

THE MANSFIELD AREA CHAMBER OF COMMERCE

QUARTERLY REPORT

3rd Quarter 2024



TRENDS REPORT

Q3 2024

NAVIGATING THE ECONOMIC CURRENTS

The 3rd quarter of 2024 presented mixed economic conditions for Mansfield businesses. Nationally, inflation rates continued their downward trend, with consumer price inflation decreasing to 3.2% by August. However, higher interest rates persisted, with the Federal Reserve maintaining a federal funds rate of 5.25%–5.50%. This has had an impact on borrowing and expansion for many businesses.

Locally, businesses in Mansfield showed resilience. Consumer spending was relatively stable, with retail and services sectors seeing moderate growth of 4.5%. However, construction and real estate sectors faced slowdowns due to higher interest rates, causing delays in commercial real estate developments.

Technology and Automation

Throughout the 3rd quarter, we saw increased adoption of AI tools and automation in local businesses, continuing the momentum from earlier in the year. Data from TechServe Alliance indicated that small and mid-sized businesses across Texas are adopting AI tools, with AI-driven customer service tools and automated marketing systems providing increased efficiency. This trend is expected to further accelerate into the 4th quarter.

Healthcare Sector

Telehealth saw a further increase in demand, with 12% more telemedicine appointments being conducted in Q3 2024 compared to Q2 ([JLL Commercial Property](#)). Healthcare providers in Mansfield, such as local chiropractic services, are increasingly integrating digital tools to improve patient care, including AI-based diagnostic tools that enhance treatment accuracy.

TRENDS REPORT

Q3 2024

NAVIGATING THE ECONOMIC CURRENTS

Real Estate and Housing

The local housing market has continued to slow due to higher mortgage rates. While demand for residential real estate has dropped, commercial real estate, particularly industrial spaces, remains strong. According to the Texas Real Estate Center, Mansfield saw a 7% increase in leasing for industrial properties, driven by the growing logistics and distribution sectors.



Consumer Behavior

Consumer preferences have shifted toward digital experiences, with more Mansfield residents opting for online purchases and mobile-based services. According to a Chamber survey conducted in July, 42% of businesses reported an increase in online customer engagement, while 35% shifted a portion of their operations online.

TRENDS REPORT

Q4 2024

STEERING BUSINESS FORWARD

Economic Predictions

The holiday season will likely bring a slight boost to consumer spending, despite continued concerns about interest rates and economic uncertainty. The National Retail Federation expects retail sales to grow by 3.5%–4.6% during the holiday season, providing local retail and hospitality sectors an opportunity to capitalize on increased foot traffic and online shopping activity.

However, ongoing inflationary pressures and high-interest rates are expected to restrain larger capital investments and expansions, particularly in the real estate and construction sectors. The Dallas Federal Reserve predicts a 1.8% contraction in construction activity during Q4.

Industry-Specific Forecasts

Technology and Digitalization

As businesses in Mansfield prepare for 2025, the adoption of AI and digital tools will continue to be a priority. The demand for automation, cloud computing, and AI-based tools will rise further as businesses seek cost-effective ways to optimize their operations. According to Gartner, small businesses across the U.S. are projected to increase AI investments by 12% in Q4.



TRENDS REPORT

Q4 2024

STEERING BUSINESS FORWARD

Healthcare Sector

The healthcare sector is expected to experience further growth in telemedicine and integrated care services. Providers are increasingly using AI-powered diagnostic tools, enabling faster and more accurate patient care. Mansfield's healthcare providers are likely to continue expanding their service offerings to cater to this growing demand.

Real Estate and Housing

While residential real estate may see limited activity due to high mortgage rates, industrial real estate is expected to remain robust. Demand for industrial spaces will likely increase as businesses ramp up operations ahead of the holiday season and prepare for 2025. This trend will benefit Mansfield's logistics and distribution sectors.



Q4 2024 STATISTICS

The U.S. economy is expected to face slower growth as the effects of high interest rates continue to weigh on economic activity. Here are the key forecasts and trends:

1. **GDP Growth:** Projected to slow to 1.0% to 1.7%, reflecting high borrowing costs and reduced business investment.
2. **Consumer Spending:** Growth will moderate, but still expected to rise 2.3% overall for 2024, with a focus on services.
3. **Inflation:** Inflation is likely to stabilize around 2.6% to 2.9%, with interest rates remaining elevated until mid-2024.
4. **Labor Market:** Slight softening expected, with a modest increase in unemployment but still historically low levels.

These stats should guide your Q4 planning with caution around slowed growth and spending.



Q3 2024 CONCLUSION

The 3rd quarter of 2024 saw businesses in Mansfield adapt to ongoing economic challenges through digital innovation, strategic investment in AI, and a focus on consumer engagement.

As we move into the 4th quarter, businesses must continue to leverage digital tools and invest in employee well-being and technological advancements.

The Chamber remains committed to guiding members through these shifts, offering high-level connections, leadership education, and valuable resources to ensure their success as we approach 2025.