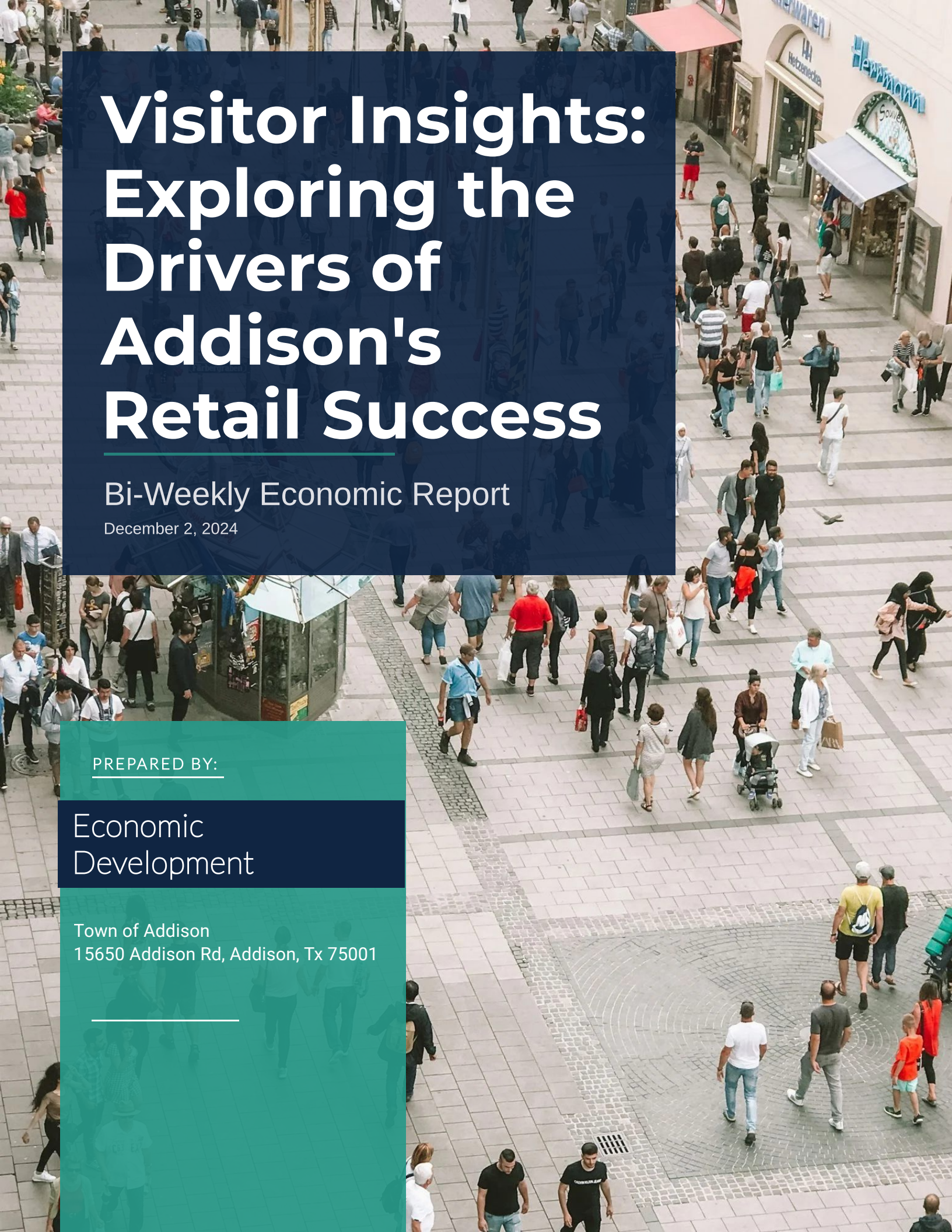




Visitor Insights: Exploring the Drivers of Addison's Retail Success

Bi-Weekly Economic Report

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Introduction: Uncovering the Visitors Behind Addison's Retail Prosperity

In our previous reports, we explored the foundations of Addison's thriving retail market. The first report highlighted the town's thriving retail real estate market, characterized by high rental rates and low vacancy. The second report attributed this success to exceptional revenues generated by local establishments, attracting more businesses to Addison.

This report takes a closer look at the visitors driving this success, analyzing who they are, where they come from, and their behavior while shopping. To achieve this, we use Placer.ai, a location analytics platform that provides anonymized and aggregated data.

Placer.ai works by using GPS and other location data from mobile devices to analyze visitor behavior in real-world locations. The data is entirely anonymized and aggregated to protect privacy, and it allows us to examine trends such as the number of visitors, how long they stay, how often they return, their demographics and even where they come from. Placer.ai provides a detailed view of factors shaping Addison's retail performance.

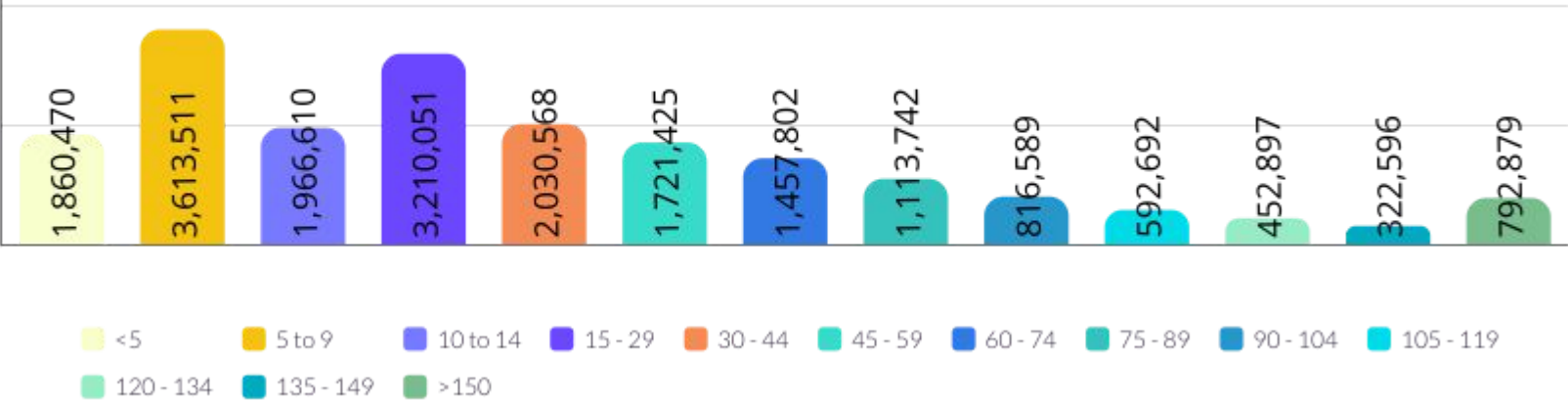
Using this data, we'll explore how Addison's shopping centers perform, analyze visitor demographics and behaviors, and uncover trends that influence retail market strength. This report is designed to provide actionable insights and further highlight Addison's position as a thriving retail hub.

