

Oroville Taxable Retail Potential Analysis

Analysis of Retail Potential and Leakage in the City of Oroville, California

June, 2007



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Summary of Results

There was a net taxable sales leakage of \$195 million in the city of Oroville in 2006. This leakage occurred within sixty-two retail sectors: twelve that could be analyzed directly plus fifty additional sectors where disclosure of the data would have presented issues with business confidentiality. Leakage in a particular sector could be due to people in the Oroville Retail Market Area spending money in other communities, spending money in the market area outside of Oroville's corporate boundary, less household demand for specific retail goods compared to the average for California consumers (adjusted for income differential), or substituting spending in one retail sector for spending in a competing sector. Whatever the reason, a significant potential exists for retail expansion within the city of Oroville.

The results of this study cannot be directly compared to those of a study conducted in 2005 by the Center for Economic Development on taxable retail sales leakage in Oroville. The 2005 study was limited to the retail component of taxable sales using data from 2003, while this study was expanded to cover all taxable sales, including sales to nonretail stores, using data from 2006. If all taxable sales had been analyzed for 2004, the taxable sales leakage figure would have been \$224 million. This report's leakage estimate of \$195 million indicates that the taxable sales leakage for the City of Oroville declined by \$29 million, or 13% between the years 2003 and 2006.

The Oroville Retail Market Area

The retail market area for Oroville includes populated areas for which it is the nearest retail center. Retail centers that attract Oroville residents include Chico, Yuba City, Sacramento, and Roseville. Some potential retail dollars from people living farther up in the Sierra Nevada mountains may also be lost to Reno, although this would represent a very small portion of the Oroville Retail Market Area's population.

In addition to the Oroville urban area, communities included in the Oroville Retail Market Area include Bangor, Berry Creek, Concow, Feather Falls, Forbestown, Palermo, Richvale, Rackerby, and Yankee Hill. Residents of these communities are expected to shop at their local stores for most of their basic retail needs such as milk, eggs, and bread, which are not subject to sales tax. However, most of their taxable transactions would have to be made somewhere else because a lack of demand in their local communities does not support stores that sell taxable items. Because the main roads from those areas lead to Oroville, the city should plan on capturing this source of potential taxable retail sales.

Figure 1 – Regional Map and Location of Oroville

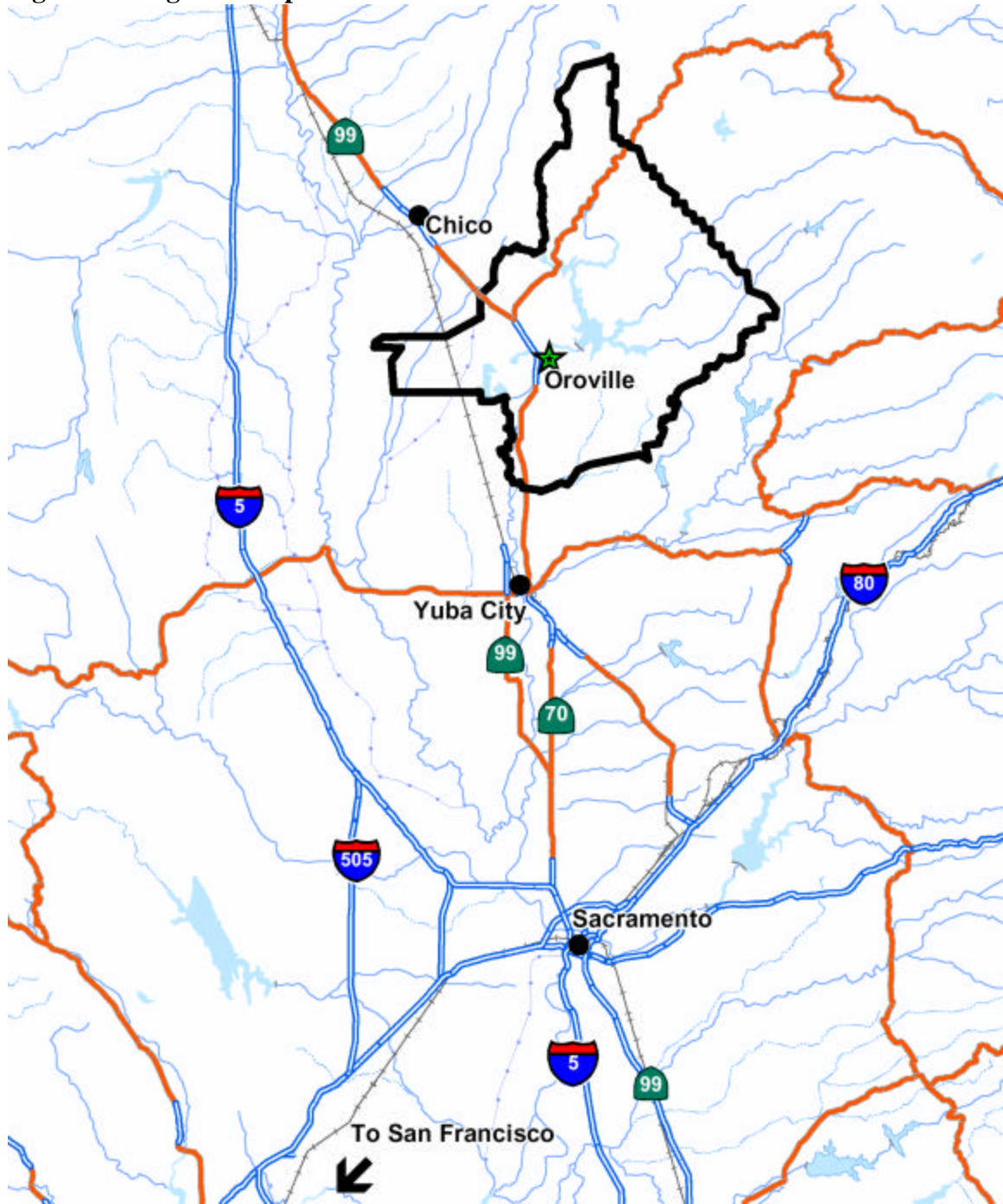
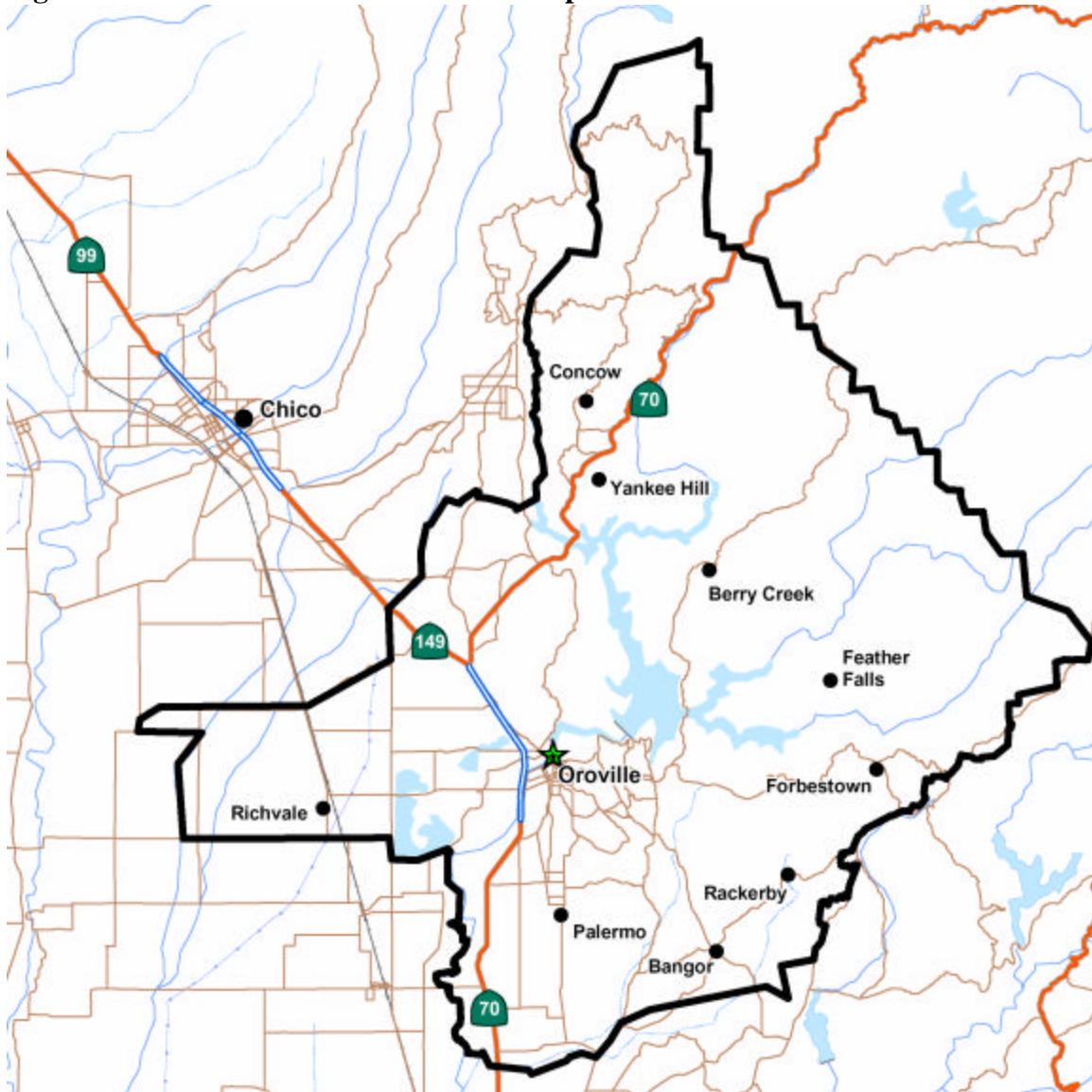


Figure 2 – Oroville Retail Market Area Map



The Retail Spending Model

In order to analyze the retail potential in the city of Oroville, the Center for Economic Development (CED) at California State University, Chico prepared a retail spending model that estimates demand for taxable sales in the Oroville Market Area by retail sector. The key to CED's model is an accurate assessment of Oroville's taxable sales demand by retail sector. This assessment is made using the following data.

1. Actual taxable sales captured by the city of Oroville in 2006 by retail sector. This data was provided by the city of Oroville's taxable sales consultant, MuniServices, LLC.

2. Actual taxable sales captured for a larger area with nearly zero net retail leakage by retail sector, in this case, California as a whole. In the past, spending patterns in Butte County and the U.S. Department of Commerce Bureau of Economic Analysis' Sacramento Economic Area (which extends from Butte County south to San Joaquin County) have been used to develop local retail spending models. However, recent analysis has shown that net taxable sales capture has grown to over fifteen percent in both regions. Therefore, continued use of these areas to build a retail spending model for Oroville would likely overstate sales potential.
3. Commodity spending patterns of households in the Oroville Market Area and California modeled by Environmental Sciences Research Institute (ESRI) using annual U.S. Department of Commerce, Bureau of Labor Statistics consumer spending surveys. This data is used to adjust demand modeled in California to match Oroville's unique consumer preferences and disposable income levels.

A psychographic analysis of the Oroville Market Area is used to determine why local retail spending is different from that of the state as a whole. This analysis accounts for factors other than raw income differential or differences in consumer preferences based purely on those income levels. For example, this more detailed analysis addresses differences in spending patterns between rural areas and the urban areas that dominate California's economic landscape. Because the non-income demand adjustment factors are not quantifiable, their potential impacts are not used directly in this section. However, differences in spending patterns, implicitly due to psychographic factors, are accounted for by making adjustments to the raw sector estimates using the actual figures from the BLS consumer spending surveys.

Actual Taxable Sales in the City of Oroville

Table 1 shows 2006 taxable sales by sector provided to the CED. This table shows the retail sectors available for analysis. See the *Retail Sector Definitions* section for a detailed description of each sector.

