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Grow Grant County - Consumer Survey

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Grow Grant County – Consumer Survey and Retail Gap Analysis

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Prepared for GrOw Grant County

Prepared by the Center for Small Towns – University of Minnesota, Morris

&

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Consumer Survey Highlights

HIGHLIGHTS

The University of Minnesota surveyed households living in Grant County to understand their retail and service shopping habits, garner their views on shopping in Grant County, and collect their ideas for business opportunities. We hope these findings will help entrepreneurs to identify business opportunities and community leaders to improve business districts in Grant County:

- Convenience businesses such as gasoline, dining, and grocery drives respondents shopping in Grant County communities.
- Grant County residents shop in some communities outside Grant County more frequently than communities within county boundaries. Although 90% have shopped in Elbow Lake at least once every few months, 91% of respondents have also shopped in Alexandria at least once every few months, as well as Fergus Falls (70%) and Fargo (43%).
- The top reasons for shopping outside the county include better selection and price with hours a distant third. Although not the top reason, when asked directly about pricing of Grant County businesses, only 35% indicated that they found their pricing fair.
- Respondents overwhelmingly find local salespeople helpful and friendly (75%) and nearly 60% report trying to buy products and services locally.
- Respondents named fast food and big box retail establishments both as the stores they frequent most in communities outside Grant County and as the types of stores they would like to see in Grant County.
- Commuters have significantly different shopping habits from non-commuters; commuters shop less frequently in Grant County across all shopping categories on average.
- When asked which stores they would be likely to patronize if opened in Grant County, the top selections were a clothing store and fine dining
- After being presented initial findings of this survey, attendees at a community meeting compiled a list of recommendations of business opportunities/development, which included; an assisted living facility, dollar store, fine dining near a lake, zorbaz franchise restaurant, ag-related service shop, small format fleet supply, and a clothing store.

The authors contacted 675 households in Grant County by mail to request their participation in the survey. Results are based on the 400 responses received from those who responded for a 59% response rate.

CHARACTERISTICS OF RESPONDENTS

A majority of respondents are both married and older with 64% over the age of 55. Respondents are evenly split between those who work primarily in Grant County and those who work outside the county. Respondents represent a good mix of socio-economic backgrounds in terms of both income and education:

Answer	Response	%
Less than 9th grade	2	1%
9th to 12th grade, no diploma	12	3%
High school graduate	99	25%
Some college, no degree	91	23%
Associate degree	77	20%
Bachelor's degree	73	19%
Graduate or professional degree	35	9%
Total	**389**	**100%**

Figure 1: Number of respondents by education attainment

Answer	Response	%
Under $15,000	27	8%
$15,000-$24,999	24	7%
$25,000-$34,999	37	11%
$35,000-$49,999	59	17%
$50,000-$74,999	88	26%
$75,000-$99,999	52	15%
$100,000-$149,999	42	12%
Over $150,000	14	4%
Total	343	100%

Figure 2: Number of respondents by household income

SHOPPING HABITS

The authors organized the survey to inquire about households' shopping patterns and preferences.

Shopping patterns by city

Grant county respondents are clearly mobile, shopping in many communities in the region to meet their household's needs. Respondents report shopping in some communities outside the county more frequently than communities within Grant County and nearly 40% travel out of their way to shop for non-grocery items (neither near where they work or live):

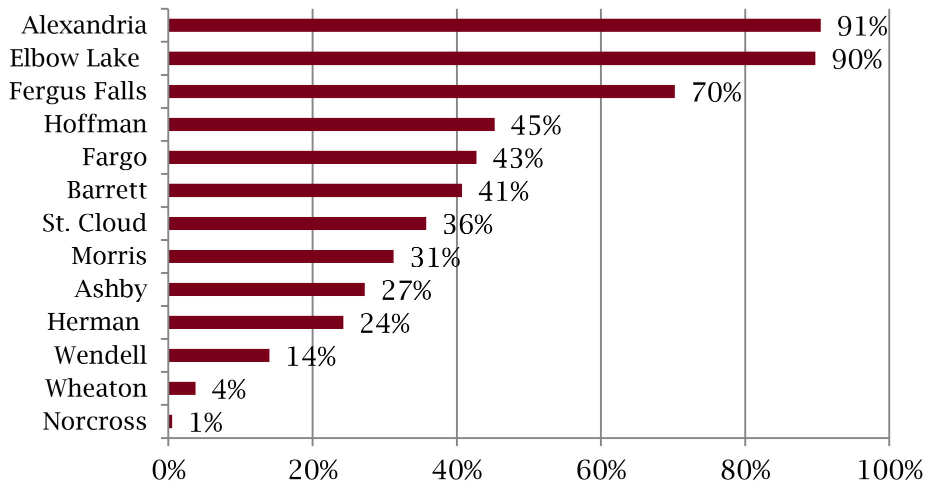


Figure 3: Percentage of respondents by cities in which they have shopped at least once in the last three months

Answer		Response	%
Near where you work		103	27%
Near where you live		129	34%
Neither		148	39%
Total		**380**	**100%**

Figure 4: Number of respondents by where they are more likely to shop for non-grocery items

In communities outside of Grant County, respondents frequent general merchandise big box stores such as Walmart, Fleet Farm, and Target as well as building supply stores such as Home Depot and Menards.

This trend is also seen in "dining out" where close to 60% of the dining out trips by our respondents are taken outside of Grant County.

Meal	Monthly Trips Dining Out
Breakfast	561
Lunch	1346
Supper	1283
Grant County	1314
Total Monthly Meals	3190
Monthly Meal Gap	**1876**
% of Meals in Grant County	**41%**

Figure 5: Number of trips respondents took dining out broken down by meal and whether it was in Grant County.

Still, each community in Grant County has some businesses or attractions which drive households to visit. Many of these are convenience businesses such as dining, health care, groceries, or gasoline.

Businesses recruitment prospects

The consumer survey asked respondents to share types of dining and retail they would like to see in Grant County.

The clear preference for dining options was fast food franchises such as McDonald's, Burger King, or Taco Bell with almost a quarter of all respondents naming these types of businesses by name, followed by Asian and Mexican dining options.

When asked expressly about business types which are not currently operating in Grant County, respondents chose a new clothes store and fine dining options from a list of 11 retail and service categories for recruitment. When asked to name businesses which they would like most to see come to Grant County, respondents specified Walmart, Subway, and Target as top choices.

Answer		Response	%
Appliance store		92	26%
Electronics store		70	20%
Fine dining options		143	40%
Natural foods co-op		98	27%
New clothes store		192	54%
Hotel		19	5%
Fair trade coffee shops		63	18%
Shoe store		99	28%
Bookstore		60	17%
Furniture store		105	29%
Other		56	16%

Figure 6: Number and percentage of respondents indicating type of business they would like recruited into Grant County

The business types which residents currently patronize in other communities also offer clues to important gaps which may be opportunities for business development. For example, many residents are traveling to shop at fleet and general merchandise stores in other communities. A small format fleet store such as Town and Country (Morris, MN) may fill an important gap in Grant County.

Rank	Fergus Falls	Alexandria	Morris	Wheaton	Fargo	St. Cloud
1	Walmart	Walmart	Willies	Willy's	Mall	Mall
2	Fleet Farm	Fleet Farm	Town and Country	Bakery	Sam's Club	Sam's Club
3	Home Depot	Target	Shopko	Dentist	Best Buy	Kohls
4	Target	Menards	Thrifty White Drug		Scheels	Scheels
5	Food Service	Pete's County Market/Elden's	Family Dollar		Target	Best Buy

Figure 7: Top five businesses respondents shop outside of Grant County.

Shopping preferences

When asked about reasons for shopping outside Grant County, respondents identified better selection and price with hours a distant third. Although not the top reason, when asked directly about pricing of Grant County businesses, only 35% indicated that they found their pricing fair.

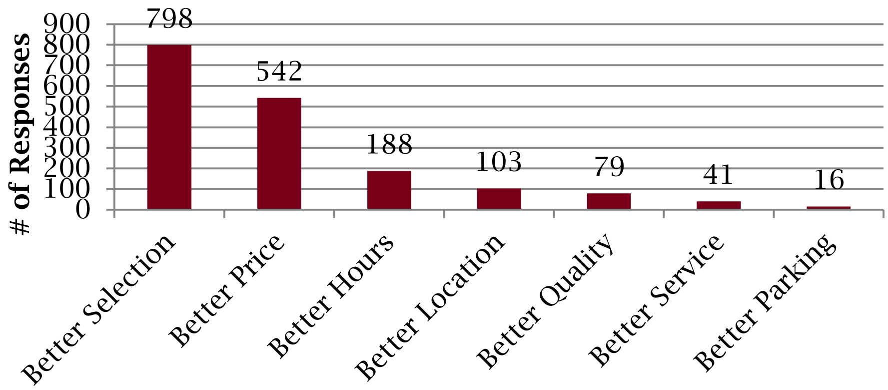


Figure 8: Number of responses by reason for shopping outside Grant County

MEDIA PREFERENCES

Considering the importance of local businesses effectively reaching local customers, the survey also asked about households' media preferences.

Respondents appear quite loyal to their local newspapers with 64% mentioning the Grant County Herald and 32% specifying the Herman-Hoffman Tribune as one of two most read publications.

The most preferred radio station format was country with 26% of respondents indicating KJJK 96.5 FM as a station they listen to most, followed by KIK-FM 100.7 with 24% of respondents.

COMMUNITY MEETING - RECOMMENDATIONS

A community meeting was organized by GrOw Grant County to provide a forum to local business owners and citizens to discuss the initial findings of the survey and provide recommendations. The following are the questions followed by a list of recommendations provided by the attendees.

"What business development opportunities exist and which types of stores do you think would be successful in Grant County?"

