

# DOWNTOWN AKRON

## RETAIL MARKET REPORT

### 2021





# RETAIL MARKET REPORT OVERVIEW

## Introduction

This report summarizes key findings and data from Retail Market Analysis conducted for the Downtown Akron Partnership (DAP) for the Downtown Area Special Improvement District (DASID). The goal of the report is to present retail market data to better understand retail market conditions for local businesses in the DASID 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 DASID.

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.

**Photography – Cover (Clockwise from top left):** Shane Wynn Photography; courtesy of DBA; Jenn Kidd Creative; courtesy of Zeber-Martell Clay Studio and Gallery; Chris Rutan Photography; Shane Wynn Photography. **This page:** Shane Wynn Photography



# KEY STATS

## Demographics | Consumer Spending | Retail Sales

### 10 Minute Walk

2020 Population	3,000
2020 Households	640
2020 Median Disposable Income	\$14,000
Consumer Spending (Demand)	\$7.1 M
Retail Sales (Supply)	\$116.3 M

Leakage/Surplus

**\$109.2 M**

### 5 Minute Drive

2020 Population	19,700
2020 Households	7,300
2020 Median Disposable Income	\$18,000
Consumer Spending (Demand)	\$120.0 M
Retail Sales (Supply)	\$407.3 M

Leakage/Surplus

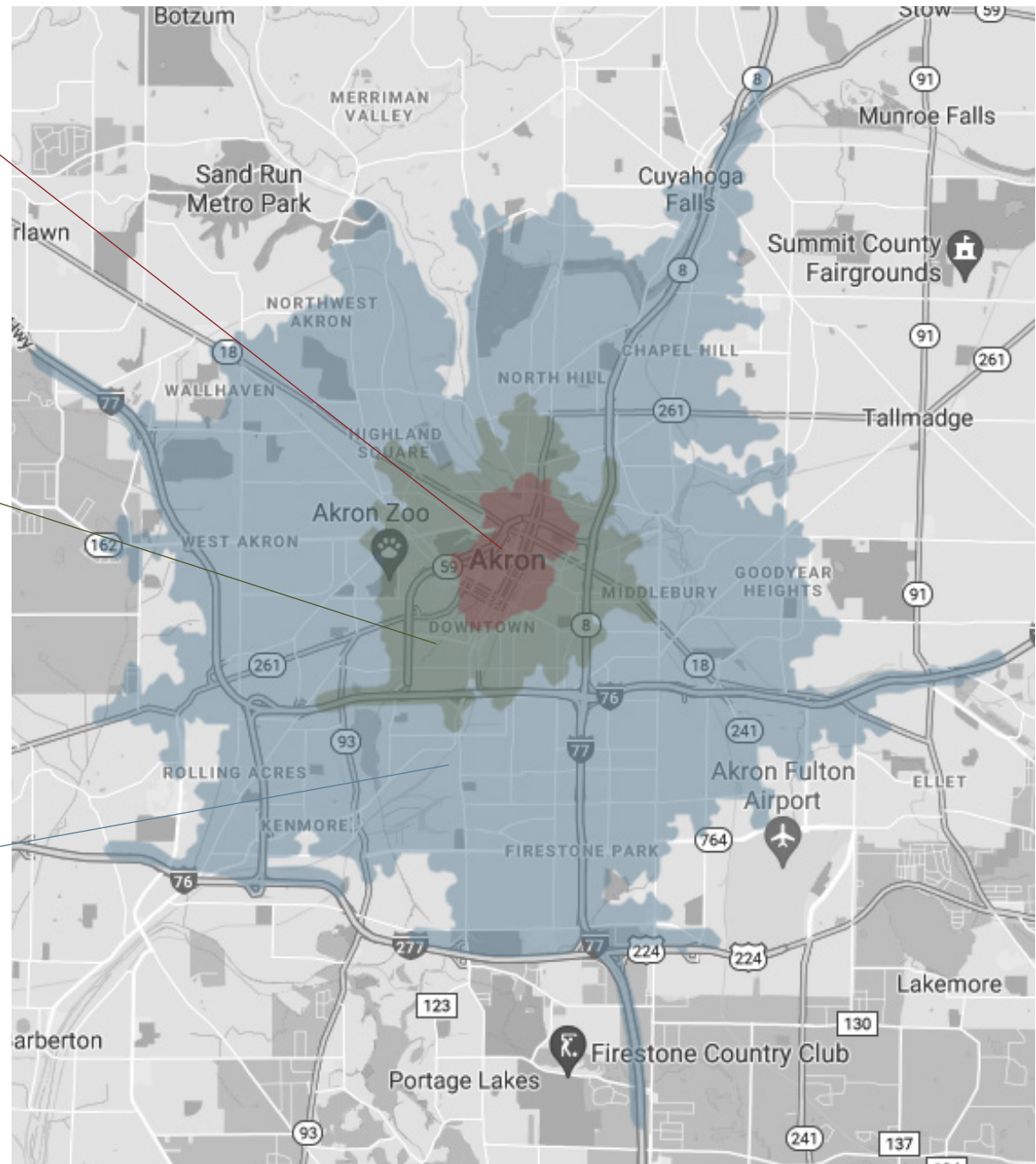
**\$287.3 M**

### 10 Minute Drive

2020 Population	145,300
2020 Households	59,700
2020 Median Disposable Income	\$33,000
Consumer Spending (Demand)	\$1378.9 M
Retail Sales (Supply)	\$1811.9 M

