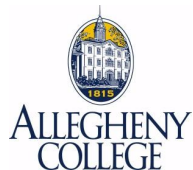


10 Trends in Rural Communities



AND HOW WE CAN TAKE ADVANTAGE OF THEM THROUGH MARKETING



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CENTER



MEADVILLE
Pennsylvania



Speaker Introduction

Ron Mattocks – Co-Owner, President of Client Strategy Bull Moose Marketing

Born and raised in Guys Mills, Crawford County, PA

U.S. Army (11 years) – Enlisted (Combat Medic), Officer – Captain, Infantry

Lennar Homes - VP of Operations, Purchasing, & Sales/Marketing (Houston & Chicago)

Consultant - Past clients include GMC, ConAgra, Disney, Carnival, P&G

Lead 3 Agencies to Gold Partner Status – Houston, Ft. Wayne, & Indianapolis

Author, Speaker, & Contributor (*Business to Community, Yahoo Business, Huffington Post*)

Board VP at the Crawford County Historical Society (member for 3 years)



Business / Institution

Associations / Organizations

Non-Profit / Civic

Government

Education / Culture

QUALITY OF LIFE

INDUSTRY

TOURISM

Meadville Med Center
Phillip Pandolph / Don Rhoten

My Meadville
Autumn Vogel

CC Human Services
Lee Scandanaro

Historical Society
Josh Sherretts

Acutec
Rob Smith/Elisabeth Smith

Economic Prog Alliance
Jim Becker

NWPA Inv Coop.
Vesta Silva

Redev. Authority
Jill Whitney

Allegheny College
Jim Mullen / Ron Cole / Dave Roncolatto

Channellock
Bill DeArment

NTMA – Chapter
Tami Adams

Chamber of Comm.
Christa Lundy

Ainsworth
Rick Lang

Meadville Biz Assoc.
Julie McClymonds

Hagan Business
Jay Verno

Ernst Seeds
Calvin Ernst

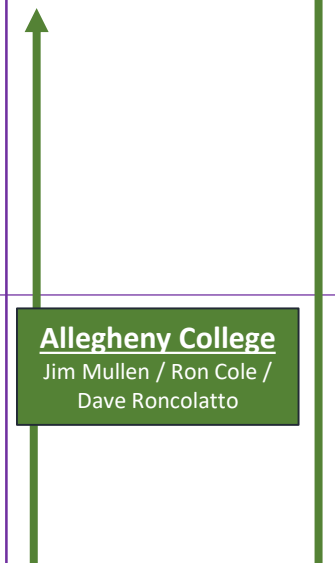
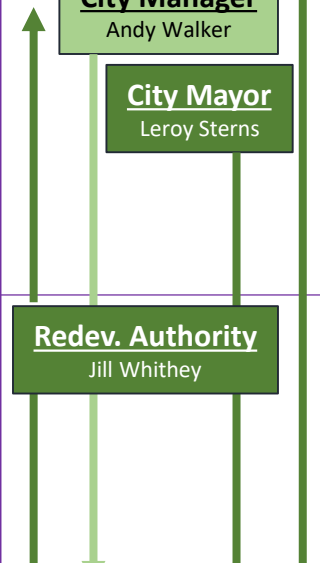
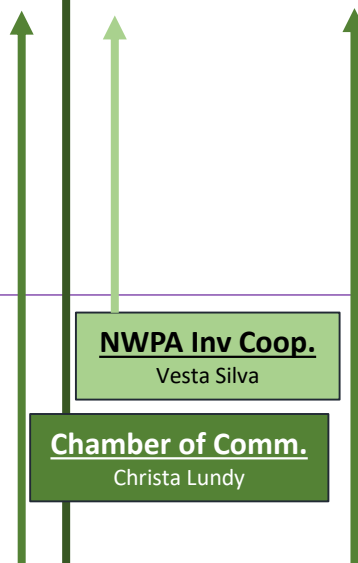
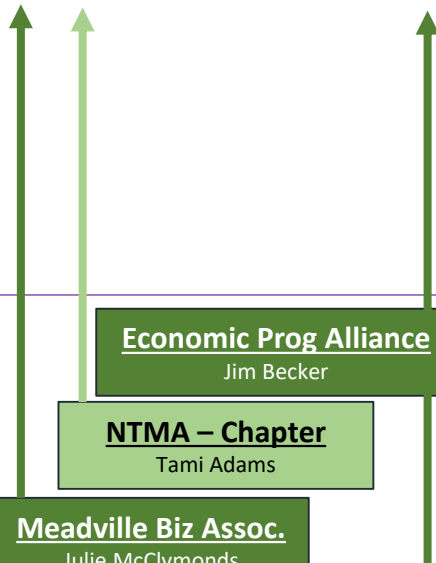
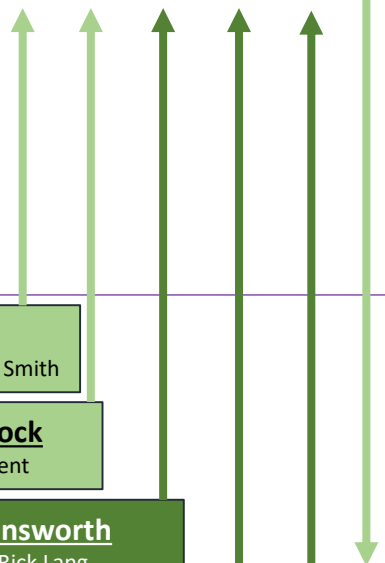
Market House
Alice Sjolander

