

Annandale Market Area Profile

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Today's Workshop

1 Introduction

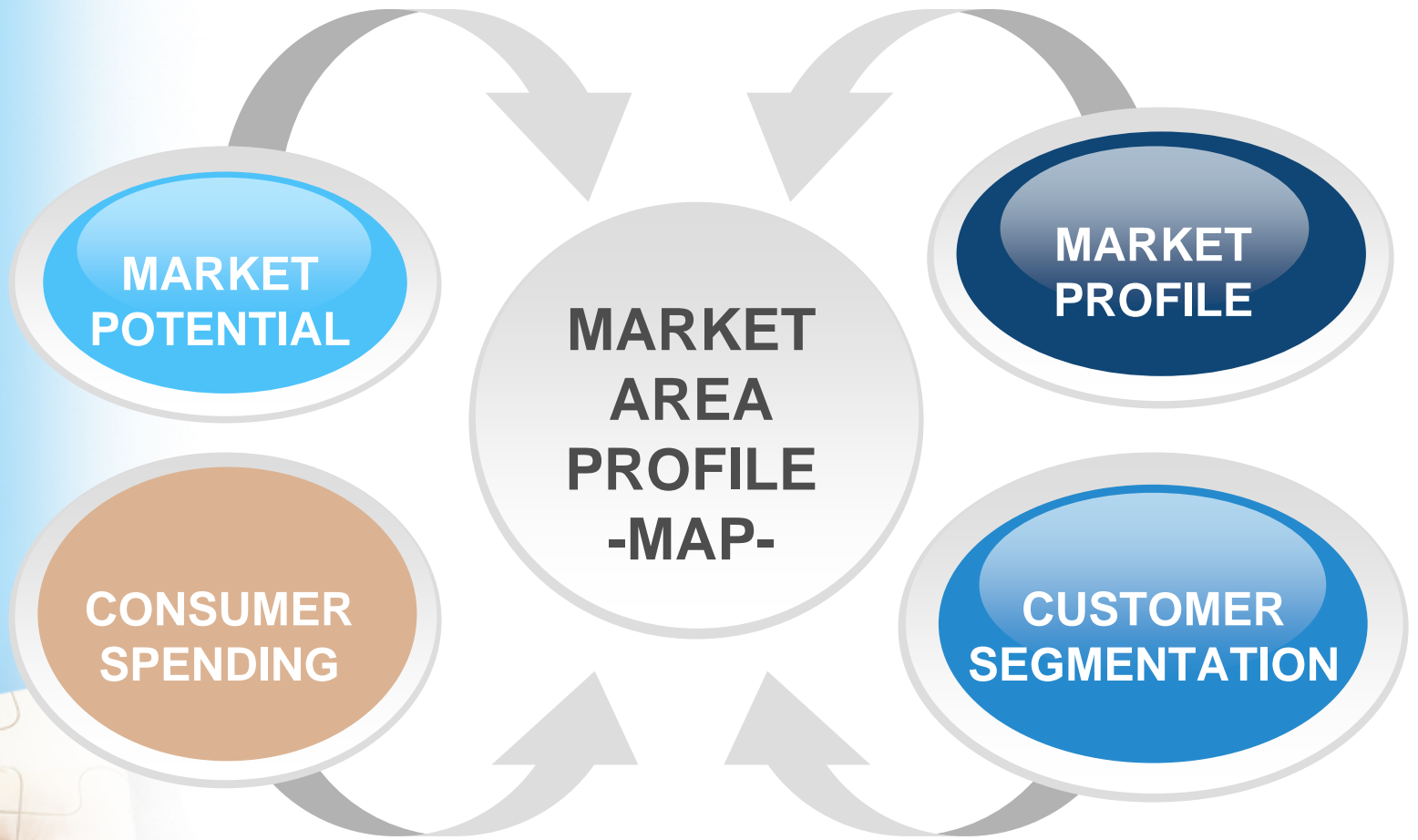
2 Analysis Background

3 Results of Analysis

4 Application

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REPORT SECTIONS AND SOURCES

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**MARKET
PROFILE**

SOURCE

- US Census Bureau

**CUSTOMER
SEGMENTATION**

SOURCE

- Media Mark Research
- ESRI

**CONSUMER
SPENDING**

SOURCE

- U.S. Department of Labor
- BLS

**MARKET
POTENTIAL**

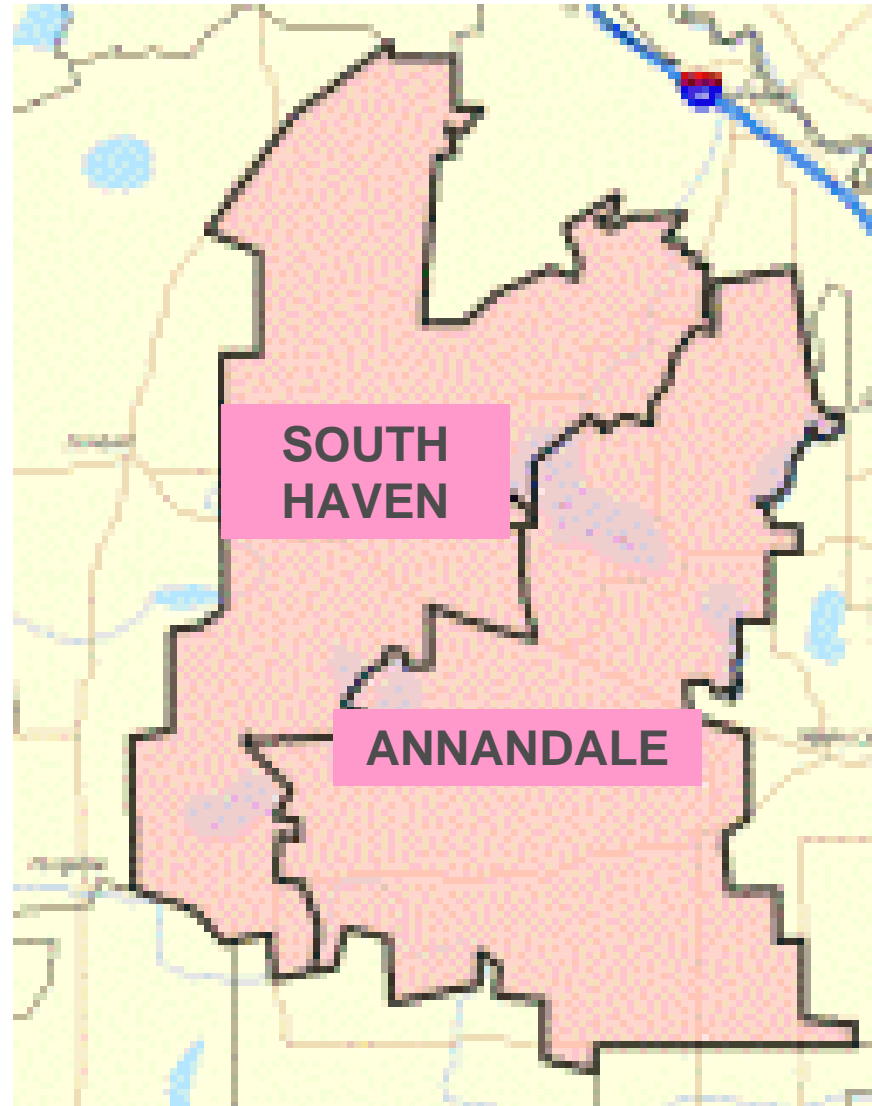
