

First Ever County-Wide Retail/Service Sector Analysis Completed

By Kay Rasmussen, Vice President Community & Economic Development
December 2011

In continuing to partner with the four chambers of commerce supporting local business growth and sustainment across the county, I had the pleasure of engaging the University of West Florida Haas Center for a county-wide retail and service sector leakage, or gap, analysis. The idea for the analysis was to identify what the retail shopping needs are for Okaloosa County residents and their ability to obtain what they want and need locally. A leakage, or gap, occurs when the need is not met and retail shopping takes place outside of the area; meaning people are spending their money someplace else besides locally. All four chamber executives were provided their respective analysis so that they may have a snapshot of their retail business environment, it's supply and demand, and hopefully it will also assist them in their future endeavors.

The area surveyed included Okaloosa County as well as each of the four chamber areas of responsibility. The information gained validated that the county as a whole is doing exceptionally well on serving the needs of its residents, in addition to exporting out services to people outside of the county; our tourism industry component. This retail analysis indicates additional revenue being spent in the county by non-county residents, visitors, thereby creating a stronger local economic circulation.

Chambers of commerce generally serve as the local business connection and help facilitate the marketing and networking of local residents and business owners in order to sustain and stimulate the circulation of the local market. I believe everyone has heard our chamber executives promoting 'buy local'. There is good cause for this. With technology and the immeasurable shopping options available on the internet, each of the five analyses conducted reflected high retail shopping via the internet and direct mail catalogs. This gap, or leakage, is a sign of the times, and of the future, and will continue to be competition for local retail businesses.

This survey is the first of its kind conducted in Okaloosa County and has provided us with a current supply and demand snapshot as it pertains to the retail and service sector industries. It can also serve as a benchmark to be utilized in the future against updates to the survey to see how our area is progressing on meeting the retail needs of our residents and businesses.

If you would like additional information on these analyses, please feel free to contact me at kayr@florida-edc.org or 362-6467.

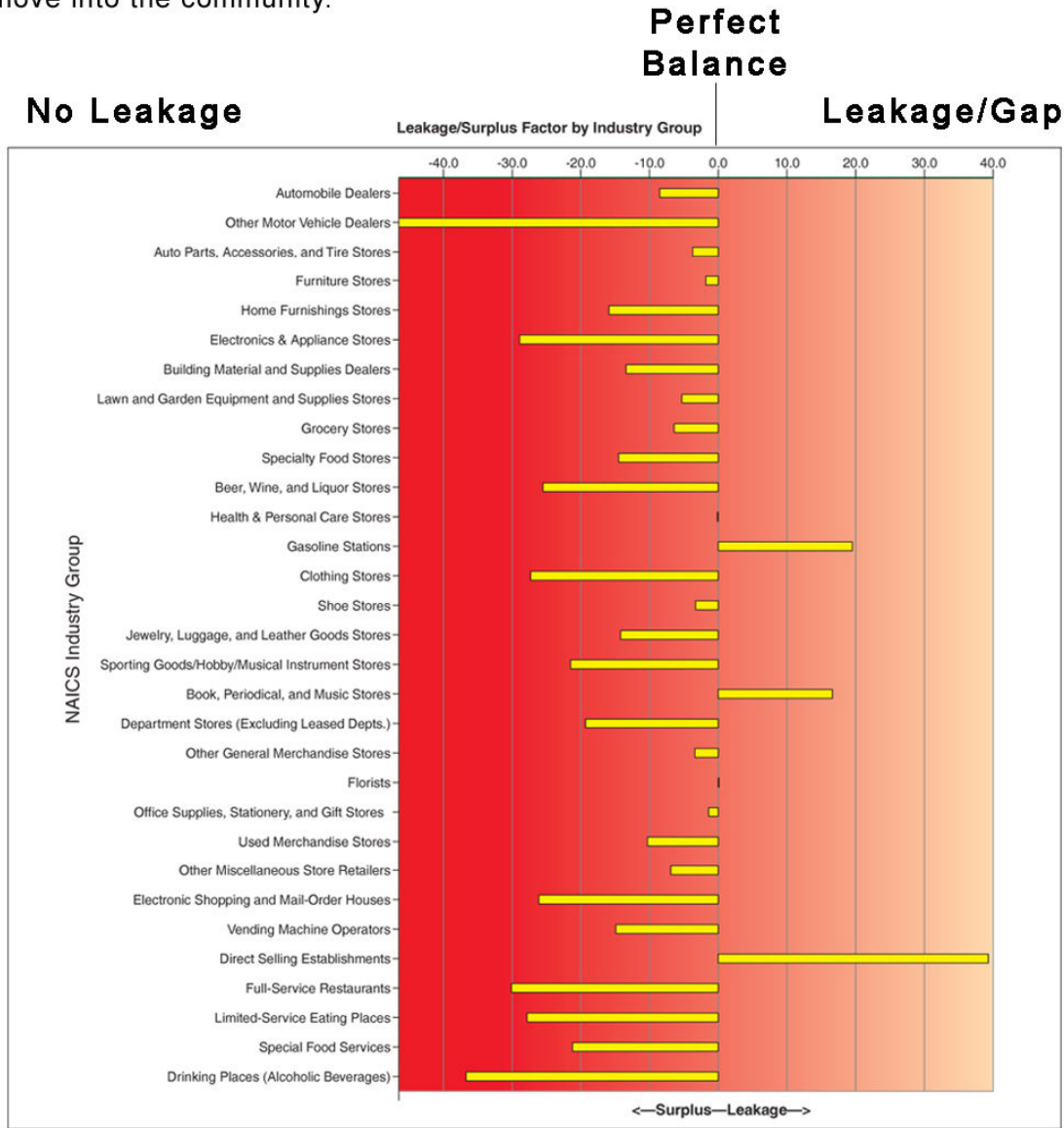
Okaloosa County Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the county communities.

