

Torresdale Avenue in Tacony Market analysis and marketing plan



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Background and methodology

Torresdale Avenue in Tacony is confronting several changes at once: shifting demographics have created new needs in the retail marketplace, and these shifts have left some existing businesses to find that their longtime customer has moved. At the same time, Torresdale Avenue in Tacony – a small section of a very long commercial corridor – lacks a specific identity that connects it to the Tacony neighborhood and to its target market. In this context, the Tacony Community Development Corporation (Tacony CDC) engaged the Community Land Use and Economics Group, and Market Knowledge, to create a brand, marketing plan, and business recruitment plan for the 6400-7200 blocks of Torresdale Avenue.

Study questions and goals

The purpose of this work was to craft a practical business development plan that can be implemented by Tacony CDC staff and committees. The business development plan should be grounded in quantitative research and tested against Tacony residents' goals and dreams for their neighborhood. In support of the business development plan, this work also established a logo and brand platform consistent with the target audience and the district's economic development goals.

With that in mind, we had four study questions:

1. How is Torresdale Avenue in Tacony performing today?
2. Who is currently shopping on the Avenue and what are their needs?
3. How has the population of Tacony and its trade area changed and how do those changes influence what should happen on Torresdale? And,
4. What are the barriers to developing new businesses in Tacony and how can those barriers be addressed?

Ultimately, our goal is to provide useful information for the Tacony CDC and its newly-created Main Street program to attract new customers and new businesses to Torresdale Avenue.

Work components

Our work in Tacony began in September 2011 and concluded in May 2012. It consisted of seven interrelated tasks:

1. Primary market research on Tacony shoppers. We conducted a shopper survey to find out where Tacony residents generally shop for goods and services, and to quantify shopper satisfaction with current conditions.
2. Demographic analysis. Using the Census of Population and Census updates and projections from ESRI, we examined current Tacony household profiles, recent changes, and projected demographic trends.
3. Sales potential and sales void research. Using standard industry sources (including the *Census of Population*, the *American Community Survey*, the *Consumer Expenditure Survey*, and demographic reports from ESRI), we calculated consumer buying power for a set of relevant retail and retail-service purchases and compared that to local purchasing power that is being expended outside the neighborhood.
4. Property inventory. Using public property records and on-street observation, we inventoried the commercial properties within the business district and entered them into an online database, which the Tacony CDC can use to manage and monitor the district.
5. Business marketing practices. We assessed current business marketing practices and sales channels in order to uncover opportunities for individual businesses to better reach their target or potential customers, and in order to identify cluster marketing opportunities for the revitalization program.
6. Marketing strategies. Based on the market research in Tasks 1-5, above, we developed a set of marketing strategies that organize the district by geography and economic function.
7. Branding. Finally, using the marketing strategies as a foundation, we developed a brand and identify for Tacony, including a new graphic image to serve as an identity for the business district itself.

Outreach and public participation

We worked closely with the Tacony CDC board of directors and its Economic Restructuring Committee. (The “ER” committee was created about three months after this work began, at the approximate midpoint of this engagement.)

We held three meetings with the board of directors where we presented progress updates. In addition, we held five working meetings with the ER committee during which we shared our initial findings and tested strategies and branding concepts. (Members of the board and committee are listed in the Acknowledgments section.)

We sought community input in a variety of ways:

- Tacony Civic Association: On September 13 and November 9, 2011, we presented at meetings of the Tacony Civic Association, attended by approximately 30-50 residents. Attendees were invited to offer ideas for Torresdale Avenue and were provided a shopper survey to fill out, with the option to take the survey online.
- Community History Day: On Tacony History Day (September 17, 2011), we distributed more than 300 cards to festival participants, inviting them to fill out the shopper survey online.
- Facebook: The shopper survey was promoted to the more than 700 members of the “Historic Tacony Revitalization Program” on Facebook.
- CDC public meeting at Tacony Free Library: Heritage Consulting, Inc., organized a Tacony “roundtable”, held at the Tacony Library on October 17, 2011. We introduced the marketing plan project to the approximately 30 participants. All were invited to offer ideas for the Avenue and were given the opportunity to complete the shopper survey.
- Tacony business meetings: On January 11 and 17, 2012, we held open meetings for Tacony business owners where we facilitated a workshop on community marketing. The meetings were attended by a total of six to eight businesses. (Invitations had been hand distributed to all 100-plus businesses on the 6400 to 7200 blocks of Torresdale Avenue, and all businesses were personally encouraged to attend.)
- Tacony business interviews: On February 16 and 27, 2012, with the assistance of the newly-hired corridor manager, we held one-on-one interviews with ten Tacony business owners, in

order to understand their business and marketing practices and the characteristics of their primary customers.

L i m i t a t i o n s

As is true of all demographic, economic and market studies, the reliability of our analysis is limited to the reliability and quality of the data available. Our research assumes that all data made available by federal, state, and city sources is accurate and reliable.

The retail market catchment (or trade) areas for Tacony are not confined to the traditional boundaries of the neighborhood itself. We have therefore made estimates based on reasonable assumptions about Tacony's catchment area, with the knowledge that all urban trade areas have porous boundaries.

Given these limitations, our report reflects what we believe are reasonable estimates of historic trends, current conditions, and future possibilities.

Buying power and sales void

For centuries, neighborhood business districts like Tacony functioned as the commercial, civic, and social hubs of their communities – the places where people came together to conduct business, visit civic institutions or offices, relax, and celebrate. With its library, hardware store, pharmacies, and small eateries, Torresdale Avenue in Tacony still serves some of those functions. But a series of profound transformations in retailing over the past several decades mean many of the staples of everyday living (like food markets and department-store merchandise) have moved to larger-format stores in other neighborhoods of Philadelphia, to peripheral highways, and to strip centers. Today, most everyday household goods can be purchased *near* Tacony (e.g., in Mayfair), but not *in* Tacony. And more and more of those purchases are now made online, bypassing physical stores entirely. All of these illustrate both the transformation and consolidation of traditional retailing.

Retail businesses generally fall into one of three broad categories:

- Convenience: Retail goods and services for which shoppers tend to patronize the closest business, like gas stations, dry cleaners, and grocery stores. “Impulse” retail – like card shops, florists, and bakeries – also fall into this category.
- Comparison: Retail goods and services for which shoppers like to compare styles, brands and prices before making a purchase, like apparel, shoes, appliances, furniture and restaurants. For this reason, comparison retail businesses tend to cluster together (e.g., several shoe stores in a mall), and a comparison business is likely to be more successful if located in a cluster than if it is freestanding, without related businesses nearby.
- Destination: Retail goods and services for which shoppers will travel significant distances. These include specialty businesses (like Bull’s Eye Darts), clusters of related businesses (like Italian specialty foods), or businesses that offer exceptional service and have developed a very loyal clientele.

Like many traditional business districts, Tacony has ceded the broad comparison categories to larger retailers outside the neighborhood. The district today offers mainly convenience-type goods and services, with a secondary strength in destination retailers.

Trade area

Trade area sizes have also evolved with changes in retailing. Historically, a household could likely make most day-to-day purchases in Tacony or very nearby, with trips to downtown Philadelphia reserved for more specialized needs. Today, trade areas have expanded dramatically, even in urban places. A Tacony resident likely makes regular trips – by car or by transit – to Walmarts, Targets, and larger-format retailers and grocery stores in Mayfair, on Roosevelt Boulevard, or elsewhere in the city.

The phenomenon of expanded trade areas slices both ways: It is equally possible for residents in adjoining neighborhoods – or people who live elsewhere in the region or, even, people who are driving on I-95 – to become Tacony shoppers. However, with the exception of those who live very nearby or people already passing through Tacony (e.g., driving on Torresdale Avenue, or waiting for a bus), outsiders who come to Tacony are destination shoppers. They will only become Tacony shoppers for a special purpose which they have generally planned in advance.

Buying power and sales void

The concept of sales void (which is based on the concept of quantifiable local buying power) has also changed in recent years. Retail sales void is the result of subtracting local retail sales (i.e., total actual sales at local businesses) from consumers' available spending (i.e., "buying power"). It is a traditional benchmark for determining supportable new retail uses, or sales leakage to other communities that might be recaptured locally. Sales void analyses are frequently applied to convenience purchases because such shopping typically happens near where people live or work.

Sales void analyses have become less meaningful, however, as more convenience-type purchases – and even prescription drugs and household supplies – have migrated first to big-box stores and, more recently, or to online retailers. Nevertheless, buying power and sales voids still serve a purpose in identifying potential recruitment targets or marketing opportunities.

