



**2005 Ferndale DDA
Trade Area Report and
Demographics Study**

Background

In 2001, the Ferndale Downtown Development Authority (DDA) commissioned the Strategic Edge, a Southfield-based consulting firm, to conduct a Trade Area and Demographic Study of the DDA area.

Using intercept surveys, the Strategic Edge defined three trade areas for downtown Ferndale businesses: an overall trade area, a retail trade area, and a dining and entertainment trade area. Demographic information of those trade areas and individual survey respondents were collected and analyzed.

Using a revised and updated survey, as well as altering some of their methods, Ferndale DDA volunteers conducted the intercept survey in June or July 2005. This report is an analysis of that survey. New trade areas have been defined and current information gathered.

Methodology

Following the model used by the Strategic Edge, the DDA employed the following methodology:

- 1. Design/Revise Intercept Surveys** Surveys were developed with an updated list of DDA businesses and questions to gather information including:
 - Primary reason of visit to downtown Ferndale
 - Amount of money spent during trip
 - Type of business the respondent would like to see more of in Ferndale, e.g., Restaurants/Cafes, Entertainment Venues, etc.
 - Mode of transportation, including type of parking if by car
 - Perceptions about different aspects of the DDA area, including Safety, Retail Variety, and Attractiveness
 - Demographic information
 - Home ZIP code
- 2. Conduct Intercept Survey** The DDA conducted the intercept survey at three different times during the day, 11 am – 2 pm, 4 pm – 7 pm, and 9 pm – 12 pm a total of four times for each interval. The surveys were conducted on the following days:
 - Thursday, June 9
 - Saturday, June 11
 - Thursday, June 16
 - Saturday, June 18
 - Thursday, July 7
 - Saturday, July 9The July dates were scheduled to make up for cancellations of the survey due to weather.
- 3. Define Trade Areas and Gather Trade Area Demographic Information** The trade areas in this report are defined by the areas that encompass 70%-80% of the ZIP codes given by respondents. The retail and the dining and entertainment trade areas were determined by separating the surveys that listed those categories as the primary reason for visiting Ferndale. Once these areas had been established, population and demographic information was gathered.
- 4. Prepared Trade Area Report** The report summarizes the survey results, including graphs. Several categories are broken into sub-categories according to both gender of respondents and the time of day the survey was taken.

Summary of Findings

Trade Areas

Survey respondents were asked their home ZIP codes in order to determine the DDA's trade area. Each trade area covers the ZIP codes of 70% - 80% of the respondents.

The **overall trade area** extends east roughly to I-94, north along M-59 except for part of southern Macomb Township and Auburn Hills. The western boundary extends to Bloomfield, the southern part of West Bloomfield, the northern part of Farmington Hills and Southfield. The trade area extends into Detroit along the I-75 and Lodge Freeway corridors. The **overall trade area** covers approximately **340 square miles**. The **retail trade area** has an area of **181 square miles** and roughly follows the Woodward and I-75 corridors north to Bloomfield and Troy and south to I-94 in Detroit. It also includes part of southern Macomb County, with I-94 the eastern boundary as well. The **dining and entertainment trade area** has approximately the same western and northern borders as the overall trade area, but with Sterling Heights the only penetration into Macomb county and is more narrow along the I-75 and Lodge Freeway corridors than the overall trade area. The **dining and entertainment trade area** covers approximately **226 square miles**.

The trade areas are depicted on the following map.



Population and Demographics

Trade Area Comparisons In the following section, all trade area statistics are from the 2000 Census except for the population, which uses current Census estimates. Currently, there are 1,247,044 people living in the overall trade area. There are 696,915 people in the retail trade area and 791,103 in the dining/entertainment trade area. The number of households in the overall trade area is 563,504, while there are 426,702 in the retail and 467,243 in the dining/entertainment trade area.

Survey respondents reported a median household income of \$45,000. This is about equal to the overall trade area, with an approximate median income of \$45,062. Ferndale patrons have a higher median income than the median income of the retail trade area of \$39,664, but lower than the \$61,926 of the dining/entertainment trade area.

Ferndale patrons are younger on average than any of the trade areas. Surveys show the median age of 29.5, while the overall trade area is 37.7, the retail trade area is 37.2, and the dining/entertainment is 37.8.

