DOWNTOWN MIDLAND

Where Community, Business, & History Meet

MBA PROJECT

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I. INTRODUCTION

A. History Midland, Michigan is a unique and beautiful town. The city is the hub of the county, and is located in what is known as the "tri-city" area in Mid-Michigan. Home to a multitude of historical success stories, we can trace its roots back to 1850 when it was organized. What undoubtedly enticed Midland's founding fathers to settle in the area were the miles of river beds that converged to a meeting point now marked by "The Tridge". The rivers provided an important source of transportation for the fur trade and lumber industries of the time (Midland County, 2009). The Tridge area represents just one of the numerous strengths of the Downtown area, which is enjoyed by residents and visitors throughout the year.

Main Street, located in the heart of Downtown Midland, "began as a series of businesses located along a dirt road." (3M, 2009). Like many communities throughout the U.S., the downtown area was the focal point where people would come to shop and socialize. Downtown Midland continues to provide those amenities today with an array of businesses, including unique shops and casual dining, as well as the recently added chic dining options located within The H Hotel. Additionally, the downtown district acts as a host to a variety of special events, such as the weekly Farmer's Market in the summer and the Pumpkin Festival held every fall. Adding to the interest of the area is the architecture and character of historical buildings such as the Court House and neighboring Santa House, as well as the well manicured flowers and plantings.

Today, Midland remains a vibrant source of commercial trade. The Dow Chemical Company and Dow Corning Corporation both call Midland home for their world headquarters operations. In addition to adding great economic strength to the local community, these companies along with other key businesses throughout the area, look to attract and retain the "best and the brightest" young professionals to join their teams. Included in the list of area life-style attractions are Dow Gardens, sports facilities such as the Midland Tennis Center and cultural opportunities such as those provided by the Midland Center for the Arts. Additionally, the Great Lakes Loon's minor league baseball team is now in their third season and play at the newly constructed Dow Diamond.

B. Description of Issue Although the downtown area has also progressed and has made significant changes since it was first developed over a century ago, further enhancements must be considered to carry it forward through the tests of time. The development of moderate to up-scale residences, for instance, has been studied with a favorable response. To compliment that plan, the retail and dining environment must also be considered for continued revitalization along with other key characteristics to help make downtown as attractive and sustainable as ever. "It has been their (retailers) investment, work and creativity that has helped spur a renewed interest in living and shopping downtown." (Alexander Communications Group, 2007) It would only stand to reason then that efforts are made to ensure further development and strength in the downtown environment.

One of the issues of most importance to businesses downtown is of course, the economic climate of the times. Although Midland had been able to withstand some of these pressures better than the State of Michigan overall, the city and its residents have not been immune to the continuing challenges (See fig.1 – Appendix V). Consumers have less disposable income available for luxuries or entertainment. As a result, businesses across the community have suffered. What makes the challenge to the downtown business unique, however, is that for many years they have had to compete against the convenience, as well as perceived price-value of the stores located within the “shopping mall”. Furthermore, there are economies of scale that the franchised or name brand store is able to take advantage of which are not accessible to the smaller businesses that dominate Downtown Midland. The challenge then becomes a matter of market distinction or differentiation. This applies not only to the downtown as an entity, which must attract the consumer with a variety of attributes that will enhance their “overall experience”, but to the small business owner as well. They must distinguish themselves with unique goods and personal service in order to keep the consumer coming back. This is especially true for the “destination shopper” who is looking for a fun, one day trip (Clements, 2008).

C. Project Objectives The purpose of this project is to assist the Midland Downtown Development Authority (DDA) to further strengthen the downtown business environment, such that it will be complimentary to the great number of existing amenities, as well as the continued residential plans in Downtown Midland. This report is the summary then of the steps that were taken to:

- Understand the “voice of the customer” through the use of an on-line survey;
- Perform statistical analysis of those results to determine the attributes and preferences that are most important to the consumer; the ultimate judge of the business success;
- Compare survey results with other recent studies;
- Research and analyze the applicability of recently approved legislature pertaining to DDA’s, as well as determine the potential benefits to new business endeavors in Downtown Midland;

• Determine and present conclusions and potential next steps to strengthen existing downtown attributes and attract entrepreneurs to new business opportunities in Downtown Midland.

II. METHODOLOGY:

A. Downtown Midland – Opinions and Preferences Survey (see Appendix I) In the spirit of customer orientation, an opinions and preferences survey was created on-line and administered by surveymonkey.com. In order to do so, several steps were necessary:

- First, a half day workshop was attended at Central Michigan University (CMU) in January in order to learn how to use the on-line software.
- This was followed by several meetings with Tony Kulick, Executive Director of the Midland DDA. These meetings were instrumental in developing the set of twenty-five questions which would be most useful to the DDA. Care was taken to ensure that the questions were structured in such a way that they would not be leading, but would solicit an un-biased response from the survey population. The questions were geared around determining “when” people like to shop / dine, “where” people like to shop / dine, “what” characteristics of a “downtown experience” are most important, and “how” the downtown area is currently doing in terms of succeeding with regard to specific attributes. Additionally, demographic information was requested for statistical analysis purposes.
- Next, Institutional Review Board (IRB) approval was obtained from Central Michigan University in order to proceed with the survey “study of human subjects”. In order to

gain approval, the first page of the survey included a statement of consent and also assured the future participant, that their answers would remain anonymous and confidential as e-mail and ISP addresses would be removed by SurveyMonkey upon collection.

- The invitation to participate was e-mailed by the DDA office to over 1,500 addresses representing the recipients of the Downtown Happenings Newsletter, the Midland Chamber of Commerce addressees, and Midland's Young Professionals addressees.
- The survey began on March 4th and remained open to participants on the SurveyMonkey website until March 31st, at which point it was closed and the data was converted to an excel file for use in the SPSS statistical software package.
- In total, 357 surveys were initiated, and 313 were completed for a 24% overall response and an 88% completion rate.

B. SPSS Statistical Software

- SPSS was used in order to tabulate and analyze the survey data. Basic frequency, distribution analysis, and descriptive analysis were first calculated for each of the variables. This enabled a further critical review to determine where statistical analysis would be most applicable. Various tools were used to analyze the data such as cross-tabulations to characterize the relationship between different variables, and regression analysis to determine linearity between variables. Statistical tests such as the Pearson Chi Square and t-tests were then used to determine if the difference between the mean responses were significant. The results of these tests can be found in subsequent sections, as well as in Appendices II and III.

C. Other Research A variety of other research was performed via internet, and interviews. These will continue to be referenced throughout the remainder of this paper. Additionally, a review was done of several studies which were commissioned by the DDA in recent years.

- A residential study was performed by COMMUNITY RESEARCH SERVICES and was presented to the DDA at their October 14th board meeting. This study found that there is "pent-up demand for condominiums and other rental housing" in the downtown district. They deemed that this was in part due to the fact that the downtown area is appealing, with a variety of existing shops and events as well as parks and the close proximity to The Dow Chemical Company. This demand was found to be predominantly relevant within in the empty nest population as well as young professionals in the 30 – 40 year old range. These findings are very relevant to the study of retail / business expansion in the downtown area since the availability of unique shops, restaurants and vibrant entertainment are some of the things that attract potential residents to downtown areas to begin with. In fact, aside from the current credit market crisis and buyers being reluctant to take purchase risk, Community Research feels that "extensive social and entertainment additions to the downtown district would be needed to support expanded owner occupied housing", but that rental housing would still be desirable. In the meantime, this further supports the need for the retail/ business study and analysis contained within this report. (Community Research Services, 2008)

• Another study examined was that performed by BUXTON COMPANY, a market

research group out of Fort Worth, Texas. This study was aimed at assessing Midland as a retail site for the purpose of determining which nationwide retailers might be interested in expanding into our area. This "best-fit" analysis was also presented at the October 14th DDA board meeting. Using their proprietary tools which match retailers to a community based on the "life-styles, media habits and buying habits of customers in the area", Buxton suggested a large list of name brand retailers and franchises that would best fit Midland's market base. Most important to my study were the "types" of businesses as I believe the actual presence of the specifically named stores in "downtown", should they choose to expand here, would conflict with the communities desire for locally owned businesses.

That being said, their top twenty "best fits", which have been re-categorized into business types include:

- Men's, Women's and Children's Apparel
- Coffee and Juice bar
- Casual Restaurants – steak, seafood, Italian
- Shoe Stores
- Drinking Establishments
- Maternity Apparel

Another part of the Buxton study which I will refer to later in this paper is with regard to surplus and leakage. Leakage represents the consumer dollars that are lost to companies outside of their local area (Wikipedia, 2009). In other words, leakage is synonymous with unmet demand. The business types identified by Buxton with the most leakage in the downtown area include:

- Shoes
- Furniture and Household Décor
- Specialty Food (Restaurants)
- Specialty Groceries
- Drinking Establishments

Conversely, the business types identified by Buxton with the largest surplus in the downtown area include:

- Hardware Stores
- Flower Shops
- Convenience Stores
- Sport / Hobby / Music Stores
- Health & Personal Care Stores

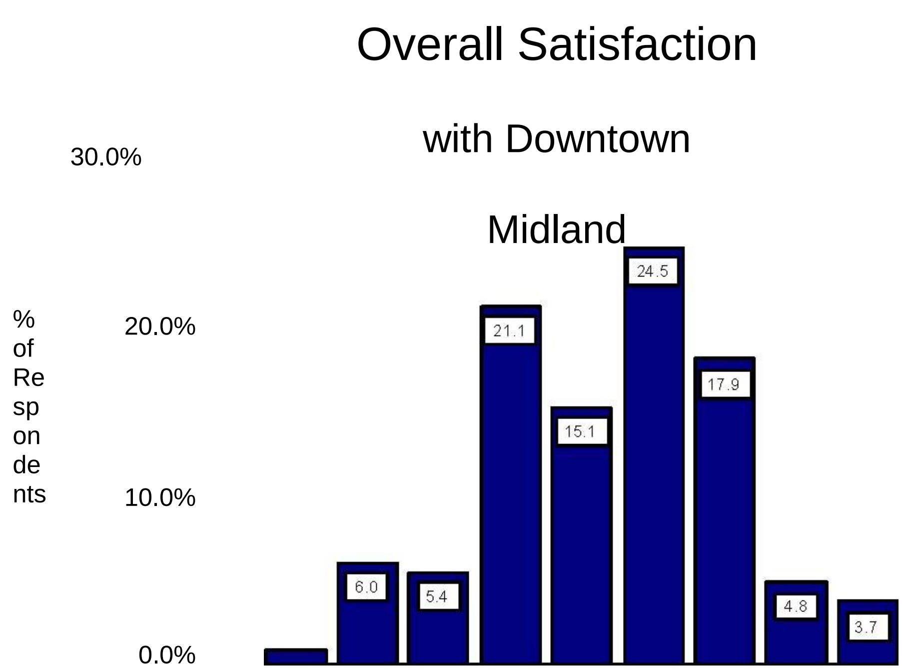
Again, these findings will be addressed later in this study along with a comparison to the statistical conclusions from the survey data.

III. INITIAL SURVEY FINDINGS:

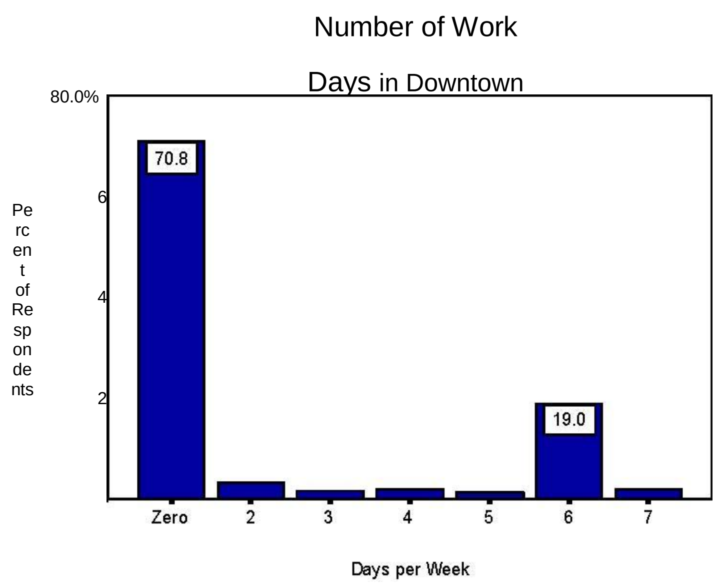
Survey questions can be found in Appendix I All survey data references in this section can be found in Appendix II

A. GENERAL SATISFACTION OVERALL

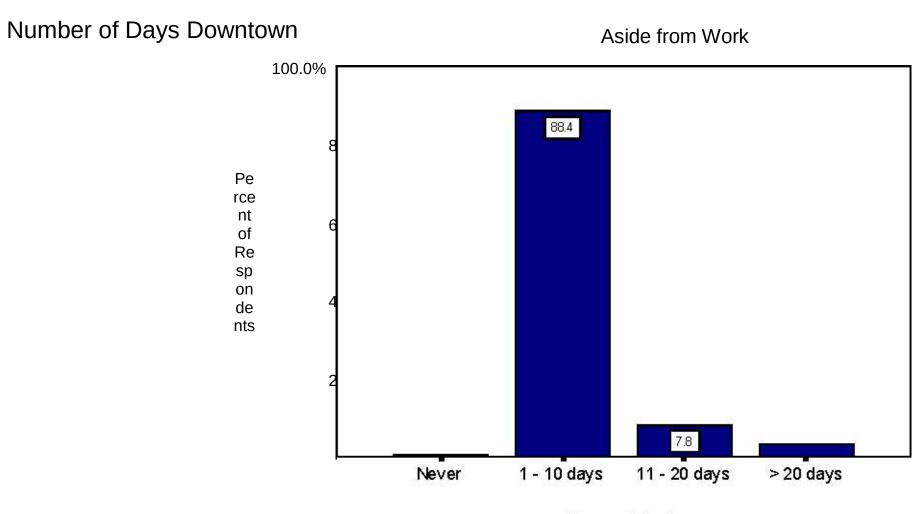
Question #1. As a baseline starting point, all respondents were asked to rate their overall satisfaction on a scale of 1 – 10, where 1 represented “Extremely Dissatisfied” and 10 represented “Extremely Satisfied”. The mean response for the question was 6.3, indicating that on average, respondents are moderately satisfied. As depicted in the graph below, the distribution is fairly “normal” and shows that approximately 66% of the responses fell in the middle of the range with a satisfaction rating of 4 through 7.



B. WORK vs. NON WORK Question #2. When asked to indicate how many days a week participants spend working downtown, approximately 70.8% responded that they do not work downtown, while 29.2% worked one or more days. Of those individuals who do work downtown, approximately one third work more than 5 days.



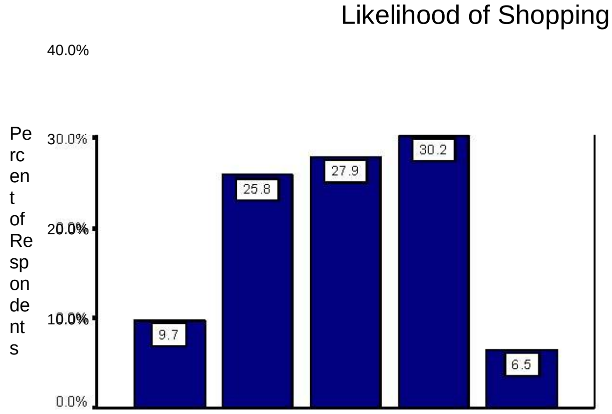
Question # 3. Conversely, when asked to estimate how many days aside from work they visited Downtown Midland, the majority or 88.4% of the respondents indicated 1 – 10 days per month.

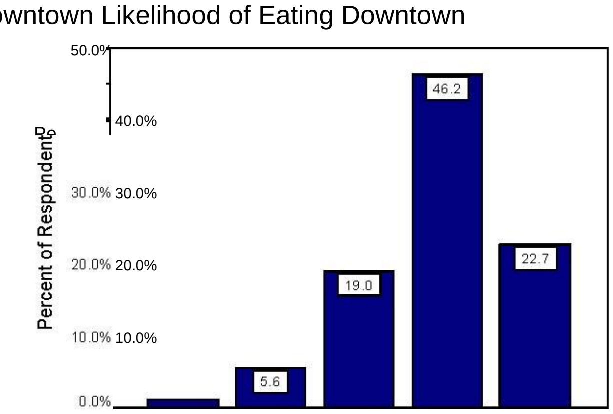


C. SHOPPING AND DINING – OVERALL PREFERENCE TIMES OF DAY

Question #4 and #6: The next questions were used to determine what participant's are most likely to do when they visit downtown. To determine if people are inclined to **shop or eat**, two separate questions were asked pertaining to likelihood. The importance of this information is two-fold. First of all, lower frequencies could indicate an opportunity to either improve existing business attributes, or the potential to fill unmet demand with future businesses opportunities. Conversely, higher frequencies might indicate that existing businesses are doing well to meet customer expectations. On a scale of 1 to 5, where 1 represented "very unlikely" and 5 represented "very likely", 36.7% of respondents indicated that they were either "likely" or "very likely" to shop, while 68.9% indicated that they were "likely" or "very likely" to dine in Downtown Midland.

Likelihood of Shopping Downtown Likelihood of Eating Downtown

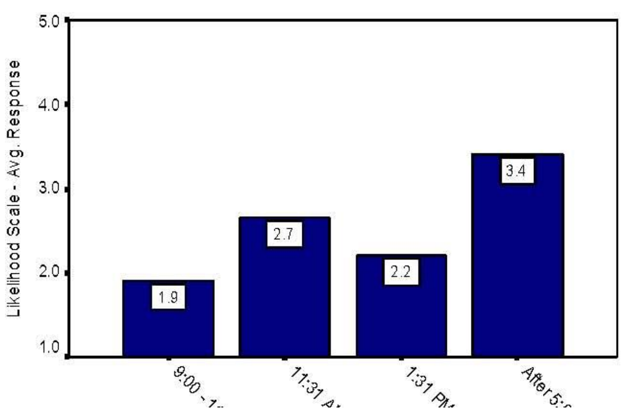


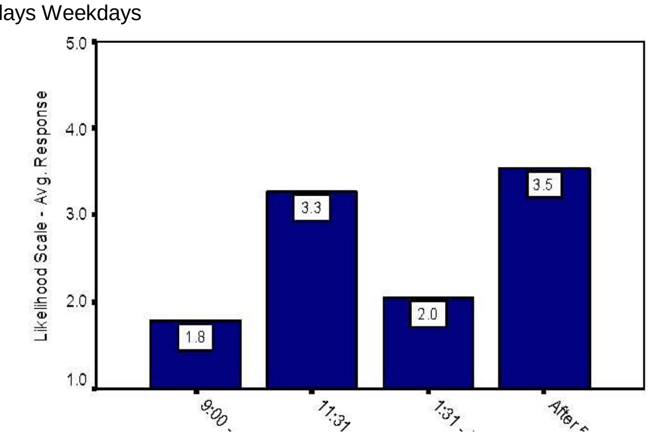


Questions #5 and #7: To further help identify participant's shopping and dining preferences, separate questions were asked pertaining to the times of day they were likely shop or dine. Information was collected for both weekdays and weekends. Again, this questioning could be useful to both current owners and future owners of businesses in Downtown Midland.

Preferred Time to Shop Preferred Time to Dine

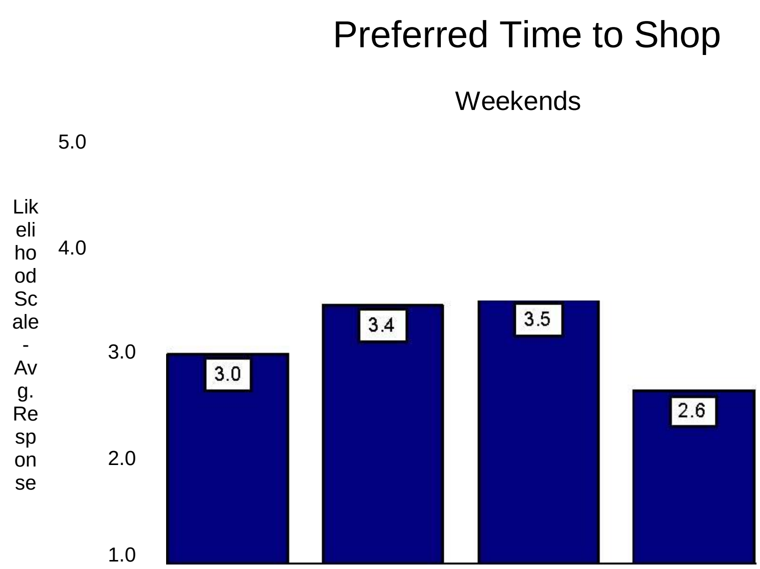
Weekdays Weekdays



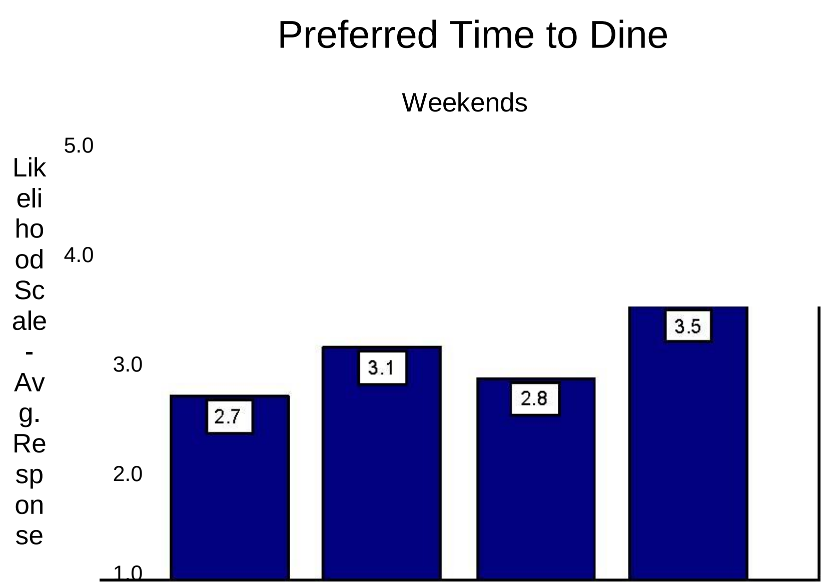


As one would expect, the preference to shop after 5:00 P.M. is quite high during the week. Additionally, several respondents included comments that "they wished businesses would stay open later." More than likely this is due to the fact that a large portion of the population works full time, and is at work or commuting during traditional business hours. Knowing that this is the preference however, will help businesses understand where their potential for "peak" sales might be on a day-to-day basis. Not only is this knowledge useful for setting optimal business hours, it is also key to determining staffing requirements, which would in turn lead to cost efficiency. Interestingly enough, when local businesses were polled to determine their current business hours of operation, many responses indicated that extended hours were already in place for at least a portion of the week (fig. 2 – Appendix V). This inconsistency could indicate that more needs to be done to ensure customer awareness. The same question when asked, regarding preferred times to dine in Downtown Midland indicated a strong preference for the lunchtime bracket, and then again after the traditional work day has ended.

Similar questions were asked pertaining to time-of-day preferences for shopping and dining in Downtown Midland on the weekends. This is particularly important for businesses to understand, especially in modern days when consumer's lead busier lives and leisure time has become more difficult to come by. As indicated below, the timeframe that is most preferable to shop in Downtown Midland on the weekend is between 11:30 AM and 5:00 PM.



However, regarding dining on the weekends, participants indicated that they would most prefer to eat downtown after 5:00 P.M. Included within the collected survey responses were comments such as "I wish (restaurants) were open later, especially on nights when there is something going on at the Center for the Arts. The shows never get out until 10:00 and then there's no where to go eat (downtown)."

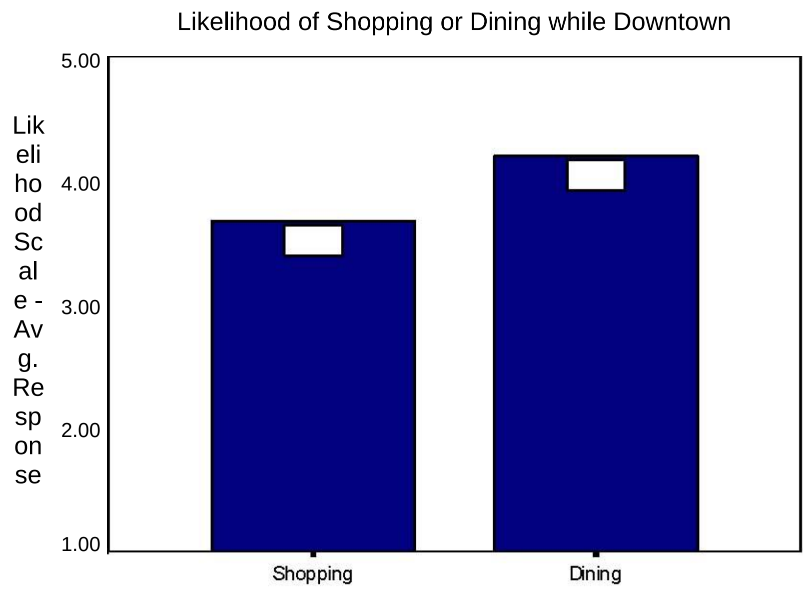


D. SPECIAL EVENTS

Special events play an important role to the success of a downtown area for a variety of reasons. One of the most important goals of hosting various successful special events is to enhance the quality of life of the community. As mentioned earlier, downtowns were historically a meeting place for business and social gatherings. Today, “downtowns” across the nation attempt to preserve that heritage. Even more important to the business owners located downtown however, is that a successful special event will increase the pedestrian foot traffic through the district, beyond that which would normally occur on a day-to-day basis. Although festival goers may not necessarily be shopping while participating in an event, particularly during events geared toward children, they will often times window shop or browse through shops that are open. Often times, customers will return on a non-special event day which in turn, can result in increased sales.

Question #10 and #11 - To gain a sense of whether or not people do in fact shop or dine downtown while attending special events, participants were asked to indicate their likelihood on a scale of 1 – 5 where 1 represents “very unlikely” and 5 represents “very likely”.

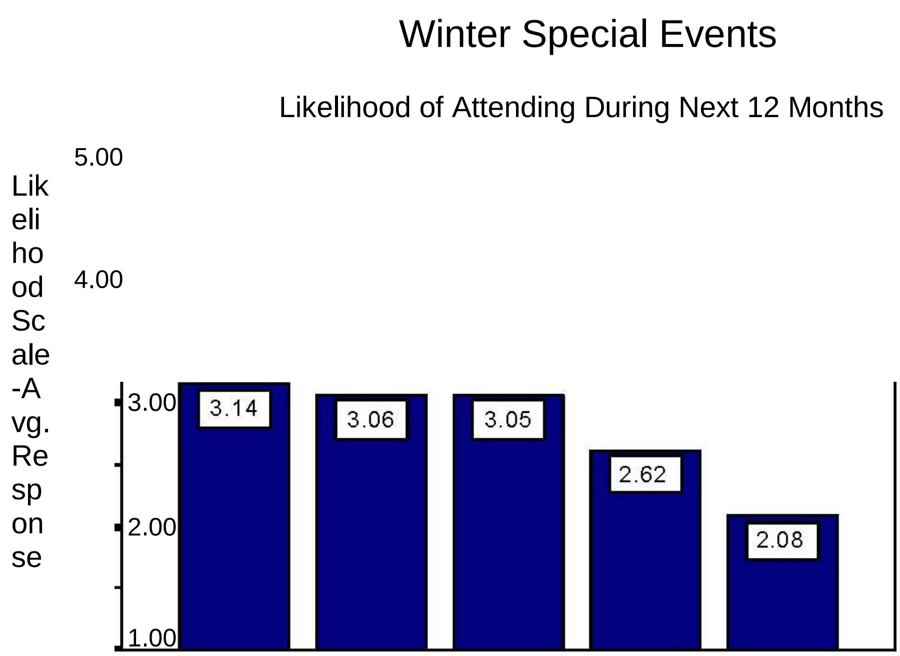
Special Events



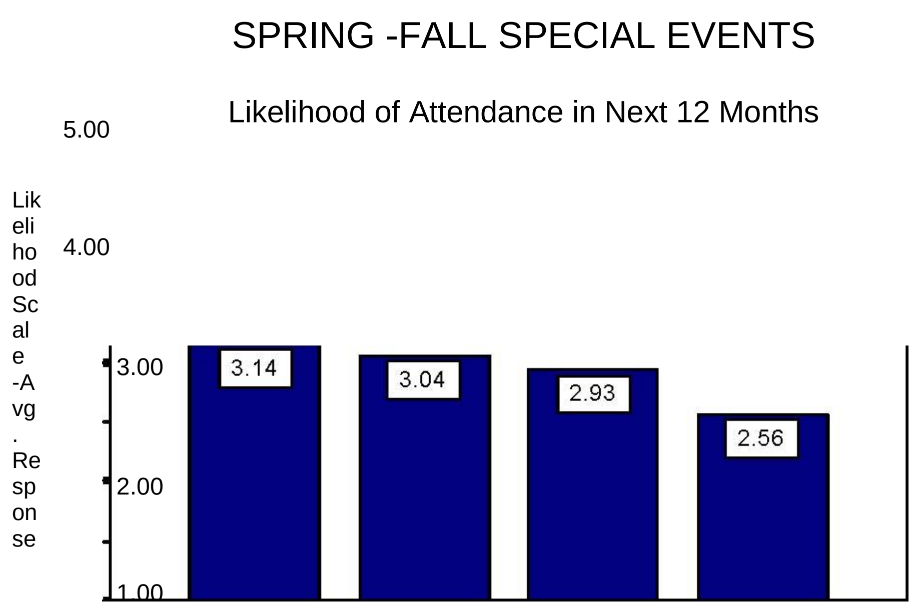
Questions #8 – Next, to help determine the amount of foot traffic being generated as a result of the events, respondents were asked to indicate their likelihood of attending various events during the next twelve months. The importance of this information is two-fold. First, based on the popularity of various events, this information can be used by the DDA to ensure that scarce resources, including time and talent, are being efficiently utilized. But more importantly, businesses can use this information to perhaps increase promotional strategies geared toward luring attendees back to shop or dine with them at a later time.

