



TO  
**SHOP**

**LOCAL**

REASON NO.

1

LOCAL SHOPPING  
**STATS**

**52%**

**OF REVENUE IS  
RECIRCULATED  
LOCALLY BY  
INDEPENDENT  
BUSINESSES**

A 2012 study in Salt Lake City, Utah showed that more than half of local, independent retailers' revenue is recirculated in the local economy. In comparison, less than 14 percent of national chain stores' revenue was recirculated locally, the study showed. By keeping more money close to home, the smaller, locally based firms can play a big role in growing your local economy.

# Help Your Economy



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## Spending locally gives your neighbors a boost

**W**hen you shop at a local store and keep your money close to home, you're not only helping that one retailer. You're giving your entire local economy a shot in the arm.

### **MORE MONEY STAYS HERE**

It's obvious that spending money at a local store helps that business directly. You can see your money go into their cash register, after all.

But what really makes your local spending powerful is what you can't see: the multiplier effect.

Scientists who study how money moves through an economy have discovered that spending a dollar actually has more than a dollar's worth of impact on the local economy.

Your dollar is used to pay for

wages and to help the business purchase products and services from other local vendors.

Increasingly, studies are showing how locally owned businesses have a bigger multiplier effect than chain stores on the local economy. They're more likely to keep their profits in town and spend them on local wages and with local suppliers.

### **RECYCLING CASH**

Shopping with a local business also typically means your dollars are going into local banks. Those banks are, in turn, turning those dollars into

a variety of things to help other members of your community. Loans are paid out and allow individuals the ability to pursue their dream of being a homeowner, purchase a new car, or even pursuing higher education.

Though it may be difficult to see the impact this economic circle has on your local community at the moment, one's children may be able to see it clearly a decade down the road.

### **KEEP PROFITS IN TOWN**

Also, if a company is head-

quartered out of town, that's where the profit is sent. You want to keep that profit in town.

If that profit leaves town — goes to shareholders or out-of-town executives, for example — then that money won't likely find its way back into your own neighborhood. Instead, it is reinvested into the large conglomerates to build more stores in other communities across the nation or world.

Patronizing small mom-and-pop shops is a great way to keep the money that is spent by customers and made by business owners in a community.

REASON NO.

2

LOCAL SHOPPING  
**STATS**

**70%**

**GREATER LOCAL  
ECONOMIC  
IMPACT**

A 2004 study in Andersonville, Ind. showed that, per square foot of space, local firms had 70 percent greater local economic impact than chain firms. By sourcing more of their supplies and products from local vendors, employing local people and keeping their profit close to home, these businesses contribute more to the local economy.

# Better Customer Service

Tired of being herded like cattle through chain stores? Look local

**B**ig chain stores may offer slightly lower prices on some items —if you're lucky — but one thing they're almost universally criticized for is customer service.

If you want to be served by businesses that truly care about you, it's best to find local stores that know their products and, more importantly, know how to treat people.

## CLOSER RELATIONSHIPS

The individuals that run and own local businesses could be your friends, neighbors, or even a relative. This relationship allows the consumer to forge an actual friendship and respect with the proprietor of the business. Small business owners generally go the extra mile to ensure you find what you need and that your needs are taken care of while you shop with them.

That professional relationship can open other doors to you that you will not get at other retailers. Many small business owners take great pride in serving their neighbors which lends them to being far more flexible than a corporate entity.

## PEOPLE YOU KNOW

The greatest treasures of the small businesses who bring all of these things to a community are the owners. Unlike the rushed and harried seasonal workers at big chain stores, owners and employees of local shops are people you recognize from within the community.

This makes visiting their businesses more personal than a standard shopping trip. Staying local gives you an opportunity to establish relationships with shop owners who can come to know your preferences and will be able to help you more easily, leading to a relaxed, personal shopping experience.

## MORE INVOLVED

Many local business owners are also

active in the town and nearby areas. The man who helped you pick out the perfect present for your niece may be the same person who puts out a fire at a neighbor's house. The hairdresser could be the one overseeing the next big seasonal festival. By supporting the livelihoods of these people, you in turn support their ability to give back to the community.

## GOOD VALUE

We all want to get a good value on the products we buy. But if the money you spend isn't going to help your friends and neighbors locally, how much of a value is it really?

Before you buy that television, MP3 player, bookcase — or any other product of the sort — call up your local small business. Ask them if they have any price matching programs. Many businesses do, but the information is often posted on signs in the store that are overlooked by shoppers. That means there is a good chance you can get your product at a competitive price and still support your local business community.

Resisting the pull of out-of-town stores can be difficult, but the benefits of local shopping are worth staying close to home. Keeping money and consumer loyalty within the local economy helps create a community atmosphere, and that's great for customer service.



REASON NO.

