

DOOR COUNTY BUY LOCAL

**Buy
Local**

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DOOR COUNTY BUY LOCAL PROGRESS

1. Steering committee organized
2. Research other Buy Local programs
3. Initial Goals for Door County BUY LOCAL
 - A. Business information and Networking
 - B. Public information about benefits
 - C. Door County BUY LOCAL Membership
 - D. Non-profit and local Government encouragement

SIGN UP FOR DOOR COUNTY BUY LOCAL

Door County BUY LOCAL Initiative

COMMITMENT CERTIFICATION

By signing below I agree to commit to doing business locally whenever possible as a consumer, business, non-profit, civic or service organization or governmental body. I will work to shift at least 10% of spending to local enterprises.

NAME

ORGANIZATION/BUSINESS/CONTACT INFO

Check if interested in joining BUY LOCAL Steering Committee

SURPLUS AND LEAKAGE OF TAXABLE RETAIL AND SERVICE SALES IN DOOR COUNTY

2006 and 2009 Trade Area Analysis Data

UW-Extension

TRADE AREA ANALYSIS

- ✘ Uses sales tax data reported by the Wisconsin Department of Revenue at the county level.
- ✘ Creates a county level model using the taxable sales data, per capita income, county population, and per capita sales

TRADE AREA ANALYSIS

- ✘ Calculates retail and service sectors in Door County that are performing better than what the model expects from a county with our population and per capita income.
- ✘ Also identifies sectors that are underperforming, indicating we are losing customers in those sectors to other markets.

TAXABLE SERVICES, PULL FACTORS 2006, DOOR COUNTY

| Service Sector | Pull Factor | Estimated \$ Amount of Surplus or (Leakage) |
|--|--------------------|--|
| Hotels, Motels & Other Traveler Accommodations | 7.179 | \$51,204,671 |
| Banking, Insurance and Other Finance Activities | 0.787 | (\$407,815) |
| Administrative & Support Services | 0.772 | (\$647,495) |
| Health Care and Social Assistance Services | 0.251 | (\$643,255) |
| Personal & Household Services | 1.789 | \$8,283,696 |
| Business Services | 1.627 | \$5,936,056 |
| Repair & Maintenance Services | 0.725 | (\$2,330,560) |
| Professional Services | -S- | -S- |
| Architectural, Engineering, & Related Services | -S- | -S- |
| Computer System Services | 0.618 | (\$1,876,622) |
| Scientific & Other Services | 1.172 | \$ 1 54,661 |
| Rental & Leasing Services | 0.647 | (\$3,267,825) |
| Real Estate Services (Rental, Management, Appraisal) | 7.23 | \$2,183,327 |

TAXABLE RETAIL SALES, PULL FACTORS 2006, DOOR COUNTY

| Retail Sector | Pull Factor | Estimated \$ Amount of Surplus or (Leakage) |
|--|--------------------|--|
| Food Services & Drinking Places (Restaurants & Bars) | 1.584 | \$21,447,492 |
| Performing Arts, Spectator Sports & Related Industries | 0.9 | (\$212,246) |
| Amusement, Gambling, Recreation Industries | 3.526 | \$6,654,354 |
| Automobiles & Other Motor Vehicles | 1.312 | \$14,984,458 |
| Gasoline Stations (including convenience stores with gas) | 1.645 | \$4,260,000 |
| Clothing & Accessories Stores | 1.649 | \$8,959,374 |
| Electronic & Appliance Stores | 0.563 | (\$3,591,802) |
| Food & Beverage Stores | 1.763 | \$12,776,077 |
| Furniture & Home Furnishing Stores | 1.483 | \$17,136,230 |
| Health & Personal Care Stores | 0.867 | (\$531,919) |
| Sporting Goods, Hobby, Book, & Music Stores | 0.863 | (\$931,590) |
| General Merchandise Stores | 0.704 | (\$11,945,877) |
| Other Store Retailers | 1.743 | \$29,021,155 |
| Nonstore retailers | 0.691 | (\$1,322,252) |

PULL FACTORS (2006)

- ✘ For example, in the service sector of Hotels, Motels & Other Traveler Accommodations (Table 2) the model calculates a Pull Factor of 7.179, which could be interpreted as saying that Door County has taxable sales in this sector about seven times greater than what you would expect in a county with our population and income to show.
- ✘ Likewise in the sector of Real Estate Services, a Pull Factor of 7.23 is not surprising (for 2006) due to the relatively robust real estate industry in Door County.

