

RELATIONSHIP MANAGEMENT AS A
DOWNTOWN PUBLIC RELATIONS STRATEGY:
A CASE STUDY OF DOWNTOWN GOSHEN, INDIANA
A THESIS
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CH. 1 INTRODUCTION

At a time when most downtowns are dying and the recession in the late 2000s has taken its toll on small businesses, downtown Goshen, IN, continues to thrive. With a two percent vacancy rate and new businesses starting up monthly, the downtown has found a way to survive one of the worst economic storms. What is it doing right?

Goshen is a city in and the county seat of Elkhart County, IN, and is the smaller of the two principal cities of the Elkhart-Goshen metropolitan area. It is located in the northern part of Indiana near the Michigan border, in a region known as “Michiana.” As of the census of 2010, there were 31,719 people residing in the city. Goshen was chosen as the county seat on February 10, 1831. Four years prior to Goshen becoming the county seat, liberal arts school, Goshen College was founded. Goshen College has deep roots in the Mennonite Church, and has a motto of “Culture for Service.” Today, Goshen College has an enrollment of 923 students, 37 full-time faculty and 34 part-time faculty (“Quick Facts,” Goshen College, 2013).

Starting in 1985, local developers Dave Pottinger and Faye Peterson Pottinger took on their first revitalization project with a local restaurant located on South Main Street. Many of the historic buildings were in substantial decay, and Pottinger and Peterson Pottinger had a passion for seeing them restored. Pottinger could easily be called the “Father of Downtown Goshen,” and his work along with wife, Faye Peterson

Pottinger, began the downtown revitalization that is being enjoyed today. Peterson Pottinger's daughter, Maija Walters Stutsman, and husband, Jeremy Stutsman, began helping with the revival and to date the four of them have completed 41 projects in downtown Goshen. Together they own a development/consultation firm where they completed a study with downtown Goshen business owners to explore place-making ideas such as façade redevelopment, parking, business signage and streetscaping (Walters Stutsman, Peterson Pottinger, Stutsman, & Pottinger, 2010). Their study led to the implementation of a multi-year streetscaping project which included planters, bump-outs and outdoor seating, to name a few.

When the large retail establishments began opening in the county in the late '80s and early '90s, downtown retailers began to feel the negative effects. However, with the help of local visionaries and developers, downtown Goshen managed to stay vibrant and continue to grow. The purpose of this study is to explore exactly what happened from 2006 to 2011 that helped Goshen experience this revitalization despite the recent economic downturn nationwide with a record-high unemployment rate since The Great Depression. To this end, this study examined relationship maintenance strategies that were employed by these key leadership figures that led the revival, and, if any, these strategies' positive influence in downtown Goshen. Further, the study aimed to identify key elements that might have contributed to the revitalization of downtown Goshen during that period.

Recent background of downtown Goshen

Prior to the recession, the City of Goshen determined that a strategic enhancement plan was needed to further revitalize downtown Goshen. “The Goshen Downtown Action Agenda was defined with involvement from city government, the local business sector, representatives of non-profit organizations and members of the community” (Hyett & Palma, 2005, p. 6). The main item that was implemented from the plan was the revitalization of two historic buildings, by local community development corporation, LaCasa, Inc., into affordable housing units, which won a preservation award from Historic Landmarks Foundation of Indiana (“LaCasa wins preservation award,” 2008).

In 2007, the Face of the City downtown group, Chamber of Commerce retail committee, and downtown’s Economic Improvement District (EID) came together to form Downtown Goshen, Inc. (DGI), a non-profit organization whose mission is to “ensure the long-term vitality and growth of Goshen’s commercial core” (“New group formed to promote downtown Goshen,” 2007). DGI’s two main programs are “First Fridays” and the façade program, both which began in 2007. On the “First Friday” of every month - throughout the year - businesses, artists, and entertainers throw a party in downtown Goshen. First Fridays has been an enormous success, seeing an average of 4,000 attenders at each event, with “January’s Fire & Ice Festival” and July’s “Goshen Cruisin’ Reunion” topping attendance at close to 10,000 people (Rowe, 2010). Since 2007, DGI’s façade program has been promoting the maintenance and rehabilitation of downtown district properties by providing matching grants to business and building owners (“Façade Grant Program,” Downtown Goshen, Inc., 2013). “Since its inception the program has collaborated on 63 projects, offering free design recommendations and

75 percent up to \$4,000 financial assistance per project. To date, the program has distributed \$144,000 in the support of approved projects” (Walters Stutsman et al., 2010, p. 5).

DGI decided early on to devote its resources to building relationships with local key stakeholders, focusing on efforts that range from media relations to social media strategies. It has developed an extensive web site to communicate with its publics, both internally and externally, and regularly pitches stories to the regional media with great success. Many of the leaders and volunteers within DGI are creative individuals, in that their occupations and lifestyles consist of visual arts, entrepreneurial, and technological development. DGI began building a strong coalition of stakeholders including downtown businesses, regional organizations, corporate sponsors, educational entities, government officials, media outlets, and community residents. Community coalition-building has been an important value for DGI, as key visionary leaders continue to spend countless hours developing vital relationships in order to maintain a strong foundation. Externally, the relationship management techniques of DGI consist of one-on-one interaction with businesses, sponsors, and government officials. Internally, their technique is structured brainstorming sessions with board members and volunteers where all ideas are heard and considered.

A body of literature suggests that investment in arts, culture, and entertainment initiatives can produce significant economic benefits for cities of all sizes. Looking at research collected across numerous studies, along with many arts and culture initiatives implemented over the last five years, it is easy to see the results of significant increases in

jobs, property values, and revenues (Malmuth, 2011). More relevantly, literature supports the important role of local stakeholders (i.e., city government, residents, nonprofit organizations, business owners, public/private schools, news organizations, etc.) in the evolution of a genuine place brand when coupled with arts and culture initiatives (Zoughaneli, Trihas, Antonaki, & Kladou, 2012, p. 739). Similarly, in *The Rise of the Creative Class* (2002) and *The Rise of the Creative Class—Revisited* (2012), Florida argued that in order to prosper economically, regions need to offer all 3T's of economic development: *Technology, Talent, and Tolerance*. His 3T model provided a quantitative measurement index to show the contribution of creativity (talent) to the economic development of a region. If downtown public relations practitioners wish to engage the creative class, they need to be mindful of Florida's 3Ts.

Study purpose

While there are many strategies being researched and discussed in the public relations discipline, there has been no empirical effort to examine public relations strategies in the downtown development context. While most public relations theories and strategies apply across multiple industries and locations, many challenges facing downtowns (i.e. urban sprawl, large retail chains, crumbling façades) are quite different than those in the corporate world. The findings from this study would be beneficial to many regional development offices by identifying successful and unique strategies that led to the success of the revitalization efforts by DGI. Specifically, this case study of downtown Goshen, IN, and its economic development organization, DGI, examined the relationship management and maintenance strategies with key stakeholders and regional

revitalization efforts of DGI from three theoretical perspectives: community coalition-building and relationship management/maintenance, place making/destination branding, and creative capital theory.

CH. 2 LITERATURE REVIEW

The unique mix of community coalition-building, relationship maintenance/management, place making/destination branding, and creative capital theory in terms of public relations strategies will be discussed in the following review of related literature.

Community coalition-building and relationship building

A community coalition is a group that includes various sectors of the community, and comes together to tackle community needs and solve community problems (Berkowitz & Wolff, 2000). The criteria for a community coalition, according to Wolff (2001), include the coalition to (a) be composed of community members; (b) focus mainly on local issues rather than national issues; (c) address community needs, building on community assets; (d) help resolve community problems through collaboration; (e) be community-wide and represented from multiple sectors; (f) work on multiple issues; (g) be citizen-influenced if not necessarily citizen-driven; (h) be a long term, not ad hoc, coalition. Additionally, Goodman et al. (1998) noted that for coalitions to promote successful collaboration and build sustainable community change there are some conditions that need to be met. Scholars such as Mattessich and Monsey (1992) and Foster-Fishman, Berkowitz, Lounsbury, Jacobson, and Allen (2001) saw one of these necessary conditions as the existence of community social capacity. Community social capacity refers to the degree in which members of a community can work together

successfully (Mattessich & Monsey, 1992). “Social capital or capacity lies at the heart of community development. If citizens cannot plan and work together effectively and inclusively, then substantial proactive community progress will be limited” (Mattessich, 2008, p. 49). In other words, the ability to work collaboratively with others around the table and build effective programs is essential in building social capital (Foster-Fishman et al., 2001).

A study on coalition-building activities of *Fortune 500* corporations found that the coalition-building efforts were more successful when they are confined to a few key issues and focused, rather than when they are proliferated (Wilson, 1993). Wilson also found that businesses were the most likely to invite participation of other businesses and coalitions, which indicates that business leaders themselves see solutions coming from business working to re-establish community – not government and not non-profit. According to Wilson (1994), five characteristics of excellent coalition-building in public and community relations are (a) long-range vision (pathfinders, implementers, consensus-builders, action-oriented); (b) commitment to community (not just profit); (c) strong corporate values that emphasize the importance of people (socially progressive); (d) cooperative approach to management and problem solving (relationship-oriented and connected to the community, high value on networks, approach problems to “work them out”); (e) relationship building with all its publics based on respect, trust, and human dignity (not on profit or personal gain). The study of public relations continues to look at the many benefits accumulated when organizations implement a relational approach to public relations. For example, Bruning, Dials, and Shirka (2008) found that both

relationship attitudes and dialogue positively affect key public members evaluations of and intended behaviors toward an organization. Ledingham (2003) reported that scholars and practitioners are increasingly recognizing the benefits accrued when relationship management principles guide public relations efforts.