1. Assisted living facility
2. Dollar store
3. Fine dining located near one of the lakes
4. Zorbaz franchise restaurant
5. Ag-related service shop (i.e. repair)
6. Small format fleet supply

7. Clothing

"What 1-2 things should the Grant County business community work on?"

1. Better communication within the business community.
    a. Example: Develop a forum in which businesses can get together and build relationships.
2. The development of a better partnership between the local governments and the local chamber of commerce. Specifically, more funding to promote Grant County.
3. The County should do more to work with and assist businesses.

"*What is a good role for GrOw Grant County to improve business development in the county?"*

1. Organize events that showcase shopping in the county.
2. Assist businesses with e-commerce, such as
    a. Developing an online website/presence that highlights all the businesses in Grant County,
    b. Assist individual businesses develop a website and online marketing.
3. Provide forum for businesses to get together to forge relationships and develop strategies together.
4. Work on developing relationships with businesses.
5. Develop a "shop local" campaign.

Complete Results

COMPLETE RESULTS - INTRODUCTION

GrOw Grant County is comprised of city and county leaders in Grant County focused on recruiting and retaining families and businesses. This survey was commissioned by them and was implemented by the University of Minnesota, Morris – Center for Small Towns and the University of Minnesota, Extension.

Research Framework and Background

This survey was based on a consumer survey developed by the University of Wisconsin – Extension and the University of Minnesota – Extension and was a part of the Downtown and Business District Market Analysis[1]. The survey was originally developed to assist a community in determining its consumer markets shopping habits and opinions of a community's downtown. The survey was modified to measure these habits and opinions on a county wide basis including multiple communities, not just a single downtown. These modifications were made with significant input from GrOw Grant County.

Methodology

A list of property owners was obtained from the Grant County office and a sample of 650 properties were created. 25 additional households were included in the sample which were delivered to rental properties in the county, making a total sample size of 675. Pre-survey postcards and reminder postcards were sent to each household to assist in increasing the response rate, as well as including $5 in each survey.

Surveys were sent out on November 4th and closed to further responses on December 9th. 400 surveys were received, giving a response rate of 59%.

Respondent Profile

A majority of the survey respondents were 55 years of age and older, with 71% being married. 50% of the respondents indicated they primarily work in Grant County, with 96% indicating they have at least a high school diploma and 58% having an associate degree or higher. 57% of respondents indicated an annual household income of $50,000 or higher. Sampling methods yielded a distribution of respondents per city that proportionately matches the US 2012 Census estimates for Grant County.

[1] http://fyi.uwex.edu/downtown-market-analysis/understanding-the-market/consumer-survey/

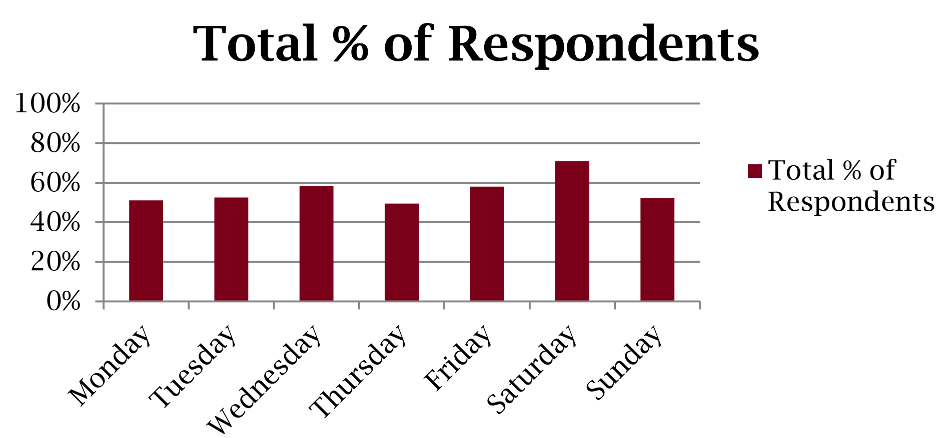
COMPLETE RESULTS – DESCRIPTIVE STATISTICS

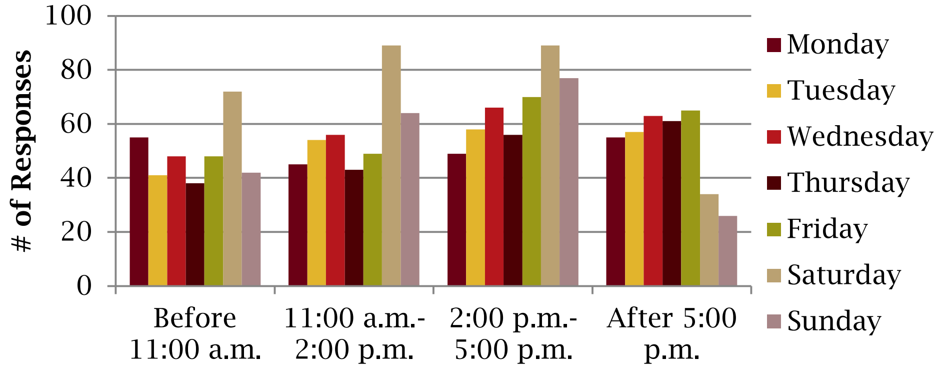
The following section summarizes the findings of the Grow Grant County consumer survey organized according to each section of the survey. "N" (total number of responses) was given for each question.

1. *When do you typically shop for non-grocery items?*

71% of respondents chose a time on Saturday, where between 11:00AM and 5:00PM was the most typical time people shop for non-grocery items. After 2:00PM on Fridays and Sundays received the next highest total responses.

Day of Week	Before 11:00 a.m.	11:00 a.m.- 2:00 p.m.	2:00 p.m.- 5:00 p.m.	After 5:00 p.m.	Total Responses (N)	Total % of 400
Monday	55	45	49	55	204	51%
Tuesday	41	54	58	57	210	53%
Wednesday	48	56	66	63	233	58%
Thursday	38	43	56	61	198	50%
Friday	48	49	70	65	232	58%
Saturday	72	89	89	34	284	71%
Sunday	42	64	77	26	209	52%





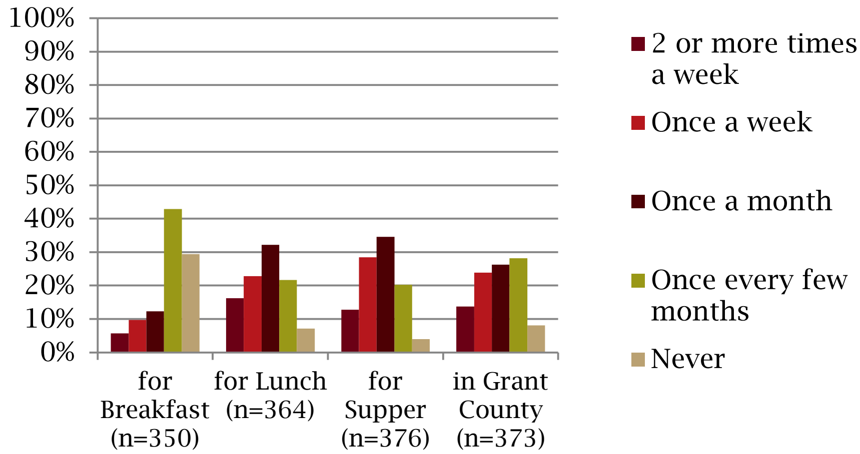
2. ***During which of the following extended hours are you currently most likely to go shopping? (grocery and non-grocery) (select ONE) (n=309)***

   Sunday afternoons received the highest total with 38% of the response. The "other" category received a significant number of responses; however, many of the comments referred to more specific times on Sunday and Saturday and did not apply to the question.

Answer	Response	%
Monday after 7:00 p.m.	8	3%
Tuesday after 7:00 p.m.	15	5%
Wednesday after 7:00 p.m.	19	6%
Thursday after 7:00 p.m.	26	8%
Friday after 7:00 p.m.	38	12%
Saturday after 7:00 p.m.	24	8%
Sunday afternoon	116	38%
Other	63	20%
Total	**309**	**100%**

3. ***How often do you eat out…(select ONE answer for each question)***

   Respondents eat out most frequently for lunch and supper as about 40% indicated they eat out for those meals at least once a week.



The following table examines the gap between how much respondents in Grant County are eating out monthly outside of Grant County. The responses were converted to monthly amounts using the following;

- 5 or more times a week = 5*4.348 = 21.74 instances eating out/month
- 2-4 times a week = 3*4.348 = 13 instances eating out/month
- Once a week = 1*4.348 = 4.348 instances eating out/month
- Once a month = 1 instance eating out/month
- Once every few months = .5 instance eating out/month

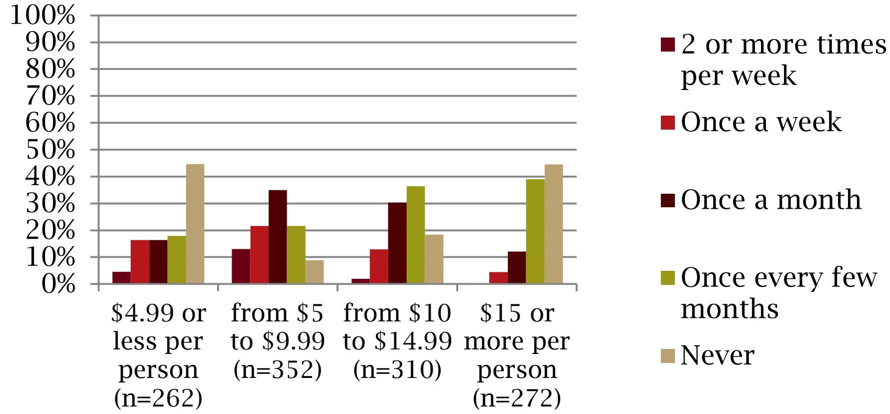
The following table shows the total instances of respondents going out to eat;

Meal	Monthly Trips Dining Out
Breakfast	561
Lunch	1346
Supper	1283
Grant County	1314
Total Monthly Meals	3190
Monthly Meal Gap	**1876**
% of Meals in Grant County	**41%**

There is an estimated 1,876 trips of respondents going out to eat outside of Grant County per month. 41% of the meals are consumed in Grant County.

