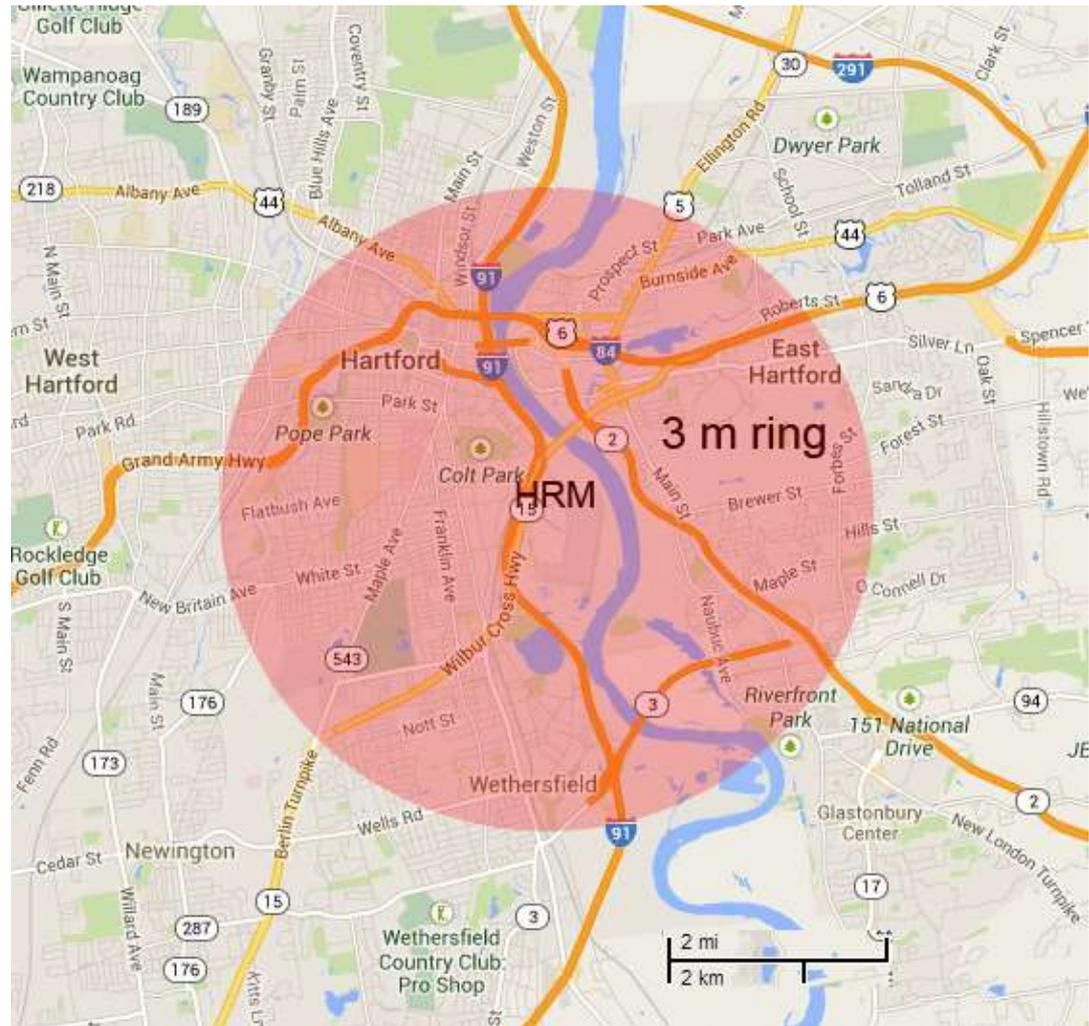


# Demand Analysis

## Trade Area 1: 3 mile ring

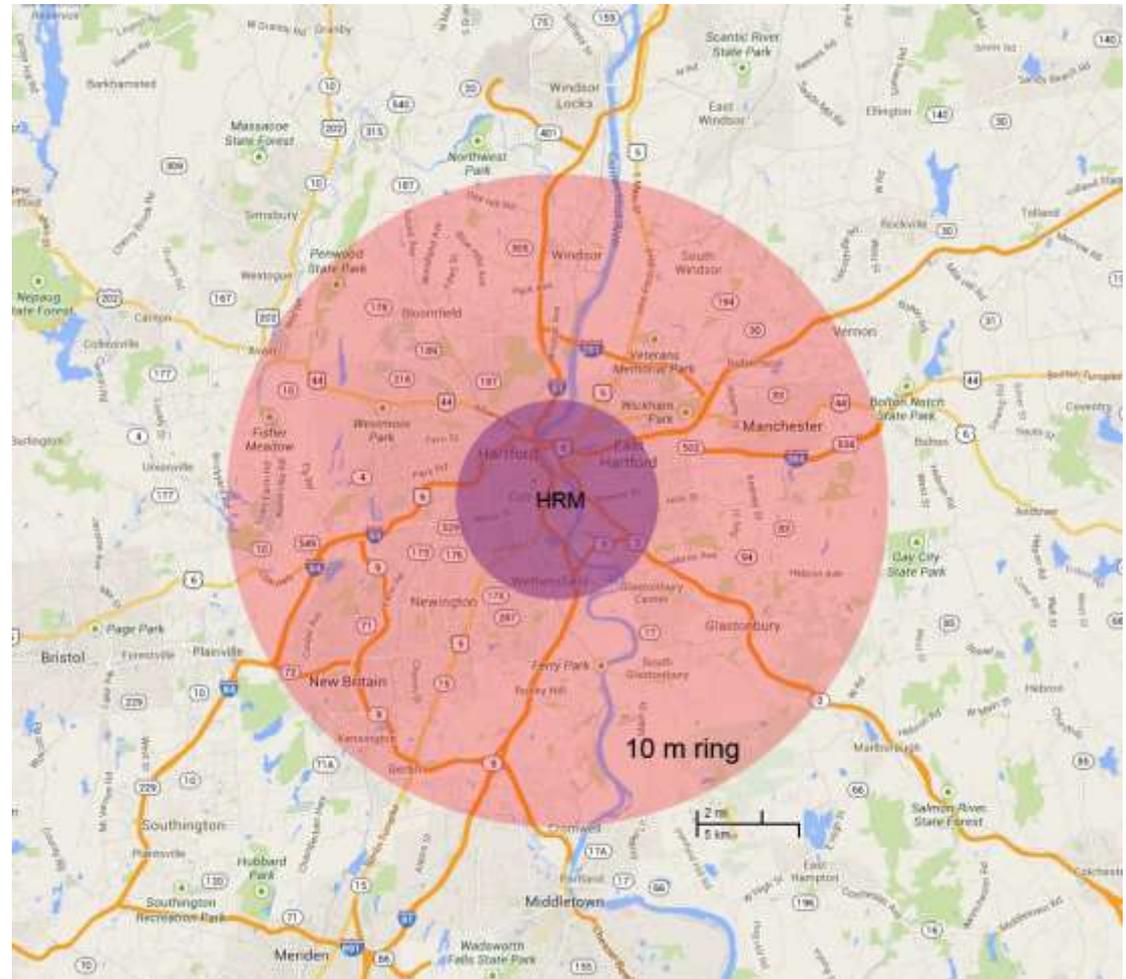
- City of Hartford, parts of East Hartford and Wethersfield
- Current location convenient and easily accessible – public transportation
- Limited competition for fresh food
