10th EDITION

2023

Winning Strategies *in* Economic Development Marketing

A View from Corporate America

dci

2023
Winning Strategies
in Economic Development
Marketing

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EXECUTIVE SUMMARY

In 1996, the Dow Jones industrial average opened the year at 5,177, the minimum hourly wage was raised to $5.15, Abercrombie & Fitch had its initial public offering, and DCI released the first edition of *A View from Corporate America: Winning Strategies in Economic Development Marketing*. Initially intended to provide economic development professionals with a unique opportunity—to hear directly from their "customers" through a comprehensive survey of corporate executives and their advisors, the study has withstood the test time. Now in its 10th edition, *Winning Strategies* continues to be a valued resource for economic developers to better understand what—and how—to market to C-suite executives with location decision-making responsibilities, as well as to their location advisors. Through the survey and analysis, DCI provides insights into current best practices in marketing places and how these practices have changed over time. It also sheds light on how current events are impacting location decisions.

The last edition of the study, conducted in 2020, occurred at a unique point in history. The world was amid a global pandemic, a U.S. presidential election and the world was grappling with increased scrutiny on a host of social and political equity policies. Three years later, the next edition of the study helps confirm whether some of the variations we saw in 2020 were permanent or simply a temporary phenomenon due to largely extenuating and unusual global conditions. While economic and political instability remains high, 2023 data show a return to some pre-2020 conditions as they relate to location decisions. In other cases, it does indeed appear that the economic development marketing landscape has changed permanently.

In honor of the 10th anniversary of *Winning Strategies*, 10 key findings from the 2023 edition are provided below.

1. ***Economic development remains a relationship-based industry.*** Dialogue with industry peers, as it has been since the first edition of the study, continues to be the top source of information about an area, followed by business travel and articles in newspapers and magazines.

2. ***Social media continues to rise in influence.*** When social media was first added to the responses in 2011, no respondents believed it influenced perceptions of place. In 2023, 19 percent of respondents cite social media as a leading source of information influencing perceptions of an area's business climate, up from 16 percent in 2020. The percentage of respondents who do not use social media for business purposes continues to decline—4 percent of respondents versus 8 percent of respondents in 2020 versus 11 percent in 2017. LinkedIn continues to be the top platform used by 72 percent of respondents.

3. ***Broadcast is up and business travel is down.*** Continuing a trend seen in 2020, the number of respondents choosing TV/radio newscasts/shows as influencing their perceptions of a place more than doubled from the percentage in 2017 and continues to rise. Initially presumed to be an outcome of the pandemic and quarantining, this trend appears to have staying power. Meanwhile, business travel has shown a decline in importance as it relates to influencing perceptions since 1996.

4. ***The New York Times rises in the ranks.*** In order, *The New York Times*, *The Wall Street Journal* and *Fox News* rank as the top news sources for executives and their advisors—a reshuffling from previous years.

5. ***Your digital front door is important.*** For the fourth time, an *internet/website presence* rates as the most-effective marketing technique, followed by *planned visits to corporate executives, media relations/publicity* and *hosting special events.* Nearly three quarters (73 percent) of respondents reported a strong likelihood that they would visit an economic development organization's website during the next site search.

6. ***Customized content is critical.*** With labor shortages dominating the headlines and talent attraction and retention top of mind for employers and consultants, access to comprehensive workforce statistics has surpassed incentive information as the most

useful feature on an EDO's website, however, it differs by audience. Since 2008, location advisors said *staff contact information* and *incentive information* are the most useful features of an economic development organization's website. In contrast, corporate executives that may not have access to the same resources internally cite *workforce statistics* and *demographic information* as the most useful features of an economic development organization's website.

7. ***The outlook for projects is strong and third-party support is valued.*** Fifty-six percent of corporate executives anticipate making a location decision in the next 24 months, and of those, 66 percent will outsource a portion of the project. Among those that plan to outsource a portion of their next location search, executives report they are most likely to use site selection consultants (47 percent) and the percentage continues to increase (32 percent in 2020).

8. ***The C-Suite leads location decisions***. The top executives within a company, such as the chairman/CEO/president, are the most likely to lead location decisions (38 percent), followed by the COO (27 percent).

9. ***Texas continues to dominate.*** For the ninth time, Texas was selected as the state with the most-favorable business climate, followed by Georgia, Florida, North Carolina and South Carolina.

10. ***Site selection and economic development will continue to evolve.*** Executives and their advisors agree that generative AI will play a role in location decisions moving forward. However, there was also agreement that there are currently too many risks or unknowns for generative AI in its current state to be used as a trusted input.

As projects continue at unprecedented rates—and with increasing complexity—it is critical for locations to understand how to best market to corporate executives and the consultants that advise them. The primary focus of *Winning Strategies* since 1996 has been on best practices in attracting corporate investment and helping economic development organizations navigate this ever-changing landscape. DCI looks forward to continuing to monitor these trends and providing insight into *Winning Strategies in Economic Development Marketing* for another 10 editions.

INTRODUCTION AND METHODOLOGY

This study and all nine preceding *Winning Strategies* surveys are studies of perceptions. A perception is an attitude, belief or impression and not necessarily a reflection of reality. Business executives have certain identifiable opinions and beliefs about doing business in the United States and throughout the world. Some of these perceptions might be accurate; some might be genuine misperceptions.

Every three years since 1996, DCI has conducted this comprehensive survey of corporate executives with site-selection responsibilities to determine the "customer's perspective" on the most-effective strategies and techniques in economic development marketing. Now in its 10th iteration, *Winning Strategies* continues to document changes in the perceptions of corporate decision makers in the United States. The survey has been conducted online since 2008, and participants are incentivized for their participation via one of six digital gift cards.

The survey audience consists of executives at a random selection of U.S.-based companies with direct site-selection responsibilities and is heavily weighted toward the following titles: CEO, president, CFO, COO and senior/vice president. The distribution list was augmented with the addition of more than 400 location advisors/consultants, a similarly influential group providing guidance and counsel to corporate executives nationwide.

DCI received 306 responses. The survey—which includes multiple-choice, close-ended and open-ended questions—contains a series of classification questions to categorize responses into large-company executives (more than $100 million in revenue), midsize-company executives (less than $100 million in revenue) and location advisors, as well as into select demographic categories. The report contains data presented by the various classification categories (in Appendix D) or as trend data over time. The responses to open-ended questions were edited for completeness and coded into thematic groupings.

INFLUENCING EXECUTIVE PERCEPTIONS: LEADING SOURCES OF INFORMATION

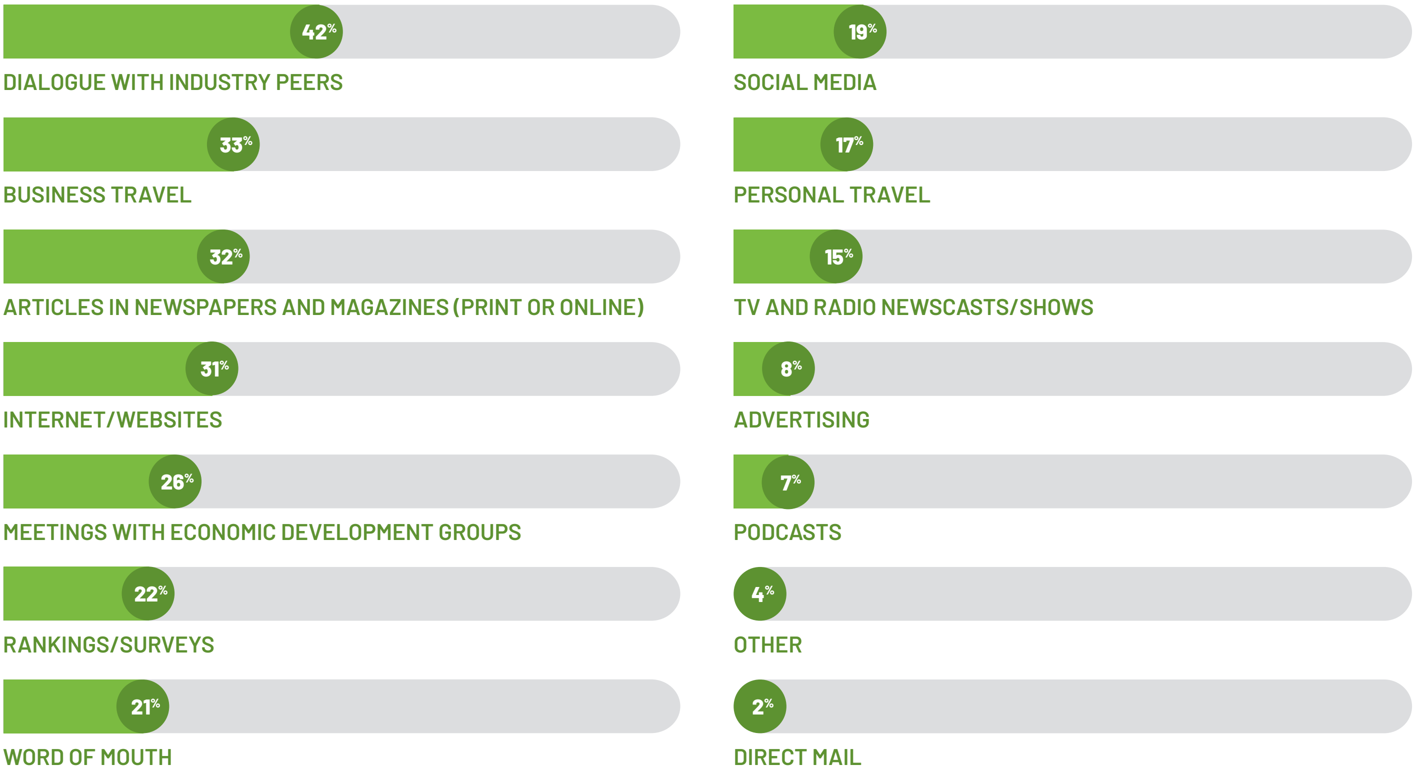
How are perceptions of a location's business climate formed? How can an economic development organization promote a favorable perception of its community among corporate decision makers? The answer to these questions reinforces how relationship-based the economic development industry continues to be.

Since the inaugural study in 1996, respondents have been asked to select the leading information sources influencing executive perceptions of an area's business climate. Respondents can choose up to three of the 13 provided responses. Over time, to reflect changing trends, responses have been added or slightly altered. For instance, in 2020, *articles in newspapers and magazines* was edited to include both *print and online sources* and *online sources* (added in 1999) was changed to *internet/websites*. Other changes in previous editions include *advertising* (which prior to 2017 had consisted of two separate categories—*print advertising* and *TV/radio advertising*), *rankings/ surveys* (previously called *national surveys*), and *social media* (added in 2011).

Many factors influence awareness of a location for investment purposes, however ***dialogue with industry peers*****, as it has been since 1996, continues to be the top influencer on perceptions** of an area, followed by *business travel* and *articles in newspapers and magazines*.

General internet searches and websites are close behind *articles in newspapers* and *magazines* and for the first time since this category was included in 1999, are perceived to be more influential than *meetings with economic development groups*.

CHART A: LEADING SOURCES OF INFORMATION INFLUENCING EXECUTIVE PERCEPTIONS OF AN AREA'S BUSINESS CLIMATE



Comparing the data over time reveals some notable trends.