Leakage

County retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that could be desired to move into the community.



Leakage Industries

- Gas Stations (not generally recruited)
- Book, periodical and music stores
- Direct Internet Sells (a future competition all communities face)

Overall, Okaloosa County is doing excellent in it's capacity to meet the needs of its residents. Further, Okaloosa County is importing external revenue into its economic stream.

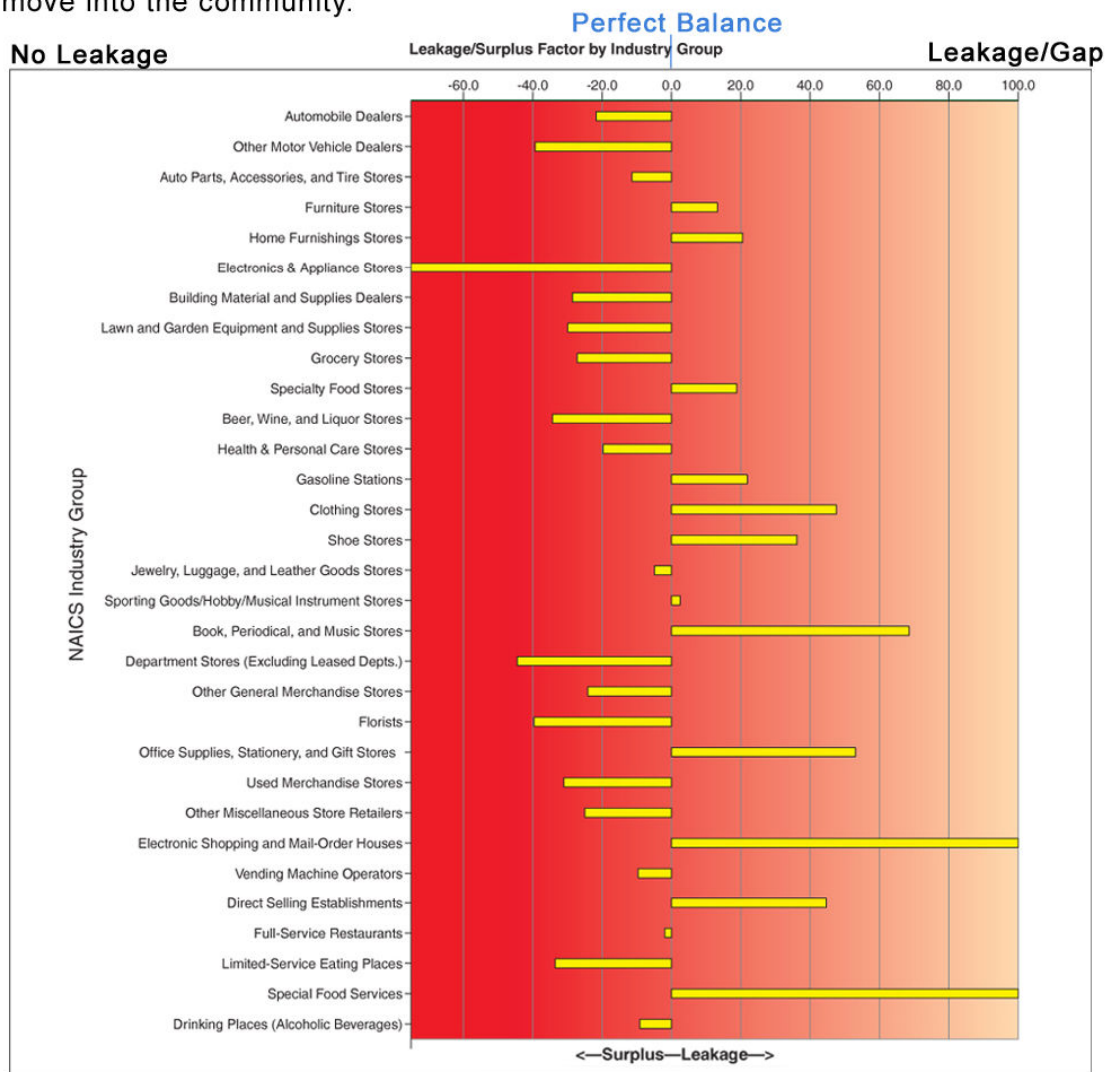
Crestview Area Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the Crestview area.

Leakage

Crestview retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that would be desired to move into the community.



Leakage Industries

- Furniture stores; home furnishings
- Specialty food stores (Gourmet/International)
- Clothing and shoe stores
- Book, periodical and music stores
- Office supplies, stationary, and gift stores
- Electronic Shopping, Direct Selling (a future competition all communities face)
- Special food services (Caterers, concession vendors)

Overall, the Crestview area is doing well in it's capacity to meet the needs of its residents.

