**Business Cluster Exercise – "Riverview" (Fictitious Town)**

**Step 1. Community Snapshot**

- **Population:** 11,076
- **Median Age:** 31
- **Education:** 25% with AA degree or higher
- **Income/Spending:** Median HH income $38,380; expenditures $45,633
- **Housing:** 54% owner-occupied, 46% rental
- **Growth:** Population increasing after decline

**Step 2. Psychographics:**

1. **Midlife Constants**:
   - Older, semi-rural lifestyle
   - higher net worth
   - generous but practical spenders

2. **Hometown Heritage:**
   - Younger, diverse
   - lower-income, cost-conscious, bulk & generic buyers
   - many renters

**Step 3: Consumer Survey Results**

Residents were asked what types of businesses they would like to see downtown. Top responses:

- Food & Dining, especially casual sit-down restaurants; coffee shop/café; family-style diner, ethnic, bakery
- Retail & Essentials, including small grocery, drugstore, thrift/second-hand, outdoor/recreation, and hardware
- Health, Wellness, and Personal Services, including fitness center / senior exercise space, yoga / wellness studio, medical services (clinic, urgent care), mental health / counseling services, affordable childcare or eldercare options
- Entertainment & Leisure, including movie theater / live performance space, community art center or makerspace, bowling alley / family game space, farmers' market expansion, music venue / open mic café
- Specialty & Local Shops, including bookstore / gift shop, local artisan / craft collective, eco-friendly household goods, and pet supply store

**Step 4: Business Cluster Themes –** mapping exercise

1. When you do this in your community, this would be a color coding exercise. For our purpose, identify potential clusters – comparable (based on consumer), competitive (similar products or services), complementary (related goods and services).
2. Identify "gaps" or underserved areas.
3. Brainstorm 1–2 new business ideas per cluster that could succeed in Riverview.
4. Discuss which gaps are short-term vs. long-term opportunities.

**Step 5: Group Exercise Discussion**

- Which clusters best fit the **existing strengths** of our downtown and based on demographic, survey results and other data?
- Where are the **gaps** that could be filled with new businesses?
- Which opportunities have the greatest **cross-generational appeal**?
- How can we support entrepreneurs to launch and sustain businesses in these clusters?

| Column 1 | Column 2 | Column 3 | Column 4 |
|---|---|---|---|
| (2) Vacant | Auto Parts | City Hall | Green Space |
| Book Store | Insurance | Office Supply | |
| (1) Vacant | Hair Salon | Accountant | |
| Italian Restaurant | Carpet & Tile | Paint Supply | |
| Florist & Gift | Pub & Eatery | Sporting Good | |
| Consignment Store | Art Gallery | (6) Vacant | |
| Paint Your Own Ceramic Studio & Class | (4) Vacant (former department store) | Parking Lot | |
| Movie Theater | Bank | Kids Dance Studio | |
| | Carryout Food | Photography | |
| Dentist | (3) Vacant | Attorney | |
| Pet Store | Children Store | (5) Vacant | |
| Pawn Shop | Fitness Center | Library | |
| Parking | | | |

## 1. Food & Dining

- Casual sit-down restaurants (66%)
- Coffee shop / café (58%)
- Family-style diner (42%)
- Ethnic/International food options (35%)
- Bakery / dessert shop (28%)

**Comments:** "We need a place to grab a cup of coffee and meet a friend." | "Affordable dining for families is missing."

## 2. Retail & Essentials

- Small grocery store / fresh market (55%)
- Pharmacy / drugstore (44%)
- Thrift / second-hand shop (40%)
- Outdoor/recreation gear store (32%)
- Hardware store (29%)

**Comments:** "It's inconvenient to drive far for groceries." | "A thrift store would fit our budget-conscious community."

## 3. Health, Wellness & Personal Services

- Fitness center / senior exercise space (48%)
- Yoga / wellness studio (36%)
- Medical services (clinic, urgent care) (33%)
- Mental health / counseling services (26%)
- Affordable childcare or eldercare options (24%)

**Comments:** "Wellness options for seniors are very limited." | "Affordable health services would help younger families."

