

Market Profile

Trade Area Definition

A “Greenfield Study” was performed to collect information on downtown Niles consumer origination patterns. Information collected from more than 40 downtown businesses participating in interviews and mapping exercises, as well as input from Niles community leaders, was used to define the geographic dimensions of the downtown Niles primary and secondary trade areas.



•••• Primary Trade Area ■■■■ Secondary Trade Area

The geographic trade area for any given business in the downtown Niles business district will likely vary from the trade areas indicated; the trade area for convenience-oriented business could predictably be smaller, while the trade area for certain specialty and visitor-oriented businesses could presumably be more expansive.

Demographics Snapshot

The following table provides a comparative view of key demographic data for the downtown Niles primary and secondary trade areas. Comparative figures for the State of Michigan are shown for relevant data.

| | Primary Trade Area | Secondary Trade Area | State of Michigan |
|--|--------------------|----------------------|-------------------|
| Population Estimates | | | |
| 2000 Census | 110,318 | 195,729 | |
| 2004 Estimated | 113,315 | 196,448 | |
| 2009 Projected | 115,707 | 199,543 | |
| 2004 – 09 Change | +2.1% | +1.6% | +3.3% |
| Households Estimates | | | |
| 2000 Households | 41,476 | 74,963 | |
| 2000 Average Household Size | 2.62 | 2.43 | 2.56 |
| 2004 Estimated Households | 43,335 | 76,442 | |
| 2004 Est. Avg. Household Size | 2.58 | 2.40 | 2.52 |
| 2009 Projected Households | 44,982 | 78,804 | |
| 2009 Est. Avg. Household Size | 2.53 | 2.36 | 2.49 |
| 2004 – 09 Change – Households | +3.8% | +3.1% | +4.7% |
| Per Capita Income Estimates | | | |
| 2004 Per Capita | \$25,622 | \$20,261 | \$25,281 |
| 2009 Projected Per Capita | \$30,615 | \$23,697 | \$29,976 |
| 2004 – 09 Change – Per Capita | +19.5% | +16.9% | +18.6% |
| Median Household Income Estimates | | | |
| 2004 Median Household | \$50,084 | \$38,356 | \$48,729 |
| 2009 Projected Median Household | \$55,681 | \$43,974 | \$54,505 |
| 2004 – 09 Change – Median Household | +11.2% | +14.6% | +11.9% |
| Housing Estimates | | | |
| 2004 Estimated Housing Units | 46,240 | 82,515 | |
| 2004 Est. Owner Occupied Housing Units | 74.8% | 59.5% | 66.1% |
| 2004 Est. Renter Occupied Housing Units | 18.9% | 33.1% | 23.0% |
| 2004 Est. Vacant Housing Units | 6.3% | 7.4% | 10.8% |
| 2009 Projected Housing Units | 48,005 | 85,201 | |
| 2009 Pct. Owner Occupied Housing Units | 75.1% | 59.6% | 66.4% |
| 2009 Pct. Renter Occupied Housing Units | 18.7% | 32.9% | 22.6% |
| 2009 Pct. Vacant Housing Units | 6.3% | 7.5% | 11.0% |
| 2000 Median Home Value | \$101,127 | \$71,696 | \$110,257 |
| 2004 Estimated Median Home Value | \$121,390 | \$81,649 | \$134,769 |
| 2009 Projected Median Home Value | \$146,188 | \$99,010 | \$165,611 |
| Age Estimates | | | |
| 2004 Median Age | 38.7 | 32.7 | 36.3 |
| 2009 Projected Median Age | 40.1 | 33.1 | 37.9 |
| Sources: ESRI BIS Market Profile Report; Downtown Professionals Network. | | | |

Trade Area Profile

Based on the geographic boundaries of primary and secondary downtown Niles trade areas, DPN procured a series of reports from Environmental Systems Research Institute (ESRI) Business Information Systems that provide insight about various market area characteristics, demographics and trends.

ESRI helps industry, government, and nonprofit organizations understand customers, analyze site locations, visualize and map marketing and demographic data, and identify untapped market potential. The firm does this by creating innovative solutions that combine demographics, consumer spending pattern intelligence, and lifestyle segmentation with powerful technology to help clients make better business decisions. With annual sales of more than \$427 million, ESRI has been the world leader in the geographic information system (GIS) software industry for more than 30 years. ESRI offers innovative solutions that help clients create, visualize, analyze, and present location-based information, such as demographic data, better and more clearly.

This document summarizes and highlights key data and information contained in reports obtained for the trade areas. Copies of the complete reports are included as an appendix to this document.

ESRI Market Profile Report Summary

Population and Households

Population data and trends show population growth at a five-year rate of 2.1% in the primary trade area and at 1.6% in the secondary trade area through 2009. Growth in both the primary and secondary trade areas is projected at a slower rate than the five-year rate of 3.3% predicted for the State of Michigan. The slower rate of growth predicted for the primary trade area may reflect the characteristics of more rural and sparsely populated development patterns found in the primary trade area. The relatively low rate of growth anticipated in the secondary trade area might reflect that this area, primarily comprised of the more densely populated South Bend and Mishawaka, Indiana population centers, are growing outward – beyond the secondary trade area's boundaries. The primary trade area, with a 2004 estimated population of 113,315, is projected to grow to a 2009 projected population of 115,707. Projected growth patterns in the secondary trade area anticipate that the 2004 estimated population of 196,448 will increase to 199,543 by 2009.

Household trends are consistent with population trends and projected growth rates that are, again, lower for both the primary and secondary trade areas than the 4.7% five-year rate of increase projected for the State of Michigan. The number of primary trade area households is expected to grow at a five-year rate of 3.8% from 2004 to 2009, from a 2004 estimate of 43,335 households to a 2009 projection of 44,982. The projected five-year growth rate of 3.1% for the secondary trade area anticipates an increase from a 2004 estimate of 76,442 households to a 2009 projection of 78,804.

Primary and secondary trade area household trends are both consistent with state and national trends that have shown percentage increases in households outpacing percentage gains in population – pointing directly to a proportional increase in the number of 1- and 2-person households within the trade areas. This trend is evidenced in projections pointing to a decrease in the average household size, from a 2004 estimate of 2.58 to 2.53 persons per household in 2009 in the primary trade area, and from 2.40 to 2.36 persons per household in the secondary trade area. Smaller household sizes in the secondary trade area are characteristic of urban areas that tend to include larger concentrations of singles and young couples.

Housing data anticipates that the number of housing units in the primary trade area will grow from a 2004 estimate 46,240 to a 2009 estimate of 48,005. The percentage of owner-occupied housing units is anticipated to increase slightly in the primary trade area, with 2004 estimates and 2009 projections placing the percentage of owner-occupied housing units at 74.8% and 75.1%, respectively – about 9% higher than the figures reported for the State of Michigan. The percentage of owner-occupied housing units in the secondary trade area is significantly lower, estimated at 59.5% in 2004 and projected to increase to 59.6% by 2009, reflecting a trend that is characteristic of cities with relatively large student populations. The percentage of vacant housing units in the primary trade areas is estimated in 2004 at 6.3%, about 4.5% less than the figure reported for the State of Michigan. No change is predicted in the rate of vacant housing units through 2009.

