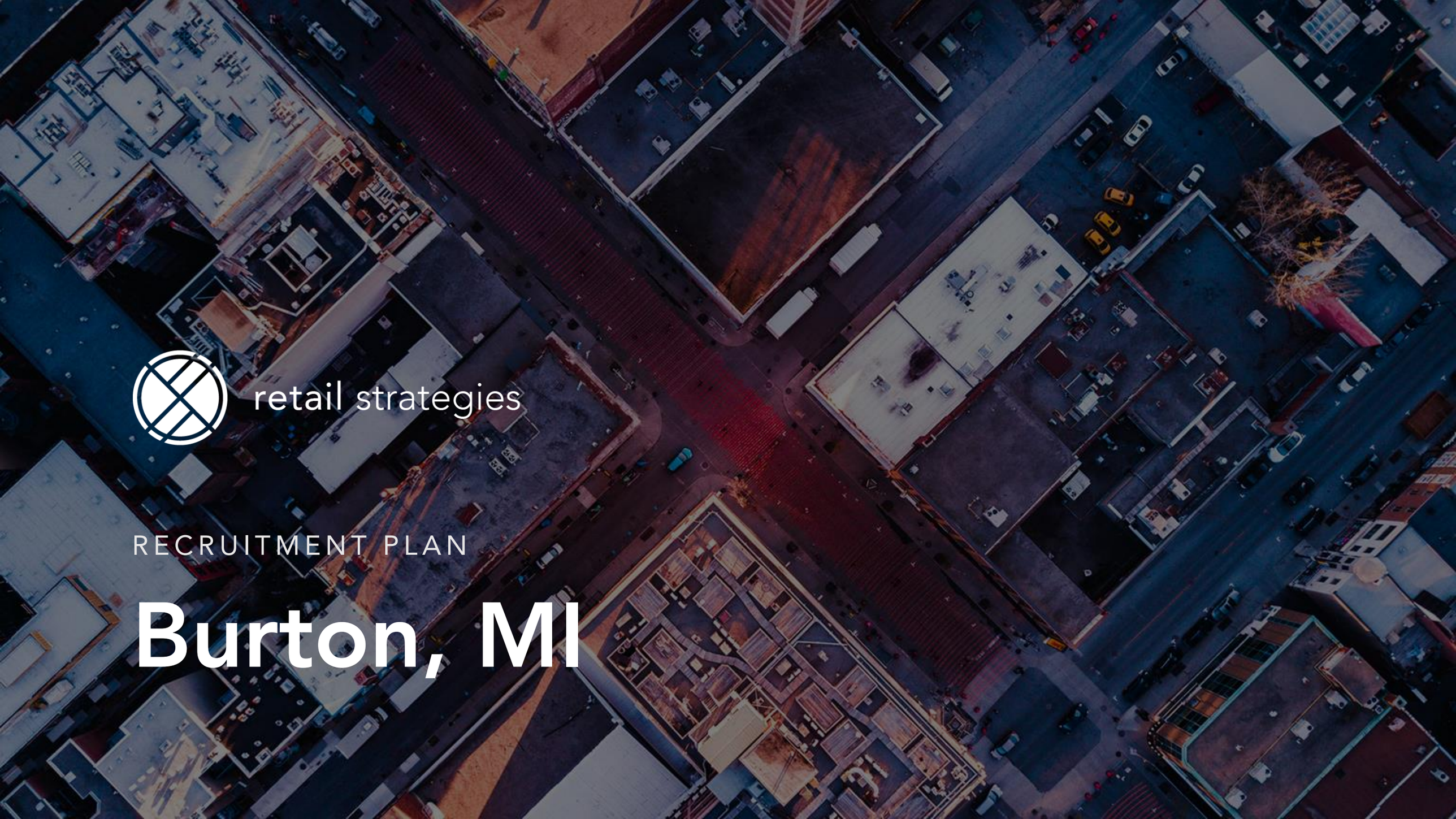


retail strategies

RECRUITMENT PLAN

Burton, MI

OVERCOMING

Our Role

CHALLENGES

GOALS

RECRUITMENT

Burton, Michigan

We surround your community with the resources and actions needed to create the desired results.

TABLE OF

Contents

Why we exist
- Retail's Impact
- New Generation
- E-commerce
- Who we are

Our process
- Our Research
- Our Experience
- Your Team

Discover
- Your Community
- Boots on the Ground

Connect
- Top Retail Prospects

Advance
- Networking

Recruitment Tools

WHY RETAIL?

Retail's Impact

Source:
National Retail Federation

1 in 4 jobs are retail

RETAIL PROGRESSION creates COMMUNITY GROWTH

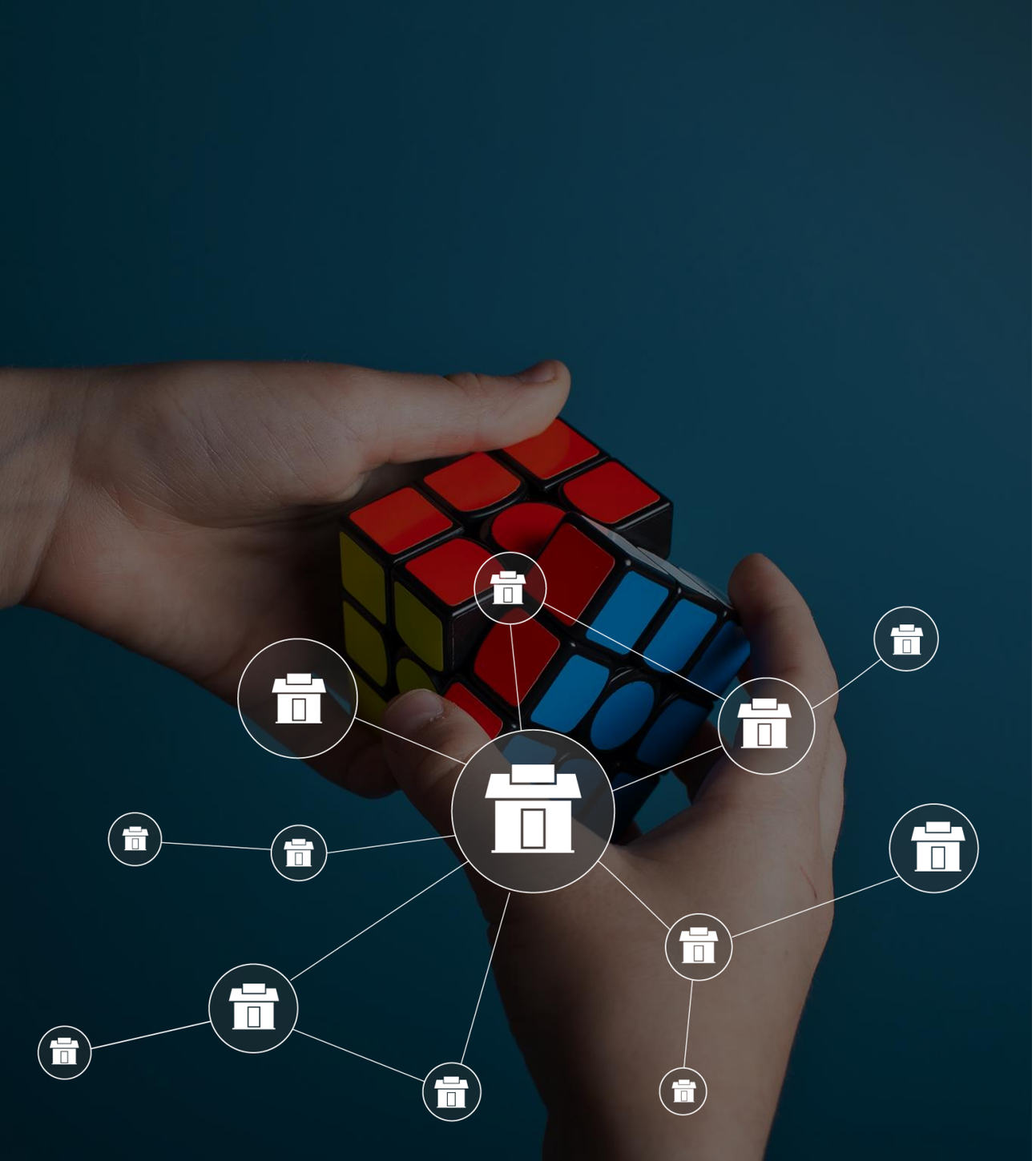
Why Should a Municipality Invest Resources in Retail?

Retail builds on retail. Retail economic impact adds up quickly. Retail attracts the workforce that attracts the primary jobs. Retail influences executives looking to locate their company in your community. Retail enhances the quality of life. Quality of life encourages the future growth of your community.

retail recruitment ladder

$40+ MILLION	300 JOBS	$400k 1% ANNUAL TAX BASE
$20+ MILLION	50 JOBS	$200k 1% ANNUAL TAX BASE
$10+ MILLION	30 JOBS	$100k 1% ANNUAL TAX BASE
$5+ MILLION	22 JOBS	$50k 1% ANNUAL TAX BASE
$1+ MILLION	15 JOBS	$10k 1% ANNUAL TAX BASE

Retail builds tax base --- Retail adds jobs from entry-level to managerial --- Retail builds communities



MOVING PARTS

Retail is Complicated…

Challenges:

Constantly moving target

COVID-19 Disruption

Data overload

Millennial preferences

Right sizing retailers

Site Selection

E-Commerce/Omni-channel

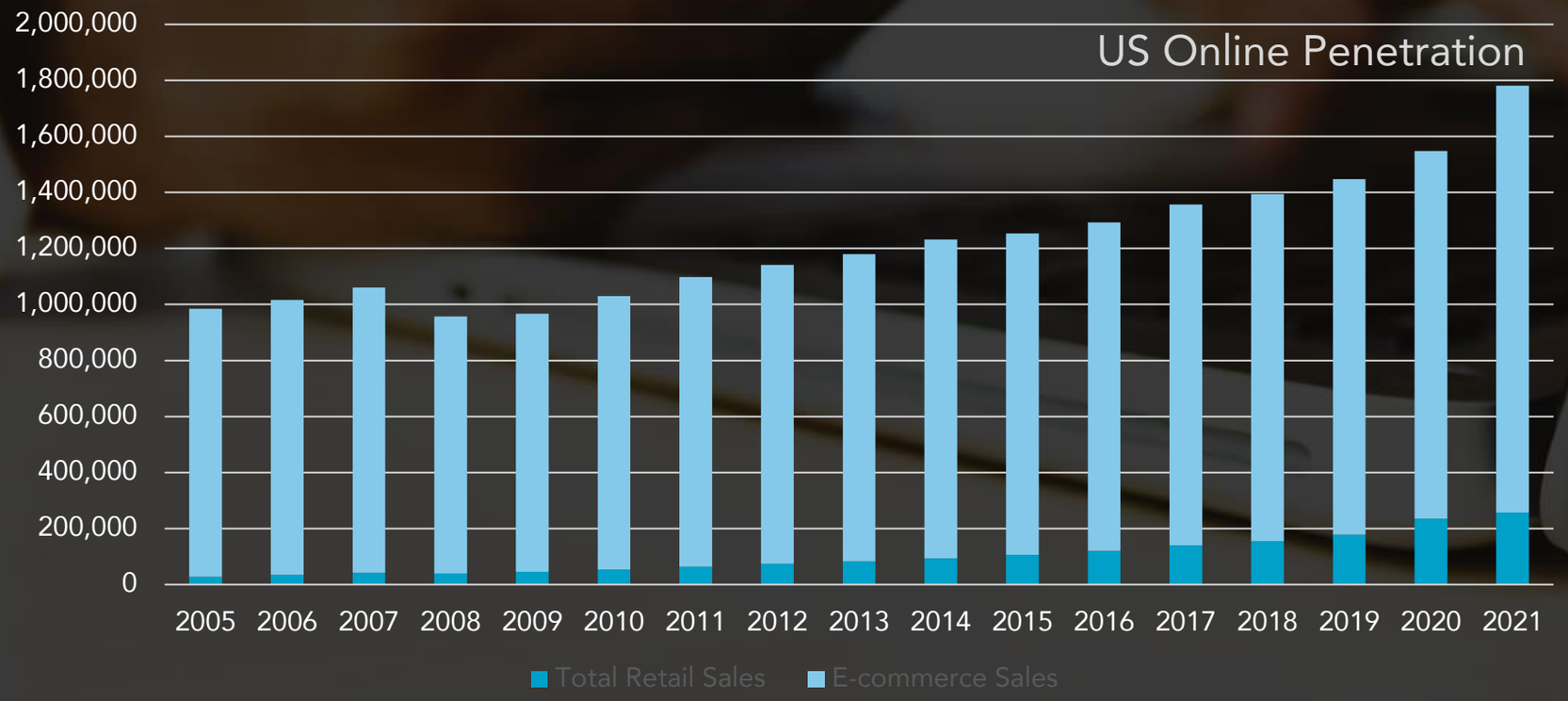
Data vs. Real Estate

Takes 18-36 months to close a deal

TRENDS

E-Commerce

Online sales have increased dramatically with the advent of new technology. However, e-commerce is still a relatively small portion of all retail sales, capturing 14.5% of sales in 2021. More importantly, we need to recognize the trend and be aware of retailer reactions.

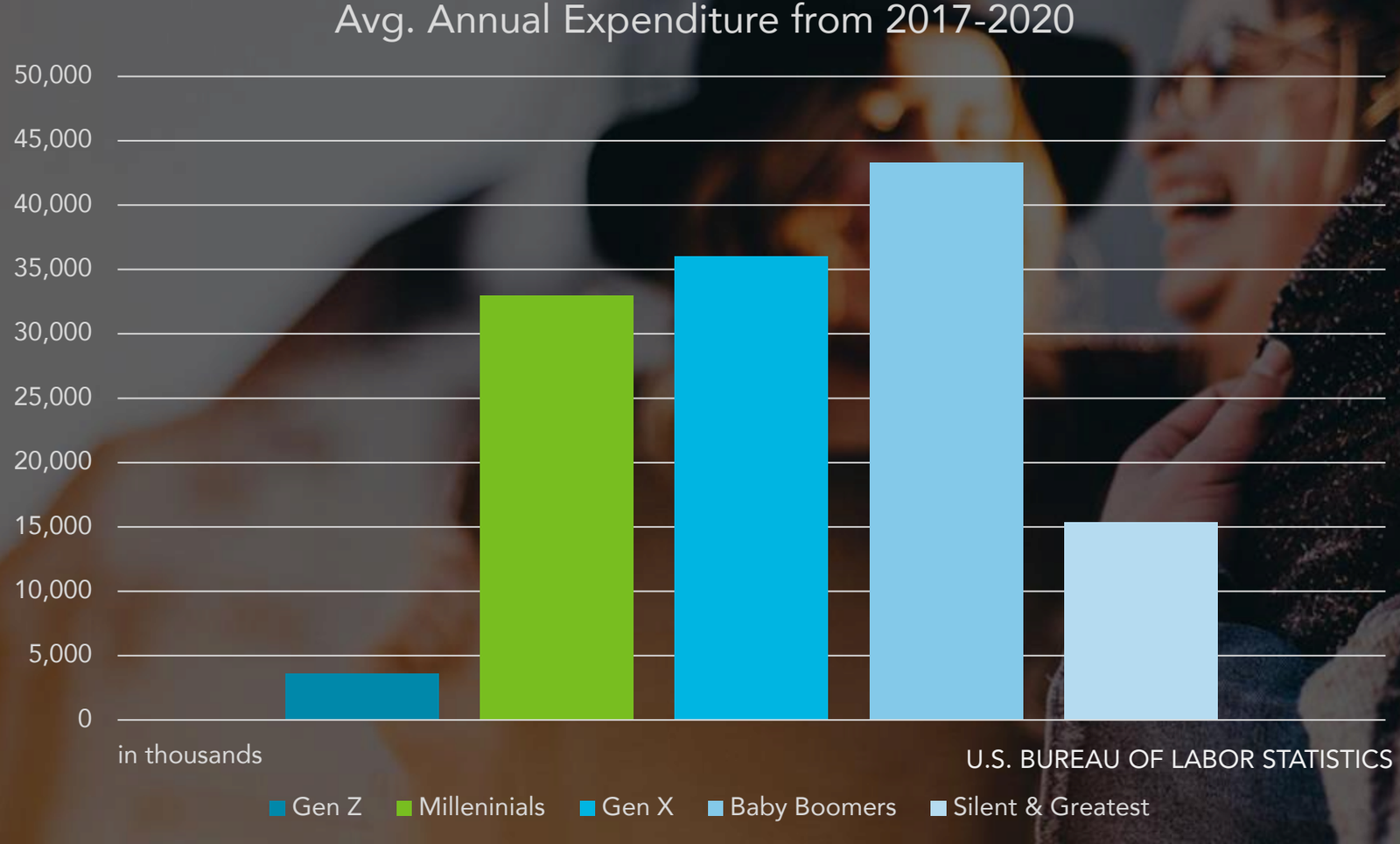


Nothing but Growth Ahead for E-Commerce

United States® Census Bureau

TRENDS

Rise of the Millennial



43 Mil
Baby Boomers
(1946-1964)

33 Mil
Millennials
(1981-1996)

3.5 Mil
Gen X
(1965-1980)

CONSOLIDATION

Technology

- GPS navigation devices
- Books
- Landlines
- Address books
- Payphones
- Scanners
- Digital Cameras
- Photo Albums
- Camcorders
- Voice Recorders
- Alarm Clocks
- Flashlights
- Digital Music Players
- Calculators
- Calendars and Planners
- Notepads
- Newspaper
- Portable Video Player
- Land-line Internet
- ATM / Debit / Credit Cards
- Leveler
- Webcam
- Light Meter
- Thermostat
- Barcode Scanner
- Measuring Tape
- Credit Card Scanner
- USB Thumb drive

TRENDS

Omni-Channeling

Bricks

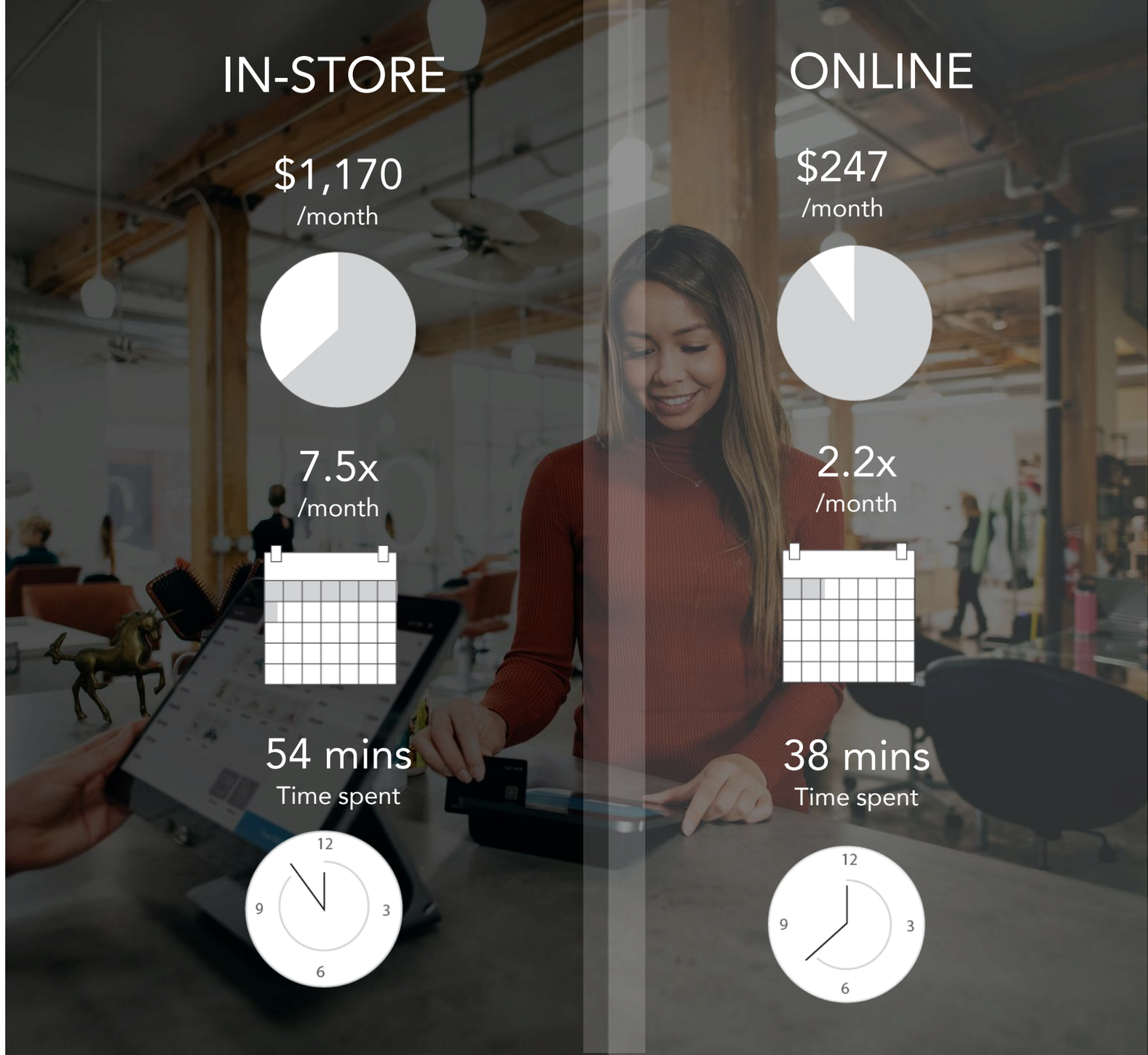
Clicks

TRENDS

Consumer Purchasing

78% of consumers prefer to shop in-store

73% want to try-on before they buy



RETAIL STRATEGIES

Who we are

WHO WE ARE

Our Partnership

The discovery is an ongoing process that will not stop.

