Geography 350
REVIEW FOR TEST ONE

DEFINITIONS

analog technique (or approach)
bid-rent curve
convenience goods
customer spotting
dispersed markets
fordism
Huff model
geodemographics
geography
GIS
market interpenetration
market segmentation

marketing
opportunity cost
primary market area
probabilistic trade area
product differentiation
Reilly's law ("retail gravitation")
retailing
saturation index
saturation quotient
shopping goods
spatial monopoly
Theissen polygons

LISTS

assumptions regarding consumer behavior
components of a marketing plan
site-selection criteria
sources of "attractiveness" of a retail outlet (or shopping district)
types of retail sites, and the pros and cons of each

FORMULAS

Be able to interpret and use each of the formulas I've provided. I'll provide the formulas, but you'll need to know what the variables are, and the context in which each formala would be used.

$$B_C = \frac{d_{AC}}{1 + \sqrt{(S_A / S_C)}}$$

$$R_j = k\, P_j / d_{ij}^2$$

$$P(C_{ij}) = R_j\, d_{ij}^{-\alpha} / \Sigma_j\, (R_j\, d_{ij}^{-\alpha})$$

$$SI_i = \frac{R_j / (P_i\, E_i)}{max\,[R / (P\, E)]}$$

QUESTIONS

1. Identify three reasons why a retailer might want to know its primary market area.
2. Identify three ways to do customer spotting.
3. Skim all five of the case studies in the ESRI report ("food producers," "the Huff model," "Federated Department Stores," "Coinstar," and "self-storage site location"). Study one of them sufficiently to be able to describe what data were needed, what types of areas and subareas were defined, and what questions were posed and solved.
4. Suggest three alternative ways for the retailer to identify its primary market area (4 ways are italicized above) – what name have we given each method, and how would the retailer (or its paid consultant) use each method (i.e., what data are needed and how would they be used). Identify whether each method implicitly assumes spatial monopoly versus market interpenetration (what Jones and Simmons call market penetration).