

Site Selection Influencers Survey 2007

Place Marketing Group

E: info@placemarketing.net
www.placemarketing.net

Site Selection Influencers Survey-2007 Results

Survey Methodology

The survey was conducted by the Place Marketing Group the week of November 5-9, 2007 among 220 members of the Mid-America Economic Development Council (MAEDC) whose membership is comprised of economic development professionals from ten states. Thirty nine persons took the survey resulting in a 17.7% response rate.

The data was analyzed by the Place Marketing Group using SPSS. The Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's Test score yielded results indicating that the sample was adequate for further factor analysis. A copy of the survey instrument and full results appears in Appendix A.

Correlations

There was an insignificant correlation between the practice of marketing to site selection influencers (SSI) and the demographic factors of population, organization type and size of budget. As might be expected, a positive correlation existed between the demographic factors, i.e., the larger the population, the larger was the budget. Organization types were positively correlated with population and budget as well. The larger the population and budget the more likely the organization type was a public EDO or utility company.

Findings

- 77% of respondents believe that directing marketing efforts towards site selection influencers is important or very important.
- Nearly 85% are increasing their marketing efforts directed to site selection influencers.
- A majority of respondents are seeking to market to site selection consultants (84.6%), corporate real estate executives (69.2%) and real estate brokers (66.7%).
- Nearly three quarters of respondents use mailing lists as the source of their site selection influencers targets.
- The most common form of marketing to site selection influencers is direct mail (53.8%) followed by personal visits (41%), email marketing (35.9%) and trade shows (33.3%).
- The frequency of reach to site selection influencers is 1 to 3 times per year for the majority of respondents (36.4%). The next largest group (33.3%) communicates quarterly. Approximately another 30% of respondents communicate from 1 to four times per month.
- EDOs generate their lists primarily from in-house compilation methods or from associations, utilities, friends and colleagues at no cost. Less than 30% reported that they purchased lists. Sources of purchased lists included InfoUSA, Applied Economic and Angelou Economics.
- When lists are purchased, the most important attributes for selecting a provider are accuracy of the data (33.3%) and cost (30.8%). Referral to a source by a friend or colleague was the third leading behavior of purchase decisions.
- The most important data contained in the record is contact name (89.7%), email address (87.2%) physical address (76.9%) and phone number (48.7%).
- Almost two thirds of respondents report that their site selection influencers database contains less than 1000 records. A quarter (24.9%) have databases containing between 1000 and 3999 records. Just over ten percent (11.1%) have databases containing more than 5000 records.
- More than half (54.3%) percent place a value of each record in a database at between ten and fifteen cents or more apiece. Twenty percent place a value on each record of between five and ten cents apiece and the remaining twenty five percent value the records at less than five cents apiece.

Conclusions

- The practice of targeting marketing efforts to site selection influencers is increasing.

- Variances found in the categories of SSIs being targeted suggest a broader effort might be desirable for the EDO.
- Traditional marketing tactics such as use of direct mail is more prevalent than the use of newer ones such as e-mail, that are not only less expensive but are a preferred form of communication for the SSI community.
- Most EDOs are communicating at intervals preferred by SSIs. Those communicating monthly or more often may risk alienating this audience.
- Most EDOs are developing SSI marketing lists at no cost through a prevalent practice of sharing with colleagues, utilities and associations.
- Cost and quality are the largest determinants of the purchase of a list. Cost expectations vary greatly, possibly reflecting the fact that MAEDC provides a Site Selection Consultant list free to its members.
- The availability of an e-mail address was a very important component of any SSI record but the use of email marketing is not a prevalent marketing practice.
- Large variances in the size of internal databases suggest that some opportunities are being missed.
- The perceived value of a database increases with organization size.

