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Dimensions and Characteristics of the Retail Market for the City of Brookings, South Dakota

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DIMENSIONS & CHARACTERISTICS OF THE RETAIL MARKET
FOR
THE CITY OF BROOKINGS, SOUTH DAKOTA
August 1980

By
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80 - 1

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INTRODUCTION

This study was designed to examine the 1978 retailing environment in the City of Brookings, South Dakota. A survey of over 1,000 consuming households within the Brookings area was conducted in 1978 in establishing a data base from which this analysis proceeded. The basic purpose of this consumer survey study was to help establish the extent and trends in the Brookings retail and service market. It is the purpose of this report to provide the merchants of Brookings with information which will assist them in improving their operations and to help them to be better able to serve and meet the needs of the residents of this immediate area.

The study itself was divided up into four basic parts. The first part is devoted to a discussion of the research methodology utilized in preparing the consumer survey study. The second division is devoted to the overall retail market within the City of Brookings. This section deals with the composition and extent of the retail market, the socio-economic characteristics making up the market, and the overall effectiveness of the media in the market area. The third section deals with each of the nine major retailing markets and their submarkets. Concerns addressed within this section include the extent of the geographic market, the relative strength of the market, the impact of media advertising on the decision making process of consumers in this market and the reasons customers choose to shop in competing regional retail markets. The final section presents the data base upon which the study is founded. This data base (found in the appendix section of this report) covers such areas as the consumer response rates as to the extent of their shopping in the Brookings retail market, the frequency

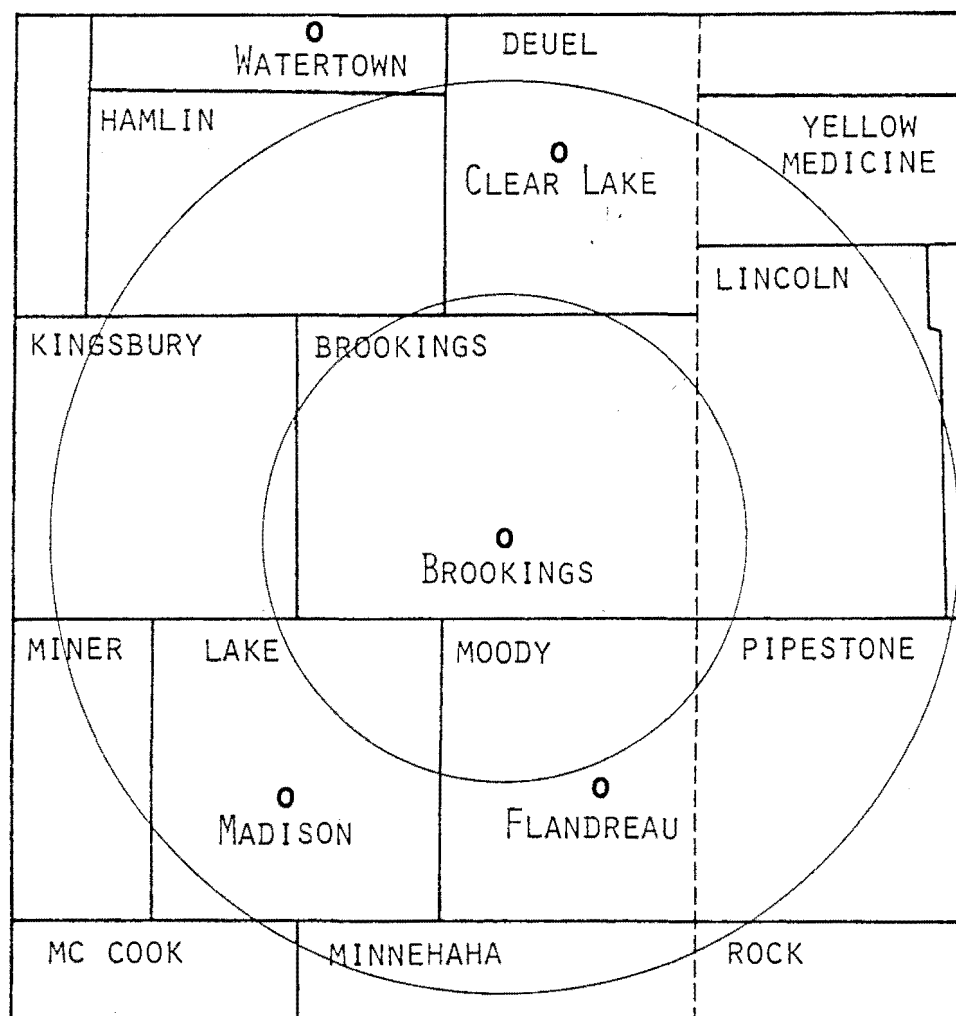
response rate for reasons given for shopping outside of the Brookings retail market, and the effect of media advertising on consuming households.

Caution must be expressed however in the use of this study. Since the initial collection of the data base, much has changed within the retail market area as evidenced by such trends as the development of retail malls and the rapidly changing economic forces in our economy. This constantly changing business and economic environment stresses the need for developing, maintaining, updating, and evaluating a good business/economic base information system for the merchants of Brookings. Such a system is an essential and useful tool for not only the retail merchants but for others interested in developing a better Brookings community in which to live and work.

METHODOLOGY

The results of this study are based upon a survey of 1,080 consuming households within a 30 mile radius of the City of Brookings. This represents a sample of approximately 4% of all households within this area. The survey, conducted by a personal interview technique, was designed to provide a data base by age, occupation and income classification regarding the extent of retail purchases within the City of Brookings. The questionnaire which was used, as found in Appendix A, was comprised of a set of some 63 questions designed to provide data relating to the percentage of purchases made in the City of Brookings, reasons for shopping elsewhere, media most relied upon for shopping information and socioeconomic characteristics of the respondents.

This survey was conducted in April of 1979 by 90 interviewers. These individual interviewers were assigned to teams which conducted the survey in various designated geographic locations. The basic geographic regions were (1) the City of Brookings, (2) an area of 15 mile radius from the City of Brookings, and (3) an outer area of 30 mile radius from the City of Brookings. Each of these basic geographic regions were divided into four quadrants with boundaries running in a north-south and east-west direction from the city. This bounded area can be seen in the Boundary Map on the following page. The City of Brookings was divided by Medary Avenue and Sixth Street. Each team was assigned to cover one of the 12 regions. Once the team was assigned to a quadrant, the team leader determined what households were to be surveyed. The survey was not conducted on a statistically valid sampling basis and therefore may or may not be statistically valid. However, the results can provide with some accuracy trends in the major retail markets.



Market Area

Brookings, South Dakota

The objectives set forth by the Brookings Area Chamber of Commerce for this survey study were the following:

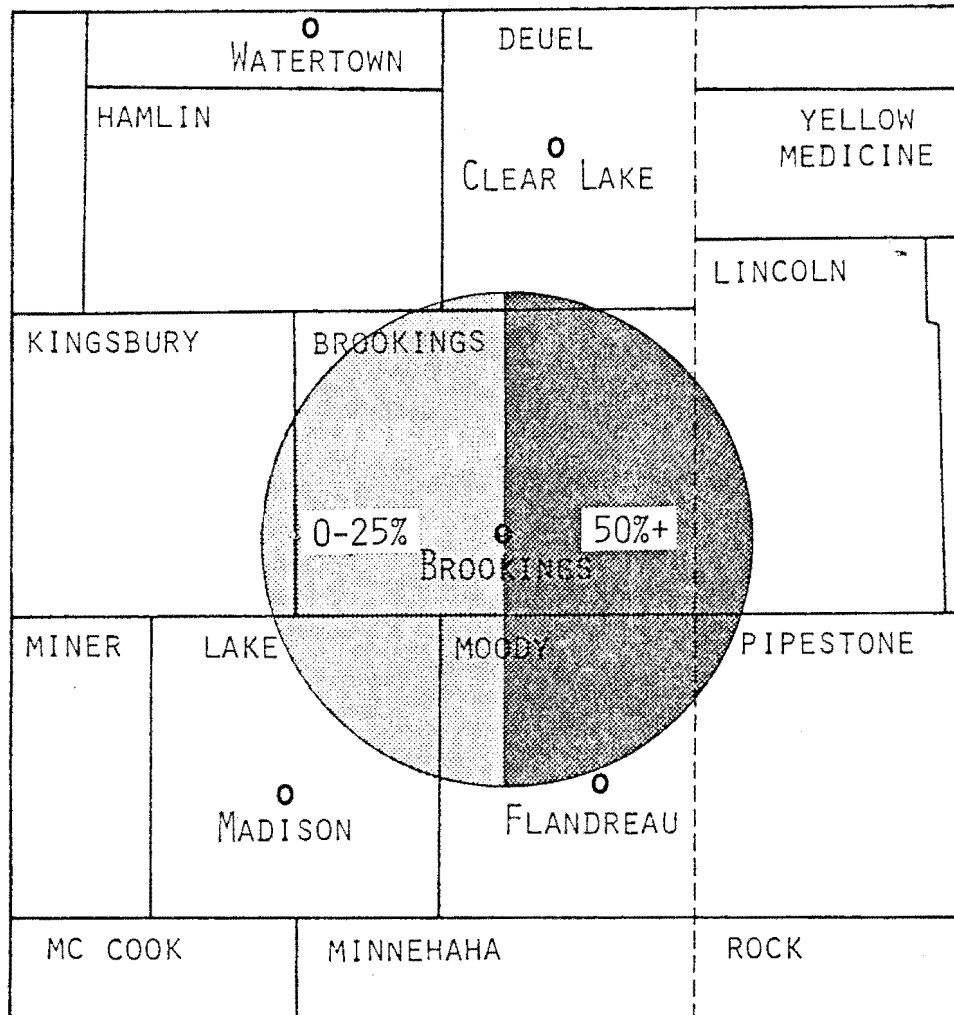
- (1) To define the extent of the Brookings Trade Area
- (2) To determine what goods and services are most utilized within the City of Brookings by customers
- (3) To determine what goods and services are least purchased within the City of Brookings
- (4) To assess what media is most influential in attracting shoppers
- (5) To measure the amount of income earned in the Brookings area, and
- (6) The amount spent on goods and services within the City of Brookings.

The remaining sections of this survey study are designed to address these concerns and questions posed by the merchants of the City of Brookings through their area Chamber of Commerce.

THE BROOKINGS RETAIL MARKET

The Retail Market. The City of Brookings, South Dakota, can be classified as a full-service city. The retail merchants provide a wide variety and assortment of products and services ranging from the staples such as food and gasoline to services such as medical and legal. A survey of consuming households within a 30 mile radius of Brookings, South Dakota, was conducted to determine the actual market area for the city's retail merchants. The results of the data indicate that the Retail Market Area varies by product classification. The retail market appears to be primarily confined to within a radius of 15 miles from the city. When considering all retailing activity, the Retail Market Area was defined by the data as radiating to the northeast and southeast of the City of Brookings in two quadrants of 15 mile radius (see Trade Area Map 1). The strongest retail area appeared to be in the southeastern quadrant toward the City of Flandreau. This suggests that the Brookings' retail merchants are successfully competing with those in the City of Flandreau. The weakest region of 15 mile radius from Brookings was the southwestern quadrant, suggesting that the major regional competition is coming from the City of Madison located in Lake County.

