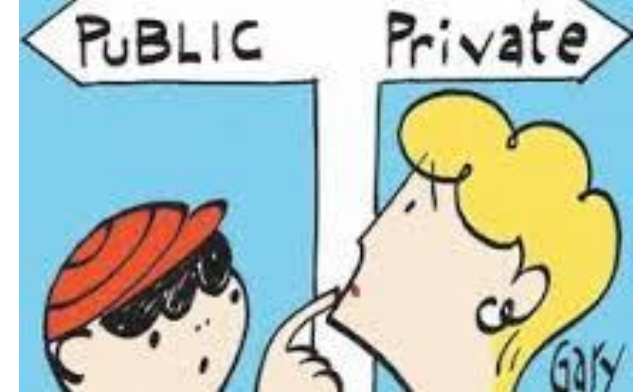




Private Sector

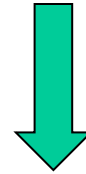


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Over 300 Improvement Projects successfully undertaken to date.
Here is a selection of just a few happy customers.



PRIVATE SECTOR



- What is the private sector?
- Give examples of companies within the Private Sector.



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Private Sector

- Context:



- The private sector (or often referred to as the commercial sector) has grown exponentially within contemporary society!!



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Private Sector

- The sector is financially driven / profit orientated - - -PROFIT MAXIMISATION.



Therefore motivated by the provision of 'popular' activities and products (those with a wide audience / following).

- NB: Competition is FIERCE.



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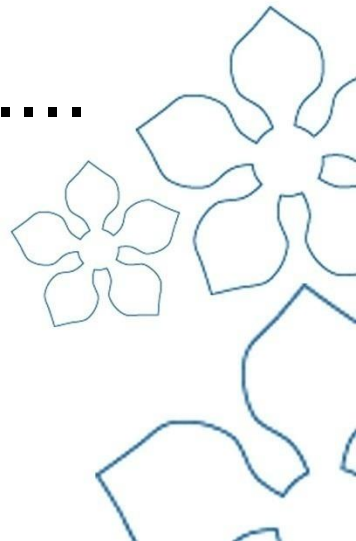


Private Sector

- Companies try to ‘shape’ / ‘manipulate’ the market - oftentimes NOT successful and businesses fail!! (NO SUBSIDIES / BAIL OUTS FOR THE SECTOR).
- NB: Although there are exceptions.....
(Can you think of any?)



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Public Sector £

Bail Outs =

NORTHERN ROCK

- Northern Rock – Financial Sector Crisis 2007
 - Govt 'Buy Out' = 2008 N.R Bank Nationalised.
 - 'Buy Out' by UK Govt to protect the public. Secure banking : Set Sums of investments protected.
 - Nationalisation – Temporary Measures...Gradual return to Private Sector
- 1) 2011 - Virgin purchased a share of N.R = Virgin Money (£800M). 2) 2021 – UK Govt sold off **final stakes** of Northern Rock (£5Bn) – US Hedge Fund / Citibank.



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Public Sector £ Bail Outs = **CARDIFF AIRPORT**

- 2013 – Welsh Govt ‘bought out’ Cardiff Airport for £52M.

Buy out necessary -- ‘Gateway’ to Wales / Employment / Economy / Recognition – Reputation....!

- Operated as an ‘ARMS LENGTH PUBLIC CORPORATION’ – Commercial
The aim was to generate ‘RETURN’.

NB: !!!!!!! Continued injection of cash – 2021 -Circa £80M (Cash Investments – Tax£ (£40bn Allocated) + Debts Written Off -- (£40bn) – DUE TO :Covid Financial Concerns.



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"The airport will not be operated by the Welsh government. It will be managed at arm's length from government on a commercial basis and, over time, I expect to see a return to the public purse on the investment.

(Then First minister = Carywn Jones - 2013)

<https://www.bbc.co.uk/news/uk-wales-21952079>

BUT met with Scepticism! Opposition Leaders...



