



## **Interstate 10 Business Survey**

Prepared for

I-10 Corridor Improvement Study  
Stage 0 Feasibility Study  
SPN H.004100.1  
Legacy Project No. 700-17-0209

*August 19, 2015*

**LSU**

Public Policy Research Lab

## About the Public Policy Research Lab

Louisiana State University's Public Policy Research Lab (PPRL) is a research center dedicated to high quality, state-of-the-art data collection and analytics, with a special emphasis on survey research. PPRL is a joint effort of the Manship School of Mass Communication's Reilly Center for Media and Public Affairs and the College of Humanities and Social Sciences.

PPRL provides a variety of services including survey research, 'big data' analytics, social media tracking, and focus group interviews. The Lab is primarily known for its telephone survey work. PPRL has 52 computer-assisted telephone interview call stations and a corps of highly-trained, well-supervised professional callers. It is one of the largest phone survey data collection facilities in the Southeastern Conference.

The Lab is dedicated to meeting the unique goals and objectives for each project by working closely with those seeking data, research expertise, or analysis. PPRL's clients have included: the federal Center for Disease Control and Prevention, the Louisiana Department of Health and Hospitals, the Louisiana Department of Labor, Louisiana Public Broadcasting, the Mississippi-Alabama Sea Grant Consortium, and the Baton Rouge Area Foundation.

More information on previous surveys may be found at: [www.survey.lsu.edu](http://www.survey.lsu.edu)

# Executive Summary

In May and June of 2015, PPRL conducted a scientific survey of businesses located within five miles of Interstate-10 (I-10) between Lake Charles and Slidell, Louisiana, to measure perceptions of the positive and negative impacts of potential improvement projects to the Interstate in the Baton Rouge area. Results from this survey indicate:

- Businesses<sup>1</sup> value access to I-10 for its role in business operations more than any other location factor included in the survey (proximity to local residents and consumers, proximity to the interstate for drawing customers, and visibility from the interstate).
- A large share of businesses – both in the Baton Rouge area and beyond – believe an improvement project in the Baton Rouge area will have a positive impact on their own business once it is complete even though many also expect short-term negative impacts during the construction phase. Half of businesses (50%) anticipate positive impacts *once the project is completed*. A third of businesses (34%) anticipate negative impacts *during construction*, while a majority (54%) has neutral expectations for the construction phase.
- As a subset of the survey respondents, 71 percent of surveyed Baton Rouge area businesses anticipate positive impacts to their business once the project is completed.
  - 77 percent anticipate positive impacts on the local economy in the Baton Rouge area if I-10 improvements are made
  - 49 percent anticipate negative impacts to Baton Rouge corridor businesses during construction
- 92% of businesses surveyed believe that improving I-10 in Baton Rouge will be good for the state as a whole.

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<sup>1</sup> Throughout this report the term ‘businesses’ is used as shorthand for the target population of this study: Businesses within five miles of I-10 between Lake Charles and Slidell, Louisiana.

