

Using External Data in Market Research

MRS Census & Geodemographics Group
31 March 2003

Future Developments

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Demographic Decisions

Agenda

- Demand – the users of external datasets
- Supply – current situation
- Supply – the future big changes

Demand - some serious users of external data

- Abbey, Argos, Barclays, Boots, HBOS, M&S, MSFS, Nationwide, RBS, Saga, Sainsbury, Tesco, Whitbread, Woolworth, Yell
- National businesses
- Database analysis, Area & Site analysis, Market Research
- Which datasets?

Supply – the shopping list

Customer Files (Postcoded)			
Small Area Statistics			
Census - Residents			
Updates			
Projections			
Census - Workplace			
Geodem profiles			
Income estimates			
Market estimates			
Shopping catchments			
Digital Boundaries			
Postal			
Administrative			
TV Areas			

Map Data			
Background - OS, AA			
Road network - drivetimes			
Points & Sites			
Retail Locations			
Goal Plans			
ATMs			
Business Locations			
Planning Applications			
Postcode Directories & Classifications			
Mosaic (various)			
Acorn (various)			
Prizm			
Cameo			
Codepoint			
EDs			
Flood Risk			

Lists			
Electoral Roll			
Lifestyles			
Household classifications			
Person classifications			
Suppression files			
CCJs			
Businesses - CoHo & Yell			
Sample Surveys			
Target Group Index			
FES			
AGB SuperPanel			
Traffic flows			
Pedestrian flows			

Future Developments: the strategic changes

- Electoral Roll – restrictions
- 2001 Census – arrival
- Neighbourhood Statistics – development

.....Government's pivotal role as a supplier of raw material

Electoral Roll

Electoral Roll – restrictions

- The Register – name & address of 45m adults
- Commercial Use: opt-out from autumn 2002
- Direct marketing; sample frames; list cleaning; (but not credit checking)
- Public sector users
- Who has opted out?
- Alternative sources
- Restrictions on other registers?

2001 Census

The Census of Population

- Every 10 years – 29 April 2001
- Organised by Government – compulsory – aims for 100%
- England, Wales, Scotland and N Ireland
- Wide range of questions
- Statistics for small areas

2001: The main innovations

- Questions
- Coverage / One Number
- Coding – inc. Social Grade
- Geography
- Outputs
- Access

(beware some differences within the UK)

The Census - core subjects

Sex, age, marital status, relationship, ethnic group, migration, country of birth, long-term illness, occupation, industry, workplace, qualifications, sharing, tenure, rooms, central heating, car ownership... social class...

New Questions

- Religion
- General health
- Lowest floor level of accommodation
- Provision of unpaid personal care
- Income??? No!!!

Maximising Coverage

- Population base - usual residents (no Visitors)
- New form design + Targeting of difficult areas + Post-back
- 94% response (+ 6% estimated)

“One Number”

- 2001: Coverage survey; estimation of the total population; imputation of missing records & values
- Statistics available for the whole country, rather than county-by-county
- Benefits? Costs?
- Insurance!!!

Coding

- Every form has been fully coded - not just 10% for difficult questions
-goodbye to sampling error for small areas
- Also, new classifications:
 - NS-SEC (National Statistics Socio-Economic Classification)
 - Social Grade approximation, following extensive research by the MRS

Social Grade

- Social Grade has been a key omission for market researchers and business community – unable to profile population by key discriminator
- Government classifications such as Social Class (RGSC) and Socio-Economic Group (SEG) have not been not adequate substitutes
- MRS Census and Geodemographics Group – algorithm to derive social grade based on Census variables




Social Grade approximation

- Particularly crucial since 2001 Census contains no information on income or wealth
- Algorithm has been thoroughly tested to prove robustness and accuracy
- Classification will be hard-coded onto Census dataset and form a standard output variable
- Social Grade tables will be part of the standard tables set – based on both households and individuals

Geography

- Collection (Enumeration) areas built from postcodes
- Output Areas will be quite separate - also built from postcodes

The Starting Point

- ADDRESSPOINT™ locations 
- ED boundaries 
- Road centrelines 
- OS background map

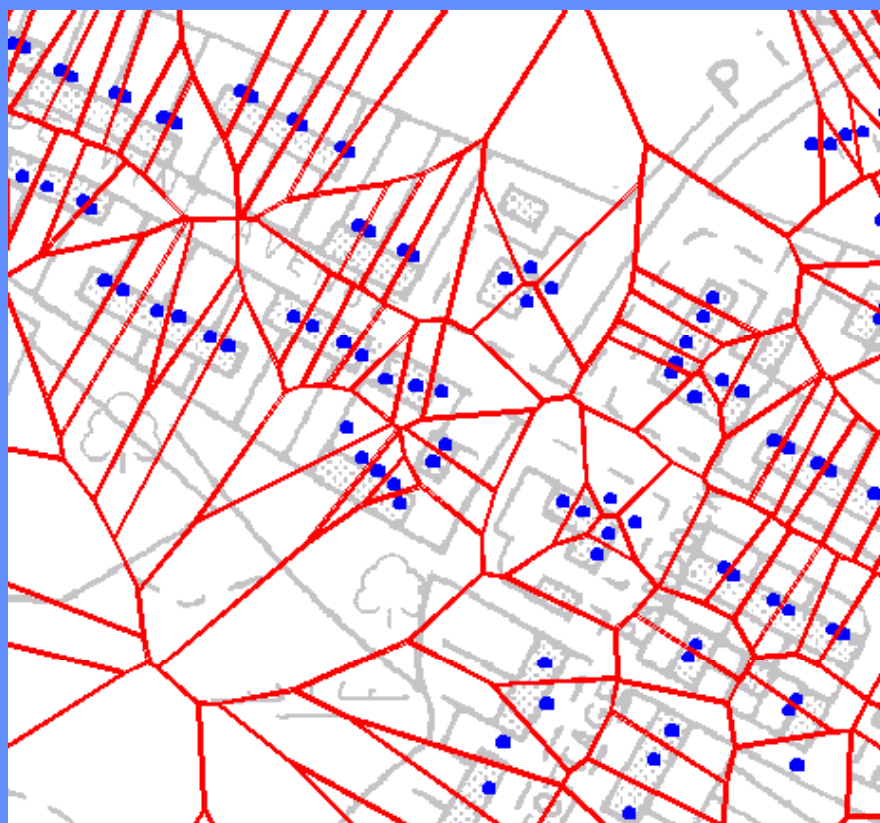


OS Copyright

Supplied by Census Division ONS

Postcode Boundaries

- Draw boundaries around individual addresses
- Do not cross ward or parish boundaries



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Postcode Boundaries

- Erase lines between addresses with the same postcode
- Usable postcode boundaries?

