

## Worksheets for Calculating Per Capita Retail Sales and Retail Pull Factors

It is possible to better understand your county's retail sector using readily available data and a few simple calculations.

### **Data Needed**

1. The total sales in a particular retail sector, defined by SIC code, for each county of interest. This data is available from the Census of Retail Trade, which is conducted every 5 years by the U.S. Census Bureau (<http://govinfo.kerr.orst.edu/econ-stateis.html>). The most recent available year is 1997.

2. An estimate of the local *population* is needed, as well as population estimates for several comparison communities for each of the years for which you gather retail sales data. Annual population estimates are available from the Bureau of Economic Analysis (BEA) (<http://fisher.lib.virginia.edu/reis/>).

3. To calculate pull factors, you need an estimate of *per capita income* (total income divided by total population) for each county of interest and the state, for each of the years for which you gather sales data. This information is also available from the Bureau of Economic Analysis (BEA) (<http://fisher.lib.virginia.edu/reis/>).

### **Per Capita Sales**

The total retail sales in a particular place divided by the number of people who live in that place yields the *per capita sales ratio*. When compared to other counties or the state, communities can identify local retail strengths and opportunities. Used over time, it can help you better understand long-term performance trends.

#### Sample Table for Calculating Per Capita Sales

Retail Sales Category: \_\_\_\_\_

County	Total Sales in Category	County Population	Per Capita Sales
Year: _____			
Our County	_____ ÷	_____ =	_____
Comparison County 1	_____ ÷	_____ =	_____
Comparison County 2	_____ ÷	_____ =	_____
State	_____ ÷	_____ =	_____
Year: _____			
Our County	_____ ÷	_____ =	_____
Comparison County 1	_____ ÷	_____ =	_____
Comparison County 2	_____ ÷	_____ =	_____
State	_____ ÷	_____ =	_____

Some questions to think about when interpreting per capita sales:

1. How has the per capita sales changed over time? If it has grown, why do you think that is so? (Don't forget that inflation averages about 2.5 percent per year!) If it has declined, what are some possible causes?
2. How do per capita sales in your county compare to other counties? The state? Why do you think it is higher or lower?
3. What are some strategies you community can adopt to increase local retail sales?

### Pull Factors

*Pull Factors* are another measure of the relative strength of the community's retail market. The pull factor is calculated by dividing a county's per capita sales by the state average, adjusting for income differences. If the community's income-adjusted per capita sales are greater than the state average, then the pull factor is greater than one. This indicates any area where the county is drawing in sales from other counties.

#### Sample Table for Calculating Pull Factors

Retail Sales Category: _____								
County	County Per Capita Sales	÷	State Per Capita Sales	*	State Per Capita Income	÷	County Per Capita Income	= Pull Factor
Year: _____								
Our County	_____	÷	_____	*	_____	÷	_____	= _____
Comparison County 1	_____	÷	_____	*	_____	÷	_____	= _____
Comparison County 2	_____	÷	_____	*	_____	÷	_____	= _____
State	_____	÷	_____	*	_____	÷	_____	= _____
Year: _____								
Our County	_____	÷	_____	*	_____	÷	_____	= _____
Comparison County 1	_____	÷	_____	*	_____	÷	_____	= _____
Comparison County 2	_____	÷	_____	*	_____	÷	_____	= _____
State	_____	÷	_____	*	_____	÷	_____	= _____

Some questions to think about when interpreting pull factors:

1. How has the pull factor changed over time? If it has increased, why do you think that is so? If it has declined, what are some possible causes?
2. How does the local pull factor compare to other counties? The state? Why do you think it is higher or lower?
3. What are some strategies you community can adopt to increase the amount of money drawn in from outside the county?

## Retail Data Sources and Definitions

Every 5 years (years ending in 2 and 7), the U.S. Department of Census ([www.census.gov](http://www.census.gov)) conducts an Economic Census. Censuses are prepared for most sectors of the economy, and businesses are required to participate. The survey provides substantial information on a variety of business characteristics, including employment, payroll and total sales. One of the most important is the **Census of Retail Trade** (<http://govinfo.kerr.orst.edu/econ-stateis.html>), which reports county level retail sales for 10 categories, in addition to total retail sales. These categories are:

- Automotive Dealers
- Drug Store Sales
- Eating and Drinking Places
- Food Stores
- Home Furnishings
- General Merchandise Stores
- Building Materials and Hardware Stores
- Gas Service Stations
- Apparel & Accessories Stores
- Miscellaneous Retail