



Downtown Campbellford Commercial Study

Municipality of Trent Hills
Final Report - 2007



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Introduction

The Downtown Campbellford Commercial study provides the Municipality of Trent Hills with information about local market conditions and opportunities, so the municipality can develop effective strategies for downtown revitalization. By conducting a Downtown Commercial Study, the Municipality can develop an action plan to enhance the health of their existing businesses, and efficiently identify new business opportunities. This report was compiled by Dan Fletcher, a fourth year student of International Economics and Finance at Ryerson University. Dan volunteered to conduct this study as part of his continuing studies in economic development. The Municipality of Trent Hills would also like to thank the staff with the Rural Economic Development Division of the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) for their continued support throughout the project.

Methodology

Business Inventory

The first step was to develop a business inventory compiling information on all of the business within the business improvement area of Campbellford. The business inventory contained the business address, name, contact information; number of employees, ownership of building, square footage and business classification—business were classified by NAICS (North American Industry Classification System). The building of this inventory, combined with further studies to update the inventory will make it possible to determine accurate sustainable growth rates for business, conduct in depth economic impact analyses and measure the effect of downtown revitalization efforts.

Point of Origin

The point of origin survey was conducting in front of several businesses in the downtown area. The purpose of which was to determine two things: Where consumers are coming from via collection of their postal code, home community and what type of new business they would like to see downtown. The surveying was spread between several businesses, due to the fact that each type of business will have their own unique trade area, so to capture the whole downtown, different types of businesses were necessary. Surveying took place on Wednesday's and Saturday's, these being the days with the lowest and highest traffic for a majority of the downtown. The postal code data was sent to OMAFRA where it will be used to produce a trade area analysis. OMAFRA summarized the average incomes from all of the postal codes to give both an average income of downtown Campbellford shoppers as well as build a trade area map. The trade area map shows how far the demand for shopping in downtown Campbellford stretches into the surrounding communities, identifies potential marketing opportunities for the downtown, and gives an accurate estimation of the population that shop in the downtown area.

Business Survey

The next step involved a survey specifically for the downtown business owners. This survey collected information necessary to build the business inventory but also information about the structure of the business, consumer traffic and target markets.

Resident Survey

The resident survey was distributed via the Community Press to all Campbellford residents. The survey was also made available online at www.visitcampbellford.ca. 369 surveys were returned which was greater than the 349 goal we had originally set. Based on the number of surveys returned, the data is accurate at the 95% confidence level with a confidence interval of 4.81. This means that we can be 95% certain that all responses fall within +/- 4.81% of the reported value. The goal of the resident survey was to gather information about local residents shopping habits as well as information concerning consumer preferences.

Business Survey Summary

A business survey was conducted that collected data from over 75% of the businesses that operate in downtown Campbellford. The purpose of which was to gather information to prepare a commercial structure analysis, build a business inventory for future marketing and in depth economic impact analysis and provide consumer information from the businesses perspective. The survey also asked several questions concerning the structure of the business and consumer traffic that will be discussed in this section.

Business Composition

It is interesting to note the length of ownership of the different businesses within the downtown as a means of gauging the sustainability of the business area.

Under 1 year	4.76%
1-5 years	22.62%
6-10 years	16.67%
11-20 years	26.19%
Over 20 years	29.76%

With new businesses entering the downtown at a rate of just under 5% per year the community is experiencing respectable growth in business. This fact combined with 30% of business with over 20 years in operation and 26% between 11-20 years of operation shows that not only is the business area growing but the area itself has the ability to sustain businesses over an extended period of time. Through use of the business inventory built for this project combined with further studies of this nature it will be possible to isolate areas of strength/weakness and determine the sustainable business growth rate for the downtown business area.

One of the defining characteristics of a small town economy is the number of small, local businesses. From arts and crafts to clothing, small town business areas develop into a tourist destination by providing both the goods and atmosphere that cannot be found in larger urban centres. The trade area analysis will not only provide an indication of the level of out of town shoppers, but one way of determining the composition of the business area is by finding the level of independent versus franchise businesses.

Franchise	18.07%
Independent	81.93%

With almost 82% of businesses in downtown Campbellford being independent, this business area is primarily composed of small business. This adds to the atmosphere of a small town shopping destination. With an appropriate business mix, that allows shoppers who come to Campbellford to find more than they expected and local residents to find what they need without traveling out of the area. The downtown core has the potential to become a pleasant and sustainable shopping destination.

Small business provides a change in atmosphere versus the larger urban centres where there are a larger number of national franchises. The downfall of this fact is that with only 18% of downtown businesses being franchises, local residents who are looking for a change in their shopping routine will travel outside of the area to shop in these larger shopping centres. When businesses were asked who their toughest competitors are 64% replied national franchises. This is a double hit to the downtown economy because not only are downtown businesses losing business, but that business is taking place outside the community. The only way to truly combat this phenomenon is to employ a more diverse business mix that provides a more complete shopping experience. This is done by targeting current weaknesses that will be identified in later sections of this report and filling those business gaps. If consumers have the ability to find what they need downtown, then when they are faced with the long drive to another community to shop, they may reconsider and shop locally.

Consumer Composition

Each of the businesses interviewed were asked to describe their business' consumer composition based on age and type of customer. This form of analysis provides an outlook of the type of consumers that frequent the downtown and can assist in future marketing campaigns by presenting a target consumer. The question asked to rate the four options on a scale of one to four where 1 was the most important and 4 was the least. The table presented below shows the average ranking based on number of responses in each section. Where there are boxes that have more than one number in them are areas where there were an equal number of responses for that category.

Market Share by Age Group:	Youth 14-25	Young Families 25-40	Baby Boomers 40-60	Retirees and Seniors 60+
Rank the following in order of market share for your business (1 is the most important and 4 the least)	4	3	1 and 2	
Rank these target markets in the order you think offers the most potential for sales growth in your business	4	2	1	3
Indicate which of these target markets you think offers the most opportunity for growth for the whole of the downtown	4	1	2	3

Market Share by Type of Customer:	People who work in the downtown	Local residents	Visitors	Seasonal residents & cottagers
Rank the following in order of market share for your business (1 is the most important and 4 is the least)	2	1	4	3
Rank these target markets in the order you think offers the most potential for sales growth in your business	2 and 4	1	3	
Indicate which of these target markets you think offers the most opportunity for growth for the whole of the downtown	4	1	3	2

Information was also gathered concerning the gender of the consumer. Businesses were asked to answer whether or not the majority of their customers were either male or female. Many of the businesses selected both male and female as there was a fairly even split of consumers of each type, this is why the percentages do not add up to 100%.

Male	51.11%
Female	88.89%

These three forms of market share analysis provide a compilation of the opinions of all businesses within downtown Campbellford. Each specific business will possess their personal market share, but this data gives an image of the downtown market as a whole. For example, based on the opinions of a majority of business owners, the strongest area for growth for the downtown would be females between the ages of 25 to 40, who currently, or can be attracted to, live locally.

The final area of focus concerning consumer composition was the target price-point for businesses in the downtown. Business owners were asked to fill in which price point they target relative to other businesses in their trade.

Low-end	12.82%
Average - mid-point	41.03%
High-end	8.97%
All price points	42.31%

As shown in the table the most commonly targeted price range is either average or non-specific/all price points, with no discernable trend either high or low. The trade area and local economic analysis will show whether or not there are missed opportunities for businesses in not targeting either high or low priced goods specifically.

Business Traffic

With a general picture of the age, gender and types of consumers to the downtown area a target market can be found. But to efficiently target those consumers, one must also know when the business traffic is at its peak. Businesses were asked both their busiest times of day and days of the week to address this issue.

The following table gives the percentage of businesses that chose the following days as their busiest day of the week.

Sunday	2.27%
Monday	21.59%
Tuesday	4.55%
Wednesday	2.27%
Thursday	5.68%
Friday	20.45%
Saturday	21.59%
Varies	42.05%

For the busiest times of day, the respective categories were ranked from one to seven based on the highest number of responses for each section. The ranking shows 1 as the highest traffic time and 7 as the lowest.

