TheRetailCoach

RETAIL TRENDS AND HOW TO DEVELOP A RETAIL RECRUITMENT STRATEGY

WYOMING WORKING TOGETHER

September 2017

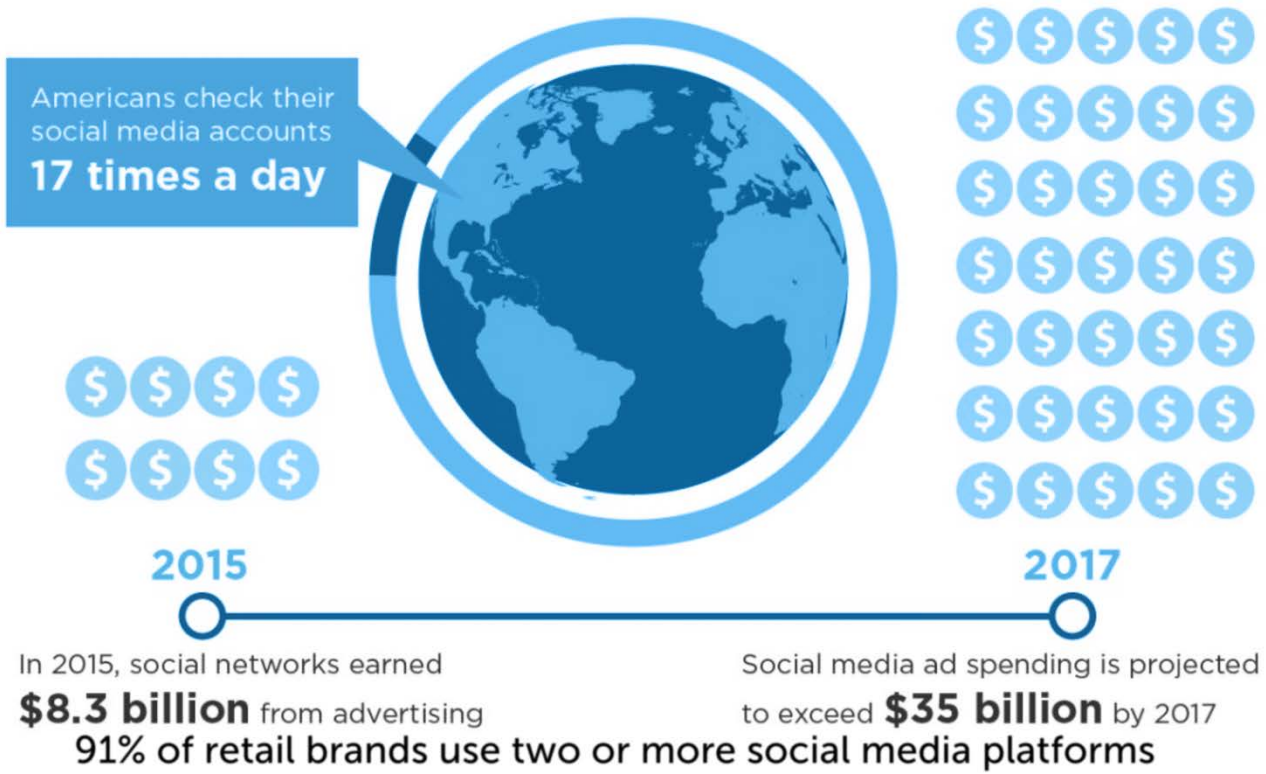
RETAIL OUTLOOK FOR 2017 - 2018

IMPACTING YOUR COMMUNITY

2017 RETAIL TRENDS & FACTORS

BASIC FACTORS IMPACTING RETAILER DEMAND/EXPANSION

Retail is undergoing
many changes, challenges, disruptive
technologies, crises and opportunities



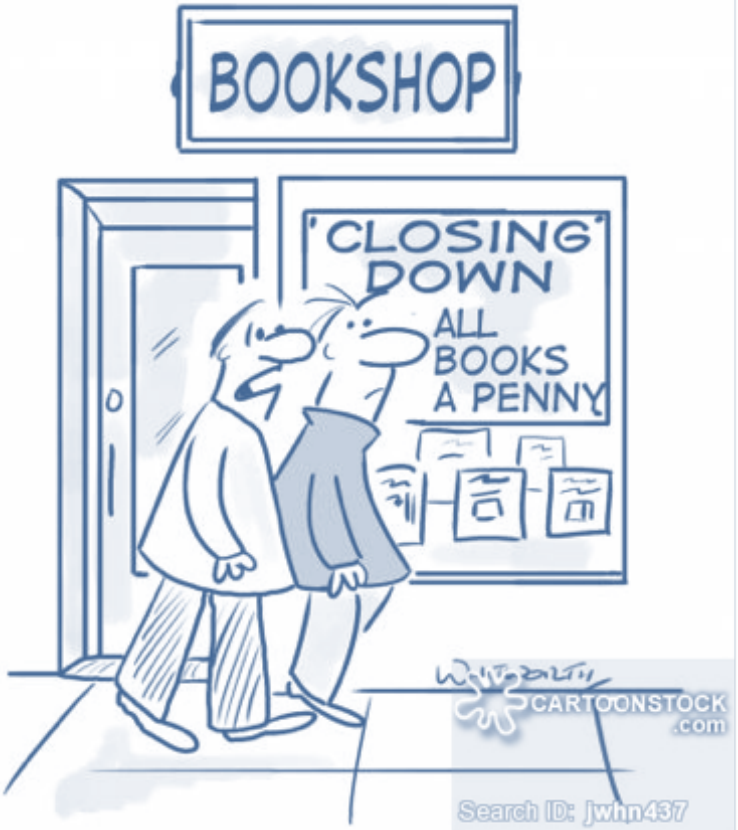
91% of retail brands use two or more social media platforms

