

Anderson Township

2019 BUSINESS RETENTION & EXPANSION SURVEY RESULTS

Introduction

- Research has demonstrated that most new jobs are created by existing businesses.
- According to the Ohio Department of Development, throughout the 1990s more than 70% of job growth came from existing businesses.
- A key to community development is to grow and retain the existing business structure through a Business Retention and Expansion Program. These programs typically involve partnerships among public and private organizations that assess the assets and opportunities of individual businesses through periodic surveys, interviews, and visitation.
- In the survey process, information is used to strengthen existing companies, establish early warning systems to flag at-risk businesses that require assistance, and ensure that public programs meet local business needs.

Anderson Business Survey Participation

- Surveys sent to **737** businesses (*In 2010 - 560*)
- Chamber Email reminder to 682 businesses (191 opens, or 28%, and 15% “click rate”)
- Total Responses: **104** (*In 2010 – 104*)
 - Online responses: **80** (*In 2010 – 17*)
 - Mailed responses: **24** (*In 2010 – 77*)
 - Returned mailings: **108**
- Response rate: **16.5%** (*In 2010 - 18.8%*)
- *Note, 4 responses were returned late (after August 7th) and not included in results though they will be reviewed for possible follow up*

Question Categories

1. Business Demographic

- The purpose of collecting demographic data is to ask factual questions for studying trends.

2. Work Force Issues

- Workers are the core of the work place and perform the various tasks and duties required in attaining business goals.
- Questions such as residence of employees and future employment trends are not summarized in this report; rather, they may be helpful tools for individual follow up.

3. Industry Outlook

- Based on their sales activity and expansion plans, the information in this section provides insight on short-term activity in the local economy and how it may affect the local employment base.

4. Community Services Issues

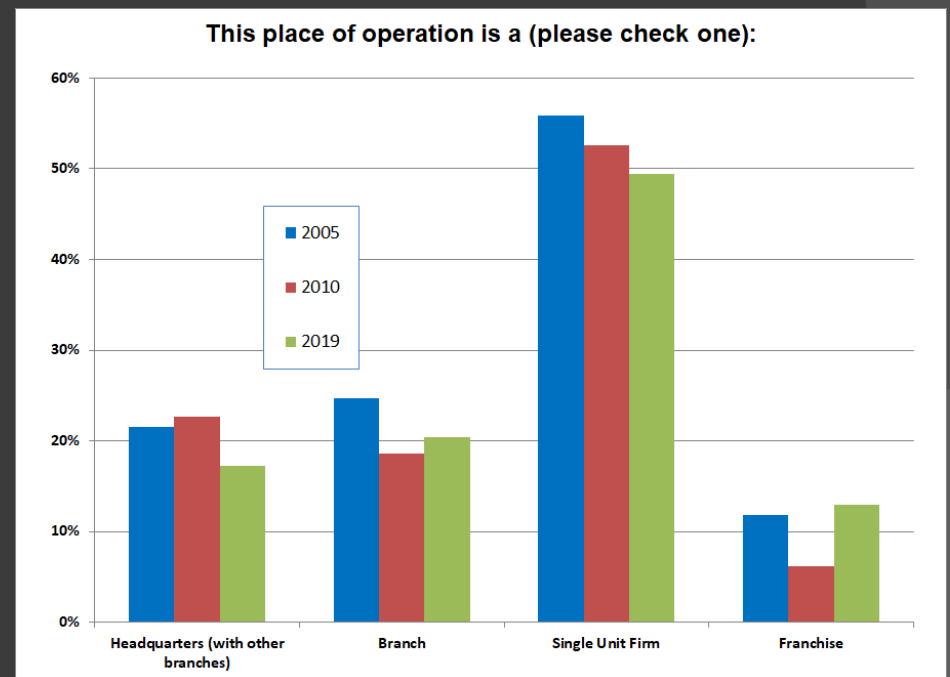
- In this section we explore external influences in Anderson Township that have a strong impact on its businesses.

Business Demographic

Place of Operation

- Most of the businesses who responded are a Single Unit Firm.
- Similar distribution by type, though Single Unit Firms have steadily decreased since 2005.
- Franchise's have recovered from 2005-2019 after the recession in 2010.

This place of operation is a (please check one):		
Answer Choices	Responses	
Headquarters (with other branches)	17.20%	16
Branch	20.43%	19
Single Unit Firm	49.46%	46
Franchise	12.90%	12
	Answered	93
	Skipped	11



Business Demographic

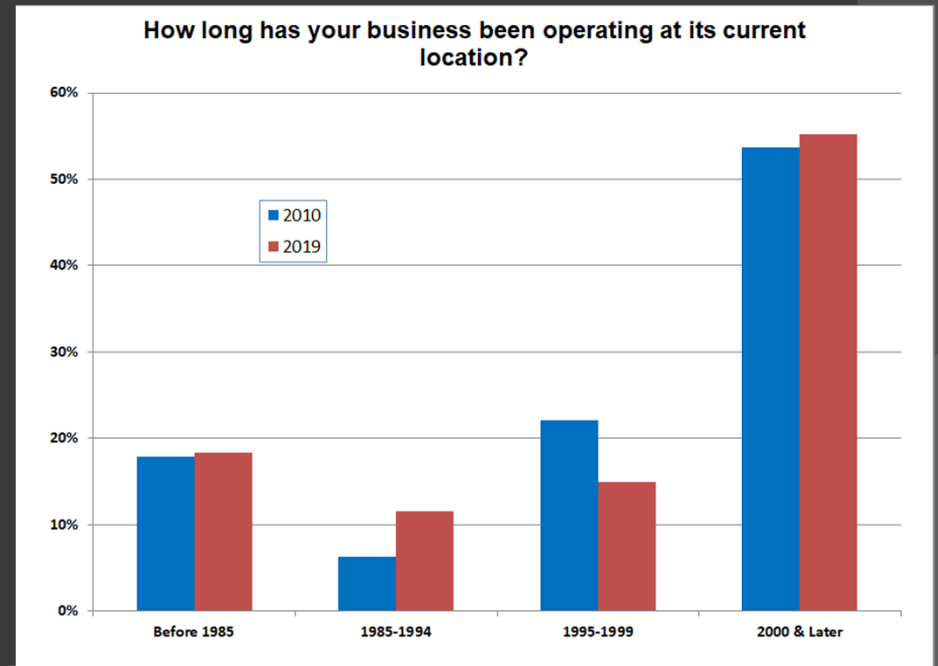
Years in Current Location

- Most businesses in community continue to be new (50%), but note that “new” not includes those that may have opened up to 19 years ago to stay consistent with 2010.
- Solid participation in survey of longtime businesses.
- 24.1% of respondents have been in business less than 5 years.

