Database segmentation:
How you use it makes all the difference.

**Behavioral Segmentation**
This type of segmentation involves classifying customers based on their behavior patterns. These patterns can be observed over time, allowing businesses to tailor their marketing strategies to specific customer behaviors. Key considerations include:

- **Frequency:** Customers who make purchases frequently can be targeted with various marketing incentives to encourage continued business.
- **Recency:** Customers who have made purchases recently may be offered promotional deals to maintain their loyalty.
- **Monetization:** The amount spent by customers can help identify high-value segments for enhanced marketing efforts.

**Belief Segmentation**
Groups of customers are classified according to their beliefs, which influence their purchasing decisions. This segmentation focuses on:

- **Beliefs:** Understanding the philosophical and moral perspectives that drive customer behavior.
- **Values:** Identifying the values that align with certain product offerings.
- **Attitudes:** Assessing how customers feel about particular products or services, allowing businesses to develop messaging that resonates with them.

**Psychographic Segmentation**
This approach involves segmenting customers based on their psychographics, which include attitudes, beliefs, interests, and lifestyles. By examining these factors, businesses can

- **Interests:** Tailor marketing messages to align with customers' interests, creating more effective and engaging content.
- **Lifestyles:** Understand how different lifestyles impact consumer behavior, allowing for more personalized marketing strategies.
- **Beliefs and Values:** Cater to customers' beliefs and values, fostering a deeper connection with your brand.

**Demographic Segmentation**
This form of segmentation considers demographic characteristics such as age, gender, income, and education. It can help businesses:

- **Age:** Focus on different age groups with varying needs and preferences.
- **Gender:** Tailor marketing efforts to gender-specific interests and preferences.
- **Income:** Identify high-income segments for premium products and services.

**Geographic Segmentation**
Segmenting customers by geographic location can:

- **Location:** Target customers residing in specific regions with relevant products or services.
- **Climate:** Tailor marketing messages to seasons or specific geographic perspectives.

- **Suburb:** Focus on suburban areas with unique demographic profiles.

**Youthful, better values**
Wholesome, Offline卫视现在

**Segmentation and CRM**
These are always benefits of segmentation in Direct Mail. However, there are many more benefits of segmentation:

- **Accuracy:** Ensures that marketing messages are delivered to the intended audience, enhancing engagement.
- **Efficiency:** Reduces costs by targeting specific segments with relevant offers.
- **Loyalty:** Fostered through personalized marketing efforts, leading to increased customer retention.

**Notes:**
- CRM is critical in maintaining customer loyalty and profitability across different segments.
- Integrating customer feedback and analytics is essential for ongoing segmentation and CRM.

**Pros:**
- **Reach:** Potentially reach a large audience with customized marketing strategies.
- **Profits:** Increase profits by accurately targeting segments with potential for sales.

**Cons:**
- **Cost:** Implementing segmentation can be costly and time-consuming.
- **Data Quality:** Ensuring accurate data is critical for effective segmentation.

**Database Segmentation:**

- **Database:** Use comprehensive databases to track customer behavior.
- **Personalization:** Enhance customer experiences through personalization.
- **Data Quality:** Maintain high-quality data to ensure accurate segmentation.
Database segmentation: How it uses it makes all the difference.

**Dimensions:**
- **Pros:**
  - Customer attitude
  - Offers
  - Mind-set
  - Database
  - Attitudes
  - Segmentation
  - Purchase
  - Differentiations

**Cons:**
- May not see customers in the same way they see competitors or a specific database.
- Not focused on few
- Problems with demographic information

**Behavior Equation**
- Segmentation:
  - Direct
  - In-Person
  - Call
  - Mail

**Notes:**
- USPS Sales Task
- Mail
- Creative
- Relationship
- Information
- Production
- Website

**Direct Mail**
- More desired
- Marketing
- Creative
- Relationship
- Information
- Production
- Website

**Table:**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Value</td>
<td>Segment customers into groups based on common characteristics and behaviors.</td>
</tr>
<tr>
<td>Customer Segmentation</td>
<td>Use segmentation to identify distinct groups of customers with similar needs.</td>
</tr>
<tr>
<td>Customer Preference</td>
<td>Tailor communications and offers to each segment based on preferences.</td>
</tr>
</tbody>
</table>

**Message:**
- Mail is a powerful vehicle for segmentation.
- Mail is a personal touch that can help build relationships.
- Mail can be used to segment customers into targeted groups.

