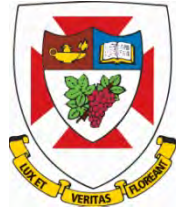
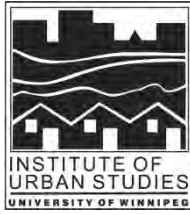


The Impact of the University of Winnipeg on Retailing in Downtown Winnipeg

**by Tom Janzen
2001**

The Institute of Urban Studies





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WINNIPEG

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THE IMPACT OF THE UNIVERSITY OF WINNIPEG ON RETAILING IN DOWNTOWN WINNIPEG

Published 2001 by the Institute of Urban Studies, University of Winnipeg

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Note: The cover page and this information page are new replacements, 2016.

The Institute of Urban Studies is an independent research arm of the University of Winnipeg. Since 1969, the IUS has been both an academic and an applied research centre, committed to examining urban development issues in a broad, non-partisan manner. The Institute examines inner city, environmental, Aboriginal and community development issues. In addition to its ongoing involvement in research, IUS brings in visiting scholars, hosts workshops, seminars and conferences, and acts in partnership with other organizations in the community to effect positive change.

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**The Impact of the University of Winnipeg
on Retailing in Downtown Winnipeg**

Prepared and administered by Tom Janzen

for the

Institute of Urban Studies & Research Methods (84.3610)

April 11, 2001

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Acknowledgments

Special thanks to Anke Kirch and Richard Westwood; their insight and guidance are greatly appreciated. Special thanks are also extended to Professor Tom Carter for the opportunity to be a part of this study and for his advisory role throughout the project.

Thanks are also due to the storeowners and managers who completed the survey. Without their participation this study would not have been possible.

Tom Janzen
Researcher, Institute of Urban Studies

Executive Summary

As a major employer and as a destination node for more than 6000 students, the University of Winnipeg exerts a significant influence on the urban core. As part of the University's goal to play a role in urban revitalization and as part of the long-term housing strategy to increase the number of residents downtown, the Business Survey was administered to determine the economic impact of the University of Winnipeg on downtown Winnipeg (as based on the perceptions of storeowners and managers). The survey indicated the following:

- The presence of the University of Winnipeg in the downtown is important to the success of many retail establishments;
- In general, street store respondents had a greater recognition of the impact of the University than did the mall store respondents;
- Downtown retailers are very supportive of student housing in the downtown, with nearly 60% of store managers and owners agreeing that more students living downtown would be very beneficial to the success of their businesses;
- The number of retail establishments that currently employ students from the University is moderate to low. In general, mall stores tend to employ more students than street stores;
- Of the stores that currently employ students from the University, less than two students on average are employed at each establishment; and,
- Nearly half (44%) of the stores surveyed offer discounts to University of Winnipeg students and/or staff. In general, street stores were far more likely to offer discounts than were mall stores.

...in an "ivory tower" of remote intellectual activity or narrow specialization – a place peopled by brilliant theoreticians whose heads are so much in the clouds that they forget to tie their shoe laces or are liable to walk into busses while crossing the street... that is how many people in the work-a-day world view those of us in the university. Looking from the other side, from within the university out to the city, another, equally bad caricature exists. Many in the university are convinced that people in the community are so caught up with their business, professional or trade activity that they never stop to think, read or study.

-Harold G. Coward (Coward 1983: 1)

As a major institution, the "downtown" university influences the urban core economically: it is the direct employer of hundreds of individuals in the community, and should strive to provide employment for those desperately in need of it; it is the direct purchaser of goods and services from the community and should endeavor to "spread its business around" in the interest of balanced economic activity throughout the community; it is an indirect employer through the jobs created to produce the goods and services it requires; and it is an indirect stimulus to the economy through the purchase of goods and services by those whom it draws into the community to work, to learn, and to otherwise participate in its various activities.

-Robin H. Farquhar (Farquhar 1983: 4)

1.0 Introduction

With the University of Winnipeg's recent establishment of new student housing, and more slated for development in the near future, there is an increasing need to better understand the relationship between the University and the surrounding downtown community. The University of Winnipeg has a solid record of commitment to, and involvement in, the community. However, with a greater appreciation of the community's perceptions and opinions, that commitment can be strengthened and current community and campus needs can be met. As part of the University's efforts to play a role in urban revitalization and as part of the long-term student housing strategy, it is important for the University to understand its role in downtown Winnipeg. As Dr. Farquhar noted, "...there is more to being an urban university than simply having one's campus located downtown" (Artibise and Fraser 1986: 3). Jane Jacobs expresses similar sentiments about urban universities when she says that they need to make themselves "...more like seams and less like barriers" (Jacobs 1961: 267).

