

## Retail Pull Factor and Explanation

According to the latest figures published in the Georgia County Guide (UGA, 2009), Lowndes County's overall **retail pull factor** (RPF) for 2007 was **2.1**, the highest in the entire State of Georgia for the second consecutive year. As Valdosta is the county seat, largest city in Lowndes County, impact city of the four counties making up the Valdosta MSA, and home to more than 80% of the businesses located within Lowndes County, we credit these pull factor numbers to the City of Valdosta almost wholly.

The categories below feature the retail pull factor from the years of 2005, 2006, and 2007, also displaying the dollar amount of retail sales per category. As the chart illustrates, Valdosta enjoys a larger consumer pool than lives in Lowndes County in several categories. During 2007, the categories of Food Services and Drinking Establishments, General Merchandise Stores, Clothing & Clothing Accessories Stores, Home Furniture/Appliance Stores, Motor Vehicle & Parts Dealers, Gas Service Stations, and Building Materials/Garden Equipment & Supplies all shared a retail pull greater than 1 (which would indicate 100%). Within several of these categories, Valdosta and Lowndes County ranked within the top ten of highest pull factors in Georgia.

The below is a chart pulled directly from the past three years of this study for Lowndes County from the County Guide (UGA, 2007, 2008, 2009).

2007, 2006, 2005 Sales (Dollars X 1,000) and PFs

Food & Bev Strs	Food Svc & Drnkng Est.	Gen Merch Strs	Clothing & Clthg Accessor. Strs	Home Furn/ Applnc Strs	Motor Vhcl & Prts Dlrs	Gas Serv Stations	Bldg Mat/Grdn Equip & Supplies	Health & Pers Care Strs	Total Retail Sales & Overall Retail Pull Factor	
134178	279729	355449	110598	71830	427808	590690	428881	55019	2563594	\$000
1.0	2.2	2.4	1.9	1.1	1.8	3.5	3.0	.9	2.1	2007 PF
119189	230265	345563	93718	65468	422551	501416	346435	58713	2288970	\$000
0.91	1.93	2.44	1.69	1.14	1.77	3.51	2.76	1.11	2.02	2006 PF
127810	153131	372852	95282	38633	305686	307739	262069	40709	1807798	\$000
0.98	1.43	2.87	1.99	0.73	1.25	2.72	2.50	0.98	1.73	2005 PF

Source: The Georgia County Guide 2007, 2008, 2009

As depicted in the above chart, the overall Retail Pull Factor for Valdosta has risen from 1.7 to 1.73 from 2004 to 2005, rising again an additional 16.8% to 2.02 –the highest overall retail pull factor in Georgia. Additionally, Valdosta/Lowndes County's Total Retail Sales have risen from \$1.6 billion in 2004, to \$1.8 billion in 2005, and \$2.29 billion in 2006. In only two categories – Food and Beverage Stores and Furniture/ Home Furnishings/Appliance Stores – did sales fall from 2004 to 2005. This type of decrease should not be perceived as indicative of any loss of regional shopping hub status, as both of these types of businesses are generally located nearer to the customer's residence for a variety of reasons including perishable nature of merchandise, convenience, and shopping patterns. Conversely, the Food Service and Drinking Establishment, Health and Personal Care Stores, and the Total Retail Sales categories each grew by greater than 10% during this one

year span. Phenomenal growth, increasing by nearly 50%, incurred in the Gas Service Stations pull factor area for Valdosta and Lowndes County. Similarly, Valdosta hotel/motel occupancy have remained much higher than national and most regional rates at an average of 70 to 86%. National Averages reported 53% occupancy, according to STAR reports, during the same time periods.

Source: The Georgia County Guide 2006, STAR Reports 2008, 2009

## Potential and Existing Market Estimation for Valdosta, GA MSA

The below chart outlines the potential and existing consumer market of Valdosta and a 75 mile radius, according to the amount of income per household. It utilizes annual wage per household data from the U. S. Census of 1990, 2000, and estimates/projections of 2006 and 2011.

