

A GUIDE TO  
MAPPING CONSUMER EXPENDITURES  
AND  
MOBILIZING CONSUMER EXPENDITURE CAPACITIES



A COMMUNITY BUILDING WORKBOOK  
FROM  
THE ASSET-BASED COMMUNITY DEVELOPMENT INSTITUTE

A GUIDE TO  
MAPPING CONSUMER EXPENDITURES  
AND  
MOBILIZING CONSUMER EXPENDITURE CAPACITIES

A Community Building Workbook  
from  
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This is a guide about how to understand the way people in your community spend their money and what kinds of purchases they make. It is based on the experiences of one community group as it tried to understand the capacity of local individuals and families to invest dollars in their own economy and to be part of local economic-development efforts.

This guide is presented in two parts. The first part is devoted to sharing a simple method of mapping out the spending patterns of a community in terms of items purchased on a regular basis, and larger investments occurring less frequently. The second part focuses on ways of connecting local vendors to people in the community who might want to purchase their products, educating local vendors about what kinds of things people want to buy, educating local consumers about the value of making their purchases from a local store, and promoting new businesses to fill gaps in retail provision.

By completing the steps in this guide, you will generate a great deal of knowledge about how money circulates, and this knowledge will help you in your efforts toward whole-community mobilization. Before beginning to outline the basic elements of these methods, it will be useful to discuss what part a retail business plays in a local economy.

*What is a retail business?*

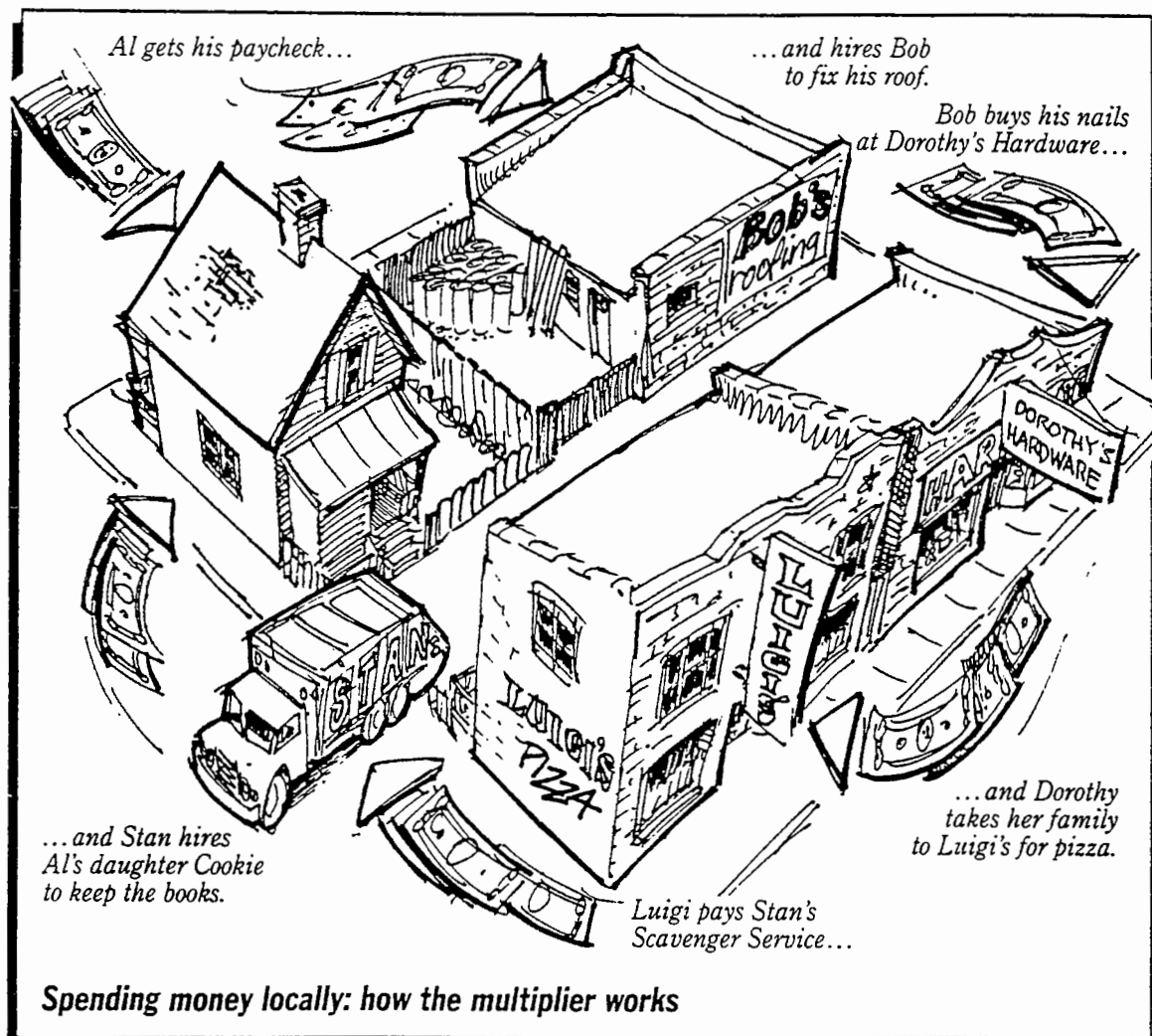
A retail business is a for-profit institution and it participates in an economic system in order to generate and increase profit. In doing so, a retail business becomes a part of the *economy*. Retail businesses are similar to other businesses in that they attempt to make money, they hire people to facilitate achieving this goal, and they pay taxes on the profits they earn.

Retail businesses are different from other businesses in that their purpose is to provide specific products for sale to the general public. Other kinds of businesses that may exist in your community include construction companies, wholesale trade businesses, finance and real estate companies, and service providers. Retail businesses are unique in that they have different customers than other businesses. Their customers come to them in order to purchase a specific product or group of products. Retail businesses have to satisfy as large a group of the general public as they can with their products, their prices, their promotions, their service, and their location. What this means is that, while some retail businesses target large numbers of people from many communities, all retail businesses are to some extent associated with the community in which they exist. This makes them part of the local economy, and as part of this economy, they represent a valuable resource for your organization in your development efforts.

*What is a local economy?*

- ☐ A local economy is one in which dollars recirculate.
- ☐ A local economy is one in which local people are working.
- ☐ A local economy is one in which local people own local businesses.
- ☐ A local economy is one in which local people make their purchases in neighborhood stores.
- ☐ A local economy is one in which local people are active and connected.

This illustration of a local economy shows how money circulates and recirculates through the community, and how the value of each dollar multiplies by expanding the wealth of each person it comes into contact with.



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*Why is a healthy local economy important?*

- ☐ As dollars circulate, the local economy retains many of the benefits, local people are better off, and more economic growth is possible.

