

Richmond, Virginia: One of the Top Ten U.S. Test Markets

There's a familiar marketing adage when it comes to testing new products and concepts: "If it plays in Peoria, it will play anywhere."

This phrase originated during the early days of American theatre, when producers tried new stage productions in Peoria, Illinois, to measure audience acceptance. If the show was a hit in Peoria, it was ready for Broadway. While this concept-testing phrase originated with artistic endeavors, it is actually grounded in practical science. Feedback garnered from a test market that is truly representative of the U.S. population can predict the success or failure of a national rollout.

While many marketing professionals already appreciate this concept, most do not know that Richmond, Virginia – it's fast becoming the America's "new" Peoria – one of the ideal and most affordable test markets in the country.

Metro Richmond Named Top Ten U.S. Test Market:

In fact, Richmond was just named one of America's top test markets in the Acxiom Corp. June 2004 "Mirror on America" survey. Richmond ranked the tenth best test market out of the country's top 150 U.S. cities. Rankings are based on how a market compared and contrasted to the U.S. population as a whole on age, marital status, home ownership and estimated income. The top twenty U.S. test markets are listed below.

Top 20 U.S. Test Markets

1. ALBANY-SCHENECTADY-TROY, NY
2. ROCHESTER, NY
3. GREENSBORO--WINSTON-SALEM--HIGH POINT, NC
4. BIRMINGHAM, AL
5. SYRACUSE, NY
6. CHARLOTTE-GASTONIA-ROCK HILL, NC-SC
7. NASHVILLE, TN
8. EUGENE-SPRINGFIELD, OR
9. WICHITA, KS
- 10. RICHMOND-PETERSBURG, VA**

11. DAVENPORT-MOLINE-ROCK ISLAND, IA-IL
12. LEXINGTON, KY
13. CHARLESTON-NORTH CHARLESTON, SC
14. MACON, GA
15. JACKSONVILLE, FL
16. GREENVILLE-SPARTANBURG-ANDERSON, SC
17. LITTLE ROCK-NORTH LITTLE ROCK, AR
18. EVANSVILLE-HENDERSON, IN-KY
19. HARRISBURG-LEBANON-CARLISLE, PA
20. CINCINNATI, OH-KY-IN

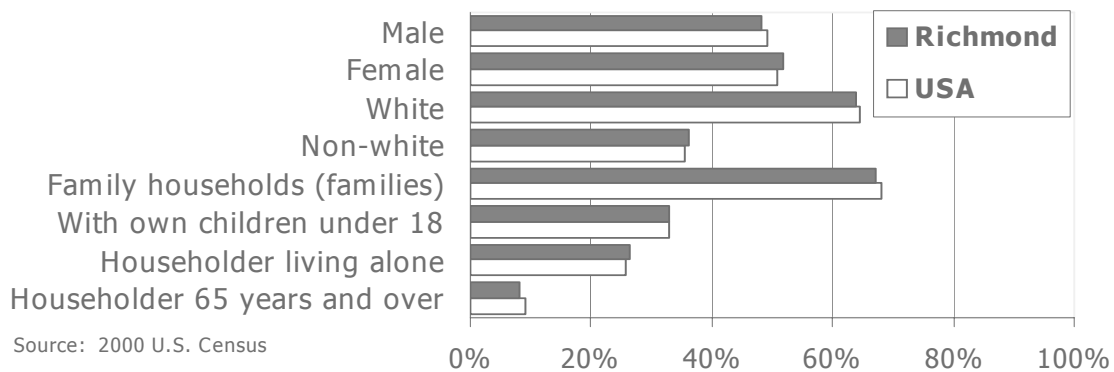
Source: Acxiom Corp. June 2004

A complete listing of the top 150 test markets is included in the appendix of this document.

Metro Richmond’s Demographics Correlate With The U.S.:

The Richmond Metropolitan Area is almost a perfect representation of the demographic make-up of the United States’ population as a whole. According to 2000 Census data, Richmond’s income, age, education, gender, household makeup and type, closely mirror those of the U.S. The chart on the next page highlights this correlation. (Detailed statistical comparisons are presented at the end of this paper).

Characteristics of Richmond & US Population



Richmond Even Excels Beyond Standard Demographics:

Richmond distinction as an ideal test market extends well beyond standard demographics. Richmond’s MSA is geographically well defined and there’s no one economic, political or media force that dominates the market. Moreover, it’s affordable.