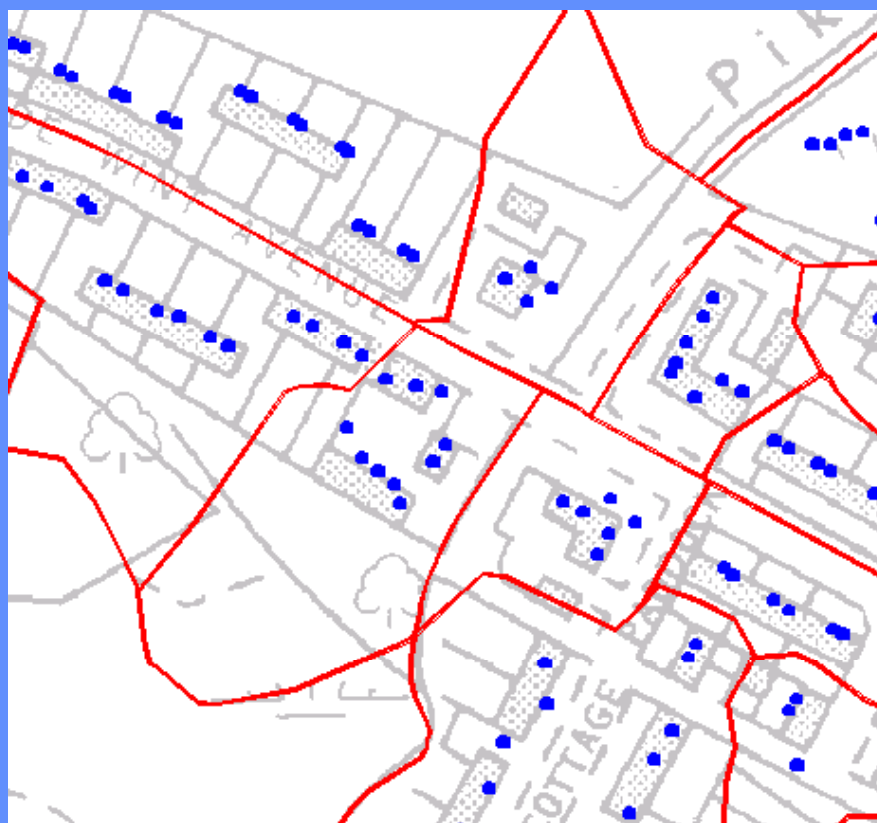


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Postcode Boundaries

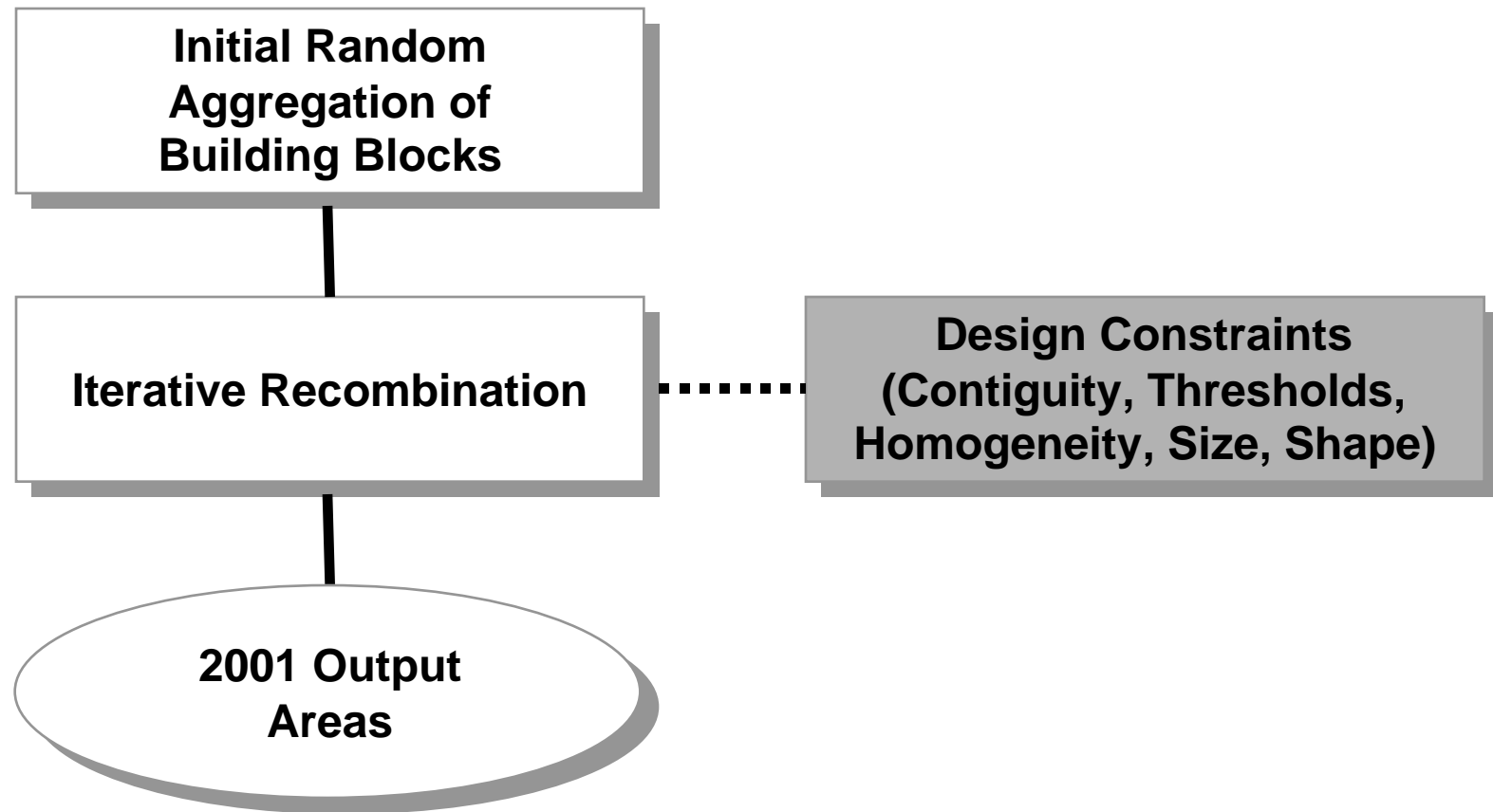
- Adjust postcode boundaries to follow nearby ED boundaries and roads
- Use as building blocks



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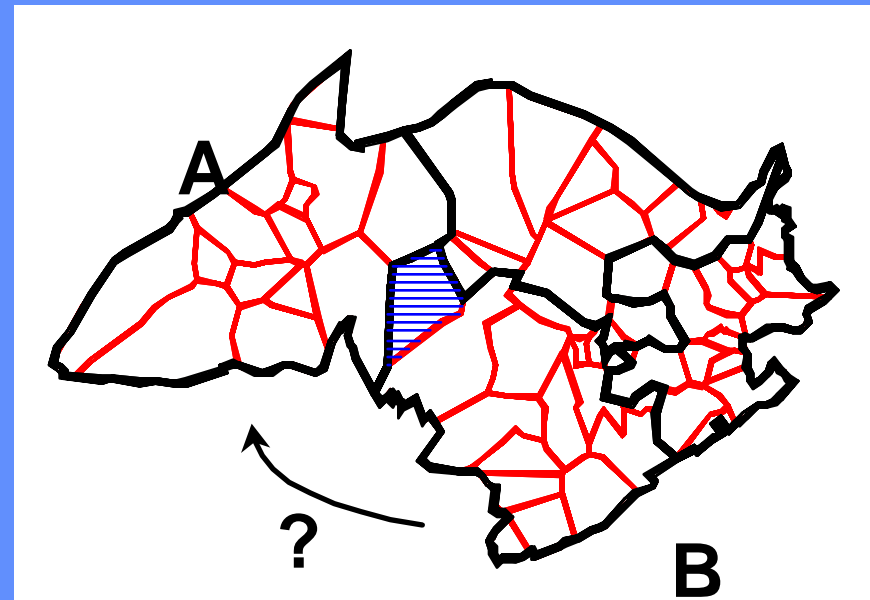
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Output Area Design

