

JUNE 2024



Tacoma Business Climate Survey



Why

Collecting wide and comprehensive data will help ensure that the economic development work we do is truly centered in and for our local business community.

It helps both the City and the Chamber prioritize funding and programs for the greatest impact.

Methodology

- Online survey of business decision makers with businesses registered in the City of Tacoma
- Conducted May 30 –June 16, 2024
- Invites sent via email to take the survey online with multiple reminders
- Survey offered in English, Spanish, Vietnamese, or Korean
- 221 completed interviews -174 businesses with a physical location in Tacoma
- Outreach and support from partners including Asia Pacific Cultural Center, Korean Women’s Association, The Black Collective, Tacoma Urban League, and Mi Centro.

Summary 1

- Responding businesses represent a diverse group including geography, equity index, business sector, business size, years in Tacoma, and ownership ethnicity and gender
- Business Health Index is doing OK:
 - 6.3 on a scale of 0-10
 - Particularly strong in
 - Commitment to Tacoma (+41)
 - Good Place to have a business (+30)
 - Weak as it relates to talent
 - Hire and retain talent (-29)
 - Number of employees will increase (+0)
 - However, businesses with a physical location in Tacoma are less positive about the business environment

Summary 2

Questions about the most important factors, two out of the top three are directly physical and all three are ones they see the City as at least partially responsible for:

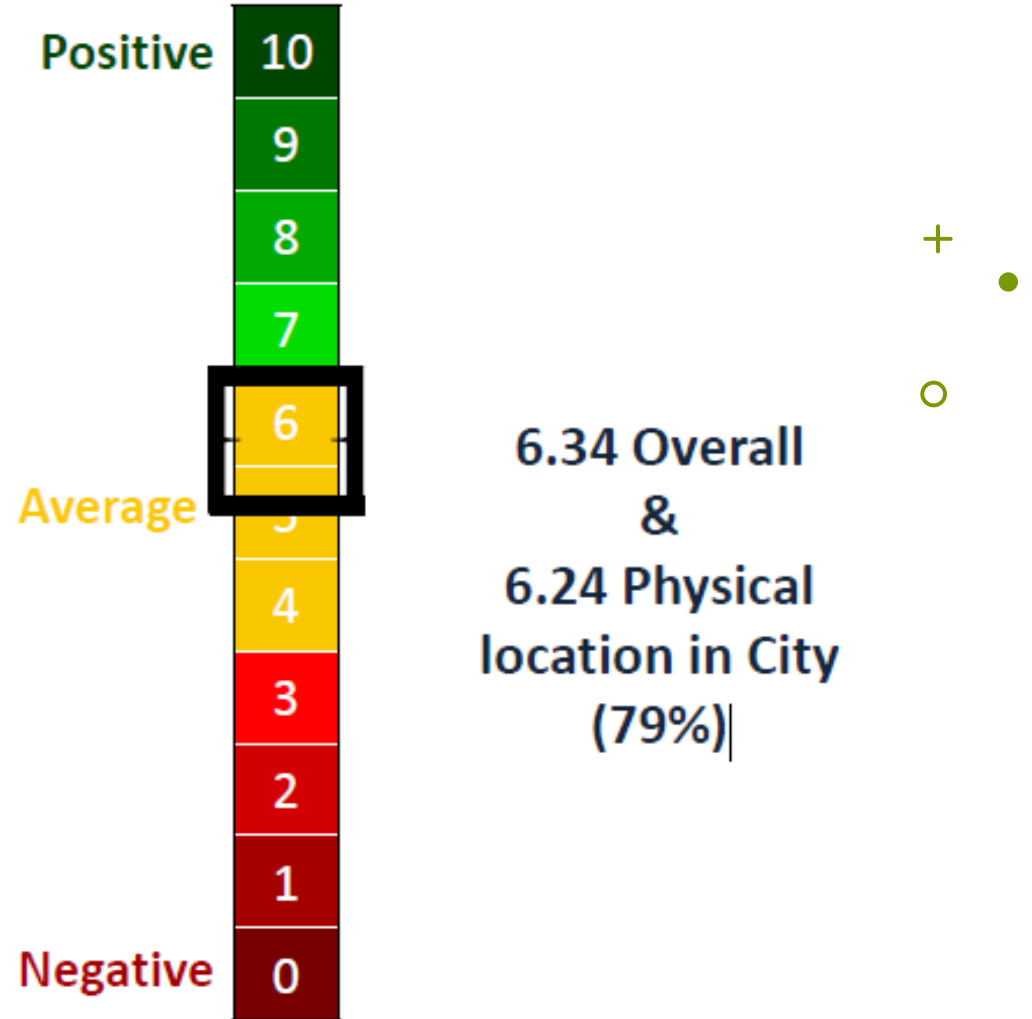
- Safety
- Cleanliness
- Cost of doing business (specifically taxes)

More specific to Community and Economic Development, there is room for improvement in each of the areas asked, but of these improving communication should be the top priority with 87% saying it is important.