Local demands and voids. Total consumer demand by Tacony households is estimated at \$135 million, with local retail sales estimated at \$112 million, leaving a gap of about \$23 million, or about 17% of all household spending. As a subset of total purchases, restaurant dining and drinking purchases account for \$23 million in buying power, with local sales estimated at \$18 million. That leaves a restaurant dining sales void of \$5 million, or about 22%.

The following table identifies retail spending and voids across a variety of typical purchases.



Retail sales profile for Tacony neighborhood (map, left)

Product Category	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap (Surplus)¹
Furniture & Home Furnishings Stores (NAICS 442)	\$4,421,142	\$1,678,057	\$2,743,085
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$3,262,690	\$1,154,786	\$2,107,904
Building Material and Supplies Dealers (NAICS 4441)	\$4,306,992	\$1,595,149	\$2,711,843
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$59,698	\$0	\$59,698
Grocery Stores (NAICS 4451)	\$25,236,084	\$35,578,079	\$-10,341,995
Specialty Food Stores (NAICS 4452)	\$1,572,725	\$741,567	\$831,157
Beer, Wine, and Liquor Stores (NAICS 4453)	\$1,748,354	\$0	\$1,748,354
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$5,412,982	\$10,884,143	\$-5,471,161
Clothing Stores (NAICS 4481)	\$5,550,756	\$1,406,155	\$4,144,601
Shoe Stores (NAICS 4482)	\$806,948	\$0	\$806,948
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$404,975	\$609,761	\$-204,787
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$1,535,381	\$789,025	\$746,356
General Merchandise Stores (NAICS 452)	\$16,779,840	\$9,092,947	\$7,686,893
Florists (NAICS 4531)	\$288,624	\$922,498	\$-633,874
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$795,592	\$69,674	\$725,918
Used Merchandise Stores (NAICS 4533)	\$69,643	\$189,808	\$-120,166
Other Miscellaneous Store Retailers (NAICS 4539)	\$1,317,558	\$3,852,594	\$-2,535,037
Full-Service Restaurants (NAICS 7221)	\$13,257,340	\$12,051,295	\$1,206,045
Limited-Service Eating Places (NAICS 7222)	\$6,592,697	\$4,632,029	\$1,960,668
Special Food Services (NAICS 7223)	\$2,701,875	\$658,384	\$2,043,491
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$879,954	\$957,852	\$-77,898

Source: ESRI

¹ A positive number indicates sales leaking outside the specified area – and an opportunity to recapture sales; a negative number represents a sales surplus. (Source: ESRI; CLUE Group)

With green (positive) numbers indicating leakage, opportunities exist for business development in several key categories relevant to neighborhood shoppers in Tacony, particularly in the categories of:

- Furniture and home furnishings,
- Apparel,
- Full-service and limited-service restaurants.

Specialty Foods may also present an opportunity, but primarily as a destination product. General Merchandise Stores, while showing an opportunity of \$7.7 million, covers a product category typically captured by big-box discount retailers.

In an urban neighborhood, sales can be imported and exported. The more sales which are made by Tacony residents in the neighborhood, the lower the sales void. And the more purchases made by non-residents *in* Tacony, the more those sales can compensate for the inevitable local sales leakage. We therefore looked at trade areas of 1.0 and 1.5 miles (which include adjoining neighborhoods). These change the balance of sales surpluses and voids in a number of categories.



Retail sales profile for 1-mile radius (map, left)

Product Category	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap (Surplus)
Furniture & Home Furnishings Stores (NAICS 442)	\$10,136,218	\$4,719,135	\$5,417,083
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$7,434,998	\$1,781,409	\$5,653,589
Building Material and Supplies Dealers (NAICS 4441)	\$9,871,090	\$2,794,696	\$7,076,395
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$136,730	\$30,367	\$106,363
Grocery Stores (NAICS 4451)	\$57,116,426	\$48,486,859	\$8,629,566
Specialty Food Stores (NAICS 4452)	\$3,562,607	\$1,225,555	\$2,337,052
Beer, Wine, and Liquor Stores (NAICS 4453)	\$3,989,658	\$945,841	\$3,043,817
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$12,254,912	\$15,124,083	-\$2,869,171
Clothing Stores (NAICS 4481)	\$12,668,282	\$5,175,750	\$7,492,532
Shoe Stores (NAICS 4482)	\$1,829,264	\$2,054,776	-\$225,512
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$925,304	\$1,661,828	-\$736,523
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$3,494,825	\$1,663,351	\$1,831,474
General Merchandise Stores (NAICS 452)	\$38,115,862	\$22,729,929	\$15,385,933

Retail sales profile for 1-mile radius (map, left)

Product Category	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap (Surplus)
Florists (NAICS 4531)	\$661,329	\$1,036,854	\$-375,525
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$1,811,230	\$747,692	\$1,063,539
Used Merchandise Stores (NAICS 4533)	\$158,809	\$319,585	\$-160,776
Other Miscellaneous Store Retailers (NAICS 4539)	\$2,981,235	\$4,132,746	\$-1,151,511
Full-Service Restaurants (NAICS 7221)	\$30,294,459	\$23,072,258	\$7,222,201
Limited-Service Eating Places (NAICS 7222)	\$15,030,348	\$9,402,433	\$5,627,914
Special Food Services (NAICS 7223)	\$6,160,958	\$1,264,088	\$4,896,869
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$2,014,890	\$2,949,331	\$-934,441

Source: ESRI

In most product categories, leakage *increases* as trade area around Tacony increases. This is unexpected in that the larger trade rings include both more households and more retail stores. However, it confirms that there is an opportunity to offer a variety of products and services in Tacony for which both Tacony and nearby residents are currently traveling outside their own neighborhoods.

In the slightly larger 1.5-mile trade area (largest ring in map above), only grocery store sales show a trend reversal. In the 1.5-mile trade area, retail spending for groceries increases to \$103 million, but retail sales in the same geographic area *exceed* demand, at \$120 million. The larger trade area encompasses additional supermarkets which, in turn, are likely drawing customers from an even larger radius.

can be increased by making the district appear like a more welcoming place to stop. Streetscape enhancements, lighting, and clear and attractive entry and business signs can draw the attention and interest of drivers. Because they are already driving *through* Tacony, they represent a large potential sales opportunity, but one that is mobile and (different from the resident population) constantly changing.

Rustbelt Traditions

Demographic

These neighborhoods are primarily a mix of married-couple families, single parents, and singles who live alone. With a population of 8.4 million, this segment is one of Tapestry Segmentation's largest. The median age is 36.7 years, just below the US median.

Socioeconomic

The median household income is \$51,378, slightly below that of the US median. Half of the employed residents work in white-collar jobs. For years, these residents sustained the manufacturing industry that drove local economies. Now, the service industry predominates, followed by manufacturing and retail trade. The median net worth is \$82,469. Their education attainment is improving; more than 84 percent of residents aged 25 years and older have graduated from high school, 15 percent hold a bachelor's or graduate degree, and 44 percent have attended college.

Preferences

These residents stick close to home; for years, they've lived, worked, shopped, and played in the same area. Not tempted by fads, they stick to familiar products and services.

They drive domestic cars. They will spend money on their families, yard maintenance, and home improvements. They will hire contractors for special projects such as the installation of roofing, carpet, and flooring. These financially conservative residents prefer to bank at a credit union and have personal savings. They might carry a personal loan and hold low-value life and homeowner's insurance policies. They're frugal and shop for bargains at Sam's Club, JCPenney, and Kmart.

Demographics

Tacony's population is traditional by nature, and this is reflected in how its households are categorized by national marketers and demographics services. According to one standard consumer segmentation system (Community Tapestry™), Tacony's households share many characteristics with urban, middle class households across the country. Forty percent of Tacony households fall into a consumer segment called "Rustbelt Traditions" and an additional 20% fall into a very similar segment, "Rustbelt Retirees." (See sidebars for descriptions.) Although these segment names can sometimes sound classist or purjorative, they are intended to be purely descriptive for national marketers.

The conservative nature of these Tapestry segments – both in spending habits and taste – influences the kinds of new businesses that local shoppers will likely patronize. These households mostly prefer value and familiarity over new fads or unfamiliar brands.

The real news about demographics in Tacony, however, is about how household characteristics are changing. From the 2000 to the 2010 Census, Tacony became younger and more diverse. This trend, evident on the sidewalks, and known intuitively by locals, has already influenced the businesses that have opened in the district and it has influenced the product mix that some existing merchants carry.

Population and household size, age, and income

Between 2000 and 2010, the Tacony population grew by 7%, from 21,641 to 23,142 – a rate significantly ahead of the city as a whole, whose population remained essentially flat. Tellingly, the number of households (households being a more predictable consumer unit than individuals) showed an *opposite* trend! The total number of households in Tacony actually decreased over the decade, from 8,749 to 8,691 (a change of about -0.7%). Consistent with this

Rustbelt Retirees

Demographic

Most of the households in these neighborhoods are married couples with no children or singles who live alone. Twenty percent are married couples with children. The median age is 45.6 years; more than one-third of the householders are aged 65 years or older; and 17% are veterans. These neighborhoods are not ethnically diverse.

