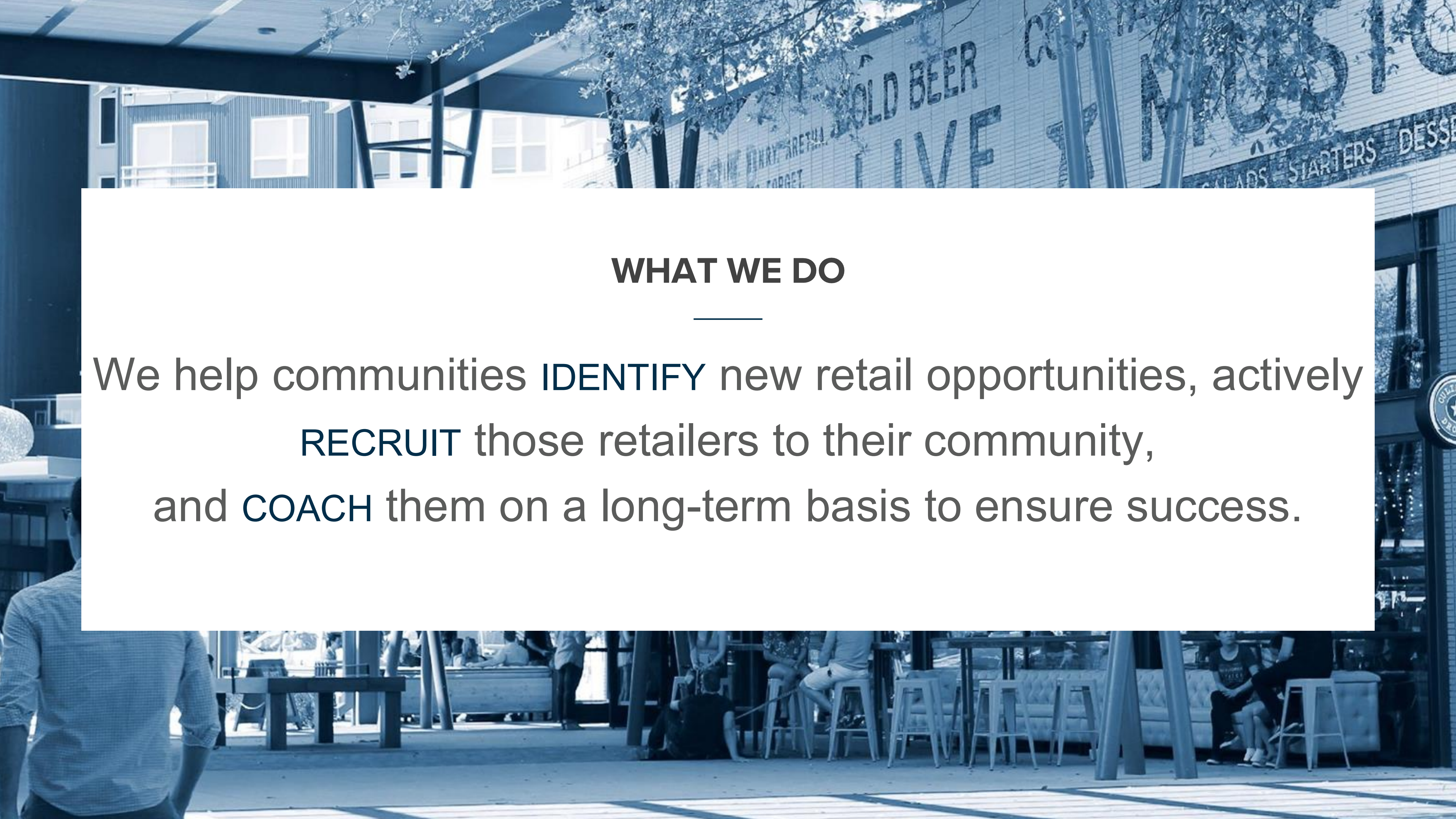


What's Ahead for Retail in Texas



TEXAS ECONOMIC DEVELOPMENT COUNCIL



WHAT WE DO

We help communities **IDENTIFY** new retail opportunities, actively **RECRUIT** those retailers to their community, and **COACH** them on a long-term basis to ensure success.

RETAIL



Agenda

- ➊ Holiday Spending & The Importance of Retail
- ➋ Trends in Retail + Restaurant Development
- ➌ Retail Trade Area: Understanding + Recruiting To Your Market
- ➍ Retail Recruitment Checklist

Holiday Season Spending

- For the 2025 holiday season overall, the National Retail Federation estimates U.S. shoppers spent more than \$1 trillion for the first time ever
- High demand for electronics, toys, and beauty products
- The highest discounts were in the makeup, general apparel, and skincare categories
- Target and Lowes were really the big winners for early morning shoppers

Black Friday Spending

- U.S. Retail Sales on Black Friday rose 4.1% over 2024
- Online shoppers alone spent \$11.8 billion, up 9.1% from 2024
- Data from AI retail insights company Passby found that the U.S. market saw a 1.17% year over year increase in store traffic based on 53 million analyzed visits. The technology group found that the health and beauty sector specifically saw a drop in visits while department stores thrived.

The Importance of Retail

Retail Economic Development



Retail Economic Development

RETAIL

Tax Generation
(Sales)

Resident & Talent
Attraction

Quality of Life

Assists with Traditional
Economic
Development

Trends Impacting The Retail Industry

Store Openings



Retail IS Expanding



RETAIL SUCCESSES



Bomgaars Is Now Open in Our Client Community of Wray, Colorado

RETAIL NEWS



Jimmy John's To Open A Location In Our Client City Of Decatur, Texas!

RETAIL NEWS



Whataburger Will Open A Location In Our Client City Of Hobbs, New Mexico Next Year!

