

# Mauston Analysis of Resident Market

*This section analyzes the size and shape of the convenience trade area for Mauston as well as demographic, lifestyle and spending potential data. A larger Destination Trade Area for Mauston was also defined and analyzed.*

## Mauston Community Description

With 3,740 residents, Mauston is the county seat of Juneau County and lies along the Interstate 90/94 corridor running between Minneapolis-St Paul and Chicago.<sup>1</sup> Mauston's central location in Wisconsin puts the community near a wide variety of attractions and recreational opportunities. Situated along the Lemonweir River, Mauston is the gateway to four seasons of recreation. Mauston is a progressively active community, marked by a sense of pride in supporting its industrial and residential segments.

Mauston is the retail center of Juneau County, offering a wide variety of stores including supermarkets, a cheese factory and cheese mart, lumber yards, hardware, department, discount, jewelry and gift stores, service stations, automobile dealers and pharmacies. Mauston is also home to a number of restaurants, liquor establishments and fast food service outlets. The Mile Bluff-Hess Memorial Medical Center is located in Mauston and provides medical services to residents of other communities. The location and size of Mauston contributes to the image of the community as a destination area in the County, acting as a gathering point for visitors traveling to other areas of the county.

Mauston has long been built around the abundant natural resources found in the area. The Lemonweir River runs through the city and Lake Decorah lies to the northwest of the community. Nearby are the state's second and fourth largest lakes, Petenwell and Castle Rock. These water amenities attract residents and visitors with opportunities to fish, canoe and observe wildlife. There is also a range of trails nearby which are excellent for hiking, biking, ATV riding and horseback riding. Nearby Burr Oak Winery attracts visitors from large metropolitan areas. Mauston is also home to the Juneau County Fair held each year in August.

While the lakes and rivers in the area create exciting locations to visit, the community has created various festivals and events held throughout the year as ways to keep visitors entertained during all seasons. Other recreational activities in the area include an 18-hole golf course, volleyball and tennis courts, picnic areas, bowling, hunting, swimming, biking, snowmobiling, skiing, boating and fishing.



<sup>1</sup> US Census, 2000.

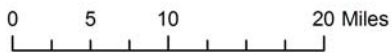
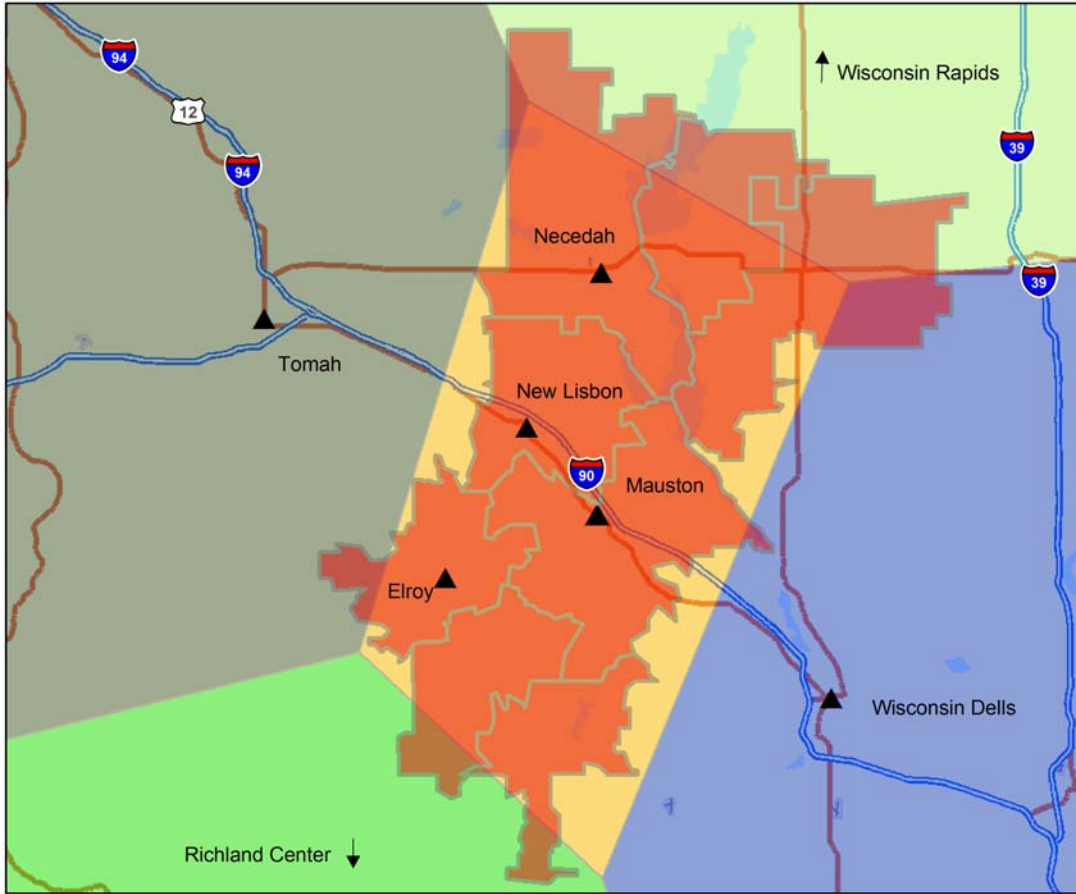
## Mauston Destination and Convenience Trade Areas

