HUDSON SQUARE CONNECTION

A Business Improvement District

ARA

Audience Research & Analysis

A Study of the Hudson Square Workforce

November 2016

Survey Methodology

Total sample: 903

- 791 completes; 112 partially completed
- Margin of error +/- 3 points (typically bracketing 20 to 80 percent)

Access to survey

- Online through human resources, social media and newsletter

  270 collected 9/14 – 10/12

- Online, in-office, prompted by lobby intercepts

  410 collected 9/27 – 9/29

- Street and public space intercepts

  223 collected 9/29 – 10/7

Results weighted to 52/48 percent male/female per Longitudinal Employer–Household Dynamics (LEHD) data from the US Census

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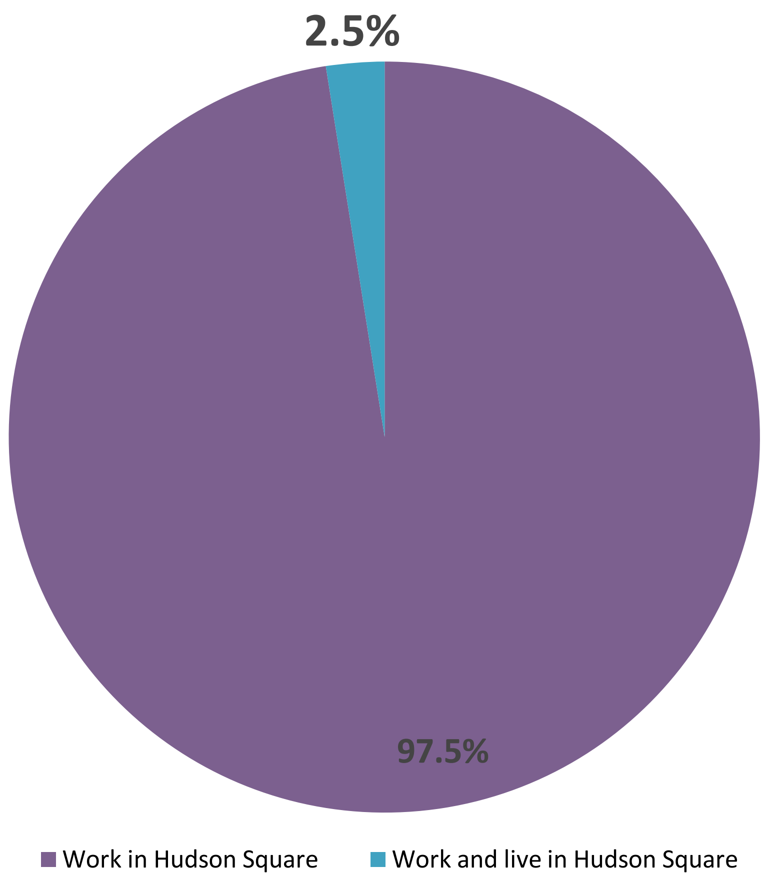
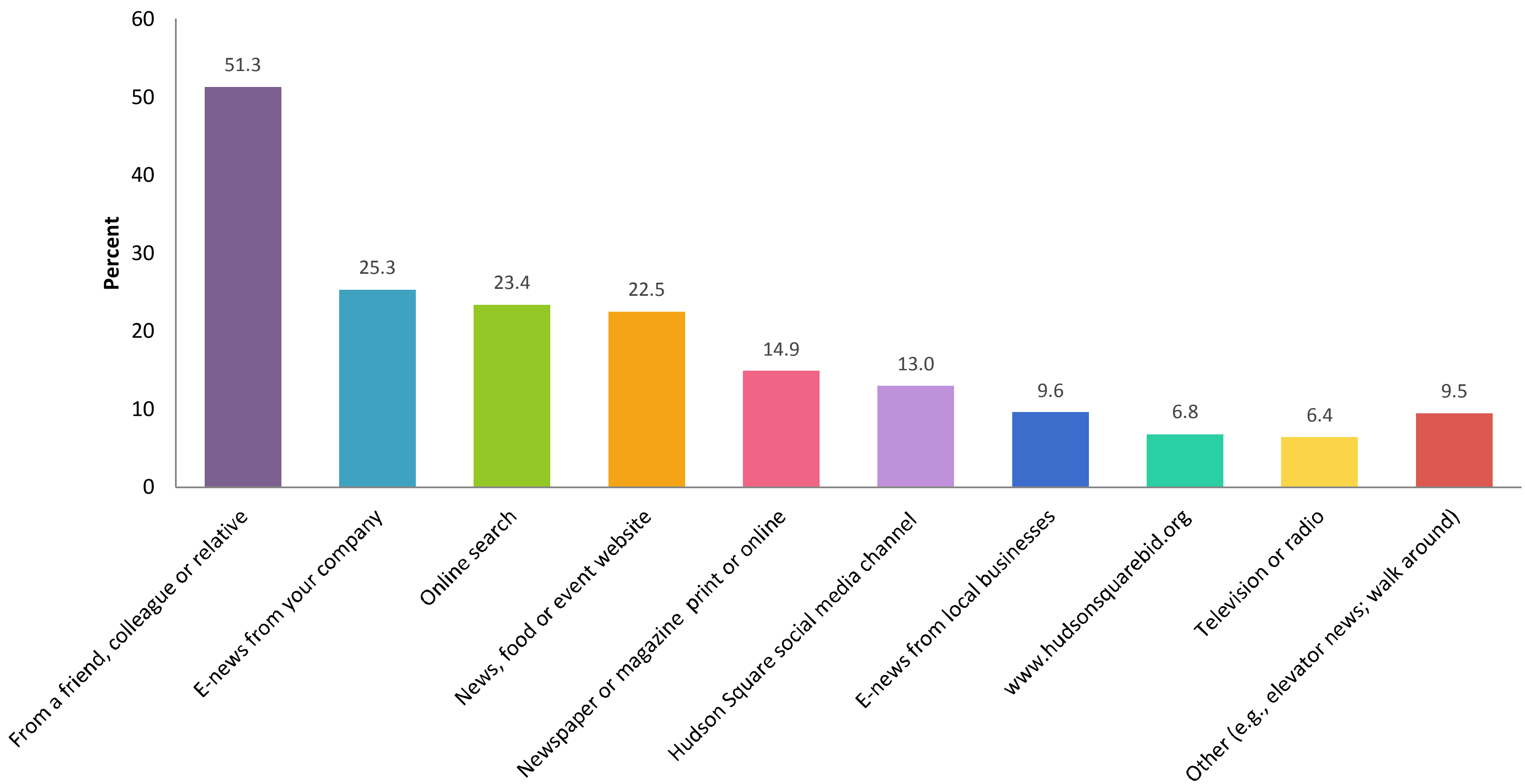
Which of the following best describes your relationship with Hudson Square?



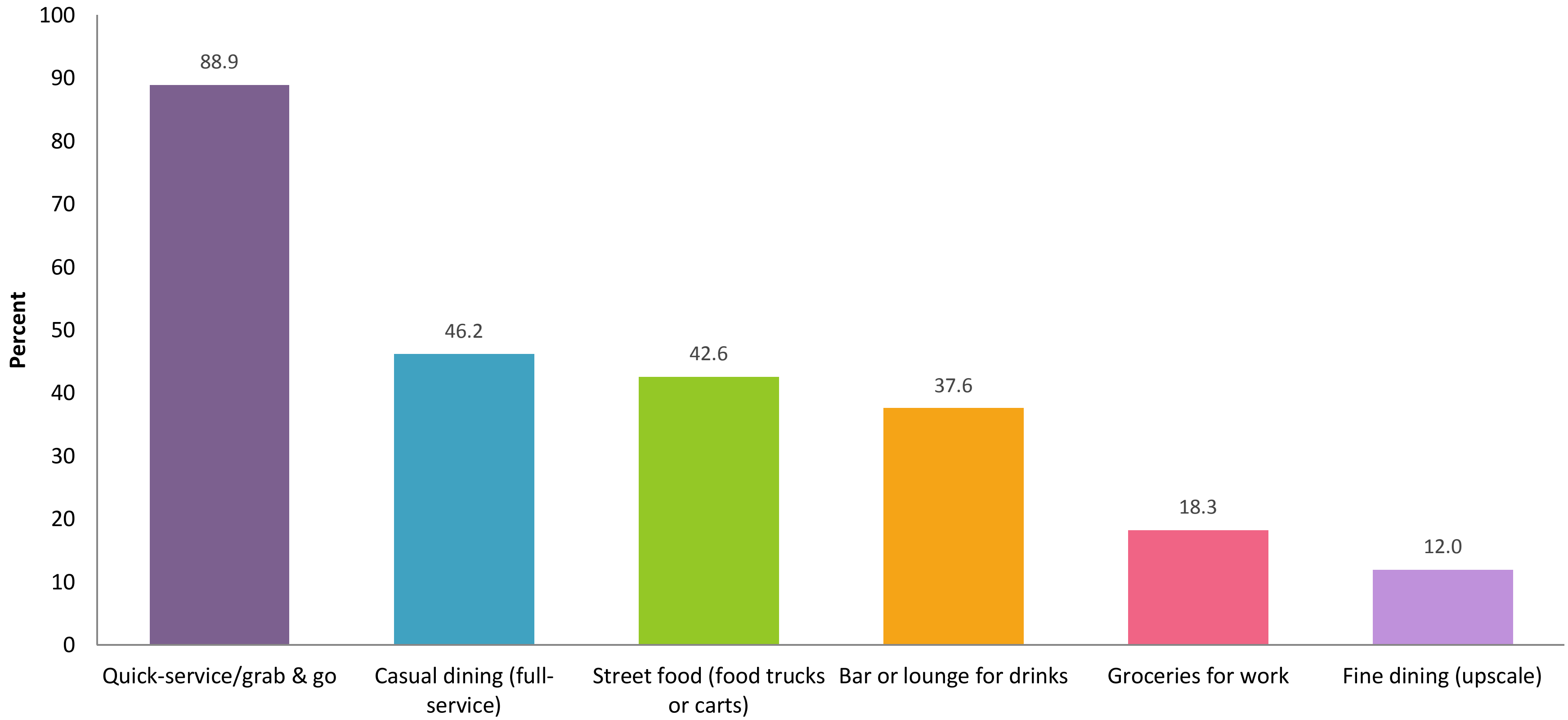
Fewer than three percent who worked in Hudson Square also lived there.

How do you typically learn about what is new or happening in Hudson Square?



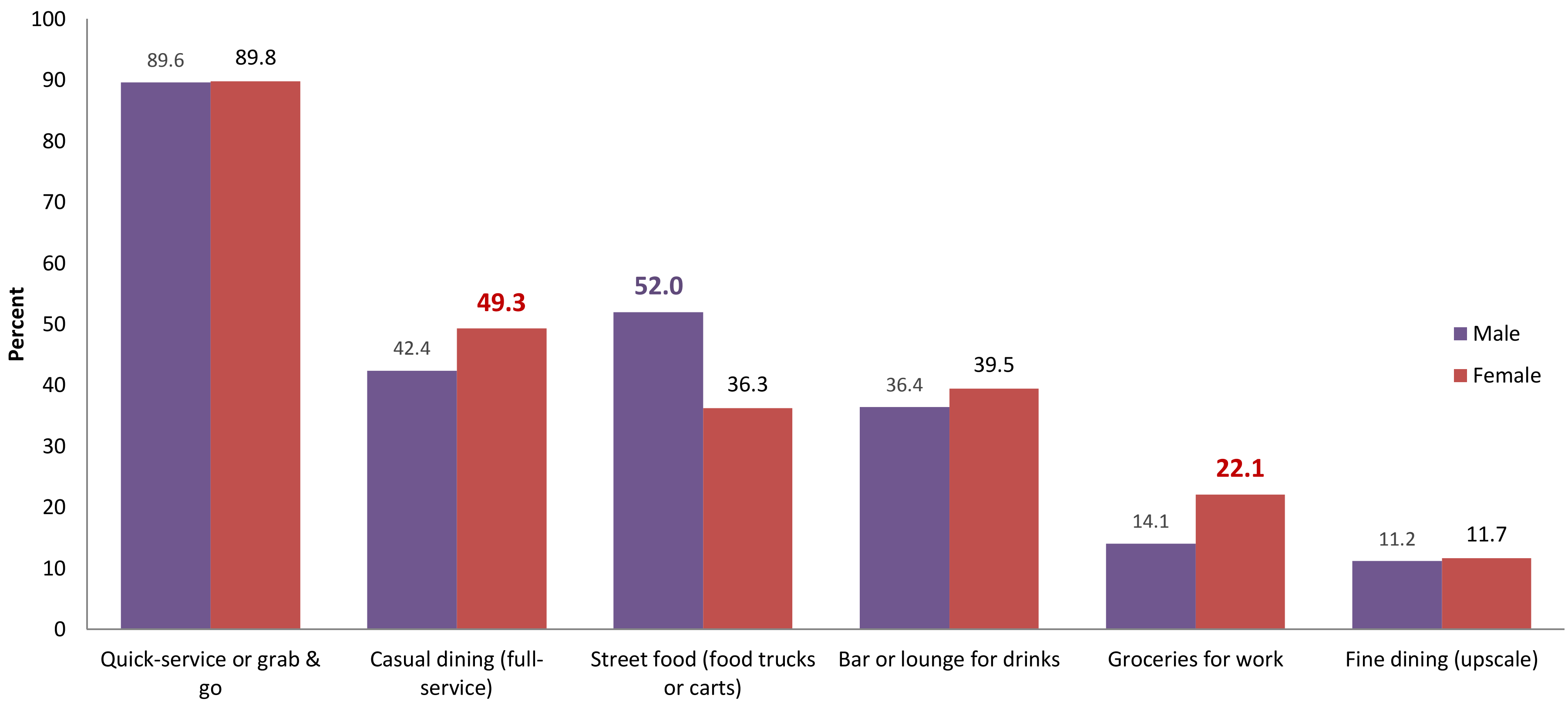
More than one-half cited friends' recommendations to learn what was happening in the district. Approximately one-quarter, each, mentioned e-news from their company, online search, and food/event websites.

