

# TILBURY

DOWNTOWN REVITALIZATION



## BUSINESS SURVEY

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FULL REPORT

July, 2011



Community Futures Development Corporation  
of Chatham-Kent

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## EXECUTIVE SUMMARY

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### ECONOMIC DEVELOPMENT

- 83 per cent rank Tilbury as “excellent” or “good” as a place in which to do business
- 36 per cent noted that their attitude is more positive now than when they started
- 28 businesses have been in operation for more than ten years
- 17 businesses have a succession plan, 22 have a business plan, and 20 have a marketing plan
- 59 per cent employ one to four people
- The average number of permanent full-time employees is 2.6 per store
- 12 businesses plan to expand within the next three years
- 20 businesses have increased their total dollar sales trend over the past three years
- Businesses are content with the availability and quality of the workforce
- The top three issues identified by businesses are the economy, the variety of retail, and the availability of parking
- 25 businesses were interested in attending training and information sessions
- 42 businesses agree that the downtown is an excellent place to have a business

### MARKETING AND PROMOTIONS

- Local residents were identified as the market offering the greatest potential for sales growth
- Baby boomers were identified as the most important market for businesses
- 11 businesses operate different hours during their high and low seasons
- 32 businesses have no distinction in their customer base, serving both men and women equally
- Businesses identified an additional 12 places that their customers originate from
- 23 businesses participate in downtown events, nine noticeably benefit from downtown events
- 22 businesses noted that their toughest competition is within the community
- Independent businesses were identified by 30 respondents as their toughest competition, 22 stated national franchises were their toughest competition
- Businesses primarily market their products and services through newspaper advertisements, business cards and the Internet
- 45 businesses agree that they would support a new retail promotions event
- 51 businesses agree that they always direct customers to other downtown businesses

### PHYSICAL IMPROVEMENTS

- 16 businesses noted issues with the availability of parking
- 15 businesses noted issues with vandalism, graffiti and litter
- 43 businesses believe their window displays help their business
- 40 respondents feel their building’s façade draws customers into their business
- 35 businesses agree that the overall look and feel of the downtown helps their business

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## INTRODUCTION

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In 2011, the Tilbury Downtown Revitalization Project management committee committed to researching the attitudes and opinions of business owners and/or managers. A detailed business survey was conducted to achieve these goals and assist in the formation of a strategic plan for the downtown. In order for this strategic plan to be successfully adopted and implemented, the *Downtown Revitalization* guidelines emphasize the importance of including business owners and proprietors by providing them with the opportunity to participate in the process of creating Tilbury's strategic plan. The business survey enabled the retail and service community to voice their opinions on general business practices, the existing business climate, marketing and sales, markets for business development, workforce development, information and assistance, and prospective investments. The input and information collected will be extremely valuable towards the development of short and long term goals, core components of the strategic plan.

The business survey is a key component of the downtown revitalization project, an initiative created through the partnership between the Tilbury Business Improvement Area (BIA), Tilbury and District Chamber of Commerce, Municipality of Chatham-Kent, Community Futures Development Corporation of Chatham-Kent, and Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA).

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## METHOD & RESPONSE RATE

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The business survey was prepared by following *Downtown Revitalization* guidelines. Survey questions were collected from existing surveys that had been completed in pilot communities and modified to better address the issues unique to Tilbury.

The business survey was conducted two different ways. An information letter was distributed to businesses in the downtown. The survey could then be left with the owners and/or managers to fill out at their discretion or they could opt for an interview with the coordinator which was approximately one hour in length. The majority of business surveys were collected in the first quarter of 2011.

A total of 53 surveys were collected, 38 businesses declined participation; a total of 91 businesses were open in Tilbury's downtown at the time of survey distribution. This represents an overall response rate of 58 per cent.

A minimum of 47 surveys had to be collected to ensure that the survey responses accurately reflected the opinions of downtown businesses. Having achieved this goal, the responses from this survey are valid and reliable representing a 95% confidence level with a +/- 10% margin of error. Respondents were not required to answer all questions; if they could not or did not want to provide an answer they were able to skip the question without providing an explanation.

