



Downtown Norfolk Council 2012 Usage & Perception Study

Executive Summary

This document is the *Executive Summary* of the 2012 Downtown Norfolk Council (DNC) Usage and Perception Study. It presents a recap of the study's 10 key findings and implications for DNC's marketing efforts.

STUDY METHODOLOGY:

In late 2012, DNC engaged the Southeastern Institute of Research, Inc. (SIR) to undertake the Downtown Norfolk Council Usage and Perception Study. The 2012 study follows DNC's tradition of periodically surveying residents across the Hampton Roads metropolitan statistical area (VA Beach MSA) to better understand the current use and perceptions regarding Downtown Norfolk.

SIR worked closely with DNC's leadership to ensure the 2012 study results could be compared directly to previous waves.

As with previous waves of this study, a total of 500 residents were surveyed at random via telephone. This sample of 500 provides an acceptable margin of error of +/- 4.38 percentage points at the 95% confidence level. This year's fieldwork, however, included a mix of landline and cellphone numbers to reflect the growing prevalence of cellphone only households.

The telephone fieldwork was conducted from November 13 through November 29, 2012. The interviews averaged 22 minutes in length. A comprehensive 100+ page *PowerPoint* report of key findings and implications was presented to DNC.

This *Executive Summary* document presents the key findings and related implications from this study.

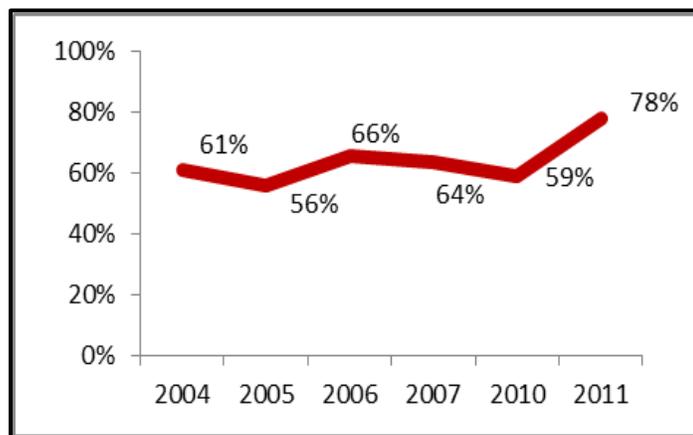
KEY FINDINGS:

1. "Use of" Downtown Norfolk Is at an All-time High.

Downtown Norfolk has set a new visitation record. Over three-quarters (78%) of Hampton Roads MSA residents reported having been to Downtown Norfolk in the past year.

This represents a significant increase over prior years as measured by the 2012 DNC Usage and Perception Study.

Visited Downtown Norfolk in the Past Year



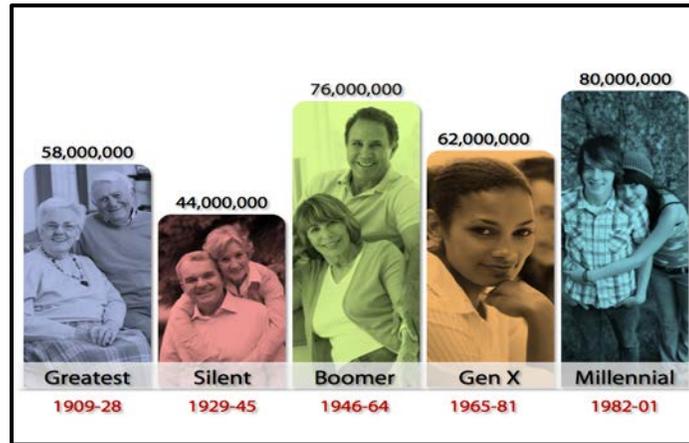
Explanations for this increase include the OpSail at HarborFest 2012, which drew record attendance. In addition, the launch of The Tide light rail system was a draw for Downtown Norfolk. According to the 2012 Downtown Norfolk Council Usage and Perception Study, 25% of Hampton Roads' residents reported that they rode on The Tide within the past year. Of those who have ridden The Tide in the past year, the majority of riders are likely to recommend using The Tide to a friend or relative.