SOURCE

- US Economic Census 2002

ANNANDALE MARKET AREA

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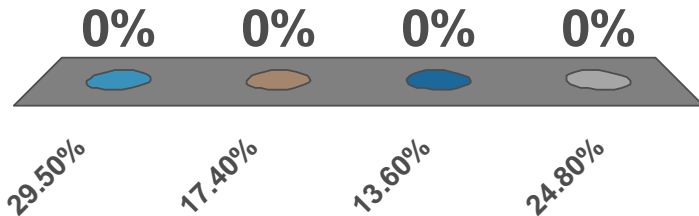
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What percent of people living in the Annandale Trade Area are over the age 65?

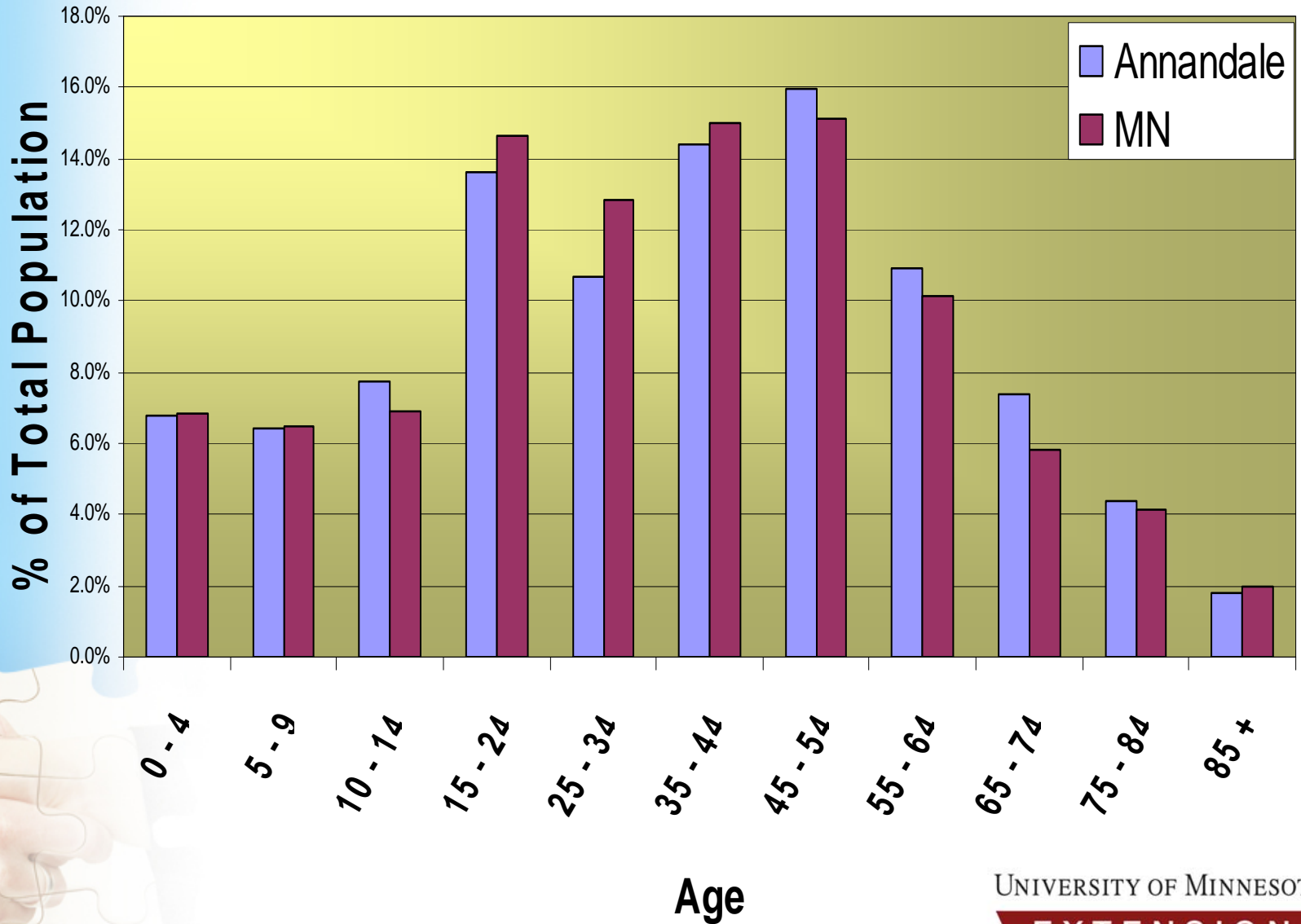
- 1. 29.5%
- 2. 17.4%
- 3. 13.6% 😊
- 4. 24.8%



2006 Annandale Trade Area Population Age

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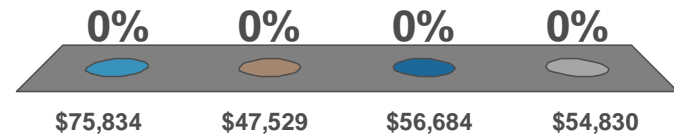
What's the median household income for the Annandale trade area?

