



State of the Economy

01.09.25

Survey Results

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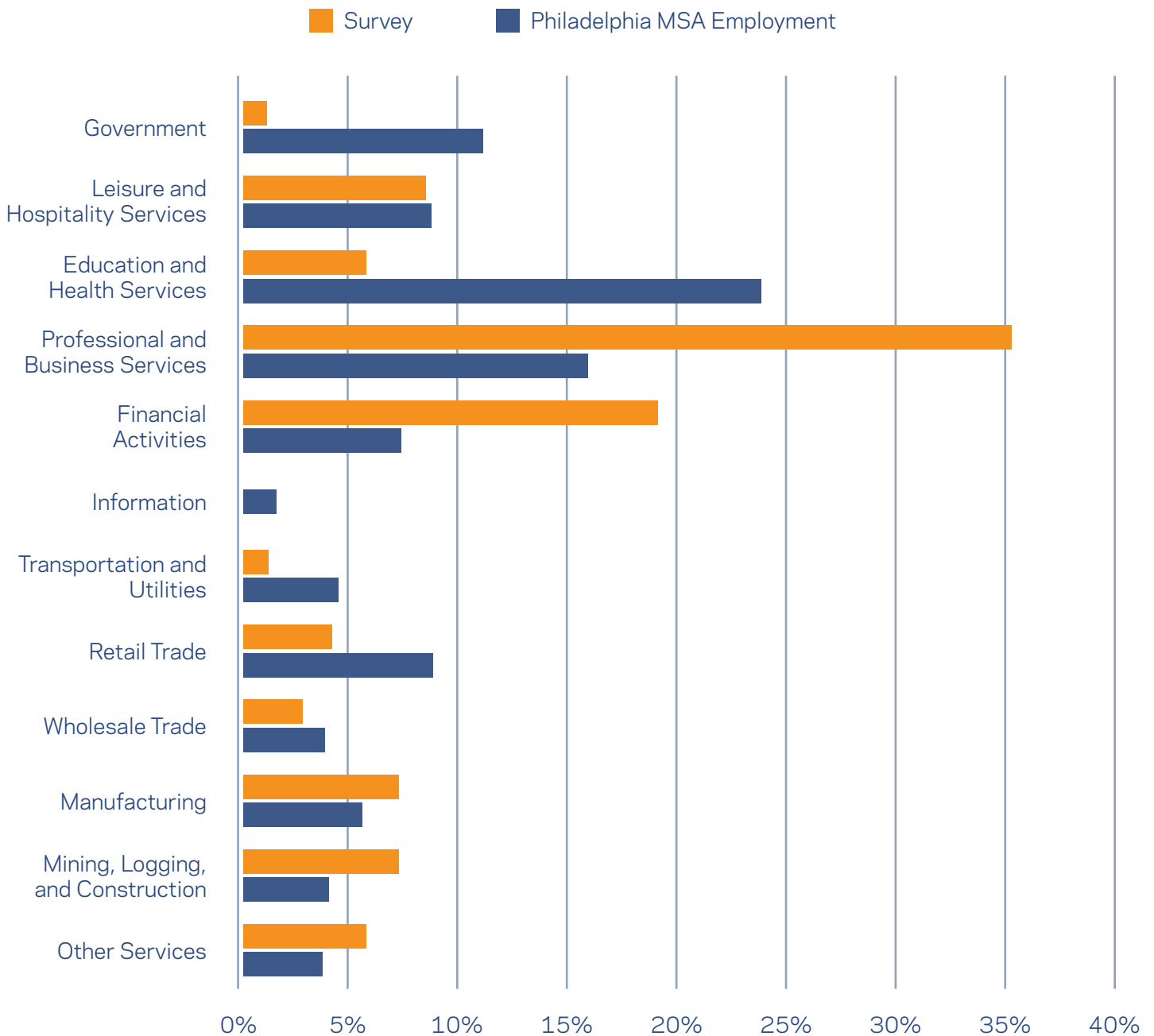
Survey Results

Conducted by the
Federal Reserve Bank of Philadelphia
from November 7 - 25, 2024



Survey Demographics

Respondent Distribution — Sector



- Conducted from November 7 - 25, 2024.
- Other Services is an official BLS designation for any industry in NAICS code 81.



- Philadelphia MSA Employment, source: BLS via Haver Analytics.
- Responses received from 69 respondents.



Survey Methodology

We asked respondents:

What is your assessment of changes in business conditions in the following areas?

Areas of Interest

- The Region
- Your Company
- New Orders
- Sales or Revenues
- Prices Paid
- Prices Received
- Number of Employees
- Wage and Benefits Costs
- Capital Expenditures
- Headcount Changes
- Difficulty Hiring Workers
- Reasons for Losses
- Plans for Physical Operations

(Looking back on 2024 compared with 2023 and looking ahead to 2025 compared with 2024)

Respondents indicated their assessment by ranking change as Higher, Same, or Lower based on results comparing 2024 to 2023 and their projections comparing 2024 to 2025.

The following presents the findings from the survey administered from November 7 - 25, 2024.

