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Santa Fe Design Week: A Pilot Study

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SANTA FE DESIGN WEEK

A PILOT STUDY

JANUARY 2007



THE UNIVERSITY *of*
NEW MEXICO

BUREAU *of* BUSINESS *and* ECONOMIC RESEARCH



THE UNIVERSITY *of*
NEW MEXICO

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I. INTRODUCTION

The Bureau of Business and Economic Research (BBER) at the University of New Mexico was contracted by the City of Santa Fe Economic Development Division to conduct a baseline economic impact and program evaluation of Santa Fe Design Week (SFDW). SFDW is a week-long symposium bringing together design professionals from areas such as graphic design, furniture design, architecture, fashion design and sustainable energy and water design from Santa Fe (SF) and around the world. The event is a collection of presentations, demonstrations, tours and workshops aimed at educating professionals and the general public of the newest innovations in the design industries. In the long term, the goal of SFDW is to promote various design industries in a way that helps expand markets and create local career opportunities in these fields.

This project serves as a pilot study whose functions are to identify major issues and concerns pertaining to Santa Fe design industries and SFDW and to inform a more rigorous data collection process in the future. To accomplish these objectives, BBER distributed information sheets to SFDW attendees to collect demographic characteristics, mailed out a survey to design businesses in Santa Fe to learn more about design business practices and conducted focus groups (FGs) to get a valuable "close look" at the experiences, opinions and perspectives of those who were involved in SFDW in a variety of capacities. The objectives of the research are:

- To describe the current situation of design businesses in Santa Fe;
- To provide an in-depth analysis of the value and benefits of SFDW to design professionals and the community;
- To explore the meaning of a "design hub" among Santa Fe design professionals.

The information included in this report reflects the above data collection efforts and includes conversations with various key participants in the planning and implementation process. In future studies, data collection processes will be modified to be more complete and scientific, allowing for proper economic impact analysis and the longitudinal tracking of growth in SF design businesses. BBER's collaboration with The City of Santa Fe resulted in many Lessons Learned (section V), which will ensure that BBER and the City have suitable data for a more comprehensive analysis.

This year, the event was not set up in a way conducive to major data collection efforts. For example, attendees were not "registered" for the event; the free-flow nature of the event allowed people to come and go as they found events that were interesting to them. As such, BBER was unable to get an accurate count of how many people attended the event or to systematically collect information on each of

the attendees. Grace Communications "clicked" people as they entered El Museo de Cultural; each click represented a unique visitor for that day. No data were available to show the number of visitors who came for a multiple of days.

The following sections of this report will generally describe the current situation for design businesses in Santa Fe using data from the United States Economic Census, identify major characteristics of SF design businesses using data collected from BBER's business survey and provide an in-depth analysis of perceptions and insights of design professionals in regard to SFDW.

II. SANTA FE DESIGN BUSINESSES

A. United States Economic Census

Using 2002 employer data and 2004 non employer data from the United States Economic Census, this section describes the general characteristics of design-based businesses in Santa Fe.

- Angelou Economics completed a report in 2003¹ identifying target industries key to Santa Fe's economic development, design being one of them. The report also found that Santa Fe's business environment is comprised of many small businesses and entrepreneurs. This report was widely read by the focus group participants and others involved in SFDW, who saw the event as a logical follow through to the report's findings. The census data supports that claim by showing a significant proportion of design businesses to be small businesses and non-employers. **SFDW has the chance of supporting one of SF's target industries by catering to the needs of SF's small design businesses and entrepreneurs.**
- Table 1 below characterizes design businesses, with employees, in New Mexico and Santa Fe Co.

¹ (2003). Cultivating Santa Fe's Future Economy: Target Industry Report, Angelou Economics.

