Perceptions of Minneapolis-Saint Paul:
A Survey Of Select Corporate Executives & Location Advisors
Prepared For:
GREATER MSP™
Minneapolis Saint Paul Regional Economic Development Partnership
March 16, 2016
ABOUT DCI

55 YEARS SPECIALIZING IN ECONOMIC DEVELOPMENT & TOURISM MARKETING

450+ CITIES, STATES, REGIONS & COUNTRIES REPRESENTED

4 OFFICES:
- New York
- Denver
- Los Angeles
- Toronto

53+ DEDICATED PROFESSIONALS WITH A PASSION FOR PLACES
METHODOLOGY

• Study is an update of a survey conducted in November 2012 which provided a baseline perception of the Minneapolis-St. Paul business climate among key decision-makers.

• In November 2015, an identical, online survey was conducted to measure changes in perceptions.

• A total of 144 corporate executives and their advisers participated in the survey.
KEY TOPICS

1. Familiarity with the Region

2. Has Greater MSP Moved the Needle?


4. Key Associations – 2012 vs. 2015

5. Greater MSP and Site Selection Factors – 2012 vs. 2015
FAMILIARITY WITH THE REGION
Have you ever been to Minneapolis-Saint Paul?

In 2012, 72% of respondents reported they had been to Minneapolis – St. Paul.
Purpose of Visit?

- Business: 89.2%
- Visit Family/friends: 26.9%
- Convention: 24.7%
- Vacation: 12.9%
- Education: 5.4%
- Other: 3.2%
HAS GREATER MSP MOVED THE NEEDLE?
2012 vs. 2015
Overall Perception of the Business Climate of Minneapolis-Saint Paul?

Ranked by mean score on a scale of 1 (poor) to 5 (excellent)
Likelihood of Considering Minneapolis-Saint Paul for Future Investment Projects?
Ranked by mean score on a scale of 1 (not likely) to 5 (extremely likely)
Considered Greater MSP for Project in Previous Five Years?

2012

No, 79.3%

Yes, 20.7%

2015

No, 61.5%

Yes, 38.5%
PERCEPTIONS OF MINNEAPOLIS-SAINT PAUL 2012 vs. 2015
Overall Perception of the Business Climates of the Select Metro Areas?

Ranked by mean score on a scale of 1 (poor) to 5 (excellent)
Likelihood of Considering the Following Areas for Future Investment Projects?

Ranked by mean score on a scale of 1 (not likely) to 5 (extremely likely)
KEY ASSOCIATIONS
2012 vs. 2015
Industries Associated with Minneapolis – Saint Paul

- Advanced Manufacturing
- Financial Services/Institutions
- Business Support Services
- Food Industries and Processing
- Biotechnology & Pharmaceuticals
- Medical Devices
- Insurance
- Software/IT
- Tourism
- Water Technologies
- Renewable Energy
- Other (please specify)
- Retail

2015 vs 2012
Fortune 500 Companies Headquartered in Minneapolis-Saint Paul?

- Target Corporation
- General Mills
- Land O' Lakes
- United Health Group
- Medtronic
- Allstate
- CVS Caremark
- Campbell Soup
- Con-way
- Walgreen
Associated Words/Phrases in 2012

Vikings
Great Lakes
Mall of America
Twin Cities
Cold
Quality of life

Liberal government
Educated
Good infrastructure
Friendly
Corporate Headquarters

People
Business Unions
Business Friendly
Snow
Medical

3M
Remote
Low cost

Modern
Remodeled
Diverse

Clean
Vibrant

Downtown
Large metropolitan area
Weather
High costs

Growing
Unknown
Culture

Progressive
Democratic

Education
Anti-business

Friendly
Target
North

Friendly
In 2015, 49.3% associated Minneapolis-St. Paul with “cold” or other weather related terms which is down from 65.3% in 2012.
Associated Words/Phrases Excluding “Cold” in 2015

Quality workforce
## Most Recent News Heard About the Region?

<table>
<thead>
<tr>
<th>Recent News</th>
<th>Percent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snow/weather</td>
<td>15.4%</td>
</tr>
<tr>
<td>Nothing/don't recall anything recently</td>
<td>13.2%</td>
</tr>
<tr>
<td>Viking's missed field goal</td>
<td>12.1%</td>
</tr>
<tr>
<td>New stadium</td>
<td>8.8%</td>
</tr>
<tr>
<td>Bridge collapse</td>
<td>4.4%</td>
</tr>
<tr>
<td>Other sports news</td>
<td>4.4%</td>
</tr>
<tr>
<td>Racial integration / &quot;Black Lives Matter&quot;</td>
<td>4.4%</td>
</tr>
<tr>
<td>Mall of America (includes threat of attack and general news)</td>
<td>3.3%</td>
</tr>
</tbody>
</table>
GREATER MSP AND SELECT SITE LOCATION FACTORS
2012 vs. 2015
Rating of Minneapolis-Saint Paul on Factors
Ranked by mean score on a scale of 1 (poor) to 5 (excellent)
Rating of Minneapolis-Saint Paul on Factors
Ranked by mean score on a scale of 1 (poor) to 5 (excellent)

<table>
<thead>
<tr>
<th>Factor</th>
<th>2015</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real estate and/or construction costs</td>
<td>3.5</td>
<td>3.2</td>
</tr>
<tr>
<td>Overall operating costs</td>
<td>3.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Utility costs</td>
<td>3.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Labor costs</td>
<td>3.4</td>
<td>3.1</td>
</tr>
<tr>
<td>Business-friendly government</td>
<td>3.4</td>
<td>3.0</td>
</tr>
<tr>
<td>Suppliers and partners</td>
<td>3.4</td>
<td>3.2</td>
</tr>
<tr>
<td>Overall tax burden</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td>Incentives/tax exemptions</td>
<td>2.7</td>
<td>2.5</td>
</tr>
</tbody>
</table>

The leader in marketing places
Key Findings
The Region Has Moved the Needle...

- A significant increase was seen not only in how the region’s business climate is perceived but also in the likelihood of decision makers considering the region for future investment.

- The average rating of the region’s business has increased from 3.0 in 2012 to 3.4 in 2015.

- The likelihood of considering Minneapolis-St. Paul for future investment projects increased from an average score of 2.3 in 2012 to 3.0 in 2015.
Perception of Business-Related Location Factors Continues to Improve...

• The perception of select business-related factors has also improved.

➢ Greater MSP has consistently gotten high-ratings on select business-related factors (i.e., K-12 and post-secondary education; availability of skilled workers; quality of life) and these factors continue to be perceived positively.

➢ The biggest change in ratings were seen in those factors perceived less favorably in 2012 (i.e., overall operating costs; labor costs; business-friendly government etc.)
However, Some Challenges Persist...

- Weather/climate continues to be the most dominant association with the region.
  - 49.3% of respondents mention “cold” or “weather” when asked about the top words or phrases they associate with the region.
  - 15.4% of respondents report that the weather is the most recent news they recall hearing about the region.

- Distance from the coasts/accessibility and high taxes/cost of doing business are continue to be associated weaknesses.
Q & A