

Wealth Creation



EDD LEARNING COHORT

Session 3: Understanding Demand

November 5, 2025



Objectives



Get to know each other.



Understand how wealth creation is demand-driven.



Hear from a wealth creation expert.

Icebreaker

- Name
- Organization
- Sector(s) of interest



Principles of Wealth Creation



#1 – **Create wealth**, broadly defined, and aspire to do no harm.

#2 – Root wealth in local people, places and firms through **local ownership, control and influence**.



#3 – Build **lasting livelihoods** by intentionally including people and firms on the economic margins.

Key Concept

Wealth Components: Eight Capitals

Intellectual

- Knowledge and innovation

Individual

- Skills, education, health

Social

- Trust and relationships

Natural

- Natural resources

Built

- Infrastructure

Political

- Influence on decision makers and shapers

Financial

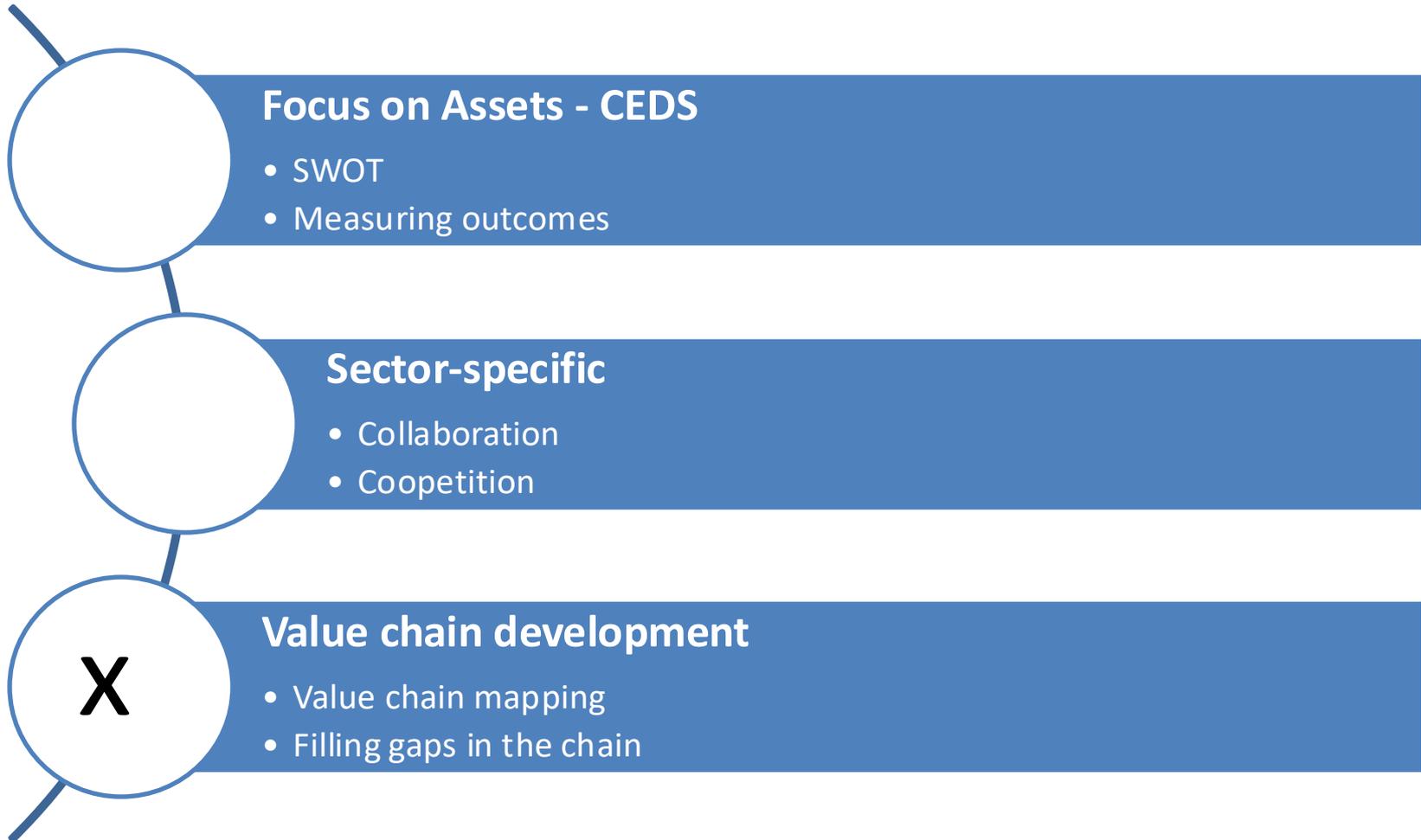
- Savings and investment

Cultural

- Traditions, customs and ways of doing

Assessment
Design
Measurement

A Continuum for EDDs



Demand

Why Start with Demand?

Demand, not supply, is the driver of economies.

A **strong relationship with demand partners** provides:

- Market intelligence and signals the need for adaptation
- Preferred supplier status based on meeting specific buyer needs
- Potential investment partners for emerging WW Value Chains
