

Department of Planning & Development

Business Survey Results

Introduction

- The Department of Planning and Development undertook its first Business Survey to help it assess the general business conditions within the City's boundaries.

Economic Development

GOAL:

- The Department hoped to gain a stronger understanding of the strengths and weaknesses of the business climate to provide a framework to better design and deliver services.

Business Survey Methods

- The Department sent out 990 twenty-one question surveys hoping to provide one to every business establishment operating within the City's boundaries
- The Department included return envelopes to increase the response rate.
- Finally, the Department conducted a door-to-door canvassing of business along Detroit and Madison Avenues

Overall Results

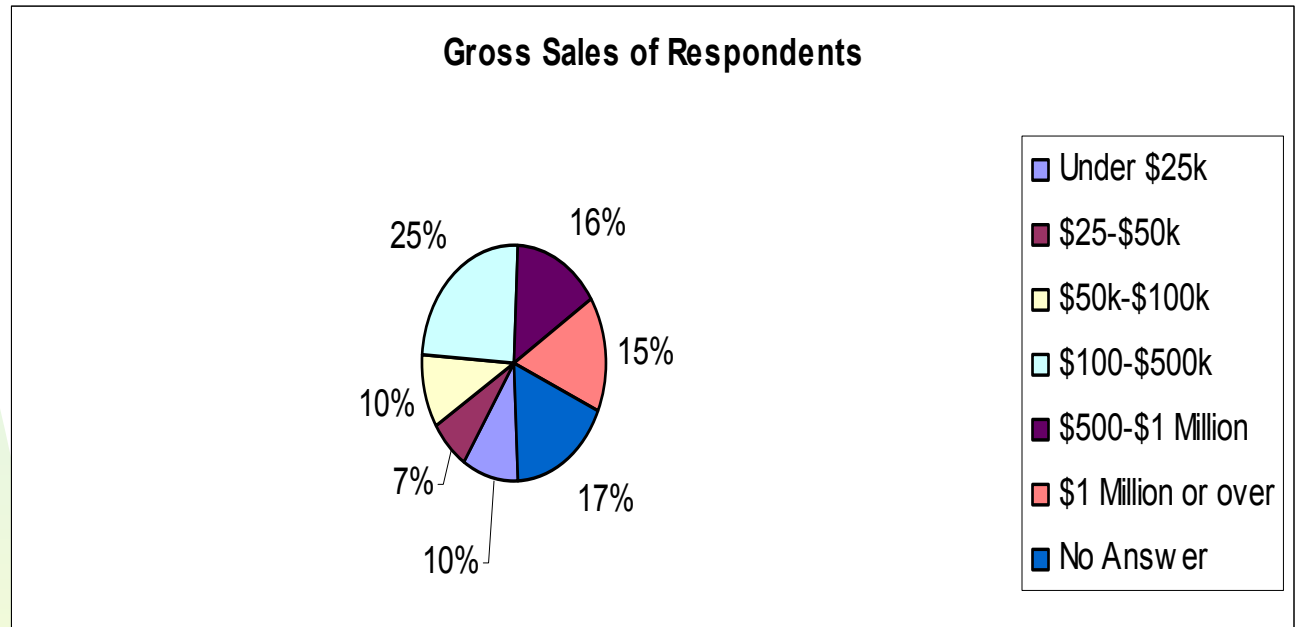
- The Department received or obtained 225 responses to the survey creating a 23% response rate
- Businesses in 24 different categories responded to the survey.
- Those owning a business in the Retail (27%), Restaurant (8%) and Bar (7%) industries represented over 40% of those who responded to the survey.
- A solid percentage of professional service providers (19%) also responded.

Overall Results Continued

- Over 56% of respondents operated their businesses at their current locations for ten years or less. Fifteen businesses (7%) that responded have operated in Lakewood over 50 years.
- Nearly 93% were either a member of the ownership partnership, owner or executive of a private, or public corporation, or self-employed with or without employees.

