



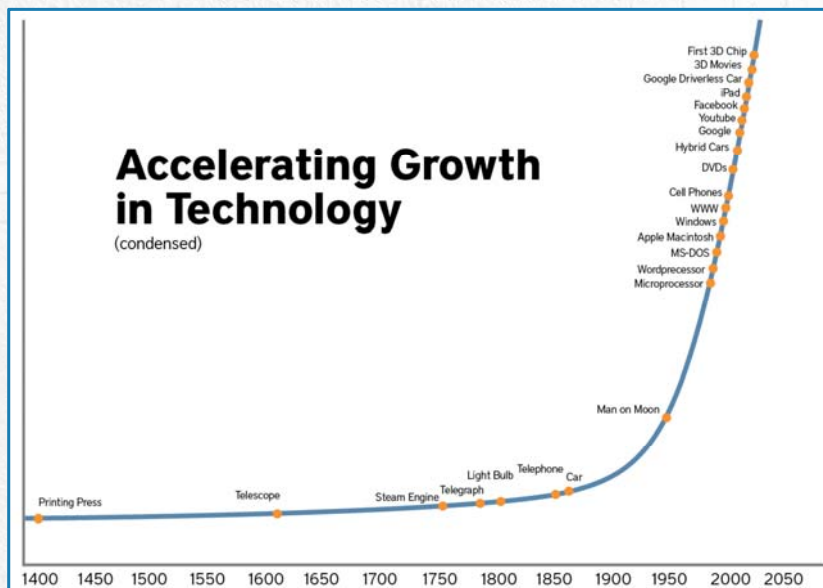
DATA IS GOOD BUT INSIGHTS ARE BETTER

What businesses really need from economic
development professionals

Today

1. **What site selectors really need**
2. What small businesses and entrepreneurs really need
3. What future role of technology in economic development
4. Q&A





KEY TAKEAWAY

It's almost impossible to keep up with an accelerating tech curve

Competition is Fierce

01. TOWNS



02. COUNTIES & DISTRICTS



03. CITIES



KEY TAKEAWAY

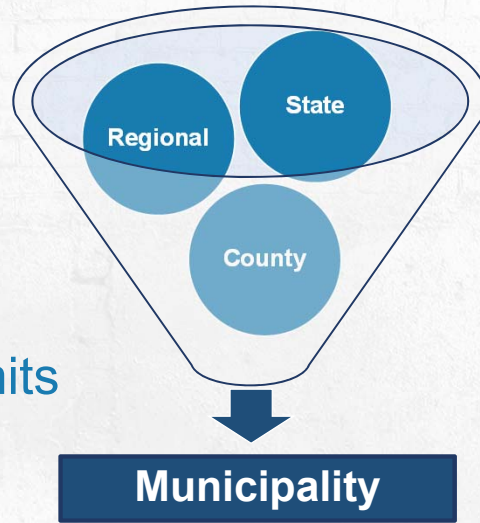
Municipalities are competing for the same investment dollar