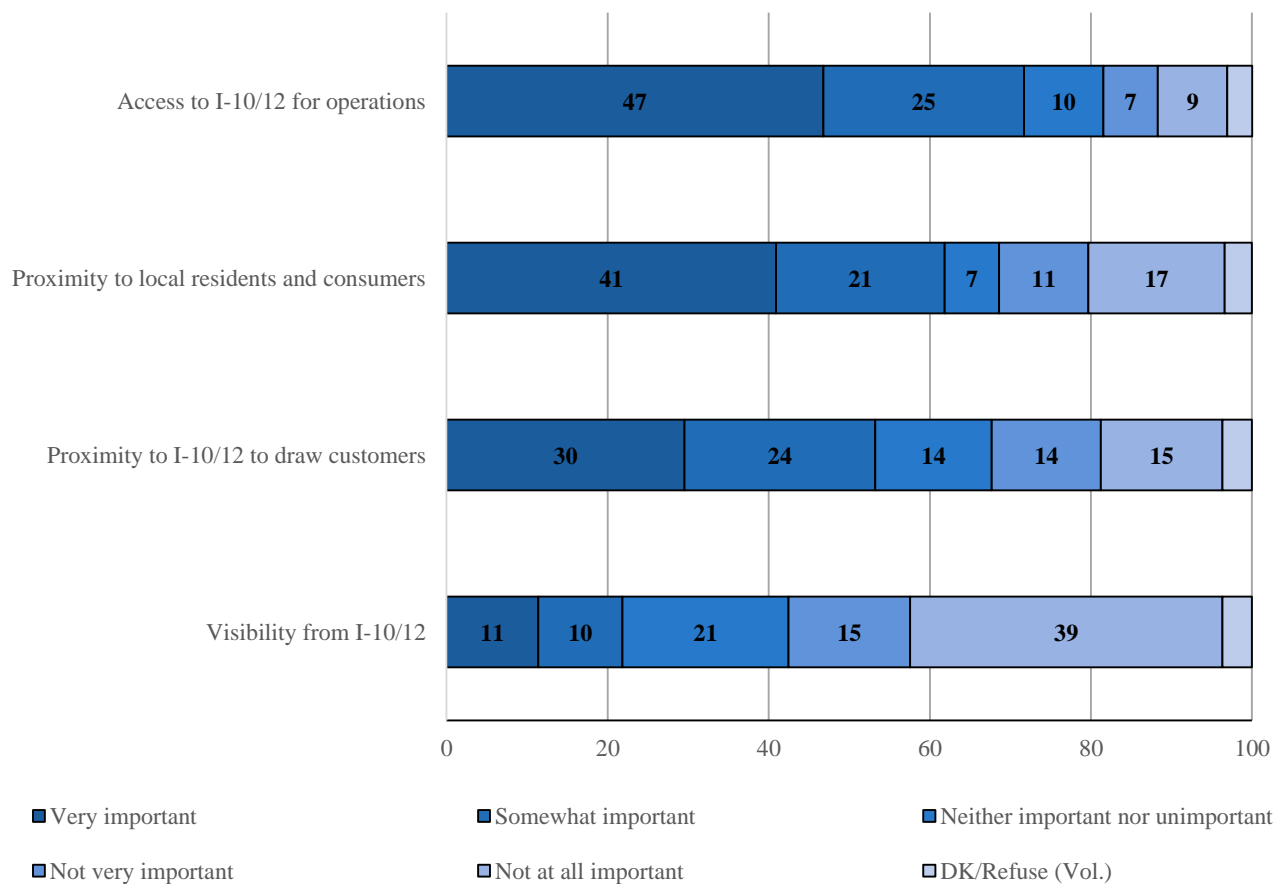
# Location Factors Businesses Consider Important

Access to the interstate for business operations is the most important aspect of business location among those considered in this survey. In order to establish an understanding of why businesses might be interested in the potential impacts of an interstate improvement project, the survey included a battery of questions asking them to rate the importance of four factors related to location (Q5a-Q5d): Proximity to local residents and consumers, proximity to the interstate to draw customers, visibility from the interstate, and access to the interstate for business operations.

Nearly three fourths of businesses (72%) rated access to the interstate either “very important” or “somewhat important” (Figure 1). The share offering the same ratings for proximity to local residents and consumers is ten percentage points less (62%). The share rating proximity to the interstate for drawing customers as important is smaller still (54%). Visibility from the interstate has the smallest share rating it as “very important” or “somewhat important” for their business (21%).

**Figure 1: Access to Interstate for Business Operations is Most Important Location Factor**

Percentage response frequencies when asked how important each item is for respondent's business



SOURCE: Interstate-10 Improvement Study: Business Survey

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The characteristics of businesses that are associated with each of these location considerations include:

- For how important businesses consider proximity to local residents and consumers (Q5a) include:
  - Sector: Substantial shares of businesses in the hospitality industry (78%) and general retail or automotive services (71%) report that proximity to local residents and consumers is “very important”. It is much less of a priority for professional services (39%), construction or specialized contracting businesses (22%), and other businesses (28%).<sup>2</sup>
  - Customer service area: Business who primarily serve their local surroundings (70%) or metro areas (48%) prioritize proximity to these local customers more than businesses that serve customers across southeastern U.S. (19%) or across the nation and globe (26%).
  - Distance of employees’ commute: A majority of businesses whose employees commute from within the local surroundings prioritize proximity to local residents and customers as “very important” (51%), while only about a third of businesses (34%) whose employees have longer commutes do.
  - Location type: Single location enterprises and branch facilities emphasize proximity to customers more than headquarter locations.
  
- For how important businesses consider proximity to the interstate to draw customers (Q5b) include:
  - Sector: Businesses in the hospitality industry and in general retail or automotive services place the highest priority on proximity to the interstate corridor for attracting customers.
  
- For how important businesses consider visibility from the interstate (Q5c) include:
  - None
  
- For how important businesses consider access to the interstate for operations (Q5d) include:
  - Sector: Businesses involved in construction or specialized contracting are the most likely to report that proximity to the interstate is “very important” for carrying out business operations (63%).
  - Number of employees: Larger businesses (measured in number of employees) prioritize proximity to the interstate for carrying out operations more than smaller businesses.
  - Customer service area: Businesses that serve customers across multiple states emphasize access to the interstates for operations more than businesses that serve local areas.
  - Distance of employees’ commute: Businesses whose employees commute longer distances emphasize use of the interstate for operations more than businesses with shorter commutes for employees.