The trade area is the geographic region that generates the majority of customers for Mauston community retail and service businesses. The analysis realizes that different business types have different trade areas. That is, some businesses will draw customers from a greater distance than others. In general, the convenience trade area is intended to mirror the overall market area for the community. This resident trade area does not reflect the geographic origin of second homeowners or tourists.

For this analysis, we have constructed a primary or Convenience Trade Area for the community of Mauston (MCTA). The convenience trade area is defined as the area within which all “convenience shopping” needs (groceries, gasoline, hardware) should be satisfied by the community. To define this area a ten minute drive time analysis was used and it was determined that the corresponding zip code, 53948, fairly well described the convenience trade area for Mauston.

The Destination Trade Area is the area where “destination shopping” needs such as automobiles, furniture, and other big box stores draw customers to the area. To determine the Destination Trade Area an “equal competition analysis” was conducted which examined the midpoint between communities. The communities used for this study were Tomah, Wisconsin Rapids, Wisconsin Dells and Richland Center. The Mauston Destination Trade Area (DTA) is comprised of the zip codes for eight communities: Necedah, Arkdale, Friendship, New Lisbon, Mauston, Elroy, Wonewoc and La Valle (54646, 54613, 53934, 53950, 53948, 53929, 53968, and 53941). It is important to note that while equal competition analyses shows a potential destination trade area, other attractiveness factors such as retail mix and accessibility may play a more important role than distance alone.

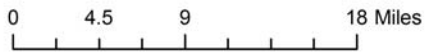
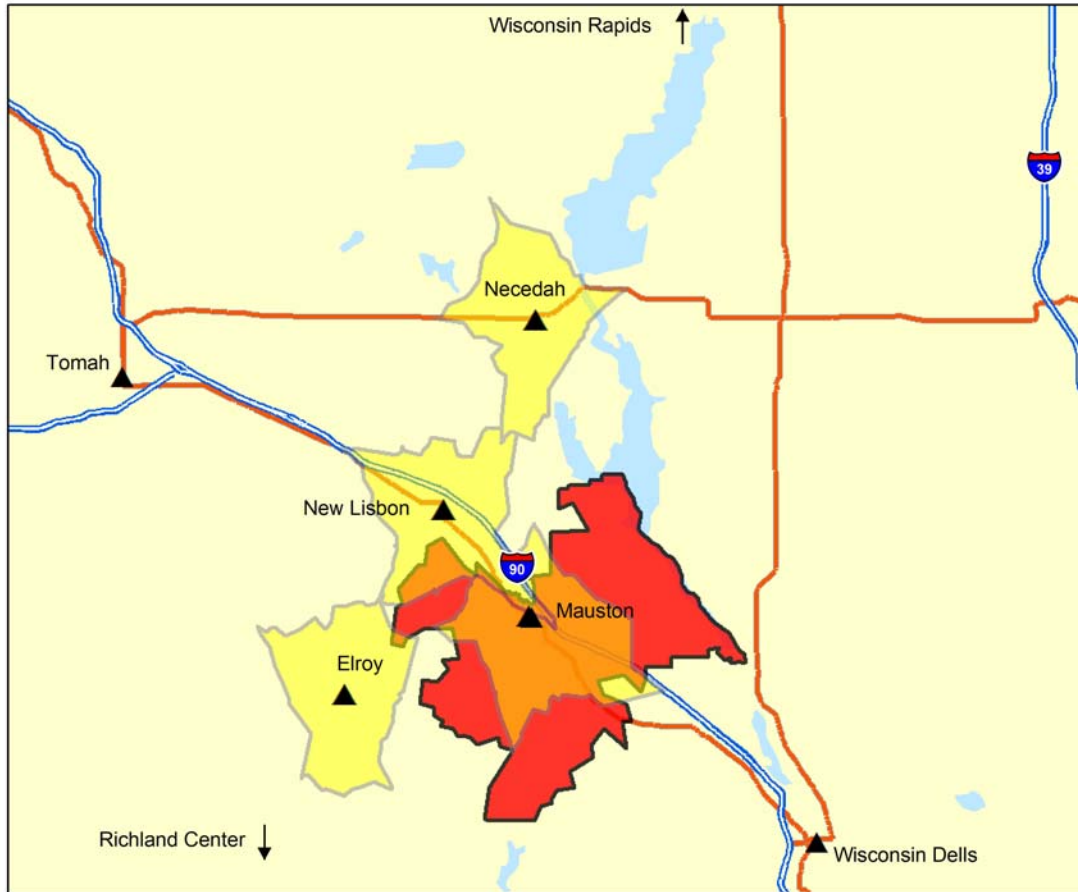
# Mauston Destination Trade Area