The Process

Jobs

People

Permits



KEY TAKEAWAY

Market researchers have a predictable research process

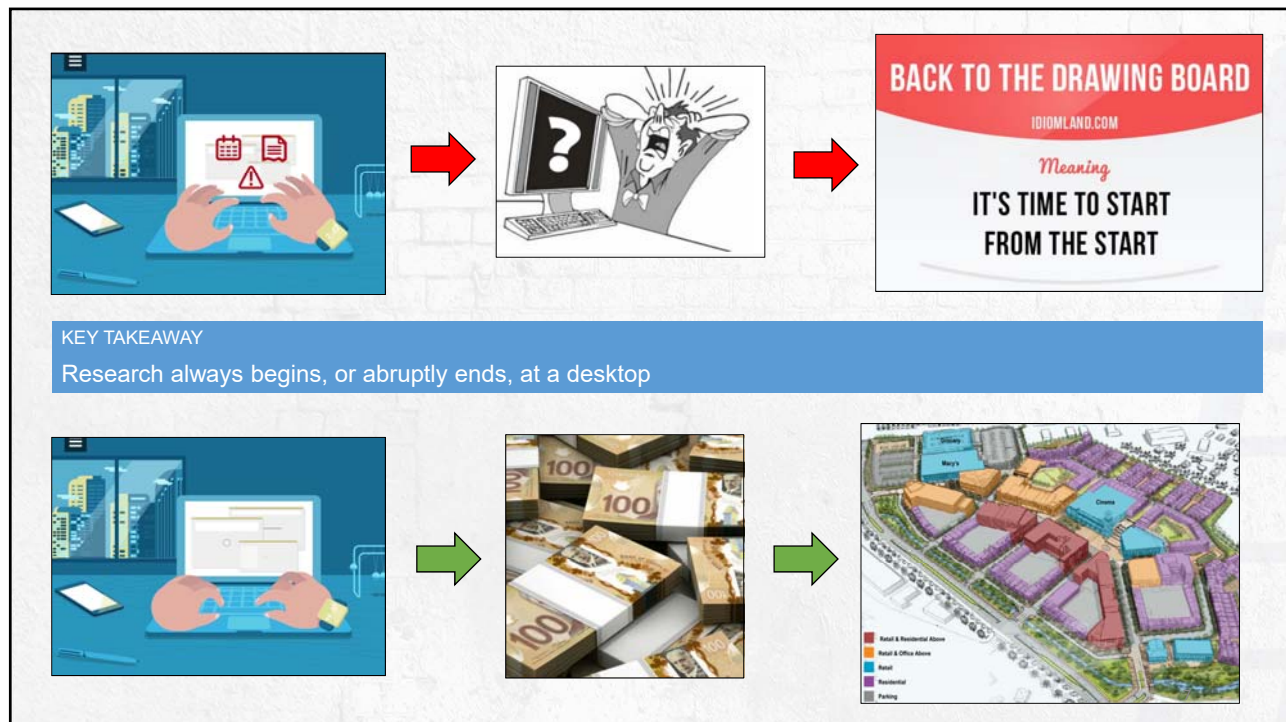


What are market researchers looking for?



KEY TAKEAWAY

Market researchers want a reason to invest in your community



CLINT EASTWOOD
THE GOOD, THE BAD AND THE UGLY

IN THIS WORLD THERE'S
TWO TYPES
OF PEOPLE MY FRIEND.
THOSE WITH LOADED
GUNS AND THOSE WHO DIG.
YOU DIG

KEY TAKEAWAY
Varying degrees of success in online EcDev platforms have a tangible effect

The “Ugly”



KEY TAKEAWAY

There are several negative effects of having a minimal online presence

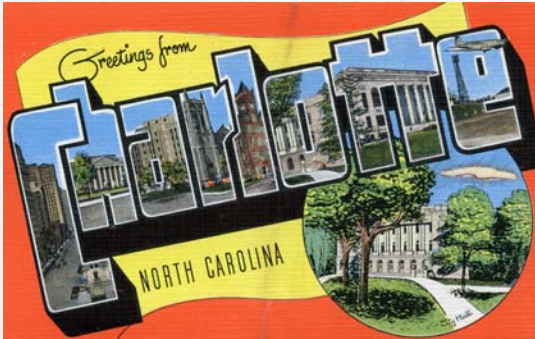
The “Bad”



KEY TAKEAWAY

Keeping data clean and current is key, and easier than you think

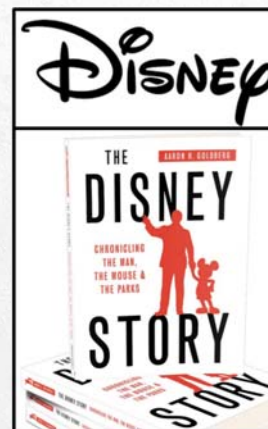
The “Good”



KEY TAKEAWAY

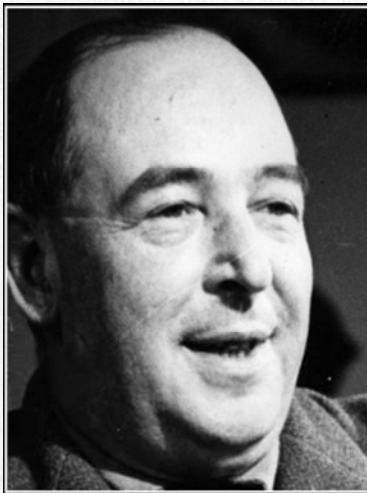
Successful online initiatives pay for themselves quickly

Telling an Authentic Story



KEY TAKEAWAY

An engaging and persuasive municipal story sparks interest



Please will you do my job for me.

— *C. S. Lewis* —

AZ QUOTES

KEY TAKEAWAY

Market researchers want you to do their job for them!



Market Research Trends 2017

Increasing Use of Online Reporting Tools that:

...are visually compelling

...use indicators

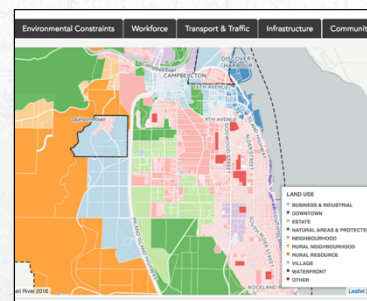
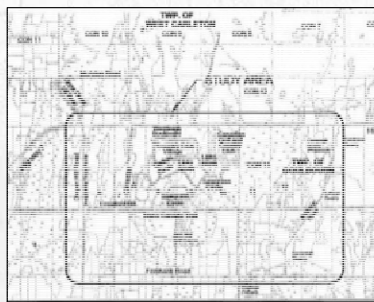
...provide insights

