

Item No. 5

GM LOCAL ENTERPRISE PARTNERSHIP BOARD

SUBJECT: Marketing Manchester Review

DATE: 7 September 2015

FROM: Mark Hughes, Group Chief Executive

PURPOSE OF REPORT

To provide the LEP with a summary of the Review of Marketing Manchester which has been undertaken and the recommendations which have been agreed by the Board of the Manchester Growth Company for implementation.

RECOMMENDATIONS

LEP Members are asked to note the contents of the report and the recommendations regarding the role of Marketing Manchester, as follows;

- Confirming Marketing Manchester as the brand champion for Greater Manchester with the remit to influence the relevant international stories and refining the brand identity.
- Reinvigorating Marketing Manchester's lead role in achieving co-ordination across partners of the Greater Manchester story.
- Undertaking additional sector marketing to promote Greater Manchester as a place to do business.
- Supporting wider Northern promotion for the benefit of both Greater Manchester and Manchester Airports Group.
- Working closely with LAs to ensure assets within their areas are reflected in an appropriate way.
- Improving Stakeholder Relationships, particularly with Local Authorities.

SUMMARY OF KEY ISSUES

LEP members will be aware that over the past few months MGC has been undertaking a review of Marketing Manchester, to ensure the marketing functions are fit for purpose for the future Greater Manchester/MGC vision and all resources are maximised and aligned to the priorities of the Manchester Growth Company and Greater Manchester.

The review has now been concluded and a series of recommendations made. This has been reviewed and approved by the Internationalisation & Marketing Advisory Board, the Manchester Growth Company Board and the Combined Authority. Stakeholders are being informed of the results and the way forward. The attached paper provides a summary of the review for discussion with the LEP.

LEP members should also note that, following 17 years with the company and 14 as Chief Executive, Andrew Stokes will be leaving Marketing Manchester in November. We will shortly be commencing recruitment for a new MD and a number of MGC Board members are involved in this process. Andrew is thanked for his contribution to the organisation and wished well in his future endeavours.

Overview

A review of the activities of Marketing Manchester and the marketing functions within the Manchester Growth Company has been undertaken and included:

- All the marketing and communications activities of Marketing Manchester (MM), Manchester Growth Company (MGC) Group and MGC Business Units
- Analysis of commissioning, commercial practices, income, resources, structures, staffing, capabilities, procurement, processes and ways of working
- Interviews with stakeholders, commissioners, national bodies, partners, management, staff and members.

A total of 26 stakeholder interviews were undertaken as part of the review process with a further 43 responses received via an online survey. These were undertaken alongside an in depth analysis of activity, finances and structures.

More latterly this involved reviewing the report with the International & Marketing Advisory Board (including MAG and the CA Lead), the MGC Group Board and the Combined Authority.

Background

MM was established 17 years ago. Excluding ESOF and tourist information teams, Marketing Manchester has 53 staff (including 27 in communications, marketing and events and 15 in tourism) and an income of c.£4m. MM currently:

- Promotes Greater Manchester as a Visitor Destination.
- Leads the Tourism Strategy supporting a tourism sector of over 400 members.
- Co-ordinates research such as surveys with leisure and international visitors and commission the Anholt city brand index.
- Promotes Greater Manchester as a business events destination.
- To a degree promotes Manchester as a place to invest and do business.
- Is the PR and digital marketing function for Greater Manchester.
- Has a strong relationship with national bodies e.g. Visit Britain and Visit England.
- Generates significant commercial revenue to diversify its income base.

Following the establishment of MGC, MM assumed responsibility for the Group marketing functions (but not individual Business Units).

Key Review Findings

A number of gaps and opportunities in the MM offer were highlighted specifically including; domestic tourism, the 'Northern' role as an international gateway, science, business and sector promotion, co-ordination of the Manchester story and the need for a more holistic 'place marketing' effort.

There was clear recognition of the strength of MM's role in Tourism and agreement on the core organisational objectives. However, there was a strong view that MM needs to modernise and adapt to fit the transforming requirements of Greater Manchester and be more holistic in its role as an international marketing function.

A core question also emerged around the scope of a Greater Manchester marketing function and how this impacts on the purpose of MM alongside a requirement for more 'noise' and alignment around the Greater Manchester narrative and a refresh of the Greater Manchester brand identity.

The Review also identified a lack of clarity around funding of MM with some stakeholders not clear what they are 'buying' and a perception that duplication in some areas exists with MIDAS. Further that stakeholder management and performance reporting were weak and require improvement.

Alongside this, there is a range of internal 'ways-of-working' improvements that were identified including commissioning and cost allocation.

Finally, a common thread of feedback was that it would appear that MM is under resourced compared to destination marketing elsewhere, including a current lack of capacity to support an up-scaled sector promotion requirement.

