

Purpose dictates the design of a European segmentation

John Rae

CACI Limited

Overview

- Design issues for a European geodemographic
- Comparing across Europe
- European Retail Markets
- Summary

Do European birds of a feather flock together?



Arthur Grosset's Birds

To what extent do all countries

- ▶ Look alike?
- ▶ Have common socio-demographic patterns?
- ▶ Have equivalent purchasing power?

And if they don't, how might we apply geodemographics?

Why would we care?

- ▶ Traditional applications of geodemographics
 - ▶ Marketing
 - ▶ Location Planning
 - ▶ Commonly assumed that geodemographics is the same for both these types of application.
- ▶ Equally valid, approaches to European geodemographics
 - ▶ Emphasise national targeting with subsequent blending of countries
 - ▶ Emphasise international comparability above national targeting

Looking alike?

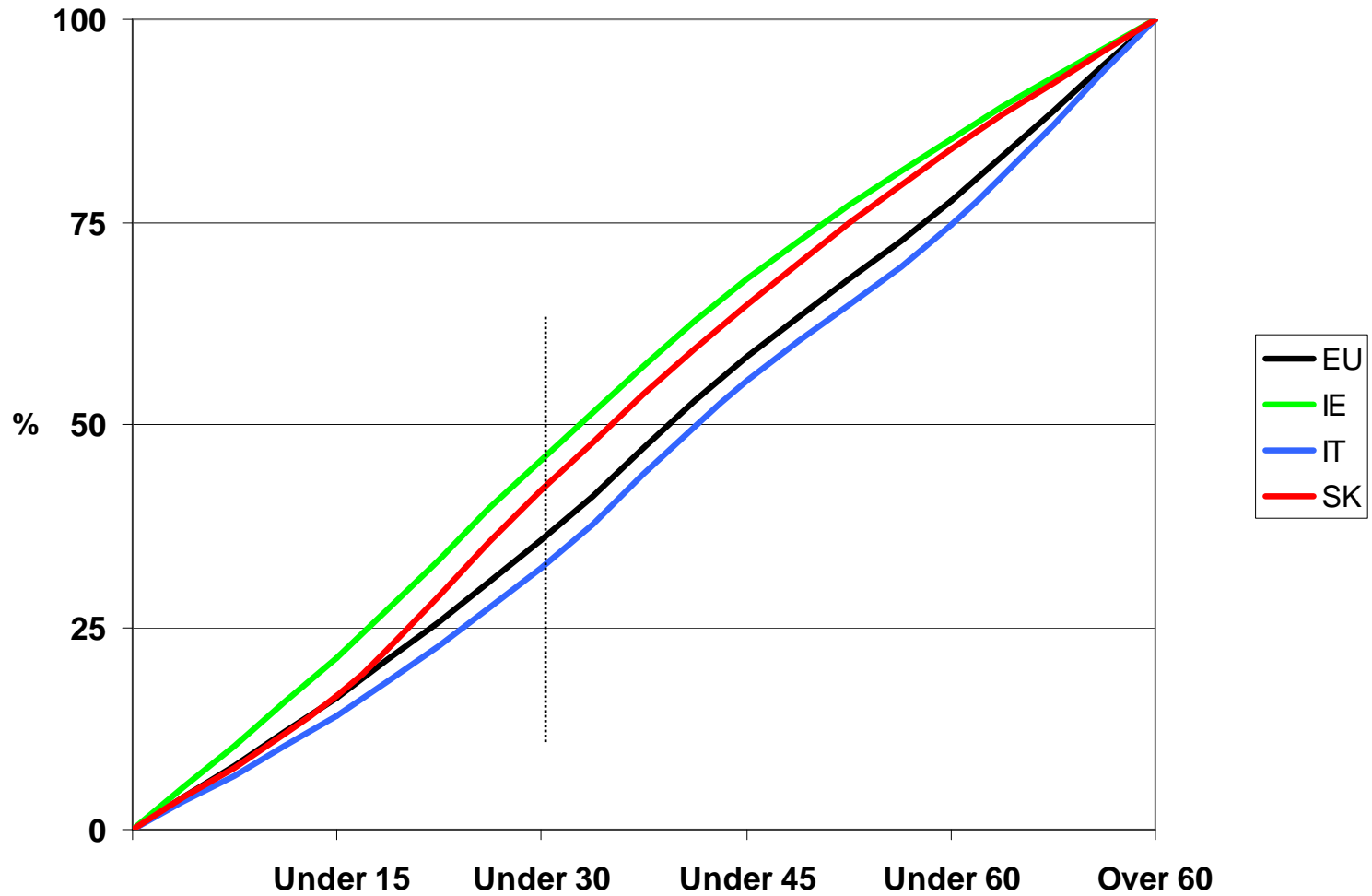
- The occupants have similar affluence and perhaps family structure.



Common socio-demographic patterns?

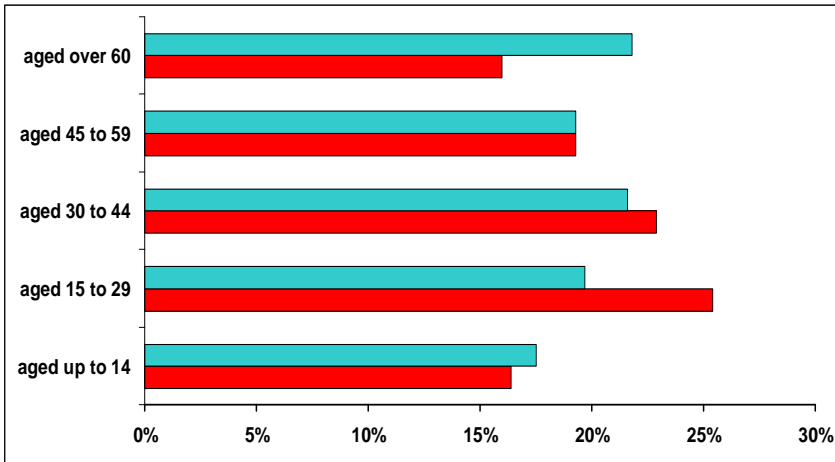
- ▶ Do the most deprived live in the cities?
- ▶ Do the more affluent commute in from the “home counties”?
- ▶ Is there a North – South divide?
- ▶ Is there a “demographic time bomb”?