3

LOCAL SHOPPING  
STATS

\$326

PER 1,000  
SQUARE FEET  
IN TAX IMPACT

According to a 2002 study in Barnstable, Mass., big-box retailers can cost cities more in services than they generate in revenue. But specialty retail shops — the kind that make up the Main Street-type business district in many communities — generate significantly more tax revenue than they cost to service. They produce a net return of \$326 per year for every 1,000 square feet, the study showed. The difference comes from how much more road wear and public safety services large businesses require.

# Big Public Benefits

## Keep your tax dollars in your town

**W**hen you pick where to shop, you're also picking the city that will get the benefit of your tax dollars.

Money that is spent locally is going to support not only the local stores, but it is also going to result in more sales taxes becoming available to the town.

Communities are struggling in many areas, and paying for the roads, schools, hospitals and other services has become difficult. Too many consumers fail to understand that if insufficient revenue is generated through retail sales tax, the only other alternative is a combination of raising property or income taxes and making budget cuts to already lacking programs.

### INVEST IN YOUR CITY

Whether you shop in your own city or choose to drive out of town, you're going to pay some sales taxes.

Any time you see a city growing — building roads and bridges, parks and public works projects — a big part of that growth is being financed because of sales taxes. The more often people shop there, the more the city can afford to expand and offer more amenities to people who live there. Spending money in your own city is really an investment in where you live.

### LOCAL CONTROL

Every individual would love to have a say in how their tax dollars are spent, and the simple fact of the matter is that this is impossible if your money is being sent to other cities or towns.

The taxes that are generated will be spent by the government where the store is located. That means if you spend money out of town, not only are your taxes going to support a totally different area, but you don't have any voice in how those tax dollars will be spent.

Neighbors should be able to share their ideas with each other, and watching them become incorporated into a plan can be incredibly rewarding. An increase in tax revenue could make it possible to decrease property taxes or even use the excess funds to create ways to build the local economy.

Sending the funds elsewhere is simply providing support to other individuals that are going to enjoy the benefits, but shopping locally is an excellent way to keep the tax dollars in town.



REASON NO.

4

LOCAL SHOPPING  
**STATS**

**65%**

**OF NEW JOBS  
CREATED  
BY SMALL  
BUSINESSES**

The vast majority of new jobs are created by small businesses, meaning those with fewer than 500 employees. According to the United States Small Business Administration, 65 percent of America's new jobs in the past 17 years have been created by small businesses. In fact, small businesses make up 99.7 percent of all employer firms in the United States, the SBA says.

# New Jobs in Town

Most employment growth comes from small business

**Y**ou might think that most people are employed by big, multinational corporations. But you'd be wrong.

According to the United States Small Business Administration, small businesses represent 99.7 percent of all employer firms and employ half of all private-sector employees. Small businesses also generated 65 percent of the net new jobs over the past 17 years.

In fact, if you look around your community, you're sure to see lots of small operations that help families put food on the table — from simple, one-person, work-at-home operations, to mom-and-pop retailers, to service companies with dozens of employees.

The truth is, while most cities would love to attract a new, giant corporation to help their economy, most new jobs are created by supporting the firms that are already in place.

## ENRICHING YOUR CITY

By doing your shopping locally, you bring both financial support and consumer faith to area businesses. The money that you spend in your own backyard stays there rather than being funneled to a large, out-of-town company. Simply put, when people support the businesses in a town, it benefits the local region as a whole.

More revenue means that stores stay in business, which in turn preserves the vitality of a community. A bustling downtown shopping district will draw visitors as well as locals to experience the town's unique nature.

With continued support, local businesses can survive long enough to become legends in their own right. This enriches the history of the town and can aid in its growth by showing that there is a strong home town customer base.

## GROWTH STARTS AT HOME

In the past few years, there's been a lot of talk about how the economy needs to recover faster and stronger. When people mention "the economy," you're probably imagining it on a national, macro level — something almost too big to comprehend.

In reality, the economy is created fundamentally at the local level, with person-to-person transactions happening right in your community. That's how every economic growth spurt begins.

If you want to make your community stronger, a place where more jobs are available for people with the right education, skills and work ethic, a great way to do that is by supporting the local businesses that are already in place.



REASON NO.

5

## LOCAL SHOPPING STATS

1,838

**MILES A CARROT  
WILL TRAVEL  
BEFORE GETTING  
TO YOUR TABLE**

According to a 2003 study conducted in Iowa, a carrot from conventional sources will travel 1,838 miles before reaching the dinner table. The same carrot grown locally would travel just 27 miles. While this is an extreme example, it shows how small businesses that source more of their inventory from local suppliers can have a big, positive impact on the environment because of less fuel use and lower emissions from transportation.

# Helping the Planet

## Save gas money and 'go green'

If someone you know is concerned about living “green,” wouldn't it be a great present to show them that you cared about the planet enough to shop locally?

One of many reasons that the shop-local movement is gaining popularity across America is that it's good for the environment.

Think about it. Instead of driving all the way to an out-of-town chain store, you can save fuel and reduce your carbon footprint if you can do your shopping closer to home.

It's easy on the planet — and your wallet.

