

ALEXANDRA PARK AND PALACE
CHARITABLE TRUST BOARD
19th JULY 2016

Agenda Item: 11

Report Title: Commercial Directors Report

Report of: Lucy Fenner, Commercial Director, Alexandra Park and Palace

Report Authorised by: Louise Stewart, Chief Executive Officer, Alexandra Park and Palace

Contact Officer: Natalie Layton, Executive Assistant, Alexandra Park and Palace
Email: Natalie.layton@alexandrapalace.com , Telephone: 020 8365 4335

Purpose: To provide an update on all major commercial activity.

Local Government (Access to Information) Act 1985

N/A

1. Recommendations

1.1 To note the commercial achievements highlighted in this report.

2. Introduction/ background

2.1 This paper provides a review by the Commercial Director of all major activity undertaken in the 1st quarter of the trading year and provides a summary of the whole 2015/16 financial year.

2.2 This paper also has a forward focus looking at the 2nd quarter of the 2016/17 financial year with particular consideration given to the development of revenue streams via Alexandra Park and Palace's own brand events.

3. Commercial Highlights: April - June 2016

- 3.1 In the first quarter the Palace hosted 52 events that took place over the equivalent of 152 tenancy days. April attracted 40,000 visitors, May attracted 42,000 visitors and June will attract more than 35,000 a total of 97,000. This is a decrease of 35,000 visitors over the same period in 2015, this was mainly due to the 6 concerts we held in the 1st quarter last year but did not secure for this year.
- 3.2 Crafting at Ally Pally returned in the Great hall and visitor numbers benefited from advanced television coverage on Hochanda TV- Home of craft hobbies and Arts on Sky.
- 3.3. The Cake show, a new exhibition for the Palace, moved from the ExCel exhibition centre. The Client was delighted with the team and event delivery commenting that the Palace worked better for them operationally and that visitor numbers were up on previous years.
- 3.4 Mechanix returned for their 2nd show demonstrating all the latest automotive products and technologies.
- 3.5 In conjunction with a number of London Landmarks, Haringey Council held the Queen's 90th birthday celebration at Alexandra Palace, lighting a beacon on the Rose window.
- 3.6 The annual plumbing show Phex returned on the 18th & 19th May the organiser was delighted with the increase in visitor numbers.
- 3.7 Antiques noted increased footfall compared with the same event this time last year.
- 3.8 The GLA election count was hosted in the Palace and the AP team involved were noted for their professionalism and support by the Chief Executive of Haringey.
- 3.9 RSPCA hosted their second dog walk and were delighted with the 1,000 participants that took part in event.
- 3.10 Alexandra Palace delivered 2 successful events over a busy May Bank Holiday weekend. The Tattoo Show returned for its 4th year and the organiser was delighted with increased footfall, which also benefited from increased food and beverage sales.
- 3.11 At the same time as the Tattoo Show, the 1st Craft Beer and Street Food event took place in the outdoor beer garden and on the south terrace. Footfall was higher than anticipated on both days. The team worked hard overnight on the Saturday to increase the number of vendors to meet demand and improve the layout to prevent congestion in certain areas. This is an in-house event with limited budget. It is a free, community event which achieved a 65% increase in gross profit on the May 2015 event. The team thoroughly debriefed the event and considering lessons learned made the informed decision to change the layout, programming, content and volume of traders to improve delivery and growth in June in line with the aims of the business plan.

- 3.12 Throughout the quarter we were host to a variety of film shoots & unit bases. Shoots were held by the post office, Skoda, Coca Cola & Kiss FM utilised the graffiti wall.
- 3.13 Haringey Police hosted their annual community amateur boxing event, now sponsored by William Hill, which was aired on London Live TV. Alongside this event we hosted a Yoga show in the upper field to celebrate International yoga day, thousands came to the grounds to experience the activity's leading teachers.
- 3.14 Our 2nd Craft beer festival of the summer also ran alongside the boxing. The Free event expanded from the outdoor beer garden, along the terrace and into the East car park, with three stages and 30 food stalls and numerous bars selling craft beer, pimm's and cocktails. Visitors were not disappointed.
- 3.15 At the time of writing the ABBT theatre show was setting up in the west hall
The purpose of the exhibition is to raise money to fund the work of the registered charity, The Association of British Theatre Technicians.
- 3.16 The weekend of 25th & 26th June saw thousands of visitors to celebrate Parikiaki's Cypriot Wine Festival & Business Exhibition, the London Cypriot community's biggest annual event.

4. Future public events

Event	Event Type	Date
The Last Shadow Puppets	Concert	15 th – 16 th July
Segway	Park activity	22 – 24 th July
Summer Festival	Park Event	23 rd July
Funfair	Park activity	23 rd July – 1 st August
Street Food & Craft beer Festival	Park Event	24 th July
Luna Cinema	Park Event	6 th – 7 th August
Street Food Craft Beer Festival	Park Event	20-21 st August
Segway	Park activity	19-21 August
Foodies Festival	Park Event	27 th & 29 th August
Antiques	Exhibition	4 th September
Legends of Gaming	Exhibition	10 th – 11 th September
Crafting at Alexandra Palace	Exhibition	17 th & 18 th September
Afropunk (12.00 -00.00)	Concert/Festival	24 th September

4.1 **Summer Festival**

The summer festival returns for a 2nd Year on Saturday 23rd July 2016. Activities include an outdoor cinema showing E.T, silent disco in the woods, family raves in association with Big fish little fish, giant water slide, DJ yoda, club de fromage on ice, pram race and a huge selection of street food and Craft beer. The event will be on from 11am-10pm the team looking forward to welcoming the whole community to our free festival. Please see appendix 1 to view the artwork.

