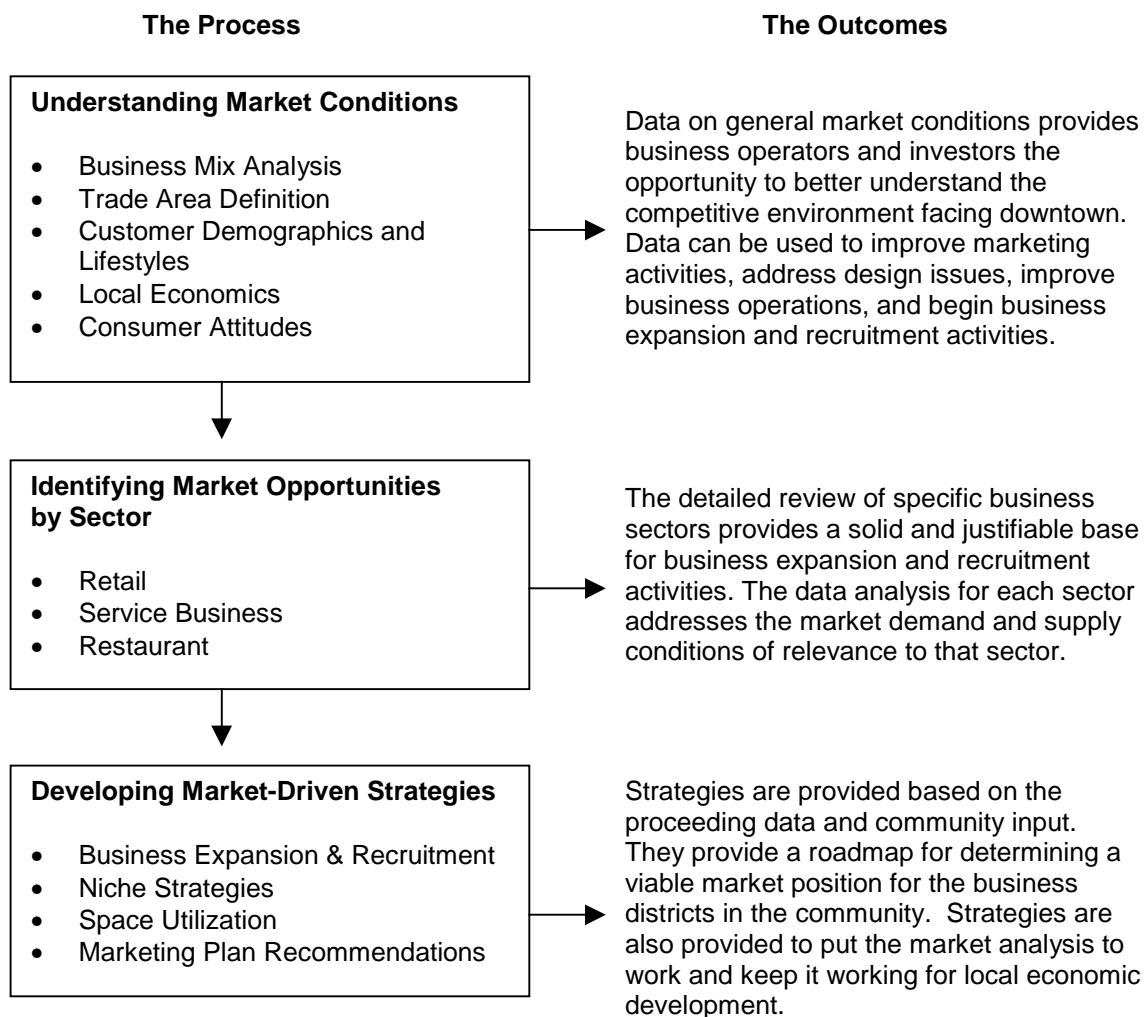


Recommendations

The final part of the market analysis brings information together to develop realistic strategies for the community. They are preliminary and have been developed to stimulate additional business development ideas for the community

To this point, the market analysis process has focused on collecting and analyzing data to understand market conditions and identify market opportunities by sector. The final part of the market analysis brings this data together to identify business retention, expansion and recruitment opportunities, niche strategies and marketing plan recommendations. These strategies were developed with input from the public provided during a open meeting on October 9, 2002. The overall market analysis process is presented below:



Key Findings

There are a number of conclusions and key findings that are apparent as a result of conducting the Brillion Market Analysis.

When examining Brillion's retail business mix, it appears that there are fewer retail and service businesses in Brillion than in the comparison communities examined in this study. Unlike other communities, Brillion has fewer specialty food, gift shops, eating places, building material stores sporting good stores, among others.