Increases in population and the number of households could predictably equate to an increase in overall consumer demand and spending potential for goods and services within the trade areas. The anticipated increase in the number of 1- and 2-person households also suggests a potential demand for housing styles that could be appropriate for areas within and in close proximity to the Niles Main Street District.

Income

Income data, trends and projections for the trade areas could provide good news with respect to the potential for business opportunities and growth in the downtown Niles area. Just as population and household trends point to stable increases, income trends point to the expansion of a consumer market with higher levels of income and, inherently, an increase in consumer spending potential and buying power within the trade areas.

Per capita income is projected to grow at a 5-year rate of 19.5% in the primary trade area and 16.9% in the secondary trade area. The 5-year rate of per capita income growth in the primary trade area exceeds the 18.6% figure projected for the State of Michigan. In dollars, per capita income in the primary trade area is projected to increase from a 2004 estimate of \$25,622 to a 2009 figure of \$30,615 – figures that are slightly higher than those reported for the State of Michigan. Secondary trade area per capita income is projected to grow from the 2004 estimate of \$20,261 to a 2009 estimate of \$23,697. Lower per capita income figures reported for the secondary trade area are the likely related to the relatively large student population residing in the area.

Median Household Income is projected to grow at a 5-year rate of approximately 11.2% in the primary trade area and 14.6% in the secondary trade area, increasing from a 2004 estimate of \$50,084 to \$55,681 in the primary trade area, and from \$38,356 to \$43,974 in the secondary trade area. Primary trade area estimates and projections for per capita and median household incomes tend to resemble estimates for the State of Michigan. Secondary trade area estimates of per capita income and median household income are lower than those estimated for the State of Michigan, but the projected percentage increase in median household income exceeds the 5-year growth rate of 11.9% projected for the State of Michigan.

The breakdown of households by household income reflects a disparity in the distribution of income when comparing the primary and secondary trade areas. Approximately 30% of secondary trade area households are estimated to have a household income of \$25,000 or less as compared to approximately 23% of primary trade area households. Conversely, approximately 36% of primary trade area households are anticipated to have a household income of \$75,000 or greater by 2009, as compared to about 24% of secondary trade area households. The findings are illustrated in the following table:

| Household Income | Primary Trade Area | | | | Secondary Trade Area | | | |
|--------------------|--------------------|-------------|-----------------|-------------|----------------------|-------------|-----------------|-------------|
| | 2004 Estimate | | 2009 Projection | | 2004 Estimate | | 2009 Projection | |
| | No. | Pct. | No. | Pct. | No. | Pct. | No. | Pct. |
| Less than \$25K | 9,759 | 22.5% | 8,753 | 19.5% | 23,062 | 30.2% | 20,210 | 25.7% |
| \$25K to \$34.9K | 4,771 | 11.0% | 4,489 | 10.0% | 11,039 | 14.4% | 10,242 | 13.0% |
| \$35K to \$49.9K | 7,068 | 16.3% | 6,869 | 15.3% | 13,773 | 18.0% | 13,432 | 17.0% |
| \$50K to \$74.9K | 9,065 | 20.9% | 8,939 | 19.9% | 15,249 | 19.9% | 16,315 | 20.7% |
| \$75K to \$99.9K | 5,291 | 12.2% | 5,524 | 12.3% | 6,686 | 8.7% | 8,217 | 10.4% |
| \$100K to \$149.9K | 4,815 | 11.1% | 6,423 | 14.3% | 4,887 | 6.4% | 7,441 | 9.4% |
| \$150K to \$199.9K | 1,218 | 2.8% | 1,880 | 4.2% | 818 | 1.1% | 1,586 | 2.0% |
| \$200K + | 1,348 | 3.1% | 2,105 | 4.7% | 928 | 1.2% | 1,361 | 1.7% |
| Total | 43,335 | 100% | 44,982 | 100% | 76,442 | 100% | 78,804 | 100% |

Sources: ESRI BIS; Downtown Professionals Network
 Data Notes: Income represents the preceding year, expressed in current dollars. Household Income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony.
 Percentages may not equal 100% due to rounding.

2009 projections anticipate that the actual number of households with a household income of \$75,000 or greater will grow in both the primary and secondary trade areas, while the number of households below that household income level will decrease. Primary trade area \$75,000-plus income households, estimated in 2004 to number 12,672 and represent 29% of all households, are projected to increase to number 15,932 and 36% of all primary trade area households by 2009. Secondary trade area \$75,000-plus income households are anticipated to increase from a 2004 estimate of 13,319 households to a 2009 estimate of 18,605 (24% of all households). Estimated average household income is projected to increase from the 2004 estimate of \$66,241 to a 2009 estimate of \$77,904 in the primary trade area, and from \$50,120 to \$57,943 in the secondary trade area.

Age and Gender

2004 estimates of median age place the figure at 38.7 years for the primary trade area population and at 32.7 years for the secondary trade area population; 2009 projections anticipate the figures will increase to 40.1 and 33.1 years in the primary and secondary trade area, respectively. The primary trade area population tends to be slightly older than that found in the State of Michigan, while the population in the secondary trade area tends to be substantially younger, with State of Michigan median age estimated at 36.3 years in 2004 and increasing to 37.9 years in 2009.

The distribution of age groups in the primary trade area, comparative to the secondary trade area, tends to have higher concentrations in the upper age brackets and smaller concentrations in the younger (less than 34 years) age brackets – a comparative trend that could again be attributed to the relatively large student population residing in the secondary trade area. Trends in both the primary and secondary trade areas tend to reflect the national “Graying America” phenomenon that is marked by increases in the segments of the retired and semi-retired population. The following table showing increases in the percentage of the population occupying the middle- to upper-age brackets, particularly in the 45 to 64 years range, demonstrates this phenomenon.

| Population by Age | Primary Trade Area | | | | Secondary Trade Area | | | |
|--------------------|--------------------|-------|-----------------|-------|----------------------|-------|-----------------|-------|
| | 2004 Estimate | | 2009 Projection | | 2004 Estimate | | 2009 Projection | |
| | No. | Pct. | No. | Pct. | No. | Pct. | No. | Pct. |
| Less than 15 years | 23,536 | 20.8% | 22,713 | 19.6% | 41,205 | 21.0% | 40,432 | 20.3% |
| 15 to 24 years | 15,060 | 13.3% | 15,632 | 13.5% | 36,052 | 18.4% | 37,361 | 18.7% |
| 25 to 34 years | 12,453 | 11.0% | 12,739 | 11.0% | 27,507 | 14.0% | 26,382 | 13.2% |
| 35 to 44 years | 16,759 | 14.8% | 15,053 | 13.0% | 26,297 | 13.4% | 25,961 | 13.0% |
| 45 to 54 years | 17,892 | 15.8% | 18,411 | 15.9% | 24,235 | 12.3% | 25,127 | 12.6% |
| 55 to 64 years | 12,680 | 11.2% | 15,285 | 13.2% | 16,128 | 8.2% | 19,740 | 9.9% |
| 65 to 74 years | 7,694 | 6.8% | 8,458 | 7.3% | 11,201 | 5.7% | 11,119 | 5.6% |
| 75 to 84 years | 5,315 | 4.7% | 5,218 | 4.5% | 9,864 | 5.0% | 8,999 | 4.5% |
| 85 + years | 1,926 | 1.7% | 2,198 | 1.9% | 3,959 | 2.0% | 4,422 | 2.2% |
| 18 + years | 84,760 | 74.8% | 87,822 | 75.9% | 147,869 | 75.3% | 151,455 | 75.9% |

Sources: ESRI BIS; Downtown Professionals Network
Percentages may not equal 100% due to rounding.