Busiest Time of Day:	Before 8:00am	8:00am - 11:00am	11:00am - 1:00pm	1:00pm - 5:00pm	After 5:00pm	Varies	Closed
Sunday	7	5	2	4	6	3	1
Monday	7	3	1	3	6	2	5
Tuesday	6	4	3	2	5	1	7
Wednesday	6	4	3	2	5	1	6
Thursday	6	4	3	2	5	1	7
Friday	6	4	3	2	5	1	7
Saturday	7	5	2	4	6	1	3

Although this information was only collected to be used in future marketing and event planning as well as provide interesting information to local business owners, an unexpected piece of information appeared. When viewing the busiest times of day, it is found that Monday and Saturday are the busiest days of the week for the downtown. When comparing this information to the busiest times of day, it is found that Monday and Saturday are the second and third highest after Sunday for closures. For this to be the case, many of the downtown businesses may be missing out on potential sales by not opening on the busiest days of the week.

An area that is always an evolving problem in any downtown economy is parking. For a downtown business area to survive, businesses need to be tightly packed together, where neighboring businesses ability to draw, compliments the surrounding businesses as well. Downtown Campbellford has numerous free parking spaces on the street as well as several large parking spaces scattered throughout the downtown. The only real area where lack of available parking is harming the downtown economy is the area surrounding both sides of the bridge. At each end of the bridge there is no available off street parking. This may be a contributing factor to the high number of vacant buildings in this area. It was discovered that 66% of consumers use available street parking when they shop downtown and a majority of business employees park in business owned or municipal parking lots. There were less than 8% of people working in the downtown who park on the street, allowing consumers the convenience of closer parking.

Commercial Structure Analysis

With the information provided by both the Business Inventory and the Business Survey, businesses in the downtown were categorized by two methods; commercial category mix and property mix. The commercial category mix identifies businesses by their traffic level and type of consumer activity. This helps to identify the reasons why and where consumers come from when they shop downtown. The property mix identifies the primary purpose of the downtown, whether the downtown is acting as a service or retail centre and also helps to identify clusters of each.

Commercial Category Mix Analysis

The first means of categorization was by classifying the type of consumer activity that takes place in the business. This classification was broken down by the following categories.

Convenience—Frequent, impulse purchases that occurs on a regular basis. Generally close to home due to the higher number of required visits. Examples of this type of business include grocery stores and banks.

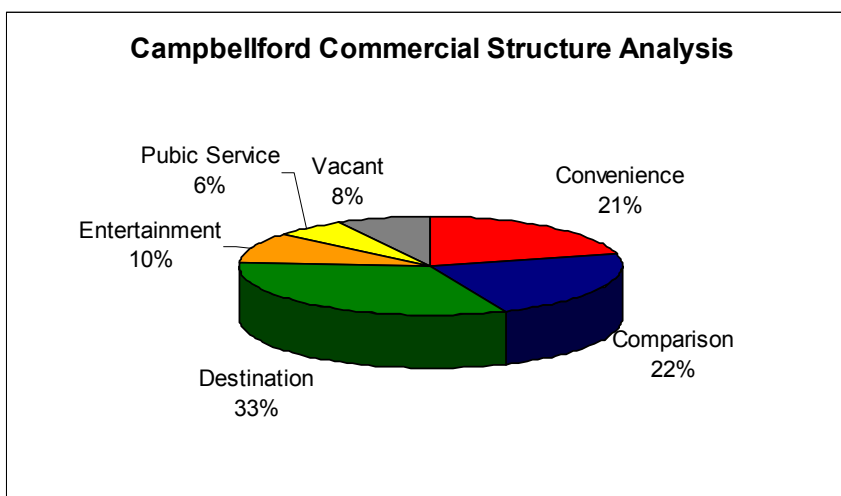
Comparison—Generally non-impulse purchases that take place less frequently than Convenience. Include goods and services where consumers prefer to compare prices, quality, brands etc. before making a final purchase. Examples of this type of business include clothing stores and hair dressers.

Destination—Non-impulse, infrequent purchases that are generally more expensive goods and require more consideration before purchasing. Consumers will usually make a special trip to the business for the sole purpose of buying a particular good or service. Examples of this type of business include furniture stores and offices of lawyers.

