



CommunityID[®]

Saratoga, CA

CommunityID Final Report



May 2008



Retail is in Our DNA

- The industry leader in customer analytics and site selection to the retail industry
- Buxton management represents over 500 cumulative years in the retail industry
- Partnered with over 1,700 clients including 350 community clients
- Our communities have recruited more than 15 million sq. feet of retail
- We speak daily with senior retail real estate executives

We Speak Retail!

Some of Our Retail Clients



Some of Our Community Clients





CommunityID

- **A Proven Retail Development Strategy**
- **Uncovers Retail and Restaurant Opportunities**
- **Validates Retail Development Opportunity**
- **Executable Program**
- **Links Planning to Implementation**

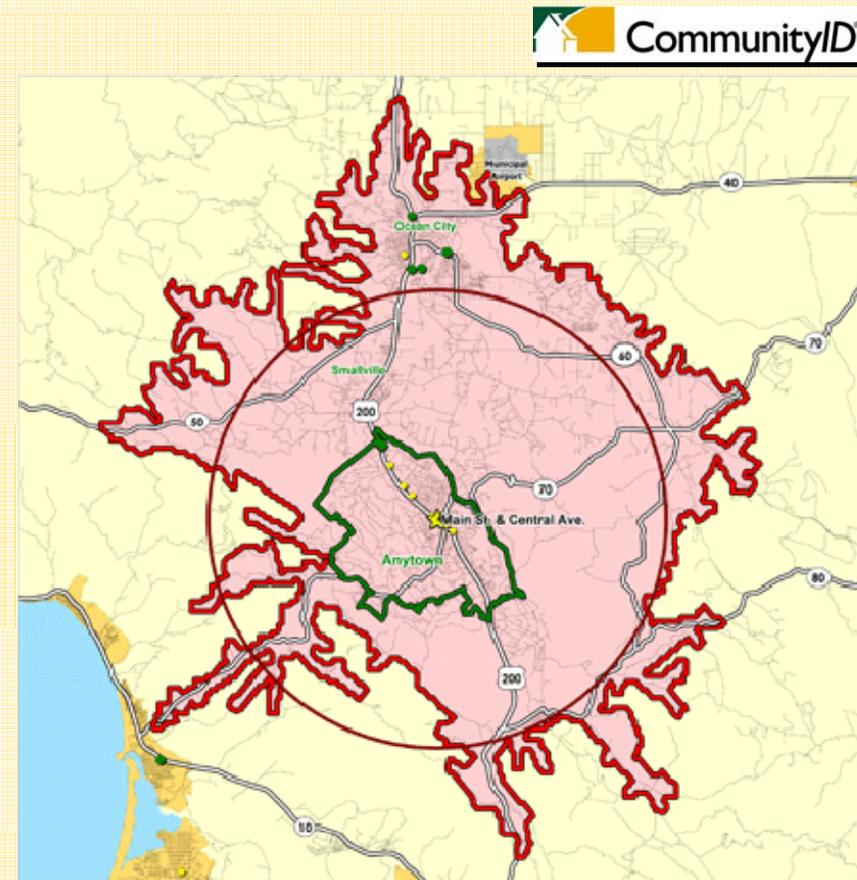
City of Saratoga's Purpose

- Primary Trade Area Analysis
- Psychographic Breakdown of Consumers
- Supply/Demand information for the Trade Area
- Arm Existing Businesses with Customer Information

