



## Trade Area Analysis

*This section analyzes the size and shape of the trade area for Portage businesses. The trade area defines the boundaries that will serve as the basis for further analysis in this report.*

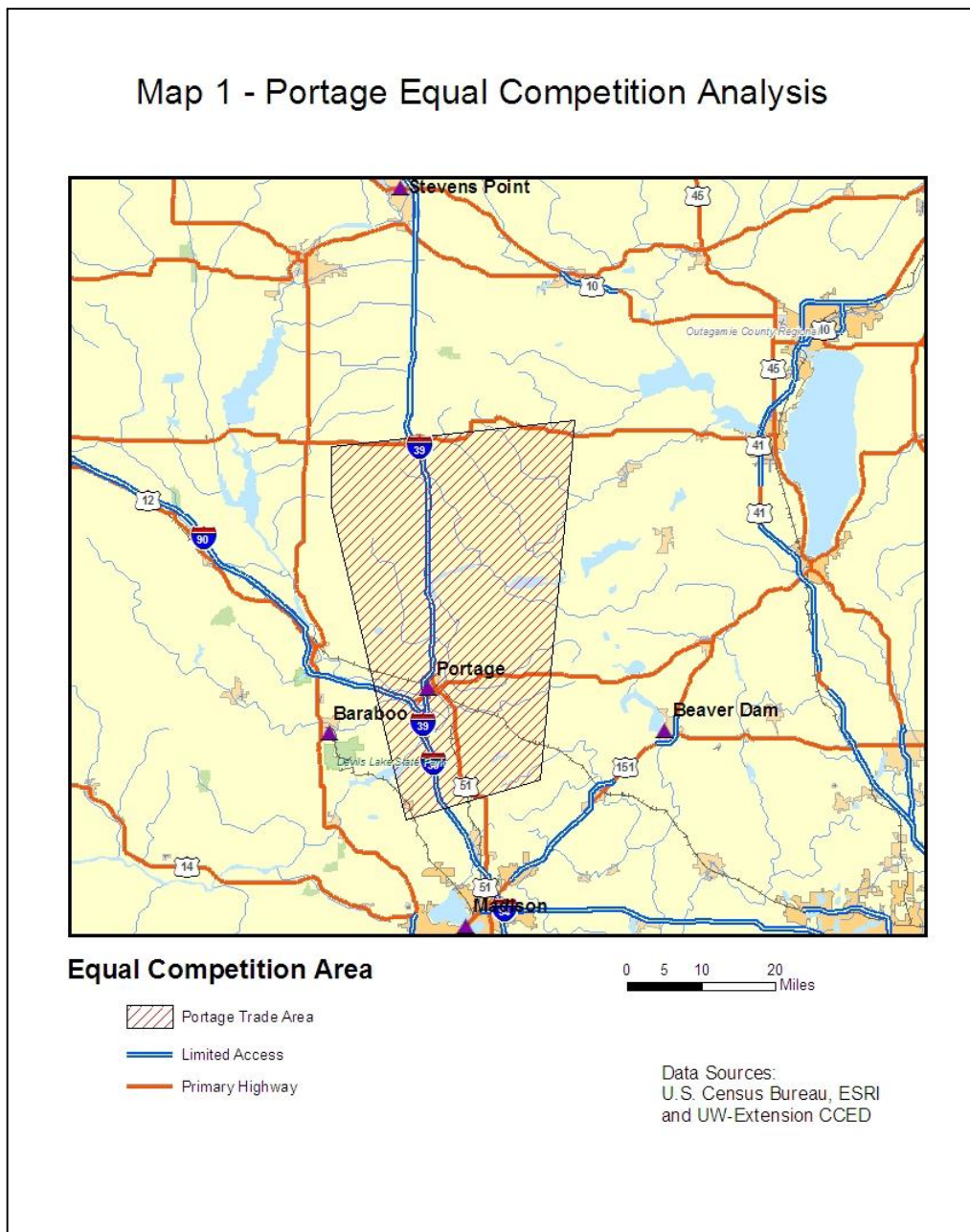
The trade area is the geographic region that generates the majority of customers for Portage retail and service businesses. The analysis realizes that different business types have different trade areas. That is, some businesses will draw customers from a greater distance than others. While communities often have multiple trade areas (primary, secondary, convenience, etc.), a single trade area is defined for downtown Portage. The decision to use a single trade area is based on the locations of regional retail centers to the south in Madison, and to the west in Baraboo and Wisconsin Dells. In general, the Portage trade area is intended to mirror the overall market area for the community.