Metro Richmond Is Well-Defined Geographically:

The Metropolitan Richmond area, like other ideal test markets, is a classic U.S. city with a city center, and where the entire Metro area is separate and distinct – by at least 50 miles from the nearest neighboring metropolitan area. Most Americans relate to this layout – a traditional center city surrounded by distinct neighborhoods and expanding suburbs. Many of the larger urban areas – where so much focus group research is conducted due to accessibility and lower travel cost – have long ago expanded from this classic geographical layout and become true megalopolises. The fact is that living in a sprawling megalopolis like LA is not where or how *most* Americans live. The question is how much does a megalopolis-like setting skew the opinion of focus group participants away from how America feels about an issue.

Metro Richmond Is Free of Major Public Opinion Influencers:

In addition to matching U.S. demographics and city geographic orientation, Metro Richmond's qualification as an ideal test market is also based on what Richmond does not have – a dominant industry, employer, political, or media force. The presence of these large public opinion influencers can often skew perceptions of local residents and, subsequently, research findings.

Metro Richmond Media Is Still Affordable:

While Richmond is a member of the top ten test market list, Richmond does not show up in the top fifty media markets when it comes media costs.

Just Remember... "If It Plays In Richmond..."

When you add all of this up, you start to see why more and more marketing folks are starting to say "If it plays in Richmond, it will play anywhere."

About The Southeastern Institute of Research (SIR)

For almost 40 years, we have been helping *Fortune 500* companies test new product and service concepts in Richmond. This includes work for AT&T, Electrolux, Goodyear, GE, Polaroid, Reynolds Metals Company, Rubbermaid, Owens & Minor, Verizon, and many other blue chip companies. To learn more about Metro Richmond and SIR's marketing research services, call Elizabeth McLaughlin at 804-358-8981 or visit us at 2325 West Broad Street in the City's museum district or online at www.SIRresearch.com.

USA Demographics Vs. Richmond MSA

	USA	Richmond MSA	Variance
<u>Population Size:</u>	281,421,906	996,512	
<u>Gender:*</u>			
Male:	49.06%	48.06%	1.00%
Female:	50.94%	51.94%	-1.00%
<u>Age - Male:*</u>	49.06%	48.06%	1.00%
Under 18 years	13.17%	12.89%	0.28%
18-24 years	4.93%	4.42%	0.51%
25-34 years	7.15%	7.06%	0.09%
35-44 years	7.98%	8.22%	-0.24%
45-54 years	6.57%	7.04%	-0.47%
55-64 years	4.14%	4.03%	0.11%
65 years and over	5.12%	4.40%	0.72%
<u>Age - Female:*</u>	50.94%	51.94%	-1.00%
Under 18 years	12.52%	12.30%	0.22%
18-24 years	4.72%	4.48%	0.24%
25-34 years	7.03%	7.39%	-0.36%
35-44 years	8.06%	8.90%	-0.84%
45-54 years	6.82%	7.56%	-0.74%
55-64 years	4.48%	4.47%	0.01%
65 years and over	7.31%	6.84%	0.47%
<u>Effective Buying Income: **</u>			
\$20,000 – 34,999	28.73%	27.30%	1.43%
\$35,000 – 49,999	23.60%	23.99%	-0.39%
\$50,000 and over	47.67%	48.72%	-1.05%
Median EBI	\$37,233	\$40,277	-\$3,044
<u>Race:*</u>			
White	64.50%	64.95%	-.45%
Non-white	35.50%	35.05%	.45%
<u>Non-white:</u>			
Hispanic	12.50%	1.35%	11.15%
Black or African American	12.62%	30.15%	-17.53%
American Indian or Alaskan	0.90%	0.37%	0.53%
Asian	3.73%	2.05%	1.68%
Native Hawaiian/Other Pacific	0.15%	0.05%	0.10%
Other	5.59%	1.08%	4.51%