Anderson Township Business Survey- 2019

How long has your business been operating at its current location?

	Number	2010	Number	2019
Before 1985	17	17.9%	16	18.4%
1985-1994	6	6.3%	10	11.5%
1995-1999	21	22.1%	13	14.9%
2000 & Later	51	53.7%	48	55.2%
Total Responses	95		87	

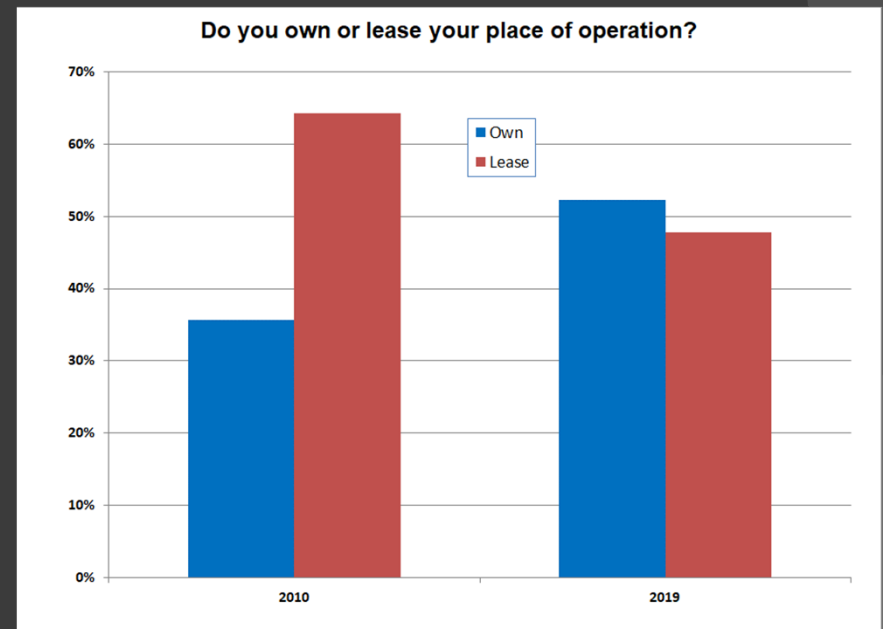


Business Demographic

Ownership of Business Space

- Owning or leasing the place of operation has about evened out from 2010, which is a large shift.
- In 2010, about 1/3 of respondents owned their place of operation.

Anderson Township Business Survey- 2019		
Do you own or lease your place of operation?		
Answer Choices	Responses	
Own	52.27%	46
Lease	47.73%	42
If you lease, when does your lease expire? (mo./yr.)		32
	Answered	88
	Skipped	16

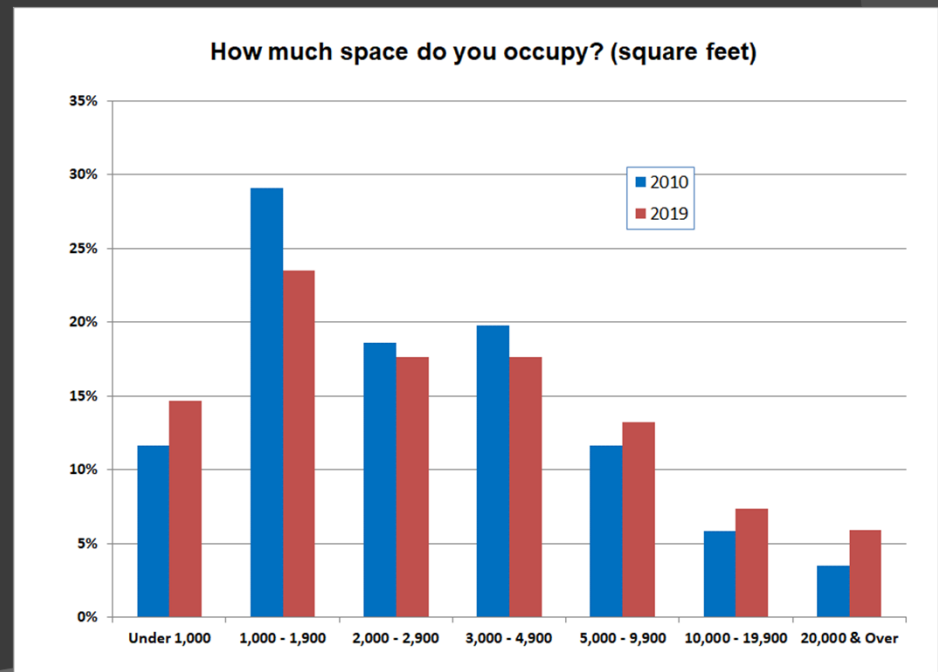


Business Demographic

Current Space

- Great need for businesses, with generally equal responses, are for spaces under 5,000 sq. ft.
- Larger participation of businesses with under 1,000 sq. ft., or more than 5,000 sq. ft., compared with 2010

Anderson Township Business Survey- 2019				
How much space do you occupy? (square feet)				
	Number	2010	Number	2019
Under 1,000	10	11.6%	10	14.7%
1,000 - 1,900	25	29.1%	16	23.5%
2,000 - 2,900	16	18.6%	12	17.6%
3,000 - 4,900	17	19.8%	12	17.6%
5,000 - 9,900	10	11.6%	9	13.2%
10,000 - 19,900	5	5.8%	5	7.4%
20,000 & Over	3	3.5%	4	5.9%
Total Responses	86		68	



