

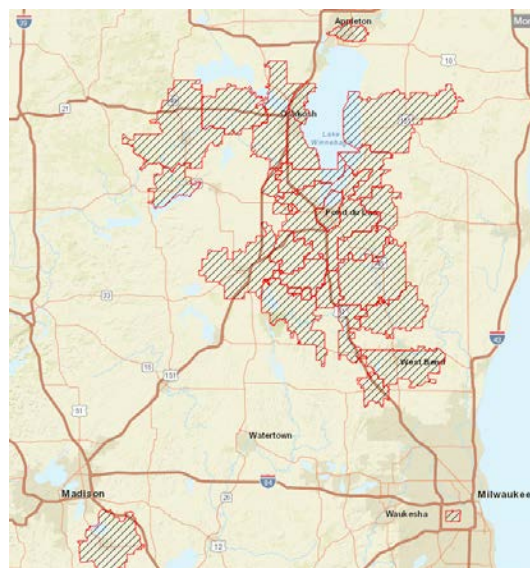
2017 SHOP SMALL RESULTS

The Downtown Fond du Lac Partnership hosted its 4th annual shop small event during the 2017 holiday season. The program awards a \$500 gift certificate to one local shopper making purchases downtown between November 1 and December 21st. Each \$10 in spending generates an additional entry into the sweepstakes (a no purchase option is available). In total, 177 individuals participated in the event in 2017, with participation more than doubling since the program launched for the 2014 holiday season. In sum, nearly \$50,000 in customer spending was tracked as part of the sweepstakes offer. This is down by 27 percent from last year, but still represents a substantial increase over the first year of the program when less than \$25,000 was recorded.

VISITOR PROFILE

Of the 177 individuals submitted an entry by shopping downtown, 88 percent are from Fond du Lac or immediately surrounding communities, 7 percent are from the slightly larger trade area, or within approximately 30 minutes from Fond du Lac, and the remaining participants were primarily split between other Wisconsin markets including Appleton, Madison or Milwaukee. The actual geographic distribution of participants by zip code is illustrated in the map at right.

Visitors were most likely to shop on Saturdays (25% of all spending), although the second most popular shopping day this year, in a departure from prior years, was Wednesday, with 19% of sales. Tuesday and Friday each had 17% of sales, while Monday and Thursday each had 9%.



Just over 8 percent of spending happened on Shop Small Saturday, a decrease from previous years. However, the 94 individual entries received on this date (15%) indicate that it was still a popular browsing and shopping day for the district. In contrast, 17 percent of all spending happened in the week leading up to Christmas (December 18th through the 24th) and 5 percent from Christmas through New Year's Eve.

BUSINESS PROFILE

Participants spent money at 73 total businesses, although 21 different businesses reflected on submitted receipts were technically outside the district. (Statistics in this report are compiled using only data from receipts at the businesses within the BID.) All but six businesses had more than one customer participating in the sweepstakes, and nearly 30 percent of businesses had 10 or more customers submitting receipts.

Of the 52 downtown businesses, 31 (60%) were retail businesses, 11 represented primarily service establishments, and 10 were restaurants. When examined based on total spending, 87

percent of all reported sales were from retail businesses, versus only 6 percent for services and 8 percent for restaurants. The number of visits received by a business was not correlated with industry type, as some of each category appear in both the top and bottom tier of receipts collected.

The average spending generated per business by the program was \$958, with retailers receiving an average of \$1,395 each over the two-month period, versus the \$384 spent at each participating restaurant, and \$253 per service businesses. On a per-person, per-visit basis, this equates to \$33 at restaurants, \$130 at retailers and \$64 at service businesses. As with other statistics associated with the program, these are roughly double the figures from the first year. This is a positive in terms of participation and downtown shopping activity, but when viewed in light of the increased percentage of local customers, could also indicate increased awareness among existing patrons of downtown businesses rather than customer choosing to increase sales or shift sales downtown due to the promotion.

SPENDING HABITS

Participants in the program divided their spending relatively evenly between the months of November and December, with just over \$22,000 in receipts from November versus nearly \$28,000 in December. From a geographic perspective, the average per person spending was highest for local customers (average of \$772 in total spending), followed by customers from other major metropolitan areas (average of \$402 in spending), with customers from the extended trade area spending the least during the season with \$296 in average total spending. However, this is largely due to the frequency of visits among participating customers in the various groups, as locals shopped downtown on an average of 4 separate occasions, those from other metros submitted receipts from an average of 3 separate dates, and those from the surrounding trade area shopped downtown less than twice during the contest period.

The average participant submitted 28 entries into the sweepstakes (representing more than \$280 spent). One-third submitted 10 or fewer entries (\$100 or less), while 5 percent spent more than \$1,000 in tracked receipts (100 or more entries).

TRENDS

With the substantial decrease in total spending associated with the program over the past year, it is useful to compare which customers or spending habits changed. As shown in the bullets below, the largest difference between 2016 and 2017 was a decrease in the amount of spending person. This trend was seen in the nation as well, and when coupled with a slight decrease in high-spending outside customers in Fond du Lac, resulted in a significant decrease in total sales. However, it is important to remember that the 2017 figures still represent a significant increase in customer activity and sales over all prior years of the program and indicate that awareness of the program is growing.

- Total spending declined 27%. Nationally, Shop Small Saturday spending also declined (albeit only slightly) after several years of double-digit growth.
- The total number of participating customers was down 16%. This is also somewhat in keeping with Shop Small data provided by Consumer Insights, which indicates that despite a decrease in total sales, the actual number of customers shopping on this date was up, only customers were spending less per person.
- Average spending per customer was 10 percent lower in 2017 at \$296 per person.