

# New Lisbon Analysis of Resident Market

*This section analyzes the size and shape of the resident convenience trade area for New Lisbon including demographic, lifestyle and spending potential data.*

## New Lisbon Community Description

New Lisbon has a population of 1,436 residents and is located along the Interstate 90/94 corridor. Nearby attractions include: Necedah National Wildlife Refuge, Volk Field/Camp Williams, the Lemonweir River, and Castle Rock and Petenwell Lakes, the two largest lakes in Wisconsin. Visitors to the area enjoy water activities, fishing, hunting, camping, biking, hiking and snowmobiling.

Just outside New Lisbon is the Aquarian Garden Wellness Center, an organization of holistic wellness practitioners that offer a complete circle of natural health services for unity of mind, body & spirit. Visitors from across the state are drawn into the area for their unique services. Burr Oak Winery, the only winery in Juneau County, is another unique business establishment located nearby drawing visitors into the area. Burr Oak hosts two festivals each year and also is the home of the Hickory Hill Arts Group, where local artists meet, display, and sell their artwork. Annually, New Lisbon celebrates with Wadushuda Days, a three day event around the 4<sup>th</sup> of July.

Other area businesses include a grocery store, fitness center, auto supply, medical facilities, pharmacy and antique store.

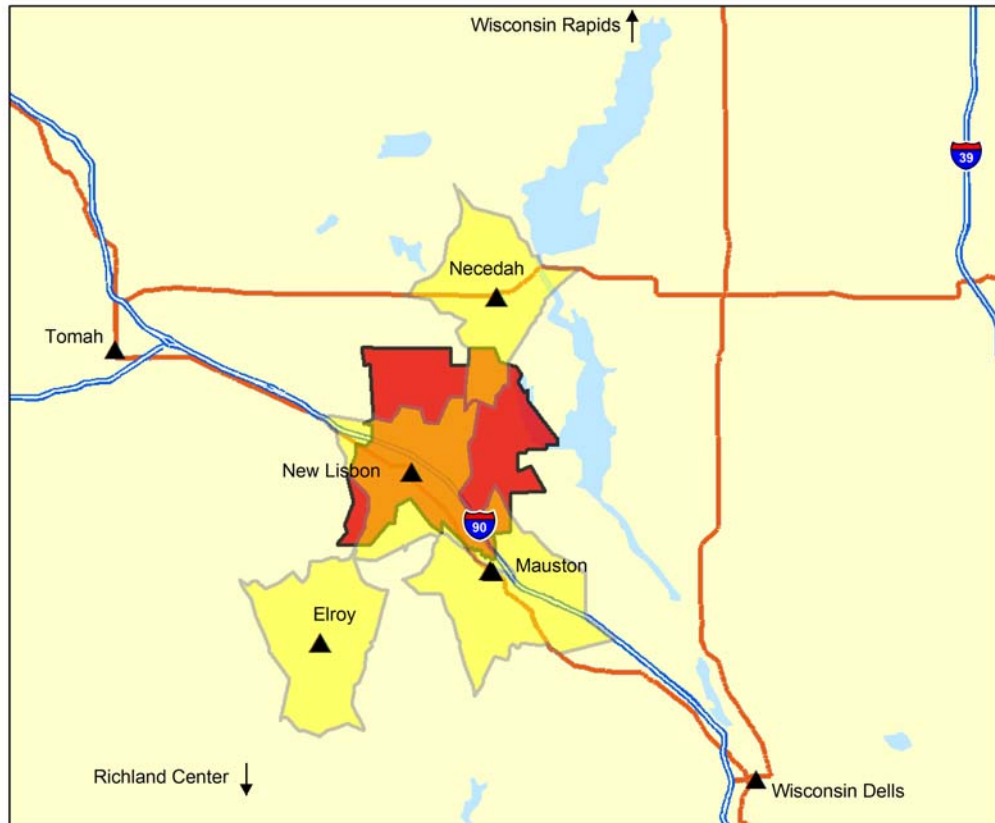


## New Lisbon Convenience Trade Areas

The trade area is the geographic region that generates the majority of customers for New Lisbon 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, each 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 New Lisbon (NLCTA). The convenience trade area is defined as the area within which all “convenience shopping” needs (groceries, gasoline, hardware) are 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, 53950, described the convenience trade area for New Lisbon.

## New Lisbon Convenience Trade Area



## 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 Convenience Trade Areas 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.

### Population Trends

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

	<b>New Lisbon Convenience Trade Area</b>	<b>Wisconsin</b>	<b>USA</b>
2000 Total Population	4,143	5,363,675	281,421,906
2007 Total Population	4,409	5,687,426	306,348,230
2012 Total Population	4,550	5,902,771	325,526,398
2007 - 2012 Annual Rate	0.63%	0.75%	1.22%

Source: ESRI Business Information Solutions

- Over the years the population of NLCTA is projected to grow at a lower rate than the state and U.S.
- Between 2007 and 2012 NLCTA is projected to grow by 141 residents.