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<sup>2</sup> For more details, see Detailed Tables. Associations are based on customary thresholds of statistical significance. Because many subgroups include relatively few businesses in the sample, the margins of error tend to be high and increase the difficulty of precisely estimating relationships. Therefore, a lack of a statistical association in these data may reflect either the true nonexistence of a relationship or the limited capacity to statistically identify true relationships due to small sample sizes. For further details about the direction and magnitude of specific relationships consult the Detailed Tables.

# Expected Impacts

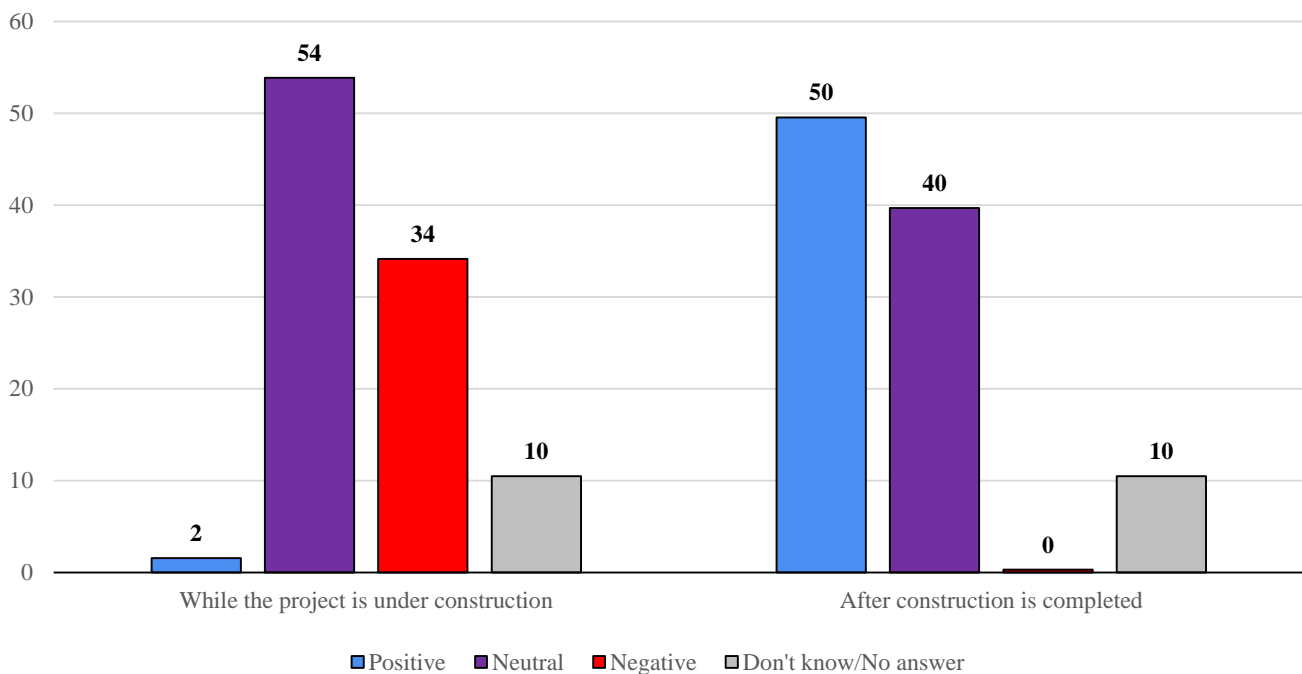
## Overall Impacts During and After Construction

Many businesses see a long-term benefit to an improvement project in the Baton Rouge area even though short-term negative impacts are expected during construction. Respondents were asked to express in their own words how an improvement project might impact them both while the project is under construction and once the project is completed. We coded the valence of these open-ended responses as positive, negative, or neutral. Responses were coded as neutral if they either indicated no impact or included both positive and negative comments.

Few business expect to see any positive impacts during the construction phase of an improvement project. Instead, most (54%) anticipate a neutral impact and a third (34%) anticipate a negative impact (Figure 2). Anticipation of negative impacts during construction does not necessarily mean these businesses oppose an improvement project however. In fact, 82% of the businesses that expect a negative impact *while the project is under construction* go on to say the impact will be positive *once it is complete*. Overall, when businesses consider impacts after construction is complete, half of business expect a positive impact.

**Figure 2: More See Positive Impacts Once Construction is Completed**

% of open-ended responses coded into each valence category



SOURCE: Interstate-10 Improvement Study: Business Survey  
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Among the factors associated with the valence of these open-ended responses, one stands out as particularly important: Geographic location. Relative to businesses elsewhere, those located in the Baton Rouge area (i.e. East Baton Rouge Parish or an adjacent parish) are much more likely to say an

improvement project will have a negative impact during construction (49%) and to say it will have a positive impact after completion (71%).

