of local networking events to build up awareness of the Convention Bureau's services and generates new leads	Heledd Williams	Ongoing	£1k	
	Staging of an event in partnership with a local business network e.g. IoD with the aim of generating leads from contacts outside the city-region	Heledd Williams	Ongoing	£2k	
	Data purchase, possibly sourced from C&IT or M&IT.	Heledd Williams	May 2011	£2k	
	Memberships, e.g. Eventia	Heledd Williams	Annual	£3.5k	
	Weekend FAM visits for conference organisers and agencies – 6 themed trips / year	Heledd Williams	Ongoing	£4k	
	Daytime FAM trips – 6 themed trips / year	Heledd Williams	Ongoing	£2k	
	"Super" Cardiff FAM visit for 30-50 buyers on the same weekend	Heledd Williams	January 2012	£15k	To be done in conjunction with all hoteliers, venues and attractions. Requests for Visit Wales support. Access to be negotiated to

					comp / discounted bedrooms, function rooms, entertainment and entry to attractions
	Attendance of networking conferences to maximise the membership benefits and networking opportunities of Eventia, MPI, SITE etc	Pat Crimp / Heledd Williams	On-going	£1k	
	Annual Licence and management of Convention Bureau enquiry response service – the Chaser system	Heledd Williams	Annual	£1.5k	
	Maintenance and use of the Velvet Software package – conference bookings.com – to secure overnight stays for Cardiff and drive up commission for Cardiff & Co	Heledd Williams	Ongoing and Annual	£9.5k	
	Investigate greater use of registrations.com and its functionality with the aim of selling the service to other users	Heledd Williams	Ongoing	£1.5k	
	Annual on site Chase systems training / updates	Heledd Williams	Ongoing	£1k	
	Publications – Print, Design & distribution of the Venue Directory	Anna Garton	By January 2012	£5k	
	Welcome desks at various conferences	Cheryl Walker	Ongoing	£1k	

	Other ad hoc activities consistent with the company's strategy	Heledd Williams	Ongoing	n/a	
Leisure Tourism and Retail	Discussion with the Cardiff Retail Partnership regarding a Xmas campaign using www.shopincardiff.com as the fulfilment route	Louise Prynne	October 2011	n/a	
	Further development of www.visitcardiff.com website as part of wider development referred to above.	Anna Garton	Ongoing	n/a	
	Further development of www.eventsincardiff.com website as part of wider development referred to above.	Anna Garton	Ongoing	n/a	
	Further development of www.shopincardiff.com website as part of wider development referred to above.	Anna Garton	Ongoing	n/a	
	Continued Membership of Southern Wales Marketing to promote Cardiff to the UK and overseas travel trade markets	Pat Crimp	On-going	£10k	
	Undertake additional travel trade activity to include B2B workshops, familiarisation visits, coach / group advertising, tour operator campaigns in partnership with Visit	Pat Crimp and Vicky Jones	Ongoing	£10k	

	Britain and other partners				
	To continue to build the travel trade database and improve the Cardiff product and package offer on the travel trade pages of the website and update the travel trade publication	Vicky Jones and Ai-Lin Kee	Ongoing	n/a	
	To communicate offers and new developments to the UK and overseas travel trade through e-newsletters and events	Vicky Jones and Ed Townsend	June, September and January	n/a	
	Tourism Publications - Print & Design - Essential Guide – 90,000 copies	Anna Garton	January 2012	£30k	
	Cost effective online consumer campaigns with relevant partners and production of consumer e-newsletters	Pat Crimp and Anna Garton	Autumn & Spring – newsletters bimonthly	£5k	
	To review membership benefits of the Wales Tourism Alliance	Pat Crimp	January 2012	n/a	
	Development of digital versions of the above guides, including accessibility via mobile	Anna Garton	March 2011	n/a	
	Other ad hoc activities consistent with the company's strategy	All	Ongoing	n/a	
Network development	Further development of the Cardiff Ambassadors' Programme via	Pat Crimp	Ongoing	£5K	

