

# Holiday Sales Increase at Independent Businesses, National Survey Finds

*"Buy Local" is on the minds of more shoppers.*

## FOR IMMEDIATE RELEASE

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**MINNEAPOLIS, MN (Jan. 14, 2010)** — More holiday shoppers deliberately sought out locally owned businesses this year, according to a national survey of more than 1,800 independent businesses.

The survey found that holiday sales for independent retailers were up an average of 2.2%. That contrasts with the Commerce Department figures released today, which show that overall retail sales were down 0.3% in December and up 1.8% in November.

The survey also found that independent retailers in cities with active "Buy Local" or "Think Local First" campaigns reported stronger holiday sales than those in cities without such campaigns. These campaigns have been launched by local business alliances in more than 100 cities and towns. Independent retailers in these cities reported an average increase in holiday sales of 3.0%, compared to 1.0% for those in cities without an active Buy Local initiative.

Nearly 80% of those surveyed said public awareness of the value of choosing locally owned businesses had increased in the last year (16% said it had stayed the same).

"The buzz about buying local was louder among my customers this year than any other year," said a shoe store owner in Michigan.

"We've had many customers say they are making a real effort to 'Buy Local' this year. A number of customers said they saw an item at a chain store or online, and came back to us to purchase it," said a retailer in Maine.

A bookstore owner in Oregon added that the growing public awareness and support for independent businesses "has been critical to our ability to stay in business during down economic times."

The survey was conducted by the Institute for Local Self-Reliance, a nonprofit research organization, in partnership with several business organizations, including the American Booksellers Association, American Independent Business Alliance, American Specialty Toy Retailers Association, Business Alliance for Local Living Economies, and National Bicycle Dealers Association.

Similar surveys in 2009 and 2008 likewise found that independent businesses in cities with Buy Local campaigns reported stronger sales than those in communities without such an initiative.

"This survey adds to the growing body of evidence that people are increasingly bypassing big business in favor of local entrepreneurs," said Stacy Mitchell, senior researcher with the Institute for Local Self-Reliance. "Amid the worst downturn in more than 60 years, independent businesses are managing to succeed by emphasizing their community roots and local ownership."

"These results reinforce what we've heard from our local affiliates -- that their campaigns are yielding real dividends and shifting local spending," said Jennifer Rockne, director of the American Independent Business Alliance. "That's good news for their local economies. Studies show that small businesses keep more dollars circulating locally and generate the majority of new jobs."

"For the third year in a row, this study demonstrates the bottom-line impact of local business alliances running Think Local First campaigns," said Michelle Long, executive director of the Business Alliance for Local Living Economies. "Local entrepreneurs are the bedrock of the U.S. economy and, when they work together, they make our communities more resilient, unique, and rewarding places to live."

"This survey demonstrates how important a Buy Local/Local First campaign is in helping independent businesses achieve greater sales," said American Booksellers Association CEO Oren Teicher. "This insight about consumers' preferences is consistent with what we have seen since the launch of IndieBound in 2008. Shoppers value authenticity, they want to connect with and to strengthen their communities, and they recognize that bigger is not always better. Because of that, we believe that this is a time of great potential for locally owned businesses that are committed to working together."

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<b>Independent Business Survey - January 2010</b>		
Between Jan. 5 and Jan. 12, 2010, the Institute for Local Self-Reliance surveyed 1,810 independent businesses across all 50 states. The survey was conducted in partnership with several business organizations, which asked their members to complete the survey. These groups included the American Booksellers Association, American Independent Business Alliance, American Specialty Toy Retailers Association, Business Alliance for Local Living Economies, and National Bicycle Dealers Association.		
<b>By how much were your sales up or down this holiday season (defined as the months of November and December) compared with last year?</b> (Note: Businesses that reported a major change in their operations in the previous year that rendered year-to-year sales not comparable were excluded from these results.)		
All business categories	2.0%	
Retailers	2.2%	
Non-retailers (services, restaurant, manufacturing, etc.)	1.7%	
Businesses located in communities with an active “buy local” or “local first” campaign:		
All business categories	2.5%	
Retailers	3.0%	
Non-retailers (services, restaurant, manufacturing, etc.)	2.1%	
Businesses located in communities without an active “buy local” or “local first” campaign:		
All business categories	0.4%	
Retailers	1.0%	
Non-retailers (services, restaurant, manufacturing, etc.)	-0.4%	
<b>Percentage of respondents located in:</b>		
	Response Percent	Response Count
Communities with an active “buy local” or “local first” campaign	67.8%	1227
Communities without an active “buy local” or “local first” campaign	32.2%	583
<b>For businesses in cities with an active “buy local” or “local first” campaign, has this campaign had an impact on your business?</b>		
<b>Answer Options</b>		
	Response Percent	Response Count
Significant positive impact.	14.0%	171
Moderate positive impact.	25.5%	311
A little positive impact.	34.9%	426
No impact.	18.8%	230
Negative impact.	0.2%	3
Don't know/Not sure.	6.6%	80
	answered question	1221

<b>Do you think the fact that your business is locally owned and independent matters to your customers?</b>		
Answer Options	Response Percent	Response Count
It matters to most of my customers.	35.4%	618
It matters to some of my customers.	52.5%	918
It matters to only a few of my customers.	9.0%	157
It matters to none of my customers.	1.4%	24
I'm not sure.	1.8%	31
	answered question	1748
<b>Would you say that public awareness of the benefits of supporting locally owned businesses has increased or decreased in the last year?</b>		
Answer Options	Response Percent	Response Count
Increased	79.9%	1300
Decreased	3.7%	60
Stayed the same	16.4%	267
	answered question	1627
<b>Businesses located in communities with an active "buy local" or "local first" campaign:</b>		
Answer Options	Response Percent	Response Count
Increased	84.5%	935
Decreased	2.1%	23
Stayed the same	13.4%	148
	answered question	1106
<b>Businesses located in communities without an active "buy local" or "local first" campaign:</b>		
Answer Options	Response Percent	Response Count
Increased	70.1%	365
Decreased	7.1%	37
Stayed the same	22.8%	119
	answered question	521
<b>What category best describes your business?</b>		
Answer Options	Response Percent	Response Count
Retail	57.2%	1022
Restaurant or Café	6.0%	108

Construction	2.0%	35
Manufacturing	2.9%	52
Wholesale Trade	1.6%	29
Real Estate Sales and Management	1.4%	25
Professional Services	13.8%	246
Banking, Finance or Insurance	1.6%	28
Health Care	2.5%	44
Accommodation	0.7%	13
Transportation	0.7%	12
Other	9.7%	174
	answered question	1788