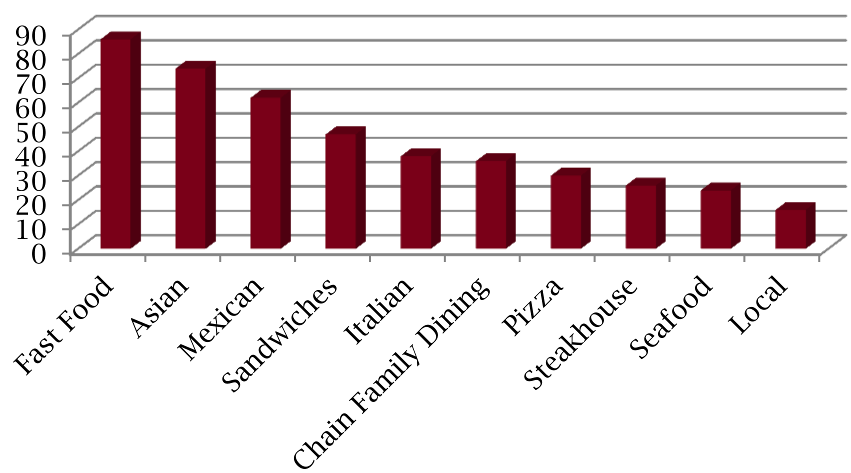
4. ***How often do you eat supper out and where each meal costs… (select ONE answer for each question)***

Respondents eat supper most frequently where meals cost between $5.00 and $9.99 per meal; over 30% do this at least once a week. The frequency begins to decline as the meals get more expensive.



5. ***What two restaurants or types of cuisine would you most like to see come to Grant County?***

There was a wide variety of responses to this question, some of which named specific franchises. These responses were re-coded in order to fit into a more general cuisine description. For example, "McDonald's", was recoded as fast food. The following chart lists the top ten most common "cuisines" listed by respondents.



Fast Food: This category represents answers that were "fast food", or which listed a specific fast food restaurant, such as: McDonald's; Burger King; Taco Bell; and Culver's.

Asian: This category represents any response stating "Asian", "Chinese" (by far the majority), "sushi", and "thai" foods.

Mexican: The large majority of this category consists of responses stating "Mexican". However, there were a few stating "tacos", and "chipotle".

Sandwiches: This category consists mostly of responses stating "Subway", with a few listing "Jimmy Johns" and "Panera Bread".

Italian: This category is only composed of responses stating "Italian".

Chain Family Dining: This category represents responses stating various chain, sit-down, family dining, such as: Applebee's; Perkins; Red Lobster; and Buffalo Wild Wings.

Pizza: This category represents responses stating "pizza" and various specific restaurants such as: Pizza Hut and Pizza Ranch.

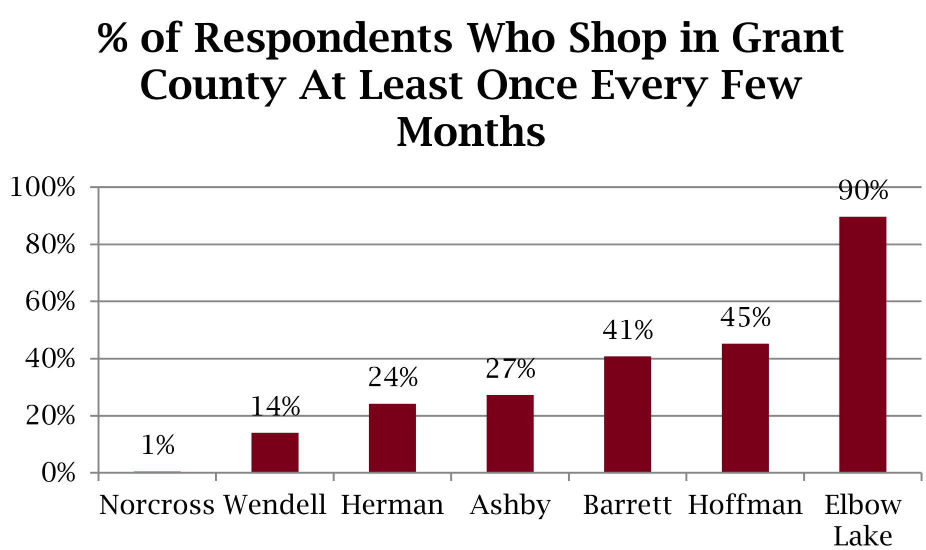
Steakhouse: This category is entirely composed of responses stating "steak" or "steakhouse".

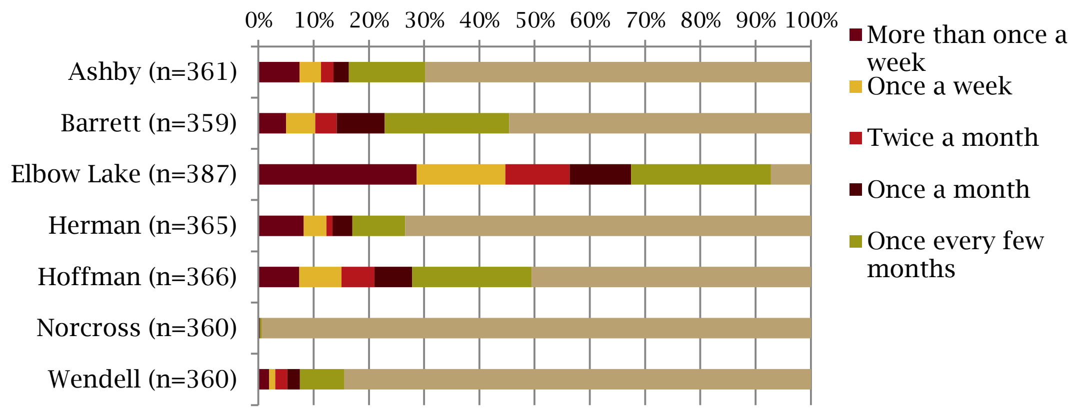
Seafood: This category is entirely composed of responses stating "seafood".

Local: This category represents responses stating support for local restaurants in various ways. Some of the responses believed that the county could not support more restaurants since it's difficult supporting current restaurants, while other responses reaffirmed their belief in supporting the current local restaurants.

6. ***How often do you shop at the following locations? (select ONE answer for each)***

90% of respondents shop in Elbow Lake at least once every few months, which is double the next highest value with Hoffman at 45%. When breaking down how frequently respondents shop in each town, Elbow Lake is shopped in the most frequently with 45% of respondents shopping there at least once a week. The next most frequently shopped in community was Hoffman, with 15% shopping there at least once a week.





7. ***(a) How often do you go to any city in Grant County for the following? (select ONE answer for each)***

The table below gives a quick look at which way the responses "leaned" regarding the frequency respondents did the following in any city in Grant County. The numerical values used are as follows;

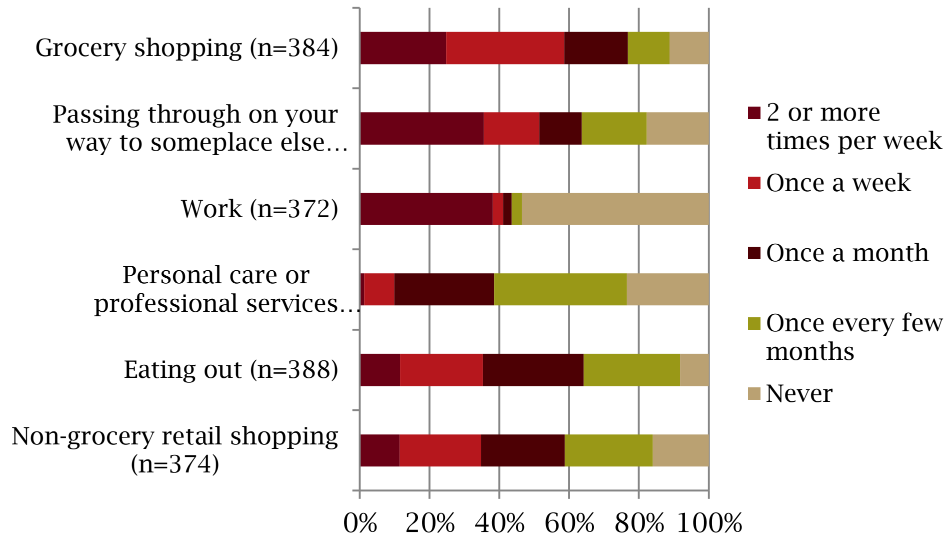
- 6 = 5 or more times a week
- 5 = 2-4 times a week
- 4 = Once a week
- 3 = Once a month
- 2 = Once every few months
- 1 = Never

These values were summed and the mean for each activity is given below. The value given corresponds to the average frequency (in the bulleted list) respondents conducted the activity.

Grocery shopping had the highest frequency of activity in Grant County, with respondents indicating that they grocery shop in Grant County, on average, between once a month and once a week.

Activity	Mean
Non-grocery retail	2.92
Eating out	3.06
Personal care or professional services	2.26
Work	2.99
Passing through town	3.52
Grocery	3.51

The following chart breaks down each activity in Grant County according to frequency. Again, it is clear to see that grocery shopping is the shopping activity that respondents conduct the most frequently. Close to 40% of respondents say they eat out and shop for non-grocery retail at least once a week.



The following table is a breakdown, using the same technique as above, of the average frequency by commuters and non-commuters. Commuters are defined as below the age of 65 years, are not working from home or retired, travel more than 5 minutes to work and indicated that they do not work primarily in Grant County.

