Hartwick Retail Practices Survey

General Report

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Portions of the data in this report have previously been presented at the Annual Meetings of the Eastern Sociological Society, Boston, Massachusetts, 08 March 2002.

Introduction

The Hartwick Retail Practices Survey was conducted at the State University of New York College at Oneonta during February 2001. The purpose of the survey was to measure the retail shopping habits of Hartwick residents in regard to grocery, home improvement, electronics, and apparel items. These items were chosen because they each represent different modes of retail behavior. Grocery items include general food shopping and are thus necessary to all residents. Home improvement items include a wide range of goods for the home, are often necessary but subject to wide variations in individual tastes. The planned construction of a home improvement superstore in the town of Plainfield additionally represents an opportunity for future research. Electronics products are generally considered to be luxury goods. Apparel, like grocery, is a basic necessity, but one that also conveys meaning to other individuals and provides an opportunity for self-expression.

The town of Hartwick was chosen due to two factors: 1) the community's proximity to several major market areas; and 2) the community's relative dearth of retail trade. In order to narrow the geographical area under study, and in doing so raising the overall validity of the study, only residents residing within a four mile radius of the hamlet of Hartwick and having a Hartwick exchange telephone number (293-) were interviewed. During February 2001, residents were interviewed via phone a series of questions pertaining to the shopping habits in regard to the above classes of items and whether they bought any of those items through an internet or mail order catalog retailer (Distance Shopping). In most cases, respondents were asked open-ended questions (e.g., in what community did you last buy groceries).

There were a total of 547 households that met the criteria to be included in the sampling frame. Of those, 160 households were chosen at random to be interviewed. Of those called, 118 respondents completed the survey for a response rate of 73.7 percent.

Findings

Overall, it was found that all respondents travel outside of the community for one or all of the selected items. The average distance traveled for groceries was 10.16 miles. In the other retail types, respondents traveled an average of 27.7 miles for home improvement items, 31.7 miles for electronics, and 38.6 miles for apparel. In addition, 52 percent of respondents reported use of mail order catalogs and 33 percent used the internet.

Distance Shopping

Fig. 1: Percent who use Internet for Shopping, by Level of Education

	Less than High School	*High School or GED*	*Some College*	*Bachelor's or more*	*SURVEY TOTAL*
No	100	91.2	52.8	50.0	67.8
Yes	0	8.8	47.2	50.0	32.2

As shown in figure one, a respondent's level of education has a strong relationship with utilization of the internet for shopping. This is probably due to the fact that local residents with higher levels of education use computers more in the workplace, and this familiarity makes the internet seem less threatening. Another reason is that, at a national level, higher levels of education are generally rewarded with higher incomes, especially as an individual grows older.

Fig. 2: Percent who use Internet for Shopping, by Age

	18-29	*30-44*	*45-61*	*62 & Over*	*SURVEY TOTAL*
No	47.6	53.7	75.0	100	67.2
Yes	52.4	46.3	25.0	0	32.8

Although it is commonly assumed that younger individuals are more likely to utilize the internet, it is should be noted that a substantial percentage of those between 30 and 44 also use the internet. It is likely that the drop in the percentage of respondents utilizing the internet after age 45 reflects a lower number of children in the household.

Fig. 3: Percent who use Internet for Shopping, by Occupation

	Low Skill Occupations	*High Skill Occupations*	*Professional/ Managerial*	*SURVEY TOTAL*
No	82.4	68.3	46.2	61.9
Yes	17.6	31.7	53.8	38.1

Not surprisingly, differing occupational groups also exhibit different patterns of use of internet shopping. (See Appendix A for explanation of occupational groups). The level of education is a strong determinant of these patterns, but there are other factors as well. Nationally, members of high skill occupations, such as electricians and lab technicians, can make as much as lower paid professionals, especially teachers and certain types of health care workers. Income thus helps explain this pattern. Professionals also typically have non-standard schedules. Teachers, for instance, often pass through periods of relative leisure (e.g., vacations), but also endure periods of intense activity when leisure time is scarce (e.g., final exam periods). Similarly, retail store managers have slow periods (February and March) and periods of intense activity (the summer tourist season). This pattern further encourages managers and professionals to utilize the internet for shopping, especially during periods of heavy activity.