## 4. Entertainment & Leisure

- Movie theater / live performance space (46%)
- Community art center or makerspace (38%)
- Bowling alley / family game space (31%)
- Farmers' market expansion (30%)

- Music venue / open mic café (27%)

**Comments:** "We need more family-friendly entertainment." | "A community space for arts and live music would be great."

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### 5. Specialty & Local Shops

- Bookstore / gift shop (34%)

- Local artisan / craft collective (28%)

- Eco-friendly household goods (22%)

- Pet supply store (20%)

**Comments:** "A small bookstore would bring life downtown." | "We'd love to see more locally made products."

# Midlife Constants

**5E**

**Households:** 3,068,400

**Average Household Size:** 2.31

**Median Age:** 47.0

**Median Household Income:** $53,200

## WHO ARE WE?

*Midlife Constants* residents are seniors, at or approaching retirement, with below average labor force participation and above average net worth. Although located in predominantly metropolitan areas, they live outside the central cities, in smaller communities. Their lifestyle is more country than urban. They are generous, but not spendthrifts.

## OUR NEIGHBORHOOD

- Older homes (most built before 1980) found in the suburban periphery of smaller metropolitan markets.

- Primarily married couples, with a growing share of singles.

- Settled neighborhoods with slow rates of change and residents that have lived in the same house for years.

- Single-family homes, less than half still mortgaged, with a median home value of $154,100 (Index 74).

## SOCIOECONOMIC TRAITS

- Education: 63% have a high school diploma or some college.

- Unemployment is lower in this market at 4.7% (Index 86), but so is the labor force participation rate (Index 91).

- Almost 42% of households are receiving Social Security (Index 141); 27% also receive retirement income (Index 149).

- Traditional, not trendy; opt for convenience and comfort, not cutting-edge. Technology has its uses, but the bells and whistles are a bother.

- Attentive to price, but not at the expense of quality, they prefer to buy American and natural products.

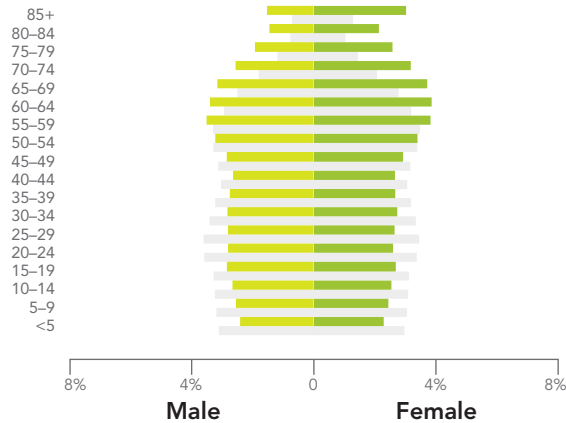- Radio and newspapers are the media of choice (after television).



TAPESTRY SEGMENTATION

**esri.com/tapestry**

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by GfK MRI.

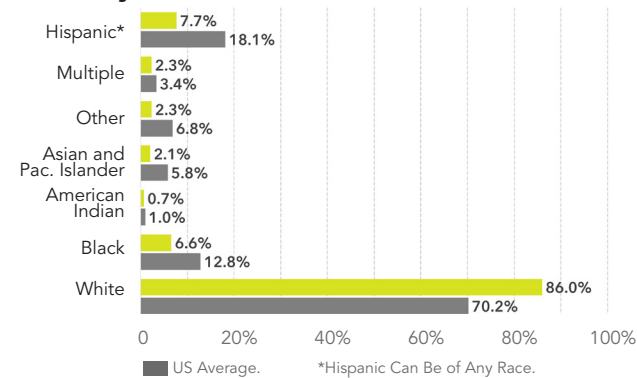## AGE BY SEX (Esri data)

**Median Age: 47.0** US: 38.2

Indicates US



| Male | Female |
| --- | --- |
| 8% 4% 0 | 4% 8% |

Age groups (top to bottom): 85+, 80–84, 75–79, 70–74, 65–69, 60–64, 55–59, 50–54, 45–49, 40–44, 35–39, 30–34, 25–29, 20–24, 15–19, 10–14, 5–9, <5

