

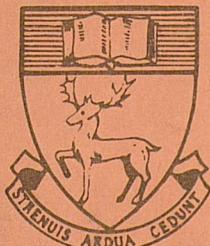
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Industrial promotion by
Local and Regional
Authorities: the effectiveness
of advertizing material

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Abstract

Adverts inserted in the national press by local and regional authorities in an attempt to create jobs by attracting mobile industry have been criticized because they produce few tangible results. A survey of adverts placed in the Financial Times during a 15 month period noted that authorities in Scotland, Wales and Northern England had the greatest propensity to advertize, while new towns and regional organizations advertized most intensively. An analysis of the content of each advert indicated that in most cases the location factors cited were similar to those elicited from surveys of mobile firms. However, the effectiveness of adverts was reduced because most authorities offered to mobile firms a similar list of attributes. In addition, the benefits from advertizing were limited because the mobile industry sector was generally the target audience. It was concluded that because the volume of industrial movement has been declining in recent years adverts could increase their effectiveness in creating jobs if they were aimed at local firms, providing them with information on sources of advice for business problems.

I Introduction

Local authorities and other area-based organizations are engaged in fiercely competitive attempts to attract mobile industry in order to create new jobs in their communities. The fact that about 120 local and regional bodies have offered sites and financial inducements and submitted detailed written proposals in a bid to be selected as the location of INMOS, the National Enterprise Board's micro-electronics project, is just one illustration of the extensive nature of industrial promotion activity.

In an effort to attract industry local authorities act as providers of infrastructure and assistance (Camina, 1974), offering to mobile firms land, premises, industrial estates, grants and loans, housing for key workers and general cooperation. Industrial movement studies confirm that the role of local and regional authorities is an important, although subsidiary factor, in the selection of a final location for a number of mobile firms (e.g. Cameron and Clark, 1966; Townroe, 1971; Dept. Trade and Industry, 1973; McNeil, 1974; Northcott, 1977).

However, as Green (1971) points out, the provider role of local authorities is only important at later stages in the industrial location decision process when firms are evaluating the merits of one site against another. Local and regional authorities therefore also produce advertising and publicity material in an attempt to influence the search stage in the industrial location decision. Indeed, it is only when a firm becomes interested in that area rather than another at a general level that the local authority can use its provider role to influence the final site location choice by supplying detailed information on premises availability, housing, labour supply and so on.

Expenditure on advertising can be substantial, although as Camina (1974) notes, there are legal limits to the amounts which local authorities can spend. Nevertheless, Cooper (1976) points out that publicity costs form by far the greatest proportion of the actual operating budgets of industrial development officers. As one illustration of the expenditure involved, to place a full page advert in The Financial Times costs £7840 (based on £17.50 per single column centimetre) while a full page advert in an F.T. supplement costs £8288 (£18.50 per single column centimetre).¹

The returns to the local community from expenditure on industrial promotion advertising have, however, been widely questioned. For example, the CBI "suspect that much of this is not cost-effective and that there is a substantial amount of overlap" (CBI, 1979, p.8). This debate on whether or not industrial promotion expenditure produces any benefits has particular relevance at the present time. Local authorities are having to find ways to reduce their levels of expenditure and financial support for industrial promotion may therefore be threatened. In addition, as part of a review of public expenditure, central government has recently appointed a firm of management consultants to investigate the promotional activities of four English regional organizations in order to discover whether there is any duplication with work undertaken by other agencies. The four organizations, the North West Industrial Development Association, the Yorkshire and Humberside Development Association, the North of England Development Council and the Devon and Cornwall Development Bureau, together receive at present nearly £750,000 in Government funds (Financial Times, 6.10.79). An assessment of the cost-effectiveness of adverts aimed at attracting industrial investment may therefore assist in determining whether or not industrial promotion activities should be a prime candidate for local

¹ I am grateful to the Financial Times for this information which refers to the rates in August 1979.

and central government spending cuts.

Attempts to assess the cost-effectiveness of industrial promotion advertising is made in three ways. First, a content analysis is made of each advert in order to test the hypothesis that each area is offering the potential migrant firm a similar list of attributes. The implications, if this hypothesis is upheld, is that the effectiveness of advertising is reduced. Second, a comparison is made between the location factors cited in adverts and those mentioned by mobile firms as having determined their final location choice. If adverts list location factors which appear to play a minor or limited role in industrial decision-making then again the inference is that the effectiveness of advertising is reduced. It is, however, acknowledged that surveys of location factors which are based on interviews with mobile firms do have methodological shortcomings (Nishioka and Krumme, 1973). Location factors identified using this approach must therefore be treated with caution. Finally, by investigating those organizations which advertise an attempt is made to identify cases of spatial duplication where a number of different tiers of local and regional authority are each promoting the same or overlapping areas.

The information used in this study is derived from all the adverts placed by local authorities and other area based organizations in The Financial Times between 29.4.78 and 8.8.79. Adverts placed by foreign local authorities are excluded (e.g. U.S. States) as are adverts containing details of property availability in particular localities but which are placed by property developers, estate agents and similar organizations.

Local and regional authorities use a variety of other methods of publicity for industrial promotion purposes as well as adverts in newspapers, for example advertising in trade journals, posters along motorways, at airports, railway stations and in the London underground, franked mail, direct mailing to companies and stands at trade fairs and exhibitions. But without doubt the major form of industrial promotion is advertising in national newspapers (Gold, 1975; Green, 1971). Furthermore, in an attempt to reach their 'target' audience, namely senior management, authorities are selective in their use of newspapers (Green, 1971; Camina, 1974). Because the evaluation of publicity material and the making of the location decision are generally undertaken by senior management (Cooper, 1976), 'quality' newspapers are favoured for advertising. The Financial Times is a 'quality' newspaper and consequently has the desired socio-economic bias. In addition, its status as Britain's leading industrial and commercial newspaper ensures that senior management are prominent amongst its readership. It is therefore probable that a large proportion of industrial promotion advertising will be placed in the Financial Times.

Advertising campaigns by local and regional authorities are not evenly distributed throughout time. Camina (1974) points out that some publicity campaigns are concentrated at particular points in time in order to coincide with some local event such as the opening of a motorway or shopping centre. Other authorities adopt a short intensive promotional campaign rather than spreading their advertising evenly through the year. Accordingly, the length of time over which adverts were monitored, approximately 15 months, should ensure that they are reasonably representative in terms of both the content of the adverts and the advertisers.