Females slightly outnumber males in both the primary and secondary trade areas in terms of the population’s distribution by gender, with 2004 estimates indicating 48.9% of the population being male and 51.1% being female in the primary trade area, and a 48.1% to 51.9% male to female ratio in the secondary trade area. Little change is anticipated in the composition of the population by gender through 2009.

Race and Ethnicity

The population of the primary trade area is somewhat less diverse in terms of race and ethnicity than the population in the secondary trade area. The primary area population is estimated as 80.1% “white alone,” and 12.6% “black alone,” while the remaining 7.3% reported across various categories. The hispanic population (considered an ethnicity, not a race) in the primary trade area is estimated at 5.4%. The population in the secondary trade area is estimated as 75.8% “white alone,” 15.9% “black alone” and the hispanic population is estimated at 8.3%. No dramatic changes are expected to occur in the composition of the populations by race and ethnicity through 2009.

ESRI Tapestry Report Summary

The Community Tapestry segmentation system classifies U.S. neighborhoods by 65 market segments using proven methodology introduced more than 30 years ago by the ACORN segmentation system. Segmentation and geodemographic systems are stable and reliable because the characteristics that define a neighborhood change slowly. The stability of a neighborhood comes from its fixed features: location, housing, transportation, schools, places of worship, and employment. Self-organization and self-perpetuation also figure into the stability of a neighborhood, patterns which we refer to as “keeping up with the Joneses.”

U.S. consumer markets are different and diverse. Capturing the essence of each market to characterize those differences requires sorting the most accurate and powerful data available using a wide array of attributes. Each neighborhood is analyzed and sorted by more than 60 attributes including income, source of income, employment, home value, housing type, occupation, education, household composition, age, and other key determinants of consumer behavior. To capture the subtlety and vibrancy of the U.S. marketplace, data sources include Census 2000, proprietary ESRI BIS 2004 demographic updates, the Acxiom InfoBase consumer database, the Mediamark Research Inc. national consumer survey, and other sources.

Prevalent Tapestry Segments – Primary Trade Area

The population within the downtown Niles Primary Trade Area is distributed among 24 of the 65 different Tapestry segments. 65.6% of the primary trade area’s households can be characterized within the top 8 sub-segments, and more than 37% within the top three:

| | | |
|------------------------------|--|-------------------|
| L11-25 Salt of the Earth | 15.3% of Primary Trade Area Households | 6,612 Households |
| L10-32 Rustbelt Traditions | 12.3% of Primary Trade Area Households | 5,312 Households |
| L10-33 Midlife Junction | 9.7% of Primary Trade Area Households | 4,204 Households |
| L01-07 Exurbanites | 6.2% of Primary Trade Area Households | 2,675 Households |
| L11-53 Home Town | 5.8% of Primary Trade Area Households | 2,520 Households |
| L02-17 Green Acres | 5.7% of Primary Trade Area Households | 2,490 Households |
| L01-06 Sophisticated Squires | 5.6% of Primary Trade Area Households | 2,408 Households |
| L07-48 Great Expectations | 5.0% of Primary Trade Area Households | 2,152 Households |
| | 65.6% of Primary Trade Area Households | 28,373 Households |

Prevalent Tapestry Segments – Secondary Trade Area

The population residing within the secondary trade area tends to be more diverse in terms of its lifestyle characteristics based on its distribution among 39 of the 65 different Tapestry segments. More than 61% percent of the secondary trade area’s households can be characterized within 7 top sub-segments:

| | | |
|----------------------------|--|-------------------|
| L10-32 Rustbelt Traditions | 19.0% of Secondary Trade Area Households | 14,541 Households |
| L04-36 Old and Newcomers | 9.4% of Secondary Trade Area Households | 7,202 Households |
| L11-53 Home Town | 8.6% of Secondary Trade Area Households | 6,605 Households |
| L07-48 Great Expectations | 7.5% of Secondary Trade Area Households | 5,752 Households |
| L02-18 Cozy & Comfortable | 6.2% of Secondary Trade Area Households | 4,739 Households |
| L05-29 Rustbelt Retirees | 5.5% of Secondary Trade Area Households | 4,208 Households |
| L03-51 Metro City Edge | 4.9% of Secondary Trade Area Households | 3,771 Households |
| | 61.1% of Secondary Trade Area Households | 46,818 Households |

Comparative View of Tapestry Segments Distribution

The following table provides a comparative view and illustrates the disparate characteristics of the downtown Niles primary and secondary trade areas.

| Cluster | Primary HH's | | | Secondary HH's | | | Aggregate HH's | | |
|------------------------------|--------------|-------|------|----------------|-------|------|----------------|-------|------|
| | Count | Pct. | Rank | Count | Pct. | Rank | Count | Pct. | Rank |
| L11-25 Salt of the Earth | 6,612 | 15.3% | 1 | 2,725 | 3.6% | 8 | 9,337 | 7.8% | 2 |
| L10-32 Rustbelt Traditions | 5,312 | 12.3% | 2 | 14,541 | 19.0% | 1 | 19,853 | 16.6% | 1 |
| L10-33 Midlife Junctions | 4,204 | 9.7% | 3 | 2,404 | 3.1% | 9 | 6,608 | 5.5% | 6 |
| L01-07 Exurbanites | 2,675 | 6.2% | 4 | 604 | 0.8% | 29 | 3,279 | 2.7% | 11 |
| L11-53 Home Town | 2,520 | 5.8% | 5 | 6,605 | 8.6% | 3 | 9,125 | 7.6% | 3 |
| L02-17 Green Acres | 2,490 | 5.7% | 6 | 999 | 1.3% | 19 | 3,489 | 2.9% | 10 |
| L01-06 Sophisticated Squires | 2,408 | 5.6% | 7 | 375 | 0.5% | 34 | 2,783 | 2.3% | 12 |
| L07-48 Great Expectations | 2,152 | 5.0% | 8 | 5,752 | 7.5% | 4 | 7,904 | 6.6% | 4 |
| L04-36 Old and Newcomers | 0 | 0.0% | n/a | 7,202 | 9.4% | 2 | 7,202 | 6.0% | 5 |
| L02-18 Cozy & Comfortable | 1,149 | 2.7% | 14 | 4,739 | 6.2% | 5 | 5,888 | 4.9% | 8 |
| L05-29 Rustbelt Retirees | 1,700 | 3.9% | 10 | 4,208 | 5.5% | 6 | 5,908 | 4.9% | 7 |
| L03-51 Metro City Edge | 0 | 0.0% | n/a | 3,771 | 4.9% | 7 | 3,771 | 3.6% | 9 |

Snapshot Profiles for Predominant Tapestry Segments

L11-25 Factories & Farms – Salt of the Earth

- 15.3% of Primary Trade Area Households 6,612 Households
- 3.6% of Secondary Trade Area Households 2,725 Households

A blue-collar, rural or small town lifestyle best describes *Salt of the Earth* residents. They work hard, primarily in agriculture, manufacturing, or mining sectors. The labor force is slightly older than the U.S. average with low unemployment. Their median household income of \$47,400 is slightly less than that of the U.S. median. Mostly married couples, *Salt of the Earth* residents own their own homes. Their median age is 40 years. Rooted in their settled, traditional, and hard working environments, they handle small home improvement projects and vehicle maintenance. They are active in civic duties, making an effort to vote in elections and participate in fund-raising events. Veterans' clubs and church are an integral part of these communities. *Salt of the Earth* residents are regular and thorough newspaper readers; watching television is less important to them. They listen to country music radio programs. When they take vacation, they drive to domestic destinations.

