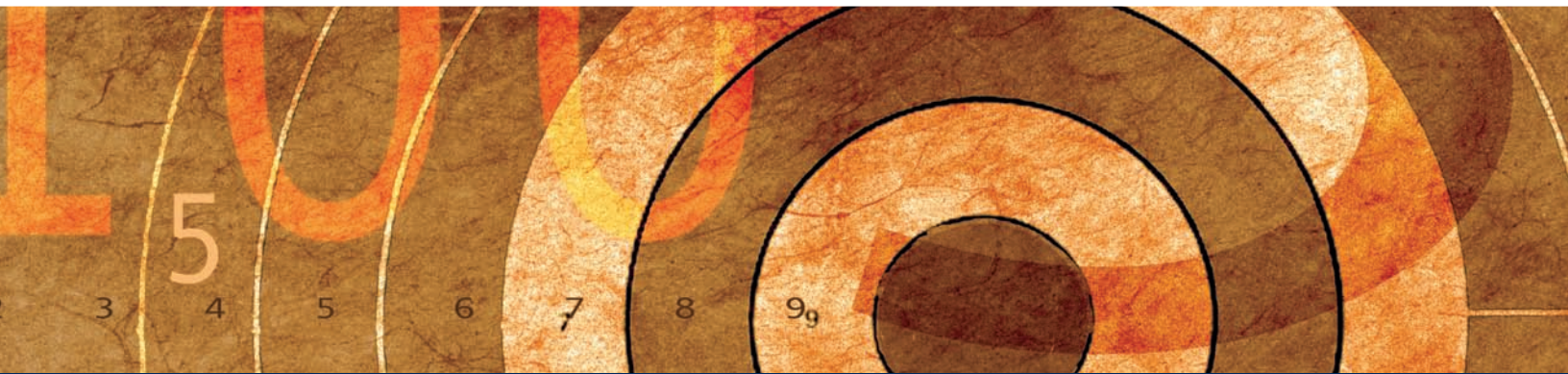


Investment Promotion Agency Performance Review 2006



Providing Information to Investors



World Bank Group
Multilateral Investment
Guarantee Agency

IPA PERFORMANCE

REVIEW SERIES

Multilateral Investment

Guarantee Agency

OCTOBER 2006

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DTZ Consulting and Research is an international firm that advises multinational companies, major financial institutions and property companies in the identification of suitable locations for overseas investments. DTZ assisted MIGA in developing the methodology for this study, and conducted the fieldwork and analysis of the results.

Investment Promotion Agency
Performance Review 2006
Providing Information to Investors

A Report of Global IPA Performance Results

October 2006
Multilateral Investment Guarantee Agency
World Bank Group

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Executive Summary

CONTEXT

As the global market for foreign direct investment (FDI) has grown, multinational corporations have become more circumspect in analyzing competing locations before making overseas investments. Investment promotion agencies (IPAs) that do not target investments and fail to follow up on potential investor interest could easily fall behind in the race for FDI.

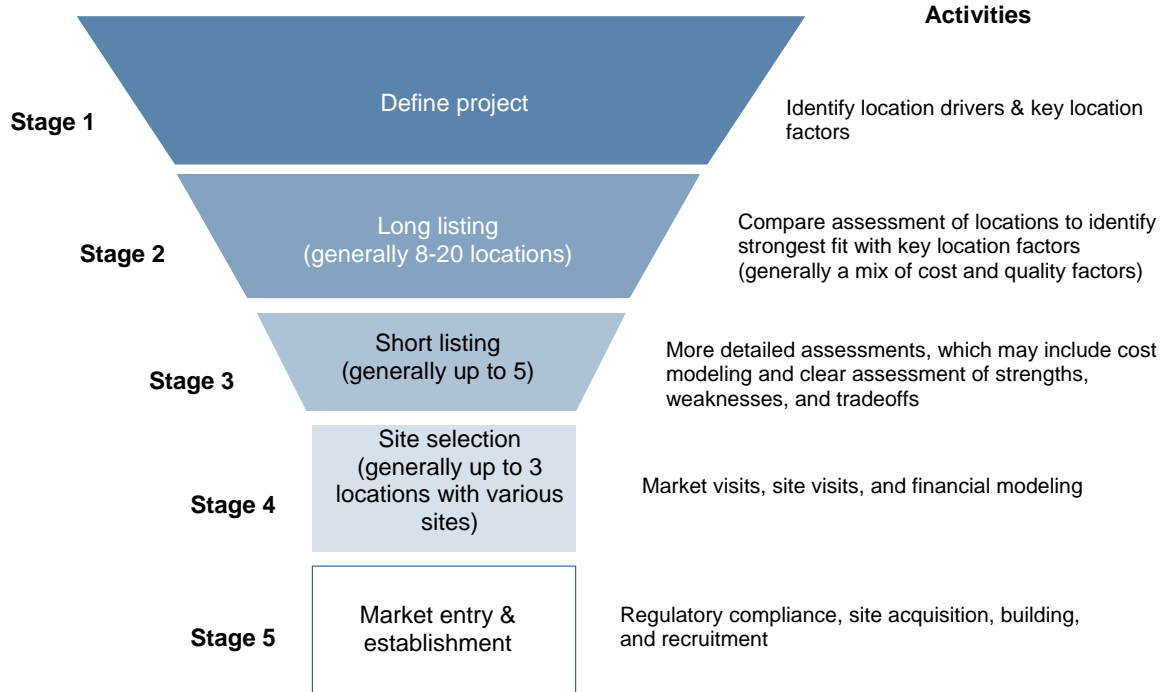
The Multilateral Investment Guarantee Agency (MIGA) of the World Bank Group assists IPAs in developing economies in improving their capacity to attract and retain foreign investors. In 2005, MIGA conducted a pilot study, the *Investment Promotion Agency Performance Review*, which created a provisional framework for assessing operational aspects of IPA customer service. Building on that pilot, this year's review focuses on the provision of online investor information and examines how IPAs respond to inquiries from potential foreign investors.