Table 1

Authorities Which Advertize

Type of Authority	No. of Advertisers	No. of Advertisers as % of total in each category (excluding N. Ireland)
Districts ¹	26	6.1
Counties and Scottish Regions	20	32.2
New Towns ¹	16	59.3
Regional Organizations ²	5	n/a
Others ³	2	n/a
	<hr/> 69 <hr/>	

Notes:

1. Corby is both a district and a new town. It is included here as a new town.
2. Including the Northern Ireland Development Unit.
3. These are the London Docklands and the Scottish New Towns.

Table 2

Regional Distribution of Advertising Authorities

Type of Authority	Scotland	Wales	Northern England ¹	Rest of England	Northern Ireland	Total
Districts	3 (5.7%)	4 (10.8%)	8 (8.5%)	11 (4.6%)	-	26 (6.1%)
Counties and Scottish Regions	6 (66.7%)	2 (25%)	8 (61.5%)	4 (12.5%)	-	20 (32.2%)
New Towns	4 (80.0%)	1 (50%)	5 (71.4%)	6 (46.2%)	-	16 (59.3%)
Regional Organizations	1	1	2	-	1	6

Notes:

1. Northern England comprises the following Economic Planning Regions: North, North West, Yorkshire-Humber side.

II Who Advertizes?

Table 1 shows that 69 different organizations advertised in The Financial Times during the monitoring period, of which over one-third were districts, over one-quarter were counties and Scottish Regions and just under one-quarter were new towns. However, as a proportion of all authorities in each category it is clear that the new towns have the greatest propensity to advertise. Almost 60 percent of the new towns in Scotland, England and Wales advertised compared with 32 percent of Counties and Scottish Regions and 6 percent of Districts. There was no way of defining a population of regional organizations.

There are noticeable spatial contrasts in who advertizes (see Figure 1). For each type of authority those in Scotland, Wales and Northern England have a much greater propensity to advertise than those in Midland and Southern England (Table 2). And given this regional pattern it is not surprising to find that Districts, Counties/Regions and New Towns in assisted areas all have a greater propensity to advertise than those located in the unassisted parts of the country (Table 3).

Table 3. Assisted Area Distribution of Advertising Authorities

Type of Authority	Assisted Area No.	Assisted Area % of total in category	Non Assisted Area No.	Non Assisted Area % of total in category	Total No.	Total % of total in category
Districts	16	8.6	10	4.2	26	6.1
Counties/Scottish Regions	17	53.1	3	10.0	20	32.2
New Towns	10	71.4	6	46.2	16	59.3
Regional Organizations	5	n/a	-	-	5	n/a

As well as these regional and assisted area dimensions there is also an urban element in the spatial pattern of industrial promotion. All six English metropolitan counties advertised compared with only 15.4 percent of non-metropolitan counties. In addition, 22.2 percent of English metropolitan districts advertised compared with only 2.8 percent of non-metropolitan districts. Given the loss of manufacturing jobs in British metropolitan areas since the mid 1960s (Keeble, 1976; 1980; Fothergill and Gudgin, 1978) this spatial pattern of industrial promotion is not unexpected. But conversely it suggests that the growth of manufacturing employment in the 'traditionally non-industrialized counties' is not associated with a vigorous campaign of industrial promotion by these authorities.

A number of explanations can be offered to account for these spatial variations in industrial promotion activity. Authorities outside assisted areas may not consider it worthwhile to attempt to attract industry because interested firms would be unable to obtain an IDC. However, IDC policy has been largely in abeyance in recent years, and in addition IDC policy would not affect attempts to attract warehousing and office functions.

Another possible explanation is that individual authorities may not advertise themselves but instead let other organizations perform the