## RACE AND ETHNICITY (Esri data)

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

**Diversity Index: 36.2** US: 64.0

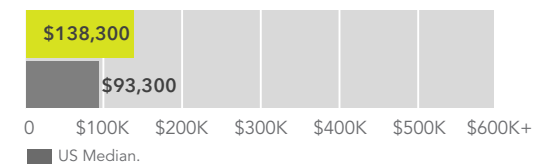| Group | This Market | US Average |
| --- | --- | --- |
| Hispanic* | 7.7% | 18.1% |
| Multiple | 2.3% | 3.4% |
| Other | 2.3% | 6.8% |
| Asian and Pac. Islander | 2.1% | 5.8% |
| American Indian | 0.7% | 1.0% |
| Black | 6.6% | 12.8% |
| White | 86.0% | 70.2% |

US Average.    *Hispanic Can Be of Any Race.

## INCOME AND NET WORTH

Net worth measures total household assets (homes, vehicles, investments, etc.) less any debts, secured (e.g., mortgages) or unsecured (credit cards). Household income and net worth are estimated by Esri.
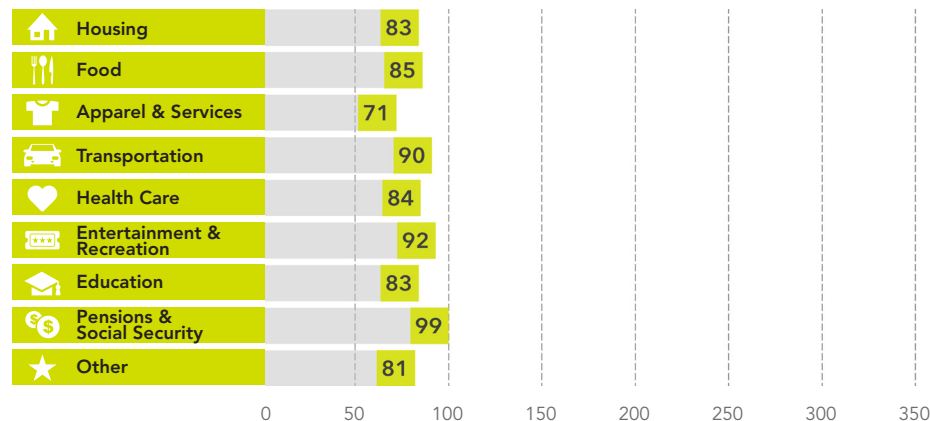
### Median Household Income

$53,200

$56,100

0 $100K $200K $300K $400K $500K $600K+

### Median Net Worth

$138,300

$93,300

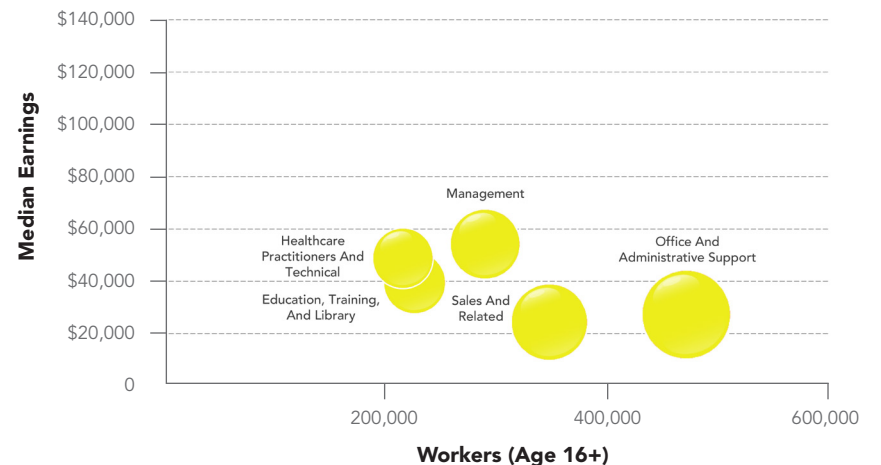0 $100K $200K $300K $400K $500K $600K+

US Median.