Additional characteristics of businesses that are associated with the valence of responses to these open-ended items include:

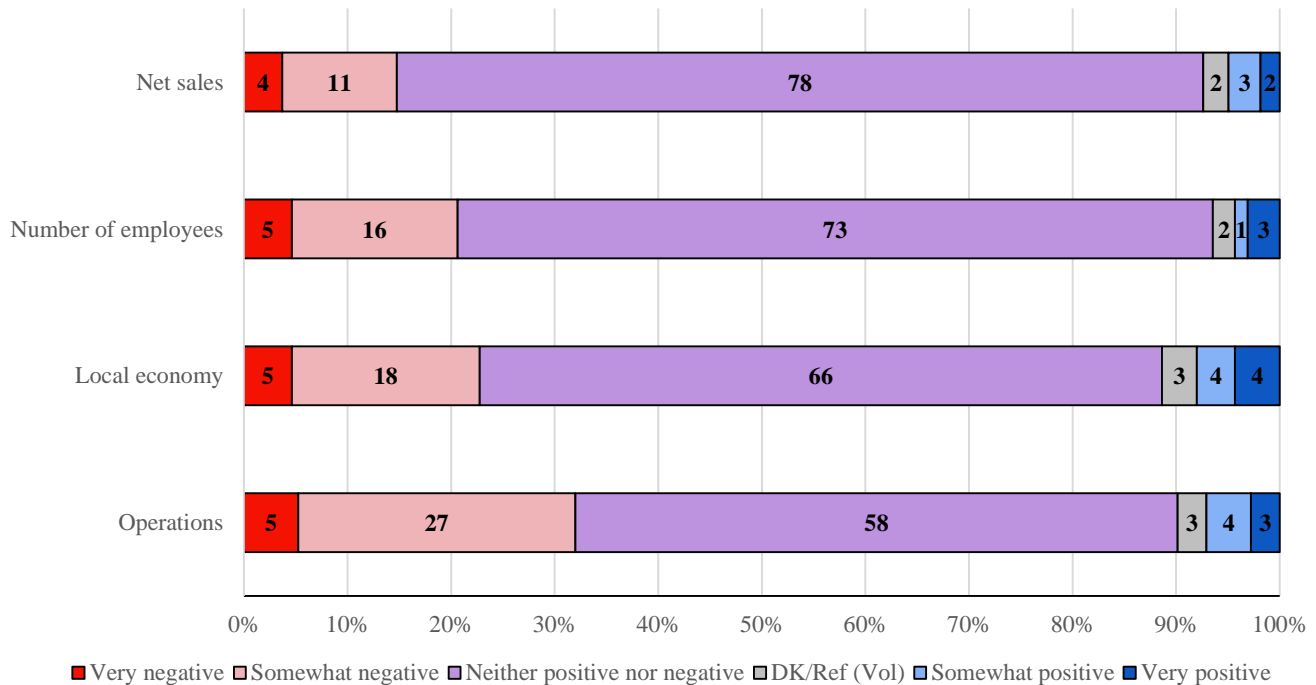
- For responses to the question about impacts while the project is under construction (Q8) include:
  - Customer service area: More businesses that serve customers across the southeastern region (53%) or across the nation and world (47%) named negative impacts than did businesses that serve customers in their local (23%) or metro areas (27%).
  - Distance of employees' commute: Fewer businesses with employees who live closer to work anticipate negative impacts during construction (29%) than businesses whose employees must commute longer distances (41%).
  
- For responses to the question about impacts once the project is completed (Q10) include:
  - Gross sales for 2014: Larger businesses (measured in gross sales) anticipate more positive impacts after construction than smaller businesses.
  - Number of employees: Larger businesses (measured in number of employees) anticipate more positive impacts after construction than smaller businesses.
  - Customer service area: Businesses that serve the southeastern region of the U.S. anticipate more positive impacts than business that primarily serve either their local or metro areas.

### Impacts on Specific Dimensions While Under Construction

Respondents also evaluated the expected impact of an improvement project on specific dimensions of their business: The number of employees; net sales; operations; and the local economy. When considering impacts during the construction phase of an improvement project, majorities anticipate neither positive nor negative impacts for each of these dimensions (Figure 3).

**Figure 3: Most See Neutral Impact While Project Under Construction**

% saying impact of improvement project will be \_\_ while the project is under construction



SOURCE: Interstate-10 Improvement Study: Business Survey  
Public Policy Research Lab

With the exception of net sales, geography once again plays an important role. More businesses in the Baton Rouge area than elsewhere anticipate *negative* impacts on the number of employees (36%), the local economy (34%), and operations (45%).

