Likewise, Trade Pull Factor equals to 1.00 also indicates that the region attracts as many nonresident consumers as it loses resident consumers to other regions by replacing dollars that leak from the region with captured dollars.

Similarly, county or city with Per Capita Sales less than the Per Capita Sales of the state will result in a Trade Pull Factor less than 1.00. This indicates that the region loses its resident consumers to other regions through retail consumptions.

Who benefits from this?

Trade Pull Factor can be used by business entrepreneurs, bankers, economic developers, and local government officials to assess relative strengths and weaknesses of the retail sector within a geographic region.

Why do bankers benefit?

Commercial lending bankers can utilize it as an additional tool to gauge the viability of a business in the retail sector.

Why do economic developers benefit?

Economic developers can use it as a measurement tool to enhance their decision making process to estimate the relative strength of a region's performance. A trade pull factor higher than 1.00 in a region of less than ideal population may reveal possible development potential from a prospective developer's point of view.

Why do business entrepreneurs/ managers benefit?

Business owners or managers can use it as a tool to locate the ideal business opportunity in the existing retail market. It helps business owners and managers to identify the relative strength of the retail market in a region as well as its trade capture area.