- *Social media* continues to rise in influence. When added to the responses in 2011, no respondents considered it to be influential. In 2023, 19 percent of respondents cite *social media* as a leading source of information influencing perceptions of business climates.
- *Word of mouth* has once again risen in importance and was seen as a leading source of information among 21 percent of respondents—closely aligned with 2017 and 2014 results.
- *Direct mail* continues to be the least influential source of information.
- The number of respondents choosing *TV/radio newscasts/shows* more than doubled from the percentage in 2017 and is up by one percentage point from 2020. While in 2020, this growth was presumed to be an outcome of the pandemic and quarantining, coupled with news coverage on the presidential election, this trend appears to have staying power.
- *Business travel* has shown a decline in importance since 1996—with the exception of 2011. As business travel was limited during the pandemic and yet to fully recover, executives and advisors carefully consider whether a trip is warranted.

TABLE A: LEADING SOURCES OF INFORMATION INFLUENCING EXECUTIVE PERCEPTIONS OF AN AREA'S BUSINESS CLIMATE, RESPONSES OVER TIME

SOURCES	2023	2020	2017	2014	2011	2008	2005	2002	1999	1996
Dialogue with industry peers	42%	48%	46%	55%	50%	61%	54%	56%	71%	68%
Business travel	33%	37%	42%	37%	27%	42%	45%	47%	45%	52%
Articles in newspapers and magazines (print and online)	32%	32%	34%	44%	46%	53%	45%	62%	61%	60%
Internet/websites	31%	26%	27%	22%	20%	28%	22%	9%	9%	•
Meetings with economic development organizations	26%	30%	33%	31%	28%	32%	33%	21%	27%	24%
Rankings/surveys	22%	25%	21%	24%	36%	22%	17%	23%	31%	34%
Word of mouth	21%	17%	22%	21%	19%	19%	16%	29%	21%	24%
Social media	19%	16%	11%	2%	0%	•	•	•	•	•
Personal travel	17%	15%	17%	13%	9%	14%	13%	14%	8%	21%
TV/radio newscasts/shows	15%	13%	6%	9%	14%	7%	5%	14%	7%	4%
Advertising	8%	10%	9%	4%	3%	•	•	•	•	•
Podcasts	7%	•	•	•	•	•	•	•	•	•
Other	4%	7%	8%	12%	13%	10%	14%	14%	8%	15%
Direct mail	2%	4%	2%	2%	0%	2%	2%	2%	3%	1%

"

…Send me an email with a title that is sharp and compelling as to why I should care, include fact-based content that illustrates why it is obvious my company should consider your locale as a HQ or hub location for our business, along with testimonials from existing businesses and finally how I can learn more and who to get in touch with to explore more…"

CORPORATE EXECUTIVE, SERVICE SECTOR

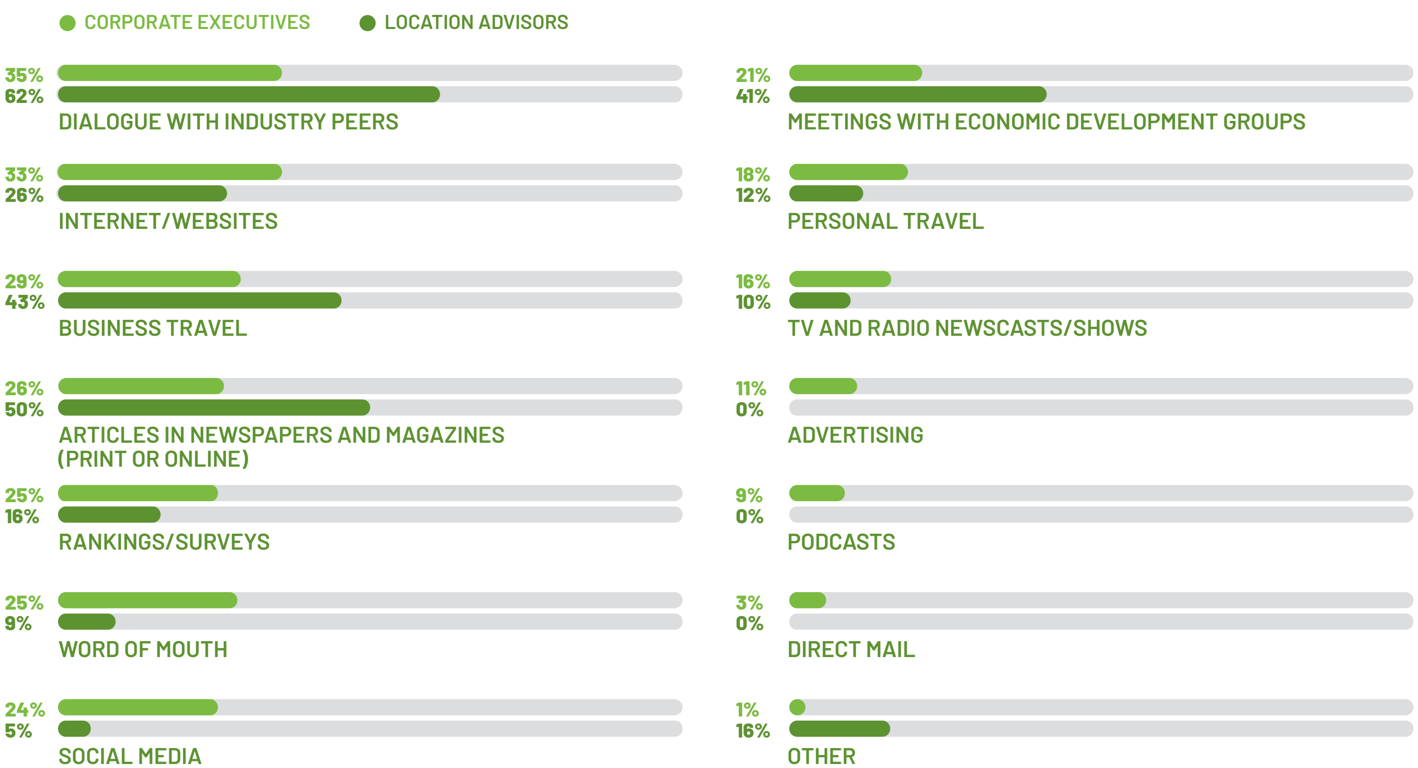
LEADING SOURCES OF INFORMATION: CORPORATE EXECUTIVES VS. LOCATION ADVISORS

There are differences in how perceptions are formed among corporate executives compared to location advisors and the degree to which different information sources are relied on. The following chart illustrates the differences between the two subgroups and what each audience perceives to be most influential.

As Chart B shows, there is considerably less variation in the information used by corporate executives compared to location advisors, which has historically been the case. Executives rely on *dialogue with industry peers*—almost on par with *general internet research/websites*—as leading sources of information, followed by *business travel*. Location advisors also rely heavily on *dialogue with industry peers* but also place significant weight on *articles in newspapers and magazines (print or online)*, *business travel* and information gleaned from *meetings with economic development groups*. Corporate executives value *meetings with economic development groups* at nearly half the rate reported by location advisors (21 percent versus 41 percent).

The decline in the value of business travel among location advisors in 2020 appears to have been a temporary phenomenon due to the pandemic and has jumped back up to 43 percent in 2023 compared to only 26 percent in 2020.

CHART B: LEADING SOURCES OF INFORMATION INFLUENCING EXECUTIVE PERCEPTIONS OF AN AREA'S BUSINESS CLIMATE, BY RESPONDENT TYPE



Location decision makers have changed how they consume their news since DCI's first report in 1996, and it is important for economic development organizations to know how and from where decision makers read their news. For respondents who selected *articles in newspapers and magazines* or *rankings/surveys* as influential sources of information, DCI asked follow-up questions to determine the specific media used to consume news. This year, DCI asked respondents to include both print and online newspapers and magazines when providing the names of specific media.

Displacing *The Wall Street Journal*, this year *The New York Times* took the top rank in the list of most-read print publications in the newspapers and magazines category. Several online news outlets rose to the top this year including *CNN, Fox News* and *MSN*.

WHERE DO EXECUTIVES GET THEIR NEWS?

The New York Times	**24%**
The Wall Street Journal	**22%**
Fox News	**10%**
CNN	**9%**
The Economist	**7%**
Bloomberg	**6%**
Local business journals	**6%**
MSN	**6%**
Forbes	**4%**
Washington Post	**4%**

BEST MARKETING TECHNIQUES FROM THE CUSTOMER'S PERSPECTIVE

DCI asks respondents to gauge the effectiveness of 10 conventional marketing techniques used by economic development groups. Until 2020, respondents rated eight techniques (*advertising, direct mail, internet/website, media relations/publicity, hosting special events, planned visits to corporate executives, trade shows* and *telemarketing*). In 2020, again to reflect new trends and opportunities, DCI adapted this list and added *E-newsletters/E-marketing* and *social media*. Additionally, *telemarketing* was changed to *telephone outreach* and *direct mail* was changed to *physical mail*. Respondents were asked to rate each technique on a scale from 1 (poor) to 5 (excellent). Chart C shows the percentage of respondents who provided a score of "4" or "5" on the rating scale for each technique.

For the fourth time, having an *internet/website* presence rates as the most-effective marketing technique, followed by *planned visits to corporate executives*. *Media relations/publicity* and *hosting special events* tied for third just as they did in 2017 and 2020.

Despite being on the list for the first time in 2020, *social media* was considered to be a highly effective marketing technique—and rising in importance—by 51 percent of respondents, a 5 percent increase over 2020 results.

The perceived value of having a well-designed internet/website presence is at the highest rate recorded with 76 percent of respondents seeing

CHART C: MOST-EFFECTIVE MARKETING TECHNIQUES
(percentage rating 4 or 5 on a five-point scale)

this as a highly effective marketing technique. Also, a consistent, perceived value exists in face-to-face contact, evidenced by the ranking of *planned visits to corporate executives* as one of the top-two-rated techniques since the first edition of the survey.

In 2020, corporate executives and their advisors had a significantly higher perception of *telephone outreach* compared to *telemarketing* as it had been referred to in previous years and while the effectiveness of *telephone outreach* declined slightly from 2020 to 2023, it is still seen as an effective marketing tool by 28 percent of respondents.

The marketing techniques that saw an increase in effectiveness were focused on digital tools and include having an internet/website presence and social media, media relations/public relations and those techniques that are "relationship-builders" such as planned visits to corporate executives and hosting special events.