2. Downtown Norfolk's Perception Is Positive.

Downtown Norfolk has a positive reputation among residents of the Hampton Roads region. Nearly two-thirds of the region's residents (62%) say they have a positive perception of Downtown Norfolk. In addition, those with incomes over \$80,000 have a higher perception (67%) of Downtown Norfolk than those with incomes under \$80,000 (61%).

There are also generational differences when it comes to perceptions of Downtown Norfolk.

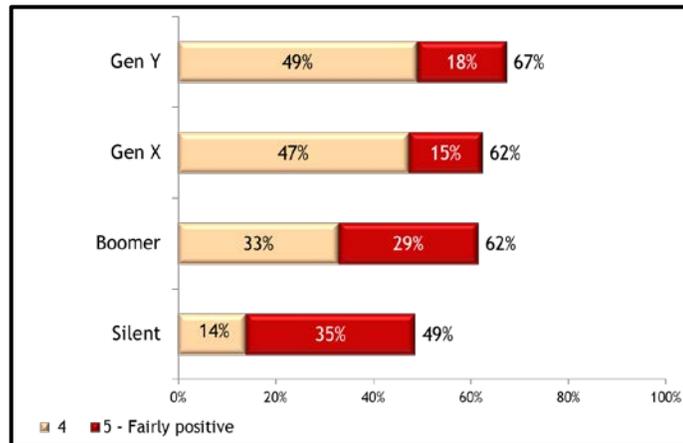
U.S. Generations



Source:
Boomer
Project

Comparing generational cohorts' perceptions reveals that the younger Millennials, or Gen Ys as they commonly called, have the most positive perceptions of Downtown Norfolk.

Positive Perception of Downtown Norfolk



Positive perceptions yield positive future intentions to visit Downtown Norfolk. Millennials and Boomers are the most likely to say they will visit Downtown Norfolk in the future (64% for both), followed closely by Gen X (60%) and then the Silent generation (44%).

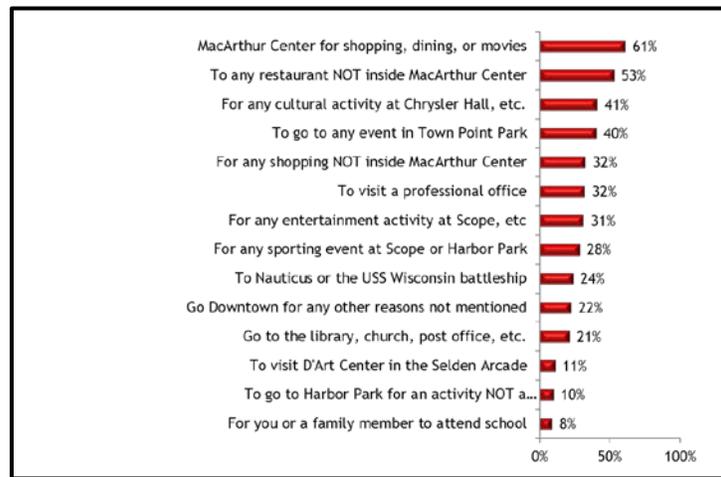
3. Downtown Norfolk Attracts All Generations.

Downtown Norfolk attracts all generations, especially Baby Boomers, Gen X, and Millennials.

5. Shopping, Dining and Events Drive Visitation to Downtown Norfolk.

MacArthur Center is the top driver of visitation to Downtown Norfolk; however, dining (restaurants) and cultural activities and events are also primary draws for Downtown Norfolk today. The following table details the percentage of visitors by their primary purpose for visiting Downtown Norfolk.

Reason to Visit Downtown Norfolk - Overall



6. Downtown Norfolk Offers Something for Every Generation.

Different generations are drawn by different attributes to Downtown Norfolk. Millennials are drawn by school and shopping at McArthur Center. Gen X cohorts are drawn by events, including sports and other outdoor recreation pursuits. Boomers are drawn by cultural attractions such as the theatre, opera and museums. The Silent generation is motivated by visits to the doctor and to cultural institutions such as Chrysler Hall.

