



Community Dynamics



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What's your community's profile?

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Positive indicators

- Population base of 40,000+ in your market or "catchment" area
- College grads – chains look for 25,000+
- Higher levels of income & education
- Above average rate of home ownership
- Well-funded school systems
- Strong support of public libraries & public broadcasting



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Look for ...

- Successful philanthropic efforts – the arts, local history, charitable events
- Presence of colleges & universities
- Healthy business base – independent companies & corporations
- Higher percentage of voters
- ‘Bohemian’ or upcoming neighborhoods
- Vibrant merchant associations
- ‘Shop Local’ campaigns or Independent Business Alliances



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Most challenging bookselling markets

Anywhere U.S.A.

- Big box mall areas
- Areas where discounting is the norm



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Most challenging bookselling markets

Small & Struggling Communities

- Small population
- No tourism
- Lower than average levels of education & income



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Most challenging bookselling markets

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Premium Real Estate Markets

- High property values limit what kinds of businesses can afford the rent
- For bookselling, where occupancy costs cannot be contained to 10% or less of projected sales

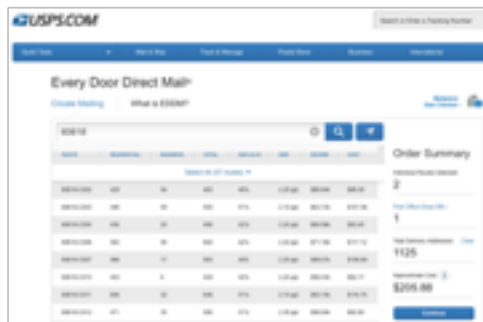


Learn more about your community

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City-Data.com & census.gov for quick demographics



USPS.com/business/every-door-direct-mail.htm
for demographics by carrier route!

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History & Descriptive Information

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spodunk.com for colleges, festivals, history & more

And, for small business-friendly banks

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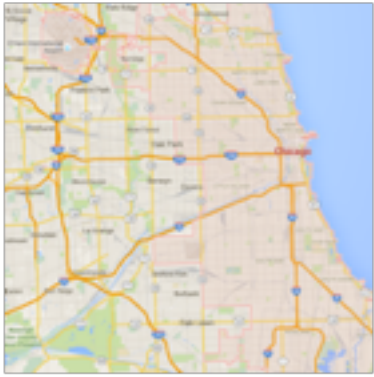


BankLocal.com for banks & credit unions that invest in local businesses



Location — Patterns & Quirks

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Defining Your Market Area

- Commuting patterns
- Natural barriers-rivers, lakes, forests
- Highway / road barriers
- Neighborhoods
- Retail clusters
- Proximity to other bookstores

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Downtowns & Walkable Communities



Eating out & hanging out

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Tourist Destinations



Landscaping, seating, unique shops

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Plazas & Strip Malls



Parking in front, stores in a row

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Town Centers



New Urbanism - Clustered businesses, added amenities

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Safe & easy access



Traffic light, stop signs, barriers to entry

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Where is the parking?



On street, parking lot, parking garage

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What spaces are best?



Location, location,
location ...

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3 Distinct Location Levels

- **A** – “The place” everyone knows about, the middle of town, easy to find, where people already shop and linger *(always in demand)*
- **B** – Around the corner from the A location, harder to find *(requires more marketing)*
- **C** – Destination spaces or those off-the-beaten path *(requires aggressive marketing)*

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Promising bookstore hubs

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Affordable locations with bona fide retail
(vs. service-oriented retail)

- Gift stores
- Galleries
- Clothing boutiques
- Cafes & bistros
- Wine & specialty food shops
- Independent retailers of many types



Avoid these neighbors

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- Most service oriented businesses
- Retailers whose target markets differ from yours where you'll gain no synergy



Rate these neighbors



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Great! ... Good ... Maybe ... No way!

- | | |
|--|--------------------------------------|
| <i>The Movable Feast Wine Bar</i> | <i>Jacques Pette Interior Design</i> |
| <i>Sax-A-Lot Fashions</i> | <i>Twisted Sisters Boutique</i> |
| <i>Towne Flooring</i> | <i>Buster's Pet Store</i> |
| <i>Richard's Family Buffet</i> | <i>The Kitchen Collection</i> |
| <i>The Feathered Nest (home decor)</i> | <i>Cordoba's Cafe & Catering</i> |



Look for ...

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- “Going home” side of the street rather than the “Going to work” side of the street
- Non-restrictive signage & sidewalk policies
- Retail neighbors who keep similar hours
- Vibrant marketing efforts by individual businesses or the merchant collective (NOT the landlord)

Buy or lease property?

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If you can afford to purchase your property you'll ...

- be better able to control occupancy costs (and destiny)
- acquire an asset that could be leased to another party if the bookstore doesn't work out



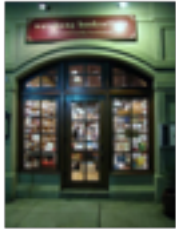
Start small

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- Minimize your overhead
- Less costly to stock and easier to keep looking full
- Just-in-Time buying keeps you stocked

Start small



- Increased pressure to be disciplined with inventory management practices (store stays fresh!)
- Can be more productive & profitable than larger, underutilized spaces
- Can help you visually communicate your competitive advantage (anti-big box!)

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Patience is a virtue

- Avoid getting your heart set on a particular location
- When things become too difficult, it's time to pause & step away
- Rushing causes stress & costly mistakes
- If it's meant to be, things will eventually unfold in your favor



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