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A LOOK AT CONSUMPTION PATTERNS IN BLACKSBURG, VIRGINIA

1976-1977

A STUDY OF CONSUMPTION PATTERNS AND CONSUMER PROBLEMS

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PREFACE

This second study of consumption patterns and consumer problems in Blacksburg is a sequel to the first one published in February 1971. Those who are interested will be pleased to know that since the first report there have been numerous changes in Blacksburg and what it offers to consumers. As one can see from this report most of the changes are in the positive direction. In the previous report it was stated that "The strength of small communities lies in the possibility of establishing a two-way communication between the supply and demand sectors of the local economy. Such a communication is likely to lead to a greater satisfaction of consumer needs with higher profits for merchants." The developments that took place since then are a testimonial to this statement. We feel that the previous report played a very important role in the improving retailing scene of Blacksburg.

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On the basis of the data gathered through the previous study, I personally have helped out numerous merchants and prospective entrepreneurs with their problems. A number of these prospective businesses did materialize.

Since Blacksburg is a particularly dynamic community, this study cannot provide permanent guidelines to help cure the problems that may exist. It is hoped that similar efforts will be made periodically to update this report and hence to take advantage of the two-way communication which was mentioned earlier.

Many people were responsible in the preparation of this study. First, all of my students in marketing research classes worked very hard in the field. The Computer Center at Virginia Tech worked very closely with the author and provided all the help that was needed. My graduate research assistant, Mr. Robert Penn, was available for many difficult and last minute assignments. Dr. L. Moore, Acting Head of the Department of Business Administration and Dr. H. H. Mitchell, Dean of the College of Business were very helpful in the preparation of the project. Dr. William Giegold has encouraged the author to complete the study. Many local businessmen either by mail or by telephone also urged the author to finish this report. Ms. Jill Smith typed the manuscript very ably and painstakingly. Finally, my sincere thanks go to those who took time from their busy schedules to participate in our interviews. Without these people this report could not have been possible. Needless to say, all the errors and omission rest solely with the author.

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CHAPTER I

INTRODUCTION

The dynamic nature of the retailing sector has not changed during the past decade; if anything it has become even more dynamic because of the adverse effects of recent recessions. The life span of average retail establishment, thus, is quite short; constantly, new retail establishments have been emerging and new retailing techniques are being introduced. Shifting patterns of retailing throughout the nation have been encouraging research studies so that merchants may adjust their activities to market needs and to consumer problems. "As the merchants' behavior patterns coincide with consumer needs, both parties and, of course, the society benefits."[1]

Recent changes in consumer needs and behavior patterns have resulted in many problems for merchants. Central Business Districts or downtown retailers of large cities, as well as merchants of smaller communities which border on large metropolitan areas have felt economic and competitive pressures and have experienced disappearance of their traditional markets. Hence, "in an effort to improve their viability, businesses in Central Business Districts have often united and searched for avenues of further development."[2] These efforts often led to jointly sponsored research activity which in turn provided direction to merchants to perhaps collaborate even more but most of all to adjust their practices to market needs.

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[1]A. Coskun Samli, A Look at Consumption Patterns in Blacksburg, Virginia, VPI&SU Extension Division, 1971.

[2]Op.Cit.

"Carefully conducted research has led to the development of downtown malls, different merchandising policies, and the offering of new and varied goods and services." Thus at the retail level, attempts are made to adjust supply to ever-changing demand, and on occasion to try to influence it.

Blacksburg Studies, 1970 and 1976

In 1970 study it was stated that primarily because of the unique role played by Virginia Tech, Blacksburg's economy has been booming. This statement is even more prevalent. Along with expanding demand its changing nature reflected by changing consumer likes and dislikes are forcing Blacksburg's retailing profile also to change. Whether this change is satisfactory or not from the consumers' point of view can be, at least, partially detected through obtaining consumers' evaluation of the prevailing conditions; it is also partially detected through the leakage of consumer dollars to areas outside of Blacksburg.

Since on expanding economic base combined with changing tastes and buying habits are the key factors which commonly underlie local retail evolutions, it is quite likely that Blacksburg's retailing sector will undergo some more changes. This study was undertaken to evaluate the changes which took place between 1969 and 1976 and to determine the possible directions that the area's retailing might take.

Study Objectives

The main objective of the present study was to determine the retailing climate which prevails in Blacksburg and to compare it with that of the 1969. In specific terms it meant to explore primarily the following:

1. What are the specific weaknesses and strengths of Blacksburg retailing and how do they differ from those of 1969.

2. To what extent are consumer dollars leaving the area? Where are these dollars going? For what types of goods and services? Andy by whom? Have these patterns changed during the past seven year period?

3. What kind of mass media exposure exists in Blacksburg? Has it changed during the time lapsed between two studies?

4. What can be done to improve the retail families of the town so that both merchants and consumers can benefit?

As the previous one, the present study was designed in such a way that the outcome would provide specific guidelines for a number of businesses individually as well as the total business community. Many changes have taken place in Blacksburg retailing since the previous study was completed. Numerous new stores entered the picture and an elaborate shopping complex, i.e., University Mall, has emerged. The present study findings are particularly valuable since there has been no attempt made to determine the effectiveness of these changes.

The present report is composed of six short chapters. Following an introduction in the first chapter, the second chapter discusses the sampling procedure and the specific characteristics of the sample. Chapter III examines the shopping patterns of Blacksburg consumers. An analysis of consumer attitudes towards Blacksburg shopping families is presented in Chapter IV. The mass media exposure has been explored in Chapter V. Finally, Chapter VI presents some estimates of the amount of money leaving the area and puts forth a series of recommendations for preventing such leakage in consumer dollars.

CHAPTER II

THE STUDY DESIGN AND THE SAMPLE CHARACTERISTICS

A sample of 243 families and households[1] was used in this study. The sample was drawn from town blocks randomly. After each block had been given a number, a table of random numbers was used to determine the blocks that were to be included in the sample. In small blocks every third household and in large blocks every fourth household was contacted until five interviews from that block were completed.[2] Refusals and prospective respondents' not being home were not serious problems since there were very few of these incidents.[3] Since the sample was random and of adequate size, the survey findings, just as the previous study, are likely to present a reasonably comprehensive profile of the Blacksburg population and its attitude towards Blacksburg shopping families.

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[1]Dwelling units where single people live either by themselves or with others sharing the facilities.

[2]The students who live on the Virginia Tech campus in dormitories were not included in the sample since the life styles, needs and wants of these young people are quite different from those of other Blacksburg residents. A few single students and many married students who live in town were included in the sample since their life styles are closer to those who are average townspeople. A special study is needed to determine the life styles, spending habits, needs and wants of the students who live in dormitories and spend only a small part of their money in town specifically on certain items.