Areas of Additional Research

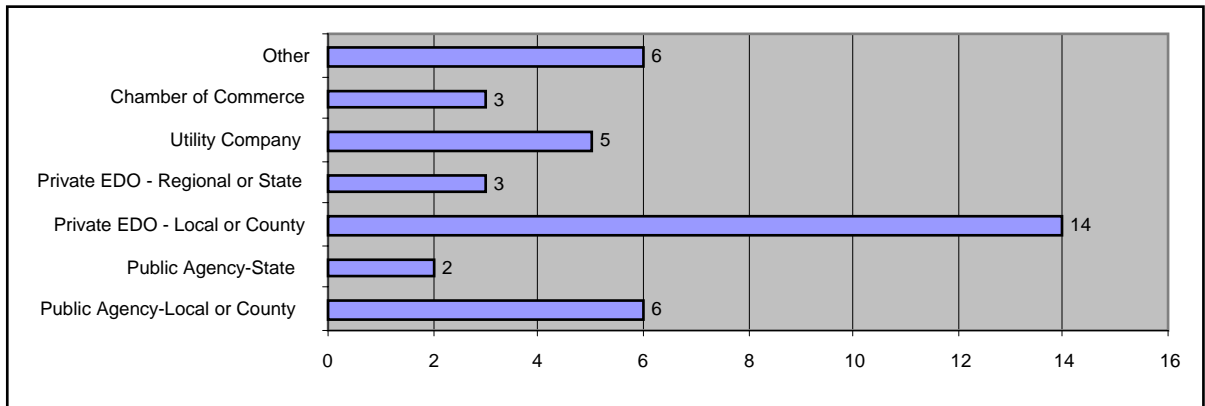
- The geographic limitation of the survey may reflect regional preferences that should be verified with a broader distribution of the survey instrument.
- The reasons for the increasing importance of marketing to SSIs should be explored more fully.
- EDOs generally consider only two categories of SSIs to be significant. The reasons for ignoring other SSI market segments should be explored.
- The value and performance of various marketing tactics should be verified through further research.
- The EDO's reluctance to purchase databases containing records of desired targets needs to be explained along with the low price expectations for purchased lists.
- The survey did not address the respondents satisfaction with the quality of their existing databases or the frequency and method of updating the lists.
- Further research is required to explain the large variances in the size of databases used by EDOs.

Site Selection Influencers Survey Instrument and Results

Following are the results of the Site Selection Influencers survey. The results are presented as percentages and graphically with the number of responses contained within. Total percentages that exceed 100% are the result of the respondents providing multiple answers to those questions.

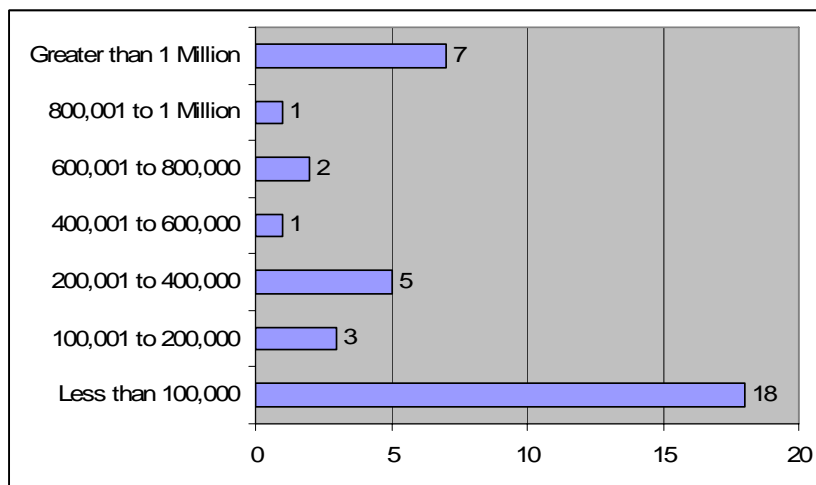
1. What is your organization type?

15.4%	Public Agency-Local or County
5.1%	Public Agency-State
35.9%	Private EDO - Local or County
7.7%	Private EDO - Regional or State
12.8%	Utility Company
7.7%	Chamber of Commerce
15.4%	Other



