



DOWNTOWN BUSINESS RECRUITMENT

Chapter III



N. David Milder
DANTH, Inc
718-805-9507
danthinc@yahoo.com

2005

Some Reviews of
DOWNTOWN BUSINESS RECRUITMENT

“In the world of commercial area revitalization, the subject most often talked about and less often acted upon is business recruitment. If a commercial area lacks sufficient commercial enterprises, then it is to that degree not a center of commerce at all, a sad place indeed. David Milder has produced a work such that no Downtown activist will any longer have the excuse that the subject is muddy, confusing, impenetrable; here is the comprehensive source. From costs to cautions, from messages to media, Milder lays out the practical steps to enable Business Improvement Districts and others to fill commercial space with winning tenants. Should be on the desk of every self styled economic development professional.”

Lawrence O. Houstoun
The Atlantic Group

“Excellent job! Comprehensive, thorough and chock full of good examples and insights. This should be required reading for both ‘newbies’ and ‘seasoned veterans’ alike.”

Victor S. Grgas
VSG & Associates

“It’s great. I wish this book had existed when I went to manage the Red Bank River Center. I would have slept with it under my pillow and referred to it constantly. And not just for recruitment. I think there are a lot of insights into how to manage a downtown organization overall. The chapter on networking pretty much covers how to survive in this field.”

Mary Mann
Springfield Avenue Partnership

N. David Milder holds the copyright on this book, Downtown Business Recruitment.

This book is published by DANTH, Inc., based in Kew Gardens, NY.

The publication date is May 2005.

The book can be downloaded and used for no fee.

The book or parts of it can be cited, quoted, reproduced and redistributed as long as the name of the author and his company are properly identified and credited.

NDM, April 2005

TABLE OF CONTENTS

i PREFACE

iii ABOUT THE AUTHOR

1 CHAPTER I INTRODUCTION

1 A. Who This Book Is Written For

1 B. Selling and Having Products To Sell

4 C. The Downtown Business Recruitment Function

5 D. Recruitment And The Revitalization Arc

5 E. Approaches To Designing Downtown Business
Recruitment Programs

15 F. Affordable Economic Revitalization Strategies

16 CHAPTER II NETWORKING: THE PRIMARY TOOL OF
DOWNTOWN BUSINESS RECRUITMENT

16 A. Your Personal Network

18 B. Landlords

24 C. Commercial Brokers, Developers and Tenant Prospects

48 D. Contacts at City Hall.

50 CHAPTER III MARKETING COMMUNICATIONS TOOLS

50 A. Overview

52 B. Public Relations

64 C. The Business Recruitment Package

70 D. Brochures and Tomes

73 E. High Tech Tools

89 F. Investment Conferences

91 G. Exhibiting at Conferences

95 CHAPTER IV PUTTING IT ALL TOGETHER

95 A. Accurate Targeting Requires A Strategy

99 B. Niche Strategies For Downtown Revitalization

102 C. Staffing and Budget

110 D. Now, It's Your Turn

PREFACE

This book has a definite point of view. I believe that many more downtown organizations, be they large or small, can have successful business recruitment programs. I also firmly believe that the best recruitment programs, those that will genuinely contribute significantly to the revitalization process, are programs that are informed by a sound economic revitalization strategy.

A lot of downtown leaders do not completely understand the full extent of the recruitment process, so their mental focus is mostly on finding tenant prospects and they do not pay sufficient attention to local landlords and the municipality's permissions and approvals process. Many downtown managers also employ business recruitment marketing tools without evaluating how they can help the program reach its objectives. Often this is because the managers do not really understand which program objectives each marketing tool can support. This book is intended to address these and similar issues.

One of my colleagues was surprised at the book's length. Frankly, so was I. However, my experience as a consultant strongly suggested that most of my potential readers would greatly appreciate a fairly detailed discussion. For example, one early reviewer suggested that I cut out all cost estimates, since they would be time sensitive. But, other readers, such as Cathy Jakubowski, the district manager of the Bayonne Town Center Management Corporation, strongly felt that the cost estimates were invaluable pieces of information and that they could make whatever adjustments were needed to cope with the time sensitivity issue. Similar debates on other topics also ended in decisions to retain the details.

Some readers may ask why I am not charging any money for this book and why I am "publishing" it in such an unusual manner as .pdf downloads from an Internet website. The answer is simple: I want a lot of downtown managers, their staffs and their board members to read the book, and I believe that the method I have selected for publishing and distributing it is the best way to accomplish that objective.

I am engaging in a bit of "guerrilla marketing." My last book cost about \$70, so readers will not have that disincentive with the new one. This book has been reviewed by many experts in the field -- including downtown managers, experienced brokers and a developer -- and professionally edited, so there is an assurance of quality. Most potential readers are familiar with .pdf files and feel comfortable downloading them. Knowing downtown managers as I do, I am betting that, if this book is as good as I hope it is, word-of-mouth will stimulate strong reader interest. The combination of a quality product, strong reader interest, no cost and easy downloading sounds like a successful publishing strategy to me.

I am a very lucky person -- I have a lot of people to acknowledge and thank. First amongst them is my wife, Lady Laura. During the summer of 2001 I was stricken with a virulent form of pneumonia and the infection spread from my lungs to other vital organs. I was in the hospital for three months and rehab for another four weeks. Lady Laura was at the hospital every day, dealing with me and the doctors, while somehow managing to maintain an arduous fulltime job in the highly competitive fragrance industry. She and my daughter, Anne Megan, brought in my favorite foods from my favorite restaurants, encouraged friends to visit and call, and arranged a birthday party. For that reason -- and because every day she helps me to be more of the person I aspire to be -- this book is dedicated to Lady Laura.

For many weeks, during the initial part my hospital stay, I was in a coma-like state. When I began to be conscious, I was often terribly disoriented, not knowing what was real and what was hallucinatory. It was very scary. Anne Megan grasped my fears and quickly addressed this problem. She brought in a bulletin board on which daily the day, date and nurses' names were written. She would spend hours engaging me in conversations that always nudged me to think about the future, especially about my career and doing more writing. It was during those conversations that my plan for this book emerged and my commitment to the project was sealed. Consequently, this book is also dedicated to Anne Megan.

There are many others who have helped me on this project and deserve my deepest thanks. Mary Mann, who edited my niche strategy book, also edited this one and did so with her usual blend of professional skill and support. Mark Waterhouse has been a thoughtful and demanding reader of numerous drafts, who provided another level of insightful editorial assistance. I also received helpful feedback on early drafts of one of more chapters from Peter Beronio, Stephanie Greco, Jim Glennon, Beth Lippman and Michael O'Connor.

Special thanks go to Victor Grgas, Mary Mann and Larry Houstoun for their pre-publication reviews.

Finally, I have to thank a number of people on the client side who gave me such interesting opportunities to engage in business recruitment activities: Dick Anderson, Peter Beronio, Ray Molski, Michael O'Connor, Kathleen Prunty and Carlisle Towery.

NDM
March 2005

ABOUT THE AUTHOR

N. David Milder is the president of DANTh, Inc., a consulting firm based in Kew Gardens, NY, that specializes in the revitalization of downtown and neighborhood commercial districts. He holds a Ph.D in Government from Cornell University and taught at Cornell and the Ohio State University. He was the vice president for marketing for ManData Corp. At the Ohio Department of Economic and Community Development he designed the Ohio Housing Needs Plan and created and managed the Ohio Cities Consortium, a 16-city public management technology transfer network funded by the National Science Foundation. He then went on to direct the Urban Institute at the University of North Carolina at Charlotte, where he created a downtown revitalization technical assistance program.

In 1977 Mr. Milder formed his own consulting company, which in 1996 adopted the name of DANTh, Inc. His clients have included the City of Charlotte, various municipal agencies in New York City, the National Institute of Justice and countless downtown organizations in New York, New Jersey, Vermont, Pennsylvania and other parts of the nation.

Some of Mr. Milder's significant projects include:

- A major study on the causes of the fear of crime in downtowns and how downtown organizations can diminish such fears
- Downtown revitalization strategies for: Jamaica Center, NY; The Bronx, NY; Englewood, NJ; Rutland, VT; Carlisle, PA; Garden City, NY; White Plains, NY; Cranford, NJ; Elizabeth, NJ; Bayonne, NJ and Maplewood, NJ
- Managing SIDs in Teaneck, NJ, and Bayonne, NJ
- A study for the mayor's office on how to get more developer's interested in projects in New York City's outer borough downtowns
- Business recruitment programs in: Jamaica Center, NY; The Bronx, NY; Englewood, NJ; Teaneck, NJ; Cranford, NJ, and Bayonne, NJ.
- Redevelopment public relations campaigns in Englewood, NJ; Jamaica Center, NY and Bayonne, NJ
- Niche marketing campaigns in: Rutland, VT; Englewood, NJ; Teaneck, NJ; Elizabeth, NJ; and Bayonne, NJ
- Façade improvement programs in Teaneck, NJ and Bayonne, NJ designed to increase the participation of existing businesses.

Mr. Milder has numerous articles in such publications as Urban Land, Main Street News and the Downtown Idea Exchange as well as chapters in books published by the American Planning Association and the International Downtown Association. His book, Niche Strategies for Downtown Revitalization was published by the Downtown Research and Development Center.

You can reach Mr. Milder at danthinc@yahoo.com or by visiting www.danth.com.

CHAPTER III

MARKETING COMMUNICATIONS TOOLS

A. Overview

One simple and easily understood definition of marketing is “The process of identifying and communicating with qualified prospects.”⁴⁸ The personal networking discussed in the last chapter certainly falls within this definition of marketing and a considerable portion of Chapter II was devoted to explaining how to identify and meet developer and tenant prospects. This chapter will focus on other marketing communications tools, i.e., methods of sending “messages” to developers and tenant prospects.

Networking differs from other marketing tools in one profound respect -- it is based on one-on-one, face-to-face interactions. The marketing communications tools spotlighted in this chapter utilize other ways to reach target audiences. These communications channels include an assortment of print and electronic media as well as various types of group meetings. The discussion that follows is not exhaustive, but covers many of the marketing tools that a downtown recruitment program in a small or medium-sized commercial district might want to consider. All of the marketing tools discussed in this chapter have been observed either being used by a significant number of small and medium-sized downtown organizations or being considered by them.

1. Viable Program Objectives. Many newbies -- and quite a few experienced program managers -- have an incomplete understanding of the marketing function in a business recruitment program. They only tend to see marketing as a way to build new interest in their downtowns and to get more people coming through their doors who are hungry to lease space or build new real estate projects. But, the marketing function is also needed, in one form or another, after the prospects appear at your door, until the leases or development contracts are signed.

Indeed, a good argument can be made that the marketing associated with deal making is at least as important as the marketing efforts aimed at generating more interest in downtown real estate. In a small or medium-sized downtown, if 100 tenant prospects for retail and office space show up in a year, local leaders will probably be reporting a flurry of interest in downtown real estate. But, the bottom line for the downtown is not how many prospects show up, but how many sign on the dotted line. If you have 100 prospects show up, but you only sign 10, then you are not doing as well as another downtown where only 30 prospects appear,

⁴⁸ www.factorfast.com/htm/glossary.htm

but 15 sign leases or development contracts. Effective marketing can find prospects, but it must also convert them into tenants.

Additionally, signing desirable new tenants and having attractive new real estate projects constructed are the best ways to get the type of media coverage that will stimulate even more interest in investing in your downtown.

As a group, marketing communications tools can be used to achieve a variety of objectives. Among them are:

- Piquing the interest of developers, savvy commercial brokers and tenant prospects in your downtown's real estate opportunities
- Establishing or expanding a positive image of your downtown
- Reinforcing an existing interest in your downtown, while expanding the person's knowledge about it
- Supporting deal-making by providing critical information about opportunities, sites, markets, infrastructure, incentives, etc.

However, no marketing tool can achieve all of these objectives. Each is best suited for achieving one or perhaps two of them. Frequently, the difference between a marketing program's success and failure comes down to the ability of the selected marketing tools to achieve the objectives established by the program's managers. All too often, managers do not give enough thought to this consideration. One explanation is that they do not properly understand what a tool can and cannot be expected to achieve. This is especially likely to happen with tools that involve a new technology; program managers then can be gripped by a technology rapture that severely clouds their analytical judgments.

2. The Recipient's Effort Level. Most downtown recruitment programs – and especially those in small and medium sized downtowns -- do not think enough about how much time and effort it will take for the busy business people they want to reach to “consume” the information sent to them. A Xerox of a newspaper article may be a page or two long, can be easily carried around in a jacket pocket or handbag and read in a few minutes, even while “on the run.” A handsome, expensively produced pocket folder jammed full of various materials will be harder to carry around and take much longer for all of the materials to be read. An expensively produced VCR tape about your downtown will probably take 5 to 20 minutes of the viewer's time and require easy access to a VCR machine. A PowerPoint or Flash presentation will probably take 10 to 20 minutes; require a computer with the relevant program installed and perhaps someone who knows how to run the PowerPoint program. A 50 to 100-page glossy publication about the wonders of your downtown may look great, but weigh a ton and take an hour or two to read.

It is imperative to:

- First match your marketing objectives with the proper communications tools

- Then match those tools with the amount of effort your target audience is likely to expend on reading, listening or viewing your messages.

A good general rule to follow is that the amount of time and effort a business person is likely to spend on your marketing tools is proportionate to their existing interest in your downtown's business opportunities. For example, someone who does not know or care much about your downtown is not likely to spend an hour reading about it or even put up with 15 minutes of watching a snazzy Flash presentation on a CD-ROM that celebrates its marvels. Conversely, a retailer who is interested in locating in your downtown will probably want all sorts of information about available properties, zoning, traffic, parking, consumer markets, investment incentives, etc., and be prepared to spend many hours, if not days, going through it.

