

Downtown West Union

West Union, Iowa

Market Snapshot

Prepared for



A service provided by

Main Street Iowa

Iowa Economic Development Authority



Downtown Professionals Network

Franklin, Tennessee 37067
📞 www.downtownpros.com

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Introduction

This Market Snapshot was commissioned by Main Street Iowa. The information and direction gained from the Market Snapshot is an important step in laying the groundwork for current and future revitalization and business development strategies. Findings can be used to establish benchmarks and to help provide direction for local business improvement and economic development initiatives.



Downtown Professionals Network (DPN) has been retained by Main Street Iowa to provide technical assistance and training services to select communities and business districts.

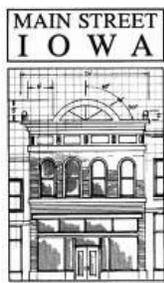
DPN is a research and planning firm specializing in the revitalization and enhancement of traditional downtown and neighborhood business districts. Since its founding in 2000, DPN has evolved to serve a clientele that includes local, state and national economic development organizations located throughout the country.

The content of this Market Snapshot is based strictly on information compiled from current Esri data and reports.

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The mission of the Main Street Iowa Program is to improve the social and economic well-being of Iowa's communities by assisting selected communities to capitalize on the unique identity, assets and character of their historic commercial district.

Limitations and Disclaimers

Retail market analyses, their components (such as retail sales gap analyses) and derivative business development plans provide important guidance on how a commercial area should, theoretically, be able to perform and on the sales levels businesses should be able to achieve. However, a number of factors affect the actual performance of businesses and commercial areas, including the skills of the business operator, level of business capitalization, the quality of the physical environment, changes in overall economic conditions, the effectiveness of business and district marketing programs, and many other factors. The information in this document is intended to provide a foundation of information for making business development decisions, but it does not and cannot ensure business success.

As is true of all demographic, economic and market studies, our analysis' reliability is limited to the reliability and quality of the data available. Our research assumes that all data made available by and procured from federal, state, county, city, primary and third party sources is accurate and reliable.

Because market conditions change rapidly and sometimes without warning, the information and opinions expressed here represent a snapshot in time and cannot predict or gauge future changes or results.

Downtown West Union Markets

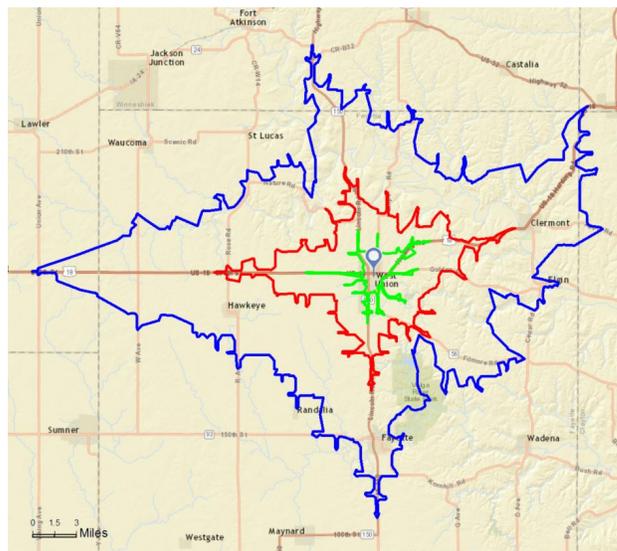
Study Area Geographies

The profile assembled for the Downtown West Union markets is based upon information contained in a series of Esri reports generated for the five-, ten- and twenty-minute drive time areas originating from the center of the Downtown West Union district.

The **five-minute drive-time market** profiles a “captive” resident and convenience-oriented market for downtown West Union. The population residing in the five-minute area may also access downtown on foot, bicycle and via other alternative modes of transportation. Demographic and psychographic data could be particularly useful for assessing performance and expansion opportunities for convenience and clientele-oriented businesses and uses, and for analyzing and profiling the composition of the current and potential downtown West Union area housing market.

The area plotted for the **ten-minute drive time** includes areas that may be said to represent the wider West Union area. Data and information for the ten-minute drive time area could be helpful for comparing and contrasting the traits and characteristics of the “close to downtown” population with that in the wider community. The consumer profile may also be indicative of the “comparison market” for West Union area service, retail and eating & drinking uses.

The **twenty-minute drive time** area is more expansive, reaching just across county lines to the west, east and north. Consumers in this regional market, all things being equal, may be more naturally inclined to frequent commercial areas in other communities, based on convenience. Opportunities for downtown West Union to capture regional market consumers from the broader region, and to increase its retail market share, will most likely revolve around specialty retail and destination-oriented eating & drinking places, venues and events.

