



Demographics and Lifestyles Analysis

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.

	Monroe Trade Area	Wisconsin	U.S.
2000 Total Population	21,676	5,363,675,675	281,421,906
2000 Group Quarters	376	155,958	7,778,633
2006 Total Population	23,035	5,667,706	303,582,361
2010 Total Population	24,217	5,922,828	323,785,827
2006 - 2011 Annual Rate	1.01%	0.88%	1.3%

Source: ESRI Business Information Solutions

The table indicates that the trade area population of over 23,000 is more than twice the population of the City of Monroe (pop. 10,563). The trade area is expected to grow at a modest rate: behind that of the U.S., but greater than that of Wisconsin.

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.

	Monroe Trade Area	Wisconsin	U.S.
Owner Occupied Housing Units	69.1%	62.7%	61.6%
Renter Occupied Housing Units	26.0%	26.7%	28.9%

Vacant Housing Units	4.9%	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, the percentage of housing that is vacant is significantly lower than both Wisconsin and the U.S.

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.

	Monroe Trade Area	Wisconsin	U.S.
2000	\$20,817	\$21,271	\$21,587
2006	\$25,194	\$26,829	\$27,084
2011	\$30,241	\$32,668	\$32,982

Source: ESRI Business Information Solutions

Per capita income in the trade area is nearly identical to per capita income for Wisconsin and the U.S.

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.

	Monroe Trade Area	Wisconsin	U.S.
< \$15,000	9.0%	9.5%	12.4%
\$15,000 - \$24,999	12.4%	10.2%	10.2%
\$25,000 - \$34,999	12.8%	10.5%	10.7%
\$35,000 - \$49,999	17.0%	16.1%	15.1%
\$50,000 - \$74,999	24.6%	22.4%	19.5%
\$75,000 - \$99,999	12.0%	14.2%	12.3%
\$100,000 - \$149,999	8.1%	11.7%	12.1%
\$150,000 - \$199,999	1.6%	2.8%	3.7%
\$200,000 +	2.4%	2.6%	4.0%
Average Household Income	\$61,055	\$66,730	\$71,092

Source: ESRI Business Information Solutions

The average household income in the trade area is lower than that of Wisconsin and the U.S. Approximately 25-percent of trade area households have between \$50,000 and \$74,999 in income (compared to 22-percent in Wisconsin and 20-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.

	Monroe Trade Area	Wisconsin	U.S.
Total	23,035	5,667,706	303,582,361
0 – 4	6.3%	6.4%	6.9%
5 – 9	6.1%	6.1%	6.5%
10 – 14	6.8%	6.7%	7.0%
15 – 19	6.9%	7.3%	7.1%
20 – 24	6.5%	7.8%	7.1%
25 – 34	10.4%	12.0%	13.2%
35 – 44	14.3%	14.5%	14.6%
45 – 54	16.9%	15.4%	14.5%
55 – 64	10.5%	10.7%	10.5%
65 – 74	7.2%	6.3%	6.3%
75 – 84	5.4%	4.6%	4.4%
85 +	2.7%	2.1%	1.8%

Source: ESRI Business Information Solutions

Compared to Wisconsin and the U.S., trade area age distribution indicates that residents may leave the community after high school and through their early career years (15-34). However, there are more 55+ residents in the community. 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.

	Monroe Trade Area	Wisconsin	U.S.
Male	49.0%	49.4%	49.1%
Female	51.0%	50.6%	50.9%

Source: ESRI Business Information Solutions

Race/Ethnicity – 2006

The trade area is primarily White Alone, though approximately 1-percent of the community is Hispanic. The following table presents data on the ethnic diversity of the community.

	Monroe Trade Area	Wisconsin	U.S.
Total	23,035	5,667,706	303,582,361
White Alone	97.9%	87.5%	73.0%
Black Alone	0.3%	6.1%	12.6%
American Indian Alone	0.2%	0.9%	0.9%
Asian/Pacific Islander Alone	0.4%	2.2%	4.4%
Some Other Race Alone	0.4%	1.9%	6.4%
Two or More Races	0.7%	1.3%	2.8%
Hispanic Origin	1.3%	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.