Socioeconomic

Although many residents still work, the labor force participation rate is 58 percent. Most households derive income from wages. However, 45% of households earn income from interest, dividends, and rental properties; 40% draw Social Security benefits; and 28% receive retirement income. The median household income is \$52,216, just below that of the US median. The median net worth is \$130,866, slightly above the US value.

Preferences

These hardworking folks are settled; many have lived in the same house for years. Loyal to country and community, they participate in public activities and fund-raising, visit elected officials, and work for political parties or candidates. They belong to fraternal organizations, unions, and veterans' clubs. Practical people who take pride in their homes and gardens, Rustbelt Retirees buy home furnishings and work on remodeling projects to update their houses. They watch their pennies, use coupons, and look for bargains at discount stores and warehouse clubs. They own savings bonds and CDs and hold life insurance policies. They eat out at family restaurants such as Perkins and Friendly's and watch rented movies on DVD instead of going to the theater. They go bowling, play cards and bingo, gamble in Atlantic City, and go to horse races. They watch home improvement shows, sports events, news programs, game shows, and old reruns on TV.

fact, average household size increased, from 2.46 persons to 2.66 persons over the decade. Average family size increased as well, from 3.16 persons to 3.31 persons.²

At the same time, the population grew younger: The median age in Tacony was 36.6 years old in 2000 and 32.9 years old in 2010. In the word of demographic trends, a change of 3.7 in the median age is a large shift. The inference is, younger, larger families are moving into Tacony, and this has implications for retailing, marketing, housing, and other factors.

Like consumer spending, income is typically measured as a household characteristic. In 2010, median household income in was \$34,938; in 2010, it was \$40,209. In constant 2010 dollars, real income among Tacony households declined 23%. (For comparative purposes, the 2010 median household income for the city was \$36,669.) Average household income was \$40,679 in 2000 and 51,037 in 2010, a decline of 1% in constant 2010 dollars.

Race and ethnicity

The four Census tracts that comprise the Tacony neighborhood became more racially and ethnically diverse over the 2000 to 2010 decade, and the trend is forecast to continue. The Black or African American population increased by 14%, which was mostly offset by an almost equal decrease in the White population. The Hispanic population grew 11.2% (growth that is distributed across various races).

	2000	2010	2016
White	93.6%	70.3%	67.1%
Black or African American	2.6%	16.6%	17.3%
American Indian	0.1%	0.4%	0.4%
Asian	1.0%	2.6%	2.9%
Pacific Islander	0.0%	0.0%	0.1%
Some other race	1.5%	6.6%	8.3%
Population reporting two or more races	1.3%	3.5%	3.9%
Total Hispanic population (any race)	3.2%	14.7%	19%

² Households are comprised of persons living together as an economic unit. "Family households" – a subset of all households – are comprise of *related* persons living together.

Housing tenure

Housing tenure refers to rental or ownership status of housing occupants. The total number of housing units in Tacony remained stable over the decade, increasing very slightly from 9,330 units in 2000 to 9,361 units in 2010. The table below shows that occupancy remained strong and stable as well, with vacancies held at 6-7%. Homeownership declined by 5%, however, the rate of decline in homeownership was virtually the same as for the city as a whole, which also saw a decline of 5%.

Housing characteristic	2000	2010
Total number of units	9,330	9,361
Occupied units	94%	93%
Owner-occupied units	71%	66%
Renter-occupied units	23%	27%

Significance of demographic changes

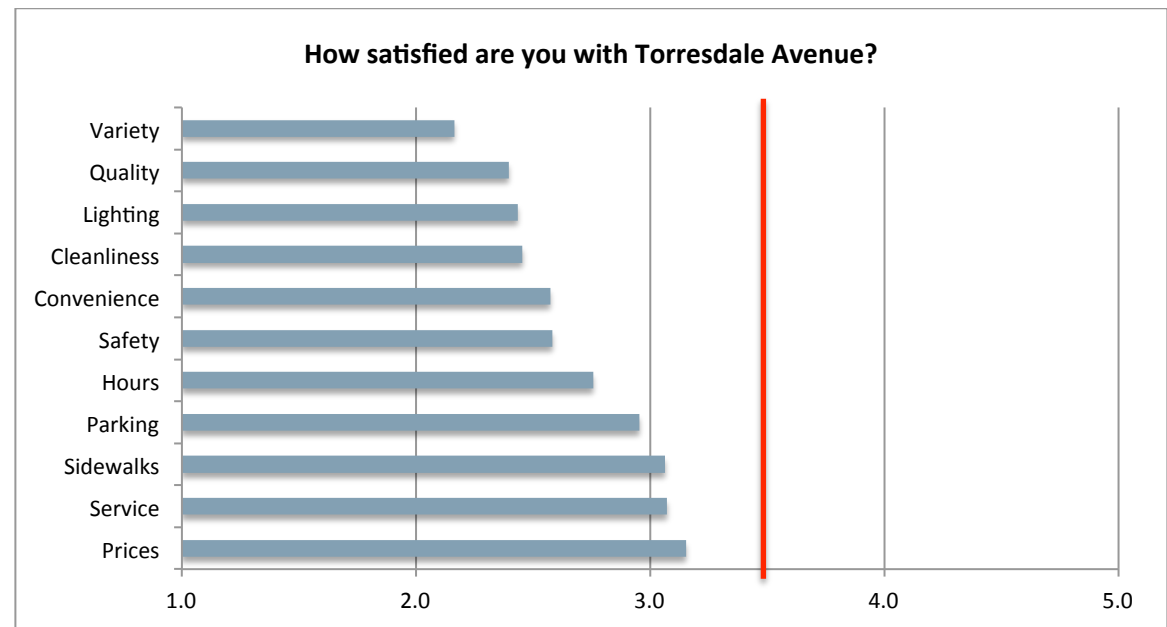
The changes described above – particularly those that relate to age, family size, and race and ethnicity – are already having significant effects on retail demand, consumer preferences, and the ways in which businesses should be communicating with customers. Younger, larger families are more active consumers of retail goods than older, smaller households. They also have different housing needs and may seek out some of Tacony’s larger residences as they require more bedrooms. All of these characteristics indicate a more active, youthful consumer and could form the basis for a more dynamic economy on Torresdale Avenue.

Shopper satisfaction

We collected 181 surveys from Tacony residents and shoppers. The surveys were distributed at Tacony Civic Association meetings, at Tacony History Day, at meetings of the Tacony CDC, and through the Facebook page of the Historic Tacony Revitalization Program. While the responses do not represent a *random* sample, they do represent the perceptions and habits of a set of active residents and an involved and concerned target audience for the Torresdale Avenue business district.

Satisfaction

Shopper satisfaction scores in Tacony were low. While this is not surprising, our experiences in other communities have shown that satisfaction with the basic offerings and standards of a business district are critical factors in attracting customers. If levels of *dissatisfaction* are high, shoppers are likely to look for alternative shopping venues. Our customer research in communities nationally has indicated that a district will start to see real and sustainable progress when satisfaction levels reach a level of 3.5 on the five-point scale in the chart below.



For Tacony, the characteristics with the highest levels of satisfaction included:

- Prices
- Service
- Sidewalks

While these represent the qualities which shoppers feel are the best-performing aspects of the district, they still fall slightly below the 3.5 benchmark.

Levels of shopper *dissatisfaction* were most notable among the characteristics:

- Variety
- Quality
- Lighting

Our research in other communities has shown that **Quality, Hours of operation,** and **Service** are the three most important performance characteristics and that these are leading indicators for a revitalizing business district. It is in these areas in particular where the Historic Tacony Revitalization Program can make a significant impact.

Reasons for shopping

Shoppers were also asked which are the most common reasons they come to Torresdale Avenue. Banking, Restaurants, and Groceries were by far the most influential reasons to come, and these types of purchases can generate repeat visits over the course of a month. (Because a full-line grocery store is not currently available on Torresdale Avenue, we believe shoppers are referring to convenience food items which they might pick up at 7-Eleven or other convenience-type stores on the Avenue.) Full responses to “Reasons for coming” can be seen in the table below.