Visitor Behavior: How Long Do Visitors Stay?

This report examines visitor data from **November 1, 2023, to October 31, 2024**, offering a comprehensive view of visitor behavior over the past year. During this time, Addison's retail establishments welcomed **19.7 million visitors**, who spent a combined **14.4 million hours** shopping, dining, and enjoying the town's offerings. With an average time on site of **44 minutes**, it's clear that these establishments attract far more than just Addison residents. Reaching these figures would require every resident to visit over 1,100 times annually—an unrealistic scenario.

Understanding visit duration is critical for evaluating how effectively retail establishments engage visitors. Longer visits often indicate higher customer satisfaction or diverse offerings, while shorter visits reflect convenience-driven behaviors like quick errands. The following graph provides insight into how long visitors typically spend at retail establishments in Addison, showcasing the diversity of engagement and behaviors that contribute to the area's retail excellence.

Visits by Duration



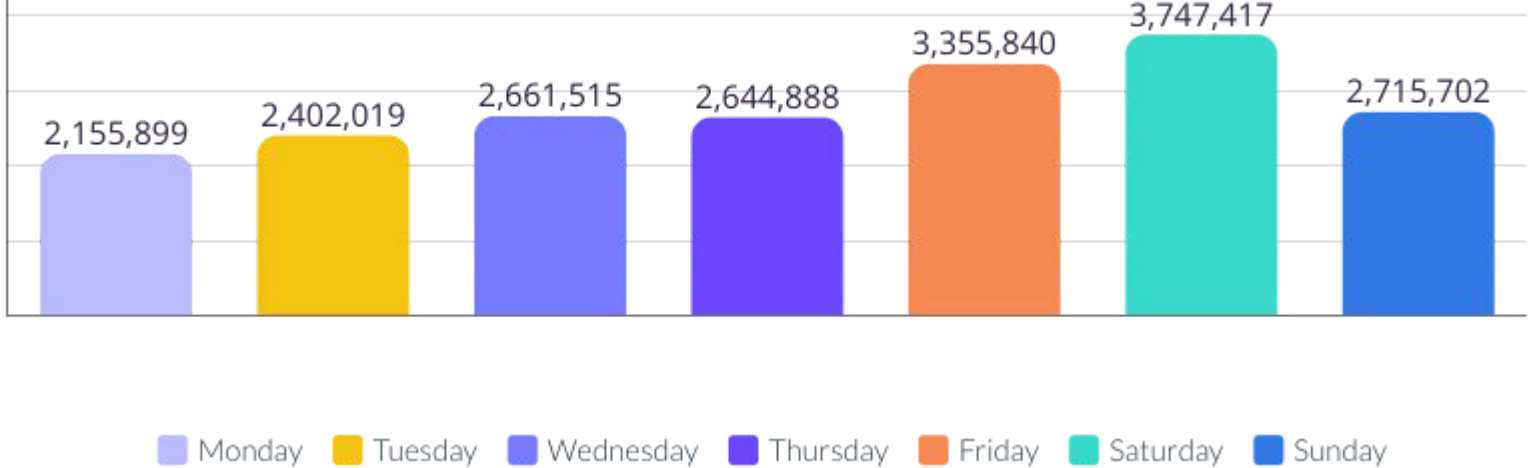
Key Insights:

- **Convenience Drives Quick Visits:** Nearly half of all visits last under 15 minutes, reflecting the accessibility and ease of Addison's retail establishments for quick errands and drop-ins.
- **Longer Visits Highlight Engagement:** Restaurants and entertainment venues retain a significant portion of visitors for extended stays, showcasing the depth and appeal of Addison's offerings.
- **Versatile Shopping and Leisure Destination:** The balance between brief and prolonged visits underscores Addison's ability to meet a wide range of consumer needs, from everyday convenience to immersive experiences.

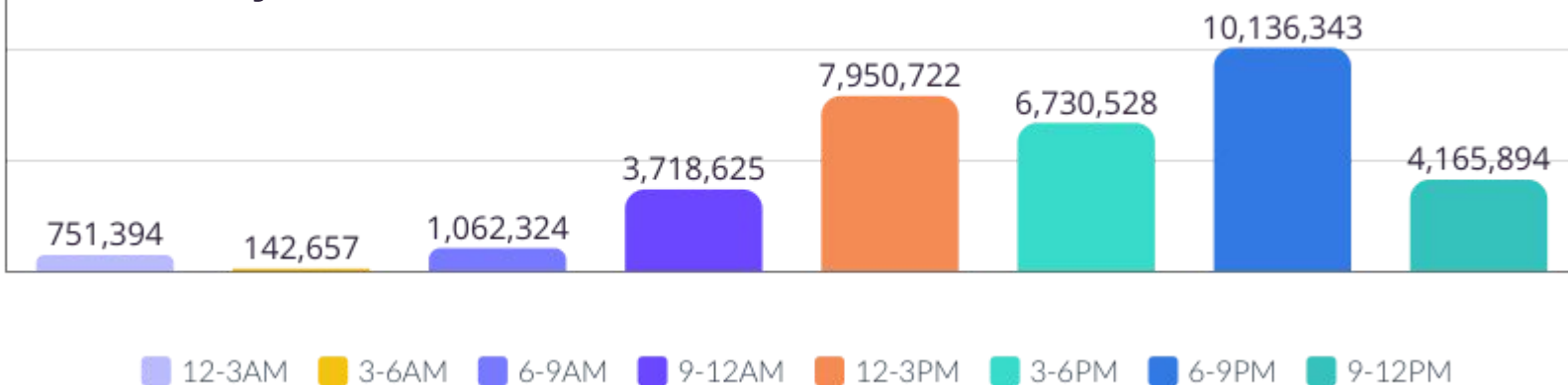
Visitor Patterns: When Do Visitors Shop and Dine?

Understanding when visitors frequent Addison's retail establishments provides valuable insights into consumer behavior. The data below highlights visits by day and hour, revealing key trends in how and when people engage with the town's retail offerings.