- Opportunity for products to be pulled through rather than pushed





Types of Demand

1) **Effective demand**

a. Effective demand exists when consumers have the means to pay for the goods and services they desire, but supply may be insufficient. Effective demand pertains to products and services already available to some degree and may also apply to innovative products and services.

2) **Ineffective demand**

a. Ineffective demand exists when potential consumers desire to purchase goods and services but lack the means to do so. There are a variety of ways to turn ineffective demand into effective demand for conventional and innovative goods and services.

3) **Nascent demand**

a. Nascent demand exists when consumers are not able to articulate what they desire. For example, before the invention of cell phones, few people would have been able to describe one, let alone imagine owning one. Now that they exist, demand is global. Innovative products and services can tap into nascent demand.



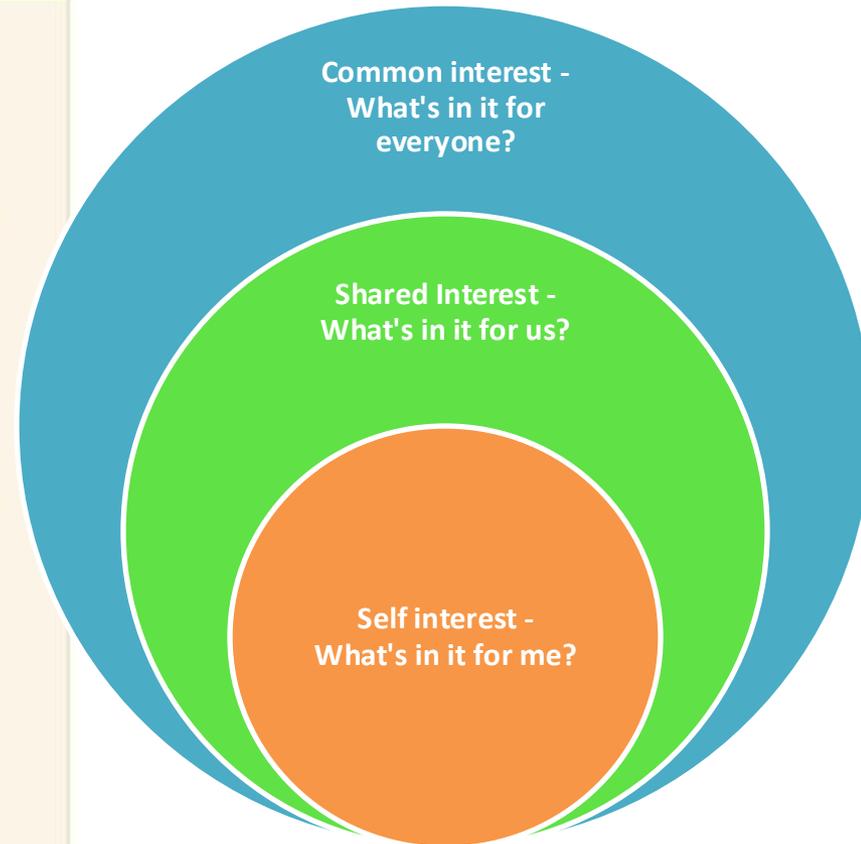
What it means to be “demand-driven”

1. Know your demand partners, understand what they need and help them understand what you need to be able to meet their needs.
2. Organize your value chain to meet the needs of your demand partners while creating multiple forms of wealth inclusively.

