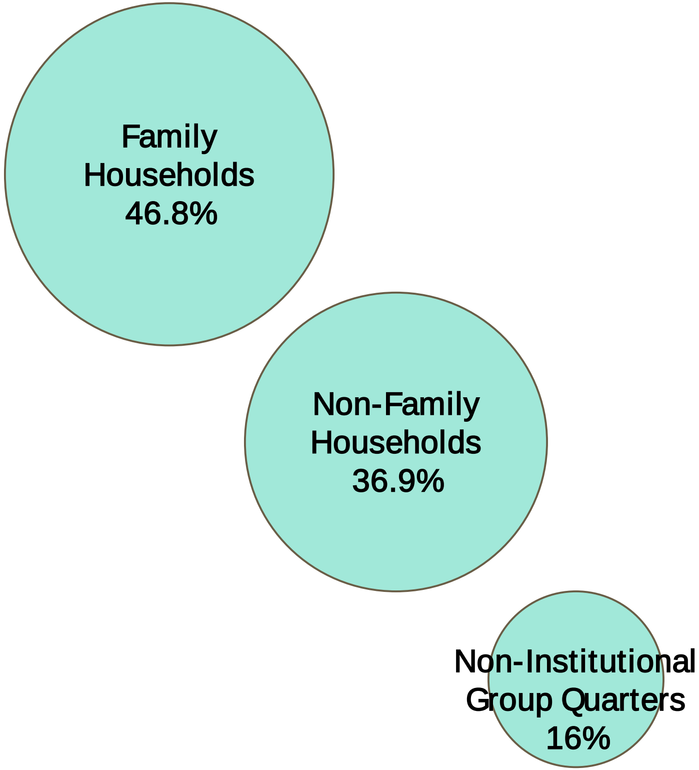
Cambridge
Retail and Consumer Trends

City of Cambridge
Cambridge Community Development Department

Cambridge Demographics and Retail Market

Snapshot - Cambridge

	2010	2017	2022
Total Population	105,162	114,866	120,990
Median Age	30.3	31.7	32
Population aged 20-34	45%	42%	42%



Data source: ESRI Community Analyst 2018

Snapshot - Cambridge

	2017	2022
Median Household Income (MHI)	$77,105	$96,347
Households with income <$25,000	19%	17%
White Population	60%	56%
Black Population	13%	14%
Asian Population	19%	23%
Hispanic Population	10%	11%

Massachusetts MHI (2017): $71,460

U.S. MHI (2017): $56,124

Data source: ESRI Community Analyst 2018

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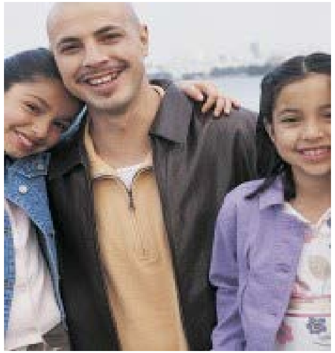
Cambridge Customer Psychographics