Visits by Day



Visits by Hour



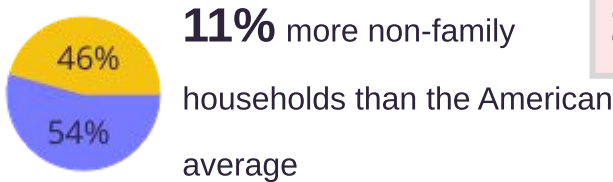
Key Insights:

- **Friday and Saturday Dominate:** Foot traffic increases significantly on Friday and peaks on Saturday with 3.7 million visits. These days account for the largest share of weekly visits.
- **Evening Hours and Weekends Drive Visits:** Addison's mix of dining and entertainment options draws visitors during prime hours, with traffic peaking between 6 PM and 9 PM on evenings and weekends.
- **A Versatile Destination:** The steady flow of visitors throughout the week and the pronounced weekend spikes highlight Addison's appeal as both a daily convenience hub and a weekend hotspot for dining and leisure.

Understanding Our Visitors: Demographics and Insights

The demographics of Addison’s retail visitors provide valuable insights into the diverse audience served by local establishments. From household composition to education and income levels, this data highlights key characteristics that contribute to the success of the town's retail market.

Household Composition

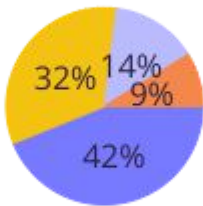


11% more non-family households than the American average

Family Households Non-Family Households

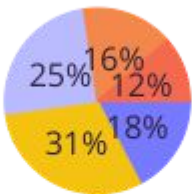
2.33 people per household, **13%** less than the national average

Ethnicity



White Hispanic or Latino Black Asian

Educational Attainment



46% of visitors have a Bachelor Degree or higher, **14%** more than the national average

Advanced Degree Bachelor Degree Some College High School Less than High School

\$115,339 Average household income, **9%** higher than the national average

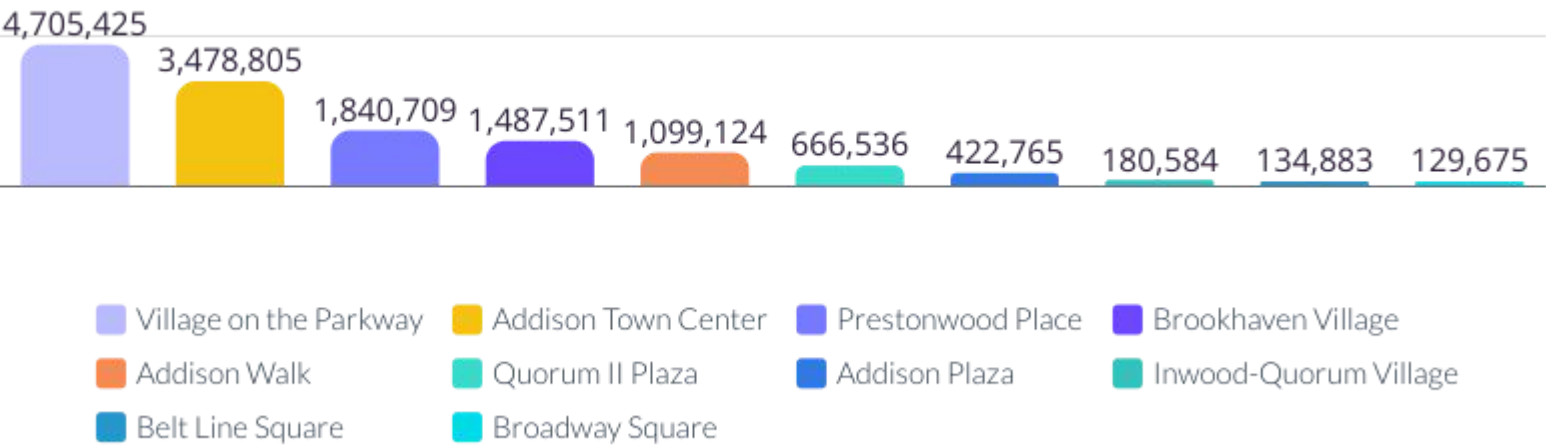
Key Insights:

- **Strong Economic Profile:** Nearly half of visitors hold a bachelor’s degree or higher—**44%** above the national average—and an average household income of **\$115,339**, **9%** above the national average. This reflects a well-educated and financially stable audience with strong purchasing power. .
- **Diverse Demographics:** Addison’s visitor base reflects a rich mix of ethnic backgrounds and household types, with non-family households making up **46%**—**14%** higher than the national average.

Shopping Centers: The Cornerstones of Addison's Retail Achievement

Addison's **9 shopping centers** play a pivotal role in it's retail landscape, accounting for over **14 million visits** in the past year, an impressive **74%** of all retail visits in Addison. By combining diverse tenant mixes with convenient locations, these centers attract a wide range of visitors, driving consistent foot traffic and enhancing the overall appeal of Addison's retail market. This section explores key insights into the performance of these centers. The following graph ranks these shopping locations based on total visits.

Visits by Shopping Center



Visitors and Visit Frequency

	VOP	ATC	PP	BV	AW	Q2P	AP	IQV	BLS	BP
Visitors	1.6M	668K	632K	290K	510K	347K	135K	92K	69K	72K
Return Rate	2.9	5.2	2.9	5.1	2.2	1.9	3.1	2.0	2.0	1.8

Visitors represent the unique individuals who visited the shopping center, while **Visits** count the total number of times those individuals came. **Return Rate** measures how often each visitor returned within the year.

