

Case study

National food company

OBJECTIVE: A national food company wanted to help defining and developing:

- **Trade Area Analysis** of its convenience and drug stores
- **Profile Likely Customers** to provide insights on inventory and expansion

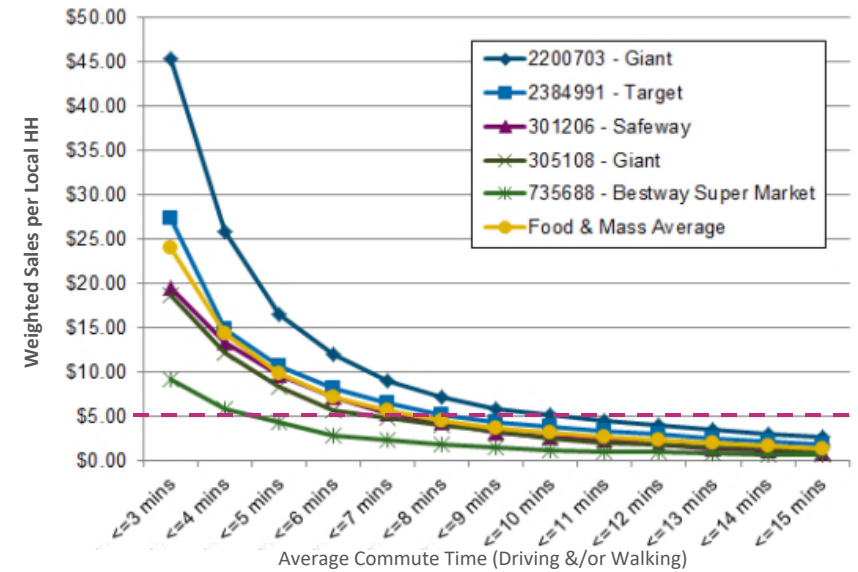
SOLUTION: Our Custom Analytics team spearheaded a project to randomly select convenience and drug store clients in the Kansas City area for detailed analysis:

- **Assign trade areas** based on commute times for each store type
- **Weight trade areas** based on store competition in order to account for cannibalization of sales

RESULT: The company utilized this analysis to **optimize inventory** decisions and product mix; as well

- Identify under-penetrated **areas for expansion**

Radius Definition for Trade Areas



Profile of Trade Area Customers by Store					
Store #	Name & Type	HHs in Trade Area	Brand Sales \$	Brand Sales/HH	Avg Wallet Share
1	Hess - Convnc.	5,567	\$3,562	\$0.81	0.1%
2	CVS - Drug	4,337	\$65,348	\$45.81	6.4%
3	CVS - Drug	1,678	\$9,129	\$8.67	1.4%
4	7-Eleven - Convnc.	10,852	\$91,185	\$85.11	12.5%
5	Giant - Food	16,463	\$344,532	\$51.25	6.2%
6	Target - Mass	17,567	\$223,199	\$26.53	3.2%
7	CVS - Drug	3,074	\$25,109	\$8.23	0.6%
8	7-Eleven - Convnc.	10,955	\$42,437	\$41.34	6.2%
9	Safeway - Food	9,187	\$66,478	\$21.69	1.3%
10	Giant - Food	8,002	\$82,972	\$25.21	3.0%
11	Bestway - Food	17,769	\$29,202	\$9.29	1.1%
12	7-Eleven - Convnc.	4,829	\$30,251	\$25.57	1.8%