Business Health Index

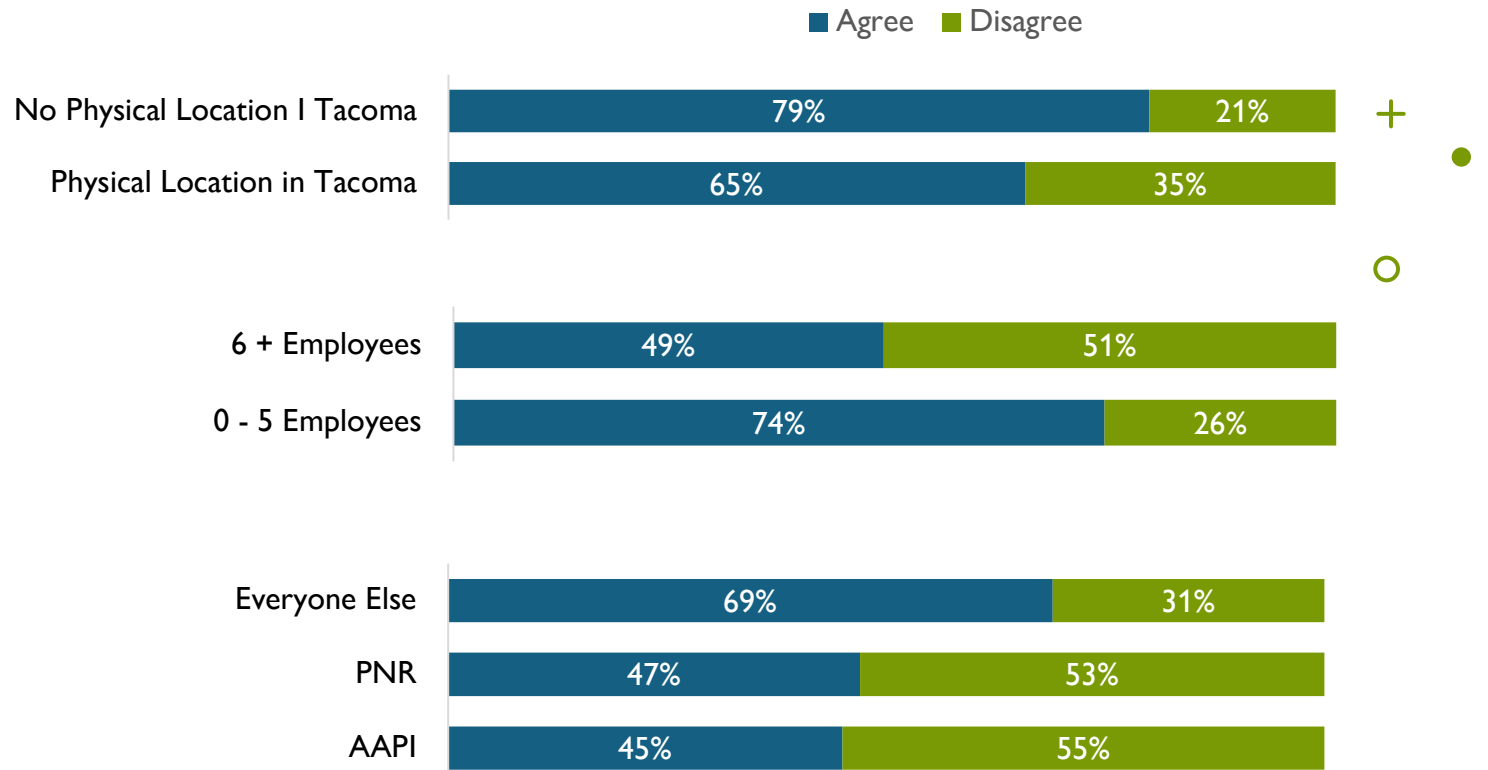
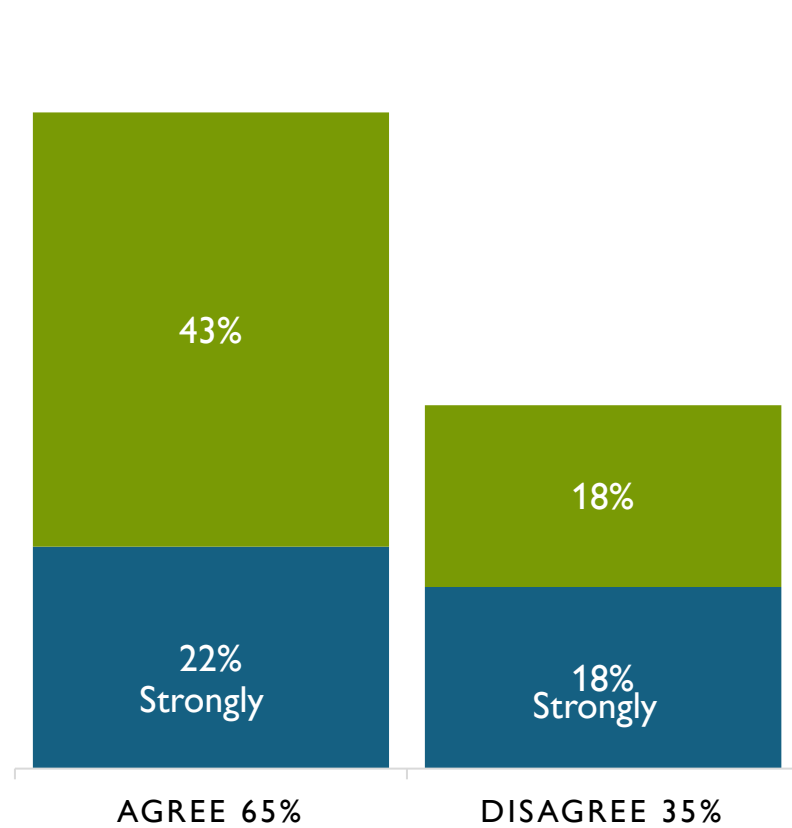
The Business Health Index aggregates the following questions about the business environment:

- Opinion of Tacoma as a good place to have a business
- Difficulty of hiring and retaining talent
- Hiring outlook over the next 12 months
- Revenue outlook over the next 12 months
- Commitment to maintaining a presence in Tacoma



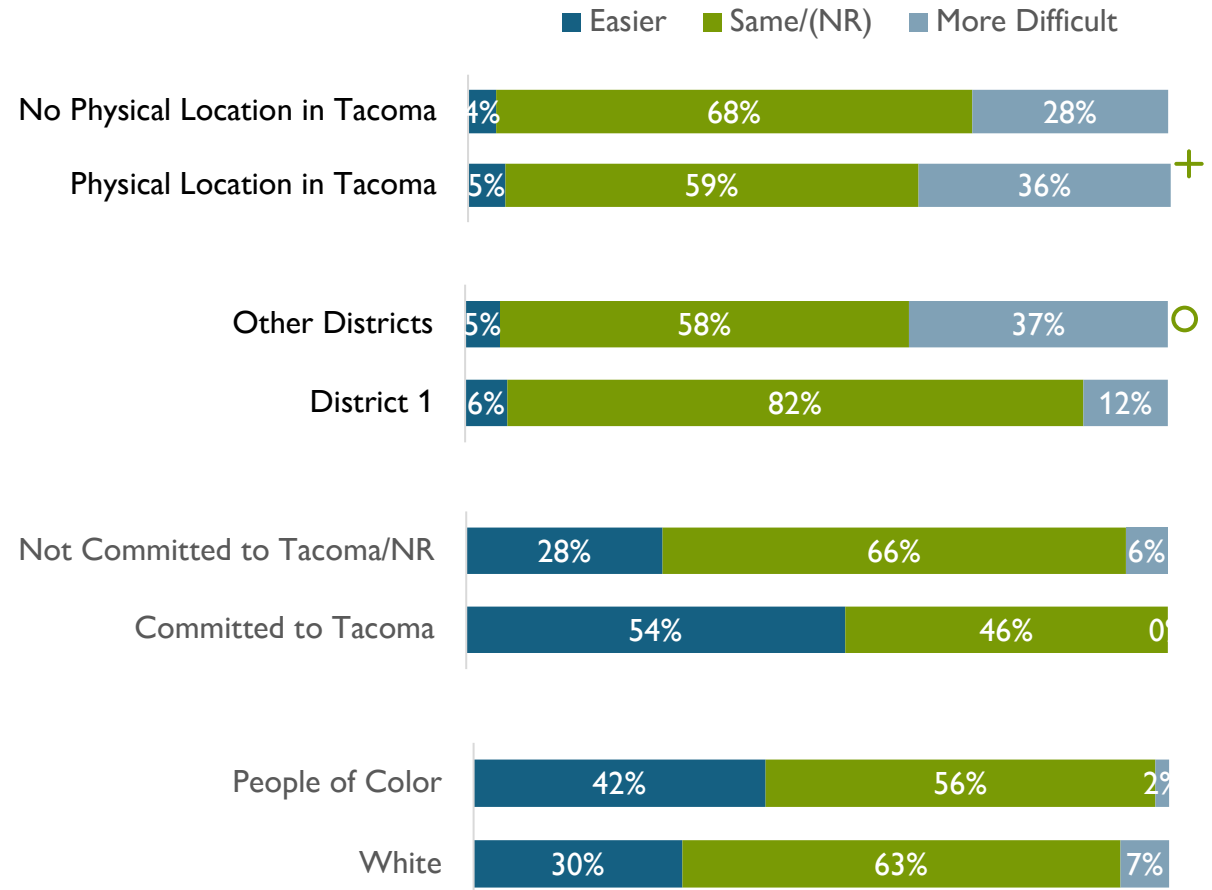
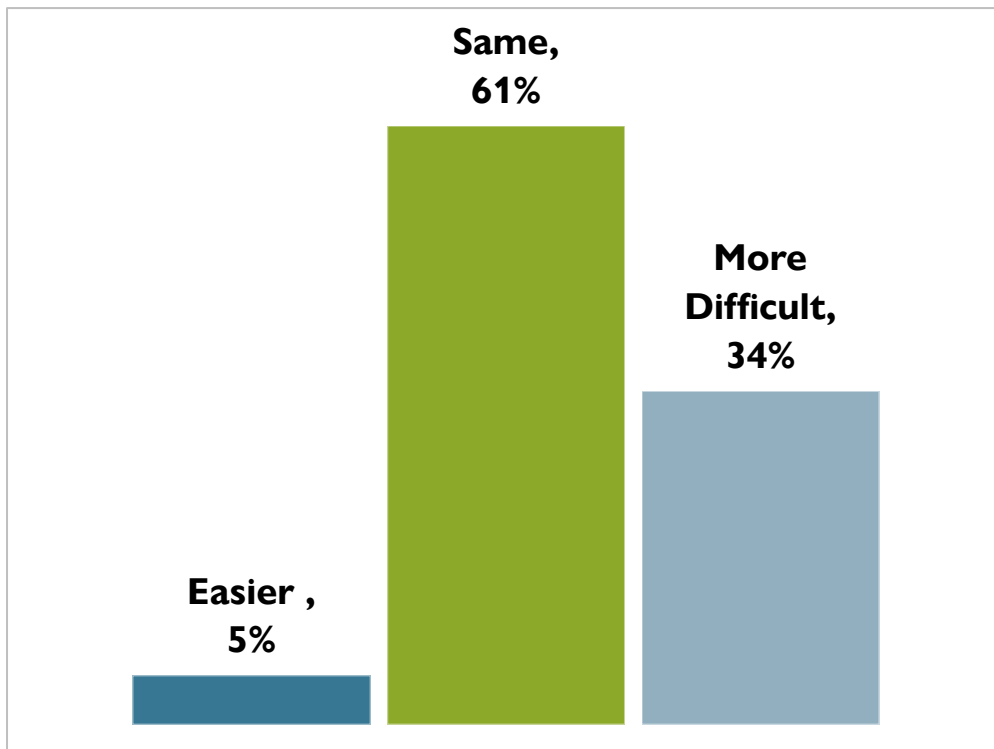
Good Place to have Business

