

Claritas Neighborhood Demographic Profiles 2021 Release Notes

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OVERVIEW

The 2021 Claritas Neighborhood Demographic Profiles present data from the 2021 Claritas Pop-Facts Demographic estimates, including our new Claritas CultureCode Supplement to Pop-Facts Demographics product, summarized by segmentation audience for the Claritas PRIZM Premier, Claritas P\$YCLE Premier and Claritas ConneXions systems. Pop-Facts® uses proprietary Claritas methodologies combined with census and other data to estimate demographic counts.

Claritas Neighborhood Demographic Profiles can be used for several purposes, including:

- Determining criteria for deciding which audiences to pinpoint.
- Creating profile reports that rank demographic data by audience.
- Identifying audiences that rank high for specific demographic criteria, such as families with children or high income Hispanic or Latino households.

It is important to note that there are approximately three times as many Claritas Neighborhood Demographic Profiles as Claritas Household Demographic Profiles. This allows marketers to develop groups of ideal customers based on a wider range of demographic data. For example, the Claritas Household Demographic Profiles product presents income profiles, whereas the Claritas Neighborhood Demographic Profiles product presents not only income profiles, but also income profiles by race and ethnicity.

Note: Claritas Neighborhood Demographic Profiles are not intended to create geographic-based demographic projections. Projection is done using a two-step process. First, the total percentage of households in each Claritas segmentation audience that report to exhibit the profile's demographic trait is calculated. Then, that percentage is applied to the estimated number of households in each audience within a geographic area. Therefore, projection gives you an estimated number of households by audience in the area that are likely to exhibit the profile's demographic trait, but these numbers will vary from the actual demographic composition of the area. Therefore, a better tool for demographic data by geography would be our 2021 Pop-Facts products, which provide real estimates for a geography as opposed to projected profiles.

WHAT'S NEW

These profiles have been updated using the latest data from our 2021 Pop-Facts Demographic estimates and Claritas PRIZM Premier, Claritas P\$YCLE Premier and Claritas ConneXions block group single assignments. There have been a few minor changes to the roster in accordance with Pop-Facts roster changes.

DATA DESCRIPTION

Profiles Categories

All profiles are the same for the three segmentation systems, PRIZM® Premier, P\$YCLE® Premier and ConneXions®. The Claritas Neighborhood Demographic Profiles product is presented in five categories covering over 400 demographic profiles:

- Claritas Age, Education, Income & Occupation
- Claritas Housing, Tenure & Urbanization
- Claritas Neighborhood Demographic Profiles - Summary (This category presents key demographic traits rolled up to wider ranges than found within each individual category in order to facilitate macro level analysis. For example, while you may see ten or more income profiles under the “Claritas Age, Education, Income, and Occupation” category, you will only see three income profiles in the “Claritas Neighborhood Demographic Profiles – Summary” category.)
- Claritas Population and Households
- Claritas Race and Family Composition

Profile Roster

A complete profile roster is provided in the *Claritas Neighborhood Demographic Profiles 2021 Roster*. For a copy of the roster, please contact your Claritas account representative.

Changes

For this year's release, we have made a few changes to the profiles available for the year a householder moved into their housing unit. These changes were also made in our Pop-Facts products and go along with changes made to American Community Survey (ACS) data. For a full list of available profiles, including new and deleted profiles, please reference the *Claritas Neighborhood Demographic Profiles 2021 Roster*. For a copy of the roster or to learn more about the CultureCode Supplement to Pop-Facts, please contact your Claritas account representative.

Data Source

The 2021 Claritas Neighborhood Demographic Profiles product is created from 2021 Pop-Facts estimates (current year demographic distributions at the block group level) and block group single audience assignments for each segmentation system (PRIZM Premier, P\$YCLE Premier and ConneXions).

