RECOMMENDATION


b) That Planning and Economic Development staff be directed to incorporate the tactics and recommendations of the Marketing Strategy in the Divisional Work Plans where applicable.

EXECUTIVE SUMMARY

In December 2008, Hamilton City Council approved a budget enhancement of $1.5 million for the Planning and Economic Development Department adding much needed resources to the department including $150,000.00 for the development of additional
marketing initiatives. The development of a Comprehensive Marketing Strategy for economic development purposes was the first key step required to form a basis for future marketing plans.

In late 2008, a Request for Proposals (RFP) was issued and the contract was awarded to a joint submission from Millier, Dickenson, Blais (MDB) and YFactor. MDB is one of the nation’s leading economic development consultant firms with extensive knowledge of Hamilton (one of their satellite offices is based in Stoney Creek) and Toronto based YFactor is nationally recognized as one of the premiere economic development marketing firms. As part of its research, MDB undertook a thorough review of the City’s existing economic development activities and the draft strategy. Like the Economic Development Strategy, the Comprehensive Marketing Strategy is based on extensive public consultation and community engagement.

The Marketing Strategy produced a number of recommendations and specific tactics related to marketing the City as a location for business. The dominant theme throughout the strategy is the need for a consistent and positive message. Specifically, that Hamilton does not position itself as a City in “transition” but instead a community that has already changed and transitioned. The reason is that investment and attraction of new companies are hesitant to commit until the change/transition has been successfully completed.

The creation of a Downtown Community Engagement Plan (Downtown Marketing Strategy) was an additional benefit from the Comprehensive Marketing Strategy. The marketing research and analysis conducted by MDB served as the foundation for the work of City staff in the development of a plan for Downtown marketing. The overall findings of the Downtown plan point to the need for a community partnership approach. However, the prerequisite is the requirement for a City led focus on improving safety and cleanliness in the core. This in turn creates a better “product” to market.

Finally, although both the Comprehensive Marketing Strategy and the Downtown Marketing Strategy address municipal interests, there remains a broader need for the inclusion of a civic pride component and a respective marketing effort. As a result, internal staff met with representatives of major employers, institutions and community groups and identified ways for the community to participate and lead in the marketing of Hamilton. Some of these potential actions include; the Hamilton Business Ambassador Program; a Coordinated Talent Recruitment Efforts; a Community Road Show; and the use of technology to raise awareness.

Alternatives for Consideration – See Page 11
Financial: The majority of the recommended plans and actions can be carried out within the existing Economic Development and Real Estate and Downtown and Community Renewal Division budgets.

Staffing: There may be a potential need for a full-time Online Community Officer to be shared between the Economic Development and Real Estate and Downtown and Community Renewal divisions. The Online Community Officer would be dedicated to the ongoing management of social media, e-mail management and website updates and analysis. This will be looked at by Department management as part of future staffing changes within the existing complement.

Legal: None

HISTORICAL BACKGROUND (Chronology of events)

After a formal RFP, Yfactor and Millier Dickinson Blais were selected as the successful firm in February 2009 to assist the City in the development of a comprehensive marketing strategy. The reasons for this strategy are as follows:

- Expanded promotion of a positive and supportive “Open for Business” approach to working with both internal and external businesses
- Increased awareness of investment opportunities within the City
- Enhanced interest in securing business expansion investment from existing local businesses
- Improved techniques and approaches for supporting new investment attraction efforts
- Heightened effectiveness of efforts to communicate Hamilton’s high quality of life and high quality of business environment

Both MDB and YFactor (the project team) undertook a review of the City’s past and present marketing strategies. To a significant extent, the focus of these efforts was on understanding and documenting what has worked for the City of Hamilton and what has not. In addition, current key performance indicators were examined along with statistics used for tracking the success of past marketing initiatives for the purpose of establishing metrics for forecasting. Particular attention was paid to key issues underlying the economic development function, including environment and sustainability issues, heritage assets, cultural and creative agendas, and broader economic issues.

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Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork
The Comprehensive Marketing Study was completed in draft form by November 2009. Senior City staff then reviewed and recommended a number of revisions and additions. Subsequently, the Downtown Community Engagement Plan and the Civic Pride component were developed and completed by the end of April 2010.

**POLICY IMPLICATIONS**

None

**RELEVANT CONSULTATION**

Business Improvement Areas  
Community Stakeholders  
Local business  
External interviews (i.e. other municipalities)

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

**Comprehensive Marketing Strategy**

YFactor and Millier Dickinson & Blais (the project team) undertook a thorough review of existing economic development activities in Hamilton and their respective strategies. This was accomplished in part through a review of City marketing materials and activities, private sector consultations, and interviews with City staff and other relevant community partners. Particular care was taken to understand the goals and targets of the economic development strategy, in order to create a marketing strategy that best supports and aligns with the City’s key objectives.