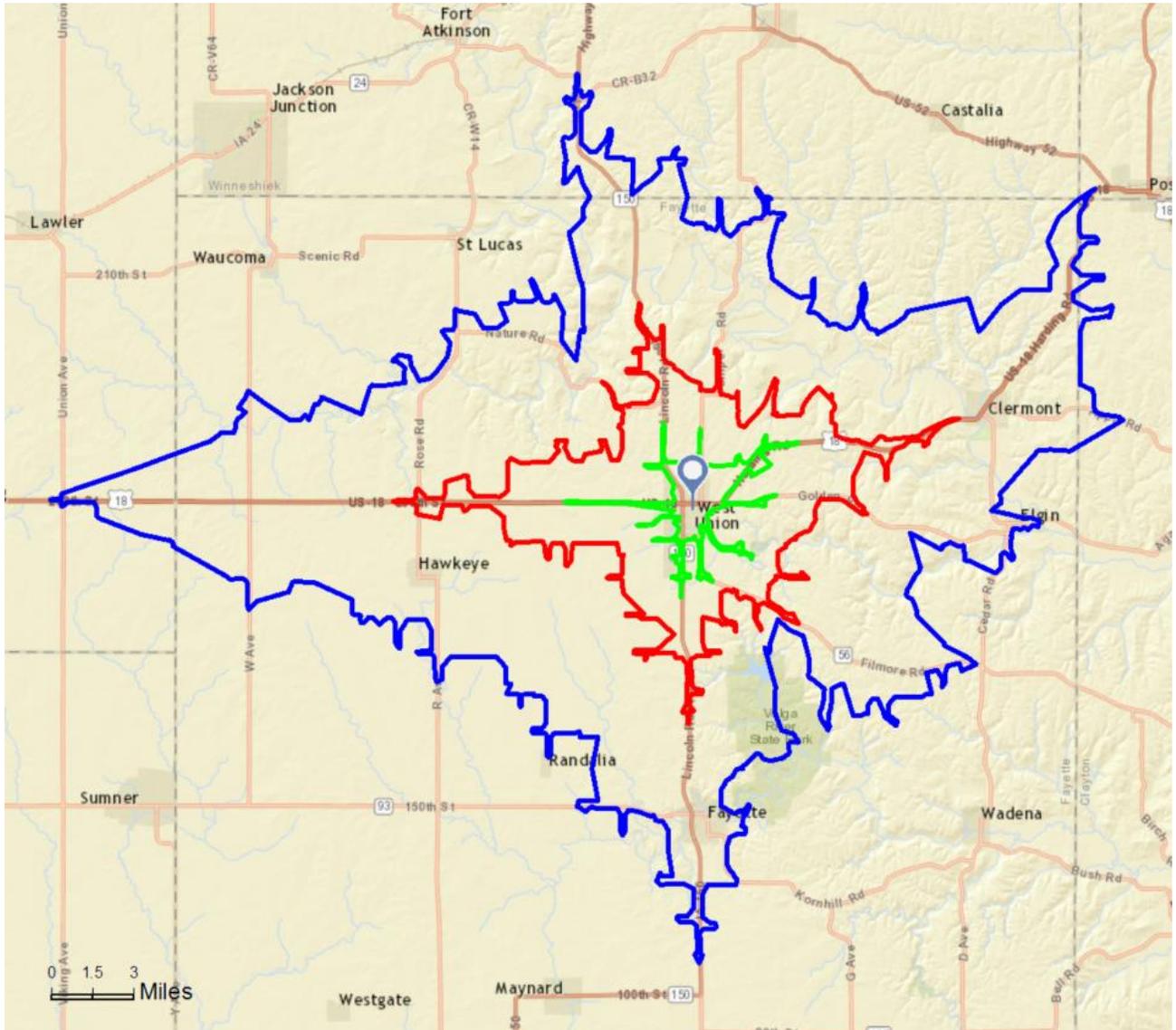


Downtown West Union, IA Study Area

Fast Facts

Population	5 MIN	10 MIN	20 MIN
2000 Census	2,374	2,930	8,114
2010 Census	2,332	2,865	7,685
2015 Estimate	2,222	2,747	7,685
2020 Projection	2,117	2,628	7,518
Change: 2015 - 2020	-4.7%	-4.3%	-2.2%
Households	5 MIN	10 MIN	20 MIN
2000 Census	1,007	1,242	3,145
2010 Census	1,019	1,248	3,117
2015 Estimate	972	1,197	3,118
2020 Projection	926	1,145	3,054
Change: 2015 - 2020	-4.7%	-4.3%	-2.1%
Median HH Income	5 MIN	10 MIN	20 MIN
2015 Estimate	\$44,207	\$45,143	\$44,148
2020 Projection	\$52,319	\$52,558	\$51,484
Change: 2015 - 2020	18.4%	16.4%	16.6%

Source: Esri Market Profile.



Reports generated and data used to examine the Downtown West Union markets include:

Esri Market Profile

The Market Profile report provides current-year and five-year projections for U.S. demographics. The annual updates include information about population, households, housing, occupancy, income, age, race, Hispanic origin, and more.

Esri Tapestry Segmentation Area Profile

Tapestry classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics.

Esri Retail MarketPlace Profile

Retail MarketPlace data provides a measure of retail activity by trade area and compares retail sales to consumer spending by NAICS industry classification.

Demographic Snapshot

The demographic snapshot compiled for the Downtown West Union study area benchmarks and tracks changes in the marketplace. Analysis and comparison of data reveal:

- ▶ Projections for the population and households across the study area geographies anticipate five-year increases ranging from about 2% to 5% for both population and households. The projections run counter to the statewide forecast where the population and number of households across the state are expected to grow at five-year rates of 3.0% and 3.2%, respectively.
- ▶ Consistent with the “Greying of America” phenomenon, median age is expected to increase by less than one year in the study areas. Median age in the drive time areas is about 3 to 5 years older than the median age for the Iowa population, estimated at 38.6 years in 2015 and expected to reach 39.1 years by 2020.
- ▶ The concentration of renter-occupied housing is consistent across the drive times, ranging from about 25% to 26%. Between 11% and 15% of housing units across the study area were classified as vacant in 2015 and the figure is expected to increase through 2020. Statewide figures for 2015 and 2020 projections assigned a vacant status to 8.8% of all Iowa housing units.
- ▶ Median household and per capita income figures in the study areas are about 15% to 20% lower than those reported for the state there is little variation in income levels across the study areas. Projected five-year income growth rates for median household income in the drive times exceed increases forecast for households statewide.

Iowa Income	2015	2020	+ %
Median HH	\$52.6K	\$60.6K	15.4%
Average HH	\$67.9K	\$77.9K	14.7%
Per Capita	\$27.7K	\$31.8K	14.8%

- ▶ The percentage of the population of Hispanic Origin, estimated in 2015 to represent just more than two percent of the drive times’ total population, is expected to increase to about 2.5% to 2.8% through 2020. At the state level, the figure is expected to increase from 5.0% to 5.8% during the same five-year period.