Business Demographic

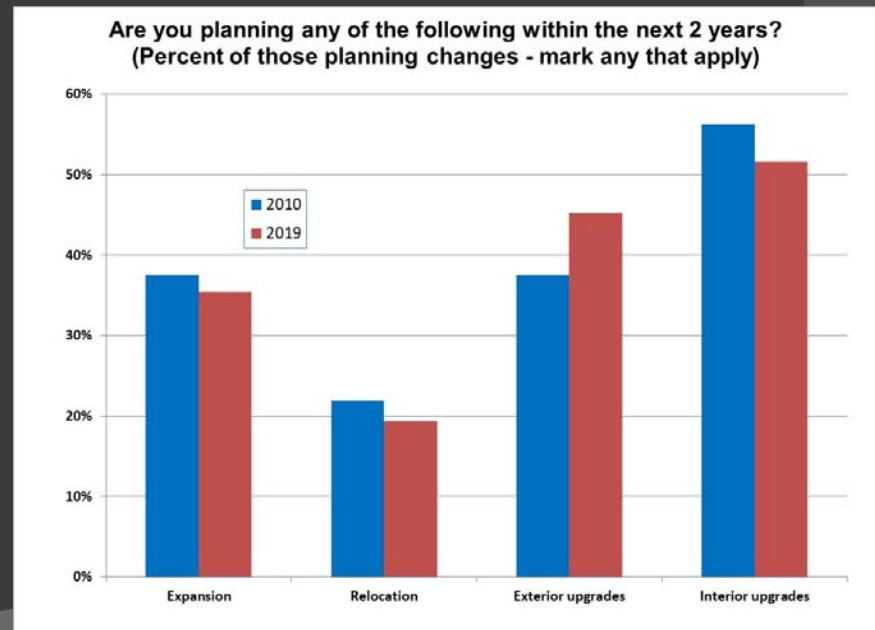
Adequacy of Space

- Most of which who are planning changes are considering interior modifications, perhaps due to projected employee growth.
- Plans for exterior upgrades was only category that increased from 2010 to 2019.
- About 30% considering some sort of changes in the next two years, consistent with responses from 2010.

Anderson Township Business Survey- 2019

Are you planning any of the following within the next 2 years? (Mark any that apply)

Answer Choices	Responses	
Expansion	35.48%	11
Relocation	19.35%	6
Exterior upgrades	45.16%	14
Interior upgrades	51.61%	16
	Answered	31
	Skipped	73

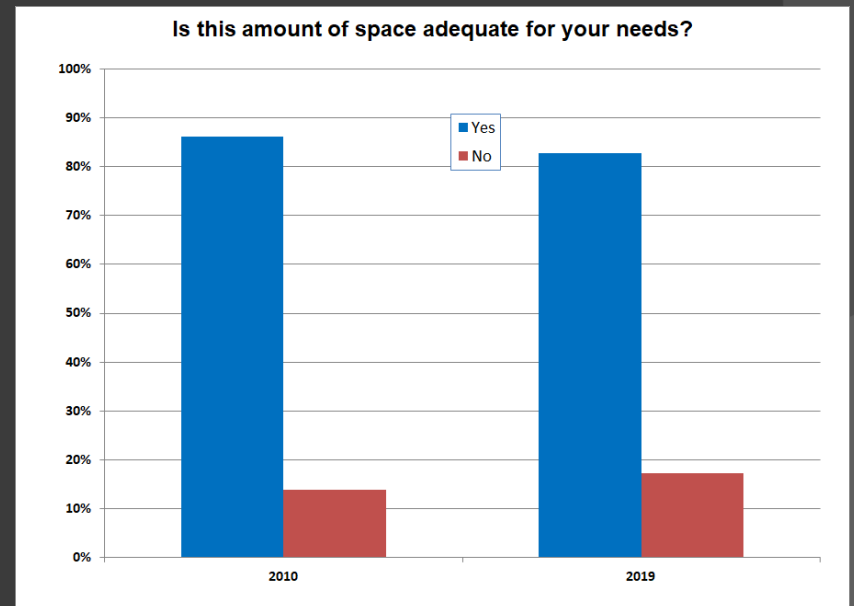


Business Demographic

Planned Space Changes

- Very similar responses between 2010 and 2019.
- Most, over 80%, appear to be comfortable with existing space.
- Approximately 8% growth within businesses requiring additional space from 2010 to 2019.

Anderson Township Business Survey- 2019		
Is this amount of space adequate for your needs?		
Answer Choices	Responses	
Yes	82.72%	67
No	17.28%	14
If no, please explain		14
	Answered	81
	Skipped	23



Industry Outlook

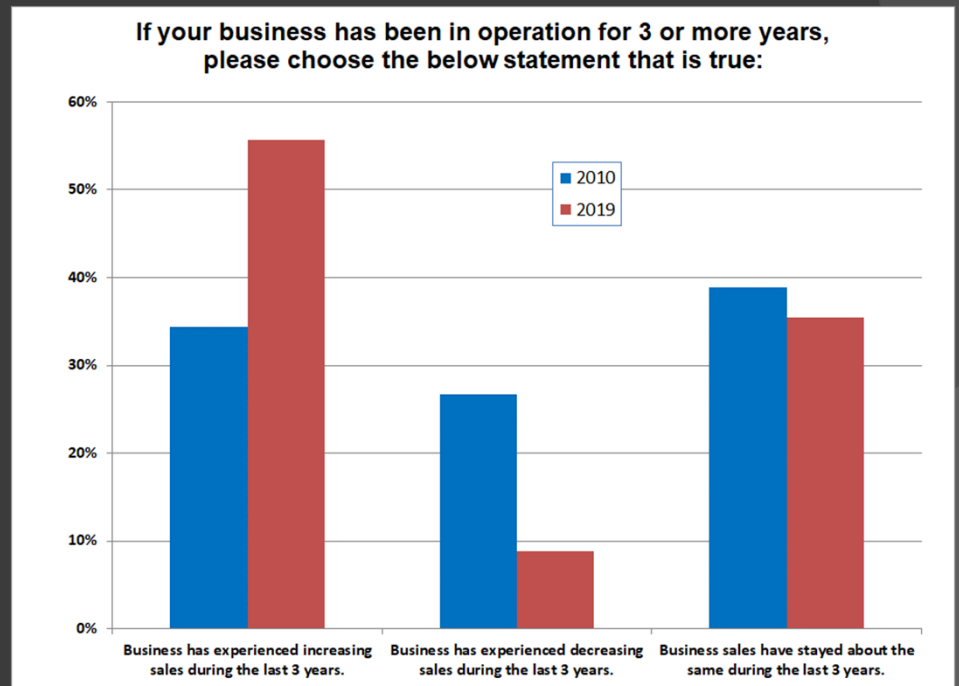
Business Sales Trends

- ⦿ Dramatic change with regards to sales over the last three years, between 2010 and 2019.
- ⦿ 55% feel that sales have increased, while less than 10% indicated a decrease.

