

Metro South Chamber of Commerce Economic Outlook Study



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**UNIVERSITY OF MASSACHUSETTS DARTMOUTH
CHARLTON COLLEGE OF BUSINESS
CENTER FOR MARKETING RESEARCH**

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KEY HIGHLIGHTS

- 57% of the businesses have been in operation for more than 20 years.
- 74% of the businesses have 25 or less full-time employees and 76% have 25 or less part-time employees.
- 71% of the businesses stated that this region is a great place to operate based on location.
- 43% of the businesses reported that their current business condition has gotten better in the past 6 months and 46% reported that their condition stayed the same.
- 26% of the businesses stated that the biggest challenge facing their business today is the economic cycle.
- In the next 6 months, 37% of businesses stated that they are very likely to increase revenue; 31% are very likely to increase marketing and advertisement spending, and 26% stated that they are very likely to increase their technology spending.
- 66% of businesses use Facebook as a social media tool to promote their business, making Facebook the most popular social media tool used.

RESEARCH OBJECTIVES

RESEARCH OBJECTIVES

To determine the conditions of the business environment in regards to economic development in the Metro South region

This research aims to provide the following insights:

- To determine the pros of conducting business in the Metro South region
- To compare business conditions in the Metro South region to other parts of the state & nation
- To determine how the performance of businesses in the Metro South region is expected to fluctuate based on different factors
- To determine the biggest challenges of businesses operating in the Metro South region

METHODOLOGY

METHODOLOGY

RESEARCH DESIGN	Survey
RESEARCH METHOD	Phone Calls
SAMPLING DESIGN	Probability
SAMPLING METHOD	Systematic Random Sampling
SAMPLE POPULATION	Client Provided List of Metro South Businesses (N=7,771)
DATA COLLECTION PERIOD	September – October 2019
SAMPLE SIZE (ERROR AT THE 90% CONFIDENCE LEVEL)	255(±5%)

SURVEY INSTRUMENT

Metro South Chamber of Commerce Economic Outlook Study

*Conducted by the University of Massachusetts Dartmouth Charlton College of Business
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1. How long has your business been in operation (at this location or a previous location)?

Under 1 Year ____ 1-5 Years ____ 6-10 Years ____ 11-20 Years ____ Over 20 Years ____

2. How many employees does your company have?

Full Time: None ____ 1-25 ____ 26-50 ____ 51-99 ____ 100-149 ____
150-199 ____ 200 – 249 ____ 250 or More ____

Part Time: None ____ 1-25 ____ 26-50 ____ 51-99 ____ 100-149 ____
150-199 ____ 200 – 249 ____ 250 or More ____

3. In which industry is your business classified?

Retail ____	Real Estate ____
Food and Beverage ____	Healthcare ____
Manufacturing ____	Arts, Entertainment & Recreation ____
Construction ____	Wholesale Trade ____
Finance and Insurance ____	Legal Services ____
Transportation ____	Service ____
Non-profit ____	
Other (please specify) _____	

4. From a business perspective, what makes this region a great place to operate in?
(check all that apply)

- Location ____
- Affordability of Real Estate ____
- Access to Large Population ____
- Access to Diverse Population ____
- Transportation ____
- Value of Money ____
- Supply of Customers ____
- Supply of Workers ____
- Other **(Please Specify)** _____

5. Please state the likelihood of your business expanding in the following areas:

	Definitely	Probably	Probably Not	Definitely Not
Do you expect to expand your workforce in the next year?				
Do you expect to expand your products and/or services in the next year?				
Do you expect to expand into adjacent markets?				

6. What is your perception of current business conditions compared to six months ago?

	Better	The Same	Worse	Don't Know
Your Company				
Brockton Area				
Massachusetts				
The Nation				

7. What do you expect business conditions to be like six months from now for the following?

	Better	The Same	Worse	Don't Know
Your Company				
Brockton Area				
Massachusetts				
The Nation				

8. Please state how you believe your business' performance has/will fluctuate for the following:

	Decrease	Remain the Same	Increase	Don't Know
How was the number of individuals employed by your company changed <u>during the last 6 months?</u>				
How do you think the number of individuals employed by your company will change in the <u>next six months?</u>				
How does your organization's current amount of business compare with the level <u>6 months ago?</u>				
How do you think your level of sales will change in the <u>next 6 months?</u>				

9. What are the biggest challenge(s) facing your business today? (Check all that apply)

- | | |
|--|----------------------------------|
| High Consumer Demand ____ | Low Consumer Demand ____ |
| Interest Rates ____ | Lack of Working Capital ____ |
| Economic Cycle ____ | Finding Qualified Employees ____ |
| Construction Costs ____ | Cash Flow Issues ____ |
| Permitting/Compliance ____ | Taxes ____ |
| Healthcare Costs ____ | Energy Costs ____ |
| Business is not Facing Any Challenges ____ | |
| Competition ____ If so, from where? _____ | |
| Other (please specify) _____ | |

10. What would help to overcome the challenges previously mentioned?

(check all that apply)

Financing Assistance ____

Training Programs for Potential Employees ____

Access to Pool of Potential Employees ____

Promotion Within the City to Increase Customer Traffic ____

Maintaining Appearance of Location ____

Assistance with Construction ____

Promote better preparation of high school students entering workforce ____

Other **(Please Specify)** _____

11. How likely is your business to do the following in the next 6 months?

	Very Likely	Somewhat Likely	Somewhat Unlikely	Very Unlikely	Not Sure
Increase Technology Spending					
Increase Research & Development Spending					
Increase Advertising & Marketing Spending					
Increase Capital Spending					
Offer New Products/Services					
Move Significant Business Functions Out of the Area					
Plan to Expand Business					
Plan to Sell All or Part of Business					

**12. Does your company use any of the following social media tools to promote your business?
(Check all that apply)**

Facebook____ Twitter____ Instagram____ LinkedIn____ YouTube____ Blogs____
Google____ Other **(please specify)**____

13. How can your local government help your business?

14. Which Chamber of Commerce of Business Organization, if any, do you belong to?

15. Are you planning on raising salaries/wages for your employees? If so, by how much?

1-2%____ 3-5%____ >5%____ Not planning on raising salaries/wages____ Not Sure____

16. Over the next 6 months, are you more concerned about inflation or deflation for your business?

Inflation____ Deflation____ Neither____

17. Which represents the most significant risk to your business? (*Check only one*)

Food Costs____

Energy Costs____

Raw Material Costs____

Labor Costs____

Interest Rates____

Other (**please specify**)_____

18. What is the single most important challenge in the Brockton Area facing your business today?

Healthcare Costs____

Labor Quality____

Labor Supply____

Public Transit____

Traffic____

Government Regulations____

19. What is your role in this business/organization?

Owner____ Manager____ Employee ____ Other (**please specify**)____

SIGNIFICANCE TEST

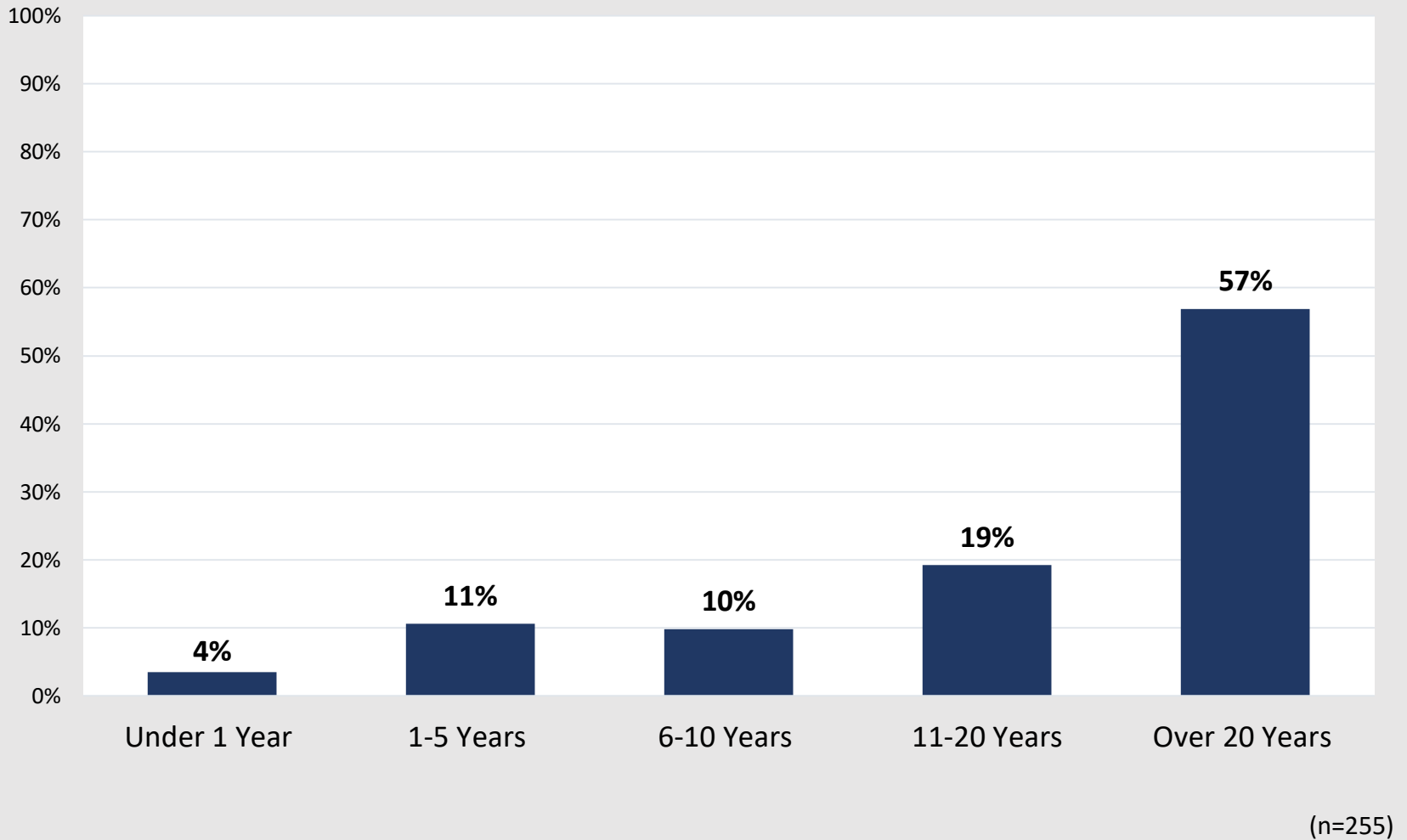
SIGNIFICANCE TEST

Test Statistics			
	Q1: How long has your business been in operation (at this location or a previous location)?	Q2: How many employees does your company have? (Full Time)	Q2: How many employees does your company have? (Part Time)
Chi-Square	232.471 ^a	914.329 ^b	399.588 ^c
df	4	8	7
Asymp. Sig.	.000	.000	.000

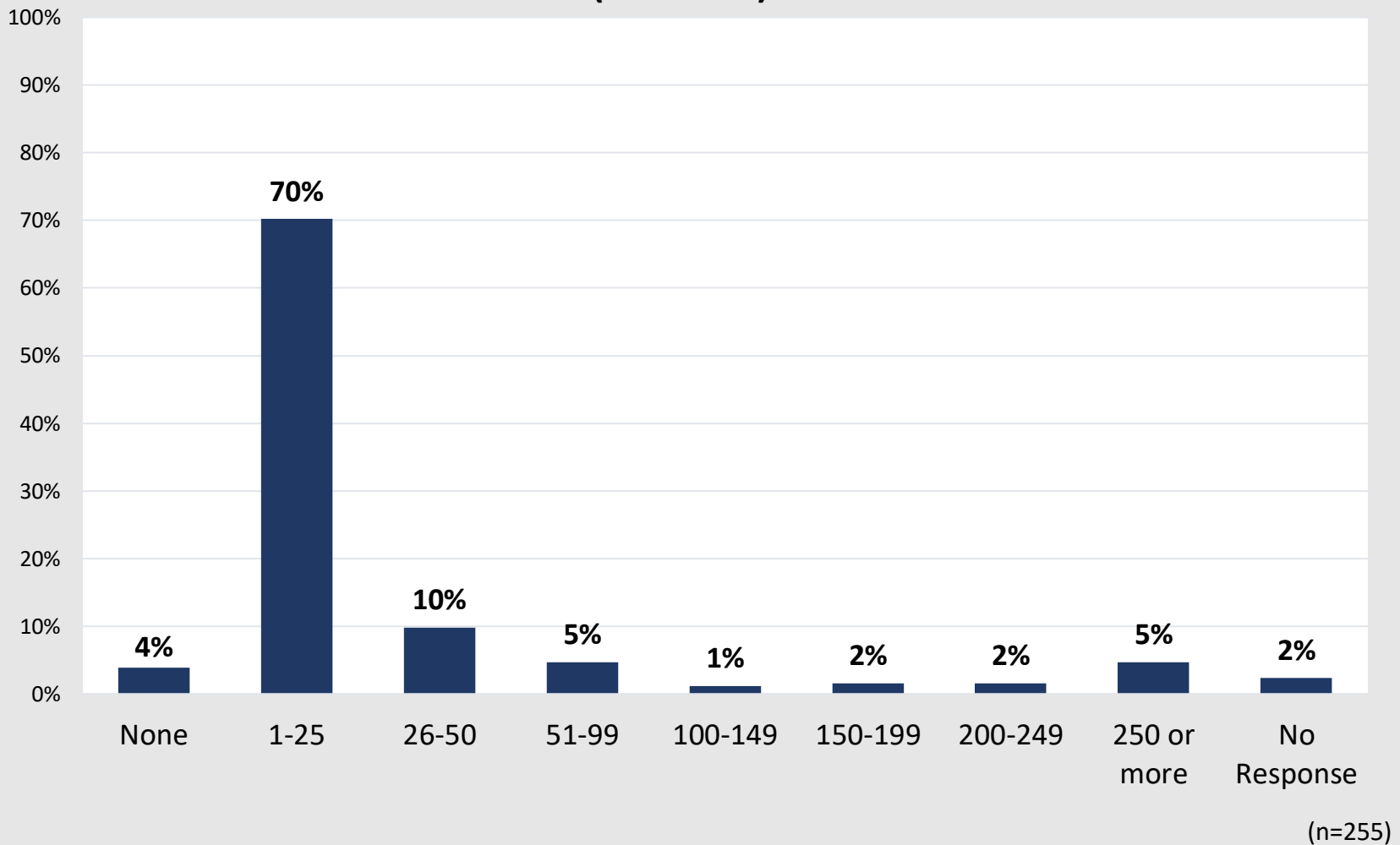
A Chi-Square test was performed on this data. The data in this study test significant at .000, which indicates the findings are statistically valid.

FINDINGS

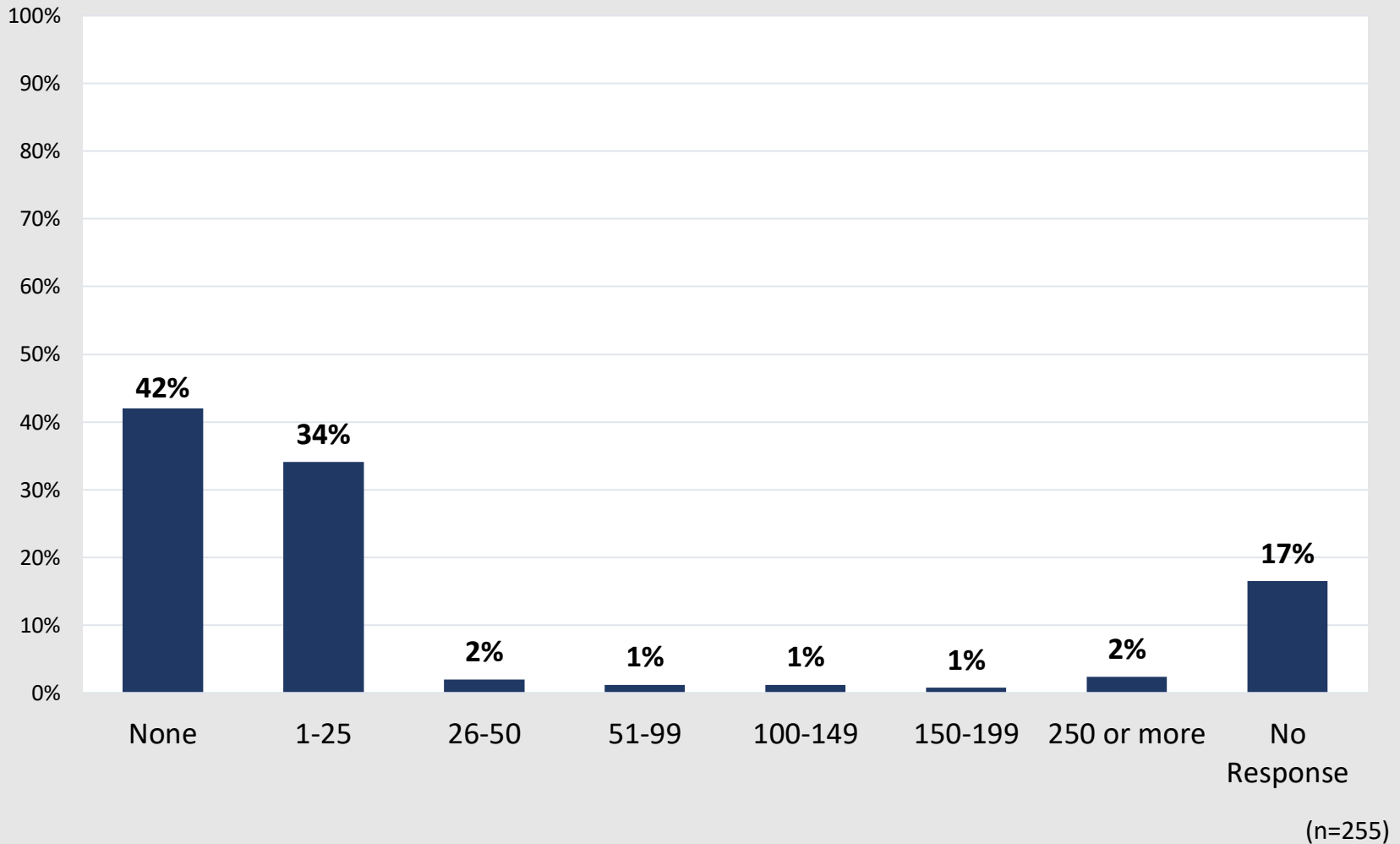
**Q1: How long has your business been in operation
(at this location or previous location)?**



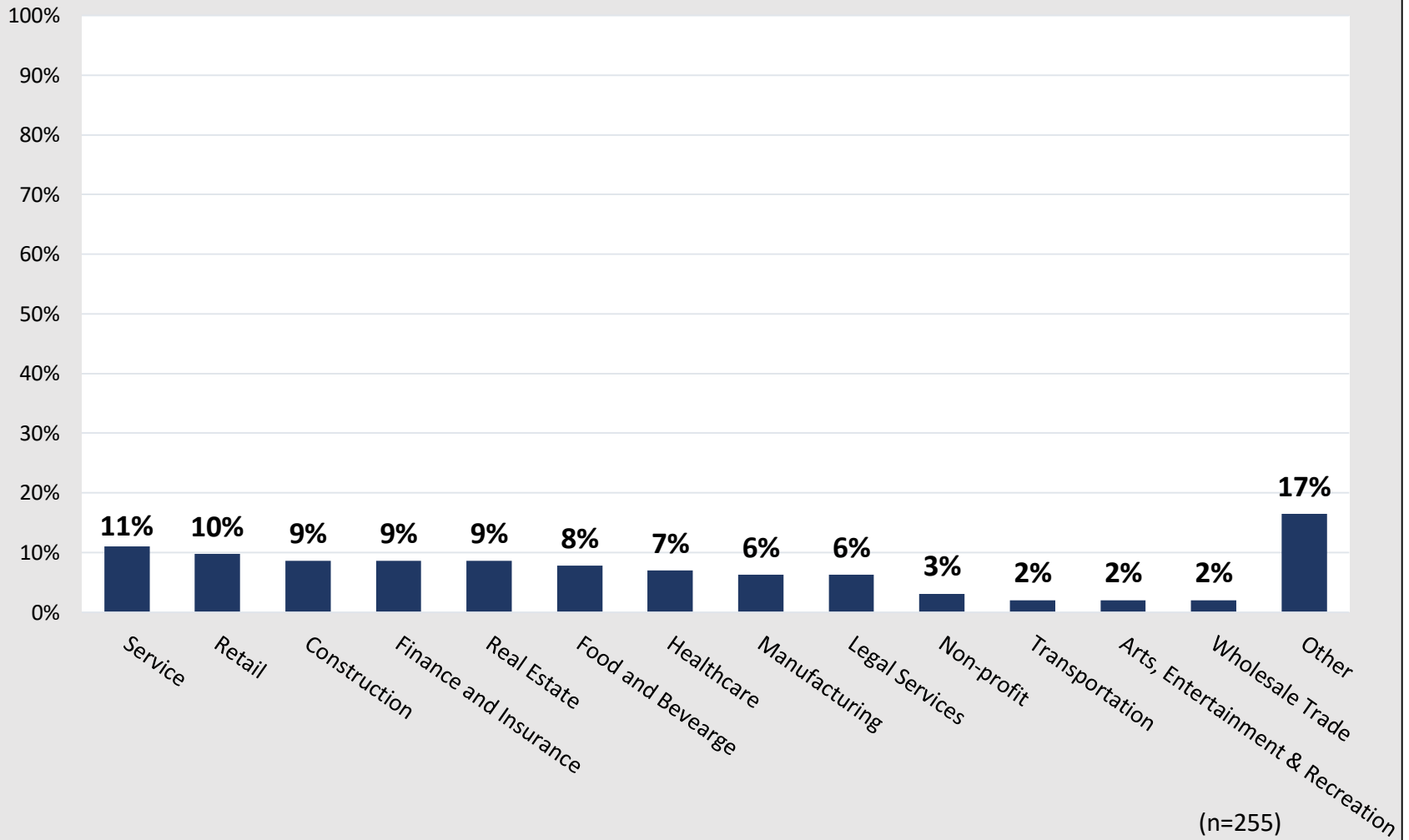
Q2a: How many employees does your company have? (Full Time)



Q2b: How many employees does your company have? (Part Time)



Q3a: In which industry is your business classified?



