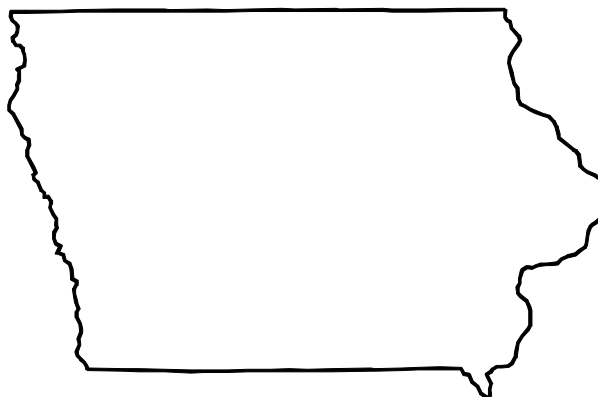


Fall, 1999

ISU EXTENSION RETAIL TRADE ANALYSIS PROGRAM

IOWA RETAIL MARKET SHARE OF VARIOUS SIZE TOWNS



For more information
contact:

Dr. Kenneth E. Stone
or
Georganne Artz

460 Heady Hall, ISU
Ames, IA 50011
Ph. (515) 294-7318
Fax (515) 294-1700

Email:
kstone@iastate.edu
or
gartz@iastate.edu

Prepared by:
Dr. Kenneth E. Stone
&
Georganne M. Artz

IOWA STATE UNIVERSITY
University Extension

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.

Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Stanley R. Johnson, director, Cooperative Extension Service, Iowa State University of Science and Technology, Ames, Iowa.

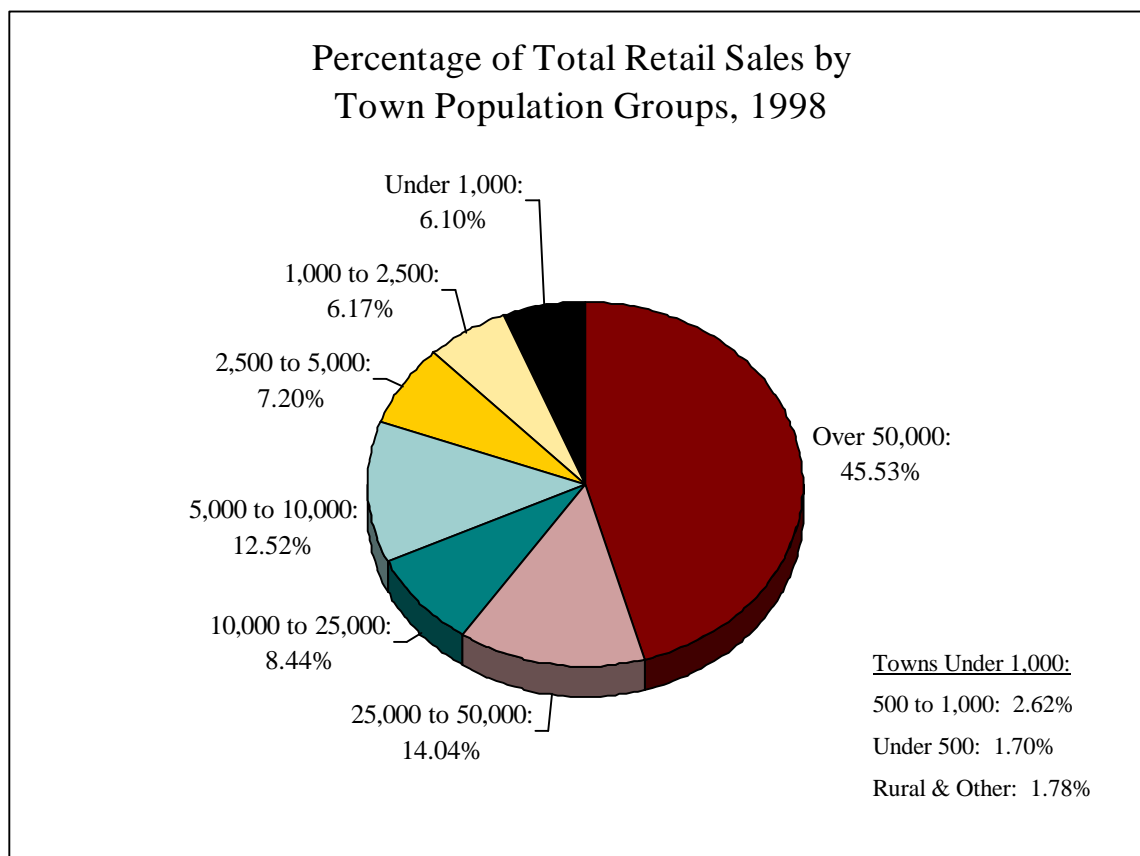
This publication provides a graphical presentation of market share information for various size Iowa towns using data from the Iowa Department of Revenue and Finance.

