



Who's Decking the Halls in 2013?

{A MaxPoint Interest Index}

The holiday season has a long history of rich tradition. For many people, tradition means being with their families, eating delicious food, watching holiday movies, and giving gifts. These traditions get people into the holiday mood (and the shopping mood).

But what do people buy to get into the holiday spirit? According to a forecast from the National Retail Federation (NRF), shoppers will spend an average of \$201.10 on items that bring out their holiday cheer (not counting their gift purchases)—\$100.35 on holiday candy and food, \$51.60 on decorations, \$28.03 on greeting cards, and \$21.12 on flowers.¹

Similar to the holiday shopper, MaxPoint has its own tradition. Each year, we use our proprietary Digital Zip[®] technology to locate and rank the top cities in the nation with the most holiday cheer. The cities that make the list are those most likely to decorate their homes, partake of holiday food and drinks, and throw holiday parties and gatherings for their friends, families, and coworkers. In addition to the top locations, we also built a profile of the shoppers with the strongest holiday spirit. This year, we saw some surprising shifts in both the top DMAs and the audience profiles, demonstrating the importance of using the timeliest intelligence for your digital advertising campaigns. The following report contains our findings for the 2013 holiday season.

The Cheeriest Cities in the Nation

We started by locating the top 10 cities that contain neighborhoods with the strongest interests in holiday-related topics. Believe it or not, this year's list differed fairly dramatically from the previous year's list.

The top 10 cities for 2013 are:

1. St. Louis, MO
2. Mankato, MN
3. Buffalo, NY
4. Wilkes-Barre, PA
5. Sherman, TX
6. Washington, DC
7. Portland, OR
8. Sacramento, CA
9. Charlotte, NC
10. Dallas, TX

St. Louis tops the list this year, unseating Salt Lake City, 2012's cheeriest city. Surprisingly, we saw only two cities from previous years reappear on our 2013 list: Buffalo and Dallas. Buffalo moved up to number three from the number seven spot on 2012's Index. After coming in at number five in 2011 and falling off the list in 2012, Dallas re-emerged this year as a contender. The dramatic change in the list emphasizes the fact that consumer spending patterns can shift

quickly. As a result, it's important that you make sure you use the most up-to-date audience intelligence when making your advertising decisions.

However, while each of these cities can claim holiday spirit bragging rights, certain neighborhoods are more festive than others. Near the St. Louis DMA, we found that the cheeriest neighborhoods were Brazito, MO, East St. Louis, IL, Osage Bluff, MO, Pleasant Mound, IL, and Steelville, IL. Advertisers looking to promote holiday-related decorations, treats, or cards will get the biggest bang for their advertising buck in these neighborhoods. No matter which festive city you choose, you'll get the most traction for your holiday digital advertising campaigns by focusing on specific neighborhoods rather than a broad DMA.

Profile of the Cheeriest Shoppers

After scouting the top locations, we turned our Digital Zip technology to the task of developing a clear profile for cheery holiday shoppers. We saw some significant differences in this year's profile compared to previous years.

This year, we found that these festive shoppers:

- Are between 35 and 44 years old
- Have incomes between \$25,000 and \$60,000 per year
- Are married
- Own their homes
- Tend to have children living in the home

This profile makes a lot of sense—these shoppers decorate their homes to create a great holiday experience for their families and their children. Additionally, with their high home ownership levels, they have more creative freedom with their home decorations than their renting counterparts would.

As noted before, we saw some demographic shifts from last year's profile. The 2012 group was above 55 years old and had incomes exceeding \$100,000 per year. By contrast, the 2013 group includes younger families with lower incomes. Since consumer patterns can shift dramatically within a year, your campaigns must use real-time data. What worked last year may no longer be as effective this year.

Next, we used our proprietary interest data to find out what else these holiday enthusiasts are interested in. The group consumes a lot of digital content on crafts, home improvement, the law and government, and retirement planning.

In addition to their purchases of holiday decorations, these consumers also shop across several broad purchase categories, including discount department stores, office supply chains, pet stores, automotive retail stores, and general merchandise stores. These stores may see an

uptick in sales this year from holiday shoppers looking to buy gifts or decorations for the holidays.

Since so much of the holiday season revolves around parties and holiday gatherings, we wanted to know what food would be on the trays and party tables at holiday bashes. We found that this audience was most likely to purchase Queen Anne[®] chocolates, Keebler[®] Sandies[®] cookies, Act II[®] popcorn, and sugary soft drinks. Of course, they may also buy candy canes—at five manufactured per person in the United States this year, they certainly won't be hard to find.²

What This Means for Advertisers

Advertisers can use the information about the neighborhoods with the most holiday cheer to build out their digital advertising program for the season. For example, an advertiser could promote holiday decorations and foods to the right neighborhoods in the cities that made this year's cheer list. Additionally, they could incorporate some of the audience's interests into their creative to make it more compelling. For example, they might show an image of a dog dressed in holiday gear to people shopping at pet stores, or they may show an image of a decorated house to those interested in home improvement.