Relatively little has been researched or written on the role of urban universities in downtown areas, never mind a close examination of the impact of the urban university on downtown retailing. With its location in the heart of downtown Winnipeg, the University of Winnipeg undoubtedly plays a considerable role in retailing in the downtown. With approximately 6,100 full and part-time undergraduate students, roughly 600 Collegiate students, and a faculty and support staff of just over 900 members, the campus population represents a wide range of consumer tastes and demands, and a significant opportunity for downtown retailers. During the past ten years, retailing in downtown Winnipeg has struggled to compete with its suburban counterparts and could, therefore, have much to gain from a better understanding of the impact of the University of Winnipeg.

Most of the studies that have been conducted on the economic impact of downtown universities have used a "multiplier effect" approach as the primary means of measurement.

Dalhousie University's Office of Institutional Affairs completed a comprehensive multiplier effect survey that looked at the impact of the University on Nova Scotia's provincial economy. This study looked not only at the "spill-offs" of faculty and staff salaries and wages, but also on student consumption and spending patterns, and utility services that the University purchases on an annual basis. Dalhousie University's study provides a detailed example of how an urban university contributes to the local economy (Dalhousie University n.d.).

Former University of Winnipeg President Dr. Robin H. Farquhar presented a similar study of the impact on the University of Winnipeg on the local economy for the 1982-83 fiscal year. Farquhar's analysis was based on four components of the University's impact on the local economy:

- A. The spill-offs generated by the University's large employee base;
- B. Consumer spending by University employees;
- C. The University's expenditures on goods and services from local suppliers; and,
- D. The impact of spending by foreign and non-Manitoban students (Farquhar 1983: 6-8)

Both of these studies concluded that urban universities contribute a significant amount of money into the local economy. This survey, however, will not focus on dollar amounts and calculated multipliers, but rather on the opinions of local business owners and managers to get a sense of the university's perceived impact on the retail sector of the surrounding neighborhood.

2.0 Project Objectives

This study was designed to examine and evaluate the impact of the University of Winnipeg on retailing in the downtown, based on the opinions and perceptions of owners and managers of downtown retail establishments. The study began by determining the types of retail offerings (available to students and staff) in the downtown and whether the impact of the university varies with type. The study also aimed to determine whether the location of retail outlets - street front versus shopping mall - plays a role in the degree of the university's impact. Finally, the study evaluated the perceived impact of proposed student housing on the success of retailing in the downtown.

3.0 Methods

3.1 Survey Characteristics

The Retail Impact Survey (Appendix I) was designed for distribution to retail outlets within a defined vicinity of the University of Winnipeg's campus. The survey was designed for owners or managers to complete. The survey was limited in length (only 6 questions) so as not to conflict with the operation of their store and, thus, to increase the response rate. All surveys were anonymous to insure that confidential store or sales information would not be available to competitors.

The survey's questions covered a range of topics relating to the impact of having the university within close proximity to their businesses. The first two questions dealt with the type of service or retailing in which the establishment specialized and the store's location (mall or street). The remaining questions focused on the characteristics of each store's relationship to the university and vice versa. Owners/managers were asked to rate the overall significance of the university to the success of their business, whether they employed any University of Winnipeg students and, if so, how many. They were also asked to assess their perceptions of the impact of having more students living downtown. Finally, owners/managers were asked if they offered discounts to University of Winnipeg students and/or staff and, if so, how much.

3.2 Survey Area and Distribution

A ten-minute walking radius around the University's campus defined the study area. Within that radius, 55 commercial/retail establishments were identified as potentially frequented by students and staff. Out of the 55 establishments that were targeted, 32 establishments responded to the survey (58% response rate).

3.3 Data Analysis

Surveys were analysed on three separate divisions, according to the categories outlined in the survey. The analysis divisions were as follows:

- A. All Stores
- B. Mall and Street Stores
- C. Retail/Service Type

The types of specialization were divided into seven separate categories:

- A. Restaurants
- B. Clothing/Shoes
- C. Music/Books
- D. Electronics
- E. Sporting Goods
- F. Entertainment
- G. Other

The establishments that checked the "other" category were asked to elaborate on the type of retailing or service in which their establishment specialized. Responses included: cosmetics, body care, optical, computer/internet services, board games/collectibles, and photography. The numbers of establishments surveyed in each analysis division are listed in Table 1.

