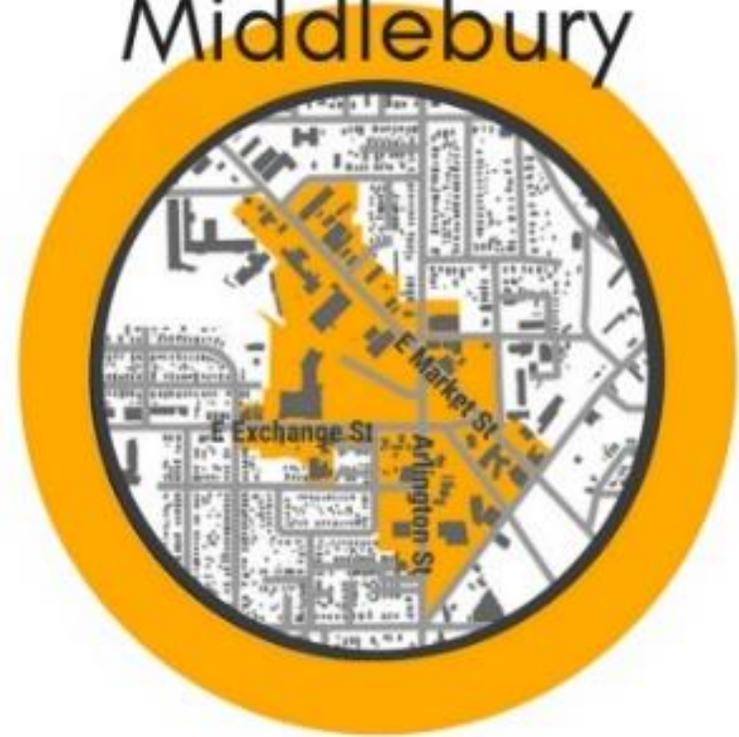Middlebury

GREAT STREETS
AKRON

RETAIL MARKET REPORT
2019 Edition

RETAIL MARKET REPORT OVERVIEW

Introduction

This report summarizes key findings and data from Retail Market Analysis conducted for the Akron Great Streets Program for the Middlebury business district. The goal of the report is to present retail market data to better understand retail market conditions for local businesses in Middlebury and explore opportunities to grow the district.

The report is divided into two sections. The first section presents key stats on demographics, consumer spending and retail sales for the business district's trade area. The second section of the report dives deeper into the data to better understand retail conditions for specific types of businesses within the district. This section of the report also identifies business sectors to build on and business sectors to recruit and highlights key findings and recommendations to support a vibrant neighborhood economy.

Data and Methodology

Retail Market Analysis examines demographic, consumer spending and retail sales data for Great Street business districts. Data was generated from "ESRI's U.S. Retail MarketPlace" reports. Retail MarketPlace data "provides a direct comparison between retail sales and consumer spending by industry and measures the gap between supply and demand" within specific "trade areas."

Defining Trade Areas. A "trade area" is generally defined as a geographic area in which consumers travel to buy retail goods and services. This analysis defines and analyzes consumer spending and retail sales in three trade areas for the Aster Avenue / Firestone Park business district.

Trade areas are defined as follows:
- 10 minute walk
- 5 minute drive
- 10 minute drive

Assessing Market Conditions and Opportunities. Consumer spending and retail sales data indicate the supply and demand for different types of retail goods and services within different trade areas. These supply-demand factors show areas of strength and areas of opportunity to build commerce in the business district.

- **Consumer spending** reveals market demand for specific goods or services. This is a measure annual household spending on goods and services within the trade area.

- **Retail sales** reveals market supply of goods and services. This is a measure of annual business revenues generated from selling goods and services within the trade area.

- **Retail surplus** occurs when business sectors generate more sales than residents spend on goods and services within the trade area. When retail sales (supply) exceed spending (demand), it demonstrates that local businesses meet the needs of the local community and attract consumer spending from outside the area. These strengths are what set business districts apart and help create destinations.

- **Retail leakage** occurs when there is unmet demand. When consumer spending (demand) exceeds sales (supply), it suggests that residents are traveling outside the trade area for these goods and services. This creates opportunities to recruit businesses that can capture local spending.

Defining Data by Industry. Consumer spending and retail sales are defined for industries using "NAICS" codes, or the North American Industry Classification System. ESRI data includes 27 industry groups in the "Retail Trade" sector, NAICS 44-45, and three industry groups in the "Food Services and Drinking Place," subsector NAICS 722.