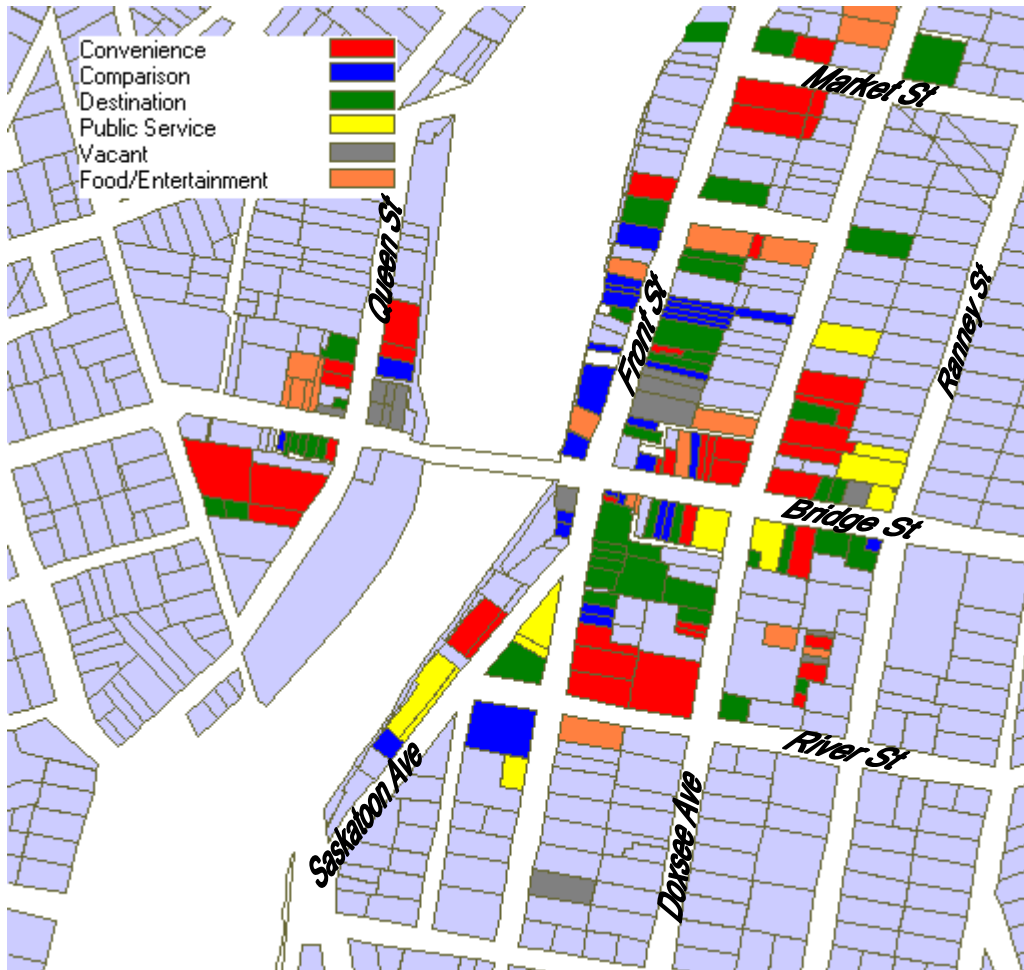
Food/Entertainment

Public Service

Vacant



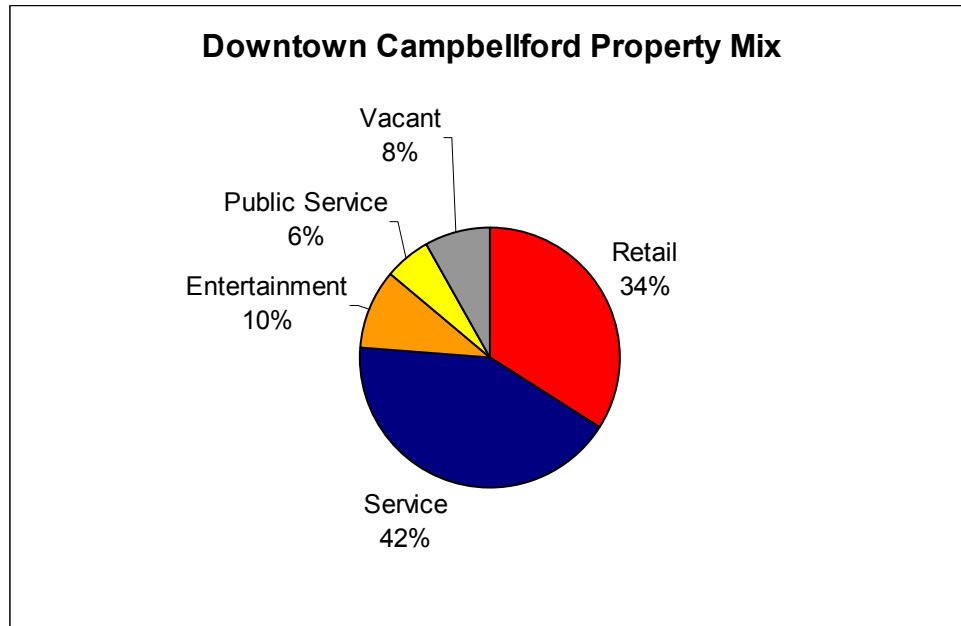
With the largest category being destination shopping, downtown Campbellford has the ability to draw people in. A map of the downtown was created to give a better idea of how wide an area these destination points cover and where they are drawing people to. The map has been colour coded based on the categories discussed above.



The green points on the map show businesses that represent destination goods/services. As can be seen on the map the destination points are well dispersed throughout the downtown area. These businesses can draw people in that may not have visited the area otherwise and possibly purchase other goods/services while in the area.

Property Mix Analysis

The second category divided downtown businesses by their primary method of business. This consisted of retail, service, food/entertainment, public service and vacant. This form of analysis allows us to see the primary purpose the downtown area is serving.

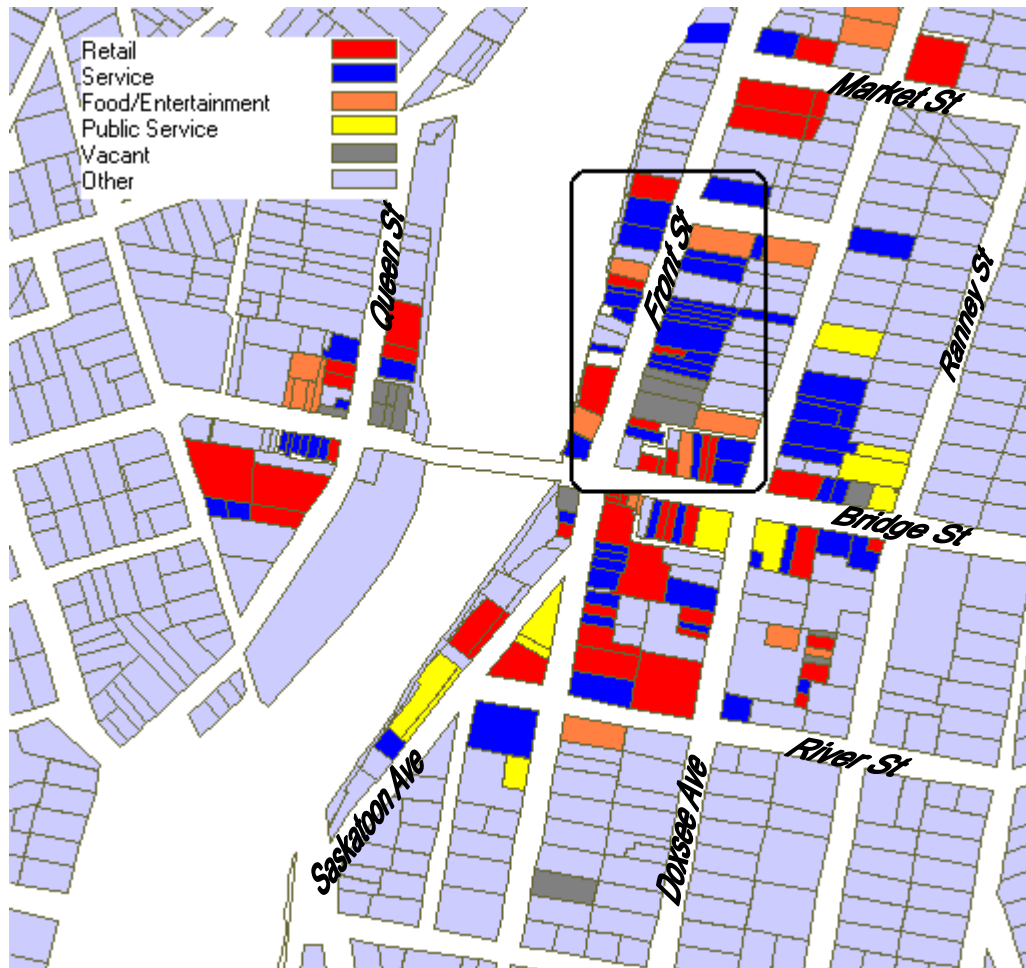


The analysis has shown that the downtown is primarily acting as a service sector. The next step is to further breakdown the retail and service categories by the three commercial definitions used before—Convenience, Comparison and Destination. This breakdown will show how strong of a demand is generated by the service sector by providing information on the level of traffic generated by these services—Convenience services are visited regularly whereas destination services are generally visited for special purposes only.

Downtown Campbellford Property Mix			
Type			Total
	Retail	Service	
Commercial			
Convenience	24	5	29
Comparison	16	15	31
Major Purchase/ Destination	7	38	45
Food & entertainment	14		14
Public Service	8		8
Vacant	11		11
Total business & public service			138

This categorization has shown that the majority (65.5%) of services in the downtown are destination services. Although destination points are necessary to draw people into the downtown area, they do not generate as much traffic.

The next step was to build a map of the downtown area outlining businesses that focus on retail and those on services. It will then be possible to locate clusters of retail or service businesses.



From the map above it can be seen that a large number of service based businesses are located within the downtown core, specifically in the outlined area. Professional services such as legal or accounting offices are destination businesses, where a customer to this business would be making a trip specifically to visit their lawyer. Their drawing power would be better utilized if there were a more diverse mix of retail and service businesses in this area. This way these services ability to draw would help downtown retailers increase their potential sales, which in turn increases the income potential of the area, which is beneficial to those services.

Community to Community Comparison

One method of identifying potential gaps in the current business mix of downtown Campbellford is to compare Campbellford's business mix against other communities of similar characteristics. Factors that determined comparator communities included population, distance from medium and major cities, whether or not they had a hospital, and where in Ontario they were located. This analysis will provide a general means of viewing areas where Campbellford may be lacking—where other similar communities have a flourishing business not found in Campbellford.

There are a number of cautions to consider when reviewing this information:

- Note that the business numbers do not account for size of the business. For example, similar communities might have on average 6 building materials stores; however the study community only has three. At first glance there may appear to be an opportunity for more building material stores in the study community, however if the 3 that do exist are large and the 6 in the other communities are small businesses, there may in fact not be a market opportunity for a new building materials business.
- Consider whether neighbouring communities are filling the market need. A business may not be in your community, but may exist within a close proximity and is meeting the needs of the residents.
- Information is based on “community” not municipality.
- Each business is placed in a single classification but may provide a variety of goods. For example a hardware store, identified and counted as a hardware store by MapInfo, may also sell auto parts and will not be counted as an auto parts business.

The following table outlines areas where Campbellford has an above average number of businesses.

