

Best practices for rolling out global segmentation results in your company



GfK NOP Technology's experience creating winning global custom segmentations shows that if done right, segmentation studies provide positive ROI and can be of tremendous value to the sponsoring company. As a world class provider of actionable segmentation, GfK has developed a series of white papers designed to help our clients maximise their investment in these important programmes.

Best Practices for Rolling Out Global Segmentations in Your Company reports on best practices for introducing and implementing segmentation results based on our experience working with global marketers. Although it focuses on large multi-country programmes, many of the same concepts apply to single country projects.

1. Get an Executive Sponsor

Successful segmentation requires company alignment and buy-in during rollout. The best way to achieve this is to have a senior level executive serve as the project sponsor. Ideally, this person would be involved in kick-off meetings, author invitations (even if ghost written) to others to attend the kick-off meeting and serve as the face and voice of the programme at the rollout meetings. This type of support clearly communicates that the project is an important company initiative and not just another marketing research project.

2. Start the Roll-out with Planning

Historically, many research projects have failed because plans for implementing the results were not developed up front. Too often, emphasis is placed solely on the statistical techniques used or other methodological issues instead of how the results will ultimately be used. By starting with the end in mind, the proper questions can be included in the study design, hypotheses to test can be developed and discussions about what actions to take if specific hypotheses are confirmed or denied can take place to inform the study design.



Colin Strong
MD, GfK NOP Technology
Tel: +44-20-7890 9186
Email: colin.strong@gfk.com

'Historically, many research projects have failed because plans for implementing the results were not developed up front. A successful segmentation starts with thorough planning'

3. Involve Key Stakeholders Early and Often

Key stakeholders (those involved in implementing the segmentation study and who are critical to making or breaking the programme) should be involved from the beginning. Their involvement in key decisions along the way (e.g. priority of information to be collected, selection of the segmentation solution, naming of segments, etc.) is the best way to ensure their support during the implementation phase. By all means, avoid having key people responsible for implementation see the results for the first time when it is rolled out to the company!

4. Brand the Programme

The careful selection of a public and/or company-facing name for the segmentation programme offers multiple benefits:

- In addition to giving the research an identity, a name provides users with a quick and easy way to remember and reference the programme
- A name establishes the programme as more than just another research report and helps to demonstrate its importance and relevance as a company-wide initiative, particularly when key stakeholders are involved early and frequently in the programme.
- Branding the initiative also helps to improve the likelihood that the segmentation results will be adopted as part of the fabric of the corporation and how it thinks about its customers.

What's the best example of a branded segmentation programme that we've seen? While several come to mind, one stands out from the rest: "Crystal," as in having a crystal clear view of the client's customers, who they are and therefore how to market more effectively to them in the future.

5. Honour the Past

If the client has a previous segmentation that has been assimilated, you should include it in the new questionnaire and reporting. This allows you to "path" segments from old to new and helps users become more comfortable with the new.

6. Allow for Individual Country Differences

Defining segments in a multi-country study is much more about the themes that emerge than it is about the mathematical calculations. Generally, it is best to take both a local and global view when conducting your segmentation, identifying themes in each country and unilaterally.

Not all themes may be present in each country. Similarly, the segmentation definitions may differ from country to country. For example, in a global segmentation you might identify a technologically savvy segment. Such a group may be present in most or all countries—but the definition of what constitutes technically savvy in one country (e.g. Japan) may differ widely from what it means in another country (e.g. Bulgaria). Within each country, however, the segmentation scheme would identify those consumers who differ from others because they tend to be more technologically-oriented than their fellow countrymen.

7. Carefully Choose Names

In naming your segments, it is extremely important to be conscious of positive and negative meanings, connotations and associations.

- Each segment name needs to clearly communicate the essence of the group it identifies. In an attitudinal segmentation (combination attitude/behavioural segment), try to avoid names that have demographic meanings unless the description is completely accurate (e.g. Men Behaving Badly, one of our favourite segment names)

from the automotive industry). In this case, users will understandably assume that the segment is exclusively, or at least overwhelmingly, male. Don't use such names unless this is true.

