

Executive Summary

2019 BRODHEAD MARKET ANALYSIS

PURPOSE OF STUDY

The purpose of this market analysis is to compile and interpret information useful in economic development efforts. This study is designed to:

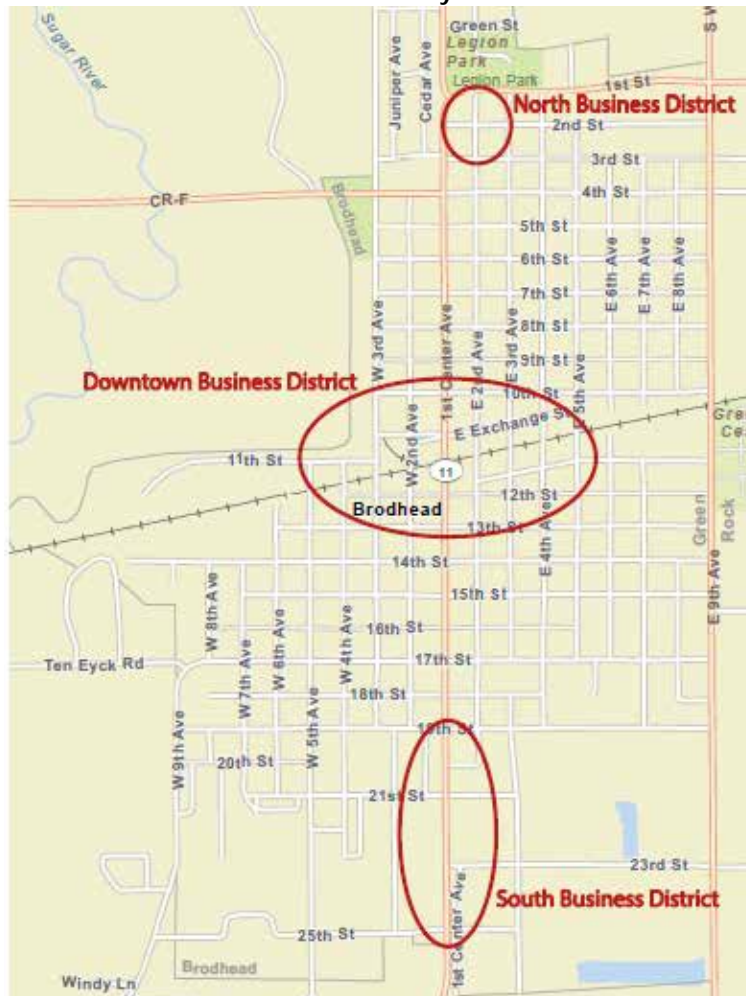
- Support business retention and expansion;
- Attract businesses and entrepreneurs;
- Guide improvements to the physical environment; and
- Provide data to inform marketing and branding efforts.

This project represents a community-led initiative. Local business and community leaders were actively involved in the research and analysis. They participated as a study team that met regularly to review and interpret data gathered from the market analysis.

STUDY AREA DEFINED

This market analysis focuses on three business areas in the City of Brodhead. All three run along 1st Center Avenue. Combined, these three areas compose the majority of retail, restaurant, and service businesses in Brodhead. These three study areas are illustrated on the following map:

Brodhead Study Areas



This study was prepared by the Brodhead Market Analysis Study Group and UW-Madison/Extension educators.



Market Segments Served

- Residents of the Trade Area. This is the largest and most important market segment in the community. The City of Brodhead's population is approximately 3,200 and has decreased slightly since 2010. There are relatively high levels of owner-occupied housing. The availability of businesses have a direct impact on local quality of life.
- Workers. The inflow of approximately 463 workers to the community increases the daytime population and sales at local businesses. Kuhn North America is the largest employer (300 employees) followed by Stoughton Trailers (135 employees).
- Visitors. Both leisure and business visitors travel to or through Brodhead, generating additional sales for businesses. Business travelers visit to attend meetings, trainings, consulting, deliveries, etc. Leisure travelers attend events related to school, community, church, and youth sports.

TRADE AREA

Brodhead is located in southern Wisconsin, approximately 20 miles from three larger cities: Janesville, Beloit, and Monroe. The total Brodhead trade area extends 10 miles from the city center and includes 5,600 people, including the city population.

Brodhead Trade Area Based on 10-Minute Drive Time



PEER COMMUNITY VISITS

Evansville and Fort Atkinson, Wisconsin were chosen as communities with comparable characteristics to Brodhead. A number of lessons were learned in visiting those communities and meeting with community leaders.

- In Evansville, downtown vibrancy has benefitted from the close working relationship between the City and Chamber, who work effectively together to keep the downtown occupied and active.
- In Fort Atkinson, having a city manager position has been effective in having community capacity for economic development. Fort Atkinson also has strong examples of leveraging natural recreational amenities for downtown vibrancy.

