

Building Solutions and Using Both Sides of the Story Under the Spotlight

This month we are bringing you an interesting double interview, introducing the managers of two companies from Germany, one that offers online geomarketing solutions and on the other side a company that uses these solutions in its business process. Reading the interview with managers Sebastian Mitter of mapChart and Sven Walter of Haushaltwerbung Walter, you can hear both sides of the geomarketing solutions and services story at the same time.

By Joc Triglav



Sebastian Mitter, MBA
(s.mitter@mapchart.com) is
Director Marketing and Business
Development at MapChart.

Your company is quite a newcomer in the geoinformation business, so please first explain who you are and which are your business priorities and goals?

The claim of the online GIS solution provider MapChart GmbH (Germany) is: just rent the software, don't buy the whole application. The up-to-date ASP approach features clear advantages for the clients: the detailed pan-European TeleAtlas street maps, latest databases, competitive handling, fast communication and optimized marketing

offer an increased benefit to all users of spatially based businesses. MapChart.com, the web-geo-management system of MapChart GmbH (founded in 2005), is based on the idea to provide, publish and analyze spatial market research data and socio-demographic data (geodata), online, transparent and easy-to-use. The online platform is including appropriate tools, to visualize market and business data in digital maps. By the evaluation, the perception and the analysis of the data, decision makers can detect spatial complexities and market potentials faster.

Therefore strategic decisions based on spatial market knowledge are more reliable and easier to realize. MapChart.com is a one-of-a-kind decision guidance for spatial questions in respect of business planning and controlling.

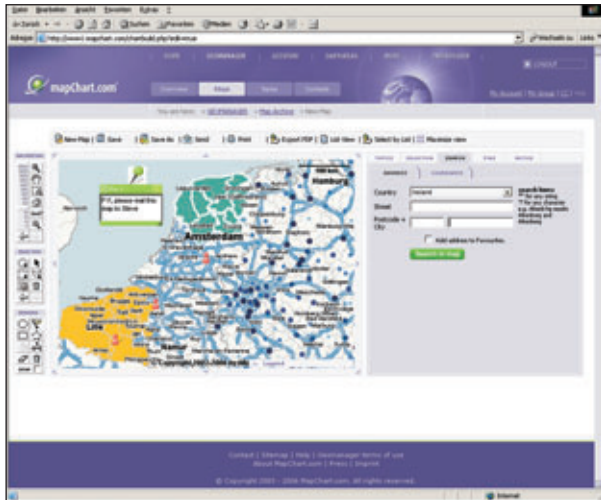
In your opinion, in which business and service characteristics do you differ most from other Web-GIS companies? How are these differences visible to your customers?

The MapChart GeoManager is founded in a new technology, developed in-house at MapChart. While other companies still use raster-based technology the vector mapping technology of MapChart enables faster services with a larger set of functions and opportunities. Using Java as the technology framework compared to Flash or SVG we can guarantee the highest performance with the most appropriate security features. As other Web-GIS solutions are mainly spatial viewers, the MapChart GeoManager has the same core features like GIS desktop applications plus a set of additional features, optimized for a web driven communication. By using the latest Java technology the service grants its user features like creating micro web-mapping pages, import of spatial data, such as shape files, or the mailing of the generated maps in an integrated MapMessenger.

MapChart offers its users on-demand geo-management services as the current approach to GIS outsourcing. Please elaborate from the application service provider's side of view on how this process runs between you and your customers.

An application service provider (ASP) is a business that provides computer-based services (in this case GIS services) to customers over an online network. The client of such an ASP doesn't have to buy the whole software package; he has just to lease the software 'on-demand' for the processing of his business tasks. By using ASP services regarding GIS, companies can outsource whole administration areas and process steps. With intelligent interfaces, such networked systems can also interact with client-based in-house systems if required by

These in a Business Process



Performing a geomarketing analysis with the MapChart GeoManager.

