

National Perceptions of New England
*Views of the General Population
and Business Community*

Prepared by:
The University of Connecticut
Center for Survey Research & Analysis
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BACKGROUND / METHODOLOGY

Team New England, an informal consortium of companies and state and regional nonprofit economic development organizations, commissioned a battery of surveys to gauge the perceptions of United States residents – specifically those who live *outside* the region – toward New England as a place to visit, live, and conduct business. Four audiences were surveyed: the general public, national business executives, international business executives and national site selection consultants, who shared their overall knowledge, opinions and attitudes.

Interviewing was conducted via telephone from December 2003 to May 2004. A total of 1,563 interviews were collected: 1,006 from the general public; 407 national executives, 100 international executives and 50 national site selection consultants. Interviews were conducted by *The Center for Survey Research & Analysis (CSRA)* at the University of Connecticut. CSRA is a non-partisan, nonprofit survey research facility dedicated to the study of public opinion.

EXECUTIVE SUMMARY

Two key findings emerged from this comprehensive survey project: 1) respondents viewed the individual New England states as virtually monolithic as places to live, work, visit or do business; and 2) the New England region ranked higher (or as high) as any of its individual states on these same dimensions, suggesting the strength of its regional brand.

Tourism

New England has strong selling points as a place to visit, as well as a place to live and work. From a tourism perspective, New England offers several elements that are valuable to people when they opt to travel for leisure:

- ✓ Fall foliage
- ✓ Quaint towns and villages
- ✓ Historical significance (and associated learning opportunities)
- ✓ A fun and safe time
- ✓ Interesting cities with lots to see and do

New England could improve its image as a place that is *easy to get around* and a *good value*, which are factors important to people when traveling.

Business

The business community believes New England offers these important elements:

- ✓ Education – higher education and technical education
- ✓ Infrastructure – quality utilities and relative transportation ease

The largest barriers for the national business community and site selection consultants were key cost drivers like taxes, labor and regulations, coupled with a lack of investment incentives, making New England appear less competitive than other states. International business executives have low levels of knowledge about business issues specific to New England, but generally held a more favorable view of the region than their domestic counterparts.

DETAILED FINDINGS

I. Tourism

Perceptions of New England

Across the United States, people hold positive perceptions of New England. When asked what comes to mind when thinking of New England, *foliage and scenery* (16%) and *winter weather* (14%) are top of mind. Other popular mentions included *Boston/Massachusetts* (7%), *food* such as *seafood* and *clam chowder* (7%), and *football*, specifically the *New England Patriots* (6%).

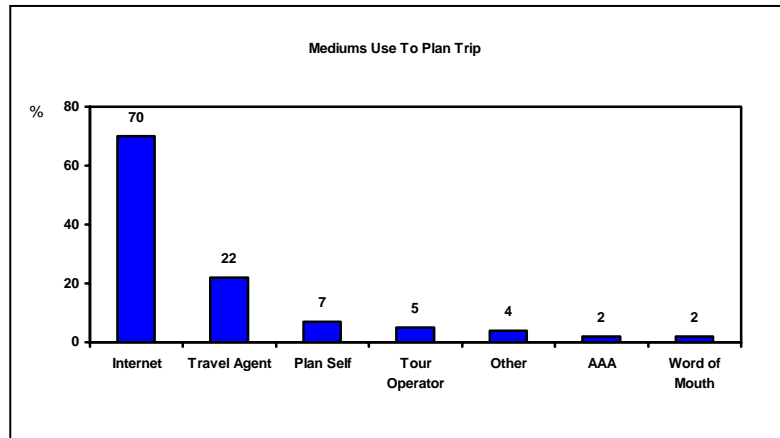
People have a moderate impression of New England as a place to live and work (mean score: 5.59), but a most positive impression of the collective region as a place to visit (7.01). The individual New England states rated within the same basic range on all image questions.

Mean Score	To Visit	To Live/ Work
New England Overall	7.01	5.59

Travel Experience

Nationally, nearly seven in ten (69%) adults have taken an overnight leisure trip in the last two years. Of those who have traveled, the majority (61%) have traveled more than 500 miles for a vacation while the remainder (38%) stayed within a 500-mile proximity to their home. Most often, people travel with other adults (87%) and/or with children (38%), while only a small proportion (10%) travel alone.

