

Process, Pitfalls and Profit: Effective Market Analysis Techniques

Over 100 professional planners, community and economic developers, and city and village administrators attended a summit that was held at the ComEd Commercial Center in Oak Brook, Illinois on January 25, 2010. The event focused on Process, Pitfalls and Profit: Effective Market Analysis Techniques. (Click [here](#) for details)

The first panelists were: Anna Maria Kowalik, Property Manager, Inland Realty Group; Matt Frank, AICP, Economic Development Coordinator, Village of Schaumburg and Ron Gifford, President & CEO of Indy Partnership in Indianapolis, Indiana.

Each panelist focused on different aspect of conducting market analysis from their professional perspective highlighting key features to the process, pitfalls, and success.

Anna Maria Kowalik offered a private sector perspective. She focused on three concepts that can help improve the relationship between the private sector and the public sector: 1) Know your constituency. Collecting key data is important but psycho-demographic data to understand the shopping needs of the community and to understand new consumer attitudes. 2) Initiate Conversation with the developers to know their background and success rate, keep the lines of communication open during the entire process. 3) Collaborate with developers, brokers, and consultant as this will help leverage assistance to market available sites.

Matt Frank focused on three examples in the Village of Schaumburg and explained how market analysis data was used to develop and market the convention center, used for site selection searches, and to attract commercial business. The convention center proposal used the results of a market and feasibility analysis which was developed through strong coordination with an ad hoc committee and Village staff. The analysis included an economic impact analysis and competitive analysis with similar venues in the Midwest. He indicated that close collaboration with developers and Village staff was key to progress and completion of the project. The second example for site selection searches highlighted the importance of collecting key economic data from regional and state partners.. He highlighted how partnerships can be useful when data is not readily available like real estate and industry cluster data. He identified several partners the Village collaborates with some of which included local business, Convention Bureaus, DCEO, and CMAP.

Ron Gifford offered practical guidelines for conducting a market analysis. 1) Be objective; sometimes a market analysis needs to be done externally in order to get a true sense of the current character of the community. 2) All studies should be inclusive and exclusive; but not democratic. It is important for the analysis to outline the good, the bad and not exclude information that might be need more attention. And everything is important so the study needs

to find the balance. 3) The analysis should be accessible; it needs to be understandable to the general public, most importantly to those who will be required to implement it. 4) Finally, the market analysis should be actionable. It needs to identify specific steps to make the necessary improvements. He reviewed three examples of how the Indy Partnership conducted three different types of analysis -- a cluster analysis, a competitive positioning study, and an assessment of the Indy Partnerships image within the Indianapolis region.

The second panel spoke about marketing techniques that have been used during challenging economic times. Presentations were given by Sally Hanley, Director of Development for the Economic Development Council for Central Illinois; Nat Seiz, Manager of Business & Retention for Q5; Cheryl Welge, Business Development Executive, Ameren Corporation.

Sally Hanley focused on how a low -cost public relations campaign was used in the economic downturn of the 1980's to leverage regional partners including small business, media, colleges and workforce board to develop a comprehensive message about the region. The collaboration enabled the organization to host a series of economic climate summit meetings, tout the strengths and opportunities of the region, rally the community around a positive media message and produce a website with podcasts of successful businesses. Her advice was to utilize and empower their current networks to market their community/region or organization.

Nat Seiz gave an overview from a Chamber/EDC perspective and highlighted a target industry study recently completed for the Springfield region. Although the economic downturn has made it difficult to market the transportation and logistics industry the agency has decided to emphasize the importance of developing strong partnerships with the state, associations like Illinois Development Council, and other regional partners. They are also focusing on building relationships with current businesses through retention visits.

Cheryl Welge spoke from a utility perspective and reinforced the importance of partnerships as an opportunity to limit resource depletion, speaking with one voice, and the opportunity to leverage assistance / expertise that may not otherwise be available. She made three recommendations: 1) understand what drives the local and regional economy and develop achievable goals. This will deliver a simple and straight forward message for businesses. 2) Consider more than just the community look at issues in the larger context of the county, the region, and the state. This strategy will allow you to market with partners while highlighting the community's unique aspects. 3) Leverage exposure to potential businesses by partnering with other agencies at trade shows. This will save on cash, create connections with other regional partners and allow you to promote your market analysis in that broader context.

The data and analysis mentioned and used during the panel discussion is available through CMAP.

CMAP offers community assistance that provides tools, programs, and opportunities to help communities and organizations build capacity, improve quality of life, and participate in the regional planning process.

For more details or to access the PowerPoint presentations, please visit us at:

<http://www.cmap.illinois.gov/economic/events.aspx>.

If you have any suggestions for future topics please contact Brian Rademacher at brademacher@cmap.illinois.gov or call (312)386-8668.

These workshops are designed to offer practical advice to municipal officials, economic developers, planners and village administrators to provide practitioners with best practices in planning and economic development to coordinate local and regional planning efforts.