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Departures Gadoel 10:30

Time	Flight	Destination	Class
1305	82388	CDT48000R	13-14
2015	823436	ELW560R	13-14
2018	213259	W00L2M	8L

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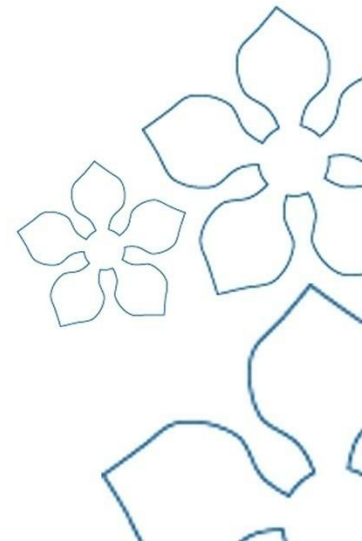


Private Sector

- In the main - - Private Sector Business **MUST** result in a return directly related to capital investment.



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Private Sector

- Private Businesses can be small (SMEs – less than 250 employees **OR** large (Multi National Companies 250 employees plus)
- LEISURE FOCUS:

Characteristics of the industry tend to relate to either HOME BASED LEISURE or LEISURE OUTSIDE THE HOME. (Torkildsen 1996)



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Private Sector

- 1) HOME BASED LEISURE:
- Grown significantly in recent years.....

EG; Emphasis on home based leisure – Covid Isolation!

- Technology Driven = Radio / Smart TVs / DVDs / Internet / PCs / Social Media / Smart Phones / Game Consoles.....



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- Consider the positives of
TECHNOLOGY for Home
Based Leisure –
- Societal Benefit???



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Now consider your positives
against the below quote!

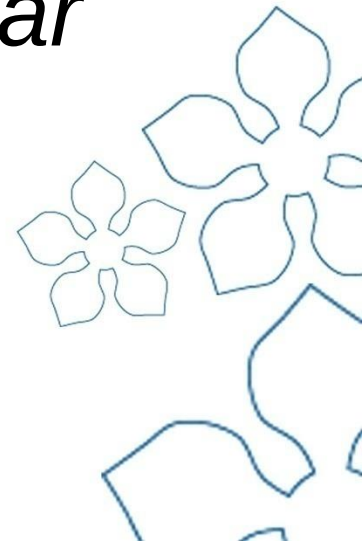
**“The family is alive.....
but not well”**

*(implying an introverted / insular
society???)*

Tolkki – Nikkonen 1979 (Finnish Psychologist)



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Private Sector

2) LEISURE OUTSIDE THE HOME

EG: Gambling / Cinema / Clubbing / Shopping /
Holidaying / Sports



Many competitors in this area - - NEED TO BE
INNOVATIVE to target the market!
(CREATED NEED?!)



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Private Sector

- Need for innovation - related to BUTLER's PRODUCT LIFE CYCLE.
- Industry - Winners / Losers!

• WINNERS = Entrepreneurs 'Discovery'



