

Generating Income from Advertising Partnerships

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Advertising Partnerships

Ocean Outdoor

- Growth from £500k in 2014 to £2.5m forecast 2019/20
- ‘The Loop’ 20 x Digital Pavement Assets
- 10 Digital Large Format Screens
- 3 Banners – A45, Moat Lane, Paradise Circus
- £6.25m investment in advertising assets in Birmingham with a further £2.8m committed
- Current Builds – 175 Loop Expansion and Twin Towers

OCEAN

Bay Media

- 400+ Lamp post banner advertising located around major event venues, high footfall and arterial routes - £75k

Immediate Solutions

- 70 Roundabout and boundary sign advertising sold to local business – £60k

Considering bring in-house

Big City Dressing

- Portfolio of City Dressing assets managed in house and sold commercially to promote visitor economy, sporting and cultural events
- 118 Mobile Flags; 11 Static Flags; 2 Planter Displays; 34 Lamp Post Scrolls; 72 Cycle Stands; 8 Bridge Banners; 80 small format Poster Boards
- 2018/19 £183k Net income
- Opportunities from Commonwealth Games to build future legacy

Welcome

Our Big City Dressing portfolio comprises of flags, banners and bespoke signage located in the city centre and main commuter routes into and out of Birmingham.

With a population of over **1,100,000**, our City Dressing provides an ideal and affordable means of reaching and communicating with residents and visitors to our city.

FACT: 81% of people in the city commute to work by road

FACT: Over **34 million** visitors in 2017

FACT: Birmingham has a £94 billion economy

Big City Dressing is flexible, time sensitive and great value for money. Promoting events, festivals and businesses supporting our city and visitor economy.



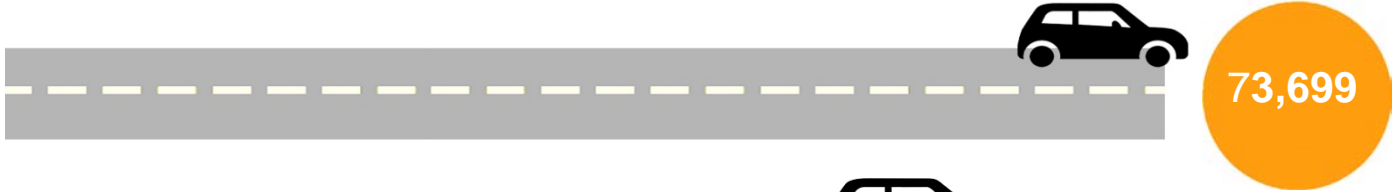
Procuring a Partner

- Quality not quantity
- Consult with the market to identify prime locations
- Identify high footfall and traffic flow areas
- Avoid competing portfolios so combine pavement and large format advertising
- Build a network
- Gain planning approval before going to market
- 10 – 15 year contract spreads capex
- Avoid ‘needy contractors’ and ensure they are responsible for all costs and administration associated with the contract

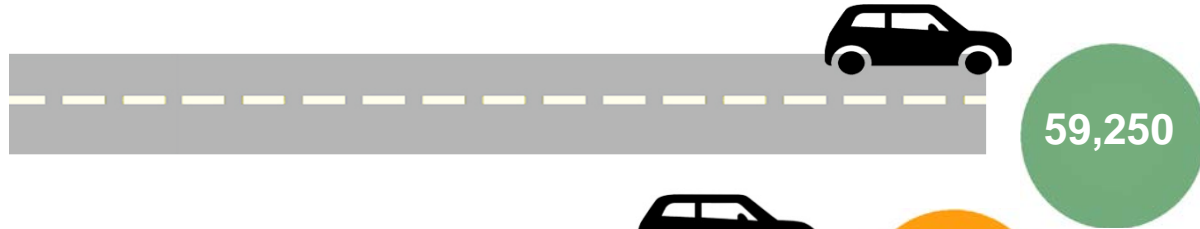
Traffic Flow

Birmingham's city dressing assets give maximum exposure to your campaign. These figures show (on average) the number of vehicles that pass by them each day:

