

6.17: GIS and Location Decisions

Learning Objectives

- Describe the types of data a retailer can obtain from geographic information system software (GIS)

So you looked at your census data for your area, and you are still feeling pretty confident that you have chosen a good location for a retail business. It seems like the population will support your endeavor with a suitable income and education level, among other components. So what is next? Well, GIS might be your next step!

A geographic information system (GIS) is a system of hardware and software that can store, retrieve, map and analyze geographic data. This system can help an analyst visual information about customer buying behavior and demographics in a map format! So this process can help you to identify the boundaries of your trade area and isolate target customer groups.

Two Videos Explaining What is GIS?



You can view the [transcript for “Wendy’s – John Crouse, Director of Real Estate Services”](#) ([opens in new window](#)).

Typically, there is a user friendly interface so you can access and analyze data pretty easily. The output from these systems are maps, so you can visualize the implications of the data quickly and easily. Now, remember, the U.S. Census data is free to access, but it is typically outdated. GIS data on the other hand has a fee, but it is current and updated frequently!

A link to an interactive elements can be found at the bottom of this page.

You can view the [transcript for “Intro to GIS Analysis”](#) ([opens in new window](#)).

ESRI is a company that provides GIS data to businesses. [Review ESRI's website](#) to see all the cool stuff you can do with data!

Nielsen is one company offering a wide range of tools that are useful to assess consumer demand in an area. Watch the short video to see what can be found through GIS analysis. GIS is an extremely useful tool to create effective and targeted marketing campaigns. GIS allows an overlay technique. You can purchase a bunch of data sets for an area, including population count, income, and competitor information. Then you can layer these bits of data on top of each other to see the data in a different way. It allows businesses to make decisions based on many factors rather than just one.

Imagine being able to pinpoint a demographic based on many different pieces of data allowing you to not only determine if a location is good to open, but then proceeding forward with data that allows you to directly market to your customer base! Now, you can see how **paying** for GIS data may be far more effective than just working with potentially outdated information from other sources!

Practice Questions

<https://assessments.lumenlearning.co...essments/9195>

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