In the past 30 days, which of the following types of food and beverage purchases did you make during the workweek?



About nine out of ten bought quick-service food in the past 30 days. Almost one-half enjoyed casual dining. A similar percentage purchased street food and one-third had frequented bars or lounges. Two percent did not make a food purchase.

In the past 30 days, which of the following types of food and beverage purchases did you make during the workweek?



Males were more likely than females to purchase food from food trucks or carts. On the other hand, females were more likely to go grocery shopping for work, and somewhat more inclined to dine out casually.

Note: M/F sample = 796 out of possible 903

In the past 30 days, where did you buy food or beverages, or dine out during the workweek?

Food /Dining Categor((Percent)	In Hudson Square	Outside Hudson Square	Both within and outside Hudson Square
Street food (food trucks or carts)	58.8	9.8	31.3
Quick-service or grab & go	49.3	8.1	42.6
Casual dining (full-service)	27.3	18.2	54.5
Fine dining (upscale)	21.2	37.3	41.4
Groceries for work	26.5	38.6	34.9
Bar or lounge for drinks	19.7	27.4	52.9

Consumption of street and quick-service was far more likely to occur inside rather than outside the district. The majority enjoyed casual dining both within and outside of Hudson Square. More respondents ventured outside the district for fine dining and groceries for work, as well as for bars or lounges. Those who left to go to bars outside Hudson Square did so on a more frequent basis than those who stayed within the district.

In the past 30 days, where did you buy food or beverages, or dine out during the workweek?

North Hudson & Varick versus *South Hudson & Varick (N/S)*

Food/Dining Category (Percent)	In Hudson Square	Outside Hudson Square	Both within and outside Hudson Square
Street food (food trucks or carts)	63.6/59.9	9.0/8.9	27.4/31.2
Quick-service or grab & go	53.2/43.7	6.2/9.7	40.6/47.2
Casual dining (full-service)	29.9/21.6	15.7/25.2	54.3/53.2
Fine dining (upscale)	**17.4/38.7**	**44.0/18.8**	38.6/42.4
Groceries for work	30.0/21.8	34.2/45.9	35.8/32.3
Bar or lounge for drinks	22.4/21.4	23.6/27.2	54.0/51.3

A significant difference in where the workforce purchased food and dining existed for fine dining, where those south of Hudson and Varick were twice as likely to dine within Hudson Square. For all other food-related activities except going to bars or lounges, in-district purchases were notably higher in the north sectors.

How often do you buy the food, beverage or dining items you checked above during the workweek?

Food/Dining Category (Percent)	Once a day or more	Several days a week	Once a week	Less than once a week
Quick-service or grab & go	29.3	53.6	11.7	5.4
Street food (food trucks or carts)	15.9	32.2	29.5	22.4
Fine dining (upscale)	15.7	15.4	26.0	42.9
Groceries for work	10.9	28.7	37.1	23.2
Casual dining (full-service)	12.8	23.6	29.6	34.0
Bar or lounge for drinks	13.0	23.9	36.3	26.8

More than four out of five bought quick-service food/beverages either daily or several days a week, while five percent purchased same less than once a week. Almost half bought food from trucks or carts at least several days a week. More than one-third, each, purchased groceries for work, enjoyed casual dining, and frequented bars at least several days a week.

Please indicate how much you spend, on average, for yourself (including tax and tip, as applicable) each time you buy food, beverages, or dine out during the workweek.*

Food/Dining Category (Percent)	$15 or less	$16 - $25	$26 - $50	$51 - $75	More than $75	Mean Expenditure
Fine dining (upscale)	4.7	14.7	36.0	23.9	20.6	↑$52.45
Groceries for work	35.4	21.8	22.5	12.6	7.8	$32.01
Bar or lounge for drinks	19.5	38.6	33.3	6.0	2.7	$28.61
Casual dining (full-service)	17.3	51.1	26.2	4.3	1.2	$25.66
Quick-service or grab & go	82.0	11.1	4.5	1.7	0.7	↓$13.87
Street food (food trucks or carts)	88.6	6.9	3.9	0.6	0.0	↓$12.08

Expenditures for street food and quick-service/grab & go were the lowest, on average, respectively at $12 and $14. Casual diners spent on average, $26 per person, while those who enjoyed fine dining paid $52. Mean expenditures for bars was $29; for groceries for work, $32.

*Asked online and in lobby intercepts, but not during street intercepts (n=680)

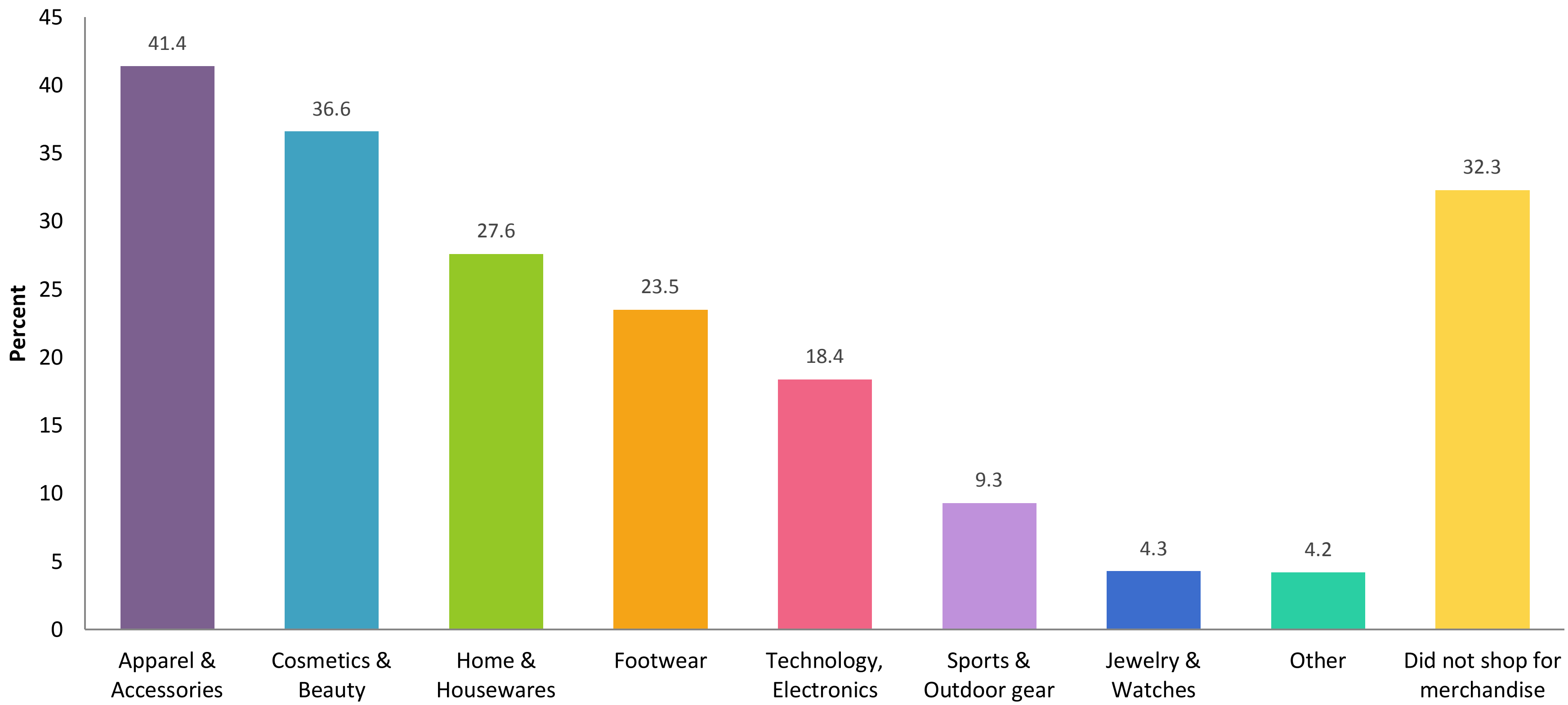
Annual Spending for Food

Hudson Square's workforce of 40,000* spends **$189 million annually** on quick-service food & beverages, dining out, bars & lounges, and groceries, including $110 million in the district.

Category	Incidence of Purchase (Percent)	Times per week	Total Annual Spending (million $)	Spending in District only (million $)
Quick-service	93	3.1	78	56
Full-service	49	1.7	51	28
Bars/Lounges	38	1.6	38	17
Groceries	18	1.7	21	9

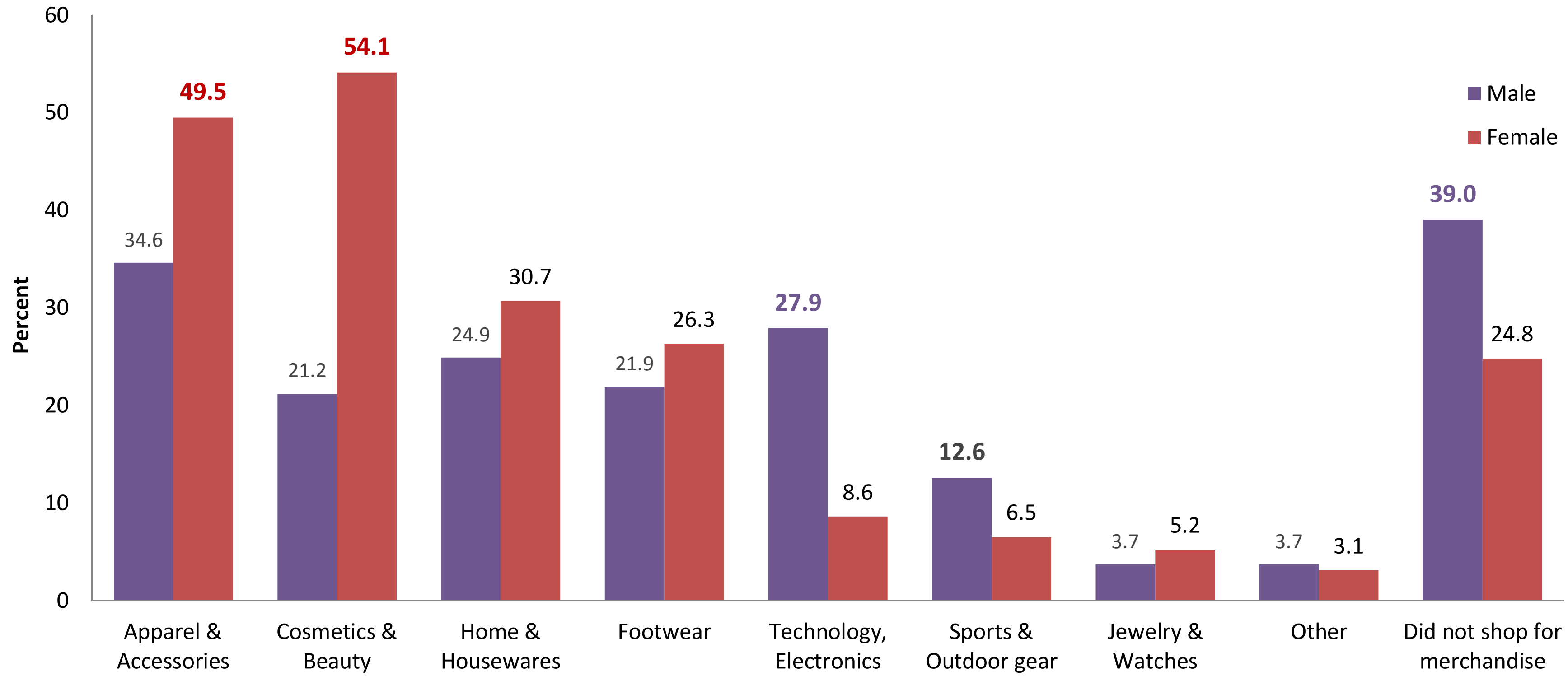
*Source: LEHD data combined with coworker and other spaces

In the past 30 days, which types of merchandise did you shop for (other than food/beverage) during the workweek (including Brick & Mortar stores and Online purchases)?



Two-thirds had made a merchandise purchase in the past 30 days. More than four out of ten bought apparel & accessories while 37 percent made a cosmetics & beauty purchase. Approximately one-quarter purchased home & housewares.

In the past 30 days, which types of merchandise did you shop for (other than food/beverage) during the workweek (including Brick & Mortar stores and Online purchases)?



Sixty percent of males shopped for merchandise compared with 75 percent of females. The latter were more inclined to shop for apparel and cosmetics, while males were more likely to shop for technology/electronics and sports gear.

Where do you shop for each of the following types of merchandise during the workweek?

Merchandise Category (Percent)	Brick & Mortar store	Online purchase	Both
Cosmetics & Beauty	↑47.0	19.7	33.3
Footwear	33.6	31.8	34.6
Home & Housewares	31.0	32.2	36.8
Jewelry & Watches	26.2	47.8	25.9
Apparel & Accessories	25.1	31.3	43.7
Sports & Outdoor gear	24.9	27.6	47.5
Technology, Electronics	↓15.6	51.7	32.7
Other (books, baby stuff, cards)	46.9	26.8	26.3

Cosmetics & beauty was, by far, the most likely to be bought in brick & mortar stores. On the other hand, the majority of technology/electronics items were bought online. Purchases of apparel, footwear and home products were more evenly distributed between stores and online.

In the past 30 days, how much did you spend in total for each type of merchandise during the workweek (including Brick & Mortar stores and Online purchases)?*

Merchandise Category (Percent)	$50 or less	$51 to $75	$76 to $100	$101 to $200	$201 to $500	More than $500	Mean Expenditure
Technology, Electronics	23.1	16.5	9.9	19.8	15.4	15.4	$209.55
Footwear	18.8	24.4	19.6	27.1	7.1	3.1	$185.20
Sports & Outdoor gear	22.0	27.2	19.4	20.4	9.7	1.3	$183.63
Apparel & Accessories	21.3	23.9	19.3	22.2	9.1	4.1	$183.10
Jewelry & Watches	41.0	19.2	9.1	11.1	11.1	8.4	$152.31
Home & Housewares	44.5	21.2	14.6	9.8	5.0	5.0	$108.95
Cosmetics & Beauty	70.3	16.7	7.5	3.9	1.6	0	$60.23

At $210, the highest monthly expenditure was for technology, electronics. The next three highest categories were footwear ($185), sports & outdoor gear ($184), and apparel & accessories ($183). At $60 , spending for cosmetics & beauty expenditures was the lowest.

