

Retail Market Optimization

Proven location strategies to
enhance profitability





Optimize retail networks for maximum return

Location intelligence provides real estate executives with the answers they need to make critical business decisions, helping them to confidently forecast sales and choose the best sites and markets for expansion. Armed with market optimization and site selection solutions from Pitney Bowes Business Insight, real estate executives can avoid costly brick-and-mortar mistakes and secure the best locations for expansion to stay ahead of the competition.

The Pitney Bowes Business Insight difference

Our predictive analytics team has developed and refined a superior methodology that is based on real-world experience; first-hand knowledge of markets gained by having analysts' feet on the street, and the local intelligence you can only get at the site. We call it "ground truth" market knowledge. With more than 200 analysts around the world and thousands of market studies completed, we have the coverage and experience to assess major market opportunities worldwide.

Scalable, flexible deployment options

Supported by the industry's leading location intelligence products, including data, software, and services, we deliver a full suite of tools for market understanding, visualization and reporting for businesses of all sizes. Flexible deployment via enterprise, web or desktop guarantees that real estate decision makers have access to market knowledge when and where they need it. And because we provide the broadest offering of geographic analysis, mapping and data products, we can tailor a market planning solution that is scalable, affordable and appropriate for the lifecycle and stage of any retail brand.

Location intelligence provides answers

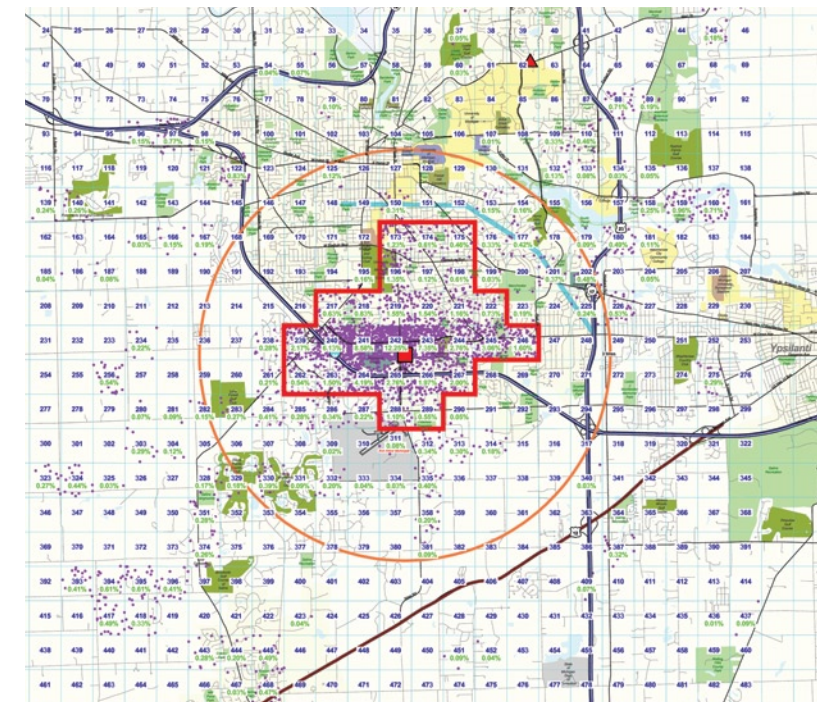
By leveraging our advanced market optimization modeling, operations, real estate and marketing executives can get specific answers to critical strategic questions:

- How many stores can this market support?
- How would a store perform in that location?
- Which stores are underperforming and why?
- Where are my most profitable customers?

Armed with this information, you can plan for significant capital expenditures, proactively secure the best sites before the competition and implement an optimal long-term location strategy for your brand.

Solutions for businesses of all sizes

Whether you are a new retail chain looking to open those next few critical locations, or a retail giant searching for the most profitable opportunities for in-fill, redeployment or global expansion, we can help – providing the consultation, support and solutions you need to succeed. From high-end custom modeling to fundamental data and reporting tools, you can rely on the quality of our market-leading solutions. We provide the location intelligence you need to alleviate investment risks and plan growth with confidence.



Visualize your trade areas – locations, customers, competitors – with powerful mapping tools from Pitney Bowes Business Insight. Analyze actual distribution of store sales to create real world trade areas, not just arbitrary rings.

