

Downtown Billings Retail Market Executive Summary

Downtown Billings Partnership
Billings, Montana

Prepared by
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Executive Summary

The retail district in downtown Billings serves a metropolitan population in excess of 100,000, is the arts and cultural center for a significantly larger regional population, and is conveniently located along Montana's primary air and highway tourist corridor, bringing travelers through Billings from all over the country and world. So the potential for a thriving retail district is great, although the downtown's market share of shoppers is relatively small today.

A few established marketing clusters provide a foundation to build on, while development of additional complementary clusters would provide enough diversity to draw additional shoppers downtown and still provide cross-selling opportunities to benefit existing clusters. By defining themes and physical paths for these clusters, the downtown district can become a desirable retail location for businesses and a popular destination for our local, regional, and tourist populations.

Demographics

The region that makes up the Billings trade area consists of 314,000 people, of which thirty percent live in Billings. Almost 13,500 people live in downtown and the adjacent neighborhoods, and over 7,000 people work downtown. An additional 4,000 people work in the medical and university corridor just north of downtown. Billings is home to almost 30,000 households with children, with seventy percent of these households living in the zip codes that include downtown and the area just west of downtown.

Downtown Billings draws visitors from each of the surrounding counties in the region during a typical autumn week. Based on vehicle parking counts, Billings receives approximately 250 to 300 visits from the region, plus an additional 350 to 400 from outside the region during a typical autumn week. During lunchtime from 11 AM to 1 PM on a typical autumn weekday, there are approximately 4,500 to 5,000 pedestrian crossings at intersections downtown. These pedestrians are young and old alike, but are predominately between the ages of thirty and fifty.

In addition to summary statistics, we have detailed pedestrian counts and demographics by intersection, parking counts by block, and traffic counts at entrances and exits to the downtown district for weekdays during morning, lunch, afternoon, and

evening, and during afternoon on weekends. These detailed statistics provide a baseline to evaluate site locations for new and existing businesses, the effectiveness of downtown promotional campaigns, and tracking of downtown's market draw over time.

Current Retail Base and Marketing Clusters

The current retail base forms a foundation of five thematic marketing clusters, plus a beginning for developing one or more of the five potential clusters mentioned in the next section. The five thematic clusters include *Exploring Arts and Culture*, *Women's Shopping*, *Tourist*, *Resident Services*, and *Business Services*. Many of the existing retail shops and restaurants downtown belong to one or more of these marketing clusters.

These thematic clusters have varying degrees of physical clustering. Each shop benefits from the foot traffic generated from other like and complementary shops, but only if there is a physical clustering of the shops. *Exploring Arts and Culture* is somewhat scattered with respect to the museum anchor locations and venue space, but visual arts have good clusters started along Montana and 2nd Avenues. *Women's Shopping* is clustered within the core retail section along Broadway, 29th and 2nd. The tourist cluster contains both the historic district as well as the central district, with the hotel corridor conveniently located between these districts. However, the pedestrian counts along the hotel corridor suggest that the pathways to these districts are not sufficiently developed to draw pedestrians into these districts. Both the *Resident Services* and *Business Services* clusters are within the core retail district, while their customer bases are concentrated along the periphery.

To increase business success and the effectiveness of revitalization, thematic clusters should be developed as physical clusters to the extent possible. Street-level space within the core retail district between 27th and 30th, and Montana and 3rd, should be developed as prime retail if the architecture permits, while the upper levels should house residents and businesses. For example, some of the prime retail space on Broadway is currently used for business purposes rather than to increase retail density and the physical clustering of shops.

Potential Additional Clusters

To expand on the current retail base, we propose five potential thematic clusters that complement existing clusters and have a few establishments that can serve as a building point. The five thematic clusters proposed for consideration include *Family Occasion, Western and Heritage Shopping, Unique Furnishings and Design, Nightlife and Entertainment, and Artist Services.*

In addition to complementing existing thematic clusters, these potential clusters also fit well with physical expansion opportunities within downtown. For example, the Western and Heritage shopping cluster could form along the first block of 29th and along Montana Avenue in the area of the museum, while the Family Occasion cluster could fill in the core district on 29th and expand out to 30th.

Next Steps

The next steps for the Partnership include (1) selection of thematic clusters and the physical path development for these clusters; and (2) development of business retention and recruitment plans for businesses that fit into one or more of these marketing clusters; (3) development of supporting marketing materials; and (4) retention and recruitment of businesses. The Center will be providing market research support for individual business prospects as part of the retention and recruitment of businesses.

Art Scibelli

From: Yoder, Tom [TYoder@msubillings.edu]

Sent: Wednesday, December 19, 2001 9:02

To: Art Scibelli (E-mail)

Subject: executive summary

Art, I attached a 3-page executive summary for your review.

Tom