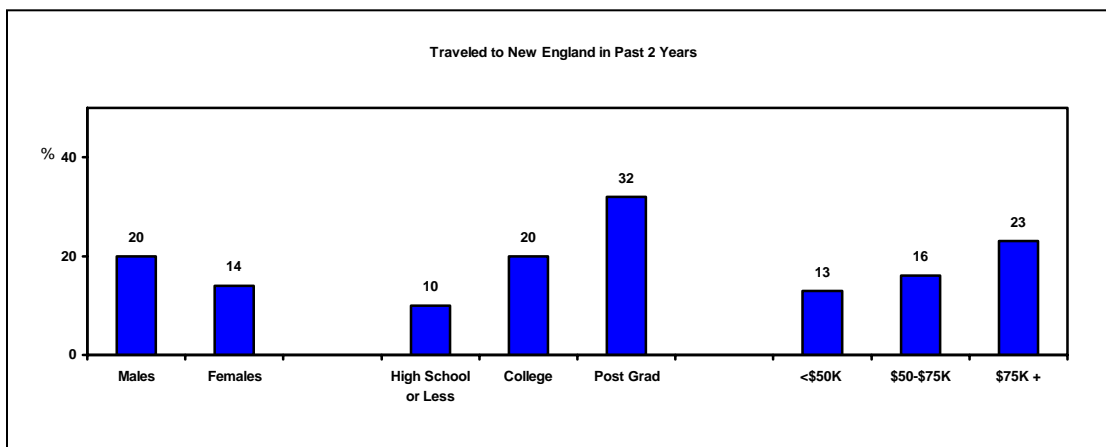
If planning a trip to New England, the majority of people said they would do the legwork for their trip independently, using the Internet as their primary research tool (70%) while less than one quarter would contact a travel agent (22%). Less popular planning mediums include tour operators (5%), AAA (2%) and family/friends (2%).



Future Intent

Within the past two years, 17% of travelers across the country visited New England. When asked future intentions about traveling to New England in the next five years for leisure, nearly half said they are *very likely* (23%) or *somewhat likely* (26%) to do so. People who previously lived in New England have a stronger propensity to visit again (73% *very/somewhat likely*) versus those who have never lived there (47% *very/somewhat likely*). Comparatively, Caucasians have more interest in visiting New England (51% *very/somewhat likely*) versus African Americans (42% *very/somewhat likely*) and Hispanics (41% *very/somewhat likely*).

People who have traveled to New England in the last two years are more likely to be male than female. They also tend to be educated and affluent. This is likely because of business travel rather than leisure travel to the region.



Asked about the appeal of various seasons of the year, fall in New England is most appealing to people as the vast majority consider that time of year in the region a *very* (68%) or *somewhat* (23%) *appealing* time to visit. The second most appealing season is summer (88% *very/somewhat appealing*). A close third is Spring (86% *very/somewhat appealing*) with winter decidedly last (42% *very/somewhat appealing*).

Elements in New England – Importance & Ratings

When selecting a place to travel to for vacation, people said they place value on the learning aspects of a trip and enjoy the aesthetics of a place, but they also want to have fun.

New England captivates people in many of these areas and is perceived to deliver on many of these elements, including: *rich in American history, leaves turning color in the fall, quaint towns & charming villages, interesting cities to visit, fun time, and opportunity to try new experiences.* They also want to feel *safe* when they travel, another element where New England scores well.

While not overly important to respondents, New England scores well for its *romantic country inns & bed and breakfasts, outdoor recreation such as hiking, golfing and biking,* and its *winter sports* such as *skiing and snowboarding.* These draws likely appeal to a smaller niche of people rather than the majority.

There are a few elements identified as important to people for which New England is not credited, including: *beaches/shoreline, vacation that is a good value and easy to get around.*

Several other elements are not associated strongly with New England, but they are also elements that most people do not consider as important when selecting a travel destination. These include *cultural opportunities, fun places to shop, great place for kids and vibrant night life.*

Table 1. Prioritized by Importance.