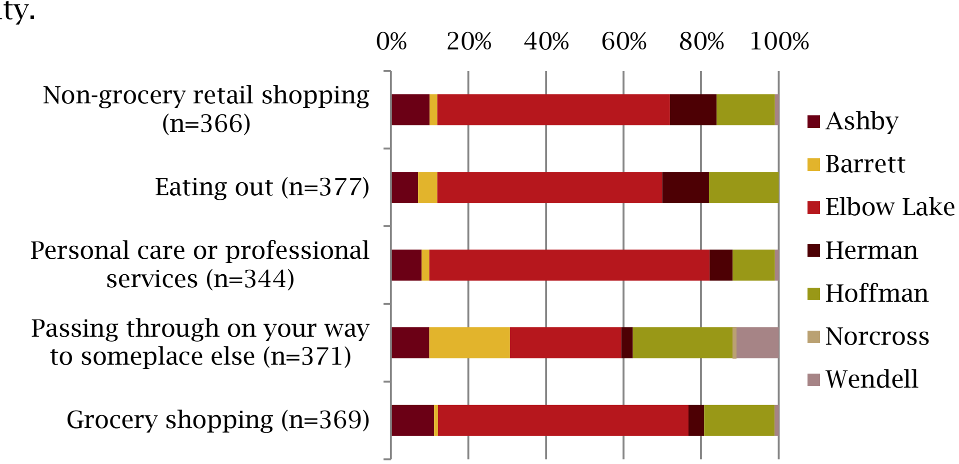
- 6 = 5 or more times a week
- 5 = 2-4 times a week
- 4 = Once a week
- 3 = Once a month
- 2 = Once every few months
- 1 = Never

Non-commuters, on average, frequent Grant County more often for specific shopping activities than commuters. In particular, eating out had the largest frequency difference which shows that non-commuters eat out slightly more frequently than commuters.

	Commuters	Non-Commuters
Non-grocery retail shopping	2.43	3.08
Eating out	2.86	3.13
Personal care or professional services	2.02	2.41
Passing through on your way to someplace else	4.07	3.37
Grocery shopping	3.22	3.54

7. *(b) Which town do you frequent the most for each activity? (Please circle one)*

Close to 60% of respondents travel to Elbow Lake for each activity. Hoffman also received a considerable amount of responses as close to 20% travel there for each activity.



8. ***What are the two biggest non-work reasons for you to shop in one of Grant County's communities? Please indicate which town. (i.e. specific establishment or attraction/activity, community)***

Below are the top ten reasons, along with the number of responses received.

Ashby	Barrett	Elbow Lake
Grocery x9	School x20	Deans Supervalu/Grocery x50
American Legion x6	Gas x6	Knotty Pine x21
Eat x4	Sporting events x6	Health care x18
Bank x3	Barrett Inn x5	Dining out x15
Church x3	Nursing home x5	Gas x15
School activities x3	Theatre x4	Church x10
Community x2	Eat out x3	Court House x10
Gas x2	Church x2	Trumm Drug x9
Hair dresser x2	Farm and Home Oil x2	Library x8
Activities	WCA x2	Bank x4

Herman	Hoffman	Norcross	Wendell
Gasoline x8	Dew Drop Inn x22	Family Norcross	Bank x2
School x4	Grocery x15		Benny D's x2
Bar and Grill x3	Gasoline x8		Grocery x2
Church x3	Bull Frogs Bar and Grill x7		Church
Post office x3	Galleria x6		Don's Body Shop
Dining out x2	Bank x4		Fire dept.
Parts store x2	Nursing home x2		Side Street Auto
True Value Hardware x3	Anderson Oil		Visiting friends and family
Bank	Bait/License		
Barb's Beauty Salon	Boll's Appliances		

9. *How far do you live from where you work? (Select one)*

41% respondents indicated that they are retired or work at home. 27% travel 16 minutes or more to work, while 27% travel 10 minutes or less.

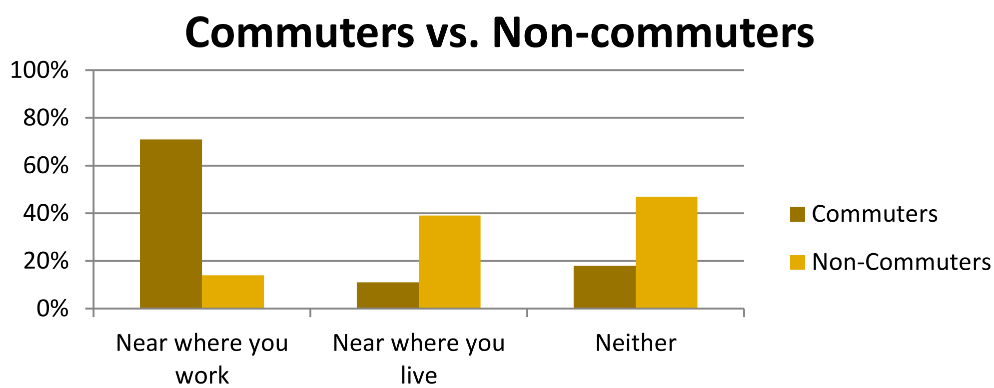
Answer		Response	%
work at home/retired		158	41%
under 5 minutes		73	19%
5-10 minutes		32	8%
11-15 minutes		20	5%
16-20 minutes		18	5%
over 20 minutes		83	22%
Total		**384**	**100%**

10. *(a) Where are you more likely to shop for non-grocery items*

39% of respondents indicated that they are most likely to shop for non-grocery items NOT near where they live or work, meaning they travel out of their way to shop for these items. 34% responded that they shop for these types of items near where they live and 27% near where they work.

Answer		Response	%
Near where you work		103	27%
Near where you live		129	34%
Neither		148	39%
Total		**380**	**100%**

Below is a breakdown of where respondents are more likely to shop for non-grocery items by commuters and non-commuters. Commuters are much more likely to shop near where they work.

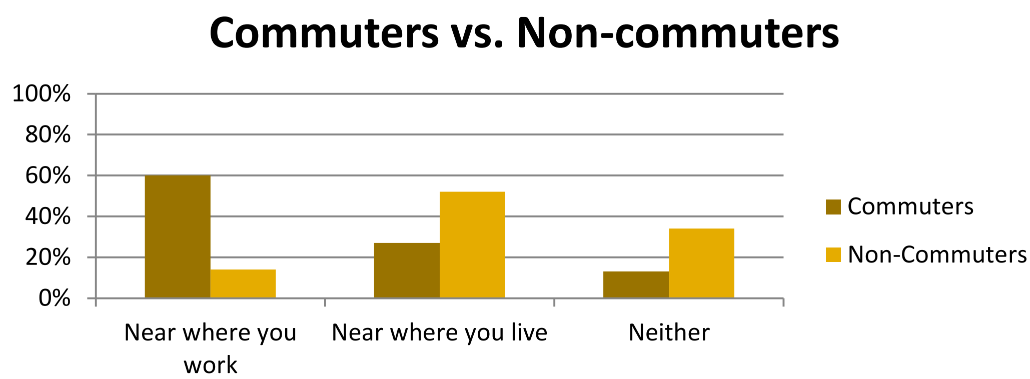


10. (b) Where are you more likely to shop for grocery items

48% of respondents shop for grocery items near where they live, while 27% are traveling out of their way to get groceries and 25% near where they work.

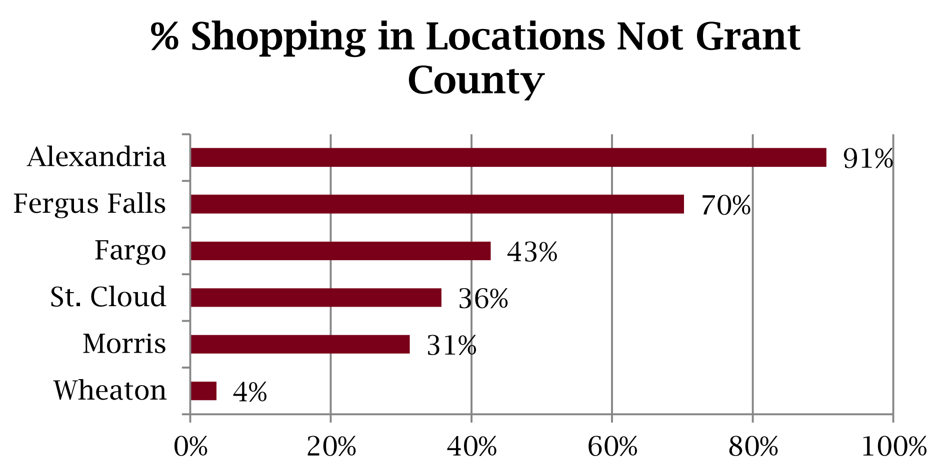
Answer		Response	%
Near where you work		95	25%
Near where you live		181	48%
Neither		103	27%
Total		**379**	**100%**

Again, commuters and non-commuters are compared. Similar to above, commuters are much more likely to shop for grocery items near where they work.



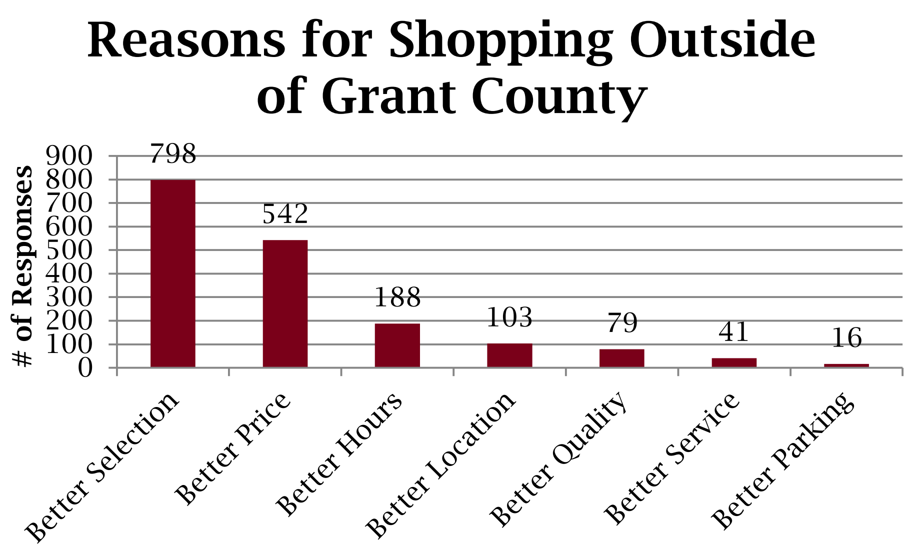
11. (a) Do you shop in the following locations instead of Grant County

Alexandria received the largest percentage of responses with 91% followed by Fergus Falls with 70%. Around a third of respondents travel to Fargo, St. Cloud, and Morris to shop instead of Grant County.

