Town of Groton, Connecticut

Community Survey

greatblue

Report of Findings

18 October 2016

Confidential & Proprietary

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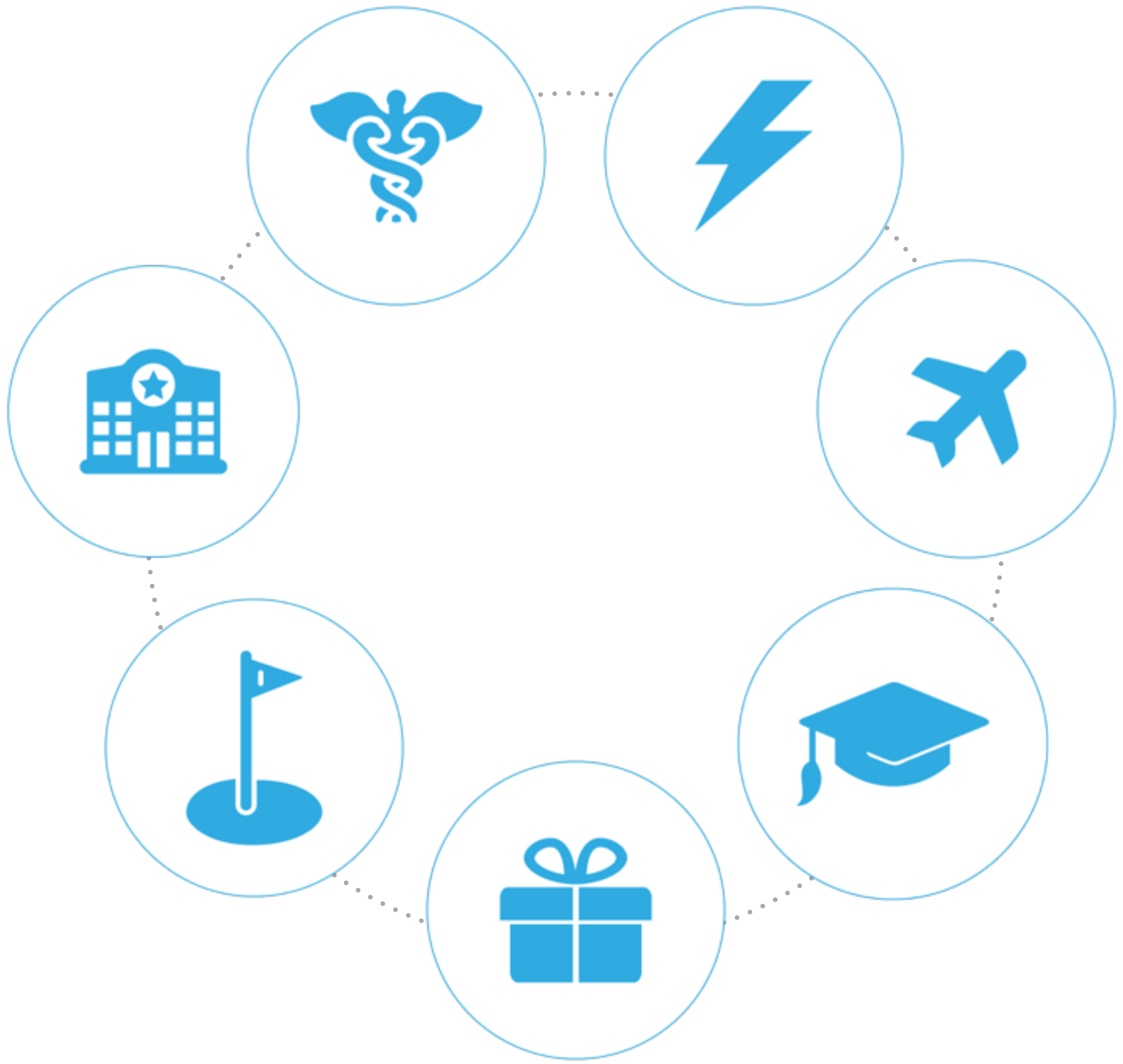
Evidence-based research across diverse industries

Our experience in instrument design affords our clients actionable analytics to help them identify, address, and improve offerings to, and the way they communicate with, their key constituents.

With more than 35 years of experience in diverse markets, our consultative approach ensures our data can be the basis to make important business decisions.

Our clients most commonly fall under markets such as government and municipalities, public and private utility companies, healthcare administration, and education.

Cross-functional engagement teams ensure a complete view of the issues and solutions.



Expertise in a diverse set of research methodologies

Having conducted millions of surveys and thousands of focus groups over the past 30+ years, our experience in instrument design, data collection and the presentation of those findings in manageable, actionable ways allows us to serve our clients across the spectrum of research studies.

Telephone Interviews

In-house, multi-lingual interviewing capabilities

Digital Surveys

Web + mobile-based survey programs

Focus Groups

State-of-the-Art facilities in CT and MA

In-Depth Interviews

Trained researchers allow us to dive deep in a 1:1 setting

Solutions that focus on strategic and operational needs of clients

Whether direct to clients or through their agencies, we apply our core research methodologies, often applying a mixed methodology to ensure a study that captures both quantitative and qualitative information, to ensure our solutions exceed client expectations.

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Project Overview

- GreatBlue was commissioned by the Town of Groton, Connecticut (hereinafter, "the Town" or "Groton") to conduct comprehensive research among its residents and businesses to gain a deeper understanding into satisfaction with town amenities and favorability of various economic development propositions.

- The primary goal of this research study was to assess current perceptions of the Town, drivers and barriers to increased visitation or patronage, and priorities for future economic development initiatives.

- In order to service this research goal, GreatBlue conducted 350 telephone interviews among randomly selected residents and 100 randomly selected businesses in Groton. GreatBlue and Groton established a soft quota of 75% Groton residents, and 25% residents living within a 5-mile radius of Groton. To complete 350 residential surveys, GreatBlue's research staff conducted 7,936 calls. To complete 100 commercial surveys, GreatBlue's research staff conducted 2,739 calls. Call-backs were set up for respondents who could not complete the survey at the time of the call.

- The outcome of this research will enable the Town of Groton to a) clearly understand the key elements that affect quality of life in the Town, b) uncover opportunities to drive economic development and, c) identify near-term strategies to increase business growth and likelihood to visit businesses in Groton.

Areas of Investigation

The Town of Groton Community Study leveraged a quantitative research methodology to address the following areas of investigation:

- Reasons for visiting or doing business in Groton
- Priorities for driving economic development
- Satisfaction with current business landscape and suggestions for future planning
- Perceptions of housing needs and future plans for residency
- Satisfaction with recreational amenities and overall quality of life
- Current state of the business and needs for growth
- Overall opinions of the Town
- Demographic profiles of respondents

Research Methodology Snapshot: Residential

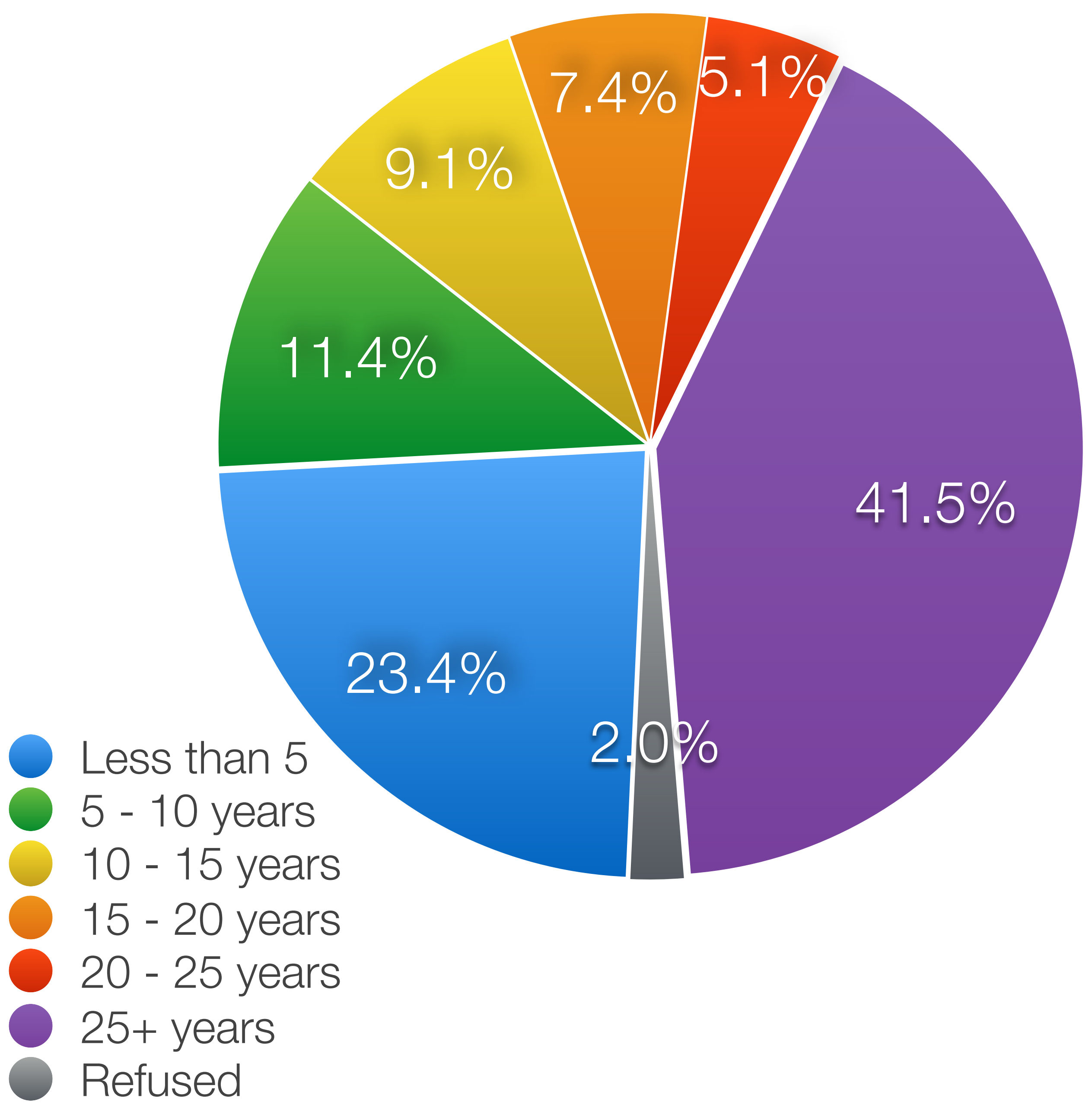
Methodology Telephone	No. of Completes 350	No. of Questions 47*	Incentive None	Sample Registered voters & procured cell phone records
Target Residential	Quality Assurance Dual-level**	Margin of Error 5.2%	Confidence Level 95%	Research Dates Aug 15 - Aug 22

* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.
** Supervisory personnel in addition to computer-aided interviewing platform ensure the integrity of the data is accurate.

