

# Expect the Unexpected: The Strategic Power of Segmentation

By **Allyson Leavy**  
Senior Vice President  
Market Strategy & Understanding, Ipsos

Segmentation is a fundamental component in the consumer insights ecosystem. Marketers regularly tap into segmentation research to decide which consumers to target, what their media plan should be and how to tailor their messages. Beyond tactical execution, segmentations can identify white space opportunities, drive innovation, and re-shape the brand's positioning. Marketers often know how the segmentation will be utilized before the start of the program, but sometimes the resulting insights are unexpected and, ultimately, alter the strategic course of the brand.

## Potential Segmentation Activations



Following are three cases that highlight the significant impact segmentation results can have on strategic planning



## Traveller Segmentation Helps Re-Define New Strategic Approach

Destination Canada, a federal agency responsible for marketing Canada as a premier all-season tourism destination, has an ambitious goal of increasing annual tourism revenues to \$160 billion by 2030. To better understand travellers and their motivations, Destination Canada conducted a segmentation based on two core principles: actionability and industry alignment.

The results of the segmentation went beyond identifying high potential segments to provide foundations for Destination Canada's new strategic approach. Specifically, the organization shifted its focus on **High-Value Guests**, defined primarily by income and travel frequency, to **Highly Engaged Guests**, those who not only travel often and spend more but also align with Destination Canada's values.

The new insights led to a more effective marketing strategy, including segment-based media activation and the development of a quiz that matched segments to local destinations based on that destination's characteristics. These resources empower a wide range of stakeholders, from national marketers to over 200,000 small and medium-sized tourism businesses, to make smarter, data-led decisions.



## Cinema Segmentation Points to Emotional Connections

The cinema scene in Saudi Arabia is newly established, but the competition is already fierce. As a cost of entry, a cinema needs to have a relevant offer that meets the audience's needs. But what is required to surpass the competition and maximize revenue? Our client conducted a segmentation to understand potential cinemagoer targets and identify opportunities to drive growth and loyalty.

While the client was looking for distinct cinemagoer groups based on attitudes, behaviors, and preferences, what they learned was truly unexpected. **The study unearthed a core challenge the client did not know it was facing: a lack of emotional differentiation.** While the client delivers a satisfactory moviegoing experience, it has not forged deep, emotional connections with cinemagoers.

This insight was a game-changer, allowing the client to move beyond operational improvements and focus on building a brand that truly resonates with audiences.



## Retailer Segmentation Challenges National Strategy

A home decor retailer aimed to broaden its reach across India. Essential to the strategy was targeting high potential segments in India. Income-level targeting was not possible given the lack of reliable data in India. Therefore, the client segmented on different factors, such as needs, attitudes, and challenges.

**The segmentation was conducted across different cities in India and yielded surprising results: the highest potential segment differed vastly by city.**

For example, the highest potential segment in one city was "Needs Relaxation" while in another it was "Needs Status" and in another "Needs a Fresh Start." This meant that a national strategy was not possible, and a more local approach was needed.

The segmentation was activated across key stakeholders and at multiple levels of the organization: upper management leveraged it to develop their 2030 strategy, Marketing used it to build the brand, and the city-level teams used it to drive store visits.



## The Unforeseen Power of Segmentation Insights

While marketers often kick off a segmentation study with an idea of how they'll leverage the findings, sometimes the insights that emerge are truly unexpected. These "aha!" moments can be so profound that they don't just refine the existing strategy; they completely alter the strategic course of the brand, leading to entirely new directions, different target audiences, or even a re-evaluation of the brand's core purpose. We encourage marketers to keep an open-mind when embarking on the segmentation journey and, importantly, to optimize how the segmentation is activated across the organization to ensure its transformative power is fully realized.

