

Preference Segmentation

Understanding consumer groups



Key benefits

- Identify targeted consumer segments
- Evaluate the buying behaviour of consumer segments
- Identify the most valuable consumers
- Learn which product attributes are most important to each consumer segment
- Identify consumer segments which represent areas of strength and weakness
- Use consumer segments in future panel-based analytics.

Fuelled by different motivating factors, consumers demonstrate different shopping behaviours. The ACNielsen Analytic Consulting team can identify distinct, mutually exclusive consumer groups. Households within each consumer group share similar purchase patterns relative to the key product attributes that drive consumer behaviour. These consumer segments might be targeted for growth, defence strategies or even ignored due to low opportunity.

Using ACNielsen's consumer panels, Preference Segmentation enables understanding of consumer targeting effectiveness, reach and potential opportunities and risks.

Key questions addressed

Preference Segmentation analysis can be used to address the following questions:

- Which consumer groups provide opportunities for growth, or are at risk and how do I reach them?
- How can I group consumers by their purchase preferences and effectively position my brand with these groups?
- Which consumer segments are important to my brand franchise and in what way?
- What are the demographic characteristics, preferences and purchase habits of each distinct consumer segment?

Applications

Preference Segmentation analysis can be applied across a number of business functions:

- Used by brand and category managers to better understand their consumers and shopping habits, in order to implement meaningful marketing plans
- Used by brand managers to evaluate strategic opportunities for their companies.

Project content

Preference Segmentation helps to identify the demographics and buying behaviour of consumer segments most important to the brand franchise and how each impacts your marketing strategy.

The analysis identifies strategic and tactical options to reach new consumers or to better position your brands to increase consumer loyalty. Distribution and channel coverage opportunities may also be uncovered.

With Preference Segmentation you are able to:

- Reposition or change emphasis on existing items to increase sales among key target groups
- Refocus on consumer segments with higher opportunity
- Focus competitive strategy more effectively
- Uncover new product ideas to satisfy an unmet need for a key consumer segment
- Use segmentation as a 'launching pad' for further analytics to refine marketing strategies.

Project output

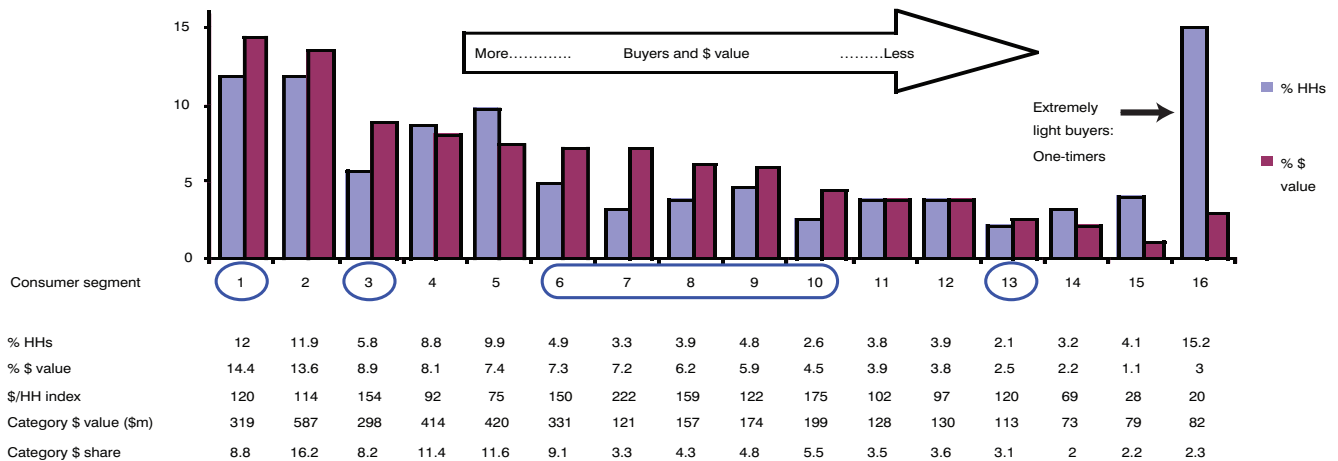
Analyses are delivered in Microsoft Excel and PowerPoint and are accompanied by professional consultation.

The ACNielsen Analytic Consulting team provides actionable business recommendations founded on well-supported segmentation techniques.

Analytics integration

Preference Segmentation studies are often accompanied by Market Structure analyses to create a complete picture of the attribute hierarchy and the driving factors behind consumer purchases.

Dissect your consumer franchise to assess strengths, weaknesses and growth potential



Identify key consumer segments that drive category or brand volume. The consumer segments circled above contribute higher than average sales. Profile the consumer segments against demographic characteristics, purchase habits and buying behaviour across key product attributes to determine how to reach them.

For more information, please contact your ACNielsen Account Manager, or visit our website www.acnielsen.com.au/preferencesegmentation