

**Report to:** Cabinet  
Regeneration Panel

**Date:** 12 June 2008  
23 July 2008

**Subject:** Marketing Income

**Report of:** Director of Environmental Services

**Contact officer:** Mike Matthews 01942 828890

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**Purpose / summary:** Marketing income.

**Alternative options considered and reason for selecting the one recommended:**

The options considered were;

- Not to consider generating income through commercial activity – this would overlook a potential important revenue source for town centre events and marketing and reduce the opportunity to part fund Town Centre Management overheads;
- Recommended Option – the recommended option is to prepare a Wigan Town Centre Marketing Income strategy, which the revenue from these activities will provide a budget for a programme of events and marketing and contribute towards Town Centre Management overheads.

**Recommendation / decision:**

That Members approve the Wigan Town Centre Marketing Income Strategy as a framework to generate income to be reinvested in the town centre and generate match funds from the private sector and contribute towards Town Centre Management overheads.

**Key Decision:**

This report involves a key decision within ground(s) 4.

The decision made as a result of this report will be published within **48 hours** and cannot be actioned until **seven working days** have

elapsed, i.e. before 19 June 2008

This item is included in the Forward Plan.

**Risks / Implications:**

Financial:	Using Market Place as a commercial marketing opportunity has the potential to raise a minimum of £30,000 per annum revenue for the council. This revenue would fund a range of town centre events and marketing and encourage match funding from the private sector.
Staffing:	Within existing resources.
Policy:	N/A
Equal Opportunities - Has a Diversity Impact Assessment been conducted?	Not at this stage.
Wards affected:	Wigan Central.

**Property Implications – Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?**

No

**If yes, have the property implications been agreed with the Corporate Property Officer?**

**Does this proposal have significant implications for the Council and the local population?**

A diversity impact assessment is not necessary at this stage, however, equality and diversity implications have been considered when producing this report.

**Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?**

A diversity impact assessment has been undertaken and is attached as an appendix to this report.

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Has the Service Director - Borough Solicitor confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution?	<b>Yes</b>
Has the Executive Director Business Support Services confirmed that any expenditure referred to within this report is consistent with the Council’s budget?	<b>Yes</b>
Are any of the recommendations within this report contrary to the Policy Framework of the Council?	<b>No</b>

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**For Cabinet reports only :**

Categorisation of the report:	<b>x</b>		<b>x</b>

Discussion leading to a decision	
Monitoring	
Sharing for corporate understanding	

Discussion	
Decision	<b>x</b>
Information	

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**Tracking/Process:**

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council
Regeneration 23 July 2008		12 June 2008	

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer     Martin Kimber

Date                     23 May 2008

## **1.0 Background**

- 1.1 Between 1998 and 2001 Wigan Town Centre benefitted from European Regional Development Fund (ERDF) monies, of which, approximately £70,000 was identified for marketing and promotional activity. This made it possible to fund a number of events and marketing initiatives in the town centre.
- 1.2 These initiatives promoted a variety of activities and encouraged additional visits to the town centre which, in turn, boosted the local economy. In addition, as the ERDF money needed to be matched by the private sector this encouraged businesses, both large and small, to work in partnership with the Council to promote initiatives and become more involved in the town.
- 1.3 The Town Centre Management Initiative does not operate a budget for marketing and promotions. Since the ERDF programme finished in the town centre, it is totally reliant on private sector sponsorship for all our events and marketing, this is approximately £25,000 per annum.
- 1.4 This has proved extremely difficult particularly when some events cannot be funded or the private sector, who are funding the event entirely out of their own budget, influence when and where the event should take place, which may not always benefit the whole of the town centre.
- 1.5 Following consultation with the Association of Town Centre Management, other local authorities, which include Rochdale and St Helens have concluded that they believe the only sustainable option is to encourage commercial income by utilising areas of their town centre.

## **2.1 Proposals:**

- 2.1 There are 2 opportunities for commercial promotional space in Wigan Town Centre. It is essential that locations are chosen which will benefit promoters due to footfall, surrounding stores and location.
- 2.2 The following sites were identified as those offering the best opportunities:
  - Main Promotional Area – Market Place;
  - Marsden Street – Adjacent to the loading area.
- 2.3 Wigan is an excellent location and offers fantastic opportunities for promoters. There are 2 large shopping centres, which at present benefit from an average weekly footfall of 350,000 per week. Based on this, the town centre is estimated to have approximately 450,000 visitors per week. There is also a large amount of proposed additional development in and around Wigan town centre, all of which will increase the desirability of Wigan.
- 2.4 The main area of the town centre, Market Place, is an area that is ideal for promotional activity and potentially can be split into 2-3 sites or let as a combined area, maximising the revenue potential. This site is an external area and not covered, therefore will be subject to seasonal activity.
- 2.5 The sites that have been identified are suitable for all types of brand experience; sampling activity and/or large campaign. In addition, as it is a busy

area it will therefore also be suitable for customer acquisition activity and a great location for a variety of opportunities.

