

FOR IMMEDIATE RELEASE

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New Study Suggests 78% of Coweta Shoppers Patronize from Neighboring Counties

Newnan, GA (October 23, 2019) – A recent data analysis of Coweta County retail spending suggests that out-of-county shoppers account for 78% of sales interactions and nearly 50% of combined total household taxable spend.

The report, based on a range of diverse geographic and retail locations within the county, provides a consumer breakdown of sales tax revenue generated by shoppers within a localized Regional Trade Area (RTA). The Birmingham-based NextSite, LLC study was commissioned by the Newnan-Coweta Chamber and seeks to provide a more detailed analysis of local shopping habits and the impact on local sales tax revenues.

The report concludes that roughly 49% of local sales tax revenues are generated by non-residents of Coweta County, based on current in-and-out of county spending patterns.

“This is the most detailed data we have seen on this subject,” said Candace Boothby, President, and CEO of the Newnan-Coweta Chamber. “We know that the impact of non-resident spending in our county is significant. This study helps us understand the scope of that impact better than we have before. It also suggests that the impact is larger than we knew.”

Boothby noted that it is well-known that significant numbers of shoppers spend in Coweta County because of the impact of Interstate 85 and county growth as a regional shopping and business destination, and that such spending results in non-resident contribution to the county’s economy and tax base. Previous attempts to estimate the impact – specific to sales tax contributions – have relied on a variety of estimates, including observation of shopper patterns at specific retail locations and businesses, and have lent themselves to a figure upwards of 40 percent.

“Many of those estimates were anecdotal, or focused on one location,” said Susan Kraut, the Chamber’s Vice-President of Strategy and Operations. “This study provides us with a much more comprehensive survey of current travel, shopping, and spending patterns, how those things happen all over the county {and region}, and how that affects us in Coweta. It should help us make more informed decisions as a community.”



The analysis was informed by market research data used to define the RTA and analyze demographic profiles for Coweta County, GA, engaging PlacerAI – an advanced foot traffic analytics platform which leverages smartphone tracking and AI to estimate in-store traffic volumes - to determine consumer travel patterns and STI Popstats – an established provider of population data products and technology that helps location-driven companies better understand markets, populations, and consumers – to highlight demographics and consumer expenditure data and identify population and household-specific patterns.

The identified Regional Trade Area (RTA) reflects the geographic area that local shopping districts draw from, i.e., the longest drive a customer is willing to make on a regular to semi-regular basis. The assessment provided by NextSite concludes a total annual shopper draw of 666,158 from within the Regional Trade Area, of which 146,744 (22%) are residents of Coweta County, and 519,414 (78%) are those who travel into the county for essential goods and services.

Consumer journey analytics were gathered for several shopping districts located in the county, including Kroger, Newnan (Lower Fayetteville Rd.); Ashley Park, Newnan; Sam’s Club, Sharpsburg; and Downtown Senoia, resulting in the determination that annual taxable spending by in-county residents totaled \$1,047,975,842 (22.7%); taxable spending by out-of-county residents from within the RTA totaled \$3,567,129,283 (77.3%).

There are approximately 52,795 total households in Coweta County, yielding an average annual household spend of roughly \$19,849 each on essential goods and services; out-of-county contributing households in the Regional Trade Area are estimated at 187,106, yielding a total average annual spend of \$19,064 per year.

Relative to projected contributions per the 1% Transportation Sales Tax referendum, Coweta County households would spend approximately \$198 per year in additional sales tax to fund the county’s infrastructure projects. Out-of-county households in the RTA would spend roughly \$190 each toward the same effort.