For convenience, the Brookings' retailing market was categorized into nine product and service classifications. Three classifications were (1) clothing; (2) automotive; (3) appliances and home furnishings; (4) insurance and banking; (5) food; (6) tools and lumber; (7) farm; (8) entertainment, gift and personal; and, (9) medical. The major market strengths, as measured by the percentage of those households who responded that they purchased at least 50% of all their products and services in Brookings, was in the area of (1) food and (2) entertain-



Brookings Market Area
for
All Goods and Services

ment, gift and personal. The weakest retail markets were for (1) farm products and (2) insurance and banking services. The relative ranking of strengths of each product or service classification remained unchanged from 1973 through 1978¹ with the exception of tools and lumber which made an appreciable gain while medical services experienced a decline. When comparing the market position for the retail industry in 1973 with 1978, it is observed that the market share may be becoming smaller. The percent of those consuming households that responded they shopped at least 50% of the time in Brookings for various products and services was higher in 1973 than those recorded by consuming households in 1978.

point!
LPC may
be less in
1978.

Socioeconomic Characteristics. Table 1 presents some of the more relevant demographic and economic characteristics of the Brookings retail market from 1973 through 1979. Brookings County, the major component of the retail market, has experienced apparently no growth in total population between the years 1973 and 1978. Households in Brookings County have increased by 500 units within this same time frame. The median age of the population in the Brookings retail market has remained at approximately 24 for the past few years while that of the State has remained around 30. The Brookings retail market is a younger market than either the State, Sioux Falls, or Rapid City.

Retail sales in the Brookings area have increased from \$78.4 million in 1973 to \$169.6 million in 1979. This represents an increase in retail sales of 116.3% over this seven year span. When deflating for the rise in inflation, the real growth in retail sales over this same time period was 39.8%, a little over 5.0% per year. The total personal

¹A similar consumer survey study to this one was conducted by the Economics Department of South Dakota State University in 1973 by Professor William F. Payne. (See Payne, William F., Brookings Consumer Survey, SDSU, Brookings, SD, 1973.)

Table 1. Brooking County Socioeconomic Characteristics

	1973	1974	1975	1976	1977	1978	1979
DEMOGRAPHICS:							
Population (000) ¹	22.8	22.5	22.4	22.8	22.5	22.8 ²	NA
Households ²	6.7	7.0	7.2	7.1	7.2	7.2	NA
Median Age ²	NA	NA	28.3	24.1	24.0	24.3	NA
ECONOMICS:							
Retail Sales (\$000) ³	78,365	86,797	101,604	117,668	125,691	144,639	169,563
Total Personal Income (\$000) ¹	90,565	93,983	101,475	106,212	122,989	138,978	NA
Per Capita Income ¹	3,973	4,171	4,524	4,662	5,464	6,081	NA

Source: ¹U.S. Department of Commerce, Bureau of Economic Analysis, Washington, D.C.

²Sales & Marketing Management, a Bill Publication, New York, New York

³University of South Dakota, Business Research Bureau, Vermillion, South Dakota

income, has increased by \$48.4 million from \$90.6 million in 1973 to \$139.0 million in 1978 in Brookings County. This is an increase of 53.4% from 1973 through 1978 or 7.9% increase in real terms when discounting for inflation. When comparing the total personal income of consumers within the retail market area with the actual retail sales, it is observed that for 1978 more was spent in the Brookings Trade Area than was earned there. The ratio of total retail sales to effective buying income was 104.1%. The highest percentage of ratio of retail sales to total personal income within the six year period under examination was in 1976 with a figure of 110.8%. The lowest figure was 86.5% in 1973. With the exception of 1976/1977, the trend in the ratio of retail sales to total personal income within Brookings County has been increasing. Per capita personal income has increased from \$3,973 in 1973 to \$6,081 in 1979.

Media Effectiveness. Consumers within the Brookings retail market secure information about the products and services they purchase from many sources. The consumer survey results indicated that the overwhelming majority of consuming households relied upon newspapers and shoppers' papers for their shopping information. Over three-fourths of the respondents indicated these sources. The least relied upon media for shopping needs was television, comprising less than 6% of the response. The printed media is used heavily by the Brookings consumers for information pertaining to groceries, restaurants and clothing. The commodities least looked for in the printed media were pharmacy products, farm products and financial services. Of the printed media available to consumers within the Brookings retail market, the most heavily relied upon was the Brookings Register followed by the Town and Country Shopper.

The Booster and Country Squire appeared to be the least read source of consumer information.

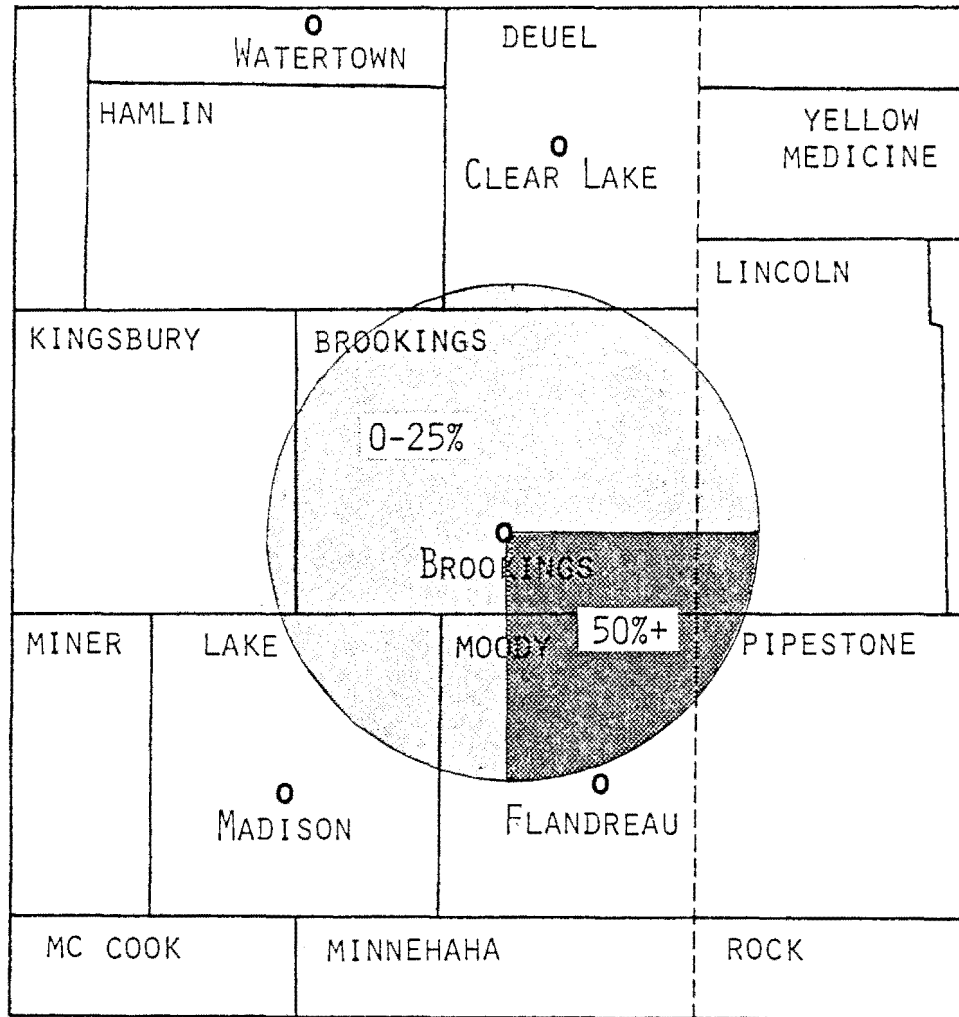
Radio advertisements, which ranked second behind the printed media, appear to be a prime source of consumer information. Just under 20% of the respondents indicated that they secure the major portion of their information about consumer products and services from this media. Groceries, restaurants, and clothing again appear to be the commodity information most sought through radio. The commodities least listened for were pharmacy products, farm products and financial services. The most frequently listed radio station listened to was KBRK with 50.3% of the consuming households listing it as the primary station for news, weather and information. The least listened to radio stations were KWAT and KSDR, each at 0.8% listener response. The major time period in which the radio is listened to by households within the retail market area was the mornings with the afternoon listening rate at 20% and evening listening rate at 23%.

Television appears to be the least relied upon source of consumer information in the Brookings retail market. Only 5.9% indicated this media as a source of consumer information. Channel 11 appears to be the majority favorite for the evening news with Channel 8 the least watched station for evening news.

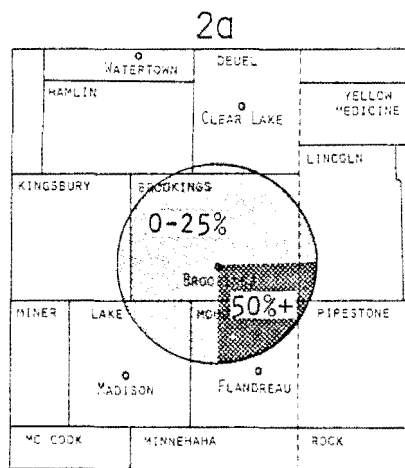
THE PRODUCT CLASSIFICATION MARKETS

Appliances and Home Furnishings. The retail market for appliances and home furnishings is comprised of three distinct submarkets. These submarkets include: (1) major appliances; (2) small appliances; and, (3) furniture and home furnishings. The appliances and home furnishings market is relatively small geographically. The data indicate that the market encompasses an area of 15 mile radius in a southeastern direction from the City of Brookings (see Trade Area Map 2). The market area for both submarkets of major appliances and small appliances coincides with the total appliances and home furnishings market as indicated by Trade Area Map 2 (a). The submarket for furniture and home furnishings, as can be seen from Trade Area Map 2 (b), includes the northeastern quadrant within its market area. However, while it is the larger geographical market it is the over all weaker submarket. The strongest submarket as measured by consuming household response to percentage of purchases was for small appliances. Appendix B presents the response rates for the appliances and home furnishings market. This market ranks fifth out of the nine major markets as measured by consumer response to percent of time shopped for these items in the City of Brookings as compared to elsewhere. This market ranking has remained relatively stable since 1973. In 1978, 69.9% of the respondents indicated they shopped at least 50% of their time in the City of Brookings compared to a response rate of 77.7% in 1973. This may indicate a slight weakening of the appliances and home furnishings market.

