



The State of Digital Economic Development 2016:

Creating a Digital Road Map for the Economic Development Industry





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The Challenge: What Does the Future Hold for Digital Technology in the Economic Development Industry?

Introduction

Today, digital technologies such as websites, CRM systems, GIS property databases, and social media are changing the way business practices are conducted in the economic development industry. Are EDOs accepting and adopting new technologies? If so, how are economic development organizations leveraging such technology to engage with prospects, be discovered online, and to ultimately do more with less time, budget, staff, and other resources?

If you thought you were behind on technology, you may actually fit right in. Over 50% of economic developers will only adopt technology if they are clear on the benefits it may have for their organization. Knowing this, your organization could be more current than you thought. But is it enough to compete online and develop a strong digital presence?

*How can your EDO develop
a digital road map to move
forward in the digital age?*

Enabling leaders in the digital age is Community Systems' purpose and vision for the future of economic development. Knowing that technology plays an integral role now and in the future, we set out to gain a greater understanding of the roles different technologies play in the economic development industry and how economic developers and organizations use digital tools to support their initiatives. In order to find out more about the effects and challenges of technology and digital tools for economic development, we conducted the industry's largest survey on the subject and have created a detailed report on the results.

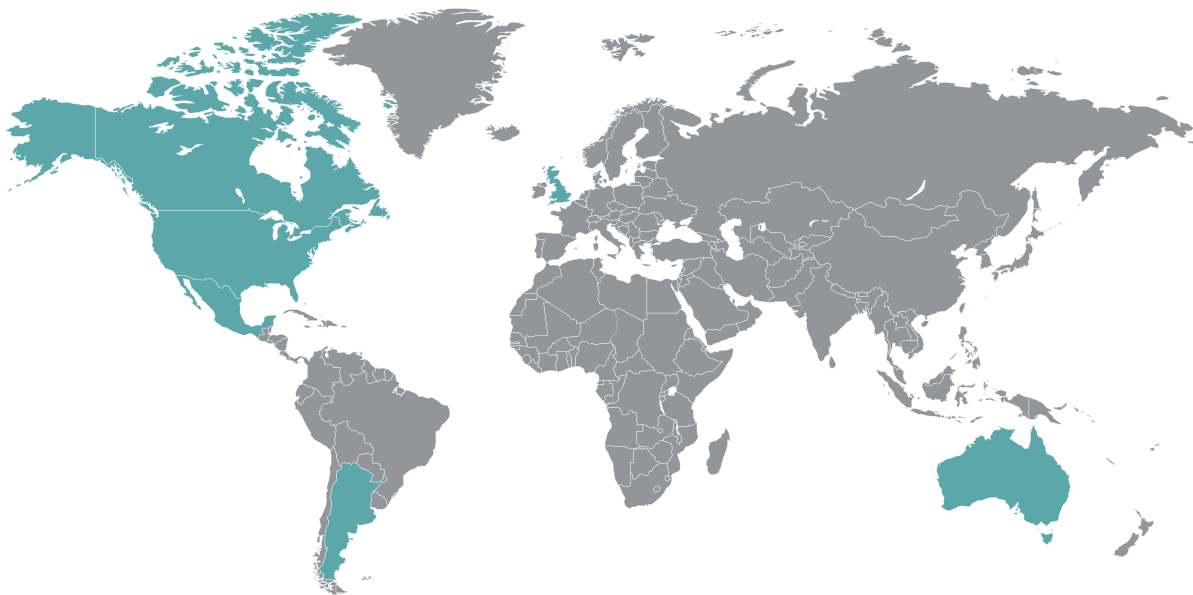
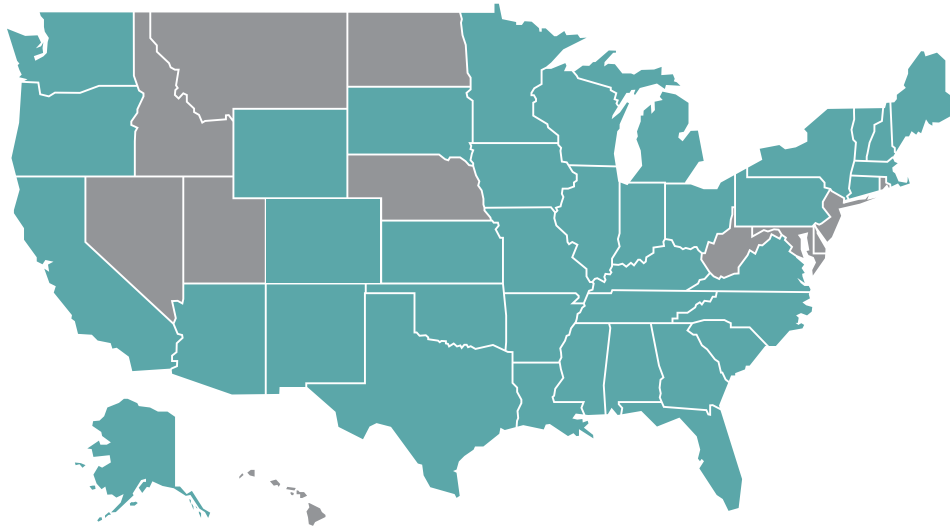
Respondent Profile