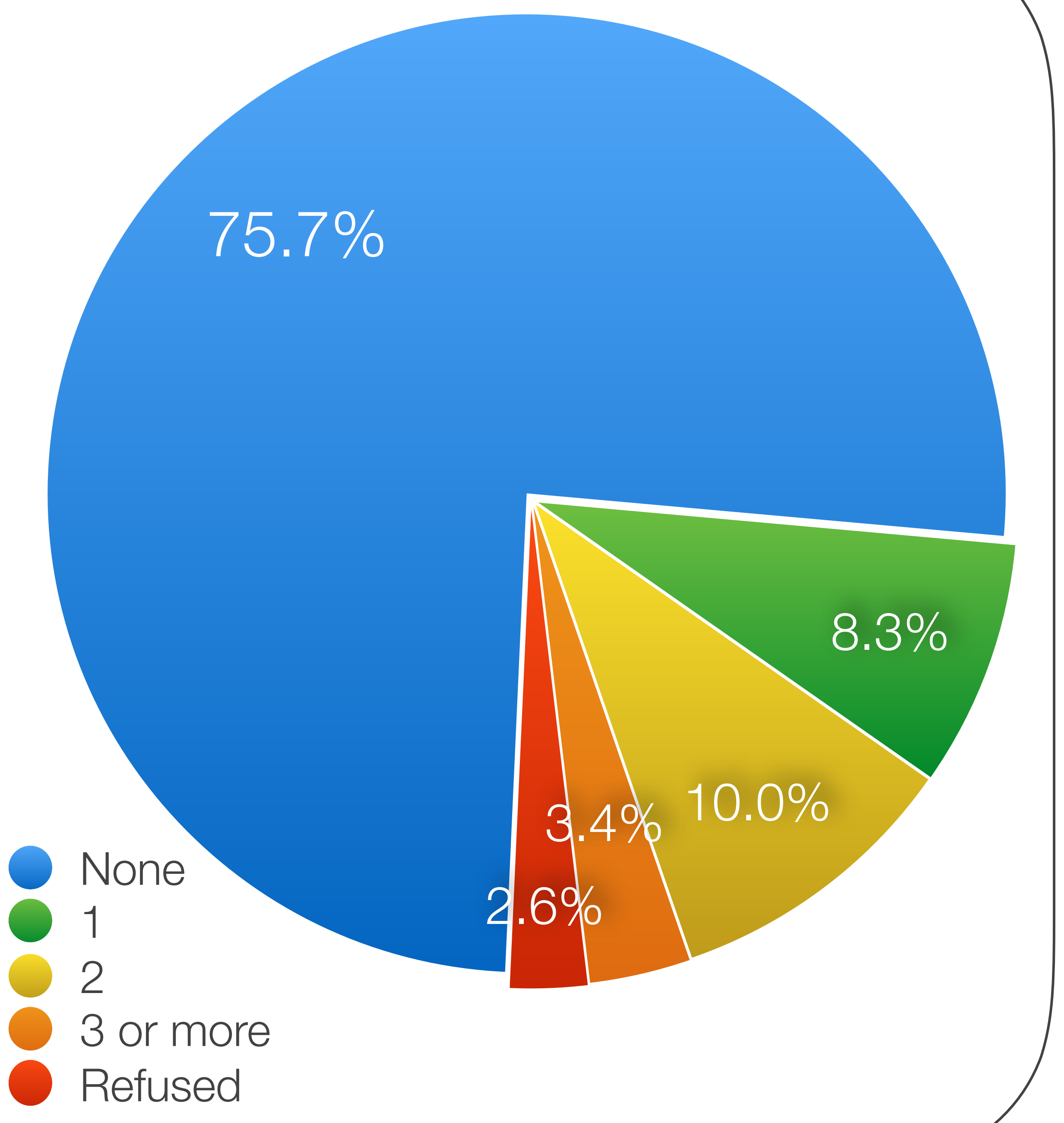
Respondent Snapshot (Residential)

This slide quantifies select data points to provide context for this research study. The data is not meant to be statistically significant, rather to provide an empirical view into the demographic profile of the participants.