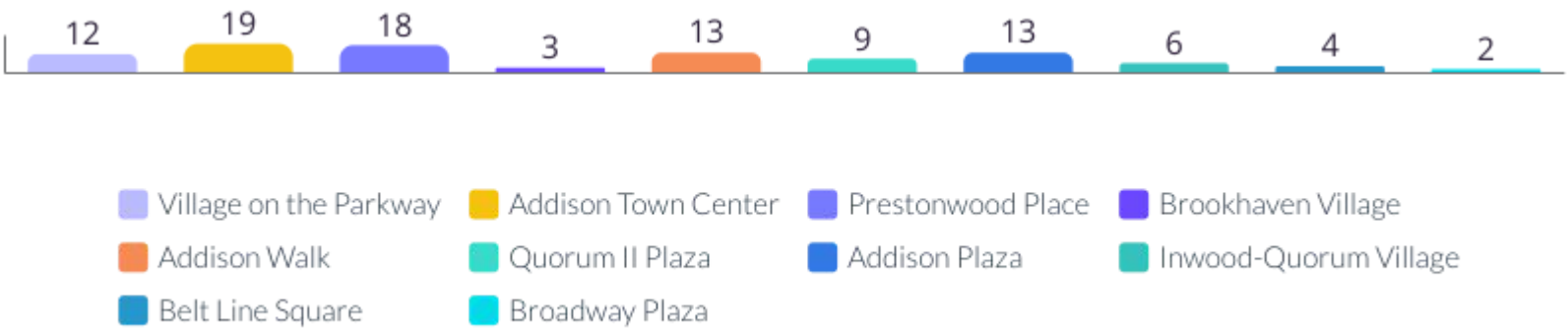
Key Insights

- **Grocery Stores Drive Loyalty:** Addison Town Center and Brookhaven Village, anchored by Target, Kroger, and Tom Thumb, have the highest return rates of over 5 visits per visitor, respectively. Logically, grocery stores attract the most repeat costumers.
- **Village on the Parkway Attracts the Masses:** Village on the Parkway sees the highest total visits and unique visitors, with 1.6 million visitors annually. Anchored by Whole Foods, its diverse mix of restaurants, entertainment, and retail draws a broad audience.
- **Diverse Appeal Across Centers:** While grocery stores drive repeat visits, other shopping centers with varied tenant mixes, such as Addison Walk and Quorum II Plaza, maintain steady engagement, showcasing the versatility of Addison's retail hubs in meeting different consumer needs.

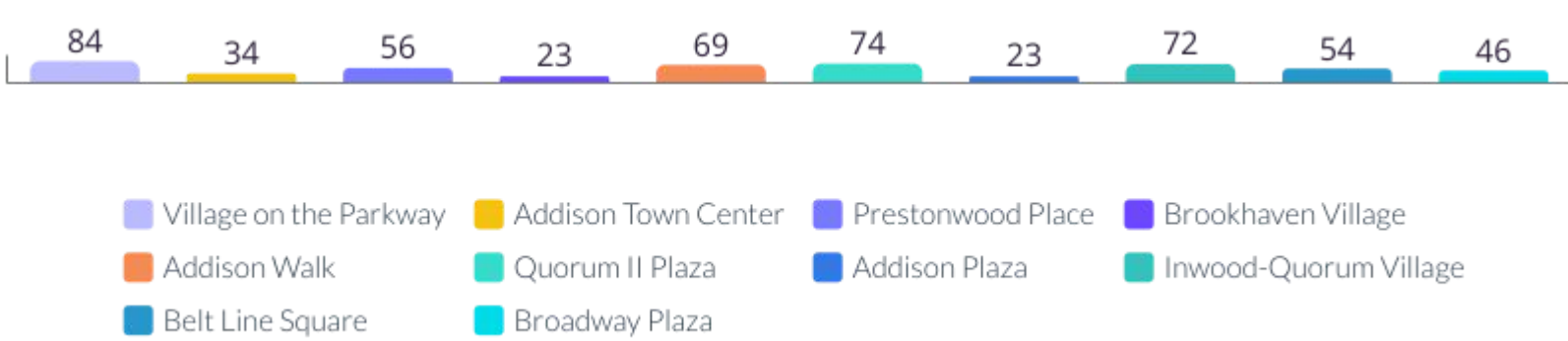
Performance Metrics: Engagement, Efficiency and Growth Over Time

Key performance metrics provide insights into the success of Addison’s shopping centers. Average time on site highlights visitor engagement, visits per square foot measures space efficiency, and year-over-year trends reveal growth over the past two years. Together, these metrics showcase the evolving performance of Addison’s retail hubs.

Visits per Square Foot



Average Time on Site



Year Over Year Visits

	VOP	ATC	PP	BV	AW	Q2P	AP	IQV	BLS	BP
Visits YoY	9%	-2.8%	3.1%	2.4%	-6.6%	-3.9%	-0.2%	-27.3%	-21.4%	-8.2%
Visits Yo2Y	11.8%	-5.9%	14.2%	28.3%	2.7%	-6.1%	1.6%	-40.5%	-30.7%	-25.6%

Key Insights

- **Village on the Parkway Excels Across Metrics:** Village on the Parkway outperforms in visits and year-over-year growth, achieving these results despite ongoing construction. Its high average time on site reflects visitors either spending extended time at destinations like Puttshack or visiting multiple establishments in one trip.
- **Diverse Tenant Mix Drives Engagement:** Centers with a variety of retail, dining, and entertainment options, such as Village on the Parkway and Addison Walk, see higher visitor engagement and longer time on site compared to those anchored primarily by grocery stores.
- **Grocery Stores Don’t Always Limit Performance:** While grocery-anchored centers often show lower visits per square foot and shorter time on site due to single-purpose visits, Village on the Parkway, also anchored by Whole Foods, demonstrates how a strong mix of establishments can overcome these challenges and attract a broad audience

Retail Visitors: The Heart of Addison's Shopping

The most-visited shopping centers in Addison attract a diverse audience, shaped by varying household compositions, income levels, and educational attainment. This section focuses on the demographics of visitors to these top-performing centers. By understanding who these visitors are, we gain valuable insights into the different appeal of Addison’s premier retail destinations.

	Addison Retail Average	Village on the Parkway	Addison Town Center	Prestonwood Place	Brookhaven village	Addison Walk
Household Income	\$115,339	\$125,690	\$102,641	\$136,783	\$107,793	\$130,647
Bachelors or higher	48.5%	51.3%	41.5%	59.5%	47.7%	55.3%
Home-Owner Household	46%	46.7%	43.5%	48.3%	41.5%	48%
	Addison Retail Average	Quorum II Plaza	Addison Plaza	Inwood-Quorum Village	Belt Line Square	Broadway Plaza
Household Income	\$115,339	\$121,577	\$106,910	\$131,624	\$114,077	\$103,759
Bachelors or higher	48.5%	52.3%	44.5%	54.1%	48.1%	46.3%
Renter Household	46%	47.1%	44.3%	50.1%	44.2%	42.7%

Well Below Average Below Average Above Average Well Above Average

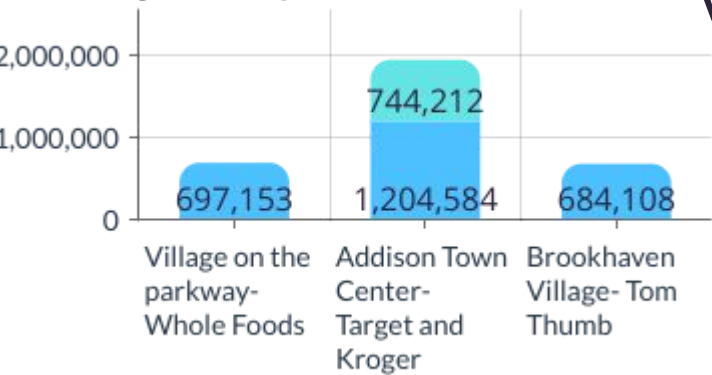
Key Insights:

- **Education and Income are Correlated:** Centers with higher percentages of visitors holding bachelor’s degrees or higher, like Prestonwood Place (59.5%), also see the highest average household incomes. This correlation highlights the connection between education levels and spending power in Addison’s retail market.
- **Homeownership is Less Tied to Income:** Despite high household incomes, homeownership rates remain lower at many centers, likely reflecting Addison’s housing stock, which includes a significant number of high-quality apartments that appeal to renters.
- **Varied Appeal Across Centers:** Shopping centers like Prestonwood Place and Addison Walk outperform in both education and income metrics, suggesting a strong draw for affluent, highly educated visitors. In contrast, centers like Addison Town Center and Brookhaven Village attract more diverse audiences.