These categories were chosen to show the most retail sector detail possible without compromising the confidentiality guidelines for individual businesses. These guidelines stipulate that no data in a sector with three or fewer sales permits, or in which one business is responsible for 80 percent of all sales in that sector, shall be made public. The CED used retail sector combinations that comply with these guidelines.

Actual Taxable Sales in California

Also included in Table 1 are taxable sales for California, grouped in the same retail sectors.

Table 1 - Taxable Retail Sales in the City of Oroville and California, 2006

Retail Sector	Oroville	California (millions)¹
Apparel stores	\$ 2,542,900	\$ 19,479,078
Gifts, art goods, and novelties	\$ 480,800	\$ 2,016,432
Household and home furnishings	\$ 2,175,500	\$ 13,372,449
Household appliance stores	\$ 4,636,800	\$ 4,728,964
Second-hand merchandise	\$ 402,700	\$ 574,517
General merchandise stores	\$ 53,362,500	\$ 52,661,756
Drug stores	\$ 7,080,100	\$ 6,452,928
Sporting goods	\$ 3,112,600	\$ 4,049,709
Jewelry stores	\$ 1,328,900	\$ 2,966,952
Farm and garden supply stores	\$ 642,400	\$ 2,772,102
Restaurants w/ no alcohol	\$ 20,418,100	\$ 22,216,371
Restaurants w/ beer and wine	\$ 6,727,700	\$ 12,007,512
Restaurants and drinking places w/ full bar	\$ 3,069,300	\$ 14,091,284
Packaged liquor stores	\$ 2,130,600	\$ 2,614,109
Automotive supplies and parts	\$ 10,425,500	\$ 5,945,177
Used motor vehicle dealers	\$ 2,633,100	\$ 6,447,192
Service stations	\$ 53,532,900	\$ 40,147,272
Lumber and building materials	\$ 34,649,800	\$ 27,747,962
Hardware stores, paint, glass, and wallpaper	\$ 4,826,100	\$ 5,120,435
<i>All other categories</i>	\$ 114,742,100	\$ 313,498,291
<i>Total all outlets</i>	\$ 328,920,400	\$ 558,910,492

Source: MuniServices, LLC.

¹Preliminary data calculated by the Center for Economic Development at California State University Chico using 2005 taxable sales and adjusting for income growth through 2006.

Commodity Spending Patterns

In order to determine taxable sales potential in Oroville for each of these sectors, the CED used household spending estimates, developed by Environmental Sciences Research Institute (ESRI), to adjust observed taxable sales patterns in California to better match the retail demand patterns unique to Oroville. These estimates come from spending models determined through Consumer Expenditure Surveys administered by the U.S. Department of Labor, Bureau of Labor Statistics. The models vary by income level and provide the most accurate account of consumer spending by Oroville residents broken out by commodity. A copy of this report can be found in Appendix B.

Calculating the Oroville Market Area/California Consumer Demand Adjustment

The fact that taxable sales are reported by retail sector (type of store), while consumer spending estimates are estimated by type of commodity, presents a challenge. There is

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no direct match between retail sectors and commodities. The CED addressed this by assigning commodities that comprise major components of each retail sector’s available products. For example, the drug stores sector includes not only prescription and nonprescription drugs, but also commodities such as personal care products (makeup, etc.), beverages, and housekeeping supplies because drug stores often devote a significant amount of store space (typically more than one side of an aisle) to the sale of these commodities. Other items found in most drug stores, such as toys, games, and pets (supplies), are not considered to be major commodities found in these stores because they consume less floor space (typically less than one side of an aisle). The CED determined which commodities available in the ESRI spending dataset were major components of the sales for each retail sector listed in Table 1. These assignments are shown in Appendix C.

The net consumer demand adjustment between California and the Oroville Market Area, which is used to adjust spending in California to better reflect sale potential in Oroville, is calculated as follows. This calculation is repeated for each retail sector shown in Table 1.

$$\begin{array}{ccccccc} \text{Oroville Market} & & \text{Oroville Market Area Demand for Retail} & & \text{Per Capita} & & \text{Per Capita} \\ \text{Area/California Net} & & \text{Sector's Major Commodities Per Capita} & & \text{Consumer} & & \text{Income} \\ \text{Consumer Demand} & = & \frac{\text{California Demand for Retail Sector's}}{\text{Major Commodities Per Capita}} & = & \text{Demand} & + & \text{Differential} \\ \text{Adjustment} & & & & \text{Differential} & & \end{array}$$

Note that there are actually two calculations shown: the Oroville Market Area’s demand for major commodities in each retail sector divided by California’s demand and the core consumer demand differential plus an income adjustment. The CED actually calculated the net consumer demand adjustment using the former, although the net adjustment is easier to understand than the latter. The net consumer demand adjustment is simply the difference in consumer spending preferences, based on different income levels found in Oroville as opposed to California, plus the income differential. The consumer demand differential varies by retail sector, based on the relative demand for major commodities found within that sector. Positive values represent a greater propensity for people in Oroville’s income ranges to shop at these stores. Most of these values are positive because, overall, individuals and households with lower incomes tend to spend a greater percentage of their income on consumer goods.

The income differential is constant equal to 0.6477 (Oroville Market Area’s per capita income is 64.77 percent that of California).

The components of the net consumer demand adjustment are shown in Table 2.

Table 2 - Components of the Oroville Market Area/California Net Consumer Demand Adjustment

Retail Sector	Per Capita Consumer Demand Differential	Per Capita Income Differential	Oroville Market Area/California Net Consumer Demand Adjustment
Apparel stores	-0.0064	0.6477	0.6413
Gifts, art goods, and novelties	0.0028	0.6477	0.6505
Household and home furnishings	-0.0281	0.6477	0.6196
Household appliance stores	0.0085	0.6477	0.6562
Second-hand merchandise	0.0223	0.6477	0.6700
General merchandise stores	0.0223	0.6477	0.6700
Drug stores	0.0506	0.6477	0.6983
Sporting goods	0.0084	0.6477	0.6561
Jewelry stores	-0.0863	0.6477	0.5614
Farm and garden supply stores	0.0577	0.6477	0.7054
Restaurants w/ no alcohol	0.0084	0.6477	0.6561
Restaurants w/ beer and wine	0.0084	0.6477	0.6561
Restaurants and drinking places w/ full bar	0.0084	0.6477	0.6561
Packaged liquor stores	-0.0146	0.6477	0.6331
Automotive supplies and parts	0.0154	0.6477	0.6631
Used motor vehicle dealers	0.0719	0.6477	0.7196
Service stations	0.0506	0.6477	0.6983
Lumber and building materials	0.0471	0.6477	0.6948
Hardware stores, paint, glass, and wallpaper	0.0421	0.6477	0.6898
<i>All other categories</i>	0.0028	0.6477	0.6505

Source: MuniServices, LLC

Potential Taxable Sales and Leakage

The net consumer demand adjustment between the Oroville Market Area and California is used to adjust per capita taxable sales in California into a per capita taxable spending model by sector for Oroville Market Area residents. Expressed in equation form, retail potential for each retail sector is defined as follows:

$$\text{Oroville Market Area Potential Retail Sales} = \frac{\text{California Retail Sales}}{\text{California Population}} \times \text{Oroville Market Area Population} \times \text{Oroville Market Area/California Net Consumer Demand Adjustment}$$

This calculation is shown in Table 3.

Table 3 - Taxable Retail Potential in the Oroville Market Area

Retail Sector	Oroville Market Area/California Net Consumer Demand Adjustment	California Taxable Sales Per Capita¹	Oroville Taxable Sales Potential Per Capita²	Oroville Taxable Sales Potential³
Apparel stores	0.6413	\$ 524	\$ 336	\$ 17,768,817
Gifts, art goods, and novelties	0.6505	\$ 54	\$ 35	\$ 1,865,751
Household and home furnishings	0.6196	\$ 360	\$ 223	\$ 11,785,477
Household appliance stores	0.6562	\$ 127	\$ 83	\$ 4,414,157
Second-hand merchandise	0.6700	\$ 15	\$ 10	\$ 547,550
General merchandise stores	0.6700	\$ 1,416	\$ 949	\$ 50,189,909
Drug stores	0.6983	\$ 173	\$ 121	\$ 6,409,841
Sporting goods	0.6561	\$ 109	\$ 71	\$ 3,779,070
Jewelry stores	0.5614	\$ 80	\$ 45	\$ 2,369,227
Farm and garden supply stores	0.7054	\$ 75	\$ 53	\$ 2,781,386
Restaurants w/ no alcohol	0.6561	\$ 597	\$ 392	\$ 20,732,718
Restaurants w/ beer and wine	0.6561	\$ 323	\$ 212	\$ 11,205,626
Restaurants and drinking places w/ full bar	0.6561	\$ 379	\$ 249	\$ 13,150,240
Packaged liquor stores	0.6331	\$ 70	\$ 44	\$ 2,354,042
Automotive supplies and parts	0.6631	\$ 160	\$ 106	\$ 5,607,204
Used motor vehicle dealers	0.7196	\$ 173	\$ 125	\$ 6,599,188
Service stations	0.6983	\$ 1,079	\$ 754	\$ 39,873,690
Lumber and building materials	0.6948	\$ 746	\$ 518	\$ 27,420,620
Hardware stores, paint, glass, and wallpaper	0.6898	\$ 138	\$ 95	\$ 5,024,047
<i>All other categories</i>	0.6505	\$ 8,428	\$ 5,483	\$ 290,071,622
<i>Total all outlets</i>	n/a	\$ 15,026	\$ 9,903	\$ 523,950,181

¹Calculated using California's 1/1/2006 population of 37,195,240 estimated by the California Department of Finance

²Calculated as California taxable sales per capita multiplied by the Oroville Market Area/California consumer demand adjustment

³Calculated using the Oroville Market Area's 7/1/2005 (latest available) population of 52,906 estimated by the Center for Economic Development at California State University, Chico

Taxable retail leakage is the difference between the actual taxable sales and calculated potential taxable sales. The calculation is represented in the following equation:

$$\begin{array}{rcl} \text{Taxable Retail} & & \text{Actual} & & \text{Potential} \\ \text{Leakage (or} & = & \text{Taxable} & - & \text{Taxable} \\ \text{Surplus)} & & \text{Retail Sales} & & \text{Retail Sales} \end{array}$$

This calculation is shown in Table 4.

Table 4 - Taxable Retail Leakage in the Oroville Market Area

Retail Sector	Potential Taxable Sales	Actual Taxable Sales	Taxable Sales Leakage (-) or Surplus (+)¹
Apparel stores	\$ 17,768,817	\$ 2,542,900	- \$ 15,225,917
Gifts, art goods, and novelties	\$ 1,865,751	\$ 480,800	- \$ 1,384,951
Household and home furnishings	\$ 11,785,477	\$ 2,175,500	- \$ 9,609,977
Household appliance stores	\$ 4,414,157	\$ 4,636,800	+ \$ 222,643
Second-hand merchandise	\$ 547,550	\$ 402,700	- \$ 144,850
General merchandise stores	\$ 50,189,909	\$ 53,362,500	+ \$ 3,172,591
Drug stores	\$ 6,409,841	\$ 7,080,100	+ \$ 670,259
Sporting goods	\$ 3,779,070	\$ 3,112,600	- \$ 666,470
Jewelry stores	\$ 2,369,227	\$ 1,328,900	- \$ 1,040,327
Farm and garden supply stores	\$ 2,781,386	\$ 642,400	- \$ 2,138,986
Restaurants w/ no alcohol	\$ 20,732,718	\$ 20,418,100	- \$ 314,618
Restaurants w/ beer and wine	\$ 11,205,626	\$ 6,727,700	- \$ 4,477,926
Restaurants and drinking places w/ full bar	\$ 13,150,240	\$ 3,069,300	- \$ 10,080,940
Packaged liquor stores	\$ 2,354,042	\$ 2,130,600	- \$ 223,442
Automotive supplies and parts	\$ 5,607,204	\$ 10,425,500	+ \$ 4,818,296
Used motor vehicle dealers	\$ 6,599,188	\$ 2,633,100	- \$ 3,966,088
Service stations	\$ 39,873,690	\$ 53,532,900	+ \$ 13,659,210
Lumber and building materials	\$ 27,420,620	\$ 34,649,800	+ \$ 7,229,180
Hardware stores, paint, glass, and wallpaper	\$ 5,024,047	\$ 4,826,100	- \$ 197,947
<i>All other categories</i>	\$ 290,071,622	\$ 114,742,100	- \$ 175,329,522
<i>Total all outlets</i>	\$ 523,950,181	\$ 328,920,400	- \$ 195,029,781

¹Calculated as actual taxable sales minus potential

Potential taxable sales in the city of Oroville reached nearly \$524 million in 2006. Actual taxable sales were just under \$329 million, meaning that \$195 million in potential retail sales were lost. This represents 37 percent of all potential taxable sales, and while the percent leakage is much less than that analyzed for 2004 because of the establishment of large retailers such as Home Depot, there remains a tremendous amount of untapped potential.