Because local people make regular retail purchases of everyday items, and make occasional investments in larger items, it is important to know whether these local dollars are remaining within the local economy to help it grow. Even people with very low incomes have money to spend and are consumers of retail products. There is no community in which residents spend nothing, and by examining your community expenditure patterns, you will find that there is more local expenditure power than you think.

Along with expenditure power, consumers have preferences:

- ☐ Preferences about what products to buy.
- ☐ Preferences about what stores to patronize.
- ☐ Preferences about how far they will travel to make purchases.
- ☐ Preferences about what prices they will pay for their purchases.
- ☐ Preferences about what service they think is best.

In a completely mobilized community, strong relationships exist between retail providers and consumers. Store owners understand what products their patrons are interested in, what kind of service they want, and what prices they are willing to pay. Consumers understand that buying locally helps the economy in the long run, even if the price may be slightly higher than at a store in another community, and are willing to support businesses which make an effort to meet their retail needs.

*How do you find out about Consumer Expenditure Patterns?*

An important part of promoting a healthy local economy is finding out how local people spend their dollars. Part I of this guide provides a step-by-step plan to completing an Expenditure Patterns Map. The main steps are:

- ☐ Designing your questionnaire.
- ☐ Conducting an Expenditure Patterns Survey.
- ☐ Assessing and organizing what you find.

*What can you expect to find?*

There is more expenditure power than you think in your community. For example, every individual and every family purchases food, clothing, and shoes. Many purchase entertainment, child care, furniture, and a variety of services. When you add up the dollars spent on these items, the spending power of a community rapidly becomes apparent. The 800 household, very low-income community who originally implemented this consumer expenditure patterns project, found that their residents possessed purchasing power of over five million dollars per year. They were astounded by this finding and immediately gained new confidence in their ability to have a voice in local retail provision.

*What can you do once you know about consumer expenditure patterns?*

After completing the steps in this guide, you can use the information in your local economic-development efforts. Part II helps you to think about what you can do with the information once you understand the expenditure patterns in your community. It offers suggestions for:

- ☐ Educating local retailers about what kinds of things people want to buy.
- ☐ Educating local consumers about how they can use their expenditure power to encourage retail stores to provide the products and service they want.
- ☐ Educating local consumers about the value to the community economy of making their purchases from a local store.
- ☐ Promoting new businesses to fill gaps in retail provision.



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The first step in the process of understanding your local consumer expenditure patterns is to decide what the focus of your project should be. Each community is different and while some communities may wish to get a general sense of what consumers are purchasing and how much money they are spending, other communities may have a specific development idea for which they need supporting information.

*Collecting general information about consumer expenditure patterns*

If your project is intended to collect general information about consumer expenditures, the following pages provide a sample Consumer Expenditure Patterns questionnaire. Using this questionnaire allows you to gather information about:

- ☐ Consumer patronage of small local businesses.
- ☐ Consumer expectations about the proximity of businesses.
- ☐ Consumer assessment of needed businesses.
- ☐ Consumer interest in business start-up.
- ☐ Consumer interest in locally-sponsored cooperative businesses.
- ☐ Consumer expenditure patterns on basic retail goods.
- ☐ Consumer expenditure amounts on basic retail goods.

Your organization may wish to change or modify this sample questionnaire to meet the specific needs of your community.

*Collecting specific information about consumer expenditure patterns*

If your organization is exploring a particular economic-development project and requires information about how consumers will respond to the plan, a consumer expenditures questionnaire can be designed to fit your specific needs. For example, say that your organization has been working on the development of a small strip mall in your community, and you are interested in knowing what businesses local residents would most like to see located in the new retail area. You may wish to design a very specific questionnaire to capture this information. You may use the sample questionnaire as the basis from which to design your own Consumer Expenditure Patterns Map.

We recommend completing a comprehensive Consumer Expenditure Patterns Map, as you will always find the information useful in your overall development efforts. Add questions if you have the need for specific information, but if possible, do not delete any, as you will want to produce the most informative map you possibly can.

**Introduction:**

[This is where you should insert the introduction to your organization which you developed in Part I].

**My first questions are about your general shopping patterns and your sense of what community businesses have to offer.**

1. Do you make any purchases in this neighborhood? **0=NO 1=YES**

**[IF NO]** Why not? \_\_\_\_\_

**[IF YES]** Are you satisfied with the quality of your neighborhood purchases?

**0=NO 1=YES**

2. Would you purchase more products and services in this neighborhood if more of what you need were available here? **0=NO 1=YES**
3. Would you consider changing the brand you usually buy if you could get the products you want at a reasonable price in this neighborhood? **0=NO 1=YES**
4. How close should businesses be located in order to easily walk to them?
- 1 = One to two blocks
  - 2 = Three to four blocks
  - 3 = Five to six blocks
  - 4 = Seven to eight blocks
  - 5 = Nine to ten blocks
  - 6 = More than 10 blocks
5. How close should businesses be located in order to easily use public transportation to get to them without wasting too much time?
- 1 = Less than one mile
  - 2 = One to three miles
  - 3 = Four to six miles
  - 4 = Seven to ten miles
  - 5 = More than ten miles

6. What kinds of businesses are needed but not currently located in your neighborhood? (CIRCLE ALL THAT APPLY)?

- |                                |                                  |
|--------------------------------|----------------------------------|
| 01 = Grocery Store             | 17 = Music and Video Store       |
| 02 = Fresh Produce Store       | 18 = Florist                     |
| 03 = Bakery                    | 19 = Liquor Store                |
| 04 = Variety or Discount Store | 20 = Newspaper and Book Store    |
| 05 = Laundromat                | 21 = Beauty Supply Store         |
| 06 = Adult's Clothing Store    | 22 = Dollar Store                |
| 07 = Adult's Shoe Store        | 23 = Restaurant                  |
| 08 = Children's Clothing Store | 24 = Pharmacy                    |
| 09 = Children's Shoe Store     | 25 = Gift Store                  |
| 10 = Furniture Store           | 26 = Small Appliance Repair Shop |
| 11 = Bank                      | 27 = Large Appliance Repair Shop |
| 12 = Savings and Loan          | 28 = Repair Shop for Automobiles |
| 13 = Automatic Teller Machine  | 29 = Nursery School or Preschool |
| 14 = Beauty Salon              | 30 = Child Care                  |
| 15 = Barber Shop               | 31 = Other _____                 |
| 16 = Hardware Store            | 32 = Other _____                 |

Which one of these needed businesses do you think is most important? \_\_\_\_\_

7. Did you know that some people run small businesses from their home or apartment (home-based businesses) using such skills as sewing, cooking, or resale?  
0=NO 1=YES
8. Do you ever buy products or services from people who have home-based businesses?  
0=NO 1=YES
9. Do you think people living in this neighborhood could start businesses to provide more of the things that you need?  
0=NO 1=YES
10. Would you be interested in starting a small business in this community?  
0=NO 1=YES
11. Are loans available in this community for small business start-ups?  
0=NO 1=YES