Retail Strategies is very pleased to partner with for a common goal to generate new retail communication that would not otherwise happen. The **City of Burton** engaged **Retail Strategies** to market the community to key retail real estate industry contacts. Although we cannot guarantee success, we do guarantee you will be better off with us than without us

Burton will have multiple dedicated staff members working on behalf of the community in their areas of expertise. A *Portfolio Director* will serve as the primary Point of Contact (POC) to interact with Burton's primary POC. Additional team members include company executives, a retail development team, marketing, research, and legal teams. Confidential and non-confidential information will be communicated with the POC.

It is Retail Strategies' goal to spend our time doing the job you hired us to do and allow the local POC to navigate the local political landscape and communication flow. Local feedback and communication sharing from the primary point of contact working with Retail Strategies is a critical part of the engagement.

The initial 90 business days after engaging in our partnership have been spent on due diligence for the discovery phase. The following information is a highlight of key information collected that will be used as a starting point to begin the proactive marketing to a national network of retailers, brokers, developers, and key industry contacts on behalf of the community. Additional materials will be created throughout the course of the engagement.

Project-specific materials and reports will be created on a case-by-case basis as needed for effective information sharing, data analysis, and marketing efforts.

WHO WE ARE

Our Partnership

WHO WE ARE

Relationship

WHO WE ARE

Your Team

Hanna Simmons
Portfolio Director

Julia Giardina
Retail Development Coordinator

Leadership Team

Robert Jolly
CEO

Mead Silsbee
CFO

Lacy Beasley
President /COO

Clay Craft
VP of Client Services

Marketing Team

Courtney Hall
Chief Marketing Officer

Michelle Moultrie
Marketing Director

Ryder Richards
Creative Director

Katelyn Little
Marketing Associate

COMMUNITY INNOVATORS

Services

retail strategies

retail recruitment

retail academy

downtown strategies

small business support

ONGOING EFFORT

Our Process

discover

connect

advance

Community Analysis

Strategic Planning

Revitalization

Results

DATA + BOOTS on the GROUND

discover

RESEARCH

Who we partner with

Memberships, Subscriptions & Customized Reports

Crittenden Research

RLT RETAIL LEASE TRAC

salesgenie

NATION'S Restaurant News

PlainVanillaShell

SN SUPERMARKET NEWS

Research Partners & Geographic Information Systems

TETRAD

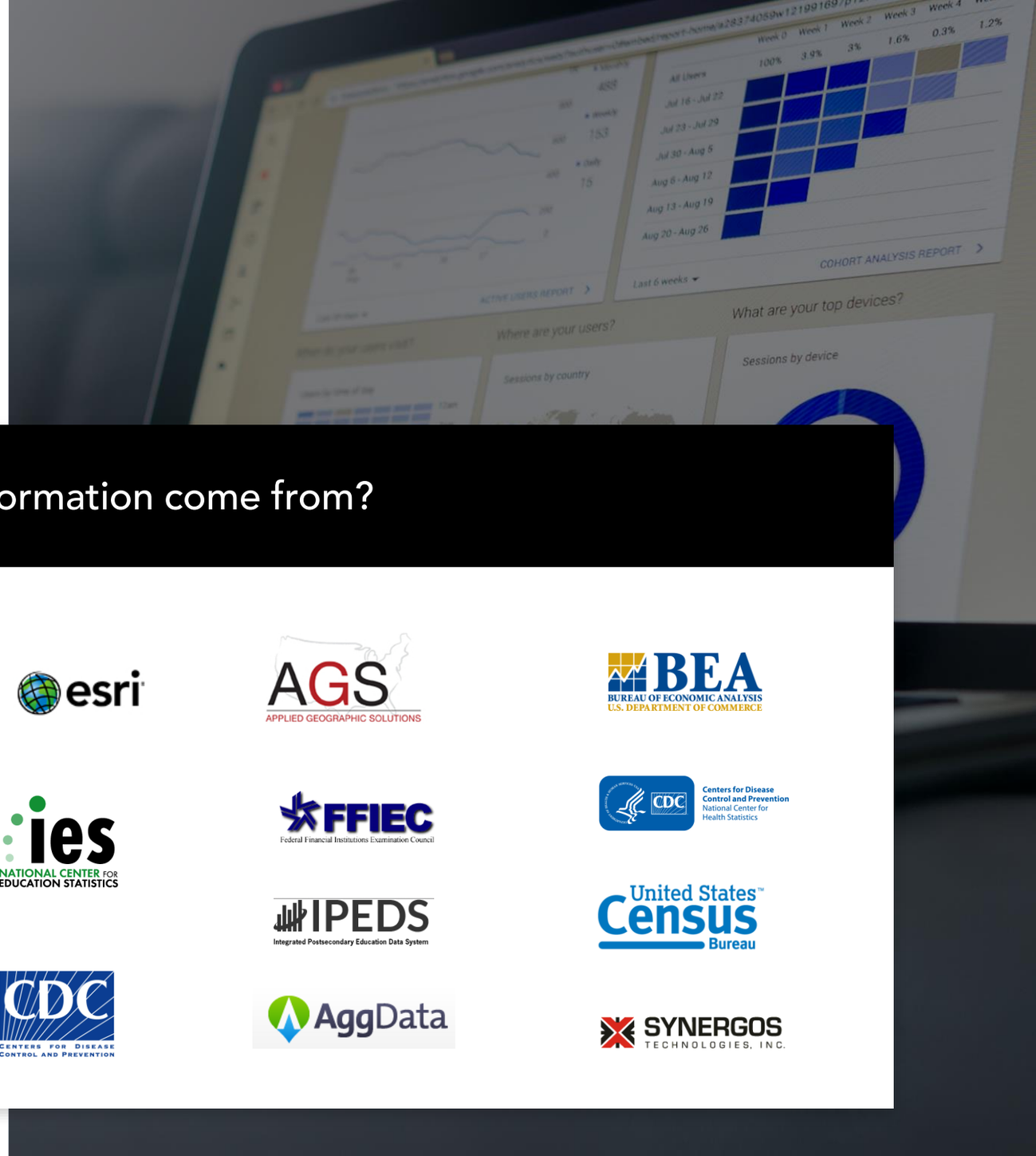
Sitewise

CCIM STDB

REGIS

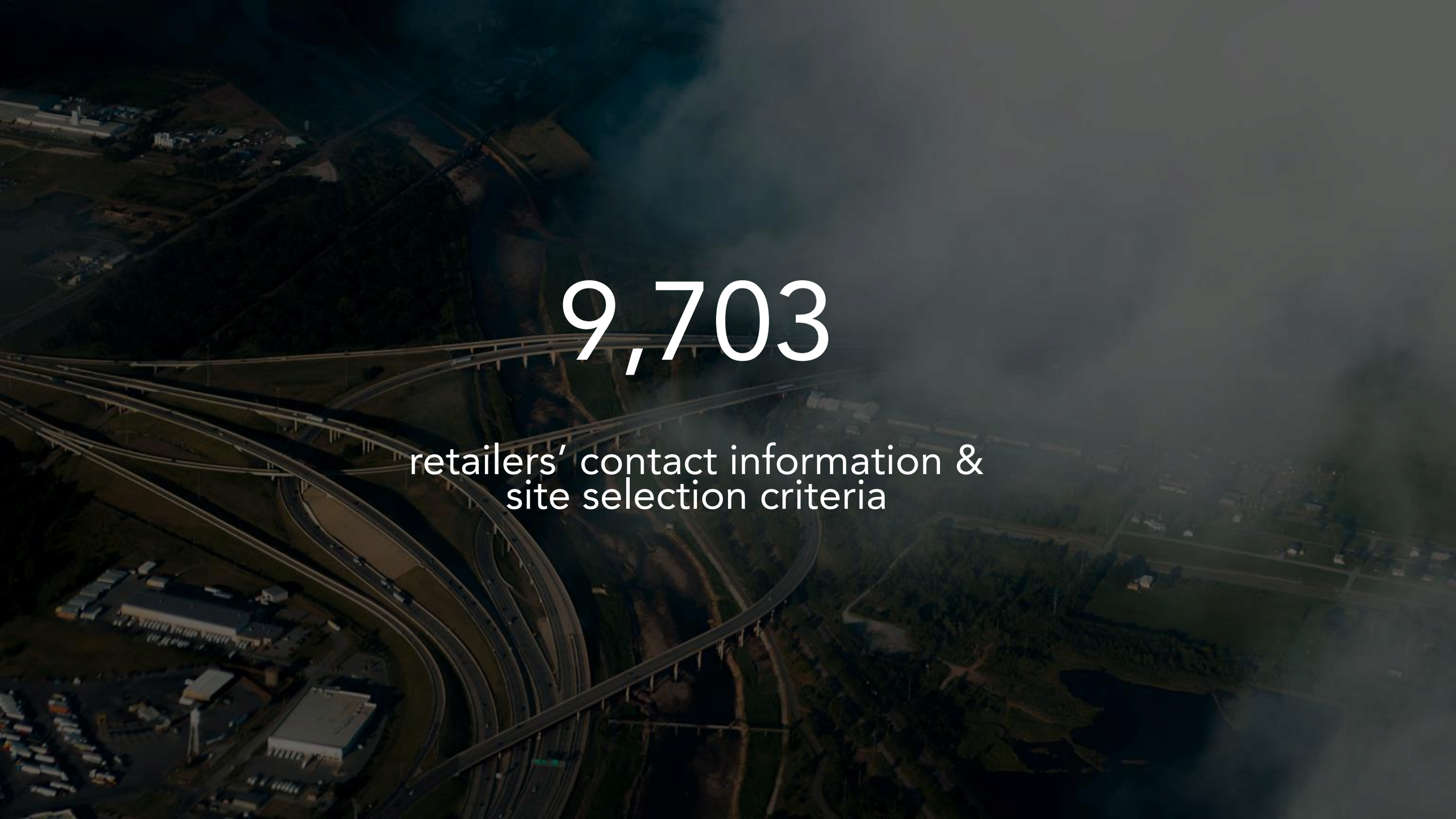
DISCOVER

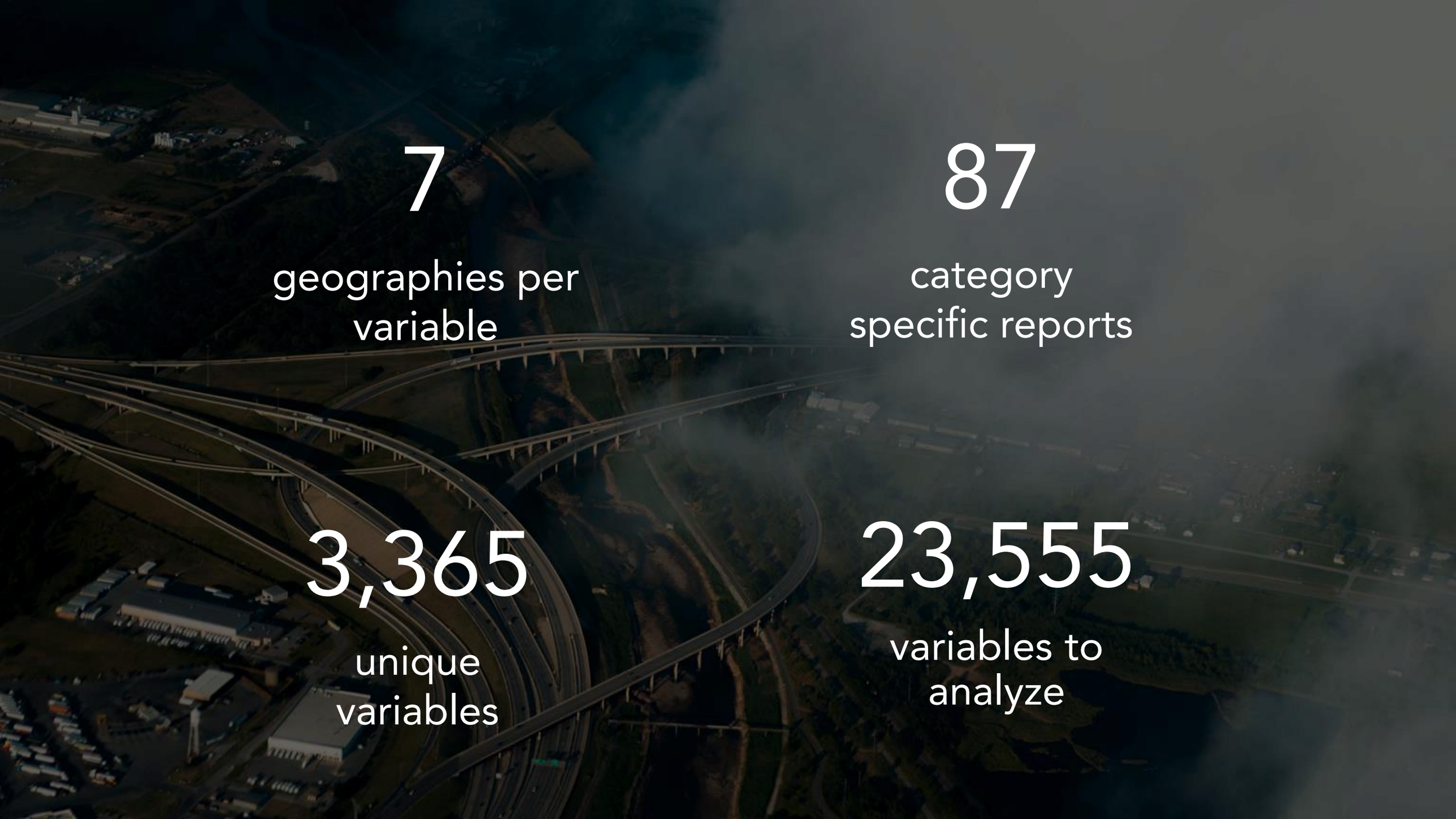
Research



Where does all this information come from?

- Federal Housing Finance Agency
- United States Postal Service
- U.S. Bureau of Labor Statistics
- esri
- AGS Applied Geographic Solutions
- BEA Bureau of Economic Analysis, U.S. Department of Commerce
- Treasury Internal Revenue Service
- National Park Service
- Department of Transportation United States of America
- ies National Center for Education Statistics
- FFIEC Federal Financial Institutions Examination Council
- CDC Centers for Disease Control and Prevention, National Center for Health Statistics
- IPEDS Integrated Postsecondary Education Data System
- United States Census Bureau
- Department of Defense United States of America
- Social Security USA Administration
- Federal Aviation Administration
- CDC Centers for Disease Control and Prevention
- AggData
- SYNERGOS TECHNOLOGIES, INC.


9,703
retailers’ contact information &
site selection criteria


7
geographies per variable
87
category specific reports
3,365
unique variables
23,555
variables to analyze

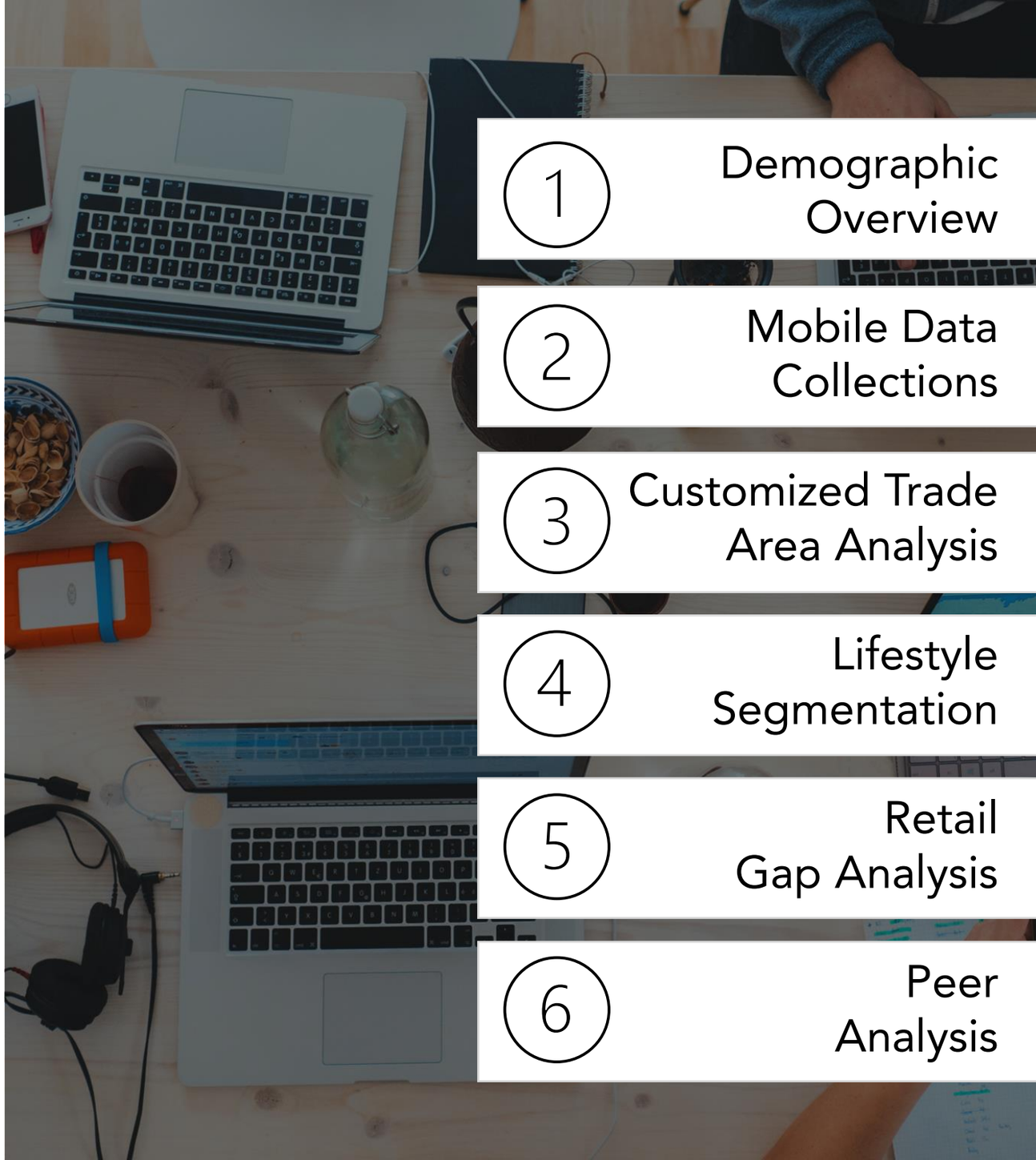
DISCOVER

Research

You have at your disposal thousands of variables from population and household incomes to spending patterns by retail category.

