LIBRARY DECISION

Library Use and Market Segmentation Study

SAN ANTONIO PUBLIC LIBRARY STRATEGIC PLAN
The Next Chapter

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Executive Summary

The purpose of this report is to support and inform the Library's strategic planning process. This report documents the analysis, findings, and recommendations from a study of library use patterns combined with market segmentation data and mapping technology. This method integrates diverse data sets to derive insights into use and segmentation patterns.

This approach provides sound and defensible decisions, and is intended to inform working groups undertaking the strategic plan including supporting marketing and public relations, fostering community connections, supporting education and learning, and supporting economic development.

Based upon a definition provided by www.bizplan.com, market segmentation is

> "…the categorization of potential buyers into groups based on common characteristics such as age, gender, income, and geography or other attributes relating to purchase or consumption behavior."

Market segmentation helps organizations find new customers, gain insights, improve service delivery, and become customer-centric.

The Tapestry market segmentation system is used in this study. Tapestry classifies each U.S. neighborhood into one of 65 segments; any particular location such as Bexar County or the City of San Antonio will have some subset of those 65 segments. Tapestry synthesizes a range of demographic, socio-economic, housing characteristics, and consumer preferences.

This study analyzes library use and market segmentation patterns at four levels: the county as a whole, the city as a whole, each city's ten council districts, and each of the county's four commission precincts. Findings and recommendations for each of these areas is presented in their respective chapters.

The following high level findings are presented in this Executive Summary:

1. **Complex range of segments.**
   There are 55 segments countywide; a high number even for an area with a population over 1.6 million. As such, there is a high level of complexity represented by these segments. By complexity we mean a high degree of differentiation across a range of demographic, social, housing, and consumption characteristics. While complexity can be challenging with respect to the provision of services, other findings discussed below are mitigating factors.

2. **Young, family oriented community.**
   This is a young community with a big emphasis on young families. Lifestages were analyzed. Lifestages describe the general phase of life through which segments pass; they represent an opportunity to understand the needs, interests, and concerns of people and help develop and target a relevant library plan of service. Five lifestages were identified. The family oriented group is the largest with 65 percent of the population. This is followed by seniors at ten percent, pre-retired at nine percent, and college/pre-family and career oriented each at eight percent. Within the family oriented group there is a range of complexity across its different segments. While the Library as a public benefit organization is obligated to provide services to all, it clearly has a policy interest in meeting the needs and concerns of the dominant young family oriented population.

3. **Large populations clustered in a few segments.**
   The top five segments account for just over half of the citywide population (677,667 people/52 percent) and patrons (135,115 patrons/53 percent). The top segment is

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Executive Summary

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Southwestern Families with 332,728 people (25 percent) and 63,497 patrons (25 percent). Of the top five segments, four are distinctly young families. In addition to Southwestern Families are Milk and Cookies with 104,994 people and 23,080 patrons; Up and Coming Families with 94,694 people and 21,256 patrons; and Industrious Urban Fringe with 80,706 people and 14,934 patrons. The fifth segment is Young and Restless with 64,544 people and 12,348 patrons. Young and Restless falls under the college/pre-family lifestage.

As demonstrated through these top five segments, the city's population is distinctly young and most are young families. The top four family oriented segments are a proxy for the degree of complexity across family oriented segments citywide.

For the Library in strategically planning services, the good news is that the high youth and young family population will make it relatively easy for the Library to develop a focused plan of services. Providing services to families in the most populous segments should be replicated with appropriate variations for other family segments with smaller populations.

4. **Opportunity to increase market share.**
An analysis of market share (patrons as a percent of population) and market potential (the opposite of market share: non-patrons as a percent of population) indicate that the Library has an opportunity to increase market share. Overall, only 19.5 percent of the population are patrons who have used their cards in the last two years. This means that the Library can significantly grow its market share among the remaining 1,059,000 people who are not currently holding active library cards. The method for doing this should be coordinated by segment for each targeted area.

5. **Supporting work groups**
The following are ways to use the data in this report to support strategic plan work groups:

- **Support Education and Learning**
  - Select segments that represent people you want to focus on; for example, at-risk youth, low educational attainment, etc.
  - Develop and target specific programs, materials, and other resources to meet the defined interests, needs, and preferences of people who are literacy-challenged

- **Support Economic Development**
  - Target segments by occupation or industry in which they work to focus delivery of career development and financial planning services
  - Assist small businesses and non-profits find the right target markets using market segmentation (BusinessDecision)

- **Foster Community Connections**
  - Find where your current customers are coming from
  - Find potential customers
  - Define what their interests, needs, and preferences are
  - View statistics to determine which materials/item types are being used by each segment
  - Optimize the collection including more focused purchases and more fitting distribution of materials
  - Identify specific locations to target efforts for increasing use of specific materials/items types to each segment

- **Support Marketing and Public Relations**
  - Target messages by segment or groups of segments

LIBRARY DECISION

SAN ANTONIO PUBLIC LIBRARY
STRATEGIC PLAN
The Next Chapter

Executive Summary

DRAFT

- Utilize appropriate and relevant communications channels to reach targeted segments
- Communicate about relevant services, programs, and resources

Finally, it should be noted that other data can be added to project database including information on voting patterns, school performance, youth risk factors, crime rates, teen birth rates, and occupations and business tax revenues, among others.