Here is a hypothetical city which comprises nine distinct neighbourhoods (demand zones 1-9) and three retail stores (assume that these are grocery stores, stores 1-3).

- Each demand zone contains approximately 1,000 households and a weekly retail expenditure of £100,000.
- Store 1 is a large hypermarket (approx. 60,000 square foot)
- Store 2 is a mid-sized supermarket (approx. 30,000 square foot)
- Store 3 is a smaller format discount store (approx. 10,000 square foot)

Based only on the information above:

1. Where are residents of demand zone 6 most likely to shop?
   Store 1 (based on proximity and attractiveness)

2. Which store is likely to have the largest catchment area?
   Store 1 (based on attractiveness and competition)

3. Which demand zones have best access to grocery foodstore provision?
   Demand zone 9 has best access (based on floorspace provision), followed by demand zones 2, 4 and 5. Although zone 5 doesn’t contain a store it has good access to all three stores.

4. Which store is likely to experience the ‘best’ trading performance? (In this context the definition of ‘best’ is entirely your choice!)
   Store 1 is likely to have the highest revenue. However, store 2 is more accessible and smaller and therefore is likely to generate a higher trading intensity (sales per square foot).
5. Is store 2 likely to generate a revenue in excess of £250,000 per week?

Yes – this highly accessible store accounts for approx. 30% of the floorspace within this study area and so we would expect it to generate around 30% of the available revenue (30% of the £900,000 available expenditure is approx. £270,000).