

A COMPARISON OF FIVE SELECTED RURAL TRADE AREAS
IN OKLAHOMA

By

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INTRODUCTION

Since the era of economic development and expansion immediately following World War I, trade area delineation and analysis have assumed an important position in the field of marketing. Manufacturing, wholesaling, and retailing firms have been allocating more money year after year to the business of finding out more about the buying habits and characteristics of the consuming public.

However, a major part of this research has continued to be concentrated in the large urban centers, and the farmer and the farm family have never been given the consideration that urban and large city consumers have. This probably is due in part to the fact that up to the years immediately preceding World War II, the farmer produced on the farm many of the every day commodities which he utilized. The farmer's standard of living in terms of utilities, such as lights, water, and electrical appliances, as well as other modern conveniences was very low. In addition, mobility of the farm family was limited. The intervening years, however, have brought about a drastic change in the farmer's status. Not only has the farmer's standard of living increased to a level corresponding with that of the urban dweller, but also his economic mobility has increased. With the introduction of the family automobile and the farm truck for transportation and the erection of rural electrical lines to remote communities, the potential dollar income from farm families has risen rapidly.

Since the economic existence and future growth of a major portion of the towns in Oklahoma is either directly or indirectly dependent upon agriculture as the basic industry, the direction of the flow of rural trade is of paramount economic importance to their growth and development. The

complexity of the behavior pattern of farm families, regarding the many factors normally taken into consideration in their selection of places to buy and sell, is sufficient to warrant special consideration and study.

In research work conducted for the Oklahoma Agricultural and Mechanical College, Dr. Randall T. Klemme found there is one worker employed in trade or service for each farm family doing its major trading in a particular trade center. Other research has revealed that because of the differences in economic characteristics found in the rural areas and because of the peculiarities and dissimilarities prevalent among rural people, an entirely new set of values must be formulated in order to obtain the results that are obtained from urban surveys. The circumstances under which farm people work and live are such that their social and economic life cannot be put on a comparative basis with the social and economic life of urban dwellers. For these reasons and many others this study was undertaken in the hope that some valuable basic conclusions might be formulated that would aid materially in establishing a better understanding of rural family buying and selling habits in Oklahoma.

PURPOSE

This study has one major objective and several minor objectives. The major objective is to ascertain the geographic boundaries around the five towns selected for study, defining as nearly as possible the area from which each town draws trade from farm families residing therein, on the basis of both buying and selling. The perimeter that is set for the boundary line is the point at which more than 50 percent of both buying and selling done by farm families is being carried out in trade centers other than the one for which the study is conducted.

The minor objectives were formulated in an attempt to arrive at more definite answers to the questions: (1) What degree of correlation there is, if any, between where farm people buy and where they sell? (2) What factor, or set of factors, assumes the greatest importance in the selection of a trade center by farm families? (3) What effect does the type of agriculture being practiced in the community have on the type of services and markets being made available in the trade center? and (4) What effect the level of agricultural income has on the correlation between where farm people buy and where they sell?

In addition to these minor objectives, it was recognized in the beginning that there would be new questions uncovered and new possibilities discovered that could not be answered readily with the type of information collected here. Consequently, such questions and possibilities as have been brought to light in the course of this study have been stated and elaborated on only to the extent possible with the restricted information available. These have been presented herein with the hope that future studies may be directed toward bringing forth additional information concerning these questions.

In any major study which attempts to bring to light or to reaffirm certain existing economic characteristics of a dynamic nature, it is not advisable to rely too heavily upon secondary information. The fundamental principles concerning given characteristics may remain the same even under dynamic conditions; however, the factors affecting those characteristics will undergo rapid changes. It is these economic changes with which the study is most concerned, consequently, the major portion of the information will come from field work recently completed.

The data on the selected trade areas presented in this study were gathered in connection with survey work conducted by the Agricultural-Industrial Development Service of the Oklahoma Agricultural and Mechanical College. The particular towns selected were chosen because of their geographic location in Oklahoma in relation to the difference in the prevailing types of agriculture being practiced in different sections of the State.

CHAPTER I

METHODS AND TECHNIQUES

A. TYPES OF TRADE AREA DELINEATION USED IN THE PAST

The methods used in determining trade area boundaries are many and varied, both in essence and in effect. They run from concise mathematical formulas, based on components such as population and distance, to personal interviews in the field. However, out of the large number of methods that has been introduced and used at one time or another, only a small number merit consideration in terms of simplicity and effectiveness.

The eight methods to be given attention in this study are proved methods that have been utilized with fair results in the past. Their limitations and shortcomings will be discussed in the next section of this chapter. The list is made up primarily from a similar listing presented by Dr. Perham C. Nahl in his doctoral dissertation on delineation techniques submitted at the University of California in 1939.

(1) Newspaper Circulation: This method of delineation was introduced by Kenneth H. McGill, and has had better results in determining "shopping goods" areas than outlining general trade areas. Mr. McGill states the procedure in this manner:

"The circulation of a city's (X's) newspaper is spotted by towns on a map. The total number of X's newspaper, which each of these towns receives, is compared with the number received by each from neighboring cities of similar rank. These places in which X's circulation is greater than that of any one rival city are regarded as belonging in X's trade area, and a line is drawn enclosing them." ¹

¹ Kenneth H. McGill, "A Method for Delineating Trade Areas," Journal of Retailing, IX, No. 1 (1933), 10.

(2) Automobile License Count: This method appears to have many possibilities. The license numbers of the automobiles parked in the business district of a trading center on a particular day, or days, are first obtained. "The addresses are secured from the State register of automobile licenses and spotted on a map."² A complete trade area survey conducted by this method would involve ascertaining the exact number of passenger automobiles owned within a given area and then comparing the total number with the number of automobiles visiting the trading center for shopping purposes. "The count of automobiles should be made on more than one day so that the average would more nearly represent a normal condition."³

In some studies, the number of cars coming from an outlying city was compared with the total population of that city. The percentage of cars to population was calculated, and all outlying cities showing a percentage greater than one-tenth of one percent were included in the primary retail trading area of the larger center in which the count was taken.⁴

(3) Volume of Traffic Handled by Communication Companies: This method is used most often in large metropolitan centers. Telephone traffic is analyzed on the basis of: (a) Daily messages per thousand of population by counties, (b) Number of messages during a selected ten-day period in both directions from the trade center and each county, and (c) The volume

² F. M. Jones, A Survey of Retail Trading Areas, (University of Illinois, 1932), pp. 7-8.

³ Perham C. Nahl, Retail Trading Area Analysis; A Description and Evaluation of Delineation Techniques, (Unpublished D. C. S., University of California, 1939), pp. 38-39.

⁴ Ibid., p. 39.

of telephone traffic on an average business day between each county and the trade center compared with traffic between each county and other trade centers in the area.⁵

(4) Charge Accounts and Credit Inquiries: William J. Reilly has advocated the use of charge account analysis as a method of measuring the retail trade influence of any given type of outlet, from the smallest neighborhood store to the largest department store of a city.⁶

"First, from leaders of retail merchants' associations, qualified to give such information, a list is secured of those retail stores which exercise most influence in the territory surrounding the city. The list is approved by each cooperating store."⁷

Then the charge account ledgers of each store are examined and an individual store list is secured showing the number of active charge accounts, which that store has in each surrounding city or town. It is contended that the number of accounts in each town provides "a significant measure of the geographical extent of that city's retail trade territory."⁸

A similar method is suggested by Edwards and Howard, based on credit inquiries rather than on active charge accounts.⁹

(5) Reilly's Law of Retail Gravitation: In 1920, William J. Reilly created a mathematical formula based on the two components population and distance. Since the time of origination of the formula, many changes have

⁵ Ibid., p. 53.

⁶ William J. Reilly, Methods for the Measurement of Retail Trade Territories, (University of Texas, 1928), pp. 4-5.

⁷ Ibid., p. 5.

⁸ Ibid., p. 6.

⁹ Ibid., p. 7.

occurred that would appear to have an effect on its original reliability; however, it still deserves a great deal of consideration. Reilly's Law holds that:

"Two cities attract retail trade from any intermediate city or town in the vicinity of the breaking point, approximately in direct proportion to the population of the two towns and in inverse proportion to the square of the distances from these two towns to the intermediate town." 10

Stated in the mathematical formula, Reilly's Law becomes:

$$x = \frac{\text{Distance from A to B}}{\sqrt{\frac{\text{Population of A}}{\text{Population of B}}}}$$

or

$$\sqrt{\frac{35}{\frac{6,940}{5,432}}} = \text{Breaking Point}$$

Mr. Reilly attempted to prove the validity of his law by actual enumeration surveys, and has been somewhat successful.

(6) Bank Clearings: Professor Austin S. Bratcher has advanced another method that appears to have limited possibilities. He advocates the use of bank clearings to show the extent of a city's retail trade. It works in this manner:

"Out-of-town customers of a city's retail stores will ultimately pay for purchases by check or by cash. Therefore, this method involves the tabulation of out-of-town checks from the transit sheet records of the cooperating banks. It is customary for banks to list out of town checks by transit numbers. As checks which have been received by retailers are deposited in the bank, the transit clerk sorts them in three ways: (a) Checks drawn on the bank itself, (b) Checks drawn on other local banks, and (c) Checks drawn on banks outside the city. The third group is the one used in the delineation of the city's trade territory." 11

¹⁰ William J. Reilly, The Law of Retail Gravitation, (New York, 1931), p. 9.

¹¹ Nahl, Op. cit. p. 64.

An approximation of the intensity of retail trade may be made by a comparison of the number of checks from, and the population of, each area. A further refinement which might be made would be to tabulate the amount of each check, as well as the transit number. This would show the actual dollar volume of business secured by local retailers from each locality.

(7) Interviews in the Field. This technique requires considerable preparation before interviews may be made. First in importance is the questionnaire: How it is framed, the length, the information contained in it, and other information. Reilly's Law may be used to set tentative boundaries within which to start operation. Sampling may be used, but the greater the number of schedules taken near the breaking point the more accurate the boundary line.¹²

(8) The Mail Questionnaire: This method is not as accurate by any means as the field interview, and involves more expense in many cases. However, it is a method that is used quite frequently.

¹² Ibid., p. 64.

B. AN EVALUATION OF METHODS USED IN THE PAST

In reviewing the different methods used for delineating trade areas, one outstanding fact is ever present. No single method has been introduced up to this point that is comprehensively flexible enough to take into consideration all the various conflicting factors that determine the limits of any given trade area.

The difficulty encountered in formulating such an all-inclusive method is clearly stated by William J. Reilly, a pioneer in this particular field of study. Reilly states:

"Every city presents an individual case with its characteristic differences, and the retail trade territory of any given city is the resultant of a highly complicated interrelationship of a large number of factors rather than the direct result of the influence of one or two or three or four factors. Consequently, the study of a city's trade territory is a problem involving the consideration of those special factors which influence the extension of that particular trade territory." 13

Therefore, it is understandable that the best results in trade area delineation are obtained from a combination of methods, rather than the application of any one single method.

The fact that no two trade areas are alike presents problems and conditions that call for a method of delineation that has a great amount of flexibility. In addition to this, there are other restrictive limitations that arise from the application of these method which we shall examine here in a general evaluation of the methods just listed.

(1) Newspaper Circulation: The limitations of this type of survey for purposes of setting geographic boundaries lie in the fact that the extent of a newspaper's circulation quite often depends on a different set of factors

¹³ William J. Reilly, Methods of the Measurement of Retail Trade Territories, p. 27.

than those normally taken under consideration by trade area analysts. Also, there is still the unsettled question of whether trade areas follow newspaper circulation or whether newspaper circulation follows trade areas. This method is relatively effective in large metropolitan centers, but its value decreases rapidly as the size of the trade center decreases.

(2) Automobile License Count:

"Considerable field work must be done in using this method, but the parked cars are readily available and no difficulty will be encountered in obtaining the license numbers. In some instances, however, the home addresses of car owners may not be so readily accessible, and a fee may be charged by the State license registrar to obtain this information." 14

Caution must be exercised in choosing the time for the license counts and adequate samples are necessary. Cost will depend upon the thoroughness of investigation. The problem of spotting the home addresses of car owners on a map will be more difficult in the case of small town studies, than in those made for larger cities. This method is subject to severe limitations, unless used in conjunction with other information. Some trade analysts consider this method as the basic index of retail trade. They consider it reflects promptly and accurately important changes as to the direction in which retail business is moving. However, there is a danger of misinterpreting certain temporary trade patterns by placing too much reliability and confidence in this method.