*Asked online and in lobby intercepts, but not during street intercepts (n=680)

Annual Spending for Merchandise

Hudson Square's workforce of 40,000 spends **$66 million** on apparel-related items and **$55 million** on selected other merchandise per year.

Merchandise Category	Monthly Incidence Of Purchase (Percent)	Total Annual Spending (million $)
Apparel & Accessories/Footwear	41/24	66.4
Technology & Electronics	18	18.5
Home & Housewares	28	14.4
Cosmetics & Beauty	37	10.6
Sports & Outdoor Gear	9	8.2
Jewelry & Watches	4	3.1

Thinking about where you decide to shop or dine, in general, how important are each of the following? Using a five-point scale, please indicate the importance of each retail attribute by checking a number from "1" for not at all important to"5" for extremely important.*

Retail Attributes (Percent)	Not at all (1)	Not very (2)	Somewhat (3)	Very (4)	Extremely (5)	Mean Score ("5" is max)
Quality of products or services	4.3	3.1	7.2	30.5	54.8	4.3
Price of products or services	4.0	2.1	15.7	31.5	46.8	4.2
Atmosphere, vibe or ambience	4.1	12.6	24.9	37.1	21.3	3.6
Physical appearance of the interior space	5.3	10.1	32.3	35.4	16.9	3.5
Inclusion of locally-owned business	12.4	16.2	31.4	24.6	15.4	3.1
Availability of organic/sustainable products	16.3	18.7	27.3	22.3	15.5	3.0
Special events or programming offered	20.7	22.6	26.9	18.0	11.8	2.8

With a mean score of 4.3 (on a 5-point scale), quality of products or services is the most important attribute in terms of where the workforce decides to shop or dine, followed closely by price (mean = 4.2). Atmosphere/vibe (3.6) and physical appearance of the interior (3.5) – were next most important.

*Asked online and lobby intercepts, but not in street intercepts (n=680)

Please rate how positive or helpful you find each of the following street-level amenities and services in Hudson Square in terms of how they affect your daily experience as a pedestrian.

Amenities and Services (Percent)	Not at all	Somewhat	A great deal	Actually, a negative
Trees and Planters	14.3	32.0	52.4	1.2
Sidewalk vendors (food)	19.9	41.3	37.7	1.1
Sidewalk furniture (e.g., benches, wayfinding)	15.5	42.3	40.9	1.2
Crossing guards	32.0	42.9	24.5	2.6
Bike racks	43.3	33.6	21.4	1.7

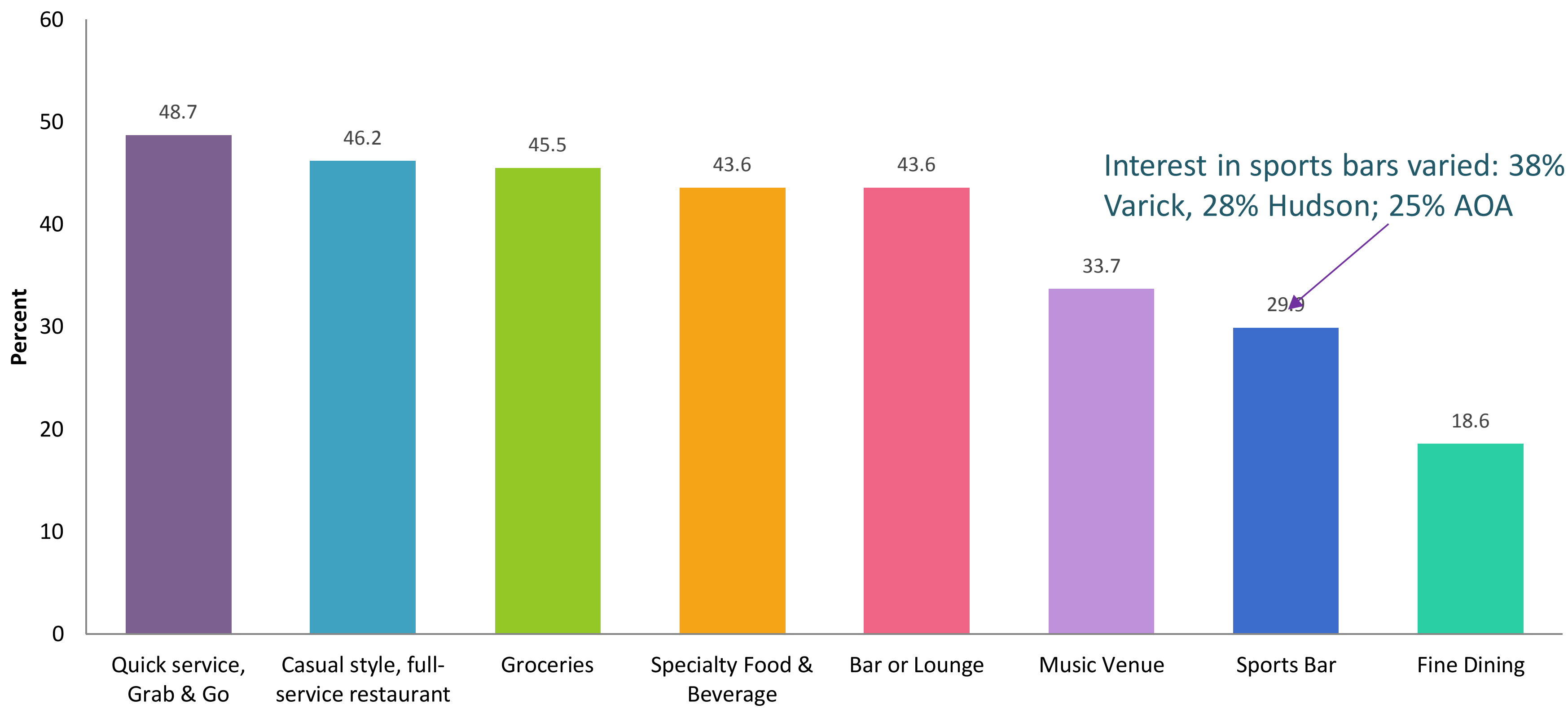
A majority of respondents cared a great deal about the presence of trees and planters. Almost four out of ten similarly valued sidewalk vendors and furniture.

Please indicate how negative or challenging you find each of the following street conditions in Hudson Square in terms of how they affect your daily experience as a pedestrian.

Street Conditions (Percent)	Not at all	Somewhat	A great deal	Actually, a positive
Traffic	19.8	44.9	33.3	2.0
Construction (scaffolding, pavement work, closed sidewalks)	15.3	50.9	31.6	2.2
Lack of retail continuity due to loading docks, parking lots, vacant storefronts	32.7	44.1	20.5	2.7
Narrow sidewalks	47.6	38.1	11.9	2.4
Film shoots	60.5	24.7	6.9	7.9

One-third, each, found both traffic and construction to be challenging street conditions. The lack of retail continuity was of less concern, and many did not have an issue with narrow sidewalks. Eight percent viewed film shoots as a positive.

Please check each type of food or entertainment business (examples shown) you would like to see offered – or have more of – in Hudson Square.



More than four out ten respondents expressed a desire for each type of food and drink options we tested. The 46% who would like to see more grocery businesses may represent an opportunity to raise the 20% incidence of buying groceries for work in the past 30 days shown in an earlier slide.

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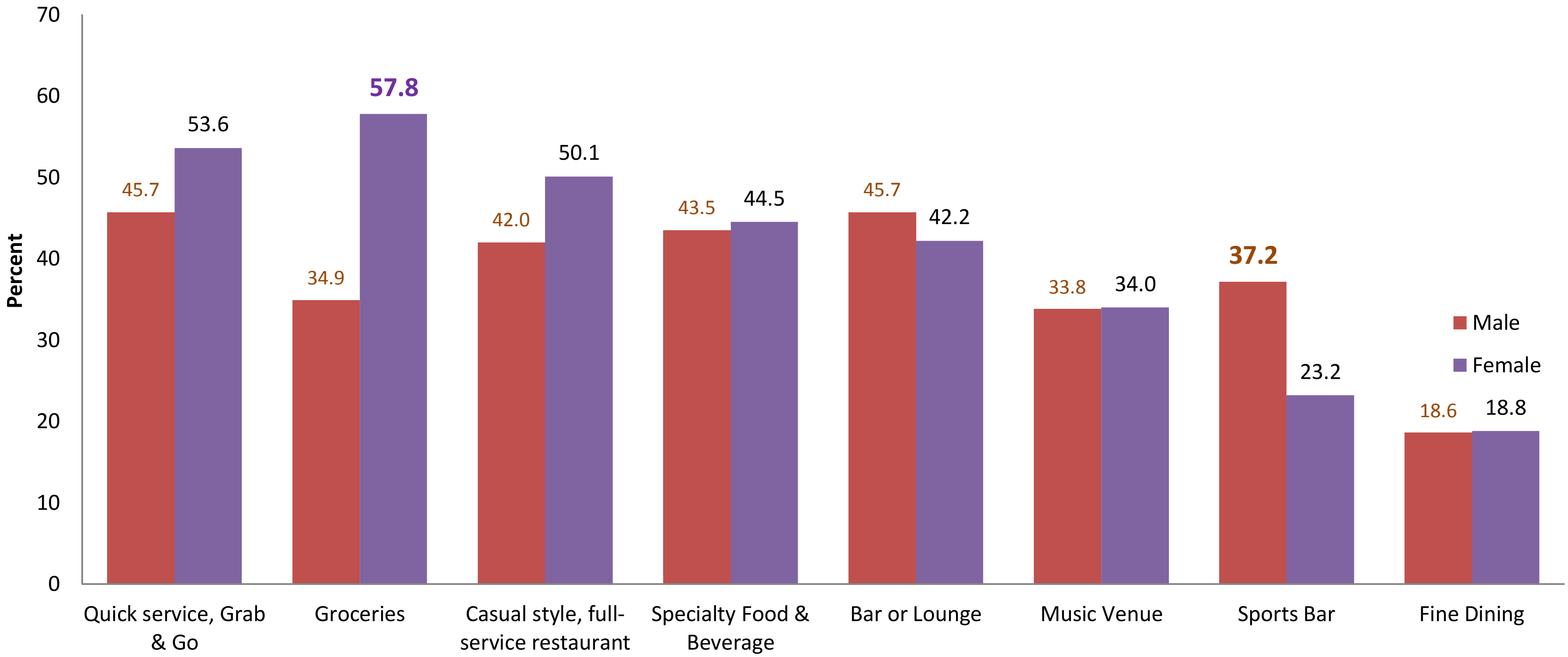
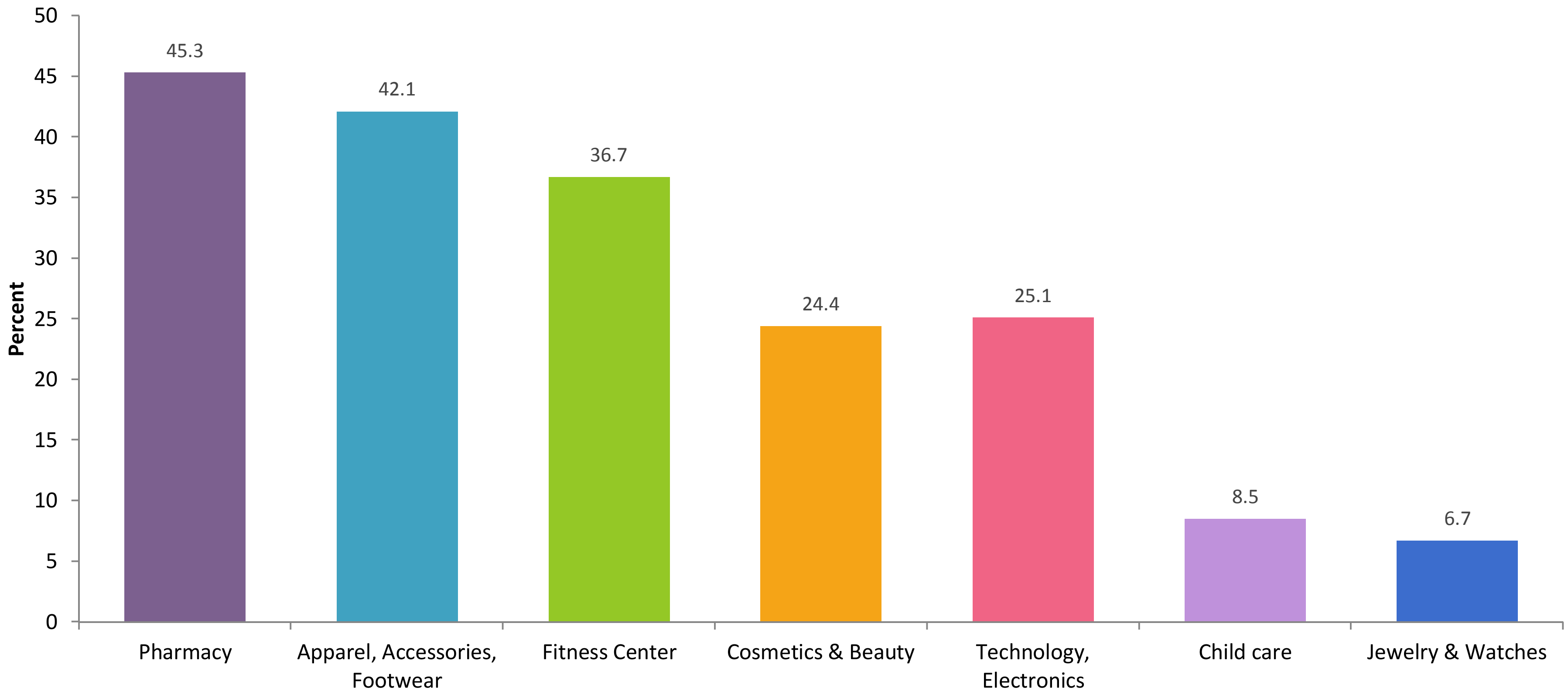
Please check each type of food or entertainment business (examples shown) you would like to see offered – or have more of – in Hudson Square.