- 6 other farmers' markets listed on USDA web site



# Demand Analysis

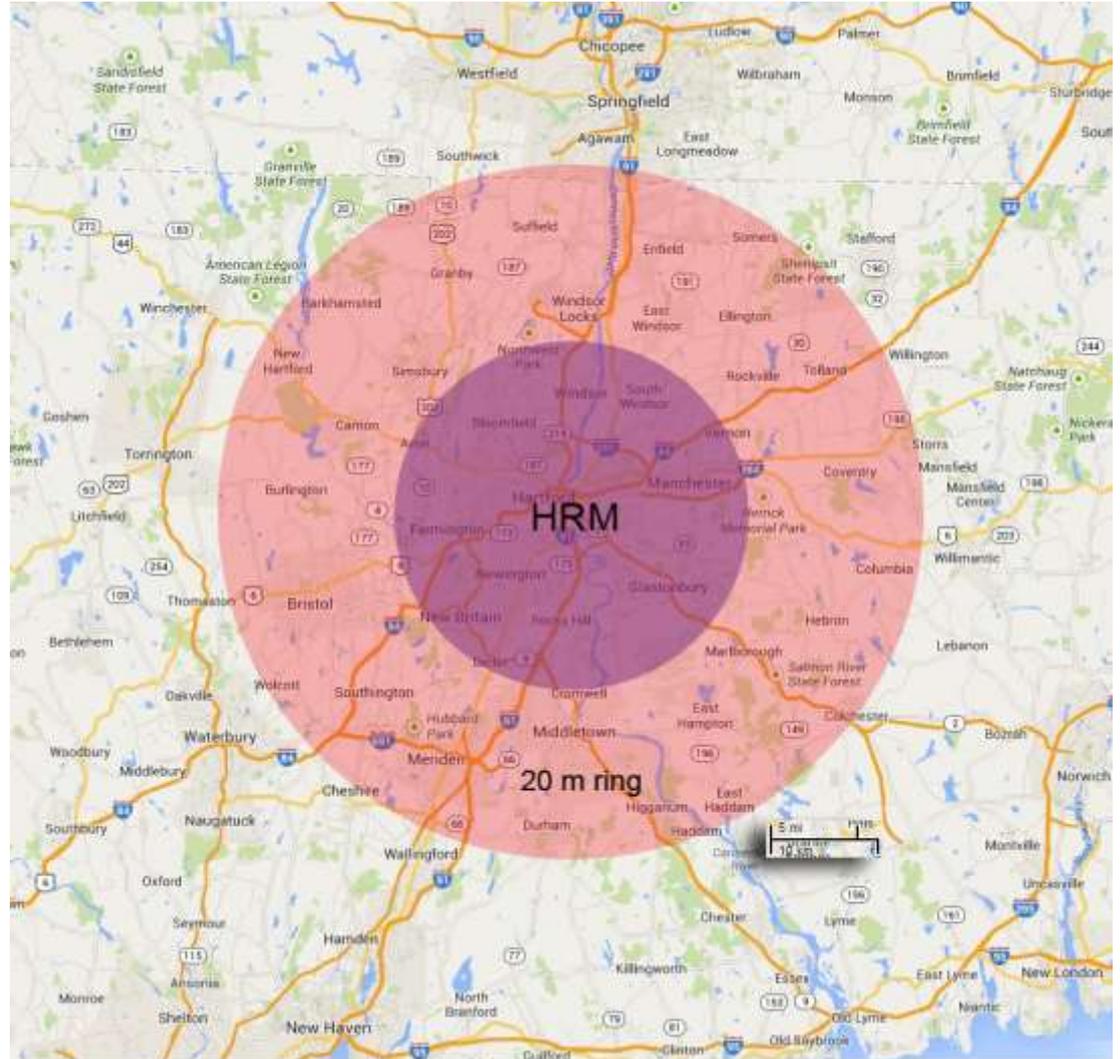
## Trade area 2: 3-10 mile band

- The Market is reasonably convenient to residents and workers in this area
- Considerable fresh food competition
- 17 other farmers' markets listed on USDA web site