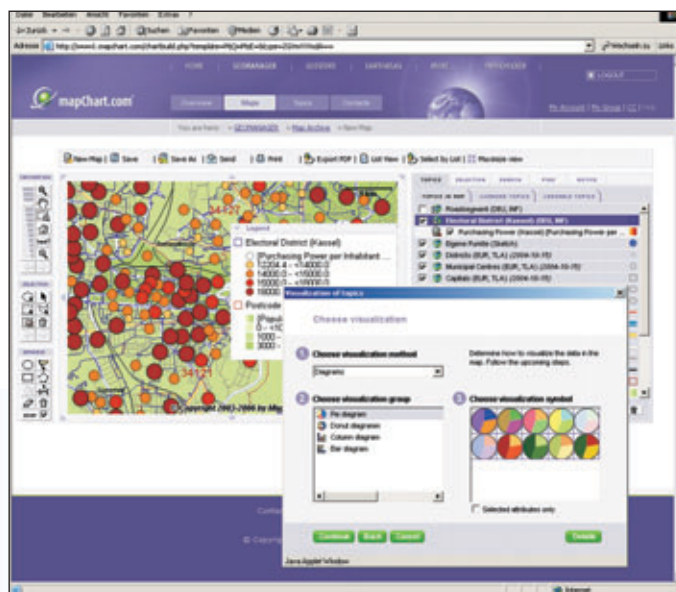
using Application Programming Interfaces (APIs). The MapChart GeoManager is an example for new approaches to GIS. As an ASP model the GeoManager integrates geodata, the GIS software, a networked communication and interaction system with the service of a team of 'spatialists' on just one online platform. The client can test the system on the website www.mapchart.com. Afterwards he can order a tariff with an included volume of transactions. Using the on-demand approach the user just pays for the clicks 'transactions' he needed to develop individual business maps or analyses. Therefore he can save high investment costs compared to Desktop applications where he has to buy new software, the additional mapping, pay for additional network licences as well as a number of trainings for the professional staff and hire highly qualified GIS staff. The community-driven approach of MapChart enables the client to share his data and the reports with other users in his company over a secure web environment and therefore he can optimize his internal processes.

Which are the main fields of applications that can benefit from your software and services and how? Please give us some typical examples of your existing customers and shortly describe your cooperation. Is

the level of interaction between you and these customers more or less the same in all cases or does this differ with individual customers?

The core customers of MapChart GmbH are located in the EU. The main branches are direct marketing companies, market researchers, retailers and companies in the B2C area. Haushaltwerbung Walter is a typical example of a large direct marketing company, using the MapChart GeoManager at many

locations. The interaction is higher with companies which have a stronger connection to spatial planning (or: planning a door-drop marketing campaign or analyse, where to place a new Point of Sale). Other customers, for example Debitel, are using the technology side of MapChart like the mobile TV locator (<http://wms.mapchart.com/debitel>). The third segment consists of telematics and tracking solutions like www.yellowfox.de, that are incorporating the mapping technology of MapChart in their portals (MapChart Fleetpoint service). Overall a lot of companies have a growing demand for spatial solutions, but they want it in a flexible way without making large investments in a complex IT structure.



Using the style assistant to design the thematic map.

With which of your tools do you perform geo-marketing analyses and which are the main characteristics of these tools?

For analysis the MapChart GeoManager provides a set of so-called 'selection assistants'. With these agents, the user can perform quantitative and qualitative selections and calculations, for example calculate an area on statistical area level surrounding a point of sale, which should represent 100,000 households with an average purchasing power of >18,000 euros per year. Using multivariate analysing functions, several selections could be shown parallel in the map. Other assistants handle the whole style dialog of the mapping process or the specific selection of spatial elements using external xls, xml or csv tables.

What is your opinion on the available European geodata? How do they support your services? Which are the main obstacles using these data in your daily experience? How do you tackle compatibility issues between various national datasets?

Using pan-European mapping data providers like Tele Atlas we don't have any compatibility issues between national datasets. We are cooperating with the leading geodata distributors and providers in Europe for presenting our customers a holistic view on the available geodata for business tasks. From purchasing power figures on the 'zählsprengel' level in Austria to socio-demographic data for micro-geographic areas in Spain to real estate information on a street level in Germany we can research and provide our clients with the necessary datasets. To face the lack of transparency in the European market for geodata MapChart will introduce an E-commerce platform, a 'GeoStore' where especially small and medium-sized companies can research and buy geodata online and use it in addition to the MapChart GeoManager.

