

Chain Store Advisors

James Stone

Grade: _____

Rubric: Best Practices in REPASS

Self-assessment of practices in chain store real estate planning and site selection

Planning and Evaluation



	Level 1 1 pts	Level 2 2 pts	Level 3 3 pts	Level 4 4 pts
Market Selection	<p style="text-align: center;">Level 1</p> <p>Define the list of target markets for expansion and optimization in next 12 months</p>	<p style="text-align: center;">Level 2</p> <p>Rank markets based on key facts about each market such as your unit counts, average unit volume, count of direct competitors, market size (population), proximity to regional manager, cost of advertising, distance to distribution center, development potential</p>	<p style="text-align: center;">Level 3</p> <p>Display markets by rank on a map to find adjacencies for allocating human resources</p>	<p style="text-align: center;">Level 4</p> <p>Create a preliminary game plan including specific goals by market and human and financial resources required to achieve goals</p>
Trade Area Selection	<p style="text-align: center;">Level 1</p> <p>No formal market planning process</p>	<p style="text-align: center;">Level 2</p> <p>Generate a preliminary market plan showing target trade areas using one of two methods:</p> <ol style="list-style-type: none"> 1. Use approximate trade area sizes for different levels of population density to lay out a set of target trade areas for expansion or relocation that results in an optimal market layout. 2. Use an automated marketing planning tool (preferably based on a spatial allocation model) to find the optimal number and location of trade areas based on the program's recommendations and analyst's judgment 	<p style="text-align: center;">Level 3</p> <p>Validate the plan with local market experts (internal or external)</p>	<p style="text-align: center;">Level 4</p> <p>Revise the preliminary game plan for each market generated during the Market Selection process and update the goals as well as the human and financial resources for execution</p>
Site Selection				

	<p>Level 1 Respond to brokers who submit available sites for review by real estate team. Run demographic reports and maps to screen sites based minimum criteria for key metrics. Review site characteristics including size, format, occupancy cost, cotenancy, parking, visibility, and access. Complete due diligence checklist and identify issues for further research. Visit site and write up recommendation.</p>	<p>Level 2 Using the target trade areas from the Trade Area Selection process, identify available sites that meet criteria for). Complete site evaluation process described in level 1 (box to left).</p>	<p>Level 3 Identify analog stores based on comparison of key variables. If a predictive model is available, generate the sales forecast and other data from the model.</p>	<p>Level 4 Investment committee meetings include representatives from Finance, Operations, Marketing, and Merchandising in addition to Real Estate. All viewpoints are considered during the review of each site to provide the best possible estimate of future performance and requirements for a successful opening and operation of the unit.</p>
Infrastructure				
Data Management	<p>Level 1 Maintain existing store and proposed site information in Excel spreadsheets in the Real Estate Department</p>	<p>Level 2 Maintain store, proposed site, and competitor data in a corporate database</p>	<p>Level 3 Stores, proposed sites, competitors, and other point locations stored in a database and integrated with mapping and reporting system</p>	<p>Level 4 Field real estate team can upload photos and other documents to website as attachments to point locations in the database</p>
Visualization	<p>Level 1 Maps and aerials provided by brokers or free mapping programs such as google or Bing maps</p>	<p>Level 2 Access to mapping system that allows users to create trade areas and shaded maps based on population density, income, and other variables</p>	<p>Level 3 Access to customized mapping system that is connected to database of existing stores, proposed sites, competitors</p>	<p>Level 4 Access to customized mapping system that allows users to add or edit points, toggle between street maps and aerial imagery using desktop PC, web browser, or iPad</p>
Reporting	<p>Level 1 Demographic reports and lists of nearby competitors provided by broker</p>	<p>Level 2 Access to reporting system that generates demographics, daytime population, and lists of locations based on trade areas such as rings, drive times, and hand-drawn polygons</p>	<p>Level 3 Access to customized reporting system with most important variables and fields</p>	<p>Level 4 Access to customized reporting system with "rules-based" trade areas, calculated fields for benchmarking or sales potential estimates, and other analytics</p>
Analytic Tools	<p>Level 1 No analytics</p>	<p>Level 2 Offline criteria for key factors such as trade area demographics and daytime population</p>	<p>Level 3 Automated analog store retrieval and similarity scoring for use in sales forecasting</p>	<p>Level 4 Automated market planning system for generating target trade areas based on optimized layout of stores</p>

Decision Processes	<p style="text-align: center;">Level 1</p> <p>VP Real Estate and one or two C-level executives meet to review recommendations for real estate decisions</p>	<p style="text-align: center;">Level 2</p> <p>Decision-makers follow documented process for reviewing real estate planning and site evaluation decisions including proforma, standard reports and maps</p>	<p style="text-align: center;">Level 3</p> <p>Decision-makers have "paperless" meetings with interactive maps and reporting to present evidence for recommendations and allow "drill downs" for additional information</p>	<p style="text-align: center;">Level 4</p> <p>Site screening performed by real estate teams in the field using iPad for benchmarking, data collection (including photos), and data validation</p>
Training	<p style="text-align: center;">Level 1</p> <p>New employees receive brief orientation from supervisor and on-the-job training</p>	<p style="text-align: center;">Level 2</p> <p>Department level training workshops on data management, analytics, and standard reporting packages; reference documents for location of key information located in corporate systems and libraries</p>	<p style="text-align: center;">Level 3</p> <p>Annual training sessions on real estate decision processes, reporting systems, and business practices for all relevant employees</p>	<p style="text-align: center;">Level 4</p> <p>Complete training plan for new employees and existing employees using a combination of classroom and eLearning programs (including self-paced); mentoring programs where junior employees are assigned to more senior employees</p>

Build free rubrics at www.iRubric.com.

Rubric Code: Q6B4A4