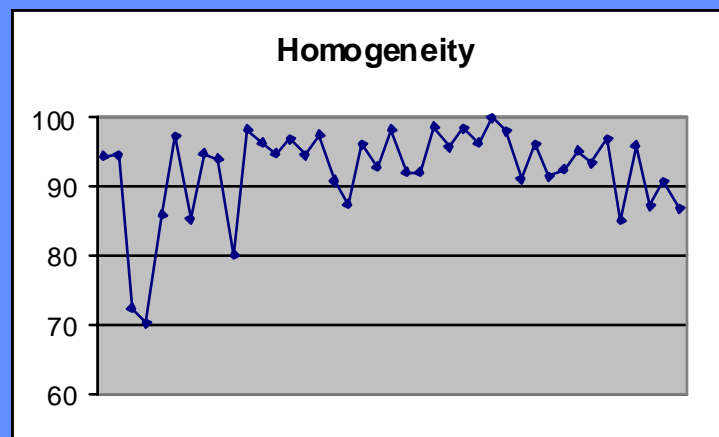
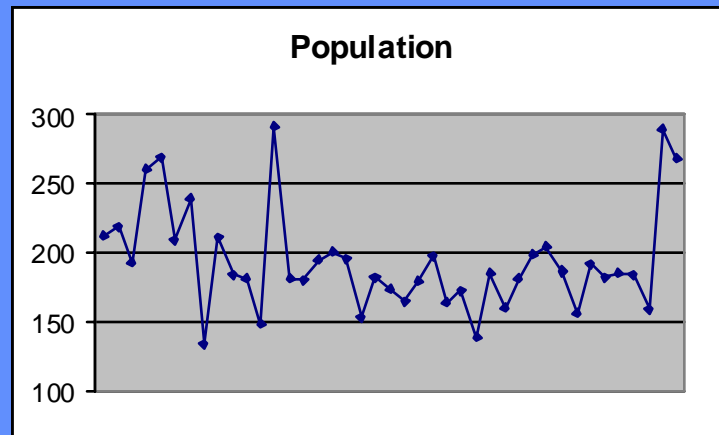
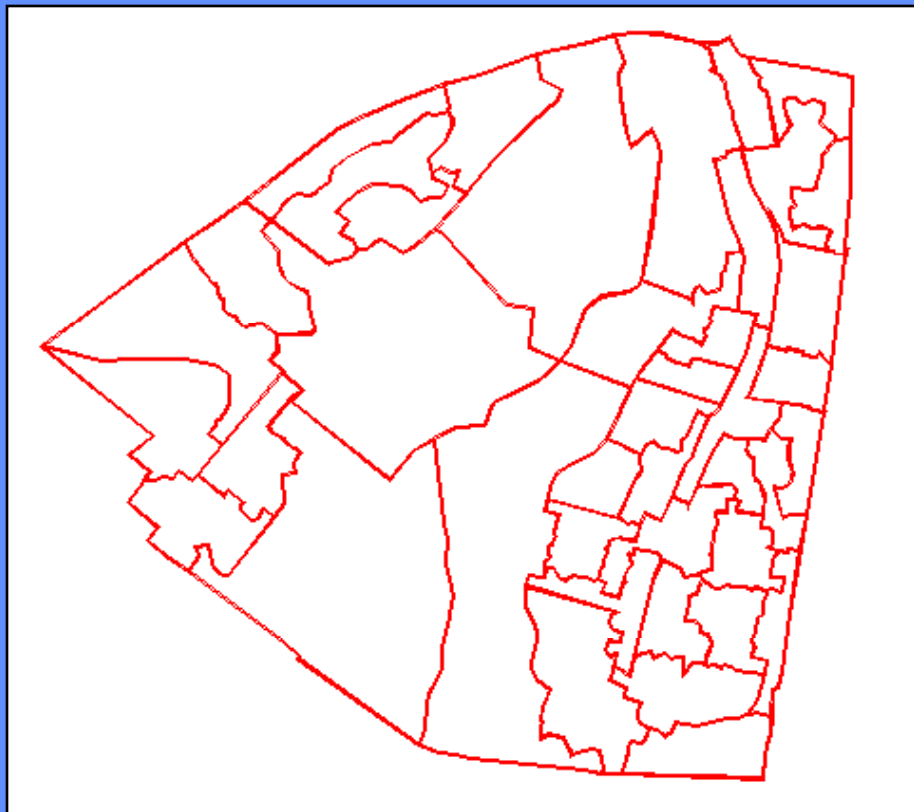


Output Area Design

- Examine all postcodes bordering two OAs
- Move the highlighted postcode from B into A?
- Better homogeneity and population?



Output Areas - Lincoln



Supplied by Census Division ONS

Output Areas - Lincoln

Output Areas



Postcodes



Addresses



OS Copyright

Supplied by Census Division ONS

Output Areas – the benefits

- Built from postcodes
- Smaller than 1991 – 125 households
- Designed for homogeneity
- Boundaries available in digital form
- Directory to link postcoded records of survey respondents or customers
- Building bigger areas – postal (sectors & districts) & administrative (wards & above)

Access – Licensing – it's FREE!

- 1991 – Public services mass purchases; others bought through Census Agencies

2001:

- Public services - “Census Access” - free use of most outputs
- Now extended to all users – “Click-Use”
- Distribution Licenses & Approved Suppliers
- Huge implications for users (& Suppliers)

Access - Technology

- ONS's enthusiasm for the Web
- Big files - CD, DVD
- Dissemination of data is the priority
- Analysis - experienced users already have their own software tools
- Analysis - creating new markets by offering simple facilities over the Web?

The Census outputs, and the first results

What do we want?

Maximum detail...

(Subjects AND Geography)

but...