CCCVB
Junita Hampton

Crawford Co. Fair
George Deshner

FCHD
Roger Willis

Academy Theater
Jane Pickens



Current Situation

RURAL COMMUNITY CHALLENGES

Downtown is dead / No one shops there

Losing young people

Missing out on tourism opportunities

Need to recruit new residents

Conflicts, apathy , resistance among leaders

BUSINESS OWNER CHALLENGES

Open later hours not working

Marketing isn't working

Need help but can't hire

People want to pick my brain for free

Need a usable building

Presentation's Goals

Goals

Outline relevant industry, demographic, consumer, & social trends favoring rural communities

Share related marketing considerations that will aid in capitalizing on associated opportunities

Help identify collaborative opportunities with collective benefits across organizations

Agenda

The Marketing Model

Job & Industry Trends

Consumer & Small Business Trends

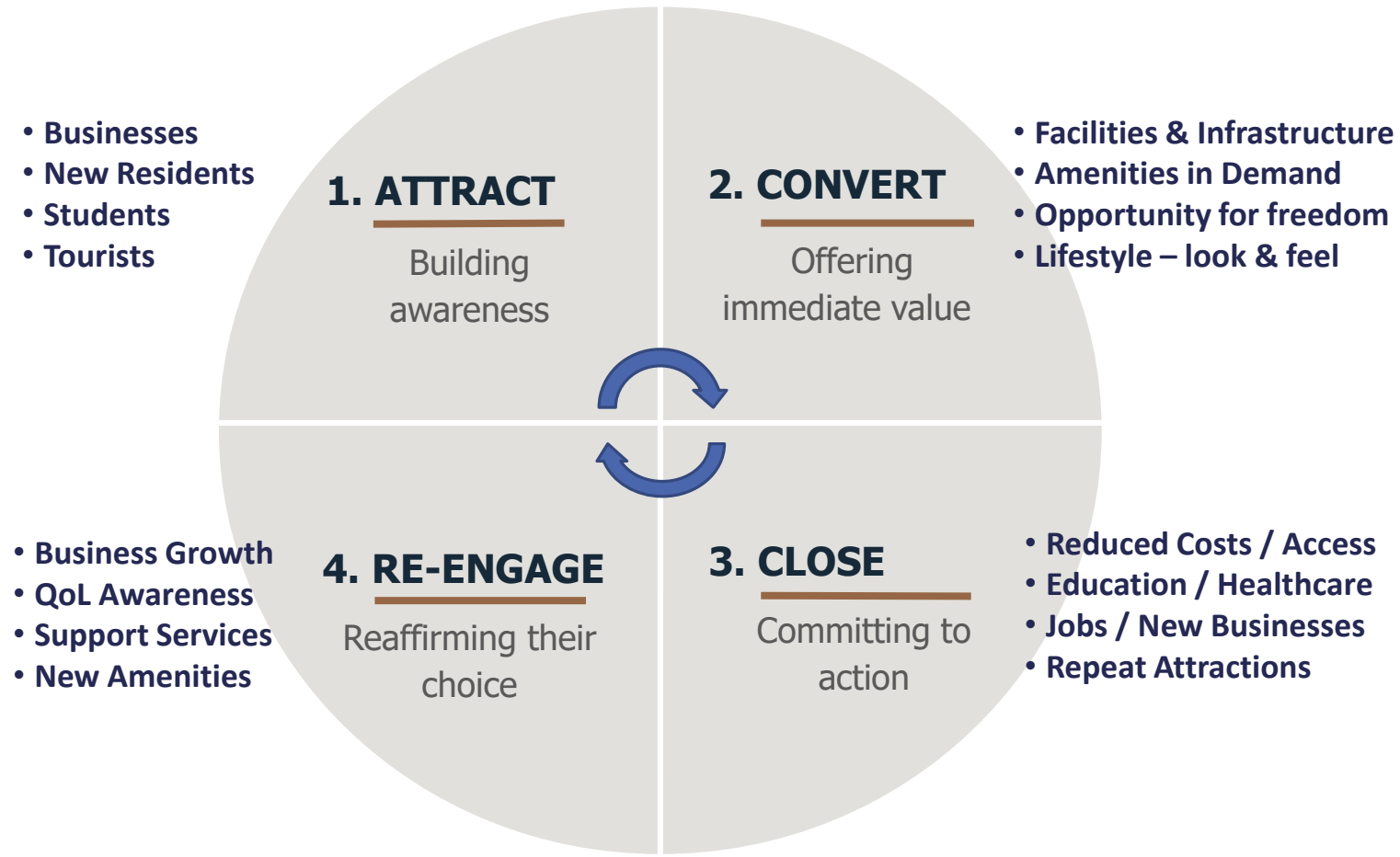
Tourism & Lifestyle Trends

Conclusion

Sources & Notes



Understanding the Marketing Model





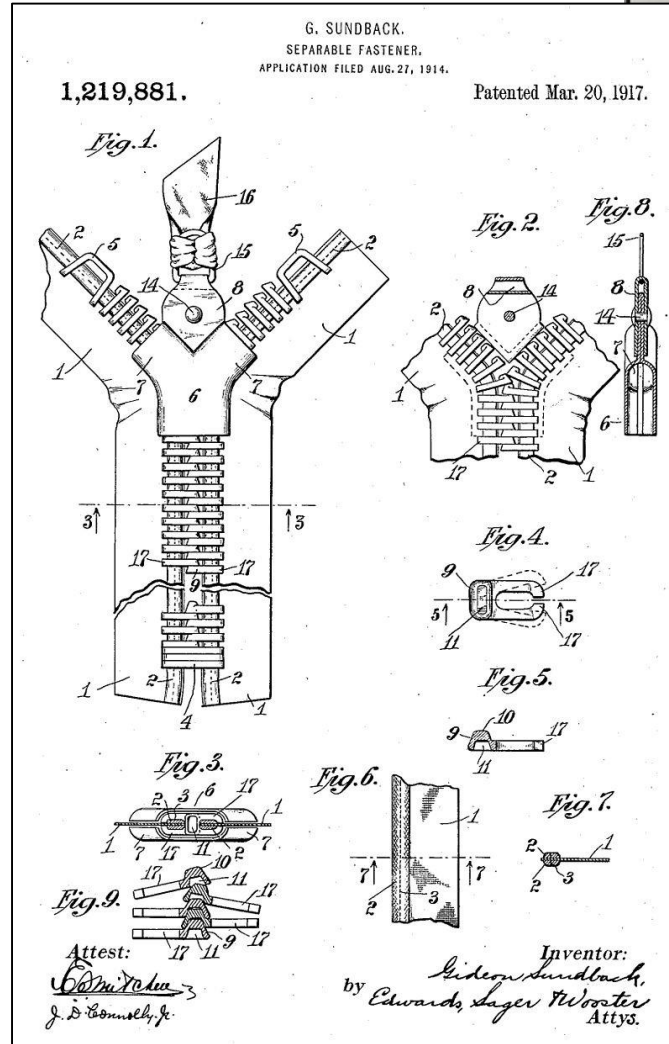
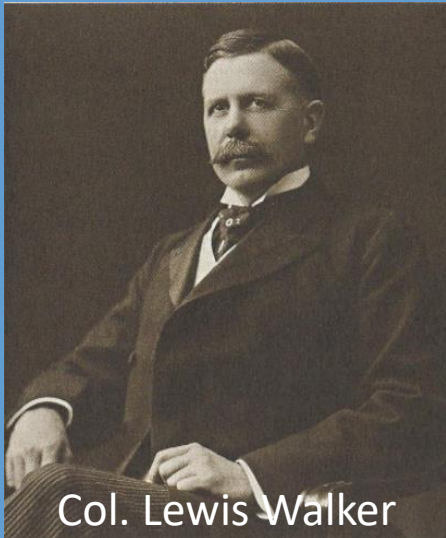
Job & Industry Trends

Geography No Longer Constrains Us.



Talon Zipper – 1913

Universal Fastener Company started in Chicago, and later moved to Hoboken, New Jersey before settling in Meadville, Pennsylvania where the modern zipper would be born.



HOOKLESS "TALON" on the pull