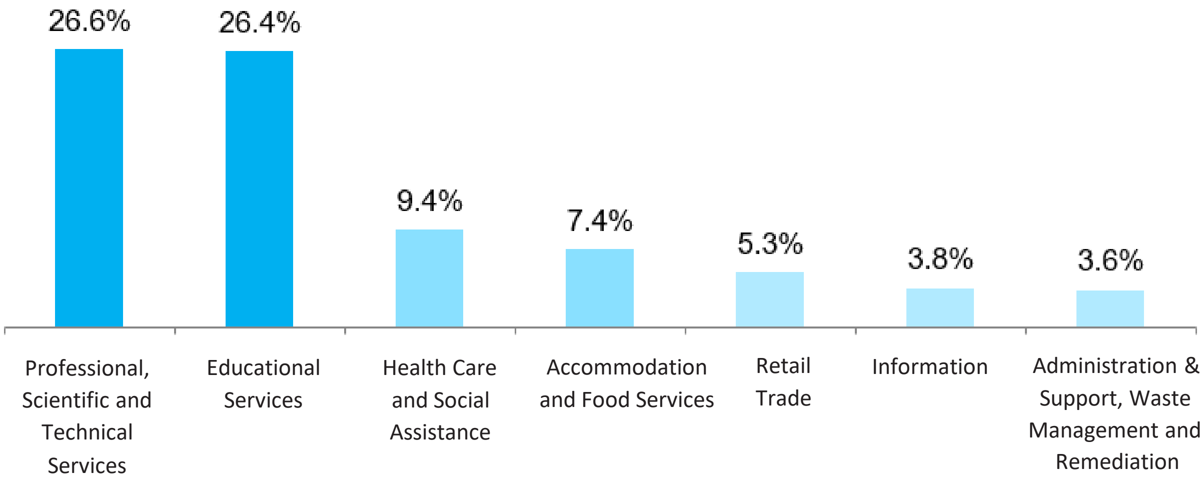




Metro Renters 32.7%	Laptops & Lattes 30.0%	Trendsetters 25.9%	Urban Chic 4.1%	International Marketplace 2.9%
MHI: $52,000	MHI: $93,000	MHI: $51,000	MHI: $98,000	MHI: $41,000
Median Age: 31.8	Median Age: 36.9	Median Age: 35.5	Median Age: 42.6	Median Age: 32.3
Well-educated Informed - cell phones are a part of everyday life	Health and image conscious	Young, educated, and single	Well-connected consumers, maintain a "green" lifestyle	Young, diverse market, mostly Spanish speaking households
Value education and creativity	Enjoy dining out and travel	Upscale living, style-conscious	Avid readers	Enjoy a bargain

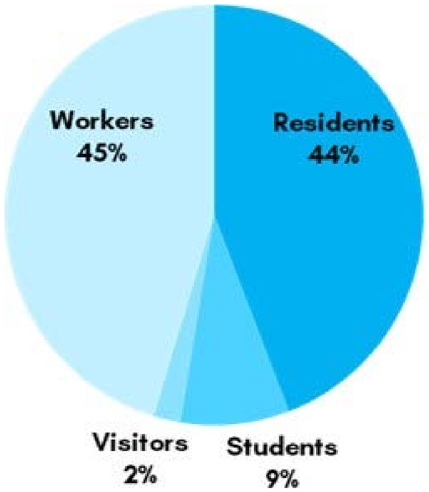
Data source: ESRI Community Analyst 2018

Cambridge Workforce



Workers by industry in the City of Cambridge. Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (2nd Quarter of 2014)

Market Composition of Cambridge



Source: ESRI Business Analyst Online 2016; Cambridge Hotel Directory; Larisa Ortiz Associates Calculations

131,311 persons employed in Cambridge (2012-2016 ACS)

Market Opportunities

Based on the market composition, customer traits, and the city’s income levels, **retailers in Cambridge should position themselves to offer the following**:

- Contemporary, hip, and trendy merchandise
- Mix of products for different price points
- Consider lower priced items or discounts to meet student budgets

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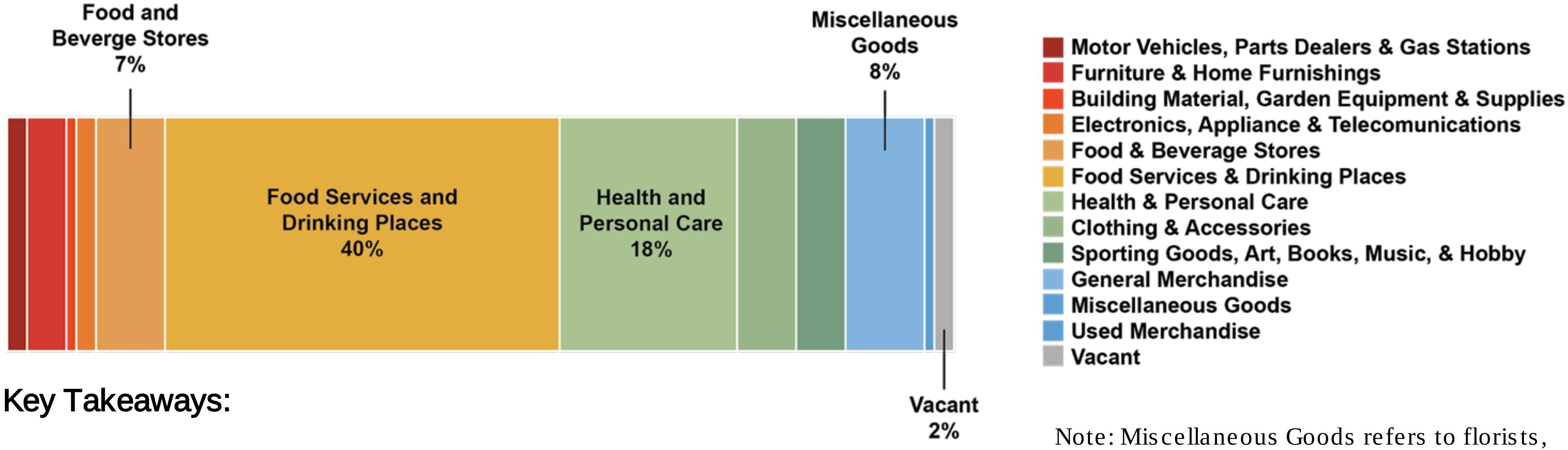
Cambridge Retail Market