### LOCAL SOURCING

Another reason small, locally based businesses are better for the Earth is that they often source their products from places closer to your home.

The country's biggest retailers have set up huge distribution networks to ship products from all over the globe. Products will arrive on ships or planes from overseas, then be hauled to distribution centers, and then hauled again to reach the store shelves. All this transit uses lots of energy resources and emits greenhouse gases.

If you compare that, for example, to the produce you're likely to find at your local fruit and vegetable market, chances are the local store will have foods that didn't travel nearly as far before reaching your table.

### SAVING MONEY

Even if you ignore all the benefits to the planet, shopping at local stores makes sense for a simple reason: it helps you save money.

Gas prices these days are expensive and volatile. If you think you're saving money by driving out of town to do your shopping, you're probably not calculating the cost of all the gasoline it took to get you to the out-of-town store.



REASON NO.

6

LOCAL SHOPPING  
**STATS**

**Twice  
as much**

**CHARITABLE  
GIVING FROM  
SMALL FIRMS**

A 1991 study examined charitable donations from businesses and found something surprising: Companies with fewer than 100 employees gave an average of \$789 per employee. That's compared with just \$334 per employee at firms with more than 500 employees. It's another reason why shopping at small, locally owned firms can help your community.

# Supporting Non-Profits

## Local stores invest in your community

**A**sk anyone who works at a local non-profit agency in your city where they get the most support from. Chances are they'll name a local business or two that donate time and money in a big way.

For many businesspeople, making a profit is about more than just collecting a paycheck. It's also about having the ability to give back to the community by supporting the agencies and activities that help people who live around them.

In fact, some of the most generous people in your city may be the ones who are operating successful businesses. Success in business and success in life often go hand-in-hand.

### **UNMATCHED GENEROSITY**

There have been a number of studies that compare corporate giving in various communities, and they show that locally based businesses often give more of their income in donations than the out-of-town companies do.

And that makes perfect sense.

Local business owners have more invested in their community than other people. The very success of their business depends on the community being prosperous, so they're willing to write bigger checks to help support the agencies that are making a difference for people in need.

And, since the business owners are living and working right in your city, they're more likely to know which non-profit groups are having the biggest impact and which ones are best at solving the unique needs your local citizens face every day. They end up making better decisions.

### **MORE INVOLVEMENT**

In addition to their monetary donations, local business owners are also often the leaders in your community.

Their ability to "be their own boss" means they have the flexibility to volunteer for a wide range of positions. They might serve on the city council, the library board, participate in service clubs and simply donate their time to worthy causes.

When you shop at a local business, you're helping to support all the local causes that the store owner, managers and employees are supporting.

A great local business always cares deeply about its community, and you can show your support by choosing where to do your shopping.



REASON NO.

7

LOCAL SHOPPING  
**STATS**

**\$137**  
million

**IN ECONOMIC  
IMPACT CREATED  
BY MORE LOCAL  
SHOPPING**

A 2008 study in Grand Rapids, Mich., concluded that just a 10 percent shift in spending toward local businesses would add \$137 million and 1,600 jobs to the local economy. Spending more money at small, locally owned businesses is a great way to help grow your city's economy and help it thrive financially.

# You Matter More

## Shop where you're truly valued

**T**here's one final reason to spend your money locally: you matter more — a lot more — to local businesses than you do to those out-of-town stores.

When you do your shopping closer to home, you're not just buying stuff. You're interacting with your friends, your neighbors and your co-workers — the very people who make up the fabric of your community.

You're also something special.

By supporting local businesses, you're not just a tiny number on a profit-and-loss sheet, but someone who plays an integral role in the success of your city and your local economy. Whatever you purchase locally, no matter how small, can make a big difference to mom-and-pop merchants who are trying to succeed in business, pay their employees and improve their community.

### DEALING WITH 'THE BOSS'

Instead of being ambushed by a pushy salesperson, the shopper at a small, local store is instead greeted by the jovial owner and sometimes by their friendly dog or cat, as well.

The shopping experience itself can be a lot of fun. You get to interact more with the "boss" at small mom-and-pop shops, so you're treated like a real person, rather than cattle herded through a chute. They encourage the shopper to take their time and meander through the store. While they are in business to earn money, they generally will not pressure the shopper to buy a lot of extra stuff or try to force them to sign up for a store credit card.

Local shops also frequently go that extra mile for their customers by doing things like gift wrapping and providing coffee or donuts at no additional charge.

### HOMETOWN FEELING

Shopping in the local stores often provides an opportunity for people to run into old friends or neighbors that they have not seen in a while. They can mingle on the streets and catch up on the local gossip. The store owners get to know their customers, as well. It is a family atmosphere.

In other words, you're not just a nameless customer. You matter. You're someone from church, someone from the school PTA, or someone who works in the office down the street.

To encourage shoppers to patronize the local stores, many towns will make street parking free and put on events that are sure to draw a crowd. It's part of this unique feeling that makes shopping so enjoyable when you spend your time and money close to home.