Fig. 4: Percent who use Internet for Shopping, by Level of Community Attachment

	Low	*Medium*	*High*	*SURVEY TOTAL*
No	56.4	73.9	92.9	67.8
Yes	43.6	26.1	7.1	32.2

Internet use seems to be accompanied by lower levels of community attachment. (See Appendix B for explanation of community attachment). Of those reporting high levels of attachment to the community, over ninety percent reported internet shopping. In contrast, only 56 percent of those with low levels of attachment utilized the internet for shopping. Additional statistical tests concluded that lower levels of community attachment among internet shoppers was independent of education and occupation, although highly correlated with age. (Older respondents tended to report high levels of community attachment).

The pattern for utilization of mail order catalogs is similar to that of internet shoppers.

Fig. 5: Percent who use Mail Order Catalogs for Shopping, by Level of Education

	Less than High School	*High School or GED*	*Some College*	*Bachelor's or more*	*SURVEY TOTAL*
No	81.8	73.5	25.0	38.2	48.7
Yes	18.2	26.5	75.0	61.8	51.3

Mail order catalogs require lower levels of training in order to utilize them, are more easily available in the home, and have a longer tradition of use than the internet. These factors explain why higher levels of education are associated with use, but also why those holding Bachelor's degrees utilize catalogs less: they are more likely to use the internet.

Fig. 6: Percent who use Mail Order Catalogs for Shopping, by Age

	18-29	*30-44*	*45-61*	*62 & Over*	*SURVEY TOTAL*
No	38.1	36.6	56.3	68.2	48.3
Yes	61.9	63.4	43.8	31.8	51.7

The pattern is quite of mail order use and age is similar to use of the internet. It is likely that the drop in the percentage of respondents utilizing mail order catalogs after age 45 reflects a lower number of children in the household.

Fig. 7: Percent who use Mail Order Catalogs for Shopping, by Occupation

	Low Skill Occupations	*High Skill Occupations*	*Professional/ Managerial*	*SURVEY TOTAL*
No	58.8	51.2	33.3	45.4
Yes	41.2	48.8	66.7	54.6

The pattern for use of mail order catalogs by occupation is similar to that of internet shopping.

Fig. 8: Percent who use Catalogs for Shopping, by Level of Community Attachment

	Low	*Medium*	*High*	*SURVEY TOTAL*
No	40.0	50.0	78.6	48.7
Yes	60.0	50.0	21.4	51.3

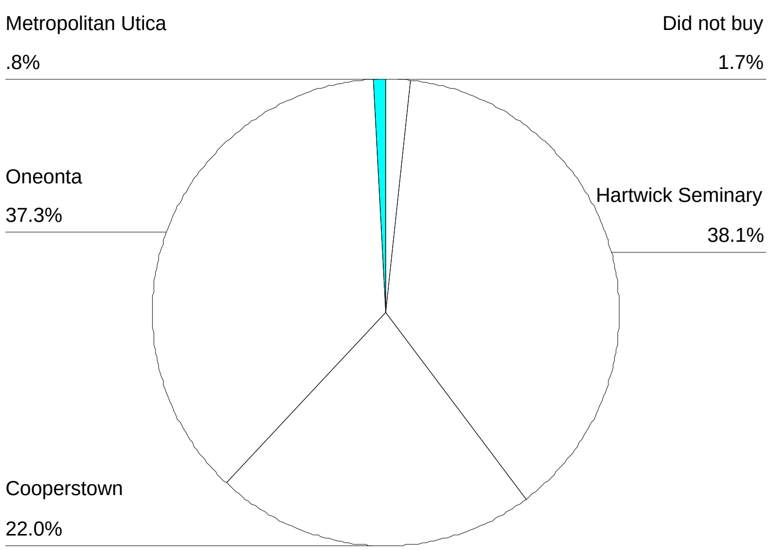
The pattern for use of mail order catalogs by level of community attachment is similar to that of internet shopping.