The 2006 study is based on strong industry evidence suggesting that IPAs that provide good quality investor information can influence mobile investors' location choice decisions, which is commonly accepted wisdom within the investment promotion industry. This study did not set out to test this premise.

MIGA plans to conduct a rolling program of IPA performance reviews. This year's review measures information provision and investor relationship management at the stage in investors' decision-making process known as the "long-listing" stage. During this stage, investors whittle down a long list of theoretically suitable locations to a much shorter list of real possibilities for more detailed research. The review does not cover earlier stages relating to awareness raising or later stages generally referred to as "short-listing" and site selection. (See Figure 1.)

MIGA selected DTZ Consulting and Research to assist with the study, based primarily on the firm's expertise in conducting site selection searches for corporate clients. The MIGA team and the consultants jointly developed the study's methodology. The consultants conducted the actual assessments of the participating IPAs, beginning their fieldwork in late 2005 and completing in April 2006. Some 114 developing-economy IPAs were assessed and benchmarked against a selection of some of the world's best performing IPAs. The consultants' analysis of the study's findings provided the basis for the conclusions outlined in this report.

Figure 1. The investor’s process for selecting a FDI project location



This year’s IPA Performance Review focused on the information provided to investors during Stage 2 of the site selection process, in which investors compile a “long list” of potential locations to research in further detail.

METHODOLOGY

Using evidence from earlier studies and MIGA’s experience in working with IPAs, the research team developed an evaluation methodology to allow assessments of each IPA’s Web site and of its inquiry-handling capabilities. DTZ played a key role in proposing, challenging and testing the methodology against the firm’s own experiences in the site selection industry prior to its implementation. The resulting methodology assessed the functionality and content of IPA Web sites and inquiry responses from the perspective of international inward investors evaluating key location factors important to their decision-making. The ability of each IPA to manage and respond to specific inquiries was evaluated in two confidential trials in which the consultants used an anonymous inquirer in a “mystery shopper” approach to simulate the information-gathering process of investors.

Together, the Web site assessment and the two inquiries included a total of 174 questions that generated a raw score of 520 points. For this report, the survey results were converted to an index base for ease of comparison. The scores for each component are presented separately and also combined for an overall score.

RESULTS

Overall findings and regional performances

The top five developed-economy IPAs—as measured by the same methodology—achieved a combined overall average score of 89.8 percent, some 45.7 percentage points ahead of the developing-economy average of 44.1 percent. (See Figure 2.)

The results are presented in terms of the regional groupings used by the World Bank. In addition, the countries that have recently joined the European Union are presented as a separate group. (The sample included Estonia, Latvia, Lithuania, the Slovak Republic, and Slovenia.) The EU accession countries recorded a relatively solid performance for both the Web site (72.6 percent) and inquiry-handling (68.6 percent) assessments. Their performance provides a good illustration of countries capable of progressing within MIGA's target pool for technical assistance programs.

In overall combined scores, Europe (accession countries), Europe (others), and Latin America and the Caribbean performed better than other developing regions—70.6, 49.9, and 52.3 percent, respectively. Although Sub-Saharan Africa earned a relatively low average score (42.2 percent), five of the 10 best-performing IPAs (excluding the EU accession countries) were from the region.