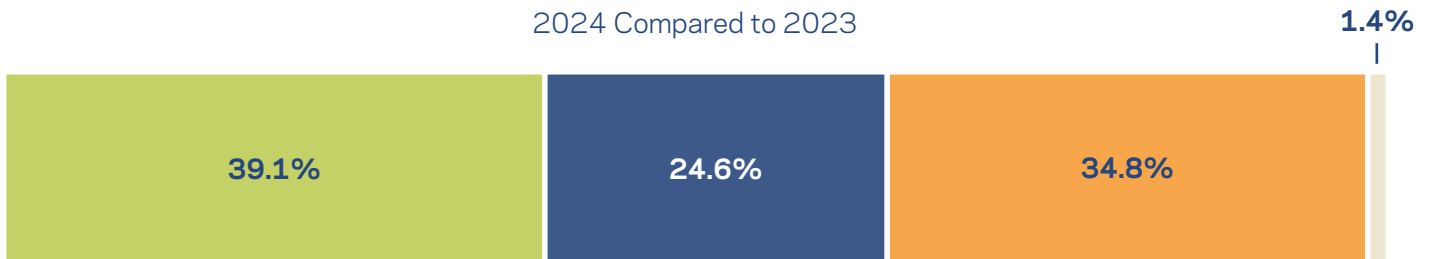


Survey Response

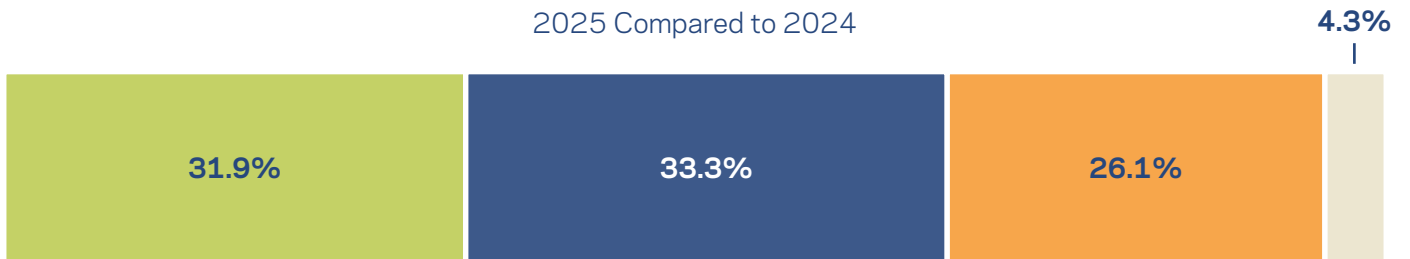
We asked respondents:
What is your assessment of changes in business conditions?

For the Region

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response



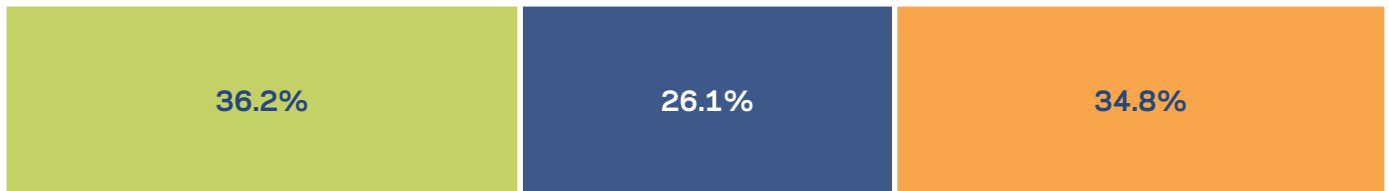
Source: Philadelphia Fed Survey Results

Survey Response

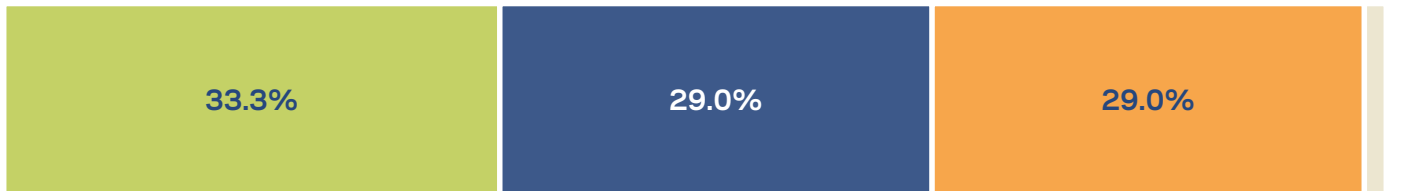
We asked respondents:
What is your assessment of changes in business conditions?

For Your Company

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response



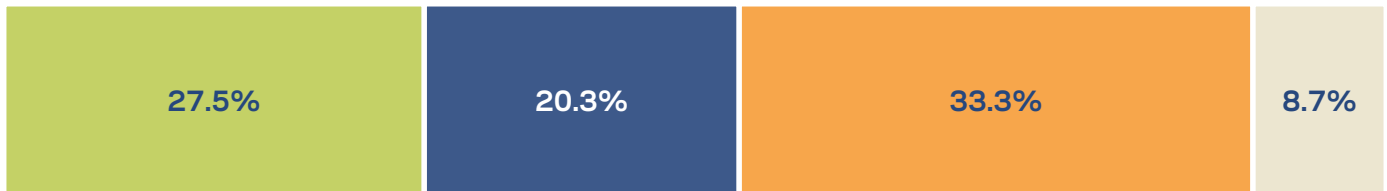
Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

New Orders

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response



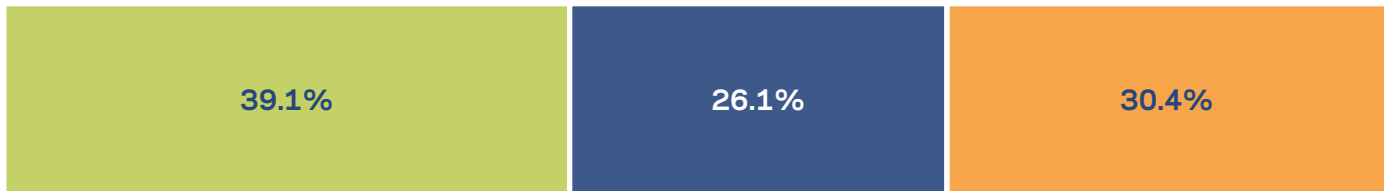
Source: Philadelphia Fed Survey Results

Survey Response

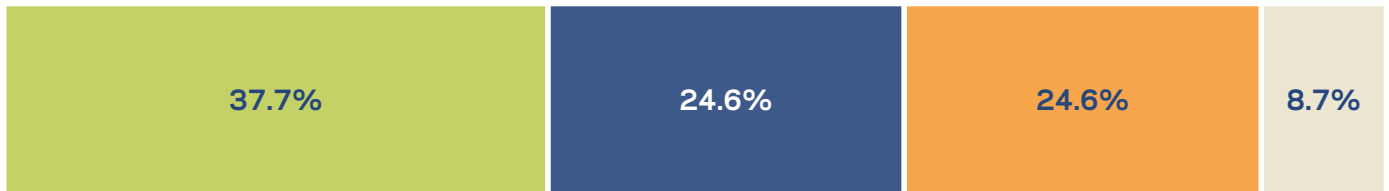
We asked respondents:
What is your assessment of changes in business conditions?