They're more than neat—they're smart—Note the new Fall handbags—the jaunty little purses, the roomy pocketbooks, the slim, chic underarm bags. Note, too, they are equipped with convenient Talon Slide-Fasteners. This modern fastening device is rapidly replacing buttons—snaps, ties and laces—straps and buckles. It slides over easily and slides back just as easily. Just a gentle pull to open wide or close snug tight.

Fashion plus convenience in the original Talon Slide-Fasteners—You see it on fine luggage arriving at the fashionable resorts. You see it in smart shops—on leggings, riding boots, household equipment of all kinds. Countless items of apparel and accessories are fitted with neat, attractive Talon Slide-Fasteners! Before you buy, be sure to ask "Can I get that fitted with Talon Slide-Fasteners?" Then, to make certain that you get the Talon—the original slide-fastener that always works, never rusts, launders perfectly—look for "Talon" or "Hookless" on the slider-pull.

Write us, the original manufacturers, for names of companies making Talon-fitted articles
HOOKLESS FASTENER COMPANY, MEADVILLE, PENNSYLVANIA
CHICAGO: 14 East Jackson Blvd. NEW YORK CITY: 393 Seventh Ave.

THE TALON
REG. U.S. PAT. OFF.
SLIDE FASTENER...
© 1913 Hookless Fastener Co.

Wardrobe bag, suitcase, children's leggings, and slippers and case showing the application of the most attractive Talon Slide-Fasteners.