B. Public Relations

When people hear the term "public relations" or its shorthand moniker, PR, the response is often a snicker or a roll of the eyes, as if some tawdry or superficial topic is being discussed. Some of PR's pejorative reputation is perhaps deserved: too many self-proclaimed PR experts have a very shallow knowledge of downtown revitalization and too often they lack an essential familiarity with the nuances of local politics, yet they are prepared to pontificate authoritatively about both subjects. Their main attraction in the eyes of many downtown leaders is simply their contacts with reporters in the print and electronic media. Often, it's up to the downtown leaders to effectively manage the PR experts and to provide them with the substantive and political knowledge that they may lack. That said, it is a big mistake to be dismissive of how much an effective PR campaign can do to interest developers, investors and new business operators in your downtown.

All of the public relations tools discussed below communicate their messages to comparatively large audiences. Reaching the target audiences of a business recruitment program, who may represent a relatively small proportion of all readers or viewers, can be very challenging. Also, these PR tools are best suited to two overall program objectives:

- To pique interest in investing or doing business in the downtown
- And to build a positive image of the downtown as a place to invest and do business.

1. A Brief Case Study. DANTH, Inc. has had a large number of assignments in Englewood, NJ, dating back to 1993. As a matter of standard operating procedures, DANTH periodically conducts a "lessons learned" review of past and current projects. In looking at the impressive revitalization successes the leaders in downtown Englewood, NJ, have been able to achieve, it suddenly became very apparent that Peter Beronio, the city's Community Services Director, had fashioned a remarkable, long-term PR campaign that effectively established downtown Englewood in the minds of many developers, commercial

brokers and retailers as a great place for new real estate projects and new shops because its revitalization was definitely succeeding.

The capstone of Beronio's efforts -- and what initially caught our attention in the lessons learned review -- was an article published in the Commercial Real Estate: Regional Market column of the New York Times on April 9, 2003, written by Terry Pristin, that headlined: "Englewood, N.J: Where Downtown Redevelopment Paid Off."

The commercial real estate columns in the Times are read with great regularity by professionals in the industry in the NY-NJ-CT Metropolitan Region. And here was this article in a real estate column in *the* most powerful and prestigious newspaper in our region (and perhaps the world) lauding and anointing the success of Englewood's downtown revitalization efforts. This article provided a kind of third party legitimation that no ad could even hope of achieving. It is hard to think of another marketing effort that could do more to establish a strong positive image of downtown Englewood in the minds of real estate professionals and key business operators. It is also hard to think of another marketing effort that could better trigger their interest in possibly doing business in downtown Englewood. And all of this was achieved at relatively little expense!

What is really impressive about Beronio's efforts is not simply this powerful article, but that:

- It was just one of eight articles in the New York Times between 1996 and 2003
- All or a substantial portion of each article focused on downtown Englewood and presented a favorable view of its revitalization progress.

Moreover, the eight positive articles in the New York Times were just a part of Beronio's overall marketing activities:

- Numerous presentations at meetings of Downtown New Jersey, the International Downtown Association and the National Main Street Center. These presentations helped established downtown Englewood's reputation among downtown revitalization specialists as a place where revitalization was succeeding and novel and effective things were being done
- An article in the Main Street News, the monthly magazine of the National Main Street Center, that portrayed downtown Englewood's comprehensive approach to revitalization as model for other communities⁴⁹
- Countless articles in The Record, which is the major newspaper for Bergen and surrounding counties. Most, though not all of the articles were favorable, since some did report on opposition to a few projects

⁴⁹ N. David Milder, "On The Right Track. Englewood, New Jersey: A Model Comprehensive Revitalization Program", Main Street News, July 1999, Number 155, pp. 1 -7

- Countless articles in The Suburbanite, a weekly paper for Englewood, Teaneck and parts of several other abutting communities. Here again, most of the articles were favorable, though some did report on opposition to a few projects
- An article in the Star Ledger that portrayed downtown Englewood as a revitalization success and model for other communities. This paper is the major local daily newspaper for the Newark metropolitan area, which does not include Englewood
- A number of positive segments on the evening news programs of the local cable TV station
- Englewood Expressions, a newspaper insert that went to 65,000 households in Englewood and surrounding communities. It was very effective in improving name and brand recognition
- Englewood was named as one of New Jersey's top communities to live in by New Jersey Monthly magazine⁵⁰
- Two investment conferences were held in 2000 and 2002
- Downtown Englewood exhibits at the annual NJ League of Municipalities meeting in Atlantic City
- An article in the Real Estate Weekly, a regional publication with subscribers in the real estate industry
- Exhibiting at the ICSC sponsored NJ Alliance meetings.

2. Regional Newspapers. In most small and medium-sized communities, the regional newspaper is the most effective public relations vehicle for a downtown recruitment program. These publications can cover one or more counties and have readerships in the hundreds of thousands or even millions. Small and medium-sized communities within a large metropolitan area usually will be covered by such a regional newspaper, though most of its ink will probably focus on the largest city in the region.

In more rural areas, the major regional city may have a relatively modest population size. Rutland, for example, is the major city in central Vermont and in 2000 had a population of 17,292. Nevertheless, the daily newspaper in such communities is often a regional newspaper. The Rutland Herald, for example, has a daily circulation of 20,851 -- which is larger than the city's entire population. The paper's circulation area covers 64 zip codes. Eighty percent of its daily sales come from 21 of the 64 zip codes, with the City of Rutland accounting for only about 30% of the sales. Other important sales areas can be relatively distant, some 30 or even 50 miles away.⁵¹

Developers, commercial real estate brokers and tenant prospects in the region will constitute only a small percentage of the regional newspaper's readership.

⁵⁰ Jay Levin, "Top Towns," *New Jersey Monthly*, March 2001, pp.66-67

⁵¹ Bill Dedman and Stephen K. Doig, *Does Your Newspaper's Staff Reflect The Racial Diversity Of The Community It Serves?* John S. and James L. Knight Foundation, May 2004, downloaded from <http://powerreporting.com/knight/>

Nevertheless, the regional paper can be an efficient vehicle for reaching these people. For most small and medium-sized downtowns, these are the prospects you are most likely to attract.

Within the region, stories published in the regional paper usually will carry more clout than stories carried in other local publications. They are usually the local “paper of record.” Reprints of articles in the regional paper, if they have the right messages, can be a useful component of the package of materials a recruitment program distributes to developers, brokers and tenant prospects, even for those located outside of your region. They also can be effective pages on a website.

Sometimes the regional paper will have weekly columns on real estate or neighborhoods. Some even have a separate real estate section with “editorial content,” i.e., stories as well as ads. These columns and sections are usually the best places to try to get stories placed because they are most likely to be read by members of the business community that your recruitment program wants to influence.

The amount of space usually devoted to such stories is not particularly large, probably between 800 and 1,500 words. However, you sometimes can get various types of graphics-- photos, maps, charts, etc. published with the article, so having them available can be worth the effort.

Marketing communications tools can differ in their abilities to achieve various objectives. Your PR efforts with regional and local papers are most likely to succeed when they are aimed at improving your downtown’s image or arousing interest in downtown business opportunities, because these objectives can be accomplished in the 800 to 1,500 word story that you are likely to get. That story is likely to be written to be read by more than just the very few, select readers a recruitment program is really aiming at.

Downtown organizations normally have significant image building missions, covering consumers as well as businesspeople. Sometimes building the downtown’s image among consumers can have an echo impact among developers, commercial brokers and commercial tenant prospects. This will occur when there is a substantial amount of word-of mouth communications relating to a limited set of themes. Routine stories about sidewalk or back to school sales, Christmas decorations, car shows, historical walks, bike rides, and various holiday promotions may have favorable impacts on local consumers, but they will not have much impact on the key actors in the business recruitment process. To have their buttons pushed, they need to hear echo messages such as:

- The downtown is coming back; things are really changing for the better
- People like going downtown because there’s a lot to do; it’s a great place to hang out
- Your community has an enviable quality of life

- The downtown is safe
- The downtown is often crowded with visitors
- There is plenty of available parking
- Major businesses are moving into the downtown
- Lots of money is being invested in significant downtown projects
- There are a lot of attractive new stores and restaurants
- A lot more people are living downtown
- Your downtown offers an enviable quality of life.

Getting a recruitment-related PR story placed in a regional newspaper is best accomplished when you:

- Have an existing working relationship with key reporters and editors
- Can make it easy for them to do their jobs
- Have a relevant story.

Building relationships with reporters in regional papers can often be challenging. Reporters generally prefer stories about conflict. However, reporters that specialize in real estate are often looking for a positive story to tell. This frequently converts to an interest in new projects and significant new business openings. Many times they are really hungry for such stories. These are the reporters in regional papers with whom the managers of business recruitment programs recruitment programs have the best chance of developing good working relationships. Sometimes offering them background briefings can be very productive.

Beat reporters in some regional papers change frequently, so every year or two, you may have to establish new relationships with them. Columnists and reporters specializing in real estate, community affairs, neighborhoods, etc. usually stay around longer.

There is usually a strong separation between the advertising department and reporters and columnists, so doing a lot of advertising with the regional paper may not have much impact on when and how your program is covered.

Increasingly, successful downtown business recruitment is tied in with redevelopment projects. These projects have a high probability of generating conflicts. You can bet that the regional newspaper's reporters will jump on stories about negative project impacts such as displaced residents and/or small businesses, increased traffic, more air pollution, etc. If your organization is into redevelopment, it must be prepared to deal with these problems, having a fairly elaborate game plan, preferably before a project is announced.⁵²

⁵² For a larger discussion of this topic see: N. David Milder, "The politics of downtown redevelopment projects," in the May 15, 2004 issue of the [Downtown Idea Exchange](#).

Writing a good press release can help a busy reporter produce both a well-written story and one that makes the points you want made. If you can not write a good press release, hire someone who can. A poorly written press release is bound to get you in all sorts of trouble.

For many downtown program managers, follow-up interviews with a reporter are nerve racking. But they also offer important opportunities to make your case. They also are good opportunities to make sure that the reporter has the facts straight --don't assume this -- and understands your release. Before being interviewed it is a good idea to:

- Thoroughly know your press release
- Have a list of the key points you want to make
- Prepare answers to potential troublesome questions the reporter may ask.

The amount of effort it takes for the staff of a recruitment program --and the associated financial costs-- to get relevant and effective articles placed in a regional newspaper can range from moderate to high: high if there is no existing relationship with a reporter or if such a relationship is adversarial; moderate if there is an existing productive relationship.

3. Local Newspapers. These papers are usually weeklies, have small staffs and very few, if any, reporters. They appear in small and medium-sized municipalities and as neighborhood papers in large cities. Their circulations may reach into many tens of thousands. The Bayonne Community News, for example, has a circulation of 28,000. Its newspapers are delivered "every Wednesday, by adult carriers, to every home and business in Bayonne" and the nearby Country Village, Society Hill and Franklin Park neighborhoods in Jersey City. Increasingly, these weeklies are part of regional chains. Worrall Community Newspapers, Inc. is typical of these chains: it publishes 18 weekly newspapers that cover 24 communities in Essex and Union Counties in New Jersey.

For business recruitment programs these local weeklies offer limited, though sometimes productive opportunities to reach local business people who might be interested in opening a business office or retail store. But, they are relatively poor communications channels to reach retail and office tenant prospects who live outside of town -- or the developers and savvy commercial brokers who are also likely to live out of town.

Press releases sent to these papers are very likely to have all or substantial parts of them printed, especially if the weekly is small and has no reporters. Among the weeklies there is not as much separation between the advertising and editorial functions as in the regional papers, though those that are part of chains are more able and likely to rebuff an advertiser's attempt to influence story lines. Many actors in the business recruitment process know how easy it is to get a positive story placed in a local weekly, so they often discount such stories as puff pieces.

Such articles, consequently, are not very effective parts of the recruitment package you send to prospects -- unless you have nothing else to use.

It can be argued that small weeklies have a greater potential for creating problems for a business recruitment program than for helping it. This is likely to occur when your recruitment efforts become a matter of local political debate. Redevelopment projects, financial incentives and rezoning are some of the actions that might cause controversy. Because there is conflict, the local weekly is likely to cover it. Press releases from opponents are likely to find their ways into the weekly's printed stories. The weekly's readers are local voters and political actors. Perversely, these stories about such conflicts will have credibility with out of town developers, savvy brokers and tenant prospects -- if they see them. Also, the regional paper might pick up the negative story. The net result can be the scaring away of quality developers and tenant prospects and a real negative hit on the downtown's reputation as a good place to do business.

It's a sound policy for a downtown organization to do a good deal of shopper-oriented advertising with a strong local weekly and to be in close and frequent contact with its editors and reporters. While this cannot prevent negative stories from appearing, it can help assure that the downtown organization's side of things will be fairly and adequately presented in print.

Sometimes, though, there is little one can do. Today, it does not take much money to produce a weekly. Because of this, weeklies have appeared in some communities that are the expressions of a very politically motivated publisher/editor/reporter. They don't have many ads, but may have behind the scenes political funding. Some have been known to "crusade" by attacking the downtown organization and its projects. In one community, such a weekly was instrumental in defeating a proposal to build a badly needed parking deck. Before such situations occur, it is wise for the downtown organization to have in place:

- Strong membership support
- Strong support from City Hall
- Good working relationships with community groups that are based outside of the downtown
- Good working relationships with other local media operations.