L10-32 Traditional Living - Rustbelt Traditions

- 12.3% of Primary Trade Area Households 5,312 Households
- 19.0% of Secondary Trade Area Households 14,541 Households

Rustbelt Traditions are the mainstay of older industrial cities in states bordering the Great Lakes. They are the backbone of the manufacturing and transportation industries that drove the local economy. Most residents live in modest, owner-occupied, single-family houses with a median value of \$93,000. The median age of these residents is 36 years. A mix of family and household types includes not only married couples but a high proportion of single-parent households and singles. Their median household income is \$43,800. Financially conservative, *Rustbelt Traditions* residents hold low-value variable life and homeowner's insurance policies. They are attentive to home and garden maintenance. They contract for specialized projects such as roofing, flooring, and carpet installation. Favorite leisure activities include bowling and fishing. Television is important; *Rustbelt Traditions* residents subscribe to cable and regularly watch sports programming.

L10-33 Traditional Living – Midlife Junctions

- 9.7% of Primary Trade Area Households 4,204 Households
- 3.1% of Secondary Trade Area Households 2,404 Households

Somewhere between the child rearing years and retirement lies Tapestry's *Midlife Junction* segment. Few households still have children. Most of the labor force is still employed but approaching retirement. Approximately one-third of these residents already draw retirement income. Most still own their homes, but many have eschewed home ownership responsibilities and moved into multiunit apartment buildings. The housing market is a mix of single-family homes and low-density apartments, somewhere between urban and rural. *Midlife Junction* residents have a median age of 40 years and a median household income of \$42,900. They live quiet, settled lives. They spend their money prudently and do not succumb to fads. They are comfortable shopping online or by phone. Dining out on the weekends at full-service restaurants is a favorite activity; they also patronize fast-food establishments. They enjoy gardening, watching television, and reading books and the newspaper.

L1-07 High Society – Exurbanites

- 6.2% of Primary Trade Area Households 2,675 Households
- 0.8% of Secondary Trade Area Households 604 Households

Open areas with affluence define *Exurbanites* neighborhoods and the resident households. Median home value is currently approximately \$235,000, with a median household income of more than \$80,000. Homeowners are older, primarily empty nesters, and professionally employed; many residents work from home. Their financial health is a priority as they near retirement; they consult financial planners and track their investments online. For leisure, they enjoy dining in fine restaurants, reading, and participating in physical activities including golf, boating, and hiking.

L11-53 Factories & Farms – Home Town

- 5.8% of Primary Trade Area Households 2,520 Households
- 8.6% of Secondary Trade Area Households 6,605 Households

Home Town residents stay close to their home base. Although they may move from one house to another, they rarely cross the county line. Single-family homes predominate in these suburban neighborhoods with low population density, found mainly in the Midwest and South. The median home value is \$58,900; more than half of *Home Town* residents own their homes. The local job market offers employment primarily in the manufacturing, retail trade, and support services industries. Residents enjoy going to movies, museums, and zoos and indoor activities such as reading and playing cards. They like to watch CNN, Fox News, Discovery Channel, and any movie channel. Many own pets. Perhaps hindered by lack of choice, they tend to shop for apparel at discount stores or small local malls, but they are gaining confidence in purchasing online.

L2-17 Upscale Avenues – Green Acres

- 5.7% of Primary Trade Area Households 2,490 Households
- 1.3% of Secondary Trade Area Households 999 Households

A “little bit country,” *Green Acres* residents enjoy homes in a pastoral setting. This upscale market represents developing fringe areas, with more in the Midwest. Most families are blue-collar baby boomers, many with children aged 6-17 years. Their median household income of \$61,200 and median home value of \$168,000 are high compared to that of the United States. Country living describes the lifestyle of *Green Acres* residents. They are do-it-yourselfers and are not afraid to tackle home improvement projects such as painting and installing decks, patios, and spas. They are enthusiastic gardeners and own a separate freezer to hold the bounty. For leisure, they watch Home and Garden Television, NASCAR races, and pro football games on TV. Their favorite outdoor activities include hiking, hunting, and backpacking.

L1-06 High Society – Sophisticated Squires

- 5.6% of Primary Trade Area Households 2,408 Households
- 0.5% of Secondary Trade Area Households 375 Households

Sophisticated Squires residents enjoy cultured country living in newer home developments with low density and a median value of more than \$214,000. These urban escapees are primarily families with children. They are college-educated, professionally employed and have elected to commute to maintain their semirural lifestyle. From buying golfing equipment to attending golf tournaments, golf is a key part of their lives. Cargo space for golf and do-it-yourself projects determines their preferences for SUVs and minivans. With the right tools, they are not afraid to tackle home and garden improvement projects.

L7-48 High Hopes – Great Expectations

- 5.0% of Primary Trade Area Households 2,152 Households
- 7.5% of Secondary Trade Area Households 5,752 Households

Young singles and married couple families dominate this large urban market. The median age of the population is 33 years. A high proportion of *Great Expectations* residents are in their twenties. Labor force participation is high. They pursue a variety of careers primarily in the manufacturing, retail, and other service sectors. Home ownership is increasing; approximately half of these residents now own single-family homes with a median home value of \$95,500. The rest still rent apartments in small multiunit buildings. Their neighborhoods are older suburbs, with most homes built before 1960. They are not afraid to tackle small home maintenance and improvement projects but also enjoy a young, active lifestyle. Leisure time for these residents is spent going out to dinner and a movie, attending music concerts, visiting theme parks, the zoo, and the beach. They have tried their hand at different sports such as fishing, hunting, and canoeing.

L4-36 Solo Acts – Old and Newcomers

- 0.0% of Primary Trade Area Households 0 Households
- 9.4% of Secondary Trade Area Households 7,202 Households

Old and Newcomers neighborhoods are in transition, populated by renters who are starting their careers or retiring. Many householders are in their twenties or above the age of 75. The median age of 36 years simply splits this age difference. Spread throughout U.S. metropolitan areas, *Old and Newcomers* neighborhoods have more single-person and shared households than families. Many residents have moved recently. Mid- or high-rise apartment buildings constructed in the 1970s dominate the housing market. The purchase choices of *Old and Newcomers* residents reflect their unencumbered lifestyle as singles and renters. Compact cars are preferred by these nonfamily households. Cats are the preferred pets because of apartment living. Among markets with median household income below the U.S. level, this segment has the highest readership of books. Depending on their age, they play sports such as racquetball and golf in addition to jogging or walking.

