Best Practices for Effective Concrete Parking Lot Promotion

Concrete: How ideas Get built.

Join the PLPI
Money to Be Made: Take a new look at the Profit Potential in Concrete Parking Lots

According to research released in late 2006 by the Portland Cement Association (PCA), concrete captured five percent (5%) of the Wisconsin parking lot market in 2005, or about 28,000 cubic yards. PCA has not computed market share for parking lots in Michigan’s Upper Peninsula (UP). WRMCA associate member reps estimate current market share for the UP to be less than 1,000 cubic yards annually.

Wisconsin/UP parking lot market share tracks unfavorably with national numbers. The National Ready Mixed Concrete Association reports in 2005, about 1 in every 10 parking lots built across the U.S. was constructed with concrete.

While 2005 WI/UP market share is less than inspiring, the market potential for concrete parking lots in Wisconsin and the UP is inviting.

PCA estimates annual WI parking lot potential – new construction only – to be about 35,000,000 square feet, or about 562,000 cubic yards. UP market potential (new construction) is estimated to be between 850,000 to 1,500,000 square feet, slightly less than 15,000 cubic yards annually.

Thus, total annual new construction market potential in Wisconsin and the UP is estimated to be about 575,000 cubic yards.

But has anything changed in the market since 2005 to improve concrete’s chances at capturing additional market share?

Market Drivers

Marketplace perceptions – ready-mixed concrete is expensive; concrete parking lots take too long to build; concrete lots are difficult to repair – and a lack of an adequate contractor base remain significant barriers to capturing additional market share for concrete parking lots. But market drivers have emerged to justify taking a new look at the profit potential in promoting concrete parking lots.

First and foremost, the unprecedented run-up in the cost of liquid asphalt in 2006 (by more than 40% – from $190 a ton to over $270 a ton) sent sticker-shockwaves through the WI/UP design and construction communities, straining project budgets and lowering the initial cost gap between concrete and asphalt parking lots by thousands of dollars.

Wisconsin/UP project
An increasingly important market driver is the fast-growing enthusiasm for sustainable development and the growing acceptance in Wisconsin and the UP of concrete as a “green” building material. Although asphalt prices dropped 0.1% in September of 2006, the first monthly decline since 2004, historically high asphalt prices in WI and the UP, and uncertain world oil markets, remain powerful market drivers. A final market driver will be available in July of 2007, when a technical promoter will be added to WRMCA staff – in part to help support member parking lot promotion and sales efforts.

Thomas Friedman, a columnist for the *New York Times*, maintains 2006 was the year “green” came to be accepted by mainstream Americans. Though the tipping point toward sustainable development may not yet have been reached for parking lot decision makers in Wisconsin and the UP, the eco-advantages of concrete over asphalt can no longer be simply dismissed.

Advances in concrete and paving technologies are also becoming powerful market drivers. Equipment innovations and mix additives have improved project quality, productivity, and safety while reducing in-place concrete costs.

Concrete parking lots provide for superior performance when compared to pavement alternatives. But in most WI and UP markets, straightforward design based on anticipated pavement loading is often blunted by unwarranted

Decision Makers

A majority of parking lot decision makers in WI and the UP are based locally and open to sales inquiries from WRMCA members and their contractor customers.

Primary parking lot decision makers include:
- Building owners
- Developers
- Condo associations
- Church & co-op boards
- Facility managers
- Investors
- Municipalities
- School board members
- State agencies
- Architects
- Design/build contractors

Secondary parking lot decision makers include:
- Concrete contractors
- Soil engineers
- Structural engineers
- Municipal engineers
- Landscape architects
- Realtors/leasing agents
- Elected officials

Parking lot decision influencers include:
- Ready-mix producers
- State agency staffers
- Taxpayers
- Maintenance personnel
- Business patrons
- Church and co-op members, apartment residents, and individual condo owners.
practices favoring lower loading parameters for asphalt parking lots.

The Guide for Design and Construction of Concrete Parking Lots, as reported by ACI Committee 330, provides current information on concrete parking lot design and construction practices, including proper pavement design; materials; subgrade preparation; layout; concrete placement; proper finishing, curing, and protection protocols; jointing; striping; and opening the lot to traffic.