Coweta County Regional Trade Area Total Taxable Spending

	Coweta County	+	Out-of-County	=	RTA
Total Taxable Spending	\$1,047,975,842	22.7%	\$3,567,129,283	77.3%	\$4,615,105,125
Households	52,795	22%	187,106	78%	239,901
Taxable Spend per Household	\$19,849		\$19,064		\$19,237
Population	146,744	22%	519,414	78%	666,158
Taxable Spend per Capita	\$7,141		\$6,867		\$6,927

Regional Trade Area (RTA) includes Coweta County Residents

“Essentially, the data is telling us something we already know – that out-of-county shoppers contribute significantly to the local economy and, by extension, to the local tax base,” said Kraut. “And while local Coweta residents spend more in Coweta per-capita than out-of-town shoppers, what is surprising is the sheer number of out-of-county shoppers. We did not expect to see that 78% of point-of-sale purchases were attributable to out-of-county people. So while Coweta residents naturally spend more per person overall, we still end up with 49% of all sales tax revenues provided by people who do not live here.”

Major spending categories are identified below for only those goods and services which qualify for sales and use tax per the proposed TSPLOST referendum. Categories which are exempt in the Georgia Department of Revenue’s 2019 List of Sales and Use Tax Exemptions and those which are expressly prohibited under O.C.G.A 48-8-269

specific to Special Purpose Local Option Sales Tax and Transportation Special Purpose Local Option Sales Tax collection are not included as part of the calculations.

Coweta County Regional Trade Area Major Spending Categories

**Does not reflect taxable spending on SPLOST exempt purchases*

Major Spending Category	Coweta County	+	Out-of-County	=	RTA
Healthcare Products	\$254,375,627	22.3%	\$885,907,892	77.7%	\$1,140,283,519
Reading	\$3,644,576	22.5%	\$12,572,249	77.5%	\$16,216,825
Tobacco and Smoking	\$20,050,044	21.5%	\$73,024,170	78.5%	\$93,074,214
Personal Care	\$43,821,714	22.7%	\$149,623,574	77.3%	\$193,445,288
Alcoholic Beverages	\$32,251,449	23.4%	\$105,767,034	76.6%	\$138,018,483
Entertainment	\$140,633,541	22.8%	\$474,896,139	77.2%	\$615,529,680
Apparel	\$98,946,488	22.7%	\$335,996,745	77.3%	\$434,943,233
Education	\$42,297,370	23.3%	\$138,947,436	76.7%	\$181,244,806
Food: Restaurants	\$173,725,136	22.8%	\$586,861,050	77.2%	\$760,586,186
Housing: Maintenance/Repair	\$11,000,567	23.3%	\$36,279,451	76.7%	\$47,280,018
Housing: Housekeeping Supplies	\$41,853,458	22.4%	\$144,988,788	77.6%	\$186,842,246
Housing: Furnishings/Equipment	\$100,104,700	23%	\$334,545,372	77%	\$434,650,072
Auto: Maintenance/Repair	\$51,643,603	22.6%	\$176,313,476	77.4%	\$227,957,079
Public Transportation	\$33,627,569	23.2%	\$111,405,907	76.8%	\$145,033,476
TOTAL Taxable Spending:	\$1,047,975,842	22.7%	\$3,567,129,283	77.3%	\$4,615,105,125

Regional Trade Area (RTA) includes Coweta County Residents

“The most important question facing us with TSPLOST comes down to the projects themselves. Paving, signalization, road widenings, intersection improvements, new infrastructure – do we need them, are they necessary to improve current conditions for county residents, and do they provide a good quality of local infrastructure?”

“But the second important question is, ‘how do we pay for those things? What is the best funding method with the least amount of adverse personal impact?’ I think this study contributes significantly to answering that question,” said Kraut.

The Newnan-Coweta Chamber is the largest pro-business advocacy organization in Coweta County. A private, non-profit, membership-driven organization, the Chamber is committed to building a robust local economy and strengthening, enhancing, and protecting local business. Recognized in the TOP 2% of chambers nationally, The 71-year-old Newnan-Coweta Chamber serves over 700 members.

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Cutline:

Birmingham-based NextSite, LLC furnished a comprehensive report suggesting that 78% of shoppers within a localized Regional Trade Area account for nearly 50% of local sales tax revenues.