KEY TAKEAWAY

Indicators - visually compelling - insights

Visually Compelling

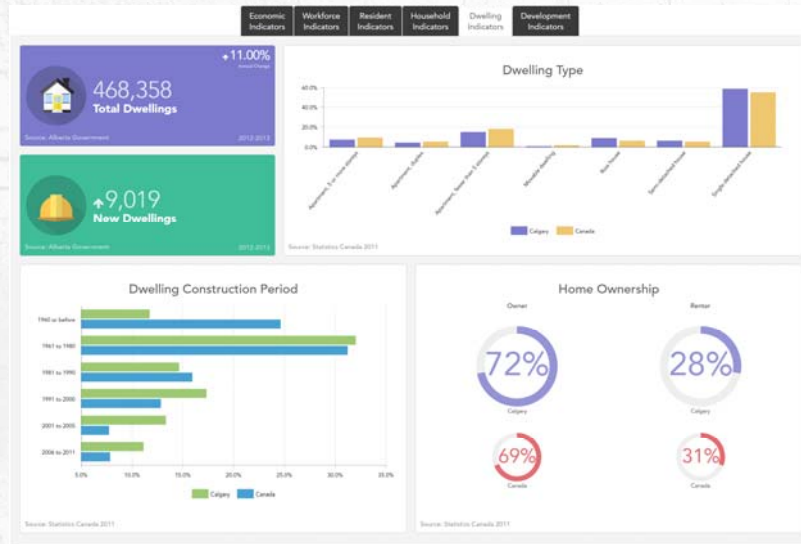
Mode	Major Transportation Programs	Federal Revenue Sources
Administration by FHWA, DOT	• Federal Highway Administration Grants • Grants, toll, private partnerships, toll-exempt lanes, private toll facilities	• Gasoline Fund
Administration by DOT	• High-Speed Rail • Airport	• Highway Trust Fund • General Fund • State and local taxes on specific capital expenditures • Passenger Rail • State Revenue Bonds
Administration by STATES & LOCALS	• State Departments of Transportation, operation and maintenance of highways, roads and bridges, transit, and other facilities • Construction of new roads and facilities	• Fuel taxes and the federal motor vehicle tax • Toll revenue from toll roads and bridges • Highway Trust Fund



KEY TAKEAWAY

Visually compelling tools tell your story more succinctly

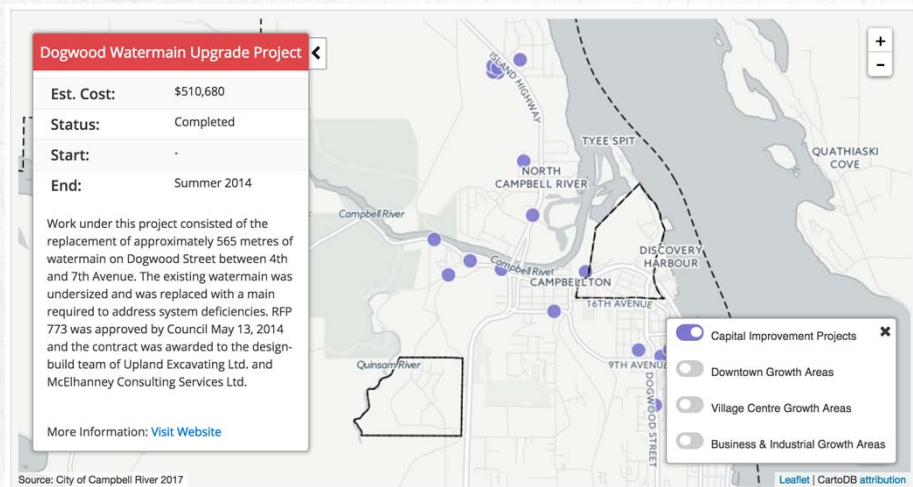
Indicator s



KEY TAKEAWAY

Effective INDICATORS should do the hard work for us

Insights



KEY TAKEAWAY

Providing insights is what gets deals done

Case Study: Future Development Land



Lee, head of Market Research for the Anderson Development Group of Companies.

Task:

Land that is suited for a large scale mixed use development project in a fast growing region .