	USA	Richmond MSA	Variance
<u>Household Makeup:*</u>			
Family households (families)	68.10%	67.20%	0.90%
With own children under 18	32.80%	32.90%	-0.10%
Married-couple family	51.70%	49.20%	2.50%
With own children under 18 years	23.50%	22.50%	1.00%
Female householder, no husband present	12.20%	14.40%	-2.20%
With own children under 18 years	7.20%	8.60%	-1.40%
Non-family households	31.50%	32.80%	-1.30%
Householder living alone	25.80%	26.40%	-0.60%
Householder 65 years and over	9.20%	8.00%	1.20%
Households with individuals under 18 years	36.00%	36.40%	-0.40%
Households with individuals 65 years and over	23.40%	20.60%	2.80%
Average household size	2.59	2.46	0.13
<u>Housing Tenure:*</u>			
Owner-occupied housing units	66.20%	67.70%	-1.50%
Renter-occupied housing units	33.80%	32.30%	1.50%
<u>Relationship:*</u>			
In households	97.20%	96.70%	0.50%
Householder	37.50%	38.90%	-1.40%
Spouse	19.40%	19.10%	0.30%
Child	29.50%	28.60%	0.90%
Own child under 18 years	22.90%	22.40%	0.50%
Other relatives	5.60%	5.10%	0.50%
Under 18 years	2.10%	2.20%	-0.10%
Non-relatives	5.20%	5.00%	0.20%
Unmarried partner	1.90%	1.90%	0.00%
In group quarters	2.80%	3.30%	-0.50%
Institutionalized population	1.40%	1.80%	-0.40%
Non-institutionalized population	1.30%	1.50%	-0.20%

*Source: 2003 U.S. Census

**Source: 2000 Effective Buying Income

Richmond Ranked 10th Best U.S. Test Market

In June 2004, Acxiom Corp. released its list of the top 150 consumer test markets in the country ranked from best to worst. The rankings are based on Acxiom's "Mirror on America" survey which ranked metropolitan statistical areas, or MSAs, based on their overall characteristics – age, marital status, home ownership and estimated income, compared to the U.S. population as a whole. Richmond, Virginia ranked number ten.

1. ALBANY-SCHENECTADY-TROY, NY
2. ROCHESTER, NY
3. GREENSBORO/WINSTON-SALEM/HIGHPOINT, NC
4. BIRMINGHAM, AL
5. SYRACUSE, NY
6. CHARLOTTE-GASTONIA-ROCK HILL, NC-SC
7. NASHVILLE, TN
8. EUGENE-SPRINGFIELD, OR
9. WICHITA, KS
- 10. RICHMOND-PETERSBURG, VA**
11. DAVENPORT-MOLINE-ROCK ISLAND, IA-IL
12. LEXINGTON, KY
13. CHARLESTON-NORTH CHARLESTON, SC
14. MACON, GA
15. JACKSONVILLE, FL
16. GREENVILLE-SPARTANBURG-ANDERSON, SC
17. LITTLE ROCK-NORTH LITTLE ROCK, AR
18. EVANSVILLE-HENDERSON, IN-KY
19. HARRISBURG-LEBANON-CARLISLE, PA
20. CINCINNATI, OH-KY-IN
21. KANSAS CITY, MO-KS
22. SAVANNAH, GA
23. BOISE CITY, ID
24. JACKSON, MS
25. INDIANAPOLIS, IN
26. AUGUSTA-AIKEN, GA-SC
27. TULSA, OK
28. NEW LONDON-NORWICH, CT-RI
29. CHATTANOOGA, TN-GA
30. FORT WAYNE, IN
31. ALBUQUERQUE, NM
32. MOBILE, AL
33. LANCASTER, PA
34. MONTGOMERY, AL
35. KNOXVILLE, TN
36. OMAHA, NE-IA
37. PEORIA-PEKIN, IL
38. STOCKTON-LODI, CA
39. GRAND RAPIDS-MUSKEGON-HOLLAND, MI
40. MEMPHIS, TN-AR-MS
41. LOUISVILLE, KY-IN
42. RENO, NV
43. PORTLAND, ME
44. PORTLAND-VANCOUVER, OR-WA
45. SAINT LOUIS, MO-IL
46. FRESNO, CA
47. BILOXI-GULFPORT-PASCAGOULA, MS
48. COLORADO SPRINGS, CO
49. SPOKANE, WA
50. ROCKFORD, IL
51. OKLAHOMA CITY, OK
52. SALINAS, CA
53. CANTON-MASSILLON, OH
54. RALEIGH-DURHAM-CHAPEL HILL, NC
55. BEAUMONT-PORT ARTHUR, TX
56. LAS VEGAS, NV-AZ
57. BAKERSFIELD, CA
58. DES MOINES, IA
59. TUCSON, AZ
60. ROANOKE, VA
61. ORLANDO, FL
62. CHARLESTON, WV
63. HARTFORD, CT
64. BATON ROUGE, LA
65. COLUMBUS, OH
66. TOLEDO, OH
67. PHOENIX-MESA, AZ
68. SPRINGFIELD, MO
69. READING, PA
70. SAN LUIS OBISPO/ATASCADERO/PASO ROBLES
71. NORFOLK/VIRGINIA BEACH/NEWPORT NEWS
72. DAYTON-SPRINGFIELD, OH
73. LANSING-EAST LANSING, MI
74. SACRAMENTO, CA
75. ATLANTA, GA
76. AUSTIN-SAN MARCOS, TX
77. APPLETON-OSHKOSH-NEENAH, WI
78. YORK, PA
79. PROVIDENCE-FALL RIVER-WARWICK, RI-MA
80. BINGHAMTON, NY
81. MINNEAPOLIS-SAINT PAUL, MN-WI
82. HUNTSVILLE, AL
83. DALLAS, TX
84. ERIE, PA
85. BUFFALO-NIAGRA FALLS, NY
86. SPRINGFIELD, MA
87. COLUMBUS, GA-AL
88. LAKELAND-WINTER HAVEN, FL
89. SHREVEPORT-BOSSIER CITY, LA
90. SANTA BARBARA-SANTA MARIA-LOMPOC, CA
91. YOUNGSTOWN-WARREN, OH
92. HOUSTON, TX
93. ALLENTOWN-BETHLEHEM-EASTON, PA
94. HICKORY-MORGANTON, NC
95. PENSACOLA, FL
96. ODESSA-MIDLAND, TX
97. LINCOLN, NE
98. SOUTH BEND, IN
99. CLEVELAND-LORAIN-ELYRIA, OH
100. SAN ANTONIO, TX