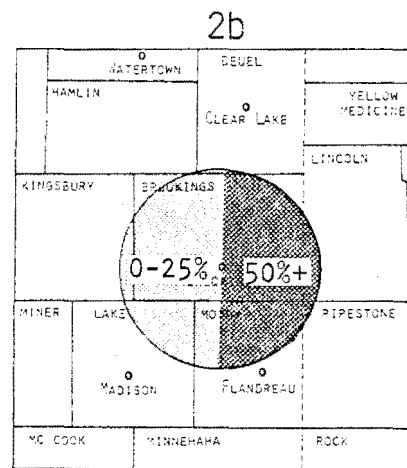
In terms of media coverage, furniture needs are the most important looked for information both in the printed media and radio. While the consumer response indicates advertising to be most important for furniture,



Appliances & Home Furnishings



Major Appliances &
Small Appliances

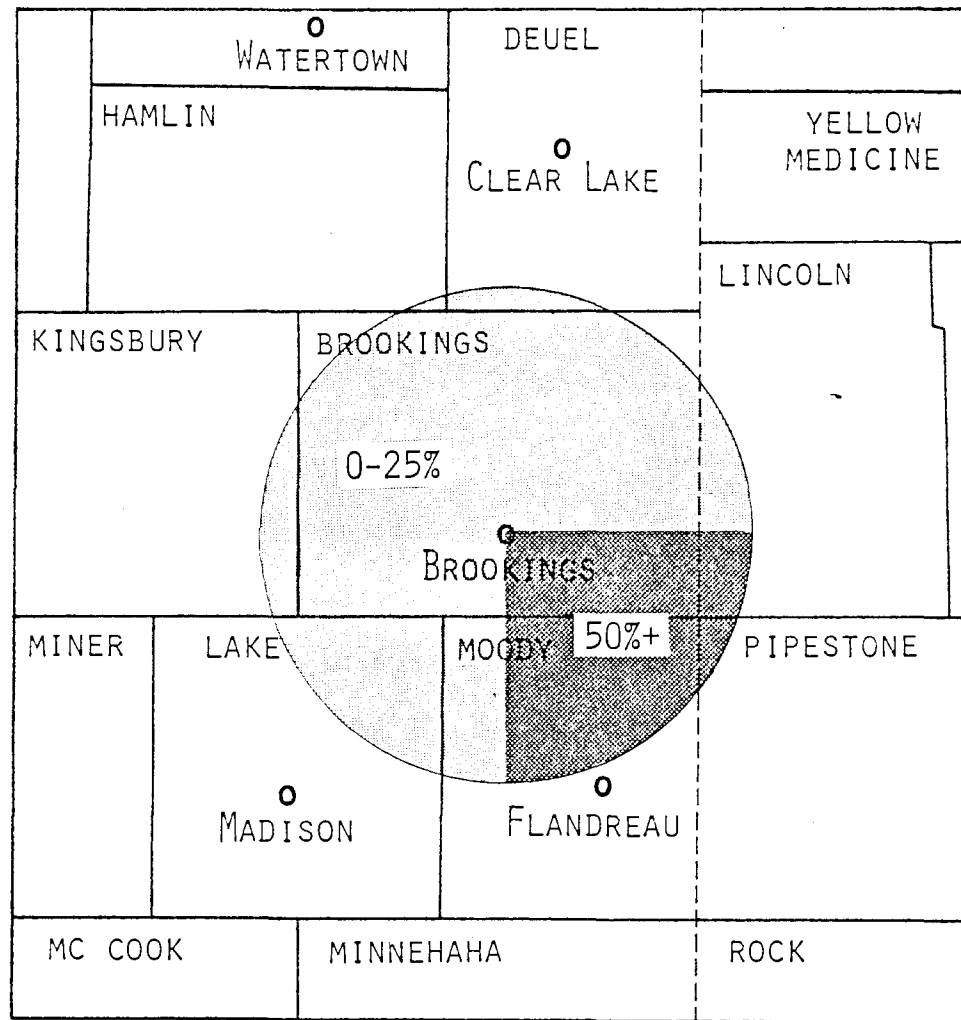


Furniture &
Home Furnishings

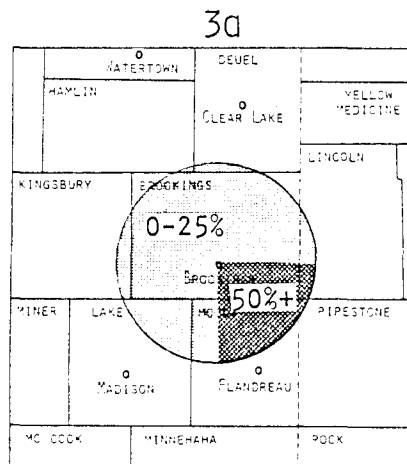
the response rates were quite close between this submarket and the appliance submarkets. The primary reasons given for shopping elsewhere for appliances and home furnishings appeared to be related to price. Lower price and sales items drew consumers away from this Brookings market. Advertising by competitors in all media appeared to be a smaller factor in pulling potential customers from the City of Brookings' appliance and home furnishings retail market.

Automotive. The Brookings automotive retail market appears to be very limited geographically as depicted in Trade Area Map 3. The market is a 15 mile radius quadrant to the southeast of the City of Brookings. This market is comprised of three submarkets which include (1) car repair; (2) car and truck purchase; and, (3) gasoline. The submarkets for car repair and gasoline are limited to the southeastern portion of Brookings County and the northern area of Moody County. This retail trade area is presented in Trade Area Map 3 (a). The retail trade area for car and truck purchases is geographically larger than the other submarkets. It is seen in Trade Area map 3(b) as including the eastern half of Brookings County along with the northern region of Moody County. The larger geographic market of car and truck purchase is the weakest submarket according to consumer responses while the submarket for gasoline is the strongest. These response rate results can be seen in Appendix B.

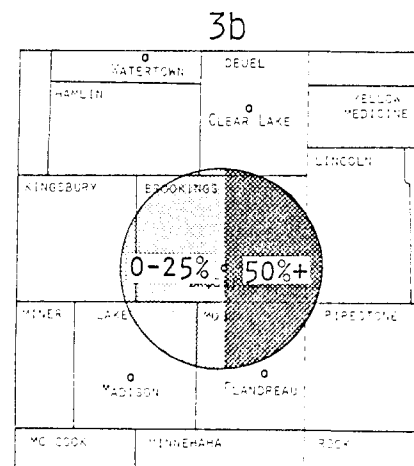
The automotive market is one of the weaker retail markets in the City of Brookings, ranking seventh out of nine major markets. This market ranking has remained relatively stable since 1973. In 1978, 66.6% of the consuming households indicated they shopped at least 50% of their time in the City of Brookings for automotive related items. In 1973 this figure was 74.4% which may indicate a weakening market for



Automotive



Car Repair & Gasoline



Car & Truck Purchase

automotive products.

Media advertising by competitors, especially television, seemed to influence potential customers to shop elsewhere besides the City of Brookings. Other considerations which led potential consumers to purchase automotive products and services outside of the City of Brookings included proximity and convenience of location, friendly and competent personnel and the availability of good credit terms.

Clothing. The clothing market ranks fourth out of nine major retail markets as measured by consumer response to percent of time shopped for clothing and related items in the City of Brookings as compared to elsewhere. This market with a response rate in 1978 of 70.9% has been relatively stable in terms of market ranking since 1973. However, a smaller percent of consuming households were purchasing clothing and clothing related items in Brookings as indicated by a response rate of 81.8% in 1973.

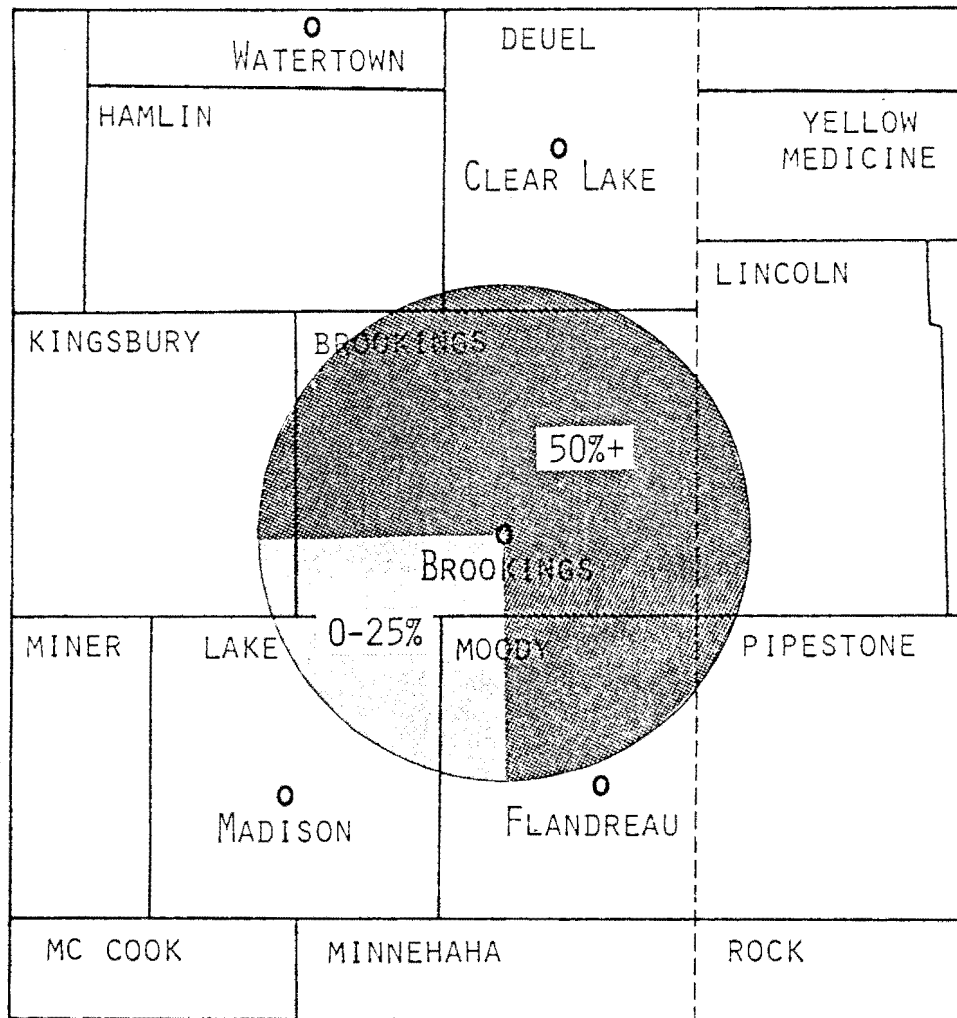
Consumers of clothing and related items appeared to depend quite heavily upon newspapers and radio for their shopping needs. Consumers indicated that clothing was the second most important commodity advertisement looked for in newspapers and the most important listened for on the radio. The primary reasons given for purchasing clothing and related items away from the City of Brookings included radio and newspaper advertisements by competitors; price, sales items, and variety and selection.

The retail market for clothing is comprised of four distinct sub-markets which included: (1) men's clothing; (2) women's clothing; (3) children's clothing; and, (4) materials and sewing notions. The clothing retail market is one of the larger geographic markets within

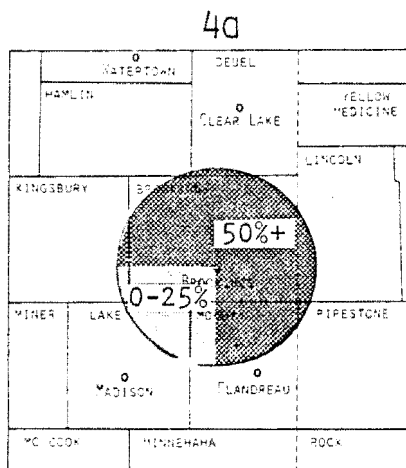
the area. The market area encompasses most of Brookings County and the northern region of Moody County as can be seen in Trade Area Map 4. The submarkets of men's clothing, women's clothing and materials and sewing notions are identical to the total clothing market. This can be observed in Trade Area Map 4 (a). The children's clothing submarket is comprised of all but the northeastern portion of Brookings County and includes the northern region of Moody County and the northeastern portion of Lake County (see Trade Area Map 4 (b)). The weakest submarket for clothing appears in the men's clothing market with a response rate of 65.8%. The strongest submarket is for materials and sewing notions with a response rate of 80.6%. For a more detailed breakdown of the response rates for the clothing market the reader is referred to Appendix B.