- Does the region exhibit strong **historical growth** metrics?
- At what pace and where in the region is **job growth** expected to occur?
- At what pace and where in the region is **population growth** expected to occur?
- Are there any **public transportation** initiatives planned to support this growth?
- Location of existing **utilities** and any approved extensions?
- What is the regional structure in terms of general **land use** trends?
- Where is investment into large scale **infrastructure** slated to take place?
- Are there any significant **barriers to new development** in the region?
- Where are the conservation initiatives and **environmental constraints** through the region?
- Specifically **where do we focus our time, dollars and efforts** to achieve maximum success

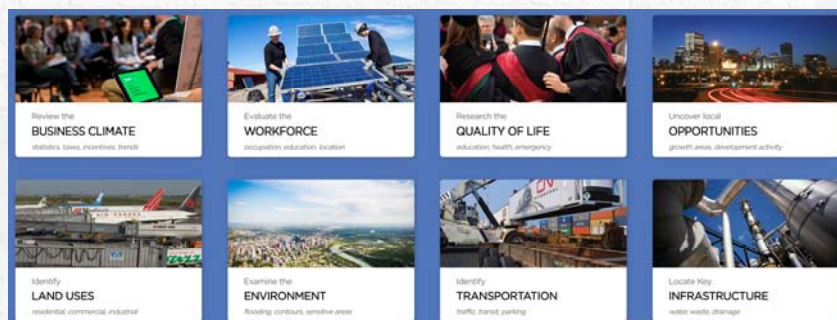
Case Study: Future Development Land



Lee is looking for a tract of land for mixed use development project

Lee needs to understand:

- Historical growth trends
- Job growth patterns
- Population growth
- Public transportation
- Location of services
- Regional land use
- Future infrastructure
- Barriers to development
- Environmental constraints



Case Study: Future Development Land



Lee is looking for a tract of land for mixed use development project



Lee needs to understand:

- **HISTORICAL GROWTH TRENDS**
- Job growth patterns
- Population growth
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Case Study: Future Development Land

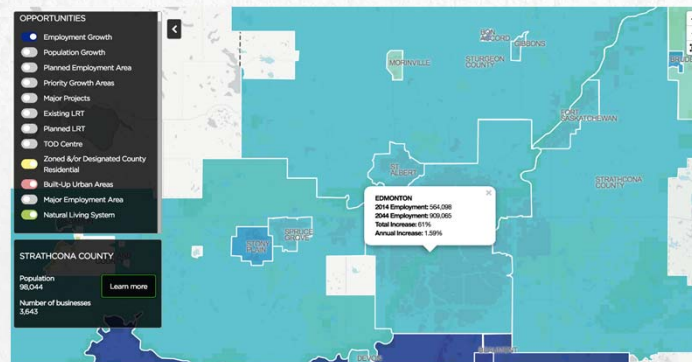


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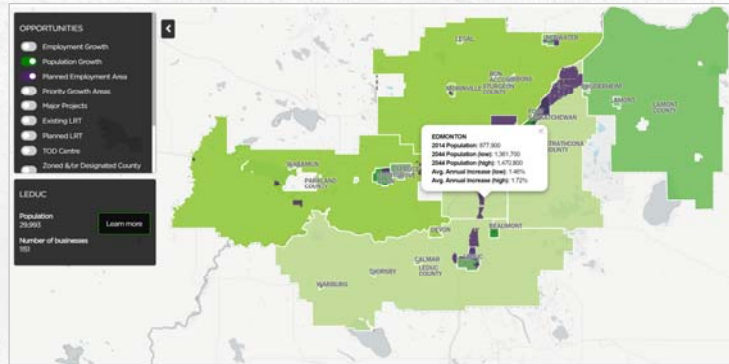
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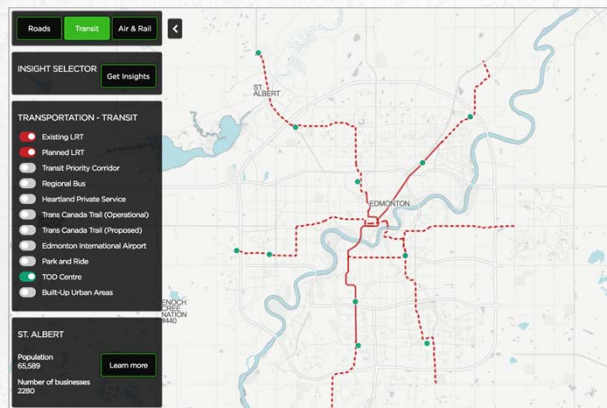
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- **POPULATION GROWTH**
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- **PUBLIC TRANSPORTATION**
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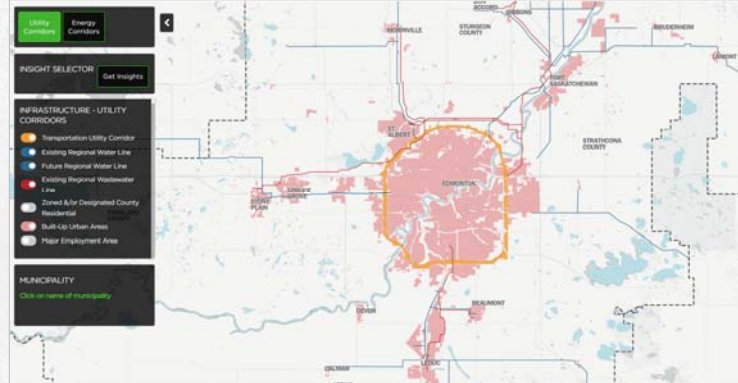
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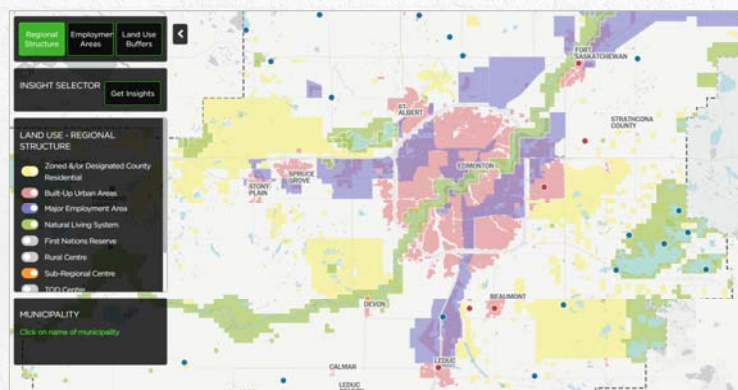
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- **LOCATION OF SERVICES**
- Regional land use
- Future infrastructure
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Lee is looking for a tract of land for mixed use development project