Sales or Revenues

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response



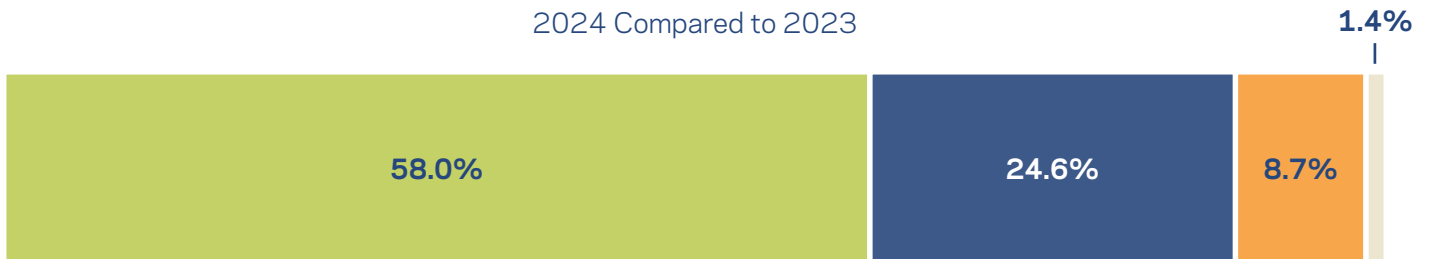
Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Prices Paid

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response

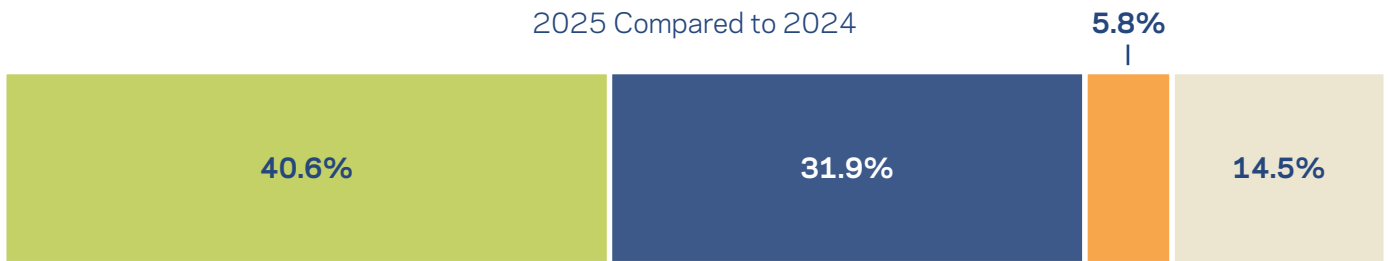
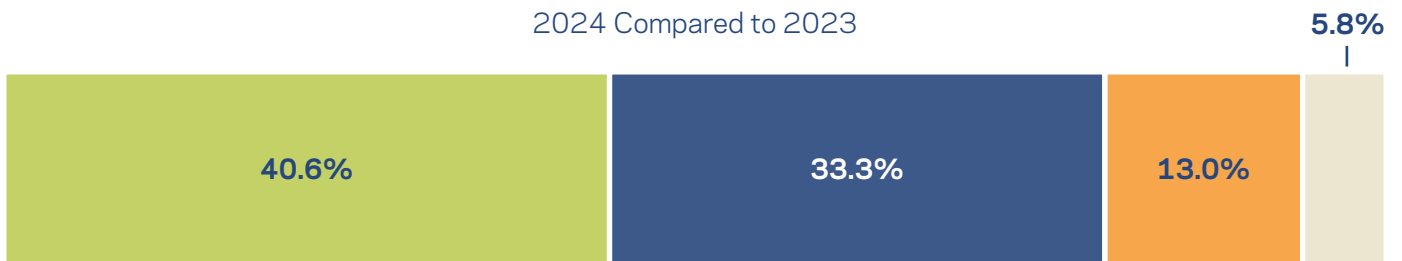


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Prices Received



Higher Same Lower Not Applicable or No Response

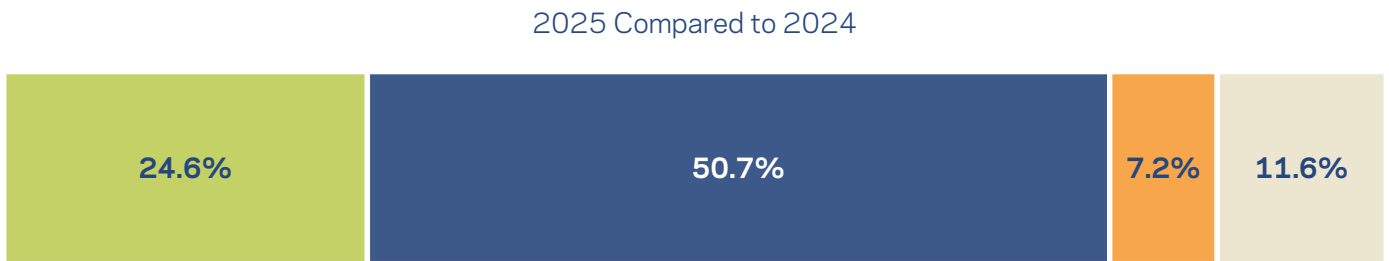
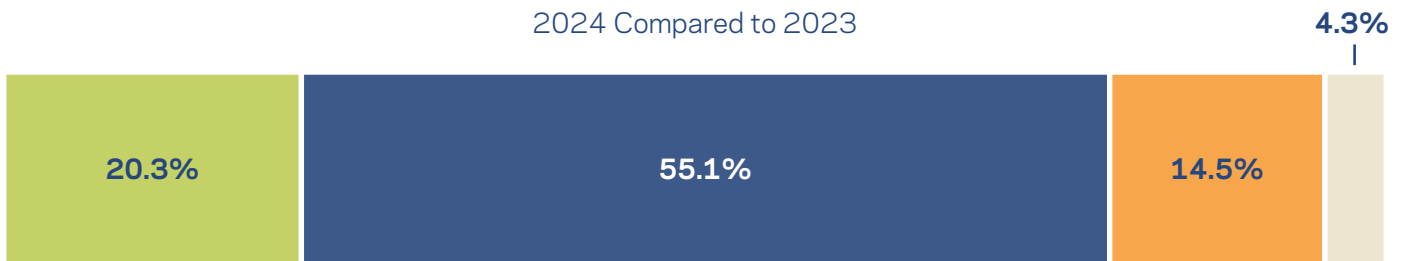