- Tomah Equal Area
- Richland Center Equal Area
- Wisconsin Dells Equal Area
- Mauston Equal Area
- Wisconsin Rapids Equal Area
- Mauston Destination Trade Area



# Mauston Convenience Trade Area



-  Mauston Convenience Trade Area
-  10 Minute Drive Time



# Resident Demographics

*The demographic and lifestyle characteristics of these trade area residents provide valuable information for analyzing local spending potential, purchasing preferences and marketing strategies.*

To assist in understanding the tastes and preferences of regional consumers, the following tables compare demographic traits for the Mauston Convenience Trade Area and the Mauston Destination Trade Area, along with the state of Wisconsin and the United States. Comparing demographics within each of these geographic areas helps to differentiate local consumers and may identify potential customer niches. Demographic and lifestyle characteristics are derived from a variety of public and private datasets, including ESRI Business Information Solutions (ESRI BIS) and the 2000 Census. The most current demographic information is used whenever possible and the figures produced by these sources may differ from other published estimates. Note that the demographics for each geographic area are not mutually exclusive. The Destination Trade Area includes the figures from each of the Convenience Trade Areas. Similarly, figures for Wisconsin contain the numbers from the convenience and destination trade areas.

## Population Trends

Population is the basis for quantifying market size and growth trends, both of which are used to measure consumer demand.

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
2000 Total Population	7,743	29,921	5,363,675	281,421,906
2007 Total Population	8,873	33,809	5,687,426	306,348,230
2012 Total Population	9,236	35,461	5,902,771	325,526,398
2007 - 2012 Annual Rate	0.81%	0.96%	0.75%	1.22%

Source: ESRI Business Information Solutions

- In 2007 the Mauston Convenience Trade Area (MCTA) had slightly over 25% of the total population of the Destination Trade Area (DTA).
- Population has been growing and is expected to continue to grow at a modest pace slightly above the state rate.

## Housing Units – 2007

Occupancy rates reveal the percentage of housing units that were occupied during a given year, while housing tenure characterizes the differences between owner-occupied and renter-occupied housing units. These figures are useful in analyzing the potential for a variety of different home-related products and services.

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
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<b>2007 Housing Units</b>	4,098	19,739	2,547,427	128,035,492
Owner Occupied Housing Units	63.5%	55.0%	62.6%	61.3%
Renter Occupied Housing Units	21.4%	13.4%	26.5%	28.8%
Vacant Housing Units	15.1%	31.6%	10.9%	9.9%

Source: ESRI Business Information Solutions Note: Vacant housing units include 2nd-home inventory in the trade area.

- Second home units have raised the number of vacant housing units in both MCTA and the DTA.
- The MCTA contains 20% of the housing units within the DTA.
- The ratio of owner to renters exceeds the state and U.S. averages.