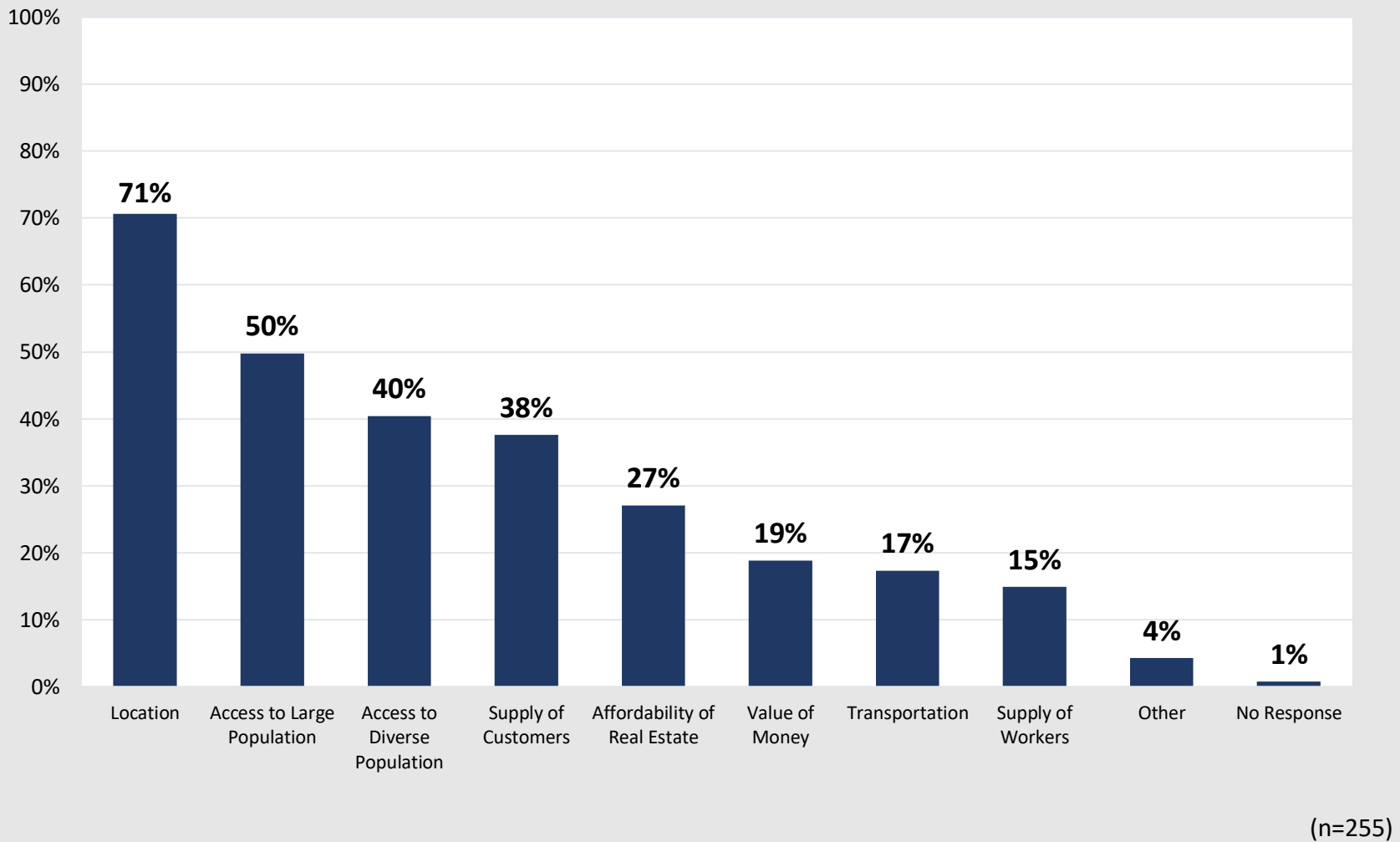
Q3b: In which industry is your business classified?
(Other, Please specify)

Response	Frequency
Telecom	3
Architecture	2
Insurance	2
Interior Design	2
Bank	1
Banking, Commercial Lending	1
Beauty	1
Car Sales	1
Computer Services/Technology	1
CPA Office	1
Digital Newspaper	1
Electric	1
Electrical Contracting	1
Energy Management	1
Environmental	1
Fabrication	1
Flooring	1
Funeral Home	1
Hardware	1
HVAC	1

**Q3b: In which industry is your business classified?
(Other, Please specify) (Continued)**

Response	Frequency
Industrial Advertising	1
Automobile Dealership	1
Automotive	1
Manual Representation	1
Medical Devices	1
Mental Health	1
Metal Refinishing	1
Moving Company	1
Security	1
Social Services	1
Digital Newspaper	1
Electric	1
State	1
Structural Engineering Consulting Co.	1
Team Dealer (School Equipment)	1
Technology - Commercial Security System	1
Alarms	1
Welding Inspection	1
Total Responses	43

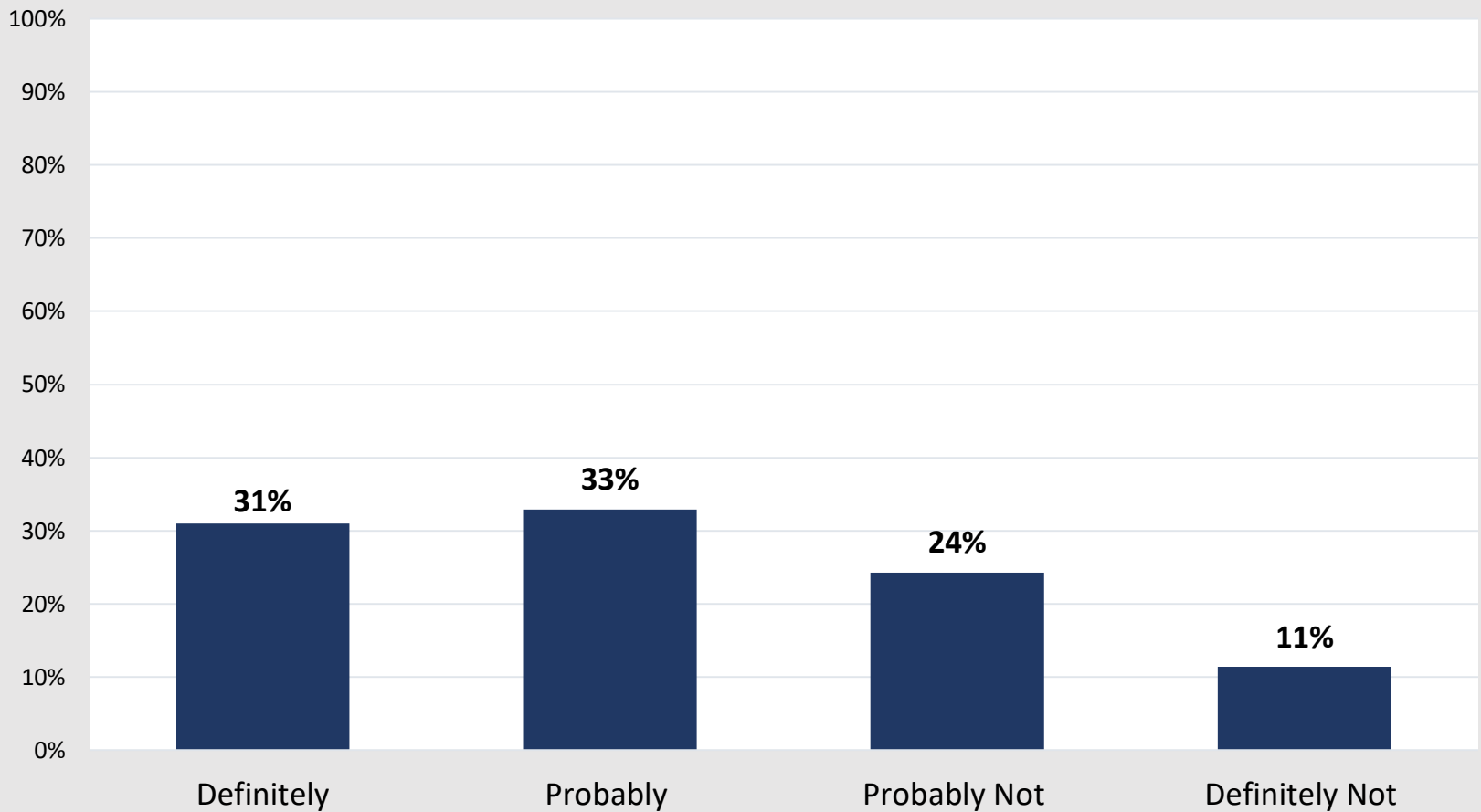
Q4: From a business perspective, what makes this region a great place to operate in?



**Q4b: From a business perspective, what makes this region a great place to operate in?
(Other, Please specify)**

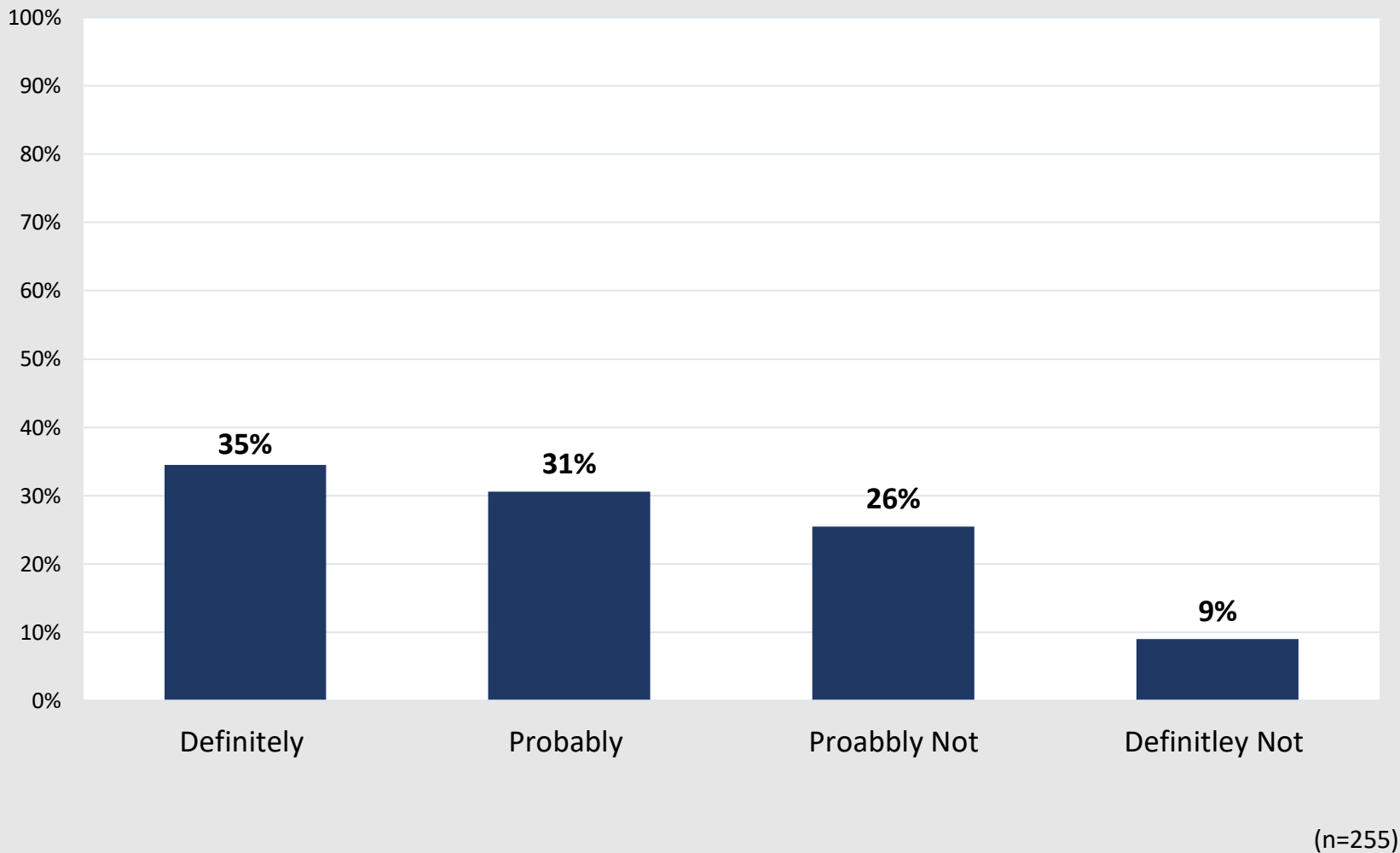
- “Availability”
- “Decentralized news source”
- “Education”
- “Large Commercial Properties”
- “Luck”
- “Online”
- “Per Capital Income”
- “Quality of cite”
- “Stable Population”
- “Unsure”

**Q5a: Please state the likelihood of your business expanding in the following areas:
Workforce in the Next Year**

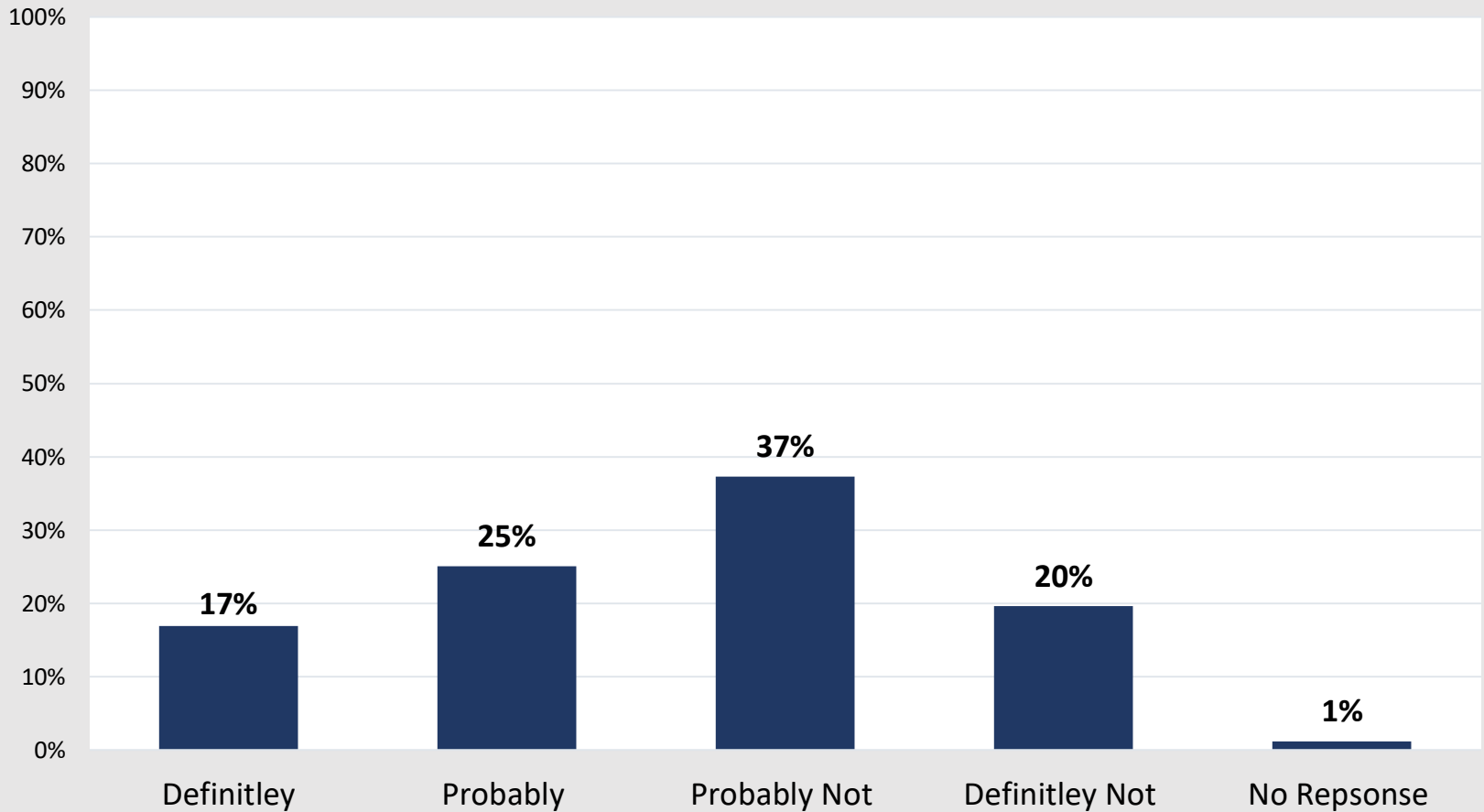


(n=255)

**Q5b: Please state the likelihood of your business expanding in the following areas:
Products and/or Services in the Next Year**