In order to discover the industry's attitudes towards technology both new and old, and how the evolving digital age is shaping the industry, we collected data from a variety of professionals in the economic development industry, including CEOs/presidents, business developers, marketers, researchers, board members, and administrative professionals. The data provided represents economic development organizations and professionals in seven countries and 41 states from over 190 organizations with a staff size ranging from one person to over 20 people.

OVER
190
ORGANIZATIONS

41
STATES

7
COUNTRIES



The Challenges of Technology in the Economic Development Industry



While there are challenges of adopting, learning, and using new technologies in almost every industry, the economic development industry faces more specific trials. When connecting old ways of business with organizational initiatives, adopting new technologies and learning new skills can be intimidating.

An overwhelming amount of economic development professionals agreed that budget and funding for new technologies was one of the greatest hurdles their organizations are trying to overcome. Many organizations simply do not have the monetary resources to adopt and implement new technologies.

Marketing communications and lead generation strategies for the digital age arose as another challenge for organizations. How can EDOs successfully market their communities and generate leads digitally?

Through our research, we found that website management (including content creation, site visibility, and updating) was another challenge plaguing professionals in the industry. Without adequate staff training and time, website maintenance can be a cumbersome challenge for many EDOs.

Additionally, staff member training on the skills and strategies it takes to successfully operate digital tools is another area economic developers struggle with. How can organizations receive affordable staff training to ensure their staff is efficiently and effectively using new technologies to their advantage?

THE BIGGEST CHALLENGES IN THE ECONOMIC DEVELOPMENT INDUSTRY

1. Available budget and funding for new technologies
2. Marketing communications/lead generation strategies
3. Website management (content creation, website visibility, page updates)
4. Staff member training on new technologies and digital tools
5. Data collection and reporting

What are the Most Important Initiatives for EDOs?

While all economic development organizations have a multitude of goals, respondents report that their most important initiatives include business recruitment, business retention, and marketing efforts. This is true despite some more “contemporary” opportunities coming on the scene, like workforce development and entrepreneurial development. Based on these findings, how do EDOs and communities successfully market their regions to expanding/relocating businesses in the digital landscape?

TOP INITIATIVES FOR EDOS:

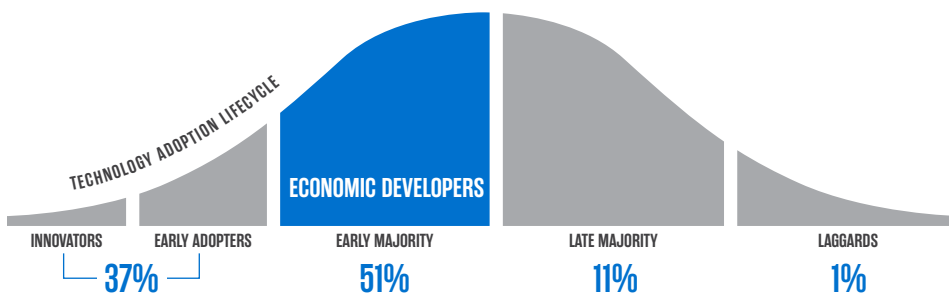
1. Business Recruitment
2. Business Retention
3. Marketing
4. Workforce Development
5. Entrepreneurial Development
6. Fundraising

The Economic Development Industry's Attitudes Towards Technology

Adopting new technologies can be an overwhelming venture and this is no different for the economic development industry. In fact, about 11% of economic developers are “intentionally cautious” when it comes to adopting new technologies, and 51% will only adopt technologies if they understand the benefits to them and their organizations.