Non-retail taxable sales potential is difficult to determine because the California Board of Equalization does not break these sales down to a sector level and because demand for non-retail taxable sales is not normally tied to population but rather to business activity. However, MuniServices, LLC provided data on taxable sales for retail sectors intermixed with non-retail sectors only, making it impossible to break out retail sectors. Therefore, “all other categories” includes both retail and non-retail sectors.

The category with the greatest leakage, over \$175 million, is “all other categories”. These are the categories that could not be independently published because MuniServices,

LLC did not tabulate the taxable sales data in a way that would allow further disaggregation. A list of all detailed sectors included in this category can be found in the next section. With the exception of new automobile dealers, the component sectors are small and it is likely that each would show net leakage if they could be analyzed individually.

Sources of Retail Leakage (What Does Retail Leakage Mean?)

Calculated leakage may or may not mean that opportunities exist to start retail businesses specifically to capture that leakage. The figures in this report show statistical discrepancies between average spending patterns in California households and spending captured in the city of Oroville from its market area. There are a number of possible reasons for calculated leakage.

1. Households may be purchasing a particular item in another community, such as Chico, Yuba City, or Sacramento. These purchases may occur for several reasons, including too few Oroville stores in this sector to meet local demand or household members commuting to these other communities and choosing to make purchases near their workplace, regardless of the availability of local retail outlets. Note that Oroville businesses that can compete with stores in Chico, Yuba City, and Sacramento on price and service are more likely to attract customers.
2. Oroville households may actually be purchasing the items sold in this sector in the Oroville Market Area, but outside the city's corporate boundary. Examples might be gifts, art goods, and novelties. Local residents making purchases from gift shops around Lake Oroville, which is not within the city of Oroville, might account for some of the leakage in this sector.
3. Oroville households may be purchasing items from stores classified in another sector that are typically sold in stores under the sector showing leakage. An example might be apparel stores: Oroville households may be more likely to purchase apparel at department stores because their psychographic profiles, described later in this report, may show a preference toward purchases at general merchandise stores rather than at specialty stores.
4. Oroville household demand for items sold in a specific sector might be less than for the average household in the state. An example might be restaurants with a full bar. Instead of spending the state average at restaurants with a full bar, Oroville households might be spending more than the average California household would at restaurants serving no alcohol. Oroville households may be more likely to patronize restaurants with no bar because of their psychographic profiles, described later in this report.

Whichever of these factors is responsible for the calculated leakage in any particular sector, there still may be potential for retail expansion if households change their current

spending behavior and patterns. Perhaps this can be accomplished through advertising or local retailers increasing their competitiveness, in terms of price and/or service, with stores in other sectors or other communities currently capturing the estimated leakage.

The CED does not recommend business investment based solely on this analysis. Investors should conduct their own independent business feasibility analysis before opening a store with the intent to capture retail leakage in Oroville.

Psychographic Profile of the Oroville Market Area

The analysis thus far shows retail potential in the Oroville Market Area taking into account available income and consumer spending patterns by income level. Factors, taken into account, but not fully explained include the portion of spending preferences not determined by income level. Examples include the dichotomy between spending preferences for rural and urban households. While differences in non-income related spending patterns are not quantifiable by specific casual factor, clues as to how each factor might affect retail potential in Oroville are found in the area's psychographic profile.

The CED utilizes the Tapestry Market Segmentation system published by ESRI to conduct psychographic analysis. A psychographic analysis is the process of categorizing neighborhoods into predetermined consumer profiles based on their demographic makeup, average income, urbanization level, and more. A psychographic profile is a set of data compiled from a psychographic analysis.

Table 4 shows the first breakdown of Oroville neighborhoods by LifeMode group. This is a grouping of neighborhoods by the predominant living situation found within. For a description of each LifeMode group, see Appendix D. Oroville is heavy in Senior Styles, a category comprised of senior living situations; Factories & Farms, a segment of mostly homeowners working blue-collar jobs; and American Quilt, a group of small-town middle-aged neighborhoods.

Table 4 – LifeMode Groups in the Oroville Retail Market Area

LifeMode Group	Oroville Households		California Percent
	Number	Percent	
L1. High Society	0	0.0%	17.8%
L2. Upscale Avenues	476	2.3%	17.6%
L3. Metropolis	577	2.8%	3.0%
L4. Solo Acts	15	0.1%	12.0%
L5. Senior Styles	8,679	42.7%	6.9%
L6. Scholars & Patriots	0	0.0%	1.0%
L7. High Hopes	650	3.2%	3.1%
L8. Global Roots	1,578	7.8%	21.2%
L9. Family Portrait	296	1.5%	10.0%
L10. Traditional Living	1,580	7.8%	3.7%
L11. Factories & Farms	2,090	10.3%	0.9%
L12. American Quilt	4,382	21.6%	3.0%
Total	20,323	100.0%	100.0%

Source: ESRI Business Information Solutions

Table 5 shows the second breakdown of Oroville neighborhoods by Urbanization group. Generally, higher urbanization numbers represent more rural neighborhoods. The I or II appearing after each group name designates the relative affluence within the group, with I being more affluent than II. Oroville is dominated by the four most rural neighborhood categories.

Table 5 - Urbanization Groups in the Oroville Retail Market Area

Urbanization Group	Oroville Households		California Percent
	Number	Percent	
U1. Principal Urban Centers I	0	0.0%	25.1%
U2. Principal Urban Centers II	398	2.0%	10.3%
U3. Metro Cities I	296	1.5%	21.2%
U4. Metro Cities II	1,237	6.1%	9.3%
U5. Urban Outskirts I	1,027	5.1%	9.0%
U6. Urban Outskirts II	1,830	9.0%	2.3%
U7. Suburban Periphery I	803	4.0%	13.4%
U8. Suburban Periphery II	3,732	18.4%	3.5%
U9. Small Towns	5,075	25.0%	2.1%
U10. Rural I	2,615	12.9%	2.9%
U11. Rural II	3,310	16.3%	1.0%
Total	20,323	100.0%	100.0%

Source: ESRI Business Information Solutions

Table 6 shows the most detailed breakdown of Oroville neighborhoods available from Tapestry. Twenty-nine of Tapestry’s sixty-five market segments are found in the Oroville Market Area. The top three segments are Senior Sun Seekers, small town neighborhoods dominated by seniors; Rooted Rural, less affluent middle-aged households; and Rural Resort Dwellers, which are also middle-aged, but more affluent. No segment, however, dominates Oroville. Market segment descriptions for the twenty-two segments with more than 100 households in Oroville are found in Appendix D.

Upon review of the Tapestry Market Segmentation descriptions, aside from income levels, the primary conclusion is that Oroville households are more likely to spend money in general merchandise or discount stores rather than specialty stores. This may affect retail potential in Oroville by reducing the potential in stores selling commodities found in general merchandise or discount stores, such as apparel; gifts, art goods, and novelties; etc. These psychographic factors are, in all likelihood, responsible for the majority of the differences in spending patterns between Oroville residents and those of the state of California. And, while it is impossible to establish a direct connection between the specific urbanization and neighborhood type characteristics and spending patterns, psychographic analysis does provide a richer sense of the Oroville consumer market to prospective store operators.

Table 6 - Taxable Retail Potential in the Oroville Market Area

Market Segment	LifeMode Group	Urbanization Group	Oroville Households		California Percent ¹
			Number	Percent	
14 Prosperous Empty Nesters	L5. Senior Styles	U7. Suburban Periphery I	786	3.9%	1.2%
15 Silver and Gold	L5. Senior Styles	U7. Suburban Periphery I	17	0.1%	0.7%
17 Green Acres	L2. Upscale Avenues	U10. Rural I	62	0.3%	0.8%
18 Cozy and Comfortable	L2. Upscale Avenues	U8. Suburban Periphery II	414	2.0%	0.8%
19 Milk and Cookies	L9. Family Portrait	U3. Metro Cities I	296	1.5%	1.9%
25 Salt of the Earth	L11. Factories & Farms	U10. Rural I	602	3.0%	0.2%
26 Midland Crowd	L12. American Quilt	U10. Rural I	26	0.1%	0.7%
28 Aspiring Young Families	L7. High Hopes	U4. Metro Cities II	24	0.1%	2.4%
29 Rustbelt Retirees	L5. Senior Styles	U8. Suburban Periphery II	816	4.0%	0.3%
30 Retirement Communities	L5. Senior Styles	U4. Metro Cities II	7	0.0%	0.9%
31 Rural Resort Dwellers	L12. American Quilt	U10. Rural I	1,925	9.5%	1.2%
32 Rustbelt Traditions	L10. Traditional Living	U5. Urban Outskirts I	14	0.1%	0.4%
33 Midlife Junction	L10. Traditional Living	U8. Suburban Periphery II	1,566	7.7%	1.2%
37 Prairie Living	L11. Factories & Farms	U11. Rural II	176	0.9%	0.4%
38 Industrious Urban Fringe	L8. Global Roots	U5. Urban Outskirts I	387	1.9%	3.7%
39 Young and Restless	L4. Solo Acts	U4. Metro Cities II	15	0.1%	1.0%
41 Crossroads	L12. American Quilt	U9. Small Towns	368	1.8%	0.6%
43 The Elders	L5. Senior Styles	U8. Suburban Periphery II	695	3.4%	0.7%
46 Rooted Rural	L12. American Quilt	U11. Rural II	2,063	10.2%	0.5%
48 Great Expectations	L7. High Hopes	U5. Urban Outskirts I	626	3.1%	0.7%
49 Senior Sun Seekers	L5. Senior Styles	U9. Small Towns	3,117	15.3%	1.3%
50 Heartland Communities	L5. Senior Styles	U9. Small Towns	1,590	7.8%	0.3%
51 Metro City Edge	L3. Metropolis	U6. Urban Outskirts II	577	2.8%	0.2%
52 Inner City Tenants	L8. Global Roots	U4. Metro Cities II	952	4.7%	1.9%
53 Home Town	L11. Factories & Farms	U8. Suburban Periphery II	241	1.2%	0.2%
56 Rural Bypasses	L11. Factories & Farms	U11. Rural II	1,071	5.3%	0.1%
57 Simple Living	L5. Senior Styles	U6. Urban Outskirts II	1,253	6.2%	0.7%
60 City Dimensions	L8. Global Roots	U4. Metro Cities II	239	1.2%	0.7%
65 Social Security Set	L5. Senior Styles	U2. Principal Urban Centers II	398	2.0%	0.7%

Source: ESRI Business Information Solutions

Appendix A: Retail Sector Definitions

The retail sector definitions that follow were taken largely from descriptions of retail industry sectors in the North American Industrial Classification System (NAICS), published by the Executive Office of the President, Office of Management and Budget. Where appropriate, sector descriptions were modified to match the California Board of Equalization's retail sector classifications.

Apparel stores

This sector comprises establishments primarily engaged in retailing general lines of new clothing and clothing accessories merchandise from fixed point-of-sale locations. Establishments in this sector have similar display equipment and staff that is knowledgeable regarding fashion trends, with the ability to properly match styles, colors, and combinations of clothing and accessories to the characteristics and tastes of the customer.