Tapping into interests

WealthWorks thinks about interest in three different, but connected ways.

- **Self-interest:** “What’s in it for me?” is the strongest energy motivator.
- **Shared interest:** “What’s in it for us?” is sparked when two or more value chain partners recognize a win-win action within the value chain that will benefit each.
- **Common interest:** “What’s in it for everyone?” includes benefits that flow from the value chain to people or places outside the value chain, both in the region or beyond.



What is a demand partner?

Demand partners are:

- Not the end consumers.
- Businesses or organizations that serve the end consumer.
- The intermediary connector between supply and retail consumers.

In a food value chain, demand might include institutional buyers like hospitals, school systems, retail stores, etc.



What makes a good demand partner for a WWVC?

- 1) They are an intermediary buyer with their finger on the pulse of market demand.
- 2) They seek goods and/or services that are not readily available.
- 3) Their volume of demand is greater than can be met by any single existing business in a place.
- 4) They see their own self-interest in partnering with regional firms to build stronger communities and a stronger and more resilient economy.



Demand Partner Characteristics (continued)

- 5) They have the flexibility to adjust their procurement practices to meet the needs of place-based value chains.
- 6) They may have the willingness and ability to invest in the establishment and successful operation of place-based value chains in multiple ways.
- 7) They are solvent and willing and able to be an honest, non-exploitative partner with place-based value chains.



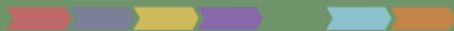


Identifying potential demand partners

Think about:

- what you currently produce, including the byproducts of production
- underutilized potentially productive resources that may exist in your place
- entrepreneurial ideas and practices you know about
- effective, nascent and ineffective demand

Brainstorm some of the subsectors in which you might want to identify potential demand partners.



How to Build a Relationship with a Potential Demand Partner

1. Do your homework. Understand something about who they are and what they do. Learn some of their business vocabulary if you can.
2. Develop a set of questions to ask with follow ups. You may ask different questions of different types of buyers.
3. Make an appointment by explaining that you would like to learn more about what they do and about they types of goods and/or services they have a hard time getting in the region.
4. Let them know that you are in the early stages of looking for potential demand partners for wealth creation value chains that would help them meet their needs. Your job is to understand their self interests and see if you can find shared interests. You are not “selling” anything!



Some possible questions for local buyers

- What are the biggest challenges you are having with your business?
- What are your customers demanding that you cannot reliably supply now?
- What would you like to be able to buy and sell if you could get it?
- (If they buy from outside the region) Would you be willing to buy that product or service from within the region—if it were available?
- Outside of making a profit (or fulfilling your mission), what matters most to you—for example, your image, helping your community, selling local products, environmental impact....and so forth?
- What questions do you have for me?





Homework

- Part 1 (before our check-in call):
 - Identify 2-4 potential demand partners for each potential subsector you're interested in.
 - Do some research about them.
- Part 2:
 - Reach out to 1 or 2 potential demand partners.

