

# Appendix A

## SCHULER CONSULTING

### Market, Feasibility and Consumer Research

---

Here are capsule summaries of the characteristic PRIZM groups in downtown Austin.

#### **BOHEMIAN MIX**

One thing that makes Bohemian Mix easier to understand is that it has produced some high profile celebrities. Andy Warhol, Barnett Newman, Joaquin Phoenix, and Patti Smith all are prominent examples of Bohemian Mix. People in this group are urban in the extreme. They do not like the suburbs; more accurately, they actively dislike the suburbs. Most of them rent their homes, and they move frequently. Few are married and there are not many children around. They are highly educated, even cerebral. Incomes can be high, but we also see the proverbial struggling artists who are just scraping by. Others reject lucrative jobs to avoid selling out, which would compromise their Bohemian credentials.

The word “mix” is important, as it includes executives, students and others who choose to live amongst the artists and writers who so define this group. Eclectic, diverse, and highly mobile, they are trendsetters. Other groups seen as trendy still are behind this group. Even then, the trends set by Bohemian Mix tend to be moderated by the time other groups pick up on them. These trends extend to all areas of life: apparel, vacations, furniture, art, household appliances, health care articles. Hybrid cars are hot; SUV’s are not.

Bohemian Mix rejects the conventional and the mainstream. They do not like malls and big boxes, and have a low threshold for contrived retail “concepts.” They like the unconventional, which they find along city streets and in arts districts. Independent retailers appeal to this group. They are health conscious and so take care of themselves and watch what they eat.

#### **TOWNS AND GOWNS**

This is the group living near major college campuses. It includes those who are a part of the campus community as well as the “townies.” The campus community includes the students (whether living in dorms or in off-campus housing), faculty, and staff from the dean to the cafeteria worker. The sheer numbers of students means the entire group tends toward youth, singleness, and childlessness. They rent rather than own their homes. The degree to which the campus defines them is pivotal, more so than their demographics. People living here tend to think young, regardless of age, rejuvenated every year by the arrival of incoming freshmen. There can be tension as students give expression to their youthful energies, but the school is a source of jobs, culture and sports events.

Grandmothers rent out their basements to students and thus earn a decent living. Commonly, students and the campus' service workers live in close proximity.

More and more, students remain in the area upon graduating; Towns and Gowns is a great place to establish a start-up business. It also is more common for retired alumni to return to the neighborhood. Thus there is a mix of ages, but in general the campus attitude and outlook prevail. They tend to have average incomes. Many of the students have no incomes at all, living off of scholarship money, stipends, fellowships, and parental largesse. These young residents do not live as though they had no money. More typically they live middle income, and often upscale, lifestyles. Some live off of trust funds. Many others are in debt, but figure they can always deal with that when they graduate and accept an executive position somewhere, or begin their own dotcom. They exhibit more sophisticated consumer tastes than their counterparts living elsewhere, exposed as they are to new ideas and trends on campus.

As far as retailing is concerned, they tend to be energetically trendy, sometimes jarringly so. Brand names are important, but each one is subject to sudden rejection. This extends beyond apparel to furniture, appliances, books, music, film, jewelry, and grooming. Most campus neighborhoods are great places to seek out body piercing and tattoo parlors. They also give rise to active entertainment districts, frequently patronized by the townies as well. Many of the townies also become aware of all the latest fashions through constant exposure to the students. In addition, this entire group tends to be active, attending the theater, going to concerts, and visiting museums in significant numbers. Liberal in outlook, they are wary of corporate chains, developers seeking to cash in on the neighborhood's trendiness, and high carb/high fat foods.

### **MONEY AND BRAINS**

Of the 62 clusters, this group is ranked 5<sup>th</sup> in affluence. It is an urban group consisting of professional and executive couples between 45 and 65. They are very well educated, sophisticated, avid readers, well traveled and cosmopolitan. They seek the best in everything and are discerning shoppers who insist on excellent presentation, merchandising, and service. They will not tolerate half-hearted efforts to win and keep their business.

They have few children (they are couples, as referred to above). Kids cramp their styles. Two-income households are the rule. If universities paid their professors \$250,000 per year, this is where we would find them instead of Towns and Gowns.

Money and Brains is politically correct to the nth degree, although they will vote in their own best interests when it comes to fighting crime in their urban neighborhoods. Restaurants should keep an eye on the amount of red meat and carbs they have on the menu. Money and Brains' health concerns do not extend so far as to make teetotalers out of them, however, and restaurants also should be sure to have the most fashionable wines and aperitifs available. They are accustomed to paying top dollar for the best of everything: homes, floor coverings, cookware (although they don't cook at home that

much), pets, cars, shoes, baked goods, vacations, and landscapers. They tend to be faddish when it comes to causes and trends. Because they have high incomes, trends work their ways through Money and Brains quickly. They are less faddish when it comes to fashions and home decorating, preferring high-quality apparel. They dress in up-to-date styles rather than anything too hip or trendy. In other words they don't try to dress like teenagers, but they do like to reflect their economic status. Even so, most Money and Brains individuals prize intellectual over economic achievement. They buy Volvos at 4 times the national average, because they are safe.