12. Would you be interested in a training class that taught the basics of starting a small business?  
**0=NO 1=YES**
13. If a group of local people prepared a plan for a community cooperative business venture, such as a grocery store or day care center, would you be interested in getting involved?  
**0=NO 1=YES**
14. Would you consider volunteering one or two hours a week to a community cooperative?  
**0=NO 1=YES**
15. Do you own property in this community? **0=NO 1=YES**  
**[IF NO]** Would you like to own property in this community? **0=NO 1=YES**
16. Are there resources in this community to help you obtain loans to purchase or renovate property here?  
**0=NO 1=YES**



<b>FOR THE FOLLOWING TYPES OF PRODUCTS</b>	At what store do you purchase:  Write the name of the store	How do you get there?  WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER NOT APPLICABLE	What is the ONE MAIN reason you buy this product at this store? CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY ACCESS SAFE PLACE OTHER NOT APPLICABLE
Fresh produce:			
Meat:			
Dairy:			
Other food products:			
Soda:			
Fresh baked goods:			
Cleaning products:			
Paper products:			
Toiletries, personal:			
Gift shop items:			
Sheets, towels:			
Furniture:			
Adult's clothing:			
Adult's shoes:			
Children's clothing:			
Children's shoes:			
Accessories:			
Cigarettes, alcohol:			
Toys:			
Magazines, papers:			
Restaurant meals:			
Take-out meals:			

<b>FOR THE FOLLOWING TYPES OF PRODUCTS</b>	At what store do you purchase:	How do you get there?	What is the ONE MAIN reason you buy this product at this store?
	Write the name of the store	WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER NOT APPLICABLE	CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY ACCESS SAFE PLACE OTHER NOT APPLICABLE
Movie Rentals:			
Entertainment:			
Small repairs:			
Large repairs:			
Hair cutting:			
Prescriptions:			
Laundromat:			
Dry cleaning:			
Child Care:			
Copying, Xerox:			
Banking:			
Florist:			
<b>YOUR ANSWERS ARE COMPLETELY CONFIDENTIAL</b>			
\$ spent on food in one month?			
\$ spent on paper products/supplies in one month?			
\$ spent on clothing in one month?			
\$ spent on shoes in one month?			
\$ spent on the rest of your purchases in one month?			

---

As you prepare to complete your expenditure patterns map, you should think both about the questions you wish to ask, and about how you will introduce your organization to the residents you will be talking to.

*Preparing an introduction to your organization*

As you prepare to talk to the residents of your community about their expenditure patterns, you will need to develop an introduction that explains your organization and the work it does. This introduction should be brief, but it should tell the people you are talking to all the information they need to know in order to make them feel comfortable about having a conversation with you. Before you write this introduction, you should think about how much people already know and understand about your organization. Is your organization well known in the community? Does your organization work with many other organizations or just a few? Do you think residents know about your organization and its work? How you answer these questions will help you prepare your organizational introduction. At a minimum your introduction should include:

- ☐ The name of your organization and the area it serves or the people it represents.
- ☐ The goals and aspirations of your organization.
- ☐ The origins of your organization.
- ☐ An explanation of the project and the purpose of your visit.
- ☐ An explanation of what you plan to use the information for.

When people in the community agree to speak with you, they will probably only want to spend half an hour at the most. The introduction should take no more than five minutes because most of your time should focus on the individual and family expenditure patterns, rather than on your organization. This sample illustrates a good organizational introduction.

Hello, my name is Mary Jordan and I represent the Douglas Area Community Organization. We're located on 34th Street and our members include people living throughout the Douglas neighborhood. Our organization was started ten years ago by a group of local residents who were concerned with the deterioration of employment opportunities in the neighborhood. We've been working ever since with local residents, associations, and institutions to promote the building of a healthy and active local economy. Our current project involves finding out about how consumers spend their money. We're interested in which stores you patronize and why, what products you purchase, and your feelings about local retail business. While all the information we collect is completely confidential, will use the overall information in our economic-development efforts.

*Asking residents about their expenditure patterns*

Once you have a questionnaire you are satisfied with, you can begin to talk to the residents of your community. There are several ways you can target local residents for completing the questionnaire:

- ☐ Going door-to-door through the community and speaking to residents in their homes.
- ☐ Setting up a table at the local elementary school and speaking to parents as they deliver their children to school.
- ☐ Asking a organization if you can send a representative to one of their meetings to speak to people who attend.

If you send representatives into the community to ask questions at each home, you may want to consider sending them in teams. It is sometimes easier to feel comfortable knocking on the door of someone unknown to you if you have a partner with whom you are working. Using the sample questionnaire, or the set of questions you have developed for your organization, the representatives should ask the resident each of the questions about their expenditures.

Your representatives should be trained to understand the sensitivity some people will feel about disclosing information about the money they spend. Several kinds of reassurances are useful in making people feel more comfortable:

- ☐ Explain that no names or personal identification will be requested or included on the questionnaire, other than an address.
- ☐ Explain your organization's commitment to complete confidentiality.
- ☐ Include in your explanation of the purpose of the questions the fact that your organization believes the community has more expenditure power than is obvious, and wants the information to use in its economic-development efforts, including the creation of jobs, promotion of small businesses, and expanding existing businesses.

When you have asked the questions of as many of your community residents as possible, you are ready begin assessing and organizing the information, and putting it together into a Consumer Expenditure Patterns Map. The next section explains the simplest methods of doing so.



You have several options for assessing the information you have collected. If you have a computer with a spreadsheet program, you can enter the data for each question and ask the computer for a summary of answers. If you do not have a computer available for this purpose, worksheets are included on the next two pages and on pages 99 and 99 in the Appendices for creating a summary of your information.

The Retail Assessment Worksheet illustrated on page 14 is used to make counts of the number of people who use specific stores for specific purchases. On this sheet you will simply tally up the responses you received when you did your survey. Using the information from the Expenditure Patterns Questionnaire you completed, create a Retail Assessment Worksheet for each category of product you are interested in, and enter the name of each business that is patronized for this product. Then simply count the number of people who patronize the business, the amount they spend there, what form of transportation they use to get there, and the reason they make their purchases from that particular business. You should make adjustments in the Worksheets to reflect the specific things you asked on your questionnaire.

The General Worksheet illustrated on page 15 is used to help you summarize the answers to the other questions. This worksheet is essentially a blank form to design according to your needs. For each question, simply enter counts of the answers you received. The first line of the worksheet provides an example.

When you know what businesses your residents patronize, use a street map to mark the specific business locations. This will enable you to easily see patterns in retail provision, and to identify potential places in your community where additional retail stores could be developed.

This bundle of information comprises the basic community Consumer Expenditure Patterns Map. If you have the equipment and resources available, you may wish to illustrate your findings in a manner that will be easily understood. Think about the following possibilities:

- ☐ Use a computer spreadsheet with graphing capabilities to illustrate your findings in graph form.
- ☐ Use a colored pen or pencil to mark the actual locations of the businesses on the street map of your community.
- ☐ Bind all the information together into a notebook so that all the details about the businesses in your community are together in one place.