Reason for coming	% who come³
Banking	28%
Groceries	21%
Restaurants	17%
Hair Cut	8%
Toiletries	6%
Hardware	5%
Post Office	2%
Music	2%
Coffee	2%
Recreation	2%
Doctor	1%
Dollar Store	1%
Clothes/Shoes	1%
Dry Cleaning	1%
Church	1%
Variety Store	1%
LotteryTickets	0%

Frequency of visits and mode of travel

Shopping patterns indicate a split among respondents in their frequency of visits: About 46% of shoppers come to the Avenue *weekly or several times per week*, while another set comes only occasionally (defined as less than once per month). About 12% of respondents rarely or never shop on Torresdale Avenue.

Frequency of shopping trips to Torresdale Avenue

Occasionally	Monthly	Weekly	Several times/wk	Daily	Total
28%	7%	25%	21%	7%	88%

The split between occasional and weekly shoppers suggests that converting occasional shoppers into more frequent shoppers could be the most productive way to leverage current shoppers.

³ Respondents could choose more than one answer, so responses will not total 100%.

(Our experience has shown that trying to convert non-customers – people who never come to Torresdale Avenue – into customers is a much more difficult and costly prospect.)

Among shoppers who come to Torresdale Avenue, they are most likely to arrive on foot. Including various other modes of transportation (drive, bicycle, bus), walking is the most common method, with 55% of shoppers making their entire journey on foot. About 34% of shoppers arrive by car and, at least among respondents to the survey, bicycling and bus transportation were insignificant.⁴

⁴ An on-street intercept survey would likely have captured more bus riders, who were not a part of this survey sample.

Business conditions

The core blocks of the Tacony business district, from Levick Street to Cottman Avenue, contain 412 properties. Of those, 61% are residential, 36% are commercial, and 3% are classified as something else (e.g., institutions). Two characteristics of the Avenue create particular challenges for commercial revitalization: high vacancy and low commercial density. For much of the Avenue, clusters of businesses at intersections are separated by full blocks of residential, which limits connectivity among the commercial assets. Ground-floor commercial vacancies also inhibit connectivity: about 26% of ground-floor commercial spaces are currently vacant. (In a well-performing district, vacancies should number less than 10%.)

In addition to vacancy rate and low commercial density, several other factors were both observed by us and reported by businesses we interviewed:

- Clustering. The most solid businesses in Tacony are not tightly clustered on the street. Their diffuse positioning does not add vibrancy to the Avenue, as it might if they were all on one or two blocks.
- Site insurance. Some businesses report prohibitively expensive insurance premiums, believed to be related to crime spikes and claims resulting from the 2011 gas explosion.
- Hiring challenges. Some businesses report difficulty in finding qualified employees. In some cases, they find it difficult to find technical skills; in other cases, the challenge lies in finding reliable and trustworthy help.
- Hobby businesses. Some businesses are operated as casual operations with limited hours or other practices that make it difficult to become a customer.
- Crime. A few businesses reported drug transactions taking place inside their store, as a cover from on-street dealing. All businesses complained about crime activity on the streets inhibiting shopping.

The core blocks of Torresdale Avenue contain 196 commercial enterprises. Subtracting doctors, dentists, and other professional offices, leaves approximately 100 retail or retail-service businesses.

The mix of major business categories is shown in the following table. The largest clusters are Personal Care (a broad category that includes hair and nails, as well as funeral homes), Ambulatory Health Care Services, and Food Services and Drinking Places (i.e., restaurants).

NAICS ⁵ Code	Description	% of businesses
812	Personal Care Services (includes hair, laundry, funeral homes)	14%
621	Ambulatory Health Care Services	13%
722	Food Services & Drinking Places	10%
541	Professional services	6%
445	Food & Beverage Stores	4%
424	Wholesalers	3%
453	Misc. Store Retailers	3%
811	Automotive Repair & Maintenance	3%

Within the broader NAICS categories, several sub-clusters in the district can be described. These include:

- Specialty Foods: Unique restaurants and take-home foods, including pasta, specialty meats, and ethnic restaurants.
- Active Engagement: Dance, exercise, and mixed martial arts;
- Custom Collectibles: Darts, coins, records, and games;
- Neighborhood Needs: Variety stores and everyday services, including hardware, dollar stores, salons, groceries, and banks;
- Evening Out: Pubs and restaurants;
- Medical: Doctors, therapists, pharmacists, and apothecaries.

With the exception of Neighborhood Needs, each of the clusters can potentially attract destination customers to Tacony. And, as the local population becomes younger and more diverse, demand for Active Engagement, Neighborhood Needs, and Evening Out categories will increase. The medical segment faces an uncertain future: while healthcare continues to account for a larger portion of the national economy, if the population of Tacony continues to become younger, and as older residents move out, the medical cluster will shrink.

⁵ North American Industry Classification System

Marketing and sales channels

Sophistication ranges widely among Tacony businesses. The most tech-savvy businesses are using Google AdWords and Google Analytics to target and attract customers from across the city and region. The majority of businesses rely on word-of-mouth or foot traffic passing by. Few of the businesses serving a local, convenience-based customer do any marketing at all. Several older businesses report significant sales declines in recent years, both a reflection of changing demographics and a changing retail environment.

A few businesses are active and creative marketers, using a variety of channels to market and sell their products. For example:

- Smith's Hardware uses eBay on a regular basis to sell a few popular specialty items, including light sets and decorations for holidays throughout the year. While online selling still accounts for a small portion of gross sales, it still contributes to the bottom line and makes the business' fixed costs more efficient.
- The Computer Guy has carved out a niche servicing home users and small businesses. In the face of competition from Best Buy's Geek Squad, The Computer Guy offers a fuller line of services (including repairs and websites) with a regional marketing focus.
- Bulls Eye Darts does half its business through online channels (particularly eBay) and attracts destination, walk-in customers from a trade area that stretches from Central New Jersey to Delaware. His marketing includes outreach to regional dart clubs and some wholesaling to area bars and leagues.

Businesses that know their customers see the Tacony district as a strategic advantage. However, certain businesses face particular challenges. These include those where:

- The nature of the segment itself has changed (e.g., because of external competition from chains, or structural changes in retailing), or
- The core customer has moved or is spending less.

In these cases, the businesses will either need to orient themselves toward a destination customer, or adjust their product or service mix to meet the needs of newer Tacony households.

Physical environment

Design improvements were not specifically a part of the scope of this marketing plan, however, they cannot be overlooked. Providing quality merchandise is only one step in establishing a great neighborhood shopping district. Another, often overlooked part, is making sure the district provides a clean, safe and well maintained physical environment, since this is a major part of the shopper's experience.

Urban neighborhood shopping districts are often at a disadvantage compared to shopping centers and malls, where management makes sure that each store has clean windows, quality landscaping, adequate and attractive lighting, interesting and effective signage, and consistent marketing.

The Torredale Avenue shopping district has good 'bones' in that it benefits from reasonably good architecture, a comfortable scale (feel), good pedestrian lighting, a diversity of stores, and an interesting and marketable history. However, the overall maintenance (care) of the corridor diminishes the shopper experience. The physical presentation of the corridor and of the storefronts demonstrate how the district values its patrons.

Places to start

Graffiti: The pedestrian lights along Torredale are a BIG benefit to the shopper experience. They are attractive, provide a feeling of safety in the evening, and provide uniformity and consistency along the corridor. However, the graffiti on many of the poles adversely impacts the value of this amenity in a significant way.

Recommendation: Removing graffiti within 24 hours sends a very clear message to people that destruction of property is unacceptable. Assemble a graffiti enforcement team (e.g., a task of the Design Committee or Clean and Safe Committee) to inspect regularly for graffiti and call 311 to activate the Mayor's Anti-Graffiti Network.

Litter: In one of our early walks on the Avenue, litter was everywhere! Along the curbs, on the sidewalks, around the bus stops. Since that time, Tacony CDC has organized the very successful



“Love Your Avenue Day” on April 14, 2012, where 60 volunteers cleaned up the 6600 to 7200 blocks of Torresdale Avenue. Volunteer teams also planted flowers in tree pits. (Tree stumps had been removed by the TCDC in preparation for planting new trees in the fall by the TreePhilly program.) TCDC plans to repeat the Love Your Avenue event in the fall. Nevertheless, few businesses regularly maintain the areas in front of their stores. The photo (left) shows a McDonalds employee with a broom and dust pan. Notice that the sidewalk and curbs are clean and the landscaping is free from debris. Some people do not like retailers like McDonalds, but chains like this provide a good lesson in managed care and show how to provide a good customer experience. TCDC’s Clean and Safe Team is instituting the Golden Broom awards to reinforce individual efforts to keep Torresdale Avenue clean and say “thank you” to businesses that make an extra effort.

Banners: One of the great things about having pedestrian lights and utility poles is the ability to install banners. Banners are relatively inexpensive, liven up the street, help provide a consistent brand for the corridor and can be used to promote events for the business community. The existing banners are: 1) sporadic, 2) too generic, 3) poorly maintained and 4) too high on the poles. The second phase of the MARC (Major Artery Revitalization Committee) streetscape plan will include metal banners, street furniture (benches, bike racks, Big-Belly trash cans), and new crosswalks at selected intersections.