Drive Time	5 MIN	10 MIN	20 MIN
Population			
2000 Census	2,374	2,930	8,114
2010 Census	2,332	2,865	7,685
2015 Estimate	2,222	2,747	7,685
2020 Projection	2,117	2,628	7,518
Change: 2015 – 2020	-4.7%	-4.3%	-2.2%
Households			
2000 Census	1,007	1,242	3,145
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2015 Estimate	972	1,197	3,118
2020 Projection	926	1,145	3,054
Change: 2015 – 2020	-4.7%	-4.3%	-2.1%
Median Age			
2015 Estimate	43.6	43.2	42.1
2020 Projection	43.7	43.6	43.0
Housing Units – 2015			
Owner Occupied Units	58.9%	58.6%	63.5%
Renter Occupied Units	26.2%	26.4%	25.3%
Vacant Housing Units	14.9%	15.0%	11.2%
Housing Units – 2020			
Owner Occupied Units	56.8%	56.6%	62.7%
Renter Occupied Units	25.1%	25.4%	24.9%
Vacant Housing Units	18.3%	18.0%	12.4%
Median HH Income			
2015 Estimate	\$44,207	\$45,143	\$44,148
2020 Projection	\$52,319	\$52,558	\$51,484
Change: 2015 – 2020	18.4%	16.4%	16.6%
Average HH Income			
2015 Estimate	\$51,507	\$52,280	\$54,611
2020 Projection	\$58,330	\$59,192	\$61,968
Change: 2015 – 2020	13.2%	13.2%	13.5%
Per Capita Income			
2015 Estimate	\$23,079	\$23,265	\$22,914
2020 Projection	\$26,108	\$26,317	\$25,979
Change: 2015 – 2020	13.1%	13.1%	13.4%
Percent of Population Hispanic Origin			
2015 Estimate	2.2%	2.3%	2.1%
2020 Projection	2.6%	2.8%	2.5%

Source: Esri Market Profile.
Percentages may not equal 100% due to rounding.

Consumer Spending Potential

The Esri Retail Goods and Services Expenditures report, built on Esri's Consumer Spending database, measures the amount that households spend in select product and service categories, and compares amounts to national figures. The comparison to national household spending amounts is reported as an index, shown in the table below, where 100 equals the national average.

Consumer Spending Index 2015 Households Spending (100 Equals National Average)	Downtown West Union Study Area			State of Iowa
	5 Minutes	10 Minutes	20 Minutes	
Apparel & Services	66	67	71	89
Computers & Accessories	65	66	71	89
Education	58	58	61	84
Entertainment/Recreation	71	73	77	93
Food at Home	73	75	79	94
Food Away from Home	67	68	72	90
Health Care	78	80	83	97
HH Furnishings & Equipment	70	71	75	92
Investments	65	70	94	88
Retail Goods	74	76	81	95
Shelter	63	63	65	86
TV/Video/Audio	73	75	77	93
Travel	64	64	66	88
Vehicle Maintenance & Repairs	70	71	74	92

Data Note: Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Consumer Spending data are derived from the 2011 and 2012 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020. Esri converted Census 2000 data into 2010 geography.

Lifestyle Profile

Tapestry is a geodemographic segmentation system that integrates consumer traits with residential characteristics to identify markets and classify US neighborhoods. Neighborhoods with the most similar characteristics are grouped together, while neighborhoods with divergent characteristics are separated. Internally homogenous, externally heterogeneous market segments depict consumers' lifestyles and lifestages. Tapestry Segmentation combines the "who" of lifestyle demography with the "where" of local geography to create a classification model with 67 distinct, behavioral market

US consumer markets are multidimensional and diverse. Using a large, well-selected array of attributes captures this diversity with the most powerful data available. Data sources include Census 2010, the American Community Survey, Esri's demographic updates, Experian's ConsumerViewSM database, and consumer surveys, such as the Survey of the American Consumer from GfK MRI, to capture the subtlety and vibrancy of the US marketplace.

A market segmentation system must be able to distinguish consumer behavior—spending patterns and lifestyle choices—as expected. Esri verified the efficacy of its Tapestry Segmentation markets against consumer surveys from GfK MRI, which include nearly 6,000 product and service brands in 550 categories, along with readership of hundreds of magazines and newspapers, Internet usage, TV viewership by channel and program, radio listening, and other media.

Comparative View of Predominant Tapestry Household Segments

The following table shows and compares concentrations of the most prevalent Tapestry household segments found within each of the Downtown West Union drive time areas.

2015 Households	5 Minutes			10 Minutes			20 Minutes		
	Count	Pct.	Rank	Count	Pct.	Rank	Count	Pct.	Rank
Heartland Communities (6F)	392	40.3%	1	447	37.3%	1	695	22.3%	2
Midlife Constants (5E)	329	33.8%	2	332	27.7%	2	332	10.6%	4
Small Town Simplicity (12C)	250	25.7%	3	329	27.5%	3	329	10.6%	5
Prairie Living (6D)	1	0.1%	4	82	6.9%	4	1,247	40.0%	1
College Towns (14B)	0	0.0%	--	7	0.6%	5	514	16.5%	3
Total Count/Percent of Area	972	100.0%		1,197	100.0%		3,117	100.0%	

Source: Esri Tapestry Segmentation Profile

Descriptions for the most predominant Tapestry segments found within each of the Downtown West Union study area geographies follow. Information on Esri Tapestry methodology and applications, along with descriptions for Tapestry's 67 segments, are available from the Esri website at <http://doc.arcgis.com/en/esri-demographics/data/tapestry-segmentation.htm>.

Snapshot Descriptions of Predominant Downtown West Union Tapestry Segments

Heartland Communities (6F)

	5 Minutes	10 Minutes	20 Minutes
Study Area Households: Count – Pct. (Rank)	392 – 40.3% (1)	447 – 37.3% (1)	695 – 22.3% (2)

Who We Are

Well settled and close-knit, Heartland Communities are semirural and semiretired. These older householders are primarily homeowners, and many have paid off their mortgages. Their children have moved away, but they have no plans to leave their homes. Their hearts are with the country; they embrace the slower pace of life here but actively participate in outdoor activities and community events. Traditional and patriotic, these residents support their local businesses, always buy American, and favor domestic driving vacations over foreign plane trips.

Our Neighborhood

- ▶ Rural communities or small towns are concentrated in the Midwest, from older Rustbelt cities to the Great Plains.
- ▶ Distribution of household types is comparable to the US, primarily (but not the majority) married couples, more with no children, and a slightly higher proportion of singles (Index 112) that reflects the aging of the population.
- ▶ Residents own modest, single-family homes built before 1970.
- ▶ They own one or two vehicles; commutes are short (Index 95).