1. The New Rural Omni-Local

Cloud-based technology reaches customers beyond borders with goods & services

Opportunity:

Can start a business anywhere with global reach

Digital distribution is in demand (i.e. media content, software development, web services)

Barrier to entry / extremely low cost – tech-based incubators & start-ups (use local schools)

Highly desirable amenity in marketing rural communities & small towns

Need:

Incorporate current & anticipated tech needs & training into area's Workforce Development Plan

Broadband access to highest Internet speed possible

2. The Gig Economy

Telecommuters, Freelancers, & Contractors can work for companies beyond our borders

Opportunity:

Gig workers will make up 43% of US workforce by 2020 (currently 36%)

Telecommuting - Deloitte, Intel, Accenture, Cisco (80% telecommutes)

Companies are not hiring full-time as much / Workers like the flexible lifestyle

Need:

Expose residents/students to gig work with job outlets & facilities (i.e. Foundry Co-Work Space)

Job placement assistance that matches area workers with telecommute companies

Market as a benefit in attracting new residents and retaining younger residents

3. Rural Sourcing

Rural can lower cost of business, onshore international companies, & save domestic jobs

Opportunity:

Shell Ethane Cracker Plant (2020) – residual services and products companies?

International companies gain competitive advantage by locating in the US

Firms like Rural Sourcing, Inc., Rural America OnShore Outsourcing, & Onshore Technology

Need:

Focused marketing awareness of the area's business benefits & amenities (be found online)

Proactively prospect & market to businesses who meet “right fit” criterion

Access to human capital (IT expertise) – be compatible with larger firms & their technologies

30-Year Outlook

Emerging Economics of Distance:

The “Spatial Economy” or the cost of moving information, people, & goods is declining & will accelerate in the next 20 years

Companies are using technology to reduce overhead and “transactional” costs

Robotics & 3-D printing allow for small, efficient manufacturing units closer to the customer, tailoring products more quickly to evolving local tastes.

New Economics of Distance will:

Spawn new products & services that will enable the spread of small-scale, local manufacturing

Make high-speed connectivity ubiquitous (rural Broadband access a must!)

Trigger a massive shift in where people choose to live (Urban to Rural)



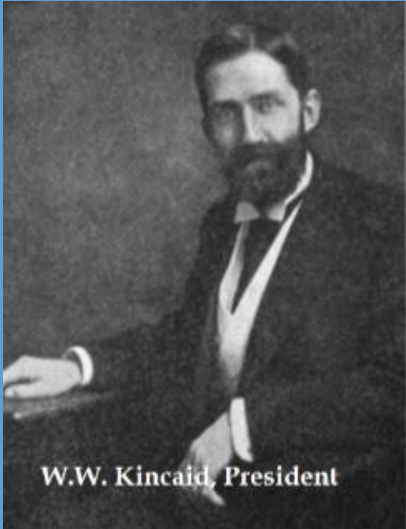
Consumer & Small Business Trends

Buying Behavior has Changed Radically



Spirella Corsets - 1904

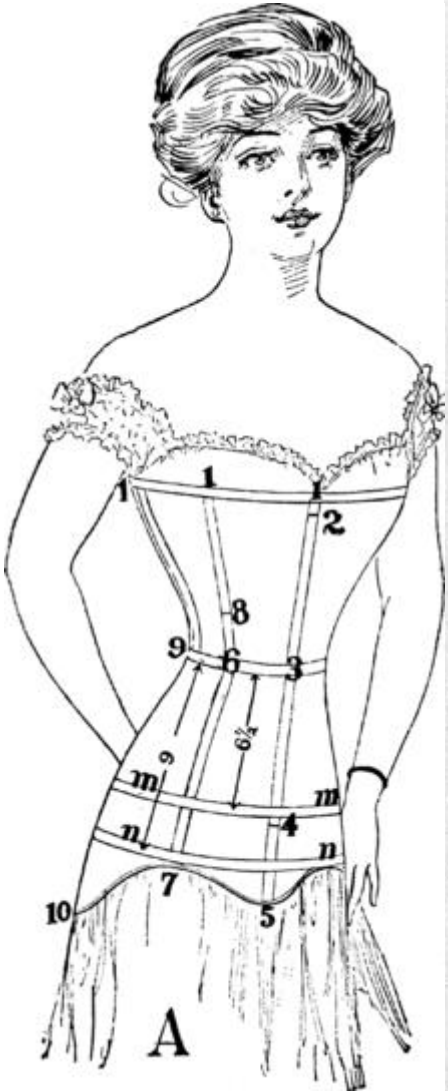
Built on patented dressbone, manufactured made-to-measure corsets worldwide. Employees benefits included travel, education & health care.