[3]In determining the sample size, the key parameter was assumed to be the proportion of total income which leaks out of Blacksburg. It was agreed that 95 percent confidence is desirable and the sample will be within 10 percent of the universe percentage. It was estimated that about 30 percent of total disposable income leaks out. On the basis of these conditions, the sample size was determined as follows:

$$2\sigma = 6\%$$
$$\sigma = 3\% = .03$$
$$\sigma = \sqrt{\frac{.30 \times .70}{n}}$$

$$.03 = \sqrt{\frac{.30 \times .70}{n}}$$
$$n = \frac{.21}{.0009} = 233 \text{ sample size}$$

The socio-economic data relating to the responding households concentrated on three key areas: First, the geographic origins of the respondents and the length of their stay in Blacksburg; Second, family size and age distribution; and Third, income, education and occupation of the respondents. Of the 243 respondents 41 percent were males and 59 percent were females.

Population in this study appeared to have similar characteristics as the previous one. It was however less transient than the population in the previous study in that while over 60 percent of the respondents had lived in Blacksburg five years or less only 47 percent in the second study had lived in Blacksburg that long. Similarly, while 26 percent of the respondents in the 1970 study had lived in Blacksburg over 16 years, this figure was 31.0 percent for the new group. The present study, however, still implies a large proportion of newcomers to the community. This, in turn indicates further expected changes in shopping habits, demand and needs. It further indicates that Blacksburg, as a new and emerging community, has not stopped changing and that before it matures and becomes stable there will be other changes.

Looking at where people come from and especially the size of the towns in which they lived partially indicates the types of changes which may take place in Blacksburg retailing. These also would indicate the type of consumer problems which may prevail. A large majority (60 percent) of the respondents have come from somewhere on the South of U. S. including a large group of Virginians (Table 1). Only unique feature of the present sample is that some 7.0 percent of the respondents came from the West as opposed to 4.0 percent in the previous sample.

Just as Table 1, Table 2 also illustrates substantial degree of similarity between the previous and present samples. As was in the previous

TABLE I

WHERE THE RESPONDENTS CAME FROM

	Number	Percent
Southwest Virginia	59	24.28
South Virginia	28	11.52
Tidewater Virginia	24	9.88
D.C. and Northern Virginia	27	11.11
Remainder of South	41	16.87
East	21	8.64
Midwest	21	8.64
West	17	7.00
Outside of U. S.	5	2.06
Total	243	100.00

TABLE 2

SIZE OF TOWN WHERE RESPONDENTS CAME FROM

	Number	Percent
Under 5,000 Population	40	16.46
5,000 - 9,999	30	12.35
10,000 - 24,999	59	24.28
25,000 - 49,999	29	11.93
50,000 - 99,999	11	4.53
100,000 - 249,999	35	14.40
250,000 - 499,999	17	7.00
500,000 - 999,999	12	4.94
1,000,000 or more	10	4.12
Total	243	100.11

sample, in the present sample also a large majority of the respondents have come from towns of 100,000 or less with a significant minority coming from towns with populations of 25,000 and less.

A little more than 31 percent of the respondents came from towns and cities with populations over 100,000. This is somewhat higher than the previous sample indicating partially that Blacksburg has reached certain retailing sophistication to attract people who are used primarily to large metropolitan retailing facilities. However, it also may indicate that with this portion of population becoming so prominent, retailing problems and subsequent consumer dissatisfaction could also increase. It will be extremely important for Blacksburg retailers to determine the future growth of this group, its relative market potential and its distinguishing needs for special goods and services.

An analysis of the size of the respondents' families indicated that over 60 percent of the responding families were composed of three to six persons. This indicated an increase over the previous sample. However, the proportion of families which have seven or more persons has declined indicating perhaps that two-four children family unit is becoming more and more typical in Blacksburg. (Table 3)

Table 4 displays the age distribution of the families. Since 65.6 percent of the respondents indicated having families with two persons between the ages of 35 to 49, the present sample appears to be somewhat older than the previous one. Furthermore there appeared to be relatively fewer young children indicated by 77.4 percent of respondents having only one child between the ages of 0-5 or by 67.7 percent of respondents' having one child between the ages of 6-12. These proportions are higher than those of 1969 study. Thus the area's past record of change and

TABLE 3

NUMBER OF PERSONS IN THE
RESPONDENTS' FAMILIES (1976)

Number of Persons	Number of Respondents	Percent
1-2	97	38.0
3-6	154	60.4
7-9	2	.8
10 or more	2	.8

TABLE 4

FAMILY SIZES AND THEIR AGE DISTRIBUTION (1976)

	Age 0-5		Age 6-12		Age 13-19		Age 20-34		Age 35-49		Age 50-64		Age 65 or over	
Number of Persons	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
1	24	77.4	32	67.7	41	56.9	47	33.6	31	34.4	25	43.9	19	54.3
2	7	22.6	17	33.3	24	33.3	58	41.4	59	65.6	31	54.4	16	45.7
3			2	4.0	6	8.3	18	12.9			1	1.8		
4					1	1.4	15	10.9						
5							1	.7						
6														
7														
8														
9														

growth is expressed by somewhat older and smaller families than those of late sixties.

In analyzing the occupation of the respondents as was in the previous study, it was found that students and university-related people accounted for the largest proportion of the sample. While 32.7 percent of the husbands of the responding families were students, husbands of 20.2 percent of the responding families were educators. The next largest category was retirees (8.4 percent) followed by other professionals and administrators (Table 5).

Almost 50 percent of the wives were either employed or students. Contrasted with 35 percent of the previous sample, this fact reflects the national trend of decreasing proportion of "regular housewives." Secretarial work and teaching, once again, appeared to be popular among wives. There were also many who worked as production workers, beauticians or clerks. The largest proportion of the wives (50.3 percent), however, were still housewives as seen in Table 6.

In regards to income, Blacksburg residents are still composed of two major groups: those who have a fairly low income ($4,000 or below) and those who have a fairly high income (over $15,000). However, a substantial decrease was noted in the first group since the previous study, as the proportion of the second group increased substantially. Income will be further discussed in Chapter VI.

Finally, an analysis of the educational background would indicate the degree of sophistication, needs and wants of the consumers. Blacksburg consumers were, on the average, highly educated. According to the new data they have become substantially more educated. Only .5 percent of husbands and .9 percent of wives reported having less than eight

TABLE 5

OCCUPATION OF THE HUSBAND OF THE RESPONDING FAMILIES (1976)

	Number	Percent
Student	82	32.7
Educator	52	20.7
Merchant	11	4.4
Retired	21	8.4
Engineer	4	1.6
Maintenance Worker	7	2.8
Other Professionals[a]	16	6.4
Administrators	13	5.2
Production Worker	11	4.4
Salesman	4	1.6
Minister	6	2.4
Post Office	2	.8
Contractor	1	.4
Policeman	3	1.2
County Agent	1	.4
Doctor	3	1.2
Armed Forces	1	.4
Other[b]	13	5.2

[a]Includes Accountant, Carpenter, Attorney, Cook, Painter, Photographer, Meterologist, Meat Cutter, Physicist, Research Associate, and Tool Maker.

[b]Includes self-employed and deceased.