Destination Retail IS Expanding



CLIENT COMMUNITY SUCCESS

CORPUS CHRISTI, TX

90,000 SF CINERGY ENTERTAINMENT PROJECT ANNOUNCED

“Cinergy’s decision to expand in Corpus Christi is a testament to the strength of our market and the momentum we’re building across the region. This project adds diversity to our commercial landscape and demonstrates how targeted incentives can attract meaningful private investment.”

- ARTURO MARQUEZ, DIRECTOR OF ECONOMIC DEVELOPMENT, CORPUS CHRISTI TX

 The**Retail**Coach.



15 YEAR ECONOMIC IMPACT SUMMARY

182	\$4.31M	\$360.65M
JOB CREATED	ANNUAL WAGES	TAXABLE SALES

\$3.91M CITY OF CORPUS CHRISTI NET BENEFITS

\$16.7M TOTAL COMMUNITY TAX BENEFITS OVER 15 YEARS

 The**Retail**Coach.

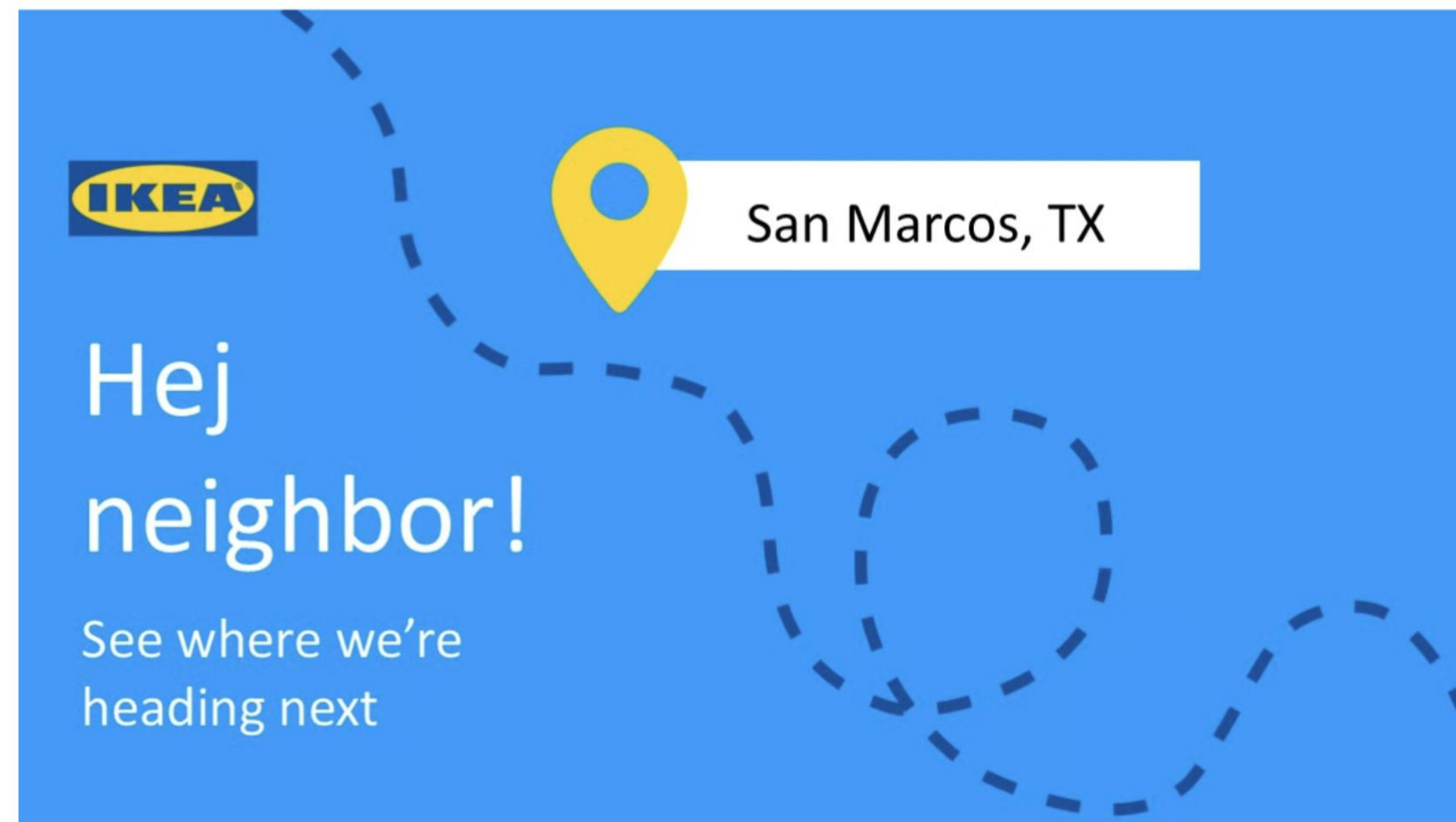


BASS PRO SHOPS AND CABELA'S October 21, 2025

Bass Pro Shops announces Oct. 29 Grand Opening and Evening for Conservation celebration for new Outdoor World location in Odessa, Texas

Destination Retail IS Expanding

Hej Texas Neighbors - IKEA U.S. is opening a new small store in San Marcos



Largest indoor theme park in Texas now open in North Richland Hills

Malibu Jack's features an indoor rollercoaster and several other attractions.



Seeking Sites In Texas NOW



Store Closings

KOHL'S

Party City



JOANN



Walgreens



Now What?



Retail Trends

Many Retailers are Shrinking Their Store Size

Average Store Size is the smallest it has been in twenty years!

THE DENVER POST · 12d

IKEA to open new smaller-format store in Colorado Springs

IKEA, the popular furniture and home goods retailer, will open a new store in Colorado ...



News | Kohl's Cautiously Plots a Brick-and-Mortar Expansion With Smaller Stores

Kohl's is the latest retailer dedicated to expanding its physical footprint by going smaller. The Menominee Falls, Wisconsin-based...



