

Chain

Is all retail local? Are national chains better? What about online?

When we think about our favorite retailers (those that understand our wants/needs best), do they tend to be national, regional, local, mom-and-pop or online?

We crafted a survey designed to get at this question by asking readers to choose whether their favorite retailer is national or otherwise across various categories. We then asked respondents to name their favorite retailer in each category and explain why.

Since national retailers are more dominant in some categories than in others, the results varied. For example, in the office-supply category, where Staples, Office Depot and OfficeMax dominate, 57 percent said their favorite retailer was “national.”

With supermarkets, where there are relatively fewer national chains, regional stores were on top, with local stores virtually tied with national. In the coffee category, it was almost an even split between national and local/mom-and-pop shops.

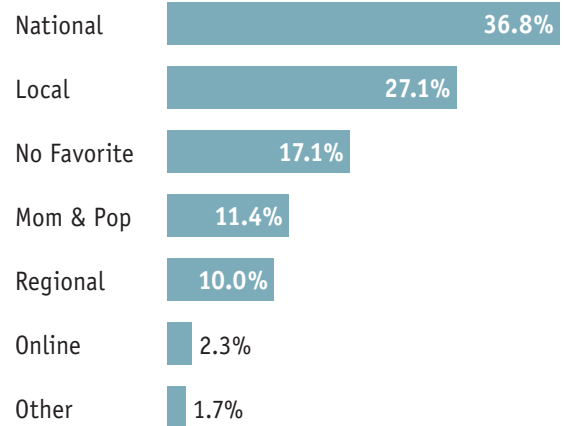
More striking was the prevalence of “no favorite” in certain categories — most notably sporting goods (49 percent), department stores (47 percent), convenience stores (54 percent) and general merchandise stores (60 percent).

Most of the other categories scored “no favorites” in the 30 percent range. Only hardware (21 percent), coffee (17 percent) and supermarkets (3 percent) registered below 30 percent on the “no favorites” scale. A notable number of respondents wrote “hate them all,” or words to that effect. Others were resigned, as in, “Do I have a choice?”

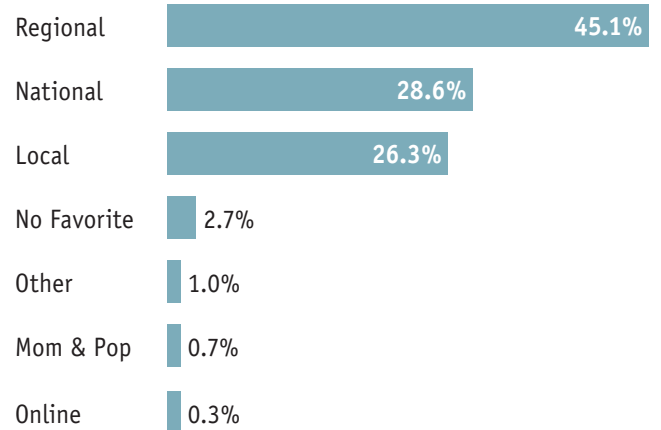
This suggests a rather sad state of affairs for retail, in general. Even in categories where a particular retailer scored high — such as Best Buy, named as the “favorite” retailer in consumer electronics — some respondents pointed out that this was by default, since “all the others have bitten the dust.”

A handful of categories, including coffee, hardware, books, office supplies and pharmacy, do seem to suggest potential for growth at the local level. In the coffee category, for instance, national (37 percent)

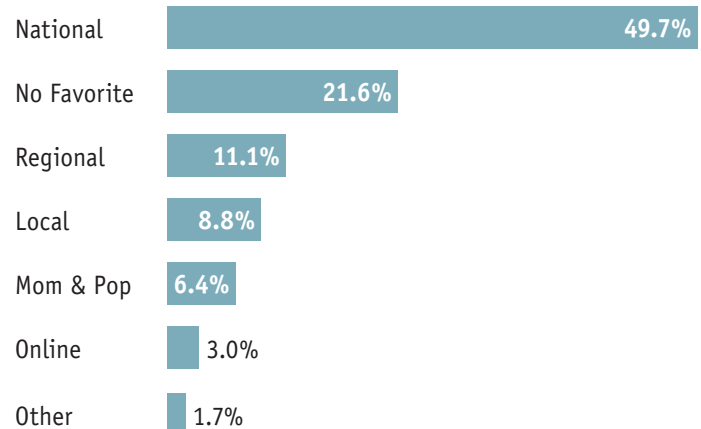
Is your favorite coffee retailer:



Is your favorite supermarket:

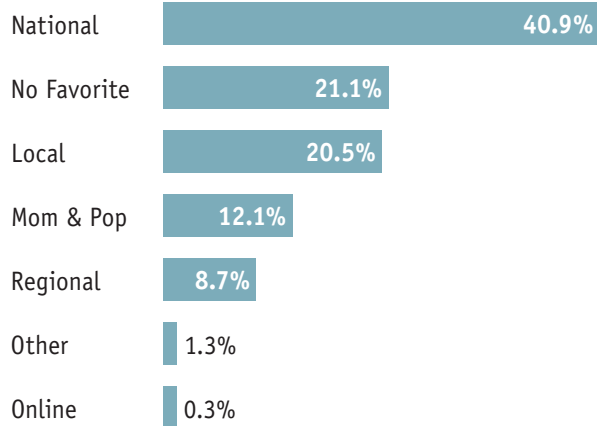


Is your favorite pharmacy:

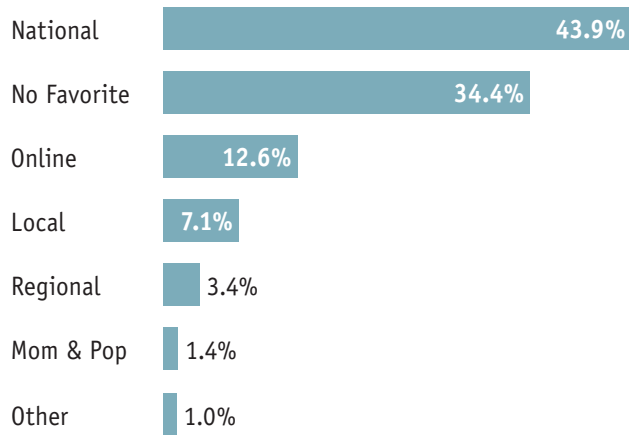


Gang

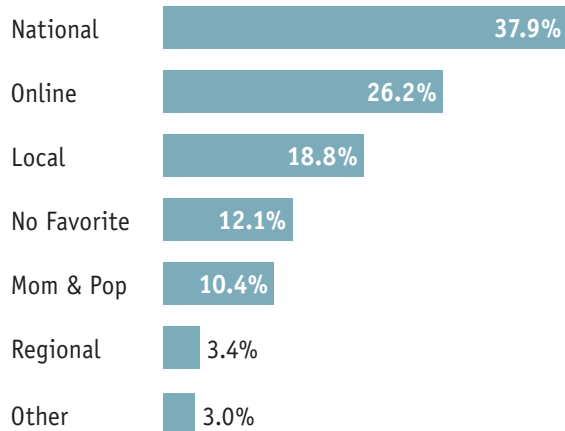
Is your favorite hardware/home-improvement store:



Is your favorite consumer-electronics store:



Is your favorite book store:



and local/mom-and-pop (39 percent) split fairly evenly when the question was asked generically.

However, when asked to name a specific favorite coffee shop, 48 percent named a local shop, followed by 38 percent selecting Starbucks and 11 percent picking Dunkin' Donuts. Among bookstores, 34 percent named a local shop, followed by Amazon (28 percent), Barnes & Noble (22 percent) and Borders (12 percent).

Even in the pharmacy category, where several respondents noted that local drug stores had disappeared, a surprising 23 percent named a local pharmacy as their favorite, versus 42 percent choosing CVS and 35 percent selecting Walgreens.

The hardware category is most interesting in this regard. A plurality of 41 percent said that their favorite hardware store is national, with 33 percent identifying local/mom-and-pop stores as their favorite.

But when asked to name their favorite store specifically, 54 percent picked a local retailer as their favorite, with just 28 percent selecting Home Depot and 18 percent choosing Lowe's. While many respondents had nice things to say about both big-box retailers, many didn't elaborate or indicate any particular enthusiasm.

By comparison, fans of local hardware stores frequently mentioned "personal service." In many cases these "local" shops are actually part of a franchise, but that doesn't seem to matter. "Tweedy and Pop's is a True Value Hardware store, but it feels like a mom and pop store," wrote one respondent. "It's our neighborhood hardware store."

Might the True Value model—local shops made price competitive by a national franchise—work in other categories? That might be worth considering, given the enduring appeal of local and mom-and-pop retailers.

Finally, we asked readers to pick the one retailer that understands them best. Sixty-five percent picked a national retailer, 21 percent local and 14 percent regional. Of the nationals, the number-one choice was Target (33 percent), followed by Amazon (20 percent) and Trader Joe's (13 percent). ■

Survey results:

www.hubmagazine.com/survey/mom_pop