Web site assessment

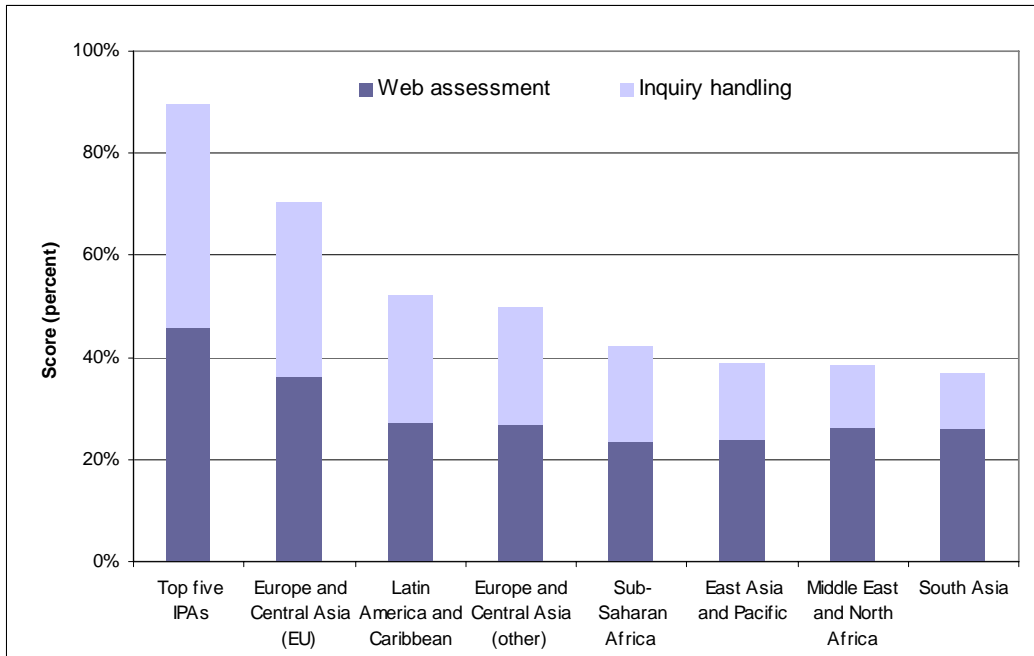
IPAs in the developing economies performed better on the Web site assessment than in inquiry handling, indicating that many IPAs have made initial investments in communication technologies but have not yet developed the organizational systems and skills needed to successfully interact with and support inward investors.

On the Web site assessment, IPAs in the developing economies earned an average score of 51 percent, whereas the top five IPAs scored 91.6 percent. With the exception of new EU member countries (which recorded an average of 72.6 percent), the other regions recorded averages between 47 and 54 percent.

The main weaknesses of the Web sites for IPAs in the developing economies tended to be content (where they scored 38.1 percent) and promotional effectiveness (47.3 percent). Their scores for Web site architecture (58.6 percent) and design (79.1 percent) were better. Many Web sites did not give investors quick access to core information needed to evaluate the locations' suitability. The provided information tended to be shallow and often out of date. Importantly, the vast majority of developing-economy IPAs did not make a case for investing in their locations.

Most Web sites provided superficial details about the economy, but with little finesse in the selection of information and in the delivery of key marketing messages. Unlike the top five sites, most developing-economy sites failed to present detailed information about target industries and business activities. Whereas the top five IPAs were adept at combining information in a way that demonstrated the locations' attractiveness, most developing-economy IPAs neglected to provide reasons why their locations are good investment destinations.

Figure 2. Average scores earned by developing-economy IPAs, by region



When indexed, the overall scores for the IPAs in developing economies (shown on a regional basis here) averaged nearly 50 percent less than those for the top five IPAs.

Inquiry-handling assessment

For inquiry handling, developing-economy IPAs earned an average score of 37.3 percent, compared with a score of 88.1 percent for the top five. Regionally, a considerable range of performances was recorded, with the new EU members (68.6 percent) and Latin America and the Caribbean (50.4 percent) recording the highest average scores, and Middle East and North Africa (24.7 percent) and South Asia (22.0 percent) recording the lowest.

The main areas of weakness among the IPAs in developing economies were customer care (9.8 percent) and quality of response (27.9 percent). Most scored better on responsiveness and handling (40.6 percent) and availability and contactability (61.1 percent).