Socioeconomic Traits

- ▶ Retirees in this market depress the average labor force participation rate to less than 60% (Index 95), but the unemployment rate is comparable to the US.
- ▶ More workers are white collar than blue collar; more skilled than unskilled.
- ▶ The rural economy of this market provides employment in the manufacturing, construction, and agriculture industries.
- ▶ These are budget savvy consumers; they stick to brands they grew up with and know the price of goods they purchase. Buying American is important.
- ▶ Daily life is busy, but routine. Working on the weekends is not uncommon.
- ▶ Residents trust TV and newspapers more than any other media.
- ▶ Skeptical about their financial future, they stick to community banks and low-risk investments.

Market Profile

- ▶ Traditional in their ways, residents of Heartland Communities choose to bank and pay their bills in person and purchase insurance from an agent.
- ▶ Most have high-speed Internet access at home or on their cell phone but aren't ready to go paperless.
- ▶ Many residents have paid off their home mortgages but still hold auto loans and student loans. Noninterest checking accounts are common.
- ▶ To support their local community, residents participate in public activities.
- ▶ Home remodeling is not a priority, but homeowners do tackle necessary maintenance work on their cherished homes. They have invested in riding lawn mowers to maintain their larger yards.
- ▶ They enjoy country music and watch CMT.
- ▶ Motorcycling, hunting, and fishing are popular; walking is the main form of exercise.
- ▶ To get around these semirural communities, residents prefer domestic trucks or SUVs.
- ▶ They prefer to travel in the US and favor the convenience of packaged deals.

Demographic Traits

Median Household Income:	\$39,000 (US: \$51,000)
Average Household Size:	2.38
Median Age:	41.5 (US: 37.6)
Median Net Worth:	\$55,000 (US: \$71,000)
Median Home Value:	\$89,000 (US: \$177,000)
Housing Style:	Single Family
Diversity Index:	29.6 (US: 62.1)

Average Household Budget Index (US Average = 100)

Housing	65
Food	72
Apparel & Services	43
Transportation	74
Health Care	79
Entertainment & Recreation	73
Education	59
Pensions & Social Security	66
Other	71

Midlife Constants (5E)

	5 Minutes	10 Minutes	20 Minutes
Study Area Households: Count – Pct. (Rank)	329 – 33.8% (2)	332 – 27.7% (2)	332 – 10.6% (4)

Who We Are

Midlife Constants residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than Ames Main Street Cultural District. They are generous, but not spendthrifts.

Our Neighborhood

- ▶ Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.
- ▶ Primarily married couples, with a growing share of singles.
- ▶ Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.
- ▶ Single-family homes, less than half still mortgaged, with a median home value of \$141,000 (Index 80).

Socioeconomic Traits

- ▶ Education: 64% have a high school diploma or some college.
- ▶ Unemployment is lower in this market at 7.4% (Index 86), but so is the labor force participation rate (Index 89).
- ▶ Almost 42% of households are receiving Social Security (Index 150); 28% also receive retirement income (Index 160).
- ▶ Traditional, not trendy; opt for convenience and comfort, not cutting-edge. Technology has its uses, but the bells and whistles are a bother.
- ▶ Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.
- ▶ Radio and newspapers are the media of choice (after television).

Market Profile

- ▶ Prefer practical vehicles like SUVs and trucks (domestic, of course).
- ▶ Sociable, church-going residents belonging to fraternal orders, veterans' clubs and charitable organizations and do volunteer work and fund-raising.
- ▶ Contribute to arts/cultural, educational, political, and social services organizations.
- ▶ DIY homebodies that spend on home improvement and gardening.
- ▶ Media preferences: country or Christian channels.
- ▶ Leisure activities include scrapbooking, movies at home, reading, fishing, and golf.

Demographic Traits

Median Household Income:	\$48,000 (US: \$51,000)
Average Household Size:	2.30
Median Age:	45.9 (US: 37.6)
Median Net Worth:	\$104,000 (US: \$71,000)
Median Home Value:	\$141,000 (US: \$177,000)
Housing Style:	Single Family
Diversity Index:	34.0 (US: 62.1)

Average Household Budget Index (US Average = 100)

Housing	84
Food	86
Apparel & Services	55
Transportation	88
Health Care	95
Entertainment & Recreation	90
Education	82
Pensions & Social Security	85
Other	87

Small Town Simplicity (12C)

	5 Minutes	10 Minutes	20 Minutes
Study Area Households: Count – Pct. (Rank)	250 – 25.7% (3)	329 – 27.5% (3)	329 – 10.6% (5)

Who We Are

Small Town Simplicity includes young families and senior householders that are bound by community ties. The lifestyle is down-to-earth and semirural, with television for entertainment and news, and emphasis on convenience for both young parents and senior citizens. Residents embark on pursuits including online computer games, scrapbooking, and rural activities like hunting and fishing. Since almost 1 in 4 households is below poverty level, residents also keep their finances simple—paying bills in person and avoiding debt.

Our Neighborhood

- ▶ They reside in small towns or semirural neighborhoods, mostly outside metropolitan areas.
- ▶ Homes are a mix of older single-family houses (61%), apartments, and mobile homes.
- ▶ A majority, 51%, of homes are owner occupied. (Index 80).
- ▶ Median home value of \$88,000 is about half the US median.
- ▶ Average rent is \$600 (Index 62).
- ▶ This is an older market, with almost half of the householders aged 55 years or older, and predominantly single-person households (Index 139).

Socioeconomic Traits

- ▶ Education: 65% with high school diploma or some college.
- ▶ Unemployment higher at 11.9% (Index 138).
- ▶ Labor force participation lower at 51% (Index 81), which could result from lack of jobs or retirement.
- ▶ Income from wages and salaries (Index 82), Social Security (Index 142) or retirement (Index 112), increased by Supplemental Security Income (Index 203).
- ▶ Price-conscious consumers that shop accordingly, with coupons at discount centers.
- ▶ Connected, but not to the latest or greatest gadgets; keep their landlines.
- ▶ Community-orientated residents; more conservative than middle-of-the-road.
- ▶ Rely on television or newspapers to stay informed.

