

The Geographer's Contribution to Economic Planning

By **JEROME FELLMANN**
and **HERBERT SLUTSKY**

The word "geography" may well conjure up in your mind an Atlas, a globe, and a prim "schoolmarm" armed with a restless map pointer. You may conceive a "geographer" as a bearded companion of Admiral Byrd on South Polar ice or as an anemic mapmaker laboriously tracing a newly born volcanic isle on a map of the Pacific in the back room of a publishing company.

These days, geographers are engaged in pursuits a good deal less remote from business. That filling station where you got gas last night might have been located on its particular corner as a result of surveys supervised by geographers retained by the petroleum marketer. Likewise, that shopping center where your wife is buying the groceries today, and the highway she drove to get there, may both be where they are as the result of careful study by geographers. In short, the geographer has taken his place with the many other specialists who are being put to service by business and governmental bodies to help bring scientific precision to planning and to economic assessment.

Many of the activities of geographers on behalf of the business community

center on marketing. Some of those services are similar to the activities of other marketing specialists. The geographer has no exclusive magic; he does, however, bring to the study of marketing problems highly specialized training in the assessment of pertinent physical, social, and economic patterns. To that training he adds a unique integrative point of view that concerns itself with a wide range of natural and human elements of importance in marketing and locational decisions.

Although long dealing with comparable academic problems, geographers have only recently turned their attention to such practical applications of their discipline. At the turn of the twentieth century, fewer than ten professional geographers were employed in business organizations — and all of these were in map and magazine publishing concerns. During World War I, however, geographers demonstrated their decision-making capabilities in day-to-day economic situations while serving on the War Shipping Board, the War Trade Board, and numerous other governmental agencies and commissions. Between the wars, besides continuing to

Jerome Fellmann was trained at University of Chicago and is associate professor of geography at the University of Illinois. **Herbert Slutsky** was schooled at University of Illinois and teaches for both the College of Arts and Sciences and College of Business Administration at Roosevelt University.

serve such Federal groups as the T.V.A., the Bureau of Reclamation, and the Department of Commerce, geographers began to work within the private business community — primarily on problems of location of retail establishments, regional warehouses, and industries.

In general, however, academic geographers were either unaware of (or uninterested in) the services they could render to commerce, or encountered “sales resistance” in their attempts to find advisory roles in business organizations. Those situations have changed radically within the past twenty years. Wartime experience with governmental planning agencies introduced a whole generation of geographers to the excitement of dealing with practical problems demanding immediate solutions; similarly, their abilities and insights were made known to innumerable businessmen who worked by their sides in wartime Washington.

Following the war, geographers — most of whom are specialists, not generalists — pursued their new-found interests in studying and solving practical problems. The economic geographer, concerned with patterns of resource distribution, of industrial and agricultural production, and of marketing, found willing acceptance as a consultant to business organizations. The urban geographer, concerned with the structure and functions of cities and with the rationale of their land use organization, moved into the fields of urban planning and urban site analysis for business organizations ranging from shopping center developers to residential subdividers to industrial corporations.

Geography's range of interest is broad and the types of practical problems assigned to it are innumerable. Certain points of view and techniques of study, however, are common to nearly all applied geographic studies. To illustrate

these, let us consider the general field of marketing geography.

Evaluation of Areal Differences

An increasing number of business firms are utilizing geographers in the analysis of regional or local differences in product market. The geographer is, above all else, a regionalist; his professional interest at all times is focused on how and why phenomena — singly and in combination — vary from place to place. From this interest he is led to attempts to define regions, i.e., areas of internal homogeneity or organizational character that are clearly distinguished from surrounding territories. In his work as a marketing consultant, the geographer strives to delimit and evaluate regions of market significance.

Just what is “significant” is, of course, a variable influenced by the problem posed. It certainly includes an analysis of the distribution of consumers and an understanding of their qualitative differences, including characteristics of purchasing power, buying habit, social outlooks, mobility, and other related conditions. It is not enough, of course, to delimit different market areas solely in terms of consumer characteristics. It is necessary also to identify the specific functions for the performance of which the area exists and to relate those general areal functions to the marketing problem. Further, it is necessary to examine the total physical and cultural structure of the presumed market region — the patterns of natural features and man-made landscape objects that may affect human or freight traffic flow, site accessibility, suitability of product, and so forth. Any area of the earth's surface, the geographer reasons, is a complex of interacting physical and cultural features; an understanding of their arrangement and interrelationship within an area enables the geographer to distinguish between those elements of de-

mand for a product that are universal and those that are characteristic of the particular region investigated.

Usually, his broad-ranging investigations permit the geographer to discover market characteristics that have escaped the most astute and experienced businessman. Geographic studies can point out that market areas of assumed uniformity from the standpoint of a single criterion are, in reality, highly complex internally with assessable variation in their likely response to proffered products. Similarly, they are frequently able to demonstrate that two seemingly identical outlet sites will have highly different sales experience as a result of tangible or intangible areal characteristics revealed by thorough geographic study.

