Store Hours and Downtown Retailing

_Capturing Customers through Better Hours_

By Michael Malcheski*

The majority of small retailers open at 8AM and close at 5PM. Most are closed on Sunday and only open for a partial day on Saturday. For the 50 or so hours per week that a downtown store is open, only 10 of those hours go beyond the 8AM-5PM time frame. These limited hours of operation are preventing downtown retailers from capturing their fair share of consumer dollars.

In a recent study, 63% of customers surveyed said that hours of operation are important or very important in their decision to patronize a local store. However, small store retailers rank hours only 8th in importance among various operating procedures. This suggests that many retailers may not fully appreciate the importance of store hours to maintaining a profitable, customer focused business.

A change of hours may create the need to change procedures and revise employee schedules. But opening later in the morning and operating into early evening allows customers more access to the business. To fine tune the hours of operation, retailers should do hourly customer counts to track numbers of customers and actual time shopped.

"Real Time" customer service is fast becoming a small business success factor as customers now expect immediate attention. The concept of "24/7", 24-hours per day and seven days per week, is one way some retailers are responding to the time crunch customers feel in their personal and work lives.

Time has become an equal factor to price and value with woman working more and longer hours. Woman act as the purchasing agent of most American households and are now a larger part of the workforce than ever before in U.S. history. Not being open after 5PM forces them to purchase elsewhere.

Along with time crunch, customers have become more demanding and are bored easier than ever. Downtown customers expect service, quality, and an interesting and exciting environment. In contrast, they perceive the "big box" retailer as having

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convenient hours, large selections and low prices, but marginal quality and limited service. Downtown retailers have an opportunity to become more competitive with regards to convenient hours.

### Shopping Patterns at Wisconsin Discount Department Stores

Customers of discount department stores in Wisconsin were studied to find out when they shop. Findings indicate that shoppers in a variety of large and small cities do a great deal of shopping on weekday evenings, Saturdays and Sundays.

By not being open on weekday evenings, local merchants may be losing up to a third of their weekday business. By being closed on Saturday afternoon and Sundays, they may be losing 1 ½ of the 2 best shopping days of the week. Setting store hours often boils down to a quality of life decision for the operation.

A discount department store in some ways is a composite of a downtown. It offers shoppers a variety and enables them to buy many different items. If only one or two stores were open in the downtown area, it would probably not create the "draw" required to match the discount department stores. It may be critical, therefore, for the majority of the stores in a downtown to agree on the extended hours.

*Drawn from study by Richard Mistele, UWEX*

Limited hours exclude shoppers from patronizing many small downtown businesses. For many retailers, Sunday is the second busiest day of the week. Compare a big box store that is open 12 hours per day, seven days per week to a downtown business open 8 hours, five and a half days per week. The big box is open 84 hours per week compared to 44 hours for the downtown business. Big box operators know that 40% of purchasing is now done after 5PM. To compete with them, small downtown businesses need to consider being open during these profitable hours.

Sources:

Small Store Survival: Success Strategies for Retailers (National Retail Federation Series); Arthur Anderson, LLP, 1996


A Study of Hourly Traffic at Wisconsin Discount Department Stores, Richard Mistele, UW-Extension