INTRODUCTION TO SOCIAL MARKETING AND SEGMENTATION

CiViTAS
Cleaner and better transport in cities

VANGUARD

Event: *Social Marketing Training Workshop*

Date: *17th-18th May, 2011*

Location: *Toulouse (France)*

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PRESENTATION OVERVIEW

- Social marketing definitions
- Brief history of social marketing
- Typical applications
- Does it work?
- How much does it cost?
- Segmentation definitions
- Why use segmentation?
- Segmentation types
- Which type of segmentation to use?

DEFINITIONS

Andreasen (1995):

"Social marketing is the application of commercial marketing techniques to the analysis, planning, execution and evaluation of programs designed to influence the voluntary behaviour of target audiences in order to improve their personal welfare and that of their society"

FOCUS ON BEHAVIOURAL CHANGE

- Key feature
- Focus on voluntary behavioural change
- Different from other campaigns where focus is on education or awareness raising
- But- in a transport context some awareness raising or education campaigns do aim to change behaviour, or behavioural change occurs
- So a bit blurred !

6 ESSENTIAL CHARACTERISTICS

Andreasen (2002)

Of a 'true' social marketing campaign

- Improve individual welfare and society as a whole
- Consumer focus
- Principle of exchange
- Uses 4 P's marketing mix
- Takes into account competition
- Uses segmentation

IMPROVE INDIVIDUAL WELFARE OR SOCIETY AS A WHOLE

- Distinguishes social marketing to other marketing techniques which primarily aims to benefit the organisation that is doing the marketing
  - (i.e. typically making more money)
- In the context of transport related behavioural change programs the social good is often
  - Focussed on helping to reduce climate change by reducing car use and/or;
  - The health benefits of using sustainable transport options

CONSUMER FOCUS

- Interventions are based on an understanding of consumer experiences, value and needs
- All decision should be made with the consumer's perspective in mind
  - Not yours !
- Interventions need to be designed to fulfil your target audiences' needs and wants'

PRINCIPLE OF EXCHANGE

- Social marketing aims to induce change by applying the principles of exchange
- For (almost) every choice that people make there is an exchange made
  - They need to give up something (i.e. Their cars) for something else (another mode)
  - Before making choices
  - Compare costs and benefits of changing before making a decision
- SM aims to identify both costs and benefits of changing and present the choice option in most favourable way
  - Must be a clear benefit for people to change
  - Or convince people there is

USES 4P'S MARKETING MIX

- Marketing mix (4 P's) is made up of 4 parts that together create the exchange offered to people
- **Product, Price, Place** & **Promotion**
- In simple terms
- *"Getting the **product** right, at the right time, at the right **place**, with the right **price** and presented in the right way **(promotion)** that succeeds in satisfying buyer needs"* (Cannon, 1992)

PRODUCT

- The travel behaviour you are promoting (e.g. Cycling to work/school)- this is what you are selling them
  - *What you want them to do*
  - *What you are selling them*
- The products or services to support this behavioural change (e.g. Mobility measures, information etc.)
  - *How you will help them do it*
- The benefits they will experience as a result of changing (time and cost savings)
  - *What they are buying*

PRICE

- What people need to give up to get the **product**
- Costs or barriers to making the change
  - Not always monetary
  - Loss of time, or comfort
  - Changes in beliefs, attitudes and habits
- Aim to minimize these costs to individuals

PLACE

- Locations and environments you will engage with your target audience
- Where they will learn, try out behaviour you are promoting
  - Public transport vehicles/stations. Walking/cycling paths
- Make as safe, convenient and pleasant as possible
- Or convince people it is as safe, convenient and pleasant

PROMOTION

- How you are going to engage your target audience
  - Messages, materials, media channels, incentives and activities
  - i.e. The product, price and place

TAKES INTO ACCOUNT COMPETITION

- What is the competing behaviour?
  - Private car
  - Why people are driving?
  - Why they prefer to drive?
  - What messages are competition using?
- Counteract these competing reasons with your intervention

USES SEGMENTATION

- Segmentation is discussed in greater detail later in presentation
  - See also handout notes

BRIEF HISTORY

- Early 1970's
- Evolved from separate disciplines
  - Psychology, Sociology, marketing, communications theory
- In formative years primarily applied to health
  - Smoking cessation
- And still is
  - Improved nutrition, contraceptive use, anti skin cancer, AIDS awareness etc.
- Now applied to other societal problem areas
- Including transport

