# SHOP LOCAL WHY IT'S A SMAR TO SPEND **IN YOUR HOMETOWN**

### Boost Your Economy

T's simple economics. As much as \$75 out of every \$100 that you spend at locally owned businesses remain in your area, according to recent studies.



Compare that to \$40 at non-locally owned establishments and zero dollars when you buy online, and your shopping priorities should be crystal clear.

#### LOCAL IMPACT

More money staying put in your area means more funding for your schools, roads and hospitals. Tax revenue created from local purchases goes back into community improvements and new development opportunities.

In short, your money plays a major role in enhancing your daily life and the lives of those around you – depending on where you spend it.

Additionally, small-business owners are more likely to make social investments in the community by volunteering at their child's school, donating to local charities and hosting fundraising events, according to The American Small Business Coalition. Doing so allows these entrepreneurs to ingrain themselves into their communities and make it known that they are sensitive to the needs of those around them.

From local music groups to youth sports teams, small-business owners are quick to offer their sponsorship and money to help support community groups. This helps create customer buy-in for business owners, as well as a reputation for genuinely caring about their communities.

#### **HIRING LOCAL**

And since local business owners hire local workers – about half of all private sector workers are employed in small businesses, according to the Bureau of Labor – money for taxes and wages stays in the community, too.

Unemployment statistics are linked very closely to the success or failure of small businesses, which means that your infusion of shopping money can also make a positive impact on a national level. This creates a strong connection between workers and customers alike.

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You're more than just another number in the customer count when you visit a local business. Without your business, your local small-business owner would not be able to hire or retain as many local workers. From the owner down to the seasonal part-timer, all employees of small businesses depend on your support.

## Local First Projects Working

ndependent businesses across the country have worked hard at getting their message to the masses. Message received.

Local First initiatives are boosting customer traffic on Main Street, according to a 2013 national survey of independent business owners conducted by the Institute for Local Self-Reliance in partnership with the Advocates for Independent Business.

With 550 member businesses, Local First is the largest organization supporting and advocating for locally owned companies in the Midwest.

The survey – gathered from 2,602 independent businesses – also found that small-business owners need policymakers to do more to create a level playing field. Write your local congressional leaders to make your voice heard on any of the following issues you feel need to be addressed.

Among the survey's key findings:

• Strong growth: Independent businesses reported revenue growth of 5.3 percent on average in 2013.

• Buy Local: More than 75 percent of businesses located in cities with active Local First campaigns reported increased customer traffic. They also reported sales growth

insurance are a few of the chief concerns identified by small-business owners, according to the survey.

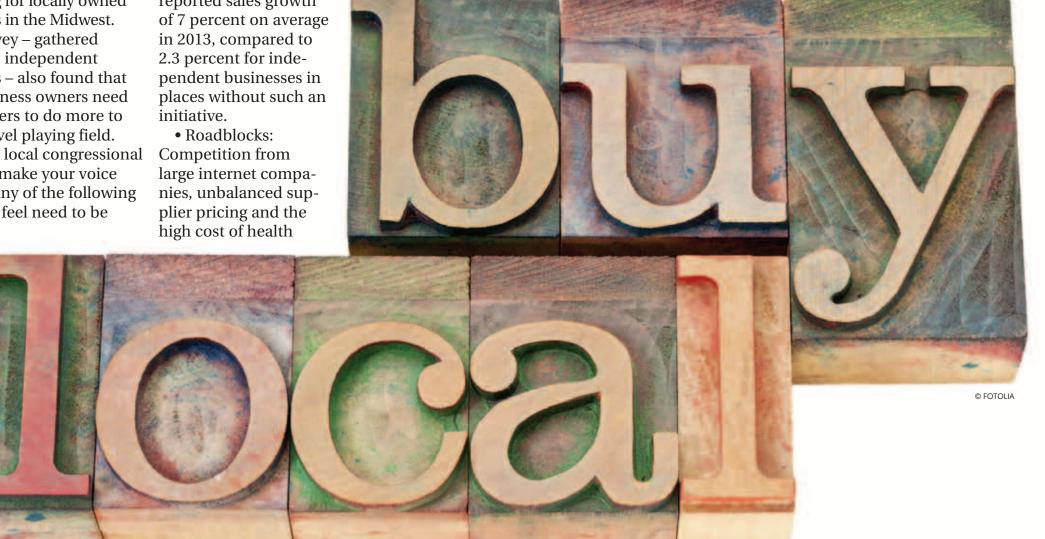
• Policy priorities: Many small-business owners are continually pushing the requirement to collect sales tax to large online retailers, as the survey confirmed. Eliminating public subsidies

and tax breaks for big companies would go a long way toward balancing the scales in the eyes of many independent retailers.