Table 1: Design Businesses with Employees, 2002 Economic Census

| | | NEW MEXICO | | | | | | |
|-----------------|---|------------------|----------------------------|--------------------|--------------------------|---------------------------------|--------------------|----------------------------------|
| 2002 NAICS code | Meaning of 2002 NAICS code | # of estab'ments | Receipts/revenue (\$1,000) | Expenses (\$1,000) | Annual payroll (\$1,000) | First-quarter payroll (\$1,000) | # of employees | Sales/rcpts/rev from admn rec(%) |
| 51 | Information | 840 | N | 445,810 | 111,958 | 15,138 | N | N |
| 511 | Publishing industries (except Internet) | 177 | 385,645 | 104,606 | 24,721 | 3,233 | 5.2 | 3.6 |
| 5111 | Newspaper, periodical, book, & directory publishing | 144 | 346,158 | 87,378 | 20,749 | 2,950 | 4.9 | 2.8 |
| 512 | Motion picture & sound recording industries | 113 | N | 12,330 | 2,882 | 1,159 | N | N |
| 516 | Internet publishing & broadcasting | 10 | 4,587 | 1,448 | 516 | 37 | 0 | 87.8 |
| 54 | Professional, scientific, & technical services | 4401 | 3,272,378 | N | 1,307,158 | 304,625 | 30,944 | 19.6 |
| 5413 | Architectural, engineering, & related services | 800 | 987,171 | N | 375,959 | 87,415 | 7,869 | 15.1 |
| 54131 | Architectural services | 171 | 114,233 | N | 39,110 | 8,750 | 1,007 | 32.8 |
| 54132 | Landscape architectural services | 51 | 14,981 | N | 5,242 | 1,121 | 188 | 37.3 |
| 54133 | Engineering services | 399 | 719,453 | N | 286,871 | 67,119 | 5,481 | 12.3 |
| 5414 | Specialized design services | 109 | 51,555 | N | 11,908 | 2,828 | 357 | 31.3 |
| 54141 | Interior design services | 34 | 15,654 | N | 2,250 | 517 | 76 | 30.1 |
| 54142 | Industrial design services | 10 | 8,549 | N | 3,953 | 1,070 | 92 | 16.7 |
| 54143 | Graphic design services | 58 | 25,716 | N | 5,434 | 1,189 | 176 | 34.6 |
| 54149 | Other specialized design services | 7 | 1,636 | N | 271 | 52 | 13 | 66.3 |
| 5415 | Computer systems design & related services | 401 | 368,072 | N | 149,584 | 33,803 | 3,650 | 14.5 |
| 54181 | Advertising agencies | 52 | 24,099 | N | 9,402 | 2,396 | 235 | 32 |
| 54182 | Public relations agencies | 28 | 4,214 | N | 1,653 | 475 | 53 | 18.1 |
| | | SANTA FE COUNTY | | | | | | |
| 2002 NAICS code | Meaning of 2002 NAICS code | # of estab'ments | Receipts/revenue (\$1,000) | Expenses (\$1,000) | Annual payroll (\$1,000) | First-quarter payroll (\$1,000) | # of employees | Sales/rcpts/rev from admn rec(%) |
| 51 | Information | 99 | N | 34,340 | 8,498 | 1,038 | N | N |
| 511 | Publishing industries (except Internet) | 42 | 77768 | 20,572 | 4,876 | 484 | 6.2 | 9 |
| 5111 | Newspaper, periodical, book, & directory publishing | 34 | 65913 | 17,347 | 4,271 | 426 | 6.9 | 6.3 |
| 512 | Motion picture & sound recording industries | 20 | N | D | D | 100-249 | N | N |
| 516 | Internet publishing & broadcasting | N | N | N | N | N | N | N |
| 54 | Professional, scientific, & technical services | 635 | D | N | D | D | 2,500-4,999 | D |
| 5413 | Architectural, engineering, & related services | 127 | D | N | D | D | 500-999 | D |
| 54131 | Architectural services | 50 | D | N | D | D | 100-249 | D |
| 54132 | Landscape architectural services | 17 | D | N | D | D | 20-49 | D |
| 54133 | Engineering services | 39 | D | N | D | D | 250-499 | D |
| 5414 | Specialized design services | 32 | 15,612 | N | 2,870 | 583 | 74 | 34.5 |
| 54141 | Interior design services | 14 | 9,520 | N | 1,389 | 320 | 36 | 28.2 |
| 54142 | Industrial design services | N | N | N | N | N | N | N |
| 54143 | Graphic design services | 16 | D | N | D | D | 20-99 | D |
| 54149 | Other specialized design services | N | N | N | N | N | N | N |
| 5415 | Computer systems design & related services | 42 | D | N | D | D | 100-249 | D |
| 54181 | Advertising agencies | 24 | D | N | D | D | 20-99 | D |
| 54182 | Public relations agencies | N | N | N | N | N | N | N |

Source: US Economic Census, 2002. D=Non-disclosure due to confidentiality restrictions. N= Not available. The data includes documented design firms with more than one employee. There are actually many more smaller, one-person firms operating informally or "under the radar." Typically, these businesses also use contract labor.

- Santa Fe Co. had 14 interior design firms with a total of 36 employees. Interior design firms in SF Co. had about \$9.5 million in receipts and a total of about \$1,389,000 in annual payroll in 2002, accounting for much more than half of the State's annual interior design related receipts² and revenues. Table 2 below portrays the non-employer interior design establishments in New Mexico and Santa Fe Co. under the heading "other specialized design services."

- There are 16 graphic design firms with between 20 and 99 employees in Santa Fe Co.
- About one third of the State's architectural firms are in Santa Fe Co., with between 500 and 999 employees.
- Table 2 below shows the data for the same sectors, but for non-employer firms.

Table 2: Non-Employer³ Design Businesses, Economic Census 2004

| NAICS Code | Description | NEW MEXICO | | SANTA FE CO. | |
|------------|---|-----------------------------|--------------------|-----------------------------|--------------------|
| | | Nonemployers Establishments | Receipts (\$1,000) | Nonemployers Establishments | Receipts (\$1,000) |
| 51 | Information | 1,384 | 33,181 | 283 | 8,313 |
| 511 | Publishing industries (except Internet) | 552 | 12,318 | 123 | 4,652 |
| 512 | Motion picture and sound recording industries | 250 | 5,241 | 75 | 1,985 |
| 515 | Broadcasting (except Internet) | 53 | 3,307 | D | D |
| 516 | Internet publishing and broadcasting | 78 | 1,140 | 15 | 240 |
| 517 | Telecommunications | 125 | 5,786 | D | D |
| 518 | Internet service providers, web search portals, and data processing | 184 | 2,598 | D | D |
| 519 | Other information services | 142 | 2,791 | 33 | 808 |
| 54 | Professional, scientific, and technical services | 14,068 | 423,671 | 2,735 | 97,305 |
| 5413 | Architectural, engineering, and related services | 1,356 | 57,566 | 249 | 11,922 |
| 54131 | Architectural services | 314 | 17,337 | D | D |
| 54132 | Landscape architectural services | 113 | 2,757 | D | D |
| 54133 | Engineering services | 596 | 27,993 | D | D |
| 54134 | Drafting services | 166 | 3,426 | D | D |
| 54135 | Building inspection services | 48 | 1,217 | D | D |
| 5414 | Specialized design services | 678 | 20,281 | 189 | 7,462 |
| 5415 | Computer systems design and related services | 1,184 | 33,419 | D | D |
| 5418 | Advertising and related services | 442 | 17,799 | D | D |

Note: In this table, graphic designers, interior designers and other specialized design services are all included in the "specialized design services" line (5414). Disclosure issues prohibit further specifications.