(3) Volume of Traffic Handled By Communication Companies: For the large metropolitan centers, this method has many possibilities. However, the

14 Nahl, Op. cit., p. 208.

15 Ibid., pp. 208-209.

method is limited to densely populated areas, and gives little or no indication of the composition of the area under observation.

(4) Charge Accounts and Credit Inquiries: Some marketing men justify the use of charge accounts on the grounds that credit business has assumed a prominent position in retail trade.¹⁶ However, a serious draw-back to this method is the fact that there is no convenient way to measure the actual volume of sales with credit, and those living close to the trade center are more likely to receive credit than those far away. In addition,¹⁷ merchants quite frequently hesitate to give out such information.

(5) Reilly's Law of Retail Gravitation: This method has one great advantage, e. g., it is simple to use and it is not any less effective than most of the other methods that have been discussed here. It reduces to a simple formula the complications of setting trade area boundary lines.¹⁸ The formula does provide a measure of the relative attracting powers of two competing centers.

It will be noted that Reilly's formula applies only to regions in the vicinity of the breaking point. The law refers to the trading areas for shopping goods, and cannot be used easily for other commodities although it applies to some extent to all kinds of merchandise.

The supporting evidence given by Reilly and others is impressive; however, a homogeneity of the two factors (population and distance) is assumed that cannot be true for all parts of the country. On the other hand, the

¹⁶ Nahl, Op. cit., p. 222.

¹⁷ Ibid., pp. 222-223.

¹⁸ Ibid., p. 225.

very simplicity of this method makes it important as an indication of
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 approximate trade area boundaries.

(6) Bank Clearings:

"The main limitation to this method is the voluminous tabulation necessary and the fact that it does not show the currency transactions of out-of-town customers. The greater the distance a customer lives from the store, the greater the tendency to have cash on hand for purchases." 20

Some advantages are: (a) The data are available for a considerable period of time and in such form that a number of tabulators may work with the figures, (b) The geographic extent of the retail trade area may be located with reasonable accuracy, (c) The method is fairly simple and requires no formula, and (d) As long as checks given in payment for only retail purchases are tabulated, the size of the trade area will not cause an
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 undue distortion. However, there are other methods which will produce more accurate results.

(7) Interviews in the Field: Interviews in the field produce the most complete and accurate results that can be obtained. Specific data of almost every nature may be obtained by this method, and a skilled interviewer is able to obtain impressions that are very important. The only draw-back to this is the fact that it is the most expensive, and a great deal of difficulty is encountered in obtaining interviewers of sufficient training and skill.

(8) The Mail Questionnaire: This method may be used to advantage with sufficient incentive. The real difficulty is that in most cases the

19 Ibid., p. 226.

20 Ibid., p. 226.

21 Ibid., p. 227.

returned questionnaire does not give a good representation of all the consumers living in the area.

It will be noted that none of these methods is set up to take into consideration the effect that agricultural markets have on trade areas. One reason for this is probably the fact that most of these methods were set up primarily to function in large metropolitan centers for purposes of obtaining information on retail trade alone.

C. THE TECHNIQUE USED FOR DETERMINING TRADE AREAS USED IN THIS STUDY

Under the work program carried out by the Agricultural-Industrial Development Service of Oklahoma Agricultural and Mechanical College (in connection with which this study was made) it was necessary to make geographic trade area delineations for each individual town in which a study was made. Because of the unstable and often unreliable nature of the methods that have been listed, a new method was devised for conducting trade area delineation studies in connection with this work.

The first step was an informal investigation, which consisted of obtaining interviews with retailers, market managers, buyers, and other key men in the trade center selected for study. The purpose of this series of interviews was to acquire an insight into the forces affecting the markets for farm produce sold in that particular trade center. An attempt was also made to get some idea of the volume coming in, the relationship of one market to another inasmuch as price setting habits and price policies were concerned, and what types of public relations policies were being practiced between the buyers and the producers. In the course of this informal investigation, information pertaining to the adequacy of physical facilities (processing equipment, storage, etc.,) of buyers and markets was obtained. Some idea of the amount and types of loans currently being made by the local bank or banks was also considered essential. If a processing plant for agricultural produce of any kind was located in the trade center under survey, an attempt was made to get reliable information on the influence its operation had on the immediate trade area, as well as those nearby areas that might be considered to lie outside the trade area proper. County agents were consulted concerning their views on the local market situation as a

whole. Community sales managers were asked to supply information on the approximate volume of livestock and other products coming through the local sales rings.

Retail merchants were interviewed for personal opinions concerning the amount and type of farm trade for their particular kind of merchandise. Farm implement dealers were asked to supply information on volume of sales of tractors, tractor parts, and farm machinery, as well as some idea of the territory covered by their service. Interviews were conducted with community center and crossroads grocery store operators in regard to the extent of their local trade to rural families.

Secondly, upon completion of this informal investigation, a personal interview campaign was conducted in the rural area surrounding the trade center with no preconceived ideas as to where the "breaking point" might fall.

A schedule was used that consisted of a one-page questionnaire, which included a list of the twelve most common items of purchase and the twelve items of sale most commonly produced in the particular farming area being surveyed (Appendix I). The questions were stated in a manner that required direct answers as to where the individual items listed were being purchased or sold at the time of the interview. Also, included in the questionnaire was a request for information concerning the distance to all-weather roads, the newspapers being regularly subscribed to, the location of bank or banks through which business was being regularly transacted, and what radio stations were most commonly tuned in for market reports and the news.

These interviews were not conducted on a sample basis of any kind. Maps obtained from the State Highway Department with a scale of one-half inch to the mile showing a rural farm dwelling culture and the existing

road structure (including section line roads open for travel) were used in planning the routes taken by the interviewer. Major highways and farm-to-market roads, leading into the trade center under study, were selected as the routes to be taken first. The interviewer selected a route and began investigation at a point about two miles outside the city limits. Farm dwellings were chosen at random every mile or mile and one-half, and a personal interview was conducted. This procedure was continued until it appeared to the interviewer that more than 50 percent of the items listed on the schedule were being purchased or sold in a trade center other than the one for which the survey was being conducted. When this point was reached, schedules were taken at every dwelling in both directions from that point in order to obtain concrete evidence that this was the "breaking point" for farm trade going into the trade center under observation. This same procedure was carried out on all the highway and farm-to-market roads running into the trade center.

When the "breaking point" had been established on these roads, the same type of campaign was carried out along the section line roads serving the areas between the highways and farm-to-market roads with special attention being given to natural trade barriers produced by rough topography and "blind" section lines.

Thirdly, when the field work was completed, the information gathered in the course of the informal investigation (along with the schedules obtained by personal interview) was processed with special emphasis being placed on the exact geographic location of the trade boundary resulting from the survey. Copies of the type of map used in the survey were obtained for purposes of drawing up the boundary, geographically. Recognizing the impossibility of drawing a distinct line of demarcation between one trade area

and another, the graphic lines drawn onto the maps as boundary lines represented an area from a mile to two miles wide. Living within this area, set up as the perimeter, were farm families who for various reasons did most of their buying and selling in one trade center part of the time and in another at some other time. The boundary line was presented in some areas so as to cover a much wider area than the indicated one or two miles, in which case, the whole area was considered to be more or less equally shared between two trade centers in respect to the trade of farm families in those areas.

CHAPTER II

TRADE AREA SURVEYS

A. RESULTS OF THE STUDY MADE IN THE EL RENO TRADE AREA

El Reno, the county seat of Canadian County, is located 30 miles west of Oklahoma City, Oklahoma. It is geographically located in the center of the eastern edge of Oklahoma's Wheat Belt, in Type-of-Farming Area III. The present population is 10,840.

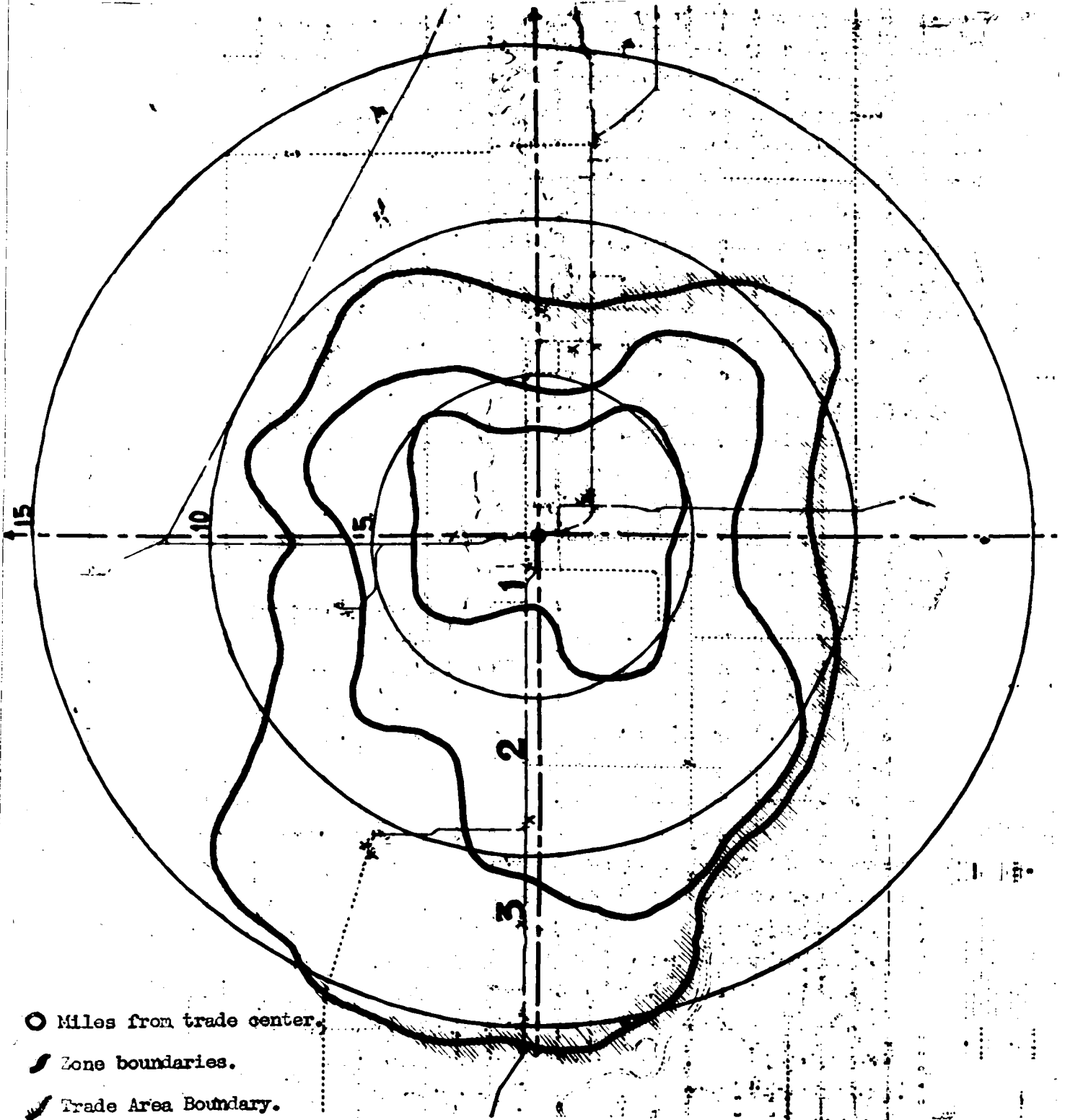
(1) Summary of Findings: The rural trade area of El Reno consists of 336 square miles. The most distant area from which trade is drawn almost exclusively to El Reno is located 15 miles west on Highway 66, leading to Bridgeport, Hydro, and Hinton. About 85 percent of the trade area lies west of El Reno; the remaining 15 percent lies east of the city (Figure I).