Example Drive Time Trade Area

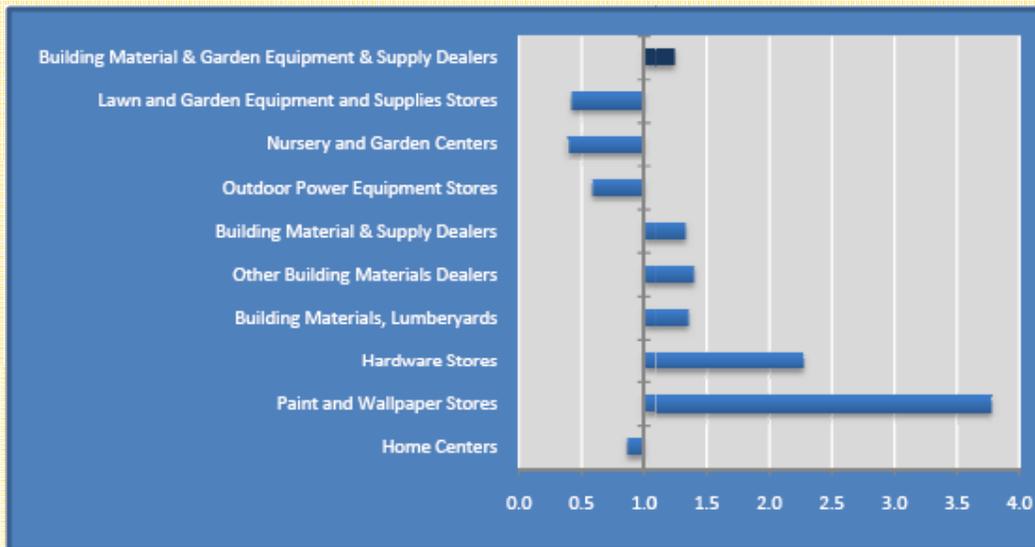
Example Types of Trade Areas Compared

	City Limits	8 Mile Ring	15 Minute Drive Time
Population	9,947	15,715	25,583
Retail Potential	\$450 million	\$750 million	\$1 billion
Restaurant Sales	\$41 million	\$64 million	\$100 million
Automobile Sales	3,243 vehicles	4,522 vehicles	6,968 vehicles



Retail Leakage/Surplus Analysis Purpose

- How many dollars are leaving
- What stores attract outside dollars
- How strong is your retail sector
- What are our retail opportunities



Example of Major Store Type. Buxton analysis includes details within Major Store Types and analysis by Product Type

Psychographics vs. Demographics

Traditionally, locations were selected based on:



Age				
2004 PROJECTION	335,270	203,595	180,704	38,737
1999 ESTIMATE	317,227	191,531	171,169	33,401

Sex				
2004 PROJECTION	335,270	203,595	180,704	38,737

Race				
2004 PROJECTION	335,270	203,595	180,704	38,737

Income				
2004 PROJECTION	335,270	203,595	180,704	38,737
1999 ESTIMATE	317,227	191,531	171,169	33,401
1990 CENSUS	288,000	168,911	155,053	25,170
1980 CENSUS	251,960	134,794	130,020	19,579
GROWTH 1980 - 1990	14,306	35,356	18,436	28,506
2004 PROJECTION	112,577	70,253	61,000	13,189
1999 ESTIMATE	106,024	66,197	57,315	11,341
1990 CENSUS	95,664	58,156	51,452	8,088
1980 CENSUS	80,666	40,242	39,015	6,626
GROWTH 1980 - 1990	18,596	44,526	31,806	31,126
1999 ESTIMATED POPULATION BY RACE	317,227	191,531	171,169	33,401
WHITE	38.2%	50.9%	35.2%	74.5%
BLACK	48.0%	41.0%	58.7%	13.5%
ASIAN & PACIFIC ISLANDER	0.0%	1.0%	0.7%	0.3%
OTHER RACES	11.9%	6.0%	5.2%	11.5%
1999 ESTIMATED POPULATION	317,227	191,531	171,169	33,401
HISPANIC ORIGIN	18.4%	11.3%	8.9%	17.0%
1999 ESTIMATED POPULATION BY OCCUPATION	317,227	191,531	171,169	33,401
OWNER OCCUPIED	61.0%	62.9%	62.5%	63.0%
RENTER OCCUPIED	38.9%	37.0%	37.4%	37.0%
1999 PERSONS PER HH	2.68	2.68	2.68	2.61
1999 EST. HOUSEHOLDS BY INCOME	106,024	66,197	57,315	11,341
\$15,000 OR MORE	4.0%	7.2%	4.0%	3.7%
\$10,000 TO \$14,999	8.5%	11.6%	9.4%	6.7%
\$7,500 TO \$9,999	11.0%	15.6%	13.8%	10.8%
\$5,000 TO \$7,499	21.8%	23.1%	23.0%	21.2%
\$3,500 TO \$4,999	16.1%	15.0%	15.8%	13.1%
\$2,500 TO \$3,499	11.4%	9.8%	10.8%	13.8%

