ECONOMIC AND COMMERCIAL DEVELOPMENT IN THE TOWN OF LANGSTON, OKLAHOMA

FINAL REPORT

Center for Urban Progress
Howard University
1739 7th Street, NW
Washington, D.C. 20001

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Section 1

Introduction

Marketing a community – establishing a positive identity of the community in the minds of the residents, the broader community, and potential investors – is one of the most important tasks in community renewal. Marketing, along with physical and economic development, is an effective tool in creating positive perceptions of communities that lead to increased investments. The basic principles of marketing applicable to products are applicable to marketing communities too. This implies that an effective marketing strategy for communities should look at the strengths, weaknesses, opportunities and threats within communities, draw up a marketing strategy and plan for promoting the community to businesses, implement this plan, monitor its progress closely, and evaluate the entire process for future reference.

The basic principles of marketing are traditionally defined in terms of “Four Ps” – product, place, price and promotion. Products include physical products, concepts and services. The product desired to be marketed must be a product desired by the target market. In the context of marketing a community, the products that are being marketed are neighborhoods and affordable housing. Place or location plays a key role in business marketing. In community marketing it is the place that is being marketed and the advantages of locating businesses in the neighborhood are highlighted. Price is the third principle of marketing. It is a major consideration in marketing. In the context of community marketing, price may be translated into value – quality of the neighborhood and service availability, the prices to be paid by way of rent, and costs of labor. Promotion is the backbone of marketing. Promotion incorporates all the methods used to reach potential consumers and investors: advertising, public relations, and special promotions. It is the most important activity to make community and neighborhoods known in the market place. A good product, a commanding location, the right price and the capacity to reach the consumer with the right message are all key elements in a successful marketing strategy.
How a product is perceived in the market is a very important factor. A good marketing strategy must understand how the product is perceived by the consumer in terms of its benefits, needs, and quality. Community marketing is no exception. Communities must give investors good reasons to invest in that community. This calls for identifying unique positive aspects of the community and presenting them as a package to project business opportunities.

The development of a strategic marketing and action plan for communities may be viewed through a four-phase program:

- Gathering and presenting information about the community
- Developing a marketing plan
- Organizing the community
- Implementing the marketing plan.

This report builds on each of these processes in developing a strategic marketing and action plan for Langston.
Section II

The Town of Langston

Information about the community helps others make decisions on whether they want to live and do business there. Business decisions, particularly retail location decisions, are made after a careful analysis of local markets since unlike manufacturing firms which may sell a substantial portion of their outputs outside of the local area, most of the retail firm’s sale will come from the local area. This information also highlights the strengths, weaknesses, threats and opportunities that a community provides. Three types of data are relevant in this context:

- geographic information that portrays the location and puts it into the context of the larger city or county;
- demographic data that describe the basic characteristics of its residents; and
- economic and commercial information that helps potential investors understand why they may want to locate there, who their competitors are likely to be, and what specific opportunities may exist for their businesses.

In fact, much of the information about the community that can be gathered and analyzed can be used for marketing, in identifying the strengths and weaknesses of the community and in community planning efforts.

Geographic Information

Langston is located in East Logan CCD, Logan County in the state of Oklahoma. Maps 1 and 2 show the location of Logan County and Langston respectively.

Langston is located 42 miles from Oklahoma City and 79 miles from Tulsa. The nearest commercial airport is 55 miles from Langston at Oklahoma City. The airport is a full
service field. At least 7 major airlines operate out of Will Rogers Airport. There are 17 air freight companies in operation at the airport. The nearest water transportation is the Port of Catoosa. It is 83 miles from Langston. It is connected via the Arkansas River to the Mississippi River and the Gulf of Mexico.

The nearest Interstate Highway is I-35, 12 miles southeast of Langston. State Highway 33 runs through the town. This highway serves as the link between Langston and nearby cities such as Guthrie, Edmond, Tulsa, Stillwater and Oklahoma City.

The Town of Langston was established in the year 1890 by an African American, Mr. E. P. McCabe. It is the home of Langston University, founded in 1897 and the only historically black university in the state. Langston University, with a campus of 40 acres plus 400 acres of rolling hills and farmland, serves a double mission as a land grant institution and an urban center for the state. The original mission to carry out agricultural research and cooperative extension continues. Enrollment and programs for urban residents also continue to grow. The University is acclaimed both nationally and internationally for its research projects in the soils, grains, and water of Oklahoma. The American Institute of Goat Research has received international acclaim and has given an added dimension to the cooperative research. As of the year 2000, there were 3,926 students and 199 faculty members at the University. The University provides 1,700 housing spaces for students. A number of students, staff and faculty live outside of Langston, in Guthrie or Oklahoma City. The University also has campuses in Tulsa and Oklahoma City.
Located on 440 acres of land, the University renovated several of its buildings, including the former president’s home (White House); the student union; and the library, which is the architectural focal point of the campus.

The University is the main source of economic activity in the Town of Langston. The students and employees of Langston University possess a considerably higher purchasing power collectively than the residents of Langston. The University is in a uniquely advantageous position to contribute to the economic development of the Town of Langston through creating housing opportunities and providing some type of financial incentives to students and staff to live in the Town of Langston, promoting business development in the area, providing management and technical consultancy to the local businesses and creating employment opportunities for local residents.

The town has a number of other tourist attractions:

- **Beulah Land Cemetery**: Unique markers and graves of former slaves and city founders
- **Indian Meridian Monument**: Commemorates surveying of the meridian in 1870, the dividing line between Oklahoma and Indian territories.
- **Melvin B. Tolson Heritage Center**: Contains African and African-American history and heritage exhibits, art collection, and multimedia resources.
• **Morris House**: Circa 1904. The only remaining building from Langston’s territorial period. Formerly a boarding house for Oklahoma’s Colored Agricultural and Normal College.

• **One-Room Jail Cell**: Sandstone structure from city’s early days.

![Single Cell Jail](image)

• **Langston Lake**: Recreation area, boating, camping, duck hunting, fishing, picnicking.

Special efforts to promote these spots to tourists will contribute to the economic development of the City.

**Demographic Characteristics**

In order to best understand a community, we must know its basic characteristics in terms of population, race, income and housing stock. The demographic data which retailers are interested in include:

• Local population and population growth
• Ethnic composition of population
• Average household and per capita income
• Housing characteristics
• Other data showing local purchasing power and customer profile
The description of a neighborhood should include a comparison with the city, county or even the state in which it is located. This enables us to analyze if and how the characteristics of a community differ from that of the city and the county. This section of the report presents the demographic characteristics of Langston and compares it with the characteristics of East Logan City and Logan County in order to highlight the similarities and differences, if any. The data is analyzed in terms of population and race, income and housing characteristics. The data have been drawn from the 2000 population census of the US Bureau of Census.

Population and Race

Logan County has a population of 33,924 while that of Logan CCD is 4,002 and that of the Langston is 1,638. Table 1 presents information on the total population in these three areas along with their race/ethnic composition.