4. Newspaper Inserts. Many downtown organizations have learned the value of using inserts in their local and regional newspapers that focus a good deal of their page space to positive stories about the downtown. Inserts have become one of the most effective PR tools for building a downtown's image. Shoppers, normally, are their primary target audience. However, inserts also can serve as an effective tool for building up your downtown's image as a place to do business in the minds of developers and tenant prospects who can be reached within the newspaper's circulation area. Inserts given a recruitment function are best placed in a regional paper or in a group of local papers that can provide a sizeable readership. Perhaps most importantly, inserts also can be an important

component of the recruitment package given to business people who have expressed an interest in locating in your downtown, whether they are located within your region or not.

In some communities, distribution is an important issue. Finding that the newspapers are not able to reach their targeted readers, some downtown organizations have their “inserts” distributed by direct mail. This usually happens in high income communities. Obviously, this involves higher distribution costs, but they may be worthwhile if the direct mail does indeed get more of the target audience to read the publication.

To serve a business recruitment function, inserts must have the right kinds of stories, those that address themes salient to developers, savvy brokers and tenant prospects. (See above the themes mentioned in the discussion of regional newspapers.) One of the usual advantages of inserts is that they provide a lot of “editorial” space, which means there is usually ample opportunity to have stories on a variety of topics. Most can be shopper -oriented; one or two can be structured to help business recruitment.

The inserts provide an opportunity to:

- Have more space than you are likely to get in a newspaper to tell your story, so you can convey more information and nuances
- Tell your story the way you want to tell it; the downtown organization has complete editorial control
- Present the story about your downtown as a business location in an attractive, professionally produced format. The format both entices the reader to read the articles in the insert and demonstrates to the reader that your organization knows what it is doing
- Present your business opportunity story in a format that is fairly easy for your target audience to consume. An article in the insert will not take a burdensome amount of the developer’s or tenant prospect’s time. Nor will it require special skills or equipment.

Inserts require low to moderate effort by the recipient. Just one article in an insert can have a meaningful impact for a recruitment program and that article will not take long to read. Inserts are often treated as magazines, kept around an office or household for a month or more, and read in a piecemeal, opportunistic manner. You probably will get more than one bite out of the insert apple.

Inserts are sometimes referred to as “tabs” because of their tabloid shape. They can be as small as 10 or 12 black and white pages produced on typical newsprint paper. Others resemble magazines -- they are printed in four colors on glossy paper, stapled and have as many as 60 or 70 pages. The key advantage of these self-contained inserts is that they combine real articles about the downtown with advertisements by downtown shops and their suppliers. Some inserts do not

have any editorial content; they have a much lower image-building capability and offer little to a business recruitment program.

Publishing an insert is a real entrepreneurial effort. It can pose substantial risks for a downtown organization. Financing an insert can be complicated and uncertain. The cost of a typical insert is in the \$25,000 to \$65,000 range, though one with very high production values, lots of pages and a direct mail distribution may cost substantially more. Despite these potential problems, a significant number of small downtown organizations have done inserts.

There are numerous marketing firms that specialize in putting such publications together. As might be expected, their sales pitches often present a rosier picture than is warranted about project costs and complications. Expect to be told that your only costs will be some staff time and possibly someone to write the downtown stories -- who, of course, the marketing firm would be happy to supply. The ads supposedly will pay for the publication -- if they don't, then the downtown organization must cover the loss.

The marketing firm will usually pitch their ability to sign up advertisers, "with just a little bit of your help." In reality, expect that your staff will have to spend a lot of time signing up advertisers and may indeed end up doing most of the real legwork. Two factors can guarantee that this will happen -- an insert with high production values and the need to sign up people for a lot of relatively small ads. The high production values means high costs, so you have to raise a lot of money. Lots of small ads mean that there is a heck of a lot of work that must be done to sell the ads and collect the money.

The best way around this situation is to sign up three or four major sponsors for the insert who, combined, can provide enough money to make the insert happen. Of course, they will get their page ads, but at a hefty price. They are willing to pay because they realize what the insert can do to build the downtown's image -- and that of their firms'.

Without such support, producing an attractive insert can be like trying to rent out a 100,000 SF spec office building to a hundred tenants: lots of work, lots of time, lots of baloney and lots of frustration. In such circumstances a small or medium-sized downtown organization, with a small staff, can be absolutely consumed by an unexpected entrepreneurial endeavor that diverts it from other essential management operations.

If the insert has editorial content, the downtown organization probably will have to subvent the publication. The page space inside an insert where the downtown's stories are told has to be paid for, it's not free. If the ad income is supposed to cover the cost of the editorial space, then chances are that the ad costs will be relatively high and you then can bet your bottom dollar that downtown businesses will loudly complain and resist paying them. This is especially likely to

occur if the insert has high production values -- and commensurately high production costs.

Local newspapers sometimes will entrepreneur the inserts. However, if the insert is not going to attract more ads than usual from downtown businesses, then the local newspaper will be reluctant to undertake the venture. In such instances, the downtown organization may want to “guarantee” the tab, thus reducing the costs for each advertiser and making the whole venture more attractive to the newspaper.

The River City Tab⁵³ provides an interesting case study. For many years, it was printed seven times a year by one of the local newspapers in cooperation with the downtown development organization, which managed the downtown special district. It reached a print run of 50,000 copies and an estimated readership of 145,000. It had a multi-faceted distribution: in addition to 34,950 newspaper inserts, 3,050 were delivered drop-point/bulk and 12,000 copies were delivered by direct mail.

The River City Tab is now kaput. Basically, it was losing money for the local paper, so the paper bowed out. The downtown organization solicited bids for a replacement and selected someone who was going to do a start-up publication for the organization. This resulted in much controversy -- all the local papers (for some reason, there are a lot of them in River City) threw a collective hissy fit and charged that the downtown organization was going into direct competition with them by starting its own paper.

The proposition of the downtown organization doing its own tab was dropped. Instead, another marketing firm was hired to do a twice a year map/guide/calendar of events. This glossy publication has grown to become something of a magazine with some editorial content. Pains, though, are taken to describe it as a brochure, so the local newspapers won't be incited.

From the perspective of the manager of a downtown recruitment program, a newspaper insert certainly can provide useful, though limited opportunities to reach developers and tenant prospects within the region and good collateral material to woo those who are already interested. Nevertheless, these benefits are not large enough to outweigh the time, effort and financial costs of producing the entire publication or of providing all of the editorial content. A wisely managed recruitment program certainly will want to be part of any insert that is published by the downtown organization if it has editorial content, is professionally produced and has effective distribution channels -- but, the recruitment program should ride on an effort that is spearheaded by other programs within the organization.

⁵³ River City is a pseudonym used by the author to protect the name of the real community. The name of the publication is a similarly motivated fiction.

5. Magazines. For many downtowns, especially those trying to reach affluent households, direct mail can be the best way to achieve their advertising objectives. Functionally, the publications they send are similar to inserts, but they are not distributed in newspapers. Instead they are either sent through the USPS or are delivered by a private service directly to the mailboxes of targeted households. Some may be distributed at carefully selected retail stores. The Downtown Magazine Group, for example, publishes “lifestyle” magazines for high income communities in New Jersey, such as Englewood, Millburn/Short Hills, Montclair, Princeton, Ridgewood, Summit and Westfield. Each of their 12 bimonthly magazines is mailed to affluent homes (HHI \$100,000+) in the target area, with additional copies distributed at high-traffic retailers in each community. Such magazines offer the same advantages and limitations of a well-produced and effectively distributed insert.

Placing relevant stories or getting useful mentions in “real” magazines is certainly possible, but the probabilities are so low that it is usually hard to justify expending the required effort and money. For a small or medium-sized downtown, the best approach is usually to be prepared to take advantage of any good magazine articles that might appear. Such articles are most likely to be printed in relatively local or regional magazines such as New Jersey Monthly, Ohio Magazine, Santa Barbara Magazine, etc. For example, New Jersey Monthly mentioned both Bayonne and Englewood as two of the state’s top communities to live in. Englewood had done some advertising with the publication. Bayonne had no prior contact with the publication. The downtown organizations in both communities have made extensive use of this designation in their PR efforts.

Of course, there are exceptions. If you have an extraordinary story to tell and an able writer to tell it, then it is possible to get favorable stories about your downtown placed in some special national publications that are read and/or respected by relevant people in the business community. For example, Urban Land is published by ULI and read by many influential people in the development community. It will not publish an article that is a puff piece or focused on plans and possibilities. It does like stories about completed real estate projects and certain topics such as downtown housing, parking, security, office development, smart growth, etc. If you want an article placed in this publication it is a good idea to peruse the recent issues published over the last year or so to get a sense of the stories they like. You will also need someone to write the article. If you have a ULI consulting team visit your downtown and do a report, then there also is a good chance of getting a story about it in Urban Land.

The ICSC publishes Shopping Centers Today, which is the publication of record for the developers and managers of shopping centers. It is a very hard magazine to place a downtown story in. It has reporters and does not take submitted articles. Unless your downtown has or is building a major retail complex, it will not draw the attention of this magazine. Of course, if a major retail complex is

already coming to your downtown, then the benefit of having an article in this publication may be marginal.

The American Planning Association publishes *Planning*, which is read mostly by planners. Reprints of an article placed in this publication can be useful collateral material in your business recruitment package. Such an article also can help establish a positive image of your downtown among planners, which might have an effective echo impact within the business community. However, getting relevant articles placed is not easy and has become more difficult over the years. Again, this publication does not print puff pieces -- the articles must address issues and problems relevant to the planning community.

Another potential publication is the *Main Street News*, which is produced by the National Main Street Center. It is mainly for the managers and board members active in the local Main Street programs that are scattered all over the nation. The echo impact within the business community of an article appearing in this publication may not reach a wide audience, but they may be business people who are willing to look at opportunities in small and medium-sized downtowns. More importantly, the article can be used to show that your revitalization program has been legitimated by the National Main Street Center, which can be very useful politically and in your other PR efforts. For example, the article could be an attractive and useful component of your recruitment package.

Articles in these national publications will not unleash a horde of eager tenant prospects at your door. Their "validation function" is their primary benefit. A respected national organization is mentioning your downtown in a favorable light -- and they consequently are validating, in some informal and even unstated manner, what you are doing. That can reinforce and strengthen the existing interest in your downtown among developers, savvy brokers and tenant prospects.

6. Television. The sane approach is to forget about getting your downtown on a national television program. If it happens, it happens. And sometimes, when it happens, it is not positive. For example, a few years back, Tom Brokaw, on NBC's evening news program, featured a federally financed garage in one New England downtown in a *Fleeing of America* segment.

Local news shows, especially on cable channels, are easier to interest. They will prefer stories about conflict, but they will do "good news" stories about new real estate projects, major public improvements and significant new business openings. These stories will not have much air time, so they do not communicate a lot of information. Nor will they reach many people targeted by a recruitment program. But, they can have echo impacts on the downtown's image and political consequences as well.

In many communities, public access programs cover the proceedings of the municipality's governing body and provide interviews on local political issues. Their viewers can be statistically significant and politically potent. If your business recruitment program requires political support and municipal approvals -- and it should if it is effective-- then these cable TV programs can provide important opportunities to present your story and shape local public opinion.

They are relatively low cost and easy to get on. For example, in Bayonne, NJ, the downtown organization has frequently been approached by the local cable company about stories to cover. Also, the chairperson and executive director appeared on a 30-minute interview program that allowed them to present a positive image of the Town Center and its revitalization potential. It is important that your spokesperson is properly prepared and a good speaker. Good graphics are a very worthwhile investment.

One possible downside is that some downtown organization leaders become so enamored with their "face time" on TV that they then want to have their own cable TV programs.

C. The Business Recruitment Package

Among the small and medium-sized downtown organizations that do have a recruitment effort, many spend a lot of time, money and effort on designing and creating their recruitment packages. The recruitment package is a bundled batch of information that is given to developers, savvy commercial brokers and tenant prospects. It usually encompasses a handsomely produced pocket folder, with an attractively designed cover, that contains a brochure and other printed materials that "sell" the downtown, the trade area and last, but certainly not least, one or more downtown commercial spaces. Some packages are thicker and heavier than others, apparently put together under the mistaken assumption that the more information you provide, the more likely you are to succeed. Thick or thin, a recruitment package normally contains a lot of information that takes a reader a lot of time to go through. The more information it contains the more effort it requires from the reader, the higher the likelihood that it will end up in the circular file. Expensive printing and good design will, at best, marginally increase the chances of a heavy recruitment package being read.

1. Uses And Objectives. Traditionally, the packages have been used in two ways:

- They are given out to the "already interested," i.e., the people who have expressed an interest in investing in the downtown and either lease retail or office space or do a development project. They may have expressed this interest by mail, over the phone, by email, or by just showing up at the door of a local broker or the downtown organization

- They are mailed “cold” to tenant prospects. Usually the prospects are retailers, especially national and regional chains. The objective is to interest them in leasing downtown commercial space.

Both of these uses of the recruitment package have the same ultimate objective: stimulating a deal to lease downtown commercial space. However, the “cold” package has a very strong additional barrier it first must clear -- it must pique the reader’s interest in doing business in the downtown sending the package. Unfortunately, reading the cold recruitment package requires a significant amount of effort by the recipient, while the recipient probably will lack the level of interest needed to motivate such an effort. It is no wonder, then, that the vast majority of the mailed cold recruitment packages go directly into the circular file upon delivery. It is why doing a lot of large cold mailings is a waste of precious time and money -- unless, you have nothing else going for you.

In contrast, the recruitment packages distributed to the “already interested” can be very effective. In fact, many developers, savvy commercial brokers and tenant prospects expect and want such a package when they express their interest in a particular downtown location or the downtown in general.

