

Background:

- Closure of local Grocery Store in 2014
- City Sought Partners to help conduct a feasibility study to re-open the store (UMN Extension & Minnesota's Small Business Development Center Network)
- Contracted with UMN Extension for Customized Market Area Profile

Methodology:

- The Dillman survey method used on 454 Households with school age children .

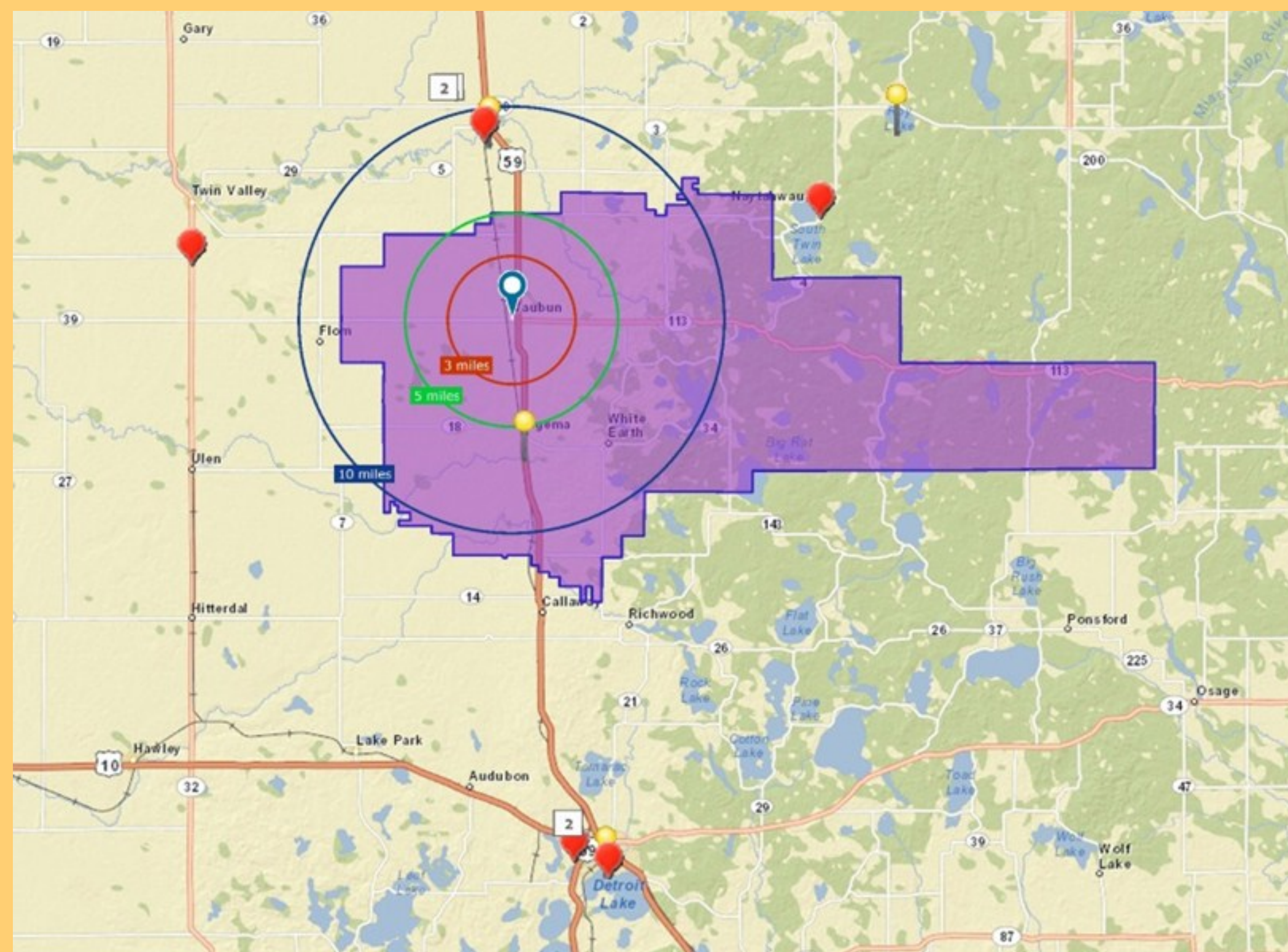
This included:

- A postcard informing them about the survey
- 3 page questionnaire + \$5 coupon incentive
- A second survey and reminder postcard
- Received 153 responses (or 36.6%) of the sample population

Study Area:

Independent School District (ISD) 435 was the study area used for the survey and data analysis. The school district was decided as the area from which businesses in downtown Waubun would be expected to pull customers and was also identified as the appropriate study area based on knowledge of the local business environment and the commercial district's retail pulling power. In Fig.1 one above: yellow dots denote convenience store locations, while red dots denote grocery retail locations near the Waubun school district. With the closing of Hometown Foods, there are no grocery stores located within the boundaries of the study area.

Figure 1 : Study Area of Waubun Grocery Market Analysis



Estimates for Current Grocery Spending within the Study Area:

Estimate By Survey Response: per person measurement (\$1,678 per person avg/year) totaling \$5.47M for the study area (3,263 people) ESRI calculations were close to UMN Extension's as well, at \$5.44M annually for groceries consumed at home within the study area.

Estimate by Consumer Expenditure Survey: averages food spending by household type.. i.e. numbers of individuals per household. Extension calculated the percentage of household types in the study area and then how much they would spend annually using CEX averages. The total for study area came out to be approximately \$4.97M to spend on groceries annually.

Current Grocery Shopping Habits

The series of selected tables below reveal residents current shopping and food preference habits:

Table 1: Average Ranking of Shopping Factors by Importance (n=152)

Shopping Factors	Average Ranking
Quality of food	4.8
Cleanliness of store	4.6
Prices of items offered	4.5
Convenience of store hours	4.4
Customer service	4.4
Supporting local business	4.4
Product selection (variety, brand choices)	4.3
Travel time to the grocery store	4.0

Table 2: Reasons for Shopping at Nearby Grocery Stores by Percent of Respondents

	Near Home	Near Work	Hours	Service	Quality	Selection	Price	n
<i>Central Market</i>	8%	6%	28%	14%	57%	65%	31%	110
<i>Walmart</i>	5%	5%	43%	2%	9%	58%	75%	122
<i>Bruggeman's</i>	39%	61%	10%	8%	11%	16%	21%	90
<i>Garbergs</i>	17%	33%	8%	33%	58%	25%	17%	12
<i>M&W</i>	30%	83%	21%	2%	4%	2%	4%	53

Table 3: Grocery Items Respondents Would Purchase If Available in Waubun (n=150)