Community to Community data provided by OMAFRA via MapInfo

	ALEXANDRIA	CAMPBELLFORD	EXETER	GANANOQUE	GRAVENHURST	MEAFORD	MITCHELL	PRESCOTT	SHELBURNE	BRIGHTON	COBOURG	STIRLING	Average
Population	4303	4660	4938	5720	5907	5176	4935	4547	5056	5615	19,656	3,025	6128
4413 Automotive Parts, Accessories and Tire Stores	5	5	3	3	0	1	5	5	4	2	7		4
4422 Home Furnishings Stores	3	4	2	2	0	5	3		4	3	10	3	4
4431 Electronics and Appliance Stores	5	6	4	6	1	7	2	6	11	4	21	4	6
4453 Beer, Wine and Liquor Stores	2	2	3	4	0	2	2	2	2	2	3	1	2
4461 Health and Personal Care Stores	5	6	4	4	1	2	1	3	3	1	15	2	4
4471 Gasoline Stations	1	3	3	3	0	2	1	1	6	3	6		3
4483 Jewellery, Luggage and Leather Goods Stores	1	2	4	2	0	1	0	0	1	1	7	0	2
4511 Sporting Goods, Hobby and Musical Instrument Stores	2	4	7	3	0	5	5	3	3	3	9	4	4
4521 Department Stores	2	4	4	6	0	2	1	5	0	1	8	3	3
4529 Other General Merchandise Stores	1	3	2	1	0	2	1	0	5	1	4	1	2
4531 Florists	3	3	3	2	0	2	1	1	1	1	6	1	2
4541 Electronic Shopping and Mail-Order Houses	0	1	1	1	0	1	1	1	1		1		1
5222 Non-Depository Credit Intermediation	0	2	2	2	0	2	1	1	1	3	5	1	2
5223 Activities Related to Credit Intermediation	1	0	0	0	0	0	0	0	0	0	2	0	0
5231 Securities and Commodity Contracts Intermediation and Brokerage	0	0	0	1	0	0	0	0	0	0	0	0	0
5239 Other Financial Investment Activities	2	7	7	4	0	5	2	0	2	1	21	5	5
5242 Agencies, Brokerages and Other Insurance Related Activities	8	7	11	1	0	4	11	6	5	5	26	3	7
5322 Consumer Goods Rental	3	2	1	2	0	2	1	3	2	1	8	1	2
5324 Commercial and Industrial Machinery and Equipment Rental and Leasing	0	0	1	0	0	0	0	0	0	0	0	0	0
5412 Accounting, Tax Preparation, Bookkeeping and Payroll Services	4	6	10	6	0	3	2	3	4	4	24	3	6
5414 Specialized Design Services	2	2	3	0	2	4	1	0	0	1	7	3	2
7111 Performing Arts Companies	0	1	0	2	0	2	0	0	0	1	5	1	1
7131 Amusement Parks and Arcades	0	0	0	1	0	0	0	0	0	0	3	0	0
7211 Traveller Accommodation	3	16	1	28	13	8	0	5	1	5	9	2	8
7223 Special Food Services	1	1	1	1	0	1	1	0	1	1	3	1	1
8111 Automotive Repair and Maintenance	9	16	6	7	10	7	14	10	9	10	32	6	11
8112 Electronic and Precision Equipment Repair and Maintenance	0	1	0	0	0	0	0	1	0	0	1	1	0
8121 Personal Care Services	14	18	20	22	0	5	9	13	10	14	48	7	15
8122 Funeral Services	1	2	2	1	0	2	1	1	1	1	2	1	1
8123 Dry Cleaning and Laundry Services	1	1	1	3	0	1	0	0	1	1	5	0	1
Total	79	125	106	118	27	78	66	70	78	70	298	54	83

The following list identifies areas where Campbellford has a below average number of businesses. These are areas that either surrounding communities are serving the needs of a number of residents or where there may be potential for a new business in the corresponding area.

Community to Community data provided by OMAFRA via MapInfo

	ALEXANDRIA	CAMPBELLFORD	EXETER	GANANOQUE	GRAVENHURST	MEAFORD	MITCHELL	PRESCOTT	SHELBURNE	BRIGHTON	COBOURG	STIRLING	Average
Population	4303	4660	4938	5720	5907	5176	4935	4547	5056	5615	19,656	3,025	6128
4411 Automobile Dealers	3	4	7	5	0	4	3	6	6	4	17	4	5
4412 Other Motor Vehicle Dealers	4	1	0	2	5	1	1	2	3	1	6	3	2
4421 Furniture Stores	1	1	1	2	0	2	3	1		1	9		2
4441 Building Material and Supplies Dealers	3	5	7	5	0	7	4	8	5	7	23	8	7
4442 Lawn and Garden Equipment and Supplies Stores	4	1	1	2	2	4	4		3	3	9	1	3
4451 Grocery Stores	6	3	5	6	0	7	2	6	4	7	13	3	5
4452 Specialty Food Stores	1	1	4	0	3	2	2			4	5	3	3
4481 Clothing Stores	4	3	8	7	1	2	1	5	2	1	23	3	5
4482 Shoe Stores	0	0	0	1	0	1	1	1	0	1	6	1	1
4512 Book, Periodical and Music Stores	0	1	2	1	0	3	0	1	1	1	8	1	2
4532 Office Supplies, Stationery and Gift Stores	2	2	3	5	0	2	1	4	8	6	13	2	4
4533 Used Merchandise Stores	1	2	3	4	0	2	1	2	3	6	15	2	3
4539 Other Miscellaneous Store Retailers	2	4	3	4	1	4	2	7	7	6	19	3	5
5221 Depository Credit Intermediation	4	3	5	3	0	3	5	4	3	2	9	1	4
5311 Lessors of Real Estate	2	0	3	3	8	2	1	2	2	4	14	1	4
5312 Offices of Real Estate Agents and Brokers	7	6	3	16	11	4	2	3	5	3	21		7
5313 Activities Related to Real Estate	0	0	0	2	0	1	0	1	0	0	5	1	1
5321 Automotive Equipment Rental and Leasing	1	1	1	3	4	1	0	2	3	3	5		2
5323 General Rental Centres	0	0	1	0	1	1	0	0	2	0	2	0	1
5324 Commercial and Industrial Machinery and Equipment Rental and Leasing	0	0	1	0	0	0	0	0	0	0	0	0	0
5411 Legal Services	4	7	5	8		8	5	8	8	8	30	2	8
5413 Architectural, Engineering and Related Services	4	2	0	7	0	1	0	4	2	4	10	1	3
5615 Travel Arrangement and Reservation Services	4	0	2	3	0	4	1	1	1	1	4	1	2
7121 Heritage Institutions	1	1	0	3	0	2	0	3	1	5	8	0	2
7139 Other Amusement and Recreation Industries	2	5	7	16	0	10	7	9	8	8	14	6	8
7212 RV (Recreational Vehicle) Parks and Recreational Camps	0	0	1	3	4	2	0	1	2	2	1	2	2
7221 Full-Service Restaurants	0	0	0	0	0	1	2	3	1	2	6	0	1
7222 Limited-Service Eating Places	16	16	18	31	28	21	9	16	21	14	63	9	22
7224 Drinking Places (Alcoholic Beverages)	1	0	1	1	0	2	0	2	0	1	2	0	1
8114 Personal and Household Goods Repair and Maintenance	5	1	1	5	5	3	4	2	2	3	4	3	3
8129 Other Personal Services	1	1		4	0	0	2	2	2	1	4	1	2
Total	81	71	93	152	70	108	63	108	105	109	368	62	95

The preceding information was compiled by the Ontario Ministry of Agriculture, Food and Rural Affairs Economic Development Division via information collected using MapInfo. The data may not reflect the actual number of businesses for each category but gives an idea of potential gaps. As similar difficulties would be experienced by the comparator communities, it is the opinion of this author to leave the data as it was compiled and maintain as little bias as possible.

Market Threshold

The following market threshold data was provided by OMAFRA based on the Canadian Business Patterns Database.

Market Threshold Analysis is used primarily to determine the threshold level of population needed to support specific types of retail and service businesses. It can be used as a general guide to determine how many businesses of a certain type a community can theoretically support. The numbers indicate how many retail and service businesses the community can support based on their population. This can then be compared with the actual number of businesses in the community to identify potential opportunities for new business development.

In the Community Comparison Analysis above, the community was compared to similar communities. In this case, our trade area is being compared to the province as a whole.

The Market Threshold table numbers (columns) are derived by:

1. # businesses in Ontario – source is Canadian Business Patterns Database;
2. # people per business (Ontario) – this number is derived by dividing the population of Ontario by the number of businesses in a specific sector to generate the number of people for every one business in that sector in Ontario;
3. Theoretical capacity of the Municipality of Trent Hills – this number is derived by multiplying “# people per business in Ontario” by the Municipality of Trent Hills Population of 12,247(based on 2006 Statistics Canada Census);
4. Actual number in trade area – source is the Canadian Business Patterns Database;
5. Capacity – this number is derived by subtracting the actual number of businesses in the Municipality of Trent Hills (column 4) by the theoretical capacity (column 3). A positive number indicates that the community meets and exceeds the theoretical capacity of the numbers of businesses in that sector. A negative number indicates that there are fewer businesses in that sector in the community than the Municipality of Trent Hills population could theoretically support, indicating that there may be a business development opportunity.