“Tacoma is a good place to have a business”



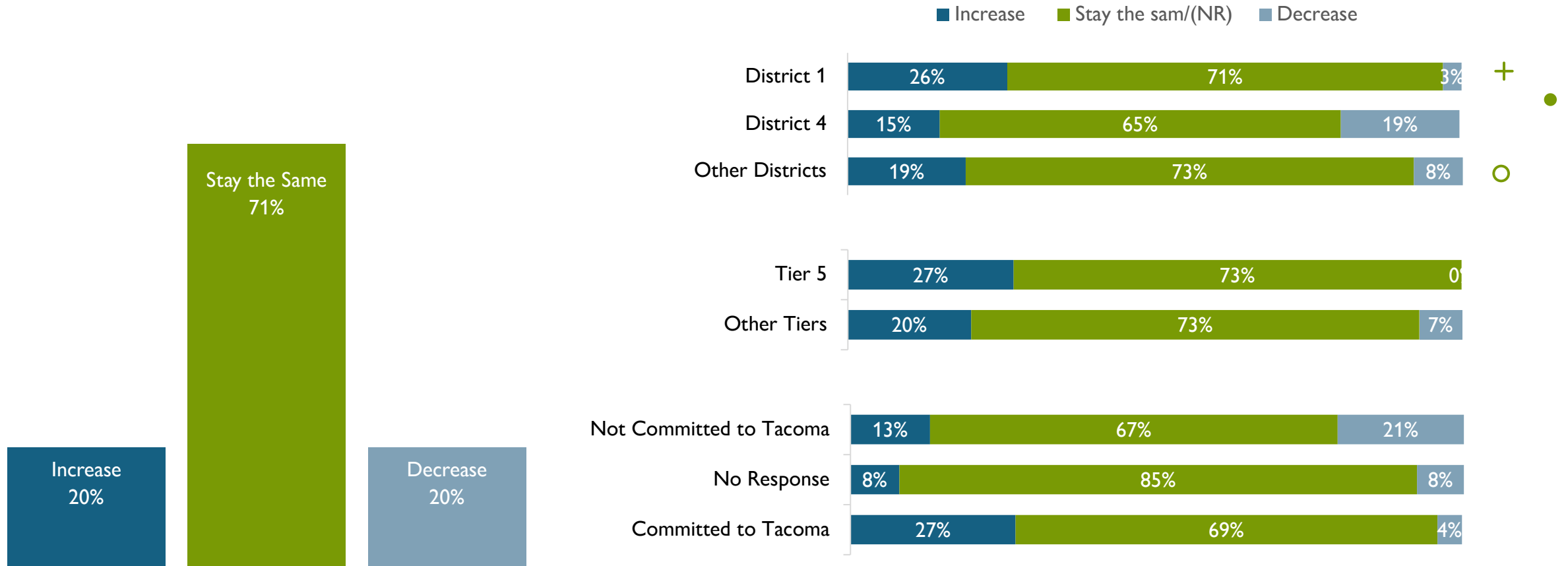
Hiring and Retaining Talent

“Compared to 12 months ago, how easy or difficult would you say it is to hire and retain the talent your business requires?”



Looking Ahead by Subgroups

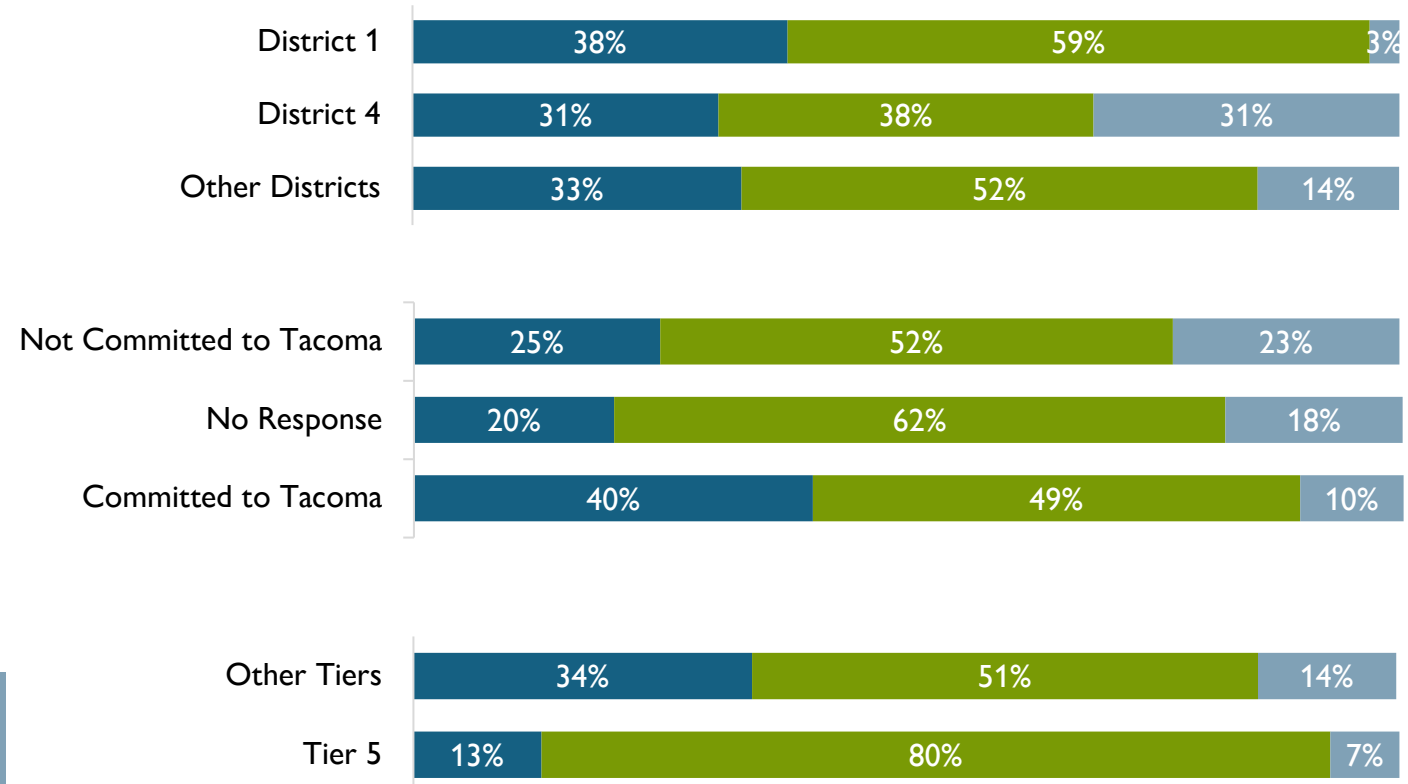
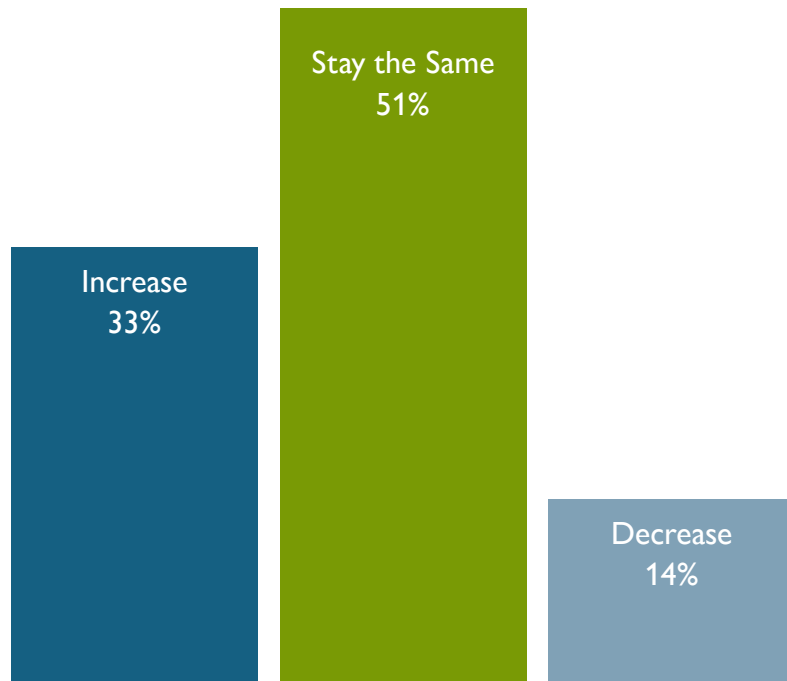
“In the next 12 months do you expect the number of employees you have in Tacoma to ...”



