

Retail Marketing Segmentation

Daily Deals Shopper insights powered by AudienceViewSM



An Experian white paper

Retail Marketing Segmentation

About this paper

“Faced with the complexity of marketing in a digital world, it becomes easy to obsess over the latest technology to track and analyze the effectiveness of an ever-increasing number of channels. With all the data available to us, have we lost sight of our real objective? Behind all of our charts, metrics and algorithms are individuals, each with their own specific preferences in consuming marketing messages. How do we most effectively connect with our most valuable asset our customer?”¹

Bill Tancer
General Manager, Global Research
Experian Marketing Services

Experian Hitwise AudienceView helps you do just that. No longer can retailers and marketers succeed with “all for one” messaging when consumers expect relevance. With AudienceView’s timely, actionable insights into your high value consumer segments, you’re able to understand, engage and convert these segments with extreme precision. Through this example of Daily Deal Shoppers, Bill Tancer demonstrates the value of identifying the characteristics and behaviors of your most valuable consumer segments to ensure you are focusing marketing resources and efforts effectively. Your best customers may not be who and where you think they are.

¹ [The 2012 Digital Marketer: Benchmark and Trend Report](#)

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Introduction

Over the past year, the growth in daily deals such as Groupon and Living Social has become one of the most significant trends in retail and service businesses. Daily deal sites are competing for new customers and to keep current buyers in such a highly competitive environment. While trade journals are replete with new customer acquisition success stories, most caution that the key to a successful deal is correctly targeting your prospective customer.

With AudienceView from Experian Hitwise, you now have the power to understand the composition and behavior of your best customer segments from both a demographic and psychographic breakdown, and with that knowledge the ability to make more informed decision surrounding this audience. In the following case, I identified through Hitwise's online behavior capabilities — a group of consumers who are visitors to a custom category made up of 100 daily deal websites such as Groupon, LivingSocial etc. After identifying this key segment of Daily Deal Shoppers, we can now analyze who they are and what other online behaviors they exhibit. Looking at daily deal users in this depth can enable sites and partners to adjust messages, content and even product inventory to attract and convert the consumers who are in market for specific products or services. AudienceView can do the same for you.

Consumer segmentation insights — understand the Daily Deals Shopper

[You have to save money to make money](#)

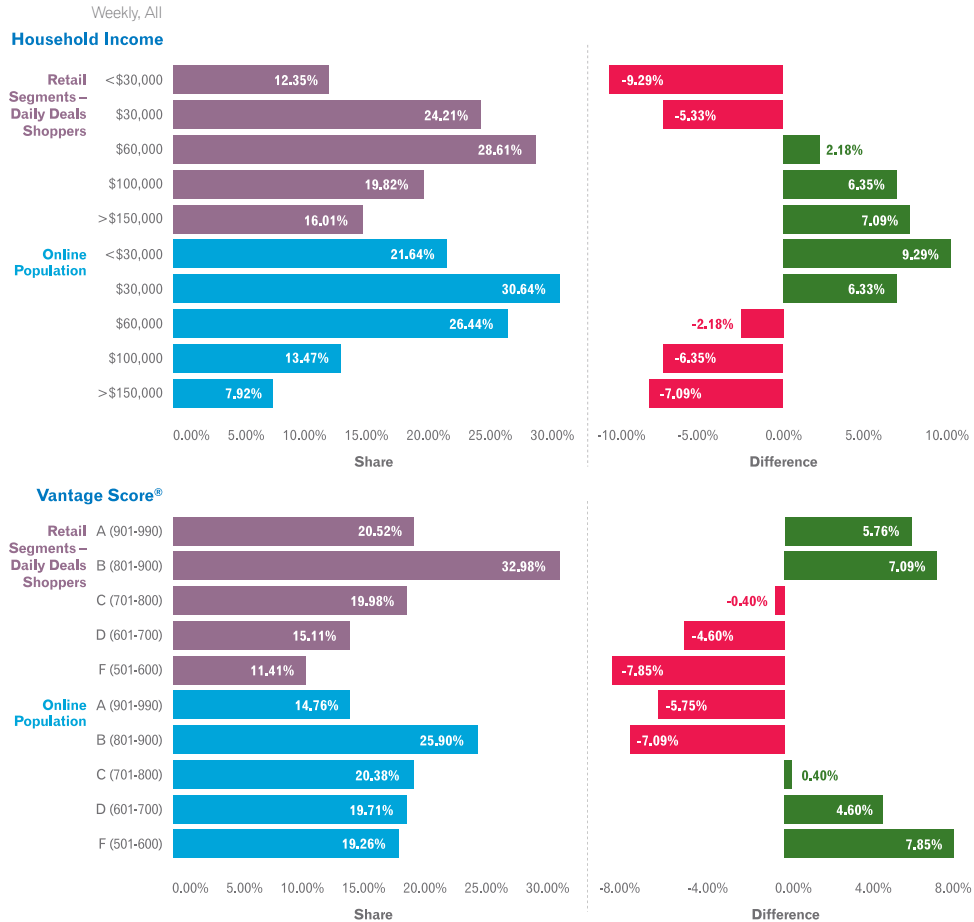
The old adage about saving to make money holds true when we examine the income bracket for daily deal users. While instinctively, you might guess that individuals most impacted by our turbulent economy, lower income demographics, might be the core users of daily deal sites, AudienceView reveals that there is a strong positive correlation between income level and daily deal usage.