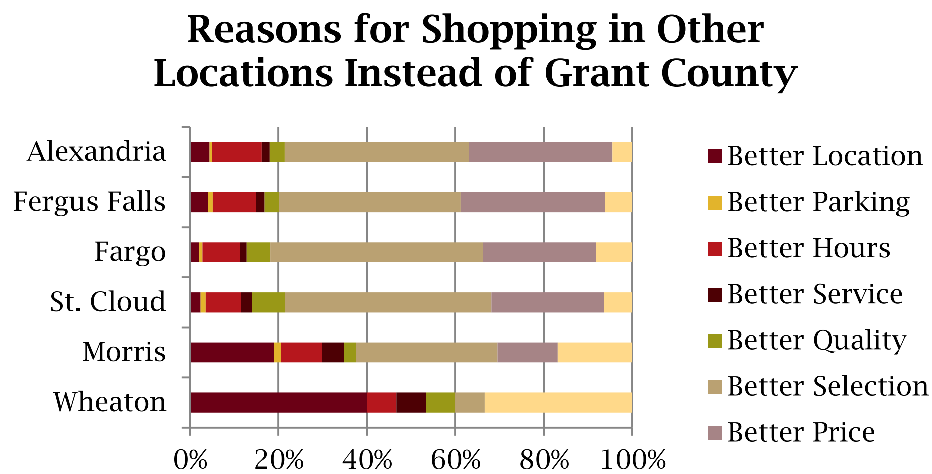


The following chart combines the towns inside Grant County listed in Question 6. The values were calculated by summing all responses who indicated they shop in Grant County at least once every few months.

Close to 800 respondents said they shop outside of Grant County because of better selection. Better price also received a significant number of responses with 542.



When breaking down the reasons by the cities outside of Grant County, better selection and better price received the same percentage of responses in Alexandria, Fergus Falls, Fargo and St. Cloud. Morris and Wheaton received more responses for better location. The large “other” category for Wheaton showed that a few respondents shop in Wheaton because that is where their dentist was located.



11. (b) If you shop in the following cities outside of Grant County, which stores do you frequent?

Big box stores, grocery stores and "the mall" were the most cited stores that respondents frequent in cities outside of Grant County.

Rank	Fergus Falls	Alexandria	Morris	Wheaton	Fargo	St. Cloud
1	Walmart	Walmart	Willies	Willy's	Mall	Mall
2	Fleet Farm	Fleet Farm	Town and Country	Bakery	Sam's Club	Sam's Club
3	Home Depot	Target	Shopko	Dentist	Best Buy	Kohls
4	Target	Menards	Thrifty White Drug		Scheels	Scheels
5	Food Service	Pete's County Market/Elden's Food Mart	Family Dollar		Target	Best Buy

12. The following businesses ARE NOT currently available in Grant County. Which four businesses would you most likely patronize if they opened in Grant County within the next year? (select up to FOUR)

A new clothing store received the most responses with 54%, while fine dining options came next with 40%. The rest of the responses were spread out among the options with appliance store, natural foods co-op, shoe store, and furniture store all receiving around 25%.

Answer	Response	%
Appliance store	92	26%
Electronics store	70	20%
Fine dining options	143	40%
Natural foods co-op	98	27%
New clothes store	192	54%
Hotel	19	5%
Fair trade coffee shops	63	18%
Shoe store	99	28%
Bookstore	60	17%
Furniture store	105	29%
Other	56	16%

13. Name two businesses you would most like to see come to Grant County?

Below are all the businesses that received 5 or more responses.

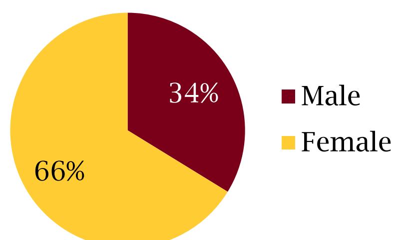
Business	Number of Responses
Walmart (superstore)	32
Subway	25
Target	20
Dairy Queen	13
Fleet Farm	12
Kohls	12
Dollar/Discount store	16
McDonalds	10
Clothing Store	10
Fast Food	7
Red Lobster	7
New car dealer i.e. Chevy/Ford	6
Sams Club	6
Menards	6
No chain stores	5
Appliance store	5
Car wash	5
Grocery store	5
Assisted living facility	5
Caribou	5

14. Which three community assets would you most like to see developed? (select up to THREE)

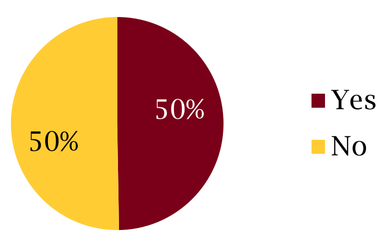
Walking, biking and hiking trails received the most responses with 48%, while local foods and farmer's markets had 39%. Community sports, recreation facilities, and splash park all received close to 25% of responses.

Answer		Response	% (of 400)
Walking/bike/hiking trails		169	48%
Local art/theatre venue		54	15%
Boat docks or landings		37	10%
Community sports/recreation facilities		103	29%
Skateboard park		5	1%
Expanded "green space"		11	3%
Splash park		79	22%
Public prairie restoration land		48	14%
Local foods/farmers markets		137	39%
Expanded public parking		13	4%
None of these		45	13%
Other		50	14%

15. What is your gender? (n=391)



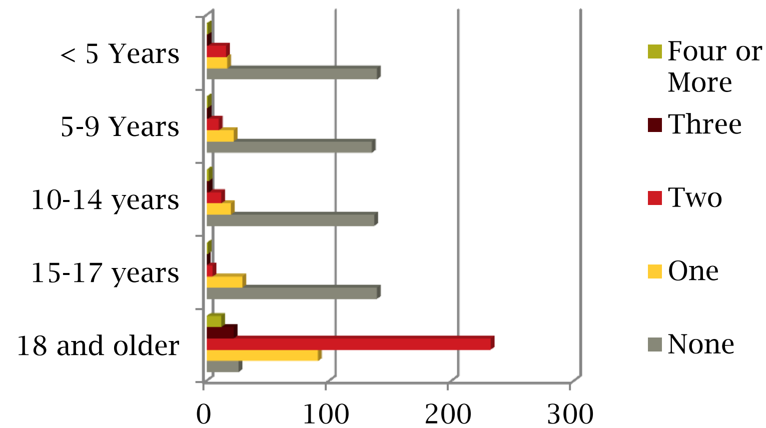
16. Do you work primarily in Grant County? (n=366)



17. What is your age?

Answer	Response	%
Under 18	1	0%
18-24	7	2%
25-44	72	19%
45-54	60	15%
55-64	94	24%
Over 64	155	40%
Total	**389**	**100%**

18. By age, how many people live in your household?



19. What is you marital status? (select ONE)

Answer	Response	%
No Partner	92	24%
Unmarried partner	21	5%
Married partner	278	71%
Total	**391**	**100%**

20. What is the highest level of formal education you have completed? (select ONE)

Answer	Response	%
Less than 9th grade	2	1%
9th to 12th grade, no diploma	12	3%
High school graduate	99	25%
Some college, no degree	91	23%
Associate degree	77	20%
Bachelor's degree	73	19%
Graduate or professional degree	35	9%
Total	**389**	**100%**

21. What is your household's annual income? (select ONE)

Answer		Response	%
Under $15,000		27	8%
$15,000-$24,999		24	7%
$25,000-$34,999		37	11%
$35,000-$49,999		59	17%
$50,000-$74,999		88	26%
$75,000-$99,999		52	15%
$100,000-$149,999		42	12%
Over $150,000		14	4%
Total		**343**	**100%**

22. What radio stations do you listen to most? (select up to TWO)

Answer		Response	%
KJJK, 96.5 FM, KJ country		97	26%
KIK-FM, 100.7, Country Music Power Station		89	24%
KXRA, 92.3 FM, Classic Rock		62	16%
103.3 FM, "The Heart of Rock"		28	7%
91.5 FM, NPR/MPR		24	6%
WCCO, 830 AM		21	6%
1250 AM, Lake Radio Portal		20	5%
KF60, 790 AM		32	8%
Internet Streaming Radio		14	4%
Sirius Radio		56	15%
Other		144	38%
None		23	6%

Below lists the “other” category responses that were given four or more times.