On a scale of 1 – 5, where 1 represented “very unlikely” and 5 represented “very likely”, participants typically indicated a “moderate” response to the likelihood of attendance question. It should be noted that several participants indicated in the comment section that they were very interested in being offered more adult special event choices, such as Summer Solstice. Additionally, there were several comments related to high attendance ratings to Tunes by the Tridge and Northwood University’s Mannequin Night.

During the winter months, the events most associated with high likelihood include Deals at the Diamond and the Santa House. Conversely, the lowest likelihood of attendance was found regarding the Breakfast with Santa event.

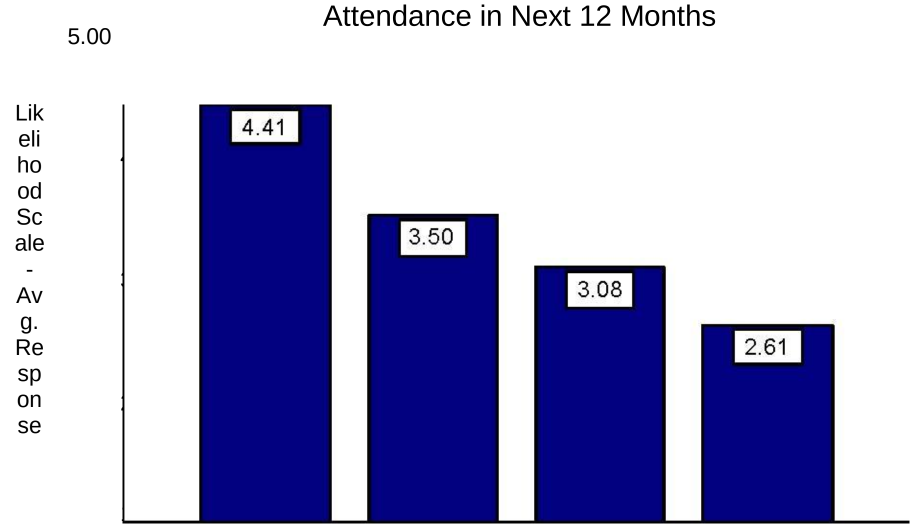


Within the spring and fall seasons, the Pumpkin Festival and the Chili-Salsa cook off received the highest average attendance rating. On the lower end is the Loon's Pennant Race which is fairly new since the birth of the Great Lake's Loons Baseball team.



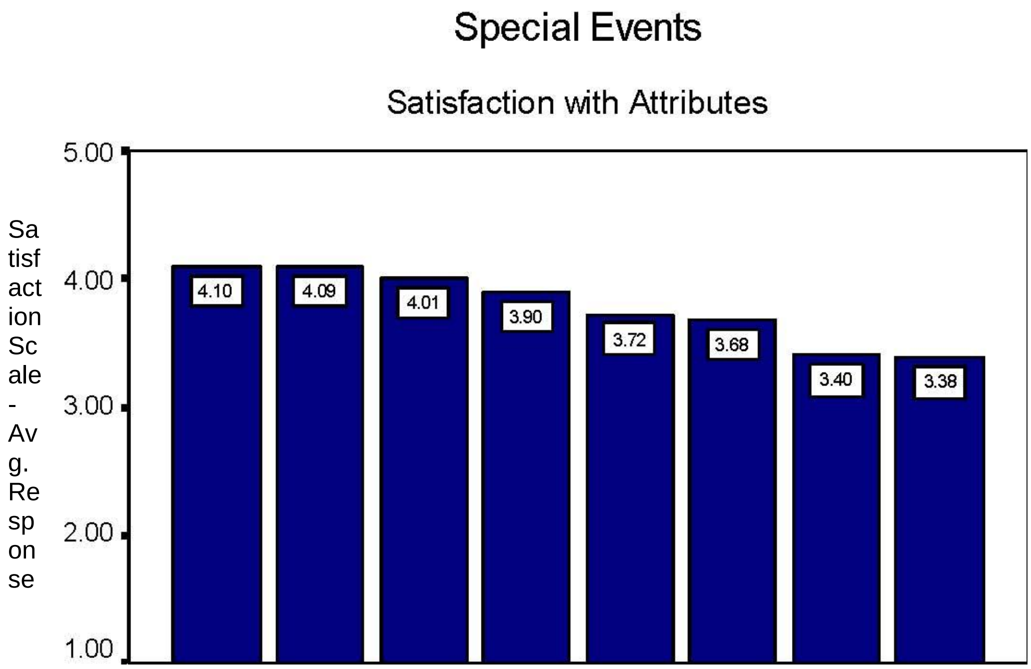
Finally, the summer events received some of the highest attendance likelihood rankings. This is particularly true of the Farmer's Market which is held on Wednesday and Saturday mornings between the months of May and October.

Summer Special Events Likelihood of Attendance in Next 12 Months



Question #9 - Just as it is important to evaluate the likelihood of attendance at special events; it is beneficial to evaluate the satisfaction levels of various attributes common to downtown special events in general.

When asked to indicate their satisfaction on a scale of 1-5, where 1 represents "very unsatisfactory" and 5 represents "very satisfactory", participants responded most favorably to the friendliness of event staff, and the cleanliness and location of the events. Conversely, they responded least favorably to parking and advertising. However, overall it appears that people are generally satisfied.

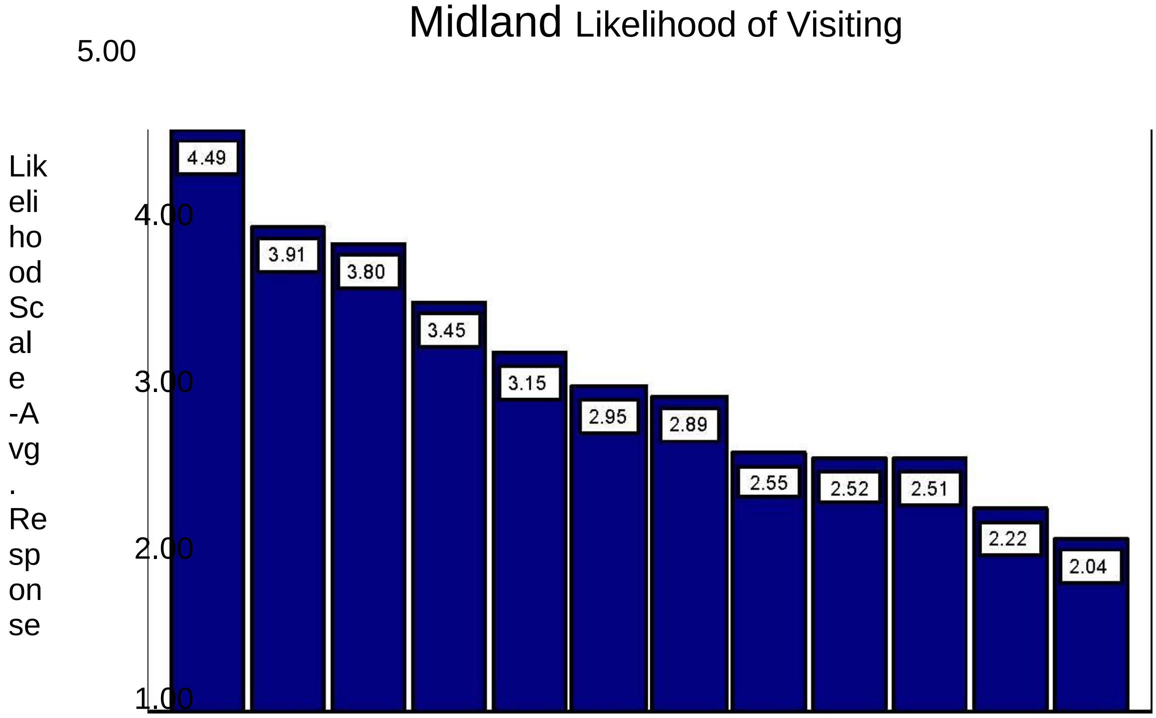


Pertaining to advertising, several comments were noted that participants "do not know of up-coming events", unless they happen to come across the information because they either work downtown or by word of mouth. This would seemingly indicate an opportunity which will be discussed in the conclusions and recommendations section.

E. TYPES OF BUSINESSES DOWNTOWN

Question #12 – To gain an understanding of the “types” of current businesses that people are most likely to visit in downtown Midland, participants were asked to scale their responses from 1 – 5 where 1 represents “least likely” and 5 represents “most likely”.

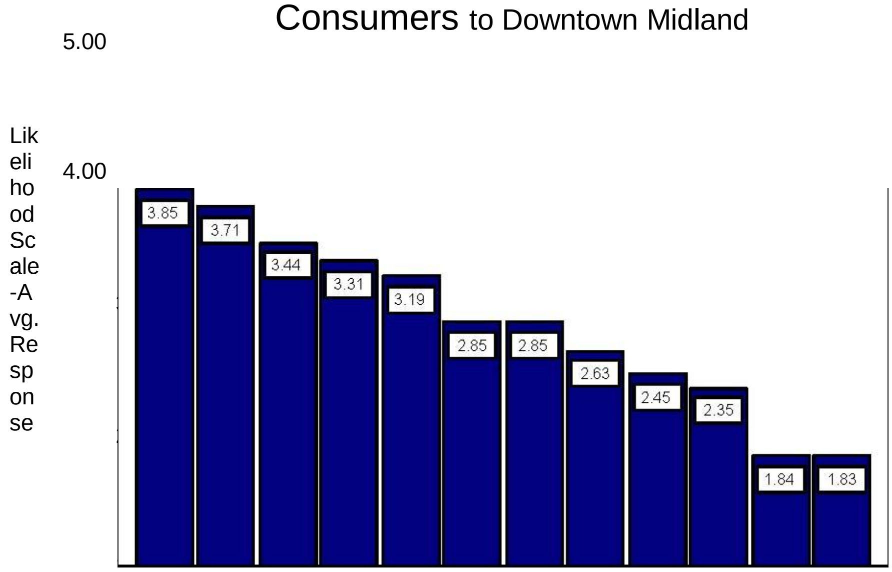
Current Businesses in Downtown Midland Likelihood of Visiting



As depicted in the above graph, the participant population is most likely to visit exiting restaurants and least likely to use the laundry and dry cleaning services downtown.

Question #13 In order to compliment the information derived from question #14 above, participants were asked to indicate likelihood of visiting potential new business types in downtown Midland on a scale of 1 – 5 where 1 represents “least likely” and 5 represents “most likely”. Again, in the spirit of customer orientation this information is important in understanding where the most demand lies. In combination with the results from the Buxton study of “leakage” and “surplus”, this information can be very useful to potential entrepreneurs who might be considering starting a business downtown. The greatest potential would be the combination of businesses types with the highest degree of leakage as described by Buxton, along with the types of businesses that the actual consumer is most willing to support. For instance, although the Buxton study found that there is a large degree of leakage, as well as a “best-fit” for a maternity store downtown, greater than 50% of participants indicated that this business type was either very unlikely or unlikely to attract them to the downtown district.

Business Types to Attract Consumers to Downtown Midland

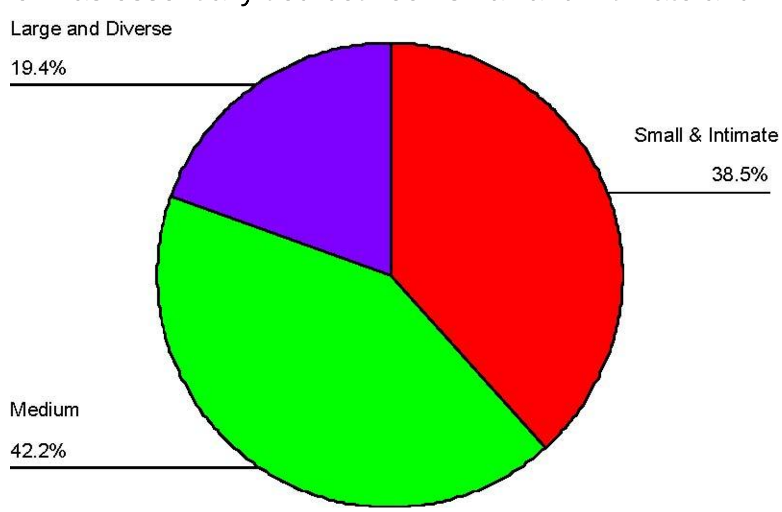


As depicted above, the business types most likely to attract downtown customers are grocery stores (74% combined very likely and likely rankings), bookstores (70% combined very likely and likely ratings) and smoothie shops (56% combined very likely and likely rankings). This list is by no means all inclusive. Several participants also indicated in verbatim comments, a strong desire to see additional diverse eateries such as ethnic, or delicatessen, as well as additional drinking establishments, along with men’s apparel, and other “boutique” type stores.

F. THE "DOWNTOWN EXPERIENCE"

Question #14 - In an attempt to gain and sense for the overall perception of "downtown experience" that is most attractive to area residents, participants were asked to classify various downtown cities in Michigan into one of three categories: small and intimate, large & diverse or, medium; somewhere in between. The intent was not so much to gain an understanding of people's perception of physical size, but rather to gain an insight as to the "experience" that is evoked by the different examples. For instance, when asked about Northville, Michigan, 70% of the respondents indicated "small and intimate". Conversely, 54% responded "large and diverse" when asked about Ann Arbor, Michigan.

Question #15 – When asked the same question regarding what is most attractive from their viewpoint, the answer was essentially tied between small and intimate and medium.



This information when combined with the perception question from above could drive further analysis as to the types of attributes that downtown Midland might already have or is planning to pursue. Not necessarily to compare and copy, but rather to understand what has worked in other communities where participants classified their response to other cities in the same way that they classified Midland. For instance, some of the comments pertaining to this question included:

- "Royal Oak (46% of respondents classified as "medium") is AWESOME because they have such a great mix of stores, restaurants and bars that attract young professionals and middle aged professionals."
- "Petoskey (70% of respondents classified as "small and intimate") offers a great mixture of stores, restaurants and things to do. Quaint and a fun place to hang out with friends."

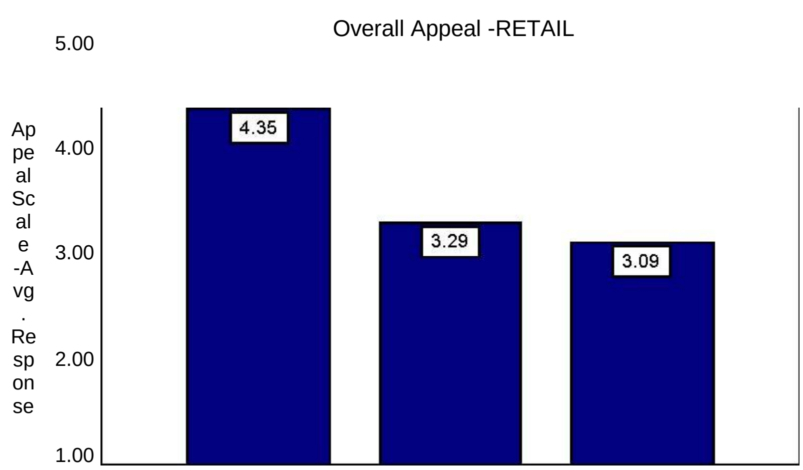
Knowing what specific attributes of the "downtown experience" are most attractive or appealing is of course one of the most important complimentary steps to providing the best fit with the above information. Question #16 addressed this and is described next.

<u>Question #16</u> – Participants were asked to rate general downtown (not specific to Midland) characteristics as to their appeal. On a scale of 1-5, where 1 represents "least appealing" and 5 represents "most appealing", participants generally responded most favorable to locally owned businesses (91% total 4 & 5 ratings), having major special events (88% total 4 & 5 ratings), and being offered ethnic or specialty foods options (78% total 4 & 5 ratings). In contrast, participants responded least favorably to having a limited nightlife (44% total 4 & 5 ratings). These responses, when combined with other questions from the survey, have the potential to guide entrepreneurs and community leaders into making decisions that are the

best fit with what would likely draw the most customers to the downtown area. Additional comments pertaining to this question included:

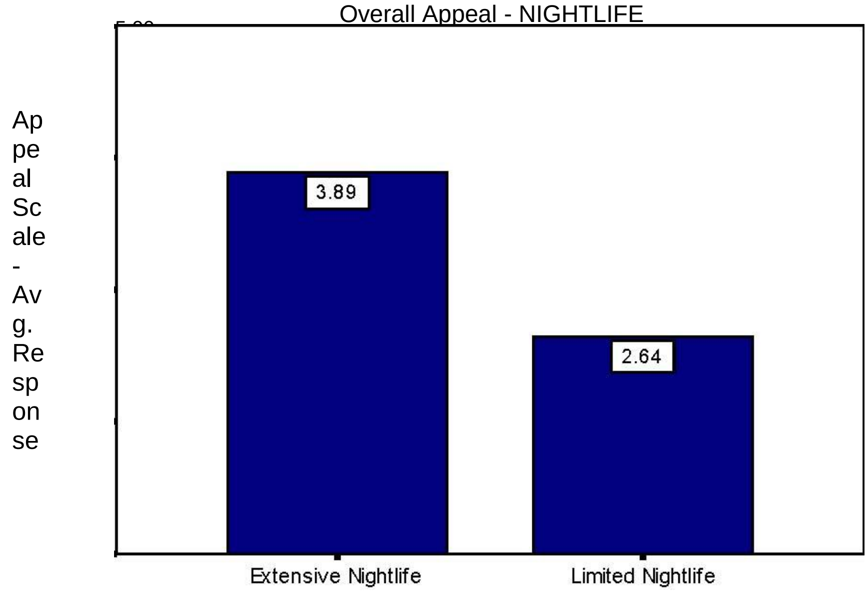
- “Local, local, local! Love it!”
- “Home cooking….like in a Ferndale’s Fly Tap kind of way.”
- “I think it creates a fun atmosphere when the streets are closed down so there is entertainment…such as the car show, bands, and such.”
- “….what attracts me to a downtown is not a specific store or restaurant, but the fact that the whole area offers safety, affordability, and friendliness with a wide choice of recreation, shopping and dining. In other words going downtown is an outing in itself.”

Characteristics of "Downtown Experience"



Characteristics of "Downtown Experience"

Overall Appeal - NIGHTLIFE



Characteristics of "Downtown Experience" Overall Appeal -PARKING

5.00

Appeal Scale - Avg. Response

4.00 4.00

3.00 3.22

2.00

1.00 Parking on Street Parking Structures

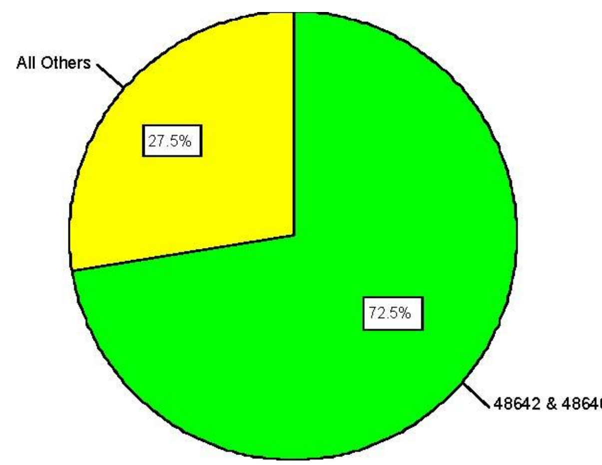
Question # 17 - Specific characteristics of Midland's Downtown were also addressed as to the level of satisfaction of the participants in order to help further define the strengths and weaknesses.

	VERY SATISFACTORY OR SATISFACTORY		NEUTRAL		UNSATISFACTORY OR VERY UNSATISFACTORY		
	Frequency	%	Frequency	%	Frequency	%	Mean Rating
General Downtown Attributes							
Safety	290	90%	25	8%	6	2%	4.39
Cleanliness	297	92%	23	7%	2	1%	4.25
Lighting	271	84%	42	13%	8	2%	4.02
General Ambience	228	71%	72	23%	20	6%	3.80
Snow Removal	213	67%	78	25%	26	8%	3.72
Parking	172	54%	81	25%	65	20%	3.42
Retail Attributes							
Friendliness - Retail	250	78%	63	20%	9	3%	3.93
Hours of Operation	209	68%	55	17%	47	15%	3.62
Merchandise Price-Value	131	41%	144	45%	43	14%	3.29
Retail Choices	40	12%	98	31%	183	57%	2.44
Dining Attributes							
Friendliness - Restaurants	262	82%	51	16%	8	2%	4.02
Hours of Operation	107	33%	100	31%	116	36%	2.91
Dining Choices	81	25%	72	23%	167	52%	2.66
Other							
Services Price-Value	172	54%	118	37%	29	9%	3.49

Most critical to the success of Downtown Midland are without a doubt the satisfaction responses pertaining to retail and dining choices. That is not to say that people are necessarily unhappy with what is currently offered, but rather that they are in favor of more diverse choices.

G. DEMOGRAPHICS – General demographic questions were asked so that the sample size could be evaluated for applicability to the Primary Trade Area (PTA) as described below. Additionally, this information was evaluated for statistical significance when combined with various other questions from the survey. These results are addressed in the next section of this report.

Zip Code of Household Address

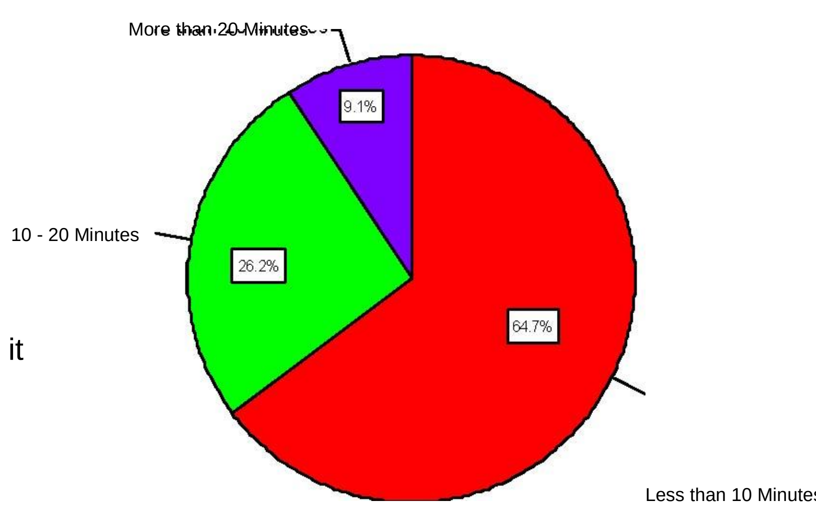


Question #20 – The majority (72.5%) of the survey respondents live in the city of Midland.

Question #21 – The majority (64.7%) of the survey respondents drive less than 10 minutes to get to downtown from their homes. The result of this particular question is relevant because it correlates with the PTA classifications as defined by some of the other studies evaluated (Buxton & Community Research Services). Therefore it is reasonable to compare the recommendations of those studies to the market study portion of this paper.

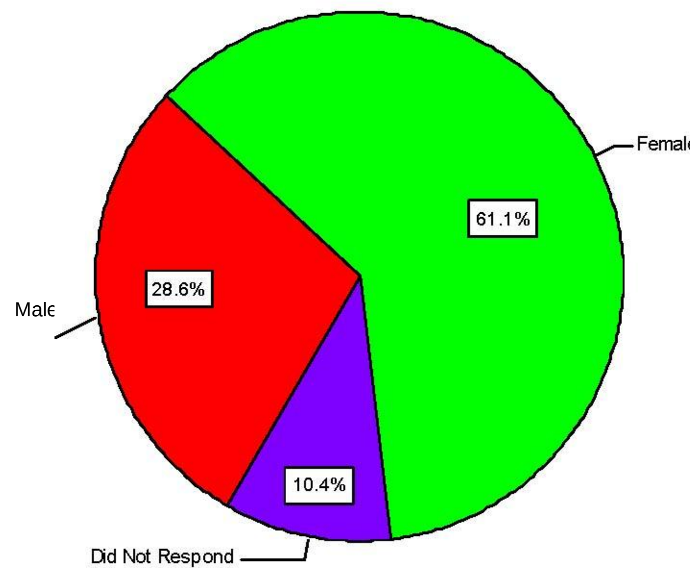
Drivetime in Minutes

from House to Downtown Midland



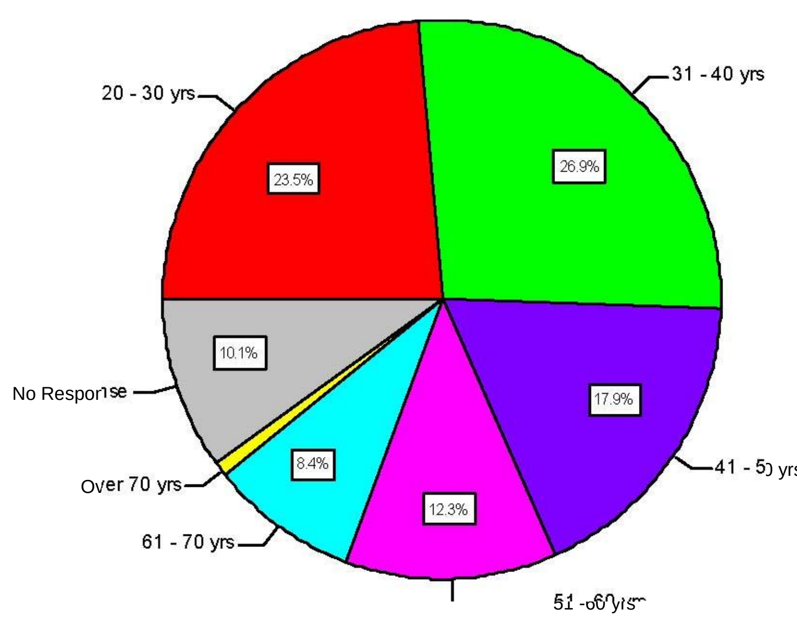
Question #22 – The majority (61.1%) of the survey respondents are female.