### Per Capita Income Trends

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
2000	\$18,454	\$17,773	\$21,271	\$21,587
2007	\$21,905	\$21,695	\$27,589	\$27,916
2012	\$25,892	\$25,653	\$33,489	\$33,873

Source: ESRI Business Information Solutions

- Per capita income levels are approximately 20% lower in the MCTA compared to Wisconsin and the U.S.
- Percent growth in per capita income in the MCTA and DTA are significantly lower than Wisconsin and the U.S.

### Age – 2007

Expenditures and consumer preferences change with age. Accordingly, retail, service and restaurants often target certain age segments.

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
Total	8,873	33,809	5,687,426	306,348,230
0 - 4	5.8%	5.7%	6.5%	6.9%
5 - 9	5.2%	5.1%	6.1%	6.5%
10 - 14	5.4%	5.6%	6.4%	6.8%
15 - 19	6.2%	6.0%	7.3%	7.1%
20 - 24	7.1%	6.5%	7.9%	7.0%
25 - 34	11.0%	9.4%	12.0%	13.2%
35 - 44	13.0%	12.6%	14.2%	14.4%
45 - 54	15.7%	15.9%	15.7%	14.6%
55 - 64	10.8%	12.6%	10.9%	10.8%
65 - 74	8.1%	10.1%	6.3%	6.3%
75 - 84	7.5%	6.7%	4.5%	4.4%
85+	4.2%	3.6%	2.2%	1.9%
18+	79.9%	79.8%	76.8%	75.6%

Source: ESRI Business Information Solutions

- Overall, MCTA has a higher percentage (46%) of residents aged 45 and over than Wisconsin (40%) and the United States (38%), while also having a lower percentage of children and young adults.

### Household Income – 2007

Retailers are often interested in the median or average household income in a trade area or seek a minimum number of households within a certain income range.

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
Household Income Base	3,478	13,507	2,270,243	115,335,842
< \$15,000	12.9%	12.7%	9.5%	12.0%
\$15,000 - \$24,999	12.7%	13.3%	9.6%	9.9%
\$25,000 - \$34,999	14.9%	15.3%	10.5%	10.3%
\$35,000 - \$49,999	17.8%	18.0%	15.5%	14.7%
\$50,000 - \$74,999	23.3%	22.0%	22.5%	19.5%
\$75,000 - \$99,999	9.7%	10.0%	14.3%	12.8%
\$100,000 - \$149,999	6.0%	6.0%	12.3%	12.3%
\$150,000 - \$199,999	1.3%	1.3%	3.1%	4.2%
\$200,000 +	1.4%	1.5%	2.7%	4.2%
Average Household Income	\$53,532	\$52,699	\$68,215	\$73,126

Source: ESRI Business Information Solutions

- 58.3% of MCTA residents have a household income of less than \$50,000, compared to 59.3% in the DTA, 45.1% for Wisconsin and 46.9% in the United States.
- The average household incomes in the MCTA and DTA are approximately 22% lower than Wisconsin and 27% lower than the U.S.

### Educational Attainment (Population 25+) - 2000

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
Total	5,206	20,610	3,475,878	182,211,639
Less than 9th Grade	7.0%	7.6%	5.4%	7.5%
9th - 12th Grade, No Diploma	13.4%	14.5%	9.6%	12.1%
High School Graduate	42.6%	43.1%	34.6%	28.6%
Some College, No Degree	19.5%	19.3%	20.6%	21.0%
Associate Degree	6.2%	5.5%	7.5%	6.3%
Bachelor's Degree	7.5%	6.8%	15.3%	15.5%
Master's/Prof/Doctorate Degree	3.8%	3.2%	7.2%	8.9%

Source: ESRI Business Information Solutions

- There are a high percentage of MCTA residents that have completed high school as the highest level of education.
- MCTA and the DTA have lower percentages of residents with Bachelor's Degrees than Wisconsin and the United States.

### Employment Occupation (Population 16+) - 2007

The type of employment in a community is sometimes related to market demand for certain products and services.