The racial breakdown for the survey respondents is 73% white, 22% African-American, 3% Asian/Pacific, and 2% Hispanic. The overall trade area is 77.3% white and 9.6% African-American. The retail trade area is similar at 78.2% and 7.5%, and the dining/entertainment trade area is 76.3% and 11.1%.

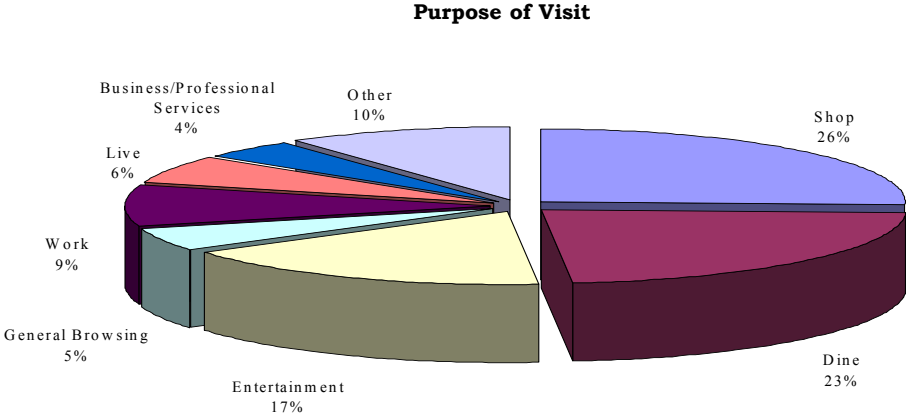
DEMOGRAPHIC COMPARISON

	Downtown Consumers	Overall	Retail	Dining/Entertainment
2005 Population	348 respondents	1,247,044	696,915	791,103
2000 Households	n/a	563,504	426,702	467,243
2000 Median Household Income	\$45,000	\$45,062	\$39,664	\$61,926
2000 Ethnicity				
White	73%	77.3%	78.2%	76.3%
Black	22%	9.6%	7.5%	11.1%
Asian/Pacific	3%			
American Indian				
Hispanic Ethnicity	2%			
2000 Median Age	29.5	37.7	37.2	37.8
2005 Gender	52% male 48% female			
2000 College Graduates	n/a	24.6%	23.5%	28.4%

Survey Results

Purpose of Trip Ferndale patrons named Shopping and Browsing as their primary reasons for visiting downtown Ferndale at a combined 31%, followed by Dining at 23% and Entertainment at 17%. Responses varied greatly depending on the time of day. Patrons surveyed between 11 am and 2 pm were much more likely to be Shopping and Dining, while nearly all who responded with Entertainment were surveyed between 9 pm and midnight.

Males and females were equally likely to be shopping. 49% of shoppers were men while 51% were women.

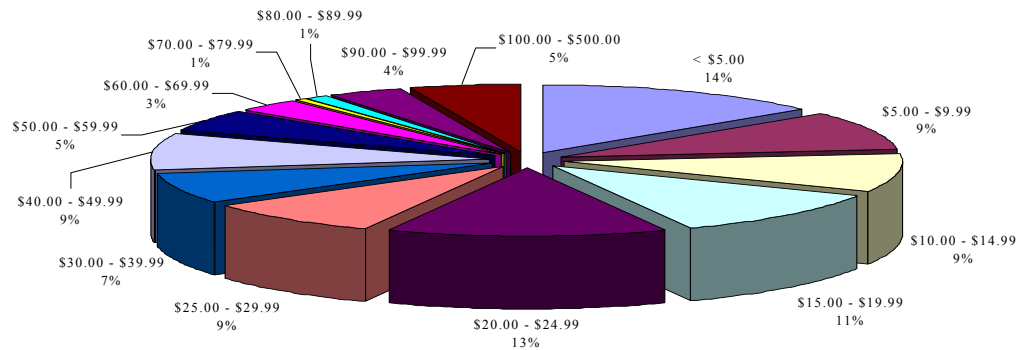


Stores Visited The 348 respondents listed a total of 1004 stores that they frequent most often. Those businesses that received more than 1% of responses are listed below:

Store/Restaurant	% Visits	Store/Restaurant	% Visits
Dollar Castle	6.4	China Ruby Restaurant	1.6
Como's	6.0	Assaggi Mediterranean Bistro	1.5
Old Navy Outlet	5.6	Danny's Irish Pub	1.5
Record Time	3.9	Dragonfly	1.5
Natural Food Patch	3.7	Magic Bag	1.4
Java Hutt	3.2	Rusted Moss	1.4
Buffalo Wild Wings	3.1	SOHO	1.4
Western Market	2.9	Via Nove	1.4
Bangkok Café	2.8	Boogie Fever	1.3
xhedos Café	2.7	Dino's	1.3
Woodward Avenue Brewers	2.4	Howe's Bayou	1.3
Just 4 Us	2.3	Ferndale Foods	1.2
Maria's Front Room	2.0	Karma Tea & Tonic	1.2
Post Bar	1.9	House of Chants	1.1
Save A Lot	1.8	Le Soups	1.1
Star of India	1.8	Starving Artist Restaurant	1.1

Money Spent The average amount of money spent by survey respondents was \$38.96. The amount of money spent by Ferndale patrons is fairly evenly distributed across categories. Less than \$5 was cited most often at 14% followed closely by \$20.00-\$24.99 at 13%. 11% reported spending \$15.00-\$19.99 and four categories each got 9%.

Amount Spent During Visit

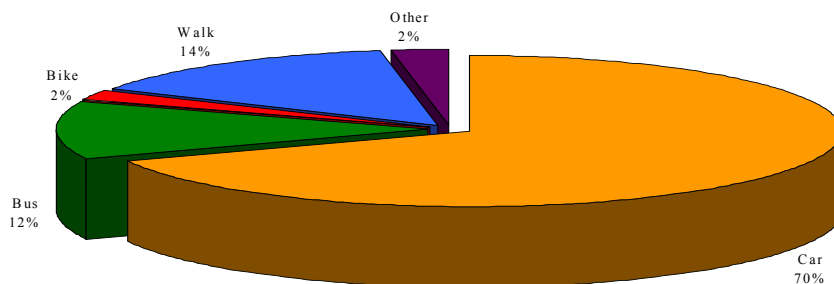


Separating the information by gender reveals similar results. 15% of women report spending \$5 or less, while 12% spent \$20.00-\$24.99. Men are more likely to spend \$20.00-\$24.99, at 15%, and 13% spending \$5 or less.

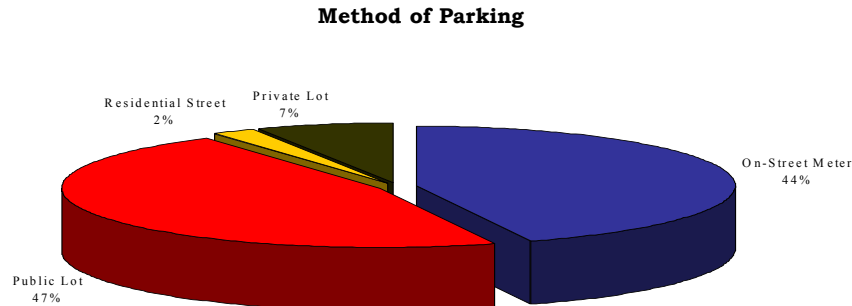
The results do vary significantly based on time of day. Survey respondents during 11 am – 2 pm spent less than \$5 23% of the time and \$20.00-\$24.99 15% of the time. Between 4 pm and 7 pm, \$15.00-\$19.99 was cited most often with less than \$5 mentioned 13%. Late night respondents spent the most, with \$20.00-\$24.99 at 15% and \$40.00-\$49.00 14% of the time.

Mode of Transportation The majority of Downtown Ferndale patrons drive to their destinations, with 70% reporting using their cars. 14% of those surveyed walked downtown. Public transportation was used by 12%. Bicycles and Other represented 2% each.