### 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.

	<b>New Lisbon Convenience Trade Area</b>	<b>Wisconsin</b>	<b>USA</b>
<b>2007 Housing Units</b>	2,665	2,547,427	128,035,492
Owner Occupied Housing Units	55.9%	62.6%	61.3%
Renter Occupied Housing Units	13.2%	26.5%	28.8%
Vacant Housing Units	30.8%	10.9%	9.9%

Source: ESRI Business Information Solutions

Note: Vacant housing units include 2<sup>nd</sup>-home inventory in the trade area.

- NLCTA has a high percentage of vacant or recreational housing units (30.8%).
- The ratio of owners to renters exceeds the state and U.S. averages.

### Per Capita Income Trends

	<b>New Lisbon Convenience Trade Area</b>	<b>Wisconsin</b>	<b>USA</b>
2000	\$19,468	\$21,271	\$21,587
2007	\$22,724	\$27,589	\$27,916
2012	\$26,873	\$33,489	\$33,873

Source: ESRI Business Information Solutions

- NLCTA has a slightly lower per capita income than Wisconsin and the U.S.
- Percentage growth in per capita income in the NLCTA is 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.

	<b>New Lisbon Convenience Trade Area</b>	<b>Wisconsin</b>	<b>USA</b>
Total	4,409	5,687,426	306,348,230
0 - 4	6.0%	6.5%	6.9%
5 - 9	5.0%	6.1%	6.5%
10 - 14	5.5%	6.4%	6.8%
15 - 19	6.2%	7.3%	7.1%
20 - 24	7.1%	7.9%	7.0%
25 - 34	8.6%	12.0%	13.2%
35 - 44	13.3%	14.2%	14.4%
45 - 54	16.0%	15.7%	14.6%
55 - 64	13.7%	10.9%	10.8%
65 - 74	9.9%	6.3%	6.3%
75 - 84	5.7%	4.5%	4.4%
85+	2.9%	2.2%	1.9%
18+	79.7%	76.8%	75.6%

Source: ESRI Business Information Solutions

- 48% of residents are over the age of 45 in NLCTA, compared to 40% in Wisconsin and 38% for the U.S.
- 19% of NLCTA residents are over the age of 65, compared to 13% in Wisconsin and 12.6% in the United States.

### 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.

	New Lisbon Convenience Trade Area	Wisconsin	USA
Household Income Base	1,843	2,270,243	115,335,842
< \$15,000	12.4%	9.5%	12.0%
\$15,000 - \$24,999	13.3%	9.6%	9.9%
\$25,000 - \$34,999	14.9%	10.5%	10.3%
\$35,000 - \$49,999	17.9%	15.5%	14.7%
\$50,000 - \$74,999	22.6%	22.5%	19.5%
\$75,000 - \$99,999	10.5%	14.3%	12.8%
\$100,000 - \$149,999	5.8%	12.3%	12.3%
\$150,000 - \$199,999	1.1%	3.1%	4.2%
\$200,000 +	1.6%	2.7%	4.2%
Average Household Income	\$53,704	\$68,215	\$73,126

Source: ESRI Business Information Solutions

- 58.5% of NLCTA residents have a household income of less than \$50,000, compared to 45.1% for Wisconsin and 46.9% in the United States.
- The average household income in the NLCTA is approximately 22% lower than Wisconsin and 27% lower than the U.S.

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

	New Lisbon Convenience Trade Area	Wisconsin	USA
Total	2,884	3,475,878	182,211,639
Less than 9th Grade	6.7%	5.4%	7.5%
9th - 12th Grade, No Diploma	15.5%	9.6%	12.1%
High School Graduate	41.1%	34.6%	28.6%
Some College, No Degree	21.3%	20.6%	21.0%
Associate Degree	6.0%	7.5%	6.3%
Bachelor's Degree	6.6%	15.3%	15.5%
Master's/Prof/Doctorate Degree	2.9%	7.2%	8.9%

Source: ESRI Business Information Solutions

- NLCTA has a lower percentage of Bachelor's Degrees than the state and US, but is even with the US in percentage of people with an Associate Degree and with some college.