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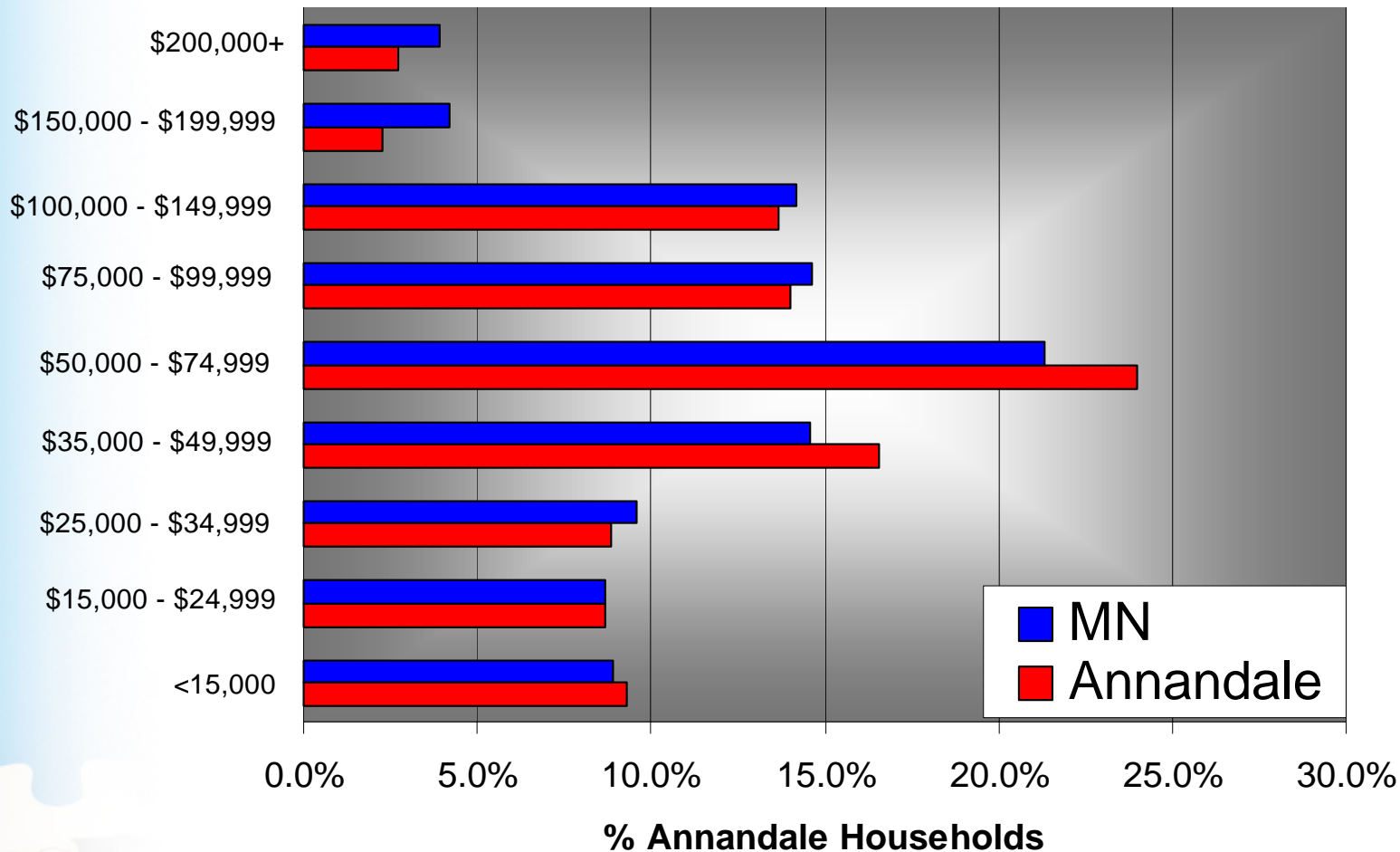
1. \$75,834
2. \$47,529
3. \$56,684 😊
4. \$54,830

