



## Segmentation analysis

The 3Ps — Profile, Personify, and Pinpoint your customers powered by financial and economic insights

### Identify and engage your target audience with financial and economic insights

Today's consumers are overwhelmed by advertising, product messaging, and special offers that may or may not be relevant to their needs and interests. Communications are coming from all directions — both offline and online — forcing consumers to sort through multitudes of information, only a portion of which is likely to be significant for any particular individual or household.

To break through the clutter, marketers can use their own data combined with financial and economic insights to conduct a comprehensive customer segmentation analysis that allows them to:

- Identify and understand their target audiences; and
- Engage with them via the right message and the right channel.

### Three components to a segmentation analysis

A custom Equifax segmentation analysis combines the art and science of identifying and understanding consumer segments in order to support an informed communications and media strategy. By breaking down the analysis into components, marketers can follow a logical process to answer key questions to help them better connect with target customers and prospects.

1. **Profile:** Who are your top consumers and customers for your product or service?
2. **Personify:** What are those top customers like? Identify their demographic and lifestyle characteristics, as well gauge their media habits and preferred channel usage.
3. **Pinpoint:** Where can you find these targets on the map, as well as in the digital landscape, to effectively engage them?

### Key benefits

- Custom analysis project to better understand who your customers are, what they are like and where you can find more of them
- Analyses can include all components — Profile, Personify, Pinpoint — or just one or two to answer your business questions
- **Profile:** Identify top customers based on first-party data, financial and economic measures and behaviors, and MRI data
- **Personify:** Create target groups and describe them in terms of financial and economic measures, attributes, lifestyles, behaviors, demographics, media habits, and channel preferences to inform communications and media strategies
- **Pinpoint:** Find target audiences via traditional marketing channels and in the digital landscape to effectively engage them
- Deliverables include a presentation and may include coded files, prospect lists, or recommendations for digital targeting



PROFILE



PERSONIFY



PINPOINT

**Profile: Identify top customers and prospects using customer data as well as financial and economic data and behaviors**

The first step is to identify top customers and prospects based on their actual or desired attributes and behaviors. Companies can select Behavior Profiles to analyze by choosing desired customer behavior data, 3rd party data, or a combination of the two.

- Customer data (provided by client): Identify consumers with select product/ service ownership or behaviors. Examples:
  - All customers that purchased Product X
  - All customers that are part of the company loyalty program
  - All customers that purchased from your company five times in the last year
  - All customers that spent over \$1,000 in the last year on your company's products
- 3rd party data (Economic Cohorts®, Financial Spectrum™, WealthComplete®, Income360®, DS\$™, CreditStyles® Pro, Ability to Pay Index™, MRI): Identify consumers likely to have a certain asset, income, or discretionary spending level, or portray a certain credit or other behavior or attitude. Examples:
  - All consumers that are likely to have over \$100,000 in estimated total income
  - All consumers likely to have over \$250,000 in estimated total assets
  - All consumers that are likely to have discretionary spending over \$50,000
  - All consumers that are likely to shop at luxury retail outlets
  - All consumers that are likely to hold rewards-based credit cards
- Combined customer data and 3rd party data. Examples:
  - All consumers that purchased product X from your company, are likely to have discretionary spending over \$50,000, and that spend significant amounts on internet purchases
  - All consumers that hold stocks at your firm, do not have a deposit account at your firm, are likely to have over \$250,000 in deposits held away, and are likely to be interested in rewards-based credit cards
  - All consumers that are likely to shop at luxury retail outlets, have not shopped with your brand, and likely have over \$150,000 in total income



Companies can **select Behavior Profiles to analyze** by choosing desired customer behavior data, 3rd party data, or a combination of the two.

Once Behavior Profiles have been identified, they are then analyzed to discover which segmentation clusters have a high affinity and produce high value for each of the desired behaviors.



