



Trees in Business Districts: Positive Effects on Consumer Behavior!



District 1 - No trees or accessory vegetation



District 2 - With trees, no accessory vegetation



District 3 - With trees and accessory vegetation

Three Shopping Districts Consumer Cues and Messages?

Trees are good for business! A recent study confirms that consumers respond positively to shopping environments having a healthy urban forest. Across our nation, many revitalizing business districts are working hard to create vibrant, vital consumer environments. Why should trees be a part of an action plan? Healthy and well-maintained trees send positive messages about the appeal of a district, the quality of products there and what customer service a shopper can expect. They are an important component of any program to attract shoppers and visitors. Revitalizing districts must address urgent needs of security, sanitation, parking and marketing. Attention to trees is a necessary part of any improvements program. And having the positive environment created by trees may actually ease some of the other issues. American Forests, a national tree non-profit, suggests a goal of 15 percent tree canopy cover in business districts; most retail environments in the U.S. have 5 percent or less. Research results suggest that investing in trees is good for the business bottom line!

Research Project

The national study, conducted by the University of Washington, used survey questionnaires to investigate public perceptions about the role of trees in revitalizing business districts. Surveys were sent to selected districts in cities of the Pacific Northwest, Austin, Los Angeles, Chicago, Pittsburgh and Washington D.C. Business owners and managers were invited to participate, and their responses were compared to survey responses from nearby residents, their potential patrons and shoppers.

Our surroundings, both outdoor and indoor, affect the course of our daily lives. The physical features of a setting set up how we move and get around in any space. In addition, elements of an environment sends subtle cues that influence our attitudes and behavior within a place. This study evaluated how the character of a place influences how shoppers respond to a business district. People were asked a series of questions about their likes/dislikes and behavior within three hypothetical business districts (front page). Below are highlights of the research results.

Place Perceptions

Four categories of perceptions emerged from survey participants' ratings of the three business districts:

- Amenity and Comfort**
- Interaction with Merchants**
- Quality of Products**
- Maintenance and Upkeep**

Consumers' ratings on each of the categories was significantly higher for districts that had street trees and

other landscape improvements! For instance, Amenity and Comfort ratings were about 80% higher for a tree lined sidewalk compared to a non-shaded street. Also, Quality of Products ratings were 30% higher in districts having trees over those with barren sidewalks. Interaction with Merchants items included customer service issues; ratings were about 15% higher for districts with trees.

Patronage Behavior

Actions follow our impressions of a place. Respondents were asked to give opinions of their behavior within the three shopping districts, including **travel time, travel distance, duration of a visit, frequency of visits and willingness-to-pay for parking**. Again, trees make a difference! Considering ALL behaviors, higher

measures were reported in the districts having trees. For instance, respondents claimed they would be willing to pay more for parking in a well landscaped business district. This suggests greater revenues from shaded parking would offset the costs of parking space loss, a frequent objection to trees by merchants.

Pricing Patterns

Do trees influence how much people are willing to pay for goods? Contingent valuation methods were used to assess how amenity values relate to customers' price valuations. Survey respondents were asked to specify a price for each of 15 items in a "basket of goods" in the business districts. Three **categories of goods - convenience, shopping, specialty** - were included. The survey participants consistently priced goods significantly higher in landscaped districts! Prices were,

on average, about 11% higher for products in the landscaped compared to the no-tree district. This was true of low-price, impulse-buy convenience goods (e.g. lunch sandwich, flower bouquet), as well as bigger ticket, comparison-shopped items (e.g. sports shoes, new glasses). Given the low profit margins of most retail businesses, trees appear to provide a significant "amenity margin."



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