10



2006 Annandale Trade Area Households by Income

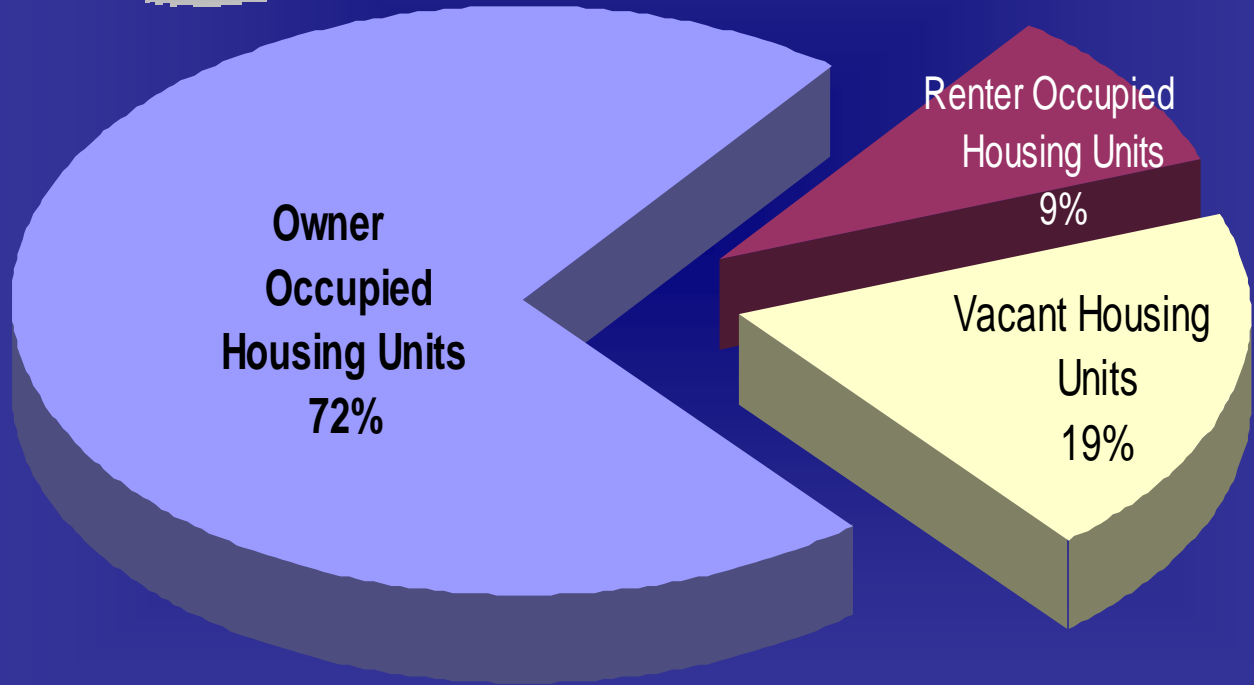
Annual Household Income



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Annandale Housing Units 2006



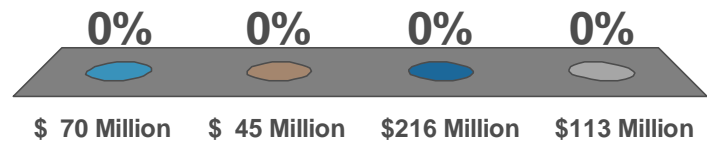
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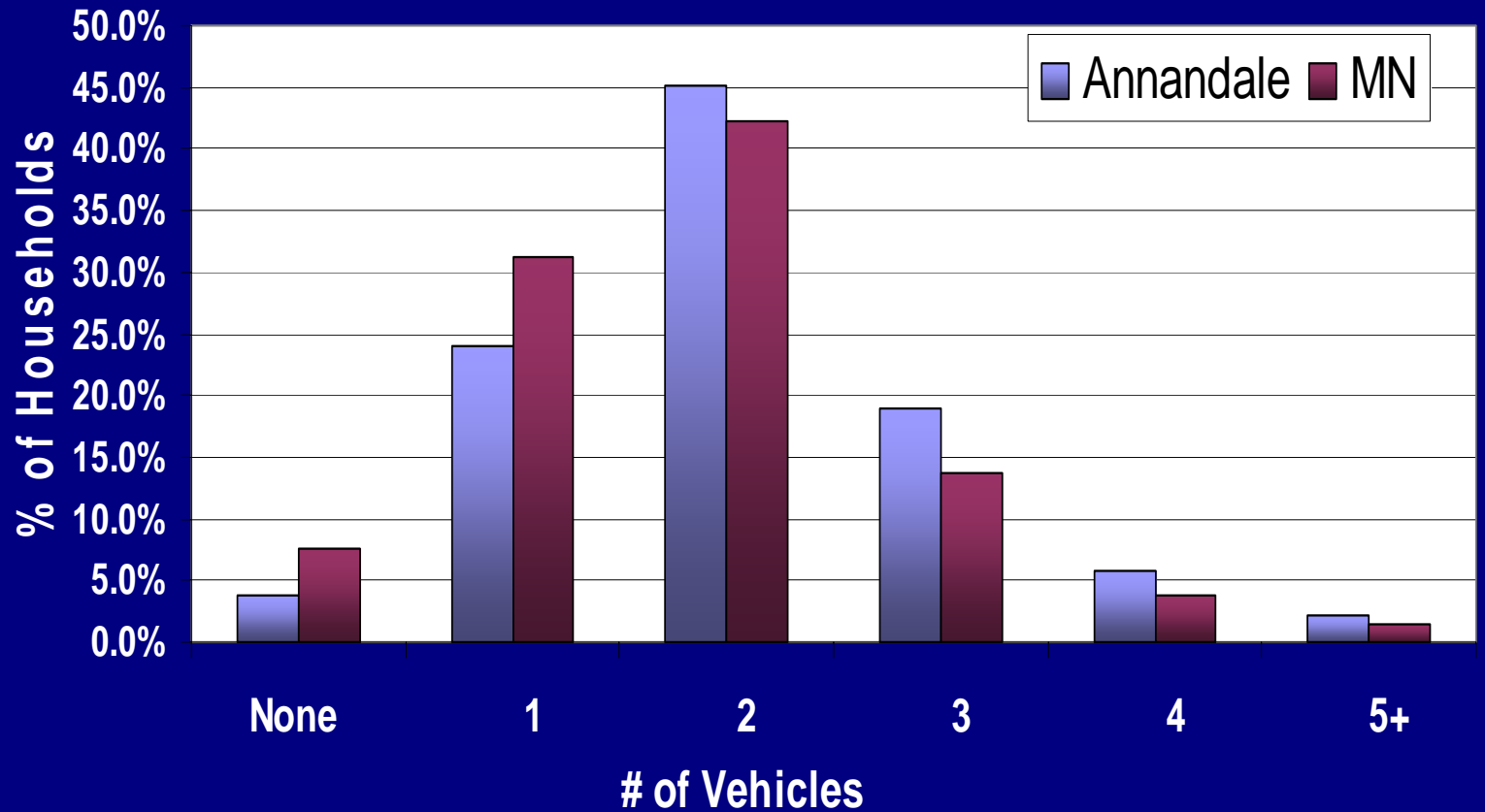


What is the total amount spent on retail goods and services by households living in the trade area?

- 1. \$ 70 Million
- 2. \$ 45 Million
- 3. \$216 Million
- 4. \$113 Million 



Households By Vehicles Annandale - 2000



Pull Factors: How are we doing?