Brands Making Comebacks



Nostalgia

Fast-Food Joints Recall Heyday of American Roadside Architecture

P. Terry's Burger Stand, Andy's Frozen Custard Emphasize Store Design To Promote Their Brands



The designs of P. Terry's Burger Stands, like this location in Austin, Texas, use red, turquoise and white to recall midcentury-modern roadside stands. (CoStar)



Nostalgia



Nostalgia + Retailtainment



Restaurant Trends



Restaurants Sizes are Shrinking

- Less Initial Investment, allows expansion into smaller markets
- Requires fewer workers
- Limited seating
- Emphasizes walk-up, drive-thru's, patio seating, and take out platforms



Restaurant Trends



Mobile Continues to Expand

As much as 60% total restaurant sales (Chipotle) come from the company's website, their app, third party apps



Drive-Thru = Essential

More brands than ever before are requiring drive-thru lanes for all new store locations - even non-QSR concepts.



New Concepts



New Concepts



New Concepts



Retail-tainment + Re-Imagined Store Strategies

Retail-tainment

Community & Entertainment Based Retail

Retail Destinations

“Third Place”

Food
Halls

Entertainment

Mall Redevelopment

Green Space



Retail-tainment



Retail-tainment



Impacts on National Brands



Many have shifted to Experiential

Retailers are realizing they need to offer unique experiences to draw people to their stores

Dick's Sporting Goods House of Sport has a rock-climbing wall, putting green, batting cages, and an outdoor field



Incentives

Should My Community Provide Incentives?

It Depends...

- Will the retailer/restaurant asking for incentives be a catalyst for additional development?
- Will they have a strong impact on sales tax coming in for your community?
- Can the retailer/restaurant/developer illustrate why they need an incentive?

Find Out What Incentives Other Communities Have Provided



- Ask the prospect for incentives they have received from similar sized communities
- Search online for news articles about approved incentive agreements
- Reach out to other communities for copies of their incentive agreement with the prospect. A Public Information Request might be required.

Final Thoughts On Incentives



- Don't be afraid to ask questions.
- Don't be afraid to push back or counter with an incentive offer that is more beneficial to your community.

Community Leadership's Role

How is your community positioning itself in response to these retail trends?

- Stance on drive-thru concepts
- Conversations about incentives
- Land use planning (“protect” key retail sites); Overlays
- Downtown development / redevelopment / experience-retail
- Highest-and-best-use focus
- Community Development efforts

Retail Trade Areas + Recruiting New Retail

Retail Trade Area



The geographic area from which customers are willing to travel to purchase retail goods and services in your market

Trade Area Determination

- Municipal or County Boundaries
- Drive-Time Delineations
- Radial Delineations
- Cell Phone Analysis
- “Walmart Method”