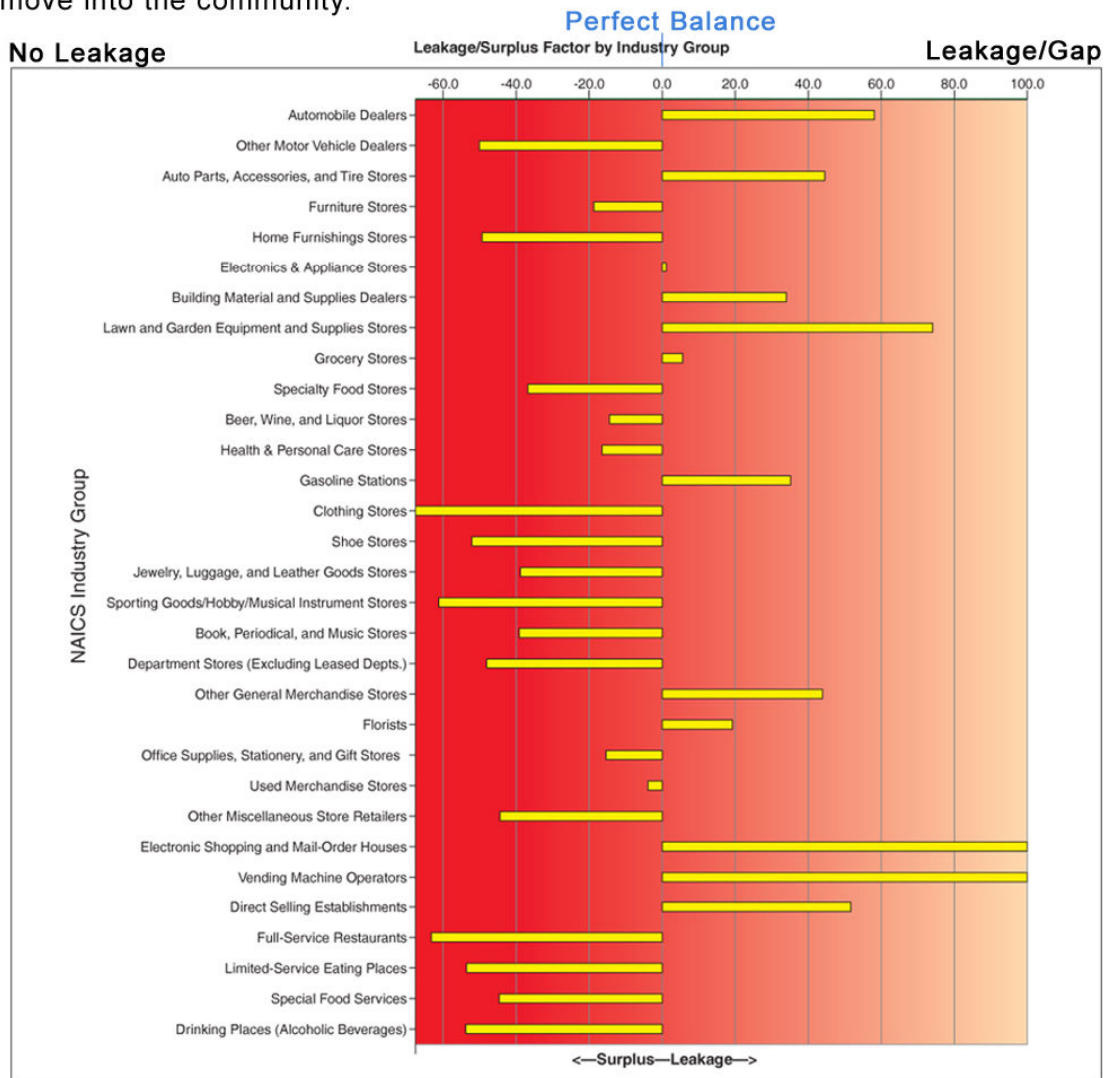
Destin Area Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the Destin area.

Leakage

Destin retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that could be desired to move into the community.



Leakage Industries

- Automobile Dealers; Parts
- Building Materials; Lawn and Garden*
- Gasoline Stations (not generally recruited)
- General Merchandise; Florists
- Electronic Shopping, Direct Selling (a future competition all communities face)

Overall, the Destin area is doing very well in its capacity to meet the needs of its residents and import new revenue into its community.

*The new Lowe's store will offset the building materials and lawn/garden needs in the future.