The survey findings suggest problems at the IPAs ranging from basic failures in their primary means of interfacing with investors to more significant organizational failures and general capability issues. In some cases, it was difficult to contact the IPA because contact details on the Web site were incorrect or e-mails went unanswered. The consultants also encountered process-related and other organizational issues: in some cases, poorly trained frontline staff were unable to forward calls to appropriate project managers; in other cases, disinterested or hostile project managers told the consultants to find information themselves or said they were “too busy” to help. In many instances, a project manager stated a willingness to help but then failed to provide a response or provided a response long after the deadline had passed (a month after, in one case).

The quality of information provided generally resulted in poor scores. A fundamental assumption of this study was that in investment promotion, as in other service-oriented disciplines, it is reasonable for investors as potential clients to expect a well-organized response that provides detailed answers to their questions. However, the survey responses often included no more than a few lines of e-mail text or a

presentation consisting solely of basic and widely available statistics. There was an almost universal lack of overarching arguments showing why the locations would be suitable for the proposed investment. In addition, very few IPAs followed up after providing information in order to find out how the investment project was progressing.

CONCLUSIONS

The study revealed that a significant number of developing-economy IPAs (at least 50 percent of the survey sample) are not yet providing the levels of service and expertise that investors typically expect. As a result, many developing-economy IPAs are receiving less attention from investors than they could receive if they performed better. However, the results also show that a number of developing-economy IPAs are operating at levels close to those of the world's best. Eight IPAs earned an overall score of 70 percent or higher, indicating that high performance in this area is an attainable and realistic objective for IPAs in the developing world.

Overall, the substance of the information provided suggests that many IPAs do not really understand the industries in which they are seeking to attract investment and do not know enough about their economies' capabilities to be able to add much to the investment decision-making process. The survey also revealed a fundamental lack of marketing sophistication. Successful IPAs are able to demonstrate how the *assets* of their locations translate into *advantages* for specific investors. These linkages were not apparent in most of the reviewed Web sites or inquiry responses.

Although some developing-economy agencies and particular project managers acquitted themselves very well in the inquiry-handling exercises, most of the surveyed IPAs struggled to provide a professional service in their responses. Many did not seem to employ an integrated system with defined roles and tasks for receiving, handling and responding to investor inquiries.

IPAs performed more strongly in the Web site assessment than in the two inquiry-handling exercises. This indicates that the IPAs have made initial investments in communication technologies, but have not yet developed the organizational systems and skills they need to successfully interact with and support inward investors.

IMPLICATIONS

The review underscores a significant area of opportunity for IPAs to improve their competitiveness as service operations. Given that the investor's short list of site candidates is usually derived by narrowing a long list of potential locations, the service IPAs provide during the long-listing stage is essential to attracting investment. IPAs cannot focus on becoming short-list candidates, and eventual winners in location searches, without first meeting prospective investors' initial information requirements. IPAs that do not provide this information will have difficulty contributing substantively to investors' location choice decisions, and ultimately, in demonstrating their value to stakeholders. In this regard, the stakes are high for IPAs; making a good first impression on the investor has important "downstream" implications both for the opportunity presented in each individual investment project, and for the overall long-term success of the agency charged with attracting and retaining investment.

The findings suggest that improvement through a dedicated course of action may be warranted among most IPAs. IPAs seeking to attract investment would be advised to revisit their Web sites to determine whether they provide enough information of real value to prospective investors and to audit the capabilities of their frontline staff and project managers. Over time, the proactive IPA should aspire to develop customized

research services for investors designed to help differentiate its location among global competitors for investment. In this way, the agency becomes a vital player in the process, adding value for investors as they evaluate prospective sites. In responding to investor inquiries, the study illuminates an apparent need among IPAs for capacity building particularly in the “softer” aspects: communications and customer care, internal investor-handling systems, filing and records systems, preparation of responses and report writing.

The 2006 review also has provided impetus for further analysis along several dimensions. MIGA is collaborating with the World Bank’s Development Research Group (DECRG) in a complementary study that is gathering data on the characteristics of IPAs (including MIGA’s entire sample of IPAs). Further research will combine the performance data collected in this study with data on IPA characteristics, and is intended to shed light on the importance of factors such as budget and staff resources, the range of functions undertaken by IPAs, and organizational structure in explaining differential IPA performance.

MIGA is currently developing detailed plans for its 2007 IPA Performance Review, and these will be announced soon. As part of the future program, MIGA intends to repeat the current study to examine changes in performance across the sample of IPAs. Critical lessons learned during the course of the current review—one of the most comprehensive IPA performance studies conducted to date—will be incorporated into the future research program.