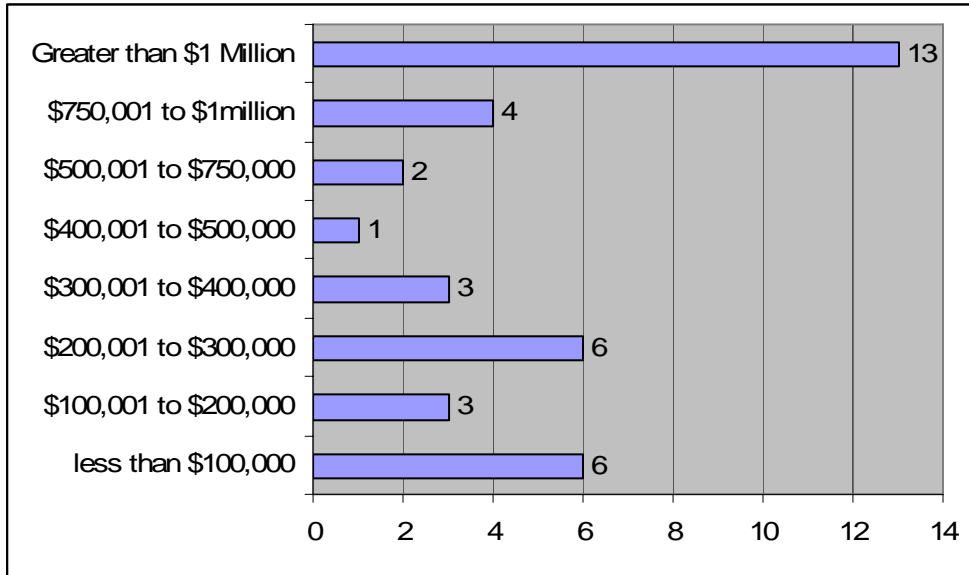
2. What is the population of your service area?

48.6%	Less than 100,000
8.1%	100,001 to 200,000
13.5%	200,001 to 400,000
2.7%	400,001 to 600,000
5.4%	600,001 to 800,000
2.7%	800,001 to 1 Million
18.9%	Greater than 1 Million



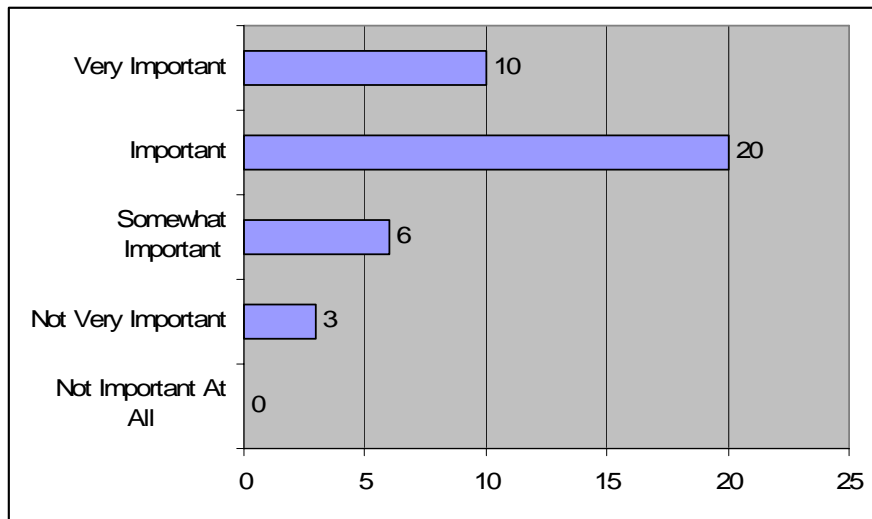
3. What is your organization's annual budget?

15.8%	less than \$100,000
7.9%	\$100,001 to \$200,000
15.8%	\$200,001 to \$300,000
7.9%	\$300,001 to \$400,000
2.6%	\$400,001 to \$500,000
5.3%	\$500,001 to \$750,000
10.5%	\$750,001 to \$1million
34.2%	Greater than \$1 Million



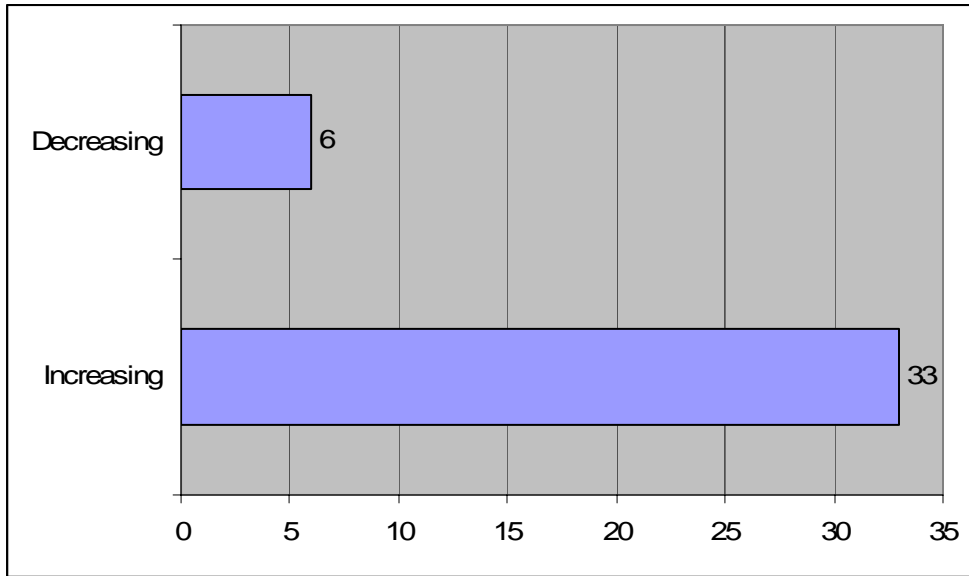
4. On a scale of 1 to 5 with 5 being most important, how would you rate the importance of marketing to site location influencers?