Despite the hesitation of embracing new technologies to support organizational initiatives, 37% of economic developers consider themselves to be “technology enthusiasts” or early adopters of new technologies. However, what remains is almost 2/3 of economic developers falling into the “late majority” and “technology laggards” categories of technology adoption.

A MAJORITY OF ECONOMIC DEVELOPERS WILL ONLY ADOPT TECHNOLOGY IF IT IS CLEAR ON HOW IT BENEFITS THEM





The Changing Economic Development Industry

As the chart on the previous page illustrates, many EDOs are open to the implementation of digital tools if they are clear on the benefits it can bring to their profession and organization. There are many new tools emerging that have the potential to change the industry, save time for economic developers, and help pave the way for new business practices.

What Technologies are Shifting the Industry to Digital?

As we dive deeper into the digital age, the prevalence of technology in business practices is difficult to ignore. New programs, software, and tools are being used to help economic developers better support their initiatives and reach their goals. Some of the main technologies that are changing the way business is conducted in the industry include tools to help generate leads and prospects, display data in more appealing and digestible ways, and help EDO staff better manage their digital presence.

LEAD IDENTIFICATION TECHNOLOGY

Being able to use a variety of data sources and IP matching, business developers are now able to identify anonymous website visitors and promptly follow up with them. Such technology can provide data like company name, pages and properties viewed, company phone number, location, industry, etc. on companies that have visited your website, but did not fill out forms or contact you directly.



Why Should I Care?

Lead identification technology can make the act of prospecting easier, seamless, and save on time and resources for business developers.



See This in Action:

Since the **Tennessee Valley Authority (TVA)** implemented **Community Systems'** LeadIQ, a lead identification plugin for their website, the organization has been able to identify and proactively respond to 10% more digital leads than before, increasing qualified prospects and new deals for its business development team.

DATA VISUALIZATION TECHNOLOGY

Displaying your community's data in a visually appealing way can not only help site selectors and decision makers "see" the benefits of expanding or relocating to your community, but can also create a faster way for website visitors to digest this important information.



Why Should I Care?

Time is a precious resource, which means the quicker site selectors can view and gather important data about your location, the more appealing your community will be to decision makers.



See This in Action:

The **Orlando Economic Development Commission** successfully tells the story of their region through vivid and visual reports, graphs, and charts. By displaying community data in easily consumable ways and publishing these reports on their website and social media platforms, Orlando EDC is able to create a rich research brand for their community and attract the attention of expanding and relocating companies.

ORLANDO

ECONOMIC
DEVELOPMENT
COMMISSION



Neil Hamilton,
Director, Business
Intelligence

GIS/PROPERTY SEARCH

GIS and property search tools are quickly becoming the norm for many economic development websites. By providing easy-to-use tools for potential prospects to search and view properties, sites, and related data, you can not only increase their time spent on your website, but also quickly provide the information they seek.



Why Should I Care?

GIS and property search options can help potential prospects find their ideal property in your community and easily contact your team regarding site and property inquiries. These tools also help increase your website visitors' time and pages viewed on your website.



See This in Action:

Serving 11 counties in the Columbus region, **Columbus 2020** implemented Community Systems' GIS platform to help deliver better and more comprehensive solutions for business attraction purposes. Columbus 2020 has experienced double the time on site for an average website visitor, an increase in conversions to their Salesforce database, and has also been recognized as a top performing region in the country.