Introduction

Growing numbers of companies are seeking new investment opportunities around the world, but the array of locations that offer credible investment propositions is growing as well. As a result, the investment promotion field has become increasingly competitive in recent years. The number of investment promotion agencies (IPAs) touting national and subnational investment sites around the world has grown at least fivefold¹ over the past decade, with subnational IPAs proliferating especially quickly, particularly (but not exclusively) in larger countries such as Brazil, China, India, Indonesia, the Philippines, the Russian Federation, and South Africa, as well as in the countries of the European Union.

Investors now see political, social, and economic stability, along with a welcoming investment environment, as prerequisites when they consider potential investment locations.² For that reason, many IPAs, particularly in locations with low stocks of foreign direct investment (FDI) and small investment flows, have found that they need to be more proactive than ever before in pursuing and convincing investors to consider their locations. IPAs that fail in these efforts may have difficulty not only in attracting mobile investment but also, as a consequence, in proving their long-term value to their governments and other stakeholders. On the other hand, IPAs that succeed in winning investments through proactive marketing and services help position their locations for further consideration and investment, especially given that many investors prefer to follow others into developing locations.

One of the most basic challenges that IPAs face is to provide investors with relevant, high-quality information. This is particularly important in developing economies, where the number, range and quality of alternative information sources for investors tend to be limited.

To address this challenge, the Multilateral Investment Guarantee Agency's (MIGA's) *Investment Promotion Agency Performance Review 2006* focuses on the importance of getting the right information to prospective investors via Web sites and in response to investment inquiries. The review focuses on the ability of IPAs to meet investors' information needs at the critical "long-listing" stage of an investment project, when investors whittle down a long list of theoretically suitable locations to a much shorter list of real possibilities for more detailed research. A location must do well at this stage if it is to stay in the race. If a location drops off the list at this stage, it is highly unlikely that it will be able to get back on again later.

The 2006 review is the first in a new program of IPA performance reviews that will enable each participating IPA to benchmark its performance against others in its region and globally. Building on a pilot study carried out in 2004/5, it is designed to help IPAs improve their performance and to provide a framework and baseline for MIGA's program of IPA assistance. The benchmarking exercise provides MIGA with a

¹ *The World of Investment Promotion at a Glance: A Survey of Investment Promotion Practices*, UNCTAD, United Nations, 2002.

² A partial exception is natural resource-seeking investment, which responds to different considerations, although even then countries with better investment environments are able to reap greater rewards from investments in their natural resources.

sound baseline that can be used to measure performance improvements over time and to develop diagnostic and assistance packages for IPAs.³

This study is based on strong industry evidence suggesting that IPAs that provide good quality investor information can influence mobile investors' location choice decisions, which is commonly accepted wisdom within the investment promotion industry. The study did not set out to test this premise.

The 2006 review aimed to evaluate IPA Web sites and to benchmark the ability of agencies to respond to and manage requests for information from potential investors. The objectives were to:

- Assess the quality and usefulness, from the investor's perspective, of information available on IPA Web sites;
- Assess the extent to which IPAs are able to handle inquiries from potential investors and their advisors;
- Gain insight into the strengths and weaknesses of IPAs in the provision of information, so that IPAs will be able to strengthen their efforts.

The fieldwork for the review was carried out between October 2005 and April 2006. The study reviewed performance in 114 IPAs in developing and transitional economies, as well as 11 developed-economy IPAs recognized as being among the world's best performers. The same methodology was used to evaluate all 125 IPAs.

The review involved assessing each IPA's Web site and conducting two confidential inward investment inquiries using a "mystery shopper" approach executed by consultants from an actual site selection firm. Results were analyzed and each IPA's results were compared against relevant benchmarks, such as the average for all developing-economy IPAs. Each IPA has received a report detailing its results relative to benchmarks derived from the analysis, but the individual IPA scores will not be published. (It was decided early on that the prospect of such disclosure would likely dissuade too many IPAs from participating in the study.)

The 2006 review is the first attempt to review and benchmark such an extensive number of IPAs. It is significantly broader than last year's pilot study in both its sample size and in its methodology requiring a Web site assessment and two inquiries, rather than one, be made of each IPA. This review also is the first time that a study has attempted to assess IPAs' capability to provide information across multiple marketing channels, namely via Web sites and in response to direct inquiries from prospective investors or their advisors. Because each IPA faced two separate inquiries, it also is the first time that an attempt has been made to benchmark IPAs' ability to perform consistently when responding to investor inquiries. As such, the findings of the Web site and inquiry-handling assessments provide a unique perspective on the capabilities of IPAs globally.

