



Transport
for NSW

How to group customers to address organisational needs



1. Segmentation

2. Segmentation decision-making checklist

3. Personas

4. Profiling

Uses, Strengths, Weaknesses

Segmentation



What is it?	<ul style="list-style-type: none">• Segmentation can be a great tool if thought through properly• It can give you focused understanding of your customers (and potential customers) that can inform policy, delivery and communications• It should be considered when you're developing a policy, seeking to improve your services or targeting communications.
When should I use it?	<ul style="list-style-type: none">• When wanting to identify relevant or underserved groups, or to target specific groups in a relevant way
Typical Method	<ul style="list-style-type: none">• Qualitative - you may know a lot about who your customers are and what they do, but not WHY they do it.• Quantitative – gives you robustness and sizing of segments• Combined - qual to determine archetypes and help inform survey. Quant to validate and build robust segmentation
Strengths	<ul style="list-style-type: none">• A powerful, robust and targeted research output• Durable
Weaknesses	<ul style="list-style-type: none">• Time and complexity• Costs• A fixed method

Segmentation decision-making checklist



1. Do you have a clearly defined objective that's driving your plan to conduct a segmentation?
2. Do you understand how segmentation will help you achieve this? Do you know the parameters you're working within (e.g. the scope of your project/ number of people affected)?
3. Do you know the deadlines you're working to and broad budget you're working within?

1. Do you already have a workable segmentation that you can use again?
2. Have you already started identifying and selling in solutions and actions?
3. Are you already committed to policies or activities that dictate the way ahead?

1. Is the customer base or market that you're dealing with quite broad?
2. Are there differences between people that are likely to affect policy, service delivery or communication?
3. Do you have the ability to tailor what you develop and deliver for different segments once you've identified them?

- You should be able to tick all these boxes. If not, you probably need to do more to explore and define your issue

- If you tick these boxes, it may be unnecessary to produce a new segmentation, or too late to consider segmentation for this particular issue

- If you can tick all three boxes it's likely that segmentation will help you in what you're doing

Personas

Name

Job Title



• Where she works
• Details about her role

Demographics

• Age
• Gender
• Salary
• Location
• Education
• Family

Goals and Challenges

Values and Fears

Marketing Message

Elevator Pitch

What are they?

- Fictional characters (but typically based on research with real people) which represent a group of people with similar values around the use of a product or service.
- They aid design for real people with real needs. Detailed character stories in the form of personas ensure that a realistic view of end users is kept
- In a NUTSHELL – highlight specific details that speak to a type of person - their experiences, goals, or motivations

When should I use them?

- Typically after a segmentation or primary research has been conducted - personas can build on this output
- It's used as a design tool , can aid product feature development, help understand your customer's needs, experiences and goals and determine pain points on a customer journey

Typical Method

- A template which typically includes who the person is, what they value, and how best to speak to them.
- Can involve an element of speaking to customers, or derived from current sources of information such as customer data and previous research
- 4-7 Personas are typically produced to capture and document a majority of user requirements.

Strengths

- Personas are evolving as you discover more information about your types of customers
- Less complex than Segmentation – can be created in-house

Weaknesses

- A snapshot of a specific user rather than a robust methodology
- Can be based on too many assumptions, rather than facts
- Personas are fictional representations of actual users, so they only work if you fully understand who your users are – or will be. Requires the ability to think and emote like the customer.

Profiling



What is it?

- Profiling is all about building up knowledge about your most typical clients
- You can profile within a segment through different profile characteristics including: age, ethnicity, sexual orientation, ability/disability, gender, level of affluence etc.

When should I use it?

- It is often used in conjunction with Segmentation

Typical Method

- Quant data cut by specific characteristics

Strengths

- Simple and one dimensional – looks at one element to group people together

Weaknesses

- Not suitable for identifying certain population segments
- For factors such as age and ethnicity, profiling can only support broad generalities.