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- Pull Factor = sales per capita in Annandale/
sales per capita in Minnesota
- Data from MN Department of Revenue
- 2006 total gross sales = \$53,034,326
- From 55 business in 4 categories
 - **29 retail establishments**
 - **10 accommodation and food services establishments**
 - **16 personal and repair services establishments**

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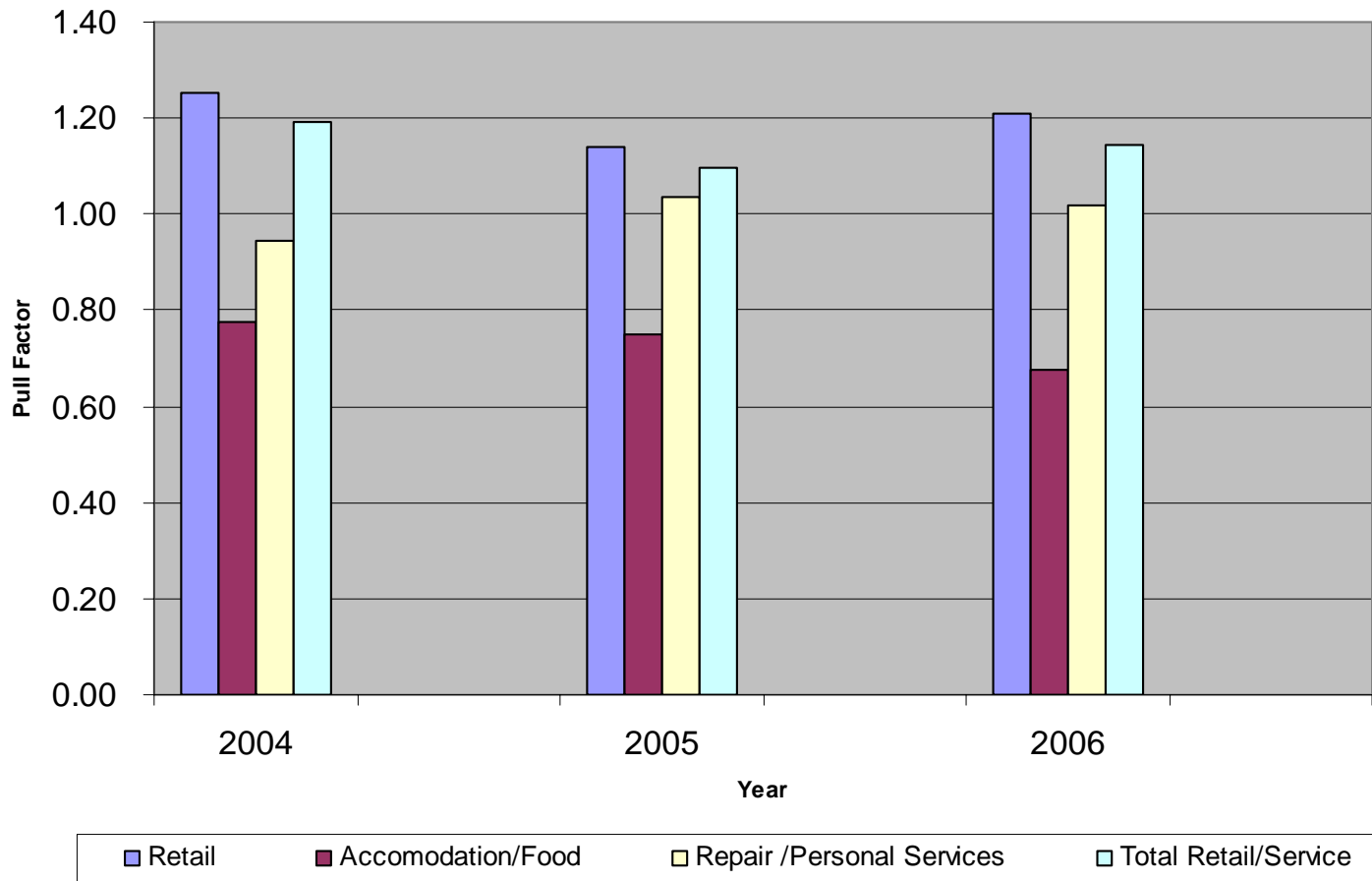
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Pull Factors: How are we doing?

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Annandale Pull Factors



Customer Segmentation: *a bit beyond demographics*

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\$75K
income,
home
owner,
enjoys live
music,
drives a
Volkswagen

