Chapter 3

GIS Tutorial for Marketing

Developing a Targeted Promotional Campaign

Marketing scenario

Outdoor Living, Inc:

- A Florida-based, established producer of recreational, outdoor living products
- Introducing its new Conestoga recreational vehicle, a model designed for families who are new to camping
- Wishes to target middle-income families with its three-pronged promotional campaign
  - Advertising
  - Direct mail
  - Outdoor shows
Learning objectives

To maximize the effectiveness of the promotional campaign in Florida, you will learn how to use ArcGIS to:

• Create map symbology to display population demographics
• Select target Florida families for advertising and direct mail components of a promotional campaign using appropriate geographic units and demographic attributes
• Select Tampa-area recreational stores with outdoor shows based on their location relative to target market households
• Design maps to communicate and support your recommendations

Exercise 3.1: Explore demographic characteristics

In this exercise you will:

• Load, display, and explore maps of Florida
• View thematic maps of Florida’s counties and their demographic characteristics
• Examine data distribution in densely populated areas
Family households by county

Income by census tract in Tampa area
Exercise 3.2: Select counties for local advertising campaign

In this exercise you will:

- Identify the ten Florida counties with the largest number of families in the target market
- Design a map that identifies these counties and their location
- Calculate the total number of target-market families that will be exposed to the campaign in these counties

Selected counties and statistics
Exercise 3.3: Select ZIP Codes for direct-mail campaign

In this exercise you will:

- Identify the ZIP Codes in Florida with the largest percentage of families in the target market
- Design a map that identifies these ZIP Codes and their location
- Calculate the total number of ZIP Codes and family households that will be included in the mailing
- Calculate the number of target market families who will receive mailings
Exercise 3.4: Select stores for outdoor show demonstrations

In this exercise you will:

- Examine the distribution of target market families in Hillsborough County
- Identify retail outlets that sponsor outdoor shows each year
- Select four stores for product demonstrations at outdoor stores

Selected stores and market areas
Exercise 3.5: Communicate and support your recommendations

In this exercise you will:

- Restate your recommendations briefly
- Explain how geographic targeting will increase the effectiveness of each of the three components of your local marketing campaign in Florida
- Design two maps to support your analysis

Targeted counties

The counties outlined in blue are those with the highest number of families in Outdoor Living’s target market.

Selection of these counties for the advertising campaign will maximize the number of target market families reached by the campaign.

Source: ESRI Community Data, 2005

Submitted by: XXXX
Date: XXXX
Targeted ZIP Codes

ZIP Codes Targeted for Outdoor Living’s Direct Mail Campaign

Legend
Major Cities
Type of City
• Major City
• Capital
Percent of Families in Target Market

% of Family HH’s
0% - 22.8%
22.8% - 26.7%
26.7% - 29.2%
29.2% - 31.6%
31.6% - 48.7%

The ZIP Codes outlined in blue are those with the highest percentage of families in Outdoor Living’s target market.

Selection of these ZIP Codes for the direct mail campaign will maximize the number of target market families reached by the campaign.

Submitted by: XXXX
Date: XXXX

Source: ESRI Community Data, 2005

Additional applications

Segmentation tools can be extended with:

• More extensive demographic data, with a wide range of segmenting attributes from ESRI Business Information Solutions (BIS) and other sources
• Lifestyle data such as Community Tapestry clusters
• Analysis of existing customers for more sophisticated market prospecting
• Automated segmentation and prospecting tools in the ArcGIS Business Analyst extension
• Applications by Telefonica del Peru and Western Exterminator, which illustrate these tools