## AVERAGE HOUSEHOLD BUDGET INDEX

The index compares the average amount spent in this market's household budgets for housing, food, apparel, etc., to the average amount spent by all US households. An index of 100 is average. An index of 120 shows that average spending by consumers in this market is 20 percent above the national average. Consumer expenditures are estimated by Esri.

| Category | Index |
| --- | --- |
| Housing | 83 |
| Food | 85 |
| Apparel & Services | 71 |
| Transportation | 90 |
| Health Care | 84 |
| Entertainment & Recreation | 92 |
| Education | 83 |
| Pensions & Social Security | 99 |
| Other | 81 |

0 50 100 150 200 250 300 350

## OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.



Occupations shown: Healthcare Practitioners And Technical; Management; Education, Training, And Library; Sales And Related; Office And Administrative Support

Y-axis: Median Earnings ($0–$140,000)
X-axis: Workers (Age 16+) (200,000–600,000)

## MARKET PROFILE (Consumer preferences are estimated from data by GfK MRI)

- Prefer practical vehicles like SUVs and trucks (domestic, of course).
- Sociable, church-going residents belonging to fraternal orders, veterans' clubs and charitable organizations and do volunteer work and fund-raising.
- Contribute to arts/cultural, educational, health, and social services organizations.
- DIY homebodies that spend on home improvement and gardening.
- Media preferences: country or movie channels.
- Leisure activities include movies at home, reading, fishing, and golf.

## HOUSING

Median home value is displayed for markets that are primarily owner occupied; average rent is shown for renter-occupied markets. Tenure and home value are estimated by Esri. Housing type and average rent are from the Census Bureau's American Community Survey.
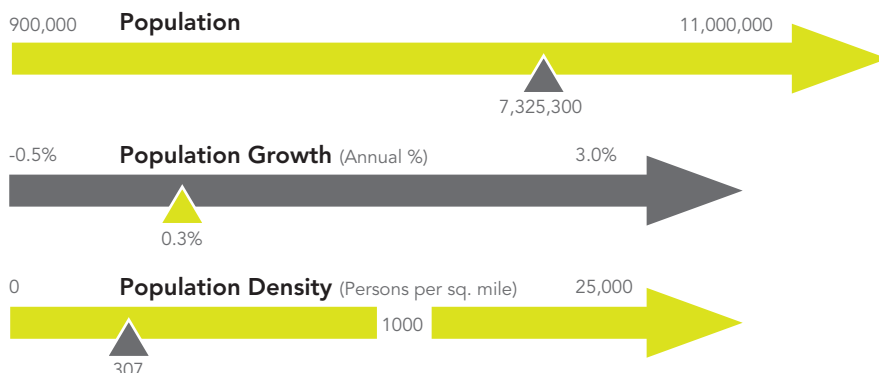


**Typical Housing:**
Single Family

**Median Value:**
$154,100
US Median: $207,300
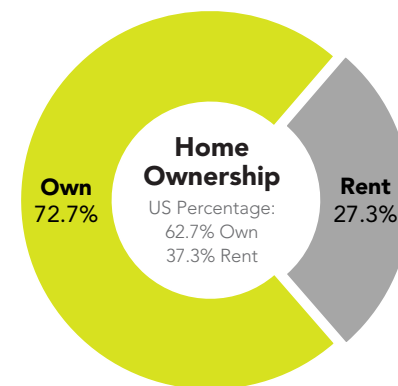
**Home Ownership**
US Percentage:
62.7% Own
37.3% Rent