Table 1: Response frequencies according to analysis division.

Analysis Divisions	Number of Establishments Surveyed
Overall	32
Mall Stores	12
Street Stores	20
Restaurants	7
Clothing/Shoes	9
Music/Books	10
Electronics	1
Sporting Goods	1
Entertainment	1
Other	6

Three of the completed surveys had multiple responses to the types of retailing and services in which they specialized. These surveys were counted once in the overall count of establishments surveyed and in the mall/street store divisions. However, in the specialization type division they were counted for each response they gave (in this case, twice each). All three checked the “music/books” category. Two of the three checked the “restaurant” category, while the third checked the “electronics” category.

Results from the survey were tallied and percentages were calculated for each question and for each analysis division. Bar and pie charts were then constructed to display the variations in responses (Appendices III - VI). Relatively few surveys were received from the “electronics”, “sporting goods”, and “entertainment” categories and these were therefore included in the “other” category for the analysis.

4.0 Study Limitations

This project had two main limitations. Firstly, because it was completed for a single semester course during the winter term and a final departmental ethics committee approval was not issued until the third week in February, there was not sufficient time to administer the survey and analyse the collected data more thoroughly.

Secondly, respondents’ ability to identify the proportion of their customer base that is made up of University of Winnipeg students and staff (including both faculty and support staff) is based primarily on vague perceptions and estimations. For the most part - unless they offer University of Winnipeg student discounts - there is no way to accurately identify which customers are from the University of Winnipeg.

5.0 Results

5.1 The University’s Impact

When asked how important they felt the University of Winnipeg was to the success of their business, owners’ and managers’ responses covered the entire range (1 = “not important” to 5 = “very important”). The majority of respondents felt that the impact of the university was moderate to high, as 43.8% of all stores circled response 3 and 43.8% circled responses 4 or 5. Of all stores, only 3.1% felt the university was “not important,” while 21.9% felt the university was “very important” to the success of their business. Mall and street store responses were generally similar. However, 25.0% of street store managers felt that the university was very important, while only 16.7% of the mall store managers surveyed agreed (See Appendix III, Figures 1-7).

5.2 Student Employment

Of all the stores surveyed, 39% currently employ University of Winnipeg students. Of the mall stores surveyed, 58% currently employ University of Winnipeg students, considerably more than the street stores (29%). In terms of store type, 56% of clothing/shoe stores currently employ students; this was greater than any other store type. Restaurants were next at 43%. Music/book stores were the lowest, with only 20% currently employing students from the University of Winnipeg.

Stores that did currently employ University of Winnipeg students were also asked how many students they were currently employing. The stores that do employ University of Winnipeg students employ an average of 1.8 students. Oddly enough, a music/book store employed the largest number of University of Winnipeg students, with five employees (See Appendix IV, Figures 8-14).

5.3 The Benefits of Students Living Downtown

When asked whether having more students living downtown would be beneficial to their businesses, store owners and managers responded overwhelmingly in favor of an increase in student housing in the downtown. Over half of the respondents (59.4%) said that more students living downtown would be “very beneficial” to the success of their business. However, there was a large discrepancy between responses from mall stores and street stores. 70.0% of street store respondents felt that more student residents in the downtown would be very beneficial, while responses from mall stores was more moderate at 41.7%. Restaurant and music/book store managers responded the most favorably to an increase in the number of students living downtown, with 71.4% and 60.0% “very beneficial” responses, respectively. Clothing/shoe store managers responded the least favorably, with only 44.4% “very beneficial” responses (See Appendix V, Figures 15-21).

5.4 Student and Staff Discounts

Of the stores surveyed, 44% offered discounts to University of Winnipeg students and/or staff. There was a large discrepancy between the number of mall and street stores that offered student and staff discounts. Of the street stores surveyed, 60% of them offered some sort of discount, while only 17% of mall stores offered discounts. In terms of store type, 60% of music/book stores offered discounts to University of Winnipeg students and staff, as did 43% of restaurants and 33% of both “clothing/shoe” and “other” stores.

Stores that did offer discounts and reduced prices to University of Winnipeg students and staff were also asked how much was normally discounted off goods and services. Discounts were typically between 10-15% although some stores offered discounts as high as 20-25% (See Appendix VI, Figures 22-28).

