## **Location Analyst**



## Interpret an Assess Area Potential report

In this scenario, you are considering opening a new gym location in the East Midlands area and are assessing three different towns (Nottingham Central, Derby and Leicester). So, you want to discover which location has the greatest spend on gym membership. The spend on subscriptions to sports and social clubs was selected as the ranking variable, and no lower brick geography was selected. You selected all records to be included in the report.

The **Assess Area Potential** report that is produced for this scenario is a Microsoft Excel workbook (as shown below) showing data for the selected areas for each of the variables chosen.



The **Name** column shows the selected towns sorted by the ranking variable in the adjacent column. The ranking variable is shown as a count (in our scenario total weekly spend in the area on subscriptions to sports and social clubs) and a penetration. The penetration tells you what proportion of the total for all the selected areas together is accounted for by any one area. So, in our case over 44% of total spend across the three towns comes from Leicester. The cumulative columns show the count and penetration figures added up as you progress down the report. In our scenario nearly 86% of total spend on sport/social club subscriptions across all three towns comes from Leicester and Derby.

Looking at the other variables selected we can see that Leicester also has the highest spend across the other categories. This is perhaps not too surprising as Leicester has the highest household estimate.