Lee needs to understand:

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- Job growth patterns
- Population growth
- Public transportation
- Location of services
- **REGIONAL LAND USE**
- Future infrastructure
- Barriers to development
- Environmental constraints



Case Study: Future Development Land

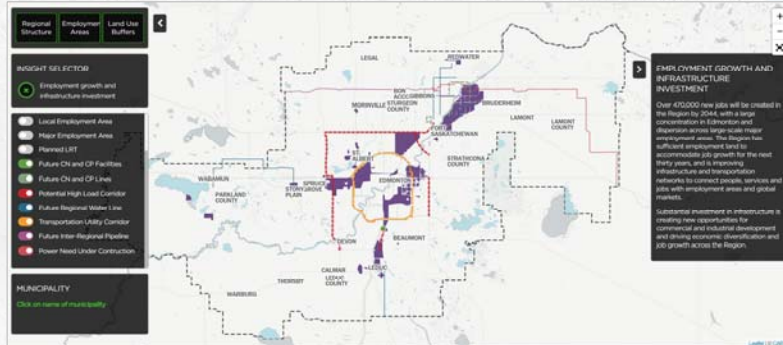


Lee is looking for a tract of land for mixed use development project



Lee needs to understand:

- Historical growth trends
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- Public transportation
- Location of services
- Regional land use
- **FUTURE INFRASTRUCTURE**
- Barriers to development
- Environmental constraints



Case Study: Future Development Land

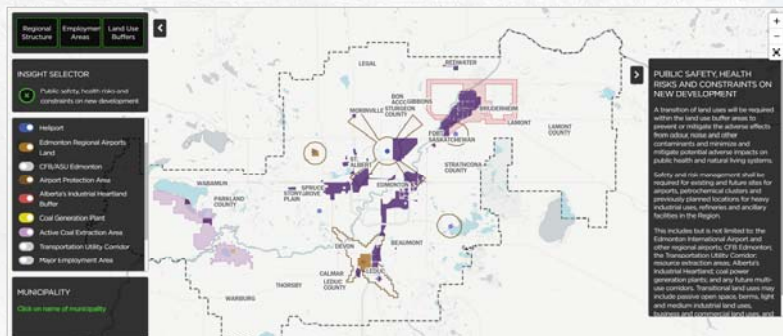


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Case Study: Future Development Land

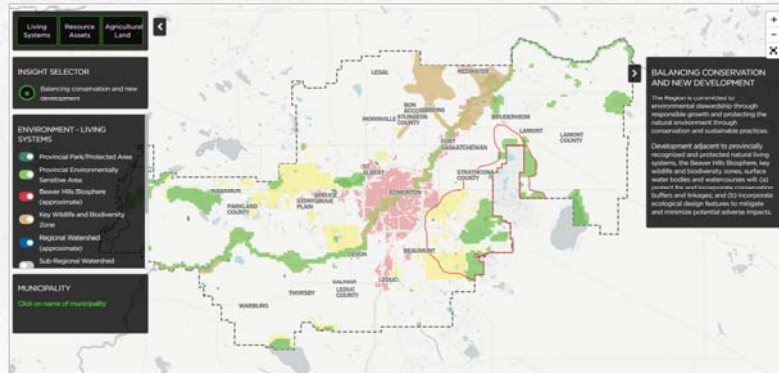


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- Barriers to development
- **ENVIRONMENTAL CONSTRAINTS**