Looking Ahead by Subgroups

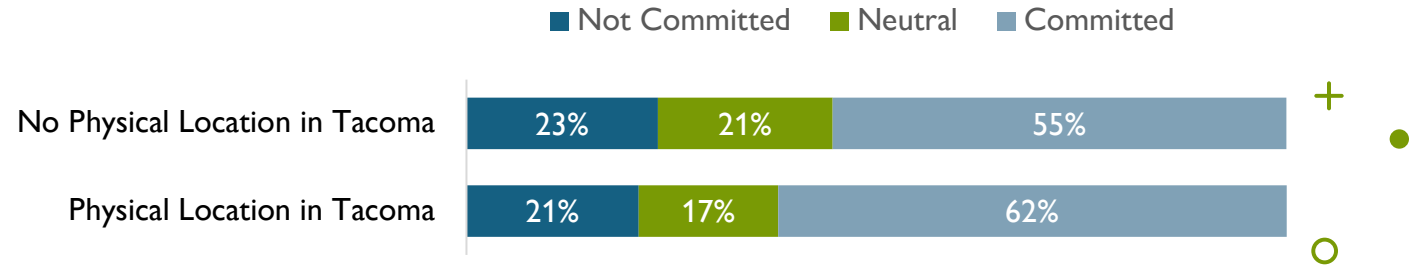
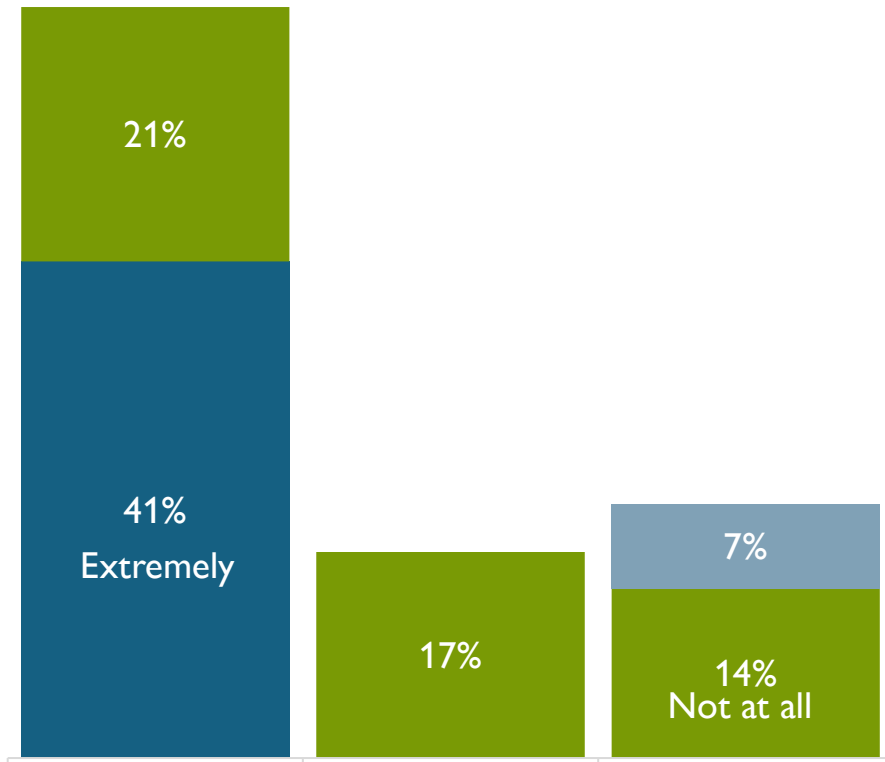
“In the next 12 months do you think your company’s gross revenue will”

■ Increase ■ Stay the Same/(N/R) ■ Decrease Net Inc.

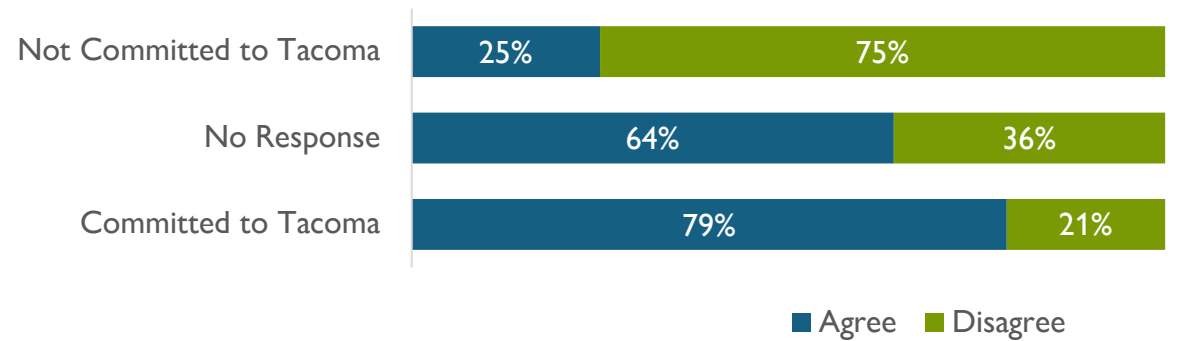


Commitment to Tacoma

“How committed is your business to remaining in Tacoma”
(physical location / maintaining a presence in Tacoma only)