TABLE 6

OCCUPATION OF THE WIFE OF THE

RESPONDING FAMILIES (1976)

	Number	Percent
Housewife	96	50.3
Secretary	25	13.1
Student	7	3.7
Teacher	17	8.9
Clerk	6	3.1
Production Worker	10	5.2
Waitress	3	1.6
Librarian	6	3.1
Beautician	10	5.2
Other Professionals[a]	3	1.6
Retired	8	4.2

[a]Includes writer, engineer, nurse, etc...

years of education as opposed to 2.8 and 3.3 percent respectively of the previous respondents. Almost 45 percent of the husbands and over 40 percent of the wives posessed a Bachelor's degree or better (Table 7).

TABLE 7

EDUCATIONAL BACKGROUND OF THE RESPONDENTS

	Husband		Wife	
	Number	Percent	Number	Percent
Less than 8 years	1	.5	2	.9
8-12 years	14	6.4	41	19.2
Some College	57	26.1	70	32.9
Bachelor's Degree	43	19.7	52	24.4
Beyond Bachelor's Degree	22	10.1	20	9.4
Masters Degree	31	14.2	14	6.6
Other	50	22.9	4	1.6

CHAPTER III

SHOPPING PATTERNS OF BLACKSBURG (CONSUMERS)

The first important step in analyzing shopping patterns is to determine where the consumers buy specific goods and services. Secondly, it is necessary to determine the relative degree of intensity of these purchases in Blacksburg, i.e., how much of the general purchases is done in Blacksburg as opposed to the proportion that is spent elsewhere. Finally, in order to determine shopping habits of Blacksburg residents, it is important to analyze the purchases of various goods and services according to the length of time the respondents resided in Blacksburg. The hypothesis here is that those who have lived in Blacksburg a longer time are more likely to patronize Blacksburg shopping facilities than those who have lived here only a few years. This hypothesis is based partially on the personal relationships of the Blacksburg residents with the proprietors of local stores and partially on the findings of the previous study.

Table 8 illustrates where the respondents purchased various goods and services. As was in the previous study, convenience goods such as groceries and drugs are primarily purchased in Blacksburg by almost all residents. The same situation also prevails for convenience services such as barber shops, and dry cleaning. While in the past in all of these cases downtown patronage had exceeded those of other shopping comples, in groceries and drugs, University Mall has taken first and second positions respectively.

In most of women's apparel categories Gables Shopping Center still holds the lead in attracting Blacksburg business, University Mall has taken

TABLE 8

WHERE THE RESPONDENTS PURCHASE VARIOUS GOODS AND SERVICES (IN PERCENTAGES) (1976)

	University Mall Blacksburg	Downtown Blacksburg	Gables Shopping Center Blacksburg	Christiansburg	Radford	Downtown Roanoke	Crossroads Mall Shopping Center, Roanoke	Towers Shopping Center Roanoke	Hills Shopping Center Christiansburg	Tanglewood Mall Roanoke	Other
Groceries	54.9	13.3	26.6	.9	.4	-	.4	-	.9	2.6	
Drugs	32.1	35.7	29.8	-	1.2	-	.5	-	-	.8	
Women's Under-garments	28.2	8.1	51.2	1.0	.5	3.8	-	1.4	1.0	4.3	
Women's Dresses	36.5	4.5	38.5	2.0	1.5	6.5	2.0	.5	1.0	7.0	
Women's Shoes	38.0	2.5	36.5	3.0	.5	9.5	3.0	-	1.5	5.5	
Men's Accessories	31.0	23.5	26.8	4.2	.5	4.2	2.3	-	1.4	6.1	
Men's Suits	22.8	26.4	20.8	8.6	1.0	9.1	3.0	-	1.0	7.1	
Men's Shoes	29.9	18.6	28.9	3.6	-	9.3	2.6	-	1.0	6.2	
Children's Wear	35.8	5.8	38.0	3.7	1.5	2.9	2.2	-	1.5	8.8	
Jewelry	31.9	24.7	20.9	1.6	.5	8.8	1.6	1.1	1.1	7.7	
TV, Transistors, Radios	15.2	38.2	18.2	4.8	2.4	8.5	2.4	1.2	3.0	6.1	
Major Appliances	10.1	20.8	28.3	10.7	8.8	10.7	3.8	1.3	1.3	4.4	
Children's Wear (Baby Goods)	37.8	7.1	26.5	2.4	3.1	5.1	1.0	1.0	4.1	12.2	
Furniture	6.8	18.2	5.4	22.3	10.0	20.9	5.4	.7	3.4	6.8	
Kitchen, Housewares Small Appliances	35.6	14.1	23.9	4.4	1.0	7.8	-	1.0	8.8	3.4	
TV and Radio Repairs	2.2	72.8	7.1	6.0	5.4	4.9	-	-		1.6	
Insurance	2.6	85.5	1.0	3.6	3.6	1.6	.5	.5		1.6	
Legal Services	2.9	77.1	2.4	8.8	2.4	2.4	.6	1.2		2.4	
Auto's (New)	-	53.8	2.3	16.9	8.5	9.2	.8	1.5		6.9	
Auto's (Old)	1.0	49.5	2.1	19.6	6.2	8.2	-	2.1	1.0	10.3	
Hardware and Lumber	3.3	63.0	6.2	23.7	-	.9	-		.9	1.9	
Barber Shop Service	2.6	75.5	14.6	2.6	-	-	-				
Beauty Shop Service	2.1	52.6	39.7	2.1	1.0	-	-			2.6	
Dry Cleaning	.8	90.4	2.2	2.2	1.7	.4	-			2.2	
Gasoline	2.6	73.2	19.7	2.2	.4	-	-				
Auto Parts	2.5	72.5	9.3	11.3	.5	1.5	-			2.5	
Auto Repair Service	4.0	66.3	11.4	10.9	1.0	3.5	.5			2.5	
Restaurants	19.5	53.2	17.7	2.3	.9	3.2	.9				
Drive-In Restaurants	4.2	78.0	11.5	2.6	-	-	-			3.7	
Piece Goods/ Yard Goods	29.3	23.2	37.0	5.0	1.1	.6	1.1			2.8	
Books (other than Textbooks)	22.1	65.3	6.1	1.4	1.4	.5	.9		.5	1.9	
Phonograph Records	11.8	66.8	6.4	1.0	.5	1.0	.5	.5	1.5	5.0	
Gift Shop Items - Stationary	55.9	21.6	16.7	.4	.9	.4	.9	.4	.9	1.8	
Sporting/Athletic Equipment	31.0	35.6	12.1	2.3	-	4.6	3.4	-	2.9	8.0	
Garden Equipment/ Supplies	33.9	30.6	15.1	10.2	1.1	1.1	2.2	-	2.2	3.8	
Rugs & Carpets	7.1	36.5	9.0	17.9	4.5	10.3	3.2	.6	3.2	7.7	
Doctors	2.4	78.2	1.5	5.3	7.3	2.4	1.0	.5	-	1.5	
Dentist	2.3	82.6	.5	6.1	3.8	2.8	.9	-		.9	
Banks	5.2	87.1	5.2	.9	.9	.4	-	-	.4		

second place in most of these lines if not the first. If compared with the previous data, the new study findings indicate that Unviersity Mall's progress has been primarily in the area of taking business away from outside shopping families. However data also indicate that Downtown and Gables have also lost some ground to the University Mall.