COLUMBUS^{*} 2020



Matt McCollister,
Senior VP, Economic
Development

PROSPECT RESPONSE

The ways business developers are responding to prospects is also changing. Using digital tools to source and follow up with leads is not only more efficient, but almost expected. The days of cold calling are over; instead, using platforms like LinkedIn, lead identification technology, and integrated prospecting systems are some of the best digital tools to generate and speak to leads and prospects.



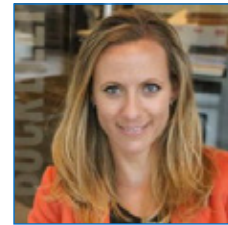
Why Should I Care?

The way you start conversations with your prospects can often make or break a deal. Prospect response using digital tools can save time for your staff, help gather and organize project and prospect data, and streamline the communication process between your business development team and prospects.



See This in Action:

Since implementing Community Systems' integrated GIS/property search tool and Prospect Response System (PRS) into their website, **JobsOhio** secured over 245 new investments, created more than 21,000 new jobs, and retained 62,000 jobs for the region, and continues to experience success from these technologies.



Kristi Clouse,
Executive Director
of Operations

SIMPLIFIED CMS

As websites become more user-friendly, the need for outsourced developers to make content or other website updates is a necessity of the past. With easy-to-use website back ends, economic developers can learn to create pages, add and update content, and maintain their websites without spending a fortune on outside sources to do so.



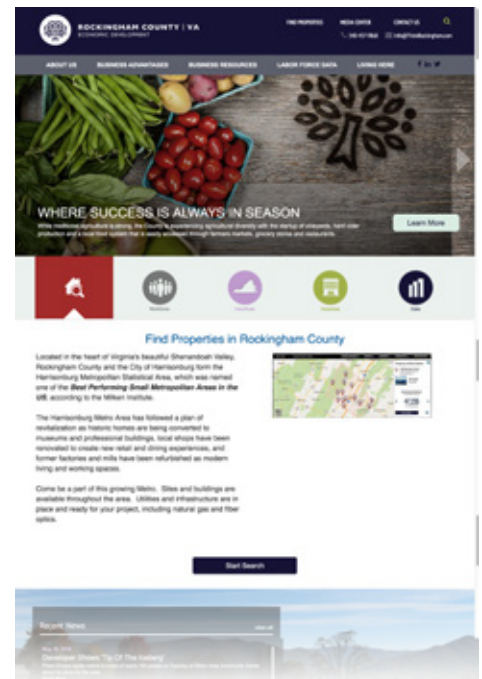
Why Should I Care?

Your organization's website acts as the digital "front door" to your community and is the crux of your digital presence. A simplified content management system (CMS) can give your EDO control of your website and content, help save on budget, and make it easier for your staff to maintain and update your website.



See This in Action:

Since launching their new website using Community Systems' CMS, **Rockingham County, Virginia** has seen increased user experience, double that of average economic development websites, with visitors viewing over four pages per visit on average (vs. 2.23 industry average) and staying on the site for an average of 3.5 minutes per visit (vs. > 2 minutes industry average).



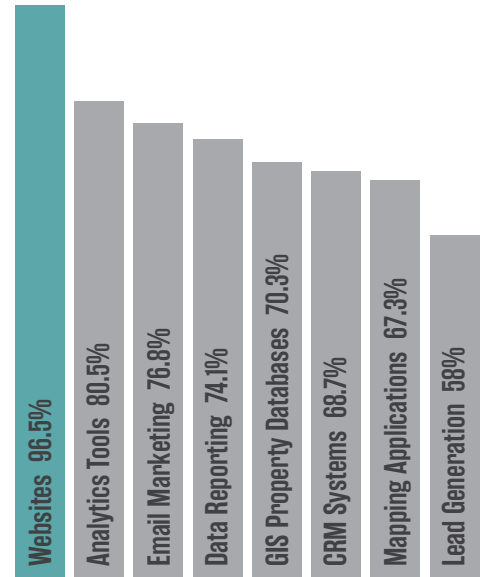
The Most Important Technologies for Economic Developers

While many digital tools serve a specific purpose in the industry, we wanted to find out what technologies were most important to economic developers. With websites acting as digital brands for organizations across the country, we found that economic developers believe that websites are the most important digital tool in their tool belt.

