



CASE STUDY: Supermarkets and convenience stores

The most suitable positioning for your product

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Introduction

A chain of convenience stores employed the City Intelligence system to carry out market analysis to determine whether it was feasible to open a new point of sale in a newly developed urban area.

Context

The company manages small convenience stores in the western region of the country and, since new real estate developments were constructed in the outskirts of the city, it took on the task of evaluating the viability of building a new point of sale in this area. In order to do so the company had to take into consideration various characteristics of both the consumers and the competitors, as well as of the real estate.

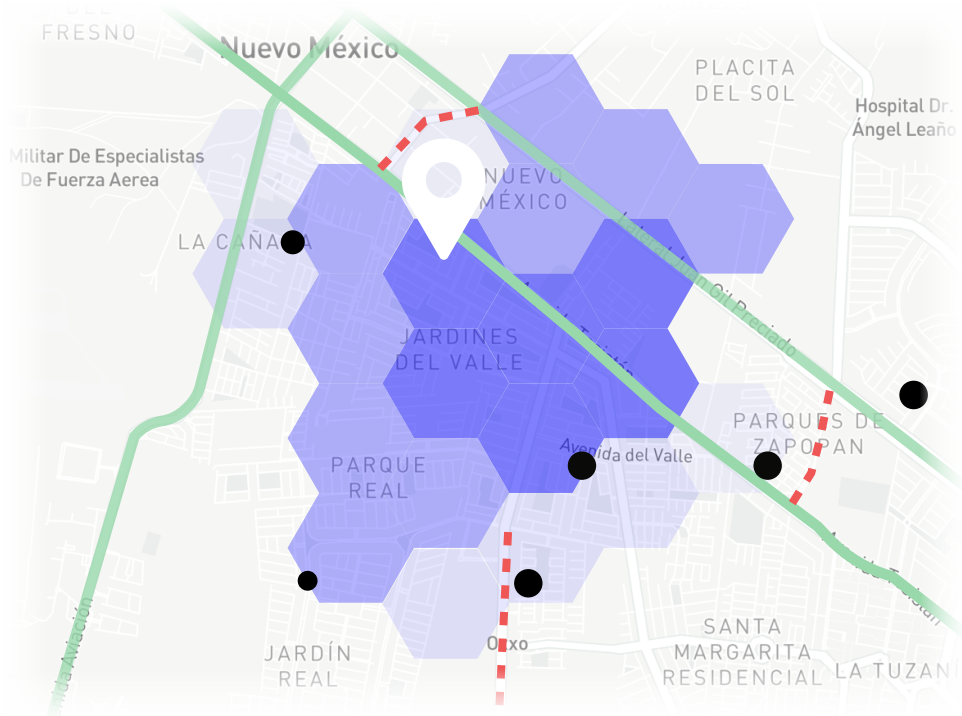


Solution

The City Intelligence's machine learning tools helped contextualize the factors that are most relevant to client success. The spatial data provided by the system allowed the client to carry out an objective analysis of the profile of the consumers residing in the area, as well as to determine the flow of traffic and the most frequent routes. They also analyzed the competition at the urban block level, which ranges from small self-service stores to supermarkets. Additionally, City Intelligence served as a reference for the cost analysis, demonstrating its reliability, by representing the average prices of commercial land in the area. With this and more data, an analysis was generated that allowed us to ascertain the business potential of the planned project.

Findings and results

- In this area, 55% of the inhabitants are of the C+ socioeconomic level, and 29% of C.
- 65% of potential consumers travel an average range of 12 km per day.
- Of the convenience stores and supermarkets, 64% are traditional grocery stores, 17% are small chain stores, 16% are businesses that specialize in a certain type of goods, and 3% are supermarkets.



- 📍 Chosen location
- Tracted road sections
- - - Access roads
- SE C+
- SE C
- Direct competitors

Conclusions and how City Intelligence can help the retail industry

Based on the results found, the client decided to position the new point of sale on one of the main avenues that provide access to this urban area. They understood that despite the fact that there is moderate market saturation, the general range of influence of the traditional grocery stores is very small and these were situated closer to the interior of the housing development.

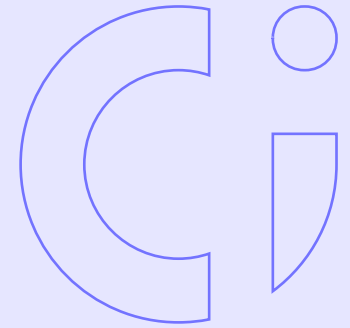
Using the system, the client was able to recognize the competitive potential of the polygon and area where the new point of sale will be located, as well as to confirm that the consumer profile of the residents in the area was adequate. In addition, he was able to analyze their behavior and transport routes to determine which would be the most appropriate location to situate the store, thus complementing their market intelligence, which revealed that their customers commonly made their purchases when returning home after completing their daily activities.

If your enterprise focuses on supermarkets and convenience stores, using City Intelligence you can:

- Determine the most suitable location and site for your points of sale.
- Get to know the competitors in the area to understand the business potential of the site to be analyzed.
- Analyze the consumers who live and move through the area of interest, in order to determine if these segments are the most suitable to your type of business.
- Identify areas with similar behaviors and markets.
- Make use of large databases to know how many consumers are around and determine the accessibility of your establishment according to different methods of travel.
- Know the real estate and rental costs within the urban developments to be investigated.

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