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Grocery Stores and Eating Places: Mountain States

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Sales of grocery store and eating places in the Mountain States increased after adjusting for inflation between 1972 and 1977. These States include Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming. In addition, eating place sales grew at a faster rate than grocery store sales between 1972 and 1977.

Grocery stores accounted for 20.2 percent of total retail sales in the Mountain States and had more sales than any other retail business in 1977.

Real sales in Mountain area grocery stores grew at a compound annual rate of 3.5 percent between 1972 and 1977. The increase ranged from 1.7 percent in Montana to 6.2 percent in Wyoming. Wyoming had the largest percent increase in personal income and the second largest in population—factors favoring real growth in grocery sales.

Montana had the smallest percent increase in population and personal income between 1972 and 1977.

Real sales per store in the Mountain States averaged 22.6 percent higher between 1972 and 1977. Stores in Wyoming had the largest increase in average sales—64 percent. Per store sales in Nevada decreased slightly. Much of the 0.4-percent decrease in average store sales in Nevada may be attributed to a 19-percent increase in the number of new grocery stores opened between 1972 and 1977. Wyoming had the largest gain in sales per store and the largest percent decrease in number of stores.

Eating place sales in the Mountain States increased at a compound annual rate of 7.3 percent between 1972 and 1977, after adjusting for inflation. The increase was fairly consistent among all of the area's States, not varying by more than 1.5 percent from the average.

Although eating places had marked increases in total sales between 1972 and 1977, the increase in total sales was not large enough to compensate for the 17.3 percent gain in number of eating places.

The result was a real, but smaller, increase in per outlet sales. This trend is consistent with that found for eating places in the New England and Pacific States. ■

Advertising Expenditures for Restaurants and Other Eating Places, 1978

	Million dollars	Percent of total
Magazines	4.4	1.2
Newspaper supplement2	*
Network television	116.9	31.8
Spot television	238.0	64.9
Network radio3	*
Outdoor	7.2	2.0
Total	366.9	100.0

Source: Leading National Advertisers

Percent Change in Sales and Number of Grocery Stores and Eating Places: Mountain Area, 1972-77

Area/State	Constant dollar sales, grocery stores Average per establishment			Constant dollar sales, eating places Average per establishment				
	Compound annual rate	Number of grocery stores	1972-77	Compound annual rate	Compound annual rate	Number of eating places	1972-77	Compound annual rate
Mountain	3.5	-3.0	22.6	4.2	7.3	17.3	20.9	3.9
Arizona	4.1	0.5	21.8	4.0	7.4	25.0	14.1	2.7
Colorado	3.0	0.1	15.7	3.0	7.2	23.0	14.8	2.8
Idaho	4.6	-4.1	30.6	5.5	8.1	5.3	40.3	7.0
Montana	1.7	-10.2	21.3	3.9	5.7	7.3	23.2	4.3
Nevada	3.5	19.2	-0.4	-0.1	8.5	14.6	31.2	5.6
New Mexico	3.4	-5.6	25.5	4.6	7.9	9.5	33.5	6.0
Utah	3.3	-9.2	29.5	5.3	5.9	22.2	9.2	1.2
Wyoming	6.2	-17.7	63.9	10.4	7.6	7.9	33.6	6.0

Source: U.S. Bureau of the Census. Census of business for the respective years