How do you explain the geodata lifecycle and the use of geoinfor-

Information with a Web-Geo-Management System as you define it at MapChart?

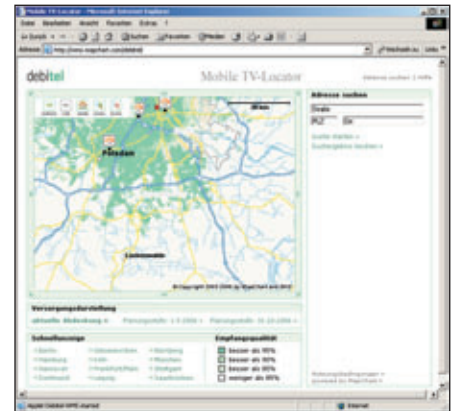
The geodata lifecycle is a process model on how a current Web-GIS system should be able to handle the data and the developed information. The five steps are:

- Supply of data;
- Processing of data, analyzing and mapping;
- Team-based quality check of the results, supported by intelligent functions;
- Publication of the results and export of the data;
- Storing the mapping and analyzing results in a secured online storage environment.

The results are represented in the process-oriented user workflow in the MapChart GeoManager. By adding the online team approach to the mapping process MapChart adds a new dimension to the Web-GIS world.

Which essential directions do you see the development of web geoinformation management heading for in the near future?

With companies like SAP or Microsoft 'going ASP' and 'on-demand' with their solutions, the GIS branch also faces the challenge of evolution of technical and business models. The integration of on-demand GIS solutions like the MapChart GeoManager will activate a whole new potential of clients and users of geoinformation services. With an appropriate price/performance ratio for small and medium-sized companies market-oriented GIS based methods like geomarketing may help to increase competitiveness and marketing efficiency. This new dynamic will help to establish new innovative solutions and will elevate the method of spatial analysis to a broader usage in companies all over Europe. So the answer to the question whether Web-GIS is the new competitor to the still ruling desktop systems is clearly no,



Example of the use of the MapChart web mapping technology for customer solutions – the mobile TV locator at www.watcha.de.

because Web-GIS solutions can help to lower the entry threshold to the GIS market in general and will help to enlarge the complete GIS market, as new user groups will enter this market permanently.



Sven Walter (s.walter@walter-werbung.de) is Managing Director of Haushaltwerbung Walter Berlin GmbH, Co-Owner of Haushaltwerbung Walter Leipzig, Haushaltwerbung Walter Dresden and Haushaltwerbung Walter Munich.

To start with please present shortly your direct marketing company and its main business and service activities.

With initially a handful of distributors, Haushaltwerbung Walter was founded in 1979 in Munich. At that time Rudolf Walter established a door-to-door distribution agency, which offered a broad local knowledge to its customers. In the eighties, Haushaltwerbung Walter's membership to the WVO, a nationwide consortium of medium sized door-to-door companies (Werbe-Vertriebs-Organisationen Verbund e.V., www.wvo.de), alongside its accreditation by the German Direct Marketing Association DDV (Deutscher Direktmarketing Verband e.V., www.ddv.de) brought a new opportunity of

carrying our national advertising campaigns through just one point of contact. Following the fall of the Berlin wall in 1990 Haushaltwerbung Walter expanded its operation into the new German federal states. Today each of the seven companies, which make up Haushaltwerbung Walter, offers tailored and individual service plus the necessary flexibility to its customers. Since 1990 Haushaltwerbung Walter's membership to ELMA (European Letterbox Marketing Association, www.elma-europe.com) has also opened the door to specialist knowledge and the execution of pan-European distributors. Door-to-door distribution has become one of the favourite media for retailers and manufacturers alike, enabling them to track where their customers come from as well as

to minimise wastage as the item is only distributed to relevant prospects on a regional or national basis. This highly targeted approach at individual postcode level is only feasible through our investment in automated electronic delivery system and specific geomarketing systems, which enables us today to deliver over 1 billion items a year.

Which main factors have led you to the decision to optimize your business processes with spatial technologies?