Farm.² The Brookings farm market is presented in Trade Area Map 5 on page 19. The farm market, which is the smallest geographical retail market, is comprised of five submarkets. These submarkets include (1) farm tractor and implements; (2) fertilizer; (3) chemicals; (4) elevators; and, (5) livestock markets. The survey of consuming households indicates that 50% of all consumers within a 15 mile radius of the City of Brookings never purchase farm and farm related products and services from Brookings' merchants. Those indicating that they spent at least 50% of their shopping effort within the City of Brookings were residents

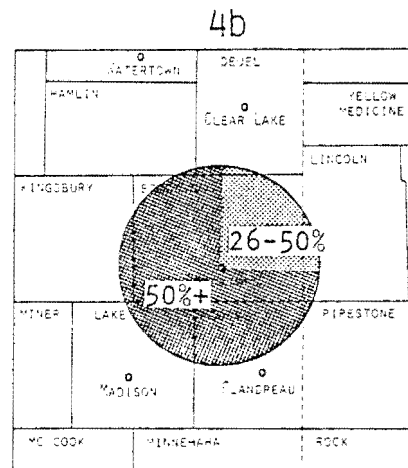
²The market share of local agribusinesses is important to other Brookings merchants because farmers attending a livestock auction may also shop for other items. The competitive environment explains the comparatively small market shares for some agribusiness firms. Many small towns around Brookings have very few businesses but most have an elevator. Thus the Brookings elevator competes with elevators in nearby towns while other merchants compete with other merchants within Brookings for the nearby business.



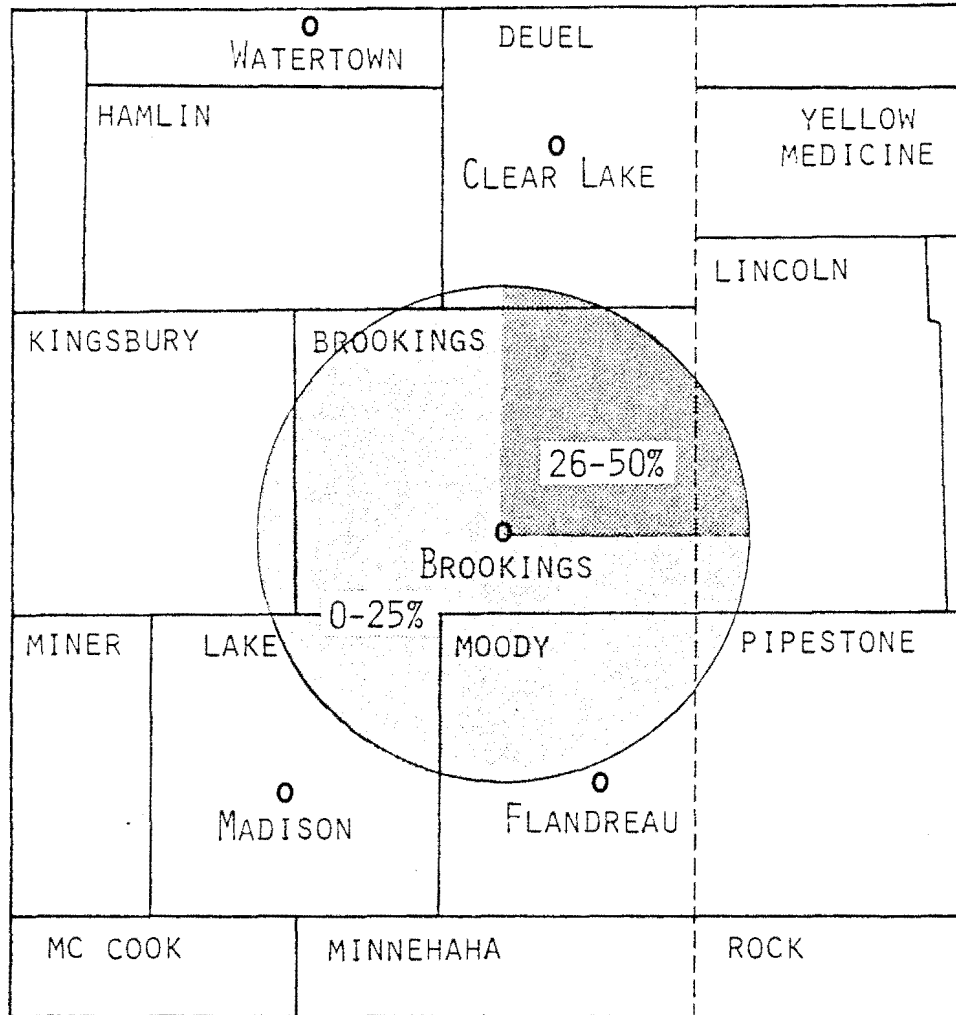
Clothing



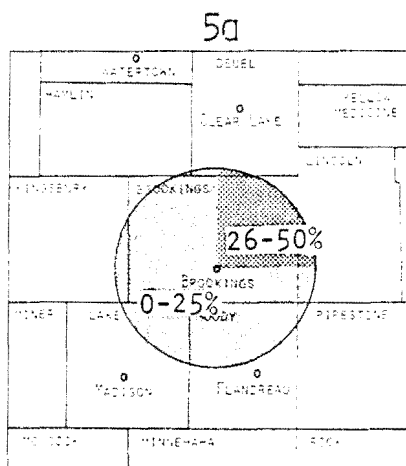
Men's Clothing,
Women's Clothing &
Materials & Sewing Notions



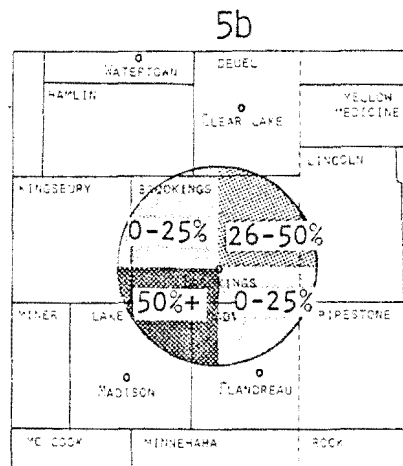
Children's Clothing



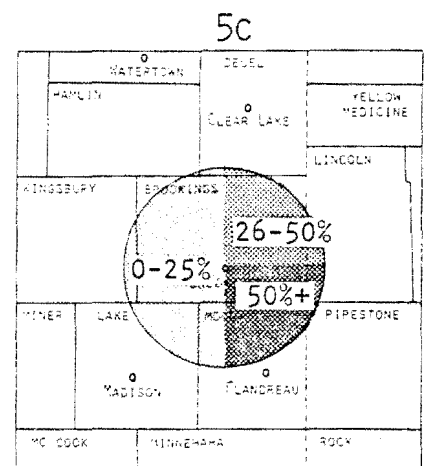
Farm



Chemicals, Elevators
& Livestock Markets



Farm Tractor &
Implements



Fertilizer

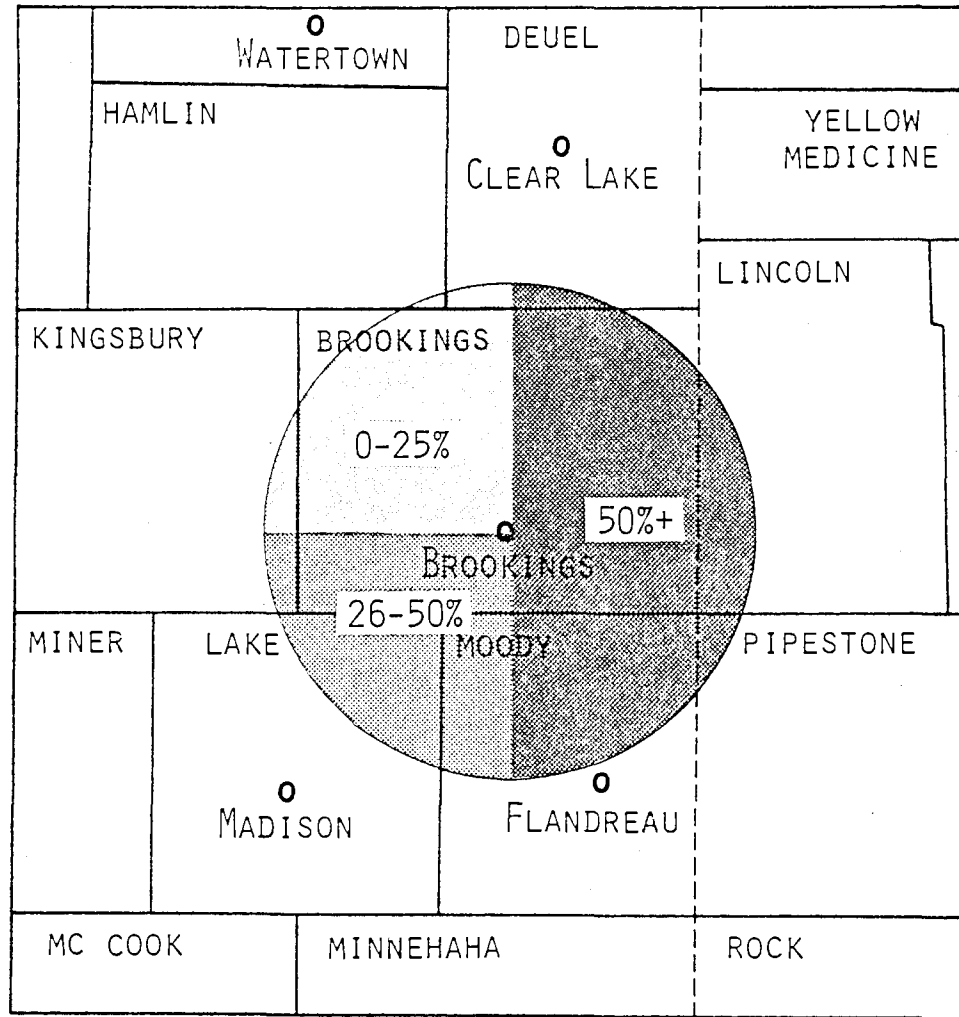
of that city. Approximately one out of every four consuming households surveyed indicated that they shopped at least 50% of their time for farm and farm related needs in Brookings. Within the farm market, the submarket for livestock markets was the weakest while the farm tractor and implements submarket was the strongest. The markets for (1) chemicals, (2) elevators and (3) livestock markets were the smallest geographical markets as can be seen from Trade Area Map 5 (a) being confined to within the city limits of Brookings. The submarket for farm tractor and implements extended to the southwest from Brookings for a distance of 15 miles (see Trade Area Map 5 (b)). The market for fertilizer included the southeastern portion of Brookings County and the northern portion of Moody County as shown by Trade Area Map 5 (c). The farm market ranks last out of the nine major markets as measured by consumer response to percent of time shopped for these items in the City of Brookings as compared to elsewhere. Data indicate that this market ranking has remained relatively stable since 1973. However, the lower response rate between 1973 and 1978 indicates a substantial decrease in the percent of shoppers using the city of Brookings farm market.

The use of the media to meet shopping informational needs appeared to be very minimal for farm and farm related products and services. Those consuming households who were surveyed did not appear to give any specific reasons as to why they preferred to shop outside of the City of Brookings. The most mentioned reason, but with a relatively small frequency, was credit terms.

