

Popularity of Retail Near College Campuses

Writing in *Commercial Real Estate Review*, Attorney Jessica T. Zolotorofe discussed the popularity of brick and mortar retail on college campuses.

By Jessica T. Zolotorofe, Esq., Ansell Grimm & Aaron, PC



Jessica T. Zolotorofe



A quick bite to eat between classes; a new jacket for this weekend's football game; a coffee for study group; a midnight snack on the way home from a party; or medicine for a first flu away from mom and dad. This is just a small glimpse of the things college students need that make retail locations close to college campuses so successful.

Certain types of retail are more conducive to the college scene, with restaurants taking the lead and pharmacies being a close second. Supermarkets and department stores, or so-called super-stores, are also popular near campus.

Restaurants: Convenience and Affordability

Speed of service is a top priority for college students, as is affordability. Restaurants like Chipotle, Which Wich (which has nearly 30 stores on campuses), and Panera (found at many colleges, including two on the Rutgers University campus) have become student favorites for their in-and-out approach, allowing students to pick up coffee, lunch, or dinner on the run. Chipotle, famous for its quick, assembly line-style Mexican cuisine, can be found near colleges in most states. At the University of Maryland, the second-highest grossing Chipotle in the country is only a few-minute walk from campus, and it is only about a 10-minute drive to two additional locations.

Buffalo Wild Wings is another popular brand, offering a "Fast Break Lunch," a limited menu designed for quick service. They are popular near college campuses with large sports programs, with dozens of TVs playing college sports. The 10% discount with a student ID doesn't hurt.



Other restaurants also provide student discounts, like Dunkin Donuts (over 65 campus locations and many more just off campuses throughout the U.S.), Subway (more than 600 locations on college campuses), and Chick-fil-A (nearly 300 college locations, including multiple locations on some campuses, like Temple University whose student meal plan includes two Chick-fil-As).

As an additional draw, some restaurants, like Chipotle and Starbucks, offer work-study programs and tuition assistance for student employees at their locations near campuses.

Coffee Break

Starbucks seems to be the college student go-to when it comes to coffee and baked snacks. As is the trend at many colleges, Towson University has one Starbucks directly on campus and a second within walking distance. Temple University has three Starbucks locations on or right outside of campus, and Rutgers has two storefronts and a mobile Starbucks on campus, all of which participate in the university meal plan.

In addition to proximity and speed of service, comfortable seating and free Wi-Fi add to the Starbucks attraction. Real estate professionals all over the country are taking note. Developer Larry Liebowitz owns a Starbucks location near the College of Central Florida in Ocala. "There are three Starbucks in Ocala, yet the market is strong enough near the college to justify another, larger location with outdoor space, a drive-thru, and even wine and beer service," he said. Signe Diaz, a junior at Marymount Manhattan College in New York City, said that

even in a city packed with coffee shop options, there is a Starbucks right on campus.

Late Nite Dining

Other businesses have attracted college students with extended hours and participation in on-campus activities. Insomnia Cookies, which has 145 campus locations and counting, often tops the list of campus late-night favorites. With delivery of warm cookies, ice cream, brownies, and even cold milk to college dorms until 3 a.m., business is booming. They also distribute free cookies in student unions and their products at college recruitment events. Dev Bradham, marketing representative for Insomnia Cookies at Penn State University said, "The main focus of my job is to give free cookies away to students, groups, events, and organizations to help spread the word for the brand at the university." Insomnia chooses college campus locations primarily because "there is so much late-night activity ranging from people ordering during a long night studying, all the way to college students stopping in the store after a fun night out partying," said Bradham. With a similar mentality, Jimmy John's stays open until 3

a.m. on Saturdays and Sundays near college campuses. Rachel Larkin, a sophomore at Ithaca College, said there are numerous late-night spots that Ithaca students frequent, including Insomnia, Dunkin Donuts, Taco Bell, and various small local restaurants that stay open late to accommodate the college student schedule.

Other Shopping

Aside from restaurants, there is plenty of other retail on or near campuses. Many companies now offer online ordering and quick pick-up. Stores like Amazon and Target have adjusted their business models to draw in college students. In 2018 alone, Target opened 22 small-format stores near college campuses, including Penn State, the University of Maryland, and NYU, to accommodate students who need to pick up an outfit, new dorm room bedding, toiletries, or even groceries in one convenient location.

Publix, a popular Florida supermarket that offers online ordering, pick up, and delivery options, recently opened a new store directly on the University of Southern Florida's Tampa campus to assist car-less students with grocery shopping. According to Max Diaz and Samaritha Larkin, supermarkets even look to capitalize on the college market near small campuses, like Juniata College in Huntington, Pennsylvania, where Diaz and Larkin are freshmen. The Weis supermarket near the Juniata campus is always packed with students.

Pharmacies like Walgreens and CVS have hundreds of locations near college campuses, satisfying the need for pharmacy care for students away from home. Penn State has three CVS stores within walking distance from the center of campus, and a fourth nearby. There are a number of pharmacies right near Towson University, and a CVS was recently developed in uptown Towson within walking distance of campus. Likewise, at the University of Pennsylvania, there is a CVS store on each side of campus, along with a Rite Aid and third CVS a short drive away.

Retail Impacts School Choice

Local retail greatly influences college students' decisions on which school to attend. Jake Aiello, a freshman at the University of Maryland, said, "I chose UMD because, being from New Jersey which is right outside New York City, I wanted a similar hub for entertainment, food, and shopping. Washington, D.C, and College Park both keep me excited and busy during the school year with everything there is to do nearby." Signe Diaz was attracted to the variety of retail surrounding her college choice, as well. "I wanted to be somewhere that had a lot of places to go and a lot of options to eat and shop. Also, having Starbucks physically in my school building is a big bonus," she said. College campuses will continue to be a hot spot for retail development as student populations increase and efficiency and ease of access remain high priorities for college students.

Jessica Zolotorofe, Esq. is an attorney with the law firm of Ansell Grimm & Aaron. Her practice is focused on commercial real estate, including financing, dispositions and acquisitions, development, leasing, and structuring tax-deferred transactions. Jessica can be reached at (973) 247-9000 or JTZ@AnsellGrimm.com.