2017 RETAIL TRENDS & FACTORS

MILLENNIALS

2017 RETAIL TRENDS & FACTORS

MILLENNIALS

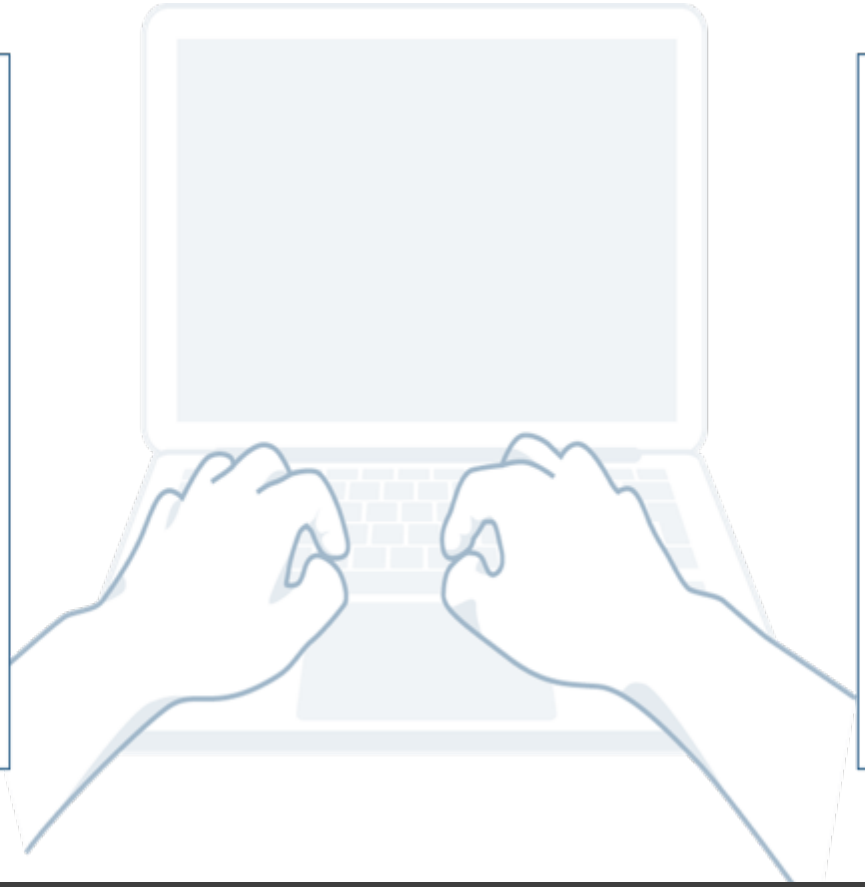


"I MIGHT SEE IF THEY'RE ANY CHEAPER ONLINE."

2017 RETAIL TRENDS & FACTORS

THE ONLINE IMPACT

ONLINE RETAIL SALES
WILL GROW AT
COMPOUND
ANNUAL RATE OF
10%
FROM 2012-2017



BY 2017
THE WEB WILL
ACCOUNT FOR
10%
OF U.S.
RETAIL SALES

2017 RETAIL TRENDS & FACTORS

THE ONLINE IMPACT

Source: Forrester Research

2017 RETAIL TRENDS & FACTORS

FAMILIAR BRANDS IMPACTED BY ONLINE SALES:

STAPLES
The Office Superstore

CLOSING STORES AND DOWNSIZING RETAIL SQUARE FOOTAGE IN SOME STORES THAT REMAIN OPEN

Walmart

WILL CLOSE MORE THAN 35 STORES IN 2017

macy's

CLOSING 40 STORES, EXPANDING OFF-PRICE BRAND, PLAN TO REACH 30% OF SALES ONLINE

Sears

CLOSING DOZENS OF STORES ACROSS THE COUNTRY

NORDSTROM

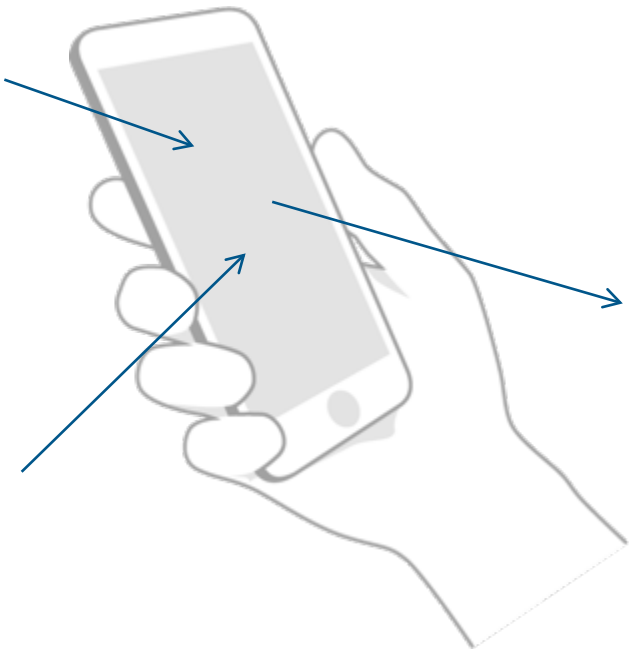
ELIMINATING HUNDREDS OF JOBS TO RESPOND TO LACKLUSTER IN-STORE SALES

37%

of shoppers start on a mobile device.

72%

are researching an item or checking prices on a smartphone before buying.



HOWEVER, MAJORITY ARE INCLINED TO MAKE THEIR PURCHASES IN STORES:

ONLY 21%

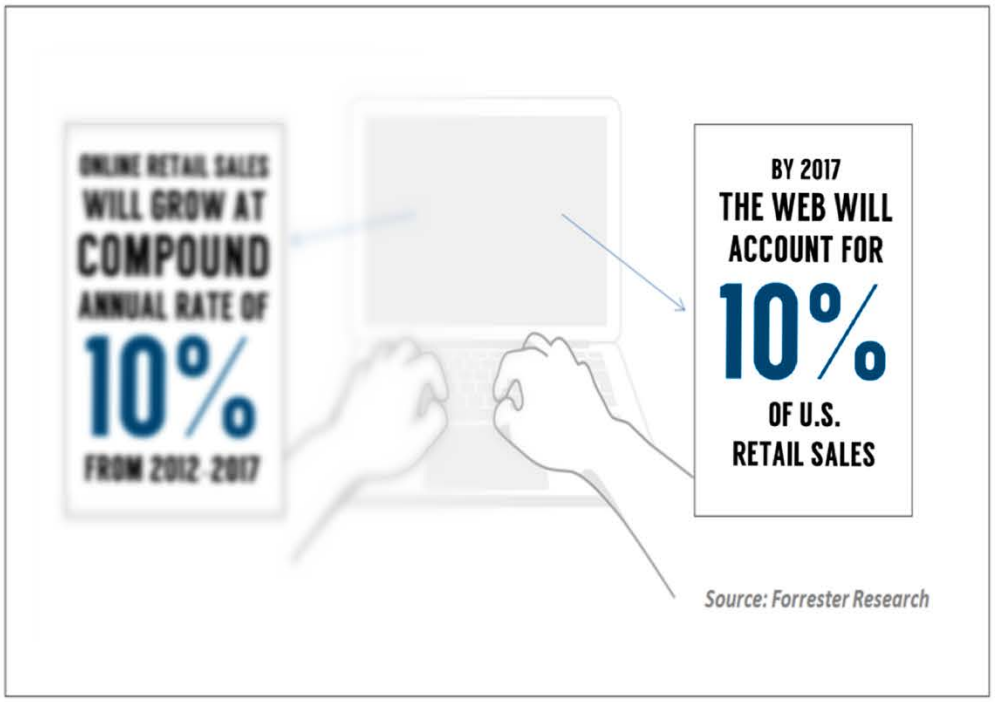
bought an item on a smartphone after going to a physical location.