The information covered in this document represents the key highlights for your community. Retail Strategies has provided Burton's primary point of contact an electronic copy of each of these reports from multiple geographic parameters.

The following are the highlights from a data and analytic perspective.



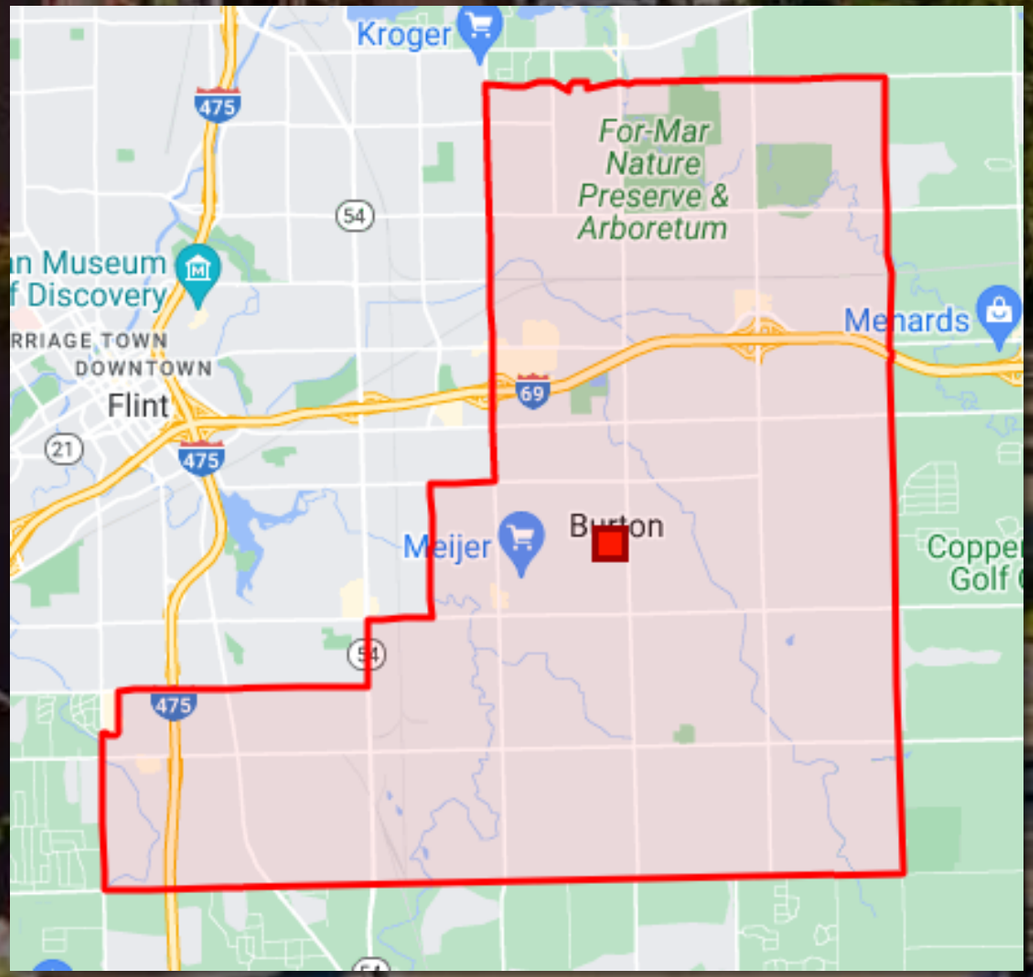
DISCOVER

How you see it

Burton, MI

Population 30,648

State of Michigan
Population 10.05 million



DISCOVER

How retailers see it

DISCOVER

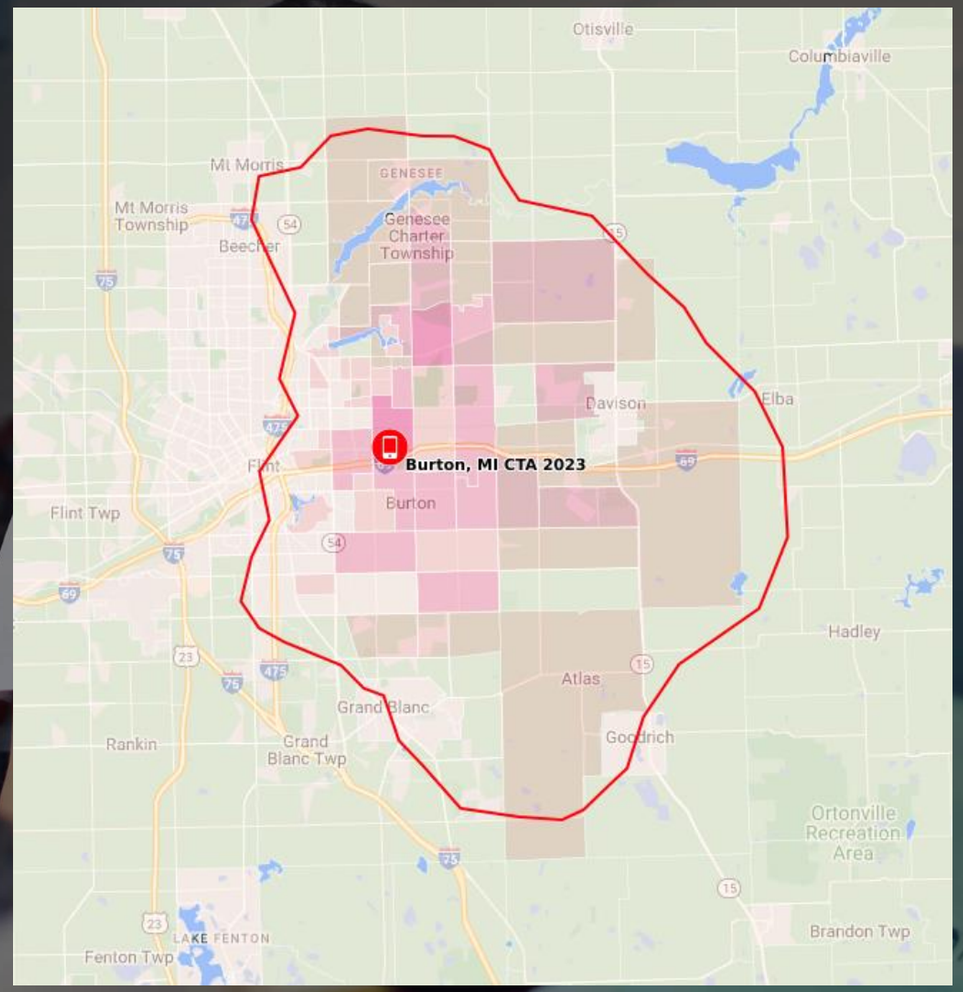
Your Demographic Playbook

Category	3-Mile Radius	5-Mile Radius	10-Mile Radius	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time
Current Year Estimated Population	47,863	130,181	290,406	20,250	128,689	251,746
Number of Households	19,458	52,401	116,161	8,350	52,404	101,166
Projected Annual Growth (5 YR)	-0.65%	-0.36%	-0.27%	-0.59%	-0.19%	-0.21%
Median HH Income 2022	$39,235	$43,445	$47,336	$38,322	$45,318	$46,492
Current Year Average Age	39.6	39.4	40.3	39.7	39.7	40
Average Home Value	$174,115	$214,320	$248,162	$168,806	$229,216	$236,723
Current Year % Bachelor's Degree	10%	13%	13%	9%	13%	13%
Daytime Population	57,504	147,511	296,597	20,764	151,434	269,152
Labor Force	38,368	104,408	235,253	16,096	103,440	203,200

DISCOVER

Mobile Data Collection

This mobile tracking service uses data collected from mobile phone users who have agreed within their apps and phone settings to enable location information. By drawing a geofence around a specific business or location, we are able to gather valuable data about the customer base that has actively used their mobile device while in the identified location. This tool allows us to see where customers are coming from to shop in your market using actual data. This information is used to optimize your trade area, analyze business locations, compare the frequency of visitors, and assist retailers in site selection. This is intended to support the trade area but does not solely define the trade area.