The pie chart below depicts the market share of total retail sales for various size Iowa towns. In fiscal year 1998, Iowa's largest towns (population over 50,000) accounted for more than 45% of the state's retail sales. This share has increased over time, up from approximately 36% in fiscal year 1976. On the other hand, the retail market share of the state's smallest towns (population under 1,000) comprised about 6.5% of the state's overall retail sales in FY98. For these small towns, retail market share has been declining, falling from around 13% of state sales in FY76.

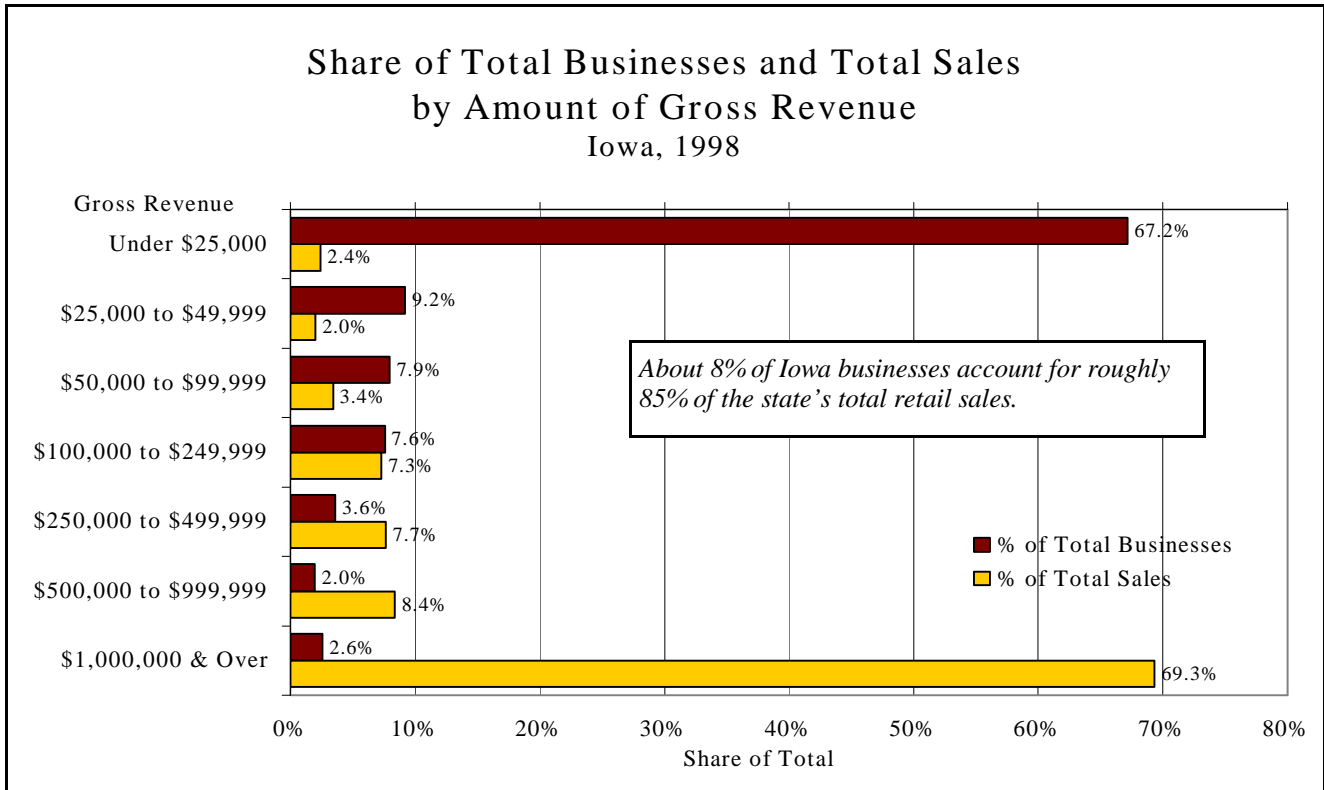
Several factors may be contributing to these trends, including population shifts from the rural areas into the larger towns and cities and changes in the commuting patterns of rural workers. However, the rapid growth of mass merchandise stores in the larger towns and cities has been one of the most important factors in the outmigration of retail trade from smaller towns. The huge selections offered by discount department stores and large specialty stores attract customers from long distances.

For more information, please contact the ISU Retail Trade Analysis Program at Iowa State University, or visit the program online at www.econ.iastate.edu/retail.