Key Takeaways:

- Food Services and Drinking Places is the largest retail category followed by Health and Personal Care Stores.
- General Merchandise <1%

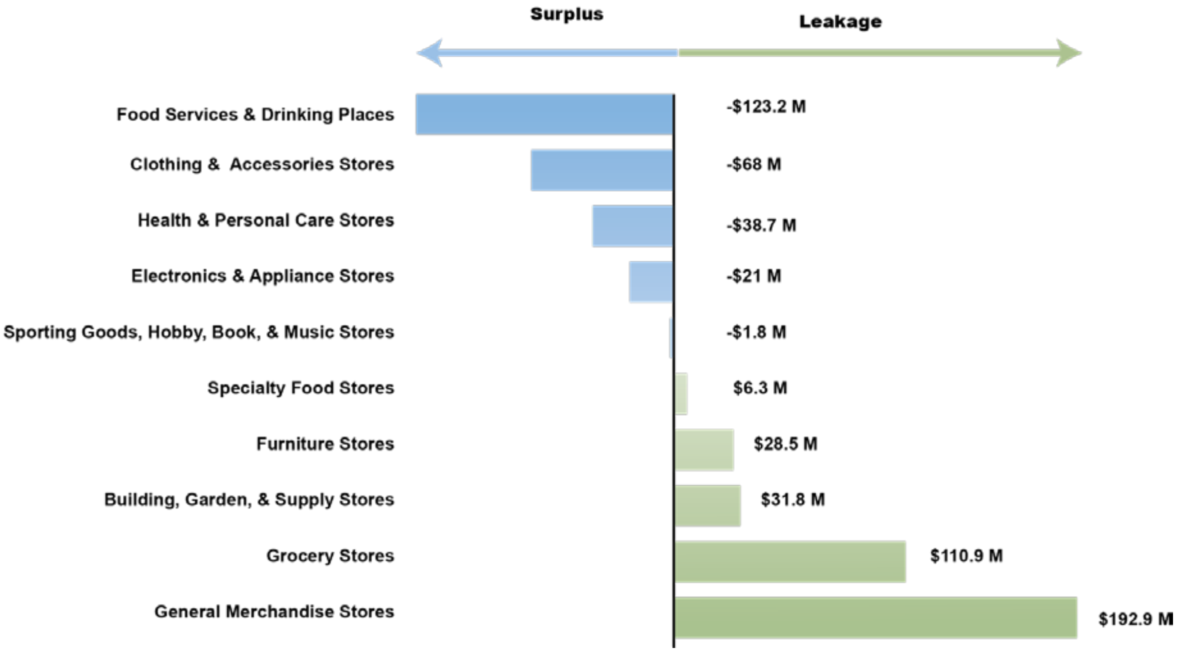
Note: Miscellaneous Goods refers to florists, office supplies, stationery and gift stores, used merchandise stores, and others.
Food and Beverage refers to grocery stores, specialty food stores, and beer/wine/liquor stores.

Source: City of Cambridge Business Data, 2018

Citywide Surplus/Leakage

Key Takeaways:

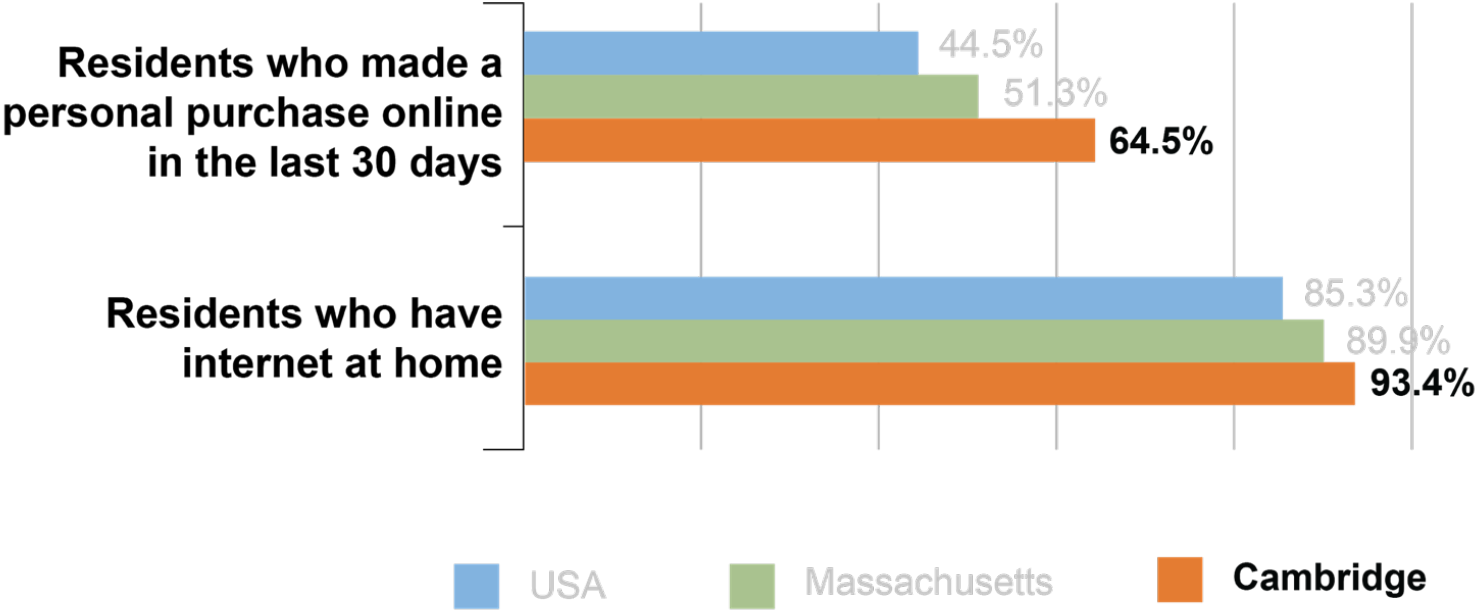
- General merchandise and grocers likely looking for opportunities.
- Surplus suggests Cambridge is already a regional eating and drinking destination.
- Opportunities lie in creating environments that support existing retailers.



Source: ESRI Community Analyst 2018

Purchasing Habits and Trends

Online Shopping Trends



Source: ESRI Community Analyst 2018

How are Consumers Finding and Choosing Local Businesses?

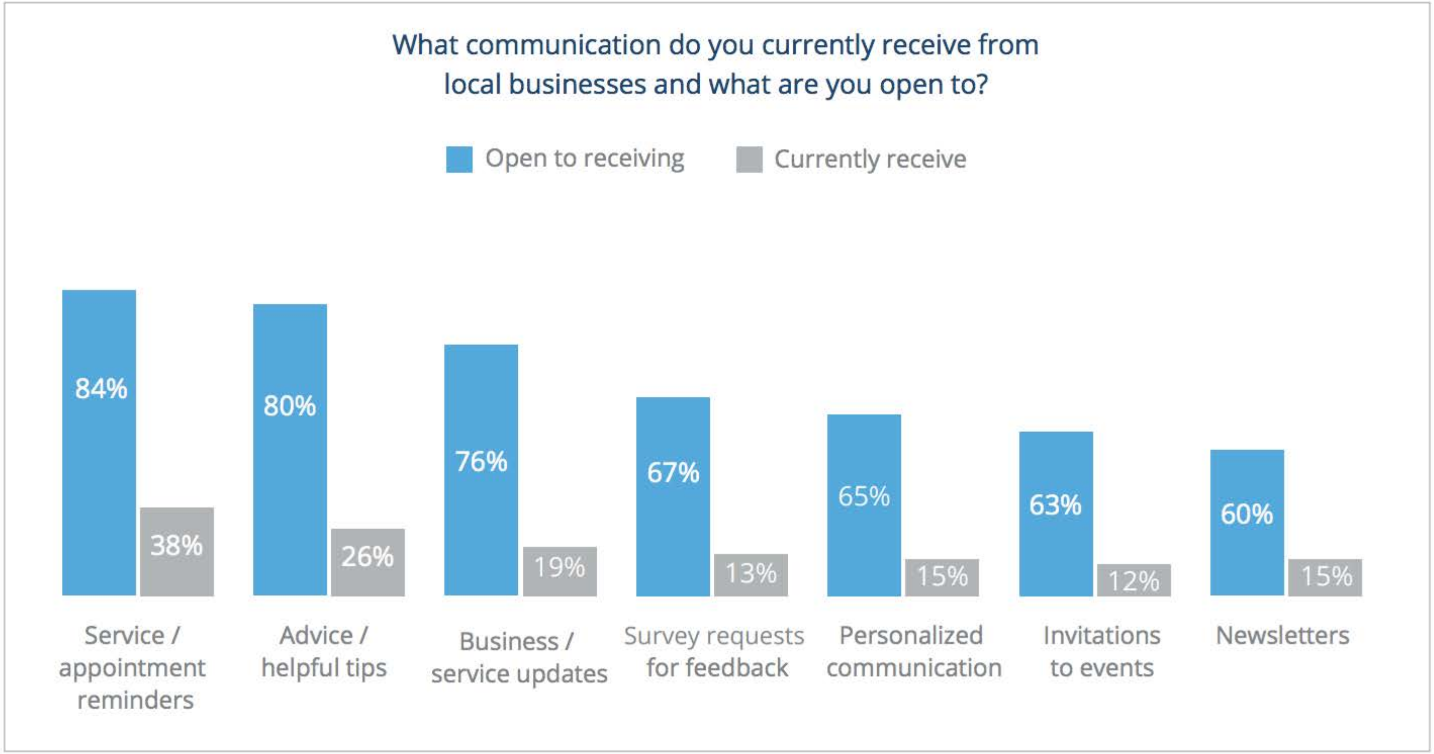
75% Three-quarters of consumers go online to find or research a business before they decide if it is the right choice.