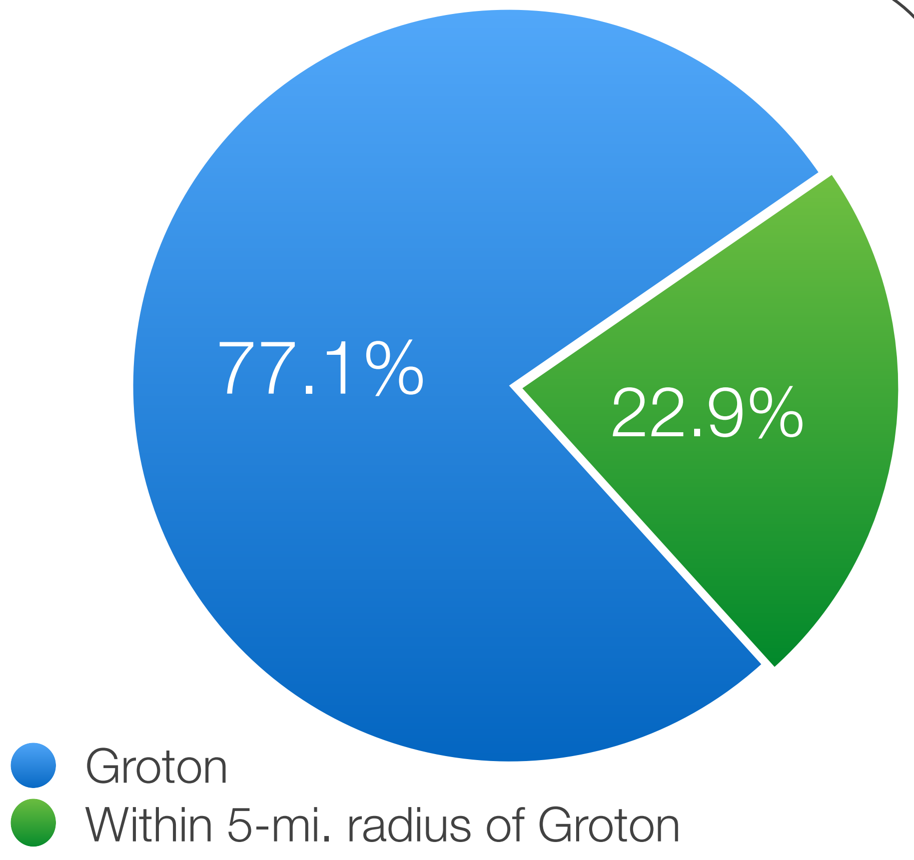
Length of Time at Address



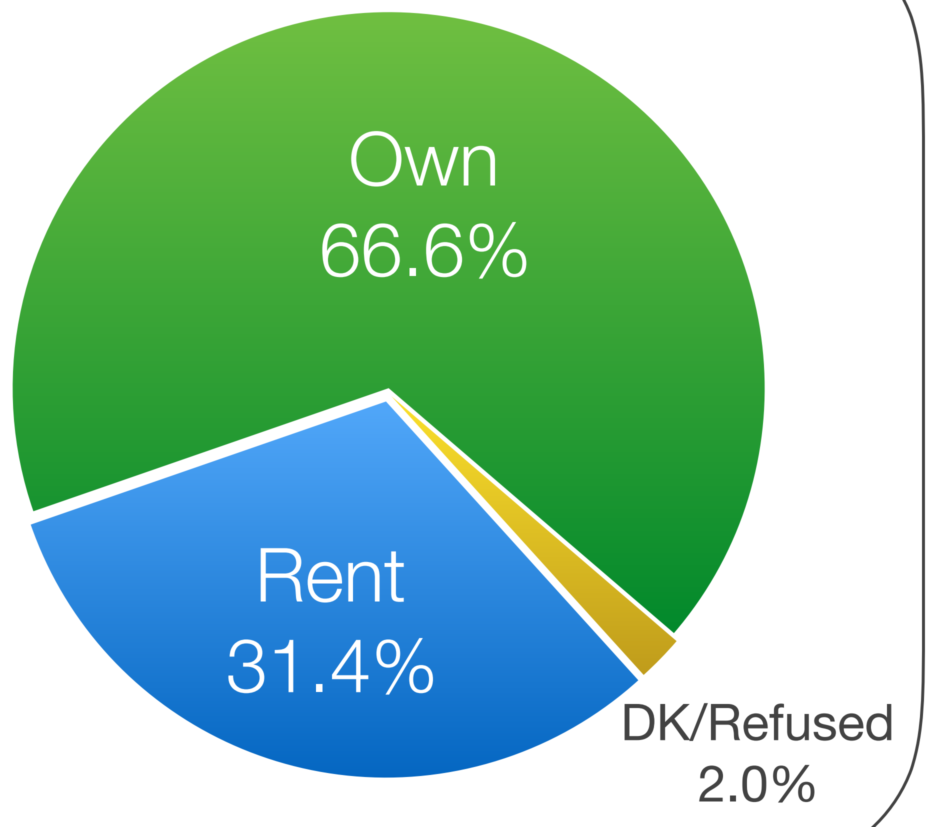
Number of children in household



Location



Residency



Research Methodology Snapshot: Commercial

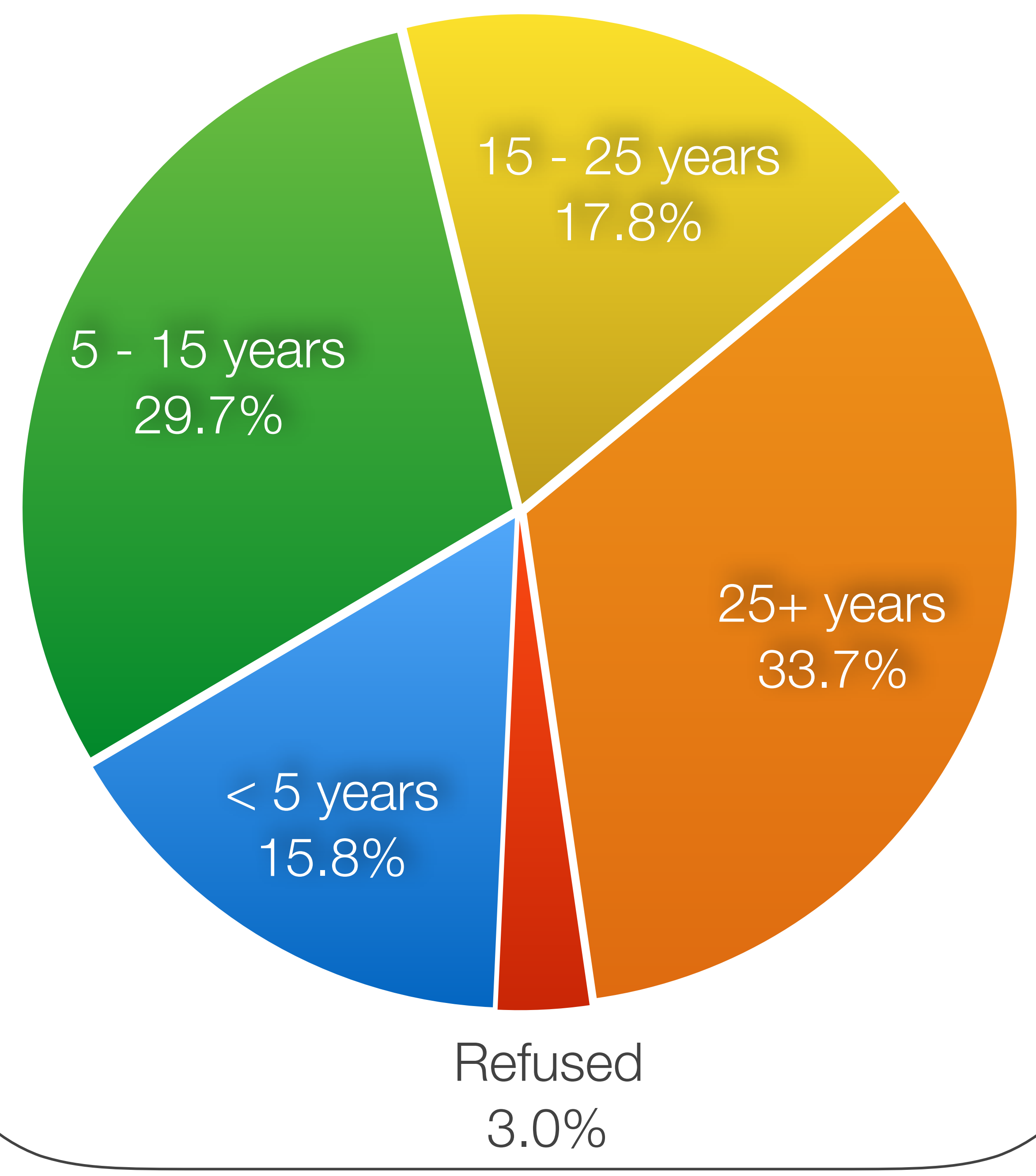
Methodology Telephone	No. of Completes 101	No. of Questions 40*	Incentive None	Sample Businesses in Groton
Target Commercial	Quality Assurance Dual-level**	Margin of Error 9.7%	Confidence Level 95%	Research Dates Aug 15 - Aug 22

* This represents the total possible number of questions; not all respondents will answer all questions based on skip patterns and other instrument bias.
** Supervisory personnel in addition to computer-aided interviewing platform ensure the integrity of the data is accurate.

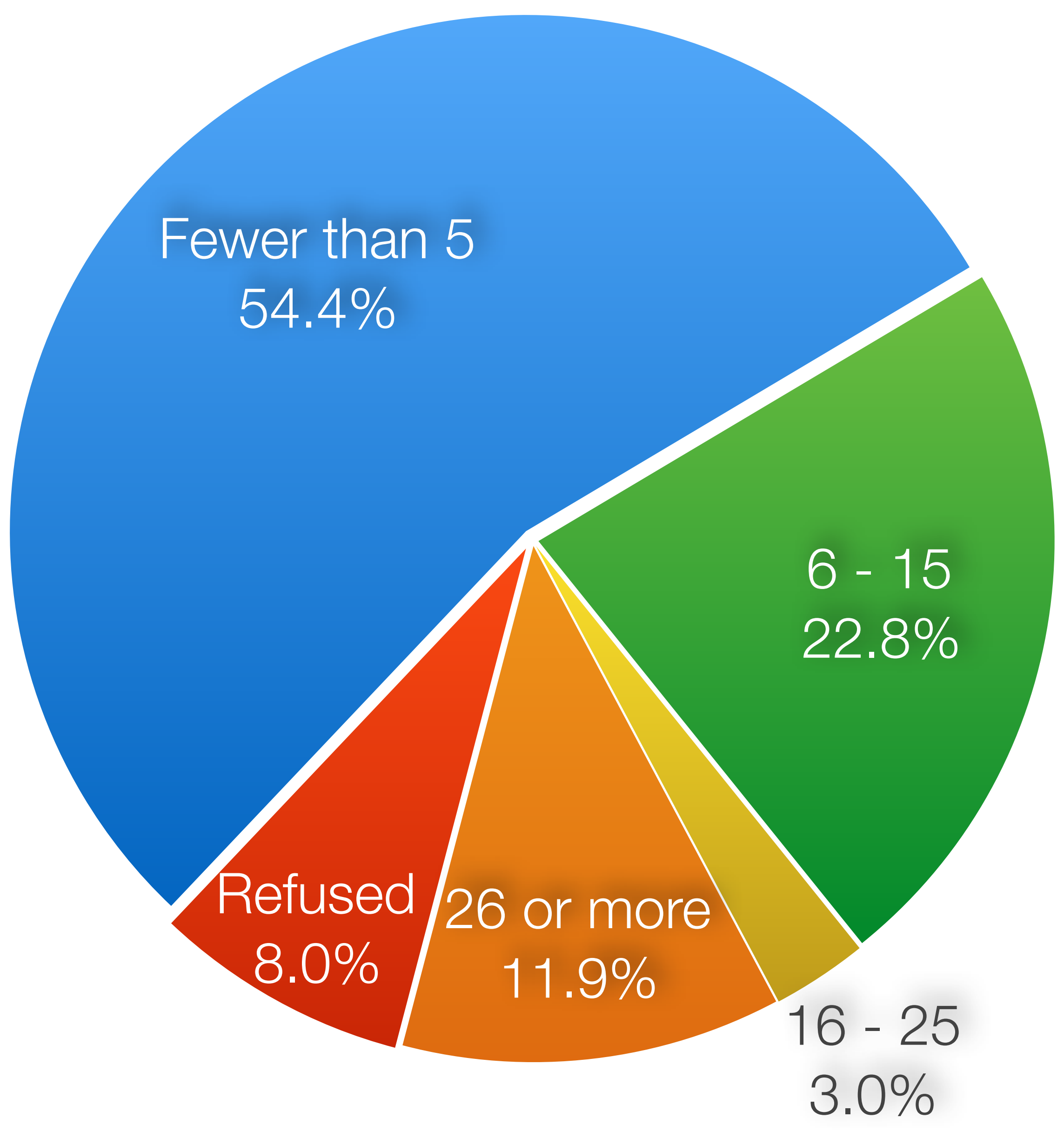
Respondent Snapshot (Commercial)

This slide quantifies select data points to provide context for this research study. The data is not meant to be statistically significant, rather to provide an empirical view into the demographic profile of the participants.