TRANSPORT APPLICATIONS

- Social marketing principles applied to transport related problems
  - Drink driving, speeding, use of seat belts
  - Modal choice decisions
  - Sustainable lifestyles, which include transport use
- BUT, quite often although claimed to be social marketing based
  - They often do not include **ALL** 6 key required components (Andreasen, 2002, earlier)
- Strictest sense not 'true' social marketing campaigns

INDIVIDUALISED TRAVEL PLANNING

- *Travel Blending/Living Change* (Steer Davies Gleave) *IndiMark* (Socialdata)- all have in common
  - Contact (cold calling/telephone/mail) is made with individuals or households;
  - Current travel behaviour is established- do they drive cars or not (identify segments);
  - Their willingness or motivation to change to sustainable transport modes (or specific mode) is established (identify segments);
  - Barriers to mode shift are identified explored (via interviews/questionnaires/feedback to travel diaries);
  - Tailored information is provided to people in an attempt to overcome these barriers and get them to try or switch to the desired new mode[s].
  - Some focus on reducing amount of travel people do- some focus on changing the way people travel

TARGETED MARKETING

- Targeted information is provided to individuals, or predefined target groups
  - Via different media
  - Information packs, TV adverts, posters, etc.
  - Used by PT operators to entice new users
  - Identify barriers and
  - Design appropriate marketing materials
- Hammersmith example tomorrow

EVENTS

- Also **claimed** by some event organisers
- Designed around social marketing principles
- Identifying issues or barriers at a local level
- Focus on a particular aspect (or multiple aspects)
- As theme [s] of event
- And design materials to address these barriers

MODAL CHOICE DECISIONS

- Thøgersen (2007)
- Key qualifying factor that classes intervention as social marketing
- It fulfils the target customers needs and wants

"Successful social marketing is based on a thorough understanding of 'customers' needs, wants and perceived barriers, it uses a combination of means to create a attractive offering tailored to the needs, wants and perceived barriers of individual segments of consumers, and it applies proven techniques for catching attention to the offerings"

DOES IT WORK?

- General consensus in non-transport disciplines
  - If applied correctly are considerably more effective than traditional one-size-fits all approaches
- Kassirer & Lagarde (2010) reviewed evidence for transport applications
  - *"Social marketing has developed a strong track record worldwide for its effectiveness at influencing a wide range of behaviours for both personal and public good. In Canada, the USA, Europe and Australia, for example, dozens of communities have decreased the modal share of participants car trips by 8% to 15% and overall vehicle kilometres travelled (VKT) by up to 5%, and have significantly increased walking, cycling and transit use, by following most or all of the social marketing planning steps and principles"*

HOW MUCH DOES IT COST?

- ?
  - Some social marketing steps can be expensive depending on scale of project (next presentation)
  - BUT any additional costs incurred are offset by benefits social marketing principle bring
- Greater returns for your investment
- Personal travel planning
  - 22-43 euro per household
  - But for every euro spent the return would be 34 euro
  - Over 10 years

SEGMENTATION

- Sullivan & O'Fallon (2008) define segmentation as:
- *"The process of dividing a market into different groups of customers with the purpose of creating different products, services, and/or communications to meet their specific needs"*
  - The aim is to divide a broad target group (e.g. general population) into more homogenous subgroups (or segments)
  - Who share the same characteristics (e.g. beliefs, values, attitudes, perceived barriers and willingness to change behaviour etc.)
  - Which will allow a more focussed and targeted intervention to be designed.

WHAT IS IT?

- Thøgersen (2007)
- Key qualifying factor that classes intervention as social marketing
- It fulfils the target customers needs and wants

"Successful social marketing is based on a thorough understanding of 'customers' needs, wants and perceived barriers, it uses a combination of means to create a attractive offering tailored to the needs, wants and perceived barriers of individual segments of consumers, and it applies proven techniques for catching attention to the offerings"

WHY USE IT?

- General consensus there is little point in targeting average driver
- As modal choice decisions are know to be dependant on numerous subjective and objective factors
  - e.g. different individuals motivation, attitudes, perceptions, as well as more objective factors such as the practicality of been able to use alternative transport modes
  - Different barriers will be experienced by different people.
  - Accordingly, campaigns such as mass-targeted awareness campaigns, whilst might 'reach' some people that could/or would like to change their behaviour, would also reach a lot of people that could not/or are not interested in changing their behaviour, i.e.
- ***There is no such thing as a one-size-fits-all solution***

WHY USE IT?