The higher income brackets are most likely to avail themselves of a discount on a daily deal site compared to the general online population. In fact, 7% more of Daily Deal Shoppers are in the \$150,000+ income bracket than in the general online population.

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Additionally, there is a positive correlation between good credit and daily deal usage. Individuals with excellent credit, graded, A and B in Vantage Score, make up over 53% of Daily Deal Shoppers.

Demographic breakdown of retail segments — Daily Deals Shoppers and Online Population

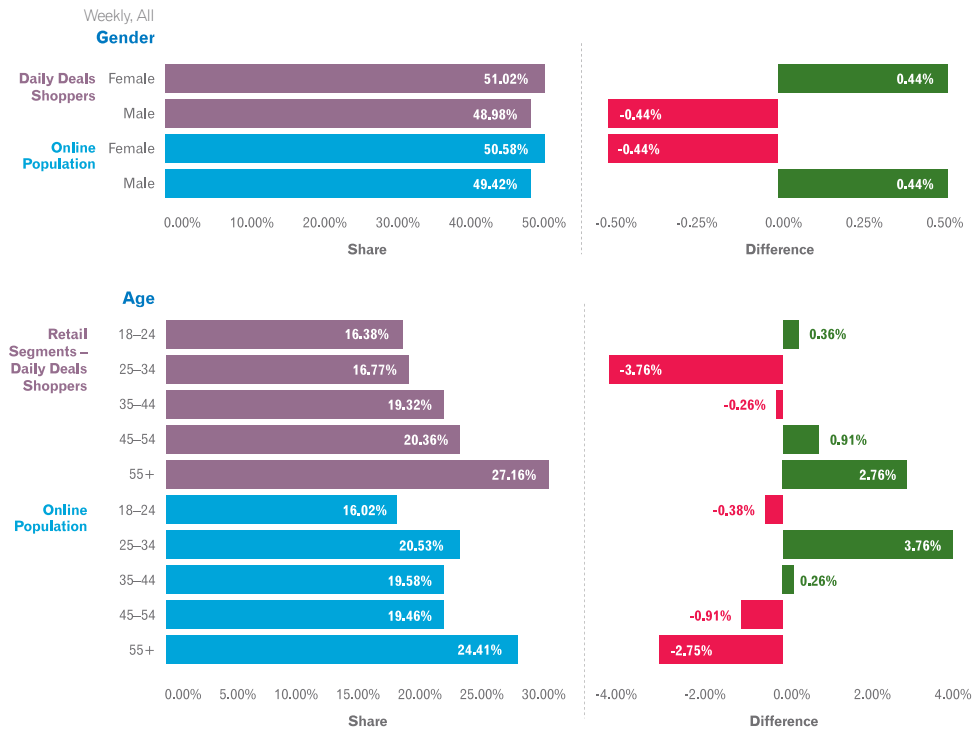


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Age and gender distribution

Among Daily Deal Shoppers, the gender split is fairly equal and may dispute the preliminary instinct that the audience skews female. Key users of daily deals tend to skew older, with over 47% of users in age groups 45-54 years old and 55+.