WHO ARE WE LOSING?

- ✘ Sectors with a Pull Factor of less than 1.0.
- ✘ Table 1. Electronic and Appliance Stores. Pull Factor of 0.563 (.684 in 2009) Door County appears to be doing about half the amount of business in this sector as one would expect from a county with our population and incomes.
- ✘ The conventional explanation most economists would suggest are that part of retail sales is being lost to other markets.
- ✘ However, another explanation could be that the retailers we have in this sector are underperforming, perhaps not reaching customers with news of their competitiveness. (Though improving slightly from 2006 to 2009)

2009 Trade Area Analysis

TAXABLE RETAIL SALES AND PULL FACTORS - COMPARISONS

Total Taxable Retail Sales in 2009

| County | Motor Vehicle and Parts Dealers | Furniture and Home Furnishings Stores | Electronics and Appliance Stores | Building Material and Garden Equipment Dealers | Food and Beverage Stores | Health and Personal Care Stores | Gasoline Stations | Clothing and Clothing Accessories Stores | Sporting Goods, Hobby, Book, and Music Stores | General Merchandise Stores | Miscellaneous Store Retailers |
|-------------|---------------------------------|---------------------------------------|----------------------------------|--|--------------------------|---------------------------------|-------------------|--|---|----------------------------|-------------------------------|
| Door | 54,462,888 | 7,733,498 | 3,453,256 | 32,119,794 | 23,412,382 | 3,706,124 | 12,843,366 | 15,320,066 | 6,739,542 | 48,973,970 | 46,454,632 |
| Marinette | 57,139,264 | 2,985,380 | 5,254,752 | 44,250,756 | 27,894,748 | 3,466,412 | 19,622,328 | 4,486,608 | 5,318,952 | 58,581,726 | 36,227,330 |
| Oconto | 46,413,378 | 1,807,534 | 2,832,368 | 18,150,468 | 12,344,566 | na | 14,003,632 | 775,782 | 2,458,420 | 4,722,776 | 15,040,578 |
| Shawano | 56,427,762 | 1,413,598 | 4,132,754 | 22,252,764 | 9,969,476 | na | 14,003,762 | 3,374,348 | 2,815,922 | 59,941,378 | 25,179,130 |

2009 Taxable RETAIL SALES PULL FACTOR Comparisons

| | Motor Vehicle and Parts Dealers | Furniture and Home Furnishings | Electronics and Appliance Stores | Building Material and Garden Equipment and Supplies Dealers | Food and Beverage Stores | Health and Personal Care Stores | Gasoline Stations | Clothing and Clothing Accessories Stores | Sporting Goods, Hobby, Book, and Music | General Merchandise Stores | Miscellaneous Store Retailers |
|-------------|---------------------------------|--------------------------------|----------------------------------|---|--------------------------|---------------------------------|-------------------|--|--|----------------------------|-------------------------------|
| Door | 1.397 | 1.687 | 0.684 | 1.241 | 1.833 | 0.921 | 1.026 | 2.22 | 1.545 | 1.154 | 1.958 |
| Marinette | 1.31 | 0.582 | 0.93 | 1.528 | 1.952 | 0.77 | 1.402 | 0.581 | 1.09 | 1.234 | 1.365 |
| Oconto | 1.205 | 0.399 | 0.568 | 0.71 | 0.978 | na | 1.132 | 0.114 | 0.57 | 0.113 | 0.641 |
| Shawano | 1.249 | 0.266 | 0.706 | 0.742 | 0.674 | na | 0.966 | 0.422 | 0.557 | 1.219 | 0.916 |

