

January 9, 2019

Dearborn Brand Development
Business Owner Survey Findings 1.0

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1. Background and Methodology

To guide development of the Dearborn brand strategy and ensure that the voices of Dearborn residents and stakeholders are incorporated throughout the process, the Dearborn Community Survey was developed to gather opinions, understand concerns and test hypotheses regarding the most salient elements of the lifestyle, reputation, economic and social future of Dearborn. Four versions of the Community Survey were developed:

- Dearborn Individual Survey (English)
- Dearborn Individual Survey (Arabic)
- Dearborn Business Owner Survey (English)
- Dearborn Business Owner Survey (Arabic)

The surveys were available online via the www.brandingdearborn.com site, and were also available to be taken in a paper version at sites throughout Dearborn.

Survey collection took place from November 1, 2018 through December 15, 2018. Respondents were encouraged to complete the entire survey, but it was possible in all versions of the survey for respondents to skip questions. As such, percentages shown throughout this report reflect the percentage of respondents answering the question, rather than the percentage of total respondents taking the survey.

2. Business Owner Survey Respondent Profile

In total, 41 Dearborn business owners took the Business Owner Survey, with no business owners taking the Arabic version of the survey. This sample size is not statistically reliable, so all percentages shown should be treated as directional. The profile of our final sample follows:

- **Business districts represented:** 59% have businesses in West Downtown Dearborn, 24% in East Downtown Dearborn, 10% on Warren Avenue; 5% in the Vernor/Dix Corridor, and 22% listed “other.”
- **Business storefront type:** 50% had businesses in an individual storefront, 8% in a shopping center, and 50% chose “other” to describe their location, many of whom listed “office building” to describe it.
- **Business ownership:** 75% of business owners have a locally owned and operated business, 5% have a business that is part of a regional chain, 22% have a business that is part of national chain, and 5% have a business that is owned by someone who does not live in the area.
34% describe their businesses as a family business, 27% as a sole proprietorship, 27% as a corporation, and 12% as a partnership. 15% listed their business as “other,” with churches, non-profits and LLCs most mentioned.
- **Business activity:** 29% of business owner respondents have professional services businesses, 24% have retail and 24% have service businesses.
- **Years in operation:** 37% of business owner respondents have businesses that have been in operation 40+ years. 22% have been in operation 20-39 years, 15% 10-19 years, and 27% under 10 years.

22% have been in their current location more than 40 years, 20% 20-39 years, 20% 10-19 years, 39% under 10 years.

- **Area occupied:** 32% of business owner respondents' businesses occupy more than 20,000sf. 5% 10,000-19,999sf, 7% 5,000-9,999, 22% 2,000-4,999, 17% 1,000-1,999m and 17% of business owner respondents' businesses occupy fewer than 1,000sf.
- **Location ownership:** 61% of business owner respondents' own their location, 39% lease.
- **Number of employees:** 34% of business owner respondents' businesses have 2-9 employees, while 14% have 10-24 and 14% have 25-49. 25% have 50 or more. Only 8% have only 1 employee.
- **Customer source:** 44% of business owner respondents say their customers live outside of Dearborn but within metro Detroit. 28% say their customers live around their business district. 14% said "other," with most responses claiming a variety of locations in and around Dearborn and beyond.
- **Age:** 8% of business owner respondents are 25-34, 8% are 35-44, 39% are 45-54, 25% are 55-64 and 19% are 65+.
- **Cultural background/ethnicity:** 69% identified as White/Caucasian, 14% Arab. All other ethnicities represented 3% or fewer of all respondents.

3. Key Findings: State of Business in Dearborn

Business owner respondents are bullish on business in Dearborn.

- 94% agree that "local business serves the needs of residents in our community."
- Across all industries, business owner respondents feel business has mostly fared the same or better in the past three years, with medical (74% "much" or "somewhat" better) and professional services (69% "much" or "somewhat" better) believed to have fared best.
- Business owner respondents feel most industries in Dearborn will fare even better in the next 3 years, with 80% saying medical will fare "much" or "somewhat" better, 76% saying service will fare "much" or "somewhat" better, 75% saying the same for professional services and 71% saying so for retail.
- Predictions for wholesale and manufacturing were more moderate, with 65% betting on wholesale to fare better and 53% saying the same for manufacturing.

Business owners report positive trends for their own businesses.

- 53% say their own business is "growing and expanding," while 39% say their business is "maintaining itself." Only 8% say their business is in decline.
- 75% of business owners have expanded the range of goods and/or services their businesses provide.
- 69% of business owners expect their revenue will increase in the next 3 years, and only 3% say they think it will decrease.
- 33% expect to hire additional employees next year.