Station	#
Morris KMRS/KKOK	22
KOOL 94.3	9
KFGO 790	6
103.9 Praise FM	5
101.5 FM	4

23. What local or network television stations do you watch most? (select up to TWO)

Answer		Response	%
CBS, KCCO-TV		153	40%
KARE 11		96	25%
Fox		110	29%
K31DH, channel 31		2	1%
ABC		113	30%
Netflix (or internet television)		41	11%
PBS		62	16%
NBC		56	15%
Other		62	16%
None		15	4%

24. What publications do you read most? (select up to TWO)

Answer		Response	%
Grant County Herald		247	64%
Star Tribune/Pioneer Press		78	20%
Herman-Hoffman Tribune		121	32%
Morris Sun Tribune		23	6%
Alexandria Echo		47	12%
Ashby-Dalton Post		44	11%
Fargo Forum		31	8%
Fergus Falls Journal		68	18%
Other		8	2%
None		26	7%

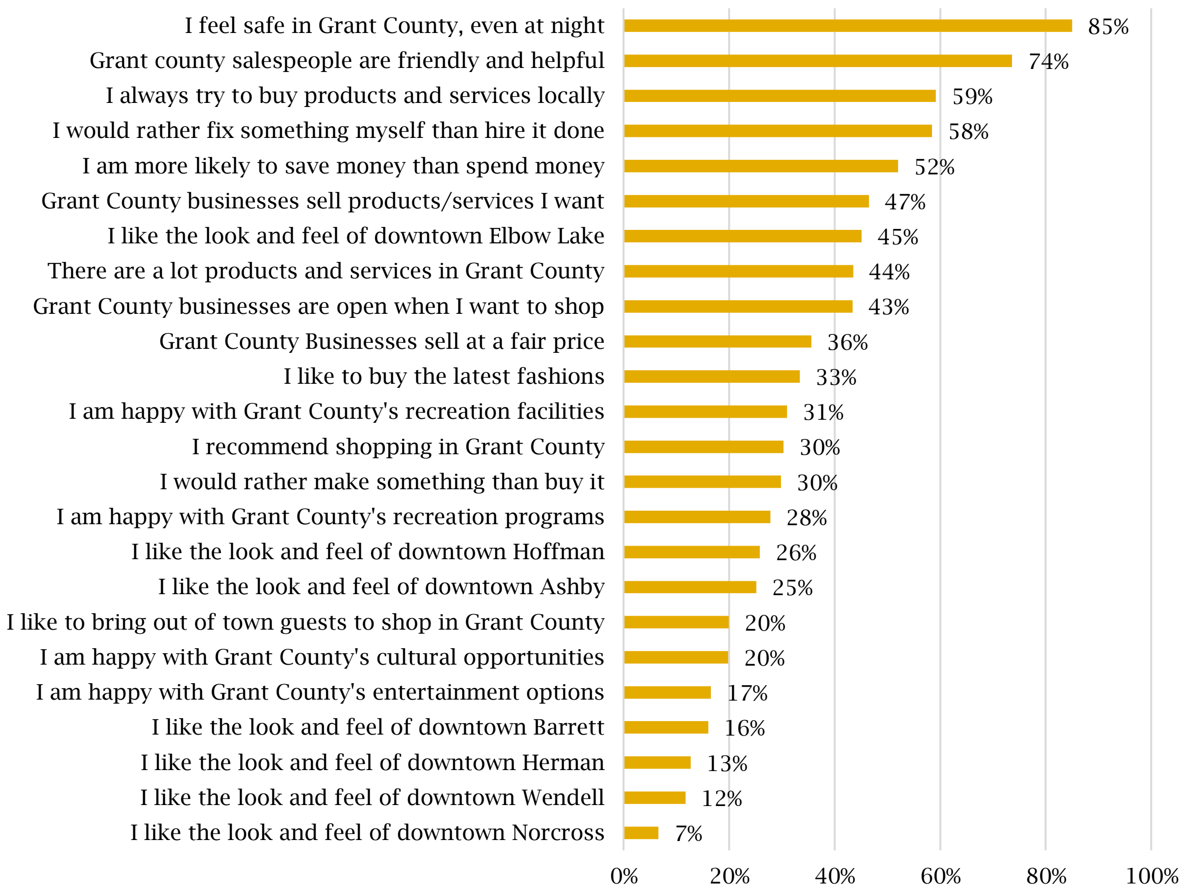
25. If you are not already a business owner, what is your level of interest in starting your own business?

Answer		Response	%
Not Interested		294	88%
Interested enough to learn more		31	9%
Starting to plan a business		6	2%
Ready to start a business		4	1%
Total		**335**	**100%**

26. How strongly do you agree or disagree with the following statements? (select ONE answer for each)

The following chart shows the percent of positive responses (checked either "somewhat agree" or "strongly agree") received by each statement. 74% of respondents agreed that Grant County salespeople are friendly and helpful and close to 60% of respondents try to buy products and services locally.

Percent Positive Responding to Question 26



COMMUTER STORY: KEY FINDINGS

Descriptive Statistics: Commuters vs. Non-commuters

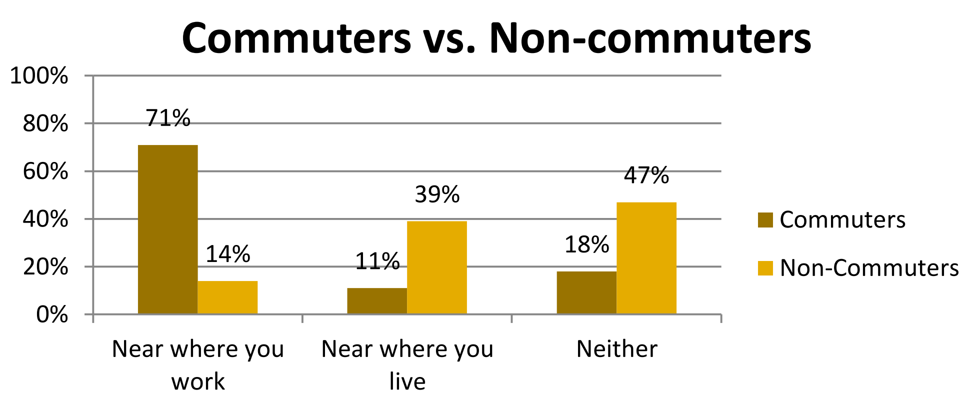
From the survey data, we identified 84 commuters and 182 non-commuters. 68% of commuter respondents were female and 32% are male; similarly, 63% of non-commuters were female, and 38% male. Commuters have a significantly higher 25-45 years old age group, whereas non-commuters are typically older, with a high over 64 years old proportion. Commuters are slightly more likely to have one or more children. A higher proportion of non-commuters have no partner, however this is due to the abnormally large number of widows that responded to our survey. There is no detectable difference in income and education between commuters and non-commuters.

Differences in shopping habits – non-grocery and grocery shopping: near work, living, or neither

Commuters' shopping habits differ in some very important ways. Commuters shop more often near where they work, for both grocery and non-grocery items. Because the commuters all primarily work outside of Grant County, we can be certain that they shop outside of Grant County as well. For the question 10a, "Where are you most likely to shop for non-grocery items," we obtain the following percentages and calculations. The t-stat in the table below indicates statistically significant differences between commuters and non-commuters (t-stat below -2.00 or over 2.00 is significant).

Answer	Commuters	Non-Commuters	n_c	n_nc	pool	SE	T-Stat
Shop near where you work	71%	14%	59	24	0.80	0.10	5.84
Shop near where you live	11%	39%	9	65	0.90	0.11	-2.59
Neither	18%	47%	15	79	0.87	0.09	-3.10

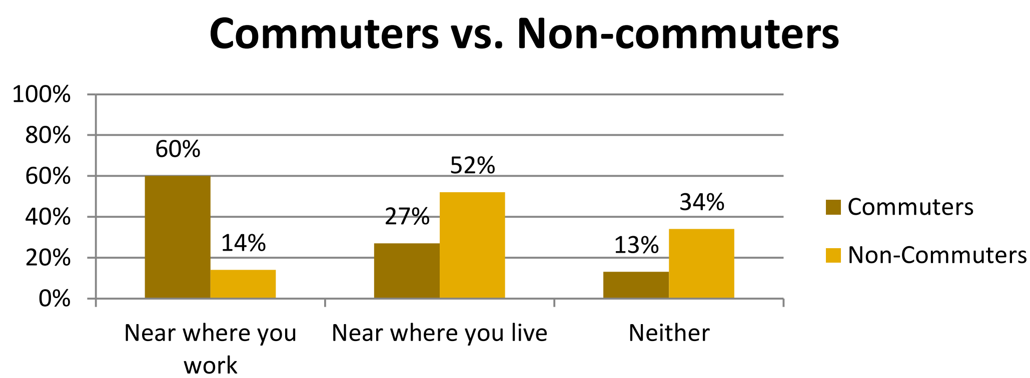
In the chart below, commuters shop for non-grocery items near where they work (71%) far more than non-commuters, whereas non-commuters shop for non-grocery items near where they live, or drive out of their way to shop for these items more than commuters.



Question 10b, “Where are you most likely to shop for grocery items,” shows similar findings. The t-stat in the table below indicates statistically significant differences between commuters and non-commuters (t-stat below -2.00 or over 2.00 is significant).

Answer	Commuters	Non-Commuters	n_c	n_nc	pool	SE	T-Stat
Near where you work	60%	14%	50	24	0.73	0.11	4.18
Near where you live	27%	52%	22	87	0.86	0.08	-3.00
Neither	13%	34%	11	56	0.86	0.11	-1.85

In the chart below, commuters shop for grocery items near where they work (60%) far more than non-commuters, whereas non-commuters shop for grocery items near where they live, or drive out of their way to shop for these items more than commuters.



Differences in opinion

There were differences in question 26, which asked each household a series of statements and were asked to indicate whether they agree or disagree. When broken down, commuters and non-commuters had differences in agreement regarding the following statements:

- Grant County businesses are open when I want to shop;
- there are a lot of products and services in Grant County;
- I recommend shopping Grant County.

Specifically, commuters disagreed with these statements much more than non-commuters. Commuters are habitually exposed to areas with greater economic activity. In addition, commuters do not recommend shopping in Grant County with only 21% of commuters responding positively (compared to 34% of non-commuters).

Grant County businesses are not open when commuters want to shop, with only 21% of commuters responding positively to that statement (compared to 45% of non-commuters).

POPULATION DISTRIBUTION OF RESPONDENTS

The distribution of respondents closely matches the 2012 US Census Grant County estimates. Our stratified random sampling methods provided a generally representative sample. It is important to note that due to a lack of sampling data, we were unable to send surveys to nearby townships.