Table 1
Population and Race/Ethnicity

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Logan County</th>
<th>Logan CCD</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>33,924 (100%)</td>
<td>4,002 (100%)</td>
<td>1,638 (100%)</td>
</tr>
<tr>
<td>White</td>
<td>27,521 (82%)</td>
<td>2,004 (50%)</td>
<td>34 (2%)</td>
</tr>
<tr>
<td>Black</td>
<td>3,612 (11%)</td>
<td>1,701 (43%)</td>
<td>1,537 (94%)</td>
</tr>
<tr>
<td>American Indian</td>
<td>1,160 (3.5%)</td>
<td>154 (3.5%)</td>
<td>19 (1%)</td>
</tr>
<tr>
<td>Others</td>
<td>1,213 (3.5%)</td>
<td>148 (3.5%)</td>
<td>52 (3%)</td>
</tr>
</tbody>
</table>

Source: Census 2000

Figure 1

Racial Composition

Source: Center for Urban Progress
The size of the community population is important as it normally determines the size of the market. The size of the market is a crucial factor in attracting new businesses; the larger the size of the market, the easier it is to attract new businesses as they would have an assured clientele. In the case of Langston, the size of the market is likely to be larger than that suggested by the census data. This would be so because many of the Langston University students, staff and faculty who live outside Langston would still be spending some money on consumer items such as food and stationery in Langston. The Housing Needs Assessment Survey\textsuperscript{1} found that a number of the faculty, staff, and students had their permanent place of residence outside of Langston.

Table 1 illustrates the change in the racial composition of the population as we move from the Logan County to Langston. The County is populated 81 percent by whites and 10 percent by blacks. The racial composition of Logan CCD is more evenly distributed. Fifty percent of its population is white while 42.5 percent is black. When we consider Langston, there is a dramatic reversal in the population composition. Here about 94 percent of the population is black and only 2 percent is white.

The racial composition of a place has certain implications. Because poor whites are so much more widely dispersed geographically than blacks, predominantly black neighborhoods tend to be high poverty neighborhoods. We next analyze the income status of these three geographic units.

**Income**

The family income of a place is the primary determinant of its purchasing power. Places that have comparatively higher income become attractive locations to businesses. Businesses gravitate to places that have a potential for present performance as well as future growth. Types of businesses also vary with the income levels. Smaller geographic areas tend to have more small businesses and very few, if any, larger businesses while larger areas have a good proportion of both. Areas populated predominantly by African

\textsuperscript{1} Housing Needs Assessment of Langston, Oklahoma: Langston Community Development Corporation and Center for Urban Progress. June 2001.
Americans tend to have small businesses, many of them women owned. Thus, in the context of marketing a community, its income becomes an important variable. Table 2 presents information on median family income and the poverty status of individuals in Logan County, Logan CCD and Langston.

### Table 2
**Income and Poverty Status**

<table>
<thead>
<tr>
<th></th>
<th>Logan County</th>
<th>Logan CCD</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Family Income</td>
<td>$44,340</td>
<td>$38,158</td>
<td>$26,042</td>
</tr>
<tr>
<td>Poverty status*</td>
<td>12.80%</td>
<td>17.70%</td>
<td>33.75%</td>
</tr>
</tbody>
</table>

Note: *poverty status denotes population with annual income below poverty level as a percentage of population for whom poverty status is determined.

Source: Census 2000.

Table 2 presents some interesting information on incomes and poverty levels in the three units. The median income of families living in Langston is 58 percent of the median income of families living in Logan County.

### Figure 2
**Median Family Income**

Source: Center for Urban Progress

The poverty status in Langston is high compared to the other two. This contrast between concentrated black poverty in Langston and relatively lower poverty levels in white majority Logan County is typical of many metropolitan areas in the US.
The distribution of family income in various brackets offers important information on income distribution within the community. The family income in 1999 for blacks in Langston is presented in Table 3.

### Table 3
Black Family Income in Langston, 1999

<table>
<thead>
<tr>
<th>Income Brackets</th>
<th>Number of Families</th>
<th>Percentages</th>
<th>Cumulative Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Families</td>
<td>74</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Less than $10,000</td>
<td>12</td>
<td>16.2%</td>
<td>16.2</td>
</tr>
<tr>
<td>$10,000 – 14,999</td>
<td>10</td>
<td>13.5%</td>
<td>29.7</td>
</tr>
<tr>
<td>$15,000 – 19,999</td>
<td>5</td>
<td>6%</td>
<td>35.7</td>
</tr>
<tr>
<td>$20,000 – 24,999</td>
<td>5</td>
<td>6%</td>
<td>41.7</td>
</tr>
<tr>
<td>$25,000 – 29,999</td>
<td>12</td>
<td>16.2%</td>
<td>57.9</td>
</tr>
<tr>
<td>$30,000 – 34,999</td>
<td>7</td>
<td>9.4%</td>
<td>67.3</td>
</tr>
<tr>
<td>$35,000 – 39,000</td>
<td>8</td>
<td>10.8%</td>
<td>78.1</td>
</tr>
<tr>
<td>$40,000 – 44,999</td>
<td>4</td>
<td>5.4%</td>
<td>83.5</td>
</tr>
<tr>
<td>$45,000 – 49,999</td>
<td>2</td>
<td>2.7%</td>
<td>86.2</td>
</tr>
<tr>
<td>$50,000 – 59,999</td>
<td>0</td>
<td>0</td>
<td>86.2</td>
</tr>
<tr>
<td>$60,000 – 74,999</td>
<td>3</td>
<td>4%</td>
<td>90.2</td>
</tr>
<tr>
<td>$75,000 – 99,999</td>
<td>3</td>
<td>4%</td>
<td>94.2</td>
</tr>
<tr>
<td>$100,000 – 124,999</td>
<td>0</td>
<td>0</td>
<td>94.2</td>
</tr>
<tr>
<td>$125,000 – 149,999</td>
<td>0</td>
<td>0</td>
<td>94.2</td>
</tr>
<tr>
<td>$150,000 – 199,999</td>
<td>2</td>
<td>2.7%</td>
<td>96.9</td>
</tr>
<tr>
<td>$200,000 or more</td>
<td>1</td>
<td>1.3%</td>
<td>98.2*</td>
</tr>
</tbody>
</table>

* The shortfall is due to rounding off

Source: Census 2000
Table 3 indicates that slightly over 40 percent of Langston population has annual income below $25,000, another 45 percent has income between $25,000 and $50,000 and the remaining 15 percent has annual income exceeding $50,000. The types of goods demanded by each of these groups may vary, so a marketing strategy has to identify the expenditure patterns of each of these income groups and see how their demands can be met locally.

**Housing Characteristics**

There is an acute shortage of housing in Langston. This shortage has led to many of the students and faculty living outside of Langston and in the neighboring towns and cities. According to the Housing Needs Assessment Survey, 82 percent of the staff respondents and 47 percent of the student respondents reported that their place of residence was outside of Langston. There are 236 housing units in Langston of which 182 are one unit detached, 26 are (2 or more) attached units and 28 are mobile homes. Many structures and lots are unkempt, due to absentee landlords. There is a lack of sidewalks, curbing, and lighting. Table 4 shows the number of residential units.

Table 4
Residential Units in Langston

<table>
<thead>
<tr>
<th>Type of Unit</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>236</td>
</tr>
<tr>
<td>1, detached</td>
<td>182</td>
</tr>
<tr>
<td>1, attached</td>
<td>6</td>
</tr>
<tr>
<td>2, attached</td>
<td>5</td>
</tr>
<tr>
<td>3 or 4, attached</td>
<td>13</td>
</tr>
<tr>
<td>10 to 19, attached</td>
<td>2</td>
</tr>
<tr>
<td>Mobile homes</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Census 2000
There are 46 vacant housing units of which 38 are one unit detached, five are (2 or more) attached units, and three are mobile homes.