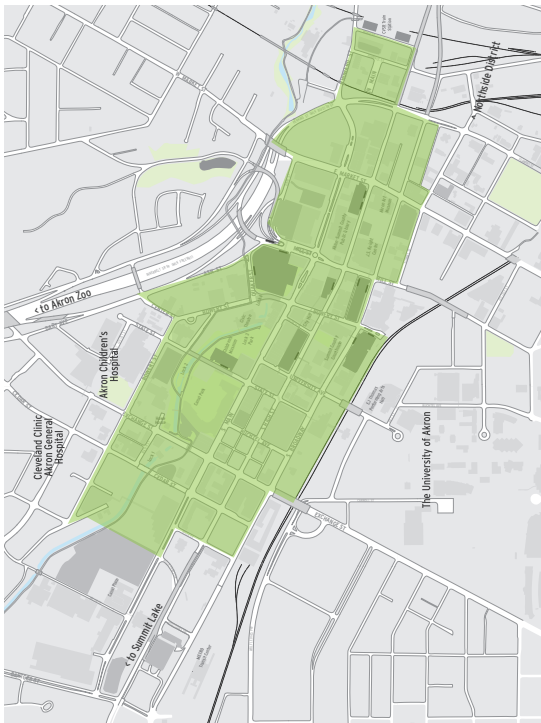
Leakage/Surplus

**\$433.0 M**



# RETAIL MARKET ANALYSIS

## Key Findings & Recommendations



Downtown Akron is on the move as it transitions into a vibrant neighborhood for those with their sights on urban living. Major employment attractors include the world headquarters of GOJO Industries, FirstEnergy, Akron Children's Hospital, Cleveland Clinic Akron General, and Summa Health System. Downtown boasts many amenities including recently rejuvenated apartments, office centers, an eclectic mix of retail and restaurants, cultural landmarks, entertainment, and outstanding public spaces, such as the Ohio and Erie Canalway Towpath Trail. These elements also contribute to dynamic opportunities for remote work lifestyles. Close to the campus of The University of Akron, this central city neighborhood melds urban life with the college

town feel and connects to a student population of more than 20,000.

**With a once-in-a-generation transformation of the city center, Downtown is primed and ready for a resurgence,** as the neighborhood builds upon existing arts and cultural destinations like the Akron Civic Theatre, Lock 3, Akron Art Museum, and Canal Park. Downtown Akron is the premier arts and cultural district for local and national tourism. Regional events such as the Lock 3 Concert Series, Downtown Summer Festivals, Akron Marathon, Akron Pride Festival, and the Rubber City Jazz Festival, along with national concerts and acts that appear at the Akron Civic Theatre and E.J. Thomas Hall. Combined, these events attract millions of visitors to Downtown annually.

As offices continue to reopen and thousands of workers continue to return, Downtown Akron is ready to welcome new businesses within the retail, restaurant, and service sectors that will also support the burgeoning residential community breathing new life into the neighborhood.

### 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 dr.
<b>Grocery Stores</b>			
Consumer Spending	\$1.09M	\$17.83M	\$198.92M
Retail Sales	***	\$16.81M	\$319.33M
<b>Leakage/Surplus</b>	***	-\$1.02M	\$120.41M
<b>Furniture &amp; Home Furnishings Stores</b>			
Consumer Spending	\$0.18M	\$3.14M	\$36.76M
Retail Sales	***	\$1.04M	\$25.14M
<b>Leakage/Surplus</b>	***	-\$2.10M	-\$11.63M

### 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 dr.
<b>Sporting Goods, Hobby, Book &amp; Music Stores</b>			
Consumer Spending	\$0.14M	\$2.46M	\$27.86M
Retail Sales	\$6.47M	\$12.00M	\$49.52M
<b>Leakage/Surplus</b>	\$6.33M	\$9.55M	\$21.66M
<b>Food Services &amp; Drinking Places</b>			
Consumer Spending	\$0.70M	\$11.75M	\$131.14M
Retail Sales	\$36.25M	\$77.84M	\$228.32M
<b>Leakage/Surplus</b>	\$35.56M	\$66.09M	\$97.18M
<b>Clothing &amp; Clothing Accessories Stores</b>			
Consumer Spending	\$0.31M	\$5.17M	\$57.49M
Retail Sales	\$1.45M	\$8.14M	\$39.87M
<b>Leakage/Surplus</b>	\$1.14M	\$2.97M	-\$17.62M