	Monroe Trade Area	Wisconsin	U.S.
Total	14,557	3,475,878	182,211,639
Less than 9th Grade	7.4%	5.4%	7.5%
9th-12th Grade, No Diploma	9.7%	9.6%	12.1%
High School Graduate	41.6%	34.6%	28.6%
Some College, No Degree	19.0%	20.6%	21.0%
Associate Degree	6.9%	7.5%	6.3%
Bachelor's Degree	10.1%	15.3%	15.5%
Master's/Prof/Doctorate	5.3%	7.2%	8.9%

Source: ESRI Business Information Solutions

The trade area has fewer residents with college degrees. Approximately 22-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

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

	Monroe Trade Area	Wisconsin	U.S.
TOTAL	10,422	2,843,048	139,189,597
White Collar	53.6%	57.9%	60.5%
Management/Business/Financial	14.6%	13.4%	13.6%
Professional	15.1%	19.9%	21.3%
Sales	10.7%	11.0%	11.6%
Administrative Support	13.1%	13.5%	14.0%
Services	14.7%	15.3%	16.4%
Blue Collar	31.8%	26.9%	23.1%
Farming/Forestry/Fishing	2.0%	0.7%	0.6%
Construction/Extraction	5.8%	5.5%	6.4%
Installation/Maintenance/Repair	4.5%	3.8%	3.9%
Production	11.8%	10.0%	6.3%
Transportation/Material Moving	7.8%	6.8%	5.9%

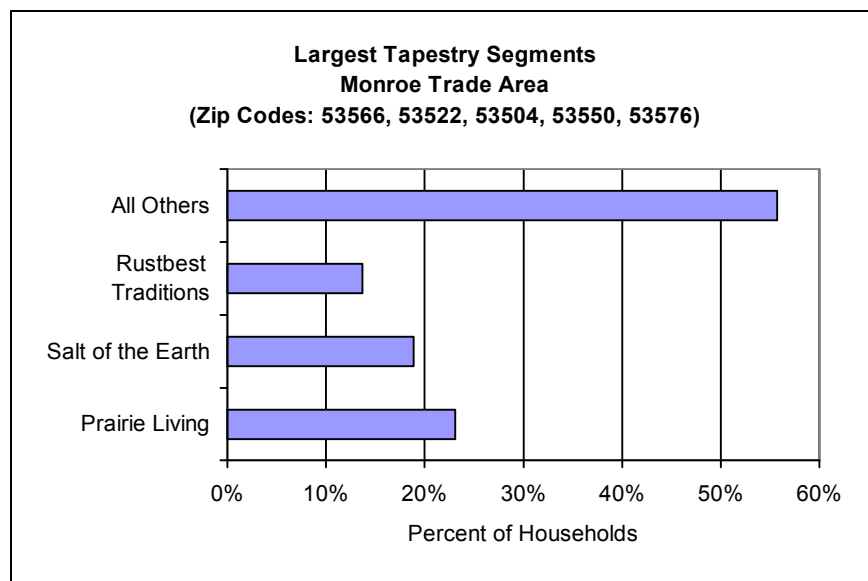
Source: ESRI Business Information Solutions

Compared to the U.S., the Monroe 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 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 Monroe trade area (Zip Codes: 53566, 53522, 53504, 53550, 53576) is shown in the following graph. The predominant customer classification is *Prairie Living* making up 23-percent of households in the trade area. This segment, along with *Salt of the Earth* and *Rustbelt Traditions* comprise almost two-thirds of trade area households.



Source: ESRI Business Information Solutions

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

- **Prairie Living:** 2,177 Households / 23% of the Monroe trade area – Their purchases reflect their rural lifestyle; Prairie Living residents buy work boots and hunting clothes. They own separate freezers, coal and wood stoves, and pressure cookers. To fill those freezers, Prairie Living residents plant vegetable gardens, in addition to crops, and hunt or fish. To take care of their possessions, Prairie Living households own riding lawn mowers, gardening equipment, and vehicle and home repair tools. They service their own vehicles and tackle home improvement projects such as remodeling their kitchens. They own pets, particularly dogs. Since cable television is not available in many rural neighborhoods, they often have satellite dishes. Prairie Living residents are loyal country music fans and turn to both radio and television for their favorite music. They enjoy hunting and fishing. Politically, they lean toward the conservative side. They have a preference for domestic vehicles—especially trucks. Civic-minded Prairie Living residents serve on church boards, address public meetings, volunteer for charitable organizations, and help with fund-raising. Prairie Living households shop for bargains.