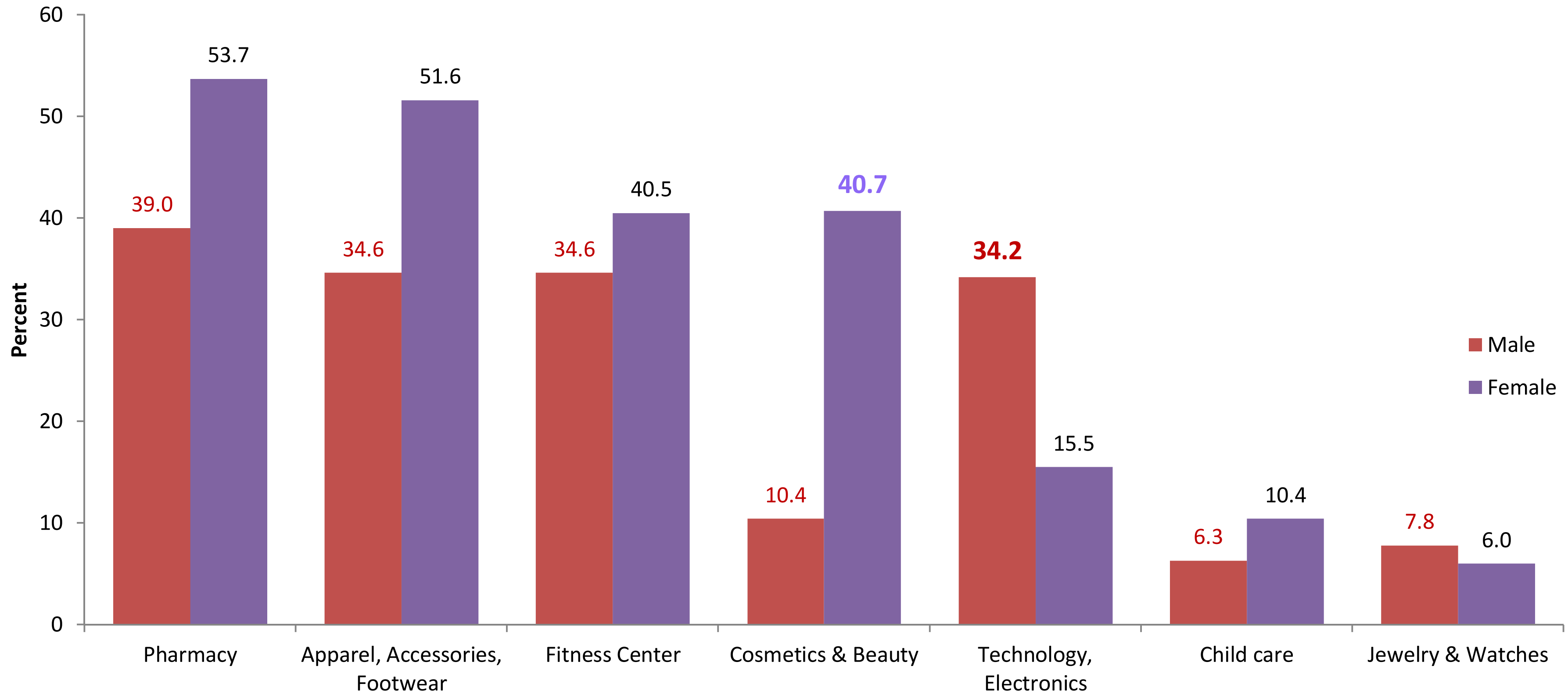
The only area where males wanted significantly more of a particular type of business was Sports Bars. Females were more likely than males to want more Grocery stores and, to a lesser extent, Casual Style Restaurants and Quick Service, Grab & Go.

Please check each type of store or service you would like to see offered – or have more of – in Hudson Square?



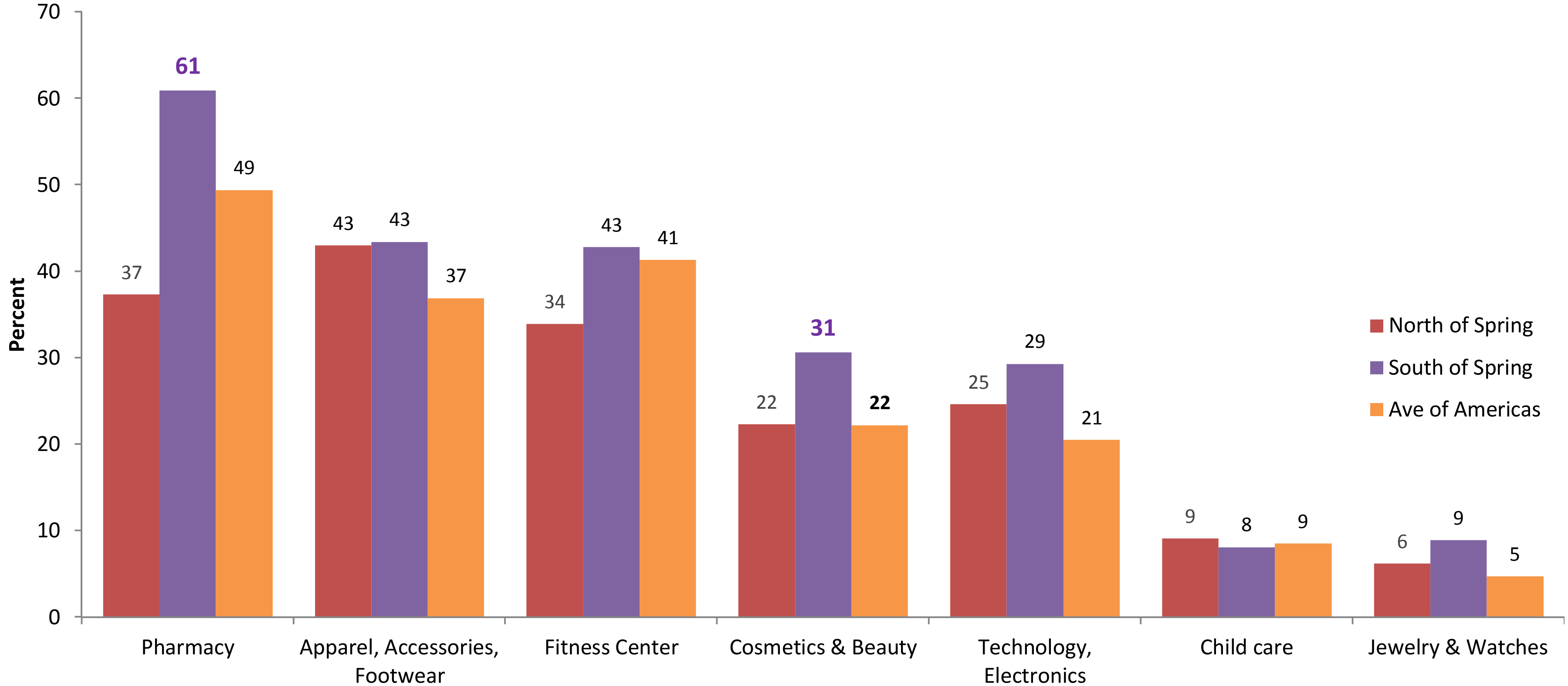
Almost half wanted more pharmacies. More than four out of ten would like to see more stores offering apparel, accessories & footwear. (As reported above, apparel and accessories was the most frequently shopped for merchandise category.) More than one-third desired a fitness center.

Please check each type of store or service you would like to see offered – or have more of – in Hudson Square?



Significant differences between genders existed with males more than twice as interested in Technology & Electronics, while females were four times as likely as males to want more Cosmetics & Beauty stores offered. Females were relatively more interested in more Pharmacies and Apparel, Accessories & Footwear stores.

Please check each type of store or service you would like to see offered – or have more of – in Hudson Square?



Respondents south of Spring Street expressed comparatively greater interest in seeing additional stores of all types, especially Pharmacies. Conversely, office staff along the Avenue of the Americas appeared to have more of their retail needs met.

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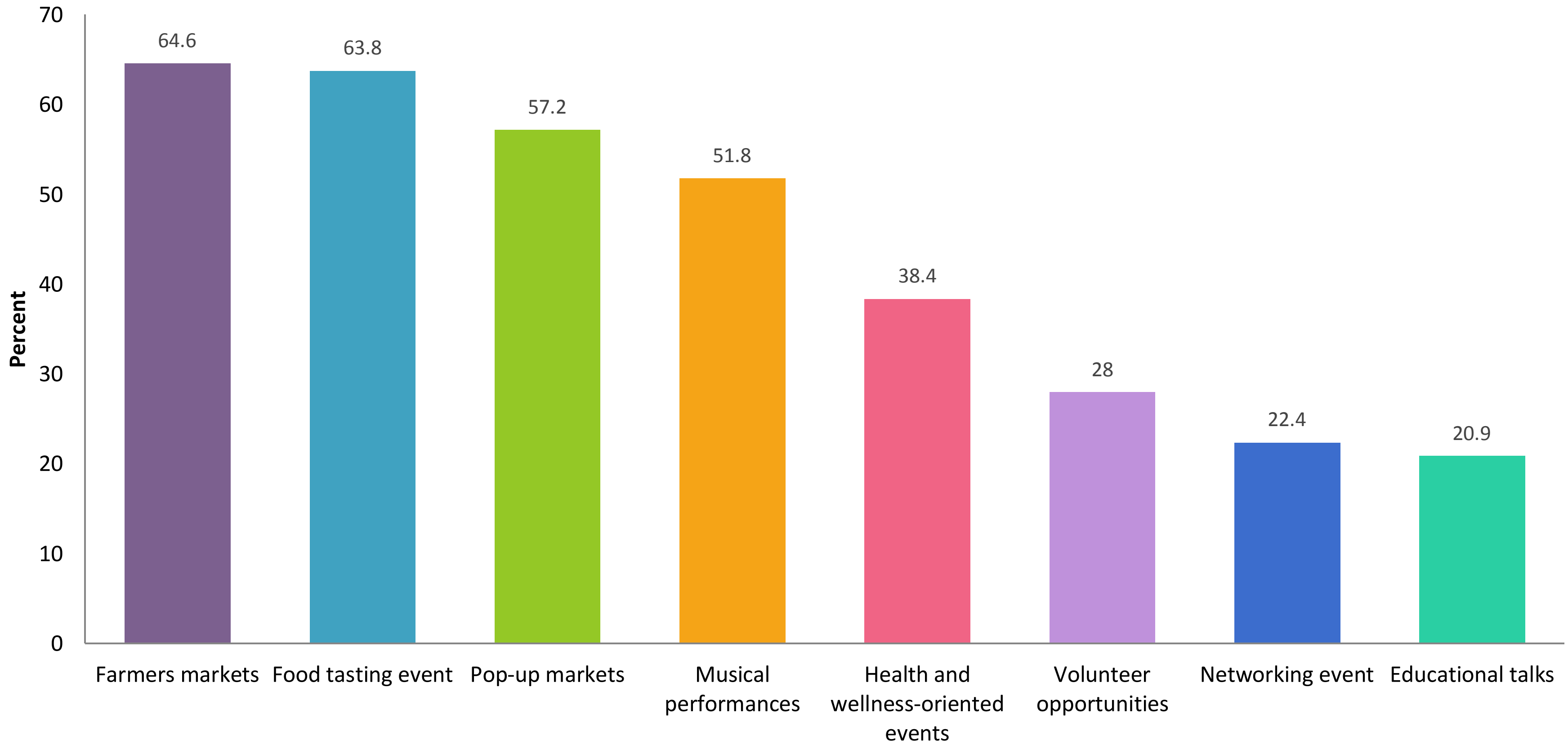
Please check each type of program or event you would like to see offered – or have more of – in Hudson Square?



About two-thirds wanted to see farmer's markets and food tasting events offered. Combining these results with the 46% who asked for more grocery stores (shown above) may create an interesting opportunity.

