

MARKET ST



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Market Street brings original insights and clarity to the evaluation and revitalization of the places where people live, work and grow. Through honest and informed assessments, *Market Street* can equip you with the tools to create meaningful change. Our solutions successfully merge our experience and expertise with the economic and social realities of our clients. *Market Street's* community clients are successful at creating stronger programs, increasing operational budgets, and creating new quality jobs that improve the quality of life in their communities.

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BACKGROUND

Like many communities reliant on one or two major industries for growth, the Coachella Valley has suffered in recent months as the global recession compelled people to spend less money on travel, luxury goods, recreation and dining out. Unemployment rates in the Valley are spiking, and businesses are hurting.

In order to ensure that the Valley's economy becomes more diversified to better weather future economic downturns, to raise local wage and income levels and to provide young professionals with opportunities for quality employment, the Coachella Valley Economic Partnership (CVEP), working with key local partners, retained *Market Street Services*, a national economic development consulting firm, to help develop a *Blueprint* for the Valley's economy.

This *Marketing Assessment* reviews and critiques the full breadth of CVEP's marketing effort and determines potential future programmatic needs.

The components of the *Blueprint* strategic process are:

I. Competitive Assessment

The *Competitive Assessment* provided a qualitative and quantitative analysis of Coachella Valley's competitiveness as a place to live for current and relocating residents, and as a place to conduct business for existing, expanding, and prospective businesses. The *Assessment* presented a snapshot of key economic and demographic indicators, accompanied by detailed analyses of the three engines that drive regional competitiveness and quality of life: people, prosperity, and place. The performance of Coachella Valley in these three areas was compared to the Riverside MSA, the state of California, the nation, as well as three comparison regions: Wine Country, California; Naples, Florida; and Tahoe-Reno, California-Nevada. Stakeholder input gathered from focus groups, interviews, and an online survey supplemented the quantitative analysis and provided a more holistic view of Coachella Valley's competitive realities.

II. Target Business Analysis

This component assessed Coachella Valley's existing target businesses based on key quantitative and qualitative information and determines if additions or revisions are necessary to optimize the area's chosen targets. The analysis included the potential development of additional target categories. Utilizing findings from the online survey and the *Competitive Assessment*, target business sector recommendations were also based on national economic trends, existing regional assets, and an understanding of key competitive advantages such as workforce skill levels, geography, and infrastructure.

III. Marketing Assessment

This component includes a thorough review and assessment of a community and/or economic development organization's marketing efforts to determine if they reflect best-practice methods for increasing awareness and investment in the area. The *Marketing Assessment* will review the website and overall marketing programs of CVEP and selected other regional entities to determine the need for enhancement of local efforts.

IV. Best Practices Analysis

This report will analyze three communities similar to the Coachella Valley in their economic and demographic dynamics. The report will assess how these communities are strategically realigning their efforts related to economic development to better diversify their job bases with knowledge-based industries and workers. The report's key findings will be related to Coachella Valley's issues, opportunities and challenges and help inform the development of the Valley's *Economic Development Strategy*.

V. Economic Blueprint

All of the previous components build toward the development of a "next level" five – year strategy for a renewed approach to economic development efforts in Coachella Valley. The *Strategy* will include a review of key findings from throughout the process and will identify overarching goals, major focus areas, and specific action steps to pursue.

VI. Implementation Plan

The final step in this process is to focus on the actual implementation of the *Strategy*. *Market Street* will provide direction about staff capacity, a five-year implementation timetable, priority action steps, assignment of departmental responsibilities, and resource and funding needs. A clear first year action plan will lead the implementation plan. Benchmarks and performance measures will help assess implementation progress.

At the end of this strategic process, the Coachella Valley will have a strategy focused on the community's most pressing needs and opportunities for the year 2009 forward, with implementation guidelines to bring recommendations to action.

INTRODUCTION

Economic development is an increasingly competitive business. Each year, thousands of communities vie for a handful of projects. Economic development organizations that succeed share several basic traits: Their initiatives are targeted, well funded, and sufficiently staffed. They are backed by a supportive, positive community because they themselves have a strong local brand. Finally, they are guided by up-to-date internal and external marketing strategies.

