Box A: Case study – developing a global consumer segmentation

Our client, a leading producer of leisure footwear, was wrestling with how to create a common brand across several individual geographic markets and how to identify the best opportunities for brand extensions. Several of their markets had produced local consumer segmentations, none of which were consistent with each other.

We were asked to help the client develop a globally consistent brand position and prioritize a list of potential product extensions within the brand. We used as a launching point all of the consumer segmentations the client had generated, treating each as a source of rich hypotheses about behavior that might prove to be globally consistent across the consumer population. We assembled a team made up of representatives from each of the key country markets as well as from corporate marketing. This team brainstormed different ways to visualize the global consumer landscape and then worked through the analyses together. They began by going back to the original local studies, not at the “report” level, but all the way back to the original questionnaires and raw data sets. The goal was to develop a common global market frame (shown below) that met several tests: it had to explain consumer behavior, especially shoe usage and brand choice, across all of the key countries. It had to “frame” the market using variables that would allow our client to actively identify and target the relevant consumer groups (We call this the test for “actionability”, and we consider it a key measure of success for any consumer segmentation effort, whether global or local). Finally, it had to show where the current brands in the market were strong and identify spaces where our client’s brand could capture more volume.

Using this global consumer map, our client was able to harmonize its brand and identify a number of new product extensions. It was also able to identify and capture an opportunity for a new retail format for the brand. This effort led to greater brand coherence and alignment across the organization and, most importantly, a doubling of profitable growth.

In our experience, the character and magnitude of this result is not unusual. We have helped clients across a wide range of industries, from processed foods to mobile telephony, to develop a globally consistent view of their consumers. Perhaps more importantly, we have seen that profitable growth almost always ensues when global companies are able to harmonize their brands around a common view of the consumer. Not only is the brand made more compelling, but previously hidden pockets of opportunity for growth in the market are revealed. Global branding is not just a source of organizational efficiency; it is an effective strategy for improving the bottom line.