Relationship management

Since Ferguson (1984) suggested the shift of focus of public relations scholarship to relationship, relationship perspective has dominated the public relations research led by J. Grunig and his students. In earlier efforts, Cutlip, Center, and Broom (1985) defined public relations as “the management function that identifies, establishes, and maintains mutually beneficial relationships between an organization and the various publics on whom its success or failure depends” (p. 4). L. Grunig, J. Grunig, and Ehling (1992) further suggested that reciprocity, trust, credibility, mutual legitimacy, openness, mutual satisfaction, and mutual understanding were the key elements of an organization-public relationship (OPR). Ledingham and Bruning (1998) suggested that an ideal OPR is “the state that exists between an organization and its key publics that provides economic, social, political, and/or cultural benefits to all parties involved, and is characterized by mutual positive regard” (p. 62). Kovacs (2001) identified the common interests between an organization and publics are imperative to effective relationship building. When working to create a brand for a city, it is vital for the organization in charge to identify commonalities with its local stakeholders.

Huang (1997) and J. Grunig and Huang (2000) identified the four key indicators of high-quality OPR) as (a) trust; (b) control mutuality (the degree to which parties agree

on who has the rightful power to influence one another); (c) satisfaction; (d) commitment. Hon and J. Grunig (1999) later added two types of relationships—i.e., exchange relationships and communal relationships. In exchange relationships, one party gives benefits to the other only because the other has provided benefits in the past or is expected to do so in the future whereas in communal relationships, both parties provide benefits to the other because they are concerned for the welfare of the other even when they get nothing in return (Hon & J. Grunig, 1999). For most public relations activities, developing communal relationships with key constituencies is much more important to achieve than would be developing exchange relationship (Hon & J. Grunig, 1999). Hung (2002, 2005) further explored six additional types of relationships to the aforementioned list—i.e., (a) mutual communal (which is less one sided than a pure communal relationship); (b) covenantal (where both parties benefit); (c) contractual; (d) symbiotic (where each gains something different); (e) manipulative; (f) exploitive relationships.

Ki and Hon (2006) examined the following relationship maintenance strategies of organizations (a) positivity; (b) openness; (c) access; (d) sharing of tasks; (d) networking. Their content analysis included 296 web sites, which were analyzed to determine how corporations use their site as a communication channel for building and cultivating relationships with publics. Their study employed several of Stafford and Canary's (1991) dimensions of interpersonal relationship maintenance strategies to help understand OPR (a) positivity (attempts to make the relationship enjoyable); (b) openness (disclosure of thoughts and feelings); (c) assurances (of legitimacy of concerns); (d) networking (having common friends); (e) shared tasks (taking joint responsibility). "Canary and Stafford

found these maintenance strategies kept the relationship favorable and fostered some relationship outcomes such as control mutuality, liking, commitment, and relational satisfaction” (Ki & Hon, 2006, p. 30).

Stafford and Canary’s (1991) study examined relationship maintenance strategies on an interpersonal level. As other researchers have discovered, they also found maintenance strategies are communication approaches for sustaining desired relational definitions (Ayres, 1983; Dindia & Baxter, 1987; Bell, Daly, & Gonzalez, 1987). Kalbfleish (1993) found strategic interaction is a necessary maintenance strategy and not routine interaction. She found that particular maintenance behaviors operate in isolation or in combination with other types of maintenance behaviors to sustain various relational features. Levels of liking, commitment, control mutuality, and satisfaction may be used in any combination for successful relationship maintenance (Stafford & Canary, 1991; Kalbfleisch, 1993).

Based on this review of literature on relationship maintenance/management, the following research questions are proposed.

- R1.1: What relationship management/maintenance strategies did Downtown Goshen, Inc. employ from 2006 to 2011?
- R1.2: How has Downtown Goshen, Inc. influenced the Goshen community from 2006 to 2011?

Destination or place branding

In today's extremely competitive marketplace, many destinations are adopting branding strategies in an effort to differentiate their identities and to emphasize the

uniqueness of their product (Morgan, Prichard, & Pride, 2004). The notion of “place branding” refers to the broad set of efforts by country, regional or city governments, and industry groups aimed at marketing the places and sectors they represent (Papadopoulos, 2004). The intent of these efforts is to achieve one or more of four main objectives: (a) enhance the place’s exports; (b) protect its domestic business from “foreign” competition (this could include from other regions in the same country); (c) attract or retain factors of development; (d) position the place for competitive advantage, economically, politically, or socially (Papadopoulos, 2004).

Another aspect of place branding has been tourism destination image. Tourism destination image (TDI) has been a major research field for decades (e.g. Walmsley & Young, 1998; Tapachai & Waryszak, 2000). Government tourism authorities, tourism sector trade associations and individual operators have long been involved in systematic “place marketing” (e.g. “I Love NY,” “Visit Jamaica” and “Pure Michigan.”). In order for these TDIs and place branding efforts to be successful, scholars have noted that community members must be involved in the process. If they are not engaged in a meaningful way the brand will not be sustainable or reliable (Zouganeli, Trihas, Antonaki, & Kladou, 2012). Florida (2000) added to this economic theory that job growth in the new information economy is strongly correlated with labor force characteristics that match up to the requirements of technology-based employment. He used statistical techniques to create a series of indexes that are highly correlated with economic growth. In *The Death and Life of Great American Cities*, Jacobs (1961) claimed that the creative

community requires diversity, the proper physical environment, and a certain kind of individuals to generate ideas, spur innovation, and harness human creativity.

Creative class and creative capital theory

The creative capital theory says that regional economic growth is driven by the location choices of creative people – the holders of creative capital – who prefer places that are diverse, tolerant, and open to new ideas (Florida, 2002). Florida created an overall “Creativity Index” to describe a new social class named the “Creative Class.” His overall “Creativity Index” is based on four factors (a) the “Creative Class” share of the workforce, based largely on occupational characteristics; (b) innovation, as measured by patent activity; (c) the high technology share of the economic base; (d) diversity, based on indexes related to sexual orientation, bohemianism (counter culture or cutting edge arts and culture), and diversity/foreign born population.

Florida (2002) said the “Creative Class” is an economic class that functions to both underpin and inform its members’ social, cultural, and lifestyle choices and consists of people who add economic value through their creativity, such as scientists, engineers, teachers, and architects. It includes knowledge workers, symbolic analysts, as well as, professional and technical workers. Most members of the “Creative Class” do not own or control any significant property in the physical sense. “Their property – which stems from their creative capacity – is an intangible because it is literally in their heads” (Florida, 2002, p. 68).

Economic development focusing on the “Creative Class” is a source of economic vitality (Florida, 2002; Glaeser & Mare, 2001; Ley, 2003). “Rather than depend on highly

immobile natural resources or heavy industries, municipalities are urged to focus on information and creativity to foster economic growth” (Reese, Faist, & Sands, 2010, p. 345). For example, under the second Mayor Daley, Chicago integrated the members of the “Creative Class” into the city’s culture and politics by treating them essentially as just another “ethnic group” that needed sufficient space to express its identity (Clark, 2001). Chicago’s Wicker Park neighborhood’s quality of place did not occur automatically; rather it was an ongoing dynamic process (Llyod, 2001). Similarly, Austin, TX, ranks high for both talent and high-tech companies and boasts a dynamic music scene and active outdoor recreation (Florida, 2002). As such, a great deal of city growth over the 20th century could be traced to those cities’ levels of human capital at the beginning of the century (Glendon, 1998).

According to the human capital theory, economic growth will occur in places with highly educated people. Glendon (1998) found that places with greater numbers of highly educated people grew quicker and were better able to draw more talent. Similarly, Beeson and Montgomery (1993) explored how investments in various sorts of infrastructure had been affecting city and regional growth since the mid-19th century. They also noted in their study that investments in higher education infrastructure predicted subsequent growth far better than investments in physical infrastructure like canals, railroads, or highways.

Then, why do people choose to live in and cluster in some cities over others, and for what reasons? Florida has argued that people follow jobs to places. He noted that building a “Creative Community” that is sustainable and prosperous is challenging, and

has said the key is no longer in the usual strategies such as recruiting companies or attempting to emulate cities like Silicon Valley. Additionally, Oldenburg (1989) argued the importance of the “third places” of modern society to attract highly educated and creative groups of people. Third places are neither home nor work – the “first two” places – but venues like bookstores or coffee shops where there are less formal acquaintances than the average gathering place. These places function as “the heart of a community’s social vitality” where people “hang out simply for the pleasures of good company and lively conversation” (Oldenburg, 1989, p. 32).

This study proposes the second research question to identify elements that led to the success of downtown Goshen during the years DGI was actively working towards revitalization.

R2: What elements were present from 2006 to 2011 that might have contributed to the revitalization of downtown Goshen?

Research questions

In order to better understand how downtown Goshen effectively weathered the recession, the case study sought to answer the following research questions:

- R1.1: What relationship management/maintenance strategies did Downtown Goshen, Inc. employ from 2006 to 2011?
- R1.2: How has Downtown Goshen, Inc. influenced the Goshen community from 2006 to 2011?
- R2: What elements were present from 2006 to 2011 that might have contributed to the revitalization of downtown Goshen?

