**Internal Report: Business Insights from Data Research**

**To:** Supervisors/Management Team  
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**Subject:** Research Findings on County-Level Expansion for Clothing Stores in California

**1. Introduction**

This report presents the findings from our research aimed at identifying the most promising counties in California for expansion of the clothing sector. By analyzing various data points, including the current distribution of clothing stores, population demographics, consumer behavior, and per capita metrics, we have derived actionable business insights to inform strategic expansion decisions. The data utilized for this research was sourced from a company called Safegraph that uses anonymized cell phone traffic to identify traffic patterns of consumers. This data forms the databases, encompassing store locations, demographic statistics, and consumer visit patterns.

**2. Potential Areas of Expansion**

To systematically approach our analysis, we focused on the following research questions:

**Research Question 1:** *Which counties in California that currently lack clothing stores has the highest potential for opening new stores.*

* **Goal:** Identify counties lacking clothing stores but possessing a significant high-income population, indicating a lucrative market opportunity.
* **Method:**
  + Counted the number of existing clothing stores in each county in California.
  + Identified counties with no existing clothing stores.
  + Analyzed the high-income population (> $125K) in these counties.
  + Joined the datasets to find counties with no stores and large high-income populations.
* **Results/Insights:**
  + **El Dorado County** emerged as the top candidate, having no existing clothing stores and the largest population of high-income individuals, making it a prime location for expansion.
  + **Nevada County** ranks second in this list, with no existing stores and a high population.

**Research Question 2:** *What are the consumer behavior patterns and peak visit times in counties with existing clothing stores to inform targeted sales strategies?*

* **Goal:** Understand when consumers are most likely to visit clothing stores to optimize sales and promotional activities.
* **Method:**
  + Calculated average daily visit counts and average raw visitor counts for each county with existing clothing stores.
  + Assessed per capita metrics on store level, i.e, number of stores present in each county divided by the population, and then raw vistor count divided by the population. This helped us figured the counties with highest per capita measures for both these metrics, post which we observed the avg daily visits and determined the best day for promotional incentoves to maximize the sales.
* **Results/Insights:**
  + **Napa County** has the highest number of stores per capita and experiences peak visits on Saturdays, suggesting that Saturday promotions could significantly boost sales.
  + **Tehama County** shows the highest raw visitors per capita on Fridays, indicating Friday as an optimal day for targeted incentives.

**Research Question 3:** *What is the potential for expanding specialized clothing stores (Children’s, Women’s, Men’s) based on demographic distributions across counties?*

* **Goal:** Determine counties with underserved markets for specialized clothing stores to cater to specific demographics.
* **Method:**
  + Counted the number of specialized clothing stores (Children’s and Infants', Women’s, Men’s) in each county.
  + Analyzed the corresponding population demographics for each target group.
  + Calculated stores per capita for each specialization to identify underserved counties.
* **Results/Insights:**
  + **Kern County** has the lowest number of Children’s and Infants' stores per capita, indicating potential for growth in this segment.
  + **San Mateo County** exhibits the lowest number of Women’s stores per capita, presenting an opportunity to cater to female consumers.
  + **Santa Barbara County** shows the lowest number of Men’s stores per capita, suggesting a market gap for men’s clothing retail.

**3. Summary of Key Insights**

* **El Dorado County** stands out as the most promising location for expanding general clothing stores due to the absence of existing stores and a substantial high-income population.
* **Napa County** and **Tehama County** offer strategic opportunities for targeted promotions on Saturdays and Fridays, respectively, based on their high per capita visitor counts.
* Specialized markets present further expansion opportunities:
  + **Kern County** for Children’s and Infants' clothing stores.
  + **San Mateo County** for Women’s clothing stores.
  + **Santa Barbara County** for Men’s clothing stores.

These insights highlight specific counties where our expansion efforts could yield significant returns, both in general and specialized clothing segments.

**4. Conclusion**

Our analysis identifies **El Dorado County** as the optimal location for expanding our general clothing store presence in California, supported by its high-income population and lack of existing competitors. Additionally, targeted promotional strategies in **Napa** and **Tehama Counties** can enhance consumer engagement and sales. Furthermore, specialized clothing store expansions in **Kern**, **San Mateo**, and **Santa Barbara Counties** present lucrative opportunities to cater to specific demographic needs. These strategic moves align with our business goals of market expansion and revenue growth, positioning us to effectively capitalize on underserved markets within California.