L2-18 Upscale Avenues – Cozy & Comfortable

- 2.7% of Primary Trade Area Households 1,149 Households
- 6.2% of Secondary Trade Area Households 4,739 Households

Settled, married, and still working, *Cozy and Comfortable* families are nearing retirement. Many couples are still living in the pre-1970's, single-family homes in which they raised their children. These houses carry a current market value of \$151,000 and are located mainly in suburban areas of the Midwest and Northeast. With a median age of 40 years, most of the population in this market is older than the U.S. average. Residents prefer mutual funds and consult financial planners. They are likely to have a second mortgage and hold home equity credit lines to complete their home improvement projects. Television is more important than technology for *Cozy and Comfortable* residents; many households own four or more TV sets. The Golf Channel and Home and Garden Television are among their favorite channels. They own home computers, but they are content with old equipment and software.

L5-29 Senior Styles – Rustbelt Retirees

- 3.9% of Primary Trade Area Households 1,700 Households
- 5.5% of Secondary Trade Area Households 4,208 Households

As the name implies, most of these residents live in the Northeast or Midwest, especially in Pennsylvania and areas around the Great Lakes. Although many residents are still working, labor force participation is below average. More than 40 percent of these households draw retirement income. These neighborhoods are typically found in older, industrial cities. Residents live in owner-occupied, single-family houses with a current market value of \$111,000. Unlike many retirees, those in the Rustbelt are not inclined to move. These settled, hard working residents are loyal to their communities and country; they make an effort to vote in elections and participate in volunteer activities and fund-raising. They serve on church boards; some are members of veterans' clubs. *Rustbelt Retirees* residents watch their pennies and search for bargains at discount stores and warehouse clubs. They drive older, domestic vehicles; prefer renting movies over attending the cinema, and dine out only occasionally.

L3-51 Metropolis – Metro City Edge

- 0.0% of Primary Trade Area Households 0 Households
- 4.9% of Secondary Trade Area Households 3,771 Households

Metro City Edge incorporates older suburban neighborhoods of metropolitan cities. Home to singles and single-parent families, this market is young, with a median age of 29 years. More than half of *Metro City Edge* residents own their homes – single-family dwellings with a median value of \$73,400. The labor force is varied, with jobs primarily in the service sector. The median household income is \$30,200. Their primary concern is the welfare of their children, so they watch their pennies, buying household items and children's clothing in bulk at superstores and wholesalers. They tend to shop at grocery stores such as Food Lion, Kroger, and Piggly Wiggly. Paying for home Internet access is not a priority, so many will use the Internet at work or at the library. They usually exercise at home, enjoy walking, and participate in community sports such as basketball and football.

Community Participation

The process behind the completion of this study was orchestrated to provide opportunities for Niles area residents and business persons to provide ideas and input that form the basis for this study's findings and directions for future downtown redevelopment and revitalization strategies. Public participation opportunities included:

- An open invitation town meeting and workshop held February 16, 2005, attended by approximately 40 people – including elected officials, community business leaders, downtown property owners and interested residents – who participated in a series of downtown visioning & strategic planning workshop exercises.
- The performance of a consumer survey conducted by telephone and as an intercept survey at various locations in the Niles Main Street district. A total sample of 399 survey questionnaires was compiled as part of the survey.
- The performance of a business survey completed by 89 Niles Main Street District businesses.

Following is a categorized, capsule summary of key results and findings relevant to downtown redevelopment and revitalization topics and initiatives explored throughout the course of this study. Copies of the town meeting and public workshop summary and tabulated survey results are included in the appendix to this document.

Community Values and Vision

Community residents and business people participating in the study repeatedly emphasized a desire to maintain the downtown's "charming and unique" atmosphere and pointed toward opportunities to capitalize on the community's rich history and the downtown's setting along the banks of the St. Joseph River.

As the community considers opportunities for the future of downtown Niles, it will be important to maintain and enhance elements and features that residents identify with their "hometown downtown." Workshop and survey participants appear to find consensus in a vision for downtown Niles that reflects the values of a traditional small town downtown, that is alive with social and entertainment-oriented activities, and that features a business mix comprised of specialty shops and traditional retail and service businesses that cater to the basic needs of the local population and the unique and discriminating tastes of area visitors.

Market Region

The wider Michiana market is viewed as an important part of the downtown Niles economy and efforts geared toward enhancing visitor and tourist-related attractions in the downtown area stand to benefit downtown area businesses. What should not be overlooked is the important role that year-round residents have on the sustainability of the downtown economy. This fact appears to be recognized by businesses responding to the business survey, with more than 91% indicating that Niles area residents represent their primary customer base. The findings are also consistent with consumer intercept survey results, with more than 74% of respondents identifying themselves as Niles residents. The following table provides a breakdown of the consumer survey sample's residency status.

| Consumer Survey Question No. 1 What is the zip code of your primary residence? | | | | | | |
|---|-------|-------|-----------|-------|-----------|-------|
| | Total | | Intercept | | Telephone | |
| 49120 – Niles, MI | 238 | 61.3% | 140 | 74.1% | 98 | 49.2% |
| 49107 – Buchanan, MI | 24 | 6.2% | 13 | 6.9% | 11 | 5.5% |
| 49103 – Berrien Springs, MI | 23 | 5.9% | 8 | 4.2% | 15 | 7.5% |
| 49112 – Edwardsburg, MI | 14 | 3.6% | 3 | 1.6% | 11 | 5.5% |
| 49047 – Dowagiac, MI | 12 | 3.1% | 4 | 2.1% | 8 | 4.0% |
| All Others (30 Unique) | 77 | 19.8% | 21 | 11.1% | 56 | 28.1% |
| Total | 388 | 100% | 189 | 100% | 199 | 100% |

Approximately 75% of survey respondents indicated they have been a resident of the area for 6 years or longer. 5.7% of respondents indicated they had lived in the area less than one year – a figure that is indicative of relatively strong population shift occurring in the area, possibly influenced by student populations present in the secondary market area.

The size and composition of the population occupying the trade area could predictably vary depending upon the time of year, particularly during the peak summer and winter seasons. Marketing strategies might be focused on these peak seasons, when the number of people in the trade area is at a maximum. Business development strategies should recognize the local population as a dominant market force, while public improvements and enhancements might be designed with both the local resident and visitor in mind.

Attraction

Survey results indicate that the downtown area is visited most frequently for the purpose of doing errands and business at a bank, office or other service-related business, with more than 53% of respondents indicating they visit the downtown for those purposes on a daily or weekly basis. About 24% of respondents visit the downtown for eating, drinking & entertainment on a daily or weekly basis, and 19% shop in the downtown on a daily or weekly basis. The figures are encouraging overall and closer analyses of the returns suggest that downtown businesses have effectively nurtured the existing downtown consumer base to become regular, repeat clients for products and services.