Cumulative age profiles

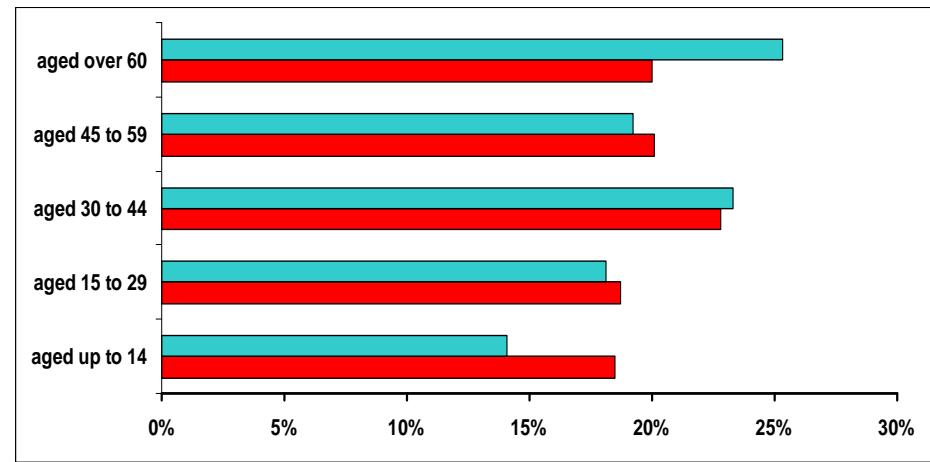


Demographic variations

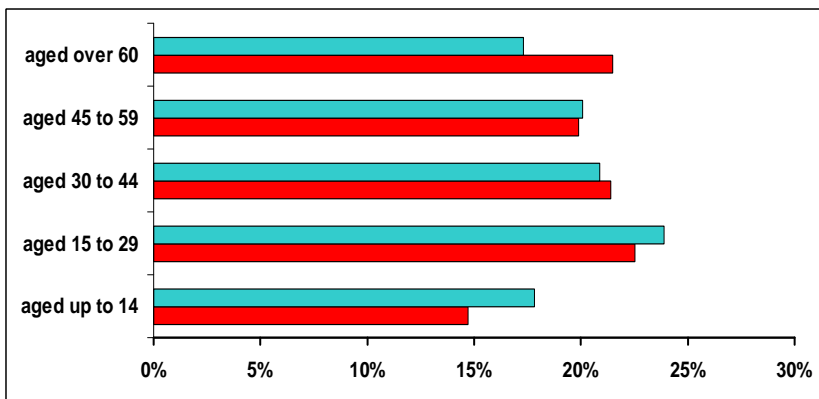
United Kingdom Slovakia



Italy Holland



Poland Hungary



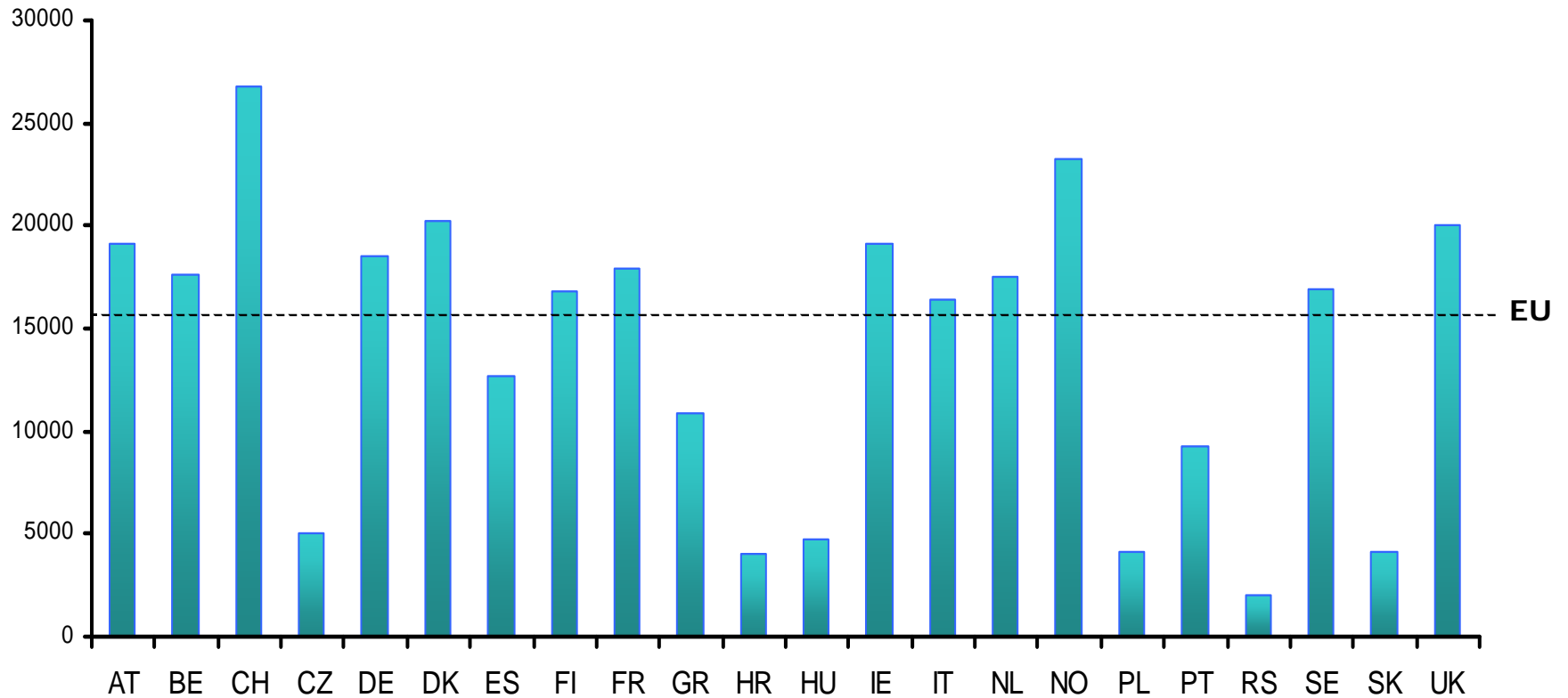
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Equivalent purchasing power?

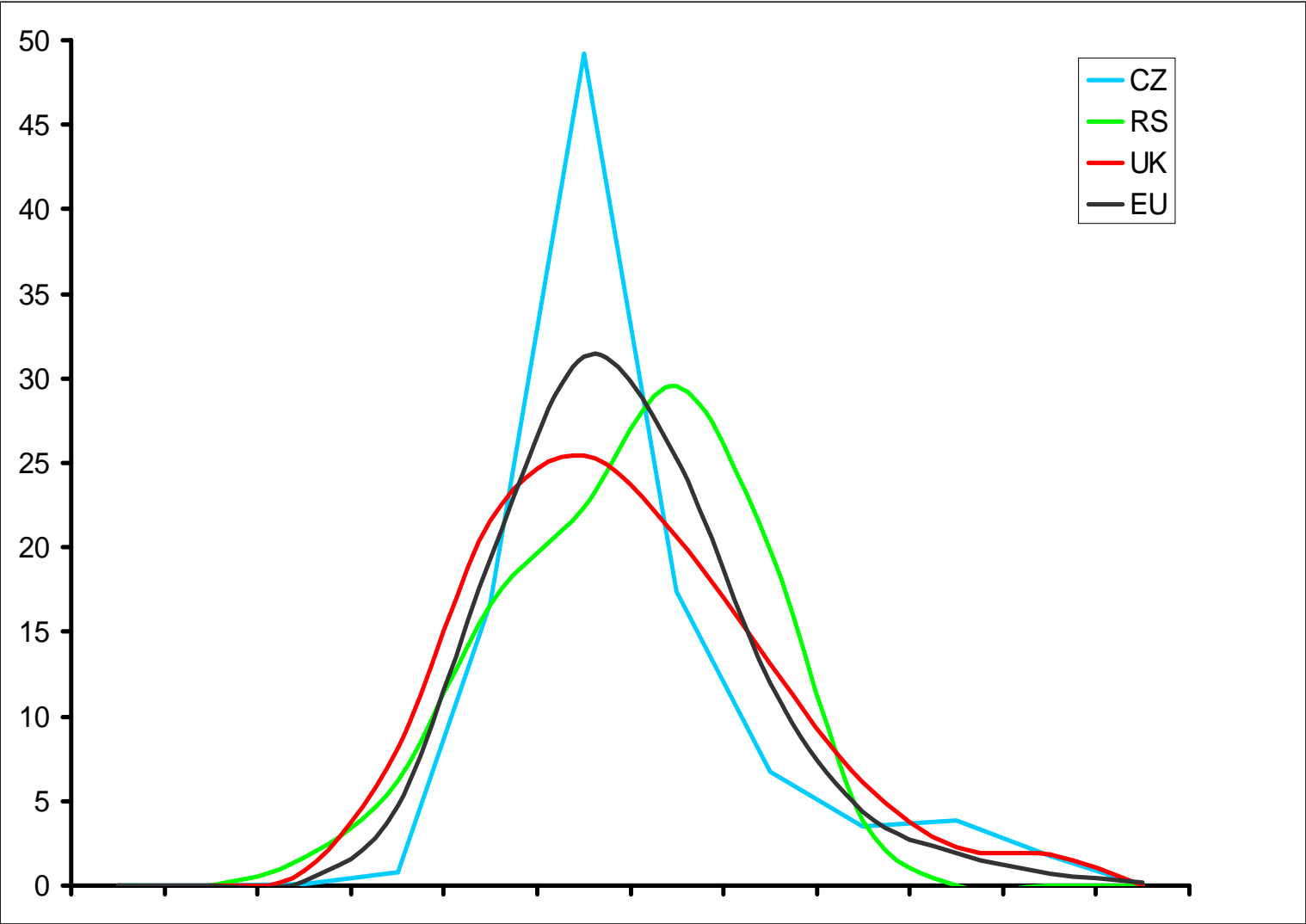
Some countries are much poorer than others

- No point in a geodemographic that simply says Eastern Europe is poor, Western Europe is not.

Variation in disposable income



Distribution of disposable income



euroacorn

- ▶ Comparing places
 - ▶ Relative to each country – e.g. disposable income
 - ▶ Relative to Europe e.g. age & family structure
- ▶ Emphasise cover across Europe
 - ▶ Not smallest possible areas
- ▶ *Similar* data items across countries, including
 - ▶ Age bands
 - ▶ Size and type of Households
 - ▶ singles, couples, couple with children etc.
 - ▶ Employment rates
 - ▶ Occupation
 - ▶ Spending power
 - ▶ Type of dwellings

euroacorn

- ▶ Classifies small areas from 25 countries across Europe.
- ▶ It identifies 15 types of area, which fall into 5 groups

Highest Spenders	1 Affluent older singles 2 Well-off families 3 Well-off empty nester couples 4 Wealthy young singles
Comfortable Families & Couples	5 Comfortable elderly couples 6 Comfortable working singles & couples 7 Average older couples & families
Families with Children	8 Working families with children 9 Large working families
Older Poor	10 Poorer singles & couples 11 Poor elderly singles 12 Poorest traditional elderly
Young Poor with Children	13 Poor overcrowded large families 14 Poor singles & couples with children 15 Poorest young families

A – Highest spenders



- 1 Affluent older singles**
- 2 Well-off families**
- 3 Well-off empty nester couples**
- 4 Wealthy young singles**