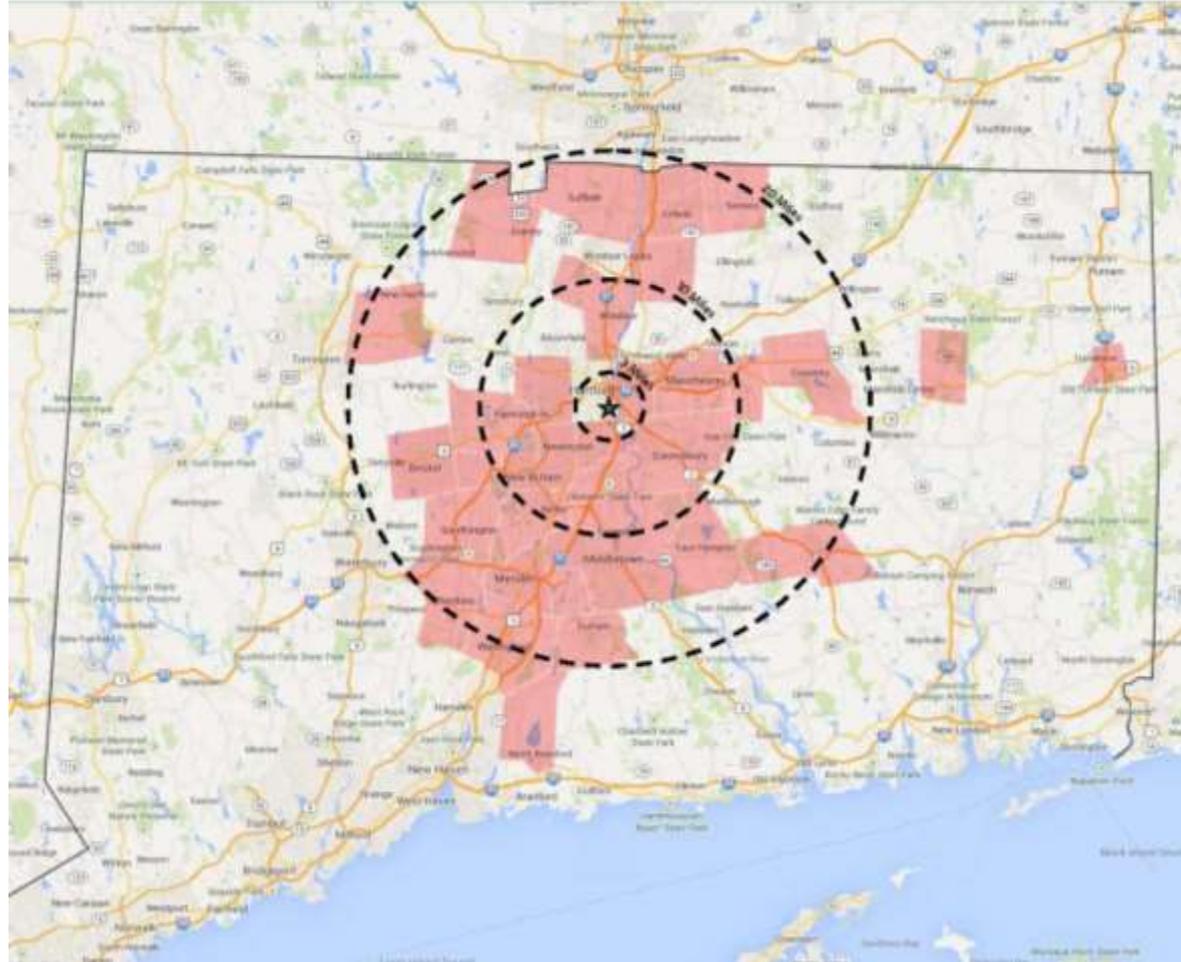
# Trade Area 3: 10 – 20 mile band

- Not convenient
- Regional Market is a destination for residents in this area because they are drawn to its unique qualities
- 22 other farmers' markets listed on USDA web site
- Tourists: Anyone outside 20 miles



# Regional Context: HRM Farmers and Customers

- 20 mile ring encompasses much of central Connecticut
- Most farmers who participate in the Hartford Regional Market farmers' market are located within the 20 mile ring (location of their farms noted in light red)



# Higher Spending Public Market Shoppers

- Families
- Higher income levels (household income \$75,000 and above)
- Highest spending customer typically a 40 to 55 year old woman
- Educational attainment a key indicator
- Public markets can appeal to both the highest income shoppers and lower income shoppers, ethnically diverse
- SNAP (food stamps) and Farmers' Market Nutrition Program coupons can supplement fresh food sales
- At some public markets, lower income consumers spend more than higher income ones