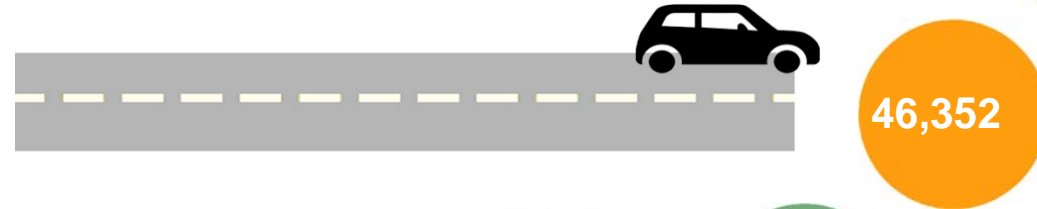
A38 Corporation Street
Big City Flags



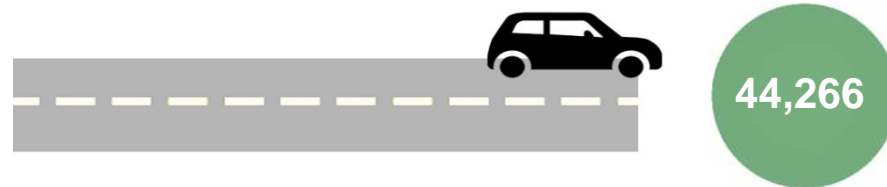
Belgrave Middleway
Big City Flags



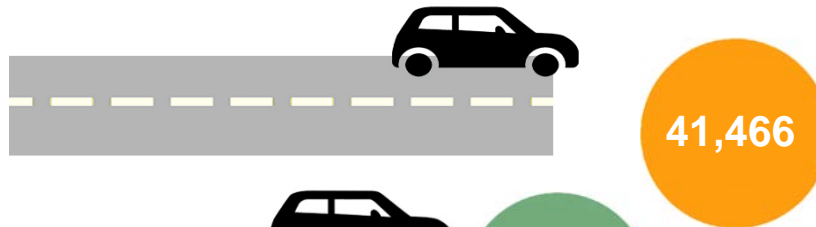
Islington Row Middleway
Big City Flags



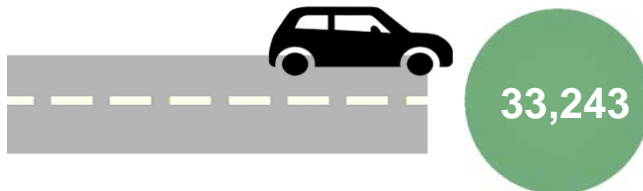
Dartmouth Circus
Big City Flags



Heybarnes Circus
Static Flags



Coventry Road
Big City Welcome



Advertising Content

- Industry is regulated
- Advertising restrictions – Build additional restrictions on advertising content into the contract
- Location based restrictions e.g. Visitor Economy only in City Centre
- Public Health Agenda – Removal of fast food advertising will impact on revenue

Growth and Development



- Income doesn't grow exponentially with expansion
- Annual income goes down as well as up
- Don't assume portfolio expansion – it is dependent on market demand
- Allow a range of formats – digital isn't always cost effective to build
- Allow for growth and expansion in the contract
- Allow for changes in digital technology

Financials

- GLS and % profit share
- Profit share on Gross not Net income to avoid disputes on costs
- Set a voidage level for tender evaluations to avoid inflated forecasts
- If you have an existing Net profit share contract, look out for Business Rates accruals and claw profit back share

Adding Value

- Free public Wi-fi and working with stakeholders to improve connectivity
- Emergency planning, road closure messaging
- £350k free advertising across the core cities and national network (£980k in 2018/19)
- Support of Council Initiatives
- Birmingham promoted on a world stage



Meeting the Challenges

- Conflicting Council Priorities
- Income is subject to local, national and global economy. Brexit!
- 2018, record high for FTSE 100 Retail sector declaring profit warnings (20%)
- Competition from industry leaders, telephone kiosks, bus shelters and digitisation of key hoarding sites

Staffing and Resources

- Me (½) with 2 members of staff
 - Direct sales telephone and face to face, Social Media
 - Management of City Dressing Portfolio
 - Procurement of contracts
 - Contract management and negotiations
 - Stakeholder engagement – Planning, Highways, Amey
 - Photography design & production of marketing literature
 - Commercial advice to Directorates
- Technical support from Legal and Procurement
- SLA with Events Team for installation and removals of City Dressing

Any Questions?