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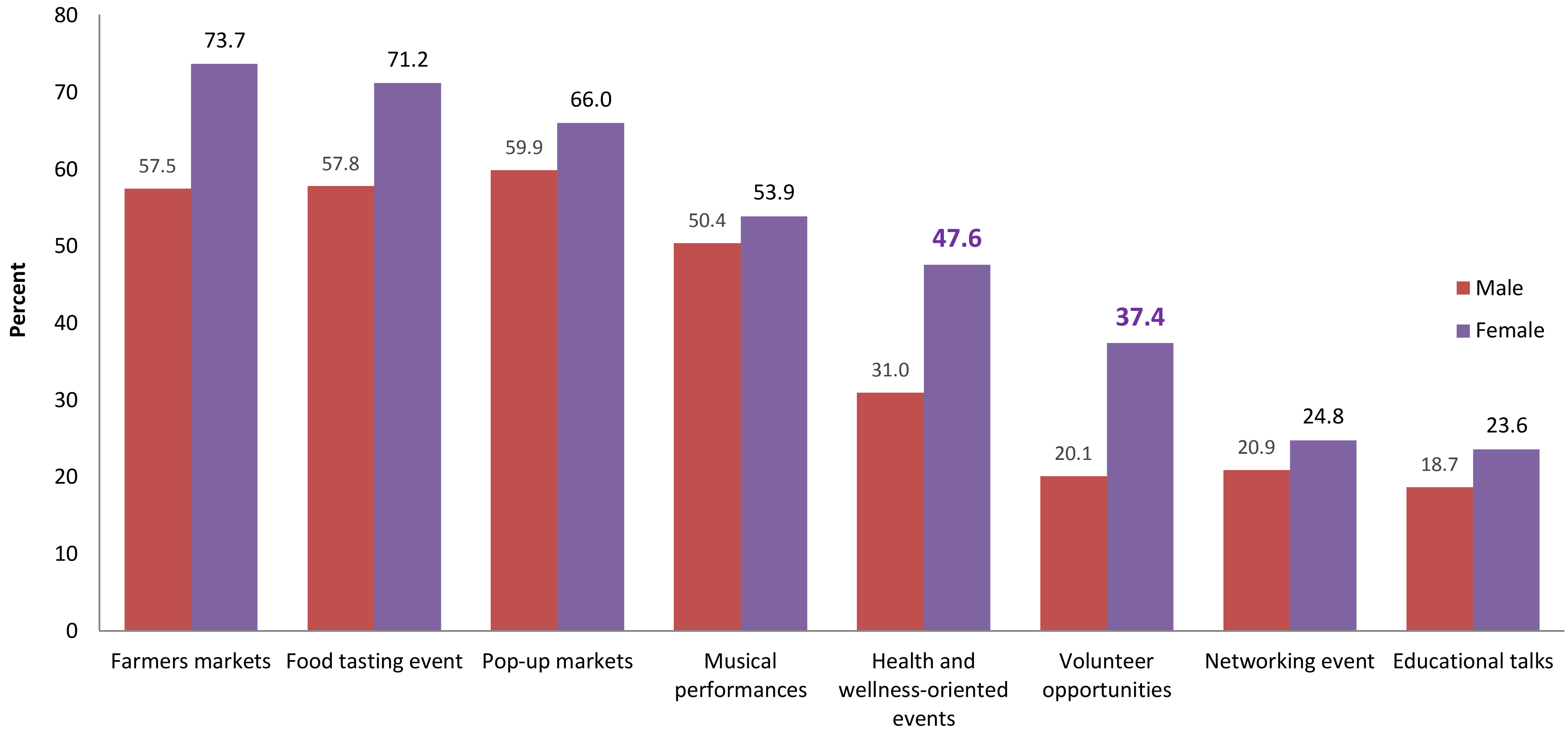
Please check each type of program or event you would like to see offered – or have more of – in Hudson Square?



Females were relatively more interested in seeing all types of programs or events offered. The greatest difference between genders was in a desire for Volunteer Opportunities, followed by Health and Wellness-Oriented Events.

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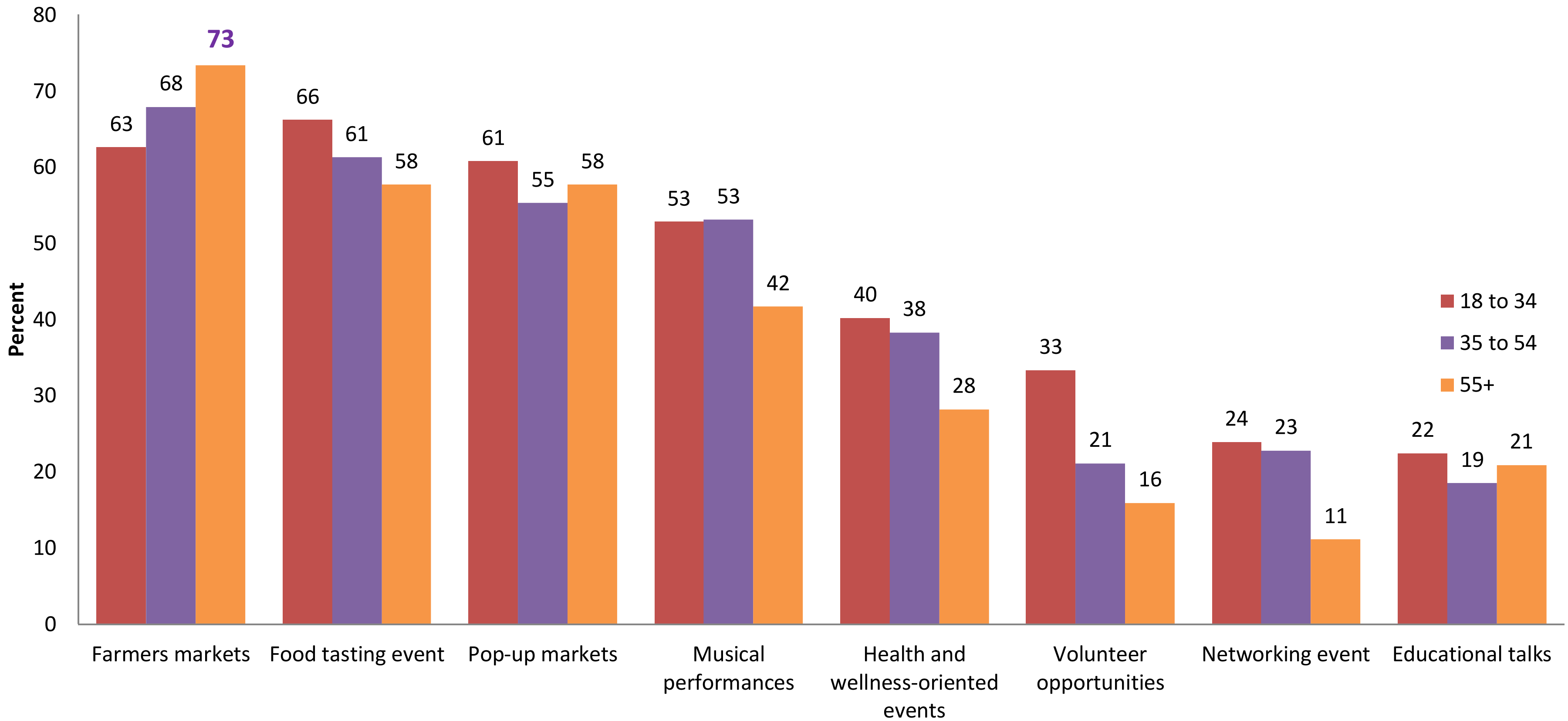
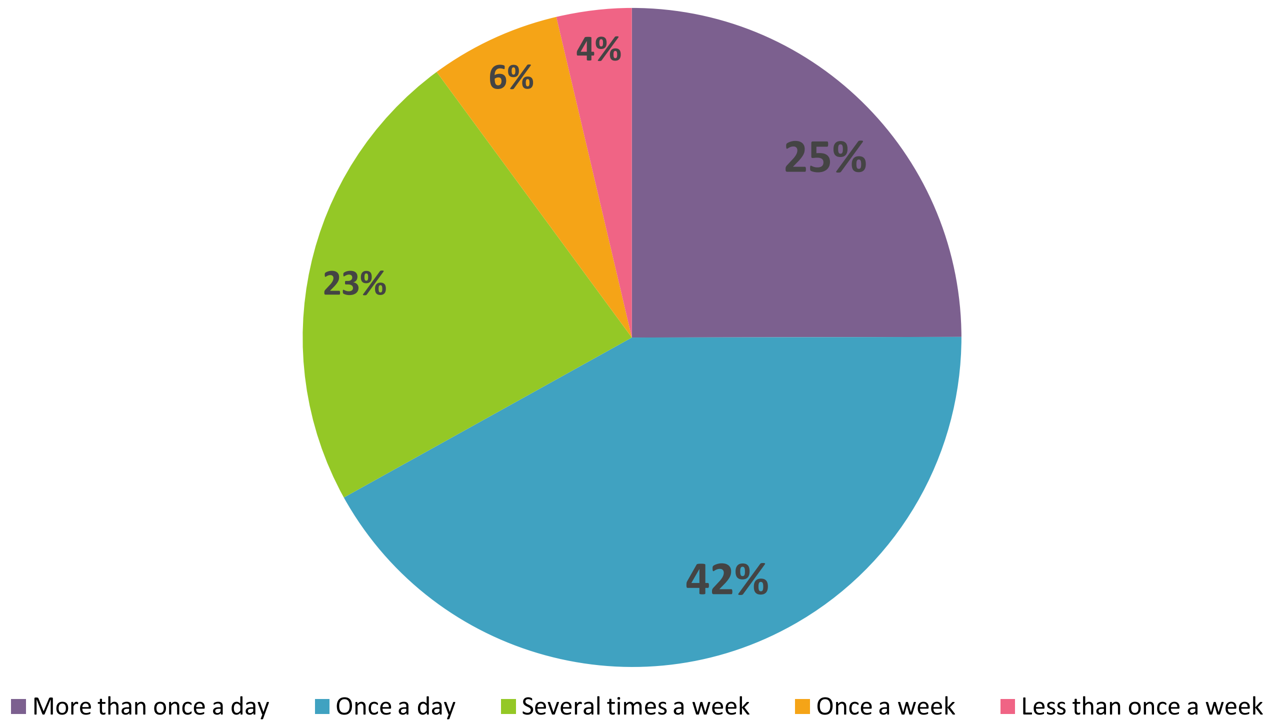
Please check each type of program or event you would like to see offered – or have more of – in Hudson Square?



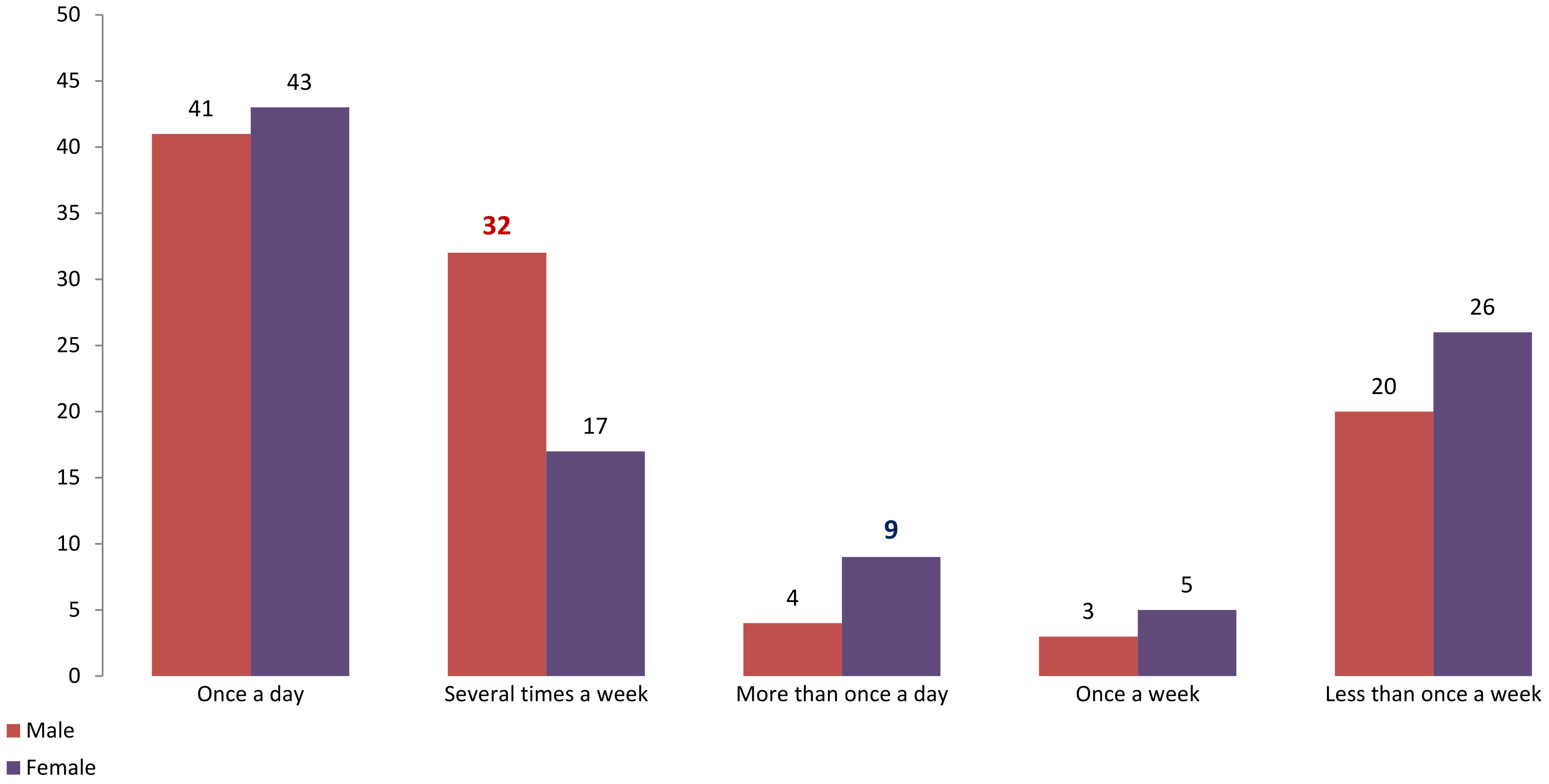
The only program type where interest increased with age was a Farmer's Market. Interest in Volunteer Opportunities declined the most rapidly with regard to age, while several other categories, including Musical Performances and Health and Wellness events declined among the oldest cohort of the workforce.

In a typical work week, how many days during the week do you leave your office building to take a break?