The following table shows the percentage of each generation that says they went to Downtown Norfolk for that particular reason.

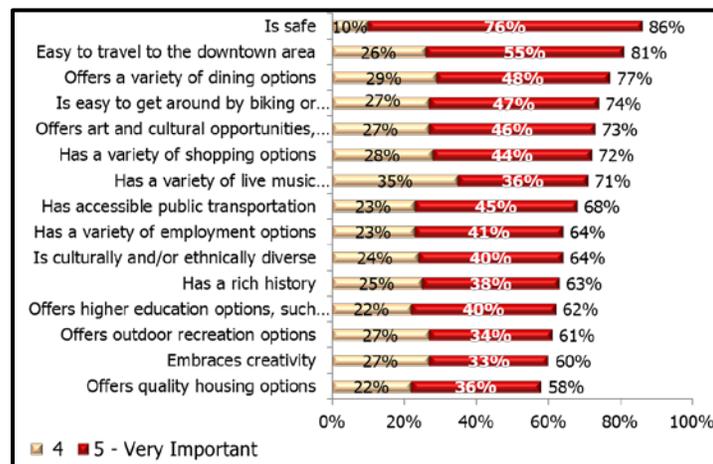
Reason to Visit Downtown Norfolk - By Generation

	Generations			
	Gen Y	Gen X	Boomer	Silent
To MacArthur Center for shopping, dining or movies	58%	64%	63%	51%
For any shopping NOT inside MacArthur Center	36%	28%	38%	22%
To any restaurant, café or bar NOT inside MacArthur Center	47%	54%	57%	45%
To visit D'Art Center in the Selden Arcade	4%	10%	13%	12%
To go to any event or outdoor entertainment in Town Point Park	38%	47%	40%	31%
To Nauticus or the USS Wisconsin battleship	22%	23%	25%	22%
For any cultural activity at Chrysler Hall, Wells Theatre, etc...	25%	36%	48%	40%
For any entertainment activity at Scope, The NorVa or Granby Theater	29%	32%	35%	22%
For any sporting event at Scope or Harbor Park	13%	40%	28%	18%
To go to Harbor Park for an activity other than a sporting event	7%	12%	10%	6%
To visit a doctor, lawyer or other professional office	18%	25%	38%	37%
Go to the library, church, post office, city hall, or federal or city offices	22%	14%	27%	19%
For you or a family member to attend school	13%	8%	10%	3%
Go to Downtown for any other reasons not mentioned	20%	23%	24%	15%

7. The Key Areas of Focus for Making the Most of Downtown Norfolk Are the Arts and Cultural Opportunities and a Variety of Dining, Shopping and Live Music Options.

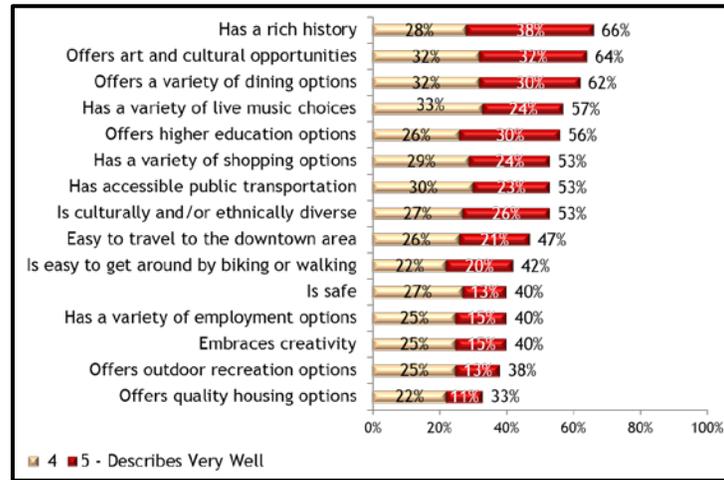
In order to identify areas where Downtown Norfolk could be improved, this study first identified the most important attributes of an ideal riverfront downtown area. The chart below reveals the leading attributes (on a five-point scale) that people desired.