Food. Approximately three out of every four consuming households surveyed indicated that they use the Brookings food market at least 50% of the time. This response rate of 76.9% makes the food market the

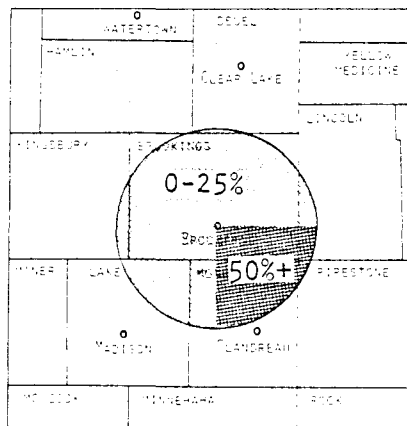
strongest retail market in Brookings. The food market is comprised of three distinct submarkets which include (1) groceries for home use; (2) restaurants (for special occasions); and, (3) restaurants (for fast foods). The strongest market for Brookings' food merchants was the submarket for fast foods followed closely by the groceries for home use submarket. The food market is comprised of a semicircle geographic area of 15 mile radius. This market encompasses the eastern half of Brookings County and the northern regions of Moody County (see Trade Area Map 6). The groceries for the home use market as seen in Trade Area Map 6 (a) is comprised of and is strongest to the southeast in a quadrant of 15 mile radius. The restaurant for special occasions market is made up almost entirely of the eastern half of Brookings County as can be observed from Trade Area Map 6 (b). Trade Area Map 6 (c) depicts the fast food retail market for the City of Brookings. This market is the largest geographic retail market encompassing an area of 15 mile radius from the City of Brookings which takes in all of Brookings County, the northeastern portion of Lake County and the northern part of Moody County. This market has consistently ranked first out of the nine major markets since 1973. The response rate of those indicating they shopped at least 50% of their time in the City of Brookings as compared to elsewhere dropped from 85.3% in 1973 to 76.9% in 1978.

In terms of media coverage, local newspapers were the most important source of consumer information for groceries. Consumers ranked restaurant advertisements both in the printed media and radio as being important sources of information. Radio also played a significant role in informing customers of consumer information for the groceries for home use market. The primary reasons given for shopping elsewhere for



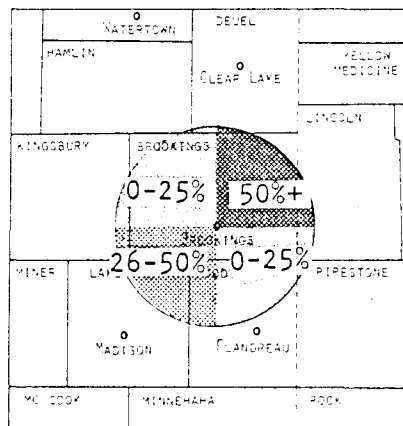
Food

6a



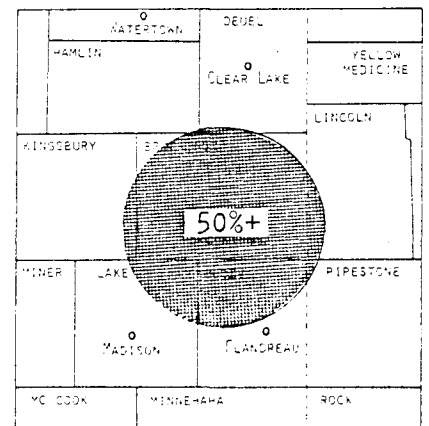
Groceries for Home Use

6b



Restaurants
(Special Occasions)

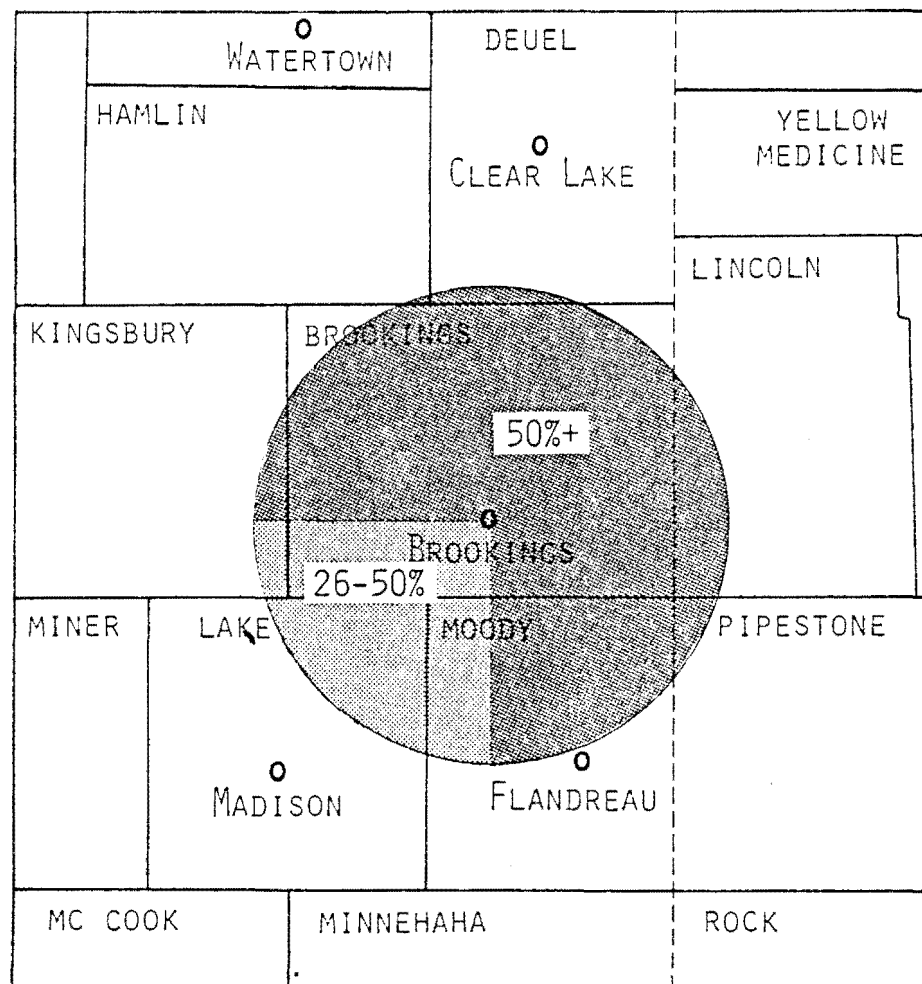
6c



Restaurants
(Fast Food)

food items centered around the appearance and accessibility of the retail store or restaurant. The availability of products also significantly influenced shoppers to patronize retailers outside of the City of Brookings. Product quality also impacted upon consumers to induce them to shop for their food needs elsewhere.

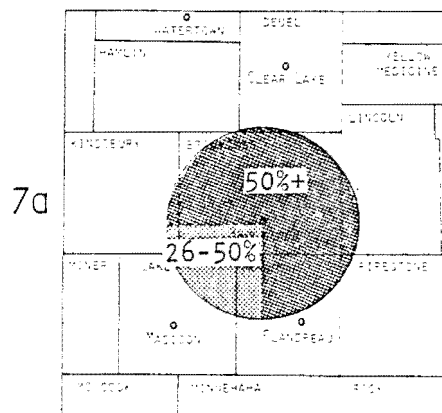
Entertainment, Gift and Personal. The market for entertainment, gift and personal items is a relatively strong market for the Brookings' merchants. This particular market is made up of primarily Brookings County and the northern portion of Moody County (see Trade Area Map 7). This market is comprised of five distinct submarkets which include: (1) gift items, jewelry, novelties; (2) sporting goods and leisure time activities; (3) entertainment, movies, lounge; (4) personal care; and, (5) books, stationary, cards. The latter submarket appears to be the strongest while the weakest according to consumer responses was (1) gift item, jewelry, novelties and (2) sporting goods and leisure time activities. The smallest geographic market as presented in Trade Area Map 7 (b) was for personal care products and services. This trade area region included the southeastern region of Brookings County and the northern area of Moody County. The market for (1) gift items, jewelry, novelties and (2) sporting goods and leisure time activities can be seen in Trade Area Map 7 (d). Trade Area Map 7 (a) shows the geographic market for entertainment, movies, lounge and Trade Area Map 7 (c) demonstrates the extent of the market for books, stationary, cards. The market for entertainment, gift and personal products and services has consistently ranked second out of the nine major retail markets. In 1978, 73.1% of the respondents indicated they shopped at least 50% of their time in the City of Brookings as compared to a response rate of 84.6% in 1973. This



