



## Population Trends

Population is the basis for quantifying the current market size and growth trends, both of which are necessary to determine consumer demand. Population is defined as all persons living in a geographic area. Growth trends in population may indicate future opportunities for business.

	Portage Trade Area	Wisconsin	U.S.
2000 Total Population	37,715	5,363,675	281,421,906
2000 Group Quarters	2,604	155,958	7,778,633
2006 Total Population	39,614	5,667,706	303,582,361
2011 Total Population	42,044	5,922,828	323,785,827
2006 - 2011 Annual Rate	1.2%	0.88%	1.3%

Source: ESRI Business Information Solutions

The table indicates that the trade area population of nearly 40,000 is four times larger than the City of Portage (pop. 10,035). The trade area is expected to grow at a modest rate: ahead of Wisconsin and slightly behind the U.S., but greater than many rural communities throughout the country.

## Housing Units - 2006

Housing data provides the number of owner-occupied and renter-occupied housing units. Vacant housing is an indicator of seasonal housing units. These statistics are valuable in analyzing the potential for a variety of different products and services. For instance, home ownership correlates with expenditures for home furnishings and equipment. Housing data is presented below.

	Portage Trade Area	Wisconsin	U.S.
Owner Occupied Housing Units	64.5%	62.7%	61.6%
Renter Occupied Housing Units	19.2%	26.7%	28.9%
Vacant Housing Units	16.3%	10.6%	9.5%

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

Compared to Wisconsin and the U.S., there is a higher percentage of homeownership in the trade area. In addition, there are many vacant housing units, suggesting there may be a significant second-home inventory in the trade area.

## Per Capita Income Trends

Per capita income is a good indicator of the spending power of residents as it positively correlates with retail expenditures in many categories. The following table presents per capita income data.

	Portage Trade Area	Wisconsin	U.S.
2000	\$19,110	\$21,271	\$21,587
2006	\$24,184	\$26,829	\$27,084
2011	\$28,975	\$32,668	\$32,982

Source: ESRI Business Information Solutions

Per capita income in the trade area is about 10-percent below that of Wisconsin, and the U.S. This difference is due to the types of employers in the trade area coupled with an older population (with a higher percentage of residents not in the labor force).

## Household Income - 2006

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. One common practice is to analyze the distribution of household incomes as presented in the following table.

	Portage Trade Area	Wisconsin	U.S.
< \$15,000	10.5%	9.5%	12.4%
\$15,000 - \$24,999	11.4%	10.2%	10.2%
\$25,000 - \$34,999	11.4%	10.5%	10.7%
\$35,000 - \$49,999	18.0%	16.1%	15.1%
\$50,000 - \$74,999	24.4%	22.4%	19.5%
\$75,000 - \$99,999	13.0%	14.2%	12.3%
\$100,000 - \$149,999	8.3%	11.7%	12.1%
\$150,000 - \$199,999	1.4%	2.8%	3.7%
\$200,000 +	1.7%	2.6%	4.0%
Average Household Income	\$58,297	\$66,730	\$71,092

Source: ESRI Business Information Solutions

The average household income in the trade area is 13-percent behind that of Wisconsin and 18-percent behind that of the U.S. Approximately 23-percent of trade area households have incomes between \$15,000 and \$34,999 (compared to 21-percent in Wisconsin and the US). Conversely, the trade area has only 11-percent of its households with more than \$100,000 in income (compared to 17-percent in Wisconsin and 19-percent for the US).

## Age - 2006

Expenditures and consumer preferences change with age. Accordingly, retail, service and restaurants often target certain age segments. The following table presents age distribution data.

	Portage Trade Area	Wisconsin	U.S.
Total	39,614	5,667,706	303,582,361
0 – 4	5.9%	6.4%	6.9%
5 – 9	5.6%	6.1%	6.5%
10 – 14	6.0%	6.7%	7.0%
15 – 19	6.9%	7.3%	7.1%
20 – 24	6.8%	7.8%	7.1%
25 – 34	11.2%	12.0%	13.2%
35 – 44	14.8%	14.5%	14.6%
45 – 54	15.9%	15.4%	14.5%
55 – 64	11.5%	10.7%	10.5%
65 – 74	7.8%	6.3%	6.3%
75 – 84	5.4%	4.6%	4.4%
85 +	2.2%	2.1%	1.8%

Source: ESRI Business Information Solutions

Compared to Colorado and the U.S., trade area age distribution indicates that nearly 60-percent of trade area residents are over the age of 35. The more mature segments of a community are often good customers for traditional downtown districts.