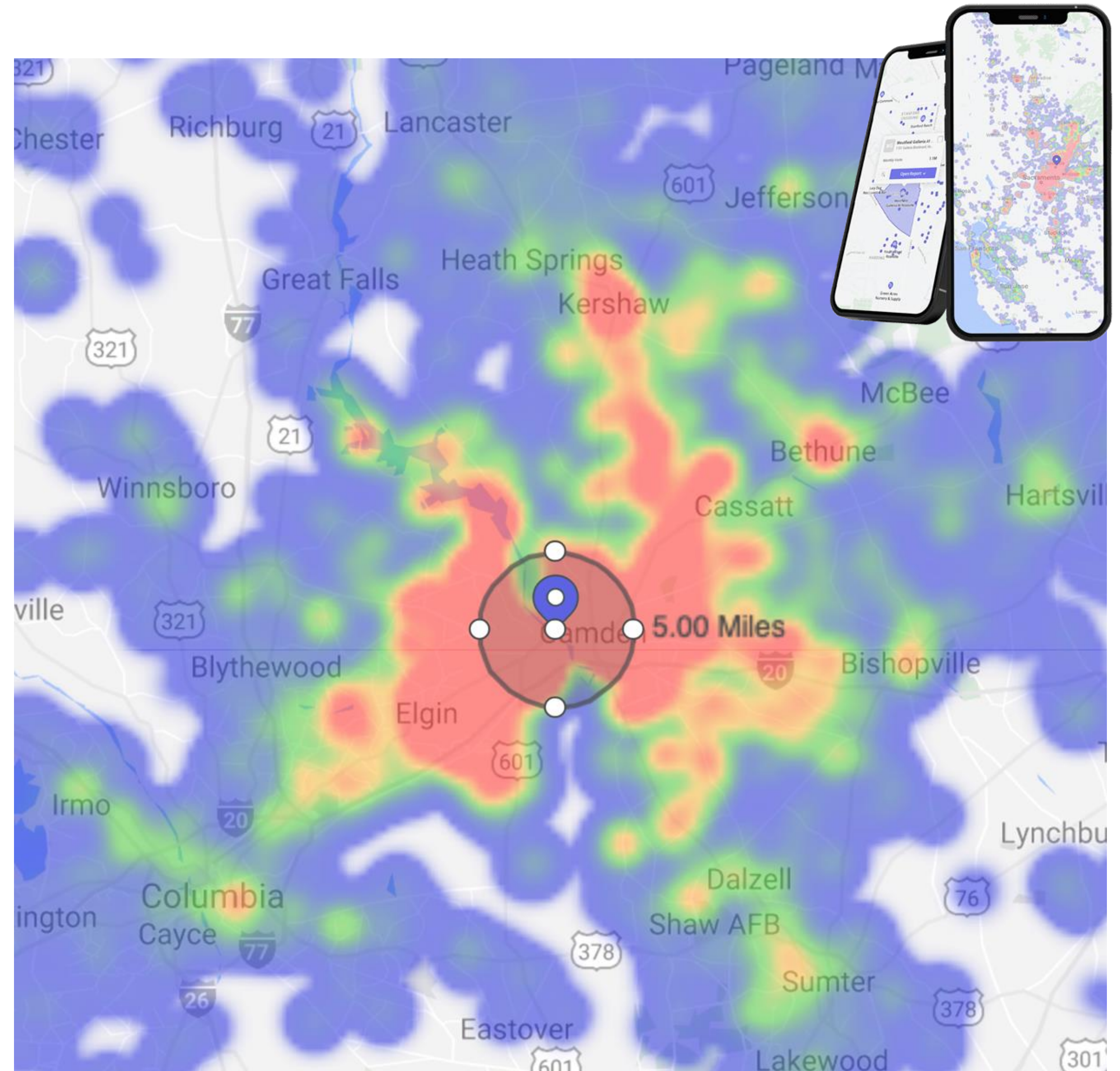
Mobile LocationData



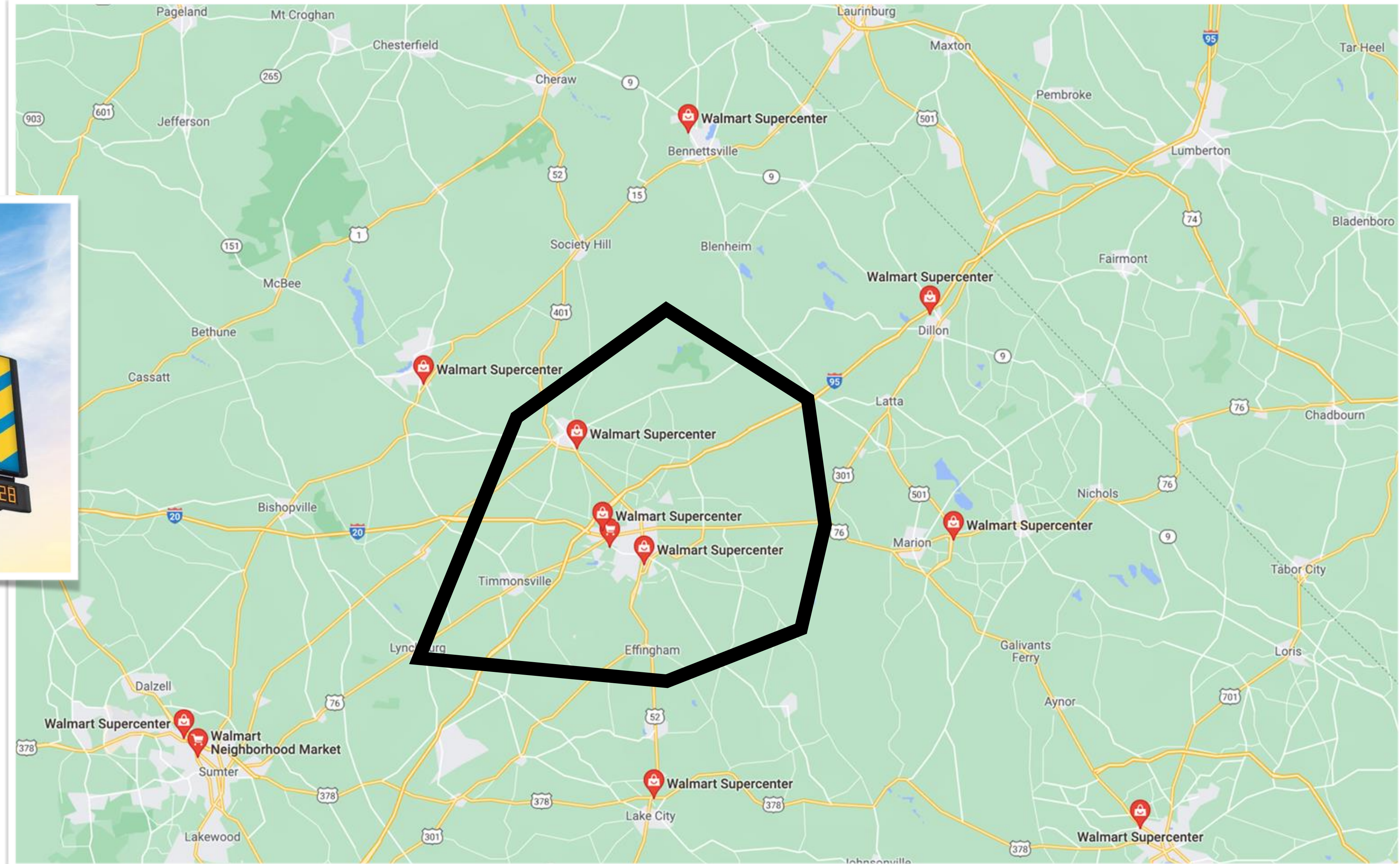
Actual Customer Data

Location Data is a more accurate technology to determine retail trade areas, as well as store performance.

This technology is extremely important to retail so they can determine where their customers are traveling from and how to market to them.