Market Profile

- ▶ Small Town Simplicity features a semirural lifestyle, complete with trucks (domestic, of course), ATVs, and vegetable gardens.
- ▶ Hunting, fishing, and target shooting are favorite pastimes.
- ▶ A large senior population visit doctors and health practitioners regularly.
- ▶ However, a largely single population favors convenience over cooking—frozen meals and fast food.
- ▶ Home improvement is not a priority, but vehicle maintenance is.

Demographic Traits

Median Household Income:	\$27,000 (US: \$51,000)
Average Household Size:	2.25
Median Age:	40.0 (US: 37.6)
Median Net Worth:	\$14,000 (US: \$71,000)
Median Home Value:	\$88,000 (US: \$177,000)
Housing Style:	Single Family
Diversity Index:	49.1 (US: 62.1)

Average Household Budget Index (US Average = 100)

Housing	53
Food	57
Apparel & Services	35
Transportation	58
Health Care	59
Entertainment & Recreation	57
Education	50
Pensions & Social Security	50
Other	54

Prairie Living (6D)

	5 Minutes	10 Minutes	20 Minutes
Study Area Households: Count – Pct. (Rank)	1 – 0.1% (4)	82 – 6.9% (4)	1,247 – 40.0% (1)

Who We Are

Prairie Living is Tapestry Segmentation’s most rural market, comprising about 1 percent of households, located mainly in the Midwest, with a predominance of self-employed farmers. These agricultural communities are not diverse, dominated by married-couple families that own single-family dwellings and many vehicles. Median household income is similar to the US, and labor force participation is slightly higher. Faith is important to this hardworking market. When they find time to relax, they favor outdoor activities.

Our Neighborhood

- ▶ About four-fifths of households are owner occupied.
- ▶ Dominant household type is married-couples with no children.
- ▶ Most are single-family homes (87%) built before 1980; a higher proportion were built before 1940 (Index 225).
- ▶ Higher percentage of vacant housing units is at 16% (Index 137).
- ▶ Most households own 2 or 3 vehicles; this is the highest ranked market for owning 4 or more vehicles.

Socioeconomic Traits

- ▶ Half have completed some college education or hold a degree.
- ▶ At 4.1%, the unemployment rate is less than half the US rate.
- ▶ Labor force participation rate slightly higher at 66%.
- ▶ Wage and salary income for 73% of households plus self-employment income for 27% (Index 242).
- ▶ Faith and religion are important to these residents.
- ▶ Tend to buy things when they need them, rather than when they want them or to be trendy.
- ▶ Somewhat resistant to new technology.
- ▶ Creatures of habit when purchasing food items.

Market Profile

- ▶ Many own a truck, riding lawn mower, and ATV/UTV and have a satellite dish.
- ▶ They purchased plants and seeds in the past year for their vegetable garden, where their tiller comes in handy.
- ▶ They favor banking in person, have noninterest checking accounts, invest in CDs (more than 6 months), and have term/whole life insurance.
- ▶ They are pet owners.
- ▶ Leisure activities include fishing, hunting, boating, camping, and attending country music concerts.
- ▶ Residents prefer to listen to faith and inspirational, as well as country music on the radio.
- ▶ They read home service, fishing/hunting, and automotive magazines.
- ▶ They contribute to religious organizations and belong to religious clubs.
- ▶ Walmart is a favorite shopping stop; Subway is a favorite eating spot.

Demographic Traits

Median Household Income:	\$51,000 (US: \$51,000)
Average Household Size:	2.50
Median Age:	43.4 (US: 37.6)
Median Net Worth:	\$118,000 (US: \$71,000)
Median Home Value:	\$125,000 (US: \$177,000)
Housing Style:	Single Family
Diversity Index:	22.6 (US: 62.1)

Average Household Budget Index (US Average = 100)

Housing	79
Food	92
Apparel & Services	50
Transportation	97
Health Care	108
Entertainment & Recreation	96
Education	65
Pensions & Social Security	83
Other	93

College Towns (14B)

	5 Minutes	10 Minutes	20 Minutes
Study Area Households: Count – Pct. (Rank)	0 – 0.0% (--)	7 – 0.6% (5)	514 – 16.5% (3)

Who We Are

About half the residents of College Towns are enrolled in college, while the rest work for a college or the services that support it. Students have busy schedules, but make time between studying and part-time jobs for socializing and sports. Students that are new to managing their own finances tend to make impulse buys and splurge on the latest fashions. This digitally engaged group uses computers and cell phones for all aspects of life including shopping, school work, news, social media, and entertainment. College Towns are all about new experiences, and residents seek out variety and adventure in their lives.

Our Neighborhood

- ▶ These are nonfamily households with many students living alone or with roommates for the first time.
- ▶ This segment is a mix of densely developed student housing and dorms with local residences.
- ▶ Off-campus, low rent apartments comprise half of the housing stock.
- ▶ Over three-quarters of the households are renter occupied, with one in ten remaining vacant.
- ▶ One-third of homes are single family; mostly occupied by local residents who own their homes.
- ▶ This market is bike and pedestrian friendly.

Socioeconomic Traits

- ▶ Their limited incomes result in thrifty purchases.
- ▶ They do not eat the healthiest foods, nor do they see a doctor regularly.
- ▶ They dress to impress with the latest fashions of the season.
- ▶ They prefer environmentally friendly products and vehicles that get good gas mileage.
- ▶ They're heavily influenced by celebrity endorsements and trends in magazines.
- ▶ They feel anything that can be done online is easier than in person.
- ▶ They have liberal political views.

Market Profile

- ▶ Own a laptop and a portable MP3 player.
- ▶ Watch movies and TV programs online; MTV and Comedy Central on TV.
- ▶ Use the Internet for social media connections, blogging, paying bills, and downloading music.
- ▶ Have cell phones only (no landlines) and enjoy customizing them.
- ▶ Popular activities: backpacking, Pilates, and Frisbee.
- ▶ Go out to the movies and out for drinks.