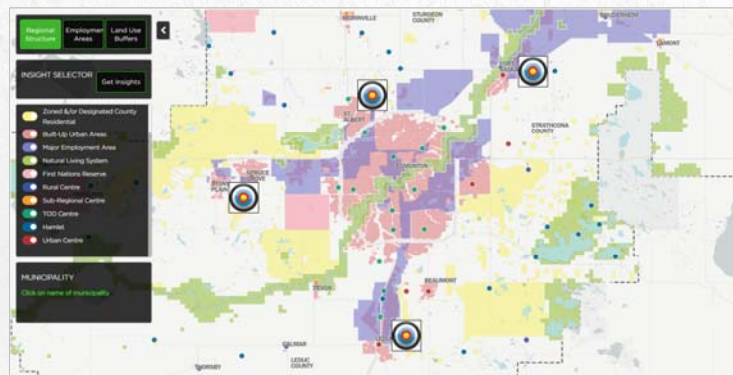
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- **REGIONAL LAND USE**
- **FUTURE INFRASTRUCTURE**
- **BARRIERS TO DEVELOPMENT**
- **ENVIRONMENTAL CONSTRAINTS**



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Small Business in the US (<500 employees)

29.6 million
small businesses in US

57.9 million
people employed by small businesses

99.9%
of all business in US are small
businesses

48%
of all private sector workers in US are
employed by small businesses

SBA Office of Advocacy, Small Business Profile, 2017

KEY TAKEAWAY

Small business drives the US economy



Small Business in Ohio

939,317

small businesses in Ohio

2.1 million

people employed by small businesses

99.6%

of all business in Ohio are small businesses

46%

of all private sector workers in Ohio are employed by small businesses

SBA Office of Advocacy, Small Business Profile, 2017

KEY TAKEAWAY

Small business drives the Ohio economy

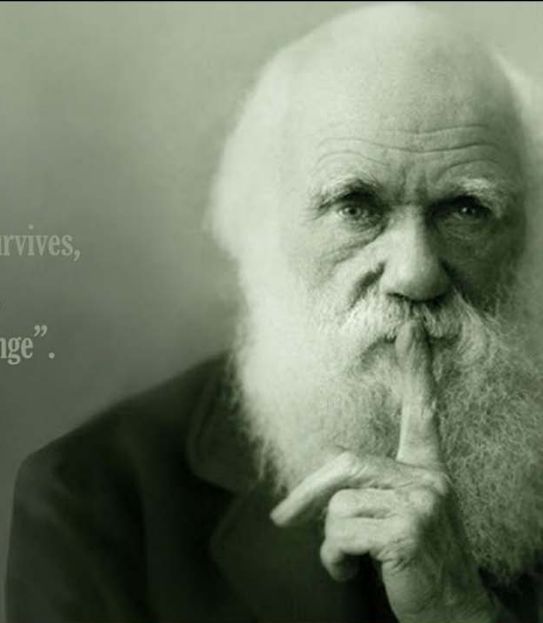


Business failure

20% small businesses fail within 2 years

45% small businesses fail within 5 years


U.S. Bureau of Labor Statistics



“It is not the strongest of the species that survives,
nor the most intelligent that survives.
It is the one that is most adaptable to change”.

Charles Darwin


KEY TAKEAWAY
By using data & insights, more small businesses can adapt, survive and thrive



LOCALINTEL

The problem for small business

In the big data era, a greater variety of data is getting produced at an increasing rate



LOCALINTEL

The problem for small business

In the big data era, a greater variety of real-time data is getting produced at an increasing rate

Only a small number of businesses have the capacity to capture and use it properly to create actionable insights



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Most of the 29.6 million small businesses in the US don't have the time, money or expertise to do this

KEY TAKEAWAY

Most businesses can't afford data & insights required to adapt and thrive



⚓ If you only do what you know you can do – you never do very much.

Tom Krause

quote fancy

What small businesses need to know



KEY TAKEAWAY

Having awareness of local customers, competitors, industry trends and other market intelligence is essential critical for businesses at every stage

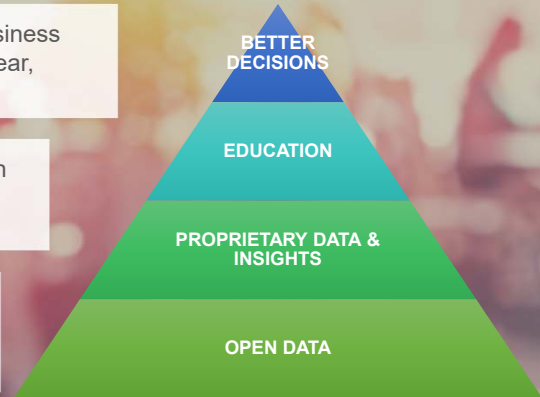


The Problem for Municipalities

Cities, chambers, counties and EDCs can help small business by providing online information that is easy to access, clear, relevant and up to date.