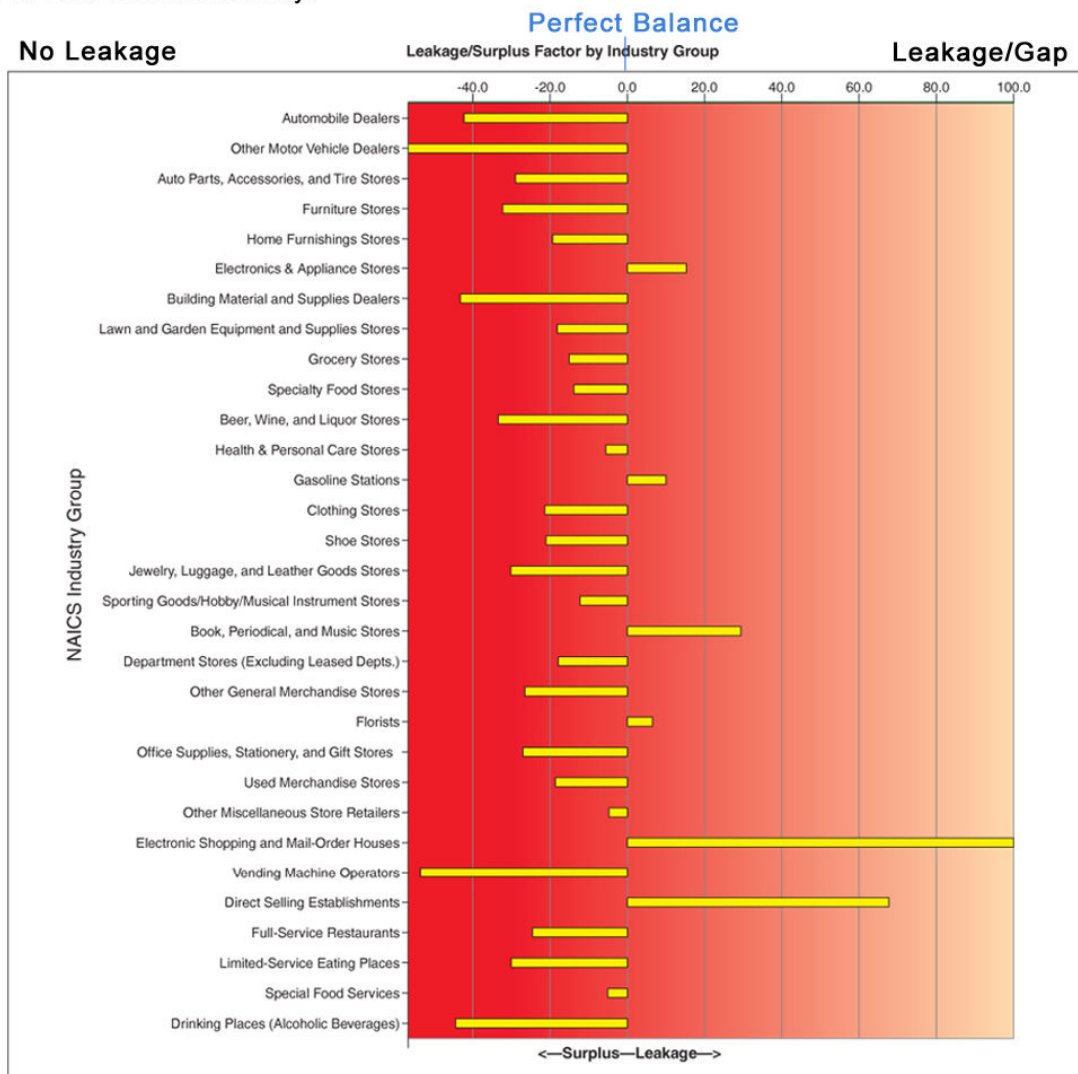
Fort Walton Beach Area Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the Greater Fort Walton Beach area.

Leakage

Fort Walton Beach area retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that could be desired to move into the community.



Leakage Industries

- Electronics & Appliance Stores
- Gasoline Stations (not generally recruited)
- Book, Periodical & Music Stores
- Electronic Shopping, Direct Selling (a future competition all communities face)

Overall, the Greater Fort Walton Beach area is doing excellent in it's capacity to meet the needs of its residents.