	IQ17. Importance (Mean score)	IQ37. Performance (Mean score)
Q31. A fun time	8.78	7.85
Q30. A safe place to visit	8.64	7.75
Q23. A vacation that is a good value	8.56	7.35
Q36. A lot to see and do	8.49	8.15
Q33. The chance to learn something new	7.97	8.05
Q34. Easy to get around	7.96	6.79
Q21. Interesting cities to visit	7.73	7.94
Q32. The opportunity to try new experiences	7.72	7.52
Q18. Beaches/Shoreline	7.45	7.25
Q36A. Leaves turning color in the Fall	7.39	8.73
Q19. Rich in American history	7.34	8.65
Q20. Quaint towns and charming villages	7.32	8.3
Q24. Many cultural opportunities	7.02	7.49
Q27. Outdoor recreation opportunities such as hiking, golf, biking and sailing	6.87	7.71
Q22. Great places to bring kids	6.77	7.19
Q29. Romantic country inns and bed and breakfasts	6.71	7.94
Q25. Many interesting and fun places to shop	6.54	7.25
Q35. Vibrant nightlife	5.54	5.83
Q26. Access to winter sports such as skiing and snowboarding	4.67	7.51
Q28. World-class casino gaming	3.95	4.42

Table 2. Prioritized by Performance

	IQ17. Importance (Mean score)	IQ37. Performance (Mean score)
Q36A. Leaves turning color in the Fall	7.39	8.73
Q19. Rich in American history	7.34	8.65
Q20. Quaint towns and charming villages	7.32	8.30
Q36. A lot to see and do	8.49	8.15
Q33. The chance to learn something new	7.97	8.05
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II. National & International Business

New England From a Business Perspective

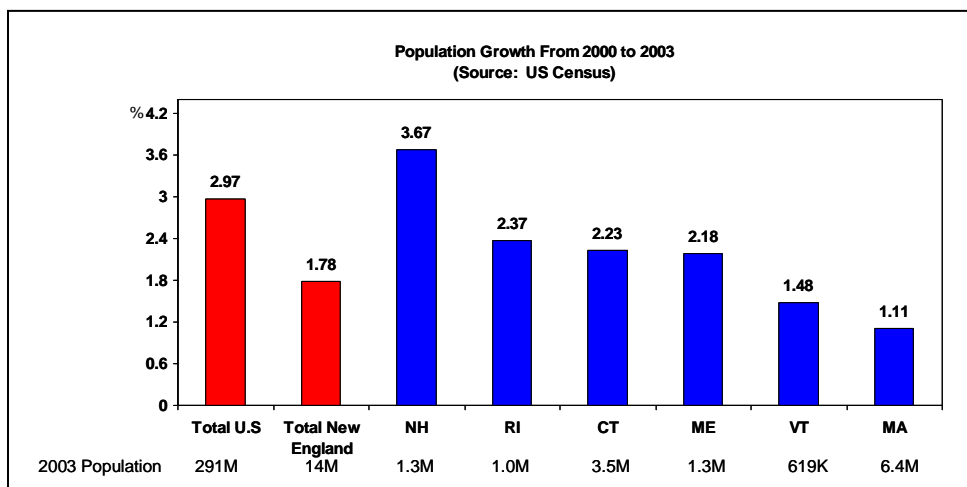
When asked what comes to mind when thinking of New England, *cold weather/snow* is most top of mind (23%) among business people, followed by *autumn/foliage* (9%) and *beautiful scenery* (8%). They are also inclined to think of the *New England Patriots* (9%), perhaps a direct result of their winning the Super Bowl during the survey period.

As a place to do business, New England collectively is rated above average (6.44) by corporate executives, who also rate the region similarly (6.30) as a place to live and work. Comparatively, international business executives rate New England lower (5.85) as a place to do business, but ranked New England a full point higher as a place to live and work (7.31) versus their national business counterparts.

Mean Score	National Business		International Business	
	To Do Business	To Live/ Work	To Do Business	To Live/ Work
New England Overall	6.44	6.30	5.85	7.31