**Table 5**

Units in Structure for Vacant Housing Units

<table>
<thead>
<tr>
<th>Type</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>46</td>
</tr>
<tr>
<td>1, detached</td>
<td>38</td>
</tr>
<tr>
<td>1, attached</td>
<td>2</td>
</tr>
<tr>
<td>2, attached</td>
<td>1</td>
</tr>
<tr>
<td>3 or 4, attached</td>
<td>2</td>
</tr>
<tr>
<td>Mobile homes</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Census 2000

There are 236 residential units in the Town of Langston and most of the structures (nearly 50 percent) were built between 1960 and 1989. Between 1990 and 2000, only five units were built. Thus, many of the houses are old (the median year of construction is 1972) and of poor quality. In fact, the Housing Survey found that the mean rating of the level of housing satisfaction for Langston residents was only 5.5 on a scale of 10. Table 6 presents information on the year in which the structures were built.

![A Mobile Store](image)
Table 6  
Year Structure Built

<table>
<thead>
<tr>
<th>Year Structure Built</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>236</td>
</tr>
<tr>
<td>1999-March 2000</td>
<td>1</td>
</tr>
<tr>
<td>1995-1998</td>
<td>4</td>
</tr>
<tr>
<td>1990-1994</td>
<td>0</td>
</tr>
<tr>
<td>1980-1989</td>
<td>52</td>
</tr>
<tr>
<td>1970-1979</td>
<td>78</td>
</tr>
<tr>
<td>1960-1969</td>
<td>42</td>
</tr>
<tr>
<td>1950-1959</td>
<td>24</td>
</tr>
<tr>
<td>1940-1949</td>
<td>11</td>
</tr>
<tr>
<td>1939 or earlier</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Census 2000

One sign of economic regeneration in a community is increasing housing opportunities. In order to attract retail stores and sustain them in the community, it is important that the town be made more attractive for residential uses. The homeownership rate (number of owner-occupied housing units expressed as a percentage of total housing units) in the town is currently only 20 percent compared to a national average of 67 percent.\(^2\) Increasing homeownership rates is an effective means for improving neighborhoods because it addresses several inter-related problems. For example, homeownership not only gives residents a greater stake in working to improve their neighborhoods, but also their long term wealth as property values increase over time.\(^3\) Higher rates of homeownership have also been linked to neighborhood stability and improved social behavior within the neighborhoods.\(^4\) Homeownership rate can be increased both by constructing more affordable housing and making accessibility to home mortgage easier. The residents may need to be educated on procedures for obtaining mortgages. Institutions like the LCDC could investigate possible discrimination in loans given to the residents by the community banks and take such concerns up with the banks in order to minimize this practice, if any. As for the renter occupied housing units, the median gross rent is $320 per month.

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\(^2\) This rate may be somewhat higher for non-student residents, since some renters are transient.  
\(^4\) Ibid.
The median value of the owner-occupied housing units is $19,800. Their values range from less than $10,000 to $89,000 as shown in Table 7.

### Table 7
**Property Value of Owner-Occupied Housing Units ($)**

<table>
<thead>
<tr>
<th>Property Value Range</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10,000</td>
<td>7</td>
</tr>
<tr>
<td>10,000-14,999</td>
<td>6</td>
</tr>
<tr>
<td>15,000-19,999</td>
<td>12</td>
</tr>
<tr>
<td>20,000-24,999</td>
<td>2</td>
</tr>
<tr>
<td>25,000-29,999</td>
<td>2</td>
</tr>
<tr>
<td>30,000-34,999</td>
<td>2</td>
</tr>
<tr>
<td>35,000-39,999</td>
<td>4</td>
</tr>
<tr>
<td>40,000-49,999</td>
<td>6</td>
</tr>
<tr>
<td>50,000-59,999</td>
<td>2</td>
</tr>
<tr>
<td>80,000-89,999</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: Census 2000

As for mortgage status, of the 49 owner-occupied housing units, 21 are with a mortgage and 28 are without. The mortgage amount paid by the owners is shown in Table 8.

### Table 8
**Mortgage Status and Selected Monthly Owner Costs for Owner-Occupied Units**

<table>
<thead>
<tr>
<th>Mortgage Status</th>
<th>Langston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing units with mortgage</td>
<td>21</td>
</tr>
<tr>
<td>$200-$299</td>
<td>4</td>
</tr>
<tr>
<td>$400-$499</td>
<td>4</td>
</tr>
<tr>
<td>$500-$599</td>
<td>7</td>
</tr>
<tr>
<td>$600-$699</td>
<td>2</td>
</tr>
<tr>
<td>$1,250-$1,499</td>
<td>2</td>
</tr>
<tr>
<td>$1,500-$1,999</td>
<td>2</td>
</tr>
<tr>
<td>Housing Units without a mortgage</td>
<td>28</td>
</tr>
</tbody>
</table>

Source: Census 2000

The housing problem is not special to the Town of Langston. The Rural Housing Incentive Study Task Force appointed by the Oklahoma state noted in its Final Report
(2001) that “the lack of affordable housing in rural Oklahoma is a serious issue in our state and must be addressed if we are to continue the economic growth Oklahoma is now experiencing”. The Task Force also stated “the development of new decent and affordable housing in Oklahoma is a critical issue for every growing community’s economic development as well as the health and happiness of Oklahoma families”. The Housing Needs Assessment Survey\(^5\) also found that there was a wide support within the community for the construction of a variety of housing types to cater to the housing needs of the Langston University students, staff and faculty.

An evaluation of the neighborhood environment and upkeep shows that there is much to be desired. There are a significant number of vacant lots and abandoned structures. Lack of economic growth and comparatively higher poverty levels of town residents have affected the construction of new houses and the maintenance of old ones. The Housing Needs Assessment Survey indicated that the primary concerns of the local residents are improvements in street lighting, curbing, putting up street names and signs, and common area landscaping. While the community is interested in maintaining the quaintness of the town and its basic smallness and charm, there is a definite desire for economic development of the town.

Constructing more houses in the town would be the primary motor of economic development activity in the Town of Langston, around which all other developmental efforts could be undertaken. The state and local government, the University, and the LCDC all have a role to play in creating housing opportunities. As recommended by the Rural Housing Task Force, the state and local governments should initiate measures such as developing targeted programs for housing in rural areas through providing tax credit for rural housing developers. Langston University could provide some form of incentives for staff and faculty to live in the Town of Langston. Initiatives in housing development should be undertaken sooner rather than later if the Langston economy is to take off into sustained growth and prosperity for all its residents.

**Business Characteristics**

Langston University is the largest employer in Langston with 324 employees. Besides the main campus activities, the University operates several service and research centers in Langston. Table 9 presents details of the University operated establishments, the number of employees in these establishments, and their annual revenue as of 2001.