Shopping for Retail Types

<u>Groceries</u>

Groceries are a human necessity, and thus it is not surprising that 116 of the 118 respondents indicated that they had bought groceries in the past three months. The location of the stores in which they bought groceries were primarily within Otsego County.

Fig. 9: Where Respondents Bought Groceries



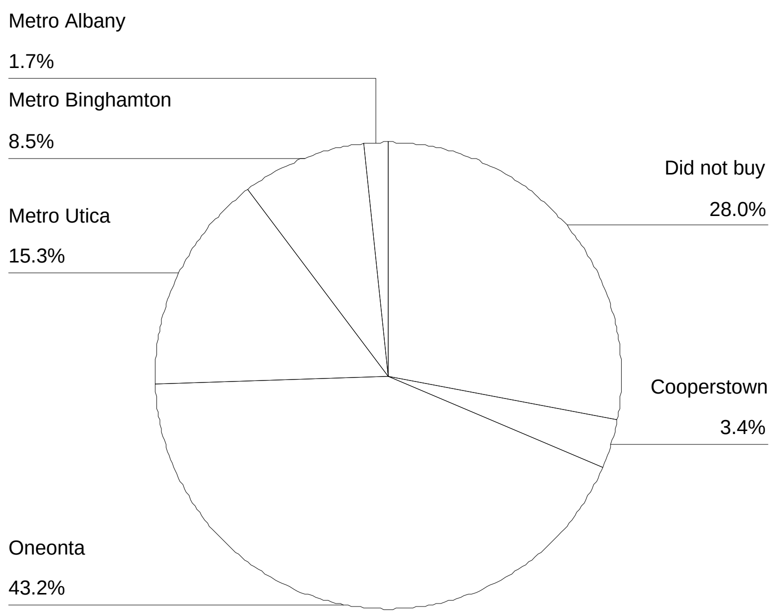
Sixty percent of respondents reported Hartwick Seminary and Cooperstown as the places where they last bought groceries. The additional 37 percent who bought groceries in Oneonta means that nearly every respondent bought groceries in Otsego County. In fact, only one respondent reported buying groceries outside of the county.

There was some variation among who reported buying groceries in which community. Occupation offered little significance, although professionals were more likely to report buying in Hartwick Seminary and those with low skill occupations were more likely to buy in Cooperstown. Every respondent with a high level of community attachment bought in either Hartwick Seminary (64.3 %) or Cooperstown (35.7 %). In contrast, 38.2 percent of those reporting low levels of community attachment shopped in the Oneonta area. There was no significant difference in regard to the age of the respondent.

Home Improvement Items

Home improvement items cover a wide array of goods, including paint, decorative pieces, and basic household infrastructure (e.g, pipes and electrical goods). Although some items are quite essential, others can be luxury items. Further, in many cases home improvement items may be used to make a statement about oneself to others or indicate the level of aesthetic comfort desired by the resident.