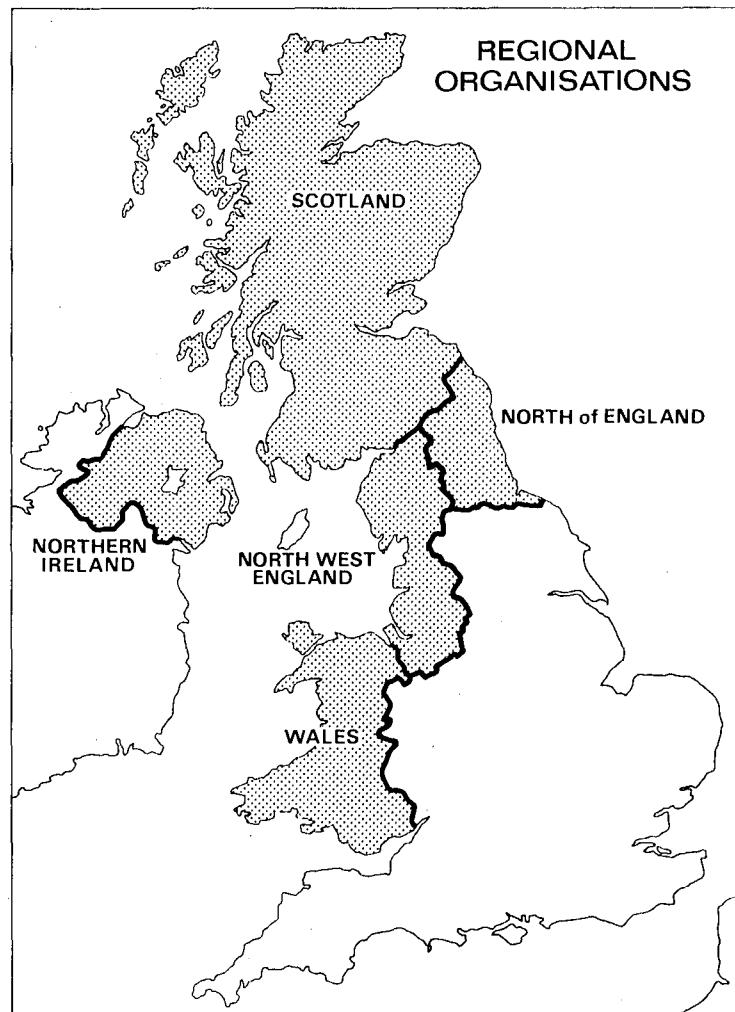
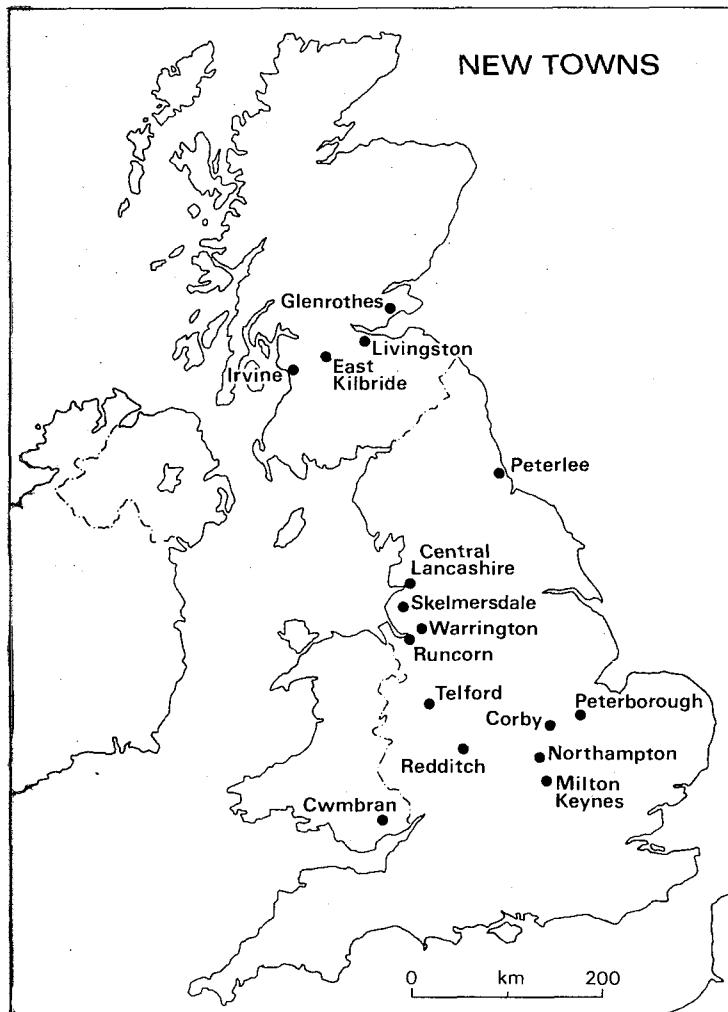
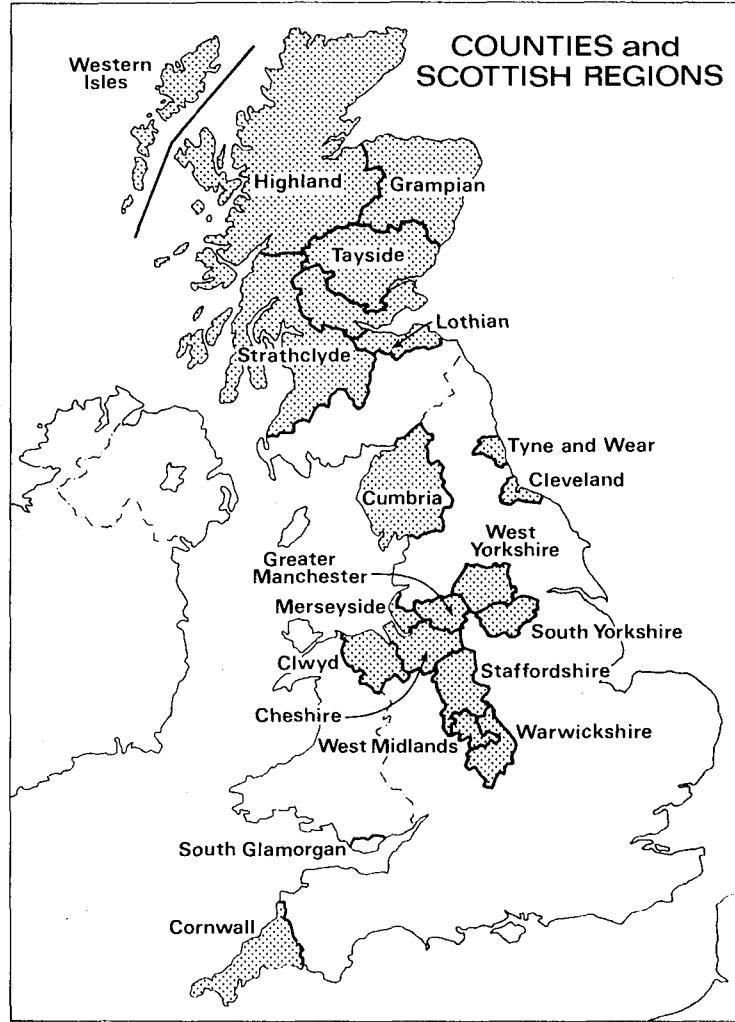
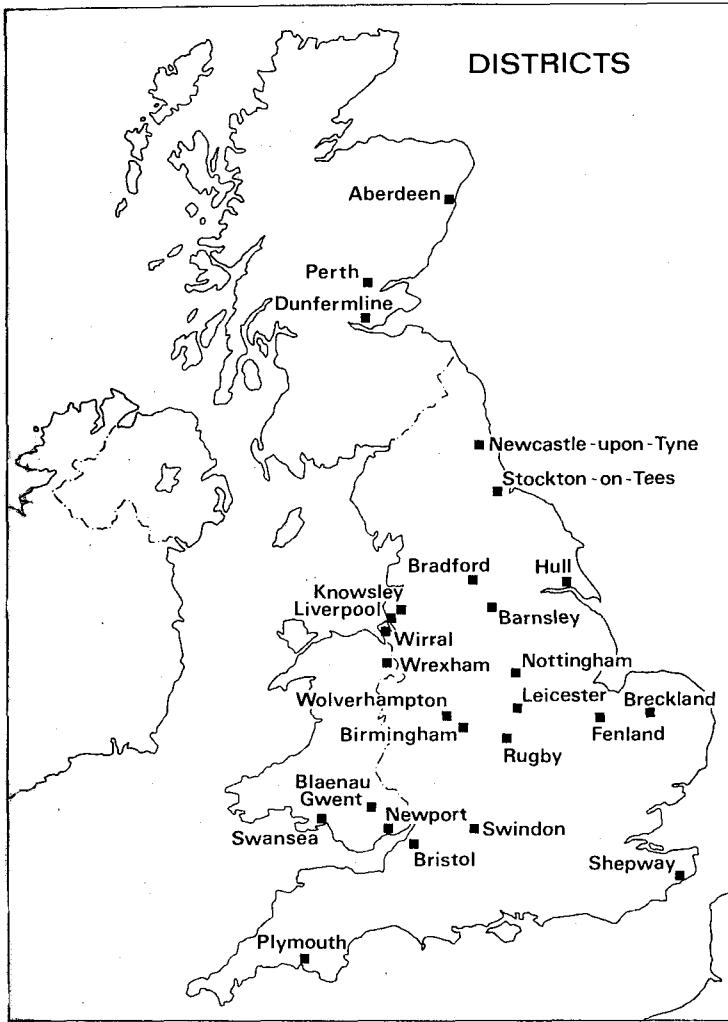