Own 72.7%

Rent 27.3%

## POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.

**Population**
900,000 — 11,000,000
7,325,300

**Population Growth** (Annual %)
-0.5% — 3.0%
0.3%

**Population Density** (Persons per sq. mile)
0 — 25,000
1000
307

## ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status, and housing affordability for the market relative to US standards.
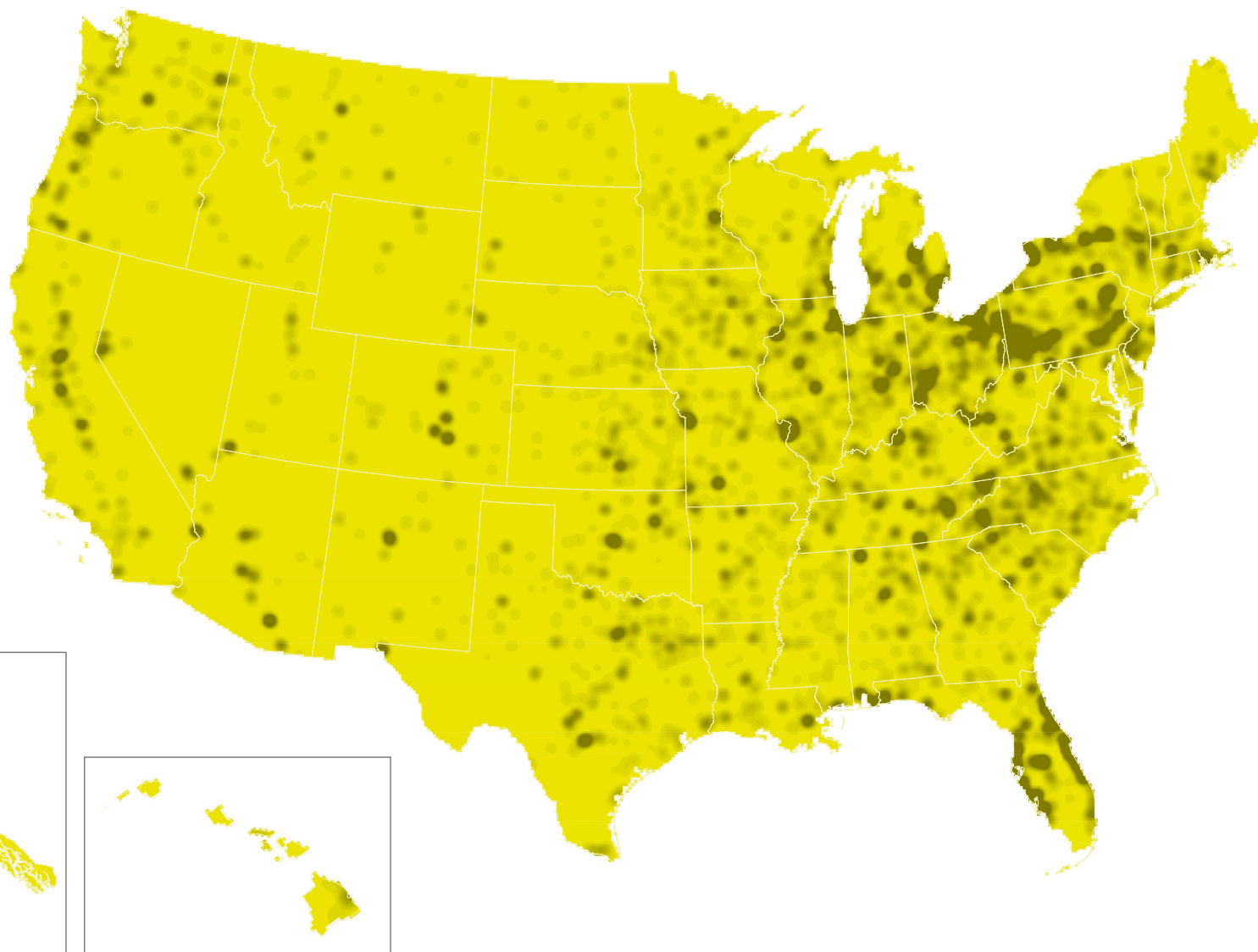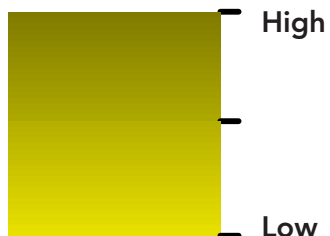
0 — **107** — 350
Wealth Index

0 — **104** — 350
Socioeconomic Status Index

0 — **163** — 350
Housing Affordability Index

## SEGMENT DENSITY

This map illustrates the density and distribution of the *Midlife Constants* Tapestry Segment by households.