Based on data provided by several Brillion retailers and employers, Brillion's trade area is defined as a 9-mile ring around the community. This is an area that includes the communities of Hilbert, Forest Junction, Potter and Reedsville, among others.

There are approximately 13,000 residents in the trade area. The population in this trade area tends to be family oriented with a larger number of children per household than both the Appleton area and the state. Home ownership rates are well above average. The average income of residents in the trade area is about the same as the state, but below that of Calumet County. Manufacturing (durable goods) employment is by far the largest employment sector in the trade area. Brillion's trade area has higher than average numbers of high school graduates, but lower than average post-high school degree graduates.

Lifestyle segmentation data from the firm CACI describes this type of community a place where people have a high level of pride in neighborhoods, maintenance of their property and "Midwestern values."

When looking at economic factors in the community, commuters to and thru the community provide significant economic opportunities for the community. The highest traffic volume in the community is on Highway 10 with approximately 8,000 vehicles on an average day. The Downtown area on N. Main Street accommodates approximately 6,000 vehicles per day. The major employers of Brillion Iron Works, Ariens Company, Endries, Inc., and Professional Plating employ over 2000 people across three shifts.

Consumer surveys suggest that small town values are very important in Brillion. Consumers have a high level of trust in local retailers but believe they need to leave Brillion to get a "deal". Consumers have an interest in attracting a department store, youth entertainment and better service hours.

Business Retention, Expansion and Recruitment

Data from the prior sections of this report were analyzed by the market analysis study committee and then presented to the public. Both the study committee and public were asked for feedback regarding ways to expand commerce through business expansion and recruitment.

It should be noted that the market analysis committee and the participating public strongly support retaining existing businesses to the greatest extent possible. However, since the emphasis of this report is on expansion and recruitment opportunities, specific recommendations for business retention are not included.

One of the challenges in this analysis was identifying market opportunities that make sense in a small community only 20-minutes from a much larger commercial center (Appleton). The

presence of a Wal-Mart Superstore and other developments on the east side of Appleton make it more difficult to capture resident spending of the 13,000 person Brillion trade area.

Nevertheless, input from the committee and public focused on realistic opportunities that included both product/service expansions of existing businesses as well as identification of new businesses to the community. It is important to keep in mind that the committee and public acknowledged and stressed the importance of existing local businesses, and are hopeful that a number of the expansion or new business ideas could represent opportunities for local existing businesses or entrepreneurs. These recommendations (in random order) are presented below:

Expansion Opportunities For Further Consideration

- RV's, motorcycles and service (possible local store expansion)
- Rentals (possible local store expansion)
- Apparel (possible local store expansion)
- Computer/Technology (possible local store expansion)
- Apparel/Catalog/UPS storefront - (possible expansion at or adjacent to a local retailer)
- Restaurant/Carry-Out (possible local store expansion)
- Tapes/CD's (possible local store expansion)
- Lodging (possible expansion of local facility)
- Plumbing supplies and service
- Beer, liquor and wine specialty items
- Jewelry if combined with another business
- Shoes if combined with another business
- Office supplies if combined with another business
- Restaurants-Fast Food (possible enhancement of the existing Dairy Queen as a DQ Grill N Chill)

Business Recruitment Opportunities for Further Consideration

- Variety/Department Store with some basic apparel (i.e. Family Dollar, Dollar General, "Ben Franklin" or a Big Lots type store)
- Gift shop with children's items, crafts and some apparel
- Restaurant serving as both coffee shop and bakery
- Specialty foods
- Bookstore with coffee shop and children's play area. Possible niche centered on children's or religious books.
- Computers/electronics sales/service (*downtown*) including TV/VCR's/DVD's, multiple electronics; service and possible training programs. A strong service component is suggested.
- Sporting goods appealing to sportsman niche
- Outlet Mall creating Brillion as a new niche shopping destination
- Movie theater co-branded with chain pizza
- Youth Center with movies, pizza, pool tables
- Lodging facility focused on the business traveler market (pending further committee study)
- Restaurants. In addition to the Dairy Queen recommendation (above), possible new concepts include a Chinese carry-out, coffee shop/bakery (see above), German food and brewpub, and a sports-theme steakhouse.

Niche Strategies

Niche Strategies allow a business district to gain a dominance in certain categories and co-exist with major retailers in the region. Niches can be enhanced from existing businesses or newly created. Niches can include both consumer market segments (such as students, retirees, ethnic groups and tourists) or goods and services (such as home furnishings, antiques, crafts and children's products).