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*What does the final consumer expenditure patterns map look like?*

When you have completed all the steps outlined in this guide, your Consumer Expenditure Patterns Map is complete. What is included in the final product will depend on what specific things your organization wanted to find out, but may include such information as:

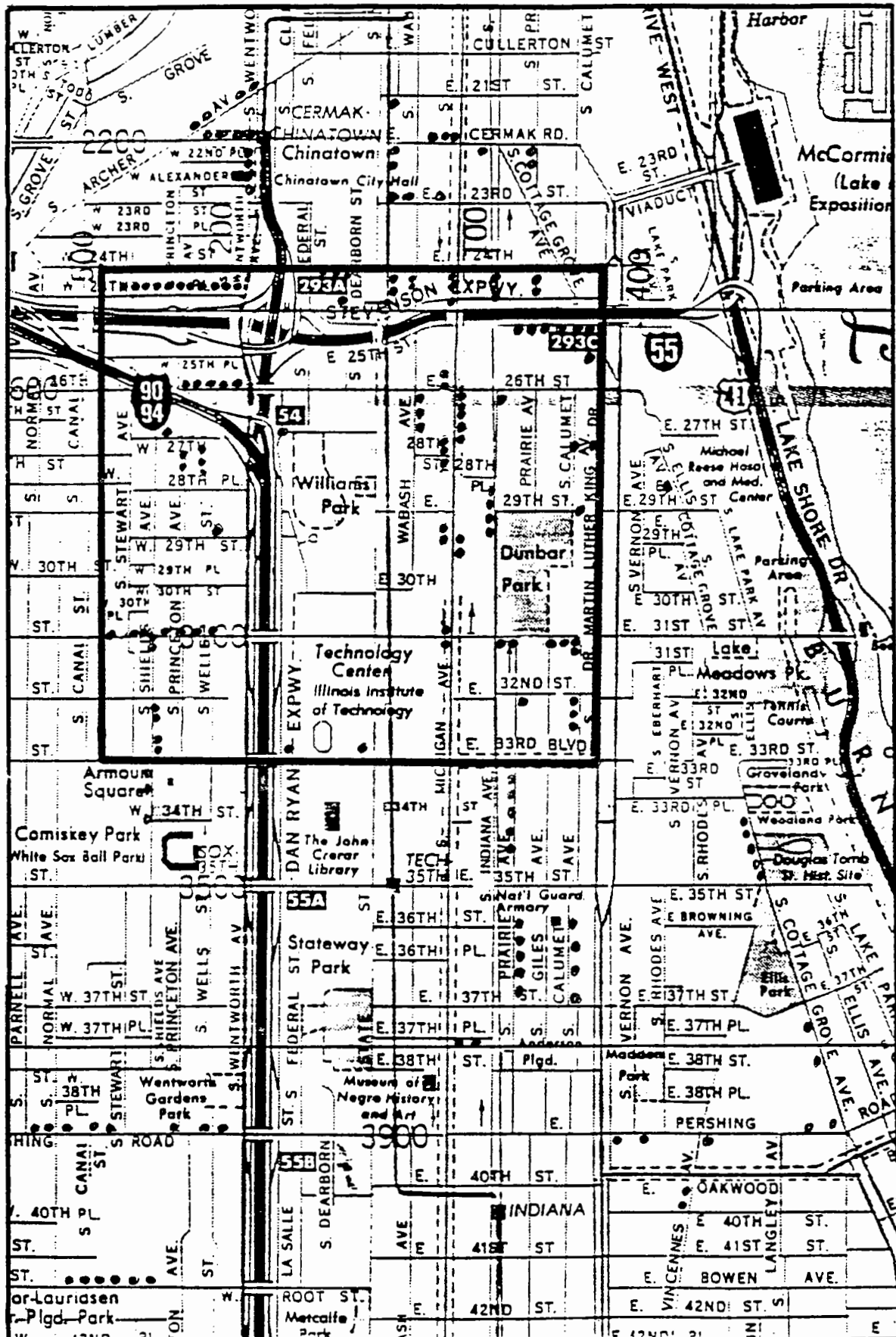
- ☐ A community map with the stores your residents patronize indicated.
- ☐ A list of the businesses patronized by the residents of your community
- ☐ A list of the products most commonly purchased by your residents
- ☐ An assessment of the transportation used to access retail stores.
- ☐ An assessment of the community's attitudes about needed businesses.
- ☐ An assessment of the community's attitudes about getting involved in community-based cooperative businesses.

The following pages are an example of what you can find out about the consumer expenditure patterns in your community. The example illustrates some of the information one can find by exploring the ways that residents spend their money. Following the steps indicated in the previous section produced the results illustrated in the charts on these pages. The community group who produced this example were interested in a general assessment of local expenditure patterns as part of their plan to identify what important retail establishments were missing in the neighborhood. They were also interested in finding out about how interested people might be in starting their own businesses to fill gaps in the retail provision in the community.

The first page following this introduction is a street map of the community with all of the businesses patronized by local people marked with a small circle. The square-mile area marked in the center is the area in which the people of this community felt they might readily make purchases. They found that many people make purchases well outside the immediate local area, some outside the area illustrated in the map. Following the community map are:

- ☐ An explanation of the findings about consumer expenditure patterns and overall consumer spending.
- ☐ A graph of the kinds of businesses residents want in the community.
- ☐ A graph of the distance residents believe businesses should be located in order to easily walk to them.
- ☐ A chart illustrating purchasing patterns for general food items.
- ☐ A chart illustrating purchasing patterns for adult's clothing.
- ☐ A chart illustrating purchasing patterns for laundromat services.