In the area of services such as barber shop, beauty shop, etc., Downtown Blacksburg had a very substantial lead. Even though it still is ahead of other ones, this lead appeared to have declined. In almost all product and service lines the relative share of Downton Roanoke has declined noticeably. Only in the area of furniture (20.9 percent), major appliances (10.7 percent) men's shoes (9.3 percent) and men's suits (9.1 percent), Downtown Roanoke attracted business to a noticeable extent.

Table 8 can also be analyzed on the basis of whether or not the length of time the respondents have lived in Blacksburg has any relationship to the store patronizing patterns of the respondents. In order to analyze the data in this manner, it is first necessary to explore the tenure of the respondents in Blacksburg. Table 9 provides information on how long the respondents have lived in Blacksburg. As can be seen only slightly more than 37 percent of the respondents have lived in Blacksburg for five years or less. This figure was more than 58 percent in 1969. This fact at least partially indicates that Blacksburg's growth may be slowing down. Similarly, it may also account for the declining out-shopping if we can assume that people who just moved into the area are relatively less satisfied with the shopping facilities.

Table 10 portrays the intensity (or lack of intensity) of Blacksburg consumers' area loyalty.

There are four basic patterns that can be detected from the Table.

TABLE 9

HOW LONG THE RESPONDENTS HAD LIVED IN BLACKSBURG (1976)

Tenure	Number of Respondents	Percent
Less than 1 year	30	11.6
1-2 years	29	11.2
3-5 years	64	24.8
6-10 years	31	12.0
11-15 years	24	9.3
over 16 years	80	31.0

First of all, there are certain goods and services for which local facilities are patronized extensively by those who have lived in the area for a short period of time. As can be seen in the table, products such as women's dresses and children's wear are purchased in Blacksburg more readily by those who have lived here three years or less than by those who have lived here sixteen years or more. This pattern was the same in 1969 study also. The implication here perhaps is that as newcomers learn about specific stores located outside of Blacksburg, in time, they begin patronizing them.

Secondly, there are those goods and services which are purchased extensively outside of Blacksburg by the newcomer. Products such as TVs, new and used automobiles and hardware and lumber are purchased in much lesser proportions by those who lived in Blacksburg less than one year. It can be hypothesized that the newcomers are not impressed with what Blacksburg has to offer in these areas. It is equally possible however that once they become more familiar with Blacksburg and its offering they start buying these items here.

Thirdly, there are those goods and services that are purchased by all of the Blacksburg residents at equal intensity regardless of the length of time they have lived in Blacksburg. Among these products are men's accessories, restaurants, gift shop items or women's under garments. It may be hypothesized that Blacksburg's offering may be the strongest in these product and service lines.

Finally, there are certain items which are purchased outside of Blacksburg with equal intensity by all. Among these are rugs and carpets, furniture or appliances.

As a general tendency, it was hypothesized that the Blacksburg consumers who have lived here the longest patronized the local facilities more readily

TABLE 10

SELECTED GOODS AND SERVICES PURCHASED IN BLACKSBURG BY TENURE OF RESPONDENTS[a] (1976)

	Less Than 1 Year	1-2 Years	3-5 Years	6-10 Years	11-15 Years	Over 16 Years
Women's Undergarments	94.7	95.8	81.4	96.3	100	79.5
Women's Dresses	88.9	95.0	73.2	88.0	87.5	70.8
Women's Shoes	76.5	90.0	82.5	84.6	87.5	64.4
Men's Accessories	80.0	88.0	85.7	82.1	91.3	72.1
Men's Suits	66.7	100	78.0	56.0	75.0	60.9
Men's Shoes	83.0	88.0	80.0	74.0	87.0	69.0
Children's Wear	73.3	77.8	78.6	90.9	26.7	72.9
Jewelry	68.8	87.5	70.5	79.2	80.0	80.6
TV/Transitor Radios	50.0	91.7	80.0	72.7	66.7	68.2
Major Appliances	46.2	62.5	79.3	52.4	63.6	53.0
Furniture	25.0	17.6	25.5	28.6	60.0	40.6
Kitchen Housewares/ Small Appliances	80.0	85.7	76.6	85.2	65.0	64.3
TV and Radio Repair	66.7	86.7	84.2	88.5	85.0	80.6
Auto's (New)	42.9	87.5	33.3	47.6	50.0	67.3
Auto's (Old)	33.0	100	39.1	45.5	41.7	60.5
Hardware and Lumber	50.0	86.4	84.8	70.0	75.0	67.1
Auto Parts	81.0	94.7	80.0	82.8	85.0	86.2
Restaurants	91.3	90.9	96.5	96.2	82.6	85.5
Gift Shop Items	100	96.0	94.4	96.4	91.7	91.8
Rugs and Carpets	54.5	57.1	73.3	52.2	47.1	42.6
Piece Goods/Yard Goods	85.0	93.3	97.4	89.7	72.7	91.2
Sporting/Athletic Equipment	82.4	93.3	85.1	75.0	66.7	73.6

[a]Figures in this table indicate percent of the respondents who pruchased in downtown Gables Shopping Center as well as the University Mall. Some of the convenience goods and services were omitted in the table since it is necessary to buy them in the immediate area of residency.

than the newcomers. Table 11 presents data on this point. As can be seen, 30 percent of those who had lived in Blacksburg less than a year estimated less than 50 percent of their purchases to be in Blacksburg. Whereas only 12 percent of those who had lived in Blacksburg over sixteen years estimated the same amount of their purchases to be in Blacksburg. Of the latter group, 50 percent purchased between 70-100 percent of all of their goods and services in Blacksburg. This proportion for those who had lived in the town for less than one year was 37 percent. Discrepancy between the two sets of data did not appear to be as great as it was in the 1969 study.

TABLE 11

PERCENT OF TOTAL PURCHASES MADE IN BLACKSBURG[a]

Tenure in Town	Less than 25%	25%-50%	50%-75%	75%-100%	Total Number of Respondents
Less than a year	3	27	33	37	30
1-2 years	-	21	38	41	29
3-5 years	11	17	43	29	63
6-10 years	4	11	39	46	28
11-15 years	-	13	38	50	24
Over 16 years	4	8	49	40	80

[a]This table displays the approximate proportion of the total purchases that took place in Blacksburg. Since respondents could not know these proportions exactly, they were forced to estimate. Thus, the figures indicate a tendency rather than exact figures.

