

DATA SHEET

# Sales-Transfer Studies and Customer Intercept Surveys

DETERMINE YOUR CUSTOMER DISTRIBUTION AND MEASURE THE EFFECT OF NEW-STORE OPENINGS ON THE EXISTING STORE NETWORK.



## Summary

Pitney Bowes Business Insight (PBBI) sales-transfer studies (STSs) measure the effects that opening new stores have on the existing store network. STSs also provide customer-source survey information, giving operators insight into their customers' purchasing behavior.

## Benefits

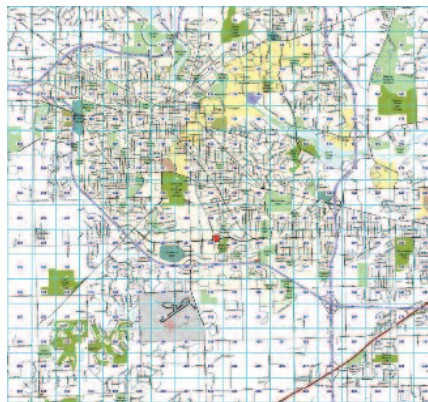
- Protect existing stores/franchisees against substantial sales impacts.
- Avoid diminished ROI by understanding the impacts of new-store openings.
- Learn vital information about customers that can enhance marketing efforts.
- Gain insight into customer trip patterns and sales generators.
- Define trade areas and customer distributions.
- Develop customer profiles.
- Determine optimal store spacing.

## OVERVIEW

### Study Summary

PBBI STSs begin with either a customer-intercept survey or client-provided point-of-sale data. Surveys are customized to capture information relevant to the existing store's sales. Data garnered by a survey are used to generate a customer profile that can be used in future site selection decisions and for marketing purposes.

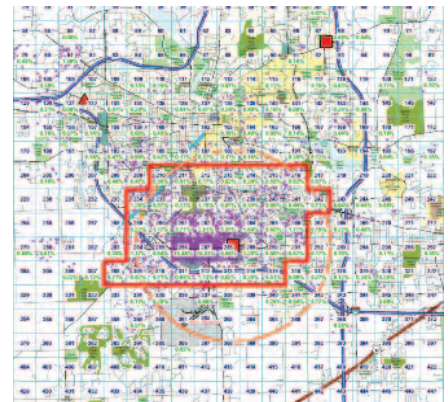
PBBI analyzes the existing store's data, determining both a unit's sales distribution (by geography) and the impact that a new unit will have on the existing unit. The most concentrated sales areas are determined, as are customer trip patterns and sales generators. (Home, Work, Shopping, Etc.).



Survey Map

### Purpose

The primary goal of the STS is a determination of the level of sales cannibalization, if any, that a proposed unit would have on any existing locations. Secondly, the STS determines a unit's sales distribution within the market. Areas of strong performance are highlighted and areas that are not optimally served are identified. Also identified are location-specific characteristics, such as the activity patterns of customers before and after patronizing a unit (e.g., circular trips from home; stopping at the unit on the way home from work), customer transaction amounts, frequencies of visits, party sizes, and a variety of demographic characteristics.



Sales distribution and trade area

# Sales-Transfer Studies and Customer Intercept Surveys

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2020 Sales by Component (in Millions)	
Home-Based Sales	\$50.0
Work-Based Sales	\$44.4
Shopping-Based Sales	\$62.2
Other-Based Sales	\$54.8

### CONCLUSIONS

This site represents an exceptional opportunity for Sampleton's, capitalizing on the "urban success" formula currently demonstrated in Ann Arbor, as well as in Dexter, Chelsea, and Saline. The proposed site will benefit from highly in-profile trade area demographic characteristics, including 60% of households valued at \$200,000 or greater, 80% of households in white-collar occupations, and 74% with a bachelor's degree. As mentioned previously, the site will also greatly benefit both from the synergy generated by the presence of Bigboxeria's at the subject intersection and by the daytime population concentrated within 0.5 miles of the unit. Compared to the Sampleton's Downtown (#S32) unit, the proposed Sampleton's has nearly twice the 2008 total daytime population within 0.5 miles (245,600 versus 123,400).

### TRADE AREA SUMMARY

Online Reporting

## Data Collection Methods

PBBI can collect customer data in a variety of ways, depending on timing and budget. Our typical approach comprises one or more onsite interviewers who are equipped with either a digital data-collection device or paper questionnaires and maps. This method is used to collect data for all PBBI sales-transfer studies.

Another method involves placing a kiosk at the survey site to collect customer data without the aid and expense of an interviewer. Typically, it takes longer to collect a sufficient data sample from an onsite kiosk than it does using interviewer-administered surveys.

In the event that a client already has address-based customer data with sales information, PBBI can forgo the data-collection step, using the client-supplied data instead.

## Experience

Over the past decade, PBBI has completed thousands of STSs and has interviewed more than two million customers on behalf of our retail, restaurant and service-industry clients. The PBBI methodology has been validated against actual pre- and post-store-opening sales, supporting the accuracy of PBBI predictions. All analytical assumptions are custom-calibrated for each client, accounting for the nuances of a particular brand. In addition to STS work, customer-source survey data can be aggregated to create additional insight into customer psychographic profiles, customer preferences, market voids, and the effect of competition. These data are also instrumental when developing sales forecasting models and marketing strategies.