Business Demographics of Respondents

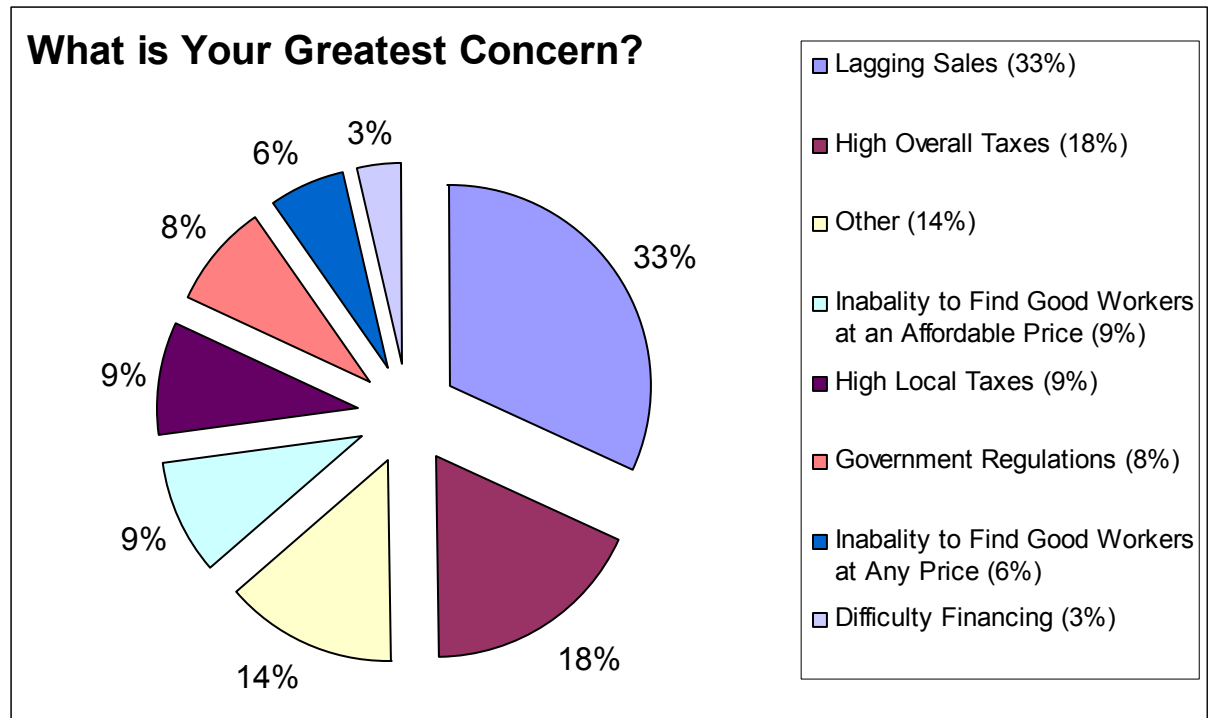
Gross Sales



Business Demographics Continued

- 76% had ten or fewer employees reflecting the City's economic base. Only five employers had more than 100 employees.
- Despite the high percentage of small business responding to the survey, 52% claimed to offer health insurance.
- The majority of respondents (62%) rent their primary place of business

General Views of the Business Climate



General Views of the Business Climate

- 58% of those responding stated that parking was adequate in their area.
- Only 46% of those owning businesses in the restaurant and bar industries felt they possessed adequate parking.
- Nearly two-thirds were not familiar with City programs.

Profitability

- Of those responding, 88% indicated that they expected a profit this year. A small percentage (5%) expected a loss this year.
- The majority (67%) of the City's employers will not make changes to their work force.
- Over a quarter (28%) indicated that they would increase employment in some form.

Industry Profits –Bars and Restaurants

- Although the vast majority of those in the restaurant and bar industries indicated that they expected a profit (83%), over 11% expected a loss.
- This is nearly double the survey average of 6%. Of those expecting a profit, 41% indicated that they are either less profitable or much less profitable this year.
- Only three businesses expect a large increase in profits.

Industry Profits - Manufacturing

- All manufactures responding to the survey indicated that they expected their profits to remain the same or increase Linked to job creation.
- 87% of these manufacturers plan to add employees

Recommendation One

- The survey confirmed long standing notions that small business remains the backbone of Lakewood's economy. For this reason, the Department needs to create a program better targeted at small business similar to the County Mural Loan Program aimed at providing financial assistance with renovating the interior and exterior of mixed-use structures.

Recommendation Two

- Nearly two-thirds were unaware of the City's current Economic Development Fund Assistance Program and the Commercial Revitalization Program. The City needs to better promote its programs.

Recommendation Three

- Lagging sales is by far the business community's greatest concern, nearly doubling any other concern listed by the respondents. The City can help by aggressively marketing its business community through street fairs, literature and other special events

Recommendation Four

- A significant percentage indicated that finding quality workers is a large concern. The Department initiated work force development in cooperation with Lakewood Public Schools to help address the expressed shortage of quality workers. These efforts should continue.

Recommendation Five

- Although the Business Survey is a useful tool and should be utilized next year to assist with studying trends, it is more likely that more could be learned by expanding this effort into a full-fledged marketing study. This would include a shopper's survey and a gravity-model study to properly ascertain the City's missing niches in the retail market keeping Lakewood dollars.

Recommendation Six

- Of those responding, 42% of business owners and over half of restaurant and bar owners claimed they need more parking. The City is currently conducting a parking study to look at creative ways of solving the issues.

Questions? Contact Us!

Department of Planning and Development
12650 Detroit Avenue
Lakewood, OH 44107

Phone: 216-529-6634

E-mail: planning@lakewoodoh.net

Fax: 216-529-5936