High

Low

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LifeMode Group: Middle Ground
# Hometown Heritage

8G

**Households:** 1,507,700

**Average Household Size:** 2.66

**Median Age:** 32.4

**Median Household Income:** $28,200

## WHO ARE WE?

*Hometown Heritage* neighborhoods are in urbanized areas within central cities, with older housing, located mainly in the Midwest and South. This slightly smaller market is primarily a family market, married couples (with and without children) and single parents. They work mainly in service, manufacturing, and retail trade industries. 60% of householders are renters, living primarily in single-family homes, with a higher proportion of dwellings in 2–4 unit buildings.

## OUR NEIGHBORHOOD

- Renters: About three-fifths of households.
- Primarily family households, married couples with or without children, single parents (Index 203), and multigenerational households (Index 137).
- Primarily single-family homes (61%), with a higher proportion of dwellings in 2–4 unit buildings (Index 225).
- Older housing, built before 1960 (59%), with a higher proportion built in the 1940s (Index 215) or earlier (Index 257).
- Higher percentage of vacant housing units at 18% (Index 155).
- Most households with one or two vehicles (71%), but 19% have no vehicle (Index 204).

## SOCIOECONOMIC TRAITS

- Education completed: 38% with a high school diploma only (Index 137); 28% with some college or an associate's degree (Index 97).
- Higher rates of employment in manufacturing.
- Labor force participation rate is lower at 57.1%.
- Wages and salaries are the primary source of income for 70% of households, with contributions from Supplemental Security Income for 12% (Index 232) and public assistance for 7% (Index 254).
- These cost-conscious consumers purchase sale items in bulk and buy generic over name brands.
- They tend to save money for a specific purpose.
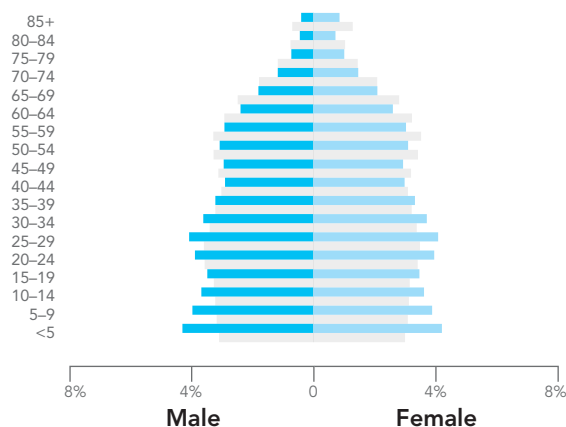
TAPESTRY SEGMENTATION
esri.com/tapestry

Note: The Index represents the ratio of the segment rate to the US rate multiplied by 100. Consumer preferences are estimated from data by MRI-Simmons.
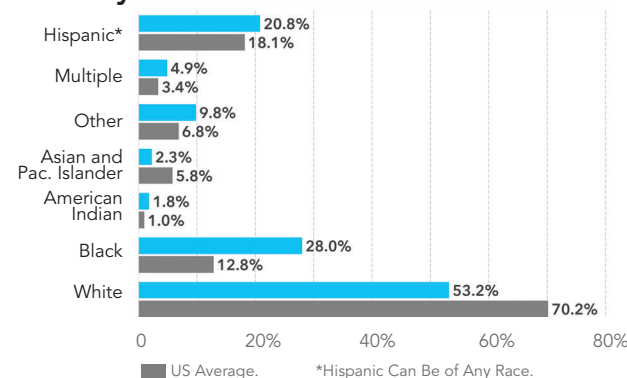
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**Median Age: 32.4** US: 38.2

Indicates US



Male    Female

## RACE AND ETHNICITY (Esri data)

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**Diversity Index: 75.7** US: 64.0