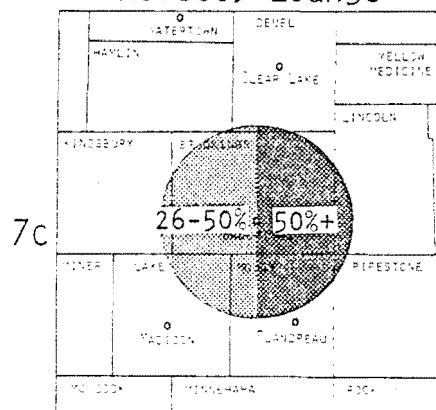
TRADE AREA
MAP 7

24

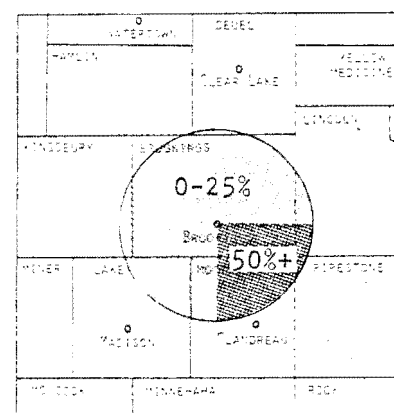
Entertainment, Gift & Personal



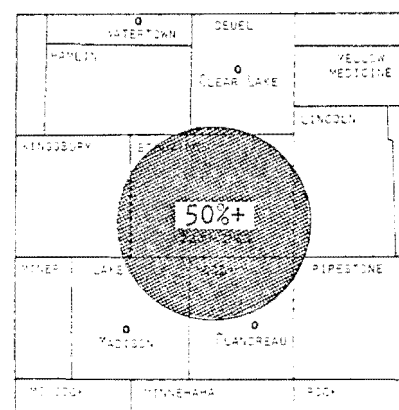
Entertainment, Movies, Lounge



Books, Stationary, Cards



Personal Care

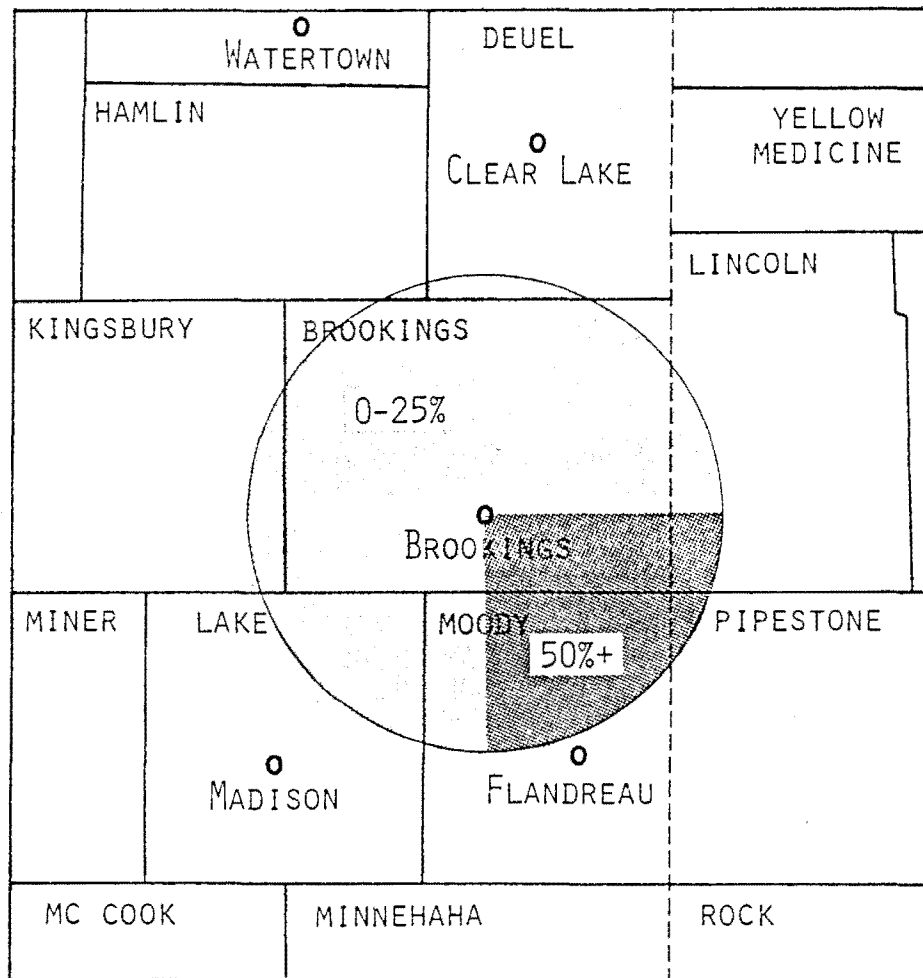


Gift Item, Jewelry, Novelties &
Sporting Goods & Leisure Activities

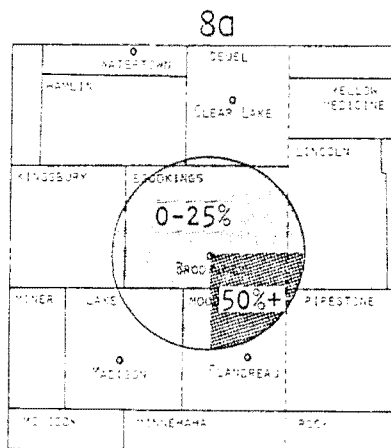
could indicate a weakening of the Brookings market for entertainment, gift, and personal products and services.

The printed media appeared to have little influence on consumers as they consistently rated it low as to helping them meet their informational shopping needs concerning this market. However, radio did play an important role in gathering information about entertainment, especially lounges. The reasons most frequently given for shopping elsewhere included: (1) variety and selection; (2) availability of the product; (3) more competing stores; and, (4) advertisements of regional competitors.

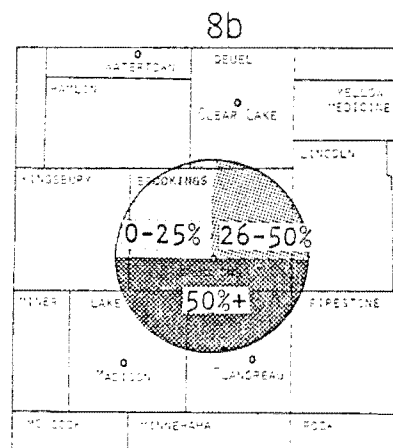
Insurance and Banking. The insurance and banking market is comprised of five submarkets. These submarkets include markets for: (1) insurance; (2) banking services; (3) savings accounts; (4) large loans (over \$2,000); and, (5) small loans (Under \$2,000). Since it is generally accepted that consumers tend to view insurance and banking products and services as homogeneous it is no surprise to discover the relatively small size of the geographic market. The market for insurance and banking is largely made up of consuming households residing in southeastern Brookings County and Northern Moody County (see Trade Area Map 8). The strongest market for insurance and banking products and services is for loans, especially the larger loans. The weakest market is for insurance. Trade Area Map 8 (a) shows the geographic market for (1) insurance, (2) banking services, (3) large loans, and (4) small loans. These are the smaller geographic markets. The largest geographic market which extends southward from the City of Brookings in an arc of 15 mile radius is for savings accounts. This is depicted by Trade Area Map 8 (b). The insurance and banking market is



Insurance & Banking



Insurance, Banking,
Large Loans & Small Loans



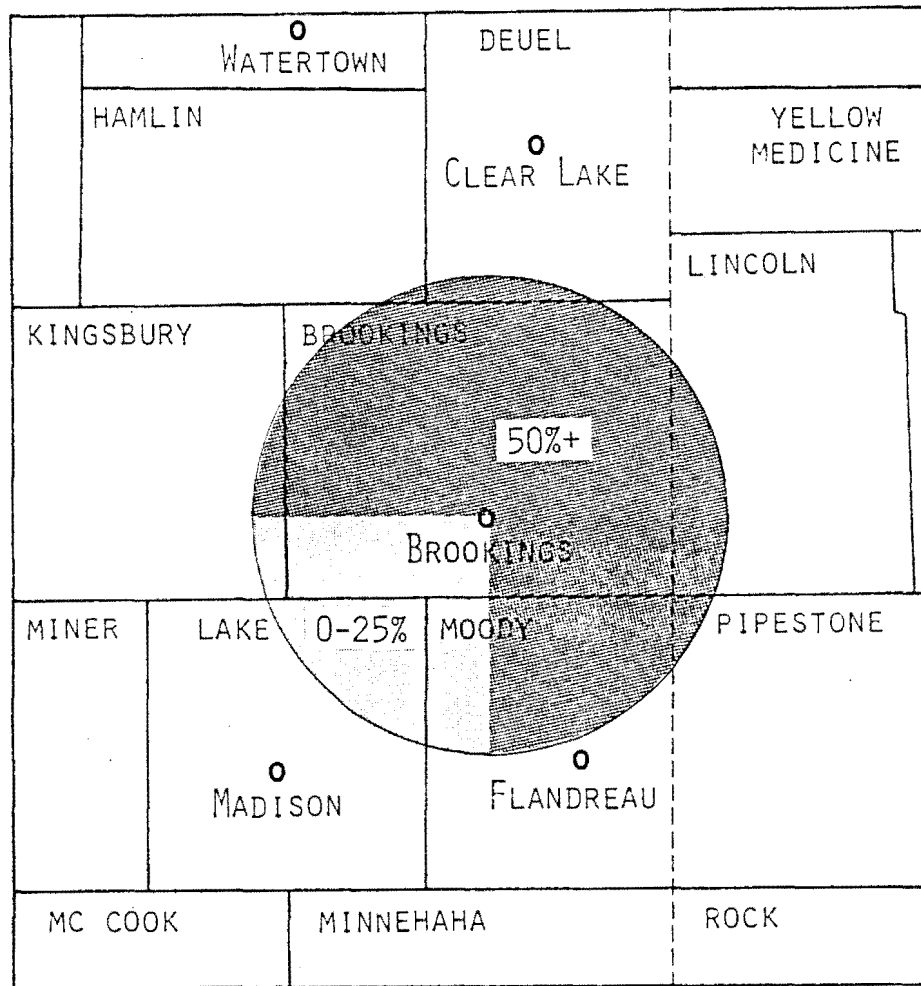
Savings Accounts

one of the weaker markets within the Brookings trade area. Over the period 1973 through 1978, this market has ranked eighth out of the nine major retail markets. In 1978, 63.6% of the respondents indicated they shopped at least 50% of their time in the City of Brookings compared to a response rate of 71.3% in 1973. This trend may indicate a weakening of the insurance and banking market for Brookings merchants.

The survey results indicated that neither type of media was a factor in informing consumers about insurance and banking products and services. Consumers appeared to be less likely to secure information about this market through newspapers, radio or television. Reasons given for shopping elsewhere included: (1) proximity to their residences; (2) the friendliness and competency of regional competitors; and, (3) credit terms.

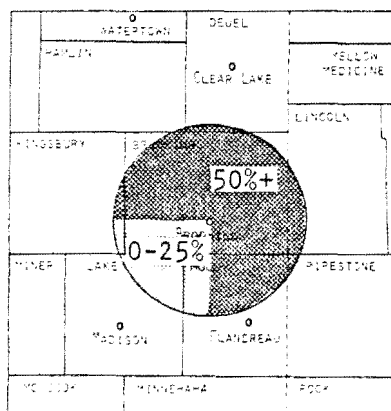
Medical. The market for medical services and products ranks sixth out of the nine major markets in the City of Brookings. This particular market has dropped from a ranking of three in 1973 to its current position. In 1973, 81.5% of those surveyed responded that they shopped for or utilized medical products and services in the City of Brookings at least 50% of the time. This figure has fallen to 69.7% in 1978 which may signal a serious problem in this market. The major reasons cited for this deterioration of the market were the service and quality of medical treatment and products. The lack of specialists also seemed to hurt the Brookings market.

The medical market, as shown by Trade Area Map 9, is comprised of submarkets for: (1) pharmacies; (2) general practice doctors; (3) ophthalmologists; (4) dental care; (5) general surgery; (6) hospital; and, (7) chiropractor. The medical market encompasses a major portion of

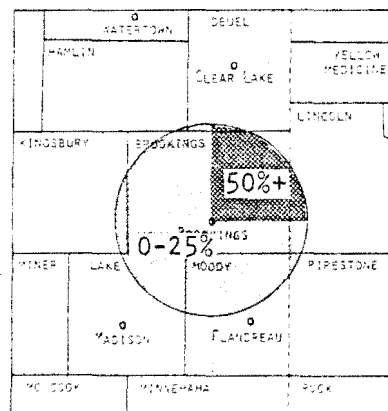


Medical

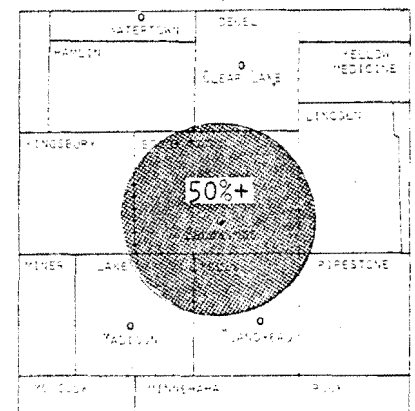
9a



9b



9c



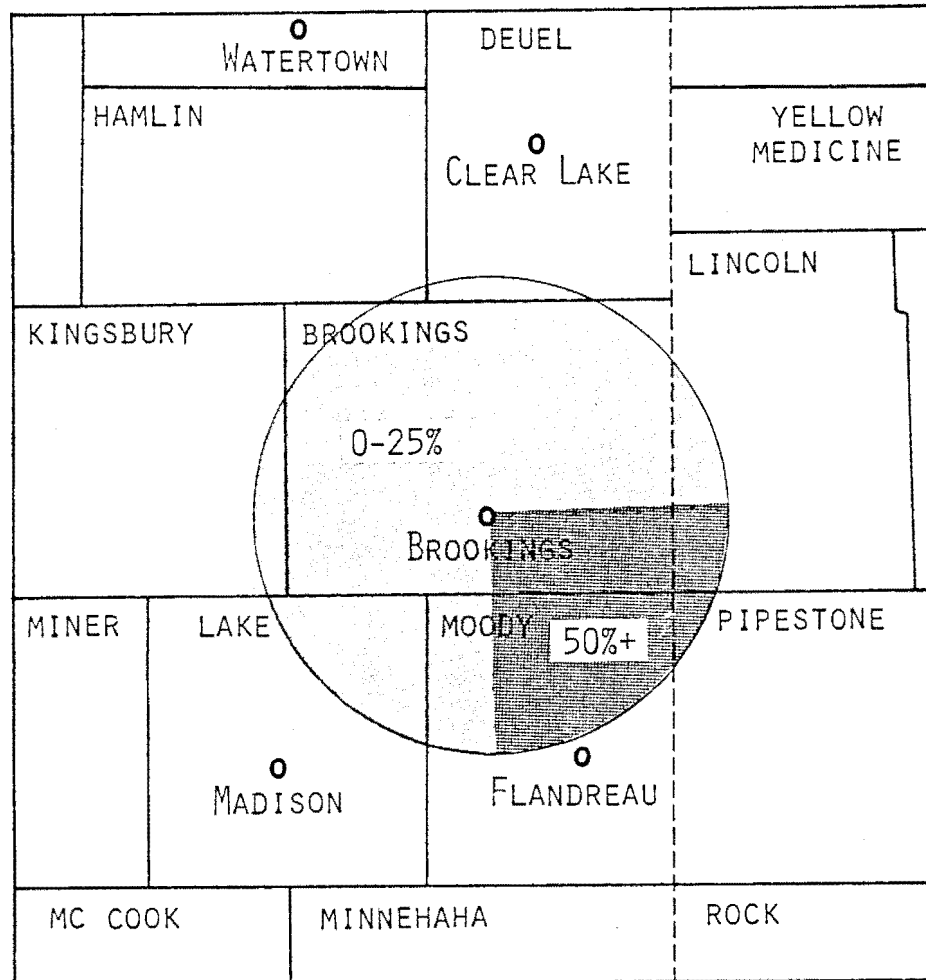
Pharmacies,
General Practice Doctors,
Dental Care,
General Surgery & Hospital