Psychographics vs. Demographics

For retailers: It's Customers, Not People

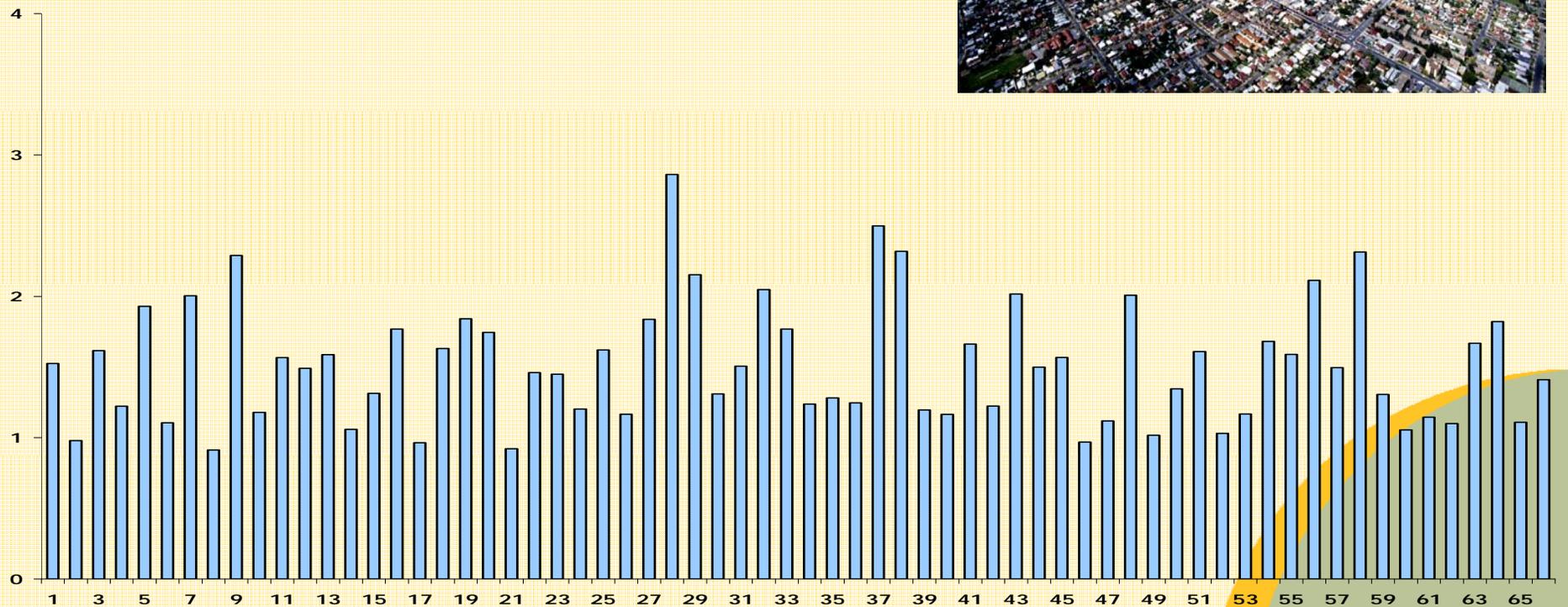


Now, customers can be identified based on:

- Lifestyles
- Purchase Behavior
- Media Habits

Segmentation

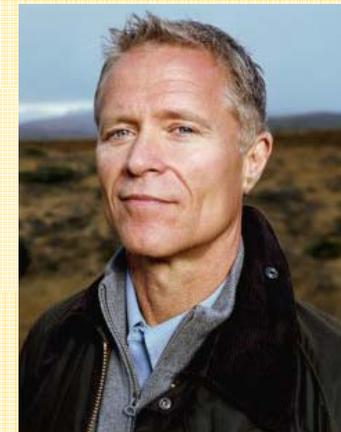
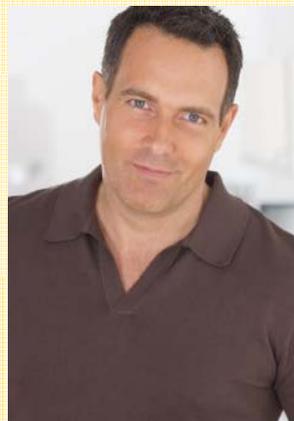
All U.S. households fall into 1 of 66 psychographic segments



Identify & Profile Your Customers

Census Profile

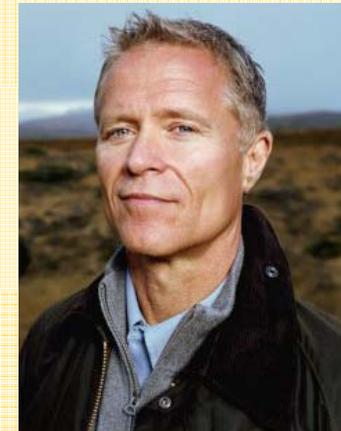
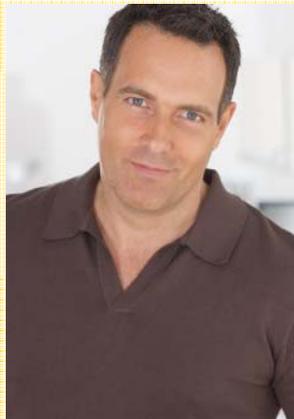
	<u>Customer One</u>	<u>Customer Two</u>
Age:	40 Year Old Male	44 Year Old Male
Income:	\$62,000 Income	\$66,000 Income
Ethnicity:	Caucasian	Caucasian
Marital Status:	Married	Married
Kids:	2 Children	3 Children
Education:	Post-graduate degree	College Graduate



