



Local Business Trends Snapshot

2022 | Second Edition

The Arvada Chamber is committed to using data to support programs, resources, education, and policy shifts. This quarterly briefing will inform our strategies and support key leaders in making decisions that ensure our local economy thrives. Each quarter will feature current business pulse results, labor market data and an overview of new data that we are watching. After reports are published, we will work with key stakeholders to determine how we can positively impact the findings in the report.

SEPTEMBER 2022 TOP BUSINESS CHALLENGES

1. Cost of Goods Increasing ▲ (Change vs Q2 2022)
2. Finding Skilled Employees ▼
3. Not Enough Customers ▲
4. Supply Chain Issues ▼
5. Increasing Cost of Healthcare NEW
6. Ability to Effectively Market my Business ▼
7. Employee Mental Health and Burnout ▼
8. Recouping Lost Revenue from COVID-19 ▼



ARVADA RESILIENCY TASKFORCE

2022 ARVADA BUSINESS SUMMIT

The Arvada Resiliency Taskforce will use this data to drive the Arvada Business Summit on November 9, a half-day conference designed to tackle many of the top business challenges in Arvada.

The Summit includes a keynote titled "Recession...Or Correction?" by Patty Silverstein, President of Development Research Partners, three breakout sessions, and a lunch.

Learn more and register at arvadachamber.org/bizsummit

NATIONAL ECONOMIC OUTLOOK (U.S. CHAMBER OF COMMERCE)

The Economy Contracted in Q1 & Q2, Matching Definition of a Recession

- Q1 GDP: -1.6%
- Q2 GDP: -0.6%
- Q3 GDP (Forecast): 2.3%
- Q4 GDP (Forecast): 1.0%

Supply Chain Issues are Finally Easing

Ships at Anchor (LA and Long Beach) Monthly Average

- Dec 2021: 103
- Jan 2022: 80
- Feb 2022: 48
- Mar 2022: 42
- Apr 2022: 30
- May 2022: 23
- Jun 2022: 25

Consumer Prices Rose 9.1% Annually in June

- Jun 2021: 5.3%
- Oct 2021: 6.2%
- Feb 2022: 7.9%
- Jun 2022: 9.1%

Wages are Growing, But Inflation is Outpacing

	Wage Growth	Inflation
Jun 2021	4.0%	5.3%
Jun 2022	5.1%	9.1%

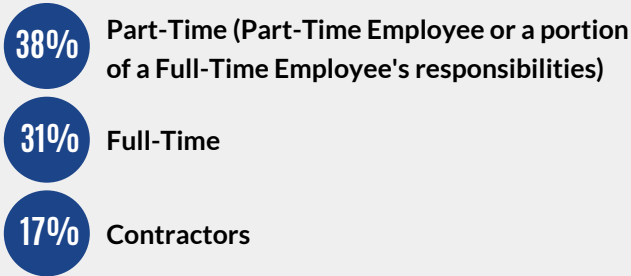
LIGHTCAST™ JEFFCO DATA | KEY TAKEAWAYS

- As of 2021, the region's population increased by 2.7% since 2016, growing by 15,550. The population is expected to increase by 2.5% between 2021 and 2026, adding 14,544.
- From 2016 to 2021, jobs increased by 2.3% in Jefferson County, CO from 264,482 to 270,666. This change outpaced the national growth rate of 1.8% by 0.5%. As the number of jobs increased, the labor force participation rate increased from 66.9% to 70.4% between 2016 and 2021.
- Concerning educational attainment, 29.7% of Jefferson County, CO residents possess a Bachelor's Degree (9.4% above the national average), and 7.7% hold an Associate's Degree (1.0% below the national average).
- The top three industries in 2021 are Restaurants and Other Eating Places, Education and Hospitals (Local Government), and Local Government, Excluding Education and Hospitals.