Additional characteristics of businesses that are associated with the valence of responses to these items include:

- For anticipated impacts on number of employees while a project is under construction include (Q9a):
  - Distance of employees' commute: Businesses that draw their employees from wider areas are more likely to anticipate negative impacts during construction than businesses where employees commute from local surroundings.
- For anticipated impacts on net sales while a project is under construction include (Q9b):
  - None



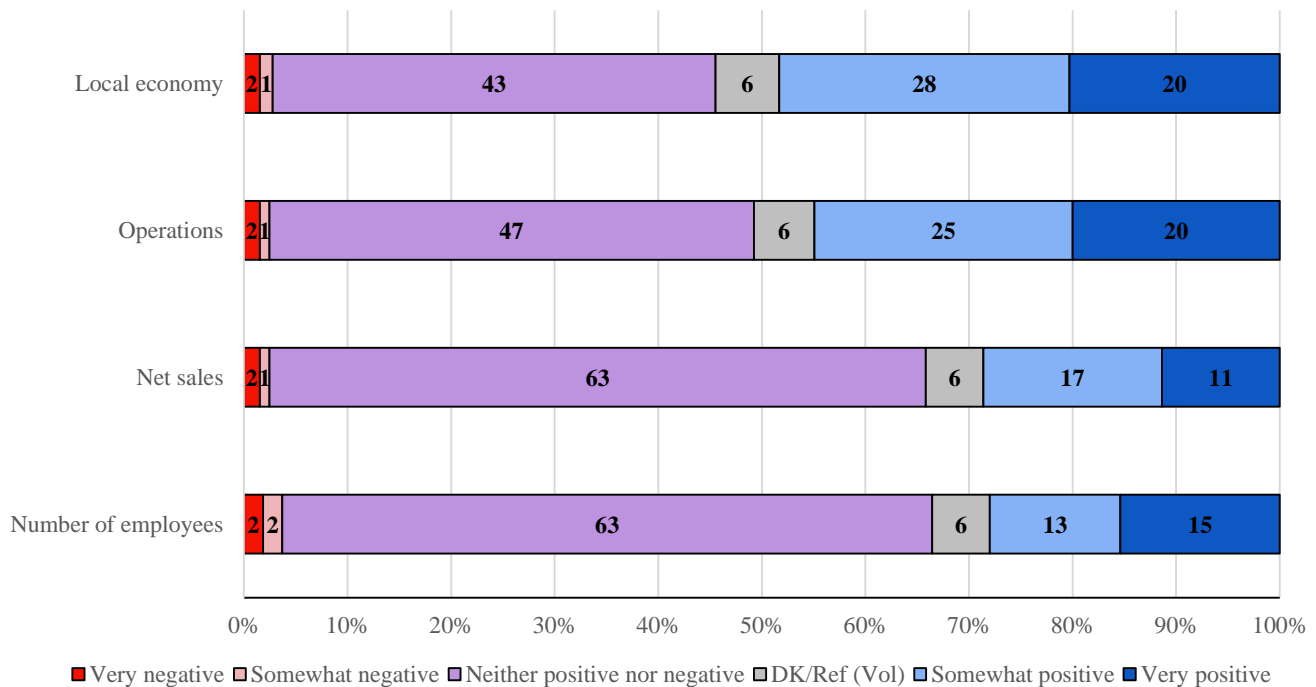
- For anticipated impacts on operations while a project is under construction include (Q9c):
  - Customer service area: Businesses that serve customers from wider areas are less likely to anticipate neutral impacts during construction (i.e., they are more likely to take a side) than businesses who serve customers closer to their location.
  - Distance of employees' commute: Businesses where employees have shorter commutes are less likely to anticipate neutral impacts during construction during construction than businesses where employees commute from local surroundings.
  
- For anticipated impacts on number of employees while a project is under construction include (Q9d):
  - None

## Impacts on Specific Dimensions after Completion

When considering impacts once an improvement project is complete, very few businesses anticipate negative impacts for any of the dimensions (Figure 4). Nearly half anticipate an improvement project will have positive impacts on the local economy (48%) and their business operations (45%). In no case, does the share expecting a negative impact rise above 4%.

**Figure 4: More Positive Impacts Expected Once Project is Completed**

% saying impact of improvement project will be \_\_ once the project is completed



SOURCE: Interstate-10 Improvement Study: Business Survey  
Public Policy Research Lab

Again, geography is significant. More businesses in the Baton Rouge area anticipate *positive* impacts on the local economy (77%), operations (70%), net sales (44%), and number of employees (51%). In short, businesses located in the Baton Rouge area are the most *optimistic* about the impact of an improvement project in the Baton Rouge area once complete, despite being the most *pessimistic* about its impact during construction.