Figure 1 The Authorities which advertise

industrial promotion role on their behalf. Indeed, many local authorities make financial contributions to the regional industrial promotion organizations. The low proportion of Scottish districts which advertise may therefore be a function of both the high proportion of regions engaged in industrial promotion and the activities of the Scottish Development Agency (see Table 2). However, in those parts of Britain where industrial promotion is most intense two or three tiers of authority are engaged in advertising (see Figure 1). On Merseyside for example, adverts have been placed by the County, three of the five districts, Skelmersdale New Town and the North West Industrial Development Association. In contrast, in much of Midland and Southern England none of the tiers of local, county and regional authority are engaged in attempts to attract industry through advertising.

The spatial differences in advertising can also be accounted for by the fact that many authorities may not perceive the need to attract new industry. Camina (1974) points out that local authorities generally attempt to attract industry because of economic problems, notably high male unemployment and an insufficient variety of employment opportunity. This factor can explain the higher propensity to advertise in Scotland, Wales and Northern England and the lack of advertising in southern England. Furthermore, the handful of local authorities in the south which do advertise are generally either suffering from a lack of employment diversification, such as Rugby and Corby, or are expanded towns (e.g. Plymouth and Swindon).

Three other factors may also account for the spatial contrasts in industrial promotion. First, authorities, especially those which are small and rural, may lack the financial resources to engage in advertising. Secondly, authorities may not wish to advertise, preferring instead alternative methods of industrial promotion. Finally, authorities may advertise but not in *The Financial Times*.

This discussion only provides one indication of those authorities which are engaged in industrial promotion. It has included all authorities which inserted one or more adverts in *The Financial Times* during the period. The list of advertisers has therefore included regular advertisers along with authorities which only placed one advert. Consequently, it would also be valuable to have some indication of those authorities most actively engaged in advertising as this will infer greater efforts to attract new industry. A number of surrogate measures can be used to identify the major advertising authorities:

- (i) total number of insertions: the total number of adverts placed is one indication of expenditure. Furthermore, as Green (1971) points out, regular adverts are likely to be more effective than irregular ones since the more times an advert is placed in the newspaper the more likely it is to come to the attention of the potential migrant.
- (ii) number of different adverts: this provides an indication of how much authorities make use of this form of industrial promotion.
- (iii) number of full and half page adverts: large adverts are more likely to be noticed. Size rather than number of adverts may therefore provide a better indication of the potential effectiveness of this form of industrial promotion.

(iv) total page area of adverts: this provides an indication of advertizing expenditure.

From Table 4 it can be seen that no matter which surrogate measure is used the new towns emerge as the type of authority most heavily involved in advertizing, both in total and when averaged on the basis of the number of new towns which advertized. Districts are the second most active type of authority in terms of the total number of adverts and the number of different adverts although regional organizations claim second position on the basis of number of full and half page adverts and the total page area of adverts. Furthermore, when each surrogate measure is averaged on the basis of the number of advertizers amongst each type of authority the regional organizations stand out as the type of authority which is the second most heavily involved in advertizing. The regional contrasts which emerge are similar to those previously identified. Amongst each tier of authority those in Wales stand out as being particularly actively involved in advertizing.

The prominence of the New Towns in industrial promotion is further confirmed when the individual authorities most active in advertizing are identified. Again the choice of surrogate measure makes little difference to the result. Northampton had the largest total number of adverts, followed by Milton Keynes. For the total number of different adverts the positions are reversed. Measured in terms of both the number of full and half page adverts and the total area of adverts Milton Keynes leads followed by Skelmersdale, with the Welsh and Republic of Ireland development authorities in 3rd and 4th place respectively¹.

The preceding analysis suggests that the organizations involved in industrial promotion fall into two categories, determined by the extent to which advertizing is undertaken. The most active are the new towns and regional organizations. They appear to be in fierce competition within each other and with the Republic of Ireland which also advertizes extensively and regularly, particularly for multi-national investment. Indeed, the General Manager of Warrington New Town has identified the strong competition from the Republic of Ireland for mobile industry (Ref. Studies Assn., 1978). The Scottish and Welsh Development Agencies also see their main competition to attract American and other foreign investment (especially electronics firms) coming from the Irish Republic. The recent decision by Mostek, a U.S. semi-conductor company, to locate in Eire rather than Scotland after being wooed by both agencies provides just one illustration of this fact.

In comparison with the Scottish, Welsh and Eire Development Agencies and the N. Ireland Development Unit, the English regional organizations (e.g. NWIDA, NEDC) engage in relatively little industrial promotion advertizing. This is largely a function of the substantial government funds available to the Development Agencies to assist indigenous industry and undertake

¹The prominence of many of the New Towns in industrial advertizing has been confirmed by a private study undertaken by the Financial Times. A survey of the period April-June 1979 which counted the number of adverts in all the quality newspapers and the Investors Chronicle, Economist, Estates Chronicle and Estates Gazette identified the following authorities to have placed the greatest number of adverts: Telford, Northampton, Milton Keynes, Swindon, Newport, Peterborough, Cwmbran (personal communication with the Financial Times, August 1979). The ranking is similar to that produced in this study which covered a longer time period but only one newspaper.

Table 4 Authorities That Actively Engaged in Advertising

Type of Authority	Number in Category	Total Number of Adverts		Number of Different Adverts		Number of Full and Half Page Adverts		Total area of Adverts (M ²)	
		No.	Mean	No.	Mean	No.	Mean	No.	Mean
Districts	26	107	4.1	56	2.2	1	.04	2.70	.10
Counties and Scottish Regions	20	73	3.6	34	1.7	2.5	.13	2.29	.11
New Towns	16	166	10.4	90	5.6	20	1.2	17.40	1.09
Regional Organizations	5	42	8.4	23	4.6	9.5	1.9	3.27	.65
Others	2	14	7	3	1.5	-	-	0.46	.23

industrial promotion. The SDA, for example, has funds of £500m. (which could go up to £800m.). It is clear that the northern regions of England, which also face severe economic problems, are attempting to attract industrial investment from an inferior competitive position. Should the funding to the English regional promotion bodies be ended following the government enquiry then future industrial investment, especially from overseas origins is even more likely to favour Scotland, Wales and Ireland rather than Northern England.