Recommendation: Remove existing banners, as most are torn or broken and detract from the corridor. New MARC banners and streetscape amenities should incorporate new Tacony/Torresdale Avenue branding graphics.

Trees and landscaping: A large percentage of existing tree pits along the corridor have no trees. They are poorly maintained and full of weeds and debris. Tacony CDC and the Design Committee are already working on tree-planting solutions. Through the TreePhilly program, TCDC has secured a commitment from the City to plan 22 trees in existing tree pits. Because Philadelphia Parks and Recreation’s capacity is so limited, TCDC may have to fund tree maintenance, including watering and pruning. Caring for the new trees and nurturing them to maturity will be a major undertaking. The Pennsylvania Horticultural Society may be able to provide additional plant material or greening resources.

Paint: At one of our meetings with the Economic Restructuring Committee, we talked about Collingswood, NJ, a remarkable turnaround story that literally began its revitalization story with a little paint. Painting is inexpensive but dramatic. High quality painting adds interest and demonstrates a strong level of care. Great architectural qualities on facades like the one in the photo (left) are lost due to poor maintenance.



Awnings, Signage and Grates: The type and color of these elements says a lot about a community, and storefront improvements are a leading edge indicator of revitalization. TCDC's Design Team recently developed design guidelines and created the framework for launching a façade improvement program in Tacony and, over time, eliminating solid roll-down storefront grates. Projecting signs should be encouraged and add interest to the street, but there are a number of obsolete signs on the street. Code enforcement would require their removal. However, as a practical matter, refurbishing these dormant projecting can be established as a fundable priority of the storefront improvement program and can help turn these “white elephant” signs into attractive, relevant streetscape enhancements.

The new design guidelines, developed with volunteer architects Ray Brogden and Anthony Zul, are available online at taconycdc.org. They will assist the Design Team in guiding property owners and merchants as they prepare improvements for their buildings using incentives from the City's Storefront Improvement Program and a parallel program developed by TCDC. This joint program will offer subsidies to property owners to make larger-scale improvements. The Community Design Collaborative has been asked to provide volunteer architectural assistance to six property owners who want to take advantage of the joint storefront improvement incentives this summer.



Gateway Signage: A good commercial shopping district always lets people know when they have arrived. Marking the gateways at Cottman and Levick with high quality, attractive entrance signs is an important branding project and a great early use of the new Tacony business district's logo.

Sidewalk activity and engagement. Encourage businesses – especially those that are food-oriented – to engage pedestrians through the use of outdoor tables and chairs. Seating amenities could bring life and “eyes” to the commercial corridor in places such as this Dunkin

Donuts: A wide sidewalk and lots of foot traffic would generate eyes on the street and create an intimate area for shoppers to enjoy the Avenue.

Business improvement districts

A Business Improvement District is a funding mechanism which can be used to support the revitalization of business districts. As part of our scope, we were tasked to take a preliminary look at the potential for using BID as a tool in Tacony. A BID is typically not the first step in a revitalization program because it often takes years to build support. In addition, the BID tool is only useful in cases where property values are high enough that a reasonable assessment fee would generate enough revenues to make it worthwhile to create the BID and to carry out desired projects. At this early stage, a BID would not make sense in Tacony without substantial subvention.

Definition and formation

A Business Improvement District is a defined area within which property owners and/or businesses pay an additional fee in order to fund improvements or marketing within the district's boundaries. (As a tool, the BID is independent from the district's management structure or the district's project priorities. For example, "Main Street" programs, while having a specific management and committee structure, can also use BID as a funding tool.) While grant funds acquired by the city for special programs and/or incentives such as tax abatements can be made available to assist businesses or to recruit new business, BIDs typically provide even more flexible and comprehensive services such as cleaning streets and sidewalks, providing (unarmed) security patrols, making capital improvements (such as new sidewalks), installing pedestrian lighting and banners, and marketing the area. The services provided by BIDs are supplemental to those already provided by the City.

BIDs are typically formed by municipal ordinance and then by a vote of the property owners within the boundaries of the BID. BIDs in Pennsylvania pass if less than 40% of the subject property owners do not vote against it. In other words, 60% of subject property owners must vote in favor of the creation of the BID to pass.

BIDs can include all kinds of properties but are most often made up of commercial properties. Some BIDs, like the King of Prussia District (which Eric Goldstein, a member of our team, manages) only assess properties that have a commercial land use classification. Other BIDs, such as the University City District in Philadelphia, have a large portion of not for profit properties, universities and medical centers. In that case, not-for-profit institutions that own property pay a voluntary fee instead of a mandatory assessment. (The BID would not be able to generate

enough revenue to have impactful programs if it relied only on fees from non-institutional commercial properties.) Voluntary contributions do not typically work for small commercial corridors like Tacony, however. Other BIDs, like the Center City District in Philadelphia, assess commercial AND residential properties, such as apartment buildings and condominiums. Determining the types of property to assess depends largely upon who makes up the district and the political will to enforce a diversity of assessment property types.

Fees and acceptable uses

Assessment fees are typically a multiplier based on County assessed values. The fee paid by assessed property owners in King of Prussia, for example is .00089 mils on the tax rate. This roughly equates to 4% of a property owners' total tax bills. The fee is paid one time per year and collected directly by the BID. As a hypothetical, if a property in Tacony were assessed at \$100,000, and the assessment rate were set at .00178 (or twice what the KOP- BID assessment is), that property owner would pay \$178 per year to the BID ($100,000 \times .00178 = \178).

Assessment fees are typically used for programs to improve the physical environment, market and promote the community, conduct research projects, provide security patrols and clean sidewalks and graffiti. Some BIDs have more advanced programs related to zoning and land planning, transportation and events.

Governance

BIDs typically have a Board of Directors representing various types and sizes of stakeholders, and they typically have committees that manage individual programs of the organization. Some BIDs include government officials on their board while others restrict the board only to assessed property owners.

Most BIDs operate as private, not-for-profit 501(c)(3) organizations. It is possible, however for a BID to be set up as a municipal authority, which has its advantages and disadvantages. Most BIDs regardless of how they are structured (private or authority), have the legal authority to place liens on property owners who do not pay their assessment fee.

Typically BIDs are formed with a 5-year sunset provision. In the 4th year assessed property owners have the opportunity to vote to renew the BID for another 5 years or longer if they desire. The BID could also be voted down at that time.

Is a BID right for Tacony?

To answer this properly, additional information would need to be collected related to property values along the corridor and the amount of revenue that could be generated from those properties, using a normal assessment fee ratio.

Many small commercial corridors simply cannot generate enough money using a BID model to warrant forming another organization. Too much of the fees collected would wind up going to administration, legal, accounting and other organizational functions, leaving programs with too few dollars to have enough impact.

In most cases, commercial corridors that do not have very large corporate, institutional or governmental players are better off using a volunteer-based Main Street approach or forming committees in other existing organizations (such as an existing development corporation or friends group) to tackle the challenging issues.

A complete property survey, including assessment data and preliminary surveys of property owners, would need to be conducted to determine whether or not a BID is a good way to proceed in Tacony. However, the environment right now is difficult for BID formation as the economy continues to rebound far too slowly. Other recent BID attempts in the region have not passed, including Chinatown, Glenside, and the recent termination of the BID in Jenkintown.

Strategies

Business districts are unorganized economies. Unlike a mall, traditional business districts default to barber shops, corner stores, nail salons, and dollar stores. This is not in itself a bad thing, but it has two important shortcomings: It does not meet many of the other needs that neighborhood households have, and it does not position the district competitively to attract destination customers.

Many small, independent businesses do not know their customers. In part, this is because they don't have access to the same resources as large chains and franchises, but in part it is also because they don't know about the tools which *are* available to them. With this report, along with the skills and talent brought by the Tacony CDC, businesses now have access to new information and resources.

Organizing the economy of the Tacony district will take:

- Redefining the business district's business model, and
- Creating strategies to acquire specific customer groups.