TARGETED

Effective economic development organizations concentrate marketing efforts on a handful of key market segments. This involves analyzing local strengths and challenges, and identifying audiences whose location needs align with the strengths. Community improvements, such as workforce development or infrastructure investments, are based on target audience needs. Targeting focuses marketing dollars, helps define a region's brand identity, and results in a higher return on investment.

WELL-FUNDED

In a perfect world, grassroots initiatives and word of mouth promotion would be enough to attract businesses to a community. But the reality is that it takes money to compete. A look at economic development organizations (EDOs) across the country reveals that even the most bare-bones marketing campaigns require a minimum of \$75,000 per year to operate. Most organizations annually commit \$150,000 or more to marketing. Large regional efforts, such as Charlotte USA and the Greater Austin Chamber of Commerce's, dedicate more than \$1 million per year to marketing.

MODEL PROGRAMS AND WEBSITES

Charlotte USA

<http://www.charlotteusa.com/>

Kansas City EDC

<https://www.edckc.com/>

Metro Orlando EDC

<http://www.business-orlando.org/>

San Diego REDC

<http://www.sandiegobusiness.org/>

SUFFICIENTLY STAFFED

The budget figures above are strictly for internal and external marketing activities. They do not include staff salaries or operational overhead. Even in smaller communities, an effective economic development program requires a minimum of four staff people, including an executive director, marketing program director,

researcher/marketing coordinator, and an administrative support person. Most regional groups include additional staff responsible for business retention and expansion, for example, or target industry specific expertise. It is not unusual for an organization to have five to 10 professional positions in regions the size of the Coachella Valley.

STRONG LOCAL BRAND

An EDO is most effective when it is backed by a supportive group of local stakeholders from both the public and private sectors. Building trust and buy-in to an EDO takes time, communication, and visionary leadership.

Generating a positive local brand identity requires most economic development directors to spend 50 percent or more of their time on internal marketing activities. This includes ongoing communication with investors, elected officials, business leaders, the media, and the community at large. The time they spend within the local community pays off. Residents are more likely to speak highly of their community to friends and colleagues. Media is more likely to pay attention to economic development news. Elected officials endorse support business friendly policies, and investors continue funding the EDO.

Companies and site selectors can immediately detect whether a community's leadership works well together, and prefer to locate in places that do. Signs of local cooperation include shared messaging, single points of contact, coordinated and rehearsed prospect meetings, and friendly interaction. It is often up to the EDO to foster relationships and provide a vision that unites the community.

CAMPAIGN STRATEGIES

Finally, long-range strategies are at the core of quality marketing campaigns. Marketing strategies are founded on community and target audience research. They provide a disciplined approach for executing marketing activities. Through marketing, a community increases its name awareness and improves its perception, ultimately generating increased target audience investment.

It is critical to understand that a complete campaign is comprised of two distinct marketing strategies. The first directs the marketing of the community to external audiences. The second, but still of equal importance, guides the promotion of the economic development organization within the community.

- **External marketing** includes all activities directed at informing target audiences about the community's competitive advantages. An external

marketing plan describes the campaign's objectives and the ideal marketing mix needed to access audiences.

- **Internal marketing** includes all activities that build name awareness and perception of the EDO within the community. It guides the EDO in establishing its brand, creating wide spread understanding of its role, and growing trust among stakeholders.

Both strategies are typically accompanied by a budget, calendar, and metrics to keep the campaign on track.

A community's internal and external audiences differ. External audiences include groups that the EDO would like to recruit to the community. Industry executives, site selectors, talent, and entrepreneurs are typical examples of external audiences. Internal audiences, on the other hand, include individuals that the EDO needs support from locally. Local businesses, politicians, reporters, non profits, and residents may comprise an EDO's internal audiences.

The following sections assess the Coachella Valley Economic Partnership's marketing initiative as it relates to economic development and offer insight into improvement of the program in the future.