The location tracked was

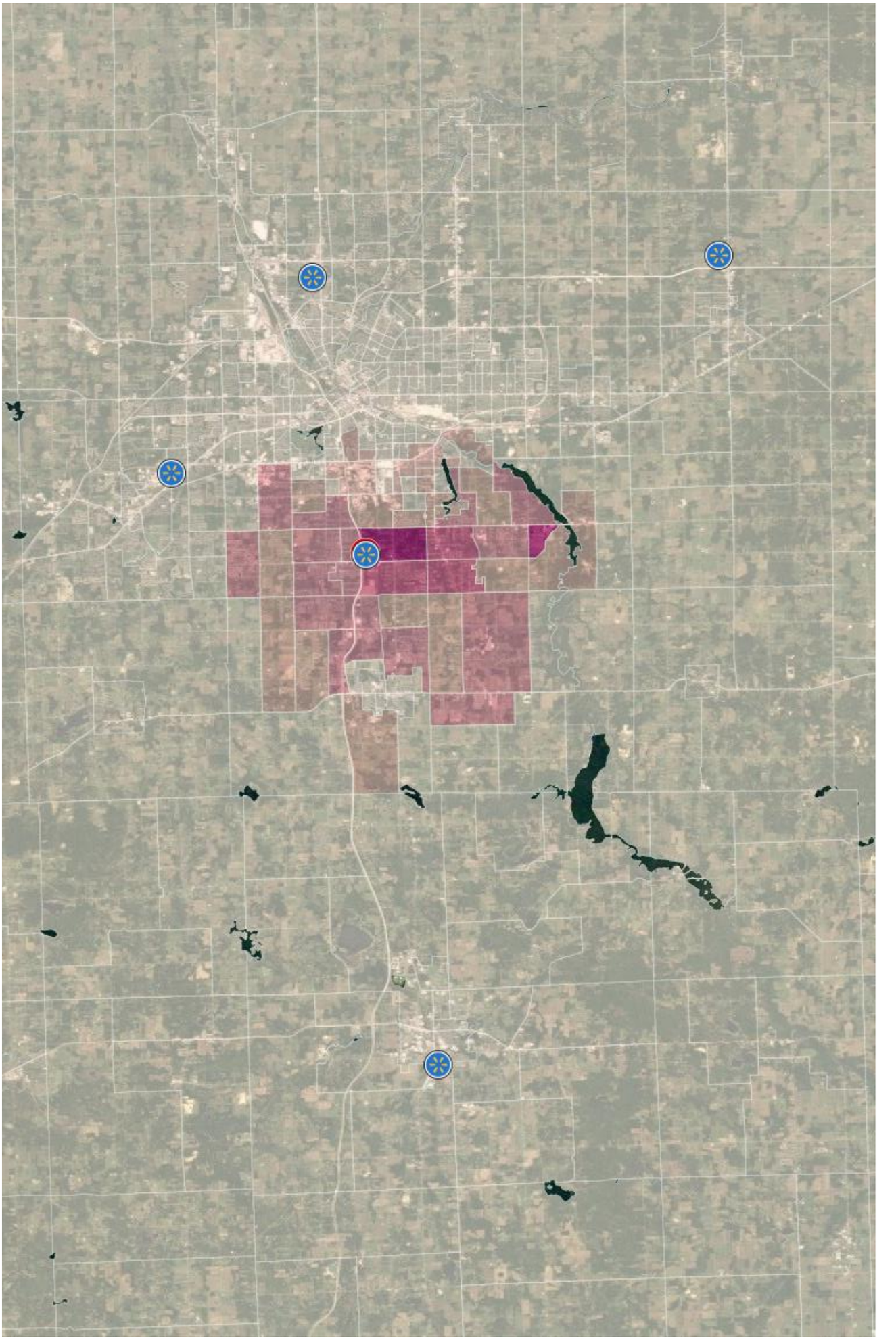
Multiple retail nodes

for the time period of

May 2022
To
May 2023

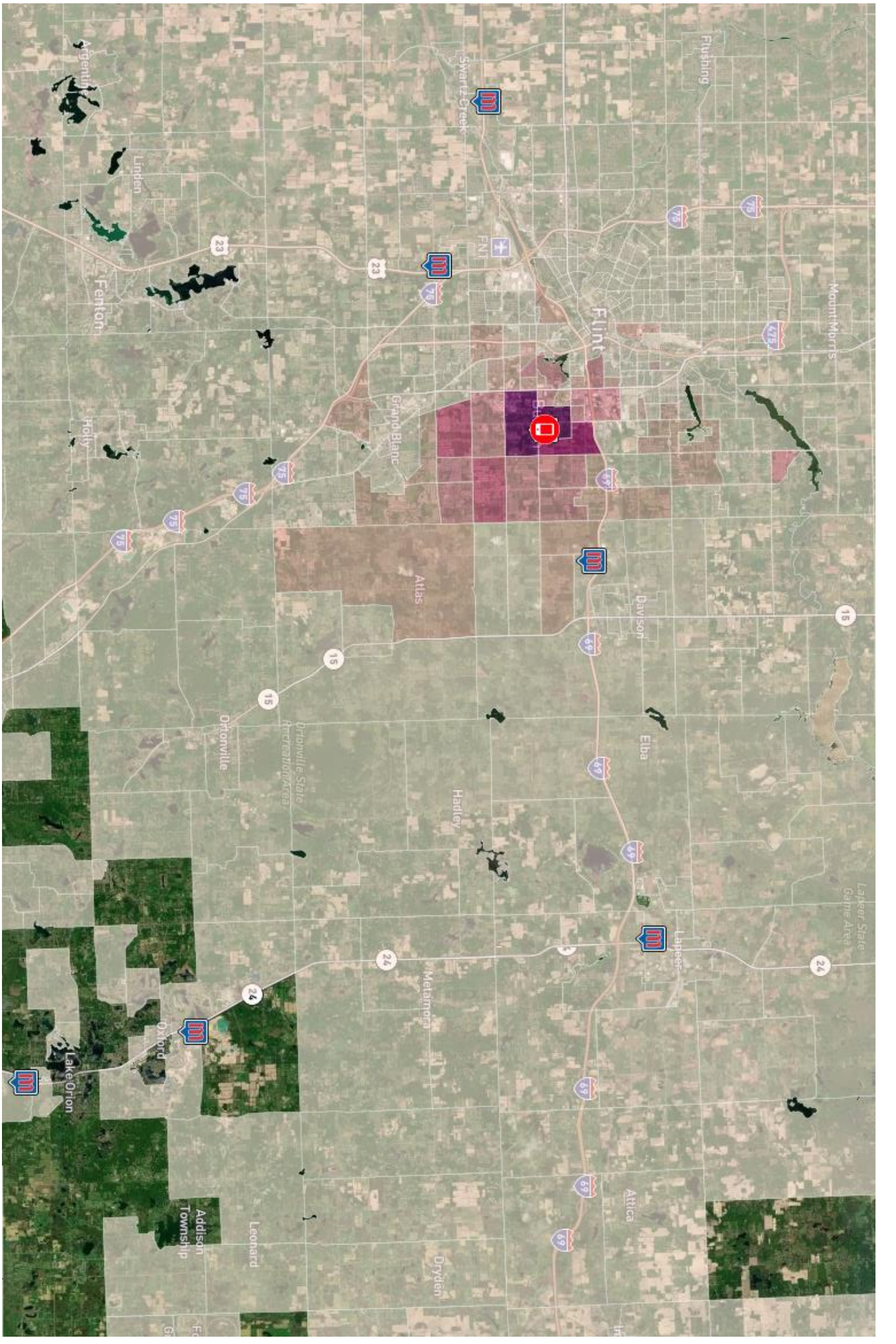
DISCOVER

Mobile Insights - Walmart



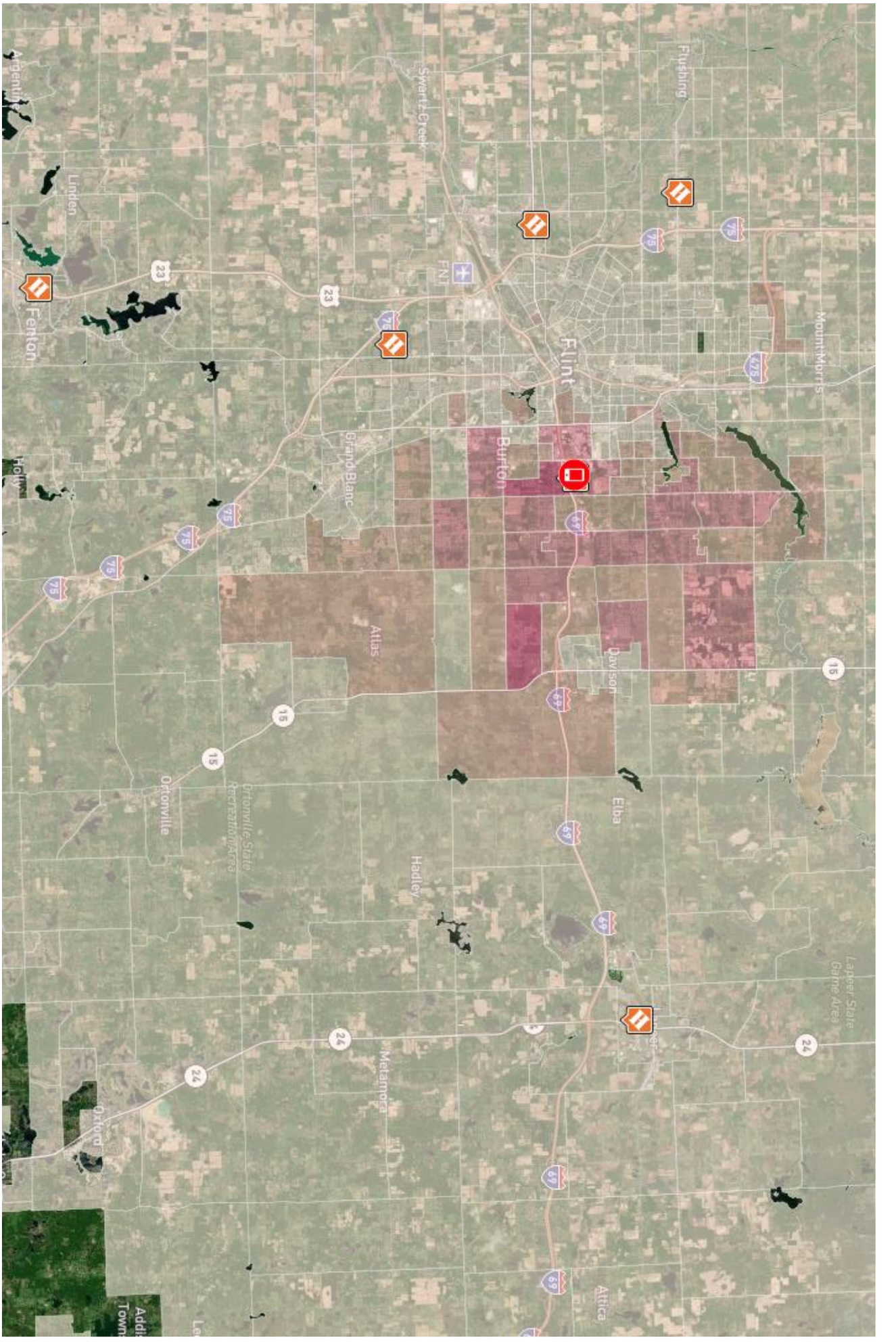
DISCOVER

Mobile Insights – Meijer



DISCOVER

Mobile Insights – Home Depot

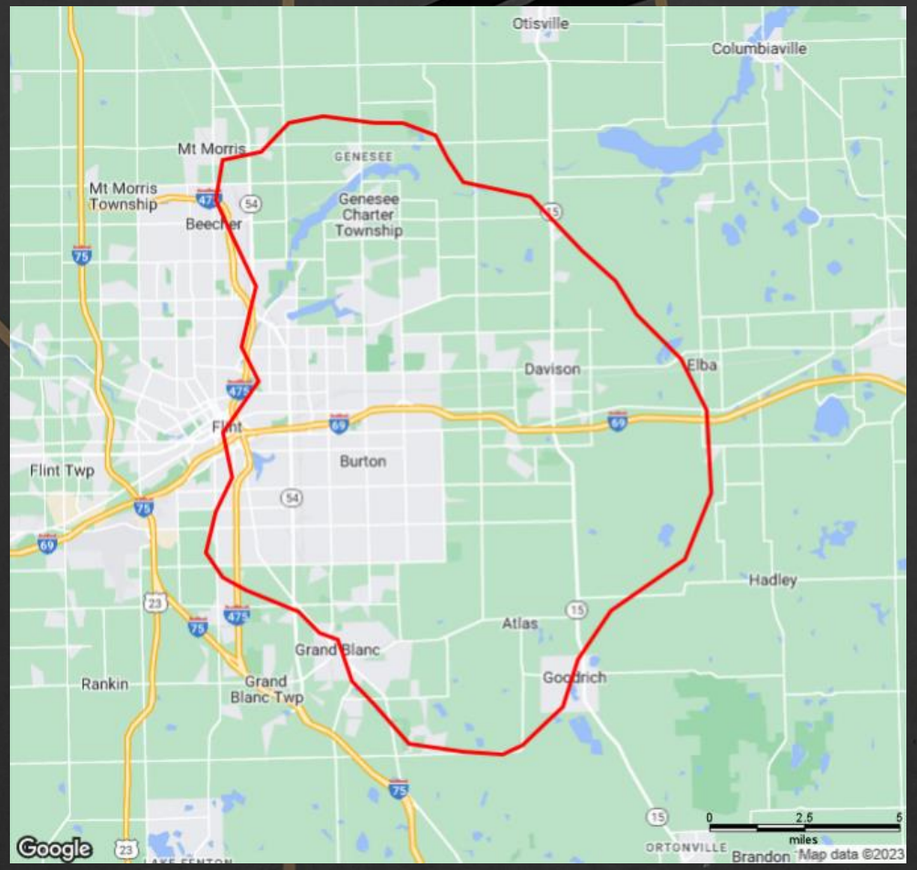


DISCOVER

Customized Trade Area

Each retailer has a specific set of site selection criteria they use to determine if they will have a profitable store. Municipal boundaries, radius rings and drive times are a start to evaluating the information sought by these decision makers. A customized trade area is the next step to analyzing a market. A trade area defines a core customer base of consumers highly likely to shop and eat in the market at least once a month. Your trade area has been created by combining the mobile tracking data with drive times, geographic boundaries, and proximity to neighboring shopping destinations. Each retailer will analyze their own trade area based on their existing stores, their competition and site selection criteria.

Retail Strategies has created the customized core trade area shown in the map here which is focused on a consumer who might travel to the market to shop or dine.