TABLE B: MOST EFFECTIVE MARKETING TECHNIQUES, RESPONSES OVER TIME
(percentage rating 4 or 5 on five-point scale)

TECHNIQUE	2023	2020	2017	2014	2011	2008	2005	2002	1999	1996
Internet/website	76%	62%	74%	67%	55%	56%	53%	34%	37%	18%
Planned visits to corporate executives	62%	58%	66%	64%	57%	54%	55%	53%	46%	53%
Media relations/publicity	61%	54%	51%	48%	33%	52%	50%	40%	38%	39%
Hosting special events	55%	54%	51%	46%	35%	45%	49%	37%	42%	39%
Social media	51%	46%	•	•	•	•	•	•	•	•
E-newsletters/E-marketing	46%	48%	•	•	•	•	•	•	•	•
Advertising	40%	42%	32%	17%	16%	15%	20%	21%	19%	19%
Trade shows	39%	43%	39%	38%	35%	•	33%	32%	45%	39%
Physical mail (brochures/gift boxes) (formerly "direct mail")	33%	33%	23%	14%	15%	19%	23%	33%	25%	25%
Telephone outreach (formerly "telemarketing")	28%	35%	17%	6%	4%	4%	6%	4%	6%	7%

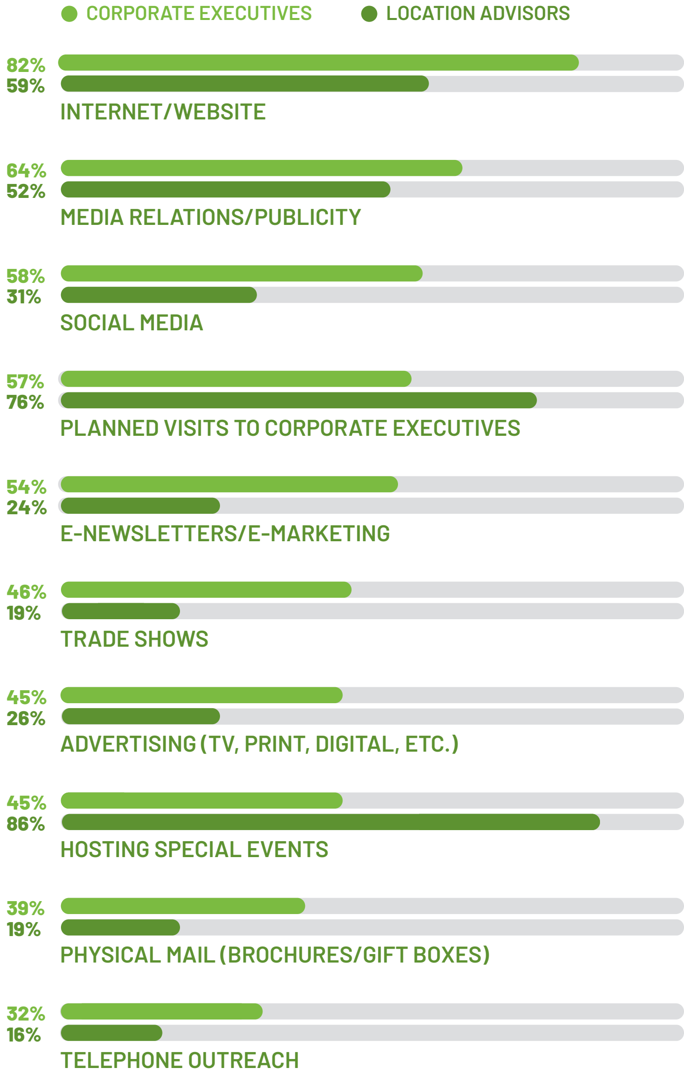
> Be direct and concise. Make an effort to connect and understand our business needs…be as industry specific as possible…"
>
> CORPORATE EXECUTIVE, SERVICES INDUSTRY

Considering the technique by audience, location advisors have stronger preferences for marketing techniques focused on in-person relationship building, namely *planned visits* and *special events*. Following the in-person opportunities, the *internet/websites* are powerful tools among this influential group.

Corporate executives place a greater weight on the importance of all marketing techniques (with the exception of *planned visits to corporate executives*) but view *internet/websites* and *media relations/publicity* as the most effective marketing techniques.

Telephone outreach is identified as the least effective marketing tool by both audiences.

CHART D: MOST-EFFECTIVE MARKETING TECHNIQUES, BY RESPONDENT TYPE
(percentage rating 4 or 5 on a five-point scale)



DIGITAL MEDIA AND THE SITE SELECTION PROCESS

With the increase in the percentage of respondents reporting that social media influences their perceptions of a location's business climate and that it is an effective marketing technique, it is critical to know which platforms are most utilized.

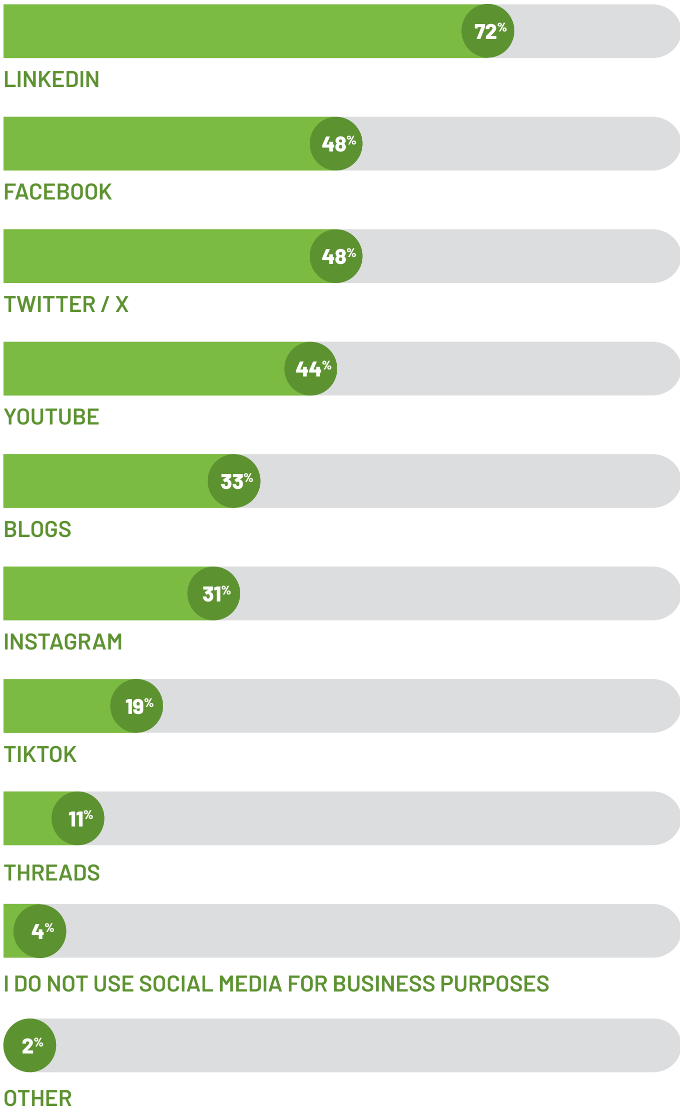
Starting in 2011, *Winning Strategies* asked location advisors and corporate executives which social media channels they most use for business purposes. As has been the case for the past five editions, LinkedIn (72 percent) is the No. 1 social media outlet for business, beating out other options such as Facebook, Twitter (now known as X), Blogs, YouTube, Instagram and other social media channels. Simultaneously, the percentage of respondents who report they do not use social media for business purposes continues to decline and is at its lowest level to date—4 percent in 2023 versus 8 percent of respondents in 2020 versus 11 percent of respondents in 2017 and 21 percent in 2014.

In 2020, we saw an increase in the percentage reporting podcasts (23 percent versus 17 percent) and Instagram (33 percent versus 18 percent). The percentage of respondents who report they do not use social media for business purposes continues to decline—8 percent of respondents in 2020 versus 11 percent of respondents in 2017 and 21 percent in 2014.

Also of note in the 2023 results is:

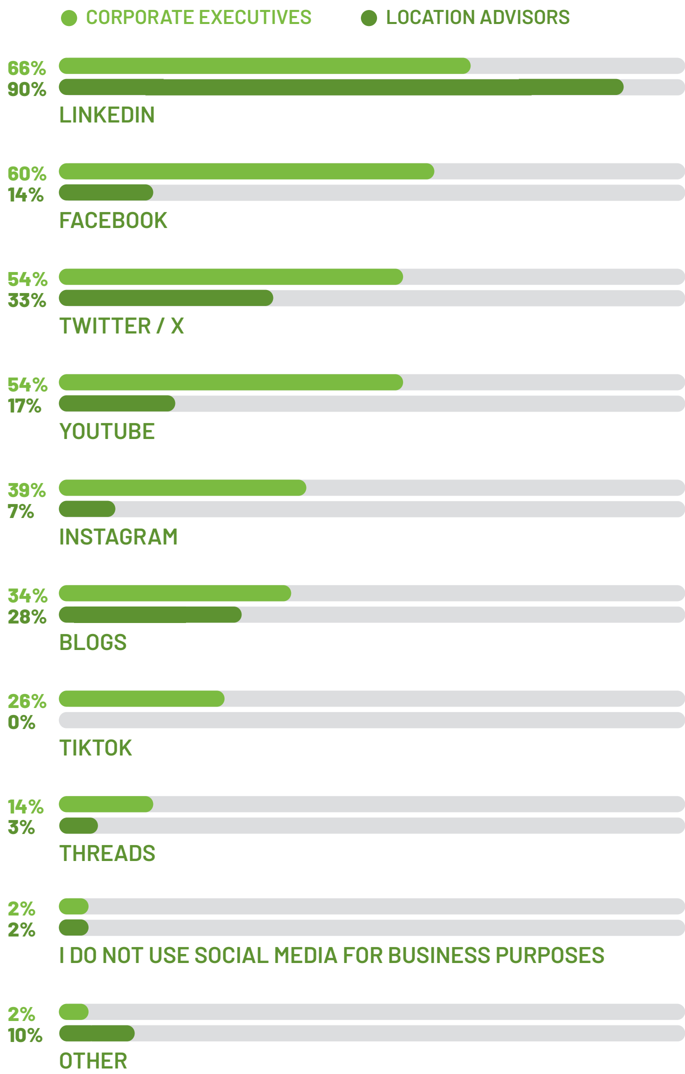
- YouTube continues to be adopted at an increasing rate with 44 percent of respondents reporting they use the platform specifically for business purposes..
- Twitter/X continues to maintain a significant share of users with 48 percent reporting they use the channel for business purposes. It is tied with Facebook.
- For the first time in 2023, TikTok was included in the list of digital media channels used for business and a respectable 19 percent of respondents report it is used for business purposes.

CHART E: DIGITAL MEDIA CHANNELS USED FOR BUSINESS



Corporate executives continue to rely on social media channels at greater rates than location advisors. Both audiences are most likely to use LinkedIn as the preferred channel for business purposes with Facebook coming in second among executives (60 percent) followed by Twitter/X at 54 percent. Location advisors report that Twitter/X is the second highest utilized channel (33 percent).

CHART F: DIGITAL MEDIA CHANNELS USED FOR BUSINESS, BY RESPONDENT TYPE



LOCATION DECISIONS AND THE INTERNET

Considering the importance of—and perceived effectiveness of—digital marketing and communication tools, the frequency of using the internet during location searches continues to rise. In fact, the reliance on the internet and digital media has likely been enhanced due to the acceptance of alternative workplace models (i.e., remote work) and the realization that meetings can often take place just as effectively online as in-person. As a result, when respondents were asked to rate how often they used the internet during their last location search, on a scale of 1 (not at all) to 5 (often), 84 percent of respondents report a score of "4" or "5," an increase from 80 percent in 2020 and notably, 65 percent in 2017.