- 41% of business owners say their business growth is not constrained, while 20% say their business is constrained due to a lack of cash flow and 12% due to a lack of available labor.
- Age and income levels of typical customers are believed to have remained the same over the past 3 years, with 58% saying the age of their typical customer has remained the same, and 47% saying their income has stayed the same. 36% say the average income of their customers has increased.
- Monthly operating costs have increased for business owners over the past 3 years, with 17% saying they have increased “significantly,” 49% saying they have increased “somewhat,” and 34% saying they have remained the same.

4. Key Findings: Dearborn Perceptions

Dearborn business owners are pleased on the whole with the condition of their business districts.

- Business owner respondents are most pleased with the safety and emergency services in their business districts, with 95% rating fire services a 4- or 5-out of 5, and 87% rating police protection highly. 77% rate the overall safety of their district highly.
- Other high scoring attributes were friendliness of sales people (74%) and cost of goods/services available (72%).
- Receiving more moderate responses were convenience of parking (68%), shopping hours (67%), quality of goods and services (65%), special events and festivals (61%) and cleanliness (61%).
- Dearborn business owner respondents were less pleased with the condition of roads, variety of goods and services available, smoothness of traffic flow and overall attractiveness of the district. Only 34% rated the condition of the roads in their district highly, 49% gave their districts high marks for goods/services variety, 53% rated “smoothness of traffic flow” highly, and 55% gave high marks to their district for attractiveness.

In rating the vibrancy of their districts, business owners pointed to safety, affordable prices and overall pleasant atmosphere as positives. Parking and mix of offerings are rated more critically.

- Nearly all Dearborn business owner respondents agree that their districts are safe places to shop and dine (97%), merchandise is sold at competitive prices (97%), their districts have a positive future (94%), that their districts are good places to live (90%) and pleasant places to dine and shop (85%).
- Fewer business owners are in agreement that there is adequate parking in their districts (65%), an adequate selection of services (62%), and adequate commercial and retail development (61%). Just 50% of business owners feel there is a satisfactory mix of retail stores in their districts.

Dearborn business owners are generally pleased with the level of community services.

- When given several concerns to choose from, 39% of Dearborn business owner respondents said they had “no concerns” about community services as they relate to their businesses. Streets and highways were the point of most concern with 36% of business owners citing roads as a concern, 28% citing sewers, and 14% citing trash service/sanitation and zoning as concerns, respectively.

Dearborn business owner respondents believe there are adequate opportunities for earning an income in Dearborn.

- 84% of business owner respondents agree that “there are sufficient opportunities for earning an income in Dearborn.”

However, business owner respondents also feel there is room to improve on job creation.

- 91% of business owner respondents would like to see more job opportunities in Dearborn, with retail, service and technology leading the types of jobs they would like to see.
- While 100% agree that “local jobs can help create new tax resources for Dearborn, and 91% agree that “we should do more in our community to create new jobs,” only 62% say “adequate resources are being used to develop new jobs.”
- Further, fewer than half agree that “county leaders are willing to provide economic support to create more jobs in Dearborn” (48%), and two-thirds agree that “city leaders are willing to provide economic support to create more jobs in Dearborn (67%).
- However, business owners are fairly evenly split on whether or not local tax resources should be used to develop new jobs, with 44% saying they should not be used, and 56% saying they should.
- Lastly, only 38% agree that “the local school system provides adequate training to youth in our community to prepare them for employment.”

Business owners feel a variety of organizations are all responsible to provide economic support for job creation in Dearborn, with city government and local business leaders most responsible.

- 74% of business owner respondents feel Dearborn city government is responsible for economic support for job creation, while 65% say local business leaders are responsible and 56% feel state government is responsible.
- 53% feel local industry leaders are responsible and 50% say the Chamber of Commerce has a role.
- Nearer the bottom of the list are County Commissioners (35%) and ACCESS (26%).
- Only 9% say “no one” is responsible for economic support for job creation.
- However, only 32% of business owner respondents say they are willing to have their taxes raised to bring new employment to Dearborn.

5. Key Findings: Desired Improvements

Business owners are in favor of industrial development and growth, but not overwhelmingly so.

- 68% of business owner respondents say “citizens of our community have a positive attitude toward attracting new business and industry,” and 64% say “our community should encourage and plan for industrial development.”

Business owners believe retail development is the most important development strategy to pursue in Dearborn.

- 70% of business owner respondents ranked retail development as the #1 strategy to pursue.
- Service improvement, technology development and the talent economy followed in rank order.

Business owners would like to see the City of Dearborn implement a variety of programs to drive business growth.