CH. 3 METHODOLOGY

This case study explored the relationship management/management strategies, place making/branding techniques, and creative class people in downtown Goshen from 2006 to 2011 using the qualitative and quantitative methods outlined below. The purpose of the study was to explore the public relations strategies of Downtown Goshen, Inc. (DGI) and to discover what elements were present from 2006 to 2011 that helped downtown Goshen get through the late 2000s recession.

Case

Goshen, IN, was settled in 1828, and it is widely believed that its name was chosen in 1831 after Goshen, N.Y., where one of the first settlers to the area came from (Taylor, 2005). Goshen quickly became a manufacturing town and in 1868 a hydraulic canal was built along the canal that led to the Elkhart River. Linseed-oil, grist, woolen, saw and flour mills were also established along with several furniture factories. From its earliest days, Goshen was a manufacturing town. Early downtown businesses ranged from tailors, barbers, and banks to cigar shops, dime stores, and women's clothing (Taylor, 2005). The recreational vehicle industry became a large part of the county's economy in the '70s, '80s and '90s, until the recession in the late 2000s. Farming has also remained a constant throughout the years, with 15 percent of the population identifying with the Amish and Mennonite heritage. This heritage has become a tourism driver with

destinations such as Amish Acres in Nappanee, Das Dutchmen Essen Haus in Middlebury and the Shipshewana Flea Market. The Elkhart County Convention and Visitors Bureau has used the destination brand, “Amish Country,” for many years. According to interviews conducted with local stakeholders, when large retail stores came to the county in the late ‘80s and early ‘90s, downtown retailers felt the effect. Stores began closing and building facades were deteriorating. Through the vision of a handful of people, downtown Goshen began a revival during the recession in the late 2000s, which is the purpose of this case study – to find out exactly what happened from 2006 to 2011 that helped Goshen beat the economic storm.

The case study method “uses as many data sources as possible to systematically investigate individuals, groups, organizations, or events” (Wimmer & Dominick, 2011, p. 140). This study sought to explain the unique creative culture of downtown Goshen, IN, and how some efforts to foster the creative culture have impacted the community. Most case study researchers recommend using multiple sources of data, thus permitting triangulation of the phenomenon under study (Rubin, 1984). To understand how the relationship maintenance/management strategies, place branding efforts, and creative class leadership of Downtown Goshen, Inc. (DGI) influenced the community between 2006 to 2011, the researcher conducted an online survey with downtown business owners and one-on-one interviews with key stakeholders in the community. Also, secondary data from surveys from First Fridays events conducted by Goshen College students in 2009 were used.

Research procedures

Online survey. Online surveys were conducted with downtown business owners to determine the impact of DGI's relationship maintenance/management strategies, place branding efforts, and creative class leadership. (See Appendix A for survey questions). The researcher set up an online survey, using Qualtrics, for downtown business owners. The introduction explained the purpose of the survey, addressed terms of anonymity, and indicated that the survey would take approximately ten minutes. DGI sent an email invitation to participate in the online survey to their database of businesses owners located in downtown Goshen, which accounts for 106 of the approximate 260 businesses located downtown. Business owners were given eight days to complete the survey. There was a 19 percent response rate (N=21). Types of questions ranged from yes/no, five-point Likert scale, categorical, and open-ended. Some of the questions asked were (a) are there any specific reason you chose downtown Goshen for your business?; (b) do you participate in First Fridays events?; (c) indicate your agreement or disagreement with the statement: First Fridays has had a positive impact on my business; (d) thinking about your most recent experience with DGI, how was the quality of customer service you received? (See full survey in Appendix A).

One-on-one interviews. The researcher conducted in-depth one-on-one phone interviews with key stakeholders in the community to determine the impact of DGI's strategies (see Appendix B for interview questions and guide). To determine the impact of creative class people on the local community, along with the effect of DGI's place

branding efforts, and relationship management techniques, 19 participants were identified through DGI board members to seek the most influential leaders in the community. The researcher sent an email invitation (see Appendix B) to these 19 individuals and then set up interviews with those who agreed to be interviewed (N=11). Once participants replied favorably, the researcher emailed them the IRB-approved risks and benefits, right to refuse or withdraw, and anonymity assurance. The participants gave their verbal consent before the phone interview began. The average length of interview was 40 minutes. These participants represented the DGI board, First Fridays task force, façade task force, downtown business owners, downtown developers, Elkhart County Convention and Visitors Bureau staff, Goshen Historical Society staff, Goshen College faculty, and City of Goshen staff. The cumulative total of years living or working in Goshen for the participants was 279 years. The researcher asked open-ended questions such as (a) what type of business or work do you do?; (b) how long have you lived or worked in Goshen? (c) tell me about your earliest memory of downtown Goshen; (d) what do you know about Downtown Goshen, Inc.?; (e) what has DGI been doing to engage its stakeholders?; (f) what does the term creative class mean to you? A full list of questions may be found in Appendix B.

The interviews were recorded for accuracy and later transcription. The researcher took detailed notes throughout the interview, and once completed, coded the data using nVivo software. The researcher also calculated word frequencies to discover reoccurring themes. Using the codes, themes, and word frequency data, the researcher uncovered specific, simplified categories to draw conclusions from.

Secondary research analysis. The researcher conducted a secondary research analysis of completed event surveys (N=109) from March 2009 and April 2009, gathered by Goshen College students during downtown Goshen's First Fridays events. This helped determine the influence of DGI's place branding and relationship maintenance/management efforts on the local community (see Appendix C for coding data). Event-goers were randomly selected and invited to participate in the sidewalk study and were offered coupons in return for their time. There is an estimated response rate of 1.36 percent (estimating 8,000 people were in attendance in March and April, 2009). These surveys helped the researcher understand the respondents' satisfaction or dissatisfaction with DGI, along with the economic implications of the First Fridays program.

Reliability and validity

The researcher used two methods from Maykut and Morehouse (1994) to emphasize reliability and validity:

1. *Multiple methods of data collection.* Having multiple methods of data collection (online survey, one-on-one interviews, secondary research analysis) suggests that the topic was examined from several different perspectives, which helps build confidence in the findings.
2. *Audit trail.* The researcher has a permanent record of the original data used for analysis along with the researcher's comments and analysis methods. This allows others to examine the thought processes involved in the researcher's work and allows them to assess the accuracy of the conclusion.

Data analysis

The researcher used the constant comparative technique by Glaser and Strauss (1967) to analyze the qualitative data. This grounded theory analytic process uses language and iterations to gradually advance from coding to conceptual categories, and thence to theory development (Harry, Sturges, & Klingner, 2005). Strauss and Corbin (1998) refer to the first step in the process as “open coding,” through which the researcher names events and actions in the data and constantly compares them to one another to see which belong together. The researcher analyzed the data from the one-on-one interviews with the following four-step process:

1. Comparative assignment of incidents to categories.
2. Elaboration and refinement of categories.
3. Searched for relationships and themes among categories.
4. Simplified and integrated data into a coherent theoretical structure.

For the online survey and secondary research analysis, the researcher coded the data and completed a statistical testing using descriptive statistics, Pearson correlation coefficient to determine how well the variables related, and simple linear regression to determine variables that were predictive of one another.

Once the analysis was complete, the researcher stepped back and considered what had been discovered. Results of the study may not be generalized to other cities, but the case study’s purpose was to explore what downtown Goshen was experiencing at the time.

CH. 4 RESULTS

The purpose of the case study was to explore what relationship management/maintenance strategies Downtown Goshen, Inc. (DGI) employed and how it has influenced the Goshen community from 2006 to 2011. It also sought to find out what elements were present from 2006 to 2011 that might have contributed to the revitalization of downtown Goshen.

R1.1: What relationship management/maintenance strategies did Downtown Goshen, Inc. employ and how has it influenced the Goshen community from 2006 to 2011?

This case study revealed that DGI used community coalition-building and relationship building efforts to manage and maintain mutually beneficial relationships with its stakeholders. The study was also able to look at DGI's key quality indicators of organizational public relationships such as trust, control mutuality, satisfaction, commitment, and communal/covenantal relationships. The study also discovered the relationship maintenance strategies of positivity, openness, assurances, networking, and shared tasks. These efforts have influenced the community through increased quality of life and business development, along with a positive economic impact on the city.

Coalition-building through collaboration. DGI has engaged the community through its diverse board of directors and volunteer core and keeping members involved

in the process. Board members represent the Chamber of Commerce, City of Goshen, Goshen College, Elkhart County Convention and Visitors Bureau, Elkhart County Community Foundation, downtown residents, and local business owners. The interviews revealed that the First Fridays task force is made up of creative class, visionary leaders who are committed to DGI's vision. Members are either recruited, or approach DGI directly to ask how they can get involved. Relationships with business owners, corporate sponsors, city government, local schools, and the media have also been established, and continue to be maintained. Through its programs, DGI has worked to address the downtown needs, while building on community assets. When problems arise, DGI believes in resolving them through collaboration. For instance, one story was shared in an interview about an incident regarding raising the food vendor fee. One local vendor became extremely upset, and waged a public campaign against DGI. The board worked collaboratively with the concerned vendor and community members to reach an agreement on fees.