Gender of Respondents



Question #23 – The majority of the respondents (56.1%) are in the 20 – 40 year age range. This information is particularly useful as well, as it approximates the ages found in the 2000 consensus (figure 3 – Appendix V) reasonably well. Therefore, one can assume (not with statistical significance since the age range breakdowns are

Age Range of Respondents

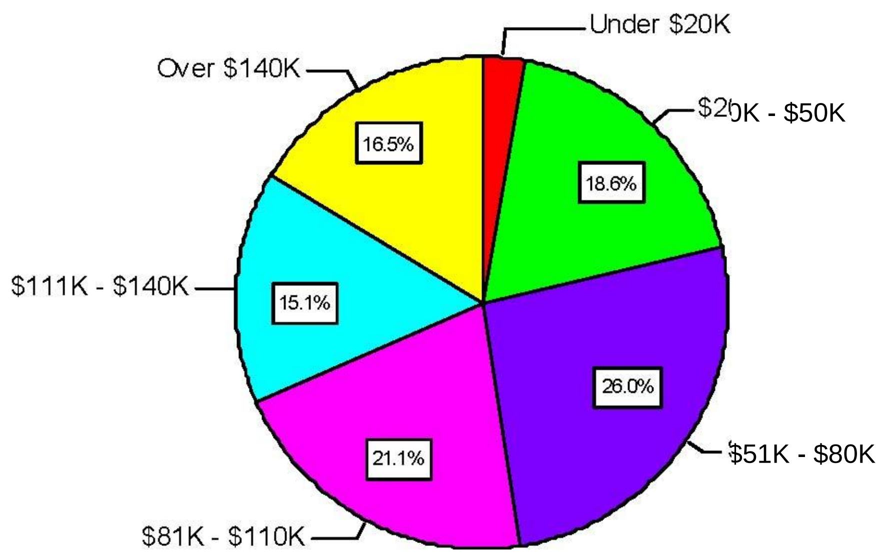


somewhat different as well as the fact that nearly 10 years have passed since the data was collected) that the responses could generally be applied to the overall population of the city of Midland.

Question # 24 – The majority (66.2%) of respondent’s indicate that their annual, pre-tax household income is between $50,000 and $140,000 with the largest % shown in the $51K to $80K bracket.

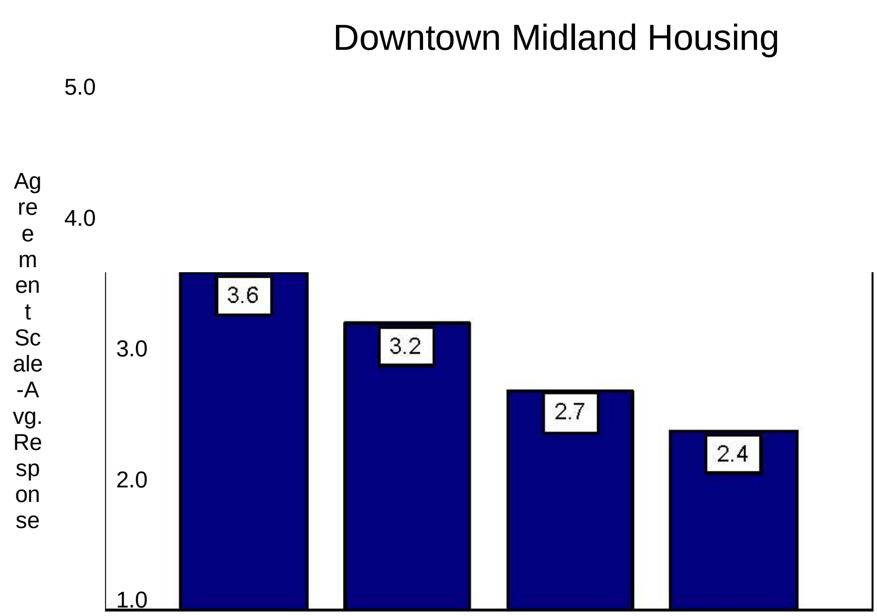
Annual Household Income

Pre-tax dollars

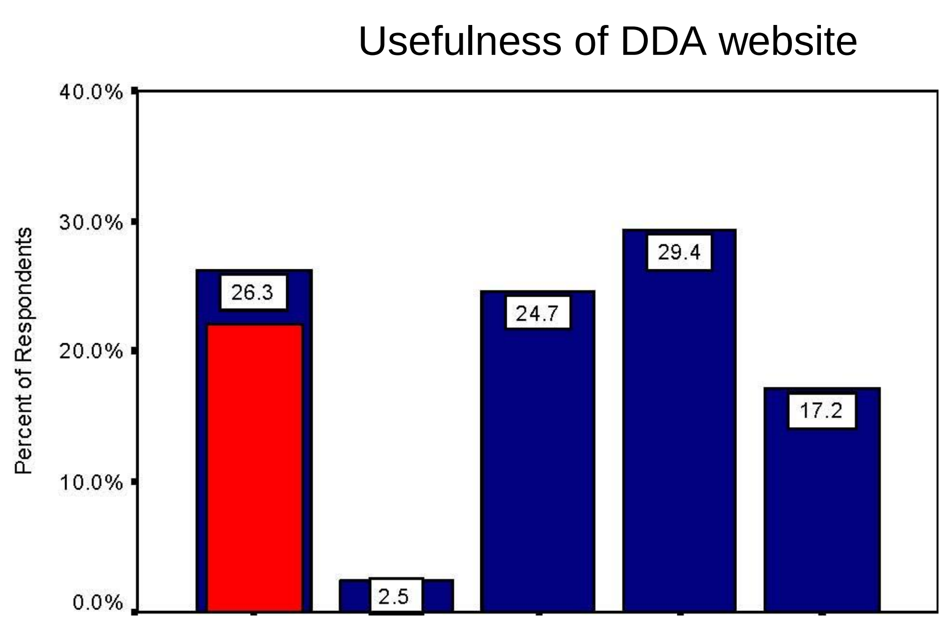


H. OTHER Two additional questions were included in the survey at the request of the Midland DDA.

Question #18 – To address the preference for new housing developments in Downtown Midland, participants were asked to indicate on a scale of 1-5, their level of agreement based on four types of housing options. In this question, a 1 represents “strong agreement”, where a 5 represents “strong disagreement”. The largest (46.2% indicated a combined 4 & 5 rating) response in terms of agreement was for a loft style residence, while the smallest (55.6% indicated a combined 1 & 2 rating) response was for traditional housing. Combined with the demographic information in the housing study referenced earlier in this report, this is very relevant information since people who live downtown will also be looking for an ideal set of support amenities, such as shopping and dining choices, as well as the ambient nature of a “downtown experience” overall.



Question #19 – Additionally, the DDA requested a question pertaining to the usefulness of their website. This is inherently important to the success of communications regarding Downtown Midland in the highly technical world we live in today. Although 46.6% (combined 4th & 5th ratings on graph below) agreed that the website is useful, 28.2% (combined 2nd & 3rd) disagreed. More importantly, 26.3% responded that they did not know it existed. This is definitely a concern since customer knowledge of any market is important, but even that much more important to a downtown district which must entice its customer base away from larger competitive forces such as shopping-malls, and franchised restaurants. This concept will be addressed in later sections of this paper.



IV. STATISTICAL ANALYSIS

All references in this section can be found in Appendix III

One of the primary objectives in doing any research is to collect data which will provide meaningful information from which future decisions can be made. As presented and discussed in the previous section significant amounts of data were collected from the survey respondents. As a result, using SPSS (Social Package for Statistical Science) software, numerous sets of what are referred to as descriptive statistics were able to be described. These statistics included graphs of “average responses” and frequency information which described the number of responses that were collected for each category within a question. Additionally, the initial frequencies and descriptive analysis led to preliminary conclusions pertaining to what aspects of a downtown environment are most important to the community. However what is lacking up to this point is the statistical analysis and hypothesis testing needed to determine causality in some instances, and potential relationships between variables in others. The main purpose of this section of the report is to identify those questions that are likely to have the most relevance to the success of the downtown district, and to provide statistical justification to validate the relationships.

A. OVERALL SATISFACTION To help determine which basic demographic information is most relevant to the overall satisfaction level of the survey population, several cross-tabulation analyses were performed. Cross-tabs as they are often referred to, allow us to “characterize the relationship between two variables simultaneously.” (Arkkelin, 2009)

Satisfaction vs. Income

The analysis began with a comparison of the income vs. overall satisfaction levels reported in the survey. The nature of downtown retail in general tends to lean more toward unique offerings which sometimes carry a higher price tag. One might assume that as income levels increase, and people have greater amounts of disposable income to spend on the more chic items found downtown, that satisfaction might increase. Using cross-tab analysis, the summary below might indicate the reverse of that assumption. As income levels increase, the overall satisfaction level of the survey participants seems to decreases. This could be indicative of the fact that as discussed in the previous section, 57% of the respondent's indicated that they were "unsatisfied" or "very unsatisfied" with the retail choices offered downtown. However, before proceeding it is useful to know if there is any statistically significant relationship between the income and satisfaction variables. Although the relationship between household income and overall satisfaction appears to be negative, statistical tests would indicate that this relationship by itself, is not significant. Therefore, gearing goods and services toward one income range vs. another would be unlikely to have a significant impact on satisfaction levels.

Overall Satisfaction

Low / Moderate

Household Income Under $50K 18.8% 28.0%

$51K - $80K $81K - $110K $110K to 20.3% 22.2%

$140K Over $140K 17.6% 14.5%

17.6% 16.4%

High 16.2%

Satisfaction and Gender Due to the fact that a disproportionate (68%) number of the respondents were female, one might be inclined to assume that attributes or retail offerings downtown should be geared toward females rather than males. Another cross-tab calculation was performed to test the relationship between gender and overall satisfaction. The resulting significance level derived from a Chi square test however, would indicate that there is not a statistical evidence of a relationship between gender and overall satisfaction. Therefore, it would not necessarily be useful to focus more efforts toward the female consumer.

Gender vs. Overall Satisfaction

			SATISFACTION (LMH)			
			Low	Moderate	High	Total
Gender	Male	# of Participant Responses	7	71	23	101
		% within SATISFACTION LEVEL	29.2%	34.6%	26.4%	32.0%
	Female	# of Participant Responses	17	134	64	215
		% within SATISFACTION LEVEL	70.8%	65.4%	73.6%	68.0%
Total		# of Participant Responses	24	205	87	316
		% within SATISFACTION LEVEL	100.0%	100.0%	100.0%	100.0%

Significance = .371

Satisfaction and Age The analysis continued with a comparison of the age range of the respondents vs. overall satisfaction levels reported in the survey. Knowing this information is particularly useful to this study since it could help business owners make decisions about the types of product to carry, or assist the DDA make decisions about the types of special events to plan and host.

This information could also be useful as a litmus test to determine how appealing the downtown area is to the young professionals the Fortune 500 companies in Midland are attempting to attract.

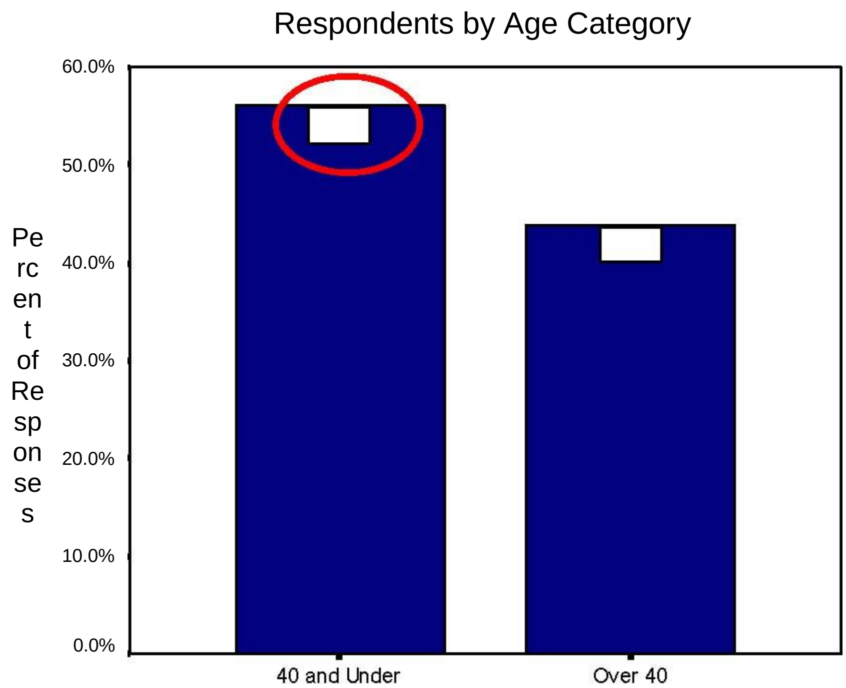
Overall Satisfaction

Age of Respondants	Low	Moderate	High
Under 30	41.6%	27.7%	19.5%
31 - 40	45.8%	30.6%	24.1%
41 - 50		18.9%	25.4%
51 - 60		12.6%	19.5%
Over 60		10.2%	11.5%
	100.0%	100.0%	100.0%

Significance = .041

Std.

Using cross-tab analysis, the above summary illustrates that the highest percentage of individuals in the “Low” and “Moderate” satisfaction categories are in the “under 30” and “3140” demographics, while the “High” satisfaction category appears to be more evenly distributed amongst participant age ranges. Even more revealing is that nearly 90% of participants who indicated a low level of overall satisfaction are in the “under 40” age group. Furthermore, statistical testing resulted in evidence of the validity of this relationship. As such, it would make sense that future planning efforts should be more heavily focused toward the improving the satisfaction level of the “young professional” age categories, especially when you consider that that the majority (56.1%) of the respondents are categorized as “40 and under”. Not only would this strategy help even out the overall satisfaction amongst the population, but it would also help to make the downtown area even more appealing to those who might be interested in future residential or business investments downtown.



B. DIFFERENCES OF OPINION – "40 AND UNDER" COMPARED TO "OVER 40"

To delve further and understand the nature of the differences in preferences between the two age groups, several statistical analyses were applied. The nature of the following questions pertains to the 40 and under age grouping since it contains the biggest opportunity for improvement as discussed above. Before describing some of those findings, however, it would be useful to describe some of the generational differences between the various age categories.

• BABY BOOMERS

The "baby boomers", or individuals born between 1946 & 1964, are typically known as "the spending generation". Predominantly in their 40's and 50's, this generation is typically well established in their careers and continues to lead busy lives. Even in mid-life, many baby boomers seek convenience to ease the burdens of everyday life (Strategic Edge). They typically enjoy dining out and shopping for specialty foods. This generation also demonstrates a strong desire to counter the aging process. As such, they are typically interested in various sports. It is expected that this generation will travel more as they enter into the phase of empty nests. Of particular interest to retail downtown is that baby-boomers typically enjoy reading books and DIY (do-it-yourself) projects. According to the Community Development Research project referenced earlier in this project, the baby boomers living within the downtown primary trade area (typically within a 10 minute drive from their home) also enjoy wine and banking clubs and often read two or more newspapers per day.

• GEN X and GEN Y

On the other hand, the under 40 population is made up of Gen X (born between 1965 & 1975) and Gen Y (born between 1976 and 1994). Research shows that these generations are culturally more diverse then previous generations due to the fact that they have often had more travel opportunities then their parents or grandparents did (Schroer). This is especially true in Midland where it is not uncommon to encounter a high school student who has lived overseas for a period of time when their parents were moved for work related purposes. With that diverse background comes a strong desire for product differentiation, ethnic foods and diverse cultural events

“No matter what they are buying, generation Y members prefer brands with a core identity based on core values. It's more important to them that a product is credible than that it's in the mall” (Morton, 2007).

Additionally, these generations tend to be more health and environment conscious then generations of the past. Unlike their parent(s) who may have worked for the same company their entire career, the younger generations are not opposed to moving out of state to pursue career advancements.

One of the larger generational differences is the fact that Gen X and Gen Y have been exposed to more technology advancements than ever before. As a result, they not only depend on technology for entertainment purposes, but to serve as a major communication tool and a method of maintaining relationships (Schroer). These age groups are especially attracted to vibrant cities and towns with recreational opportunities, college and professional sports teams, and cultural venues. Like the PTA tapestry dimensions referenced above, Community Research Services also described traits specific to these age categories for people living within the downtown primary trade area (typically within a 10 minute drive from their home). In general, these generations are very interested in a downtown experience that includes a vibrant nightlife. They also enjoy yoga, movies and sports and physical fitness.

Having that information, we can now look at some of the specific opinions and preferences that differ between the “40 and above” and “under 40” age categories. The first variable considered was whether or not there is a statistically significant difference in the likelihood to shop in Downtown Midland. This question is important to help existing and potential entrepreneurs determine a) if there is unmet retail need, and b) whether there might be conditions or issues that could be improved by the current business owners. To analyze this question, a cross-tab was prepared and an independent samples t-test was performed.

Likelihood of Shopping Downtown vs. Age Category

			AGE CATEGORY		
			40 and Under	Over 40	Total
Likelihood of Shopping Downtown	Very Unlikely	# of Responses	24	4	28
		% within Likelihood of Shopping Downtown	85.7%	14.3%	100.0%
	Unlikely	# of Responses	49	33	82
		% within Likelihood of Shopping Downtown	59.8%	40.2%	100.0%
	Neutral	# of Responses	55	36	91
		% within Likelihood of Shopping Downtown	60.4%	39.6%	100.0%
	Likely	# of Responses	45	54	99
		% within Likelihood of Shopping Downtown	45.5%	54.5%	100.0%
	Very Likely	# of Responses	5	14	19
		% within Likelihood of Shopping Downtown	26.3%	73.7%	100.0%
Total		# of Responses	178	141	319
		% within Likelihood of Shopping Downtown	55.8%	44.2%	100.0%

Group Statistics

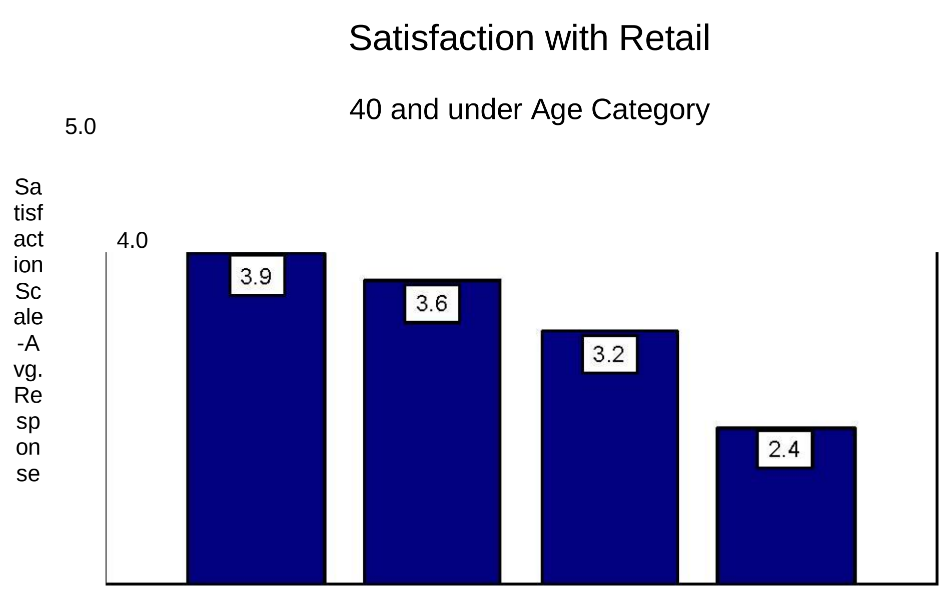
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%

Looking at the cross-tab table and mean “likelihood” response from above, one would expect that people “over 40” are more inclined to shop downtown. Additionally, based on the results of the t-test as noted below, we can statistically conclude with 95% confidence that the “over 40” age group is in fact, more likely than the “40 and under” age group to shop downtown. This could be due to a variety of reasons which will be explored in later.

Independent Samples Test

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

To further drill-down the reasons the 40 and under group might be less likely to shop downtown, several retail related attributes were analyzed. This was done to determine if there is statistical evidence to suggest that particular attributes would influence consumers to be more or less satisfied with retail in the downtown district. For example, is it because the downtown retail district does not offer the right mix of merchandise to appeal to a wide range of customer ages? Or, could it be due to the hours of operation? Regardless we know already that people under 40 are less likely to shop downtown – now we are attempting to determine why.



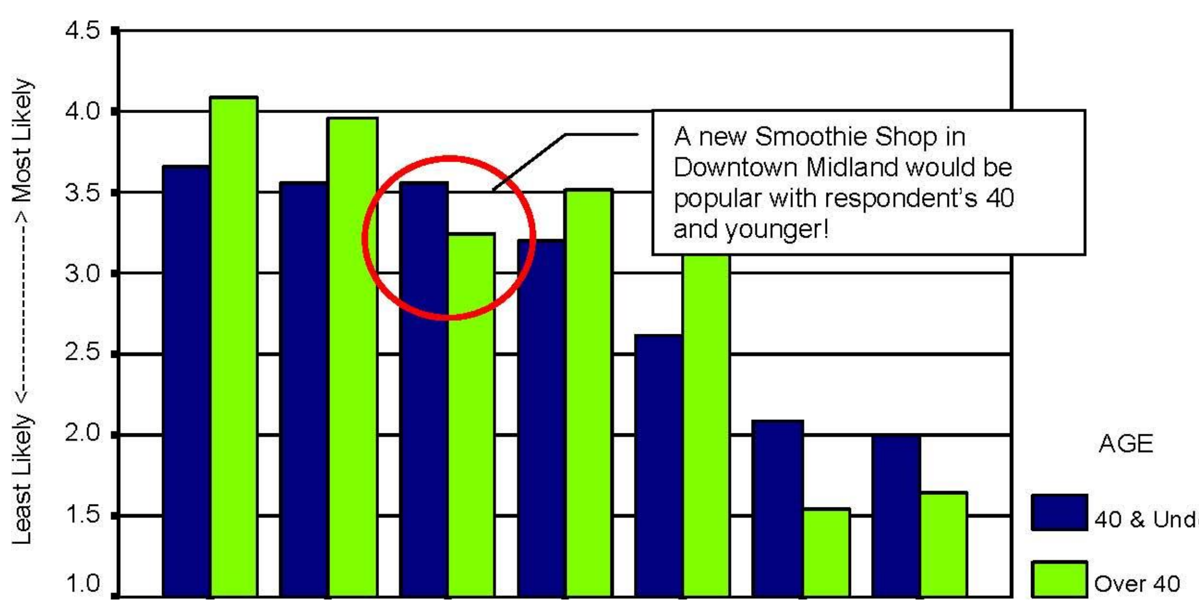
As demonstrated in the above graph, consumers 40 years and younger are most satisfied with the friendliness of store owners and employees, but the least happy with the current mix of retail offerings.

To help determine which potential business opportunities included in the survey would most likely be affected by age differences, statistical tests were applied. Business opportunities such as a potential Pet Accessory or Educational Toy store were not found to be significantly related to age and were therefore excluded from further age related analysis. Several business types did yield a statistically significant relationship to age and are presented in the graph below. This information could be useful to the entrepreneur who is looking to develop a niche business that would appeal to the growing “40 and under” population.

Potential New Businesses vs. Age Range

Likeliness to Visit - Avg. Response

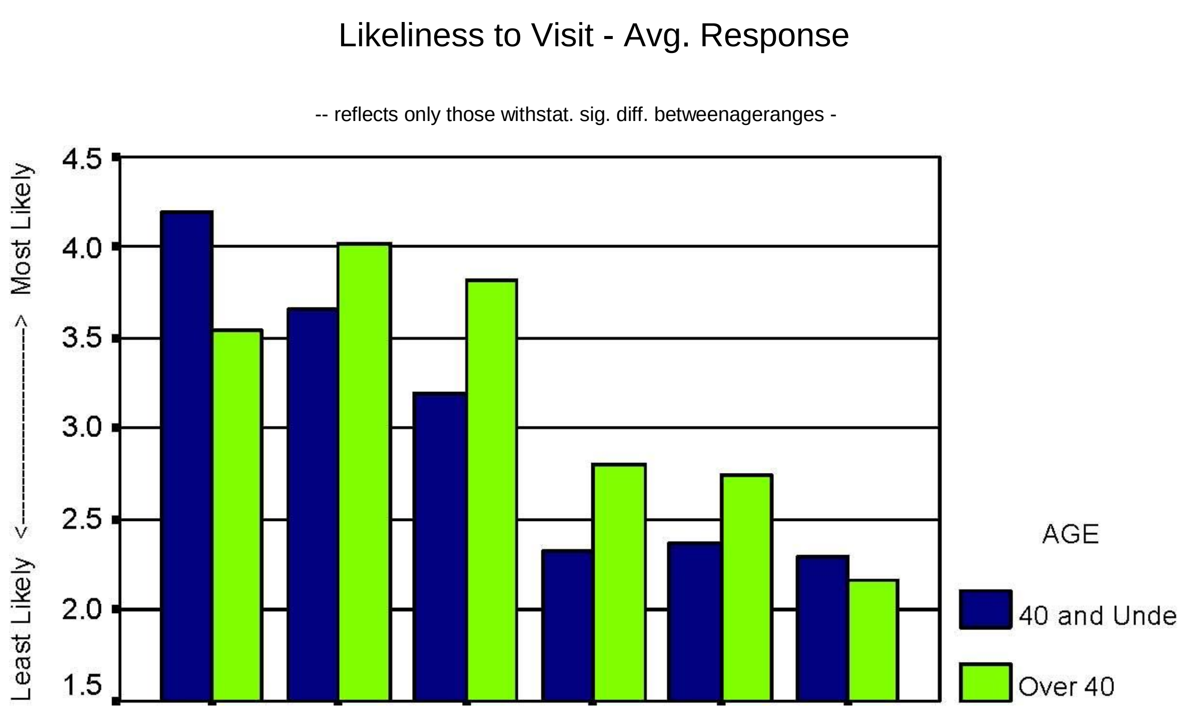
-- reflects only those with stat. sig. diff. between age ranges -



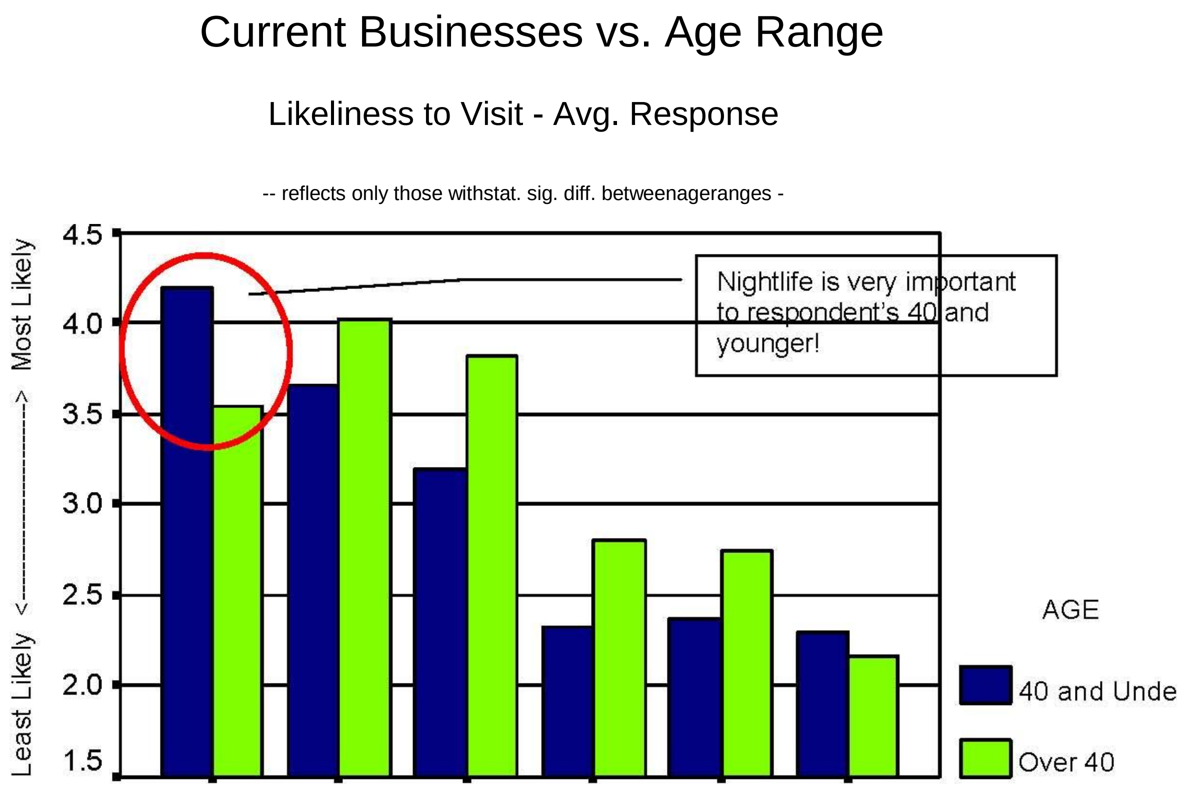
In the graph, from an age perspective only, there would likely be a better response from individuals “40 and under” with regard to a new Smoothie Shop, Children’s Apparel Store, Maternity Shop, or a Cigar Shop. Conversely, a new Grocery Store or Bookstore would be looked upon with higher visitation likelihood by the “over 40” age group. That being said, a Grocery Store or Bookstore holds a much higher preference value by any age group when compared to a Cigar Shoppe or Maternity Store.