Of those businesses that declined, the most common explanations provided included: too busy, lack of interest and reluctance to share information.

All information provided by the businesses is confidential; responses are summarized as percentages or averages in this report and all others guaranteeing anonymity. A confidentiality agreement was signed between the business representative and the project coordinator. The information provided by the business representative is to be used solely for the Tilbury downtown revitalization initiative.

The majority of businesses within the identified “downtown” perimeter are located on Queen and Mill Streets (Hwy. 2), identified in this map provided by the Municipality of Chatham-Kent (2004):



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## ANALYSIS

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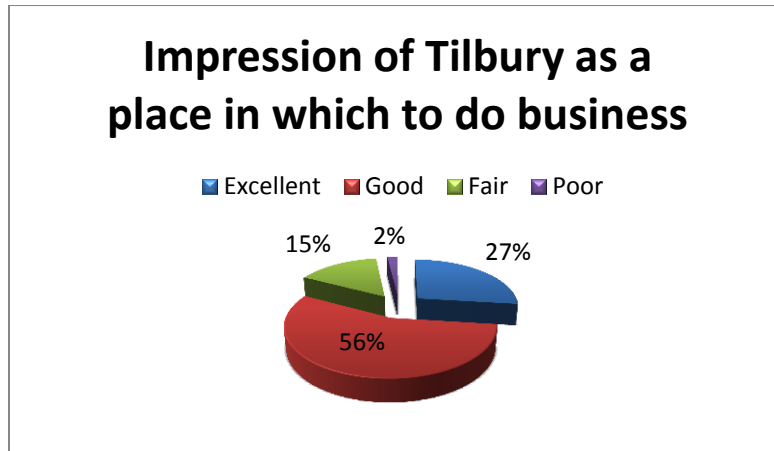
The results from the business survey were tabulated using Microsoft Excel.

The results have been divided into four sections: existing business climate, business development, downtown revitalization and conclusions.

# ANALYSIS

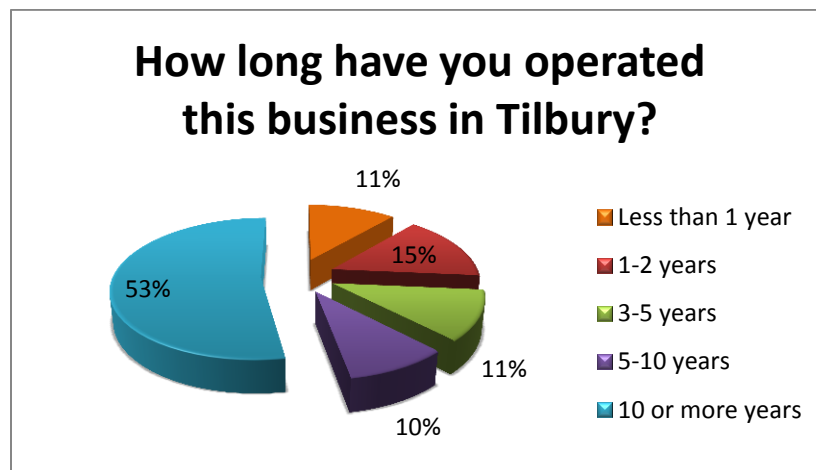
## EXISTING BUSINESS CLIMATE

Businesses in Tilbury have a good impression of the community as a place in which to do business. More than 80 per cent rated Tilbury as “excellent” or “good”.



When asked if their attitude has changed about doing business in the community; 36 per cent said their attitude is more positive, 10 per cent said their attitude is more negative and 54 per cent said their attitude had not changed.

28 of the businesses have been in operation for more than 10 years. Eight have been in business for one to two years, six have been in business for three to five years, another six have been in business for less than one year, and five have been in business for five to 10 years.