2. Some Do’s And Don’ts. Having a well thought out and assembled package can increase its utilization. Those who are already interested will still appreciate a package tailored to their specific interests and needs, though sometimes you will not have the opportunity to do the tailoring, e.g., someone just shows up unannounced on your door. A well crafted cold package can increase the chances of it being looked at, though the overwhelming probabilities remain that it will still be ignored -- for heuristic purposes, let’s say that your chances might go up from three in a hundred to one in twenty.

Another major mistake to avoid is to think that you need just one recruitment package. While the overall structure will remain the same, it is prudent to expect that you will have to tailor your package to meet the needs of a particular prospect. This should not be surprising. An office prospect will be looking at different variables or the same variable in a different way than a retail prospect. Moreover, you can expect that a prospect looking for space for an antique shop will have a somewhat different mind set than a site locator for Best Buy or the Gap.

Nevertheless, even well-crafted tailored packages should consider the following components:

- *The opportunity statement(s).* By far, this is the most important component of any business recruitment package -- especially those that are sent out cold. Ideally it, too, should be tailored for each prospect. For example, in trying to recruit retailers to specific downtown niches, DANTH creates an opportunity statement for each niche. The statement should take up just one page and present your

case in a cogent, concise and persuasive manner. This one-pager⁵⁴ can be worth its weight in gold. Here is where you tell the reader about the business opportunity you are offering in your downtown and why it is better than others the reader may be getting from other locations. If the recruitment program's staff cannot write these opportunity statements, it is essential that someone is hired who can. Among consultants, the ability to write a good opportunity statement is what separates the men from the boys

- *The pocket folder.* This is what holds everything together. Visually it is what the recipient sees first after the package is taken out of its envelope. It should make a good impression. Unfortunately, this is the part of the package that most recruitment programs wrongly spend

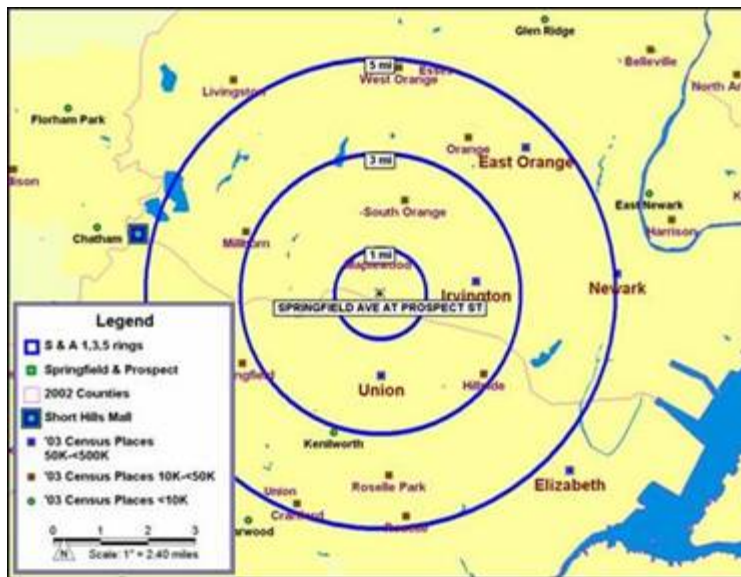


Figure 4
1, 3 and 5 Mile Ring Map

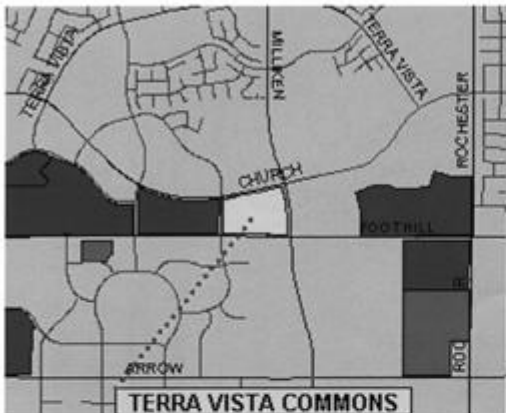
most of their time on-- as well as a lot of scarce money. Too often, the result is an overly produced, overly designed and overly expensive pocket folder. After a certain level of attractiveness, the increment in expense does not correlate at all with an increment in impact. Without doubt, you want an attractive folder, but remember that it's the opportunity statement that really counts, that really sells

- *Maps.* These are essential, especially for prospects who are located outside of your region. You need one map near the top of the information you are offering that shows where your downtown and your site is in the region. You also will need another map showing your trade area(s). See Figure 4

⁵⁴ Sometimes you can cram more words on the one page by using a smaller front size, but I've found that anything smaller than 11 pt will diminish the piece's effectiveness.

Site Detail



Zoom In ●●●●●●●● Zoom Out



TERRA VISTA COMMONS


Retail Sites
 Sites to Develop
 Sites Found
 Regional Amenities

click on the map to select a site

 3.5, 10-mile Demographics
 5, 10, 15-mile Demographics

Available Sites		
restaurant pad	7,000	Bill Worsley
retail pad	8,060	Bill Worsley
retail pad	6,000	Bill Worsley


Terra Vista Commons



Address: 10680 Foothill Boulevard
Major Cross Street: Milliken Avenue
Daily Traffic Count: FOOTHILL, 47,000. MILLIKEN, 13,800 .
Zoning Designation: MFC - Financial (Mixed-use), TVPC - Terra Vista
APN: 22715153
Site Acreage: 21.51
Project File: CUP 99-25
Major Tenants: Cingular Wireless, Texaco.
Building Sqft: 36,000
Year Built: 2001

Real Estate Broker

Company: Lewis Retail Centers
Address: 1156 N. Mountain Ave. Upland, CA 91785-0670
Phone: (909) 949-6744
Fax: (909) 949-6740
Broker: Bill Worsley

 [Back to Retail Sites](#)

INSide Rancho Home
Help
Feedback
Application Developed by GIS Planning

Prepared by the Rancho Cucamonga Redevelopment Agency
 10500 Civic Center Drive, P.O. Box 807, Rancho Cucamonga, CA. 91729
 Phone: 1-877-5-Rancho/1-877-572-6246
 E-mail: rda@ci.rancho-cucamonga.ca.us
www.insiderancho.com

Figure 5
A Site Information Sheet

Downtown Hollywood, Florida

Hollywood is a city of 140,000 residents located in a metropolitan county of over 1,700,000



Downtown at Night

Committed Projects

- \$13 million ArtsPark
- 900 new residential units
- 95,000 sf of new retail space
- 55,000 sf of new office space
- New Academy of Arts
- New Holocaust Center
- New Live Performance Theater



Young Circle Arts Park (Underway)

Hollywood Downtown CRA
 Phone: 954.921.3016
 Fax: 954.921.3040
 or
 jedwards@hollywoodfl.org



Hollywood, Florida is located at the center of Dade, Broward and Palm Beach counties in South Florida. This region is experiencing continued growth and is now home to over 5,000,000 permanent residents plus millions of visitors annually. Downtown Hollywood is located between Miami and Fort Lauderdale, 1.5 miles from the beach and 1.5 miles from Interstate 95 at Hollywood Boulevard and U.S. Highway 1. Within a 5 mile radius of Downtown Hollywood, the population grew by over 50,000 residents between 1990 and 2003.

Population	1 mile	3 miles	5 miles	20 minutes
2003	24,309	135,771	291,254	319,797
2008	25,680	144,502	312,560	342,266

Households & Income				
Households	11,547	65,077	129,185	138,061
Avg. Household Size	2.06	2.06	2.23	2.29
Avg. Household Inc.	\$42,920	\$51,968	\$56,641	\$55,875
Family Household Inc.	\$55,414	\$64,550	\$68,604	\$67,226

Age				
Age 0 to 17	19.46%	17.54%	20.01%	20.77%
Age 18 to 54	56.16%	47.78%	48.67%	49.11%
Age 55 to 74	16.04%	20.80%	19.65%	18.99%
Age 75 and over	8.34%	13.87%	11.66%	11.11%
Median Age	39.44	43.84	41.70	40.93
Average Age	40.07	44.64	42.45	41.75

Traffic Counts	
Young Circle	50,000+ ADT
US 1 / Federal Highway	31,650 ADT

Sources - Claritas / Sept. 2003; Broward County Engineering

Figure 6
 Downtown Hollywood, FL, Demographic Information

- *Basic Info.* Downtown organizations sometimes forget to include some very basic information about the space being offered, such as size and condition. A photo of the space is also frequently useful. See Figure 5
- *Who else is there and how well are they doing.* This is especially important for retailers. Knowing which retailers are in your downtown and which are located close to the site being offered is a key concern of site selectors. It is one of the first things many of them will ask
- *Site information.* You need to provide information about the size, zoning traffic counts and location of the space being offered. If there is a retail niche, it is a good idea to mention it and detail who is in it. Information on the downtown's retail sales overall and niche sales in particular can also be advantageously included
- *Trade area information.* This can include a map of the trade area and data on its population size and demographics. Information about consumer expenditure potentials may also be useful. Remember that some retailers will have particular consumer groups that they are interested in, e.g., college students, the elderly, Latinos, etc., and information about them should be provided. For most small and medium-sized downtowns, retailers will be interested in demographic information for 1, 3 and 5 mile radii (see Figures 4 and 6). The use of drive-sheds may be more accurate and present a stronger case for many downtowns, but presenting this information is best kept for situations where personal communications have been established with the prospect. The presentation of this information does not have to be drab and boring, as shown by the one page information sheet distributed by Downtown Hollywood, FL in Figure 6
- *Quality of life Information.* Information on schools, crime, open space, cultural assets, hospitals, restaurants, etc. can be very important for office tenant prospects who are located outside of your region
- *Labor shed information.* Office tenant prospects will appreciate information about the local labor pool and the highway and mass transit assets that can tap it
- *Potential customer traffic.* This can include information on automobile traffic counts and speeds. Increasingly, site selectors are learning to again appreciate high pedestrian counts. It also includes Information about large generators of customer traffic, e.g., a downtown supermarket, Wal-Mart, movie theater, museum, concert hall as well as information about the people who live downtown and within a 5-minute walk of it
- *Accessibility.* Information on the amount and location of parking, the proximity to major highways and interstates and the presence of mass transit will be a necessity.
- *Positive trends.* Information that shows your downtown's economy is growing and there are prospects for additional future growth. Information about physical improvements and capital investments can also be persuasive

- *Attitudes towards business.* Retailers want to be assured that they will not have to spend too much time trying to cut local government red tape on permits, approvals, signage, etc.

This is a lot of information to convey. Experience suggests that the recruitment package should not try to exhaustively deliver all of it. Remember, the easy use of relevant information is the key to a successful recruitment package. Stay away from drenching recipients in “data.” Remember, the recipients are business-people, not data jocks.

3. Costs. In the New York Metropolitan Region, \$2,300 can get you a folder designed by a top graphics designer and the production (the cost of the

Table 2.		
Estimated Cost of 50 Package Mailing		
First Time		
	Per unit	For 50
folders	\$ 7.66	\$ 383
postage	\$ 1.50	\$ 75
inserts -writing	\$ 60.00	\$ 3,000
inserts -copying	\$ 0.21	\$ 11
	\$ 69.37	\$ 3,469

folders plus printing) of 300 attractive folders. The estimated first time cost of doing a mailing to 50 prospects (see Table 2) is \$3,469, or \$69.37 per prospect. The major cost component, \$3,000, is for the staff and professional time needed to write and assemble the opportunity statement, maps and information sheets that will go inside the

folder. The total estimated costs of a second mailing to 50 prospects should drop to about \$2,000 or \$40.00 per prospect. This reduction is mainly the result of less time being needed to write and assemble the materials inserted into the folder, with a commensurate \$1,500 reduction in cost. Other costs remain the same. Tailoring means that the information inside your folder will be tweaked with each mailing, so the cost of this function will never entirely disappear.

D. Brochures and Tomes

For decades, brochures have been a staple of downtown marketing efforts and they can be one of the most important components of an effective recruitment package. They also can stand on their own and be distributed alone. This distribution can be by hand, mail or, increasingly of late, over the Internet.

A good way of thinking of a business recruitment brochure is that it is an opportunity statement with great graphics and appearance, that pitches the downtown, but without the information about a specific site. Generally, for a business recruitment program, the primary objective of a brochure is to interest relevant business people in the downtown and the economic opportunities it might offer. It is not to stimulate a deal.

A well-designed and produced brochure can have a positive impact on readers, be easily distributed and will not cost an arm and a leg. If it is relatively brief, it often can be easily and inexpensively posted on your website.