**Conclusion:**
- Database segmentation is crucial for maximizing customer value.
- Effective segmentation can lead to increased sales and customer satisfaction.

**Key Points:**
- Customer segmentation
- Database
-mail

**References:**
- Direct Mail
- Marketing
- Creative
- Relationship
- Information
- Production
- Website

**Additional Resources:**
- USPS Sales Task
- Mail
- Creative
- Relationship
- Information
- Production
- Website

**Conclusion:**
- Database segmentation is a key component of effective customer management.
- It enables companies to target specific groups with relevant offers and messages.
- By focusing on customer needs and preferences, companies can achieve higher customer satisfaction and loyalty.
It's no secret that big companies often don't do well when making overtures to small businesses. In many instances, their outreach efforts fail not because big businesses don't have anything worthwhile to offer but because major marketers aren't very good at holding the attention of small entrepreneurs.

But a recent, award-winning campaign by Verizon did indeed capture the fancy of many small businesses – and earned some notice from the big boys too, for both its effectiveness and its simplicity.

In fall 2006, the telecom giant began sending out a test mailing of Direct Mail pieces that bore a striking resemblance to an all-too-familiar office-supply staple – the interoffice envelope. Verizon targeted 11,851 small businesses with the envelopes, which featured the words “INTERNET NOTICE” stripped across the top and the crossed-out names of fictitious previous recipients. A final “name” – “Cable User” – was unobscured, a cue for business owners to “cross out” their cable provider and switch to a high-speed digital subscriber line (DSL) provided by Verizon.

The envelope was accompanied by a cover letter – with the heading “For Speed, For Features, For Price…Verizon Business DSL” – that was signed by Verizon small business marketing director Marquita Carter.

In an interview, Carter explains that Verizon officials settled on the three-month “Interoffice Envelope” campaign after tests suggested its simple familiarity stood a strong chance of cutting through the promotional clutter that confronts many small businesses.

“The iconic look of an interoffice envelope – who’s going to just toss that out?” asks Carter rhetorically. “We tested this approach and got some really strong results. It bettered our control number by 30 percent.”

Carter says a test is part of every Direct Mail campaign at Verizon. The company sends out two or more different pieces of Direct Mail and measures which one generates the most calls and conversions to sales. The responses are benchmarked against the control campaign, which is the best campaign from the last Direct Mail cycle.

Continued
But even before they decided on the campaign, she says, marketers at Verizon were investing considerable time and research into small businesses, a segment that spends more than $5 trillion annually on goods and services, according to the most recent federal numbers. Like many big businesses, the $90 billion communications company is continually looking for new inroads into the mom-and-pop market.

“We put a lot of time, energy and research into understanding what makes them tick, what keeps owners up at night and what are the approaches that are really going to get their attention,” explains Carter. “We’re always testing and trying to find ways using Direct Mail to get the attention of a small business owner.”

Such research is what helped Verizon’s business marketing team decide to target a select group of businesses with the Interoffice Envelope campaign. Rather than take a scattershot approach, Verizon targeted small businesses with particular connectivity needs, promoting services like its rapid FIOS Internet connection to companies that handle matters such as engineering designs, financial documents, X-rays, legal files and data backups.

“Our focus is on what we consider a sweet spot – small businesses with fewer than 10 employees, businesses that really form the backbone of the U.S. economy, businesses that really have a need for high-speed Internet,” says Carter.

That focus partly helped Verizon capture a 2007 ECHO Award for the “Interoffice Envelope” campaign at the Direct Marketing Association conference last year.

“We felt terrific about winning the award,” says Carter. “It’s always good to have your work rewarded. It showed how we moved the needle. It wasn’t just about pretty pictures.”

And while Carter says that Verizon uses a variety of media to get the attention of small business owners, Direct Mail will remain a constant in its messaging efforts. “It may vary from quarter to quarter, but we always have a constant stream of Direct Mail going to small businesses,” Carter notes. “It’s one of the most efficient ways to reach them.”

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