



# Sample Network Optimization Study

*This is a sample report meant to give customers  
an understanding of what kind of information  
Network Optimization Studies include.*

# Who is getchee?

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*getchee* is the only provider of turnkey geospatial solutions for retail and bank distribution planning and management across Asia. We've helped brands grow and thrive in emerging economies for the past 10 years.

*getchee* has extensive databases of macro-economic, demographic and retail point data sourced from government statistics yearbooks, market and industry association reports and in house research. All data used in a *getchee* study is updated to the most recently available date and quality controlled. *getchee* data covers over 2,000 cities in China and all other countries in the Asia-Pacific market as well as India.



# Project Objectives

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1. Estimate city-wide market potential to identify areas of over/under penetration and development opportunities.
2. Calculate optimal door numbers for efficient network coverage. Match network coverage with demand to avoid network gaps or over-penetration.
3. Identify and prioritize trade zones. With an understanding of each trade zone's potential and retail landscape, create standard decision making processes for trade zone entry and development plans and target growth opportunities.
4. Review current store performance and compare it to trade zone retail landscape and market holding capacity to identify key business drivers and retail synergies for top performing trade zones.
5. With an in-depth and detailed understanding of the city retail environment make informed decisions on new door openings and close or re-focus door decisions.



*Objectives represent the true value of a getchee report. These are customized based on individual client needs.*

# Project Workflow

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# Definitions & Assumptions

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## Target Consumer Distribution

With in-house developed methodology, getchee will distribute target consumer density, and other population segments, to 1km<sup>2</sup> grids across target cities.

## Trade Zone Definition & Sizing

A trade zone is defined as a geographic area with a high concentration of retail points, lifestyle activity points and anchors, such as malls and department stores.

## Market Holding Capacity (MHC)

Projected total size of the retail market per brand based on target group size and expenditure behavior. The market holding capacity can be distributed to each trade zone to calculate the total potential sales.

## Door Gap

This is the difference between the current number of doors in a network and the ideal number of doors for an optimum network footprint.

## Sales Gap

The difference between current sales generated by doors in a trade zone and the target sales calculated by market penetration rate.

## Retail Synergy

The difference between the total market size of an area and the actual sell-thru in that area



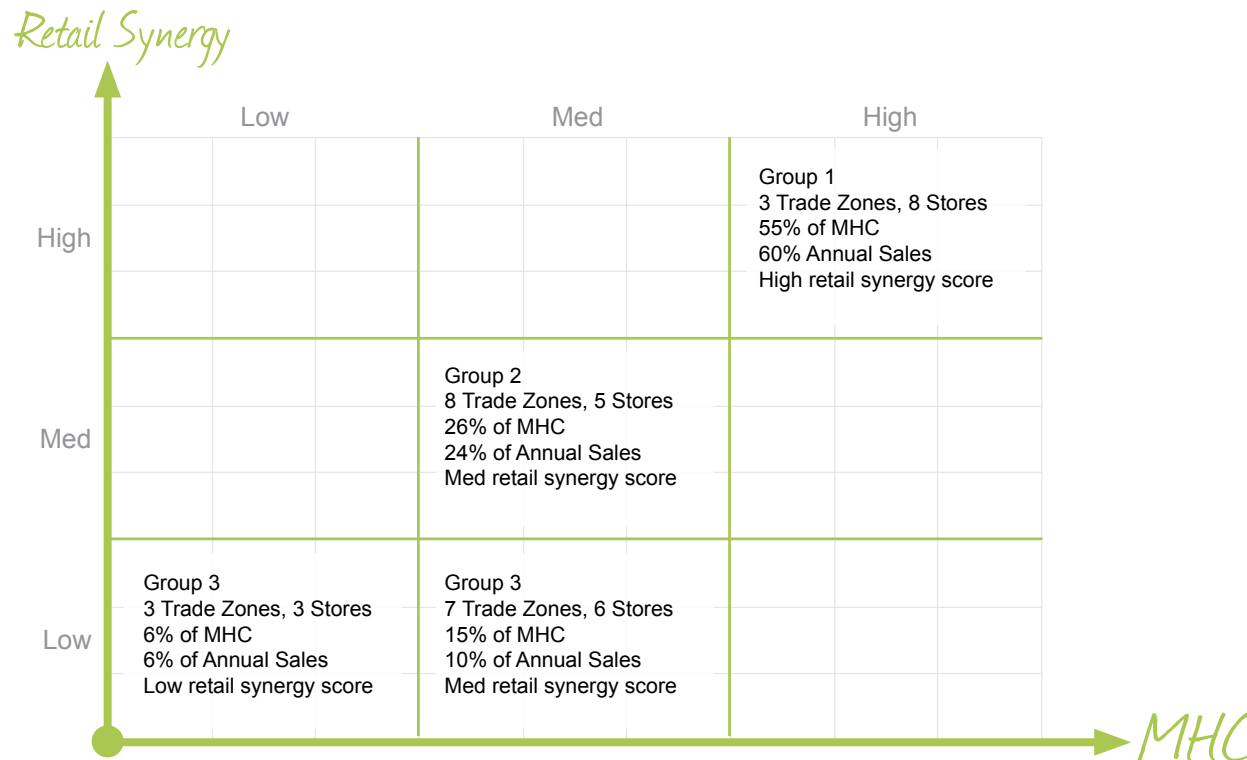
*We use these concepts throughout our reports to clarify the target market in detail.*

