

Methodology Statement: 2017 Esri US Business Locations and Business Summary Data

An Esri® White Paper
May 2017



Copyright © 2017 Esri
All rights reserved.
Printed in the United States of America.

The information contained in this document is the exclusive property of Esri. This work is protected under United States copyright law and other international copyright treaties and conventions. No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying and recording, or by any information storage or retrieval system, except as expressly permitted in writing by Esri. All requests should be sent to Attention: Contracts and Legal Services Manager, Esri, 380 New York Street, Redlands, CA 92373-8100 USA.

The information contained in this document is subject to change without notice.

Esri, the Esri globe logo, esri.com, and @esri.com are trademarks, service marks, or registered marks of Esri in the United States, the European Community, or certain other jurisdictions. Other companies and products or services mentioned herein may be trademarks, service marks, or registered marks of their respective mark owners.

Methodology Statement: 2017 Esri US Business Locations and Business Summary Data

An Esri White Paper

Contents	Page
Data Sources	1
Business Locations.....	1
Esri's Data Development Team.....	2

Methodology Statement: 2017 Esri US Business Locations and Business Summary Data

Esri extracts its business data from a comprehensive list of businesses licensed from Infogroup®. This business list contains data on more than 12.5 million US businesses—including the business name, location, franchise code, industry classification code, number of employees, and sales volume—that is current as of January 2017.

Data Sources

In maintaining and adding to its business database, Infogroup references several sources including directory listings such as Yellow Pages and business white pages; annual reports; 10-K and Securities and Exchange Commission (SEC) information; federal, state, and municipal government data; business magazines; newsletters and newspapers; and information from the US Postal Service. To ensure accurate and complete information, Infogroup conducts annual telephone verifications with each business listed in the database.

Esri provides reports and file extracts from the business database that include the number of businesses by industry classification and employment size or sales volume; total employment; and, when available, information about total sales. Included are both versions of industry classification—the former four-digit Standard Industrial Classification (SIC) system and the updated and expanded six-digit 2012 North American Industry Classification System (NAICS). In addition to the typical SIC and NAICS summary-level codes, the database also includes Infogroup's proprietary six-digit SIC and eight-digit NAICS industry codes and a special industry code for select industries. These codes provide more detailed information such as the number of rooms in hotels or motels or the number of beds in hospitals and nursing homes. Sales volume data is reported (in thousands of dollars) for business locations.

Business Locations

An address list of businesses is compiled by Infogroup from its sources and telephone verifications. These addresses are geocoded to assign latitude and longitude coordinates to the business site and append 2010 Census geographic codes via spatial overlay. The quality of the local address system varies; address matching is better in urban areas that use street-level address systems than in rural areas. Overall, 92.6 percent of the businesses are geocoded at the address level, which includes coordinates and census block codes.

New this year are two major changes to the business listings. First, Infogroup undertook an effort to purge unverifiable business locations. If a business could not be reached via telephone verification, and no alternative phone number could be found, it is flagged as “out of business” and removed from the database. Second, their methods and inputs used to model a location’s sales have been updated. The combination of both of these changes may show a variance from last year’s database depending upon your trade area and/or industries of interest.

Lastly, Esri uses the geographic codes to report business data for summary areas such as states, counties, census tracts, and block groups. This year, records for ATMs, electric vehicle charging stations, and addresses with post office box numbers or missing entries have been omitted from the geographic summary files. However, these records remain in the 12.5 million record-level database. Aggregations by ZIP codes are created from the business database. ZIP codes from Infogroup may differ from the residential ZIP codes in the Esri® demographic databases because Infogroup includes business-only ZIP codes that are unique to particular establishments and include no residential area. The coordinates of each business are used to assign it to a user-defined polygon.

For more information about business data, call 1-800-447-9778.

Esri's Data Development Team

Led by chief demographer Lynn Wombold, Esri's data development team has a 30-year history of excellence in market intelligence. The combined expertise of the team's economists, statisticians, demographers, geographers, and analysts totals nearly a century of data and segmentation development experience. The team has crafted data methodologies, such as the demographic update, segmentation, the diversity index, and the Retail MarketPlace database, which are now industry benchmarks.



Esri inspires and enables people to positively impact their future through a deeper, geographic understanding of the changing world around them.

Governments, industry leaders, academics, and nongovernmental organizations trust us to connect them with the analytic knowledge they need to make the critical decisions that shape the planet. For more than 40 years, Esri has cultivated collaborative relationships with partners who share our commitment to solving earth's most pressing challenges with geographic expertise and rational resolve. Today, we believe that geography is at the heart of a more resilient and sustainable future. Creating responsible products and solutions drives our passion for improving quality of life everywhere.



Contact Esri

380 New York Street
Redlands, California 92373-8100 USA

1 800 447 9778
T 909 793 2853
F 909 793 5953
info@esri.com
esri.com

Offices worldwide
esri.com/locations