



Suit & Tie Optional— Neighborhoods that Top the Entertainment Spending Charts

{A MaxPoint Interest Index}

The entertainment industry is lucrative. Movie studios, recording labels, and entertainment store chains amuse millions of people in their leisure time—and they make an excellent profit in the process. According to the MPAA Theatrical Market Statistics, over 225 million people went to the movies at least once in 2012.¹ In the music realm, it's estimated that music sales topped over \$7.1 billion in 2012.² In other words, it's not just entertainment—it's good business.

In the booming entertainment industry, it's no surprise that artists, especially musicians, have crossed over into other forms of entertainment. One need look no further for proof than the upcoming Legends of the Summer Stadium tour, launched by superstars Jay Z and Justin Timberlake. It's not just a concert tour—it's a full-blown event tour that even includes an entertainment club complete with professional cigar rollers.

To join in the spirit of the summer tour, MaxPoint compiled its July Interest Index to find the top neighborhoods for entertainment spending (on music, DVDs, and online videos). Once we found cities with the top neighborhoods, we drilled down to two on the Legends of the Summer Stadium Tour—Detroit and New York City—to find the top neighborhoods within those cities as well as their audience profiles. But before we look at Detroit and New York, let's take a look at the nation's top neighborhoods with higher than average spending on entertainment.

Neighborhoods With High Entertainment Spending

MaxPoint analyzed billions of offline and online data points, including credit card transaction data, to discover cities that have neighborhoods with high entertainment spenders. We found that many of the neighborhoods corresponded to stops on the summer tour. Some of the top entertainment spending neighborhoods are located near:

- Baltimore, MD
- Boston, MA
- Chattanooga, TN
- Columbia, MO
- Green Bay, WI
- Detroit, MI
- Los Angeles, CA
- New York, NY
- Toledo, OH
- San Francisco, CA

To better understand high entertainment spenders, we used our proprietary Digital Zip[®] technology to focus in on two of these cities—two that fall directly on the summer tour's path. We looked at Detroit and New York City to uncover their top spending neighborhoods as well as the entertainment spender shopper profiles.

Detroit—Top Neighborhoods and Audience Profile

Within Detroit, the top entertainment spending neighborhoods are:

- Bloomfield Hills, MI
- Birmingham, MI
- Franklin, MI
- Lake Orion Heights, MI
- Orchard Lake, MI
- Troy, MI

When we looked at the profiles of residents in these neighborhoods, we found that they:

- Make \$100,000 per year or more
- Own their homes
- Have college degrees

In addition to their interests in entertainment, these shoppers can often be found reading content online about the economy, law and the government, sports, and yoga. In addition, their typical purchases fall into the following categories: cell phone services, department stores, insurance, mass grocery stores, and women's apparel stores.

New York—Top Neighborhoods and Audience Profile

The tour also stops in New York City's Yankee stadium. The high entertainment spenders are located in:

- Greenwich Village, NY
- Grove Street, NJ
- Harsimus Cove, NJ
- Nolita, NY
- SoHo, NY
- West Village, NY

The New York City neighborhoods tend to:

- Have incomes above \$100,000 per year
- Be college educated or higher
- Be between the ages of 35 and 54

Additionally, our analysis of the interest data uncovered that the New Yorkers spend most of their online time reading and watching content on business and finance, the economy, food

and drink trends, and sports. Based on our analysis of credit card spending patterns, they tend to spend on the following categories: children's apparel stores, department stores, family apparel stores, shoe stores, and women's apparel stores.

What This Means for Advertisers

Using MaxPoint's ability to cull information from multiple offline and online data sources (analyzing more than a petabyte worth of data each day), entertainment advertisers can pinpoint qualified customers at scale and reach enough of them to boost their ticket sales, DVD sales, or attendance at concerts, sporting events, or amusement parks. And, by focusing on only the most relevant neighborhoods, the advertisers keep their costs down and their ad spend efficient.

For example, a movie studio releasing the DVD/Blue-Ray version of a popular children's film could leverage neighborhood-level targeting to boost sales. In this case, MaxPoint finds neighborhoods located within a tight radius around stores carrying the film that over-index for families with children aged 5–9. Then to get even more precise, credit-card data is leveraged to pinpoint those Digital Zips that spend more money on entertainment. This ensures that the studio only advertises to customers who are already highly likely to buy, keeping responses high and costs low.

Ultimately, there's a lot of opportunity for entertainment advertisers to use hyperlocal digital advertising to boost their response rates. And with MaxPoint, they reach enough customers to significantly increase their sales.

MaxPoint in Action

Using its proprietary Digital Zip technology, MaxPoint has run many campaigns for entertainment-based advertisers. Two such campaigns are:

A Major Hotel Promoting a Concert: A major hotel venue wanted to sell tickets for a concert that would take place in the hotel. To help them, MaxPoint targeted neighborhoods in and near the city with residents who had spent money at the hotel, made over \$70K per year, and had high levels of entertainment purchases. As a result, the campaign resulted in a CTR of over double the industry average.

A National Entertainment Chain Store: A national entertainment chain wanted to drive foot traffic to its locations via several promotional coupons for its grand re-opening. To help them, MaxPoint targeted neighborhoods within a tight radius of the stores that over-indexed for adults aged 25–45 with interests in gaming and high levels of entertainment purchases. The campaign produced a CTR that was 4 times the industry average.

1. <http://www.mpaa.org/Resources/3037b7a4-58a2-4109-8012-58fca3abdf1b.pdf>
2. http://www.riaa.com/keystatistics.php?content_selector=2008-2009-U.S-Shipment-Numbers