Anderson Township Business Survey- 2019

If your business has been in operation for 3 or more years, please choose the below statement that is true:

Answer Choices	Responses	
Business has experienced increasing sales during the last 3 years.	55.70%	44
Business has experienced decreasing sales during the last 3 years.	8.86%	7
Business sales have stayed about the same during the last 3 years.	35.44%	28
	Answered	79
	Skipped	25



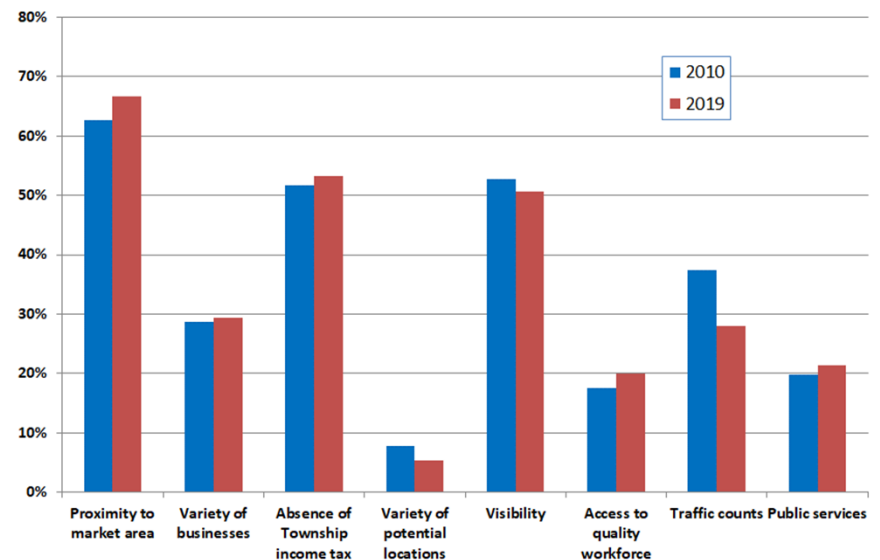
Community Service Issues

Benefits of Anderson Location

- Very similar responses to 2010.
- Greatest benefits including proximity to market, absence of income tax and visibility.
- Traffic counts has declined as benefit, mixed interpretation as whether traffic is increasing or decreasing, and whether that is positive or negative.

What do you consider as the greatest benefits of being located in Anderson? (check all that apply)		
Answer Choices	Responses	
Proximity to market area	66.67%	50
Variety of businesses	29.33%	22
Absence of Township income tax	53.33%	40
Variety of potential locations	5.33%	4
Visibility	50.67%	38
Access to quality workforce	20.00%	15
Traffic counts	28.00%	21
Public services	21.33%	16
Other:		17
	Answered	75
	Skipped	29

What do you consider as the greatest benefits of being located in Anderson? (check all that apply)



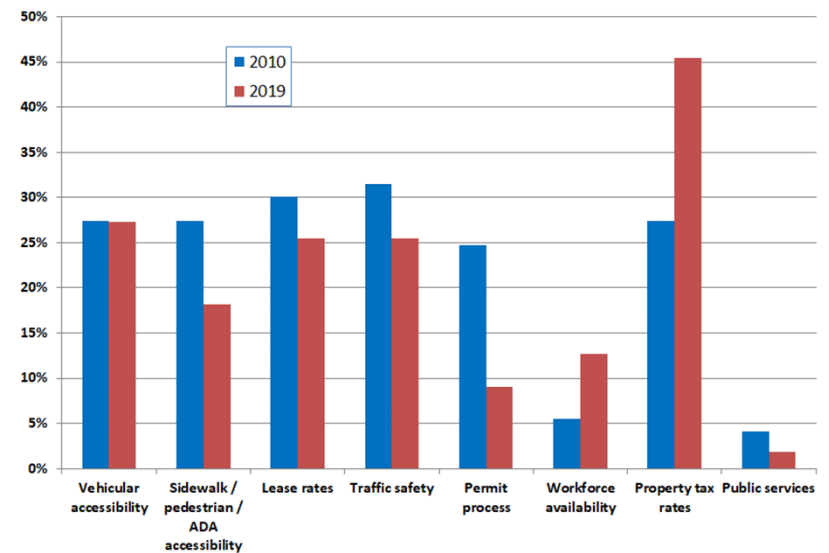
Community Service Issues

Obstacles to Business Operations in Anderson

- Based on responses, businesses noted improvements in sidewalks, lease rates, traffic safety and permit process (largest positive change).
- Workforce issue, and large concern with property tax rate, are the greatest obstacle by far (4 local tax levies since 2010).

Anderson Township Business Survey- 2019		
What do you consider as the greatest obstacles to business in Anderson? (Check all that apply)		
Answer Choices	Responses	
Vehicular accessibility	27.27%	15
Sidewalk/pedestrian/ADA accessibility	18.18%	10
Lease rates	25.45%	14
Traffic safety	25.45%	14
Permit process	9.09%	5
Workforce availability	12.73%	7
Property tax rates	45.45%	25
Public services	1.82%	1
Other:		14
	Answered	55
	Skipped	49

What do you consider as the greatest obstacles to business in Anderson? (Check all that apply)