Word of mouth/social media. One way DGI builds relationships with its stakeholders is through engagement of social media. First Fridays does not spend money on paid advertising, but rather relies on its public relations staff to get the word out about events and downtown development. The most common way (n=70) event-goers had heard about First Fridays was through word-of-mouth and/or social media. The success of this outreach is seen in the secondary data analysis, which discovered that 45 percent (n=49) attended one to four First Fridays a year, 28 percent (n=30) attended five to eight, and 11 percent (n=12) attended nine to 12. Also, word continues to reach new customers,

as 17 percent (n=18) of those surveyed were at a First Fridays for the first time. Eight percent (n=87) of attendees were pleased with the themes (n=87) and on average brought one guest with them. Interview participants shared that due to limited financial resources, DGI chose to invest its money in a public relations staff. Instead of buying advertising space, they worked hard to build mutually beneficial relationships with media, developed a strong presence on Facebook, and engaged its stakeholders through one-on-one outreach in order to get the word out about its programs and events.

Key quality indicators of organization public relationships

High level of trust. Interviews with stakeholders revealed a high level of trust in DGI. Respondents noted that the positive track record of the organization helped them not only believe in the organization, but trust them. “For the past five years, DGI has been able to prove their worth, not only to local businesses, but to those of us on the task force.” Trust of DGI is shown through donation of time, money, and creative exchange of information. From the interviews, the researcher found that many board members have served for four or more years, with little turn over. The First Fridays task force has grown from four members to 20 or more members between 2006 to 2011, with the majority of volunteers having served for three years or more. The interviews revealed relationships with the City of Goshen, Goshen College, and business owners to be the strongest relationships.

Control mutuality. The control mutuality between DGI and the businesses was inconsistent. Interviews revealed DGI seeks to give equal power to business members through one-on-one engagement and round table discussions. Yet, some businesses

expressed that their thoughts were not being heard. The control mutuality with city government has been stable. Interview data revealed that the City of Goshen has helped fund and support DGI, but they have also recognized the power DGI has at creating resident quality of life, along with a proven economic development track record. Goshen College has helped support DGI through sponsorship, board representation, and the flow of creative class individuals into the community. In return, DGI has supported Goshen College by offering a collaborative partnership with the radio station, and an increased level of interest from students who frequent the downtown shops (“Discover a vibrant, eclectic, and welcoming community,” n.d.).

High level of satisfaction. Another key indicator of organizational public relationships is the level of satisfaction between two or more groups. The study revealed high levels of satisfaction between DGI and its publics. While 68 percent of those surveyed (n=14) were satisfied or extremely satisfied with DGI’s customer service, 32 percent (n=6) say it is fair to very poor. Seventy percent of business survey respondents (n=15) said DGI’s customer service was good or very good (see Table 4.5 in Appendix D). When there was a problem, 58 percent of respondents (n=12) said, DGI did a good to very good job of resolving the conflict (see Table 4.6 in Appendix D). Seventy percent of respondents (n= 15) were satisfied with DGI’s programs and services (see Table 4.7 in Appendix D). One business commented that they are frustrated with changes being made to the events without being informed about it in a timely manner, “Several times we have been caught short by changes made in DGI/First Fridays programs late enough so that our marketing materials were already in place.”

Seventy-eight percent (n=85) responded that the First Fridays program has had a positive impact in the community, and 99 percent of respondents (n=107) said they would recommend First Fridays. From the secondary data analysis of First Fridays surveys, the researcher found that 94 percent of respondents (n=102) were satisfied or very satisfied with the First Fridays program. From the secondary data analysis of First Fridays event-goer surveys, the researcher found that 94 percent of respondents (n=102) were satisfied or very satisfied with the First Fridays program. Seventy-eight percent (n=85) believe the First Fridays program has had a positive impact in the community, and 99 percent of respondents (n=107) would recommend First Fridays.

Faltering commitment. Seven of the interview respondents noted that DGI has hit a plateau in growth, especially in terms of financial growth. Two respondents note that while they were able to devote one-on-one time with stakeholders in the beginning, as the programs grew, a substantial amount of strain was put on DGI's resources, causing their relationship management techniques to begin to falter. The business surveys revealed commitment ratings higher than satisfaction ratings.

Communal/covenantal relationships. The relationships built with downtown businesses have been covenantal. The businesses benefit with increased revenues and a larger base of employees to draw upon, and DGI benefits by being able to live out its mission. The business survey revealed clear benefits to downtown business owners. On average, businesses surveyed had one-to-seven employees (n=15), with 80 percent of respondents (n=17) agreeing that First Fridays has had a positive impact on their business (see Table 4.4 in Appendix D). Forty-five percent (n=9) had seen an increase in sales

during First Fridays events compared to other Fridays with an approximate increase of sales by 49 percent. Another benefit to downtown business owners is the access to the façade program. Ninety percent (n=18) of business survey respondents were aware of DGI's façade program, and 44 percent (n=8) had taken advantage of the grant program.

Relationships with program sponsors, media, county convention center, and city government are also communal. Sponsors receive name recognition on DGI promotional materials, as well as presence at events. DGI, in turn receives financial benefit, which helps fund the organization. Media outlets consistently receive local, feel-good stories from DGI, while DGI in turn receives coverage in print, television, radio, and the Internet. The Elkhart County Convention and Visitors Bureau directly benefits from increased hotel stays through DGI events, which is the primary source of operating income for the organization. DGI also offers a myriad of events for the convention center to promote. DGI benefits by having access to their professional help, as well as support of the organization on the board of directors. The City of Goshen benefits from DGI through increased property tax dollars of improved facades, and increased business development, along with improved quality of life for residents and visitors.

Dimensions of interpersonal relationship maintenance strategies

Positivity. DGI has attempted to make the relationship with key stakeholders enjoyable for everyone involved. Interviews with task force members revealed the relaxed, fun settings of brainstorming meetings, and the continued words of affirmation received from staff and business owners. "It makes it a fun atmosphere to be a part of,"

said one interview respondent. Six business survey respondents mentioned their appreciation of the upbeat volunteers and staff who put in countless hours.

Openness. DGI's primary method of disclosure of thoughts and feelings comes through one-on-one interaction with stakeholders, along with round table meetings. One business said, "We appreciate the quarterly business meetings, and restaurant association meetings that DGI organizes. Information shared at these meetings help us feel a part of the process." An interview with a City of Goshen employee revealed appreciation for the continued dialogue between the city and DGI. They acknowledged that this open communication has led to a successful partnership between the two groups.

Assurances. DGI has done a fair job at making sure everyone's thoughts and concerns are heard. However, legitimacy of concerns was discovered to be a problem in the business survey. "I think there are things that should be voted on and aren't at our meetings and also things that ARE voted on and then changed after the meeting." Another respondent voiced that they would like to see more one-on-one mingling with businesses. However, interviews with key stakeholders revealed their understanding of the lack of staff and financial resources to do be able to keep up with relationship maintenance/management. "DGI has done a fabulous job implementing successful programs, and with success comes concerns to keep it sustainable."

Networking. Regular networking meetings are planned by DGI in order to manage stakeholder relationships. Interviews revealed they plan quarterly downtown business meetings, an annual dinner, monthly task force brainstorm sessions, and regular presentations at local service organizations. These events help DGI maintain relationships

with its publics, but also help promote the organization to new groups in order to secure a diversified base of supporters. Internal networking meetings have proven to be meaningful to volunteers, “I volunteer my time with DGI because I feel valued and appreciated. The annual dinner they just held for us was one of the best parties I’ve been to this year.”

Shared tasks. With limited financial resources, DGI has learned to be selective and frugal with where their time and money is spent. One DGI board member said, “We have chosen to invest in downtown public relations staff in order to build solid relationships with stakeholders such as government, media, and volunteers.” DGI has set a collaborative workspace in order to share tasks in an efficient manner. Interviews with stakeholders revealed that DGI’s staff consists of freelance workers who focus on specialty areas such as photography, graphic design, web development, media relations, event planning, sponsor relations, fundraising, integrated communications, strategic planning, and program development. DGI board members are also delegated duties and often volunteer their time at First Fridays events, as well as taking on the duties necessary to run the façade program.

R1.2: How has Downtown Goshen, Inc. influenced the Goshen community from 2006 to 2011?

Improved quality of life. DGI’s public relations efforts have influenced the Goshen community by improving the quality of life for residents. Quality of life defined is “one’s personal satisfaction (or dissatisfaction) with the cultural or intellectual conditions under which one lives (“quality of life,” n.d.). When interview participants

were asked, “What was it like when you first moved to Goshen?” every respondent gave a negative answer. It should be noted, that respondents have lived or worked in Goshen between 1971 and 2000. They acknowledged that not much was going on downtown during those years. The interviewees said there was no connection between the college and downtown and it was a “sleepy town,” with ugly sprawl, and was downright depressing. However, when asked about the downtown now, they all gave positive answers, acknowledging the change in the quality of life, presence of the creative class, and hard work of dedicated individuals. As noted earlier, business survey participants and event-goer survey participants both revealed high levels of satisfaction with DGI and the First Fridays cultural program.

Economic impact. DGI’s public relations efforts have influenced the Goshen community by increasing economic development in the downtown. The average amount of money one person spent at a First Fridays event was \$24. With an estimated average of 4,000 people attending a First Fridays event each month, that is a monthly boost of \$96,000 into the local economy, and an annual economic impact of \$1.15 million on consumer spending alone. The secondary data analysis of First Fridays surveys revealed that 51 percent (n=55) had spent more than \$20 that evening, with another 45 percent (n=49) having spent up to \$20. A cross tabulation of the data revealed that the 26 – 35 year olds spent the most money, which is the age of creative class young professionals. As noted previously, there has also been an economic impact on downtown businesses through increased revenue and increased employee needs. Along with this, has been the investment in downtown facades and infrastructure.