- 2.6 There is an further area available which is situated on Marsden Street, this site is located at right angles to Hope Street and although this area can be used, it has not been identified as a premium area as it is slightly removed from the natural foot flow.
- 2.7 There are additional marketing opportunities that can be offered as part of the package or sold separately, dependant on time constraints. For example, Wigan Town Centre has its own website to which information can be added regarding upcoming events or used simply a link to the websites of current or future promotions. The Wigan website has approximately 500,000 visits and 26,000 unique hits per month and is operated at no cost to the Council.
- 2.8 In addition to the website, Wigan often host local events such as French and/or continental markets and small scale concerts etc. It may be possible to sell promotional space to promoters during these events that would complement planned events.

### **3.0 Objectives**

- 3.1 On the basis of this information Wigan town centre are looking for promotional activity and income generation, in order to enhance the customer experience and if possible, the introduction of national promoters and brand experience campaigns including sampling activity and road shows as an ideal.
- 3.2 In order to maximise income levels and attract national promoters, we will need to work in partnership with operators who are leaders in the field of commercial sales. We have initially discussed our proposal with 'SpaceandPeople' and they have recommended the following pricing strategy.
- 3.3 Proposed Pricing Strategy  
At present the Wigan town centre is not selling space so there is no specific rate card being used.
- 3.3 It is vital a pricing strategy is outlined and adhered to, so as to avoid any promoter confusion, a market leader in this field has advised the introduction of a standard rate card, with a local promoter rate, this can be postcode delimited.
- 3.4 Specialist providers who could managed the area also advise that a range of stipulated discounts are available to be offered on a case by case basis to promoters booking multiple weeks or as an introductory discount.
- 3.5 National Promoters Market Place (Whole Area)  
£550 per day  
£750 per weekend day  
£1,250 per weekend  
£1,500 per week  
£1,250 Monday – Friday (5 Days)
- 3.6 Local Promoters – Discount  
£400 per day  
£600 per weekend day

£1,000 per weekend  
£1,250 per week  
£1,000 Monday – Friday (5 Days)

### 3.7 Revenue Levels

At present it is difficult to estimate revenue as the exact number of sites to be made available is undecided. However we would estimate that at present £30,000 – £40,000 per annum could be achieved.

### 4.0 Alternative options considered and reason for the recommended option:

4.1 An alternative option has been considered, which is summarised below:

#### 4.2 Not to allow Commercial Marketing Income

This approach would mean that the Council would miss out on a potentially valuable source of revenue. Other authorities have shown that commercial promotions can produce attractive features in the town centre and can also provide valuable income.

4.3 In addition this option would prevent any income supporting and funding town centre events and street scene enhancements such as Wigan In Bloom.

### 5.0 Recommended Option:

5.1 The recommended option is to approve the proposal for commercial promotions and the creation of Marketing Income to be re-invested back into the town centre to enhance the overall visitor experience. The income will also be used to contribute towards Town Centre Management overheads.

### 6.0 Conclusions:

6.1 Professionally run commercial promotions can attract additional visitors and enhance the visitor experience, as this will also create a reasonable marketing budget for the town centre. It is also expected that the private sector would match the fund as previously experienced with ERDF monies which will allow for additional activities.

6.2 With the new Marketing budget, a host of professional promotions can be designed with our partners to add value to visitors and to make a positive contribution to the street scene.

Martin Kimber  
Director of Environmental Services  
RP/ER/MM/LC/33.0P  
23 May 2008

## Diversity Impact Assessment form

Section: Economic Regeneration Office

Policy/Service Area: Town Centre Management

Person Completing Form: Mike Matthews

Date: 19/05/08

Do any of the below groups suffer specific disadvantage (please indicate)

	Yes	No		Yes	No
Race		X	Disability		X
Ethnicity		X	Gender		X
Age		X	Religion		X
Class		X	Sexual Orientation		X

Is there evidence of disadvantage or associated problems?

No

How was the information collected and/or who have you consulted with?

Wigan Town Centre Management Group.

Action Plan – *What specific actions are planned to tackle any disadvantage identified?*

None

Is the policy in line with current equality legislation and relevant codes of practice?

Yes

Timescale	
Responsibility	
Comments	

**Are the actions specified included in any other documents/plans?**

Departmental Service Plan	
Section/Team Plan	
Other (Specify)	

Date for further review
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