Households by Income	1990		2000		2006		2011		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2006 to 2011
\$0 - \$15,000	111,270	34.5%	94,186	24.1%	84,722	21.8%	79,120	20.4%	-15.4%	-6.6%
\$15,000 - \$24,999	65,189	20.2%	62,831	16.1%	55,482	14.3%	51,620	13.3%	-3.6%	-7.0%
\$25,000 - \$34,999	51,079	15.8%	54,743	14.0%	51,804	13.3%	51,617	13.3%	7.2%	-0.4%
\$35,000 - \$49,999	47,215	14.6%	63,303	16.2%	59,714	15.3%	55,010	14.2%	34.1%	-7.9%
<b>\$50,000 - \$74,999</b>	<b>32,579</b>	<b>10.1%</b>	<b>63,159</b>	<b>16.2%</b>	<b>68,096</b>	<b>17.5%</b>	<b>67,750</b>	<b>17.5%</b>	<b>255.8%</b>	<b>-0.5%</b>
<b>\$75,000 - \$99,999</b>	<b>8,556</b>	<b>2.7%</b>	<b>26,868</b>	<b>6.9%</b>	<b>32,902</b>	<b>8.5%</b>	<b>37,429</b>	<b>9.7%</b>	<b>214.0%</b>	<b>13.8%</b>
<b>\$100,000 - \$149,999</b>	<b>4,319</b>	<b>1.3%</b>	<b>16,458</b>	<b>4.2%</b>	<b>24,428</b>	<b>6.3%</b>	<b>29,291</b>	<b>7.6%</b>	<b>281.1%</b>	<b>19.9%</b>
<b>\$150,000 +</b>	<b>2,544</b>	<b>0.8%</b>	<b>8,510</b>	<b>2.2%</b>	<b>12,140</b>	<b>3.1%</b>	<b>15,449</b>	<b>4.0%</b>	<b>234.5%</b>	<b>27.3%</b>
Average Hhld Income	\$29,029		\$42,673		\$46,876		\$49,859		47.0%	6.4%
Median Hhld Income	\$22,317		\$31,724		\$35,551		\$38,173		42.2%	7.4%
Per Capita Income	\$10,708		\$15,939		\$17,747		\$18,327		48.9%	3.3%

\* Reports requiring summarization use only the largest Radius or Drive Time around each center point to calculate results.

Current year data is for the year 2006, 5 year projected data is for the year 2011. More About Our Data. Demographic data © 2006 by Experian/Applied Geographic Solutions. Traffic Count data © 2005 by GDT. All rights reserved.

## Valdosta's Average Weekly Wage Rate and Projected Growth

According to 2006 Department of Labor figures, Valdosta's overall Average Weekly Wage was \$518 per person. By 2007, the Average Weekly Wage had risen to \$526. These figures average all wages including higher paying manufacturing earnings with lower paying retail wages. As the population of Valdosta MSA grows, more businesses are attracted to this area. However, in an effort to promote "smart growth", area officials have noted these wages and are taking steps to increase, or "grow", these wages concurrently.

Through concentrated and coordinated efforts orchestrated by the Valdosta/Lowndes County Industrial Authority, Valdosta MSA Joint Industrial Authority, the Greater Valdosta area Chamber of Commerce, and the City of Valdosta's Office of Economic Development, with partnerships from

the Valdosta City School System, Lowndes County School System, Valdosta Technical College and Valdosta State University, great strides are being taken in recruiting new higher paying industries. Valdosta and Lowndes County's efforts have focused on recruiting companies who offer wages higher than our current averages and also in further diversifying our employment base to include types of businesses and industries that don't currently make up the employment base of our city. Due to these efforts, especially headed up by the Valdosta- Lowndes County Industrial Authority, we have seen these wages rise drastically in the past few years. Also, over the past few years, Valdosta and Lowndes County have seen several firsts announced in the high-tech (in many years), high performance auto-parts manufacturing, and aircraft manufacturing industries. We await several other types of industries to announce and move their homes to our city this year as well.

The following chart depicts the average annual wage from 2004 and 2005. It illustrates the change in average annual wages for these MSA comparables within this time frame.

<b>Metropolitan Area</b>	<b>Average Annual Wage 2004</b>	<b>Average Annual Wage 2005</b>	<b>Percent change 2004-2005</b>
<b>Albany, GA</b>	\$30,930	\$31,741	2.6
<b>Athens – Clarke County, GA</b>	\$31,702	\$32,512	2.6
<b>Augusta-Richmond County, Georgia/South Carolina</b>	\$33,513	\$34,588	3.2
<b>Brunswick, Georgia</b>	\$30,408	\$30,902	1.6
<b>Columbus, Georgia/Alabama</b>	\$30,263	\$31,370	3.7
<b>Dalton, Georgia</b>	\$31,972	\$32,848	2.7
<b>Gainesville, Georgia</b>	\$32,849	\$33,828	3.0
<b>Hinesville-Fort Stewart, Georgia</b>	\$28,058	\$30,062	7.1
<b>Macon, Georgia</b>	\$32,275	\$33,110	2.6
<b>Rome, Georgia</b>	\$32,930	\$33,896	2.9
<b>Savannah, Georgia</b>	\$32,839	\$34,107	3.9
<b>Valdosta, Georgia</b>	<b>\$24,779</b>	<b>\$25,712</b>	<b>3.8</b>
<b>Warner Robins, Georgia</b>	\$34,535	\$36,762	6.4
Chattanooga, Tennessee	\$32,701	\$33,743	3.2
Delton-Daytona Beach-Ormond Beach, Florida	\$29,346	\$29,927	2.0
Ocala, Florida	\$29,013	\$30,008	3.4
Tallahassee, Florida	\$32,610	\$33,548	2.9

Source: The Bureau of Economic Analysis, [www.bea.gov](http://www.bea.gov)