To help substantiate the methodology and then carry out the study, MIGA selected DTZ Consulting and Research, a firm experienced in site-selection searches and data-gathering exercises on behalf of corporate clients exploring locations in different regions of the world. The study thus combines MIGA's wide experience in IPA performance with the consultants' direct experience in meeting investors' information needs. In developing the methodology, the consultants were able to confirm or adapt the underlying assumptions posed by the MIGA team based on their experience. Selecting a consultancy active in the location search business also added the credibility of using an actual firm's name when making inquiries of the IPAs.

³ MIGA also conducts benchmarking studies under its ongoing Enterprise Benchmarking Program (EBP) that compare sector-specific operating costs and conditions for investors. These studies have focused on Southeast Asia, Afghanistan, the Western Balkans, China's Sichuan Province and Africa (near completion), and a study is in the works for the Caribbean/Central America.

Participating IPAs: Best-Practice Benchmarks and Developing-Economy Participants

ESTABLISHING A BEST-PRACTICE BENCHMARK

To provide an aspirational benchmark for the study, 11 IPAs were identified from those considered the world's leaders in the field. The 11 IPAs were selected partly based on the results of the 2005 pilot study, which examined the inquiry-handling performance of some 70 IPAs from the developed economies, and partly based on other studies and the collective experience of MIGA and the consultants.

The results presented in this report include two key benchmarks: first, the highest score achieved for each question by a participating IPA, and second, the average of the five top-performing IPAs. The latter benchmark, rather than the average of all 11 best-practice IPAs, is intended to provide a tighter comparator—one that may be more useful in setting aspirational standards for the participating IPAs. The 11 best-practice IPAs that participated in the review are listed in Table 1.

Table 1. Best-practice IPA participants

National IPAs	Subnational IPAs
Czech Invest	Invest Hong Kong
EDB Singapore	Invest Victoria
Invest in Denmark	The Mersey Partnership
Invest in Sweden	Yorkshire Forward
Netherlands Foreign Investment Agency	
Scottish Development International	
UK Trade and Investment	

Broadly, and with very few exceptions, the results for the 11 selected IPAs validated their selection as top practitioners. As noted, however, the top five IPAs were selected to create a clearer average benchmark that is used for comparative purposes in the study's results.

SELECTING 114 IPAs FROM DEVELOPING ECONOMIES

The sample included 114 IPAs from developing economies in every region of the world, as detailed in Table 2. (A full list of participating IPAs appears as Appendix 2.)

Table 2. Developing-economy participants by region

Region	Number of IPAs
East Asia and Pacific—EAP	29
Europe and Central Asia (EU Member States)—ECA (EU)	5
Europe and Central Asia (Other)—ECA (Other)	13
Latin America and Caribbean—LAC	15
Middle East and North Africa—MENA	14
South Asia—SA	5
Sub-Saharan Africa—SSA	33
TOTAL	114

Note: Regions based on World Bank regional classifications.

Investment Promotion and Information Provision in Context

FDI is having a significant effect on how developing economies integrate into the global economy. Whether considering investments as a means to gain access to resources, reduce costs, or enjoy growth in new markets, international corporate investors increasingly are implementing their strategies on a global scale.

To create employment opportunities and accelerate economic growth in their economies, many governments have elected to pursue strategies to attract foreign investors. An important part of attracting investors is providing information about the economy and other features of the location that make it suitable for direct investment.

Providing information to investors, therefore, is a key component of the mission of an IPA. It is particularly important in developing economies, in which the reliable, detailed, and up-to-date information that a prospective investor needs to make a sound assessment of possible locations may be hard or impossible to obtain from sources other than the IPA. Companies can sometimes find the information they require through various public and private sources, but its accuracy and timeliness is often questionable. By providing reliable and relevant information, the IPA can minimize inaccuracies and present the location's advantages in the best possible manner.