The Ideal Downtown - Expectations or Importance Attributes



Study participants were also asked to rate Downtown Norfolk on these same defining “expectation” attributes. The results are Downtown Norfolk’s perceived “performance” (on a five-point scale) on each attribute.

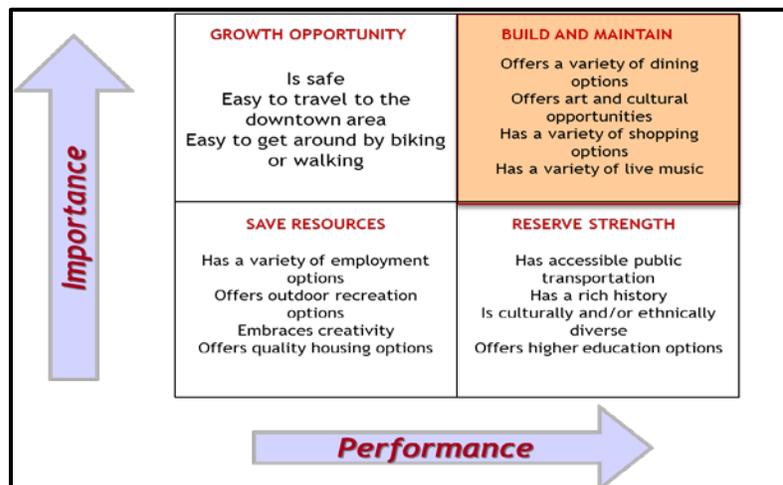
Downtown Norfolk’s Performance Ratings on Attributes



Plotting the data from the two previous tables creates the classic four-quadrant opportunity grid.

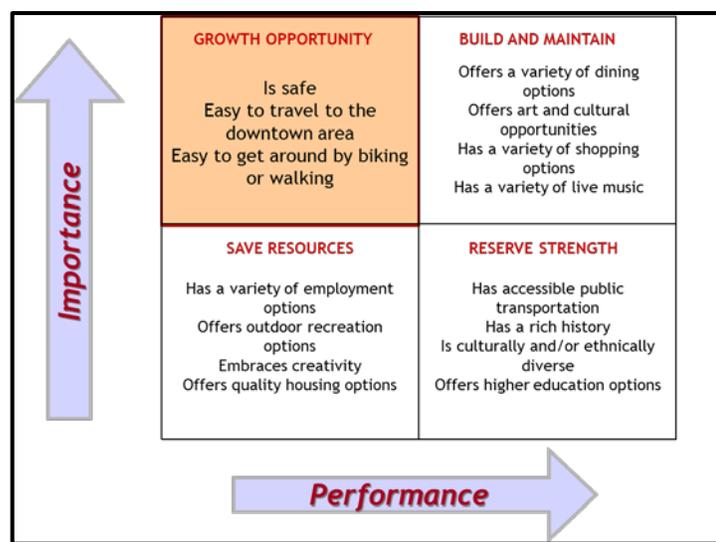
Attributes that appear in the top right box are those defining attributes that Downtown Norfolk should “build and maintain.” These include arts and cultural opportunities and a variety of dining, shopping and live music options. These are the attributes where Norfolk scores well and what respondents feel is important in making a downtown area appealing and attractive.

Downtown Norfolk’s Build & Maintain Assets



Attributes that appear in the top left box (see chart below) are those defining attributes that represent Downtown Norfolk’s “growth opportunities” - the greatest areas for improvement. These are important attributes that define an ideal downtown area, but attributes where Downtown Norfolk is not performing as well, albeit from a perception standpoint. This analytical perspective suggests that Downtown Norfolk should focus on improving the perception of safety, as well as improving the ease of travel getting to Downtown Norfolk and the ease of getting around Downtown Norfolk by walking or bicycling. These are the most important areas where improvement in perceptions should be increased.