There are approximately 956 families living in the rural areas of the designated trade territory. About 12 miles southwest of El Reno the South Canadian River, running diagonally across the corner of the County in a southeasterly direction, forms a natural trade barrier in this direction.

Within the designated trade area, there are a number of crossroads and community center retail establishments. Most of these retail outlets carry only a small stock of staple commodities in the grocery line, and the trade is made up mostly of neighboring farm families who buy there because of the convenience of location. Some of the trade for particular items might be considered regular trade; however, the larger portion is irregular trade that fluctuates with the season of the year and road conditions in the immediate vicinity.

Galumet is the only corporate town, or community center, of any size, located within the designated trade territory. Information obtained from the

Figure 1. Trade Area Served by Al Reno, 1945



survey indicates the farm markets located here are in a strongly competitive position with those in El Reno. The markets include one grain company, two cotton gins, and one produce house. From all indications, the two cotton gins exert a great deal of influence on the amount of produce coming into Calumet. They draw trade from as far away as the extreme southeastern corner of the County, which is outside the designated trade area entirely. The retail trade, however, is only a small percentage of the total within the trade area. And, again, as in the case of the neighborhood retail outlets, the convenience of location is the major factor controlling most of this trade.

Roads in the designated trade area are for the most part adequate to very good. All-weather roads connect most of the outlying districts to major highways leading into El Reno. Many of the section line roads may be impassable during extremely adverse weather conditions, but only for a short time. There are very few "blind" section lines, and most of these are located in the extreme southwestern corner of the trade area north of the river. The road situation taken as a whole is a very favorable asset to the trade area.

Groceries, gas, and oil are the retail items most frequently bought outside El Reno by families residing within the trade area. Clothing, home appliances, furniture, fertilizer, truck, tractor, and auto parts, as well as lumber and building materials are items bought almost exclusively in El Reno by residents within the trade area. Hardware, mixed feed, and lime, farm machinery and equipment, and drugs and doctors are items frequently obtained outside the designated trade territory.

Marketable items, however, make up a much more competitive situation. The towns of Okarche, Geary, Hinton, Union City, Minco, Yukon, and Piedmont, all lying immediately outside the trade area, and supporting farm markets comparable in size, physical facilities, and accessibility to those in El Reno

are the direct cause of this competitive activity. Approximately 40 percent of the corn, oats, barley, and hay marketed goes to neighboring farms, with more than one-half of this type of feed being kept on the farm of the original producer. Eggs are quite often sold to the neighborhood or crossroad grocery store nearest the farm having that item for sale—exceptions being those operators who produce chickens and eggs on a large scale. Such operators, in the designated trade area, market at least 85 percent of their produce in El Reno. Approximately 30 percent of the milk and 50 percent of the cream produced in the trade area are sold in El Reno.

The marketing of wheat, from all indications, depends on a number of factors, the most important of which are road conditions, grading policies, and prices being quoted at the time of contemplated sale. The same situation is true of cotton. Since there is no cotton gin in El Reno, most of the cotton marketed within the designated trade area goes to Calumet.

Ninety percent of the butcher cattle and hogs marketed by farmers in the trade area are sold outside the designated trade territory, with the bulk of them going to Oklahoma City. Peanuts, which constitute only a small portion of the total volume of salable produce in the area, are marketed for the most part outside the trade area.

A DETAILED ANALYSIS OF ITEMS PURCHASED IN THE DESIGNATED TRADE AREA

A breakdown of the twelve purchase items, listed on the trade area schedule, gives a more detailed picture of the trade area.

Groceries, Gas, and Oil

An estimated 90 percent of the groceries, gas, and oil purchased by families living in Zone I was purchased exclusively in El Reno. Eighty percent of the groceries, gas, and oil purchased in Zone II was bought exclusively

in El Reno, and 65 percent in Zone III. It should be noted that Zone I supports only one retail establishment of appreciable distance from El Reno, while Zone II supports two such retail establishments, and Zone III supports approximately eight community center and crossroad retail outlets.

With only a few exceptions, every retail establishment encountered in the designated trade area had gas and oil for sale, in addition to groceries. Information obtained in the survey indicates that relatively the same proportional percentage of gas and oil is obtained in the outlying districts and outside the designated trade area as groceries. Therefore, for all practical purposes here, groceries, gas, and oil could be designated as one purchase item.

Clothing, Household Appliances, and Furniture

In Zones I and II, 95 percent of the clothing purchased by farm families is bought exclusively in El Reno. In Zone III, approximately 90 percent of the clothing purchases is made in El Reno. A number of families along the eastern fringe of the trade area, make both regular and irregular clothing purchases in Oklahoma City. The same is true in the extreme southeastern portion of the trade area where families indicated they made clothing purchases both in Oklahoma City and El Reno. It must be understood, however, that the designated trade area does not include all families who may make irregular or even regular clothing purchases in El Reno. Due to the nature of clothing as an item of sale, and the seasonality of purchases, it is logical to assume that there may be numbers of families living outside the designated trade area who buy clothing in El Reno. Furniture and appliances follow almost identically the same pattern, with possibly few families making such purchases outside the designated trade area.

Truck, Tractor, and Auto Parts

Truck, tractor, and auto parts are purchased almost exclusively in El Reno by families living in Zones I and II. Indications are, however, that families living in Zone III, along the northern and northeastern edges of the trade area, frequently make such purchases in Kingfisher and Oklahoma City, with the same thing occurring in the southern portion of Zone III where these purchases are sometimes made in Chickasha.

Fertilizer, Lumber, and Building Materials

Approximately 95 percent of the fertilizer bought in the trade area is bought in El Reno. The same situation exists in the purchase of lumber and building materials. It was evident from the survey, however, that these are the two items most infrequently purchased by rural families.

Mixed Feed, Farm Machinery, and Hardware

Information obtained in the course of the survey shows that about one-half of the mixed feed used in the area is ground and mixed on the farm. Of the total amount purchased, however, 90 percent of that purchased in Zone I is bought in El Reno; in Zone II, 65 percent; and in Zone III, 45 percent. Much the same pattern is followed in hardware purchases. Indications are that farm machinery (heavy machinery in particular) is quite frequently bought outside the trade area, depending in most cases on individual preference for various types and makes of machinery.

Drugs and Doctors

Drugs and doctors constitute a purchase and service that seem to follow no particular pattern. These purchases seem to depend more on personalities and personal preferences, for the most part, rather than on convenience of location or distance. Some families in the southwestern portion of the trade area indicated they went as far as Oklahoma City for such

purchases, while others living in the southern and southeastern corner went as far as Kingfisher to the north. Around 50 percent of the families living in the designated trade area purchased these services in El Reno.

ITEMS SOLD IN THE DESIGNATED TRADE AREA

Corn and Hay

Approximately 40 percent of the corn and hay sold in the area goes to neighboring farms, with a major portion of it being kept on the farm of the original producer for feeding purposes. Of the remaining 60 percent sold, about 40 percent is sold in El Reno and Calumet, and the remainder in towns lying outside the trade area.

Oats, Barley, and Grain Sorghums

Oats, barley, and grain sorghums follow almost the same pattern as corn and hay, with possibly more of this type of grain being kept on the farm for feeding purposes than corn or hay. Of the total amount sold, however, approximately one-half is sold to neighboring farms, 30 percent in El Reno and Calumet, and 20 percent outside the designated trade area.

Wheat and Cotton

In Zones I and II, approximately 65 percent of the wheat sold is marketed in El Reno. In Zone III, around 60 percent of the wheat is sold outside the designated trade area. This percentage, however, depends almost entirely on road conditions, wheat tests being turned in, and prices being quoted at nearby outside elevators. Around 80 percent of the cotton ginned and sold in the area is marketed in Calumet. The eventual point of sale for cotton, as in the case of wheat, depends a great deal on road conditions and prices being quoted at nearby markets at the time of contemplated sale.

Milk, Eggs, and Poultry

An estimated 30 percent of the milk produced in the trade area comes in-
to El Reno. A small percentage of the eggs is purchased from local farm
families by the outlying community center and crossroad stores. But of the
total amount of eggs and poultry produced for sale in the designated trade
area, approximately 70 percent is sold in El Reno.

B. RESULTS OF THE STUDY MADE IN THE SAPULPA TRADE AREA

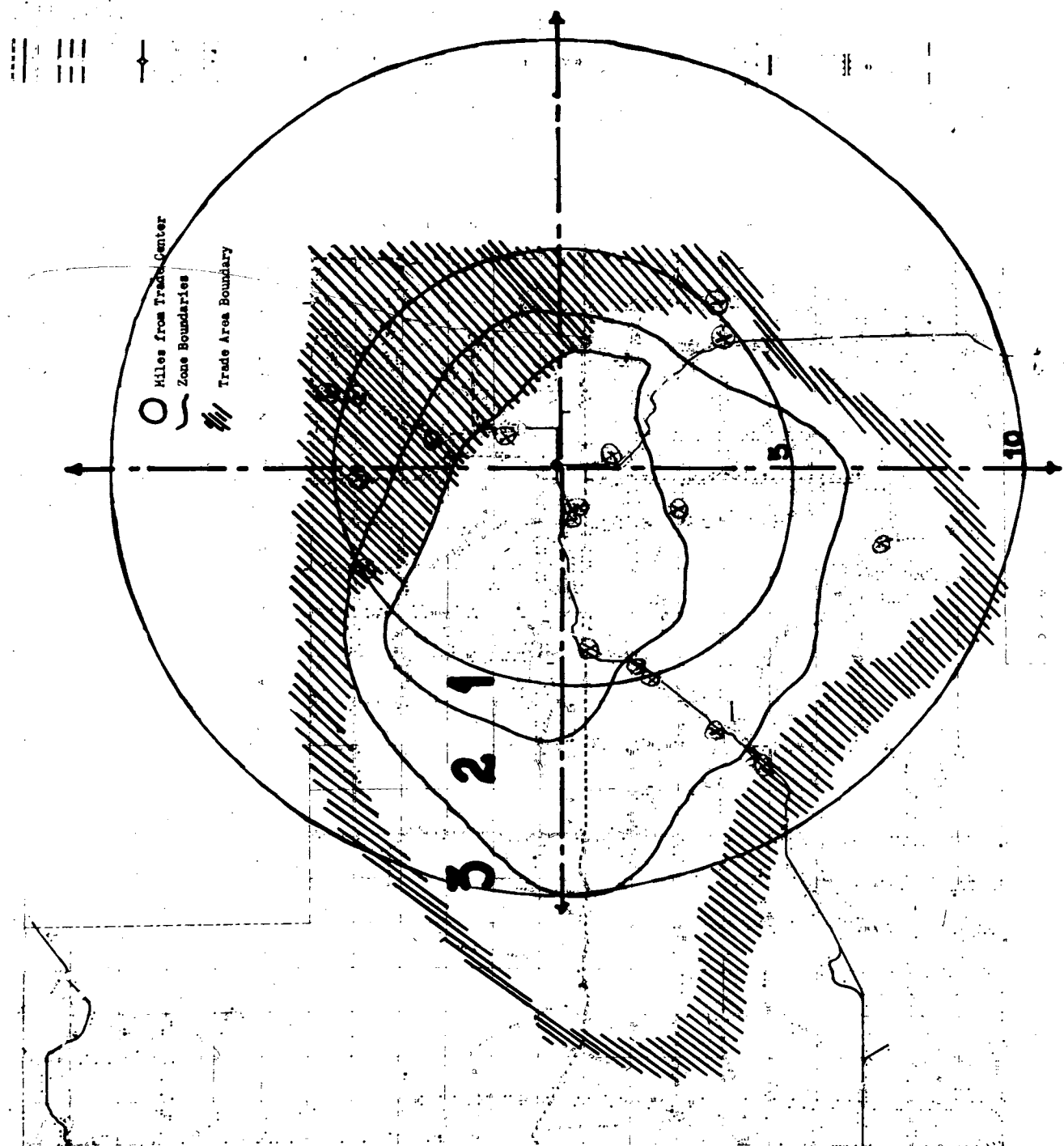
Sapulpa, the county seat of Creek County, is located in the northeastern portion of central Oklahoma, approximately 15 miles southwest of Tulsa, in Type-of-Farming Area VIII. The population of Sapulpa is 11,900.