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
Total	4,262	15,670	2,863,687	141,590,232
<b>White Collar</b>	46.2%	45.7%	58.0%	60.2%
Management/Business/Financial	11.0%	11.6%	13.4%	13.6%
Professional	12.5%	12.8%	20.3%	21.3%
Sales	10.7%	9.9%	11.0%	11.5%
Administrative Support	12.1%	11.5%	13.3%	13.8%
<b>Services</b>	21.1%	18.9%	14.9%	16.5%
<b>Blue Collar</b>	32.7%	35.4%	27.1%	23.3%
Farming/Forestry/Fishing	0.9%	1.5%	0.7%	0.6%
Construction/Extraction	5.6%	6.7%	5.7%	6.6%
Installation/Maintenance/Repair	4.2%	4.4%	4.0%	3.9%
Production	12.1%	13.0%	10.0%	6.3%
Transportation/Material Moving	9.9%	9.8%	6.7%	5.9%

Source: ESRI Business Information Solutions

- White collar employment accounts for the majority, 46%, of local employment in MCTA. However this is significantly less than Wisconsin and the U.S.
- The percentage of MCTA residents employed in services and production is greater than the U.S. and may include tourism related employment.

### Employment Occupations – NAICS Business Summary

	Mauston Convenience Trade Area	Destination Trade Area	Wisconsin	USA
Agriculture/Mining	3.2%	5.5%	2.5%	1.7%
Construction	7.1%	8.2%	6.9%	8.0%
Manufacturing	18.2%	19.4%	17.7%	10.7%
Wholesale Trade	2.2%	2.4%	3.5%	3.4%
Retail Trade	15.7%	13.5%	12.4%	11.6%
Transportation/Utilities	5.8%	5.7%	4.2%	4.9%
Information	0.4%	0.8%	1.7%	2.3%
Finance/Insurance/Real Estate	3.6%	3.6%	6.6%	7.4%
Services	39.0%	36.6%	41.2%	45.1%
Public Administration	4.7%	4.3%	3.3%	4.8%

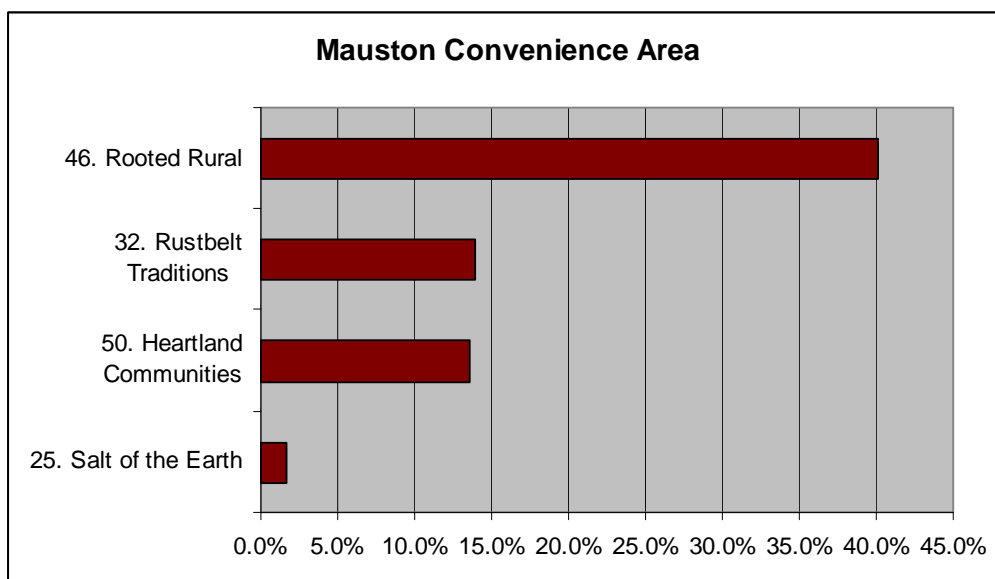
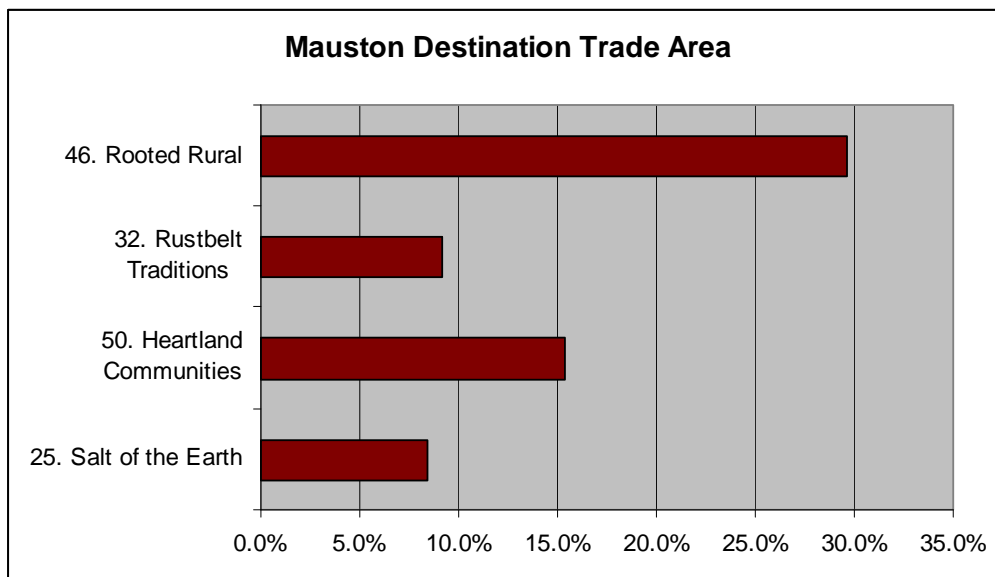
Source: ESRI Business Information Solutions