42% Four out of 10 consumers use social media to look for a new business.

27% Even if they hear about a local business offline, more than a quarter of consumers still visit its website.

Yodel Insights 2015

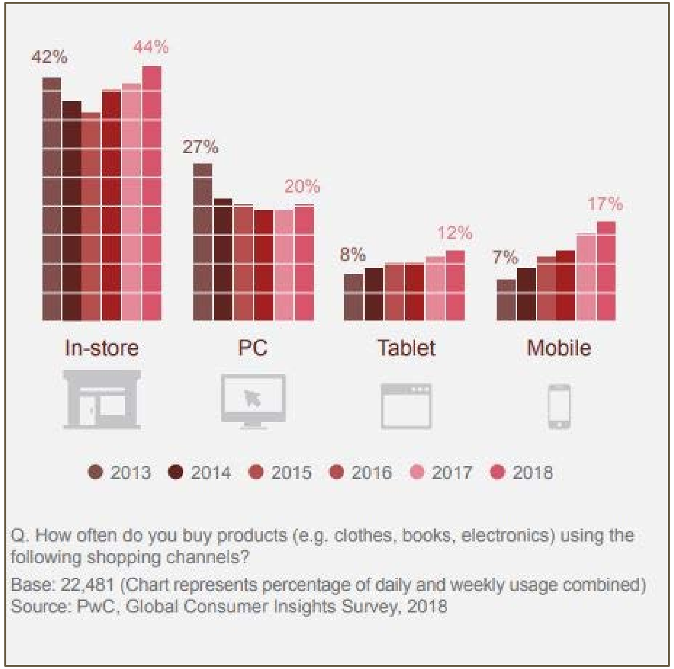
How do Customers Want to Hear from You?



Yodel Insights 2015

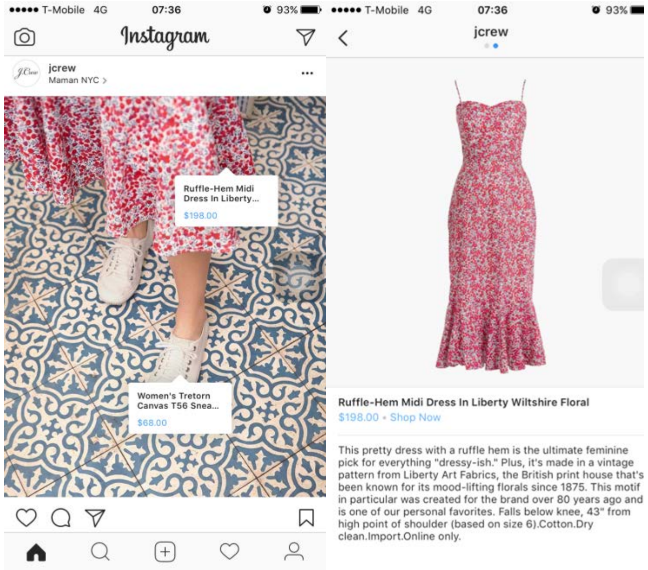
Brick and Mortar Shopping is Stable

- The past three years have seen increases in weekly brick-and-mortar shoppers, from 40% in 2015 to 44% in 2018.
- Consumers want to know what their peers think: respondents stated that social media was the #1 choice to get inspiration for purchases.
- Companies can address these trends by paying attention to smartphone dynamics, and focusing on store experiences.