Industrial promotion efforts by counties and districts is on a much lower scale, demonstrated by the proportion of authorities which advertise, the number of adverts and the expenditure on advertising. This appears to be a rational arrangement. Studies by Wallace and Rutton (1961) and Spooner (1972) suggest that such organizations only influence the location decision once the company has identified its regional preference, determining the choice of that community within the region but not determining the choice of region itself.

III Location Factors Advertized

Table 5 lists how often specific location factors were mentioned in the adverts of the 67 authorities (the 'others' category is excluded). Clearly, the factor which was mentioned most frequently was the availability of factories, sites, land etc. (73%). There is little argument that premises availability is the major factor behind the final location choice of the vast majority of mobile firms (e.g. Murie et. al., 1973; McNeil, 1974; Northcott, 1977). Furthermore, the fact that most location decisions have to be made quickly in response to pressing problems caused by growth, notably a shortage of space, suggests that the stressing in adverts of premises availability is justified in order to attract the attention of management of companies seeking solutions to their growth-induced problems.

Labour is the second most frequently mentioned location factor in adverts, although it is the quality (61%) rather than the numbers (22%) of workers which is given most emphasis. Although the qualities attributed to local labour forces in such adverts were varied, including their skill, adaptability, experience, loyalty, low absenteeism and motivation, greatest emphasis was placed on their excellent industrial relations record. This emphasis on the quality rather than the availability of labour in the industrial promotion material conflicts with findings in movement of industry studies. A wide variety of enquiries all identify the availability of labour as being more important to mobile firms than the quality (Spooner, 1972; Murie et. al., 1973; McNeil, 1974; DTI, 1973; Northcott, 1977; Morely and Townroe, 1974).

The importance of individual location factors change over time (Lever, 1973) and apart from Northcott's study (Northcott, 1977) the various movement of industry studies quoted above were undertaken in the 1960s, a period of labour shortages, especially in the South East and West Midlands which were the main exporting regions of mobile industry. But since the 1973 recession high unemployment has existed throughout Britain and the greatest labour problems affecting industry have been shortages of skilled workers, again most notably in the South East and Midlands. It can therefore be argued that to stress labour quality in adverts is now a valid approach. But some commentators argue that, at least in certain industries, automation is leading to a 'de-skilling' of

Table 5

Location Factors Advertized

	Districts	Counties and Scottish Regions	New Towns	Regional Organizations	Total
<u>Factors of production</u>					
<u>Availability of</u>					
Factories, Sites, Land, Offices etc.	18	13	15	3	49
Availability of labour	6	4	4	1	15
Quality of labour	16	13	9	3	41
Government Grants & Financial Incentives	8	11	7	3	29
<u>Geographical Location</u>					
Communications	19	9	14	3	45
Proximity	11	3	8	2	24
<u>Local Industrial Environment</u>					
Industrial/Commercial Heritage	1	3	5	1	10
Commercial Centre	3	3	1	-	7
Local Industry Characteristics	1	2	2	-	5
Example of Other Successful Companies	8	8	12	4	32
Local Authority Assistance	4	7	4	4	19
Proximity to Research Institutions	-	1	-	-	1
Space to Grow	1	1	2	1	5
Growth of the Area	1	1	2	1	5
<u>Local Amenities</u>					
Shopping Facilities	3	-	5	-	8
Education Facilities	4	4	7	1	16
Housing	9	2	11	-	22
Social Amenities	2	-	3	2	7
<u>Quality of Life Factors</u>					
Commuting	1	1	-	-	2
Recreational Facilities	4	2	7	-	13
Natural Environment	12	4	7	1	24
	26	19	16	6	67

factory floor jobs and as a consequence firms are transferring capacity from the cities, the traditional sources of skilled labour, in favour of locations containing unskilled and especially female workers to undertake assembly line functions (Massey and Meegan, 1978). Furthermore, the skilled labour forces which are advertised by particular authorities, notably towns in South Wales affected by the rundown of the steel industry, are likely to be unsuited to working in new industries such as electronics, where different skills and tolerances are required unless they are first re-trained.

The availability of government financial support was mentioned by the majority but not all the authorities located in the assisted areas (60%). But with the assisted areas containing 43 percent of the U.K. workforce until the changes announced in July 1979 individual authorities offering such incentives cannot claim to be unique. However, some authorities offer additional financial assistance to that available from central government sources and they stressed this advantage in their adverts. Tyne and Wear, for example, emphasized that under the Tyne and Wear Act they had additional powers to assist industry (see Rodgers and Smith, 1977) while the Scottish and Welsh Development Agencies stressed their roles in providing venture capital.

The importance of government financial inducements to mobile industry has been demonstrated in a variety of studies of industrial movement into assisted areas (e.g. Morely and Townroe, 1974; McNeil, 1974; Murie et. al., 1974; Northcott, 1977; DTI, 1973). However, in only a few cases were financial inducements an overriding factor in the locational choice (Northcott, 1977). So, given that government inducements rarely predominate over other locational considerations it is important that this factor is not over stressed in adverts, and in most cases it has not received undue prominence. But on the other hand there is evidence that many industrialists are unaware of the spatial distribution of the assisted areas and the incentives available (Green, 1977), consequently it is important for authorities to identify in their adverts whether government financial aid is available or not, and its nature.

The majority of adverts emphasized the advantages of geographical location. Indeed, the second most frequently mentioned location factor was the excellent communications of the area (67%), most notably motorways but also including ports, airports and the intercity rail network. 'Proximity' was also stressed (36%) especially in a number of adverts by new towns and districts. Included under this heading was emphasis on the nearness of the area to London, the EEC and to 'markets' in general. Another approach was to emphasize the central position of the area within Britain by indicating the number of people within a radius of, for example, 20, 50 or 100 miles.

Interestingly, most adverts portrayed proximity in terms of time distance rather than actual miles. This would seem to be a particularly valid approach because it is generally acknowledged that the costs of overcoming the friction of distance and hence the assessment of proximity are generally calculated in terms of time, and so the mental maps of industrialists are likely to be constructed on the basis of time distance rather than miles.

Clearly, the stressing of communications, proximity and centrality are attempts by particular authorities to present an image that they are not remote from the main U.K. and European markets or from the centres of economic and political decision-making. This advertising message seems



to be particularly valid because remoteness from southern England does lead to areas being dismissed by migrant firms as potential new locations. Murie et. al. (1973) note that the distance of N. Ireland from the South-East and West Midlands was an important reason why firms rejected the province as a location. Indeed, the spatial pattern of industrial movement in U.K. incorporates a strong distance decay component (Keeble, 1976) and further confirms the reluctance of industry to move long distances.