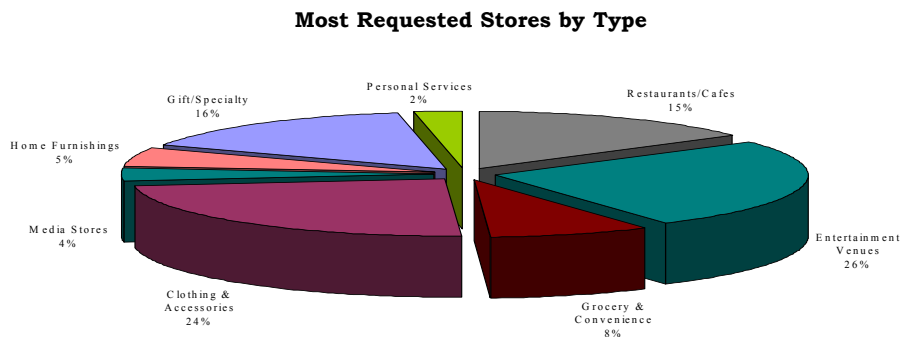
Mode of Transportaion



Parking Of those who drove to downtown Ferndale, the number who parked in a public lot was about even with the number that parked at an on-street meter. 47% parked in a public lot and 44% parked at an on-street meter. 7% parked in a private lot, while the remaining 2% parked on a residential side street.



Requested Stores Survey respondents were asked to identify which type of business they would like to see open in downtown Ferndale. 26% of those surveyed would like more entertainment venues. Clothing/Accessory stores, particularly men’s clothing, came in second at 24%. Gift/Specialty stores were mentioned by 16%. Of those responses, a bakery and a bookstore were cited most often. Restaurants/Cafes were the next most requested business at 15%.



Responses to the question differed based on gender. Men cited entertainment venues as their highest priority, getting 33% of their responses. Clothing stores were second at 21%, while Gift/Specialty stores and Restaurants/Cafes each were mentioned by 14% of men.

26% of women surveyed chose Clothing/Accessory stores as the type of business they would most like to see. Entertainment Venues and Gift/Specialty stores each were mentioned 18% of the time and Restaurants/Cafes were mentioned by 17% of women surveyed.

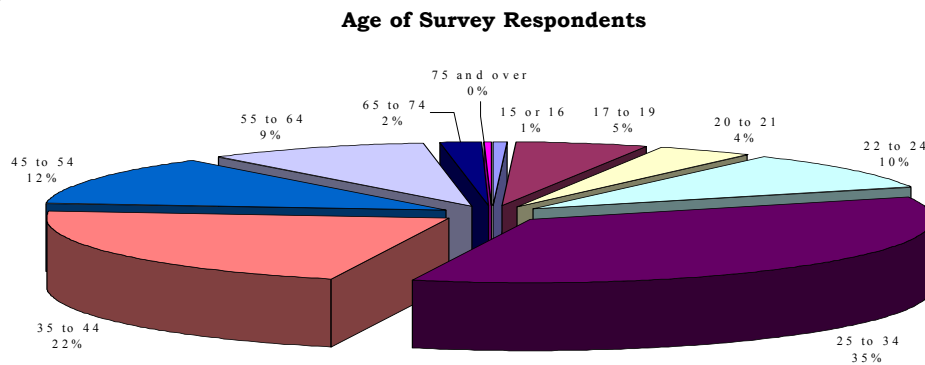
Perceptions of Downtown Ferndale The survey also gathered information concerning the following aspects of Downtown Ferndale: Safety, Attractiveness, Retail Variety, Retail Price, Quality of Pedestrian Experience, and Overall Opinion. They were asked to rank their perceptions on a scale of one to five, with five being the most positive. The results show a very positive perception of Ferndale, with an average overall opinion of 4.4 and 93% of respondents giving Downtown Ferndale either 4 or 5 out of 5.

The average responses are given in the table below:

Survey Category	Avg. Response
Safety	4.6
Attractiveness	4.1
Retail Variety	3.7
Retail Price	3.6
Pedestrian Experience	4.4
Overall Opinion	4.4

Demographic Informtaion of Survey Respondents

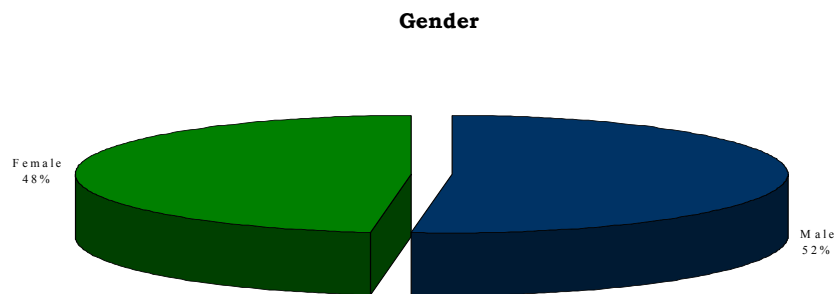
Age The average age of Ferndale patrons was 29.5, with the most common age bracket of those surveyed being 25 to 34 years old. 35% fell in this age group. 35 to 44 was reported 22% of the time and 12% of Ferndale patrons were 45 to 54. 11% of the people were over 55, while 10% were 21 and under.



