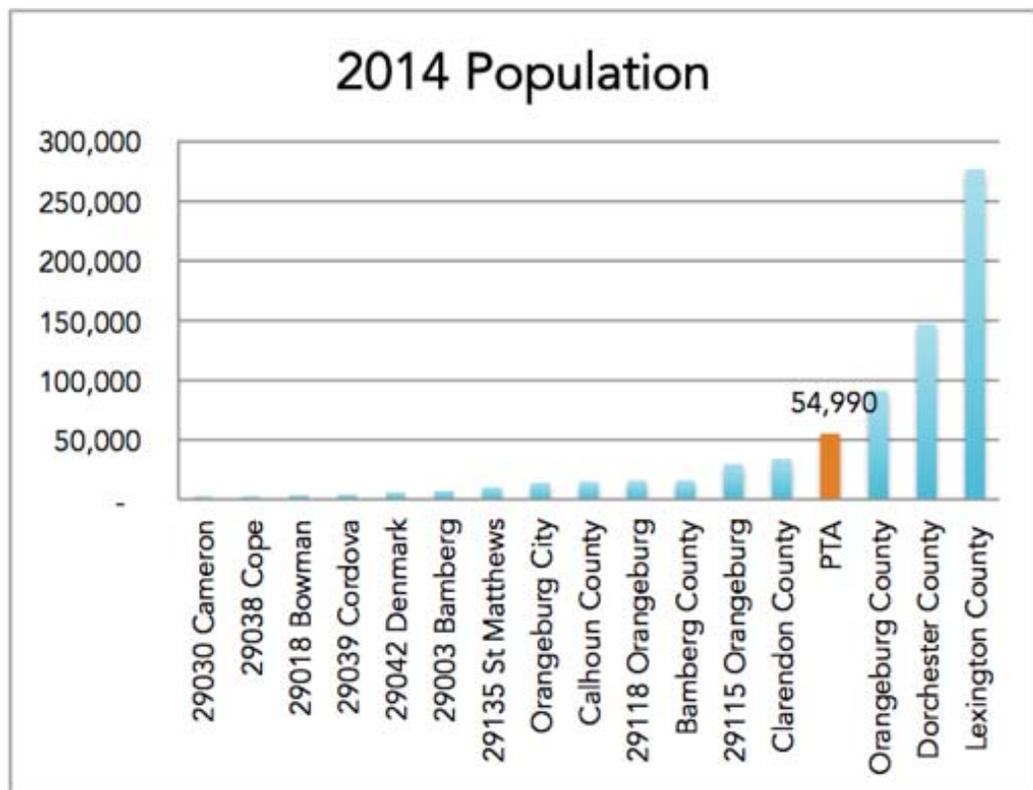


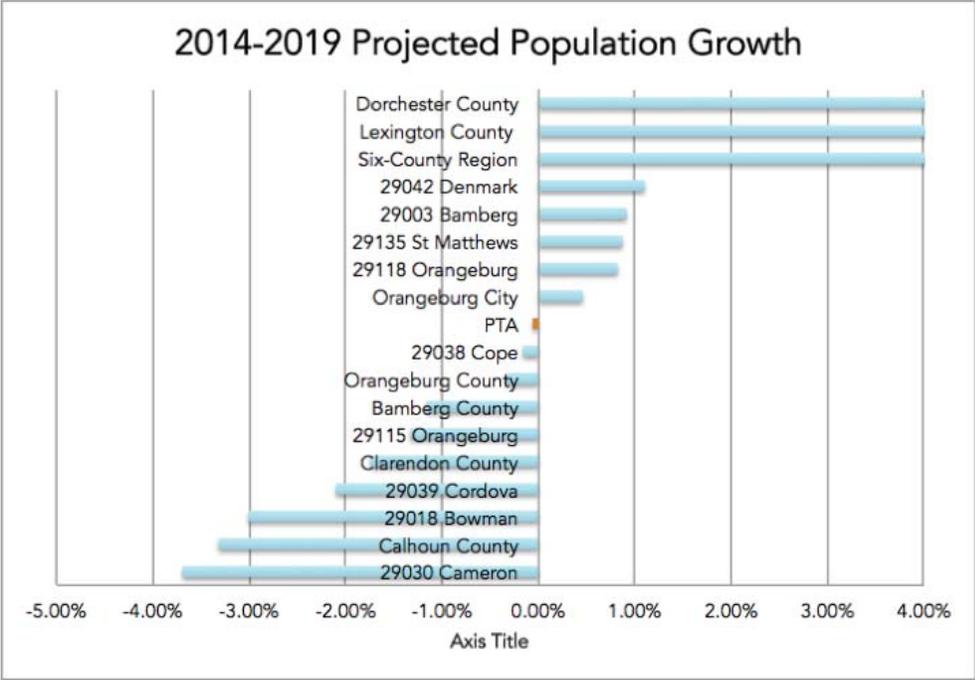
## 2.3 Market Demographics

### 2.3.1 Population

Market demographics play a critical role in understanding the potential business growth for Orangeburg. The primary trade area population in 2014 is estimated to be 54,990, a figure which includes more than half the residential population of Orangeburg County. It should be noted that the daytime population of the primary trade area is likely higher than this number.