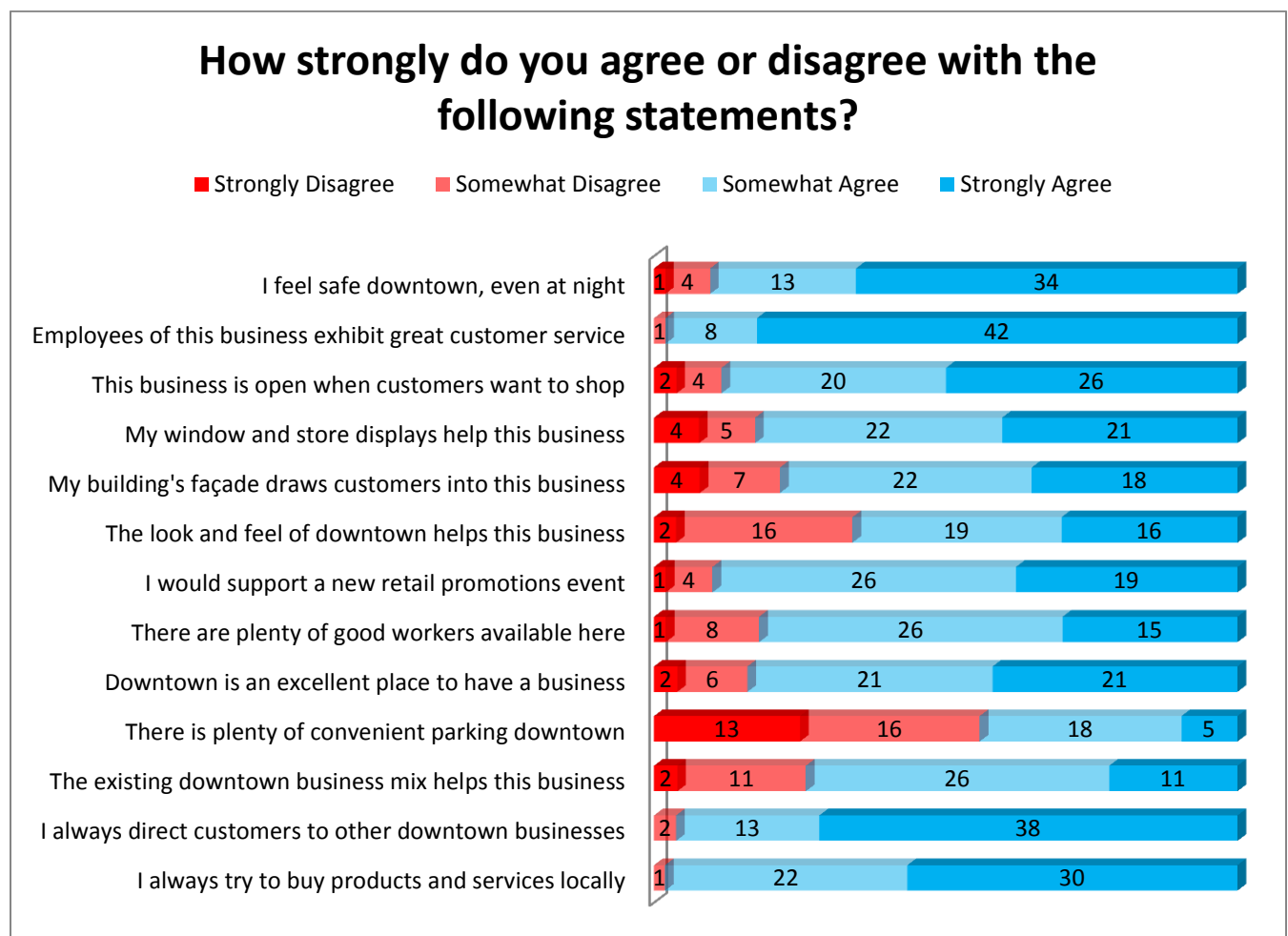


Eight of the businesses are franchises. 27 of the 53 businesses are family-owned. The owner (or at least one of the owners) is involved with the day-to-day operations for 47 of the businesses. The owner (or at least one of the owners) of 36 businesses is a resident of the community.

Businesses were asked if they have a formal succession, business and marketing plan; the majority did not have formal plans. 17 businesses have a succession plan, 22 have a business plan, and 20 have a marketing plan.

Most businesses (59 per cent) have one to four employees followed by 28 per cent of businesses who have five to nine employees. Nine per cent of businesses employ 10 to 14 employees, while 4 per cent employ more than 15 employees. The average number of permanent full-time employees is 2.6. The average number of permanent part-time employees is 2.5.