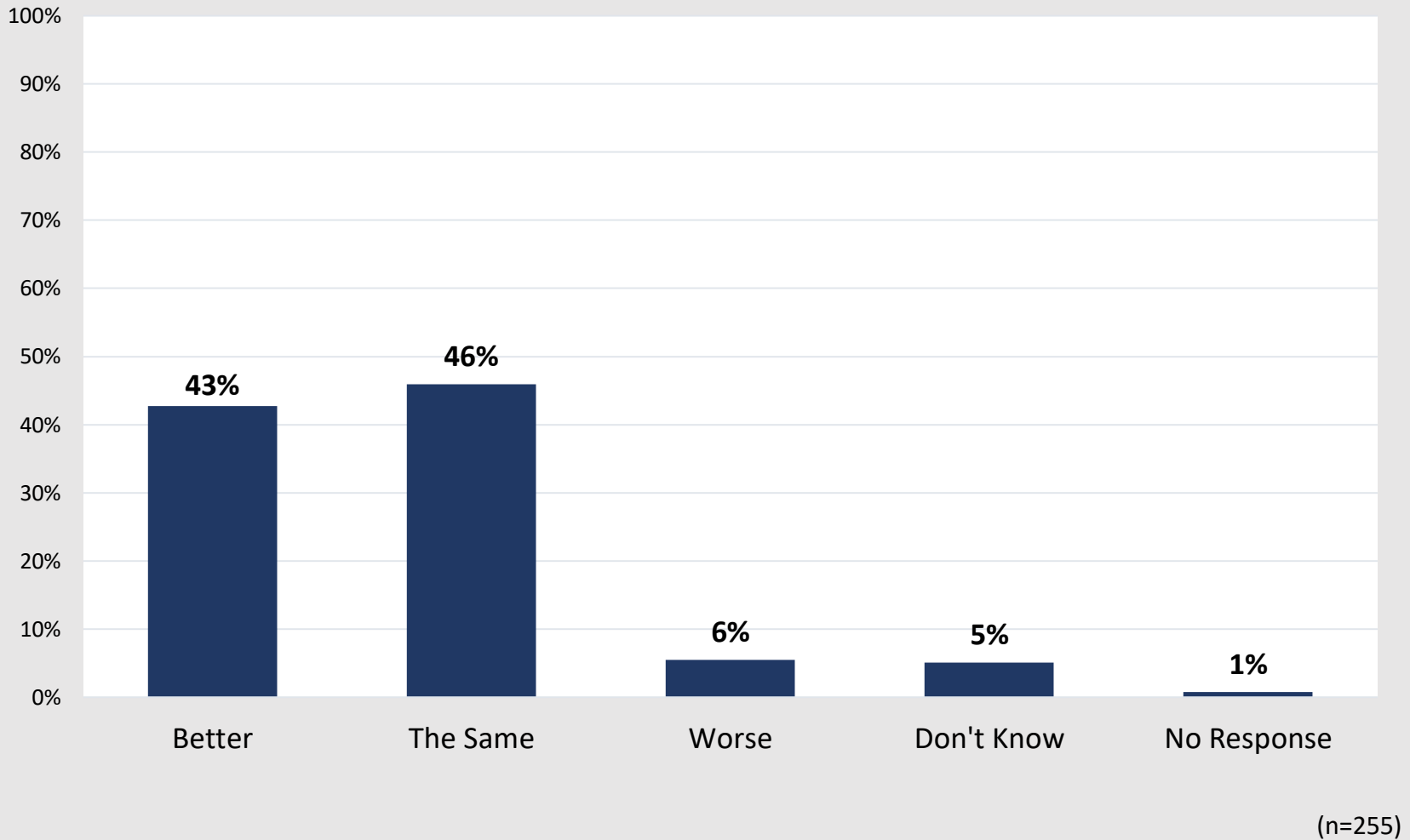


**Q5c: Please state the likelihood of your business expanding in the following areas:
Adjacent Markets**

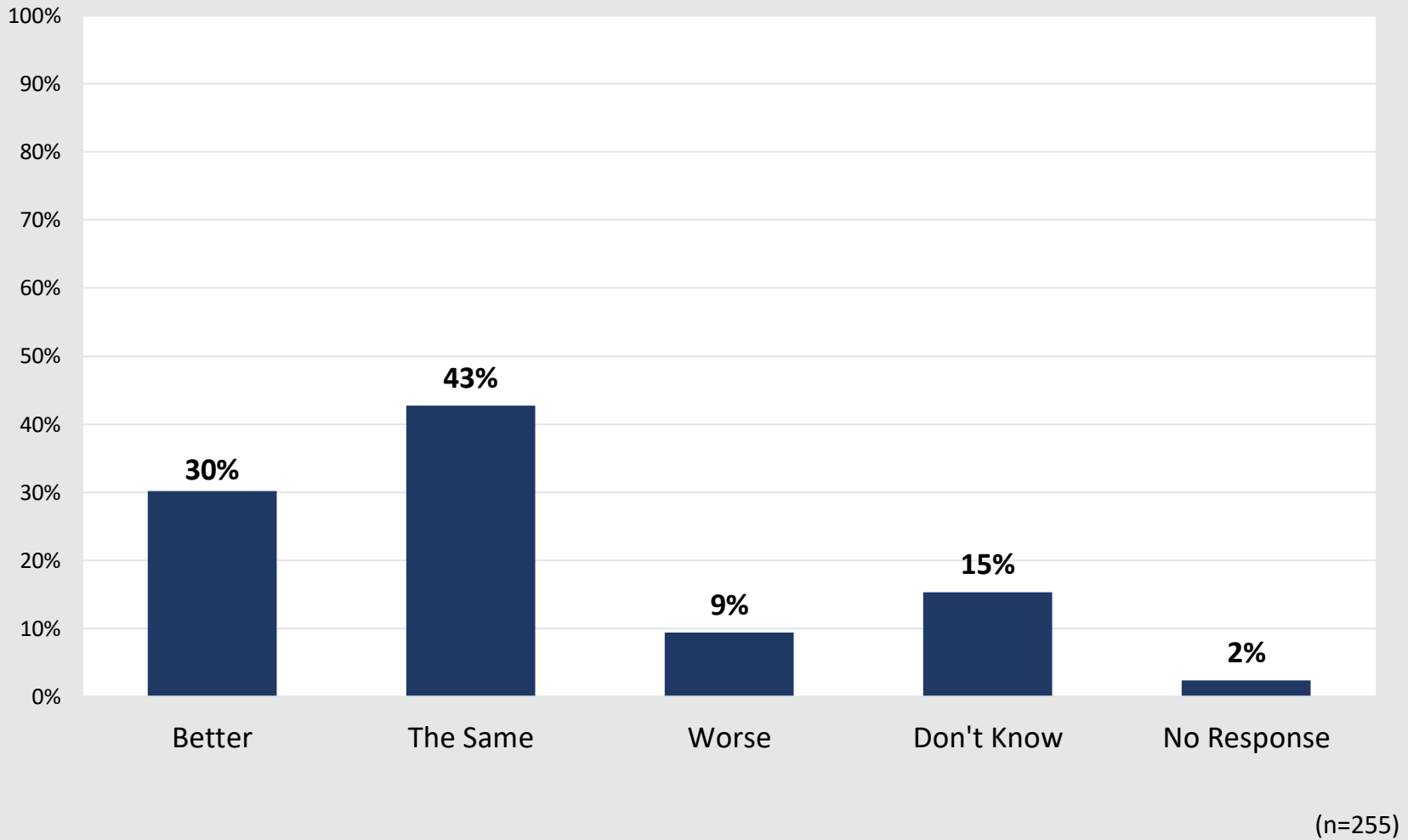


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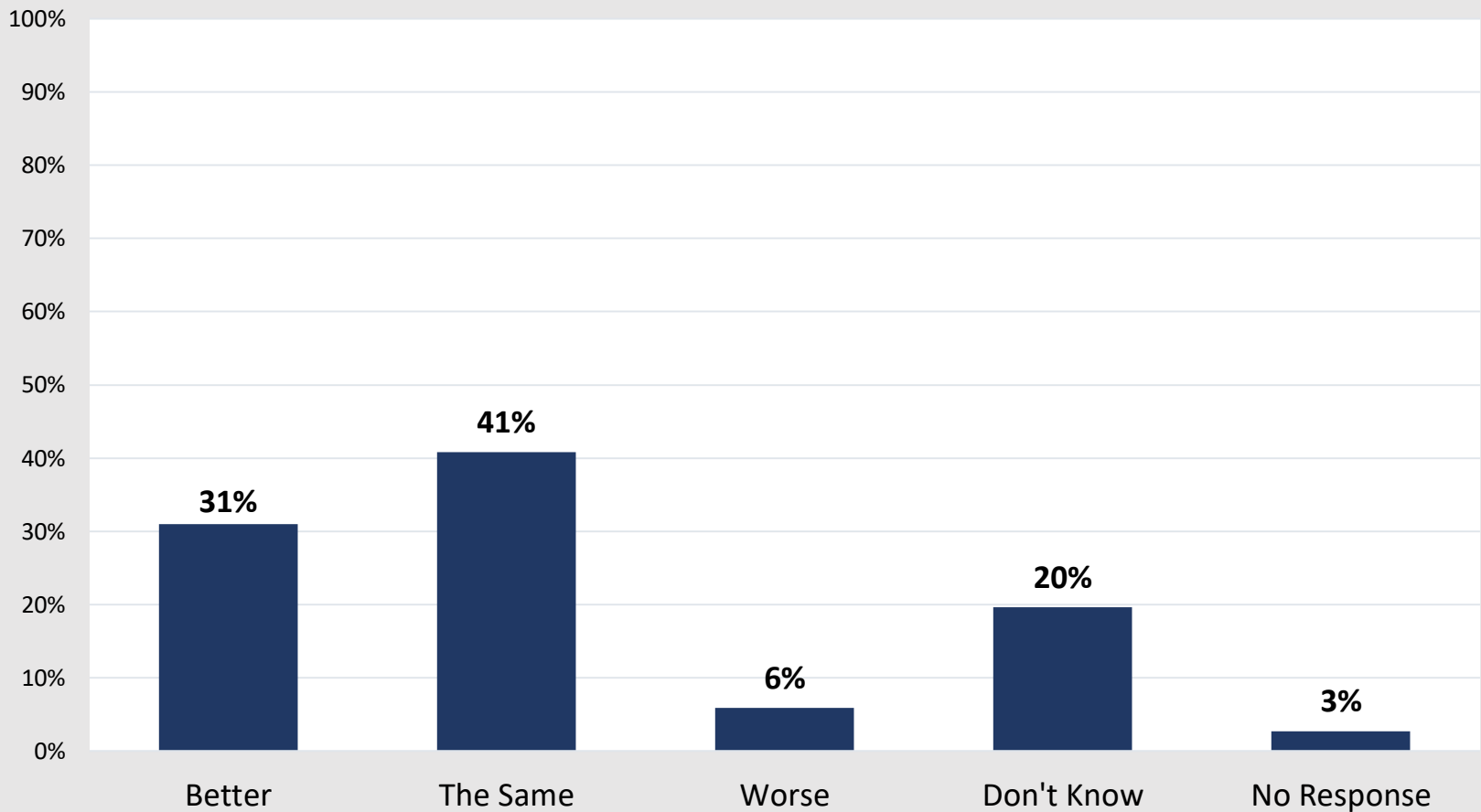
Q6a: What is your perception of current business conditions compared to six months ago for the following? (Your Company)



Q6b: What is your perception of current business conditions compared to six months ago for the following? (Brockton Area)

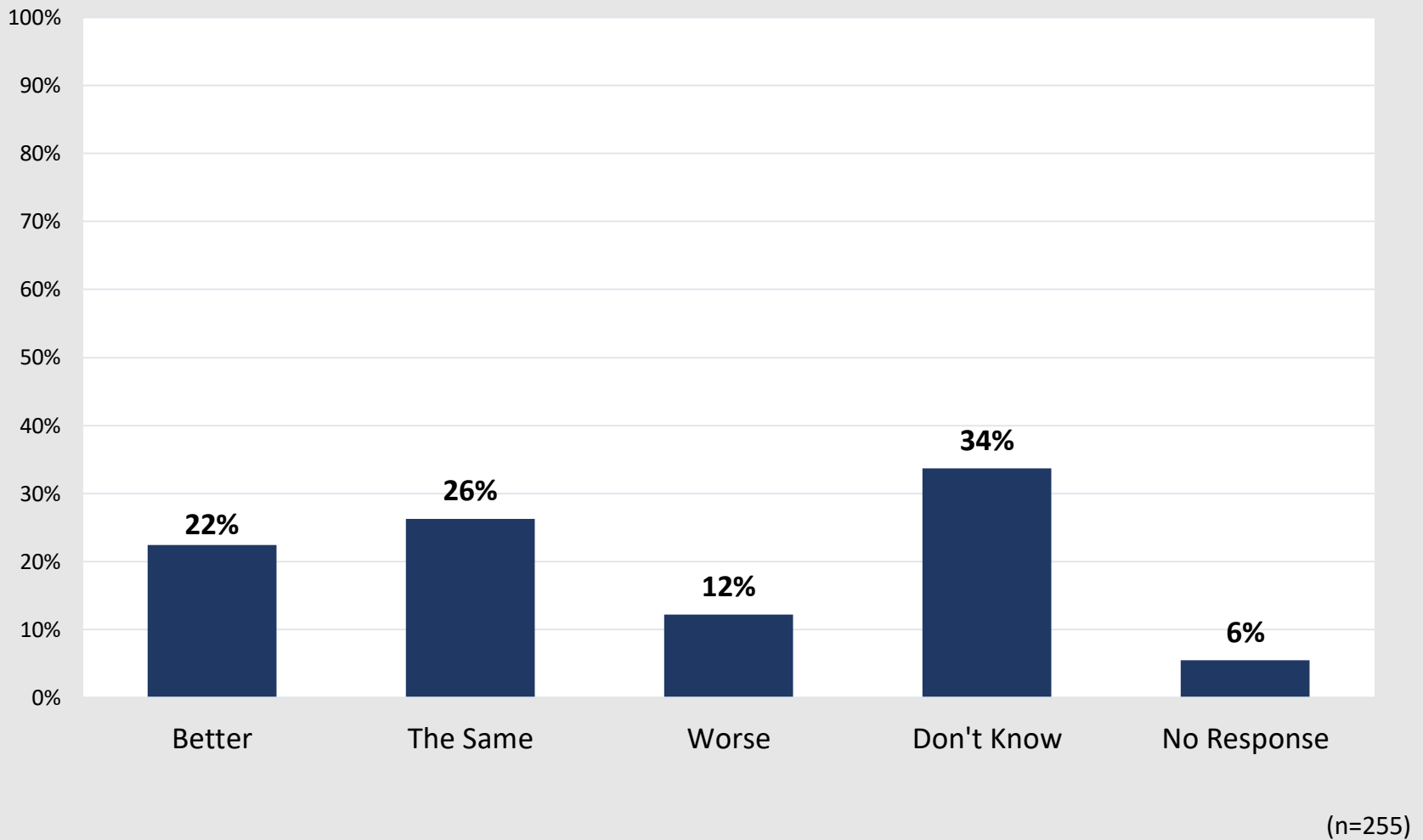


Q6c: What is your perception of current business conditions compared to six months ago for the following? (Massachusetts)

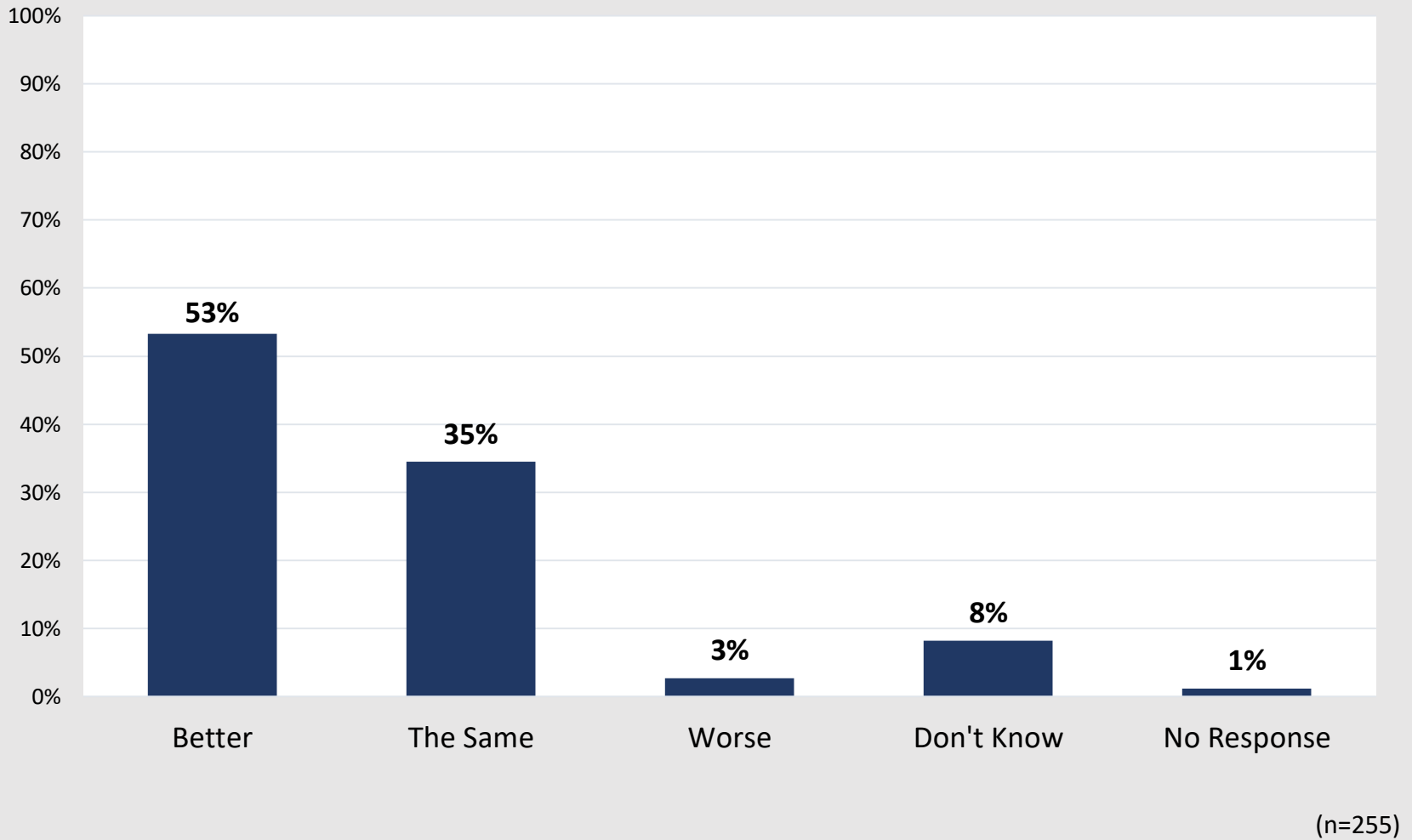


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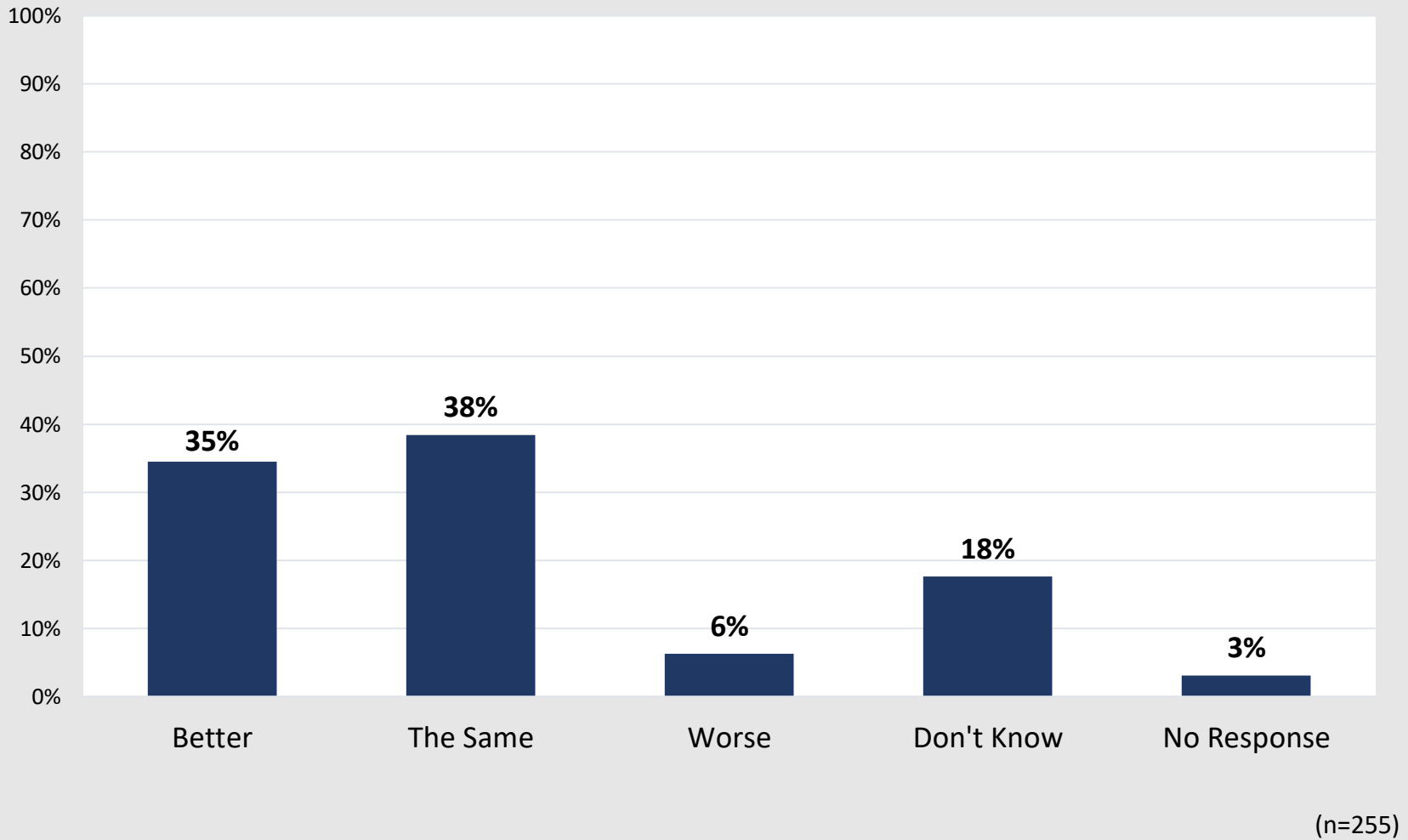
Q6d: What is your perception of current business conditions compared to six months ago for the following? (The Nation)