The extent to which a community can fill theoretical gaps indicated by the analysis will depend on several factors, including proximity to other major centers and transportation corridors, as well as local demographics (age, sex) and income levels. It's important to recognize that the threshold levels are averages for the province and do not take into consideration differences in income, age, tourism, etc. Cities tend to have a higher density of businesses and greater diversity than smaller towns because of higher income levels, larger community, and the larger tourist and business trade that they can attract.

It is also important to recognize that the data is based on registered businesses and does not account for the size of those businesses. So, a community may have only two eating establishments that are registered as “restaurants” so would appear in the analysis to have room for more restaurants. However, these may be two very large restaurants, and therefore it would be unrealistic for the community to support additional restaurants.

Market Threshold Analysis is simply a tool to help the municipality identify potential businesses. It does not account for businesses just in downtown Campbellford but the number of businesses in the entire Municipality of Trent Hills. It might be beneficial to compare reported numbers of business to actual community numbers from the current business directory. The number presented in the “Actual Number in the Municipality” column is taken from the Canadian Business Patterns Database which may not reflect what actually exists in the community. In some cases the number from the Canadian Business Patterns Data may over represent the number of actual business because some businesses may no longer operate although they are still registered. Or

the CBPD may actually be below what your community has because the businesses in your community may be registered in another municipality if their head office is elsewhere.

Threshold Market Analysis information can be useful for business planning in that it presents the “# people per business”, which we can roughly equate to the number of people it takes to support a business. So if someone is considering a business venture, they can get a sense of what their market size needs to be in order to be successful. For example, the information suggests that Electronics and Appliance Stores (4431) require a population of 2,089 in their market area to support this type of business.

A complete listing of market threshold by sector will be included in the appendix of this report. The following sample of the market threshold analysis outlines those industries where the Municipality of Trent Hills contained fewer businesses than the Ontario average suggests and therefore may represent a possible gap in the business mix. Although there were many business sectors that were one to two businesses below average, for simplicity only those areas where there was room for two or more businesses were included in this sample.

Market Threshold Analysis – Below Average Business Capacity

INDUSTRY GROUPS	# Businesses in Ontario	# people per business (Ontario)	Theoretical capacity of the Municipality of Trent Hills	Actual number in Municipality of Trent Hills	+ Greater than capacity - fewer than capacity
4422 - Home Furnishings Stores	3004	4,048	3.0	1	-2.0
4481 - Clothing Stores	7440	1,634	7.5	2	-5.5
4511 - Sporting Goods, Hobby and Musical Instrument Stores	4108	2,960	4.1	0	-4.1
4853 - Taxi and Limousine Service	6632	1,834	6.7	1	-5.7
5222 - Non-Depository Credit Intermediation	4198	2,897	4.2	2	-2.2
5239 - Other Financial Investment Activities	30043	405	30.3	25	-5.3
5313 - Activities Related to Real Estate	9542	1,274	9.6	3	-6.6
5411 - Legal Services	10531	1,155	10.6	7	-3.6
5413 - Architectural, Engineering and Related Services	14546	836	14.6	11	-3.6
5414 - Specialized Design Services	7971	1,526	8.0	5	-3.0
5418 - Advertising and Related Services	6709	1,813	6.8	2	-4.8
5611 - Office Administrative Services	5564	2,186	5.6	2	-3.6
5614 - Business Support Services	3165	3,842	3.2	1	-2.2
5616 - Investigation and Security Services	1943	6,259	2.0	0	-2.0
5619 - Other Support Services	7837	1,552	7.9	5	-2.9
7222 - Limited-Service Eating Places	15343	793	15.5	9	-6.5
7223 - Special Food Services	2957	4,112	3.0	1	-2.0
8121 - Personal Care Services	12077	1,007	12.2	8	-4.2
8139 - Business, Professional,	7061	1,722	7.1	4	-3.1

Labour and Other Membership Organizations					
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The following further sample of the market threshold analysis isolates those business sectors where the Municipality of Trent Hills reported an above average number of businesses. This may be resulting from a competitive advantage due to current market factors. One example of this may be in Traveler Accommodation, where the waterfront and picturesque landscape provide a beautiful natural setting for Bed and Breakfast type businesses. This would be a contributing factor to explain when the market threshold suggests 3.4 and the community contains 10. Size would also be a factor to consider when you could be comparing a Bed and Breakfast to a large Motel. As with the preceding sample, only those business sectors where there was a difference of 2 or more between the theoretical and actual number of corresponding business were shown in this sample.

Market Threshold Analysis – Above Average Business Capacity

INDUSTRY GROUPS	# Businesses in Ontario	# people per business (Ontario)	Theoretical capacity of the Municipality of Trent Hills	Actual number in Municipality of Trent Hills	+ Greater than capacity - fewer than capacity
4411 - Automobile Dealers	4601	2,643	4.6	9	4.4
4421 - Furniture Stores	1883	6,458	1.9	5	3.1
4431 - Electronics and Appliance Stores	5822	2,089	5.9	9	3.1
4451 - Grocery Stores	9752	1,247	9.8	16	6.2
4452 - Specialty Food Stores	3242	3,751	3.3	7	3.7
4453 - Beer, Wine and Liquor Stores	1261	9,643	1.3	6	4.7
4471 - Gasoline Stations	5025	2,420	5.1	9	3.9
4529 - Other General Merchandise Stores	4991	2,436	5.0	7	2.0
4531 – Florists	1641	7,410	1.7	5	3.3
4532 - Office Supplies, Stationery & Gift Stores	3220	3,776	3.2	6	2.8
4539 - Other Miscellaneous Store Retailers	4215	2,885	4.2	7	2.8
5242 - Agencies, Brokerages and Other Insurance Related Activities	4812	2,527	4.8	7	2.2
5311 - Lessors of Real Estate	34312	354	34.6	38	3.4
5412 - Accounting, Tax Preparation, Bookkeeping and Payroll Services	12118	1,003	12.2	16	3.8
7115 - Independent Artists, Writers and Performers	5186	2,345	5.2	9	3.8
7139 - Other Amusement and Recreation Industries	5385	2,258	5.4	13	7.6
7211 - Traveler Accommodation	3356	3,623	3.4	10	6.6
7212 - RV (Recreational Vehicle) Parks and Recreational Camps	1546	7,866	1.6	7	5.4
7221 - Full-Service Restaurants	14580	834	14.7	23	8.3
8111 - Automotive Repair and Maintenance	14812	821	14.9	27	12.1
8113 - Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	3788	3,210	3.8	9	5.2
8122 - Funeral Services	678	17,936	0.7	3	2.3

8131 - Religious Organizations	5456	2,229	5.5	8	2.5
8134 - Civic and Social Organizations	3188	3,814	3.2	6	2.8

Resident Survey Summary

Arguably the most important information this report can provide is the results from the survey distributed to the residents of Campbellford. This survey provides information on consumer shopping habits and composition. With this information the downtown can be planned to attend to the needs of the local population, which a majority of businesses defined as their most important market.

The survey was distributed as an insert in the Community Press on Friday August 3rd 2007 and was also offered online at www.visitcampbellford.ca. A copy of the resident survey will be included in the appendix of this report.

Local Consumer Distribution

The first area of focus was in trying to determine where local shoppers are coming from. Whether they have to drive in to Campbellford, or if they have the option of walking to businesses within the downtown area. The breakdown of the distance local residents have to travel to do their shopping is as follows;

I live downtown	6.54%
Within walking distance (400 metres)	28.88%
Under 5 minutes driving time	28.07%
6 - 15 minutes driving time	32.43%
16 – 30 minutes driving time	3.27%
Over 30 minutes driving time	0.82%

Almost 65% of residents have to drive downtown to do their shopping. This information reinforces the knowledge that it is crucial to continuously ensure that as the community grows there is adequate parking for both local residents and out of area shoppers. When residents were asked whether or not parking was convenient and easy to use, less than 15% were disappointed with the current state of parking.