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

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

	New Lisbon Convenience Trade Area	Wisconsin	USA
Total	2,075	2,863,687	141,590,232
<b>White Collar</b>	46.5%	58.0%	60.2%
Management/Business/Financial	9.6%	13.4%	13.6%
Professional	14.0%	20.3%	21.3%
Sales	10.6%	11.0%	11.5%
Administrative Support	12.2%	13.3%	13.8%
<b>Services</b>	19.0%	14.9%	16.5%
<b>Blue Collar</b>	34.6%	27.1%	23.3%
Farming/Forestry/Fishing	1.3%	0.7%	0.6%
Construction/Extraction	6.3%	5.7%	6.6%
Installation/Maintenance/Repair	4.1%	4.0%	3.9%
Production	13.6%	10.0%	6.3%
Transportation/Material Moving	9.3%	6.7%	5.9%

Source: ESRI Business Information Solutions

- White collar employment accounts for almost 47% of local employment in NLCTA, but is a smaller percentage than seen in the United States.
- The percentage of NLCTA residents employed in production is greater than the U.S.

### Employment Occupations – NAICS Business Summary

	New Lisbon Convenience Trade Area	Wisconsin	USA
Agriculture/Mining	3.7%	2.5%	1.7%
Construction	7.5%	6.9%	8.0%
Manufacturing	22.3%	17.7%	10.7%
Wholesale Trade	2.1%	3.5%	3.4%
Retail Trade	13.3%	12.4%	11.6%
Transportation/Utilities	5.0%	4.2%	4.9%
Information	1.0%	1.7%	2.3%
Finance/Insurance/Real Estate	4.0%	6.6%	7.4%
Services	36.1%	41.2%	45.1%
Public Administration	5.1%	3.3%	4.8%

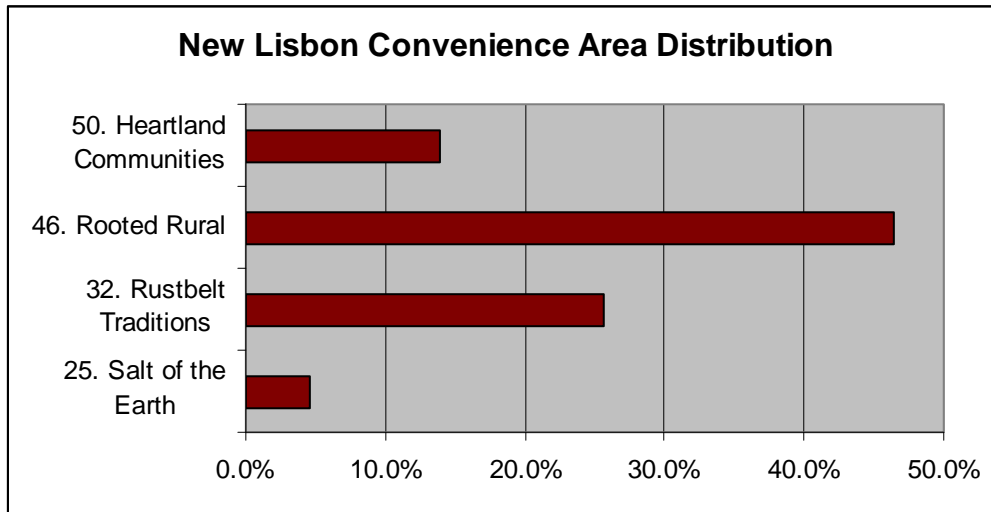
Source: ESRI Business Information Solutions

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

## Lifestyle Analysis

The New Lisbon Convenience 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 C. 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 neighborhoods are located in rural areas throughout the country; however, more than three-fifths of the households are located in the South. Households are dominated by married-couple families, approximately one-third of whom already receive Social Security benefits. The median age is 41.0 years. Housing is predominantly single-family dwellings, with a strong presence of mobile homes and some seasonal housing. The median home value is \$89,900. Stable and settled, residents tend to move infrequently. They are do-it-yourselfers, constantly working on their homes, gardens, and vehicles. Many families have pets. Residents enjoy hunting, fishing, target shooting, boating, attending country music concerts, and listening to country music on the radio. Many households have a satellite dish; favorite stations include Outdoor Life Network and CMT.

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.

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.

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 New Lisbon Convenience Trade Area is 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.