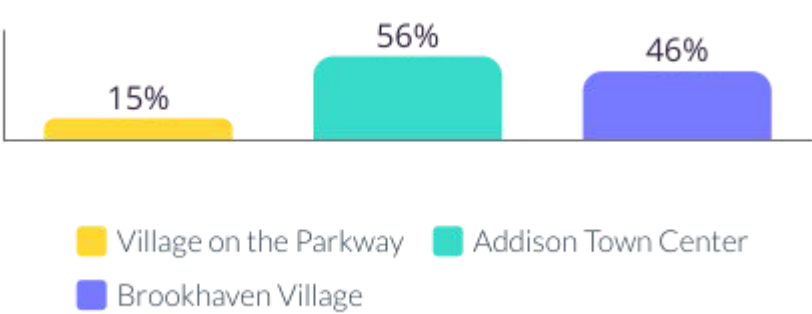
Anchor Stores: The Core of Addison's Foot Traffic

Anchor grocery stores play a critical role in shaping the success of their respective shopping centers, and Addison's retail in general. Visits to Grocery Stores represent 17.3% of all Addison's retail visits. This section highlights anchor visits and the percentage of foot traffic attributed to anchors in Addison's three largest shopping centers by gross building area: Village on the Parkway (**400,000 square feet**), Addison Town Center (**186,000 square feet**), and Brookhaven Village (**557,000 square feet**). Understanding the influence of these key tenants provides valuable insight into the dynamics of grocery-anchored centers in Addison.

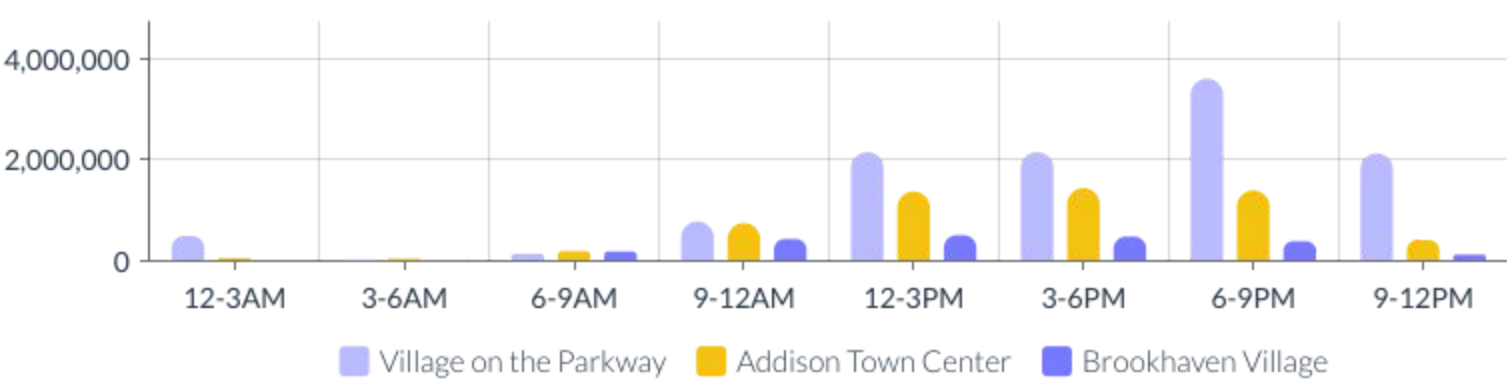
Total grocery Anchor Visits



Percentage of Total Shopping Center Visits to Anchor



Hourly Visits to main shopping Centers



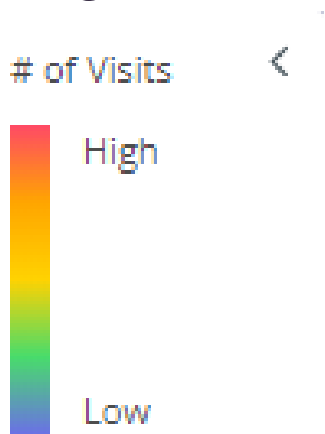
Key Insights

- **Varied Dependency on Anchors:** The percentage of shopping center visits attributed to grocery stores varies widely, reflecting differences in tenant composition and visitor behavior across Addison's largest shopping centers.
- **Village on the Parkway Stands Out:** Whole Foods accounts for only 15% of visits to Village on the Parkway. Not due to a lack of performance, Whole Foods attracts more visitors than Tom Thumb, but because the rest of the center excels with its diverse mix of dining, retail, and entertainment options.
- **Village on the Parkway's Distinct Peaks:** Village on the Parkway experiences clear peaks during lunch and after-work hours, with a steady flow even after midnight. In contrast, Addison Town Center and Brookhaven Village lack such peaks, consistent with visitors primarily using them for grocery trips to their anchors.