6.0 Discussion and Recommendations

With its large student and staff population and its centrality in downtown Winnipeg, making it a “stone’s throw” from one of the largest retail clusters in the city, the University of Winnipeg undoubtedly contributes to downtown’s retail economy. However, storeowners did not respond with as much certainty as initially expected. That is not to say that they felt the university had no impact on the success of their business. Responses were heavily weighted on the positive side of the spectrum. However, the responses were more moderate than expected. Recognition of the importance of the University of Winnipeg was expressed more strongly by street stores than by mall stores. This tends to be reflected in the retail advertisements in *The Uniter*, and in other student association publications (ie. *UWSA Handbook & Calendar, Stylus*), as the majority of advertisements are placed by street store establishments.

A further study to examine seasonal variation in the University’s impact would also assist in assessing the impact of the University on the downtown retail sector. It would be interesting to discover if retailers felt that business was slower in spring/summer when fewer students and staff are on campus.

Despite a positive yet relatively modest appreciation of the University of Winnipeg’s overall impact on downtown retailing, survey respondents expressed that they were strongly in favor of new student housing and an increase in the number of students living downtown. As a number of the respondents remarked, more students would be beneficial but more residents in general would be good for business. Essentially, respondents recognized the benefits of having people in the neighborhood on a 24-hour, 7 day a week basis. Having students remain in the downtown on a 24-hour basis would have greater benefits than the current situation where a “mass exodus” occurs after 5:00 p.m. every day. A follow-up study to assess the impact of new student housing on retail sales

would indicate whether having permanent student residents actually does have a noticeable effect on business.

In terms of downtown retailers employing University of Winnipeg students, the results were moderate, with 39% of all respondents within the survey area currently employing University of Winnipeg students. The main reason for this relatively low percentage is probably a function of where students live. The majority of students do not live in the downtown area and therefore working downtown is not necessarily convenient. The percentage of mall stores that currently employ students was considerably higher than the percentage of street stores. This discrepancy is most likely due to the different types of ownership. For the most part, mall stores tend to be franchise or chain stores that hire a large number of minimum wage and part-time employees, while street stores are often family-owned, owner-operated, single-location businesses that employ primarily family members and/or friends.

Owners' and managers' recognition of the University of Winnipeg's impact is also reflected in the discount offerings made available to students and staff. With 44% of the stores surveyed offering discounts, this could be interpreted as a modest recognition of the impact of student and staff consumer spending on downtown's retail sector. Once again, there was a strong discrepancy between the discount offerings of mall and street stores. The percentage of street stores that offered discounts to students and staff was almost four times that of mall stores that offered discounts. As suggested above, this may be a function of the difference in the nature of ownership between the two types of stores.

It may also be a function of the differences in location between the two types of stores. Mall stores have the benefit of a significant amount of public traffic that is associated with being located in a mall. Furthermore, it is a closed environment where owners (who may not even live in the city) and managers do not necessarily recognize where their customers are actually coming from. Street stores, on the other hand, do not have that same stability or resource base (advertising dollars) associated with being part of a chain and do not receive the benefits of being part of agglomerate shopping mall economies (higher volume of foot traffic associated with comparison and complementary shopping). Therefore, attracting and targeting a customer base becomes increasingly important for street stores. Street stores rely on discounts, and the word-of-mouth advertising that follows, to attract a customer base. With this in mind, one recommendation is that the UWSA (University of Winnipeg Students' Association) give retailers who offer discounts to students reduced rates on advertisements in certain campus publications. This would provide incentive for more retailers in the downtown to offer student discounts and would encourage students to spend more money downtown.

As discussed, there is a significant difference between street store and mall store respondents in their perception of the impact of the University of Winnipeg. As featured in the University's Campus Development Plan, a proposal for a pedestrian walkway has been made that would link the campus to Portage Place Shopping Centre and the entire downtown walkway system. If this walkway is constructed, it might have a considerable impact on the perceptions of the owners/managers of mall stores regarding the impact of the University. It is important that the potential impacts of possible future developments are thoroughly understood. Further internalization of pedestrian traffic might have a negative impact on street stores in the downtown area.

7.0 Conclusion

The University of Winnipeg's mandate for community service needs to include a stronger focus on downtown retailing. The downtown retail sector has suffered from considerable erosion over the past decade and such a focus would fit well into the University's commitment to community service and revitalization. As this study has demonstrated, the University of Winnipeg has a fairly significant impact on many retailers in the downtown and, for the most part, retailers recognize this impact. The study also indicates that retailers recognize the potential benefits that an increase in student housing in the downtown might have. A further study should also be conducted to examine the perceptions of residents living within the vicinity of the University's campus to gain a more complete picture of the University of Winnipeg's impact on the surrounding community.