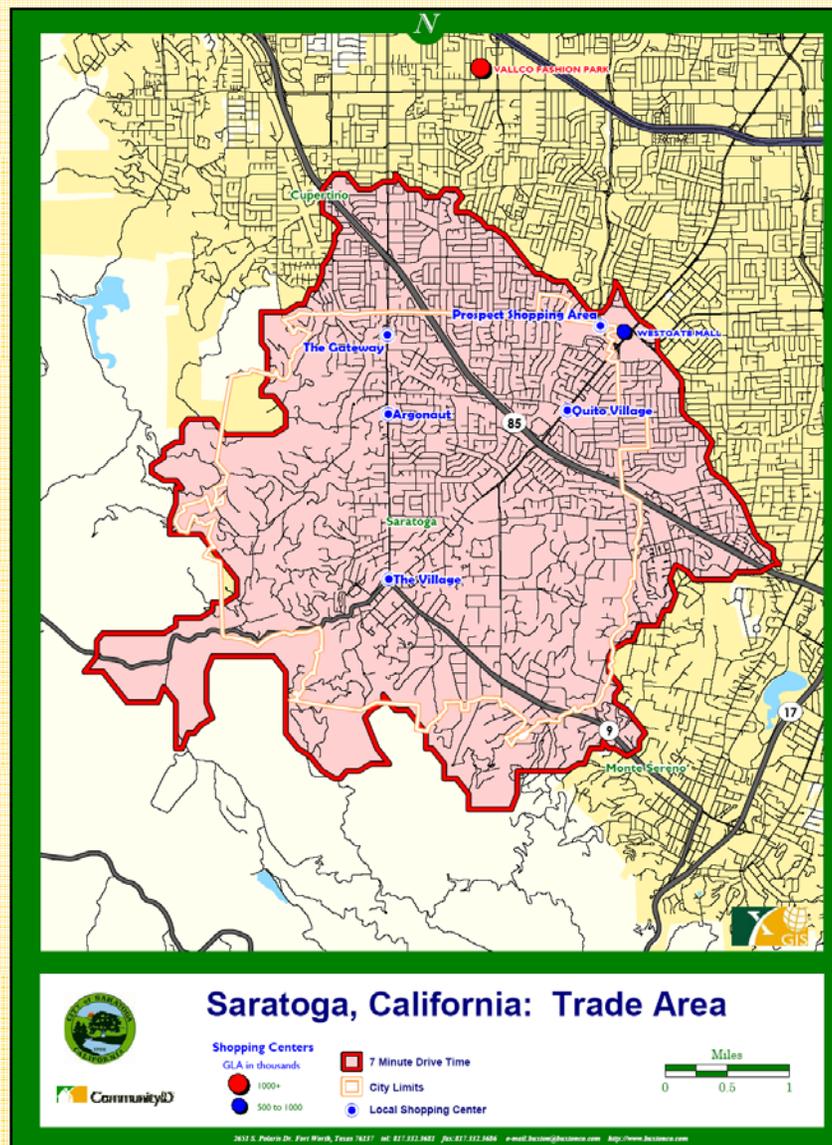
Know Your Customers

Psychographic Profile

	<u>Customer One</u>	<u>Customer Two</u>
Owens:	Entertainment Center	Power Boat
Eats:	Boston Market	Chili's Grill & Bar
Reads:	Barron's	Field & Stream
Watches:	PGA Tour	Country Music TV
Drives:	BMW 5 Series	Dodge Ram
Drinks:	White Wine	Bud Light



Saratoga Primary Trade Area



Trade Potential Variables

Trade Potential Variables	Trade Area
Estimated Household Count	20,727
Number of Households in Dominant Segments	17,797
Traffic Count	95,000

Leakage/Surplus Index by Store Type

Store Type	Potential	Actual Sales	Leakage/Surplus Index
Furniture & Home Furnishings Stores	85,795,390	67,813,384	0.79
Electronics & Appliances Stores	68,008,429	69,429,239	1.02
Building Material & Garden Equipment & Supply Dealers	284,746,998	174,689,271	0.61
Food & Beverage Stores	259,845,772	313,131,595	1.21
Health & Personal Care Stores	106,892,769	115,994,037	1.09
Clothing & Clothing Accessories Stores	147,253,261	123,365,792	0.84
Sporting Goods, Hobby, Book, & Music Stores	57,436,790	49,213,885	0.86
General Merchandise Stores	312,197,846	105,188,260	0.34
Miscellaneous Store Retailers	71,693,321	42,761,711	0.60
Foodservice & Drinking Places	257,365,027	208,828,773	0.81
Total Retail Sales (Including Food Service & Drinking Places)	2,465,238,447	1,480,420,020	0.60

Leakage/Surplus Index by Building Material, Garden, & Supply Dealers

Leakage/Surplus Index by Building Material, Garden Equipment and Supply Dealers



Building Material, Garden, & Supply Dealers

Building Material, Garden Equipment and Supply Dealers	Potential	Actual Sales	Leakage/Surplus Index
Home Centers	98,835,344	77,750,555	0.79
Paint and Wallpaper Stores	7,683,262	14,728,437	1.92
Hardware Stores	20,450,532	11,270,217	0.55
Building Materials, Lumberyards	46,289,904	15,173,362	0.33
Other Building Materials Dealers	131,865,608	44,495,230	0.34
Building Material & Supply Dealers	258,834,747	148,244,439	0.57
Outdoor Power Equipment Stores	3,655,492	3,089,895	0.85
Nursery and Garden Centers	22,256,758	23,354,936	1.05
Lawn and Garden Equipment and Supplies Stores	25,912,250	26,444,831	1.02
Building Material & Garden Equipment & Supply Dealers	284,746,998	174,689,271	0.61