Data Confidentiality. Data is suppressed for any retail sector where there are less than three businesses within the trade area. Suppressed data is shown as (***) within the report.
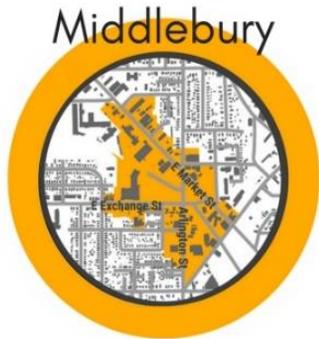
KEY STATS

Demographics

Consumer Spending

Retail Sales

10 MINUTE WALK

2018 Population	2,900
2018 Households	1,080
2018 Median Disposable Income	$22,000
2018 Per Capita Income	$14,000
Consumer Spending (Demand)	$16.7M
Retail Sales (Supply)	$48.3M
Leakage/Surplus	$31.6M

5 MINUTE DRIVE

2018 Population	32,700
2018 Households	11,800
2018 Median Disposable Income	$26,000
2018 Per Capita Income	$15,000
Consumer Spending	$218.4M
Retail Sales	$274.2M
Leakage/Surplus	$55.8M

10 MINUTE DRIVE

2018 Population	143,800
2018 Households	59,800
2018 Median Disposable Income	$30,000
2018 Per Capita Income	$19,000
Consumer Spending	$1317.6M
Retail Sales	$2323.1M
Leakage/Surplus	$1005.6M