Demographic Traits

Median Household Income:	\$28,000 (US: \$51,000)
Average Household Size:	2.12
Median Age:	24.3 (US: 37.6)
Median Net Worth:	\$11,000 (US: \$71,000)
Average Rent:	\$890 (US: \$990)
Housing Style:	Multiunit Rentals; Single Family
Diversity Index:	53.5 (US: 62.1)

Average Household Budget Index (US Average = 100)

Housing	64
Food	67
Apparel & Services	47
Transportation	65
Health Care	53
Entertainment & Recreation	63
Education	89
Pensions & Social Security	58
Other	58

Retail Market Performance

Esri's Retail MarketPlace data provides a direct comparison between retail sales and consumer spending by industry. To capture a snapshot of an area's retail market place, the leakage and surplus factor summarizes the relationship between supply (retail sales by businesses) and demand (consumer spending by household). Deviations from potential sales may reveal areas of opportunity in the trade area's retail sectors, keeping in mind any extenuating circumstances that may be driving the results.

Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups within Retail Trade sector, and four industry groups within the Food Services & Drinking Establishments subsector. To estimate sales, the Retail MarketPlace database combines a number of data sources, including

- ▶ Census Bureau's Census of Retail Trade (CRT) and Monthly Retail Trade (MRT)
- ▶ Census Bureau's Nonemployer Statistics (NES)
- ▶ Esri's demographic data
- ▶ Infogroup
- ▶ Consumer Expenditure surveys from the Bureau of Labor Statistics

All estimates of actual sales (supply) reflect current dollars derived from receipts of businesses primarily engaged in selling merchandise. Potential sales (demand) is estimated by using Esri's consumer spending data which provides estimated expenditures for more than 700 products and services that are consumed by U.S. households. The estimate of a trade area's demand is based upon estimated expenditures by households within the trade area.

Leakage within a specified trade area represents a condition where supply is less than demand. Retailers outside of the trade area are fulfilling demand for retail products. Surplus within a specified trade area represents a condition where supply exceeds the area's demand. Thus retailers are attracting customers that reside outside the trade area.

Sales Surplus and Leakage Estimates

Total Retail Trade and Food & Drink demand versus sales estimates for the study areas show a sales surplus of about \$0.3 million at the five-minute drive time level; and sales leakage ranging from about \$1.5 million for the ten-minute drive time to \$38.8 million for the twenty-minute drive time area.

	5 Minutes	10 Minutes	20 Minutes
NAICS Code: Business Description	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate
Total Retail Trade and Food & Drink (NAICS 44 – 45, 722)	\$340,735	(\$1,451,161)	(\$38,833,069)
Total Retail Trade (NAICS 44 – 45)	\$571,038	(\$1,361,642)	(\$36,734,390)
Total Food & Drink (NAICS 722)	(\$230,303)	(\$89,518)	(\$2,098,678)

Retail Trade surplus estimates are consistent with overall patterns, with a sales surplus of about \$0.6 million appearing in the five-minute drive time area; and sales leakage ranging from about \$1.4 million to \$36.7 million in the ten- and twenty-minute drive times, respectively. Notably, Retail Trade sales surplus figures reported for the five-minute drive time area are positively impacted by high volume surpluses in the Motor Vehicle & Parts Dealers and Gasoline Stations categories.

Estimates for Food & Drink sector sales in comparison to projected demand estimate sales leakage occurring across the drive time areas ranging from about \$90,000 in the ten-minute drive time area to \$2.1 million in the twenty-minute drive time. Leakage estimates in the five- and ten-minute drive times are largely driven by the underperformance of the Full-Service Restaurants subcategory.

The following table presents a breakdown of sales surplus and leakage estimates for 27 industry groups in the Retail Trade sector and for the four industry groups within the Food Services & Drinking Places subsector for the Downtown West Union study area.

Downtown West Union • Esri Retail MarketPlace Report Summary

Sales Surplus & Leakage and Leakage Estimates NAICS Code: Business Description	5 Minutes	10 Minutes	20 Minutes
	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate
Total Retail Trade and Food & Drink (NAICS 44 – 45, 722)	\$340,735	(\$1,451,161)	(\$38,833,069)
Total Retail Trade (NAICS 44 – 45)	\$571,038	(\$1,361,642)	(\$36,734,390)
Total Food & Drink (NAICS 722)	(\$230,303)	(\$89,518)	(\$2,098,678)
441: Motor Vehicle & Parts Dealers	\$7,664,930	\$7,760,553	\$676,384
4411: Automobile Dealers	\$8,426,695	\$8,789,886	\$4,647,432
4412: Other Motor Vehicle Dealers	(\$916,252)	(\$1,190,480)	(\$3,596,312)
4413: Auto Parts, Accessories, and Tire Stores	\$154,488	\$161,147	(\$374,736)
442: Furniture & Home Furnishings Stores	\$185,833	\$395,323	(\$306,998)
4421: Furniture Stores	\$293,671	\$505,286	(\$20,988)
4422: Home Furnishings Stores	(\$107,838)	(\$109,963)	(\$286,010)
443/4431: Electronics & Appliance Stores	(\$879,849)	(\$1,036,272)	(\$2,937,666)
444: Building Materials, Garden Equip. & Supply Stores	(\$1,029,146)	(\$1,296,631)	(\$3,355,679)
4441: Building Material and Supplies Dealers	(\$795,925)	(\$984,215)	(\$2,633,557)
4442: Lawn and Garden Equipment and Supplies Stores	(\$233,222)	(\$312,416)	(\$722,122)
445: Food & Beverage Stores	(\$3,767,896)	(\$4,717,705)	(\$9,798,591)
4451: Grocery Stores	(\$3,805,312)	(\$4,703,462)	(\$9,040,150)
4452: Specialty Food Stores	(\$214,560)	(\$270,267)	(\$749,125)
4453: Beer, Wine, and Liquor Stores	\$251,977	\$256,023	(\$24,317)
446/4461: Health & Personal Care Stores	(\$95,448)	\$134,861	(\$1,164,833)
447/4471: Gasoline Stations	\$4,741,410	\$4,937,713	\$5,559,419
448: Clothing and Clothing Accessories Stores	(\$549,218)	(\$677,265)	(\$2,438,699)
4481: Clothing Stores	(\$348,881)	(\$466,541)	(\$1,661,702)
4482: Shoe Stores	(\$113,536)	(\$142,901)	(\$400,737)
4483: Jewelry, Luggage, and Leather Goods Stores	(\$86,801)	(\$67,824)	(\$376,260)

Data Sources: Esri Retail MarketPlace Profile, 2015; Esri and Infogroup.