The findings could be directly related to business survey results that showed business owners and managers cited “Reputation” as the top reasons for customers to do business with them. This is reflective of qualities and benefits, as opposed to commodities, that are nurtured through time, experience and interaction. Telephone survey respondents – the portion of the survey sample that included a larger proportion of residents located in the wider region of the trade area and that are not as likely to have had an opportunity to experience these qualities on a consistent basis – were generally two to three times more likely to indicate that they seldom or never visit the downtown Niles area to do errands or for eating, drinking and entertainment purposes. The following tables illustrate these findings.

| Consumer Survey Question No. 3 How often do you go to downtown Niles to do errands and business at a bank, office, or other service-related business? | | | | | | |
|--|-------|-------|-----------|-------|-----------|-------|
| Frequency – Errands | Total | | Intercept | | Telephone | |
| A. Daily | 57 | 17.6% | 49 | 26.5% | 18 | 9.2% |
| B. 1 or 2 times a week | 138 | 36.2% | 70 | 37.8% | 68 | 34.7% |
| C. Once or twice a month | 84 | 22.0% | 42 | 22.7% | 42 | 21.4% |
| D. Once or twice a year | 27 | 7.1% | 9 | 4.9% | 18 | 9.2% |
| E. Seldom or never | 65 | 17.1% | 15 | 8.1% | 50 | 25.5% |
| Total | 381 | 100% | 185 | 100% | 196 | 100% |
| Percentages may not equal 100% due to rounding. | | | | | | |

| Consumer Survey Question No. 4 How often do you go to downtown Niles for eating, drinking and entertainment? | | | | | | |
|---|-------|-------|-----------|-------|-----------|-------|
| Frequency – Eat, Drink & Entertain | Total | | Intercept | | Telephone | |
| A. Daily | 11 | 2.9% | 10 | 5.4% | 1 | 0.5% |
| B. 1 or 2 times a week | 81 | 21.5% | 41 | 22.2% | 40 | 20.9% |
| C. Once or twice a month | 103 | 27.4% | 64 | 34.6% | 39 | 20.4% |
| D. Once or twice a year | 59 | 15.7% | 33 | 17.8% | 26 | 13.6% |
| E. Seldom or never | 122 | 32.4% | 37 | 20.0% | 85 | 44.5% |
| Total | 376 | 100% | 185 | 100% | 191 | 100% |
| Percentages may not equal 100% due to rounding. | | | | | | |

| Consumer Survey Question No. 5 How often do you shop in downtown Niles? | | | | | | |
|--|-------|-------|-----------|-------|-----------|-------|
| Frequency – Shopping | Total | | Intercept | | Telephone | |
| A. Daily | 14 | 3.7% | 10 | 5.5% | 4 | 2.0% |
| B. 1 or 2 times a week | 60 | 15.8% | 28 | 15.4% | 32 | 16.2% |
| C. Once or twice a month | 96 | 25.3% | 57 | 31.3% | 39 | 19.8% |
| D. Once or twice a year | 50 | 13.2% | 27 | 14.8% | 23 | 11.7% |
| E. Seldom or never | 159 | 42.0% | 60 | 33.0% | 99 | 50.3% |
| Total | 379 | 100% | 182 | 100% | 197 | 100% |
| Percentages may not equal 100% due to rounding. | | | | | | |

The results suggest that the downtown's strength currently lies in the service sector and, to a lesser extent, in the retail sector, and in its demonstrated ability to attract repeat customers on an ongoing basis. Even the dining & entertainment sector shows relative strength and, possibly, opportunities for expansion that capitalize on repeat business at other downtown establishments.

Business development strategies should consider the expansion and recruitment of business types that are compatible with, and could benefit from, traffic generated by service and retail business types that are most likely to attract consumers on an ongoing basis, such as the grocery stores and financial institutions. Downtown marketing and public relations efforts might seek to expand on the sense of the downtown as a "hometown" business district and nurture an even stronger sense of Niles brand-loyalty by encouraging cross-marketing efforts and by maintaining frequent communications that keep local residents apprised of positive changes and new experiences to be enjoyed in the downtown area.

Preferred Shopping Days & Time

Analysis of consumer survey results reveal different traits among the existing customer base – intercept survey respondents – and the random consumer market surveyed by telephone with respect to preferred shopping days and times. Telephone survey respondents were more likely to indicate a preference for weekends over weekdays, 45.1% versus 34.1% of intercept survey respondents, but were less likely to select "evenings" as a preferred shopping time – 17.0% versus 22.4% of intercept survey respondents.

| Consumer Survey Question No. 6 Do you do most of your shopping on weekdays or during the weekend? | | | | | | |
|--|-------|-------|-----------|-------|-----------|-------|
| Preferred Shopping Days | Total | | Intercept | | Telephone | |
| A. Weekdays (Mon. – Fri.) | 136 | 36.6% | 72 | 40.2% | 64 | 33.2% |
| B. Weekend (Sat. & Sun.) | 148 | 39.8% | 61 | 34.1% | 87 | 45.1% |
| C. No Preference | 88 | 23.7% | 46 | 25.7% | 42 | 21.8% |
| Total | 372 | 100% | 179 | 100% | 193 | 100% |
| Percentages may not equal 100% due to rounding. | | | | | | |

| Consumer Survey Question No. 7 Do you do most of your shopping during the morning, afternoon or evening? | | | | | | |
|---|-------|-------|-----------|-------|-----------|-------|
| Time Most Shopping Done | Total | | Intercept | | Telephone | |
| A. Morning | 78 | 21.9% | 30 | 17.2% | 48 | 26.4% |
| B. Afternoon | 125 | 35.1% | 58 | 33.3% | 67 | 36.8% |
| C. Evening | 70 | 19.7% | 39 | 22.4% | 31 | 17.0% |
| D. No Preference | 83 | 23.3% | 47 | 27.0% | 36 | 19.8% |
| Total | 356 | 100% | 174 | 100% | 182 | 100% |
| Percentages may not equal 100% due to rounding. | | | | | | |

However, the findings could suggest that certain downtown area retail businesses should consider, and might benefit from, extended weekend hours based on that preference indicated by more than 45% of telephone survey respondents.

Media Preferences

Survey findings on the media preferences of consumers in the Niles area can provide direction for effective business and downtown marketing, promotion and cooperative advertising strategies. The information can also provide direction for communicating news and proposals for changes and improvements in the downtown area.