The Significance of Time

Any human region is dynamic, constantly undergoing change; the market area is no exception. Its assumed boundaries must be frequently re-examined and, when necessary, revised. Its internal structure must be restudied, although not always in the same detail as was necessary in the original survey.

Changes in an established marketing region as a whole, or differential changes within it, may be the consequences of new physical conditions, changes in networks of transportation and communication, new patterns of population distribution, changes in the cultural or economic characteristics of residents, introduction of new functional or land use patterns within the earlier delimited area, etc. The time element involved in some of these changes is slow, often erratic; other developments proceed at a sure and rapid rate. In both their academic work and applied studies, geographers have shown their concern and ability to deal with not only the contemporary scene, but also with significant changes in that scene through time.

Such concern with patterns of change

has practical marketing significance. The historical view coupled with frequent re-examinations of delimited marketing areas permits the geographer and his businessman employer to detect recurring patterns and associations and to isolate those areal variables affecting market characteristics and potentials. Thus, out of his individual studies, undertaken to answer specific immediate questions, grows a body of experience and theory contributing to the geographer's future work in the marketing field.

Techniques of Analysis

Not only many data but many skills are essential to the work of the marketing geographer and, indeed, to the geographer in general. By training, and as an outgrowth of his basic concern with distributions of phenomena, the geographer thinks and works with maps — those of his own construction and those prepared by other specialists. Geographic study involves not only plotting a multitude of facts in extensive map series, but also analyzing, comparing, and contrasting the distributional patterns revealed. From such study comes understanding of the structure of the studied area, ideas about its logical regional components, and comprehension about the marketing significance of interrelated features.

But the map, though basic, is not all. Field investigation, interviewing, air photo interpretation, statistical analysis, and — when applicable — literature search are all part of the marketing geographer's tools.

More important, perhaps, than the way he studies is the fashion in which the geographer presents his findings — not alone in the form of arid text and complex tables, but particularly in the form of carefully constructed maps that provide instant visual understanding of areal characteristics significant to his conclusions and marketing recommenda-

tions. Here is the real bridge between the academician and the practical business man. The map provides the ideal means of communication in most marketing studies, permitting the decision-maker to follow the arguments and assess the reasoning of the consultant. Much that otherwise would be obscure or unacceptable becomes clear and meaningful when presented cartographically.

The Scope of Marketing Geography

"Marketing geography" has here been used as a catch-all term, relating to a general field of interest and range of techniques rather than to a specific study situation. In reality, the range of individual problems is great — from concern with location of a single small business establishment to assessment of the economy and development potential of large regional units. Description of a recent study conducted by geographers at the University of Illinois may serve to illustrate more specifically one of the broader types of economic and business studies.

The geographers, at the request of an organization of business and industrial leaders, attempted to evaluate the general and specific effects of improvement of the St. Lawrence Seaway and of the Illinois Waterway upon the existing complex, growing, and changing economic structure of the Chicago Metropolitan Area.¹ They recognized that the economy of the area had qualities and characteristics imparted to it by over one hundred years of growth. The structure of that economy in its existing patterns and trends required analysis — an analysis that covered broad segments of the fields of economic and urban geography. Choosing employment as the principal index of relative importance of industries within the existing economic complex and as the main measure of contemporary patterns of industrial growth or decline, the researchers uncovered

economic trends in the present area structure.

The individual economic trends established were, with modifications appropriate in the light of changing industrial characteristics and national and regional economic developments, projected to 1965. The researchers then had a reasonable estimation of the probable characteristics of the Chicago area economy as it would have appeared had Seaway and waterway improvement not been undertaken. That estimation provided the background against which the specific impact of improved water transportation might be assessed.

Next, drawing upon a detailed analysis of individual industrial locational requirements, changing regional and national market characteristics, and existing and developing patterns of industrial costs within the Chicago area, the geographers were prepared to assess the probable consequences of water transport improvement upon the Chicago area economy. The economic structure and industrial and market potentials of much of the American Midwest came under study; Chicago's existing freight traffic patterns, terminal facilities and terminal development plans, and its freight rate structure in relation to possible competitors were studied. The city's position in the present pattern of overseas traffic entering the Great Lakes also came under review.

Finally, a list of industries potentially able to expand within the Chicago area — or to locate there for the first time — was drawn up, as were lists of industries that either would feel no impact from water transport improvement or would suffer decline as a consequence of it. Estimated employment change, by 1965, on the basis of these considerations provided the requisite assessment of the impact upon the Chicago Area of Seaway and waterway improvement.

Such geographic studies, whatever their scope or area of concern, provide essential background and analytical data against which alternative development plans can be evaluated. Their counterparts, for the business community, are more detailed and pointed surveys leading to positive recommendations for

action in specific marketing situations.

NOTES:

1. Joseph A. Russell, Jerome D. Fellmann, and Howard G. Roepke, *The St. Lawrence Seaway: Its Impact, by 1965, upon Industry of Metropolitan Chicago and Illinois Waterway-Associated Areas*, Division of Industrial Planning and Development, State of Illinois, and Chicago Association of Commerce and Industry, Chicago; Vol. 1, 1959. Vol. 2, 1960.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.