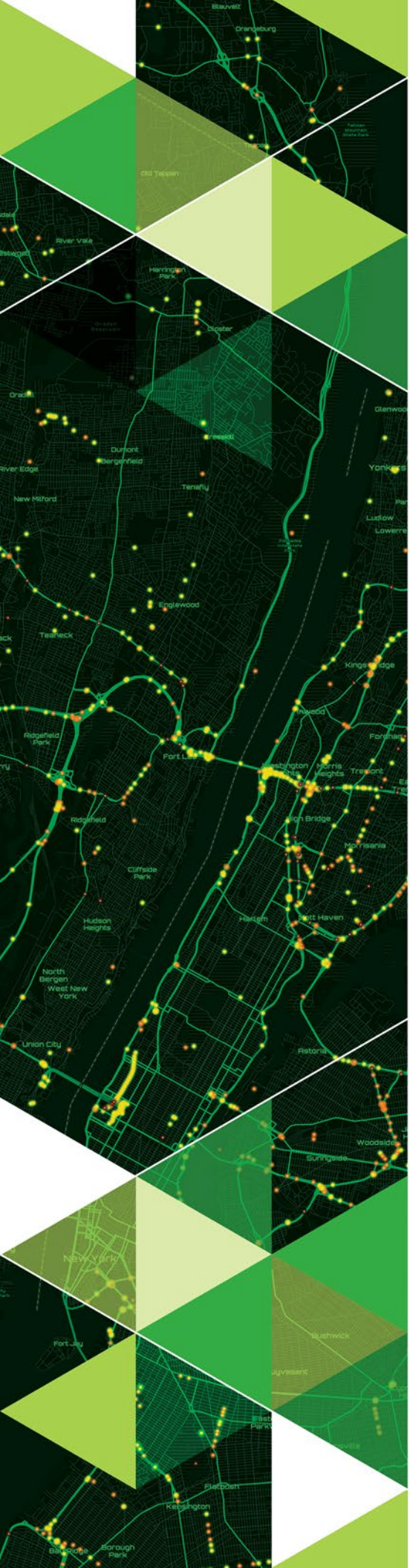

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Methodology statement: 2025 Retail Demand by Industry

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Methodology statement: 2025 Retail Demand by Industry

Methodology

The Retail Demand by Industry database represents an extension to Esri's 2025 Consumer Spending (by product and service) estimates. Spending is estimated for all 12 three-digit North American Industry Classification System (NAICS) subsectors in Retail Trade (44-45) plus the Food Services & Drinking Places subsector (722). In addition, the data is available for 30 four-digit NAICS industry groups to provide additional detailed insight.[1]

While Esri's Consumer Spending dataset provides a broad list of what households are likely to spend their budget dollars on, Retail Demand by Industry highlights where they are likely to spend it. In all, these estimates provide an alternative view of spending potential based on the industries where such market transactions may occur.

The core of the methodology starts with Esri's current year spending potential estimates by product and service. These estimates are modeled from the Interview and Diary survey data in the U.S. Bureau of Labor Statistics' (BLS) Consumer Expenditure Survey, ArcGIS Tapestry, and current Esri household income estimates. For more information describing Esri's product-oriented database, refer to the Consumer Spending methodology.

Retail Demand by Industry is based on a subset of retail and related products captured in Esri's Retail Goods product summary variable (X15001) in the Consumer Spending database. Industry estimates are modeled using a product-to-industry crosswalk from the 2017 Economic Census Products by Industry tables based on the North American Product Classification System published by the U.S. Census Bureau. The crosswalk links a portion of product expenditures to industries beyond NAICS 44-45 and 722. Therefore, spending associated with out-of-scope industries is not reported in Retail Demand, which means total industry expenditures will not equate to X15001 in the Consumer Spending database.

Retail Demand by Industry includes annual total industry expenditures, annual average industry potential spending per household, and an industry-specific Spending Potential Index (SPI). The total industry expenditures value represents the potential aggregate spending by all households within an industry in an area.

The SPI compares the average potential spending locally within an industry to the average potential spending nationally in that same industry. An index of 100 reflects the average. An SPI of 120 indicates that average potential spending by local consumers is 20 percent above the national average.

It serves to remind data users of the limited scope of the BLS survey data used as the primary input to develop spending potential estimates. For example, the Personal

[1] Industry definitions used in this product are based on the 2017 NAICS coding structure. More information on this taxonomy can be found at https://www.census.gov/naics/?input=44&chart=2017.

Consumption Expenditures data published by the U.S. Bureau of Economic Analysis covers a broad range of the U.S. population, source data, and spending channels, while the BLS survey is based on a sample of the civilian noninstitutionalized population in households. Therefore, Esri's estimates of goods and services do not represent a measure of market size. They instead should be analyzed as a measure of budget allocation. Specifically, given the income of a typical household in an area, Esri's potential expenditure by product provides the expected distribution of annual budget dollars attributable across more than 600 spending categories.

The Retail Demand by Industry data is available by Esri's geographic summary areas and for custom areas using the ArcGIS GeoEnrichment Service to apportion the data to polygons of any size and shape. Data is reported for the following NAICS industry subsectors and groups with industry code:

NAICS industry codes and definitions

Industry code	Definition
441	**Motor Vehicle & Parts Dealers**
4411	Automobile Dealers
4412	Other Motor Vehicle Dealers
4413	Auto Parts, Accessories & Tire Stores
442	**Furniture and Home Furnishings Stores**
4421	Furniture Stores
4422	Home Furnishings Stores
443, 4431	**Electronics and Appliance Stores**
444	**Building Material & Garden Equipment & Supplies Dealers**
4441	Building Material and Supplies Dealers
4442	Lawn and Garden Equipment and Supplies Stores
445	**Food and Beverage Stores**
4451	Grocery Stores
4452	Specialty Food Stores
4453	Beer, Wine, and Liquor Stores
446, 4461	**Health and Personal Care Stores**
447, 4471	**Gasoline Stations**
448	**Clothing and Clothing Accessories Stores**
4481	Clothing Stores
4482	Shoe Stores
4483	Jewelry, Luggage, and Leather Goods Stores

Industry code	Definition
451	**Sporting Goods, Hobby, Musical Instrument, and Book Stores**
4511	Sporting Goods, Hobby, and Musical Instrument Stores
4512	Book Stores and News Dealers
452	**General Merchandise Stores**
4522	Department Stores
4523	General Merchandise Stores, including Warehouse Clubs, Supercenters
453	**Miscellaneous Store Retailers**
4531	Florists
4532	Office Supplies, Stationery, and Gift Stores
4533	Used Merchandise Stores
4539	Other Miscellaneous Store Retailers
454	**Nonstore Retailers**
4541	Electronic Shopping and Mail-Order Houses
4542	Vending Machine Operators
4543	Direct Selling Establishments
722	**Food Services & Drinking Places**
7223	Special Food Services
7224	Drinking Places (Alcoholic Beverages)
7225	Restaurants and Other Eating Places

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