Newspaper, followed closely by television, was cited as the most influential media source by consumer survey participants responding to the question, “Of the following, which two media sources do you use most often to get Niles area news and information about Niles events and businesses?” Newspaper was also selected by business survey participants as an effective media source, though not to the degree cited by consumer survey respondents, and television was poorly represented, ranking last with only 4.1% of business survey respondents indicating the medium to be effective. The most popular medium cited by business owners as effective for their business was “Other” (including such detailed descriptions as “word of mouth” and “referrals”) at 32.6%, although only 10.0% of consumer survey respondents cited it as a preferred source of information about Niles businesses. Business survey respondents’ second most popular choice – “Yellow Pages” at 29.2% - fared even worse with consumer respondents, being cited as a preferred source of information by only 5.8% of respondents.

| Consumer Survey Question No. 10 Of the following, which two (2) media sources do you use most often to get Niles area news and information about Niles events and businesses? | | | Business Survey Question No. 6 Of the following media and direct marketing resources, which two (2) are most effective for your business | | |
|--|---------------------------------------|-------|---|---------------------------------------|-------|
| Rank | Media | Count | Rank | Media | Count |
| 1 | Newspaper | 237 | 1 | Other (word of mouth, referrals, etc) | 29 |
| 2 | Television | 164 | 2 | Yellow Pages | 26 |
| 3 | AM/FM Radio | 97 | 3 | Newspaper | 23 |
| 4 | Internet & Email | 52 | 4 | Direct Mail | 19 |
| 5 | Shoppers Guide | 43 | 5 | AM/FM Radio | 13 |
| 6 | Other (word of mouth, referrals, etc) | 40 | 6 | Internet & Email | 12 |
| 7 | Yellow Pages | 23 | 6 | None | 9 |
| 8 | Direct Mail | 20 | 8 | Shoppers Guide | 5 |
| 9 | None | 12 | 9 | Television | 4 |
| Note: Up to two (2) responses allowed. | | | Note: Up to two responses allowed. | | |

The comparison of consumer and business rankings appearing in the table above shows rather wide discrepancies in the media sources that consumers rely on as compared to those deemed most effective by downtown business survey respondents. Television, for example, ranks number 2 among consumers but is ranked last by business survey participants. The findings might provide direction for certain downtown businesses and Niles Main Street as they consider possibilities for reaching new audiences within the trade area through individual and cooperative marketing & advertising efforts.

Internet Marketing and E-Commerce

The ranking of media preferences appearing in the table above demonstrates the growing influence of the Internet as a news resource, for researching products and services, and for communicating with clients. The Internet can be a particularly valuable resource for businesses in rural communities with smaller populations because it provides the potential for businesses to expand their trade area well beyond local or regional geographies. Businesses with collectible, specialty, and custom merchandise lines, in particular, can use the Internet to market to the entire United States or even globally. Even traditional retailers and business carrying “staple” products are reaping benefits as, more and more, consumers use the Internet to “shop and compare” products and services, and then use the Internet - in much the same way previous generations of consumers used the Yellow Pages - as a resource to find a local outlet or vendor where they can make their purchase.

A relatively large number of Downtown Niles businesses appear to be capitalizing on the Internet phenomenon, with 47 businesses (53% of survey respondents) indicating that their business has an Internet website, and 12 businesses identifying the Internet and Email as one of the most effective marketing tools for their business. Downtown Niles marketing and cooperative advertising efforts should consider how the Internet might be optimally used to communicate with consumers and to further downtown promotional goals.

Business development efforts must also consider how the growing influence of the Internet and E-Commerce might impact local business retention, expansion and recruitment strategies – both positively and negatively. Specialty businesses that otherwise might **not** be sustainable if left to rely exclusively on the local trade area, but that have product lines conducive to E-Commerce, may be candidates for expansion and recruitment. Conversely, consideration must be afforded as to how E-Commerce might pose competition for existing and desired businesses, as evidenced by the fact that approximately 45% of consumer survey respondents indicated that they had purchased products on the Internet within the past 12 months.

Competitive Comparison

Consumer survey participants were asked to compare downtown Niles to other places they frequently shop and do business. The following tables provide complete results to the consumers’ comparative assessment.

Consumer Survey Question No. 12: Compared to other places you frequently shop and do business, is downtown Niles stronger, weaker or equal in terms of:

| 12.1 Selection & Variety | Total | | Intercept | | Telephone | |
|-------------------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 18 | 4.9% | 8 | 4.6% | 10 | 5.2% |
| B. Weaker | 254 | 69.4% | 144 | 82.8% | 110 | 57.3% |
| C. Equal | 47 | 12.8% | 13 | 7.5% | 34 | 17.7% |
| D. Don't Know | 47 | 12.8% | 9 | 5.2% | 38 | 19.8% |
| Total | 366 | 100% | 174 | 100% | 192 | 100% |

| 12.2 Customer Service | Total | | Intercept | | Telephone | |
|------------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 86 | 23.3% | 41 | 23.2% | 45 | 23.4% |
| B. Weaker | 65 | 17.6% | 41 | 23.3% | 24 | 12.5% |
| C. Equal | 138 | 37.4% | 67 | 37.9% | 71 | 37.0% |
| D. Don't Know | 80 | 21.7% | 28 | 15.8% | 52 | 27.1% |
| Total | 369 | 100% | 177 | 100% | 192 | 100% |

| 12.3 Convenience | Total | | Intercept | | Telephone | |
|-------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 130 | 35.6% | 57 | 32.4% | 73 | 38.6% |
| B. Weaker | 97 | 26.6% | 63 | 35.8% | 34 | 18.0% |
| C. Equal | 95 | 26.0% | 46 | 26.1% | 49 | 25.9% |
| D. Don't Know | 43 | 11.8% | 10 | 5.7% | 33 | 17.5% |
| Total | 365 | 100% | 176 | 100% | 189 | 100% |

| 12.4 Prices & Value | Total | | Intercept | | Telephone | |
|--------------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 47 | 12.8% | 14 | 8.0% | 33 | 17.5% |
| B. Weaker | 112 | 30.6% | 73 | 41.5% | 39 | 20.5% |
| C. Equal | 128 | 35.0% | 59 | 33.5% | 69 | 36.3% |
| D. Don't Know | 79 | 21.6% | 30 | 17.0% | 49 | 25.8% |
| Total | 366 | 100% | 176 | 100% | 190 | 100% |

| 12.5 Parking Convenience | Total | | Intercept | | Telephone | |
|---------------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 77 | 21.1% | 31 | 17.6% | 46 | 24.3% |
| B. Weaker | 136 | 37.3% | 75 | 42.6% | 61 | 32.3% |
| C. Equal | 111 | 30.4% | 60 | 34.1% | 51 | 27.0% |
| D. Don't Know | 41 | 11.1% | 10 | 5.7% | 31 | 16.4% |
| Total | 365 | 100% | 176 | 100% | 189 | 100% |

| 12.6 Attractiveness | Total | | Intercept | | Telephone | |
|----------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 155 | 43.4% | 64 | 36.6% | 91 | 50.0% |
| B. Weaker | 63 | 17.6% | 45 | 25.7% | 18 | 9.9% |
| C. Equal | 106 | 29.7% | 56 | 32.0% | 50 | 27.5% |
| D. Don't Know | 33 | 9.2% | 10 | 5.7% | 23 | 12.6% |
| Total | 357 | 100% | 175 | 100% | 182 | 100% |

| 12.7 Cleanliness | Total | | Intercept | | Telephone | |
|-------------------------|-------|-------|-----------|-------|-----------|-------|
| A. Stronger | 159 | 43.6% | 56 | 31.8% | 103 | 54.5% |
| B. Weaker | 39 | 10.7% | 27 | 15.3% | 12 | 6.3% |
| C. Equal | 134 | 36.7% | 81 | 46.0% | 53 | 28.0% |
| D. Don't Know | 33 | 9.0% | 12 | 6.8% | 21 | 11.1% |
| Total | 365 | 100% | 176 | 100% | 189 | 100% |

Based on the frequency of “stronger” responses, downtown Niles’ strengths and competitive advantages versus the competition appear to include:

| Item/Feature | Percent Rating as “Stronger” |
|---------------------|-------------------------------------|
| ▪ Convenience | 35.6% |
| ▪ Attractiveness | 43.4% |
| ▪ Cleanliness | 43.6% |

Based on the frequency of “weaker” responses, downtown Niles’ liabilities and competitive disadvantages as perceived by area consumers include:

| Item/Feature | Percent Rating as “Weaker” |
|-------------------------|-----------------------------------|
| ▪ Selection and Variety | 69.4% |
| ▪ Parking Convenience | 37.3% |

Marketing and business development efforts should seek to capitalize on those features already “known” as being strengths and having appeal among trade area consumers, and might also seek to promote and demonstrate downtown features that will help to overcome consumers’ negative perceptions.