## Gender - 2006

The trade area is similar to Wisconsin and the U.S. in the ratio of males to females as presented below.

	Portage Trade Area	Wisconsin	U.S.
Male	51.5%	49.5%	49.2%
Female	48.5%	50.5%	50.8%

Source: ESRI Business Information Solutions

## Race/Ethnicity – 2006

The trade area is primarily White Alone, though approximately 3-percent of the community is Hispanic and approximately 3-percent is African-American. The following table presents data on the ethnic diversity of the community.

	Portage Trade Area	Wisconsin	U.S.
Total	39,614	5,667,706	303,582,361
White Alone	94.3%	87.5%	73.0%
Black Alone	2.6%	6.1%	12.6%
American Indian Alone	0.7%	0.9%	0.9%
Asian/Pacific Islander Alone	0.6%	2.2%	4.4%
Some Other Race Alone	0.6%	1.9%	6.4%
Two or More Races	1.2%	1.3%	2.8%
Hispanic Origin	3.0%	4.3%	14.8%

Source: ESRI Business Information Solutions

## Educational Attainment (Population 25+) – 2000

Educational attainment is another way to determine the socio-economic status of an area. Because income typically (but not always) increases with advancing educational attainment, many retailers focus on income levels rather than education.

	Portage Trade Area	Wisconsin	U.S.
Total	26,090	3,475,878	182,211,639
Less than 9th Grade	5.4%	5.4%	7.5%
9th-12th Grade, No Diploma	11.4%	9.6%	12.1%
High School Graduate	40.6%	34.6%	28.6%
Some College, No Degree	21.6%	20.6%	21.0%
Associate Degree	7.1%	7.5%	6.3%
Bachelor's Degree	9.4%	15.3%	15.5%
Master's/Prof/Doctorate	4.4%	7.2%	8.9%

Source: ESRI Business Information Solutions

The trade area has fewer residents with college degrees. Approximately 21-percent of trade area residents have a college degree (associates or beyond) compared to 30-percent in Colorado and 31-percent in the U.S.

## Employment Occupations (Population 16+) – 2006

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

	Portage Trade Area	Wisconsin	U.S.
<b>TOTAL</b>	19,350	2,843,048	139,189,597
<b>White Collar</b>	50.0%	57.9%	60.5%
Management/Business/Financial	12.6%	13.4%	13.6%
Professional	14.6%	19.9%	21.3%
Sales	10.3%	11.0%	11.6%
Administrative Support	12.5%	13.5%	14.0%
<b>Services</b>	16.4%	15.3%	16.4%
<b>Blue Collar</b>	33.6%	26.9%	23.1%
Farming/Forestry/Fishing	0.9%	0.7%	0.6%
Construction/Extraction	7.8%	5.5%	6.4%
Installation/Maintenance/Repair	5.2%	3.8%	3.9%
Production	11.3%	10.0%	6.3%
Transportation/Material Moving	8.4%	6.8%	5.9%

