



Predicting Liquor Store Profitability by County



What Factors Were Considered?

I looked at a host of factors
for liquor sales:

- ❖ Wholesale liquor prices
 - ❖ Retail liquor price
 - ❖ Volume of liquor sold
per county
 - ❖ Employment Data
 - ❖ Housing Data
 - ❖ Population Data
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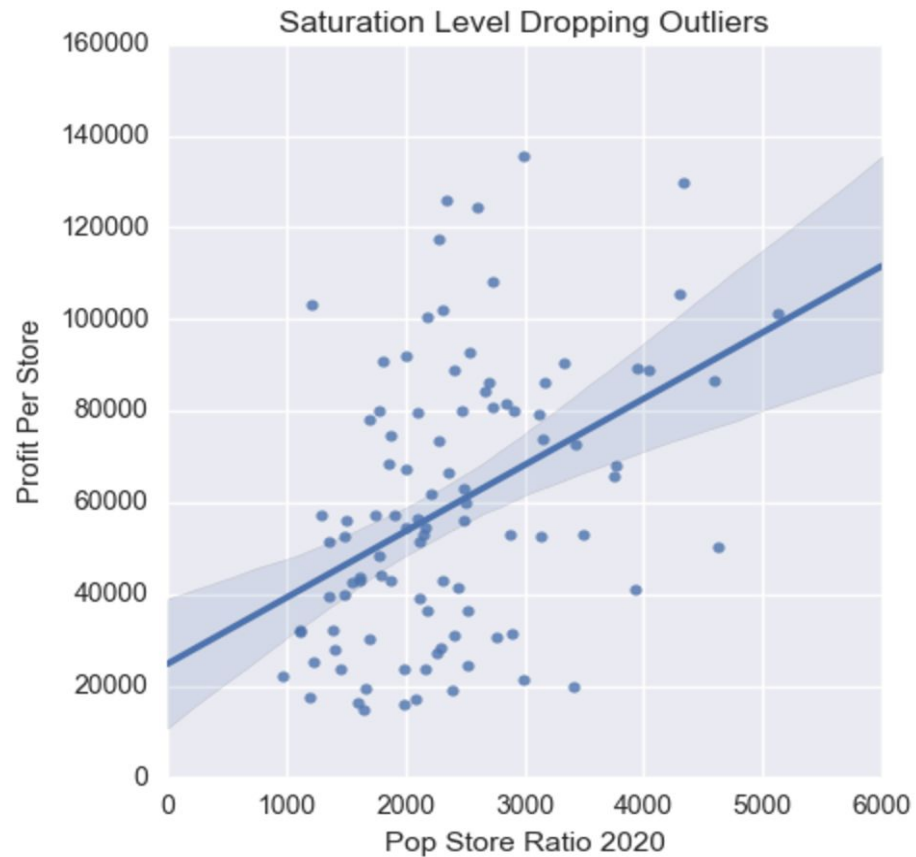
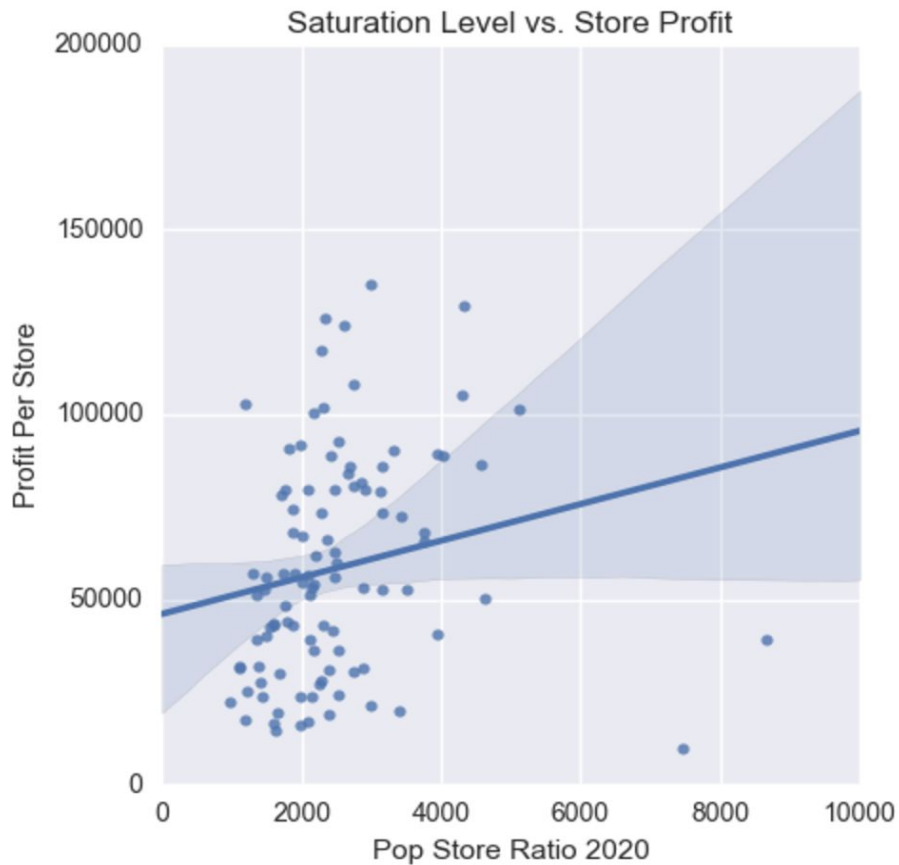
Narrowing Down Important Factors