DISCOVER

Customized Trade Area

141,329

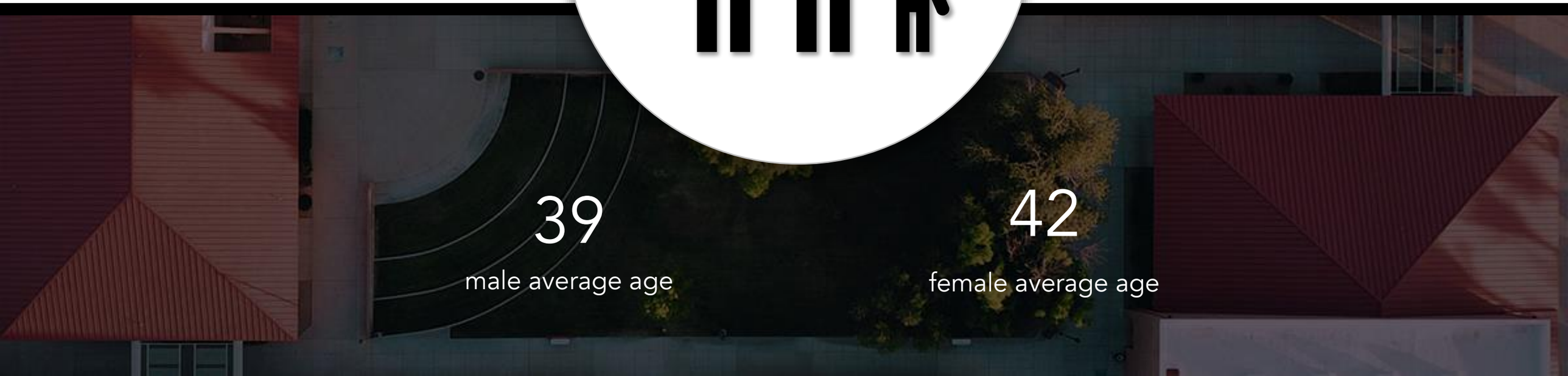
2022 estimated population

141,530

projected 2027 population

$50,525

Median household income



39

male average age

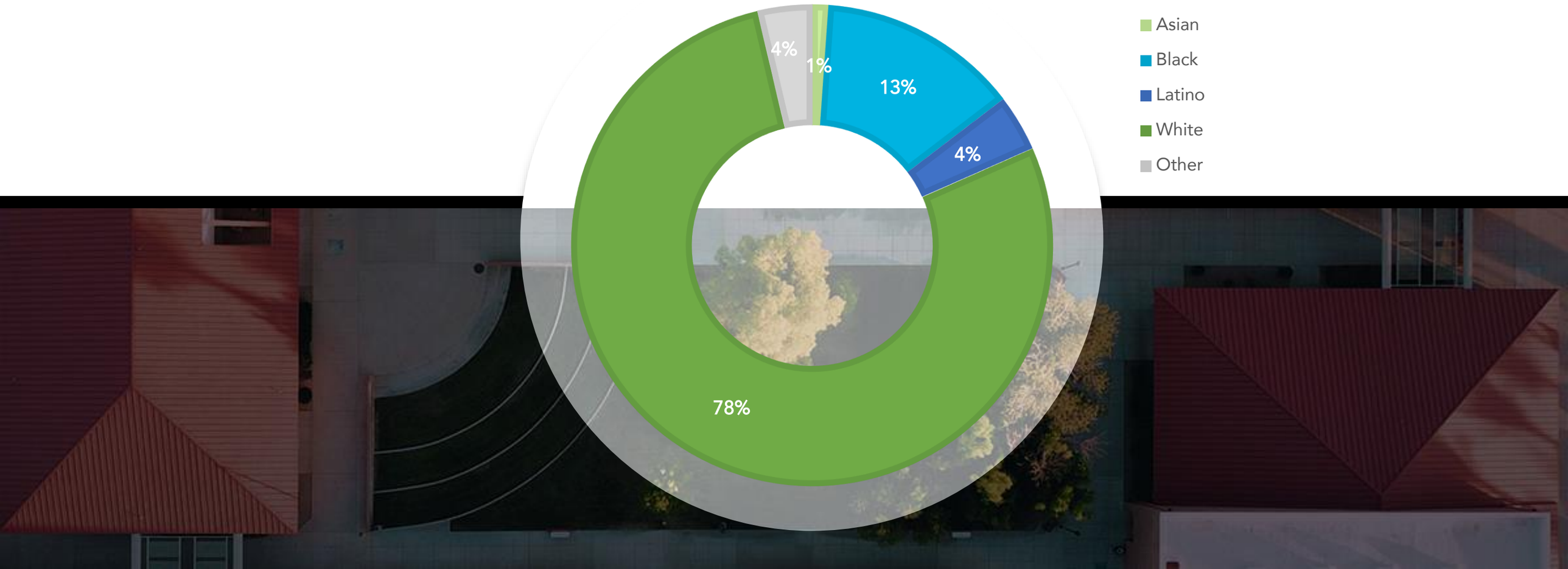
42

female average age

DISCOVER

Customized Trade Area

CURRENT YEAR ESTIMATED POPULATION BY RACE



DISCOVER

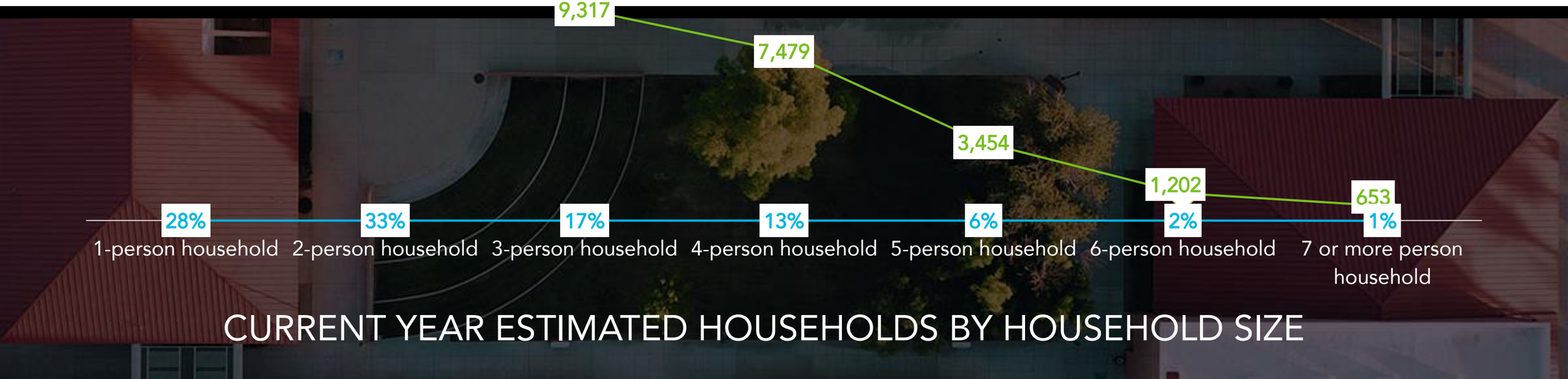
Customized Trade Area

62,483

number of households

$50,525

median household income

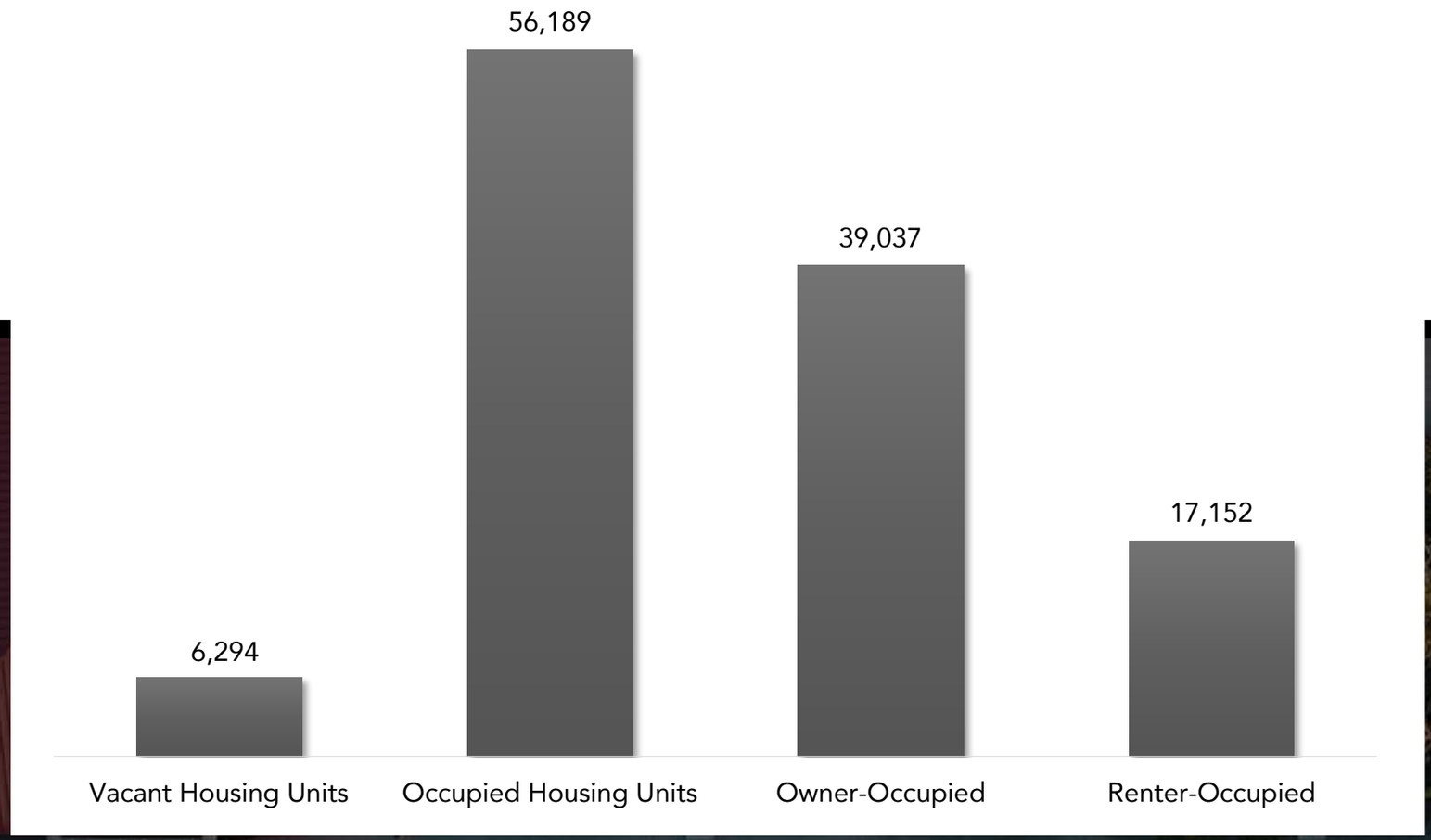


CURRENT YEAR ESTIMATED HOUSEHOLDS BY HOUSEHOLD SIZE

DISCOVER

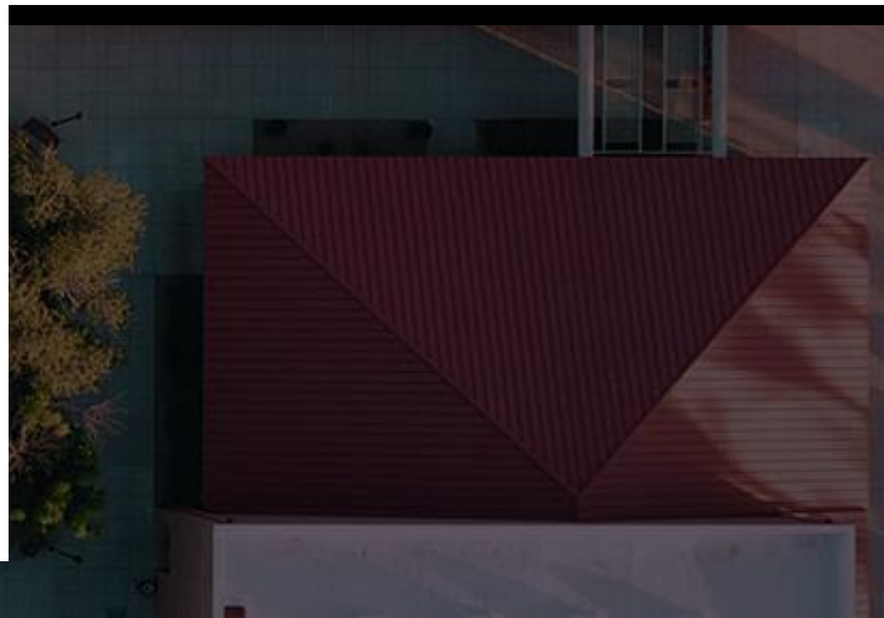
Customized Trade Area

2022 ESTIMATED HOUSING UNITS BY TENURE

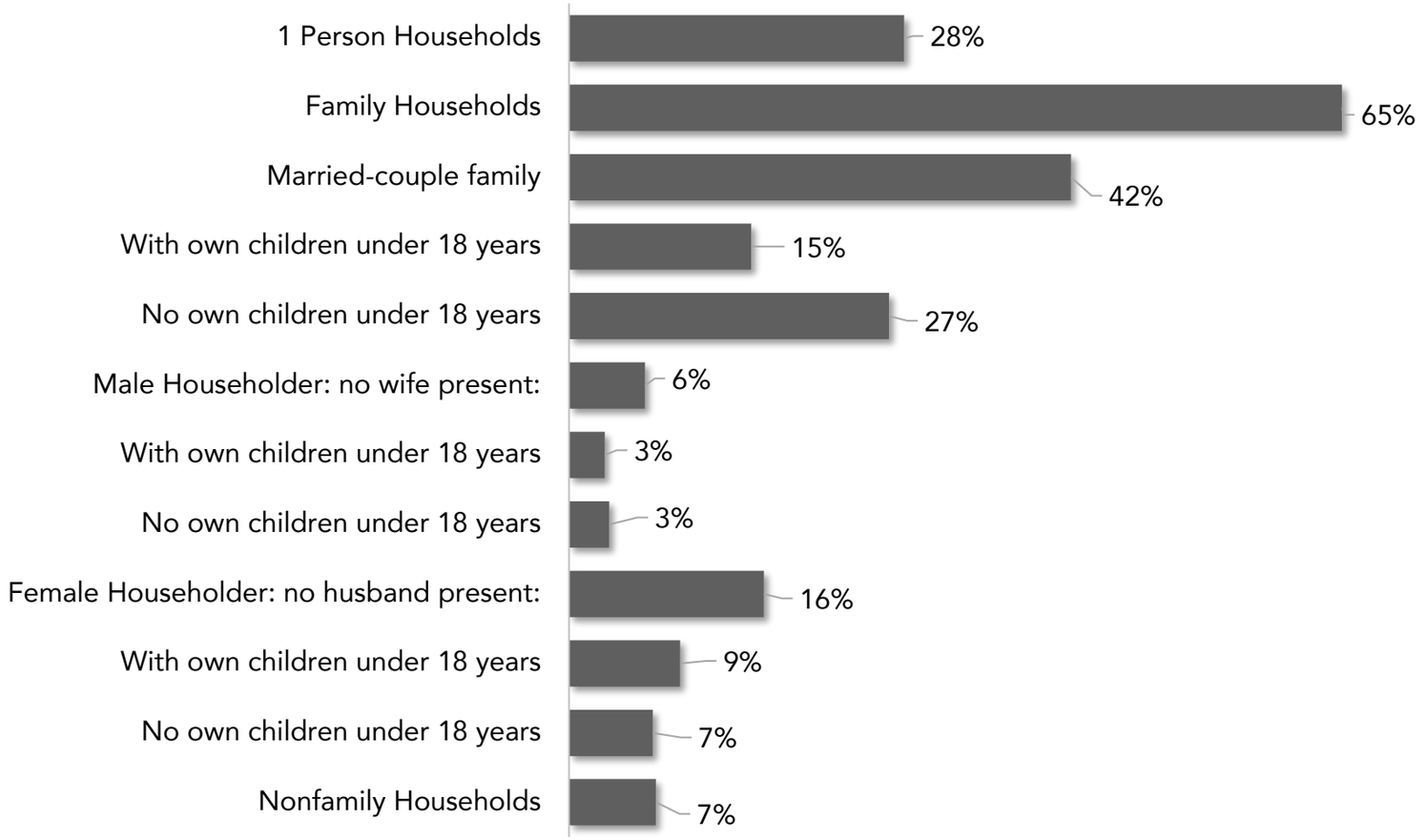


$259,678

average housing unit value



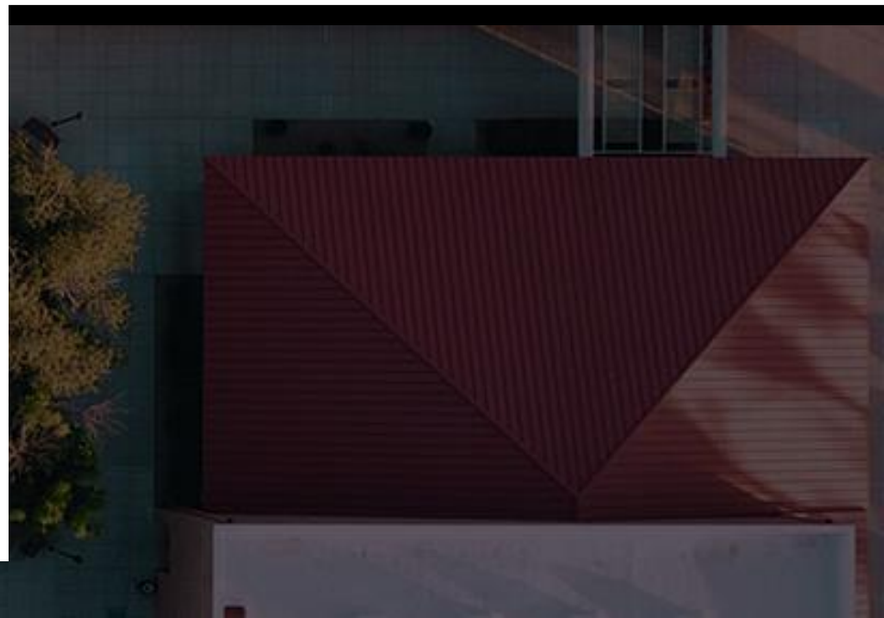
Custom Trade Area



CURRENT YEAR ESTIMATED HOUSEHOLD BY TYPE

2.49

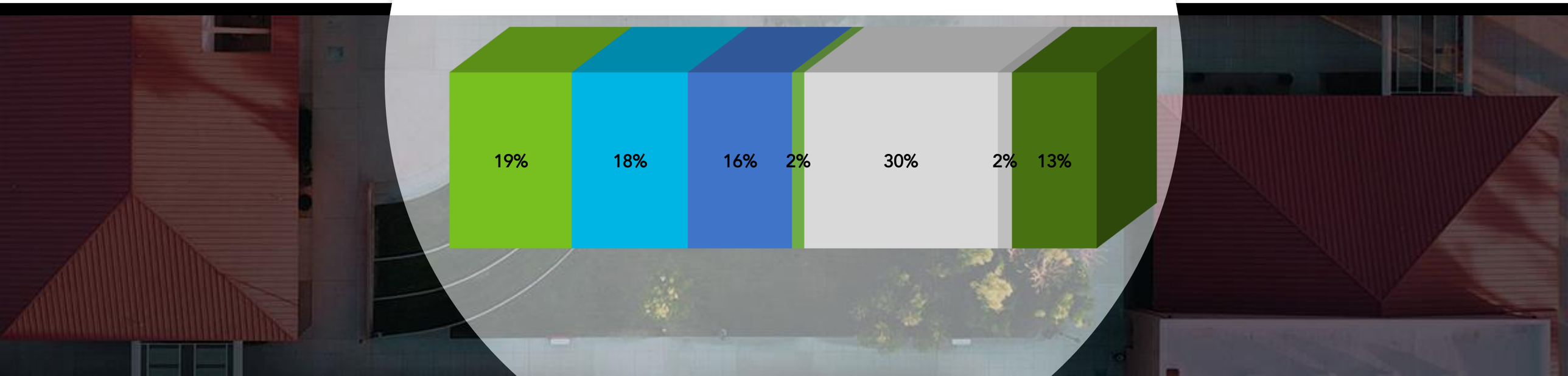
people per household



DISCOVER

Customized Trade Area

131,301
daytime population



DISCOVER

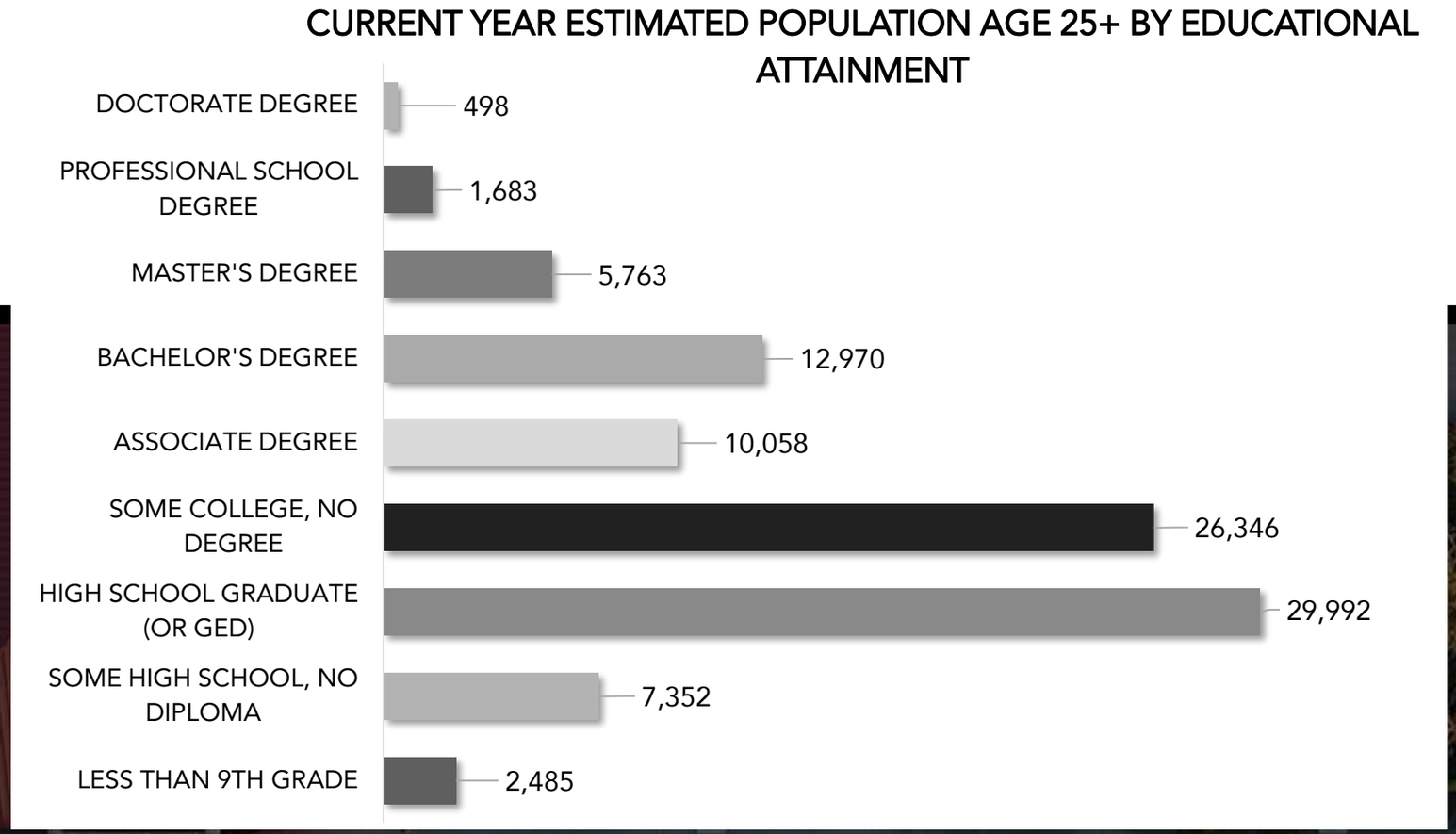
Customized Trade Area

$51,460

average employee salary

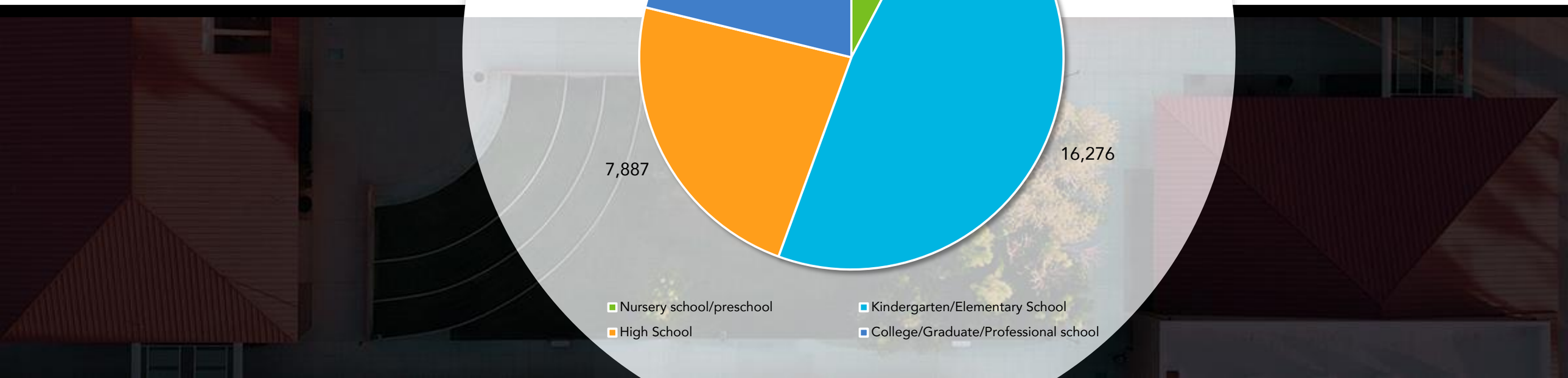
DISCOVER

Customized Trade Area



DISCOVER

Customized Trade Area



DISCOVER

Lifestyle Reports

Lifestyle reports allow BIG DATA to be summed up into a simple narrative on the personality of most households.

When asked “Who is Burton?”, often the community leadership describes themselves rather than the dominant personality of the area. Understanding consumer spending behavior based on personality allows Retail Strategies to better align the retail prospects with the purchasing patterns of the consumers in your market.

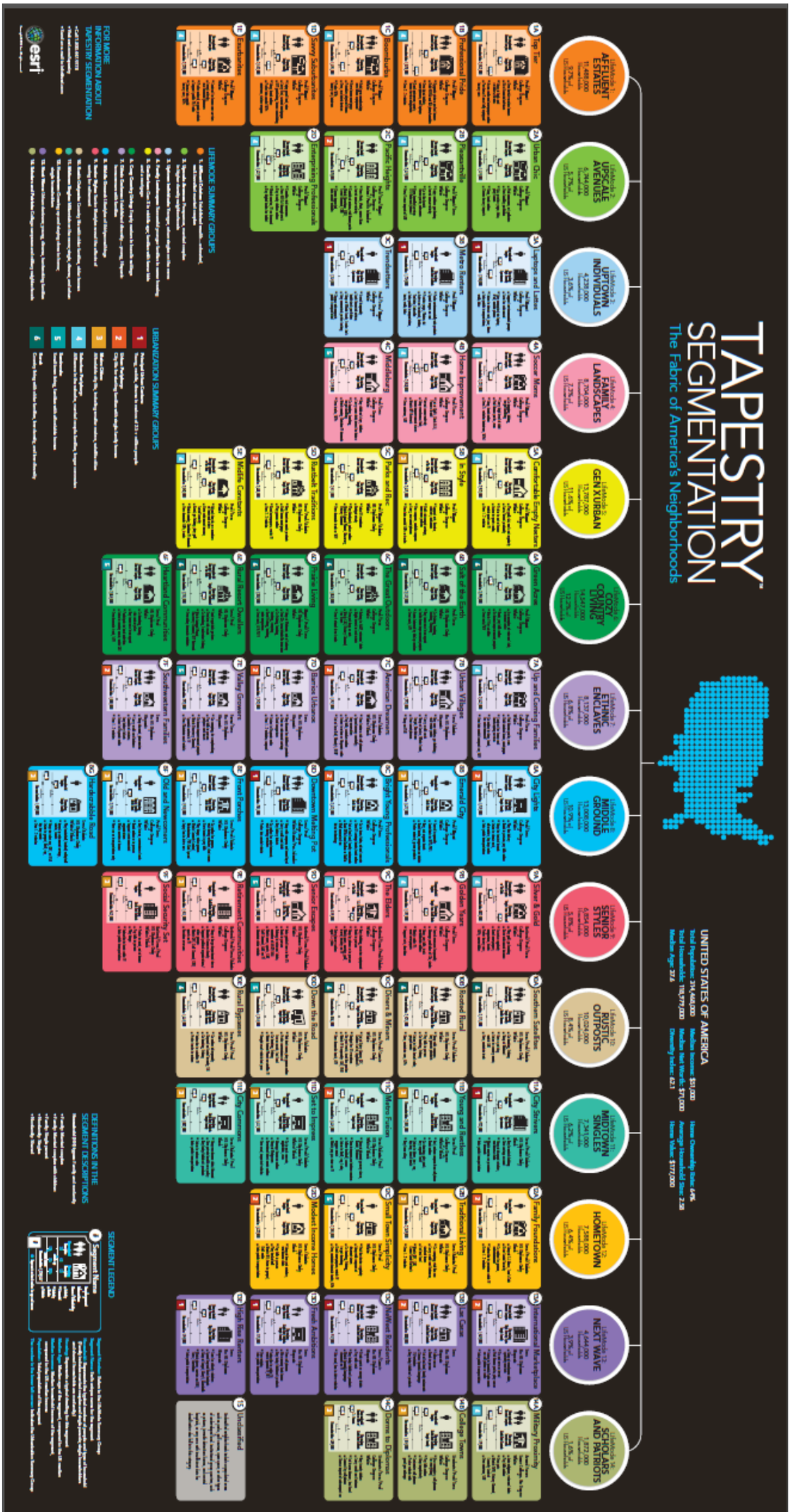
ESRI Tapestry Segmentation is a geodemographic segmentation system that integrates consumer traits with residential characteristics to identify markets and classify US neighborhoods.

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 life stages. Tapestry Segmentation combines the "who" of lifestyle demography with the "where" of local geography to create a classification model with 67 distinct, behavioral market segments.

Selection of the variables used to identify consumer markets begins with data that includes household characteristics such as single person or family, income, relationships (married or multigenerational), and tenure; personal traits such as age, sex, education, employment, and marital status; and housing characteristics like home value or rent, type of housing (single-family, apartment, townhouse, or mobile home), seasonal status, and owner costs relative to income. In essence, any characteristic that is likely to differentiate consumer spending and preferences is assessed for use in identifying consumer markets.