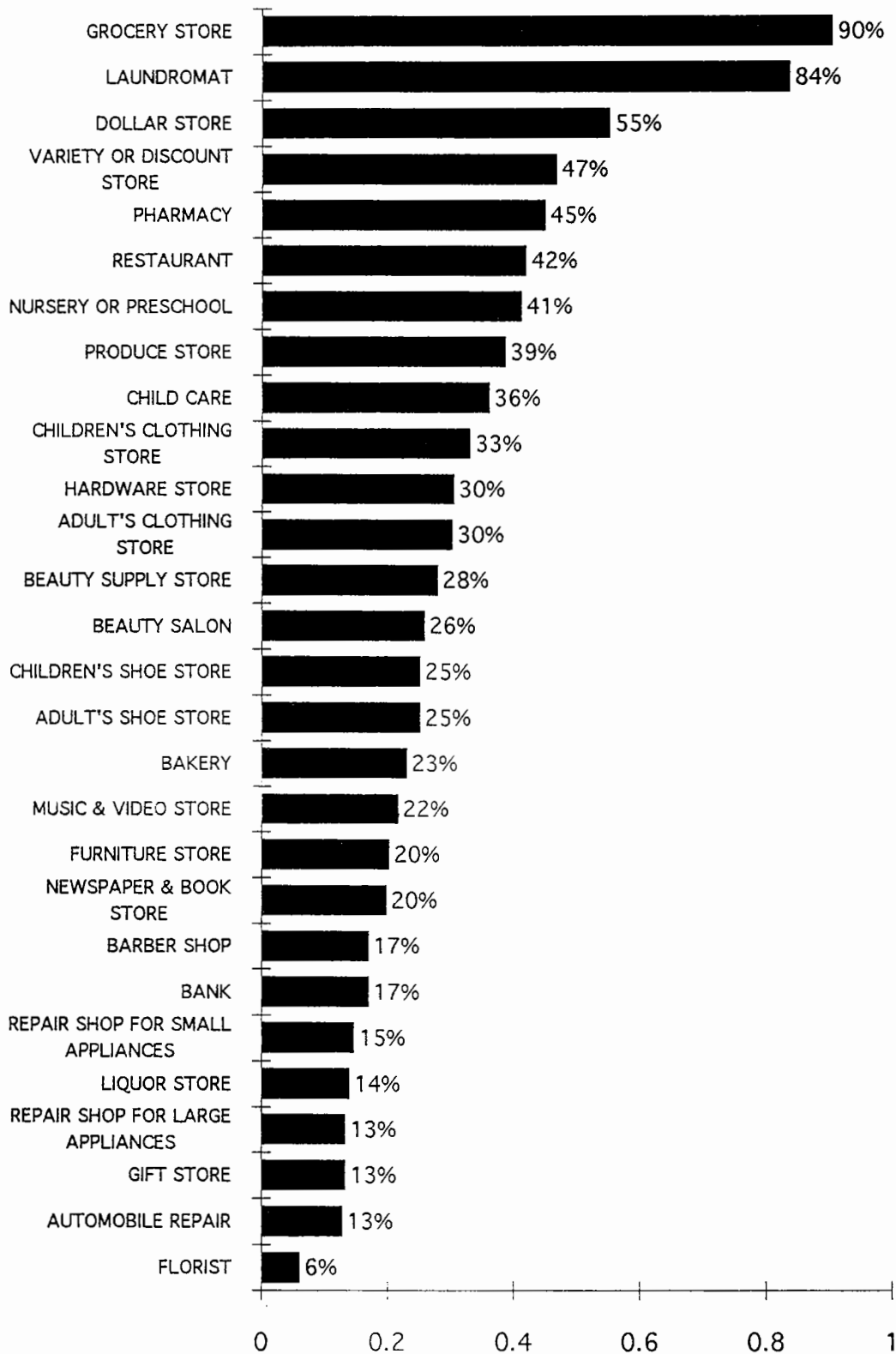
### **Findings About Expenditure Patterns and Retail Needs**

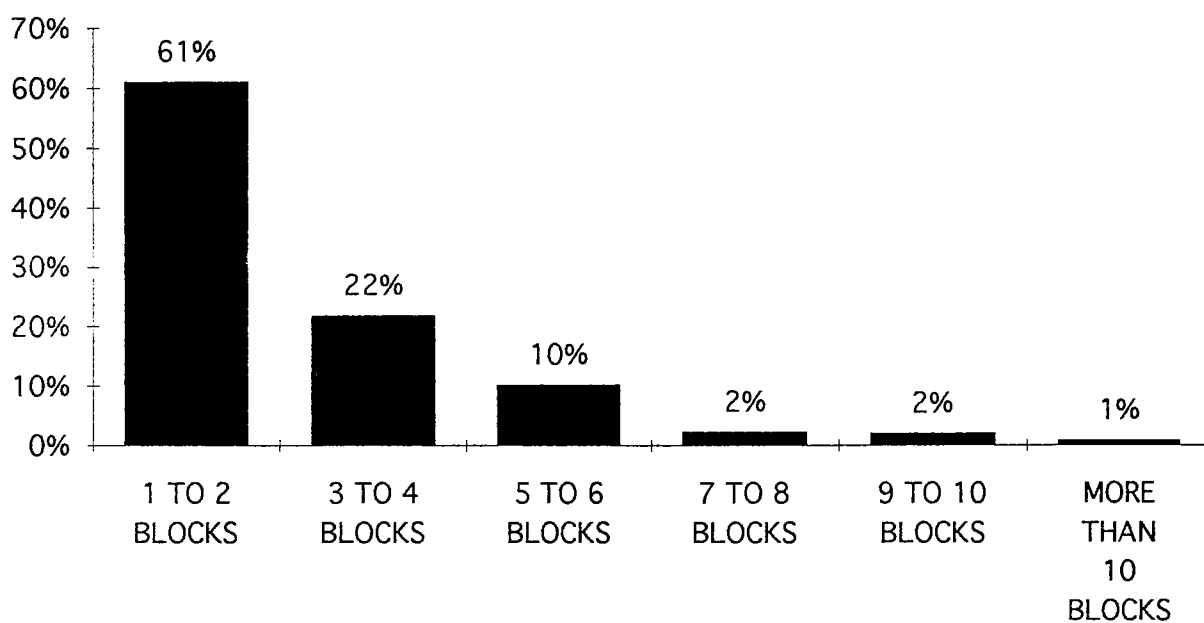
For food products in general, residents prefer to shop at stores where they get the best prices, although proximity to the neighborhood is also a major consideration in the choice of stores. For other product categories, such as cigarettes, magazines, restaurant and take-out meals, and many services, the fact that the store is the closest place to go, or the fact that they have good service is more important than prices in making the choice. For example, reasons for choosing a particular store for a prescription purchase are almost equally divided between the proximity of the store and the service it provides.

Travel to make purchases is mostly accomplished by public transportation or by walking, although roughly 18 percent of shopping transportation is provided by private car. These estimates are over all product categories and all stores utilized; the mode of transportation used by the majority of shoppers changes significantly depending on the specific store being patronized. Closer stores are often walked to, and stores at which larger purchases are made are much more likely to be accessed by public transportation or private car. Retail stores used by residents are located from as close to the neighborhood as actually within the development, to as distant as sixteen miles away. This distance may be acceptable for residents who own automobiles, but for those who must rely on public transportation it is likely prohibitive.

This community has relatively few retail stores located within on one-square mile area which provide the things they need. While one of the reasons that stores may not locate in the relatively isolated community is that they believe their potential profit margin is too small, this survey suggests that the residents make purchases of more than five million dollars per year, not counting rent and utilities. Based on conservative monthly estimates of expenditures, residents of this community spend about \$151,638 per month on food. They spend about \$30,759 per month on paper and cleaning products; \$149,323 per month on clothes and shoes; and a total of \$90,563 per month on all other expenditures combined. This totals almost half a million dollars per month, and over five million dollars per year.

Residents of this community are interested in starting business ventures to meet their own needs. Over 60 percent expressed interest in self-employment training, and over 57 percent report believing that there are self-employment opportunities in the community.