R2: What elements were present from 2006 to 2011 that might have contributed to the revitalization of downtown Goshen?

This case study revealed there were a number of elements present from 2006 to 2011 that contributed to the revitalization of the downtown. Creative class individuals, highly educated people, diversity, investment in infrastructure, third places, tourism destination image, and an active/healthy lifestyle have all contributed to the revitalization of downtown Goshen.

Emergence of creative class. From the in-depth one-on-one interviews (N=11), the category of creative class people emerged. When participants were asked what have been the most successful initiatives to bring creativity to downtown Goshen, 100 percent (N=11) of the respondents said, “First Fridays.” Yet, at the same time, they all acknowledged that there was crucial foundational work that happened in order for the environment to sustain the First Fridays program.

It was clear respondents saw the success of downtown as a group effort. Words such as: relationship, kids, family, neighborhoods, space, and we continually came up during the interviews. “The community is tight knit,” said one respondent. “We wouldn’t be where we are today without the volunteer efforts of so many individuals who work behind the scenes.” This attribute of a desire for meaningful community is a value of the creative class, as defined by Florida (2002). Several respondents mentioned the vision of entrepreneur Eric Kanagy, which led to a unified organizational structure for DGI. Also discussed were communications agency owners, Gina Leichty and Ben Stutzman, who spearheaded arts tours, which built on the creative arts movement in the downtown, and

later the First Fridays program. Others mentioned the artist guilds started by Dave Pottinger and Faye Peterson Pottinger. Goshen now has 122 members in five guilds. All of the aforementioned people fall within what Florida would term as the “Creative Class.”

Highly educated people and commitment to volunteerism. The influence of Goshen College and the Mennonite Church repeatedly came up in the interview sessions. Several respondents attended Goshen College and then stayed because they found jobs in the community. Several mentioned that the “spirit of volunteerism” so often displayed in the Mennonite faith seems to have had a direct affect on the work happening in the downtown. Also discussed in the interviews was the abundance of churches in Goshen, beyond the Mennonite faith. These churches are committed to giving back to their communities. Some interviewed believed that the faith community, combined with the Midwest spirit of volunteerism, has had a positive influence on the city of Goshen. DGI board members said the organization’s volunteers are the backbone of DGI, and without them, DGI would not be able to live out their mission.

Diversity. Several interview respondents noted that the “cultural diversity” of the community has allowed for a “small town feel with big city attributes.” Hispanic and Latino businesses have expanded over the last five years, including restaurants, grocery stores, and specialty clothing shops. Also noted was the appreciation of the LGBTQ community, and the work being done to pass ordinances to protect this minority group. Again, the value of cultural diversity is an attribute of the creative class.

Investment in infrastructure. Many interview respondents mentioned the work of local developers Dave Pottinger, Faye Peterson Pottinger, Jeremy Stutsman, and Maija

Walters Stutsman did with the Mill Race Farmer's Market, along with organizing artist guilds. The city's Downtown Action Plan, followed by the Hyett Palma study assisted in the downtown façade improvements. The establishment of the Economic Investment District (EID) was another step where through self-imposed tax dollars, businesses have reaped the reward of infrastructure improvements.

DGI's façade grant program offers matching grants to businesses to help with business signage or building improvements. Ninety percent of the business owners surveyed (N=18) were aware of the façade program, and 44 percent (n=8) had taken advantage of it, and two more said they planned to utilize the program in the future. Ninety percent of the online business survey respondents (n= 19) said they specifically chose downtown as their business location. Seventy-nine percent (n=15) said their reasoning for choosing downtown was because of the lively city center. Sixty-nine percent (n=13) said they chose downtown because of DGI/First Fridays (see Table 4.1 in Appendix D).

From the secondary data analysis, the researcher found significant correlation ($r=.204$, $p=.037$) between the number of stores visited and the amount of money spent at First Fridays. We can account for 4.1 percent of variance of the number of stores visited and the amount of money spent with a .669 error on each number of reported stores visited. The regression equation is as follows: *predicted amount of money spent = 2.000 + .180 (number of stores visited)*. This shows the importance of the pedestrian friendly, accessibility/walkability of the downtown corridor, along with a welcoming atmosphere.

A category that emerged from the in-depth one-on-one interviews was “economic development/historic revitalization.” The interviews made clear that the downtown has changed dramatically in the last ten years. What was once a “spotty” and “unsafe” downtown with few retailers has now become a downtown with a two percent vacancy rate where people are gathering at all hours. The City of Goshen is putting resources into diversifying the economic base in hopes of securing a stronger economic future. They have partnered with the Chamber of Commerce to create “The Launch Pad” for entrepreneurs to share a workspace in the Chamber’s building on Main Street. The city is also partnering with DGI and a local community development corporation, LaCasa, Inc., to develop the Mill Race and historic Hawk’s Furniture Company. DGI is spearheading the redevelopment of the Goshen Theater in hopes to create space for arts and culture year round.

Third places. DGI has assisted in creating third places through business support and development, along with creating arts and entertainment events for community members to attend. “Third places” such as bookstores and coffee shops were a continued theme throughout the in-depth interviews (N=11). When respondents were asked of their memories of downtown, it almost always included a specific business. Along with the interviews, 59 percent of the event survey respondents (n=64) visited 3 to 6 stores during First Fridays, and 33 percent (n=36) of them shop downtown at least every two weeks. Spontaneous interactions with others at these third places were discussed numerous times during interviews with key stakeholders. These all important third places are prevalent in downtown Goshen, including a coffeehouse, several local bars, farmer’s market,

bookstore, theaters, winery, brewery, sushi bar, tapas restaurant, wood-fire pizza restaurants, women's and men's fashions, salons, and chocolate shops, to name a few. These local businesses have become the places people hang out to engage in meaningful conversation.

Tourism destination image/destination branding. The First Fridays program, started and maintained by creative class people was noted as a primary reason businesses chose to locate their business downtown, with a 37 percent (n=7) response rate (see Table 4.1 in Appendix D). Music was a reoccurring memory for many interview participants. When asked what their earliest memory of downtown was, several stated attending a concert at the Electric Brew coffeehouse or Goshen Theater. Listening to music was a common thread, and entertainment has been used to promote downtown Goshen's brand since DGI's inception. This audio identity is an important element of destination branding, as well as attracting the creative class.

Active/health-oriented lifestyle. As discussed earlier, a category that emerged out of the in-depth one-on-one interviews was "action/health orientation." Action words such as attract, work, make, talk, develop, force, fun, invest, impact, and walk were all reoccurring words in the interviews. Quality of life, walkable downtown, pedestrian paths, bicycle community, and nature trails were repeatedly discussed. One respondent mentioned this has been helpful in recruiting new employers and employees to the community – the fact that there is a quality of place. Following this theme, DGI is an action-based organization. They pride themselves on structured brainstorming sessions that lead to action items. The task forces are set up to be "doers" and volunteers are

expected to be active participants. When discussing the work of the volunteers, reoccurring words and phrases appeared such as culture of change, innovation, new ideas, thinking, feeling, focusing, growing, and making things happen. Business owners, community members, and event-goers have come to expect “new” and “greater” ideas to emerge from DGI.

CH. 5 DISCUSSION

The results of this case study have provided a step toward answering the proposed research questions for downtown public relations practitioners and developers. The research sought to expand the knowledge base of downtown public relations strategies utilizing relationship management/maintenance strategies, place making/destination branding methods, and the involvement of creative class people. The results revealed coalition-building through collaboration, relationship management/maintenance strategies by creative class leaders, and place making/destination branding, have positively influenced the community.

Coalition-building through collaboration. DGI has effectively built a community coalition that includes various sectors of the community that come together to address community needs and solve community problems. DGI has board representatives from the City of Goshen, Chamber of Commerce, Goshen College, Elkhart County Convention and Visitors Bureau, Elkhart County Community Foundation, and downtown business owners, to name a few. The issues they work with deal solely with the downtown. It addresses the need to keep Goshen's commercial core viable. Its effects and benefits are community-wide, with residents being employed by expanding downtown businesses, regional shoppers benefiting, and numerous non-profits have been able to conduct fundraising events during First Fridays programs. DGI works on multiple issues

including place making and branding, business development and growth, expansion of arts and entertainment and social equality, to name a few. DGI was started by a few visionary leaders, and continues to be run by a core group of local citizens. Lastly, DGI is committed to a long-term coalition, it is not ad hoc.

Relationship management/maintenance strategies. This case study used qualitative and quantitative methods to assess DGI's relationship management techniques. The researcher found DGI has developed a communal relationship with business owners, volunteers, media outlets, sponsors, city government, and local organizations where both parties provide benefits to the other because they are concerned for the welfare of the other. Stafford and Canary's (1991) strategies of positivity, openness, assurances, networking, and shared tasks were present in the examination of DGI's efforts to build a positive relationship with key stakeholders. As Ki and Hon's (2006) research found, DGI has then been able to see outcomes such as control mutuality, liking, commitment, and relational satisfaction.

Control mutuality has shifted over time with DGI and its stakeholders. In the beginning, the power was balanced, because DGI needed business owners and sponsors to buy into the vision, and business owners and sponsors had the power to say yes or no. Over time, as DGI has been increasingly successful, power has shifted to them. However, businesses continue to voice their opinions, and make it known that it is still their choice whether or not to become members of DGI and/or participate in DGI events. The researcher's surveys and interviews measured satisfaction levels with business owners and stakeholders, and the secondary data analysis measured customer satisfaction. As

noted in the results section, satisfaction levels are moderate to high on all accounts. The core group of DGI is strongly committed to the cause. From the in-depth one-on-one interviews, the researcher was able to understand the deep sense of loyalty stakeholders have for DGI and downtown in general.