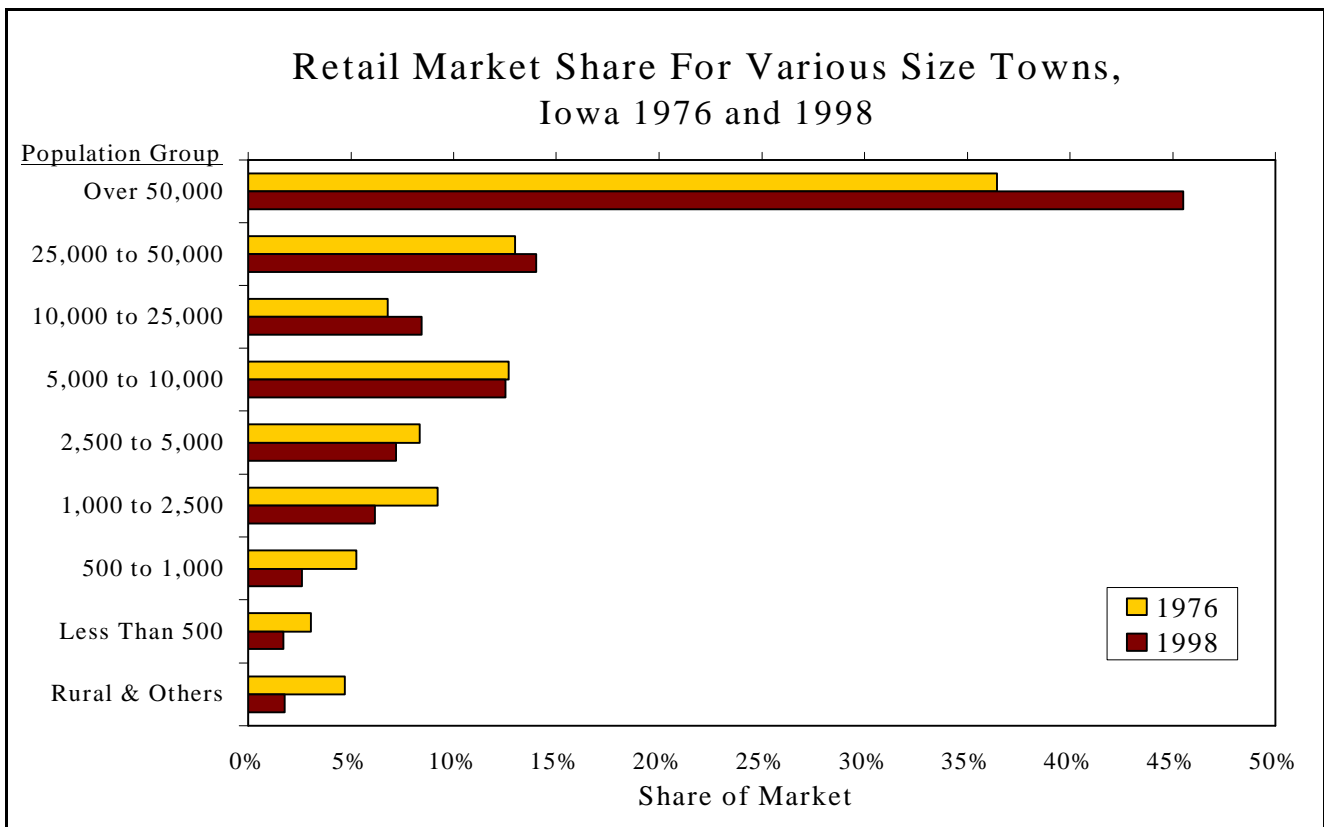
SHARE OF TOTAL RETAIL SALES BY TOWN POPULATION GROUPS



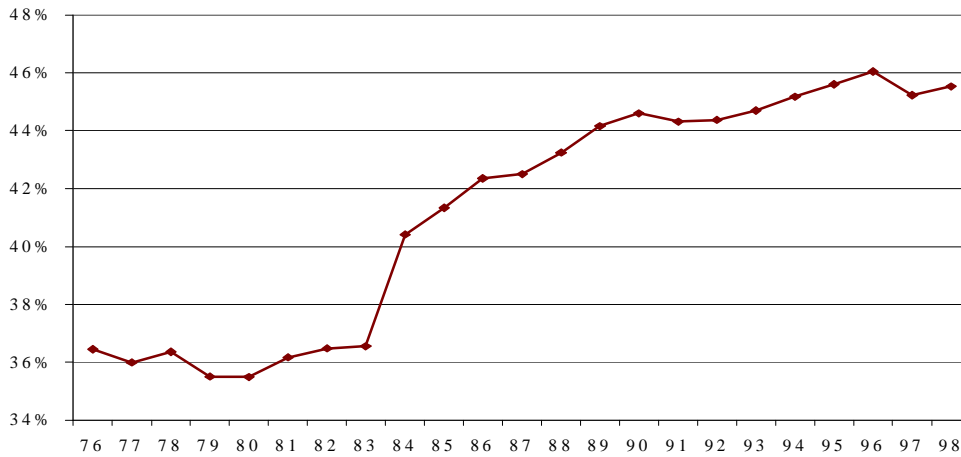
*Due to rounding, percentages may not add to 100%.



