N.C. Cooperative Extension
Pender County Center
pender.ces.ncsu.edu

801 S. Walker Street
Burgaw, NC 28425
P: 910-259-1235

North Carolina County Trade Pull Factor Report – 2024

County Trade Pull Factors (CTPF) serve as a crucial metric for assessing the retail strength of a county's economy. The CTPF is calculated by dividing a county's per capita sales tax revenue by the state's per capita sales tax revenue.

- A **CTPF greater than 1.0** indicates that the county is successfully attracting revenue from other areas, benefiting from retail activities that draw in consumers.
- A **CTPF of 1.0** signifies a balanced scenario, where the county is neither gaining nor losing retail revenue.
- A **CTPF less than 1.0** indicates that the county is losing revenue to neighboring areas, often due to residents shopping elsewhere.

Monitoring CTPF is crucial for assessing the effectiveness of retail business development programs and their broader impact on local economies. These figures can provide valuable insights into the financial health of rural counties and how well their retail sectors are performing in comparison to local needs. By analyzing CTPFs and understanding their connection to consumer behavior, counties can make more informed decisions that foster long-term economic growth. This report will look at three counties, Dare, Hyde and Pender, and the impact CTPF has on their economies.

Dare County's CTPF of 3.27, highest in North Carolina, is a testament to the outsized economic role that tourism plays in its economy, particularly through the appeal of the Outer Banks. Despite its small population, the influx of tourists drives property values and tax revenue, which enables the county to fund essential services and infrastructure. However, this reliance on tourism also presents challenges, especially in maintaining economic stability during off-seasons or when external factors affect the tourism industry. Monitoring CTPFs in such regions helps track economic performance and tailor development strategies to sustain growth and resilience, ensuring that Dare County, and other like it across North Carolina, remains a desirable destination for years to come.

Another example is Hyde County's impressive CTPF of 1.07 despite having one of the smallest populations in North Carolina (4,607 residents), underscoring the powerful role that tourism—particularly from Ocracoke Island—plays in its local economy. The county's ranking as 19th in terms of CTPF in the state is a clear indicator that tourism revenue significantly impacts sales tax collections and property taxes in a way that far exceeds what would typically be expected from such a small population.

Pender County’s is one of 63 counties in North Carolina with a CTPF between 1.0 and 0.5. Pender’s CTPF of 0.78, ranks 54th in North Carolina, offers a clear illustration of how geographic proximity to larger urban centers—like Wilmington in New Hanover County and Jacksonville in Onslow County—can heavily influence a county’s economic landscape. While Pender County benefits from the tourism draw of its beaches and other natural resources, and a robust agricultural industry, these advantages are offset by the economic pull of nearby, larger cities. This creates a unique dynamic in which local retail and tourism revenues struggle to compete with the economic activity taking place in neighboring counties.

The eleven counties in North Carolina with CTPFs under 0.50, averaging at 0.41, reflect a distinctive set of challenges and characteristics that deeply influence their economic sustainability and growth potential. These counties, which are primarily rural with a low average population of 25,427, face several interconnected issues that shape their financial structure and the quality of life for their residents. Let's break down these elements:

1. Rural Nature and Small Population

- The counties in question are sparsely populated, with limited population density due to their rural status. This small population size often limits the tax base that can support essential public services and infrastructure.
- With few incorporated towns, these counties lack urban centers that could attract a larger residential and business population, resulting in a more fragmented community structure.

2. Agricultural and Forestry Dependency

- Agriculture and forestry are the backbone of these counties' economies. With an average revenue of $195.5 million in 2023 from these industries, these sectors provide essential income for both individuals and the local government.
- However, heavy reliance on agriculture and forestry also means that economic fluctuations in these industries, such as droughts, supply chain issues, or market changes, can have significant impacts on the local economy and tax revenues.

3. Weak Retail and Tourism Sectors

- The retail sector in these counties is small, and the lack of significant tourism resources (both natural and built) further limits opportunities for economic diversification. This reliance on agriculture and forestry for tax revenue and employment means these counties have fewer avenues to expand their local economy or attract new businesses.
- Without the draw of tourism or retail, local revenue streams remain largely stagnant, and there are fewer economic opportunities for residents outside of agriculture.

4. Inadequate Infrastructure

- Limited infrastructure (e.g., schools, water and sewer systems, high-speed internet) is a major barrier to economic growth in these rural counties. The lack of these basic services makes it difficult to attract businesses, new residents, and visitors.

- Without the necessary infrastructure, residents may be forced to travel long distances for services like education, healthcare, and retail, further discouraging settlement or business development.