CHAPTER IV

CONSUMER ATTITUDES TOWARD SHOPPING FACILITIES

Just as in the previous study, four approaches are used in order to determine consumer attitudes toward Blacksburg shopping facilities. First, simply by looking at where consumers purchased various goods and services, consumer attitudes can be partially evaluated. This already has been done to a certain degree in Chapter III; it can be seen that consumers prefer to buy certain goods or services in different places, especially out of Blacksburg. Second, by directly asking them their likes and dislikes, consumers' attitudes towards Blacksburg shopping facilities can be detected. A series of open-ended questions were used in the survey for this purpose. Third, an attitude scale could be used to detect how consumers feel towards Blacksburg shopping facilities. Such a scale was developed particularly for this purpose. And finally, by asking the consumers what types of goods and services they looked for and could not find in Blacksburg, it is possible to determine the degree of discontent (or content) that prevails. Additional special questions were included in the questionnaire for this purpose.

Goods Purchased Outside of Blacksburg

Some products are primarily purchased outside of Blacksburg. Among those nearly 75 percent of furniture purchases take place outside of the town. Similarly, new and old automobiles, major appliances and rugs and carpets are all purchased out of town almost 50 percent of the time (Table 12). Obviously buying goods and services imply some degree of inadequacy

TABLE 12

PROPORTION OF SELECTED GOODS AND SERVICES
THAT ARE PURCHASED OUT OF BLACKSBURG (IN PERCENTAGES) (1976)

Women's Undergarments	12.5
Women's Dresses	20.5
Women's Shoes	23.0
Men's Accessories	18.7
Men's Suits	30.0
Men's Shoes	22.6
Children's Wear	20.4
Jewelry	22.5
TVs and Transistor Radios	28.4
Major Appliances	40.8
Furniture	69.6
Kitchen Housewares/Small Appliances	26.4
TV and Radio Repair	17.9
Auto's (New)	27.0
Auto's (Old)	47.4
Hardware and Lumber	27.5
Auto Parts	15.7
Restaurants	9.6
Gift Shop Items	5.8
Rugs and Carpets	47.4
Piece Goods and Yard Goods	10.5
Sporting/Athletic Equipment	21.3

in the supply of goods and services.

The degree of attachment of Blacksburg residents to shopping facilities here can be also assessed by finding out when they had shopped for non-food items.[4] Table 13 indicates that about 30 percent of the respondents had not shopped in Blacksburg for over a week. Both Tables 12 and 13 illustrated a significant improvement in the consumer evaluation of Blacksburg retailing. Not only fewer proportions of almost all of goods and services listed in Table 12 are purchased outside of Blacksburg, but also Table 13 indicated at least a 10 percentage point decline in the number of those who have not shopped in Blacksburg for over a week. Table 14 displays that almost an equal proportion in each income category shopped in Blacksburg.

Consumers' Likes and Dislikes

Just as in the previous study, the most important characteristic of Blacksburg shopping facilities is reported to be convenience as expressed by the largest group of respondents (30.3 percent). However, this proportion was lower than the previous study indicating the presence of other strengths such as ease of shopping, variety and pleasant people (Table 15). Features such as good merchandise or no crowds were reported to be substantially stronger in the new study. While fair prices or variety combined with good service indicated a reasonably stronger picture for Blacksburg's merchandising effectiveness, respondents did not mention "good merchandise" often enough. Perhaps this aspect of merchandising needs to

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[4]Since most of the respondents bought their food supplies in Blacksburg (convenience goods therefore are purchased in the nearest shopping facility), it is necessary to consider non-food items for a better assessment of the prevailing conditions.

TABLE 13

HOW LONG HAS IT BEEN SINCE THE RESPONDENTS
HAVE SHOPPED IN BLACKSBURG FOR NON-FOOD ITEMS (1976)

Length of Time	Number	Percent
Just Today	60	23.4
Yesterday	32	12.5
This Week	86	33.6
Last Week	39	15.2
Two Weeks Ago	20	7.8
Last Month	9	3.5
2-6 Months	9	3.5
Over 6 Months	0	0
Over a Year	1	.4

TABLE 14

PERCENT OF RESPONDENTS WHO SHOPPED IN BLACKSBURG BY INCOME

	Income Categories					
Length of time	$0- $2,999	$3,000- $4,999	$5,000- $7,499	$7,500- $9,999	$10,000- $14,999	$15,000+
Just Today	14	17	18	26	24	24
Yesterday	19	-	5	-	11	18
This Week	29	58	27	42	39	29
Last Week	14	-	32	16	13	15
Two Weeks Ago	10	17	9	16	11	6
Last Month	5	8	5	-	-	4
2-6 Months	10	-	5	-	-	5
Over 6 Months	-	-	-	-	-	-
Over a Year	-	-	-	-	3	-

TABLE 15

WHAT THE RESPONDENTS LIKE ABOUT BLACKSBURG SHOPPING FACILITIES

	Number[a]	Percent
Convenience	146	30.3
Pleasant People	42	8.7
Fair Prices	30	6.2
Shopping Center Hours	4	.8
Know and Patronize People	21	4.4
Ease of Shopping - Proximity to Stores	64	13.3
Good Merchandise (Quality)	5	1.0
Variety (Selection)	42	8.7
Good Service	13	2.7
No Crowds	17	3.5
Parking	9	1.9
Easy to Cash Checks	1	.2
Good Sales and Bargains	2	.4
Short Time to Shop	5	1.0
Nowhere Else To Go	1	.2
Specialty Stores	4	.8
Attractiveness and Neatness (appear)	7	1.5
Nothing	31	6.4
Everything	21	4.4
Other[b]	17	3.5

[a]Respondents had more than one answer. Figures here indicate the total of three answers for most of the respondents.

[b]Includes: keep money in Blacksburg, improving, shopping should be done in Blacksburg.

be improved further.

Although inadequacy of selection once again appeared to be the greatest complaint of Blacksburg consumers, it was deemphasized if compared with the previous study (25.3 percent and 43.0 percent respectively). The difference in the figures was absorbed by a category which indicated that a large number of respondents were fully satisfied, nothing (15.7 percent). However, high prices and parking and number of stores continued upsetting some people (Table 16).

How Do Blacksburg Consumers Feel About The Shopping Facilities

An attitude scale was developed to assess the intensity of consumers' feelings towards specific characteristics of shopping facilities. The results, once again, were consistent with the likes and dislikes. Respondents once again complained the most about selection and prices (Table 17). Ease of parking and ease of getting downtown were also ranked low. Features such as service, credit appearance of stores and store hours, although were not rated "very good", were ranked highly as "good". This situation indicates substantial improvement in Blacksburg shopping facilities.

