PERSONAS VS SEGMENTS

Not Knowing the Difference
Can Cripple Your CX Program

Eric Hunter, VP Strategy
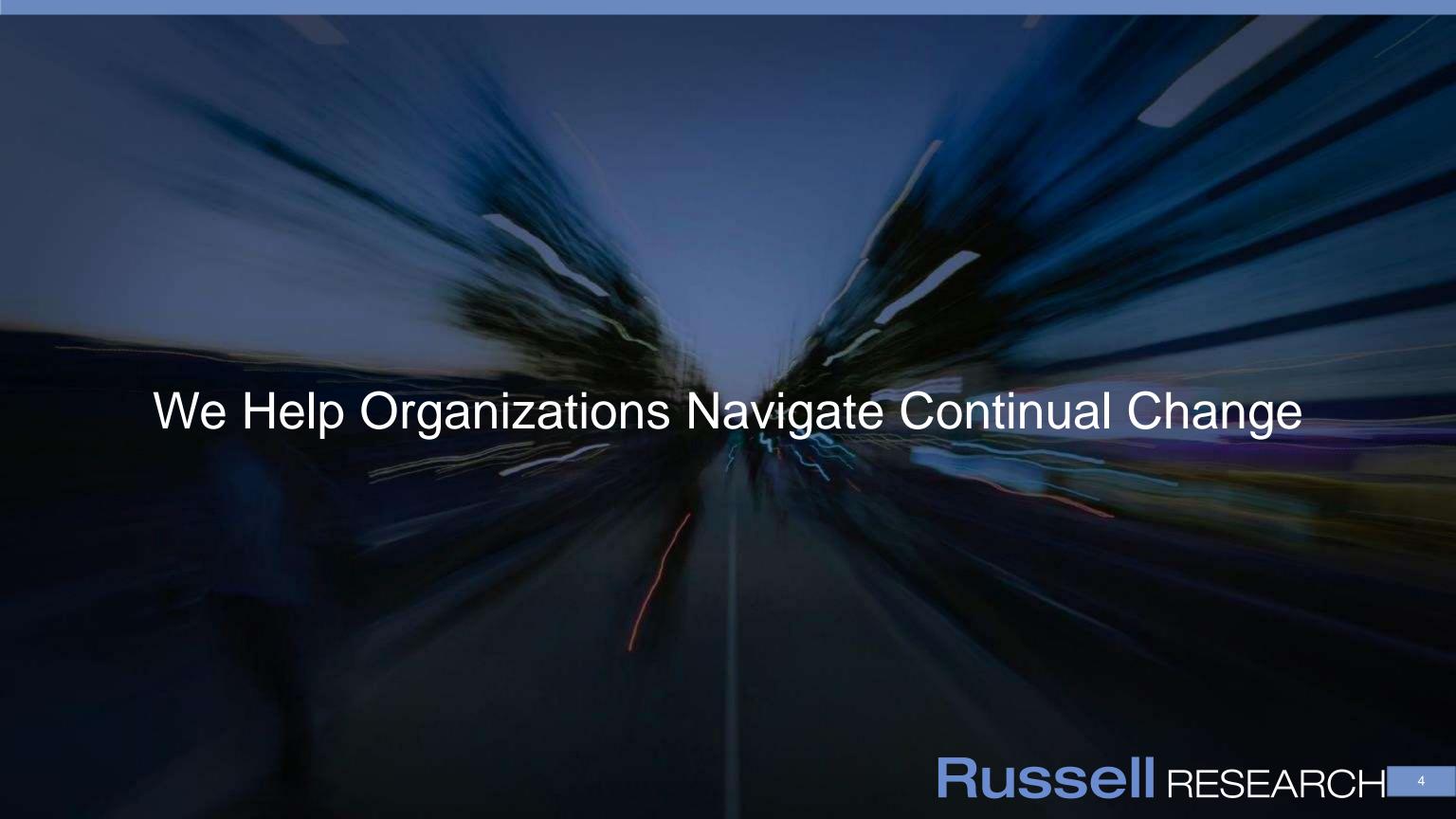
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QUIRKS BROOKLYN, 2019

HOW DID WE GET HERE

Transformation Comes to Market Research

Everything has changed
&
Everything is <u>really</u> <u>familiar!</u>

Researchers have been slow to adapt
& it is our own fault

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Who Are We?

- Russell Research is a customer research firm, focused on supporting customer-centric companies.

- Whether you call them customers, users, or people, we leverage the latest research tools to understand their current contexts and what motivates their actions.

