

DOWNTOWN CENTERVILLE

CENTERVILLE, IOWA

2017 MARKET STUDY

EXECUTIVE SUMMARY



Centerville, a Main Street Iowa Community, is exploring and pursuing exciting opportunities for the future of the community's traditional downtown business district.

Main Street Centerville spearheaded the downtown market analysis process to promote an in-depth understanding of local and regional market conditions. The objective was to understand trends impacting the downtown's current economic performance and opportunities. Information and direction gained throughout the market analysis process will provide a sound basis for local decision-making and strategies aimed at enhancing the downtown business district.

This brief summary provides a glimpse of the community's inclinations based on extensive data collected during the market analysis process. Main Street Centerville intends to use this analysis to guide its efforts over the next three to five years for the betterment of the community.

As Main Street Centerville moves forward, we will continue to engage our partners, community leaders, business persons, and residents in the application of the market data and the resulting implications for downtown. Main Street Centerville will delve into the results and their meanings, incorporating local perspectives, to formulate an actionable plan for economic growth. Implementation of strategies that are both market-driven and cognizant of our community's intrinsic goals is necessary for the sustainable development of downtown Centerville.

Hereafter, Main Street Centerville and the entire community will be able to use this ever-evolving document as a blueprint for the assessment of socio-economic needs in Centerville. It can serve as a useful and flexible tool for business recruitment and retention long after our immediate implementation strategies are met. As long as Main Street Centerville's efforts change as the trends of the community change, the market study will remain a very useful tool in aiding Centerville's enhancement of the downtown area.



MAIN STREET
CENTERVILLE, IOWA

Main Street Centerville

307 North 13th Street

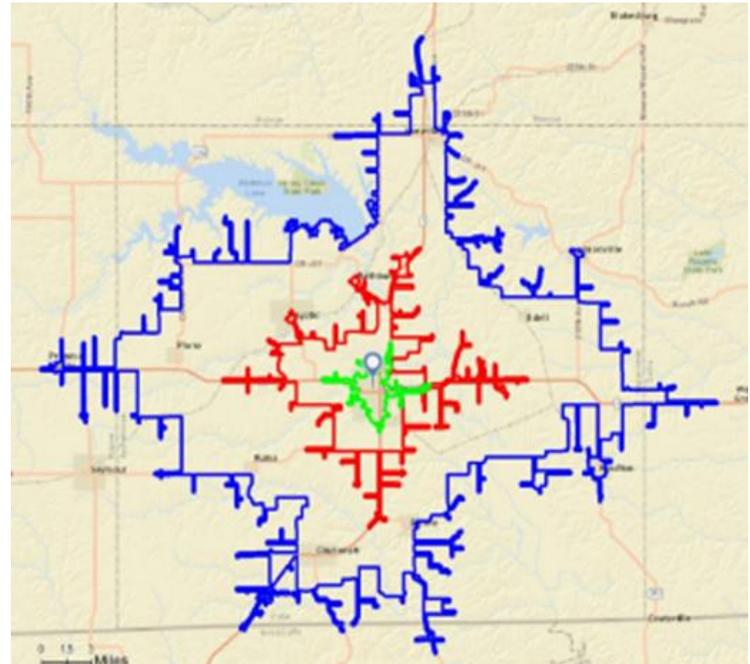
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FAST FACTS



Centerville is the county seat of Appanoose County located in south central Iowa. A regional retail and employment center, the town has more than 1,000 manufacturing jobs and is a retirement hub for a four-county region.

If you're an outdoor enthusiast, then Appanoose County is the place for you! With more than 34,000 acres of public land available in numerous parks, hiking, hunting, birdwatching, fishing, biking and boating abound. The county was voted in the top 5 Best Hunting and Fishing Counties by *Outdoor Life Magazine*. The area also offers more than 15 lodging options ranging from bed and breakfast, cabins, luxury suites and high-end resorts.

Centerville boasts that its downtown area is the "World's Largest City Square". The square offers numerous specialty shops intermingled with offices and eating establishments that surround the majestic county courthouse built in 1903. The square provides benches, beautiful landscaping, and wide sidewalks for a pedestrian-friendly environment. The heart of Centerville rests in its historic courthouse square. It is the pride and joy of the community and the center point from which everything flows.

All 119 buildings in the downtown historic district are listed on the National Register of Historic Places as contributing to a place of historic significance. Several murals are located throughout the district adding to the historic nature of the downtown.

The downtown district is fortunate to have an engaged Main Street & Chamber with an established mix of businesses ranging from retail, personal and business services to office environments and eating and entertainment venues. The downtown district hosts several festivals and events downtown ranging from wine & fine arts festivals to Big Red Pride Night welcoming back students and staff at Centerville Schools. These events, including Pancake Day, held each year in September, Bike Night the 4th Friday's May-June provide a family-friendly atmosphere which supports the local businesses and community.

| Population | 5 MIN | 10 MIN | 20 MIN |
|---------------------|--------|--------|--------|
| 2010 Census | 4,999 | 6,430 | 10,906 |
| 2016 Estimate | 4,801 | 6,183 | 10,644 |
| 2021 Projection | 4,681 | 6,032 | 10,446 |
| Change: 2016 – 2021 | -0.50% | -0.49% | -0.37% |

| Households | 5 MIN | 10 MIN | 20 MIN |
|---------------------|--------|--------|--------|
| 2010 Census | 2,284 | 2,907 | 4,821 |
| 2016 Estimate | 2,221 | 2,833 | 4,768 |
| 2021 Projection | 2,180 | 2,783 | 4,712 |
| Change: 2016 – 2021 | -0.37% | -0.36% | -0.24% |

| Average HH Income | 5 MIN | 10 MIN | 20 MIN |
|---------------------|----------|----------|----------|
| 2016 Estimate | \$51,657 | \$51,289 | \$52,976 |
| 2021 Projection | \$56,176 | \$55,768 | \$57,795 |
| Change: 2016 – 2021 | 1.69% | 1.69% | 1.76% |

Source: Esri



DOWNTOWN MARKETING

Survey findings on the media preferences of consumers in the Centerville 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.

