Methodology Statement: 2015 Esri US Business Locations and Business Summary Data

An Esri® White Paper May 2015



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

Esri White Paper

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Esri extracts its business data from a comprehensive list of businesses licensed from Infogroup[®]. This business list contains data on more than 13 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 2015.

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 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 appends 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, 91.6 percent of the businesses are geocoded at the address level, which includes coordinates and census block codes.

Esri uses the geographic codes to report business data for summary areas such as states, counties, census tracts, and block groups. 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.

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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.

May 2015 2



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

т 909 793 2853

F 909 793 5953

info@esri.com

esri.com

Offices worldwide esri.com/locations