**Table 9**

**Langston University Establishments**

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Line of Business</th>
<th>Employment</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Langston University</td>
<td>University</td>
<td>324</td>
<td>$23 million</td>
</tr>
<tr>
<td>Center for Outreach Programs</td>
<td>University</td>
<td>10</td>
<td>na</td>
</tr>
<tr>
<td>Cooperative Extension Service</td>
<td>Marketing Regulation</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>G. Lamar Harrison Library</td>
<td>Library</td>
<td>20</td>
<td>$360,000</td>
</tr>
<tr>
<td>Langston Community</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Corporation (LCDC)</td>
<td>Economic Development</td>
<td>3</td>
<td>$200,000</td>
</tr>
<tr>
<td>Langston Business Office</td>
<td>University</td>
<td>13</td>
<td>na</td>
</tr>
<tr>
<td>Langston Medical Clinic</td>
<td>Medical Doctors Clinic</td>
<td>3</td>
<td>$200,000</td>
</tr>
<tr>
<td>Research Center</td>
<td>Agricultural Research</td>
<td>65</td>
<td>na</td>
</tr>
</tbody>
</table>

Source: Dun & Bradstreet

na: not available/not applicable

The Town of Langston has some local and federal government establishments that employ people. A list of such establishments and the number of persons employed by them is presented in Table 10.
Langston has two religious organizations – Mount Baptist Church and New Hope Baptist Church. Together they employ eight persons and have consolidated annual revenue of $212,000.

Langston has a small business presence. However, the number of businesses in the town has registered a growth over the years. The following analysis presents the state of business development in Langston for selected years.

**1992**

In 1992 the town had two establishments – a contract feeding establishment (SIC 5812) and a book store (SIC 5942). The contract feeding establishment had 20 to 49 employees over the year and the book store employed fewer than 5 employees. Both establishments had sales between $500,000 and $999,000 during the year.

**1995 to 1999**

Between 1995 and 1997 the town had six businesses. In the years 1995, 1996 and 1997 the six establishments were: three retail trade (a book store, a catering establishment and liquor store) establishments; one credit union; one childcare center and one unclassified establishment (unspecified). Over the three year period there was a 50 percent fall in the number of employees working in these establishments. Consequently, there was also a decrease in the annual pay roll. By 1999, the unclassified establishment did not exist any longer and the number of establishments fell to five. However, the number of employees

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**Table 10**

**Government Establishments**

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Description</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Langston</td>
<td>Mayor’s office</td>
<td>10</td>
</tr>
<tr>
<td>Langston City Hall</td>
<td>City and Town Manager’s Office</td>
<td>12</td>
</tr>
<tr>
<td>Langston Fire Department</td>
<td>Executive Offices</td>
<td>na</td>
</tr>
<tr>
<td>Langston Main Office</td>
<td>US Postal Service</td>
<td>2</td>
</tr>
<tr>
<td>Oklahoma City Housing Authority</td>
<td>Housing Authority</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Dun & Bradstreet

na : not available
in these establishments grew to 124. Most of the growth was registered in the food services. Table 11 presents details of the Langston businesses for the years from 1995 to 1999.

Table 11
Langston Business Pattern – 1995 to 1999

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of establishments</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Number of employees</td>
<td>61</td>
<td>51</td>
<td>31</td>
<td>124</td>
</tr>
<tr>
<td>Annual payroll</td>
<td>$508,000</td>
<td>$376,000</td>
<td>$421,000</td>
<td>$518,000</td>
</tr>
</tbody>
</table>


As of 2002, Langston has eight service establishments and four retail establishments. Table 12 presents details of these establishments.

Table 12
Service and Retail Establishments

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Line of Business</th>
<th>Employment</th>
<th>Revenue($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albert Prewitt</td>
<td>Business Consulting</td>
<td>1</td>
<td>56,000</td>
</tr>
<tr>
<td>Centennial Court Apartments</td>
<td>Apartment Building Operator</td>
<td>15</td>
<td>640,000</td>
</tr>
<tr>
<td>D&amp;B Associates</td>
<td>Computer Related Consulting</td>
<td>2</td>
<td>120,000</td>
</tr>
<tr>
<td>Kays ECD Community Center</td>
<td>Child Daycare</td>
<td>9</td>
<td>110,000</td>
</tr>
<tr>
<td>Langston Nutrition Site</td>
<td>Geriatric Social Services</td>
<td>2</td>
<td>44,000</td>
</tr>
<tr>
<td>Langston University Early Childhood</td>
<td>Child Daycare</td>
<td>2</td>
<td>21,000</td>
</tr>
<tr>
<td>Rosemary K. Harkins</td>
<td>Clinics of Medical Doctors</td>
<td>4</td>
<td>260,000</td>
</tr>
<tr>
<td>Unicco Service Company</td>
<td>Building Cleaning Service</td>
<td>50</td>
<td>na</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Establishment</th>
<th>Line of Business</th>
<th>Employment</th>
<th>Revenue($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>J&amp;J Catering</td>
<td>Caterers</td>
<td>2</td>
<td>47,000</td>
</tr>
<tr>
<td>Langston University Bookstore</td>
<td>College Bookstore</td>
<td>8</td>
<td>na</td>
</tr>
<tr>
<td>Leroy's BBQ</td>
<td>Restaurant</td>
<td>1</td>
<td>na</td>
</tr>
<tr>
<td>Meeks Liquor Store</td>
<td>Hard Liquor</td>
<td>1</td>
<td>80,000</td>
</tr>
</tbody>
</table>

| Total                          |                        | 97         | 1,378,000   |

Source: Dun & Bradstreet
Table 12 shows that the service and retail establishments in Langston have a total revenue of $1,378,000 and employ 97 persons. The list of retail stores in the table indicates a lack of depth in this area. The survey conducted by Langston Community Development Corporation (LCDC) and the Center for Urban progress (CUP) showed that these businesses do not have regular hours and well-stocked inventory. Many of the retail services that would be needed by residents of communities, like grocery stores, laundromats, mom and pop type of stores selling newspapers and magazines, cigarettes, candies and soda, and snacks are all conspicuous by their absence. So are shops that cater to the needs of students who, in fact, constitute the biggest consumer group in this town. Examples of such shops are fast food centers and carry-outs, coffee shops, stationery including duplicating, printing, and binding services. About 60 percent of the respondents of the above mentioned survey indicated lack of businesses as one of the factors residents least liked about living in Langston. There is a good potential for shops selling these products to grow and sustain over long periods of time.
Section III

The Economics of Commercial Development

Communities must generate income and minimize leakages if they are to take off into self-sustained economic growth. When members of a community make most of their purchases outside the communities in which they live, they subsidize the growth of outside economies to the detriment of their own. Money that flows out of the economy drains the local economy, while expenditures within the community strengthen the local economy both by the amount of direct expenditure and by a multiple of that amount (generally between 1.5 and 2 for rural communities). Economic development strategies must first minimize this leakage of expenditures from the local economy. Strategies that encourage people to buy locally enhance economic sustainability and greater self reliance.

Thus, local commercial development (including retail) is a potent tool of economic development. Retail businesses usually do not have as great an impact on the local economy as new manufacturing businesses do, but retail businesses still bring outside income into a community, limit retail leakage, and generate new jobs and income. Similarly, new retail establishments can entice residents to buy locally, reducing retail leakage.

Many small communities like that of Langston experience leakage of retail expenditures as local citizens drive to neighboring towns to shop at national/regional retail chains or to eat at national/regional restaurant chains. Attracting retail chain stores and restaurants to a community can prevent this type of expenditure leakage and create local jobs. Reducing expenditure leakage does not necessarily involve attracting national retail stores or restaurants; local retail stores and restaurants can also prevent expenditure leakages. For example, local consumers might be traveling to neighboring communities to visit beauty salons and buy beauty products, or purchase specialty clothing or jewelry when the local markets could actually support these stores. Communities should make every effort to facilitate the development of local specialty stores where the local market
can support them. In addition to the creation of new permanent jobs and income in the community, retail economic development benefits the community through increased sales and property tax revenues. Increased sales tax revenue can be a powerful incentive to generate interest among local politicians and city authorities.