NAME OF THE STORE	% WHO BUY FOOD AT THIS STORE	MILES TO THIS STORE	WAY OF GETTING TO THIS STORE	REASON FOR SHOPPING AT THIS STORE
			WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER	CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY TO GET TO SAFE PLACE OTHER
JEWEL 34TH	19.6%	1.2	PUBLIC TRANS	GOOD QUALITY
ALDI	19.3%	6.1	PUBLIC TRANS	GOOD PRICES
ELITE	12.4%	0.2	WALK	CLOSEST PLACE
ONE STOP	10.5%	3.1	PUBLIC TRANS	GOOD PRICES
SOUTH COMMONS	10.0%	0.3	WALK	CLOSEST PLACE
FAIRPLAY	4.9%	3.1	PUBLIC TRANS	GOOD PRICES
OMNI	1.9%	4.7	PRIVATE CAR	GOOD PRICES
DON'S MEATS	1.6%	0.1	WALK	CLOSEST PLACE
MOO & OINK	1.4%	7.2	PUBLIC TRANS	ALL REASONS
OT FOODS	0.5%	2.4	ALL FORMS	ALL REASONS
MARIOS	0.2%	8.9	PUBLIC TRANS	ALL REASONS
CUB FOODS	0.2%	7.2	PRIVATE CAR	GOOD PRICES
JEWEL 87TH	0.2%	9.1	ALL FORMS	GOOD PRICES
SUPER JET	0.2%	1.7	PUBLIC TRANS	GOOD PRICES
DOMINICKS	0.2%	2.3	PUBLIC TRANS	GOOD QUALITY
NOT SPECIFIED	0.9%	-	-	-
DO NOT PURCHASE	7.5%	-	-	-

	% WHO BUY CLOTHING AT THIS STORE	MILES TO THIS STORE	WAY OF GETTING TO THIS STORE  WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER	REASON FOR SHOPPING AT THIS STORE CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY TO GET TO SAFE PLACE OTHER
THREE SISTERS	7.2%	3.7	PUBLIC TRANS	GOOD PRICES
GOLDBLATTS	6.8%	4.2	PUBLIC TRANS	GOOD PRICES
MYSTELL	5.6%	1.8	PUBLIC TRANS	GOOD PRICES
SEVEN \$ STORE	3.7%	1.8	PUBLIC TRANS	GOOD PRICES
CARSONS	3.0%	2.7	PUBLIC TRANS	GOOD QUALITY
STEWART CLOTHING	2.8%	2.6	PUBLIC TRANS	ALL REASONS
LERNERS	2.3%	11.6	PUBLIC TRANS	GOOD QUALITY
SEARs	1.9%	6.9	PRIVATE CAR	GOOD SERVICE
16 PLUS	1.9%	1.8	PUBLIC TRANS	GOOD PRICES
K MART	1.8%	2.3	ALL FORMS	GOOD PRICES
LANE BRYANT	1.6%	11.6	PUBLIC TRANS	GOOD QUALITY
THRIFT STORES	1.4%	-	PUBLIC TRANS	GOOD PRICES
SEVENTH FASHION	1.2%	3.0	PUBLIC TRANS	GOOD PRICES
MAXWELL STREET	1.2%	2.6	PRIVATE CAR	GOOD PRICES
MARSHALLS	0.5%	11.6	ALL FORMS	ALL REASONS
SIZE UNLIMITED	0.2%	12.0	PUBLIC TRANS	GOOD PRICES
MADE AT HOME	0.2%	-	-	-
NOT SPECIFIED	35.3%	-	-	-

	% WHO USE THIS STORE	MILES TO THIS STORE	WAY OF GETTING TO THIS STORE  WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER	REASON FOR USING THIS STORE CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY TO GET TO SAFE PLACE OTHER
PRIDE LAUNDRY	11.7%	1.1	PUBLIC TRANS	CLOSEST PLACE
DONE AT HOME	8.4%	-	-	-
31ST & HALSTED	3.0%	1.2	PRIVATE CAR	CLOSEST PLACE
SOUTH COMMONS	0.5%	0.3	WALK	GOOD SERVICE
55TH & ASHLAND	0.5%	5.2	PRIVATE CAR	GOOD SERVICE
YOUNGS	0.2%	0.2	PUBLIC TRANS	GOOD PRICES
QUICK WASH	0.2%	3.2	PUBLIC TRANS	GOOD SERVICE
NOT SPECIFIED	5.1%	-	-	-
DO NOT PURCHASE	53.6%	-	-	-

The completion of your Consumer Expenditure Patterns Project has prepared you for the final step:

- ☐ Mobilizing untapped consumer expenditure capacities in your community-building efforts.

*Now that you have gathered all of this information, what can you do with it?*

At the beginning of this guide, we set out the steps to mapping your community consumer expenditure patterns, and mobilizing your community business capacities. You have completed the community business mapping project which included:

- ☐ Designing your questionnaire.
- ☐ Completing an Expenditure Patterns Map.
- ☐ Assessing and organizing what you found.

You are now ready to begin mobilizing the community consumer expenditure capacities. As we said in introduction, local people regularly spend their money on retail items, and it is important to know whether these local dollars are remaining within the local economy to help it grow. Your Consumer Expenditure Patterns Map provides you with this information.

As you prepare to move forward with your community-building efforts, remember that in a completely mobilized community, strong relationships exist between retail providers and consumers. Store owners understand what products their patrons are interested in, what kind of service they want, and what prices they are willing to pay. Consumers understand that buying locally helps the economy in the long run, even if the price may be slightly higher than at a store in another community, and are willing to support businesses which make an effort to meet their retail needs.

*How do you mobilize consumer expenditure capacities?*

Every community is different and there is therefore no exact answer to this question. There are, however, general areas in which you can put this information to use, and suggestions for some specific possibilities.

Before we move into this section, it will be useful to discuss how you should be thinking about using this information. If you are part of a community group that is trying to figure out ways to begin to rebuild your local economy, it is very easy to start using 'needs' language. This means that you look at the information you have collected and see only what needs to be done and the deficiencies in your business community and their level of retail provision.



Don't allow your group to be caught in this negative process. If you use the information you have gathered for your consumer expenditure patterns map to simply identify community needs, you will miss the larger opportunity. Your goal is to find good things in the way consumers spend their money and the way retail businesses serve the consumer's needs, make them keep happening, and increase the ways and the places they happen. Therefore the point is to think about potential and about the ways existing potential can be directed to available opportunities. This is a very different perspective from a 'needs' perspective, and working this way can be much more exciting. Encouraging local people to build the economy through the creative use of their capacities is what will get stalled economies off the ground.

### *Getting Started*

When you have completed the consumer expenditure patterns mapping, you will want to use the information to promote increased business activity and economic development. This may mean that you will encourage the start-up of new businesses by local residents, or try to attract new businesses to your community. It may mean that you will try to increase the business activity that already occurs within your community, or promote locally-owned cooperative businesses.