Source: Nielson Report 4Q/2015

2017 RETAIL TRENDS & FACTORS

INTERNET SHOPPING GROWTH IS EXPECTED TO SHARPLY SLOW IN THE NEXT THREE YEARS.

REMEMBER THE EARLIER SLIDE?



THIS MEANS
90%
OF ALL U.S.
RETAIL SALES
WILL STILL OCCUR
IN A
BRICK-AND-MORTAR SITE

2017 RETAIL TRENDS & FACTORS

THE ONLINE IMPACT

NATIONAL RETAIL CHAINS

- INCLUDING THOSE THAT ARE DOING WELL -

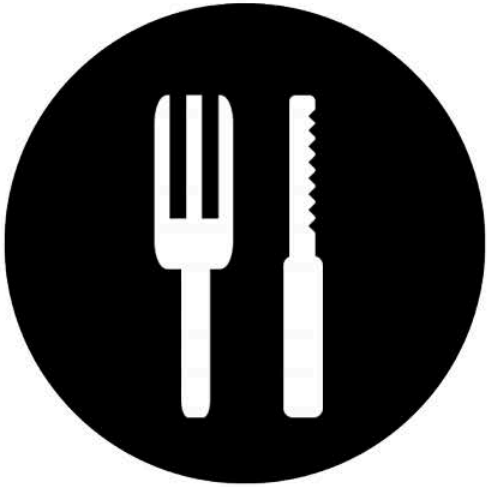
ARE BOOSTING THEIR ONLINE SALES,

WHILE REDUCING PHYSICAL STORES OR STORE SIZE.

2017 RETAIL TRENDS & FACTORS

THE ONLINE IMPACT

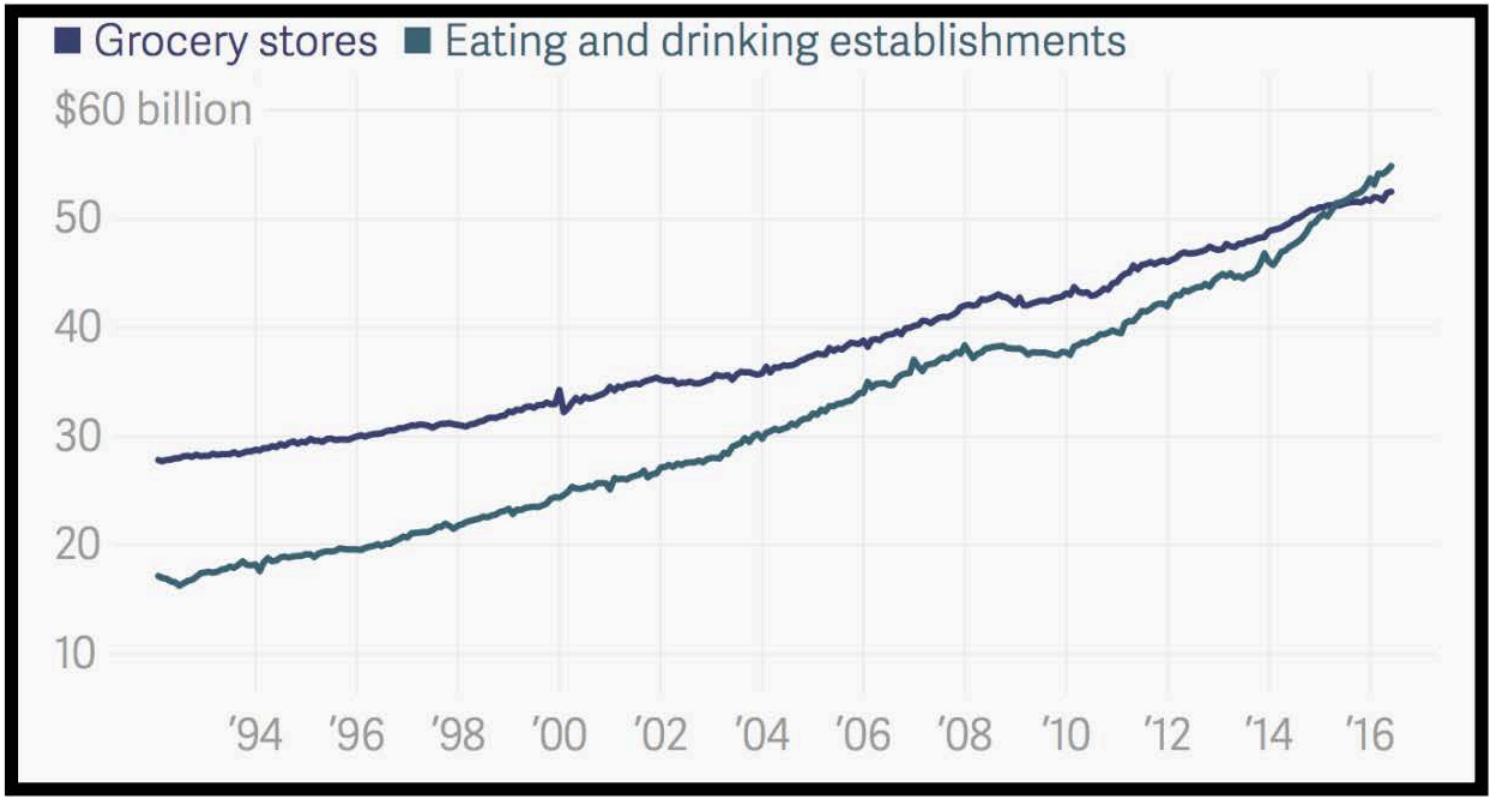
STORE OPENINGS AND CLOSINGS



The National Restaurant Association projects that restaurant-industry sales will reach $798.7 billion in 2017, a 4.3 percent gain over the industry's estimated sales of $766 billion in 2016.