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D - Older poor



10 Poorer singles & couples
11 Poor elderly singles
12 Poorest traditional elderly

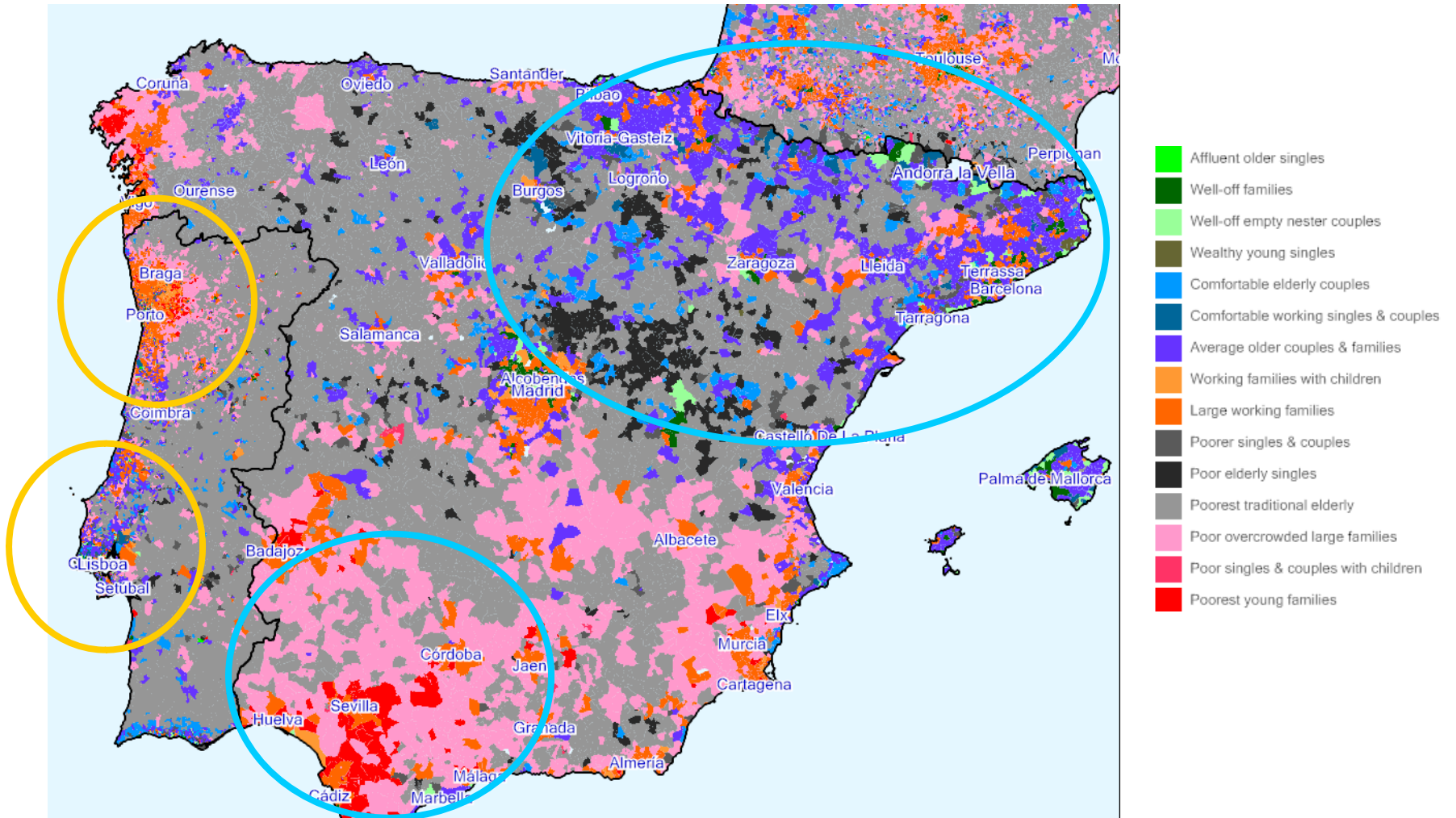


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North South divides



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European Retail Markets

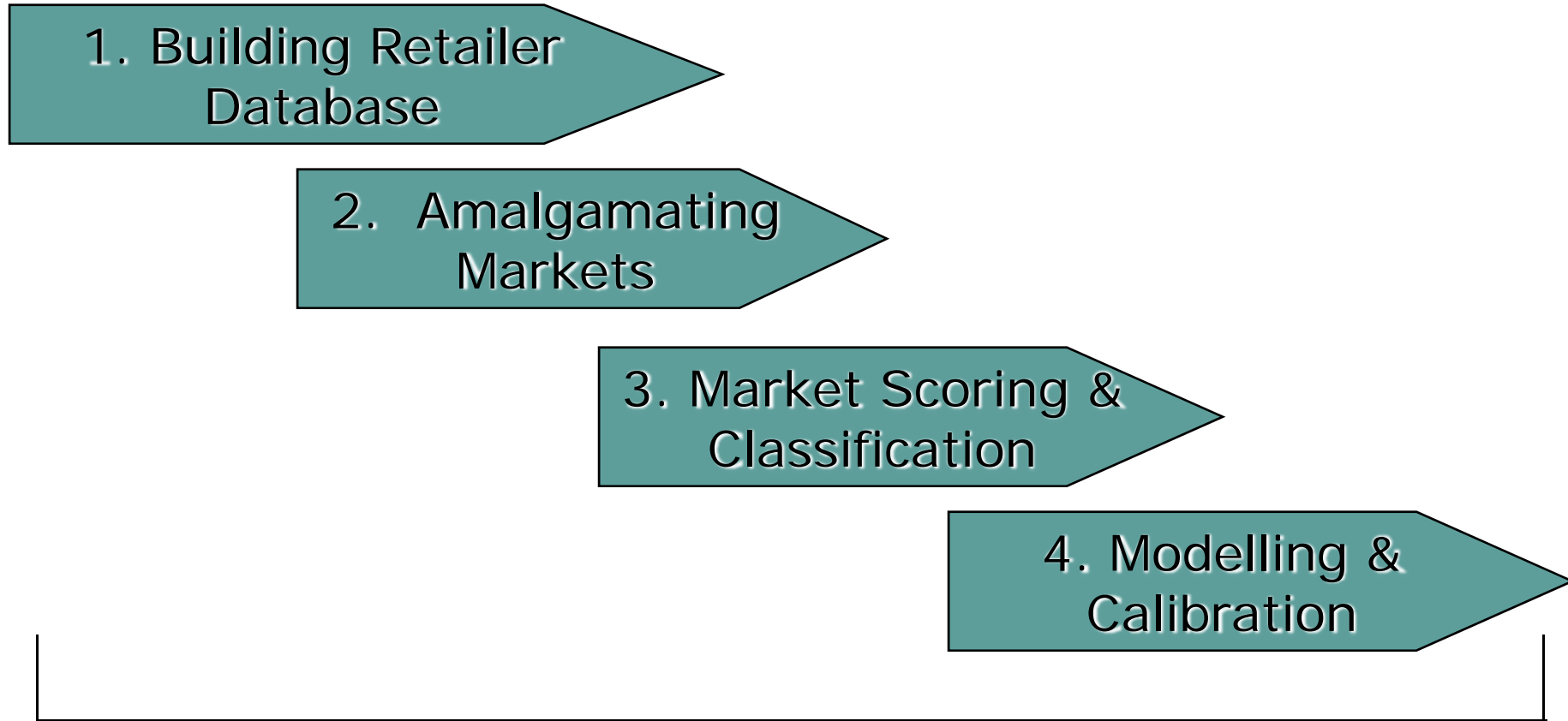
1. Broad Retail Markets

- ▶ What are Europe's top 5 markets
- ▶ How big are France's top 5 markets

2. Detailed Centre Markets

- ▶ What is the catchment for this centre / development
- ▶ What is the likely turnover of this centre