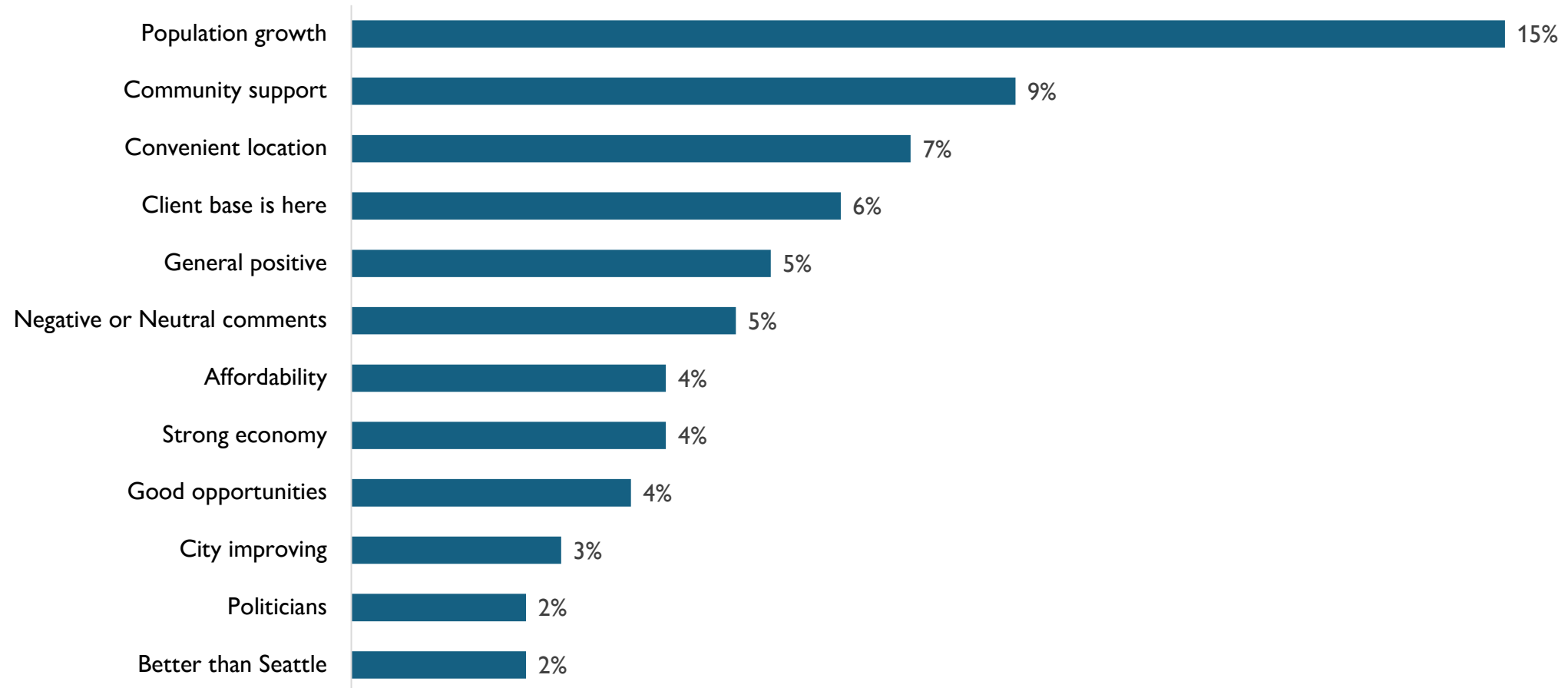


Is Tacoma a good place to have a business?



Primary Opportunities

“What are some reasons to be optimistic about operating a business in Tacoma? (open ended)”



Factors on Choosing Location

Top 3 Factors Important 90% +
Very Important 70%+

- Safety of the Surrounding area
- Cleanliness of the surrounding area
- Costs of doing Business – excluding rent

Tier 2 Factors Important (67%-72%)
Very Important (39% - 52%)

- Parking availability +
- Rent costs ●
- Proximity to customers ○
- Ease of getting to the location – for workers
- Ease of finding qualified employees locally

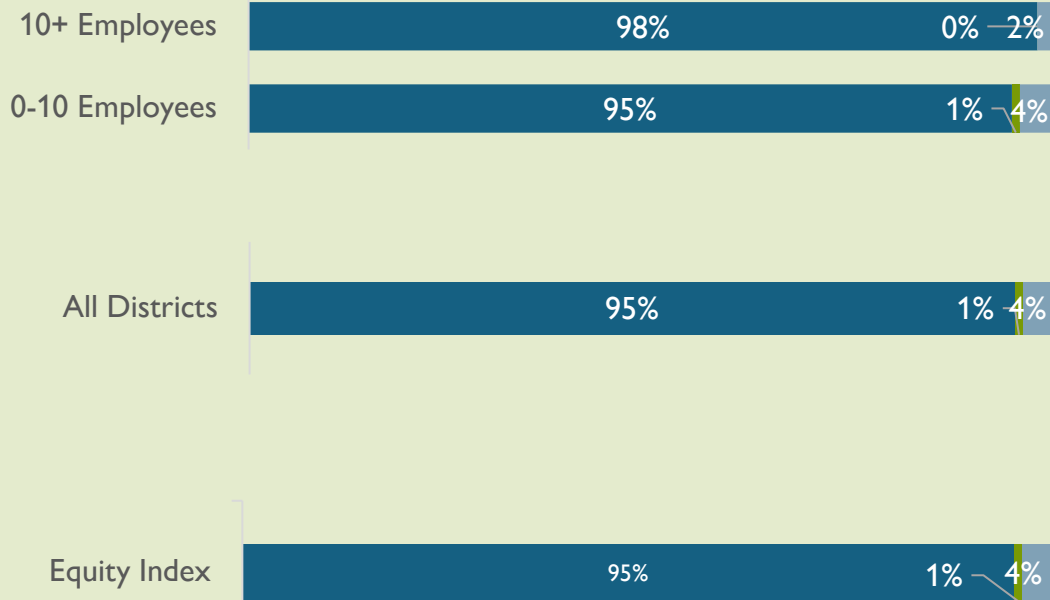
Tier 3 Factors Important (38%-66%)
Very Important (16% - 38%)

- Being in Tacoma
- Desirability of the location for employees
- Ease of getting to the location – for freight
- Availability of public transit