- Services stands out as a major category of local employment for the MCTA and DTA.
- Compared to the United States, MCTA has a higher percentage of people employed in retail trade.

## Lifestyle Analysis

The Mauston Convenience Trade Area and Destination Trade Area resident lifestyles can also be studied using lifestyle segmentation information. Lifestyle segmentation systems examine the buying habits and preferences of consumers in a geographic area. One lifestyle segmentation system is Tapestry™, by ESRI Business Information Solutions. Consumers are classified into 65 demographic and behaviorally distinct segments. The segments are based on type of neighborhood (urban, suburban, rural); the residents' socioeconomic status (age, income, occupation, type and value of residence); and their buying behaviors.

A snapshot of the lifestyle characteristics and preferences for these national segments as described by ESRI are presented below, and a more complete description can be found in Appendix A. Note that the income and home values in these descriptions are from a 2006 ESRI staff paper (Community Tapestry – Fabric of America's Neighborhoods).



Rooted Rural: Rooted Rural are settled families that take pride in their homes. Local residents tend to move infrequently, but there are also a higher proportion of seasonal homes. The population is slightly older, with a median age of 41.0 years and 45% of householders are aged 55 or older. The median household income is \$36,700. One-third of households receive Social Security benefits. Homeownership is at 84% and the median home value is \$89,900. These families are busy with do-it-yourself home improvement projects, remodeling and gardening. Many families prepare meals at home with homegrown produce. Residents enjoy hunting, fishing, target shooting, boating, country music concerts and auto races.

Heartland Communities: Neighborhoods are preferred by approximately six million people. These neighborhoods can be found primarily in small towns in the Midwest and South. More than 75 percent of the households are single-family dwellings with a median home value of \$74,400. Most homes are older, built before 1960. The median age is 41.3 years; nearly one-third of the householders are aged 65 years or older. The distinctly country lifestyle of these residents is reflected in their interest in hunting, fishing, woodworking, playing bingo, and listening to country music. In addition to working on home improvement projects, they are avid gardeners and read gardening magazines. They participate in civic activities and take an interest in local politics. Residents order items from catalogs, QVC, and Avon sales representatives.

Rustbelt Traditions: Rustbelt Traditions neighborhoods are the backbone of older, industrial cities in states bordering the Great Lakes. Most employed residents work in the service, manufacturing, and retail trade industries. Most residents own and live in modest single-family homes and have a median value of \$97,000. Households are primarily a mix of married-couple families, single-parent families, and singles who live alone. The median age is 35.9 years; the median household income is \$45,300. Residents prefer to use a credit union and invest in certificates of deposit. They use coupons regularly, especially at Sam's Club, work on home remodeling or improvement projects, and buy domestic.

Salt of the Earth: A rural or small-town lifestyle best describes the Salt of the Earth market. The median age is 40.4 years. Labor force participation is higher than the U.S. level, and unemployment is lower. Above-average numbers of employed residents work in the manufacturing, construction, mining, and agricultural industries. The median household income is \$48,800. Households are dominated by married-couple families who live in single-family dwellings, with homeownership at 86 percent. Twenty-eight percent of the households own three or more vehicles. Most homes own a truck; many own a motorcycle. Residents are settled, hardworking, and self-reliant, taking on small home projects as well as vehicle maintenance. Families often own two or more pets, usually dogs or cats. Residents enjoy fishing, hunting, target shooting, attending country music concerts, auto races, and flying kites.