MARKETING EVALUATION

CVEP's current marketing program has few of the necessary ingredients described in the previous pages. The program has been inconsistent over the years, with periods of success followed by inactivity. A shortage of staff and budget has severely restricted efforts.

The past program has had a trial-and-error approach. The Coachella Valley's unusual economy has contributed to this problem. Unlike many communities, the Valley has not had to rely on investment from various business sectors to maintain a stable job base. The flow of wealth into the region through visitors, shoppers, and residents has served as a buoy through national economic trends, reducing urgency to diversify.

However, hospitality, retail, and agriculture jobs will not ensure long-term prosperity. It is time for the region to increase its commitment to growing and attracting higher paying jobs and capital investment.

Prior to creating economic development strategy for the region, *Market Street* must first conduct an evaluation of CVEP, including its marketing campaign.

Our assessment revealed the following:

- Collateral materials used by organizations that promote Coachella Valley are voluminous and have no consistency. **Graphic appearance, branding, and messaging widely varies across regional groups**, diluting the Valley's identity and confusing the marketplace.
- Specifically, CVEP's marketing materials are well designed and attractive, but could be more finely focused on the sales points its target audiences need to see. Quality of life is one of many reasons a company could be interested in the region. Other competitive factors need to be emphasized as well.
- CVEP's brand **identity needs to be reviewed and refreshed**. Although re-branding can be an emotional process for a community, in particular for a regional organization, the current identity is weak and relatively unknown.
- A **complete redesign of CVEP's website is needed** to support the future marketing campaign.
- **Continue co-marketing with other organizations in the region** to extend the reach of CVEP's program. Boost board involvement with prominent regional groups.

- CVEP has an opportunity to **start a new marketing campaign from scratch**. The new campaign should be **more targeted and concentrate first on the large population of target audiences continually flowing into the region** for events, leisure, and as part time residents.

The following sections provide analysis and recommendations on topics related to CVEP's economic development marketing program.

REVIEW OF CVEP'S MARKETING TOOLS

Website

Details from *Market Street's* review are provided in the Appendix at the end of this document. To highlight:

- The website is in need of improvement in several important areas, including its marketing capacity, data, interactivity, content, visual appeal, and navigation.
- The purpose of CVEP's website should be to distribute relevant information about the Coachella Valley to its target audiences. The website is not meeting this goal as well as it could. First, it is **unclear who CVEP's target audiences are**. Second, the site's **outdated data and "heavy" written copy** interfere with visitors' access to key information.
- Website data and content must be as current as possible at all times. A majority of tables and charts on the CVEP site are from 2000 or 2005. Updating this information should be a priority for CVEP. The age of the data makes it basically worthless.
- The website's **homepage is cluttered and does not convey a clear message to visitors**. We recommend keeping content on this page as minimal as possible. Present a concise statement of CVEP's purpose and a friendly welcome. Use icons and single words or phrases to quickly route visitors to the section of the site they are most interested in viewing. Direct site selectors to the "About Coachella Valley" section, and local partners or prospective investors to the "About CVEP" section. Remove the Desert Sun, Economic Summit, and ACRE/IR Conference blocks from the right side of the page. Create a "News / Reports" section of the website to house this type of information.
- Develop a **maps library** that is easy to locate from the homepage. Do not assume people living outside of California know where the Coachella Valley is located.
- Integrate "California" into CVEP's brand identity, both on the website and beyond.
- Keeping information current and interactive will give visitors a reason to return. As it stands now, the website shows very few interactive features.

Consider adding an information request form, interactive maps, newsfeeds, or other features that engage visitors.

- Topics in the **navigation bar should be in order of importance to target audiences**, with most frequently requested sections at top. Also, button wording should be direct and consistently phrased. Remove non essential information from the navigation bar, such as the “terms of service” and “site map.”
- **Reduce written copy by 50% or more.** Currently, CVEP’s sales messages are lost. Utilize pull quotes, bullet points, and graphics to convey marketing points.
- The website’s **appearance is outdated**, and pages are packed with a variety of graphic styles. A new website should represent the region’s professionalism, unique history, and quality of life.