Fig. 10: Where Respondents Bought Home Improvement Items



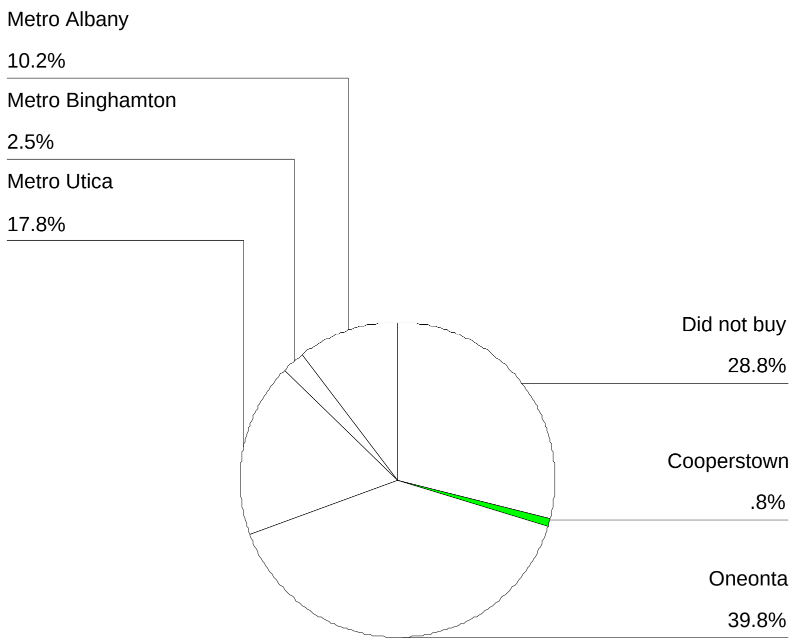
Over one quarter of respondents did not buy home improvement items in the three months prior to the survey. This varied by occupation: whereas 41.2 percent of those in low skill occupations did not buy home improvement items, only 14.3 and 17.9 percent of high skill occupations and managerial/ professional occupations responded the same. In general, respondents with higher skills levels were more likely to buy outside the area: 52 percent of those in high skills occupations bought in Oneonta, compared with 44 percent of professionals. Similarly, about 26 percent of those in high skill occupations bought in either the Utica or Binghamton metropolitan areas, compared with 38.4 percent of professionals willing to drive to a metropolitan area (including metropolitan Albany).

Not surprisingly, respondents who felt stronger levels of community attachment also were more likely to buy home improvement items locally. None of the respondents reporting a high level of community attachment traveled to a metropolitan area to buy home improvement items, compared with 23.4 percent of those with medium community attachment (Utica and Binghamton, in order) and 34.5 percent of those with low community attachment (Utica, Binghamton, and Albany, in order). Similarly, younger residents were more likely to shop in a metropolitan area.

Electronics

Electronics include audio-visual equipment and computers. Although these items are increasingly perceived as necessities by many Americans, they are not truly essential items in daily life and are thus considered to be luxury goods.

Fig. 11: Where Respondents Bought Electronics

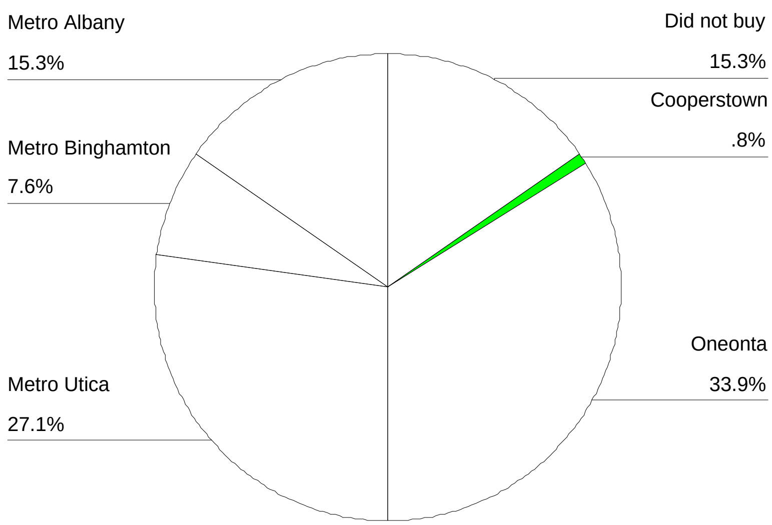


Nearly forty percent of respondents bought electronics in the Oneonta area, with the remainder of electronics buyers doing so in Utica, Albany, and Binghamton (respectively). Nearly 29 percent of respondents did not buy electronics in the previous three months. Whereas 11.8 percent of low skill occupation respondents reported traveling to a metropolitan area for electronics (Utica), 42.9 percent of high skill occupations and 40.9 percent of managers and professionals reported doing so. Those in high skill occupations chose metropolitan Utica (28.6 %), Albany (11.9 %), and Binghamton (2.4 %). Professionals chose Utica and Albany equally (17.9 % each) and Binghamton (5.1 %). As with home improvement items, respondents with high levels of community attachment chose to stay in Otsego County, whereas those with lower levels were more likely to drive elsewhere.