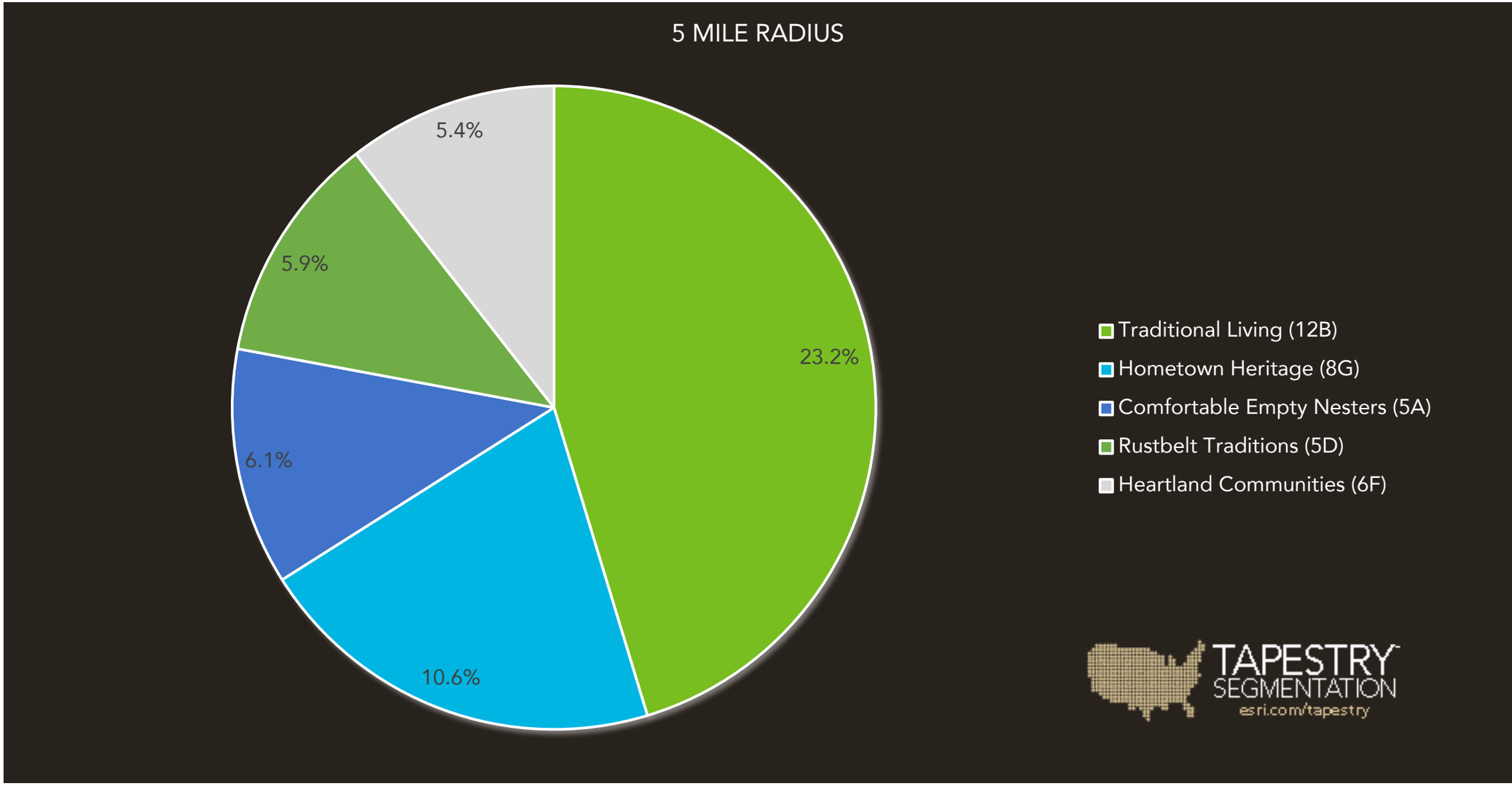
DISCOVER

Research & Analytics



DISCOVER: Psychographic Profile

ESRI Tapestry Segmentation



DISCOVER: Psychographic Profile

ESRI Tapestry Segmentation

LifeMode Group: Hometown

Traditional Living

Households: 2,395,200

Average Household Size: 2.51

Median Age: 35.5

Median Household Income: $39,300

LifeMode Group: Middle Ground

Hometown Heritage

Households: 1,507,700

Average Household Size: 2.66

Median Age: 32.4

Median Household Income: $28,200

DISCOVER: Psychographic Profile

ESRI Tapestry Segmentation

LifeMode Group: GenXurban

Comfortable Empty Nesters

Households: 3,024,200

Average Household Size: 2.52

Median Age: 48.0

Median Household Income: $75,000

LifeMode Group: GenXurban

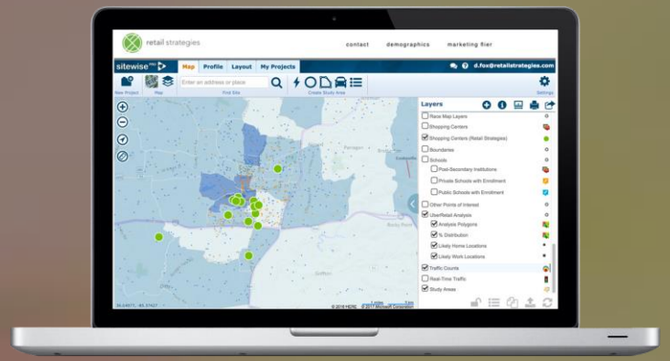
Rustbelt Traditions

Households: 2,716,800

Average Household Size: 2.47

Median Age: 39.0

Median Household Income: $51,800


retail strategies
contact
demographics
marketing flier
sitewise
Map
Profile
Layout
My Projects
Layers

discover

GAP Analysis

The GAP Analysis helps us uncover the number of dollars being spent outside of the community on an annual basis from a categorical perspective.

The difference between demand and supply represents the opportunity gap or surplus available for each merchandise line in the specified reporting geography. When the demand is greater than (less than) the supply, there is an opportunity gap (leakage) for that merchandise line. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

Retail Strategies uses STI: PopStats as our provider of consumer demand and supply by establishment (or GAP) information. Several demographers provide the data in a variety of ways. Following are the sources and methodologies used by STI: PopStats and Retail Strategies to draw conclusions for you.

The market supply data is derived from annual retail sales and expenditures from the source data. The source for market supply is the U.S. Census Bureau's monthly and annual Census of Retail Trade (CRT) Reports; U.S. Census Bureau's Economic Census. The source for the establishment is the Bureau of Labor Statistics (BLS). The consumer demand data by the establishment is derived from the BLS Consumer Expenditure Survey (CE).

Industries for the consumer expenditures survey are categorized and defined by the North American Industry Classification System (NAICS). Retail Strategies has narrowed down the categories to only those with real estate growth potential based on national trends.

Data is rarely perfect, but proper analysis, it can get us a lot closer to the answer than we would be without it. This is one of several tools used to identify focus categories for recruitment. Our focus in this area is more on the category than the actual dollar amounts.

DISCOVER

Total Market Supply

$2,651,687,725

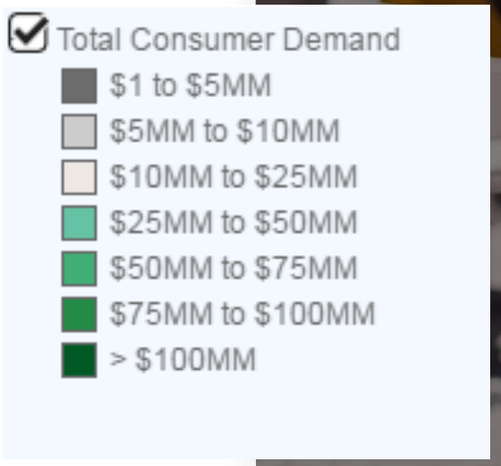
This represents the amount captured by businesses located in the defined trade area. By block group, the areas with darker green captured more dollars than the gray areas.

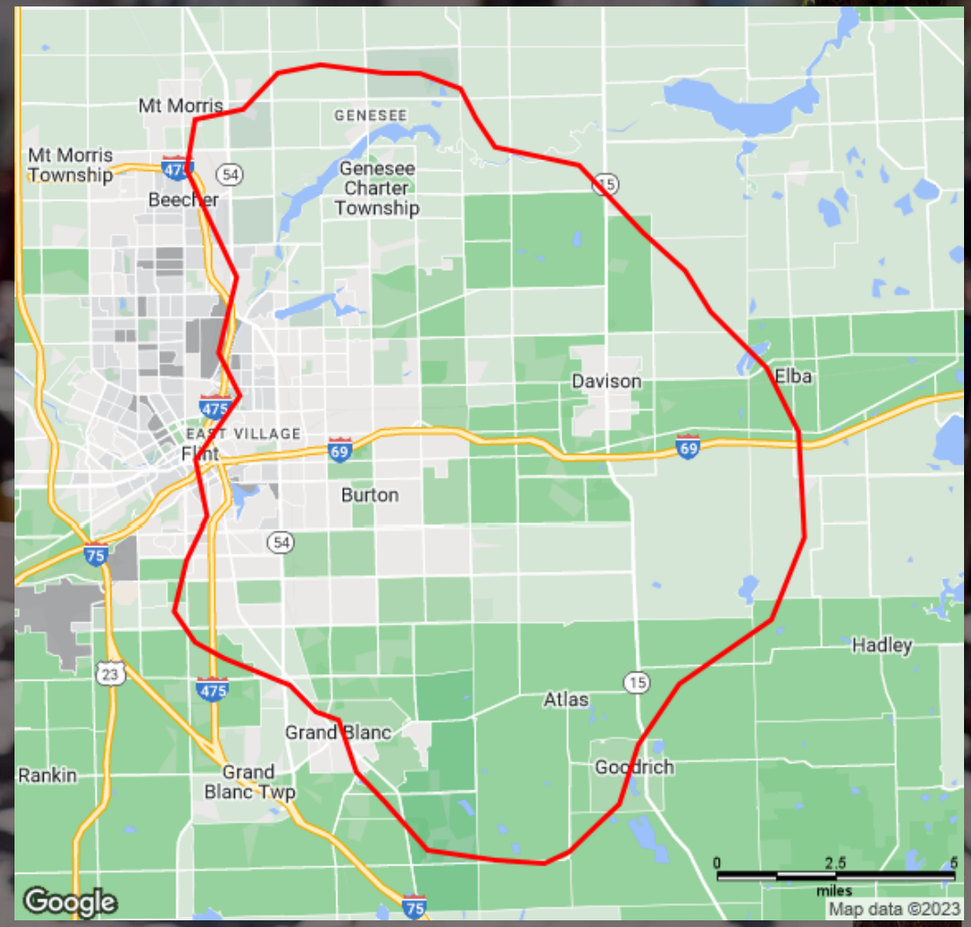
DISCOVER

Total Market Demand

$2,252,497,298

This represents the amount spent by consumers located in the defined trade area. By block group, the areas with darker green captured more dollars than the gray areas.



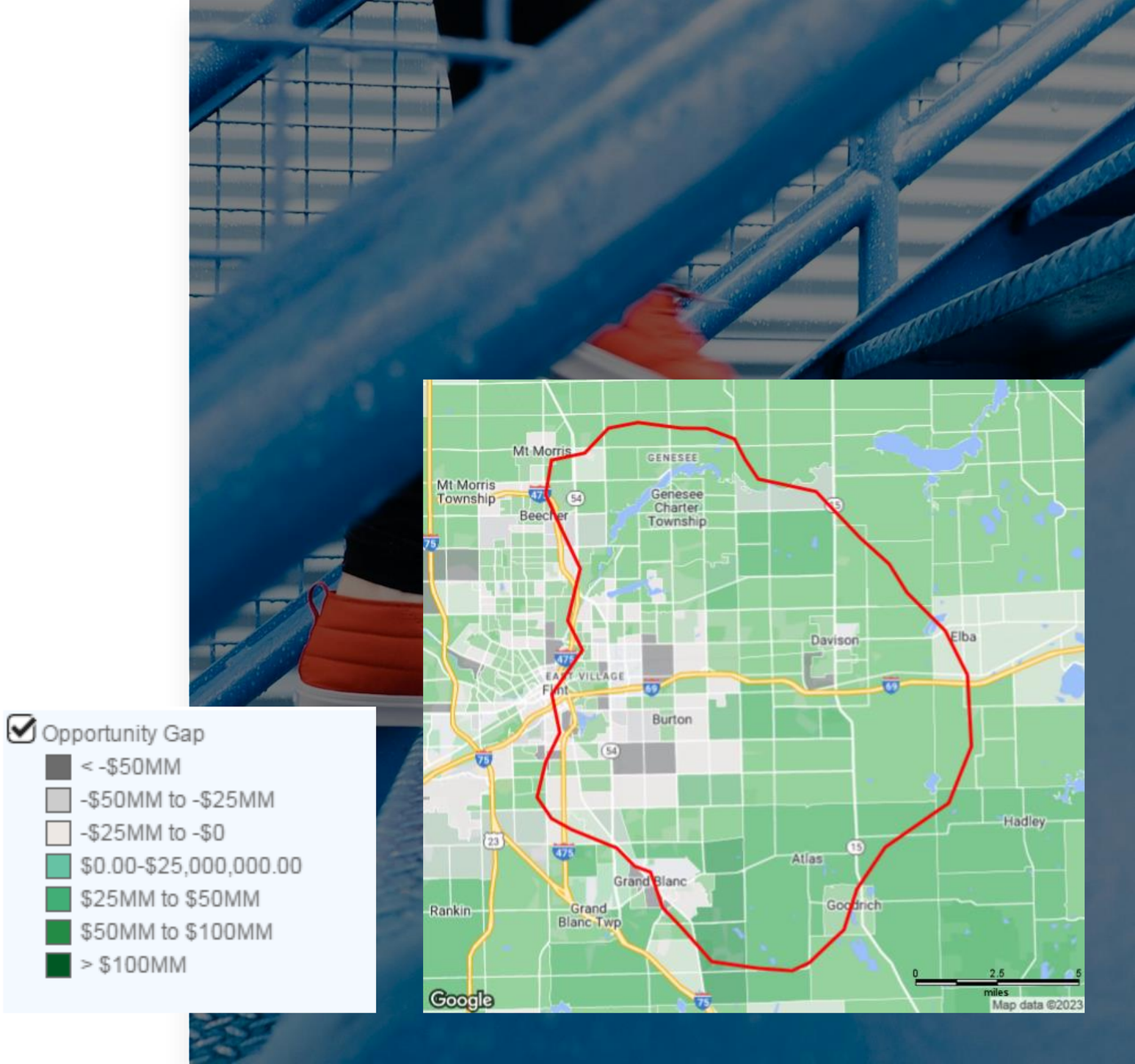


DISCOVER

Opportunity Surplus

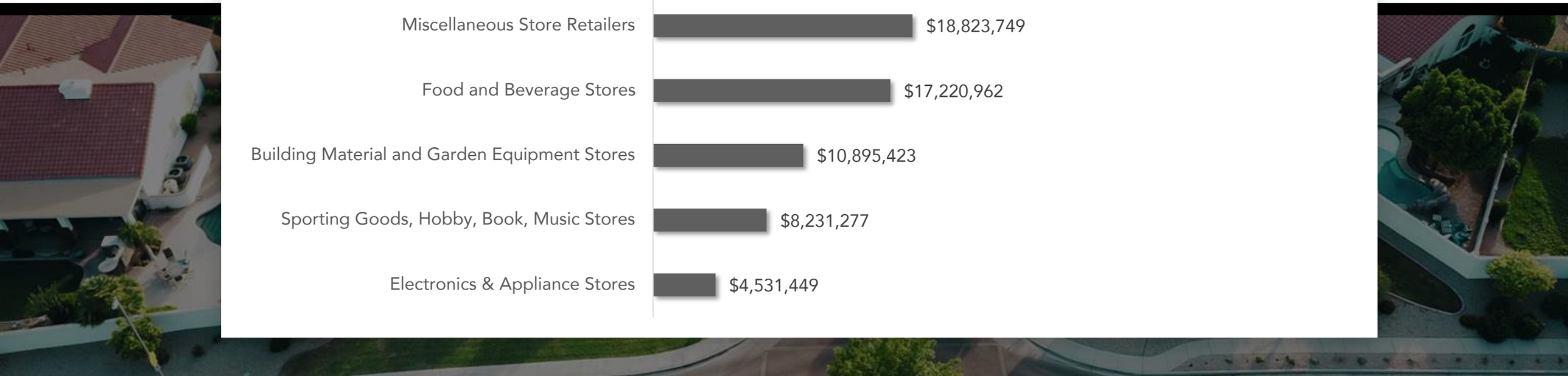
$399,190,428

This means more people purchase items inside of the defined Burton trade area than out of the Burton defined trade area for their consumer goods and services. Finding the specific categories where they are leaving the market is the key. Dark gray shows block groups of retail synergy capturing those dollars. This is where our focus will be to place new retailers and restaurants.



DISCOVER

Consumer Demand & Supply



DISCOVER

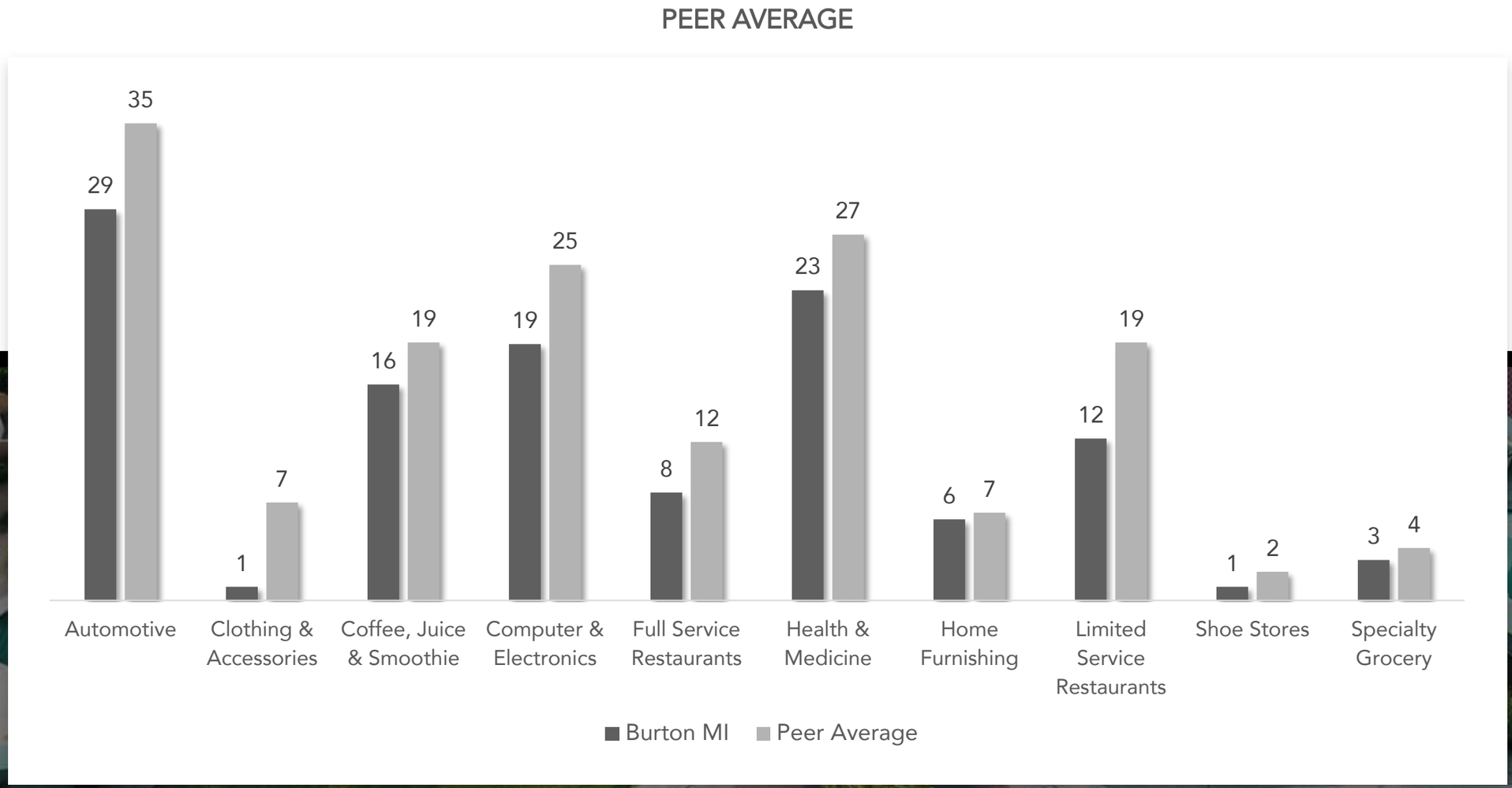
Peer Analysis

Retail Node Comparison Report – 10 Minute Drive Time

Address	City	State	Residential Population	Daytime Population	Median HH Income	Market Supply
Walmart	**Burton**	**MI**	**128,689**	**151,434**	**$45,318**	**$3,108,320,934**
10250 Brookpark Rd.	Brooklyn	OH	149,338	163,010	$50,320	$4,145,087,060
15700 Northline Rd.	Southgate	MI	150,076	133,812	$56,103	$2,602,604,328
603 River Oaks W	Calumet City	IL	150,068	161,016	$53,756	$2,786,402,221
17625 Torrence Ave	Lansing	IL	166,887	174,701	$57,311	$3,043,561,503
7555 Telegraph Rd	Taylor	MI	138,317	141,373	$57,546	$3,250,153,309
355 54th Street Sw	Wyoming	MI	136,108	140,634	$59,776	$3,380,412,380
1701 W Dorothy Ln	Moraine	OH	117,850	175,723	$48,967	$2,255,243,097
3805 S Keystone Ave	Indianapolis	IN	133,471	157,161	$51,425	$5,416,240,614

DISCOVER

Peer Analysis



CONNECT

Boots on the Ground

Putting our boots on the ground
in your community to identify strategic and underutilized real estate assets.