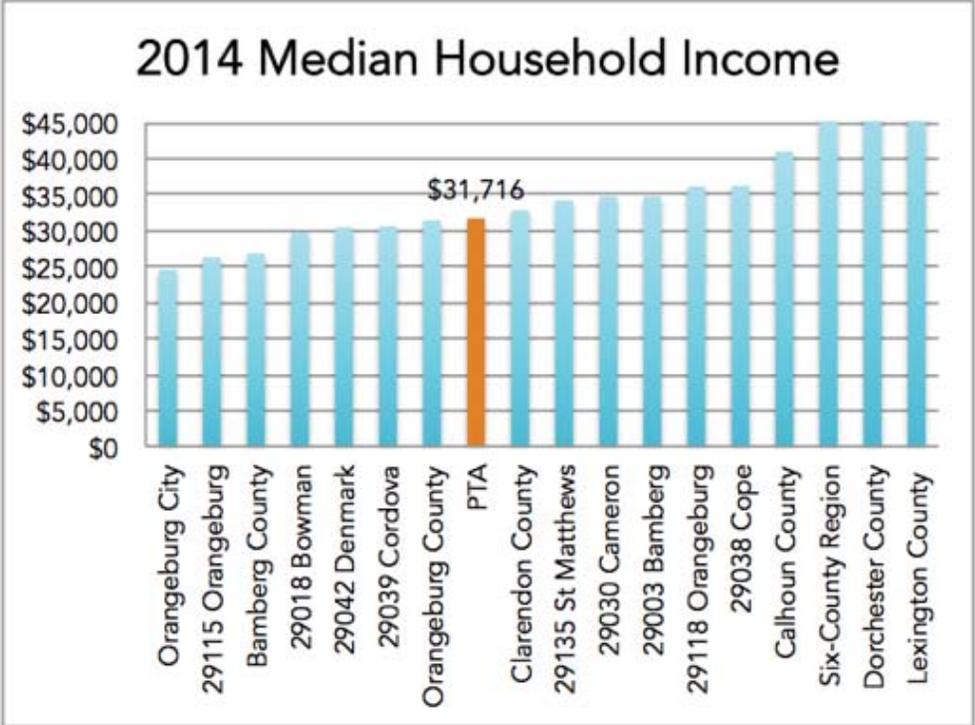
Of particular importance to downtown Orangeburg is projected population growth. Over the next five years, primary trade area population growth is expected to be stagnant. This figure compares to anticipated slight negative growth for Orangeburg County and slight positive growth for the City of Orangeburg. In contrast, population growth in Dorchester and Lexington Counties is expected to be a robust 4% increase.





**2.3.2 Median Household Income**

Median household income in the primary trade area is estimated at \$31,716 for 2014. This is significantly higher than the estimated figures for the City of Orangeburg and the Orangeburg 29115 zip code. The primary trade area estimate is due to a higher median income figure from the 29118 Orangeburg zip code. As with anticipated population growth, Dorchester and Lexington Counties register significantly higher median household incomes.



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## 2.4 Market Analysis

Downtown Orangeburg is a retail center serving the market defined in Section 1.2 above. In this section the retail market of this area will be examined to identify potential opportunities for new retail development by examining retail trade patterns. This will allow the community to assess what kind of additional stores might be attracted to Orangeburg as a whole and more specifically to downtown. This data will also help individual existing businesses understand how they might diversify product lines to be attractive to more customers.

It is important to recognize, however, that pent up retail demand is but one reason why a store might be successful in a setting, there are many reasons why a store may succeed or fail beyond market forces alone. This research should be used as a resource to incorporate into a thorough business plan for store expansions or new store locations. It is also important to note that the figures shown below represent a macro view of the market forces at work in the region.

Having said that, the opportunities presented below represent a conservative look at retail market potential for Orangeburg for two important reasons. First, these figures examine local customers' trade patterns and not the potential for Orangeburg to attract more regional customers and visitors from elsewhere which it is already doing very successfully. Second, this information is a "snapshot" in time and does not account for positive growth in number of households or household spending.