The second question asked where the respondent works. In many cases, one of the most significant reasons for leakage out of the downtown economy is from local residents who work outside the community. If they are already out of town to work, it may be easier to do some of their shopping in the community where they work. It is for this reason that we asked where the resident works to try and determine the potential for the downtown economy if there were more jobs locally and therefore less people doing their shopping and working elsewhere. The results can also be used when considering flexible business hours to attempt to accommodate those that work outside of the community.

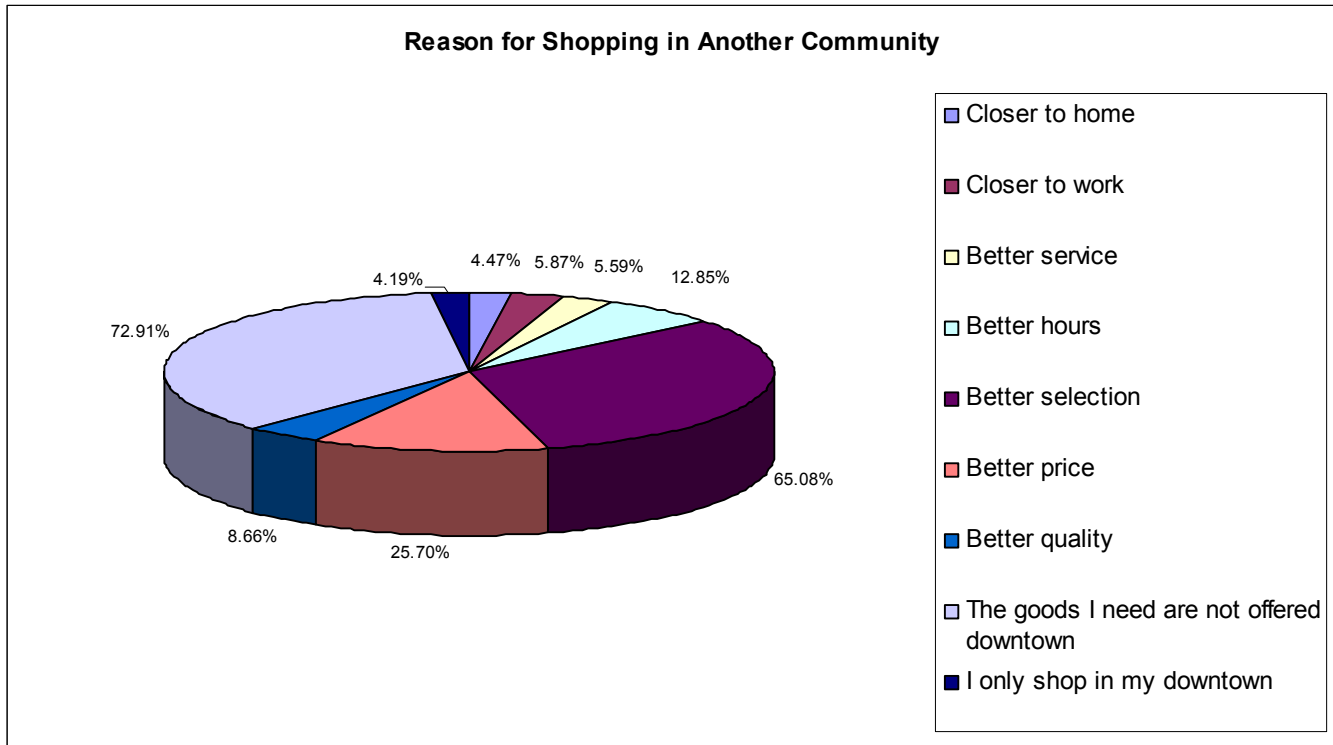
At home	11.30%
Retired	52.26%
Unemployed/Looking for work	1.13%
Campbellford	30.79%
Belleville	3.11%
Brighton	2.26%
Cobourg	2.54%
Peterborough	2.26%
Greater Toronto Area	4.52%

Almost 15% of the respondents work outside of the Campbellford area. It is beneficial to the community to have a small number of residents who work outside of the area. These people bring money from outside the community that is then injected into the downtown economy. Another question asked “When you shop in a location other than downtown Campbellford, what are the two main reasons why?” In this question only 5.87% of residents chose the option “Work”. With 15% of residents working outside of Campbellford and less than 6% shopping as a result of their place of employment, Campbellford is benefiting from those residents who work out of the area.

Consumer Preference

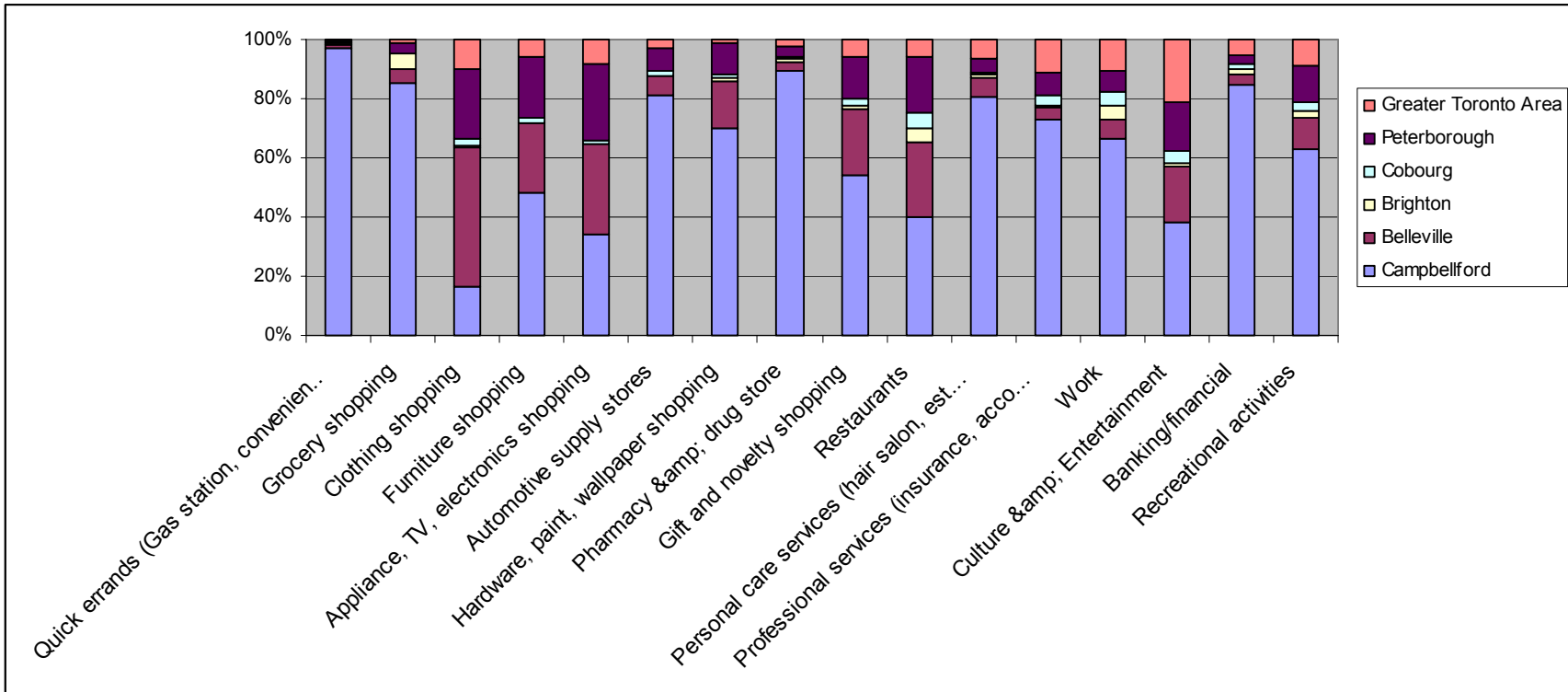
As was mentioned in the paragraph above, respondents were asked “When you shop in a location other than downtown Campbellford, what are the two main reasons why?” There are many reasons why someone might not choose to shop in downtown Campbellford but the survey tried to capture the main reasons why a majority would choose to shop elsewhere.

