



Consumer Concentration Report

Understanding the Index Options

OVERVIEW

Users have the option to calculate the Consumer Concentration report index based on the selected report areas or based on a selected analysis area of their choosing. The latter option allows users the ability to select a consistent geography for calculating index, regardless of the number of analysis areas selected for the report.

Index is calculated by comparing the percent composition for the selected variable in the detail-level analysis area to the percent composition for the selected variable in some other (larger) market.

$$\frac{\text{\% Composition of Selected Analysis Area}}{\text{\% Composition of Base Market}} \times 100 = \text{Index}$$

This document will provide an explanation of how the index is calculated – whether it is based on the report analysis areas or a separate selected geography.

THE MATH – INDEX BASED ON REPORT ANALYSIS AREAS

The below calculations are using the sum of all your selected markets as the larger market. Or, leaving the below option set to OFF in the report prompts:

Select different Analysis Area for Index

% Base Composition and % Composition Calculation

First, Base %Comp and %Comp must be calculated:

$$\frac{\text{Count of Selected Analysis Area}}{\text{Count of Base Market}} \times 100 = \% \text{ Base Comp}$$

In the below example for the Phoenix 85003 ZIP Code:

Base %Comp – $10,347 \div 62,225 \times 100 = 16.63\%$

%Comp – $6,776 \div 40,084 \times 100 = 16.90\%$

Analysis Area Code	Analysis Area Name	CY Pop, Age 25+					
		Base Count	Base % Comp	Count	% Comp	% Pen	Index
85003	Phoenix	10,347	16.63%	6,776	16.90%	65.49%	102
85004	Phoenix	7,916	12.72%	5,458	13.62%	68.95%	107
85006	Phoenix	28,073	45.12%	17,339	43.26%	61.76%	96
85007	Phoenix	15,889	25.53%	10,511	26.22%	66.15%	103
Analysis Area Total		62,225	100.00%	40,084	100.00%	64.42%	100

Index Calculation

Next, the Index can be calculated.

Index – $16.90 \div 16.63 \times 100 = 102$

Analysis Area Code	Analysis Area Name	CY Pop, Age 25+					
		Base Count	Base % Comp	Count	% Comp	% Pen	Index
85003	Phoenix	10,347	16.63%	6,776	16.90%	65.49%	102
85004	Phoenix	7,916	12.72%	5,458	13.62%	68.95%	107
85006	Phoenix	28,073	45.12%	17,339	43.26%	61.76%	96
85007	Phoenix	15,889	25.53%	10,511	26.22%	66.15%	103
Analysis Area Total		62,225	100.00%	40,084	100.00%	64.42%	100

THE MATH – INDEX BASED ON A DIFFERENT SELECTED ANALYSIS AREA

The below calculations are using a selected geography as the larger base market. Or, changing the below option ON in the report prompts:

When this option is set to on, you will be prompted to select the geography you'd like to use for the index calculation. In the below example, the Phoenix CBSA will be used for the base market.

Note: In the report output, the index will be based on this selected geography. However, the displayed Base% Comp and %Comp will be calculated based on the sum of the selected analysis areas – not the selected geography that is being used for the index calculation.

Analysis Area Code	Analysis Area Name	CY Pop, Age 25+					
		Base Count	Base % Comp	Count	% Comp	% Pen	Index
85003	Phoenix	10,347	16.63%	6,776	16.90%	65.49%	98
85004	Phoenix	7,916	12.72%	5,458	13.62%	68.95%	103
85006	Phoenix	28,073	45.12%	17,339	43.26%	61.76%	92
85007	Phoenix	15,889	25.53%	10,511	26.22%	66.15%	99
38060	Phoenix-Mesa-Scottsdale, AZ	4,991,128		3,340,820		66.94%	100

Note: The selected analysis area for index will not be included in the report output. It is shown in the above and following sample output for demonstration purposes only.

Behind the scenes the following calculations are being made in order to provide an updated index.

% Base Composition and % Composition Calculation

First, Base %Comp and %Comp must be calculated:

$$\frac{\text{Count of Selected Analysis Area}}{\text{Count of Base Market}} \times 100 = \% \text{ Base Comp}$$

In the below example for the Phoenix 85003 ZIP Code (selected base market is the Phoenix CBSA):

Base %Comp – $10,347 \div 4,991,128 \times 100 = 0.21\%$

%Comp – $6,776 \div 3,340,820 \times 100 = 0.20\%$

Analysis Area Code	Analysis Area Name	CY Pop, Age 25+					
		Base Count	Base % Comp	Count	% Comp	% Pen	Index
85003	Phoenix	10,347	16.63%	6,776	16.90%	65.49%	98
85004	Phoenix	7,916	12.72%	5,458	13.62%	68.95%	103
85006	Phoenix	28,073	45.12%	17,339	43.26%	61.76%	92
85007	Phoenix	15,889	25.53%	10,511	26.22%	66.15%	99
38060	Phoenix-Mesa-Scottsdale, AZ	4,991,128		3,340,820		66.94%	100

Index Calculation

Next, the Index can be calculated.

$$\text{Index} = 0.20 \div 0.21 \times 100 = 98$$

Analysis Area Code	Analysis Area Name	CY Pop, Age 25+					
		Base Count	Base % Comp	Count	% Comp	% Pen	Index
85003	Phoenix	10,347	16.63%	6,776	16.90%	65.49%	98
85004	Phoenix	7,916	12.72%	5,458	13.62%	68.95%	103
85006	Phoenix	28,073	45.12%	17,339	43.26%	61.76%	92
85007	Phoenix	15,889	25.53%	10,511	26.22%	66.15%	99
38060	Phoenix-Mesa-Scottsdale, AZ	4,991,128		3,340,820		66.94%	100