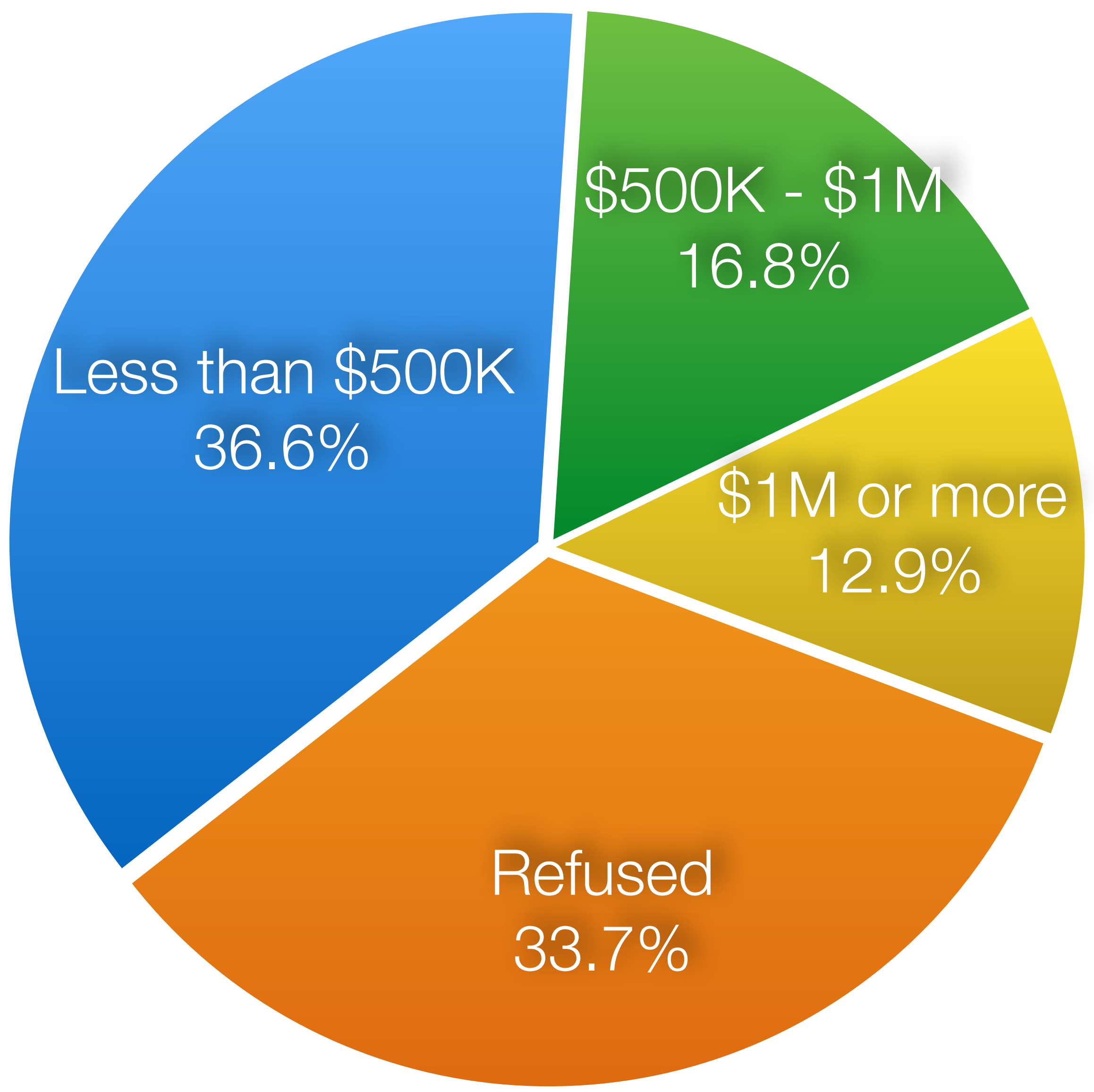
Length of time at Location



Number of employees



Average annual Revenue



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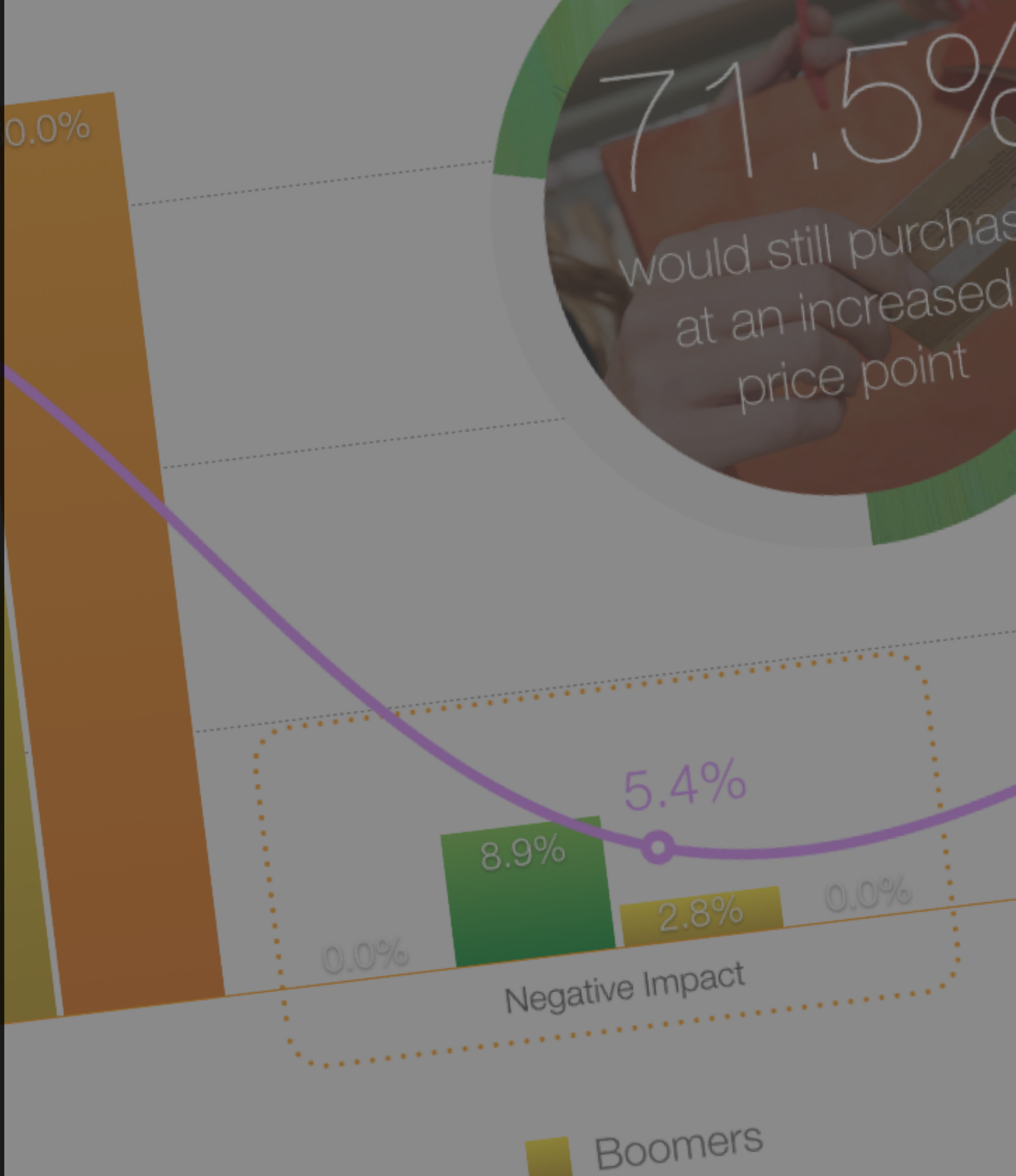


Key Study Findings

- Nearly all residents (95.5%) reported staying in Groton for business, pleasure, and recreation either “often” or “occasionally,” with fewer residents (74.0%) reporting they conduct similar activities outside of Groton. Further, residents and businesses agreed that “increasing business development incentives” and “management of tax rates” are priorities for Groton’s economic development.

- While incentives were viewed as a priority, only 33.7% of businesses reported being aware of incentives and tax breaks available through Groton. Among those businesses, only 20.6% reported seeking and utilizing them. Businesses believed that incentives for “infrastructure improvements,” “expansion incentives,” and “employee training” would be helpful moving forward.
  - Awareness of incentives was lower among businesses with an average annual revenue of less than $500,000 (27.0%) and businesses who have been in Groton for less than five years (18.8%).

- Moving forward, 25.7% of businesses predicted expansion plans in the future compared to 61.4% who did not. Among those expanding business, 53.8% believed they would expand at their current location while 38.5% were considering new locations. Groton, however, remained the likely new location for 66.7% of expanding businesses.

Key Study Findings, continued

- Thinking specifically about their own business, almost all businesses reported they are doing well in the community (92.1%), with 53.5% reporting continued improvements to their success. When thinking about Groton, overall, 74.3% of businesses reported it was a "good" place to do business (with 25.7% reporting improvements over previous years, 33.7% reporting no changes, and 14.9% reporting it was currently good but declining compared to previous years).
  - In a separate line of questioning, a similar rate of businesses (76.2%) reported they would recommend Groton to other business-owners as a place to run a business.

- When considering developments that could increase patronage and commerce in Groton, residents and businesses resoundingly agreed that "arts/entertainment" would accomplish these goals (72.0% and 68.3%, respectively). There was also agreement regarding the positive impacts of "moderately priced restaurants."
  - Businesses also believed "night life/leisure locations" would stimulate commerce, while residents felt they would be more likely to visit Groton if there were more "fitness/outdoor/indoor recreation" establishments.

- The most commonly visited area for shopping, dining, and entertainment was Route 1/Downtown (38.6%). While only 7.1% of residents reported visiting Thames Street/Groton Waterfront for these activities, 24.6% would like to see business in this area expanded, specifically in terms of "locally-owned restaurants" (64.0%) and "arts & entertainment" (48.0%).

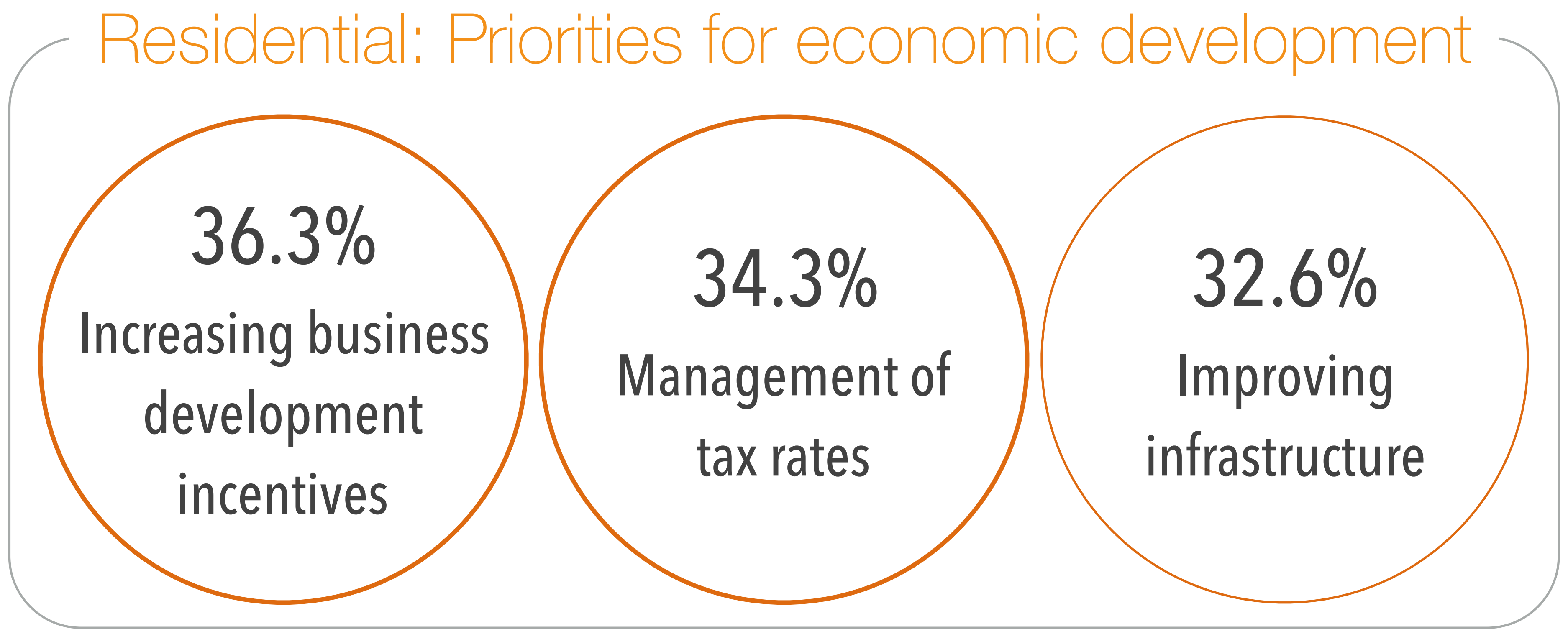
Key Study Findings, continued

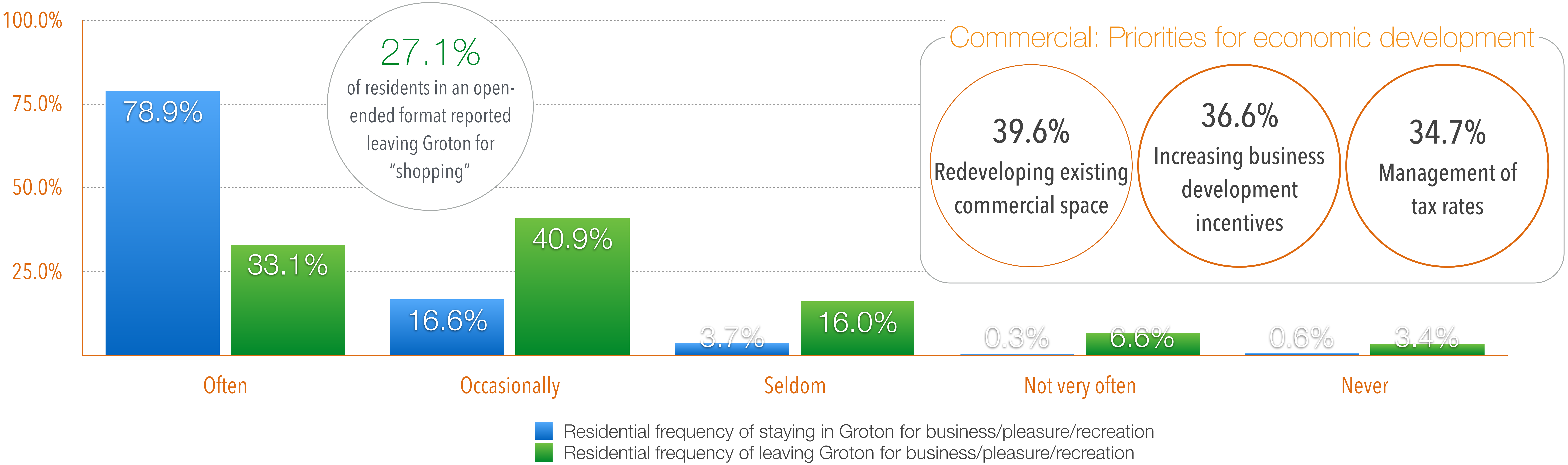
- Considering the mixture of housing available in Groton, most residents believed there are enough "single-family homes" (69.1%) and that these homes are of high quality (78.6%). In addition, 32.9% of residents anticipated moving in the next five years, with 29.3% of current home-owners considering a "larger single-family home" and 25.9% of renters considering a "smaller single-family home."
  - A potential deterrent to residents remaining in Groton is the belief that there are not enough options of "affordable housing for first-time buyers" (40.0%), which increased to 47.3% among renters. This may also create a barrier for attracting residents to move to Groton.
  - However, among all residents, 55.1% believed there are enough "condos/apartments" in Groton, and 67.4% felt they are of "very good" (7.1%) or "good" quality (60.3%), suggesting opportunities to attract renters with high quality condos and apartments.

