# Trees on Main Street:
# Influences on Retail and Shopping Behavior



**District 1 - No trees in the streetscape**



**District 2 - With large, full-canopy trees**

**Comparing Two Shopping Districts**
**Studying How Shoppers React to Trees!**

Trees make business districts more pleasant places! Yet long-term care and maintenance is needed to gain the most benefit from trees in downtown business centers. Are the returns worth the costs?

Several scientific studies indicate that trees are good for business! A recent study tested the response of shoppers and visitors in smaller cities throughout the U.S. Three general areas of response were evaluated: district perceptions, patronage behavior and product pricing. More positive responses were reported when people viewed shopping districts having trees.

Merchants in many downtown business districts in the U.S. are working hard to create vital, competitive retail places. Why should trees be part of an action plan? This fact sheet summarizes the perceptions shoppers and visitors have of trees, and potential economic gains.

## Research Project

A national study, conducted by the University of Washington, used survey questionnaires to assess public perceptions of trees in downtown business districts of smaller cities. Surveys were mailed to people who live in selected cities (10-20,000 population) in the states of Idaho, Oregon, Washington, Arkansas, Georgia, Nebraska and Virginia. Surveys were also sent to residents of large cities (>100,000 population) that are near the study cities. Potential visitors and shoppers were invited to participate. Their responses were compared to learn more about how trees might influence local retail economics, and how the urban forest contributes to tourism in smaller communities.

## Place Perceptions

Each respondent rated a series of descriptions about one of the two hypothetical districts. Two categories of perceptions emerged from the ratings:

**Place Character**

**Products and Merchants**

Ratings for both categories were significantly higher for the place that has large, full-canopy street trees. Place character (such as having a pleasant atmosphere and positive image) was rated 35% higher for the place having large trees. Judgments of products and merchants (such as customer service, informative merchants, and well-made products) were 10% more positive for places having trees. Consumers made judgments about their potential shopping experience based on tree cues.

## Patronage Behavior

Actions follow perceptions. Respondents were asked to give opinions of their behavior regarding the two shopping districts, including **travel time, travel distance, length of visit, frequency of visits and willingness-to-pay for parking**. For ALL behaviors, higher measures were reported in the districts having trees. Longer and more frequent visits means more revenue for merchants. Respondents also claimed they would be willing to pay more for parking in a shaded business district. Although tree planting and care costs money, extra parking revenue could be dedicated to trees, generating benefits for all downtown merchants.

## Product Pricing

Do trees influence how much people are willing to pay for goods? A method called contingent valuation was used to assess place-based consumer pricing. Survey respondents were asked to specify a price for each of nine items representing **three categories of goods: convenience, shopping, specialty**. All three indices were **priced higher in the district with trees**. Prices averaged about 9% more for products in the *With Trees* district, as compared to the *No Tree* district. This was true of low-price, impulse-buy convenience goods (such as lunch sandwich or flower bouquet), as well as bigger ticket, comparison-shopped items (such as camera or watch). Given the low profit margins of most retail businesses, trees appear to provide a significant "amenity margin."



Our physical environment affects our behavior, often in ways that we are not aware of. Marketing studies of "atmospherics" test how interior store features influence buying behavior. For instance, a pleasant store atmosphere is correlated with higher spending intentions. Trees are a positive atmospheric for business districts. They create a retail mood that appeals to shoppers and visitors. Trees greet shoppers with a message of *welcome* even before entering a merchant's door.