



Economic
Development and
Growing the
Economy



Profiles of Best Practices

GIS – A Tool for Business Expansion, Marketing and New Location

Community, County

Portage County

Area of Project Impact

Oneida, Vilas, Langlade, Marathon, Lincoln Counties

Population Affected

235,228 (population of five county area)

20,766 (five-county businesses, including one-person, self-employed establishments)

Situation

The ability to make informed, fiscally sound decisions for business expansion, marketing and new business location is critical to business sustainability. In order for a business to decide where to locate or expand, it needs to fully analyze each prospective location from both a financial and a market perspective. If a business only looks at the financial side of locating a new venture or expanding an existing business, they only get half the picture upon which to make their decision.

Economic Development Strategies

UW-Stevens Point (UWSP) sought to facilitate North Central Wisconsin's utilization of technology to support existing and new business development and relocation through enhanced market analysis. Geographic Information Systems (GIS) mapping software allows businesses within this region to make informed, fiscally sound decisions regarding expansion and marketing. GIS also provides a tool for business start-ups to assess and make location decisions based on prospective customer concentration, competitive environment and geographic characteristics.

Implementation

UWSP Extension's Small Business Development Center (SBDC) staff possesses knowledge and expertise about Geographic Information Systems (GIS) technologies. With this expertise, the SBDC provides technical assistance to businesses and prospective businesses to support the economy of North Central Wisconsin. The research and start-up phase of this service took approximately one year and now the provision of these services is fully implemented. When someone calls the Center looking for assistance with business location, expansion or marketing, the SBDC meets with the business owner and conducts a complete needs assessment. Working alongside a student intern trained in GIS, SBDC staff determines parameters for the mapping project. A proposal complete with fee and resulting maps is created and presented to the customer. Once given the go-ahead, maps are created. Projects can be as simple as mapping two or three demographics of a 3-mile radius for a proposed site to something more complicated such as mapping five or six demographics layered on top of geographies for four or five proposed sites.

In summary, UWSP SBDC staff use GIS as a tool to create a complete market analysis that considers the demographics of a prospective location such as population, average age, income, education, marital status, number of children, etc.; the location of competitors; the location of complimentary businesses; and other relevant geographies such as major highways, railways, lakes, rivers, etc. The outcome for business owners is that they are able to decide on a best location based on sound data. Ultimately, GIS serves as a planning tool for new businesses looking for a best location, existing businesses wanting to expand near their "best" customers and all businesses searching for new marketing opportunities. GIS offers added value for business and community alike.

Partners and Leadership

UWSP Extension's Small Business Development Center works closely with the UWSP Geography Department for technical instruction and assistance in obtaining student interns. Since using GIS for business and industry is much different than using it for land use decisions, this relationship has been crucial due to the expertise of a few faculty within the Geography Department in using GIS. In addition, the UWSP Computer Science Department was instrumental in the project's early implementation stages, offering both technical and student intern support.

Outcomes

The SBDC's pilot project GIS service was offered to area businesses for no fee and provided mapping services for a business with a 1200 customer database. Those customers were layered on top of population, age, and income characteristics of a 3-, 6-, and 30-mile radius so that the business could easily see where concentrations of current customers existed as well as pockets with no or few customers. The GIS maps were to be used as a basis for marketing decisions. A subsequent project was completed for an international company located in North Central Wisconsin looking to add a distribution center somewhere within the U.S. This project included mapping numerous census and company data to pinpoint sites for the new center; elements mapped included current and projected population, size of targeted markets, existing sales by region and drive times from key locations. The resulting information will be used to narrow down and ultimately choose a best location for their new distribution facility, which may create new jobs in the region.

Contact

Vicki Lobermeier, Director of Entrepreneurship Activities/SBDC
University of Wisconsin-Stevens Point
2100 Main St., Rm. 103
Stevens Point, WI 54481
(715) 346-3838
FAX: (715) 346-4045
vloberme@uwsp.edu

Mary Wescott, SBDC Counselor
University of Wisconsin-Stevens Point
2100 Main St., Rm. 103
Stevens Point, WI 54481
(715) 346-3838
FAX: (715) 346-4045
mwescott@uwsp.edu