Chiropractor

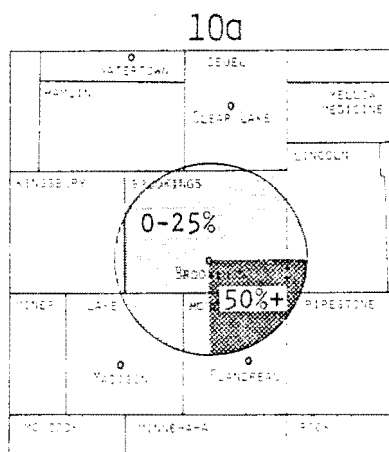
Ophthalmologist

Brookings County and northern Moody County. This geographical region also depicts the market for (1) pharmacies, (2) general practice doctors, (3) dental care, (4) general surgery, and (5) hospital. The largest geographical market is for the specialized medical service of the ophthalmologists. This can be seen in Trade Area Map 9 (c). The smallest market drawing area is for chiropractic services and products. This market, as seen in Trade Area Map 9 (b) extends only to the northeast of the City of Brookings in a quadrant of 15 mile radius.

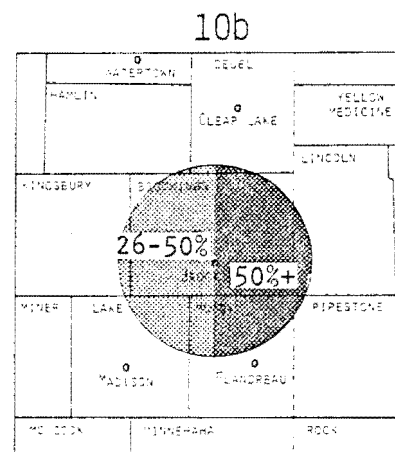
Tools and Lumber. The retail market for tools and lumber is comprised of two submarkets. These two submarkets are (1) tools and hardware and (2) lumber and building materials. The tools and lumber retail market is relatively small geographically. The survey of consuming households indicates that the market encompasses an area of 15 mile radius in a southeastern direction from the City of Brookings (see Trade Area Map 10). An examination of the two submarkets reveals that the retail market for lumber and building materials is the smaller geographic market. This particular market extends over the southeastern portion of Brookings County and the northern region of Moody County. The submarket for tools and hardware spreads across the eastern half of Brookings County and the northern portion of Moody County. These two submarkets can be observed in Trade Area Map 10 (a) and 10 (b) respectively. The stronger of the two submarkets, as measured by consuming household response to percentage of time shopped for tools and lumber products in the City of Brookings, was for tools and hardware products and services. Appendix B presents the response rates for the tools and lumber market. The tools and lumber retail market is one of the stronger markets for the City of Brookings when ranked with the other nine major



Tools & Lumber



Lumber & Building Materials



Tools & Hardware

markets. The tools and lumber market in 1978 ranked third in consumer response rates. This shows an increase in this market's ranking, as in 1973 it was fifth out of the nine major markets. While this market's ranking has substantially improved, the percentage of customers shopping for tool and lumber needs in Brookings has decreased from 77.7% in 1973 to 72.1% in 1978.

In terms of media coverage, hardware items were ranked in the top third as commodities looked for most in newspapers by consumers. Hardware products and services were ranked in the middle third as commodities and services listened for most on the radio. No clear indication emerged from the survey results to explain why potential customers preferred to shop outside the City of Brookings.

APPENDIX A



SOUTH DAKOTA STATE UNIVERSITY
Brookings, South Dakota 57007

Economics Department
Scobey Hall
605-688-4141

This student is part of a Marketing class project at South Dakota State University.

In cooperation with the Brookings area Chamber of Commerce, this project is designed to allow students to experience a non-classroom situation while collecting information that will enable Brookings businessmen to better serve you.

All information is completely confidential so please answer all questions. At the bottom of this page are two tables. When the student asks your age and income, please give him only the number which corresponds to the correct answer. To verify the work, please sign this sheet providing your name and address.

Thank you for taking time from your busy schedule to help further the educational process.

Sincerely,

A. Clyde Vollmers

Respondent Name _____

City _____

Phone # _____

Age of the chief wage earner

1. 19 or under
2. 20-29
3. 30-39
4. 40-49
5. 50-59
6. 60-69
7. 70 and over

Average family income per year

1. Less than 4,000
2. 4,000-7,999
3. 8,000-11,999
4. 12,000-15,999
5. 16,000-19,999
6. 20,000-25,000
7. over 25,000

1. variety and selection
2. quality
3. lower prices
4. sale items
5. credit terms
6. parking
7. close to home
8. easy to get to
9. service

10. friendly/competent sales people
11. business seems appreciated
12. physical appearance of store
13. several competing stores to choose from
14. newspaper ads
15. radio ads
16. t.v. ads
17. availability of product
18. other (please identify)

	What % Brookings	What % Other Town
1. Men's clothing		
2. Women's clothing		
3. Children's clothing		
4. Materials & sewing notions		

5. Car repair	What % <u>Brookings</u>	What % <u>Other Town</u>
6. Car & truck purchase	What % <u>Brookings</u>	What % <u>Other Town</u>
7. Gasoline	What % <u>Brookings</u>	What % <u>Other Town</u>

8. Major appliances (over \$100) What % Brookings What % Other Town _____

9. Small appliances (under \$100) What % Brookings What % Other Town _____

10. Furniture & home furnishings What % Brookings What % Other Town _____

11. Insurance	What % Brookings	What % Other Town
12. Banking	What % Brookings	What % Other Town
13. Savings accounts	What % Brookings	What % Other Town
14. Large loans (over \$2,000)	What % Brookings	What % Other Town
15. Small loans (under \$2,000)	What % Brookings	What % Other Town

16. Groceries for home use	What %	Brookings	What %	Other Town	<u> </u>
17. Restaurants (special occasions)	What %	Brookings	What %	Other Town	<u> </u>
18. Restaurants (fast food)	What %	Brookings	What %	Other Town	<u> </u>

19. Tools & hardware	What %	Brookings	What %	Other Town	_____
20. Lumber & building materials	What %	Brookings	What %	Other Town	_____

21. Farm tractor & implements	What %	Brookings	What %	Other Town	_____
22. Fertilizer	What %	Brookings	What %	Other Town	_____
23. Chemicals	What %	Brookings	What %	Other Town	_____
24. Elevators	What %	Brookings	What %	Other Town	_____
25. Livestock markets	What %	Brookings	What %	Other Town	_____

26. Gift item, jewelry, novelties	What % Brookings	What % Other Town
27. Sporting goods & leisure time activities	What % Brookings	What % Other Town
28. Entertainment, movies, lounge	What % Brookings	What % Other Town
29. Personal care (barber/beauty shop, etc.)	What % Brookings	What % Other Town
30. Other	What % Brookings	What % Other Town

- | | | |
|----------------------------------|------------------|-------------------|
| 31. Pharmacies | What % Brookings | What % Other Town |
| 32. General practice doctors | What % Brookings | What % Other Town |
| 33. Ophthalmologist (eye doctor) | What % Brookings | What % Other Town |
| 34. Dental care | What % Brookings | What % Other Town |
| 35. General surgery | What % Brookings | What % Other Town |
| 36. Hospital | What % Brookings | What % Other Town |
| 37. Chiropractor | What % Brookings | What % Other Town |

For above, by numbers, why do you shop elsewhere? _____

The following questions are designed to assist Brookings merchants in improving their service to you.

- If you know you are going to another town in the near future, do you delay buying certain items until you get there? Yes ___ No ___
 What items? _____ (name)
 What town? _____ (name)
 Why? _____ (list)
- Are you doing more ____, less ____, or the same ____ percent of shopping in Brookings than you were doing one year ago?
 Why? _____
- Does the entertainment provided in a town influence your shopping there? Yes ___ No ___
- Does the restriction of bars to downtown Brookings discourage your shopping or recreation in Brookings? Yes ___ No ___ If so, how? _____
- Should retail stores be open on Sunday? Yes ___ No ___
 Do you shop on Sunday? Yes ___ No ___
 When should stores open on Sunday? 9 ____, 10 ____, 11 ____, 12 ____, 1 ____
- Should retail hours be extended from 5:30 to 6:00 P.M. in the Brookings downtown area?
 Yes ___ No ___
- Does the lack of a 1% city sales tax affect your shopping in Brookings? Yes ___ No ___
 How? _____
- Which of the following Brookings activities do you use?

____ 1. Athletic facilities	____ 5. Arts
____ 2. Music	____ 6. Summer programs
____ 3. Special classes	____ 7. Swimming pool
____ 4. Parks	____ 8. Other _____
- Do you think increased gas prices will change your shopping habits? Yes ___ No ___
 If so, how? _____
- Which of the following medical specialists would you use in Brookings?

____ 1. Family Practice	____ 7. Orthopedics (bone fractures)
____ 2. Pediatrician (children's doctor)	____ 8. Internal Medicine Specialist (heart & cancer)
____ 3. Allergist	____ 9. Podiatrist (foot problems)
____ 4. Urologist (bladder & kidney)	____ 10. Chiropractor
____ 5. Ophthalmology (eyes)	____ 11. Other _____
____ 6. Obstetrics-Gynecology	

The following questions are designed to help Brookings merchants better inform you of their services.