Demographic breakdown of retail segments — Daily Deals Shoppers and Online Population



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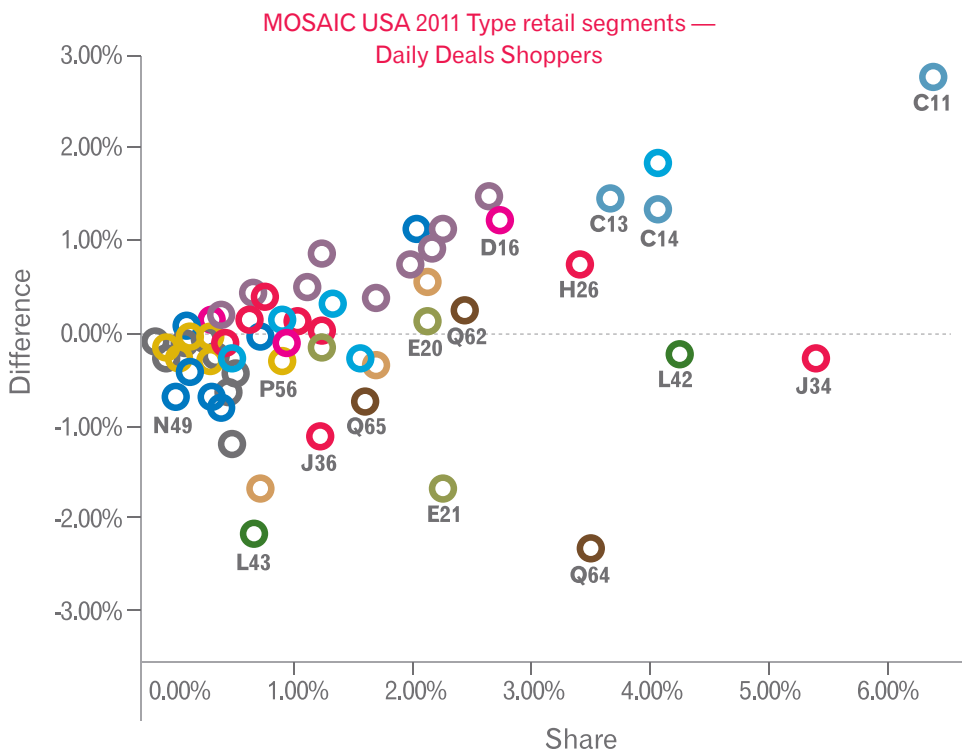
The Dawning of the Age of Aquarius

One of the most powerful tools within AudienceView is the ability to understand key segments by [MOSAIC](#)® type. MOSAIC is a consumer segmentation system that creates a common customer language to define, describe and engage customers across the most impactful channels with confidence. The MOSAIC lifestyle segmentation allows for instant identification of the demographics, attitudes and behavioral characteristics that make-up the Daily Deal Shopper segment.

Core Segment C11: Aging of Aquarius

C11, Aging of Aquarius, is the daily deal site power user segment. Characterized as white collar baby boomers, well educated, brand loyal, eclectic shoppers, retailers who are considering using daily deal sites to drive sales, must consider that this particular segment is likely to be a significant part of any new customer groups acquired through a daily deal offer.

By plotting 71 Mosaic Types in a quadrant with the X-axis representing share of visits and the Y-axis representing difference from the Internet population as a whole, the C11 segment clearly is a core segment accounting for the largest share of visits and higher than the Internet population as a whole.



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Engage Daily Deal Shoppers through the most effective channels