THE INVESTOR'S SEARCH FOR A LOCATION AND THE ROLE OF INFORMATION DURING LONG-LISTING

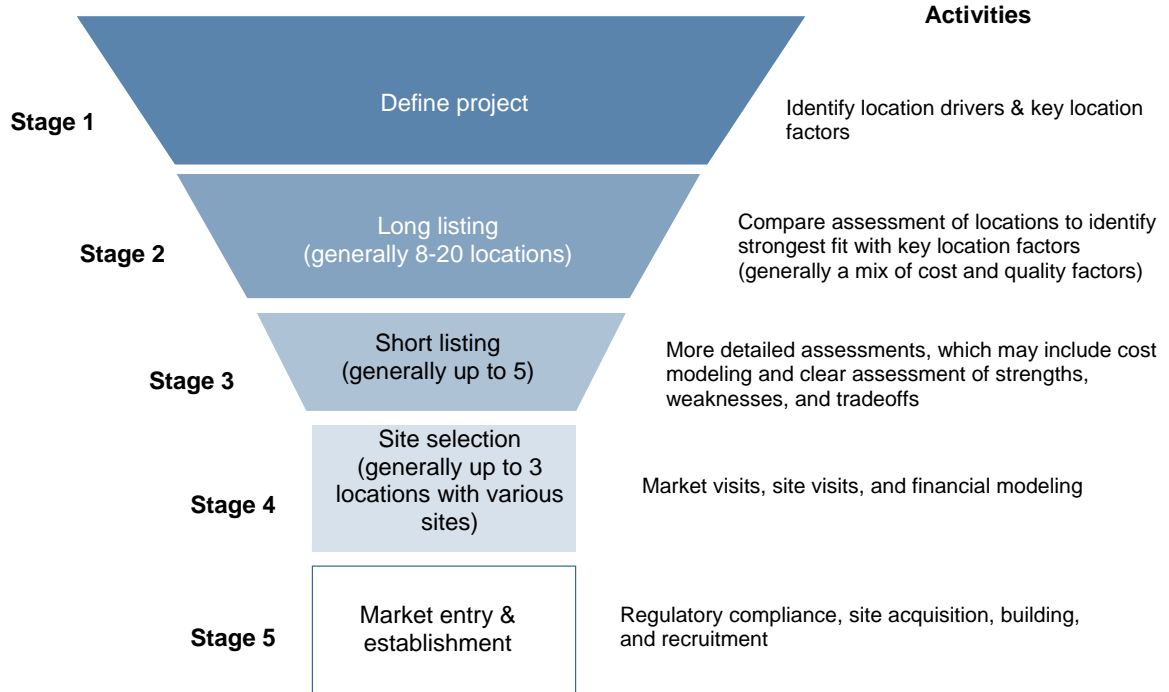
IPAs create and disseminate information at all stages of the marketing and promotional pipeline. They raise awareness through branding strategies, participate in events, run advertisements, and help companies grow once established in the market. This review focuses on the role of the IPA in a very specific stage in the investment-location process—namely the long-listing stage.

When investors make decisions they generally filter a long list of locations (sometimes as many as 20) to arrive at a much shorter list (usually no more than five), after which they undertake a more detailed or technical assessment leading to market visits and site selection. (See Figure 3.)

Before selecting a location or site, a prospective investor will define its strategic objectives and identify the factors on which its location decision will be based. The company will develop a list of "key location factors" (KLFs), a set of criteria that will be used to compare and evaluate various location options.⁴

⁴ KLFs vary from company to company, from sector to sector, and according to the business activity proposed. However, while variations may be wide, commonalities, too, are considerable. KLFs tend to include a mix of cost and qualitative criteria. The MIGA/consultant team's understanding of KLFs drove the approach to assessing Web site content and influenced the mystery shopper inquiries that were posed to IPAs. The study's assumptions, outlined in subsequent sections of this report, were based on empirical research where possible and elsewhere on actual market experience. See, for example, three reports by DTZ Consulting and

Figure 3. The investor’s process for selecting a FDI project location



This year’s IPA Performance Review focused on the information provided to investors during Stage 2 of the site selection process, in which investors compile a “long list” of potential locations to research in further detail.

At the long-listing stage of an investment project, high-level comparisons of locations are made in order to exclude sub-optimal locations and identify those locations with the strongest potential. At this stage, investors or their advisors will conduct research in-house using various databases and the Internet, which means the information provided through IPA Web sites is critical. This stage usually is carried out remotely; site visits generally are not performed at this stage. Often, information available online will be supplemented by direct inquiries from the investor or its agent. Such inquiries typically are made to the most important investment body in the location, usually the IPA.

At the short-listing stage, an investor will refine the set of location criteria and introduce a greater level of detail into the assessment. It is at the short-listing stage that a company will often undertake financial and cost modeling. Companies are more likely to interact directly with an IPA at this stage. Locations may be visited.

Although companies vary in the weight they assign to individual factors, they will tend to consider numerous factors at the long-listing stage, depending on the project type. (See Table 3.)

Research: (1) *Factors influencing the location of traded services*, 2006; (2) *One in Seven: The Economic Impact of Inward Investment on the Economy in London*, Think London, 2005; (3) *Working for Business*, Central London Partnership, 2005.