Entry of Large Players



Expansion



Saturation



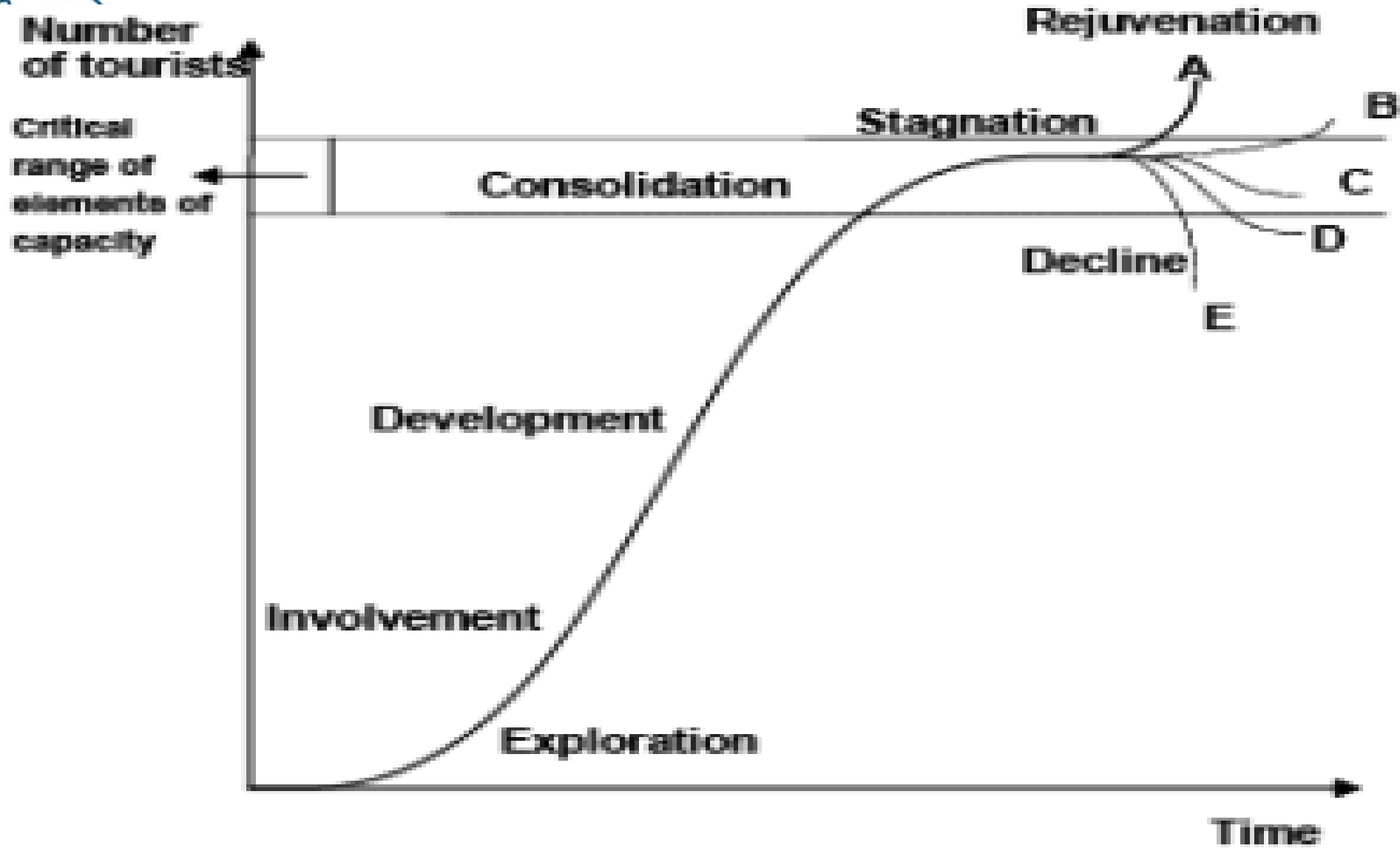
Emergence of Established Brands.



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Butler's Product Life Cycle –

1980s TALC (Tourism Area Life Cycle)



Private Sector

- Tourism Industry Focus (Provision =)
 - i) Accommodation = 1* --- 5* (2000's + - move away from one size fits all. Past - 1960's package holiday).
 - Theme Parks = Technology Influenced (2000's + - Diverse Focus. Past - 1st Theme Park = USA 1955 - DISNEY. 1st UK Theme Park 'Thorpe').
 - Hospitality = (2000's + – Diverse Tastes = National to International 'Cuisine' Widely Available! Big Value Industry £ \$. Past - Dependant on local / national cuisine)



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Private Sector

- Events Industry Focus (Provision =)
- Commercial Events are GROWING!! 
- Music Concerts / Weddings / Corporate / Sporting Events.....
- STAGING of events requires – Sponsorship / Advertising / Branding / Licensing / Legalities / Sales / Equipment / Facilities.....



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Private Sector

- Commercial Leisure Sector is a Vast and Growing Industry - - -
- **NB:** As can be seen.... on occasions, there can be a BLURRING of lines in provision = Public / Private / Voluntary (*Social Enterprises..... – To Be Discussed.*)



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