To conclude, CVEP’s website is in need of a **significant overhaul**. Data on the website is so outdated, we recommend removing it entirely from the website. It is currently doing the region more harm than good. In its place, CVEP may post a PDF of its 2008 Annual Report which does contain updated information. This should be a priority.

Direct Sales

Direct sales are activities that place CVEP face to face with its target audiences, such as trade show attendance, marketing missions, and in-bound events. CVEP is not currently conducting direct sales activities.

IN-BOUND MARKETING EVENTS

CVEP is not currently hosting in-bound marketing events. However, this is a **prime opportunity for the region**. With its wealth of internationally acclaimed golf and sports venues, performing art festivals, and high-end lifestyle amenities, Coachella Valley is **better positioned than almost any other community in the country** for attracting executives and site selectors to marketing events.

MARKETING MISSIONS

CVEP is not currently conducting marketing missions to meet in-person with target audiences outside of the region. However, based on best practices from other region, *Market Street* believes that marketing missions are a stronger use of staff time and resources than trade shows.

Marketing missions on average generate twice as many leads and prospects. Although the volume of interaction with target audiences is lower, the quality of time spent with them is greater. **Personal relationships are ultimately CVEP's best competitive advantage**, and there is no better way to accomplish this than to spend time with decision makers.

We recommend that **CVEP focus on internal marketing for the first few years of the new campaign**. However, should CVEP – in conjunction with another regional or state group – consider taking marketing missions, the following tips will make these trips even more effective:

- Involve local executives in facilitating introductions with their peers and suppliers in other markets. At least one month prior to the trip, send out a call for assistance to companies and local economic developers who know local executives.
- Keep in mind that C-level executives are more likely to accept meetings if meeting with a prominent state official or a well known executive from the region.

TRADE / BUSINESS SHOWS

CVEP is not currently attending out of town trade shows, and *Market Street* does not recommend this as a marketing tool at this time. The site selection community is changing, and deals are increasingly being done by service providers like lawyers, accountants, and brokers. Business development opportunities at traditional industry conferences are declining.

PUBLIC RELATIONS

CVEP currently has no external public relations initiative.

Local businesses, CVEP investors, and external target audiences share a common need: promoting stories about the region and its business success. Engaging in public relations is an imperative element of CVEP's future campaign. According to surveys of site selectors, news stories rank among the most valued and influential sources of information about a community. Public relations could be an effective component of CVEP's marketing activities in the future.

- Becoming a **media clearinghouse** for the region's business news may be an opportunity for CVEP. Investors and partners will include CVEP on press release distribution. With the assistance of a staff person, CVEP can select stories that reinforce its marketing message and distribute to media.
- Long-term, CVEP should consider **retaining a public relations agency** to assist with internal communication and external media. This may be a shared contract with another regional organization.

COLLATERAL MATERIALS AND ADVERTISEMENTS

To contribute to this *Marketing Assessment*, *Market Street* requested a package of marketing materials from both CVEP and other regional organizations. After a thorough review, we share the following comments:

Packaging

Sample CVEP and regional marketing materials arrived in our offices in a mailer whose lining had deteriorated and covered all contents in a thick layer of dust. The mailer itself was wrapped in clear tape that was difficult to cut through, and in the process several brochures were damaged. First impressions are critical. We recommend CVEP invest in professional packaging for shipments.

Other than packaging, CVEP has produced **quality printed materials and advertisements** that are attractively designed and well-written, including:

2007 Economic Summit Materials

The Summit television and radio advertisements promoted CVEP's 2007 Economic Summit and were entitled "Where we are today. Where we go from here." The advertisements have a polished, professional tone and coordinate well with other event materials and CVEP's annual report.

2008 Economic Summit Materials

CVEP's 2008 Economic Summit was entitled "Leave no stone unturned." As with the 2007 Summit, eye-catching print, radio, and television advertisements were created to promote the event. The corresponding annual report contains a wealth of data about the region.