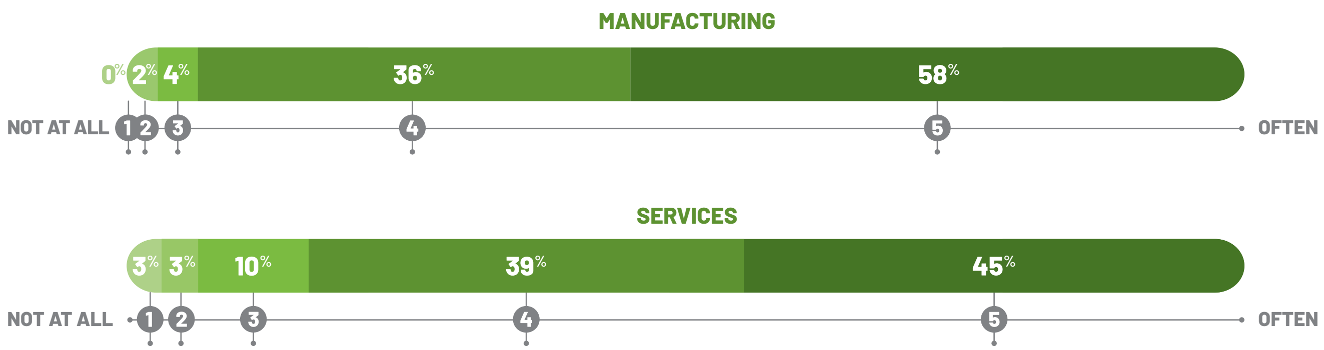
CHART G: FREQUENCY OF INTERNET USE IN MOST RECENT SITE-LOCATION SEARCH
(on a scale from 1 [not at all] to 5 [often])

For the first time since this question was added in 2011, we found location advisors using the internet slightly less during site selection searches compared to corporate executives. Overall, both groups use the internet frequently. However, usage among site selections consultants declined to 78 percent (rating their usage as a "4" or "5") compared to 82 percent in 2020. Meanwhile, the percentage of corporate executives rating their usage as a "4" or "5" increased from 79 percent in 2020 to 86 percent in 2023, the highest level ever reported.

CHART H: **FREQUENCY OF INTERNET USE IN MOST RECENT SITE-LOCATION SEARCH, BY RESPONDENT TYPE**
(on a scale from 1 [not at all] to 5 [often])

DCI compared internet use in site location searches among decision makers who classified their establishments as manufacturing versus services and found that the use increased significantly among both sectors compared to the last study. Of those classifying themselves as a manufacturing organization, 94 percent report their usage as a "4" or "5" while 84 percent of service organizations rate their usage as a "4" or "5".

CHART I: **FREQUENCY OF INTERNET USE IN MOST RECENT SITE-LOCATION SEARCH, BY RESPONDENT TYPE**
(on a scale from 1 [not at all] to 5 [often])



Often viewed as the "digital front door" of an organization, a well-designed website is critical for economic development organizations. While down slightly from 2020, 73 percent of respondents are likely or very likely to visit an EDO's website during their next location search.

An EDO's website is a particularly utilized source of information for location advisors with 84 percent reporting they are likely or very likely to visit an economic development organization's website during their next client project. Sixty-nine percent of corporate executives report they will likely or very likely visit a website.

CHART J: LIKELIHOOD OF VISITING ECONOMIC DEVELOPMENT ORGANIZATIONS' WEBSITES DURING NEXT SITE LOCATION SEARCH
(on a scale from 1 [not at all likely] to 5 [very likely])

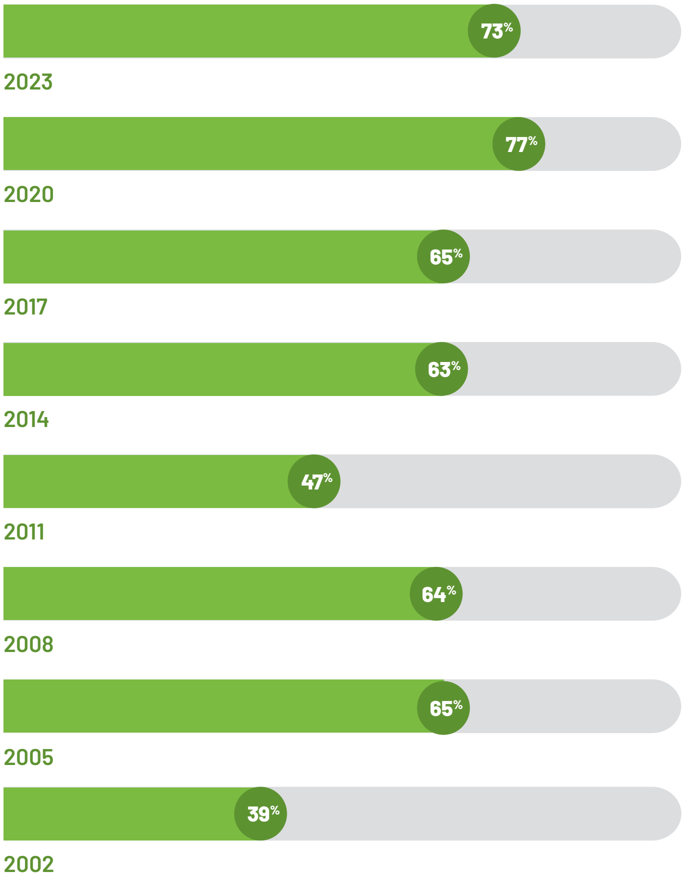
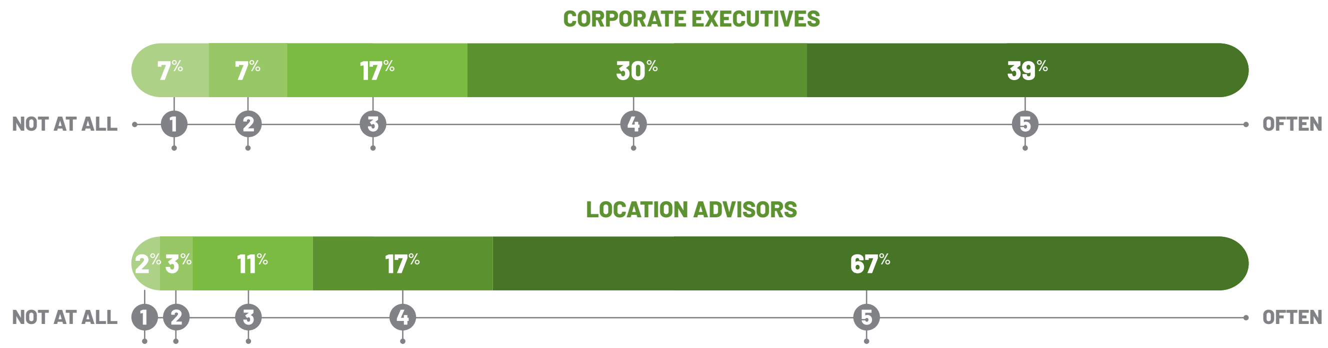


CHART K: LIKELIHOOD OF VISITING ECONOMIC DEVELOPMENT ORGANIZATIONS' WEBSITES DURING NEXT SITE-LOCATION SEARCH, BY RESPONDENT TYPE

(on a scale from 1 [not at all likely] to 5 [very likely])

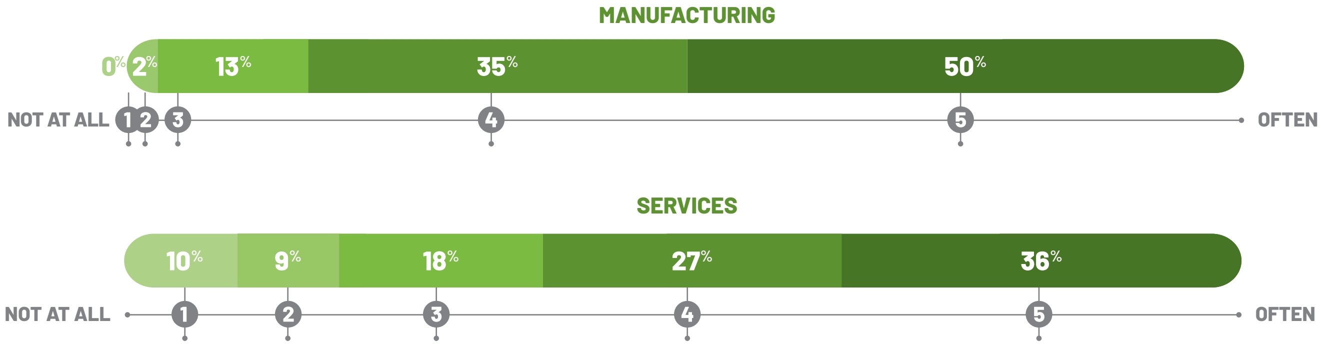


Consistent with the 2020 results, the 2023 data show that organizations classifying themselves as manufacturing operations are more likely to visit an economic development organization's website during their next site location search compared to those classifying themselves as a services operation. While the percentage from both company types is high, 85 percent of manufacturing operations are highly likely (rated a 4 or 5) to visit an EDOs website compared to 63 percent of organizations in the services sector.

> Provide a sound data-driven analysis…with data about the workforce and talent pipeline, access to incentive programs and tax climate… and what are the overall operating advantages decision-makers need to know."

CORPORATE EXECUTIVE, SERVICE SECTOR

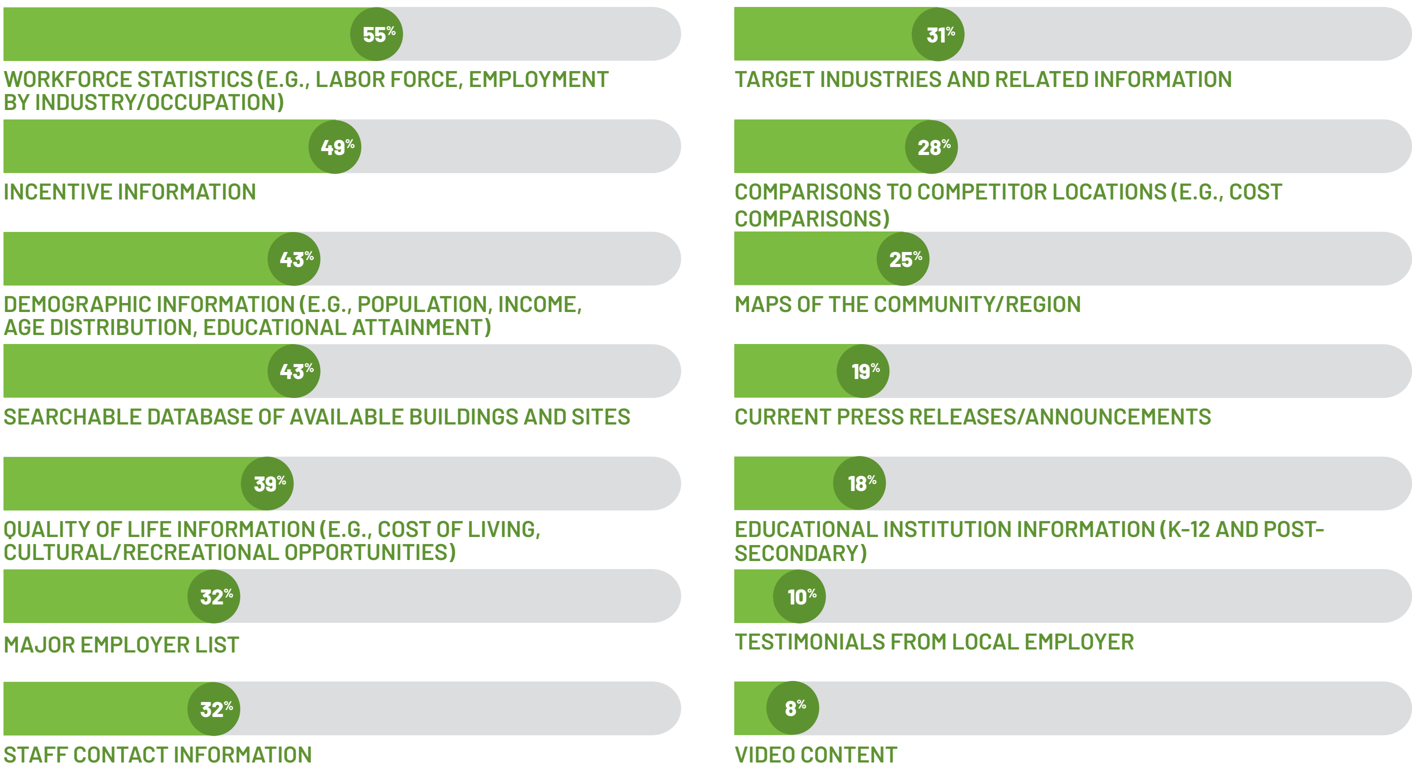
CHART L: LIKELIHOOD OF VISITING ECONOMIC DEVELOPMENT ORGANIZATIONS' WEBSITES DURING NEXT SITE-LOCATION SEARCH, BY COMPANY TYPE
(on a scale from 1 [not at all likely] to 5 [very likely])



It is critical to tailor an economic development organization's website to meet the needs of corporate executives and location advisors, particularly as the reliance on digital tools continues to increase. DCI asked respondents to rate those features that are the most useful, and respondents were able to select up to five of the 15 offered features most typically included in an economic development website.