0.0%	Not Important At All
7.7%	Not Very Important
15.4%	Somewhat Important
51.3%	Important
25.6%	Very Important



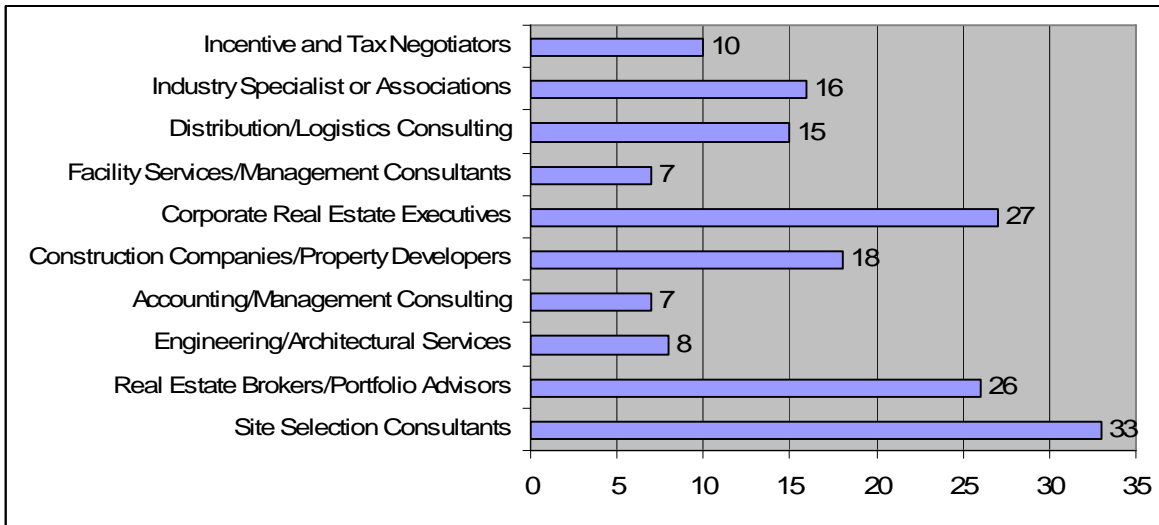
5. Is your use of marketing to site location influencers increasing or decreasing?

84.6% Increasing
 15.4% Decreasing



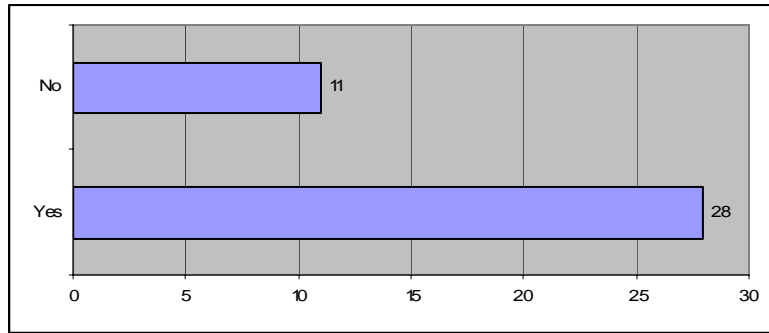
6. Which types of site location influencers do you typically market your area to? (Check all that apply)

84.6% Site Selection Consultants
 66.7% Real Estate Brokers/Portfolio Advisors
 20.5% Engineering/Architectural Services
 17.9% Accounting/Management Consulting
 46.2% Construction Companies/Property Developers
 69.2% Corporate Real Estate Executives
 17.9% Facility Services/Management Consultants
 38.5% Distribution/Logistics Consulting
 41.0% Industry Specialist or Associations
 25.6% Incentive and Tax Negotiators