Cohort Timeline

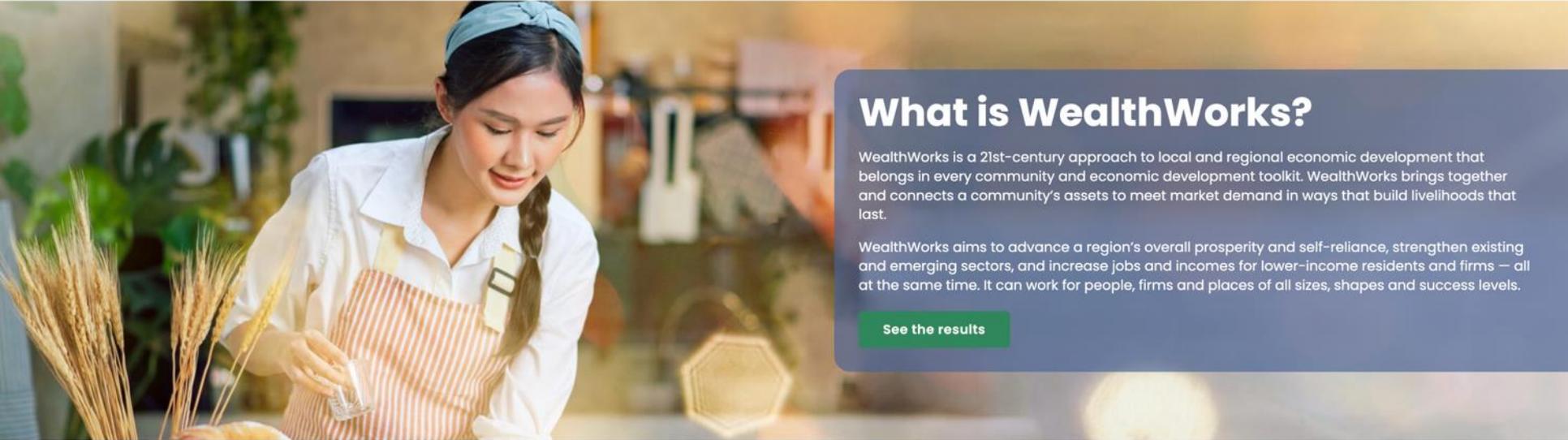
Session	Topic	Dates
1	Intro to Wealth Creation	9/12 and 24
2	Wealth Creation & CEDS	10/8 and 22
3	Understanding Demand	11/5 and 19
4	Value Chain Selection/Identifying a Market Opp.	12/3 and 17
5	Mapping a Value Chain	1/14 and 28
6	Identifying Gaps, Bottlenecks, Underutilized Assets	2/4 and 18
7	What's next?	3/11

[WealthWorks Website - www.wealthworks.org](http://www.wealthworks.org)

Connecting community assets to market demand to build lasting livelihoods.



[About](#) [The Basics](#) [Success Stories](#) [Resources](#) [Connect](#)



What is WealthWorks?

WealthWorks is a 21st-century approach to local and regional economic development that belongs in every community and economic development toolkit. WealthWorks brings together and connects a community's assets to meet market demand in ways that build livelihoods that last.

WealthWorks aims to advance a region's overall prosperity and self-reliance, strengthen existing and emerging sectors, and increase jobs and incomes for lower-income residents and firms – all at the same time. It can work for people, firms and places of all sizes, shapes and success levels.

[See the results](#)

[The Basics](#)

[Resources](#)

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NADO Wealth Creation Website –

www.nado.org/wealthcreation

Wealth Creation



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Training Materials and Resources

For several years, the NADO Research Foundation has trained EDD staff and partners on a wealth creation framework known as *WealthWorks* that seeks to build multiple types of capitals or assets in a community or region. This approach, recognized as a best practice in EDA's CEDS Content Guidelines, emphasizes support for local ownership and control of businesses and assets in order to root wealth in a region. It is also intentionally inclusive, seeking ways to incorporate a variety of voices as planners and owners, not only as intended beneficiaries or consumers. A handful of EDDs are using wealth creation in CEDS and other EDD regional planning efforts, demonstrating that this approach can influence EDD operations, including improving consideration of equity and access when designing stakeholder participation or even procurement and hiring. Through the Economic Development District Community of Practice (EDD CoP), made possible through an award from the Economic Development Administration, the NADO Research Foundation is coordinating with EDD practitioners and other rural and regional development practitioners to incorporate this wealth creation model where appropriate.

Wealth creation is an approach to economic development that connects a region's assets to market demand in ways that build rooted wealth for local people, places and firms. It brings together a range of public, private and non-profit sector partners who have self-interest in the outcomes and an openness to discovering shared or common interests.

2026 EDD Wealth Creation SUMMIT



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For More Information

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