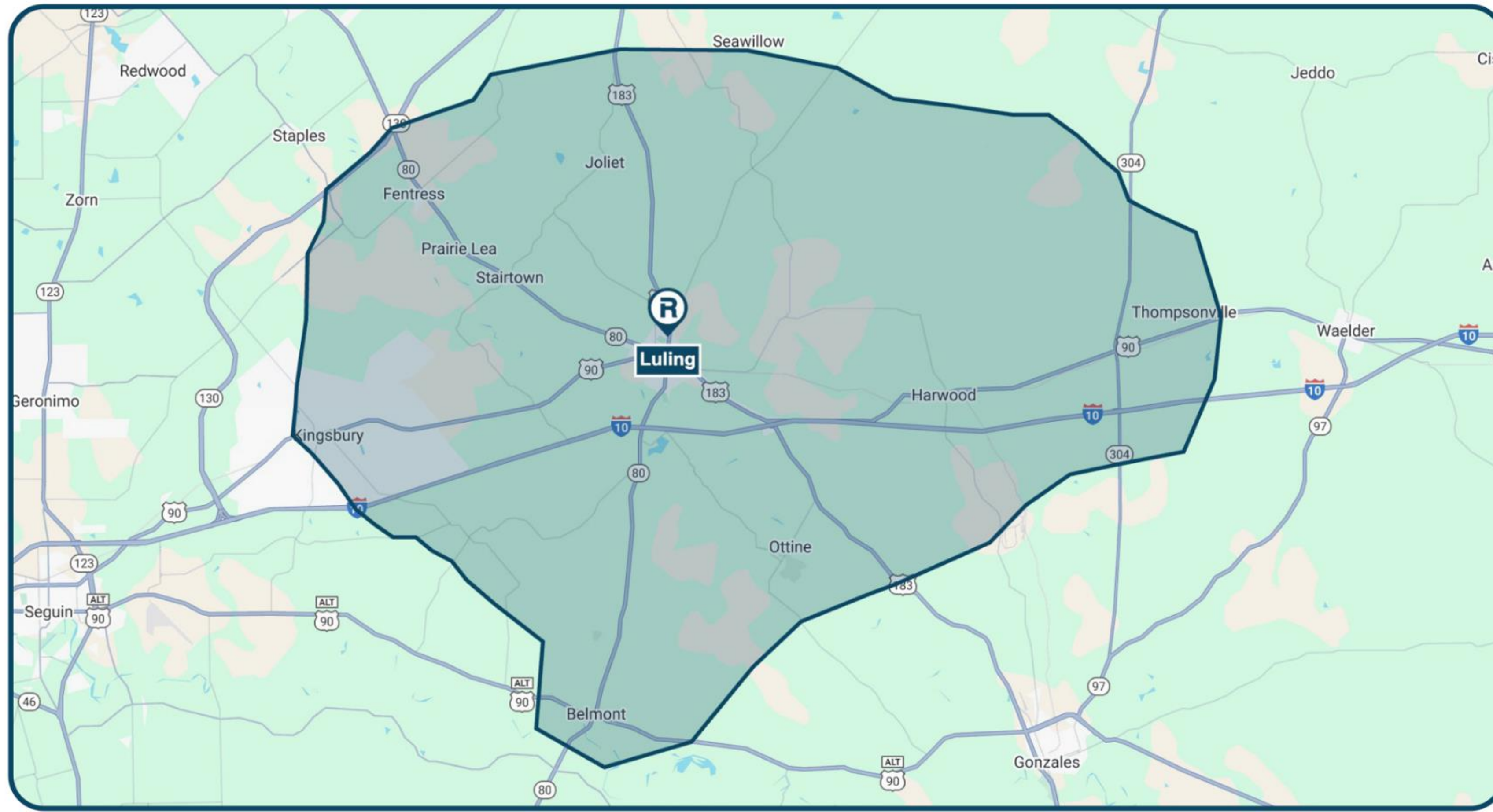
“Walmart Method”