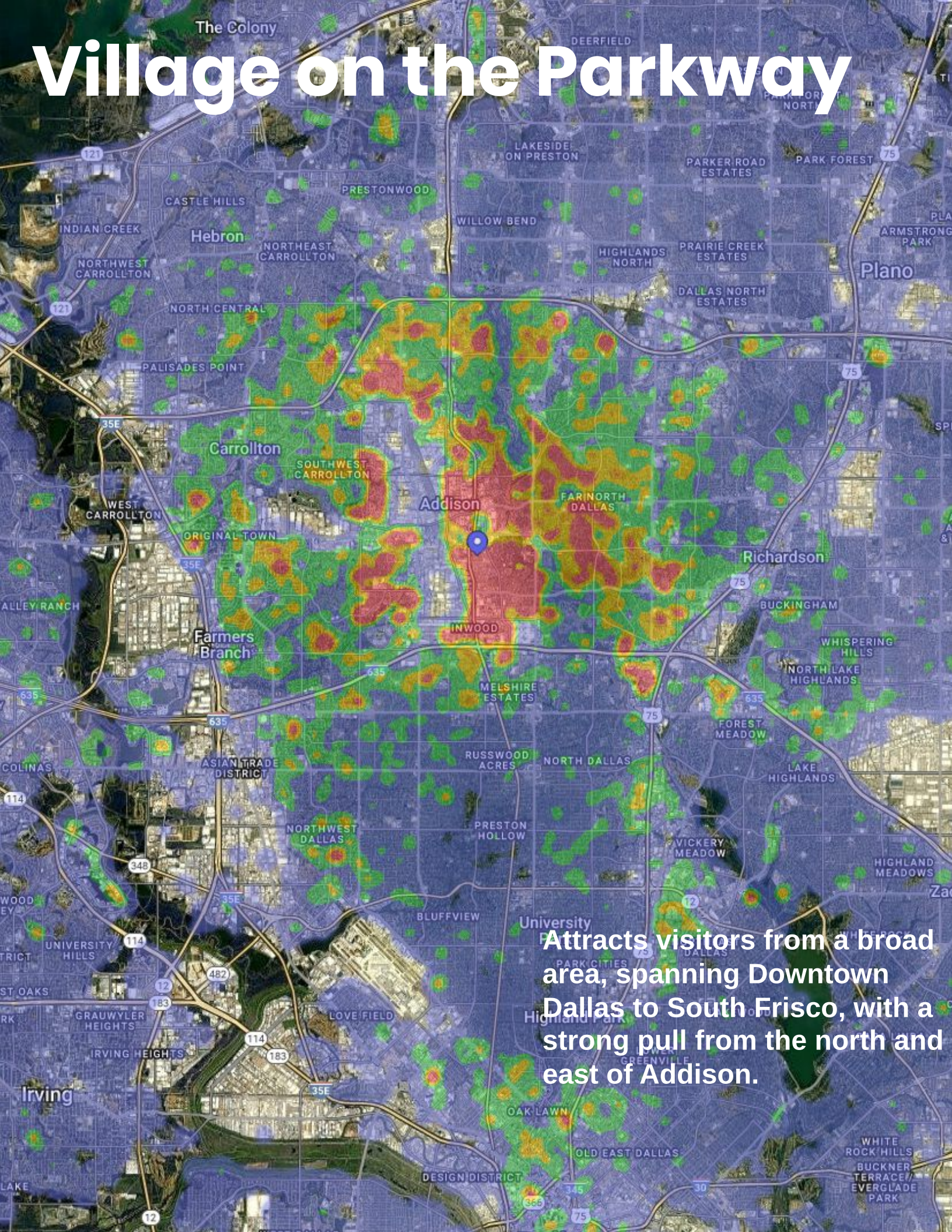
Visitor Origin: Understanding the Reach of Addison's Top Shopping Centers

In previous sections, we examined the key factors driving Addison’s retail excellence, including the influence of anchor stores and the demographics of visitors. Over the next five pages, we will present heatmaps for the five shopping centers with the highest foot traffic. These heatmaps will reveal where visitors are traveling from, connecting demographic appeal with geographic reach, and helping to identify untapped markets with growth potential.

Legend:

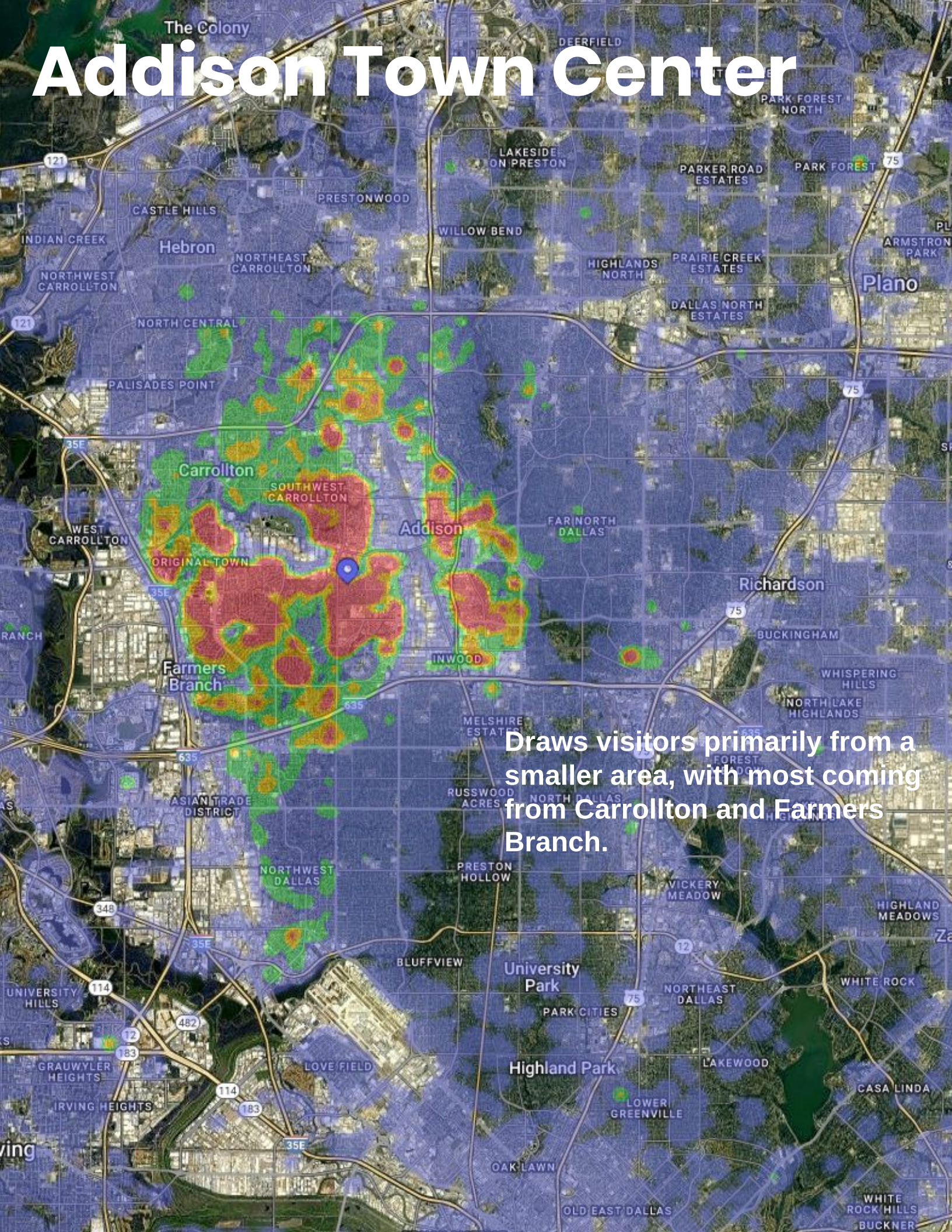


Village on the Parkway



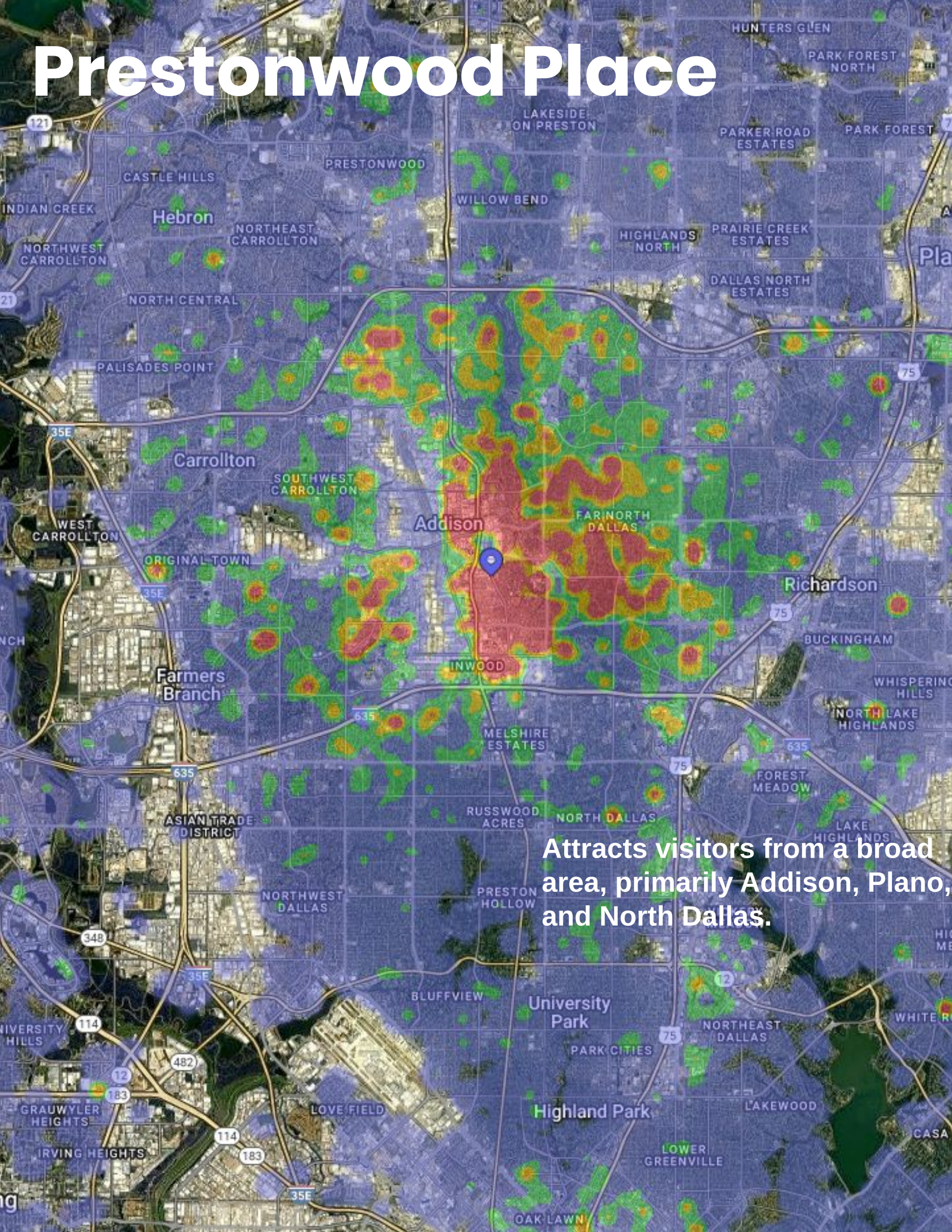
Attracts visitors from a broad area, spanning Downtown Dallas to South Frisco, with a strong pull from the north and east of Addison.