Retail activities also contribute to the quality of life and attractiveness of communities, which is a benefit over and above the pure economic impact of jobs and income. The presence of a shopping plaza in a community sends a positive message about the quality of life and the community’s commitment to providing its residents with appropriate amenities. This would result in attracting more residents to the community thereby generating incentives for creating greater housing opportunities.
Section IV

Strategy for Retail Development in the Town of Langston

The first step in developing a marketing strategy is to assess the strengths and weaknesses of the location. Successful economic development strategy involves marketing an area’s strengths while working to improve weaknesses which retailers might see as reasons to eliminate an area from consideration. The following is a summary of some key strengths and weaknesses of the Town of Langston from the viewpoint of retail development.

Strengths

- **Location:** The proposed Plaza is centrally located, close to Highway 33 and accessible from neighboring areas. Much of the land along Highway 33, though now lying vacant, when put to use either for housing or business purposes, can be expected to transform the Town of Langston into a natural growth center in the region. It is also directly across from the main Langston University Campus and close to the township where the residents live.

- **Labor force:** The unemployment rate in Langston is relatively high as a consequence of lack of employment opportunities in the community. Retail
businesses that move into the area will find labor available at competitive wage rates.

- **Other competitive business costs:** The local economic development agencies in Langston are proposing to offer incentives including low rates of rent and favorable lease terms to retailers willing to locate in the area. The Oklahoma Small Business Development Center also offers information about several incentives to businesses locating in rural areas.

- **Langston University:** The University is the mainstay of the Town of Langston. With an enrollment of about 3000 students and 320 employees, the direct and indirect effects of the University on the local economy are considerable. The University continues to generate growth in the area in a number of ways including making the area a more attractive location for retailers, improving the general quality of life, providing a steadily growing purchasing power as it attracts more students and faculty over time.

**Weaknesses or Areas of Opportunity for Improvement**

- **Lack of commercial building:** Langston currently does not have suitable commercial sites. However, when the proposed plaza is constructed it will provide spaces for a few key retailers.

- **Lack of housing opportunities:** The town lacks a stock of available housing suitable for the university students, faculty and staff as well as many others who work in the town. Many of these potential customers live outside the town.

- **Limited economic development effort:** In the past, the town fell into a comparatively disadvantageous position in terms of economic development; however, the town now has full time professionals in the LCDC working towards community revitalization and economic development. The LCDC is now the focal point for all development efforts including rallying the citizens and other concerned authorities around to promote economic growth in the area.

- **Limited supply of skilled entrepreneurs:** There is currently a shortage of persons within the town with necessary skills and means for start-up businesses. For this reason the LCDC is recruiting retailers who already have businesses elsewhere.
and are considering expanding to Langston. This step may not maximize the
development process because some income earned in the city would flow out to
parent companies. But the LCDC is planning to develop a few incubator
businesses from among the city residents who would receive necessary training
and be able to grow into regular retail businesses in the near future.

Once the strengths and weaknesses have been evaluated, the next step involves analyzing
the expenditure pattern of the citizens -- the types of goods and services they purchase,
and the places from where these purchases are made. This type of information will help
us understand, first, how the consumers allocate their finances between competing uses –
rent and mortgages, transportation, purchase of durable and nondurable consumption
items, savings and investment; second, what the needs and wants of consumers are -- i.e.,
how do they allocate their money between various consumption goods; and third, which
economy benefits from these expenditures.

From our analysis of business patterns in Langston in the earlier section, we find that the
only retail businesses operating currently within Langston are a restaurant, a liquor store,
and a bookstore. This implies that most other items of regular consumption such as food
products, gas, clothes, shoes, and consumer electronics are all purchased outside
Langston, from Guthrie and Oklahoma City, draining the local economy.

The information on consumer expenditure pattern for a community that is very similar to
that of Langston is being used here to infer the expenditure pattern for Langston. This
information is drawn from a consumer survey conducted by the Asset-Based Community
Development Institute at Illinois\textsuperscript{6}. This survey was conducted in a community of 800
low-income households. The community had relatively few retail stores located within
one square mile area which provided the things the residents needed. The survey showed
that residents, in this relatively small isolated area, made purchases of more that $5
million a year, not counting rent and utilities. The survey found that residents of the

\textsuperscript{6} A Guide to Mapping Consumer Expenditures and Mobilizing Consumer Expenditure Capacities: Asset-
Based Community Institute, Illinois, p. 18.
community spent, per month, about $151,600 on food; $30,750 on paper and cleaning products; $149,300 on clothes and shoes; and a total of $90,560 on all other expenditures combined. About 60 percent of the expenditure were on food and consumer items like clothes and shoes.

It would be reasonable to estimate that in the case of the Town of Langston, about 50 percent of the income is spent on consumption goods. The town has a total annual income of about $30 million. Even after accounting for fixed expenses such as taxes, rents and mortgage, it is easy to see that the residents collectively possess considerable purchasing power. On the basis of the earlier estimation that about 50 percent of the income, equivalent to approximately $12 million, is spent on consumption goods, it is safe to assume that the entire amount flows out of the local economy for want of adequate retail facilities in the city. Apart from the local residents, the city has large sub-populations by way of University students, faculty and staff of the Langston University who are also spending their money outside Langston. *An important economic development strategy for Langston is to create avenues for the residents, students, faculty and staff to spend the money locally.* While there are several ways to promote spending opportunities within the community, setting up more business and retail opportunities would be the most effective way to do it in the short term. In the long run, city planners and developers could aim for expanding the commercial sector and promoting manufacturing activities.

Given that there is a need and potential for business development in the community, the next step is to determine what the businesses are that the economic developers and the local residents would most like to see located in their city. In their choice of where to shop, consumers generally pay attention to two factors – price and proximity to neighborhood. In specialty goods such as clothes, shoes, and electronic goods, price plays an important role. Consumers may also want to purchase these goods in national retail stores selling name brands. In addition, personalized, quick and efficient service would be important considerations. Consumers would not mind traveling some distance to shop for those goods and services which possess these advantages. On the other hand,
for goods like food products, magazines, cigarettes, restaurants and take-out meals, and laundromats, proximity is the key. Here convenience is what matters and residents may not mind paying a slightly higher price to shop in the friendly neighborhood market.

In deciding on the types of business to promote in the Town of Langston, there is a third factor that, besides price and proximity, must be taken into consideration. It is the number of potential consumers. In the case of Langston, the retail stores should cater to the needs not just of the residents but also of the students who live in the dorms and the big floating population of students and faculty who come into the area from wherever they live. These different sets of consumers may have significantly different consumption patterns – certainly students have a different consumption pattern. These differing consumption patterns should be kept in mind while attracting retail businesses within the community.

The attached bar chart shows the result of the survey conducted by the Asset-based Community Development Institute. As mentioned earlier, the community in which the survey was conducted is similar to Langston. However, there are differences too, considering that Langston is largely a university town with its unique population subsets and consumption patterns. Still, the bar chart gives a general indication of what businesses people like to see in their communities in rural areas.

