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A MARKET ANALYSIS OF NEBRASKA CITY

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Statistics and survey research indicate that Nebraska City's basic economy and retail activity are both sound and that its economy is relatively better than that of many neighboring communities in southeast Nebraska. Patronage is strong, though not extensive, and satisfaction with goods and services is high.

Introduction
Most communities in Nebraska experienced a decrease in net taxable sales during the early eighties. Nebraska City's decrease has not been as severe as that in other communities in southeast Nebraska, although the percentage decline was greater than the state average (table 1). This decrease in net taxable sales prompted the Nebraska City Chamber of Commerce and the Business Improvement District Board to commission this market area analysis.

Four measures of retail activity were examined to provide an appreciation of the status of that activity—number of total establishments, number of GAF establishments, volume of sales, and number of employees. The number of employees and the volume of sales have each increased in Nebraska City, while the number of total establishments and GAF establishments have decreased.

Selected indices of economic health, retail intensity, and drawing power each indicate that Nebraska City's market economy is sound, particularly its position among neighboring communities.

The Survey
Area residents were surveyed to determine regional and local shopping patterns, motives for and perceptions of shopping, the configuration of Nebraska City's market area, and leakage from that market.

The survey was administered to a random-stratified sample of 500 residents living within a 45-mile radius of Nebraska City. Female respondents outnumbered male respondents by a ratio of 2:1 (this is typical of surveys that are unstratified by sex). Married respondents also outnumbered unmarried respondents by a ratio of 2:1. Respondents were fairly evenly distributed among three age groups: 18-39 (34 percent), 40-64 (37 percent), and 65 and older (29 percent). About 20 percent of the respondents lived alone, and the modal household size was 2 persons.

About half of the respondents were employed at the time the survey was conducted, nearly 35 percent were unemployed or retired, and the remainder identified themselves as homemakers. Nearly equal proportions of respondents reported their family income as more than $20,000 per year and less than $20,000 per year. Only 20 respondents reported a family income of less than $10,000 per year.

Most respondents (70 percent) lived in cities and towns, nearly 23 percent lived in rural areas.
The greatest proportion of shoppers preferred to shop on Saturdays and presented to 37 percent of those who shopped downtown. The outlet stores were each patronized by most respondents from Nebraska City. By contrast, respondents' regular use of Nebraska City's entertainment and dining facilities remained relatively unchanged with distance.
Conclusions and Recommendations

Survey results indicate that Nebraska City retailers have a strong command of buyers living in Nebraska City. However, patronage decreases rapidly with increased distance from Nebraska City. Approximately 78 percent of respondents living within 20 miles of Nebraska City shop there at some time, and about 35 percent of residents shop there most often. But, only about 35 percent of respondents living within 20-30 miles from Nebraska City shop there at some time, and about 7 percent shop there most often.

By contrast, patronage decreases irregularly with direction from Nebraska City with the strongest command of the market coming from the southwest and the weakest drawing power coming from the northeast.

Several activities that could be used to enhance the competitive position of Nebraska City's merchants include:

- Identifying and promoting goods and services which penetrate the surrounding market area, such as, women's clothing, entertainment, and dining facilities;
- Improving or enhancing aspects of the downtown area that respondents identified as needing improvement, such as, availability of parking, traffic control, selection of men's and children's clothing; and
- Building the city's image and reputation by strengthening its association with Arbor Day as an areawide event and by creating a "sense of place" through signage, a logo, and a uniform landscape.

Whichever techniques are pursued, the goal of these activities should be to create a distinct district with visible boundaries and an identity of its own.

The market analysis of Nebraska City resulted in fairly positive findings. Patronage is strong although not extensive. Satisfaction with goods is high, and improvements are recognized. The task at hand for Nebraska City's leaders is to extend the market area and to sustain the positive attitudes of patrons.

For additional information, contact Kathy Sheldon, Nebraska City Chamber of Commerce, or Alan Eastman, River Country Industrial Development Corporation, Nebraska City, NE 68410.