CONNECT

Boots on the Ground

We identify and record the primary real estate opportunities within the market.

This analysis is performed by licensed real estate professionals with experience in development, leasing, and redevelopment.

Information Collected

- Address
- Property Description
- Coordinates
- Listing Agent (if possible)
- Contact Info for Agent or Owner
- Web Address for Agent or Owner
- Link to Property Info on Agent or Owner's Website
- Google Earth Link to Aerial Photo
- Google Earth Link to Ground Photo

- Total Size of Center (if existing)
- Available Space in Center
- Parcel Size (if vacant land)
- Existing Tenants (if existing)
- Traffic Count at Property
- Summary of Recruitment
- Opportunities Specific to Property
- Specific Prospects for Property
- Overall Strategy for Property
- General Comments

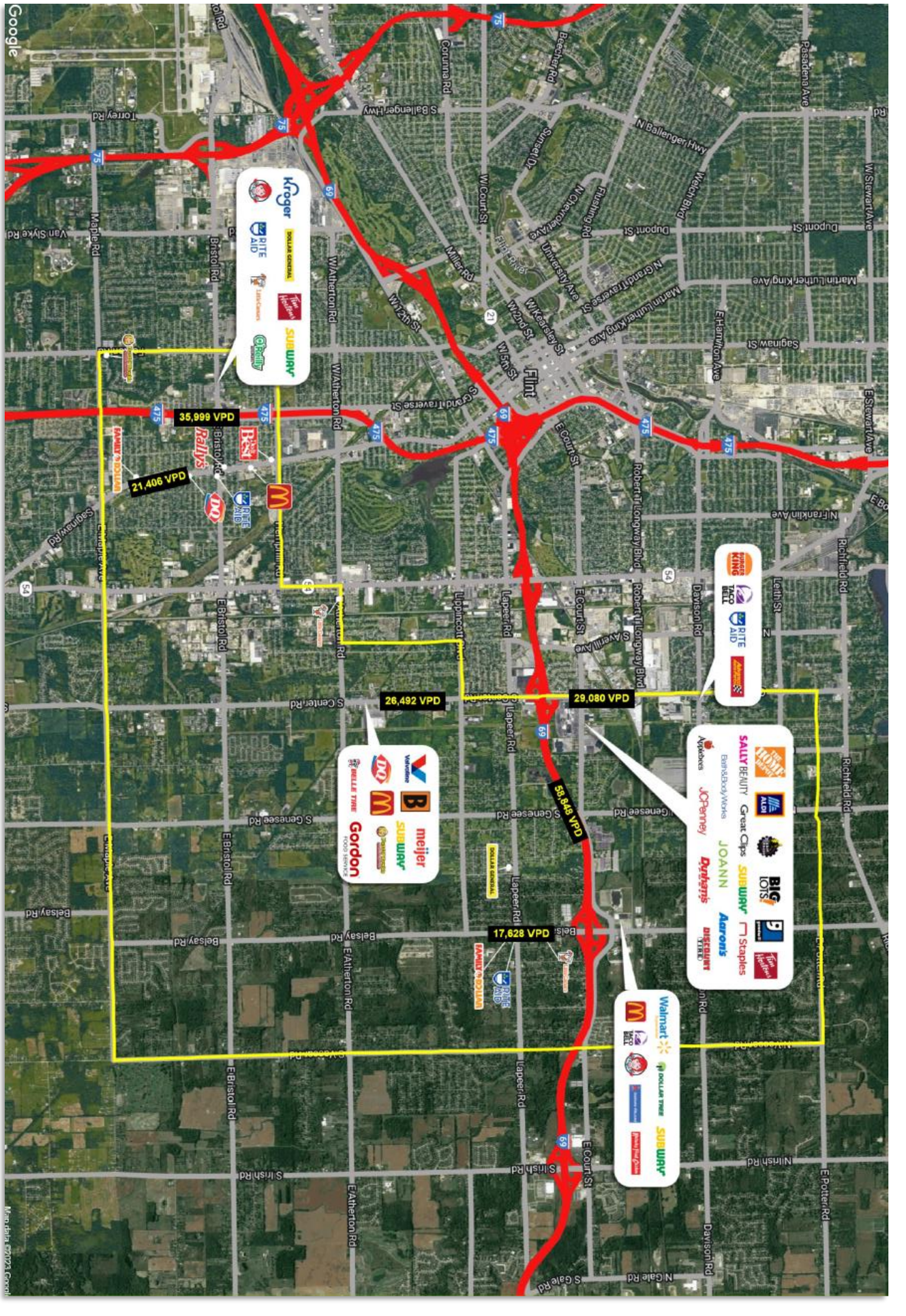
CONNECT

Universal Site Metrics

- Signage/Visibility
- Parking
- Access
- Co-Tenancy
- Traffic

DISCOVER

Current Real Estate Overview

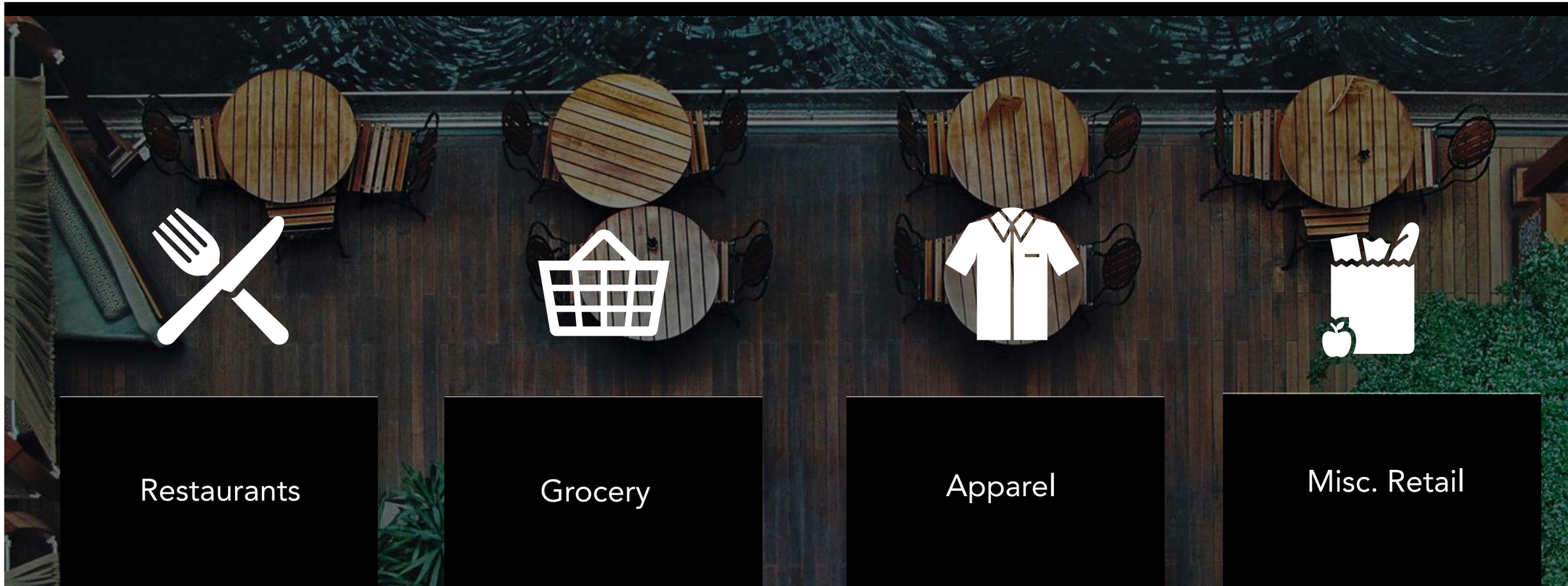


FOCUS gets RESULTS

connect

After discovering your community’s data and interpreting it into zones for recruitment we need to focus on which retailers and retail categories have the highest odds of success.

Your Top Categories for Recruitment



CONNECT

Retail Real Estate Process: Terms

Retailers

Corporate Real Estate Directors

Tenant Representatives

Franchisees

Franchisee brokers

Sites

Property Owners

Brokers

Bank-owned

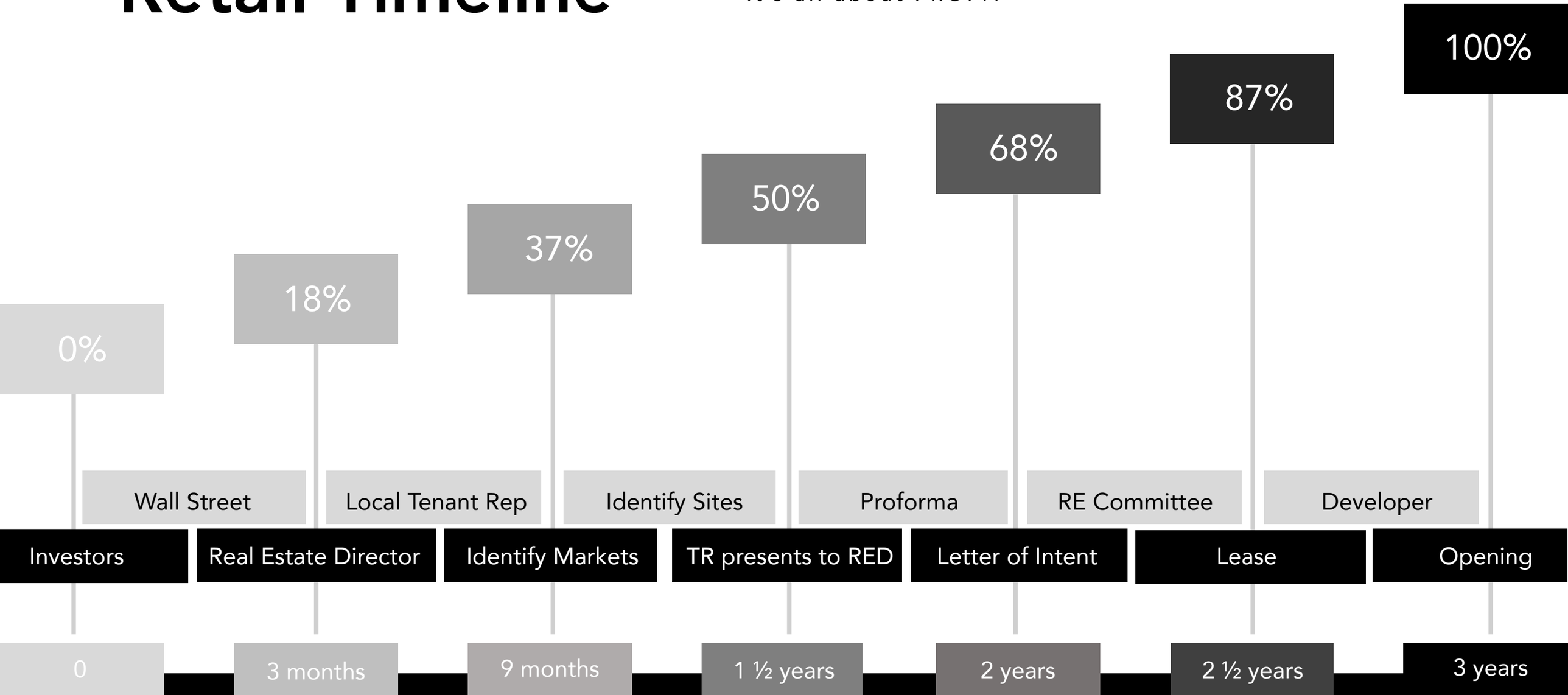
Local Government

Underperforming Businesses

CONNECT

Retail Timeline

- Retailer Drives the Decision
- Small percentage of proposed sites equal new openings
- Long Process
- It's all about PROFIT



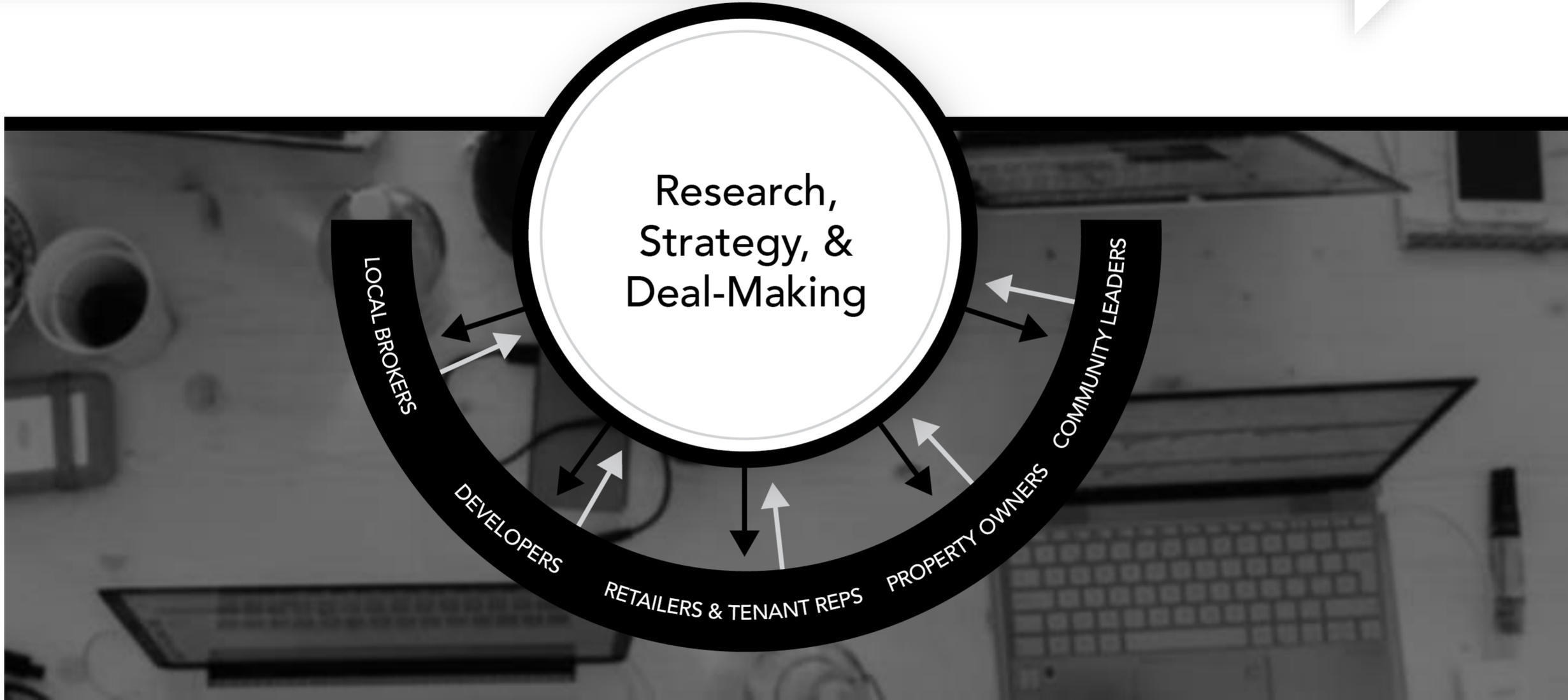
FORWARD MOVEMENT

advance

Using our analytical tools combined with our real estate expertise and relationships, our team is positioned to identify opportunities in your market to bring growth to your community.

DISCOVER, CONNECT and

advance

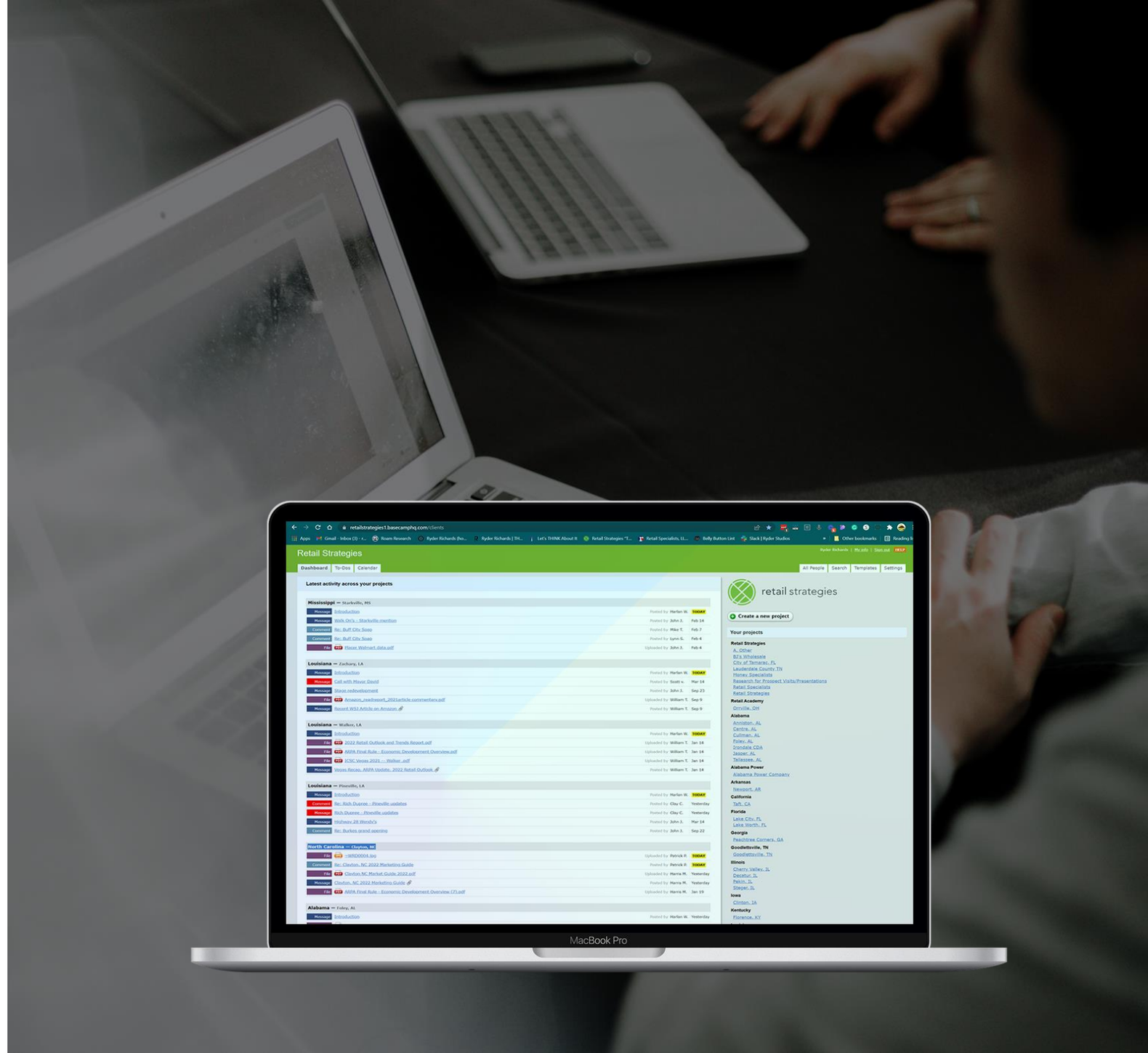


ADVANCE

Reporting Information

Updates through Basecamp to a single Contact Person who disseminates information to the Community leaders.