- Take your time identifying names and live with them for a while before finalising them. This may mean it is necessary to complete the analysis calling them segments 1,2,3, etc., which is always preferable to prematurely naming them with a characteristic which in the end does not hold true.
- Test them on the uninformed: at GfK, we routinely test possible segment names using people who have not been involved with the study. We describe the segmentation topic and read the names to them one at a time. Based only on the name, we ask them to describe what they think that segment is like. In addition to helping to increase awareness of the segmentation, this technique offers a great way to gain insight into how to clearly communicate your segments, while avoiding the introduction of unintended meanings in your segment naming.

8. Keep it Simple and Use Icons to Communicate Segments

Simplicity in communication of results is essential in gaining support for your segmentation. Icons offer a terrific way to bring them to life for others in a meaningful and visually compelling way. Photos can also work, but be careful to avoid using photos that might communicate characteristics about the segment such as gender, age or race, that are not true. Icons, drawings or photos of things other than people are best. If using pictures of people, use a collage, not just a single image. Of course, studies that focus on a particular group, offer an exception to this rule. For example, segments in a study done among women, where segments differ by age, might be appropriately illustrated with a single photograph that represents each age group.



9. Match Deliverables with Audience

Several levels of deliverables need to be prepared, depending on the involvement and technical nature of the audience. The marketing research manager may need the entire 200 page deck with all the detail, but the country managers may not. Country level reports should be prepared for each individual country. The goal is not to bury people in numbers or formulas but to provide them with information and direction. For GfK, the best compliment we can get is when someone says, "That was a great presentation—I don't remember a single number, but I know exactly what I need to do."

10. Conduct Post-Segmentation Deployment Meetings

In many respects, the project doesn't end with the presentation of

research results—it just begins. We highly recommend that follow-up deployment or action planning meetings be held a week or two after the research results are presented. The specific objectives of the deployment meetings can be quite varied (e.g. determining key segments to target, understanding key targets better, brainstorming for programmes of interest to key targets, etc.). In our experience, clients who conduct these meetings (whether facilitated by GfK or by an internal company representative) have greater success with their segmentation programmes — achieving more and doing so faster.

11. Involve Your Advertising Agency

Effective communication of the segments you want to target is also critical, so involve your agency—after all, they are in the business of effective communication. As marketers and researchers we can identify content, as well as consumer quotes and recommend next steps—but involving your advertising agency brings in people with additional skills to help in the communication planning.



12. Create Tangible Deliverables that Communicate Segments

The impact of your segmentation is definitely magnified if employees are constantly reminded of the existence of the segments—and the personality of each of the target groups. This can be accomplished by the development of communications tools such as:

- *Ready reference guide:* A 4-5 page summary of key results prepared for each country can help internal stakeholders keep major findings and implications at their fingertips. Often these are laminated so they are durable for long-term use.
- *Pocket booklets:* Small, pocket size booklets can also be created to provide a snapshot or profile of the segments, along with pictures or icons that help to bring them to life.
- *Cardboard cutouts:* Life-size cutouts (think of them as huge paper dolls) are also a great way to remind employees to think about and easily recall the segments.
- *Videos:* Videos can provide brief but compelling summaries of segment characteristics and be used in a variety of venues like employee training sessions, on the intranet, at conferences, for rollout, etc.

- *Typing tool:* Include a 'typing tool' (short list of questions with simulator) so people not surveyed in the initial study can still be assigned to the most likely segment. If necessary, add a question to the typing tool so that it

makes more intuitive sense to the user. It's not just about the math, it's about what makes sense. For example, a high tech segment should have a question about use of technology even if the math provides alternative surrogate variables to define this segment.

13. Use Your Intranet

Intranets are a great vehicle for sharing information about segments with employees as they enable your information to be available when needed, offer a secure platform for posting information and can incorporate multiple media formats from static documents to videos, pictures and more. Consider putting the typing tool on the site so employees can type themselves. We've even seen clients put their segment on their business cards to further engage employees.

14. Take it on the Road

A travelling road show, led by a very senior stakeholder, is the best way to effectively communicate that your segmentation programmes is important and going to be used in the organisation. Typically, the presentation does not need to be very long—a 30 minute pitch per country should do the job, especially when combined with distribution of the ready reference guides—and other in-office devices (banners, cut-outs of segment members, etc.).