City	Percent of Total Respondents	Proportion of Grant County Pop.
Ashby	13%	7%
Barrett	12%	7%
Elbow Lake	29%	19%
Herman	17%	7%
Hoffman	19%	11%
Norcross	4%	1%
Wendell	6%	3%

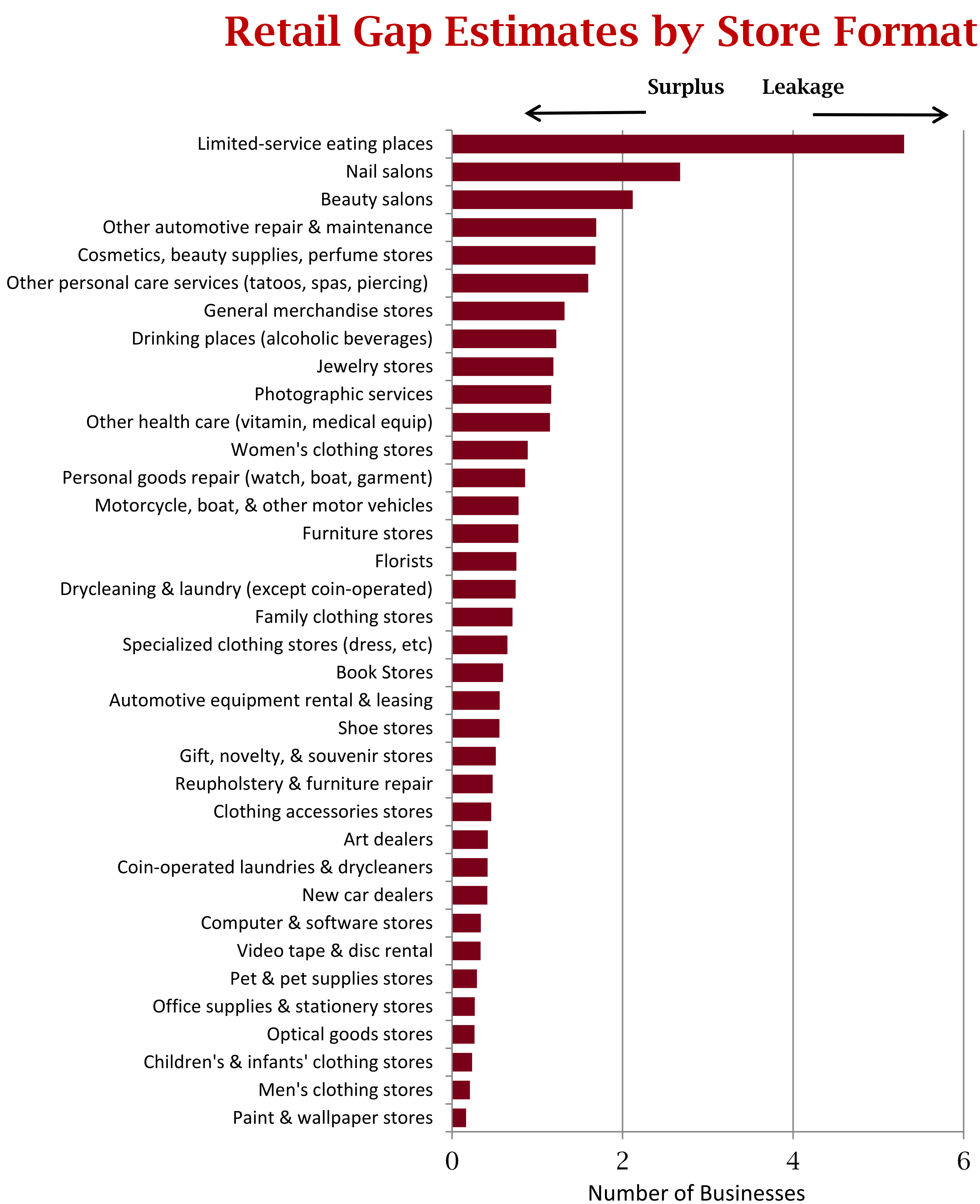
TRADE AREA GAP ANALYSIS

This report estimates the potential number of trade area businesses across various categories based on the spending of the area residents (demand) compared to the number of businesses in the trade area (supply). Those categories where demand is greater than supply are possible opportunities for businesses development. Demand estimates are calculated from the 2007 US Economic Census and supply listings are manually inventoried in the community. THESE CALCULATIONS ARE PROVIDED FOR THE STUDY OF ECONOMIC CONCEPTS. THEY SHOULD NOT BE USED AS THE SOLE DETERMINANT OF BUSINESS FEASIBILITY.

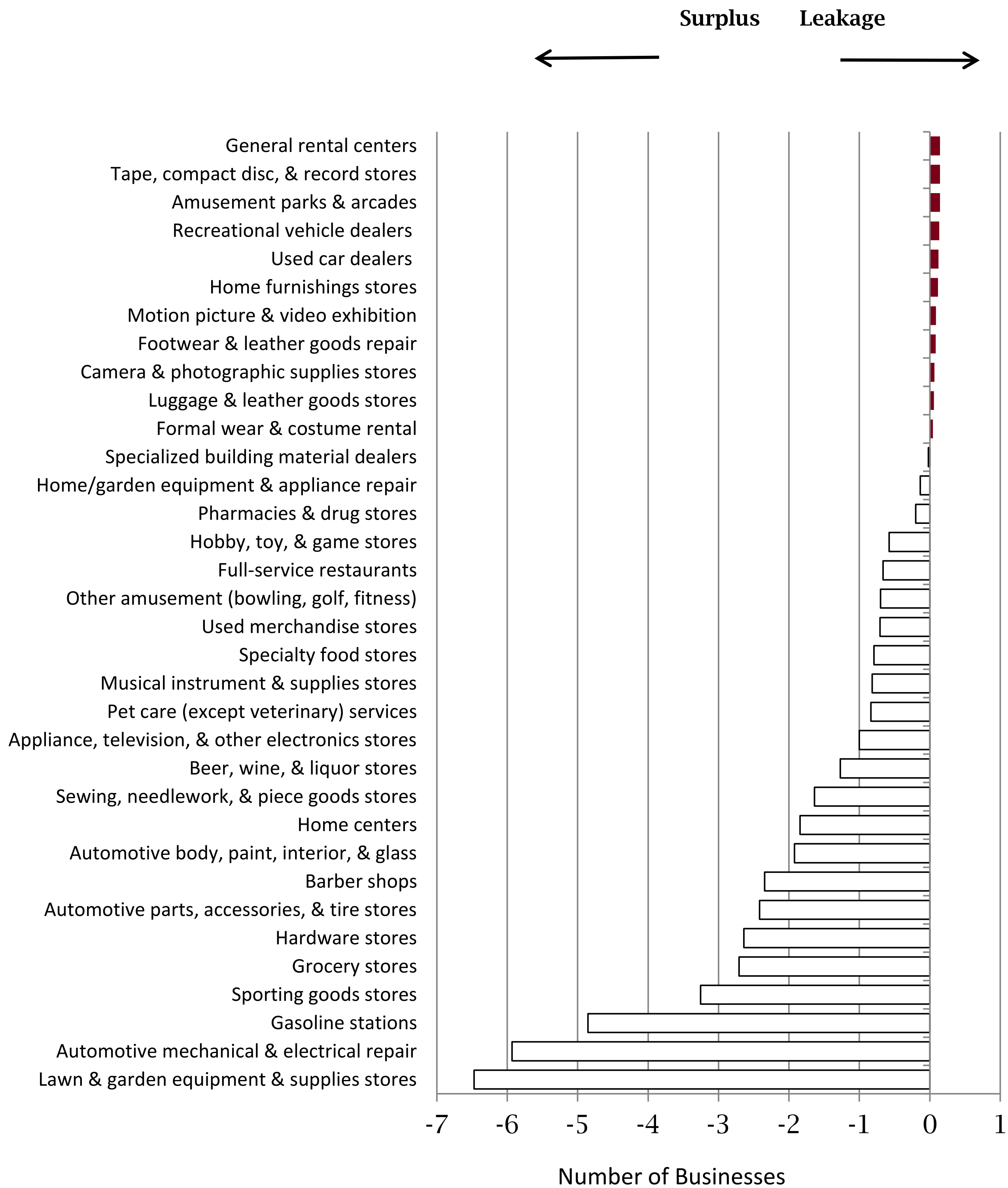
NAICS	Name	U.S. Sales Per Capita	Average Sales per U.S. Store	Potential Sales in Trade Area	No. of Businesses (Demand)	No. of Businesses (Supply)*	Bus. Gap (Demand - Supply)
44111000	New car dealers	$2,280	$27,632,089	$11,448,184	0.4	-	0.4
44112000	Used car dealers	$268	$633,563	$1,344,291	2.1	2	0.1
44121000	Recreational vehicle dealers	$65	$2,426,928	$324,136	0.1	-	0.1
44122000	Motorcycle, boat, & other motor vehicles	$162	$1,039,132	$811,792	0.8	-	0.8
44130000	Automotive parts, accessories, & tire stores	$249	$789,354	$1,250,192	1.6	4	-2.4
44210000	Furniture stores	$197	$1,271,871	$988,362	0.8	-	0.8
44220000	Home furnishings stores	$172	$775,414	$865,019	1.1	1	0.1
44311000	Appliance, television, & other electronics stores	$286	$1,437,590	$1,436,865	1.0	2	-1.0
44312000	Computer & software stores	$68	$1,008,571	$342,020	0.3	-	0.3
44313000	Camera & photographic supplies stores	$13	$1,034,341	$66,412	0.1	-	0.1
44411000	Home centers	$447	$14,117,083	$2,246,417	0.2	2	-1.8
44412000	Paint & wallpaper stores	$34	$1,024,804	$169,284	0.2	-	0.2
44413000	Hardware stores	$68	$948,935	$342,238	0.4	3	-2.6
44419000	Specialized building material dealers	$393	$2,014,250	$1,972,996	1.0	1	0.0
44420000	Lawn & garden equipment & supplies stores	$123	$1,165,506	$617,936	0.5	7	-6.5
44510000	Grocery stores	$1,631	$3,570,309	$8,187,639	2.3	5	-2.7
44520000	Specialty food stores	$62	$258,156	$311,490	1.2	2	-0.8
44530000	Beer, wine, & liquor stores	$127	$877,029	$637,763	0.7	2	-1.3
44611000	Pharmacies & drug stores	$671	$4,218,922	$3,367,619	0.8	1	-0.2
44612000	Cosmetics, beauty supplies, perfume stores	$39	$116,573	$196,020	1.7	-	1.7
44613000	Optical goods stores	$27	$518,023	$137,346	0.3	-	0.3
44619000	Other health care (vitamin, medical equip)	$50	$218,306	$251,147	1.2	-	1.2
44710000	Gasoline stations	$1,499	$3,506,684	$7,523,825	2.1	7	-4.9
44811000	Men's clothing stores	$29	$696,349	$146,176	0.2	-	0.2