Additional characteristics of businesses that are associated with the valence of responses to these items include:

- For anticipated impacts on number of employees after completion include (Q11a):
  - Gross sales for 2014: Larger businesses (measured in gross sales) are much more likely to anticipate a positive impact on number of employees than smaller businesses.
  - Number of employees: Larger business (measured in number of employees) are much less likely to anticipate neutral impacts than smaller businesses.

- Distance of employees' commute: Businesses whose employees have to commute further are much more likely to anticipate positive impacts on number of employees than businesses whose employees commute locally.
- For anticipated impacts on net sales after completion include (Q11b):
  - Sector: More businesses in the hospitality industry (50%) and the construction or contracting (44%) anticipate positive impacts on net sales than businesses in general retail (26%), professional services (11%), or other industries (23%).
  - Number of employees: Businesses with 20 or more employees are more likely to anticipate positive impacts on net sales than businesses with 19 or fewer employees.
- For anticipated impacts on operations after completion include (Q11c):
  - Sector: Businesses in construction or specialized contracting services are the most likely to anticipate positive impacts on operations (63% say either "somewhat positive" or "very positive"), while businesses involved in professional services, general retail, and the hospitality industry are less likely to anticipate positive impacts on operations (37%, 35%, and 30% respectively).
  - Gross sales for 2014: Larger businesses (measured in gross sales) are much more likely to anticipate a positive impact on operations than smaller businesses.
  - Number of employees: Businesses with 20 or more employees are more likely to anticipate positive impacts on operations than businesses with 19 or fewer employees.
  - Customer service area: Businesses with regional, national, or international customer service areas anticipate more positive impacts on operations than businesses who serve customers in their own local or metro areas.
  - Distance of employees' commute: Businesses whose employees have to commute further are much more likely to anticipate positive impacts on operations than businesses whose employees commute locally.
- For anticipated impacts on the local economy after completion include (Q11d):
  - Intentions to relocate in near future: Businesses that are "very likely" or "somewhat likely" to relocate in the near future anticipate more positive impacts on the local economy than those businesses with no plans to move.

### **Impact on State as a Whole**

Finally, a substantial majority of businesses (92%) expect that improving I-10 in Baton Rouge will be good for the state as a whole. None of the background characteristics of businesses observed in this survey (e.g., geographic location, size, sector, etc.) is associated with responses to this question. In other words, substantial majorities across all varieties of businesses foresee good effects for the state as a whole stemming from improvements to the interstate in Baton Rouge.

# Survey Methodology

This report is based on a sample of 325 businesses located within five miles of I-10 between Lake Charles, and Slidell, Louisiana. PPRL obtained a sample from Marketing Systems Group (MSG), which maintains a sampling frame based on the Dun and Bradstreet quarterly-updated database of all businesses that apply for credit. An initial sample of 2,000 businesses were randomly drawn from this list of businesses located in the specified geographic area.

Records in the sample include name, address, and telephone number of each business. In May 2015, PPRL sent each business in the initial sample an introductory letter inviting them to participate in the survey either online or by mail. The introductory letter included a link where the survey could be completed online and a unit-specific passcode to prevent multiple completions by the same business. The letter also included a paper copy of the survey and a pre-paid return envelope. Two weeks after the initial mailing, PPRL sent reminder post cards to all members of the initial sample that had yet to complete the survey online or return a paper survey. Three and half weeks after the initial mailing, PPRL began calling members of the initial sample who had not yet completed the survey by either mode in order to administer it over the telephone.

In all, 166 business completed the survey by mail, 93 completed it over the telephone, and 66 completed it online. The total final sample of 325 businesses has a 16.25% response rate. This response rate is within the range of what national survey research organizations such as Gallup and the Pew Research Center have reported for general population surveys.

The overall sample has an overall margin of error of +/- 5.44 percentage points. The margin of error will be larger for subgroups within this sample (see MOE column in Detailed Tables).

In addition to sampling error, as accounted for through the margin of error, readers should recognize that questions wording and practical difficulties in conducting surveys can introduce error or bias into the findings of opinion polls.

# Survey Questionnaire & Toplines

NOTE: Percentages may not sum to 100 due to rounding.

Q1a. What is the name of your business?

[OPEN ENDED]

Q1b. What is the street address of your business?