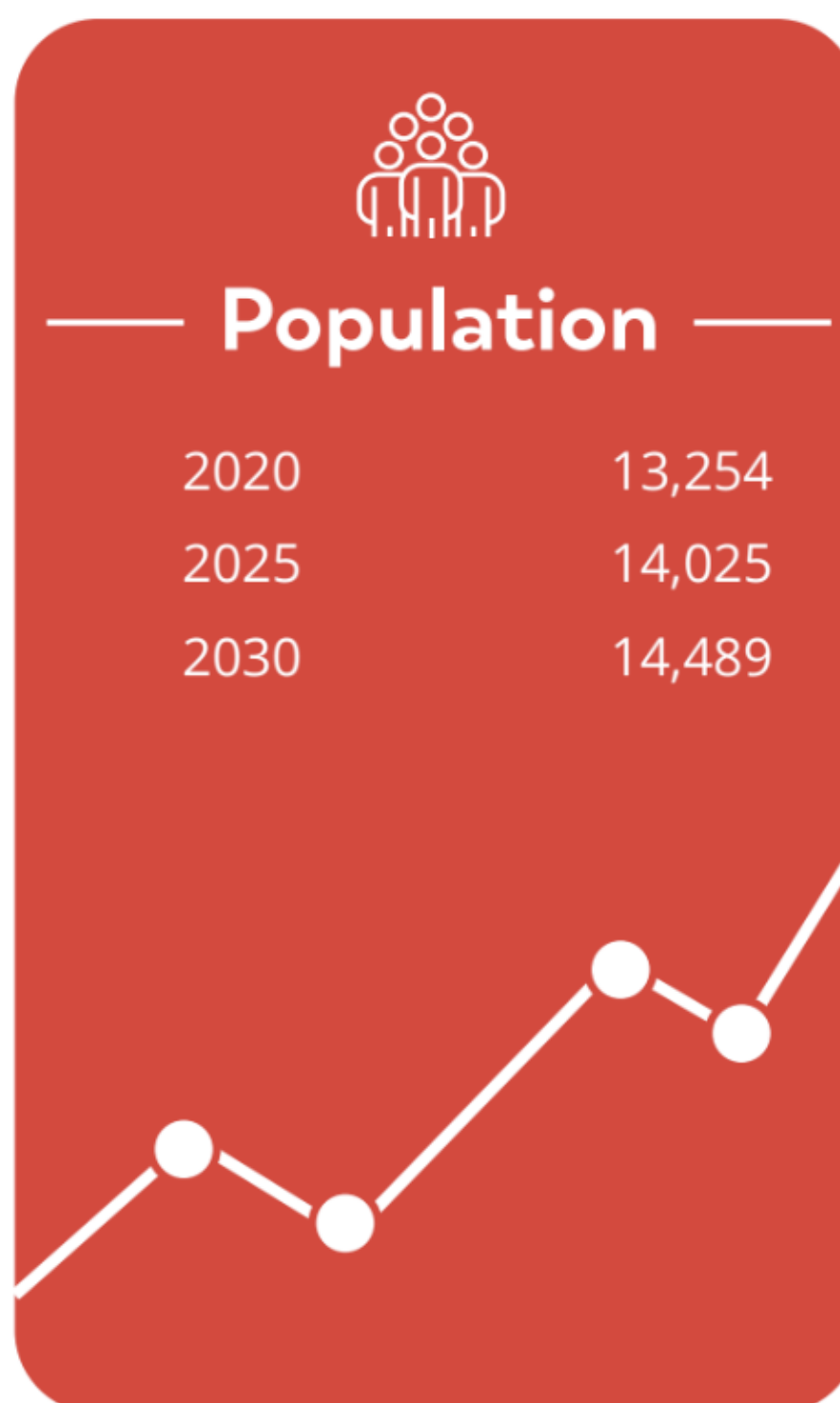


Market Data

Retail Trade Area — Luling, Texas

RETAIL MARKET PROFILE





Age

0-9 Years	12.14%
10 - 17 Years	9.61%
18 - 24 Years	8.65%
25 - 34 Years	11.62%
35 - 44 Years	12.73%
45 - 54 Years	10.94%
55 - 64 Years	13.54%
65 and Older	20.76%
Median Age	41.21
Average Age	41.50

Educational Attainment (%)

Graduate or Professional Degree	6.44%
Bachelors Degree	10.41%
Associate Degree	5.60%
Some College	22.13%
High School Graduate (GED)	38.57%
Some High School, No Degree	10.74%
Less than 9th Grade	6.11%

Income

Average HH	\$87,000
Median HH	\$67,160
Per Capita	\$32,460

Race Distribution

White	58.72%
Black/African American	5.29%
American Indian/Alaskan	0.86%
Asian	0.52%
Native Hawaiian/Islander	0.09%
Other Race	14.76%
Two or More Races	19.77%
Hispanic	44.20%
Non-Hispanic	55.79%

Proactive and Ongoing Retail Recruitment

Local Knowledge



Be A Local Source for Site Selectors

Off market properties

Housing development maps

Upcoming major project (SportsPlex)