We Help Organizations Navigate Continual Change

In the next 20 minutes we are going to…

1. Create Working Definitions

2. Personas vs. Segments

3. Identify "The Worst" Examples

4. Provide Market Research Tools to Lead

I'm not going to sell you anything, but I want you to rethink how you approach research and adapt to new methods

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WORKING DEFINITIONS

First Day – New Job

Me: "I'm here to run research"

Not Me: "I'm here to run research. You and I should talk."

Not a misunderstanding, but an over use of terms

Research Has A Language Problem

Marketing

Analytics

Customer Experience

Brand

Segments

Design

Personas

Advertising

Acquisition

Same words, but completely different meanings to each audience

A Working Definition: CX

"Customer Experience is the cumulative impact of multiple touchpoints over the course of a customer's interaction with an organization"

A company's ability to deliver an experience that…

1) solves a user problem
2) sets itself apart in the eyes of its customers

THE FIGHT:
PERSONAS vs SEGMENTS

Two Approaches to Understand Customers

Segmentation

- A method of dividing a broad market into sub-groups based on some type of shared characteristics, typically through cluster analysis of survey data

Survey Data
Demographically Based
Rational

Persona Development

- Personas are fictional representations and generalizations of a cluster of your target users who exhibit similar attitudes, goals, and behaviors in relation to your product

Qualitative
Anecdotes & Stories
Hyper-Personal
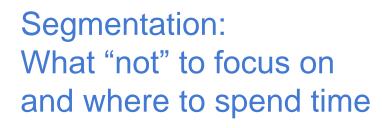
Using the Worst Examples

Segmentation
"Millennials"

Persona Development
"Time-pressed Mums"

Overgeneralized
Too big to be helpful
The "name" comes to life

Not scalable
Disconnected from "data"
Too "stereotypical"

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From "Either Or" to "Yes, and.."

A methodological argument
rather than clarification of the objectives

"Which vs Who"

Most of my
segmentations are here

Most of my persona
work is here

Segmentation:
What "not" to focus on
and where to spend time

Persona Development:
Who is this person
and how can we help

Market Research Tools to Lead

1. Be A Researcher

2. Steal Liberally

3. Keep Adapting

4. Workshop It

BE A RESEARCHER

Market Researchers Are Uniquely Positioned

"Define, gather data, & act"

Clarify the Objectives:

- What does that mean to you?
- What do you think will happen?
- How will you use the findings?

STEAL LIBERALLY

Go Outside of "Market Research"

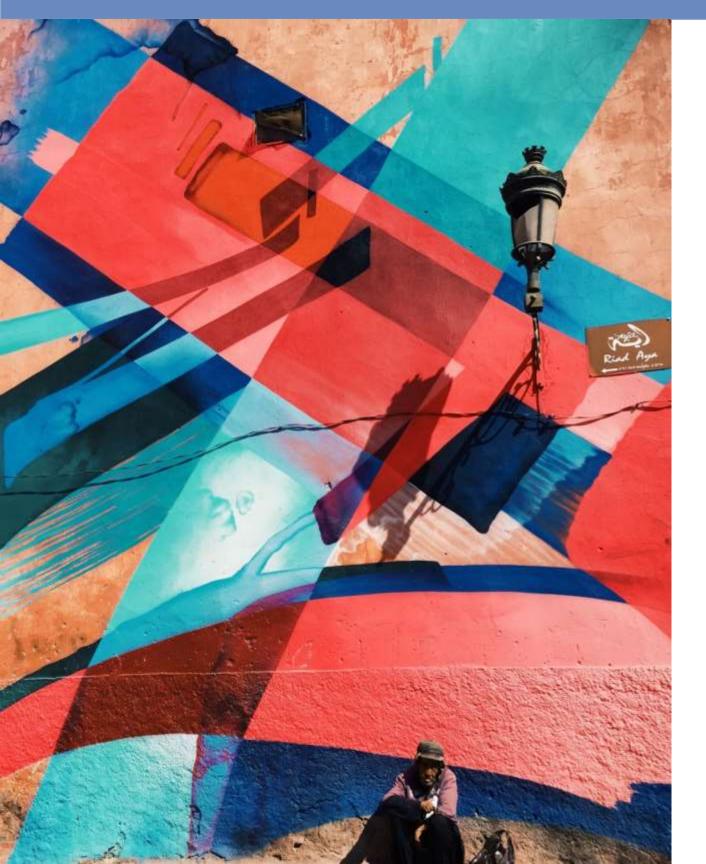- **Customer Experience**
  - Forrester, Harvard Business Review