Foodservice & Drinking Places

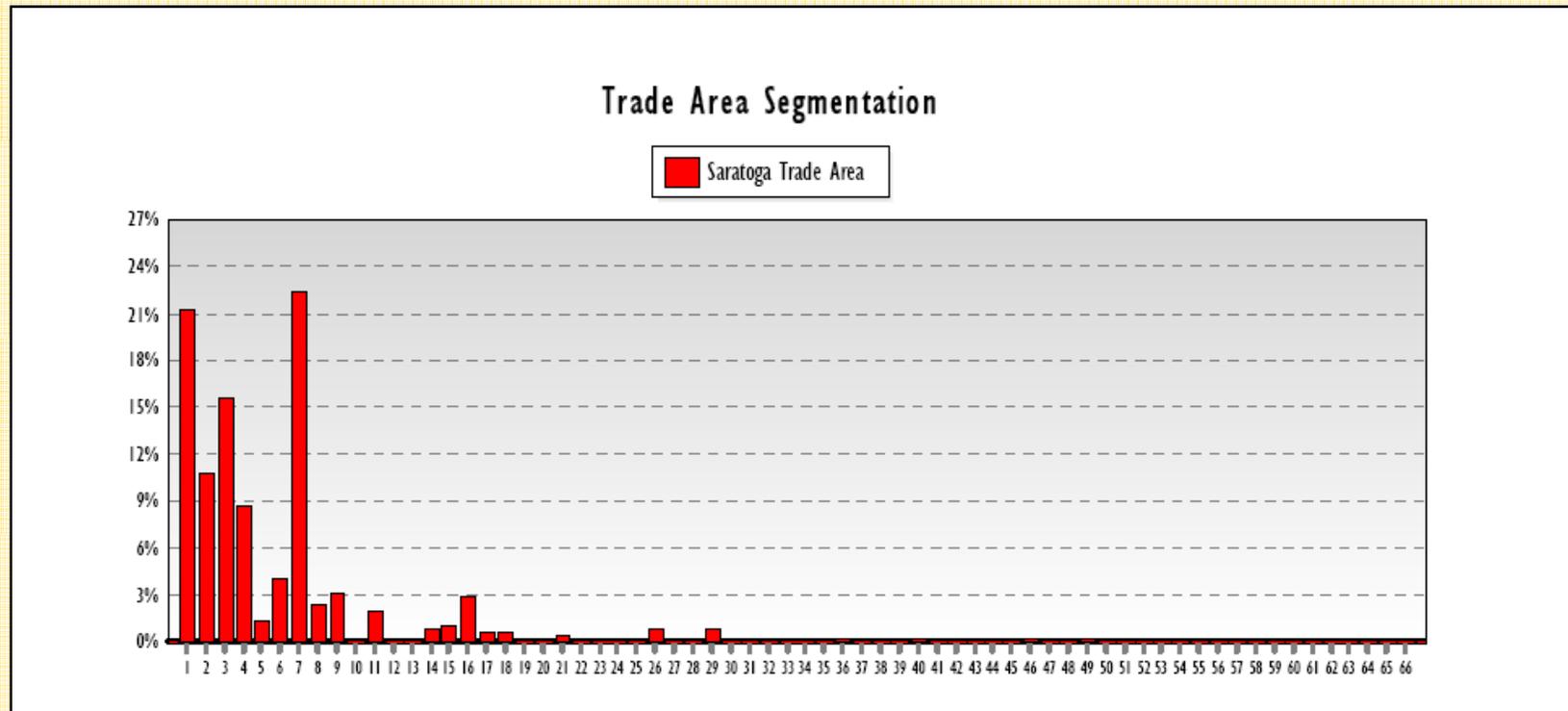
Leakage/Surplus Index by Foodservice and Drinking Places



Foodservice and Drinking Places	Potential	Actual Sales	Leakage/Surplus Index
Full-service Restaurants	117,346,277	96,723,587	0.82
Limited-service Eating Places	107,609,678	87,980,402	0.82
Special Foodservices	20,703,274	21,442,001	1.04
Drinking Places -Alcoholic Beverages	11,705,796	2,682,781	0.23
Foodservice & Drinking Places	257,365,027	208,828,773	0.81

Customer Household Profiles

Households in the 7 minute trade area were profiled based on their lifestyle and purchase behavior