"Where Business Meets the Good Life"

The 2008 "California Business Images" magazine features a first page, foldout advertisement for the Coachella Valley. The ad melds quality of life with business themes. The two-page advertisement includes a map of the region and various local assets like the University of California-Riverside's Palm Desert campus. The ad itself is well-done, but several interviewees questioned its return on investment.

Target: Cleantech and Alternative Energy

CVEP's blue sky theme translates nicely into its clean-energy-oriented advertisement, entitled, "The right business environment for environmental business."

Target: Film Industry

CVEP's "Reel Friendly" advertisement and four-page brochure are attractive. There is no indication of how they were utilized.

CD Rom Video

CVEP's video provides an overview of the region, contains good imagery, lists target industries and touches on Career Pathways. Quality of life is a dominant theme of the video. Interviews with local executives are strong testimonials. At nearly 15-

minutes, the video is far too long to be used with site selectors and industry executives, although it may be appropriate for hotel in-room segments.

Our critique of CVEP's collateral and advertisements lies less in the design and creativity of recent materials, and more in content. Common elements such as blue sky, scenic images, and quality of life themes are good themes that tie together most materials. But does the content provide external audiences with the type of information that will inspire action? We believe marketing messages can be more targeted.

CONCLUSION

A thorough review of CVEP's current and historical marketing efforts revealed an organization that has attempted to promote the Coachella Valley's strengths and opportunities, but has ultimately fallen short in effectively capitalizing on the region's advantages for talent and companies.

CVEP needs a marketing campaign customized for the region's unique economic development opportunities. Historically, CVEP's trial-and-error marketing initiative has produced only modest results. For CVEP to make a difference on the region's economy, it must adopt a new marketing campaign that is both creative and consistent.

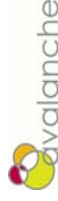
Based on a review of CVEP's current marketing materials and interviews with regional leaders, *Market Street* recommends that the organization's future marketing efforts focus on three key areas of concentration.

- The first, "**rebranding**," focuses on refreshing CVEP's image and adjusting language to reinforce other regional marketing initiatives.
- The second, "**doorstep marketing**," suggests ways CVEP can promote the region as a business destination to visitors, retired executives, and part time residents.
- The third, "**tools**," describes CVEP's ideal marketing mix and resources needed to support the future campaign.

Specific strategies related to how CVEP can develop programs and processes related to these areas of concentration will be included in the Coachella Valley's *Economic Blueprint* strategy.

