

Survey Says: Corporate Decision Makers Define Best Practices in Economic Development Marketing

By Andy Levine, Development Counselors International

What does the economic development world's "customer" view as best practices in marketing places? In 1996, Development Counsellors International (DCI) first conducted the most comprehensive survey of corporate executives with site selection responsibilities. Replicated every three years, the study was released recently for the fifth time as "A View from Corporate America: Winning Strategies in Economic Development Marketing."

While we certainly encourage you to read the entire report, here are "CliffsNotes" highlighting four key findings and their meaning to today's economic development professionals:

Finding #1: *What others say about your community is more important than what you say about yourself.*

When corporate executives are asked to tell us which sources of information influence their perceptions of a community's business climate, the top two responses have been consistent every year: "dialogue with industry peers" and "articles in newspapers and magazines."

Economic developers need to think creatively about how to successfully influence these two independent information sources:

Stimulating greater "dialogue with industry peers" – essentially getting local business leaders to communicate with external colleagues about a region's business advantages – remains a challenging but potentially blockbuster marketing opportunity. "Ambassador programs" have been around for decades but only a handful actually succeed in generating true "buzz" about a community. But the times are changing. Growth in social media and online communications offers a new and untapped avenue for "peer-to-peer" dialogue that progressive economic developers are now just beginning to employ.

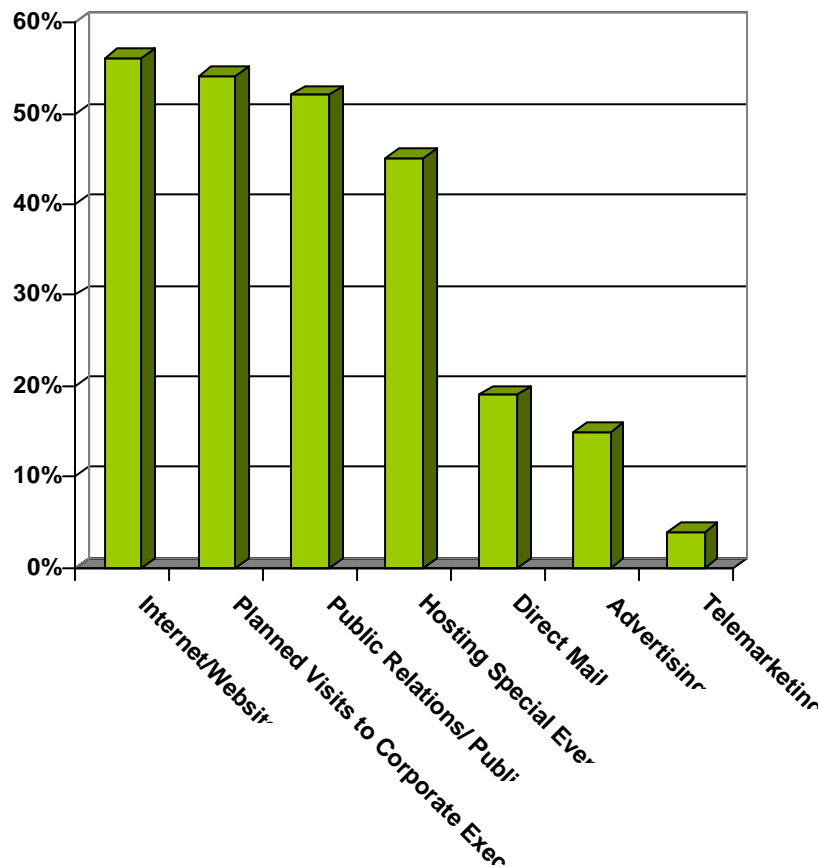
Effective media relations – placing favorable stories about your community's business climate in international, national and key trade press – is an equally effective marketing technique. This can be managed internally via your own communications department or through an outside media relations firm.

There is a significant challenge with both of these avenues. While we can do our best to shape the message we'd like to communicate, we ultimately cannot control the message as economic developers. Despite an effective pitch to the right reporter or editor, a news story may not appear exactly as you wanted it to (or in many cases it may not appear at all). Similarly, you can't control what a local "captain of industry" actually says when he is speaking with a colleague.

Finding #2: Executives now consider “Internet/website” to be the most effective marketing technique.

We asked respondents to rate the effectiveness of seven common marketing techniques used by economic development groups. In the 2008 survey, “Internet/website” soared to capture the highest rating for the first time, pointing to how essential a strong Internet presence is. The chart below details the ranking of all marketing techniques:

Most Effective Marketing Techniques
(% Rating 4 or 5 on a 5-point scale, 2008)



Sixty-four percent of respondents indicated a strong likelihood that they would use an economic development organization’s website in their next site location search.

Finding #3: *On economic development websites, executives want substance, not style.*

Respondents were asked to select the most important website features from a list of 12 common attributes. The top three responses in the 2008 survey were:

- Information on available incentives (selected by 82% of respondents)
- Demographic information (73%)
- Directory of available buildings & sites (49%)

The lesson for economic development groups: pay less attention to the quality of life photos, Flash sequences and stylish layouts. Make sure you've got the right content and up-to-date statistics on your site.

Finding #4: *Face-to-face meetings still matter.*

Even in this electronic age, the personal touch still makes a difference. Nearly one-third (32%) of all respondents identified “meetings with economic development organizations” as a leading source of information influencing their perceptions of an area’s business climate and that number soars to over 50% for site location advisors. In addition, 54% of the executives identified “planned visits to corporate executives” as the most effective marketing tool – second only to “Internet/website.”

Making these meetings happen can also be a daunting task. It takes skill, persistence, and a bit of a thick skin to identify companies that might be expanding or relocating, zero in on the right decision maker, and then convince executives of the wisdom of meeting with your organization. Find people up to the challenge – whether someone within your organization or a consultant specializing in prospect development and qualification – and reward them well for their successes.

Have these “CliffsNotes” piqued your interest in reading the full report? Visit www.aboutdci.com and click on the “New Winning Strategies Report Released” banner at the top of the homepage to download your own copy of “A View from Corporate America: Winning Strategies in Economic Development Marketing.”

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