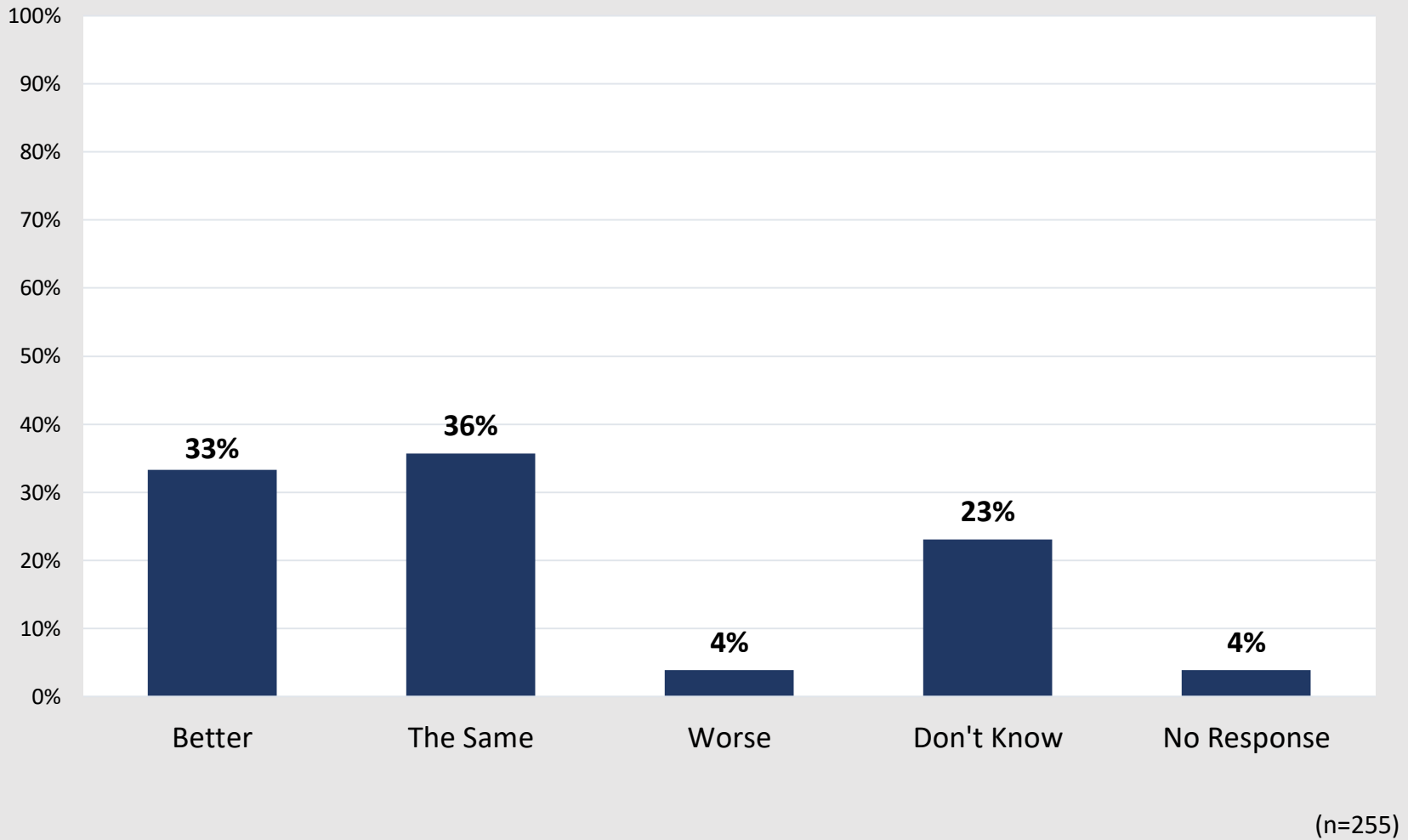
Q7a: What do you expect business conditions to be like six months from now for the following? (Your Company)



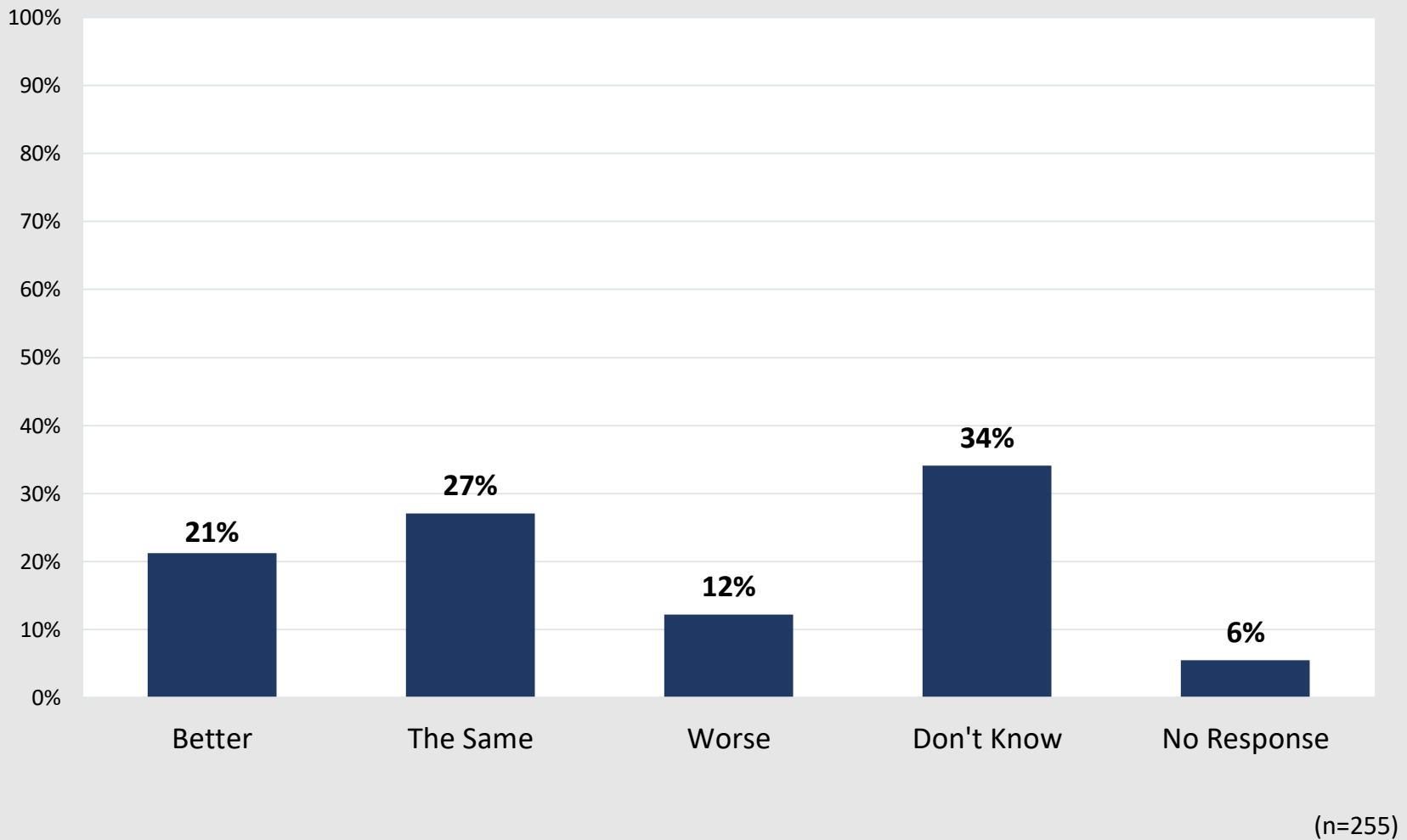
Q7b: What do you expect business conditions to be like six months from now for the following? (Brockton Area)



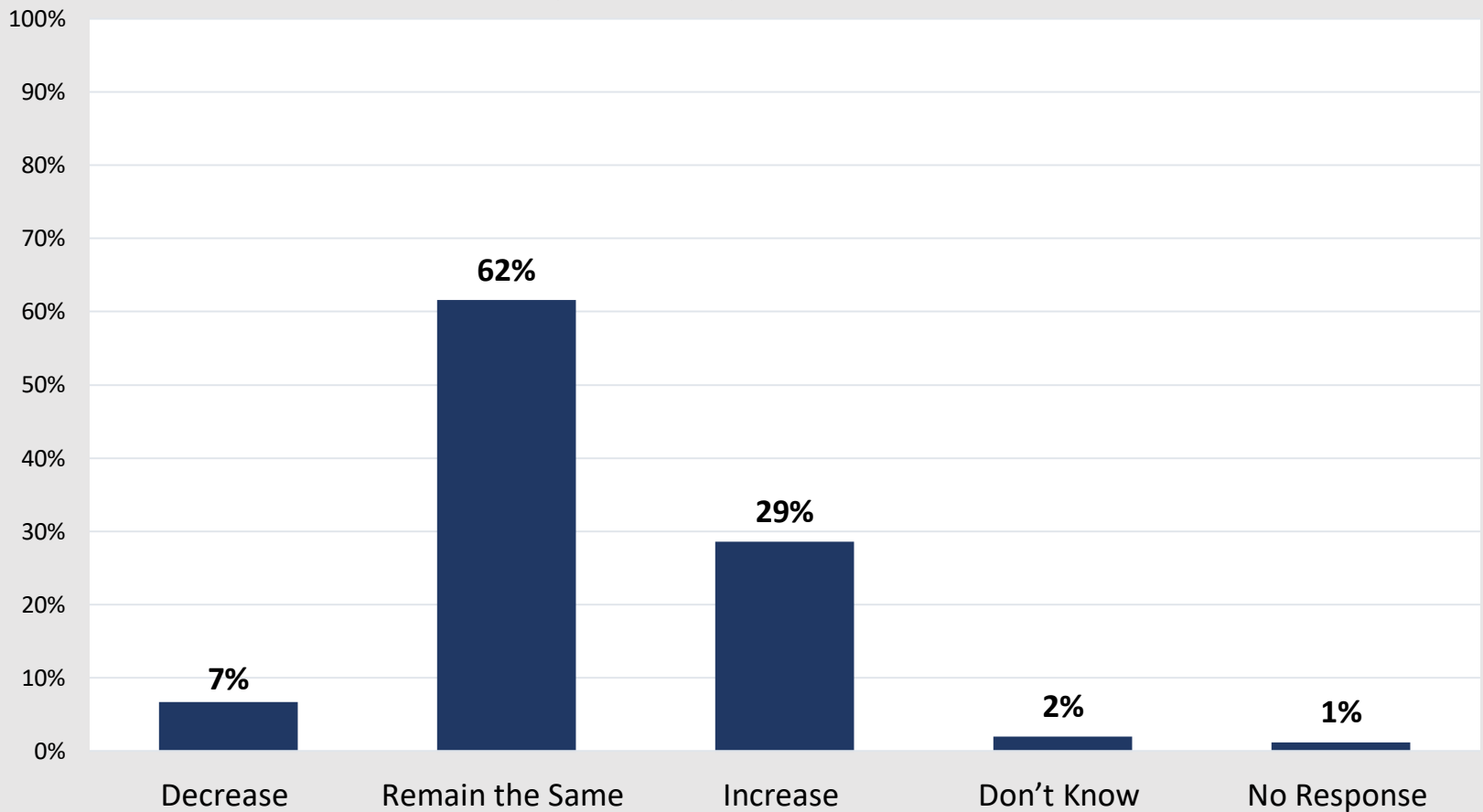
**Q7c: What do you expect business conditions to be like
six months from now for the following? (Massachusetts)**



Q7d: What do you expect business conditions to be like six months from now for the following? (The Nation)

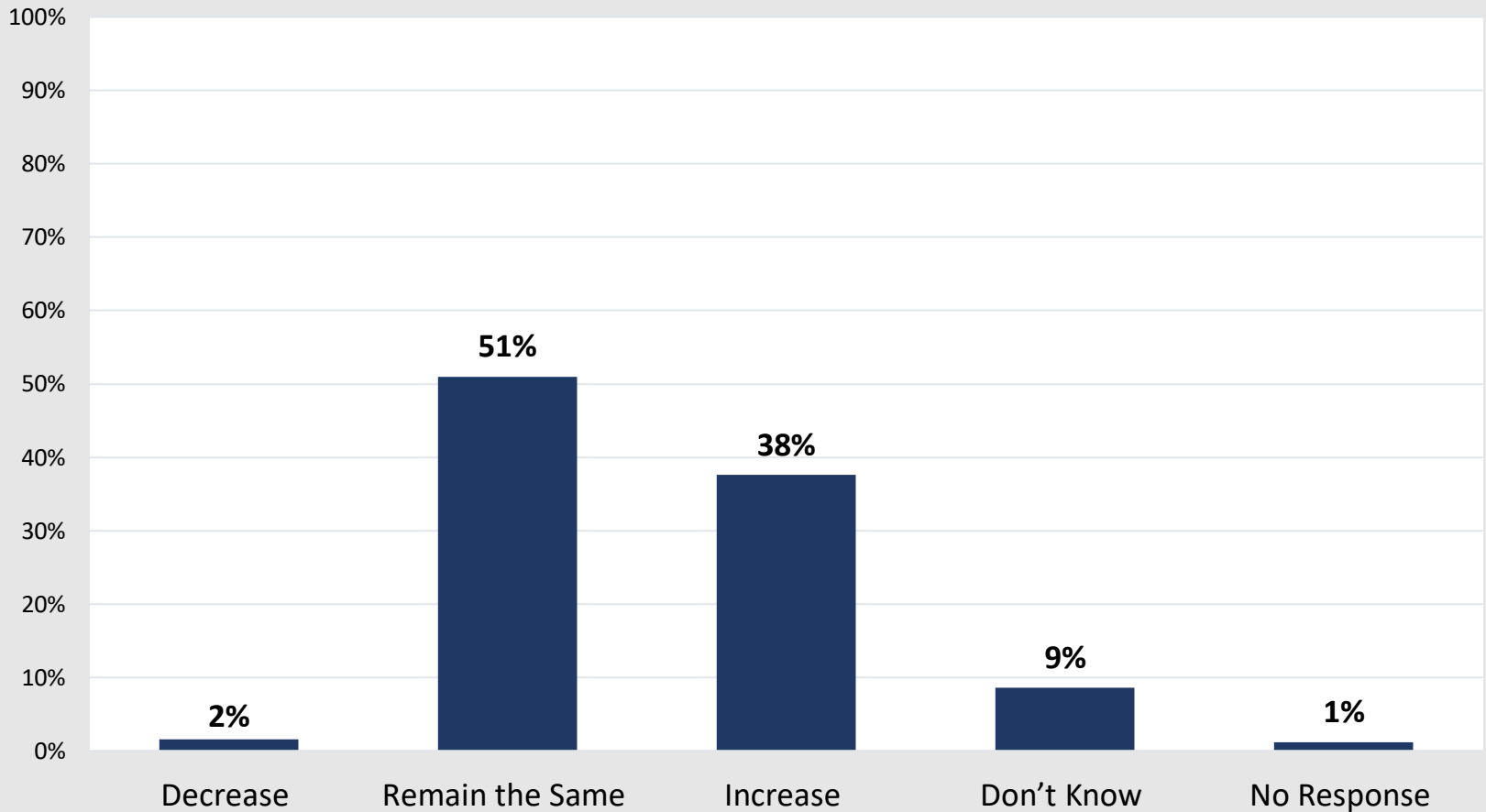


Q8a: How has the number of individuals employed by your company changed during the last 6 months?



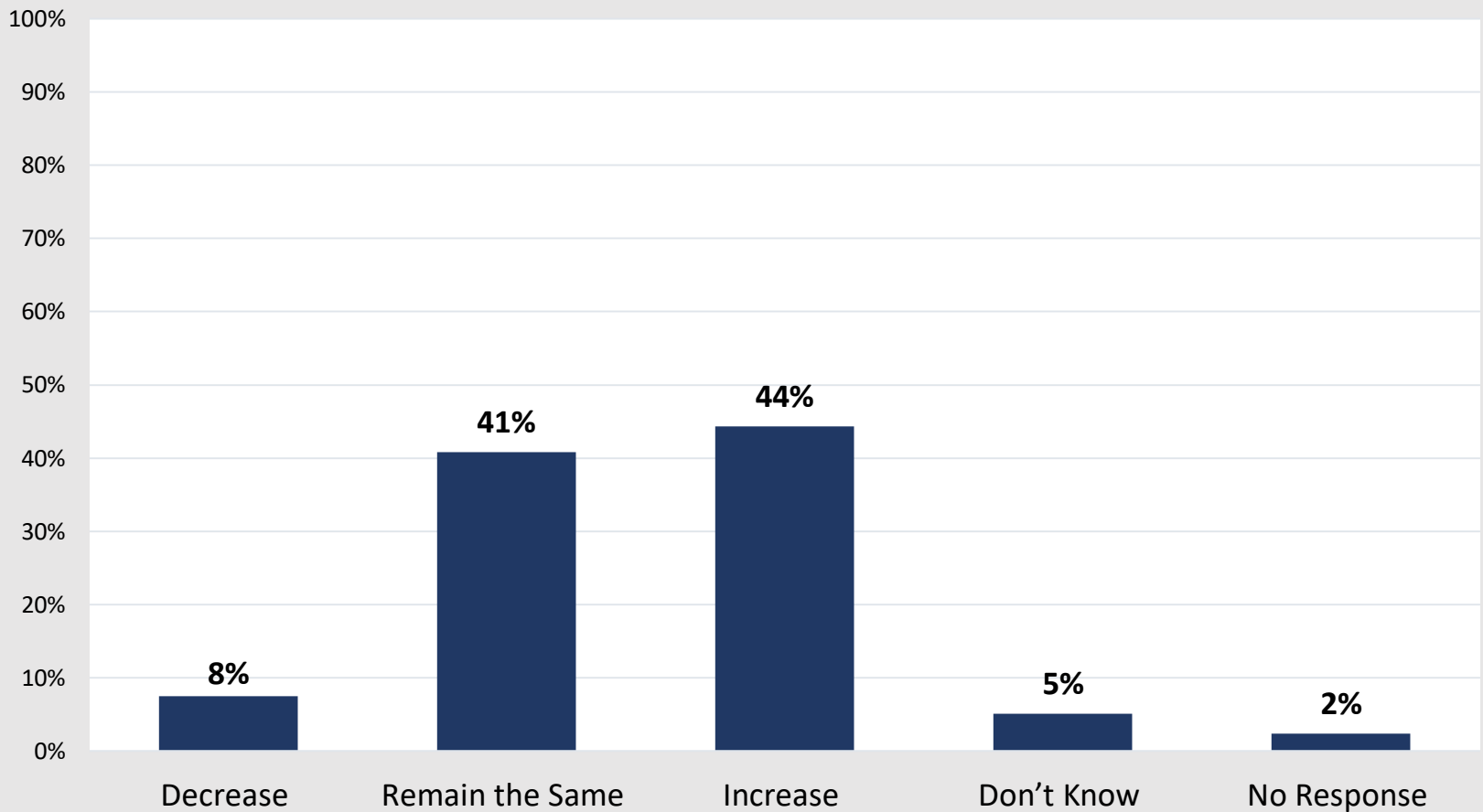
(n=255)

Q8b: How do you think the number of individuals employed by your company will change in the next six months?