With the holidays fast approaching, it's important to make sure you use your budget efficiently. You can do this by using neighborhood-level targeting that leverages audience intelligence culled from the freshest real-world data. Armed with the right technology, you can drive more sales, keep ad waste low, and finish the year strong without needing to increase your ad budget. And you'll end up having a happy holiday season.

MaxPoint in Action

MaxPoint has run several holiday campaigns for advertisers. Here are a few examples:

Holiday Massage Promotion—A massage service with many locations throughout the nation wanted to increase bookings in the Chicago area during the holiday season. The service knew that holiday shopping and decorating can get stressful, so it wanted to offer deals to help people unwind after hanging decorations in their homes. To help, MaxPoint targeted neighborhoods within six and eight miles of Chicago locations that over-indexed for adults over the age of 25 with household incomes exceeding \$75,000 per year. The campaign resulted in a CTR that was more than twice the industry average.³

Drugstore Holiday Deal—One of the nation's largest drugstores wanted to drive more Hispanic shoppers to its locations to purchase gifts—including cards, gift certificates, and toys. To help, MaxPoint targeted Hispanic adults between the ages of 18 and 49 who live within eight miles of store locations in Los Angeles, Miami, and Houston. The online video campaign resulted in strong engagement and a CTR that was more than three times the industry average.

Holiday Coffee Campaign—The world's largest coffee seller wanted to boost sales of its coffee beans and branded coffee products at stores during the holiday season. It used digital advertising to offer a gift card to those who purchased its products at participating grocery stores. To help improve the campaign, we targeted women between the ages of 30 and 54 who had previously purchased coffee products. We limited the search to neighborhoods within six miles of participating grocery stores. The campaign resulted in a CTR that was more than twice the industry average.

Want to see your campaign on this list next year? Email holidayadvertising@maxpoint.com to see how MaxPoint can help you reach the right shoppers online before they head to the store this holiday season.

1. http://www.nrf.com/modules.php?name=News&op=viewlive&sp_id=1682
2. <http://www.candyusa.com/FunStuff/FunFactsDetail.cfm?ItemNumber=993>
3. Industry average estimated at .09%.

Who's Decking The Halls in 2013?

BY THE NUMBERS

5 CANDY CANES
manufactured per
person living in the
United States¹

\$201.10
spent per
shopper on
festive holiday
items:³

37 MILLION GREETING CARDS
SOLD DAILY FROM NOVEMBER 15 TO DECEMBER 25²

\$100.35 FOR FOOD & CANDY \$51.60 FOR DECORATIONS
\$28.03 FOR GREETING CARDS \$21.12 FOR FLOWERS

THE CHEERIEST CITIES

1 ST. LOUIS, MO

2 MANKATO, MN

3 BUFFALO, NY ← #7 IN 2012

4 WILKES-BARRE, PA

5 SHERMAN, TX

6 WASHINGTON, DC

7 PORTLAND, OR

8 SACRAMENTO, CA

9 CHARLOTTE, NC

10 DALLAS, TX ← #5 IN 2011

**MOST CHEERY
NEIGHBORHOODS**
NEAR ST. LOUIS, MO

• BRAZITO, MO
• EAST ST. LOUIS, IL
• OSAGE BLUFF, MO
• PLEASANT MOUND, IL
• STEELVILLE, IL

SHOPPER PROFILE

INCOME: \$25,000–\$60,000

HOMEOWNERS

CHILDREN IN THE HOME

AGE: 35–44

MARRIED

INTERESTS

- CRAFTS
- LAW AND GOVERNMENT
- HOME IMPROVEMENT
- RETIREMENT PLANNING

TOP PURCHASES

- DISCOUNT DEPARTMENT STORES
- OFFICE SUPPLY CHAINS
- PET STORES
- AUTOMOTIVE RETAIL
- GENERAL MERCHANDISE STORES

TOP FOODS

- QUEEN ANNE® CHOCOLATES
- KEEBLER® SANDIES® COOKIES
- ACT II® POPCORN
- SUGARY SOFT DRINKS

ONLINE TOPICS

CHRISTMAS CAROL

GINGERBREAD HOUSE

HOW THE GRINCH STOLE CHRISTMAS

FELIZ NAVIDAD

HANNUKAH

1. National Confectioners Association 2. Hallmark 3. National Retail Federation