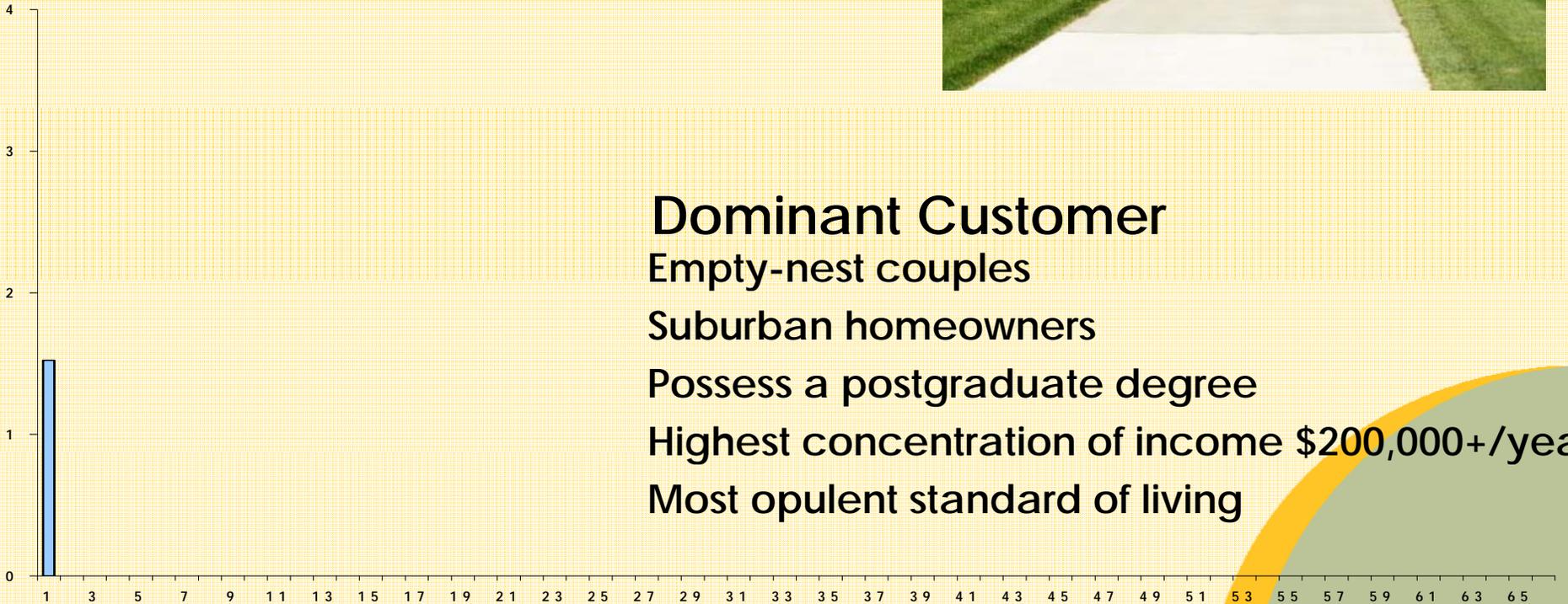


Customer Household Lifestyles

Psychographics focus on
Customer Lifestyles



Dominant Customer
Empty-nest couples
Suburban homeowners
Possess a postgraduate degree
Highest concentration of income \$200,000+/year
Most opulent standard of living