Gift, art good, & novelty stores

This sector is composed of establishments primarily engaged in retailing new gifts, original and limited edition art works, novelty merchandise, souvenirs, greeting cards, seasonal and holiday decorations, and curios.

Household and home furnishings

Included in this sector are establishments primarily engaged in retailing new furniture and home furnishings merchandise from fixed point-of-sales locations. Establishments in this sector usually operate from showrooms and have substantial areas designated for the presentation of their products. Many offer interior decorating services in addition to the sale of products, although establishments primarily engaged in interior decorating are included in *all other categories*.

Household appliance stores

This sector comprises establishments primarily engaged in retailing new electronics and appliance merchandise from point-of-sale locations. Establishments in this sector often operate from locations that have special provisions for floor displays requiring special electrical capacity to accommodate proper demonstration of the products. The staff includes sales personnel knowledgeable in the characteristics and the stores offer warranties of the line of goods retailed and may also include trained repair persons for maintenance and repair of the electronic equipment and appliances.

Second-hand merchandise

Establishments in this sector are engaged primarily in retailing used merchandise, antiques, and secondhand goods (except motor vehicles such as automobiles, RVs, motorcycles, and boats; motor vehicle parts; tires; and mobile homes).

General merchandise stores

This sector includes establishments retailing new general merchandise from fixed point-of-sale locations. Establishments in this sector are unique in that they have the

equipment and staff capable of retailing a large variety of goods from a single location. This includes a variety of display equipment and staff trained to provide information on many lines of products.

Drug stores

This sector is composed of establishments known as pharmacies and drug stores engaged (not primarily engaged, necessarily) in retailing prescription or non prescription drugs and medicines.

Sporting goods

This sector includes establishments primarily engaged in retailing new sporting goods, such as bicycles and bicycle parts; camping equipment; exercise and fitness equipment; athletic uniforms; specialty sports footwear; and sporting goods, equipment, and accessories.

Jewelry stores

Establishments in this sector are engaged primarily in retailing one or more of the following items: 1) new jewelry (except costume jewelry); 2) new sterling and plated silverware; and 3) new watches and clocks. Also included are establishments retailing these new products in combination with lapidary work and/or repair services.

Farm and garden supply stores

Included in this sector are establishments primarily engaged in retailing new lawn and garden equipment and supplies. It includes establishments known as farm supply stores.

Restaurants w/ no alcohol

This sector comprises establishments that prepare meals, snacks, and beverages to customer order for immediate on-premises and off-premises consumption. There is a wide range of establishments in this sector. Some provide food and drink only, while others provide various combinations of seating space, waiter/waitress services, and incidental amenities such as limited entertainment. Food services at hotels, theaters, casinos, country clubs, civic and social organizations, and other recreational facilities are included in this sector only if these services are provided by a separate establishment primarily engaged in providing food services. Establishments in this sector do not have a permit to sell alcoholic beverages.

Restaurants w/ beer and wine

This sector is the same as *restaurants w/ no alcohol* except that these establishments have a limited permit to sell light alcoholic beverages such as beer and wine.

Restaurants and drinking places w/ full bar

This sector includes only those establishments with a permit to prepare and serve all types of alcoholic beverages, including liquor, for immediate on-premises consumption. This includes restaurants as described above in *restaurants w/ no alcohol* (except for the alcoholic beverage permit) and establishments known as bars, taverns, nightclubs, or drinking places.

Packaged liquor stores

Establishments in this sector are primarily engaged in retailing packaged alcoholic beverages such as ale, beer, wine, and liquor.

Automotive supplies and parts

This sector is composed of establishments primarily engaged in retailing automotive parts and accessories. Establishments may also provide repair or installation services, although if this is their main purpose, they are included in *all other categories*.

Used motor vehicle dealers

This sector comprises establishments primarily engaged in retailing used automobiles and light trucks.

Service stations

Establishments retailing automotive fuels and oils in combination with convenience store items are included in this sector. These establishments are characterized by the availability of specialized equipment for the storage and dispensing of automotive fuels.

Lumber and building materials

This sector includes establishments known as home centers primarily engaged in retailing a general line of new home repair and improvement materials and supplies, such as lumber, plumbing goods, electrical goods, tools, housewares, hardware, and lawn and garden supplies with no one merchandise line predominating. The merchandise lines are normally arranged in separate departments.

Hardware stores paint, glass, and wallpaper

This sector comprises establishments known as hardware, paint, glass, and wallpaper stores, primarily engaged in retailing a general line of new hardware items or specialized lines of paint, glass, wallpaper, and related supplies.

All other categories

Establishments included in this sector are those that would be classified in the following retail sectors if enough data were available to analyze retail leakage without disclosing confidential information on individual businesses. Data is withheld as confidential if either there are fewer than three stores in the sector, or if one store is responsible for more than 80 percent of the sector's taxable sales. The sectors included here are listed below.

Retail Sectors:

- News stands
- Florists
- Photographic equipment and supply stores
- Music stores
- Stationery and book stores
- Office equipment stores
- Specialty stores

- Grocery stores w/o alcohol
- Specialty food stores
- Confectionery stores
- Cigar stores
- Grocery stores w/ beer and wine
- Supermarkets
- Farm implement dealers
- Fuel oil and ice dealers
- Plumbing and electrical supplies
- New motor vehicle dealers
- Mobile homes, trailers, and campers
- Boat and motorcycle dealers
- Aircraft dealers
- Vending companies
- Non-store retailers
- Part-time businesses
- Closed accounts and adjustments

Non-retail Sectors:

- Hotel food sales
- Vehicle repair
- Rental/other repair
- Portrait studios
- Hotel food/bar sales
- Club food/bar sales
- Shoe repair
- Mortuary sales
- Personal services
- Building materials wholesale
- Office machines leasing
- Health services
- Leasing, other
- Electronic equipment rental and leasing
- Government and non-profit organizations
- Auctioneer sales
- Business services
- Food processing equipment manufacturing
- Manufacturing materials/textiles manufacturing
- Chemical products manufacturing
- Photographic processing and equipment manufacturing
- Vehicle parts manufacturing
- Transportation equipment manufacturing
- Oil & gas products manufacturing
- Heavy industry, general

- Light industry, general

Appendix B: ESRI Consumer Spending Estimates for the Oroville Market Area and California

The following pages contain an output report from ESRI's Business Analyst software and shows the consumer spending estimates used in the Oroville Market Area/California net consumer demand adjustment.



ID: 0

Oroville Market Area Commodity Demand Retail Goods and Services

Description: 0

Summary

	2004	2009
Population	54,834	57,478
Households	20,323	21,281
Families	13,855	14,478

	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	74	\$2,063.17	\$41,929,825
Men's	75	\$399.22	\$8,113,371
Women's	76	\$678.51	\$13,789,394
Children's	71	\$305.68	\$6,212,246
Footwear	77	\$382.13	\$7,766,030
Watches & Jewelry	71	\$188.94	\$3,839,902
Apparel Products and Services	74	\$108.69	\$2,208,881
Computer			
Computers and Hardware for Home Use	61	\$167.49	\$3,403,867
Software and Accessories for Home Use	60	\$19.13	\$388,862
Entertainment & Recreation	66	\$2,017.62	\$41,004,083
Fees and Admissions	59	\$346.83	\$7,048,544
Membership Fees for Clubs	60	\$93.99	\$1,910,074
Fees for Participant Sports, excl. Trips	60	\$67.73	\$1,376,414
Admission to Movie/Theatre/Opera/Ballet	58	\$83.08	\$1,688,438
Admission to Sporting Events, excl. Trips	59	\$32.69	\$664,344
Fees for Recreational Lessons	57	\$69.34	\$1,409,275
TV/Video/Sound Equipment	64	\$634.39	\$12,892,715
Community Antenna or Cable Television	66	\$336.53	\$6,839,322
Color Televisions	61	\$68.08	\$1,383,530
VCRs, Video Cameras, and DVD Players	61	\$23.80	\$483,614
Video Cassettes and DVDs	61	\$21.14	\$429,725
Video Game Hardware and Software	61	\$19.44	\$395,110
Satellite Dishes	64	\$2.69	\$54,709
Rental of Video Cassettes and DVDs	61	\$39.04	\$793,354
Sound Equipment	63	\$119.15	\$2,421,481
Rental and Repair of TV/Sound Equipment	64	\$4.52	\$91,869
Pets	74	\$247.52	\$5,030,421
Toys and Games	76	\$164.51	\$3,343,264
Recreational Vehicles and Fees	68	\$230.93	\$4,693,181
Sports/Recreation/Exercise Equipment	72	\$156.83	\$3,187,241
Photo Equipment and Supplies	64	\$89.97	\$1,828,466
Reading	62	\$146.64	\$2,980,250
Food	79	\$6,106.18	\$124,095,816
Food at Home	80	\$3,738.54	\$75,978,427
Bakery and Cereal Products	80	\$566.50	\$11,512,970
Meats, Poultry, Fish, and Eggs	80	\$999.13	\$20,305,343
Dairy Products	80	\$412.17	\$8,376,480
Fruits and Vegetables	79	\$640.97	\$13,026,344
Snacks and Other Food at Home	80	\$1,119.78	\$22,757,291
Food Away from Home	76	\$2,367.63	\$48,117,389
Alcoholic Beverages	77	\$372.36	\$7,567,395
Nonalcoholic Beverages at Home	81	\$316.21	\$6,426,357



Oroville Market Area Commodity Demand Retail Goods and Services

ID: 0

Description: 0

	Spending Potential Index	Average Amount Spent	Total
Financial			
Investments	56	\$4,897.69	\$99,535,778
Vehicle Loans	65	\$3,416.06	\$69,424,567
Health			
Nonprescription Drugs	83	\$86.86	\$1,765,199
Prescription Drugs	74	\$352.50	\$7,163,928
Eyeglasses and Contact Lenses	65	\$56.63	\$1,150,814
Home			
Mortgage Payment and Basics	59	\$4,569.99	\$92,875,880
Maintenance and Remodeling Services	60	\$884.83	\$17,982,304
Maintenance and Remodeling Materials	63	\$187.44	\$3,809,269
Utilities, Fuel, and Public Services	65	\$2,637.32	\$53,598,225
Household Furnishings and Equipment			
Household Textiles	61	\$76.18	\$1,548,185
Furniture	60	\$355.93	\$7,233,640
Floor Coverings	61	\$48.54	\$986,505
Major Appliances	64	\$170.64	\$3,468,005
Housewares	89	\$81.59	\$1,658,078
Small Appliances	64	\$22.84	\$464,128
Luggage	57	\$7.18	\$145,865
Telephones and Accessories	77	\$43.67	\$887,528
Household Operations			
Child Care	58	\$236.60	\$4,808,506
Lawn and Garden	69	\$281.74	\$5,725,840
Moving/Storage/Freight Express	60	\$30.85	\$626,864
Housekeeping Supplies	80	\$533.10	\$10,834,247
Insurance			
Owners and Renters Insurance	66	\$259.08	\$5,265,361
Vehicle Insurance	63	\$780.68	\$15,865,680
Life/Other Insurance	65	\$408.58	\$8,303,530
Health Insurance	69	\$1,073.22	\$21,811,003
Personal Care Products	79	\$311.10	\$6,322,506
School Books and Supplies	66	\$72.81	\$1,479,811
Smoking Products	67	\$328.70	\$6,680,146
Transportation			
Vehicle Purchases (Net Outlay)	65	\$3,529.71	\$71,734,344
Gasoline and Motor Oil	65	\$1,145.83	\$23,286,605
Vehicle Maintenance and Repairs	64	\$652.60	\$13,262,695
Travel			
Airline Fares	59	\$244.11	\$4,961,140
Lodging on Trips	61	\$245.16	\$4,982,364
Auto/Truck/Van Rental in Trips	58	\$28.47	\$578,625
Food and Drink on Trips	62	\$279.02	\$5,670,530

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: Expenditure data are derived from the 1999, 2000, and 2001 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI BIS forecasts for 2004 and 2009.