- Retail Assets
- Retail Webinars
- National Retailers
- Industry Experts
- Broker Representatives
- Recruitment Tools
- Marketing Flyer
- Conference Recruitment

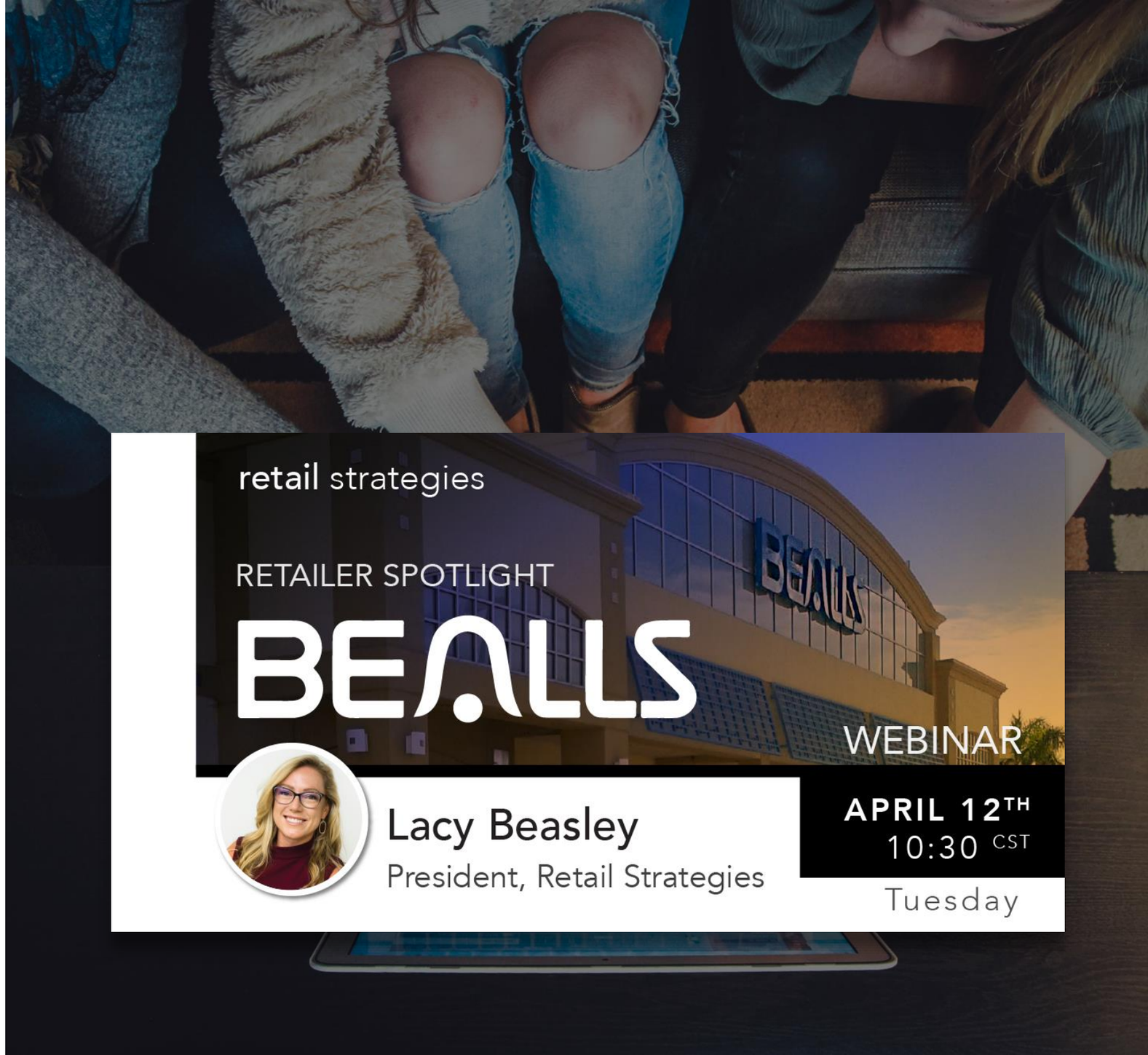


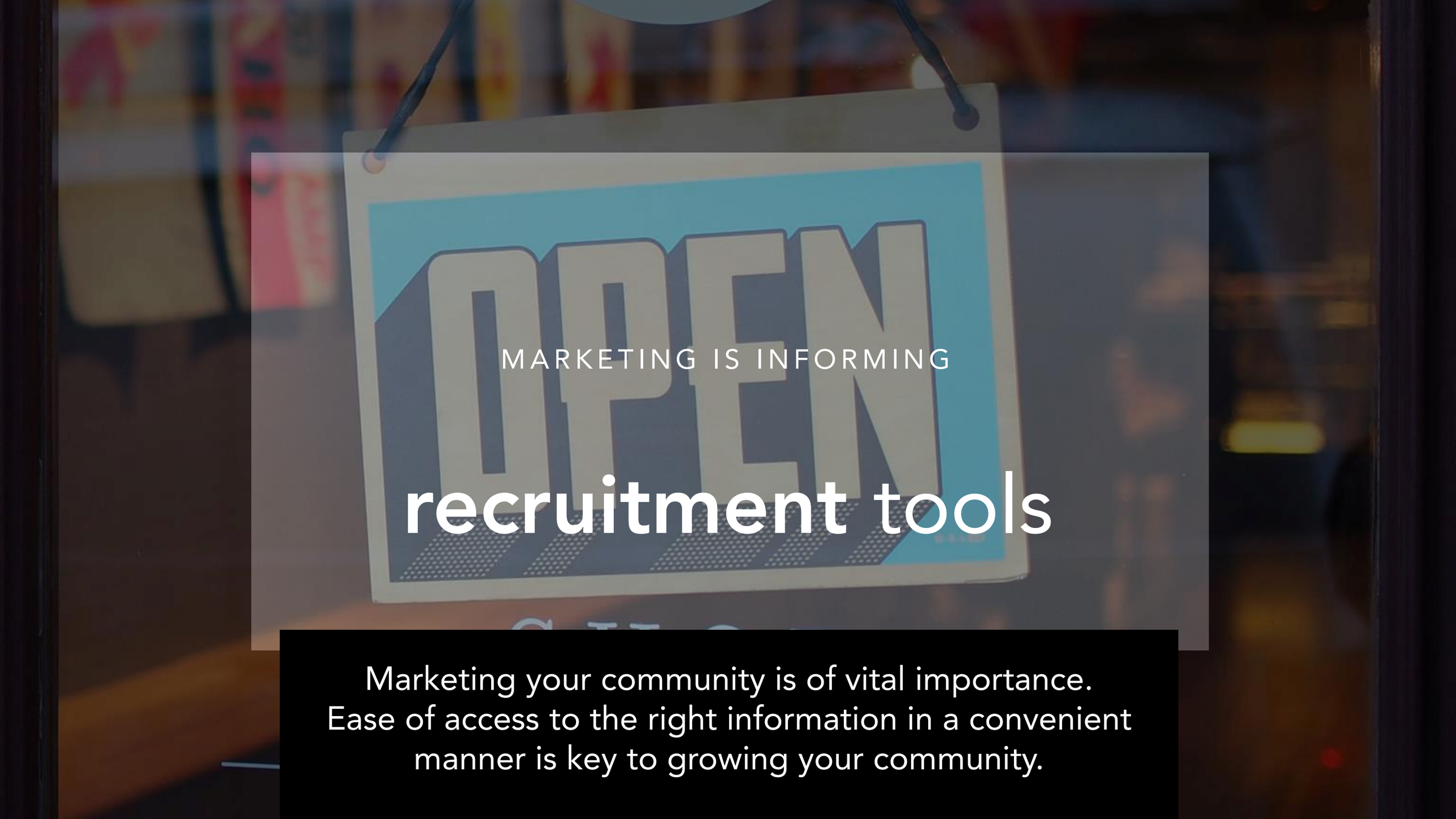
ADVANCE

Retail Webinars

Retail Webinars are an ongoing series of interviews with retail insiders focusing on a specific retail category, such as exercise and fitness or quick service restaurants.

Hosted by our President & COO, Lacy Beasley, these brief webinars pair well with our Focus Trends articles as a way to gain specific knowledge on the real estate choices and logic for expansion and closure that guides a single retail concept.





MARKETING IS INFORMING

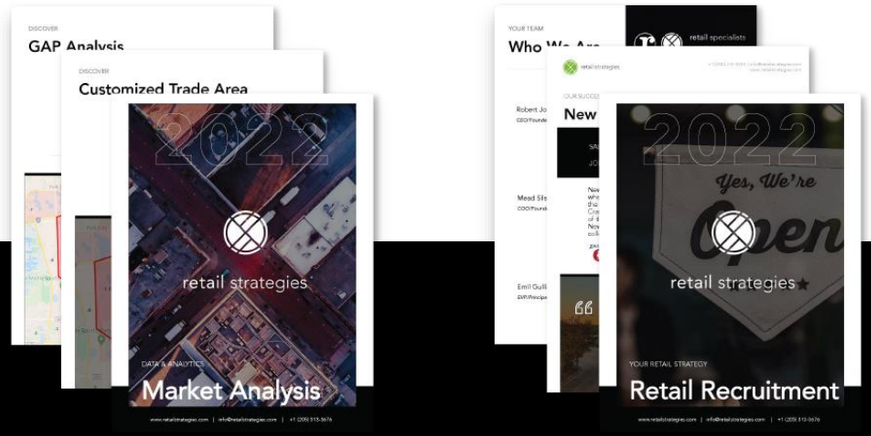
recruitment tools

Marketing your community is of vital importance. Ease of access to the right information in a convenient manner is key to growing your community.

ADVANCE

Marketing Guide

You need a document that showcases critical market intelligence, real estate assets, and compelling data that speaks the retail real estate language. This should include an aerial map with the national retailers plotted and traffic counts.



ADVANCE

Conference Recruitment

We attend 15+ conferences per year to recruit retail to specific sites in our communities.

Las Vegas
New York City
Dallas
Atlanta
Orlando

New Orleans
Charlotte
Nashville
San Diego
Scottsdale

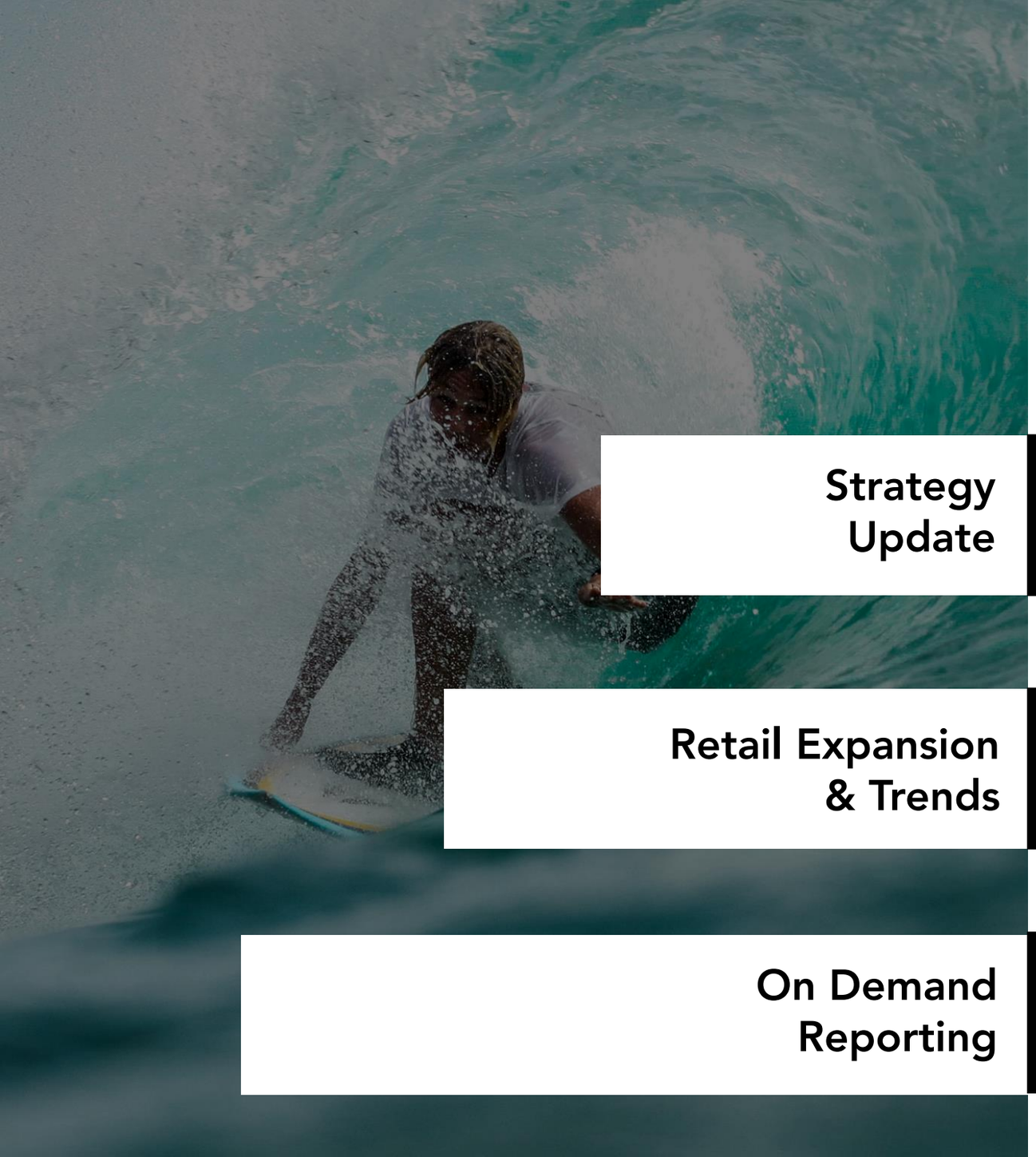
Austin
Chicago
Washington D.C

ADVANCE

The Conference

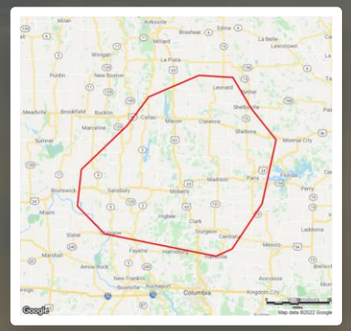
Connect with industry decision-makers through **ICSC**

Public Sector receives a discounted membership of $100/year. Dozens of networking events are held with thousands of retailers, brokers, developers and communities in attendance.



Ongoing Effort

Strategy Update	Continuously improving our efforts to maximize the retail potential in your community
Retail Expansion & Trends	Appropriately position your community Update City leaders on the latest in retail
On Demand Reporting	Your research concierge



1

discover

2

connect

3

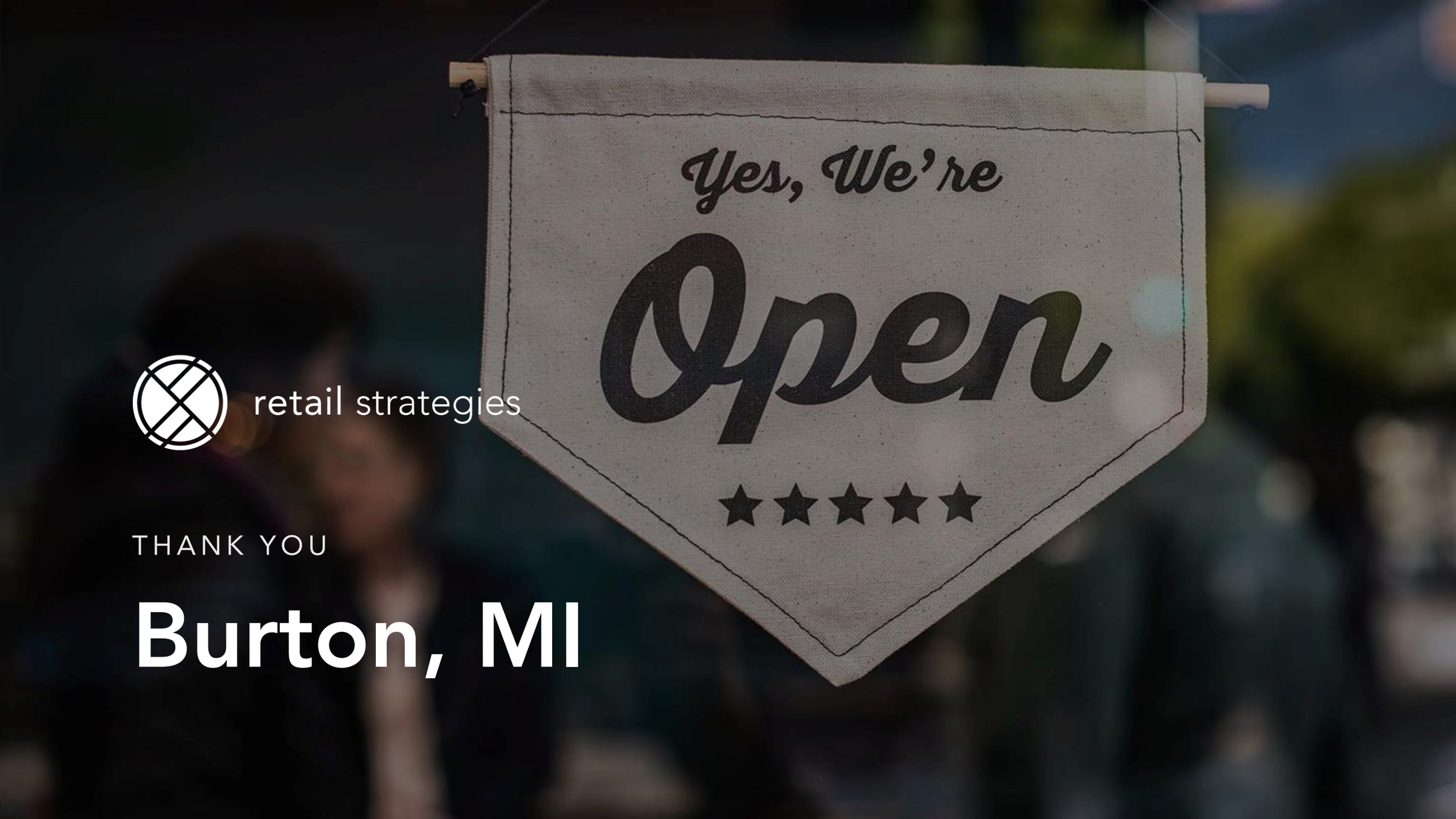
advance

RECAP

The Process

After **discovering** and developing **connections** in the community and industry we proactively **advance** your community.

- We contact developers, retailers, tenant representatives, and franchisee groups - regionally and nationally.
- We make direct and indirect connections through conferences, in-person meetings, phone calls, and emails.
- We coordinate and communicate our efforts regularly with local brokers, property owners, and city staff
- We follow industry trends as well as changes in your local market to adjust our strategy and improve our efforts to maximize the retail potential in your community



retail strategies

THANK YOU

Burton, MI