

Marketing UTPP Data to the Private Sector

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I would like to share my experience, results, and views regarding the marketing of UTPP data to the private sector by Southern California Association of Governments (SCAG). The following areas will be covered:

1. How the private sector was reached but not really breached,
2. The kinds of firms that ordered UTPP data,
3. The type of data that was purchased, and
4. Some representative uses of the data purchased.

One view I would like to share at the beginning is about the processing of the data tapes received from the Census Bureau. If public agencies are to assist the bureau to maximize distribution of the data, to maximize our staff's professional efforts, to maximize market penetration, and to minimize our costs, the tapes must be cleaner and more accurate, and they must be provided much more quickly to our agencies. Otherwise, the bureau's efforts to disseminate the data through local census data centers will at best have modest success and at worst not be done at all. Local agencies cannot afford to absorb the kind of dollar investment it takes to get into the marketplace and not experience a reasonable return on this investment. It took our highly skilled professional staff 10 months to test and to feel professionally comfortable with the tape's validity and reliability. (In all fairness to the Census Bureau, I must quickly inform you that some of the 10-month delay should be attributed to our staff decision to use the SAS program to process the UTPP data. It would have been faster had we used another computer language to reduce computer processing time and costs.) During this 10-month gestation period, we lost valuable market penetration; we lost a great opportunity to satisfy the private sector's then existing need and want; and we lost a competitive edge to satisfy their need for other census data. Consequently, we lost substantial revenue that could have helped defray costs of acquisition and product development for UTPP. Bear in mind, even though product development cost for UTPP data in a format suitable for internal use at SCAG was absorbed by the overall work program budget, special development work is required to format UTPP and other census data for marketing and sale.

As you can imagine, when we first received the UTPP tape from the Census Bureau, there was a great deal of excitement and enthusiasm about its prospects. Upon receipt of the tape, we sent out a news release announcing its arrival, its use by business and industry, and its availability. We wanted to broadcast and transmit our own excitement to the private sector and, of course, to stimulate sales and a revenue stream as quickly as possible. Much to our pleasure, we received many inquiries, but much to our chagrin, dismay, and embarrassment, we were unable to deliver a viable product to satisfy the market demand. We could not strike while the iron was hot. The then-existing sales were lost and the market became somewhat disenchanted with a public agency. We raised expectations among our local users and lowered our credibility in the private-sector marketplace.

Our next effort to reach our local users of UTPP data began with a plan to hold a marketing and educational workshop. This was planned to be held about 4 months after the tape had been received. That seemed to us to be a reasonable amount of time to validate the UTPP data. Unfortunately, the tape was more difficult than our professional staff had imagined, and so our marketing effort was defeated again by having to postpone the workshop. The workshop was finally held 10 months from the day that we received the UTPP tape, after having been postponed twice.

The response to the workshop was quite satisfactory. Eighty-four attended, representing 56 organizations from the public, private, and semipublic sectors. Of this group, 47 represented 30 private-sector firms, and 15 were from consulting firms specializing in transportation, economics, and general urban planning. The others represented firms such as chain department stores, a bank, hospital facilities, the chamber of commerce, an aircraft manufacturer, newspaper publishers, human service departments, a university, a mobile-telephone company, a private transportation company, and the visiting nurse association.

In addition to the efforts to market UTPP through news releases and the workshop, to promote orders we followed up with visits to many of the workshop participants and, of course, with visits to those who registered for the workshop but failed to attend. We also made presentations to a number of private-sector trade association meetings, various chambers of commerce, other interest groups, and business-oriented expositions.

However, the backbone, the centerpiece of our marketing efforts to disseminate the UTPP data is our UTPP mail-order catalog and related single-page brochure. They provide an easy, consistent method for us to reach users and a convenient way for UTPP data users to purchase the data at a predetermined price structure. The catalogs provide access to the data through standard reports by geographic areas or data profiles by geographic areas.

Our standard reports provide a limited amount of data. They are predetermined printouts of economic and transportation data by place of work and residence, income, industry of employment, occupation, commuting mode, travel time by commuting mode, and detailed cross tabulations.

The data profile reports provided many more variables and data--also for a single geographic area. Therefore, a UTPP data user who needs a great deal of information for several geographic areas would best be served by the data profiles. A user wanting to compare limited data sets across a number of geographic areas would best be served by the standard reports.

A third way data users can have access to the UTPP data tapes is to order customized tabulations and analyses. These orders come from firms whose data needs cannot be satisfied by purchasing either the standard reports or the data profile reports. Naturally, the customized reports are more complicated because they involve the combination of other transportation data, but they contribute to a larger dollar volume per order.