With labor shortages dominating the headlines and talent attraction and retention top of mind for employers and consultants, access to comprehensive and accurate workforce statistics has surpassed incentive information as the most useful feature on an EDO's website. Incentive information has been the most useful feature of an EDO's website since 2008, and this shift underscores the importance of labor in location decisions. With workforce metrics complicated by remote and hybrid workplace models, an accurate picture of an area's labor force can be hard to come by and those EDOs that can provide up-to-date and accurate labor force statistics may have a competitive advantage in location decisions.

CHART M: MOST USEFUL FEATURES OF AN ECONOMIC DEVELOPMENT ORGANIZATION'S WEBSITE
(percentage rating 4 or 5 on a five-point scale)



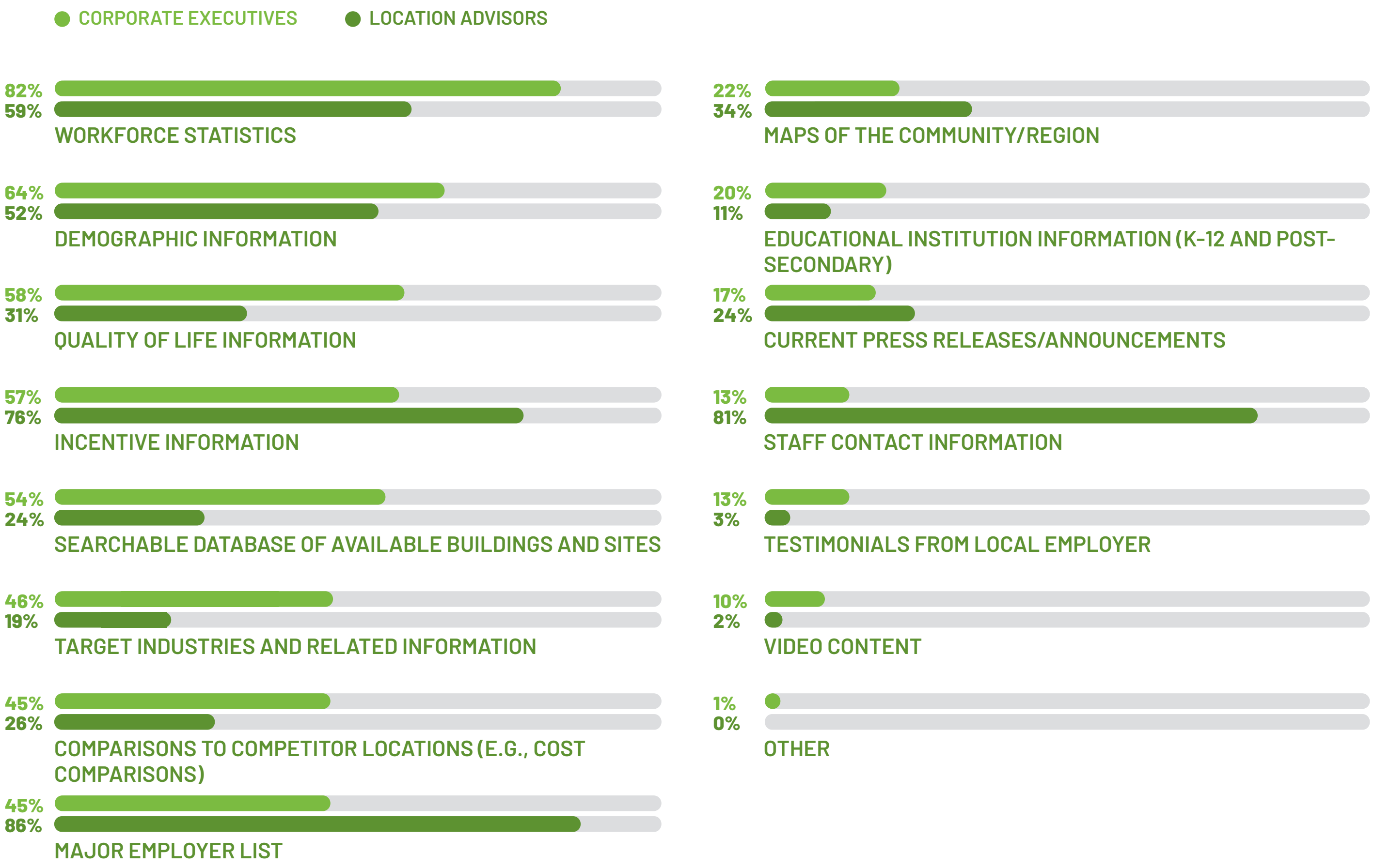
In 2023, *workforce statistics*, cited by 55 percent of respondents, is ranked as the most useful feature of an economic development organization's website, followed by *incentive information* (49 percent). A *searchable database of available buildings and sites* (43 percent) is tied for the third most useful feature with *demographic information* (43%).

Decision makers place continue to place less weight on testimonials from local employers and virtual community tours, which were selected by 10 percent and 8 percent of the respondents, respectively but represent an increase from 8 percent and 4 percent in 2020.

> Economic incentives are helpful but do not drive critical location decisions…"
>
> CORPORATE EXECUTIVE, MANUFACTURING SECTOR

Location advisors, who have proprietary databases for standardized assessments, continue to rate highly customized information including *staff contact information* (81 percent) as the most useful information on an economic development organization's website followed by *incentive information* (73 percent). In contrast, corporate executives that may not have access to the same resources internally find *workforce statistics* (58 percent), *demographic information* (48 percent) and *quality of life* information (47 percent)—presumably as it will impact the ability to attract and retain talent—as the most useful features of an economic development organization's website.

CHART N: MOST USEFUL FEATURES OF AN ECONOMIC DEVELOPMENT ORGANIZATION'S WEBSITE, BY RESPONDENT TYPE (percentage rating 4 or 5 on a five-point scale)

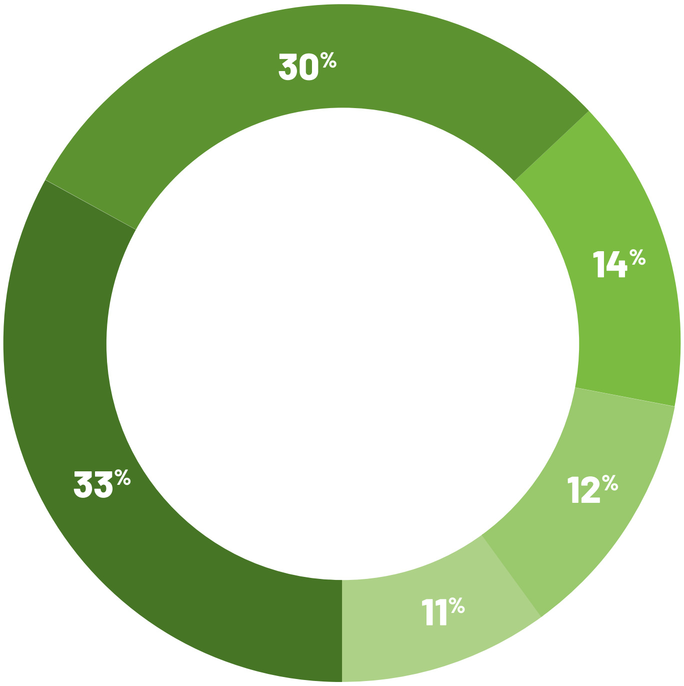


FIRST CONTACT: WHEN AND HOW DECISION MAKERS APPROACH ECONOMIC DEVELOPMENT ORGANIZATIONS

Executives and their advisors contact economic development organizations at different stages across the life of a location decision. As seen in Chart O, the highest percentage of respondents report reaching out *following the development of a short list of communities to request specific information or to arrange a site visit*, with 33 percent of respondents selecting this option (a decline from 42 percent reported in 2020.)

Importantly, 11 percent of respondents report they would never contact an economic development organization indicating that there is likely a greater reliance on third-party sources for information (i.e., dialogue with colleagues; earned media; websites etc.), as well as an independent review of a community's product.

CHART O: FIRST CONTACT WITH ECONOMIC DEVELOPMENT GROUPS



33%
Following the development of the shortlist of communities to request specific information or to arrange a site visit

30%
During the screening phase of all possible locations in order to request preliminary data

14%
After a final location has been selected and a suitable building or lot is needed

12%
After identifying finalists in order to negotiate incentives

11%
We would not contact an economic development organization at any stage in a site location search

Since 2005, corporate decision makers and location advisors are most likely to contact an economic development organization after a short list of potential communities has been developed, to request data or arrange site visits. As noted, 11 percent of respondents report that they would not contact an economic development organization at any stage during a site-location search, a reversal of trends from a low of 8 percent in 2020.

TABLE C: FIRST CONTACT WITH ECONOMIC DEVELOPMENT GROUPS, RESPONSES OVER TIME

STAGE	2023	2020	2017	2014	2011	2008	2005
During the screening phase of all possible locations in order to request preliminary data	30%	35%	30%	25%	24%	29%	27%
Following the development of the shortlist of communities to request specific information or to arrange a site visit	33%	42%	42%	41%	40%	40%	48%
After identifying finalists in order to negotiate incentives	12%	11%	11%	15%	13%	18%	15%
After a final location has been selected and a suitable building or lot is needed	15%	5%	5%	3%	6%	5%	2%
We would not contact an economic development organization at any stage in a site location search.	11%	8%	12%	16%	17%	8%	8%

Location advisors continue to be more likely than corporate executives to rely on the services of economic development organizations. As shown in Chart P, location advisors will always contact an economic development organization during the site-selection process and often earlier in the process than corporate executives. Fourteen percent of corporate executives would not contact an economic development organization at any stage during a site-location search, and 19 percent will contact an organization only after a location has been selected, for assistance in identifying a suitable building/lot.

Location advisors report that there is an increasing level of due diligence required by clients and they understand that the local knowledge, data and relationships that site selectors offer is required to meet the increased scrutiny clients are mandating before a location decision is made.

CHART P: FIRST CONTACT WITH ECONOMIC DEVELOPMENT GROUPS, BY RESPONDENT TYPE

For the third time, *Winning Strategies* provided a list of eight executive titles and asked respondents who is most likely to lead corporate location projects. Respondents report that top executives—chairman/CEO/president (38 percent) followed by chief operating officer (27 percent)—were most likely to lead a location decision.

CHART Q: EXECUTIVES MOST LIKELY TO LEAD LOCATION DECISIONS

BEST AND WORST PLACES FOR BUSINESS

Every edition of *Winning Strategies* has asked respondents to identify the states that are perceived favorably for their business climate and this edition is no exception.