At the same time, the project team also engaged in a range of quantitative research efforts. The primary tool in this element of the project was online surveying and polling. MDB has conducted this kind of survey as a component of economic development initiatives in dozens of communities across Canada, generating significant response rates and high quality data from thousands of business and community leaders. While this primary research was informative, the project team also undertook a range of secondary research approaches including a detailed competitive benchmark analysis of 12 economic development websites.
The ideas and thoughts offered by these stakeholders helped inform decisions on how to effectively create a Comprehensive Marketing Strategy that is tailored to the needs of the City of Hamilton. Throughout the interview process, MDB asked probing questions and asked for specific examples to generate comprehensive answers about the quality of economic development services and lifestyle in Hamilton. The following are some of the specific comments and suggestions made by the stakeholders:

- The purpose of Economic Development marketing is to generate business investment and sustained growth of the economic base in the City of Hamilton.
- Sustained growth in turn provides jobs, increases residents, increases the tax base and provides the City of Hamilton with economic prosperity.
- Economic Growth can be achieved by:
  - Increasing the number of business start ups
  - Retention and expansion of existing local businesses
  - Attraction of external businesses to Hamilton
  - Attraction of people that impact innovation and start businesses, i.e.: “Creative Class”
  - The purpose of the marketing strategy is to provide a road map that can be implemented in a structured manner by Economic Development staff over a 5 year period so as to follow a focused vision and a clearly structured plan in the ongoing effort to increase the economic base in Hamilton.

As a result of this extensive research, the Comprehensive Marketing Strategy is comprised of four main sections:

- Marketing Goals and Objectives
- Key Messaging
- Market Segmentation
- Key Performance Indicators

1) Marketing Goals & Objectives

Major goals:

1. Expanded promotion of a positive and supportive “Open for Business” approach to working with both internal and external businesses
2. Increased awareness of investment opportunities within the City
3. Enhanced interest in securing business expansion investment from existing local businesses
4. Improved techniques and approaches for supporting new investment attraction efforts
5. Heightened effectiveness of efforts to communicate Hamilton’s high quality of life and high quality business environment.

When analyzed and taken as a whole, the research conducted to date points to a clarified and simplified set of two primary objectives to attain the five goals previously identified.

These two objectives are:

1. Promote Opportunity

   This objective will work to attain goals A, B and C. Repeatedly during the research process it became apparent that Hamilton is simply not considered to be a place in which opportunity for business, for expansion, for entrepreneurs and for non-manufacturing sectors exists.

2. Promote “New” Hamilton Image

   Likely the single most critical obstacle was consistently identified as being the current perceived image of Hamilton - from all perspectives: resident, internal and external business. Running in parallel with the promotion of opportunity, the promotion of the image must be given consistent and ongoing importance throughout all marketing campaigns.

2) Key Messaging

The key message resulting from the project team’s analysis was that it is time to stop talking about a transformation/change to the City or what Hamilton will/might become. Instead, it is time to be proud of what Hamilton is now and actively promote the benefits of the community as a place to work, live and play. As a result, MDB recommends a very simple paradigm shift. Instead of “We’re changing”, Hamilton can boldly state “We’ve changed”.

3) Market Segmentation

An analysis of the research conducted identified two major target audience groups, each of which breaks down into further segments:

   Your Backyard (A large number of Hamilton’s businesses were started by people living in Hamilton. Target audience segments in this group include):
• Existing business and employees
• Residents
• Students

Canada and The World (In identified clusters Hamilton has clear world-class advantages that provide the necessary basis for successful investment attraction marketing. Target audience segmentation in this group divides along sector lines):

• Agriculture, Agri-Food and Agri-Based Products
• Lifesciences
• Clean-Tech
• Creative Industries
• Advanced Manufacturing
• Goods Movement

4) KPI’s Key Performance Indicators

The following are suggested key performance indicators to evaluate the success of this initiative on an ongoing basis. Once the first set of indicators has been gathered, they will be established as benchmarks for ongoing measurement and goal setting.

<table>
<thead>
<tr>
<th>KPI</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td>Common Marketing</td>
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<tr>
<td>Number of website visitors</td>
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<td>Number of link-backs</td>
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<td>Number of target email campaigns sent</td>
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<td>Number of website form inquiries</td>
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<td>Number of articles in media or internet</td>
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<tr>
<td>Number of partner meetings/events</td>
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<tr>
<td>Your Backyard</td>
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<tr>
<td>Number of business visits completed</td>
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<td>Number of business briefs sent</td>
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<tr>
<td>Number of business events held/participated</td>
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<td>Number of schools visited</td>
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<td>Number of public/resident events participated</td>
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Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork
**Canada and The World**

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<thead>
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<th>Metric</th>
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<td>Number of tradeshows participated/exhibited</td>
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<tr>
<td>Number of new leads generated from shows</td>
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<tr>
<td>Number of location enquiries</td>
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**Goal Attainment**

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<th>Metric</th>
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<tbody>
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<tr>
<td>Number of people employed</td>
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<td>Number of businesses operating</td>
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<td>Number of business expansions</td>
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<tr>
<td>Number of new business locations</td>
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<tr>
<td>Number of new workplaces created</td>
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<tr>
<td>Increase in tax base (over previous year)</td>
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**Downtown Community Engagement Strategy**

Since 2001 there has been a greater focus on revitalizing the downtown through a mixture of municipal incentive programs and the creation of a separate, focused division (Downtown and Community Renewal Division) dedicated solely to this endeavour. The results: since 2002, the division has assisted in the creation of 755 dwelling units in the downtown and has leveraged over $14 million in loans (which ultimately will be paid back through the completion of various downtown projects) into $126 million in property value.