“Disclosure Control”

The statistical Outputs

The major Outputs (ONS for England & Wales)	Month
Key Statistics. (c400 counts). LA level	February
OAs - Boundaries; P'code Dir; Lookup to higher geogs	late March?
Key Statistics. OAs, & Wards (as at Dec 02)	May
Census Area Stats. (c8,000) OAs & Wards	May
Standard Tables. (c25,000) Wards & above	May
Profiles. (c100 counts) Postal Sectors (best fit)	July
Key Stats & CAS. Postal Sectors (best fit)	July
Special Workplace Stats. (Origin / Dest) OAs & above	Sept / Oct
Special Migration Stats. (Origin / Dest) Wards & above	Sept / Oct
ONS Geodem Classification. OAs in UK	December

Additional bespoke products

- Sample of Anonymised Records (SARs)
 - An invaluable innovation from 1991
 - Allows extensive profiling of particular subpopulations
 - Three SARs for 2001
 - Individuals SAR – 3% sample with geographic threshold of 90,000
 - Household SAR – 1% sample of households with Government Office Region geography
 - SAM – individual SAR with more detailed variables at GOR level of geography
- Special tables – ONS's service

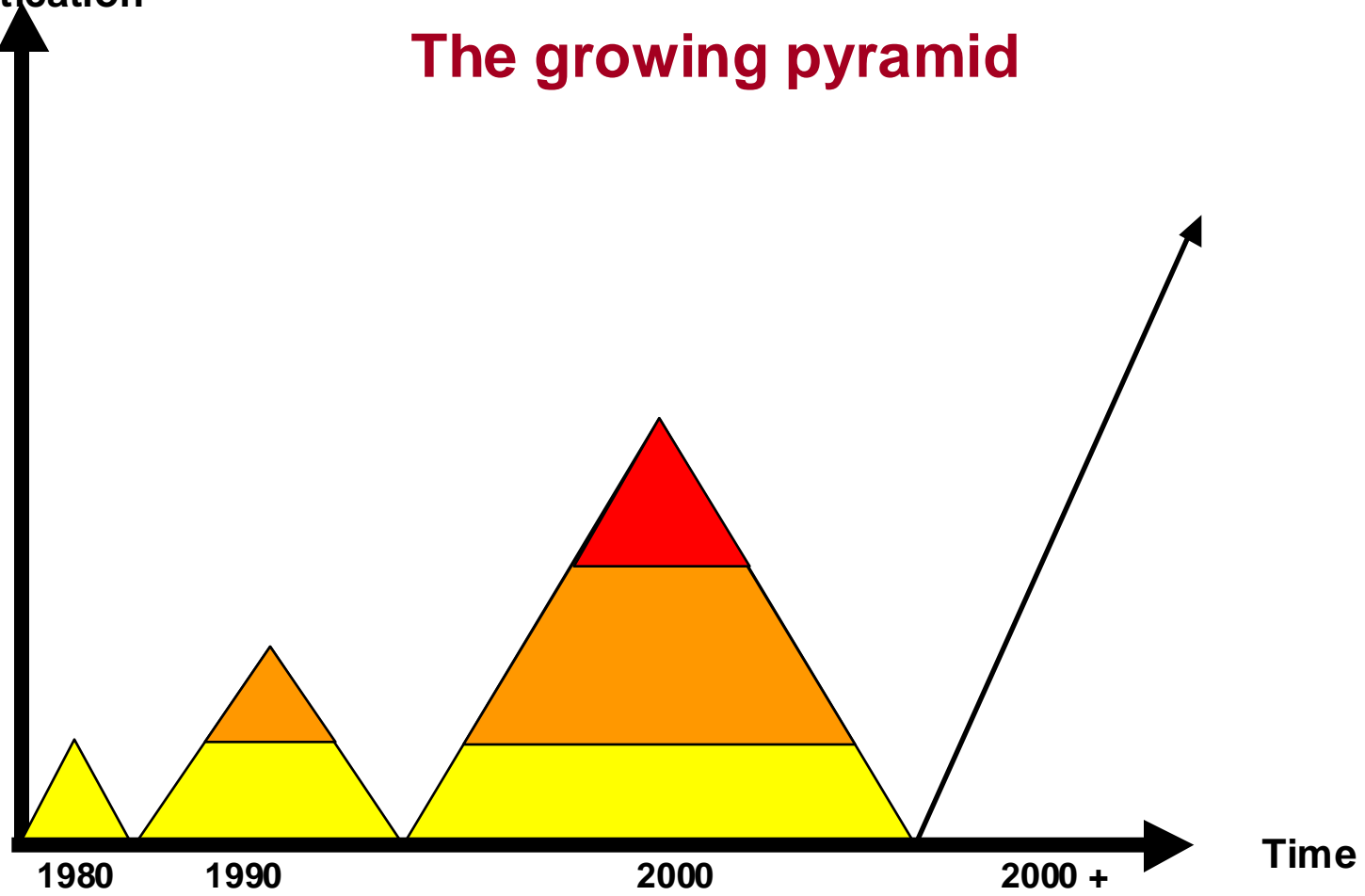
The early results

- National trends
 - Total populations by country
 - Over 60's now exceed under 16's
 - Fewer men than women for all ages >21
- Local news
 - Total populations – some surprises
 - Contrasts across the UK

How will the results be
used?