Marketing and Consumer Data

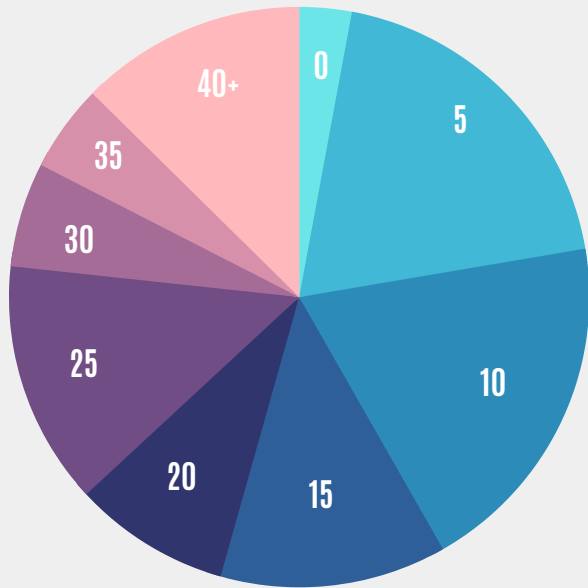
The Q3 Business Pulse Survey from the Arvada Resiliency Taskforce asked specific questions about local business' marketing resources, tactics and challenges. In this section, we pull from those responses and related data concerning business growth.

DEDICATED STAFF FOR MARKETING



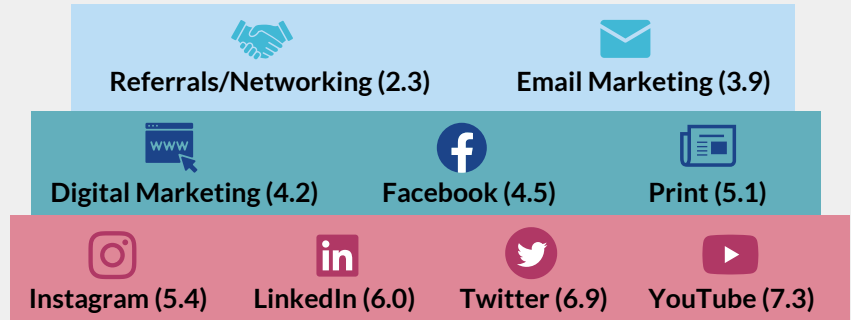
*Question unanswered by 14% of respondents.

% OF BUDGET DEDICATED TO MARKETING



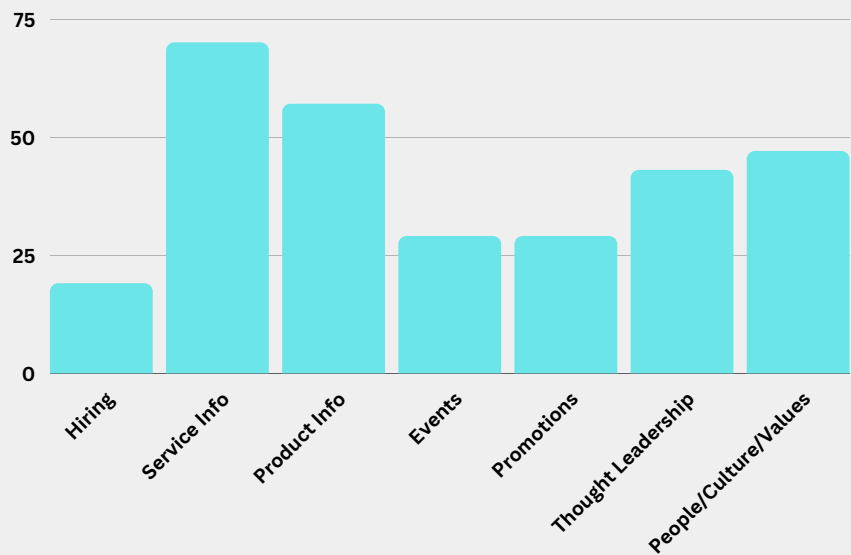
MOST EFFECTIVE MARKETING TACTICS

Rank 1-10, with 1 being the most effective. Average scores below.



MOST COMMON MESSAGES

% of respondents that answered "Frequently" or "Very Frequently."