Customer Household Purchase Behaviors

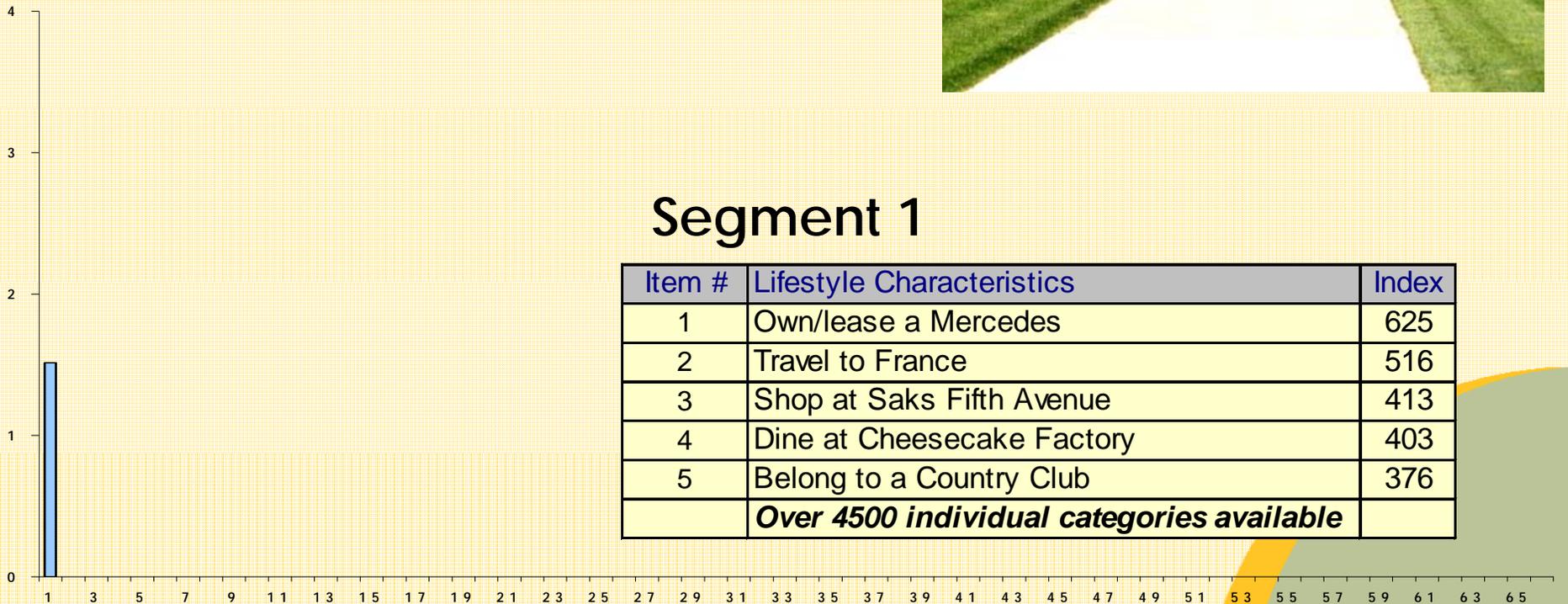
Psychographics focus on

- Lifestyles
- Purchase Behavior
- Media Habits



Segment 1

Item #	Lifestyle Characteristics	Index
1	Own/lease a Mercedes	625
2	Travel to France	516
3	Shop at Saks Fifth Avenue	413
4	Dine at Cheesecake Factory	403
5	Belong to a Country Club	376
	Over 4500 individual categories available	



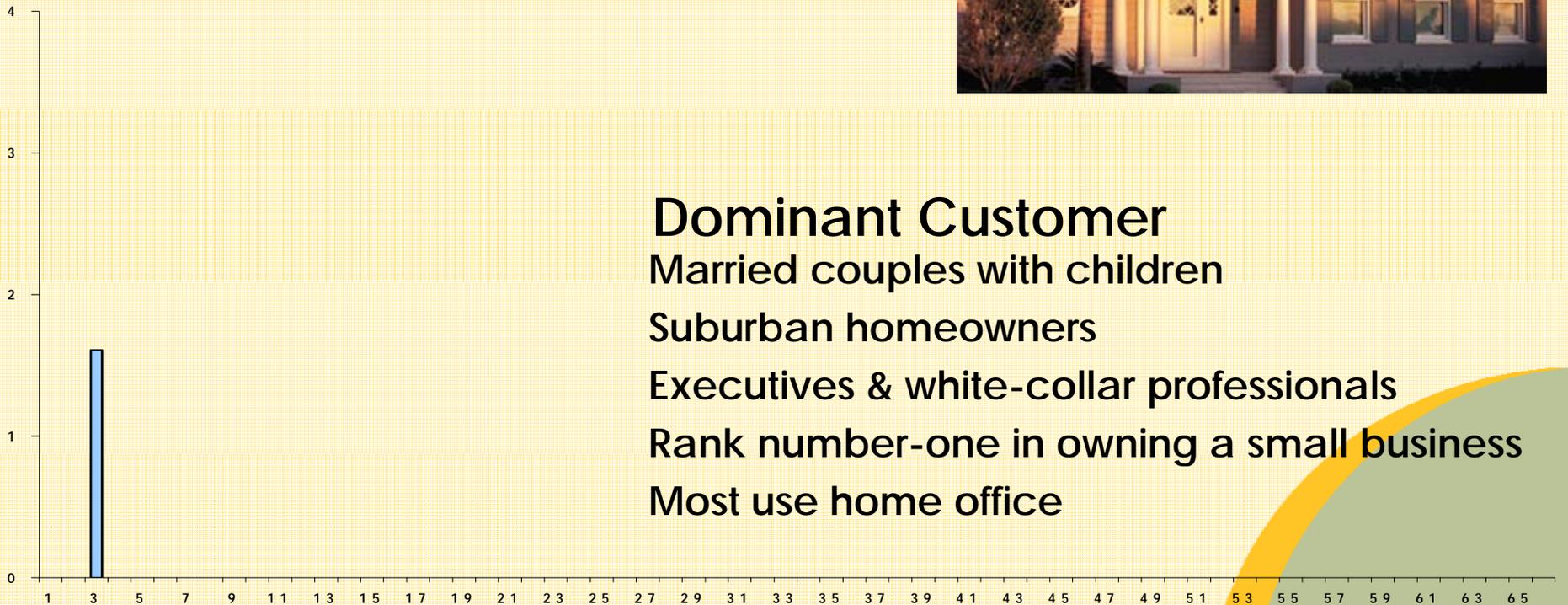
Customer Household Lifestyles

Psychographics focus on

- Customer Lifestyles



Dominant Customer
Married couples with children
Suburban homeowners
Executives & white-collar professionals
Rank number-one in owning a small business
Most use home office