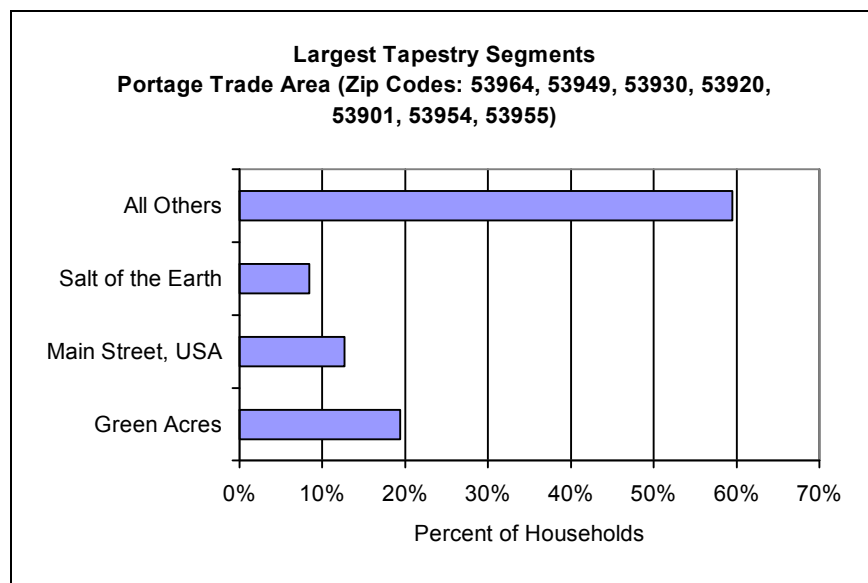
Source: ESRI Business Information Solutions

Compared to the U.S., the Portage trade area has a lower percent of residents in white collar occupations such as professional and administrative positions. However, it has more residents employed in services as well as blue collar occupations such as construction/extraction and farming.

## Lifestyles

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 trade 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' socio-economic status (age, income, occupation, type and value of residence); and their buying behaviors.

A summary for the Portage trade area (Zip Codes: 53964, 53949, 53930, 53920, 53901, 53954, 53955) is shown in the following graph. The predominant customer classification is *Green Acres* making up 19-percent of households in the trade area. This segment, along with *Main Street, USA* and *Salt of the Earth* comprise over 40-percent of trade area households.



Source: ESRI Business Information Solutions

Brief snapshot of the lifestyle preferences of these national segments are **described by ESRI** below.

- **Green Acres:** 3,130 Households / 19.4% of the Portage trade area – Country living describes the lifestyle of Green Acres residents. They are do-it-yourselfers, maintaining and remodeling their homes with paint, decks and patios, and spas. Of course, they own all the necessary power tools to accomplish their projects including power saws, drill presses, and welders. Gardening, especially vegetables, is also a priority, again with the right tools—tillers, tractors, riding mowers, edgers, and even separate home freezers for the harvest. Leisure in Green Acres includes hiking, backpacking, hunting, and bicycling. They also own motorcycles, watch motorcycle events on TV, and read motorcycle magazines. Accommodating the country lifestyle, many households employ satellite dishes in lieu of cable TV. Favorite channels include Home & Garden Television, ESPN, and the Speed Channel. They listen to news-talk radio and read fishing, hunting, and boating magazines. Living in the country does not preclude connection to the rest of world. Green Acres residents own and use PCs, probably purchased by catalog. They own a variety of software packages including education software for their children. They

also use the Internet, primarily to purchase consumer goods, such as videos, clothing, and CDs, or to track investments.

- Main Street, USA: 2,052 Households / 12.7% of the Portage trade area - Residents of Main Street, USA are active members of their communities, taking part in fund-raisers and volunteer programs. They take day trips to the beach, theme parks, or the zoo and occasionally go on domestic vacations. For evening leisure time, they enjoy dinner and a movie or play billiards at their favorite bar. Applebee's, Outback Steakhouse, and Red Lobster are their favorite family restaurants. Many residents prefer to cook at home and play board games or rent a movie. They use the Internet to play games or search for employment, but shopping online is growing in popularity. If they do not have access at home, they may access the Internet at work, school, or the public library. They rely extensively on the Yellow Pages to find restaurants, stores, contractors, and more. Because Main Street, USA homes are older, householders invest in small home remodeling and improvement projects. Residents are more likely to complete work by themselves than hire an outside contractor. To complete the job, they purchase tools and supplies from Home Depot or Lowe's. Residents maintain their gardens by planting new bulbs, fertilizing their lawns, and using insecticide regularly. They give their dogs dog biscuits but prefer the convenience of dry cat or dog food to canned pet food.
- Salt of the Earth: 1,352 Households / 8.4% of the Portage trade area - Salt of the Earth households are rooted in their settled, traditional, and hardworking lifestyles. Independent and self-reliant, they take on small home improvement projects by themselves, as many homes are older. They enjoy reaping the rewards from their gardens and spend time and money on them. Practical, they often choose used cars over new ones and take on the maintenance themselves. These rural area households prefer trucks or SUVs to sedans and domestic vehicles to imported ones. They are active in their civic duties and tend to be politically conservative. Voting in elections and participating in fund-raising, veterans' club, and church are an integral part of these rural communities. They handle their finances with care and invest in retirement savings accounts but with a higher proportion in fixed income assets than usual. They carry insurance policies to protect themselves and their families. On the weekends, Salt of the Earth residents enjoy dining out, usually at full-service restaurants with friends and families. During the week, residents eat at fast-food establishments for convenience. Going to the movies is not as much a routine as it is in other segments. Fishing and hunting fit into their rural lifestyles. Their family portraits often include pets, usually dogs. They watch TV, but somewhat less often than the average households do. They stay informed by reading newspapers regularly and thoroughly. Their radio dials are often tuned to country music programs. They get to their vacation destinations usually by car, preferring domestic to foreign locations.