How? The Four Key Stages

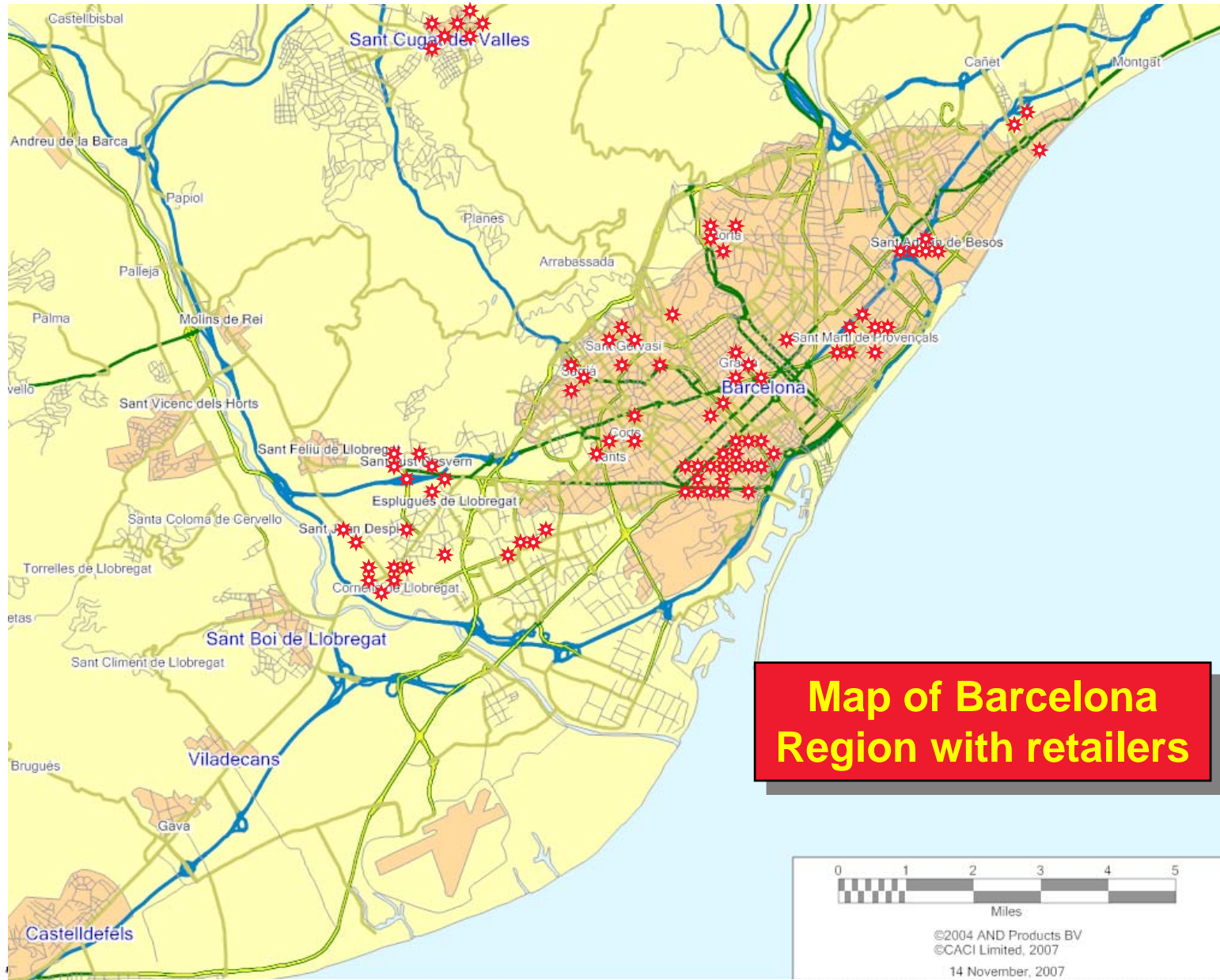


€RM Build Process

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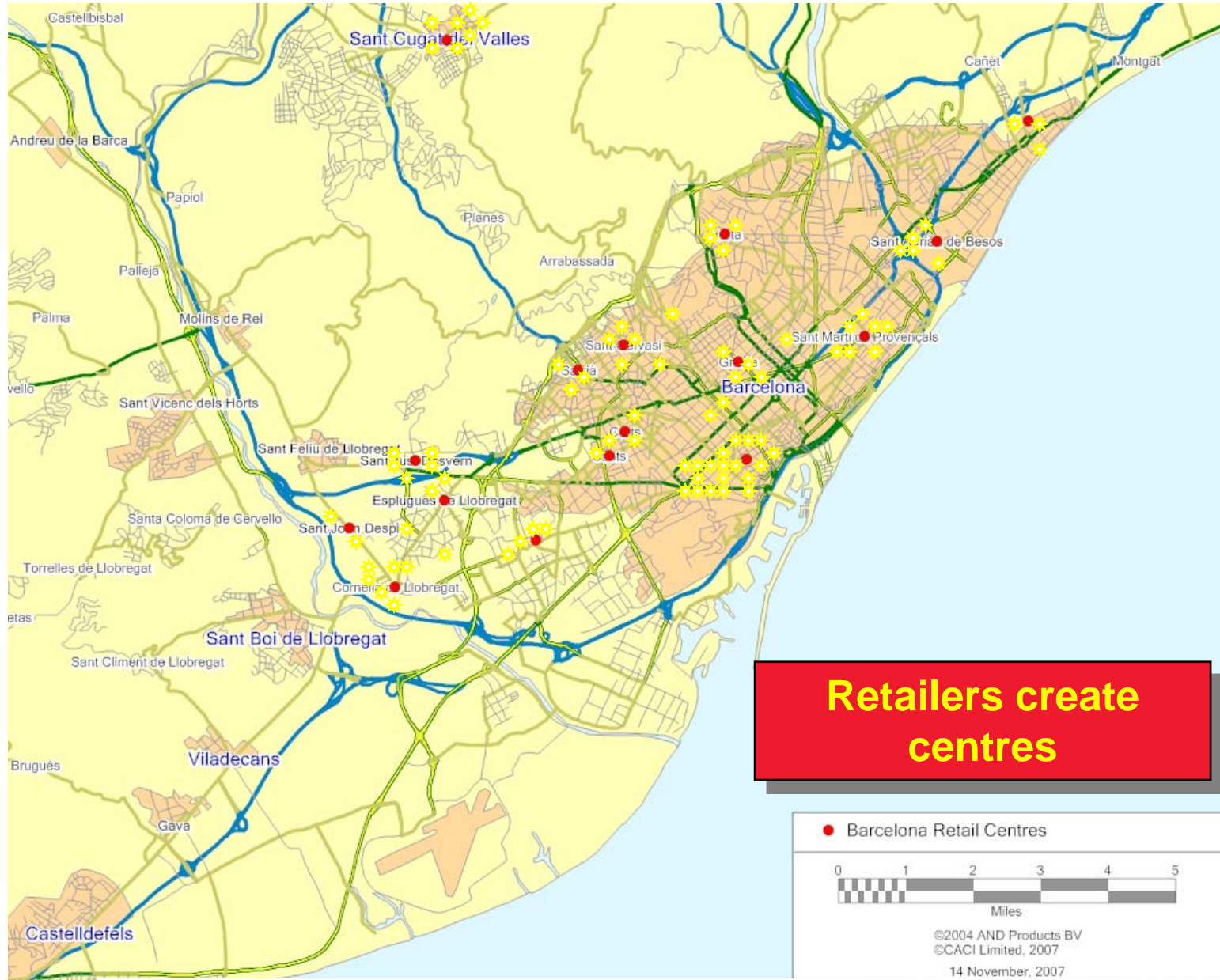


Map of Barcelona Region with retailers

0 1 2 3 4 5
Miles
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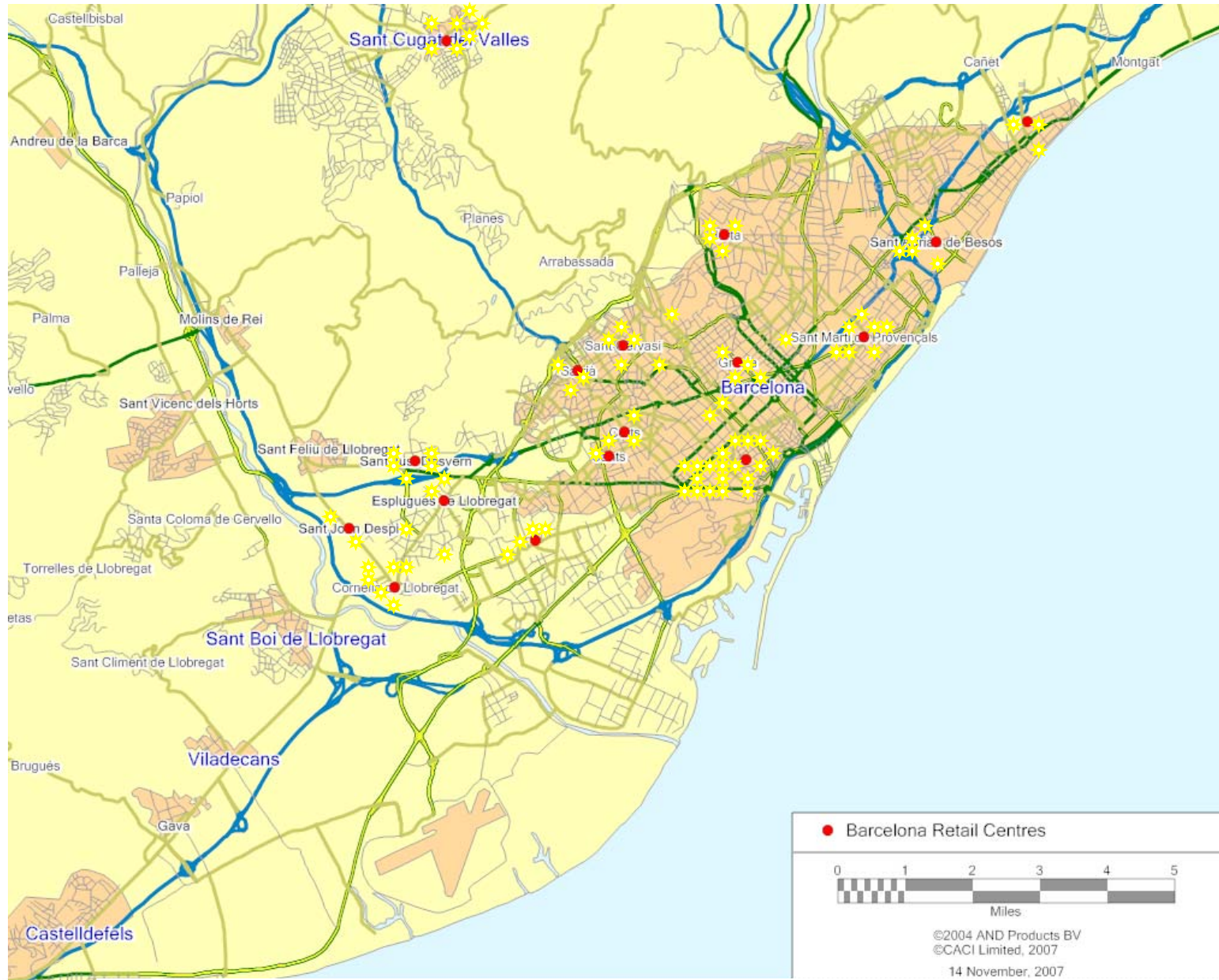