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Number of Employees — Full-Time Permanent



Higher Same Lower Not Applicable or No Response



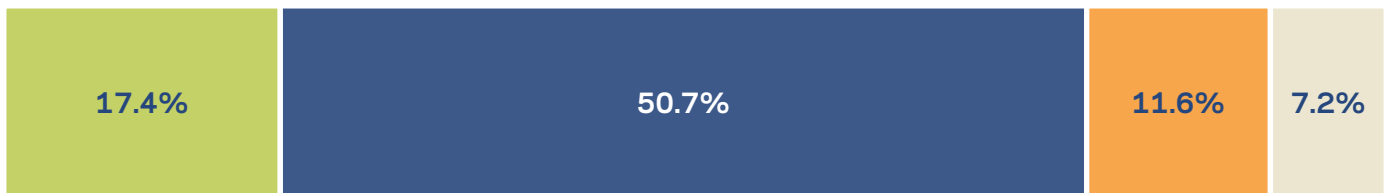
Source: Philadelphia Fed Survey Results

Survey Response

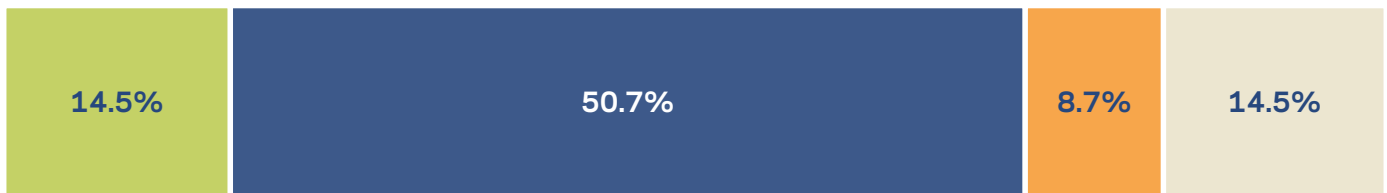
We asked respondents:
What is your assessment of changes in business conditions?

Number of Employees — Part-time, Temporary, and Contract

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response



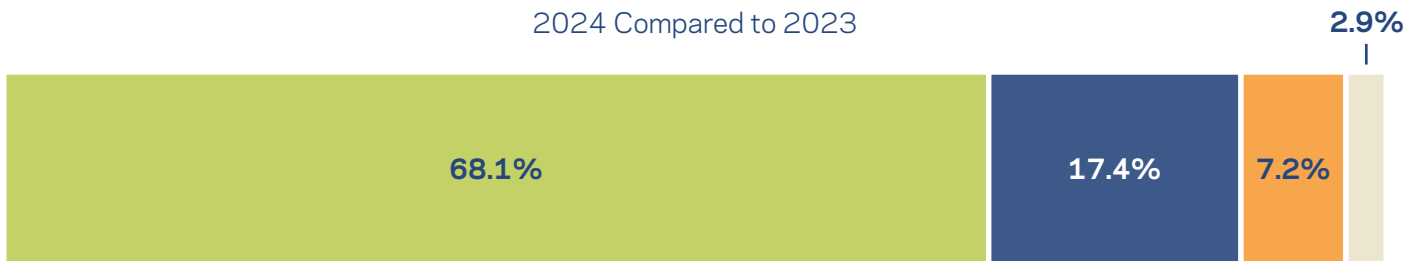
Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Wage and Benefit Costs

2024 Compared to 2023



2025 Compared to 2024



Higher Same Lower Not Applicable or No Response

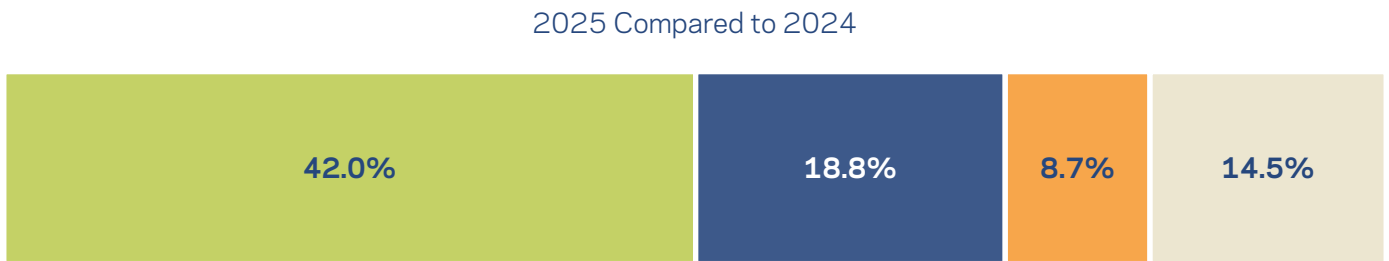
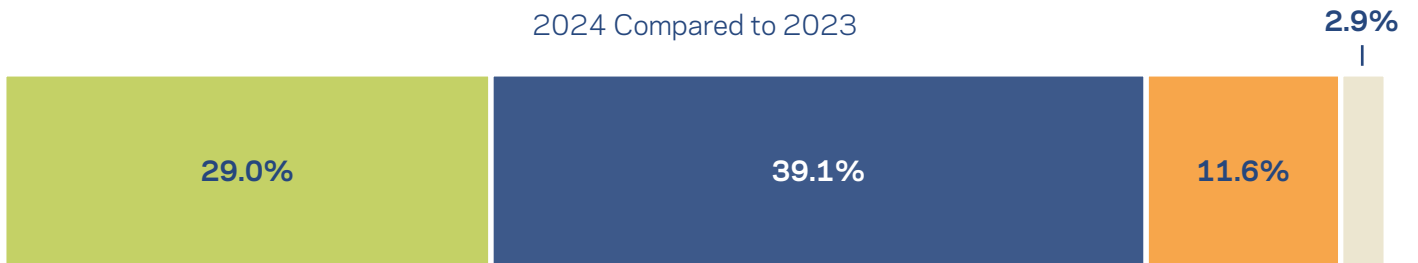


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Capital Expenditures — Physical Plant



Higher Same Lower Not Applicable or No Response



Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
What is your assessment of changes in business conditions?