A stronger relationship between downtown retailers and the University should be established, one that would be beneficial for the University, retailers, and the broader downtown community. As Robert Purves put it,

“...an informed and favourable mutual perception by the university and the community with respect, understanding, and appreciation, can only be secured by promoting a personal relationship between the members of the two communities, academic and public” (Artibise and Fraser 1986:7).

The University is making headway with this relationship, with the construction of new student housing units and the work of the Institute of Urban Studies, both committed to community revitalization. As a leader in the downtown community, the University of Winnipeg has the potential to have a considerable impact on the future of downtown Winnipeg.

APPENDICES

APPENDIX I: University of Winnipeg Retail Impact Survey

1. What type of service or retailing does your establishment specialize in?

restaurant clothing music/books electronics
 sporting goods entertainment other (please specify)

2. Is your establishment located in a mall or on the street? street store mall store

3. Given a range between 1 and 5 (1 = not important, 5 = very important), how important is the University of Winnipeg to your business? Circle one: 1 2 3 4 5

4. Do you currently employ any students from the University of Winnipeg?
If so, how many do you employ?

5. Given a range between 1 and 5 (1 = not beneficial, 5 = very beneficial), do you think that having more students living downtown would be beneficial to your business?
Circle one: 1 2 3 4 5

6. Does your business offer discounts to University of Winnipeg students and staff?
If so, how much is usually discounted?

APPENDIX II: Accompanying Letter

March 2, 2001

Dear Store Owner or Manager,

The University of Winnipeg, in conjunction with the Institute of Urban Studies, is conducting research into the university's role in the broader community. The information to be gathered will be used in the long-term student housing report that is currently in progress, and may also be referred to in other university documents relating to the university's function in the area.

Your input is vital in assessing the impact students have on businesses near the university. We would greatly appreciate your taking a few moments to complete the attached survey. Your participation will help us to better understand the impact of the university on your and others' businesses, and how student housing might impact the downtown in the future. Any additional comments and concerns would be greatly appreciated and may be attached on a separate sheet.

If you consent to participate in this survey, please complete the questionnaire and a representative from the university will pick it up by March 7. Your responses will be kept completely confidential, and the information collected will be used for the specified purposes only. We thank you in advance for your interest, cooperation, and time, and look forward to receiving your feedback.

This survey is to be completed on a voluntary basis, therefore you can withdraw at any time.

If you have any questions or concerns about this survey, please contact Anke Kirch, Environmental Studies, at 786-9963

Sincerely,

Tom Janzen

APPENDIX III: Survey Question 3 Responses – “How important is the University of Winnipeg to your business?”