Data Note: The polarity of surplus/leakage estimates shown in this report (as compared to those shown in the original Esri reports) have been reversed to show a surplus as a positive value, and to show a leakage as a negative value. The Retail Gap (Sales Surplus/Leakage) represents the difference between Retail Potential and Retail Sales. A positive value represents a surplus in retail sales, often indicating a market where customers are drawn in from outside the defined trade area.

Sales Surplus & Leakage Estimates NAICS Code: Business Description	5 Minutes	10 Minutes	20 Minutes
	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate	Surplus/(Leakage) Estimate
451: Sporting Goods, Hobby, Book, and Music Stores	(\$504,176)	(\$638,299)	(\$1,396,343)
4511: Sporting Goods/Hobby/Musical Instrument Stores	(\$362,243)	(\$462,155)	(\$909,616)
4512: Book, Periodical, and Music Stores	(\$141,933)	(\$176,144)	(\$486,726)
452: General Merchandise Stores	(\$3,718,109)	(\$4,379,578)	(\$16,008,443)
4521: Department Stores (Excluding Leased Depts.)	(\$4,424,403)	(\$5,551,409)	(\$15,305,244)
4529: Other General Merchandise Stores	\$706,293	\$1,171,831	(\$703,199)
453: Miscellaneous Store Retailers	(\$862,396)	(\$1,093,839)	(\$3,423,296)
4531: Florists	\$96,324	\$99,189	\$161,171
4532: Office Supplies, Stationery, and Gift Stores	(\$123,835)	(\$126,099)	(\$759,478)
4533: Used Merchandise Stores	(\$123,572)	(\$153,757)	(\$307,175)
4539: Other Miscellaneous Store Retailers	(\$711,314)	(\$913,173)	(\$2,517,814)
454: Nonstore Retailers	(\$614,898)	(\$774,894)	(\$2,139,647)
4541: Electronic Shopping and Mail-Order Houses	(\$291,039)	(\$365,958)	(\$1,013,976)
4542: Vending Machine Operators	(\$121,406)	(\$152,745)	(\$422,838)
4543: Direct Selling Establishments	(\$202,453)	(\$256,191)	(\$702,834)
722: Food Services & Drinking Places	(\$230,303)	(\$89,518)	(\$2,098,678)
7221: Full-Service Restaurants	(\$293,725)	(\$237,427)	(\$498,894)
7222: Limited-Service Eating Places	\$112,840	\$233,258	(\$1,273,788)
7223: Special Food Services	\$105,861	\$99,145	\$26,400
7224: Drinking Places (Alcoholic Beverages)	(\$155,278)	(\$184,495)	(\$352,397)

Data Sources: Esri Retail MarketPlace Profile, 2015; Esri and Infogroup.

Data Note: The polarity of surplus/leakage estimates shown in this report (as compared to those shown in the original Esri reports) have been reversed to show a surplus as a positive value, and to show a leakage as a negative value. The Retail Gap (Sales Surplus/Leakage) represents the difference between Retail Potential and Retail Sales. A positive value represents a surplus in retail sales, often indicating a market where customers are drawn in from outside the defined trade area.

Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on Retail MarketPlace data and to download the methodology statement visit <http://doc.arcgis.com/en/esri-demographics/data/retail-marketplace.htm>.

Sales Surplus/Leakage Factors

Sales Surplus/Leakage Factors present a snapshot of retail opportunity. The factor is a measure of the relationship between supply and demand that ranges from +100 (total surplus) to -100 (total leakage). A positive value represents a surplus of retail sales (often indicative of a market where customers are drawn in from outside the trade area). Categories showing the highest surplus factors may be indicative of relative strength in the market. Negative leakage factors may reveal retail opportunity, with the lowest values indicating possible targets for retail expansion or recruitment.

The following table displays figures for some of the highest and lowest Surplus/Leakage Factors in the five-minute drive time area for select Retail and Food & Drink categories and subcategories, along with corresponding figures for the ten- and twenty-minute drive time areas.

Downtown West Union Study Area • Sales Surplus/Leakage Factors – Select Categories

Category/Subcategory Description	NAICS	5 Minutes		10 Minutes		20 Minutes	
		Factor	# Biz	Factor	# Biz	Factor	# Biz
▲ Gasoline Stations	447,4471	55.1	2	50.2	2	29.0	5
▲ Florists	4531	54.5	1	49.6	1	37.0	2
▲ Special Food Services	7223	53.7	1	46.5	1	7.8	2
▲ Beer, Wine & Liquor Stores	4453	48.6	1	43.5	1	(2.8)	1
▲ Automobile Dealers	4411	45.9	3	41.2	3	11.7	7
▲ Other General Merchandise Stores	4529	29.8	1	35.8	2	(13.6)	2
▲ Furniture Stores	4421	26.8	1	33.6	1	(0.8)	2
▲ Auto Parts, Accessories & Tire Stores	4413	14.3	2	12.3	2	(13.9)	3
▲ Limited-Service Eating Places	7222	6.1	2	9.8	3	(27.5)	5
▼ Other Motor Vehicle Dealers	4412	(100.0)	0	(100.0)	0	(100.0)	0
▼ Specialty Food Stores	4452	(100.0)	0	(100.0)	0	(100.0)	0
▼ Shoe Stores	4482	(100.0)	0	(100.0)	0	(100.0)	0
▼ Sporting Goods/Hobby/Musical Instruments	4511	(100.0)	0	(100.0)	0	(51.4)	3
▼ Book, Periodical & Music Stores	4512	(100.0)	0	(100.0)	0	(100.0)	0
▼ Department Stores Excluding Leased Depts.	4521	(100.0)	0	(100.0)	0	(100.0)	0
▼ Used Merchandise Stores	4533	(100.0)	0	(100.0)	0	(57.0)	1
▼ Other Miscellaneous Store Retailers	4539	(100.0)	0	(100.0)	0	(90.1)	1
▼ Drinking Places - Alcoholic Beverages	7224	(74.3)	1	(70.9)	1	(43.9)	3
▼ Building Material & Supplies Dealers	4441	(72.2)	1	(69.0)	1	(62.4)	3
▼ Grocery Stores	4451	(67.5)	2	(65.3)	2	(37.6)	6
▼ Electronics & Appliance Stores	4431	(59.1)	1	(54.1)	1	(57.8)	4
▼ Lawn & Garden Equip & Supply Stores	4442	(57.9)	1	(62.7)	1	(45.8)	2
▼ Home Furnishings Stores	4422	(54.4)	1	(40.5)	1	(38.8)	2
▼ Clothing Stores	4481	(46.1)	1	(51.0)	1	(78.6)	1

Data Sources: Esri Retail MarketPlace Profile, 2015; Esri and Infogroup.