In an effort to determine the relative degree of the favorable versus non-favorable response to the Blacksburg shopping facilities, the percentage of the responses indicating "good" and "very good" evaluation were totaled and from these totals percentage responses of "poor" and "very poor" were subtracted. The results are illustrated in Table 18. As can be seen, selection and prices were especially poor in the eyes of those who have been in Blacksburg for less than five years. As the length of period spent in Blacksburg becomes longer, this unfavorable reaction decreases, except in the cases of ease of getting downtown and ease of parking where

TABLE 16

WHAT THE RESPONDENTS DISLIKE ABOUT BLACKSBURG SHOPPING FACILITIES

	Number	Percent
Selection (sizes, variety, etc.)	117	25.2
Parking	67	14.4
High Prices	59	12.7
Few Stores - Not Enough Competition	22	4.7
Service	10	2.2
Attitude of Stores to Customers	6	1.3
No Department Stores	6	1.3
Crowded Downtown	20	4.3
No Hospital or Doctors	4	.9
No Children's Clothing Stores	3	.6
Stores' Policies and Hours	9	1.9
Quality	13	2.8
Nothing	73	15.7
Other[a]	55	11.9
Total	464	100.0

[a]Includes: no restaurants, no plumbers, not a city atmosphere, no discount stores, and help is not intelligent.

TABLE 17

STRENGTHS AND WEAKNESSES OF RETAILING FACILITIES ACCORDING TO THEIR RANKING

Characteristic	Very Good	Good	Fair	Poor	Very Poor
Quality of Goods	43	45	54	9	3
Selection	22	63	112	41	16
Prices	12	58	124	39	19
Courtesy of Sales People	67	124	51	11	-
Product Knowledge of Sales People	15	103	106	19	4
Ease of Shopping Within Store	48	150	39	12	3
Ease of Parking	46	75	69	36	23
Ease of Getting Downtown	40	74	64	49	26
Service	24	130	78	12	3
Credit	41	107	41	7	4
Appearances of Stores	41	136	58	17	2
Store Hours	41	141	55	11	7

TABLE 18

RESPONDENTS' NET EVALUATION OF BLACKSBURG SHOPPING FACILITIES BY THE RESPONDENTS' LENGTH OF RESIDENCY IN BLACKSBURG[a]

	Less than 1 year	1-2 Years	3-5 Years	6-10 Years	11-15 Years	Over 16 Years
Quality of Goods	.60	.61	.63	.73	.83	.74
Selection	.10	-.38	-.11	.26	.39	.33
Prices	-.17	-.30	.06	.10	.17	.18
Courtesy of Sales People	.55	.59	.78	.71	.61	.77
Product Knowledge of Sales People	.21	.14	.38	.48	.48	.44
Ease of Shopping Within Store	.73	.79	.76	.74	.65	.70
Ease of Parking	.43	.39	.29	.20	.48	.11
Ease of Getting Downtown	.40	.15	.19	-.10	.26	.15
Service	.79	.46	.58	.43	.39	.55
Credit	.54	.56	.46	.63	.55	.62
Appearance of Store	.69	.17	.61	.68	.61	.74
Store Hours	.63	.43	.51	.61	.78	.80

[a]This table displays the net difference of percent of responses between good and very good, and poor and very poor. For instance, the net difference between very good and good, and very poor and poor, among those respondents who had lived in Blacksburg less than a year when they were asked to evaluate the quality of goods was 65 percent.

the degree of dissatisfaction remains approximately at the same high level. In fact the degree of dissatisfaction in most cases decreases as the tenure of the respondents in Blacksburg increases. This may indicate that those who came from larger areas or other parts of the country where prices and selection are more favorable are not satisfied and often go elsewhere for shopping; where as the people who have lived in Blacksburg for sometime have become acclimated to the local shopping conditions. The respondents who had lived in Blacksburg over 16 years showed quite a favorable net reaction to almost every aspect of the shopping facilities, except ease of getting downtown and ease of parking. Perhaps the reason with dissatisfaction with these is that this group has been exposed to those times when these two features of Blacksburg shopping facilities were very desirable. These two features were not objected to by those who have been in Blacksburg less than a year. The implication here is that Blacksburg conditions are quite favorable for many who have come from much more congested metropolitan areas than Blacksburg.

Finally an analysis of the goods and services that the respondents were unable to find in Blacksburg indicated the degree of consumer satisfaction and, partially, their attitude towards the Blacksburg retailing facilities.

Table 19 specifies the goods which were not found by the respondents in Blacksburg. The Table is the replica of the one appeared in the previous report in order to indicate the progress in the town. Some six important product categories reported in the previous study were not mentioned, implying that these products are no longer unavailable. Additionally, a new category entitled "nothing" appeared to be the largest response (66.7 percent) again indicating a substantial degree of improvement in Blacksburg retailing.

An analysis of the services that the respondents were unable to find in Blacksburg appeared to be even a better indication of the improvement took place since 1969. Very few responses were registered (Table 20) in the table; almost all of the service categories reported in the previous study are left blank, once again indicating significant progress.

TABLE 19

GOODS RESPONDENTS WERE UNABLE TO FIND IN BLACKSBURG

Classification	Number	Percent
Clothing[a]	2	5.1
Furniture	1	2.6
Sundry Items[b]	1	2.6
Bakery	1	2.6
Hardware	1	2.6
Pets	-	-
Piece Goods	1	2.6
Toiletries	-	-
Auto Parts	-	-
Photographic Supplies	-	-
Sporting Goods	2	5.1
Hobbies[c]	-	-
Building Supplies	1	2.6
Appliances	-	-
Special Food Items	-	-
Books, Stationary and Novelty Items	1	2.6
Other[d]	2	5.1
Nothing	26	66.7

[a]Shoes, brand name items, suits, etc.

[b]Gift items, lamps, pictures, etc.

[c]Special sporting goods, craft supplies, etc.

[d]Proper sizes, Plumbing goods, anything out of the ordinary.

TABLE 20

SERVICES RESPONDENTS WERE UNABLE TO FIND IN BLACKSBURG (1976)

	Number	Percent
Doctors	-	-
Entertainers	-	-
Bakery	-	-
Restaurants	1	3.0
Dry Cleaning (all cleaning)	-	-
Auto Repairs	-	-
Appliance Repairs	-	-
Other Types of Repairs[a]	1	3.0
Common Labor	-	-
Delivery Service	-	-
Tailoring, seamstress, etc.	-	-
Personal Services[b]	-	-
Home Services	-	-
Other[c]	-	-
Nothing	31	94.0

[a]Plumbing, heating, jewelry, etc.

[b]Finance, legal, etc.

[c]Cafe open on Sunday, better gas service, Sunday store hours, bus service, florist, private schools, and better housing at reasonable prices.

CHAPTER V

CONSUMERS AND THE COMMUNICATION SYSTEM

If it were possible to determine how the Blacksburg consumer receives information about the goods and services, naturally local merchants could do a better job of communicating with consumers. Such effective communication will improve consumer satisfaction first, by informing them and second, by guiding them to purchase better goods and services.

An attempt was made to determine the relative importance of different sources of information (Table 21). As seen in the table, while only 7.2 percent stated that TV is very important, more than 45 percent of the respondents indicated that newspapers are very important. This is at least partially due to the lack of Local TV. In all cases the present study indicates an increasing importance of mass media in obtaining consumer information. This is consistent with the increasing educational background. However, neighbors, acquaintances, professional associates, and relatives still appeared to be playing an important role in acquiring information about products and stores. This may indicate that despite its substantial growth rate, Blacksburg has not lost its special characteristics of being a small town with substantial amount of human interaction and interpersonal communication. Thus, word-of-mouth type of communication is still prevalent in Blacksburg. In the previous study it was predicted that as the community continues to grow the mass media are likely to play a more important role, the present data indicate that it is happening.

