



‘More than 80% of potential investments will likely come from existing firms in the zone, so it makes sense to target initial marketing efforts to these prospects.’

— Lori Martinek
Owner & Principal
ED/c Partners

Enterprise Zone Marketing: A Primer

By Lori J. Martinek, ED/c Partners

Enterprise Zone status strengthens the competitiveness of communities that are working to facilitate business investment, job creation, retention, expansion and new business attraction within their borders. It's a proven strategy to increase private investment, retain existing jobs, create new job opportunities, and reinforce the local tax base.

Enterprise zones can provide a variety of incentives and tax-reduction strategies that offer discernible benefits to expanding companies. These benefits encourage the private sector to revive and expand the local economy through new investment.

States with established Enterprise Zone programs include California, Florida, Illinois, Maryland and Oregon. **California** had four type of Geographically-Targeted Economic Development Areas, which offered state tax benefits and local incentives. That program has been replaced by *California Competes*, a sales tax exemption on manufacturing equipment and a new employment tax credit which, together, target higher-value businesses in a broader area.

Florida's enterprise zone program is one of the oldest in the United States. It offers a variety of tax incentives to businesses that choose to invest and create jobs within a geographic area that is targeted for economic revitalization. Incentives can include sales and use tax credits, tax refunds for machinery, equipment and building material purchases, and sales tax exemptions for electrical energy. Local governments typically provide additional incentives.

In **Illinois**, enterprise zones are utilized to stimulate economic growth and neighborhood revitalization in economically depressed or challenged areas of the state. Businesses which choose to expand or locate in an approved enterprise zone are eligible for state and local incentives, regulatory relief and improved governmental services. Incentives may include an exemption on retail occupation tax paid on building materials, an investment credit on qualified property, state sales tax exemptions on the purchase of materials used in manufacturing and an exemption on the state utility tax. There are minimum investment requirements which create or retain a specified number of jobs to be eligible for benefits.

Maryland's enterprise zone program provides local governments with the authority to offer tax incentives that reward private investment and new job creation in economically distressed areas. Individual counties and cities have expanded programs, which also offer incentives

including real property tax credits to non-retail businesses. A state income tax credit is available to eligible companies which add net new workers to their payrolls.



www.edcgrow.com
Contact: Lori Martinek
(623) 537-0888

Email Lori here: ljm@edcgrow.com

Oregon has a well-utilized Enterprise Zone program which exempts eligible businesses within the zone from local property taxes that are normally assessed on new plant and equipment investments. Exemption periods vary among the zones, but can extend from up to two years before qualified property is placed into service and continue for three to five years after it has been placed in service. Oregon has urban and rural zones, which are sponsored by municipal and tribal governments, and which may also include local incentives.

Marketing Your Enterprise Zone – A Primer

Proactive enterprise zone marketing creates awareness, incites interest and promotes inquiries which can result in site visits, job retention and active expansion. Educational outreach is essential to creating perceived value and utility among high-value prospects.

Creating educated awareness is the most critical goal of any enterprise zone marketing effort. Local businesses are often unaware that they are located within a state-certified enterprise zone and have no knowledge of the benefits that may be available to them.

Marketing and public relations can be strategically used to:

- Increase the utilization of Enterprise Zone incentives among local businesses by creating awareness of the program and demonstrating how other businesses are benefiting from it;
- Assist with efforts to attract new businesses to the area through increased awareness of incentive opportunities; and
- Demonstrate the value, utilization and effectiveness of enterprise zone programs to state, county and local officials who are responsible for program funding.

Developing a Marketing Outreach Plan

Start by developing a clear definition of the target audience. Who will the enterprise zone be marketed to? More than 80% of potential investments will likely come from existing firms in the zone, so it makes sense to focus initial marketing efforts on these targets. Identify local businesses which can best benefit from enterprise zone incentives. These same types of businesses will also make good recruitment candidates when it is time to add a business attraction strategy.

The marketing strategy should clearly reflect the goals and objectives that are

‘Don’t ignore other strengths. The availability of labor, access and infrastructure are key competitive benefits. Incentives are a bonus.’

— Lori Martinek
Owner & Principal, ED/c Partners

outlined in the approved enterprise zone application. Each goal should have strategies and tactics attached to it. Every goal and strategy should be measurable in order to track performance. What can be measured gets done. Schedule periodic plan assessments to ensure that retention, expansion and recruitment strategies are producing results that

meet the program’s goals. Refine the plan as needed to keep progress on track.