Table 3. Typical key location factors for three types of investment

Manufacturing	Office-based services	Research & development
Economic and political stability	Economic and political stability	Economic and political stability
Regulations on treatment of foreign-owned firms (and profits)	Regulations on treatment of foreign-owned firms (and profits)	Regulations on treatment of foreign-owned firms (and profits)
Market size	Labor force skills and availability	Labor force skills and availability
Market growth	Market size	Scientific or intellectual infrastructure and intellectual property rights
Presence of suppliers	Market growth	Market size
Presence of competitors	Presence of competitors	Market growth
Utilities supply (power, ICT, water)	Utilities supply (power, ICT)	Utilities supply (power, ICT, water)
Property availability	Property availability	Property availability
Transport infrastructure	Air connectivity	Air connectivity
Labor force skills and availability	Labor costs	Labor costs
Labor costs	Property costs	Property costs
Utility costs	Utility costs	Utility costs
Transport costs	Business support	Business support
Property costs		
Scientific or intellectual infrastructure and intellectual property rights (for advanced manufacturing)		
Import and export conditions, trade treaties (where relevant)		
Business support		

IPA Web sites and responses to inquiries must contain information relating to the most common location factors. Most best-practice IPAs have an in-depth understanding of KLFs and how investors will evaluate their locations against them. Best-practice IPAs also tend to understand KLFs at sectoral and subsectoral levels and are aware of the KLFs applied by companies in various businesses.

For example, best-practice IPAs (including those surveyed in this review) typically include details on their Web sites and in their inquiry responses that reflect an understanding of what factors are most important in various sectors and subsectors and for specific types of projects. They not only can respond to a food project or financial services project, but also can respond in a differentiated way to a snack-food R&D project or a back-office project for a retail bank.

The methodology of the review reflects corporate interest in KLF-related information. MIGA's Web site assessment criteria and inquiry-handling survey are designed to determine and quantify the extent to which an IPA has developed an understanding of the nature of the information sought by investors, as well as the IPA's ability to meet investors' expectations.

MIGA'S APPROACH TO BEST-PRACTICE INFORMATION PROVISION

The information provided to investors affects their investment decisions. An investor may include a potential location on its long list on the basis of information that has surfaced about that location. But even if the location would indeed be suitable for a particular investment, it may not stay on the list if additional information about it is not readily available. The extent to which an IPA provides high-quality information is reflected in its promotional Web site, as well as through the information provided directly to investors.

The approach to best-practice Web site provision

MIGA has been a pioneer in using Web sites to promote investment, having developed the first FDI portal Web site, *IPAnet*,⁵ which disseminates to investors information about developing and transitional economies. Since *IPAnet*'s establishment in 1995, MIGA has provided technical assistance to help IPAs set up their own Web sites, and to generate and present investor-oriented content on those sites.

MIGA's approach to best-practice Web site development and maintenance is derived from a variety of studies in usability analysis.⁶ Although these studies have not focused on investment promotion, MIGA has adapted those assessment areas that can be applied across all business sectors to the investment promotion context. For nearly a decade MIGA has conducted Web site assessments for its client IPAs, and development of the Web site assessment methodology used in this review has led to the addition of a scoring component. This allows Web sites to be evaluated according to a standard set of criteria, thus minimizing subjectivity.

To arrive at a clearer understanding of what types of information are sought by investors and their advisors during Web searches, MIGA referred to investor surveys conducted by units of the World Bank Group, including MIGA, as well as research by sources outside the World Bank.⁷ MIGA has also profited from the experience of its consultants in their work with investment relocations.

⁵ *IPAnet*, also known as the Investment Promotion Network, was established 1995 as an online forum for developing countries to disseminate investment-related information to the global investor community (<http://www.ipanet.net>). Now averaging 60,000 users a month, *IPAnet* serves as the technology backbone of MIGA's efforts to assist IPAs in their Internet interface with investors.

⁶ Including three seminal papers as follows: (1) *A framework for FDI promotion* by Henry Loewendahl, *Transnational Corporations*, Vol. 10, No. 1, April 2001; (2) *Assessing a firm's web presence: A heuristic evaluation procedure for the measurement of usability* by Agarwal and Venkatesh, *Information Systems Research*, Vol. 13, No. 2, June 2002; and (3) *Consumer-Centric Emarketing Value Assessment Model: An Adaptation of Heuristic Evaluation Usability Testing, The Seven C's Framework and The Value Bubble To Assess Website Marketing Objectives Achievement* by O'Keefe and Askim-Lovseth, *Journal of E-Business*, Vol. 5, No. 1, June 2005.

⁷ Including several sources as follows: *Foreign Direct Investment Survey*, MIGA, 2002; *Results from a Survey of International Investors in the Power Sector—What International Investors Look for When Investing in Developing Countries*, World Bank Energy and Mining Sector Board Discussion Paper No. 6, May 2003; *Administrative Barriers to Investment in Africa*, FIAS, 2000;