In this context it is interesting to see what businesses the current residents would like to see located in the Town of Langston. When the resident and non-resident respondents were asked, during the Housing Needs Assessment Survey, what types of businesses they would like to see established in Langston, some of the choices were:

- Gas station
- Grocery store
- Auto repair
- Dry cleaning
- Laundromats
- Fast foods
• School
• Medical facilities and pharmacies
• Clothing stores
• Entertainment
• Eating places

Thus, an appropriate strategy for commercial retail development in Langston at this time would be to attract such businesses as restaurants, beauty and barber shops, dollar/variety stores and specialty clothing and jewelry stores.

Once there is a consensus about which retail businesses are needed, attention needs to be paid to three important alternatives for setting up these businesses:

• The expansion/diversification of businesses currently existing in the city;
• The promotion of new businesses with new ownership either by local residents or outsiders; and
• Businesses owned and established in other parts of the region expanding to set up a new retail unit in Langston.

It would be cost effective to promote expansion of existing facilities within the town since infrastructure already exists and minimum investment would be needed. However, the expansion of current businesses would mean attracting new consumers through improved products, a larger line of products, and some amount of market differentiation and segmentation. Another form of expansion of existing facilities is geographical expansion by firms that are operating elsewhere in the region. Geographical diversification by firms would entail detailed market surveys, heavier investments and greater risk taking. But the main advantages would be by way of experience gained in successful retailing, good financial standing, and the capacity to hit the ground running. In either case, it is essential that sustained community support is forthcoming and economic development agents in the community lend necessary administrative and marketing assistance.
When there are opportunities to start new businesses to meet local needs, the most direct route to economic development is to encourage local individuals to open new businesses. Previous studies\(^7\) have shown that given the opportunity and necessary support, residents are interested in starting business ventures to meet the needs of the community. This also has the added advantage that the community is likely to lend relatively greater support to a neighbor rather than to an outsider. Considering the level of business experience and financial standing of the community members, it would be advantageous to promote these as incubator businesses, train them in business management, accounting and finance.

The Town of Langston is not currently in a position to promote expansion of existing businesses or encourage new start ups by local residents. It is, therefore, recommended that the appropriate strategy would be to induce businesses which are operating successfully in the neighboring areas to expand to Langston. It is also recommended that local residents be encouraged to set up incubator businesses.

A critical component of market promotion strategy is the organization of consumer and business training programs. Once retail vendors have been identified, whether they are first time store owners or established business owners, whether they are community residents or outside residents, they need assistance in several ways, including obtaining small business loans, acquiring property and setting up shop. More importantly, they need assistance in developing a supportive relationship with the existing and new business owners, the residents and the larger community.

Equally important is to educate local consumers on the value to the local economy of making purchases from the local stores. They must be encouraged to be supportive members of the community. They must be made aware of their importance as stakeholders in the development of the local economy and how supporting the local economy would benefit them, their families and the community, now and in the future.

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They must be informed of the importance of retaining as many local dollars as possible within the local economy, and the larger impact it can make on the economy as a whole. 

*It is observed that the Langston Community Development Corporation is already active in the area of consumer and business counseling. It is recommended that this activity be continued in the future.*

For successfully conducting these tasks the entire community must be mobilized. The next section deals with community organization and mobilization.
PART II

MARKETING THE LANGSTON COMMUNITY
Section I

Marketing the Community: Building Community Support

Community renewal and economic development projects require that community members be an integral part in the design, implementation and evaluation of such projects. One way to help foster community support is to make sure that local leaders and businesses understand the role, activities, goals and objectives of the economic development organization. One effective mechanism to strengthen the community fabric is the publication of a periodic newsletter to inform businesses, elected officials, and community residents of economic and commercial development activities in the area. A significant outcome of the newsletter, apart from informing the community of developmental activities proposed or undertaken in the community, is that the community is made aware of its collective assets.

Each institution and community member possesses certain skills and capacities. These skills and capacities represent an important asset for the community and must be put to work for the overall good of the community. The economic development effort under way in Langston needs the full and committed participation of the community. An important development strategy would be for the LCDC to continue to develop partnerships among community institutions and individuals.

An inventory of the community resources in Langston point to the following:

- The students and faculty of the Langston University
- The Mayor’s Office
- The City and Town Manager’s Office
- The library
- Local consulting agencies for business and computer technology
- Churches
- Local businesses
In the context of the economic development of Langston, there exists potential for the LCDC to develop partnerships to execute the following tasks:

- Working with existing store owners to identify new expansion and diversification opportunities. Community leaders can assist the store owners in this task after an assessment of the strengths and weaknesses of the individual store owners.

- Linking new and/or prospective store owners with existing businesses and community residents. This job can best be done by community seniors and other interested resident associations.

- Organizing business promotion fairs to showcase local businesses, tourism sites, community strengths, and opportunities to do business in the area. This
task is best facilitated by the university faculty with help from the student community.

- Creating support groups for residents who are willing to start new business ventures in the community. Several types of support groups may be needed: one might provide technical support in the use of computers, another could deal with banks and financial institutions and other administrative matters, and one might assist with market analysis. These support groups could be drawn from existing businesses in the community and university faculty and be facilitated by the local Small Business Development Center and the Minority Business Development Agency.

- Churches and other faith-based organizations could be involved in the economic development process through identifying economic capacities among their members, promoting the concept and importance of supporting local businesses, and directly carrying out economic ventures themselves.

- Local banks and credit unions could strengthen community outreach through providing information on financial management tools and techniques to businesses. They could also advise the businesses on credit, budgeting, tax and such other matters as needed.

An important component of this strategy is to integrate the economic and commercial development of the Town of Langston with the development programs of the county and the state. The State of Oklahoma has several programs for rural housing development, business promotion through offering tax and other financial incentives, business and management training programs, and road and infrastructure development. The economic development of Langston will stand to gain substantially from utilizing these opportunities. The city development officials would do well to associate local political leaders, large business executives, local Small Business Development Center (SBDC) officials and other influential persons and agencies with the local economic development efforts.
Developing an active collaboration with the local Small Business Development Center and Minority Business Development Agency (MBDA) should be a critical component of business development strategy in Langston.

SBDCs typically perform the following functions:

- **Consulting**: Develop and update business plans, identify sources of capital, create marketing strategies, set up record keeping systems, and analyze financial records.
- **Procurement**: Contract administration, marketing, business and technical assistance.
- **Exporting**: Identifying export markets, determine exportability of products, develop market entry strategies, establish shipping and distribution network.
- **Research**: Retail market analysis, consumer opinion surveys, business feasibility services, demand and supply studies.
- **Continuing Education**: seminars/courses in financial management, marketing, tax planning, and legal issues.

Similar services are provided by the MBDA, particularly for minority and women-owned businesses.

These activities need to be carried out on an on-going basis. Businesses need sustained and long term relationships with their customers, communities and other stakeholders. This is particularly important in a small community where businesses and consumers depend on each other for their well being.

The most important strategy for economic and commercial development of Langston is to enlist the University as the leading edge of the development process. The Town of Langston’s main strength and attraction is that it is located close to Langston University. Universities are a complex repository of resources that can be mobilized to build better communities. Today, governments, community leaders and educators all recognize the
contributions universities and colleges can make to their local communities. Universities are increasingly building partnerships with their communities. By connecting their resources with those of the communities, universities help create a better, and more secure future both for themselves and for their neighboring communities. Increasing numbers of universities and colleges have introduced service learning in their curricula. Through service learning students and faculty not only connect to their communities but also discover the link between classroom instruction and its practical implication.