EUROPEAN RETAIL MARKETS



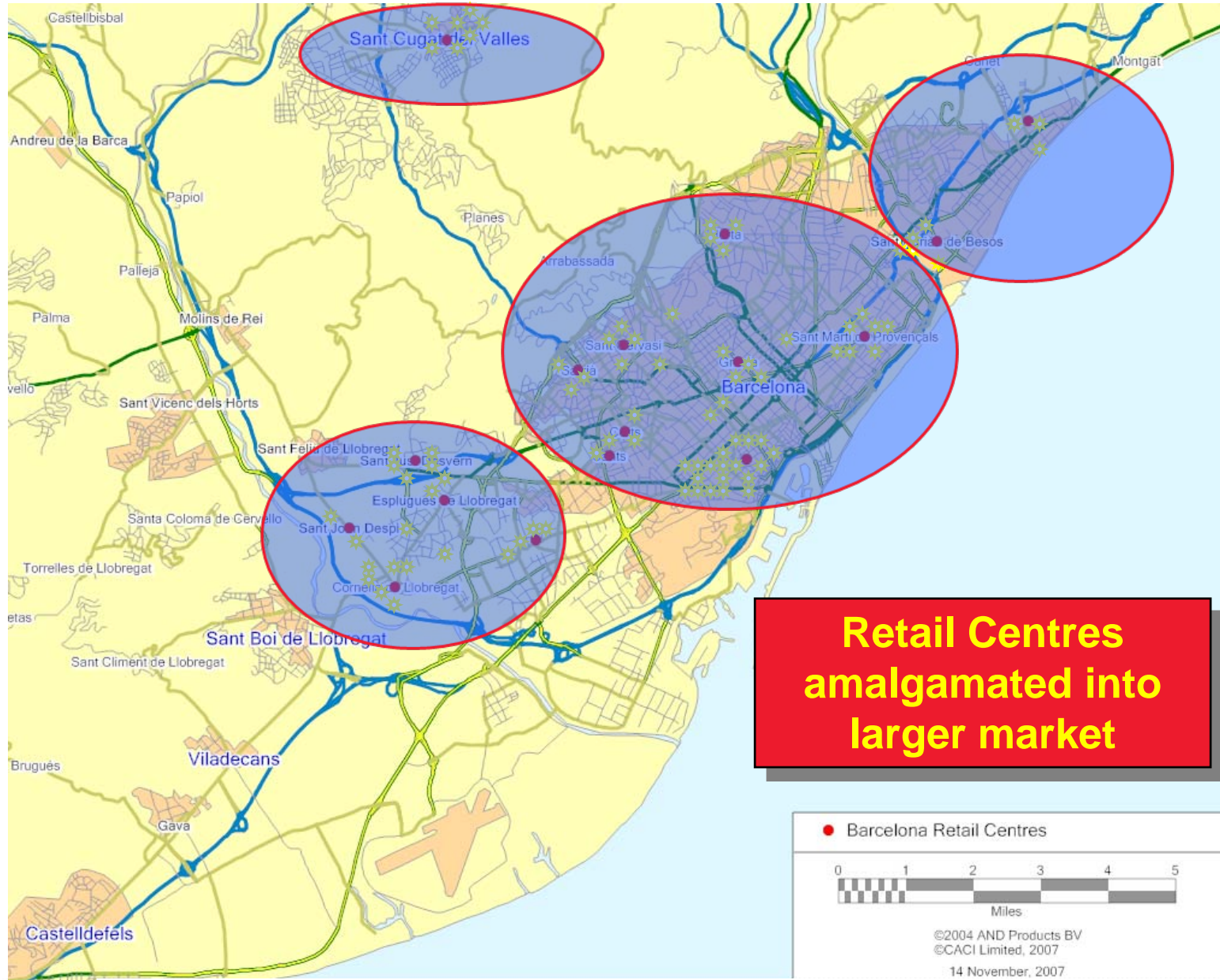


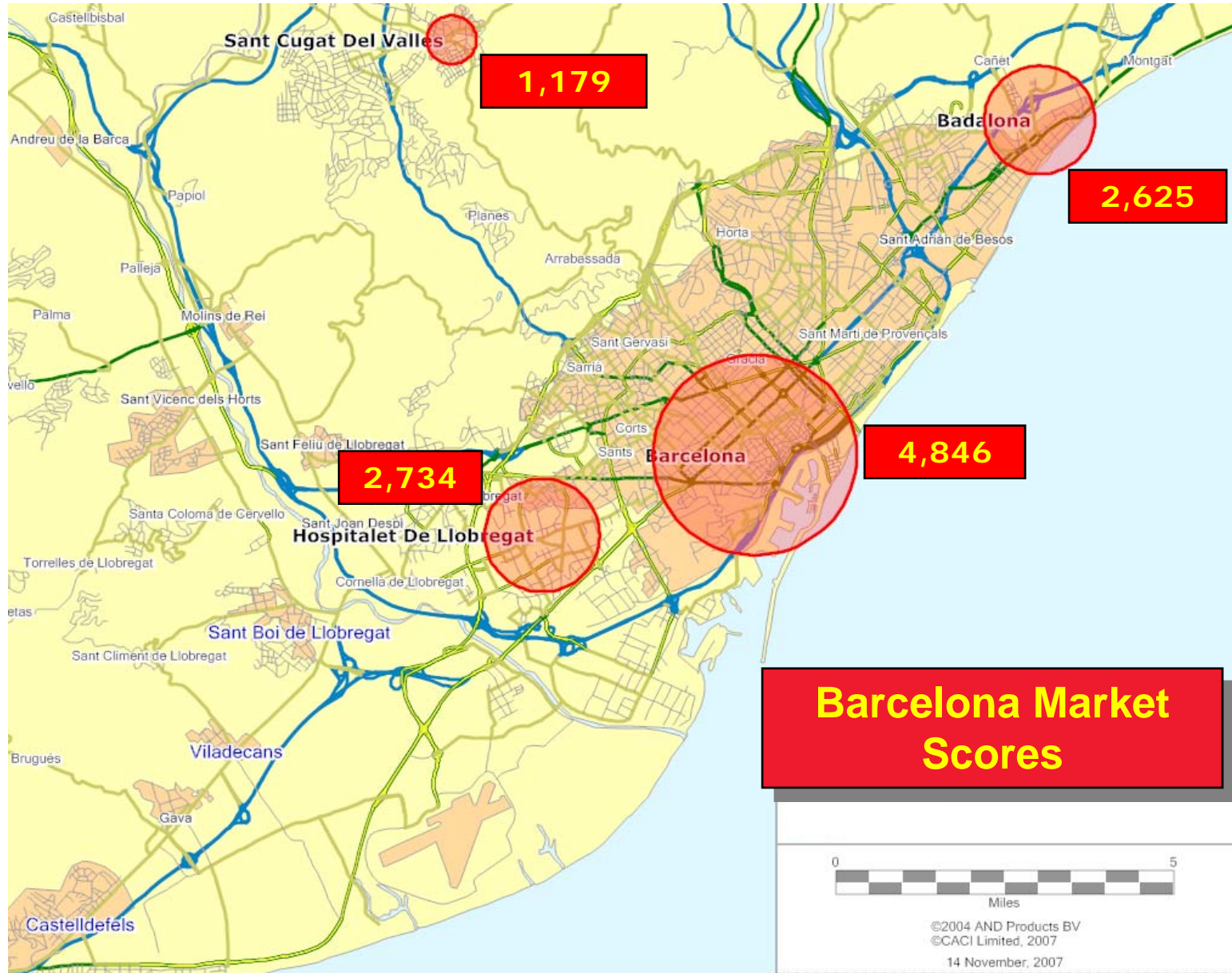
EUROPEAN RETAIL MARKETS





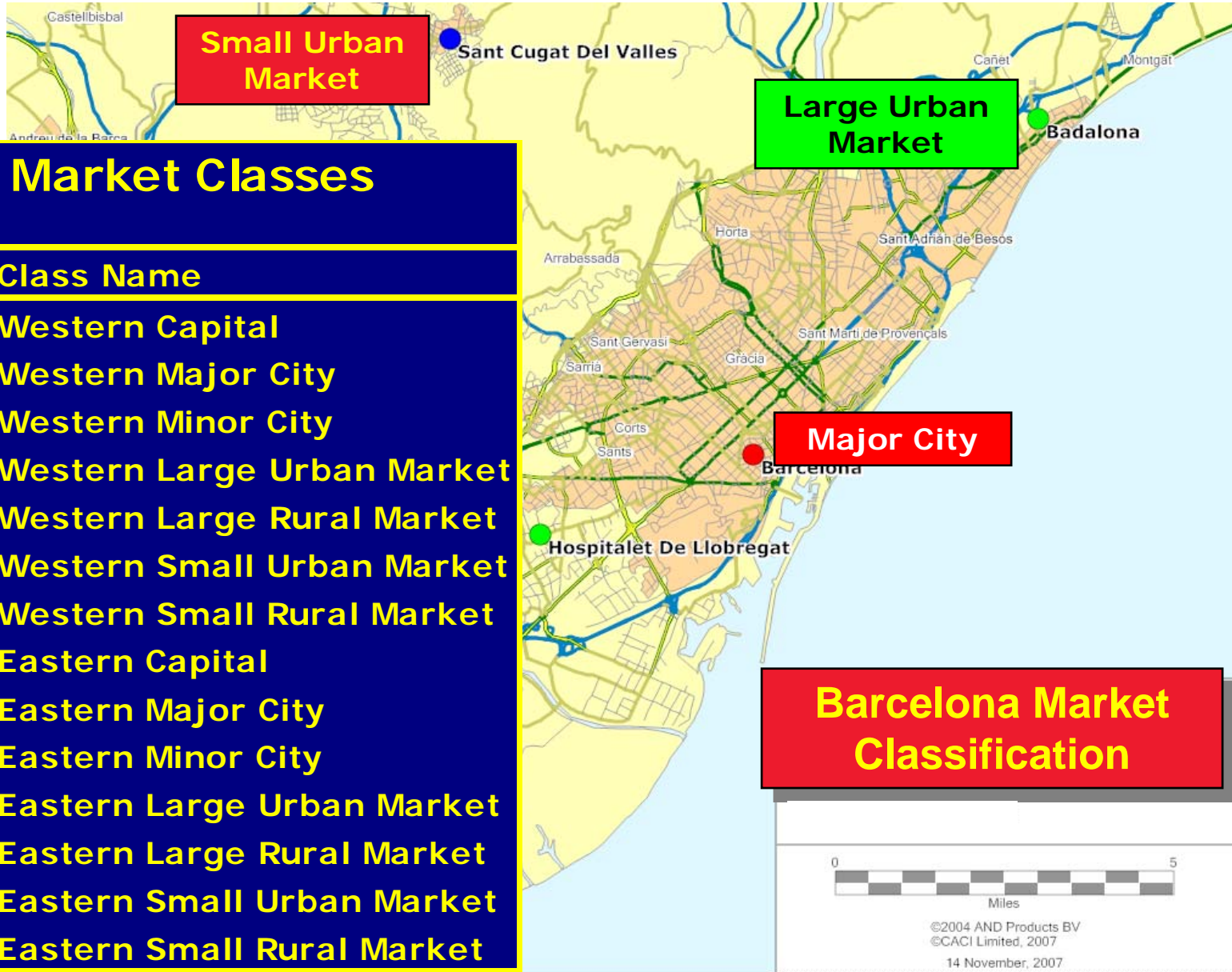
EUROPEAN RETAIL MARKETS





Barcelona Market Scores





Small Urban Market

Large Urban Market

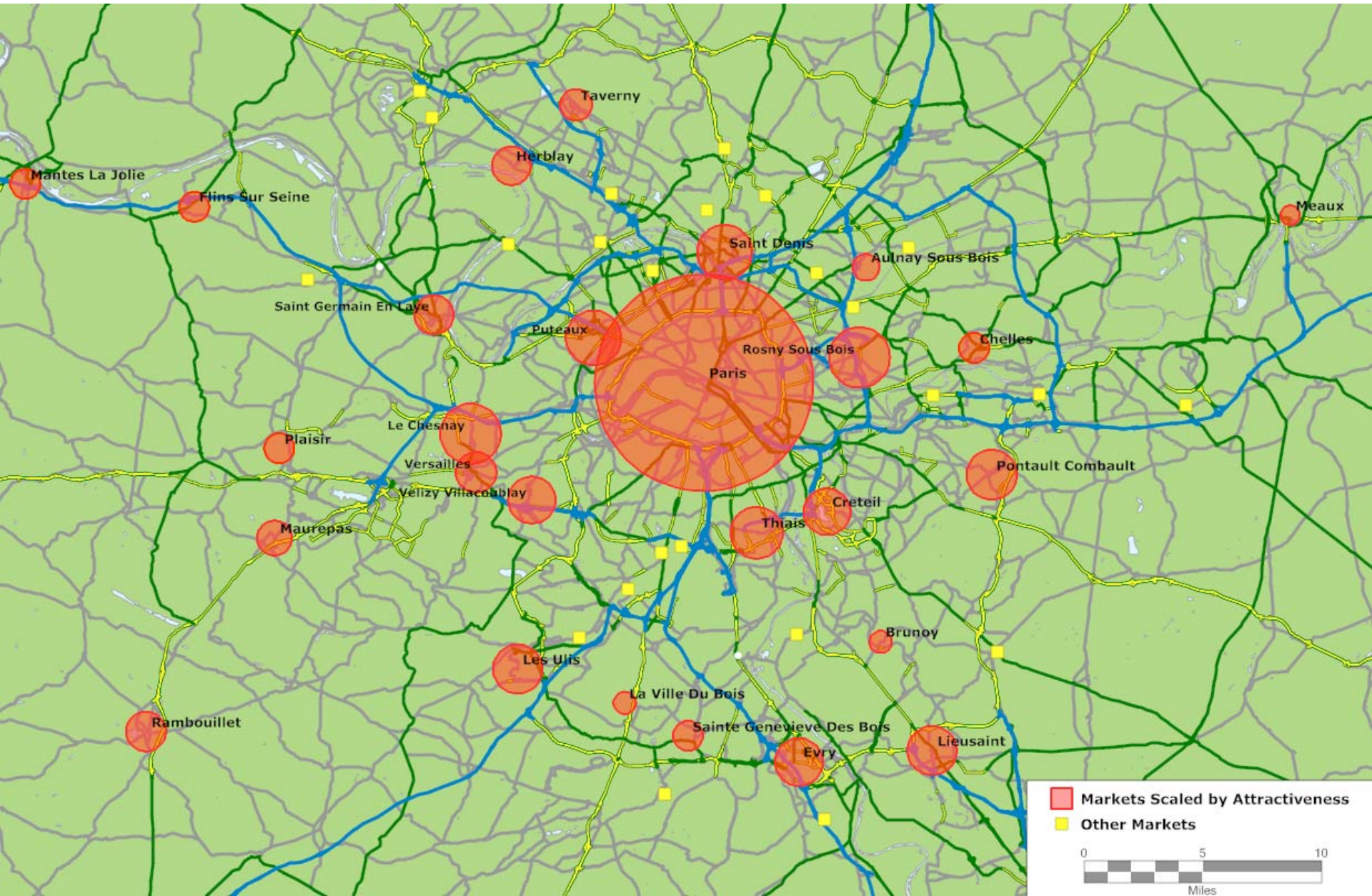
Major City

Barcelona Market Classification

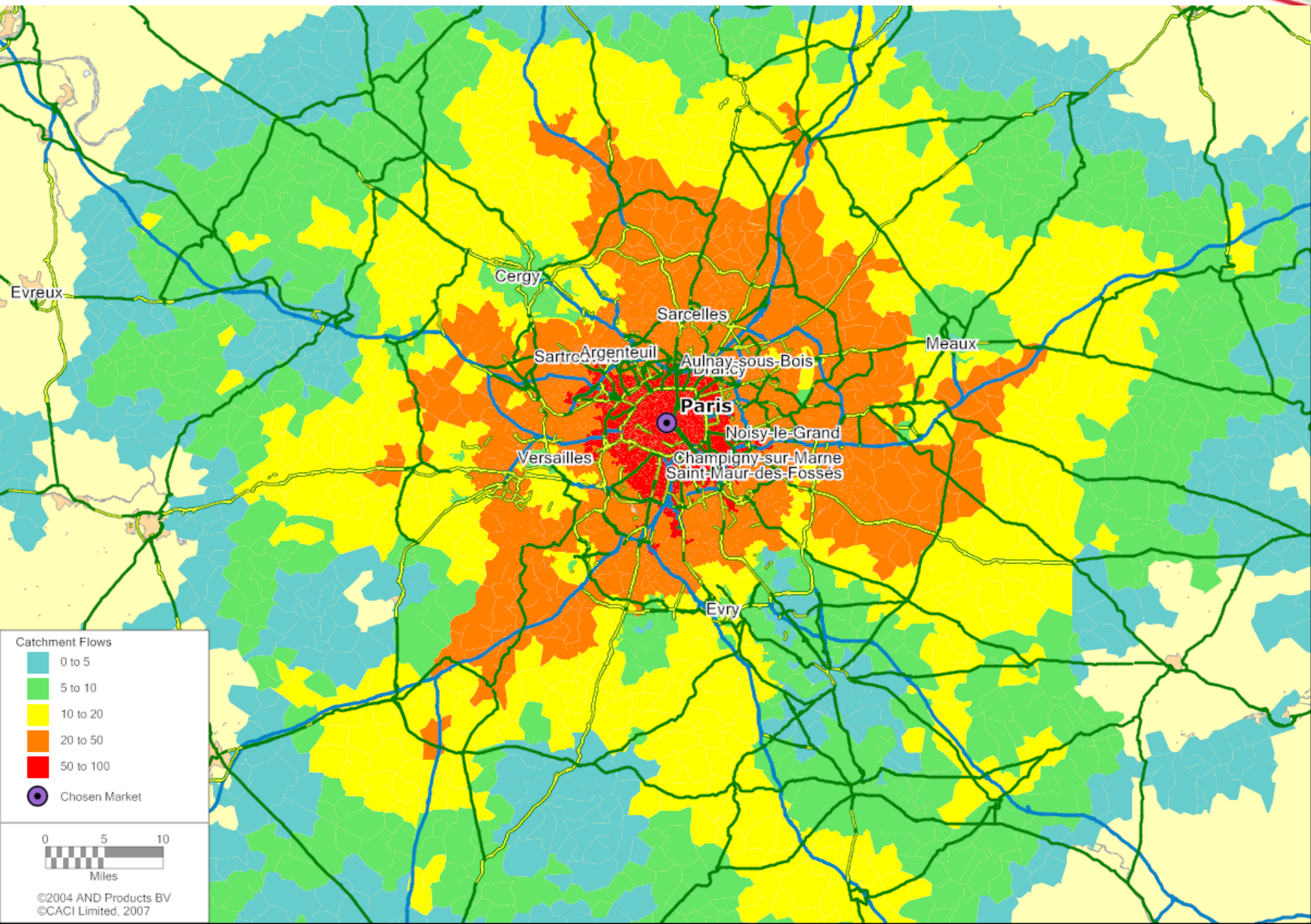
€RM Market Classes

Class	Class Name
1	Western Capital
2	Western Major City
3	Western Minor City
4	Western Large Urban Market
5	Western Large Rural Market
6	Western Small Urban Market
7	Western Small Rural Market
8	Eastern Capital
9	Eastern Major City
10	Eastern Minor City
11	Eastern Large Urban Market
12	Eastern Large Rural Market
13	Eastern Small Urban Market
14	Eastern Small Rural Market