	quality recruitment, exploitation and events				
	Increase attendance and sponsorship levels at this year's Cardiff Ambassadors' Gala Dinner	Pat Crimp	November 2011	£30k	Potential Income: £20K
	Continue to develop a programme of quality London based Ambassador/Inward Investment events	Carys Pugh D'Auria and Pat Crimp	May, July & September 2011	n/a	
	To attend two UK Ambassador Networking Group Conferences	Pat Crimp	October 2011 & March 2012	n/a	
	To communicate regularly with Ambassadors through e-newsletters and revamp of dynamic Ambassador pages	Pat Crimp	Ongoing	n/a	
	Continued liaison with universities to offer services and collateral at Welcome/International Days	Ai-Lin Kee	Summer & Autumn 2011	n/a	
	Further development of relationship with University to exploit sector, key speakers and Alumni opportunities.	Richard Thomas, Pat Crimp and Carys Pugh D'Auria	Ongoing	n/a	
	Development of special offers for HE staff and the staff of other investors	Vicky Jones	Ongoing	n/a	
	Development of 2010-11 Cardiff Tourism Network Prospectus and	Vicky Jones	August 2011	£5k	Potential Income £55K

	recruitment of new members				
	Quarterly Cardiff Tourism Network events and member relations	Vicky Jones	On-going	£5k	Cost offset via Corporate Champion contra deal with Orchard
	Uploading of all data into CRM	A-Lin Kee	Ongoing	n/a	Being undertaken as part of the DMS project
	Retention and renewal of existing agreements and recruitment of new Cardiff Corporate Champions	Richard Thomas, Pat Crimp and Louise Prynne	Ongoing	n/a	
	Cardiff Corporate Champion collateral reprint	Pat Crimp	By end of year	£1K	
	Dissemination of the Broadcast Reel to TV Broadcasters, film crews and other media	Pat Crimp	Ongoing	n/a	
	To capture Ambassador events on film for Image Bank storage and web films	Pat Crimp	Ongoing	£5k	
	Build relationships and business contacts through relevant memberships and joint working partnerships and networking events	All	Ongoing	£2k	
	Exploitation of links with London Welsh RFC in order to grow our London-based network	Richard Thomas	Ongoing	£3k	
	Attendance at monthly Cardiff Hoteliers' Association Executive Group meetings to review	Richard Thomas	On-going	n/a	

	Convention Bureau activities and leads				
	Submission of bids for CRT funding in addition to SWM support	Pat Crimp	Ongoing	n/a	Income: £10K (Networks)& £4K (Leisure)
	To proactively secure speaking opportunities on destination marketing nationally and internationally	Richard Thomas	From April 2010 onwards	n/a	To secure income for the company and to promote Cardiff by using it as a destination marketing case study
	Research into and monitoring of competitor destination marketing companies with a view to identifying best practice and assessing Cardiff & Co's effectiveness on a £ for £ basis	Richard Thomas / Pat Crimp	Ongoing	£1k	To learn lessons and establish effectiveness
	On-going relationship building programme of meetings by the Chairman and MD	Bill Savage and Richard Thomas	On-going	n/a	
	Investor relations	Bill Savage and Richard Thomas	On-going	n/a	Ensuring that investors are well informed of developments and are given a profile in the media whenever possible.
	Other ad hoc activities consistent with the company's strategy	Pat Crimp / Richard Thomas	Ongoing	n/a	
Commercial Operations	Production of a digital advertising sales pack which highlights the profile raising opportunities available via Cardiff & Co and their cost	Louise Prynne / Vicky Jones	Summer 2011	n/a	To increase our ability to generate commercial income.

	Undertake audit of commercial income and expenditure to identify new sources of income and in kind support to offset spend	Louise Prynne	Sept 2011	n/a	
	Identify opportunity to deliver enhanced role and investment in company by key ambassadors	Louise Prynne / Pat Crimp	Oct 2011	n/a	
	Undertake SWOT of web platforms and identify opportunities for improvement/commercial development	Louise Prynne	Ongoing	£1K	
	Enhance relationship with Cardiff City FC, Cardiff Blues and Cardiff Devils and Glamorgan cricket through closer collaborative working	Louise Prynne	Oct 2011	n/a	
	On-going relationship building programme of meetings	Richard Thomas/Louise Prynne/Key managers	On-going	£1K	
	Evaluate commercial opportunity to develop a Cardiff Business network to complement the CTN to generate income and provide added value and a point of difference from other network groups in the city region	Louise Prynne	September 2011	£3K	
	Identify opportunity and develop investment packages for one new	Louise Prynne / Richard	Dec 2011 for new financial year	£10K	

	B2B campaign and one consumer campaign with partner investment to develop Cardiff & Co's reputation as the city's official destination marketing and inward investment company	Thomas			
	Other ad hoc activities consistent with the company's strategy	Louise Prynne	Ongoing	n/a	

**ends
27 May 2011**