- 20% of the State's "Information" sector (NAICS 51) non-employers are in SF Co., although they bring in 25% of the state's total receipts for the same sector.
- Santa Fe Co. has 22% of the State's publishing industries, which bring in about 38% (\$4,652,000) of the state's total receipts (\$12,318,000).
- 249 of the State's 1,356 architectural, engineering and related services establishments are in Santa Fe Co., making up about 18%. These establishments (including architecture, landscape architecture, drafting and building inspection services) comprise about 20% of the State's receipts⁴ for

³ According to the United States Economic Census, A nonemployer business is one that has no paid employees, has annual business receipts of \$1,000 or more (\$1 or more in the construction industries), and is subject to federal income taxes.

⁴ Nonemployer receipts: Includes gross receipts, sales, commissions, and income from trades and businesses, as reported on annual business income tax returns. Business income consists of all payments for services rendered by nonemployer businesses, such as payments received as independent agents and contractors.

the same sector.

- Almost 28% of the state’s non-employer specialized design services (including interior and graphic design) establishments are in Santa Fe Co., accounting for 37% of the State’s receipts for the same sector.

B. BBER Design Business Survey

Due to disclosure and confidentiality concerns, much of the county-level data on Santa Fe design businesses are unavailable through the United States Economic Census, so BBER sent out a one page survey to 263 design businesses that were listed in various directories for Santa Fe interior designers, architects, etc. The ReferenceUSA business database was also used. Further, all businesses identified as Design Week exhibitors and advertisers were surveyed. Only 61 were returned, however, mostly because data collection ran through the holiday season. The collected data does not allow for statistical generalization, but it does describe very general characteristics of Santa Fe design businesses. To improve the response rate in future studies, the list of businesses can be improved by collaborating closely with the event’s producers and announcing the survey in the newspaper or through announcement postcards sent by the City of Santa Fe or BBER. A copy of the Business Survey is in Appendix A.

- Most of the businesses who responded are interior design/ home interiors (16) and graphic/ web design (11) and landscape design and install businesses (11).

Table 3: Employer Status of SF Design Businesses

| Business Type | Do you have paid employees? | | Total |
|---------------------------------|-----------------------------|-----|-------|
| | no | yes | |
| website/ graphic design | 8 | 3 | 11 |
| interior design/ home interiors | 11 | 5 | 16 |
| jewelry/ fashion | 1 | 2 | 3 |
| landscape | 2 | 9 | 11 |
| water/ energy | 3 | 3 | 6 |
| (green) architecture | 4 | 0 | 4 |
| other | 5 | 5 | 10 |
| Total | 34 | 27 | 61 |

- Less than half of the businesses surveyed had employees.
- Of the eleven landscape design/ install businesses, 9 have employees; as much as 4 full-time and 2 part time employees. The data also show that landscaping businesses are most likely to have more than one employee.
- Most businesses stated they did not have to hire or let go of people over the

last year due to fluctuations in demand for goods and services.

- Most businesses are not planning on hiring more employees in the next six months, as they are mainly non-employers. Four of the 15 interior design/ home interior businesses said they will most likely hire one FT employee in the next six months.
- About half of the businesses surveyed said that they have used contract workers in the past six months. Graphic/ web designers, interior designers and landscape businesses were most likely to use contract workers than the other design industries. Landscape businesses contracted the most hours per month, ranging from 40 to 1,000 hours. All three of the jewelry/ fashion designers surveyed used contract workers. The table below shows the break-out of industries and the use of contract workers. It is possible that design businesses that rely on labor or production, such as landscape and jewelry designers, are more likely to have the need to contract help. Focus group participants commonly lamented the lack of production capabilities in Santa Fe and often having to contract out to China.

Table 4: SF Design Businesses Using Contract Workers

| Business Type | Have you used contract workers in past six months? | | Total |
|---------------------------------|--|-----|-------|
| | No | Yes | |
| website/ graphic design | 6 | 5 | 11 |
| interior design/ home interiors | 10 | 6 | 16 |
| jewelry/ fashion | 0 | 3 | 3 |
| Landscape design | 4 | 6 | 10 |
| water/ energy design | 4 | 2 | 6 |
| (green) architecture | 2 | 2 | 4 |
| other | 7 | 3 | 10 |
| Total | 33 | 27 | 60 |

Note: The "other" category includes business support firms like consultants, facilitators and design educators.

- Respondents were asked to identify and rank the biggest challenges facing their businesses:
 - 34 said market demand was an issue facing their business, 16 of which said it was the biggest issue.
 - 20 said the availability of qualified workers was an issue facing their business, 11 of which said it was the biggest issue.
 - 18 said cost of overhead was an issue facing their business, 7 of which said it was the biggest issue.
 - 17 said increased competition was an issue facing their business, 6 of which said it was the biggest issue.
 - 9 said cost of wages was an issue facing their business, 5 of which said it was the biggest issue.

- Table 5 shows what issues were identified and ranked as the **most significant** issues facing SF design businesses.
- For businesses such as interior design, market demand is the greatest challenge. In other industries, such as water and energy, having access to a qualified workforce poses the greatest challenge. This suggests different industries in the design field have different challenges. It is possible that businesses that rely on advanced technology have a hard time recruiting suitably qualified employees. Others, especially high end home interiors, may have an exceptionally hard time because of limited market possibilities.

Table 5: Challenges Facing SF Design Businesses

| industry | market demand | increased competition | cost of overhead | cost of overhead | cost of wages | cost of raw materials | availability of qualified workers | access to/ cost of capital | seasonal fluctuations | gov't regulations | other |
|----------------------------|---------------|-----------------------|------------------|------------------|---------------|-----------------------|-----------------------------------|----------------------------|-----------------------|-------------------|-------|
| website/ graphic design | 3 | 1 | 1 | 0 | 0 | 1 | 3 | 0 | 2 | 0 | 0 |
| interior design/ interiors | 7 | 1 | 2 | 0 | 1 | 2 | 0 | 1 | 0 | 0 | 2 |
| jewelry/ fashion | 2 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| landscape | 0 | 1 | 1 | 1 | 3 | 0 | 2 | 0 | 1 | 1 | 0 |
| water/ energy | 0 | 0 | 1 | 0 | 0 | 1 | 4 | 0 | 0 | 0 | 0 |
| (green) architecture | 1 | 1 | 1 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| other | 3 | 2 | 1 | 0 | 1 | 0 | 2 | 0 | 0 | 1 | 0 |
| total | 16 | 6 | 7 | 1 | 5 | 6 | 11 | 1 | 3 | 2 | 2 |

- About half of the businesses surveyed indicated they attended some part of SFDW. They were asked to identify the greatest benefit of attending; the table below shows their responses.