- Finally, most residents (86.9%) reported the quality of life in Groton is "excellent" or "good." Slightly fewer residents (69.7%) reported the quality of recreation and leisure activities is "excellent" or "good." However, in an open-ended format, respondents reported "beach quality" had a strong impact on the quality of recreation (23.1%). This may be a promotional opportunity to increase patronage in certain areas of town.

Most stay in Groton, but leave for shopping

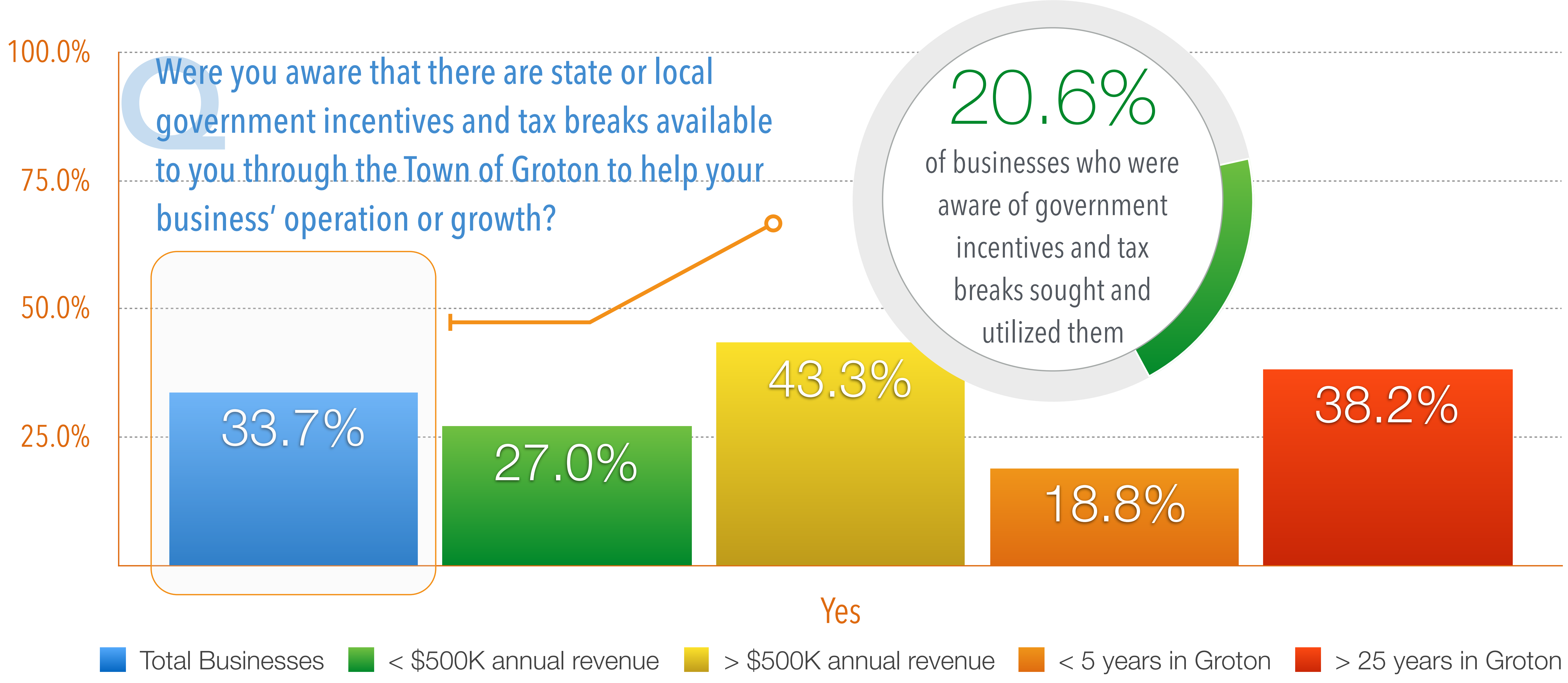
The majority of residents within or near Groton (95.5%) reported being in Groton “often” or “occasionally” for business, pleasure, recreation, or other activities. Fewer residents (74.0%) reported leaving Groton for similar activities, with “shopping” being the most common reason. In regards to driving economic development in Groton, residents and businesses generally agreed on the need to “increase business development incentives” and “manage tax rates.”





Low awareness of incentives & tax breaks

As respondents believed business incentives were a priority for economic development, it is important to note only 33.7% of businesses were aware of incentives and tax breaks available through Groton. This was lower among businesses with annual revenues of less than $500,000 and newer businesses. Further, only 20.6% of businesses who were aware had actually sought and used them. The top reported incentives that would help business growth were “infrastructure improvements,” “expansion incentives,” and “employee training.”