\$40K
income,
renter, buys
two books a
month,
drives a
Pontiac

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Results: Customer Segments

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SALT OF THE EARTH

3.3%

CROSS ROADS

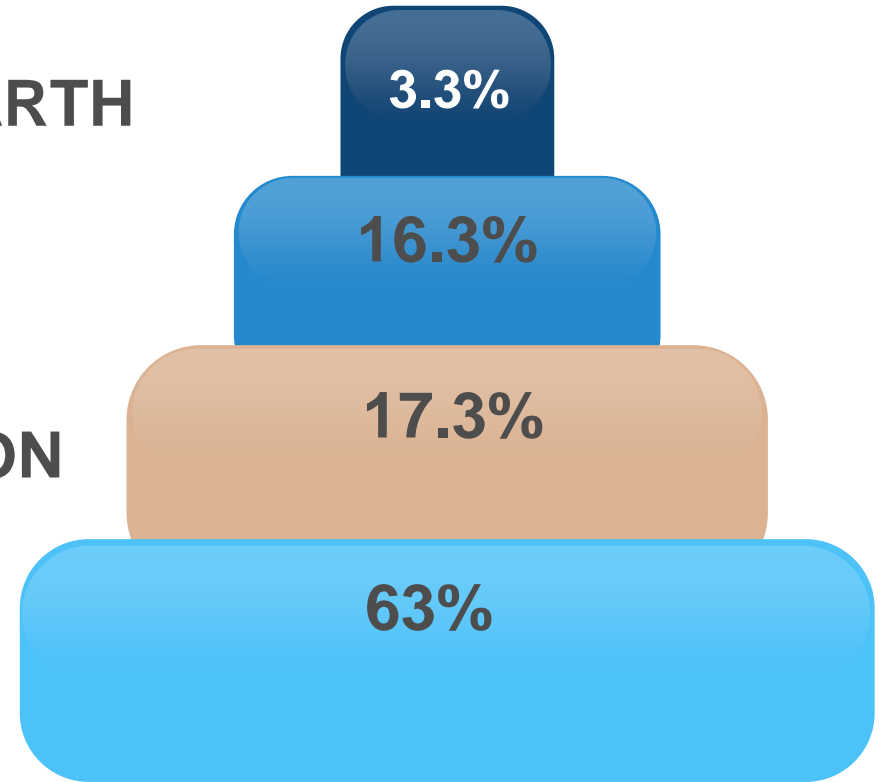
16.3%

MIDLIFE JUNCTION

17.3%

GREEN ACRES

63%



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Top Segment: Green Acres

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- *2,800 households (63.1%)*
- Country living
- Median Income: \$62,300
- Educated and Hard working
- Do-it-yourselfers.
- Mainly owner-occupied homes with median value of \$179,700
- Bike Riding and Water Skiing
- Hunting
- Prefer motorcycles and full-size pickup trucks.



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Customer Segments – Midlife Junction

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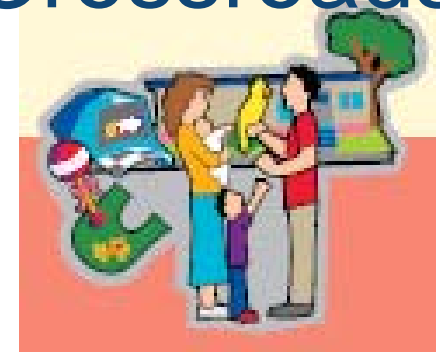
- *769 households (17.3%)*
- Median Income: \$43,600
- Live quiet, settled lives
- Median Home value of \$129,600
- Enjoy Dining out at full service restaurants
- Prefer domestic cars.
- Search for bargains.



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Customer Segments – Crossroads



- *723 households (16.3%)*
- Median Income: \$39,500
- Tend to be younger than the US average
- Most employed in manufacturing, construction, retail trade and service industry sectors.
- Shop at discount stores such as Walmart
- Buy used vehicles.
- Fishing and movies.

Tapestry Segmentation Area Profile: Media

How do you reach your customers?

| | 17 Green Acres | 33 Midlife Junction | 41 Crossroads | Total Households | Total Percentage |
|--|----------------|---------------------|---------------|------------------|------------------|
| Totals | 2,800 | 769 | 723 | 4,440 | |
| Television | | | | | |
| Light viewer of daytime TV | 10% | 11% | 8% | 448 | 10% |
| Medium viewer of daytime TV | 8% | 10% | 11% | 388 | 9% |
| Heavy viewer of daytime TV | 6% | 10% | 17% | 385 | 9% |
| Light viewer of primetime TV | 22% | 19% | 24% | 958 | 22% |
| Light-medium viewer of primetime TV | 20% | 18% | 19% | 875 | 20% |
| Medium viewer of primetime TV | 21% | 20% | 19% | 915 | 21% |
| HH watched 15+ hours of cable TV last week | 54% | 57% | 51% | 2388 | 54% |
| Watched 1-9 hours of cable TV last week | 76% | 81% | 68% | 3367 | 76% |
| Watched 10-20 hours of cable TV last week | 18% | 22% | 22% | 865 | 19% |
| Watched 21+ hours of cable TV last week | 3% | 4% | 7% | 179 | 4% |

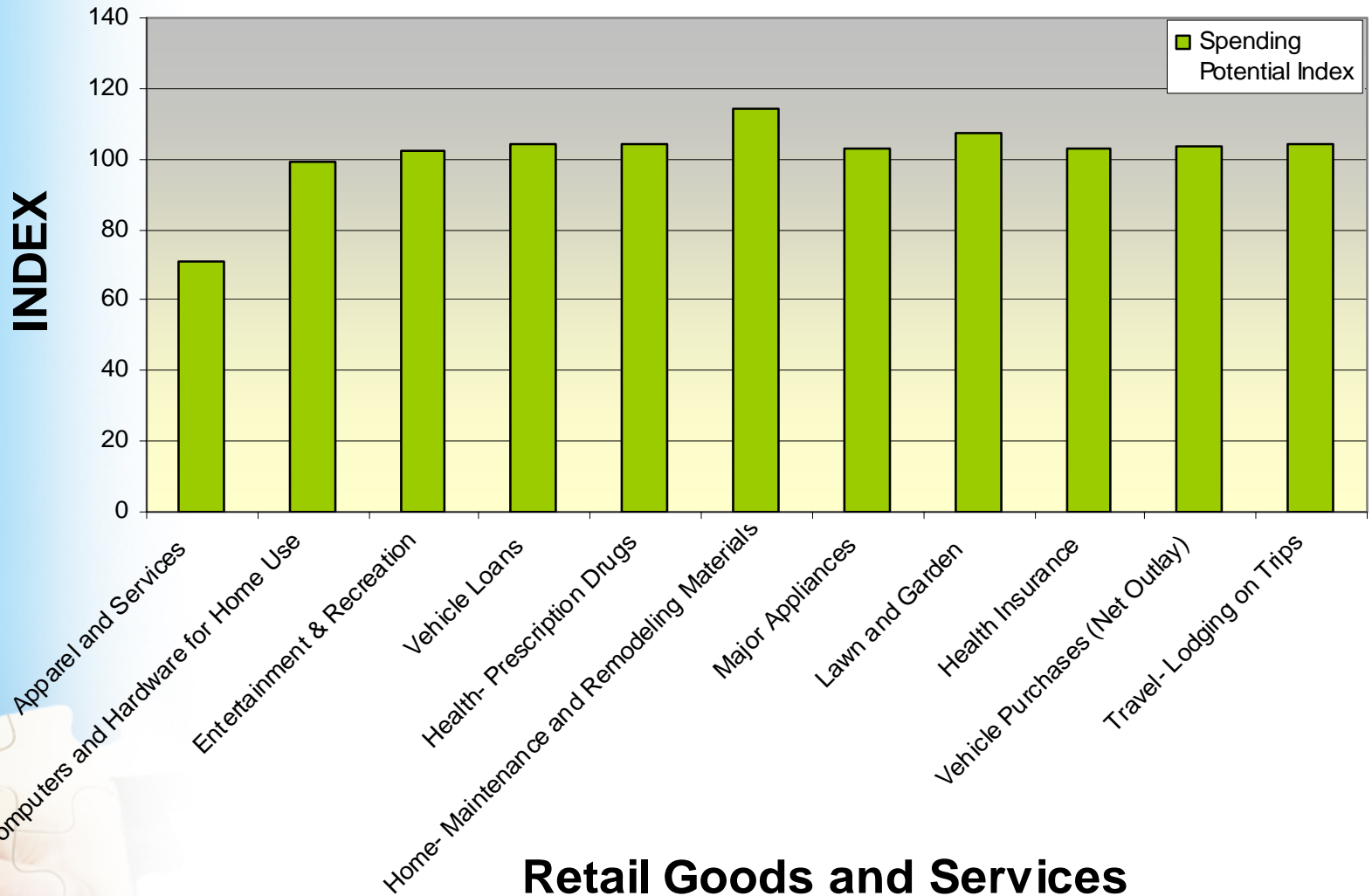
Media: How do you reach your customers?