# MHC Distribution and Concentration



getchee MHC distribution highlights trade zones with the most market potential. Combining MHC distribution with store performance and market penetration rates shows areas for growth. Identifying trade zones with untapped potential highlights door gaps where network coverage doesn't meet demand.

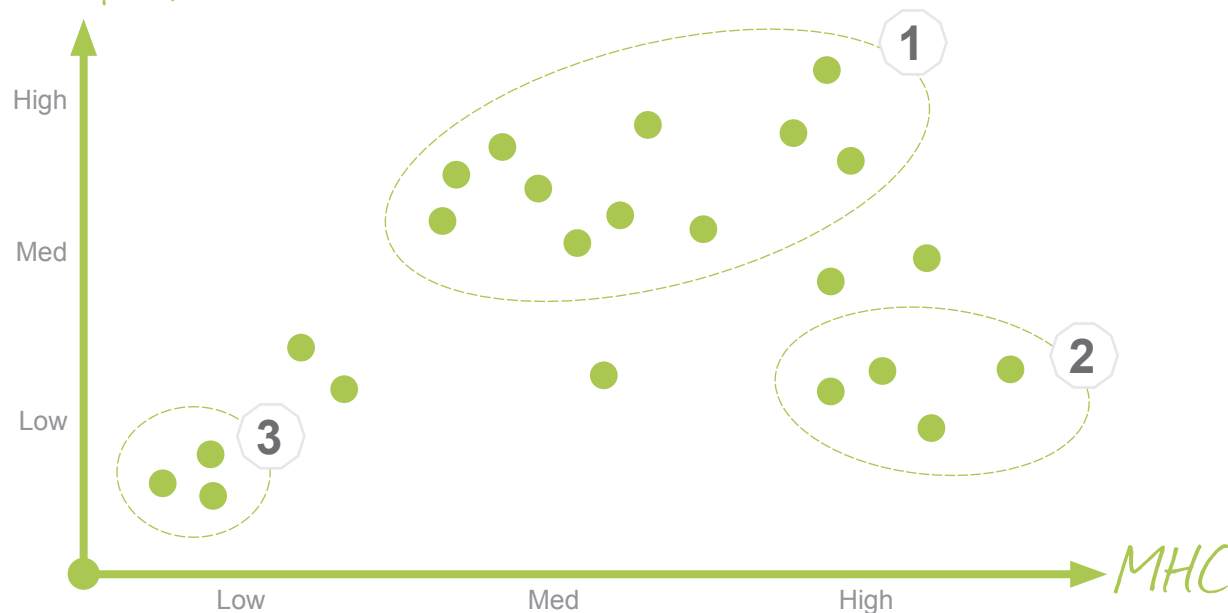
# Trade Zone Identification & Segmentation



getchee MHC distribution highlights trade zones with the most market potential. Combining MHC distribution with store performance and market penetration rates shows areas for growth. Identifying trade zones with untapped potential highlights door gaps where network coverage doesn't meet demand.

# Store Recommendations

Store Performance



**1.** Well performing stores in high to medium value trade zones should be maintained to continue good sales performance.

**2.** Stores with low sales located in high potential trades zones should be targeted to activate sales and penetrate their trade zones further.

**3.** Low performing stores in trades zones with lower MHC's should be cloned or reformed e.g. connected to factory outlets.



# Summary Conclusions

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- 1. Market Potential Estimation**  
*getchee calculates the total market volume per brand in target cities to know the correct door number for optimal network coverage*
- 2. Trade Zone Prioritization:**  
*To achieve targeted market shares, getchee makes recommendations on network coverage such as expanding into existing trade zones with additional doors or refocusing underperforming stores.*
- 3. New Untapped Trade Zones Identified :**  
*getchee trade zone studies will identify new untapped trade zones for expansion..*
- 4. Optimal Network Coverage:**  
*Match network coverage with demand and operate the optimal number of doors per trade zone to meet market penetration targets.*



Learn more about what a custom  
Network Optimization Study can do for you.

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