Additionally, economic developers reported that analytics tools, email marketing, and data reporting tools were also highly important to their organizations.

GIS property databases, CRM systems, and mapping applications were ranked as slightly less important; however, it seems that professionals across the industry believe that lead generation technology is the least important when it comes to supporting the initiatives of their organizations. Could these attitudes be based on an unclear understanding or dissatisfaction of this technology?

THE MOST IMPORTANT TECHNOLOGIES TO EDOS:



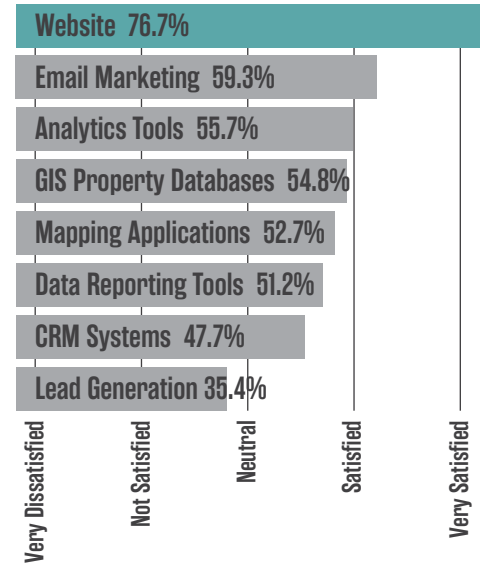
Which Technologies Garner the Highest Satisfaction for Economic Developers?

Across the economic development industry, we have discovered that economic developers are the most satisfied with websites, further solidifying the impact and importance of having a high performing website in today's digital age.

Economic developers report being moderately satisfied with email marketing, analytics tools, GIS property databases, mapping applications, and data reporting tools, signifying that improvements on these technologies could be beneficial to the industry.

However, industry professionals report being the least satisfied with lead generation technology. While lead generation and identification technology may not be as widely used as other aforementioned tools, this innovation is becoming essential to the industry. As we shift into an age where digital is becoming the norm, lead generation tools can provide easy, seamless prospecting for business developers and marketers alike, and are the best way to find digitally sourced leads.

ARE EDOS SATISFIED WITH TECHNOLOGY?



Which Technologies are Disappearing from the Economic Development Industry?

Many economic developers are beginning to sense the shift of the industry within the digital age. This recognition is causing EDOs to “quit” certain technologies they feel do not benefit them or are becoming obsolete.

While it is easy to understand why EDOs no longer use fax machines, some organizations report that they are moving away from more modern technologies like Constant Contact, an email marketing program which does not track email opens on mobile devices, document management systems, and VOIP services.

DISAPPEARING TECHNOLOGIES IN THE ECONOMIC DEVELOPMENT INDUSTRY:



The State of Digital Economic Development

Digital Economic Development is quickly becoming the “new normal”. More and more economic developers and EDOs are understanding the importance of utilizing new technologies to help conduct business. In fact, Community Systems has certified over **20 EDOs** and **40 economic development professionals** in Digital Economic Development, helping them learn and use such skills to propel them into the world of digital technology.

Jeremy Cayton, Director of Marketing and Communications at NC East Alliance discovered the difference learning and perfecting digital skills can make. Jeremy enrolled in Community Systems’ Digital Economic Development University training program and followed the Certified Digital EDO path for his organization to gain as much knowledge and skills as he could. This proved to be a successful venture for Jeremy, as he was able to help strengthen his EDO’s digital position, develop strategies to succeed in the digital world, and position himself for professional growth.

Jeremy was able to leverage his organization’s partners to help tell his community’s story through the launch of “Industry Spotlight”, a web and social media campaign that featured a new industry each week, which resulted in officials, industry leaders, and community leaders sharing this content and ultimately becoming some of the organization’s most vocal advocates.



Jeremy Cayton,
Director of
Marketing and
Communications

“Community Systems’ Digital Economic Development University is like plugging into an information pipeline where you can hear what works from professionals on all sides of the table. You will learn best practices that you can immediately implement and others that you can work towards, and see real world examples that will inspire and encourage.”