## Consumer Spending Potential of Residents

Consumer spending potential data for 2007 for the Mauston Convenience and Destination Trade Areas are presented in the tables below. Displayed are the annual amounts spent on a variety of goods and services by households that reside in the trade area, regardless of where the goods or services were purchased. A spending potential index (SPI) is provided to compare household spending with the national averages (U.S. index = 100). Spending by visitors and nonresidents are not included in these figures.

	Mauston Convenience Trade Area		Destination Trade Area		WI	USA
	<u>SPI</u>	<u>Total Spending</u>	<u>SPI</u>	<u>Total Spending</u>	<u>SPI</u>	<u>SPI</u>
<b>Apparel and Services</b>	64	\$6,105,477	62	\$22,950,188	84	100
Men's	66	\$1,145,309	65	\$4,333,882	87	100
Women's	62	\$2,077,315	60	\$7,846,619	82	100
Children's	72	\$1,092,830	69	\$4,079,008	89	100
Footwear	57	\$1,003,912	55	\$3,747,891	74	100
Watches & Jewelry	63	\$432,319	61	\$1,631,684	92	100
Apparel Products and Services	69	\$353,792	66	\$1,311,104	100	100
<b>Computer</b>						
Computers and Hardware for Home Use	70	\$530,987	67	\$1,982,022	94	100
Software and Accessories for Home Use	65	\$67,591	62	\$252,152	93	100
<b>Entertainment &amp; Recreation</b>	75	\$8,934,457	74	\$34,442,734	94	100
<b>Fees and Admissions</b>	62	\$1,315,254	60	\$4,954,004	92	100
Membership Fees for Clubs	64	\$354,304	63	\$1,359,123	93	100
Fees for Participant Sports, excl. Trips	64	\$253,948	64	\$975,989	93	100
Admission to Movie/Theatre/Opera/Ballet	60	\$312,206	57	\$1,146,368	92	100
Admission to Sporting Events, excl. Trips	64	\$127,024	61	\$475,660	95	100
Fees for Recreational Lessons	59	\$267,772	57	\$996,864	91	100
<b>TV/Video/Sound Equipment</b>	75	\$3,047,637	73	\$11,492,033	94	100
Community Antenna or Cable Television	79	\$1,840,635	78	\$7,018,969	95	100
Color Televisions	67	\$320,045	65	\$1,202,102	92	100
VCRs, Video Cameras, and DVD Players	75	\$101,017	72	\$379,500	95	100
Video Cassettes and DVDs	76	\$160,975	73	\$597,963	95	100
Video Game Hardware and Software	73	\$83,609	69	\$307,683	95	100
Satellite Dishes	77	\$4,132	78	\$16,229	90	100
Rental of Video Cassettes and DVDs	73	\$150,703	68	\$550,423	95	100
Sound Equipment	68	\$371,911	64	\$1,365,318	93	100
Rental and Repair of TV/Sound Equipment	73	\$14,610	69	\$53,846	94	100
Pets	84	\$1,287,261	85	\$5,063,183	96	100
Toys and Games	77	\$486,487	75	\$1,829,361	96	100
Recreational Vehicles and Fees	85	\$1,349,420	90	\$5,558,560	94	100
Sports/Recreation/Exercise Equipment	70	\$562,527	70	\$2,186,846	85	100
Photo Equipment and Supplies	73	\$350,666	71	\$1,318,781	96	100
Reading	72	\$535,205	71	\$2,039,966	95	100