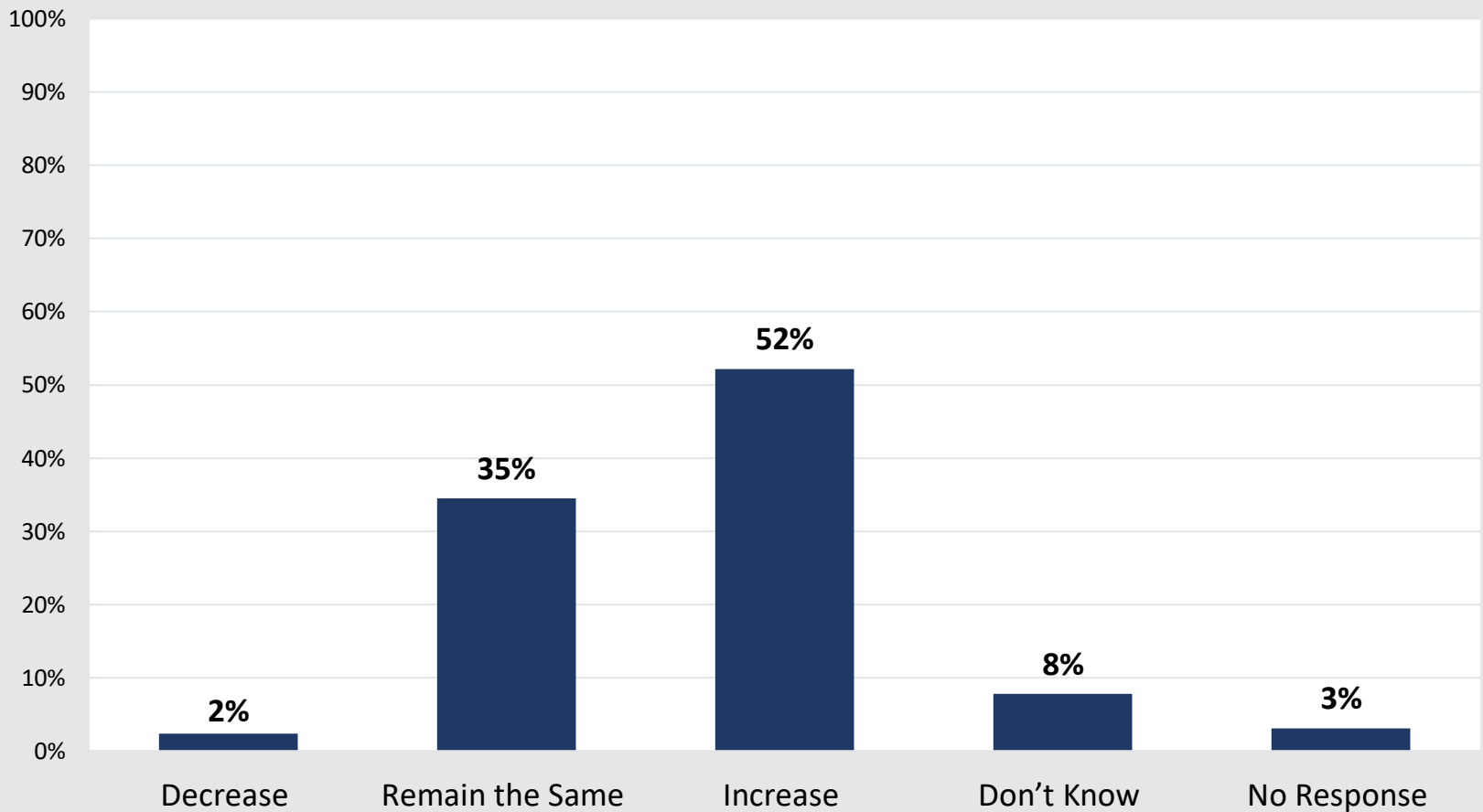
(n=255)

Q8c: How does your organization's current amount of business compare with the level 6 months ago?



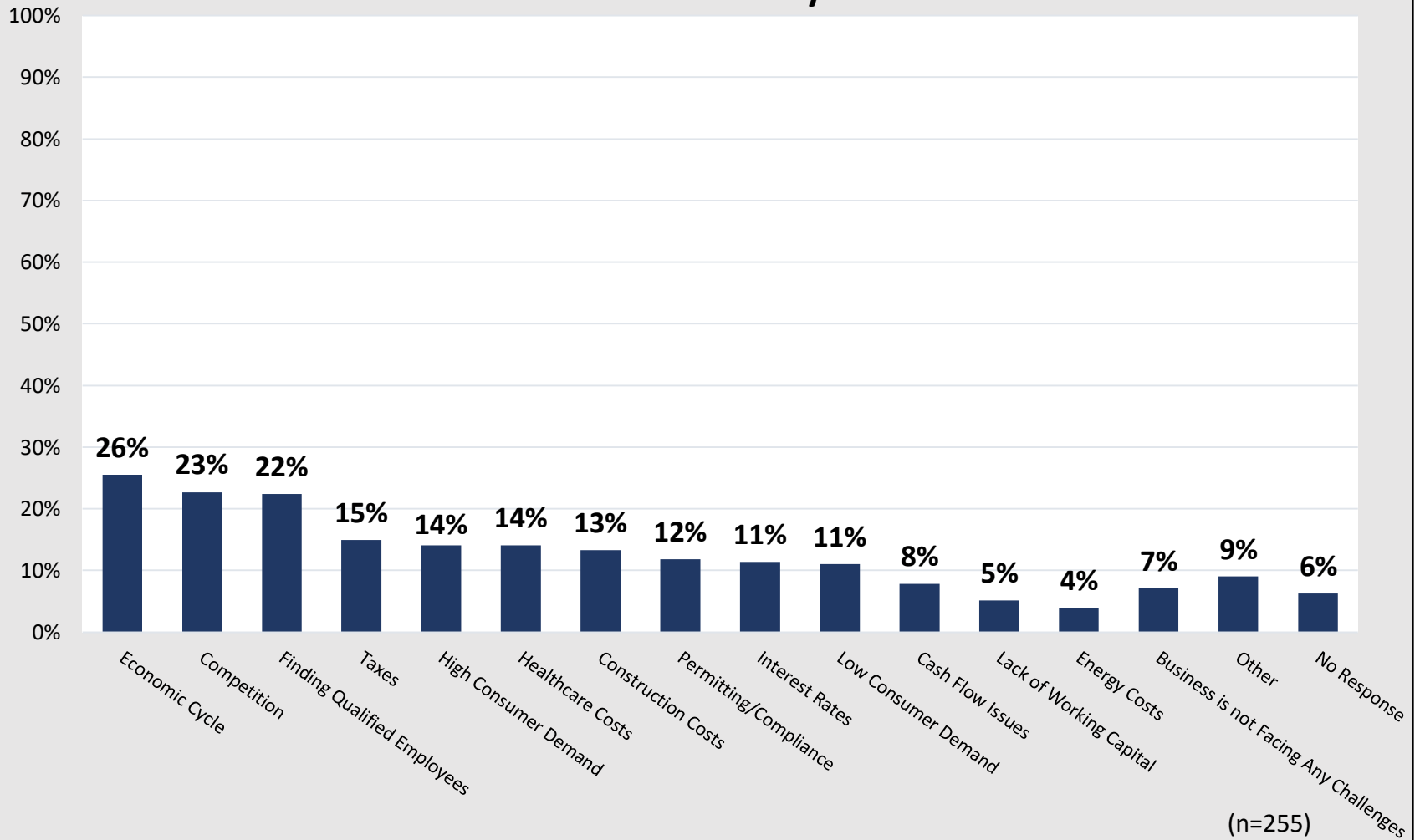
(n=255)

Q8d: How do you think your level of sales will change in the next 6 months?



(n=255)

Q9a: What are the biggest challenge(s) facing your business today?



Q9b: What are the biggest challenge(s) facing your business today? (Competition- If so, from where?)

- “Amazon”
- “Anheuser-Busch”
- “Apple, Internet services”
- “Auto shops”
- “Bank of America”
- “Best Buy”
- “Bigger animal hospitals in the Greater Boston area”
- “Brockton” (3)
- “Burger King”
- “Credit unions”
- “Direct writers like Geico and Progressive”

Q9b: What are the biggest challenge(s) facing your business today? (Competition- If so, from where?) (Continued)

- “Dunkin Donuts”
- “Fast food companies”
- “India and china products”
- “Inferior products”
- “Internet access, Jordans, Amazon”
- “Larger distributors”
- “Law firms and schools”
- “Liberty Mutual”
- “Local companies”
- “Local jewelers”
- “Local stores”

Q9b: What are the biggest challenge(s) facing your business today? (Competition- If so, from where?) (Continued)

- “Mobil, Cumberland Farms”
- “National and regional firms”
- “Online companies” (3)
- “Other attorneys”
- “Other coffee shops”
- “Other companies” (6)
- “Other liquor stores”
- “Starbucks”
- “The Coca-Cola Company”
- “TJ Maxx”
- “Walgreens”

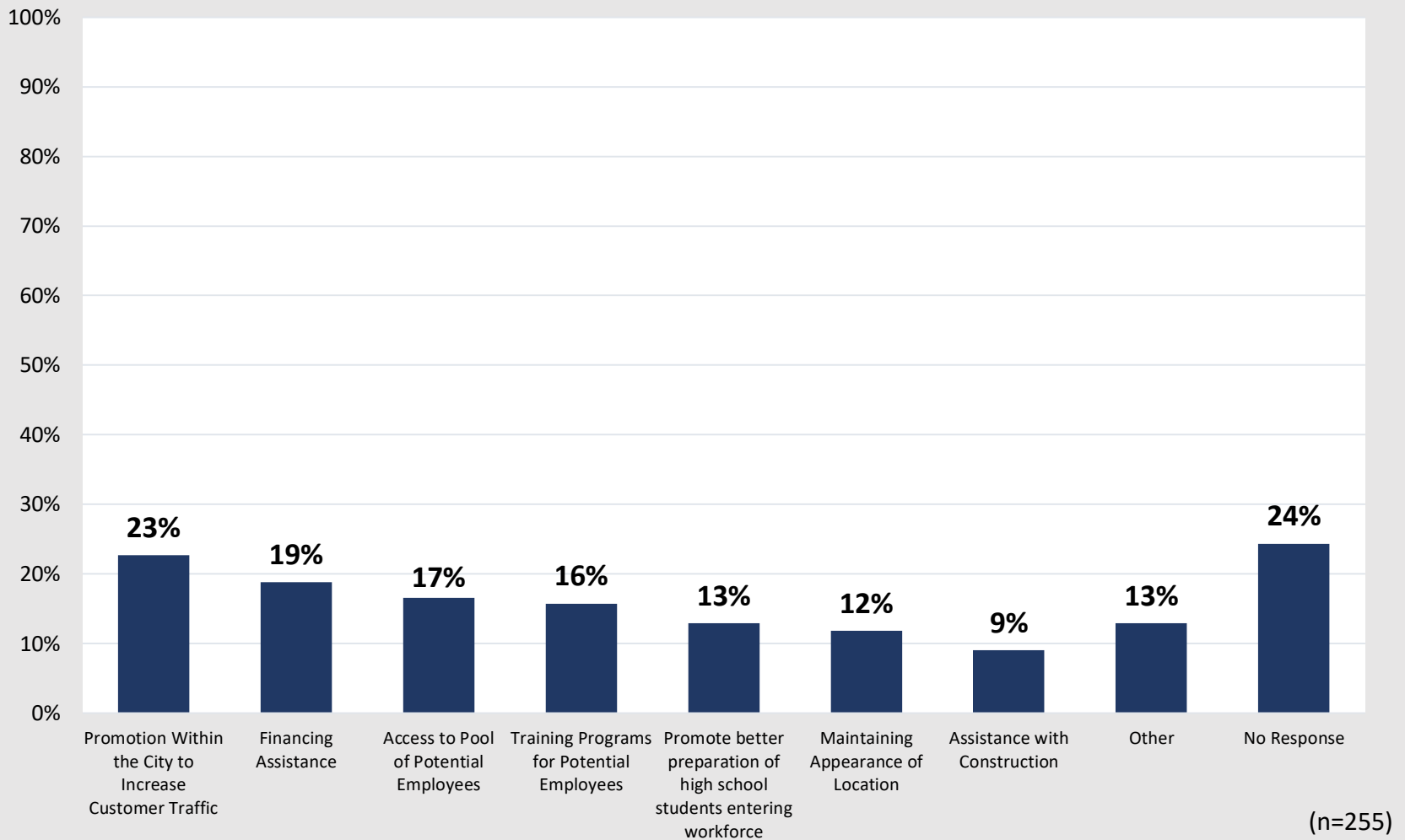
Q9c: What are the biggest challenge(s) facing your business today? (Other, Please Specify)

- “Change in online advertising”
- “Chemical usage”
- “Cost of veterinary labor and care”
- “Declining client base”
- “Economic concerns; high cost/prices”
- “Finding qualified trade workers”
- “Government policies/regulations” (2)
- “Imported material”
- “Insurance cost and red tape”
- “Location prices”
- “Real estate”

**Q9c: What are the biggest challenge(s) facing your business today?
(Other, please specify) (Continued)**

- “Retaining employees”
- “Technology”
- “Time management” (2)
- “Transportation/shipping costs” (2)
- “Walk-in customers”
- “Weather conditions”
- “Workforce”

Q10a: What would help to overcome the challenges previously mentioned?



Q10b: What would help to overcome the challenges previously mentioned? (Other, Please Specify)

- “Advertising help”
- “Article of how eco-friendly the company is”
- “Attracting high paying jobs, price corrections”
- “Better marketing”
- “Better support”
- “Confidence in the economy”
- “Finding new business”
- “Finding work”
- “Government”
- “Government regulations”
- “Higher wage clients”

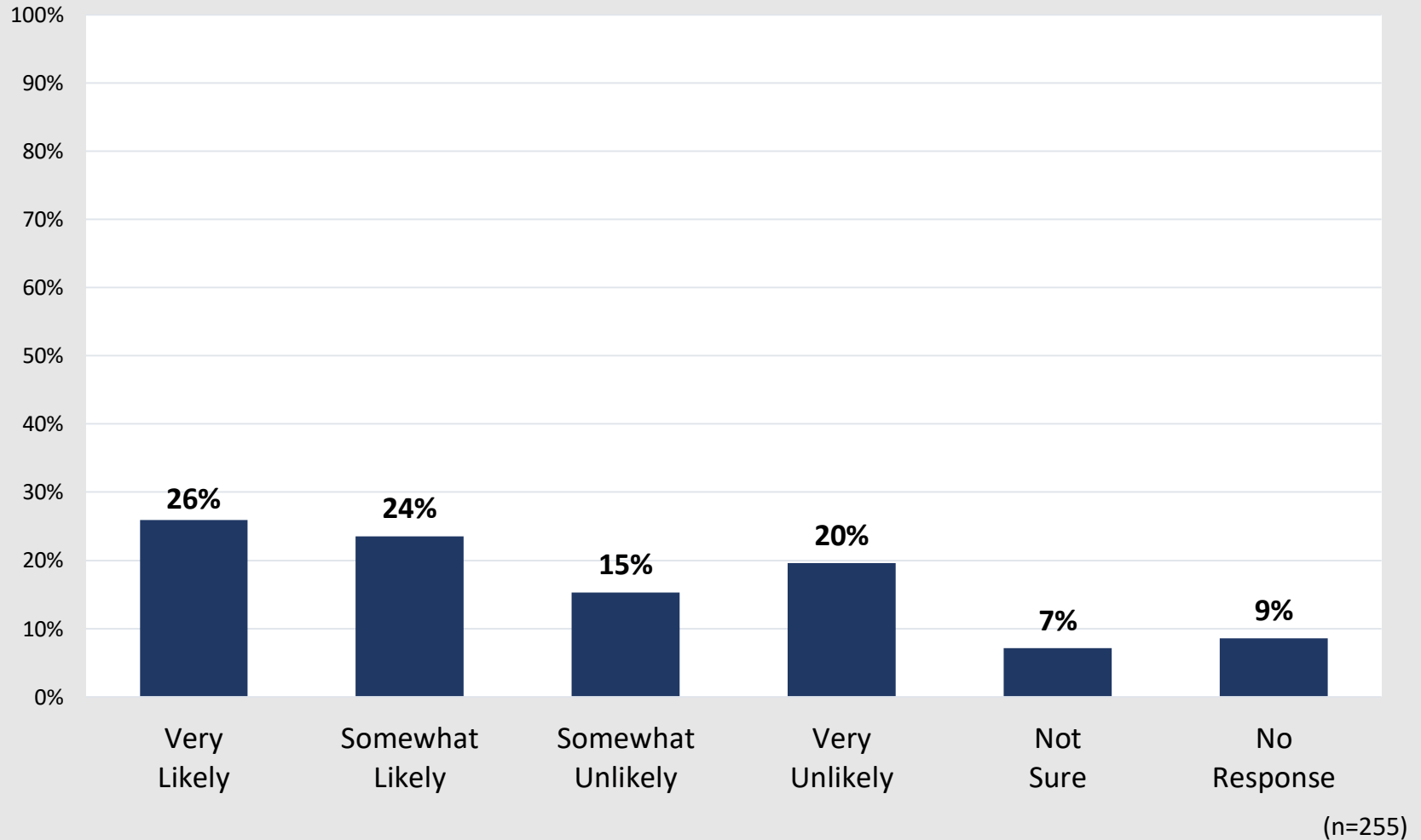
Q10b: What would help to overcome the challenges previously mentioned? (Other, Please specify) (Continued)

- “Improved taxes”
- “Increase materials/supplies”
- “Lower the financial burden placed on business by local governments”
- “More retail/food”
- “More students going into trades”
- “Networking and developing relationships”
- “Optimization”
- “People in the same field, the job itself, money”
- “Sales”
- “Stable trade policies”
- “Stores opening”