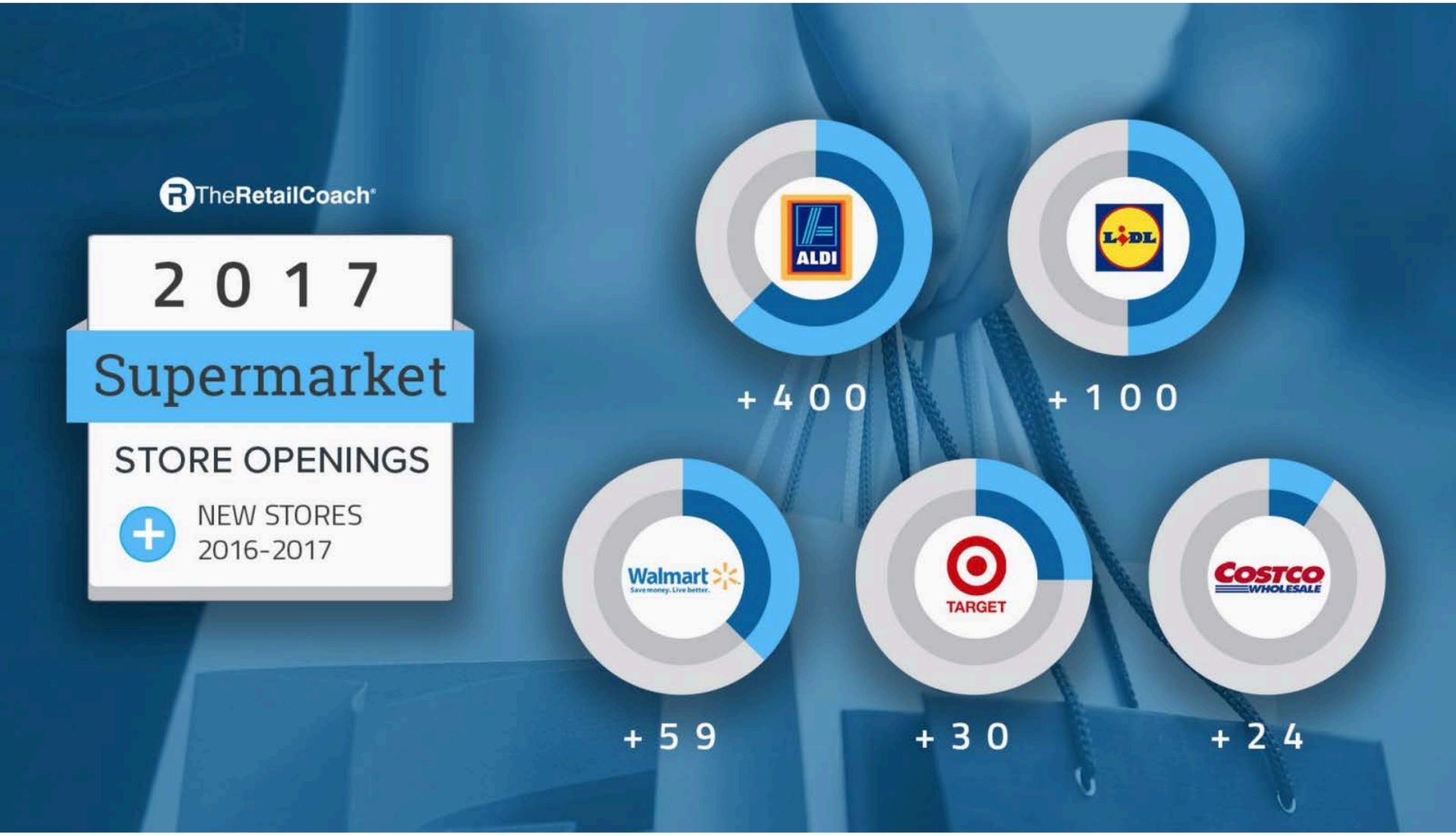
Roughly 40% of retail growth is in the restaurant sector.