Closer to home	4.47%
Closer to work	5.87%
Better service	5.59%
Better hours	12.85%
Better selection	65.08%
Better price	25.70%
Better quality	8.66%
The goods I need are not offered downtown	72.91%
I only shop in my downtown	4.19%



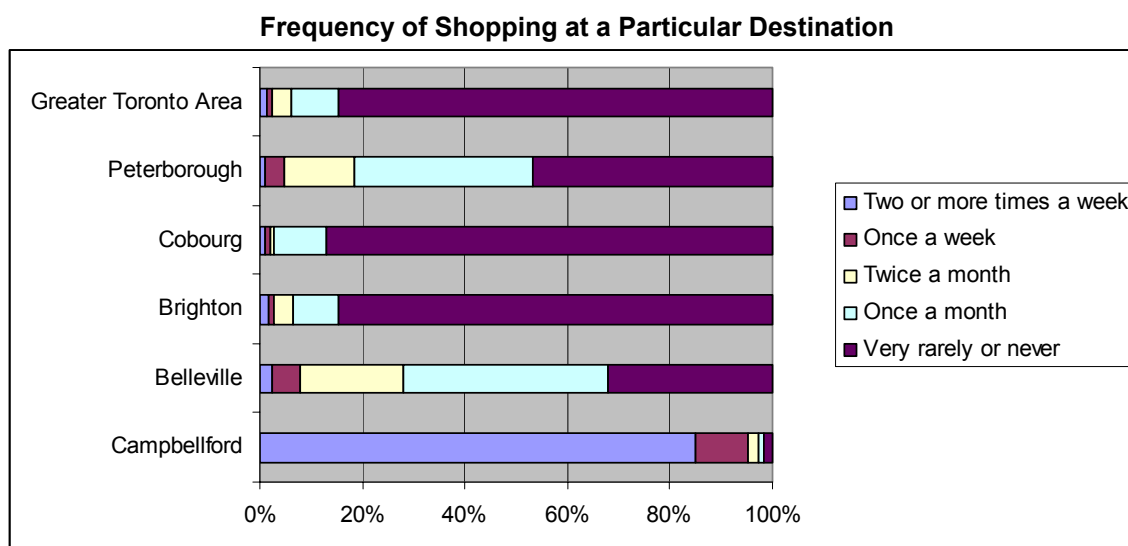
The clear majority chose as their reasons for not shopping downtown “Better Selection” and “The goods I need are not offered downtown”. These options though different are a result of the same problem. That as a business sector, downtown Campbellford is missing out on potential opportunities concerning local shoppers. Compared to all of the other options it is only those two mentioned that present a significant weakness in the downtown area. To pinpoint these weaknesses respondents were then asked where they do a majority of their shopping and for what goods and services. This form of analysis, much like the community to community comparison and the market threshold analysis, seeks to identify gaps in the mix of businesses in the downtown area. But unlike the other forms of comparison this graph outlines what local residents want and need. The results have been compiled into the following graph.

Where do residential survey respondents shop for particular products/services?



The blue area represents shopping done in Campbellford. For everything but clothing, Campbellford maintains a majority of the shopping done in each category. Both Belleville and Peterborough claim larger shares of the clothing market than downtown Campbellford does of Campbellford residents. The market threshold analysis also recognized clothing as one of the major gaps in the downtown business mix which could mean that this is a potential area of focus for future downtown business development. Other areas that should be considered are restaurants, furniture and appliances as well as culture and entertainment.

The above section identified which goods residents travel outside of Campbellford to purchase. The following section will highlight how often residents shop in those listed communities. Whenever there is a good or service that someone has to travel outside of Campbellford to buy, there is also a risk that while they are there they will also buy something else. In not providing a clothing store for example, the downtown business area also runs the risk of losing potential grocery or restaurant sales.



The first point of interest is that Campbellford maintains a strong demand for local shoppers. 85% of residents shop in Campbellford two or more times a week. The problem lies in how often Campbellford residents shop in both Peterborough and Belleville. As was identified earlier there are only a handful of goods and services that a large number of residents need to leave Campbellford for. Yet, Belleville and Peterborough attract regular shoppers from the Campbellford area. Some of this activity may be due to the fact that residents may have friends or family in those areas, or they wish to make a day trip for a chance to go somewhere different to do their shopping.

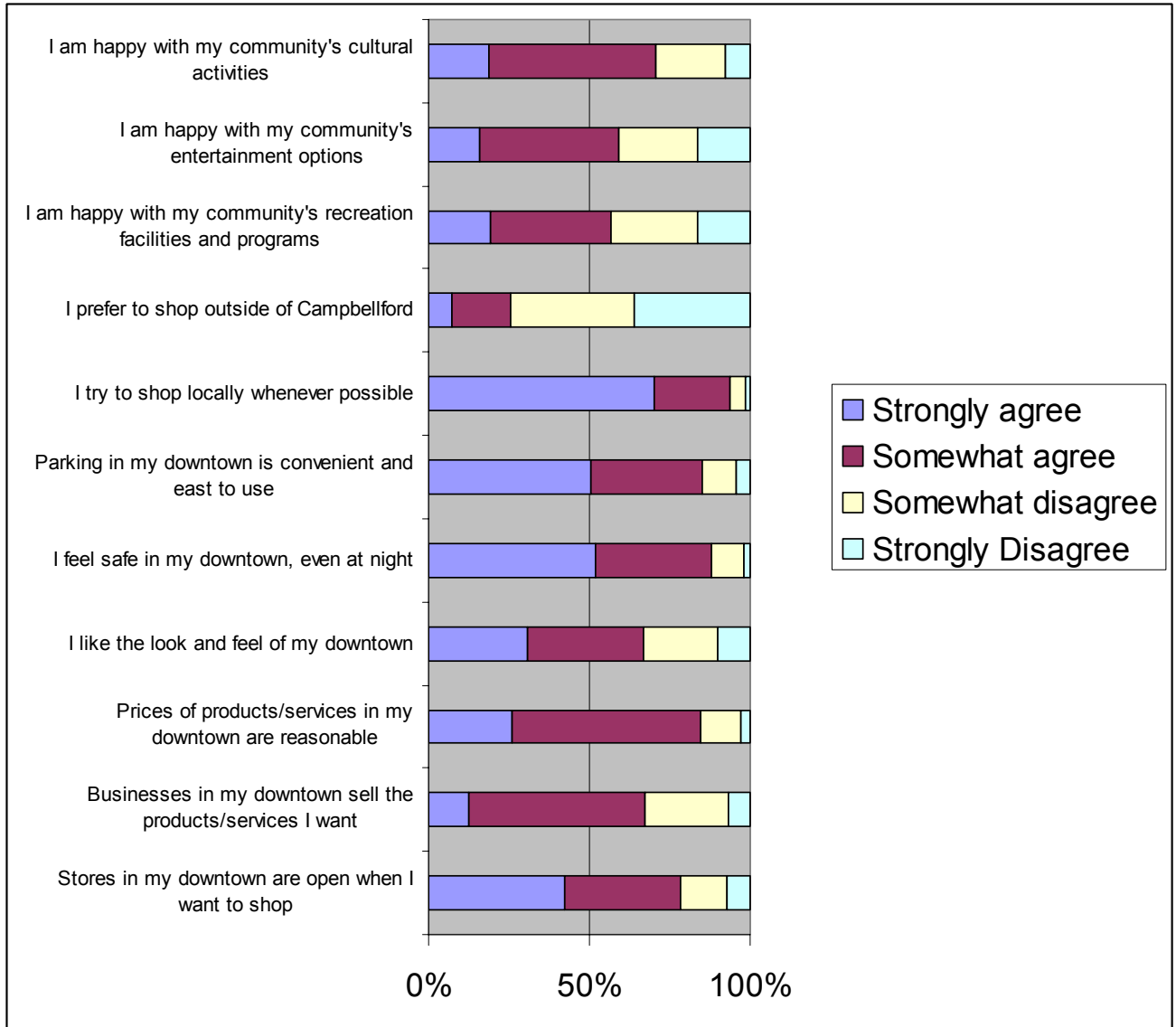
The following section identifies which characteristics of the goods they purchase are most important to them. This information much like the price point information provided in the business survey summary section, will assist in identifying if there are missed opportunities or unused potential within the downtown area. The following graph asked residents to rank the importance of each category on their decision to purchase the listed good where 1 is the highest and 5 is the lowest. The majority of each ranking is placed in their respective categories below.