Corporate executive and location advisors were asked to list the top three states that they perceive to have the most-favorable business climates and the rationale behind their selections through an open-ended question. This year, respondents rate Texas (54 percent) as No. 1, followed by Florida (33 percent), Georgia (30 percent), North Carolina (29 percent) and South Carolina (20 percent).

1.	**Texas**	**54%**
2.	**Florida**	**33%**
3.	**Georgia**	**30%**
4.	**North Carolina**	**29%**
5.	**South Carolina**	**20%**

The top states share several common characteristics. The top business-related assets in Texas are a *favorable tax climate* (49 percent), an *overall pro-business regulatory environment* (36 percent) and access to *talent* (10 percent). Again in fourth place, *incentives* have not been in the top three for Texas since the 2014 edition of *Winning Strategies*.

Respondents who cited Florida called out overwhelmingly the *favorable tax climate* (58 percent) followed by its *pro-business climate* (22 percent).

Georgia was noted specifically for its *pro-business climate* (33 percent), its *workforce* (21 percent) and *incentives* (21 percent). The overall cooperation and collaboration among all public and private stakeholders were also noted as strengths (15 percent).

Texas has been the top-rated state for nine consecutive editions of *Winning Strategies*, and since the survey was first conducted in 1996, the top five states have been fairly consistent. Florida moved up in the rankings this year into the second-place position after being ranked fourth in 2020. Georgia held on to the third-place ranking, North Carolina dropped one position and South Carolina moved back into the top five after being bumped out by Tennessee in 2020.

TABLE D: MOST FAVORABLE BUSINESS CLIMATE, RESPONSES OVER TIME

2023	2020	2017	2014	2011	2008	2005	2002	1999	1996
Texas **54%**	Texas **48%**	Texas **42%**	Texas **50%**	Texas **49%**	Texas **41%**	Texas **33%**	Texas **25%**	Texas **30%**	North Carolina **33%**
Florida **33%**	Georgia **25%**	Florida **22%**	Florida **18%**	North Carolina **27%**	North Carolina **30%**	North Carolina **26%**	North Carolina **20%**	California **22%**	Texas **28%**
Georgia **30%**	North Carolina **22%**	Georgia **20%**	Georgia/ North Carolina **17%** (tie)	South Carolina **14%**	Georgia **20%**	South Carolina **20%**	South Carolina **18%**	North Carolina **20%**	Georgia **27%**
North Carolina **29%**	Florida **18%**	South Carolina **16%**	South Carolina **12%**	Tennessee **14%**	Florida/ Tennessee **15%** (tie)	Georgia **18%**	Florida **18%**	Georgia **17%**	South Carolina **21%**
South Carolina **20%**	Tennessee **13%**	North Carolina **15%**	Tennessee **11%**	Florida **14%**	Nevada **14%**	Nevada **16%**	Georgia **15%**	Florida **14%**	Tennessee **20%**

States with the Worst Business Climates

Winning Strategies also reveals the states that are perceived to have the least favorable business climates. California has held the distinction of being the least-favorable state for the past eight editions of the survey; although the percentage of respondents selecting California fell by ten percentage points from 2020 to 2023. New York, Illinois and New Jersey also retain the dubious distinction of being in the top five for the last five editions of the report. For the second year in a row, Florida again appears on both the “best” and “worst” lists.

While Florida’s inclusion in the 2020 list was entirely attributable to the pandemic, there are now new concerns. Through the open-ended question on why states are perceived to have the worst business climates, Florida’s political climate and resulting instability is the primary rationale for inclusion on the worst list and cited by 66 percent of respondents.

1.	**California**	**53%**
2.	**New York**	**38%**
3.	**Florida**	**24%**
4.	**Illinois**	**21%**
5.	**New Jersey**	**15%**

California was noted for an unfavorable tax climate (42 percent), high overall operating costs (40 percent) and having a challenging/burdensome regulatory environment (30 percent)

Those respondents selecting New York base it almost entirely on cost-related factors including an unfavorable tax climate (50 percent) and high overall operating costs (30 percent).

With the exception of Florida, the least-favorable states have remained very consistent over the years with California holding the top spot since 2002.

TABLE E: LEAST FAVORABLE BUSINESS CLIMATE, RESPONSES OVER TIME

2023	2020	2017	2014	2011	2008	2005	2002	1999	1996
California **53%**	California **63%**	California **57%**	California **74%**	California **71%**	California **72%**	California **66%**	California **57%**	New York **29%**	New York **55%**
New York **38%**	New York **33%**	New York **40%**	New York **42%**	New York **47%**	New York **42%**	New York **34%**	New York **36%**	California **25%**	California **47%**
Florida **24%**	Illinois **32%**	Illinois **29%**	Illinois **34%**	Illinois **24%**	Michigan **17%**	Massachusetts **22%**	Massachusetts **18%**	Massachusetts **19%**	New Jersey **20%**
Illinois **21%**	New Jersey **14%**	New Jersey **16%**	New Jersey **16%**	New Jersey **23%**	New Jersey **14%**	New Jersey **21%**	New Jersey **15%**	New Jersey **14%**	Massachusetts **19%**
New Jersey **15%**	Florida **12%**	Connecticut **10%**	Massachusetts **11%**	Michigan **16%**	Massachusetts **12%**	Illinois **13%**	Florida **10%**	Connecticut **10%**	Connecticut **9%**

THE CONSULTANTS SPEAK

Location advisors work with economic development organizations nationwide and tend to have greater interaction with these groups than corporate executives do, which allows them to compare and contrast the effectiveness of each organization and provide an unbiased assessment of which regional and statewide organizations are "best in class." In the survey for this year's edition of *Winning Strategies,* consultants listed 68 unique regional organizations, with the Greater Phoenix Economic Council claiming the top spot.

Best in Class: Regional or Community Economic Development Organizations

1. Greater Phoenix Economic Council
2. KC Area Development Council; Metro Atlanta Chamber
3. Charlotte Regional Business Alliance
4. One Columbus — Partners for Regional Growth & Prosperity; Nashville Area Chamber of Commerce
5. DRC Dallas Regional Chamber

Location advisors also provided input on "best in class" state economic development organizations, with a total of 29 different state economic development agencies making their way on the list. The top responses are:

Best in Class: State Economic Development Organizations

1. Economic Development Partnership of North Carolina
2. Georgia USA; JobsOhio
3. South Carolina Department of Commerce — Just right for business.; TN Department of Economic & Community Development
4. Michigan Economic Development Corporation
5. VEDP Virginia Economic Development Partnership

AS WE LOOK TO THE FUTURE— AI AND THE SITE SELECTION PROCESS

There are several industries that were early adopters of artificial intelligence (AI) technologies—creative industries, healthcare and ecommerce to name a few—and a number of other industries that could be disrupted by it in the future. *Winning Strategies* probed respondents on how they see AI impacting site selection searches into the future and while there was strong agreement that AI will play a role in location decisions moving forward, there was also agreement that there are currently too many risks or unknowns for generative AI in its current state to be used as a trusted input. However, 50 percent of location advisors and 62 percent of corporate executives ultimately agree with the statement "Generative AI will increasingly be incorporated into location decision models over the next five years."

CHART R: OUTLOOK ON THE FUTURE OF AI IN THE SITE SELECTION PROCESS

(on a scale from 1 [don't agree at all] to 5 [highly agree])

LOCATION ADVISORS

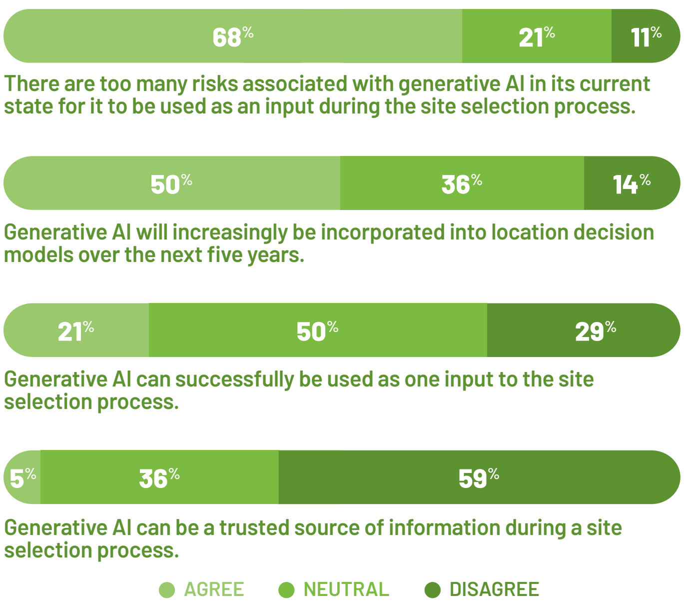
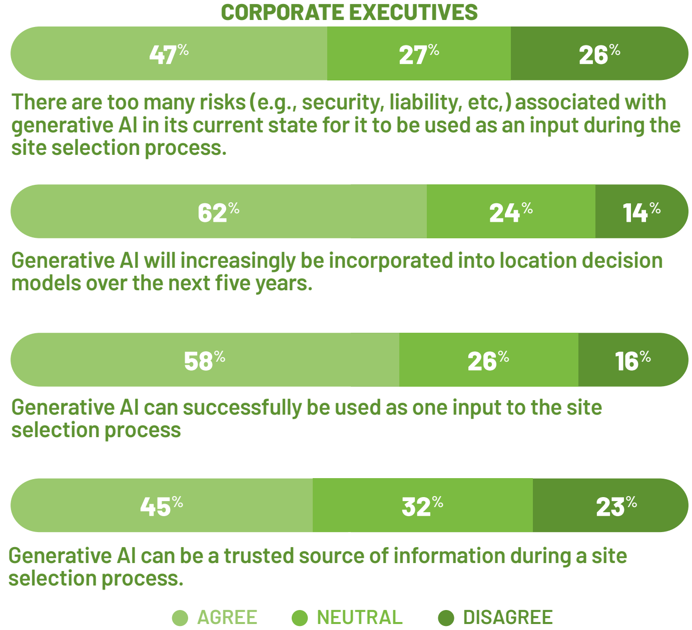


CHART S: OUTLOOK ON THE FUTURE OF AI IN THE SITE SELECTION PROCESS

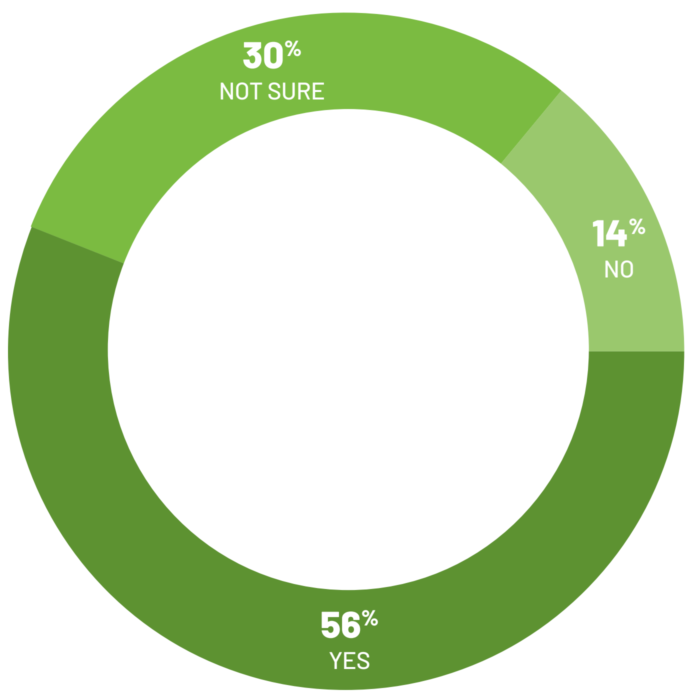
(on a scale from 1 [don't agree at all] to 5 [highly agree])

CORPORATE EXECUTIVES



Every edition of *Winning Strategies* has asked executives about future location decisions. The 2023 results show that corporate executives are optimistic about investment plans during the next two years, with 56 percent reporting that their company will make a location decision (such as move, expand or consolidate) during the next 24 months—one percentage point up from 2020. About 30 percent report that they are *not sure* if their company will make a location decision during the next 24 months (the same percentage that reported in 2017) and 14 percent reported that their company would make no location decision during the next 24 months, remaining stable from 2020.