5 **Awards**

Working towards fulfilling the business plan objective of increasing the profile of APP within the events industry at the AEO awards in June the team were delighted to be shortlisted for the three nominations, best venue, best commercial team and best live event (Fireworks).

6. **Artifax**

Following a procurement process the team chose Artifax as the CRM System and electronic diary which best suited our business needs and came highly recommend from similar venues. The implementation process will start in July and the system will be operational from August enabling us to dispose of our paper diary and fulfil our business objective of modernise the tools and support mechanisms in the sales team.

7 **Ticketing**

As part of our business objective to develop and grow the income streams from commercial activities a procurement process has started to retender our ticketing partner which, after four years, is up for renewal on the 8th December. The brief has been written and tender will be advertised to the market in July.

8 **Sales Initiatives**

8.1 **The Ally Pally Games**

As part of our business objective to increase the profile of APP within the events industry and as part of our sales strategy the team are hosting the Ally pally games on the 6th July in association with some of our partners and suppliers. Over 100 key venue finders, agents and industry press will be invited to the day. Chilli sauce a production company will be providing the games, our summer festival water slide will be tested out and Bodeans our most popular street food unit will be providing the food (veg options will be made available). It will give the team the opportunity to show case the venue, talk about the future plans and also highlight through the activities on the day the endless possibilities at Alexandra Palace for event organisers.

8.2 **It's important the team remain proactive, the market is incredibly challenging and competition is high across all sectors. As part of the sales strategy the team will**

look at maximising from our current clients, targeting new business and developing a growth plan for our own brand events. The growth plan for Fireworks will also support us in closing the gap that remains in the last three quarters. The full Firework Festival report is covered in item 10.

9. Marketing

9.1 Phone system

An automated phone system will be implemented over the coming weeks. This will enable us to improve the customer experience and efficiency of the current service.

9.2 Social Media

Current numbers of followers: Facebook (60,576); Instagram (6,369), Twitter (20,319) Snap chat (180) and our database now exceeds 149,000.

9.3 Recent promotions

The team have been working hard to promote and market our own in-house summer events, a strong campaign in time out, the Londonist, digital platforms and across social media saw record numbers of visitors to our 1st craft beer festival of the year. The team need to continue to monitor engagement to ensure momentum is kept in regards to footfall to all our summer events.

9.4 Customer satisfaction levels

To support with the business objective of creating a symbolic marketing/customer service approach for the organisation all teams are working on capturing far more data than ever before. All our major events will have a mystery shopper present, analysis of customer engagement on-line and where possible customer data will be captured via onsite surveys. These activities' will also be carried out across all business units including the PBK (The Phoenix Bar and Kitchen) and the Ice Rink. Reports will be available in due course.

10. The Phoenix Bar and Kitchen

10.1 The Phoenix Bar and Kitchen (PBK) team have worked hard to maximise sales in the first quarter. The April revenue target was achieved and the good weather in May has seen an increase in footfall. On Sunday 8th May this unit achieved record takings for a non-event day. On Saturday 28th May the unit achieved a record income for an event day. Targets were exceeded in April, and May saw a 70% increase against budgeted profit for the month. June has seen some wet weather, however sales are still on track to meet target.

10.2 As per the business plan Quality standards are being worked on for all catering units. In the first quarter the PBK summer menu was agreed by the new catering quality standards group. Standard Operating Procedures for the menu have now been established and monitoring processes have been put in place.

10.3 In addition to the offer within the B&K the catering team have responded to the opportunity provided by the good weather. In line with the department's objective to expand the catering offer we located units around the Park. The Park target was also exceeded in April and May.

11. Ice Rink

11.1 The ice rink Summer campaign launched and included numerous promotional materials, flyers, posters, Facebook advertising, featured digital advertising, social media support and e-shots.

11.2 At the time of writing the Ice rink had met target in April and May mainly due to increased attendance on public skating, well attended course during half term and all the birthday party slots sold out for the period. June figures are yet to be confirmed.

11.3 Private hires continued to be targeted and the team are identifying as per their business objective capacity for growth and new opportunities to increase its financial contribution to the organisation. Karting on ice took place in May. The event was not as successfully as the organiser had hoped and now the team are exploring new ideas with the operator. The sales team have also secured a large film shoot on the ice in July which will drive extra revenue into the rink.

11.4 The dance studio refurbishment has also had huge amounts of positive feedback and enhanced the customer experience especially the ballet classes which the rink has accommodated for more than 20 years.

11.5 The ice café continues to benefit from its small refurbishment and new menu, it slightly exceeded its target in both April and May.

12. Legal Implications

12.1 The Council's Assistant Director of Corporate Governance has been consulted in the preparation of this report, and has no comments.

13. Financial Implications

13.1 The good performance in certain business units in the first quarter will ensure the trading company exceeds its revenue targets. Budgeted gross margin has been exceeded. Trading company overall performance is still subject to confirming overhead costs from finance.

13.2 The Council's Chief Financial Officer has been consulted in the preparation of this report, and has no comments.

14. Use of Appendices

None