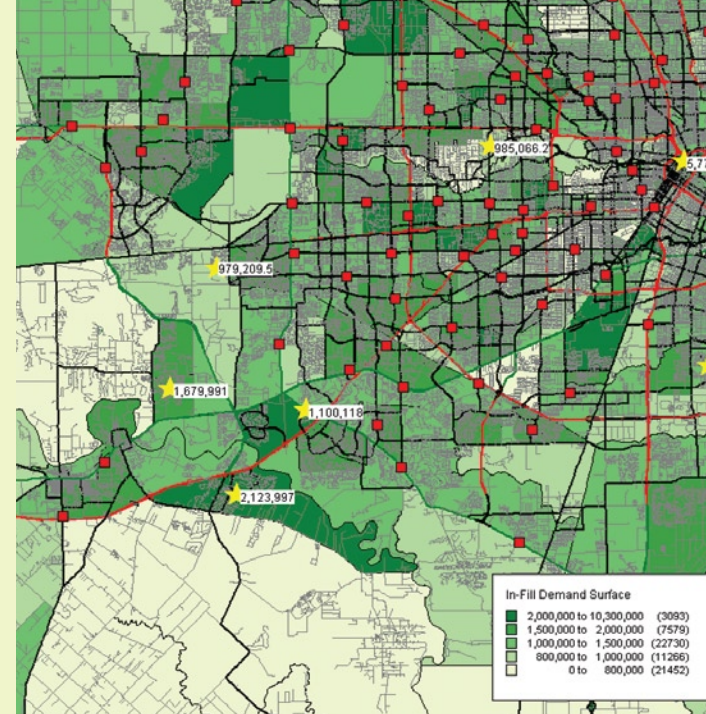
“Location intelligence enables us to take the guesswork out of our site selection practices. With 908 current locations, OfficeMax devised a consistent expansion plan for the next several years. OfficeMax opened 60 new locations in 2007, compared to 30 stores in 2005, in large part to our work with Pitney Bowes Business Insight. We are able to leverage the ‘where’ in our data, which results in more precise and confident real estate decisions.”

Chad Krause, Manager of Real Estate Strategy & Research, **OfficeMax**

Powerful decision tools for market optimization

- Precision modeling for your most important decisions
- Scalable solutions for start-ups, regional or national chains
- Five decades of market planning and site selection expertise
- The experience of 'feet-on-the-street' local market knowledge
- Proven retail location strategies from the industry leader

Pitney Bowes Business Insight solutions identify underserved areas and high-potential sites to optimize your network. Existing units are shown as red squares, green shading indicates in-fill demand surface – the darker the green, the higher the market demand. Yellow stars denote the optimal locations for in-fill with labels indicating location sales forecast.



Market Planning Solutions

Answers:

Predictive Analytics and Custom Modeling

Predictive analytics provide specific answers to core strategic questions when accuracy and precision matter most. Tailored to the retailer's unique competitive profile, our predictive analytic expertise and custom models leverage our 'feet-on-the-street' market knowledge, advanced analytic technologies, in-depth customer surveys and industry leading data to identify the most statistically significant variables affecting sales performance at any given location. These models provide better forecasts, better answers and smarter site decisions to help management quickly filter out the sites that do not meet their requirements. The bottom line is that real estate experts can identify and develop more of the highest caliber sites each year – boosting productivity and enhancing the chain's competitive advantage. Models can be delivered as a "turn-key" software solution that you can use in-house, or our predictive analytics group can develop your model and apply it on your behalf, providing you with results.

Total Optimization System

We offer the most thorough optimization model in the industry today. By combining industry-leading research, data and expertise, we provide the precision you need to make mission-critical real estate decisions.

Our customized model provides a complete understanding of your customers and the factors influencing the chain's success at any given location. An in-depth analysis of your sales performance quantifies the impact of variables such as customer lifestyle and demographic characteristics, competitors, site characteristics, distance decay, market density and geography. Building on the foundation of this research, our proven methodology yields superior results – a powerful tool for performing "what if" analyses and evaluating site and market potential. You get the answers you need to plan optimal deployments for your network, with detailed and reliable sales forecasts, at the press of a button.

Understanding:

Smart Site Solutions®

Smart Site Solutions features pre-defined customer profiles to create a customized modeling solution for your brand. The application analyzes factors such as trade area size and market density, as well as minimum distance required between units, and provides a prioritized market "blueprint" that quantifies the maximum store build out (number, placement and priority) for any given region.

Visualization:

AnySite® (For Desktop)

Using AnySite desktop software, analysts can easily import proprietary or third-party data to quickly perform sophisticated trade area analytics and generate presentation quality reports and maps. AnySite is the industry gold standard for site and market evaluation, with numerous features to increase productivity and analytic power:

- Automatic batch processing to build macros that run automatically
- Useful pre-packaged reports (Summary, Location, Detail, Index)
- Flexible market study options define trade areas by ring, drive time, custom polygon or user-defined criteria
- Custom report creation tools with drag-and-drop functionality
- Seamless integration with proprietary data systems (RDBMS)
- Powerful visualization tools, including dot density and thematic mapping

AnySite is the deployment platform for our custom predictive analytics models, Smart Site Solutions, Data Vending and Segmentation solutions.