Preferred incentives

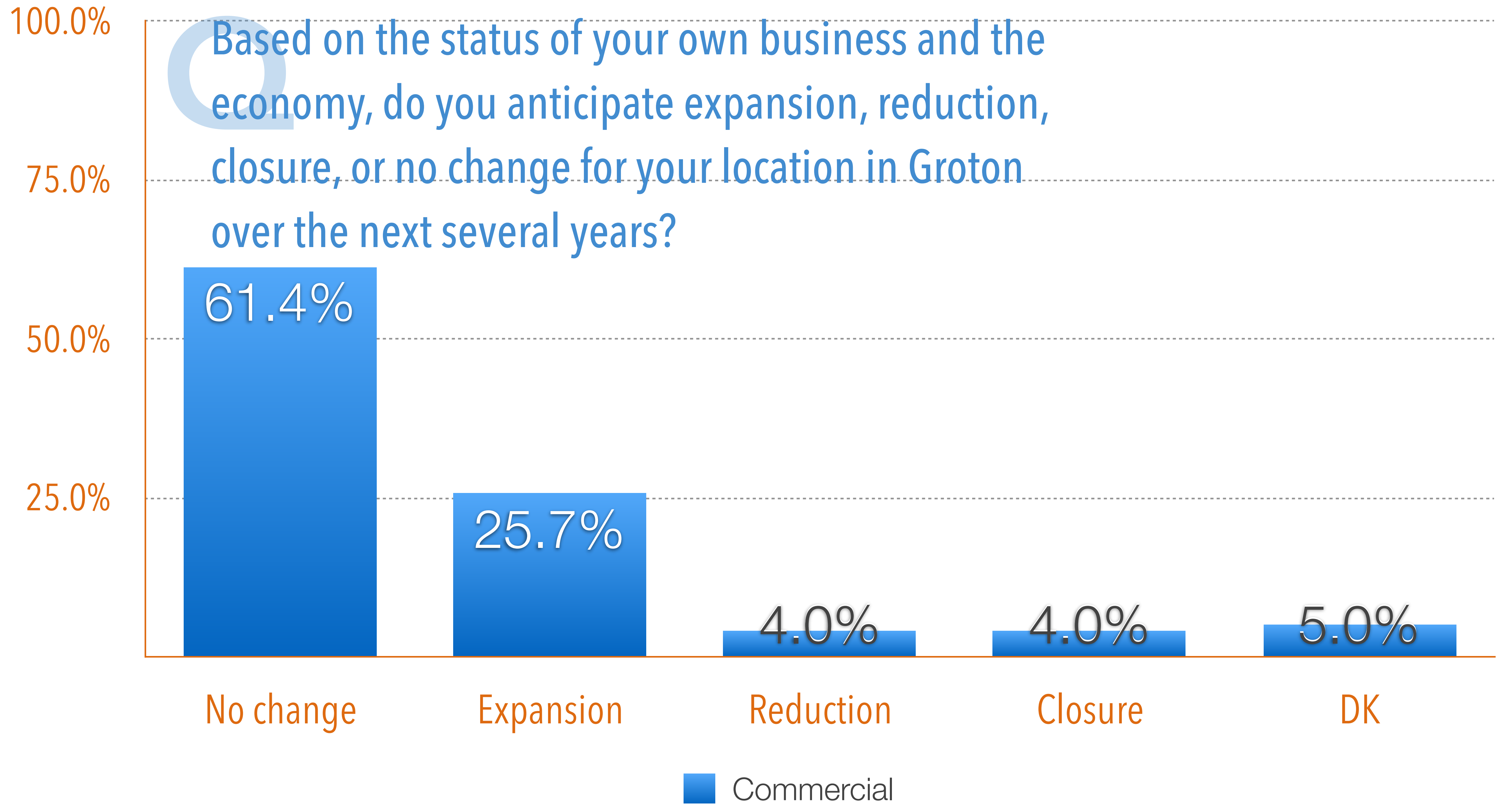
31.7% Infrastructure improvements

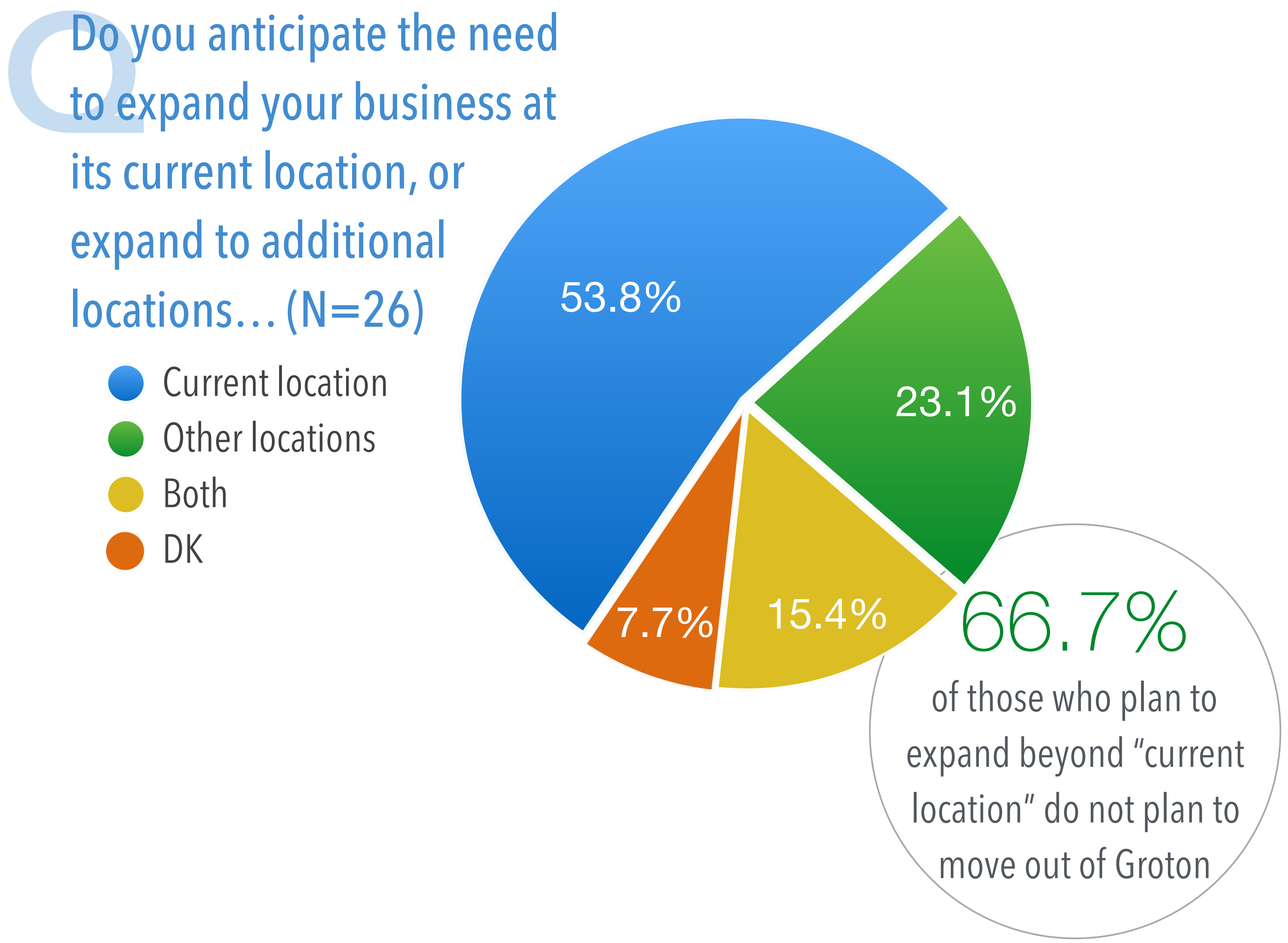
18.8% Expansion incentives

17.8% Employee training

Expansion of businesses within Groton

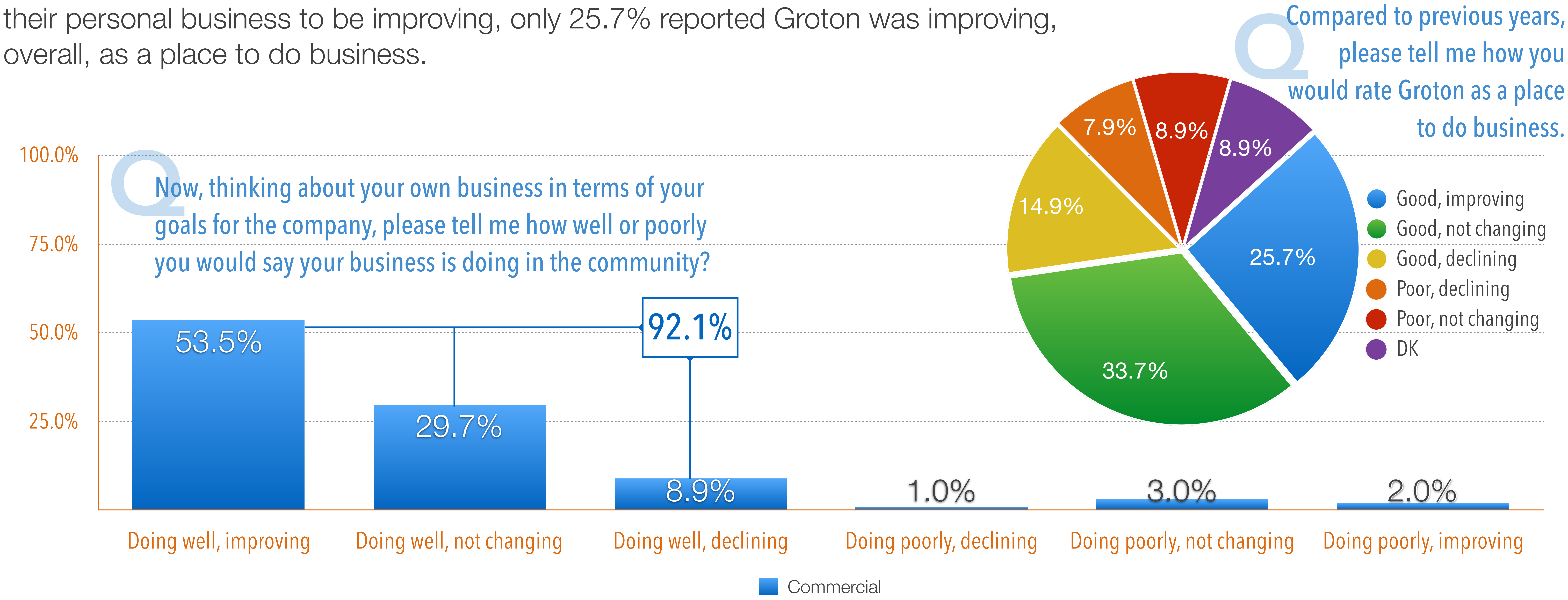
While most businesses reported no anticipated changes in the status of their business over the next several years, 25.7% reported plans for expansion. Among those businesses, 53.8% projected expansion plans for their current location, and 38.5% anticipated expanding to additional locations. Impressively, among the businesses who forecasted external expansion, most do not have plans to expand outside of Groton.





Groton improving as a place to do business

The majority of businesses reported their own business is “doing well” in the community (92.1%), and 74.3% reported that Groton, overall, is a “good” place to do business. However, it is interesting to note, that while 53.5% of respondents perceived their personal business to be improving, only 25.7% reported Groton was improving, overall, as a place to do business.



Entertainment & restaurants drive visitation

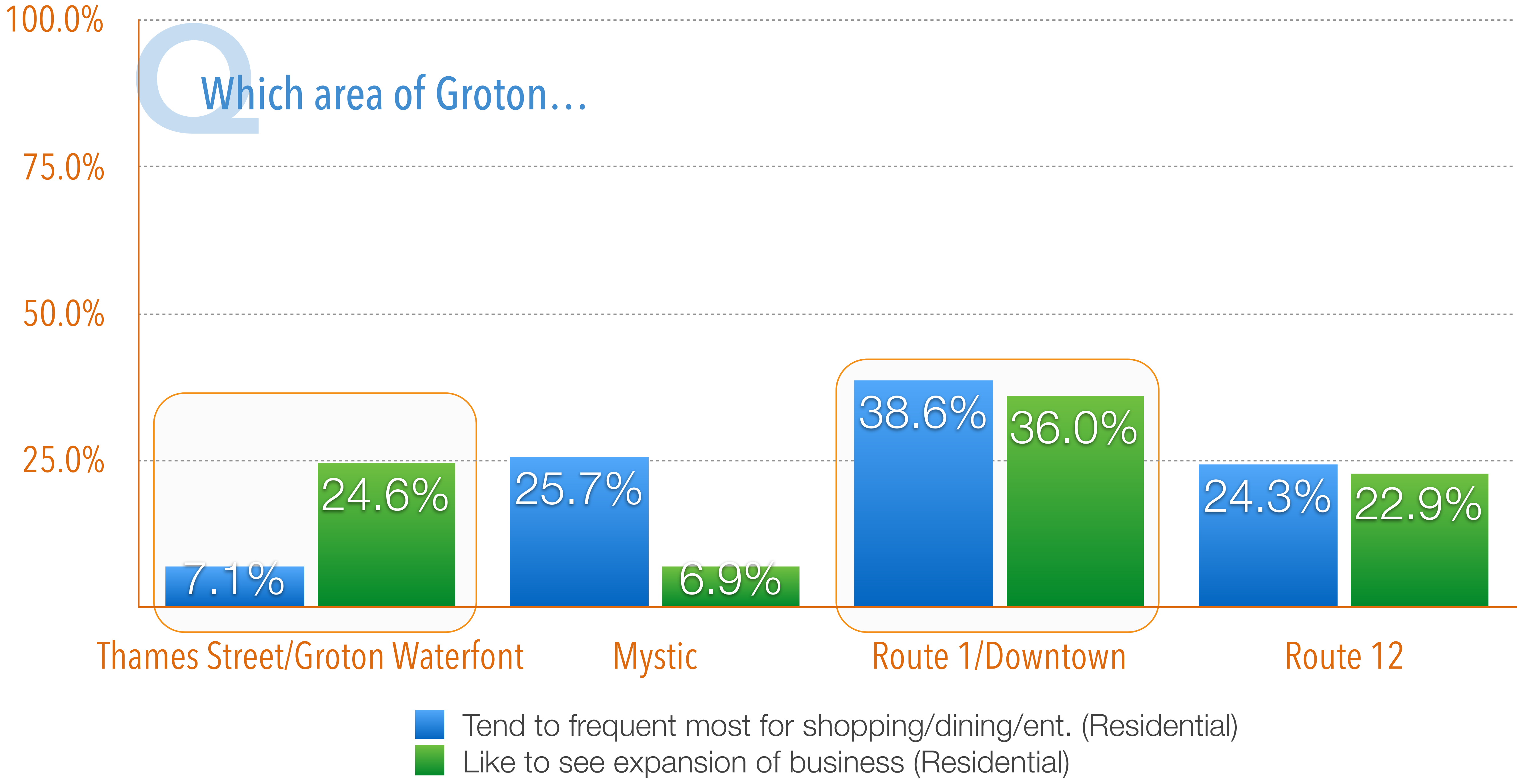
Residents and businesses were in general agreement regarding projects Groton could pursue to increase patronage and, by extension, commerce within Groton. In particular, “arts/entertainment” and “moderately priced restaurants” were some of the largest drivers of likelihood to visit Groton, and helping stimulate commerce. While businesses believed “night life/leisure locations” would also help, fewer residents were more likely to visit Groton for this type of development. Rather, opportunities to visit “fitness/outdoor/indoor recreation” establishments were more desirable.