W.W. Kincaid, President



M. M. Beeman, VP



4. Decline of Big Box Stores

Big Box Stores are declining in appeal, revenue, & market share forcing them to go “small”

Opportunity:

Consumers are spending less on goods and more on experience – customer service over choice

Consumers want to know the origin of their products & company’s social responsibility

Technology & digital reach has democratized the retail landscape & leveled the playing field

Need:

Small retail to fill the void mixed dining & entertainment in attractive downtown locations

Reduce area “leakage” (\$13 Million lost) – offer what other areas can’t

Marketing training on digital tactics & tools that help extend reach & find new markets

5. Rise of Small Retailers

Mom & Pop stores are cool again

Opportunity:

Walkable downtowns are the epicenter for mom & pops – look & feel, products, & experience

Unique items express individuality & perceived as better quality

Local shops can merge digital sales with the instant gratification of in-store purchases

Need:

Cross-Promotional efforts among downtown merchants to enhance the experience factor

Collective Buy-Local Campaigns (merchants average 60% higher collective sales)

Retail and tourism marketing efforts in sync – become a destination for repeat visits & business

6. The Micropolitan Movement

Cities & small towns partnering to pool resources for collective impact (“Hillbilly Urbanism”)

Opportunity:

Focus on independent business to grow economies together & protect natural amenities

Creative sources of capital (i.e. “loca-vesting”) & reduced cost burden of single entities

More small businesses = higher avg. income, lower crime, better healthcare, & independent middle class

Need:

Umbrella destination marketing plan to orient inner and intra-city collaboration & planning

Collaborative events that bring businesses together – i.e. Visitors Bureau Brew Trails

Unified marketing materials & properties – i.e. Wayne, Nebraska (WayneWorks.org)



Travel and Lifestyle

Why this is a good place to visit and move to

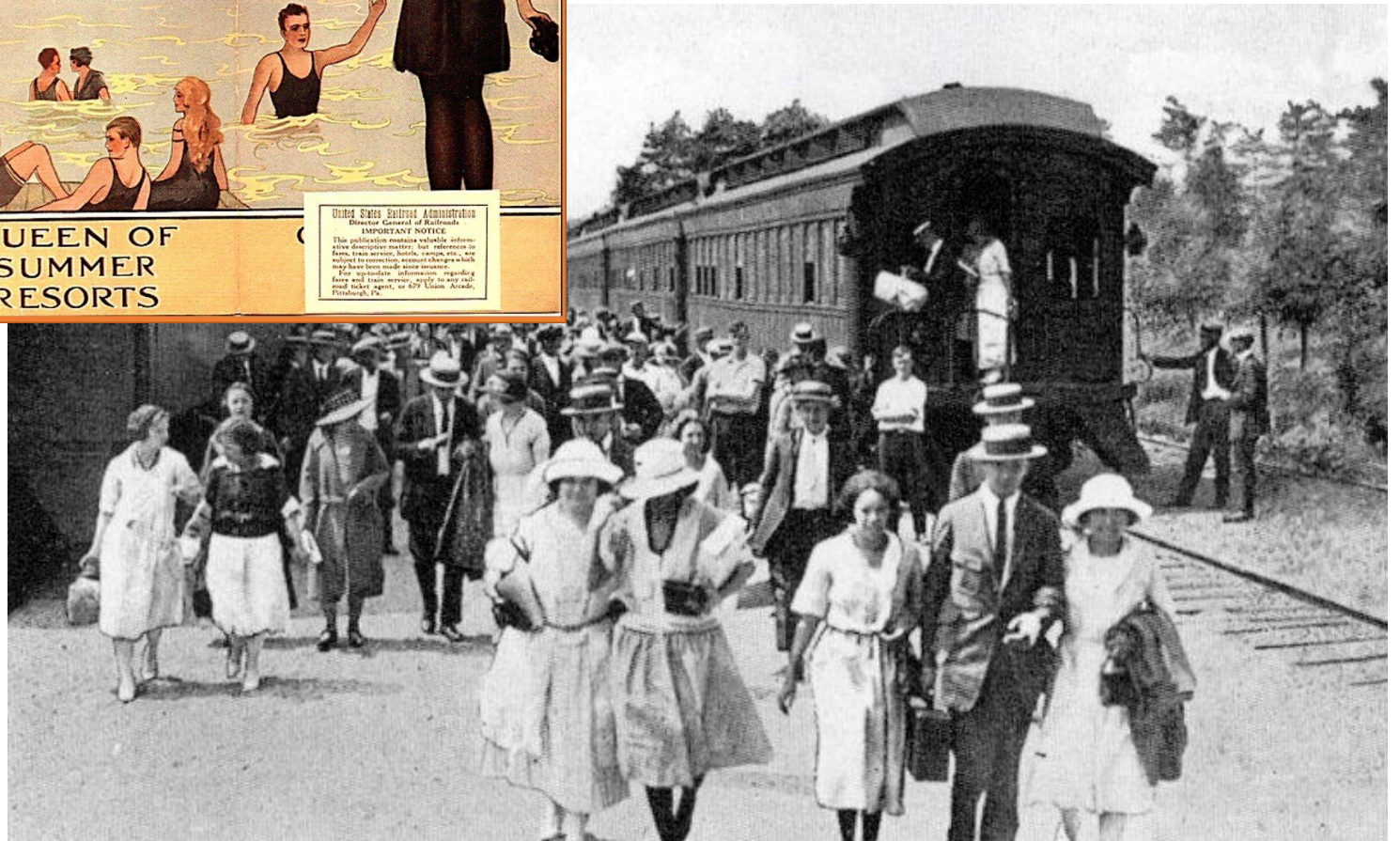


Conneaut Lake Park - 1892

Bessemer & Lake Erie partnered with Exposition Park to create a destination resort rivaling Coney Island & Luna Park.