# Demographics: 3 Mile Ring

	3 mile ring	USA
Population 2010 census	121,856	
Population 2014 estimate	121,810	
Population 2019 projection	121,902	
Population change 2010-2014 (%)	0.0%	2.7%
Population change 2014-2019 (%)	0.1%	3.5%
Population change 2014-2019	92	
Racial diversity (% non-white)	58.0%	29.7%
Percent Hispanic 2014	46.5%	17.6%
Households 2014	46,980	
Average household size	2.49	2.55
Median age	33.9	37.7
Average household income 2014	\$49,475	\$71,320
Median household income 2014	\$34,223	
Average household income 2019 est	\$54,393	\$75,940
Change HH income 2014-2019	9.9%	6.5%
Household income >\$75,000/yr	9,634	
Household income >\$75,000/yr (%)	20.5%	
Household income <\$15,000/yr (%)	24.8%	
Family households	59.0%	66.4%
Age 35-64	39.4%	
No Vehicles	28.1%	
Bachelor's Degree	11.6%	17.8%
Master's, Professional or Doctorate	7.1%	10.5%

- Population flat growth
- Very diverse: majority non-white; Hispanic
- Low median age
- Low percentage family households which is common in city locations
- Low but increasing household income
- 21% high income households
- Large percentage of households without vehicles
- Lower than average educational attainment

# Demographics: 3-10 Mile Band

	3-10 m band	USA
Population 2010 census	459,051	
Population 2014 estimate	461,617	
Population 2019 projection	464,809	
Population change 2010-2014 (%)	0.6%	2.7%
Population change 2014-2019 (%)	0.7%	3.5%
Population change 2014-2019	3,192	
Racial diversity (% non-white)	33.2%	29.7%
Percent Hispanic 2014	16.1%	17.6%
Households 2014	183,334	
Average household size	2.44	2.55
Median age	40.3	37.7
Average household income 2014	\$85,451	\$71,320
Median household income 2014	\$63,694	
Average household income 2019 est	\$94,730	\$75,940
Change HH income 2014-2019	10.9%	6.5%
Household income >\$75,000/yr	77,296	
Household income >\$75,000/yr (%)	42.2%	
Household income <\$15,000/yr (%)	10.7%	
Family households	63.8%	66.4%
Age 35-64	41.1%	
No Vehicles	10.3%	
Bachelor's Degree	20.5%	17.8%
Master's, Professional or Doctorate	16.8%	10.5%

- Slightly increasing population
- Average diversity
- Older median age
- Very high household income
- High educational attainment

# Demographics: 10 – 20 Mile Band

	10-20 m band	USA
Population 2010 census	608,663	
Population 2014 estimate	609,929	
Population 2019 projection	611,893	
Population change 2010-2014 (%)	0.2%	2.7%
Population change 2014-2019 (%)	0.3%	3.5%
Population change 2014-2019	1,964	
Racial diversity (% non-white)	13.3%	29.7%
Percent Hispanic 2014	8.4%	17.6%
Households 2014	240,323	
Average household size	2.48	2.55
Median age	42.2	37.7
Average household income 2014	\$93,611	\$71,320
Median household income 2014	\$74,592	
Average household income 2019 est	\$104,519	\$75,940
Change HH income 2014-2019	11.7%	6.5%
Household income >\$75,000/yr	119,486	
Household income >\$75,000/yr (%)	49.7%	
Household income <\$15,000/yr (%)	7.6%	
Family households	67.3%	66.4%
Age 35-64	40.8%	
No Vehicles	5.3%	
Bachelor's Degree	19.9%	17.8%
Master's, Professional or Doctorate	14.4%	10.5%

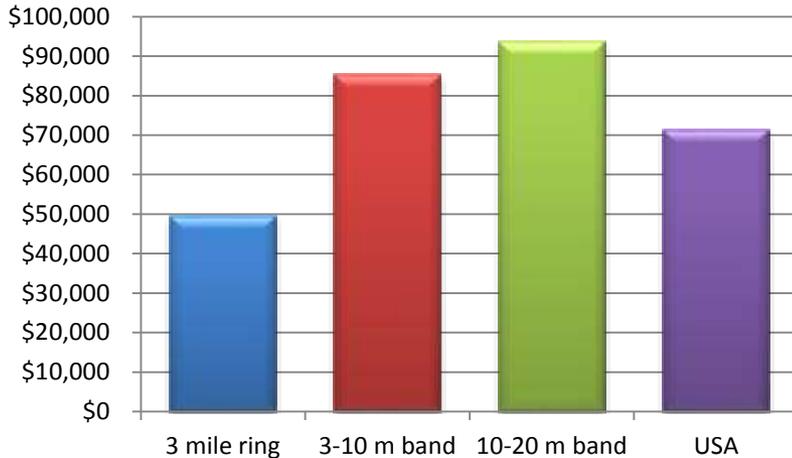
- Largest population but nearly no growth
- Low diversity
- High median age
- Very high household income – half of households above \$75,000
- Nearly all have vehicles
- High educational attainment