Source: PwC Global Consumer Insights Survey, 2018

Consumer Habits Have Changed



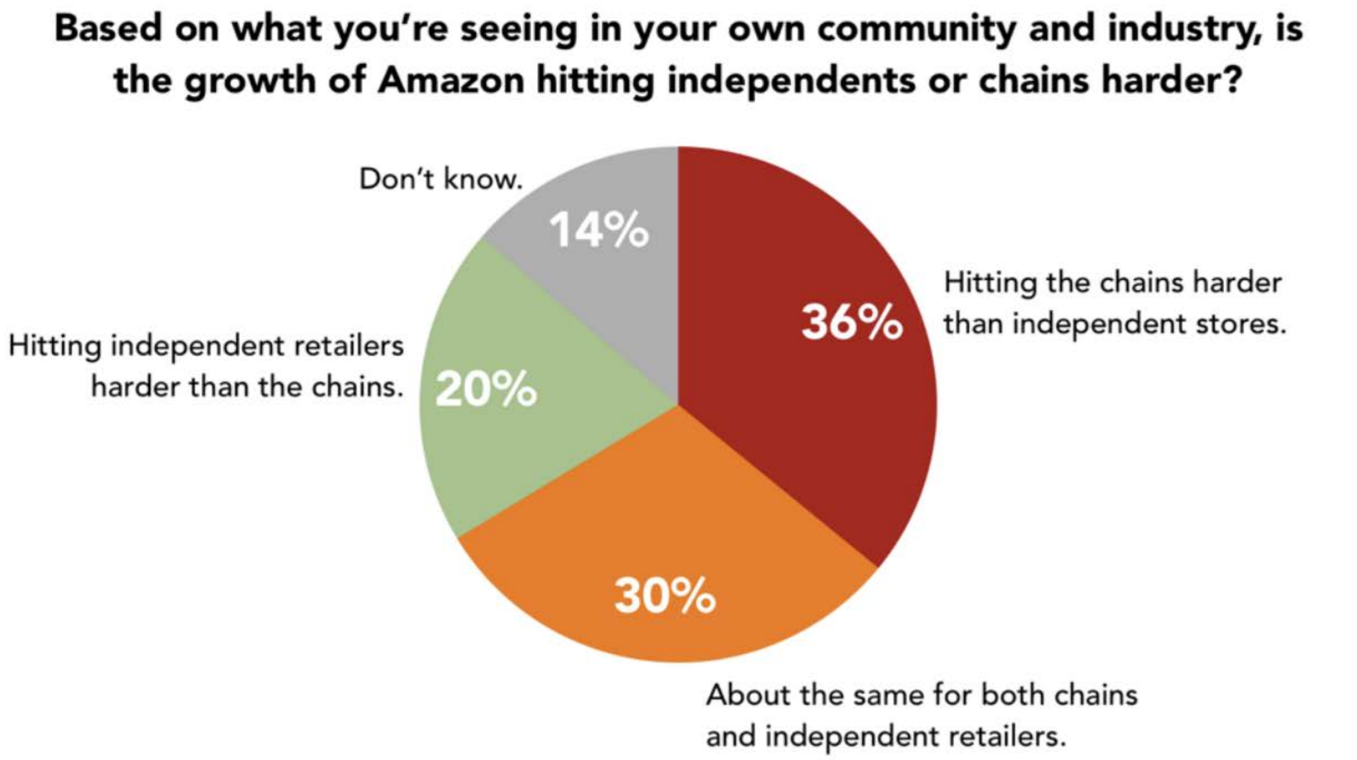
Growth of e-commerce and online tools is leading consumers to merge online and offline into a single shopping experience

The food industry is facing fundamental and cross-generational shifts in consumer dining habits.

Consumers are spending less on products and more on experiences and personal service-based retail.