Table 6: How SFDW Benefited You and your Business

| | Frequency | Percent |
|--------------------------------------|-----------|---------|
| Did not attend SFDW | 28 | 45.9 |
| exposure, publicity | 10 | 16.4 |
| networking, contacts with other pros | 6 | 9.8 |
| education (on part of pros) | 4 | 6.6 |
| public education | 2 | 3.3 |
| little/ no benefit | 11 | 18.0 |
| Total | 61 | 100.0 |

II. DESIGN WEEK

A. Design Week Attendees

In an attempt to collect information on SFDW attendees, BBER distributed evaluation sheets to attendees at some of the events. Sixty eight attendees completed and returned the sheets. In the future, evaluation sheets can be included in the registration materials and the event's printed program to ensure that everyone gets an evaluation sheet. The sheets provide a valuable way of capturing attendees' characteristics and their opinions of the presentations and speakers. Outside of these sheets, little is known about DW attendees as there was no central registration process. Attendees were invited into the event where they could attend any talk or presentation they wanted. While the casual informal approach may have contributed to a neighborhood and friendly feel, it was virtually impossible to track who attended which events. This was especially the case for events that were held off-site at various locations in Santa Fe.

- Grace Communications, the event's producer, "clicked" (counted using a clicker) people as they entered El Museo de Cultural, each click represented a unique visitor for that day. The table below shows the attendance data collected by Grace Communications, as of 11-9-06. In total, they counted at least 4,659 attendees, including off site events. No data were available to show the number of visitors who came for a multiple of days. While some events and presentations were well attended, FG discussions indicated surprise among speakers and exhibitors at the low turnout at some of the other events. Some called the attendance "*embarrassing to the speakers*" and "*not worth the work of [putting up a booth].*"

Table 7 Attendance Per Venue (Grace Communications)

| Venue | Visitor Count |
|--|---------------|
| <i>El Museo (10/22 thru 10/29)</i> | <i>3,069</i> |
| <i>SFCC Fashion Show</i> | <i>400</i> |
| <i>Institute of American Indian Arts (IAIA; 10/27)</i> | <i>40</i> |
| <i>Nuts and Bolts/ 5 sessions</i> | <i>200</i> |
| <i>Interior Designers Panel/ Tour</i> | <i>150</i> |
| <i>Ecoversity Classes</i> | <i>50</i> |
| <i>Children's Museum</i> | <i>10</i> |
| <i>Film Events</i> | <i>290</i> |
| <i>Rose Tocke at Capital High</i> | <i>100</i> |
| <i>Trend Magazine Panel</i> | <i>150</i> |
| <i>Total of 11-9-06</i> | <i>4,459</i> |

Source: Email message from Grace Communications, dated 01/03/07. Data is of 11/09/06.

- BBER was able to collect information on 68 attendees that were present at the more well-attended events, specifically the design round-tables with high

profile commentators. Of the 68, 43 identified themselves as self-employed (63%). Many were architects (10), artists (9), writers (7), interior designers (5) and community advocates (5). Those that were not self-employed were educators (2) and public health professionals or social workers (4). Only 4 indicated they were from outside Santa Fe Co.

- Out of the 68 completed sheets, only four were from people outside of the Santa Fe area. However, discussions with program organizers revealed that those who attended other events, namely the Custom Home Tour, came from other states. Again, a central registration process will eliminate uncertainty about the origins of attendees in the future.
- FG responses also indicated that some events that were the best-attended spent additional monies on their own marketing and advertising. For instance, the Santa Fe Community College Fashion Show and the Interior Design Custom Home Tours had sell-out audiences and had supplemented DW advertising with their own.
- An attractive feature of many SFDW events was the potential of earning Continuing Education Units (CEU's), for professionals in architecture, interior design and many other professions. However, at this time, it is unknown how many attendees collected the credits.

B. The Value of Design Week

Three focus groups (FGs) provided valuable qualitative insight into SFDW by gathering impressions, experiences and suggestions from *Design Week* presenters, exhibitors and participants. These sessions provided an opportunity for dedicated design professionals to discuss issues in depth and generate new ideas. Three focus groups were conducted in a central location in Santa Fe. Each group consisted of a mixture of professionals in the design industry. An outline of industries and their focus group representation can be found in Appendix B. Some invitees were unable to attend but were very interested in providing input. An abridged set of questions were sent to these individuals by email. The email questions can be found in Appendix D. Their responses are included in this analysis.

Invitations were made to participants in a careful and deliberate manner with a personal call from the principal investigator or focus group facilitator to presenters, exhibitors as well as to attendees (who expressed interest in attending a focus group on their evaluation form or at the registration table). Groups were formed to provide a balanced representation of Santa Fe design industries. Presenters, exhibitors, and attendees were invited who represented the following design industries: Architecture, Landscape Design, Interior Design, Fashion Design, Home Interior Design (e.g. custom lighting, fine furniture), Sustainability Products/ Services (rain harvesting, etc), Design Industry Support (e.g., Education, Promotion, Policy, etc).

Each group was asked to address the same set of questions; (see Appendix C) designed to explore the following issues:

- Perception of *Design Week* in terms of value & satisfaction
- Perception of business and educational gains resulting from *Design Week*
- Perception of Santa Fe as a potential 'Design Hub' and ideas on how to get there.