Similar tests were applied to the list of current businesses addressed in the survey to help determine which would most likely be affected by age differences. Businesses types such as Women’s Apparel and Jewelry stores were not found to be significantly related to age and were therefore excluded from further age related analysis. As depicted in the graph below, people in the “40 and under” age category are more likely to visit bars or salons when they visit downtown.

Current Businesses vs. Age Range



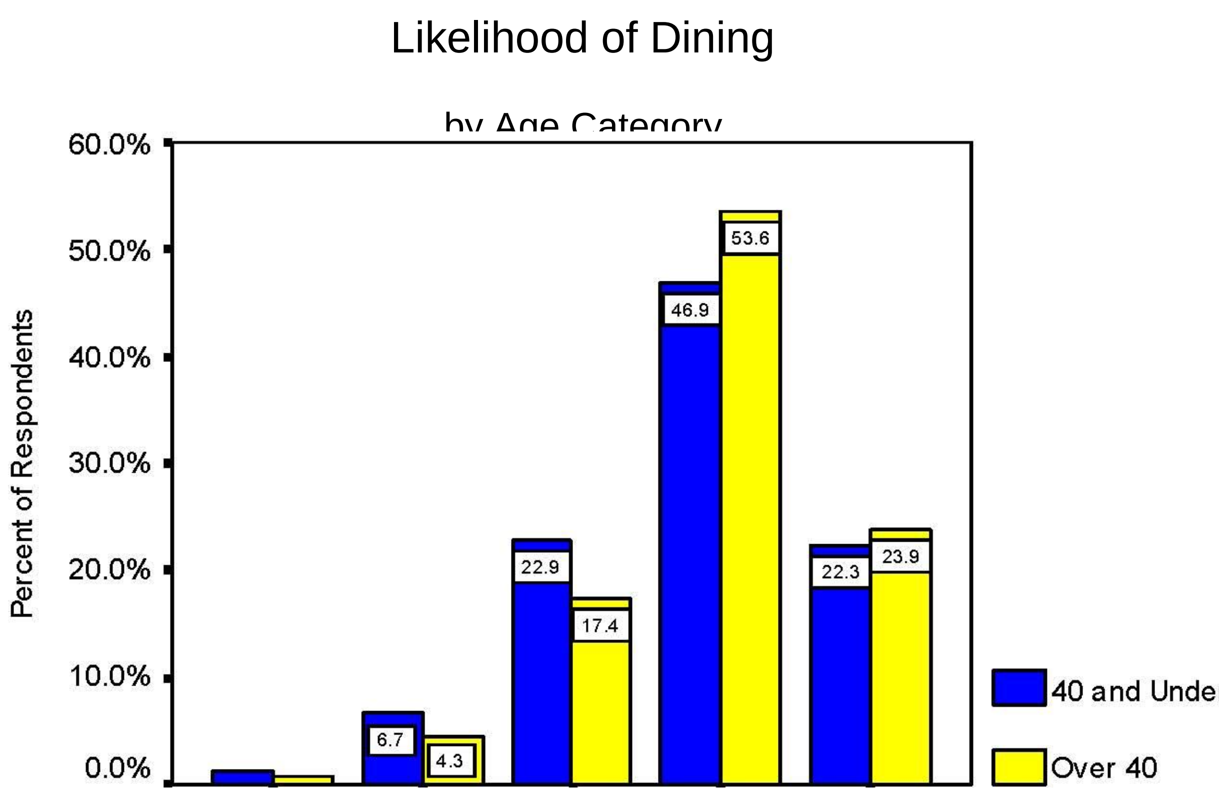
However, Bars, Gift Shops and Kitchen / Houseware stores would have a higher likelihood vs. Photography Stores or Salons, regardless of age.



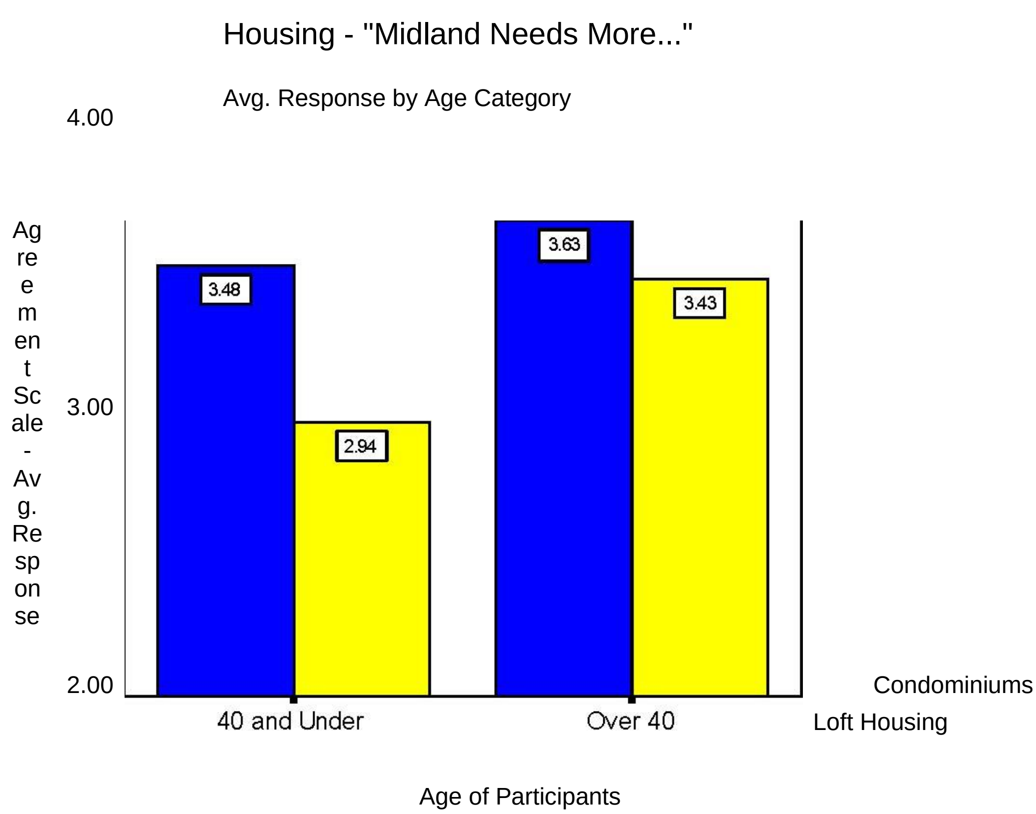
This statistical analysis bodes well since it adds validity to the importance of some of the comments left pertaining what people like to see more of in the downtown business structure.

- "(We like to visit) galleries or places with unusual gifts"
- "(We would like to visit) I feel as a younger member of this community ...It would be great to get some different types of restaurants not chains in downtown as well as some different types of bars and social places."

Although the testing above reveals that there are some statistical relationships between age and the likelihood to shop downtown, similar tests applied to the likelihood of dining downtown do not. In other words, although differences are apparent graphically, they are not necessarily due to the age of the survey respondents, per se.



Once again, similar statistical tests were used to determine any significance between age categories and the types of housing people would like to see more of in the downtown area. Although the graph below would seems to illustrate a slight difference between the age groups for loft housing and a larger difference pertaining to condominiums, statistical evidence of that difference only exists for the condo's.



Stated another way, using an independent samples t-test, and assuming a 95% confidence rate, we can conclude that there is a larger preference for condominiums in downtown Midland by the "over 40" age category than there is by the "40 and under" sample.

C. OPPORTUNITIES OF IMPROVEMENT – MODERATE OVERALL SATISFACTION

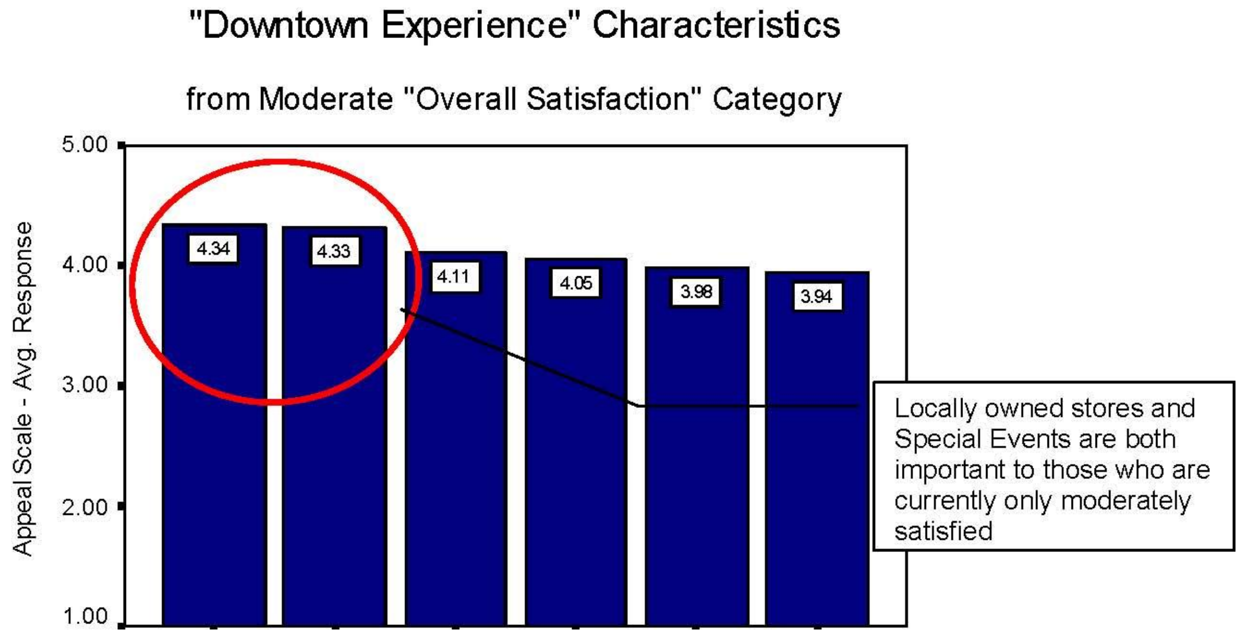
As important as it was to determine the variables that were statistically related to age, it is just as important to evaluate if there are statistical differences in the variables regarding overall satisfaction. Recall that the majority of the sample population felt only moderately satisfied overall. This could be considered a "nice to know" type of information. However, we can also look at this as an opportunity to reach the people that are "on the fence", so to speak, relative their "downtown experience". To determine what is statistically significant to this category of respondents, several analyses were performed and are summarized in this section.

The first test was performed to determine statistical evidence regarding business type opportunities and their potential of increasing the likelihood that respondents with a moderate level of overall satisfaction would desire to shop downtown. Using the graph depicted above as a guideline, the top five potential businesses that the "moderately satisfied" respondents are most likely to visit were regressed against the overall likelihood to shop in Downtown Midland. The resulting statistics shows that there is evidence of significance based on a 95% confidence level, that the addition of a Shoe Store or a Bookstore could have an impact on the likelihood to shop within the moderate responses.

Coefficients - Dependent Variable: Likelihood of Shopping Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Similarly specific attributes downtown Midland were regressed against the likelihood to shop downtown and led to the conclusion that merchandise price-value, retail offerings and the general ambience of the downtown area all could be statistically expected to have an impact on the overall satisfaction level of the respondents who initially indicated a moderate response.



Coefficients - Dependent Variable: Likelihood of Shopping Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

D. THE DESIRE TO SHOP AFTER 5:00 PM DURING THE WEEK:

As mentioned earlier in the study, several respondents indicated a strong desire to shop after 5:00 PM. In addition, many noted in the comments section that they wished downtown businesses would stay open later. To assess if there is statistical evidence that, all other things held equal, people would be more willing to shop downtown if stores were open later, cross-tab analysis was performed.

Shopping Preference - Wk Days - After 5:00 PM

Preference to shop after 5:00 PM (wk days)		Shop Likely - Low / High: Low / Moderate Likelihood	Shop Likely - Low / High: High Likelihood	Total
Very Unlikely	# of Responses	20	4	24
	Likelihood to Shop	10.0%	3.6%	7.7%
Unlikely	# of Responses	31	8	39
	Likelihood to Shop	15.5%	7.3%	12.6%
Neutral	# of Responses	36	18	54
	Likelihood to Shop	18.0%	16.4%	17.4%
Likely	# of Responses	90	48	138
	Likelihood to Shop	**45.0%**	43.6%	44.5%
Very Likely	# of Responses	23	32	55
	Likelihood to Shop	11.5%	29.1%	17.7%
Total	# of Responses	200	110	310
	Likelihood to Shop	100.0%	100.0%	100.0%

Significance = .000

Given the above information, we can conclude that there is a relationship between the two variables and that respondents would be more likely to shop downtown if there were extended business hours during the week.

The interesting point to make here as mentioned earlier is that many businesses already have extended hours, however it seems that people are simply not aware. As one of the DDA board members pointed out, “Midland residents have been ‘trained’ over the years that businesses downtown stay open until 5:00 P.M." This seems to be a perception issue that will be addressed later in this paper.

E. Business Opportunities

Aside from determining the relationship of new business opportunities with age or overall satisfaction as we did above, multiple cross-tabs and related statistical tests were applied to determine if there is a relationship between various potential businesses types and a respondent's overall likelihood of shopping downtown. Of specific interest are the respondent's who indicated a low or moderate likelihood:

Current Low-Moderate Likelihood to Shop Downtown vs. Likelihood of Visiting a Particular Store Opportunity

Likelihood to visit a new…	Grocery Store	Book Store	Shoe Store	Instructional Facility	Antique Shop	Educational Toys	Children's Apparel	Pet Accessory	Cigar Shoppe	Maternity Store	Smoothie Shop
High	68%	63%	50%	41%	36%	35%	31%	24%	--no statistical relationship -		
Moderate	17%	16%	20%	30%	17%	17%	13%	17%			
Low	15%	21%	30%	29%							
	100%	100%	100%	100%							
Stat. Sig.	0.001	0.001	0.001	0.021	0.062	0.022	0.056	0.057	0.798	0.667	0.311

Of the specific business types addressed in the survey, those that have a statistically significant relationship with likeliness to shop downtown are reflected above. It should be noted that just because a "business type" is statistically related to the "likelihood to shop", should not necessarily indicate that the store type should be pursued. It only suggests that they are related and should be considered further to determine if there is actual consumer demand.

For instance in the cross-tab table below, 36.7% of the survey respondents indicated that they had a low-moderate likelihood to shop in downtown Midland and that they were very unlikely to shop at a Children's Apparel store. In other words, a Children's Apparel store would not necessarily influence people to shop downtown if they aren't likely to already do so.

47%	48%	56%	59%
100%	100%	100%	100%

Children's Apparel Store

		Shop Likely - Low / High		
		Low / Moderate Likelihood	High Likelihood	Total
Very Unlikely	# of Responses	73	24	97
	Likelihood to Shop	**36.7%**	21.1%	31.0%
Unlikely	# of Responses	39	24	63
	Likelihood to Shop	19.6%	21.1%	20.1%
Neutral	# of Responses	26	19	45
	Likelihood to Shop	13.1%	16.7%	14.4%
Likely	# of Responses	38	32	70
	Likelihood to Shop	19.1%	**28.1%**	22.4%
Very Likely	# of Responses	23	15	38
	Likelihood to Shop	11.6%	13.2%	12.1%
Total	# of Responses	199	114	313
	Likelihood to Shop	100.0%	100.0%	100.0%

A <u>Grocery Store</u>, on the other hand, is also statistically related to the desire to shop downtown. This potential business type is shown below and would seem to indicate that even people who are currently unlikely to shop in Downtown Midland would be inclined to do so if a Grocery or Specialty Food Store were available.

GROCERY or other SPECIALTY FOOD
Grocery Store

		Shop Likely - Low / High		
		Low / Moderate Likelihood	High Likelihood	Total
Very Unlikely	# of Responses	23	3	26
	Likelihood to Shop	11.1%	2.5%	7.9%
Unlikely	# of Responses	9	7	16
	Likelihood to Shop	4.3%	5.7%	4.9%
Neutral	# of Responses	35	6	41
	Likelihood to Shop	16.9%	4.9%	12.5%
Likely	# of Responses	74	43	117
	Likelihood to Shop	**35.7%**	**35.2%**	35.6%
Very Likely	# of Responses	66	63	129
	Likelihood to Shop	**31.9%**	**51.6%**	39.2%
Total	# of Responses	207	122	329
	Likelihood to Shop	100.0%	100.0%	100.0%

Several comments were included in the survey which further indicates a strong desire for a specialty grocery store, or a deli.   Additionally people who are considering making downtown there residence also desire to have a grocery store nearby.

G. SPECIAL EVENTS:

Because special events have the tendency to draw large amounts of foot traffic to the downtown area - often times from beyond the local community, it would be important to the retail shop or restaurant owner to understand a patron's degree of likelihood to shop or dine while attending various events. To determine that relationship, cross-tabulation analysis was performed by looking at the respondents who indicated a "high" likelihood to shop while attending a special event, in comparison to the overall likelihood of attending various events. Narrowing the data down in this fashion will allow the business owner to see which events could provide the largest opportunity to not only provide satisfaction to existing customers, but potentially attract new customers as well.

Using cross-tab analysis, we can see businesses would have the most opportunity to reach those who attend the Farmer's Market or Pumpkin Festival based on their indicated likelihood to attend. This could be achieved through the use of special coupons or store events valid on special event days.

Likelihood of Attending :

Farmers Market
Santa Parade
Holly Jolly Days
Pumpkin Festival
Pennant Race
Highland Festival
Cruise n Car Show
Chili Salsa Cookoff
Deals at the Diamond
Sidewalk Sales

Breakfast with Santa Santa House ----No Statistical Relationship ----Riverdays

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviatior
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.(

F Sig. Levene's Test for Equality of Variances

Conversely, businesses would have the least opportunity to reach those who participate in the Loon's Pennant Race.

A similar analysis was performed pertaining to the likelihood to dine while attending special events.

Likelihood of Attending :

Farmers Market
Santa Parade
Holly Jolly Days
Pumpkin Festival
Pennant Race
Highland Festival
Santa Rides
Riverdays
Cruise n Car Show
Chili Salsa Cookoff
Deals at the Diamond
Sidewalk Sales

Breakfast with Santa ---- No Statistical Relationship ---

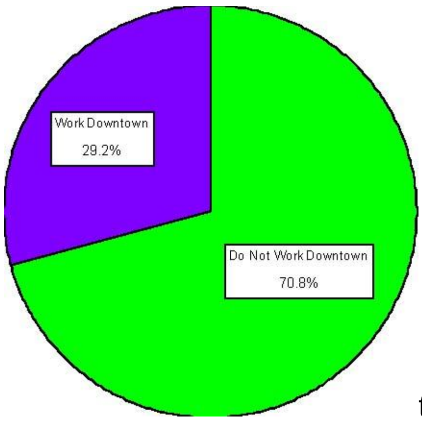
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	**Mean**	Std. Deviation
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.025

		Levene's Test for Equality of Variances F Sig.
Likelihood of Shopping	Equal variances assumed	.050 .824

As such, we can see that people with the highest likelihood of dining downtown during a special event would be most likely to attend the <u>Farmer's Market</u> or <u>Riverdays</u>. Conversely, they are least likely to attend or participate in the <u>Loon's Pennant Race</u>. Similar to the shopping question above, restaurant owners have the potential of reaching participants and enticing them to dine at their restaurants by offering dining specials or coupons valid on special event days.

H. WORK vs. DO NOT WORK DOWNTOWN



As briefly discussed in one the earlier sections of this report, several respondents provided comments which indicated they didn't feel businesses were open long enough, particularly during the week. However the majority of businesses who answered the email request to provide their operating hours indicated that they did offer extended hours, typically at least one day a week. As such, additional analysis was performed to determine if different perceptions regarding Downtown Midland attributes exist, specifically between people who work downtown vs. people who do not work downtown.

---degree of satisfaction --

Downtown Midland
General Ambience
Parking Lighting
Cleanliness Safety
Snow Removal
Service Price Value

Shopping
Retail Choices
Merchandise -Price Value
Retail Hours Retail
Friendliness

Dining
Restaurant Choices
Restaurant Hours
Restaurant Friendliness

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	2.76 3.29	1.063 1.025	.080 .086

	F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of Equal variances		

As depicted in the table above, only three downtown attributes are shown to have a statistically significant relationship with whether or not people work downtown. Interestingly enough, retail hours of operation were not deemed to be significant. This would indicate that any difference in satisfaction with retail hours (between people who work and people who do not work downtown) is simply due to chance.

As shown above, valid differences are indicated for snow removal, service price-value and restaurant hours. With regard to snow removal, for instance, it would seem that people who work downtown are less satisfied than people who do not work downtown. Conversely, people who work downtown tend to be more satisfied with restaurant hours of operation.

PART IV – FINDINGS AND SUGGESTIONS

In order to differentiate itself, a downtown business must distinguish itself from its competitors through the use of exceptional retail offerings, friendly customer service and successful promotion. (Brown)

Downtown Midland has all of the charm and beauty needed to attract community visitors and destination tourists alike. As shown in the downtown attributes graph, some of the most important characteristics like safety, or lighting are already in place. In fact, respondents indicated high satisfaction levels regarding most of the general attributes of downtown. While these attributes are important, they cannot stand alone in terms of being the key drivers of a consumer's overall satisfaction with a downtown environment. Through the use of the survey tool, and the analysis described in the previous sections of this report, three main areas of opportunity are evident pertaining to Downtown Midland.

FOOT TRAFFIC When walking through the downtown area, it seems that "Main Street" ends far sooner than the actual street by the same name does. Even though there are many successful businesses that continue east past Oscar's on Main Street for instance, there are also reasons why one might stop and turn around. First, many of the farther businesses attract customer's who have a specific need to visit their particular store. For instance the Mid-Michigan Music Shop is geared toward a musician for obvious reasons. Similarly, the appliance store will attract the consumer who is looking for goods or services particular to their store. Unless a consumer had a specific need to patronize those stores, they would not necessarily continue to walk beyond the main area of commerce, or onto some of the peripheral side streets which also hold great opportunities for shopping or dining.

Ideally, a diverse mix of businesses would be spread throughout the downtown district which would entice consumers to expand their walking journey between locations. Spreading the summer statue series along the entire expanse of Main Street has helped to mitigate this disadvantage. Similarly, there is now an attractive, walkable path between Downtown and Dow Diamond which includes a beautiful mural underneath the Poseyville Bridge. However, more can be done to improve the foot traffic in these otherwise less frequented areas. The benefits of doing so would at a minimum be two-fold. Current businesses in these less traveled areas, for example, would get exposure they might not otherwise have. Additionally, potential entrepreneurs would be encouraged by the increasing exposure in areas they might be looking at to start a business. The following three categories of suggested improvements could help to increase foot traffic:

A. <u>Store-Front Windows</u> which are either currently empty, or do not have “window shopping” appeal should be targeted for consideration. A recommendation would be to create intriguing window-scapes in those particular spaces.

- Work with Marketing or Merchandising students at nearby Central Michigan or Northwood Universities once a quarter to change out the displays in the empty window spaces. These displays could include artwork from local artisans who might then show their wares live during Art Walk evenings in the summer. Similarly, the displays could include projects (DDA approved) that the students have been working on during the semester;

- Work with the Historical Society to coordinate a display containing various historical items from the area – this is especially relevant to downtown which is rich in history itself;
- Coordinate a monthly "*Where's Waldo*" type contest with local merchants, whereby customers would be encouraged to locate an Official Midland Mascot (example: troll, frog, dragon, etc.) to be found somewhere in the broader downtown blocks. They would then enter a drawing for a monthly rotating good or service donated by area merchants….for example, "Ice Cream for 4", "Small bouquet of flowers", "Dessert and coffee", etc;

- Coordinate a "window display unveiling" with various special events such as Summer Solstice or Mannequin Night.

B. <u>Special Events</u> *It was found that 89.3% found Special Events to be an appealing or very appealing attribute of a "downtown experience".*

- Coordinate with the Great Lakes Loons, a "Start-of-the-Season Player Parade" with parade route to end at Dow Diamond. This would likely attract a large contingency of people to visit downtown, window shop throughout the parade route and enjoy the overall pre-baseball season atmosphere;
- Co-sponsor a 50's party with the new owner of Daddy-O's; complete with a hula hoop contest, 50's fashion contest, and Elvis impersonator contest;
- Focus efforts to offer more <u>special events geared toward adults</u>. This idea could potentially carry with it a high potential for increasing foot traffic by consumers

who might otherwise not spend time downtown. This would be especially true with the "40 and Under" age category as shown in the previous sections of this report;

- Re-locate some special events or activities to utilize more of the overall space downtown. As an example, the Artist's Market is currently held at the Farmer's Market location on the same night as "Tunes by the Tridge". Moving the Artist's Market to Main Street would increase the amount of foot traffic beyond what is currently experienced.

C. Encourage Co-Op Advertising - Through the use of coupon sharing, complimentary businesses would encourage customers to shop or dine at each others' businesses with the effect of increasing foot traffic between their respective stores or restaurants.

AVAILABILITY OF INFORMATION A number of survey responses and individual comments are the basis for this recommendation. Although Downtown Midland has a great number of very positive characteristics, it seems that the community is not fully aware of all the area has to offer. Whether the information is pertaining to an event or a new business, more needs to be done to ensure that the broader community is aware of all of the fantastic amenities and distinguishable assets that are available in Downtown Midland. This will especially be important as Midland continues to try to distinguish itself as a destination city. An opportunity to reach visitors will soon become available with the new Holiday Inn grand opening, not to mention the many hotels that exist today. As people increasingly come into town for soccer tournaments and other events, Midland has a large opportunity to entice them to “experience” downtown not only for the first time, but to stimulate their desire to come back as repeat visitors in the future.

One example of the need for improved communication would be with regard to special events. One respondent commented, “Often I have missed events that I would have gone to but didn’t find out about them until after they occurred.” Another stated, “The only way I learn about most of the events in downtown Midland was because I work downtown”. Similarly, pertaining to the question regarding the usefulness of the website, almost a third of the respondents stated they did not know it existed.

A final example is the perception difference that seemingly exists regarding business hours downtown. Although many businesses do in fact offer extended hours at least once per week, several respondents commented that they wished downtown business would remain open in the evening. This inconsistency would suggest that the community effectively been informed of the changes local businesses have made. However, perception equals reality in the mind of the consumer and efforts need to be made to change that perception regarding business hours.

To reach the broader community, the following suggestions might be considered:

- Advertising Wraps – full page advertisement in the Midland Daily News (MDN) Sunday newspaper edition. These ads are “wrapped” around the weekly circular advertisements and can include color as well as pictures. Per Cathy Bott at MDN, these ads cost $750 per run. For an annual cost of $3000 (once per quarter), this type of media would be perfect for reaching over 12,000 Sunday newspaper subscribers (www.ourmidland.com), and could include dates for up-coming events, introduce new businesses that have opened downtown, or present retail /

Low	Moderate	High
41.6% **45.8%**	27.7% 30.6% 18.9% 12.6% 10.2%	19.5% 24.1% 25.4% 19.5% 11.5%
100.0%	100.0%	100.0%

		N	**Mean**	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.025	.080 .086

		F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of Shopping Downtown	Equal variances assumed	.050 .824	-4.465 317 **.000**

	B Std. Error Unstandardized Coefficients	Standardized Coefficients	t	Sig.
(Constant)	1.680 .254 .197 .062		6.641	.000 **.002**

ATTRACTING NEW BUSINESSES Without a doubt, one of the most critical steps to ensure the continued success of commerce in Downtown Midland is having the ability to successfully attract new businesses. This area in particular clearly relates to one of the most important findings of the Opinions and Preferences Survey. When asked about their level of satisfaction with retail and dining options, 57.0% of respondents found retail choices, and 52.0% found dining choices to be a combination of “unsatisfactory” or “very unsatisfactory”. Given the current economic conditions, attracting entrepreneurs to take a risk can be challenging, for sure. However given the right tools and support, a new business can thrive.

As mentioned earlier in this report, a Downtown is a unique market which hosts its own set of demands in order to compete against larger, and often times more cost efficient (due to economies of scale) retailers. Downtown entrepreneurs must be willing and able to differentiate themselves through the products they offer and the personal services they provide.