5. Heavy Dependence on Property Taxes

- Given the lack of diversified revenue streams, property taxes are the primary source of funding for local governments. This increases the burden on property owners, particularly those in rural areas with lower property values, making it harder to raise the necessary funds for community development and infrastructure improvement.
- The relatively low average CTPF (0.41) indicates a weak retail business sector that is generating less in per capita sales tax revenue than counties with higher CTPFs. In addition, the property tax rate in these counties is not yielding enough revenue compared to the needs of the community. Local governments may struggle to fund essential services, such as schools and public safety, while also trying to invest in infrastructure that could foster long-term growth.

6. Challenges to Growth and Attraction

- The combination of a small population, limited infrastructure, and dependence on agriculture and forestry limits the counties' ability to attract new residents, businesses, and visitors. With fewer amenities and job opportunities, these counties face a cycle of economic stagnation that makes it harder to grow their communities or improve quality of life.

7. Impact on Local Services

- Due to financial limitations, local governments may need to cut services or rely on state or federal aid to cover their operational costs. This can result in fewer public amenities, such as libraries, parks, and recreational facilities, further deterring people from moving to or investing in the area.
- The lack of adequate public services and infrastructure also affects the quality of education, healthcare, and other public goods, leading to a lower standard of living and potentially pushing residents to leave in search of better opportunities.

Potential Solutions:

- **Economic Diversification**: Attracting new industries beyond agriculture and forestry, such as technology or renewable energy, could reduce reliance on these traditional sectors.
- **Infrastructure Investment**: Expanding access to high-speed internet, improving schools, and enhancing water and sewer systems would make these counties more attractive to businesses and new residents.
- **Tourism Development**: Developing tourism attractions that take advantage of natural resources (e.g., parks, lakes, forests) could provide a new revenue stream.
- **Regional Collaboration**: Working with neighboring counties to pool resources for infrastructure projects could help spread costs and improve services for residents.

In conclusion, while these counties have significant challenges due to their rural nature and limited resources, targeted investments in infrastructure, economic diversification, and services could help them break the cycle of dependency on property taxes and lay the foundation for sustainable growth.

A breakdown of the CTPFs for all 100 counties, between 2020 and 2024, is found in Table 1. Their CTPF rank for 2024 is also listed, with 100 being the highest-ranking county and 1 the lowest.

For questions about this report, call Mark Seitz, Pender County Cooperative Extension Director at the NC Cooperative Extension Center – Pender County, at 910-259-1235.

Table 1: County Trade Pull Factors – 2024						Pg 1.
County	2020	2021	2022	2023	2024	2024 RANK
ALAMANCE	1.05	1.09	1.03	0.99	1.04	80
ALEXANDER	0.44	0.48	0.46	0.47	0.52	14
ALLEGHANY	0.58	0.63	0.61	0.66	0.71	40
ANSON	0.46	0.47	0.45	0.50	0.54	17
ASHE	0.80	0.84	0.78	0.82	0.89	63
AVERY	1.31	1.51	1.51	1.48	1.65	98
BEAUFORT	0.79	0.81	0.81	0.84	0.89	64
BERTIE	0.34	0.38	0.38	0.41	0.44	6
BLADEN	0.48	0.52	0.48	0.53	0.57	18
BRUNSWICK	0.95	1.01	1.03	1.06	1.17	86
BUNCOMBE	1.47	1.42	1.47	1.38	1.48	93
BURKE	0.61	0.66	0.64	0.64	0.69	36
CABARRUS	1.15	1.17	1.15	1.12	1.19	88
CALDWELL	0.57	0.60	0.58	0.59	0.63	24
CAMDEN	0.41	0.45	0.44	0.47	0.49	10
CARTERET	1.34	1.40	1.39	1.36	1.45	92
CASWELL	0.24	0.27	0.27	0.28	0.30	1
CATAWBA	1.09	1.09	1.08	1.05	1.10	84
CHATHAM	0.68	0.74	0.77	0.78	0.88	61
CHEROKEE	0.85	0.93	0.92	0.87	0.94	68
CHOWAN	0.71	0.75	0.76	0.72	0.77	48
CLAY	0.60	0.68	0.67	0.64	0.69	37
CLEVELAND	0.71	0.74	0.73	0.73	0.78	52
COLUMBUS	0.55	0.58	0.54	0.59	0.62	22
CRAVEN	0.87	0.88	0.85	0.84	0.89	62
CUMBERLAND	0.90	0.94	0.90	0.90	0.93	67
CURRITUCK	1.40	1.57	1.52	1.42	1.52	95
DARE	2.93	3.31	3.25	3.11	3.27	100
DAVIDSON	0.64	0.66	0.64	0.64	0.70	39
DAVIE	0.65	0.68	0.64	0.65	0.71	41
DUPLIN	0.54	0.55	0.53	0.61	0.65	28
DURHAM	1.68	1.59	1.61	1.57	1.67	99
EDGECOMBE	0.89	0.74	0.62	0.59	0.62	21
FORSYTH	1.04	1.09	1.08	1.05	1.10	83
FRANKLIN	0.49	0.54	0.54	0.54	0.61	19
GASTON	0.82	0.84	0.85	0.83	0.90	65