Key Elements of an Enterprise Zone Marketing Outreach Plan

A well-rounded, multi-level marketing outreach plan should consider these strategic elements:

Identity / Branding – Creating a relevant, graphic branded identity for a local enterprise zone will help distinguish the program (and the region) from other similar offerings. Strong, consistent branding also creates credibility and facilitates geographic name recognition – which can enhance new business attraction efforts. This can be especially key at the state and regional level, where multiple communities can benefit from a single consistent and well-coordinated brand.

Public Relations – Using strong, positive messages to promote enterprise zone benefits and successes is a smart strategy. Promote the expansion of new or existing businesses within the zone, and issue milestone releases detailing progress. Strategic use of the local, regional and statewide media, printed, broadcast and electronic, can create significant visibility for a specific enterprise zone, and differentiate it from similar offerings.

Collateral Marketing – Creating educational marketing pieces which describe the incentives offered and explain the process and criteria for accessing benefits is key to educating potential program users. Materials (e.g. brochures) should be suitable for both electronic (website, email marketing, social media) and print production and distribution.

Website Marketing – A website is a community’s most essential economic development marketing tool. Creating a separate (branded) sub-site or updating an existing website to include and highlight enterprise zone status, benefits and program criteria is essential to reaching a wide online audience.

Electronic Outreach – An electronic newsletter that is targeted at high-value



prospects can build and maintain awareness and facilitate education. Topics should include details on program benefits, successes, utilization, jobs created and statistics on investment, expansion and potential tax savings.

Social Media – Every enterprise zone should have its own actively-managed and well used LinkedIn, Facebook and Twitter account. There is no better way to spread news, drive website traffic or engage interested audiences. Social media works with, and builds on, all other tools and has the ability to show, tell and educate.

Advertising – It makes sense to update existing ads and advertising campaigns to include and promote enterprise zone status, incentives and benefits.

Event Marketing – It is important to host events to explain program offerings, benefits and eligibility criteria, and to promote program successes. Events can include workshops, presentations or booths at local business events. It's a good strategy to use these events to also highlight local programs which facilitate workforce development, job training and expansion funding. They are all critical components of a community's economic development offering.

Networking – Building on the relationships that helped achieve enterprise zone status will keep the community front and center in the public (and legislative) arena. Actively promote the zone and its successes at local and regional business events and through legislative outreach. A proactive enterprise zone manager or spokesperson should never pass up an invitation to talk about the enterprise zone and its benefits to a willing audience, and should actively seek out such opportunities.

Business Visitation – Establish a protocol and team to call on local employers to explain program benefits and procedures. Face-to-face visits will also provide opportunities to answer questions, identify potential issues and needs, and solicit contact information for other retention or recruitment candidates.

Letters to the Editor / Opinion Marketing – Recruit program companies and zone leadership to write periodic letters to the editor (print and electronic) that promote the zone and its progress. This strategy speaks to both government officials and constituents, while demonstrating program value, utilization and need. This is also a good way to get participant testimonials out to the public.



Solicit Testimonials – Businesses that have benefited from the zone can be the program's best champions. Ask participants to provide a testimonial which can be used to promote the program to other businesses. Highlight their testimonials on the website, in advertising and via op/ed letters, as appropriate. They also make excellent newsletter content.

Funding for marketing or educational outreach is rarely unlimited. Elements should be prioritized and put to use to best meet

program goals. Keep in mind that visibility and awareness are key to program success, that good initial visibility and awareness will help build momentum for subsequent efforts, and that targeting outreach to high-value prospects will help limited funds go further and work harder.

Assessment / Benchmarking / Scorecards

Monitoring is key to documenting program success. Track individual projects within the zone to document and report on incentive utilization, capital investment and job retention and creation. Compare to goal and adjust program strategies as needed. Obtain feedback from participating businesses on program accessibility and utility. Use that feedback to refine the program and make it more marketable. Solicit testimonials to be used in ongoing program marketing.

Benchmarks should be established and documented at the program's commencement. Scorecards (marketing and performance) should be created and utilized to track performance against goals, and within benchmark categories (e.g. dollars invested, square feet of expansion, jobs retained, jobs created).

The program itself should be reviewed at least once a year to ensure that the incentives offered are desirable, competitive and productive, and that the criteria to access the program are realistic and understandable.

All of this data will also be needed for the regular performance reports required by the state or other oversight agency.



Contact: Lori Martinek
(623) 537-0888
www.edcgrow.com

We develop, implement and manage active outreach strategies.

www.edcgrow.com • www.enterprisezonemarketing.com