In an attempt to examine the relative importance of the mass media, the proportion of respondents who said "very important," referring to

TABLE 21

RELATIVE IMPORTANCE OF DIFFERENCE SOURCES OF INFORMATION[a]

	Percent of Respondents							
	Very Important		Limited Importance			Un-important		
Sources of Information	7	6	5	4	3	2	1	
Television	7.2	8.0	16.8	14.4	9.6	10.4	33.6	100.00
Radio	15.7	16.5	22.1	13.7	7.6	5.6	18.9	100.00
Newspaper	45.9	20.2	13.2	10.1	1.6	2.7	6.2	100.00
Neighbors	19.2	18.0	12.7	15.1	12.7	7.8	14.7	100.00
Acquaintances in Social Organizations	8.8	10.4	16.1	16.1	11.6	11.6	25.3	100.00
Professional/Job Associates	10.1	11.7	13.0	16.2	10.5	8.1	30.4	100.00
Relatives	7.1	2.9	6.6	8.7	5.4	14.1	55.2	100.00

[a]Detail may not add up to 100 because of rounding

different media was analyzed (Table 22). Of the mass media radio and newspapers were reported to be most popular among all groups. Newspapers are particularly important as a source of shopping information. Of the six groups those who have been in town one to two years particularly find this source important. Among the non-mass media sources neighbors play a very important role as a key source of shopping information for particularly those who lived in town between six and fifteen years. Only those who have been in town over sixteen years appeared to be receiving information from relatives.

In analyzing mass media exposure in conjunction with the names of the respondents, the following were detected:

1. In the lower income groups (up to $5,000), there is no one single medium which stands out as the most important source of information.

2. In the middle income groups ($15,000 - $17,500), all radio, newspapers and neighbors play a predominant role.

3. In all of the other income categories newspapers play the most important role as a source of shopping information.

4. Neighbors played the second most important role in most of the higher income groups. Once again indicating that in a small community such as Blacksburg "word of mouth" communication is still very important.

Finally, on analyzing the responses of those who are quite satisfied with the quality of the goods and services in Blacksburg, it was found that they consider newspapers as the most important source of shopping information. Thus newspaper advertising appears to have been most effective in creating and maintaining a positive image of Blacksburg shopping families.

TABLE 22

MOST IMPORTANT SOURCES OF INFORMATION
ACCORDING TO RESPONDENT'S TENURE[a] IN TOWN

Tenure in Town	TV	Radio	News-papers	Neighbors	Acquaint-ances in Social Organi-zations	Profes-sional & Job Associates	Relatives
Less than a year	15.4	42.3	69.2	38.5	26.9	19.2	0
1-2 years	18.2	40.9	86.4	40.9	36.4	31.8	4.5
3-5 years	18.4	40.8	65.3	34.7	20.4	18.4	6.1
6-10 years	7.7	30.8	80.8	46.2	11.5	26.9	0
11-15 years	17.4	17.4	82.6	60.9	8.7	13.0	4.3
Over 16 years	21.9	26.6	82.8	34.4	20.3	21.9	26.6

[a]Percentages are based on number of respondents in the tenure category. Since some respondents considered two or more information sources to be equally important, percentages will not total 100.0.

CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

As was pointed out in Chapters III and IV, some proportion of consumer dollars is still leaving Blacksburg even though this figure is smaller than the one reported in the previous study. Downtown Roanoke receives the largest proportion of the Blacksburg dollars which are flowing out.

Also in Chapter IV, the likes and dislikes of the respondents were presented indicating some of the reasons why the respondents go somewhere else; among the reasons are merchandise selection and prices. Just as in the previous study, these were mentioned as the most critical factors creating the leakage of consumer dollars out of Blacksburg. An attempt was made here to determine the volume of business that is lost for Blacksburg because of this leakage. Two different approaches were used to estimate this.

The first approach is based on two key assumptions. First the general consumption patterns in Blacksburg are not substantially different from those of the nation; second, the survey results reflect the typical consumption patterns in Blacksburg. On the basis of the first assumption, the figures in Table 23 were developed. The first column in the table show the percentage of the total income devoted to the consumption of goods and services that are listed in the table. For instance 15.5 percent of the total consumer dollars go to groceries. As can be seen, the goods and services reported in the table amount to 48.2 percent of the total consumption dollars. On the basis of these percentages and the proportions given in Table 8 indicating the percentage of purchases leaking out of the area and those which take place in the area, Table 23 was developed. Column 2

TABLE 23

THE VOLUME OF SELECTED GOODS AND SERVICES PURCHASED IN BLACKSBURG AND OUT OF BLACKSBURG

Categories	Percent of Income Devoted to Each Item	Dollar Amount Devoted To Each Category[a]	Dollar Amount Spent in Blacksburg	Dollar Amount Spent Outside Blacksburg
Groceries	15.5	8,718,750	8,265,375	453,375
Drugs	1.0	562,500	549,000	13,500
Women's Undergarments	.3	168,750	147,656	21,093
Women's Dresses	.6	337,500	268,312	69,187
Women's Shoes	.4	225,000	173,205	51,750
Men's Accessories	1.2	675,000	548,775	126,225
Men's Suits	.6	337,500	236,250	101,250
Men's Shoes	.3	168,750	130,612	38,137
Children's Wear	1.5	843,750	671,625	172,125
Jewelry (Men and Women)	.2	112,500	87,187	25,312
TV and Radio	.7	393,750	281,925	111,825
Major Appliances	1.0	562,500	244,687	317,812
Children's Wear (Baby Goods)	.1	56,250	40,162	16,087
Furniture	1.2	675,000	205,200	469,125
Kitchen Housewares	.3	168,750	124,200	44,550
TV and Radio Repair	.2	112,500	92,362	20,137
Autos	4.6	2,586,500	1,451,587	1,135,912
Hardware and Lumber	1.4	786,500	570,937	216,562
Barber Shop Service	.5	218,250	260,718	20,531
Beauty Shop Service	.6	337,500	318,600	18,900
Dry Cleaning	.7	393,750	367,762	25,987
Gasoline	2.5	1,406,250	1,342,968	63,281
Auto Parts and Repairs	.6	337,500	275,737	61,762
Restaurants	4.1	2,306,250	2,084,850	221,400
Piece Goods/Yard Goods	.2	112,500	100,687	11,812
Books (other than texts)	.1	56,250	52,593	3,656
Phonograph Records	1.2	675,000	607,500	67,500
Gift Shop Items - Stationary	.1	56,250	52,987	3,262
Sporting/Athletic Equipment	.5	281,250	221,343	59,906
Garden Supplies	.2	112,500	89,550	22,950
Rugs and Carpets	.3	168,750	88,762	79,987
Doctors	.9	506,250	415,631	90,618
Dentist	.8	450,000	384,300	65,700
Insurance	2.6	1,462,500	1,303,087	159,412
Legal Services	1.2	675,000	556,200	118,800
Total		26,327,500	22,611,232 .86%	3,716,268

[a]Based on total income of $56,250,000. ~~74,868,750 for 1980~~ 82,355,625 for 1980

Note: Percentages were based on Bureau of Labor Statistics Survey of Consumer Expenditures and Income, 1961-1962.

