

THE

MANAGEMENT OFFICE

Targeting Systems

Site selection professionals unveil new tools at RECon.

There's a heated battle between firms trying to one-up each other in providing the most comprehensive and useful data to aid developers and retailers find the best sites for new projects and to help assess those locations after they open. The annual Trade Expo at ICSC's RECon (formerly known as the Spring Convention) has become the place where these firms annually showcase the latest advances in technology and in their consulting approaches.

For example, Thomas Buxton, president and CEO of Fort Worth, Texas-based Buxton Co., which provides customer analytics for the retail industry, emphasizes that retailers too often rely merely on demographic data when assessing opportunities rather than digging deeper and poring through psychographic data in trade areas, which provides more precise information on spending patterns and other habits within the community. Buxton estimates that 10 percent to 15 percent of all closings result from retailers relying on more broad demographic data.

"Retailers don't care about the demographics, they care about what you spend money on," Buxton says. He adds developers can also use the data to find out what products the residents in a proposed

area would buy to help them identify retail categories for their centers.

Meanwhile, Dean Stoecker, president and CEO of Orange, Calif.-based SRC says retailers and developers need to cope with the fact that soaring gas prices are changing consumption patterns. Consumers are not willing to drive as far when shopping, thus shrinking the effective trade areas for retailers and shopping centers.



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That's just one example of how quickly trends can change within a trade area, making it essential for retailers and developers to constantly reassess how macroeconomic and microeconomic trends may be effecting sales or altering trade areas. That's precisely why SRC has added functionality to its Web application www.demographicsnow.com to more frequently update population estimates and data. The population information will include 600 variables such as income, ethnicity and consumer expenditure so real estate professionals can see timely market information. The cost for the service ranges from \$650 to more than \$500,000 for a national retailer with thousands of stores.

"The analytics increases the speed of the deal," says Stoecker. "The content vendors are acknowledging that their data is lifeless unless it is a part of a technology offering."

On a slightly different front, just in time to take advantage of the downturn in the commercial real estate market, the CoStar Group, a Bethesda, Md.-based provider of commercial real estate information, launched CoStar

Showcase last month, a new product that will help commercial brokers show listings to as many interested parties as possible.

The Showcase, which will feature both "for lease" and "for sale" spaces, complete with broker contact information, will allow visitors to CoStar's Web site to review the listings free of charge and without registration, while simultaneously providing one-click access to the same listings through heavily trafficked Internet search engines, including Google and Yahoo!

The product will be aimed at a wide variety of users, including commercial brokerage firms, real estate investors and retailers looking to get rid of excess space.

Pricing for Showcase service will be determined on a case-by-case basis, though firms marketing large portfolios will be able to take advantage of discount rates. CoStar currently features more than two million commercial properties in its database.

Other providers showcasing their wares at the Trade Expo included Pitney Bowes/MapInfo, SitesUSA, ESRI and GeoVue

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