However, to successfully convey the message that an area is not 'remote' requires skillful presentation. Industrial movement studies show that access to markets, suppliers and other plants within the company are rarely identified by migrant firms as being important location factors (see McNeil, 1974; Northcott, 1977; DTI, 1973). Furthermore, the surveys by the Department of Trade and Industry (1973) and Northcott (1977) indicated that a large proportion of migrant firms failed to view access to the transport facilities as even a minor factor in their locational choice, a result which Northcott (1977) ascribes to the motorway network which has reduced effective distances so that firms can serve markets from greater distances. As Begg (1972) points out, the disadvantages resulting from the remoteness of an area are much more than merely due to the additional transport costs which firms experience. Other important 'costs' are a result of the remoteness from agglomeration economies, from information sources on developing trends in the industry and because of difficulties in making personal contacts, for example with customers. Personal mobility at the management level may also be hindered by remoteness. Consequently, listing the motorways which pass through the area, the population within a certain radius or the distance from London, approaches adopted in most adverts, will fail to convey the impression to potential migrant firms that the areas do not suffer from the other costs of remoteness.

Almost half the adverts mentioned other companies which had located in the area, sometimes merely providing the total number of incoming companies but more often listing by name those firms which were new to the area and which were 'household names'. In some adverts testimonials from the management of new firms were used to promote the area. It can be suggested that this approach to industrial promotion has two aims. First, it is an attempt to benefit from the imitative behaviour of industry in locational choice. Second, it is a bid to show that the area is not either a frontier location lacking industry or a declining community deficient in new industry.

On the first point there is no evidence in industrial movement studies of firms choosing new locations because of the presence of a particular company, except in isolated cases where relocation is necessary in order to remain close to a firm which is a major supplier or customer. The evidence is conflicting for the second point. Authorities which boast a large number of new firms or a particularly large new plant may repel potential migrant firms because of fears about labour shortages, labour poaching and high wages. However, for the new towns who featured prominently in this type of advertizing, this is less of a danger because new firms are able to bring a high proportion of their workers with them. Alternatively, it can be suggested that providing information in adverts about companies already in the area may be beneficial to the community, especially if it is in a traditionally non-industrialized area, because it conveys an image of an established industrial base and a labour force which is used to the demands of manufacturing industry. Spooner (1972), for example, shows how the majority of firms moving into

Devon and Cornwall placed great importance on locating in urban centres with an established industrial base while Shaw and Toyne (1978) argue from the example of Exeter that in non-industrialized areas companies experience problems in recruiting school leavers because manufacturing industry is perceived as offering poor employment opportunities.

The quality of the local environment in or close to the area and the recreational facilities, particularly those such as fishing, sailing and pony trekking which use the natural environment, were stressed by a significant minority of authorities (36% and 19% respectively). Indeed, given the now well documented importance of psychic income to the industrialist (Eversley, 1965) and the statistical association between manufacturing growth and the spatial pattern of residential space preferences (Keeble, 1976) it is perhaps surprising that this factor was not emphasized by more authorities. However, movement of industry studies identify the natural environment as only a subsidiary location factor (DTI, 1973; Northcott, 1977) although for moves into rural regions such as Devon and Cornwall (Spooner, 1972) and East Anglia (Lemon, 1975) the attractiveness of the natural environment assumes greater significance as a location factor. Nevertheless, there remains scope to further exploit this factor. Northcott (1977) notes that in 40 percent of his sample of migrant plants the person in the firm with the responsibility of finding a new location expected to go and run the new factory afterwards. Consequently, the location decision-maker had a vested interest in finding a location which was both practical for operating a new factory and acceptable as his new home. He might therefore be expected to pay more attention to 'quality of life' factors.

In a number of adverts (28%) the organizations emphasized their own role as a relevant location factor. Authorities presented themselves as being able to provide interested firms with relevant data about the area and assisting them with the bureaucracy involved in establishing a new factory, such as in obtaining planning permission and government grants. In addition, some authorities stressed their own lack of bureaucracy and red tape, their quick response to enquiries, experience in assisting industry and in understanding their needs. Regional organizations, and to a lesser extent counties/Scottish regions made the greatest reference to this factor, confirming Cooper's (1976) point that regional bodies act largely as 'information brokers', bringing together information about resources and incentives.

The importance of local authorities and regional promotional bodies has been identified as a major determinant of location in a small proportion of moves (DTI, 1973; Northcott, 1977). But in the majority of location decisions the local authority was not a significant element in the final choice of location. Consequently, it can be concluded that local and regional authorities are guilty of over-emphasizing their own importance in the industrial location decision.

Local amenities such as housing, education and shopping facilities were mentioned by a number of authorities, but particularly by the new towns. Their adverts made special reference to the availability of housing for workers brought with the firm and owner-occupier housing for management. However, the industrial movement literature suggests that housing availability and the quality of local amenities are no more than minor subsidiary factors in locational choice.

Other location factors were cited less frequently. These included the commercial functions of Liverpool, Cardiff and Edinburgh, the dynamic growth environment of the Grampian Region and some new towns, the local

industrial structure and the presence of a university. However, in each case there is little evidence available to support their importance as a location factor. Townroe (1971) confirms that the services and industries available in the local area are not important to migrant firms while Oakey (1979) has shown that proximity to a university is not a vital location factor for firms in the scientific and industrial instruments industry. Finally, only two authorities made explicit reference to their cheaper costs of commuting, housing, factories and rents and the lack of congestion compared with S.E. England, although some of these advantages were implied in a number of adverts. This is a surprisingly low figure given that for some firms the diseconomies of the South East are an important 'push' factor.

Although there are problems associated with the allocation of advertising content to discrete categories and in identifying factors important in the industrial location decision process this exploratory analysis suggests that location factors which appear to be very important to relocating companies are mentioned in the majority of adverts. Differences between authorities in advertising content relate largely to minor location factors. Consequently, advertising content does seem to be relevant to the location requirements of industry but the effectiveness of individual adverts is diminished because businessmen are reading adverts in which communities offer similar attributes and so differ from one another in little but name.

IV Themes in Advertising

The specific content of adverts offers one indication of the cost-effectiveness of industrial promotion advertising. But the general approach adopted is an additional important determinant of the likely success of advertising. This section therefore identifies a number of themes which were common to many of the adverts and which influences their effectiveness.

