

Check Chart

Introduction

A check chart is an assessor's check list. It has been developed as a first evaluation for a potential site before any major analysis is conducted. It has been devised to be able to quickly filter out the poor sites so that only the good quality sites are left to undergo any further investigation.

The check chart can be filled out by any person and does not require access to demographic or business data.

Methodology

The process involves identifying the drivers responsible for sales performance of the stores and developing a model based on the existing network.

Each store in the network is scored on each of the drivers found to be related to sales. Statistical analysis is then performed to calibrate the check chart by weighting each driver based on its level of importance on the model. These scores are then compared to their respective turnover to assess the accuracy of the scoring system.

Lastly, a rating system for the Check Chart is derived to compare the network. It is constructed using four categories - Excellent, Good, Average and Poor. Each category accounts for a proportion of existing stores in the network.

Below is an example of a table of ratings and the associated Check Chart scores:

Check Chart Rating	Description
< 16	Lowest 25% in rating (site appears to have Poor characteristics)
16 - 23	2nd lowest 25% in rating (site appears to have Average characteristics)
24 - 29	2nd highest 25% in rating (site appears to have Good characteristics)
> 29	Highest 25% in rating (site appears to have Excellent characteristics)

Benefits

Not only can the check chart be used to compare each of the stores in the existing network but it can also be used for future sites to enable decision on what level of interest to give to a site.

Any site above a poor or average rating can be further investigated.

Further benefits,

- Estimate the performance of proposed outlets at any location
- Select the most appropriate facility for a given location
- Perform scenario planning
- Alleviates “gut feel” from decision making
- Compare actual vs. potential performance of existing outlets
- Prioritise “New Build” areas

Contact Us

To discuss costs and options, please contact Spectrum Analysis Australia on 61 3 9830 0077. Alternatively, e-mail spectrum@spectrumanalysis.com.au.