ID: 06

California Commodity Demand Retail Goods and Services

Description:

06

Summary

	2004	2009
Population	35,874,307	38,325,663
Households	12,094,865	12,828,958
Families	8,316,484	8,818,342

	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	139	\$3,849.96	\$46,564,763,031
Men's	135	\$719.51	\$8,702,322,134
Women's	139	\$1,247.72	\$15,091,042,203
Children's	130	\$561.09	\$6,786,268,796
Footwear	144	\$718.10	\$8,685,353,536
Watches & Jewelry	150	\$397.58	\$4,808,659,739
Apparel Products and Services	139	\$205.96	\$2,491,116,623
Computer			
Computers and Hardware for Home Use	113	\$312.39	\$3,778,308,952
Software and Accessories for Home Use	113	\$36.19	\$437,712,238
Entertainment & Recreation	115	\$3,533.00	\$42,731,201,063
Fees and Admissions	114	\$671.52	\$8,121,944,293
Membership Fees for Clubs	112	\$174.94	\$2,115,891,730
Fees for Participant Sports, excl. Trips	113	\$128.66	\$1,556,144,261
Admission to Movie/Theatre/Opera/Ballet	117	\$165.85	\$2,005,887,192
Admission to Sporting Events, excl. Trips	112	\$61.70	\$746,241,795
Fees for Recreational Lessons	115	\$140.37	\$1,697,779,315
TV/Video/Sound Equipment	111	\$1,106.66	\$13,384,890,073
Community Antenna or Cable Television	109	\$558.34	\$6,753,060,685
Color Televisions	114	\$126.01	\$1,524,042,659
VCRs, Video Cameras, and DVD Players	115	\$45.04	\$544,766,334
Video Cassettes and DVDs	113	\$38.73	\$468,475,330
Video Game Hardware and Software	112	\$36.05	\$436,070,505
Satellite Dishes	108	\$4.52	\$54,640,063
Rental of Video Cassettes and DVDs	114	\$72.85	\$881,133,099
Sound Equipment	115	\$217.09	\$2,625,662,654
Rental and Repair of TV/Sound Equipment	114	\$8.02	\$97,038,744
Pets	122	\$408.03	\$4,935,044,960
Toys and Games	141	\$305.06	\$3,689,700,000
Recreational Vehicles and Fees	101	\$340.25	\$4,115,313,947
Sports/Recreation/Exercise Equipment	129	\$282.39	\$3,415,495,915
Photo Equipment and Supplies	115	\$160.17	\$1,937,219,595
Reading	110	\$258.92	\$3,131,592,280
Food	139	\$10,781.54	\$130,401,296,580
Food at Home	139	\$6,518.52	\$78,840,581,522
Bakery and Cereal Products	139	\$989.89	\$11,972,596,220
Meats, Poultry, Fish, and Eggs	140	\$1,745.22	\$21,108,214,938
Dairy Products	138	\$711.15	\$8,601,249,473
Fruits and Vegetables	142	\$1,147.48	\$13,878,668,345
Snacks and Other Food at Home	138	\$1,924.77	\$23,279,852,546
Food Away from Home	138	\$4,263.03	\$51,560,715,058
Alcoholic Beverages	143	\$694.79	\$8,403,414,731
Nonalcoholic Beverages at Home	138	\$540.61	\$6,538,646,163



ID: 06

California Commodity Demand Retail Goods and Services

Description:

06

	Spending Potential Index	Average Amount Spent	Total
Financial			
Investments	131	\$11,559.63	\$139,812,133,585
Vehicle Loans	107	\$5,611.06	\$67,865,048,423
Health			
Nonprescription Drugs	134	\$139.45	\$1,686,623,530
Prescription Drugs	102	\$483.84	\$5,851,937,467
Eyeglasses and Contact Lenses	109	\$95.34	\$1,153,064,679
Home			
Mortgage Payment and Basics	111	\$8,589.84	\$103,892,959,481
Maintenance and Remodeling Services	111	\$1,620.80	\$19,603,357,309
Maintenance and Remodeling Materials	102	\$303.94	\$3,676,118,909
Utilities, Fuel, and Public Services	109	\$4,375.77	\$52,924,400,411
Household Furnishings and Equipment			
Household Textiles	112	\$140.60	\$1,700,563,705
Furniture	114	\$678.61	\$8,207,685,400
Floor Coverings	110	\$88.27	\$1,067,571,952
Major Appliances	111	\$298.75	\$3,613,389,756
Housewares	164	\$150.70	\$1,822,732,433
Small Appliances	110	\$39.39	\$476,376,235
Luggage	117	\$14.58	\$176,329,584
Telephones and Accessories	144	\$81.38	\$984,231,664
Household Operations			
Child Care	116	\$475.26	\$5,748,247,613
Lawn and Garden	115	\$471.83	\$5,706,727,610
Moving/Storage/Freight Express	119	\$60.79	\$735,221,256
Housekeeping Supplies	138	\$919.73	\$11,124,014,859
Insurance			
Owners and Renters Insurance	105	\$411.40	\$4,975,771,907
Vehicle Insurance	111	\$1,370.43	\$16,575,190,438
Life/Other Insurance	106	\$672.42	\$8,132,812,812
Health Insurance	104	\$1,624.85	\$19,652,302,692
Personal Care Products	139	\$550.88	\$6,662,868,276
School Books and Supplies	111	\$121.91	\$1,474,468,884
Smoking Products	105	\$510.10	\$6,169,622,164
Transportation			
Vehicle Purchases (Net Outlay)	107	\$5,794.37	\$70,082,119,757
Gasoline and Motor Oil	108	\$1,908.24	\$23,079,961,437
Vehicle Maintenance and Repairs	113	\$1,162.65	\$14,062,102,528
Travel			
Airline Fares	115	\$473.53	\$5,727,222,090
Lodging on Trips	111	\$440.86	\$5,332,168,519
Auto/Truck/Van Rental in Trips	116	\$57.28	\$692,851,208
Food and Drink on Trips	111	\$502.47	\$6,077,351,481

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: Expenditure data are derived from the 1999, 2000, and 2001 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI BIS forecasts for 2004 and 2009.

Apparel Products and Services includes material for making clothes, sewing patterns and notions, shoe repair and other shoe services, apparel laundry and dry cleaning, alteration, repair and tailoring of apparel, clothing rental and storage, and watch and

Membership Fees for Clubs includes membership fees for social, recreational, and civic clubs.

Sound Equipment includes sound components and systems, CDs, tapes, records, needles, tape recorders, radios, musical instruments and accessories, and rental and repair of musical instruments.

Recreational Vehicles & Fees includes docking and landing fees for boats and planes, purchase and rental of RVs or boats, and camp fees.

Sports/Recreation/Exercise Equipment includes exercise equipment and gear, game tables, bicycles, camping equipment, hunting and fishing equipment, winter sports equipment, water sports equipment, other sports equipment, and rental/repair of sports/recrea

Photo Equipment and Supplies includes film, film processing, photographic equipment, rental and repair of photo equipment, and photographer fees.

Reading includes newspapers, newspaper subscriptions, magazines, magazine subscriptions, and books.

Snacks and Other Food at Home includes candy, chewing gum, sugar, artificial sweeteners, jam, jelly, preserves, margarine, fat, oil, salad dressing, nondairy cream and milk, peanut butter, frozen prepared food, potato chips, nuts, salt, spices, seasonings

Mortgage Payment and Basics includes mortgage interest, mortgage principal, property taxes, homeowners insurance, and ground rent.

Maintenance and Remodeling Materials includes supplies/tools/equipment for painting and wallpapering, plumbing supplies and equipment, electrical/heating/AC supplies, materials for hard surface flooring, materials for roofing/gutters, materials for plaste

Household Textiles includes bathroom linens, bedroom linens, kitchen linens, dining room linens, other linens, curtains, draperies, slipcovers, decorative pillows, and materials for slipcovers and curtains.

Major Appliances includes dishwashers, disposals, refrigerators, freezers, washers, dryers, stoves, ovens, microwaves, window air conditioners, electric floor cleaning equipment, sewing machines, and miscellaneous appliances.

Housewares includes plastic dinnerware, china, flatware, glassware, serving pieces, nonelectric cookware, and tableware.

Lawn and Garden includes lawn and garden supplies, equipment and care service, indoor plants, fresh flowers, and repair/rental of lawn and garden equipment.

Housekeeping Supplies includes soaps and laundry detergents, cleaning products, toilet tissue, paper towels, napkins, paper/plastic/foil products, stationery, giftwrapping supplies, postage, and delivery services.

Personal Care Products includes hair care products, nonelectric articles for hair, wigs, hairpieces, oral hygiene products, shaving needs, perfume, cosmetics, skincare, bath products, nail products, deodorant, feminine hygiene products, and personal care

School Books and Supplies includes books and supplies for college, elementary school, high school, and preschool.

Vehicle Purchases (Net Outlay) includes net outlay for new and used cars, trucks, vans, motorcycles, and motor scooters.

Appendix C: ESRI Consumer Spending by Commodity Matched to Retail Sectors Available for Analysis

The CED made these determinations. Adjustments to these matchings may produce minor changes to the final taxable sales leakage/capture estimates, although they would not significantly affect the analysis.

Apparel stores

- Men's Apparel
- Women's Apparel
- Children's Apparel
- Footwear
- Apparel Products and Services

Gifts, art goods, and novelties*

(No commodities matched this sector, average for all commodities used)

Household and home furnishings

- Furniture

Household appliance stores

- Color Televisions
- VCRs, Video Cameras, and DVD Players
- Video Cassettes and DVDs
- Video Game Hardware and Software
- Major Appliances
- Small Appliances
- Telephones and Accessories

Second-hand merchandise

(see general merchandise stores)

General merchandise stores

- Apparel and Services
- Computers and Hardware for Home Use
- Software and Accessories for Home Use
- Color Televisions
- VCRs, Video Cameras, and DVD Players
- Video Cassettes and DVDs
- Video Game Hardware and Software
- Pets
- Toys and Games
- Sports/Recreation/Exercise Equipment

- Photo Equipment and Supplies
- Reading
- Bakery and Cereal Products
- Dairy Products
- Snacks and Other Food at Home
- Alcoholic Beverages
- Nonalcoholic Beverages at Home
- Nonprescription Drugs
- Prescription Drugs
- Eyeglasses and Contact Lenses
- Household Textiles
- Housewares
- Small Appliances
- Luggage
- Telephones and Accessories
- Lawn and Garden
- Housekeeping Supplies
- Personal Care Products
- School Books and Supplies

Drug stores

- Nonprescription Drugs
- Prescription Drugs
- Personal Care Products
- Smoking Products
- Alcoholic Beverages
- Nonalcoholic Beverages at Home
- Snacks and Other Food at Home
- Housekeeping Supplies
- Apparel Products and Services

Sporting goods

- Sports/Recreation/Exercise Equipment

Jewelry stores

- Watches & Jewelry

Farm and garden supply stores

- Lawn and Garden

Restaurants w/ no alcohol

- Food Away from Home

Restaurants w/ beer and wine

- Food Away from Home

Restaurants and drinking places w/ full bar

- Food Away from Home

Packaged liquor stores

- Alcoholic Beverages

Automotive supplies and parts

- Vehicle Maintenance and Repairs

Used motor vehicle dealers

- Vehicle Purchases (Net Outlay)

Service stations

- Snacks and Other Food at Home
- Gasoline and Motor Oil

Lumber and building materials

- Floor Coverings
- Maintenance and Remodeling Materials
- Major Appliances
- Small Appliances
- Telephones and Accessories
- Lawn and Garden

Hardware stores, paint, glass, and wallpaper

- Household Textiles
- Maintenance and Remodeling Materials
- Lawn and Garden
- Housewares
- Telephones and Accessories

All other categories

(All ESRI Commodities)

Appendix D: Psychographic Profile Category Descriptions

ESRI Business Information Solutions' Tapestry segmentation system provides a robust, powerful portrait of the 65 U.S. consumer markets. To enable a broader view of these 65 segments, ESRI BIS combined them into 12 LifeMode groups, based on lifestyle and lifestage composition. For instance, Group L1, High Society, consists of the seven most affluent segments; whereas Group L5, Senior Styles, includes the nine segments with a high presence of seniors.