MGC Group Marketing

Alongside the review of MM and its historic role, an analysis of MGC marketing has been undertaken through discussions with the MGC Senior Management Team and an in-depth review of finances, structures and operations of existing resource.

A clear finding is that marketing and communications support for MGC and its separate Business Units generates limited external positioning of the Group and whilst improving more still needs to be done to achieve effective stakeholder communications. There is also a lack of internal communications which needs addressing.

Conclusion & Recommendations

The world is increasingly connected with audiences and marketing messages evermore permeable and decision makers are increasingly sophisticated. Competition also grows inexorably and Greater Manchester needs rise to this challenge whilst capitalising on its growing assets and opportunities not least of all devolution, which is setting it apart as a place in which 'business' is and can be done differently.

1. Within this context and based on the findings of the Review it is proposed that with regard to purpose:
 - MM is confirmed as the brand champion for Greater Manchester with the remit to influence the relevant international stories, working with wider city partners alongside Local Authorities to buy in to the collective story. This will include developing and challenging the product, leading on market research, identifying the international assets that shape the city-region's identity, packaging the story and selling it to change perceptions.
 - The 'brand identity' of Greater Manchester needs to be refined to be more inclusive and better expressed. In order to do this, the city region's brand hierarchy requires a review, as does the marketing signifier – the 'M'. The Original Modern proposition needs to be reconfirmed and bought into by the whole city-region so that it represents the strengths that embody Greater Manchester's range of international assets.

Whilst the name of Manchester is already recognised and accepted as the attack brand for the whole city-region, signifiers like the 'M' are due a refresh in order that they respond to international prerequisites and the changing Greater Manchester context on a global stage.

2. It is also proposed that MM scope of activities include:

- Promoting with extra expertise and effort, the region as a place to do business and specific promotion of the key sector strengths. Leading the promotion of Greater Manchester as a place to do business focusing MIDAS on inward investment sales.
 - Support 'Northern' promotion for the benefit of Greater Manchester and MAG to provide compelling reasons to visit, invest, study etc. Recognising that this would lead MM to be involved in promoting assets outside of Greater Manchester as it will also position Greater Manchester as the access gateway to the North and the 'power' behind the Northern Powerhouse.
 - MM working more closely with LA to ensure their assets are reflected in appropriate promotional themes to all potential visitors although MM would not be there to communicate to each LA's residents and to promote individual LA initiatives and policies bespoke to each locality.
3. Alongside these activities, MM should reinvigorate its lead role in achieving the wider co-ordination of Greater Manchester's story and key messaging (including the Universities, sports and football brands, MAG, MIF, TfGM etc.) delivering a more holistic 'place marketing' leadership role to shape the identity that formulates a positive change in perceptions.
 4. In addition, the review identified a range of important process improvements in the way MM works to deliver better quality and improved value. These include developing a stakeholder matrix and communications strategy and improving performance reporting, seeking additional commercial income to supplement existing resource and ensure that activity is focussed on areas which maximise objectives. Importantly MM will also need to refocus its staff resources to ensure they have the right competencies and capabilities to reflect the recommendations. Much can be done within the existing financial envelope, whilst further new capacity can be developed over time as resources are secured.
 5. In relation to MGC Group and Business Unit marketing, it is recommended that more of this resource is brought into a single team to improve marketing synergies, cross-selling of MGC products and support the integration of the Group. By combining personnel, reviewing vacancies and adding some small investment (£40k in 2015/16) from MGC into marketing and communications, the limited capacity in MGC could be addressed as well as the lack of resource in areas like internal and stakeholder communications. A restructure would also enable enhanced leadership in the B2B specialism and experienced youth marketing skills.

Resources & Staffing

MM sources income from a range of organisations inc GM LA, MAG, MGC, Visit England/Visit Britain and the private sector. This blended approach will continue and in all instances private sector and leveraging of income is core to MM income generating approach. From 2015-16 MM will also participate in the wider MGC approach to secure ERDF in particular to support sector promotion.

There will be changes to the role specification of some existing staff and more significantly new roles will be created to focus on enhanced place marketing and sector promotion.

New income will be needed to support additional new campaign activity to maximise impact in the identified areas. As currently, this will be sought from partners including private sector and national organisations. Where there are more local-region orientated campaigns there may be a limited additional ask of LA which will be leveraged by these other sources of income. If this occurs this will be solely to fund new promotional activity, not MM staff, with LA specifying the nature of the campaigns and their performance measures.

Next Steps

The Report has been reviewed and agreed by the International & Marketing Advisory Board and this Summary Report by the MGC Group Board. The Report was also presented to TMEDL, WLT and Informal Leaders and a programme of more detailed conversations to improve stakeholder engagement with Local Authorities agreed.

The associated action plan is being implemented including realignment and changes to staffing.