While tourism can provide an important customer base, local residents of the Portage area provide the greatest spending potential for most business categories. For some convenience businesses, the primary trade area may represent 90 percent of its customers. For destination shopping businesses, the primary trade area may represent less than 50 percent of its customers. For purposes of this market analysis, an overall average of 70 to 75 percent of all customers is used to establish the trade area.

In addition to local residents, tourists and visitors represent a sizable market segment for communities like Portage. While many of these customers live outside of the primary trade area, they need to be recognized as an important market segment. Tourists and visitors are attracted to Portage for events such as Portage Canal Days. Furthermore, visitors take advantage of Portage's historic downtown, recently renovated canal and riverwalk, historic sites such as the Surgeon's Quarters and Indian Agency House, Cascade Mountain Ski Resort, and the many recreational activities available on the Fox and Wisconsin Rivers. To examine these market segments, this section summarizes an analysis of equal competition areas, drive times, and other geographic boundaries that may influence the trade area.

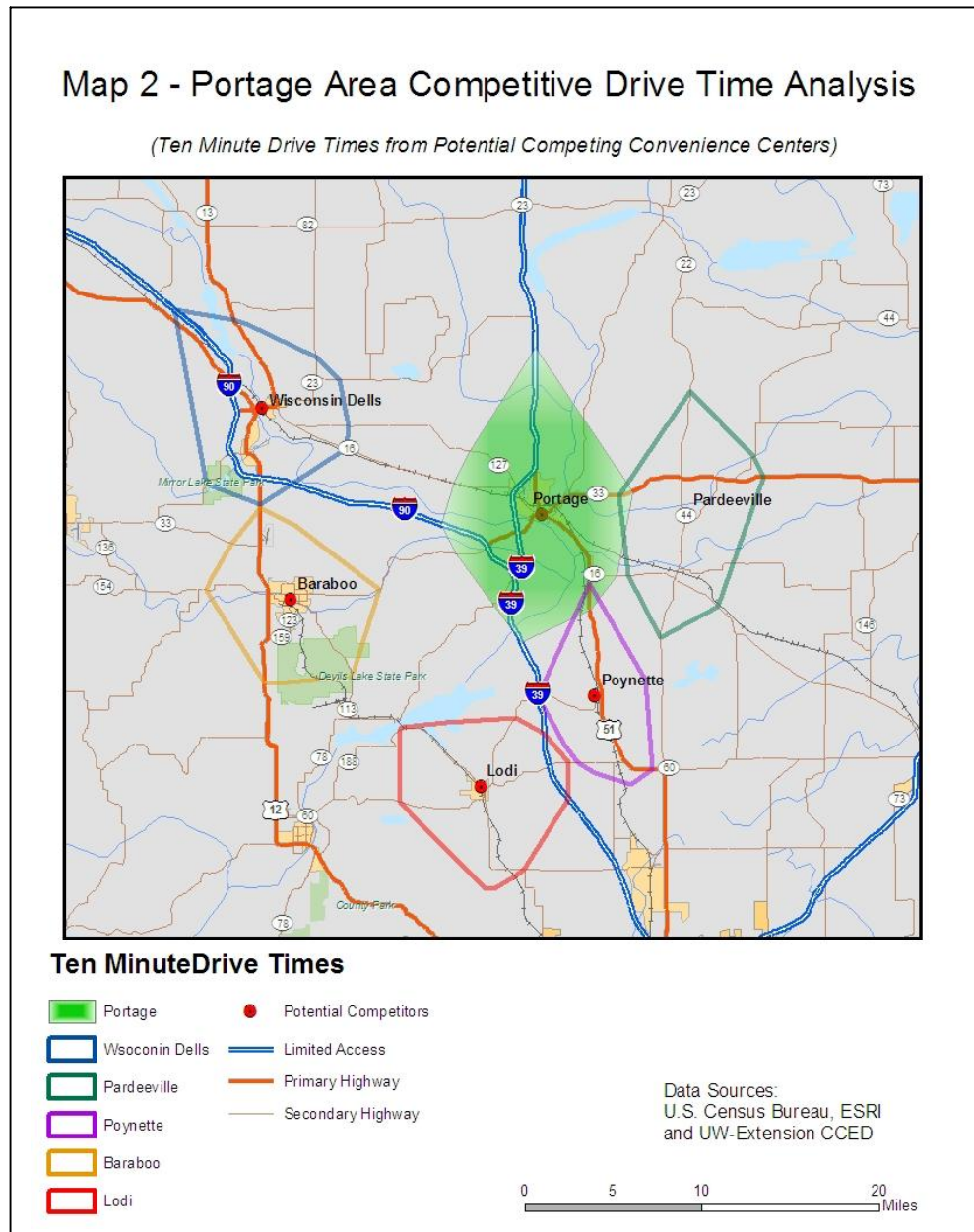
## Equal Competition

Equal competition or Thiessen polygons represent the area in which the travel distance to the subject (in this case, Portage) is shorter than it is to other competing markets. This is done by drawing a line at the halfway point between the various competitors. For this analysis, equal competition polygons were created around Portage and its major regional competitors: Stevens Point, Beaver Dam, Madison, and Baraboo. The polygon associated with Portage is shown on Map1 and includes several smaller communities as well as the more rural area surrounding Portage. Residents of this area are closer to Portage than to any other regional competitor, and therefore represent an important customer segment for local businesses.