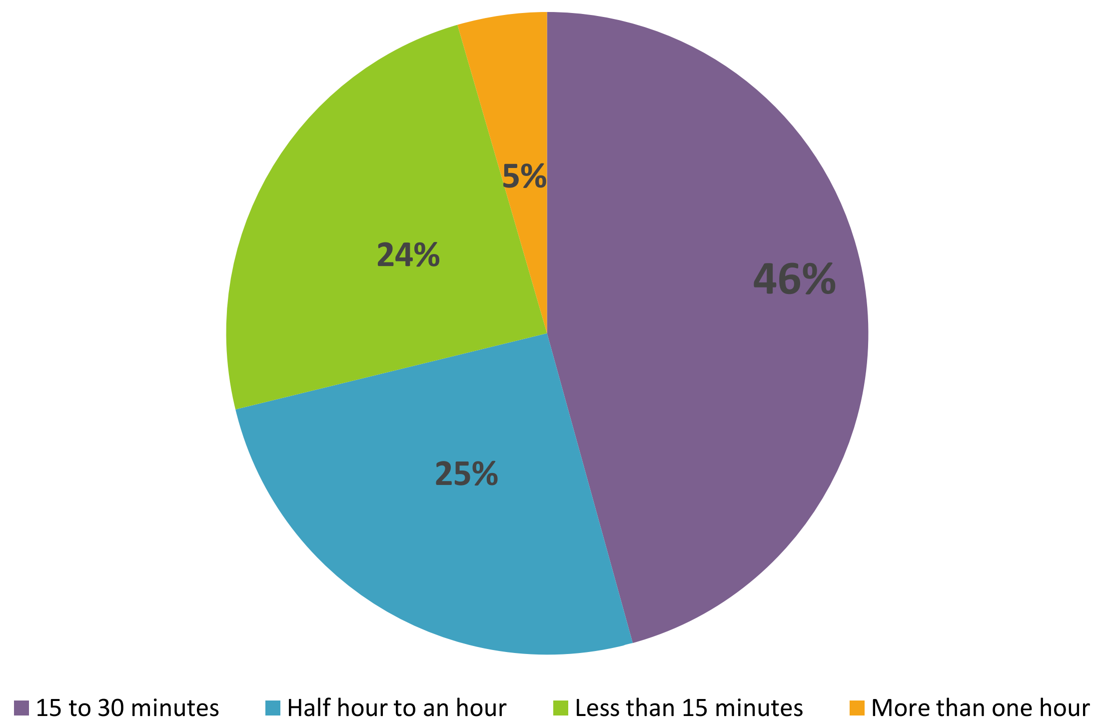
More than four out of ten left their office building once a day, while one-quarter left more than once a day. Overall, two-thirds left *at least* once a day.

In a typical work week, how many days during the week do you leave your office building to take a break?



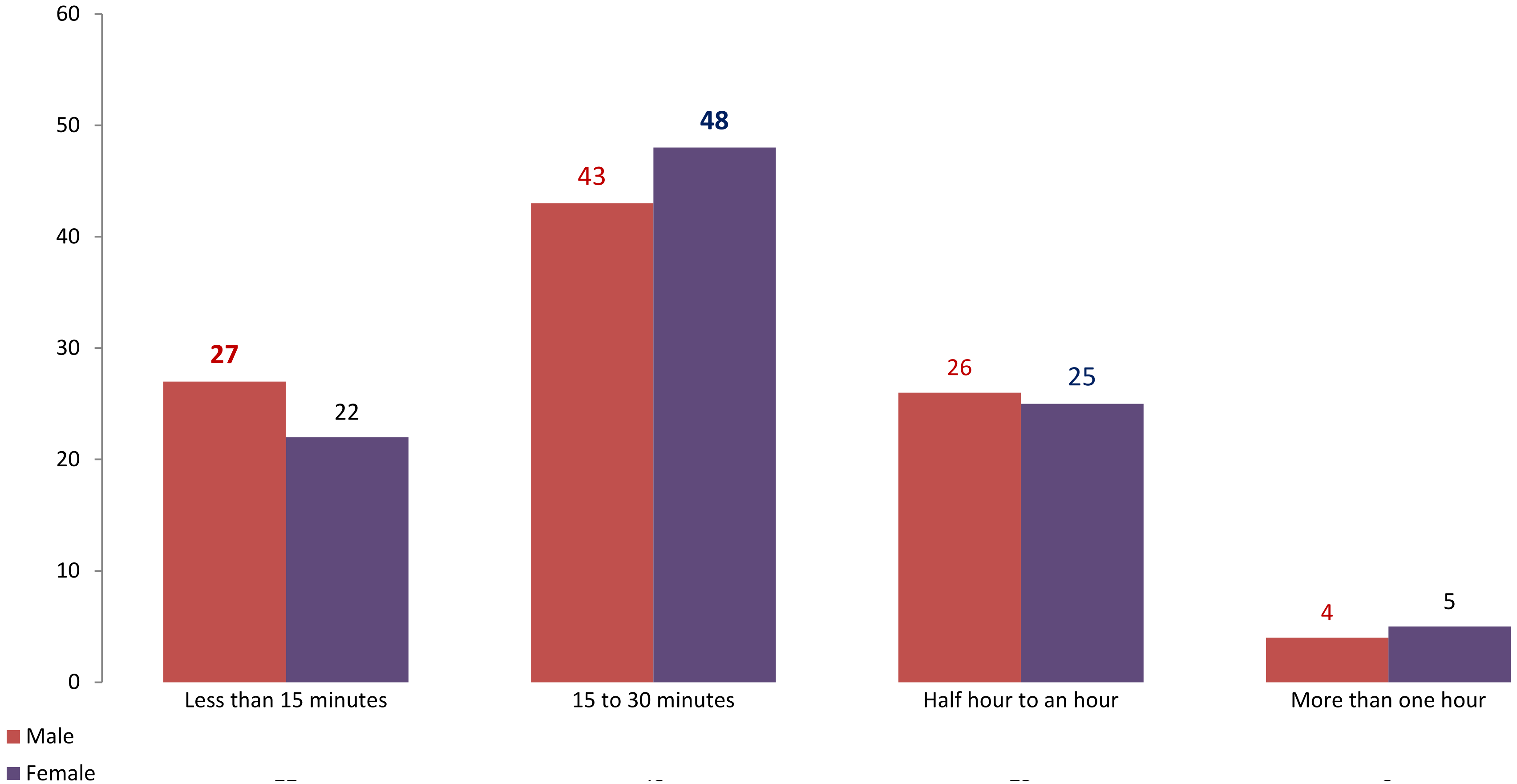
At about four out of ten, males and females were equally likely to leave the office once a day. Males, however, were far more likely to leave the office only several times a week while more females left more than once a day.

How much time do you typically spend when you leave your office building during the day?



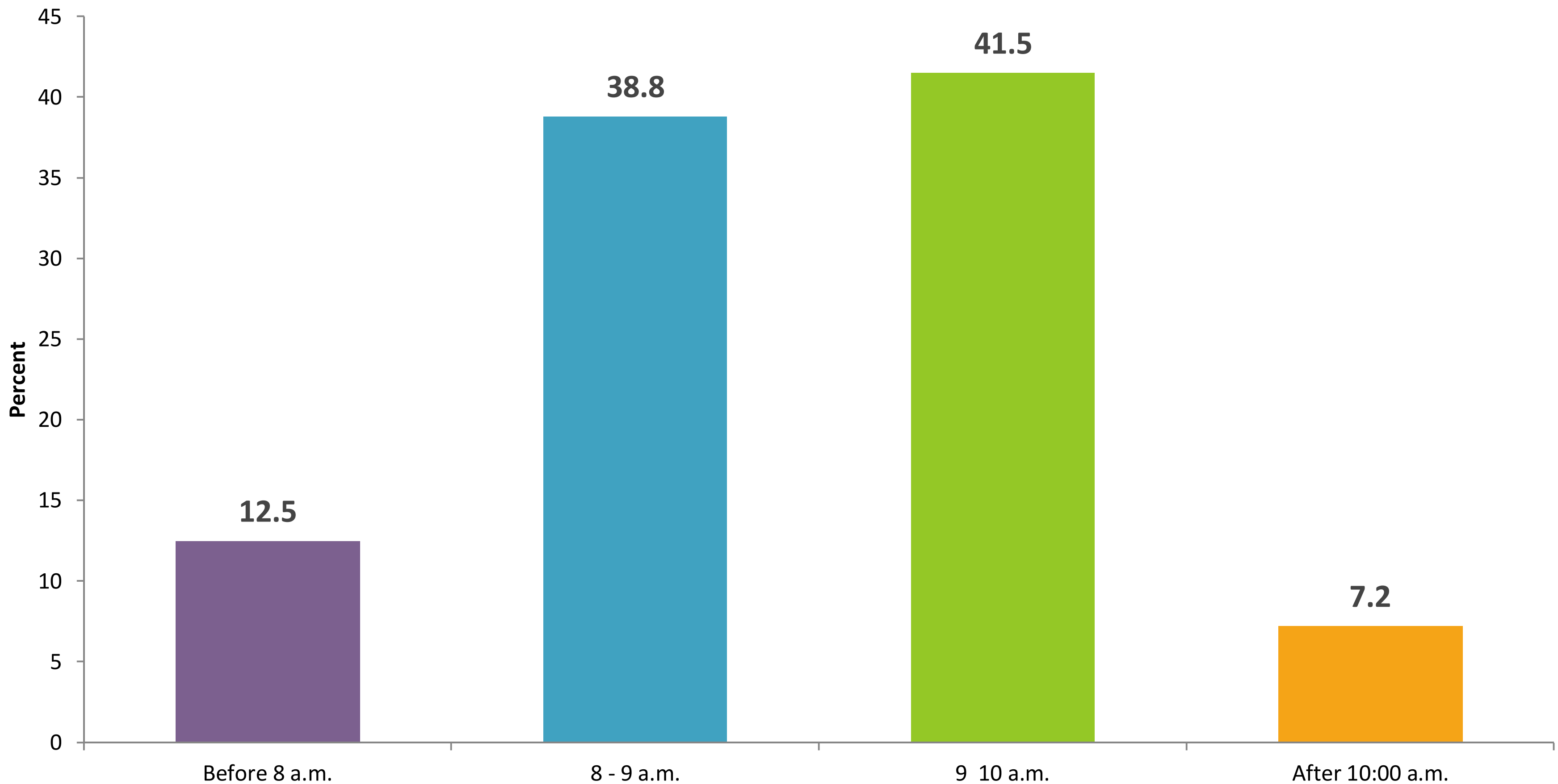
Among those who left the office at least once a week, 46% spent 15 to 30 minutes outside of their building. One-quarter stayed outside for one-half to a full hour.

How much time do you typically spend when you leave your office building during the day?



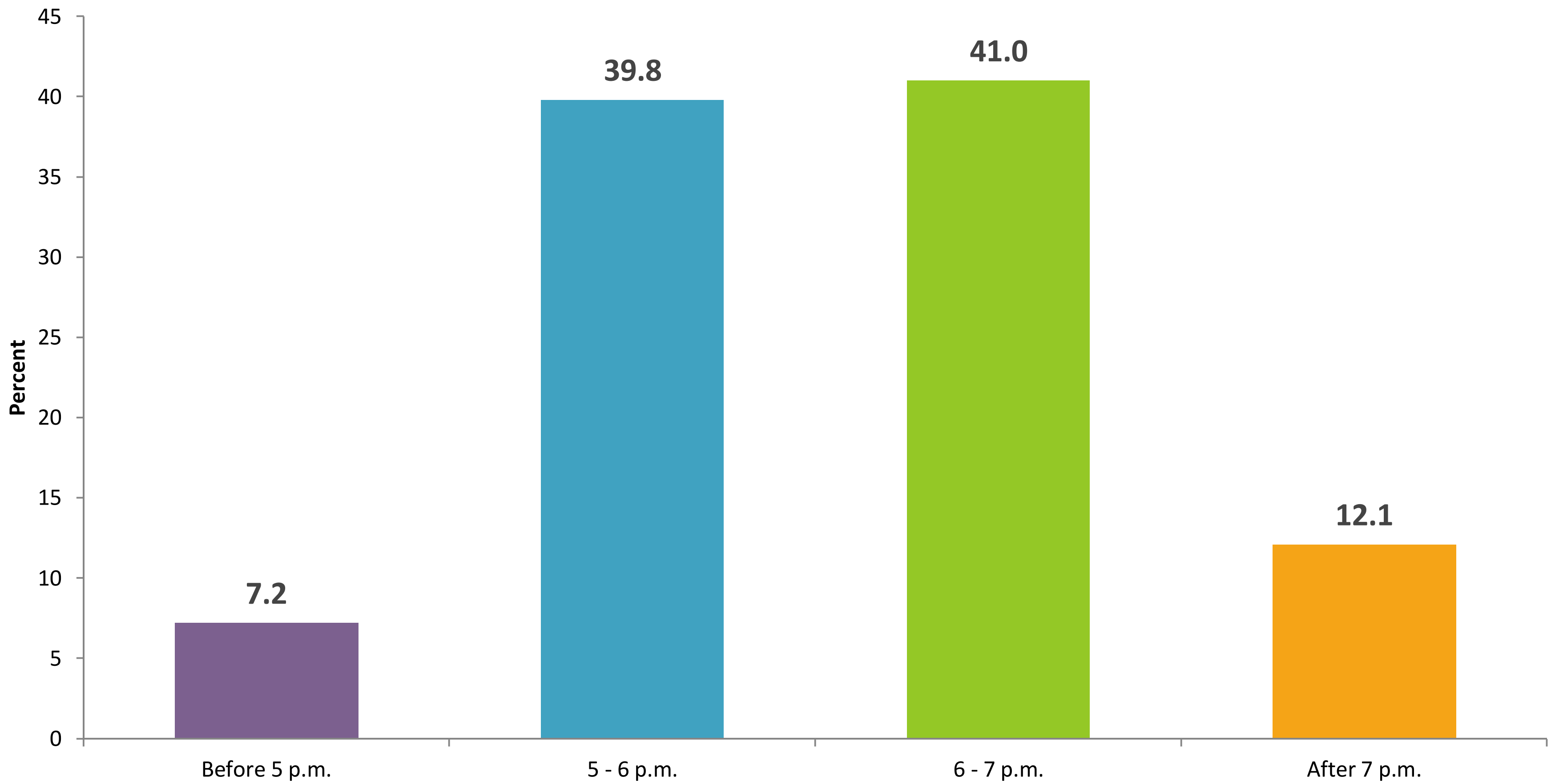
Males were marginally more likely to spend the least amount of time outside the office while females were somewhat more inclined to stay outside longer.

What time do you usually arrive at work in the morning?