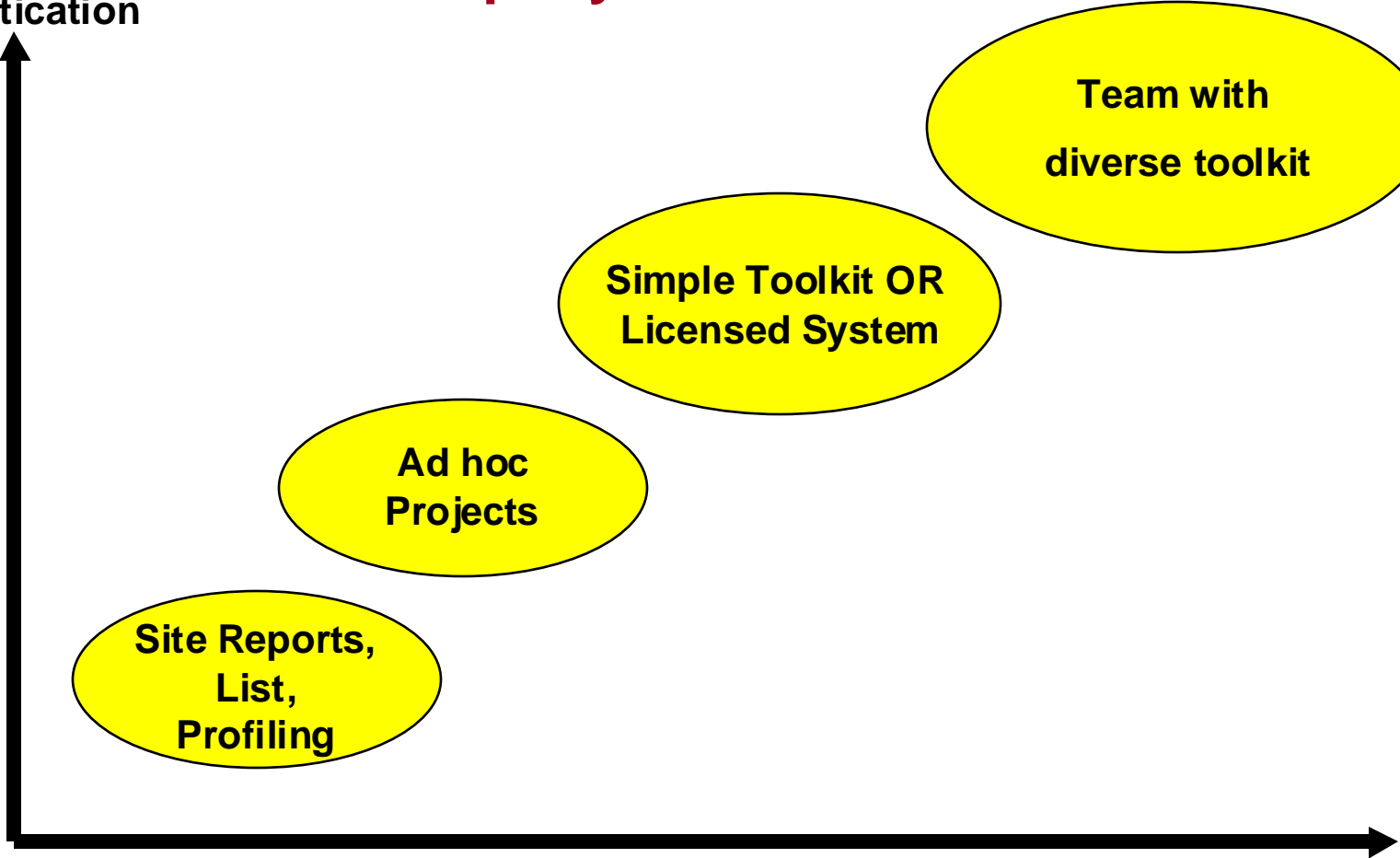
Numbers /
Sophistication

The growing pyramid



The growth of knowledge / company commitment

Numbers /
Sophistication



Time

Current planning for arrival of the data

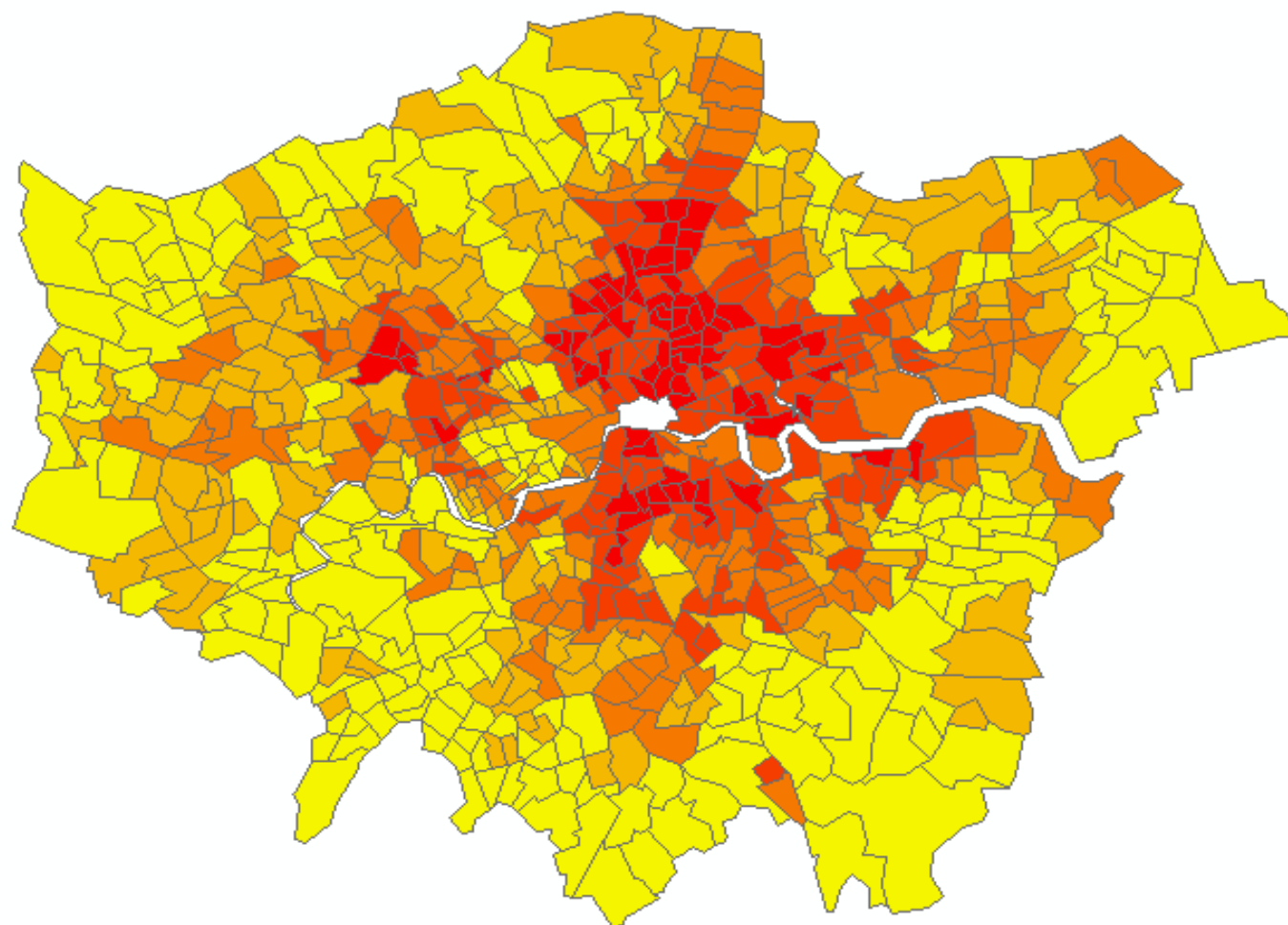
- Users' needs
 - analysing customers & prospects / assessing areas & sites / planning sample surveys
- Getting hold of the data – data volumes and packaging
- New geodemographic classifications
- New models
- Dissemination within companies
- Integration – many other datasets

Plus....NeSS
(Never Expected Such
Statistics)