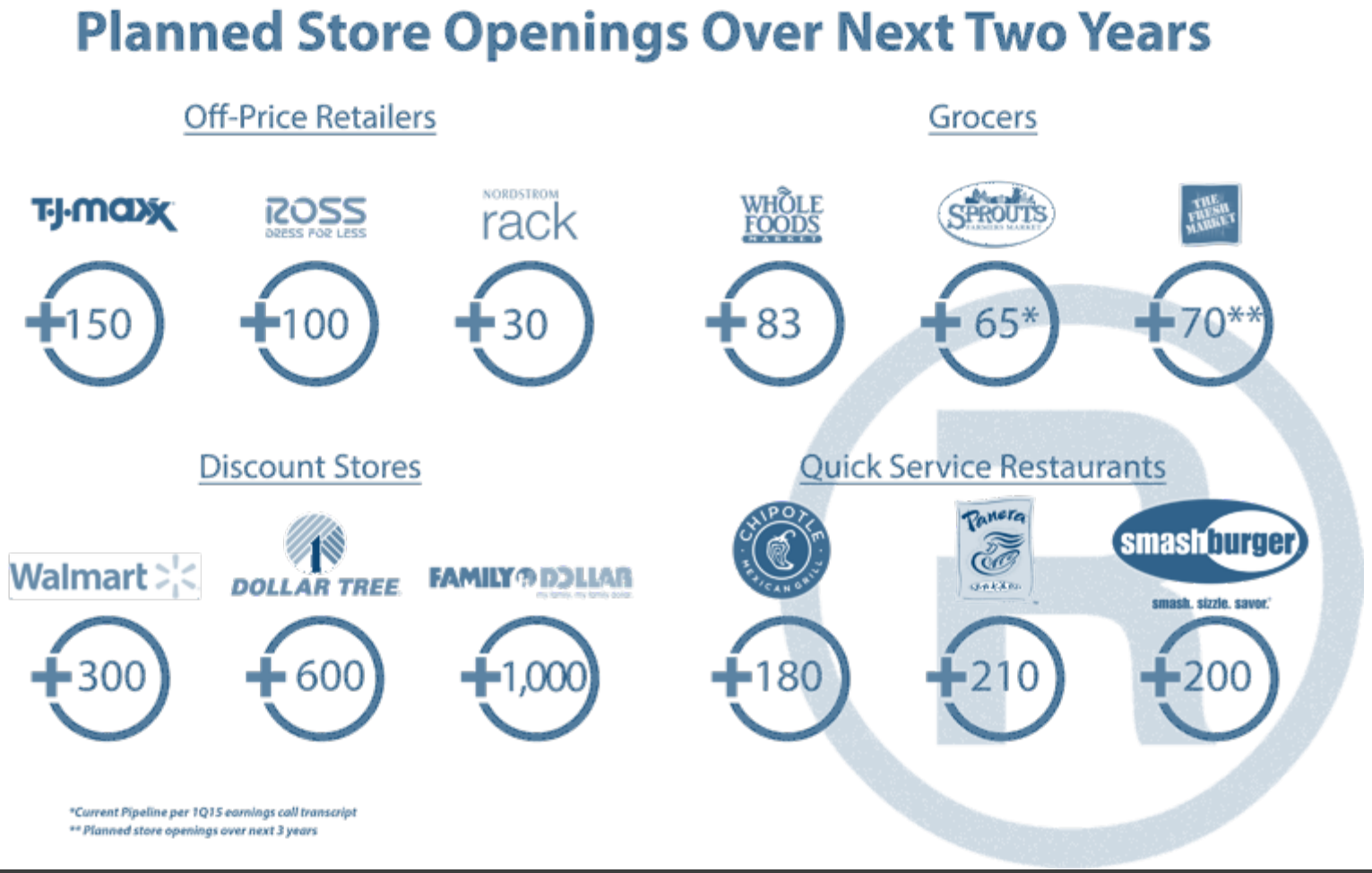
Restaurant Growth



Source: Quartz Media, LLC.

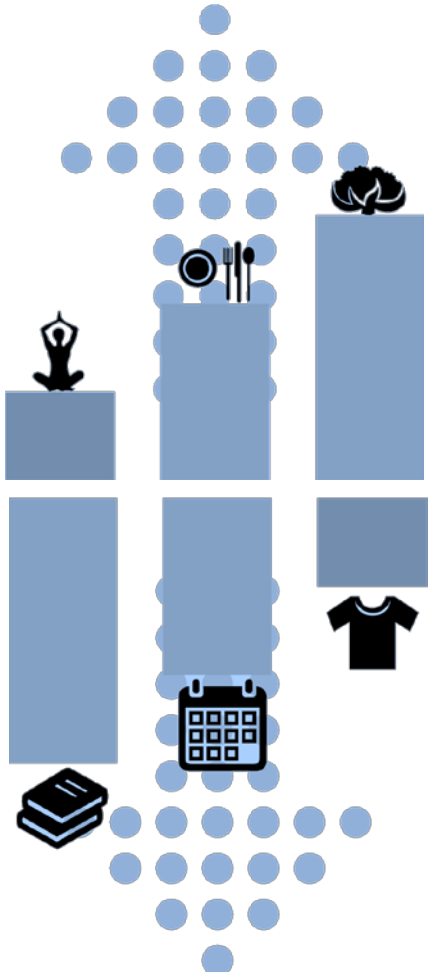
Restaurant Spending > Grocery Spending


TheRetailCoach
2017
Supermarket
STORE OPENINGS
NEW STORES
2016-2017
ALDI
+400
LIDL
+100
Walmart
Save money. Live better.
+59
TARGET
+30
COSTCO WHOLESALE
+24



2017 RETAIL TRENDS & FACTORS

STORE GROWTH



RETAIL GROWTH 2016-2017

- FITNESS/HEALTH/SPA CONCEPTS
- DRUG STORES
- THRIFT STORES
- GROCERY (SMALLER FORMAT)
  -DISCOUNT, ETHNIC, ORGANIC, UPSCALE
- FAST FOOD
- FAST CASUAL DINING
- TRENDY, ”COOL STREETS” BRANDS

RETAIL CONTRACTION 2016-2017

- BOOKSTORES
- VIDEO STORES
- DO-IT-YOURSELF HOME STORES
- MID-PRICED APPAREL
- MID-PRICED GROCERY
- OFFICE SUPPLIES

2017 RETAIL TRENDS & FACTORS

STORE GROWTH

EXPERIENTIAL RETAIL

SHINOLA

Is it a bicycle store?
Is it a watch store?
Is it a furnishings store?

It’s a Lifestyle Store.

And it’s Interesting!

2017 RETAIL TRENDS & FACTORS

“COOL STREETS FACTOR”

Source: CUSHMAN & WAKEFIELD RETAIL TRENDS TO WATCH 2016

EXPERIENTIAL RETAIL

KING OF
"THE COOL STREETS"

WHOLE FOODS 365 CONCEPT
Smaller Concept with Record Stores, Tattoo Parlors, and Hipster Apparel

URBAN OUTFITTERS / PIZZERIA VETRI
Offering an Interactive Shopping Experience while snacking on a piece of pizza and a cold beer

2017 RETAIL TRENDS & FACTORS

"COOL STREETS FACTOR"

Source: CUSHMAN & WAKEFIELD RETAIL TRENDS TO WATCH 2017

EXPERIENTIAL RETAIL

2017 RETAIL TRENDS & FACTORS

"COOL STREETS FACTOR"

Source: CUSHMAN & WAKEFIELD RETAIL TRENDS TO WATCH 2017

RETAIL ECONOMIC DEVELOPMENT
IN YOUR COMMUNITY

RETAIL

MUST BE A COMPONENT OF YOUR COMMUNITY'S COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

CAUTION PREVAILS

Despite an improving economy, recession-weary retailers remain cautious. The retailers and site selectors who survived the recession are taking an analytical, data-driven approach when choosing locations for new stores and restaurants.

Retailers are looking for the sure thing.

STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

AREA MARKET ANALYSIS

Retailers look very closely at store spacing.

Know your Competition!