- The growing customer demand for mapping reports on leaflet distributions;
- The aim to raise the competitiveness of the Walter group as a leading direct marketing company in Germany;
- Saving time in the mapping process.

What does the usual workflow of your cooperation with mapChart look like in its main steps? Are the flowcharts different for various door-drop marketing clients or is there only difference in the data that you supply to mapChart?

The usual workflow always starts with the customer. A large retail company is ordering a leaflet distribution for several of its locations. Therefore we map these locations and select the distribution areas according to the target group definition and the amount of households. In an interactive way we integrate through mapChart the client in the planning process by sending him a



Dropping leaflets at the door is supported by geomarketing technology.

MapAbstract (a micro website, created with mapChart), where he can check the planned distribution. Finally we deliver the campaign map to the customer. Many other door-drop marketing companies are still working 'offline'. They still copy maps from travel or town maps and just draw their distribution areas without the use of a geographic information system. The other case is a direct marketing company with just one working seat for a GIS solution. Their problem is the limited knowledge, which is concentrated in just one mapping employee. The customers just get printed maps, but no fast interaction is possible. Another difference lies in the data, which Walter integrates into its mapChart account. Walter is developing and updating its own household data on a micro-geographic level. These spatial datasets are used in mapChart in addition to external data of data providers or the customers.

Which types of products and services does mapChart provide you?

MapChart GeoManager, geocoding services and digitization services as well as special geomarketing consulting services regarding the use of the mapChart GeoManager in direct marketing campaigns and target group specification. For special planning purposes we also use the data research services of mapChart.

Which are the necessary geodata, socio-demographic and economic data to support spatial optimization of your business processes and where do you get them? Which types of data are available off-the-shelf and which are supplied by your clients?

We are using the Data research service of mapChart regarding external geodata from leading European data providers. For example purchasing power data on the level of statistical areas or real estate typologies. We develop our own datasets with our distribution staff regarding micro-geographic household figures and basic socio-demographics. From the customer we usually get the location of his subsidiaries or points of sale, which we can geocode at mapChart. The Tele Atlas data for the mapping is already integrated for whole Europe in the mapChart GeoManager.

In which ways has the spatially optimized business process changed your interaction with your clients and their involvement in the marketing planning process?

- Faster way to interact with the clients;
- Clients can take part in the planning of the door-drop campaigns in every stage, using the web-platform of mapChart.com;
- Results can be shown in an interactive way, which supports a higher customer loyalty;
- Our competence to integrate current approaches to spatial marketing planning and management and the high efforts to deliver the best quality is a crucial factor for our customers;
- The selection of distribution areas occurs faster and with a better probability to localize the appropriate target group;
- The combination of the distribution areas with current map material permits a detailed planning down to the house numbers;

- Distinct cost savings could be realized by the management of the entire planning process (target group selection, planning of the distribution areas, involvement of the client in the planning process, realization of the campaign) in an integrated online solution;
- The customer satisfaction and the customer retention were improved by means of sales improvement through using mapChart.com and the spatial documentation of the entire process.

Based on your acquired experience using mapChart spatial technologies, which are the main benefits for your clients?

- Precise mapping;
- Reduction of scattering loss;
- Better controlling of the door-drop process;
- Better opportunities, to measure the response of the campaign;
- Campaign wastage can clearly be reduced by intelligent advertising based on current sociodemographic and economic data such as purchasing power, household structure, education;
- Customers that are also using mapChart can use the leaflet campaign data to check the spatial response rate and can achieve an even higher benefit working with the Walter Group.

As a user of mapChart solutions you must have in mind the desired directions of your future cooperation. Could you share these?

Geotracking of our leaflet distributors using GPS devices is a primary possibility. MapChart can offer the technology to integrate our geomarketing needs (distribution areas, household data) with the live tracking of our leaflet distributors. With this a whole new dimension in the quality controlling of door-drop marketing campaigns can be reached. In addition we plan to integrate a mapping applet into our Walter homepage as a new sales channel for incoming requests regarding spatial distributions.

Joc Triglav (jtriglav@geoinformatics.com) is a contributing editor and columnist of GeoInformatics.