



# 2019 SHOP SMALL RESULTS

The Downtown Fond du Lac Partnership hosted its 6th annual shop small event during the 2019 holiday season. The program awards a \$500 gift certificate to one local shopper making purchases downtown between November 1 and December 31<sup>st</sup>. Each \$10 in spending generates an additional entry into the sweepstakes (a no purchase option is available). In total, 236 individuals participated in the event in 2019, more than 2018 and more than double the participants in the inaugural 2014 holiday season. In sum, nearly \$45,000 in customer spending was tracked as part of the sweepstakes offer. This represents a 15 percent increase from 2018, a 10 percent decrease from 2017, and a 34 percent decrease from 2016, but still represents a substantial increase over the first year of the program when less than \$25,000 was recorded.

## VISITOR PROFILE

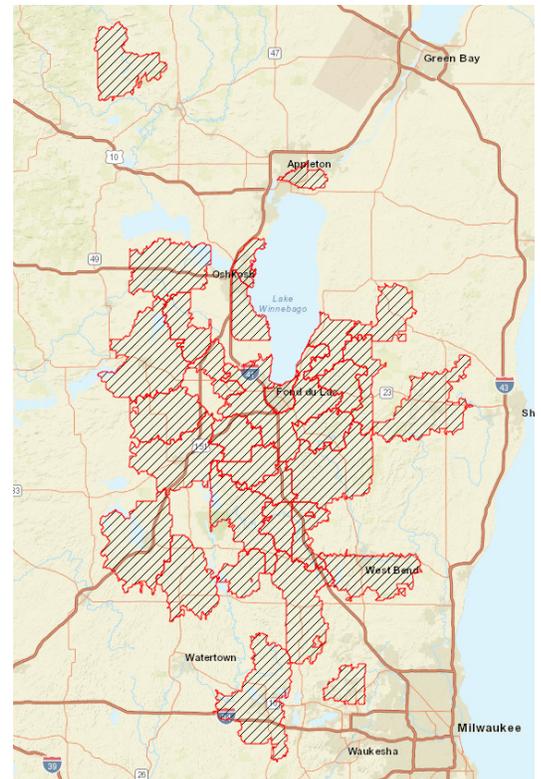
Of the 236 individuals who submitted an entry by shopping downtown, 73 percent are from Fond du Lac or immediately surrounding communities, 20 percent are from the slightly larger trade area, or within approximately 30 minutes from Fond du Lac, 5 percent are from more that 30 minutes from Fond du Lac and the remaining 2 percent of participants were from out of state. The actual geographic distribution of participants by zip code is illustrated in the map at right. This represents a slight shift toward area shoppers rather than Fond du Lac locals.

Visitors were most likely to shop on Saturdays (30% of all spending), with Friday a close second at 24% of sales. Tuesday through Thursday ranged from 9-14 percent, Sundays 2% and Mondays 11%.

Just over 18 percent of spending happened on Shop Small Saturday, a 50% increase from the previous year. In contrast, 16 percent of all spending happened in the week leading up to Christmas (December 16<sup>th</sup> through the 22<sup>nd</sup>).

## BUSINESS PROFILE

Participants spent money at 48 total businesses, down slightly from last year. Spending was also more concentrated, with one business comprising just under half of submitted spending. It should be noted that each of these businesses heavily promoted the contest, likely influencing the rate of participation by their customers. However, 21% of businesses did have five or more customers submit entries.



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Of the 48 downtown businesses, 24 (50%) were retail businesses, 7 represented primarily service establishments, and 15 were restaurants, a very similar breakdown to last year. In addition, retail spending was similarly as prevalent in 2019 as it was in 2018, representing 92 percent of all reported sales, versus only 3 percent for services and 5 percent for restaurants.

The average spending generated per business by the program was \$964, up \$200 from last year, with retailers receiving an average of \$1,701 each over the two-month period, versus the \$139 spent at each participating restaurant, and \$203 per service businesses. On a per-person, per-visit basis, this equates to \$45 at restaurants, \$240 at retailers and \$80 at service businesses.

## SPENDING HABITS

Spending was skewed toward earlier in the season similar to the prior year, largely driven by the strong showing on Shop Small Saturday. Overall, November sales represented 54 percent of the total. From a geographic perspective, the average per person spending was highest for shoppers visiting from out of state (average of \$1,163), which is skewed due to one large purchase of \$3,619, followed by shoppers visiting from more than 30 minutes away (average \$358), followed by shoppers from the extended trade area (\$267), with local customers spending the least during the season with \$132 in average total spending.

The average participant submitted 18 entries into the sweepstakes, slightly fewer than last year. Over half (61%) submitted 10 or fewer entries (\$100 or less), while 7 individuals (3%) spent more than \$1,000 in tracked receipts (100 or more entries).

## TRENDS

With an increase in total spending associated with the program since last year, it is useful to compare which customers or spending habits changed from the previous years. As shown in the bullets below, over the past couple years, average spending per person has declined steadily and then increased in 2019. While in 2017 this decrease was in keeping with national trends, small business spending set a record high in 2018. In 2019, national spending increased by 10 percent from the previous year and there was 6 percent increase in number of consumers in participating in

Small Business Saturday. It is encouraging that retail consumers represented the most frequent contest entrants, as they are the primary focus of the holiday shopping season. Similarly, the high per person spending totals from out of town shoppers is positive for the district. However, there are clearly opportunities to coordinate with other types of businesses to promote entertainment and dining outings in the holiday season, and/or to emphasize gifts of services or entertainment as relevant gifting options.

**FOND DU LAC SHOP SMALL SPENDING BY YEAR**



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- Total spending increased 15%. Nationally, Shop Small Saturday saw an increase in spending by 10% over 2018.
- The total number of participating customers was up 42%.
- Average spending per customer was 20 percent lower in 2019 at \$189 per person.
- Visitors from the surrounding area increased as a share of the total, introducing more shoppers with greater potential to visit frequently to the district.
- Saturday spending (and shop small Saturday in particular) continued to grow, presenting opportunities to offer additional marketing/programming and retail options to cater to weekend visitors.

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