Publications of various sizes and formats are referred to as brochures. However, my experience suggests that brochures were initially relatively visually inviting, brief and easy to read. Today the really effective ones remain so. As the following definitions of the term brochure indicate, such publications are understood to be relatively short -- like a pamphlet -- and attractively produced:

- “Strictly defined, a high-quality pamphlet, with specially planned layout, typography, and illustrations; also used loosely to describe any promotional pamphlet or booklet”⁵⁵
- “A pamphlet that is bound in booklet form.”⁵⁶

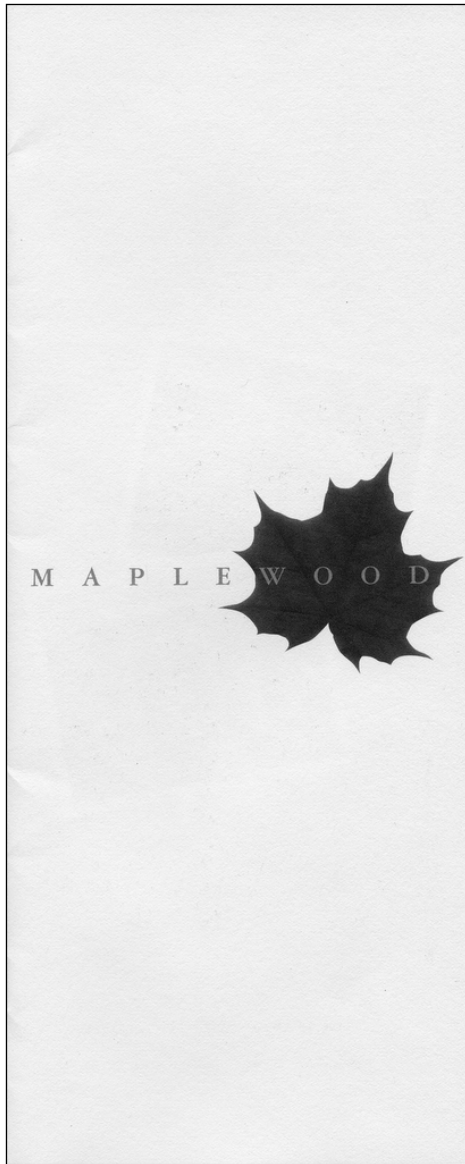


Figure 7
Maplewood, NJ, Brochure

Brochures do not normally take on an 8.5 X 10 inch page format, but they can, if the number of pages is kept down. Trifolds or bound versions of pages of trifold size (see Figure 7) are not uncommon and indicate a frequently used page size for a brochure. However, it is not unusual to receive publications that are called brochures that have a much larger format. One, for example, that was produced by a well-known public relations firm, is 16 pages long and has an 8.5 X 11 format. Though packed with photos, it had a very general tone and seemed to be assiduously trying to avoid presenting “data.” While data drenching is to be avoided, a good brochure needs to present key pieces of information that are numeric in nature. The challenge is to present the data in a manner that makes them easy to digest. Consequently, this 16-pager is not nearly as effective as a more factually detailed six page recruitment brochure

that can be downloaded from the website of the Charlotte Center City Partnership⁵⁷ and no more effective than an even smaller, but more detailed brochure, that can be downloaded from the website of the Rutland Partnership,⁵⁸ which is the equivalent of a 2-page 8.5” X 14” trifold.

⁵⁵ <http://www.nmoa.org/Library/glossae.htm>

⁵⁶ http://www.digitaldynamix.com/resources/glossary.html?db_item=glossaryterm&glossary_item=B

⁵⁷ <http://www.charlottecentercity.org/>

⁵⁸ <http://www.rutlanddowntown.com/>

Downtown Oakland has an effective recruitment brochure with a large page format, because it is still relatively short and concise and has very high production values. It is basically an unfolding trifold with 8.5 X 11 pages that has six pages of text and graphics on one side and a large map on the other.

The size, brevity and graphical nature of brochures make them easy to distribute by mail and to post on a website.

The costs of producing an effective brochure depend on a number of variables:

- Size of publication
- Amount and quality of the graphics
- Number of brochures printed
- And today, the costs of posting them on your website.

An effective brochure can cost between \$5,000 and \$7,500. A very graphically aspiring brochure, with four colors and lots of pages, can easily cost over \$20,000.⁵⁹

Brochures can be valuable components of a recruitment package even if they substantively focus on one of many possible relevant topics such as quality of life, a new cultural center, a new light rail line, etc. However, with these brochures it is especially important that they be relatively brief.

Tomes are brochures on steroids. Some tomes cost over \$70,000 to produce and distribute. One tome prepared years ago for a major city in Florida reportedly cost over \$120,000 to research, write, print and distribute. Tomes can have a lot of pages and have lots of graphics. Since they can weigh quite a bit, their distribution costs can be significant. Often, tomes either are a report on a downtown revitalization plan or incorporate substantial portions of such a report, but have lots of graphics to make them more appealing to the reader. A report tome will be very detailed and have a lot of words. Reading them is usually not a leisure-time activity, so they are not a good marketing tool for stimulating interest in a downtown's business opportunities. They are often produced and distributed by downtown development organizations that want to attract the interest of large corporations.

However, tenant prospects who already are interested in a downtown – especially those in corporate real estate departments-- may find a tome to be filled with information relevant to their tasks of evaluating various potential downtown locations. Planners also tend to like tomes; sometimes they even help write them.

⁵⁹ Again, these are 2005 dollars

It probably would be a lot cheaper and just as effective if some reports were produced in a more traditional and simpler fashion, without glossy paper, loads of graphics and fancy binding. Enough copies should be printed for distribution to the relatively low number of corporate tenant prospects who might usefully read them.

Tomes do not have to be based on a report. At the 2004 ICSC convention a publication was being distributed by a Chamber of Commerce from a California city that was called a magazine. It was printed in color, with a heavy glossy cover, 84 pages and lots of advertisements. But its articles lacked the personalization associated with magazine stories, while they covered many of the topics typically found in recruitment brochures. The key factors that make a publication a tome are its weight, difficult portability and how much time it takes to read. It is not the type of document one is likely to find on a bedside or living room table, which is read, article by article, over a week or two.

Too often tomes are erroneously tasked with increasing or arousing interest in a downtown's business opportunities among developers and corporate tenant prospects. Tomes just take too much effort to digest to be able to complete that task.

E. High Tech Tools

1. The Siren Calls Of New Technologies. Many would-be masterminds of downtown public relations efforts are usually enchanted by the prospect of having a strong visual presentation, better yet, one with voice overs and music, delivered directly into a tenant prospect's home or office. Modern technology, especially personal computers and the Internet, have created a number of new marketing communications tools that downtown business programs might use to this end. Without doubt, these marketing tools are potentially powerful. Not only are they able to deliver snazzy presentations, but some believe that the technology used can itself help build an organization's image as being hip and "with it." For example, one might argue that if you are trying to recruit firms with lots of knowledge workers, you will be more likely to succeed if your presentation is technologically sophisticated than if it is just printed on paper. However, it is very prudent to keep in mind the following comment by Steve Jobs, CEO of Apple and Pixar: "It is chiseled in stone at our studio (Pixar) that no amount of technology can ever turn a bad story into a good one."⁶⁰

There is an important inherent danger: the allure of a technology may cloud the fact that these marketing communications tools are best suited for achieving a limited number of objectives and work best in a narrow set of circumstances. The improper use of these tools can lead to the waste of significant amounts of time, effort and money. For example, a hard to use high tech presentation on a CD

⁶⁰ Randall Stross, "Pixar's Mr. Incredible May Yet Rewrite the Apple Story," *New York Times*, October 24, 2004, downloaded from <http://www.nytimes.com/2004/10/24/business/yourmoney>

may overwhelm and frustrate technologically unsophisticated prospects, while infuriating those who are technologically proficient.

2. Thinking Back On VCR Tapes. There is much to be learned from this out-of date technology about what you should not do. For a while, about a decade ago, it was not unusual to come across a VCR tape with a video about some downtown or downtown project. By now they have almost entirely disappeared. However, they are a good case study of what happens when program managers become overly infatuated with a technology.

Some of the VCR tapes were produced at significant expense. For example, one cost about \$15,000 to produce and had a video lasting about eight minutes. The city agency that paid for it hoped the tape would attract many new companies through its ability to project images of the community as a great place to live and the downtown as a wonderful place to do business. It was a kind of warm and fuzzy presentation that was weak on facts, but strong on lots of sophisticated, if amorphous visuals. It was distributed by mail to a list of tenant prospects and to prospects who arrived in town and expressed an interest in downtown properties. In the end it did not meet the agency's expectations. The VCR tape was just too complicated for the people to whom it was mailed cold to use, so it did little to stimulate interest, while its content was so superficial that it wasted the time of serious tenant prospects.

Complicated use and superficial content are the Scylla and Charybdis of all high tech marketing communications tools.

Other tapes were copies of TV shows or news segments about a downtown. Some were sent cold by mail to prospects as part, or in lieu of a recruitment package. Others still were distributed at various kinds of meetings, usually to people who expressed some kind of interest. The latter were more effective.

No matter how they were distributed, VCR tapes faced one big problem -- they were a pain because their usefulness is tethered to having easy access to a functioning VCR machine. The recipient of a VCR tape about Downtown Pretty City probably knows little or nothing about it, could care less and probably does not have a VCR machine in his or her office. The time it takes to look at a tape is already demanding, but looking at the tape also involves a disruption of the recipient's work flow to track down and use a VCR machine --probably to take the tape home to view on a VCR machine there. This handicap, of course, precluded the tapes from being a good tool for increasing the interest of targeted business people in a downtown.

These VCR tapes turned into just a brief fade as the difficulty in using them became obvious to all and as the CD-ROM technology emerged as a rival.

3. CDs and DVDs. Whereas VCR machines were often hard to find in a business environment, today, personal computers are ubiquitous in the office and the home. CD and DVD drives are now standard computer equipment. To learn more about presentations distributed on CDs the author obtained a number of them to review and talked to a digital graphics expert, who creates them for a living.

More and more corporate presentations are going to Flash because:

- They are easily animated, so more interesting visually
- Flash files are smaller, so easier to distribute
- The presentations are easy to auto-launch
- Flash works easily on many platforms, e.g., PC, Apple, and Linux.

One downside of using Flash is that you or your staff probably lack the technical skills needed to update your presentation. Another is that it also allows more animated Internet ads that can bypass popup ad blockers.

It also should be noted that some economic development experts are not enamored by the bells and whistles that Flash and similar programs enable. As Mark Waterhouse has commented, "Flash allows you to add much more music, animation and other special effects--all the things that distract people's attention from the actual information you are trying to show them."

Flash is a program from Macromedia, a company many find very annoying, because on website after website, it pops up and insists that you download its Flash plug-in. Will target audiences have Flash already installed? If not, will they, too, find downloading Flash as annoying as having to find a player for a VCR tape? Reports indicate that the vast majority of new computers have Flash installed. Putting it to the test, Flash proved easy to both download and use, though extremely annoying because of the Internet ads it ushered in.

A CD from a city in Ohio with a population of 22,000 immediately tried to make Windows Media Player 9 the default video player on the viewer's computer. This may be considered to be threatening, presumptuous and annoying. It definitely was not a good way to entice someone to watch the presentation. One might reasonably conclude that the people who produced the CD were intoxicated by the technology and oblivious to user needs. Many of their viewers are likely to want nothing more to do with them.

Another CD, from a capital city in the Midwest, used Internet Explorer and Active X, apparently under the assumption that most recipients have them on their computers and therefore would be able to view the presentation without having to download any additional programs. Unfortunately, the Active X caused the author's anti-virus program to immediately issue a security warning. Such an experience is apt to leave the viewer with the feeling that the agency that sent

the CD was not professional and was certainly mindless about endangering the computer system of potential business prospects.

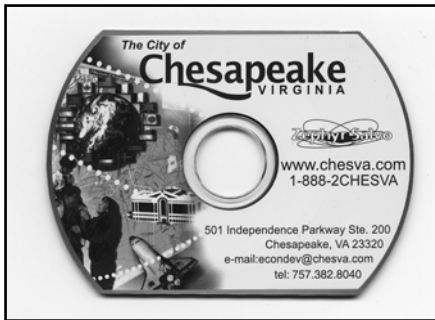


Figure 8
A Mini CD

Another presentation was on a CD distributed by two neighboring suburban chambers of commerce in a large metropolitan area in the South. It came with a nice printed cardboard enclosure that also had on the back cover instructions for using the CD. At the bottom was a small add-on sticker, with words in small, hard to read type. An attempt to play the presentation evoked a message that the computer was missing the movie plug-in needed to see it, which finally was determined to be QuickTime. Closer scrutiny of the aforementioned little

sticker revealed instructions for installing the QuickTime Movie Player. However, QuickTime had been installed on the author's computer for over a year. So far, the prime impact of the CD presentations was to reinforce an awareness of the difficulty of use issue.

One large Midwestern city had a very professional presentation. It came with QuickTime and Authorware from Macromedia. Nothing had to be downloaded to view it. The presentation itself was relatively easy to navigate. It had lots of video and voice-- which unfortunately meant a lot of talking heads.

A good test for the content of a presentation is what you remember about it the next day. From memory, the presentation focused on three topics: a business friendly government, quality of life and an emerging biotech cluster. The biotech segment was thin and did not present a strong case, proving that the Impressions made by such presentations are not always positive! The quality of life segment was all talking heads; no audio of the city's world class symphony orchestra or visuals of its exceptional museums, terrific theater district, sports stadiums, an increasingly interesting waterfront, world class hospitals or scads of attractive new and rehabilitated housing. The business friendly government segment had lots of face time for the mayor and city economic development officials. It was fairly effective, though more testimonials from the business community would have been even better.

Without some pre-existing interest in this city, it was unlikely that a business prospect would view this presentation. If for some reason the prospect did look at it, there was no discernable reason why he or she would then be motivated to look for a business location in that city.

A prospect who was already interested in looking at locations in this city probably would be tempted to view the CD's presentation. However, the impact of the presentation on the prospect was likely to be marginal, because of the content.

The segment on the business friendly city government would probably have the biggest impact on such prospects. A CD with just that segment on it, and sent only to interested business prospects, would probably have cost less and still had the same effectiveness.

Up next was a mini-CD from Chesapeake, VA (population of 200,000). It could not be used on the author's desktop because the "mini" required a spindle that the desktop's CD-ROM drive lacked (see Figure 8). However, it did work on a laptop's CD-Rom drive. The presentation was put together using a Macromedia program, which appeared to be Authorware, and the CD had a runtime version of QuickTime to view it. On it went as soon as the CD went in the laptop's drive. Some navigation was required, but the effort was certainly not onerous. The presentation was short, sweet, hit most of the right buttons and was easy to digest. Functionally, it was like a digitized and efficient recruitment package. For some one unfamiliar with the city, the presentation could evoke an interest in finding out more about the community's business locations -- and the presentation provides contact information, including a link to an appropriate website. However, some one who is already familiar with the city probably would not find the presentation of much value. The best audience for this CD is prospects who may have previously heard something positive about the community, but who know little about it. The presentation could reinforce and expand that interest.