CHART T: PROJECTED LOCATION DECISION DURING THE NEXT 24 MONTHS



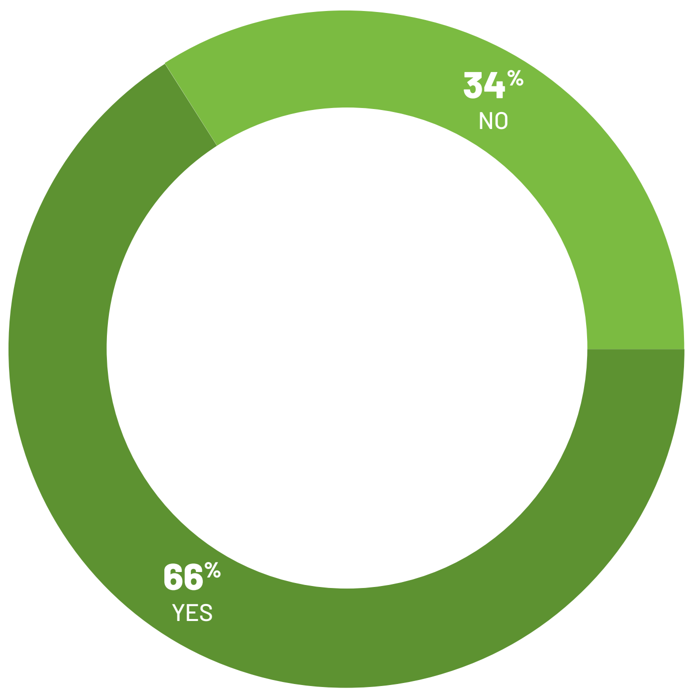
TOP FACTORS IN CORPORATE LOCATION DECISIONS

#1
AVAILABILITY OF SKILLED LABOR
37%

#2
BUSINESS-FRIENDLY GOVERNMENT
30%

#3
LOW OVERALL OPERATING COSTS
35%

CHART U: PLANS TO OUTSOURCE A PORTION OF THE SITE-SELECTION PROCESS (CORPORATE EXECUTIVES)



When asked about plans to outsource a portion—or all phases—of their next location decision, the answer was a resounding "yes" among executives. Showing an increase from 2020 (64 percent), 2023 results show that 66 percent answered "yes," they would outsource some or all of the site-selection process.

CHART V: PROFESSIONAL LIKELY TO ASSIST WITH SITE LOCATION SEARCH (CORPORATE EXECUTIVES)

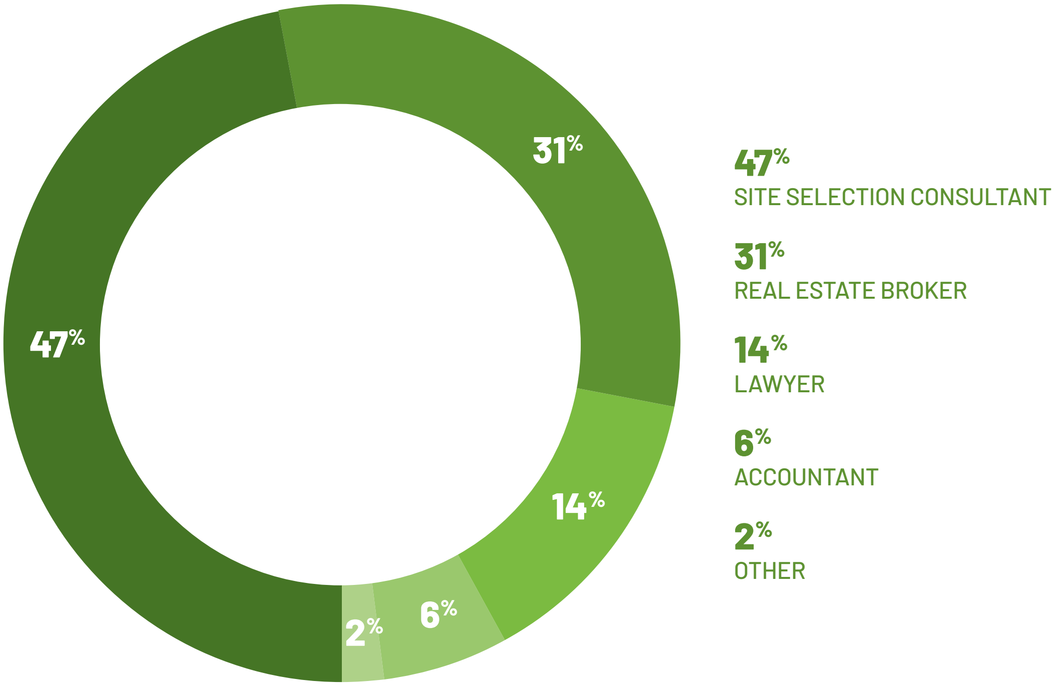


Chart V shows the individual/organizations that are most likely to assist with domestic or international location site-selection searches. Among those that plan to outsource a portion of their next location search, executives report they are most likely to use *site selection consultants* (47 percent) and the percentage continues to increase (32 percent in 2020) followed by *real estate brokers* (31 percent). As site selection projects become increasingly complex and as executives try to mitigate as much risk as possible, they are recognizing the value of an independent advisor to guide them through these decisions.

A WORD ABOUT DCI

DCI is the leader in marketing places. Since 1960, we have helped more than 500 cities, regions, provinces, states and countries attract investors and visitors. We specialize exclusively in all phases of economic development and tourism marketing.

Our areas of expertise include:

- Editorial placement and media relations
- Lead generation
- Location advisor relationship building
- Perception studies (corporate executives/ location advisors and consultants)
- Social/digital media
- Media training
- Talent attraction programs
- Special events
- Marketing strategies
- Website development
- Tourism development
- Crisis communications
- Place branding

DCI has worked with more economic development groups than all other marketing agencies combined. The firm also has formed alliances with local advertising, public relations and marketing agencies to provide specialized economic development input.

Interested in learning more? We'd love to explore how we might assist your community.

Julie Curtin
President, Economic Development
Development Counsellors International
215 Park Avenue South
New York, NY 10003
Phone: 303-627-0272

Appendix

APPENDIX A:
QUESTIONNAIRE AND INVITATION TO PARTICIPATE

First Name,

It will take you less than eight minutes to complete the attached survey. **But your comments will be of enormous help to the nation's economic development professionals in better understanding the site selection needs of companies like yours.**

Would you be kind enough to give us your opinions by clicking on the below link and answering this brief survey by August 15th?

Link

The survey's findings will be presented in September at the International Economic Development Council's 2023 Annual Conference. Your responses will be kept anonymous and confidential.

Thank you for your consideration of this request.

P.S. **We will gladly send qualified respondents who complete the survey their choice of one of six $20 e-gift cards for your participation.** Once you submit the survey, you will be directed to a new window where you will select your gift card. We'll also be pleased to share an executive summary of the findings when reported in September.

Sincerely,

Julie Curtin
President, Economic Development

DEVELOPMENT COUNSELLORS INTERNATIONAL
The Leader in Marketing Places

New York | Denver | Los Angeles | Toronto
julie.curtin@aboutdci.com

Corporate Executive Questionnaire

1. Are you involved in the decision to relocate, expand, consolidate or build new facilities for your company?

- Yes (Continue)
- No (Please forward to the appropriate person in your organization) **(end of the survey)**

2. In your next location search, do you anticipate outsourcing a portion of the site selection responsibilities?

- Yes **(2a)**
- No

2a. What type of individual/organization is likely to assist you with the search?

- Accountant
- Lawyer
- Site Selection Consultant
- Real Estate Broker
- Other (please specify)

3. In general, at what stage in a site selection search do you FIRST contact economic development organizations?

- During the screening phase of all possible locations in order to request preliminary data
- Following the development of the shortlist of communities to request specific information or to arrange a site visit
- After identifying finalists in order to negotiate incentives
- After a final location has been selected and a suitable building or lot is needed
- We would not contact an economic development organization at any stage in a site location search

4. Please indicate the three U.S. states with business climates you perceive as MOST FAVORABLE, and then briefly indicate why.

- State #1
- Reason for State #1
- State #2
- Reason for State #2
- State #3
- Reason for State #3

5. Please indicate the three U.S. states with business climates you perceive as LEAST FAVORABLE, and then briefly indicate why.

- State #1
- Reason for State #1
- State #2
- Reason for State #2
- State #3
- Reason for State #3

6. In light of your responses to the previous questions, what are the three leading sources of information influencing your perceptions of an area's business climate?

- Advertising **(6a)**
- Articles in newspapers and magazines (print or online) **(6b)**
- Business travel
- Dialogue with industry peers
- Direct mail
- Meetings with economic development groups
- Rankings / surveys **(6c)**
- Internet/Websites
- Personal travel
- Podcasts
- Social media
- TV and radio newscasts / shows
- Word of mouth
- Other (please specify)

6a. What type of advertising do you view as the most effective?

- Digital
- Print
- Radio
- Television

6b. What news sources (print or online) do you read most frequently?

6c. What specific rankings / surveys do you pay the most attention to?

7. Please check all digital media channels that you currently use for business purposes. (choose all that apply)

- Blogs
- Facebook
- LinkedIn
- Instagram
- Threads
- TikTok
- Twitter
- YouTube
- Other (please specify)
- I do NOT use social media for business purposes

8. In your most recent site location search, how often did you use the Internet as a source of community information? (1=not at all, 5=often)

- 1 (Not at all)
- 2
- 3
- 4
- 5 (Often)

9. What is the likelihood that you will visit an economic development organization's website during your next site location search? (1=not likely, 5=extremely likely)

- 1 (Not likely)
- 2
- 3
- 4
- 5 (Extremely likely)

10. Which of the following features do you consider most important to the utility of an economic development organization's website? (Please select up to five responses)

- Comparisons to competitor locations (e.g. cost comparisons)
- Searchable database of available buildings and sites
- Demographic information (e.g. population, income, age distribution, educational attainment)
- Incentive information
- Major employer list
- Educational institution information (K-12 and post-secondary)
- Maps of the community/region
- Current press releases/announcements
- Quality of life information (e.g. cost of living, cultural/recreational opportunities)
- Staff contact information
- Target industries and related information
- Testimonials from local employer
- Video content
- Workforce statistics (e.g. labor force, employment by industry/occupation)

11. Within your organization, who is most likely to LEAD corporate location decisions?

- Chairman/CEO/President
- Chief Operating Officer
- Chief Financial Officer

Questionnaire /continued

- Vice President/Director of Corporate Real Estate
- Vice President/Director of Human Resources
- Vice President of Manufacturing
- Vice President/Director of Strategic Planning
- Other Vice President/Director (please specify)

12. Understanding that each project is different, please select the top three factors in your location decisions:

- Available sites/buildings
- Availability of skilled workers
- Competitive labor costs
- Availability of worker training programs
- Presence of post-secondary institutions
- Efficient transportation systems (highway, air, rail, port)
- Favorable environment for business continuity (in light of natural or manmade disruptions)
- Business-friendly government
- Competitive incentives
- Competitive corporate tax structure
- Low occupancy costs
- Strong quality of life
- Diverse population/inclusivity
- Availability of good K-12 education
- Low overall operating costs
- Presence of company's business cluster

13. Please rate the effectiveness of the following marketing techniques as a means of influencing your opinion when considering a new location. (1=not effective, 5=highly effective)

- Advertising (TV, Print, Digital, etc.)
- Physical mail (brochures/gift boxes)
- Internet/website
- Media relations/publicity
- Hosting special events
- Planned visits to corporate executives
- Telephone outreach
- Trade shows
- Social media
- E-Newsletters/E-marketing

14. In 25 words or less, what advice would you give to an economic development corporation trying to reach you?

15. What are the primary reasons your company is moving forward with location decisions (i.e., expansions, new facilities, consolidations etc.) or likely to move forward with location decisions in the next 12 months? (Select up to three)

- Access to new talent
- Increase access to customers/suppliers
- Increase access to natural resources
- Increase access to new markets
- Increase redundancy of existing operations
- Reduce costs
- Reduce overall risk
- Reduce your organization's existing footprint
- We are not planning to move forward with any location decisions in the next 12 months
- Other (please specify)

16. Has your organization used generative AI (i.e., ChatGPT, Japser, Scribe etc.) to assist with a site location search?

- Yes
- No
- Not sure

16a. (If yes to Q16) Did generative AI add value to your site selection project?