A Pull Factor (PF) greater than one implies that the local market is drawing or pulling in customers from surrounding areas. A Pull Factor less than one implies that the local market is losing customers to competing markets. The Pull Factor, much like percent sales retention estimate, can also be loosely interpreted like a location quotient. Pull Factors significantly greater than one often indicates an area of specialization for the local market. For example, tourist areas tend to have high Pull Factors and location quotients for restaurants, hotels and miscellaneous retail stores. The use of any tool by itself can often lead to erroneous conclusions. One must use a variety of tools to gain a clearer understanding of the local economy.

TOTAL TAXABLE SERVICE SALES AND PULL FACTORS - COMPARISONS

Total Taxable Services in 2009

| | Telecommuni- cations | Credit Intermediation and Related Activities | Rental and Leasing Services | Professional, Scientific, and Technical Services | Administrative and Support Services | Amusement, Gambling, and Recreation Industries | Accommodation | Food Services and Drinking Places | Repair and Maintenance | Personal and Laundry Service |
|-------------|-------------------------|---|-----------------------------------|--|---|---|-------------------|--------------------------------------|---------------------------|---------------------------------|
| Door | 30,713,444 | 1,157,010 | 6,391,046 | 13,660,476 | 4,546,104 | 8,906,338 | 58,843,184 | 61,476,382 | 7,327,634 | 15,517,778 |
| Marinette | 36,699,564 | 1,024,588 | 7,435,352 | 10,880,508 | 2,734,234 | 2,451,312 | 7,417,576 | 46,655,534 | 11,026,008 | 11,491,550 |
| Oconto | 24,840,544 | na | 5,335,376 | 3,669,786 | 1,233,862 | 3,904,540 | 2,706,034 | 28,007,678 | 4,587,652 | 4,722,054 |
| Shawano | 29,949,622 | 637,366 | 4,971,720 | 4,564,134 | 1,637,378 | 3,763,624 | 5,412,744 | 36,712,446 | 9,156,342 | 4,861,800 |

2009 Taxable SERVICES PULL FACTOR Comparisons

| | Telecommuni- cations | Credit Intermediation and Related Activities | Rental and Leasing Services | Professional, Scientific, and Technical Services | Administrative and Support Services | Amusement, Gambling, and Recreation Industries | Accommodation | Food Services and Drinking Places | Repair and Maintenance | Personal and Laundry Service |
|-------------|-------------------------|---|-----------------------------------|--|---|---|---------------|--------------------------------------|---------------------------|---------------------------------|
| Door | 1.092 | 1.044 | 1.204 | 1.827 | 1.936 | 2.278 | 5.218 | 1.887 | 0.86 | 2.397 |
| Marinette | 1.167 | 0.826 | 1.252 | 1.301 | 1.041 | 0.561 | 0.588 | 1.281 | 1.156 | 1.587 |
| Oconto | 0.894 | na | 1.017 | 0.497 | 0.532 | 1.011 | 0.243 | 0.87 | 0.545 | 0.738 |
| Shawano | 0.92 | 0.496 | 0.809 | 0.527 | 0.602 | 0.831 | 0.414 | 0.973 | 0.927 | 0.648 |

A Pull Factor (PF) greater than one implies that the local market is drawing or pulling in customers from surrounding areas. A Pull Factor less than one implies that the local market is losing customers to competing markets. The Pull Factor, much like percent sales retention estimate, can also be loosely interpreted like a location quotient. Pull Factors significantly greater than one often indicates an area of specialization for the local market. For example, tourist areas tend to have high Pull Factors and location quotients for restaurants, hotels and miscellaneous retail stores. The use of any tool by itself can often lead to erroneous conclusions. One must use a variety of tools to gain a clearer understanding of the local economy.