NAICS	Name	U.S. Sales Per Capita	Average Sales per U.S. Store	Potential Sales in Trade Area	No. of Businesses (Demand)	No. of Businesses (Supply)*	Bus. Gap (Demand - Supply)
44812000	Women's clothing stores	$134	$754,680	$671,484	0.9	-	0.9
44813000	Children's & infants' clothing stores	$32	$675,687	$159,892	0.2	-	0.2
44814000	Family clothing stores	$281	$1,984,619	$1,408,497	0.7	-	0.7
44815000	Clothing accessories stores	$21	$231,336	$106,369	0.5	-	0.5
44819000	Specialized clothing stores (dress, etc)	$40	$308,106	$200,678	0.7	-	0.7
44821000	Shoe stores	$89	$803,282	$446,616	0.6	-	0.6
44831000	Jewelry stores	$103	$434,934	$516,588	1.2	-	1.2
44832000	Luggage & leather goods stores	$6	$544,354	$32,514	0.1	-	0.1
45111000	Sporting goods stores	$119	$803,722	$598,330	0.7	4	-3.3
45112000	Hobby, toy, & game stores	$55	$650,609	$273,744	0.4	1	-0.6
45113000	Sewing, needlework, & piece goods stores	$15	$200,733	$73,050	0.4	2	-1.6
45114000	Musical instrument & supplies stores	$20	$552,036	$99,239	0.2	1	-0.8
45121000	Book Stores	$61	$512,938	$307,611	0.6	-	0.6
45122000	Tape, compact disc, & record stores	$12	$434,504	$62,465	0.1	-	0.1
45200000	General merchandise stores	$1,919	$7,301,449	$9,634,007	1.3	-	1.3
45310000	Florists	$24	$160,175	$121,138	0.8	-	0.8
45321000	Office supplies & stationery stores	$77	$1,454,735	$387,033	0.3	-	0.3
45322000	Gift, novelty, & souvenir stores	$60	$199,283	$301,807	1.5	1	0.5
45330000	Used merchandise stores	$37	$143,185	$185,229	1.3	2	-0.7
45391000	Pet & pet supplies stores	$39	$674,074	$197,920	0.3	-	0.3
45392000	Art dealers	$32	$383,996	$160,934	0.4	-	0.4
45399000	Miscellaneous store retailers	$47	$824,344	$236,992	0.3	3	
51213000	Motion picture & video exhibition	$42	$2,475,216	$211,503	0.1	-	0.1
53210000	Automotive equipment rental & leasing	$153	$1,373,285	$766,412	0.6	-	0.6
53222000	Formal wear & costume rental	$3	$373,468	$16,786	0.0	-	0.0
53223000	Video tape & disc rental	$31	$469,109	$157,262	0.3	-	0.3
53230000	General rental centers	$15	$529,977	$76,526	0.1	-	0.1
54192000	Photographic services	$32	$73,585	$159,247	2.2	1	1.2
71310000	Amusement parks & arcades	$46	$1,612,717	$230,962	0.1	-	0.1
71390000	Other amusement (bowling, golf, fitness)	$214	$325,347	$1,073,471	3.3	4	-0.7
72210000	Full-service restaurants	$651	$753,543	$3,267,184	4.3	5	-0.7
72220000	Limited-service eating places	$618	$585,250	$3,103,053	5.3	-	5.3

NAICS	Name	U.S. Sales Per Capita	Average Sales per U.S. Store	Potential Sales in Trade Area	No. of Businesses (Demand)	No. of Businesses (Supply)*	Bus. Gap (Demand - Supply)
72240000	Drinking places (alcoholic beverages)	$66	$272,183	$332,680	1.2	-	1.2
81111000	Automotive mechanical & electrical repair	$169	$208,632	$848,607	4.1	10	-5.9
81112000	Automotive body, paint, interior, & glass	$113	$272,517	$566,044	2.1	4	-1.9
81119000	Other automotive repair & maintenance	$52	$153,086	$258,716	1.7	-	1.7
81141000	Home/garden equipment & appliance repair	$14	$80,522	$69,613	0.9	1	-0.1
81142000	Reupholstery & furniture repair	$6	$66,174	$31,650	0.5	-	0.5
81143000	Footwear & leather goods repair	$1	$61,281	$5,154	0.1	-	0.1
81149000	Personal goods repair (watch, boat, garment)	$30	$38,909	$150,097	3.9	3	0.9
81211100	Barber shops	$9	$25,983	$42,995	1.7	4	-2.3
81211200	Beauty salons	$102	$50,439	$510,410	10.1	8	2.1
81211300	Nail salons	$19	$34,935	$93,445	2.7	-	2.7
81219000	Other personal care services (tatoos, spas, piercing)	$27	$51,973	$134,980	2.6	1	1.6
81231000	Coin-operated laundries & drycleaners	$14	$169,403	$70,746	0.4	-	0.4
81232000	Drycleaning & laundry (except coin-operated)	$30	$203,248	$151,802	0.7	-	0.7
81291000	Pet care (except veterinary) services	$12	$52,185	$60,777	1.2	2	-0.8


Retail Gap Estimates by Store Format
Surplus
Leakage
Limited-service eating places
Nail salons
Beauty salons
Other automotive repair & maintenance
Cosmetics, beauty supplies, perfume stores
Other personal care services (tatoos, spas, piercing)
General merchandise stores
Drinking places (alcoholic beverages)
Jewelry stores
Photographic services
Other health care (vitamin, medical equip)
Women's clothing stores
Personal goods repair (watch, boat, garment)
Motorcycle, boat, & other motor vehicles
Furniture stores
Florists
Drycleaning & laundry (except coin-operated)
Family clothing stores
Specialized clothing stores (dress, etc)
Book Stores
Automotive equipment rental & leasing
Shoe stores
Gift, novelty, & souvenir stores
Reupholstery & furniture repair
Clothing accessories stores
Art dealers
Coin-operated laundries & drycleaners
New car dealers
Computer & software stores
Video tape & disc rental
Pet & pet supplies stores
Office supplies & stationery stores
Optical goods stores
Children's & infants' clothing stores
Men's clothing stores
Paint & wallpaper stores
0
2
4
6
Number of Businesses

Retail Gap Estimates by Store Format



COMMUNITY MEETING - RECOMMENDATIONS

In early April, 2014 a community meeting was held in Elbow Lake which provided citizens and community leaders the initial findings of the GrOw Grant County Consumer Survey and Trade Area Gap Analysis. Based on this information and their local knowledge of the market, attendees at the meeting came up with a few **recommendations for retail business opportunities**[1]**:**

1. Assisted living facility
2. Dollar store
3. Fine dining located near one of the lakes
4. Zorbaz franchise restaurant
5. Ag-related service shop (i.e. repair)
6. Small format fleet supply
7. Clothing

Attendees were also asked what 1-2 things the **Grant County business community should work on**. The following recommendations were given:

1. Better communication within the business community.
    a. Example: Develop a forum in which businesses can get together and build relationships.
2. The development of a better partnership between the local governments and the local chamber of commerce. Specifically, more funding to promote Grant County.
3. The County should do more to work with and assist businesses.

Lastly, the following recommendations were developed when asked **what a good role for GrOw Grant County should be to improve business development in the county**.

1. Organize events that showcase shopping in the county.
2. Assist businesses with e-commerce, such as
3. Developing an online website/presence that highlights all the businesses in Grant County,
4. Assist individual businesses develop a website and online marketing.
5. Provide forum for businesses to get together to forge relationships and develop strategies together.
6. Work on developing relationships with businesses.
7. Develop a "shop local" campaign.

[1] These are only recommendations to identify business opportunities in the local market. Any entrepreneur should engage in business planning using statistics particular to his or her industry (like benchmarks from a national trade association) to vet these recommendations before pursuing a business launch.

ABOUT THIS STUDY AND ITS AUTHORS

GrOw Grant County contracted with University of Minnesota Center for Small Towns to conduct a consumer survey in order to meet its mission of recruiting and retaining families and businesses to Grant County. The Center for Small Towns partnered with University of Minnesota Extension to conduct this study.

Kelly Asche is the Program Director at the Center for Small Towns, University of Minnesota, Morris. Kelly oversees research and service-learning projects which support small towns in Minnesota.

Ryan Pesch is an Extension Educator with the University of Minnesota. Ryan conducts applied research projects and delivers educational programming related to community economic development throughout west central Minnesota.

Jordan Wente is an undergraduate Spanish and Statistics major at the University of Minnesota, Morris. Jordan works as a student researcher at the Center for Small Towns.

For more information about this project contact either Kelly Asche at kasche@morris.umn.edu or Ryan Pesch at pesch@umn.edu.

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