1. Participant Characteristics

Introductions showed that participants have been involved in Santa Fe's design industry ranging from one to 25+ years. With the exception of three participants who have been in Santa Fe for one year or less, participants have lived and worked an average of ~12 years in Santa Fe (and were involved in design work for many years previous in other locations). It was interesting to note the perception of design as being quite separate from traditional/indigenous arts, and only one participant was involved in both fields. It was acknowledged that these traditional arts create a strong foundation for the creative enclave in Santa Fe. The participants were all very enthusiastic about design and they demonstrated great dedication to seeing design grow as an economic force in Santa Fe. Other common characteristics:

- Not originally from Santa Fe or New Mexico but have called Santa Fe home for many years.
- Their product or service appeals to a small and "high end" market – which they defined as the top ~2-10% income brackets.
- They operate very small businesses and perceive continued survival/success in staying small and providing custom services (they reflected on Santa Fe's limited capacity and interest in mass production).
- Generally, a large portion of their customer base is outside New Mexico.

2. Enthusiastic Response to the 2006 *Design Week*

- "*Design Week brings people together instead of feeling competitive... it creates a momentum to learn from each other.*"
- The expression of value and satisfaction from the presentations and exhibits was very clear and enthusiastic. According to participants, the caliber of speakers, exhibitors and presenters was very high; they only bemoaned low turnouts.
- Most participants saw *Design Week* as an important event that should

be continued, although with a more refined and focused scope and format.

- Nearly all said they would participate again (those who hesitated wanted more information on future event formats). Those who said they would not participate in the future cited “unprofessional organizing” and “irrelevance” as reasons.
- Participants acknowledged that the event reached out to a broad set of design areas and industries and were concerned that the event created a disjointed feeling by ‘trying to do too much’ – **a widely held impression about the 2006 Design Week** . “It was weird to see Fashion Design with Green Architecture and rain harvesting.”
 - Participants recognized the challenge of promoting a “design hub” is an exercise in balancing inclusion and focus – *‘how to incorporate the varied disciplines, yet not get stretched too thin.’*
 - Participants saw a great deal of potential in *Design Week* and reflected on strategies on how to best achieve a greater focus or narrower, more unified scope.
 - Focus on specific design industries either by presenting ‘specialty days’ in one comprehensive event.
 - Hold multiple events throughout the year with different design focus.
 - Find a galvanizing theme to bring all disciplines together (e.g. sustainability, creativity).
 - Focus on a design area for 2 or 3 days and rotate focus each year.
- Unprompted, people in each group drew a connection between *Design Week* and the 2003 “*Economic Development Strategy*” by *AngelouEconomics* (regarding the objectives relating to promotion of Santa Fe’s market niche in design). They expressed that *Design Week* and pursuit of the “design hub” concept are an effective follow-through to the report’s recommendations.
- Two participants (who work together) thought more respectful attention should be provided to session presenters (in terms of promotion, scheduling and communication).

3. Participants Valued Business and Educational Opportunities

Business Outcomes:

- *"Emphasizing the business aspects of the event would help bring in much needed money for designers."*
- *"Economics should be the driving force – design businesses help the city – the city needs to help design businesses (e.g. exposure)."*
- One (contacted) presenter in the sustainable energy field was so busy with new work resulting from his presentation that he did not have time to attend the focus group. He said he yielded nearly a year's worth of work.
- Fashion designers noted that orders were sold on the floor of the trunk show and students received job and internship offers from the exhibitor's fair.
- Some did not see immediate work or sales but thought the contacts were valuable in establishing potential future commissions. In the cases of higher-end design products, such as architectural lighting and glass fixtures, a commission can take up to three years from the point of exposure to come to fruition. This is an accepted part of business and many exhibitors were not discouraged by not making immediate sales as they were still able to show their work and distribute marketing materials.
- All agreed that heightened visibility for their design discipline was a clear benefit
- Participants were excited to network with other designers in the community, local policy makers and *"designers who could 'spec' my product."*
- It was suggested that more time be built into the event for networking and business development to foster economic development aspects of *Design Week*.
- Many participants said they would like to see more national and international attention given to the event, but also noted that it would be advisable to wait until the convention center is completed. The interim period could provide time to fine tune *Design Week*.

Educational Outcomes:

- Participants enjoyed learning from invited speakers (i.e. pervasive community design and involvement ideas from the former Honolulu

mayor) and considered how to use new ideas in their own work.

- Participants would like to see more opportunities to educate the public about the 'design process' and how 'design relates to life and work.'
- The event provided an opportunity to learn a lot about sustainability issues and design.
- Some thought it could be interesting to include future sessions on the 'creative process' and 'practical aspects of running a business'.

4. What Could Increase the Value of *Design Week*?

The following section summarizes feedback to improve practical and programmatic aspects of the event. Comments touched on the need for increased promotion and marketing to expand attendance, refine the focus, acquire a more inviting venue, and build capacity in the design community to maintain momentum and "synergy."

4a. Increase Overall Event Promotion

- Participants were concerned about bringing in such high-quality speakers and setting up numerous excellent presentations without recruiting a larger audience.
- Attendance appeared to be dependent upon whether a niche industry or presenter did their own promotion. Generally, presenters who relied on general event promotion voiced disappointment with audience count, as were many of the exhibitors.
- Presenters would like to be kept informed about the extent of overall event promotion so they can plan and budget for their own outreach. Participants in three or four design industries said they poured in thousands of dollars to promote their own events.
- Provide advance notice to local design professionals so they can carve out time to attend the events themselves.
- Devote time to initial planning to clarify the purpose of and audience for the event. Is it targeted to designers locally? Nationally? Internationally? Is it for producers or consumers? The general public? Is it for networking between designers and artisans/producers? Once the audience is defined, the marketing can follow suit. **This was a major issue for focus group participants and was an underlying concern throughout the discussions.**