The Downtown and Community Renewal Marketing Strategy plan is better identified as a “community engagement plan” to illustrate that the renewal of the downtown will be a community effort rather than a “marketing exercise”. The goal of the engagement plan is to build the downtown core into a “people place,” a place where the creative class is welcome and both residents and visitors are fully informed as to what is happening downtown. Ultimately, the plan will identify the ways that everyone can participate in making Hamilton’s downtown core the positive focal point of the City once again.

**Goals**

The organizational goal (City of Hamilton Goal) is to see more people live, work, shop and visit the Hamilton’s downtown core to build the tax base, bolster the economy through the support of local merchants and fill available office space with new jobs.

**Communications/Marketing Goal:**

To use two-way symmetrical communication to raise awareness of the opportunities that exist downtown (e.g. real estate investments, living space, commercial space) and highlight the positive activities in the core that are slowly changing the core’s image for the better and create new media and community relations channels to share the positive changes that are happening in the downtown core.
As the renewal of the downtown core will be a community effort, there were a number of research methods employed to solicit the opinions and attitudes of the community. This took the form of both primary and secondary research and yielded a wealth of information that reflects the prevailing attitudes of the citizens of Hamilton as well as neighbours outside of its municipal borders.

Research Summary

Clearly, the renewal of Hamilton’s downtown is viewed as a community effort and as such the research behind the plan required consultation with a wide variety of individuals representing a wide variety of interests. As such, the background research consisted of the following actions:

- Multiple focus groups (included speaking with downtown property owners, downtown merchants, downtown neighbourhood groups, representatives from the Social Planning and Research Council and Wesley Urban Ministries, and the Social Planning and Research Council’s Street Involved Youth Committee)
- A city-wide web downtown opinion survey (over 1,000 responses)
- One-on-one interviews with downtown Councillors
- One-on-one interviews with the downtown sergeant of the Hamilton Police Service
- Peer review of municipal best practices in “downtown communications” (in part through the International Downtowns Association)
- Review of the 2006 Statistics Canada Census Data for Downtown Hamilton

Throughout the research, the common themes were that the downtown was viewed as unsafe. There is a distinct element in the core identified that through acts of loitering and panhandling, it has discouraged many to come downtown. Further, the lack of people after 5:00 pm results in empty streets that raise feelings of insecurity despite awareness of the international dining options and arts and culture events (i.e. garbage on the sidewalks, derelict buildings, places in need of power washing, etc.) and that the City of Hamilton needed to make greater efforts to market and communicate downtown’s positive changes to combat the negative opinions breeding through an information void over the past few decades.

Key Considerations

Overall, people judge a city by its downtown. The marketing plan for the Downtown must work in unison with the overall marketing plan generated through the new Economic Development Strategy. In turn, this plan has three overarching goals:
• highlight opportunities that exist in the downtown
• improve the image of the downtown core
• Generate interest to create a positive climate for further investment and development in the downtown core

Key Messages

As well, key messages woven throughout the marketing/communications efforts need to be consistent as well and they have been identified as:

• There are a number of investment opportunities in the downtown
• Downtown Hamilton continues to build on a process of revitalization
• Creativity, community and connections are elements of a new Hamilton downtown

Evaluation Measures

Again, we will use two-way symmetrical communication to raise awareness of the issues amongst the stakeholders and create community relations channels to understand if the outreach measures have been effective.

• Internet survey on hamiltonrenewal.ca (one year after start of program)
• Follow up focus groups with those listed above (one year after start of program)
• Measure of number of positive media stories (one year after start of program)

Community Outreach Component

This is an initiative that will not be led by the City of Hamilton, but instead be the responsibility of the broader community. It calls for both the City’s political and staff representatives to work jointly with community leaders to commence the transformation of the image of Hamilton by changing both the internal and external perceptions of the City.

In consultation with the Jobs Prosperity Collaborative and the Chambers of Commerce, the following areas have been identified as the focus for the community outreach section of the Economic Development Strategy’s Marketing and Outreach Component:

1. Hamilton Business Ambassador Program
2. Coordinated Talent Recruitment Efforts
3. The JPC “Proud Hamilton” Initiative
4. A Greater Use of Technology to Raise Awareness and Maximize Marketing Dollars
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ALTERNATIVES FOR CONSIDERATION
(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

That the Comprehensive Marketing Strategy, Downtown Community Engagement Plan, and Community Outreach component be revised per Council direction.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)


Skilled, Innovative & Respectful Organization
♦ Council and SMT are recognized for their leadership and integrity

Financial Sustainability
♦ Generate assessment growth/non-tax revenues

Intergovernmental Relationships
♦ Maintain effective relationships with other public agencies

Growing Our Economy
♦ Competitive business environment

Social Development
♦ Hamilton residents are optimally employed earning a living wage

APPENDICES / SCHEDULES


NS:dt