

The logo for 'LAUNCHPAD' features the word in a bold, black, sans-serif font. A stylized black rocket is positioned above the letter 'N', with its body curving upwards and to the right, ending in a pointed nose cone. The rocket's body is integrated into the vertical stroke of the 'N'.

# LAUNCHPAD

**Concept document**

**East Herts Business Incubator (Launchpad)  
Charringtons House  
Bishop's Stortford**

**June 2017**

# Executive summary

- The East Herts Business Incubator (Launchpad), situated at Charringtons House, Bishop's Stortford, will foster entrepreneurship and serve start-up businesses in the east of the region with mentoring, flexible space, access to a network of resources and other business services designed to accelerate their success and create jobs and revenue for the local area and beyond
- Launchpad would be a mixed-use incubator, meaning that it serves a variety of types of businesses. The clients would include non-technology and technology businesses as well as product and service businesses. Non-technology businesses may include retail, consumer products and healthcare services. Technology businesses may include web designers, software products, computer services or digital design, to name but a few
- Client businesses would receive assistance with the successful start-up and growth of their businesses. One-to-one advice and mentoring, which would initially be provided by WENTA, would be the primary form of assistance. The incubator staff would provide the mentoring and with assistance from EHDC, would create a network of resources to enhance the business expertise available and connect the businesses with bankers, accountants, lawyers and others in the community who provide assistance and guidance
- The start-up rate for Hertfordshire as a whole, is reasonably strong but there is significant variation across the county in terms of start-up performance. North Hertfordshire, for example, which has no start-up provision, has the lowest start-up rate in the county at 12.0%. The local authority district with the highest start-up rate is Stevenage at 17.1%. Stevenage is well served by high quality start-up business support delivered through two highly regarded incubators at Stevenage Bioscience Catalyst and Business & Technology Centre
- Despite having the highest start-up rate per head outside London, Hertfordshire is ranked 24th of the 39 LEP areas in terms its ability to grow new SMEs into £1m businesses within three years, Hertfordshire falls behind the majority of LEP areas quite significantly. Only 5.5% of business starting in 2011 survived to become significant businesses in their own right by 2014 compared to 6% in the UK
- The market is of sufficient scale as to require the Launchpad solution
- SMEs in East Herts and in particular, Bishop's Stortford, are "crying out" for a business incubation and hot-desking location

# Launchpad offering

Using the incubator as a freemium starting point of a multi-faceted plan would allow us to engage with pre-start-up and early stage businesses.

Key initial components that are vital for the success of the incubator should include:

- Quality coaching and mentoring
- Technology e.g. high speed broadband, telephony and printing
- Education and events
- Funding for companies
- Free to access hot-desking (initial 3 months)
- Free standard broadband
- Telephone answering service
- Virtual mailing addresses
- Private offices
- Meeting rooms
- Some form of phased entry criteria may have to be introduced depending upon demand, this would ensure higher success rates

# The market

The UK market for business incubation and managed workspace is healthy and growing according to the Business Centre Association.

## 1. Growth

The business centre sector experienced strong growth during 2014 (the most recent year data is available from), as indicated by the following statistics:

- operators provided just under 21million sq ft of space for over 26,000 firms; an increase of 10% on the previous year
- between them, clients employed approximately 135,000 workers; an increase of 19%
- the average occupancy rate was 80% - a figure that was markedly higher in London and lower in others parts of the UK

This expansion looks set to continue, as operators plan to add a further 1.5million sq ft of space over the next 5 years representing approximately 10% expansion

## 2. New openings

2014 saw more business centres and more new openings than ever before. Over 80 new centres opened throughout 2014, with the average size of each business centre reaching approximately 20,000 sq ft. By the end of 2014, the total workspace footprint of the research sample stood at 20.6million sq ft

## 3. Flexible workspace is more cost-effective than conventional leases

According to CBRE data, the report shows that serviced office rates are between 23% and 30% cheaper than conventional leases on a like-for-like basis. Serviced office rates rose by 26% in 2014 but managed offices and light industrial unit rates declined slightly by 1.5 - 2%

## 4. Clients are staying for longer and growing larger

Client businesses increased in size and stayed longer in 2014, with the median business size being 5-6 workers (up from 3-4 workers in 2013). There was an average 263 employees per centre in 2014, an increase of 6% compared with 2013, and more firms choosing to stay for 3 years or more - occupying around 31% more space than in 2013. The increase in size and longevity once again proves that business centres have the capability to support the growth requirements of SMEs