Successful communities often have two or three successful niches. These communities also benefit from an expanded trade area as their specialization often draws customers from more distant communities. Once a niche is established, other businesses are often attracted to the community as they are interested in selling to the same targeted consumer segments.

The Brillion study committee reviewed the data in prior sections and its list of business expansion and recruitment possibilities to develop possible niche strategies for the community. These strategies were based on the research contained in this report as well as the wealth of local knowledge offered by study committee members. Possible niche strategies that the committee has identified are presented below as well as a recommended location to develop each niche.

Possible Consumer Segment Niches

- In-commuter market (especially manufacturing employees). This niche could be served by offering products and services before and after work shifts as well as during the midday lunch hour. Businesses serving these consumers could be clustered near major existing employers both downtown and on highway 10.
- Highway 10 Thru-Traffic (between Manitowoc and Appleton). This niche could be served by offering additional convenience products (such as specialty foods) and services that could be offered to regional commuters along this state highway, perhaps with drive-thru facilities. Businesses serving these consumers could be clustered on highway 10 and directed downtown (see marketing plan recommendations)
- Youth Market serving local high school market and including food, entertainment and recreation. A youth center and any related businesses (theater, food) could be located downtown.

Possible Goods and Service Niches

- Wedding related services - Michiels-facility; Bullseye-tux; Zander Press-invites; Studio 205-photography, etc. Wedding retail and services could be clustered downtown and serve a regional market.
- Sportsman niche (guns, ammo, hunters services, camping, swimming, fishing). These businesses could be clustered on Highway 10 and appeal to the in-commuting market.
- Antiques. Historic downtown buildings could provide an appropriate setting for these businesses
- Community-centered goods and services. Here, a mix of specialty shops focused on a sense of place for community residents. Components might include a coffee shop, youth-child entertainment, eclectic and interesting shops for bargain hunters among others. This niche could be offered downtown.

Space Utilization

While not discussed as part of this study, the locations for business expansion and recruitment need to be addressed. This is especially true to create an appealing area for niche development that might occur in the downtown. Strategic business placement enhances the synergy and competitiveness of downtown. The following items provided by the UW-Extension Center for Community Economic Development should be used to guide business location and relocation in the downtown where pedestrian interaction should be encouraged.

- *Place retailers in a manner that preserves retail continuity.* In Brillion, the Hub's parking lot, while clearly important, disrupts the retail continuity on Main Street. To create a central shopping district on Main Street, there needs to be some economic activity on the west side of Main Street along the edge of the Hub's parking lot. Possibilities include a small retail building at the corner of Jackson and North Main or a cluster of seasonal retail kiosks along the west side of the 200 block of North Main Street
- *Consider the accessibility needs for convenience-based stores.* Intuitively, convenience-based businesses require an easily accessible location for success. Consequently, nearby parking for these types of stores is a must.
- *Restrict retail shopping to a limited distance.* People will more likely walk shorter distances and avoid a choppy, disconnected shopping path. If the Hub is the central place in the downtown area, downtown retail development should occur as close to this shopping center as possible.
- *Reconcile the needs of drive-through customers and pedestrians.* Many convenience businesses have particular location requirements. Businesses such as banks, fast-food establishments, and increasingly, dry-cleaners and pharmacies, require drive-thru locations. While locations on highway 10 may be more suitable for drive-thru businesses, they could exist in downtown Brillion if placed properly.

Marketing Recommendations

The information and findings resulting from this market analysis should be put to use to help Brillion's businesses capture more sales (through existing and expanded goods and services) and to help the community recruit new businesses,

- Develop a market information packet (executive summary of the market analysis) to hand out to all existing and prospective businesses and commercial property owners. Information should be packaged to first help existing business operators make more informed advertising, inventory and operational decisions. Also, make available the full study as follows:
 - Reference copies (City Hall, Library, Chamber, High School, etc)
 - Web site version
 - Integrating in all business counseling and educational programs (including SBDC and SCORE)
- Focus on reaching and meeting the shopping needs of local consumers and the specific market segments identified earlier in the report. Address image problems and specific deficits or gaps in Brillion's business mix.
- Improve physical linkage to and awareness of Downtown. There is opportunity to build commerce downtown by helping travelers along Highway 10 become aware of downtown Brillion. Specifically, design and physical improvements are needed at the corner of Main Street and Highway 10 to create an attractive "gateway" to downtown
- Advertising/marketing to reach the local and regional population. Consider community Billboard Advertising. A billboard(s) could be erected on the edge of the community to inform motorists of the goods and services available in Brillion's business districts. A tasteful billboard could enhance the image of the community while directing customers to a variety of retail, service and restaurant businesses.