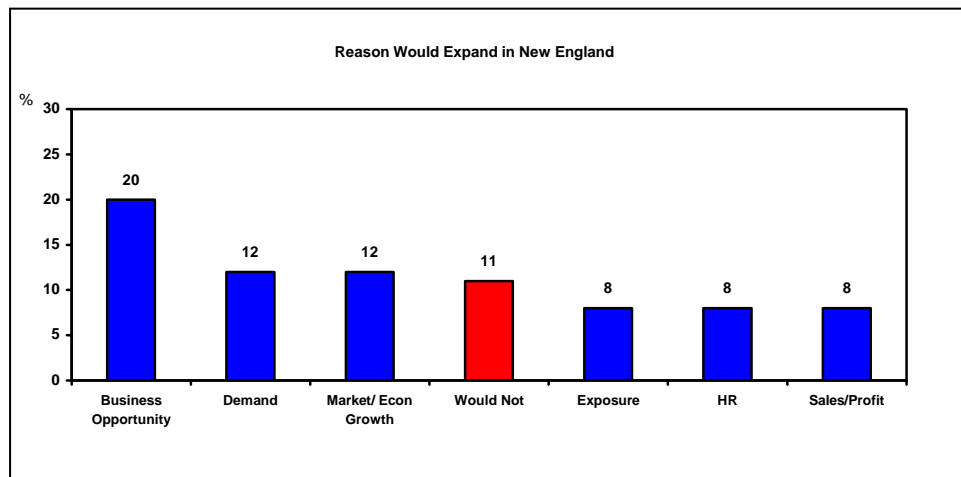
Population Trends

New England is currently home to 14 million people (or 5% of the national population) and while it has grown since 2000, it is growing at a much slower rate (+1.78%) than the national average (+2.97%). The state within the region enjoying the most growth is New Hampshire (+3.67%). The least amount of population growth in Massachusetts (+1.11%) but it is still by far the most densely populated state in the region (6.4 million residents), followed by Connecticut (3.5 million residents).



Business Considerations

When asked for the single most important reason to consider expanding a business to New England, national business people cite *business opportunity* (20%), *demand* (12%), and *market/economic growth* (12%) as key motivators. They also cite *sales/profit* (8%) as an important consideration. Collectively, a *positive financial outlook* is the most important reason why national businesses would consider an expansion to New England. Other popular mentions include *exposure* (8%) and *human resources* (8%).

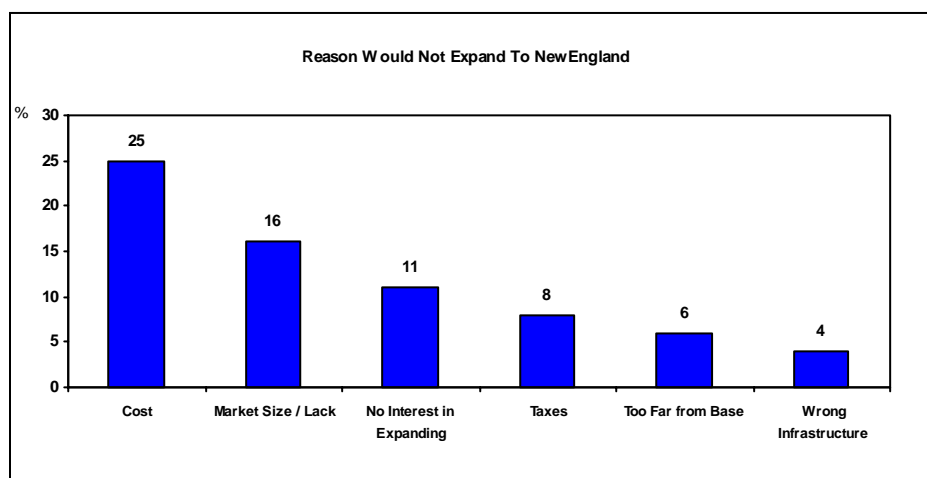


International businesses rank *demand* as the most important reason for expanding their business to New England, followed by *business opportunity*. Third, they cite *incentives*.

Queried why a national business might locate in New England, a large portion of executives (27%) volunteered that they *would not*. Those who would consider locating their business in New England cite *opportunity* (17%) and *proximity to customers* (8%) as important reasons. They further mention *sales/profit* (5%), *market expansion* (5%) and a *qualified labor force* (4%).

International executives believe *proximity to the customer*, *business opportunity* and *qualified employees* are the most important reasons why they might expand their business to New England.

Cost of doing business and *high taxes* (33%) and *lack of customers* (16%) are the greatest deterrents for national businesses for both expanding to and locating in New England. They also believe New England removes them too far from their *home base* (6%).



International executives believe that *market size/lack of customers* is the key drawback of New England, naming *cost* secondary to this.

