

Saturday, July 9, 2005

Too much retail in Valley

These retailers have done it right

Over-retailed.

That's how Tom Fraker describes the Valley, and he's in a position to know.

Fraker, a longtime Scottsdale resident, runs the Arizona Small Business Association, made up of 3,000 businesses across the state.



TOM
FRAKER

Fraker says that the Phoenix metro area accounts for more retail space per capita than almost any other city in the nation, posing big challenges for small businesses.

For smaller retailers, chances of a big-box store moving close by are very good.

In addition, high turnover rates in the Valley – made up of people moving in from out-of-state and residents relocating within the metro area – make it difficult to build a loyal customer base.

One of the best ways for a small business to thrive, Fraker says, is to cultivate a strong and focused niche. In other words, identify a consumer group and give them what they want in a way that no mega-business could.

Smaller businesses that are forced to compete with small and large chains often need to offer a higher-end product, Fraker added. And that's OK, he said, because people are getting tired of mass-produced items.

Scottsdale's retail space makes up nearly 14 percent of the Phoenix metro total, according to a retail market analysis released last year. At the beginning of 2003, Scottsdale area retail encompassed more than 14 million square feet.

Tom Fraker says the Scottsdale area has some great examples of small businesses with well-targeted niche products.



Emmanuel Lozano/The Arizona Republic

Geno Mei (left) and brother Brian Mei run Nello's Pizza.

Here's a short list of retailers that Fraker says have gotten it right:

■ **Rave Fabricare master cleaners:** 15111 N. Hayden Road, Scottsdale, (480) 443-1005. A nationally-recognized drycleaner focusing on designer, high fashion, specialty and couture garments, as well as fine table and bed linens and other household textiles.

■ **Hacienda Harley - Davidson:** 15600 N. Hayden Road, Scottsdale, (480) 905-1903. One of the oldest Harley-Davidson dealers in the Southwest, Hacienda has a great selection of new Harley-Davidson and Buell motorcycles, as well as a large inventory of custom and pre-owned bikes.

■ **Nello's Pizza:** A family-owned pizzeria with five Valley locations, including two in Scottsdale, at 8658 E. Shea Blvd., (480) 922-5335, and a new downtown location at 7213 E. First Avenue, (480) 946-2020.

■ **Scottsdale Running Company:** 6941 N. Hayden Road, Scottsdale, (480) 948-4436. A store that sells running shoes, apparel and gear, with running trails leading directly from the store to the Arizona Canal path and the Greenbelt Recreational path.

■ **Lon's at the Hermosa Inn:** 5532 N. Palo Cristi Road, Paradise Valley, (602) 955-7878. The restaurant serves "artful American" cuisine combined with opportunities to meet and talk with area artists. Guest artists include novelist Clive Cussler and gourmet pioneer Carol Steele. August's guest artist is painter Ed Mell.

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