- Yes
- No
- Not sure

16b. (If yes to 16) On a scale from 1 (don't agree at all) to 5 (highly agree), how much do you agree with the following statement?

- I trust the results generated by the generative AI platform used during our most recent site selection project.

17. Please indicate your agreement with the following statements (1=don't agree at all/3=don't agree or disagree/5=highly agree)

- Generative AI can successfully be used as one input to the site selection process.
- Generative AI will increasingly be incorporated into location decision models over the next five years.
- There are too many risks (i.e., security, liability etc,) associated with generative AI in its current state for it to be used as an input during the site selection process.
- Generative AI can be a trusted source of information during a site selection process.

Questionnaire /continued

Business Classification: The last few questions will help classify your business. All data will be confidential.

C1. Which of the following best describes your primary business?

- Manufacturing
- Services

C2. What was the gross revenue last year for your company, including all plants, divisions, branches and subsidiaries?

- Less than $25 million
- $25- $49 million
- $50 - $99 million
- $100 - $249 million
- $250 -$499 million
- $500 million and higher

C3. Will your company make a location decision (move, expansion, consolidation, etc.) in the next 24 months?

- Yes
- No
- Not sure

Gender:

- Male
- Female
- Non-binary/third gender
- Prefer not to say

Site Selection Consultant Questionnaire

1. In general, at what stage in the site selection search do you first contact economic development organizations?

- During the screening phase of all possible locations in order to request preliminary data
- Following the development of a shortlist of communities to request specific information or to arrange a site visit
- After identifying finalists in order to negotiate incentives
- After a final location has been selected and a suitable building or lot is needed
- We would not contact an economic development organization at any stage in a site location search

2. In your most recent site location search for a client, how often did you use the internet as a source of community information?

- 1 (Not at all)
- 2
- 3
- 4
- 5 (Often)

3. What is the likelihood that you will visit an economic development organization's website during your next site location search?

- 1 (Not likely)
- 2
- 3
- 4
- 5 (Extremely likely)

Questionnaire /continued

4. Which of the following features do you consider most important to the utility of an economic development organization's website? (Please select up to five responses)

- Comparisons to competitor locations (e.g. cost comparisons)
- Searchable database of available buildings and sites
- Demographic information (e.g. population, income, age distribution, educational attainment)
- Incentive information
- Major employer list
- Educational institution information (K-12 and post-secondary)
- Maps of the community / region
- Current press releases / announcements
- Quality of life information (e.g. cost of living, cultural / recreational opportunities)
- Staff contact information
- Target industries and related information
- Testimonials from local employer
- Video content
- Workforce statistics (e.g. labor force, employment by industry / occupation)

5. Please indicate the three U.S. states with business climates you perceive as MOST FAVORABLE and then briefly indicate why.

- State #1
- Reason for State #1
- State #2
- Reason for State #2
- State #3
- Reason for State #3

6. Please indicate the three U.S. states with business climates you perceive as LEAST FAVORABLE and then briefly indicate why.

- State #1
- Reason for State #1
- State #2
- Reason for State #2
- State #3
- Reason for State #3

7. In light of your responses to the previous questions, what are the three leading sources of information influencing your perceptions of an area's business climate?

- Advertising **(7a)**
- Articles in newspapers and magazines (print or online) **(7b)**
- Business travel
- Dialogue with industry peers
- Direct mail
- Meetings with economic development groups
- Rankings/surveys **(7c)**
- Internet/Websites
- Personal travel
- Podcasts
- Social media
- TV and radio newscasts/shows
- Word of mouth
- Other (please specify)

7a. What type of advertising do you view as the most effective?

- Digitall
- Print
- Radio
- Television

7b. What news sources (print or online) do you read most frequently?

7c. What specific rankings / surveys do you pay the most attention to?

Questionnaire /continued

8. Please check all social media channels that you currently use for business purposes.

- Blogs
- Facebook
- LinkedIn
- Instagram
- Threads
- TikTok
- Twitter
- YouTube
- Other (please specify)
- I do NOT use social media for business purposes

9. Based on your experience as a location advisor, please rate the effectiveness of the following marketing techniques as a means of influencing corporate executives when considering a new location. (1=not effective, 5=highly effective)

- Advertising (TV, Print, Digital, etc.)
- Physical mail (brochures/gift boxes)
- Internet/website
- Media relations/publicity
- Hosting special events
- Planned visits to corporate executives
- Telephone outreach
- Trade shows
- Social media
- E-Newsletters/E-marketing

10. Understanding every project is different, who is most likely to LEAD corporate location decisions?

- Chairman/CEO/President
- Chief Operating Officer
- Chief Financial Officer
- Vice President/Director of Corporate Real Estate
- Vice President/Director of Human Resources
- Vice President of Manufacturing
- Vice President/Director of Strategic Planning
- Other Vice President/Director (please specify)

Questionnaire /continued

Thinking about economic development organizations both domestically and internationally, who would you consider "best in class?" As with all questions in the survey, your responses to the questions below will be kept confidential.

11. Please list up to three "best in class" REGIONAL OR COMMUNITY economic development organizations.

- Regional or Community EDO #1
- Regional or Community EDO #2
- Regional or Community EDO #3

12. Please list up to three "best in class" STATE economic development organizations.

- State EDO #1
- State EDO #2
- State EDO #3

13. Please list up to three "best in class" INTERNATIONAL investment promotion agencies (IPAs).

- Investment Promotion Agency #1
- Investment Promotion Agency #2
- Investment Promotion Agency #3

14. What are the primary reasons your clients are moving forward with location decisions (i.e., expansions, new facilities, consolidations etc.) or likely to move forward with location decisions in the next 12 months? (Select up to three)

- Access to new talent
- Increase access to customers/suppliers
- Increase access to natural resources
- Increase access to new markets
- Increase redundancy of existing operations
- Reduce costs
- Reduce overall risk
- Reduce organization’s existing footprint
- Other (please specify)

15. Have you used generative AI (i.e., ChatGPT, Japser, Scribe etc.) to assist with a client's location search?

- Yes
- No
- Not sure

15a. (If yes to Q15) Did generative AI add value to your site selection project?

- Yes
- No
- Not sure

15b. (If yes to 15) On a scale from 1 (don't agree at all) to 5 (highly agree), how much do you agree with the following statement?

- I trust the results generated by the generative AI platform used during our most recent site selection project.

16. Please indicate your agreement with the following statements (1=don't agree at all/3=don't agree or disagree/5=highly agree)

- Generative AI can successfully be used as one input to the site selection process.
- Generative AI will increasingly be incorporated into location decision models over the next five years.
- There are too many risks (i.e., security, liability etc,) associated with generative AI in its current state for it to be used as an input during the site selection process.
- Generative AI can be a trusted source of information during a site selection process.

Business Classification: The last few questions will help classify your business. All data will be confidential.

C1. Please indicate the size of your firm.

- I am a single practitioner
- 1-25 employees
- 25+ employees

C2. Gender:

- Male
- Female
- Non-binary/third gender
- Prefer not to say

Appendix B: Most-Favorable Business Climate Rankings for All States

STATE	%
Texas	54%
Florida	33%
Georgia	30%
North Carolina	29%
South Carolina	20%
Tennessee	19%
Ohio	16%
California	15%
New York	14%
Arizona	13%
Indiana	13%
Colorado	8%
Illinois	7%
Virginia	7%
Alabama	6%
Nevada	5%
Kentucky	5%
Michigan	5%
Delaware	4%

STATE	%
Pennsylvania	4%
Massachusetts	3%
Missouri	3%
Utah	3%
Washington	3%
Arkansas	3%
New Jersey	3%
New Mexico	3%
Wisconsin	3%
Idaho	2%
Wyoming	2%
Maine	2%
Minnesota	2%
Montana	2%
Oklahoma	2%
Oregon	2%
Kansas	1%
Louisiana	1%
Connecticut	1%

STATE	%
Iowa	1%
Maryland	1%
Mississippi	1%
Alaska	0.4%
District of Columbia	0.4%
Hawaii	0.4%
Nebraska	0.4%
New Hampshire	0.4%
North Dakota	0.4%
Vermont	0.4%
West Virginia	0.4%

Appendix C: Least-Favorable Business Climate Rankings for All States

STATE	%
California	53%
New York	38%
Florida	24%
Illinois	21%
New Jersey	15%
Texas	14%
Washington	10%
Alaska	7%
Mississippi	6%
Hawaii	5%
Oregon	5%
Alabama	4%
Massachusetts	4%
Michigan	4%
Maine	3%
Montana	3%
West Virginia	3%
Arkansas	2%
Connecticut	2%

STATE	%
Minnesota	2%
Tennessee	2%
Wyoming	2%
Georgia	2%
Louisiana	2%
Maryland	2%
Nevada	2%
New Mexico	2%
North Dakota	2%
Oklahoma	2%
Pennsylvania	2%
Utah	2%
Vermont	2%
Arizona	1%
Colorado	1%
Kentucky	1%
North Carolina	1%
Rhode Island	1%
South Carolina	1%

STATE	%
Wisconsin	1%
Delaware	1%
District of Columbia	1%
Idaho	1%
Missouri	1%
New Hampshire	1%
South Dakota	1%
Indiana	0.4%
Iowa	0.4%
Kansas	0.4%
Nebraska	0.4%
Ohio	0.4%
Virgina	0.4%

Appendix D: Demographic Profile of Respondents

C-level Corporate Executives	75%
Location Advisors/Consultants	25%

Gender

Female	18%
Male	80%
Prefer not to say	2%

Industry

Manufacturing	32%
Services	68%

Gross Revenue

Less than $25 million	24%
$25 - $49 million	11%
$50 - $99 million	14%
$100 - $249 million	22%
$250 -$499 million	13%
$500 million and higher	16%

Location Advisors Only: Size of Company

1-25 employees	30%
25+ employees	66%
I am a single practitioner	4%

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