2008 County Business Patterns Door County

Business Establishments w/Employees March 2008

| Industry code | Industry | Total establishments | Paid employees for paid period including March 12 (number) |
|---------------|---|----------------------|--|
| ----- | Total for all sectors | 1321 | 10998 |
| 11---- | Forestry, fishing, hunting, and Agriculture Support | 3 | 1 |
| 21---- | Mining, quarrying, and oil and gas extraction | 1 | A |
| 22---- | Utilities | 3 | B |
| 23---- | Construction | 140 | 791 |
| 31---- | Manufacturing | 56 | 2291 |

Non-Employer Businesses, 2008

| Number of Firms | Receipts (\$1,000) |
|-----------------|--------------------|
| 2734 | 103739 |
| 81 | 2526 |
| 5 | 82 |
| 437 | 25332 |
| 52 | 1753 |

Business Establishments w/Employees March 2008

| Industry code | Industry | Total establishments | Paid employees for paid period including March 12 (number) |
|---------------|--|----------------------|--|
| 42---- | Wholesale trade | 34 | C |
| 44---- | Retail trade | 263 | 1770 |
| 48---- | Transportation and warehousing | 31 | 112 |
| 51---- | Information | 17 | B |
| 52---- | Finance and insurance | 57 | 385 |
| 53---- | Real estate and rental and leasing | 54 | 197 |
| 54---- | Professional, scientific, and technical services | 75 | 292 |

Non-Employer Businesses, 2008

| Number of Firms | Receipts (\$1,000) |
|-----------------|--------------------|
| 51 | 4001 |
| 301 | 11540 |
| 59 | 3883 |
| 21 | 360 |
| 52 | 2155 |
| 276 | 12669 |
| 339 | 10553 |

Business Establishments w/Employees March 2008

| Industry code | Industry | Total establishments | Paid employees for paid period including March 12 (number) |
|---------------|--|----------------------|--|
| 55---- | Management of companies and enterprises | 6 | B |
| 56---- | Administrative and Support and Waste Mang and Remediation Srvs | 71 | 394 |
| 61---- | Educational services | 10 | B |
| 62---- | Health care and social assistance | 77 | 1425 |
| 71---- | Arts, entertainment, and recreation | 47 | 196 |
| 72---- | Accommodation and food services | 241 | 1761 |
| 81---- | Other services (except public administration) | 130 | 1004 |
| 99---- | Industries not classified | 5 | 2 |

Non-Employer Businesses, 2008

| Number of Firms | Receipts (\$1,000) |
|-----------------|--------------------|
| | |
| 225 | 4316 |
| 38 | 296 |
| 102 | 2953 |
| 180 | 4247 |
| 154 | 8400 |
| 361 | 8673 |

POSSIBLE STRATEGIES

Leakage? What Can You Do? Possible Strategies.
Excerpted From: **An Updated Trade Analysis of Wisconsin Counties for 2009**
By Steven C. Deller

Examples of specific activities a community can undertake to increase the inflow or re-circulation of dollars include:

- ✘ 1. Develop marketing information to help retail and service businesses in identifying market potentials and formulate business plans.
- ✘ 2. Develop community and regional facilities necessary to attract new retail and service businesses.
- ✘ 3. Expand purchases by non-local people through appropriate advertising and promotions.
 - + a. Coordinated advertising can build on economies of size and scope.
 - + b. Coordinate business hours.
 - + c. Sponsor downtown activities such as sidewalk sales or art fairs.
 - + d. Organize farmers markets to attract customers downtown.
 - + e. Providing convenient parking or public transit.
- ✘ 4. Ensure that key public services (e.g., fire and police, water and sewer, general administration) are more than satisfactory.
- ✘ 5. Aid businesses in developing employee-training programs to improve quality of service.
- ✘ 6. Work to ensure that retail and service development policies aim at complementary growth where local firms are harmonized and not competitive.
- ✘ 8. Encourage collective action through the formation of organizations and local initiatives.

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