After exploring many different variables that could affect the success of a liquor store, I narrowed down the three most important factors.

- ❖ Saturation Level
- ❖ Consumption Per Person
- ❖ House Values

Additionally, I adjusted for population estimates in 2020

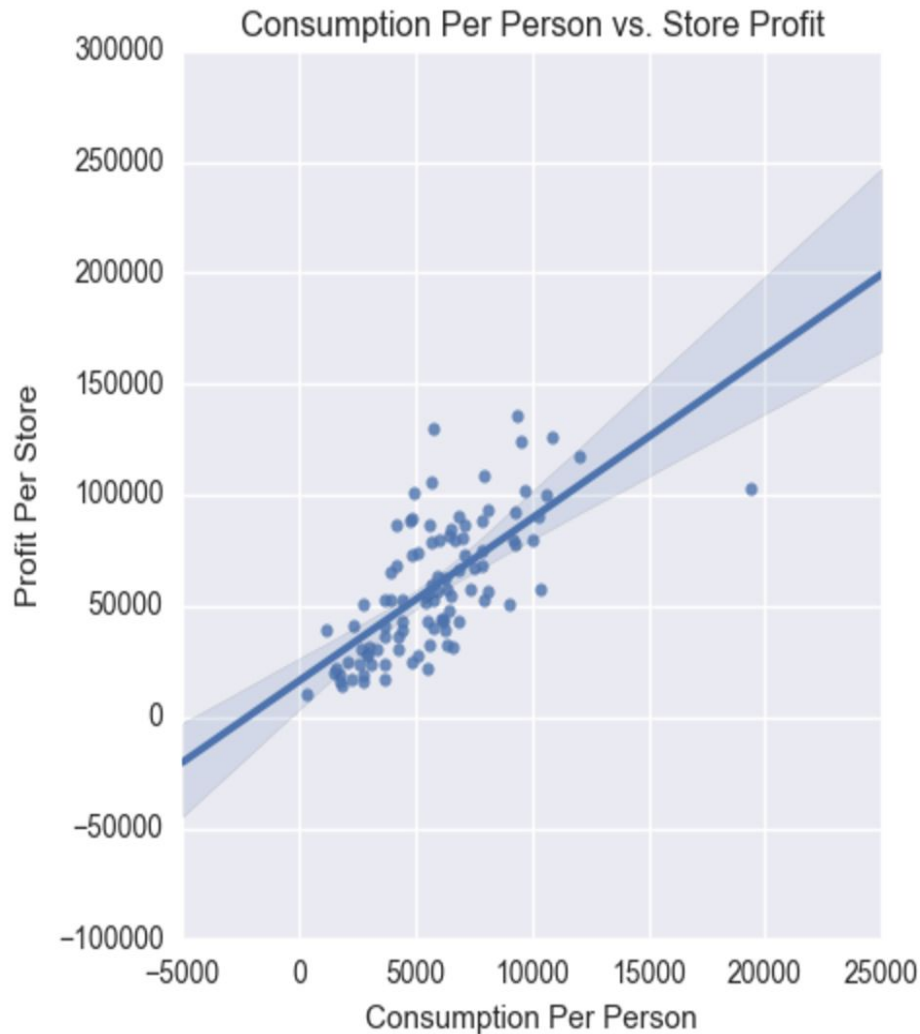
Saturation Level



Liquor Consumed Per Person

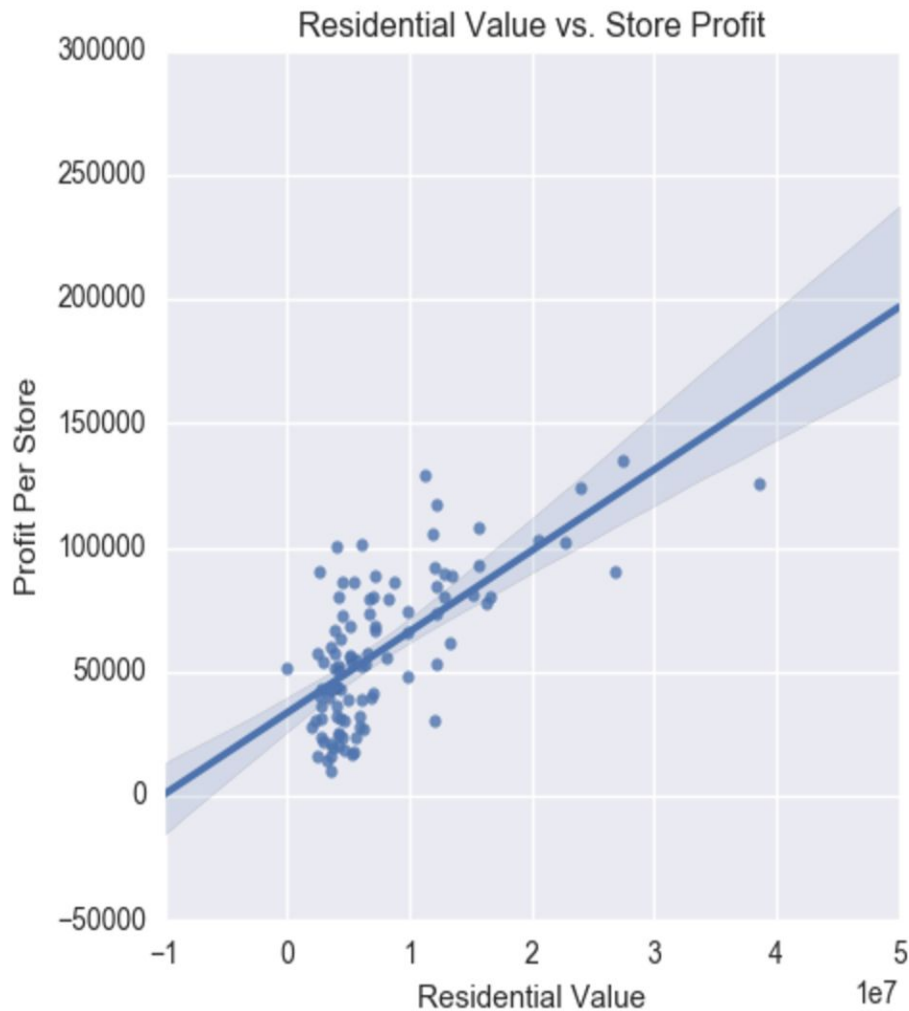
People don't consume liquor at the same rates across counties.