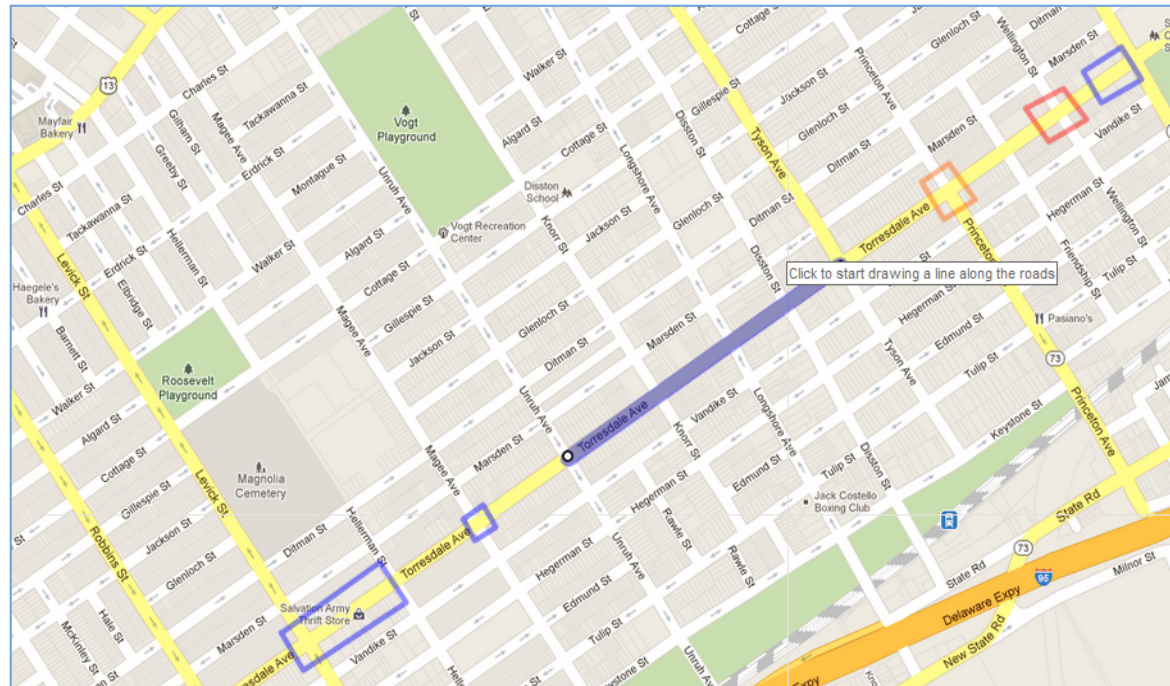
What follows are some strategies for doing that.

Divide the corridor's property assets into sub-districts

The Torresdale Avenue corridor in Tacony is too long and decentralized to function as a single commercial district. To make it more manageable – and to apply appropriate tools to portions of the district with different customers and different needs – the street should be thought of as a series of smaller, tighter segments.

We have defined six nodes or sub-districts, and we've given each a moniker. In some cases, the names may prove useful in marketing, but primarily they are for the purpose of organizing the corridor's management. The sub-districts have different functions and conditions, as noted in the table below. The map shows the sub-districts' locations on the street, beginning with the Southern Gateway at bottom left.

Name	Location	Function	Condition
Southern Gateway	Levick to Hellerman	Car-oriented	Healthy, but could look better
Magee Crossing	Intersection at Magee	Convenience node 1: “Four-corners”	Needs attention
Central Business District	Unruh to Tyson	Core commercial function	Needs most attention
Princeton Crossing	One block around Princeton intersection	Collectables	Poised for growth
Wellington Crossing	One block around Wellington intersection	Convenience node 2: entertainment	Healthy
Cottman Crossing	One block around Cottman intersection	Convenience node 3	Healthy



Match customer groups to sub-districts

Matching customer groups to the corridor's sub-districts means associating the nodes with the people who represent the most likely users of each portion of the Avenue – and then marketing the sub-district to them.

The customers for each of the sub-districts can be described as follows:

Sub-district	Customer group(s)
Southern Gateway	Passers-through; car traffic going through Tacony
Magee Crossing	Surrounding neighbors; local residents of all ages
Central Business District	Local destination, with a focus on young families
Princeton Crossing	Regional destination, with a focus on middle-aged collectors
Wellington Crossing	Local and regional destination; focus on carefree singles/young pub-goers
Cottman Crossing	Passers-through; bus travelers; car traffic going through Tacony

Group the corridor's business assets into clusters

Next, think of the corridor's business assets as functional clusters. These have a loose association to the physical location of the corridor's sub-districts, but not all businesses in each cluster are necessarily near the others.

Cluster	Businesses participating in the cluster
Specialty Foods	Unique restaurants & take-out: pasta, specialty meat, ethnic foods
Active Engagement	Specialty exercise, including dance, yoga, mixed martial arts
Custom Collectibles	Darts, coins, records, and games
Neighborhood Needs	Variety and dollar stores, hardware, salons, grocery, banks
Evening Out	Restaurants and pubs/taverns
Medical	Doctors, therapists, pharmacists/apothecaries

Over time, it will benefit the existing businesses in the clusters to locate *new* businesses in proximity to others in the same grouping. This is particularly true for comparison-type and convenience-type businesses, where a shopper is likely to patronize more than one store in a single shopping trip. (For destination-type businesses, physical clustering is less critical, as a customer is usually going to one specific business.)

Cultivate customers

Each customer group in the district can be strengthened by marketing to them through “channel partners.” Channel partners represent any advertising venue, social media tool, activity group, or institution that already has relationships or connections with one or more of Tacony’s target audiences. Many channel partners are free to access.

Customer group	Channel partners
Carefree Singles	<ul style="list-style-type: none"> ▪ Facebook ▪ Sports teams
Young Families	<ul style="list-style-type: none"> ▪ Schools ▪ Daycare centers ▪ Activity centers ▪ Sports teams
Middle-Aged Collectors	<ul style="list-style-type: none"> ▪ Affinity clubs
Seniors	<ul style="list-style-type: none"> ▪ Churches ▪ Doctors

Each of these customer groups, in addition to having a cohort that can be reached through channel partners also has an associated price point. These price points should inform any marketing programs aimed at these audiences, so marketing and promotions align with customers’ ability (or willingness) to pay.

Customer group	Price point	Description
Carefree Singles	\$	Don’t have a lot to spend, but they do spend money on styling and entertainment.
Young Families	\$\$	Buy the basics, such as clothing and furniture. They also buy basic services.
Middle-Age Collectors	\$\$\$	Higher incomes; spend liberally, but on limited things.
Seniors	\$	Don’t buy <i>things</i> ; more inclined to buy experiences and gifts.

Marketing the sub-districts and the business clusters to their relevant customer groups requires several concurrent initiatives. These are described later, in the “Implementation” section.

The brand

We believe that *products* have brands and *places* have identities. As part of our work in Tacony, we engaged a graphic artist to develop a visual identity for Tacony – one that will be associated with the business district, as distinct from the neighborhood as a whole. We went through several design iterations, working primarily through the economic restructuring committee and the corridor manager. Our goal was to capture the identity of Tacony in a graphic image – an image that can become a brand, of sorts, for the district.

The resulting graphic is intended to capture the qualities and character of the place. These qualities and characteristics include:

- Authenticity and lack of pretense, capturing some of the blue-collar “realness” of Tacony
- Graphic references to its manufacturing heyday
- An association with the Disston Estate and its industrial history
- Graphic representation of what the Tacony business district offers to shoppers – without over-promising on what shoppers will find.

The main logo (next page) is one that can be used on entry signs, printed materials, web marketing, and other places to establish identity of place. The smaller sub-logos can be used when promoting specific business assets of the district, or when marketing related events and activities.



The following color palates are recommended as compatible options for the logos and related materials.

Tacony Palette Options



As companion pieces to our work, we will be supplying templates for email marketing for business recruitment and for business and property profiles

Implementation



The advertisement is split into two vertical panels. The left panel features a photograph of a two-story house at the top, followed by the text 'TORRESDALE INSURANCE' and contact information: '7106 Torresdale Avenue Philadelphia, PA 19135', 'Phone 215-624-5445', 'Fax 215-624-5606', and 'E-mail fevans@torresdalefinancial.com'. A small box below contains the text 'One Lunch Per Household Must present current declaration page of home or auto insurance.' At the bottom of the left panel is a photograph of a white SUV. The right panel contains the text 'Who says there is no such thing as a FREE LUNCH' above a drawing of a sandwich. Below the sandwich is the text 'Let me Quote your current Home or Auto Insurance and I will buy you lunch at' and the 'FINK'S' logo with the tagline 'The King of Gourmet Hoagies' and '2010 and 2011 Hot List Winner BEST SANDWICH SHOP'.

Example of a recent business cross-promotion in Tacony.

Repositioning the business district, strengthening its customer base, and diversifying its offerings require several types of marketing – all connected by the strategies described in the Strategies section. The several types of marketing include:

- General branding. “Awareness marketing” that promotes the district's promise – that is, what it has to offer.
- Cluster marketing. Promoting economic sectors to support the brand and cause sales.
- Individual business marketing. Helping key businesses improve sales and become economic engines.
- Economic restructuring promotion. Cultivating specific business and their owners to locate in the business district, new property owners to acquire and renovate specific properties and existing property owners to re-think their properties.