Apparel

Apparel is a basic necessity, but one which conveys a sense of individuality and professionalism to the wearer. Due to this, this section will be discussed in more detail than the past three.

Fig. 12: Where Respondents Bought Apparel



One third of respondents bought clothing in the Oneonta area, but there was considerable variation among them. Those in both low and high skill occupations were more likely to shop in a metropolitan area than professionals, who were more likely to shop in the Oneonta area (See figure 13).

Fig. 13: Where Respondents Bought Apparel, by Occupation

	Low Skill Occupations	*High Skill Occupations*	*Professional/ Managerial*	*SURVEY TOTAL*
Did not buy	29.4	7.1	7.7	11.2
Cooperstown	0	0	2.6	1.0
Oneonta	23.5	26.2	33.3	28.6
Metro Utica	29.4	38.1	25.6	31.6
Metro Albany	5.9	16.7	25.6	18.4
Metro Binghamton	11.8	11.9	5.1	9.2

Community attachment is a major determinant of where residents will shop. For instance, Oneonta was the destination of choice for those with high levels of community attachment in 93 percent of cases. However, among those with medium levels of attachment, Oneonta came in first but with 32 percent of respondents, followed by metropolitan Utica (23.4 %) and metropolitan Albany (14.9 %). Those with Low community attachment were most likely to shop for clothes in the Utica metropolitan area (36.4 %) and metropolitan Albany (20.0 %), followed by the Oneonta area (18.2 %) and metropolitan Binghamton (12.7 %). Similarly, younger residents were more likely to shop in metropolitan areas than were older residents: whereas 56.5 percent of respondents age 62 and over shopped for clothes in Oneonta, only 19.0 percent of respondents 18 and 29 did so.

Issues for the Future?

Fig. 14: Community Attachment and Age

AGE	*Low*	*Medium*	*High*
18-29	66.7	33.3	0
30-44	48.8	41.5	9.8
45-61	48.4	35.5	16.1
62 & Over	26.1	52.2	21.7

Younger residents are less likely to feel strong feelings of community attachment in comparison to older residents. This is likely, in part, to the higher likelihood of younger residents to not have children. It is also due, in part, to changes in the community structure since 1970. Hartwick residents today travel to large number of communities in order to buy their various goods, and this translates into a lack of meaningful social interactions in their own community. Due to the positive effects of community attachment on residents’ willingness to shop locally, future community planning iniatives should include provisions for strengthening community attachment.

Appendix A: Occupational Groups

Occupational Groupings were compiled into three categories: low skill occupation, high skill occupations, and professional/ managerial occupations. Respondents were asked about their occupations, which were then coded according to the Occupational Prestige Ratings published by the National Opinion Research Center. NORC scores of below 30 were coded as low skill, from 30 through 49 as high skill occupations, and 50 and above were coded as managerial/ professional. More precisely, this variable measures the prestige of a respondent's occupation, but this is highly correlated on the NORC scale with the nature of the work performed.

Appendix B: Community Attachment

Community attachment was measured by asking respondents if they regularly attended community functions, such as community breakfasts and an annual summer festival, were members of a village church, and for an assessment of their own attachment to community based on a five point likert scale. The scores were then aggregated into a Community Attachment Index. The index is thus formulated by a combination of reported behavior and of a self-assessment of a respondent's attachment to the community. The index ranges from a low of zero to a high of nine. Low attachment was defined as a score from zero through three, medium attachment from 4 through six, and high attachment from seven through nine.