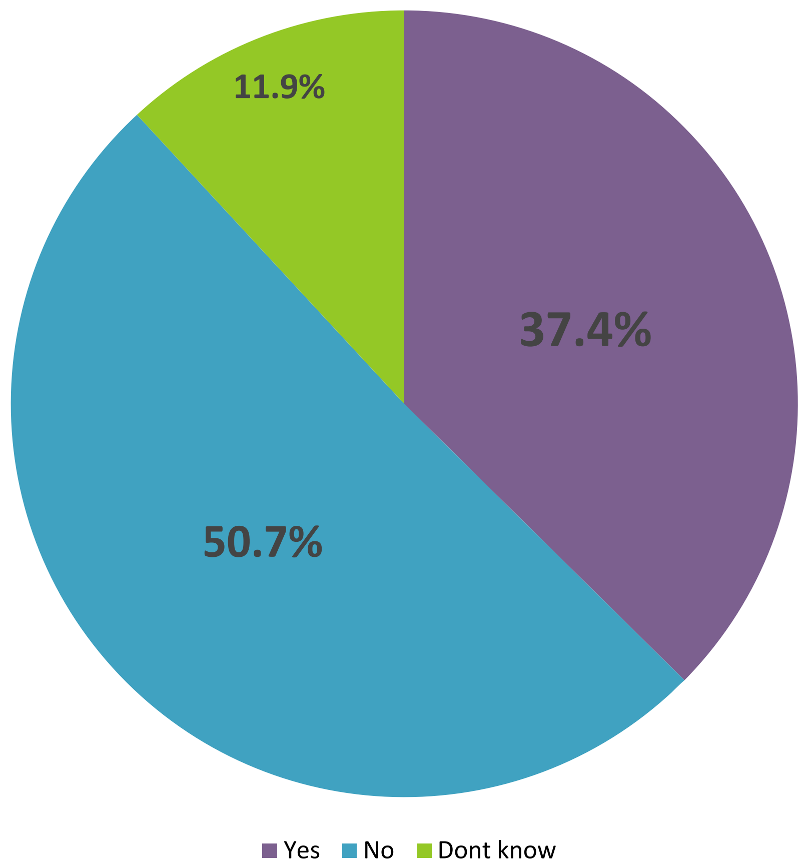
Eight out of ten arrived at the office between 8 a.m. and 10 a.m.

What time do you usually leave work for the day?



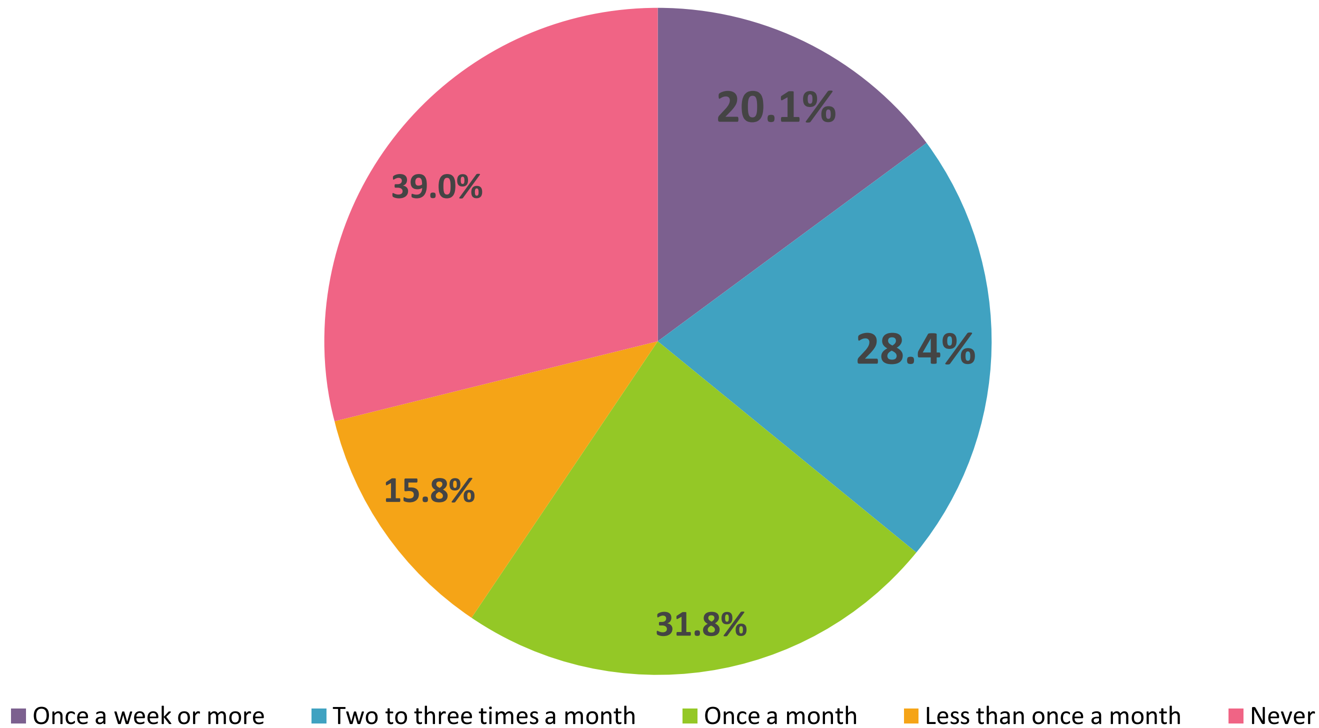
Eight out of ten left the office between 5 p.m. and 7 p.m.

Are after-work activities offered in your office building (e.g., office happy hour, rooftop lounging)?



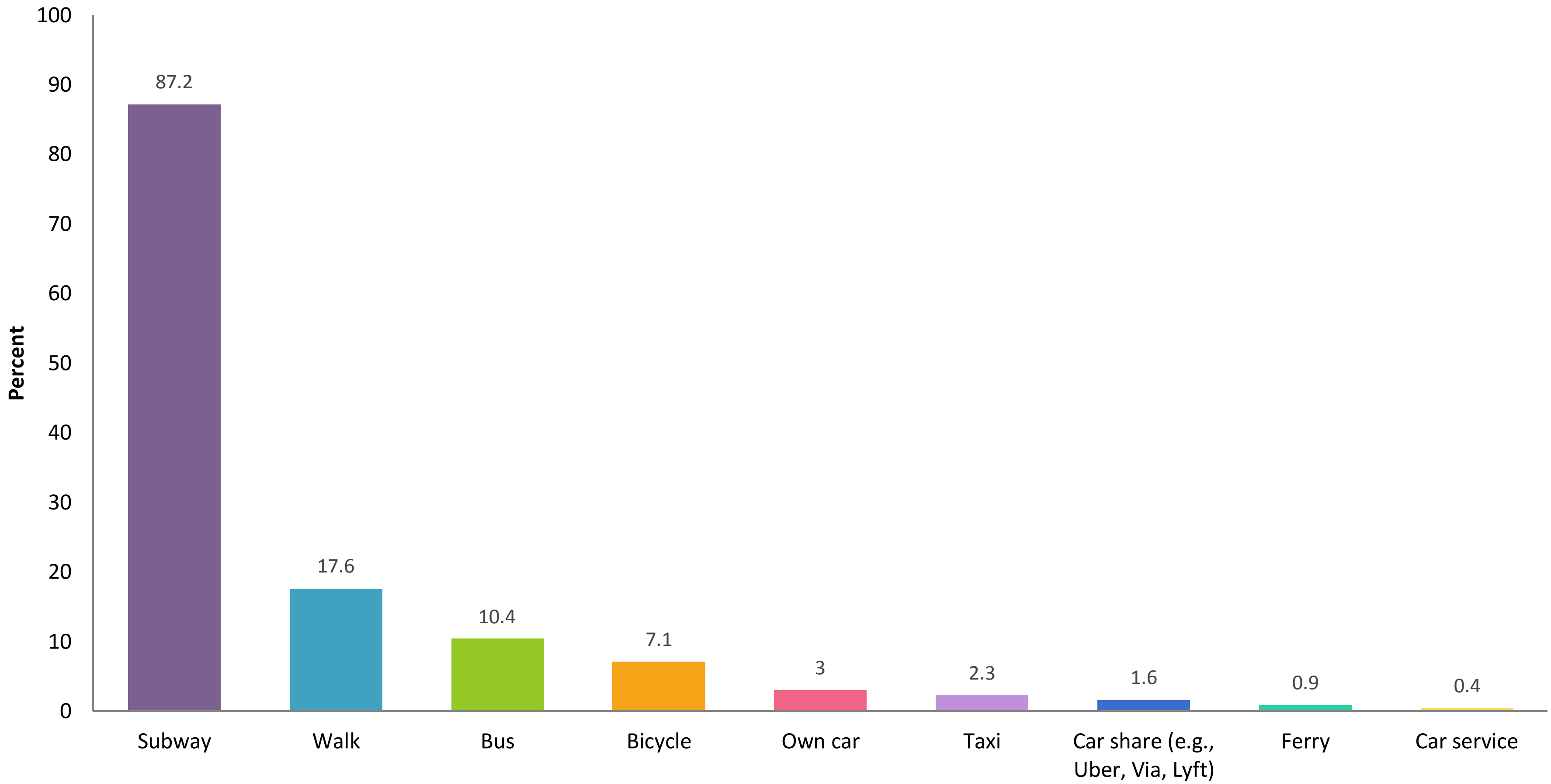
More than one-third knew that their office building offered after-work activities (e.g., office happy hour, rooftop lounging)

How often do you participate in after-work activities located in your office building (e.g., office happy hour, rooftop lounging)?



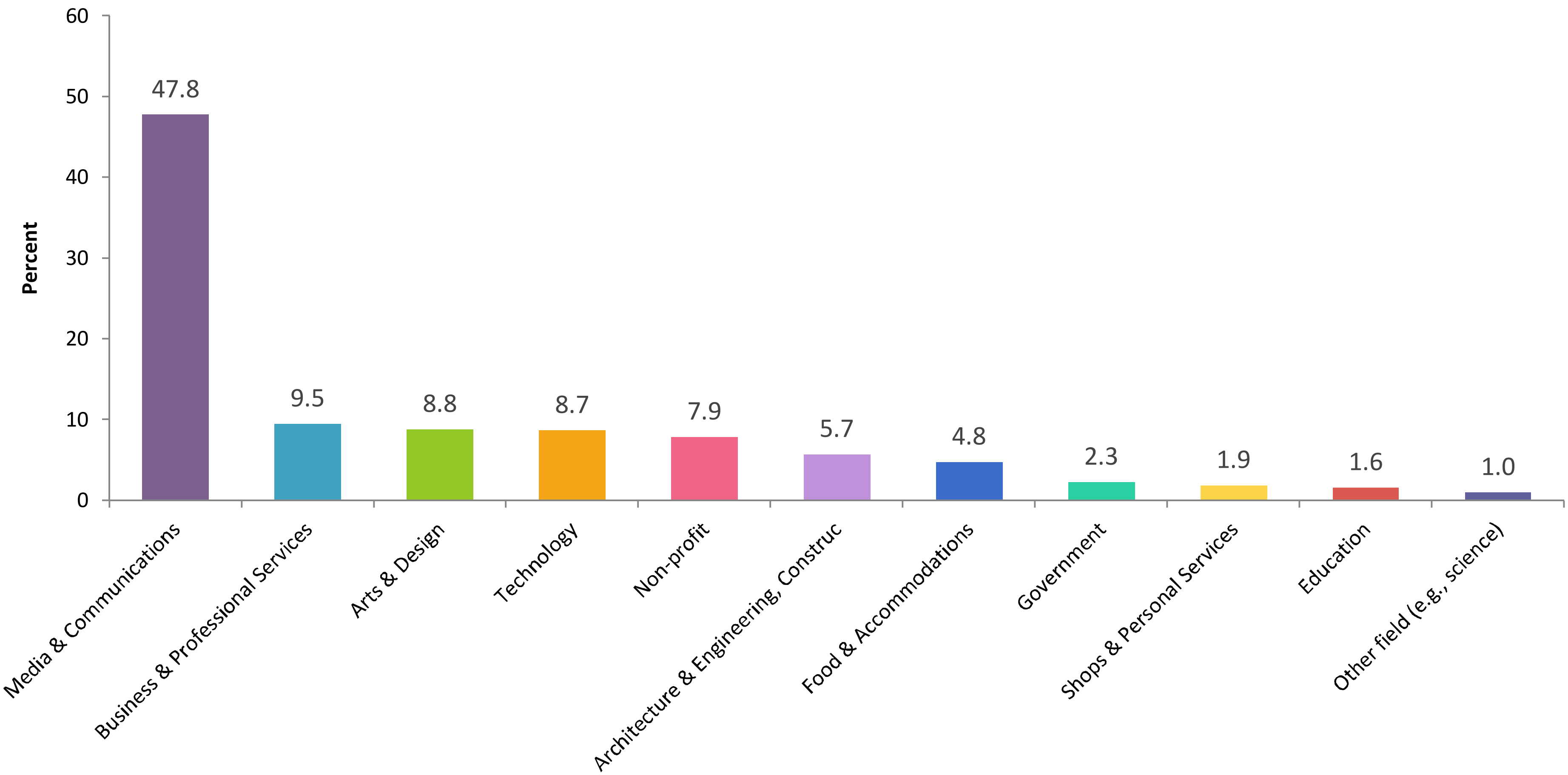
Among those aware of after-work activities in their building, about one-half participated at least two to three times each month.

Please indicate your primary means of transportation to and from work.