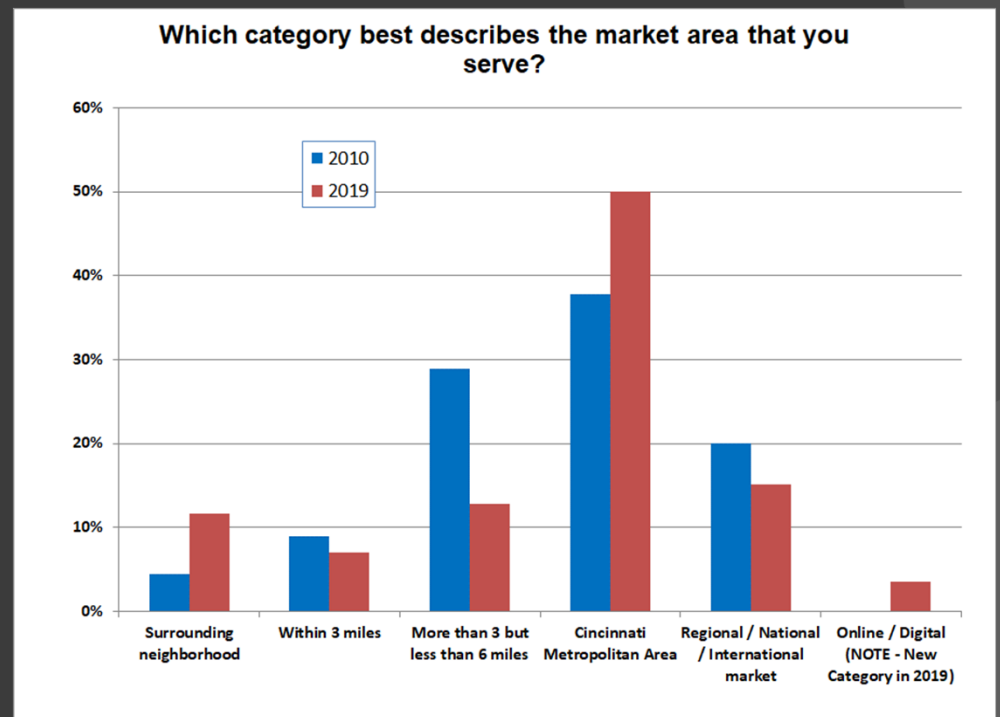


Work Force Demographic

Market Area

- Despite the majority of Anderson businesses being single-unit firms, half of them serve the Cincinnati Metropolitan Area.
- Dramatic loss in market being in the 3-6 mile range
- Might we expect to see online/digital services continue to increase? This was a new answer for 2019.

Anderson Township Business Survey- 2019		
Which category best describes the market area that you serve?		
Answer Choices	Responses	
Surrounding neighborhood	11.63%	10
Within 3 miles	6.98%	6
More than 3 but less than 6 miles	12.79%	11
Cincinnati Metropolitan Area	50.00%	43
Regional/National/International market	15.12%	13
Online/Digital	3.49%	3
	Answered	86
	Skipped	18



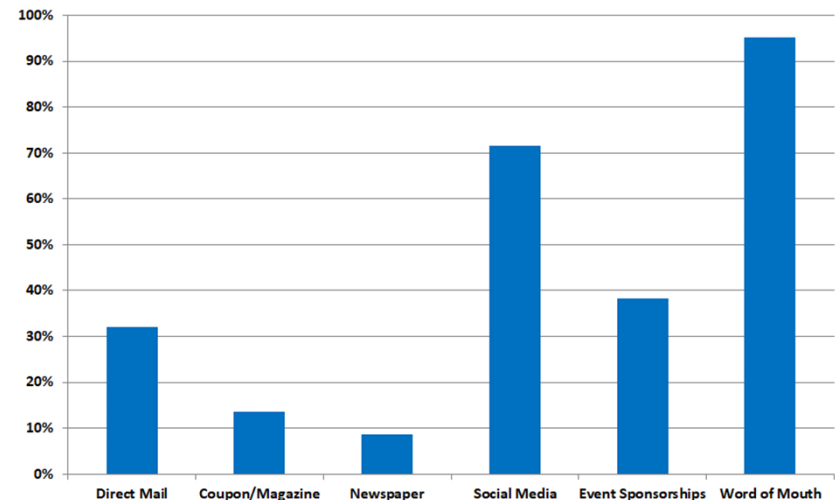
Business Demographics

Marketing Approaches

- A new question for 2019, appears that free marketing (word of mouth and possible social media) are focus.
- Traditional paid marketing options were all under 40%.
- Will social media begin to eliminate Newspaper/Coupon marketing?

Anderson Township Business Survey- 2019		
How does your business market to the community (please identify 3 most common/effective)?		
Answer Choices	Responses	
Direct Mail	32.10%	26
Coupon/Magazine	13.58%	11
Newspaper	8.64%	7
Social Media	71.60%	58
Event Sponsorships	38.27%	31
Word of Mouth	95.06%	77
	Answered	81
	Skipped	23

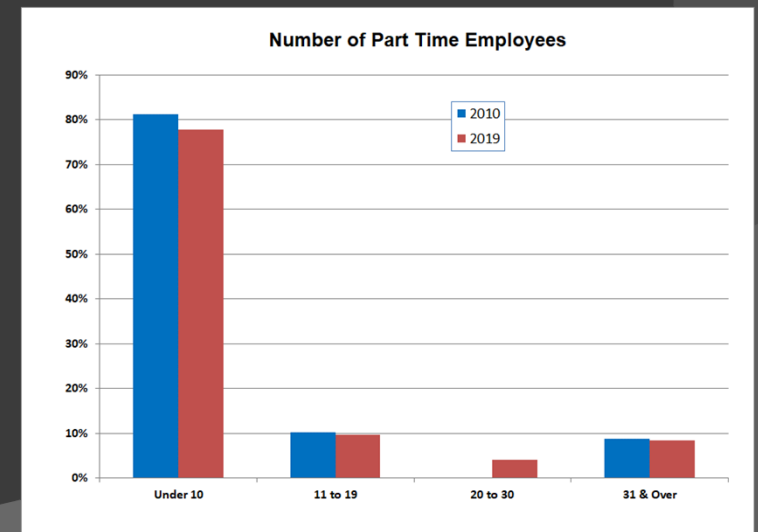
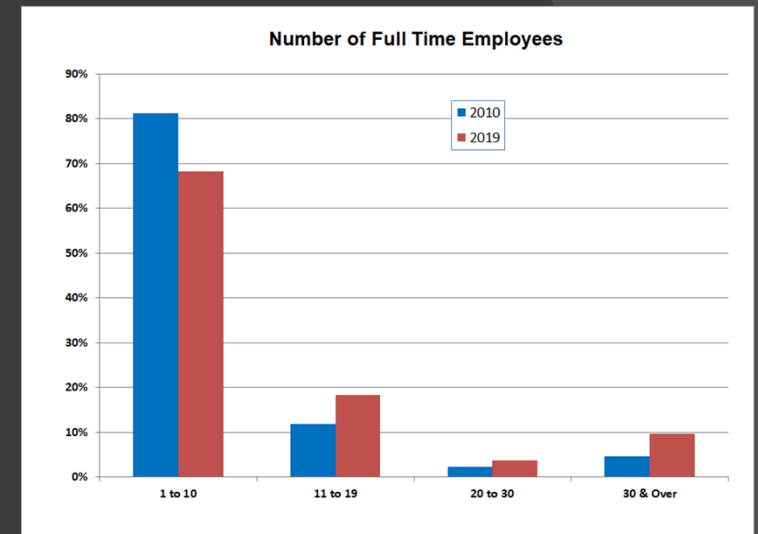
How does your business market to the community (please identify 3 most common/effective)?



