

Staff Report

TO: Business and Economic Development Commission

FROM: Kelly Stachowicz, Staff Liaison

SUBJECT: Retail Survey - Initial Results

Recommendation

Informational

Fiscal Impact

None. The cost of the survey to date has been approximately \$12,490. Funding has come from the Economic Development program in the General Fund.

Design	590
Printing	3,400
Mail Out	3,700
Mail Back/Bulk	2,100
Mail Set Up	
Data Entry	1,500
Staff Time	1,200
Total	12,490

Background and Analysis

In June of this year, the City mailed out retail surveys via bulk mail to every address in the 95616 zip code. A total of 28,200 surveys were mailed out. Of these, 1400 were mailed to business addresses (because of the nature of bulk mail, this was necessary). Since the survey was aimed at residents, we would not expect the businesses to reply. The total number of households the survey was mailed to was approximately 25,400. Survey entries totalling 5819 represent a response rate of slightly over 20%. This is a very decent response rate for a mailout survey, particularly one without any follow up. When you consider that the timing of the original mailout meant that students were not likely to respond – during the second week of June students were in finals, graduating and/or leaving for the summer - the response rate from “permanent” residents is higher than 20%. This report will detail the responses further, but staff feels

comfortable that the responses represent residents from all parts of Davis, as well as new residents and long-time residents.

The aim of the survey was to allow citizens to share with the Commission, the City Council and others their desires for retail in Davis. The survey asked what would make people more likely to shop here, what types of goods they currently purchased outside of town and what types of retail they would support (or not support) in Davis. It was equally important to hear concerns respondents have regarding certain types of retail or retail situations.

Five thousand eight hundred nineteen surveys were entered. Approximately 100 additional surveys were not entered because they lacked sufficient data or because they came in after the cut-off date for data entry (Thursday, August 21). Residents who wanted to respond to the survey could mail the survey back in, at no cost to them, or could complete the survey online on the City's webpage. The survey was available on the city's webpage for 2 ½ months. Almost 500 residents chose to complete the survey online. Online respondents were required to fill in an address and a location in the city, thereby minimizing "fake" responses. Duplicate surveys were omitted and only a limited number were allowed per address. Approximately 1000 respondents mailed their surveys back with a stamp, thus relieving the City of paying the return postage.

Of the surveys entered, 2854, or almost half, had written comments in the "Other Comments" section or sent an email to retailsurvey@cityofdavis.org. These comments will be discussed later in this report, but the nature and the number of written comments indicates that, for better or worse, respondents feel strongly about the issue of retail shopping. In other words, this survey hit a hot button.

Basic Demographics

The survey (a copy of which is attached to this report) asks the number of years the respondent has lived in Davis. The mean was 16 years; the median was 12 years. Overall, the distribution is expected: 31% of respondents have lived in Davis for less than 10 years, 35% for 10 – 30 years and 31% for more than 30 years. (And three cheers for the respondent who has lived here for 94 years!) It is encouraging to see that responses are balanced.

We have not yet pulled out the information that indicates the total number of adults in the household and whether these adults are students, employed, or retired.

The final demographic question asked people in which part of Davis they lived. Choices were given as Central, North, South, West, East, Mace Ranch/Wildhorse and Other. Again, the distribution is well spread. The highest percentage of respondents come from West Davis at 20% of the surveys. Central, East, North and South Davisites each represented 16% of the surveys, and Mace Ranch/Wildhorse residents returned 10% of the surveys. An additional 5% of the surveys did not include a section of town or marked "Other".

In summary, the demographic information indicates that we received a reasonable sampling from different locales in town, as well as from new and long-time residents. It would appear from the

other demographic questions that UCD students are not well-represented. This is not surprising, given the timing of the original mailout.

What would encourage you to shop more frequently in Davis?

The first series of questions on the written survey (the online survey was set up slightly differently) asks respondents to choose the three most important factors that would encourage them to shop more frequently in Davis. The percentage of respondents choosing each factor is included in the chart below.

Product variety/selection	68%
Lower prices	52%
Convenient parking	43%
Quality	36%
One-stop shopping	21%
Extended weekday hours	16%
Extended weekend hours	11%
Other (specify- not yet tabulated)	11%

Many surveys included written comments that indicated that Davis shopping options did not have many of the items people were seeking, or at least not at the prices they were willing to pay. The above chart, along with the next chart indicating how frequently people make purchases outside of Davis, validate the written comments. Many Davis residents cannot find the products they want at the prices they want. Parking also came up quite frequently in the written comments, usually referring to the downtown. People perceive that parking is not available (or at least not obvious), and many shoppers resent the 2-hour parking limits.

Purchases outside of Davis

The chart on the survey includes two sets of questions – the first asks respondents what percentage of their purchases are currently made outside of Davis. The majority (2/3) buy all or virtually all appliances, bulk discount, clothing premium clothing, crafts, electronics, furniture, linens and soft goods, and specialty grocery out of town. Over 70% of respondents indicated that they purchase ¾ to all of their discount clothing and linens/soft goods outside of Davis. On the reverse side, only Books/Stationery has a majority of respondents (51%) saying that they purchase all (or almost all) of these items in Davis. A mere 11% purchase all or almost all Books/Stationery outside of Davis.