(a) Audience. Adverts were aimed predominantly at manufacturing industry and only a minority made any reference to offices. Those authorities which did attempt to attract offices were mainly located in regions adjacent to the South-East because no office development permit was required (e.g. Swindon, Peterborough, Northampton). The lack of adverts aimed at the office sector is surprising given the national decline in manufacturing employment and the continued growth in office-based jobs. Even fewer authorities made any reference in their adverts to other service sectors. Warrington was the only authority to aim any adverts exclusively at the distribution sector because of its recognition that as an Intermediate Area it was in an inferior position to attract manufacturing industry compared with the adjacent Special Development Area of Merseyside. The only advert to be aimed at the retail trade was placed by Wirral which presented itself as an ideal location for multiple stores.

For the majority of adverts then, the manufacturing sector was the target audience. However, only a minority of authorities specifically aimed their advertising at individual industrial sectors, but in these cases the electronics industry was generally the target of industrial promotion efforts. Cheshire, responding within 3 days to the

announcement that GEC and Fairchild were jointly setting up a micro-processor factory in the county, produced an advert entitled 'Cheshire - The Big Chip County' while Liverpool responded by heading its adverts with the title 'Silicon City'. But in contrast to this generally at the industrial sector level it can be inferred that the majority of adverts were aimed at large companies, notably those in the 'Top 1000' and multi-nationals, who, after all, have the biggest investment resources. The smaller company was not forgotten however, particularly by the Welsh and Scottish Development Agencies who advertized their small firms units while some authorities indicated that they could offer factories of various sizes.

By stressing 'space' and 'room to grow' adverts were clearly directed at companies which were 'growing', 'expanding' and 'relocating'. In other words, the aim of the great majority of adverts was to attract mobile industry from other parts of the country and from abroad. Firms already in the area were not in most cases the target audience of adverts. But it has been widely recognized that the mobile industry sector in Britain is declining in size, and in addition multi-national investment is avoiding Britain in preference for other EEC countries (Hamilton, 1976) and Third World countries. In view of this, the wisdom of aiming adverts at the mobile industry sector is in doubt.

(b) Testimonials and Examples of Other Companies. The 'name-dropping' of well-known companies already in the area was a popular advertising practice. Some organizations even geared their whole advert to explaining why a particular firm chose their area, often quoting from the senior management of that company. Clearly, this approach carries an element of risk since the subsequent closure of a featured company would be an embarrassment to the industrial promotion unit. Attempts to present unbiased opinion were achieved by quoting from authoritative outsiders. The N. Ireland Development Unit, for example, made use of surveys in a management journal and from a study by a Professor of Industrial Location and Development. Needless to say, both these impartial studies praised N. Ireland as an excellent location for manufacturing industry.

(c) Uniqueness. Because so many parts of the country offer similar or identical advantages individual authorities strived in their adverts to present themselves as offering some unique attribute to industry. For example, with 43 percent of the working population in assisted areas many authorities in Development Areas and Special Development Areas emphasized in their adverts the additional financial assistance available on top of the regional development grants. N. Ireland pointed to its 'unique' package of government financial assistance which was higher than that available in Special Development Areas, while the Scottish and Welsh Development Agencies offered additional finance in the form of loans and equity capital. Alternatively, recognizing that although the financial incentives available in assisted areas were attractive to industrialists but that their geographical location was not, some authorities stressed government assistance and proximity together. The Welsh Development Agency identified Wales as the nearest Development Area to London, South Glamorgan claimed to be the nearest Development Area to London while Blaenau Gwent noted that it was the nearest Special Development Area to London.

However, industrialists are faced with conflicting claims of uniqueness. A number of authorities allege that they offer the best financial package to incoming industry while the best industrial relations record

is similarly a title which is claimed by a number of authorities. In view of this it is likely that industrialists will have a sceptical attitude towards claims by authorities that they offer some unique advantage to incoming firms.

New towns have the problem that many industrialists regard them as a homogeneous group. Consequently, a major feature of New Town advertizing was the attempt of each to present itself as considerably different from the others. Irvine claimed to be the only New Town by the sea, Milton Keynes and Skelmersdale both claimed to offer countryside life styles while East Kilbride pointed out that it was the oldest new town in Scotland, thereby inferring that because of its 'maturity' it could offer firms advantages which were not available in the other Scottish new towns. Indeed, a strong impression derived from the content analysis was the attempt by the New Towns to present a different image from one another, confirming the competition between them for new jobs.

(d) Reversal of Popular Image. While most authorities endeavoured to create favourable images through their use of advertizing, a number also attempted to use advertizing in order to nullify popular conceptions of their characteristics. For example, a common belief is that New Towns lack a mature and well-developed social infrastructure. Consequently, most of their adverts emphasized their mature shopping, leisure and educational facilities and their well established industrial base. Peterborough claimed to be "an established city with a long industrial tradition" and could offer "New Town advantages within an old town", quoting as proof its Cathedral and the Perkins Diesel Company which was established in the town over 45 years ago. Northampton described itself as "a mature county town, a recognized commercial and industrial centre" backed up by Daniel Defoe's description of the town. Telford traced its origins to the industrial revolution with its proximity to Coalbrookdale as proof of its industrial heritage, Skelmersdale traced its origins to a Viking settlement while Milton Keynes went one better by identifying a link with the Romans.

However, the best example of an unfavourable popular image is that of the labour problems on Merseyside. Not surprisingly, Merseyside County Council industrial promotion attempted to portray a different image, and to this end they produced one advert which consisted of quotes from successful companies in the area who have experienced no labour problems.

(e) Negative Advertizing. Not only are adverts intended to maximize the attractiveness of the positive factors, they also attempt to minimize the disadvantages of the area (Gold, 1975). There were few examples of this kind of advertizing, the best being one advert by the N. Ireland Development Unit which emphasized the "industrial peace" within the factories as a counter to the obvious disadvantages of the civil unrest in the region.

(f) Use of Maps. Surprisingly, only 16 authorities (23.2%) included maps in any of their adverts. Regions and New Towns made most use of maps, although in each case less than half did so. The majority of maps were small and hence of only limited value in orienting the reader. In addition, one quarter of the maps only included the local area and hence did not provide any regional or national context. Those maps which did provide a context generally included the area in relation to the motorway network and in some cases also to major cities, airports and ports. Communications and geographical location are therefore important features

in such maps. Overall, the maps lacked visual appeal and limited use was made of non-conventional and eye-catching cartographic techniques, examples being the pictorial maps of Telford and Central Lancs. New Town, and the schematic map of Wales as a piece of cake.