[OPEN ENDED]

Q2. How long has your business been in its current location?

|                             |    |
|-----------------------------|----|
| Less than a year            | 2  |
| 1-2 years                   | 2  |
| 3-5 years                   | 9  |
| 6-10 years                  | 17 |
| 11-20 years                 | 24 |
| More than 20 years          | 46 |
| Don't Know / Refused (Vol.) | 1  |

Q3. Have you spent any money on expansion or renovation in the past five years?

|                             |    |
|-----------------------------|----|
| Yes                         | 70 |
| No                          | 29 |
| Don't Know / Refused (Vol.) | 1  |

Q4. How likely is it that you will relocate your business within the next couple of years?

|                             |    |
|-----------------------------|----|
| Very likely                 | 6  |
| Somewhat likely             | 6  |
| Not very likely             | 25 |
| Not likely at all           | 62 |
| Don't Know / Refused (Vol.) | 1  |

Q5a. When it comes to your current location, how important are the following items to your business ...  
Proximity to local residents and consumers?

|                                   |    |
|-----------------------------------|----|
| Not at all important              | 17 |
| Not very important                | 11 |
| Neither important nor unimportant | 7  |
| Somewhat important                | 21 |
| Very important                    | 41 |
| Don't Know / Refused (Vol.)       | 3  |

Q5b. Proximity to the Interstate-10/12 corridor to draw customers?

|                                   |    |
|-----------------------------------|----|
| Not at all important              | 15 |
| Not very important                | 14 |
| Neither important nor unimportant | 14 |
| Somewhat important                | 24 |
| Very important                    | 30 |
| Don't Know / Refused (Vol.)       | 3  |

Q5c. Visibility from the Interstate-10/12 corridor?

|                                   |    |
|-----------------------------------|----|
| Not at all important              | 39 |
| Not very important                | 15 |
| Neither important nor unimportant | 21 |
| Somewhat important                | 10 |
| Very important                    | 11 |
| Don't Know / Refused (Vol.)       | 4  |

Q5d. Access to the Interstate-10/12 corridor for business operations?

|                                   |    |
|-----------------------------------|----|
| Not at all important              | 9  |
| Not very important                | 7  |
| Neither important nor unimportant | 10 |
| Somewhat important                | 25 |
| Very important                    | 47 |
| Don't Know / Refused (Vol.)       | 3  |

Q6. Which of the following best describes the customer service area of your business?

|   |    |
|---|----|
| The local neighborhoods surrounding your business           | 5  |
| The local town or city in which your business resides       | 15 |
| The larger metropolitan area in which your business resides | 39 |
| The southern or southeastern region of the U.S.             | 23 |
| The U.S. overall  | 9  |
| Global  | 6  |
| Don't Know / Refused (Vol.)                                 | 3  |

Q7. Where do most of the employees at this location commute from?

|  |    |
|--|----|
| The local neighborhoods surrounding your business                | 8  |
| The local town or city in which your business resides            | 39 |
| From surrounding towns or parishes or other regions of the state | 49 |
| Don't Know / Refused (Vol.)                                      | 4  |

Q8. Once complete, a project to improve the Interstate-10 corridor would reduce congestion, improve traffic flow and safety, and improve travel time reliability. In your own words, how would an I-10 improvement project in Baton Rouge affect your business while the project is under construction?

[OPEN ENDED]

Coded values:

|                      |    |
|----------------------|----|
| Positive             | 2  |
| Neutral              | 54 |
| Negative             | 34 |
| Don't Know / Refused | 11 |

Q9a. Imagine there is an Interstate-10 improvement project going on in Baton Rouge. Please rate, on a scale of 1 to 5, where 1 is very negative and 5 is very positive, what effect such a project would have on the following aspects of your business while the project is under construction... The number of employees (at your location)?

|                               |    |
|-------------------------------|----|
| Very negative                 | 5  |
| Somewhat negative             | 16 |
| Neither positive nor negative | 73 |
| Somewhat positive             | 1  |
| Very positive                 | 3  |
| Don't Know / Refused (Vol.)   | 2  |



Q9b. Net sales (at your location)?

|                               |    |
|-------------------------------|----|
| Very negative                 | 4  |
| Somewhat negative             | 11 |
| Neither positive nor negative | 78 |
| Somewhat positive             | 3  |
| Very positive                 | 2  |
| Don't Know / Refused (Vol.)   | 2  |

Q9c. Operations of your business?

|                               |    |
|-------------------------------|----|
| Very negative                 | 5  |
| Somewhat negative             | 27 |
| Neither positive nor negative | 58 |
| Somewhat positive             | 4  |
| Very positive                 | 3  |
| Don't Know / Refused (Vol.)   | 3  |

Q9d. The local economy where your business resides?

|                               |    |
|-------------------------------|----|
| Very negative                 | 5  |
| Somewhat negative             | 18 |
| Neither positive nor negative | 66 |
| Somewhat positive             | 4  |
| Very positive                 | 4  |
| Don't Know / Refused (Vol.)   | 3  |

Q10. After construction is completed, how would improvements to Interstate-10 in Baton Rouge affect your local business?