	New Lisbon Convenience Trade Area		WI	USA
	<u>SPI</u>	<u>Total Spending</u>	<u>SPI</u>	<u>SPI</u>
<b>Apparel and Services</b>	63	\$3,207,877	84	100
Men's	66	\$606,112	87	100
Women's	62	\$1,091,721	82	100
Children's	72	\$579,098	89	100
Footwear	56	\$522,370	74	100
Watches & Jewelry	63	\$228,209	92	100
Apparel Products and Services	66	\$180,367	100	100
<b>Computer</b>				
Computers and Hardware for Home Use	68	\$275,843	94	100
Software and Accessories for Home Use	63	\$34,826	93	100
<b>Entertainment &amp; Recreation</b>	76	\$4,781,434	94	100
<b>Fees and Admissions</b>	62	\$694,481	92	100
Membership Fees for Clubs	65	\$189,633	93	100
Fees for Participant Sports, excl. Trips	64	\$134,374	93	100
Admission to Movie/Theatre/Opera/Ballet	58	\$159,402	92	100
Admission to Sporting Events, excl. Trips	64	\$67,449	95	100
Fees for Recreational Lessons	60	\$143,623	91	100
<b>TV/Video/Sound Equipment</b>	74	\$1,596,250	94	100
Community Antenna or Cable Television	79	\$970,044	95	100
Color Televisions	66	\$166,569	92	100
VCRs, Video Cameras, and DVD Players	75	\$53,622	95	100
Video Cassettes and DVDs	75	\$83,634	95	100
Video Game Hardware and Software	71	\$43,362	95	100
Satellite Dishes	78	\$2,212	90	100
Rental of Video Cassettes and DVDs	70	\$76,964	95	100
Sound Equipment	66	\$192,424	93	100
Rental and Repair of TV/Sound Equipment	70	\$7,419	94	100
Pets	87	\$704,113	96	100
Toys and Games	78	\$259,962	96	100
Recreational Vehicles and Fees	90	\$754,356	94	100
Sports/Recreation/Exercise Equipment	71	\$302,119	85	100
Photo Equipment and Supplies	74	\$186,575	96	100
Reading	72	\$283,578	95	100

		<b>New Lisbon Convenience Trade Area</b>	<b>WI</b>	<b>USA</b>
<b>Food</b>	76	\$11,782,149	94	100
<b>Food at Home</b>	78	\$7,222,792	94	100
Bakery and Cereal Products	78	\$1,036,562	94	100
Meat, Poultry, Fish, and Eggs	79	\$1,921,781	93	100
Dairy Products	78	\$796,186	94	100
Fruit and Vegetables	73	\$1,183,741	92	100
Snacks and Other Food at Home	79	\$2,284,522	95	100
<b>Food Away from Home</b>	73	\$4,559,357	94	100
Alcoholic Beverages	67	\$763,669	94	100
Nonalcoholic Beverages at Home	81	\$653,044	94	100
<b>Financial</b>				
Investments	54	\$1,485,787	95	100
Vehicle Loans	86	\$9,704,763	95	100
<b>Health</b>				
Nonprescription Drugs	85	\$190,030	96	100
Prescription Drugs	99	\$1,053,954	98	100
Eyeglasses and Contact Lenses	82	\$125,683	97	100
<b>Home</b>				
Mortgage Payment and Basics	68	\$10,876,495	92	100
Maintenance and Remodeling Services	71	\$2,594,324	92	100
Maintenance and Remodeling Materials	92	\$634,489	97	100
Utilities, Fuel, and Public Services	80	\$6,492,053	95	100
<b>Household Furnishings and Equipment</b>				
Household Textiles	70	\$180,026	93	100
Furniture	67	\$789,301	93	100
Floor Coverings	66	\$110,881	91	100
Major Appliances	82	\$446,626	94	100
Housewares	70	\$136,261	88	100
Small Appliances	80	\$54,343	95	100
Luggage	58	\$11,090	92	100
Telephones and Accessories	67	\$58,800	81	100
<b>Household Operations</b>				
Child Care	57	\$440,846	92	100
Lawn and Garden	93	\$770,294	96	100
Moving/Storage/Freight Express	65	\$64,129	91	100
Housekeeping Supplies	82	\$1,162,044	95	100
<b>Insurance</b>				
Owners and Renters Insurance	86	\$756,915	96	100
Vehicle Insurance	78	\$2,111,729	94	100
Life/Other Insurance	84	\$984,030	96	100
Health Insurance	89	\$3,234,463	97	100

		<b>New Lisbon Convenience Trade Area</b>	<b>WI</b>	<b>USA</b>
Personal Care Products	74	\$648,195	94	100
School Books and Supplies	67	\$148,753	99	100
Smoking Products	92	\$817,554	99	100
<b>Transportation</b>				
Vehicle Purchases (Net Outlay)	85	\$8,993,430	95	100
Gasoline and Motor Oil	86	\$3,217,189	95	100
Vehicle Maintenance and Repairs	76	\$1,497,032	94	100
<b>Travel</b>				
Airline Fares	60	\$454,893	91	100
Lodging on Trips	71	\$532,266	93	100
Auto/Truck/Van Rental on Trips	58	\$46,425	91	100
Food and Drink on Trips	72	\$620,716	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 New Lisbon Convenience Trade Area 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
- Appliances
- Insurance including life, health, owners and renters insurance
- Vehicle purchase, gasoline and motor oil