Business Climate

When evaluating the overall business climate in New England, the national and international business community is more inclined to see New England’s business climate as *friendly to businesses* versus *unfriendly*, and *innovative* versus *behind the times*. However, they are also more likely to consider the region *costly* versus *a good value* and as having *more government regulations* versus *fewer regulations* relative to other parts of the country.

While some feel New England falls short in terms of *government regulations* and *cost of doing business*, about one-third of the sample perceive the region as on par with the rest of the country.

Perhaps speaking to their limited experience with the region, international businesses are often unsure about New England, especially when evaluating its *government regulations*, *cost of doing business*, *business climate* and *innovation*.

	New England Business Climate	
	National	Inter-national
Friendly to Business	34%	30%
Unfriendly to Business	14%	3%
Neutral to Business	35%	26%
Unsure	17%	31%

	New England Government Regulations	
	National	Inter-national
More Gov’t Regulations	30%	8%
Fewer Gov’t Regulations	4%	2%
Same as Rest of Country	38%	29%
Unsure	28%	61%

	New England Weather	
	National	Inter-national
Advantage	4%	16%
Disadvantage	54%	7%
Not an Issue	40%	63%
Unsure	3%	14%

	New England Innovation	
	National	Inter-national
Innovative	21%	21%
Behind the Times	5%	3%
On par with Rest of Country	60%	37%
Unsure	13%	39%

	New England Cost of Doing Business	
	National	Inter-national
Good Value	7%	13%
Very Costly	46%	16%
On par with Rest of Country	31%	27%
Unsure	16%	44%

Business Elements in New England – Importance & Ratings Among National Businesses

Importance and performance ratings were measured for both positive and negative dimensions. In terms of importance, the most six most important dimensions for U.S. business executives were: *taxes*, a *quality utility infrastructure*, an *educated and growing workforce*, and then *housing costs* and *energy costs*.

Overall, New England offers only one key element that business respondents identified as important when it comes to selecting a business location: *an educated workforce*. Also identified as important, but seen as low in performance, included *a growing workforce*, *quality transportation* and *utility infrastructure*, and *access to financing* and *incentives*.

Not so important to business people (but still earning high scores), New England does well in providing businesses *access to institutions of higher education*, trailed by *access to technical schools* and *available land for development*. Low importance/low performance elements for New England included *cultural and recreational opportunities*, *racial diversity* and *established industry clusters*.

Unfortunately, New England is seen as above average on all but one of the negative elements that business rate as important. Specifically, New England is seen as having above average *taxes* by more than four in ten (42%) businesses and the *cost of land* (48%) and the *health care costs* (50%) are seen as above average by near majorities. *Housing costs* – though quantifiably high in the region and seen as an important factor in the business locations – were seen relatively as on par with the rest of the country.

	Net importance*	Performance**		
		Above average	Below average	About the same
An educated workforce	84	44	1	33
A growing workforce	83	12	19	40
Access to institutions of higher	44	51	2	26
Access to technical schools	29	31	3	39
Racial diversity	34	18	12	42
A quality transportation infrastructure	69	25	12	38
A quality utility infrastructure, including high speed internet	85	20	5	47
Access to financing and funding	73	20	5	47
Established industry clusters	37	20	2	50
Incentives	64	25	6	41
Available land for development	51	31	5	36
Cultural and recreational opportunities	45	9	32	28

* (Very important + Somewhat important) - (Not too important + Not important at all)

* Above average - Below average

	Net importance*	Performance**		
		Above average	Below average	About the same
Taxes	89	42	4	25
Government regulations	79	26	7	39
The cost of land or building sites	74	48	6	18
Energy costs	82	40	5	27
Housing costs	84	7	9	45
Health care costs	79	50	8	18
Environmental regulations	50	34	4	33

* (Very important + Somewhat important) - (Not too important + Not important at all)

* Above average - Below average

Business Elements in New England – Importance & Ratings, International Businesses

Lack of awareness is a dominant theme in analyzing the data on importance and ratings among international businesses. These firms most value *an educated workforce* and *quality transportation and utility infrastructure*, elements that New England is perceived to offer among those with enough information to offer an opinion. International businesses also put much stock in cost-related offerings such as *taxes* and *government regulations*, but it is in these areas particularly that international executives do not have enough information to express an opinion about the region.