Through the business surveys and interviews, the researcher is confident in calling DGI an “excellent company.” For example, business survey respondents said they appreciated the quarterly business meetings where they could be heard, and key stakeholders mentioned their appreciation for DGI’s continued desire to innovate and grow, and bring new people on board. However, with rapid growth, come issues, and DGI has faced several relationship management obstacles along the way. One business owner commented on the rising issue of challenging youth who attend the events:

The rowdy youth situation, in the end, was handled in a way that produced results, but PR gave Goshen/First Fridays a black eye (customers still come into the store and talk about what a mess that was).

Another business commented on their frustration with the lack of full-time DGI staff:

We do feel that at quarterly meetings, we are listened to and open discussion is encouraged. Our frustrations relate to the fact that the staff is very difficult to reach and only available part time. Emails don't always get a timely response, and sometimes no response at all. Paperwork has been sent and no confirmation received.

Creative class leadership. From the one-on-one interviews the category of “creative class people” emerged. The idea that downtown Goshen could not and would

not be where it is today without the commitment of a small, but mighty group of people was uncovered. DGI has abandoned the rational approach to management in favor of a more people-oriented, relational approach. As was discovered by talking with a downtown developer, many of the downtown business owners do not have the financial means to start their own company, but they have a passion and work ethic to do whatever it takes. Just as noted by Florida (2002), creative class people may not have financial wealth, but their creative wealth more than makes up for it. With the support of visionaries and investors in the community, Goshen's creative class has been able to make it their visions a reality. Goshen College has also played a crucial role in contributing to this human capital. As Glendon (1998) discovered, places with highly educated people grow quicker and are able to draw more talent. Not only have many Goshen College graduates opened businesses in the downtown, but it has also created an environment of openness and cultural diversity. The 2010 Census has shown that the Hispanic/Latino community has continued to grow. Also, in 2009, a local political action committee, Goshen PAC, was created to support the LGBTQ community, with the following vision:

Goshen will be a regional center for creativity, from entrepreneurial to artistic. An atmosphere of tolerance and respect will fuel a sustainable, diverse economy through this century and beyond. This requires an excellent school system, rich cultural life, healthy environment, safe attractive neighborhoods, a vibrant downtown and smart community planning ("Goshen PAC, About," 2013).

The increased diversity among the Hispanic/Latino community, and the LGBTQ community, all ties back to the strategies of the creative capital theory.

The creative class in Goshen has a strong desire to be involved in the community. Some of this stems from the Mennonite heritage of Goshen College and the multiple churches in town. The desire to volunteer and make a difference was made prevalent in the researcher's interviews. This again aligns with Florida's statement that creative communities are made up of individuals who yearn to have meaningful connections to each other, and value being involved in their community. The researcher found that, just as Florida (2002) has stated, the key to regional economic development is not as much recruiting specific businesses, but creating an environment that is attractive to the creative class. While DGI did not purposefully set out to implement creative class strategies, they did so naturally, because those involved were a part of the creative class themselves. Those individuals were attracted to Goshen because an appealing environment had been created through façade revitalization and the forming of artist guilds. The one-on-one relationship management style of DGI and the "can do" spirit of the task forces has allowed for the successful launch of the façade program and First Fridays program.

Place making/destination branding. Music continues to play a key role in developing an environment that creative people want to reside in. Goshen College's Globe Radio has consistently won national awards, First Fridays has brought monthly entertainment to the city, Goshen Theater has expanded its cultural programs, local bars bring in regular acts and a new live music center opened its doors downtown in 2012.

These authentic locations have assisted in Goshen's place branding efforts, as well as begun creating an "audio identity" for the city. Control mutuality has played a role in the partnership between Goshen College's radio station and DGI, as 91.1 The Globe was recently named the "Best College Radio Station in the Nation," from Intercollegiate Broadcasting System (Barbazon, 2013). General Manager, Jason Samuel, has noted it was their involvement with downtown Goshen that helped them earn this award for the second year in a row.

Just as Beeson and Montgomery (1993) found, investments in infrastructure affect city and regional growth. The investment in the historic downtown Goshen buildings has also been a key factor of economic development. It has allowed for more business activity in the downtown, which has attracted more creative class individuals and more shoppers downtown. The development of the First Fridays program has played a significant role in establishing a loyal consumer base. The key players involved in First Fridays, however, came about because the environment was conducive and open to change. Ninety percent of the businesses surveyed (n=18) said they specifically chose downtown because of its lively city center. As discussed earlier, this quality of place is conducive to creative class individuals, as well as an important element in place making.

The City of Goshen has proven its commitment to neighborhood development and has stretched its Community Development Block Grant money by partnering with LaCasa, Inc., a local community development corporation. Great cities are not monoliths, as Jacobs (1961) said, they are federations of neighborhoods. Interviews with local stakeholders revealed a strong value is placed on the importance of people and the

neighborhoods they build. The ability to walk or bicycle downtown, access to the nature trails and Farmer's Market are key in business development and retention. This also happens to be of high importance to creative class individuals. Place making requires discovering what motivates stakeholder groups and how the location is to be constructed in such a way to be attractive to this group.

Fostering economic growth in downtown Goshen has allowed the core of the city to weather the economic storm. Offering spaces for community engagement and creative brainstorming has been highly successful in economic and community development for the city. It has sent a message that Goshen believes in and is open to new ideas. The fact that the priority has been placed on people, not a specific business or corporation, has allowed the downtown to thrive, even during the recession in the late 2000s.

CH. 6 CONCLUSIONS

Implications of the study

The researcher set out to answer whether or not the combination of relationship management/maintenance strategies, place making/destination branding techniques, and the leadership of creative class people, as implemented by Downtown Goshen, Inc. (DGI), has had an influence on the local community from 2006 to 2011. It also sought to explore what elements were present in the downtown between 2006 and 2011 that helped with the revitalization of the downtown. The results revealed coalition-building through collaboration, relationship maintenance strategies of openness, networking, and shared tasks, along with creative class leadership and investment in infrastructure to have positively influenced the community

While attracting the creative class was not a specific goal of DGI in 2006, it instead occurred organically through the people who were, and still are, working and volunteering with DGI. The place branding methods were more obviously followed by local developers and DGI, creating spaces for businesses to put down roots, and improving the downtown quality of life. DGI's relationship management techniques were exceptional in its early years, 2006 to 2008, but was discovered through interviews with local stakeholders and surveys with downtown businesses, that there are areas DGI could improve upon.

The combination of relationship management/maintenance strategies and place branding efforts, along with the involvement of creative class people allowed for a “perfect storm” in downtown Goshen from 2006 to 2011. The researcher concludes that while implementing these three techniques simultaneously has worked successfully for downtown Goshen, it is the nature of the people and their “action” mentality, along with the revitalized historic infrastructure that has made this case so unique. Without dedicated and passionate volunteers, a “get the job done” spirit, and historic infrastructure, the positive influence of DGI has been able to help facilitate would not have been possible. This case study is important to downtown public relations practitioners as they seek to build mutually beneficial relationships with their publics. This may also be the first public relations study that proves relationship management efforts have positive implications on the economy through consumer spending, facade revitalization, and business development.

Limitations

Limitations of the researcher were to remain un-bias throughout the study in order not to skew the data. Because the researcher has relationships with many of the downtown business owners, the researcher chose the online survey method, along with multiple methods of data collection, triangulation, and an audit trail. Another limitation of the study was the relatively small sample size, especially in terms of the 1.36 percent response rate for the event surveys completed. The small sampling size and low response rate may have caused selection bias and could have resulted in skewed data. For this reason, these findings may not be generalized to the broader community based on this

study alone. However, the researcher believes there is external usefulness to this case study as an exploratory study and could be used in the future to develop a public relations theory, specifically in the context of downtown development. The study's research questions addressed how DGI's relationship management/maintenance strategies, place branding, and creative class leadership, along with elements present in the downtown, have influenced the community. The results revealed coalition-building through collaboration, relationship maintenance strategies of openness, networking, and shared tasks, along with creative class leadership and investment in infrastructure to have positively influenced the community.

Future research

The most logical next step for future research is to replicate this study in other downtowns throughout the Midwest or possibly even nationwide. This could help lead to a more thorough understanding of downtown public relations strategies. The current study had similar findings on how improving infrastructure has direct benefit to destination branding as Beeson and Montgomery's study (1993). It also had similar findings to Lloyd (2001) when he found how Chicago's Wicker Park neighborhood's quality of place did not occur automatically; rather it was an ongoing dynamic process. The study also had similar findings to Ki and Hon's (2006) and Stafford and Canary's (1991) relationship maintenance strategies, in that when implementing openness, networking, assurances, and shared tasks, relational benefits are received in regards to control mutuality, liking, satisfaction, and commitment. If future research showed similar

results in other states, the body of knowledge on downtown public relations strategies would be expanded.

In relation to DGI specifically, the study did not include data from its corporate sponsors, such as IU Health Goshen Hospital, Boling Vision Center, Greencroft Goshen, or Everence. Furthermore, this study failed to identify if the work of DGI has positively affected the region, beyond the city of Goshen. However, it was able to give the surprising finding that DGI and its public relations practitioners were not aware they were implementing creative class strategies; rather, it occurred organically. The four most important elements to DGI's success have been (a) relationship management/maintenance strategies; (b) economic development/historical revitalization focus; (c) creative class leadership; (c) action/health orientation. More information would be extremely beneficial as information in this area is lacking.

