

Cedar Avenue Market Analysis

A market analysis was conducted on the Lake Villa retail watershed. The analysis included community surveys, research on area businesses, and a review of ESRI data. The results of the analysis are that there are market opportunities for a Restaurant, Coffee Shop, and Fitness Studio on Cedar Avenue.

Local Preferences

Lake Villa conducted market research from September to October 2024 to identify desired business types. The process included 25 stakeholder interviews, an online survey with 143 responses, and 132 comments from the community on social media.

Desired business types included:

- Restaurants: Steakhouse, French bistro, Mexican, smokehouse
- Experiential specialty food / beverage shops: Coffee shop, ice cream shop, bakery, candy store, soda shop, boba tea, smoothie, bagel shop
- Fitness & Activities: Gym, yoga studio, pickleball, kayak & paddleboard rental

Restaurants were the most desired business type in the survey (48% of respondents) and were frequently mentioned in interviews and online comments.

Restaurants	Coffee Shop/Café	Fitness Studios
Stakeholders desire upscale restaurants, especially a steakhouse, however local business owners presumed a steakhouse might struggle, and suggested a casual dining restaurant serving American cuisine is more suited to the area.	Stakeholders desire a coffee shop that was not a Starbucks, as there are many already within the area. Stakeholders also mentioned that there was previously a good coffee shop on Cedar Avenue, however its hours varied and so it was often closed when people desired coffee.	Stakeholders suggested both gyms and yoga studios; and that they would want to visit the fitness studio either before or after work.

Source: 2024 Community Survey & Interviews

Market Profile

Key datapoints within a 5-, 10-, and 20-minute drive of Cedar Avenue include the following:

2024 Data	5 Minutes	10 Minutes	20 Minutes
Total Population	8,763	72,361	226,181
Daytime Population	9,648	57,259	190,810
Average Household Income	\$132,328	\$122,882	\$131,115
Median Household Income	\$108,523	\$101,172	\$102,152
Median Age	41.4	39.0	40.5
Top Tapestry Segments	1. Workday Drive 2. Professional Pride	1. Workday Drive 2. Urban Edge Families	1. Workday Drive 2. Professional Pride
Consumer Spending on Food Away from Home			
Total	\$15,376,200	\$113,767,645	\$398,304,355
Average Spent	\$4,594.02	\$4,320.51	\$4,569.60
Spending Potential Index	118	111	117

Source: ESRI

The top two psychographic profiles in Lake Villa are Workday Drive (29.86%) and Professional Pride (14.57%).

Psychographic Profiles	Workday Drive	Professional Pride
Age Range	30-55 years old	35-64 years old
Income Level	Middle income	Upper-middle to high income
Lifestyle & Behavior	<ul style="list-style-type: none"> • Busy, suburban families • Career-focused, often with long commutes • Value convenience and time-saving products/services • Active consumers, frequent online shoppers • Enjoy outdoor activities and sports 	<ul style="list-style-type: none"> • Well-educated professionals • Career-driven and ambitious • Tech-savvy early adopters • Enjoy travel, fine dining, and cultural experiences • Health-conscious and physically active • Invest in financial planning and upscale home improvements

Source: ESRI

Market Fit Analysis

Client preferences assumptions for desired tenant types:

Target Client	Restaurant	Coffee Shop	Fitness Studio
Age Range	25-54 years old	18-45 years old	25-45 years old
Income Level	Middle to upper-middle class	Middle-class and above	Middle to upper-middle class
Behavior	Regularly dine out, value quality food and service, often make decisions based on reviews and recommendations	Regular coffee drinkers, often visit multiple times per week, value convenience and atmosphere	Committed to regular exercise, willing to pay for specialized classes, value flexibility in scheduling

Source: Better City

Restaurant Market Fit: Strong

- These groups have middle to high incomes, allowing for regular dining out.
- They value convenience (Workday Drive) and enjoy fine dining experiences (Professional Pride).
- Busy lifestyles across all groups suggest a demand for quality dining options.
- The social nature of these groups aligns well with restaurant patronage.

Coffee Shop Market Fit: Very Strong

- All groups fall within the typical coffee shop target age range.
- The busy, career-focused nature of these segments aligns perfectly with coffee shop patronage.
- These groups value convenience and often seek "third places" between work and home.

Fitness Studio Market Fit: Strong

- All groups fall within the typical age range for fitness studio clients.
- These segments are generally health-conscious and value physical activity.
- Higher income levels suggest a willingness to pay for premium fitness experiences.

Competition Analysis

Esri’s Market Potential Index (MPI) highlights key areas of strong demand relative to the national average. The MPI measures the likelihood of adults in a specific area engaging in particular activities or purchasing behaviors, with values above 100 indicating higher-than-average demand.

The highest MPI relevant categories in the Restaurant Market:

Product/Consumer Behavior	Expected Number of Adults			MPI		
	5 Min	10 Min	20 Min	5 Min	10 Min	20 Min
Went for Dinner at Family Restaurant/Steak House/6 Mo	5,232	42,622	133,664	114	107	108
Went on Weekend to Family Restaurant/Steak House/6 Mo	3,151	24,928	77,583	113	108	107
Went on Weekday to Family Restaurant/Steak House/6 Mo	2,506	19,472	63,077	110	104	107
Spent \$101-200 at Family Restaurant/Steak House/30 Days	937	7,517	23,547	114	111	111
Spent \$31-50 at Family Restaurant/Steak House/30 Days	701	5,375	17,003	113	105	106
Spent \$201+ at Family Restaurant/Steak House/30 Days	509	4,175	13,146	109	108	108
Spent \$51-100 at Family Restaurant/Steak House/30 Days	1,179	9,652	30,291	106	105	105
Went to Longhorn Steakhouse/6 Mo	594	4,069	12,960	136	113	115
Went to Carrabba`s/6 Mo	203	1,398	4,648	135	113	119
Went to Outback Steakhouse/6 Mo	706	5,208	16,207	126	113	112
Went to Texas Roadhouse/6 Mo	1,120	9,015	27,047	124	121	116

Source: ESRI

The highest MPI relevant categories in the Sport & Leisure Market:

Product/Consumer Behavior	Expected Number of Adults			MPI		
	5 Min	10 Min	20 Min	5 Min	10 Min	20 Min
Spent \$250+ on Sports/Recreation Equipment/12 Mo	826	6,135	20,118	121	109	114
Spent \$100-249 on Sports/Recreation Equipment/12 Mo	500	3,671	12,001	114	102	106
Participated in Yoga/12 Mo	754	5,847	19,717	107	101	108
Participated in Weight Lifting/12 Mo	1,107	8,745	28,574	106	102	106
Spent \$1-99 on Sports/Recreation Equipment/12 Mo	498	3,914	12,463	106	102	103
Participated in Pilates/12 Mo	201	1,613	5,399	105	102	109
Participated in Aerobics/12 Mo	518	4,780	14,939	97	108	108
Participated in Zumba/12 Mo	151	1,825	5,287	73	107	99

Source: ESRI

Existing restaurants, coffee shop/cafés, and fitness studios in the area:

	Restaurants	Coffee Shop/Café	Fitness Studios
Total within Radius of Cedar Avenue	124 in 5-mile radius 23 in Lake Villa	21 in 5-mile radius 2 in Lake Villa	34 in 12-mile radius 2 in Lake Villa

Source: CoStar, Google Maps

Attachments

- ESRI Market Profile
- ESRI Restaurant Market Potential
- ESRI Sports and Leisure Market Potential
- List of Coffee in a 5-mile radius
- List of Restaurants in a 5-mile radius
- List of Fitness Studios in a 12-mile radius