Consistent with national business executive feedback – though not rated very important and at much lower levels – New England is rated well for its *access to institutions of higher education* and *access to technical schools*.

	Net importance*	Performance**		
		Above average	Below average	About the same
An educated workforce	90	27	1	11
A growing workforce	65	4	4	21
Access to institutions of higher	15	22	1	13
Access to technical schools	16	21	2	14
Racial diversity	24	6	5	21
A quality transportation infrastructure	79	13	7	18
A quality utility infrastructure, including high speed internet	72	16	1	21
Access to financing and funding	21	14	19	66
Established industry clusters	46	16	3	16
Incentives	40	3	2	17
Available land for development	18	9	7	13
Cultural and recreational opportunities	46	24	2	11

* (Very important + Somewhat important) - (Not too important + Not important at all)

* Above average - Below average

	Net importance*	Performance**		
		Above average	Below average	About the same
Taxes	71	9	1	17
Government regulations	65	8	2	20
The cost of land or building sites	38	16	3	10
Energy costs	32	8	3	18
Housing costs	50	14	4	16
Health care costs	34	9	20	70
Environmental regulations	30	11	3	18

* (Very important + Somewhat important) - (Not too important + Not important at all)

* Above average - Below average

III. Site Selection Consultants

Site Selection Consultant View of New England

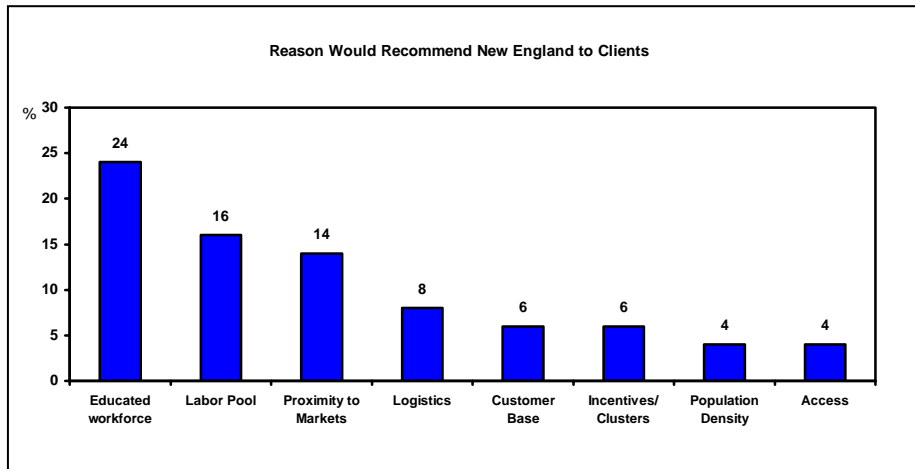
Consistent with the general public and the business community, national site selection consultants first associate natural elements with New England as nearly one in three mention environmental components. *Autumn/foilage* was the most popular mention (14%) with *cold weather/snow* (10%) and *beautiful/scenic* (8%) arising as second most topical. While *cold weather* and *snow* are to some a negative trait, a larger proportion of consultants thought of positive aspects of the environment when New England is considered.

As a place to do business, New England scores above average among site selection consultants (mean score: 5.88), roughly comparable to scores assigned by the business community. They rate New England much more strongly as a place to live and work (7.19), even higher than tourists and national executives.

Mean score	National Site Selectors	
	To Do Business	To Live/Work
New England Overall	5.88	7.19