For more information on these lifestyle categories, a database describing detailed consumer purchasing patterns for each segment is available on the Community Tapestry CD accompanying this report. These patterns are expressed using a purchase potential index (PPI). The PPI examines a wide range of retail, service, entertainment and psychographic categories to determine a household's propensity for purchasing products or participating in activities. Given the value of this information, it is suggested that this PPI information be made readily available to existing and prospective businesses in Portage.

## Consumer Spending Potential of Residents

Consumer spending potential data for 2005 for the Portage trade area is presented in the following table. Displayed are the expected amounts spent on a variety of goods and services by households that reside in the trade area. Expenditures are shown by broad budget categories that are not mutually exclusive. Spending by visitors and nonresidents is not included in these figures.

	Portage Trade Area	Wisconsin	U.S.
Apparel & Services: Total \$	\$25,919,249		
Average Spent	\$1,605.90	\$1,887.50	\$2,722.18
Spending Potential Index	59	69	100
Computers & Accessories: Total \$	\$3,358,997		
Average Spent	\$208.12	\$245.03	\$257.21
Spending Potential Index	81	95	100
Education: Total \$	\$14,911,279		
Average Spent	\$923.87	\$1,106.01	\$1,130.58
Spending Potential Index	82	98	100
Entertainment/Recreation: Total \$	\$45,079,083		
Average Spent	\$2,793.00	\$3,166.11	\$3,306.13
Spending Potential Index	84	96	100
Food at Home: Total \$	\$66,823,281		
Average Spent	\$4,140.23	\$4,687.24	\$4,920.42
Spending Potential Index	84	95	100
Food Away from Home: Total \$	\$44,069,418		
Average Spent	\$2,730.45	\$3,175.94	\$3,336.70
Spending Potential Index	82	95	100
Health Care: Total \$	\$53,858,171		
Average Spent	\$3,336.94	\$3,580.73	\$3,675.67
Spending Potential Index	91	97	100
HH Furnishings & Equip: Total \$	\$25,691,868		
Average Spent	\$1,591.81	\$1,828.63	\$2,204.35
Spending Potential Index	72	86	100
Retail Goods: Total \$	\$346,052,514		
Average Spent	\$21,440.68	\$24,075.33	\$26,066.52
Spending Potential Index	72	86	100
TV/Video/Sound Equip: Total \$	\$14,591,386		
Average Spent	\$904.05	\$1,040.35	\$1,091.90
Spending Potential Index	83	95	100
Travel: Total \$	\$24,220,863		
Average Spent	\$1,500.67	\$1,703.63	\$1,789.31
Spending Potential Index	84	95	100
Vehicle Maint. & Repairs: Total \$	\$14,412,966		
Average Spent	\$893.00	\$1,018.17	\$1,071.93
Spending Potential Index	83	95	100

Source: ESRI Business Information Solutions. Expenditure data are derived from the 2000, 2001, and 2002 Consumer Expenditure Surveys, Bureau of Labor Statistics. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.