The purchase of automobiles is fairly polarized, with one-third buying out of town and one-half buying in town. This makes sense for an item that each household might only have 1-2 of, each purchased to last several years.

The Sporting Goods and Home Improvement categories are equally split among the four options of purchasing 0-100% outside of Davis. This indicates that Davis has some stores located in town that are filling a need.

As we already know from sales tax information, Davis has significant sales tax leakage. This survey shows us the same thing. The question now becomes whether the community is interested in plugging the leakage in certain categories and how we as a community go about doing that.

Would support in Davis

The second part of the chart asks people whether they would be not likely, unsure or likely to support certain categories of retail/certain types of stores in Davis. Almost everyone (83.6%) indicated they would support Specialty Grocery. Given the written comments, this seems to mean Trader Joe's. This was closely followed by Books/Stationery at 80%. Since Davis has several stores that carry these types of items and since the majority of residents patronize these shops, it follows that they are supportive of them. (The question is not limited to new retail in Davis; it applies as well to existing retail.)

<u>Category</u>	<u>Likely (to support)</u>
Specialty Grocery	84%
Books/ Stationery	80%
Home Improvement	69%
Clothing – Discount	69%
Clothing – Moderate	68%
Crafts/Hobbies	67%
Linens/Soft Goods	66%
Sporting Goods	60%
Bulk Discount	58%
Electronics	55%
Appliances	52%
Clothing – Premium	51%
Furniture/Home Décor	51%
Automobiles	44%

Equally interesting is the category of “Not Likely (to support)”. There is a three-way tie for the categories about which people express the most concern. Almost a third of the respondents indicate that they are not likely to support Premium Clothing, Automobiles or Bulk Discount. Electronics follows at 25%. A concern about this response is the number of people who say they would not be likely to support Automobiles, as this sector currently makes up over a third of the City's sales tax revenue alone. It is also a stated goal of the city to encourage auto dealerships to locate here and to expand.

<u>Category</u>	<u>Not Likely (to support)</u>
Clothing – Premium	32%
Automobiles	31%
Bulk Discount	31%
Electronics	25%
Appliances	23%

Furniture/Home Décor	20%
Clothing – Discount	20%
Craft/Hobby/Sewing	18%
Sporting Goods	17%
Clothing – Moderate	17%
Home Improvement	16%
Linens/Soft Goods	13%
Books/Stationery	11%
Specialty Grocery	8%

It is also interesting to note that 29% of respondents are unsure about Furniture/Home Décor. Roughly one-quarter are also unsure about Appliances and Automobiles.

Cross Comparisons

Curious as to whether the location or the time lived in Davis made any difference on feelings toward retail, staff ran a few crosstabs. The first compares the location in Davis with the likelihood of supporting/not supporting various types of retail. In general, Mace/Wildhorse residents and South Davisites are most likely to support different types of retail.

Mace/Wildhorse residents are more likely to support Automobiles, Premium Clothing, Electronics, Furniture, and Specialty Grocery. South Davis respondents are more likely to support Bulk Discount, Discount Clothing, Moderate Clothing, Home Improvements, and Linens/Soft Goods than those in other parts of town. Those in Central Davis who responded are less likely to support Automobiles and Bulk Discount than the rest of the respondents, while East Davisites are less likely to support Premium Clothing. (See chart attached.)

There is also some interesting information when you compare likelihood of support with length of time in Davis. The longer a respondent lived in Davis, the more likely he/she was to support Appliances, Bulk Discount, Moderate Clothing, and Home Improvement. Most of the other categories showed no bearing between the length of time someone had lived here and their likelihood to support certain types of retail. (Keep in mind that we did not ask the age of the respondent. Someone who has lived here for 35 years could be 35 years old or 70 years of age.) (See chart attached.)

Finally, respondents seem united when determining what factors would cause them to shop in Davis more. There was virtually no difference in answers based on where the respondent lived.

Written Comments

Staff is still in the process of reviewing and categorizing the almost 3,000 written comments, including emails sent to retailsurvey@cityofdavis.org. However, based on initial review, many of the comments can be categorized as follows. (Some written comments fall into more than one category.)

- Trader Joe's – Almost 900 respondents specifically wrote in that they wanted Trader Joe's, by name, making this the most common comment by far. This represents 15% of all the surveys and over 30% of the written and emailed comments.

- Target – Approximately 332 respondents wrote in that they wanted a Target, by name. This represents 6% of all surveys and 12% of the written or emailed comments.
- Approximately 270 respondents wrote in something to the effect that they did not want more retail development and/or certain types of retail development (no big box, no malls, no chains). This represents 5% of all surveys and 9% of those with written comments.
- Staff is still determining the percentage of write-in comments that suggested additional retail in town. Like the previous category, the comments vary, although the intent is the same. Comments include things like “need more retail in Davis” to “tired of driving to Sac, Woodland, Vacaville to shop” to listing several stores (other than Target or Trader Joes) to locate here.