Residential	More likely to visit	No change	Less likely to visit
Arts/entertainment	72.0%	20.6%	5.7%
Moderately priced restaurants	62.3	33.4	3.5
Fitness/outdoor/indoor recreation	54.3	40.9	3.5
Apparel stores	52.3	41.4	5.4
Food and beverage services/stores	51.1	43.4	4.8
Hobby/speciality retail	48.6	41.7	7.8
High quality retail	47.4	41.1	9.7
Night life/leisure locations	47.1	41.1	9.1
Home improvement services/stores	36.6	54.6	7.7
Health/Personal care/beauty services	31.7	60.0	7.2
Automotive services/stores	18.3	70.3	10.3

Commercial	Would help stimulate commerce	No change	Would not help stimulate commerce
Arts/entertainment	68.3%	10.9%	11.9%
Night life/leisure locations	63.4	12.9	13.9
Moderately priced restaurants	57.4	16.8	16.8
Fitness/outdoor/indoor recreation	50.5	20.8	19.8
Hobby/speciality retail	44.6	25.7	16.8
Apparel stores	43.6	22.8	22.8
Food and beverage services/stores	42.6	26.7	20.8
High quality retail	39.6	25.7	23.8
Home improvement services/stores	34.7	28.7	25.8
Health/Personal care/beauty services	32.7	29.7	22.8
Automotive services/stores	23.8	33.7	34.6

Opportunities for economic development

When asked about areas of town that residents visit most, "Route 1/Downtown" was the most commonly reported area (38.6%) and yielded the highest rate of interest in expansion (36.0%). While deterrents to visiting this area were mostly due to "heavy traffic" and "lack of businesses/shopping," the strongest interest in development was for "locally owned restaurants" and "retail." In addition, only 7.1% of residents reported frequenting "Thames Street/Groton Waterfront," yet 24.6% reported they would like to see this area expanded with the strongest desire for additional "locally owned restaurants."

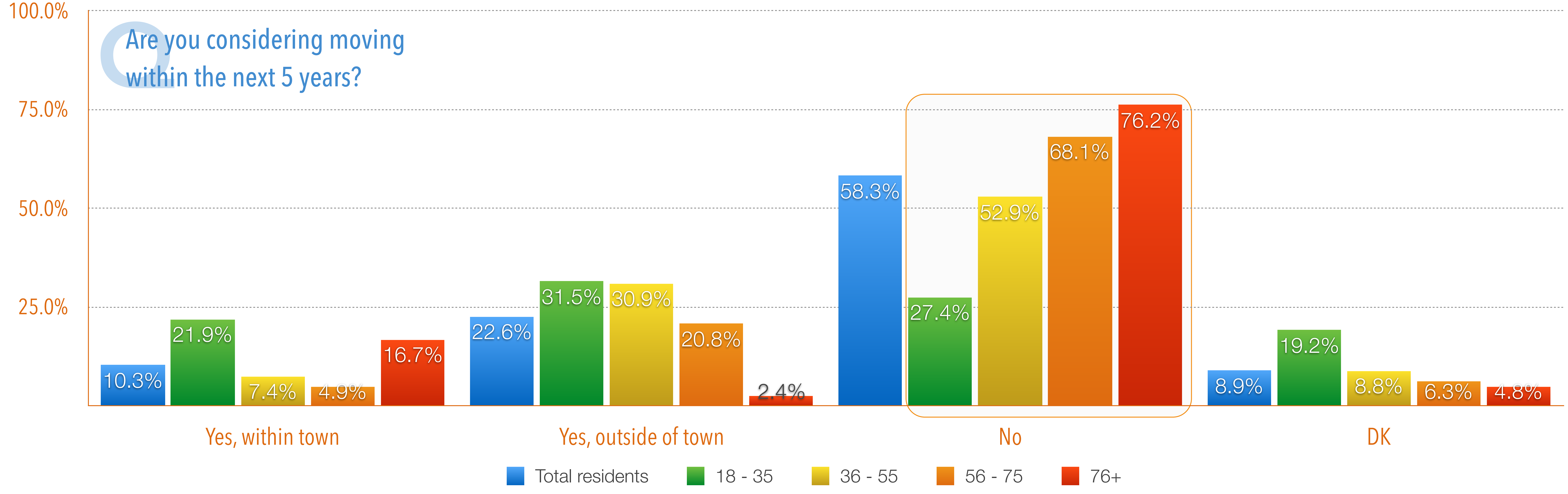


Top barriers to visiting…	Thames Street/ Groton Waterfront	Mystic	Route 1/ Downtown	Route 12
Heavy traffic	16.0%	20.0%	25.2%	29.4%
Lack of businesses/ shopping	4.0	4.4	23.0	15.3
Poor parking	28.0	20.0	5.2	0.0

Top preferred business development…	Thames Street/ Groton Waterfront	Mystic	Route 1/ Downtown	Route 12
Locally owned restaurants/ dining	64.0%	48.9%	44.4%	44.7%
Retail - small/medium stores	28.0	38.9	43.0	38.8
Arts & entertainment	48.0	31.1	32.6	40.0
Chain restaurants/dining	32.0	11.1	23.7	25.9

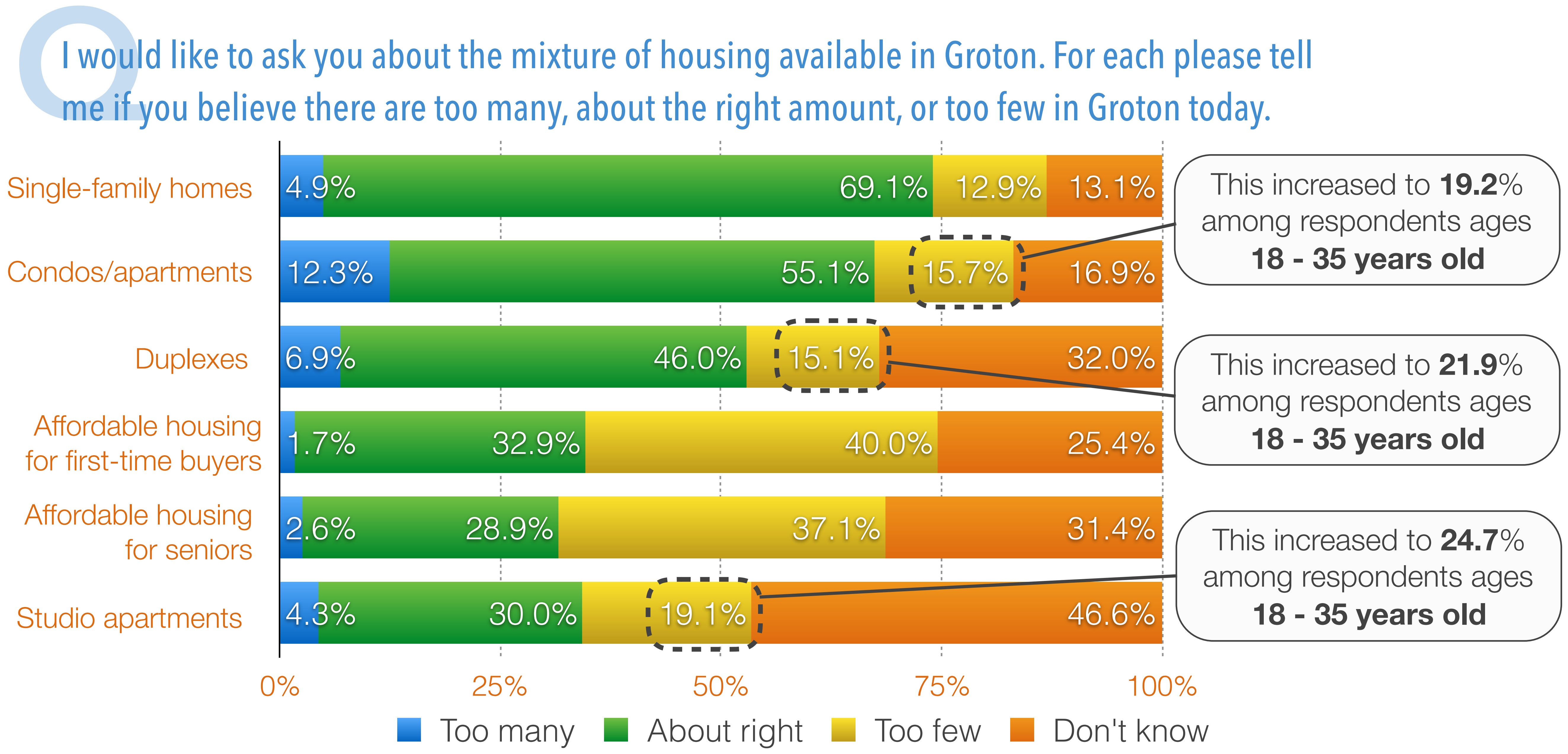
Younger generation less committed to Groton

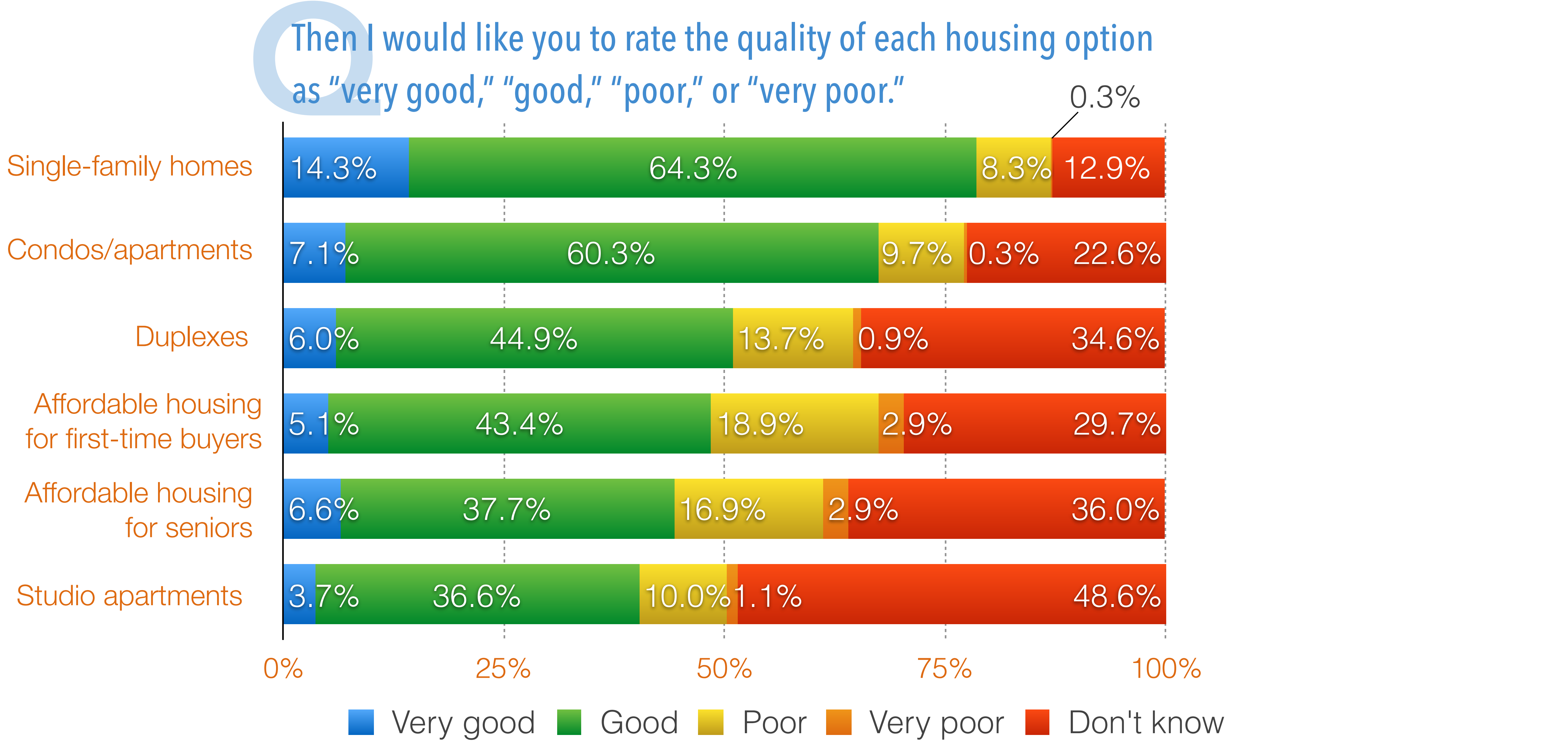
When asked about plans to move within the next five years, 58.3% of residents had no plans to move while one-third of residents anticipated a move either within Groton (10.3%) or outside of Groton (22.6%). However, compared to other age groups, respondents between the ages of 18 and 35 reported the highest likelihood of moving outside of town (31.5%), the lowest rate of believing they would not move (27.4%), and the highest rate of uncertainty about moving (19.2%). As 21.9% of this generation believed they would remain in Groton, this presents a challenging opportunity to entice the millennial generation to remain in Groton.