Addison Town Center

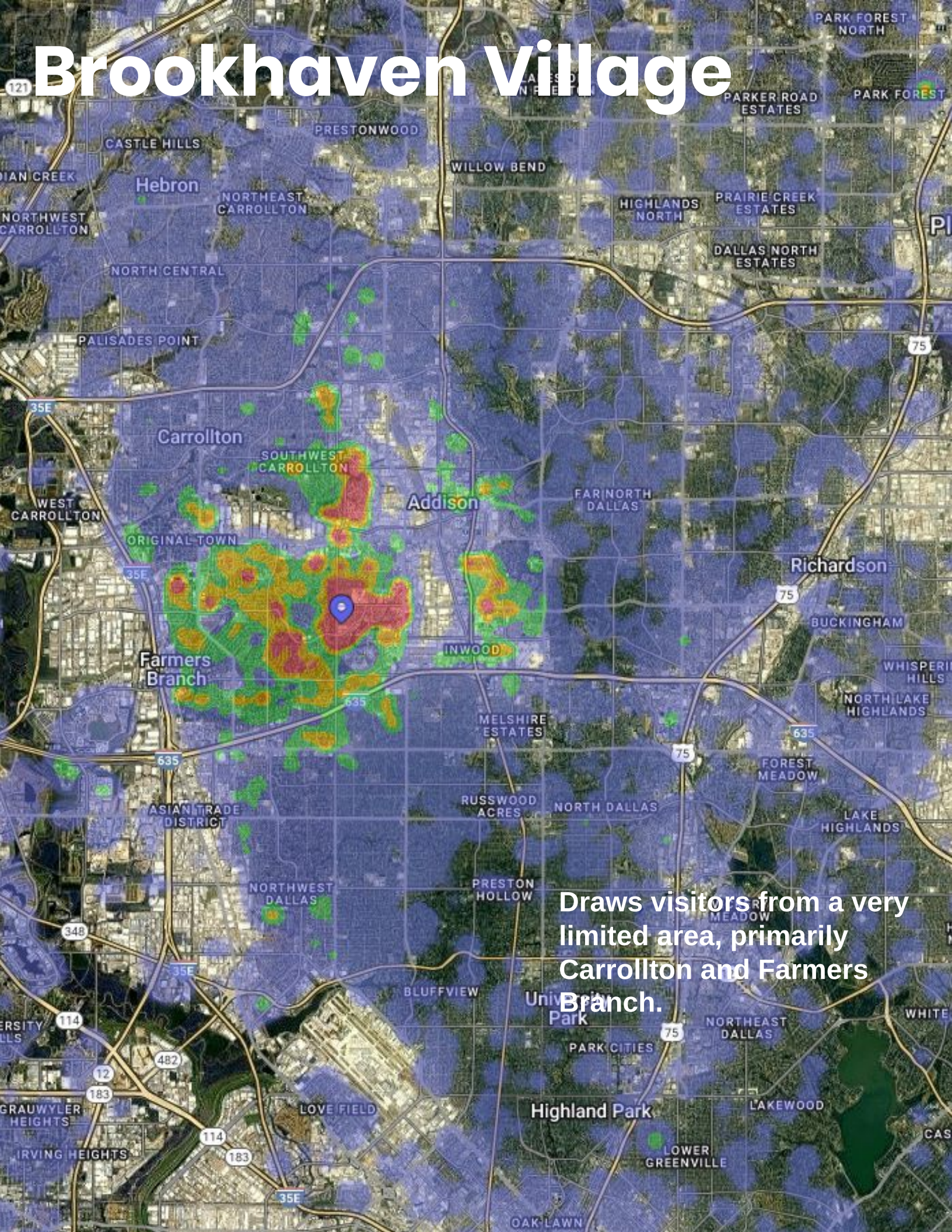


Draws visitors primarily from a smaller area, with most coming from Carrollton and Farmers Branch.

Prestonwood Place



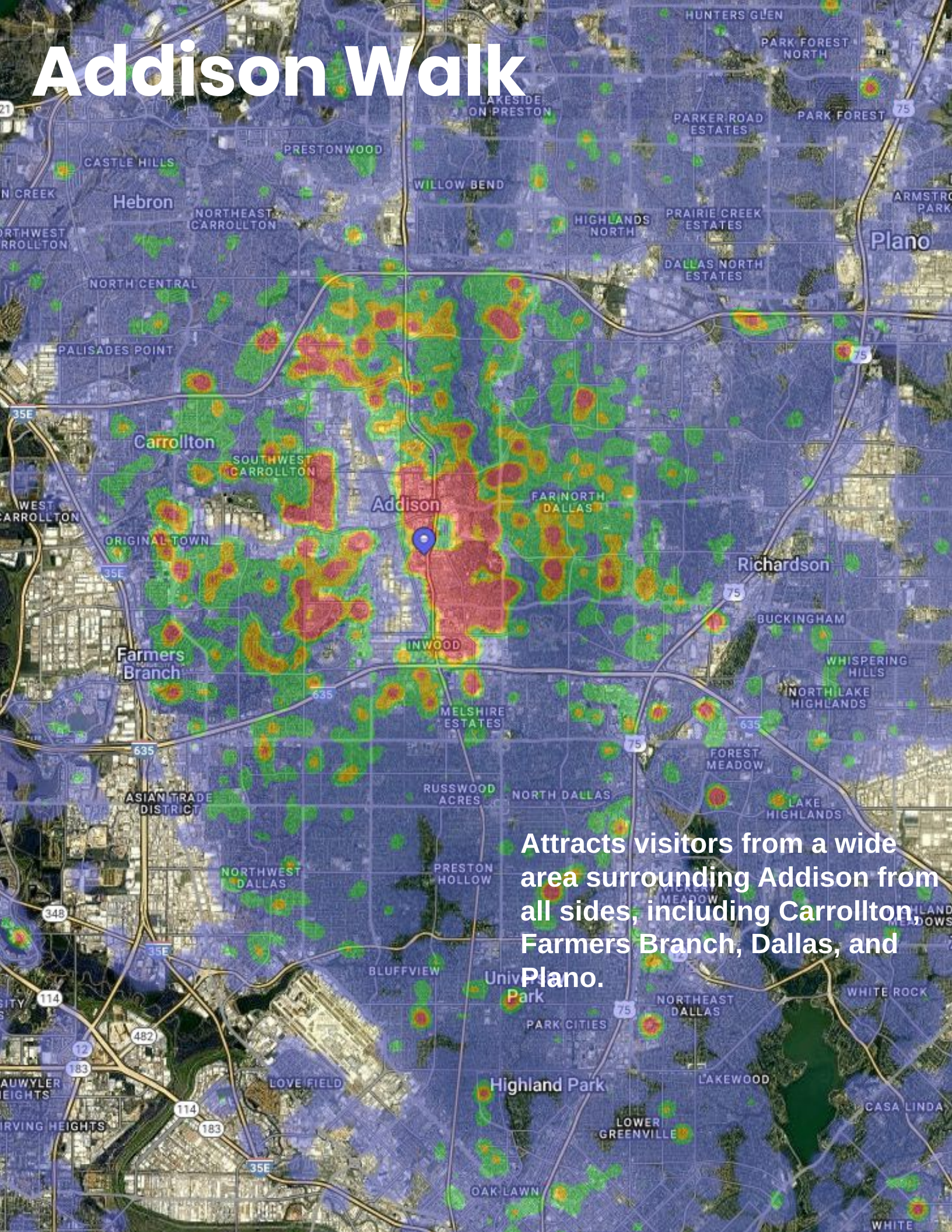
Attracts visitors from a broad area, primarily Addison, Plano, and North Dallas.



Brookhaven Village

Draws visitors from a very limited area, primarily Carrollton and Farmers Branch.

Addison Walk



Attracts visitors from a wide area surrounding Addison from all sides, including Carrollton, Farmers Branch, Dallas, and Plano.

Key Insights:

- **Village on the Parkway's Broad Appeal:** Unsurprisingly based on previous mentions, Village on the Parkway draws the largest number of visitors and from the widest geographic area, including surprisingly south into Dallas, Frisco, and Plano.
- **Anchor Stores Limit Geographic Pull:** Centers anchored by grocery stores, like Addison Town Center and Brookhaven Village, primarily pull visitors from much smaller geographic areas. This is likely due to the prevalence of nearby alternatives like Target, Kroger, or Tom Thumb, which reduce the need for visitors to travel far.
- **Unique Offerings Attract a Wider Reach:** Addison Walk, Prestonwood Place, and Village on the Parkway attract visitors from farther afield due to their unique dining and experiential retail options. These centers offer experiences that cannot be easily replicated at other shopping destinations, drawing customers from across North DFW
- **Demographics Reflect Visitor Origins:** The differences in demographics between centers align with their geographic reach. Brookhaven Village and Addison Town Center predominantly attract visitors from the west of Addison, including Farmers Branch and Carrollton, areas with more modest household incomes and traditional grocery needs. In contrast, Village on the Parkway, Prestonwood Place, and Addison Walk attract visitors from the north and east, including North Dallas, Plano, and Frisco, where higher incomes and a preference for unique dining and entertainment experiences align with the offerings at these centers.