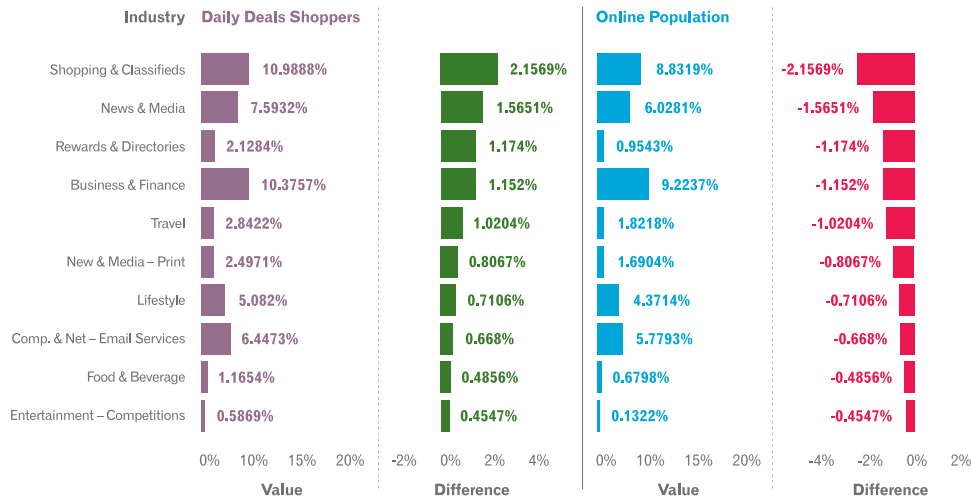
Push vs. pull communicators

By using AudienceView's ability to analyze the industry categories visited by a selected segment, in this case Daily Deal Shoppers, you can get an overall sense for how a specific buying segment's online behaviors differ from the Internet population as a whole.

You can also learn the best channels to best reach Daily Deal Shoppers. Perhaps one of the assumptions you've made about Daily Deal Shoppers is that they are avid online social users given the amount of integration that Daily Deal sites have made with leading social networks such as Facebook. When we look at desktop online usage of Daily Deal Shoppers, we see a completely different picture. Given how email intensive daily deal sites are (using daily email blasts as a key customer acquisition tool), the Daily Deal Shopper communicates primarily through email with social network usage showing as lower than the Internet population as a whole.

Visits (%) to industry by retail segments — Daily Deals Shoppers and Online Population

1 Weekly Rolling Average, 4/7/2012 & None



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Now that you know...

Having seen who the daily deal shoppers are and how they communicate – you can improve your marketing programs to improve messages, ad placement and offers to improve the results of your online marketing campaigns. AudienceView can provide insights into your high value shoppers and buyers and those on competitive sites, making it possible for you to engage and convert more of your best customer segments. To align your strategy and marketing efforts to the needs of your high value segments, AudienceView can track their behavior over time and identify changing behaviors and emerging trends. These timely insights make certain you can react quickly and stay ahead of your competition.

This is just a peek into the depth of valuable online behavior data that Experian Hitwise and AudienceView can provide to you on daily deal shoppers and other specific segments that fit the specific needs of your business..

To learn more about Hitwise AudienceView and how we can help you to identify your best customers contact info@hitwise.com or 1 866 668 0444.

Source: Experian Hitwise. Daily Deal Shoppers are defined as visitors to a custom category of 100 daily deal websites, such as Groupon, LivingSocial., etc.

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About the author



Bill Tancer, GM, Global Research Experian Marketing Services and the author of *“Click: What Millions of People Are Doing Online and Why it Matters.”* A New York Times Best Selling author and former online columnist for TIME magazine, Bill Tancer brings more than 15 years of marketing, market research and corporate strategy experience to Experian Marketing Services. As the general manager for Global Research, Bill leads a team of research analysts

providing cutting-edge research and insight into online consumer behavior and the application of online competitive intelligence. Bill was named one of the twelve people to watch by TV Week and he has been interviewed and quoted widely in the press and on television and radio.

About AudienceViewSM

AudienceView is a new online audience segmenting solution that provides marketers a comprehensive view of demographic, psychographic, transactional and behavioral insights on their target consumers or advertising audiences. AudienceView offers online access to timely insights of highly defined consumer segments from an unprecedented depth of data. AudienceView combines the largest sample of online consumers with offline attributes from Experian Marketing Services’ Consumer View. Using AudienceView, marketers can track and trend the online behavior of potential and existing consumers to optimize online media planning and target their message to reach and retain high-value consumer segments.

About Experian Hitwise

Experian Hitwise helps digital marketers to reach, acquire and retain profitable customer segments by providing daily, online consumer behavior, search marketing and competitive insights. Our clients rely on Hitwise products and services to improve the effectiveness of search, display, affiliate, email and social marketing campaigns.

With the world’s largest sample of Internet users combined with unique offline lifestyle and life stage information, our expert analysts help companies build and optimize their online marketing campaigns for improved multichannel success. Experian Hitwise has more than 1,500 clients across industry sectors, including retail, travel, financial services, advertising, media, technology and pharmaceuticals.

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