Capital Expenditures — Equipment and Software

2024 Compared to 2023



2025 Compared to 2024

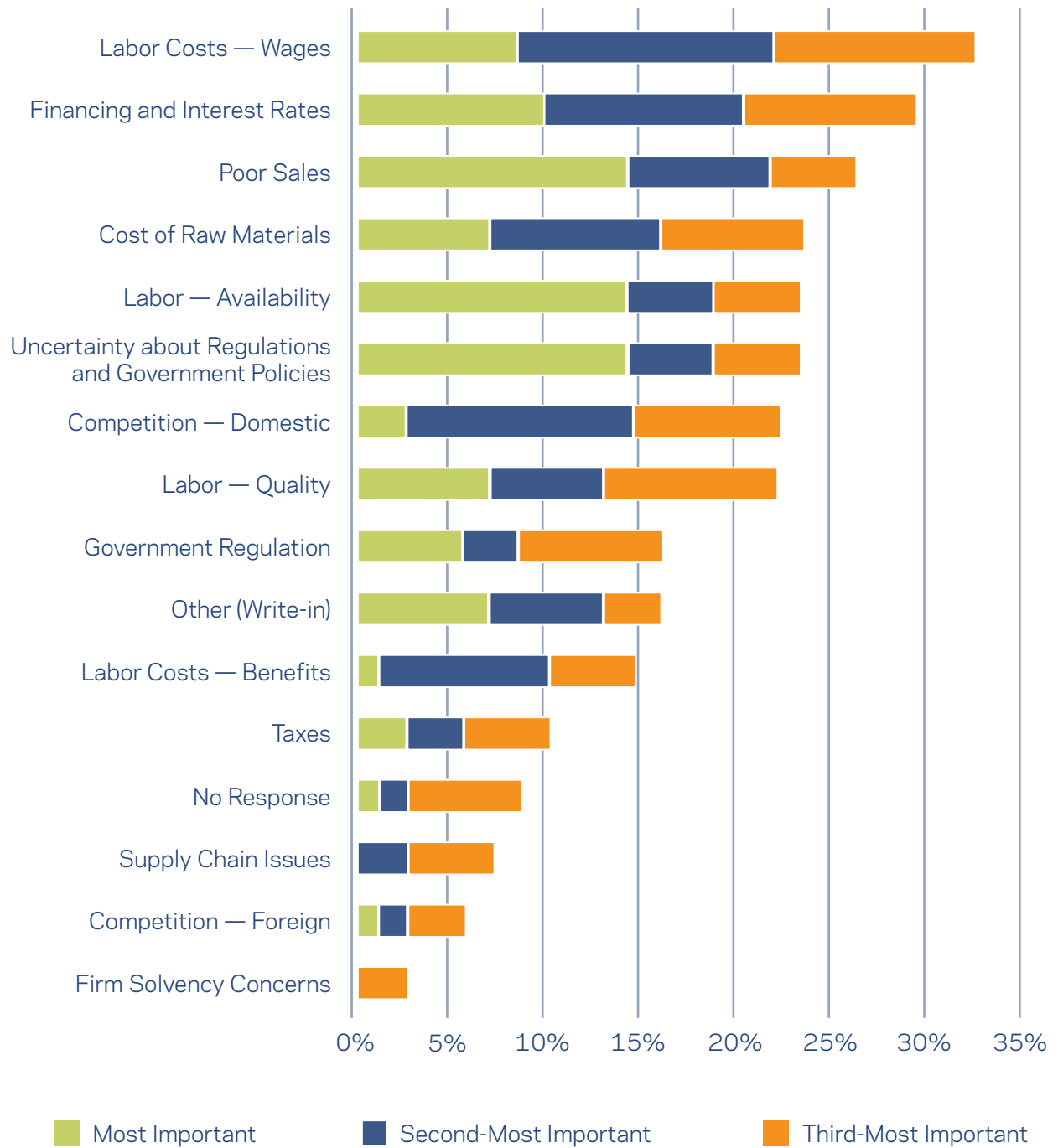


Higher Same Lower Not Applicable or No Response



Source: Philadelphia Fed Survey Results

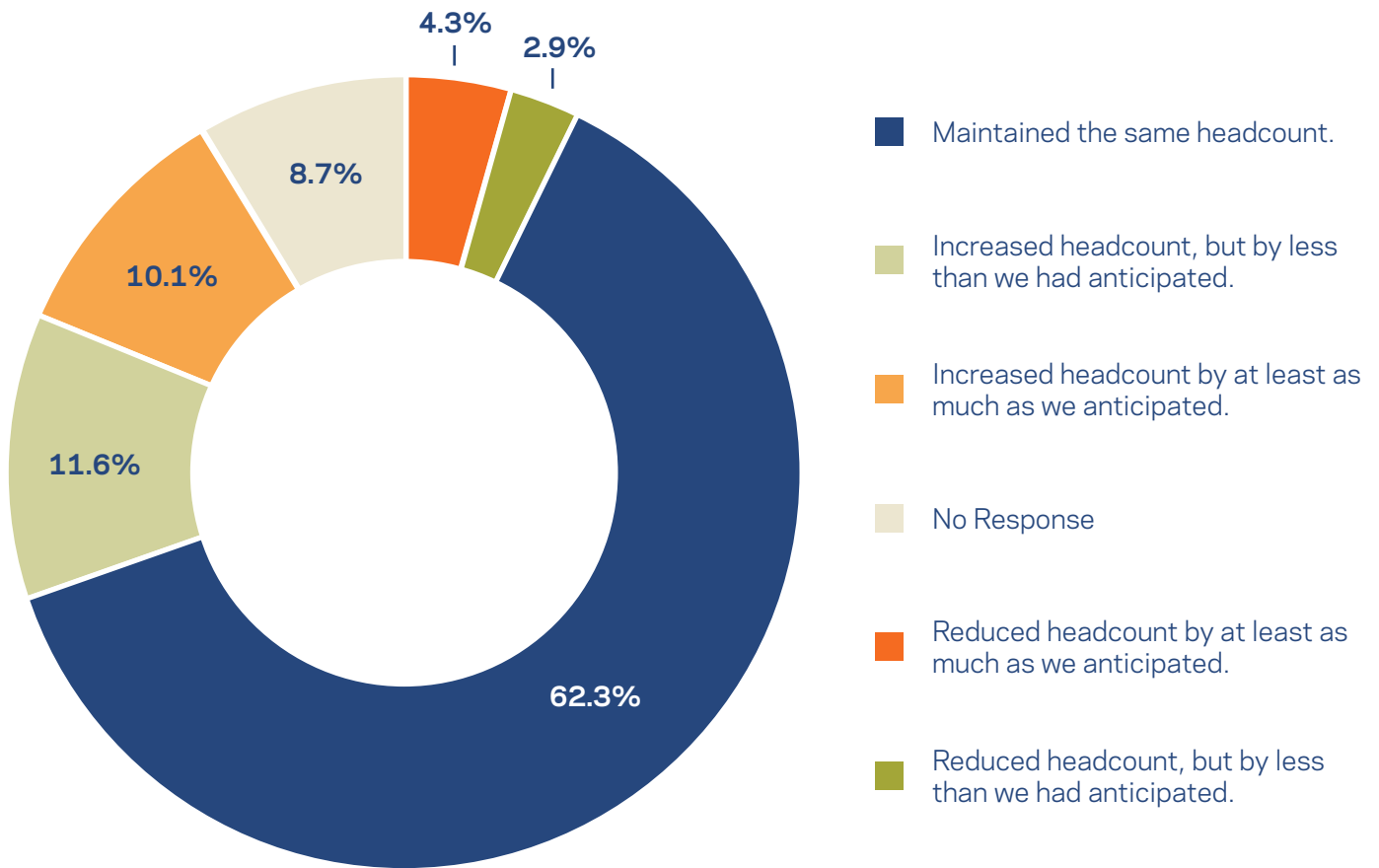
Biggest problems faced by respondents in 2024?



Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:
**Over the last three months,
how has your firm's headcount changed?**

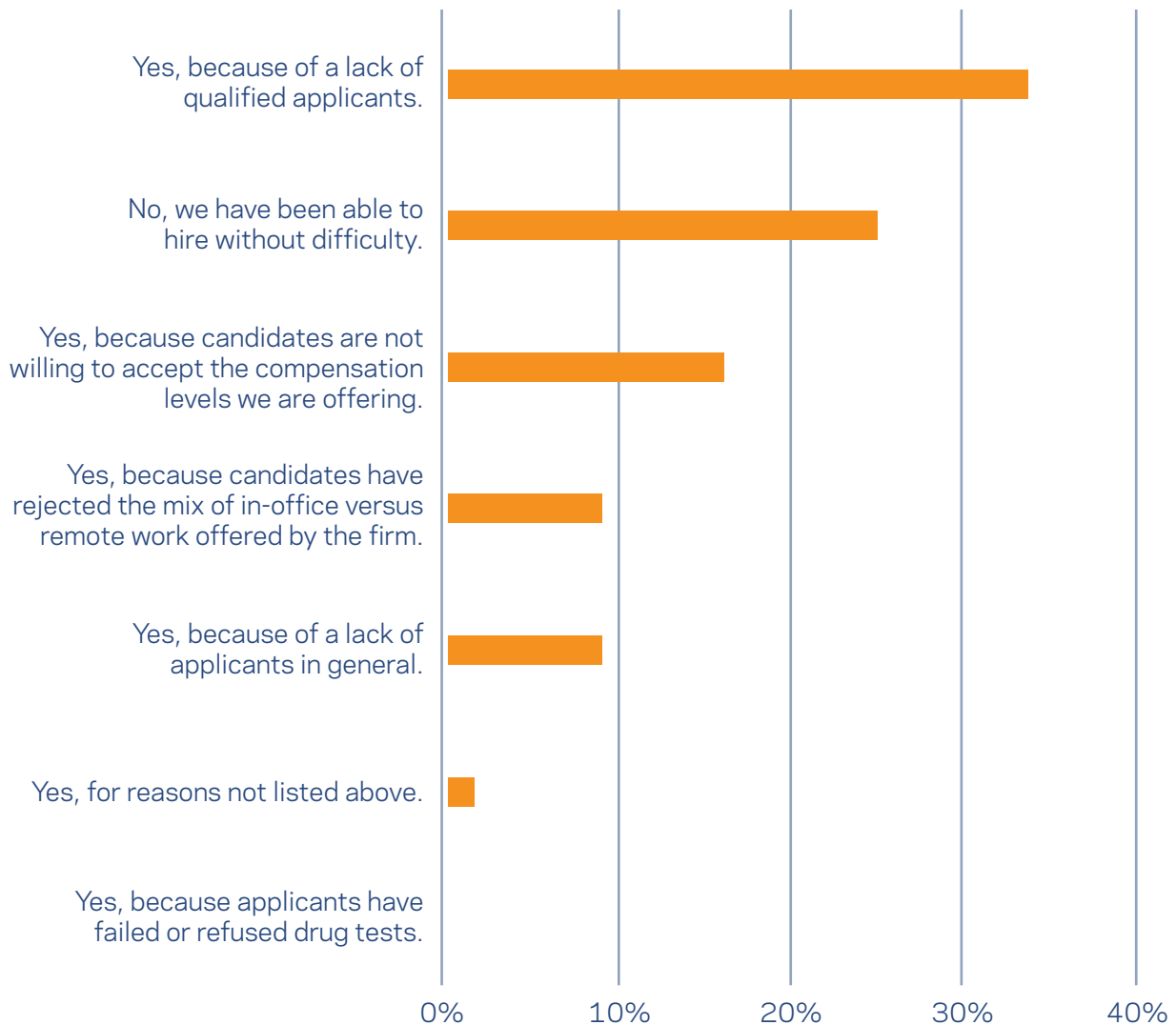


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:

For firms that increased or maintained headcount, thinking of positions your firm has filled or attempted to fill over the past three months, have you had difficulty hiring workers?