Data Note: The polarity of surplus/leakage factors shown in this report (as compared to those shown in the original Esri reports) have been reversed to show a surplus factor as a positive value, and to show a leakage factor as a negative value. The factor is a measure of the relationship between supply and demand that ranges from +100 (total surplus) to -100 (total leakage). A positive value represents a surplus of retail sales (often indicative of a market where customers are drawn in from outside the trade area).

Summary

This Market Snapshot document presents a portrait of the Downtown West Union marketplace today and, for certain demographic characteristics, anticipates changes that could occur over the next five years. Important demographic and lifestyle data analyzed reveal:

- ▶ The population and the number of households within the study area geographies is expected to decrease by about 2% in the twenty-minute drive time area, and by about 4.5% in the five- and ten-minute drive time areas, through 2020. Study area projections run counter to five-year growth rates forecast for the state's population (3.0%) and number of households (3.2%) during the same period.
- ▶ Median age across the study area geographies is estimated in 2015 within a range of 42.1 to 43.6 years and is expected to increase by less than one year through 2020. Median age across the drives time areas is about three to five years older than the median age of 38.6 years estimated for the state population, which is expected to increase to 39.1 years by 2020.
- ▶ Median household and per capita income figures in the study area geographies are about 15% to 20% lower than those estimated for the state in 2015. Little variance is seen in household and per capita income levels across the drive time areas.
- ▶ Median household income is expected to grow at five-year rates ranging from 16.4% to 18.4% across the study area geographies, with the highest rate of growth anticipated to occur at the five-minute drive time geography level. The five-year rate of growth predicted for the study area's drive times exceed the 15.4% growth rate forecast for households statewide through 2020.
- ▶ Consumer expenditures for goods and services are generally consistent with income levels and patterns across the study area geographies, with expenditure indices highest at the twenty-minute drive time level, and where indices for most spending categories are within twenty points of average spending figures for households statewide.
- ▶ Nearly 93% of all households within the five- and ten-minute drive times are classified within three Tapestry lifestyle segments – Heartland Communities, Midlife Constants and Small Town Simplicity. High concentrations of the Heartland Communities segment continue to appear at the twenty-minute drive time level, where it is joined by the Prairie Living segment to represent more than 62% of all households. The data suggests that opportunities and strategies to increase the Downtown West Union district's market share might be focused in three areas:
 1. Local, client and convenience-oriented marketing and business development strategies which appeal to characteristics and traits common to the three tapestry segments most prevalent within the five- and ten-minute drive times (Heartland Communities, Midlife Constants and Small Town Simplicity). These strategies are likely to emphasize local personalities, hometown customer service, local traditions and convenience.
 2. Extending wider geographic appeal through intentional marketing, messages and events specifically designed to appeal to the lifestyle characteristics of the Prairie Living lifestyle segment which, together with the Heartland Communities and Midlife Constants segments, represent nearly 73% of all twenty-minute drive time area households.
 3. Continuing to capitalize on unique Downtown West Union anchors and attractions which have special appeal – and “pull” – for workplace market members, and for visitors and day-trippers traveling from areas beyond the twenty-minute drive time area.

Analysis of retail data and sales surplus & leakage estimates reveals areas of retail strength, and other areas that might represent prime opportunities for expansion and/or complementary product and service lines. Retail categories and subcategories which, based strictly on the analysis of Esri Retail MarketPlace report data, appear to be areas of relative strength in the community and/or district include:

- ▲ Gasoline Stations
- ▲ Florists
- ▲ Special Food Services
- ▲ Beer, Wine & Liquor Stores
- ▲ Automobile Dealers
- ▲ Other General Merchandise Stores
- ▲ Furniture Stores
- ▲ Auto Parts, Accessories & Tire Stores
- ▲ Limited-Service Eating Places

Retail categories, subcategories and product lines which, based solely on the analysis of Esri data, might represent some of the best and most immediate opportunities for growth and expansion include:

- ▼ Other Motor Vehicle Dealers
- ▼ Specialty Food Stores
- ▼ Shoe Stores
- ▼ Sporting Goods/Hobby/Musical Instruments
- ▼ Book, Periodical & Music Stores
- ▼ Department Stores Excluding Leased Depts.
- ▼ Used Merchandise Stores
- ▼ Other Miscellaneous Store Retailers
- ▼ Drinking Places - Alcoholic Beverages
- ▼ Building Material & Supplies Dealers
- ▼ Grocery Stores
- ▼ Electronics & Appliance Stores
- ▼ Lawn & Garden Equip & Supply Stores
- ▼ Home Furnishings Stores
- ▼ Clothing Stores

Esri Retail MarketPlace report data and findings provide a good starting point for the design of an effective, market-driven business development strategy for the Downtown West Union district. Still, retail categories and subcategories showing potential for expansion and growth based on Esri data must be further analyzed and, with the contribution of local expertise, interpreted to better understand the local and regional conditions and factors that could be driving the results.

Identified areas of retail strength must also be further assessed to better understand and identify potential opportunities for complementary businesses and uses; opportunities for existing business to expand or introduce new product and service lines; potential opportunities for location-neutral businesses and enterprises; and potential business niche/clustering opportunities that capitalize upon existing retail sector strengths, retail and non-retail anchors, and area attractions.

Moving forward, it will be critical for the community to capitalize upon and leverage past and planned investments, and ongoing initiatives, to position Downtown West Union as a local and regional attraction, economic engine, and center for commerce.