Using a scale of Strongly Disagree, Somewhat Disagree, Somewhat Agree and Strongly Agree, businesses were asked to rate a list of statements. As shown in the following bar graph, many businesses agree with the majority of statements other than the convenience of parking downtown:



Businesses were asked what factors would encourage them to remain or expand in Tilbury’s downtown. Responses included: positive shift in the economy, lower property taxes, greater accessibility, a revitalized downtown, growth in population, training workshops, infrastructure improvements, façade improvements, fewer absentee landlords, fewer vacancies, greater communication among businesses and organizations, support from local residents and free Wi-Fi for downtown businesses.

The top three issues identified by businesses included the economy, the variety of retail and availability of parking.

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### BUSINESS DEVELOPMENT

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16 businesses noted issues with the availability of parking, while 15 noted issues with vandalism, graffiti and litter. Two businesses noted other issues: injuries related to the flower boxes, snow removal and garbage collection. 16 businesses had no issues to report. All issues possible for selection are listed below with the frequency of selection indicated:



Within the next three years, 31 businesses plan to remain the same and 12 plan to expand.

The majority of businesses (20) noted that their total dollar sales trend has increased over the past three years, nine said it has decreased, six said it has stayed the same, four stated that they have an uneven sales pattern and 10 businesses had not yet been in operation for three years. When asked about their expectations for next year's total dollar sales compared to the previous year, the majority (26) expects it to be higher, 12 believe it will remain the same, one business expects it to be lower, seven were unsure and three businesses had not yet been in operation for a full year and were unable to comment.

Businesses were given the opportunity to list the advantages of operating a business in Tilbury. The responses were:

<b>Advantages of operating a business in Tilbury</b>		
Good connection with the community	Word of mouth travels fast	As a lifelong resident, helps me in my business
Small friendly community	Municipal support and available resources	Reasonable rent
Required services are available and located within close proximity	Close to home	Proximity to Chatham and Windsor
Parking is free	Customer loyalty, customers become your friends	Becoming a regional hub for healthcare
Businesses support one another, local advantage	Proximity to Highway 401 and Highway 2	Communication with customers, they ask for specific products

Their responses to the disadvantages of operating a business in Tilbury were:

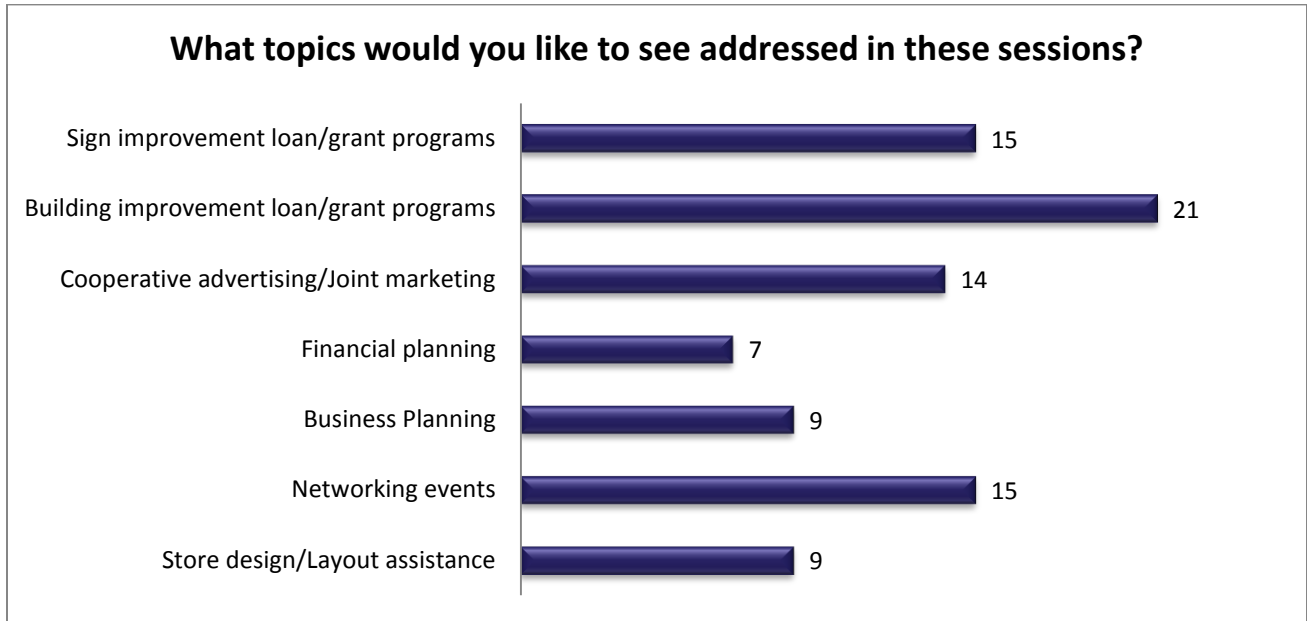
<b>Disadvantages of operating a business in Tilbury</b>		
Local economy, unemployment	Product prices are inflated	Inconsistent hours of operation among businesses
Proximity to Highway 401 and Highway 2	Limited variety of business mix, too many of the same businesses	Small town, limited customer base
Proximity to United States, cross-border shopping	High taxes	Many residents travel to Chatham and Windsor for work, they shop there
Business owners work against one another rather than working together	Too many vacant storefronts	Downtown area needs sprucing up, not appealing