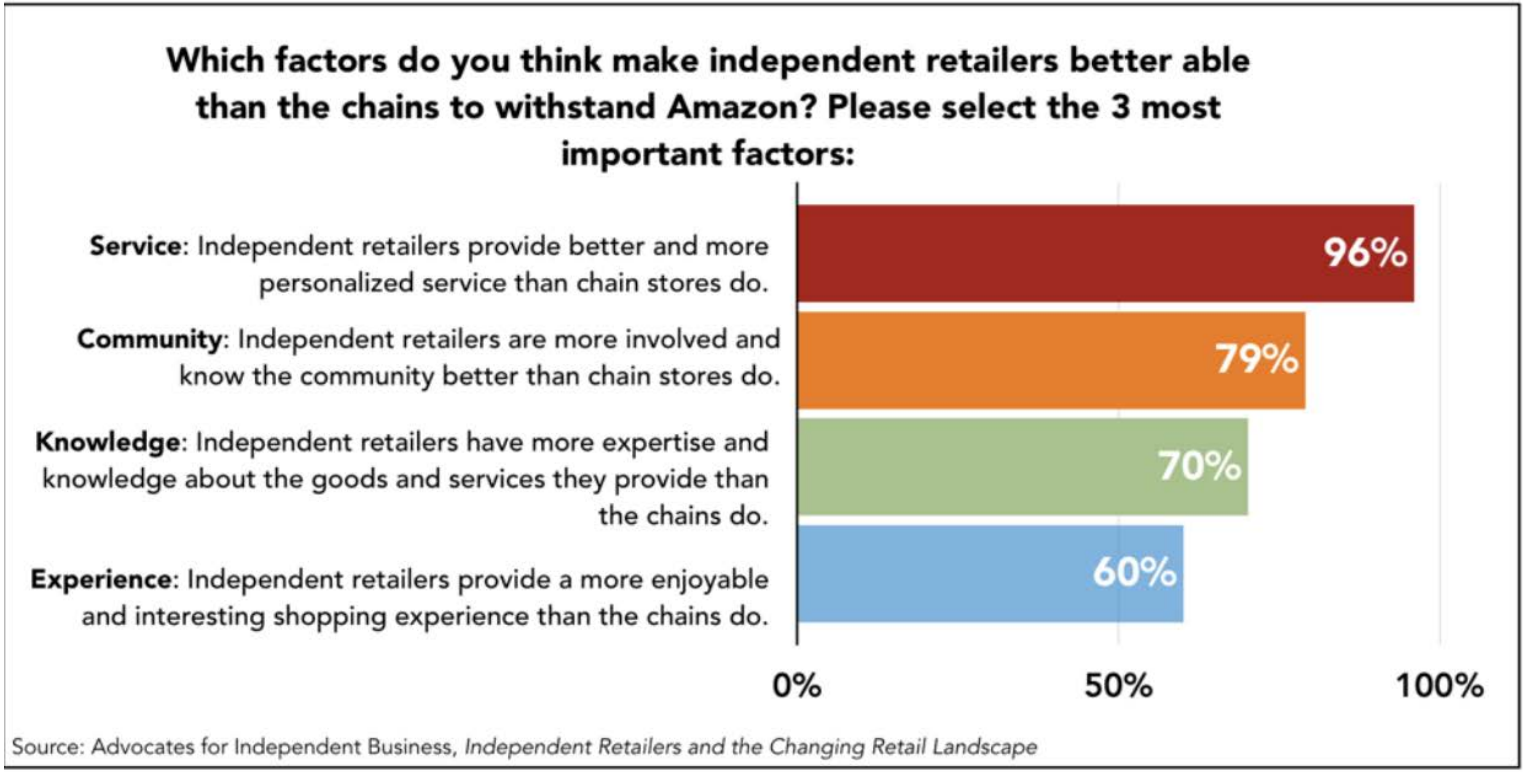
Competing with E-Commerce

The Prime Factor

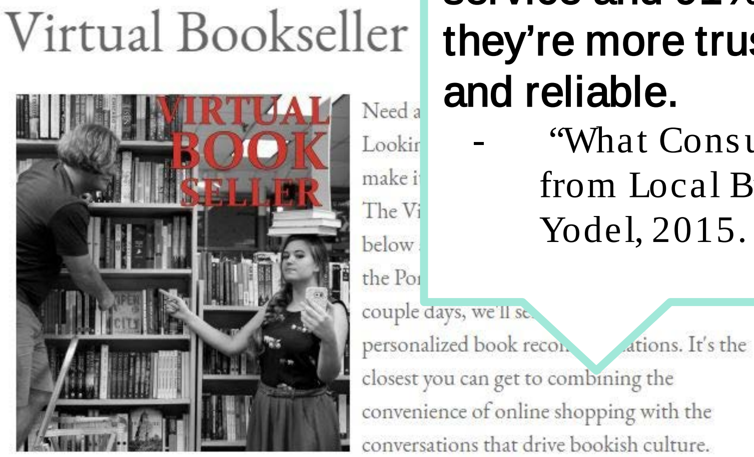


Source: Advocates for Independent Business, *Independent Retailers and the Changing Retail Landscape*