- Religion
- College Present
- Age and Race



Total House Values by County

Measure of population
weighted by wealth

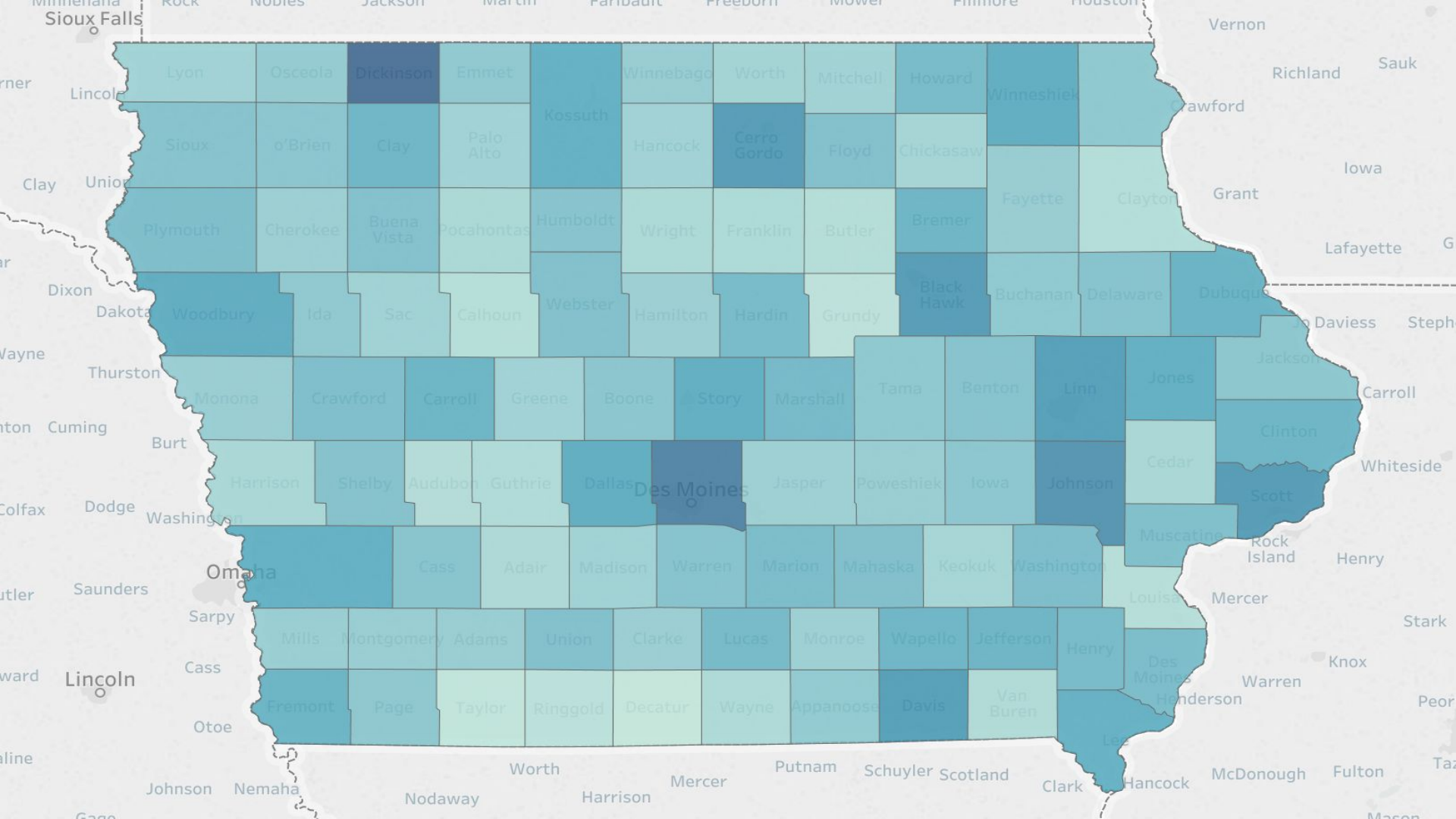


What Does This Mean?

You are now equipped to narrow your search significantly into target counties.

What Does This Not Mean?

You know what street to open your shop.