- Design industries could think about two kinds of presentations – one geared to local and out-of-town professionals (i.e. a well-known speaker) and others for the general population (education oriented).
- Provide a longer lead time to prepare for future Design Weeks (e.g. release of funds) especially to provide more advance time for organizing and marketing.
- Increase outreach to the general population in the region. There may be a pool of interested audience members that are not on designers' mailing lists.
 - *"I attended because I happened to drive by and saw that something was going on. I thought there should have been more advertising, especially with the quality of presentations."*

4b. Increase Efforts to Connect Producers (e.g. Artisans) with Consumers (e.g. Designers and Builders) at the Vendor Show

- *"I'm not sure if it is worth the work involved because of the scant turnout."*
- *"I was hoping to meet more interior designers or architects who could spec my work."*
- Exhibitors also noted that they:
 - Thought the mix of vendors was unusual but enjoyed the "cross-pollination" with people in different design fields.
 - Would like to be present during "high attendance days."
 - Advise against locating a stage for presentations and panels in the middle of the vendor show (awkward for both the exhibitors and attendees).

4c. Find a More Suitable Venue

- *"Need to get Sweeney Center completed before going national."*
- According to many, the venue appeared makeshift with inadequate parking facilities, although it was centrally located. While its "funky" and neighborhood feel was appreciated by many, some thought an event attracting national and international professionals would require a better suited facility.

4d. Shorten the Duration and Increase the Focus

- *"Too many events, too long" – "8 days was exhausting."*
- *"Too many events, tried to do too much, it felt scattered."*
- *"It's better to focus on one issue and do it well."*
- *"It felt unusual to have green energy mixed with fashion design."*
- *"I thought that the original intent of this event was to "showcase" what is happening in Santa Fe that would be of interest to builders, architects, landscape and interior designers (local and national)."*
- *"For a small town, this was good. Santa Fe can't pull off a Design Week on one aspect only. There is too much going on to leave someone out."*
- *"The program needs a greater sense of cohesiveness – inclusiveness is a worthy goal, but can also undermine the event's mission."*
- Discussion varied on how to increase focus, ideas included:
 - Extend *Design Week* into a series of events held during the year that focus on different design field, they could coincide with other events ;
 - Rotate focus year to year ;
 - Hold one event with a different design field focus each day;
 - Pick one form of design and do it so well that it becomes a national draw.

4e. Tie the Event into the Local Community

- *"We need to think about how to bring in mainstream people."*
- *"The public did not seem well informed about what Design Week was all about."*
- Participants thought it would be valuable to replicate the positive experience of designing the *Pueblos del Sol playground*, (where community members helped design and build a local gathering place).
- The event can continue to incorporate public design competitions

like the "*Villa Esperanza Sustainable Ideas Competition*".

- The event could learn from and incorporate community involvement ideas presented by Jeremy Harris, former Mayor of Honolulu, and Bennett Peji, Commissioner of Arts & Culture in San Diego.

4f. Build Capacity in the Process of Planning and Implementing Design Week

- Participants from two of the focus groups were enthusiastic about maintaining contact with each other to continue a dialogue about SFDW and other concerns. They would like to create a mix of designers to discuss the big ideas of what needs to happen to build Santa Fe as a design hub, culminating in Design Week. They would like to establish a collaborative process; create a community-based (non-governmental) effort to take design industries forward and provide education to the community.
 - They propose a regularly organized and facilitated dialogue between design professionals to work out – they hope to start this in early 2007.
 - Interested persons hope to get representatives from each industry and create a core group to plan *Design Week* together and allow *Design Week* to reflect the objectives of this creative consortium.
 - Make time during the event to meet together and discuss progress and involve local decision makers in this dialogue.

5. What Could Santa Fe's Unique Design Hub 'brand' be?

- Many ideas were offered by focus groups participants:
 - "*Santa Fe – Where Design is a Way of Life*"
 - "*Creative Santa Fe – 'In' on Design*"
 - "*Brain Trust of Creatives*"
 - "*Santa Fe - a unique collection of creative talents*"
 - "*'City Different' can still work*"
 - "*Please don't advertise 'Paris of the Southwest' – need to celebrate Santa Fe for itself*"

- *"Similar to the 'artist colony' idea, we hold a strong cluster of "creatives" – people are hungry to see what's going on here"*
- *"Unique, tri-cultural concentration of artisans, craftspeople, designers and artists."*
- *"Santa Fe has a unique aesthetic – indigenous sensibility – not exploited and not kitsch – retain cultural authenticity. It's a concept – not a place or center."*
- *"To make a common connection is a big job – need to take it in steps."*
- *"Hesitant to close options with a particular 'brand' - the ultimate challenge is to keep a brand of Santa Fe style evolving"*
- *"Modernism is important to Design Week - don't leave out contemporary design when embracing traditional cultures!"*
- *"Too soon to get a clear picture of how Santa Fe could market itself as a design hub – the City doesn't know itself. More conversations needed to decide what it is we want to say."*

6. How Can Santa Fe Establish a Design Hub?

- Generally, participants thought efforts to establish a design hub need to be part of a comprehensive economic development strategy (for all sectors).
- The city needs a strong strategy first and then a marketing campaign to showcase local design products and services
- A common response that energized participants was the idea of a central location, or "place," where people could meet and promote design in Santa Fe. A "physical" design hub could:
 - Be a destination for potential customers, including tourists, to gain familiarity with the products and services of local design professionals.
 - Provide a common meeting space for collaboration among Santa Fe's design industries.
 - Provide a forum for the continued dialogue among disciplines to promote Santa Fe's design industry.
 - Host design events and a revolving exhibit.

- Be centrally located and easily accessible (e.g. Railyard area).
- Provide educational resources to schools and the community
- Ideally, it could house offices for existing design specialties and their associations.
- It was noted that some referral services already operate in Santa Fe.
- There was no consensus on how to create this partnership – how public, private and non-profit entities could work together to form the vision of a “design clearinghouse”.