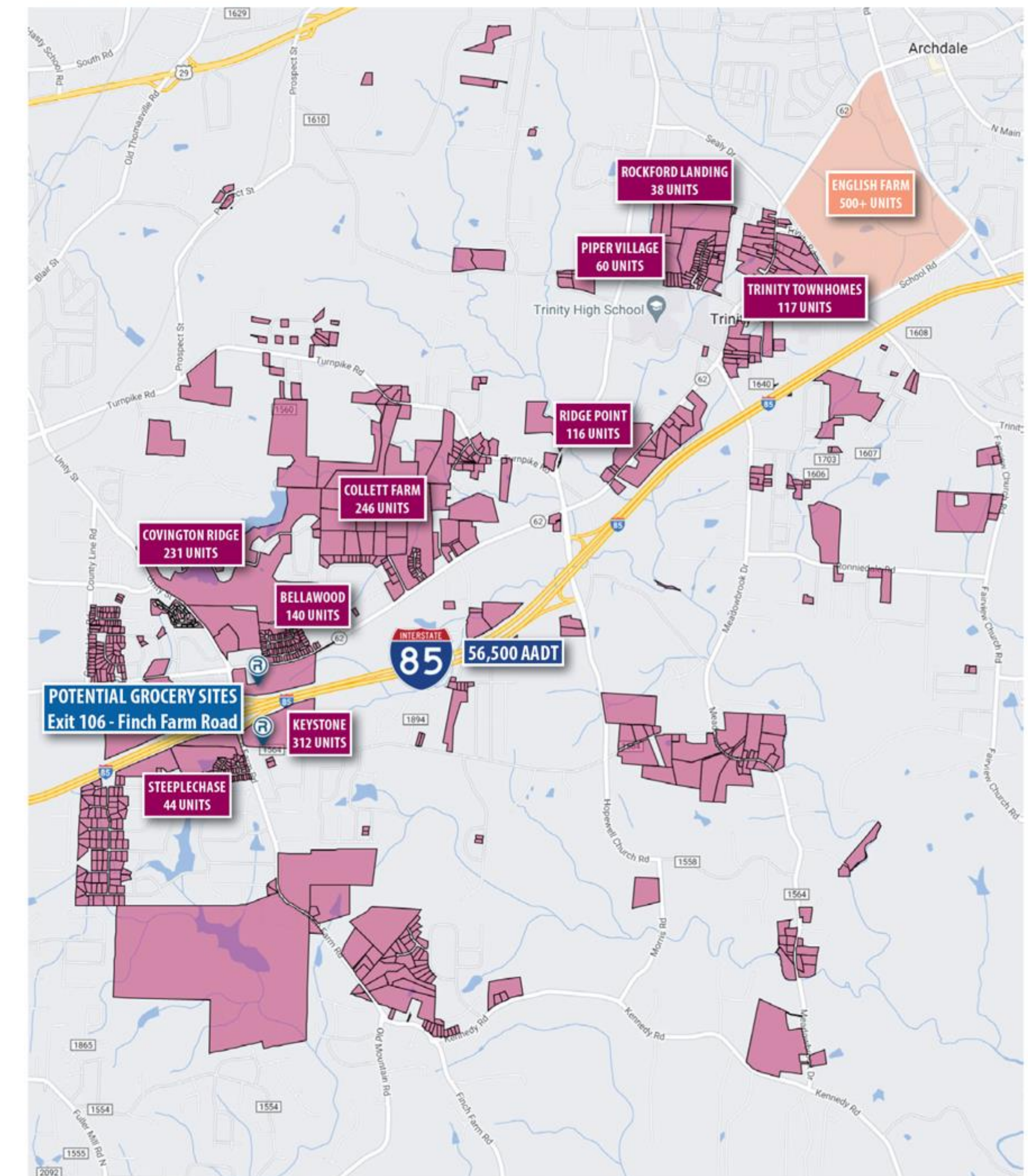
of hotel rooms, occupancy rates, ADR

Major events & tourism drivers

Meaningful incentives

New Housing Developments • 1,300+ Units Approved

Trinity, North Carolina



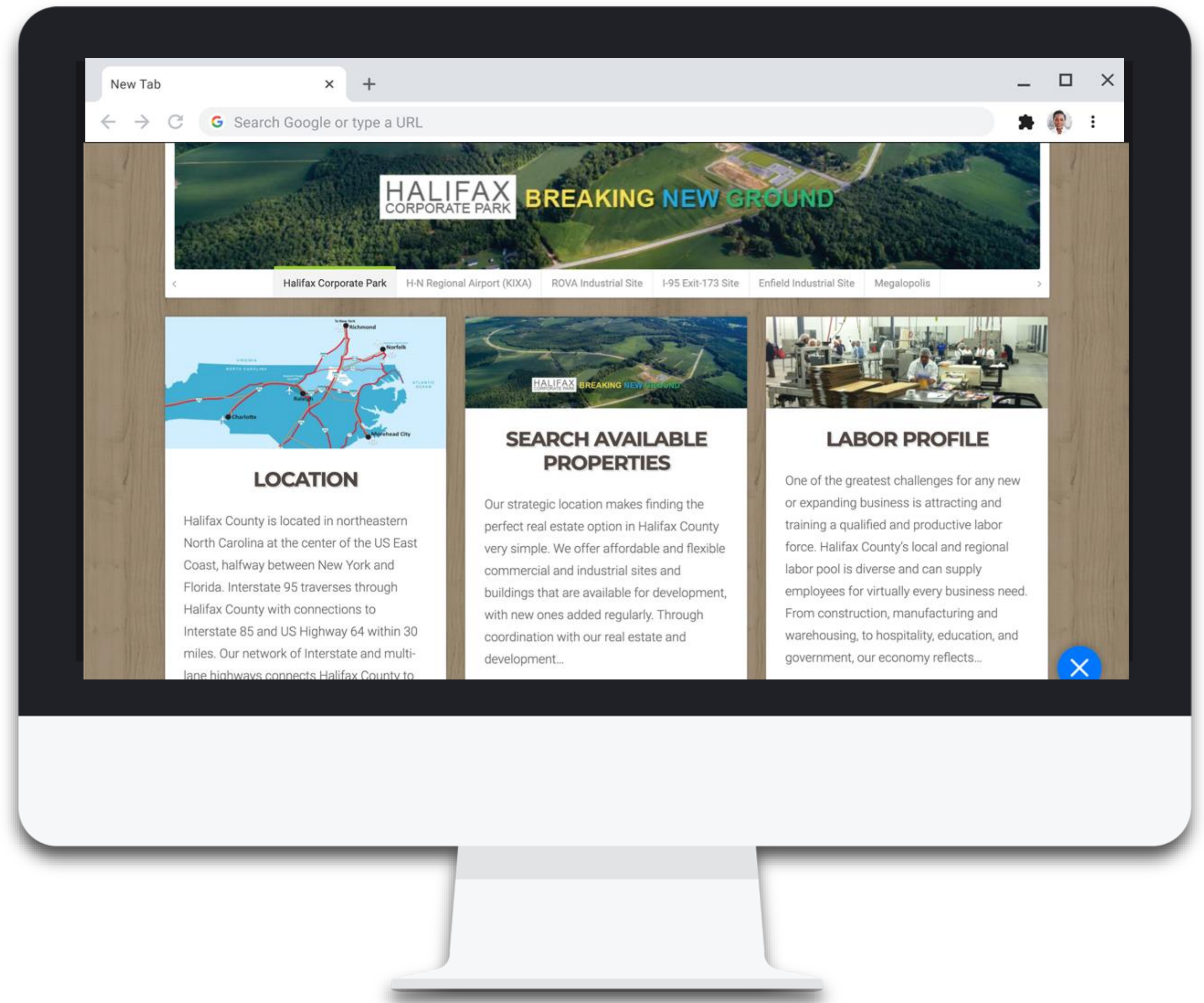
 TheRetailCoach.

PO Box 7272 | Tupelo, MS 38802 | 800.851.0962 | theretailcoach.net

Readily Available Information

Have information readily available for site selectors online!

Updated site inventory is a major asset for those looking for property information!



Be Ready To Provide Sites

Retail Pads & Shop Spaces Available

Ceres Gateway Center

Highway 99 & Mitchell Road | Ceres, CA

New mixed-use development including retail, hotels, restaurants and office space being developed on Highway 99 and Mitchell Road in Ceres, California.

Property Features

- Proposed Super Walmart across street - Bldg permits issued Feb. 2019
- Mitchell Road interchange access with new interchange planned at Service Road.
- 1,100 linear feet of Highway 99 frontage
- 85' freeway pylon sign planned
- New signalized entry into project on Mitchell Road
- High traffic counts on Hwy 99 with great positioning between south Modesto and Turlock

Demographics

	Trade Area	3 mile	5 mile	10 mile
Est. Population	250,049	57,541	129,512	416,058
Avg. HH Income	\$76,143	\$73,590	\$71,472	\$79,573

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The information contained herein was obtained from sources believed to be reliable, however, The Retail Coach, LLC makes no guarantees, warranties or representations as to the completeness or accuracy thereof. The presentation of this property is submitted subject to errors, omissions, changes of price or conditions, prior sale or lease or withdrawn without notice.