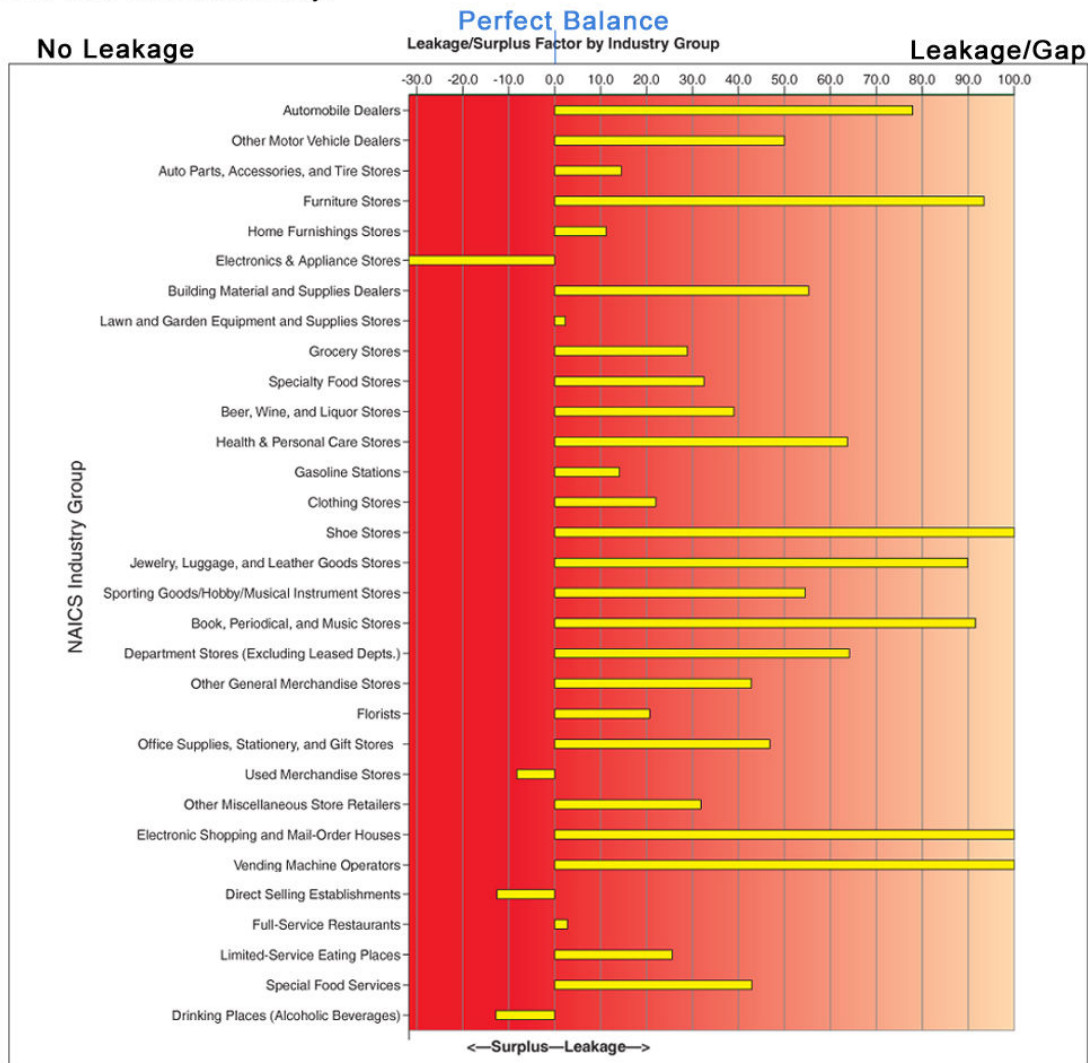
Niceville Area Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the Niceville area.

Leakage

Niceville area retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that could be desired to move into the community.



Overall, the Niceville area is known as a desired family residential area and is challenged in the retail/service sectors. However, the new WalMart will offset most of these industry groups and result in a different analysis in the future.

Note:

Gasoline Stations are not generally recruited

Electronic Shopping, Direct Selling is a future competition all communities face

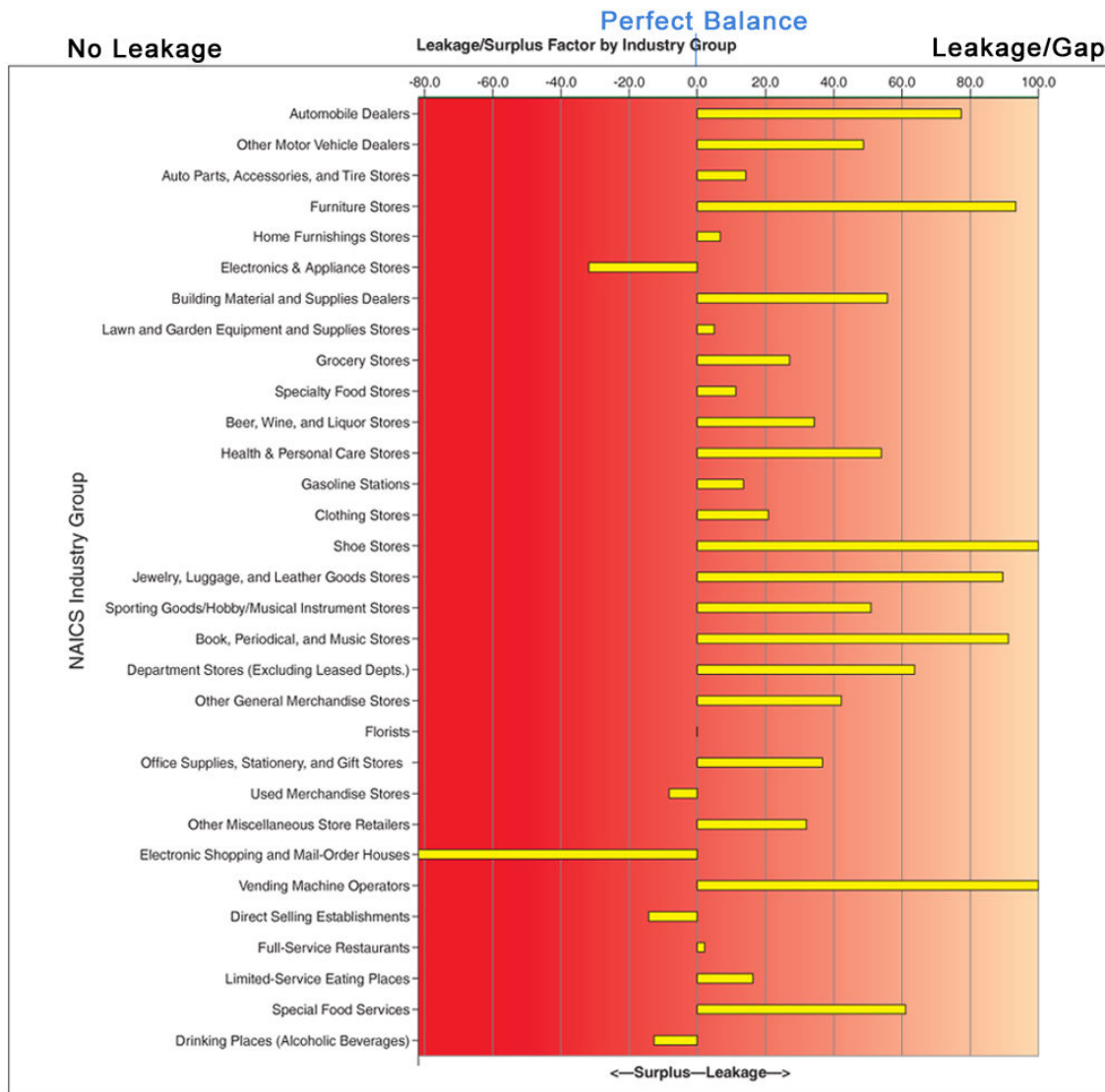
Valparaiso Area Retail/Service Sector MarketPlace Leakage Profile

Surplus

Local businesses are meeting the demands of residents and also exporting out of the area; other community residents are buying in the Valparaiso area.

Leakage

Valparaiso area retail industries are not meeting the demand of residents; residents are purchasing outside of the area. These are the industry categories that could be desired to move into the community.



Overall, the Valparaiso area is known as a family/residential area and is dependent on neighboring communities for most of its retail/service sector needs.

Note:

Gasoline Stations are not generally recruited. The new WalMart in the neighboring City of Niceville will help meet the retail needs of Valparaiso residents.