Mixed development important

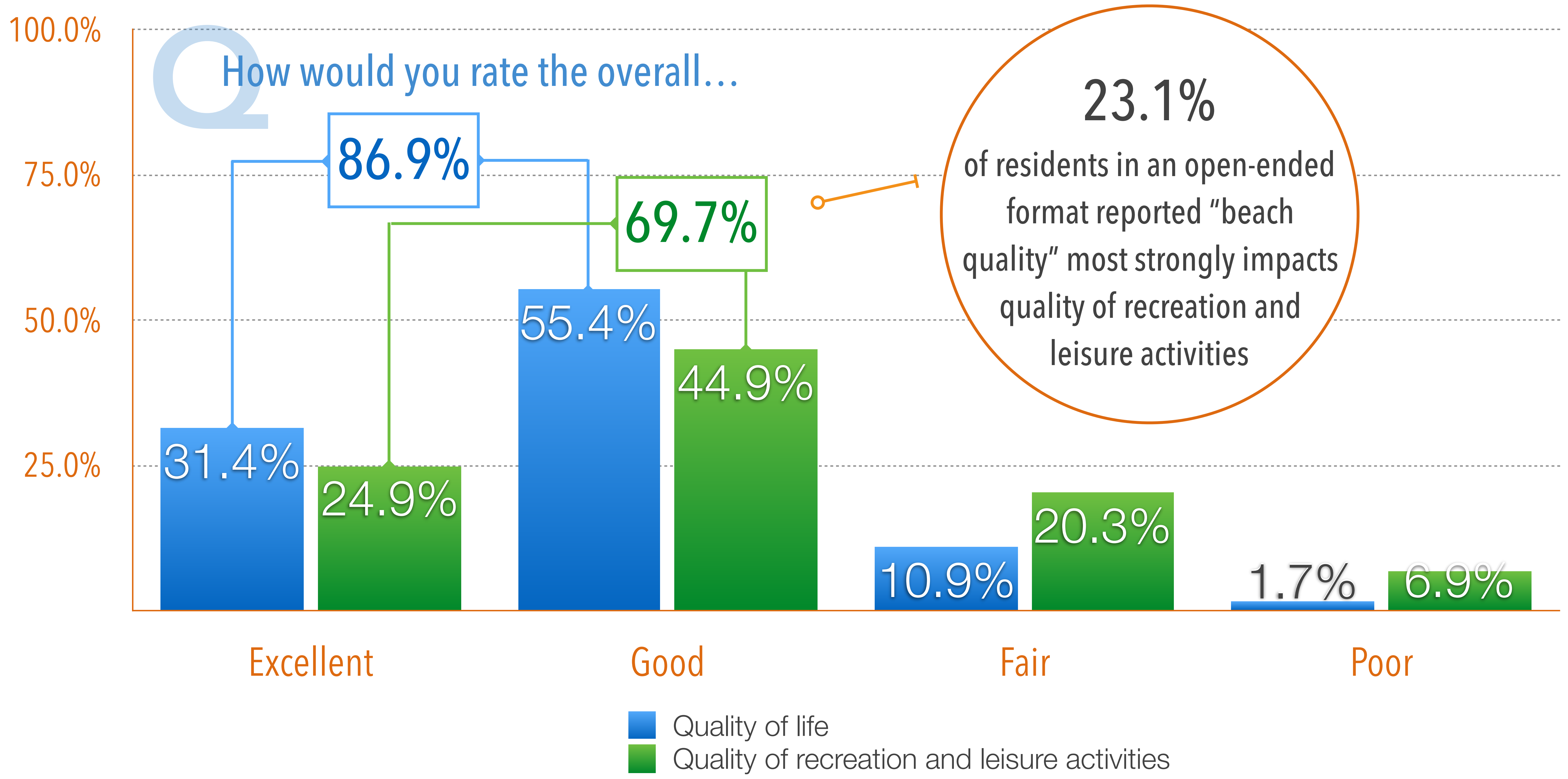
Most residents believed there are "about the right amount" of single-family homes (69.1%), and they are of "very good" (14.3%) or "good" quality (64.3%). However, there may be a deterrent to attracting and retaining younger generations in Groton as respondents between 18 and 35 years old reported there are "too few" housing options at a higher rate than the general population. This was particularly the case for studio apartments (24.7%), duplexes (21.9%), and condos/apartments (19.2%).





High quality of life & place to run a business

Overall, the majority of residents reported quality of life in Groton is “excellent” or “good” (86.9%). While fewer residents reported the same for the quality of recreation and leisure activities (69.7%), 23.1% of residents believed that the quality of beaches has the strongest impact on the quality of recreation in Groton, suggesting opportunities to underscore coastal activities. Further, 76.2% of businesses reported being likely to recommend Groton as a place to run a business. Coupled with previous data points, this suggests that residents and businesses are generally committed to Groton.



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Considerations

- **Raise awareness of business incentives.** With few businesses aware of incentives and tax breaks available through Groton, and even fewer utilizing them, economic growth and development may stagnate. Conduct outreach to educate businesses on the opportunities to capitalize on government incentives, beginning with newer businesses and those earning less than $500,000 annually, as fewer of these were aware and would likely benefit the most.
  - While businesses were primarily interested in infrastructure improvement, it may be more beneficial to advocate expansion incentives. As one-fourth of businesses were considering expansion, promoting these incentives may increase the current commitment to expand within Groton. It may also improve the perception of Groton as a good place to run a business.

- **Focus on Route 1/Downtown.** With the highest rate of residents visiting this area and encouraging its expansion, this may be a prime area to conduct new development or redevelop the current landscape, particularly by bringing in locally-owned restaurants or small retail shops. As residents indicated leaving Groton for shopping, Route 1/ Downtown may be the most viable location to retain and attract residents to Groton for shopping and retail.
  - Further, a gap existed between the number of residents who visit Thames Street and the Groton Waterfront for shopping, dining, or entertainment and the rate of residents who would like to see businesses expanded upon in this area, primarily in the form of locally-owned restaurants. As poor parking was the largest barrier to visiting this area, alleviating this concern may drive increased business to this area.

Considerations, continued

- **Combine entertainment with local dining.** As respondents agreed on the effects of arts/entertainment and moderately priced restaurants on the likelihood to visit Groton, as well as the potential to drive business, these options may be best suited as a pairing. Future developments may be most practical as offering these options simultaneously, or in tandem (i.e., discounts to local restaurants when you purchase tickets to an event).
  - It may also be worthwhile to educate businesses on newer marketing tools, especially in the form of digital deals (e.g., Groupon and Living Social). This will increase exposure for businesses, and it may inject capital into the economy from customers of neighboring towns and employees who conduct business elsewhere despite commuting regularly to Groton for work.
  - As businesses placed heavier emphasis on "night life/leisure locations" than residents, business owners may believe their commuting employees have few options enticing them to stay in Groton after hours. Development of these options may engage commuters to spend more time in Groton. Fitness centers, as desired by residents, may also tempt working professionals to utilize during lunch hours, or before and after work.

Considerations, continued

- **Entice millennials with mixed development.** With the uncertain likelihood of 18 to 35 years olds remaining in Groton compared to other generations, there is a need to create housing options that cater to the exhibited transient behaviors. As this age group reported there are not enough studio apartments, duplexes, and condos/apartments at a higher rate than the general population surveyed, these types of developments should receive emphasis to increase the likelihood of remaining in Groton.

- **Promote coastal access.** As residents noted in an unprompted format the quality of beaches have a strong impact on the quality of recreation and leisure in Groton, the coastal access afforded by the Town should be positioned as an enticing element to attract local patronage. This ultimately may be used as a leveraging tool to bring new businesses into the proposed areas for development.

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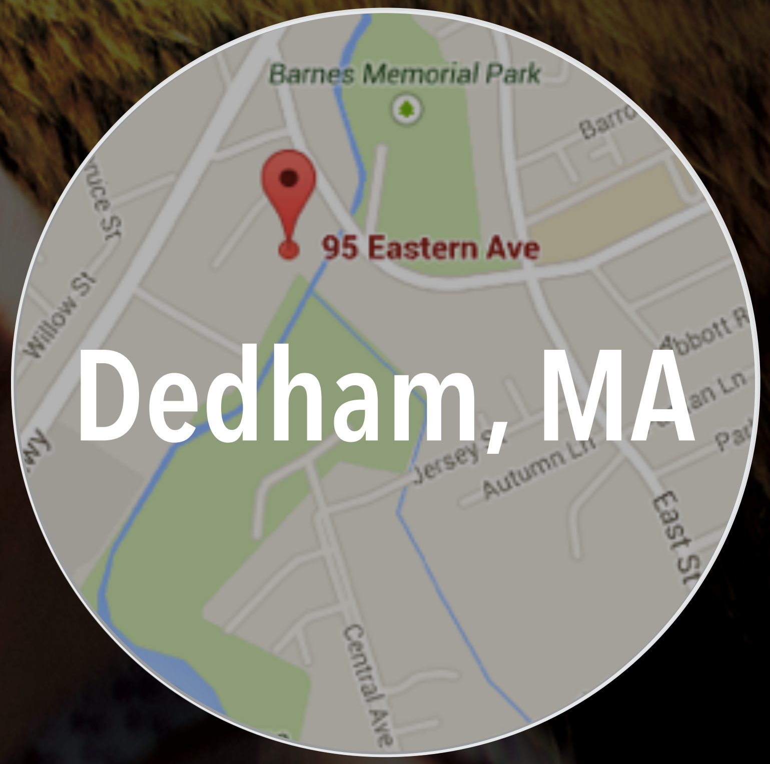

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