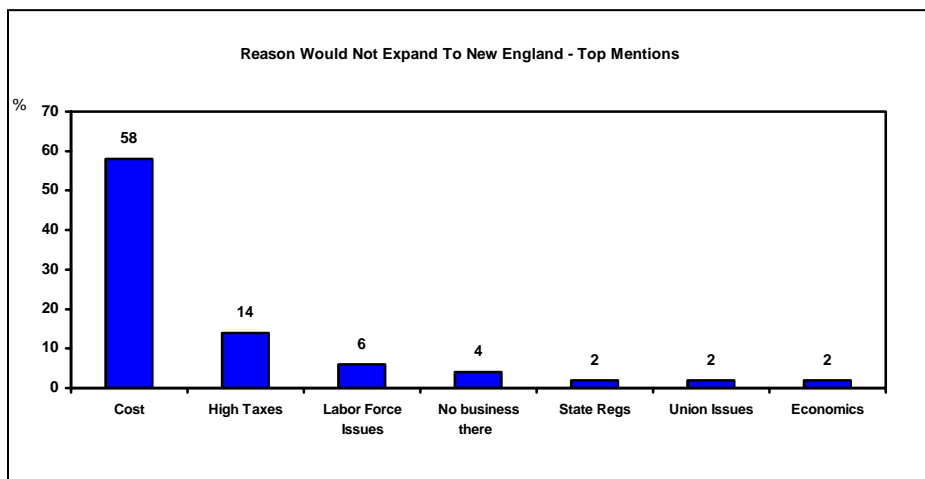
Business Consideration

When asked the single most important reason why they would recommend a business expand to New England, many felt the region offers an appealing talent pool, citing its *educated workforce* (24%) and *labor pool* (16%) as key selling points. *Location (proximity to markets)* and *logistics* form the second tier of why a consultant would propose New England for a site location.



In considering why they would recommend locating a business in New England, *educated workforce* (20%) and *access to labor markets* (18%) once again emerged as the strongest factors for consideration. Combined (38%), this was far more compelling than *proximity to markets* (22%), which was also commonly mentioned.

In asking why they would not recommend a business expand or locate to New England, *cost* surfaced as the most compelling reason (58%/57%). In line with high costs, *taxes* are the second most common reason that site consultants would not advise expanding (14%) or locating (12%) a business in New England.



Business Climate - A Site Selection Consultant Perspective

Versus the business community, site selection consultants express more confidence in their knowledge of New England when evaluating the region’s business climate. Few say they are unsure about various aspects of doing business here, including the majority who believe New England has *more government regulations* and *higher costs* versus the rest of the country. On

the plus side, they believe the region's *innovation levels* are strong or at least comparable to other parts of the country.

New England Business Climate	
Friendly to Business	18%
Unfriendly to Business	14%
Neutral to Business	60%
Unsure	8%

New England Government Regulations	
More Gov't Regulations	72%
Fewer Gov't Regulations	0%
Same as Rest of Country	20%
Unsure	8%

New England Weather	
Advantage	2%
Disadvantage	46%
Not an Issue	50%
Unsure	2%

New England Innovation	
Innovative	42%
Behind the Times	10%
On par with Rest of Country	44%
Unsure	4%

New England Cost of Doing Business	
Good Value	4%
Very Costly	66%
On par with Rest of Country	26%
Unsure	4%

Business Elements in New England – Importance & Ratings Among Site Consultants

Site consultants rate New England strongly on education-related issues: *educated workforce*, *access to institutions of higher education*, and *access to technical schools* which are all elements that are important to the consultants. They also rank the region high on recreational and cultural opportunities, though they see this as not so important when it comes to driving location decisions. New England also rates net above average on *utility infrastructure*, which is very important to the site selection consultants.

Site consultants rate New England well below average on its *growing workforce*, *incentives*, and *availability of land for development*.

As with national business executives, site consultants find New England above average in terms of costs, regulations and other negative elements. Specifically, two-thirds of site selectors rate New England above average in terms of *taxes*, which fully 100 percent of consultants identified as important.

	Net importance*	Performance**		
		Above average	Below average	About the same
An educated workforce	94	78	0	14
A growing workforce	94	6	36	48
Access to institutions of higher	90	80	0	12
Access to technical schools	86	66	2	26
Racial diversity	14	14	20	50
A quality transportation infrastructure	86	30	18	46
A quality utility infrastructure, including high speed internet	92	40	8	38
Access to financing and funding	46	38	8	42
Established industry clusters	50	44	12	30
Incentives	92	2	54	32
Available land for development	80	8	48	34
Cultural and recreational opportunities	44	68	0	22

* (Very important + Somewhat important) - (Not too important + Not important at all)

	Net importance*	Performance		
		Above average	Below average	About the same
Taxes	100	66	12	12
Government regulations	86	48	16	26
The cost of land or building sites	76	48	22	24
Energy costs	86	54	18	16
Housing costs	82	62	12	16
Health care costs	42	44	8	32
Environmental regulations	62	50	12	26

* (Very important + Somewhat important) - (Not too important + Not important at all)