[OPEN ENDED]

|                      |    |
|----------------------|----|
| Coded values:        |    |
| Positive             | 50 |
| Neutral              | 40 |
| Negative             | 0  |
| Don't Know / Refused | 10 |

Q11a. Imagine that a project to improve traffic flow on Interstate-10 in Baton Rouge has been completed. Please rate, on a scale of 1 to 5, where 1 is very negative and 5 is very positive, what effect such a project would have on your business once the project is completed: The number of employees (at your location)?

|                               |    |
|-------------------------------|----|
| Very negative                 | 2  |
| Somewhat negative             | 2  |
| Neither positive nor negative | 63 |
| Somewhat positive             | 13 |
| Very positive                 | 15 |
| Don't Know / Refused (Vol.)   | 6  |

Q11b. Net sales (at your location)?

|                               |    |
|-------------------------------|----|
| Very negative                 | 2  |
| Somewhat negative             | 1  |
| Neither positive nor negative | 63 |
| Somewhat positive             | 17 |
| Very positive                 | 11 |
| Don't Know / Refused (Vol.)   | 6  |

Q11c. Operations of your business?

|                               |    |
|-------------------------------|----|
| Very negative                 | 2  |
| Somewhat negative             | 1  |
| Neither positive nor negative | 47 |
| Somewhat positive             | 25 |
| Very positive                 | 20 |
| Don't Know / Refused (Vol.)   | 6  |

Q11d. The local economy where your business resides?

|                               |    |
|-------------------------------|----|
| Very negative                 | 2  |
| Somewhat negative             | 1  |
| Neither positive nor negative | 43 |
| Somewhat positive             | 28 |
| Very positive                 | 20 |
| Don't Know / Refused (Vol.)   | 6  |

Q12. Regardless of the effect on your business, do you think improving Interstate-10 in Baton Rouge will be good or bad for the state as a whole?

|                |    |
|----------------|----|
| Good           | 92 |
| Bad            | 1  |
| Don't Know     | 2  |
| Refused (Vol.) | 6  |

[ASK Q13 IF ANSWERED 'Good' or 'Bad' TO Q12]

Q13. Why?

[OPEN ENDED]

Q14. Which of the following best describes your position at this business?

|                             |    |
|-----------------------------|----|
| Owner/President/CEO         | 33 |
| Vice President/CFO          | 12 |
| Manager/Director            | 37 |
| Other, please specify       | 13 |
| Don't Know / Refused (Vol.) | 5  |

Q15. Which of the following best describes this business?

|                             |    |
|-----------------------------|----|
| Single location             | 51 |
| Branch facility             | 13 |
| Headquarters                | 29 |
| Other, please specify       | 4  |
| Don't Know / Refused (Vol.) | 3  |

Q16. How many employees work for your business at this location?

|                             |    |
|-----------------------------|----|
| 1 to 4                      | 4  |
| 5 to 9                      | 8  |
| 10 to 19                    | 17 |
| 20 to 49                    | 43 |
| 50 to 99                    | 16 |
| 100 or more                 | 9  |
| Don't Know / Refused (Vol.) | 4  |

Q17. Which of the following best represents your company's gross sales or revenues for 2014?

|                               |    |
|-------------------------------|----|
| Under \$500,000               | 4  |
| \$500,000 - \$1,000,000       | 8  |
| \$1 million - \$2.9 million   | 21 |
| \$3 million - \$4.9 million   | 12 |
| \$5 million - \$9.9 million   | 12 |
| \$10 million - \$24.9 million | 15 |
| \$25 million - \$49.9 million | 6  |
| \$50 million - \$99 million   | 2  |
| \$100 million - \$499 million | 4  |
| \$500 million - \$999 million | 0  |
| \$1 billion or more           | 1  |
| Don't Know / Refused (Vol.)   | 15 |



Q18. Which industry best describes your business (please choose only one)?

|  |    |
|--|----|
| Retail (Grocery, Department Store, Video Rental, etc.)               | 7  |
| Manufacturing (Electronics, Fabrication, Assembly, etc.)             | 7  |
| Construction and Specialized Trade Contracting                       | 17 |
| Professional Services (Legal, Engineering, Financial, Medical, etc.) | 18 |
| Hospitality Services (Restaurant, Hotel, Casino, etc.)               | 12 |
| Automotive Services (Dealerships, Auto Repair, etc.)                 | 3  |
| Civic/Public (City, Parish, State, Federal, etc.)                    | 2  |
| Non-Profit (Church, Charity, etc.)                                   | 3  |
| Education (Public and Private)                                       | 3  |
| Other, please specify  | 25 |
| Don't Know / Refused (Vol.)  | 5  |