Valued Characteristics of Products

	Name Brand	Customer Service	Quality	Price	Local Availability
Groceries	5	4	1	3	2
Clothing	5	4	1	2	3
Furniture	5	4	1	2	3
Appliance/Electronics	5	3	1	2	4
Hardware Goods	5	4	1	3	2
Gifts/Jewelery	5	4	1	2	3

The final area the resident survey focused on was a number of general questions concerning residents overall feelings about the structure and atmosphere of the downtown area. This information is useful by providing a broad perspective on many of the typical problems that small downtown business areas are faced with.

Impressions of Downtown Campbellford



Open Ended Comments

The final question of the resident survey asked respondents “If you have any other comments regarding the retail shopping and/or the services in Campbellford’s downtown, please add them below.” 48.5% of respondents chose to add their own comments, indicating issues they have with the downtown business area. Provided below is a chart outlining the 15 most common responses. The comments are arranged by order of the number of responses, starting with the highest.

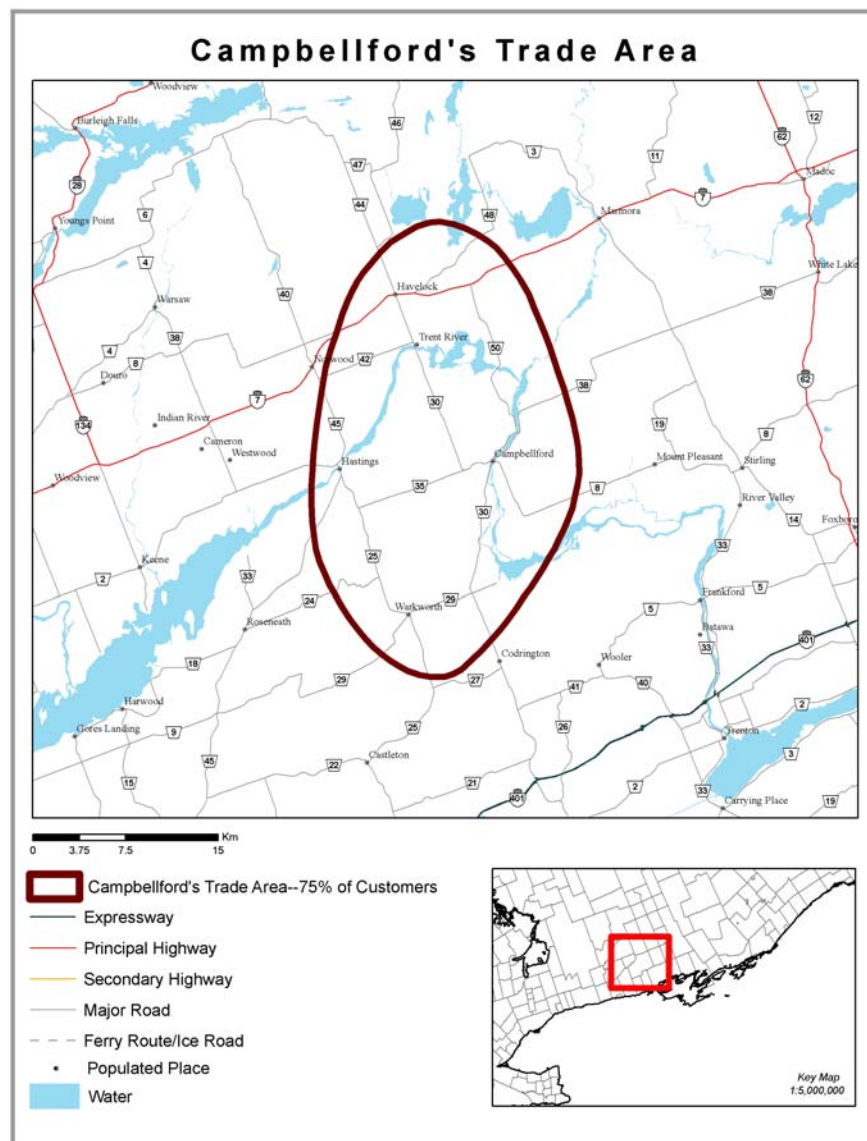
Downtown Façade
Culture and Entertainment
Clothing Store
Traffic over the Bridge
Quality Restaurant
Shoe Store
Price of goods is too high
Indoor pool
Café/Lounge/Pub – Many respondents specified waterfront
A better Variety of Small Business
Fast Food Outlet
Better Store Hours
Butcher Shop
Big Box Store
More accessible parking

Trade Area Analysis

A trade area analysis is the area that generates the majority of consumers (60-80%) for a community, business district or downtown area. Different businesses will have unique trade areas depending on their product or service. A trade area for the downtown area of Campbellford is used to generate information about the people within the area.

The trade area analysis was developed using a customer of origin survey. This is a short survey gathered at various locations and various times in downtown Campbellford about **where** the customer is from and **why** they are shopping in the community.

The downtown Campbellford customer origin survey collected data from **340** individuals at the following locations: Campbellford Farmer's Market, Giant Tiger, Royal Bank, Stedman's, LCBO, Ultramar, In Season, Mac's, Rexall Drug Store, and Sharpe's IGA



Executive Summary	Campbellford's Trade Area		Northumberland County		Rural Southern Ontario	
		%		%		%
Resident Population						
2001	15,125		74,877		4,081,524	
2006	15,058		79,778		4,434,684	
2005 to 2008 Estimated population change	-0.44%		6.14%		7.96%	
2005 Daytime Population	15,138		76,978		4,124,632	
Households						
2005 Household estimate	6,320		31,342		1,672,154	
Average number of persons in private households	2.4		2.5		2.7	
Age						
Average age	43.4		40.6		37.8	
Senior Citizens (65 and over)	3,251		13,305		558,073	
Income \$						
2005 estimated average household income	\$49,660		\$62,336		\$71,981	
Family Structure						
Married & Common-law couples	3,798	66%	19,376	68%	1,020,531	69%
Living alone	1,408	24%	6,292	22%	314,669	21%
Lone-parent families	552	10%	2,701	10%	146,810	10%
Number of children per family	1		1		1.2	
2001 Total Occupied private dwellings	5,765		28,715		1,496,610	
Owned	4,460	77%	22,411	78%	1,159,574	77%
Rented	1,287	22%	6,285	22%	334,577	22%
Housing Type						
Single-detached house	4,843	85%	22,970	81%	1,137,930	76%
Semi-detached house	83	1%	811	3%	60,077	4%
Row house	66	1%	907	3%	72,451	5%
Apartment	720	13%	3,775	13%	218,709	15%
Dominant period of construction	Before 1946		Before 1946		Before 1946	
Average value of dwellings	\$123,205		\$149,996		\$170,052	
Mobility (1996-2001)						
Non-movers (same address five years ago)	9,194	66%	43,103	62%	2,290,633	61%
Moved within the community	1,726	12%	9,860	14%	698,829	18%
Moved from another area of Ontario	2,768	20%	15,221	22%	665,320	18%
Moved from another Province	164	1%	906	1%	78,282	2%
Moved from another Country	10	0%	624	1%	50,227	1%
Employment						
In the labour force	6,646		36,739		2,163,530	
Not in the labour force	5,312		22,499		1,018,963	
Unemployment rate	8.30%		6.60%		5.30%	
Occupations	6,530		36,294		2,138,997	
White Collar	1,756	27%	10,687	29%	710,728	33%
Service Sector	2,221	34%	12,725	35%	769,037	36%
Blue Collar	2,480	38%	12,920	36%	658,043	31%
Top 5 Immigrant Places of Birth	United Kingdom Germany Netherlands United States Jamaica		United Kingdom Netherlands Germany United States Italy		United Kingdom Netherlands United States Italy Germany	
Generation (2001)						
1st generation	1,130		7,465		502,614	
2nd generation	1,973		11,124		605,430	
3rd generation and over	8,873		40,710		2,074,973	