METHODOLOGY

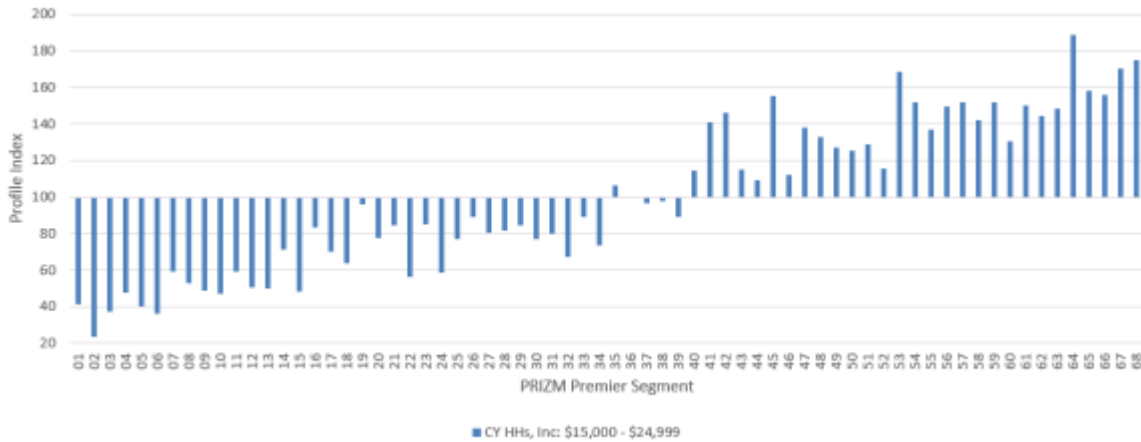
The first step in creating Claritas Neighborhood Demographic Profiles uses the single audience assignment of a block group. As a hypothetical example, let's say Block Group 370630015022 located in Durham, North Carolina is assigned Claritas PRIZM Premier audience 48—Generation Web. Within that block group in our example, there are households with varying incomes, as shown below.

SINGLE AUDIENCE ASSIGNMENT METHOD EXAMPLE	
CLARITAS POP-FACTS PREMIER INCOME LEVEL CATEGORIES	HOUSEHOLD COUNT
Household Income: <\$15K	497
Household Income: \$15-25K	207
Household Income: \$25-35K	243
Household Income: \$35-50K	159
Household Income: \$50-75K	116
Household Income: \$75-100K	49
Household Income: \$100-125K	8
Household Income: \$125-150K	7
Household Income: \$150-200K	4
Household Income: \$200-250K	1
Household Income: \$250-500K	2
Household Income: >\$500K	0

Using PRIZM Premier as an example, think of each of the twelve income categories as small “buckets” within the audience—in this case, Generation Web (48). In this example, there would be 497 Generation Web (48) households with annual incomes less than \$15,000 and only 2 households with annual incomes above \$250,000. Totals of each income “bucket” for all block groups assigned to this audience are tabulated to create a national level profile for Generation Web (48). The same is done for each PRIZM Premier audience using the same twelve income “buckets”. Once tabulated, these income “buckets” become the Claritas Neighborhood Demographic income profiles for each PRIZM Premier audience. For example, Chart 1 below shows

that households with incomes ranging between \$15,000 and \$24,999 index higher in neighborhoods assigned less affluent PRIZM Premier audiences (such as Family Thrifts (64)) than in those assigned upper income audiences (such as Networked Neighbors (02)).

Chart 1: Household Income: \$15,000 - \$24,999 (Claritas Neighborhood Demographics) Profile

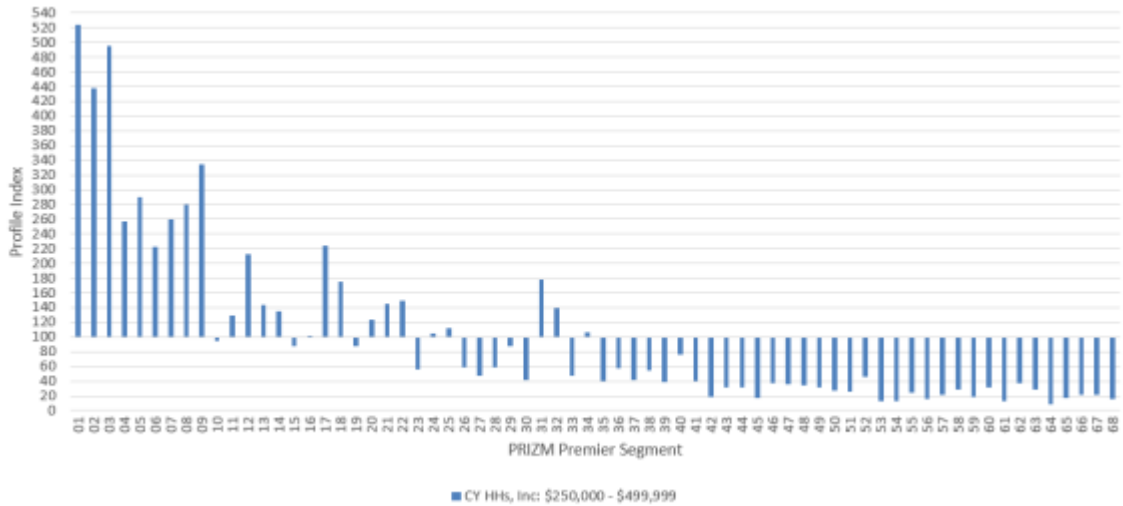


Note: At the block-group level, there will be some percentage of high-income households in areas assigned to low-income audiences and vice versa. As a result, even Upper Crust (01), the PRIZM Premier audience with the highest income level, has an index of 41 for households with incomes between \$15,000 and \$24,999, as shown in Chart 1 above. This means that these households do exist in neighborhoods designated as Upper Crust (01), but they are 59% less concentrated there than the average national penetration.

