

# FUTURECASTING: DOLLARS AND DEMOGRAPHICS

▶ Putting Market Research to Work for Your Firm

*BY NANCY EGAN, FSMPS*



A recent exchange on the SMPS Fellows' Listserve made me take notice. **Kate Brannelly, FSMPS**, chief marketing officer at Legat Architects in Chicago, posted a query about good sources for market research.

In response, **Laurin McCracken, AIA, FSMPS**, provided a list rich in financially focused resources. **Tom Smith, AICP, FSMPS, CPSM**, president of BonTerra Consulting and Immediate Past President of SMPS National, complemented that list with suggestions on forecasts from top universities. What a great place to start as firms prepare their plans for next year.

Intrigued, I wanted a better understanding of why smart marketers like McCracken and Smith turn to the research they do, as well what might be missing from their recommendations. SMPS members include several top market researchers and so I asked **Rhodes White, FSMPS, CPSM**, of White Consulting to share her thoughts.

"The drivers for research data are dollars and demographics," says White. "But whether you are looking at primary or secondary research, competitive intelligence or client intelligence, you must first decide what project types you want work on, what geographic area you want work in, and what specialties you have. Then you can do research for your firm."

She cites the critical importance of the census, noting, "If a town or county is growing, so is the need for schools, jails, retail, and healthcare facilities. If the town or county is stagnant, then is it probably not going to need A/E/C services."

"Over the years, as marketing director and CMO, one of my charges has been to help my firm do a better job determining where they should put their marketing dollars," McCracken reports. "I have concentrated most of my research into determining the flow of money. Who will be lending, at what rates, who will be qualified to get money, how viable will the debt and equity markets be, and the answers to many more questions like that. Follow the money and you will always have work."

For Tom Smith, economic research helps him stay in touch with the markets. "Are we in the right sectors and the right geography?" he asks. "Things change and it's important to keep your fingers on the pulse, to test your assumptions — we call it 'ground truthing.'" (*Ground truthing*, Smith informs me, is the process of sending technicians to gather data in the field that either complements or disputes remote sensing data collected by aerial photography, satellite, or infrared images. An apt word for what we need to do.)

"Follow the money and you will always have work."  
—Laurin McCracken, AIA, FSMPS

Now it's up to us to go find out where we need to lead our organizations.

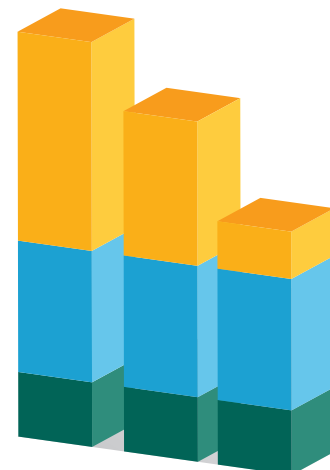
Here are the sources and comments that McCracken, Smith, and White generously shared.

## DEMOGRAPHICS

- U.S. Census Bureau, [www.census.gov](http://www.census.gov): Includes a section on the top 100 Fastest Growing Counties in the United States
- The National Association of Counties, [www.NACO.org](http://www.NACO.org): "The Voice of America's Counties"
- Reach Advisors, [www.reachadvisors.com](http://www.reachadvisors.com) (At the recent SMPS Foundation Think Tank in Washington, DC, attendees were writing as fast as they could during Reach Advisors president James Chung's insightful presentation.)

## FOLLOW THE MONEY

- Federal Reserve Bank, [www.federalreserve.gov/FOMC/BeigeBook/2010](http://www.federalreserve.gov/FOMC/BeigeBook/2010): Provides a calendar of report release dates; click on the report you want. National report summary and regional reports, with graphs and charts, are available. *The Beige Book*, published eight times a year, includes reports in which each of the regional heads of the Fed talks, in plain English, about the state of their region including real estate and construction.
- RREEF, [www.rreef.com/cps/rde/xchg/glo\\_en/hs.xsl/198.html](http://www.rreef.com/cps/rde/xchg/glo_en/hs.xsl/198.html): Owned by Deutsche Bank, RREEF does research about the real estate industry worldwide with in-depth forecasts of market performance.
- The Brookings Institution, [www.brookings.edu](http://www.brookings.edu): This DC think tank best covers the future of the real estate and infrastructure market. Fellows research and write papers about the future of what will or won't become projects for our industry.
- The Urban Land Institute, [www.uli.org](http://www.uli.org): Offers many specific reports about real estate markets but the national conferences offer first-rate information about the state of finance. Annual trends report is a must read.
- *The Economist* magazine, [www.economist.com](http://www.economist.com)



# 18 "The drivers for research data are dollars and demographics."

## UNIVERSITY-LED RESEARCH

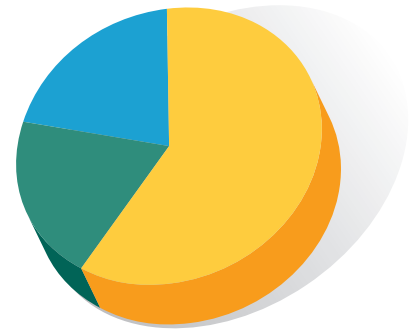
Many of universities, through their business schools and/or real estate departments, offer studies and forecasts:

- UCLA Anderson Grad School Forecast, [www.anderson.ucla.edu/forecast.xml](http://www.anderson.ucla.edu/forecast.xml)
- Chapman University Forecast, [www.chapman.edu/argyros/asbecenters/acer/forecasting.asp](http://www.chapman.edu/argyros/asbecenters/acer/forecasting.asp)
- The Keston Institute for Public Finance and Infrastructure Policy, University of Southern California, [www.usc.edu/schools/sppd/keston/institute](http://www.usc.edu/schools/sppd/keston/institute)
- The Real Estate Center of the Mays Business School of Texas A&M University, <http://recenter.tamu.edu>

## REAL ESTATE AND DEVELOPMENT

- The major brokerage firms are good sources of information, such as CB Richard Ellis, [www.cbre.com/EN/Research/Pages/default.aspx](http://www.cbre.com/EN/Research/Pages/default.aspx).
- Costar, [www.costar.com/News](http://www.costar.com/News): One of the best online news sources about real estate

- GlobeSt.com, [www.globest.com](http://www.globest.com): Another online news source on the real estate market



## CONSTRUCTION MARKETS

- McGraw-Hill, [http://construction.ecnext.com/coms2/summary\\_0249-360828\\_ITM\\_analytics](http://construction.ecnext.com/coms2/summary_0249-360828_ITM_analytics): Is the gold standard in A/E/C markets for industry trends and economic forecasts
- FMI, [www.fminet.com](http://www.fminet.com): Offers a variety of research from quarterly reports to annual surveys of owners [m](#)

## About the Author



**Contributing Editor Nancy Egan, FSMPS, focuses on image and content development for firms in the design community. A regular contributor to several professional publications, she writes on workplace issues, urban design and architecture, and professional services marketing. She co-wrote "Recession Strategies in a Disruptive Economy" in the October 2010 issue. A former president of SMPS National, Nancy can be contacted at [egan@newwoodou.com](mailto:egan@newwoodou.com).**

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