Consumer rankings of media preferences demonstrate the exceptionally strong presence of the Daily lowegian for local news, and the growing influence of the Internet and social media as a popular resource for news, researching products and services, and communicating with clients.

Especially for businesses within our rural community, the Internet can be a particularly valuable resource because it provides the potential 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, and social media applications such as Facebook, Pinterest, and Instagram to market to the entire United States or even globally. Even traditional retailers and businesses carrying “staple” products are reaping benefits as, more and more, consumers use the Internet to “shop and compare” products and services.

Centerville’s promotion and collaborative marketing efforts will continue engaging the Internet and various social media applications to communicate with consumers and to further promotional goals. The growing popularity of Facebook, Pinterest and other social media applications is evident in consumer survey results that show 32.9% of all respondents selected social media as one of their top sources for news and information.

Q: Of the following, which two (2) media and information sources do you most rely on for Centerville area news and information?

| Consumers Responses | Percentage |
|--|------------|
| The Daily lowegian | 67.0% |
| Social Media (Facebook, Pinterest, etc.) | 32.9% |
| Internet Website(s) | 18.6% |

Source: 2016 Downtown Centerville Consumer Surveys. Top five responses shown.



VALUES AND PRIORITIES

Consumer and business survey participants place a high priority on business expansion and recruitment efforts—including proposals for creating incentives for new and expanding businesses in the downtown area. Businesses placed a higher level of priority on efforts to restore and preserve the downtown’s historic character. Both groups would like to see additional festivals and special events in the downtown area.

Question

Would you place a high, moderate or low priority on possible downtown Centerville enhancement efforts to:

| Consumers (C) and Businesses (B) Rating as a “High Priority” | | |
|--|------------|------------|
| Enhancement Efforts | (C) | (B) |
| Add additional retail stores | 92% (1) | 95% (2) |
| Restore and preserve the downtown’s historic character | 90% (2) | 96% (1) |
| Expand store hours | 76% (4) | 83% (4) |
| Stage additional festivals and special events in the downtown area | 80% (3) | 87% (3) |
| Improve and/or create more housing in the downtown area | 43% (5) | 61% (5) |

Source: 2016 Downtown Centerville Consumer and Business Surveys.

Input regarding priorities for the downtown district generally aligns with suggestions offered by consumer and business survey respondents. When asked, “What is the first thing you would do to improve Downtown Centerville?” business recruitment and buildings and appearances ranked highly, followed by maintaining a clean and safe area and upgrading second story apartments.

Consumers and businesses surveyed overwhelmingly identified features associated with the downtown’s environment, character and feel, as the things they love most or would never change, showing a great affection for the small town atmosphere and friendly nature of downtown.





MORE CHANGES AHEAD

More than 52% of business survey respondents indicated the likelihood for their business to expand within the next one or two years as being moderate, high or very high. Other business survey results provide insight on the nature of potential changes that could occur within the business mix based on affirmative responses to a list of possible modifications.

Q: In the next year or two, do you plan to change or modify your business in any of the following ways?

| Business Responses | Percentage |
|---|------------|
| Start and/or complete building improvements | 50.0% |
| Expand services or product lines | 55.6% |
| Increase marketing | 33.3% |
| Increase number of employees | 50.0% |

Source: 2016 Downtown Centerville Business Survey. Most frequent responses shown.

The nature of changes being considered, along with interest expressed in possible business assistance and training programs, suggests that the timing could be opportune for Main Street Centerville to introduce or escalate efforts to:

- Facilitate collaborative marketing programs, including social media campaigns, designed to extend and reinforce the Downtown Centerville brand.
- Share market study data and findings regarding product lines showing potential for expansion.
- Explore interest in, and identify resources for, marketing and clientele development for small businesses, business succession planning, and employee management topics.
- Work with the Main Street Design Committee, the Main Street Iowa Design Specialists, City of Centerville and other partners to:
 - Promote Main Street Iowa design assistance and technical training services.
 - Develop, review or fine tune design guidelines.
 - Explore and pursue opportunities for financial and technical assistance to promote quality improvements.



OPPORTUNITIES

Business types that might be considered primary candidates for expansion and recruitment, based on the downtown's existing business mix, trends in the marketplace and related findings from local input, consumer and business surveys, Esri retail data, and the sales surplus & leakage analysis performed as part of this study include:

Restaurants and Food Services

Survey results suggest additional eating and drinking places would be compatible and complementary to the existing business mix. Additional limited service food options, with breakfast and steakhouse concepts were all noted on survey responses, along with ethnic options, especially Mexican.

Clothing and Clothing Accessories

Concept and product lines that offer affordable clothing for women and children scored high in survey results. Entries might feature a high level of personal service and would be geared toward non-trendy merchandise for the mature woman. Collaborative efforts and events packaging VIP shopping, food, entertainment, salon services and product demonstrations could create additional foot traffic in downtown Centerville.

Miscellaneous Store Retailers

The sales surplus & leakage analysis and consumer survey results indicate a preference for general retail and specialty shops. Possible categories might offer an opportunity to take advantage of recycling trends such as a well-merchandised resale boutique featuring quality home furnishings, maternity wear, children's wear and antiques Handcrafted products and art, Centerville-branded products and apparel, and educational toys and craft items might also lure customers. Well-defined niches could fill demand or expand upon existing entries already in the district.

For more information contact:

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