L1 High Society

The markets in High Society are affluent and well educated. Although they represent slightly more than 12 percent of all U.S. households, they generate nearly one quarter of the total U.S. income. Employment in high-paying positions such as professional or managerial occupations is common. As a result, the median household income for this group exceeds \$94,000, almost twice that of the national median. Most households are married couple families residing in affluent neighborhoods where median home values surpass \$290,000. Although this is one of the least diverse groups in the United States, it is one of the fastest growing, increasing by more than 2 percent annually.

L2 Upscale Avenues

Prosperity is the overriding attribute shared by the seven markets in Upscale Avenues. Success has been earned from years of hard work. Like High Society, many in this group are also well educated with above average earnings. However, the choice of housing among the segments in this group reveals their distinct preferences. Urban markets of Urban Chic and Pacific Heights prefer townhouses and high-rises; Pleasant-Ville residents tend to choose single-family homes in suburban neighborhoods, while Green Acres residents opt for open spaces. Some have not settled on a home yet, such as renters among Enterprising Professionals residents; others, such as Cozy and Comfortable residents, have been settled for years. The median household income for the group is more than \$65,000, and their median net worth exceeds \$153,000.

L3 Metropolis

The six segments of the Metropolis group live and work in America's large and small cities. They live in older, single-family homes or row houses built in the 1940s or earlier. Those living in larger cities tend to own fewer vehicles and rely more on public transportation, but the majority of markets in Metropolis feature commuters to service-related jobs. Depending on the area of the country where they live, the median value of their homes can range from \$51,000 to more than \$300,000. The Metropolis summary group reflects the segments' diversity in housing, age, and income. For example, ages among segments range from Generation Xers to retirees; households include married couples with children and single parents with children. Employment status also varies from well-educated professionals to the unemployed. The median household income of the group is approximately \$37,000.

L4 Solo Acts

The Solo Acts summary group features singles who prefer city life. Many are young, start-up households located in America's more densely populated neighborhoods; some are well-established singles who have eschewed homeownership and child rearing responsibilities. Second only to High Society, individuals in this group tend to be well-educated, working professionals who are either attending college or already hold a degree. Their incomes reflect their employment experience, ranging from a low median of \$39,800 among the newest households, to more than \$87,000 among established singles. Contrary to modern migration patterns that flow away from the largest cities, the Solo Acts segments are moving into major cities such as New York, Chicago, Washington, Boston, Los Angeles, and San Francisco.

L5 Senior Styles

Almost 15 million households in the nine Senior Styles segments comprise Tapestry's largest summary group. As the U.S. population ages, two of the fastest growing American markets are found among The Elders and the Silver and Gold segments. This large group illustrates the diversity within today's senior citizen markets. Although incomes within this group cover a wide range, the median is approximately \$40,000, attributable mostly to retirement income or Social Security payments. Younger, more affluent seniors, freed of their child rearing responsibilities, are traveling and relocating to warmer climates. Less affluent, settled seniors are looking forward to retirement and remaining in their homes. Some of these older, less affluent segments live alone and collect Social Security and other benefits. Their choice of housing depends on their income. This group can reside in single-family homes, retirement communities, or high-rises.

L6 Scholars and Patriots Segment

This summary group is unique in the Tapestry system. Their shared traits include youth, the attendant lower incomes, and environment: college life or military service. Due to their transient lifestyle and lifestage, homeownership among them is low. Most live in townhouses or multiunit housing; however, more than one-third live in single-family homes. One segment is dominated by military life; the other two are predominantly students who are pursuing college degrees. Students work part-time at low-paying jobs to support themselves while attending school, while most of the military segment is either on active duty or works in civilian jobs on military bases.

L7 High Hopes

This is the smallest Tapestry summary group, made up of just two segments. The High Hopes group seeks the "American Dream" of homeownership and a rewarding job. Most live in single-family houses or multiunit buildings; just under half own their homes. Many are willing to move to a new location to seek better opportunities. The residents in the summary group are young and college educated; one-third of the householders are less than 35 years old. Their median net worth is more than \$79,000—close to 80 percent of the U.S. median. Households in this group include a mix of married couples, single-parent families, or single persons.

L8 Global Roots

The common thread among the segments in Global Roots is ethnic diversity. Las Casas and Newest Residents represent the strong Hispanic influence in this group in addition to a broad mix of racial diversity found in Urban Melting Pot and High Rise Renters. In general, these households are young with modest incomes and tend to rent in multiunit dwellings. The youth of this group reflects recent immigration trends; half of all households have immigrated to the United States within the past 10 years. The households range from married couples, typically with children, to single parents to individuals who live by themselves. Most of these recent arrivals strive to provide a better future for their children, find better jobs, and achieve the dream of homeownership.

L9 Family Portrait

The Family Portrait group is Tapestry's fastest growing population segment. This change is driven primarily by the growth in the Up and Coming Families group. Youth, family life, and the presence of children are the common characteristics across the five subdivisions of the Family Portrait summary group. The group is young and ethnically diverse, with nearly 30 percent of the residents of Hispanic descent. Many own their single-family homes within their neighborhoods. The majority of households are composed of married couples with children, contributing to the group's relatively large household size, averaging more than three persons per household.

L10 Traditional Living

Descriptions of the four segments in the Traditional Living summary group convey what most of us think of as middle America: hardworking, settled families. They work hard to earn a modest living and typically own single-family homes in more established communities. The group's higher median age of 37 years also conveys their lifestage—a number of older residents who are completing their child rearing responsibilities and looking forward to retirement. Populations in these neighborhoods are experiencing decline as the younger generations migrate in search of better employment opportunities.

L11 Factories and Farms

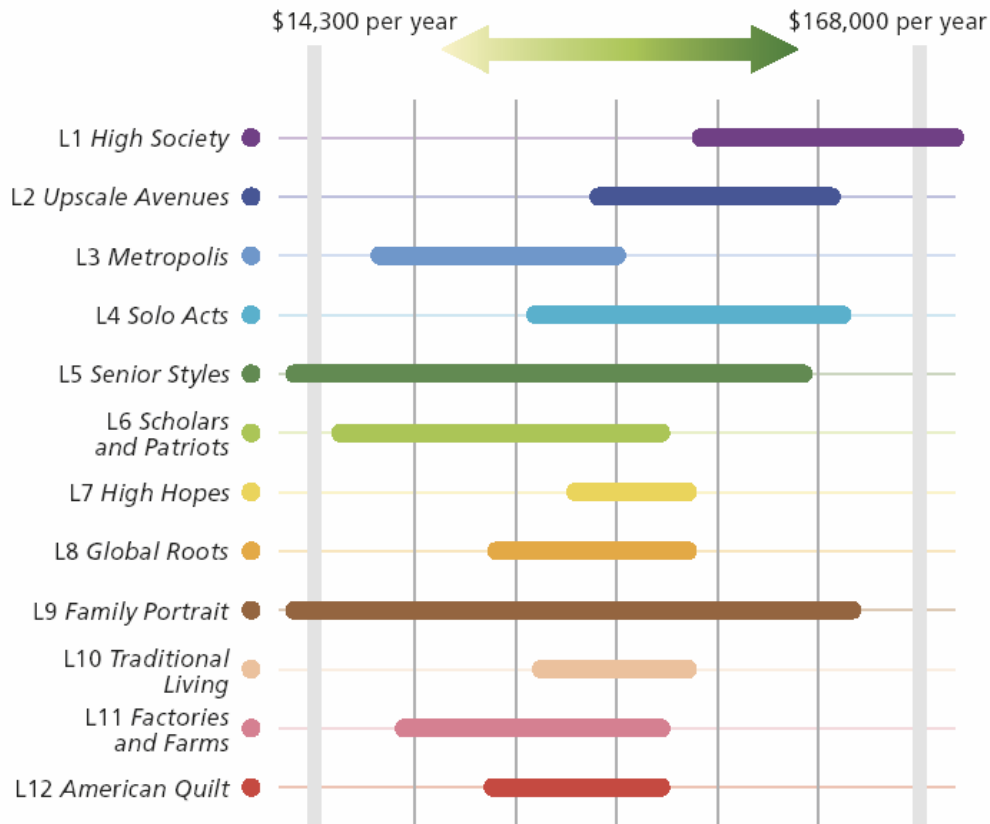
Some might say that life has passed by the segments in the Factories and Farms summary group. Employment in manufacturing and agricultural industries is typical in these small, settled communities across America's breadbasket. The rural South and Rustbelt areas change very little over time, creating a climate with few employment opportunities, which hinders growth. Many households include married couples or married couples with children; median household incomes are approximately \$37,000. Most own their homes.

L12 American Quilt

Common to the four segments in the American Quilt summary group is their location in America's small towns and rural areas. This group includes Tapestry's largest segment, Midland Crowd. Rural Resort Dwellers and Rooted Rural include an older population that is anticipating retirement. The residents in Crossroads are young, married couple families with children and single parents who live in small southern and western towns. They own modest, single-family houses or mobile homes. Nearly 30 percent of the

Oroville Retail Leakage Analysis

workforce in this group is employed as skilled laborers, generally in the manufacturing and construction trades.



Tapestry’s 65 segments are also organized into 11 Urbanization groups to highlight another dimension of these markets. These 11 groups are based on geographic and physical features such as population density, size of city, location in- or outside a metropolitan area, and whether or not it is part of the economic and social center of a metropolitan area. For example, U1, Principal Urban Centers I, includes eight segments that are mainly in densely settled cities within a major metropolitan area. The I or II appearing after each group name designates the relative affluence within the group, with I being more affluent than II.

U1 Principal Urban Centers I

Principal Urban Centers I represents the most affluent populations of the largest metropolitan areas in the country, with populations of 2.5 million or more. Residents of the big cities share a lifestyle that favors apartments over single-family homes, public transportation over cars, and cats over dogs. High-population density personifies life in the Big City with its attendant inconveniences, such as high rents and higher mortgage

payments, and opportunities such as high-paying jobs. Households are younger and as likely to be singles as married couples. Professional employment is typical but so is diversity. The Principal Urban Centers I summary group is home to urbanites who embrace the amenities of city living, from the Starbucks on the corner to museums, dancing, and dining out. They own the latest in electronics and use the Internet for everything. If they use the Yellow Pages at all, it is to get a taxi or a locksmith. Home improvement or furnishings are not popular here, save for espresso/cappuccino makers.

U2 Principal Urban Centers II

Principal Urban Centers II represents the aspiring populations of the largest cities in the country. This is the youngest (median age of 28 years) and most diverse population among the Urbanization groups including many recent arrivals in the large gateway cities such as New York, Los Angeles, and Chicago. Although the population density is second only to Principal Urban Centers I, it is still significantly lower. The search for affordable housing has moved these residents away from high-rises and into row houses, duplexes, and relatively low density buildings. Their lifestyles are characterized, not only by their locale, but also by their youth and nascent socioeconomic status. Their median household income is \$25,000. They are more likely to use public transportation and less likely to own their homes. Families are also more common in Principal Urban Centers II. Residents are more likely to buy baby goods and groceries than electronic gadgets or to visit a theme park rather than a museum.

U3 Metro Cities I

Upscale homeowners living in densely populated cities characterize the eight segments in Metro Cities I. Their distinction lies in the single-family homes in metropolitan cities. They embrace city living with the benefits of suburban single-family homes. Metro Cities I and Suburban Periphery I have the highest income among all groups, but Metro Cities I is second to none in wealth. Their median net worth is 75 percent above the national level, and their median home value is nearly twice the national median. Most householders are over 35 years old. Nearly 60 percent of the households are married couples, both with and without children. Individuals in these well-educated markets are avid readers, particularly of novels. They are very active in financial investments, health conscious, and enjoy traveling—both domestically and abroad. Purchasing items by mail, phone, or the Internet is popular among the individuals in this group.