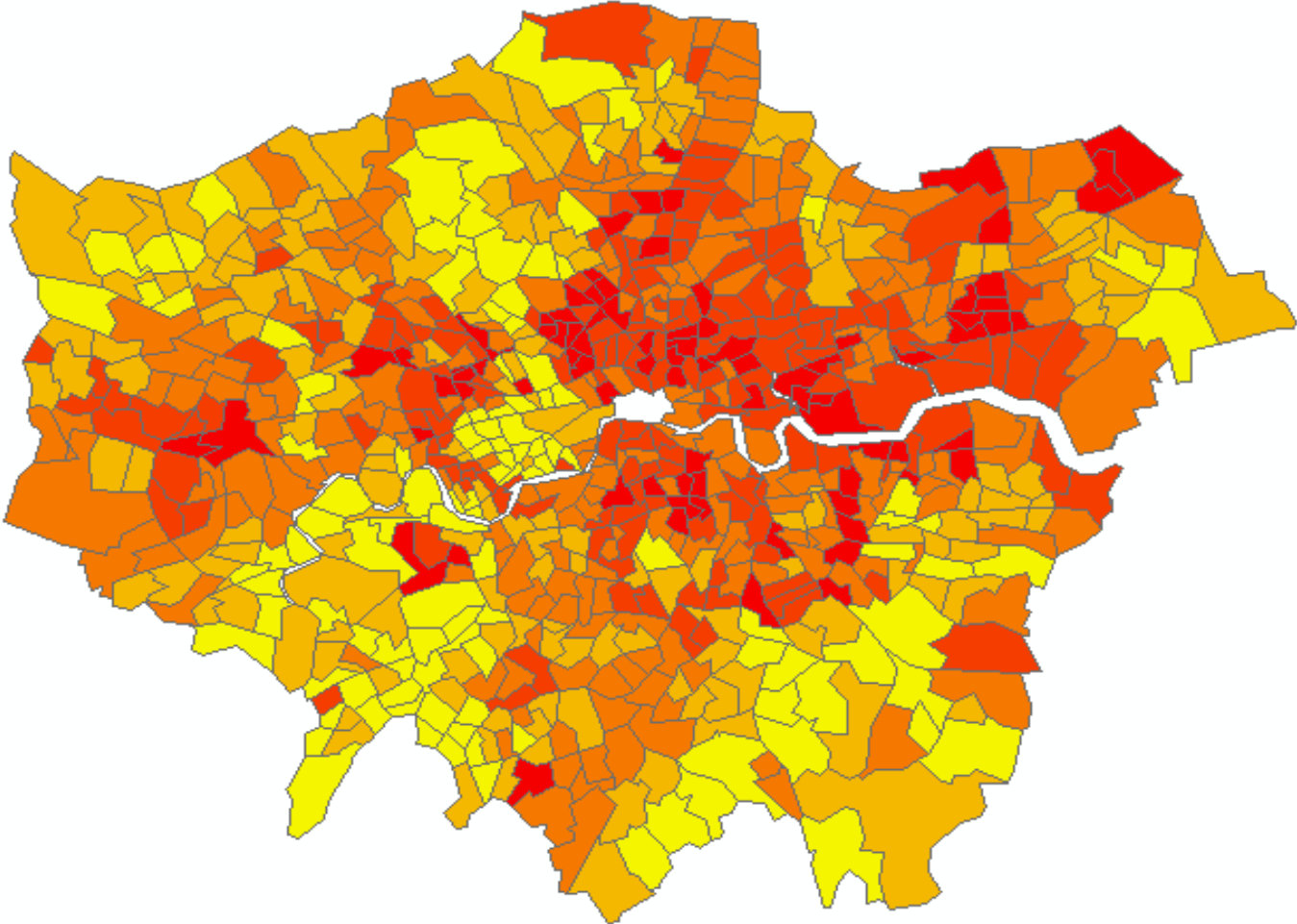
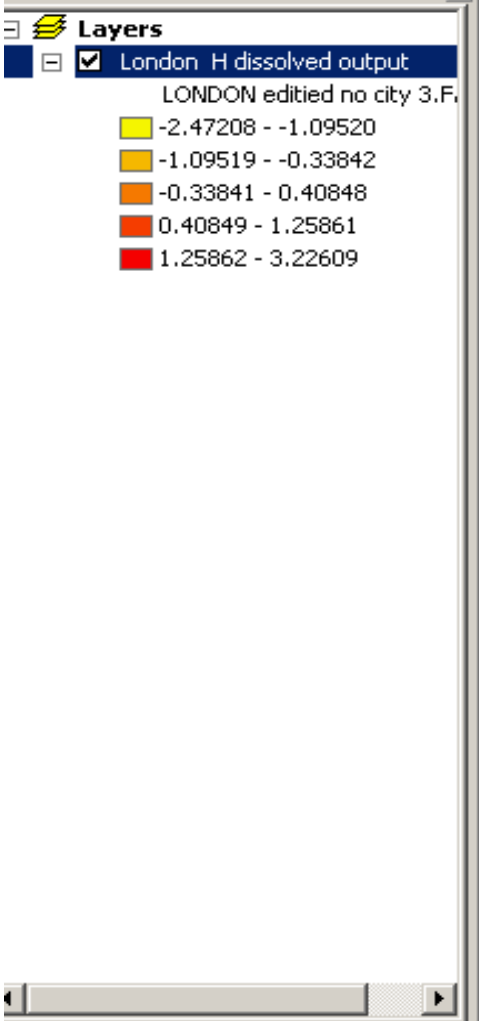
Neighbourhood Statistics – the early arrivals

Topic	Datasets
Crime	Notifiable Offences
Economic Deprivation	Family Credit claimants
	Income Support claimants
Education Skills & Training	University admissions by residence
	Pupils at Key Stage 2
Health	Attendance Allowance claimants
	Disability Living Allowance claimants
	Drug mis-users
	Hospital episodes
Housing	Dwellings by Council Tax band
	Changes of ownership by dwelling price
Work Deprivation	Jobseekers Allowance claimants
	Incapacity Benefit claimants
	VAT registered enterprises
	Employee jobs
	Unemployment claimants

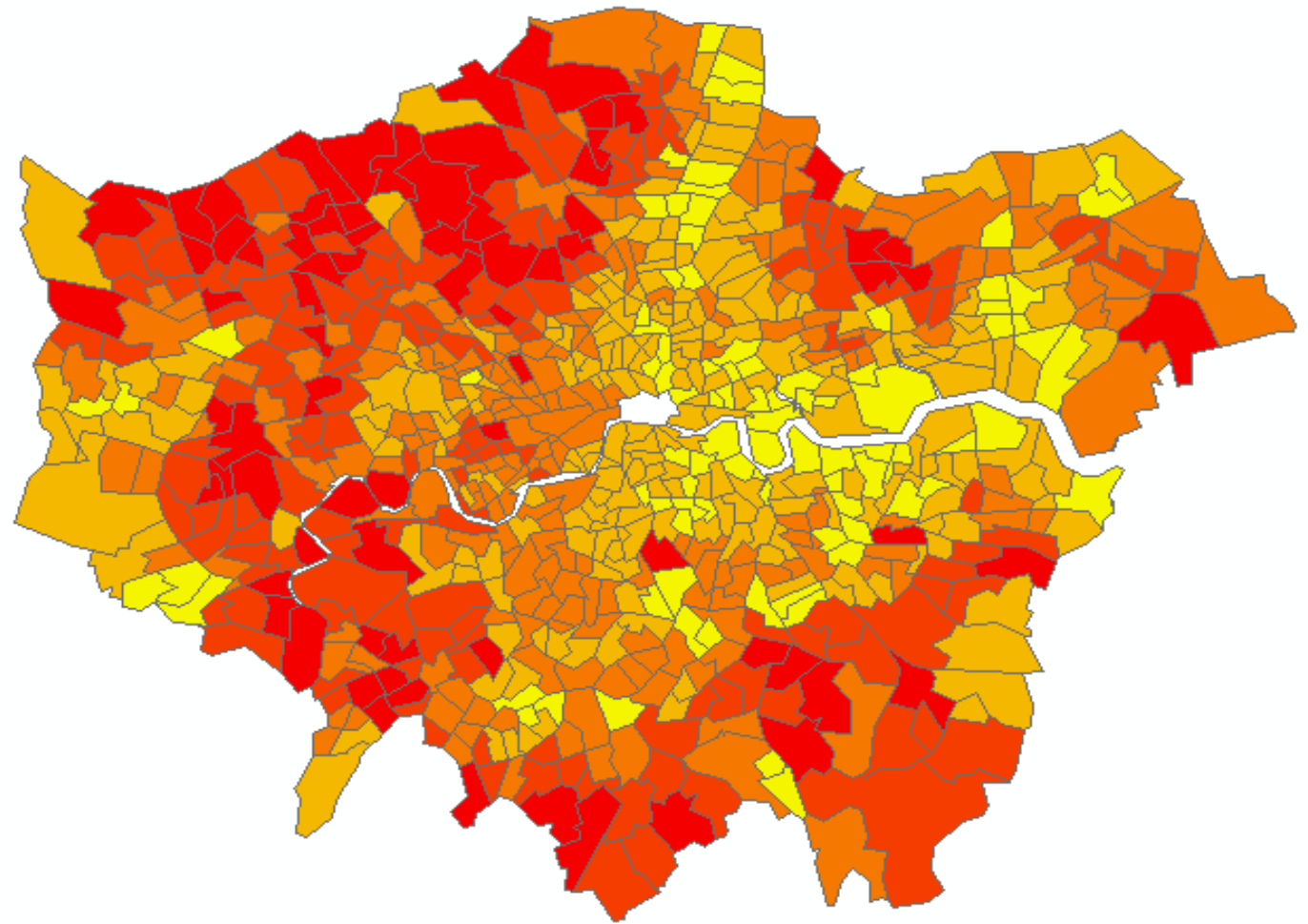
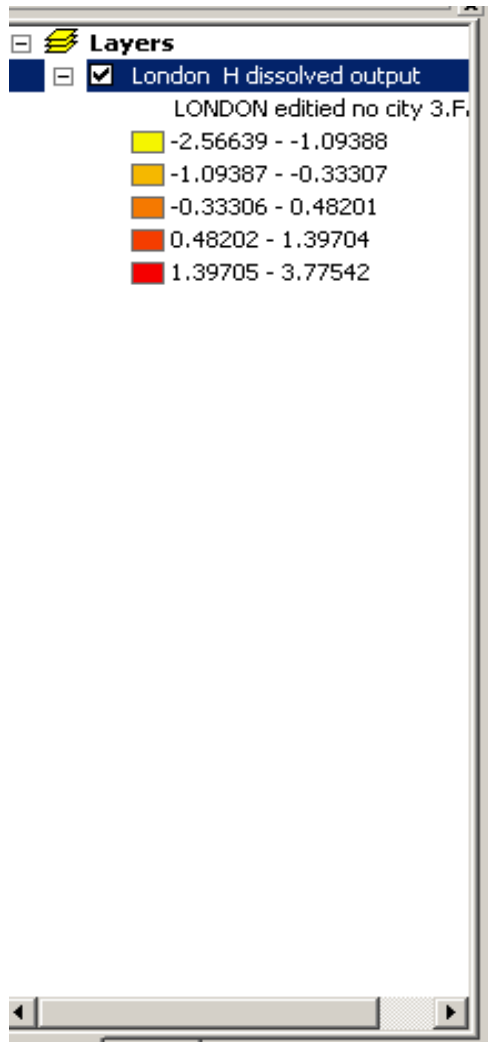
Unemployment