Downtown Norfolk’s Growth Opportunities

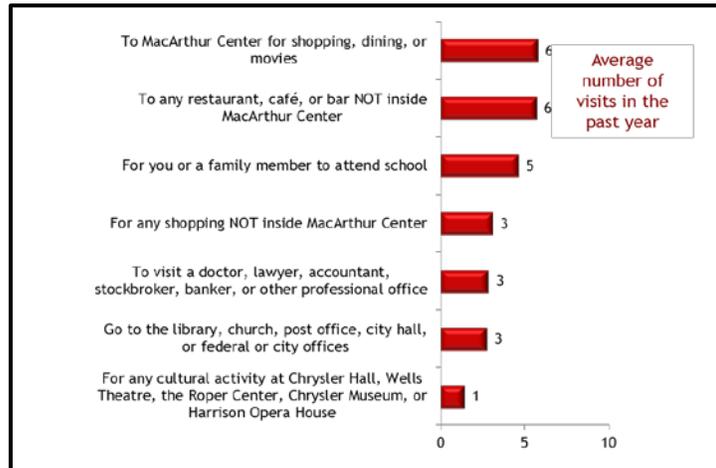


It is critically important to understand that these suggested areas for improvement are all based on self-reported *perceptions*. For example, Downtown Norfolk may be just as safe from a pure “factual” or purely “statistical” perspective as any other community in the Hampton Roads region. The point here is that it may not be perceived as just as safe. To use an old adage - *“perception is reality.”*

8. Downtown Norfolk’s Dining “Product” May Be a Strategic Opportunity for Downtown Norfolk to Drive Positive Intentions.

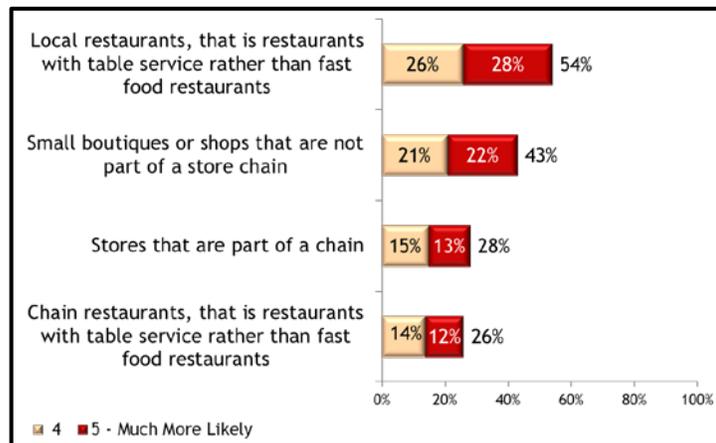
Dining is also a strong driver of visitation to Downtown Norfolk. Dining, whether it is inside the MacArthur Center or outside, represents one of the largest repeat visitation segments to Downtown Norfolk. With respondents on average dining somewhere outside the MacArthur Center six times a year, diners represent significant repeat business for area restaurants.

Average Number of Trips by Trip Purpose



Medium and low frequency diners are looking for more “dining value,” and high frequency diners are looking for the latest trends - new restaurants and HOT chefs. The dining “product” may be a strategic opportunity for Downtown Norfolk to drive positive intentions to visit.