101. MODESTO, CA
102. FAYETTEVILLE, NC
103. KALAMAZOO-BATTLE CREEK, MI
104. NEW ORLEANS, LA
105. DETROIT, MI
106. DENVER, CO
107. MILWAUKEE-WAUKESHA, WI
108. PITTSBURGH, PA
109. LUBBOCK, TX
110. MADISON, WI
111. VISALIA-TULARE-PORTERVILLE, CA
112. SEATTLE-BELLEVUE-EVERETT, WA
113. SAN DIEGO, CA
114. SAGINAW-BAY CITY-MIDLAND, MI
115. KILEEN-TEMPLE, TX
116. TAMPA-SAINT PETERSBURG-CLEARWATER, FL
117. FORT COLLINS-LOVELAND, CO
118. NAPLES, FL
119. SCRANTON--WILKES-BARRE--HAZLETON, PA
120. UTICA-ROME, NY
121. WEST PALM BEACH-BOCA RATON, FL
122. FORT PIERCE-PORT SAINT LUCIE, FL
123. FAYETTEVILLE-SPRINGDALE-ROGERS, AR
124. MELBOURNE-TITUSVILLE-PALM BAY, FL
125. LAFAYETTE, LA
126. CORPUS CHRISTI, TX
127. FORT MYERS-CAPE CORAL, FL
128. WASHINGTON, DC-MD-VA-WV
129. DAYTONA BEACH, FL
130. HUNTINGTON-ASHLAND, WV-KY-OH
131. SALT LAKE CITY-OGDEN, UT
132. SARASOTA-BRADENTON, FL
133. JOHNSON CITY-KINGSPORT-BRISTOL, TN-VA
134. DULUTH-SUPERIOR, MN-WI
135. MIAMI, FL
136. CHICAGO, IL
137. BOSTON, MA-NH
138. LOS ANGELES-LONG BEACH, CA
139. ANCHORAGE, AK
140. PHILADELPHIA, PA-NJ
141. EL PASO, TX
142. COLUMBIA, MO
143. TALLAHASSEE, FL
144. BROWNSVILLE-HARLINGEN-SAN BENITO, TX
145. PROVO-OREM, UT
146. OCALA, FL
147. McALLEN-EDINBURG-MISSION, TX
148. HONOLULU, HI
149. SAN FRANCISCO, CA
150. NEW YORK, NY

Source: Acxiom Corp. 2004