Customer Household Purchase Behaviors

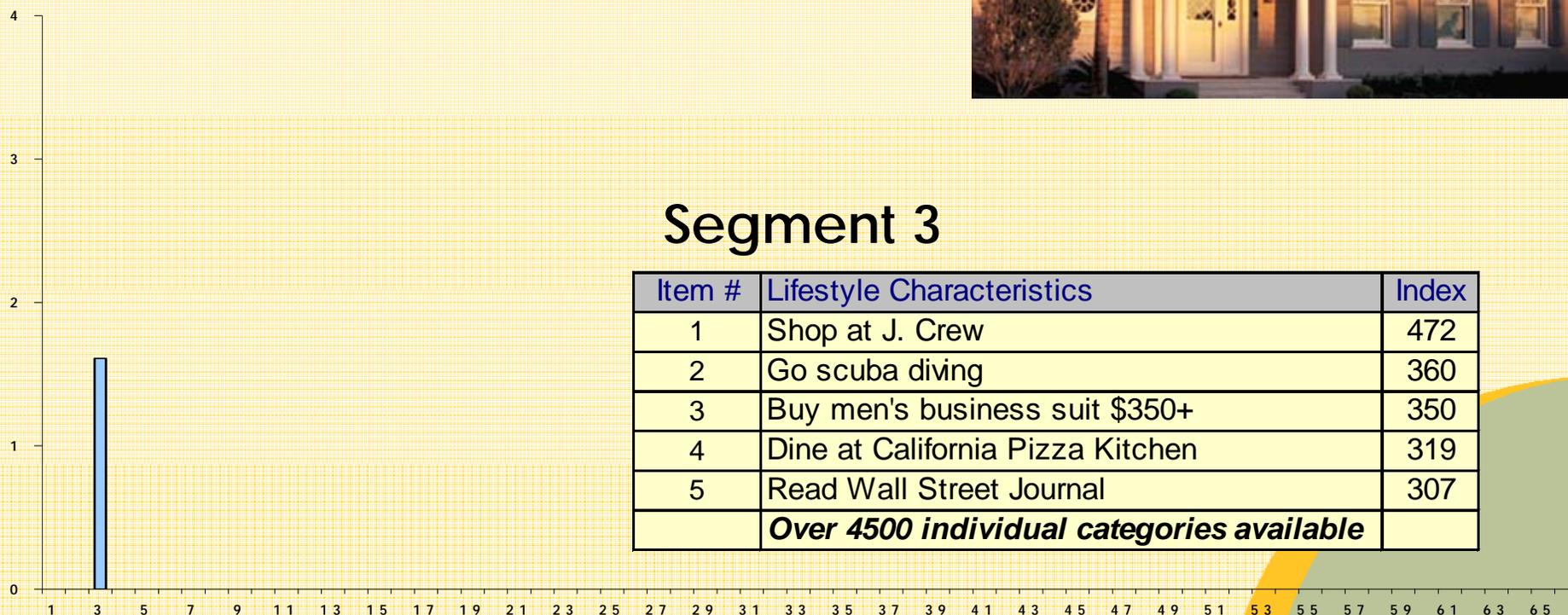
Psychographics focus on

- Lifestyles
- Purchase Behavior
- Media Habits



Segment 3

Item #	Lifestyle Characteristics	Index
1	Shop at J. Crew	472
2	Go scuba diving	360
3	Buy men's business suit \$350+	350
4	Dine at California Pizza Kitchen	319
5	Read Wall Street Journal	307
	Over 4500 individual categories available	



Customer Household Lifestyles

Psychographics focus on

- Customer Lifestyles



Dominant Customer

Married couples with few children

Have high incomes and advanced degrees

Owners of small, fashionable homes

City dwellers

Ethnic diversity – White and Asian



Customer Household Purchase Behaviors

Psychographics focus on

- Lifestyles
- Purchase Behavior
- Media Habits



Segment 7

Item #	Lifestyle Characteristics	Index
1	Own/lease a new volvo	521
2	Shop at Bloomingdales	409
3	Travel to Spain	386
4	Dine at Round Table Pizza	374
5	Listen to Jazz music	361
	Over 4500 individual categories available	



Next Steps

Next Steps

- Be realistic
- Retailers come in many shapes and sizes
- Retail diversity is important
- Take some chances...don't limit yourself



Retail Retention and Attraction

- Aggressive marketing
 - Tell the story about your retail potential
 - Utilize leakage information to build existing businesses
 - Aid development community with retail specifics
- Offer Business Building Opportunities
 - Direct Mail
 - Consistent Hours
 - Changing Storefronts



Buxton®

Identifying Customers