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APPENDICES

APPENDIX A

Online Survey

Email invitation to participate

Dear Downtown Goshen business owner,

My name is Grace Hunsberger, a public relations graduate student at Ball State University. I plan to graduate this spring, and my thesis development seeks to enhance the knowledge base of downtown public relations strategies using downtown Goshen as the case study.

As a downtown Goshen business owner, I would like to cordially invite you to participate in a research study about how the public relations strategies of Downtown Goshen, Inc. (DGI) has affected the local community. This study will help DGI in future strategic planning and fundraising efforts. The survey will take about 10 minutes to complete and will be recorded online. Your name will not be used in the report of this study.

If you would like to participate, please click the following [LINK].

Thanks in advance for your participation,

Grace Hunsberger

574-536-8899

gmhunsberger@bsu.edu

Downtown Goshen business survey

THE EFFECT OF PLACE BRANDING AND RELATIONSHIP MANAGEMENT ON
THE CREATIVE CLASS AND LOCAL ECONOMY: A CASE STUDY OF
DOWNTOWN GOSHEN, INDIANA

Invitation to Participate & Study Description:

As a downtown Goshen business owner you are invited to participate in a research study about how the public relations strategies of Downtown Goshen, Inc. (DGI) has affected the local economy. This study will help DGI in future strategic planning and fundraising efforts. The survey will take about ten minutes to complete and will be recorded online. Your name will not be used in the report of this study.

Risks & Benefits

This study does not involve any type of physical risk; you will be asked to answer questions about your business and how DGI has impacted your business. Although this study is not designed to help you personally, the information you contribute will help us better understand how DGI can continue to improve downtown Goshen. The results of this project will be used by DGI to improve and develop programs to support downtown Goshen and other similarly sized cities. The results of this study will also be made available to interested research participants and other downtown organizations.

Counseling services are available to you through the Maple City Counseling Center (574-220-0220) if you develop uncomfortable feelings during your participation in this research project. You will be responsible for the costs of any care that is provided. It is understood that in the unlikely event that treatment is necessary as a result of your

participation in this research project that Ball State University, its agents and employees will assume whatever responsibility is required by law.

Respondents are welcome to contact Grace Hunsberger, researcher, at 574-536-8899 or via email at gracehunsberger@gmail.com.

Anonymity

The information you provide will be kept strictly anonymous. To protect your privacy, your responses to the survey questions are anonymous and will be kept by Grace Hunsberger, Ball State University master's student. All project materials will be kept indefinitely, and will be accessible only to members of the research team. Your name will not be associated with your study materials or with the research findings. The information obtained in this study may be published in scientific journals and presented at professional meetings, but only group patterns will be described and your identity will not be revealed.

Your Right to Refuse or Withdraw

The decision to participate in this research project is entirely up to you. You may refuse to take part in the study without affecting your relationship with Downtown Goshen, Inc. You may also choose not to answer any question posed.

Your Right to Ask Questions

You have the right to ask questions about this study and to have those questions answered by any of the study investigators before, during or after the research. If you have any other concerns about your rights as a research participant that have not been answered by

the investigators, you may contact Director, Office of Research Integrity, Ball State University, Muncie, IN 47306, [765-285-5070](tel:765-285-5070) or irb@bsu.edu.

About Downtown Goshen, Inc.

Downtown Goshen, Inc. is a non-profit that exists to ensure the long-term support and vitality of Goshen’s commercial core. It’s programs include First Fridays and the façade grant program. In 2013, DGI will be focusing on developing stronger business networks, marketing downtown as a destination for entertainment, promoting Goshen's bikeability and downtown as a launch site for biking, and emphasizing the economic development potential of historic buildings by supporting initiatives such as the renovation and rehabilitation of the Goshen Theater.

CONSENT

Checking the box below indicates that you have decided to participate voluntarily in this study and that you have read and understood the information provided above.

[Check Box]

Survey Questions for Downtown Goshen business owners

1. How long have you owned a business in downtown? (0 – 1 years, 2 – 4 years, 5 – 7 years, 8 – 10 years, 10+ years)
2. What type of business do you own? (arts/entertainment, grocery, health & wellness, professional service, public service, retail, salon, restaurant/eatery, other/specify)
3. Are there any specific reason you chose downtown Goshen for your business?
(yes/no)

- a. If so, what are the reasons? (family, lively city center, tax incentives, affordability, First Fridays, other/specify)
4. How many employees do you currently have on average? (0 – 3 people, 4 – 7 people, 8 – 11 people, 12 – 15 people, 15+ people) Has this increased, decreased or stayed the same over the last five years?
5. Do you participate in First Fridays events? (yes/no)
6. Are you a member of the First Fridays program? (yes/no)
7. If you are not a member, why not? (Costs too much money, Don't know how to join, Other/specify)
8. Has your revenue increased, decreased or stayed the same in the last five years?
9. Indicate your agreement or disagreement with the statement: "First Fridays has had a positive impact on my business." (Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, Strongly Agree)
10. In comparison to other Fridays, how are your First Fridays sales? –up/down/about the same? If up/down, by approximately what percentage?
11. Are you aware of DGI's façade grant program? (yes/no) If so, have you taken advantage of it? If not, why not? (comment box)
12. In thinking about your most recent experience with DGI, was the quality of customer service you received: (Very Poor, Poor, Fair, Good, Very Good)
13. If you indicated that the customer service was very poor, would you please describe what happened? (comment box)

14. The process for getting your concerns resolved was: (Very Poor, Poor, Fair, Good, Very Good)
15. Now please think about the benefits of DGI itself. How satisfied are you with the programs and services they offer (First Fridays, Façade, economic development, downtown quarterly business meetings, restaurant meetings, downtown public relations, etc.)? (Very Poor, Poor, Fair, Good, Very Good)
16. If you said very poor, would you please take a few minutes to describe why you are not satisfied with the programs and services? (comment box)
17. Do you have any other thoughts or things you would like to share? (comment box)

Thank you for taking the time to complete this survey! This study will help Downtown Goshen, Inc. in future strategic planning and fundraising efforts. Have a great day!

APPENDIX B

One-on-One Interviews

Email invitation to participate

Dear [participant's name],

My name is Grace Hunsberger, a public relations graduate student at Ball State University.

I plan to graduate in May 2013, and my thesis development seeks to enhance the knowledge base of downtown public relations strategies using downtown Goshen as the case study.

As a local stakeholder, I would like to invite you to participate in a one-on-one phone interview about how you feel the public relations strategies of Downtown Goshen, Inc. (DGI) has affected the local community. This study will help DGI in future strategic planning and fundraising efforts.

The one-on-one interview will take about 30 minutes to complete and will be recorded for accuracy and later transcription. Your name will not be used in the report of this study (unless prior permission is given).

Prior to the interview I will email you further details on the study and your rights as part of the research. Before the interview begins you will be asked for your verbal consent to participate in the study.

If you would like to participate, please email me to set up a time.

Thanks in advance for your consideration,

Grace Hunsberger

574-536-8899

gracehunsberger@gmail.com

One-on-One Interview Form

Invitation to Participate & Study Description:

THE EFFECT OF PLACE BRANDING AND RELATIONSHIP MANAGEMENT ON
THE CREATIVE CLASS AND LOCAL ECONOMY: A CASE STUDY OF
DOWNTOWN GOSHEN, INDIANA

As a local stakeholder you are invited to participate in a research study about how the public relations strategies of Downtown Goshen, Inc. (DGI) has affected the local community. This interview will help DGI in future strategic planning and fundraising efforts. The interview will take about 30 minutes to complete and will be recorded for accuracy and later transcription. Your name will not be used in the report of this study without prior permission. You will be asked to give verbal consent at the beginning of the phone interview.

Risks & Benefits

This study does not involve any type of physical risk; you will be asked to answer questions about Goshen and how DGI has impacted the community. Although this study is not designed to help you personally, the information you contribute will help us better understand how DGI can continue to improve downtown Goshen. The results of this project will be used by DGI to improve and develop programs to support downtown

Goshen and other similarly sized cities. The results of this study will also be made available to interested research participants and other downtown organizations.

Counseling services are available to you through the Maple City Counseling Center (574-220-0220) if you develop uncomfortable feelings during your participation in this research project. You will be responsible for the costs of any care that is provided. It is understood that in the unlikely event that treatment is necessary as a result of your participation in this research project that Ball State University, its agents and employees will assume whatever responsibility is required by law.

Respondents are welcome to contact Grace Hunsberger, researcher, at 574-536-8899 or via email at gracehunsberger@gmail.com.

Anonymity

You will be asked to give verbal consent at the beginning of the phone interview.

Your Right to Refuse or Withdraw

The decision to participate in this research project is entirely up to you. You may refuse to take part in the study without affecting your relationship with Downtown Goshen, Inc. You may also choose not to answer any question posed.

Your Right to Ask Questions

You have the right to ask questions about this study and to have those questions answered by any of the study investigators before, during or after the research. If you have any other concerns about your rights as a research participant that have not been answered by the investigators, you may contact Director, Office of Research Integrity, Ball State University, Muncie, IN 47306, [765-285-5070](tel:765-285-5070) or irb@bsu.edu.

About Downtown Goshen, Inc.