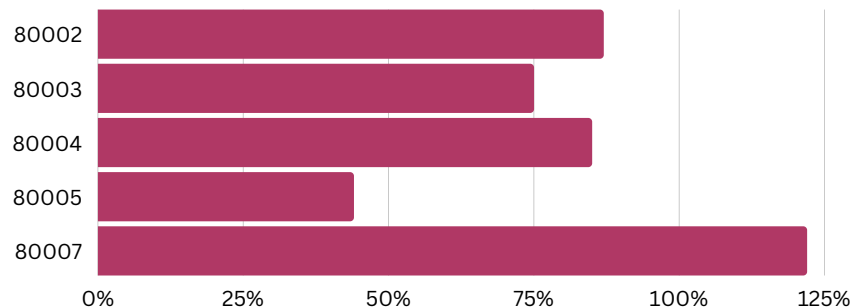


PLACER.IO FOOT TRAFFIC INSIGHTS

Arvada visitors, last six months

- Total visits: 17.8 Million
- Average income: \$89,000
- Ethnicity: 68.8% White, 3.7% Asian, 23.3% Hispanic, 4.2% African American
- Home Location by zip code: 48.9K from Broomfield (80020), 47.3K from Golden (80401), 39.8K from Denver (80221), 39.3K from Denver (80229), 36.9K from Commerce City (80022)

Arvada retail chains have experienced an 80% foot traffic recovery compared to Pre-Covid September 2019 figures. Recovery data by Arvada zip-code:



The Rising Cost of Healthcare

The increasing cost of healthcare is a new top challenge appearing quarterly business pulse survey. In this section, we unpack a series of local and national data points contributing to this issue.

THE STATE OF HEALTHCARE

According to recent data from the Kaiser Family Foundation (KFF), about 156,199,800 Americans, or **around 49 percent of the country's total population, receive employer-sponsored health insurance** (also called group health insurance). In Colorado, that number is closer to 53.4% (KFF).

U.S. employers expect healthcare costs to rise by 6% next year, after the 5% increase they've seen in 2022, according to a Willis Towers Watson (WTW) survey. Over half (54%) of the approximately 455 respondents who employ 8.2 million people say that their healthcare costs will be over budget this year.

HOW ARE EMPLOYERS RESPONDING?

8 measures employers are considering for next year to combat rising healthcare costs.

1. Structuring payroll contributions to cut costs for certain groups, such as low-wage earners (28%)
2. Offering low-deductible plans to reduce cost sharing for employees (32%)
3. Combating fraud, waste and abuse (27%)
4. Increasing funds for healthcare plans without taking money from paychecks or other benefits (20%)
5. Implementing a defined contribution strategy with a fixed dollar amount that will differ according to what tier an employee is at (41%)
6. Using employee payroll contributions as a percent of total compensation or income as the basis for benefit design decisions (13%)
7. Hiking out-of-pocket costs for the use of less efficient services or sites of service such as non-preferred labs (23%)
8. Adding or improving voluntary benefits or use vendors in cases of catastrophic events (35%)

Source: Fierce Healthcare, Willis Towers Watson, and U.S. Chamber of Commerce

ARVADA CHAMBER HEALTHCARE OFFERINGS

The Arvada Healthcare Alliance (AHA) was designed to improve local healthcare rates and access through the collective negotiating power of the Chamber. The Chamber's commitment is to identify local partnerships that will lead to Arvada having the healthiest workforce in Colorado. The AHA program currently includes options for preventative, proactive, and catastrophic care for Chamber members to offer to their employees.

Explore these benefits at arvadachamber.org/AHA



STATE OF HEALTHCARE FORUM DECEMBER 16, 2022

Hear from regional experts to learn more about trends, business challenges, and new solutions around healthcare.

Register: arvadachamber.org/events

CONCLUSION

The Arvada Chamber of Commerce, through our member services division, critical initiatives focus and continued response to the impacts of the COVID-19 pandemic, is committed to identifying, evaluating, and implementing action. This report will continue to serve as an opportunity for ALL of us to be accountable to changing trends in our community and region and consider action to improve outcomes.