### 2.4.1 Trade Area Retail Leakage

"Retail leakage" refers to the difference between the retail expenditures by residents living in a particular area and the retail sales produced by the stores located in the same area. If desired products are not available within that area, consumers will travel to other places or use different methods to obtain those products. Consequently, the dollars not spent in local stores in the designated area are said to be "leaking." If a community is a major retail center with a variety of stores it may be "attracting" rather than "leaking" retail sales. Even large communities may see leakage in certain retail categories while some small communities may be attractors in certain categories.

Such an analysis is not an exact science and should be viewed as one tool to evaluate trade potential. In some cases large outflow may indicate that money is being spent elsewhere (drug store purchases at Walmart or apparel purchases through Amazon). It is important to note that this

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analysis accounts best for retail categories where households (rather than businesses) are essentially the only consumer groups. For example, lumberyards may have business sales that are not accounted for in consumer expenditures. Stores such as jewelry shops and clothing stores are more accurately analyzed using this technique. Claritas Inc., one of two leading market analysis companies in the United States, is the supplier of this trade area market data.

With these considerations understood, the following shows the snapshot of the retail trading patterns for Orangeburg:

- Trade area retailers in selected store types sold \$958 million in goods in 2013.
- In 2013, consumers in the same trade area spent \$715 million in retail goods.
- Consequently, the Orangeburg retail trade area gained \$242 million in sales in 2013. It is natural to expect Orangeburg to be gaining sales overall as a hub to surrounding rural communities.

The table below shows the retail patterns for Orangeburg's retail trade area in each of the retail categories studied for this report. Numbers in red represent areas where Orangeburg exceeds expectations for retail sales. Numbers in black represent opportunities to meet unmet demand in the local market. Please note that some categories are subsets of larger categories. Please also note that in some cases where Orangeburg has only one example of a retail category, the sales number may be withheld to protect the market data of one merchant.

Opportunity Gap - Retail Stores	Retail Trade Area		
	(Consumer Expenditures)	(Retail Sales)	Leakage (Inflow)
<b>Total Retail Sales Incl Eating and Drinking Places</b>	<b>\$715,884,975</b>	<b>\$958,608,117</b>	<b>(\$242,723,142)</b>
<b>Motor Vehicle and Parts Dealers-441</b>	<b>\$120,449,204</b>	<b>\$88,159,724</b>	<b>\$32,289,480</b>
Automotive Dealers-4411	\$97,720,298	\$72,798,001	\$24,922,297
Other Motor Vehicle Dealers-4412	\$13,906,236	\$6,970,557	\$6,935,679
Automotive Parts/Accsrs, Tire Stores-4413	\$8,822,670	\$8,391,166	\$431,504
<b>Furniture and Home Furnishings Stores-442</b>	<b>\$12,577,848</b>	<b>\$4,577,938</b>	<b>\$7,999,910</b>
Furniture Stores-4421	\$6,451,656	\$4,052,919	\$2,398,737
Home Furnishing Stores-4422	\$6,126,192	\$525,019	\$5,601,173
<b>Electronics and Appliance Stores-443</b>	<b>\$13,074,274</b>	<b>\$3,746,414</b>	<b>\$9,327,860</b>
Appliances, TVs, Electronics Stores-44311	\$9,498,457	\$3,746,414	\$5,752,043
Household Appliances Stores-443111	\$1,759,256	\$0	\$1,759,256
Radio, Television, Electronics Stores-443112	\$7,739,201	\$3,746,414	\$3,992,787
Computer and Software Stores-44312	\$3,319,730	\$0	\$3,319,730
Camera and Photographic Equipment Stores-44313	\$256,087	\$0	\$256,087
<b>Building Material, Garden Equip Stores -444</b>	<b>\$71,306,591</b>	<b>\$87,139,092</b>	<b>(\$15,832,501)</b>
Building Material and Supply Dealers-4441	\$60,187,861	\$74,465,440	(\$14,277,579)
Home Centers-44411	\$24,741,513	\$52,275,465	(\$27,533,952)
Paint and Wallpaper Stores-44412	\$938,993	\$122,911	\$816,082
Hardware Stores-44413	\$6,503,691	\$2,377,213	\$4,126,478
Other Building Materials Dealers-44419	\$28,003,664	\$19,689,851	\$8,313,813
Building Materials, Lumberyards-444191	\$9,560,850	\$7,368,636	\$2,192,214
Lawn, Garden Equipment, Supplies Stores-4442	\$11,118,730	\$12,673,652	(\$1,554,922)
Outdoor Power Equipment Stores-44421	\$3,429,326	\$4,962,953	(\$1,533,627)
Nursery and Garden Centers-44422	\$7,689,404	\$7,710,699	(\$21,295)
<b>Food and Beverage Stores-445</b>	<b>\$91,321,522</b>	<b>\$73,284,037</b>	<b>\$18,037,485</b>
Grocery Stores-4451	\$62,060,450	\$29,617,922	\$32,442,528
Supermarkets, Grocery (Ex Conv) Stores-44511	\$58,021,507	\$28,830,095	\$29,191,412
Convenience Stores-44512	\$4,038,943	\$787,827	\$3,251,116
Specialty Food Stores-4452	\$7,449,634	\$769,835	\$6,679,799
Beer, Wine and Liquor Stores-4453	\$21,811,438	\$42,896,280	(\$21,084,842)
<b>Health and Personal Care Stores-446</b>	<b>\$47,981,400</b>	<b>\$82,597,927</b>	<b>(\$34,616,527)</b>
Pharmancies and Drug Stores-44611	\$38,563,053	\$79,410,116	(\$40,847,063)
Cosmetics, Beauty Supplies, Perfume Stores	\$3,473,220	\$2,597,265	\$875,955
Optical Goods Stores-44613	\$1,609,714	\$203,692	\$1,406,022
Other Health and Personal Care Stores-44619	\$4,335,413	\$386,854	\$3,948,559