6a. Continued Dialogue between Design Professionals

- Many focus group participants expressed interest in being involved in continued discussions of how to work together to achieve ‘design hub’ objectives.
- *“We need to have conversations about ‘What do we all want?’ ‘What do we want to say about it?’”*
- *“People are more likely to come if there is something tangible to discuss, and not just more talk.”*
- Many participants exchanged cards and look forward to meeting together to discuss these issues.

6b. Extend Support and Attention to Design Industries throughout the Year

- Many saw the value in working together as a group to support the design industry, including outreach to public officials and “regular folks.”
- Reference was made to the need for improving business climate in general
- Creative businesses need help with practical business skills such as marketing, sales, etc.

6c. Perceived Obstacles for Santa Fe Becoming a ‘Design Hub’

- Lack of a convention center.
- Lack of an existing space that would exemplify and function as a

design 'center.'

- Distance from other national design hubs.
- Difficulty to compete with other well-established events or locations, mostly specializing in a design industry.
 - *"Santa Fe doesn't make a good setting for a trade show because we can't produce in quantity. Denver can compete better because of its industrial base."*
 - *"Santa Fe is a difficult place to implement innovative architectural design because of the historic preservation requirements. Need to be allowed to incorporate innovative materials created after 1920. To prevent stagnation, innovation is needed at many levels (including the City) ... It takes years to get buildings built."*
- To some, 'Sustainability' is a framework to gather different disciplines around common community goals, to others it is one of many elements of a bigger picture.
 - *"Design is everything and sustainability is but one component, not the driving force."*
 - *"Sustainability can be the galvanizing component."*
 - *"We are saturated with "sustainability" in Santa Fe and elsewhere with successful national events."*
 - Many Santa Fe companies are deeply involved in marketing design and zero carbon building.
 - Santa Fe is becoming a driving force for renewable energy.
 - Some could see the relationship of sustainability to design, but thought it should be discussed in a separate conference
 - *"For Santa Fe to carry the role of "Sustainability Design Hub," it would have to compete with other locations and Design Week would have to compete with well-established national conferences such as GreenBuild that took place in Denver just after Design Week with 13,000 in attendance and 700 booths."*
 - Respondents felt that the City needs to make assisting the growth of its target industries, specifically design

industries, with financial investments a greater priority.

III. LESSONS LEARNED

- Just as many presenters and exhibitors would have liked to be kept informed of overall marketing efforts, BBER would like to be kept informed of registration processes in order to better facilitate data collection processes. With well-planned data collection systems in place, BBER will be able to calculate clear economic impacts of Design Week and its activities. BBER will need to determine ways to capture the following:
 - Accurate counts of registered attendees and where they are from;
 - How much money they spent while in Santa Fe (hotels, restaurants, business with exhibitors);
 - How long they were in Santa Fe;
 - If they here for another event (UNESCO);
 - What industries they represent;
 - How they learned about Design Week;
 - Up to date lists of design businesses in Santa Fe and elsewhere that are being used for marketing. These lists can be used for survey research, broadening the understanding the DW's impact.
- The focus groups identified many areas in which to follow up with future research: designers' investment and commitment to the event, the event's targeted audience and the event's increasing value to the city's design communities.
 - Focus groups proved to be a valuable tool in capturing the perceptions, attitudes and opinions pertaining to SFDW. Participants were easily recruited and were very enthusiastic about sharing their insights. Focus groups will continue to be used to study the event's value to the city's various communities.
- Since a large proportion of the city's design firms are small non-employers, BBER will work with the City and others to establish more complete lists of design-related establishments to be used in survey research. Survey response rate can be improved by announcing the survey through postcards and newspaper ads and through more aggressive follow up methods.
- In addition to the data described above, data such as annual receipts, number of firms, gross receipts taxes paid, number of employees and the use of contract workers need to be studied to measure the impact of the City's economic development plan implementation and DW as an industry promoting event.

IV. CONCLUSIONS

- Design businesses in Santa Fe are primarily small businesses with little to no

employees. However, business owners are entrepreneurs with explosive enthusiasm to see design progress and benefit in Santa Fe as a major economic force.

- A significant portion of designer's revenues originate from outside Santa Fe and outside New Mexico, indicating Santa Fe has the possibility of being recognized elsewhere as a major player in the international design world.
- Santa Fe Design Week, as a concept and as an event, has the general support of professional designers from all fields in Santa Fe. Design Week participants would like to see:
 - A narrower focus, a limited scope of event and a more clearly defined target audience for the event.
 - A more clear vision of the role of the general Santa Fe community.
 - More collaboration and dialogue among local professionals pertaining to the planning and execution of Design Week.
- The role of sustainability and green design can be a galvanizing force but can also be highly competitive with other "green design" hubs.
- This study was effective in identifying major issues and establishing a general baseline for the long term economic impact of SFDW, as the event's full impact will become clear over time. More data and further analysis will allow BBER and the City to more completely evaluate the SFDW's impact on local design industries and businesses.

Appendix A: BBER Design Business Survey

Please answer the following questions. Again, your name or business will not be associated with your answers. Thanks for your response.

-
1. What product(s)/ service(s) do you provide? _____

 2. Do you have paid employees (besides yourself), not including contractors?
 Yes (Go to 2a.) No (Go to 3.)

2a. Please indicate the **current** number of full time and part-time employees at this place of business.
 Part- Time Full Time

2b. Please indicate the **current** number of temporary and permanent employees at this place of business.
 Permanent Temporary

2c. Over the last 6 months (between June 2006 and now), how many employees have you had to hire or let go in response to demand of your products/ services?
 Hired (FT PT) (permanent temporary)
 Let go (FT PT) (permanent temporary)

 3. How many employees do you plan on hiring in the next...
 6 months? (FT PT) (permanent temporary)
 Year? (FT PT) (permanent temporary)
 3 Years? (FT PT) (permanent temporary)
(If you do not plan on hiring more, please write '0'. If you don't know, please leave the question blank)

 4. Have you used contract workers in the last six months?
 Yes (Go to 4a.) No (Go to 5.)
4a. Over the past six months, what is the average number of work-hours you contracted out per month? _____

 5. Over the last 6 months, what percentage of your revenues would you estimate...
 Originated from within Santa Fe, NM?
 Originated from outside Santa Fe, NM?
 Originated from outside New Mexico?