- Jeremy Cayton, Certified Digital Economic Development Marketer

Who is Adopting What Technologies?

Do economic developers' attitudes towards technologies differ based on their positions within their organizations? Through our research, we found that more than half (53%) of **CEOs/Presidents** of EDOs will only adopt new technologies if they are clear on the benefits, and are more likely to adopt and see the value of *analytics tools, data reporting, and email marketing*.

Similarly, economic development **marketers** report that *email marketing tools and strategy, analytics tools, and CRM systems* are most valuable to their organizations.





Business developers in the industry report that the most important technologies worth adopting include *customer relationship management (CRM) systems, analytics tools, and data reporting*.

Economic development **researchers** find value in adopting technologies such as *analytics and data reporting tools, GIS property databases, and CRM systems*.





It should come as no surprise that 100% of economic development professionals report that websites are highly important, if not the most important tool, to their initiatives, but in almost every case lead generation technology was not as widely understood or adopted. Based on this knowledge, it would seem that by learning the value digital tools can bring to organizations, more EDOs will get on board with these new technologies.

WHO IS ADOPTING WHAT TECHNOLOGIES?


CEOS/PRESIDENTS

-  Websites
-  Email marketing
-  Analytics tools
-  Data reporting






BUSINESS DEVELOPERS

-  Websites
-  CRM systems
-  Analytics tools
-  Data reporting

RESEARCHERS

-  Websites
-  Analytics tools
-  Data reporting
-  GIS property databases
-  CRM systems

MARKETERS

-  Websites
-  Email marketing
-  CRM systems
-  Analytics tools
-  Data reporting

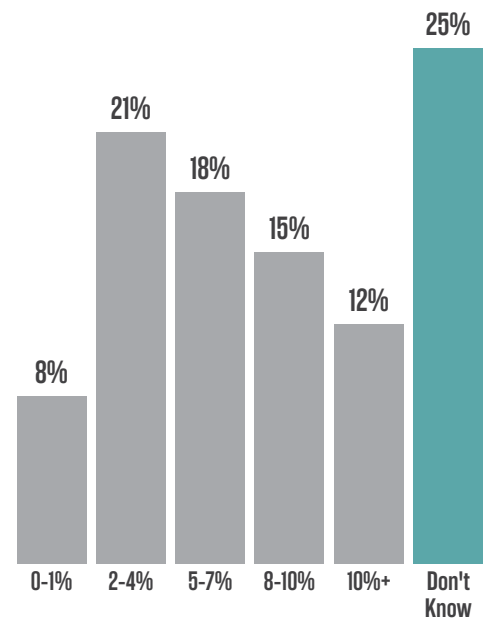
What are EDOs Spending on Technology?

The use of technology in the economic development industry is growing, but are EDOs putting more of their budget aside to compensate for these changes and upgrades?

We found that 12% of EDOs spend more than 10% of their operating budget on technology and digital tools for their organization, and another 15% spend 8%-10% of their budgets on technology. Only 8% of respondents reported they spend 1% or less, while the majority (39%) of EDOs spend between 2%-7% of their operating budgets on technology.

While it seems that many EDOs put monetary resources aside to account for the use of technology and digital tools, some organizations appear wary of making such investments. By learning the benefits digital tools and skills can have on organizational goals and initiatives, perhaps budget allocation for technology will shift in the future.

WHAT DO EDOS SPEND ON TECHNOLOGY?



Creating a Digital Road Map for Your Economic Development Organization



What Products Should be Adopted?

Does your organization struggle with generating and contacting leads? Perhaps a lead identification tool can help your business development team better qualify and more quickly reach out to interested prospects.

Are site selectors and decision makers viewing your website but passing your community by? A great data visualization tool and integrated GIS/property search could be the key to grabbing the attention of such decision makers and putting your community at the top of their list.

There are a plethora of opportunities your organization can capitalize on to get ahead of other competing communities, while simultaneously strengthening your digital presence and brand. The key is to research, test, analyze, and find which tools provide the most successful outcomes for your organization.

How Can You Overcome the Challenges?