Factors on Choosing Location

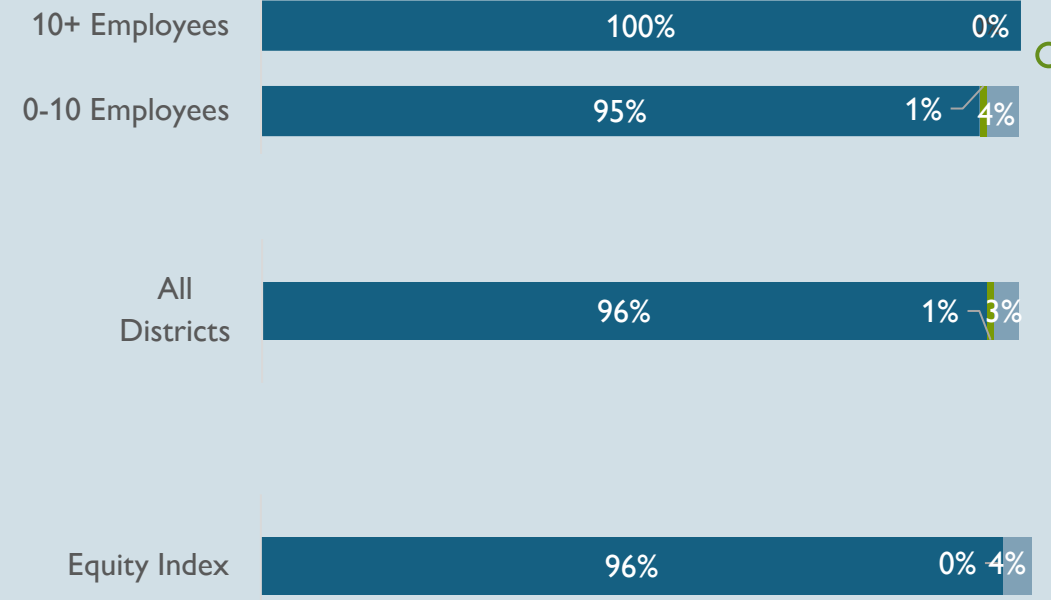
Cleanliness of Surrounding Area

■ Important ■ NA/(NR) ■ Not Important



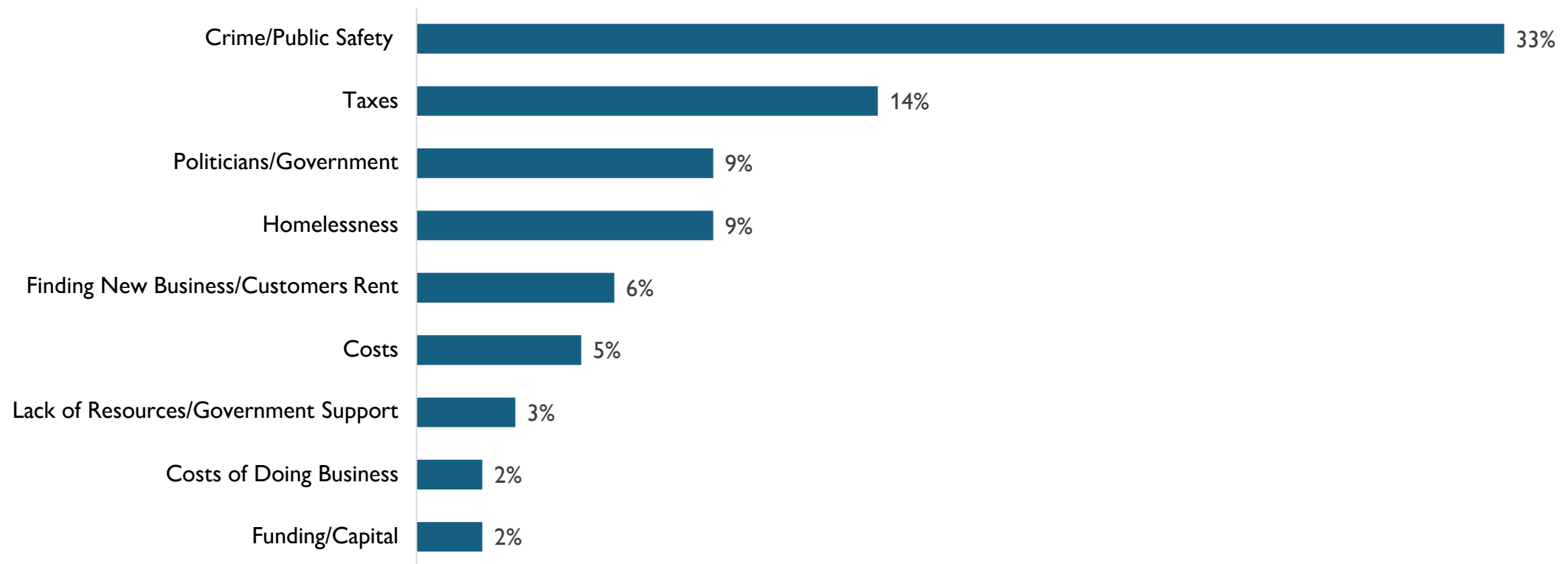
Safety of Surrounding Area

■ Important ■ NA/(NR) ■ Not Important

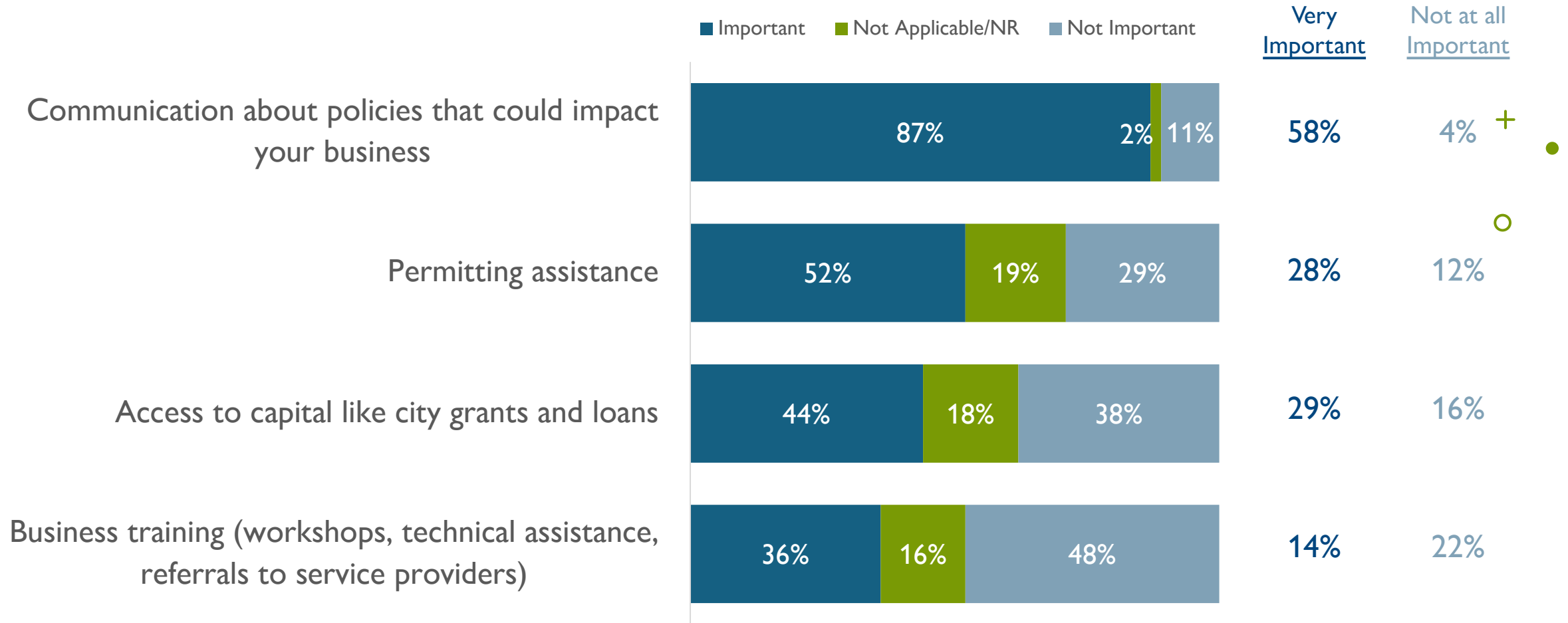


Challenges

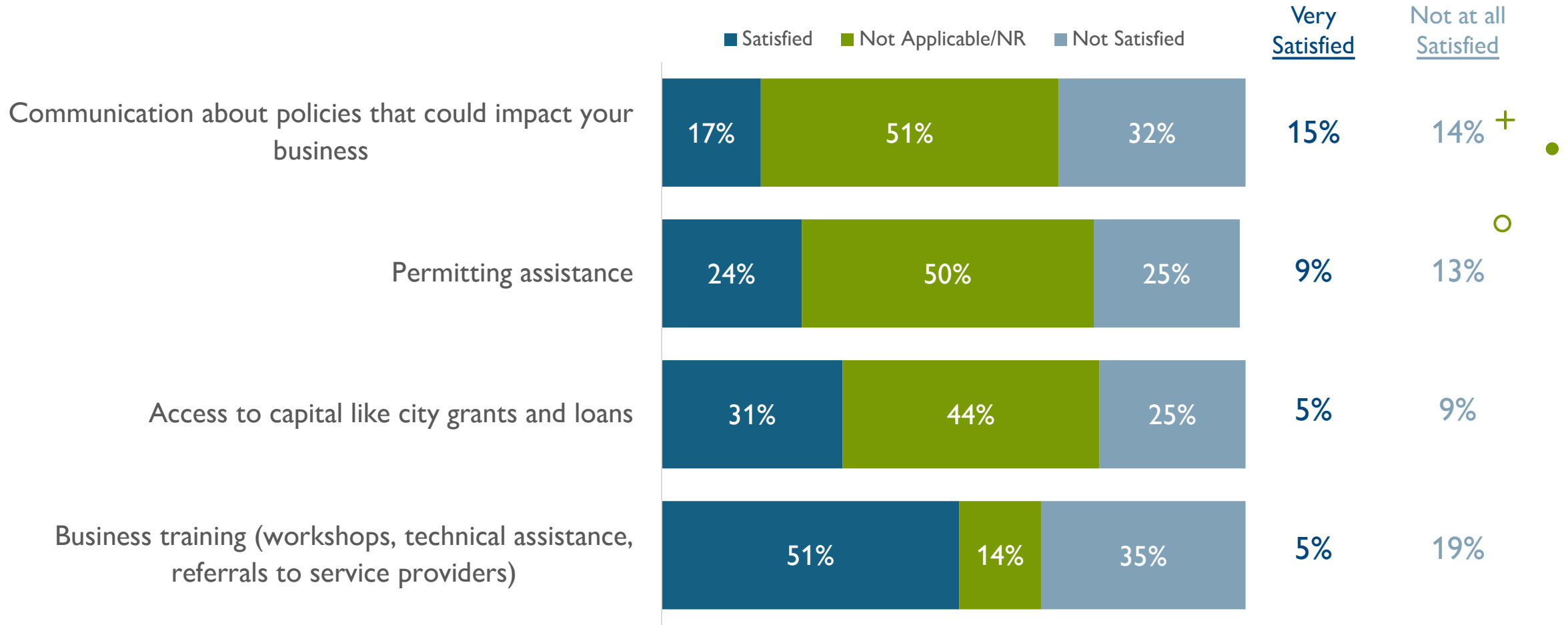
“What are the primary challenges your business faces when making decisions about staying or growing in the city of Tacoma?”
(open ended)