 6. Please look over the list of choices below and indicate the first, second and third greatest challenge facing this business (mark with a 1, 2 or 3).
 Market Demand Availability of qualified workers
 Increased competition Access to/ Cost of Capital
 Cost of overhead (rent, mortgage, etc) Seasonal fluctuations
 Cost of benefits Government regulations
 Cost of wages Availability of raw materials
 Cost of raw materials Other (please specify) _____

 7. In October 2006, did you attend any of the Santa Fe Design Week events or activities?
 Yes (Go to 7a.) No (You're done!)
7a. How do you think attending Santa Fe Design Week benefited you and your business?

[code]

Appendix B: Focus Group Representation by Design Industry

| | Architec- -ture | Landscap e Design | Interior Design | Fashion Design | Functiona l Design (i.e. graphic, furniture, lighting) | Sustain- able Design | Design Support (e.g., Mgmt. Ed, Promo., Policy) | Sum |
|---------------------------------|--------------------|----------------------|--------------------|-------------------|---|----------------------------|--|-----------|
| Attended focus group | 2 | 1 | 6 | 3 | 7 | 2 | 4 | 25 |
| Provided written comments | | | 1 | | | | 3 | 4 |
| Sum | 2 | 1 | 7 | 3 | 7 | 2 | 7 | 29 |

Appendix C: 2006 Focus Group Instrument

2006 Santa Fe *Design Week* Focus Group Questions

December, 2006

Facilitated by Myra Segal

Background

"Thank you for taking time out of your busy schedules to be here. Each of you has been invited because you were involved in *Design Week* or are involved in the design industry in Santa Fe. The Bureau of Business and Economic Research (BBER) at UNM has been contracted by the City of Santa Fe's Economic Development Department to do an Economic Impact Study to ASSESS THE VALUE OF *DESIGN WEEK* TO SANTA FE'S DESIGN COMMUNITY.

Results of this discussion and the other information BBER is collecting will be compiled into a report and presented to the Santa Fe City Council. (Besides these focus groups, economists at BBER will examine a variety of data and will be sending out periodic surveys that your business may receive.)

Your input today will help us get a sense of the current atmosphere and how *Design Week* can provide a stimulus to the design industry. This is your chance to express insights, develop inspirational ideas and recommendations and envision a fully developed design economy in Santa Fe.

Objective of Today's Session: (posted on wall)

..... **Assess The Value Of *Design Week* To Santa Fe's Design Community**

..... **How Can *Design Week* Facilitate the Development of Santa Fe as a 'Design Hub'?**

1. Introductions

First, let's take a minute each to introduce ourselves. Please tell us about your occupation and whether you were a presenter, exhibitor, audience member at *Design Week*, all or none of the above.

Also, please tell us how long you have been doing this sort of work in Santa Fe (or elsewhere before coming to Santa Fe)

Perception of Design Week in terms of value & satisfaction

2. Did *Design Week* 'resonate' with your interests?

- Did it meet or exceed your expectations?

- Will you participate again?

3. What Value did you gain from *Design Week*?

- Business: Did you gain business contacts and opportunities?
- Educational: Did you learn things to help you with your work or personal life?
- Inspirational: Did you develop new ideas as a result of your participation?

4. What could make *Design Week* more valuable?

- (educational, material, collaborative)

Perception of momentum for Santa Fe design: short and long term

- 5. What momentum do you perceive was created from *Design Week*?
- 6. What supports could you envision to help continue that momentum?
- 7. Does Santa Fe work for you – Why?

Perception of Santa Fe as a potential Design Hub

8. What does "*Santa Fe as a Design Hub*" mean to you?

What are the elements of a design hub?

What does it look like?

What would Santa Fe's unique 'brand' be?

9. Do you think *Design Week* can be a vehicle to generate Santa Fe as a Design Hub?

What do you think is needed to create this vision of a Design Hub in Santa Fe?

What gaps need to be filled in?

Who can address these suggested changes?

Contextual Issues from Design Week (if not already addressed)

10. Do you value community involvement in this vision? How can it be accomplished?

11. Social issues were frequently discussed at *Design Week*. How do you see educational, social, environmental and political issues as connected to boosting Santa Fe's design industry?

12. Improving energy efficiency and reducing carbon emissions was a pervasive topic at *Design Week*. How do you connect this to boosting Santa Fe's design industry?

Appendix D: 2006 Abridged Questions for Written Comment

Thanks for agreeing to respond to a few questions that are part of an economic impact study being performed for the City of Santa Fe by the University of New Mexico's, Bureau of Business and Economic Research (BBER). The objective is to assess the value of /Santa Fe *Design Week* /and generate ideas on how it can help grow economic opportunities for Santa Fe design industries.

Results will be compiled in a report and presented to the Santa Fe City Council. Please be assured that your name will not be used.

If you are interested to learn more about UNM-BBER or would like to view previous economic impact studies, please visit the website at:

<http://www.unm.edu/~bber>

1. Did /*Design Week*/ 'resonate' with your interests?

- Did it meet your expectations?
- Will you participate again?

2. What Value did you gain from /*Design Week*/?

- Business
- Educational
- Inspirational

3. What does "*Santa Fe as a Design Hub*" mean to you?

- What does it look like?
- What would Santa Fe's unique 'brand' be?

4. Do you think *Design Week* can be a vehicle to generate an identity of Santa Fe as a '*Design Hub*'?

- What needs to happen to create this vision?

5. Social and environmental issues were frequently discussed at /*Design Week*/. How do you see their connection?