Essentials for Transforming a Business District into a Vibrant Place
Learning Objective

How to use market data to make informed decisions on what retail businesses and consumer markets your district can feasibly attract.
Learning Objective

Understand how a data driven promotional campaign can

- test a market hypothesis
- create marketplace awareness
- cultivate more foot traffic
- attract new retail businesses
Learning Objective

Engage the community and develop partnerships to achieve event objectives
Obtain solid information that will help you **sell** your business district

Identify business opportunities to **promote** to prospective businesses
1. Understand Your Business District

Data Needed
- Business Inventory
- Property Inventory
- Business Owner Survey
Other Data

- Customer Surveys
- Reports (Consultant)
2. Delineate Trade Area
Geographic Area of customers

- Demographics
- Sales Potential
- Where customers live
- Accurately describe market
3. Define Customers

- Demographics
  - Number of people, age, income, education, home value
- Lifestyle Segmentation
  - Insights into consumer behavior, shopping patterns & media preferences
24 Up-and-Comers
Upper Mid Younger w/o Kids

Demographics Traits
- Urbanicity: Second City
- Income: Upper Mid
- Income Producing Assets: Moderate
- Age Ranges: 25-44
- Presence of Kids: HH w/o Kids
- Homeownership: Mix, Renters
- Employment Levels: Professional
- Education Levels: College Graduate
- Ethnic Diversity: White, Asian, Mix

Lifestyle & Media Traits
- Order from priceline.com
- Travel to South America
- Read Cigar Aficionado
- Watch South Park
- Nissan Altima Hybrid
Other Target Markets

- Visitors/tourists
- Downtown Workers
- Downtown Residents
- Students
4. Calculate Potential Retail Sales

Retail Potential is calculated by comparing
• Amount of **retail sales** in stores
• Amount of goods the consumer in the trade area are **buying**
• Difference between these two figures is **leakage** or **gap**
Formula

Average HH Expenditures $ \times $ Total HH = Total Sales Potential

Total Retail Sales - Total Sales Potential = Leakage/Surplus
5. Market Position Statement

Emphasize how district distinguishes itself from competing shopping areas

• Describe type of product mix
• Indicate target customer market

New Haven's Historic 9th Square is famous for art, food, music, and innovation.
6. Determine Best Business Mix

- Traditional Retail/Restaurant
- Office: Professional | Financial
- Entertainment
- Services
- Government
Define Opportunities for Target Customer Groups

Retail Composition
- Food
- Stores
- Beauty
- Services
- Bars & Clubs
- Other | Arts
7. Analyze Business Opportunities

Greater number of market conditions a business meets = stronger likelihood of success
Does this Business...

- Complement existing businesses (1)
- Serve target customer group (3)
- Complement existing business clusters (6)
- Identified in customer survey (1)
- Fill gap identified in leakage analysis (4)
- Fit with market position statement (5)
Developing Downtown Business Opportunities
8. Decide Where a Business Should Locate

- Property Inventory
- Physical Assessment
- Traffic Generators
- Business Clustering
- Establishing Leasing Priorities
Property Inventory

Establishing Leasing Priorities
• Vacant Properties
• Most Marketable
• Inappropriate Uses
• Properties to Condemn
Traffic Generators

- Chapel Historic District – Upscale fashion retailers with sales per sq. ft. in the upper $300’s
- Yale University Art Gallery – 135,449 annual visitors
- Yale Center for British Art – 87,000 annual visitors
- Yale University – 11,900 student population
- Gateway Community College – Recently built campus for 11,000 students, faculty & staff
- New Haven Green – 16-acre privately owned park, in the heart of the downtown and the city
- Shubert Theater – 101,000 annual patrons
- Criterion Cinema’s nine-screen multiplex within downtown dining and nightlife quarter.
- Elm City Market – 11,000 sf co-op market
Mapping