Data shown as a share of total respondents. The respondents were able to choose multiple answers.

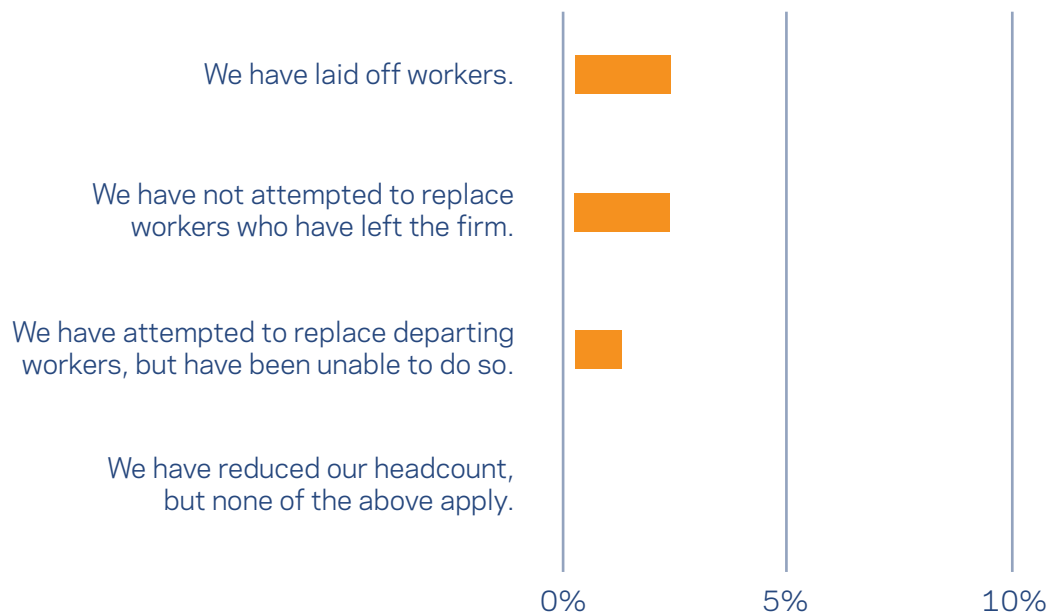


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:

For firms that decreased headcount, which of the following ways has your firm's headcount been reduced?



Data shown as a share of total respondents. The respondents were able to choose multiple answers.

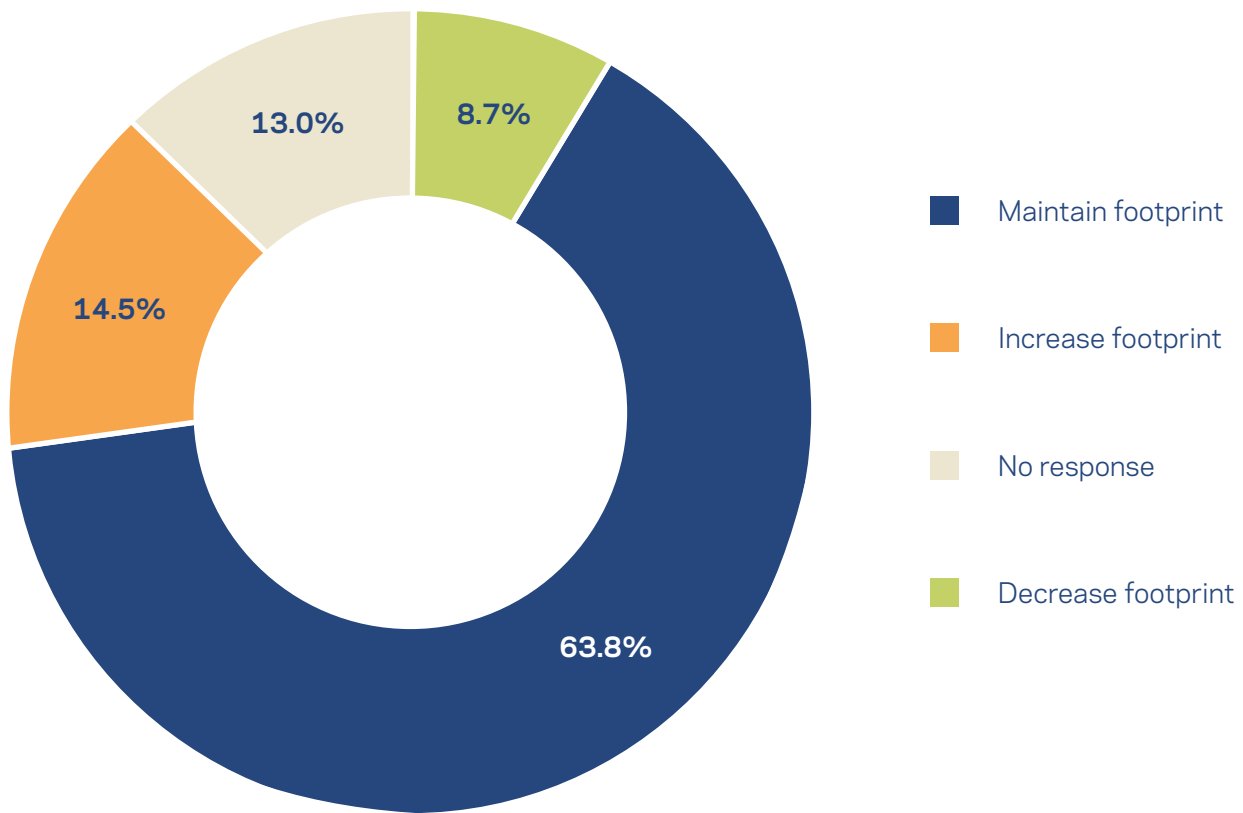


Source: Philadelphia Fed Survey Results

Survey Response

We asked respondents:

Over the next 12 months, what are your company's plans for its current physical operations in Greater Philadelphia?



Source: Philadelphia Fed Survey Results

Philadelphia Fed Contact Information:

For more information about this year's survey, please contact:

Ryo Tashiro

Outreach Economist and Advisor
Ryo.Tashiro@phil.frb.org

Philadelphia Fed Surveys:

Philadelphia Fed regional economic analysts track the health of state and metro economies within and beyond the Third District. Their surveys, econometric models, and other analyses inform the public and advise policymakers about monetary policy, regional economic development, and other issues.