# Demographics

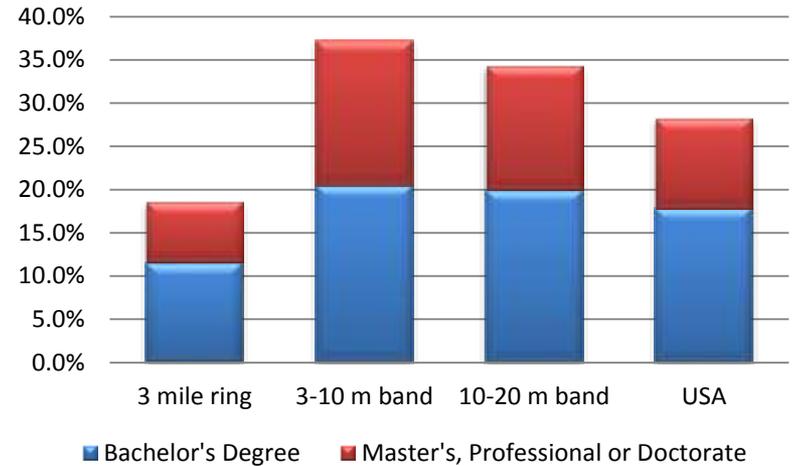
	3 mile ring	3-10 m band	10-20 m band	Total	USA
Population 2010 census	121,856	459,051	608,663	1,189,570	
Population 2014 estimate	121,810	461,617	609,929	1,193,356	
Population 2019 projection	121,902	464,809	611,893	1,198,604	
Population change 2010-2014 (%)	0.0%	0.6%	0.2%	0.3%	2.7%
Population change 2014-2019 (%)	0.1%	0.7%	0.3%	0.4%	3.5%
Population change 2014-2019	92	3,192	1,964	5,248	
Racial diversity (% non-white)	58.0%	33.2%	13.3%		29.7%
Percent Hispanic 2014	46.5%	16.1%	8.4%		17.6%
Households 2014	46,980	183,334	240,323	470,637	
Average household size	2.49	2.44	2.48		2.55
Median age	33.9	40.3	42.2		37.7
Average household income 2014	\$49,475	\$85,451	\$93,611		\$71,320
Median household income 2014	\$34,223	\$63,694	\$74,592		
Average household income 2019 est	\$54,393	\$94,730	\$104,519		\$75,940
Change HH income 2014-2019	9.9%	10.9%	11.7%		6.5%
Household income >\$75,000/yr	9,634	77,296	119,486	206,416	
Household income >\$75,000/yr (%)	20.5%	42.2%	49.7%	43.9%	
Household income <\$15,000/yr (%)	24.8%	10.7%	7.6%		
Family households	59.0%	63.8%	67.3%		66.4%
Age 35-64	39.4%	41.1%	40.8%		
No Vehicles	28.1%	10.3%	5.3%		
Bachelor's Degree	11.6%	20.5%	19.9%		17.8%
Master's, Professional or Doctorate	7.1%	16.8%	14.4%		10.5%

# Demographics

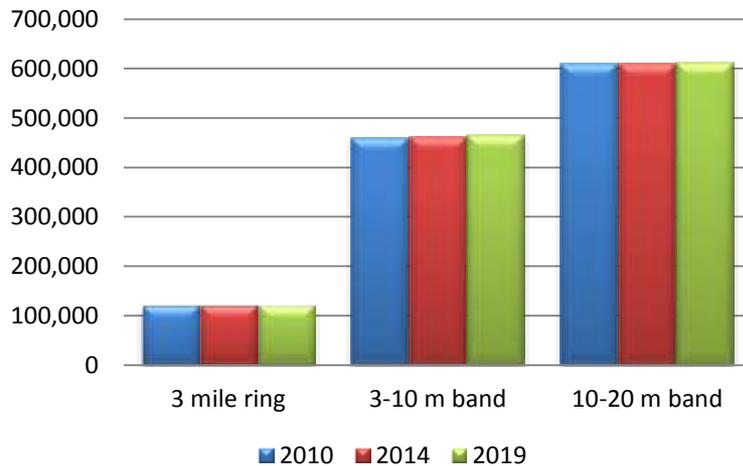
## Average household income 2014



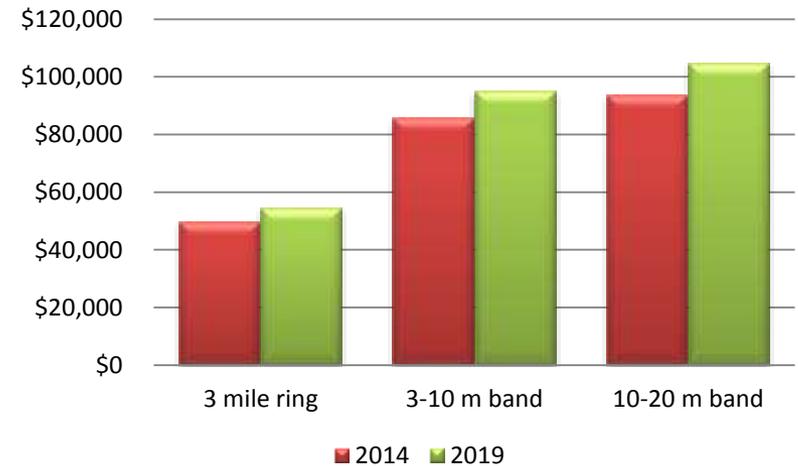
## Educational Attainment



## Population



## HH Income



# Demand Analysis

- Nielsen provides expected expenditures on various products based on demographic profiles of residents within the trade areas
- Consumers who live within three miles of the site, for example, are expected to purchase \$9,266,000 worth of bread products annually
- Based on rising incomes and changes to population, demand for the types of products typically sold within a public market are expected to increase 2.5% within the 3 mile ring and 3.3% within the 3-10 mile band