Maj. AC
Huidekoper



7. Travel Motivations are Changing

People want out of the big city either to visit or relocate

Opportunity:

Want authenticity and a true experience

Safety concerns and simpler way of life

“Nice place to visit, then it’s a nice place to live.” Visit more than 3 times, more likely to move

Need:

Define our area’s UVP for visitors, businesses, and transplants

Use marketing to promote the “visit-ability” of the area through awareness campaigns

Tourism & economic development entities to work collaboratively to market to new visitors

8. Brain Gain

Brain Drain is being made up by Brain Gain (30 – 50 year-olds) moving to rural areas

Opportunity:

51% people want to live in small towns if they could move now (58% plan to in 5 years)

Same demographic is prime driver of new small businesses in small town communities

Narrow to 4 choices & rely on: 1) Family/friends 2) Internet 3) Job Postings 4) EDA 5) Chamber

Need:

Online resource as one-stop-shop for information on relocating to the area

Market to demographic to increase Brain Gain opportunities (Univ. of Minn study)

Focus on strategies that both reduce Brain Drain & increase Brain Gain together

9. Small Town Lifestyle

People are seeking a simpler way of life (both young and old)

Opportunity:

Older generation (lifestyle & opportunity); Younger generation (uniqueness & authenticity)

The New Better Off – strong shift to redefine fulfillment & happiness (lifestyle over money)

Urban centers are recreating main streets just like the ones we already have

Need:

Highlight and contextualize this as an amenity in marketing to businesses & individuals

Positive marketing messaging on education, healthcare, transportation, arts, & communications

10. Crowdsourcing is the Future

Community activism is the driving force for action aided by technology

Opportunity:

Rule by the few is fading as local communities are mobilizing to influence their fate

Technology allows for mass, instant communication, group consensus, & community action

No longer top-down plans (too much time, money, & effort) -bottom-up ideas put into action

Need:

Civic Engagement Plan – sync key grassroots, civic groups, & municipal entities

Leverage as an asset in marketing to new residents – best way to welcome newcomers