The periodic but regular mailing of the UTPP catalog and other census data catalogs is the principal way we consistently remind the private-sector data users that SCAG provides quick turnaround and is a valid, viable, reliable, and inexpensive resource for data. These mailings cause us to expand our marketing and sales staff of two and sometimes three people.

Another view I would like to share is that marketing data is unlike marketing other products. Information is only wanted when needed for a specific project, be it for marketing, research, or analysis purposes. Users do not buy data for the pleasure nor for the prestige of having it in their possession. When they do buy it, they want it to be accurate, reliable, timely, and usable.

In my view, customers have very little knowledge of how to use UTPP data, particularly in combination with or integrated with other data. There is a need for some federal agency to organize and present a program that informs and

educates the private sector on the use of UTPP data. Also, I do believe our orders would be greater if we had available a technical salesperson to confer with some clients. As a marketing manager, I see a need for a new marketing strategy. That is, data management with a computer-knowledgeable staff dedicated to designing and selling customized user needed and wanted products--technicians with a flair for selling.

We chose not to use costly media advertising. It has been our experience with other census data products that the revenue return just does not justify the cost. Besides, the need for repetitive advertising to get our message across becomes even more of a cost burden. Using the vehicle of catalog mail marketing techniques, we can target our market, penetrate new markets, stimulate customized sales, reactivate old customers, sell to marginal customers more profitably, and introduce new products.

Nonetheless, in my judgment, we have yet to breach the private-sector users and to realize the potential sales from UTPP. The limitations are too great within the public-sector agencies to enable them to marshal and focus their resources on a second level of priority called fee-based services. Our agency's first priority is its overall work program, funded by federal and state grants.

The kinds of firms that actually ordered UTPP data, other than local governments, are quite varied and sometimes surprising. There are transportation and economic planning organizations, university research, and, of course, the urban planning community. A variety of manufacturers, such as those who make stereo equipment and ready-to-wear clothes; newspaper publishers; radio stations; and health maintenance organizations have bought UTPP data. Two examples of unique organizations purchasing UTPP data are a CPA firm and a public law organization. Interesting to note, we have sold STF 1 and 3 data to other law firms and to private detective agencies representing law firms.

Much to my surprise and disappointment, we have not sold UTPP data to franchisers, outdoor advertising firms, delivery service companies, advertising agencies, banks, chain department stores, or churches. I include churches because several denominations are heavy, repeat users of STF 1 and 3 data.

The type of data some of the private-sector firms purchased covered trip origin and destination information; transportation-analysis-zone information; mode of travel and travel volume converted to computer graphic maps; and profiles by occupation, by place of work and residence, and by geographic location as well as by socioeconomic and transportation variables. Standard report data were requested for workers by income categories and for the civilian labor force by occupation, by sex, and by place of employment. One example of a customized tabulation was an analysis of the number of jobs in a geographic area by industry transposed to zip code. Another example was market analysis of employment data by place of work.

As near as I can find out, use of UTPP data ranged from marketing health plans to profiles of jurisdictions by zip code to better penetrate a targeted market not previously promoted. Also of interest is travel time by a firm's clients from home to the data-user's facility as well as the worst and best time scenarios for travel by looking at peak and off-peak travel volume.

I have three more views I would like to share with you. One deals with the balance of the uncoded UTPP data base. It would appear helpful to local marketers and planners to have the balance of the uncoded data sent to the state census data centers. Local census data centers, if they are able to find the resources, could encode the balance of the data to increase the reliability of the UTPP sample for local use.

A second view deals with minority marketing. It is now not only in vogue but will become more important by the year 1990. In Southern California and, I suspect, in other parts of the country, our minority population is increasing at a rapid rate. I would strongly urge that the 1990 survey document include questions about minority use of public and private transportation.

My last deals essentially with obtaining transportation-related data related to the physically handicapped person. In addition to finding out their behavior pattern in relation to public and private transportation availability, we must know how many, by handicapped category, have transportation concerns related to work, recreation, medical facilities, and housing.

In conclusion, I believe we have only scratched the surface of effective marketing and meeting the need of the private sector for UTPP data. Public agency staff is limited in broadening and deepening their penetration of the private-sector market. Public agencies have institutional constraints, financial limitations, and staff limitations as marketers and salespeople.

In my judgment, if marketing and sales of UTPP and other census data are to experience true success, there is need for greater organizational support. There is indeed a need for a separate division for a fee-based operation and it needs to be on par with other divisions within the organization. The UTPP data tape may be a goldmine of information, but to date it has produced more pyrite--fool's gold--than gold for the general fund. My modus operandi in marketing UTPP data and other products is to focus on business in areas where we can be successful, even if that success is limited. I know we can provide a public service, and it is a good feeling when there is an element of success attached to it.