<b>3 mile ring</b>	2013 Estimate	2018 Projection	Change \$	Change %
<b>Market categories</b>	(000s)	(000s)	(000s)	
Bread	\$9,266	\$9,468	\$202	2.2%
Dairy	\$33,149	\$33,839	\$690	2.1%
Meat	\$33,266	\$33,987	\$721	2.2%
Poultry	\$19,714	\$20,172	\$458	2.3%
Prepared foods	\$9,315	\$9,520	\$205	2.2%
Produce - fresh	\$22,162	\$22,715	\$553	2.5%
Seafood - fresh	\$2,510	\$2,576	\$66	2.6%
Specialty food (jams, jellies)	\$22,310	\$22,860	\$550	2.5%
Sweets (candy)	\$10,798	\$11,090	\$292	2.7%
Coffee/Tea	\$7,693	\$7,879	\$186	2.4%
Wine/Beer	\$32,275	\$33,313	\$1,038	3.2%
<b>Total</b>	<b>\$202,458</b>	<b>\$207,419</b>	<b>\$4,961</b>	<b>2.5%</b>
All Food at Home	\$247,421	\$253,269	\$5,848	2.4%
All Food away from Home	\$117,031	\$122,312	\$5,281	4.5%

<b>3-10 mile band</b>	2013 Estimate	2018 Projection	Change \$	Change %
<b>Market categories</b>	(000s)	(000s)	(000s)	
Bread	\$42,538	\$43,760	\$1,222	2.9%
Dairy	\$148,235	\$152,664	\$4,429	3.0%
Meat	\$132,477	\$136,218	\$3,741	2.8%
Poultry	\$72,470	\$74,591	\$2,121	2.9%
Prepared foods	\$43,303	\$44,815	\$1,512	3.5%
Produce - fresh	\$94,047	\$97,436	\$3,389	3.6%
Seafood - fresh	\$11,338	\$11,744	\$406	3.6%
Specialty food (jams, jellies)	\$106,766	\$110,160	\$3,394	3.2%
Sweets (candy)	\$54,709	\$56,725	\$2,016	3.7%
Coffee/Tea	\$35,248	\$36,402	\$1,154	3.3%
Wine/Beer	\$145,526	\$151,589	\$6,063	4.2%
<b>Total</b>	<b>\$886,657</b>	<b>\$916,104</b>	<b>\$29,447</b>	<b>3.3%</b>
All Food at Home	\$1,068,908	\$1,101,978	\$33,070	3.1%
All Food away from Home	\$567,001	\$597,582	\$30,581	5.4%

# Demand Analysis

- Demand for public market products should increase 3.2% in the 10-20 mile band
- Within the entire 20 mile zone, there should be more than \$73 million worth of new demand by 2018, an increase of 3.2%
- Demand for food eaten away from home will increase more (5.0%) or \$74,210,000 of new demand

<b>10-20 mile band</b>	2013 Estimate	2018 Projection	Change \$	Change %
<b>Market categories</b>	(000s)	(000s)	(000s)	
Bread	\$59,518	\$61,228	\$1,710	2.9%
Dairy	\$209,518	\$215,945	\$6,427	3.1%
Meat	\$176,381	\$181,109	\$4,728	2.7%
Poultry	\$92,237	\$94,393	\$2,156	2.3%
Prepared foods	\$60,986	\$63,161	\$2,175	3.6%
Produce - fresh	\$130,966	\$135,608	\$4,642	3.5%
Seafood - fresh	\$16,312	\$16,854	\$542	3.3%
Specialty food (jams, jellies)	\$150,323	\$155,007	\$4,684	3.1%
Sweets (candy)	\$75,559	\$78,302	\$2,743	3.6%
Coffee/Tea	\$48,434	\$50,005	\$1,571	3.2%
Wine/Beer	\$197,690	\$205,147	\$7,457	3.8%
<b>Total</b>	<b>\$1,217,924</b>	<b>\$1,256,759</b>	<b>\$38,835</b>	<b>3.2%</b>
All Food at Home	\$1,467,884	\$1,510,297	\$42,413	2.9%
All Food away from Home	\$793,109	\$831,457	\$38,348	4.8%
<b>Total Fresh/Specialty Food (3 Trade Areas)</b>	<b>\$2,307,039</b>	<b>\$2,380,282</b>	<b>\$73,243</b>	<b>3.2%</b>
All Food at Home	\$2,784,213	\$2,865,544	\$81,331	2.9%
All Food away from Home	\$1,477,141	\$1,551,351	\$74,210	5.0%