A PowerPoint slide presentation will cost about \$100/slide to prepare and less than \$3/cd to burn, label and place in a jewel box. So burning 100 CDs with a 25 slide presentation might cost about \$2,800; each CD would cost about \$28. If it is to be mailed, then there is the mailer and postage on top of that. If you are sending the CD in a jewel box, you will need a more expensive mailer than if you are just sending the disc alone. With regard to Flash presentations, they would roughly work out to about \$100-\$150 per slide, with similar costs for burning, packaging and mailing.⁶¹

A summary assessment of CD-based presentations is that:

- It is useful to think of three kinds of possible recipients for these presentations: the interested prospects, the somewhat aware prospects and the truly detached prospects
- CD presentations are most likely to be viewed by prospects who are already interested in the community and have some knowledge of it; presentations targeting such prospects are also the most likely to be effective
- These prospects will want some depth to the information. Presentations targeting them might focus on specific subjects, e.g., the downtown as the community's central social district, its knowledge workers or its quality of life. They also could be virtual tours of a building or a major project. To see what this might look like, type in "real estate virtual tours," or some variant of that phrase, into your search engine, and see what you find. For

⁶¹ Again the caution that these are 2005 dollars.

- example, AIM⁶², a firm in Arizona that offers to do e-brochures that display virtual tours of properties and can be posted to your website
- The presentations should take full advantage of the available graphic possibilities and be something much more than a slide show. It must tell a story in a strong visual manner, yet not shy away from presenting key maps, facts and statistics. Such CD-based presentations can be a valuable component of a recruitment package
 - Prospects who maybe marginally aware of your downtown and have scant knowledge about it probably account for a sizeable number of the people who might receive a cold mailing of a CD-based presentation. Getting them to use the CD faces huge hurdles, but requires a foothold of interest that might be leveraged further. A good cover letter, alluring packaging and easy use will be critical. The CDs should not arrive naked. Just as a recruitment package needs an acceptably attractive folder, the CD needs to have an attractive container. Once they are viewing, the best way to snag them is with a presentation that is like an opportunity statement for the downtown that is in an attractive, relatively brief graphical format. Such a presentation should resemble a good magazine article more than some kind of data drenched technical report
 - Probably most of the recipients of a CD-based presentation will be completely detached prospects, who know little about your downtown and care less. A technique to lure these prospects is the Holy Grail of business recruitment. It has not been found! The prospects for finding it in the foreseeable future are not promising
 - Technologically- based barriers to using a CD, such as having to download a program, can both strangle utilization and generate a negative image. Doing anything that poses a threat to the security of the recipient's computer or demands control over some portion of its operations is also extremely counter productive. Great care should be taken to avoid these dangers
 - Consequently, the CD's should have runtime versions of the program that enable the presentation to occur almost effortlessly. There also should be clearly written directions in at least 10 pt type for using the CD and starting the presentation.

4. Websites. Of all of the high technology tools that have been introduced over the past decade, none has had greater adoption or impact on downtown business recruitment than Internet websites. Evidence suggests that this trend will be even stronger over the coming decade. One possible reason for the growing number of business recruitment -related web pages is that the business people that recruitment programs want to reach have a high utilization of broadband Internet connections. Broadband connections significantly reduce the time required to download relevant files. Consequently, it is easier to make web pages interesting and attractive. According to a report in April 2004 by the Pew

⁶² AIM is the acronym for Arizona Internet Marketing. Its website was www.aimaz.com. At the bottom of the homepage there's a link to virtual tours.

Internet & American Life Project, their telephone survey found that “64% of Americans who are employed full or part time go online in the workplace.” They also found that,

**Table 3
Types of Business Recruitment Web Pages**

Type of Web Page	Downtown Organization	City Population
Economic Development First Page	City of Chandler, AZ	177,000
Investment Kit	InTown Livingston, NJ	27,000
Brochure	-Rutland Partnership, VT -Charlotte Center City Partnership, NC	17,000 541,000
Demographics	-Hollywood Florida Community Redevelopment Agency, FL -InTown Livingston, NJ	139,000 27,000
Real Estate Listings	-Downtown Partnership of Baltimore, MD -Main Street Mobile, Inc -Downtown Sioux City, IA -Rutland Partnership, VT -Red Bank RiverCenter, NJ	651,000 199,000 84,000 17,000 12,000
Recent Projects	-Downtown Partnership of Baltimore, MD -Downtown Sioux City, IA --Indianapolis Downtown, Inc.	651,000 84,000 782,000
Downtown Economy	Downtown Partnership of Baltimore, MD	651,000
Development Plans	-Downtown Racine Corp, WI -Ithaca Downtown Partnership, NY --Downtown Helena BID, MT	82,000 29,000 26,000
Virtual Tours	-Hollywood Florida Community Redevelopment Agency, FL -Downtown Statesville Development Corporation, NC	139,000 23,000
Prospect Questionnaire	Clarksville Downtown District Partnership, TN	103,000
Aerial Photos	Hollywood Florida Community Redevelopment Agency, FL	139,000
Tenant and Developer Wish Lists	Ithaca Downtown Partnership, NY	29,000
<p>NOTE: Placing the full web addresses of these pages in this table is very cumbersome. However, with the information provided, they can be easily found in a Google search. Furthermore, links to almost all of them can be found elsewhere in this chapter and on the IDA website: http://ida-downtown.org/km/DesktopDefault.aspx?tabindex=155&tabid=115</p>		

“of this group, fully 67% go online using a high-speed connection....”⁶³ That translates into over 42% of America’s workers using broadband connections at work to access the internet. The better educated workers and those in the upper levels of the company are more likely to have broadband.

Most companies with 500+ employees have broadband access and it is integrated into their day-to-day management operations. Broadband adoption by small and medium-sized companies has been growing rapidly and promises to accelerate as the regional Bells begin to address the “last mile” problem and bring fiber lines into homes and the basements of smaller office buildings.⁶⁴

Back in 1996, it was still fairly innovative for a downtown organization to have a website. Moreover, few of those downtown organizations had figured out how to effectively use their web pages to support their business recruitment efforts. Today, a host of downtown organizations have websites and an increasing number of these sites have pages dedicated to economic development.

Types of Business Recruitment Web Pages. Table 3 presents a list of some of the types of business recruitment-related web pages that might be found while trawling on the Internet and the names of some the downtown organizations that have done an interesting version of them. This list is not exhaustive. Interested readers are advised to make their own surveys of downtown websites. A good place to start is on the website of the International Downtown Association (<http://ida-downtown.org>), where you can double click on Member Links to easily find lots of downtown website addresses.

If you roam the Internet searching for web pages related to downtown business recruitment, one that might stand out is a graphically lean, text sparse, data free, silent, unanimated page on the site of the City of Chandler, AZ.⁶⁵ It is the first of a number of economic development pages. It tells what the other pages are and provides navigation links to them. That all sounds rather mundane, but from a marketing perspective, the page isn’t. The relevant part of this web page is presented in Figure 9 on page 62 below. The need to provide navigation links has been leveraged into an opportunity to sell by providing a series of tag lines, such as “An Amazing Quality of Life,” “A Dynamic Retail Market” and “An Office Market That Is In Demand.” Together, these tag lines present a terse, yet effective outline of an opportunity statement. They also enable visitors to quickly find out more information about any of the points that interest them.

⁶³ Pew Internet & American Life Project, “Pew Internet Project Data Memo: 55% Of Adult Internet Users Have Broadband At Home Or Work,” www.pewinternet.org , April 2004. pp.10, p.3.

⁶⁴ Ken Belson, “Phone Line Alchemy: Copper Into Fiber,” *New York Times*, October 11, 2004. Ken Belson, “Verizon to Extend Fiber Optics to Parts of Six Eastern States,” *New York Times*, October 22, 2004. The “last mile” problem, i.e., bringing fiber lines from the local central office/POP site into offices and homes, has been a major impediment to more wide spread broadband adaptation and prevented the really fast service (15 mb/sec) that can be found in countries such as South Korea.

⁶⁵ Visit <http://www.chandleraz.org/default.aspx?pageid=303>

Most recruitment -related sites lack this strong initial overview of the case for a business locating or investing in their downtowns. To the contrary, most of the words that appear on them are for navigation or are substantively vapid. That's a huge wasted opportunity.

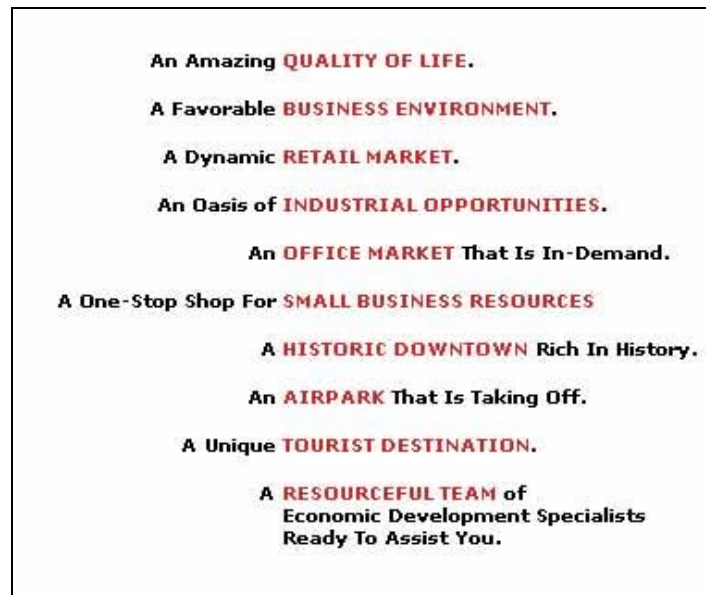


Figure 9
Part of 1st Economic Development Page
Chandler, AZ, Website

Another to the point and effective site is that of InTown Livingston, an organization that manages the citywide SID in Livingston, NJ.⁶⁶ Although not perfect, the site is effective. Visiting this site can be an excellent learning experience because of the way it uses language and its overt and capable marketing orientation. It has two economic development related pages: Available Retail Space and Our Investment Kit. The latter is long and has page navigation aids and photographs. As its title indicates, this page uses the vocabulary of its target audience. It is neither complicated nor arcane. The text also provides a clear, concise sales pitch, which hits the right buttons. Surfing the web, it is astonishing how many downtown sites present information, but do not make a sales pitch, much less a sales pitch that is concise and well thought out.

⁶⁶ Visit <http://www.intownlivingston.com/investmentKit.htm>

Figure 10 below is an excerpt from Livingston's Investment Kit page. It gets right to the point and tries to tell tenant prospects why their businesses will succeed in Livingston.

The Investment Kit page also provides a good deal of trade area demographic data. While the data presentation is not graphically sophisticated, it certainly avoids suffocating the reader's interest.

- | |
|---|
| <p>KEY FACTORS THAT WILL HELP YOUR BUSINESS SUCCEED IN LIVINGSTON:⁶⁷</p> <ul style="list-style-type: none"> • A diverse, upscale educated population • Households with disposable income well above the national average • Strong family units • A talented, experienced, educated work force • A favorable business climate supported by the mayor, town council, town manager and the business improvement district • A CERP facade/signage matching funds grant program • Convenient parking for all commercial and professional locations • Town-wide business directory and web site • Attractive, competitively priced commercial and professional space available for sale or rent |
|---|

Figure 10
Excerpt From InTown Livingston's Investment Kit Page

The site of the Hollywood Florida Community Redevelopment Agency (<http://www.downtownhollywood.com/>) has a very effective demographics page that can be downloaded as an Acrobat .pdf file to print hard copies or be viewed later on your computer (see Figure 6 on page 85). The hard copies then function much like the demographic inserts found in traditionally printed recruitment packages. The page, besides tables of demographic data, has interesting graphics and presents traffic counts and recent development projects. It has a lot of information that an interested prospect would be looking for and presents it in an attractive, compact, and easy to digest fashion.

The fastest growing downtown recruitment-related web pages appear to be those listing vacant commercial spaces. Just a few years ago, they were hard to find; today they seem to be everywhere. This should not be surprising, given the growing importance of the Internet within the residential real estate industry. Over 91% of the realtors surveyed in 2004 by the California Association of Realtors reported using the Internet to access the Multiple Listings Service.⁶⁸ Speaking about brokers, one commentator has written:

⁶⁷ The format has been changed slightly to facilitate the print presentation, but the words remain the same.

⁶⁸ 2004 REALTOR® Use of Technology Survey - Highlights
<http://www.car.org/index.php?id=MzQyMjk=#>

“Today, if you’re not on the Internet, you’re not in the game. Your Web site is a 24–7 resource for your clients, and an ever-growing number of clients expect their agents to be on the Web; even among non-Internet buyers, fully 75 percent of clients think it’s important for their agents to be at least somewhat Internet-savvy.”⁶⁹

Table 4.
Some Of The Downtowns That Have
Available Commercial Space Website Pages⁷⁰

Town	Population
Red Bank, NJ	12,000
Rutland, VT	17,000
Ithaca, NY	29,000
Santa Cruz, CA	55,000
Lancaster, PA	56,000
Racine, WI	82,000
Sioux City, IA	85,000
Fargo, ND	91,000
Springfield, MA	152,000
Mobile, AL	199,000
Indianapolis, IN	789,000

Even downtown organizations in relatively small communities, such as Red Bank, (NJ), Rutland, (VT) and Ithaca, (NY), have pages that present information about their available commercial spaces (see Table 4). It should be noted, however, that these organizations have been known to have some very capable managers.