It is best to plan these promotions annually and review them quarterly. Our draft plan lays the activities out on a timeline within a spreadsheet.

This process will take many people working very hard for 2-3 years to see results. Then suddenly, a tipping point is reached and it all gets easier. However, it also creates new tasks, challenges and work. Methodically implementing a plan and communicating it will make this task easier. Dividing the work makes it easier. To do so, do the following:

Branding and marketing to customers

The logo identity (or brand) that was developed as part of this work is intended to capture the identity of Tacony and connect that identity to its customers. The Tacony CDC should inculcate the use of the new logo, so businesses adopt it in their marketing materials, the graphic is displayed on signs throughout the district, and Tacony begins to present itself as a *place* that is readily understood by its customers.

1. Identity. Have a branding standards part of the Tacony CDC website. It should include the following:

- Logo standards, both color and black/white.
 - Color palette.
 - Fonts.
 - Key copy about what Tacony's Torresdale is all about.
 - Use TaconyShops.com and develop it into a website for the district, oriented toward shoppers.
 - Use web-to-lead in Salesforce,
 - Capture as many names possible through the website, and
 - Communicate with them regularly.
 - Have templates for email, posters and press releases.
 - Have a media website where you offer up stories about all elements of the business district.
2. Signage. Establishing Tacony business district as a recognizable place in the eyes of customers will require labeling it and applying the brand consistently through signage.
- Put up signs on the platforms for the SEPTA regional rail.
 - Place parking lot banners or a sign in SEPTA waiting areas.
 - Ask to put attractive signs on private buildings.
3. Marketing Materials. Given Tacony's population – a mix of older residents and younger families – marketing will need to be a mix of traditional printed materials (fliers, posters, brochures – not necessarily newspaper), along with online and mobile marketing.
- Use quick response (QR) codes on all materials. They should reference the TaconyShops.com website.
 - Purchase a color printer that can do 11x17" posters.
 - Do not spend money for glossy marketing materials. The internet has done away with that need.
4. Activate the sidewalks. Use the brand to create activity and interaction on the street.
- Use plants boxes to place identity signs for the district.
 - Light up storefronts at night, especially during short winter days, and incorporate the Tacony identity into the display or into a small sign placed in the window.
 - Encourage dog walkers with treats and water to help perception of safety

5. Advertising. The newspaper is dead. Send press releases to it, but it does not make sense to place paid print advertising. It may make sense to use cable TV zones for major events.
6. Digital Marketing. Build a database of consumers and work it. Building better customers out of existing customers is a key to increasing shopper activity in Tacony, especially in the early stages when the district will have to prove itself to new customers.
 - Add names with drawings for \$10 gift card giveaways (often given to charitable organizations by big chains).
 - Apply for a Google Adwords account from Google.org (the charitable arm of Google).
 - Post weekly specials every week on Facebook, Twitter, and Google+.
7. Cluster Marketing. In order to market Tacony's business clusters, the Economic Restructuring/Promotion Committee should establish regular promotions for the central business district that motivate specific groups of people. We have provided a list of a few ideas, but there are many more possibilities.
 - For the Active Engagement cluster, consider the following event ideas:
 - Dance off
 - Philadelphia dart throwing championship
 - Disston Distance Run
 - Softball tournament
 - Stick ball
 - Street hockey
 - Create 1,2,3,5 mile walking paths through the neighborhood (on Google maps) and work with a health care provider to give awards
 - Skateboard tournament
 - Have signs, flyers and posters at the Rec Center
 - Bocci ball tournament
 - For the Specialty Foods cluster, consider the following marketing projects:
 - Provide specialty food offers after events such as funerals, games, etc., that encourage people to grab a bite in Tacony after their event.
 - Create a hoagie contest, pitting Tacony's three famous hoagie makers against each other and encouraging shoppers to try all three.
 - Create an 'our night out' for groups to support restaurants and bars.

Individual Business Marketing

Individual businesses are the last to participate in the revitalization process. To get their buy-in, you will have to show them an up-front benefit. Put a little money in their pocket and you will get their un-wavering cooperation.

1. Bundle and unbundle products and services. Then, promote them through seasonal theme-based promotions that cut across business sectors.
 - Mother's Day: Make overs and related parties;
 - Graduation: Make overs and related parties;
 - Day after Thanksgiving – Babysitting for the kids;
 - Weddings – Food, space rental, and invitations.

2. Provide skill building classes on how to do business basics, such as:
 - How to use technology to sell;
 - How to do marketing with no money;
 - Using Yelp, Google Maps, Google AdWords, and social media;
 - How to liquidate non-moving merchandise;
 - How to produce video testimonials (to post on social media sites, TaconyShops.com, and other places) – and get volunteers to make them.

Economic Restructuring Promotion

Identify key business to cultivate, and communicate with them. We have identified a short list which we see as compatible with Tacony's existing clusters and customers. These recruitment prospects include:

- Furniture stores (value-oriented)
- Family restaurants
- Pubs (outside of the Disston Estate boundaries)
- Prepared food
- Thrift and consignment stores
- Specialty sports supplies
- Hobbies

For step-by-step guidance in business recruitment, see the next chapter, Business Recruitment.

Business recruitment

Business recruitment is actually a straightforward activity that only sounds illusive. Mostly, it requires conducting due diligence (on the district and on the prospects), building relationships, and facilitating a good match. Successful recruitment requires:

- Knowledge of the market,
- Understanding of the target industry and the specific prospect,
- Clarity of purpose, and
- Patience.

What can you offer a retailer?

The first step in the recruitment process is to look at the Tacony district and determine what strategic advantages it offers to a prospective business. Much of this information is contained in this report. The idea is to think about the district's economy and management and how it could provide a solid platform for a prospective business. Usually, the most motivating things to offer a retailer are higher sales and better profitability, which can be a function of Tacony offering:

- An opportunity for a business to capture a larger share of the market;
- Better traffic volume (whether pedestrian or vehicular);
- More appropriate or compatible customers (than a business's current location);
- Better access to financing;
- Better district-wide marketing and promotion.

Tacony may also be able to offer advantages of lower costs to the business, including:

- Lower rents;
- Less expensive financing;
- No common-area maintenance (CAM) fees (if the business is currently in a mall or shopping center);
- Marketing and promotion activities, esp. as part of new programs created by Tacony CDC;
- Free parking;
- Less expensive labor

Tacony may be able to offer space or location advantages over a prospect's current location, depending on the needs of a specific business. These could include:

- More appropriate sized, or better-configured commercial spaces;
- Better access to transit, including the commuter rail, bus terminal, and I-95;
- Better synergy with neighboring businesses, esp. as part of an existing cluster.

Note that some businesses have needs unique to their function or target customers, and these are important to keep in mind.

- Restaurants need a kitchen, of course, and it is far easier to recruit a restaurant into a space formerly used as a restaurant, because the build-out costs are lower.
- Furniture stores like to be near family households (as in Tacony), but they tend to require large spaces and access to a loading dock.
- Office users may prefer quieter spaces.
- Convenience businesses (like convenience marts, florists, take-out food) like to be near high foot traffic (like the bus station), or quick-turnover parking.

“Passive” and “active” recruitment

Passive recruitment is the practice of providing responsive, helpful information to a prospective business that inquires about locating in Tacony. It involves vetting the caller and his/her concept to make sure it aligns with Tacony CDC's strategic goals, and then understanding the business's needs in order to find the best space and location.

Active recruitment is the practice of setting out to attract a particular kind of business to Tacony. Usually, active recruitment is executed through a series of logical, sequential tasks:

1. Identify target categories. These are described in the “Strategies” chapter. It's important to think about recruitment *categories*, rather than specific businesses targeted for recruitment. Limiting your list to a few *particular* businesses will close off options, while thinking more broadly about a target *category* will expand the list of possibilities.
2. Identify businesses fitting categories. Next, working from the target categories, the Economic Restructuring Committee and the Corridor Manager should make the most comprehensive lists possible of businesses in Northeast Philadelphia and the city – and even within the region – that match the category or complement an existing cluster.