Estimated 2020 Profit

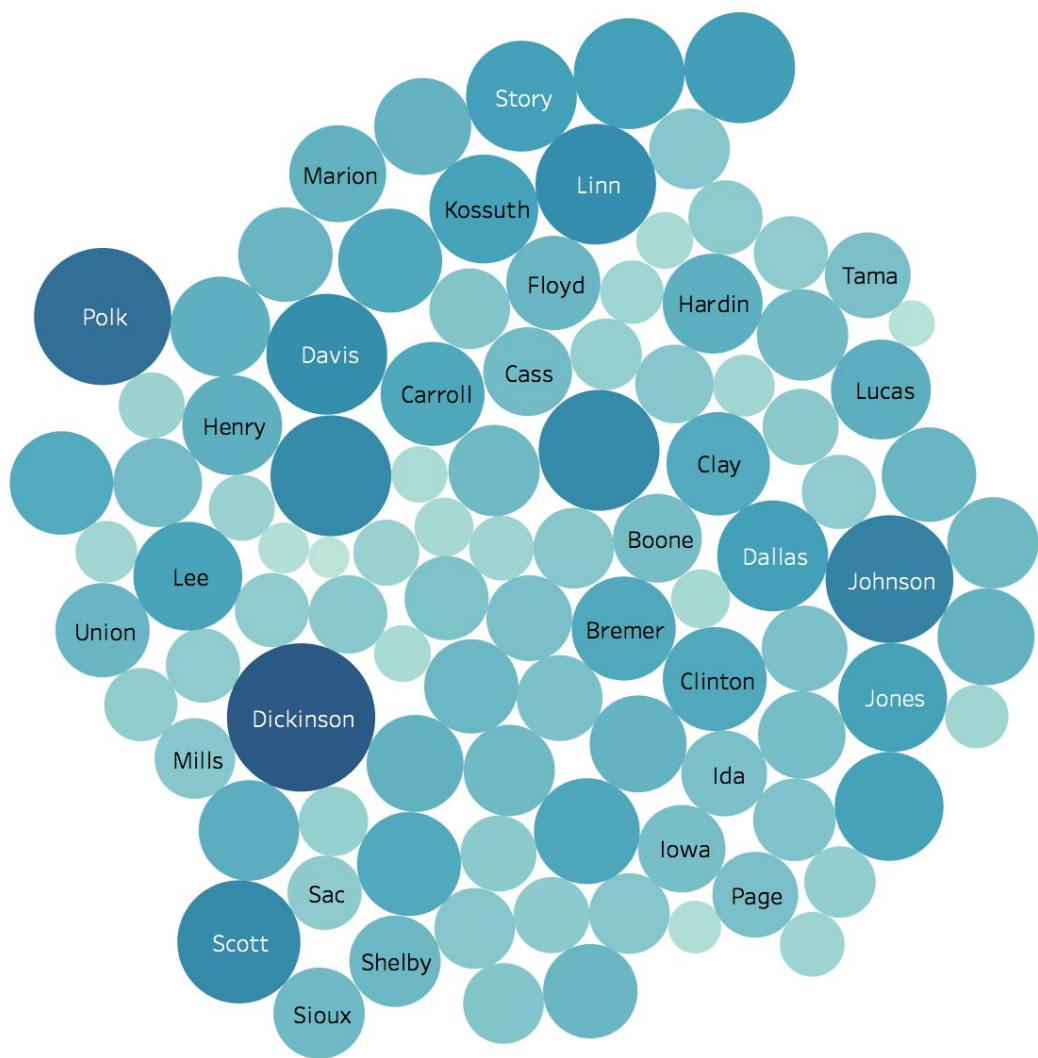
Dickinson: \$161,297

Polk: \$137,861

Johnson: \$119,782

Scott: \$111,252

Davis: \$107,118



Location Location Location

Rent prices can be street specific, thus, preliminary research focused more broadly on overall overall liquor market conditions by county.

Accounted for the costs incurred for merchandise but did not account for overhead such as rent.

Further analysis will revolve around on site scouting of locations and concrete rent prices. Estimating rent may be dangerous due to the street and feature specific nature of rent prices.

Additional Considerations

You will have to delve deeper into these decisions:

- The demographic you want to serve

- Possibility for theft