Positioned to Succeed



Local Advantage - Service & Knowledge



96% of consumers believe local businesses beat big-box stores on personalizing service and 91% think they're more trustworthy and reliable.

- "What Consumers Want from Local Business" Yodel, 2015.

Local Advantage - Community

Consumers can get products anywhere - but not social connection.

Building a Customer Community

GATHER HERE EVENTS

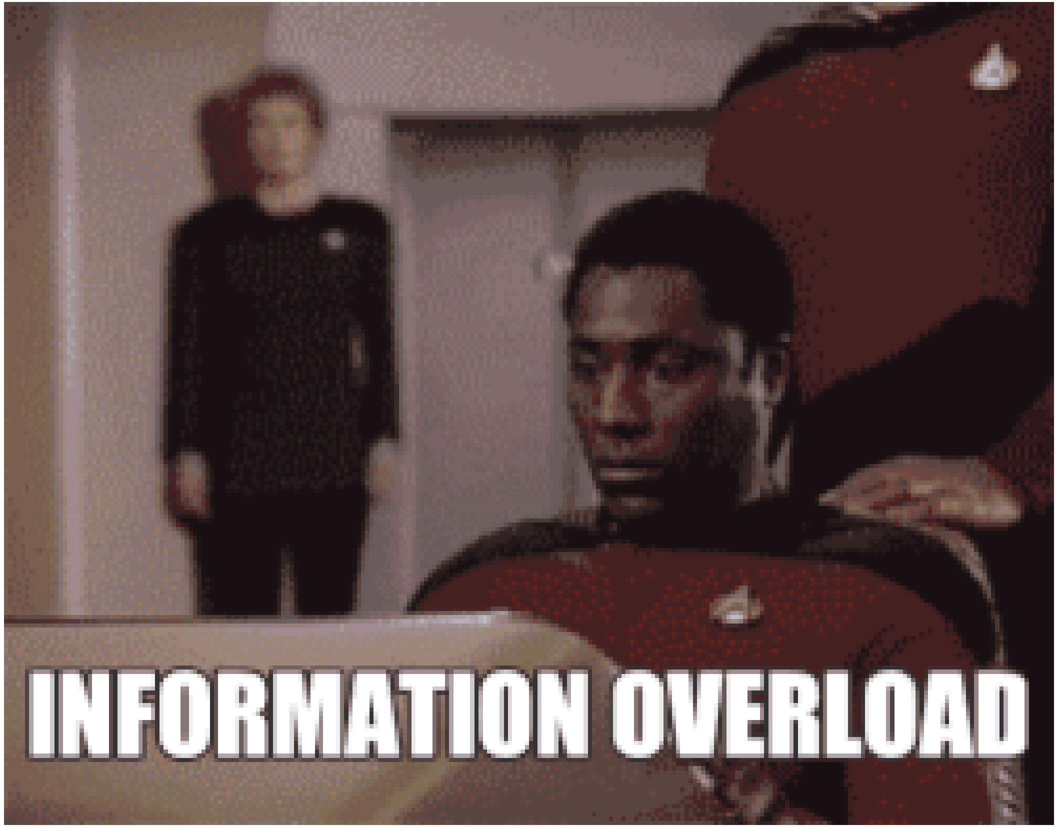
SIP AND STITCH

The **first and third** Thursday of every month from 6 p.m. until 9 p.m. (when w
close!). No stitch lounge would be complete without a version of the "Stitch '
Bitch" but this is totally co-ed. Bring your hand work (knit, crochet, embroid
etc.) and your stories. We can't wait to see what you are making! This is an
opportunity to meet the makers in our community so please say "hey"!

- We provide: not-so-fancy snacks
- You bring: yourself, your current hand project, and a pint
- Cost: It's free!

Share Tweet Pin It

Local Advantage - Experiment with Experiences


INFORMATION OVERLOAD

THANK YOU!