In doing so, these organizations support business growth and create new opportunities in their community (i.e. economic development).

Unfortunately, many teams lack the time, money and expertise required to create and maintain world-class online economic development tools.



KEY TAKEAWAY

Communities are missing out on job creating opportunities



How it works for municipalities & regions

STEP 1

Choose tools from the catalogue a-la-carte



STEP 2

We access open data & populate tools



STEP 3

Embed tools or bundle as a microsite



KEY TAKEAWAY

We build, host, update and improve our expanding catalogue of online EcDev tools

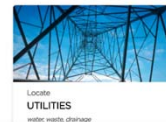
How it works for businesses



PAM IS OPENING A PET STORE

For her **business plan & site selection** she needs to know:

- Industry Trends
- Customers
- Competitors
- Growth locations
- Zoning
- Available properties
- And more



How it works for businesses



PAM IS OPENING A PET STORE

For her **business plan & site selection** she needs to know:

- **INDUSTRY TRENDS**
- Customers
- Competitors
- Growth locations
- Zoning
- Passing traffic, access
- And more

What trends are impacting the industry?

Competitive Landscape

Pet ownership drives demand, and spending generally resists economic cycles. Profitability for individual companies depends on the ability to generate store traffic and effective merchandising. Large companies offer low prices and wide selections of both products and services. Small companies compete effectively by serving a local market, selling unique products, offering specialized services, or providing pet expertise. The industry is concentrated.

Products and Operations

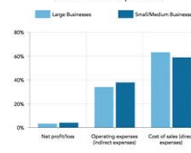
Pet food accounts for about 45% of sales, pet supplies for 35%, and aquarium products and fish for 10%. Other sources of revenue include pet care services and pet sales. Pet stores include national chains, franchises, and independent retailers. National chains operate a "superstore" format, which can exceed 20,000 square feet. Pet superstores are located in high-traffic areas, usually in large strip malls, co-anchored by other strong superstores.

Pet store franchises vary in size, but generally have smaller stores of about 8,000 square feet. Smaller stores allow franchises to locate in smaller shopping centers, closer to neighborhoods. Independent pet stores serve small markets and average 3,000 square feet. Pet superstores can generate about \$5 million of revenue annually, with sales per square foot that may exceed \$200. A typical pet store franchise has \$2 million of annual revenue, or \$200 per square foot. Smaller independent pet stores generally have revenue under \$1 million, with sales per square foot under \$200.

Profitable vs Non-Profitable Businesses (Small/Medium)



Industry Expense Summary (% of Total Expenses)



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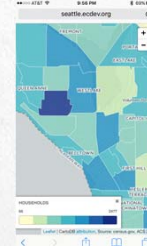
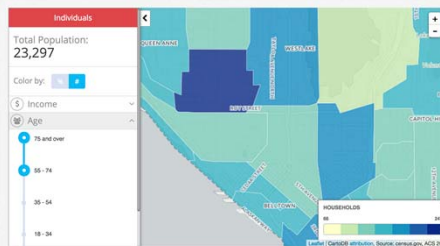
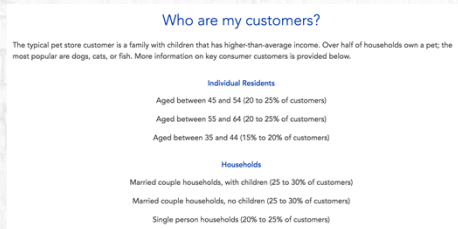
How it works for businesses



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- **CUSTOMERS**
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- Passing traffic, access
- And more



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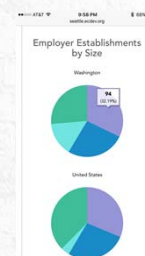
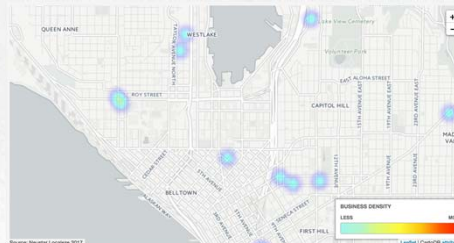
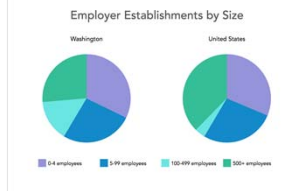
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- Industry Trends
- Customers
- **COMPETITORS**
- Growth locations
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- And more



Source: US Census Bureau, 2014

Pet store competitors include grocery stores, warehouse clubs, mass merchandisers, Internet retailers, and some veterinary clinics. The US industry is fragmented: the 50 largest firms generate less than 50% of industry revenue.