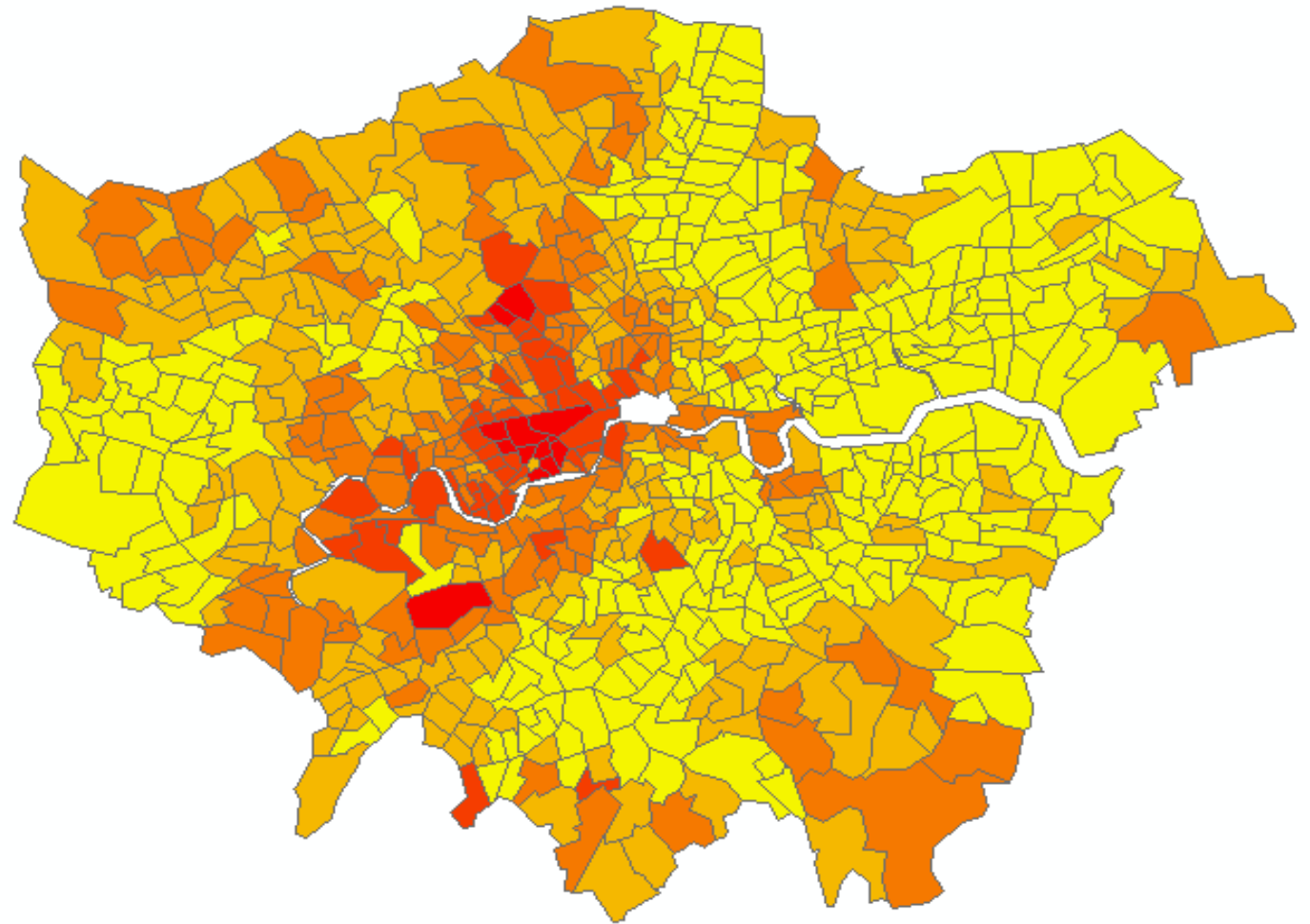
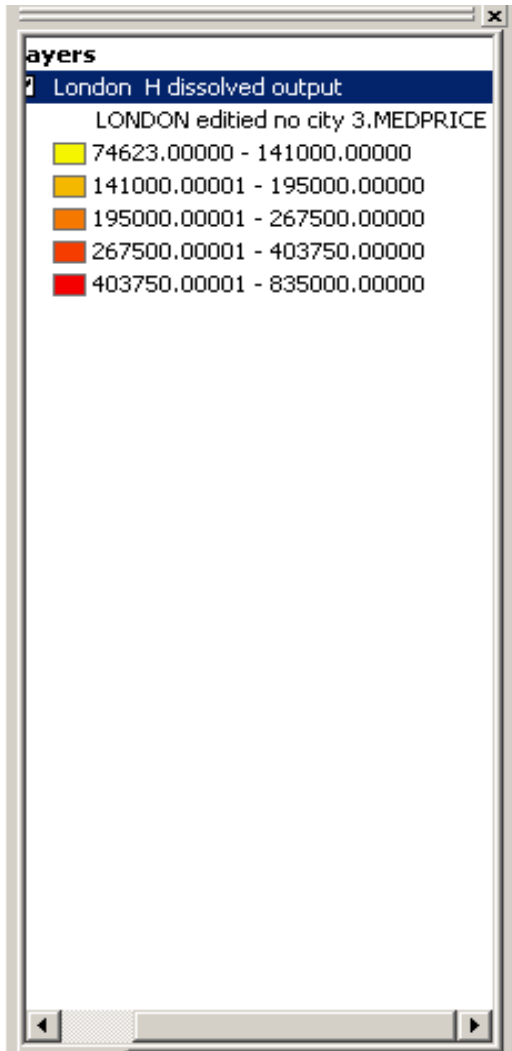
Illness