	Mauston Convenience Trade Area		Destination Trade Area		WI	USA
<b>Food</b>	76	\$22,348,381	75	\$85,011,924	94	100
<b>Food at Home</b>	78	\$13,676,299	77	\$52,296,685	94	100
Bakery and Cereal Products	78	\$1,963,228	77	\$7,490,990	94	100
Meat, Poultry, Fish, and Eggs	79	\$3,632,603	78	\$13,922,556	93	100
Dairy Products	79	\$1,504,471	77	\$5,756,542	94	100
Fruit and Vegetables	74	\$2,259,535	73	\$8,633,418	92	100
Snacks and Other Food at Home	79	\$4,316,462	78	\$16,493,179	95	100
<b>Food Away from Home</b>	74	\$8,672,082	72	\$32,715,239	94	100
Alcoholic Beverages	69	\$1,481,782	66	\$5,484,916	94	100
Nonalcoholic Beverages at Home	81	\$1,231,294	80	\$4,718,308	94	100
<b>Financial</b>						
Investments	57	\$2,958,479	53	\$10,631,158	95	100
Vehicle Loans	84	\$17,967,101	84	\$69,611,207	95	100
<b>Health</b>						
Nonprescription Drugs	84	\$357,568	84	\$1,388,603	96	100
Prescription Drugs	97	\$1,950,373	100	\$7,812,307	98	100
Eyeglasses and Contact Lenses	80	\$231,866	80	\$899,407	97	100
<b>Home</b>						
Mortgage Payment and Basics	66	\$19,924,193	66	\$77,563,134	92	100
Maintenance and Remodeling Services	68	\$4,681,310	70	\$18,627,206	92	100
Maintenance and Remodeling Materials	86	\$1,117,769	88	\$4,437,900	97	100
Utilities, Fuel, and Public Services	80	\$12,198,867	79	\$46,844,999	95	100
<b>Household Furnishings and Equipment</b>						
Household Textiles	70	\$338,008	69	\$1,298,501	93	100
Furniture	66	\$1,479,760	65	\$5,631,553	93	100
Floor Coverings	64	\$202,324	65	\$790,581	91	100
Major Appliances	80	\$820,674	81	\$3,230,986	94	100
Housewares	70	\$256,068	69	\$985,808	88	100
Small Appliances	79	\$101,409	78	\$389,165	95	100
Luggage	60	\$21,402	57	\$79,509	92	100
Telephones and Accessories	66	\$109,643	66	\$422,521	81	100
<b>Household Operations</b>						
Child Care	58	\$850,840	54	\$3,034,571	92	100
Lawn and Garden	88	\$1,376,093	92	\$5,555,845	96	100
Moving/Storage/Freight Express	68	\$126,532	67	\$481,302	91	100
Housekeeping Supplies	81	\$2,172,871	80	\$8,355,588	95	100
<b>Insurance</b>						
Owners and Renters Insurance	83	\$1,381,536	85	\$5,489,391	96	100
Vehicle Insurance	78	\$3,956,559	77	\$15,229,308	94	100
Life/Other Insurance	81	\$1,796,948	82	\$7,074,739	96	100
Health Insurance	88	\$6,003,450	89	\$23,594,350	97	100

	Mauston Convenience Trade Area		Destination Trade Area		WI	USA
Personal Care Products	75	\$1,239,093	74	\$4,702,384	94	100
School Books and Supplies	75	\$315,557	67	\$1,095,189	99	100
Smoking Products	91	\$1,536,330	89	\$5,802,253	99	100
<b>Transportation</b>						
Vehicle Purchases (Net Outlay)	83	\$16,612,202	83	\$64,645,838	95	100
Gasoline and Motor Oil	85	\$5,989,489	84	\$23,150,305	95	100
Vehicle Maintenance and Repairs	76	\$2,816,145	76	\$10,879,778	94	100
<b>Travel</b>						
Airline Fares	61	\$873,095	60	\$3,324,629	91	100
Lodging on Trips	69	\$982,510	69	3812631	93	100
Auto/Truck/Van Rental on Trips	58	\$88,035	57	\$335,573	91	100
Food and Drink on Trips	71	\$1,164,571	70	\$4,474,407	94	100

*Data Note: The Spending Potential Index (SPI) is household-based and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding.*

*Source: ESRI Business Information Solutions. Expenditure data are derived from the 2002, 2003 and 2004 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI forecasts for 2007 and 2012.*

Based on consumer spending potential data, residents of the Mauston Convenience and Destination Trade Areas have lower spending potential per household than the U.S. average (as reflected by the SPI figures that are less than 100). Example products and services that have relatively higher spending activity (but still less than the U.S. average) include:

- Recreational vehicles and fees and loans
- Pets
- Smoking products
- Lawn care and housekeeping products
- Health related items including nonprescription drugs, prescription drugs, eye care
- Maintenance and remodeling materials
- Insurance including life, health, owners and renters insurance
- Appliances
- Vehicle purchases, gasoline and motor oil