• Internet sales tax: More than three-quarters of independent retailers said in the survey that the fact that many online companies are not required to collect sales tax

had hurt their sales. More than 40 percent of these respondents described the level of impact to their sales as "significant."

Access to credit: In the past two years, 42 percent of small business loan applicants failed to obtain a loan or received one for less than the amount they needed.



### No Pressure on Customers

or local businesses, it's all about the customer experience. This means friendly attitudes and a focus on you, not your dollars. You aren't likely to find quota-driven salespeople around every corner at your local independent business.

That's because small-business owners depend on your repeat business. If they scare you off the first time you visit their store, they also scare off future revenue.

#### **POSITIVE EXPERIENCE**

Local business owners treat you with respect and kindness because they need your support. Your money keeps their dreams alive, their families fed and their lights on. It also helps fuel their creativity and passion. Without innovation and a love for their business, independent retailers don't have much of chance to succeed in the highly competitive fight for your dollar.

#### **CONVERSATION**

Local owners are quick to talk with you and ask about your life because they are genuinely interested in learning about their customers. Gaining a better understating of their target audience helps owners improve their services, which, in turn, boosts their bottom line.

Conversation can be extra helpful if you're trying to complete a home improvement project. One trip to your local hardware store can often be less time-consuming and more informative than one to a big box operation.

#### **REAL PEOPLE**

If you have a question for your local business owner, odds are you can track them down on the phone with one or two calls. And you can bet you'll actually hear a human voice when you make your call. Finding courteous assistance without having to punch through a hoard of automated "please holds?" What a novel concept.



Small-business owners understand that customer service means sustained business. They are willing to make themselves available to help you work

through any inquiries or product issues you are having. So pick up your phone and give them a call. They're waiting to assist you.

### Merchants Have Holiday Spirit

ake a look at the shelves of your local boutique business. See anything that would make a great gift? Odds are, ves. From localized in the shelpes to the sh jams and jellies to unique arts and crafts, local shops are brimming with creativity – and great presents.

#### **VALENTINE'S DAY**

Have a sweetheart who loves to garden? February is a great month to start laying the groundwork for this year's flowers, vegetables, fruits and trees. Take your love to your local gardening shop for handy tools and beautiful plants, as well as expert advice on planting seasons.

inviting the neighborhood children to come get their fill of candy in a safe, friendly environment. Parents can have the peace of mind of their children enjoying trick-or-treating, while they do a little window shopping for themselves or others.

#### CHRISTMAS

The biggest push to shop local comes around Christmas time every year – on the last Saturday of November to be exact. Spearheaded by American Express in 2010, Small Business Saturday has rapidly

entrenched itself into the holiday shopping tradition landscape.

The nationally recognized movement to celebrate and shop small businesses was created as a counterpart to Black Friday and Cyber Monday, and annually attracts 100 million local-focused shoppers.

#### **BIRTHDAYS**

If any of your friends' or family members' birthdays fall in April, Record Store Day may be right up their alley. The nationwide celebration of your local indie record store has become a popular annual event chock-full of great promotions and even greater camaraderie. And as any record fan knows, sometimes a band just sounds better on vinyl.

#### **FATHER'S AND MOTHER'S DAY**

Tourism opportunities most likely dot your local landscape in the form of cabins or bed and breakfasts. Why not treat mom or dad to a relaxing experience?

Staying local for short trips such as these takes away the long travel associated with many getaways, allowing more time for mom and dad to spend quality time together.

#### **HALLOWEEN**

Many downtown establishments open their doors for Halloween,



## Better Deals Found Locally

hopping for a great deal? Ditch the keyboard for your car and head on down to your favorite local business. Shopping locally, you tend to buy just what you need.

