M E M O R A N D U M

To: City of Chicago Municipal Marketing Committee

From: City of Chicago Municipal Marketing Advisory Council

Re: City of Chicago Municipal Marketing Recommended Guidelines

Date: August 20, 2012

This memorandum provides feedback from the City of Chicago Municipal Marketing Advisory Council to the City of Chicago's Municipal Marketing Committee. It is our hope that the Committee will reflect upon these recommendations as you further develop the municipal marketing programs to achieve the City's financial goals.

1. *Protect the brand and visual integrity of the City of Chicago.* The Council members recommend that the Committee should work to preserve the brand and visual integrity of the City as the marketing initiatives unfold. Chicago enjoys strong brand identity as a place where people want to come, live, invest and play. The lakefront, skyline, boulevards, parks, streetscapes, housing stock and other assets – both tangible and intangible – have all contributed to the Chicago brand. That brand permits Chicago to compete effectively with cities around the world to attract and retain the best-educated workforce. The marketing initiative must reflect that reality. A strong future for the City requires that its brand inspire not just those that live here, but also those that flow through the City for business and leisure purposes. Our brand must help the City deliver on its mission and provide a competitive advantage for our economy.

2. A*void oversaturation of the outdoor advertising market*. Chicago has an abundance of advertising throughout the City. We understand that a significant amount of that advertising does not conform to the City's codes and permitting process. Further, we have been advised that total funding from the signs around the City (including approximately 1,300 billboards) contribute approximately $1 million per year of the City's $3.0+ billion corporate fund budget. While outside the scope of the Advisory Council, we certainly recommend that the administration evaluate its policies relating to signage.

   We also note that the City is party to a contract with JCDecaux for advertising throughout the City in the 2,800 bus shelters. That advertising effort will contribute $18 million to the City's Corporate Fund budget for 2013. The City's municipal marketing efforts should compliment the considerable marketing revenues that the City already benefits from. Placing ads in areas already served by those bus shelters will erode value of both venues.

3. *Focus on fewer, larger initiatives than many smaller ones*. The Advisory Council has heard many creative ideas for municipal marketing. They range from QR codes on City vehicle stickers to T-shirts on workers, ads on garbage truck, stickers on sidewalks and yes, signs on bridge houses. As an alternative, we encourage the Committee to consider focusing on a smaller number of bigger initiatives. For example, the value of 1 billboard could be $500,000/year. To achieve that same level of revenues would require hundreds, perhaps thousands, of ad placements on

vehicles, buildings or street furniture. Such proliferation would likely dilute the value of ads in Chicago generally and could affect the City's brand as well.

4. *Creativity should be a core goal*. Marketing and branding demands creativity. The Municipal Marketing Committee should think outside the box and look at new ideas for delivering value to taxpayers. While creativity should always be a goal of marketing, it is especially important for cities. The rise of the "creative class" of workers – those that are idea-workers – will be with us for decades to come. A growing percentage of our workforce will be able to live and work from almost any city in the world. They will choose to come and stay in our City because they see a city that reflects their own hopes and goals – a city that will meet their needs now and has an eye on the future as well. If the City is to achieve fair value for the advertising, sponsorship or other marketing programs based on its assets, City officials must focus on new, innovative ways of getting value for our citizens. Simply putting more ads around the City will not achieve that goal.

5. *Be honest about the City's goal*. It is clear from the budget process that the purpose of the Municipal Marketing effort is to find operating funds to support the existing services levels for City departments, including police, fire, libraries, health care, etc. We encourage the Committee to remain true to that goal and not use marketing revenues to fund program expansion. It may be tempting to find a corporate sponsor for a new pet project, but that is not the goal and the Committee should not fall prey to that. The public here and across the country has expressed very little interest in tax increases and even less interest in service cuts. So new funding from the Municipal Marketing effort should be focused on the essential services that are already at risk.

6. *Aligning social interest of corporate marketers*. Corporate marketers see value in aligning their brand with other strong brands, like the City's, and for social purposes. The City's initiatives should try to tap into that and deliver value for taxpayers. For example, if a company has a major green initiative, how can they allocate marketing dollars to the City to show just how green they are? At the same time, we urge the Committee to be sensitive to the impact on the City from aligning with corporate brands, since the interests of the City and the world's corporate marketers may not always be compatible.

7. *Sustainability*. The marketing world moves quickly, with new ideas and marketing channels being developed all the time. As the Committee considers its options for tapping into marketing dollars for its ongoing financial needs, the Committee should be vigilant in identifying long-term funding sources that offer sustainable revenues for the essential functions that the City provides. A large amount of funding for one marketing program today could evaporate quickly, leaving the City in a financially more difficult position.

As members of the Advisory Council, we appreciate this opportunity to present these recommendations to the Municipal Marketing Committee and look forward to continuing what has been a stimulating discussion and debate on the alternatives the City faces at this point in time.