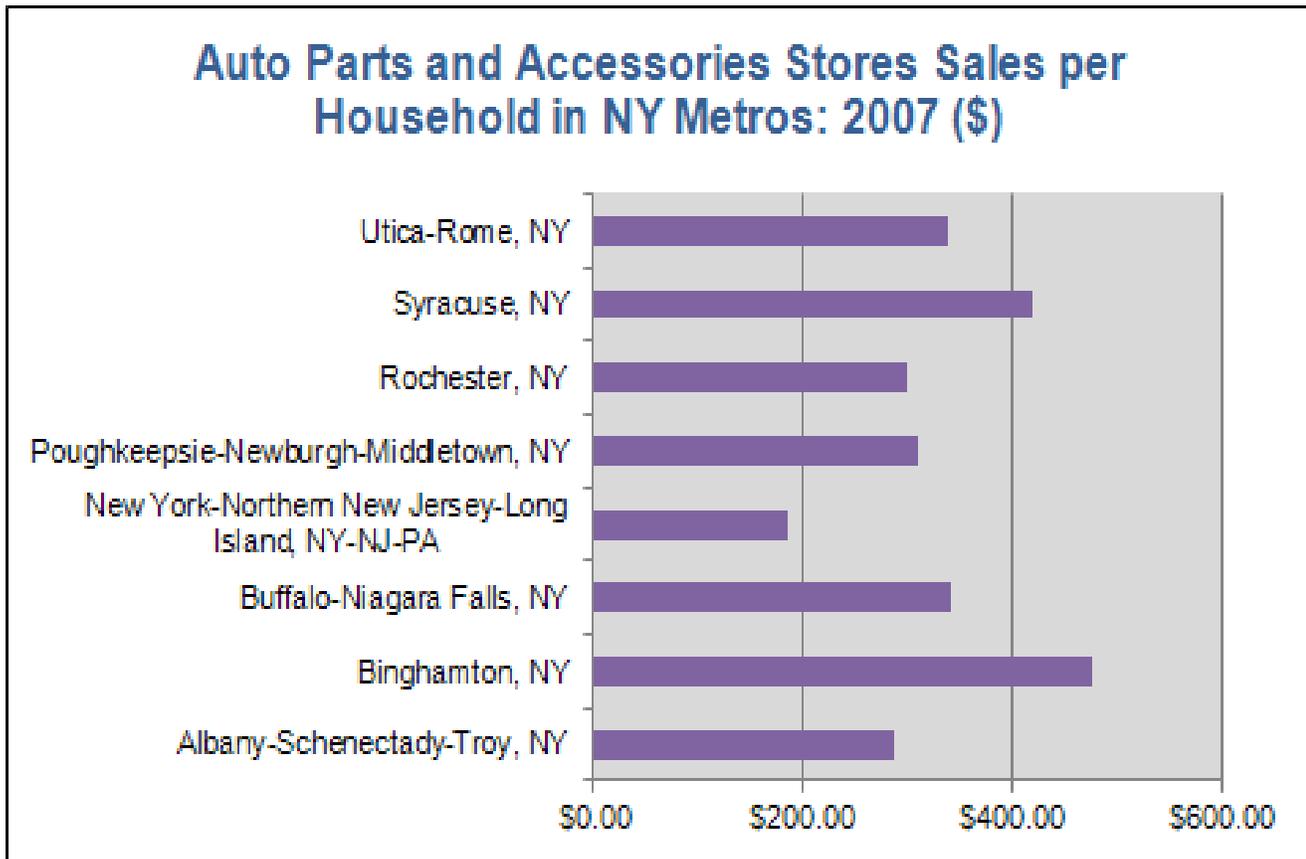


Identifying New Markets



The owner of a chain of auto accessory stores is considering expanding his business and opening new locations.

To identify possible areas in which to expand, he uses statistics from the Economic Census and current population estimates to compute the ratio of auto parts sales to the number of households for several neighboring metropolitan areas.

Finding the sales per household in his own area lower than other metro areas, he infers that nearby markets may have more sales potential. That contributes to his decision to expand into a nearby metro area with higher sales per household instead of adding another store locally.