This helps cut down on the extra purchases and additional "stuff" you don't really have a use for. Keeping local owners in business also fosters a competitive entrepreneurial environment that will improve quality in the

long run, decrease costs and rejuvenate our precious downtowns.

#### **GROWTH FOR ALL**

As local businesses grow, so does their ability to create

more products and improve their service, all at less expense to the consumer. This can mean growth for the business, as well as for your wallet.

In many cases, you can find the same product at your

local store for the same price as the big box, saving you time and money.

#### RIPPLE EFFECT

Small-business owners have a tendency to buy

supplies locally and use local services for their business needs. When an independent business owner needs a vehicle maintained or a haircut, he or she is more likely to spend money on local services, according to The American Small Business Coalition.

This means your money actually touches many of the local businesses in your area one by one, helping enhance your economy for years to come.

### DEALS, DEALS, DEALS

Local shops are focused less on the mega deals that actually can cost you more in the long run. But this doesn't mean they aren't in the business of giving deals. Many independent retailers provide discounts to those who live nearby, helping you save money instead of paying more in tourist taxes that some out-of-town establishments may charge.

Some local businesses boast price-matching programs, as well. Ask your local owners if they are willing to match deals you find at other businesses. Their answer may surprise you – and help you save money.



### Get a Local Education

ocal business owners are often treasure troves of historical knowledge related to your area, so shopping locally can provide you with a full-blown education.

The next time you are perusing through a downtown business, ask yourself if you know the history of the building you are in. No? Odds are the owner does.

They can give you detailed information about their buildings or the services that used to be offered there because they are privy to past records and business documentation. They know who owned the building before them, probably dating back to its construction.

#### **BRING THE KIDS**

It's never too early to pass on the values that drive you to shop local and support your neighbors. Your sons, daughters, nieces and nephews will earn money and shop for themselves one day, and they may even be future small-business owners.

Bringing them along for the shopping trip to your favorite downtown store will give them a great understanding of the benefits of spending money locally and may spark an entrepreneurial spirit within them.

### SCHOOL PARTNERSHIPS

Many local businesses have formed partnerships

with schools to promote the importance of shopping locally. Strategically placed around annual spendhappy periods such as backto-school shopping, these links attract more parents and children into local shops for items such as school supplies, backpacks and clothes.

In addition to bringing in more business, local owners use these partnerships to educate young people about entrepreneurship, economics and finances. Teachers are use the promotions to focus on these topics, many times through week-long lesson plans. If your local school doesn't participate in such a program, consider pitching the idea to your local PTA members or administrators. It's never too early to plant the seed of business in the minds of our youth.



## Retail Therapy

Tes, it is a real thing. Well, maybe not as defined by the American Psychiatric Association, but "retail therapy" has been shown to impact people in large-scale studies.



Most recently researched by the University of Michigan, people tend to spend more on themselves when they're feeling sad about something.

Another recent study published by Psychological Science polled dozens of volunteers in a unique way. A team of researchers from Carnegie Mellon, Harvard, Stanford and the University of Pittsburgh showed volunteers either a video clip that showed grief following a tragic death or a neutral clip from a nature show. They found that people who watched the sad video clip offered an average of 300 percent more money for the item than those who had viewed the neutral clip.

#### **FEEL GOOD BY GOING GREEN**

"Retail Therapy" isn't the only way that shopping locally can make you feel good. The impact you make on the environment can go a long way, too. Every dollar you spend locally decreases your carbon footprint by reducing the amount of gas and packaging required to complete the supply chain process.

The connection between smart shopping and sustainability is strong, especially when spending is at its peak. So whether you're shelling out your hard-earned tax refund or Christmas shopping stockpile, don't forget the health of the environment and the shape you want to leave it for future generations.

#### **LESS TRAVEL = QUALITY TIME**

Buying more locally produced products can help us refine our air because it cuts down on travel for both you and delivery drivers. According to the Environmental Protection Agency, trucks and locomotives are responsible for 25 percent of smog-causing pollution and the majority of the cancer threat posed by air pollution in some areas.

Staying local can lead to more quality time spent with family, too, instead of being confined inside of your car. Cleaner air AND more time with your favorite people? By now you should be feeling all fuzzy inside about shopping locally. Now go share your positive feelings – and money – with your local business owners.