To attract a new business owner, the downtown district must additionally take extra steps to create appeal by providing an aesthetically pleasing commercial environment, along with a safe and secure environment with adequate parking. Downtown Midland has accomplished these attributes as well as many more; however efforts which would demonstrate active Downtown enhancement efforts and promotional programs, like those described, above should continue to be made. Additionally, this study along with the knowledge gained from the Buxton study, provide a wealth of market research data to demonstrate unmet demand and community support for variety of potential business types. Although the Buxton study recommended specific name brand stores such as Naturalizer shoes, or American Eagle as “best fits”, the economy today is such that many name brand or franchised companies are delaying expansion efforts. However, the market research provided through the Opinions and Preferences survey would defiantly support the development of a “shoe store” or “youthful clothing apparel store”

BUSINESS OPPORTUNITY EXAMPLE – APPLICATION OF SURVEY RESULTS To demonstrate the potential power of the information available from the Opinions and Preferences Survey, an example is provided specifically for “specialty foods” in Downtown Midland. Supposing an entrepreneur is interested in exploring the possibility of opening a sandwich shop, or delicatessen the following information might be useful.

- ○ Overall, 67.8% of participants are moderately satisfied, while 20.5% are highly sa
  Downtown Midland;
- ○ 72.9% indicated a strong likelihood to dine downtown;

In their final report to the community, Buxton defined a leakage factor of (0.52) with regard to the availability of specialty food establishments located downtown. As a reference point, 1.0 equals a well balanced market supply, and numbers above or below 1.0 would represent surplus and leakage, respectively. Based on those findings and the resulting location preferences of various franchised businesses, a Quizno's or Schlotzsky's Deli was deemed to have the "best-fit" with the downtown primary trade area or 10 minute drive time (Buxton Company). Combining that knowledge with the community preference results from this study, there is positive evidence to support an entrepreneur considering a locally owned sandwich shop or delicatessen. For example, from the survey:

- 56.1% of survey participants are in the 20 – 40 age category; Of those participants, the predominant household income distribution is: $51,000 to $140,000;

Age 20 - 40 % of Total Income Range

Income

26.1% $51K - $80K

21.1% $81K - $110K 15.1%

$111K - $140K

Total 62.1% $51K - $140K

- Of this sub-set of participants (20-40 years old, with an income of $51K-$140K), the following results would be useful in helping to define the potential market:

- 74.1% work downtown indicating that there would be good potential for a lunchtime market especially if delivery options were available.

- 91.4% indicated a strong likelihood of dining downtown while attending a special event, signaling the likelihood of a potential market during non-work times as well;
- Although there is a strong indication that people like to eat downtown, 57.7% and 22.5% of this survey sub-set indicate low or moderate satisfaction with the current dining choices, respectively. Unmet demand = potential! Respondent's are interested in additional dining choices – "I would love to have a few more restaurant options, especially ones with outdoor seating";

- 72.1% find ethnic offerings, and 65% find specialty grocery stores to be appealing or very appealing. A deli could potentially offer a European style lunch with homemade breads to compliment a plate of meats and cheeses, or homemade hummus and pita chips served along with a Mediterranean chopped salad or Tabouli to appeal to these potential customers;
- Additionally, 91% indicated that locally owned businesses have a high amount of appeal;

- In addition to the tabulated data, several survey respondent's also provided

  comments specific to their desire for a deli or sandwich shop in Downtown Midland:

  "especially need a deli/specialty grocery store downtown" "a sandwich place (panera/cosi)" "especially would appreciate a deli, juicebar and bookstore" "I think a deli would be a great addition….especially when Farmer's Market is running" "…nice restaurants, with healthy, affordable food"

- Finally, adding in some of the findings from other research, such as details of what is appealing to this particular age group, would provide another dimension of customer preference knowledge thereby strengthening the potential for success.

<u>AVAILABLE SPACE</u> In addition to having current market research available such as that provided in the survey results, potential entrepreneurs will also require information regarding available space for their new business. Midland contains approximately 550,000 square feet of ground level space. This total includes offices in the downtown district, but excludes government buildings and the H Hotel. Included within that total space several location options are available for lease for new business endeavors with square footage ranging from 1,000 to 2,200 sq ft. Additionally, a large piece of property is for sale on Townsend (Kulick, 2009).

DDA & DOWNTOWN OPPORTUNITIES Especially given today's economic climate, potential new business owners will be interested to learn about the types of support that might be afforded them if they were to locate downtown. For instance, strong support from the Chamber of Commerce, like that found in Midland, would be of importance. Additionally, they will be interested in knowing about the different special events offered throughout the year including attendance expectations, as well as the number and types of existing complimentary businesses who would be their potential neighbors. Both of these factors could help entice a business in their location decision as the information would help to establish the amount of exposure they would have if located downtown. Possibly one of the most valuable selling points however, would be the ability to offer monetary incentives that might be available to the entrepreneur as they embark on their "new dream".

Several bills recently passed in the State of Michigan deal specifically with economic development in downtown districts. One of the most intriguing to the Midland DDA is Senate Bill 970 which would "allow the DDA to create, operate and fund via collected Tax Increment Finance (TIF) revenues, a retail business incubator provided that it were set-up to give preference to goods and services not available downtown, and that lease incentives would be limited to 18 months duration" (Michigan Legislature, 2009).

The concept of incubating businesses is not new. Many technology and manufacturing incubation options, like the MidMichigan Innovative Center (MMIC) in Midland have been available for some time. These traditional incubators house a business in a shared environment with other businesses. Administrative support services which help to reduce some of the overhead costs, along with training and mentoring programs are some of the key components. These advantages all translate to reduced personal risk for the entrepreneur, at least for a period of time.

Some forms of retail incubation already exist whereby venture capitalists have purchased buildings which are then rented out in sub-sections to various entrepreneurs, thereby creating a "neighborhood collection"; or "mall" of sorts. However, in response to the requirements of the recent legislative act which limit the lease incentives to 18 months, modifications to the structure of such a program have been made to address the notion that an established retail business would not want to have to relocate, perhaps being forced out of downtown if vacant property were not available. In their retail incubation proposal, the DDA in Kalamazoo would offer a "collection of services" in their incubation program such as subsidized rent and cross functional training, rather than the attributes associated of a shared "physical place" (Nixon, 2009). Regardless, the benefit once again, is reduced risk to the entrepreneur – which is a valuable attribute to today's business owners.

> *"we had considered opening (a) toy store downtown – think it would be great – just so scary & such a huge investment…" (Comment from Downtown Midland Opinions and Preferences Survey)*

Although some established business owners feel that the incubation program allowed by law would "subsidize competition" in a downtown area, the opposing thought should be considered in that a more attractive the downtown area in terms of retail and dining options, the more foot traffic will be generated thereby creating additional exposure for the existing businesses. Regardless, several components are critical to the success of any retail incubation program.

- <u>Address Leakage in Retail Mix</u>
  - To fulfill the definition of "retail " as described in law, the proposed business <u>must</u> be structured such that a majority of the floor space is dedicated to the display of products available for sale on the premises
  - The proposed business <u>must</u> also be structured to fill retail areas with un-met demand. This could be accomplished by either providing a product that is new or underserved to Downtown Midland, For example, this might be a shoe store, or a bookstore, amongst others.
  - To ensure that customers needs are being met as best as possible, hours of operation should be required to include extended hours, at least one day a week
  - The entrepreneur should also be required to maintain a fully functional website to ensure that store information is available through a variety of media types. This is especially critical to the 20-40 year old population who utilize technology as a "way-of-life" as opposed to for entertainment or convenience.
- <u>Develop & Maintain Entrepreneur Talent</u>
  - Entrepreneurs should be required to take part in cross-functional training aimed at ensuring that basic competencies in the areas of Marketing, Accounting and Financial Management, Merchandising and Inventory Management, Human Resources, and Customer Service have been successfully met. This will help

decrease the new business failure rate which can be quite high without appropriate knowledge of critical business processes;

- ○ As a result of the training, prospective entrepreneurs should be required to develop a comprehensive business plan which will serve as the basis for project approval, as well as lay out specific goals for the period of the incubation project;
- ○ Entrepreneurs should be required to have a pre-determined number of continuing education hours, perhaps 2 hours per business quarter, to ensure that they remain knowledgeable with regard to “best-in-practice” business techniques during the period of time they are being subsidized through the incubation program. An example might be a social networking seminar, or a “marketing strategies lecture” before the start of the holiday season;
- ○ To ensure access to continued support throughout the course of the program, entrepreneurs should also be required to be paired an established downtown entrepreneur who will serve as a mentor;
- ○ The business should be required to hire a professional bookkeeper, and CPA

- Additional Suggestions Additionally, Brent Case, Executive Director of MMTC in Midland (technology incubator) suggested the need to market the incubator program well through a variety of media options; meet regularly with program participants to provide educational and networking opportunities and to not forget to celebrate the entrepreneurs successes, such as grand opening and graduation (from the program) events.

- Visible Benefits to the Entrepreneur In exchange for these requirements, the entrepreneur should be afforded the following benefits which would in turn, help to attract new business to the downtown district. These benefits might include:
  - o The aforementioned required training at a subsidized rate. The Small Business Technology Development Center (MI-SBTDC) at Delta College offers a comprehensive 8 week program called FastTrak which carries a cost of $700. Per discussion with Deb Wieland, one of the certified trainers at MI-SBDTC, this cost could potentially be subsidized through a $350 scholarship award made available by the Kaufman Foundation. (Wieland, 2009)
  - o For entrepreneurs who are willing to take 15 weeks to develop a business plan, opportunities could be made available through coordination with local colleges. Central Michigan University for instance, has an entrepreneurship program which could match students with potential business owners for guided work on a business plan (Fitzpatrick, 2009).
  - o Access to continuing support services which could include management consulting services, advertising, or legal consulting made available through coordinated seminars with SBTDC. (See Appendix VI for brochures).

o Financial Benefits: Most important and potentially luring to entrepreneurs would be a rent subsidy which could be made available for a period of 18 months under the guidelines of the approved Public Act. Several options have been discussed with the DDA in Midland.

- One option would include the purchase and sub-lease of a building. Although this option would give the DDA an opportunity to earn a return on their investment when they sold the building after the 18 month lease period, the disadvantages could include some of the following points: − A large initial cash outlay of approximately $200K for the building and $150K for the building improvements would be required by the DDA to purchase and improve the property; (Kulick, 2009)
   - The new business could fail and the DDA would be left with a store front to fill without offsetting rental income;
   - The DDA would also have to act, or hire someone else to act as a landlord for the building;
   - These disadvantages could be potentially offset by the ability to earn a return upon sales of the property, but that assumption is very much tied to the economy at the time. Additionally, it is possible that the rehabilitation could fall under the constraints of the Commercial Rehabilitation Act for potential tax abatements; however this would have to be explored fully to understand the implications. Regardless, there appears to be a significant amount of risk associated with this option, especially considering that the concept of retail incubation would be new to the downtown area all together.
   - **Benefit = Medium / Risk = High**

- A second and less risky approach would be similar to that being proposed by the DDA in Kalamazoo, whereby the DDA would help to coordinate the matching of a potential entrepreneur with a current building owner and would then co-sign and subsidize the lease in a step down fashion for a period of 18 months. Kalamazoo's approach using this method would subsidize the rent using the following schedule:

- Months 1-6 50% Subsidy
- Months 7-12 33% subsidy
- Months 13-18 17 % subsidy

The benefits to this type of approach are numerous:

- There would be less inherent financial and legal risk to the DDA in terms of business failure if they did not own the building;
- There would be a significantly lower cash outlay requirement which would enable the DDA to use funds to support the incubated project in other ways; additionally, more businesses could be incubated during any given 18 month period, thereby creating a larger opportunity to impact the downtown area with retail diversification – one of the strongest requests from the community as demonstrated in the survey results;
- **Benefits = High / Risk = Medium**

Clearly, the attraction of an incubator program lies with the fact that young businesses would be able to receive various aspects of support services and be able to take advantage of financial benefits such as reduced rents while they are growing into viable businesses that will eventually graduate and stand on their own.

Although Downtown Midland does have obstacles, the area has many attributes already in place that make it a very attractive and intriguing area to spend time. However, in order to remain competitive with the traditional big-box or mall retailers, to increase its attractiveness to potential new businesses and to entice young professionals to choose to make downtown their home, several relatively easy steps should be considered by the DDA to improve the overall satisfaction of all stakeholders. As previously mentioned, improving the foot traffic and communications are key. Similarly, further consideration and development of the retail incubation program should be evaluated. But prior to considering any of these, the voice of the customer must continue to be heard. Using tools like the Opinions and Preferences Survey, much can be learned about the attributes that are most likely to contribute to the success of Downtown Midland. Like "The Tridge" which stands above three converging rivers in the heart of the Mid Michigan, Downtown Midland can be viewed as a culmination of three key components which lend themselves to a successful downtown environment;

COMMUNITY, COMMERCE, HISTORY ALL CONVERGE

TO CREATE A FABULOUS DOWNTOWN!

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APPENDIX I – SURVEY

~~ See separate PDF file ~~

Appendix II – Frequency Results from Survey Questions:

Question 1: “Overall, how satisfied are you with Downtown Midland?”

Overall Satisfaction with Downtown Midland

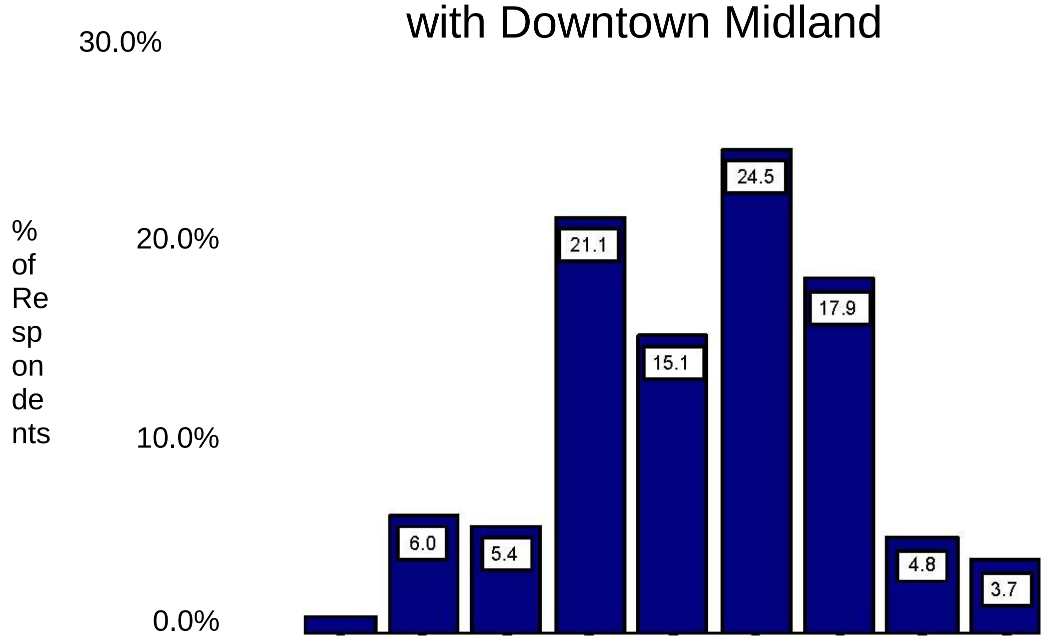
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

Mean = 6.3
Median = 7.0

		N	Mean	Std. Deviation
Likelihood of Shopping	40 and Under Over 40	178 141		1.063 1.025

Overall Satisfaction

with Downtown Midland



Question 2 – “How many days a week do you work in Downtown Midland?”

Question 3 – “Aside from work, how often do you visit Downtown Midland?”

Statistics

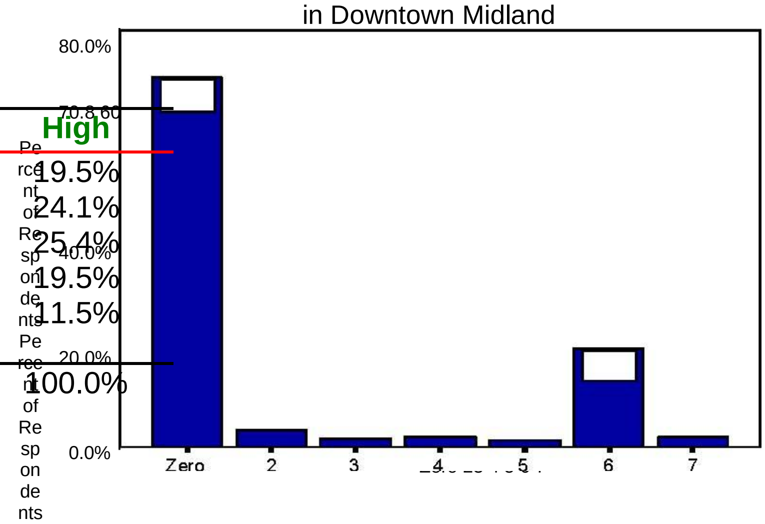
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Number of Work Days

in Downtown Midland

Number of Days Downtown - Work

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

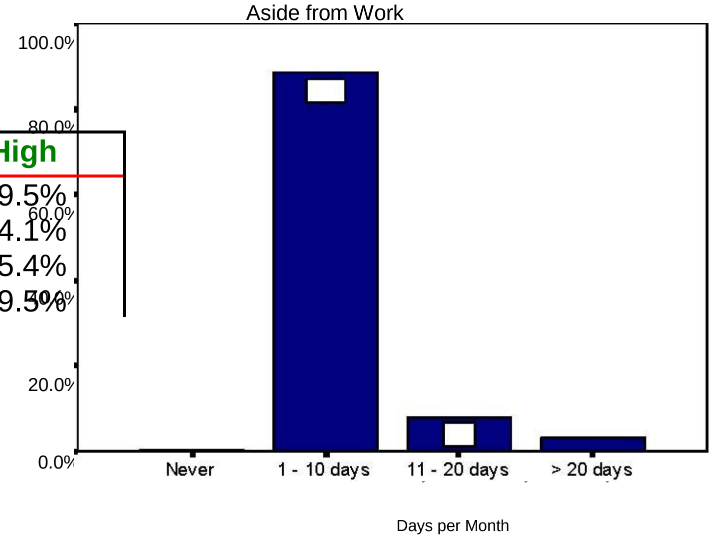


Number of Days Downtown

Aside from Work

Number of Days Downtown - Not Work

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%



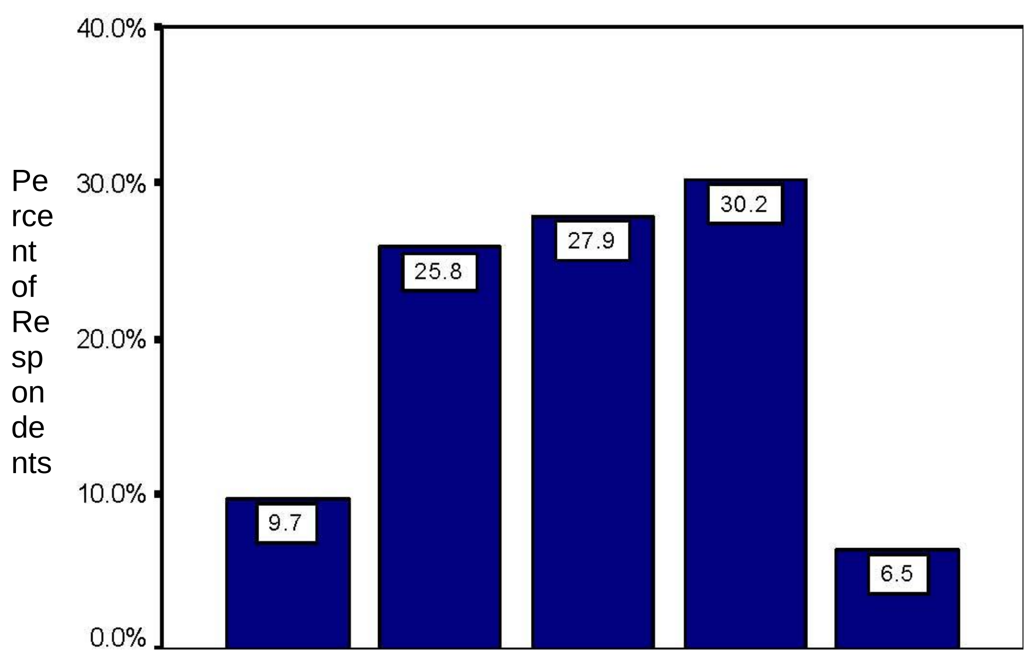
QUESTION 4 – "How likely are you to shop at Downtown Midland venues?"

Likelihood of Shopping Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

Mean = 2.9
Median = 3.0
Std. Dev. = 1.1

Likelihood of Shopping Downtown



QUESTION 5 – “During what timeframe would you prefer to **SHOP** in Downtown Midland?”

Week Days - 9:00 AM - 11:30 AM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - 11:31 AM - 1:30 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - 1:31 PM - 5:00 PM

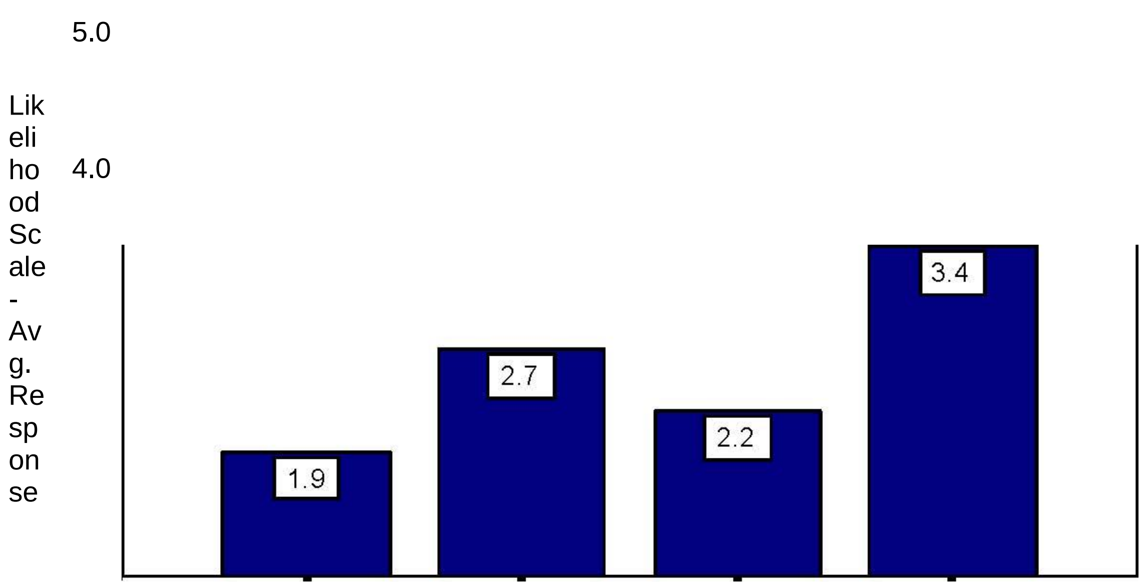
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - After 5:00 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Preferred Time to Shop

Weekdays



QUESTION 5 - continued

Week Ends - 9:00 AM - 11:30 AM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - 11:31 AM - 1:30 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - 1:31 PM - 5:00 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - After 5:00 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

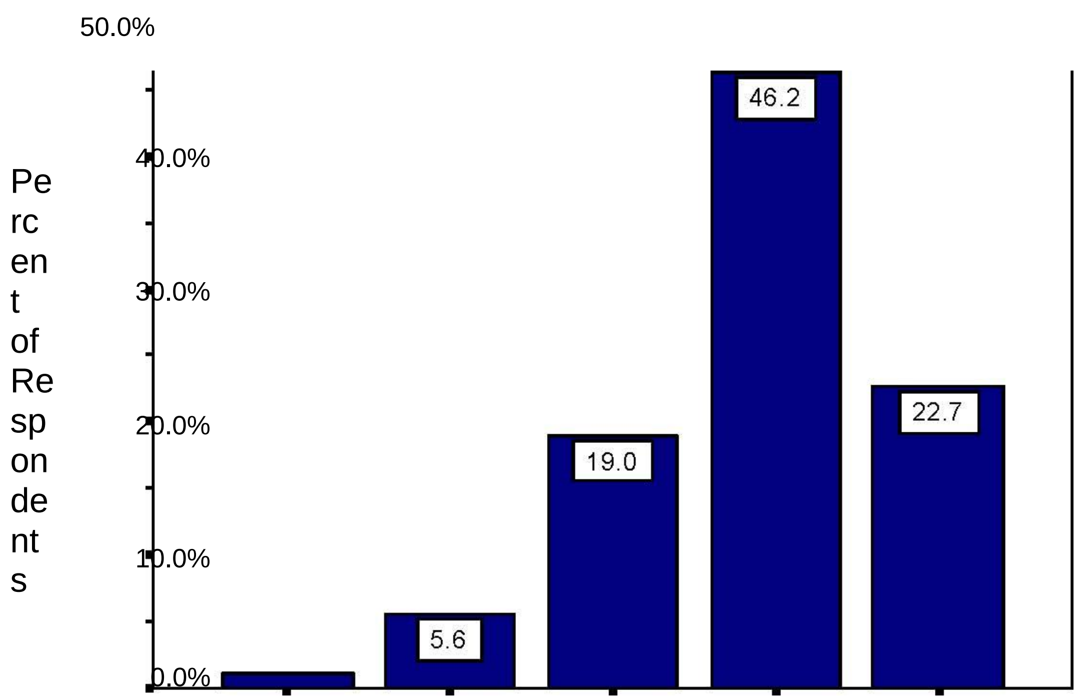
QUESTION 6 – "How likely are you to **EAT** at Downtown Midland venues?"

Likelihood of Eating Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

Mean = 3.9
Median = 4.0
Std. Dev. = 0.9

Likelihood of Eating Downtown



QUESTION 7 – "During what timeframe would you prefer to **EAT** in Downtown Midland?"

Week Days - 9:00 AM - 11:30 AM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - 11:31 AM - 1:30 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - 1:31 PM - 5:00 PM

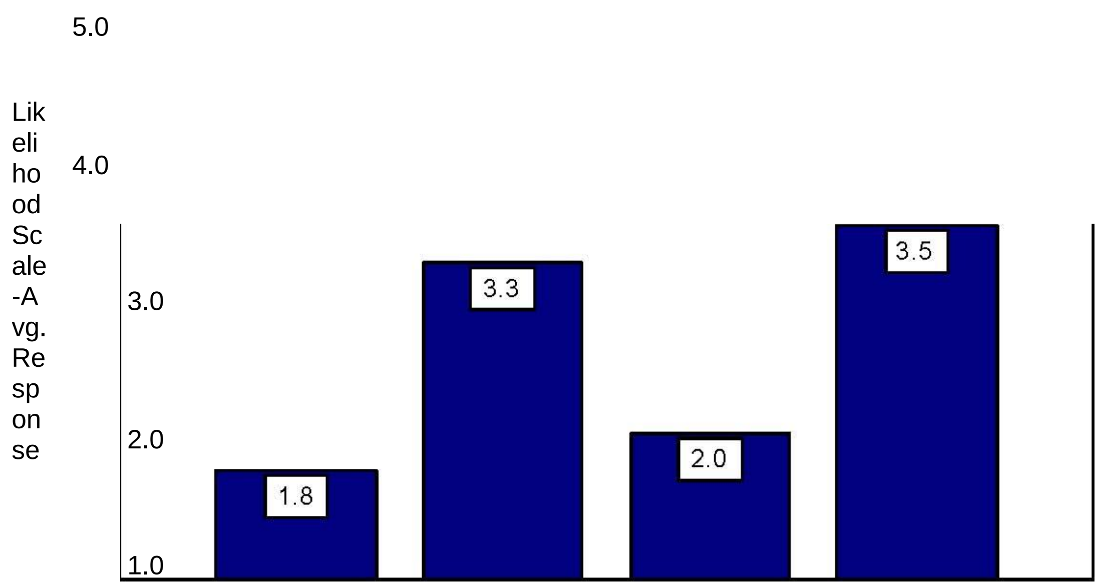
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Days - After 5:00 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Preferred Time to Dine

Weekdays



QUESTION 7 - continued

Week Ends - 9:00 AM - 11:30 AM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - 11:31 AM - 1:30 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - 1:31 PM - 5:00 PM

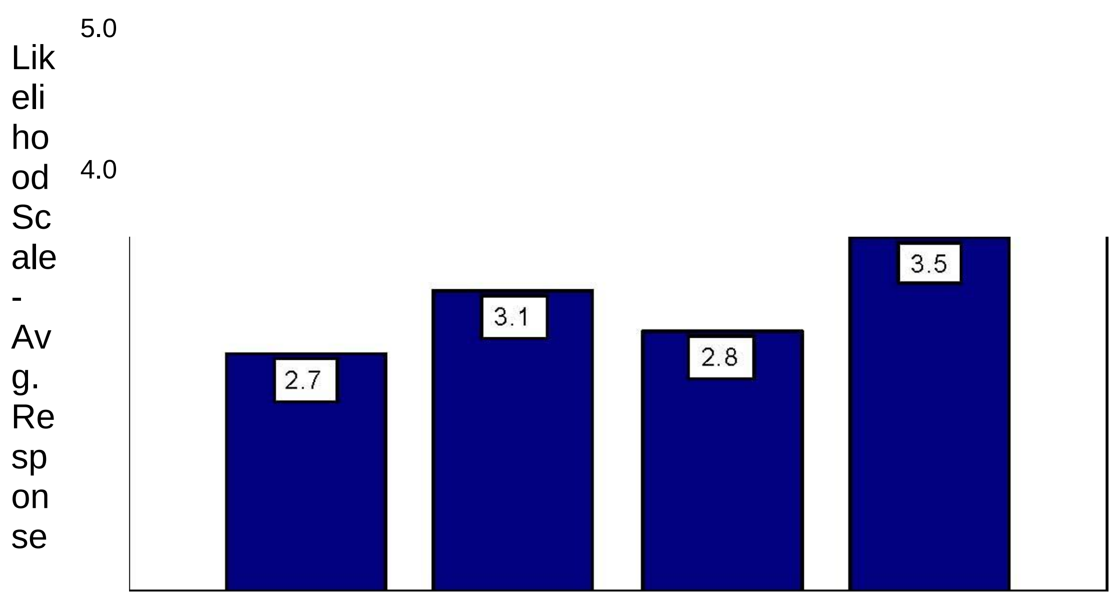
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Week Ends - After 5:00 PM

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Preferred Time to Dine

Weekends



QUESTION 8 – “How likely are you to attend the following special events during the next twelve months?”

