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## GROW GRANT COUNTY

# Consumer Survey

### 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%
<b>Total</b>	<b>389</b>	<b>100%</b>

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%
<b>Total</b>	<b>343</b>	<b>100%</b>

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):

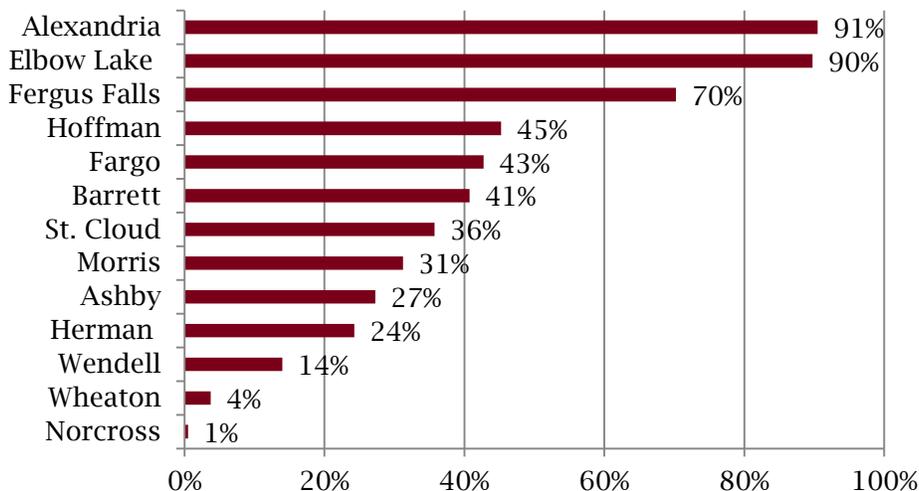


Figure 3: Percentage of respondents by cities in which they have shopped at least once in the last three months

Answer	Response	%
Near where you work	103	27%
Near where you live	129	34%
Neither	148	39%
<b>Total</b>	<b>380</b>	<b>100%</b>

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
<b>Total Monthly Meals</b>	<b>3190</b>
<b>Monthly Meal Gap</b>	<b>1876</b>
<b>% of Meals in Grant County</b>	<b>41%</b>

Figure 5: Number of monthly meals eaten out by respondents.

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 or development 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: Businesses respondents patronize 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.

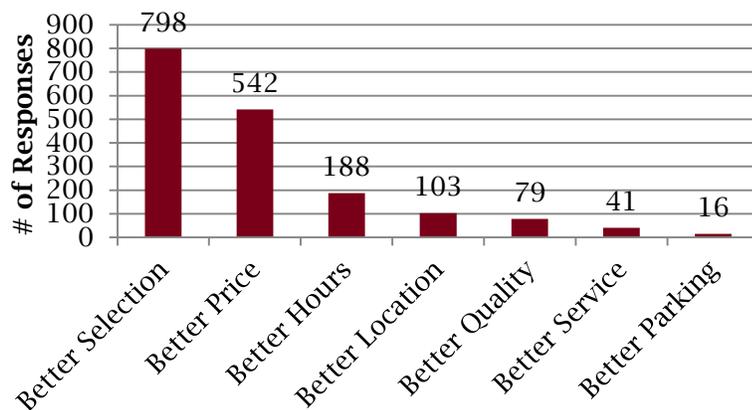


Figure 8: Number of responses by reason for shopping outside Grant County

## **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 for 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.

## 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 Program Director at Center for Small Towns with 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 University of Minnesota, Morris. Jordan works as a student researcher at Center for Small Towns.

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