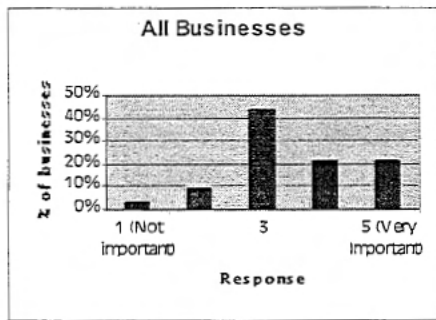


Figure 1: All Businesses

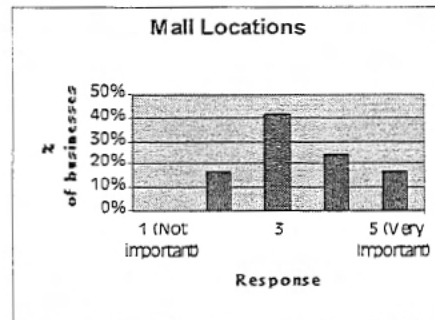


Figure 2: Mall Locations

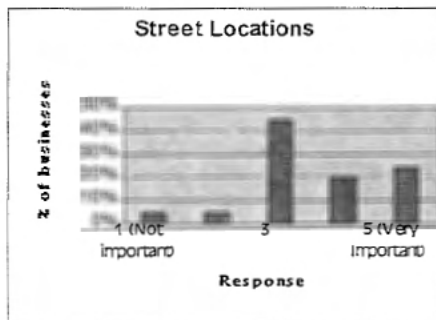


Figure 3: Street Locations

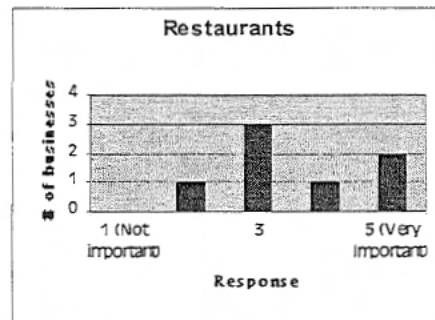


Figure 4: Restaurants

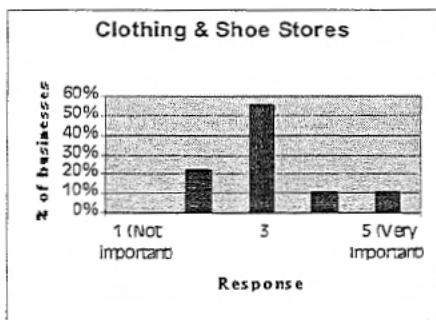


Figure 5: Clothing and Shoe Stores

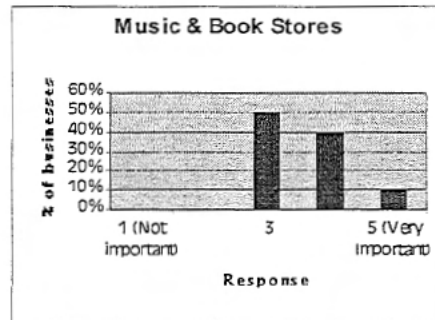


Figure 6: Music and Book Stores

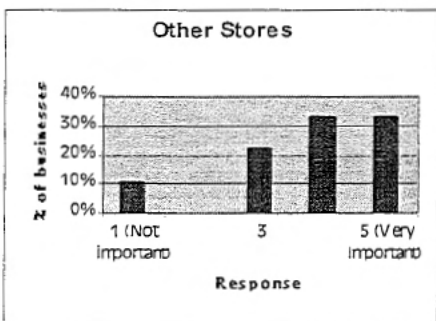


Figure 7: Other Stores

APPENDIX IV: Survey Question 4 -- "Do you currently employ any students from the University of Winnipeg and, if so, how many?"