Importance with City Services

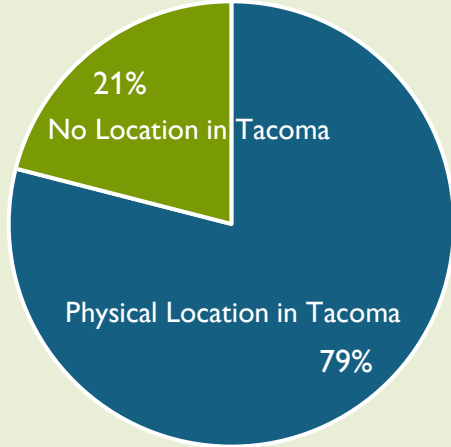


Satisfaction of City Services

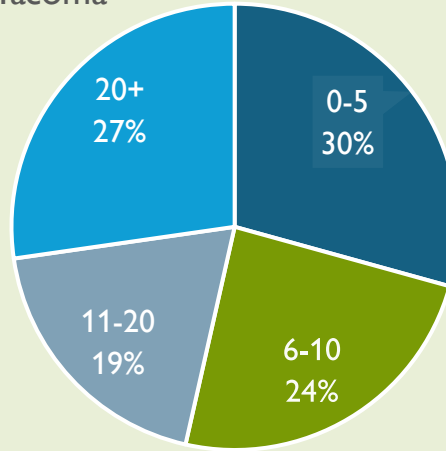


Business Demographics

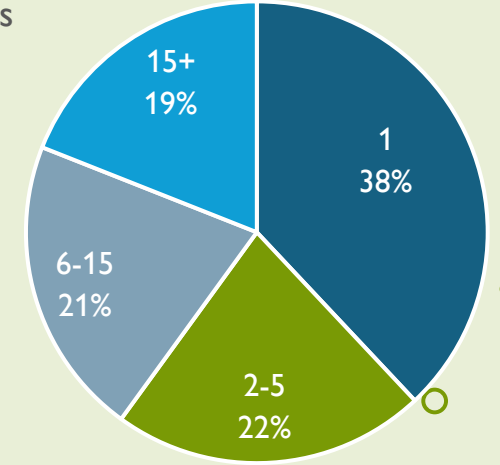
Location



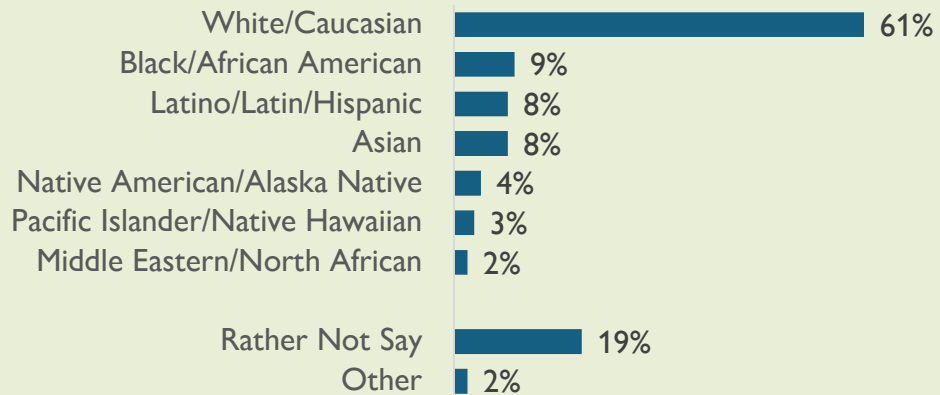
Years in Tacoma



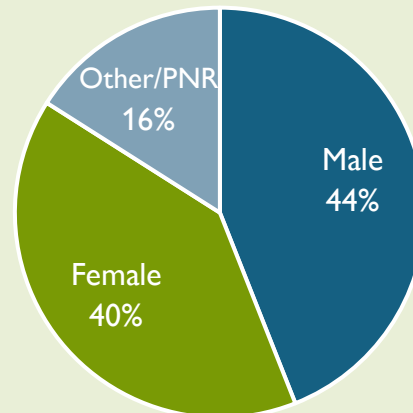
Total Employees



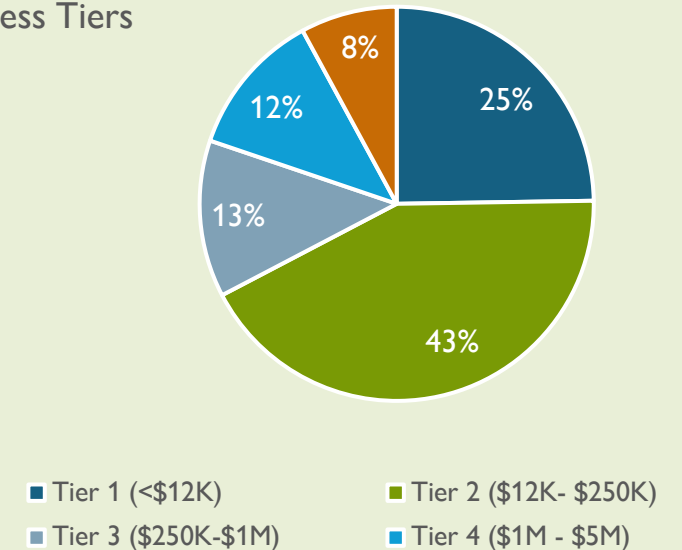
Ethnicity of primary business owner (more than 50%) ownership (Multiple responses accepted)