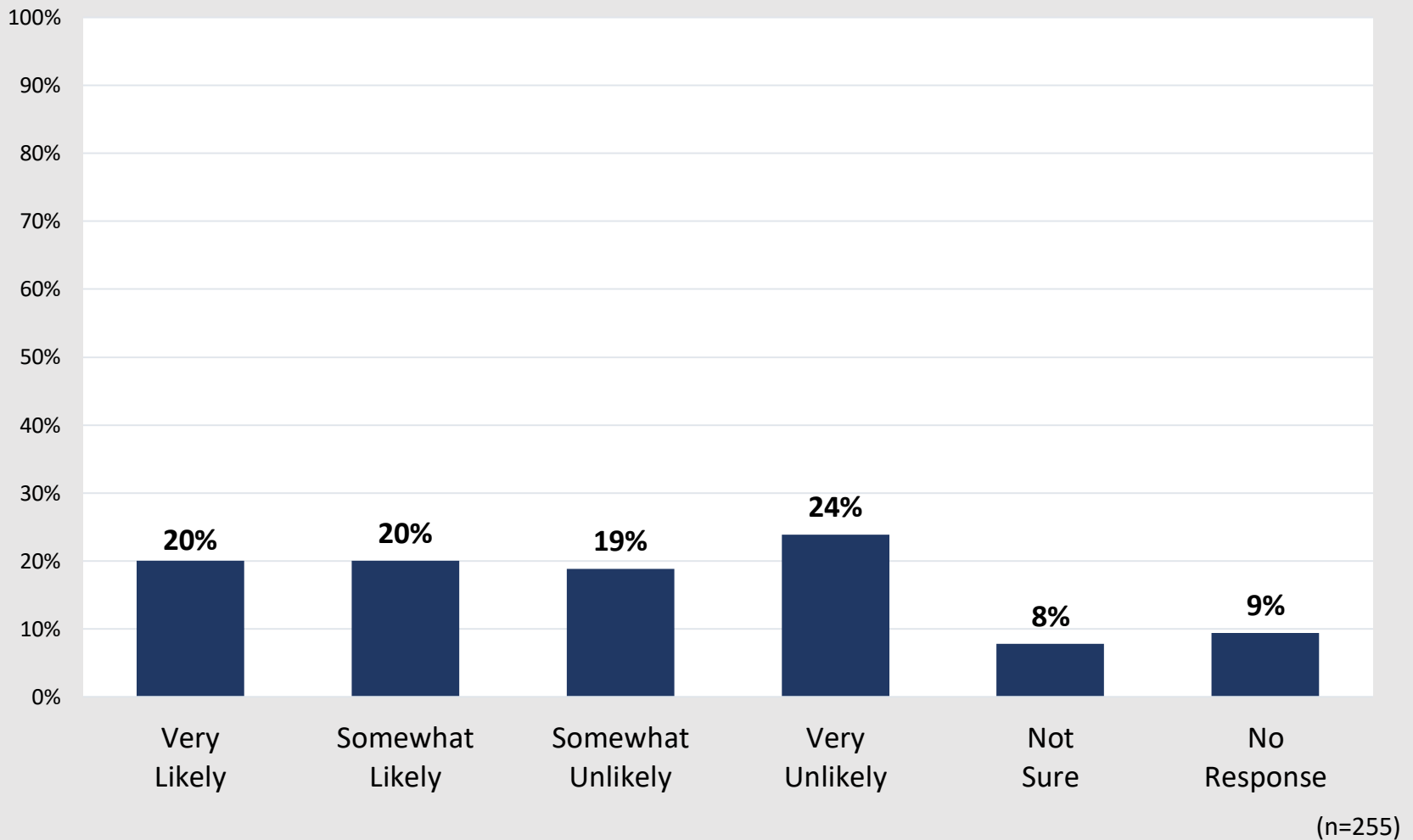
**Q10b: What would help to overcome the challenges previously mentioned?
(Other, Please specify) (Continued)**

- “Support President”
- “Tariffs remain the same”
- “Increase working capital within the city”
- “Less restriction on building appearance and construction”

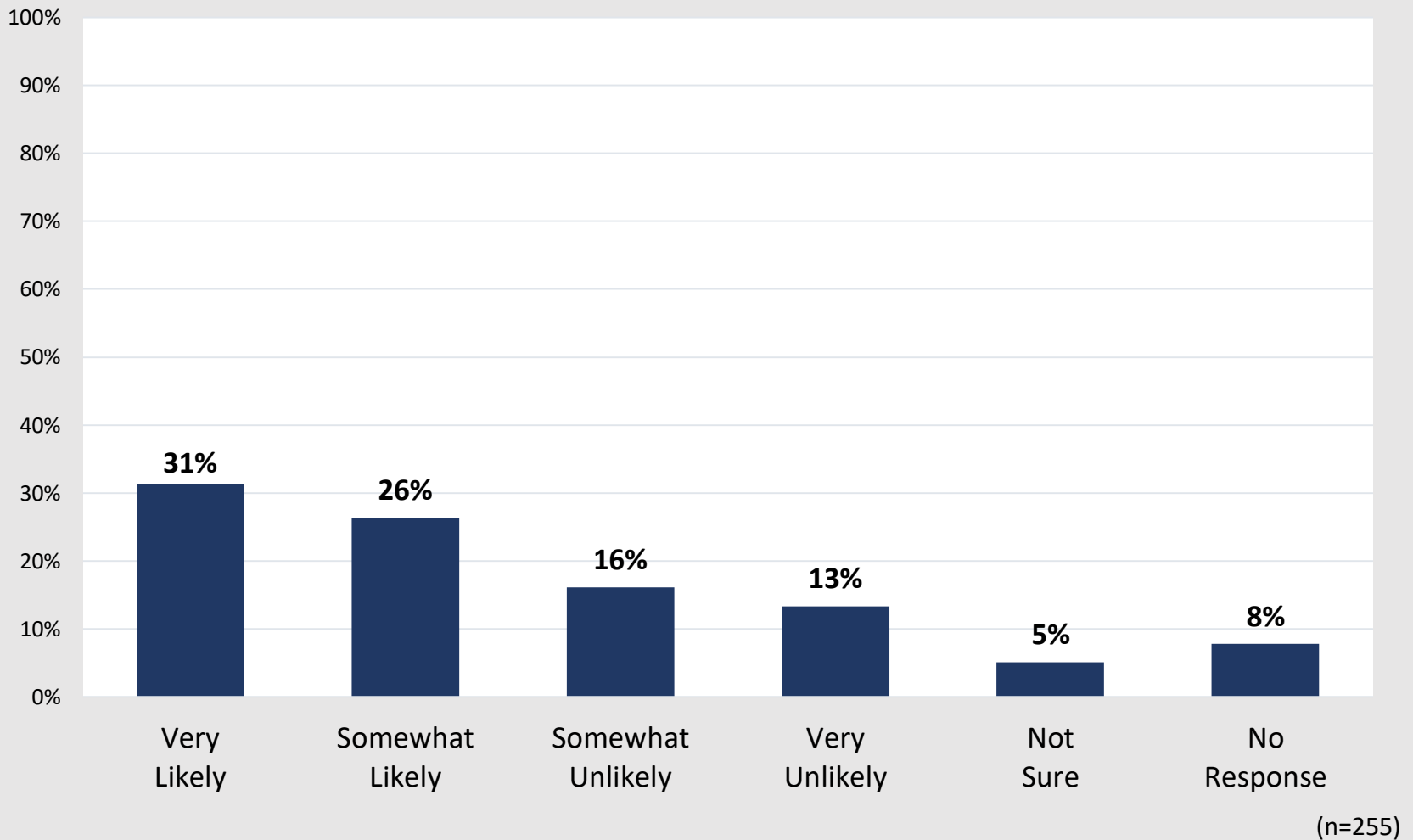
Q11a: How likely is your business to do the following in the next six months? (Increase Technology Spending)



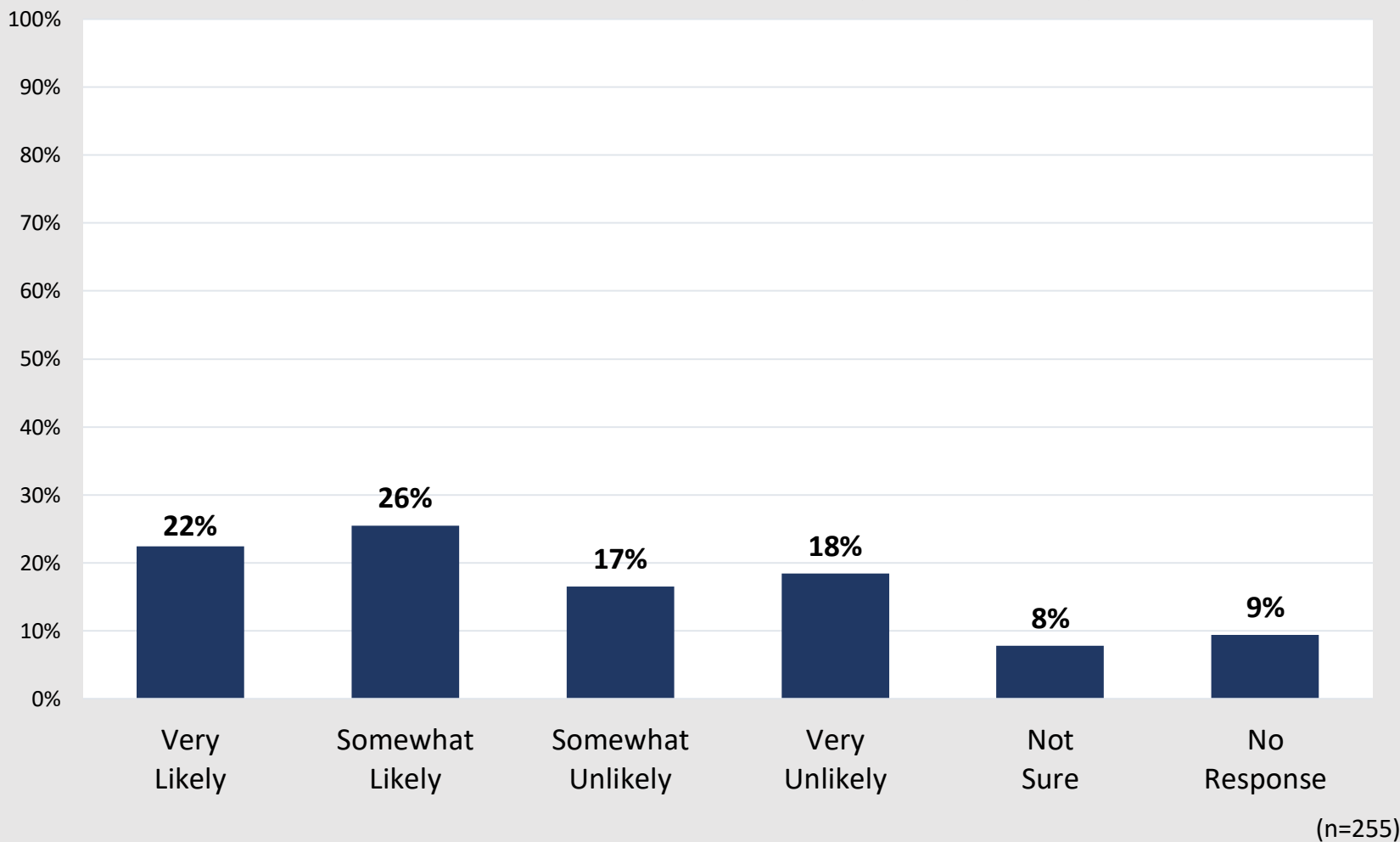
Q11b: How likely is your business to do the following in the next six months? (Increase Research & Development Spending)



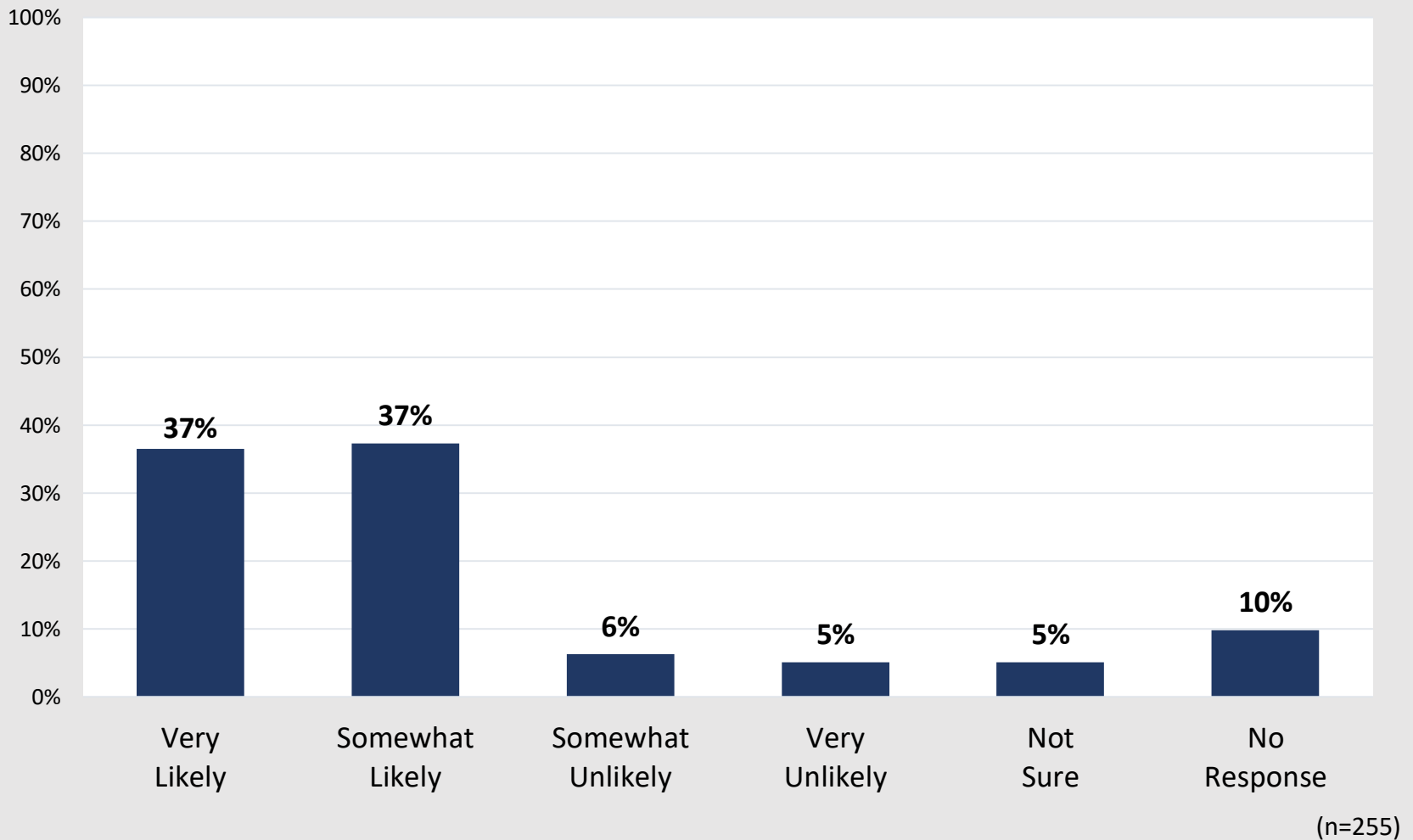
Q11c: How likely is your business to do the following in the next six months? (Increase Advertising & and Marketing Spending)



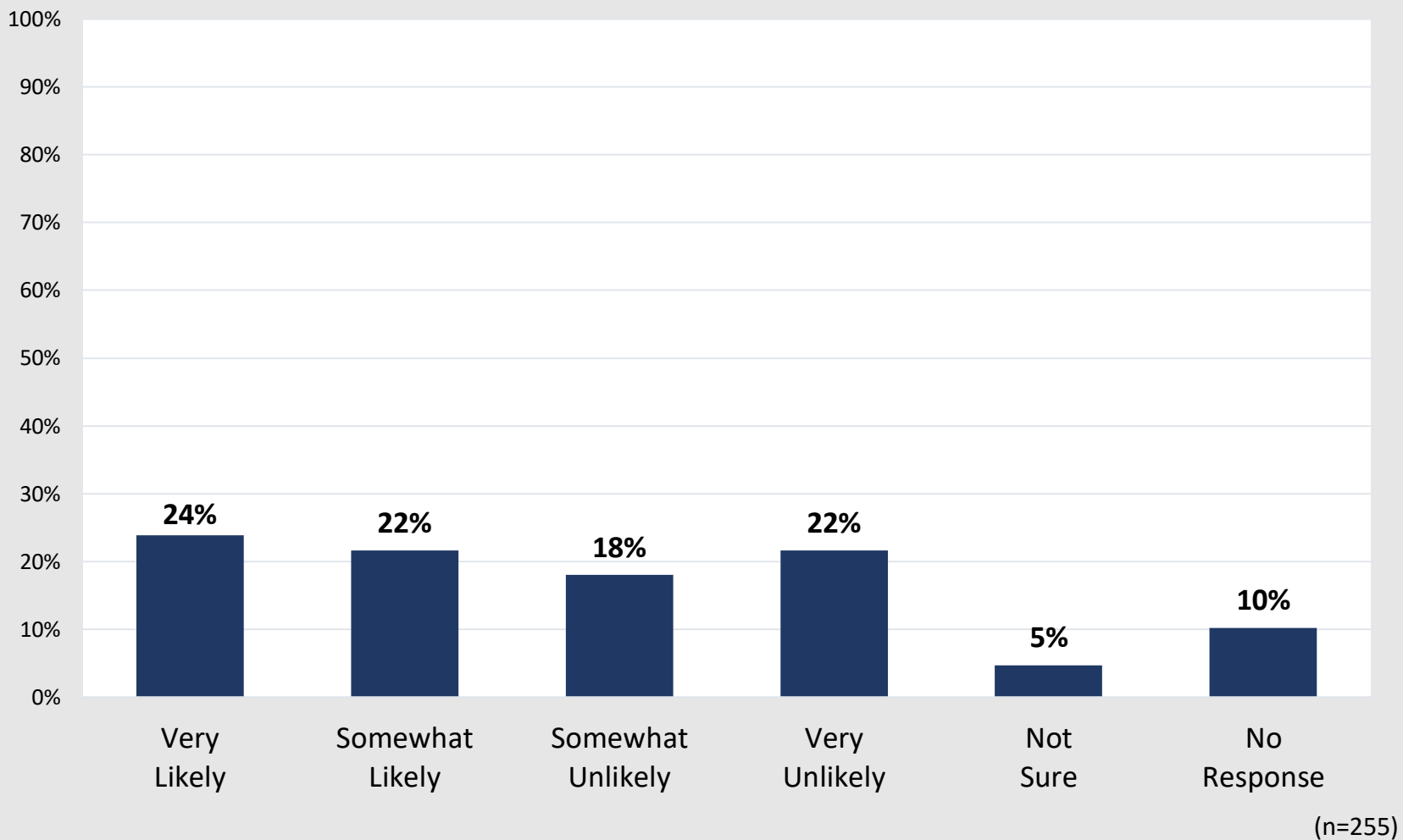
Q11d: How likely is your business to do the following in the next 6 months? (Increase Capital Spending)