Physical Assessment

Find or develop a downtown base map. Include:
- building footprints
- parking lots, parking structures, on-street spaces
- location of map or buildings and institutions
- street patterns and highway's
- key physical features such as parks and rivers

Use markers to plot on the map the elements in the business district that have an impact, good and bad, on customers' perceptions of the area. Use different colors for different features. Use the list below to help get started.
- No on-street parking
- Short and long term parking
- Highway entrances
- Bus stop
- Areas of heavy automobile/truck/rail traffic
- Pedestrian unfriendly areas
- Areas of heavy pedestrian traffic
- Deteriorated sidewalk/no sidewalk
- Deteriorated buildings
- Historic landmarks/historic district/local historic site
- Unique architecture and/or especially attractive buildings
- Good view
- Sculpture, fountains, and murals
- Blank walls/boarded up widows
- Vacant buildings | storefronts, vacant lots, dead zones
- Entertainment/cultural facilities
- Parks, plazas or other places where people gather
- Waterways
- Run down, dirty areas
- Areas with good/bad reputations
- Other?

Identify the blocks that are the best and worst retail locations based on the physical environment.

Develop a prioritized list of physical improvements needed to make downtown a better place for business and share these ideas with elected officials.
Business Clustering

Group similar businesses serving a target market
- Jewelry Stores
- Antique Stores

Complementary Business Clusters
Business offering different products or services that appeal to the same customer profile niche
9. Develop Business Recruitment Packet

www.towngreendistrict.com/retailsqft
10. Implement Business Retention & Recruitment Strategies

- Retain existing businesses
- Help existing businesses expand
- Develop List of Prospects
- Qualify Prospects
- Have Prospect visit District
Welcome New Business
Create a Vibrant Place
RETAIL SNAPSHOT 9TH SQUARE

111 Retail Spaces
16% vacancy rate

Retail Composition
- Food 34%
- Stores 25%
- Beauty 12%
- Services 10%
- Bars & Clubs 5%
- Other 17%

Consumer Market
- Creative Class - most promise for growth and opportunity
- Identified strongly with consultant studies
- Hipsters also identified in MJB report
- 565 new residential apartment units drawing young professionals
- Demographics

Design an event to Test Market Hypothesis
Would new consumer group participate?
Would they support businesses?
Perceptions
RESHAPE PERCEPTIONS

Reshaping the district’s negative perception into a viable marketplace through brand development

- Identified assets to shape new identity
- Geographical location | Where event took place
- Clustered creative class businesses

On9 is a collaborative open-house evening the first Friday of every month in a neighborhood famous for innovative art, food, music, and experiences in New Haven's Historic 9th Square District.
GOALS
Create awareness | Cultivate new foot traffic | Attract new retail (showcase district)

MECHANICS
- Monthly theme to showcase the various segments of art, food, innovation, here
  - Focus on a different aspect of the neighborhood
  - Provide a creative outlet for participation
  - One word theme was added to On9
  - Artistic & Graphic Design community was invited to interpret themes
  - Given creative license to express theme in any style that reflected their personal vision
- The result was posters, postcards and graphics to accompany online marketing.
Arts On 9
Friday, June 1, 6:00-8:00 p.m.
New Haven's Ninth Square, starting at the Grove 71 Orange St.

A collaborative open-house evening, the first Friday of every month amid the shops, eateries, residences & cultural arts venues in the 9th Square.
Identify physical assets to complement event

Develop community partnerships and collaborations to augment event programing
StreetTable | 75 people | 7 Restaurants
#streatOn9 | 35 Bloggers made Noise online about their 3-course meal from surrounding restaurants
Taste over 80 pies
34 Events Since June 2012
On9 Events Consistently Attract 300-500 Attendees
41 New Businesses Opened
Apartment Occupancy in High 90%
Spin Off Events

Transformation of Pitkin Plaza into New Haven's World Cup Village to broadcast FIFA soccer matches

99 Days of Summer On9
Memorial Day - Labor Day

3 Restaurant Events (weekly, a week long and a special event)
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