Santa House Holly Jolly Days

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

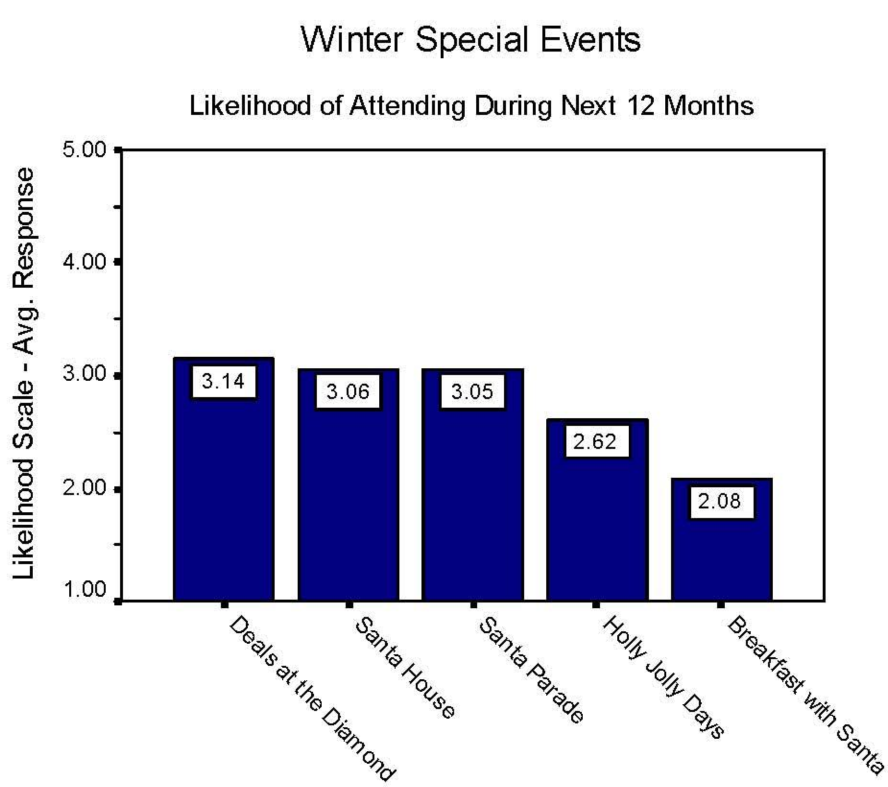
Breakfast with Santa Santa Parade

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Deals at the Diamond

		Frequency	Percent
Valid	Very Unlikely	42	12.6%
	Unlikely	66	19.8%
	Neutral	68	20.4%
	Likely	**108**	**32.3%**
	Very Likely	50	15.0%
	Total	334	100.0%



QUESTION 8 – Continued

Loon's Pennant Race Chili & Salsa Cookoff

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

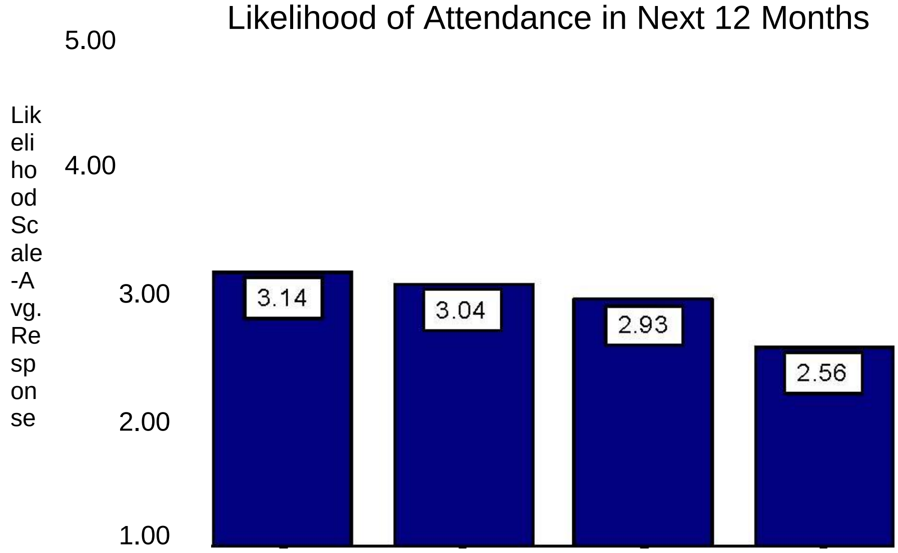
Pumpkin Festival Car Show

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

SPRING -FALL SPECIAL EVENTS

Likelihood of Attendance in Next 12 Months



QUESTION 8 – Continued

Farmer's Market Riverdays

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

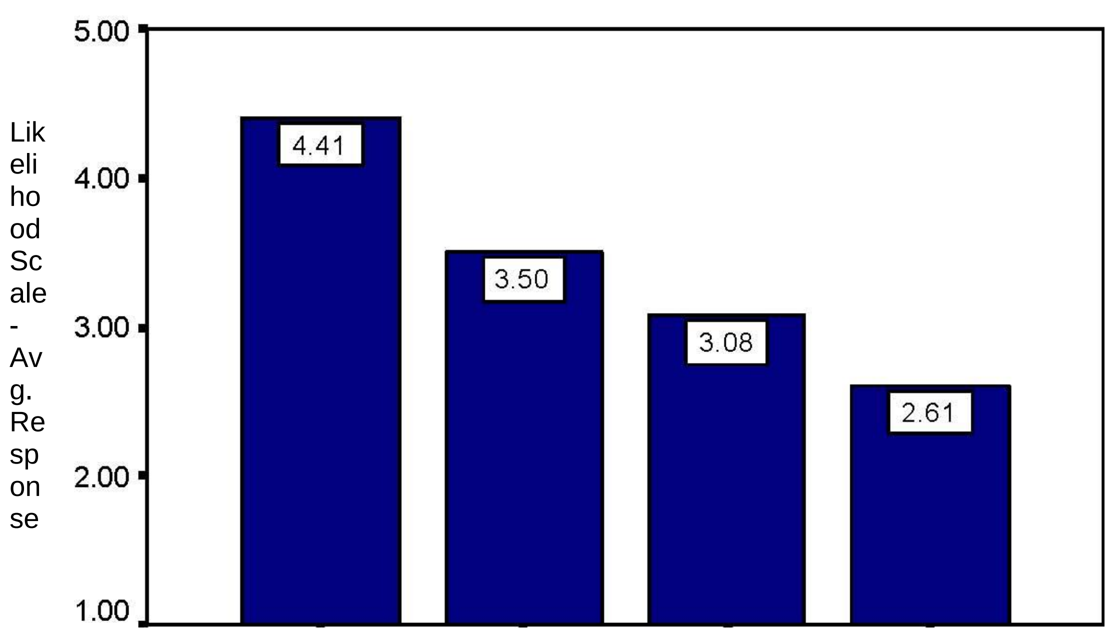
Sidewalk Sales Highland Festival

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Summer Special Events

Likelihood of Attendance in Next 12 Months



QUESTION 9: "In general, when you attend special events in Downtown Midland, how would you rate the following attributes?"

Special Events - Advertising

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Location

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Activities

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Parking

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Fees (if applicable)

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Hours

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Friendliness of Event Workers

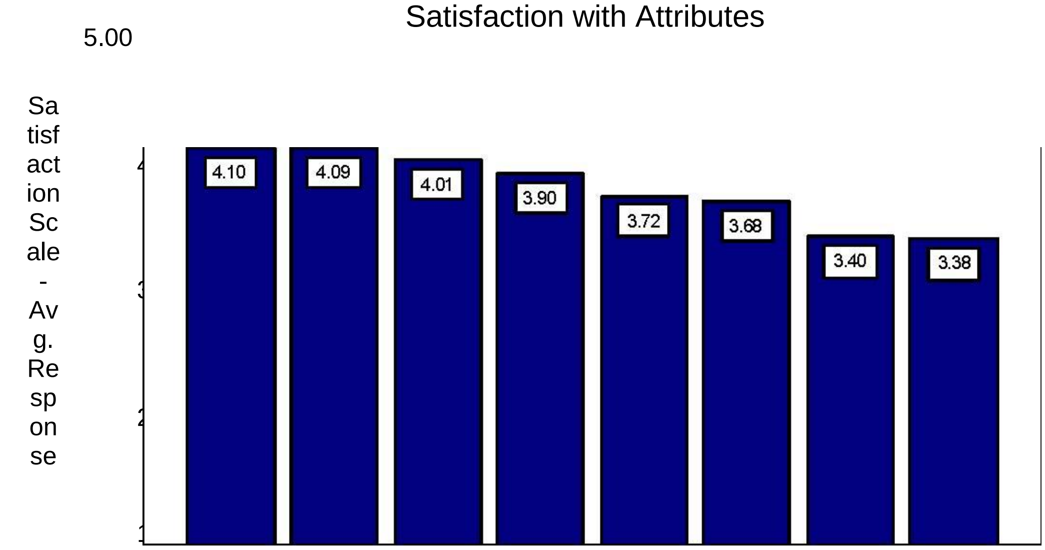
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events - Cleanliness

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events

Satisfaction with Attributes



QUESTION 10: “How likely are you to shop downtown when you attend Special Events?”

QUESTION 11: “How likely are you to dine downtown when you attend Special Events?”

Shopping While Downtown for Special Events

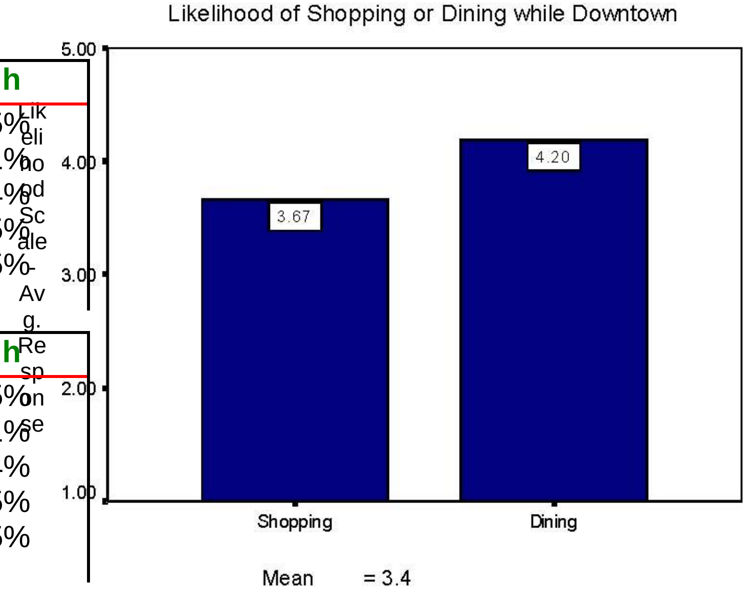
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Dining While Downtown for Special Events

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Special Events

Likelihood of Shopping or Dining while Downtown



QUESTION #12: “What types of businesses are you likely to visit when you are in Downtown Midland?”

Likelihood of Visiting Existing Downtown Restaurants Likelihood of Visiting Existing Downtown Bars

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Likelihood of Visiting Existing Downtown Gift Stores

Likelihood of Visiting Existing Downtown Women's Apparel Stores

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Likelihood of Visiting Existing Downtown Photography Stores

Kitchen / Household Items Stores **Likelihood of Visiting Downtown**

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Likelihood of Visiting Existing Downtown Jewelry Stores

Likelihood of Visiting Downtown Professional Offices

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

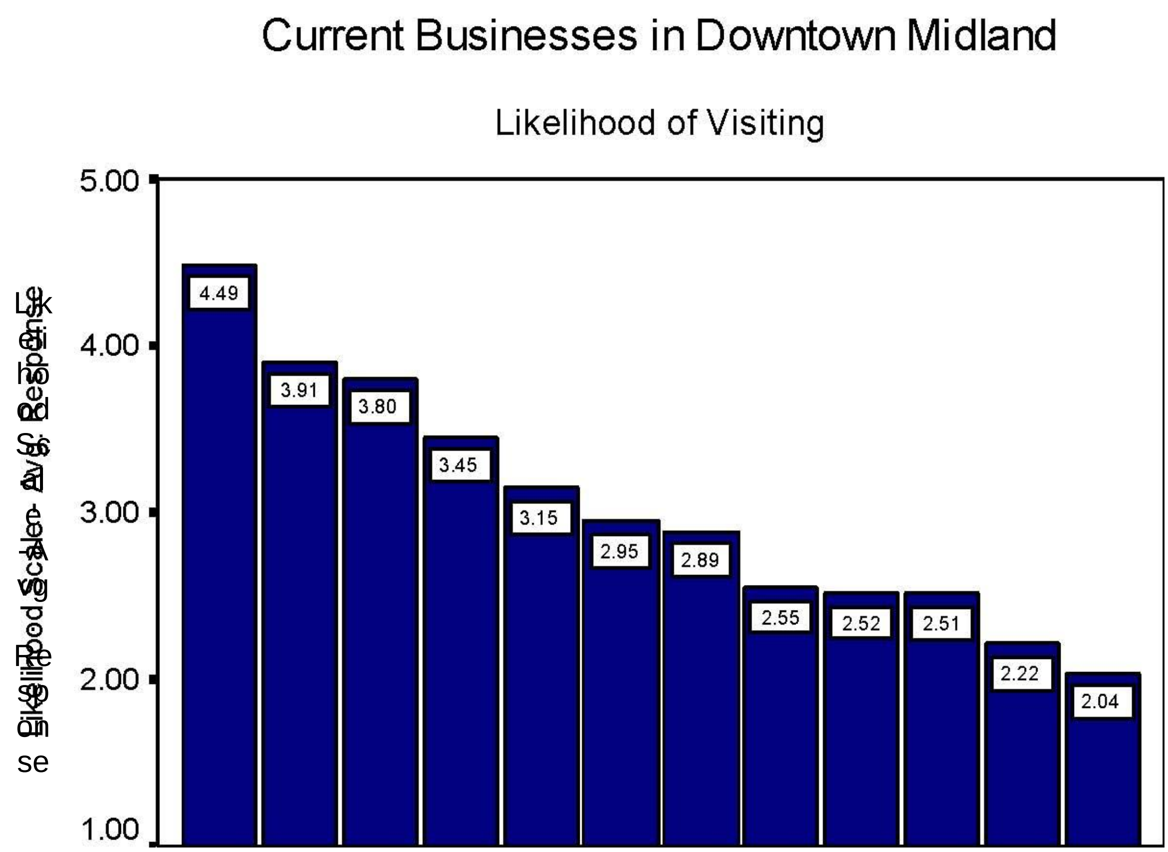
Likelihood of Visiting Downtown Salons / Barber Shops

Likelihood of Visiting Existing Downtown Dry Cleaner

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

QUESTION #12: - continued



QUESTION #13: “What types of businesses would likely attract you to Downtown Midland?”

Pet Accessory Store Children's Apparel Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Educational Toy Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Instructional Facility

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Bookstore

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Cigar Shoppe

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Shoe Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Smoothie Shop

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Grocery Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Antique Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Maternity Store

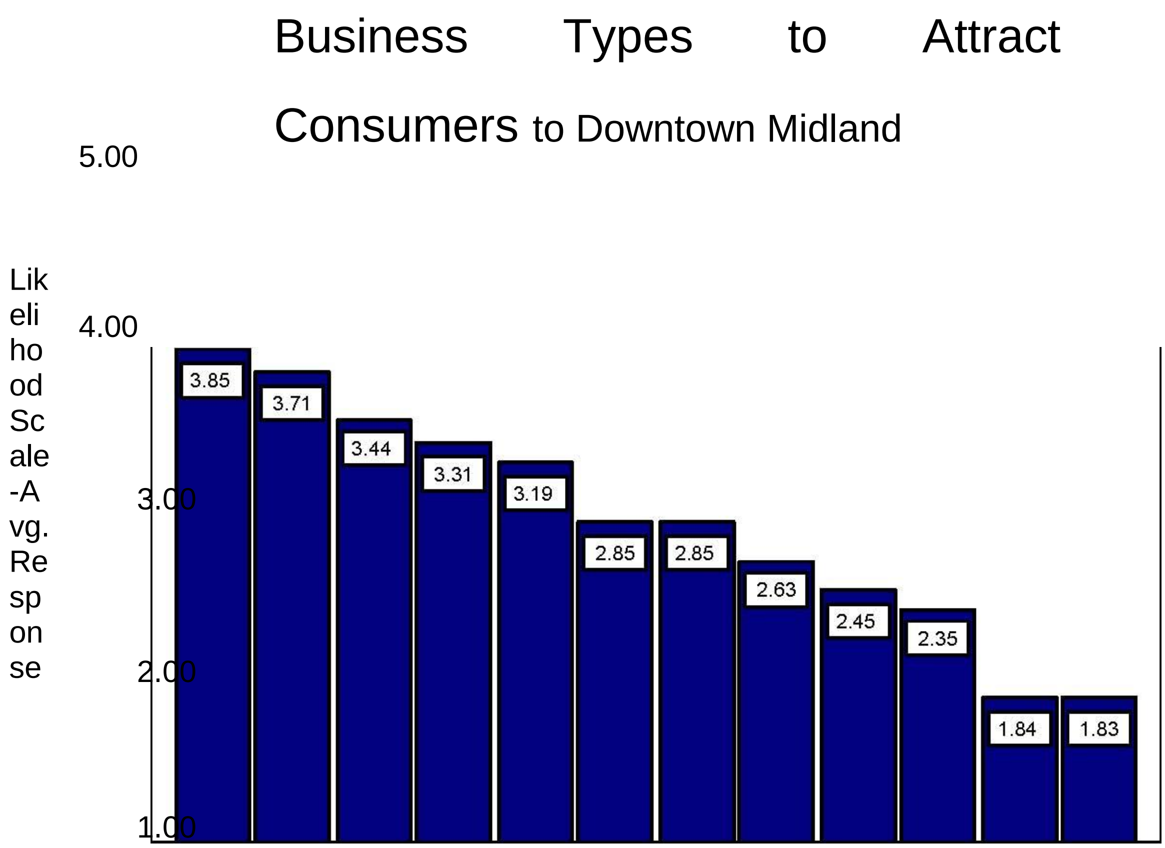
Sports Apparel / Accessory Store

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

QUESTION #13 – continued:



QUESTION #14: “Please select the category that you feel best describes the following Downtown areas”

Predominantly "Small & Intimate" Downtown Experience

Small & Intimate Medium Large & Diverse

TOTAL

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%

Predominantly "Medium" Downtown Experience

Small & Intimate Medium Large & Diverse TOTAL

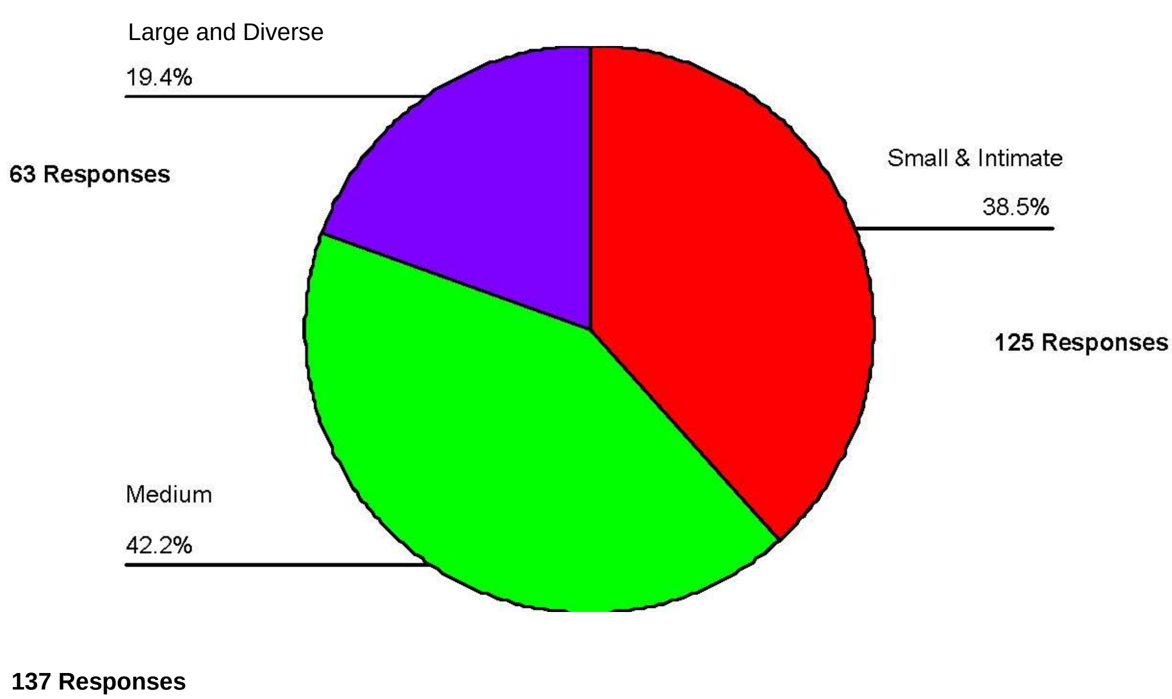
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%

Predominantly "Large & Diverse" Downtown Experience

Small & Intimate Medium Large & Diverse TOTAL

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%

QUESTION #15: “Which of the following is most attractive to you in terms of a “Downtown Experience”?



QUESTION #16: “Please rate the following characteristics of a “Downtown Experience” based on their appeal to you”

Locally Owned Shops Franchised Stores

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

0Name Brand Stores Major Special Events

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

0Parking Structures Parking on the Street

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Limited Nightlife Extensive Nightlife

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Home Cooking Ethnic Food

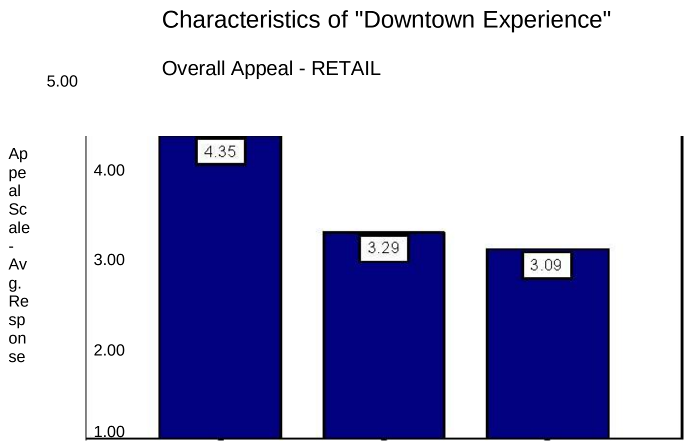
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

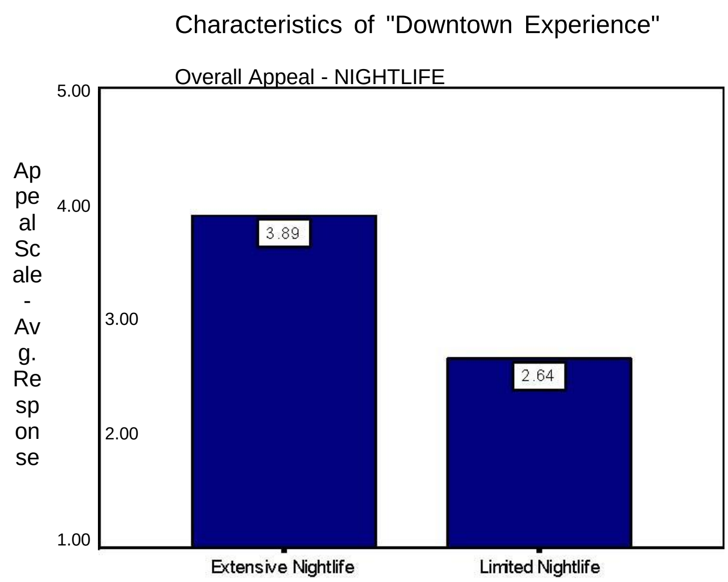
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

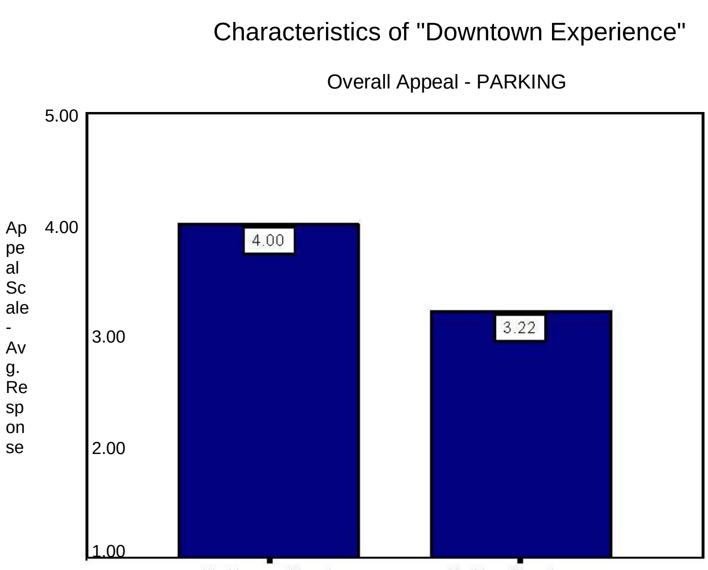
Flowers and Plantings

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

QUESTION #16 – COMPARATIVE CHARACTERISTIC APPEAL



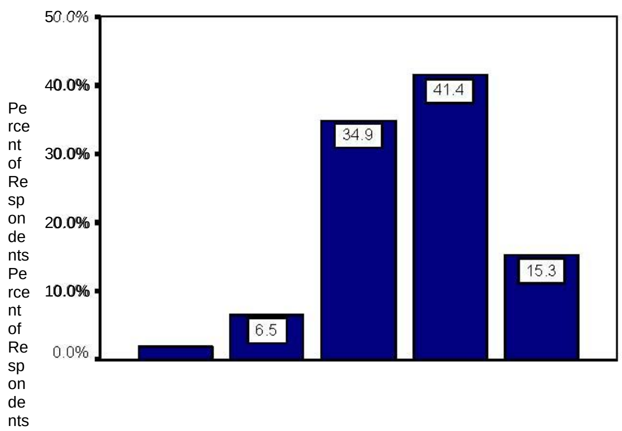




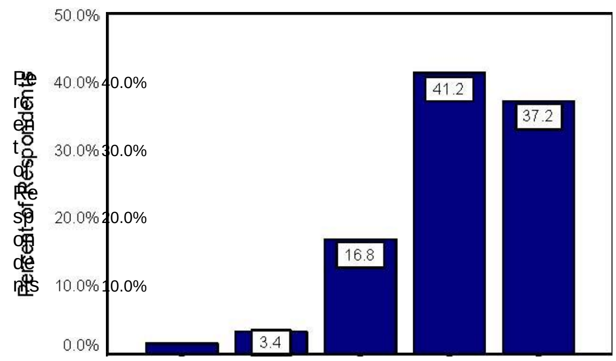
QUESTION #16 – INDIVIDUAL CHARACTERISTIC APPEAL

Appeal of Downtown Characteristic Appeal of Downtown Characteristic

Home Cooking

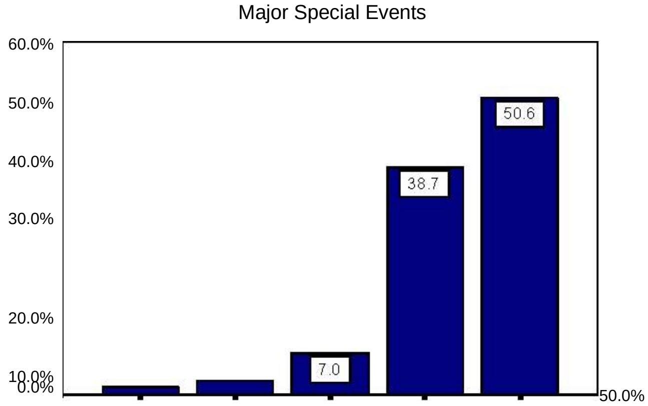


Ethnic Food



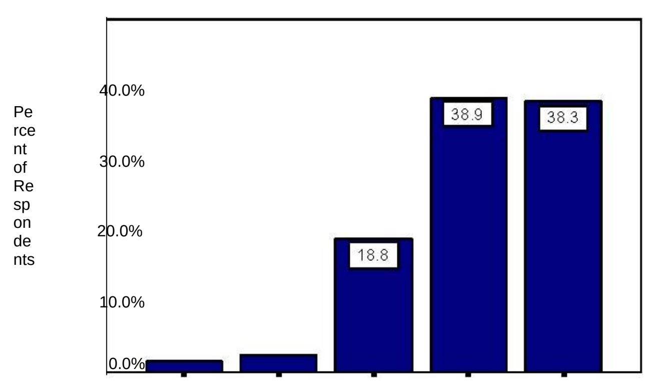
Appeal of Downtown Characteristics

Major Special Events



Appeal of Downtown Characteristic

Flowers and Plantings



QUESTION #17 – “Please rate the following attributes as they apply to Downtown Midland”