# Capture Rate Analysis

Market categories	3 mile ring			3-10 m band			10-20 m band			Total		
	Demand (000s)	Capture rate	Potential	Demand (000s)	Capture rate	Potential	Demand (000s)	Capture rate	Potential	Demand (000s)	Demand Total	% of total
Baked goods	\$9,266	1.5%	\$139,000	\$42,538	0.5%	\$212,700	\$59,518	0.17%	\$99,200	\$111,322	\$450,900	3.1%
Dairy	\$33,149	1.5%	\$497,200	\$148,235	0.5%	\$741,200	\$209,518	0.17%	\$349,200	\$390,902	\$1,587,600	11.1%
Meat	\$33,266	2.0%	\$665,300	\$132,477	0.7%	\$883,200	\$176,381	0.22%	\$392,000	\$342,124	\$1,940,500	13.5%
Poultry	\$19,714	2.0%	\$394,300	\$72,470	0.7%	\$483,100	\$92,237	0.22%	\$205,000	\$184,421	\$1,082,400	7.5%
Prepared foods	\$9,315	1.5%	\$139,700	\$43,303	0.5%	\$216,500	\$60,986	0.17%	\$101,600	\$113,604	\$457,800	3.2%
Produce - fresh	\$22,162	2.5%	\$554,100	\$94,047	0.8%	\$783,700	\$130,966	0.28%	\$363,800	\$247,175	\$1,701,600	11.9%
Seafood - fresh	\$2,510	2.0%	\$50,200	\$11,338	0.7%	\$75,600	\$16,312	0.22%	\$36,200	\$30,160	\$162,000	1.1%
Specialty food	\$22,310	1.5%	\$334,700	\$106,766	0.5%	\$533,800	\$150,323	0.17%	\$250,500	\$279,399	\$1,119,000	7.8%
Sweets	\$10,798	1.0%	\$108,000	\$54,709	0.3%	\$182,400	\$75,559	0.11%	\$84,000	\$141,066	\$374,400	2.6%
Coffee/Tea	\$7,693	2.0%	\$153,900	\$35,248	0.7%	\$235,000	\$48,434	0.22%	\$107,600	\$91,375	\$496,500	3.5%
Wine/Beer	\$32,275	1.0%	\$322,800	\$145,526	0.3%	\$485,100	\$197,690	0.11%	\$219,700	\$375,491	\$1,027,600	7.2%
Food away from home	\$117,031	1.0%	\$1,170,300	\$567,001	0.3%	\$1,890,000	\$793,109	0.11%	\$881,200	\$1,477,141	\$3,941,500	27.5%
Total/Average/Total	\$319,489	1.4%	\$4,529,500	\$1,453,658	0.5%	\$6,722,300	\$2,011,033	0.15%	\$3,090,000	\$3,784,180	\$14,341,800	100.0%

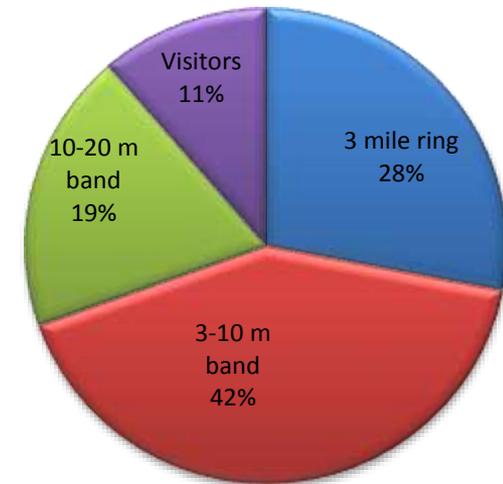
- Based on the demographic qualities of residents within each trade area, Market Ventures estimates a reasonable percentage of sales that vendors should be able to capture for each type of product that typically sold in a public market
- For baked goods, for example, MVI estimates that public market vendors should reasonably be able to capture 1.5% of sales from residents in the 3 mile ring, or \$139,000 worth of sales

# Capture Rate Analysis

	Fresh food	Prepared food	Total
Resident demand	\$10,400,300	\$3,941,500	\$14,341,800
Visitor demand %	10.0%	20.0%	
Visitor demand \$	\$1,040,030	\$788,300	\$1,828,330
Total demand			\$16,170,130
Average sales per sf			\$750
Supportable sf (net)			21,560
Supportable sf (gross)			32,667