## Personify: Create target groups and understand their characteristics to drive campaign strategy

Once segmentation clusters have been ranked for affinity and value, target groups can be created. High indexing clusters with similar attributes (e.g. similar income tier, similar age range, similar family status/life stage) may be combined to form target groups. Examples:

- High Spenders: Comprised of 5 clusters, each with High Income (\$100K-\$200K) and Age Range Pre-Retirement (55-64)
- Occasional Shoppers: Comprised of 4 clusters, each with Moderate Income (\$50K-\$100K) and Age Ranges Working Years (35-54) or Pre-Retirement (55-64)

The size of the clusters may also be incorporated into the development of target groups to ensure sufficient marketability.

Now that target groups have been developed, the next phase is to develop an understanding of the characteristics of each group to inform messaging, creative, and media planning. A Personify analysis brings target groups to life by revealing their household economics, demographics, lifestyle behaviors, media habits and preferences, and more.

Personify attributes and propensities may include:

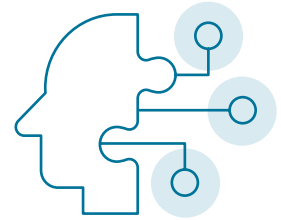
- Household economics (estimated total income, discretionary spending, credit usage)
- Household assets and investments (estimated total assets, prefers stocks and CDs)
- Demographics (age, marital status, presence of children, education, occupation, geo-location)
- Lifestyle behaviors and attitudes (leisure, sports, travel)
- Media usage (media preference, TV channels viewed, online usage and habits)
- Vertical specific preferences, behaviors, and attitudes (wireless, auto, electronics, etc.)
- Shopping behaviors and attitudes (stores visited, shopping influences)
- Economic behaviors and attitudes (credit products, credit cards, financial behaviors)
- Advertising attitudes (e.g. informative vs. inconvenient)

Subset of a sample Personify analysis for a single target group:

- Household economics: high income (\$100K-\$200K), high discretionary spending (\$53K), active credit usage
- Household financial estimates: mass affluent (Assets \$250K-\$1M)
- Demographics: Median age 60, married couples, low presence of children, college education, major metro areas
- Lifestyle: Enjoys live theater performances, dancing, concerts, fine dining
- Media and channel usage: Reads lifestyle magazines, moderate social media user
- Shopping: Values brand over price
- Economic behaviors: Likely holds premium credit card

A Personify analysis helps companies better inform their marketing approach for each target group. Based on the above target group's Personify analysis, marketers may consider:

- Tone: Sophisticated tone that acknowledges their cultural acumen and fine taste
- Message: Join us for our exclusive event featuring a new star
- Creative: Active affluent couples socializing at a performance
- Channel: Magazine ad, targeted email, display ad on theater ticketing app



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### **Pinpoint: Find and engage with each target group through preferred channels**

Now that you know the characteristics and channel preferences for your target groups, the final component in the segmentation process helps you find and reach them. Namely, the Pinpoint analysis enables marketers to find their target audiences on the map or digital landscape and engage with them via the right message and channel.

**Find:** As part of a Pinpoint analysis, companies can discover the geographic concentration and market opportunity for each target group. Market assessment options include:

- Ground counts
- Map visualizations

**Reach:** Companies can coordinate with us to execute campaigns through a variety of channels or obtain the coding they need to execute through their preferred marketing partners. Target group engagement and campaign execution options include:

- Code/append customer and prospect files
- Direct mail marketing lists
- Email marketing lists
- Online marketing: Digital Targeting Segments or digital onboarding of target groups to enable display ads, mobile ads and apps, social advertising, addressable TV and radio

### **Analytics options to meet your needs**

The Profile, Personify, Pinpoint analyses can easily be tailored to meet your company's unique goals. For example, some companies may prefer pursuing a Profile and Pinpoint analysis, without the need for a complete analysis of consumers' lifestyle, propensities, and channel preferences.

In addition, each component of the segmentation analysis — Profile, Personify, Pinpoint — can be expanded or simplified as per your company's goals and requirements. Please ask your Account Representative about options.



The Pinpoint analysis enables marketers to **find their target audiences** on the map or digital landscape and **engage with them** via the right message and channel.

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