Work Force Issues

Number & Type of Employees

- Slight reduction in smaller businesses (under 10 employees, especially full time positions), yet still overwhelming largest category.
- About 10% of businesses were single employee businesses (full or part time).
- 40.3% of 2019 respondents had 0 or 1 part time employees, and 23.2% had 0 or 1 full time employees.

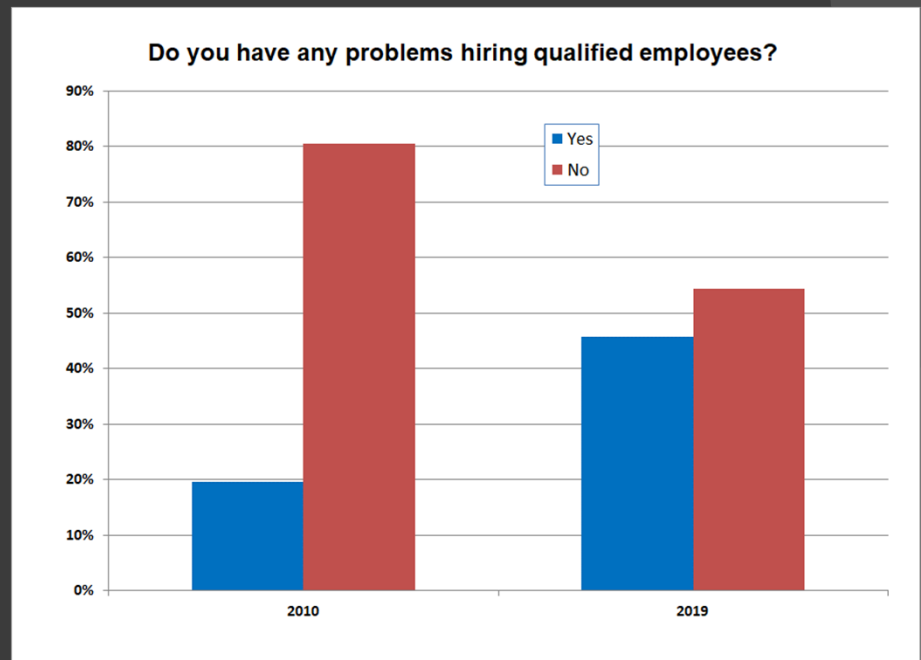


Work Force Issues

Employee Hiring Difficulties

- ⦿ Dramatic change in this area since 2010, from under 20% having difficulties to nearly 50%.
- ⦿ Comments for this response identified difficulties for a variety of fields/trades.

Anderson Township Business Survey- 2019		
Do you have any problems hiring qualified employees?		
Answer Choices	Responses	
Yes	45.68%	37
No	54.32%	44
if yes, please explain:		34
	Answered	81
	Skipped	23



Community Services Information

Services to Support Growth

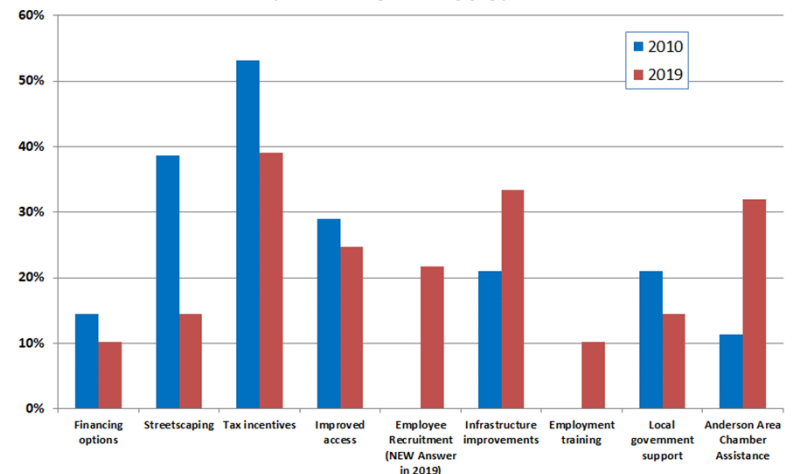
- Greatest reduction with streetscaping (numerous Township streetscape projects since 2010 in multiple business districts), as well as tax incentives and local government support.
- Increased desire for infrastructure improvements and Chamber Assistance, each at about 1/3 of responses, catching up with tax incentives for most common responses

Anderson Township Business Survey- 2019

What is the most important service that could be provided to your business to support economic growth and development? (Check any that apply)

Answer Choices	Responses	
Financing options	10.14%	7
Streetscaping	14.49%	10
Tax incentives	39.13%	27
Improved access	24.64%	17
Employee Recruitment	21.74%	15
Infrastructure improvements	33.33%	23
Employment training	10.14%	7
Local government support	14.49%	10
Anderson Area Chamber assistance	31.88%	22
Other		14
	Answered	69
	Skipped	35