CHANGES IN MARKET SHARE OVER TIME

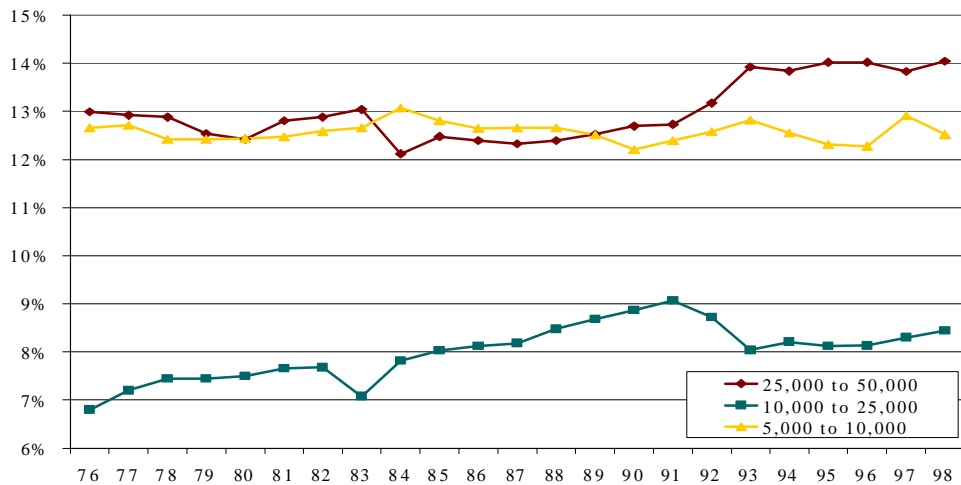


Market Share of Iowa's Large Cities, FY76 to FY98



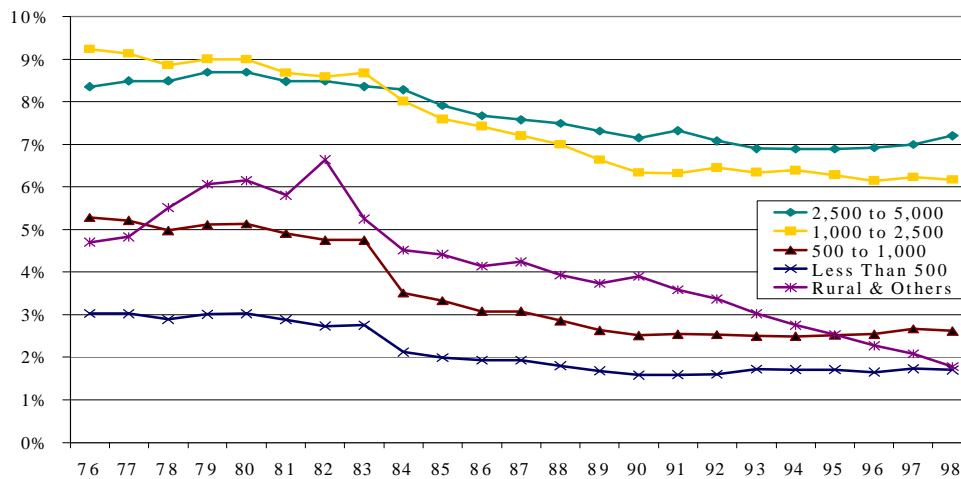
As a whole, the retail market share of Iowa's large cities (populations over 50,000) has increased over time, from about 36% in fiscal year 1976 to 45% in FY98. This represents an average annual growth rate in market share of 1.03%.

Market Share of Iowa's Mid Size Towns, FY76 to FY98



The retail market share of Iowa's mid-size towns (populations 5,000 to 25,000) has, in general, grown slightly from FY76 to the present. The average annual rate of growth in market share for towns with 25,000 to 50,000 population is 0.3%; for towns of 10,000 to 25,000 population, 0.95% and for towns of 5,000 to 10,000 population, 0.09%.

Market Share of Iowa's Small Towns, FY76 to FY98



All groups with towns of population under 5,000 lost retail market share over the period from FY76 to FY98. Towns with 2,500 to 5,000 people had an average annual rate of decline in market share of 0.84%; the share of towns with 1,000 to 2,500 population fell at an average rate of 1.85%. The three smallest population groups—500 to 1,000, less than 500, and rural and others—had average annual rates of decline in market share of 3.19%, 2.63% and 3.81%, respectively.