

Using Retail Study Results, Broken Arrow Leaders Urge Residents to Shop Locally

COMMUNITY

Broken Arrow, Oklahoma

THE APPROACH

As the fourth largest city in Oklahoma, Broken Arrow offers everything national and regional retailers and restaurants seek – a growing population, high household incomes, affordable land, and a local leadership committed to development.

With numerous retail centers underway and high profile retailers like the Bass Pro Shop already in the community, community leaders recognized Broken Arrow's strong position to attract additional retail and restaurant offerings as well as help existing retailers increase their business.

The Broken Arrow Chamber of Commerce hired The Retail Coach to capitalize on this opportunity by performing a market analysis, Retail Trade Area Determination and Retail Gap/Opportunity Analysis.

THE FINDINGS

The Retail Coach's study found that Broken Arrow is leaking over \$1.1 billion in retail sales annually and has a Retail Trade Area population of more than 203,000. Retail leakage occurs when Broken Arrow residents shop in surrounding communities and online, instead of their own hometown. This can represent a significant loss of sales tax revenue that could be retained and put to work in Broken Arrow.

The retail segments with the greatest leakage in Broken Arrow include grocery, general merchandise, department/clothing stores, among other significant gaps

"Our study confirms what many Broken Arrow leaders felt anecdotally, that there is a huge opportunity for the right retailers to serve the Broken Arrow market," said Austin Farmer, National Project Director for The Retail Coach.

PUTTING THE DATA TO USE

Broken Arrow has seen unprecedented growth in the last decade, with over 32% population growth and continues to set the pace in Northeastern Oklahoma for retail and residential development. The community received national acclaim as one of Money Magazine's Top 100 Best Places to Live and Family Circle Magazine's Top 25 Best Towns for Families. Business Week placed Broken Arrow on its list of Top 25 Most Affordable Suburbs in the nation, and the community has been included among the Top 25 safest in the nation, and the safest in Oklahoma.

"Broken Arrow is widely recognized as a great place to live and work," said Farmer. "Now community leaders are using The Retail Coach's data and recommended strategies to recruit the type of lifestyle retailers and restaurants to make it an equally great place to shop and dine."

City leaders are urging residents to shop locally to keep their sales tax dollars at work in their own hometown. The retail leakage would represent \$33 million in annual sales tax revenue for the city with its 3 percent sales tax rate, surpassing the \$31.8 million it received in 2011. Like all Oklahoma cities, Broken Arrow's only major source of revenue is sales tax.

The Buy Broken Arrow initiative, which began in 1995 to boost local holiday sales, has led the effort to educate shoppers by luring them to local stores during the holiday shopping season. Participating businesses give customers tickets for a chance to win \$10,000, \$3,000 or \$2,000 at a raffle. The businesses are advertised in news media and on the chamber's website.

"It's a great educational process the chamber and City is cultivating," said Farmer. "The goal is that at the end of the holiday season, participating shoppers will remember the stores where they got their tickets and return throughout the year."



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