U4 Metro Cities II

Metro Cities II is found in larger cities and in densely populated neighborhoods and is the third highest in population density, behind Principal Urban Centers I and II. The eight segments in Metro Cities II are neighborhoods in transition including young, starter households and retirees; single-person households; and families. Most householders are renters in multiunit dwellings. The young population remains mobile. Many are enrolled in college; most are still trying different jobs. The median household income of this group is \$37,900 (below the U.S. level). The varying levels of net worth among the eight segments reflect the wide range of age and lifestage in Metro Cities II. Consumers in this group share a neighborhood with an emphasis on economy and convenience. Their preferences include compact or subcompact cars and fast food. With the high

concentration of renters, tenant's insurance is common, while home improvement projects are not.

U5 Urban Outskirts I

The population segments in Urban Outskirts I reside in higher density suburban neighborhoods spread across metropolitan areas. Many of these neighborhoods are part of the main hub of social, cultural, and economic activity within the metro area. The proximity of higher density suburban areas to places of employment and entertainment venues combines the convenience of access with the advantage of affordable suburban living. The median household income of Urban Outskirts I is \$49,000, on par with the national median, although the population is slightly younger with a median age of 34 (compared to the national median of 36 years). Like established suburban communities, the housing stock is dominated by single-family dwellings but includes rental apartments to accommodate younger households with growing incomes. "Do-it-yourself" (DIY) projects are popular here, with owners tackling home improvement basics such as patios, fencing, flooring, and, naturally, lawn care. Residents enjoy active lifestyles that include a variety of sports, even rollerblading. The media of choice is television, with as many as four television sets in many homes.

U6 Urban Outskirts II

The settlement density and housing preferences of Urban Outskirts II are similar to Urban Outskirts I—high-density suburban neighborhoods in metropolitan areas. However, here the homes are older, and the population is younger. Homes can be single-family or multiunit dwellings, but almost half of the housing units were built before 1960. Less than 10 percent of the housing is under 10 years old. Median home value is around \$69,000, but just under half of the group owns their own home. With a median age of 31 years, the younger population is less affluent, with household income almost half the national median (\$48,100). This group includes a greater variety of household types ranging from the ethnically diverse family households of Southwestern Families to the shared and single-person student households found in College Towns. Their lifestyle preferences include Folgers coffee over Starbucks, current consumption over saving, going to the movies, participating in recreational football or basketball games, and attending collegiate or professional sporting events.

U7 Suburban Periphery I

Moving away from the epicenters of city living, peripheral suburban expansion represents lower density housing development. Suburban Periphery I is the largest Urbanization group, with the most population and households, in addition to the highest annual growth (twice as high as the U.S. median), located in metropolitan and micropolitan statistical areas throughout the United States. Married couple families dominate, about half with children, primarily living in their own single-family homes, with two cars. They tend to employ a lawn and gardening service, own a security system, and invest in home remodeling and improvements. This well-educated, wealthy group (with the highest median household income) track investments on the Internet frequently and use a financial planning counsel. They enjoy golfing, skiing, hiking, water sports, and regular

exercise at a club. Northwest is their preferred airline, and The West Wing is their favorite TV show.

U8 Suburban Periphery II

Suburban Periphery II represents the highest percentage of population in urban clusters (twice the U.S. median) living in metropolitan areas, in older housing, with the shortest commutes to work. Owned, single-family homes and military quarters dominate. Households are a mix. Half are married couple families, and almost one-third are householders living alone. Median household income and home value are below the U.S. median, yet median net worth is slightly higher. This group is older, with the highest median age over 40 years, and has one of the highest concentrations of population 65 years and older. They prefer Maxwell House coffee, enjoy gambling, watch QVC, and frequent family restaurants and steak houses such as Chi-Chi's and Perkins.

U9 Small Towns

Small towns represent the ideal in American communities —affordable, close-knit, and apart from the hustle and bustle of city life, and the Small Towns group is typical. Residents are active members of the community, including membership in social clubs and church boards and participation in local politics. Households earn a modest living, with a median household income of \$34,400, but their earnings are sufficient to afford a single-family or mobile home. Most of the labor force is employed in manufacturing, construction, or retail sectors; many are already retired. Heartland Communities is well settled, but Small Towns welcomes the ongoing migration of younger Crossroads and older Senior Sun Seekers. With retirement still looming for many, they invest conservatively in certificates of deposit and annuities rather than the stock market.

U10 Rural I

Small, non-farm settlements, some of which are developing in suburban fringe areas, characterize the neighborhoods of Rural I. Married couple families, many with grown children who have left home, work hard in blue-collar occupations. Some are self-employed with small businesses or farms. Their median age of 39 years is slightly older than that of the United States. With a median household income of more than \$50,000, they enjoy the comforts of large single-family homes with ample land. As do-it-yourselfers, they take pride in their homes and gardens, investing in major home remodeling and the tools to get the job done. Outdoor activities such as hunting and fishing are an integral part of their lifestyle.

U11 Rural II

Rural II represents the countryside at the extremes in urbanization. Low population density characterizes the country, with its inconveniences, such as the need for multiple vehicles to get around, and advantages such as affordable single-family homes with land. Most of the population resides in rural farm areas; the rest live in the country or in small villages and work in mining or manufacturing. Residents are slightly older, with a median age of 38 years; some are already retired. Most are homeowners; few are movers. Rural residents are settled. Family and home are central in their lives. Their lifestyles reflect a preference for comfort and practicality—western or work boots over dress shoes, wood

stoves over espresso/cappuccino makers, recliners over patio furniture, garden tillers over leaf shredders.

Each lifemode and urbanization group is comprised of a selection of Tapestry's 65 U.S. consumer market segments. The following are the general consumer preferences of the 22 market segments with at least 100 households represented in the Oroville Market Area.

14 Prosperous Empty Nesters

Prosperous Empty Nesters residents are active physically and financially. Maintaining their financial and personal well-being are priorities. They plan their investments and save for retirement through the use of financial services and brokerage firms. They invest in tax-exempt funds, mutual funds (bonds), annuities, and stocks, while maintaining money market accounts and home equity lines of credit. Concern about their physical as well as financial health leads them to play golf, ride bicycles, ski, and work out regularly. They also take multiple vitamins and get regular checkups from their doctors.

Prosperous Empty Nesters residents also display active interest in their homes and communities. Remodeling and lawn care services are part of home maintenance. Civic participation includes working on political campaigns, joining fraternal organizations, writing to a newspaper or magazine editor, and donating to charities. Personal interests include extensive travel both at home and abroad and reading history and mystery books, two or more daily newspapers, and magazines (especially airline, travel, business, epicurean, and home). Prosperous Empty Nesters residents also enjoy listening to talk or sports radio and watching news or sports (such as golf or skiing) on television.

18 Cozy and Comfortable

Cozy and Comfortable residents prefer mutual funds and consult financial planners. They are likely to have a second mortgage, hold home equity credit lines, and refinance their mortgages. Home improvements, including lawn care, are important to Cozy and Comfortable residents. They own leaf shredders and foliage trimmers and buy grass seed. Contracting for concrete or masonry work and adding a deck, porch, or patio are popular home improvement projects for Cozy and Comfortable residents. Leisure time includes golf.

Although they have home computers, owning the latest technology does not rank particularly high with Cozy and Comfortable residents. Their computers are several years old, and they are not running the latest Windows operating system. They use the Internet to obtain information about real estate, cars, or to play games. Television is more important than technology to Cozy and Comfortable residents; many households own four or more sets. They watch The Golf Channel and enjoy Home & Garden Television for information about home improvement projects. They enjoy attending hockey and pro football games as well as playing golf at home and on vacation.

19 Milk and Cookies

As Milk and Cookies residents settle into their family lifestyle, they are focused on their family and future. Milk and Cookies residents build their portfolios and make sure they

are properly insured. They consult stock rating services and contribute to 401(k) retirement plans. They might carry a noneducation personal loan or refinance their mortgages.

The presence of children in Milk and Cookies households drives their large purchases of baby and children's products including baby food, baby lotion, toy cars, electronic toys, dolls, and children's video tapes/DVDs. They own PCs and invest in software—primarily for their children's use. Leisure time is spent with their children—visiting the zoo, going to the movies, and visiting theme parks. Accommodating their busy lifestyle also includes time savers such as fast food and instant breakfasts. In their spare time, Milk and Cookies residents work on their yards and buy lawn care products and equipment.

They watch family channels including Cartoon Network, the Disney Channel, and Discovery Channel. More adult fare includes the Speed Channel, pay-per-view sporting events, and Home Shopping Network. They read Sunday newspapers, primarily for movie listings, sports, and the classifieds.

25 Salt of the Earth

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 fundraising, 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.

29 Rustbelt Retirees

Rustbelt Retirees residents are settled and hardworking. They have lived in the same home for years. They are loyal to their communities and country, participating in volunteer and fund-raising work. In addition, residents serve on religious boards, and

some are veterans' club members. They make an effort to vote in elections and prefer to drive older, domestic vehicles. They invest in major repairs and replacement parts.

Rustbelt Retirees residents are practical individuals who take pride in their homes and gardens. They continue to update their homes with new household furnishings and remodeling projects. Householders own a selection of electrical tools to speed up work they tackle. They watch their pennies, looking for bargains at discount stores and warehouse clubs. They dine out occasionally and would rather rent a movie than attend the theater.

Rustbelt Retirees residents are pet lovers, many owning more than one pet. They enjoy a variety of shows on TV, especially news programs and game shows and tune in to sports events. They also read the daily paper thoroughly, taking an interest in the sports, comics, and home/gardening sections. Most are Internet savvy, going online to use e-mail, play games, and occasionally make travel plans.

31 Rural Resort Dwellers

Modest living and simple consumer tastes describe Rural Resort Dwellers residents. Gardening tools and equipment are an integral part of maintaining their properties. Home improvements are common projects in this market segment. Their simple living also includes baking and home-cooked meals. Many households have pets, particularly dogs.

The rural settings mean higher than average numbers of riding lawn mowers and satellite dishes. In addition, many households own multiple vehicles, and they much prefer domestic over import. Four-wheel drive trucks are popular. Rural Resort Dwellers residents actively participate in local civic issues. They read magazines related to fishing, hunting, and home improvement; listen to country music; go hunting; and zoom around in powerboats.

With the aging population, general health care and prescription medications for age-related issues take on a significant role and so do financial- and retirement-related matters. Many Rural Resort Dwellers residents actively manage or plan their investments and retirement savings. With the high proportion of self-employed residents, IRA accounts are more popular than 401(k) plans.

33 Midlife Junction

As Midlife Junction residents pass from child rearing into retirement, they live quiet, settled lives. They have been planning and saving for their retirement and actively participating in IRA or 401(k) accounts. They spend their money carefully and do not succumb to fads.

Midlife Junction households enjoy dining out at full-service restaurants, particularly on weekends, and take advantage of the convenience of fast-food restaurants. They enjoy tending to their gardens. They prefer domestic cars over foreign cars. Politically, they tend to lean toward the conservative side.

They are comfortable making purchases by phone or over the Internet. Comfortable with computer technology, they use e-mail to communicate with friends and families and navigate the Internet at home or at work. Midlife Junction households subscribe to cable and watch television at a higher rate than the average American. They also like reading newspapers and books. Mindful of their expenses, they search for bargains at Wal-Mart, Kmart, and JCPenney.

37 Prairie Living

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.

38 Industrious Urban Fringe

Industrious Urban Fringe households balance their budgets carefully. Mortgage payments take priority. They shop at Wal-Mart, Kmart, Target, and other major discount stores for baby and children's products. They dine out less often than average households. Many have no financial investments or retirement savings other than their homes and are less likely to carry health insurance than average.

Keeping in touch is important to these residents. They often have a second phone line at home and various phone services. Having pets, particularly dogs, is an integral part of their family lifestyle. They enjoy watching movies, both at theaters and at home. Multiple visits to movie theaters in a month are quite common.