Retail Pads & Shop Spaces Available

Ceres Gateway Center

Highway 99 & Mitchell Road | Ceres, CA

Conceptual Site Plan and Pylon Sign

Retail Trade Area

Area Retail

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Finding Decision Makers

Real Estate Managers

Brokers (Tenant Reps)

Franchises - Corporate

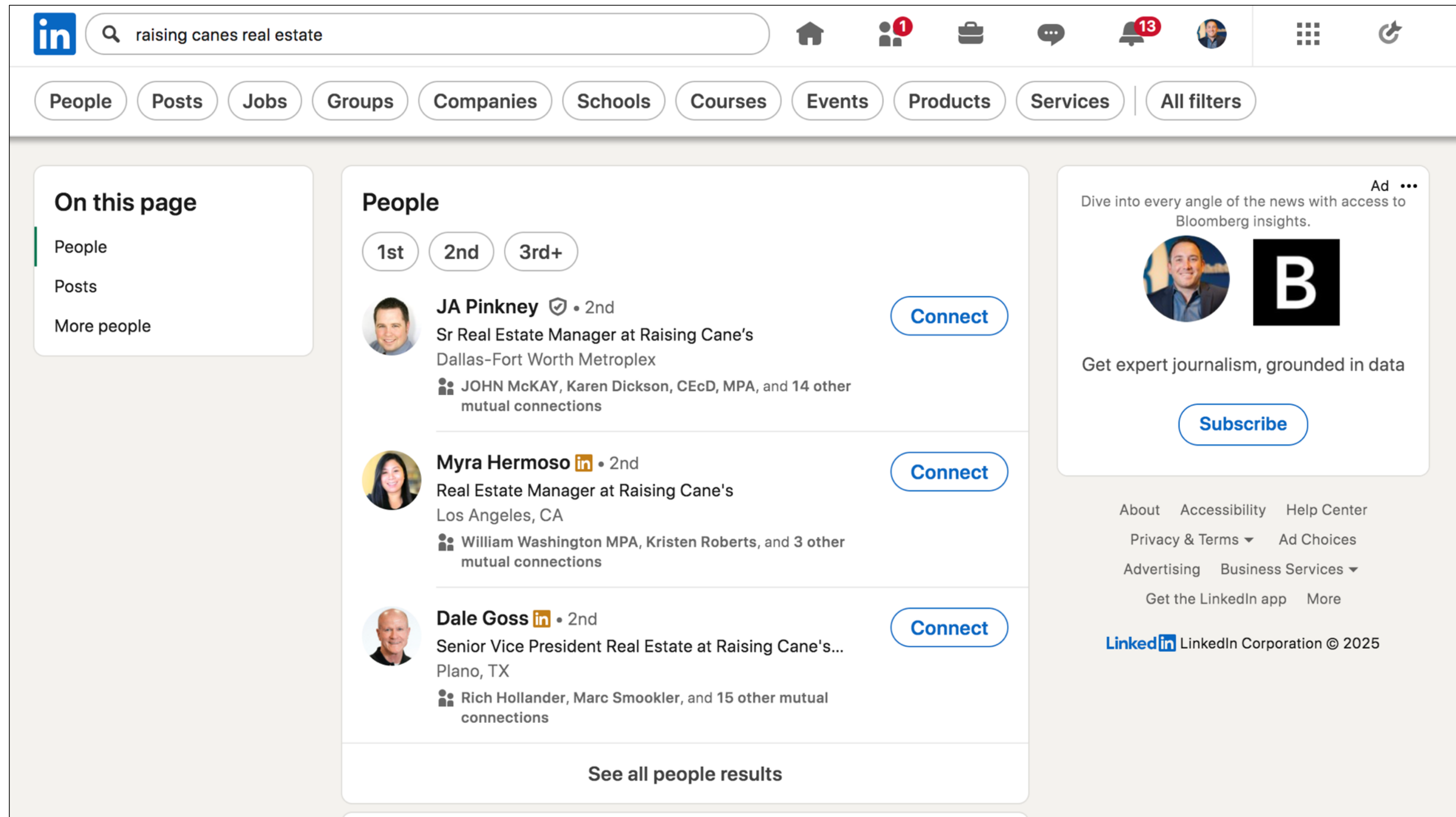
Franchises - Franchisees

Preferred Developers

Business Owners



Use Social Media To Identify Contacts



Be Seen

Participate at Industry Events
and Networking Opportunities



Retail Recruitment Checklist

Retail Recruitment Checklist

1. Preparation & Planning

- Define clear goals and expectations for retail expansion (types of retail, target districts, tax/revenue outcomes)
- Establish who is accountable for retail recruitment within your municipality
- Review your current retail environment (SWOT analysis)
- Confirm stakeholder buy-in: property owners, brokers, city staff, and business owners
- Develop an elevator pitch for your community: why a retailer or restaurant should locate here
- Commit to a long-term recruitment timeline

2. Understand Your Market / Trade Area

- Define your Retail Trade Area (RTA)
- Collect demographic and psychographic data for residents and visitors
- Perform a Retail Demand Analysis to identify opportunities
- Map traffic counts, daytime population, and other key retail indicators

Retail Recruitment Checklist

3. Inventory Real Estate / Sites & Infrastructure

- Maintain an updated Available Sites Inventory with site details and ownership info
- Identify redevelopment and infill opportunities
- Ensure infrastructure readiness (utilities, access, parking, signage)
- Use zoning tools to protect key commercial corridors
- Make site information easily accessible online.

4. Build Your Marketing / Outreach Assets

- Develop marketing materials summarizing your key data and maps
- Ensure your economic development website is site selector friendly
- Participate in industry events and conferences to connect with developers and retailers

Retail Recruitment Checklist

5. Identify & Engage Target Retailers / Developers

- Target prospects that make sense for your community
- Conduct proactive outreach with follow-ups and CRM tracking
- Be responsive and timely in retailer communications

6. Facilitate the Deal / Incentives / Implementation

- Establish an internal process for retailer/developer inquiries
- Review and communicate incentive options clearly
- Coordinate permitting, zoning, and approvals efficiently
- Monitor project progress and openings
- Track performance metrics post-opening

Retail Recruitment Checklist

7. Downtown / Experience Retail / Place-Making

- Assess downtown corridor appearance and amenities
- Invest in experience retail and placemaking features (public seating, events, art)
- Support local independent businesses to enhance community identity
- Use existing successful retailers as marketing validation

8. Ongoing Maintenance & Metrics

- Keep data and site inventories updated regularly
- Track progress against recruitment goals and key performance metrics
- Maintain long-term relationships with retailers and developers
- Reassess trade area and demographics periodically
- Promote community successes and new investments publicly

TAKE A LONG TERM APPROACH

Retail Recruitment is a *process*, not an *event*!



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