(2) Summary of Findings: The rural trade area of Sapulpa consists of approximately 170 square miles, with 37 of these square miles in the northeastern corner being shared with Tulsa and Sand Springs. The most distant area from which trade is drawn almost exclusively to Sapulpa is located 12 miles west on Highway 67, leading to Drumright and Bristow. An estimated 85 percent of the trade area lies west and south of Sapulpa and 15 percent lies north and west of the city (Figure II).

There are approximately 874 white families and 86 colored families living in the rural areas of the designated trade territory. About eight miles northwest of Sapulpa, "blind" section lines and rough topography form a somewhat natural barrier or boundary to the trade area in this direction. The barrier extends roughly from a point on the County line five miles north of the Sapulpa reservoir in a southwesterly direction to Browns Creek as it crosses Highway 67. This area northwest of the designated trade boundary supports only a small number of comparatively isolated farms.

Within this designated trade area there are a number of outlying communities in which one or more retail establishments are located. These include the communities of Hilton, Kiefer, Skagway, and Kellyville, as well as numerous crossroad establishments. The trade at these retail outlets, most of which carry only a small stock of staple commodities in the grocery line is made up mostly of neighboring families who buy because of the convenience of location. Some of the trade for particular items might be considered regular trade, however, the larger portion is irregular trade that fluctuates with the season of the year and road conditions in the immediate vicinity.

Figure 2. Trade Area Served By Cepulpa, 1948



Kellyville and Kiefer are the two largest communities lying within the designated trade area. Information obtained from the survey indicates the rural trade going into these communities regularly is only a small percentage of the total within the designated trade area. And, again, as in the case of the community center and neighborhood retail outlets, the convenience of location is the major factor controlling this trade.

Roads in the designated trade area are for the most part inadequate, particularly in the north and northwest portion. A number of farms are located on roads that are completely impassable during rainy weather. There is also an exceptionally large number of "blind" section lines (closed except for trails or wagon roads) in the designated trade area as a whole. Good connecting all-weather roads between outlying communities and any of the major highways are almost non-existent. The trade territory north and east of Sapulpa extending to the county line in both directions, and comprising an area of approximately 37 square miles, is almost equally shared between Tulsa, Sand Springs, and Sapulpa. Information obtained in the course of the survey indicates the controlling factor for trade in this area is tied directly to the location of the industry in which the head of the family is employed. If the industry is located in Sand Springs, a major portion of the trading is done in Sand Springs; the same being true with Tulsa and Sapulpa. This area supports little agriculture, with a major portion of the residents employed in industry.

Information gathered in the survey indicates that 30 percent of the people subscribing to a daily newspaper receive the Sapulpa Herald. This is out of a total of approximately 66 percent who subscribe to some kind of daily publication. An estimated 85 percent of the rural families living in the designated trade area does banking in Sapulpa.

Groceries, gas, and oil are the retail items most frequently bought outside Sapulpa by families residing within the boundaries of the trade area. Clothing, home appliances, furniture, fertilizer, hardware, and truck and auto parts, as well as lumber and building materials are items bought almost exclusively in Sapulpa by residents within the trade area. Tractor parts, mixed feed and lime, and drugs and doctors constitute purchases and services most frequently obtained outside the designated trade area.

Most marketable items produced in the designated trade territory are sold in Sapulpa with a few exceptions. Around 60 percent of the corn and hay marketed goes to neighboring farms. Eggs are quite often sold to the neighborhood or crossroad grocery store nearest the farm having that item for sale--exceptions being those operators who produce chickens and eggs on a large scale. Such operators in the designated trade area market their produce almost exclusively in Sapulpa. An indicated 95 percent of the milk and cream produced in the trade area is sold in Sapulpa.

The marketing of cotton from all indications depends on a number of factors, the most important of which are the condition of roads and the daily prices being quoted at the time of contemplated sale. Farmers located in the outer edges of the trade area, particularly to the south, frequently sell cotton outside the trade area, if prices quoted at nearby outside gins are more favorable. The gin at Kellyville, which is located inside the designated trade area, takes approximately 20 percent of the cotton that otherwise would be likely to come to Sapulpa.

Peanuts and pecans are given much the same consideration as cotton in terms of eventual point of sale, with price and strictness of grading, playing an even more important part here than in the case of cotton.

Approximately 35 percent of the oats grown in the trade area is sold in Sapulpa, and 90 percent of the fruits and vegetables. About 65 percent of the butcher cattle and hogs marketed is sold outside the designated trade area.

A DETAILED ANALYSIS OF ITEMS PURCHASED IN THE DESIGNATED TRADE AREA

A breakdown of the twelve purchase items, listed on the trade area schedule, gives a more detailed picture of the trade area.

Groceries, Gas, and Oil

An estimated 90 percent of the groceries, gas, and oil purchased by families living in Zone I was purchased exclusively in Sapulpa. Sixty-five percent of the groceries, gas, and oil purchased in Zone II was made exclusively in Sapulpa, and 45 percent in Zone III. It should be noted that Zone I supports only one retail establishment of appreciable distance from Sapulpa proper, while Zone II supports six such retail establishments, and Zone III supports seven scattered community centers and crossroad retail outlets.

With only few exceptions, every retail establishment encountered in the designated trade area had gas and oil for sale, in addition to groceries. Information obtained in the survey indicates that relatively the same proportional percentage of gas and oil is obtained in the outlying districts as groceries. Therefore, for all practical purposes here, groceries, gas, and oil could be designated as one purchase item.

Clothing, Household Appliances, and Furniture

In Zones I and II, approximately 95 percent of the clothing purchased by farm families is bought exclusively in Sapulpa. In Zone III an indicated 90 percent of the clothing purchases is made in Sapulpa. A few families in

the northeastern portion of the trade area (along the inner fringes of the "shared" territory) make both regular and irregular clothing purchases in Tulsa and Sand Springs. The same is true in the extreme southwestern portion of the trade area where families indicated they made clothing purchases both in Sapulpa and Bristow. It must be understood, however, that the designated trade area does not include all families who may make irregular or even regular clothing purchases in Sapulpa. Due to the nature of clothing as an item of sale, and the seasonality of purchases, it is logical to assume that there may be numbers of families living outside the designated trade area who buy clothing in Sapulpa. Furniture and appliances follow almost identically the same pattern with possibly fewer families making such purchases outside the trade area than in the case of clothing.

Hardware, Truck and Auto Parts

Hardware, truck and auto parts are purchased almost exclusively in Sapulpa by families living in Zones I and II. Indications are, however, that families living in Zone III on the southwestern edge of the trade area frequently make such purchases in Bristow, with the same thing occurring in the northern portion of Zone III where these purchases are sometimes made in Sand Springs and Tulsa.

Fertilizer, Lumber, and Building Materials

Approximately 95 percent of the fertilizer bought in the trade area is bought in Sapulpa. The same is true of lumber and building materials. It was evident from the survey, however, that these are the two items most infrequently purchased by rural families.

Mixed Feed, Farm Machinery, and Tractor Parts

Around 90 percent of the mixed feed purchased in Zone I is bought in Sapulpa; in Zone II, 65 percent; and in Zone III, 45 percent. In the south

and southwest portion of the trade area most mixed and ground feeds are bought in Mounds and Bristow, and in the north and northeast portion these items are bought in Sand Springs and Tulsa. Much the same pattern is followed in the purchase of farm machinery and tractor parts.

Drugs and Doctors

Drugs and doctors constitute a purchase and service that seem to follow no particular pattern. These purchases seem to depend more on personalities and personal preference for the most part, rather than convenience of location or distance. Some families in the southwestern portion of the trade area indicated they went as far as Tulsa for such services, while families in the northern part went as far as Okmulgee, when Tulsa, Sapulpa, or Sand Springs would have been much nearer. At least 50 percent of the families living in the designated trade area purchased these services in Sapulpa.

ITEMS SOLD IN THE DESIGNATED TRADE AREA

Corn and Hay

Approximately 60 percent of the corn and hay sold in the area goes to neighboring farms, with a major portion of it being kept on the farm for feeding purposes. Of the remaining 40 percent sold, about 20 percent was sold in Sapulpa and the remaining 20 percent was shared by Mounds, Bristow, Sand Springs, and Tulsa.

Cotton and Oats

In Zones I and II 75 percent of the cotton ginned is sold in Sapulpa. In Zone III around 60 percent of the cotton is sold outside the trade area. This percentage, however, depends almost entirely on road conditions and prices being quoted at nearby gins outside the trade area. Oats follows much the same pattern with Mounds being the main competitor.

Peanuts and Pecans

Peanuts and pecans appear to be very susceptible to outside competitive markets. Growers in the southern, southwestern, and western portions of the trade area market approximately 75 percent of their peanuts and pecans either in Mounds, Bristow, or Yale.

Fruits and Vegetables

In Zones I and II about 90 percent of the fruits and vegetables grown in the trade area is sold in Sapulpa. In Zone III an estimated 50 percent is sold outside the trade area. Again, the place selected for sale depends on a number of factors such as condition of roads and prices being quoted.

Milk, Eggs, and Poultry

Approximately 95 percent of the milk, eggs, and poultry produced in the trade area is sold exclusively in Sapulpa. A number of eggs, however, is purchased from local farm families by the outlying community center and crossroad stores. Information obtained in the survey indicates that a number of large producers located immediately outside the trade area sell their produce exclusively in Sapulpa. The market in Sapulpa for these particular items appears to be very adequate.

C. RESULTS OF THE STUDY MADE IN THE OKMULGEE TRADE AREA

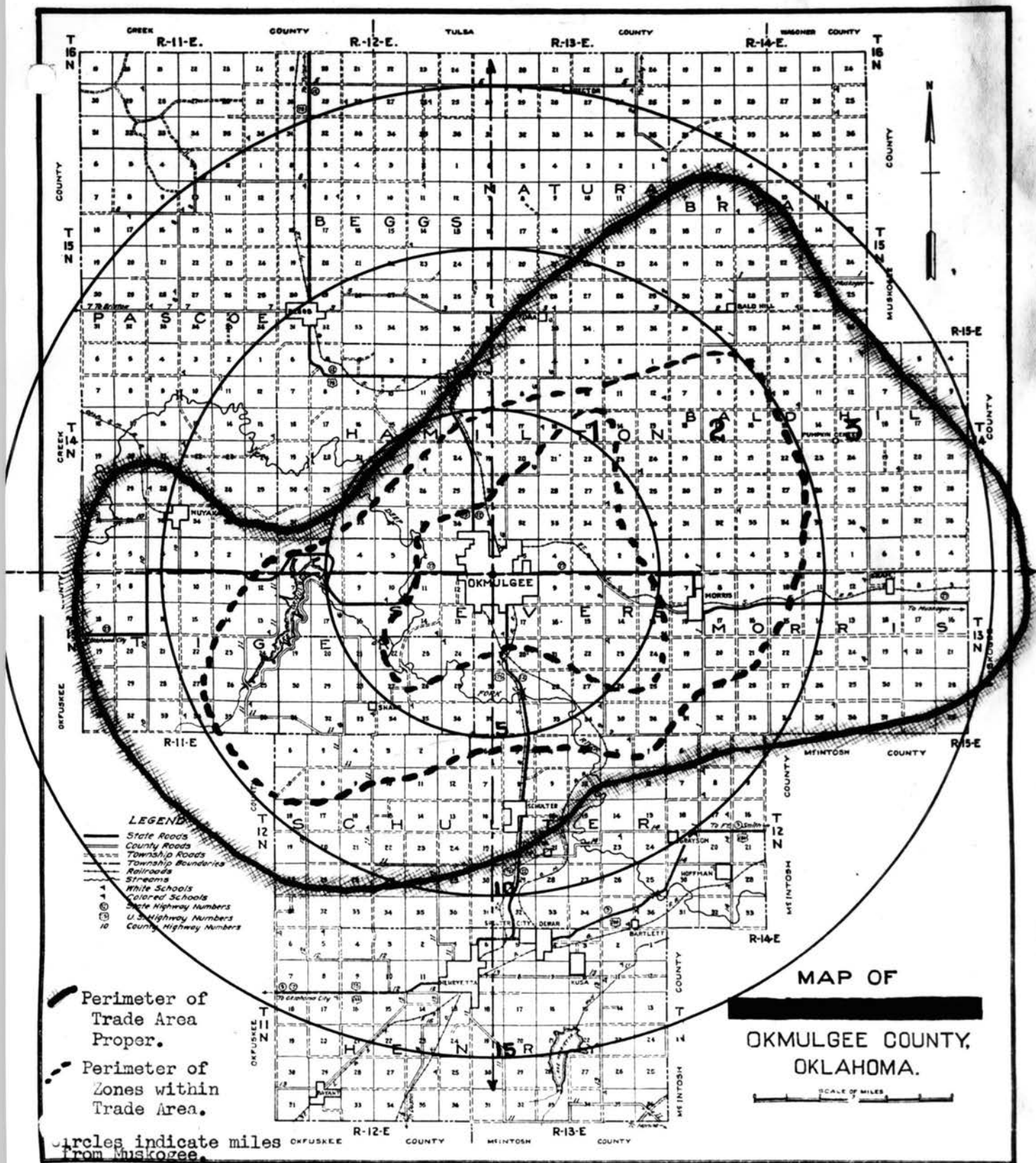
Okmulgee, the county seat of Okmulgee County, is located in the east-central portion of Oklahoma, about 50 miles south of Tulsa. It is agriculturally located on the western edge of Type-of-Farming Area IX. The population of Okmulgee is 15,986.