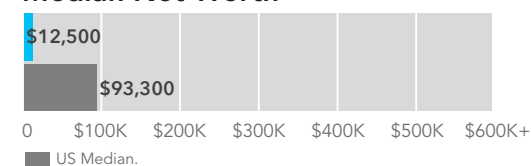| Category | This market | US Average |
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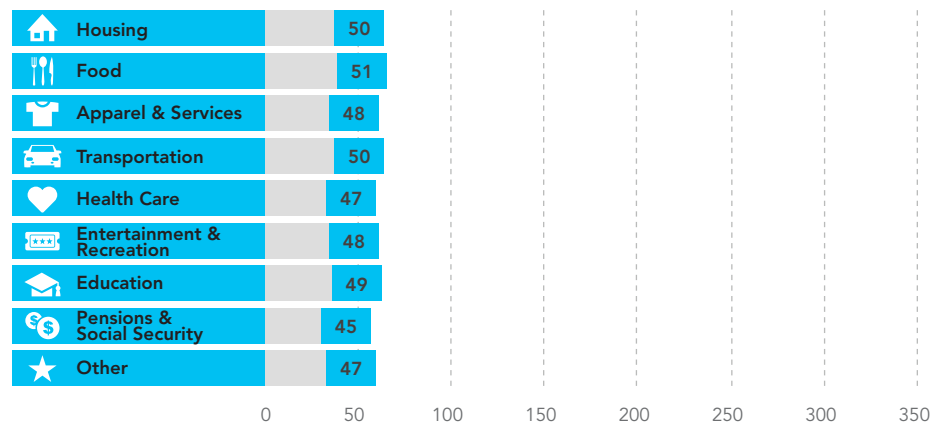
### Median Household Income

$28,200

$56,100

0  $100K  $200K  $300K  $400K  $500K  $600K+

### Median Net Worth

$12,500

$93,300

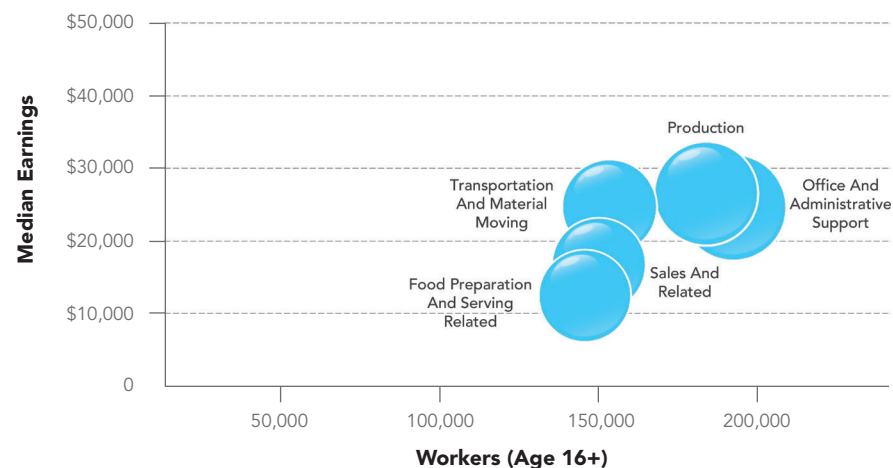0  $100K  $200K  $300K  $400K  $500K  $600K+

US Median.

## AVERAGE HOUSEHOLD BUDGET INDEX

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| Category | Index |
|---|---|
| Housing | 50 |
| Food | 51 |
| Apparel & Services | 48 |
| Transportation | 50 |
| Health Care | 47 |
| Entertainment & Recreation | 48 |
| Education | 49 |
| Pensions & Social Security | 45 |
| Other | 47 |

0  50  100  150  200  250  300  350

## OCCUPATION BY EARNINGS

The five occupations with the highest number of workers in the market are displayed by median earnings. Data from the Census Bureau's American Community Survey.

## MARKET PROFILE (Consumer preferences are estimated from data by MRI-Simmons.)

- For those with young children at home, watching Disney Channel, Cartoon Network, and Nickelodeon on TV is popular; diapers, baby food, and children's clothing are priority expenditures.

- Favor shopping at their local discount store, search for bargains on the internet, or purchasing from in-home sales representatives.

- Read parenting and health magazines.