Chart 2 below presents similar results for households with annual income between \$250,000 and \$499,999.

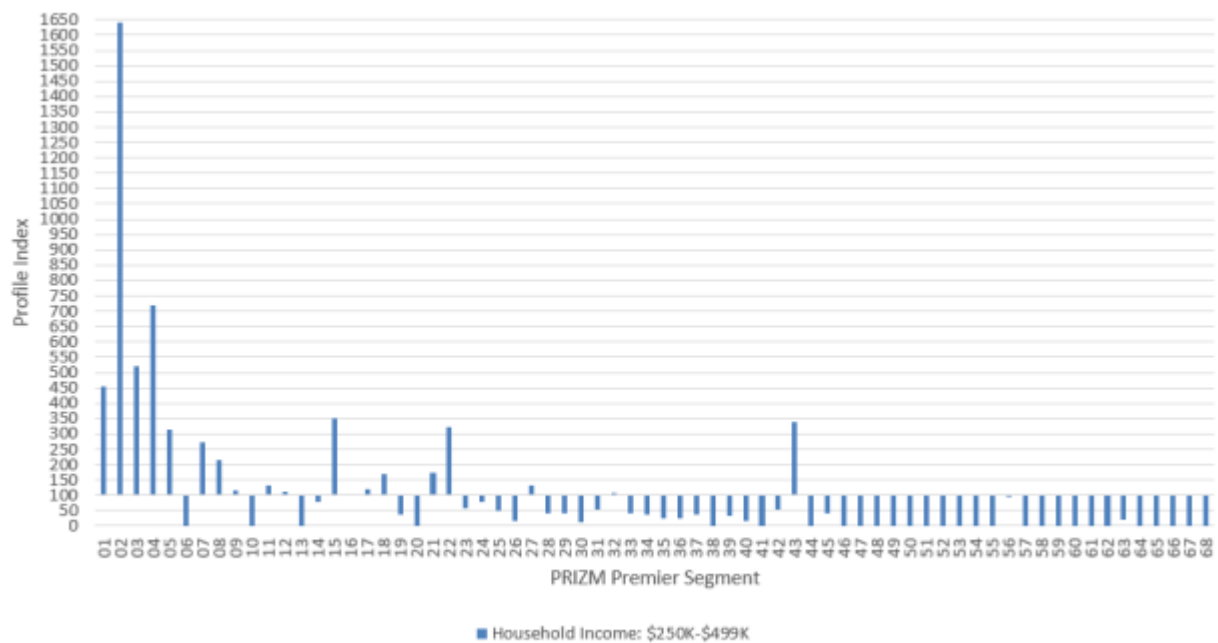
Households with these incomes have an index score above 500 in Upper Crust (01) neighborhoods, meaning they are five times as likely as the national average to have incomes in that range.

Chart 2: Household Income: \$250,000 - \$499,999 (Claritas Neighborhood Demographics) Profile



These two examples highlight a key difference between Claritas Neighborhood Demographic Profiles and Claritas Household Demographic Profiles. Although a block group may have a single audience assignment of Hometown Retired (38)—with a median income around \$55,000—there will be households in that block group with incomes between \$250,000 and \$499,999. As a matter of fact, as you can see in Chart 2 above, these Hometown Retired (38) households index below the national average, but the index is not zero.

Chart 3: Household Income: \$250K-\$499K (Claritas Household Demographics) Profile



On the other hand, in Claritas Household Demographic Profiles, no households with incomes between \$250,000 and \$499,999 are classified as Hometown Retired (38). Chart 3 above shows an index score of zero for incomes of \$250,000 and \$499,999 for Hometown Retired (38) audience. This is because Claritas Neighborhood Demographic Profiles present block group demographic distributions tabulated to a national level, while Claritas Household Demographic Profiles are single assignments for individual households. By definition, Hometown Retired (38) households do not earn over \$250,000 per year and therefore the penetration rate is zero.

Note: The data used for this example is from a previous update.

TECHNICAL SUPPORT

If you require further assistance, please contact the Environics Analytics support team between 9:00 a.m. and 8:00 p.m. (Monday through Friday, EST) at support@environicsanalytics.com or 888.339.3304.

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