25 businesses were interested in participating in training and information sessions. Upon further analysis, nine of the 25 businesses interested in these sessions have plans for expansion. When asked about the best time to offer these sessions, the majority of businesses suggested winter (13), followed



by spring (nine), fall (eight) and summer (three). The topic of interest most often selected by businesses concerned building improvement loan/grant programs.

The following chart identifies the list of topics provided and the level of interest by businesses:



Most businesses rate the availability of workers in the area as good/excellent (34) and the quality of the workforce as good (18). The majority of businesses (42) are able to recruit sufficient qualified employees. Seven businesses noted that employee turnover was an issue. The top four areas identified for employee skill improvement include: professional attitude and people skills, financial management, sales and marketing, and computer software.

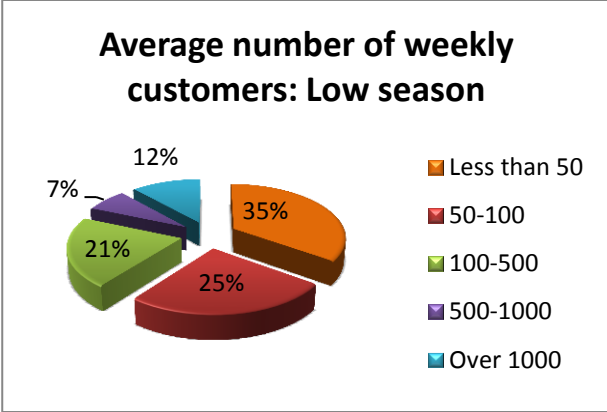
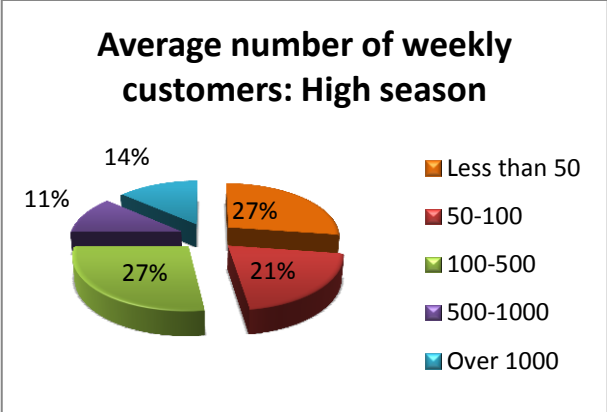
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### **DOWNTOWN REVITALIZATION**

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The three busiest months identified by business owners include December, July and November. The slowest months for business are January, February and March. The busiest day of the week on average is Friday, followed by Monday, Thursday and Saturday.

