

# Segmentation

## What is segmentation?

Segmentation is the practice of dividing your target market into approachable groups (or clusters) to hone in on smaller subsets of your consumers rather than an entire population. This allows you to create more personal, actionable, and effective consumer-focused strategies (i.e. marketing, product innovation, pricing, etc.).

## Segmentation with quantilope

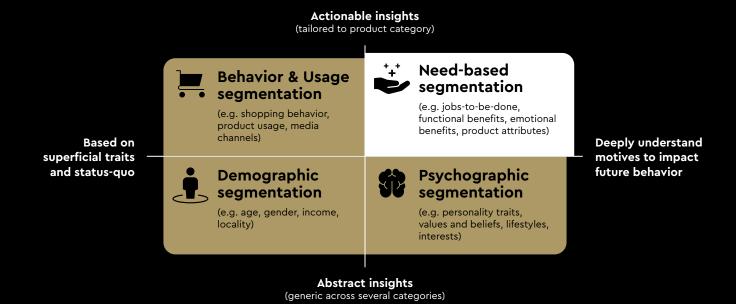
Through the power and ease of automation, quantilope's segmentation captures insights at a fraction of the time it takes with other vendors, is intuitive in nature yet sophisticated in results, and provides guaranteed quality without risk of manual errors.



### **Need-based Segmentation**

Our segmentation method is programmed using a **need-based approach**, which is considered the **'gold standard'** in segmentation research. That's because need-based segmentation allows clients to deeply understand the motives that impact future behavior, and/or areas to improve on. This sets up a foundation to develop a multitude of products that truly serve what consumers need.

quantilope's ability to segment on consumer needs, yet still having the power to automatically profile the segments on demographic, behavioral, or psychographic data also makes this an 'all-inclusive' approach to segmentation.



#### **How it Works**

quantilope's segmentation is fully automated, and like all of our other automated advanced methods, can be added to a survey with a simple drag + drop. The method uses a MaxDiff to capture consumer responses to need statements, which are then analyzed through a series of sophisticated, machine learning algorithms on the backend.

#### STEP 1

Add the method to the survey by dragging + dropping Segmentation (built using a MaxDiff) from the pre-programmed method library.



#### STEP 2

After data collection, click 'start estimation' to begin interpreting the MaxDiff scores through a series of sophisticated, Al-driven algorithms on the backend, resulting in a recommended segmentation output\*.



\*Our Insights Automation platform generates a recommendation for the optimal number of segments based on multiple scientific and practical criteria, computes the participants' segment membership using state-of-the art clustering techniques, and automatically profiles the segments based on machine learning algorithms.

### **Segmentation Use Cases**

# Develop communication & advertising strategies

Use segmentation to generate the proper tone, communication, and messaging strategy for each respective segment. For example, in the context of a study on airlines/travel, the segment output may look something like 'Budget Travelers', 'Relaxed Travelers', and 'Spontaneous Travelers', each of which would benefit from uniquely catered communication styles.

# Identify and refine personas

For brands with alreadyestablished qualitative personas, segmentation can be used to identify and size up a market to see if those qualitative personas are aligned. If there's a large gap, refine and enrich these personas based on missing consumer needs.

# Identify spaces in the market for brand/product innovations

Innovation is key for the survival and success of brands. Segmentation identifies white spaces in the market which brands can use to develop new innovations that fill those needs.

# Align brand & pricing strategies

Adapt brand and pricing strategies of different products to the particular target segment.

#### **Outcomes**

With quantilope's automated segmentation, marketers and insight leaders are empowered to run a highly sophisticated research method with ease and speed. Our method is programmed in an intuitive manner, and all technical algorithms occur behind the scenes so clients can focus on the results themselves (not the manual work in getting there).

With these gained segmentation insights, business leaders are equipped to shift their strategies to solve the true needs of their customers and stay competitive in the market.

#### Sound like a fit?

Contact your quantilope customer success team member or reach us at <a href="mailto:sayhello@quantilope.com">sayhello@quantilope.com</a> to learn more about how you can take your insights to the next level with automated, need-based segmentation.

And for an immediate look at what you can expect from your future segmentation study with quantilope, check out our <u>Segmentation Dashboard</u> from our syndicated study on the Gaming industry!



