

Hard Work and Good Data Lead to Retail Home Run in San Saba, TX

COMMUNITY

San Saba, Texas

THE CHALLENGE

San Saba, Texas, is best known as the Pecan Capital of the World. Often producing up to 5 million pounds annually, this agriculture-based community also boasts rolling, wooded terrain and is a leading hunting destination in Texas.

For a community of just over 2,600, San Saba residents enjoy the quality of life experienced in larger towns that includes parks, golf courses, historic downtown shopping and excellent outdoor activities such as hunting and fishing.

While San Saba has always offered a mix of unique, independent businesses, the community was missing larger destination retailers. The community population of 2,600 and primary Retail Trade Area of 8,000 was not catching the attention of any of the regional or national retailers desired by residents, including Alco.

THE SOLUTION

Tony Guidroz, Director of Economic Development/ Tourism, remained convinced of San Saba's retail potential. He led the City in retaining The Retail Coach to perform a comprehensive Retail Market Analysis and develop a long-term retail recruitment and development strategy. The project included a Retail Gap/Opportunity Analysis.

The Retail Coach determined that San Saba was losing more than \$35 million in sales to other communities. Some of the retail sectors with the greatest leakages were grocery and general merchandise stores and restaurants. A secondary Retail Trade Area of 46,000 was also identified.

"The community population of 2,600 and primary trade area of 8,000 did not get Alco's attention," said C. Kelly Cofer, CEO of The Retail Coach. "When we introduced the secondary trade area of 46,000, Alco's site selectors wanted to take a closer look."

THE RESULTS

Alco opened its San Saba store in 2009.

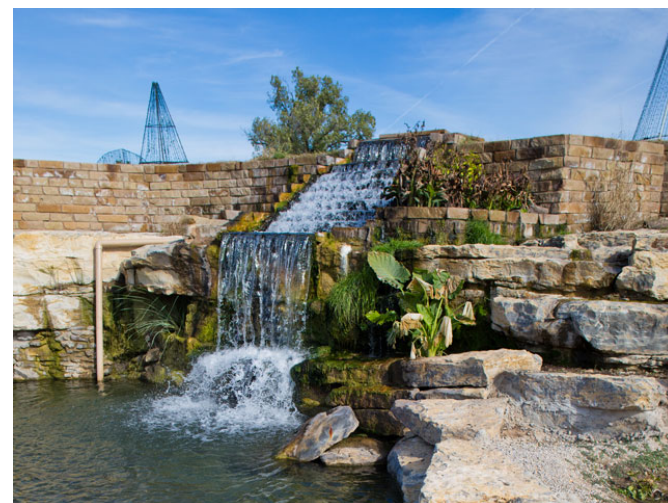
"The Alco store has been an absolute home run for the community," said Cofer. "Once Alco committed to San Saba, Tony called me and said, 'OK, what's next?'"

What was next in The Retail Coach's strategy was the targeted recruitment of restaurants, which is now underway. Study results have also been used to help existing businesses improve and grow.

Equipped with the results of the Retail Gap/Opportunity Analysis, Guidroz recognized that San Saba's independent grocer was not operating as it should to meet local consumer demand. He met with store managers, showed them the sales leakage data, and made recommendations on how to improve the mix of products offered. Guidroz also discussed how the store's appearance could be improved. The managers listened.

Today, more San Saba residents are shopping at the independent grocery store because the experience and environment has greatly improved. Sales are up as products move off the shelf because they are the right products, offered at the right price.

"The retail environment has definitely become much stronger in San Saba, but I am convinced that the community would not be where it is today without Tony," said Cofer. "He is a tireless worker and completely dedicated to helping the City expand its sales tax revenue base and retail choices for residents."



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