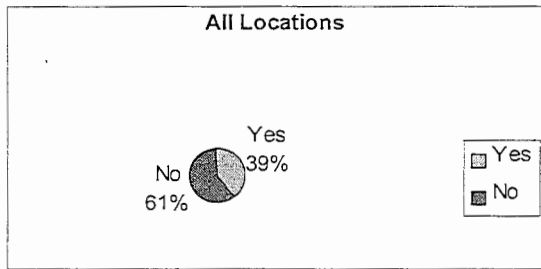


Figure 8: All Locations

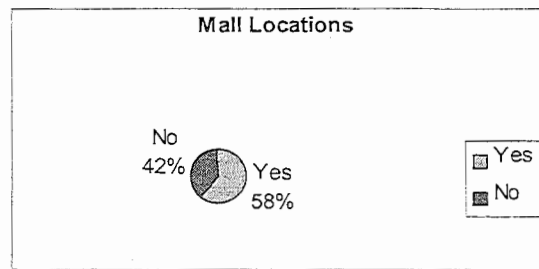


Figure 9: Mall Locations

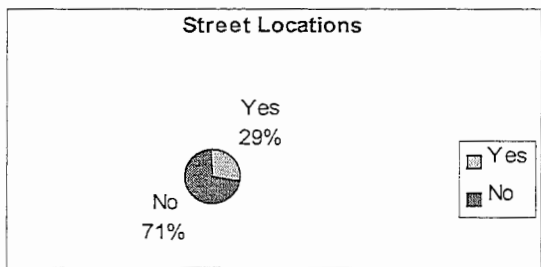


Figure 10: Street Locations

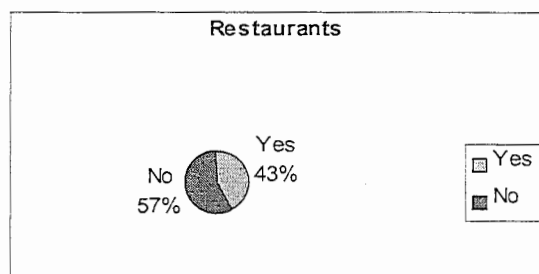


Figure 11: Restaurants

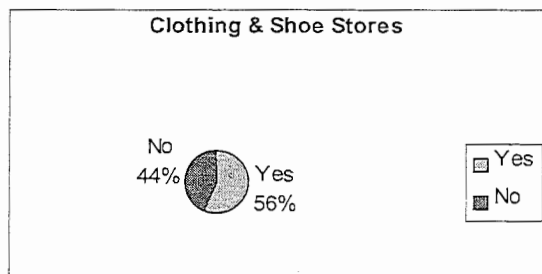


Figure 12: Clothing and Shoe Stores

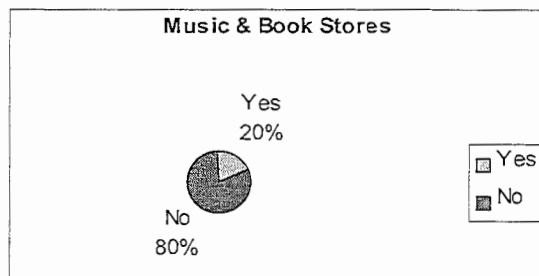


Figure 13: Music & Book Stores

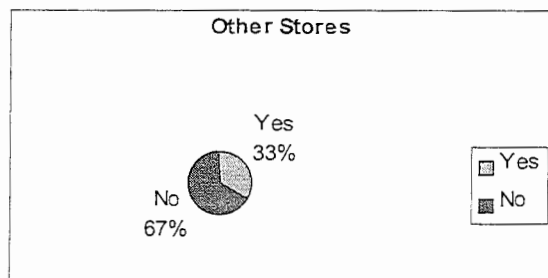


Figure 14: Other Stores

APPENDIX V: Survey Question 5 -- "Do you think that having more students living downtown would be beneficial to your business?"