Appeal of Dining & Shopping Types



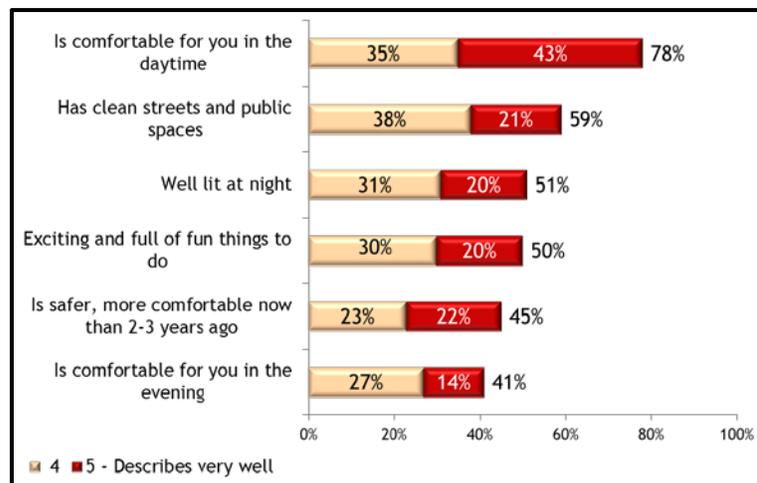
More local non-chain restaurants and small boutique stores may likely increase visitation to Downtown Norfolk, in general.

9. Perception of Crime Has Adverse Impacts on Visitation to Downtown Norfolk.

Like most downtown areas, the perception of safety is one of the key drivers of Downtown Norfolk’s overall positive reputation, likeliness to recommend and likeliness to visit.

The 2012 Downtown Norfolk Council Usage and Perception Study's data suggests that the downtown safety issue centers on "perceived" safety at night. While 78% of the region's residents feel comfortable in Downtown Norfolk during the daytime, this number drops to 41% at night.

Perceptions of Safety in Downtown Norfolk



Again, it is critically important to keep in mind these scores report the "perceptions" of safety, and perceptions or rather misperceptions often have no relationship to facts. Downtown Norfolk may be just as safe as any other community in the Hampton Roads region from a purely "statistical" perspective.

What may be driving misperceptions in the area of safety include the overall "crime area" label associated with most downtowns, as well as crime associated with neighborhoods that border Downtown Norfolk. More thought, and possibly targeted communication efforts, should be focused on this topic.

10. People Want to Help the DNC.

As part of the 2012 Usage and Perception Study, an email online consumer panel was created from respondents who agreed to receive follow-up email invitations from DNC to participate in additional surveys. Thirty percent of respondents agreed to participate in the panel, resulting in 151 collected email addresses.

A breakdown of the panel composition is presented in the following table.

Downtown Norfolk's Online Panel Composition

	Group	Count
Gender	Male	64
	Female	87
Region	Peninsula	39
	Southside	112
Income	Under \$80,000	58
	Over \$80,000	79
Generation	Gen Y	20
	Gen X	51
	Boomers	68
	Silent	12

The Downtown Norfolk Council's staff immediately followed up with the new panel members, thanking them for agreeing to participate in future research efforts.

STRATEGIC IMPLICATIONS:

Based on findings from the 2012 Usage and Perception Study, SIR recommends five key areas of focus:

1. **Use Downtown Norfolk's main draws to cross sell "more things to see and do."** As MacArthur Center, dining (restaurants) and school (assume TCC and EVMS) are the primary draws for Downtown Norfolk, use these main draws as guerilla marketing "cross sell" venues to introduce current visitors to "more things to see and do" (attractions and events) while in Downtown Norfolk. Develop a micro-marketing plan to this end.
2. **Build a greater "sense of place."** Continue to focus DNC's marketing efforts on showcasing a wide variety of Downtown Norfolk's assets and attributes to help build a greater "sense of place."
3. **Work on the perception of crime, a key driver of Downtown Norfolk's overall reputation.** Give more thought, and possibly targeted communication efforts, focused on "perceived" safety of Downtown Norfolk, overall, and at night, specifically. Increasing the perception of safety will likely increase the overall positive perception of Downtown Norfolk across all generations.
4. **Continue to enhance the unique dining and retail experiences that Downtown Norfolk offers.** More local non-chain restaurants and small boutique stores will likely increase the likelihood of visiting Downtown Norfolk in general. Use the 2012 Usage and Perception Study findings to attract more specialty restaurants and retailers.
5. **Expand upon and deploy Downtown Norfolk Council's new online panel.** Use this new marketing resource to explore and test marketing-related issues, initiatives and promotions.