(3) Summary of Findings: The rural trade area of Okmulgee covers 354 square miles. The most distant area from which trade is drawn to Okmulgee exclusively is located 18 miles east of the city on Highway 62, leading to Boynton, Checotah, and Muskogee. An estimated 62 percent of the trade area lies directly east and northeast of Okmulgee; the remaining 28 percent lies west and southwest of the city (Figure III).

There are approximately 1,773 white families and 590 colored families living in the rural area of the designated trade territory. About ten miles north of Okmulgee, "blind" section lines and rough topography form a somewhat natural barrier or boundary to the trade area in this direction. The barrier extends roughly twenty-three miles diagonally across the north-western corner of Okmulgee County. This corner apparently comprises one of the two most important areas of the county in terms of agricultural produce, and indications are that most, if not all, of this produce is marketed in Beggs.

Within this designated trade area, there are a number of outlying communities in which one or more retail establishments are located. These include the communities of Schalter, Eram, Pumpkin Center, Bald Hill, and Mundell, as well as numerous crossroad establishments. The trade at these retail outlets, many of which carry only a small stock of staple commodities in the grocery line, is made up mostly of neighboring families who buy because of the convenience of location.

Figure 3. Trade Area Served By Okmulgee, 1948



The only corporate town lying within the trade area is Morris, located six miles east of Okmulgee on Highway 62. Information obtained from the survey indicates that the rural trade going into Morris regularly is only a fractional percentage of the total within the designated Okmulgee trade area. And, again, as in the case of the community center and neighborhood retail outlets, the convenience of location is the major factor controlling this trade. This convenience factor is also important to the cotton gin located in Morris; however, there are occasions when the price factor supercedes the convenience factor.

Roads in the designated trade area are for the most part inadequate to extremely inadequate, particularly in the northeastern portion. A large number of farms is located in such a manner as to be almost completely isolated during adverse weather conditions. There is also a large number of "blind" section lines (closed except for trails or wagon roads) in this section, with many more such section lines being found in the southwestern portion.

Information gathered during the survey indicates that 35 percent of the people subscribing to a daily newspaper received the Okmulgee Daily Times. This was out of a total of approximately 50 percent who subscribed to some kind of daily publication. At least 90 percent of the rural families within the trade area does banking in Okmulgee.

Groceries, gas, and oil are the retail items most frequently bought outside Okmulgee by families residing within the boundaries of the trade area. Clothing, home appliances, furniture, fertilizer, and hardware are items bought almost exclusively in Okmulgee by residents within the trade area. Truck, tractor, auto and farm machinery parts, as well as mixed feed and lime are also bought almost exclusively in Okmulgee. Lumber, building materials, and drugs and doctors constitute purchases and services most frequently obtained outside the trade area.

With the exception of a few items, most of the farm produce grown within the boundaries of the designated trade area is marketed in Okmulgee. Milk, cream, eggs, chickens, corn, and hay are items most frequently sold locally in the trade area. Approximately 50 percent of the corn and hay marketed goes to neighboring farms. Eggs are most often sold to the neighborhood or crossroad grocery store nearest the farm having that item for sale, while milk and cream show a larger volume of sales in Okmulgee than locally.

The marketing of cotton from all indications depends on a number of factors, the most important of which are condition of roads and daily prices being quoted at the time of contemplated sale. Farmers located on the outer edges of the indicated trade area frequently sell cotton outside the trade area, if prices quoted at nearby outside gins are more favorable.

Peanuts and pecans are given much the same consideration as cotton in terms of eventual point of sale, with price playing an even more important part here than in the case of cotton.

In the extreme northeastern portion of the trade territory in an area covering 43 square miles, a major portion of the peanut crop is marketed in Haskell, Oklahoma, on a contract basis.

Around 90 percent of the butcher cattle and hogs marketed is sold outside the designated trade area.

D. RESULTS OF THE STUDY MADE IN THE WEWOKA TRADE AREA

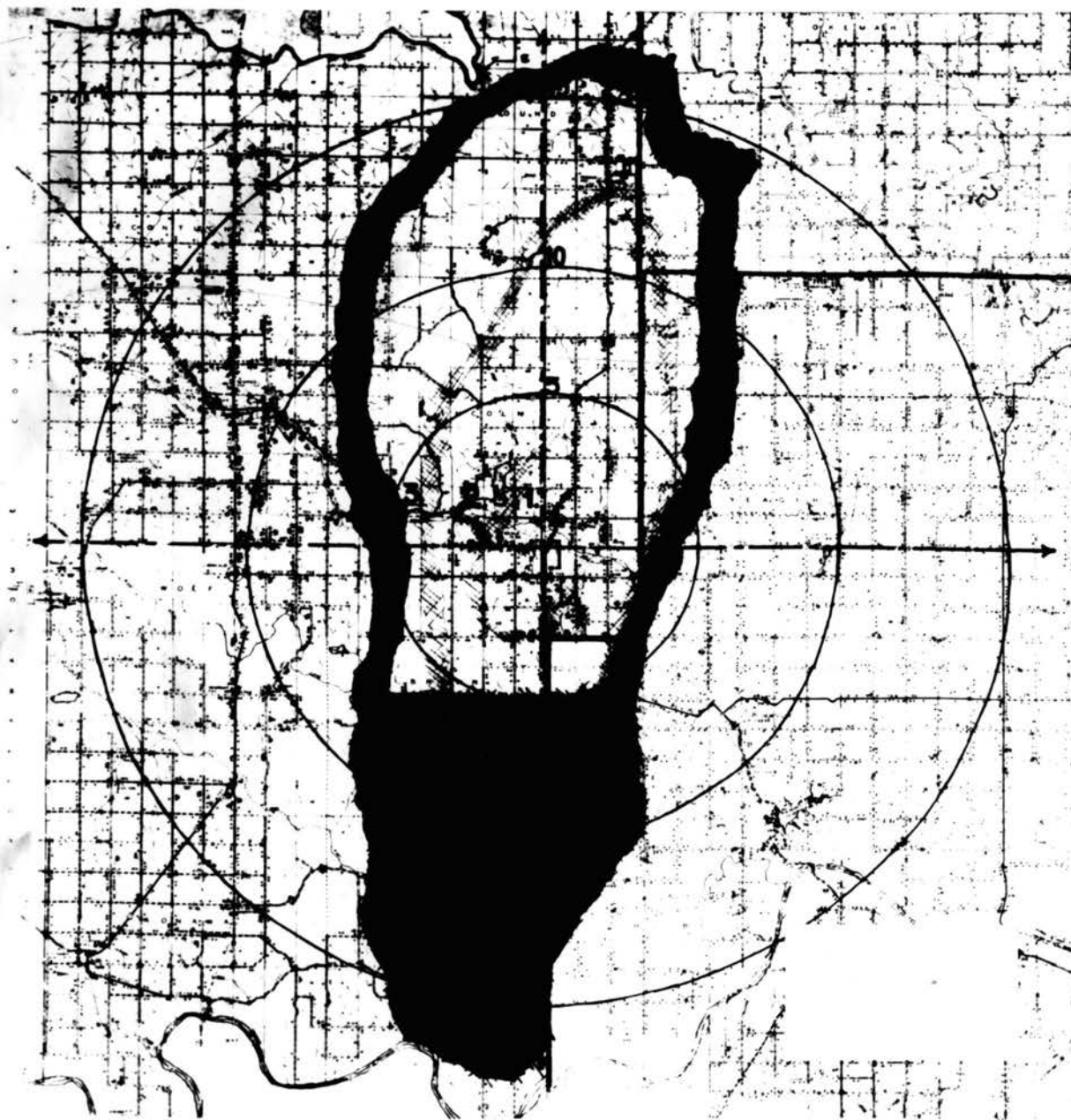
Wewoka, the county seat of Seminole County, is located in the south-central portion of Oklahoma. Agriculturally, it is in the central portion of Type-of-Farming Area VIII. Wewoka supports a population of 6,496 people.

(4) Summary of Findings: The rural trade area of Wewoka consists of 282 square miles with 84 of these square miles in the southern portion being shared equally with Holdenville. The most distant area from which trade is drawn almost exclusively to Wewoka is located 16 miles north on Highway 56, leading to Okemah. An estimated 60 percent of the trade area lies north of Wewoka, and the remaining 40 percent to the south, of this 40 percent about 30 percent is being shared with Holdenville (Figure IV).

There are approximately 1,298 white families and 193 colored families living in the rural areas of the designated trade territory. The trade area boundary line running south from a point about six miles west of Wewoka on Highway 270, to a point about five and one-half miles northwest of Sasakwa is well defined by "blind" section lines and rough topography. There is also an exceptionally large number of "blind" section lines and sparsely settled areas in the northwest quarter of the designated trade territory. This particular area, however, appears to support only a limited number of farm operators.

Within the designated trade area there are a number of outlying communities in which one or more retail establishments are located. These include two corporate towns, Sasakwa in the south, and Cromwell in the north, as well as the communities of Clair, Butner, and Indogco. About one-half of the population of the community of Bearden does a major portion of its trading in Wewoka. There are also a number of crossroad retail establishments scattered throughout the trade area.

Figure 4. Trade Area Served By Wewoka, 1948



○ Miles from Trade Center.

■ Trade Area Boundary.

Sasakwa and Cromwell are the only corporate towns within the designated trade area. Information obtained from the survey indicates the rural trade going into these communities regularly is only a small percentage of the total within the designated trade territory. And again, as in the case of the community center and neighborhood retail outlets, the convenience of location is the major factor controlling the trade.

Roads in the indicated trade area are for the most part inadequate, particularly in the north and northwest, and in some sections of the southwestern portion. A number of farms are located on roads that are completely impassable during rainy weather. There are also an exceptionally large number of "blind" section lines (closed except for trails or wagon roads) in the designated trade area as a whole. There are very few good connecting all-weather roads between outlying communities and the major highways.

The trade territory lying south of the five-mile corner between Wewoka and Holdenville is almost equally shared by these two cities. Information obtained in the course of the survey indicates the controlling factor for trade in this area is tied directly to the type of employment. A major portion of the farm operators appears to favor Holdenville as a trade center, while those employed in the oil industry appear to favor Wewoka.

Approximately 40 percent of the people subscribing to a daily newspaper received the Wewoka-Times-Democrat, and approximately 85 percent of the rural families living in the designated trade area does banking in Wewoka.

Groceries, gas, and oil are the retail items most frequently bought outside Wewoka by families residing within the boundaries of the trade area. Clothing, home appliances, truck and auto parts, and furniture are items bought almost exclusively in Wewoka. Tractor and farm machinery parts, fertilizer, hardware, and mixed feed are purchase items most frequently

obtained outside the designated trade area. Drugs and doctors also constitute purchases and services quite often obtained outside the trade area.