- 78% of business owners say the store fronts in their district need improvement, and facade improvement programs were most desired of all civic improvements, with 66% of business owners believing Dearborn should implement them.
- Promotional activities and streetscape improvements were both desired by 63% of business owner respondents.
- Business and location incentives were desired by 57% of business owner respondents, while 51% want Dearborn to promote facility improvement.
- Just under half of all business owner respondents felt art installations, green space development and clean-up campaigns should be pursued.
- Business trainings were least desired, with 34% of business owners feeling Dearborn should pursue them.

There is some energy around the idea of Dearborn businesses enacting efforts to drive growth.

- 97% of business owners say “it is important for merchants in my district to work together on district improvement projects.”
- 58% say Dearborn businesses should remain open late one night per week, and 39% are unsure. Only 3% say no.
- 56% of Dearborn business owners say they would be willing to coordinate design efforts with other businesses to improve the appearance of their building’s exterior, window displays, in-store displays and signs, while 39% are not sure but “interested in exploring the opportunities.”
- 58% felt Dearborn businesses should provide child care for their employees.

6. Key Findings: Civic Pride and Advocacy

The majority of Dearborn business owner respondents are very proud to own a business in Dearborn. That said, fewer would recommend it to others thinking of opening a business.

- 64% of Dearborn business owner respondents rate their pride in owning a business in Dearborn as 9- or 10-out-of-10, and 81% of Dearborn business owner respondents chose an 8, 9 or 10 to describe their pride in owning a business in Dearborn.
- Despite pride in their Dearborn businesses, a much smaller percentage said they would recommend it to another business owner, 36% of Dearborn business owner respondents rate their willingness to recommend Dearborn to someone looking to own a business as a 9- or 10-out-of-10, and 61% chose an 8, 9 or 10 for this measure. 8% said they would be very unlikely to recommend Dearborn as a place to open a business (1 or 2 rating).

7. Selected Quotes

What, if any, improvements would you like to see in Dearborn?

- **Barriers to opening and running a small business:** “The building code department makes it impossible to open a new business. I had to wait 2 months to open because of the change of trash service contractors. The inspector wouldn't let me open without the "approved trash can" but none were available. If I hadn't spent so much on opening my business I would have left Dearborn. I tell everyone, open elsewhere, Dearborn is NOT small business friendly.”
- **More reasons to stay and visit Dearborn:** “More residents, retail space, events, night life, attract residents to stay & non-residents to come to shop/eat.”
- **More shopping and dining:** “The new Ford project on Michigan Avenue looks promising. Hoping that the space is filled with retail stores. We have enough hookah bars and restaurants. We need places for people to go to shop, then go to dinner. It would improve street traffic which benefits all of us.”
- **Greater variety of shopping/retail:** “Variety and mix of retail/shopping that caters to a variety of people and needs so that we don't have to leave Dearborn for some things out of necessity.”
- **Alley way repair:** “Alley way repair and maintenance is grossly needed.”
- **Road maintenance and traffic flow:** “Drastically improve traffic flow and roads.”
- **Business development and city infrastructure:** “Infrastructure, roads, water, sewer, business development beyond bars and food.”
- **A more walkable retail area:** “As Michigan Ave goes through West Dearborn, I would love to see the following changes. Michigan Ave should be transformed from a commuter route to a small shop/ business friendly mode of transportation and access. That means slowing Michigan Ave down to 25 mph in the downtown areas. That would include parallel parking . Small shops need to be noticed, and entering from the front, rather than the back of businesses should be the mode of access. We admire Northville, Plymouth, Farmington, for their diversity of small shops, all with major main streets slowed to 25mph, all with parallel parking and front access. Travel on bicycles and scooters should be easy, and walking even easier. Right now, there are too many blind spots, drivers

can't see bicyclists or pedestrians, especially near Telegraph and Miller's Bar. Slowing Michigan Ave down takes it away from a commuter environment of quick stop bars etc., and provide a slower pace that allows casual shopping, attracting some of the 2 million visitors to Greenfield Village each year. We also have many college-age folk, with U of M and Henry Ford CC nearby.

- **Consistent messaging and branding:** “Dearborn also needs a 'theme'. That's where 'branding' enters the picture. History as a theme is an obvious choice, with the Village around the corner, the popular 'Ford' restaurant nearby, and cars as a theme. Dearborn also has a diversity of ethnic groups, Mexican, Middle East, European, which can also be 'themed' into the mix for an exciting and new look. Some organization needs to coordinate the Themes so they blend, rather than 'conflict. That's one reason for the branding ideas, right?”
- **Improved ease of working with the city:** “The biggest complaint I've heard from several development company owners is that our city inspectors are impossible to work with. They stay clear of Dearborn. I have also heard several complaints from existing businesses in Dearborn on that topic.”