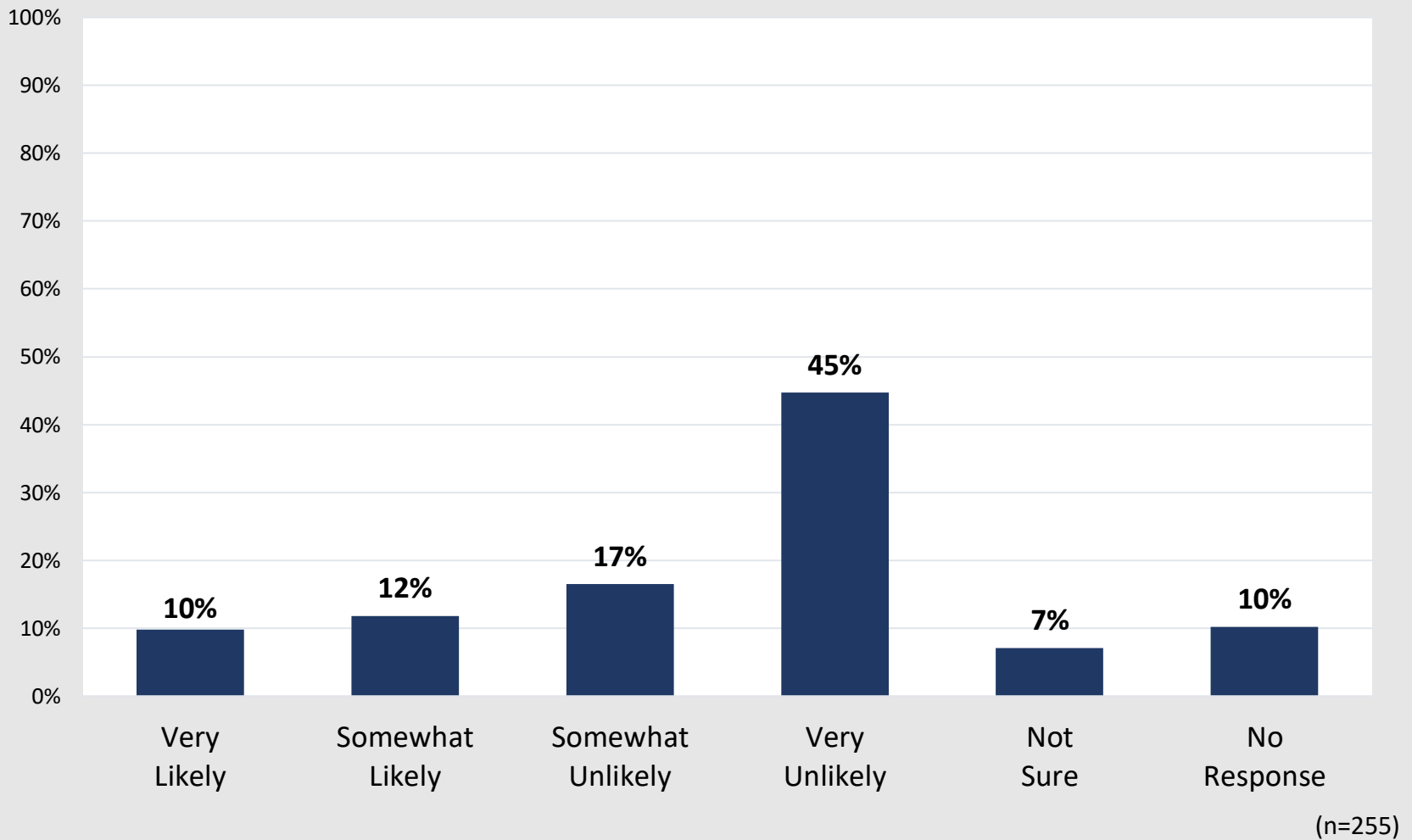
Q11e: How likely is your business to do the following in the next six months? (Increase Revenues/Profits)



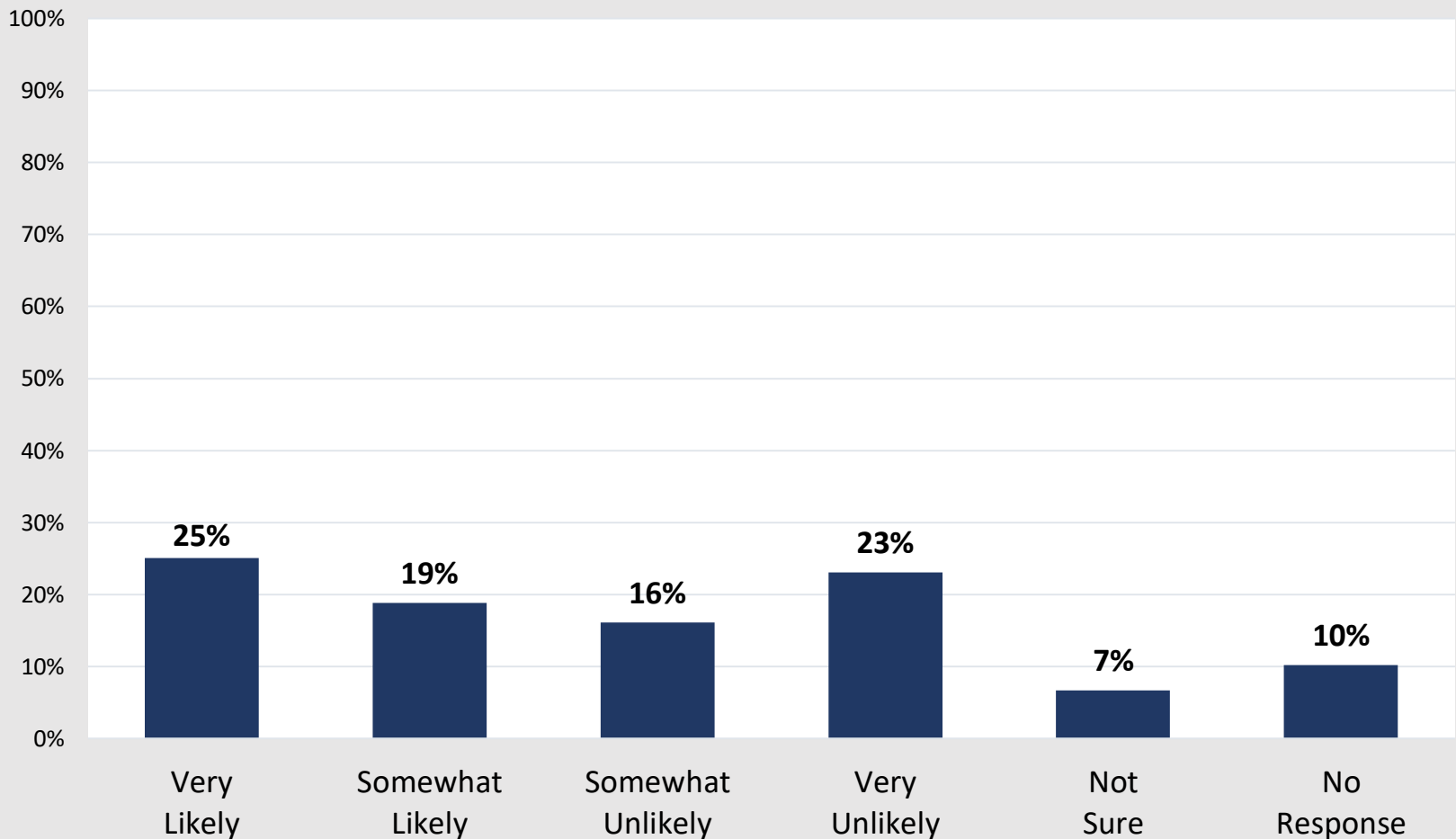
Q11f: How likely is your business to do the following in the next six months? (Offer New Products/Services)



Q11g: How likely is your business to do the following in the next six months? (Move Significant Business Functions Out of the Area)

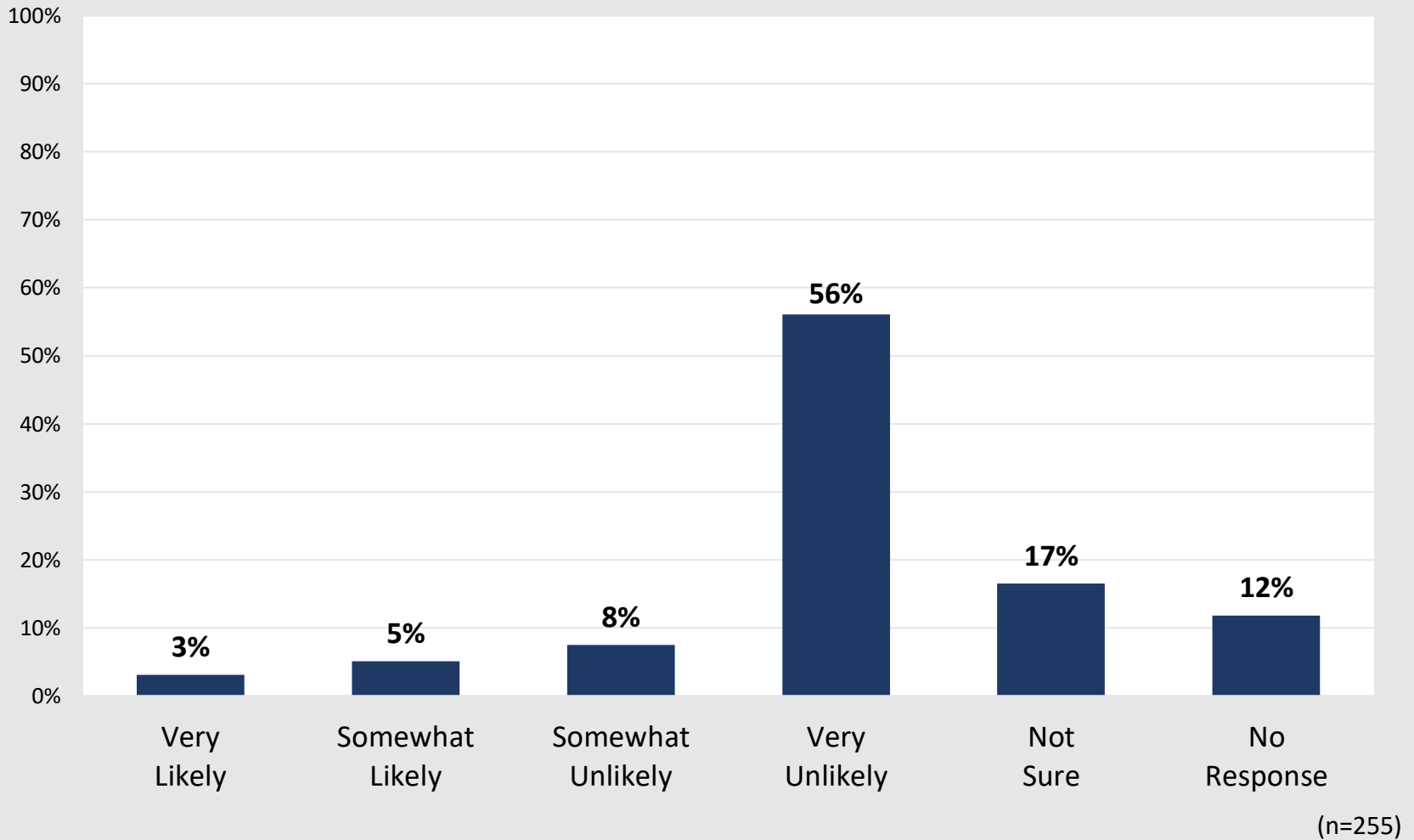


Q11h: How likely is your business to do the following in the next six months? (Plan to Expand Business)

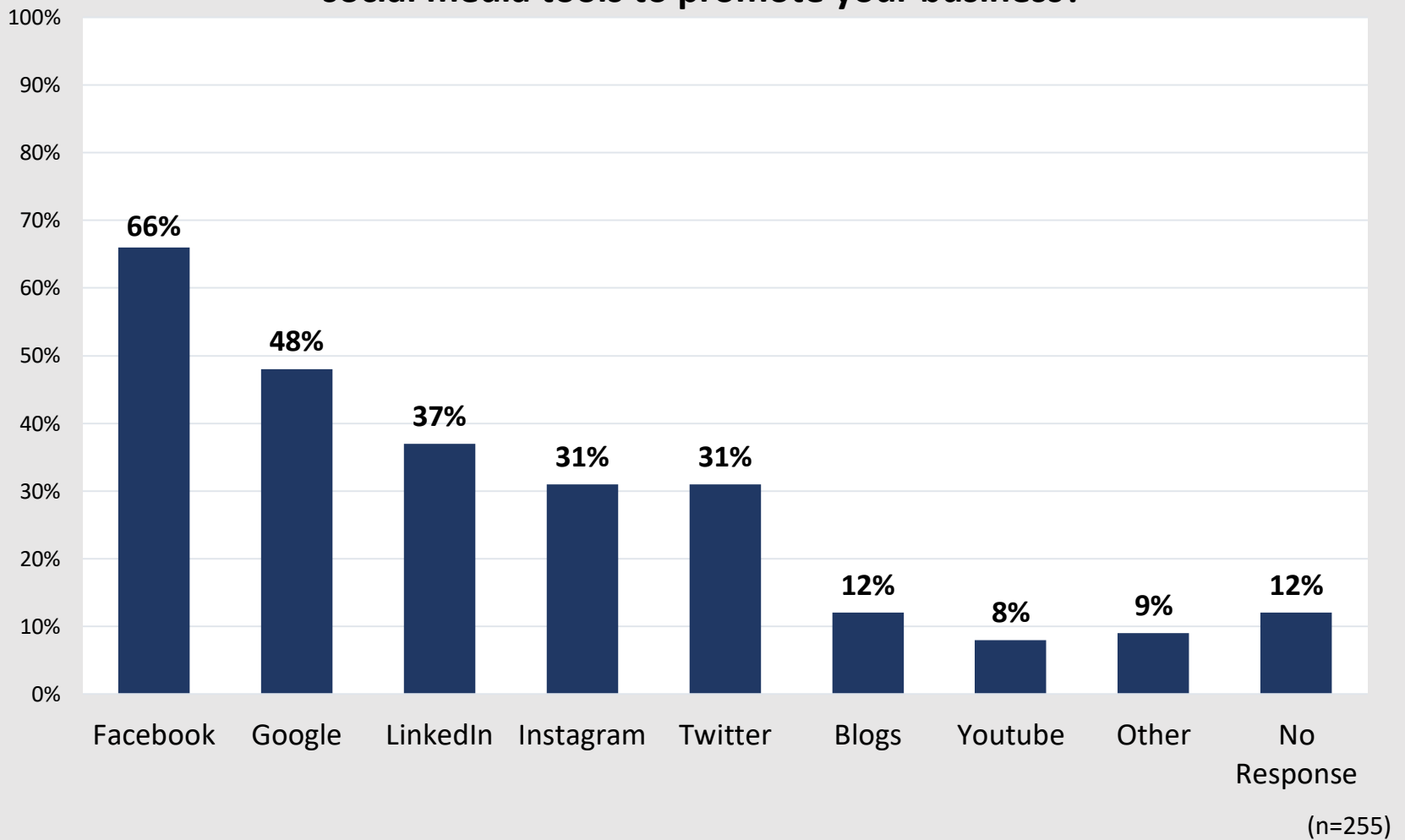


(n=255)

Q11i: How likely is your business to do the following in the next six months? (Plan to Sell All or Part of Business)



Q12a: Does your company use any of the following social media tools to promote your business?



Q12b: Does your company use any of the following social media tools to promote your business? (Other Please specify)

Response	Frequency
None	10
Website	5
Yelp	2
Calls and Emails	1
Digital Newsletter/Website	1
eBay	1
Industry Platform	1
Magazine and email Blasts	1
Working on updating our website	1
Total Responses	24

Q13: How can your local government help your business?

- “Advertise”
- “Affordable loans”
- “Better vocational schools in surrounding area”
- “By attracting businesses that pay higher wages”
- “Control real estate and operation costs”
- “Crazy that Norwell taxes businesses property (& not real estate)”
- “Cutting down on regulations”
- “Decrease commercial tax rate”
- “Decrease local tax rates on animal health care and insurance”
- “Diversity”
- “Do more construction”

Q13: How can your local government help your business? (Continued)

- “Do not need”
- “Ease of permit process (varies municipality to municipality)”
- “Easier permitting”
- “Easier to obtain permits”
- “Efficient marketing”
- “Engage in business with us”
- “Financial Assistance” (3)
- “Financing, tax cuts could also be beneficial”
- “Focus on finance/interest rates”
- “General support as well as grants/loans”
- “Government Improvement”

Q13: How can your local government help your business? (Continued)

- “Grants”
- “Health care cost”
- “Help maintain our location's appearance and promote our facilities more effectively”
- “Help promote local businesses” (3)
- “Help promote local businesses rather than going online”
- “Helping people get jobs in their industry and types of industries”
- “Helping with protection/coverage”
- “Highlight how green and eco-friendly our company is and promote that to the community”
- “Immigration reform for workers”

Q13: How can your local government help your business? (Continued)

- “Improve dental insurance”
- “Improve local tax rates”
- “Increase funding”
- “Increase wages”
- “Inform students about trade schools”
- “Keep tariffs the same, do not increase them”
- “Keep them out of business and leave us alone” (2)
- “Less taxes, lower tariffs”
- “Lobby the federal government to create stable market conditions”
- “Local advertising”
- “Lower Commercial Taxes, expedite permits”

Q13: How can your local government help your business? (Continued)

- “Lower interest rates” (3)
- “Make the cost of doing business in the state cheaper”
- “Making it easier to obtain permits”
- “More consistency in building inspection services”
- “New grants”
- “Not increasing taxes and allowing tax breaks for incoming companies”
- “Permit approval”
- “Permitting and listening to business challenges facing local business and economic development”
- “Promote local businesses”
- “Promote region affordable housing development”
- “Promote the city more”

Q13: How can your local government help your business? (Continued)

- “Promote trade schools” (3)
- “Promote urban development”
- “Promotion”
- “Putting company in more commercial place”
- “Putting company somewhere local/around businesses”
- “Raise minimum wage”
- “Reduce taxes” (6)
- “Reduce taxes and cost of healthcare”
- “Regulations such as environmental regulations, and generally backing off regulations”
- “Stop raising taxes, insurance cost and business fees”
- “Store taxes”

Q13: How can your local government help your business? (Continued)

- “Streamline permits and approval process”
- “Streamline permitting and inspection, can become accommodating to developers”
- “Supporting museums and heritage”
- “Tax relief”
- “Taxes”
- “The state agencies we work for: MassDot, DCR, Massport and MBTA need to pay promptly within 30 days of invoiced work”
- “Trade School accessibility and expense”
- “Use our digital offering to engage citizens”
- “Yes, pay more”

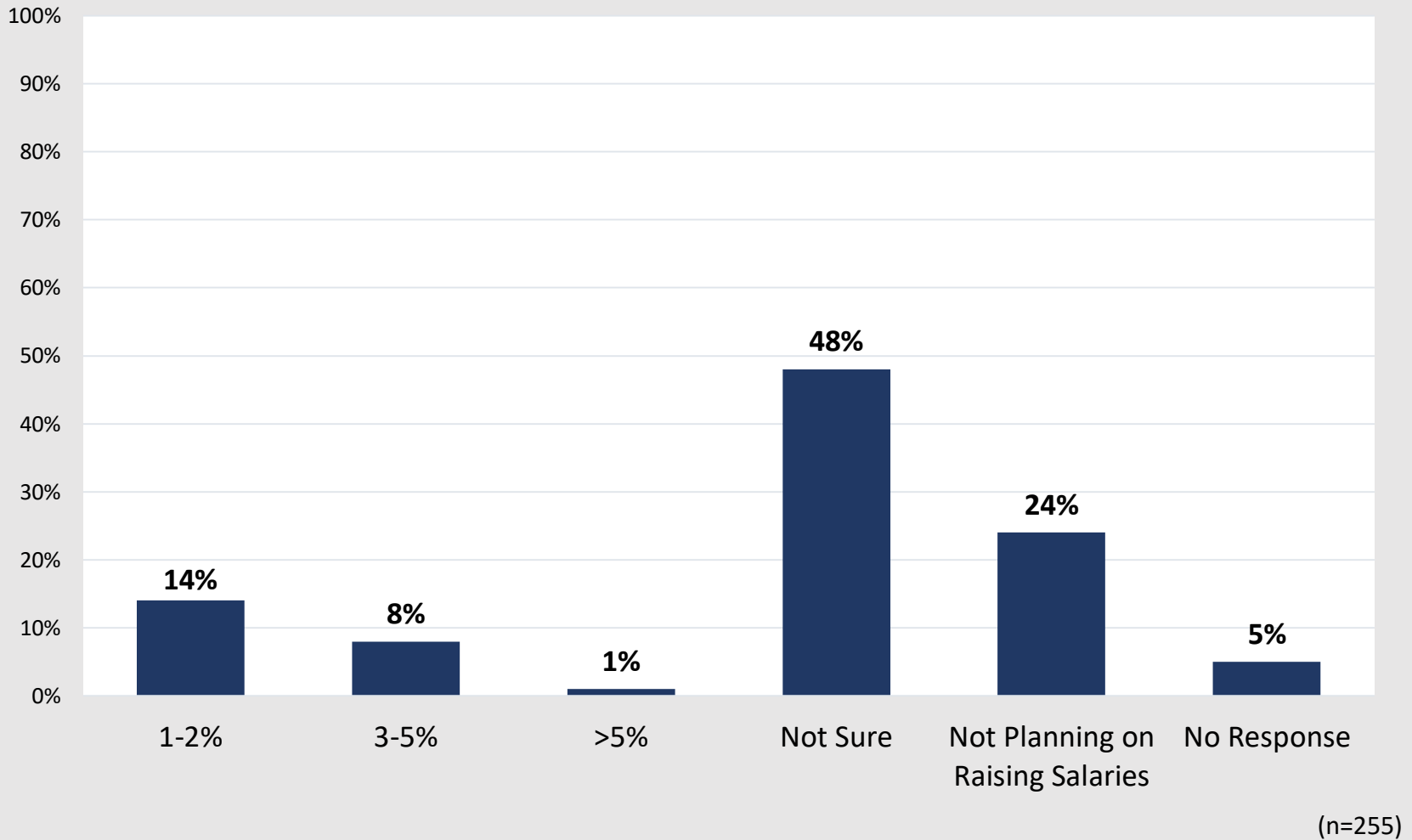
Q14: Which Chamber of Commerce or Business Organization, if any, do you belong to?

