

PITNEY BOWES MAPINFO VIEW

## Transforming Location into Success

PITNEY BOWES MAPINFO HELPS EDUCATION AND HEALTH SERVICES PROVIDERS HARNESS THE POWER OF LOCATION INTELLIGENCE



### OVERVIEW

Location, location, location. For many years, and across many industries, these three words have defined the critical foundation upon which businesses were built. Both companies and consumers understand the importance of location and its impact on business success. In fact, even best-in-class businesses considering merchandising, marketing or efficient operations find it difficult to succeed in a poor location. Location has become increasingly important to education and healthcare providers that are proliferating in response to our changing demographics and lifestyles. Because of this increased understanding in the importance of location, many of these service providers find themselves examining at the world through a retail lens.

Providers in the education and healthcare and wellness sectors have access to information that can be mined and analyzed to gain valuable insight for strategic decision making. The education and child care market includes learning centers, private schools, colleges, day care and adult education facilities. The healthcare and wellness businesses include service providers such as hospitals, medical and dental offices, spas (including medical spas), urgent care, physical therapy and diagnostic facilities. Forward thinking education and health care providers see the power that results from really understanding their customers. Simply put, the characteristics

of their customers 'can' be identified, and their respective contribution to performance 'can' be quantified and predicted. These acts of identifying, quantifying and predicting assist the providers in their quest to make informed and educated business decisions in the areas of real estate, marketing and operations.

Pitney Bowes MapInfo can help customers in the education and medical services sector by leveraging a wealth of experience through decades of partnering with clients in the fields of financial services, retail, restaurant and real estate. As experts in consumer behavior, particularly related to location intelligence, Pitney Bowes MapInfo helps companies identify their most valuable customers and the location of those customers. This knowledge enables businesses to not only choose sites in the areas with the greatest potential for success, but to gain market insight in order to alleviate investment risks and plan business growth strategies.

### The Tale of Two Sectors

The education and health services sectors are impacted by a common and growing trend toward organizations with multiple outlets and locations with specialized offerings specific to the market; that is — an increasing dependence on an intelligent

## Transforming Location into Success

strategy for making location-related decisions. In fact, there are several factors driving the viability of both the education and healthcare segments, including:

- alternative education for children
- flexible child care services for families with two employed parents
- expanded adult day care facilities to serve an ever increasing aging population
- increased medical services for the aging population
- alternative tenant strategies, by developers and mall owners, to fill vacant spaces in a weak retail market

### The Education Story

The charter school industry has experienced a period of steady and significant growth. Since charter legislation was passed in 1990, more than 3,500 schools have opened, often without any type of location-based consideration. According to the United States Charter Schools Organization, these 3,500 schools enroll more than 1 million students in 40 states, the District of Columbia and Puerto Rico. Since 1994, the United States Department of Education has provided grants, starting at \$6 million in 1995, to support the charter school efforts. However, the 22% gap between charter and public schools is significant. This gap equates to \$1,800 per pupil, leaving the average charter school with a funding shortfall of close to half a million dollars. Therefore, to receive the maximum level of government support, charter schools must be located in areas guaranteed to ensure the highest enrollment possible.

As displaced workers look to pursue more secure and lucrative career paths in the current economic environment, well positioned adult education providers stand to benefit from increased enrollment.

### The Health Services Story

The health services industry is expected to see growth as the baby boomer population continues to age and seeks a wider range of health services. In addition, with technological advances taking place in the health care industry every day, outpatient facilities are now serving many of the health care needs that were traditionally performed in a hospital setting.

There is a growing trend at shopping centers to fill vacant retail spaces with non-traditional tenants. These non-traditional tenants, including spa boutiques and medical spas (medspas), are experiencing growth in a time when traditional retail concepts are cutting back. In fact, the International Medical Spa Association (IMSA) estimates that the number of mall-based medical spas increased from 450 in 2004, to approximately 2,500 in 2008.

### Pitney Bowes MapInfo Offerings

Pitney Bowes MapInfo provides the analytical tools and services that enable clients to find developments and locations where success is almost guaranteed. These products and services help determine the correct number of units, and the best locations for those units. This vital information provides the foundation to formulate a plan for growth and success.