Marketable items produced in the designated trade area seem to follow no particular consistent pattern in regard to eventual point of sale. The most important field crop in the area is peanuts. Of the total produced and sold in the trade area, an indicated 60 percent is marketed in Wewoka. Approximately 65 percent of the corn and hay marketed in the area goes to neighboring farms to be fed to livestock; of the 35 percent sold, approximately one-half goes to Holdenville, and the remainder is shared by Shawnee and other towns. Information obtained in the survey indicates there is only a fractional percentage, if any, of the oats and corn produced in the area marketed in Wewoka. Apparently the same situation exists in the sale of hay. Cotton, which has become of relatively minor importance as a source of income in this particular area, is dependent on a number of factors in the choice of a point of sale. The most important of these factors are road conditions and daily prices being quoted at the time of contemplated sale. Approximately 35 percent of the cotton produced in the trade area is marketed in Wewoka. A small number of butcher cattle and hogs is sold locally to individuals, but at least 95 percent goes to Oklahoma City or Tulsa. Eggs are quite often sold to the neighborhood or crossroad grocery store nearest the farm having that item for sale--exceptions are those operators who produce chickens and eggs on a large scale. There are only a few such producers; however, but indications are that approximately 40 percent of the chickens and eggs produced in the trade area is sold in Wewoka. Twenty-five to 30 percent of the cream and milk produced in the area is sold in Wewoka with Holdenville being the strongest competitor.

A DETAILED ANALYSIS OF ITEMS PURCHASED IN THE
DESIGNATED TRADE AREA

Groceries, Gas, and Oil

Ninety percent of the groceries, gas, and oil purchased in Zone I is purchased exclusively in Wewoka. This zone supports four or five retail establishments immediately outside the city limits. Around 65 percent of the groceries, gas, and oil purchased in Zone II is bought exclusively in Wewoka. This zone supports nine or ten crossroads and community center retail establishments. In Zone III approximately 35 percent of the groceries, gas, and oil is purchased in Wewoka. This zone also supports nine or ten crossroad retail outlets, in addition to the two corporate towns of Cromwell and Sasakwa.

With only a few exceptions, every retail establishment encountered in the trade area has gas and oil for sale, in addition to groceries. Information obtained in the survey indicates that relatively the same proportional percentage of gas and oil is obtained in the outlying districts as groceries; therefore, for all practical purposes here groceries, gas, and oil can be designated as one purchase item.

Clothing, Household Appliances, and Furniture

In Zones I and II, the survey reveals that 95 percent of the clothing purchased by farm families is bought exclusively in Wewoka. In Zone III, approximately 80 percent of the clothing purchases is made in Wewoka. A number of families along the eastern and western fringes of the designated trade area indicate they make both regular and irregular clothing purchases in Seminole and Holdenville. It must be understood, however, that the designated trade area does not include all families who may make irregular or even regular clothing purchases in Wewoka. Due to the nature of clothing as an item of sale and the seasonality of purchases, it is logical to assume that there

may be numbers of families living outside the designated trade area who buy clothing in Wewoka. Furniture and appliances follow almost identically the same pattern with possibly fewer families making such purchases outside the trade area than in the case of clothing.

Hardware and Truck and Auto Parts

Hardware and truck and auto parts purchased by farm families in the designated trade area may be divided into two groups. Most of those in the northern half make those purchases in Wewoka, while those in the southern part buy the bulk of these items in Ada.

Fertilizer, Lumber, and Building Materials

Twenty-five percent of the fertilizer bought in the trade area is purchased in Wewoka. Indications are, however, that this item is not frequently purchased, especially from commercial firms. Lumber and building materials in the past apparently have been purchased wherever available because of the scarcity of these materials. Indications are, however, that at least 50 percent of these items is purchased in Wewoka.

Mixed Feed, Farm Machinery, and Tractor Parts

An indicated 90 percent of the mixed feed purchased in Zone I is purchased in Wewoka; in Zone II, 50 percent; and in Zone III, 25 percent. The strongest competitor for this particular item seems to be Holdenville. Farm machinery and tractor parts constitute items of purchase the bulk of which appears to be purchased outside the designated trade territory. Shawnee and Holdenville apparently draw the largest portion of this trade; however, at least 20 percent of these items are purchased in Wewoka.

Drugs and Doctors

Drugs and doctors constitute a purchase and service that seems to follow no particular pattern. But this is not a peculiarity of this particular trade area. It seems to be a general practice everywhere. These purchases seem to depend more on personalities and personal preference, rather than convenience of location or distance. Some families in the northern part of the trade area indicated that they went as far as Shawnee to the north for such purchases, while some in the south indicated they went to Seminole, Prague, and Okemah. Approximately 40 percent of the families living in the designated trade area purchased these services in Wewoka.

ITEMS SOLD IN THE DESIGNATED TRADE AREA

Corn and Hay

An estimated 65 percent of the corn and hay marketed in the area goes to neighboring farms, with a major portion of it being kept on the farm for feeding purposes. Of the remaining 35 percent about 20 percent goes to Shawnee and Holdenville, and the other 15 percent to other towns.

Cotton and Oats

Thirty-five percent of the cotton produced in the trade area is sold in Wewoka. The bulk of the remaining 65 percent apparently goes to Cromwell and Holdenville. As pointed out before, however, road condition and price play a very important part in the selection of a market. Approximately 75 percent of the oats sold in the area goes to Holdenville and the remainder goes to other towns.

Peanuts and Pecans

Peanuts and pecans in relation to their importance in the trade area as a cash crop, appear to be very susceptible to outside competitive markets.

Approximately 60 percent of the peanuts sold in the designated trade area is sold in Wewoka. The percentage of pecans is about the same.

Fruits and Vegetables

An indicated 80 percent of the fruits and vegetables produced for sale in Zones I and II is marketed in Wewoka. In Zone III, the largest percentage of the fruits and vegetables is marketed outside the trade area, particularly in the southern portion of the designated trade territory.

Milk, Eggs, and Poultry

Approximately 40 percent of the chickens and eggs produced in the trade area is sold in Wewoka, and 25 to 30 percent of the milk and cream.

E. RESULTS OF THE STUDY MADE IN THE ANADARKO TRADE AREA

Anadarko, the county seat of Caddo County, is located in the south-central portion of Oklahoma. The county lies in the northeastern corner of Type-of-Farming Area XII. Anadarko's population is 6,345.

(5) Summary of Findings. The rural trade area of Anadarko consists of 330 square miles, with around 20 square miles in the southern portion being shared with Cement and Apache. The most distant area from which trade is drawn almost exclusively to Anadarko is twelve miles north on Highway 281 leading into Binger and Minco. An estimated 65 percent of the trade area lies north of Anadarko and the remaining 35 percent to the south (Figure V).

There are approximately 1,482 farm families living in the rural areas of the designated trade territory. In the northeastern corner of the designated trade area, "blind" section lines, rough topography, and poor roads form a somewhat natural trade barrier or boundary. There is also a number of "blind" section lines in the northwestern corner of the trade area.

There is no other corporate town lying within the limits of the designated trade territory. There is, however, a number of outlying community centers in which one or more retail establishments are located. These include Gracemont, and Spring Creek in the north, Washita to the west, and Stecker to the south. Most of these community centers support farm markets of their own of one type or another. There is also a number of crossroad retail establishments scattered throughout the trade area. Information obtained in the course of the survey indicates the rural trade going into these community centers, and buying at crossroad stores, constitutes only a small percentage of the total within the designated trade territory. And again, as in the case of the crossroad outlets, the convenience of location is the major factor controlling this trade.

Figure 5. Trade Area Served By Anadarko, 1948



Roads in the indicated trade area are for the most part adequate, but there is room for much improvement in some areas. Particularly in the extreme northern part of the area, where a great many of the "blind" section lines are found, there also appears to be a need for good connecting all-weather roads between some of the outlying communities and the major highways. There is definitely a great deal of dissatisfaction reflected in the opinions of farmers in the area as to the adequacy of roads coming into town.

The trade territory lying to the south just north of Cement and Apache is almost equally shared with Anadarko. Indications are that farmers in the shared area do a large part of their buying and selling in Anadarko, while those employed in other industries, especially petroleum, apparently make minor purchases in Cement, Apache, and Anadarko, but do a major portion of their buying in Chickasha or Lawton. Choice of a shopping center by those employed in operations other than farming seem to depend more on variety of choice in retail purchases rather than convenience of location.

Approximately 45 percent of the people subscribing to a daily newspaper receive the Anadarko Daily News, which is a relatively high percentage for a local paper, based on other areas of similar character, and size. Approximately 90 percent of the rural families living in the designated trade area does banking in Anadarko.

Groceries, gas, and oil are the retail items most frequently bought outside of Anadarko by families residing within the boundaries of the trade area. Clothing, home appliances, truck and auto parts, and furniture are items bought almost exclusively in Anadarko. Tractor and farm machinery parts, fertilizer, hardware, and mixed feed are items most frequently obtained outside the designated trade area. Drugs and doctors, as well as lumber and building materials constitute purchases and services quite often obtained outside the trade area.

Marketable items produced in the designated trade area seem to follow no particular consistent pattern in regard to eventual point of sale. The two important cash crops in the area are peanuts and cotton, with melons running a close third. Of the total volume of peanuts produced and sold in the trade area, approximately 60 percent is sold in Anadarko with Ft. Cobb and Binger being the strongest competitors. Cotton is dependent on a number of factors in the final choice of a point of sale. The most important of these factors being distance from gins, road conditions, and prices being quoted at the time of contemplated sale. An indicated 65 percent of the cotton produced and sold in the area is sold in Anadarko, with a large portion of the remaining percentage being sold in Gracemont, Spring Creek, and Stecker—these towns are located inside the designated trade area. Data on the total volume of melons sold in Anadarko last season are not available. However, in view of the fact that a buying association, similar to those located in other towns over the county, was formed in Anadarko last season, and on the basis of information gathered during the course of the survey it would be logical to estimate the percentage volume in Anadarko at 75 percent.

A small number of butcher cattle and hogs are sold locally, but approximately 90 percent of those sold from this area is marketed in Oklahoma City. Eggs are quite often sold to the neighborhood or crossroad grocery store nearest the farm having that item for sale—exceptions being those operators who produce chickens and eggs on a large scale. There are not many of these producers, however, but indications are that about 80 percent of the chickens and eggs produced in the trade area is sold in Anadarko. Approximately 40 percent of the milk and 85 percent of the cream produced in the area are sold in Anadarko. An indicated 65 percent of the corn and hay produced in the area goes to neighboring farms to be fed to livestock. Of the remaining

35 percent sold, approximately 25 percent is sold in Anadarko and 15 percent in Ft. Cobb and other towns. About 85 percent of the alfalfa sold for processing is sold in Anadarko, but a major portion of the alfalfa hay is sold to outside buyers—some buyers have come in all the way from Texas. Of the grain sorghums sold and not kept on the farm for feeding purposes, an estimated 80 percent comes into Anadarko. Wheat, of which there is a relatively small amount produced in this area, as compared to the county as a whole, is marketed mainly in Anadarko.

A DETAILED ANALYSIS OF ITEMS PURCHASED IN THE
DESIGNATED TRADE AREA

Groceries, Gas, and Oil

Approximately 90 percent of the groceries, gas, and oil purchased in Zone I is purchased exclusively in Anadarko. This zone supports three or four retail establishments immediately outside the city limits. At least 75 percent of the groceries, gas, and oil purchased in Zone II is bought exclusively in Anadarko. This zone also supports three or four crossroad retail establishments as well as the community center of Gracemont. In Zone III, approximately 40 percent of the groceries, gas, and oil is purchased in Anadarko. Zone III also supports three or four retail establishments and the two community centers, Spring Creek and Stecker.

With only a few exceptions every retail establishment encountered in the trade area had gas and oil for sale, in addition to groceries. Information obtained in the course of the survey indicates that relatively the same proportional percentage of gas and oil is obtained in the outlying districts as groceries; therefore, for all practical purposes, groceries and gas and oil can be designated as one purchase item.