- *Listen to radio: 6-10am weekday – 56%*
- *Read any daily newspaper – 48%*
- *Read general editorial magazine – 45%*

Leisure: What activities are your customers involved in?

- *Attended Movies in last 6 months – 61%*
- *Bought a lottery ticket in last 12 mos – 38%*
- *Flew a kite – 4%*

SPENDING POTENTIAL INDEX



Retail Goods and Services

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Retail Market Potential Background

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Retail Market Potential Background

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- Market Potential is based on the full spending potential of all residents
 - **Data from the 2002 US Economic Census**
 - All Minnesota employer AND non-employer data for calculations
 - **Measuring a “gap”**
 - Comparison between average sales per establishment and market potential
 - A “ballpark” estimate

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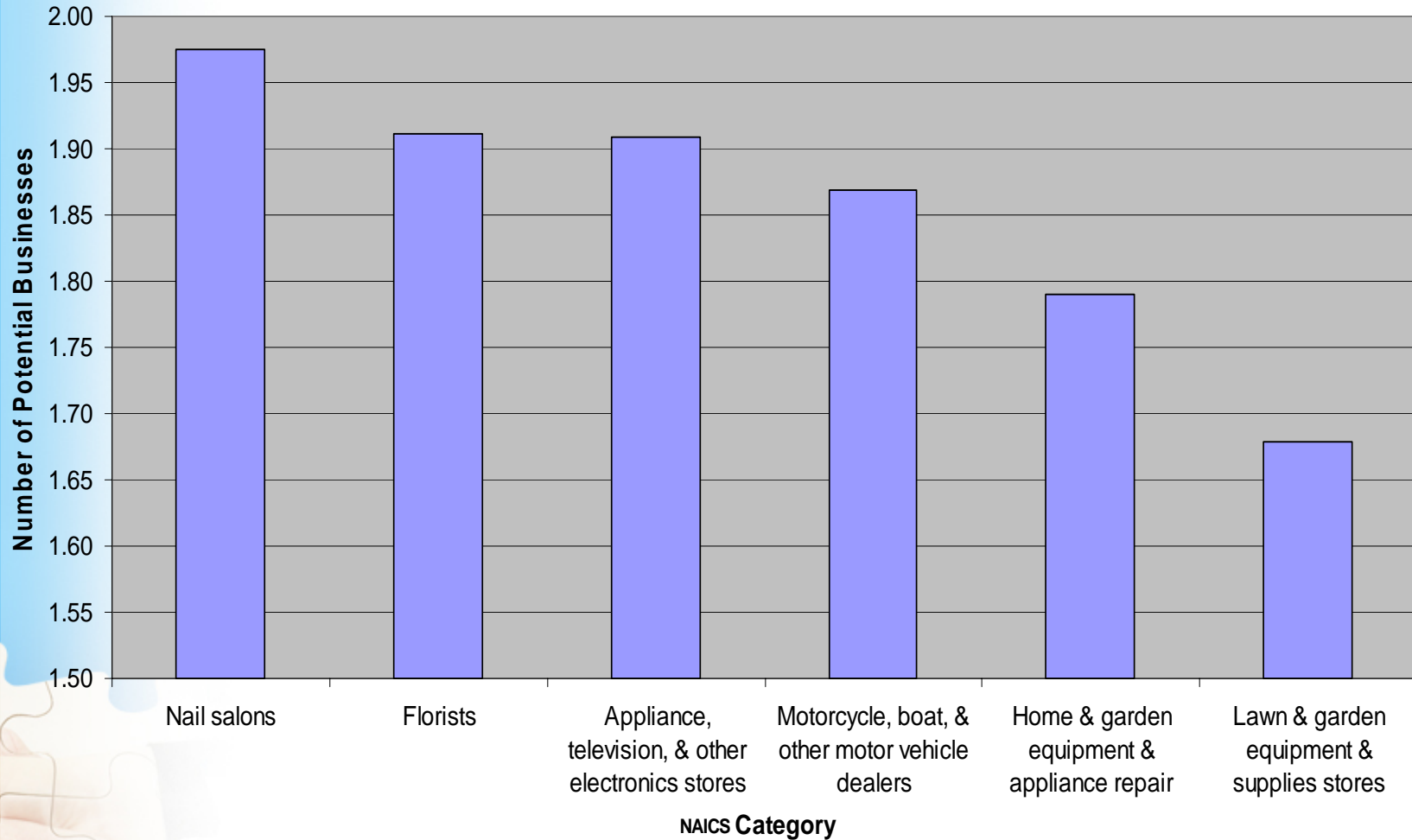
| NAICS | Industry |
|-------|---|
| | Vehicle, Furniture, and Building Materials |
| 44111 | New car dealers |
| 44112 | Used car dealers |
| 44121 | Recreational vehicle dealers |
| 44122 | Motorcycle, boat, & other motor vehicle dealers |
| 4413 | Automotive parts, accessories, & tire stores |
| 4421 | Furniture stores |
| 4422 | Home furnishings stores |
| 44311 | Appliance, television, & other electronics stores |
| 44312 | Computer & software stores |