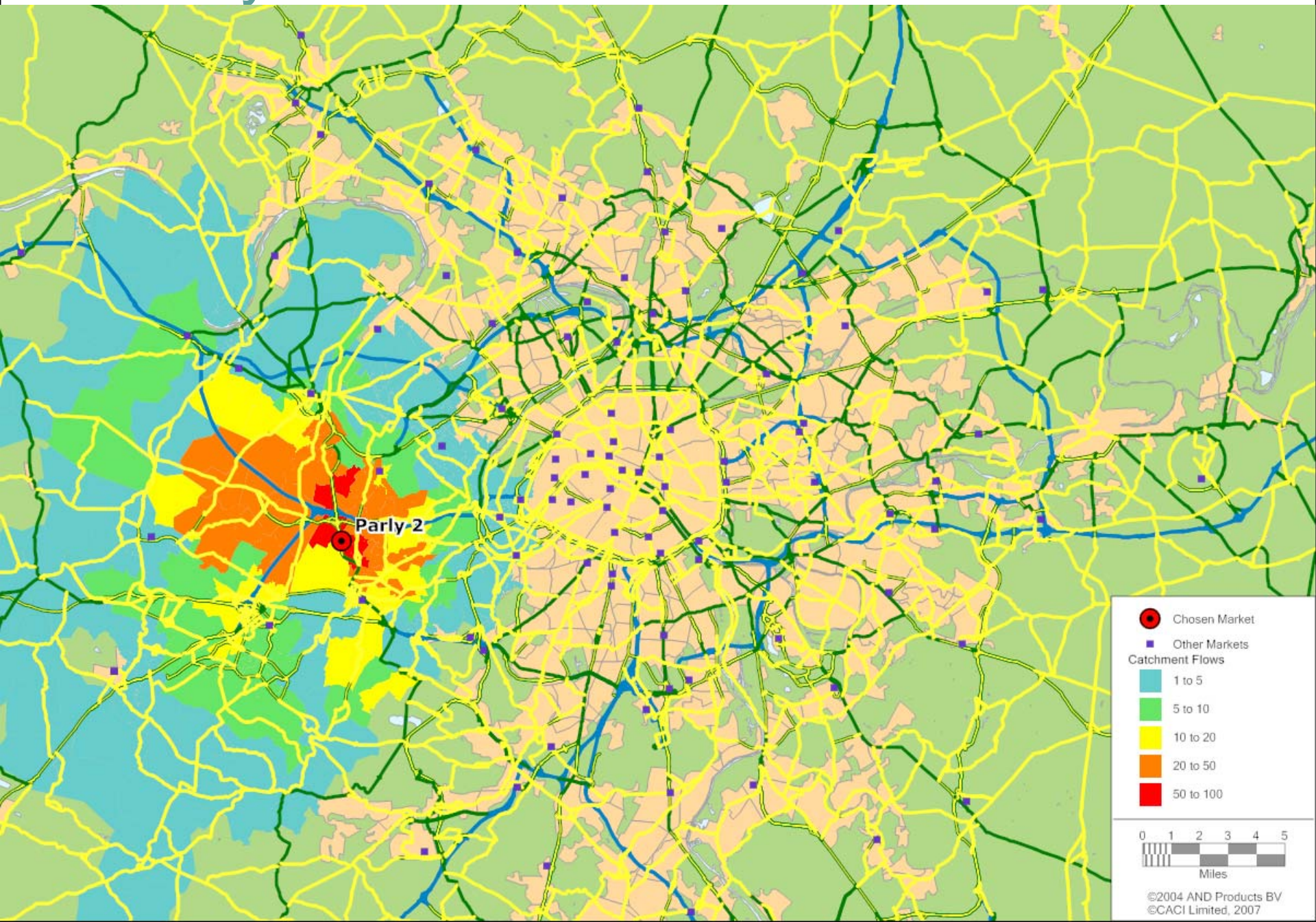
The Paris Retail Market



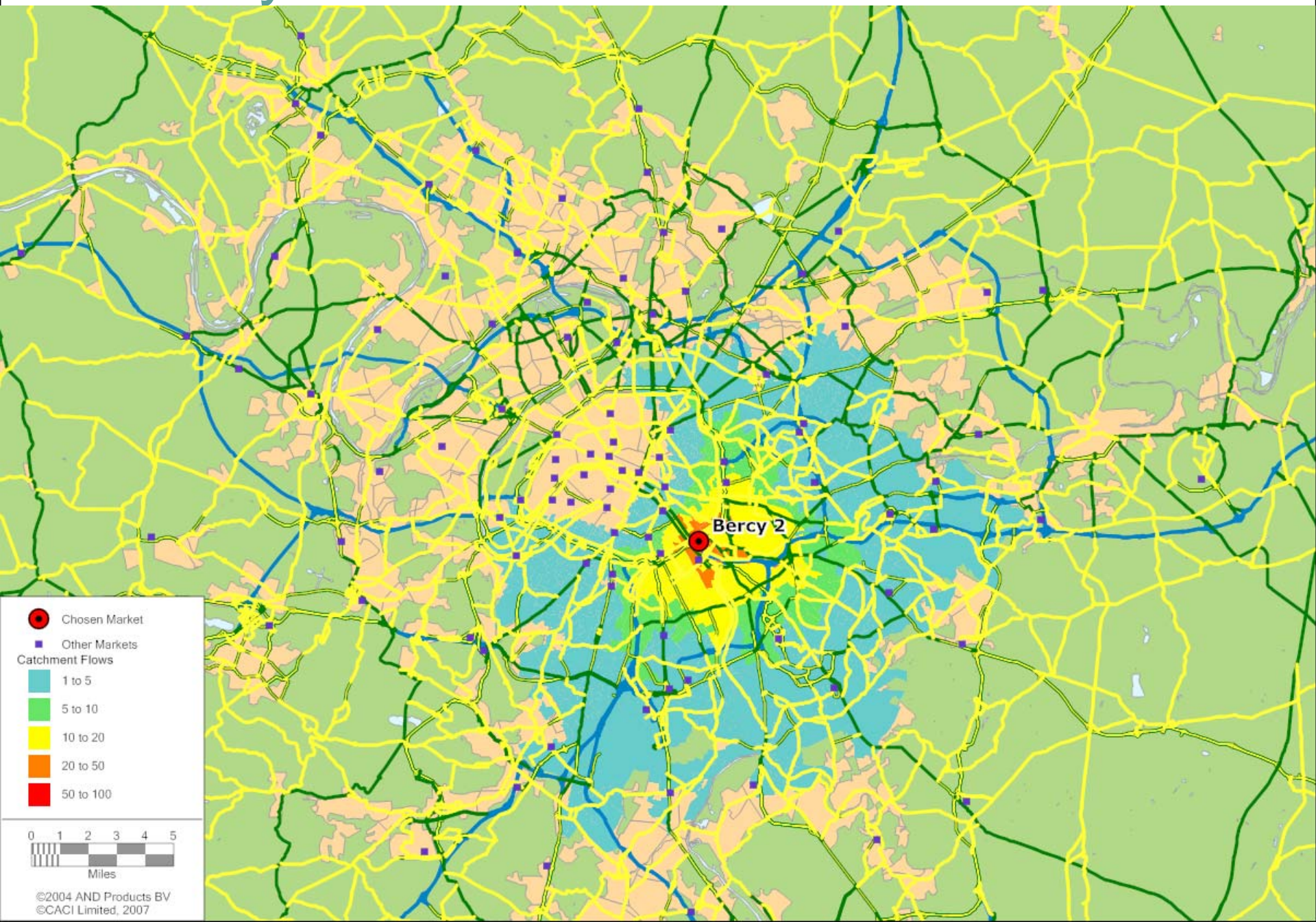
The Paris Market Catchment



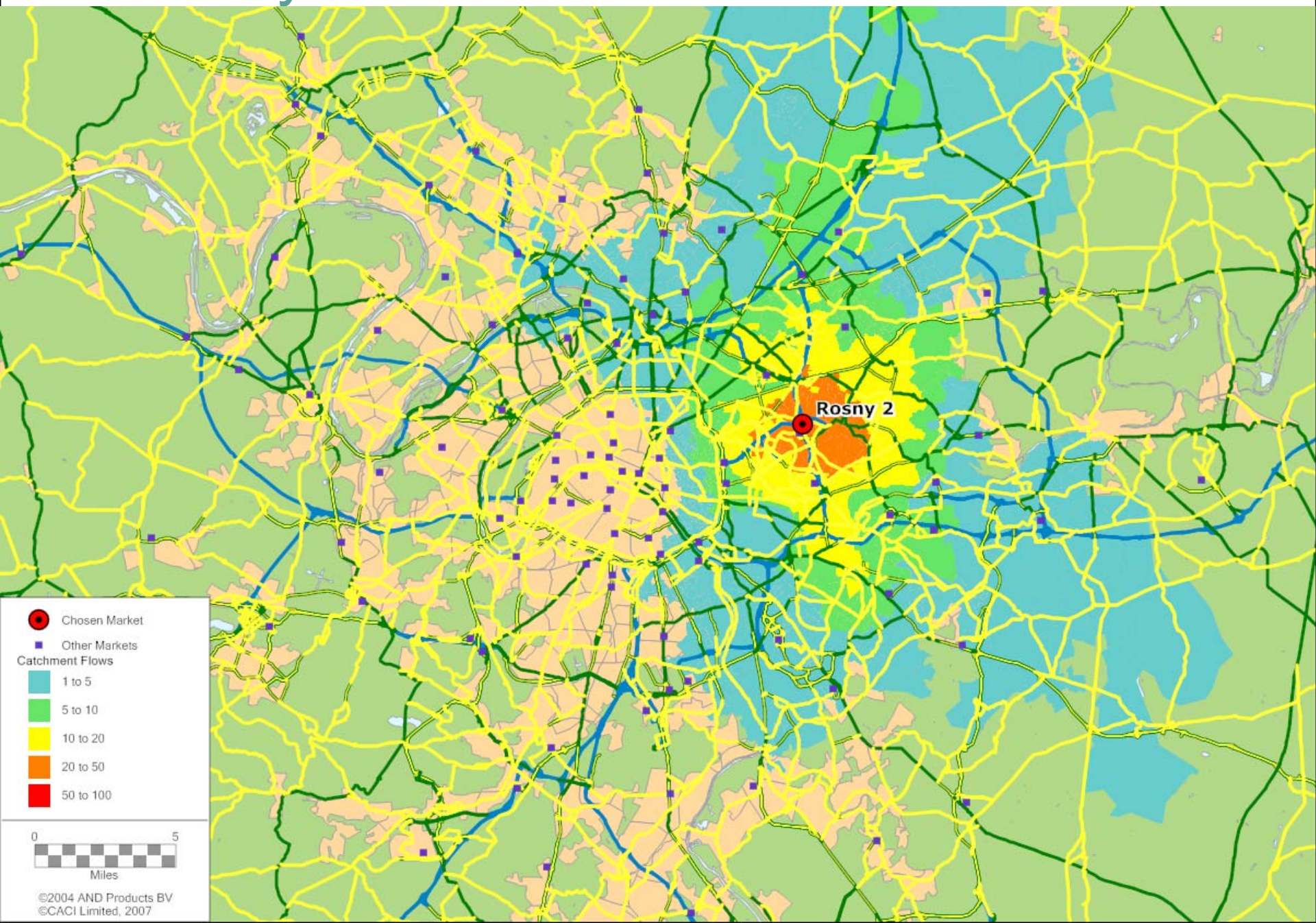
Parly Retail Centre



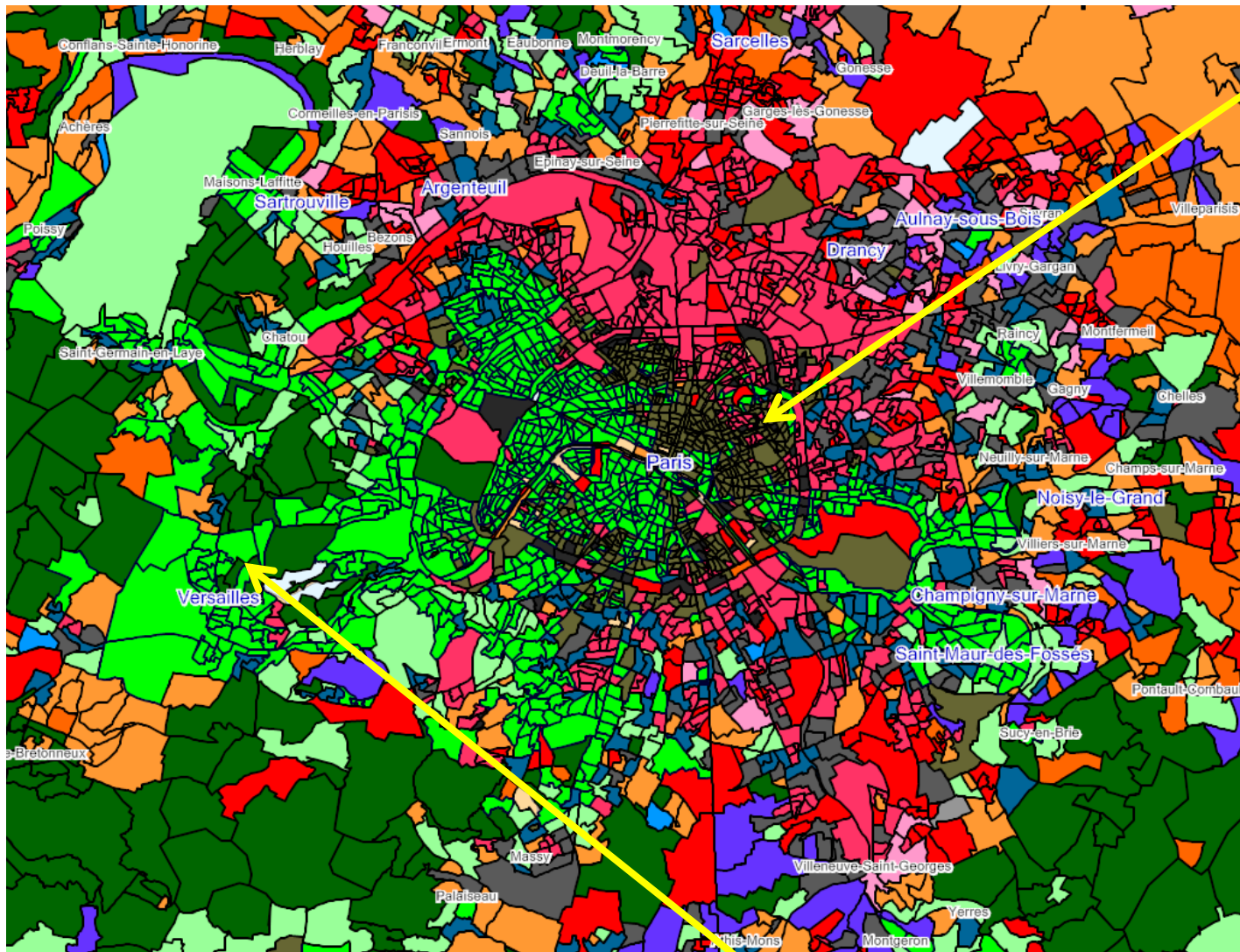
Bercy Retail Centre



Rosny Retail Centre



Adding EuroAcorn



- Rosny**
- Affluent older singles
 - Well-off families
 - Well-off empty nester couples
 - Wealthy young singles
 - Comfortable elderly couples
 - Comfortable working singles & couples
 - Average older couples & families
 - Working families with children
 - Large working families
 - Poorer singles & couples
 - Poor elderly singles
 - Poorest traditional elderly
 - Poor overcrowded large families
 - Poor singles & couples with children
 - Poorest young families

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Summary

- ▶ Location planning and targeting may require different forms of geodemographics
- ▶ Comparing locations involves both absolute and relative information
- ▶ Outward appearance counts even less in European geodemographics than in UK geodemographics
- ▶ Adjust the scope of retail markets to the needs of your application



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