Clothing, Household Appliances, and Furniture

In Zones I and II, 95 percent of the clothing purchased by farm families is bought exclusively in Anadarko. In Zone III approximately 85 percent of the clothing purchases is made in Anadarko. A number of families along the eastern and western fringes of the designated trade area indicated they make both regular and irregular clothing purchases in both Chickasha and Carnegie, and along the southern part in Lawton. It is understood, however, that the designated trade area does not include all families who may make irregular or even regular clothing purchases in Anadarko. Due to the nature of clothing as an item of sale, and the seasonality of purchases, it is logical to assume there may be any number of families living outside the designated trade area who buy clothing in Anadarko. Furniture and appliances follow almost identically the same pattern with possibly fewer families making such purchases outside the trade area than in the case of clothing.

Hardware and Truck and Auto Parts

Hardware and truck and auto parts purchased by farm families in the designated trade area are purchased almost exclusively in Anadarko. Some farmers indicated they have occasional trouble getting some parts due to short supplies, and various other reasons. Taken as a whole, however, the service in Anadarko appears adequate to meet their needs. Along the eastern and western edges of the trade area, Carnegie and Chickasha appear to be the most active competitors for these items of sale.

Fertilizer, Lumber, and Building Materials

An indicated 75 percent of the fertilizer bought in the trade area is purchased in Anadarko. Indications are, however, that this item is not frequently purchased, especially from commercial firms. Lumber and building materials have in the past apparently been purchased wherever available

because of the scarcity of these materials, but information obtained in the survey indicates 80 percent of these items is purchased in Anadarko.

Mixed Feed and Farm Machinery and Tractor Parts

Approximately 90 percent of the mixed feed purchased in Zone I is purchased in Anadarko; in Zone II, 60 percent; and in Zone III, 40 percent. The most active competitor for this particular item seems to be Ft. Cobb. Farm machinery and tractor parts constitute items of purchase the bulk of which appears to be purchased in Anadarko by families residing within the boundaries of the trade territory. There also appears to be a number of buyers from outside the trade area making these purchases in Anadarko.

Drugs and Doctors

Drugs and doctors constitute a purchase and service that seems to follow no particular pattern. But this is not a peculiarity of this particular area. It appears to be a general practice everywhere. These purchases seem to depend more on personality and personal preference rather than convenience of location or distance, except in cases of emergency. Some families indicated they go as far as Chickasha to the east and Lawton to the south for these purchases. An estimated 40 percent of the families living in the designated trade area make these purchases in Anadarko.

CHAPTER III

A COMPARISON AND ECONOMIC ANALYSIS OF THE AREAS STUDIED

A. AN ANALYTICAL COMPARISON OF THE AREAS STUDIED

While this study was made primarily for the purpose of setting trade area boundaries for the five towns under observation, an analysis and comparison of the information obtained brings to light some interesting facts regarding rural family buying and selling habits.

(1) A Comparison of the Physical Characteristics: In order to get a comprehensive picture of the uniformity found to exist in certain farm family buying and selling habits—a uniformity that maintained its equilibrium regardless of the differences in physical and economic characteristics—it is necessary, first, to make a comparison of the physical and economic characteristics in the five areas studied.

The Okmulgee trade area is the largest of the five, encompassing a total of 354 square miles and supporting approximately five families per square mile. (Table 1). El Reno ranks next in size with 336 square miles, containing a population of approximately 2.9 families per square mile. This gives some indication of the great difference in the size of farming units being operated in the two areas. The remaining three areas—Anadarko, with 330 square miles, supporting approximately 4.5 persons per square mile; Wewoka, encompassing 282 square miles with approximately 4.6 families per square mile; and the Sapulpa trade area which covers only 170 square miles and is inhabited by approximately 5.6 families per square mile—also indicate the differences found in the size of farm units operated in each area.

Roads and topographical barriers existing in the area make up even greater differences in terms of important factors usually considered in

Table 1. Trade Area Comparison

Name of Town	Number of Families	Average Income Per Family	Size of Trade Area	Families Per Square Mile	Total Trade Area Income
	(Number)	(Dollars)	(Square Miles)	(Number)	(Dollars)
Ocmulgee	1,773	2,300	354	5.0	6,077,900
El Reno	956	8,575	336	2.9	8,197,700
Anadarko	1,482	5,700	330	4.5	8,447,400
Wewoka	1,298	1,230	282	4.6	1,596,540
Sapulpa	960	1,500	170	5.6	1,440,000

SOURCE: Trade area surveys conducted by Agricultural-Industrial Development Service, Oklahoma Agricultural and Mechanical College, Stillwater, Oklahoma.

selecting a trading center. Roads in the El Reno and Anadarko areas are considerably above average, while those found in the Okmulgee, Wewoka, and Sapulpa areas are below average and in some instances completely non-existent where they are badly needed. In the Okmulgee area, the largest of the five, many topographical barriers are found in the form of mountains, small rivers, and creeks without bridge crossings, and generally rough terrain. In the Sapulpa area, the smallest of the five, roads and topographical features are much the same as in the Okmulgee area.

(2) A Comparison of the Economic Characteristics: In economic differences the five areas vary with much the same degree of intensity. The annual gross income from crops, livestock, and livestock products in the Okmulgee trade area is a little over six million dollars, as compared to an annual gross income of eight and one-half million dollars from the Anadarko trade area. Keeping in mind the fact that Okmulgee's trade area exceeds Anadarko's by 24 square miles, this difference in annual gross income is very significant. Likewise, the El Reno trade area exceeds the Wewoka trade area by 54 square miles, but the difference of over six and one-half million dollars in annual gross income between the two areas far exceeds the proportional difference in size. These differences are even more clearly defined when it is noted that there is a difference of 112 square miles in the size of the Wewoka and Sapulpa trade areas, yet the annual gross income from the two areas is approximately the same.

Computing the average income for families in the five areas studied gives the following inequalities. The average income to farm families in Okmulgee's trade area, the largest of the five, is approximately \$2,300 annually. In the El Reno and Anadarko trade areas, both smaller than the Okmulgee trade area, the average annual income per family is approximately \$8,500 and \$5,700, respectively. In the Sapulpa trade area, the average

annual gross income to farm families is approximately \$1,500, while in the Wewoka area, which is 112 square miles larger, the average income is only \$1,200.

A part of this great difference in income is accounted for by a variation in the percentage of rural families in the different areas indicating their status as that of suburban home residents. However, the greater portion of the difference is to be found in the varying types of agriculture being practiced in the areas studied. In the Okmulgee area, a subsistence type of farming competes very successfully with small-scale, commercial farming for use of the land, with a great amount of emphasis being placed on livestock production. The leading crops are corn, cotton, and peanuts. In the El Reno area, commercial farms take up 90 percent of the land used, with wheat, cotton, and livestock the chief sources of income. The Anadarko area is found to be very diversified. Large-scale, commercial farming is found in compatible existence with both small, intensive vegetable and dairy enterprises and subsistence units. The important cash crops are wheat, cotton, and peanuts. In the Wewoka area a basic subsistence type of farming dominates, in competition with the extraction of petroleum for use of the land. The main cash crops are peanuts and cotton with livestock and livestock products supplementing incomes. The Sapulpa area is also dominated by a basic subsistence type of farming with very few large-scale, commercial farms in evidence. Important cash crops are cotton, peanuts, corn, and small grains.

(3) A Comparison of Buying and Selling Habits: The differences found in the physical characteristics of the five areas and especially the great differences in types of farming and farm incomes might lead one to assume that there would be little comparison in the buying habits of rural families in the trade territories. However, this is not borne out by the information gathered.

It is clearly evident that certain buying habits follow the same pattern even in the face of differences encountered in the type of agriculture being practiced, adequacy or inadequacy of roads, and distance, or differences in income.

Certain characteristic buying and selling habits are found to have the same propensity in all the areas. A clear-cut example of this is to be found in a comparison of the characteristics displayed by farm families in the purchase of drugs and doctors' services. The same identical purchase pattern is found to exist in all the areas studied. The town from which these purchases and services are obtained appears to depend almost entirely on personalities and personal preference rather than any convenience of location, distance, or income.

Another example: Approximately 40 percent of the groceries and gas and oil purchased by farm families in the five trade areas under study is being bought at neighborhood or crossroad grocery stores. This percentage remains fairly constant proportionally in all areas irrespective of the differences in physical characteristics and income.

The purchase pattern of these four basic items maintains a surprising uniformity in all of the widely separated and vastly different trade areas. However, it is even more surprising to note that in all instances where one or more of the regulatory factors commonly encountered in the selection of a trade town by rural families was brought into play, these factors hold much the same degree of importance in each area. For example, in considering the sale of farm produce, the most important single factor in the selection of a market appeared to be price. Public relations with buyers and roads appeared to be next in that order. This set of factors held relatively the same order in all of the five areas. Farmers in the areas where roads are

poor, appear to give little regard in most cases to road conditions as long as prices being quoted in the more inaccessible markets are more favorable than those being quoted in the more convenient markets. In those areas where roads are not a problem, the same pattern appears to hold in regard to public relations of buyers.

(4) The Effect of the Physical and Economic Differences on Trade Patterns. It must be kept in mind, five areas with marked differences in physical and economic make-up are being compared, and although identical buying patterns have been found to exist in these and other areas where similar surveys have been made, it is inevitable that the differences in physical and economic characteristics would have a direct effect on buying and selling habits for certain commodities. In the Anadarko and El Reno areas where income, the standard of living, and economic mobility were highest, the buying pattern for electrical appliances, feed, seed, and farm implements varied considerably from the pattern found to exist in the low income areas. The average distance traveled for different commodities also varied by areas.

Physical barriers, such as unbridged rivers and streams determined to a large extent the direction of the flow of farm trade in some areas. In the Okmulgee and Sapulpa areas these natural barriers made up more than one-third of the circumference trade area boundary line.

Physical and economic differences appeared to have more effect on the selling pattern than on the purchasing habits. In the high income areas, the average distance traveled to markets was much greater than in the low income areas. Also, the sale of feed to neighboring farms rather than a central market appeared to be more prevalent in the low income areas, while these areas show a higher relative percentage of feed for sale.

The reverse situation appears in the sale of cream. In the high income areas cream production is concentrated among fewer producers with greater individual volume, and with most sales being made to a dominating market. In the low income areas there is a much larger number of small volume producers and sales appear to be made at scattered points to small buyers throughout the area.

There is evidence that sales of all crops produced by farmers in the areas near the vicinity of the "breaking point" are affected more by economic mobility than any of the other regulating factors. In the low income areas where farm truck transportation is not so prevalent, sales were made more often at the nearest market. While in the high income areas where farm truck transportation is more common, other regulating factors came in for consideration in the selection of a market. High value cash crops that require seasonal marketing did not appear to follow any set marketing pattern in any of the areas surveyed.

B. AN ECONOMIC ANALYSIS OF THE AREAS STUDIED

(1) Some Factors Affecting the Over-all Flow of Trade In Rural Areas:

The information gathered is not sufficiently detailed in all cases to form any clear-cut opinions on what degree of correlation there may be between where farm people buy and where they sell. There appears to be a certain amount of this correlation in all areas studied, but it would be impossible to form any accurate conclusions on the exact degree of over-all correlation without taking more samples within the confines of the trade area itself. However, certain trends and conclusions can be obtained from the information at hand.

It is readily apparent that habit is a very dominating factor in the selection of a point of purchase for certain commodities. In view of this fact, and taking into consideration the importance placed on price in determining the eventual point of sale for cash crops, it would not appear out of order to assume sales are quite frequently made at different points over a period of time while the points of purchases remain more constant.

A few items of sale such as eggs and cream appear to be sold more frequently at markets located in the trade center where a major portion of the purchases is made. On a commodity basis of both purchases and sales, there seems to be a much higher degree of correlation between some items of purchase and sale than between others, and for certain commodities there appears to be no correlation whatsoever. Taking all things into consideration, while recognizing the limitations of the information at hand, there does not appear to be the degree of general correlation between where farm people buy and where they sell that one would be inclined to expect.

The level of agricultural income, however, appears to have a definite effect on the correlation between where farm people buy and where they sell. An analysis of the information gathered reveals a "behavior pattern" that

appears to fluctuate consistently in direct response to changes in the income level. As the income to rural farm families increases, the result is a corresponding increase in the economic mobility of the family. This situation brings about a divergence in the correlation between points of purchase and sale. As the agricultural income decreases the correlation between points of purchase and sale become convergent in effect.