Table 1: County Trade Pull Factors – 2024						Pg 2.
County	2020	2021	2022	2023	2024	2024 RANK
GATES	0.27	0.30	0.28	0.29	0.32	3
GRAHAM	0.69	0.76	0.76	0.73	0.80	57
GRANVILLE	0.47	0.48	0.46	0.46	0.49	11
GREENE	0.29	0.30	0.29	0.29	0.32	2
GUILFORD	1.01	0.98	0.98	0.98	1.02	78
HALIFAX	0.75	0.77	0.74	0.74	0.78	56
HARNETT	0.54	0.58	0.56	0.57	0.62	23
HAYWOOD	0.92	0.97	0.95	0.96	1.02	76
HENDERSON	0.82	0.85	0.87	0.88	0.96	70
HERTFORD	0.72	0.69	0.64	0.74	0.77	51
HOKE	0.31	0.35	0.33	0.35	0.38	4
HYDE	0.90	1.04	1.06	1.01	1.07	81
IREDELL	1.03	1.06	1.03	1.00	1.07	82
JACKSON	1.00	1.08	1.09	1.06	1.17	87
JOHNSTON	0.68	0.68	0.69	0.63	0.67	32
JONES	0.40	0.44	0.42	0.38	0.42	5
LEE	0.97	1.03	0.99	0.93	0.98	73
LENOIR	0.77	0.76	0.72	0.70	0.73	43
LINCOLN	0.81	0.85	0.82	0.78	0.88	60
MACON	1.10	1.19	1.21	1.23	1.34	90
MADISON	0.44	0.53	0.54	0.55	0.63	25
MARTIN	0.67	0.71	0.64	0.65	0.67	31
MCDOWELL	0.65	0.66	0.62	0.63	0.68	33
MECKLENBURG	1.48	1.39	1.44	1.45	1.54	96
MITCHELL	0.70	0.71	0.69	0.70	0.73	44
MONTGOMERY	0.58	0.59	0.58	0.58	0.63	26
MOORE	1.02	1.06	1.07	1.06	1.13	85
NASH	0.82	0.84	0.86	0.88	0.92	66
NEW HANOVER	1.49	1.47	1.49	1.49	1.59	97
NORTHAMPTON	0.41	0.46	0.40	0.48	0.53	16
ONSLOW	0.86	0.90	0.87	0.80	0.83	58
ORANGE	0.92	0.88	0.89	0.92	1.00	74
PAMLICO	0.56	0.60	0.58	0.61	0.65	27
PASQUOTANK	0.99	1.02	0.96	0.93	0.98	72
PENDER	0.64	0.70	0.71	0.69	0.78	54
PERQUIMMONS	0.40	0.44	0.42	0.41	0.44	8
PERSON	0.63	0.66	0.65	0.64	0.68	34
PITT	0.99	0.98	0.94	0.98	1.02	77
POLK	0.54	0.62	0.63	0.65	0.74	46

Table 1: County Trade Pull Factors – 2024						Pg 3.
County	2020	2021	2022	2023	2024	2024 RANK
RANDOLPH	0.63	0.65	0.64	0.69	0.74	45
RICHMOND	0.65	0.69	0.63	0.66	0.70	38
ROBESON	0.62	0.66	0.60	0.65	0.69	35
ROCKINGHAM	0.60	0.63	0.66	0.68	0.72	42
ROWAN	0.73	0.73	0.73	0.73	0.78	53
RUTHERFORD	0.70	0.73	0.71	0.71	0.76	47
SAMPSON	0.57	0.58	0.56	0.62	0.65	29
SCOTLAND	0.64	0.70	0.65	0.63	0.65	30
STANLY	0.81	0.84	0.84	1.29	1.51	94
STOKES	0.44	0.45	0.44	0.45	0.50	12
SURREY	0.96	0.98	0.97	0.95	1.00	75
SWAIN	0.80	0.92	0.91	0.92	1.02	79
TRANSYLVANIA	0.81	0.88	0.86	0.89	0.98	71
TYRELL	0.42	0.48	0.48	0.48	0.53	15
UNION	0.67	0.71	0.72	0.71	0.78	55
VANCE	0.73	0.91	0.81	0.74	0.77	50
WAKE	1.25	1.20	1.22	1.23	1.33	89
WARREN	0.34	0.41	0.40	0.40	0.44	7
WASHINGTON	0.54	0.56	0.51	0.50	0.51	13
WATAUGA	1.20	1.25	1.26	1.29	1.38	91
WAYNE	0.77	0.76	0.72	0.73	0.77	49
WILKES	0.78	0.75	0.82	0.78	0.84	59
WILSON	0.98	0.90	0.88	0.91	0.95	69
YADKIN	0.46	0.47	0.45	0.45	0.48	9
YANCY	0.57	0.63	0.61	0.58	0.62	20

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