



Retail Site Selection and Location Analytics

Course: Catchment Modelling and Sales Forecasting



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Introduction:

Retail site selection and location analytics, covering catchment modelling and sales forecasting, is a 1-week course for expansion, network planning and location analytics teams that ends with a Store Network Expansion Plan for a case organisation. Retailers, food and beverage chains, banks, pharmacies and fuel networks open branches on intuition, overestimate first-year revenue, overlook cannibalisation of existing outlets and keep loss-making sites open too long. Nominees already screen sites or prepare expansion papers, and the course is taught as a modelling build on drive-time, demographic, footfall and sales data. CoreConcept Training Center delivers this retail site selection course.

Course Objectives:

- Define trade areas with drive-time and walk-time polygons, distance rings and customer-origin mapping for each store format
- Profile catchment demand from demographic, spending, footfall and traffic count data and estimate the spend available to a new outlet
- Forecast new-store revenue with Huff probability, Reilly gravitation, analogue and regression models and test the forecast against trading results
- Quantify sales transfer and cannibalisation between existing and proposed outlets and identify whitespace across a store network
- Appraise each candidate site with payback, net present value and sensitivity analysis and decide on relocation, downsizing or closure of weak outlets
- Assemble a Store Network Expansion Plan with ranked sites and site investment cases for an investment committee

Target Audience:

- Managers responsible for opening new branches, outlets or forecourts and presenting site proposals for approval
 - Managers responsible for planning the shape and size of a store or branch network over several years
 - Analysts responsible for location data, GIS mapping and sales forecasting models for expansion decisions
 - Managers responsible for retail property acquisition, lease negotiation and site due diligence
 - Finance business partners responsible for capital expenditure appraisal of new and refurbished outlets
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Course Outline:

Day 1: Location Strategy, Store Formats and Trade Area Foundations

- Central Place Theory and Store Format Hierarchy
- Location Strategy Statement Linking Format, Customer and Network Role
- Primary, Secondary and Tertiary Trade Area Definition Rules
- Customer Origin Mapping From Loyalty and Transaction Postcodes
- Current Network Baseline of Sales Density and Outlet Age

Day 2: Catchment Data, GIS Workflows and Gravity Models

- Drive-Time and Walk-Time Isochrones Built on Road Networks
- Demographic, Household Spend and Daytime Population Data Layers
- Footfall Counters, Mobile Location Panels and Traffic Count Sources
- Reilly Law of Retail Gravitation and Breaking Point Calculation
- Huff Probability Model With Attractiveness and Distance Decay Parameters

Day 3: New Store Sales Forecasting and Site Screening

- Analogue Store Selection and Sales Ratio Forecasting
- Multiple Regression Sales Model on Catchment Variables
- Site Screening Checklist for Visibility, Access, Parking and Frontage
- Competitor Inventory and Competitive Pressure Index per Catchment
- Forecast Validation Against First-Year Trading of Recent Openings

Day 4: Cannibalisation, Whitespace and Store Closure Economics

- Sales Transfer Matrix Between Existing and Proposed Outlets
- Whitespace Analysis of Unserved Demand Across the Network
- Site Investment Case With Payback, Net Present Value and Sensitivity
- Relocation, Downsizing and Closure Decision Rules for Weak Outlets
- Forecast Bias, Optimism Risk and Post-Opening Review Discipline

Day 5: Modelling Build of the Store Network Expansion Plan

- Case Organisation Catchment Map and Demand Profile Build
 - Case Candidate Sites Huff and Analogue Forecast Comparison
 - Case Network Cannibalisation and Whitespace Ranking
 - Case Site Investment Cases and Closure Shortlist
 - Store Network Expansion Plan Completion and Committee Defence
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Skills You Will Gain:

- Trade Area Delineation
- Isochrone Mapping
- Catchment Demand Estimation
- Gravity Model Calibration
- Analogue Sales Forecasting
- Cannibalisation Measurement
- Whitespace Identification
- Site Investment Appraisal

Why Attend This Course:

- Present a Store Network Expansion Plan with ranked sites and site investment cases to the expansion director and investment committee
- Decide which candidate sites to approve, defer or reject, and which weak outlets to relocate or close, on forecast and payback evidence
- Avoid sunk fit-out and lease costs from openings that miss forecast or simply draw sales away from neighbouring branches
- Share isochrone templates, analogue forecast sheets and site screening checklists with property, finance and analytics colleagues

Conclusion:

Back at work, the participant hands the Store Network Expansion Plan to the expansion director, the finance team and the investment committee. They use it to approve the next wave of openings, set forecast targets per site, agree which outlets to relocate or close and fund the data and GIS tools the analysis needs. After the first new outlets complete a full trading year, the team should compare actual revenue, sales transfer and payback with the forecasts and recalibrate the gravity and analogue models.

Frequently Asked Questions FAQ:

What should participants prepare before the retail site selection and location analytics course?

Participants should be comfortable with spreadsheets and already take part in site screening, expansion papers or network reviews. Bringing anonymised store sales, customer postcodes or a recent site proposal lets the modelling build reflect their own network.

How does the retail site selection and location analytics course differ from a shopping centre management or store operations course?

It covers where to open, relocate or close outlets and how much each site will sell. Shopping centre courses cover tenant mix and leasing inside one centre, and store operations courses cover running an outlet after it opens.

Why does retail site selection use gravity models such as the Huff model?

Gravity models estimate the share of catchment spend a store will capture from its attractiveness and travel distance compared with competitors. They turn a map of demand and competition into a sales forecast that can be tested against analogue stores.

What do participants take back from the retail site selection and location analytics course?

Participants take back a Store Network Expansion Plan for a case organisation, with catchment maps, Huff and analogue forecasts, a cannibalisation matrix, a whitespace ranking and site investment cases they can adapt to their own network.