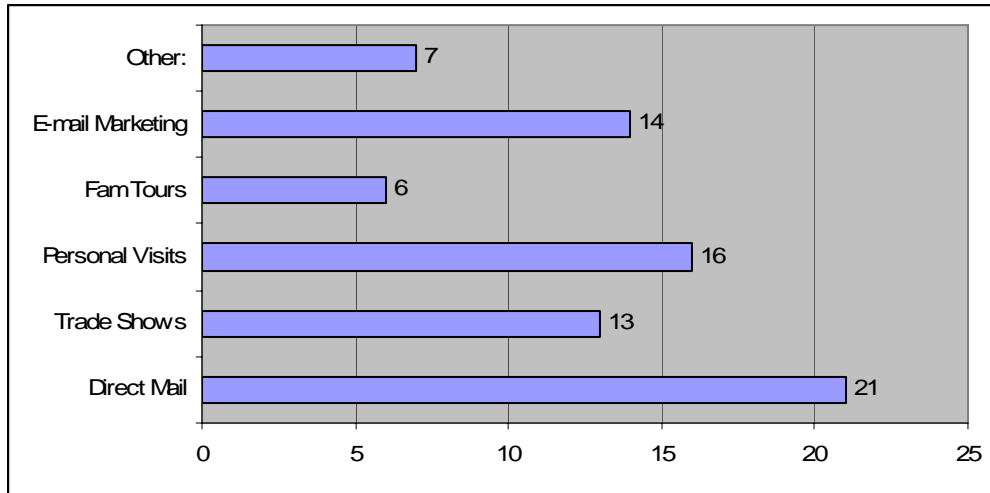
7. Do you typically use mailing lists as the source of targets for marketing your area to site location influencers?

71.8% Yes
28.2% No



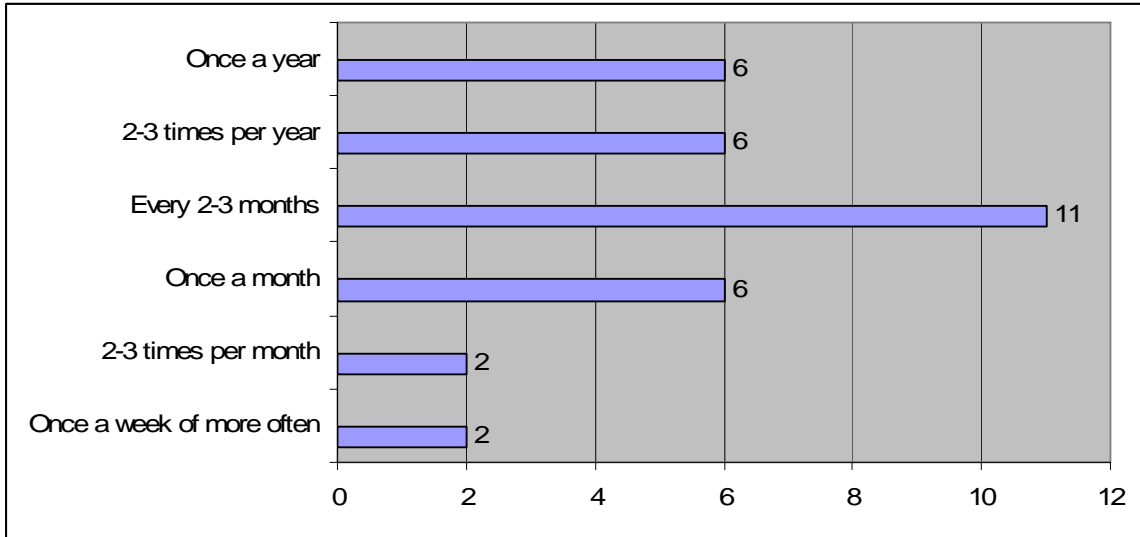
8. For what marketing purposes do you use such lists?