How it works for businesses



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- Customers
- Competitors
- **GROWTH LOCATIONS**
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- And more

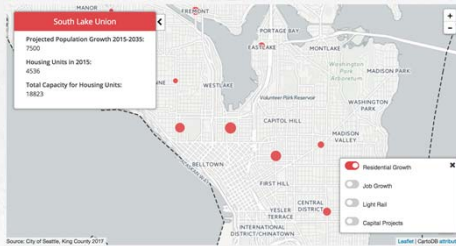
What can create opportunities for businesses?

New business opportunities are constantly arising as a consequence of change occurring around us. Businesses that keep their eye on what is occurring in their community are more likely to find new opportunities and potentially benefit from them. Three local drivers of change and opportunity are population growth, development activity, and infrastructure projects.

Population growth
Population growth generates additional demand for goods and services.

Development activity
New development means more people living and working in the local area.

Infrastructure projects
New roads, transit, school, hospitals and other major infrastructure projects create significant opportunities for business.



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How it's done

Zoning controls determine where commercial, industrial and residential activities can occur. Their purpose is to ensure incompatible land uses are separated and the long-term needs and interests of the larger community are balanced. This page introduces the importance of zoning controls and where they apply.

- 1 WHY does zoning matter?
- 2 WHERE do zoning controls apply?
- 3 HOW do I use this information?

1 Why does zoning matter?

Zoning controls determine where you can operate certain types of businesses and where specific forms of development can occur. If you are researching a new location to invest, develop a property or operate a business you should take the time to confirm that the local zoning controls permit what you want to do. Failure to do so could be costly.



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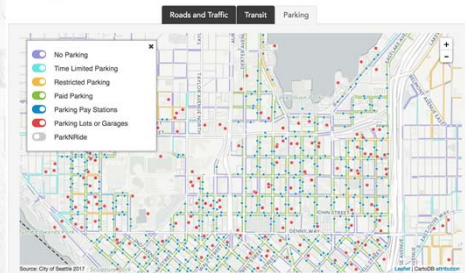
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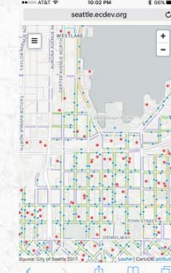


How do I use this information?

Access to transportation, such as roads, rail, airports and ports is a major success factor for many businesses, particularly warehousing and distribution operations. Accessibility also means making it easy and safe for customers to enter and exit your premises. For retail and other businesses that rely on passing trade, having good accessibility, signage and a high level of visibility and exposure along busier roads can really help build awareness and attract customers. For businesses located in residential areas, and denser inner city areas, visibility and accessibility will be a little less important because people will know where you are, but even in these instances good signage is still critical to marketing your business.

Knowing how many vehicles pass by a site each day is an important consideration when it comes to assessing the volume of potential customers. Too much traffic can lead to congestion and constrain access to a business, but it also means the site has a high degree of exposure. Only having a small amount of traffic passing by each day is not ideal for retail and other businesses that rely on passing trade. In short, the optimal volume of passing traffic will depend on the nature and location of the business.

Take care when assessing traffic volumes as the number of cars passing a location doesn't tell you how many of the cars will potentially visit your business. For retail and other consumer oriented businesses finding the best location requires being strategically located relative to other competing and complimentary businesses in proximity, having excellent visibility on a major road; and finally, making it as convenient as possible for people to enter and exit your business.



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Office of Economic Development	Seattle Office of Economic Development	Find additional business resources, including personalized assistance with business planning, permitting, and other city processes. Learn more!
Get a Business License	Seattle	Register your business with the City of Seattle or renew your business license. Learn more!
Restaurant Success	restaurant success	Thinking of opening a restaurant in Seattle? Start here. Plan your finances, navigate regulations and requirements, and start cooking. Learn more!
StartupSeattle	startupseattle	Connect to tech startups, events, investment information, coworking spaces, and other resources for tech startups. Learn more!

Contact us

City of Seattle
Office of Economic Development
☎ (206) 684-8090
✉ oeed@seattle.gov
📍 700 Fifth Avenue, Suite 5752, Seattle, WA, 98104

Office of Economic Development	Seattle Office of Economic Development	Find additional business resources, including personalized assistance with business planning, permitting, and other city processes. Learn more!
Get a Business License	Seattle	Register your business with the City of Seattle or renew your business license. Learn more!

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The future

Using big data, machine learning and artificial intelligence to answer questions like:

- What **industries** are suited to our community and should be targeted?
- What **businesses** are underrepresented in our community and should be targeted?
- What **uses** are most likely to succeed in particular locations?

KEY TAKEAWAY

Technology will provide EcDev professionals with increasingly powerful and valuable tools to drive opportunity.



Contact

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