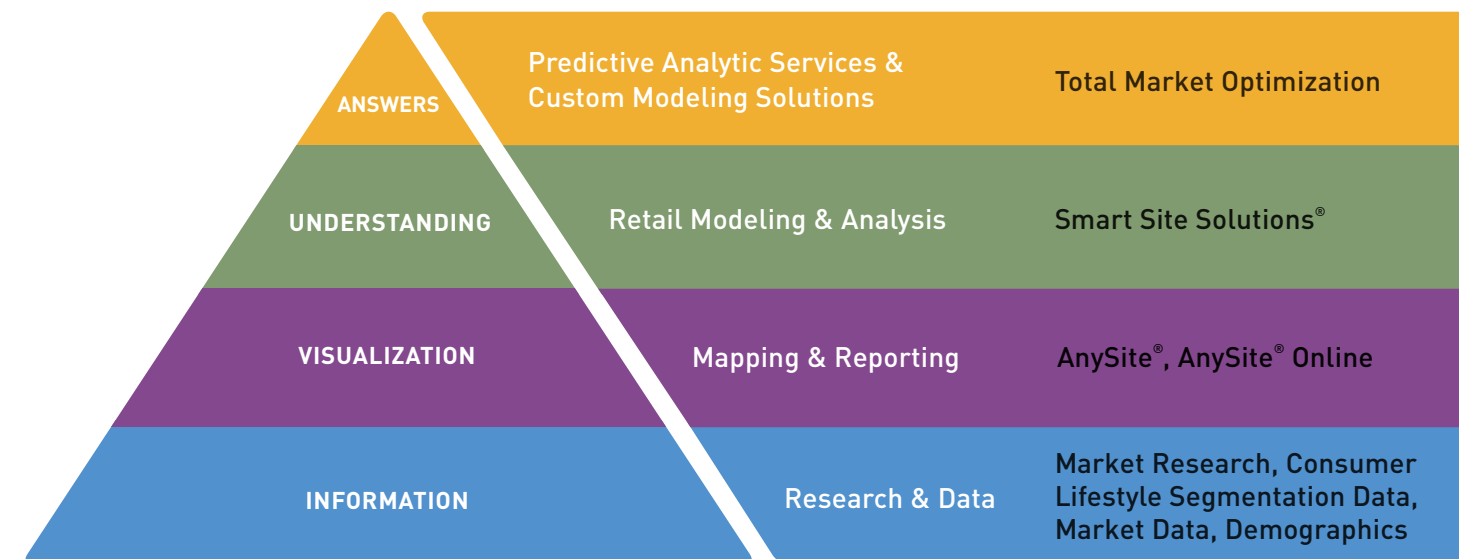
AnySite® Online

An economical, subscription-based tool, AnySite Online is used to quickly generate presentation quality site maps and reports with information such as demographics, traffic counts, drive times, consumer expenditure potential and aerial images.

“ Pitney Bowes Business Insight provides the preeminent solution to our retail growth and is truly integral to our expansion process and strategy. No real estate or drug store acquisition decision is made without being run through and qualified by our optimization model set by Pitney Bowes Business Insight and our partnership continues to grow as we go on to leverage additional software and services for greater expansion on into the future. ”

Dave Bolan, Retail Market Analysis
Rexall

Decision Support For Businesses Of All Sizes



More Offerings

- Standard and Custom Research
- Market Strategies & Sales Forecasts
- Sales Transfer Estimates
- Annual Store Budgeting
- Cluster Indexing/Marketing Lists
- Consumer Research
- Focus Groups & Intercept Surveys
- Merchandise Line Analysis
- Site Characteristic Analysis
- Sales Transfer Models
- Automated Sales Forecasts
- List of Competitor Locations
- Business Summary Data
- Traffic Counts
- Consumer Expenditures
- Maturity Analysis

Information:

Market Research Services

Our Applied Research group provides an array of outsourced consulting services to meet our client's needs. Affordable, custom market research packages include customer mapping, sales transfer studies, field research, strategic deployment evaluation and franchisee site evaluation packages.

Data

We offer rich, reliable data to support real estate analytics and decision-making, including: demographics, PSYTE® Advantage segmentation, consumer and retail sales potential, business points and retail and restaurant chain locations. Highlights of our newest data offerings include: GroundView™, powered by Microbuild - these demographics are based on the household level information and updated quarterly, High-Growth Market Data and International Demographics and Segmentation Data to create a unified customer profile for site location and market analytics across the world.

“Pitney Bowes Business Insight has been an invaluable Home Depot partner over the past 25 years. They have evaluated virtually every store Home Depot has opened, and we view them as if they were an internal location research department. In addition to working closely with our real estate team, they also provide a valuable strategic perspective that has contributed greatly to Home Depot's growth and expansion. We look forward to a continued partnership with Pitney Bowes Business Insight in the years to come.”

Mike LaFerle, Vice President of Real Estate
Home Depot



The gold standard for retail real estate decisions

Real estate decision makers rely on the local market knowledge and expertise of Pitney Bowes Business Insight. Our predictive analytics group has helped big box retailers, small regional chains and retail start-ups make profitable market planning, optimization and site selection decisions. We will help you succeed with the latest analytical technology and data for timely, market-driven decisions.

“As the U.S. Hispanic community continues to grow at a rapid rate, gaining greater insight into our current customers and identifying the location of new potential customers are critical to expanding the La Curacao tradition to new markets. With Pitney Bowes Business Insight location intelligence solutions, we can capitalize on our wealth of customer data, enabling us to take a more strategic approach to our growth plans and uncover the optimal sites for new stores.”

Jeff Forman, Manager of Real Estate
La Curacao

Contact us to learn more about our consulting services and decision support tools.

Call today to find the answers. 1.800.327.8627 or visit www.pbbusinessinsight.com

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