For more information, visit
PhiladelphiaFed.org/Regional-Economy.

Email phil.surveys@philadelphiafed.org
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Appendix

Survey Results

	Significantly Lower	Slightly Lower	Same	Slightly Higher	Significantly Higher	Not Applicable	No Response
A1: What is your assessment of changes in business conditions? (General Activity)							
1. For the REGION							
2024 compared with 2023	15.9%	18.8%	24.6%	36.2%	2.9%	0.0%	1.4%
2025 compared with 2024	15.9%	10.1%	33.3%	26.1%	5.8%	4.3%	4.3%
2. For your COMPANY							
2024 compared with 2023	11.6%	23.2%	26.1%	26.1%	10.1%	2.9%	0.0%
2025 compared with 2024	7.2%	21.7%	29.0%	26.1%	7.2%	7.2%	1.4%
A2: What is your assessment of changes in business conditions? (Specific Measures)							
1. New Orders							
2024 compared with 2023	10.1%	23.2%	20.3%	17.4%	10.1%	10.1%	8.7%
2025 compared with 2024	2.9%	15.9%	21.7%	30.4%	4.3%	7.2%	17.4%
2. Sales or Revenues							
2024 compared with 2023	13.0%	17.4%	26.1%	23.2%	15.9%	4.3%	0.0%
2025 compared with 2024	10.1%	14.5%	24.6%	30.4%	7.2%	4.3%	8.7%
3. Prices Paid							
2024 compared with 2023	2.9%	5.8%	24.6%	37.7%	20.3%	7.2%	1.4%
2025 compared with 2024	0.0%	2.9%	18.8%	47.8%	14.5%	7.2%	8.7%
4. Prices Received							
2024 compared with 2023	2.9%	10.1%	33.3%	36.2%	4.3%	7.2%	5.8%
2025 compared with 2024	0.0%	5.8%	31.9%	36.2%	4.3%	7.2%	14.5%
5. Number of Employees — Full-time Permanent							
2024 compared with 2023	2.9%	11.6%	55.1%	14.5%	5.8%	5.8%	4.3%
2025 compared with 2024	0.0%	7.2%	50.7%	21.7%	2.9%	5.8%	11.6%
6. Number of Employees - Part-time, Temporary, and Contract							
2024 compared with 2023	4.3%	7.2%	50.7%	14.5%	2.9%	13.0%	7.2%
2025 compared with 2024	1.4%	7.2%	50.7%	14.5%	0.0%	11.6%	14.5%
7. Wage and Benefit Costs							
2024 compared with 2023	1.4%	5.8%	17.4%	47.8%	20.3%	4.3%	2.9%
2025 compared with 2024	0.0%	2.9%	13.0%	46.4%	18.8%	4.3%	14.5%
8. Capital Expenditures — Physical Plant							
2024 compared with 2023	1.4%	10.1%	39.1%	26.1%	2.9%	17.4%	2.9%
2025 compared with 2024	2.9%	5.8%	18.8%	33.3%	8.7%	15.9%	14.5%
9. Capital Expenditures — Equipment and Software							
2024 compared with 2023	2.9%	8.7%	33.3%	37.7%	11.6%	1.4%	4.3%
2025 compared with 2024	4.3%	7.2%	20.3%	39.1%	11.6%	4.3%	13.0%

Source: Philadelphia Fed Survey Results

Appendix

Survey Results

	Most Important Problem	Second-Most Important Problem	Third-Most Important Problem
B: What are the three most important problems your business is facing at this time?			
Labor costs—wages	8.7%	13.4%	10.6%
Financing and interest rates	10.1%	10.4%	9.1%
Poor sales	14.5%	7.5%	4.5%
Cost of raw materials	7.2%	9.0%	7.6%
Labor—availability	14.5%	4.5%	4.5%
Uncertainty about regulations and government policies	14.5%	4.5%	4.5%
Competition—domestic	2.9%	11.9%	7.6%
Supply chain issues	3.5%	4.8%	7.1%
Labor—quality	7.2%	6.0%	9.1%
Government regulation	5.8%	3.0%	7.6%
Other (write-in)	7.2%	6.0%	3.0%
Labor costs—benefits	1.4%	9.0%	4.5%
Taxes	2.9%	3.0%	4.5%
No response	1.4%	1.5%	6.1%
Supply chain issues	0.0%	3.0%	4.5%
Competition—foreign	1.4%	1.5%	3.0%
Firm solvency concerns	0.0%	0.0%	3.0%

C1: Over the last three months, how has your firm's headcount changed?	
Maintained the same headcount.	62.3%
Increased headcount, but by less than we had anticipated.	11.6%
Increased headcount, by at least as much as we anticipated.	10.1%
No response	8.7%
Reduced headcount, by at least as much as we anticipated.	4.3%
Reduced headcount, but by less than we had anticipated.	2.9%



Source: Philadelphia Fed Survey Results

Appendix

Survey Results

C2: For firms that increased or maintained headcount, thinking of positions your firm has filled or attempted to fill over the past three months, have you had difficulty hiring workers?

Yes, because of a lack of qualified applicants.	33.3%
No, we have been able to hire without difficulty.	24.6%
Yes, because candidates are not willing to accept the compensation levels we are offering.	15.9%
Yes, because candidates have rejected the mix of in-office versus remote work offered by the firm.	8.7%
Yes, because of a lack of applicants in general.	8.7%
Yes, for reasons not listed above.	1.4%
Yes, because applicants have failed or refused drug tests.	0.0%

C3: For firms that decreased headcount, which of the following ways has your firm's headcount been reduced?

We have attempted to replace departing workers but have been unable to do so.	2.9%
We have laid off workers.	2.9%
We have not attempted to replace workers who have left the firm.	1.4%
We have reduced our headcount but none of the above apply (please specify below).	0.0%

D: Over the next 12 months, what are your company's plans for its current physical operations in Greater Philadelphia?

Maintain footprint	63.8%
Increase footprint	14.5%
No response	13.0%
Decrease footprint	8.7%