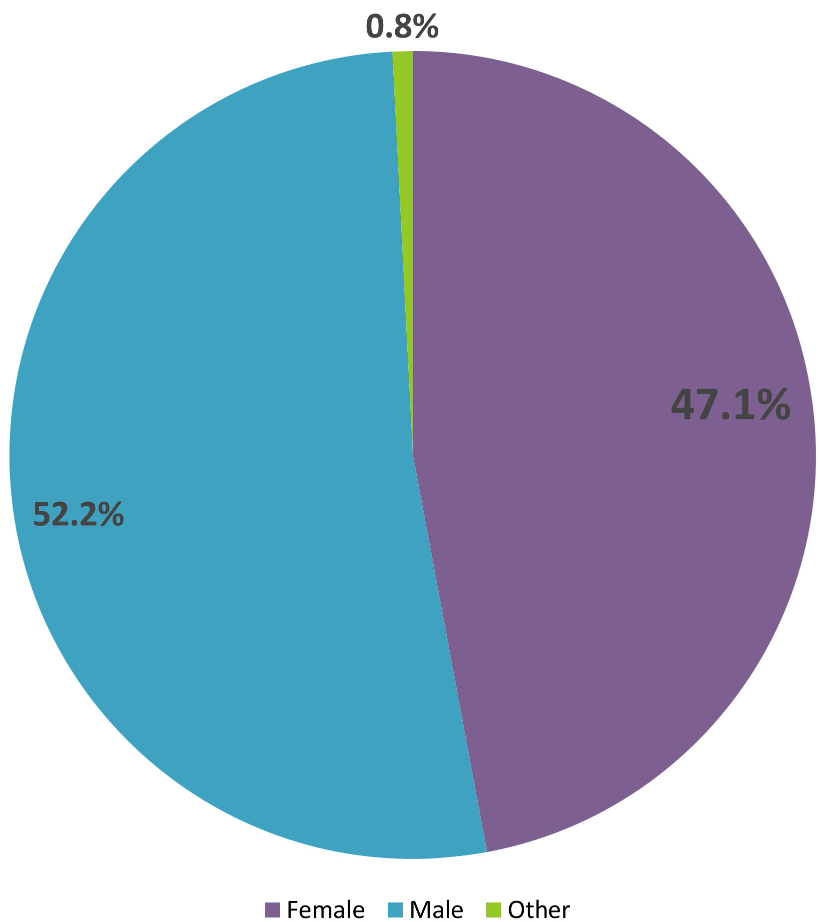
Nearly nine out of ten rode the subway to and from work. One out of six walked.

In which field of work are you currently employed?



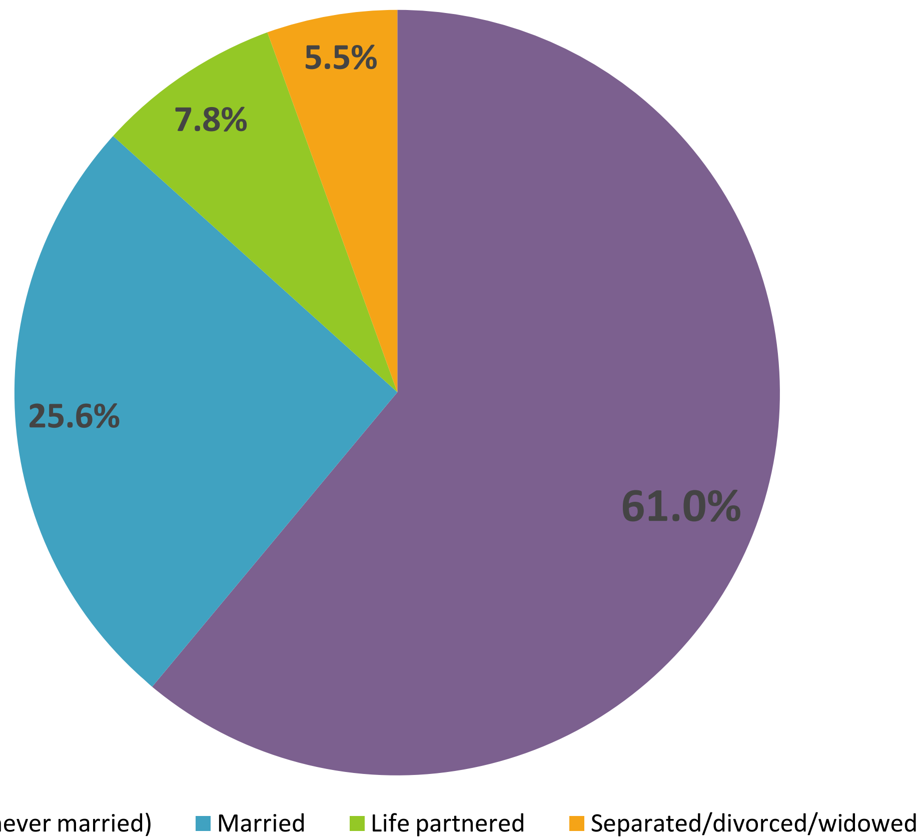
Almost one-half worked in media and communications (includes publishing).

How do you identify your gender…?



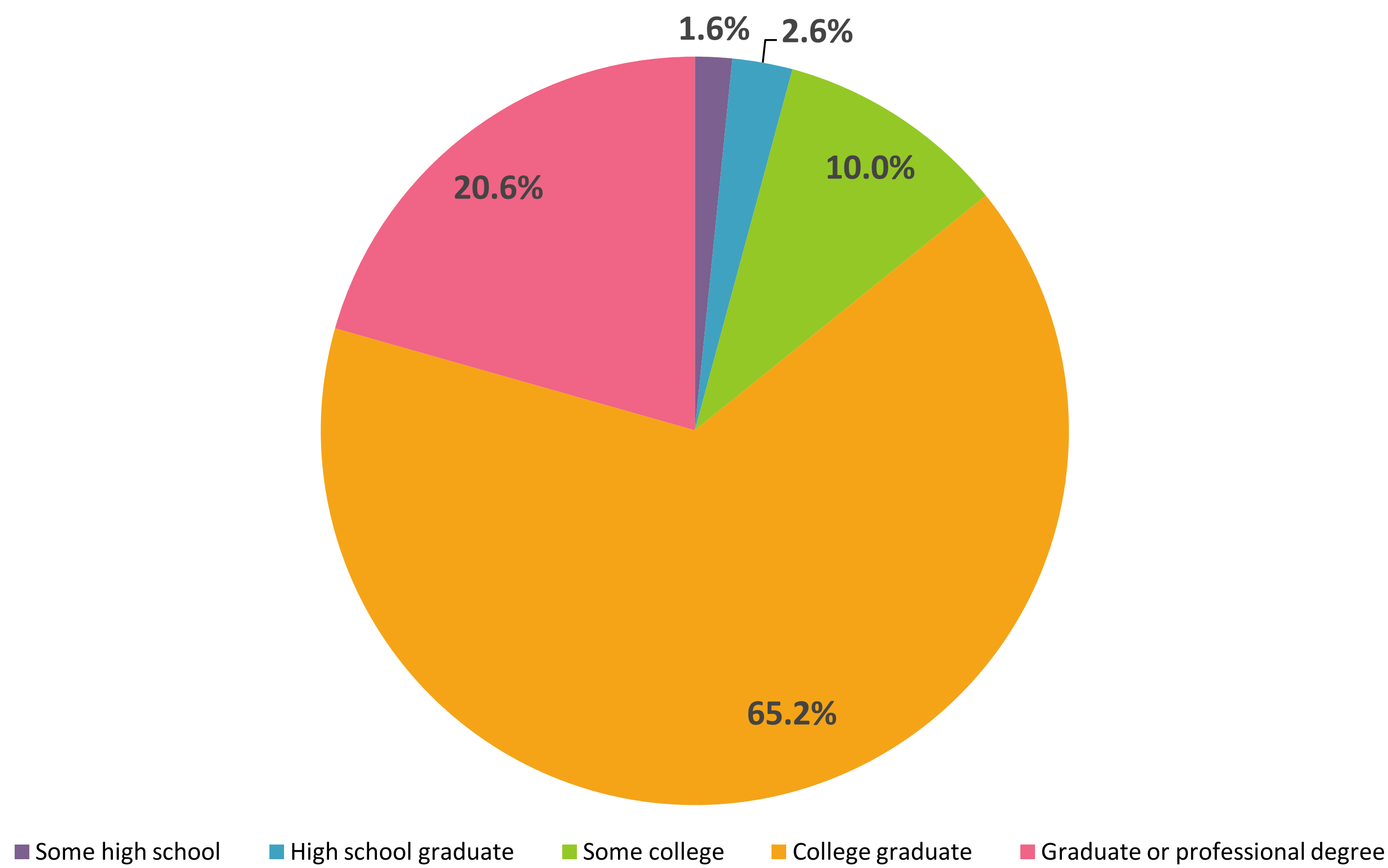
Survey findings adjusted by Longitudinal Employer-Household Dynamics (LEHD) data

Are you currently…



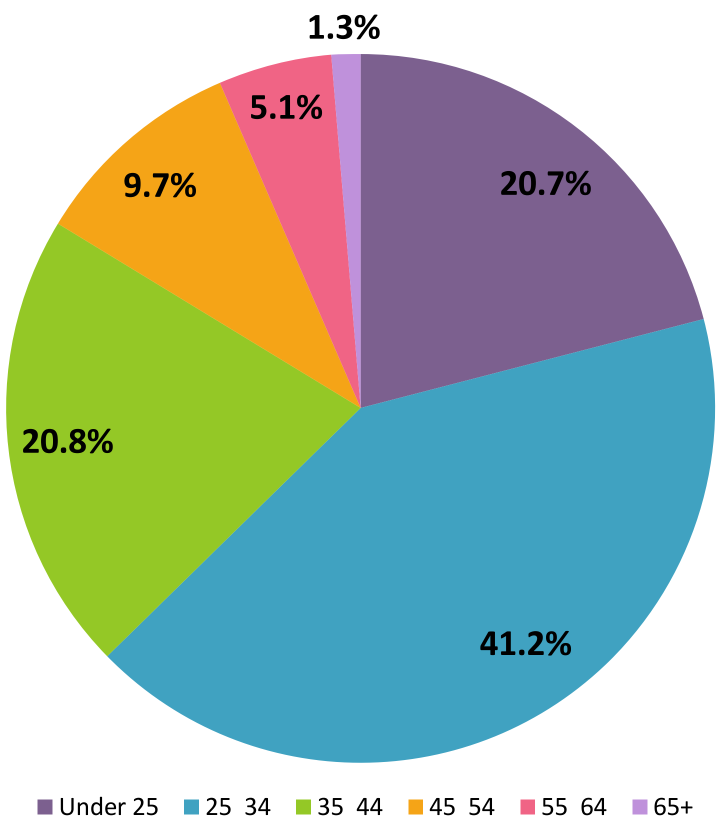
More than six out of ten were single (never married).

What is the highest degree or level of education you have completed?



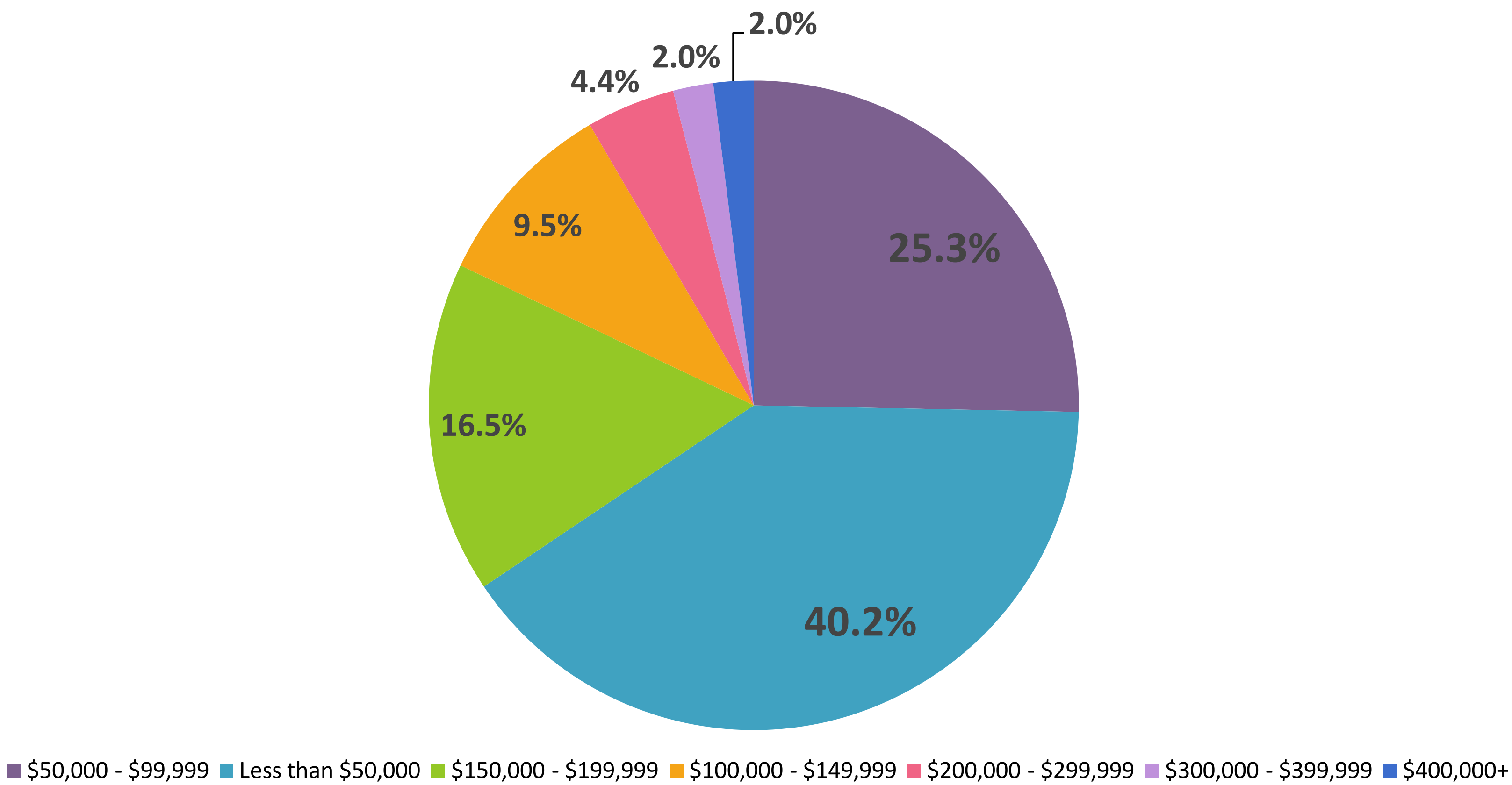
Two-thirds had college degrees only; an additional 20 percent had graduate or professional degrees.

What is your age?



A young workforce, more than six out of ten were under 35 years of age. Overall, 84 percent were under 45. Statistically, mean age was 34 years with a median age of 28.

Please indicate your annual household income.



Mean annual household income was $104,600, with median income of $80,700. Sixty-six percent had incomes below $100,000, with 34 percent earning at least $100,000.