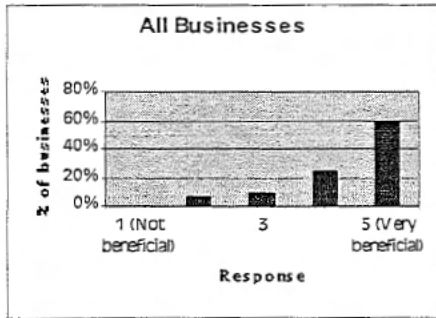


Figure 15: All Businesses

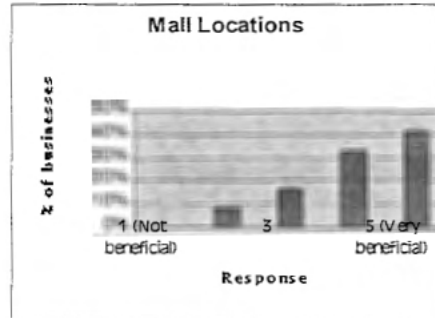


Figure 16: Mall Locations

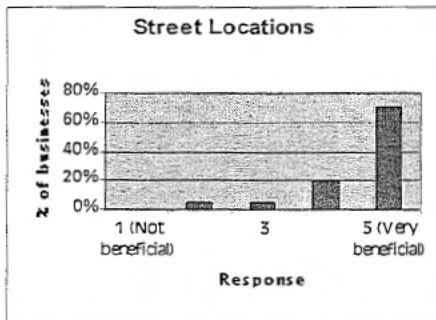


Figure 17: Street Locations

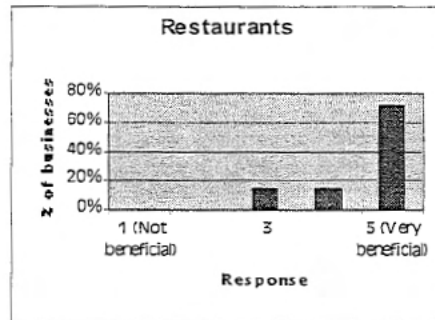


Figure 18: Restaurants

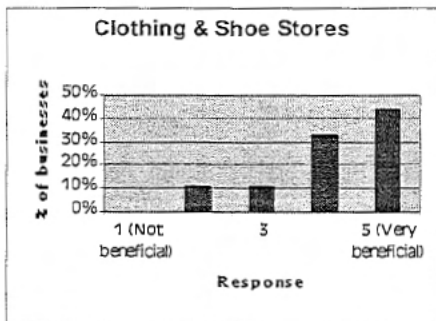


Figure 19: Clothing & Shoe Stores

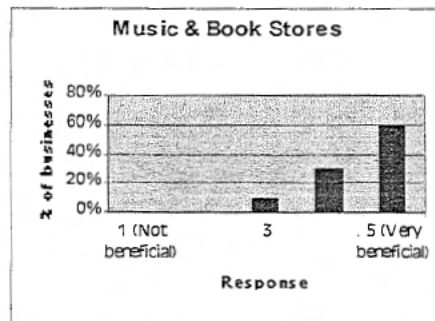


Figure 20: Music & Book Stores

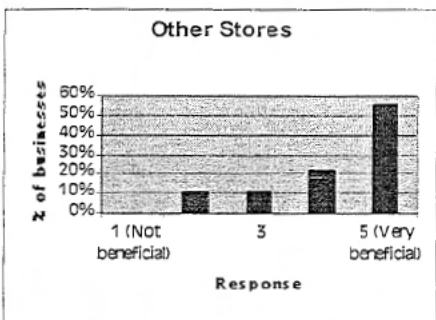


Figure 21: Other Stores

APPENDIX VI: Survey Question 6 -- "Does your business offer discounts to University of Winnipeg students and staff and, if so, how much is usually discounted?"

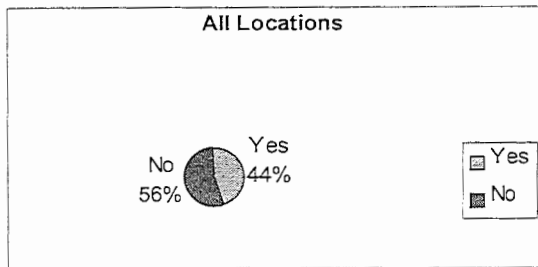


Figure 22: All Locations

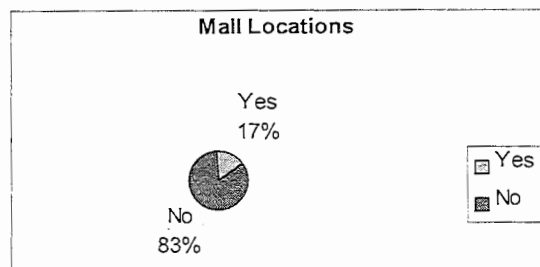


Figure 23: Mall Locations

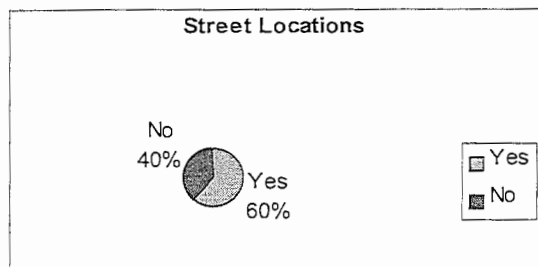


Figure 24: Street Locations

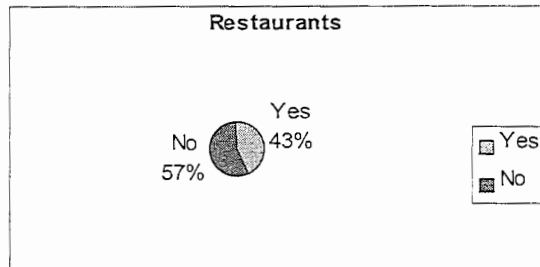


Figure 25: Restaurants

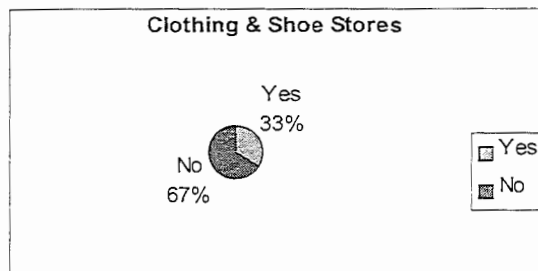


Figure 26: Clothing & Shoe Stores

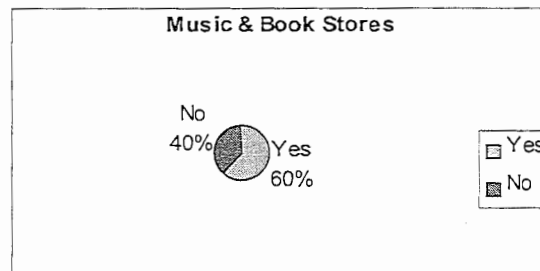


Figure 27: Music & Book Stores

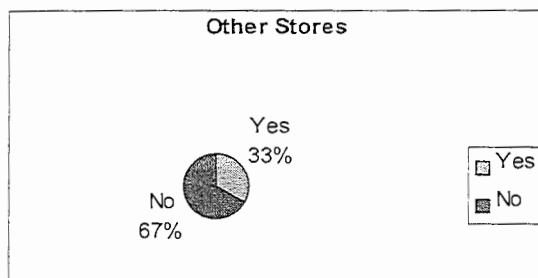


Figure 28: Other Stores

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