## 5. Technology is critical

The report found that access to the latest technology has become increasingly important for occupiers, especially access to superfast broadband and Wi-Fi that is capable of delivering video-conferencing. In addition, certain 'lifestyle' amenities such as good coffee, showers and collaborative co-working spaces are also important elements for clients and their staff

# Competitor Analysis

Competitors	Business Support	Free Space	Town Centre Location	Chamber Endorsed	Grants Support	Networking	Availability	Total
Launchpad	✓	✓	✓	✓	✓	✓	✓	7
Mantle BS						✓	✓	2
Town Council			✓			✓	✓	2
Harlow	✓	✓			✓	✓	✓	5
Stansted						✓	✓	2
Weston Stansted						✓	✓	2

# Marketing

- The ultimate goal of the marketing and public relations strategy is the recruitment of entrepreneurs and early stage companies to use Launchpad. To achieve this goal requires building awareness, visibility and a reputation for Launchpad as the hub for entrepreneurship in Bishop's Stortford and the surrounding areas.
- Marketing will be critical to the success of Launchpad, as it is used to attract start-ups and early stage companies.
- Marketing must be an on-going effort over the life of the incubator, but special emphasis should be placed on the immediately prior to and immediately after the launch of Launchpad. The marketing plan needs to address positioning, promotion, packaging and if any, pricing.
- Positioning is very important for Launchpad as it must differentiate itself from other business space companies in the area. Assisting entrepreneurs on a daily basis with tailored, one-on-one coaching is a key differentiator.
- Effective positioning will also involve the theme of cultivating entrepreneurship at Launchpad. Sending a message to local community that the incubator is the place to launch businesses and get entrepreneurial experience would encourage their participation. Marketing the Launchpad as a place to have business ideas evaluated and get the resources necessary to help to plan and start a business will be an essential message for the community.

# Marketing

The target audience for client marketing should include the following groups:

- Existing businesses large and small
- Academic programs at local schools, colleges & universities
- Local business organisations, including Chambers of Commerce
- Job training and business counselling organisations
- Economic development organisations

Marketing initiatives:

1. Web Site/ Online presence - One of the first steps in marketing Launchpad is the creation of a website/online presence for Launchpad. The goal of the site is both to inform others about the incubation program and to promote the incubator's activities and client companies. The website/online presence can also be used to hyperlink to the websites of EHBI sponsors and supporters (and to get them to reciprocate). Reciprocal links should also be established with partners and other local, regional and national networking organisations. The web site/ online presence should ideally be created prior to the launch of the incubator. We should also use third party aggregator sites such as Instantspace and Official Space as well as Google/Bing pay-per-click
2. Social Networking and Media Sites - Launchpad should take full advantage of Facebook, LinkedIn, blogs, Twitter, YouTube and other social media to networks. Social networking allows easy connections with business and the community. Photos of the incubator can be posted and shared, along with a virtual tour. Updates on the successes of incubator clients publicised. Events can be announced. The key to successful use of social networking sites is regular postings that share useful and relevant information
3. Newspaper coverage - Coverage in '*insert publication names here*', for the following events:
  - Actual opening of the Launchpad facility - usually limited to brief coverage sufficient to generate a number of new applications
  - "Grand Opening Event"- described below. The event will generate positive newspaper, radio and possibly television coverage
  - Stories on local companies and entrepreneurs using Launchpad by local papers
  - Success stories - funding, product launches, major sales contracts and other noteworthy events
  - Visits by high-level business people, council officials and MPs to generate coverage
  - Stories in the business sections covering incubation, entrepreneurs and their businesses, job creation, and economic vitality
4. Grand Opening Event - After a sufficient number of entrepreneurs have joined the Launchpad, the public grand opening should be held three months after the actual opening of the incubator, providing sufficient time to attract a few client companies. Typically, speakers would include key public and council officials in addition to several of the entrepreneurs. Booths or demos would be set-up by all of the businesses to disseminate information and create photo opportunities. Invitations should be sent to business and community leaders. Radio announcements and newspaper press releases should be developed. Public Grand Opening events are an excellent vehicle to establish a strong referral network for future applicants. It can be a significant source of free publicity for both the Launchpad and its client companies. In a similar manner, the event can be used to encourage financial sponsors to contribute to Launchpad