The limited use of maps is surprising, particularly if this is because local and regional authorities assume that industrialists know where places are. Indeed, given the distortions of the real world involved in the construction of personal mental maps it is surprising that maps are not used to a greater extent and more effectively, for example by making them larger and providing a more useful regional and national context. A further justification for the greater use of maps to orientate the reader is that because of local government reorganization in the mid 1970s many local authority district and county names are still unfamiliar.

V Conclusions

Industrial promotion advertising is undertaken by a large number of authorities, and particularly by new towns and regional organizations. The content of such adverts is generally relevant to the location requirements of manufacturing industry but the general effectiveness of advertising is reduced because most areas offer similar attributes. Attempts by authorities to design adverts which are individualistic generally involves stressing factors which are less important to firms searching for a new location.

Many doubts have been expressed concerning the tangible benefits to emerge from industrial promotion. A number of local authorities in Camina's survey of industrial promotion activity commented that advertising in the national press produced 'no results' (Camina, 1974). Furthermore, she concluded that the impact of all types of industrial promotion activity was to produce only one or two new firms per year, although some active authorities, especially in the assisted areas attracted more firms. But how many firms would have still arrived in the absence of industrial promotion?

The motives of authorities which advertise can be suggested as one factor in the lack of tangible results from industrial promotion. It has been suggested that many local authorities are only providing industrial promotion services as a defensive reaction against the activities of other authorities (Reg. Studs. Assn. 1978). Such an attitude is unlikely to result in the attraction of many new firms.

But no matter how well and enthusiastically industrial promotion activity is undertaken it appears unable to persuade firms to locate where they are reluctant to do so. Conversely, areas which are attractive to industry receive new firms even in the absence of industrial promotion efforts. For example, Bristol's industrial promotion activity has helped to create 7000 new jobs in the last two years. In comparison, the Welsh Development Agency, with far greater resources, offering bigger regional grants and undertaking substantially more publicity has secured only 6000 new jobs over the same period (Financial Times 19.9.79).

However, it may be wrong to assess the effectiveness of adverts in such concrete terms. Their aim is to sufficiently interest management at the

search stage in the industrial location decision making process that they will 'come and see' the facilities available in the area. Only when they visit the area can the job of attraction get underway (Cooper, 1975). So, because adverts are designed only to create the initial interest in an area the assessment of their effectiveness should be made in terms of the number of enquiries by interested firms. The number of new firms attracted to the area provides an indication of the success of other elements in the industrial promotion exercise.

Adverts also produce results which cannot so easily be measured. As Gold (1975) notes, even if adverts do not produce an enquiry they nevertheless provide the decision-maker with information about other places and therefore increases his stock of spatial knowledge. This stock of spatial knowledge is drawn upon to make locational decisions, consequently advertizing may influence future location choices.

Analysis of the content of adverts in the Financial Times does suggest however, that no matter how their results are measured, in most although by no means every case, they are not as effective as they might be. In addition, it can be proposed that more authorities in Midland and Southern England should consider advertizing in order to attract new industry. The reduction in regional policy incentives, decrease in the geographical extent of the assisted areas and, more significantly, the abolition of ODPs and the increase to 50,000 ft² of the IDC threshold (whose enforcement in any case appears to have virtually ceased) puts such areas in a much stronger competitive position to attract mobile firms. In addition, analysis of movement of industry data suggests that intra-regional moves are increasing in relative importance while the number of inter-regional moves, plants moving from S.E. England and the West Midlands to N. England, Scotland and Wales, is declining (Keeble, 1978; Lloyd and Mason, 1979). And Townroe (1971) has pointed out that firms which move within an unassisted area rely much more heavily on newspaper adverts as a source of information than do moves into assisted areas.

Even more benefits would accrue if authorities aimed at a wider audience in their adverts. The concentration upon the manufacturing sector, whose share of national employment is declining, rather than focusing on offices, warehouses and multiple stores, activities which are still growing, appears to be misguided. However, even if the aim is to create more manufacturing jobs in the community then attempts to achieve this purpose by attracting new firms from other areas can be criticized. By definition, such adverts will only be relevant to firms about to search for a new location, and not only do such firms comprise a small proportion of the total population of firms but also only a small proportion of new jobs in any area results from the immigration of industry (see Keeble, 1976; 1978). In addition, because of the depressed national condition of manufacturing industry as well as for various other reasons the volume of mobile industry has been on the decrease in recent years.

Attempts by local authorities to create new jobs must consequently also involve assisting local firms to grow, and at an even more basic level helping local firms to survive. In particular, such an approach must be directed at the needs of small firms, whose recent record of employment creation is superior to that of large companies (Birch, 1979; Mason, 1980). Small firms frequently experience financial problems and difficulties resulting from growth and because many small businessmen work in relative isolation, either lacking the time or preferring not to

mix with other business people or join associations, they have few sources from which they can obtain information and detailed advice (Howdle, 1979). In addition, firms of all sizes are often ignorant of both the location of the assisted areas and just what government financial assistance is available at their present location (see Green, 1977). The content of adverts which are aimed at firms already in the local area must consequently provide them with information, for example on the availability of government grants, sources of finance, planning proposals and premises availability.

Some efforts have been made to direct industrial promotion material to firms within the local area or region, for example by the Scottish and Welsh Development Agencies. In early 1979 the North West Industrial Development Association moved from its usual industrial promotion practice of attempting to attract firms into N.W. England by running an advertising campaign on Granada TV and in the regional press which informed industrialists within the region of the government financial incentives available for industrial expansion (NWIDA, 1979). The adverts of the London Industrial Centre have been also directed towards indigenous enterprise, publicizing its role of assistance and advice to firms in the capital.

Adverts aimed at local firms, especially small companies, may have greater chance of success if local newspapers are used. At present the local press tends to be avoided in preference for newspapers with a national circulation (Green, 1971). As Howdle (1979) argues, the importance of the local business environment to most small firms infers that although the businessman may be able to ignore national news he cannot afford to ignore local developments. Consequently, he is more likely to make use of local rather than national newspapers.

At present then, adverts are largely aimed at those firms in other areas who are facing problems of shortage of space and rising costs with the message that these difficulties can be solved by a move to a new location. This target audience forms a small and decreasing proportion of industry. Industrial promotion adverts should therefore also be directed at firms in the local area, providing information on sources of assistance with business difficulties. The shift of emphasis in national and local government circles towards deriving new jobs from sources within the local area by producing a climate favourable to the birth and growth of small firms suggests that industrial promotion publicity material should be directed towards similar audiences in order to increase its effectiveness.

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