Newspapers and magazines are not the best media to reach the Industrious Urban Fringe households. Television and radio are more effective. They watch television just as much as the average U.S. households but with a lower subscription rate to cable. They are heavy radio listeners. Contemporary hit and Hispanic stations dominate the radio dials.

41 Crossroads

Mindful of their expenses, Crossroads households budget what to buy and where to spend their money. They shop at discount department stores such as Wal-Mart and Kmart. Many visit Wal-Mart Supercenters for their groceries. Their priorities are their families and their cars. Children are the focus of their lives, and they spend on children's goods in addition to groceries. They prefer domestic cars or trucks, commonly buy used vehicles, and undertake the maintenance themselves. Investing and saving for retirement also take a lower priority; many households do not own mutual funds, stocks, or retirement savings accounts. Home improvement projects also rank low.

Crossroads residents enjoy watching television, especially cartoon channels for the kids and fishing or NASCAR racing for the adults. They are less likely to subscribe to cable but more likely to have a satellite dish. They also like to listen to the radio, preferring country and contemporary hit music to other formats. They read the newspaper less frequently than average U.S. households, but they read magazines, especially automotive, boating, motorcycle, and fishing magazines. They like to fish and go to the movies. Most households have pets such as cats and dogs. Birds are especially popular.

43 The Elders

These seniors are informed, independent, and involved. Many of The Elders residents pay attention to their diets and require prescription drugs to deal with various health conditions. Golfing is one of their favorite activities. They buy golf clothing, play golf, and watch matches on The Golf Channel. They enjoy dining out and attending live theater performances. The Elders residents actively manage their savings and investments for their retirement. With the freedom of retirement, many enjoy traveling.

The Elders residents' daily routine includes television, and their subscription rate to cable is high. They stay informed by watching cable news programs such as CNN and Fox News. They read newspapers regularly and thoroughly but not magazines. They also enjoy reading books. Radio is not as popular in this market compared to the U.S. average.

Long-distance telephone calls are one way they stay in touch with friends and families. They use cordless phones and answering machines, but they do not feel the need to have many other telephone features and services such as caller ID.

46 Rooted Rural

Rooted Rural residents are do-it-yourselfers. These settled families take pride in their homes and keep busy with home improvement and remodeling activities. Many households work on their vehicles themselves. Typical of their rural lifestyles, each home owns some tools including electric drills, chain saws, screwdrivers, and sanders.

For their vehicles, they prefer trucks to sedans and domestic to imported. To get around, households tend to own more than one vehicle. They also take pride in their gardens, making regular purchases of potting soil, fertilizer, bulbs, and vegetable plants. This is one of the top markets that purchase work boots.

Families rarely dine out; they enjoy preparing meals at home with freshly grown vegetables from their gardens. Many homes own a separate freezer to store their produce. They prefer to shop at Wal-Mart Supercenters, if there is one in their area, otherwise Winn-Dixie, IGA, and Safeway are popular. They frequently visit nearby convenience stores for essentials such as milk. For apparel and other items, many have adopted catalog shopping for convenience.

Access to cable TV is limited; in fact, more households subscribe to satellite TV than cable TV. They also tune in to their radio regularly, particularly country music programs. Internet usage is lower than the nationwide average, and home personal computers are not as popular.

48 Great Expectations

Great Expectations homeowners are not afraid to tackle smaller maintenance and remodeling projects, often preferring to complete them on their own, but they also enjoy a young and active lifestyle. Going to bars, dancing, and playing pool are some of the leisure activities they enjoy. They go out for dinner and a movie, attend music concerts, visit a theme park, and go to the zoo or the beach. Singles take advantage of the convenience of fast-food restaurants. An adventurous bunch, they have tried their hand at different sports such as fishing, hunting, canoeing, roller blading, or boating.

They often watch TV for entertainment and news. Their entertainment programs include sitcoms, major sports events, and MTV. From country to rock, their taste in music is varied. Traveling does not rank high in this market segment. Still focused on starting a career, many have not prepared for their retirement by investing for the future. They shop at major discount stores and department stores, such as Sears and JCPenney, but many residents buy over the Internet or from catalogs for good deals. They dress youthfully, too, preferring to wear brand name athletic shoes and jeans.

49 Senior Sun Seekers

Senior Sun Seekers residents travel long distances frequently, usually by car. Many are prepared for roadside emergencies with membership in auto clubs. Preferring to trade in their old cars and to take advantage of bank loans or dealer financing, they also rely on car dealers to service their vehicles.

Most residents use full-service banks, but some use a credit union. Homeowners invest time and limited funds in home improvement and remodeling such as interior painting and faucet replacement. Gardening is a hobby for these small town senior residents.

Television is very much a part of their daily routine; residents tune in to a wide variety of programs that span family, news, movie, and informational channels. They have above average readership of daily and Sunday newspapers and take the time to read all sections of the paper. With plenty of leisure time, Senior Sun Seekers residents also enjoy reading both fiction and nonfiction books as a pastime.

Many do volunteer work as part of their religious or veterans' club activities. They also enjoy activities such as swimming and walking and embark on different pursuits such as fishing, hunting, boating, golfing, and bicycling.

50 Heartland Communities

Heartland Communities residents invest time and money in their cherished homes and communities. They are avid gardeners and especially take pride in growing their own vegetables. Their relatively large lots demand riding lawn mowers but provide ample room for family pets. Heartland Communities residents are more likely to tackle home improvement projects, such as interior painting and faucet replacement, themselves but rely on contractors to conduct major home remodeling efforts. They purchase their hardware at traditional hardware stores such as True Value and Ace Hardware but home improvement giants, such as Home Depot and Lowe's, are also tapping into this market.

Heartland Communities residents have a distinctly country lifestyle. They attend country music performances, go bowling, and enjoy outdoor activities such as hunting and freshwater fishing. They also read fishing, hunting, and gardening magazines and listen to country music. Fifteen percent of residents are veterans and are members of a veterans' club. Community members participate in religious and civic activities and many take an interest in local politics. Residents still prefer to bank at their local branch or ATM, but telephone banking is growing in popularity. Heartland Communities neighborhoods are "wired" with availability of cable or satellite television and Internet access for most residents; however, their use of the Internet is limited to e-mail and games.

They eat out at family restaurants such as Applebee's and Cracker Barrel as well as fast-food chains such as McDonald's and Pizza Hut. Heartland Communities residents take domestic vacations, primarily traveling by road. Their shopping patterns reflect the proximity of stores. Wal-Mart, Kmart, Target, and JCPenney are close to Heartland Communities; however, some residents use catalog and Internet shopping.

51 Metro City Edge

Metro City Edge residents' primary concern is the welfare of their children, which means they must spend their money wisely. They tend to shop at grocery stores such as Food Lion, Kroger, and Piggly Wiggly but will make trips to superstores and wholesalers to purchase household and children's items in bulk. Most make apparel purchases at Wal-Mart but also visit department stores such as JCPenney and Sears. More people rely on car dealerships for vehicle servicing instead of auto repair chains, but a substantial number of drivers service their vehicles themselves.

For entertainment, they tune in to movies, news, and sports events on cable TV. Internet access at home is not a necessity so many residents use the Internet at work or at the library. In addition to the Internet, newspapers and the Yellow Pages are their sources of information. They tend to exercise at home and enjoy walking and participating in community sports such as basketball and football. Most meals are made at home; families go to restaurants only once in a while.

52 Inner City Tenants

With their busy lifestyles, Inner City Tenants residents frequently eat at fast-food restaurants and shop for groceries at nearby stores such as Wal-Mart, Albertson's, and Kroger. They prefer easy-to-prepare frozen and canned foods. Along with fresh milk and bread, bottled water, cola, and snacks and foods their children prefer are on the weekly shopping list. Internet access is not available to all; those who have no access at home surf the Internet at work or the library. Tenants use the Yellow Pages for employment agencies and restaurants, pizza places in particular.

Inner City Tenants residents enjoy reading, playing cards, and board games. They walk, swim, play basketball, or do aerobics for exercise. They will go out to a restaurant, the movies, and attend music performances occasionally. The younger residents enjoy the nightlife—visiting bars and nightclubs and going dancing. Residents prefer to shop at discount stores but will take advantage of sales at department or other stores including Dillard's, Old Navy, and The Gap.

53 Home Town

Home Town residents savor their quasi-country lifestyle by spending time outdoors, gardening, fishing, swimming, and walking and, when indoors, reading and playing cards. Many are pet owners who purchase prepackaged dry pet foods over moist foods. They make the most of their urban locations, enjoying nightclubs, bars, movies, museums, and zoos.

They use the Internet primarily for e-mail and games, either at home, work, or the local library. Their primary means of communication is still the telephone, and the majority of calls are local. To keep up with current events, Home Town households subscribe to daily and Sunday newspapers and tune in to news and informational channels such as CNN, Fox News, and the Discovery Channel. Movie channels are also popular.

They shop for groceries at discount stores such as Wal-Mart; Kroger and Aldi are also favorites. Perhaps hindered by lack of choice, Home Town shoppers buy apparel at discount stores or small local malls; however, they are gaining confidence in Internet and mail order shopping. Residents do not dine out very often, but Applebee's, Cracker Barrel, and Golden Corral are their restaurants of choice.

56 Rural Bypasses

Typical of their country lifestyle, Rural Bypasses residents prefer trucks over sedans and country radio over urban radio. To save money, households dine in rather than out and maintain their homes and gardens on their own. The majority of neighborhoods have cable access, and most residents subscribe to limited channels. They regularly watch sports on TV, in particular NASCAR racing, football, and fishing programs.

They read fishing, hunting, and automotive magazines. Since individuals are conservative with long-distance calling, demand for cost-effective cellular service deals is growing. Like many markets, they shop at discounts stores for the essentials, but occasionally purchase apparel at JCPenney or Sears. They visit home improvement chains such as

Lowe's and Home Depot, too. Residents take advantage of Wal-Mart Pharmacy, but most still use traditional pharmacies such as CVS and Rite-Aid.

57 Simple Living

Both the young and the old who enjoy hunting and fishing in addition to team sports such as softball and volleyball represent the lifestyle of Simple Living residents. The younger residents enjoy dancing and nightclubs; the seniors participate in bingo nights and pursue hobbies such as photography, bird watching, and woodwork. Community activities are also important; they serve on church or school boards and join veterans' clubs and union activities. Typical of a retirement lifestyle, they enjoy walking, swimming, and playing golf to stay fit.

Simple Living households spend wisely on a restricted budget. They shop at discount stores for the essentials and occasionally treat themselves to dinner and a movie. Cable or satellite TV is a must for these heavy viewers of family programs and game shows. Most households own VCRs and CD players, but PCs, cellular phones, and DVD players are high on the list of electronics they do not own.

60 City Dimensions

City Dimensions residents are frequent viewers of cable television, preferring movies and news programs over documentaries. Most households own more than one television set and a VCR. Video game systems are also popular. They are avid watchers of sports such as football, basketball, and soccer but do not participate much in these sports. They represent one of the top markets for team sports clothing and prefer branded athletic shoes.

Few homes are equipped with central air conditioning; they rely on room air conditioners or ceiling fans, if necessary. Since many households have moved recently, they have purchased household furnishing items such as bedding/bath linens, kitchen items, and a variety of furnishings. Families with children spend wisely on children's and baby products, preferring to shop at discount stores and use store brand products, particularly expensive items such as diapers.

Households that own vehicles prefer domestic cars and buy used vehicles over new. Those with automotive expertise service their own cars; others rely on the car dealer or a nearby garage. For entertainment, they dine out and enjoy going dancing, attending music performances, and visiting bars occasionally. They attend movies more frequently, and parents will treat their children to a theme park once in a year.

65 Social Security Set

Limited resources somewhat restrict the activities and purchases of residents in the Social Security Set. They shop at discount stores but prefer grocery stores close to home. This market ranks high for dependence on Medicare or Medicaid to cover health care costs. They bank in person and pay cash when they shop.

Most homes subscribe to cable or satellite television; they watch both daytime and primetime TV. Their taste in sports entertainment is diverse including football, basketball, boxing, wrestling, figure skating, and golf.