| MN Sales Per Capita | Annandale Trade Area Market Potential | Sales per Average MN Establishment | Potential Number of Establishments |
|---------------------|---------------------------------------|------------------------------------|------------------------------------|
| 2,629.56 | \$ 30,161,070 | \$ 23,852,467 | 1.26 |
| 187.99 | \$ 2,156,224 | \$ 620,769 | 3.47 |
| 69.24 | \$ 794,220 | \$ 2,044,886 | 0.39 |
| 214.51 | \$ 2,460,425 | \$ 1,316,340 | 1.87 |
| 246.01 | \$ 2,821,719 | \$ 837,916 | 3.37 |
| 215.61 | \$ 2,472,999 | \$ 1,828,119 | 1.35 |
| 193.94 | \$ 2,224,440 | \$ 840,703 | 2.65 |
| 357.06 | \$ 4,095,528 | \$ 2,145,532 | 1.91 |
| 67.89 | \$ 778,655 | \$ 1,025,718 | 0.76 |

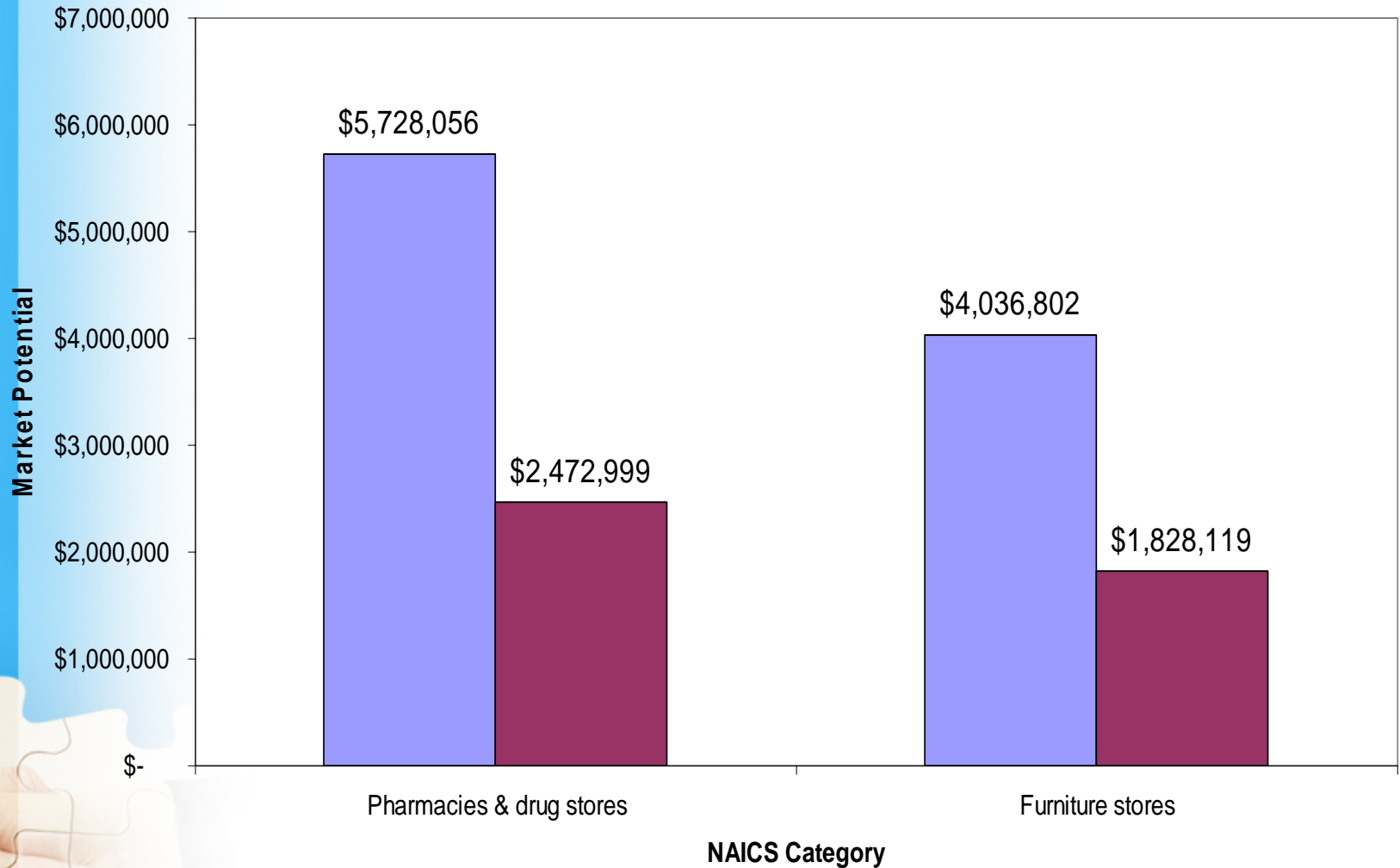
Market Potential

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Market Potential



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Application: Community

- **Gaps**
- **Recruitment**
- **Community marketing**
- **Planning for the future**



Application: Businesses

- **Learn local customer needs**
- **Plan Advertising, inventory, layout**
- **Knowledge for local entrepreneurs**



Application: Set out some plans

- How can you apply this information in your community?



Thank You!

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