- Which media do you rely on the most for your shopping needs?
 1. ___ T.V. 2. ___ Radio 3. ___ Newspaper 4. ___ Shoppers papers

2. What radio station do you listen to most?
- | | | | | |
|---------|---------|---------|---------|-----------------|
| 1. KBRK | 3. KXRB | 5. KSDR | 7. KGKG | 9. KSOO |
| 2. KLOH | 4. KWAT | 6. KELO | 8. KIXX | 10. Other _____ |
3. What radio station do you listen to most for news, weather, and information?
- | | | | | |
|---------|---------|---------|---------|-----------------|
| 1. KBRK | 3. KXRB | 5. KSDR | 7. KGKG | 9. KSOO |
| 2. KLOH | 4. KWAT | 6. KELO | 8. KIXX | 10. Other _____ |
4. For what advertising purposes do you generally listen to the radio? Identify all that are appropriate.
- | | | | |
|---------------|----------------|---------------|-----------------|
| 1. Hardware | 4. Groceries | 7. Clothing | 10. Financial |
| 2. Sundries | 5. Restaurants | 8. Appliances | 11. Cars |
| 3. Pharmacies | 6. Furniture | 9. Farm Needs | 12. Lounge |
| | | | 13. Other _____ |
5. At what time of day do you listen to the radio the most?
1. Morning 2. Afternoon 3. Evening
6. On what TV station do you listen to the 10 P.M. news?
1. Channel 5 3. Channel 8 5. Other
2. Channel 11 4. Channel 13
7. Which newsprint are you using for your shopping needs?
- | | | |
|-----------------------|-----------------------------|----------------|
| 1. Brookings Register | 4. Country Squire | 7. Booster |
| 2. Bonus | 5. Town & Country Shopper | 8. Other _____ |
| 3. Argus-Leader | 6. Watertown Public Opinion | |
8. For what advertising purpose do you generally read the newspaper? Identify all that are appropriate.
- | | | | |
|---------------|----------------|---------------|-----------------|
| 1. Hardware | 4. Groceries | 7. Clothing | 10. Financial |
| 2. Sundries | 5. Restaurants | 8. Appliances | 11. Cars |
| 3. Pharmacies | 6. Furniture | 9. Farm Needs | 12. Lounge |
| | | | 13. Other _____ |
9. Regarding the Brookings Daily Register:
- Do you want a Saturday morning edition? Yes _____ No _____
- Do you consider the "Channel Selector" (T.V. listings) useful? Yes _____ No _____
- If rural resident, would same day delivery be helpful? Yes _____ No _____ If yes, how? _____

About Yourself

1. Occupation of chief wage earner: 1. Business 3. Wage Earner 5. Profession
2. Farmer 4. Retired 6. Student
2. Occupation of spouse: 1. Business 3. Wage Earner 5. Professional
2. Farmer 4. Retired 6. Student
7. Housewife
3. Looking at the card, please tell me what number corresponds to the age of the chief wage earner of this household. _____
4. Looking at the card, please tell me what number corresponds with your average total family income per year for both husband and wife. _____
5. Age of children _____
6. Hometown of responder _____
- (city)
7. What do you consider to be your hometown shopping community (where you spend the majority of your shopping dollars)? _____

APPENDIX B

Percentage Response Rate of Shopping Done in The City of Brookings, South Dakota by Major Retail Market & Submarket 1978

Classification/ Category	Percent Purchase					
	0	1-25	26-50	51-75	75-100	51-100
CLOTHING	3.7%	10.1%	15.3%	13.6%	57.3%	70.9%
(1) Men's Clothing	5%	15.3%	13.9%	13.5%	52.3%	65.8%
(2) Women's Clothing	3.6%	10.3%	17.3%	18.7%	50.1%	68.8%
(3) Children's Clothing	2.5%	4.9%	20.2%	11.3%	61.1%	72.4%
(4) Materials & Sewing Notions	2.8%	5.2%	11.4%	7.9%	72.7%	80.6%
AUTOMOTIVE	17.3%	5.2%	10.9%	5.1%	61.5%	66.6%
(5) Car Repair	15.0%	8.0%	10.2%	5.9%	60.9%	66.8%
(6) Car & Truck Purchase	28.9%	1.6%	10.5%	1.6%	57.4%	59.0%
(7) Gasoline	10.7%	5.3%	11.9%	7.1%	65.0%	72.1%
APPLIANCES & HOME FURNISHINGS	12.7%	4.2%	13.2%	5.1%	64.8%	69.9%
(8) Major Appliances	16.5%	3.1%	9.5%	4.1%	66.8%	70.9%
(9) Small Appliances	9.6%	4.2%	15.2%	5.6%	65.4%	71.07%
(10) Furniture & Home Furnishings	12.3%	5.4%	14.8%	5.6%	61.9%	67.5%

APPENDIX B Continued

Classification/ Category	Percent Purchase					
	0	1-25	26-50	51-75	75-100	51-100
INSURANCE & BANKING	28.3%	1.9%	6.2%	1.1%	62.5%	63.6%
(11) Insurance	28.5%	3.1%	9.8%	2.9%	55.7%	58.6%
(12) Banking	27.1%	2.3%	7.1%	1.2%	62.3%	63.5%
(13) Savings Accounts	27.5%	2.1%	5.4%	0.8%	64.2%	65.0%
(14) Large Loans	28.6%	0.6%	3.8%	0.0%	67.0%	67.0%
(15) Small Loans	30.6%	0.9%	3.5%	0.0%	65.0%	65.0%
FOOD	3.6%	6.8%	12.7%	9.0%	67.9%	76.9%
(16) Groceries for Home Use	2.7%	7.7%	7.5%	6.0%	76.1%	82.1%
(17) Restaurants (Special Occasions)	6.8%	9.1%	18.4%	11.8%	53.9%	65.7%
(18) Restaurants (Fast Food)	1.1%	3.2%	12.6%	9.6%	73.5%	83.1%
TOOLS & LUMBER	12.9%	5.4%	9.6%	4.6%	67.5%	72.1%
(19) Tools & Hardware	9.4%	5.6%	10.7%	4.6%	69.7%	74.3%
(20) Lumber & Building Materials	16.9%	5.2%	8.5%	4.7%	64.7%	69.4%

APPENDIX B Continued

Classification/ Category	Percent Purchase					
	0	1-25	26-50	51-75	75-100	51-100
FARM	50.0%	6.8%	17.4%	3.0%	22.8%	25.8%
(21) Farm Tractor & Implements	20.4%	16.3%	28.6%	6.1%	28.6%	34.7%
(22) Fertilizer	49.0%	2.0%	19.6%	3.9%	25.5%	29.4%
(23) Chemicals	57.4%	0.0%	17.0%	2.1%	23.5%	25.6%
(24) Elevators	63.0%	4.3%	8.7%	2.2%	21.8%	24.0%
(25) Livestock Markets	62.8%	14.0%	11.6%	0.0%	11.6%	11.6%
ENTERTAINMENT, GIFT & PERSONAL	6.3%	5.2%	15.4%	8.1%	65.0%	73.1%
(26) Gift Item, Jewelry, Novelties	4.4%	7.7%	20.7%	11.6%	55.6%	67.2%
(27) Sporting Goods & Leisure Time Act.	3.9%	7.0%	21.8%	10.0%	57.3%	67.3%
(28) Entertainment, Movies, Lounge	0.7%	5.0%	15.3%	10.9%	68.1%	79.0%
(29) Personal Care	17.7%	3.5%	8.1%	2.4%	68.3%	70.7%
(30) Books, Stationary, Cards	4.1%	3.1%	11.7%	5.9%	75.2%	84.1%
MEDICAL	24.6%	1.4%	4.3%	1.0%	68.7%	69.7%
(31) Pharmacies	10.2%	3.1%	6.3%	1.6%	78.8%	80.4%
(32) General Practice Doctors	21.8%	1.6%	5.7%	1.8%	69.1%	70.9%
(33) Ophthalmologist	24.8%	0.7%	1.8%	0.0%	72.7%	72.7%
(34) Dental Care	27.7%	1.0%	2.9%	1.0%	67.4%	68.4%
(35) General Surgery	33.5%	0.0%	3.4%	0.6%	62.5%	63.1%
(36) Hospital	27.2%	1.1%	5.6%	1.1%	65.0%	66.1%
(37) Chiropractor	37.6%	2.2%	3.1%	0.0%	57.1%	57.1%

APPENDIX C

Table 1. Reasons People Shop in Towns other than Brookings

Reasons People Shop Elsewhere Ranked by most Frequent to least Frequent Response	Average Number of Responses Figured Over 9 Product Classes
1. Close to home	425
2. Easy to get to	172
3. Variety and selection	152
4. Service	146
5. Lower price	136
6. Quality	79
7. Availability of product	71
8. Business seems appreciated	55
9. Sale items	54
10. Friendly and competent	53
11. Several competing stores to choose from	48
12. Credit terms	31
13. Newspaper ads	26
14. T.V. ads	21
15. Parking	16
16. Physical appearance of store	9
17. Radio ads	4

Table 1. Reasons People Shop Elsewhere and the Goods Which are Affected Most

	Response
1. Variety and selection was most important in purchasing:	
(a) Gifts	362
(b) Clothing	360
(c) Appliances and home furnishings	217
(d) Food	201
2. Quality was most important in:	
(a) Medical	168
(b) Food	124
(c) Gifts	113
(d) Clothing	97
3. Lower price most important in:	
(a) Appliance	258
(b) Clothing	231
(c) Gifts	190
(d) Cars	185
4. Sales items most important in:	
(a) Clothing	188
(b) Appliances	113
(c) Gifts	72
(d) Food	41
5. Credit terms most important in:	
(a) Insurance and banking	105
(b) Cars	52
(c) Appliances	41
(d) Farm	24
6. Parking most important in:	
(a) Clothing	93
(b) Food	15
(c) Gifts	10
(d) Tools and Lumber	8

Continued

Table 1. Continued.....

	Response
7. Close to home most important in:	
(a) Banking and insurance needs	673
(b) Cars	533
(c) Gifts	494
(d) Food	476
(e) Tools and Lumber	423
(f) Appliances	389
(g) Medical	359
(h) Clothing	326
(i) Farm	154
8. Easy to get to most important in:	
(a) Food	218
(b) Cars	213
(c) Gifts	205
(d) Appliances	183
9. Service most important in:	
(a) Medical related	267
(b) Insurance and Banking	264
(c) Cars	207
(d) Food	131
(e) Appliances	126
10. Friendly and competent most important in:	
(a) Banking	95
(b) Cars	69
(c) Food	56
(d) Gifts	52
11. Business seems appreciated most important in:	
(a) Banking	96
(b) Cars	83
(c) Food	66
(d) Gifts	52
12. Physical appearance of store most important in:	
(a) Food	38
(b) Clothing	26
(c) Gifts	9
(d) Appliances	6

Continued.....

Table 1. Continued.....

	Response
13. Several competing stores to choose from most important in:	
(a) Clothing	189
(b) Gifts	81
(c) Appliances	75
(d) Food	43
14. Newspapers ads most important in:	
(a) Clothing	77
(b) Gifts	44
(c) Appliances	41
(d) Food	31
15. Radio most important in:	
(a) Clothing	10
(b) Gifts	7
(c) Appliances	5
(d) Tools and Lumber	4
16. Television most important in:	
(a) Cars	91
(b) Clothing	76
(c) Appliances	9
(d) Gifts	7
17. Availability of product most important in:	
(a) Food	134
(b) Gifts	129
(c) Clothing	79
(d) Tools and Lumber	70

APPENDIX E

Commodity Advertisements Looked for in Newspaper

Brookings Retail Market

1978

<u>Commodity</u>	<u>Response Frequency</u>
Groceries	394
Clothing	308
Restaurants	105
Hardware	99
Furniture	80
Appliances	63
Cars	42
Lounge	38
Pharmacies	34
Farm Needs	27
Financial	10

APPENDIX F

Commodity Advertisements Listened for on Radio

Brookings Retail Market

1978

<u>Commodity</u>	<u>Response Frequency</u>
Clothing	183
Groceries	155
Restaurants	106
Lounge	61
Furniture	49
Hardware	48
Appliances	41
Cars	32
Farm Needs	24
Pharmacies	14
Financial	10