## Sources of Demand

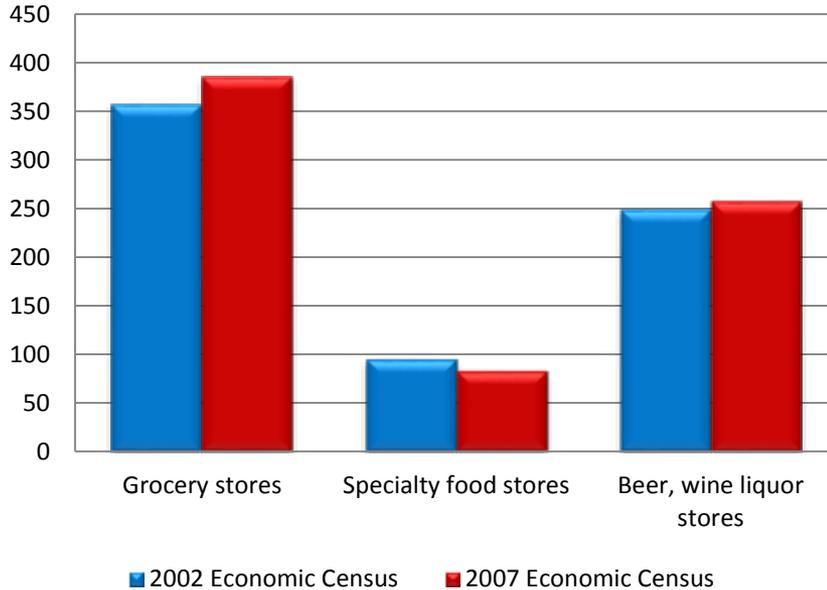
Hartford Public Market



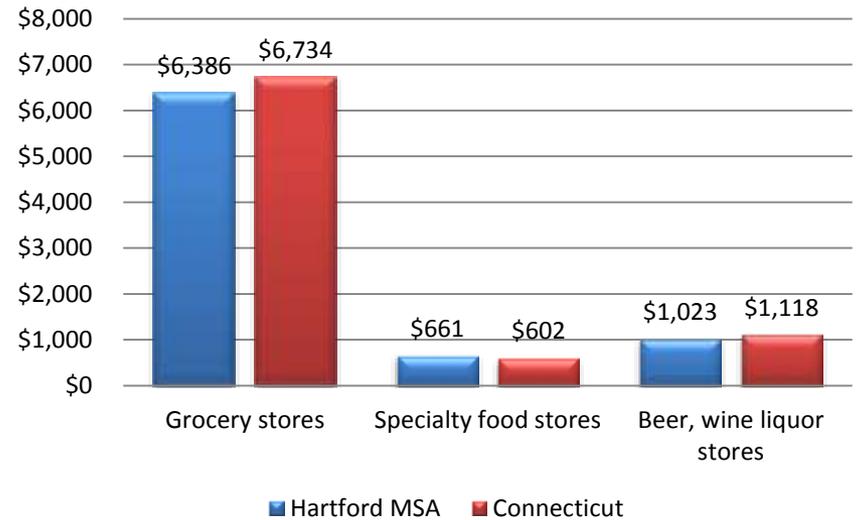
- In total, residents of the three trade areas should have demand of about \$10.4 million for fresh foods and \$3.9 million for prepared foods
- Visitors will add to the demand, increasing sales by about \$1.8 million
- Total demand is estimated at \$16.2 million
- Based on sales per square foot of \$750, the site could support a public market of 21,600 sf
- Demand is only one factor needed for a successful public market. Other factors, such as site attributes, high quality vendors, strong management, and a good facility, are critical to determining if a public market can be successful

# Supply Analysis

## Number of Stores Hartford MSA



## Food & Beverage Ave. Sales (000s) Hartford MSA and Connecticut 2007



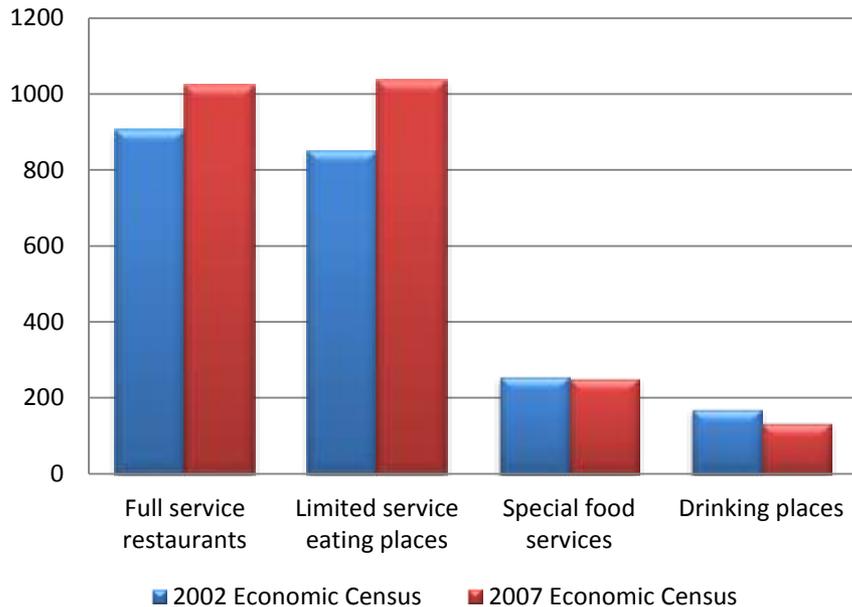
## Food & Beverage Sales 2007: Hartford MSA



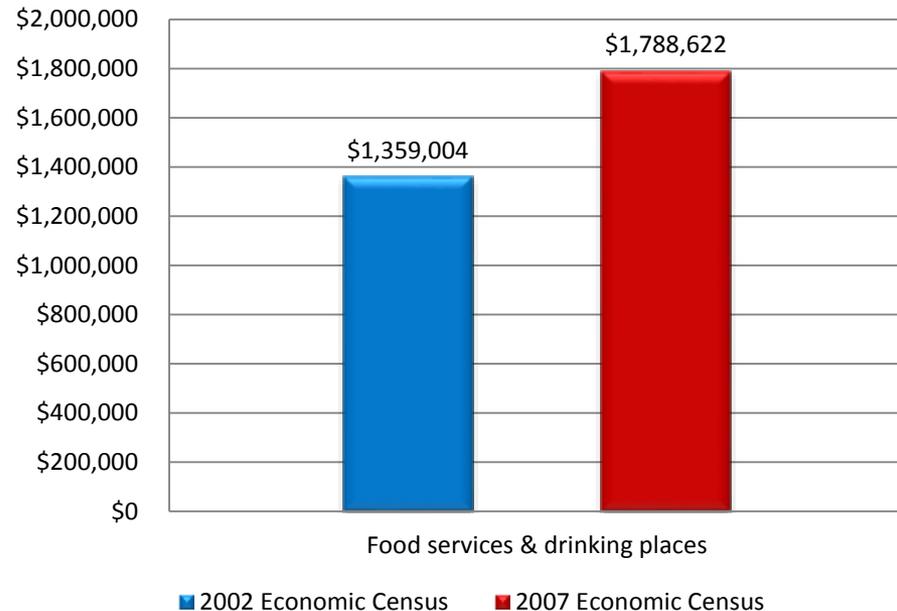
- The Hartford region has very few existing specialty food stores, which are an important source of vendors for a public market
- Food and beverage sales are dominated by grocery stores

# Supply Analysis

## Number of Restaurants Hartford MSA



## Total Restaurant Sales (000s) Hartford MSA



- The number of restaurants and restaurant sales in the Hartford region grew strongly between 2002 and 2007
- Some public markets have considerable numbers of prepared food vendors and restaurants