- Watch programs on BET, VH1, and Game Show Network.

- Prefer to listen to gospel, R&B, rap, and hip-hop music.

- Like to listen to sports on the radio and watch on TV. Favorite sports include NASCAR racing, professional wrestling, and basketball.
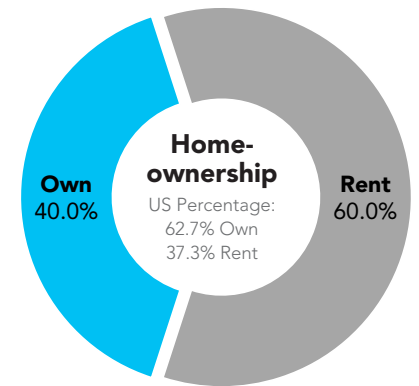
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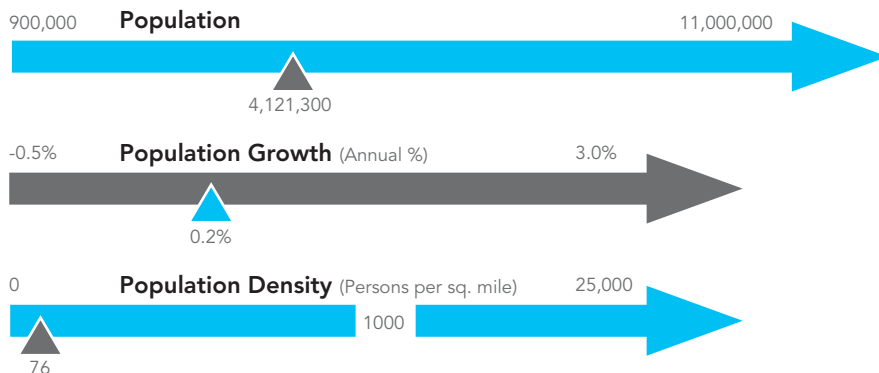
**Typical Housing:**
Single Family

**Average Rent:**
$710
US Average: $1,038

**Home-ownership**
US Percentage:
62.7% Own
37.3% Rent

Own 40.0%
Rent 60.0%

## POPULATION CHARACTERISTICS

Total population, average annual population change since Census 2010, and average density (population per square mile) are displayed for the market relative to the size and change among all Tapestry markets. Data estimated by Esri.

**Population**
900,000 — 11,000,000
4,121,300

**Population Growth** (Annual %)
-0.5% — 3.0%
0.2%

**Population Density** (Persons per sq. mile)
0 — 25,000
1000
76

## ESRI INDEXES

Esri developed three indexes to display average household wealth, socioeconomic status and housing affordability for the market relative to the US.

0 — **30** — 350
**Wealth Index**

0 — **34.8** — 100
**Socioeconomic Status Index**

0 — **178** — 350
**Housing Affordability Index**
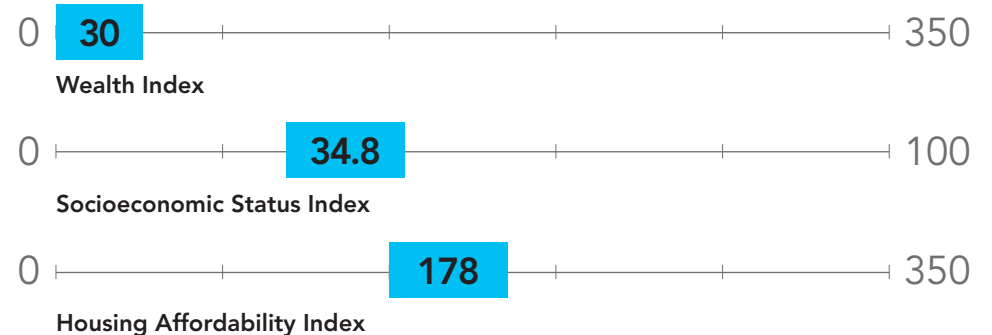
## SEGMENT DENSITY

This map illustrates the density and distribution of the *Hometown Heritage* Tapestry Segment by households.

High

Low

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