How Our Shopping Habits Help Predict the Future of Our Community

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Do you make it a point to shop in your local community whenever possible? Do you value the ability to make most of your purchases at home? Do you personally know the retailers in your community? Can you remember a time when your community was better able to provide the goods and services you needed on a daily basis? What would your ideal community look like today? What would you most like your community to offer residents in the future? Do you think your ideal community would fit most age groups?

These questions and more will be considered in this lesson, as we discover how our personal shopping habits help determine what the future of our communities will look like.

Shopping Spree

Let’s begin by taking a virtual shopping spree. Everyone will be given an identical shopping list. In the column to the right of the item listed, write down where you would go to purchase that item. Answer without thinking too hard. We want to determine where the majority of folks in the room would automatically go to make those purchases.

After everyone completes the shopping spree, share the results with each other. Can you spot trends? How do the trends you have spotted for your community make you feel about the potential for the future of your community? Are you hopeful that the local situation continues, or do you want better? What would make things better in your community?

Community Business Scan

Take another look at the shopping list. As a group, think about which items on the list could be purchased in your local community. Did the majority of shoppers choose to make those purchases at home, or did price or some other consideration cause most shoppers to go outside of your community for the purchase?

In groups of three or so, build a list of businesses that provide goods or services in your community. Think really hard. Don’t forget to list the paper carrier and other businesses that don’t have a presence on Main Street.

Come back together as a group, and share your lists. What is the total number of businesses you identified in your community? Did most of the businesses show up as places you shop when you did the shopping spree exercise? If the answer is “yes,” congratulations, your community’s businesses are being supported by local shoppers. If the answer is “no,” consider why it might be. Without getting negative, discuss conditions that might make shoppers consider shopping locally instead of going outside of town to make those purchases.

You Are Important to Local Merchants

All merchants and service providers are in business to provide a living for themselves and their families. They want and need you as their customer. When you shop in your local community, your dollars stay in the community. Look at it this way, if you buy an item from...
a local merchant rather than from the big discount store in the larger community down the road, the merchant in that local store might take that same dollar and purchase something in the store across the street. The owner of the store across the street might pay his employee with that dollar. That employee might make a purchase at another store in your community. The owner of that store might use that dollar to make a contribution to a local sports program. The local sports program attracts shoppers from other communities to your town. While the visiting shoppers are in town, they bring outside dollars into your local economy. If they get the impression that something special is happening in your town, they might become return shoppers. When that happens, your community has “pulled” new dollars into your town’s economy.

I’m shopping out of town because ...

What are the reasons that you find yourself shopping outside of town? The following list might get you started thinking.

• I’m looking for the best price.
• I want greater variety of merchandise.
• I like the convenience of store hours.
• I have a desire to be “different.”
• I like to get away with friends.
• Other?

As you think about your reasons for shopping somewhere outside your community, consider how local merchants could fill your needs.

For every reason you can think of that makes you shop out of town, consider an alternative that would allow you to shop in your community. For example, take the reason centered on price. Calculate the price of driving to your alternative merchant who is 30 miles out of town. Use the following formula to calculate your actual savings.

\[ M = \text{Miles to the out-of-town merchant} \]
\[ T = M \times 2 - \text{Miles for entire trip} \]
\[ F = \text{Cost of a gallon of fuel: $______ / gallon} \]
\[ A = \text{Average miles per gallon to run your vehicle} \]
\[ C = \text{Cost to drive} \]
\[ (T + A) \times F = C \]

Sample Scenario

\[ M = 30 \text{ miles to shopping town} \]
\[ T = 60 \text{ miles round-trip} \]
\[ F = $4.00 \text{ price of gas/gallon} \]
\[ A = 20 \text{ average miles per gallon} \]
\[ \left( \frac{60}{20} \right) \times$4.00 = $12.00 = \text{Trip cost} \]

Add the trip cost to the price of the products/services purchased. Subtract the total from the price of the identical higher priced goods available in your community. Did you really save anything by driving out of town to get the things you could have purchased at home?

Ask yourself the following questions, and answer honestly.

• Does it really pay to get a lower price if it costs more to drive the distance to get the savings?
• How much is it costing my community if I take my dollars out of town?
• Does my out-of-town shopping behavior reflect a trend in my community?
• If I continue to shop out of town, will I have any options to shop locally in the future?

Can’t Find It? Just Ask

Go through each of your reasons for shopping out of town. Are there any situations where a frank discussion with your local merchant might help influence your decision to shop elsewhere? How can your local merchant know you prefer a certain brand or product if you don’t tell him/her? Remember that your local merchants depend on your business to be successful. They want to please you, their customer. They aren’t able to read your mind, so you need to communicate with them if you want to see the types of goods and services you would like to purchase.

For the next few minutes, look at the list of businesses you compiled earlier in this lesson. Consider the types of goods and services you typically purchase outside of town. Are there any reasonable expectations that if you asked local merchants to carry that type of merchandise they might just do so? Don’t be reluctant to suggest things to your local merchants that you like to purchase. For example, if you like a certain brand of peanut butter, there’s a good chance others will like it, too. Your local grocer might be very happy to purchase a case of the new peanut butter so that you and others might enjoy it.
Trends in Retailing Today

- Fewer retail stores exist today, especially in rural areas.
- U.S. retail sales in 2010 totaled $4,307,531,000,000, marking the third highest year ever!
- Large retailers dominate the marketplace, offering perceived lower prices and one-stop shopping.
- In June 2012, electronic sales accounted for 7 percent of all retail sales, up from 1.9 percent in 2004.
- Youth account for a huge number of dollars spent in the retail sector.
- Large stores with a relatively narrow line of merchandise (known as category killers) have taken over many sectors of the marketplace, virtually eliminating the competition.
- Shopping styles have changed. Consumers do more focused shopping, less browsing. Consumers are more apt to make one-stop shopping trips than to go to shopping malls that have a huge variety of retailers.
- Customer service remains the number one competitive advantage for small retailers.

Build Your Dream Community

If you had the ability to make your community perfect, what might you change? Would you add more retailers, more entertainment venues, more restaurants? What, if anything, do you feel your community is missing? Do you need more people? Is your housing stock adequate to attract young families? Can you list all the best features of your community, and then build upon them to create the perfect community for the future?

Summary

We have considered the importance of shopping locally to ensure the healthy future of your community. We have answered some provocative questions:

- Do you make it a point to shop in your local community whenever possible?
- Do you value the ability to make most of your purchases at home?
- Do you personally know the retailers in your community?
- Can you remember a time when your community was better able to provide the goods and services you needed on a daily basis?
- What would your ideal community look like today?
- What would you most like your community to offer residents in the future?
- Do you think your ideal community would fit most age groups?

If you had to admit that you do a lot of your shopping for goods and services outside your hometown, now is the time to make a change to help your local merchants grow and prosper. You can make a difference by changing your shopping habits and shopping locally as a routine. You can also encourage others by your strong example.