Downtown Priorities

Consumer and business survey respondents tend to share similar views in considering priorities for possible downtown revitalization efforts. Both groups place a high value on possible efforts to aggressively market downtown to consumers – ranked as a “High Priority” by 55.6% of consumer survey respondents and by 61.2% of business survey respondents. Efforts that would promote tourism and attract more visitors to the downtown also received high marks, with more than 80% of respondents in both the consumer and business surveys assigning these items a “High” or “Moderate” priority level. The following table illustrates these findings.

| Consumer Survey Questions Nos. 9.1 – 9.5 Business Survey Questions Nos. 16.1 – 16.5 | | | | | | |
|---|-----------------|----------|-----|-----------------|----------|-----|
| Would you place a high, moderate or low priority on possible downtown revitalization efforts to: | | | | | | |
| | Consumer Survey | | | Business Survey | | |
| | High | Moderate | Low | High | Moderate | Low |
| Restore and preserve the downtown’s historic character? | 48% (4) | 38% | 8% | 49% (5) | 35% | 10% |
| Stage additional festivals and special events in the downtown area? | 51% (3) | 35% | 7% | 51% (3) | 32% | 13% |
| Improve connections between the riverfront and downtown? | 44% (5) | 37% | 10% | 49% (4) | 36% | 11% |
| Promote tourism and attract more visitors to the downtown? | 55% (2) | 32% | 8% | 53% (2) | 32% | 12% |
| Aggressively market the downtown to consumers? | 56% (1) | 31% | 6% | 61% (1) | 29% | 7% |
| Aggressively market the downtown to entrepreneurs and investors? | N/A | N/A | N/A | 61% (NR) | 27% | 8% |

Ranking of “High” value frequency among survey group and items shown in parentheses.
Percentages of “No Opinion” responses to questions are not included in this table.

Additional insight and direction can be gained based on responses to the consumer survey question, “What is the first thing that should be done to improve downtown Niles?” The following table provides a ranked list of frequently cited topics and subjects (subject counts shown in parentheses), as categorized and summarized for tabulation and analysis purposes.

| What is the first thing that should be done to improve downtown Niles? | | |
|---|---|--------------|
| Rank | Category/Topic | Count |
| 1 | Add/Recruit Business | 125 |
| | ▪ Retail (70) | |
| | ▪ General (36) | |
| | ▪ Eating & Drinking (17) | |
| | ▪ Entertainment (2) | |
| 2 | Appearances | 36 |
| | ▪ Buildings (20) | |
| | ▪ Maintenance & Cleanliness (6) | |
| | ▪ General/Other (6) | |
| | ▪ Streetscape Features (4) | |
| 3 | Streets & Traffic | 19 |
| | ▪ Repairs – Streets, Walks, Etc. (16) | |
| | ▪ General/Other (3) | |
| 4 | Parking – All Topics | 18 |
| 5 | Marketing & Promotion | 13 |
| | ▪ Events (8) | |
| | ▪ Advertising (3) | |
| | ▪ General/Other (2) | |
| 6 | Safety & Security | 6 |
| 7 | Access – Pedestrian & Riverfront | 6 |
| 8 | Redevelopment – All Topics | 4 |
| N/A | Other/Undefined | 34 |
| Source: Downtown Niles Consumer Survey, April 2005, Question No. 13. More than one response per questionnaire allowed. Topics and subjects categorized from raw responses for tabulation and analysis purposes. | | |

The results demonstrate the community’s perceived value of, and support for, current and ongoing initiatives of the Niles Main Street. The findings can also provide guidance for community leaders as they work to plan and prioritize future downtown redevelopment and revitalization initiatives.

Business Opportunities

Workshop exercises and surveys were used to help identify and gauge the potential for possible business expansion and recruitment prospects in the downtown area. The information is helpful in assessing business opportunities and in identifying gaps in the business mix. Business types and merchandise lines identified by workshop participants as being “top prospects” for recruitment and expansion include:

- Restaurant
- Butcher/Deli/Wine/Cheese
- Working Person’s Store (work clothing, boots, etc.)
- Ice Cream Shop
- Family Clothing
- Arts/Crafts Store

Consumer survey responses to the open ended question, “what specific type of new business would you patronize in downtown Niles?” could provide additional insight and help to gauge how the trade area might respond to various types of new and expanded specialty retail businesses. Business survey respondents were provided the opportunity to list up to three types of new business that, located near them, would help their business generate more revenue. The following table displays a categorized listing of suggestions for most frequently cited business types in order of the number of responses listed within each category along with examples of more specific responses (counts shown in parentheses) provided by consumer survey respondents.

| Consumer Survey Question No. 8 What specific type of new business would you patronize in downtown Niles? | | Business Survey Question No. 9 What type of new businesses, located near you, would help your business generate more revenue? | |
|--|-----------|--|-----------|
| Category/Subcategory: | Count | Category | Count |
| 1. Eating & Drinking Places | 94 | 1. Clothing & Accessories | 23 |
| ▪ Restaurant – General & Specialty (71) | | ▪ Clothing – General (7) | |
| ▪ Coffee House/Shop (8) | | ▪ Women’s (7) | |
| ▪ Ice Cream Shop (5) | | ▪ Shoes (6) | |
| ▪ Drinking Places (5) | | ▪ Other (3) | |
| ▪ All Others (5) | | | |
| | | 2. Professional/Office | 21 |
| 2. Clothing & Accessories | 81 | ▪ Pro/Office – General (7) | |
| ▪ Women’s (18) | | ▪ Medical (6) | |
| ▪ Shoes (13) | | ▪ Legal/Accounting (5) | |
| ▪ General and All Others (50) | | ▪ Other (3) | |
| | | | |
| 3. General Merchandise | 45 | 3. Eating & Drinking Places | 20 |
| ▪ Department Stores (30) | | ▪ Restaurant (13) | |
| ▪ Discount and Others (15) | | ▪ Fast Food (4) | |
| | | ▪ Other (3) | |
| 4. Sporting Goods, Hobby, Book, Music | 39 | | |
| ▪ Book, Periodical & Music (22) | | | |
| ▪ Hobby/Craft (11) | | | |
| ▪ Sporting Goods (6) | | | |
| | | | |
| 5. Grocery & Specialty Foods | 13 | | |
| | | | |
| 6. Miscellaneous/Specialty/Other | | | |
| ▪ Hardware (7) | | | |
| ▪ Used Merchandise & Antiques (5) | | | |
| ▪ Gifts (5) | | | |