Wal-Mart is, by far, their department store of choice, followed by Kmart and JCPenney. They often rely on a Wal-Mart Supercenter for their extra grocery shopping.

- Salt of the Earth: 1,784 Households / 19% of the Monroe 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.
- Rustbelt Traditions: 1,294 Households / 14% of the Monroe trade area - Residents of Rustbelt Traditions are aptly named. They are citizens who have lived, worked, spent, and played in the same area for years. They do not follow fads; they stick with the products and services they know. They prefer domestic car manufacturers to foreign ones. Some purchases reflect the attentive maintenance of their homes and yards; Rustbelt Traditions residents own work boots and gloves, lawn mowers, and snowblowers. For specialized projects, Rustbelt Traditions residents will contract for roofing, flooring, and carpet installations. Financially conservative, Rustbelt Traditions residents may have a personal loan that is not associated with a student or a vacation loan. They hold low-value variable life and homeowner's insurance policies. Rustbelt Traditions residents will see a doctor for diet control, buy lenses and sunglasses from optical discount stores, and have a stationary bike at home for exercise. Their favorite leisure activities include bowling and fishing. They are devoted pet owners. Watching television is a common pastime for Rustbelt Traditions residents. They subscribe to cable and watch it regularly, but their favorite programs are sports, baseball, basketball, football, bowling, and ice hockey. Rustbelt Traditions residents watch their pennies and look for bargains in the JCPenney catalog and at Sam's Club warehouse store, Shop & Save, Aldi, Walgreens, and Lerner.

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 Monroe.

Consumer Spending Potential of Residents

Consumer spending potential data for 2005 for the Monroe 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.

	Monroe Trade Area	Wisconsin	U.S.
Apparel & Services: Total \$	\$15,581,272		
Average Spent	\$1,652.83	\$1,887.50	\$2,722.18
Spending Potential Index	61	69	100
Computers & Accessories: Total \$	\$2,008,899		
Average Spent	\$213.10	\$245.03	\$257.21
Spending Potential Index	83	95	100
Education: Total \$	\$8,707,138		
Average Spent	\$923.64	\$1,106.01	\$1,130.58
Spending Potential Index	89	96	100
Entertainment/Recreation: Total \$	\$27,853,134		
Average Spent	\$2,954.61	\$3,166.11	\$3,306.13
Spending Potential Index	89	96	100
Food at Home: Total \$	\$41,651,856		
Average Spent	\$4,418.36	\$4,687.24	\$4,920.42
Spending Potential Index	90	95	100
Food Away from Home: Total \$	\$26,905,969		
Average Spent	\$2,854.14	\$3,175.94	\$3,336.70
Spending Potential Index	86	95	100
Health Care: Total \$	\$34,031,479		
Average Spent	\$3,610.00	\$3,580.73	\$3,675.67
Spending Potential Index	98	97	100
HH Furnishings & Equip: Total \$	\$15,575,584		
Average Spent	\$1,652.23	\$1,828.63	\$2,204.35
Spending Potential Index	75	83	100
Retail Goods: Total \$	\$217,251,266		
Average Spent	\$23,088.69	\$24,075.33	\$26,066.52
Spending Potential Index	89	92	100
TV/Video/Sound Equip: Total \$	\$8,922,419		
Average Spent	\$946.47	\$1,040.35	\$1,091.90
Spending Potential Index	87	95	100
Travel: Total \$	\$14,440,680		
Average Spent	\$1,531.84	\$1,703.63	\$1,789.31
Spending Potential Index	86	95	100
Vehicle Maint. & Repairs: Total \$	\$8,831,453		
Average Spent	\$936.83	\$1,018.17	\$1,071.93
Spending Potential Index	87	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.