11 businesses operate different hours in their high season than in their low season. When businesses were asked for their weekly foot traffic during high season, the most frequent responses were allocated to less than 50 and 100-500. During low season, the most frequent responses were allocated to less than 50 and 50-100.



The majority of businesses ranked baby boomers (ages 40 to 60) as the most important for their business, while young families (ages 25 to 40) were identified as the group that offers the most potential for sales growth. Youth (ages 14 to 25) were the market share ranked as least important on both accounts.

The majority of businesses ranked local residents as the most important for their business and as the market that offers the most potential for sales growth. Visitors and tourists were the type of customer identified as least important on both accounts.

Most businesses (32) noted that there is no distinction among their clients, while 11 primarily cater to females and 10 primarily cater to men. 34 businesses track where their clients are from, primarily through informal customer contact and client information database systems. When asked where their clients are from (excluding Tilbury), 12 communities were identified. Those noted more than once have the frequency of reference indicated in brackets:

Other than Tilbury, customers to downtown businesses originate from			
Comber (39)	Stoney Point (39)	Windsor-Essex (31) <i>(excluding Stoney Point and Lighthouse Cove)</i>	Chatham (28)
Wheatley (27)	Merlin (21)	Lighthouse Cove (15)	Coatsworth (3)
Sarnia (2)	Jeanette's Creek (2)	Blenheim (2)	Thamesville

Only 23 of the businesses stated that they participate in downtown events, nine of which stated they see a noticeable benefit from the parades and events held in the downtown. 17 businesses track the impact of downtown events on their business, primarily through sales and foot traffic.

When asked where their toughest competition was, the majority (22) stated it was in the community. 16 stated their toughest competition was in another community and eight stated it was in Tilbury's downtown specifically. 30 businesses stated that their toughest competition is other independent businesses, while 22 stated it was national franchises.

When asked how businesses market their products and services, the top three answers selected were newspaper advertising, business cards and the Internet.

Businesses were asked which new products or services they would like to purchase locally that they are currently purchasing outside of the area. The following is a list of the responses:

<b>Products or services businesses would like to see added to Tilbury</b>	
Office supplies (ink cartridges)	Shoes and apparel
Farmer's Market, local produce	Healthy restaurant, Health food store
Furniture and appliances	Dry Cleaners

With their business in mind, respondents were asked to indicate up to three businesses that they would most like to see available downtown. Businesses said:

<b>Businesses/Services that respondents would most like to see downtown</b>		
Restaurants (Family dining, Fine dining, Healthy options)	Internet Café/Tea Room/Pub	Fast Food
Shoe Store	Credit Union	Clothing Store
Entertainment, theatre	Bakery/Deli	Dry Cleaners
Office Supply store	Toy store	Gift shop
Yoga/Aerobics studio	Crafts and Hobby store	Chocolatier
Electronics/Appliance store	Sporting Goods store	Health/Bulk food store
Taxi service	Automatic car wash	Medical/Professional services

Several businesses suggested the use of signage and advertising due to the proximity of Tilbury's downtown to Highway 401.

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## **CONCLUSIONS**

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### **STRENGTHS**

A core asset of the business community in Tilbury's downtown is the positive attitude towards operating a business. Most businesses noted that Tilbury is either a good or an excellent place to have a business. There is also a high sense of ownership for the majority of businesses as the owner (or at least one of the owners) is involved in the day-to-day operations.

An additional strength is the feeling of contentment among businesses as the majority planning on staying the same and a handful planning to expand.

The majority of comments were positive concerning the availability and quality of the available workforce.

### **WEAKNESSES**

A core weakness identified through the business survey is the lack of planning as the majority failed to have a formal business plan, marketing plan and succession plan. The introduction of training workshops pertaining to the importance of sustainable business planning would be beneficial for current owners and future entrepreneurs.

Another weakness expressed through the findings is the insignificant participation in downtown events (parades, moonlight madness, sidewalk sales) as the majority of businesses do not participate and do not see a noticeable benefit from the events held downtown. Increasing foot traffic and generating higher sales at these events may positively influence this trend.

Availability of parking was an issue that was raised on numerous occasions through different questions. Identified as the greatest issue faced by businesses, additional signage may help direct customers to the public parking lots located behind buildings.