Opportunity Gap - Retail Stores	Retail Trade Area		
	(Consumer Expenditures)	(Retail Sales)	Leakage (Inflow)
<b>Gasoline Stations-447</b>	<b>\$76,769,960</b>	<b>\$347,352,133</b>	<b>(\$270,582,173)</b>
Gasoline Stations With Conv Stores-44711	\$55,907,992	\$202,675,576	(\$146,767,584)
Other Gasoline Stations-44719	\$20,861,968	\$144,676,557	(\$123,814,589)
<b>Clothing and Clothing Accessories Stores-448</b>	<b>\$31,850,465</b>	<b>\$18,203,364</b>	<b>\$13,647,101</b>
Clothing Stores-4481	\$18,516,845	\$16,463,029	\$2,053,816
Men's Clothing Stores-44811	\$889,850	\$1,373,716	(\$483,866)
Women's Clothing Stores-44812	\$4,428,683	\$2,080,899	\$2,347,784
Childrens, Infants Clothing Stores-44813	\$1,179,880	\$1,511,946	(\$332,066)
Family Clothing Stores-44814	\$9,630,753	\$7,879,924	\$1,750,829
Clothing Accessories Stores-44815	\$790,054	\$1,263,161	(\$473,107)
Other Clothing Stores-44819	\$1,597,625	\$2,353,383	(\$755,758)
Shoe Stores-4482	\$3,087,362	\$635,725	\$2,451,637
Jewelry, Luggage, Leather Goods Stores-4483	\$10,246,258	\$1,104,610	\$9,141,648
Jewelry Stores-44831	\$8,931,409	\$1,104,610	\$7,826,799
Luggage and Leather Goods Stores-44832	\$1,314,849	\$0	\$1,314,849
<b>Sporting Goods, Hobby, Book, Music Stores-451</b>	<b>\$14,573,717</b>	<b>\$3,138,829</b>	<b>\$11,434,888</b>
Sportng Goods, Hobby, Musical Inst Stores-4511	\$12,566,851	\$1,775,657	\$10,791,194
Sporting Goods Stores-45111	\$6,610,323	\$1,473,534	\$5,136,789
Hobby, Toys and Games Stores-45112	\$3,668,265	\$98,502	\$3,569,763
Sew/Needlework/Piece Goods Stores-45113	\$1,296,480	\$203,621	\$1,092,859
Musical Instrument and Supplies Stores-45114	\$991,783	\$0	\$991,783
Book, Periodical and Music Stores-4512	\$2,006,866	\$1,363,172	\$643,694
Book Stores and News Dealers-45121	\$1,763,780	\$1,363,172	\$400,608
Book Stores-451211	\$1,571,515	\$975,975	\$595,540
News Dealers and Newsstands-451212	\$192,265	\$387,197	(\$194,932)
Prerecorded Tapes, CDs, Record Stores-45122	\$243,086	\$0	\$243,086
<b>General Merchandise Stores-452</b>	<b>\$90,749,895</b>	<b>\$87,067,316</b>	<b>\$3,682,579</b>
Department Stores Excl Leased Depts-4521	\$38,881,733	\$26,231,897	\$12,649,836
Other General Merchandise Stores-4529	\$51,868,162	\$60,835,419	(\$8,967,257)
<b>Miscellaneous Store Retailers-453</b>	<b>\$19,885,505</b>	<b>\$15,034,894</b>	<b>\$4,850,611</b>
Florists-4531	\$706,489	\$126,764	\$579,725
Office Supplies, Stationery, Gift Stores-4532	\$8,707,245	\$6,608,103	\$2,099,142
Office Supplies and Stationery Stores-45321	\$3,948,058	\$4,007,373	(\$59,315)
Gift, Novelty and Souvenir Stores-45322	\$4,759,187	\$2,600,730	\$2,158,457
Used Merchandise Stores-4533	\$1,463,072	\$278,090	\$1,184,982
Other Miscellaneous Store Retailers-4539	\$9,008,699	\$8,021,937	\$986,762
<b>Non-Store Retailers-454</b>	<b>\$63,973,459</b>	<b>\$16,981,242</b>	<b>\$46,992,217</b>
<b>Foodservice and Drinking Places-722</b>	<b>\$61,371,135</b>	<b>\$131,325,207</b>	<b>(\$69,954,072)</b>
Full-Service Restaurants-7221	\$27,378,727	\$15,003,399	\$12,375,328
Limited-Service Eating Places-7222	\$24,793,165	\$93,061,377	(\$68,268,212)
Special Foodservices-7223	\$6,654,609	\$21,929,324	(\$15,274,715)
Drinking Places -Alcoholic Beverages-7224	\$2,544,634	\$1,331,107	\$1,213,527