Gender of Primary Business Owner (more than 50%) Ownership

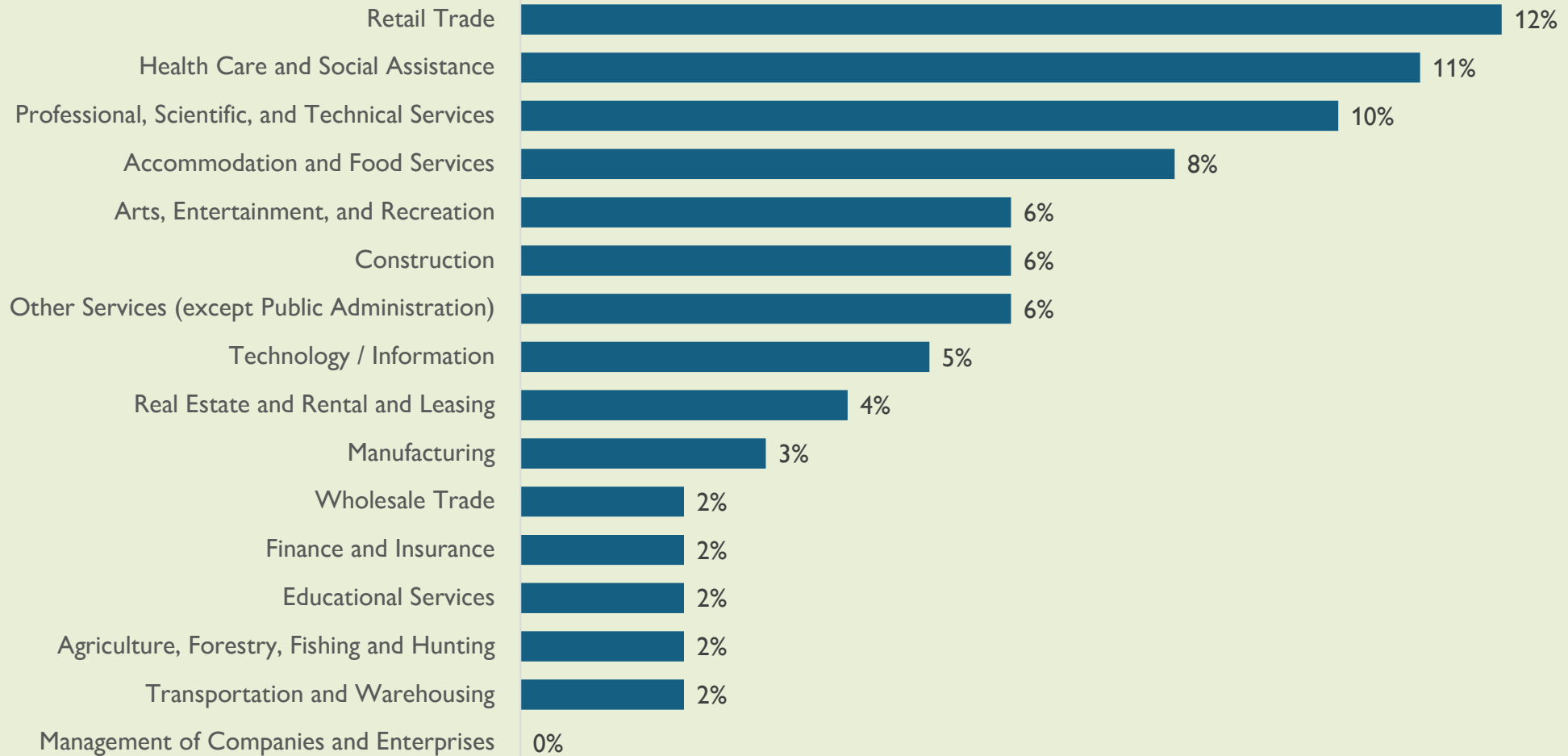


Business Tiers



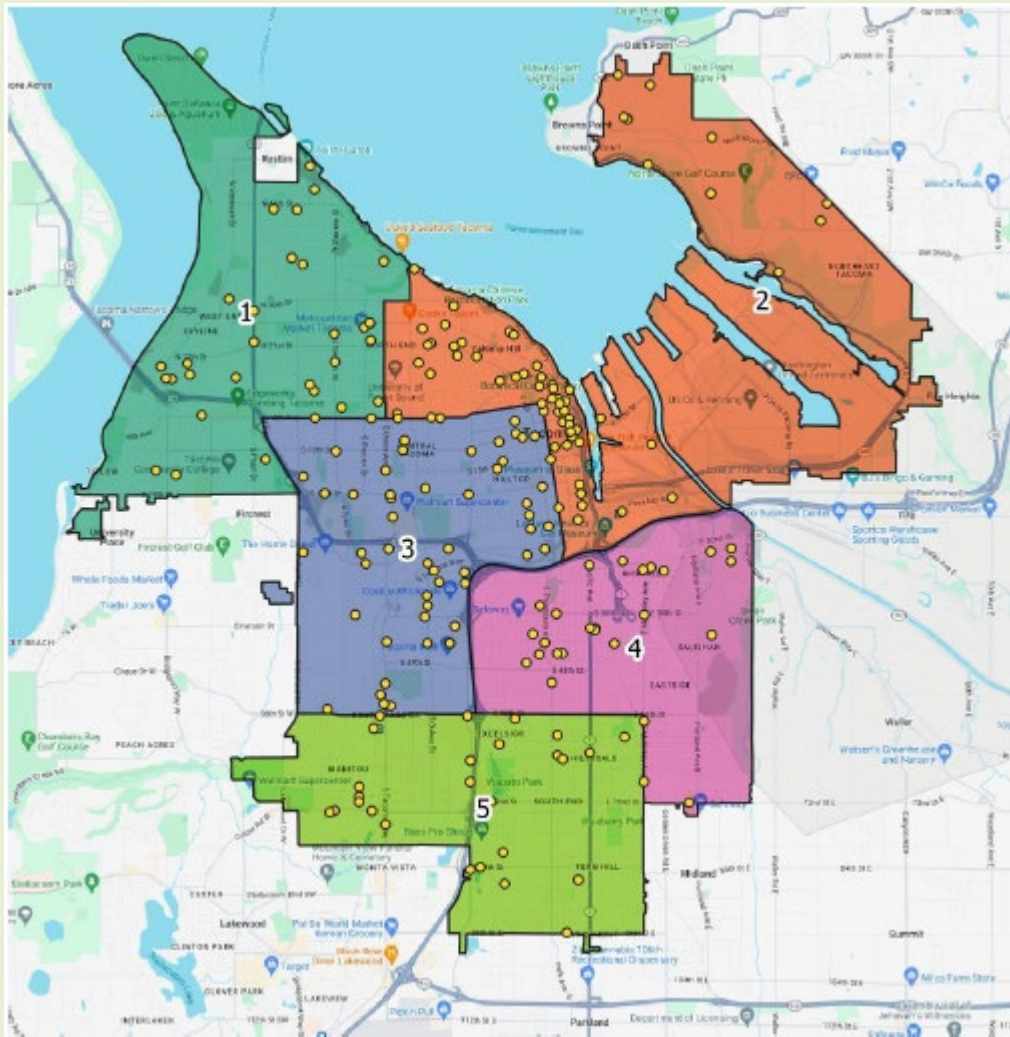
Business Demographics

Self ID Business Sector



Business Demographics

Business Location by District



Business Location by Equity Index