In the El Rene and Anadarko areas where individual farm incomes are highest, there is ample evidence that farmers seek markets at widely scattered points, while remaining rather consistent in their choice of a point of purchase. In the Sapulpa, Wewoka, and Okmulgee areas, the evidence pointed toward more sales of farm produce being made in the same town where purchases are made. The information is not sufficient to establish the income level at which the correlation shifts from a convergent to a divergent purchase and sales pattern.

In considering what factor or set of factors assumes the greatest importance in the selection of a trade center by farm families, there appears to be no one set of factors that will hold the same order of importance when both purchases and sales are considered at the same time. There is one order for the set of factors affecting the sale of farm produce, and another order for those affecting purchases.

Distance, which is recognized as a primary factor for both purchases and sales, does not maintain the degree of importance it has in years past. There seems to be a tendency on the part of the farmer to discount distance more and more as roads and means of transportation improve. In choosing a market for farm produce, prices, roads, and public relations of the buyer, are the factors considered most important. In deciding on the trade center where purchases will be made (keeping in mind at all times the factor of distance) habits,

public relations with store managers and salesmen, prices, and road conditions appear to be the most important factors in that order of consideration. There seems to be a definite movement by farm families away from the old habit of doing all or a major portion of both their buying and selling in one particular trade center.

The type of agriculture being practiced in a community appears to have a very definite effect on the type of services and markets being made available in the trade center. Markets in the El Reno area, where commercial farming is predominant, are highly competitive in terms of prices paid as well as services. The existing marketing structure appears to be adequate enough to handle the farm produce in the area on a competitive basis sufficient to work to the advantage of the farm operators. In the Wewoka and Sapulpa areas where a subsistence type of farming prevails, markets are very inadequate; there is very little competition and practically no extra services.

C. AN EVALUATION OF THE IMPORTANCE OF RURAL TRADE AREA INFORMATION

(1) The Importance of Trade Area Information to Buyers in Markets.

Buyers in local farm produce markets play a very important part in the determination, from the farmers' point of view, of "how good," or "how bad," a particular town or city is, as a place in which to do business. This particular fact has either been overlooked, considered relatively insignificant, or ignored entirely, in former studies of trade area delineation. It is understood that the importance of such buyers varies directly with the amount and kind of agricultural production being carried out in the area. The contributions of these institutions, however, in forming the economic characteristics of any community is important enough in all cases, to warrant special consideration, and consequently should not be overlooked.

The geographic boundaries for retail trade in a given community seldom ever corresponds exactly with the boundaries found encompassing the agricultural produce supply area, or the primary marketing area (that area from which farm produce is being drawn regularly for marketing into the trade center under observation).

The same determining forces are in effect here as in the case of retail trade (such as price, competition, public relations, services, etc.,) but because of the limited number of markets serving the same geographic area as contrasted with a much larger number of retail establishments, the effect of these forces on markets is magnified many times. In other words, there are ordinarily enough retail establishments in a given trade area to offer adequate competition in the way of prices, services, etc., within the trade center itself, whereas in the case of markets the number is not, in most instances, large enough to sustain adequate competition of this type. Consequently, the most active and effective competition in local markets is

found more often between retail trade areas, rather than within retail trade areas.

This situation is found to exist particularly in the marketing of seasonal cash crops such as wheat, cotton, oats, corn, etc., in the smaller trade areas where the local markets tend to be more monopolistic in nature.

Information gathered in the course of a trade area survey will enable the buyers in local markets to determine the extent of their influence in the area. Also, a clearer picture of the competitive position of markets within, and immediately outside the area as well as a better understanding of their relationship to each other may be ascertained.

Many buyers in the smaller trade areas tend to take a rather passive attitude toward their businesses because of the lack of visible competition such as that found between retail stores in the community. As a result, they quite often fail to recognize what even a small amount of public relations activity and advertising could do for their trade. Assembled trade area information on what farmer opinion is on local markets, with recommendations and suggestions for improvement will make marketing men aware of this situation, and at the same time will give them a substantial working base upon which an active promotion program may be built that will net them the largest increase in returns with the most efficient outlay of expense. They will know what services should be added to increase the attractiveness of their markets; what type of advertising and public relations will be best suited to the peculiarities of the region; and whether there is a need for expanding their market facilities.

The information obtained may in some cases throw light on the need for new markets. Producers located well within the limits of influence of a given trade center may be forced to travel long distances to other markets to sell a particular type of produce that could easily be handled by one of

the nearby markets as a minor commodity. These facts, if they are utilized in any manner or degree, will have a definite influence on the economic characteristics of any trade center. This is even more important when viewed in light of the fact that a major portion of the small trade areas, particularly in Oklahoma and other southwestern states, depends heavily on rural farm trade and good will for continued economic well-being.

(2) The Importance of Trade Area Information to the Farmer: The importance of trade area information to the farmer is largely indirect in nature. It depends almost entirely upon what use is made of the information by retailers and marketing men in the trade centers surveyed as to how it will affect farm producers in the area.

The first result from a utilization of trade area information is a stimulation of competitive retail activity. This competition may take the form of price adjustments, added services, a stimulation of interest in farmers and their problems, additional parking facilities, and many other conveniences that will be of both direct and indirect benefit to prospective rural customers.

Most important from the standpoint of the farmer, however, will be the possible stimulation of competitive activity among the markets in the trade center. In addition to offering better prices and services for farm produce, there will be the awareness on the part of the farmer of an additional incentive in the form of better markets, better relations with buyers, as well as more and better opportunities to improve certain types of production. Any kind of improvement either in retail trade or produce markets will be of benefit to the farmer in one way or another.

(3) The Importance of Trade Area Information to Civic Organizations

Interested in Town and Community Development: Information on the general trade territory of a city or town will result in most cases in drawing the attention of civic groups such as the chamber of commerce, retail merchants association, and others to any weaknesses that may appear in the over-all pattern. As a direct consequence, concerted action on the part of these organizations to correct undesirable conditions may be expected.

It is recognized by all such organizations that to improve their area they must have the type of information that is brought out in a trade area survey. Such as: (1) The geographic boundaries, (2) An indication of which areas lie outside the present trade territory that could be pulled in by promotion or development work, (3) An unbiased picture of road conditions, (4) An indication of the competitive position of those markets within the area, (5) A better idea of the type of agriculture that could be further developed or emphasized, and (6) Farmer opinion of local markets and retail outlets. This over-all picture of the existing trade area also would give an agricultural community the foundation for any further studies on projects it would care to undertake. Such projects as those pertaining to the promotion of new markets, expansion of present markets, and development of new types of agriculture, or more emphasis on certain existing types of agriculture.

(4) The Effect of Trade Area Information on the Local Marketing

Structure: Application of the information obtained in trade area surveys (of the type currently being conducted by the Agricultural-Industrial Development Service) to the inevitable problems found in the local markets of small trade centers, will aid immeasurably in effecting a more efficient marketing structure at the farmer level.

There is a surprising number of farm-produce buyers in the smaller trade centers who know very little about the farm production either current or potentially in their own community. They display a passive attitude toward their business that when put into words would read something like this: "I buy enough to make a living with the set up I have got. Why should I worry about expanding and trying to compete with those boys in the big markets when there is not enough stuff grown around here to make it worth my time and money?" As strange as it may seem, it has been the experience of the writer on any number of occasions to find that these buyers have only a vague notion of how much of a particular commodity is being produced and sold outside the area; an area which they should conceivably dominate, if for no other reason than because of distance and convenience.

In some trade centers that have been surveyed there has been found to exist a definite need for a particular type of market outlet. Because of the non-existence of a market for that particular commodity, its production was being curtailed and discouraged, and in some cases it was a type of production that should have been encouraged both from the standpoint of income and management.

In most of these markets there appears to be very little price and service competition. This situation has a tendency to foster and sustain monopolistic practices that are frequently named by farmers as being the reasons for hauling produce long distances to other markets. Some of the market buyers are aware of this but more often they are completely unaware that this situation exists.

There has not been a sufficient lapse of time as yet to conclusively substantiate any positive statements on the results of the trade area information that has been made available to a number of small trade centers

over the State. However, there are indications that this information is being utilized to the mutual advantage of both market buyers and farmers in several of these trade centers. Regardless of what the results may be it is still an important fact that if the type of information collected in the course of trade area surveys is made available to any trade center the first and most necessary step has been taken toward the goal of a better, more efficient local marketing structure. The importance of which is self-evident.

CHAPTER IV

SUMMARY AND CONCLUSIONS

In a summarization of the results of this study it would be well to point out once more the scarcity of current information concerning rural trading area characteristics and the existing need for more specific research in this particular field of study. The general standard of living for farm families in terms of modern conveniences is rapidly reaching a level corresponding to that of the urban dweller. Modern transportation and communication have brought the farmer into competitive spheres of influence from trade centers that would have been considered far too distant only a short time ago. These developments have created an awareness of the growing need for special consideration to the buying and selling habits of rural families.

Although standards of living of urban and rural families have almost reached an equal basis, there continue to exist certain fundamental economic differences that indicate particular attention should be given to farm people. Furthermore, the extent to which most Oklahoma towns and cities are dependent upon the direction of the flow of trade of farm families for their growth and development makes reliable trade area information a potentially important part of the foundation for any program of economic expansion. The information could be of mutual benefit to the towns, civic organizations, the merchants, the buyers in the markets, and the farmers in the area under consideration.

In making the analytical comparisons between the five rural trading areas represented in this study, certain trends and patterns of correlation were found to exist. The level of agricultural income appears to have a definite effect on the correlation between points of sale and purchase. As

income and economic mobility increase sales are made at more widely scattered points, while the points of purchase remain more constant. As income decreases purchases and sales are made more frequently in the same trading center.

The influencing factors that are responsible for the selection of one trading center over another by farm families appears to hold no particular sequential order when both purchases and sales are considered at the same time. However, in the farmer's selection of a trade center for purchases, the factors given first consideration are habits, public relations with store managers and salesmen, prices, and road conditions, in that order. The most frequent order of influencing factors in selecting a market for farm produce appears to be prices, roads, and public relations with buyers.

The dominating type of agricultural production that is supported by a community appears to have a definite influence on the quality of markets and type of services being made available. In areas where high value cash crops are grown, a greater number of markets and a much higher degree of competitive activity is evident. Distance to trading centers, which is a primary factor for both purchases and sales does not hold the position of importance it has in previous years, and there appears to be a definite movement away from the custom of doing all buying and selling in one town. There is a trend away from the influence of long established trading habits that has been brought about by the development of roads and transportation facilities. In the present stage of breaking away from these habits, however, purchase habits appear to retain more permanence than selling habits.

APPENDIX I

TRADE AREA SCHEDULE

STRATHMORE PARCHMENT
100% RAG U.S.A.

Schedule Number _____
 W () C ()

Location: Direction _____
 Route _____ Miles _____

Agricultural-Industrial Development Service
 Oklahoma A. and M. College

Trade Area Schedule

1. Suburban Home _____ Commercial Farm _____
2. In what town do you trade regularly? _____
3. How far do you have to go before reaching an all-weather road? _____
4. For what newspapers do you subscribe? _____
5. In what town do you do your banking? _____
6. Where do you regularly make the following purchases:

<u>Item</u>	<u>Town</u>
(1) Groceries	_____
(2) Clothing	_____
(3) Furniture and Appliances	_____
(4) Gas and Oil	_____
(5) Building Materials	_____
(6) Hardware	_____
(7) Drugs and Doctor	_____
(8) Tractor and Parts	_____
(9) Farm Machinery Parts	_____
(10) Truck and Auto Parts	_____
(11) Lime and Fertilizer	_____
(12) Mixed Feed	_____

7. Where do you regularly sell the following products:

<u>Item</u>	<u>Town</u>
(1) Milk	_____
(2) Cream	_____
(3) Eggs	_____
(4) Chickens	_____
(5) Butcher Cattle and Hogs	_____
(6) Corn	_____
(7) Cotton	_____
(8) Oats	_____
(9) Peanuts	_____
(10) Wheat	_____
(11) Hay	_____
(12) Other	_____

8. Impressions and Remarks: _____

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