Various page formats are used. One of the most involved and potentially helpful to a tenant prospect is on the site of the Downtown Partnership of Baltimore. This is a large downtown with a lot of available properties. Just presenting a long list might be very off-putting to a tenant prospect, so a search engine is provided which, after you type in some information about the type of space you are looking for, and then directs you to a list of appropriate locations. Each location can have a photo, a map showing where it is located in the downtown and information about the owner/broker, size of the space, asking rent, zoning, parking, etc. Rutland is a much, much smaller city with fewer available properties, so the Rutland Partnership’s page is shorter and simpler, with each property having a photo and information about the amount of space and who to contact. Red Bank’s page has even fewer properties listed and does not have photos of them. Providing a commercial space search engine on the Rutland and Red Bank sites

⁶⁹ Pat, Zaby, “Mastering E-Marketing,” Real Estate Business Online, March April 2001

⁷⁰ To see what these pages look like, find them on the Internet.

would be an absolute waste of the downtown organization’s money and the tenant prospect’s time, but in Baltimore it is essential.

Downtown Sioux City, IA, also has an interesting and effective property listing system that gets down to photos of the buildings. One building has its own special presentation showing its floor plans and photos arrayed into a kind of virtual tour. (See <http://www.downtownsiouxcity.com/property.html>).

Downtown Projects						
Project	Location	Investment (Millions)	Sq ft/Size	Parking Spaces	Start Quarter	Projected Opening Quarter
NE Quad						
1. Chatham Kynett Court	716 N. East St.	\$1.10	11 Condominiums	8	2Q/2003	4Q/2004
2. Chatham Pointe Condominiums in The Bellouny Bldg.	757 Massachusetts Ave.	\$12.00	27 Condos/retail space	43	3Q/2004	2Q/2005
3. College Avenue Condos	College Avenue & 16th Street	\$1.20	7 Condominiums	19	1Q/2004	4Q/2004
4. Federal Court House: Space Buildout	46 E. Ohio St.	\$0.75	2,750 sq. ft.	N/A	3Q/2002	TBD
5. Fifth Third Bank branch	145 N. East St.	TBD	New bank	N/A	1Q/2004	TBD
6. Hudson Place Townhomes	St. Joseph and Hudson streets	TBD	8 Townhomes	N/A	4Q/2003	2Q/2004
7. Indianapolis-Marion Co. Public Library Expansion	40 E. St. Clair St.	\$102.70	280,000 sq.ft.	409	4Q/2002	TBD
8. Lockerbie Terrace	225 New Jersey St.	\$12.00	42 Condominiums	85	3Q/2002	4Q/2004
9. Mill No. 9: phase I	College Avenue and Walnut Street	\$8.50	44 Condominiums	72	2Q/2004	3Q/2005
10. Miller Photography Studio	Delaware Street and Ft. Wayne Avenue	TBD	New Facility	N/A	4Q/2003	2Q/2004
11. Scholars Inn Bakehouse	720 N. College Ave.	\$1.50	5,500 sq. ft.	60	3Q/2005	TBD
12. The DeSoto	East New York Street	\$12.00	31 Condominiums	66	4Q/2004	TBD
13. The Hudson	Ohio and New Jersey streets	\$20.50	70 Condominiums	100	3Q/2004	TBD
14. The Market Square District	Market and Alabama streets	TBD	100,000 sq. ft. retail	700	4Q/2004	2Q/2007
15. The Packard	New Jersey and Ohio streets	\$13.00	62 Condominiums	90	4Q/2002	2Q/2004
16. The Residences at Market Square	Market and Alabama streets	\$175.00	417 Condos	700	4Q/2004	2Q/2007
17. The Waldorf	704 N. Park St.	\$7.00	6 Custom Brownstones	N/A	3Q/2004	TBD
18. Veterans Memorial Plaza renovations	Meridian Street	\$1.10	Plaza renovations	N/A	2Q/2004	3Q/2004
19. Volunteers of America renovations	927 N. Pennsylvania St.	TBD	Renovations	N/A	1Q/2004	3Q/2004
Sub Totals	Projects 19	Investment \$368,350,000	Parking Spaces 2,352			

Figure 11
Part of the Downtown Projects Page
From Indianapolis Downtown, Inc. Website

One of the most important pages that the economic development/ business recruitment section of a website can have is one devoted to describing recent projects. Potential investors in your downtown want to know that they can jump aboard a moving train, that revitalization is really happening in your district, and that they will not be alone if they locate there. They want their investments to be secure and knowing that a significant amount of investment is already flowing in can reduce their perceptions of risk. If you have a success story to tell, a good recent projects page can be very powerful. Many downtown organizations have impressive recent projects pages. Among them are the Downtown Partnership of Baltimore, (MD), Downtown Sioux City, (IA) and Indianapolis Downtown, Inc. (IN). Figure 11 is an excerpt from the Indianapolis Downtown page. It gives information about each project’s name, location, size, parking, and expected completion date. The entire list has 66 projects representing a total of over \$2.1 billion in new investment in that downtown!

In small and medium sized downtowns, where the focus is usually on retail recruitment, it is important to keep in mind the old adage about retail chains: they are like sheep and like to be together. If you have some retail chains, it is important to note them somewhere on your business recruitment pages. If there has been a recent influx of them, it is very helpful to note that trend as well.

If your downtown does not have a lot of development projects, then tenant prospects will want to know that there is at least a viable plan for improving the area. A number of downtown websites have pages that display and/or describe their redevelopment plans. Among them are those of the Downtown Racine Corp, (WI), the Ithaca Downtown Partnership, (NY) and the Downtown Helena BID, (MT).

Another way to assuage prospect fears is to directly establish the fact that your downtown’s economy is strong and growing. The Downtown Partnership of Baltimore has a page on its website that is devoted to the downtown’s economy.

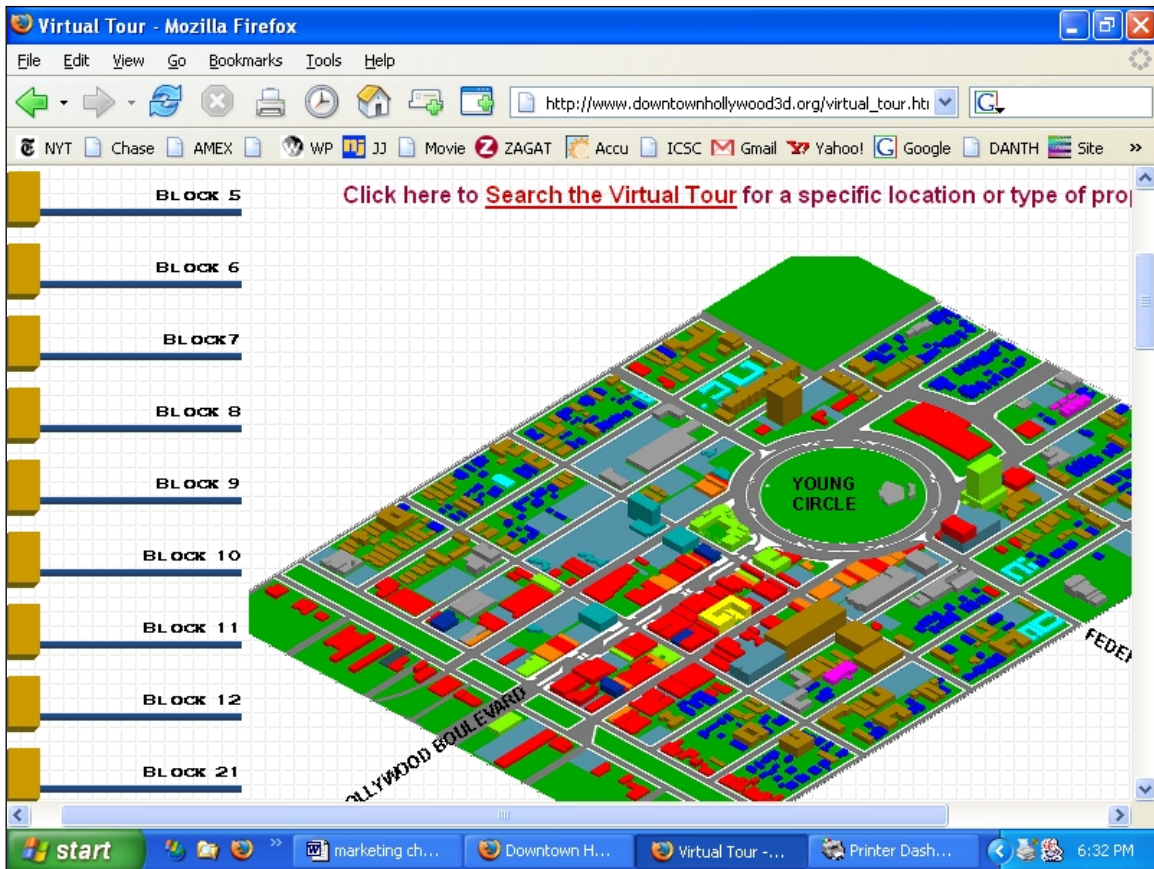


Figure 12
Downtown Hollywood, FL, Virtual Tour Page

A number of downtown websites offer “virtual tours,” which sounds very technologically hip. Many of the virtual tours are on web sites for downtowns

managed by Main Street programs. The tours were a slide show of photos that take you around the commercial district. A good example of such a tour can be found on the website of the Downtown Statesville Development Corporation (NC). The Hollywood Florida Community Redevelopment Agency has a different approach that starts with a zoning map that peels down to specific buildings. (See Figure 12.) Soon, as faster broadband access becomes more widespread, you can expect animated virtual tours will start appearing on downtown websites.

The Clarksville Downtown District Partnership (TN) has a page that asks prospects for a lot of information, ostensibly to help guide the prospect to appropriate properties. The recruitment program can certainly learn a lot from completed questionnaires, but a large number of prospects prefer to remain as anonymous as possible for as long as possible.

A significant number of developers and tenant prospects have come to appreciate the value of aerial photography when they evaluate a potential new location.⁷¹ The Hollywood Florida Community Redevelopment Agency offers such photographs on its website.

The Ithaca Downtown Partnership has something novel and interesting on its website: tenant and developer “wish lists.” These lists describe the types of tenants and projects this downtown organization would like to see come into its district. If such wish lists also indicate quick paths through the municipality’s approvals and permissions process, it may be very effective. If, on the other hand, it simply indicates how the downtown hopes to be “gifted,” then its impact is likely to be more limited.

As mentioned earlier, some downtown sites, such as those of the Charlotte Center City Partnership and the Rutland Partnership, have recruitment brochures that can be downloaded. The Internet provides an inexpensive way to distribute the brochure and the people who download it are obviously interested. Having a brochure in a print version that also can then be posted on a website and then downloaded squeezes a lot of value out of the dollars invested in designing it.

Costs. Compared to the use of other marketing communications tools, building a website might not be seen to cost an arm and a leg. For \$3,000 or less, you can get an acceptably robust website designed and posted. Hosting it might cost another \$95 per year. Costs can, of course, go much higher if you want a larger site with higher production values.

However, the true costs of a website must cover maintenance and here many costs can quickly mount. Some are somewhat hidden, so they often are not properly considered by program managers. Adding a new page or substantially revising an existing page can cost between \$25 and \$1,500+ depending on how

⁷¹ Google offers its Keyhole service, which for about \$30 year provides access to aerial photography. You need a very good graphics card and at least cable or T1 broadband speed (1.5 mb/s) to use it effectively.

much work must be done, how much of it the downtown organization will do and how much the web designer must handle. For example, when DANTH adds a new page to its website, the staff writes it in MS Word, converts the file to an HTML or .pdf format and then sends it to our website designer. DANTH also sends along any graphics and indicates where in the text they should appear. The page will not have any animation, video or voice overs. Our website designer inserts any photos, maps or charts and adds page navigation features and visitor counters. Then he posts the file to our website. Our web designer usually charges between \$25 and \$100 per page for this. Further up on the price range, the website designer for one of our clients charges \$3,000/yr for maintenance and charged on top of that \$850 for revising a home page and about \$1,500 for adding an economic development section that would include listings of available commercial spaces, demographics, and information on recent projects and development incentives. In both instances, the work involved the creation of a new design concept and three rounds of working with the client to revise it.

But, to calculate the true costs of a website, the expenditures for the staff time needed to research, write and edit the text for each page also must be included. So, too, should the costs of finding or creating appropriate graphics. Needless to say, the internal staff costs associated with creating and maintaining a website can be substantial -- larger than those for your outside webmaster.

Keeping web pages up to date is essential. Failing to do so can be very annoying to your site's visitors and result in negative image building. Recruitment -related web pages often have lists for such things as: the commercial spaces for lease or sale; properties that can be redeveloped; completed development projects; available investment incentives; maps, and contact information for key people in the downtown's recruitment process. They can quickly go stale. Staff time -- and budget-- has to be allocated to make certain that the recruitment program's web pages remain current, accurate and useful. Downtown organizations with relatively large websites and annual operating budgets under \$350,000 are likely to be frustrated by the work needed to keep their website information current.

What Are Websites Good For? An appropriately designed website can be a very effective tool for reinforcing and/or expanding a prospect's interest in your downtown's commercial spaces. A well organized site can also allow visitors to easily access the information they want and disregard the rest-- and they can do so in their own offices or on the road. A website could provide a lot of the data that someone might need when evaluating a new business location, but probably not all of it. Websites that facilitate the downloading of web pages also can be a very cost effective mechanism for distributing recruitment materials such as brochures, maps, demographics, etc. They can nudge prospects further down the deal-making path by helping them find appropriate commercial spaces, development sites and providing relevant contact information.