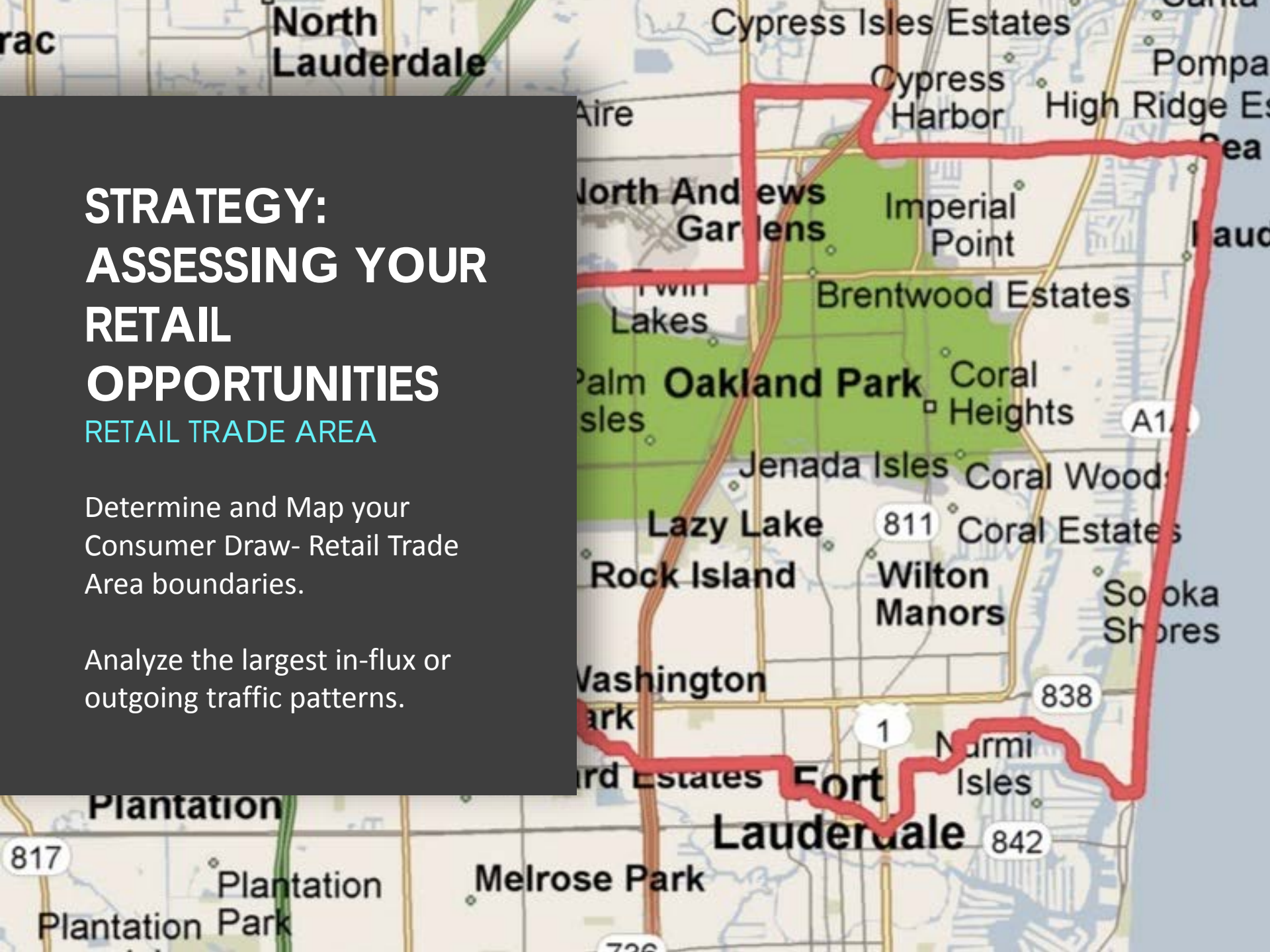
Document and Analyze your Existing Retail Base.

STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

RETAIL TRADE AREA

Determine and Map your Consumer Draw- Retail Trade Area boundaries.

Analyze the largest in-flux or outgoing traffic patterns.