SURVEY RESEARCH

In fall 2018, the study group developed a survey to learn about opinions and perceptions regarding Brodhead and its commercial areas. The survey audience included people who lived and worked in Brodhead. Altogether, 432 responses were collected and analyzed. The following are a selection of the findings:

- Residents are largely satisfied with the walkability and safety of Brodhead's downtown area. The variety of businesses and business upkeep and investment are areas to improve upon.
- Survey respondents indicated they would shop at a large grocery store, dollar store, drug/personal care store, hair salon or barber shop, and coffee shop bistro, among others.
- Restaurant preferences include fast food, casual table service, and a pub/grill. Residents want places that serve pizza, burgers/chicken, and Mexican food.

ANALYSIS OF RETAIL & RESTAURANT DEMAND & SUPPLY

The demand and supply calculations in this market analysis reveal some potential opportunities for economic development in Brodhead:

- *There is opportunity to increase tourism spending.* Increasing tourism in Brodhead could increase the dollars coming into the community. Leveraging and marketing Brodhead's strengths, such as its natural resources and recreational amenities, could serve to increase tourism activity while also benefiting residents. To meaningfully boost tourism spending, an effort must be made to recruit hospitality-related businesses such as lodging and visitor amenities.
- *While there is currently some in-commuter spending, this can be increased.* Appealing to commuters could include assessing their unique commuting needs. This could be done by working with businesses to conduct employee surveys.
- *Brodhead has more retail activity and more restaurant supply than would be anticipated.* This shows a strength in Brodhead establishments in selling products outside the trade area. The information about restaurant supply, in combination with the community survey data showing a desire for increased diversity of food options, indicate that there may be opportunity for businesses to expand their menus and hours.

SAMPLE MARKET OPPORTUNITIES

The following opportunities are based on demand and supply calculations, survey results, and consumer characteristics of local residents. These opportunities can be filled through business expansion efforts as well as business attraction efforts.

Restaurants

- Destination restaurant/supper club;
- Fast food;
- Mexican and Asian food;
- Outdoor dining; and
- Winery or brewery.

Retail

- Amish bakery;
- Specialty food stores;
- Home décor;
- ATV and outdoor recreation supplies;
- Local crafts and gifts;
- Antiques;
- Pop-up shops showcasing home-based businesses; and
- Farmers market.

Services

- Professional services including legal or financial that offer customized, knowledge-based services;
- Daycare;
- Youth center or community center;
- Hotel with a pool and banquet facility;
- New generation bowling alley with family entertainment;
- Small family theater with older movies.

RECOMMENDATIONS

Business Retention and Expansion

1. Assemble a business retention and expansion workgroup that can regularly meet with businesses on an individual basis to hear and quickly respond to their needs and concerns.
2. Explore possibilities to provide co-working or shared services at reduced costs and increase exposure for home-based businesses.
3. Help businesses considering relocation to identify their optimal location within the business districts.
4. Encourage and empower businesses and organizations in promoting each other.

Business Attraction

1. Create a business recruitment team made up of local leaders with enthusiasm for the community.
2. Develop an inventory of open spaces and buildings that are available for occupancy and/or development.
3. Encourage business entrepreneurship through programs such as downtown pop-up shops and entrepreneur groups.
4. Increase the advertising and marketing of opportunities and resources available in Brodhead.
5. Leverage and advertise the market analysis information for business attraction.
6. Work more closely with county and state resources and partners.
7. Better access, leverage, and use training programs to promote entrepreneurship and business development.

Physical Environment

1. Develop and implement a plan to improve the downtown business district to improve downtown attractiveness.
2. Develop and implement a plan to improve the connectivity and signage for Brodhead's current and proposed community assets.
3. Emphasize and educate property owners about programs and incentives already available that would assist property owners in developing and maintaining attractive storefronts.
4. Work with property owners to restore and leverage the use of upper floors downtown, possibly for housing.
5. Identify ways to encourage people travelling through Brodhead to stop.
6. Transform the downtown area into a central social district where people can gather.

Community Marketing & Branding

1. Articulate a clear community brand for Brodhead, leveraging community strengths and assets.
2. Increase Brodhead's budget for advertising and create a strategic advertising plan.
3. Create unique, place-based beautification initiatives according to the community brand.
4. Develop a community ambassador group that visits current businesses to support and promote business and community.

Capacity for Action

1. Hire a paid City administrator position.
2. Hire a paid position to promote economic development in Brodhead.
3. Create a regular, collaborative practice for the organizations and committees involved in economic development work to have annual action plans, update each other, and annually identify successes.