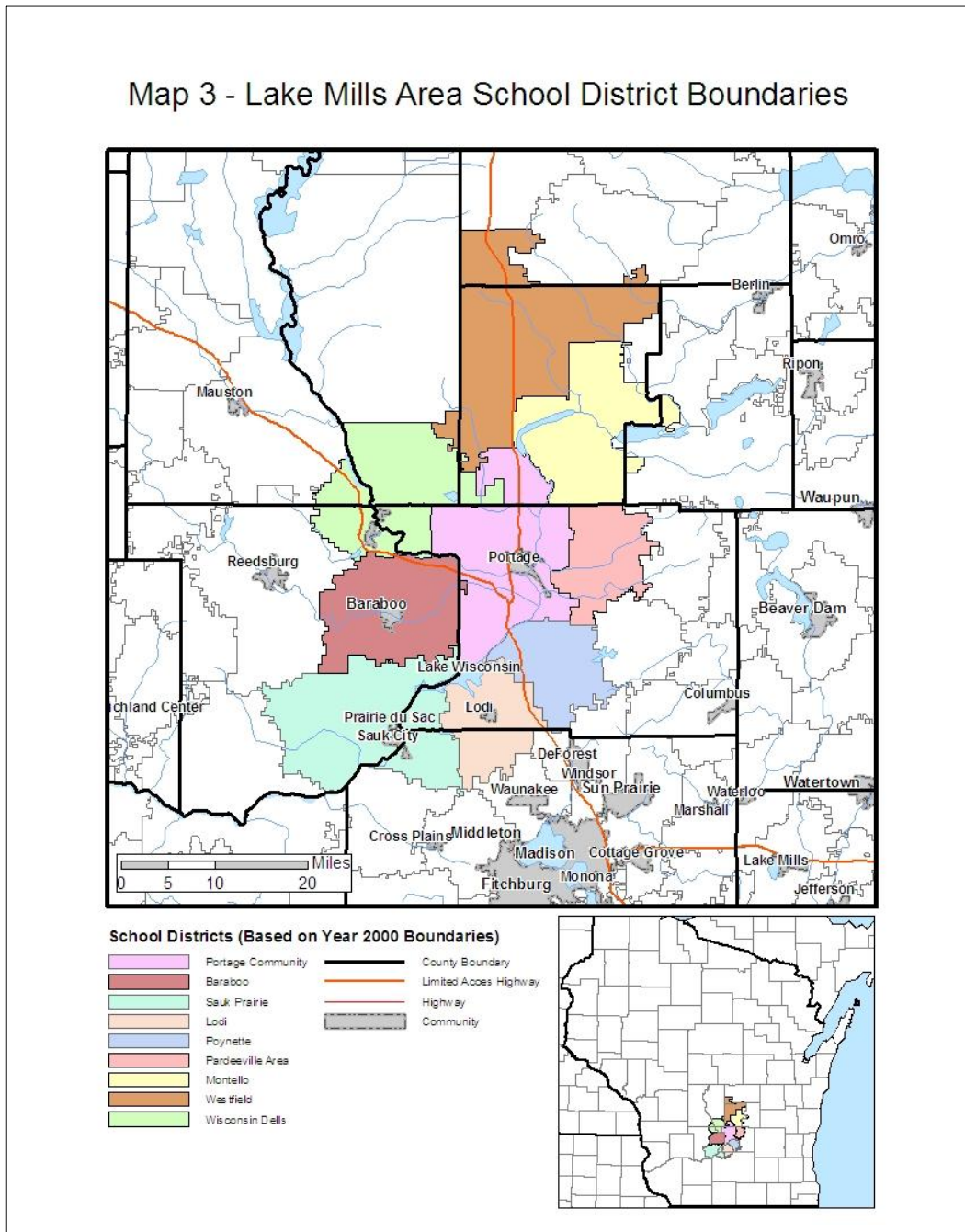
## Drive Time Analysis

Analyzing drive times around Portage is useful in evaluating the market for those goods and services purchased on the basis of convenience (i.e. groceries). Analyzing drive times around Portage relative to surrounding communities determines those areas closest to Portage and the most likely origins of convenience-seeking customers. Map 2 shows ten-minute drive times around Portage and several surrounding communities. Within this drive time, Portage is somewhat isolated from other competing communities. Only Pardeeville and Poynette show partial overlap. While this analysis cannot predict shopping preferences for individuals, it does show that Portage has at least the geographic potential to capture much of the convenience market segment.



## School District Boundaries

School district boundaries provide an additional method for examining people traveling into and out of the Portage area. Parents of students within the district travel into Portage when shuttling their children to school or when attending school functions. Accordingly, these people associated with the school district have an inherent attachment to the area and provide a potential customer segment for area businesses. The district boundaries are shown on Map 3 and include the City of Portage along with the surrounding rural areas.



## **Conclusion – Size and Shape of Trade Area**

Upon analysis of the preceding maps and data, the trade area shown in Map 4 (following page) was constructed. This trade area recognizes the surrounding competition, especially from Madison to the south and Baraboo to the west. This trade area will be used in the remainder of the study and is comprised of the zip codes listed below.

53964 – Westfield	53901 – Portage
53949 – Montello	53954 – Pardeeville
53930 – Endeavor	53955 – Poynette
53920 – Briggsville	

The trade area is located in Columbia County, Marquette County, and a small portion of Adams County. When evaluating the trade area, a number of factors should be considered:

- The trade area recognizes the proximity of the large commercial centers to the south in Madison and to the east in Baraboo and Wisconsin Dells.
- The trade area approximates those areas that may provide the best opportunities for capturing convenience-based shopping opportunities.
- Certain businesses in the Portage area draw from a much larger distance than the community trade area. These destination businesses may include the community's automobile dealerships and various tourist attractions. *Accordingly, unique destination-type businesses may want to consider a broader market when assessing market opportunities.*