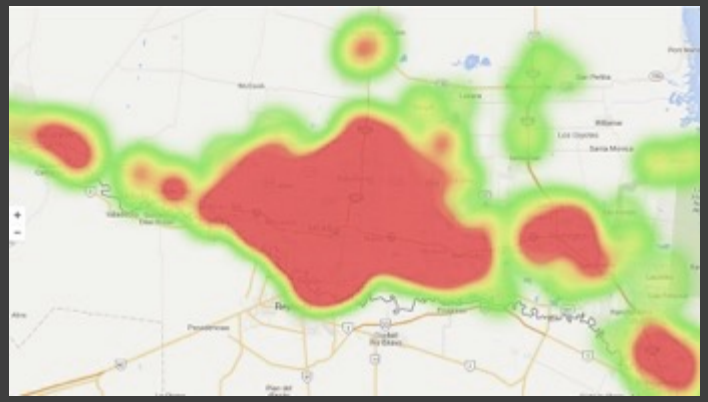


STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

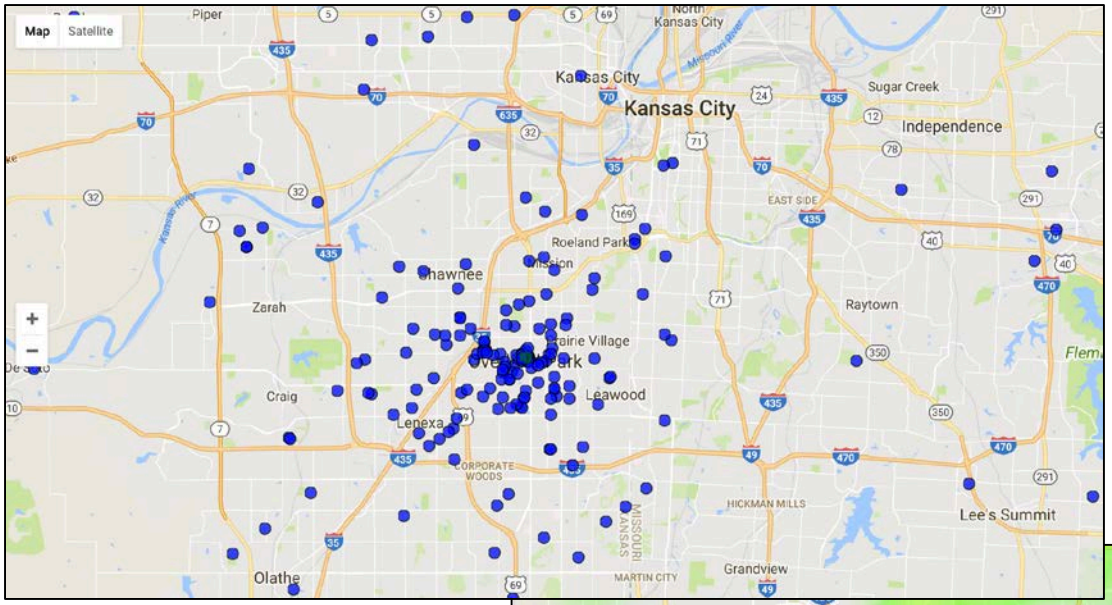
RETAIL TRADE AREA

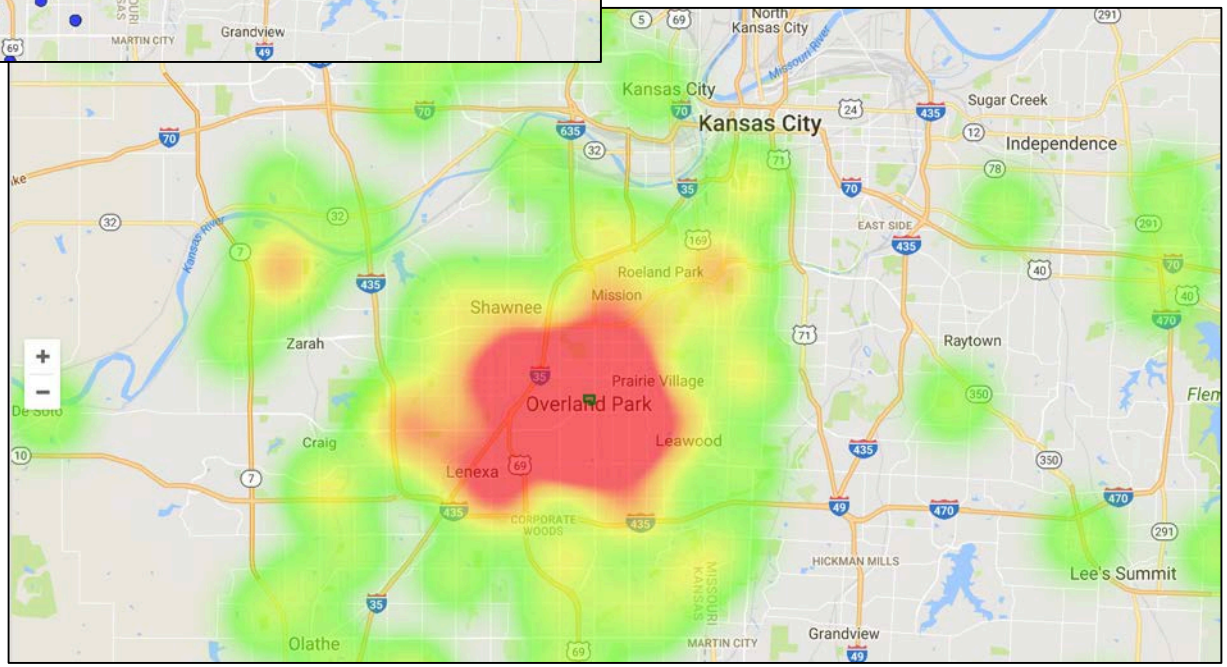
Cell Phone Data Studies:

- Home Locations
- Path to Purchase

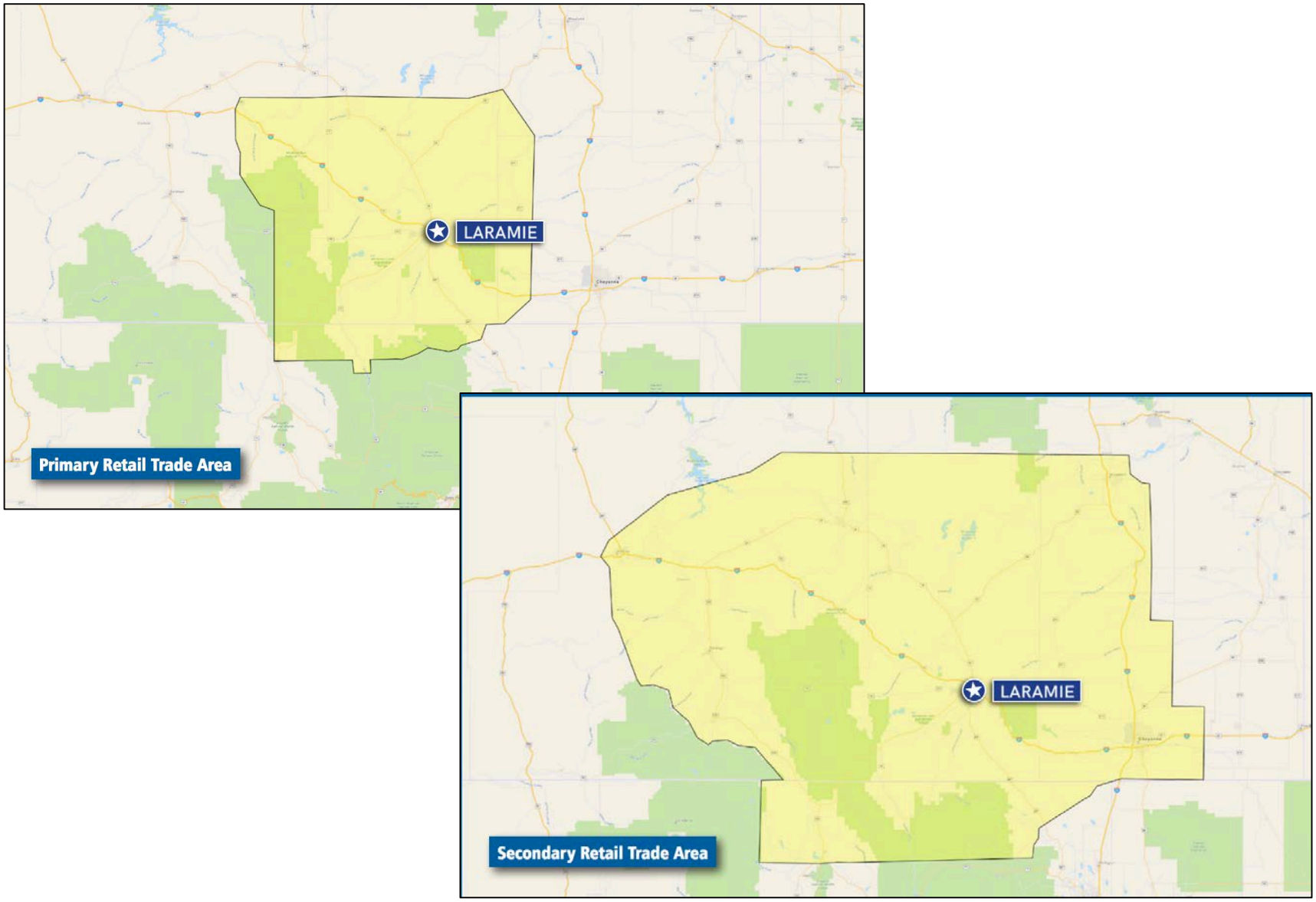


Cell Phone Analysis





Laramie Retail Trade Area



STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

DEMOGRAPHIC PROFILING

Understand consumers for their unique attributes, including:

- Population
- Population Growth
- Race Classification
- Median Age
- Education
- Household Income
- Per Capita Income

STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

KNOW YOUR RETAIL TRADE AREA PSYCHOGRAPHIC SEGMENTATION AND PROFILE

Consumer values and lifestyles drive a desire for particular products/services.

STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

DETERMINE YOUR RETAIL SALES LEAKAGE

Identifies sales leakage occurring when residents dine or purchase products outside of your community.

Measures consumer demand and retail opportunity.

RETAIL GAP ANALYSIS

CTOR	DESCRIPTION	OPPORTUNITY
	Motor Vehicle and Parts Dealers	$4,935,497
	Furniture and Home Furnishings Stores	565,652
	Electronics and Appliance Stores	590,946
	Building Materials, Garden Equip Stores	3,291,916
	Food and Beverage Stores	4,967,656
	Health and Personal Care Stores	2,447,535
	Gasoline Stations	3,743,209
	Clothing and Clothing Accessories Stores	1,510,828
451	Sporting Goods, Hobby, Book, Music Stores	642,449
452	General Merchandise Stores	4,658,884
453	Miscellaneous Store Retailers	953,619
454	Non-Store Retailers	3,063,942
722	Foodservice and Drinking Places	3,013,587

STRATEGY: ASSESSING YOUR RETAIL OPPORTUNITIES

KNOW THE WORKFORCE / DAYTIME POPULATION

WHAT SPECIFIC TYPE OF EMPLOYERS?
(Manufacturing, HighTech, etc.)

Particularly important for restaurants.

Mercantile Row
Shopping Center
For Lease
2242 E. El Monte Way
1,050 - 35,724 sq. Ft.

161 S. “L” Street
For Sale
3,951 sq. ft. – 2 levels

STRATEGY: DEVELOPING A PLAN

KNOW AVAILABLE SITES AND PROPERTIES FOR DEVELOPMENT

The first questions an interested retailer asks: “Where can I put my business?” “Send me possible sites that match fit my needs.”

Be able to clearly communicate and demonstrate your vision for revitalization.

STRATEGY: DEVELOPING A PLAN

CONDUCT A LAND USE ANALYSIS

- Analyze sites and identify those not serving their highest and best use and make recommendations for improved uses.
- Identify land assemblage opportunities for retail development.

STRATEGY: DEVELOPING A PLAN

MARKET YOUR VISION FOR RETAIL REVITALIZATION

- Retail Market Snapshot
- Community Highlights
- Appropriate Location Maps

Home
Demographics
Retail Opportunity
RETAIL OPPORTUNITY
With $427,097,500 in Retail Leakage, The City of Melissa is wide open for opportunity. Learn More...
DEMOGRAPHICS
The City of Melissa has a Retail Trade Area of over 38,000 and an educated workforce. Learn More...
FEATURED SITE LOCATIONS
Prime site locations on major thoroughfares make the City of Melissa the ideal place to locate your retail business. Learn more...
STRATEGY: DEVELOPING A PLAN
BE INNOVATIVE
Data-driven Retail Website with Available Retail Site Locations and Interactive Data Visualization.
Retail Trade Area Population Growth
RETAIL SALES/LEAKAGE
POTENTIAL
$279,478,379
ESTIMATED ACTUAL
$107,093,184
$172,385,195
TOTAL RETAIL LEAKAGE
Population Age Groups 00
2015 Income
$72,246
$59,410
2015 Age Distribution
32.5
34.6
Educational Attainment
46.33%
Number on Council: 7
City Zoning: YES
Master Plan: YES Completed in 2006

STRATEGY: IMPLEMENTING THE PLAN

RETAILER TARGETING & RECRUITMENT

- Target retailers that “fit” your community based on results of market analysis
- Understand their location criteria
- Research their store size and growth territory plans
- Research the regional or state real estate contact

Member

STRATEGY: IMPLEMENTING THE PLAN

REPRESENTING AT ICSC

What is the International Council of Shopping Centers?

Founded in 1957, ICSC is a global trade association of the shopping center industry. Its nearly 60,000 members in over 90 countries include shopping center owners, developers, managers, marketing specialists, investors, retailers and brokers, as well as academics and public officials.

STRATEGY: IMPLEMENTING THE PLAN

REPRESENTING AT ICSC

- A Booth can be a huge investment depending on the conference, so make sure you are prepared and have enough staff to represent your Community well and time to facilitate meetings

STRATEGY: IMPLEMENTING THE PLAN

RECRUIT RETAILERS AND DEVELOPERS WITH DATA, SITES, AND A REALISTIC PLAN

- Conceptual Site Plans
- Incentive Packages
- Proactive, Business-Friendly City

ntact Information
Spicer, Attraction Marketing Specialist

STRATEGY: IMPLEMENTING THE PLAN

TAKE A LONG-TERM APPROACH

RETAIL RECRUITMENT IS A PROCESS, NOT AN EVENT.

TheRetailCoach®

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