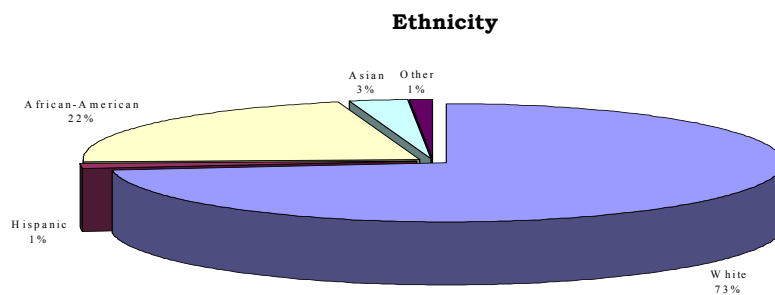
The distribution of mens’s ages is more concentrated on the 25-34 and 35-44 age groups, 57% and 24%, respectively. 15% reported being in the 45-54 age group. The most common category for women was also 25-34, with 33%. The 35-44 bracket was next with 18%, and 22 to 24 was reported by 14% of respondents. 10% of women surveyed fell into the 55-64 age bracket.

Further analysis shows that the age of respondents varies slightly based on the time of day. All three groups had the most responses in the 25-34 age group and the second most in the 35-44 group. However, the late night group had more responses in the 22-24 age group than the other time intervals with 17%, while they had fewer in the 45-54 age group with 6%.

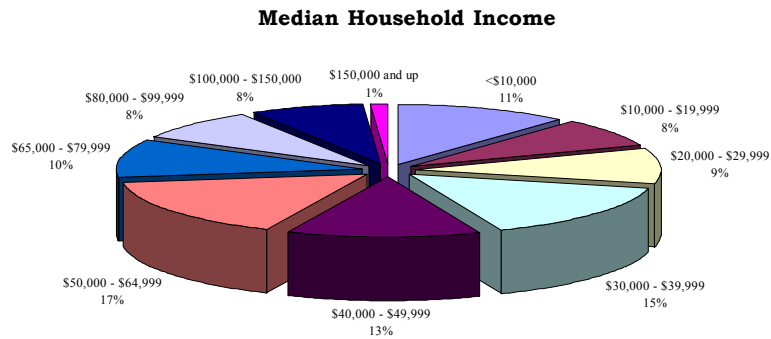
Gender Ferndale patrons are slightly more likely to be male than female. 52% of those surveyed were men with the remaining 48% female. The majority of patrons from 11 am - 2 pm were male at 53% to 47%. From 4 pm - 7 pm, the numbers were reversed with 53% women and 47% men. The 9 pm - 12 pm groups had the highest proportion of men with 54% and 46% women.



Ethnicity The majority of Ferndale patrons were white with 73% followed by African-American with 22%. The percentages differ depending on the time of day. The 11 am – 2 pm and 4 pm – 7 pm time frames were roughly equal with break downs of 64%-28% and 67%-29%, respectively. The late night crowd becomes less diverse. 89% of respondents during the 9pm – 12pm time slot were white and 9% were African-American. The Hispanic, Asian, or Other categories never comprise more than 4% in any time slot.



Household Income The average household income of those who responded was \$45,000. Of the 348 people surveyed, 81, or 23%, refused to reveal their income. Of the 267 who did, the results were fairly evenly distributed. The most common response was \$50,000-\$64,999 with 17%. \$30,000-\$39,999 was second with 15%. A combined 27% of respondents reported an income of at least \$65,000.



The results for men and women were slightly different. Women reported \$50,000-\$64,999 15% of the time. Three categories tied for second. Less than \$10,000, \$20,000-\$29,999, and \$30,000-\$39,999 each were mentioned by 14% of women.

Two categories tied for first for men. Men reported household incomes of \$40,000-\$49,000 and \$50,000-\$64,999 18% of the time for each category. \$30,000-\$39,999 came in third at 16%.