Opportunity Gap - Retail Stores	Retail Trade Area		
	(Consumer Expenditures)	(Retail Sales)	Leakage (Inflow)
<b>GAFO *</b>	<b>\$171,533,444</b>	<b>\$123,341,964</b>	<b>\$48,191,480</b>
General Merchandise Stores-452	\$90,749,895	\$87,067,316	<b>\$3,682,579</b>
Clothing and Clothing Accessories Stores-448	\$31,850,465	\$18,203,364	\$13,647,101
Furniture and Home Furnishings Stores-442	\$12,577,848	\$4,577,938	\$7,999,910
Electronics and Appliance Stores-443	\$13,074,274	\$3,746,414	\$9,327,860
Sporting Goods, Hobby, Book, Music Stores-451	\$14,573,717	\$3,138,829	\$11,434,888
Office Supplies, Stationery, Gift Stores-4532	\$8,707,245	\$6,608,103	\$2,099,142

### Key Inflow Categories

These are categories in which Orangeburg is pulling outside dollars into its local market. Note that most of these categories are unlikely to be located (or to consider locating) in a downtown setting:

- Home Centers-44411
- Pharmacies and Drug Stores-44611
- Beer, Wine and Liquor Stores-4453
- Gasoline Stations-447
- Other General Merchandise Stores-4529
- Limited-Service Eating Places-7222
- Special Foodservices-7223

### Key Leakage Categories

These are categories in which local dollars are being spent elsewhere. Some of these represent key opportunities for retail growth in downtown Orangeburg:

- Supermarkets, Grocery Stores-44511
- Specialty Food Stores-4452
- Women's Clothing Stores-44812
- Shoe Stores-4482
- Jewelry Stores-44831
- Sporting Goods Stores-45111
- Hobby, Toys and Games Stores-45112
- Full-Service Restaurants-7221

### 2.4.2 Retail Capture Objectives

Although the Orangeburg retail market demonstrates an overall gain, there are many retail categories showing significant sales leakage. In some categories, local dollars will continue to leak to the Columbia and Charleston metro markets. In other categories, Orangeburg should be able to compete for and capture local dollars.

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If downtown Orangeburg can capture 15% of the primary trade area leakage in just three key categories, the result would be \$4.2 million in additional sales and a downtown with a considerably higher number of retail and restaurant offerings.

Market-based retail capture objectives include the following categories:

#### Hobby/Toy/Game & Sporting Goods

- Primary trade area leakage: \$8.7 million/year
- 15% capture: \$1.3 million/year
- Objective: Sporting Goods/Toys/Outfitter

#### Specialty Food Stores

- Primary trade area leakage: \$6.7 million/year
- 20% capture: \$1.0 million/year
- Objective: Downtown Specialty Grocer

#### Full-Service Restaurants

- Primary trade area leakage: \$12.4 million/year
- 20% capture: \$1.9 million/year
- Objective: 3 full-service restaurants

#### Retail Expansion Categories

The following categories represent an opportunity for existing retailers to diversify or expand their retail offerings to meet unmet demand that may not warrant the development of a new business:

- Shoes
- Jewelry
- Clothing (Men's, Women's, Children's)