COACHELLA VALLEY ECONOMIC PARTNERSHIP WEBSITE REVIEW

www.cvep.com



Criterion	Summary	Review	Recommendations
<p>Website Goal / Mission: <i>How well does the site accomplish its goal?</i></p>	<p>Needs Improvement</p>	<p>An economic development website's goal should be to efficiently distribute relevant content to target audiences. CVEP's website does not accomplish this goal. First, it does not clearly indicate who CVEP's audiences are. Outdated data, cluttered appearance, and cumbersome written copy distract visitors. The current condition of the website does not reflect the professionalism and allure of the Coachella Valley.</p>	<p>(+) Move CVEP's target audience list out of "About CVEP" and into a more prominent, stand alone section. (+) Update all data. (+) Reduce the length of written copy by at least 50%. (+) Refresh graphic 'skin' of the website to reflect a more modern image.</p>
<p>Marketing Capacity: <i>Does the site entice visitors to take action / seek additional information about the Upstate?</i></p>	<p>Needs Improvement</p>	<p>On one hand, the website's outdated data will require a serious prospect to call CVEP. On the other hand, we are concerned that the site's outdated content and appearance will turn off prospects. In addition, we would like to see the Career Pathways Initiative pulled out of the navigation bar as a separate icon that links to a stand alone website for the program.</p>	<p>(+) Clearly indicate that the Coachella Valley is in California. (+) Include a stylized interactive map of the region. (+) Use pull-outs, bullet points, and other design elements to highlight key sales points. (+) Make sure contact information is visible above the page break on every page, such as placing a phone number in the upper right corner. (+) Provide a contact name on the "Contact Us" page.</p>
<p>Data Type and Quality: <i>Does data address target audience needs? Is it current?</i></p>	<p>Needs Improvement</p>	<p>The website contains the right topics for CVEP's audiences, but timeliness and depth of data is a problem. Keep in mind that tables and Excel spreadsheets are preferred by site selectors because information can easily be transferred into their own models.</p>	<p>(+) Create a target business section that contains sales messages and data specific to each CVEP target audience. (+) Boost content in the community profiles. Currently, these sections are thin.</p>
<p>Interactivity: <i>Do visitors have a reason to return to the site?</i></p>	<p>Needs Improvement</p>	<p>Keeping information current and interactive will give visitors a reason to return to the site. The website currently lacks interactivity.</p>	<p>(+) Examine ways to integrate Web 2.0 features on the site, for example, RSS feeds, PodCasts, or scrolling news headlines, for example. (+) Make sure all data tables can be exported to Excel. (+) Add an interactive map that links to community profiles.</p>
<p>Timeliness of Information: <i>Is data updated and are topics current?</i></p>	<p>Needs Improvement</p>	<p>A majority of tables and graphs within the website are outdated. It appears that data was added in 2005 and has not been updated since.</p>	<p>(+) The following charts and tables should be updated: Population, Population by Ethnic Composition, Educational Attainment, Taxable Sales, Population Growth, Industry Overview, Regional and Condo Sales, Rental Rates, K-12 Education, Labor Shed, Unemployment, Motor Freight Carriers, and 2008 Meeting Calendar. (+) Remove the "Internet" section altogether.</p>
<p>Quality of Content: <i>Is content interesting? Is it concise and well written?</i></p>	<p>Needs Improvement</p>	<p>Economic development websites should be data rich and intuitive to navigate. An EDO's main audiences, site selectors and corporate executives, visit EDO websites for the primary purpose of collecting data on a community. Focus first and foremost on sharing up-to-date data in an attractive, downloadable manner.</p>	<p>(+) Enrich the content and data available in community profiles. Use data tables, concise wording, and images versus written copy. (+) Add a "Maps" section to show the region's locatin relative to the U.S. and California. Consider an interactive feature that link to individual community profiles.</p>

Criterion	Summary	Review	Recommendations
Visual Appeal	Needs Improvement	The website lacks visual appeal. The site is cluttered with different graphic styles . The design does not invite visitors to linger or click through for additional information. It does not represent the professionalism or allure of the region .	(+) The content section on subpages is too narrow, forcing visitors to scroll far down the page to access information. Removing "related links" bar could allow for wider content area. (+) The graphic design and color palette are outdated. Consider refreshing the CVEP logo and redesigning the website's graphics to match.
Navigation: <i>Is site navigation intuitive and efficient? Are pages logically placed?</i>	Needs Improvement	The website's architecture is congested . From the homepage, it is difficult to determine where visitors should go next. The storybook-like flow of navigation within the "About Coachella Valley" section is effective, and would be even more so if topics were reordered from highest to least importance to site selectors.	(+) Redesign navigation bar drop downs so that sub-bars do not cover page content. (+) Remove noncritical topics like "terms of service" and "site map" from the main navigation bar. (+) Reorganize pages to increase intuitive flow of information. (+) Edit navigation wording to standard eco dev terminology. E.g., Change "Market Access" to "Infrastructure" and move "Utilities" into the section.
Searchability: <i>How does the site rank on major search engines?</i>	Good	At the time of this review, Google and Yahoo!, CVEP ranked 7th when searching for "Coachella Valley" and 1st when searching "Coachella Valley Partnership."	(+) Invest in search engine optimization. Encourage CVEP partners and investors to link to the CVEP website from their own sites. Add captions to photos and revisit keywords within the website to make sure that they are still relevant. Consider using Google AdWords.
Functionality: <i>Does the site function in a predictable way?</i>	Good	The site functions in a predictable way. At the time of review, several webpages were offline .	(+) Fix link to "Economic Overview," "Utilities," "CVEP Team," "CVEP Executive Committee," "Calendar of Events" sections. If data is no longer available, remove the page entirely. (+) Consider adding an information request / feedback form.