



5.0 Market Assessment

Downtown Strategic Plan

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5.1 Process

The consultant team conducted an analysis of downtown Morgantown’s economy, examining characteristics such as the distribution of economic uses within the study area and retail sales volumes within the central business district and throughout the region. The team also estimated retail sales voids – the difference between the amount of money area residents are currently spending, somewhere, on a variety of goods and services and the amount of money area businesses are capturing in the form of retail sales. With the assistance of West Virginia University students, an intercept survey was conducted of downtown visitors, gathering valuable information about their demographic characteristics, their shopping patterns, and their perceptions of downtown Morgantown.

5.2 Downtown Business Composition

Downtown Morgantown has a very healthy mix of commercial activities, reflecting its 20-plus years of successful, incremental revitalization progress.

Thirty-four of the institutions (not including housing) within half a mile of 300 High Street are retail businesses and restaurants – meaning that 66 percent of the downtown’s institutions are professional and personal services, government and educational institutions (not including West Virginia University), industries, banks, and other non-retail businesses. This reflects a healthy, diversified economic foundation that aligns with comparable historic commercial districts. Forty-three percent of the establishments with High Street addresses are retail businesses and restaurants, which is a reasonable – but a bit low – percentage for the downtown’s main commercial corridor.



There are various businesses located throughout High Street, which is a popular downtown destination.



5.0 Marketing Assessment

Table 5-1: Distribution of uses (a) within 1/2 mile of 300 High Street, and (b) along High Street

	North American Industry Classification System (NAICS) category	1/2 mile	High St.
21	Mining, quarrying, + oil + gas extraction	1%	-
23	Construction	3%	-
31	Manufacturing	1%	1%
42	Wholesale trade	1%	1%
44	Retail trade	16%	20%
48	Transportation + warehousing	1%	-
51	Information	3%	4%
52	Finance + insurance	7%	8%
53	Real estate + rental + leasing	6%	2%
54	Professional, scientific, + technical services	21%	24%
56	Admin + support + waste management + remediation svcs.	3%	2%
61	Educational services	2%	1%
62	Health care + social assistance	6%	4%
71	Arts, entertainment, + recreation	3%	3%
72	Accommodation + food services	18%	24%
81	Other services	9%	6%
92	Public administration	1%	-

Housing, particularly market-rate housing, is under-represented in the downtown. Increasing the number and diversity of dwelling units will be essential to strengthening market demand for a variety of retail products and services within the downtown.

5.3 Intercept Survey

Students from a West Virginia University senior geography class, under the instruction and guidance of Professor Ken Martis, conducted an intercept survey in late October/early November 2008, gathering samples in lower, middle, and upper High Street locations over the course of one week. The survey samples have a five percent margin of error.

The surveys yielded an enormous amount of useful information about downtown Morgantown's current visitors – their perceptions of the downtown, their shopping characteristics, and their demographic characteristics. Some of the findings with particular relevance to future retail development downtown include:



5.0 Marketing Assessment

- The downtown businesses visited most frequently were the downtown’s convenience-focused businesses: banks, pharmaceuticals, hair care, and gifts.
- Downtown Morgantown’s restaurants, as a group, also attract many visitors, although not as many visitors say they visited the downtown for fine dining as for family/everyday dining or for take-out food.
- Eight percent of downtown visitors reported that the last time they bought groceries, they bought them downtown. It appears that the majority of these grocery sales were being made at the High Street Dollar General.
- One-third of survey respondents were West Virginia University students; slightly less than one-third were downtown workers. This illustrates the great strength of the University and of downtown businesses themselves in the downtown’s economy. However, it also underscores the relatively small percentages of customers the downtown is attracting from outside the downtown and its immediate vicinity. One of the goals of the next decade should be to attract more shoppers and visitors from outside the downtown.
- Visitor perceptions of the downtown were generally positive. People who work downtown, West Virginia University students, and people visiting from other communities had more positive perceptions of the attractiveness of the downtown’s buildings, streets, and sidewalks than people who work somewhere outside the downtown area, full-time homemakers, and people who are retired. People who work in Morgantown reported slightly more negative perceptions of the variety of goods and services than those who work elsewhere. All demographic sub-groups except students and full-time homemakers had a negative perception of store hours.
- Almost a third of survey respondents had household incomes under \$10,000; many of these were University students. Only 15 percent, a relatively small percentage, of survey respondents (and therefore of downtown visitors) have household incomes above \$100,000. Not surprisingly, the survey demonstrates that this household income cohort reports having the most negative perceptions of the variety of goods and services available downtown of all household income cohorts.

Table 5-2: Place of employment for downtown intercept survey participants

Where do you currently work?	%
Downtown Morgantown	30%
Elsewhere in Morgantown	14%
I’m a WVU student	34%
I’m a student somewhere other than WVU.	3%
I’m a homemaker.	1%
I’m unemployed.	4%
I’m retired.	4%
Outside Morgantown	10%



5.0 Marketing Assessment

Table 5-3: Household incomes of downtown intercept survey participants

Household income	Survey
Under \$10,000	30%
\$10,000 to \$15,000	9%
\$15,000 to \$20,000	5%
\$20,000 to \$30,000	8%
\$30,000 to \$40,000	5%
\$40,000 to \$50,000	3%
\$50,000 to \$70,000	10%
\$70,000 to \$80,000	7%
\$80,000 to \$100,000	7%
\$100,000 to \$120,000	6%
\$120,000 to \$150,000	4%
\$150,000 and over	5%

5.4 Sales Voids

The consultant team found that the County is experiencing significant retail sales surpluses in a number of major retail categories – motor vehicles, building materials/garden supplies, groceries, health-related retail goods and services, gasoline, sporting goods, and restaurants. Most of these surpluses are being captured by businesses in and on the periphery of Morgantown, reflecting Morgantown’s central role in the region’s economy. Given the enormous amount of new commercial development that has taken place adjacent to the University in the past few years, these surpluses are not surprising.

There are several retail categories that, in spite of new commercial development in the Morgantown area, are experiencing leakages. These include furniture/home furnishings, electronics/appliances, clothing/clothing accessories, “miscellaneous retail” (products and services like indoor plants, tobacco and smoking supplies, and postage/stationery), and entertainment. While the County is experiencing a sales surplus in the food/drink (restaurants) category, it appears that this surplus is generated largely by less affluent households and that the County, the City, and the downtown are not capturing as much of this household income cohort’s restaurant spending as is likely possible.



5.0 Marketing Assessment

Table 5-4: Retail sales voids: Monongahela County

Category	Retail Supply	Retail Demand	Void
Retail Trade			
Motor vehicle + parts	150,562,000	107,576,000	42,986,000
Furniture + home furnishings	27,183,000	32,615,000	(5,432,000)
Electronics + appliances	40,460,000	44,761,000	(4,301,000)
Bldg materials, garden equip + supplies	54,888,000	5,909,000	48,979,000
Food + beverage (groceries)	193,014,000	112,223,000	80,791,000
Health + personal care items, services	188,114,000	62,577,000	125,537,000
Gasoline + gas station items, services	134,291,000	69,887,000	64,404,000
Clothing + clothing accessories	48,869,000	51,749,000	(2,880,000)
Sporting goods, hobbies, books + music	32,712,000	24,434,000	8,278,000
Miscellaneous retail	14,651,000	17,440,000	(2,789,000)
Entertainment	9,200,000	14,983,000	(5,783,000)
Total retail trade	893,944,000	544,154,000	349,790,000
Total food/drink	182,784,000	108,371,000	74,413,000



An artistic shot taken from inside an existing retail store looking out onto High Street.