	Ratings 4 & 5		Rating 3		Ratings 1 &2		
	VERY SATISFACTORY OR SATISFACTORY		NEUTRAL		UNSATISFACTORY OR VERY UNSATISFACTORY		
	Frequency	%	Frequency	%	Frequency	%	Mean Rating
General Downtown Attributes							
Safety	290	90%	25	8%	6	2%	4.39
Cleanliness	297	92%	23	7%	2	1%	4.25
Lighting	271	84%	42	13%	8	2%	4.02
General Ambience	228	71%	72	23%	20	6%	3.80
Snow Removal	213	67%	78	25%	26	8%	3.72
Parking	172	54%	81	25%	65	20%	3.42
Retail Attributes							
Friendliness -Retail	250	78%	63	20%	9	3%	3.93
Hours of Operation	219	68%	55	17%	47	15%	3.62
Merchandise Price-Value	131	41%	144	45%	43	14%	3.29
Retail Choices	40	12%	98	31%	183	57%	2.44
Dining Attributes							
Friendliness -Restaurants	262	82%	51	16%	8	2%	4.02
Hours of Operation	107	33%	100	31%	116	36%	2.91
Dining Choices	81	25%	72	23%	167	52%	2.66
Other							
Services Price-Value	172	54%	118	37%	29	9%	3.49

QUESTION #18 – “Downtown Midland needs more:”

Loft Housing Condominiums

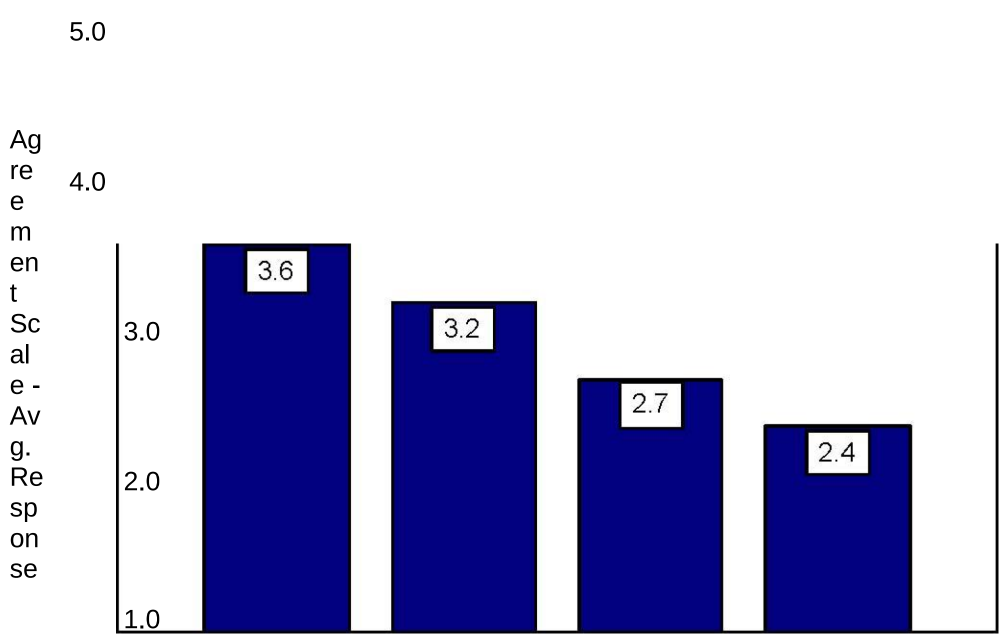
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

	N	Mean	Std. Deviation	Std. Error Mean
Likelihood 40 and Under	178 141		1.063 1.025	.080 .086

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

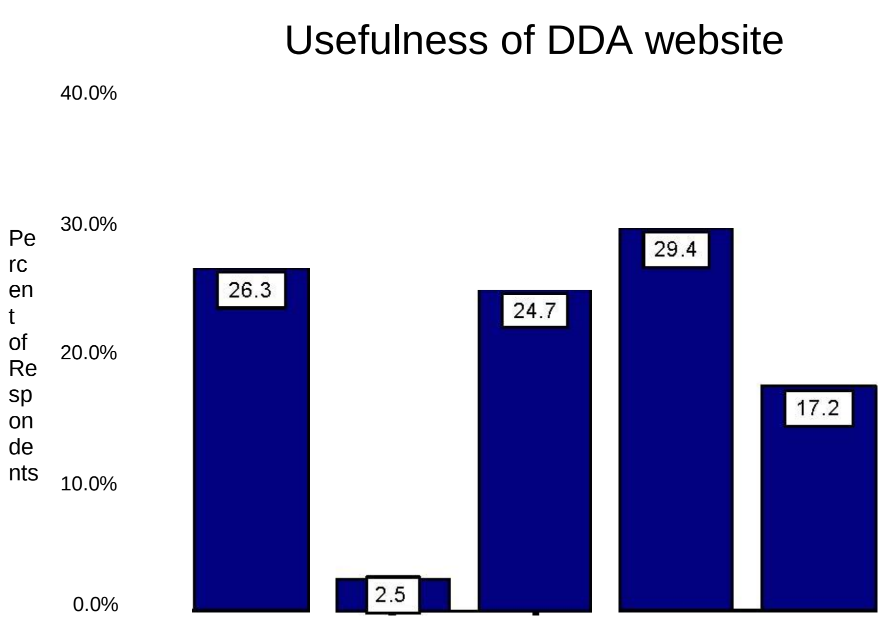
Downtown Midland Housing



QUESTION #19 – “How useful do you find the Downtown Midland website?”

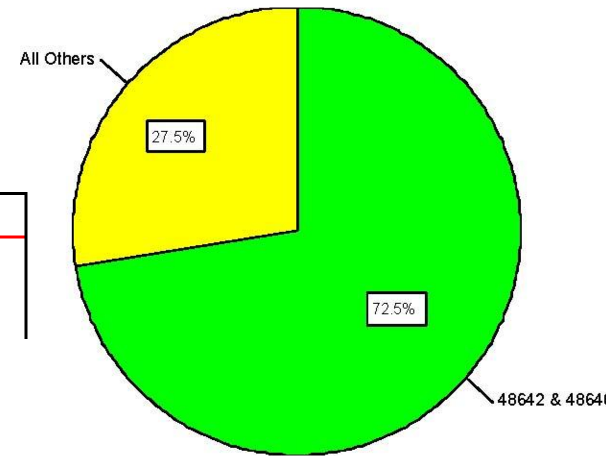
Usefulness of DDA website

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%



QUESTION #20 – “Please provide the zip code where you live”

Zip Code of Household Address



Zip Code of Household Address

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%

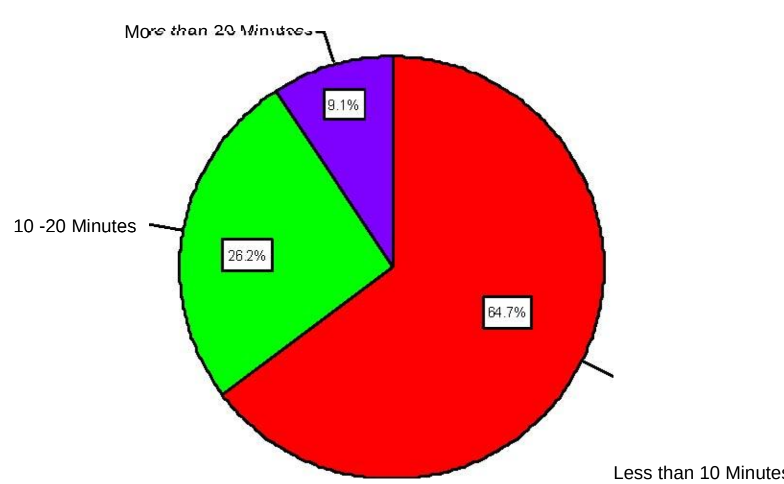
QUESTION #21 – “How long does it take you to drive from your home to Downtown Midland?”

Drivetime in Minutes, from House to Downtown Midland

	Frequency	Percent
Less Than 10 Minutes	**207**	**64.7%**
10 - 20 Minutes	84	26.3 %
More Than 20 Minutes	29	9.1%
Total	320	100.0%
Did not Answer	37	
Total	357	

Drivetime in Minutes

from House to Downtown Midland

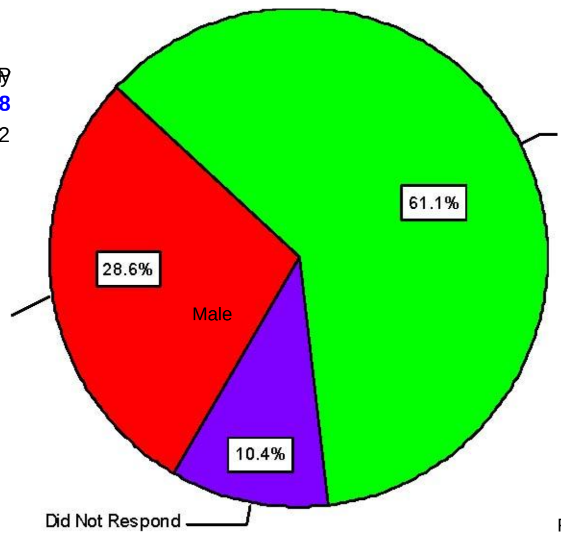


QUESTION #22 – “Are you a male or a female?”

Gender of Respondents

Gender of Respondents

	Frequency P
Female	**218**
Male	102
Total	320
Prefer not to Answer Total	37
	357



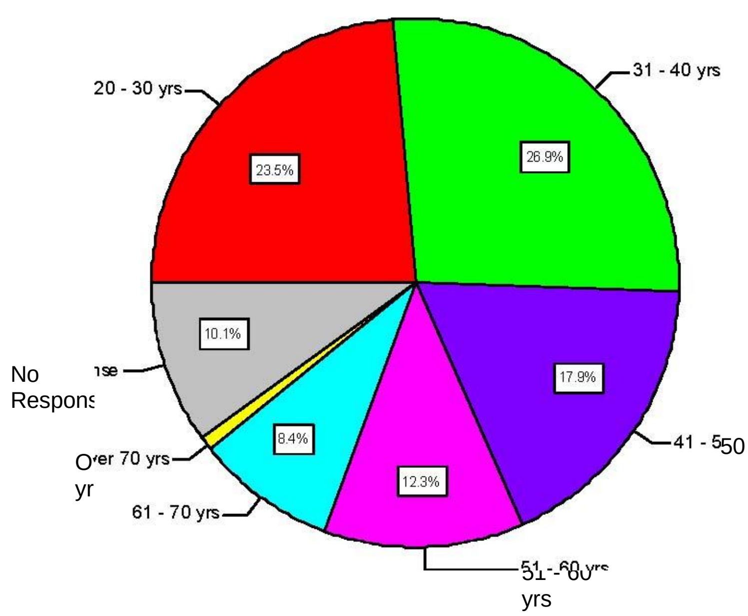
Female 100.0% 31.9%

QUESTION #23 – “What is your age range?”

Age Range of Respondents

	Frequency	Percent
20 - 30	84	26.2%
31 - 40	96	29.9%
41 - 50	64 19.9% 44	
51 - 60	13.7% 30	
61 - 70	9.3% 3	
Over 70	.9% 321	
Total	100.0% 36 357	
Prefer not to Answer Total		

Age Range of Respondents



QUESTION #24 – “Which of the following best describes your annual, pre-tax household income?”

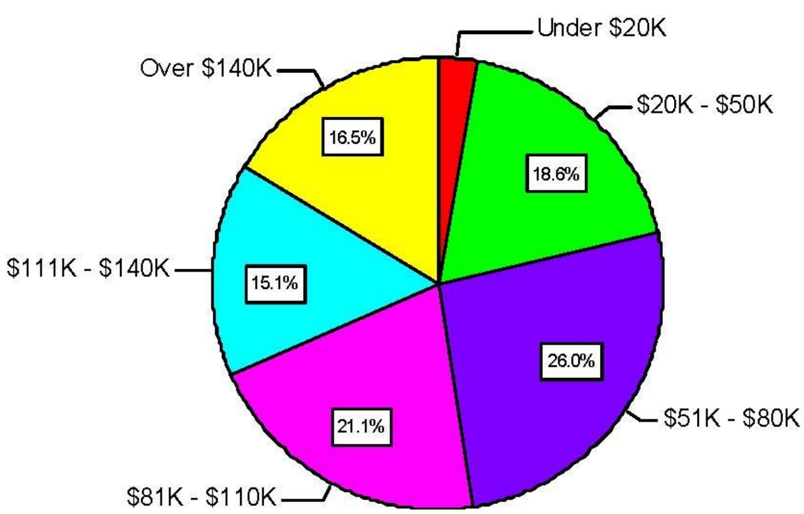
Annual Household Income (Pre-tax)

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under	178	2.76	1.063	.080
	Over 40	141	3.29	1.025	.086

Annual Household Income

Pre-tax dollars



APPENDIX III – STATISTICAL ANALYSIS

A. Overall Satisfaction with Downtown Midland vs. Income

			Overall Satisfaction		
			Low / Moderate	High	Total
Income	Under $50K	# of Responses	39	21	60
		% within Overall Satisfaction	18.8%	**28.4%**	21.4%
	$51K - $80K	# of Responses	58	15	73
		% within Overall Satisfaction	**28.0%**	20.3%	26.0%
	$81K - $110K	# of Responses	46	13	59
		% within Overall Satisfaction	22.2%	17.6%	21.0%
	$111K - $140K	# of Responses	30	13	43
		% within Overall Satisfaction	14.5%	17.6%	15.3%
	Over $140K	# of Responses	34	12	46
		% within Overall Satisfaction	16.4%	16.2%	16.4%
Total		# of Responses	207	74	281
		% within Overall Satisfaction	100.0%	100.0%	100.0%

Chi Square = .345

B. Overall Satisfaction with Downtown Midland vs. Gender

Group Statistics

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%

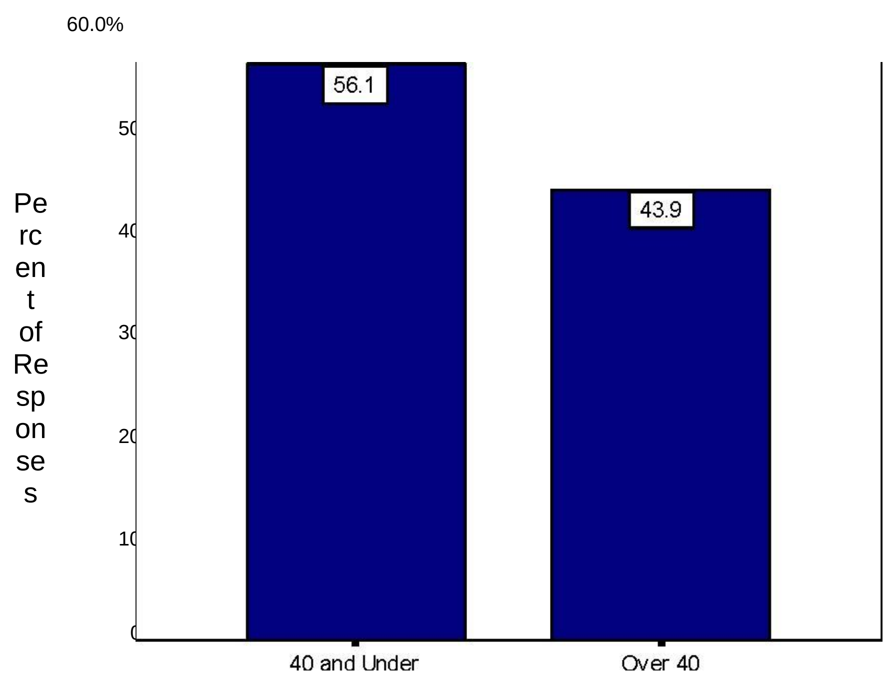
		Levene's Test for Equality of Variances		t-test for Equality of Means
		F	Sig.	Sig. (2-tailed)
Overall Satisfaction	Equal variances assumed	7.534	.006	**.195**

C. Overall Satisfaction with Downtown Midland vs. Age

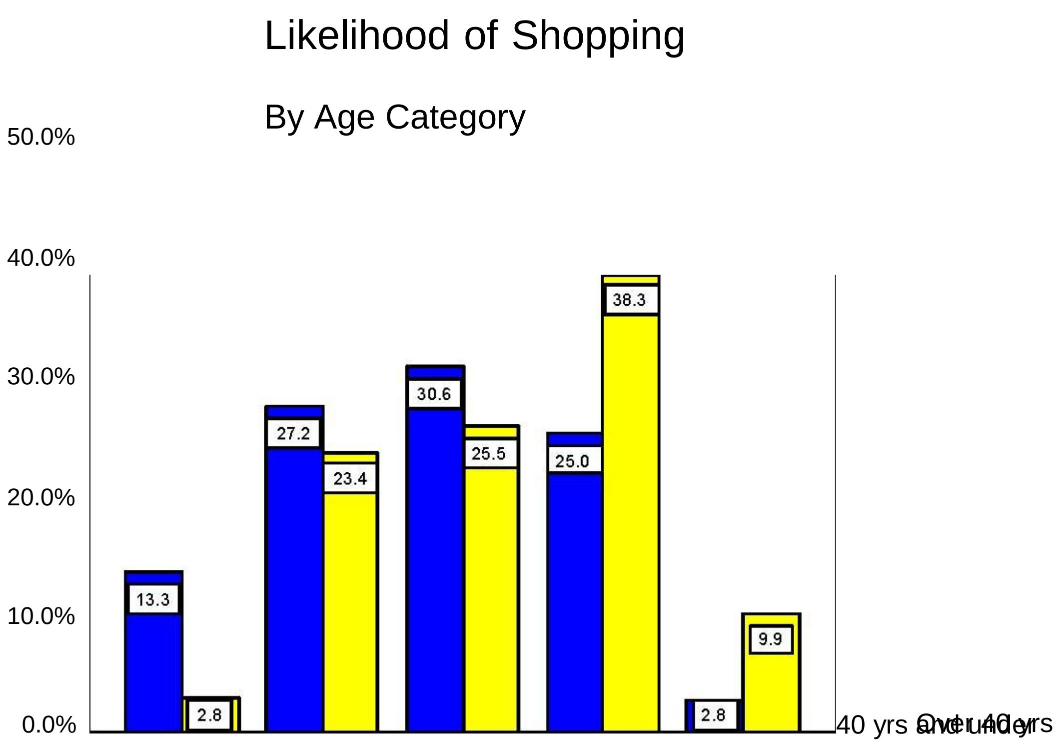
		Overall Satisfaction Level			Total
		Low	Moderate	High	
Under 30	# of Responses	10	57	17	84
	% within Satisfaction Level	41.7%	27.7%	19.5%	26.5%
31 - 40	# of Responses	11	63	21	95
	% within Satisfaction Level	**45.8%**	**30.6%**	24.1%	30.0%
41 - 50	# of Responses	1	39	22	62
	% within Satisfaction Level	4.2%	18.9%	**25.3%**	19.6%
51 - 60	# of Responses	1	26	17	44
	% within Satisfaction Level	4.2%	12.6%	19.5%	13.9%
Over 60	# of Responses	1	21	10	32
	% within Satisfaction Level	4.2%	10.2%	11.5%	10.1%
Total	# of Responses	24	206	87	317
	% within Satisfaction Level	100.0%	100.0%	100.0%	100.0%

Chi Square = .041

Respondents by Age Category



D. Under 40 Years vs. Over 40 yrs and Retail Analysis

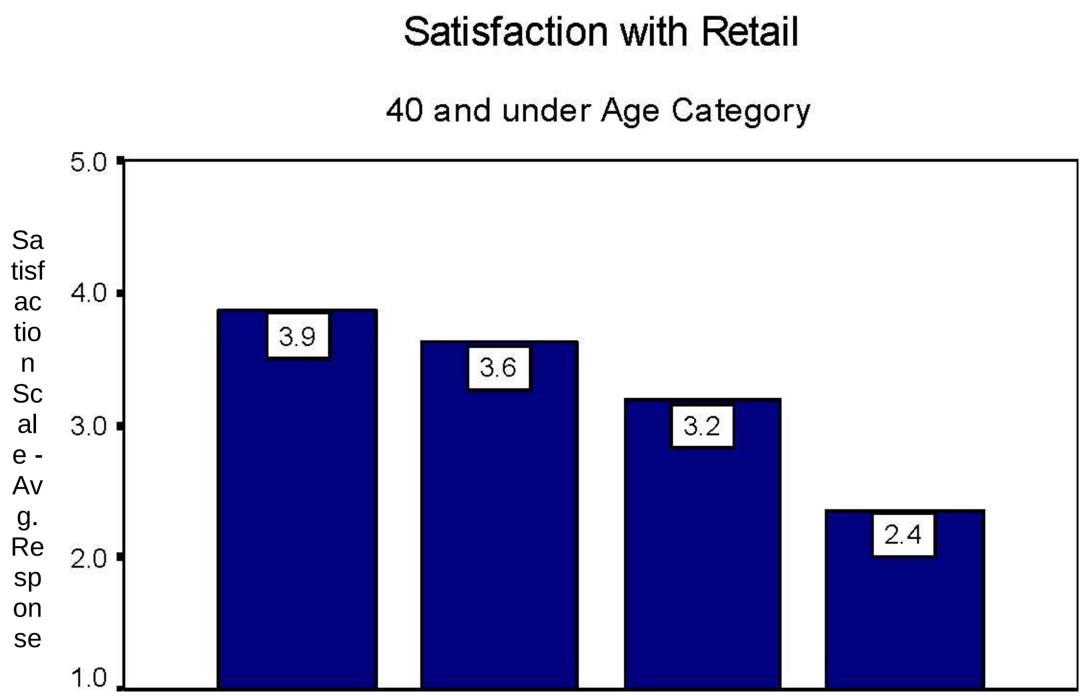


Group Statistics

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%

Independent Samples Test

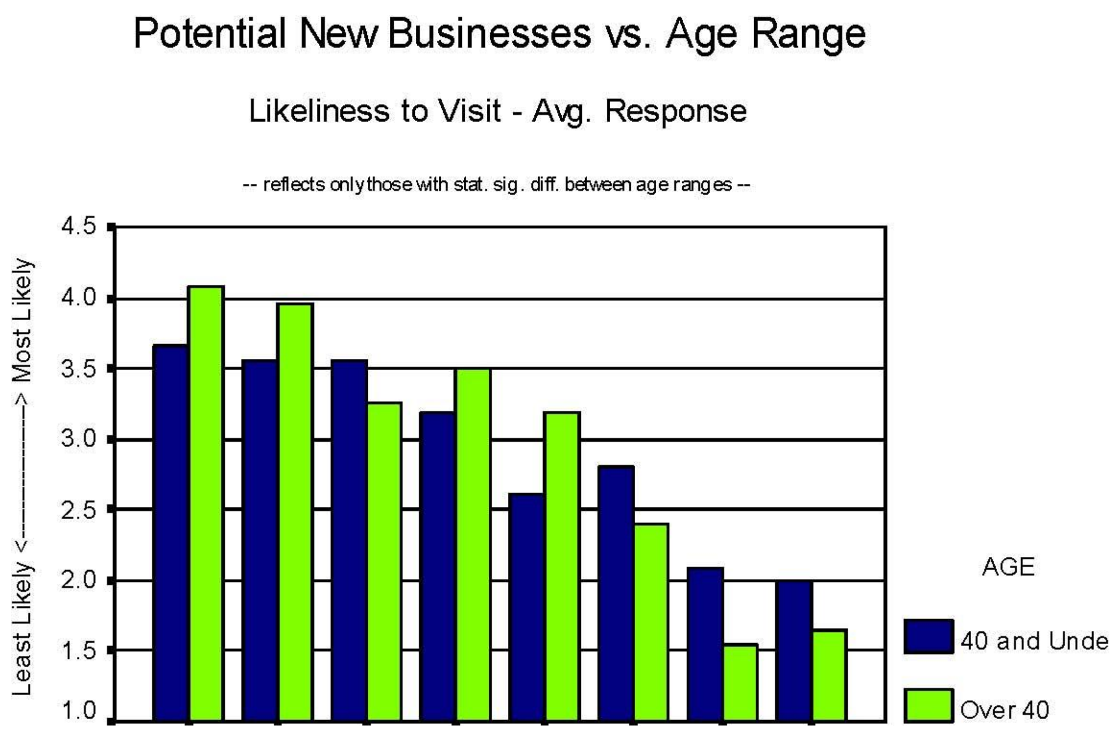
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%



Coefficients[a]

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

a. Dependent Variable: Likelihood of Shopping Downtown

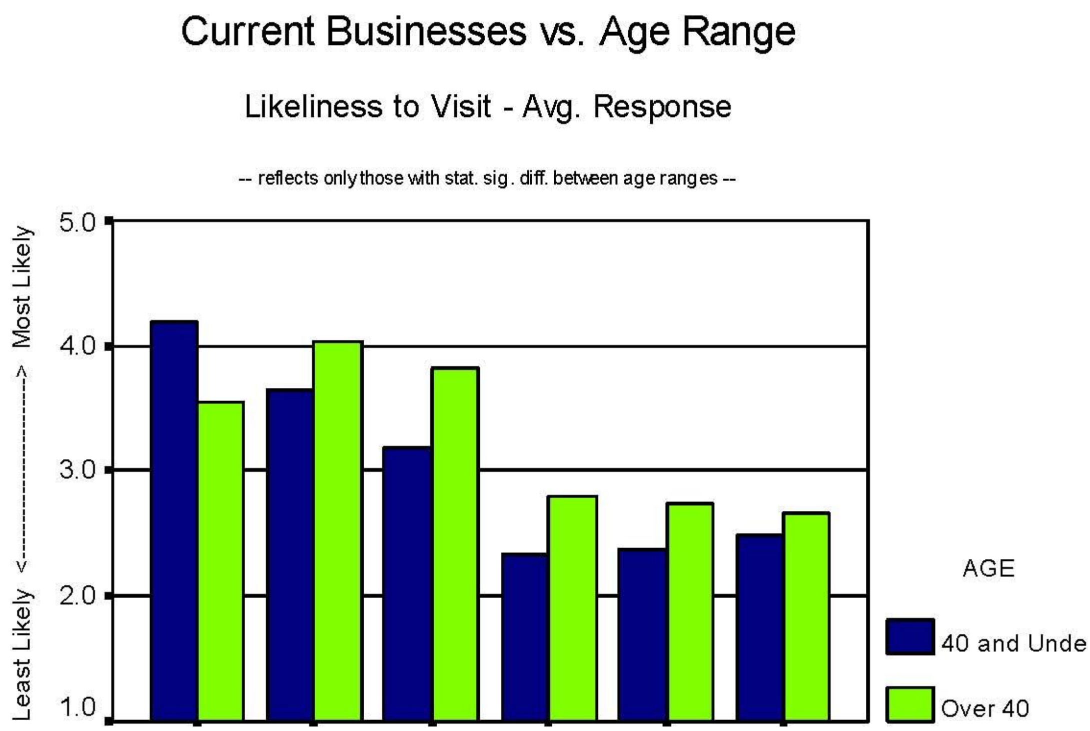


Independent Samples TestPotential New Businesses and Age (40 and Under / Over 40)

