

DATA VINTAGE

2022

BASE LEVEL GEOGRAPHY

ZIP+4

UPDATE FREQUENCY

Annually

VARIABLES

Segments 53

WHAT IT IS

ConneXions® is the premiere household segmentation system for marketers of technology and communications products and services, including voice, video and data services. The system classifies every U.S. household into one of 53 consumer segments based on the technology and communications purchasing and usage preferences of a household.

A distinguishing feature of ConneXions is its use of Technooption, a proprietary Claritas model that measures the willingness of a household to adopt new technology early in its lifecycle. Claritas describes technology adopters as follows:

High Tech — Segments classified as High Tech are the technology trendsetters. They are the most likely of all

ConneXions segments to be the first to try any and every new technology.

Mid Tech — Segments classified as Mid Tech are a bit more selective about the new technologies they will try, although it is unclear if savvy or salary is driving the difficult choices. They are frequently heavy users of one particular product or service while lagging in other products.

Low Tech — Segments classified as Low Tech are best described as those with big dreams and low budgets. Many of these segments would adopt more technology products if they could afford them.

No Tech — Segments classified as No Tech not only pass on trying new technology, they are also lagging in adopting well-established technology. Their philosophy is “Why pay for cable when you have an antenna?”

ConneXions offers an extensive set of supplementary market research databases and links to provider data of any household segmentation system in the industry. This allows marketers access to a wealth of research, which can be used to pinpoint the products and services that their best customers are most likely to use. The wide scope of ConneXions external links allows marketers to construct a detailed portrait of their customers, answering important questions like:

- Who are my ideal customers?
- What are they like?
- Where can I find them

ConneXions external links allow for company-wide integration of a single customer concept. Beyond coding customer records analysis, Claritas can also provide estimates of markets and trade areas, as well as profile databases for behaviors ranging from leisure time preferences to shopping to eating to favorite magazines and TV shows, all of which can help marketers craft ad messaging and media strategy.

ConneXions single assignment directories are created for the following geographic levels:

GEOGRAPHIC LEVEL	AVERAGE HOUSEHOLD COUNT
ZIP+4	4
Block Group	550
ZIP Code	3,300

USING SEGMENTATION DIRECTORIES IN ENVISION

Segmentation directories are used to apply segmentation codes to customer and/or prospect records that have the required geographic codes.

The ZIP+4 codes are made up of three match key fields combined to result in the nine-digit ZIP+4 code. The three components of a ZIP+4 code are the five-digit ZIP code and the two-digit sector code combined with the two-digit segment code (also known as the ZIP+4 extension). As an ENVISION user, you can append segmentation codes to your customer file in two steps:

Step 1: Import customer file to ENVISION

When importing your customer file to ENVISION, the file should include, a full street address, city, state and a five digit ZIP Code for each customer record. A full street address will ensure the best possible geocoding and segment code append for each customer record. To import a customer file with coordinate information into ENVISION, the file needs at minimum, both a longitude and latitude coordinate. You can learn how to import customer files to ENVISION by reading [QuickStart](#) document available on the Environics Analytics [Community](#) page.

Step 2: Export customer file with segmentation codes appended

Once you have geocoded a customer file in ENVISION, you can export it with a segmentation code for each record, as well as additional geocoding data such as county, core-based statistical areas and more. The segmentation code indicates which segment each customer household is assigned to. Once the code is on your customer file you can use other ENVISION tools to profile your customers, create target groups and much more.

METHODOLOGY

The goal of model development is to offer the best predictive value for a behavior or characteristic for which the actual data is unknown or otherwise unavailable. New methods and data are constantly being assessed to improve statistical model performance. To that end, Claritas developed a proprietary methodology called Multi-source Aggregation and Distributional Alignment (MADA), which changed the way households are measured and assigned to ConneXions segments.

MADA is used for assessing national distributions, which begins with the demographic update and is informed by additional data from Financial Track, Epsilon Targeting, Valassis Direct Mail Inc., Infogroup Inc. and TomTom North America Inc. Such data include, but are not limited to, age, income and presence of children. This information is acquired from third-party providers who have a legal right to provide such information and is either self-reported or modeled. This combination of data sources provides a unique competitive advantage in its segmentation assignment

methodology, due to the unparalleled breadth and depth of address-level information. The result of the MADA process is the creation of the Claritas Master Address File—a file of all households in the country (based on the U.S. Census Bureau’s standard of counting)—which serves as the benchmark for all coding processes.

To produce the count of households for each level of geography, initial estimates are created via the MADA process and then balanced against an annual demographic update (which is informed by estimates produced by the Census Bureau and, in some cases, various state demographers). At the block group level, change is estimated based on sources including local estimates, trends in U.S. Postal Service deliverable address counts from Valassis and trends in consumer counts from the Epsilon Targeting TotalSource Plus™ database.

By building a stable roster of addresses and associated mailing characteristics against which analysts can consistently assess national distributions, the ConneXions model provides the most detailed assignments.

The segmentation solutions use a broad spectrum of demographic and lifestyle information to describe households and geography, enabling companies to better understand and anticipate customer buying behaviors. Our segmentation systems place each U.S. household into segments based on general consumer behavior and demographic characteristics. The segments are based on aggregated or modeled information that represent millions of households. No information about a unique individual or household is published or reported within segment assignments.

Industry standard modeling practices are used along with a minimum number of demographic factors to assign households to a segment. ConneXions was designed to classify households according to their consumer purchasing behaviors. Thus, we use data that describe overall life stage such as presence of children and household size. One set of factors that we specifically choose not to use as drivers in our analysis or models is race and ethnicity.



HOW IT'S USED

Assign ConneXions segment codes to your customer file to know your customers through the lens of ConneXions.



Improve customer retention rates and cross-sell opportunities by analyzing thousands of behavioral, psychographic and demographic variables to understand your customers and develop service, product and advertising strategies.



To lower customer acquisition costs by assigning ConneXions codes to prospect files and discover the best service and products to reach them.

SAMPLE QUESTIONS IT CAN ANSWER

- Which ConneXions segments represent my best customers?
- Do customer prospects look like our existing customers?
- How different are customers that use different products and services?

FOR DIRECT DATA DELIVERIES ONLY

Standard data are delivered in the comma-separated values (.csv) format. For a detailed list of ConneXions segments, consult the metadata file with your data delivery.