

MASSMART ENDORSES MAPIT'S MARKETSCOPE

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Massmart, one of the largest distributors of high volume, low margin branded consumer goods in Africa, and a leading retailer of general merchandise, liquor and home improvement equipment, has linked up with MapIT, Southern Africa's premier supplier of digital map data, to generate geo-spatial business intelligence for the group's continued expansion.

The arrangement includes the supply by MapIT to Massmart of enriched data that includes comprehensive and accurate corporate Point of Interest information needed for business intelligence and scenario planning. Massmart has also acquired MapIT's demographic research tool, MarketScope, to enhance the development of their geo-spatial resources.

Jacques Theron, Massmart's Group Business Analyst, said in an interview that Massmart decided to use MarketScope because the company wanted to develop an in-house business intelligence capability based on MapIT's Southern Africa geo-spatial data.

"Until a year ago, Massmart did not have the ability to analyse demographic research for new stores in-house," explains Theron. "We rely very heavily – as do most other organisations - on external service providers to manage the GIS aspect – the analysis of geographic data - of our market research when looking for suitable catchment areas for new outlets. But recent developments in the generation of map data and the creation of map tools, like MarketScope, have made it easier to develop our own system for doing this."

Theron confirmed that Massmart had acquired MapIT's demographic research software, MarketScope, to enhance these in-house resources.

"MarketScope's geo-coding module offers us a major benefit. It enables us to allocate GPS map coordinates to a street address. We use these co-ordinates to pinpoint customers and competitors in a typical footprint around each store. MarketScope allows us then to display and analyse this data geo-spatially. Analysis like this is an important element in the eventual location of a new store" adds Theron.

MarketScope thus offers a solution that simplifies the analysis of the trading environment. It collates all the demographic and geographical data into a single analytical resource tool that generates accurate snapshots of the trading environment, specifically the footprints around existing and new stores.

Massmart's decision to develop an in-house capability confirmed a trend by business, especially large retail organisations, to incorporate geo-spatial data into the planning of new stores.

"We need to ensure that we place new stores in the right places," says Theron "After that, a whole lot of things fall into place because once you've located the store in the right place, you can then look at the marketing requirements for that store. This ability to analyse an existing portfolio to predict the future performance of a new store is an important aspect of our planning."

"The secret to working with demographic data is accessibility" adds John Crabb, Massmart's GIS Analyst. "You want people to be able to access this data. We want our stores to be able to dig a little deeper. And, although we're still developing our system, we're battling to disseminate information quickly enough. Everything boils down to demographics. This is a test and learn scenario. MapIT has been a key role player in this process".

MapIT's Broderick Kupka confirmed the shift towards geo-visual display data. "Geo-coding enables planners to create spatial views - map-based snapshots - of a trading environment that is quick and relatively simple to interpret," explains Kupka. "Typically, the snapshot will reveal the location of competitors, customers, suppliers and even optimal supply and delivery routes for stores in particular areas."

About Massmart:

Massmart, a portfolio of four divisions that includes flagship brands – Game, Makro, Builders Warehouse and CBW outlets – is a top 40 JSE company that employs more than 28-thousand people in Africa.

About MapIT:

MapIT operates at the forefront of digital mapping in Sub-Saharan Africa. Working in tandem with shareholders Tele Atlas (a world leading international mapmaker) and local media giant Avusa, the company is Southern Africa's leading supplier of digital map data and enriched geo-spatial content used in the mobile and corporate enterprise markets. MapIT also supplies commerce and industry with applications and data used in asset tracking, fleet management, business and marketing intelligence and web services

About MarketScope:

MarketScope is a powerful business intelligence application developed by MapIT. The application overlays statistical, demographic research data and proprietary company information to produce graphic geo-visual map displays of the environment. The application is a modular program sold as a simplified desk, laptop or server linked application.