Low	Moderate	High
41.6% **45.8%**	27.7% 30.6% 18.9% 12.6% 10.2%	19.5% 24.1% 25.4% 19.5% 11.5%
100.0%	100.0%	100.0%

		N	**Mean**	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.025	.080 .086

		F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of Shopping Downtown	Equal variances assumed	.050 .824	-4.465 317 **.000**



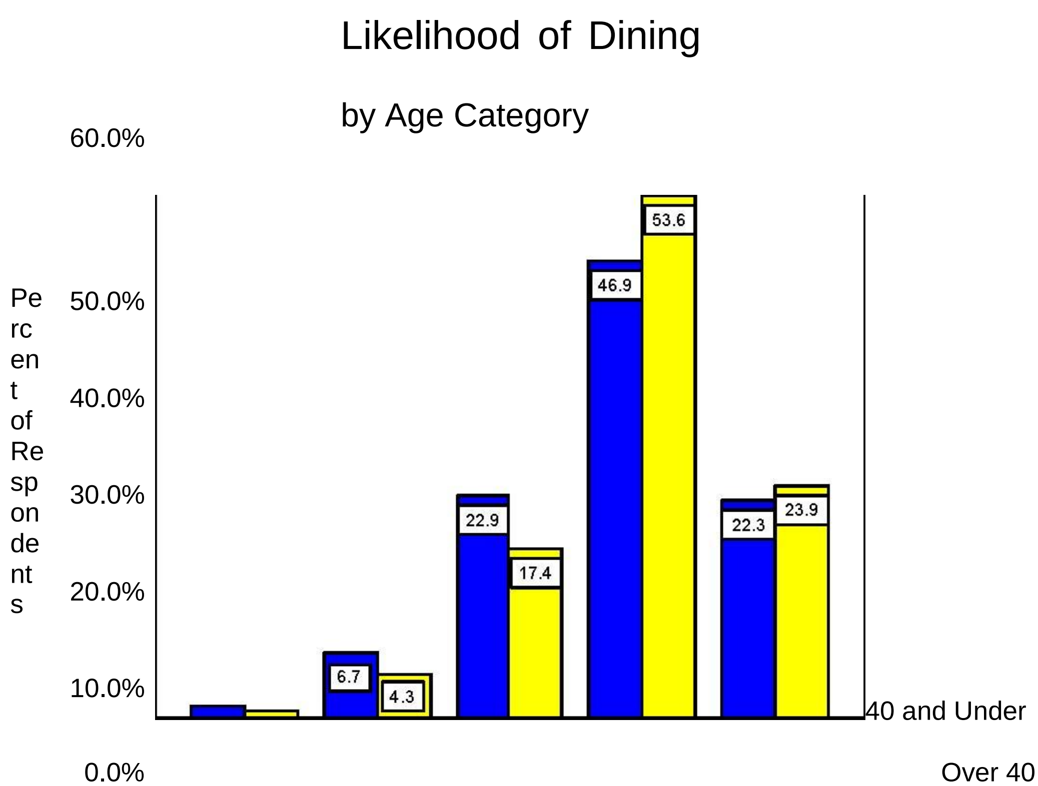
Independent Samples Test Current Business and Age (40 and under / Over 40)

Low	Moderate	High
41.6% 45.8%	27.7% 30.6% 18.9% 12.6% 10.2%	19.5% 24.1% 25.4% 19.5% 11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	2.76 3.29	1.063 1.025	.080 .086

	F Sig. Levene's	

E. Under 40 Years vs. Over 40 yrs and Dining Analysis



Group Statistics

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%

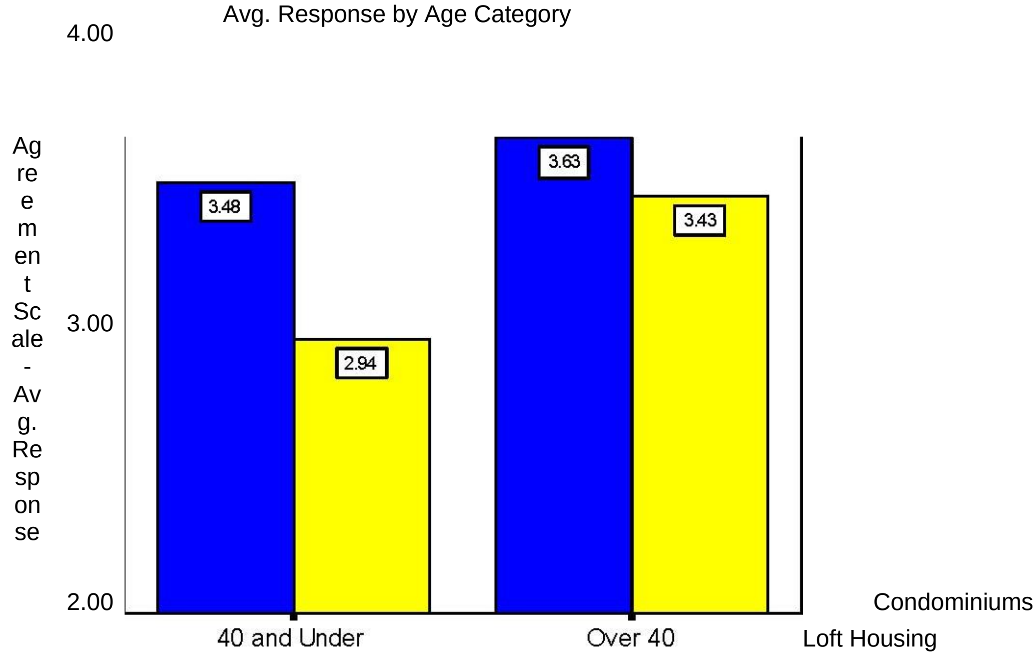
Independent Samples Test

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

F. Age and Housing Analysis:

Housing - "Midland Needs More..."

Avg. Response by Age Category



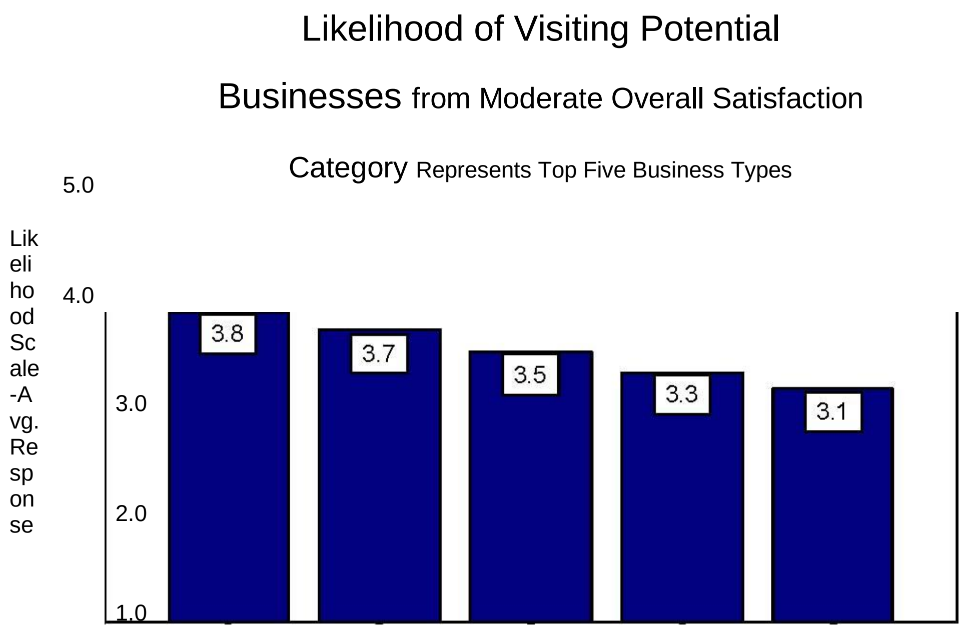
Group Statistics

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%

Independent Samples Test

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

G. Room to Improve – Moderate Overall Satisfaction vs. Various Business and Downtown Characteristics



Coefficients - Dependent Variable: Likelihood of Shopping Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%

Coefficients - Dependent Variable: Likelihood of Shopping Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

H. Likelihood of Shopping Downtown After 5:00 PM on Weekdays

Shopping Preference - Wk Days - After 5:00 PM

		Shop Likely - Low / High		
		Low / Moderate Likelihood	High Likelihood	Total
Very Unlikely	# of Responses	20	4	24
	Likelihood to Shop	10.0%	3.6%	7.7%
Unlikely	# of Responses	31	8	39
	Likelihood to Shop	15.5%	7.3%	12.6%
Neutral	# of Responses	36	18	54
	Likelihood to Shop	18.0%	16.4%	17.4%
Likely	# of Responses	90	48	138
	Likelihood to Shop	**45.0%**	43.6%	44.5%
Very Likely	# of Responses	23	32	55
	Likelihood to Shop	11.5%	29.1%	17.7%
Total	# of Responses	200	110	310
	Likelihood to Shop	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	[a]	.000

[a] 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.52.

I. Analysis of Attraction to Possible Business Types:

J. Analysis of Attraction to Possible Business Types:

Children's Apparel Store

		Shop Likely - Low / High		
		Low / Moderate Likelihood	High Likelihood	Total
Very Unlikely	# of Responses	73	24	97
	Likelihood to Shop	**36.7%**	21.1%	31.0%
Unlikely	# of Responses	39	24	63
	Likelihood to Shop	19.6%	21.1%	20.1%
Neutral	# of Responses	26	19	45
	Likelihood to Shop	13.1%	16.7%	14.4%
Likely	# of Responses	38	32	70
	Likelihood to Shop	19.1%	**28.1%**	22.4%
Very Likely	# of Responses	23	15	38
	Likelihood to Shop	11.6%	13.2%	12.1%
Total	# of Responses	199	114	313
	Likelihood to Shop	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.207[a]	.056

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.84.

Educational Toy Store

		Shop Likely - Low / High		
		Low / Moderate Likelihood	High Likelihood	Total
Very Unlikely	# of Responses	49	13	62
	Likelihood to Shop	**24.5%**	11.5%	19.8%
Unlikely	# of Responses	47	22	69
	Likelihood to Shop	**23.5%**	19.5%	22.0%
Neutral	# of Responses	34	31	65
	Likelihood to Shop	17.0%	**27.4%**	20.8%
Likely	# of Responses	42	30	72
	Likelihood to Shop	21.0%	**26.5%**	23.0%
Very Likely	# of Responses	28	17	45
	Likelihood to Shop	14.0%	15.0%	14.4%
Total	# of Responses	200	113	313
	Likelihood to Shop	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	11.494[a]	.022

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 16.25.

Grocery Store

Shop Likely - Low / High Low /

Low / Moderate Likelihood	High Likelihood	
23 3 11.1% 2.5% 97		Total 26
11.1% 4.3% 5.7% 2.5% 35 6		7.9% 16
16.9% 4.9% 74 43		4.9% 41
4.3%	5.7%	12.5%
35	6	117
16.9%	4.9%	35.6%
74	43	129
35.7%	35.2%	39.2%
66 63	63	329
31.9%	51.6%	100.0%
207 122	100.0%	
100.0%	100.0%	Moderate

Low	Moderate
41.6%	27.7%
45.8%	30.6%
	18.9%
	12.6%
	10.2%
100.0%	100.0%

		N
Likelihood of Shopping Downtown	40 and Under Over 40	178 141

High Likelihood Likelihood

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	24.077[a]	.000

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.93.

Shoe Store

Shop Likely - Low / High Low /

Low / Moderate Likelihood	High Likelihood	Total 40
37 3 18.3% 2.6% 37 23		12.6%
15 11.4% 13.0% 18.3% 41		38
24 20.3% 20.9% 23 76		12.0%
11.4% 30		65
41		20.5%
20.3%		126
76		39.7%
37.6% 43.5% 37.6%		48
25 23	25	15.1%
12.4% 20.0% 12.4%		317
202 115	100.0% 202	100.0%
100.0%	100.0%	

Moderate High Likelihood Likelihood

Low	Moderate
41.6%	27.7%
45.8%	30.6%
	18.9%
	12.6%
	10.2%
100.0%	100.0%

		N
Likelihood of Shopping Downtown	40 and Under Over 40	178 141

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	17.954[a]	.001

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.79.

Home Cooking

Likelihood of Dining

Low /

Total Very Unappealing # of

	Low / Moderate	High

Responses 51 6 Likelihood of Dining 5.9% .4% 5 5.9%

1.9% Unappealing # of

Responses 7 14 21 Likelihood of Dining 8.2% 6.1% 7 8.2%

6.6% **Neutral** # of Responses

33 75 108 Likelihood of Dining 33

38.8% 32.5% **Appealing** **38.8%** # 32. of

Responses 132 Likelihood of Dining 30 35.3% **44.2%** 30

41.8% Very Appealing # of 35.3% **44.**

Responses 10 39 49 Likelihood of Dining 11.8% 16.9% 10

15.5% Total # of Responses 11.8% 16.

85 231 316 Likelihood of Dining 85

100.0% 100.0% 100.0% 100.0%

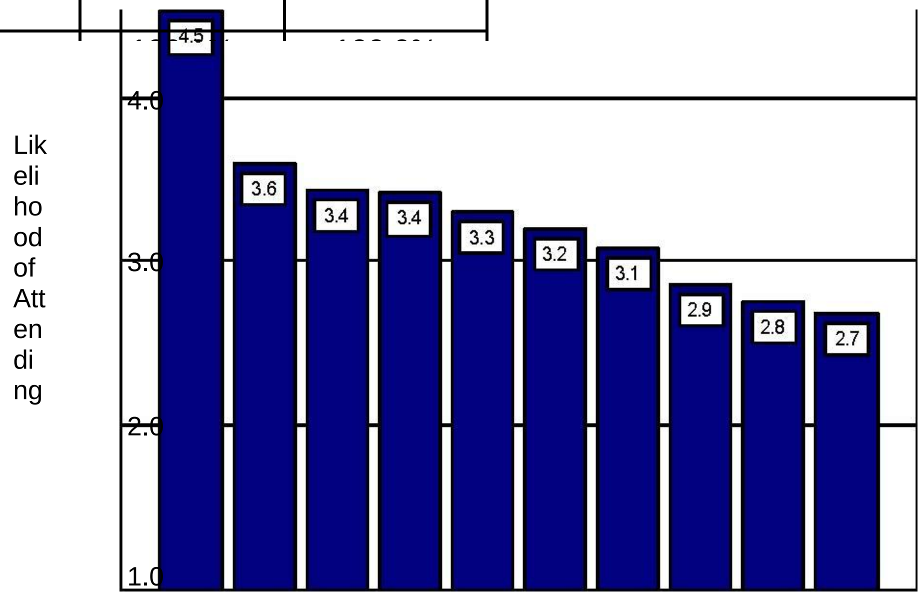
Moderate High

Chi-Square Tests

	Value	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.113[a]	.011

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 1.61.

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%



Independent Samples Test - Likelihood of Shopping While Attending Special Events

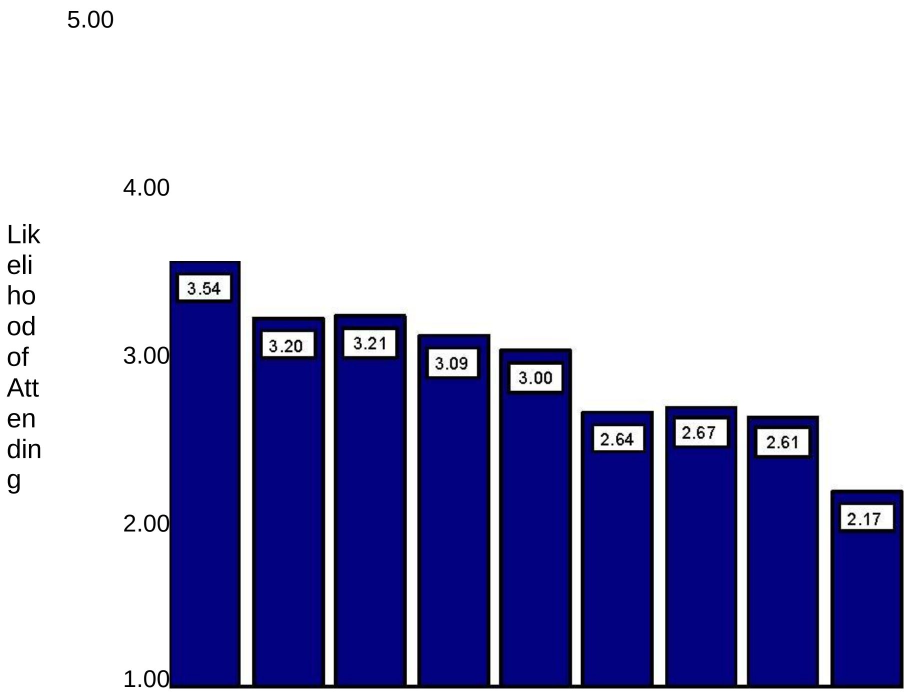
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	**Mean**	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.025	.080 .086

		F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of Shopping	Equal variances assumed	.050 .824	-4.465 317 **.000**

High Likelihood of Dining While Downtown for a Special Event

-- only reflects those with a statistically significant relationship -



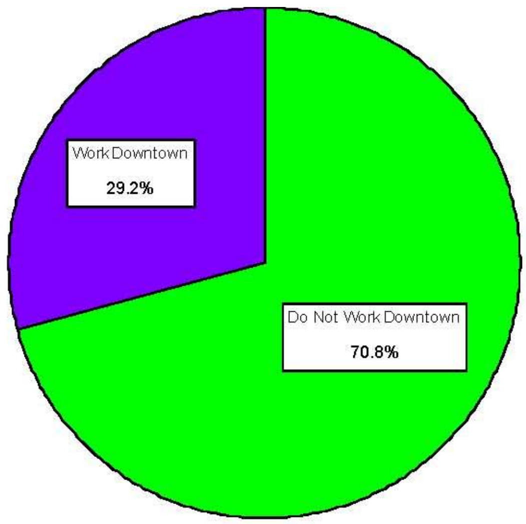
Independent Samples Test Likelihood of Dining While Attending Special Event Downtown

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	2.76 3.29	1.063 1.025	.080 .086

		F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of	Equal variances		

M. WORKING DOWNTOWN vs. Various Downtown Attributes:



		N	Mean
Parking in Downtown Midland	Do Not Work Downtown	226	3.43
	Work Downtown	**.073**	**3.38**
Retail Offerings in Downtown Midland	Do Not Work Downtown	228	2.43
	Work Downtown	**92**	**2.48**
Dining Offerings in Downtown Midland	Do Not Work Downtown	229	2.66
	Work Downtown	**90**	**2.66**
Merchandise Price-Value	Do Not Work Downtown	226	3.25
	Work Downtown	**91**	**3.37**
Services Price-Value	Do Not Work Downtown	227	3.43
	Work Downtown	**91**	**3.63**
Lighting	Do Not Work Downtown	228	4.03
	Work Downtown	**92**	**4.04**
Cleanliness	Do Not Work Downtown	228	4.27
	Work Downtown	**91**	**4.21**
Safety	Do Not Work Downtown	229	4.39
	Work Downtown	**92**	**4.38**
Retail - Hours of Operation	Do Not Work Downtown	228	3.59
	Work Downtown	**92**	**3.70**
Dining - Hours of Operation	Do Not Work Downtown	228	2.89
	Work Downtown	**92**	**2.95**
Snow Removal	Do Not Work Downtown	225	3.78
	Work Downtown	**91**	**3.55**
General Ambience	Do Not Work Downtown	227	3.80
	Work Downtown	**92**	**3.82**
Retail - Friendliness	Do Not Work Downtown	229	3.91
	Work Downtown	**92**	**3.99**
Restaurants - Friendliness	Do Not Work Downtown	229	3.99
	Work Downtown	**91**	**4.09**

Independent Samples Test - Satisfaction with Various Downtown Attributes vs. Working Downtown

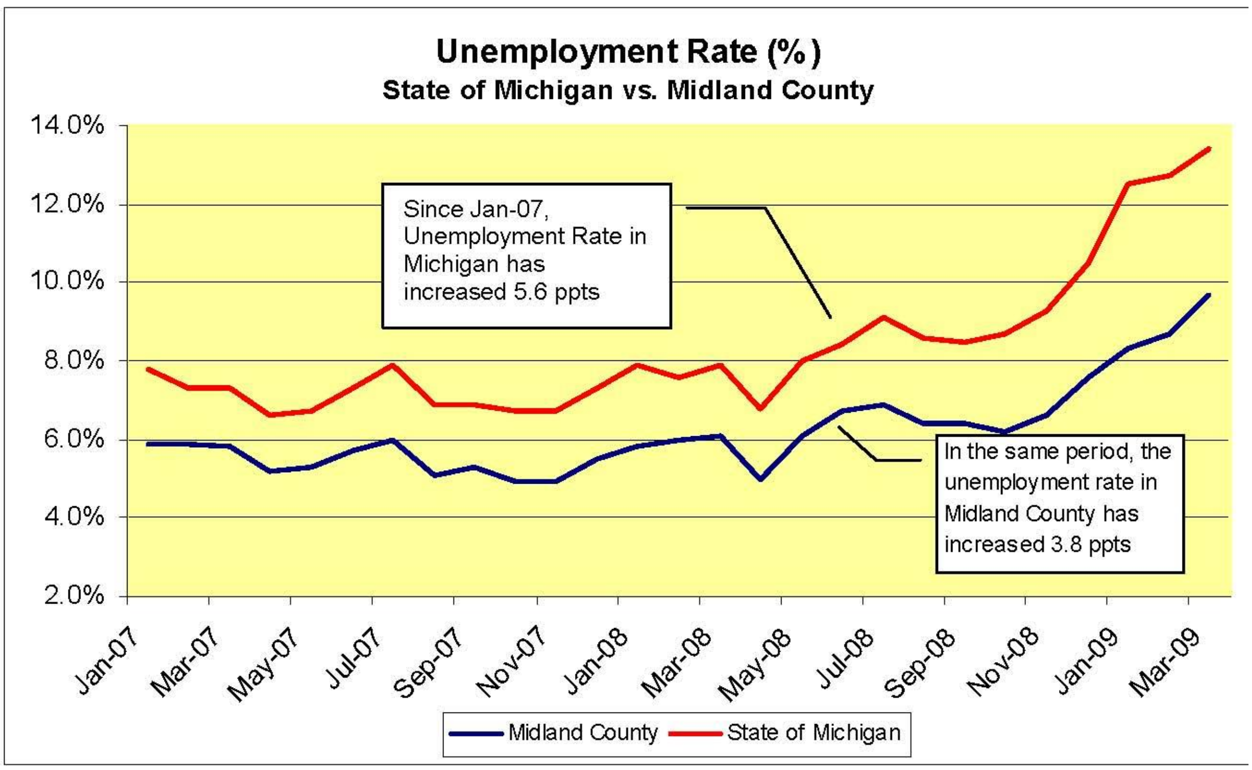
Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	**Mean**	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	**2.76 3.29**	1.063 1.025	.080 .086

		F Sig. Levene's Test for Equality of Variances	t df Sig. (2-tailed) t-test for Equality of Means
Likelihood of Shopping Downtown	Equal variances assumed	.050 .824	-4.465 317 **.000**

APPENDIX IV. - OTHER DATA

Figure 1: Comparative Analysis - Unemployment



Source: www.economagic.com

Figure 2: Hours of Operation for Sampling of Businesses in Downtown Midland

-------------------- WEEKDAYS ---------------------

RETAIL:

Treasures on Townsend
Lil' Pear Tree Ray's Bicycle
Shop Meier Camera Shop
Karen's Hallmark Peel 'N
Pare I've Been Framed
Imagine That Little Forks
Outfitters Northwood
Gallery Mid-Michigan
Music Shop Heather 'n
Holly **

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

		N	Mean	Std. Deviation	Std. Error Mean
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	2.76 3.29	1.063 1.025	.080 .086

DINING:

Molly's Bistro

Espresso Milano

F Sig. Levene's Test for Equality of Variances

** Business hours are shown for summer months -hours differ during different seasons

----------- WEEKENDS -------------**RETAIL:**

Treasures on Townsend
Lil' Pear Tree Ray's Bicycle
Shop Meier Camera Shop
Karen's Hallmark Peel 'N
Pare I've Been Framed
Imagine That Little Forks
Outfitters Northwood
Gallery Mid-Michigan
Music Shop Heather 'n
Holly

Low	Moderate	Hig
41.6%	27.7%	19.5
45.8%	30.6%	24.1
	18.9%	25.4
	12.6%	19.5
	10.2%	11.5
100.0%	100.0%	100.

		N	Mear
Likelihood of Shopping Downtown	40 and Under Over 40	178 141	2.76

DINING:

Molly's Bistro

Espresso Milano

F Te

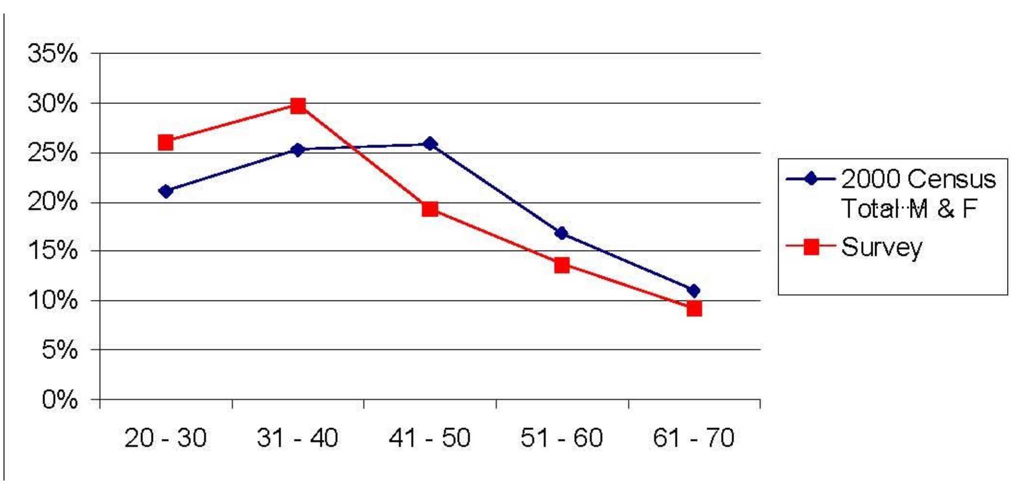
Figure 3: - Census Data

48640 & 48642 5-Digit ZCTA

Low	Moderate	High
41.6%	27.7%	19.5%
45.8%	30.6%	24.1%
	18.9%	25.4%
	12.6%	19.5%
	10.2%	11.5%
100.0%	100.0%	100.0%

	2000 Census Total M & F	Survey
Under 20	19,467	-
20 - 30	8,350	84
31 - 40	9,995	96
41 - 50	10,258	64
51 - 60	6,657	44
61 - 70	4,352	30
over 70	5,300	4
	64,379	322

DROPPED



ZIPS = 48642 & 48640 20 - 30 31 - 40 41 - 50 51 - 60 61 - 70

Low	Moderate
41.6%	27.7%
45.8%	30.6%
	18.9%
	12.6%
	10.2%

* 81% of all responses were from 4640 & 48642 zipcodes

** Dropped age groups "Under 20" and "Over 70" from census data and recalculated the % distribution to compare to my distribution