Analysis Areas

Using Variable Trade Area Model (VTAM)

OVERVIEW

This document will take you through the process of creating analysis areas using the Variable Trade Area Model (VTAM) to estimate the primary trade area radius – which accounts for 75% to 85% of a retail location's sales.

VTAM provides a rapid and realistically accurate measurement of trade area consumer buying potential in the absence of actual buyer data.

Key VTAM inputs include:

- Distances to population groups and their size
- Population densities
- Type of retailer
- Type of retail location

LOCATE ANALYSIS AREA BUILDER

1. From the homepage, click on Analysis Area.

2. Select the desired Analysis Area Type: Address(es) or Import Location File.

identify
deliver
optimize

ENTER ANALYSIS AREA DETAILS

1. If you selected Import Location File, complete the following file import steps:

   NOTE: Skip to Step 2 if you selected Address(es) as the Analysis Area Type.

   a. Click Choose a file to browse out and select your address file.

   b. When the preview of the file appears, select the appropriate column header for each column in the file.

   You can also select all columns for import by changing Import all columns to ON.

   Note: If you have columns beyond Address, City, State, and ZIP Code that you'd like to import, select Data or Usage/Consumption for those column headings.

2. In the Select an Analysis Area Type drop-down list, select the type of VTAM analysis area that you want to create. The options are:
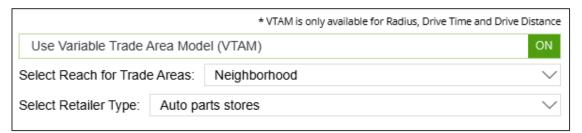
ANALYSIS AREA TYPE	
AREA TYPE	**DESCRIPTION**
Radius	Based on a specified distance, in miles, around a particular location.
Drive Time	Based on the number of minutes (drive time) you can drive from a specific location. Note that the drive time area does not account for traffic.
Drive Distance	Based on the number of miles (drive distance) you can drive from a specific location.

3. Depending on the Analysis Area Type selected, do not enter the corresponding values for the miles, drive time or drive distance.

4. Leave the Use geographies within the selected area prompt OFF.

5. Turn the Use Variable Trade Area Model prompt ON.

> * VTAM is only available for Radius, Drive Time and Drive Distance
>
> Use Variable Trade Area Model (VTAM) **ON**
>
> Select Reach for Trade Areas: Neighborhood ⌄
>
> Select Retailer Type: Auto parts stores ⌄

    a. In the Select Reach for Trade Areas drop-down list, select your desired retailer reach:

REACH OPTIONS	
REACH	**DESCRIPTION**
Neighborhood	Retailers that generally serve a single ZIP Code or Census Tract.
Community	Retailers that generally serve multiple ZIP Codes or Census Tracts.
Regional	Retailers that typically serve an entire City or County.

    b. Select the appropriate retailer type from the drop-down list:

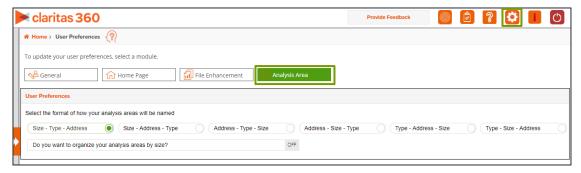| RETAILER TYPE OPTIONS	
REACH	**RETAILER TYPE**
Neighborhood	Auto part stores Banks, saving & loan and credit unions Convenience Stores Dollar stores and similar small product line stores Fast food restaurants Full service restaurants Gas stations Oil change service shops Other convenience retailers Other neighborhood retailers & ancillary tenants Payment centers and pawn shops Supermarkets and Superdrug
Community	Big Box Specialty Discount department stores and supercenters Hardware and lumber stores Home improvement centers Large format variety stores Membership warehouse clubs Movie Theaters (1-7 screens)

RETAILER TYPE OPTIONS	
REACH	**RETAILER TYPE**
	Movie Theaters (8+ screens) Office supply stores Other big-box large product line stores Other big-box large product line stores Small format mass merchandiser stores
Regional	Auto dealerships in auto malls or nearby other dealerships Full line department stores Medical center Single auto dealer locations Unique Regional Retailer

6. In the Name text box, the naming convention for your analysis area(s) will be displayed. Click Submit Job.
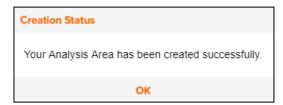

Note: The naming convention for your analysis areas can be changed in your User Preferences.

VIEW OUTPUT

1. You will be notified that the area has been created. Click OK.

2. From the Use My Analysis Area screen you can select to do any of the following:

- View the job
- Create a Consumer Concentration or Location Detail report
- View your analysis areas on the interactive map
- Export your analysis areas
- Create another analysis area