

# Buying local best for community

By PKF Francis Aickin Ltd

We are confronted with an ever-increasing choice about where we buy and do business.

But a thinking person will always try to shop and do business locally. By doing so, we benefit in at least three ways — community health, financial well-being and service.

Few would argue that we all rely a great deal on our local community. Whether it be to provide jobs and incomes for ourselves or family, essential medical services, footpaths, or shops, the stronger the community, the better off we all are.

A wise school, for example, will realise the more they do business locally, the more they do to create job opportunities for their students.

And the more youth employment there is, the more energy the community has, the less crime there is and the greater the fundraising opportunities.

The financial benefits include the simple money-go-round principle. A dollar spent locally can lead to another dollar spent locally and so on. A story relayed to us by a well-known local businessman recently illustrates this:

## "By shopping locally, we benefit in at least three ways — community health, financial well-being and service"

"A man pays a \$100 deposit to a hotel owner in Kaitaia. He says he is putting it down as a deposit as he is not sure whether he is going to spend the night there or not.

"The hotelier uses the \$100 to pay the local butcher for the last week's meat delivery. The butcher uses this to pay the electrician who fixed his fridge. The electrician uses this to pay the local mechanic who repaired his van. The mechanic used this to pay the plumber who fixed his leaking tap.

"The plumber used the money to take his wife for dinner at the hotel.

"The next day the tourist decided that he didn't have time to stay in Kaitaia, and had his deposit refunded. From his \$100 deposit (which was ultimately refunded)

\$500 was injected into the local economy."

As far as cost is concerned, yes, sometimes it may be cheaper to buy a product elsewhere. But often it is not. Professional services, such as accountants, lawyers, and so on, are usually cheaper in towns than in the cities. And local shops and businesses will often try to meet the market, if they are given the opportunity to do so.

We should also be able to get better service, and after-sales service, from local business. The challenge to local business, of course, is to try to ensure that the experience they give their customers is a good one.

If a business is finding that people are voting with their feet, then the first question the business should be asking itself is this: "Do people enjoy doing business in this place?"

It's often tempting to do our shopping out of our home area, and we all do it to some degree. Some a little, some a lot. But the thinking person will understand that the cost of doing so is not just the price.

■ In our next article, we'll discuss the degrees of local business, and ask just how local is local?

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