While a specific digital tool may not work for one EDO, it could work for another. By identifying your organization's weaknesses or areas of improvement, you can research the type of technologies that could help save time and money for your organization. Don't be afraid to test new tools and technologies, or to abandon them if they don't perform or align with your EDO's goals. With so many products and technologies becoming available, the choices are seemingly endless.

The future is never stagnant, but always changing and evolving. Keeping up with every emerging technology can not only be time consuming but almost impossible. Recognizing the challenges and solutions that affect the economic development industry is an important first step. There are several actions your organization can take to start developing your community's "digital road map" and make a smoother transition into the digital age. This includes five actionable steps to help your community become more current, and three more to help your organization become a leader in digital economic development.

5 Ways to Get Current with Technology



Become a certified digital economic development marketer, researcher, business developer, or executive through Community Systems' Digital Economic Development University training program.



Follow technology trends via blog posts, articles, forums, podcasts, and demos/videos (such as Community Systems blogs and demos, and HubSpot sales and marketing articles).



Get outside of the industry and follow what technologies similar industries may be deploying.



Get active on social media and pay attention to what others are discussing – and join in on the discussion!



Start conversations with experts in a variety of industries to learn and understand what the digital age has to offer.

3 Ways to Become a Leader in Digital Economic Development

1.

Take what you learn and teach/share it with staff, board members, partners, etc.

2.

Be a technology advocate for your organization and community – create your own blogs, articles, and success stories to share on your social media accounts and website.

3.

Invest in people and skills – focus on cross-training your staff members on digital tools, and have your staff teach you what they have learned too.

About Community Systems

Community Systems provides the online tools that power intelligent location decisions and helps enable leaders in the digital age. We are the only company that delivers a complete software collection to help communities save time and budget, be found and considered online, and build empowering marketing content.

Community Systems is the leading provider of websites and web based technologies to the economic development industry. We currently support 200+ customers in 40+ states, with the following products and services:

GEOGRAPHIC INFORMATION SYSTEMS

Atlas InSite is the first GIS system to integrate directly into your website and be managed by the same toolset. Atlas InSite is more widely used, contains data from more partners, and is specifically designed to convert anonymous website users into qualified prospects for your community.



WEBSITES

Community Systems' economic development websites are developed and priced to help your community compete online. Our websites are equipped with integrated GIS Google Maps, a content management system, robust SEO tools, social media integration, and more.



SALES AND MARKETING AUTOMATION

With Community Systems' sales and marketing automation software, your marketing team will be equipped with the digital marketing tools necessary to generate new leads. Efficiently nurturing prospects with highly personalized, useful content will help convert these leads to customers.



ENTERPRISE SERVICES

If and when you need support from the Community Systems team, we are always ready and willing to assist. We are available to help you get the most out of your systems, so your organization doesn't spend time troubleshooting issues - that's our job! Instead, your team ensures prospects are getting the attention they deserve.



DIGITAL ECONOMIC DEVELOPMENT UNIVERSITY

Community Systems' Digital Economic Development University is the first of its kind: A program specially designed to put the skills economic developers need to compete in today's digital age. Digital EDU consists of 14 modules which include a live webinar (also recorded for future viewing), presentation slides, and a 10-question quiz, as well as industry leading speakers.



About the Authors



BEN WRIGHT, CEO

Ben Wright founded Community Systems as a spinoff from his Denver-based Digital Agency, Atlas Advertising, in 2013. A purpose driven technology company, Community Systems seeks to enable leaders in the digital age, through its blend of software, services, and data. Ben has been the strategic lead on all of Community Systems product enhancements and new product development for its technology platforms. His insights, experience and guidance have helped generate and execute some of the most effective digital campaigns the country. Ben holds a Bachelor of Arts from Stanford University, with a minor in urban studies.



LINDSAY WILLIAMS, INBOUND MARKETING MANAGER

Lindsay graduated from the University of Colorado Denver with a master's degree in marketing and a bachelor's degree in psychology. With marketing experience in areas such as advertising, social media, copywriting, and more, Lindsay loves to learn and perfect her craft in the industry any way she can. As a proud Colorado native, Lindsay is passionate about the outdoors and community and state park improvement and loves to be an advocate of digital economic development.