Every university or college, large or small, urban or rural, offers certain resources which can be mobilized effectively to assist the community in the ongoing process of economic development. The members of the faculty and staff are a collection of highly trained and specialized adults whose skills and knowledge can make significant contributions to the efforts of the local organizations involved in community development. Universities are also focal points for mobilizing the special talents and energy of the students to volunteer in local development efforts. College indoor and outdoor spaces may be used by communities to offer training programs, conduct fairs and exhibitions, and hold community association meetings. The materials and equipments that colleges and universities have may be shared with the community associations.

The close proximity to the University is the Town of Langston’s biggest opportunity and strength. The community can build on this strength by closely linking with the University so that each contributes to the other’s growth and gains from the other’s strengths. The University is undoubtedly one of the Langston community’s biggest selling-points. Similarly, the University too should view the community development process as integral part its own growth and development.
Section II

Marketing Plan for Retail Commercial Development

Components of a retail promotion program include tools and techniques that depend on the local circumstances and development objectives. The strategy appropriate for Langston at this time would be to attract external businesses (businesses with headquarter/parent companies outside the town) to the proposed shopping plaza. The long term objective, however, should be to lay a sound foundation for internal businesses (firms with owners living in the town) to develop in the future.

A plan to attract external businesses to the community would include the following activities:

- Data collection and research
- Identification of businesses that have the greatest likelihood of locating in the community
- Development of a database on these businesses
- Development of marketing materials
- Implementation of a phased contact and follow-up activities with the potential businesses
- Implementation of other marketing activities such as advertising.

Data and Research: Retail location decisions are generally made by firms after a careful analysis of local markets. Agencies that are engaged in recruiting retail firms should provide prospective firms with data necessary to make location decisions. Such data typically include population and population growth; age composition of the population; ethnic composition of the population; and average and per capita income. These data should be presented in a format that helps retail firms help make location decisions. In order to present this data in a more useful format, LCDC can use mapping software which aggregates and presents such data through visual maps. A retail market report should also contain detailed information on the demographics, physical infrastructure, the estimated buying potential for a product, and the nature and extent of assistance that the
local agents can extend in the short and long terms. The data should be updated periodically and be readily available on demand.

**Identification of Prospective Businesses:** An important step is the identification of businesses that the community can support and then to generate a list of firms engaged in these businesses. This information may be obtained from sources such as Small Business Development Center, Dun and Bradstreet, and local and state business directories. To order such information, using the 4-digit SIC code (or NIECS) is appropriate. On-line data sources and CDs are available for a variety of useful data as well. Some useful public sector websites are:

- Oklahoma Department of Commerce: [www.odoc.state.ok.us](http://www.odoc.state.ok.us)
- Oklahoma Resources Integrated General Information Network Systems: [http://origins.ou.edu](http://origins.ou.edu)
- Oklahoma Municipal League: [http://oml.org](http://oml.org)
- Oklahoma SBDC: [www.osbdc.org](http://www.osbdc.org)

Some sites promoted by private institutions which provide useful business information are:

- [www.goleads.com](http://www.goleads.com)
- [www.shopoklahoma.com](http://www.shopoklahoma.com)
- [www.sunnysidebiz.com](http://www.sunnysidebiz.com)
- [www.nerdworld.com](http://www.nerdworld.com)
- [www.smartpages.com](http://www.smartpages.com)

The state departments of industry, trade and tourism may also contain useful information.

**Tracking of Potential Firms:** A database of prospective firms should include information on the firm’s activities, its financial position, contact names and addresses and other information which are relevant. Software such as ACT!™ can be used to build

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8 ACT! is a contact management system software is used for data input and data management. For further details of the software go to www. act.com. The software may be acquired from: 8800 N. Gainey Center Drive Suite 200, Scottsdale, AZ 85258. Tel: 480 368 3700. Fax: 480 368 3799. Contact person in Oklahoma City is John Rowe. Tel: 405 789 7543.
such a database. The database software should use a format that enables those in charge of commercial development easy access to data on potential firms.

**Retail marketing materials:** Retail marketing materials should be as firm specific as possible. There are three types of marketing materials which should be developed for the firms: individual letters, brochures, and reports. All letters, brochures, and reports should highlight the advantage to the firm of locating in the neighborhood.

Letters should be the first means of communication with the prospective firms. These letters should be formal, well written, and worded so as to arouse the interest of the recipients. The letter should note where the firm’s name was found, what is known about the firm, why there is an interest in this firm and how the firm and the community can benefit from each other. All commercial firms are interested in knowing what is in the offer for them and this should be clearly enunciated. At this stage it is not necessary to provide information on local demographics. The purpose is only to interest the firm and initiate further action.

If no reply is forthcoming in a reasonable period, a follow-up letter may be sent. If the firm shows some interest, it may be followed up with personal meetings where a formal presentation can be made by the local development agents using PowerPoint© and/or oral presentations. Since this is the first encounter between the firm and the local authorities, the presentation should be made by a knowledgeable person and/or a person of authority.

At this meeting the prospective firms may be given community reports mentioned earlier and other attractive material such as a brochure. A multi-page color brochure/report highlighting the significant economic and social resources of the community is helpful for the businesses to decide whether or not to locate in the neighborhood. The more specific and targeted the brochure, the more favorable will be the response. For example a brochure for attracting restaurants should include information on customer profile – who the customers are likely to be; religious affiliations which could affect diet, if any; types of food best preferred by the community; the price that the market can bear; and
special requirements such as home delivery, or late service. The brochure should provide 
an overview of the area providing specific information and data which impact businesses, 
such as rents and lease arrangements, tax rates, consumer profile, transportation 
infrastructure, and utility rates. This should be a research-based product and developed 
with care to details and made attractive and eye catching.

Production of a video or automated PowerPoint® CD introducing the community to the 
prospective retailers is also desirable. Once the brochures have been given to prospective 
businesses, the development entity should follow up this contact by contacting them in a 
phased manner through telephone calls and personal and site visits.

Advertising: Advertising for retail business attraction for communities such as Langston 
is best done in local trade journals, on the state ‘home pages’ on the internet, and over the 
radio and television. The inserts in local trade journals should be pithy and should 
outline the opportunities, incentives, and advantages of doing business in the community. 
These inserts are intended to arouse the interest of retailers and should be worded 
accordingly. Since these can be expensive, the inserts should be short and full contact 
details should be included. The home pages of the Small Business Development Center, 
the Minority Business Development Agency, local Business Councils and Chambers of 
Commerce are all potential sources for advertising the availability of retail space in the 
proposed Plaza. The availability of retail space and its attractions to prospective retailers 
can also be beneficially broadcast and telecast using local radio and television stations.

 Provision of Incentives: Incentives often play a role in attracting retail firms. Such 
incentives may include low rents and attractive leasing arrangements, provision of 
attractive surroundings which draw the customers to the shopping center, and 
infrastructure improvements such as curbs, parking lots and direct access to the shops. 
The development agencies should proactively take up the matter of providing incentives 
with local tax agencies for temporary tax concessions; with banks for provision of loans 
on attractive terms; with local civic authorities for improvements in roads and other
infrastructure; and with utility companies for provision of water and electricity at concessional rates. These actions should be initiated well before the retail firms are contacted or recruited so that they may be used as inducements to attract the most suitable businesses. The prospective firms should be informed of these efforts and their probability of success.