Pitney Bowes MapInfo has two particularly powerful solutions to support the education and healthcare industries — the Demand Surface and Market Optimization Tool and the Predictive Analytics Portal. These solutions are focused on clients with multiple business models, including franchised and non-franchised companies.

### Demand Surface and Market Optimization

The Pitney Bowes Demand Surface and Market Optimization Tool conveniently runs on multiple platforms including AnySite® desktop software. This flexible format allows for demographic reporting based on mile rings, drive times and custom polygons, and provides thematic mapping capabilities. The Demand Surface and Market Optimization Tool provides both a high level look and a more detailed analysis of the demand within a market, based upon client needs. This solution facilitates planning in a greenfield situation, where there are no existing units in the market, and allows users to identify high potential in-fill opportunities to complete their existing market deployment. This powerful solution allows a user to optimize coverage within a market, and enables “what-if” scenario planning. The Demand Surface and Market Optimization Tool provides users with a variety of sales forecasting tools, including:

**Market optimization**—estimates the number of supportable units within a market, providing their target locations and associated potential

**Trade area definition/modification**—views and edits the trade areas based on market and concept knowledge

**Site evaluator**—controls the factors that impact performance, such as proximity to specific retailers or center types, freeway access and location of important synergistic uses such as nearby medical facilities

**Customer based modeling**—provides client-specific competitive information, and reflects custom-designed, location-based criteria of the concept

**Sales forecast**—provides both a system-generated and user editable forecast of performance, such as patient visits, student enrollment or sales

**Sales transfer**—assesses the overall impact of opening or closing a store of the surrounding sister units

**Analog retrieval**—allows the user to evaluate a prospective site relative to comparable units in a database.

**Report generation**—produces written reports, highlighting the findings of the model, for review

The Demand Surface and Market Optimization Tool is an easy-to-learn, easy-to-use, do-it-yourself solution that converts to a consulting approach if the client requires workload assistance from Pitney Bowes MapInfo. The tool provides a sales forecast and transfer model to make detailed decisions surrounding real estate investment and market driven site selection. The Demand Surface and Market Optimization Tool helps prioritize markets in which to expand or in-fill, and provides the ability to do ad-hoc analysis through the AnySite desktop solution.

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## Predictive Analytics Portal

The Predictive Analytics Portal is a Pitney Bowes MapInfo enterprise location intelligence platform. The portal has the functionality of a desktop solution but in a web based platform that enables users to view customer data, demographics, mapping functionality, through to predictive analytics using generic or custom models for market site selection and or market analysis. This technology allows decision makers throughout a company, regardless of their physical location to access the powerful reporting and mapping capabilities to make strategic marketing, site selection and market evaluation decisions anytime and anywhere. The information that drives the process is centralized in a single location thereby reducing the potential for discrepancies and misdirected efforts, allowing for a single source of truth.

The portal has the ability to compliment core business intelligence data such as sales figures, and customer numbers with related specific demographic information and competitive location information in order to alleviate investment risks and plan business growth strategies with confidence. The Pitney Bowes MapInfo predictive analytic portal is a strategic business tool that can help industries to;

- Develop trade areas based upon market factors and elements specific to the client's concept, allowing users to quickly view information on the unit or site being analyzed.
- Increase and easily share information with developers, real estate staff and franchisees.

- Determine the optimum number, location and overall score of units on the market, as well as allowing for multiple scenario comparison.
- Display quality ratings of new units and the anticipated performance relative to existing units.
- Identify potential and applicable co-tenants well-suited to the same location by providing information on other unit and retail types.
- Customize and provide sales forecasts and sales transfers, as well as restricting data viewing to specific users.
- Share information with Pitney Bowes MapInfo to assist in a decision and to conduct analyses.

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Pitney Bowes MapInfo works with clients in every sector to explore the many factors affecting consumer decisions and preferences, including convenience, competition, demographic characteristics and spending habits. With our help and guidance, education and health services providers develop a thorough understanding of each and every factor impacting their specific industry. Our analysts think outside the box and identify unique factors that influence customer's behavior. Pitney Bowes MapInfo offers the tools and information needed to identify, locate, reach and market to their core customers, both appropriately and effectively.