3. Send out scouts. After winnowing the list to a dozen or so businesses that seem like a good fit, send out scouts to visit the business – for the purpose of reconnaissance, rather than making an introduction. Scouts will want to look at:
 - Where is the business located?
 - What is the nearby population like?
 - What kind of space does the business occupy and how large is it?
 - What kind of parking is there?
 - Is the business in a traditional, “in-line” business district, or is it a stand-alone building? Is it located at a corner? Is it in a shopping center?
 - What are the adjacencies?
 - Is the business part of a cluster in its current location?
 - Does the business have more than one location?
 - Is the business near transit?
4. Review and prioritize. Once the scouts have visited the sites, they should come back together to share their notes and observations. At this point, it will make sense to narrow the list to three to five specific businesses.
5. Make appointment and visit. The next step is to introduce yourself and Tacony to the prospect. Ideally, try to get a warm introduction through the committee’s personal and professional networks, so the business owner will immediately feel some connection to Tacony.
6. Invite the prospect for a tour. Invite the business owner to come for lunch and a tour. Alert businesses on the Avenue that you may be stopping by and they should be prepared to speak positively about the district. (That said, recognize that your prospect – if s/he is interested – will come back at other times of day or evening and may make unannounced visits to Tacony business owners.)
7. Follow up with helpful information and meet the business owner’s expressed needs.
8. Stay in close contact. Frustratingly, recruitment generally happens on the schedule of the business owner or entrepreneur, which is not always on the same eager schedule that the Economic Restructuring Committee might like. Sometimes, it may take a year or two (or more) for the seeds that you have planted and the relationships you have

nurtured to mature. That's why it is so important to keep the relationships active and stay in touch.

9. Celebrate the opening and support the new business. It should go without saying, but your continued follow up, marketing assistance, and patronage are just as important to success as attracting the business in the first place.

Problems you may encounter

You'll probably run into problems like these, despite good planning. You can prepare contingencies for some of them.

- Finding the right kind of space for a prospect. Despite 26% ground-floor vacancy in Tacony, you may not be able to come up with the perfect space for a prospective tenant, perhaps because of size or condition of space.
- Finding the right location for a prospect. You may not be able to provide a space at the right location, for any number of reasons. The prospect may need to be near transit, or may want to be in close proximity to another business in the district.
- Timing. The prospect may not have the intention, capital, or capacity to expand when you first approach him or her.
- Finding qualified store management staff. For businesses opening their second location (as opposed to third or fourth), it can be especially challenging to find someone to manage the new store.
- Disgruntled real estate brokers. Some brokers may think you are horning in on their turf. You can address this in advance by convening them early and sharing your approach.
- Disgruntled (existing) businesses. Business may say that Torresdale Avenue needs more businesses, but they may complain if they perceive a new tenant as competition.

Tools

While much of the recruitment process depends on cultivation of relationships, there are a number of tools which can provide information about properties and prospects, or which can make information easier to manage.

- VillageManager.net: A database which we have set up for Tacony CDC, containing all commercial properties in the district. (Free.)
- Salesforce.com: A customer relationship management tool which can be used for identifying and contacting prospects. (Free.)
- SalesGenie.net: A product of InfoUSA, SalesGenie provides contact and basic business information about all US businesses. It can be useful when researching recruitment prospects. (Most of its services are by subscription, however, we are happy to look up information for Tacony CDC at any time.)
- VerticalResponse, ConstantContact, and others: Email communications and marketing products which can be used to cultivate both business and customer connections to the district.

But the most effective sales tool in business recruitment is a healthy existing business: A new business wants to see a profile of an existing business in Tacony that looks like him/her and is successful.

Implementation timeline

The following is a proposed implementation timeline. It was developed as a simple Excel sheet which we will provide to the Economic Restructuring Committee. They can modify it and use it as a project management tool.

Proposed Marketing Plan Torresdale Avenue – Tacony CDC		2012						2013											
GENERAL BRANDING	Cost	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December
GENERAL BRANDING																			
Signage																			
SEPTA stop	\$1,000																		
SEPTA parking lot banners	\$5,000																		
Private buildings	\$500																		
Marketing Materials																			
Purchase 11x17" printer	\$3,500																		
Print posters	\$1,500																		
Merchandising																			
Signs in plant boxes	\$250																		
Dog bowls and treats	\$0																		
Storefront light-ups	\$1,000																		
Paid Advertising																			
Cable TV advertising	\$5,000																		
Digital Marketing																			
Set up Salesforce.com database	\$0																		
Apply for Google.org account	\$0																		
Post weekly specials on social media	\$0																		
CLUSTER MARKETING																			
Monthly/Weekly Promotions																			
Seniors' Day	\$250																		
Pay Day	\$250																		
Contractor's Special	\$0																		
Key Events for Key Clusters																			
Active Engagement	\$2,500																		
Specialty Food	\$500																		
Collectors	\$500																		
Individual Business Marketing																			
Mothers' Day	\$100																		
Graduation	\$100																		
Halloween	\$100																		
Thanksgiving	\$100																		
July 4 th	\$100																		
Skill Building Classes																			
Using technology to sell.	\$150																		
Do marketing with no money.	\$150																		
Using social media. (FB, Twitter, Pinterest)	\$150																		
Liquidate non-moving merchandise. (eBay)	\$150																		
How to Produce Video Testimonials.	\$150																		
ECONOMIC RESTRUCTURING PROMOTION																			
Identify Key Businesses and Property Developers																			
Pull business lists from ReferenceUSA	\$0																		
Seek lists of mid-size developers	\$0																		
Upload to Salesforce	\$0																		
Engage																			
Send quarterly newsletter	\$0																		
Invite to events	\$2,000																		
TOTAL BUDGET	\$25,000																		

Team background

Joshua Bloom, CLUE Group.

Josh Bloom teaches communities how to revitalize their commercial centers by first gaining an understanding of their local economies and then helping them apply that knowledge to a series of market-driven and achievable projects. He has particular interests in using research on local customers to deepen the picture painted by traditional demographic data sources, and in cultivating sustainable clusters of chain and independent businesses. He has published articles on both of these subjects.

Before joining the CLUE Group, Josh spent ten years as a program officer at the National Trust for Historic Preservation's National Main Street Center. While he works in communities of all sizes, he was instrumental at the Main Street Center in expanding the program's urban reach to cities that included Boston, Cleveland, St. Louis, Los Angeles, Philadelphia, and others.

Josh received his B.A. from Columbia University and a master's in historic preservation from the University of Pennsylvania. He is a former molecular biologist, and in 2007 he completed a two-year course in preservation carpentry at the highly regarded North Bennet Street School in Boston.

Christopher Johansen, MBA, Market Knowledge

Chris Johansen helps businesses, business districts, and nonprofit organizations develop effective marketing strategies. Using his simple eight-point method (www.eightpoints.com), Chris helps clients identify profitable niche opportunities and craft effective promotional strategies. Previously, Chris managed a successful urban neighborhood-based Main Street program, tax-based business improvement district, and micro-enterprise program in northeast Philadelphia. Chris was also the Director of Development for a large voluntary business improvement district in West Philadelphia. His company, Market Knowledge, provides training and consulting throughout the United States. Chris holds a B.S. in finance from the University of Louisville and an M.B.A. in marketing from Case Western Reserve University.

Eric Goldstein CLA, RLA, PP

Eric Goldstein is a leader in community and economic development. Whether directing one of the most successful business improvement district's in the nation, University City District, in West Philadelphia, managing the redesign and construction of some of Philadelphia's most notable public parks at The Pennsylvania Horticultural Society, or in his current position redeveloping neighborhoods for workforce families seeking first time home buying opportunities in urban areas, Eric has continually brought fresh thinking and passion to his work to rebuild and energize neighborhoods and improve people's lives. Eric is a licensed Landscape Architect in Pennsylvania and New Jersey and a New Jersey Professional Planner. He was recognized by the Philadelphia Business Journal as a 40 Under Forty award recipient in 2003 and is a 2001 graduate of Leadership Philadelphia. Eric holds a Master of Landscape Architecture from Kansas State University (2005) and a Bachelor of Science from Rutgers, The State University of New Jersey (1991) in Environmental Planning & Design.

Rebecca Murphy

Utilizing her experience with advertising agencies, Becky has consistently impressed clients with her design skills and strategic marketing ideas. She has designed for large, expensive corporate campaigns and provided ideas and graphics for small retailers and restaurants. She seeks to provide high-quality, versatile, and affordable branding for community redevelopment projects. Becky has a B.A. in graphic design from the University of Louisville. Becky has volunteered for several urban Main Street programs and understands their challenges and opportunities.

Disclaimer

Retail market analyses, their components (such as retail sales gap analyses) and derivative business development plans provide important guidance on how a commercial district should, theoretically, be able to perform and on the sales and rent levels businesses should be able to achieve. However, a number of factors affect the actual performance of retail businesses and commercial districts, including skills of the business operator, level of business capitalization, quality of the physical environment, changes in overall economic conditions, district marketing programs, and numerous other factors. The information and recommendations in this market study are intended to provide a foundation of information for making retail development and marketing decisions in Tacony, but they do not and cannot ensure retail success.

This report's findings, conclusions, and recommendations are solely those of the consultant and should not be assumed to represent the opinions of Tacony CDC or any other party.