Because you have developed a detailed map of the consumer expenditure patterns, you can use it in some of the following ways:

- ❑ *Understanding preferences in terms of products.* By fully assessing the consumer expenditure patterns in your area, you have generated an understanding of what products people want to buy, how far they are willing to travel to make these purchases, and why they patronize the merchants they do. Your economic-development efforts should focus on increasing the provision of these products by local retailers, whether this means informing already existing stores of the retail needs of the population, or promoting new businesses to provide for these needs.
- ❑ *Understanding strengths and weaknesses in consumer provision.* By completing the Consumer Expenditure Patterns Map you have discovered how adequate local stores are at providing both the necessities of everyday life, and the other things that your local residents may wish to purchase. By examining your resident's responses, you can measure the businesses you found against your list of requirements, and identify opportunities for increasing or expanding the extent of consumer provision.

- ❑ *Identifying potential enterprise development opportunities.* Because you understand the extent of consumer provision offered by the businesses in your community, as well as the preferences of your resident consumers, you can now identify opportunities for new business development. Retail stores are important to every community, especially those that offer the basic needs of everyday life. If you find that your retail business community does not offer some of the basic needs, then you have discovered opportunities for economic development. And, of course, a complete retail community offers much more than basic needs. The range of potential businesses you may wish to promote is virtually endless. When there are opportunities start new businesses to meet local needs, the most direct route to local economic development is to encourage a local individual to open the new business. Therefore you may wish to explore enterprise development further through the use of the *Individual Capacity Workbook*. This project will help you identify which local residents are likely possibilities for starting a business, and what kinds of support you could offer to residents interested in self-employment.
- ❑ *Understanding the location and distribution of businesses in your community.* By mapping out exactly where the most commonly patronized retail businesses are located, you have generated an understanding of the economically active parts of your community. You can evaluate how centrally located these areas are, and whether they provide sufficient and convenient access. You can evaluate whether these areas are appropriate, whether old centers of economic activity can be renewed, and whether there are opportunities to create new areas of economic activity.
- ❑ *Understanding transportation needs.* By mapping out exactly where local residents do their shopping, you can identify what vehicle traffic patterns, parking patterns, pedestrian accommodation, and public transportation are available in and around these businesses. If transportation is inadequate, or if people are traveling great distances to do their shopping, you will be able to identify potential business development possibilities. Additionally, understanding traffic patterns will help you identify areas that are prepared for economic growth, as well as opportunities for increasing the openness and accessibility of other areas. Understanding transportation patterns also enables you to identify areas within your community that may be isolated from current shopping opportunities. These areas may have great potential for the development of new businesses.

### *Specific possibilities for community-building projects*

- ❑ Educating local vendors about what kinds of things people want to buy: You could design a community education project in which the results of your Consumer Expenditure Patterns project are shared with retail stores in your community.
- ❑ Educating local consumers about using their expenditure power to encourage retail stores to provide the products and service they want: You could design an education project that shares the results of the Consumer Expenditure Patterns project with local residents, illustrating to them how valuable they are as customers, and teaching them how this spending power could be used to attract new businesses, to encourage existing businesses to meet their needs, and to leverage loans for starting new businesses.
- ❑ Promoting new businesses to fill gaps in retail provision: You could design a business-development project in which you encourage and support local residents to start new businesses. This could include the provision of self-employment training, assistance with obtaining small business loans, identification of local property that might be available for retail space, and assistance with developing supportive relationships among new and existing business owners.
- ❑ Educating local consumers about the value to the community economy of making their purchases from a local store: You could design an education project that teaches residents about how important it is to retain as many local dollars as possible within the local economy.

Any project you design should include the promotion of relationships and linkages among the members of each of these groups. As you begin to develop plans that consistently incorporate the notion of connectedness and interrelationship, you will succeed in building your local economy.

Remember in the introduction we said that a healthy local economy is important because:

- ❑ Dollars circulate and recirculate, and the benefits produced by those dollars are retained within the community, making local people better off, and making economic growth possible.

Knowing more about the community and the assets and capacities existing there should be a major goal of most community groups. When we don't know what is already happening in our community, we probably won't do a very good job of building on the strengths we already have. One way to build on internal strengths is to first develop a good understanding of what each of our local assets and capacities look like, and then to create strong links among them. Some important things you need to understand, in relationship to what you have found out about your community expenditure patterns, are a) what business assets are located in your community, b) the capacities of individuals living in your community, and c) the role non-business institutions play in your local economy. Three follow-up activities may help you to gain a better understanding of each of these areas.

***A Guide to Mapping Local Business Assets  
and Mobilizing Local Business Capacities***

Another way that you can think about expanding your ability to use the information you collected in your consumer expenditure patterns project is to find out about the businesses located within your community and develop strategies for releasing the capacities they possess. This process is explained in another ABCD Institute Workbook titled, *A Guide to Mapping Local Business Assets and Mobilizing Local Business Capacities*. Following the steps in this guide will enable you to find out:

- ☐ What businesses are located in your community.
- ☐ What connections these businesses have to local individuals in terms of jobs and job training.
- ☐ What connections these businesses have to local associations in terms of voluntary participation.
- ☐ What connections these businesses have to other local institutions in terms of local purchasing, local investment, and local volunteer activity.

The step-by-step process is accomplished by using library resources to develop a map of local businesses, and by talking directly to business representatives and asking them to help you understand their relationship to other members of the community. This information allows you to identify potential linkages between business assets and other parts of the community, which can be used in your economic-development efforts.

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*A Guide to Mapping the Assets of Local Individuals  
and Mobilizing Their Capacities*

Individuals make up the largest segment of your community and the capacity of individuals to make a difference is sometimes overlooked. Individuals represent enormous, and sometimes untapped, potential, and mobilizing their capacities should be an important part of your community-building efforts. This process is explained in another ABCD Institute Workbook titled, *A Guide to Mapping the Assets of Local Individuals and Mobilizing Their Capacities*. Following the steps in this guide will enable you to find out about:

- ☐ General skills and abilities.
- ☐ Employment skills and abilities.
- ☐ Teaching skills and abilities.
- ☐ Community skills and abilities.
- ☐ Entrepreneurial interests and experience.

The step-by-step process is accomplished by contacting the people in your community and asking them to help you understand what strengths they have, and how these strengths could be released toward building a stronger community. The information you collect about individuals can be matched with the information you have collected about businesses and consumer needs to form a comprehensive picture of the potential of your community.

Expenditure Patterns Questionnaire

Retail Assessment Worksheet

General Worksheet

## Introduction:

[This is where you should insert the introduction to your organization which you developed in Part I].