MIDDLEBURY TRADE AREAS

10 MINUTE WALK

5 MINUTE DRIVE

10 MINUTE DRIVE
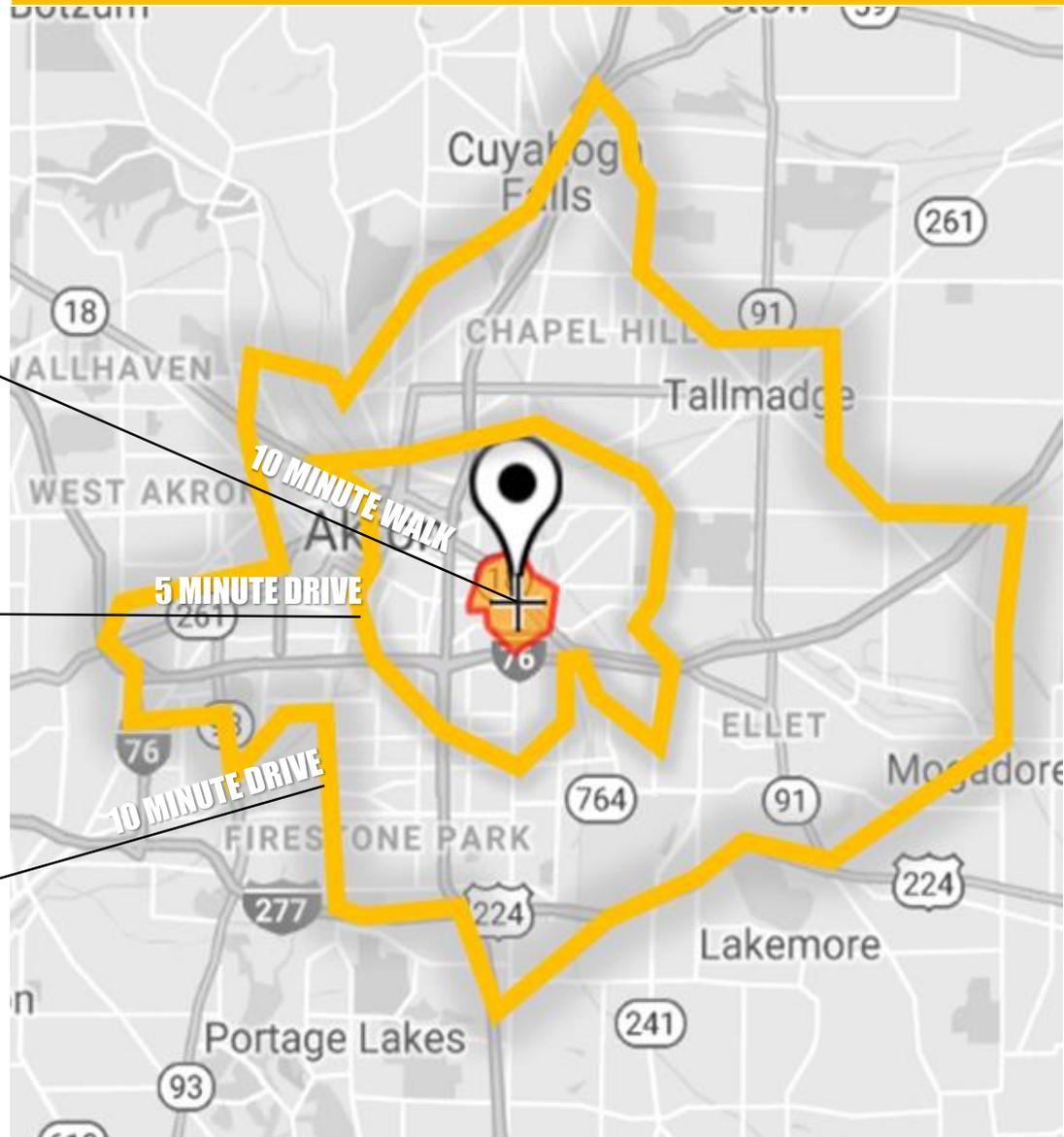
RETAIL MARKET ANALYSIS

Key Findings & Recommendations

Middlebury is a historic neighborhood with large business anchors, such as Summa Hospital, The University of Akron, and Goodyear World Headquarters. The distrct has a diverse population that ranges from young families to past rubber company employees. The Great Streets District focuses around E. Market and Arlington.

Middlebury is a retail destination that attracts regional customers and serves a robust daytime employee population. Middlebury is one of two Great Streets where retail sales from local businesses exceed consumer spending in all three trade areas - a ten minute walk, five minute drive and 10 minute drive. The strong diversity of independent and chain businesses serve residents, employees at major achors and customers from around the region.

Unique grocers are a major draw. Dave's Supermarket meets traditional grocery shopping needs, while Mai's Store specializes in Asian foods and Spice Corner specializes in Indian. These specialty retailers can attract more diverse businesses and entrepreneurs.

Building materials and supplies businesses set this Great Street apart from the rest. While there is unmet demand for these goods and services in Akron overall, Middlebury's Modern Builders Supply and Akron Building Closeout attract contractors and do-it-yourself shoppers from around the city and region. There is a strong opportunity to build on this unique cluster by adding businesses that focus on lawn and garden materials and supply. There is $1M in unmet demand for these goods within a ten minute drive.

Furniture and home furnishings can compliment eclectic thrift like The Bomb Shelter and Buckeye Surplus. Diversifying and catering to nearby university students could capture $2M in unet demand for furniture and home goods within a five minute drive.

BUILD ON THESE BUSINESSES

Data suggest that these business sectors generate more sales than residents spend on goods and services within the trade area. When retail sales (supply) exceed spending (demand), it demonstrates that local businesses are creating a destination that both serves the local community and attracts customers from outside the area.

Sector	10 Min Walk	5 Min Drive	10 Min Drive
Grocery Stores			
Consumer Spending	$2.47M	$31.67M	$190.22M
Retail Sales	$14.40M	$39.58M	$376.26M
Leakage/Surplus	$11.93M	$7.91M	$186.04M
Bldg Material & Supplies			
Consumer Spending	$0.82M	$11.30M	$72.08M
Retail Sales	$2.68M	$17.05M	$94.24M
Leakage/Surplus	$1.86M	$5.75M	$22.15M
Health & Personal Care			
Consumer Spending (Demand)	$1.11M	$14.33M	$88.02M
Retail Sales (Supply)	***	$17.84M	$135.56M
Leakage/Surplus	***	$3.50M	$47.54M

RECRUIT THESE BUSINESSES

Data suggest that there is unmet demand for these types of businesses. When consumer spending (demand) exceeds sales (supply), it suggests that local residents are traveling outside the trade area for these goods and services. This creates opportunities to recruit and grow businesses that can capture local spending.

Sector	10 Min Walk	5 Min Drive	10 Min Drive
Lawn & Garden Material & Supplies			
Consumer Spending	$0.07M	$1.04M	$6.72M
Retail Sales	***	***	$5.65M
Leakage/Surplus	***	***	-$1.07M
Furniture & Home Furnishings			
Consumer Spending	$0.44M	$5.80M	$34.88M
Retail Sales	***	$3.89M	$42.06M
Leakage/Surplus	***	-$1.91M	$7.18M