Downtown Goshen, Inc. is a non-profit that exists to ensure the long-term support and vitality of Goshen's commercial core. Its programs include First Fridays and the façade grant program. In 2013, DGI will be focusing on developing stronger business networks, marketing downtown as a destination for entertainment, promoting Goshen's bikeability and downtown as a launch site for biking, and emphasizing the economic development potential of historic buildings by supporting initiatives such as the renovation and rehabilitation of the Goshen Theater.

INTERVIEW GUIDE

Guiding Research Question:

What are the events and social interactions that led to downtown Goshen, as it is today?

PRE-INTERVIEW

- Thank the participant for agreeing to participate in the study.
- Ask the participant for permission to audio-record interview for the purpose of accuracy and later transcription.
 - “Do I have your permission to audio-record our interview together?”
- Explain that the purpose of the research study is to find out how the public relations strategies of Downtown Goshen, Inc. has affected the local community.
 - “We will be talking for approximately 30 minutes today.”

- Have you read the Invitation to Participate, Study Description, Right to Refuse/Withdraw, Risk & Benefits, Anonymity and Right to Ask Questions?
 - “Do I have your consent?”
- Mention that I will also be taking some notes throughout the interview.
- Remind participant that all necessary precautions will be made to maintain confidentiality, per IRB statements (unless they give prior approval).
- Remind them that their participation is completely voluntary and that they can choose not to answer any questions, without penalty.
- Inform participant that I may ask additional questions throughout the interview to check for clarity and deeper insight.
- Ask the participant if they have any questions before we begin the interview.
 - “Before we get started, do you have any questions?”

INTERVIEW QUESTIONS

1. What type of business or work do you do?
2. How long have you lived/worked in Goshen?
 - a. *Probing* – What do you know about Goshen’s history?
3. What was it like when you first moved to Goshen?
 - a. *Probing* –*Depending on the conversation, potentially ask, “Could you share an examples? Could you tell me more? How did you feel about these circumstance?”*

4. Tell me about your earliest memory of downtown Goshen.
 - a. *Probing* – Why does this memory stand out in your mind?
 - b. *Probing* – When did this occur?
 - c. *Probing* – Who was involved?
5. What do you know about Downtown Goshen, Inc?
 - a. *Probing* - What events have shaped the organizational creative presence that exists in downtown Goshen?
6. What actions did you take to help facilitate creativity in downtown Goshen?
 - a. How did it feel for you as you worked through this process?
7. Do you know what DGI was trying to achieve when it first formed?
 - a. *Probing* – What goals, concerning creativity, branding and relationships did you have when you began your involvement in DGI?
 - b. *Probing* – What was the reason behind? Why these goals?
8. What has DGI been doing to engage its stakeholders since it formed in 2006?
What is it doing now?
 - a. *Probing* – What was the most important technique DGI used when forming relationships with stakeholders?
 - b. *Probing* – [For those involved in DGI] What actions did you take to help facilitate organizational relationship management, branding or creativity?
 - c. *Probing* – How did it feel for you as you worked through this process?
9. Are you familiar with the term “creative class?” If so, how would you describe the term?

- a. *Probing* - Has the participant been aware of the specific strategies being implemented by DGI?
10. When you think about the downtown's various creative initiatives, which have been most successful?
- a. *Probing* - What do you believe made (or contributed to) these initiatives successful?

POST-INTERVIEW

- Remind the participant that I will be using the audio-recordings of the interviews to check accuracy and for transcriptions purposes.
- ***Question: Is there anything else that you would like to share with me?***
- Thank the participant for agreeing to participate in the study.
- Mention that I would be happy to share a copy of my final paper with them if they are interested.
- Write down any notes of behavior that stood out to me during the interview.

APPENDIX C

Secondary Research Analysis

The researcher will conduct a secondary research analysis of 109 completed event surveys from March 2009 and April 2009. Goshen College students conducted the surveys during downtown Goshen's First Fridays events. The researcher already has access to this data via Professor Carlos Guitierrez.

The researcher will code the data as follows:

1. Gender: (M – 1, F – 2)
2. Zip Code (46526 – 1, 46528 – 2, 46540 – 3, 46514 – 4, 46516 – 5, 46553 – 6, 46517 – 7, 46565 – 8, 46567 – 9, 46614 – 10, Other – 11)
3. Ethnicity (Caucasian – 1, Hispanic or Latino – 2, African American – 3, Asian – 4, Other – 5)
4. Age (18-25 – 1, 26-35 – 2, 36-45 – 3, 46-55 – 4, 56-65 – 5, 66 or older – 6)
5. Ages of children (infant – 1, 2-5 – 2, 6-10 – 3, 11-15 – 4, 16 or older – 5, 19 or older – 6)
6. Number of people in the household (1-1, 2-2, 3-3, 4-4, 5 or more – 5)
7. On a scale of 1-5, 1 being negative 5 being positive, what kind of impact has First Fridays had in the community? (1-1, 2-2, 3-3, 4-4, 5-5)
8. How many times a year do you attend First Fridays? (1-4 – 1, 5-8 – 2, 9-12 – 3, first time - 4)

9. How often do you shop downtown Goshen? At least once every... (week – 1, 2 weeks – 2, 3 weeks – 3, month – 4, occasionally – 5, never – 6)
10. How did you hear about First Fridays? (word of mouth – 1, newspaper/radio/tv – 2, flyer/brochure – 3, Internet – 4, RedPost – 5, Other – 6)
11. Have you brought a guest to First Fridays? (Yes – 1, No – 2)
12. If yes, how many? (1-1, 2-2, 3-3, 4-4, 5 or more – 5)
13. Are you planning on eating in downtown tonight? (Yes – 1, No – 2)
14. If yes, where? Durenguenze – 1, Il Forno – 2, Matterns – 3, Olympia – 4, Venturi/falafel – 5, Wiener Circle – 6, Nut Shoppe – 7, Olympia – 8, Constant Spring – 9, Other – 10)
15. How much do you typically spend at First Fridays? (None – 1, 1-20 – 2, 21-40 – 3, 41-60 – 4, 61 or more – 5)
16. On average, how many stores do you visit during First Friday that you normally would not? (None – 1, 1-3 – 2, 4-6 – 3, 7 and above – 4)
17. Do you find the children's activities age appropriate? (Yes – 1, No – 2)
18. If no, why not? (throw out question, little to no response)
19. Do you find the monthly themes attractive? (Yes – 1, No – 2)
20. Why? (throw out question, little to no response)
21. How satisfied are you with the First Fridays events? (None – 1, Neutral – 2, Somewhat – 3, Very – 4)
22. Would you recommend First Fridays? (Yes – 1, No – 2)

23. Why? (use for quotes only)

24. Suggestions for improvement? (use for quotes only)

Questions to answer in the data analysis:

1. What percentage of people would recommend First Fridays?
2. How satisfied are event-goers with First Fridays? (Mean: 3.73)
3. Does the age of the participant affect the amount of money they spend at a First Fridays?
4. On average, how much money are people spending at a First Fridays?
5. Do event-goers feel First Fridays has positively impacted the community?
6. Is there a correlation between how many First Fridays someone attends, how many stores they visit, how often they shop downtown and how much money they spend at First Fridays?
7. Is there a correlation between how many First Fridays one attends, and whether or not they would recommend First Fridays?
8. Is there a correlation between whether someone feels First Fridays has positively impacted the community and how often they shop downtown?
9. What percentage of people planned to eat downtown that night?
10. Is there a correlation between how satisfied the participant is with First Fridays and how much money they spend at First Fridays?
11. Is there a correlation between how many First Fridays one attends and how often they shop downtown?

APPENDIX D

Data analysis tables of online business surveys

Table 4.1		
<i>What are the specific reasons you chose to locate your business downtown?</i>		
	Response	%
Affordability	9	47
Downtown Goshen, Inc.	6	32
Family	8	42
First Fridays program	7	37
Lively city center	15	79
Other	6	32
Tax incentives	0	0
<p>Note: Other specified as Goshen College, limited competition, opportunity for growing my type of business, wanted to be a part of the downtown Goshen renaissance, Chamber of Commerce, many contacts in surrounding Eklhart County area</p>		

Table 4.2		
<i>Has your employee base increased, decreased or stayed the same over the last five years?</i>		
	Response	%
Increased	12	57
Decreased	1	5
Stayed the same	8	38

Table 4.3

Has your revenue increased, decreased or stayed the same over the last five years?

	Response	%
Increased	15	75
Decreased	2	10
Stayed the same	3	15

Table 4.4

Indicate your agreement or disagreement with the statement, "First Fridays has had a positive impact on my business."

	Response	%
Strongly Disagree	0	0
Disagree	1	5
Neither Agree nor Disagree	3	15
Agree	6	30
Strongly Agree	10	50

Table 4.5

In thinking about your most recent experience with DGI, was the quality of customer service you received:

	Response	%
Very Poor	1	10
Poor	1	10
Fair	1	10
Good	8	40
Very Good	6	30

Table 4.6

The process for getting your concerned resolved was:

	Response	%
Very Poor	1	5.26
Poor	3	15.79
Fair	4	21.05
Good	5	26.32
Very Good	6	31.58

Table 4.7

Now please think about the benefits of DGI itself. How satisfied are you with the programs and services they offer (First Fridays, Façade, economic development, downtown quarterly business meetings, restaurant meetings, downtown public relations, etc.)?

	Response	%
Very Poor	0	0
Poor	0	0
Fair	6	30
Good	8	40
Very Good	6	30