**My first questions are about your general shopping patterns and your sense of what community businesses have to offer.**

1. Do you make any purchases in this neighborhood? **0=NO 1=YES**

**[IF NO]** Why not? \_\_\_\_\_

**[IF YES]** Are you satisfied with the quality of your neighborhood purchases?

**0=NO 1=YES**

2. Would you purchase more products and services in this neighborhood if more of what you need were available here? **0=NO 1=YES**

3. Would you consider changing the brand you usually buy if you could get the products you want at a reasonable price in this neighborhood? **0=NO 1=YES**

4. How close should businesses be located in order to easily walk to them?

1 = One to two blocks

2 = Three to four blocks

3 = Five to six blocks

4 = Seven to eight blocks

5 = Nine to ten blocks

6 = More than 10 blocks

5. How close should businesses be located in order to easily use public transportation to get to them without wasting too much time?

1 = Less than one mile

2 = One to three miles

3 = Four to six miles

4 = Seven to ten miles

5 = More than ten miles

6. What kinds of businesses are needed but not currently located in your neighborhood? (CIRCLE ALL THAT APPLY)?

01 = Grocery Store	17 = Music and Video Store
02 = Fresh Produce Store	18 = Florist
03 = Bakery	19 = Liquor Store
04 = Variety or Discount Store	20 = Newspaper and Book Store
05 = Laundromat	21 = Beauty Supply Store
06 = Adult's Clothing Store	22 = Dollar Store
07 = Adult's Shoe Store	23 = Restaurant
08 = Children's Clothing Store	24 = Pharmacy
09 = Children's Shoe Store	25 = Gift Store
10 = Furniture Store	26 = Small Appliance Repair Shop
11 = Bank	27 = Large Appliance Repair Shop
12 = Savings and Loan	28 = Repair Shop for Automobiles
13 = Automatic Teller Machine	29 = Nursery School or Preschool
14 = Beauty Salon	30 = Child Care
15 = Barber Shop	31 = Other _____
16 = Hardware Store	32 = Other _____

Which one of these needed businesses do you think is most important? \_\_\_\_\_

7. Did you know that some people run small businesses from their home or apartment (home-based businesses) using such skills as sewing, cooking, or resale?  
0=NO 1=YES
8. Do you ever buy products or services from people who have home-based businesses?  
0=NO 1=YES
9. Do you think people living in this neighborhood could start businesses to provide more of the things that you need?  
0=NO 1=YES
10. Would you be interested in starting a small business in this community?  
0=NO 1=YES
11. Are loans available in this community for small business start-ups?  
0=NO 1=YES



12. Would you be interested in a training class that taught the basics of starting a small business?  
**0=NO 1=YES**
13. If a group of local people prepared a plan for a community cooperative business venture, such as a grocery store or day care center, would you be interested in getting involved?  
**0=NO 1=YES**
14. Would you consider volunteering one or two hours a week to a community cooperative?  
**0=NO 1=YES**
15. Do you own property in this community? **0=NO 1=YES**  
**[IF NO]** Would you like to own property in this community? **0=NO 1=YES**
16. Are there resources in this community to help you obtain loans to purchase or renovate property here?  
**0=NO 1=YES**

**The next questions are about the kinds of products and services you purchase, and about the places where you do business.**

<b>FOR THE FOLLOWING TYPES OF PRODUCTS</b>	At what store do you purchase:  Write the name of the store	How do you get there?  WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER NOT APPLICABLE	What is the ONE MAIN reason you buy this product at this store? CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY ACCESS SAFE PLACE OTHER NOT APPLICABLE
Fresh produce:			
Meat:			
Dairy:			
Other food products:			
Soda:			
Fresh baked goods:			
Cleaning products:			
Paper products:			
Toiletries, personal:			
Gift shop items:			
Sheets, towels:			
Furniture:			
Adult's clothing:			
Adult's shoes:			
Children's clothing:			
Children's shoes:			
Accessories:			
Cigarettes, alcohol:			
Toys:			
Magazines, papers:			
Restaurant meals:			

FOR THE FOLLOWING TYPES OF PRODUCTS	At what store do you purchase:	How do you get there?	What is the ONE MAIN reason you buy this product at this store?
	Write the name of the store	WALK PUBLIC TRANS TAXI PRIVATE CAR OTHER NOT APPLICABLE	CLOSEST PLACE GOOD SERVICE GOOD PRICES GOOD QUALITY EASY ACCESS SAFE PLACE OTHER NOT APPLICABLE
Movie Rentals:			
Entertainment:			
Small repairs:			
Large repairs:			
Hair cutting:			
Prescriptions:			
Laundromat:			
Dry cleaning:			
Child Care:			
Copying, Xerox:			
Banking:			
Florist:			
<b>YOUR ANSWERS ARE COMPLETELY CONFIDENTIAL</b>			
\$ spent on food in one month?			
\$ spent on paper products/supplies in one month?			
\$ spent on clothing in one month?			
\$ spent on shoes in one month?			
\$ spent on the rest of your purchases in one month?			





More resources on the Asset-Based Community Building approach . . .

**Building Communities from the Inside Out: A Path Toward Finding and Mobilizing a Community's Assets**, by John P. Kretzmann and John L. McKnight. This widely circulated 376-page book suggests that communities cannot be rebuilt by focusing on their needs, problems, and deficiencies. Rather, community building starts with the process of locating the assets, skills, and capacities of residents, citizens, citizens' associations, and local institutions.

**\$20.00 for a single copy. Discounts available for multiple copies.**

**Mobilizing Community Assets**—This six-module video training program featuring McKnight and Kretzmann introduces the concept of "asset-based community development" as outlined in *Building Communities from the Inside Out*. (\$79.50)

ABCD Workbooks (\$9.00 each):

- ▶ **A Guide to Mapping and Mobilizing the Economic Capacities of Local Residents** (1996)
- ▶ **A Guide to Mapping Local Business Assets and Mobilizing Local Business Capacities** (1996)
- ▶ **A Guide to Mapping Consumer Expenditures and Mobilizing Consumer Expenditure Capacities** (1996)
- ▶ **A Guide to Capacity Inventories: Mobilizing the Community Skills of Local Residents** (1997)
- ▶ **A Guide to Evaluating Asset-Based Community Development: Lessons, Challenges, and Opportunities** (1997)
- ▶ **A Guide to Creating a Neighborhood Information Exchange: Building Communities by Connecting Local Skills and Knowledge** (1998)
- ▶ **City-Sponsored Community Building: Savannah's Grants for Blocks Story** (1998)
- ▶ **Newspapers and Neighborhoods: Strategies for Achieving Responsible Coverage of Local Communities** (1999)
- ▶ **A Guide to Mapping and Mobilizing the Associations in Local Neighborhoods** (1999)
- ▶ **Leading by Stepping Back: A Guide for City Officials on Building Neighborhood Capacity** (1999)
- ▶ **The Organization of Hope: A Workbook for Rural Asset-Based Community Development** (2001)

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**A Community Building Workbook  
from  
The Asset-Based Community Development Institute  
Center for Urban Affairs and Policy Research  
Northwestern University**