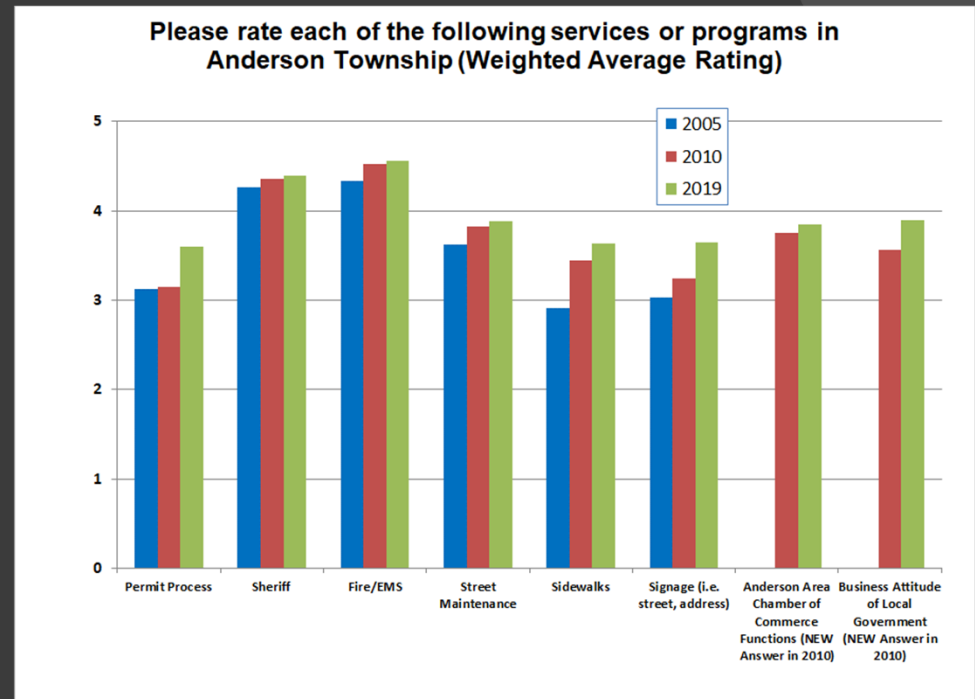
What is the most important service that could be provided to your business to support economic growth and development? (Check any that apply)



Community Services Information

Rating of Anderson Services / Programs

- Average responses from all areas increased from 2005 to 2010, and now to 2019.
- Strong support for Sheriff and Fire & Rescue.
- Permit process saw largest rating increase. This is a function that often is most criticized (not unique to Anderson).



Anderson Township Business Survey- 2019

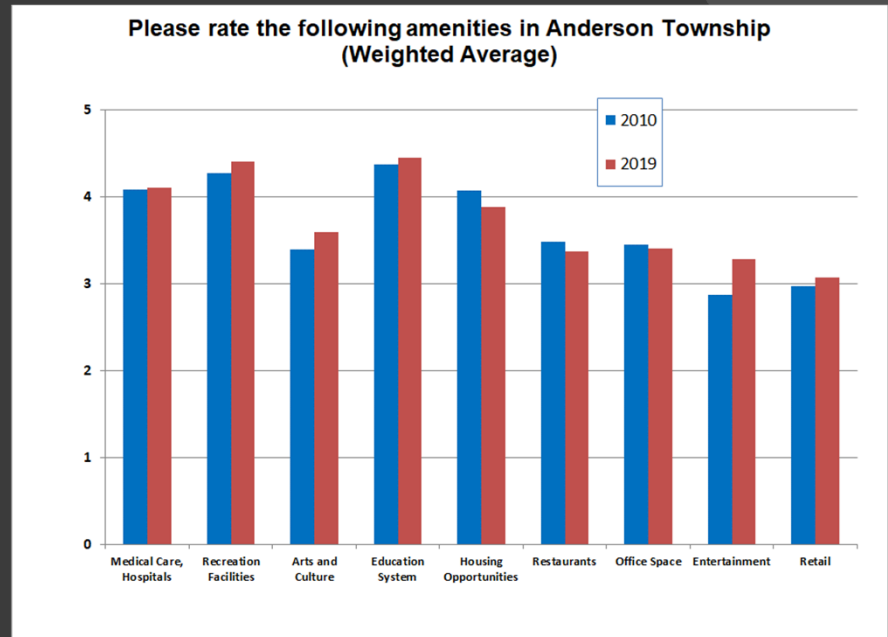
Please rate each of the following services or programs in Anderson Township:

	Poor	Below Ave.	Average	Above Ave.	Excellent	Responses	Rating Ave.
Permit Process	0	3	35	16	14	68	3.6
Sheriff	0	1	7	29	39	76	4.39
Fire/EMS	0	0	5	23	47	75	4.56
Street Maintenance	0	4	18	36	17	75	3.88
Sidewalks	2	6	21	35	12	76	3.64
Signage (i.e. street, address)	1	7	21	34	12	75	3.65
Anderson Area Chamber of Commerce Functions	1	2	24	24	20	71	3.85
Business Attitude of Local Government	2	1	19	27	20	69	3.9
						Answered	79
						Skipped	25

Community Services Information

Rating of Anderson Amenities

- Responses are pretty close across the board to 2010.
- Increases with recreation facilities, arts and culture, and entertainment, consistent with new additions in these opportunities in Anderson.
- Slight decreases to housing, restaurants and office ... new development interests coming online with regards to housing types



Anderson Township Business Survey- 2019
Please rate the following amenities in Anderson Township:

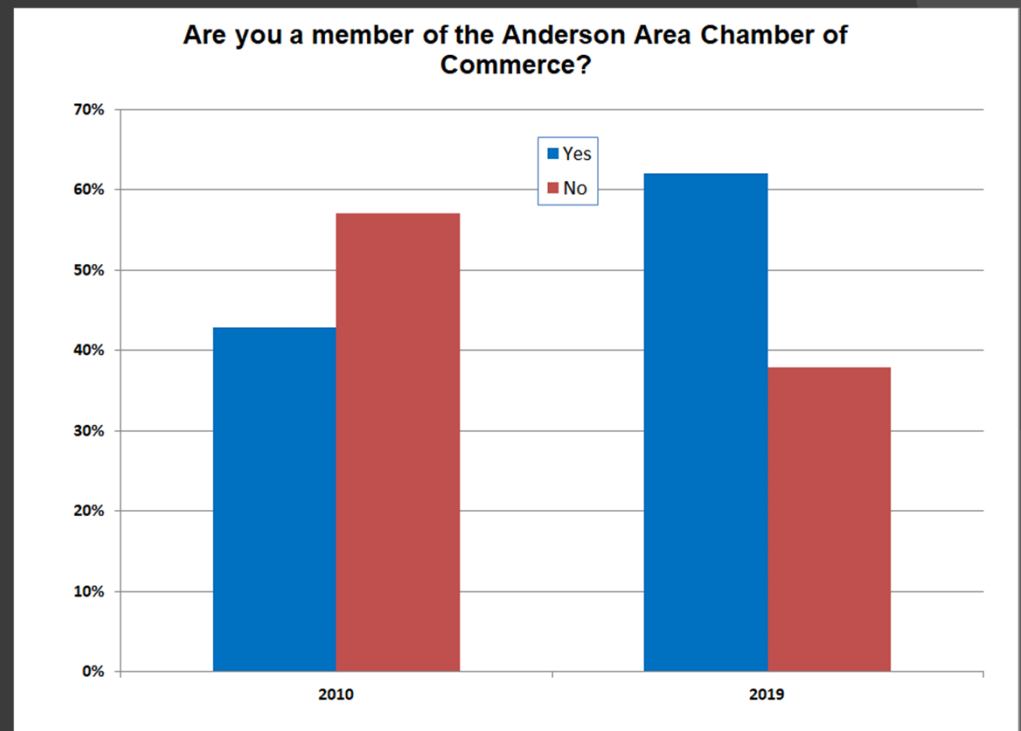
	Poor	Below Ave.	Average	Above Ave.	Excellent	Responses	Rating Ave.
Medical Care, Hospitals	0	3	11	37	25	76	4.11
Recreation Facilities	0	1	3	36	36	76	4.41
Arts and Culture	0	8	29	26	14	77	3.6
Education System	0	0	6	29	40	75	4.45
Housing Opportunities	0	2	23	31	19	75	3.89
Restaurants	1	10	35	21	10	77	3.38
Office Space	0	4	44	16	9	73	3.41
Entertainment	1	10	40	18	8	77	3.29
Retail	2	20	32	12	9	75	3.08
						Answered	77
						Skipped	27

Business Demographic

Chamber Membership

- Dramatic change since 2010, with responses nearly flipped. Perhaps AACOC outreach via email helped foster member responses.
- Over 60% of respondents were Chamber members.

Are you a member of the Anderson Area Chamber of Commerce?		
Answer Choices	Responses	
Yes	62.03%	49
No	37.97%	30
	Answered	79
	Skipped	25



Business Demographic

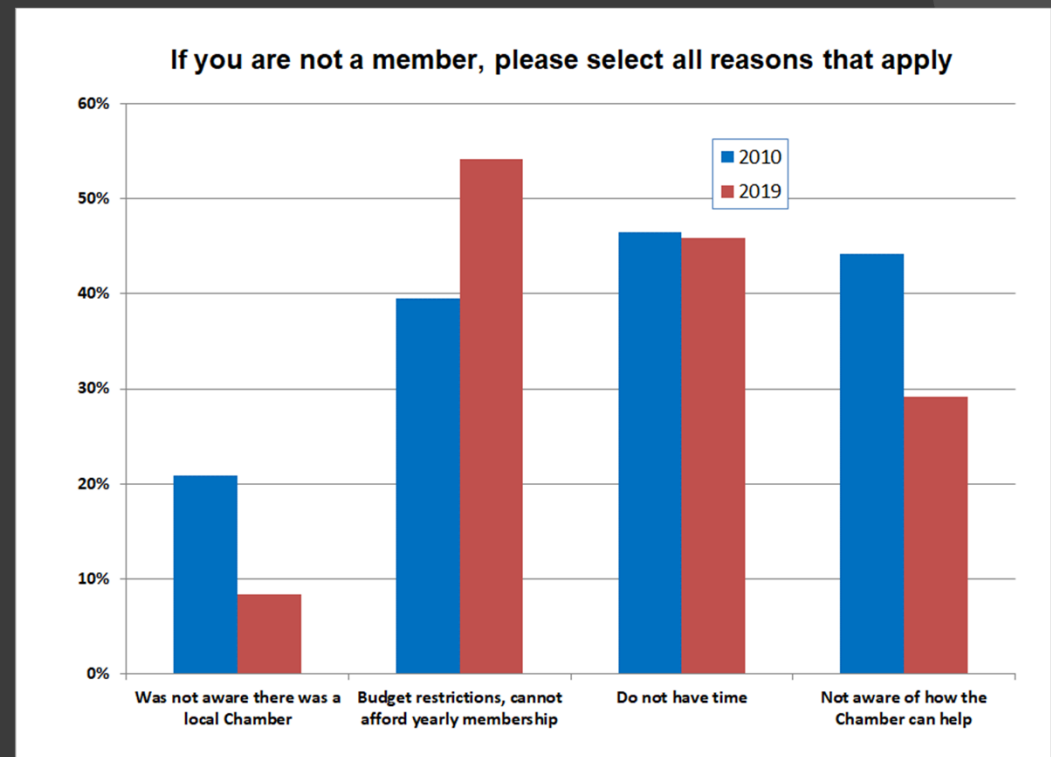
Chamber Non-Members

- Budget restrictions has become largest reason for lack of Chamber membership (50% of the 24 who responded).
- It appears there has been an increase in Chamber awareness.

Anderson Township Business Survey- 2019

If you are not a member, please select all reasons that apply:

Answer Choices	Responses	
Was not aware there was a local Chamber	8.33%	2
Budget restrictions, cannot afford yearly membership	54.17%	13
Do not have time	45.83%	11
Not aware of how the Chamber can help	29.17%	7
Other		6
	Answered	24
	Skipped	80



Next Steps

- Follow up results sent to requesting businesses and posted on Township website, with information in *Anderson Insights* and Facebook Post.
- Request to “Red Flag” businesses indicating desire to discuss individual needs and how Township can address concerns for future plans.
- Incorporation of results into forthcoming Anderson Plan, as well as ongoing planning initiatives of staff, the Township's Economic Development Committee, and partnership efforts with the Anderson Area Chamber of Commerce.
- Specific outreach and connection of businesses to the EDC's Workforce subcommittee for analysis and possible invitation to Forest Hills Local School District partnership program
- Engagement of interested businesses on future planning efforts.