

MPI & SPI

MARKET POTENTIAL INDEX (MPI):

Esri's Market Potential database measures the likely demand for a product or service in an area. The database includes an expected number of consumers and a Market Potential Index (MPI) for each product or service. An MPI compares the demand for a specific product or service in an area with the national demand for that product or service. The MPI value at the average U.S. level is 100, representing average overall demand. A value of more than 100 represents higher demand, and a value of less than 100 represents lower demand. For example, an index of 120 implies that demand in the area is likely to be 20 percent higher than the U.S. average, while an index of 85 implies a demand that is 15 percent lower than the national average.

SPENDING POTENTIAL INDEX (SPI):

Spending patterns are developed by Tapestry markets and updated to 2017 by adjusting to current levels of income. Expenditures represent the 2017 annual averages and totals. Data is reported by product or service and includes total expenditures, average spending per household, and a Spending Potential Index (SPI). Because the average expenditure reflects the average amount spent per household, total expenditure represents the aggregate amount spent by all households in an area. The SPI compares the average expenditure made locally for a product to the average amount spent nationally. An index of 100 is average. An SPI of 120 shows that average spending by local consumers is 20 percent above the national average.

METROPOLITAN STATISTICAL AREA

MARKET POTENTIAL

Consumer Behavior	Expected # of Adults/HHs	Market Potential Index
Went to Restaurant in last 6 months	400,000	100
Went to Restaurant in last 6 months: Lunch	115,000	99
Went to Restaurant in last 6 months: Dinner	285,000	112
Spent <\$31 at Restaurant last 6 months	368,500	120
Spent \$31-\$50 at Restaurant last 6 months	418,920	101
Spent \$51-\$100 at Restaurant last 6 months	380,650	98
Spent \$101-\$200 at Restaurant last 6 months	140,380	92
Consumer Spending	Average Amount Spent	Spend Potential Index
Food away from home	\$3,875,544	105

Note: **Market Potential Index (MPI) and Spend Potential Index are benchmarked at 100.** This reflects the USA average. If an Index falls above 100, the consumer is spending more than the national average. Conversely, should the Index fall below 100, the consumer is spending less than the national average.