“Internal marketing” to neutralize C.A.V.E. people



Conclusion

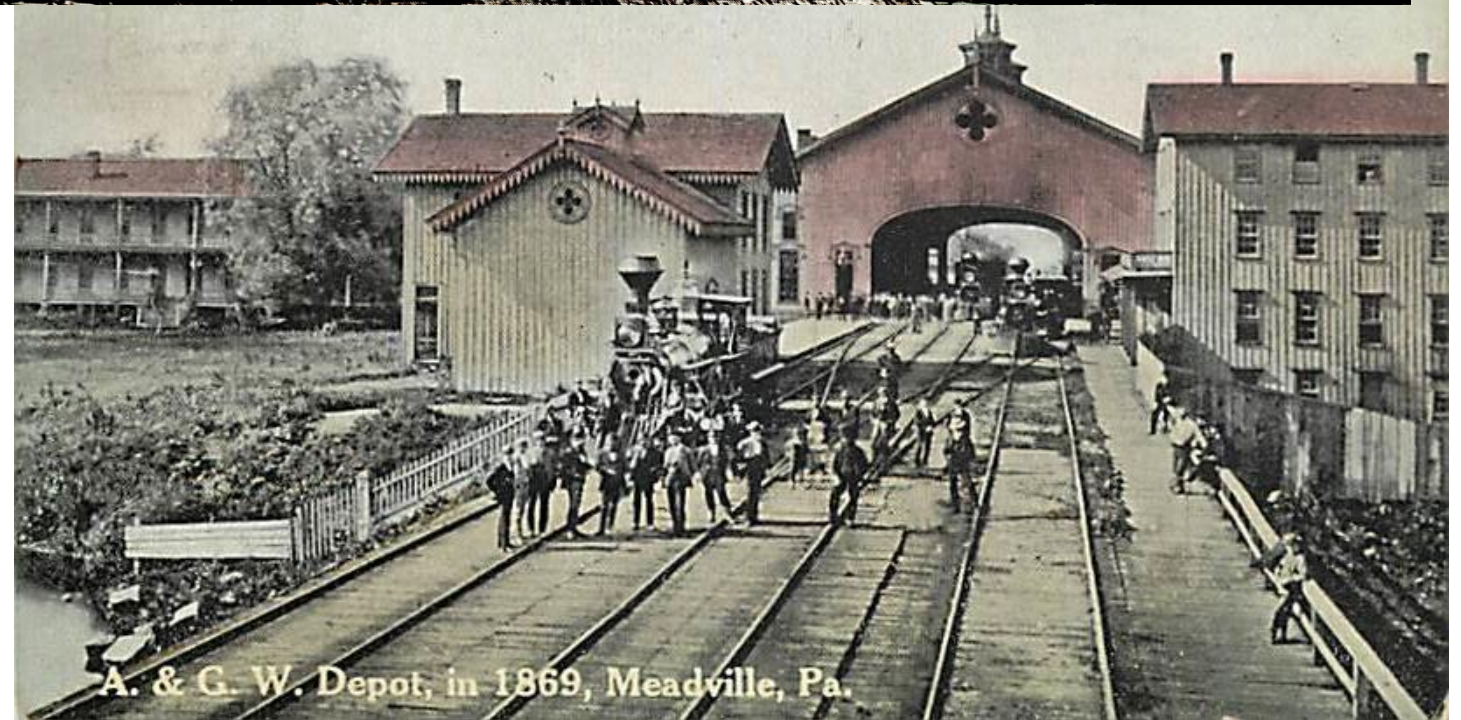
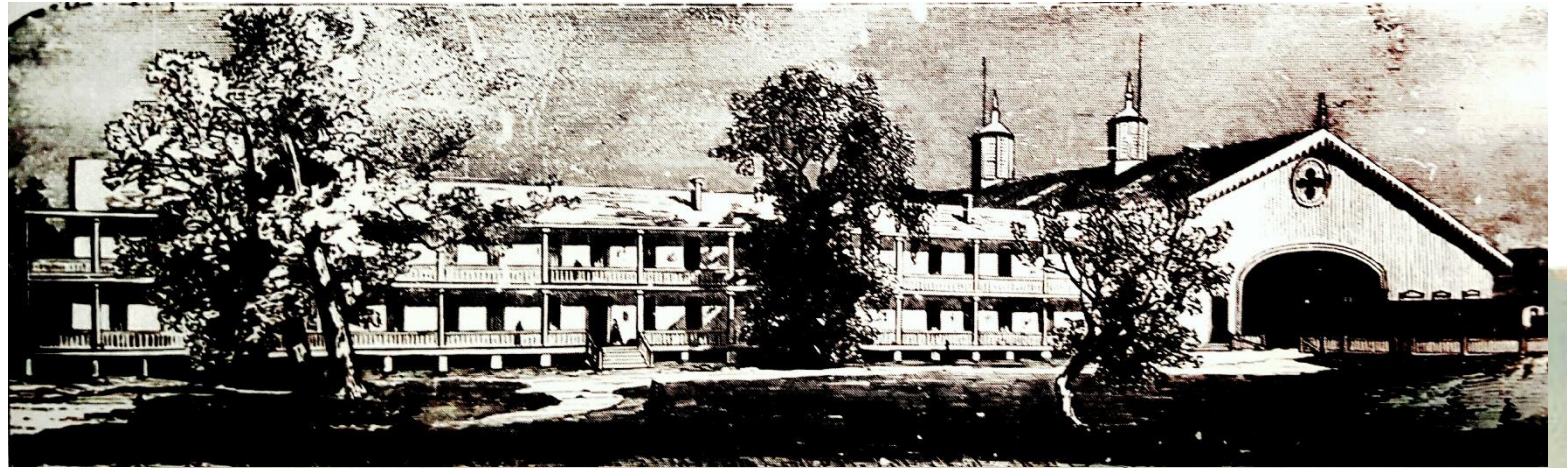
Concluding Thoughts and Considerations



Atlantic & Great Western Railroad - 1858

The railroad that brought Meadville into the modern age, making it not just an important stop on the line, but also landmark with the largest depot west of New York City, and the McHenry House.

William Reynolds



Collaborative Marketing Model

EPACC
 Visitor's Bureau
 College
 Hospital

- **Businesses**
- **New Residents**
- **Students**
- **Tourists**

1. ATTRACT

Build awareness

2. CONVERT

Offer immediate value

- **Facilities & Infrastructure**
- **Amenities in Demand**
- **Opportunity for freedom**
- **Lifestyle – look & feel**

EPACC
 Downtown Biz
 City & Towns
 Redev Authority
 Employers
 MARC



4. RE-ENGAGE

Reaffirm their choice

- **Business Growth**
- **QoL Awareness**
- **Support Services**
- **New Amenities**

3. CLOSE

Commit to action

- **Reduced Costs / Access**
- **Education / Healthcare**
- **Jobs / New Businesses**
- **Repeat Attractions**

EPACC
 Grass Roots / Civic
 City & Towns
 County
 Redev Authority
 MARC

EPACC
 School Districts
 City / County
 Hospital
 Visitors Bureau
 College

Success Factors

Embraced technology – invested in correct platforms, training, and infrastructure

Encouraged businesses and community groups to **devise bottom-up initiatives**

Worked through Federal, State, Local Government to **find funding & facilitate initiatives**

Started with **assets inventory** and use what they did have – built on this with new “product”

Devised **simple strategic plan** that guides, not dictates, entities towards a collective vision

Defined **umbrella Unique Value Proposition** & tailored UVP for Industry, Tourism, & Community