53.8% Direct Mail
33.3% Trade Shows
41.0% Personal Visits
15.4% Fam Tours
35.9% E-mail Marketing
17.9% Other:



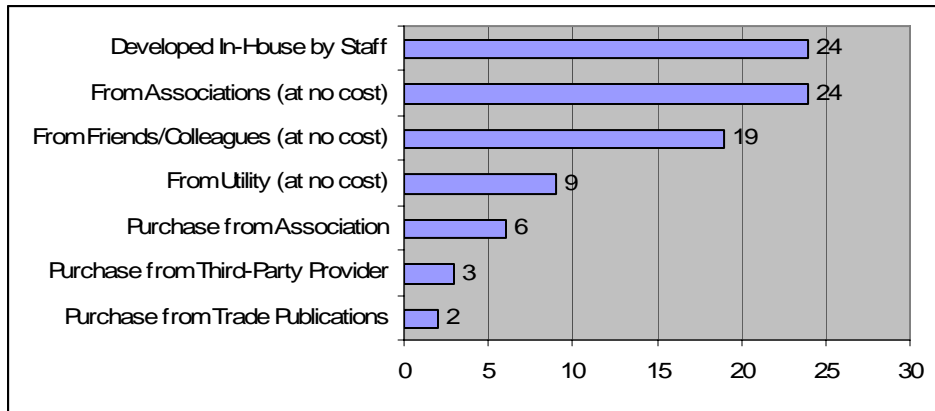
9. How often do you use your list for marketing?

6.1% Once a week of more often
 6.1% 2-3 times per month
 18.2% Once a month
 33.3% Every 2-3 months
 18.2% 2-3 times per year
 18.2% Once a year



10. From whom do you acquire your site selection influencer data?

5.1% Purchase from Trade Publications
 7.7% Purchase from Third-Party Provider
 15.4% Purchase from Association
 23.1% From Utility (at no cost)
 48.7% From Friends/Colleagues (at no cost)
 61.5% From Associations (at no cost)
 61.5% Developed In-House by Staff



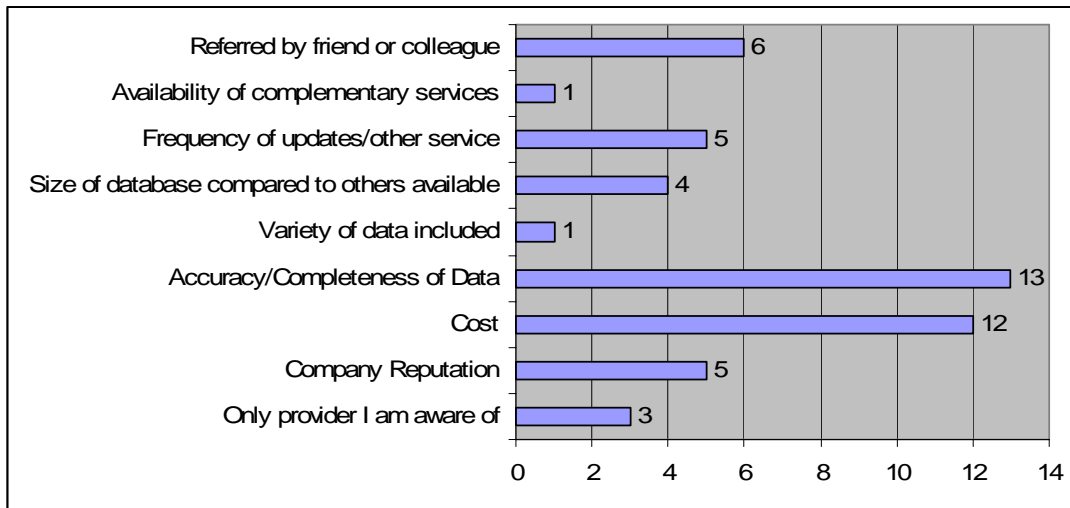
11. If you use a third-party provider, please provide the name of the data provider:

7.7% Filled In
 92.3% Left Blank

Applied Economics, Angelou Economics, InfoUSA

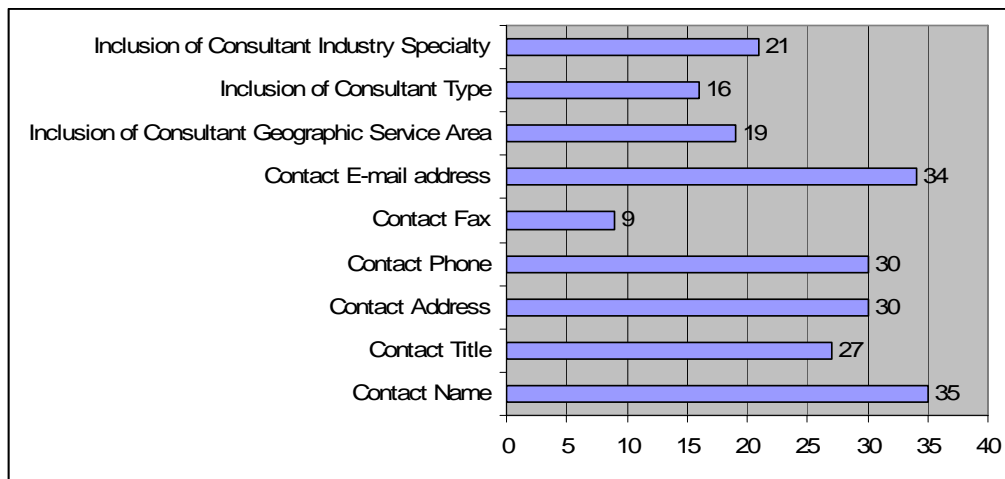
12. If you purchase a list, what attributes influence your decision about which provider to use?

- 7.7% Only provider I am aware of
- 12.8% Company Reputation
- 30.8% Cost
- 33.3% Accuracy/Completeness of Data
- 2.6% Variety of data included
- 10.3% Size of database compared to others available
- 12.8% Frequency of updates/other service
- 2.6% Availability of complementary services
- 15.4% Referred by friend or colleague



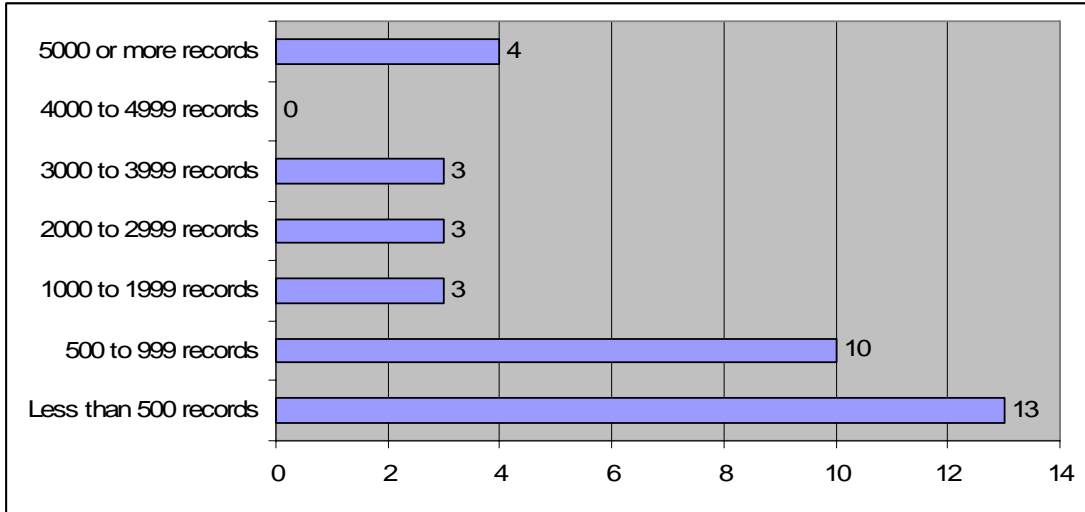
13. What components of the database record are most important (check all that apply).

- 89.7% Contact Name
- 69.2% Contact Title
- 76.9% Contact Address
- 76.9% Contact Phone
- 23.1% Contact Fax
- 87.2% Contact E-mail address
- 48.7% Inclusion of Consultant Geographic Service Area
- 41.0% Inclusion of Consultant Type
- 53.8% Inclusion of Consultant Industry Specialty



14. Approximately how many records are contained in your database?

36.1%	Less than 500 records
27.8%	500 to 999 records
8.3%	1000 to 1999 records
8.3%	2000 to 2999 records
8.3%	3000 to 3999 records
0.0%	4000 to 4999 records
11.1%	5000 or more records



15. What would you consider to be a fair price for a list containing 5000 names of site influencers?

8.6%	less than \$100
17.1%	\$101 to \$250
20.0%	\$251 to \$500
13.3%	\$500 to \$750
25.7%	\$751 or more