Eliminating Barriers to Business Location and Development: Many communities increase their success rates in attracting and retaining retail firms by establishing formal and informal programs to minimize the permitting and regulatory hurdles. If a community looks promising from the demographic/market potential standpoint, but cumbersome permitting and regulatory procedures inhibit operations, then retail firms may hesitate to locate in that community. A good retail recruitment plan should make every effort to streamline these procedural/bureaucratic requirements by contacting the concerned authorities and putting these in place before the retail firms are recruited.

Retention and Expansion Programs for Retail Business: It is important to take steps from the beginning to retain firms and help them expand their business. Preventing retail businesses from closing and facilitating the expansion of their activities preserves local jobs and promotes sustained economic development. The core of this activity is outreach and continuing communications with the retail businesses – identifying problems as early as possible so that necessary steps may be taken to solve them in a timely fashion. This can be accomplished in a variety of ways, including

- Regular visits to retail businesses for discussions with owners and managers
- Formation of retail business councils which meet periodically to discuss problems and concerns
- Providing counseling and other business related information through newsletters

Community Fairs: The participation and continued support of the community is essential to recruit and retain the businesses in the community. These fairs should offer attractions for members of all ages. These fairs could be organized on university grounds so that students, faculty and staff also participate in the fairs. Retailers from the
neighboring areas should be invited to advertise and sell their wares in these fairs. This would give an opportunity for the retailers to assess the market potential first hand and also for the residents to take stock of businesses that they would like located in the Plaza. This would be a win-win situation where both retailers and consumers stand to benefit. Wide publicity should be given for these fairs through flyers, insertions in local newspapers, on radio and TV so that residents from neighboring communities could also participate. Such activities can be coordinated with such activities as Homecoming Weekend or other major University events.

**Tourism Promotion:** Promoting tourism is a powerful tool for economic development. The Meridian Monument, the Single Cell Jail, and the Langston Lake all have the potential to be developed as tourist spots. The LCDC should initiate action to create necessary infrastructure to make these accessible by road. Activities centering on the lake have the greatest potential to attract tourists. The local authorities should be encouraged to develop the area around the lake and convert it into picnic areas and provide boating, fishing, and bike/running trail facilities. The retail businesses in the plaza will gain from business generated by tourists. In fact, this has the greatest potential for economic development as it amounts to the injection of outside money into the local economy. The promotion of tourism is sure to be a winning proposition in the LCDC’s effort to attract retail businesses.
Section III

Implementation of the Marketing Plan

A plan is only as good as its implementation program. Time and cost overruns are the regular blights in project implementation and should be assiduously avoided through monitoring and making midcourse corrections wherever necessary.

Listed below are the tasks the LCDC may undertake to attract and recruit retail businesses for the commercial plaza. The proposed plan of action is sequentially listed below:

- Beginning the construction of the plaza and making an all out effort to complete it according to time schedule.
- Forming community partnerships for implementing the marketing plan and assigning duties and responsibilities to each partner.
- Developing a database of potential retail businesses.
- Selecting the firms that most fit the vision of retail development in Langston.
- Initiating contact with these firms by sending them letters in the first instance and following it up with telephone contacts.
- Preparing multi-paged, colorful and attractive brochure(s).
- Preparing and delivering publicity material to newspapers, magazines, and fliers for local distribution.
- Preparing a short-list of promising firms and inviting them for a PowerPoint©/video presentation.
- Following up these firms and making a final selection.
- Meeting with local residents interested in self-employment opportunities as well as others who have expressed an interest in starting business ventures in Langston; this meeting will be used to assess their suitability as potential business
owners in the community based on such factors as their sources of finance, experience, training needs and other factors considered necessary.

- Organizing training programs for selected local candidates. The training period should be used to develop interactive relationships between these candidates and community associations, residents and other stakeholders. Training subjects will be need based and tailored to the needs of individual participants if necessary. These training programs will be led by university faculty and other experts in the subject. Experts from the Small Business Development Center, banking and financial institutions, and other organizations will be invited as guest speakers.

- Holding discussions with chosen external firms to brief them on lease arrangements, incentives, shopping area, and financial arrangements. At this meeting the firms should be encouraged to prepare detailed business plans and submit it to the LCDC.

- Scrutinizing of the business plan by the LCDC and finalizing the plan.

- Holding consumer education programs highlighting (1) the need for them to support local businesses; (2) the economic impact on the local economy from shopping locally; and, (3) how businesses that are being supported are based on their (community’s) specific needs as expressed by them.

- Setting a time by which the new businesses will start their operations in the community and helping the businesses stick to this time frame.

- Inaugurating each business with participation of the residents, neighboring communities, students, staff and faculty, and local SBDC, and bank representatives. A local official or a political leader may be invited to do the honors.

The activities are listed in the order in which they should be undertaken, although some of them may run simultaneously with each other. Each activity should be given a specific start and finish date and progress monitored carefully.

Monitoring the progress of the tasks is crucial. For the purpose of project monitoring a Monitoring Committee should be constituted by the LCDC under the chairmanship of its
Executive Director. The Committee will be made up of all stakeholders and project management specialists drawn from the university. The Committee will meet periodically to review the progress of each task. Wherever progress is tardy or falling behind schedule, the causes will have to be identified and corrective measures undertaken. Where corrections are not possible, alternative courses of action will have to be identified and implemented. The Monitoring Committee should be responsible overall for the timely implementation of the marketing plan.
References


The Langston Community Development Corporation (LCDC) is the community and economic development arm of the Langston University. The LCDC staff is made up of its dynamic Executive Director, Ms. Janetta J. Chapple, Mr. Larry W. Bradley, Economic Development Specialist and Ms. Karen M. Mathews, Administrative Assistant. The LCDC is located in the University campus.

The LCDC has many accomplishments to its credit. It has obtained a number of grants for economic revitalization of the Langston Community between 1998 and 2001. The major accomplishments in this area are:

- $22 million in revenue bonds for construction of a 216 unit “student housing project.” The project which is 95 percent complete accommodates 600 students and contains eight buildings on a 16.5 acre tract, located on the northeast portion of the university. The project will have a 10,800 square feet central club house, 325 space parking lot and will be managed by the Habitat Company, Chicago.

- $466,665 HUD HBCU grant for the construction of the first 10,000 square feet of a proposed 45,000 square feet commercial/retail/civic plaza. Other funding partner is Southwestern Bell Corporation Foundation.

- $50,000 Oklahoma Department of Commerce/CDBG grant for completion of an interior office, exterior façade, installation of driveway, exterior sign, and landscaping at the Langston Fire Station. Langston University contributed $20,000 toward the completion of the Fire Station from its HUD HBCU finds.

- Assisted the Town of Langston access a $10,000 grant from the Oklahoma state legislature in 2000 to be used to purchase playground equipment for the park.
• Assisted the town in enlisting a bank willing to extend a “line of credit” for the expansion of the sewer system and eminent domain procedures.

• Acquired a $350,000 in grant funds from the HUD Rural Housing & Economic Development Capacity Building Grant for continued operation of the LCDC and to equip the LCDC.

• Completed the “Housing Needs Assessment Survey” for Langston and the “Environmental Review of Impacted Area” for the commercial plaza in line with USHUD guidelines.

• In partnership with Langston University’s Office of Sponsored programs, the LCDC obtained a $50,000 Ryan White Title III HIV/AIDS Planning Grant for the assessment of infected African Americans within the Oklahoma City SMA.