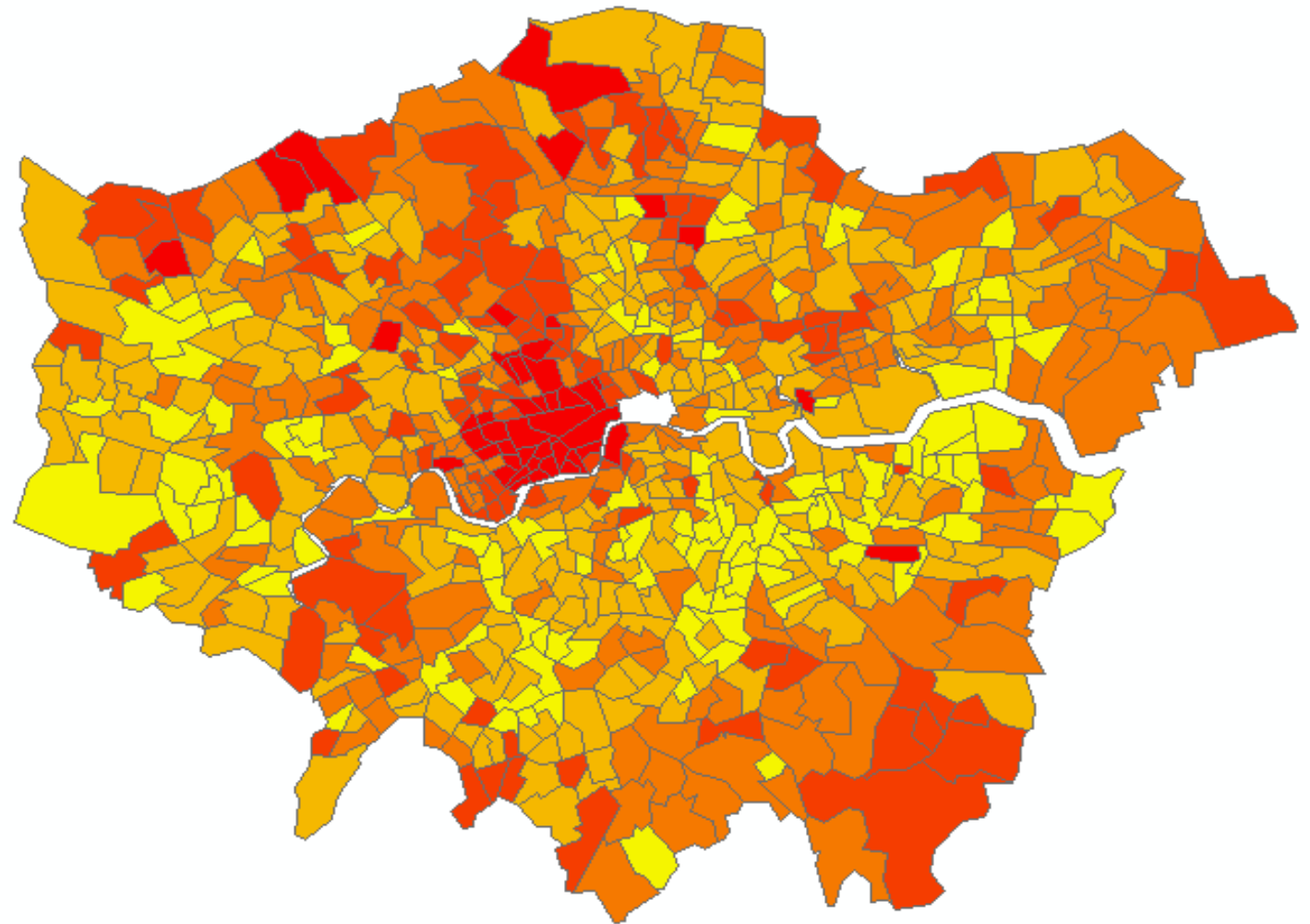
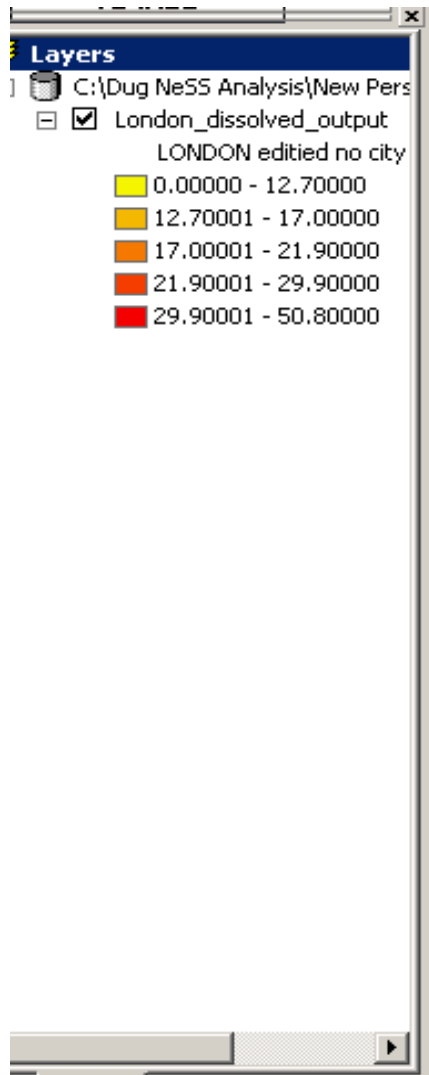
Education



House prices



Cash percent



NeSS Development

- Policy Action Team 18 – Better Information
- England & Wales; Scotland; N Ireland
- Websites
- Initial datasets – Wards (as in 1998)
- Future datasets – many, including Income estimates
- Future geography – as for the Census

The Census / NeSS will change the future

- Free data
- Common geography
- Boundaries & directories to link other datasets
- The permutations are infinite
- Existing organisations – use will spread & deepen
- New users in large numbers
- Some Resellers will rise to the challenge

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