A website can also easily carry a lot of the material that might spark new interest in a downtown's business opportunities. The Bayonne Town Center, for example, frequently posts favorable stories from the Jersey Journal on its website. It also posted a story on its Kids Row niche that had appeared in the Bayonne Magazine, which was initially distributed as an insert.

Usability Problems. Surfing downtown websites, surprisingly few usability problems were found. Quite a contrast with the VCR tapes and CD presentations. In fact, using the Internet made the retrieval of information about many downtowns much easier and certainly faster than other information gathering methods. Ease of use is also the main reason that over half of the people who are shopping for a new home use the Internet at some time or another in their search, a fact that may be an omen for the future of downtown commercial real estate transactions.

Nevertheless a word of caution is in order. Many web pages depend on browser plug-ins (e.g., Java by Sun, Java by Microsoft, Acrobat Reader, Real Player, Flash, etc.) to operate properly. If the plug-in is not installed on the visitor's computer, then the page cannot be properly viewed or downloaded. The visitor then must decide to either ignore the page or to download and install the requisite plug-in. To be user friendly, it is wise for your web site designer to use:

- The most popular and widely distributed plug-ins⁷²
- Plug-ins that are easy to install
- Plug-ins that are well-mannered after installation, i.e., they do not try to grab big pieces of your icon tray and desktop, constantly urge you to purchase an upgrade or "report home" on your computer behavior.

The New York Times uses Flash and Real Player on its website almost daily. It's a good site to visit to get a feel about these plug-ins, how they are used and their ease of use. Note they are never used for the main body of any major story.⁷³

They Need To Find You! Of course, for a website to achieve its objectives, it first must be found! There are over 4,285,199,774 web pages.⁷⁴ The analogous medium in the print world is a book, not a newspaper: there may be one or two newspapers in a town compared with thousands of titles in a bookstore. It's easy to find the local newspaper, harder to find a bookstore and then the few books that might help you. Search engines can be some help. Google, for example, easily found the websites of all of the downtown organizations discussed in this chapter. However, if you "Google" to find information about the available retail

⁷² Macromedia offers the results of an online June 2004 survey done by a market research firm that shows that Flash content can reach 98% of Internet enabled computers compared to Java 87%, Acrobat Reader 79%, Windows Media Player 63% and RealOne Player 62%.
http://www.macromedia.com/software/player_census/flashplayer/.

⁷³ I found that Flash allowed animated ads that by-passed my pop-ad blockers and annoyed me greatly when I read the NYT on line. So I uninstalled it. To uninstall you first have to download the uninstall program from the Macromedia site. This is not good programming etiquette.

⁷⁴ Google home page. See also: Campbell, K. K. "Click through the clutter." Profit. May 2000. Lexis Nexis. September 8, 2000

spaces in these cities, you can not find their web pages that list such spaces. Apparently, the day is still not here when someone can type into a search engine a simple English phrase, such as “retail space for lease in downtown Pretty City,” and then be quickly directed to the downtown organization’s website real estate listings. In the meantime, it is essential that a downtown organization’s website be listed with the major search engines and that the key words they use be carefully selected.

The number of unique visitors that a downtown organization in a small or medium- sized community might reasonably expect to attract to its website is probably no more than 3,000 to 10,000 a year. Furthermore, many of these visitors may have landed on your site while looking for a completely different type of website; many more may be interested in your downtown, but not in either leasing commercial space or investing in real estate. Others may be geographically too remote to be viable prospects.

A website is probably best used when teamed with networking efforts. After being contacted, prospects can be referred to the website. The website’s address should also be featured on all printed materials distributed to prospects, especially if this is done in face to face meetings.

Today, whoever finds your website by searching the web is the whip cream on top of the sundae.

F. Investment Conferences

1. Overview. An investment conference is a marketing tool that:

- Has a small target audience
- Aims to stimulate deals
- Demands a lot of effort from attendees
- Can cost between \$5,000 and \$25,000+
- And demands a lot of time and energy from the downtown organization’s staff.

The target audience of an investment conference is composed of real estate developers and corporations who can be the anchor tenants for large projects, be they retail, office or mixed use. While other types of guests may be invited, they will be there mainly because of their links to developers and corporate tenant prospects.

In small and medium-sized communities, the size of the audience will usually range between 15 and 50 people. In larger communities it could range between 50 and 100 attendees.

The goals of the conference are to:

- Motivate quality developers to do significant projects in your downtown

- Lure corporations into locating new office or retail facilities in your downtown.
- Speed up the pace of revitalization.

The conference demands a lot of effort from participants. They have to be willing to devote a considerable part of one of their workdays to attending the event and traveling to and from it. For busy and important people – precisely the type you want at an investment conference -- this will be a major “cost” factor when they decide whether or not to attend. To attend, the invitees need to know that the conference offers them substantial potential benefits. That conclusion will mostly be formed by your downtown’s current public image. To a lesser, but still significant extent, it will also depend on the effectiveness of your invitation and the agenda it presents.

The invitation should be very attractive, on good paper stock and printed in color. Considerable care should also be given to the envelope it arrives in. You want the invitation to send the message that this conference will be a very special event meant for important and powerful people.

Investment conferences can be a great tool for some downtowns and an absolute waste of time in others. In and of themselves they are not magical. They certainly are not for downtown's that are still in the early stages of the revitalization process. They are also not for communities with bad business climates or weak downtown organizations.

Investment conferences can not be used to start a viable revitalization process, but they can be used to accelerate the pace of a revitalization process that is well under way. Consequently, they are most useful for downtowns where:

- Meaningful development progress has already been achieved
- This progress is reflected in the image it has within the real estate community, especially developers and savvy commercial brokers
- Attractive opportunities for additional redevelopment exist. The downtown must have one or more significant redevelopment sites to show.
- Downtown leaders have their act together and know how to talk to and negotiate with developers, retailers, brokers, etc.

2. The Englewood Example. On March 27, 2000, the City of Englewood held a day-long investment conference, *Investing In Englewood*, at the John Harms Center For The Performing Arts. Englewood's City Manager, Bob Benecke wanted to bring together all those who are major players in economic development projects and to interest them in downtown development sites as well as the 150 acres along Route 4 that the City had designated as an Office Enterprise Zone.

DANTH, Inc. suggested an investment conference as a way to effectively and efficiently achieve these objectives. DANTH worked closely with Peter Beronio,

Englewood's director of community services, and his staff in planning for the conference.

Great care was taken in preparing for the conference. Most important was creating the invitation list. City officials selected developers who had done attractive downtown projects in other communities. Retail representatives and commercial brokers were selected because they had a proven track record of working effectively in downtown environments and delivering “added value” to the overall revitalization process. Consultants were invited who had good contacts with developers, retailers and corporate tenant prospects. State officials were invited because some of the financial incentives that might be offered to developers would come from state agencies.

The conference was a great success. It was attended by:

- 12 developers
- 12 real estate brokers
- 9 retailers
- 3 financial institutions
- 5 planning/economic development consulting firms

Three of the developers who attended the conference later presented project proposals to the City.

The agenda was also carefully planned so that participants would not feel that it would take too much of their time -- or waste it. The agenda was structured so that attendees could learn about the community and the potential redevelopment sites. Most importantly, it also encouraged them to start thinking and talking about possible deals.

Participants toured Englewood's development sites in vans. A staff “guide” was on each van to provide a tour narrative. Later, over lunch, local officials briefed them about the City's development strategy, planned infrastructure improvements, one-stop shopping permitting and approvals process, and investment incentives. Then there were opportunities for private one-on-one meetings between city officials and attendees. The whole event took less than four hours.

G. Exhibiting at Conferences

1. Overview. Being able to identify and easily contact “qualified” prospects is always a big plus for any marketing effort. Exhibiting at the conferences of some organizations, such as ICSC and ULI can facilitate that for downtown recruitment programs. Exhibiting at the conferences of IDA, NMSC and APA can be good places to build a positive image of your downtown among planners and other downtown revitalization activists.

Cushman & Wakefield
CVS/Pharmacy
CWCAPITAL
D.F. Pray, Inc.
Developers Diversified Realty
Developers Realty
Development Design Group, Inc.
DJM Asset Management
DLC Management Corp
Dollar Tree Stores, Inc.
Dress Barn
Duke Realty Corporation
Eastern Development
Eckerd Drugs
Edens & Avant
Edgewood Properties
EMB Associates, Inc.
Environmental Compliance Services, Inc.
Equity Properties
ERT Development Coporation, c/o New Plan
Excess Space Disposition, Inc.
Exxonmobil
Fairmount Properties
Faison
Family Dollar Stores, Inc.
Famous Footwear
Federal Realty Investment Trust
Feldco Development Corp.
Ferrara Jerum International, L.L.C.
Fidelity Properties, LLC
Finard & Company, LLC
First Interstate Properties, Ltd.
Forest City
Freeport Economic Development Corporation
Fulton Mall Association
Galli Engineering, P.C.
Gamestop, Inc.
Garden Commercial Properties
Garrick-Aug Associates
General Growth Properties, Inc.

Figure 13
Some Exhibitors
ICSC New York Meeting 2004

As mentioned earlier in Chapter II, ICSC's meetings bring together a large number of real estate companies who build and/or manage retail centers, many of the savvy commercial brokers and the representatives of many retail chains.

2. The NYC ICSC Meeting. A good example of these regional meetings is the New York Idea Exchange & Deal Making meeting that was held on December 06 - 08, 2004, at the New York Hilton & Towers in Manhattan. The ICSC holds similar meetings all around the country. A quick visit to the ICSC website <http://www.icsc.org/cgi/mtlist> will tell you where and when one is scheduled near you.

The registration fee in NYC for the 2004 meeting was \$390.00 for members, \$490.00 for non-members. The registration allowed you to walk around and meet people, attend panels and visit exhibitor booths.

Among those exhibiting were the 34th Street Partnership, Fulton Mall Association, Red Bank RiverCenter, Downtown Stamford and the New York City Economic Development Corporation. These downtown organizations represented a small percentage of the exhibitors. Some of them are very sophisticated downtown retail recruiters. About 15 downtown organizations and public sector agencies also participated by being a part of a booth rented by a private sector company that they work closely with.

There were about 270 exhibitors at this meeting. Figure 13 shows a partial, but representative listing. As can be quickly discerned, retailers represented a small proportion of the exhibitors. There were lots and lots of developers, management companies and brokers. This is the normal pattern.

Each of the 10 X 10 booths available to public sector organizations cost \$450 in 2004. There were no staff passes, so each person manning an exhibit had to pay the regular registration fee. There is an additional cost of \$300 to \$400 for tables and chairs. The exhibition space was booked solid and renewals for the following year's event are usually very high, though some openings do occur. The ICSC distributed sign up forms for next year on the last day of conference. The form was then posted on its website and distributed by a mailing to membership.

3. The ICSC Spring Meeting. The Spring Convention is similar in structure, but on a much, much bigger scale. It brings in over 36,000 delegates and has a gallery exhibition area called The Public Sector Showcase. According to the ICSC brochure, the Showcase "provides city, state and economic development agencies with an opportunity to showcase their municipality or latest project....This program provides maximum exposure to over 36,000 Convention delegates...."

Over 30 organizations participated in this showcase at the May 2004 convention. By October of 2004 all the booths had been rented for the May 2005 Convention and there was a waiting list. At the annual convention renewal forms for exhibition space for the following year are handed out on the last day.

For the 2005 Convention, the registration fee varied from \$315 for "early bird" members to \$890 for non-members on-site. The cost of participating in the Public

Sector Showcase is \$600 for a 10x10 space. This fee covers floor passes for up to four persons to man your booth. Costs for tables and chairs will be another \$300 to \$400.

Contact ULI, IDA and APA to find out about their conferences and exhibition fees. They are always eager to find new exhibitors. But be sure to do a cost benefit analysis before you decide to exhibit at these meetings. Some tend to have high charges. Others are only good for image building objectives and the persons who attend them usually are of tertiary importance in the normal scheme of business recruitment.

To exhibit at ICSC or ULI, you need to have attractive commercial spaces and/or redevelopment sites to offer. If you do not have them, you are not in a deal-making mode and really do not have anything relevant to exhibit. ICSC and ULI events are not good for just image building exhibits. However, if your exhibit does well with its deal-making functions, it will as a side benefit also help build a positive image of your organization and your downtown in the minds of some very important people in any downtown recruitment process.

Wherever you exhibit, your organization will need suitable materials to distribute and displays to present them in an attractive and alluring manner. Your recruitment package materials should do the trick. Many of the exhibitors in the real estate industry have a "traveling exhibit," which incorporates signage and photographs and folds up into a nice protected package for transport. A few downtown organizations also have them. The costs for a decent one probably start around \$4,000 and go up from there.

You also need to staff the exhibit. If you have ever done it, you know that such work can be tiresome and boring. Having a bored, tired or listless representative negates the whole purpose of the exhibit. In addition, most of the real work will not be done in your booth, but at appointments in restaurants, bars and hotel suites. More than one person certainly will be needed to properly man an exhibit, especially if it lasts three days. This can amount to a significant cost factor. Staff travel expenses, including meals and hotel, may be an additional cost factor.

There is a major caveat to exhibiting -- getting people to see and stop by your booth. This is always a challenge for exhibitors at any conference. However, the fact that such canny downtown organizations as the 34th Street Partnership and Red Bank RiverCenter return to ICSC events indicates that there can be significant benefits that outweigh the costs and problems associated with exhibiting.