- **Design**
  - Nielsen Norman Group, IDEO, Interaction Design Foundation

- **Jobs To Be Done**
  - Christensen Institute, Strategyzer

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KEEP ADAPTING

Everything Should Be A Mash-up

Segmentation:

- Multidimensional segmentations

- Descriptive attributes

- Different question types

Personas:

- Start with existing data

- Include "rigorous" methodologies

- Develop new tools – Persona Builder

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WORKSHOP IT

Workshop It

- Everyone in one room – face-to-face

- Interrogate the data

- Prioritize and interpret as a group

My Toolkit:

- Success Criteria Workshops

- Results Workshops:

  o "5 slides and a cloud of stickies"

  o Everyone has the slides before hand

  o They come with questions

  o "If this is true, what would you do next?"

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QUESTIONS?

- Be A Researcher
- Steal Liberally
- Keep Adapting
- Workshop It

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APPENDIX

Persona Builder

Most projects start with a definition of a core audience. Persona Builder is designed to provide a data-based understanding of the key targets you must engage to impact perceptions, drive sales, or achieve almost any objective.
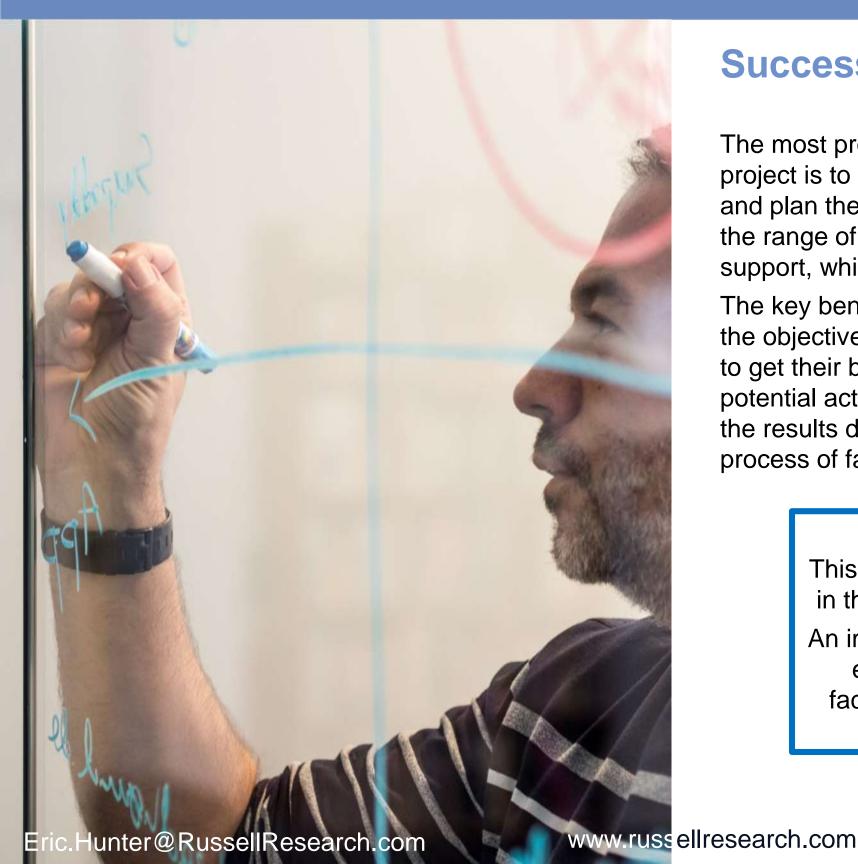
The research objectives of the Persona Builder would be to develop a clear set of initial personas to launch a project.

WHAT IS IT?

This approach is able to take a long list of products, features, benefits, brands, quickly prioritize them using a simplified version of paired comparison.

Participants choose the "best" and "worst" from a series of subsets rather than a long list of rating questions. Participants are then grouped based on their shared interests in specific list items.

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Success Criteria Workshop

The most productive way to ensure the success of any research project is to physically gather key stakeholders to prioritize, refine, and plan the goals of the project. An in-person workshop to identify the range of cross-functional needs the research is intended to support, which we call <u>Success Criteria</u>.

The key benefit of the Success Criteria Workshop is to make sure the objectives of the research are crystal clear to everyone impacted, to get their buy-in to make sure that the research is aligned with potential actions. As a result, research meets organizational needs, the results drive immediate actions, and the research develops a process of faster, data backed decision-making.

WHAT IS IT?

This is typically a 3-hour workshop which is conducted in the client offices and includes all key stakeholders.

An important component of the workshop will be group exercises led by a Russell Research workshop facilitator. These exercises will help identify current hypotheses and expected outcomes.

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