Full-Depth Asphalt Pavement for Parking Lots, Service Stations, and Driveways, a report published by the Asphalt Institute, provides design and construction information and model project specifications for asphalt parking lots. In the report, a minimum thickness of 4-inches of full-depth asphalt is recommended for all parking lot applications. This asphalt industry recommendation is routinely ignored by WI and UP specifiers.

As part of its 2007 state-wide promotion program, the WRMCA will unveil a 5-year Parking Lot Promotion Initiative, with the goal of creating over the life of the Initiative, 80 inspired concrete parking lot contractors in WI and the UP. Initiative actions include recruitment, education, and promotion support.

Marketing Weapons and Strategies

The Portland Cement Association, the National Ready Mixed Concrete Association, and the Wisconsin Ready Mixed Concrete Association have developed many effective marketing weapons for concrete parking lot promoters, including brochures, DVDs, videos, and online promotion resources, including a dedicated promotion web site: concretparking.org.

Based on the design standards and guidelines as documented in ACI 330, and utilizing the NRMCA’s Concrete Pavement Analysis (CPA) software, the success of the Initiative rests on the following assumptions:

- Focused associate members can energize ready mix producers
- Energized producers can inspire their concrete contractor customers
- Inspired contractors drive emerging markets
- (though hardly new) concrete parking lots are an emerging market in Wisconsin and the UP.

Recruitment ...

The Initiative requires the recruitment and training of energized producer members, who will be asked to commit to and invest in a 5-year program of annually attending – with at least one (1) of their concrete customers or prospects – the WRMCA Parking Lot Promotion Academy (see Education and Promotion section).

The Initiative requires energized producer to annually identify five contractor customers or prospects with the ability or potential to provide parking lot construction services in Wisconsin and/or the UP, and to recruit at least one of the five to attend – with the ready-mix producer and at the producer’s expense – the WRMCA Parking Lot Promotion Academy.
“MAKING A GREAT IMPRESSION”

WRMCA Parking Lot Promotion DVD

[attach DVD here]
Day-long training at the Parking Lot Promotion Academy (PLPA) will be held annually each December. In 2007, the PLPA will be held on December 6th at Madison Area Technical College.

Based on the 80/20 rule, 1 of the 5 contractors identified by the ready-mix producer will have no interest in attending the PLPA; 3 of 5 contractors identified by the ready-mix producer will have varying levels of interest in attending the PLPA, and one contractor will have strong interest in attending the PLPA. Because many producers will be able to identify more than one contractor annually who has a strong interest attending the PLPA, provisions have been made to accommodate up to 80 contractors and 80 ready-mix producers in each PLPA class.

Based again on the 80/20 rule, 20% of contractors attending the PLPA will totally embrace the concept of promoting concrete parking lots, resulting in the creation annually of 16 inspired parking lot contractors actively promoting concrete parking areas.

Over the 5 years of the program, the Initiative will help to create 80 inspired concrete parking lot contractors, 320 informed concrete contractors, and at least 62 energized ready-mix producers.

**Education and Promotion Support ...**

The Initiative requires the creation of a WRMCA Parking Lot Promotion Academy, which will provide each December, a day-long program of concrete parking lot promotion training for contractors and ready-mix producers. Topics covered in the program include:

- Market Opportunities
- Market Drivers
- Design Issues
- Construction Issues
- CPA Software Training
- Promotion Resources
- Team Sales Training
- Project Tracking.

Contractor participants will also receive many parking lot promotion materials, including a copy of ACI 330; parking lot brochures, a copy of the NRMCA CPA software, and a WRMCA Parking Lot Promotion DVD (see attached).

**Join the Initiative!**

An overnight success story is inspiring. But most often, sustained market shifts require ongoing, strategic action.

With unstable world oil markets and growing enthusiasm for “green” building, now is the time for WRMCA members to work in association – embarking together on a 5-year program to grab significant market share in emerging WI/UP parking lot markets.

Convincing contractors that it is time to take a new look at the profit potential in promoting concrete parking lots will take a significant time investment on the part of producer members.

Producer members will also be asked to invest a minimum of $100 annually to help cover the costs of the PLPA day-long training program ($50 per participant).

But the potential return on your investments of time and money are worth the risk: ongoing, sustainable growth in a potential 575,000 cubic yard annual market.

**Take Action Today:**

Let your WRMCA Parking Lot Ambassador know today you are willing to invest time and dollars to expand market share in Wisconsin and the UP for concrete parking lots.