Note: The table was computed on the basis of overall national consumption patterns. On the basis of the estimated total income and the proportions of total purchases reported to be taking place out of Blacksburg and on the basis of national averages of the total purchases of these goods and services, the dollar amounts spent out of Blacksburg were estimated.

TABLE 24

INCOME DISTRIBUTION OF THE RESPONDENTS[a]

Income Category	Number	Percent
$ 0 - 2,999	22	10.0
3,000 - 4,999	12	5.4
5,000 - 7,499	23	10.4
7,500 - 9,999	19	8.6
10,000 - 14,999	38	17.2
15,000 - over	107	48.4
Total	221	

[a]The income distribution given in this table was used to determine the total income for the town as a whole. In the estimates, the middle point of income brackets were used and an estimated number of households for 1970 of 2500 and for 1976 of 7500 were taken as base figures.

TABLE 25

TOTAL AMOUNT SPENT IN AND OUT OF BLACKSBURG[e]

Amount Spent in Blacksburg	Number of Respondents	Percent of Respondents in each Category[a]	Amount of Income by Category[b]	Amount Spent in Blacksburg[c]
Less than 25%	12	4.7	2,643,750	330,468.75
25 - 50%	37	14.6	8,212,500	3,079,687.50
50 - 75%	107	42.1	23,681,250	14,800,781
75 - 100%	98	38.6	21,712,500	18,998,437
Total	254	100	56,250,000	37,209,374[d]

[a]The number of respondents in each category divided by 254 = the total number of respondents.

[b]Figures were obtained by multiplying the percent of respondents in each category and the estimated total income of Blacksburg ($56,250,000).

[c]Derived by multiplying the amount of income appropriated to each category and the midpoint of the amount spent in Blacksburg for each corresponding category.

[d]$37,209,374 is the estimated number of dollars spent in Blacksburg.

[e]

$56,250,000	Estimated Income
8,437,500	15% estimated amount for housing and savings
$47,812,500	For Consumption
$37,209,374	Expenditures in Blacksburg
$10,603,126	Total Leakage of Consumer Dollars

of the table is based on a total income figure of $56,250,000.[5] On this basis approximately $8,718,750 is spent on food by Blacksburg residents; of this, $8,265,375 is spent in Blacksburg and $453,375 out of Blacksburg. Largest dollar amounts leaving the area are estimated to be in automotive needs, groceries, furniture, insurance and children's wear. The Table indicates that some $3.7 millions are leaving the area; however, this sum is based on only 48.2 percent of all expenditures, and if the same proportions were to be based on an 85 percent basis,[6] the amount leaving the area can be estimated as a little less than $8,000,000.

A quicker and simpler attempt to determine the total leakage of consumer dollars out of Blacksburg is shown in Table 25. This table is based on the figures presented previously in Table 11. Assuming that the respondents were reasonably accurate in estimating the percentage of their purchases which take place in Blacksburg, some $10,000,000 appear to be spent outside of Blacksburg. In absolute terms this is $1,000,000 less than the estimate presented in the previous study. Furthermore, while this estimate in the previous study amounted for more than 30 percent of the total income, it accounts for less than 18 percent of the present estimated income. Although this is still a substantial loss in volume, profit and employment for Blacksburg, the picture is considerably better than the previous one. This improvement, at least partially, is attributable to the active government and business sectors of the town which acted responsively and swiftly to the findings of the previous study.

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[5]The million dollar income figure was estimated on the basis of the income distribution reported in Table 24. Estimated number of households was around 7500 which implies not only the town proper but immediately adjacent areas were also included in the analysis.

[6]Fifteen percent is allowed for housing and savings.

There is, however, still a substantial outflow of consumer dollars from Blacksburg. It will be more difficult to reduce this amount in the near future than it has been in the past. This point, at least partially, is illustrated in Table 26. This table was constructed by the response to the previous study; it is rather clear that those recommendations have been somewhat fulfilled and hence there were almost no further recommendations in this particular respect.

The following are some of the suggestions which may further slow down the dollar outflow from Blacksburg.

1. In many cases, the newcomers in Blacksburg who constitute about 11.6 percent of the population are going elsewhere to shop. There should be better communication with them not only to point out where they could find certain goods and services but also what to determine what their specific needs are.

2. It appears that since the previous study, Blacksburg has become a better place to shop. Not only should this fact be publicized more readily but also additional attractions should be added.

3. Since the greatest complaints were inadequacy of selection, parking, and high prices, remedies for the situation is self explanatory. These obviously noticeable complaints can hardly be remedied with a positive advertising campaign. Instead, it is necessary for local merchants to take another look at themselves and the needs of consumers.

4. Among all goods and services, furniture, clothing are reported to be most sought elsewhere since they are not found in Blacksburg readily. This situation must be further remedied by analyzing the local needs and improving the selection available in Blacksburg shopping facilities.

Needless to say, a constant attempt to communicate with the consumers by Blacksburg merchants will further uncover some of their needs, wants, and dissatisfaction. Better communication does not mean only from merchants to consumers but also the reverse, from consumers to merchants. This implies further efforts to research Blacksburg consumers. Surveys,

TABLE 26

WHAT RESPONDENTS RECOMMEND TO MAKE BLACKSBURG A BETTER PLACE TO SHOP

	Number	Percent
More Selection in Stores[a]	-	-
Better Trained Merchants and Sales People	1	3.0
Lower Prices (Change Policies)	-	-
Night Hours	-	-
More and Better Parking	1	3.0
Larger Department Stores	-	-
Street Improvement	-	-
Better Local Newspaper and Home Delivery	-	-
Better Designed Streets	-	-
Bakery	-	-
Rezone Downtown (as non-residential)	-	-
Services in Shopping Center	-	-
Discount Stores	-	-
Restaurants	-	-
Entertainment	-	-
More Specialty Stores	-	-
More Doctors (Hospital)	-	-
Other[b]	1	3.0
Nothing	30	90.9
Total		100%[c]

[a]Tobacco Shop, Luxury Goods

[b]Telephone Company Service, Growth (3), Bus line (2), Branch Post Office, More Services, Better Auto Repair, Distribution, Better Schools, Better Electric Department.

[c]Because of rounding, the detail may not add up to 100.

consumer panels, and open-ended discussions sponsored by the mass media, by merchant groups, and by the town government are necessary to achieve this goal. Naturally these research findings will have to be followed up by positive action to implement the research findings and make Blacksburg a better place to live, shop, and a more profitable market for the merchants.