Response	Frequency
Metro South Chamber of Commerce	37
Metro South Canton	12
South Shore Chamber of Commerce	12
Metro South E. Bridgewater	6
BBB	4
Brockton	4
Easton	2
Norwell	2
Quincy	2
Stoughton	2
Taunton	2
AIA	1
Associated Subs of Massachusetts	1
ASTM International	1
Attleboro	1
B CORP	1
BOMA	1
Brockton Rotary Club	1
Canton	1
Cranberry	1

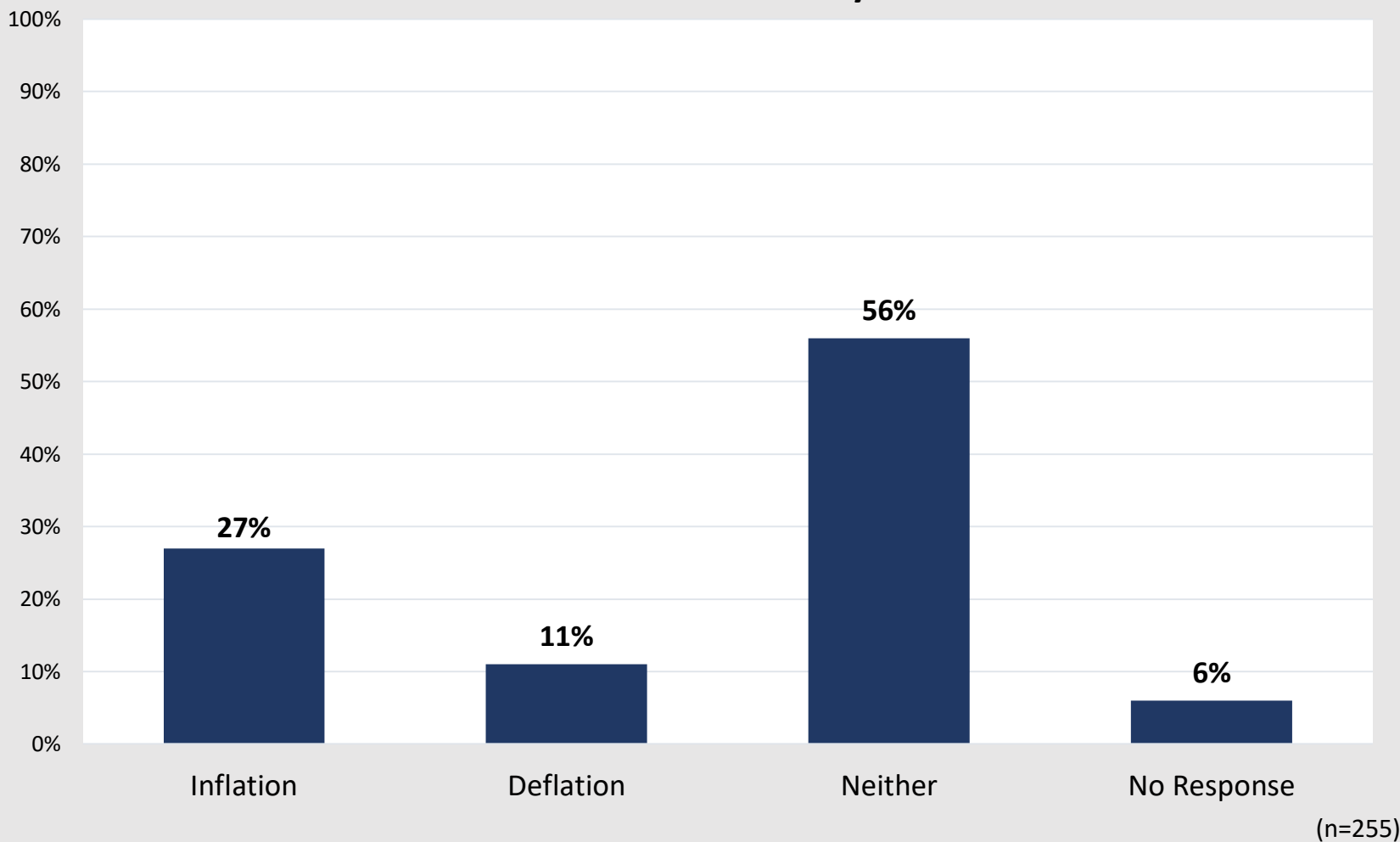
Q14: Which Chamber of Commerce or Business Organization, if any, do you belong to?
(Continued)

Response	Frequency
Fall River	1
IREM	1
MA AEER	1
Mass. Association of Mason Contractors	1
Metro South/Easton/Stoughton	1
Metro South/Newton/Needham	1
National Association of Tax Preparers	1
New Bedford	1
North Shore Chamber	1
Northern RI	1
OT	1
Plymouth	1
Plymouth County BAR ASSN.	1
RAM	1
Randolph CC	1
RFT	1
Rotary	1
SCA	1
Seamass	1
Worcester	1
Total	114

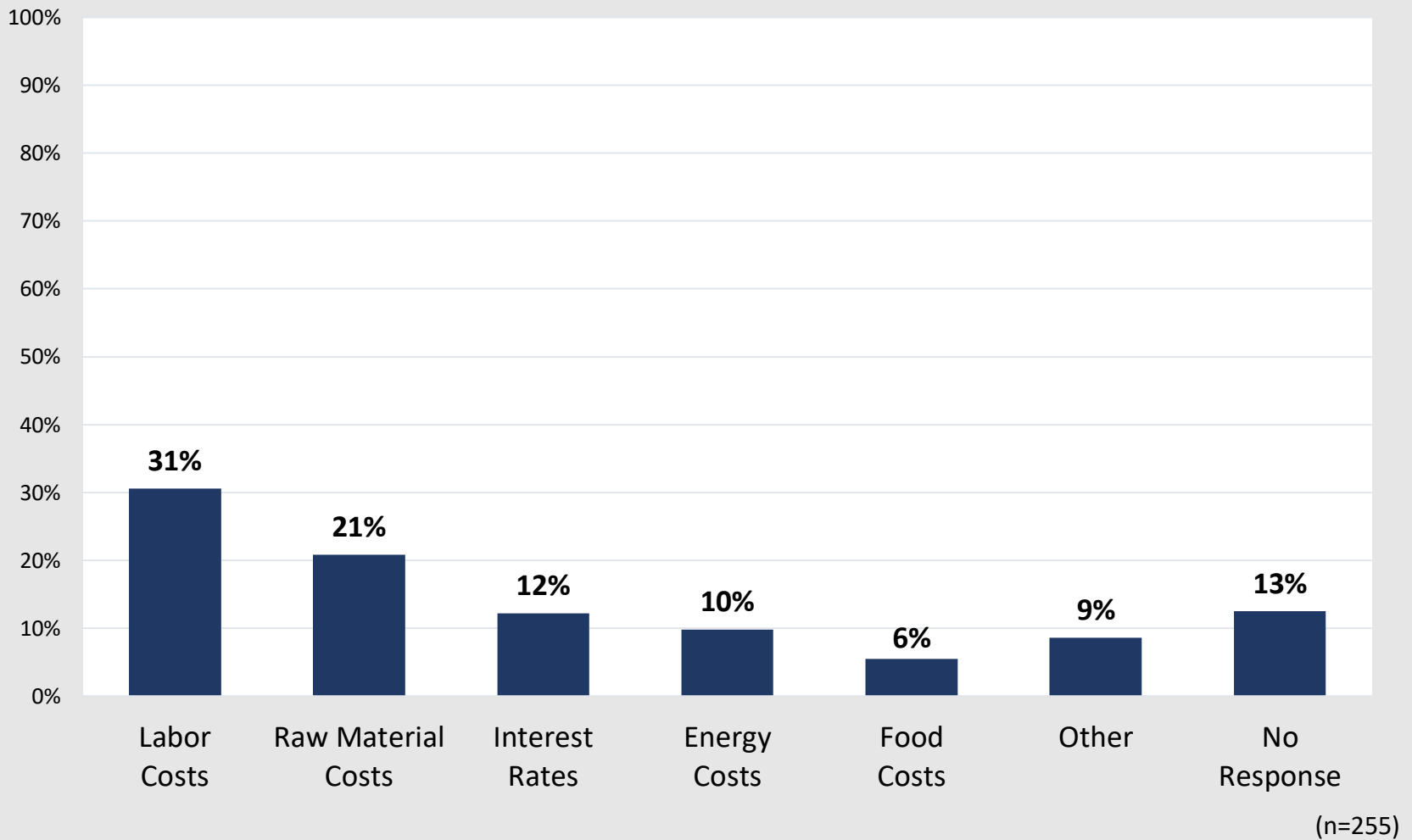
Q15: Are you planning on raising salaries/wages for your employees? If so, by how much?



Q16: Over the next 6 months, are you more concerned about inflation or deflation for your business?



Q17a: Which represents the most significant risk to your business?



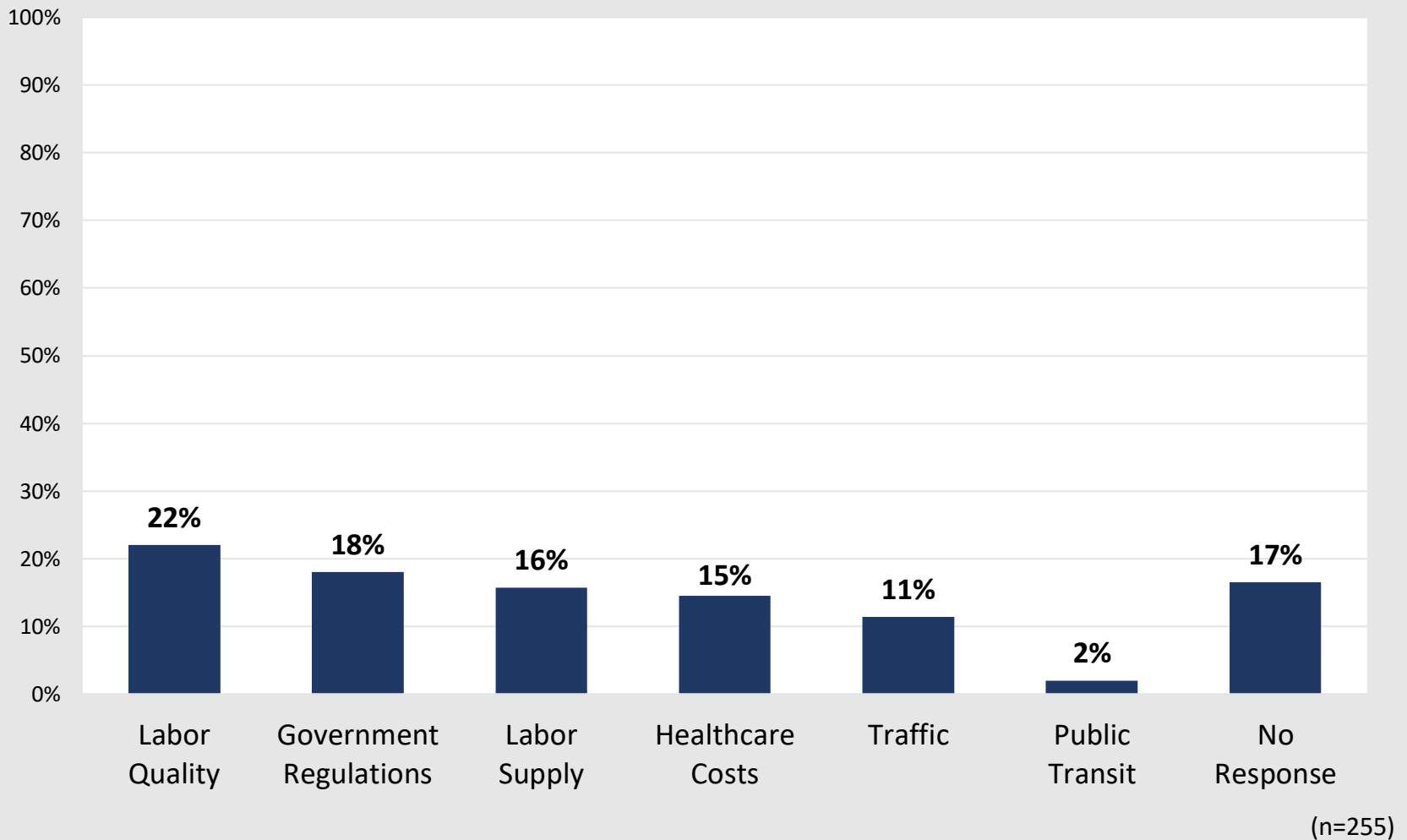
Q17b: Which represents the most significant risk to your business? (Other, Please Specify)

- “All of the above”
- “Amazon”
- “Competition”
- “Competitive rates”
- “Costs”
- “Down turn in the economy”
- “Internet culture”
- “Lack of sales”
- “Marketing costs”
- “Mass government bureaucracy”

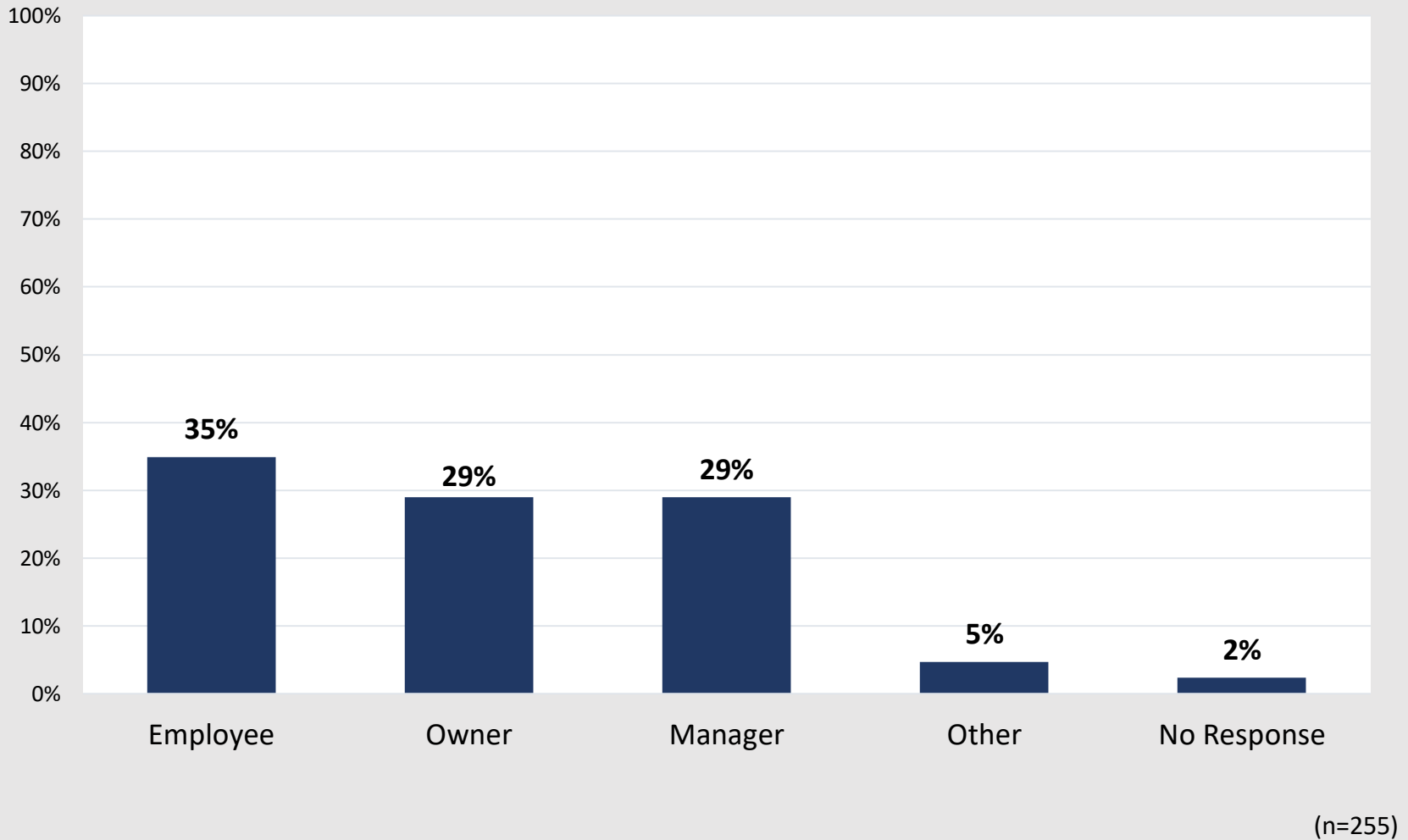
**Q17b: Which represents the most significant risk to your business?
(Other, Please Specify) (Continued)**

- “Poor advertising”
- “Recession rates”
- “Salaries”
- “Stealing/robberies”
- “Successfully bidding on work”
- “Transportation cost”
- “Weather”

Q18: What is the single most important challenge in the Brockton Area facing your business today?



Q19a: What is your role in this business/organization?



Q19b: What is your role in the business/organization? (Other, please specify)

Response	Frequency
Executive Assistant	3
Business Development	2
CEO	1
Administration	1
Office Assistant	1
Office Manager	1
Program Director	1
Staff Assistant	1
Sub Contractor	1
Total Responses	12

ADDITIONAL ANALYSIS

Cross-Tabulations

- 78% of businesses that have been open for under a year said that the economic cycle has been one of their biggest challenges facing their business today.
- 75% of businesses that have been open for over 20 years said that the economic cycle is not one of their biggest challenges today.
- 32% of businesses in the finance and insurance industry said that one of the biggest challenges they face as of today are interest rates.
- 41% of businesses in the Real Estate industry said that their biggest challenges as of today are Taxes.
- 80% of business with 1-25 full time employees said that the economic cycle is one of their biggest challenges today.
- 50% of businesses with 250 or more employees said that the economic cycle is one of the biggest challenges they are facing today.

Select Cases-For Businesses in Operation for over 20 years

- 70% of businesses said that location makes this region a great place to operate in.
- 47% of businesses said that having access to a large population makes this region a great place operate in.
- 34% of businesses said that having access to a diverse population makes this region a great place to operate in.
- 35% of businesses said that having a supply of customers makes this region a great place to operate in.
- 41% of businesses said their current business conditions compared to six months ago are better for their company.
- 50% of businesses said they expect business conditions six months from now to be better for their company.
- 25% of businesses said that the economic cycle is the biggest challenge facing their business today.

Select Cases-For Businesses in Operation for over 20 years (Continued)

- 23% of businesses said that find qualified employees is the biggest challenge facing their business today.
- 21% of businesses said that promotion within the city to increase customer traffic would help overcome the challenges previously mentioned.
- 30% of businesses said they were very likely to increase advertising and marketing spending in the next six months.
- 64% of businesses said they use Facebook as a social media tool to promote their business.
- 48% of businesses said they use Google as a social media tool to promote their business.
- 25% of businesses said labor costs represent the most significant risk to their business.
- 22% of businesses said labor quality is the single most important challenge facing their business today.
- 35% of businesses stated they were very likely to increase revenues/profits in the next 6 months.