- Many (most) behavioural change projects can be expensive, and like any other 'investment' the primary aim should be to obtain the greatest value for this investment.
- In most cases this equates to changing the behaviours (to the projects desired aims) of as many people as possible- or it should be !.
- The main argument is that it is better just to focus your resources on those that could change, or have the greater potential for change, and
- Segmentation (if done correctly) is a tried and tested method will allow you to do that.

DIFFERENT TYPES

- Many types of segmentation approaches
  - No single method most suitable
  - Depends on individual project (aims)
  - Resources and skills available
- Can be viewed as lying along a continuum varying in complexity, theoretical basis and variables used
- Main distinction
  - **A Priori:** Segments are selected from a population in advance based on known characteristics, e.g. based on various socio-demographic factors or frequency of car use, or;
  - **Post hoc (or market-defined):** Where empirical investigation typically using some form of multivariate statistical analysis is used to identify segments. This approach may include a variety of attitudinal, behavioural or personality characteristics (often in a combination).

SOCIO-DEMOGRAPHIC SEGMENTATION

- At a very basic level
- Divide larger populations into different segments according to various socio-demographic factors
  - Specific age group (pensioners/teenagers)
  - Gender
  - Older females, young males
  - Used in traditional marketing campaigns
- Sports car manufacturers
  - Affluent males
  - Can afford one and want one

SITUATIONAL SEGMENTATION

- Again, relatively simple
- Segment according to where people live/work
- If aim to get people to walk may be more useful to focus resources on those people who could practically do so
  - Live within1-2km to destination
- Or cycling campaigns
  - 5-7.5km

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BEHAVIOURAL SEGMENTATION

- Again, relatively simple
- Segment groups according to current transport use
- If say promoting bus use
  - More useful and cost effective to target
  - Non-users, or to a lesser extent infrequent users
- Not actual users
  - There is no behaviour to change for this group

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ATTITUDINAL SEGMENTATION

- Goes beyond more traditional simpler approaches
- Alternative ways people can be segmented
- Individuals' motivations, readiness to change, attitudes, perceptions, beliefs towards sustainable transport modes
- Various attitudinal approaches

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ABILITY & WILLINGNESS

- Simplest types
- Based on 2 simple questions (next session)
- 4 groups emerge
  - Able and Willing, Able but Unwilling, Unable but Willing, Unable & Unwilling
- Lying on a continuum according to likelihood of changing
  - A & W most likely
  - UA & UW the least

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COMPLEX ATTITUDINAL SEGMENTATION

- 12 – 14 attitudinal questions
- 4 car driver segments
- 3 public transport segments
- "Statistical analysis required
- Cost and skill issues

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THEORETICAL-BASED SEGMENTATION

- Increasingly acknowledged behavioural change does not occur as a one-step process and can be viewed as a series of transitional stages (or steps) which individuals progress through in order to reach the final stage of behavioural change
- Accordingly, the implications are that any social marketing intervention is likely to affect people in different ways based on their stage position within the behavioural change process, and
- Thus social marketing interventions should be tailored to where people are within the behavioural change process, as well as their susceptibility to switch modes.

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MaxSEM STAGE SEGMENTATION

- MaxSEM (see handout)
  - 4 stages (steps) people must pass through
- Pre-contemplative
  - Not interested/thinking about change/impossible/too difficult
- Contemplative
  - Thinking about change
- Preparation/ Action
  - Preparing to change
- Maintenance
  - Have changed
- More in second session

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BARRIERS TO CHANGE/MEASURES TO CHANGE SEGMENTATION

- **Segment people according to the specific barriers that are preventing them from changing**
- **Segment people according to the specific measures that would help them change**
  - More in next session

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COMBINED APPROACH

- Quite often people used a combination of approaches
- Behaviour and socio-demographic
- Behaviour and attitudes
  - Non users with negative or positive attitudes toward switching
- MaxSEM
  - Current behaviour, Ability & willingness & attitudes/perceptions towards change
- Personalised travel planning
  - Interested- non-sustainable transport users but interested
  - Not interested- non-sustainable transport users but not interested

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DO YOU NEED TO USE SEGMENTATION?

- **YES**
  - Given the undisputed benefits of using segmentation, any form of segmentation is likely to increase the effectiveness of any intervention.
  - But some segmentation approaches require specialised skills (e.g. data analysis to identify segments) and depending on the scope and resources available to the project, it may be that some aspects of the project need to be out-sourced and this may be a factor when making decisions to use segmentation, or not
- **NO**
  - In some cases such as personal travelling planning, segmentation is already embedded within the process (see earlier) and in this case no additional segmentation is required.

Thank you

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