Assigned points of responsibility, timelines to **drive strategy initiatives forward**

Educated the community on initiatives – engage & neutralize C.A.V.E. people

Committed to a **collective voice** instead of individual voices

Presentation Sources

SOURCE MATERIAL SUPPORTING THIS PRESENTATION

Trend 1 Notes – Omni-Local

School incubators – *Labor Market Trends in Wisconsin: Potential Worker Shortage and Changing Skill Demand, 2017* – University of Wisconsin

[Story of Beloit, Wisconsin](#) – now a tech start-up destination

The average download speed in Meadville is 13.12 Megabites / second. This is 228.1% slower than the average in PA and 223.8% slower than the national average. - [Broadband Now](#)

In Crawford County, approximately 27,000 people do not have access to 25mbps wired broadband & 5,000 people don't have access to any wired internet. [Broadband Now](#)

No one in Crawford County has access to a fiber optic broadband connection. [Broadband Now](#)

Almost 95% of consumers in Pennsylvania have access to a wired connection with true broadband speeds faster than 25mbps. [Broadband Now](#)

Meadville is the 951st most connected city in Pennsylvania [Broadband Now](#)

Trend 2 Notes – Gig Economy

43% of US Workforce made up of gig workers – [Forbes](#) / LinkedIn

2017 - 57 million doing freelance work (36% of the U.S. workforce) 53 million in 2014 – [Upwork](#)

Over 90 percent of net employment growth in the U.S. was in the gig economy from 2005 to 2015 – [Harvard Business Study](#)

Federal and State legislation in the works to better protect gig workers

Trend 3 Notes – Rural Sourcing

Example: Optical Filters- expanded here from England as the cost of living was ideal and the infrastructure was in place for it.

Example: Project Hosts- Conneautville- expanded here from California. cost of living, cost of labor, and property cost/taxes. Microsoft Security and Cloud Provider

Transaction cost theory is part of **corporate governance** and agency **theory**. It is based on the principle that **costs** will arise when you get someone else to do something for you .e.g. directors to run the business you own

[Spatial Economics: The Declining Cost of Distance](#) – Bain.com 2016 Insights, (Industry Research and Consultancy Firm)

Trend 4 Notes – Box Store Decline

[More than 1,000 stores closed](#) in a single week in June, and Macy's has [cut thousands](#) of jobs as part of the retail apocalypse.

Walmart's first-ever sales drop marks the end of an era

<http://swtimes.com/business/analysiswal-mart-s-first-ever-sales-drop-marks-end-era>

Office Depot is closing 300 stores to expand their new, smaller “store of the future” pilot

<http://www.chainstoreage.com/article/office-depot-closing-00-more-stores-expand-storefuture-pilot>

Kmart at the old Meadville Mall

98% of retail small businesses are less than 50 employees – showing significant growth first time in 25 years – [Chain Store Age.com](#)

Trend 5 Notes – Rise of Mom & Pops

[*Despite the Amazon effect, not all mom and pop stores are in trouble on Main Street*](#) – 8-11-2017
CNBC

[IBM Research](#) says that in five years, buying local will once again beat online.

Big Retail's Retreat Could Enable Main Street's Return – [Go Erie](#)

Trend 6 Notes – Micro-Politan

[Hillbilly Urbanism](#), Hillbilly urbanism is the expression of a paradox, the rural city. Example Pittsburgh - SmartCity Dive

[Loca-Vesting](#): the local investing movement, where, in dozens of towns and cities across the country, a vast experiment in citizen finance is taking place.

Trend 7 Notes – Travel Motivations

51% people want to live in small towns if they could move now (2009 study) Plan to in 5 years and that increases by 7% - [University of Minnesota](#) & [Bain and Associates](#)

Trend 8 Notes – Brain Gain

Local Examples: Mark and Tracey Olenick own Venango Store & Gary Hite-Star Pizza

Economic Impact of New Residents – [University of Minnesota](#) - household spending is \$9.1 million, including 174 jobs and \$7.2 million in labor income. 99 new residents moving to the area and starting new or relocating businesses

Wayne, Nebraska – wayeworks.org

Trend 9 Notes – Small-Town Lifestyle

The New Better Off – strong shift by people redefining, fulfillment, and happiness (lifestyle over money)

Demographic Trends in Rural and Small-Town America – Univ. of New Hampshire, 2006

Regional Recruitment: Strategies to Attract and Retain Newcomers – University of Minnesota

Trend 10 Notes - Crowdsourcing

Local Examples: FYI Crawford County, Thankful Thursday

Additional Sources Used

Hallmarks of Successful Towns – Roger Brooks International (400 successful downtowns)

Residents of 99 small towns (population between 500 and 6,000) were surveyed in 1994, 2004 and 2014 – [University of Iowa](#)

Save Your Town 2017 Survey or Rural Challenges

The New Rural – Diane Smith

Your Town: A Destination – Roger Brooks & Maury Forman

Small Town Rules: How Big Brands & Small Businesses Can Prosper in a Connected Economy – Barry Moltz & Becky McCray

StrongTowns.org

SmallTownBiz.com