

A photograph of three business professionals in a meeting. A man in a white shirt and tie stands pointing at a tablet held by a woman in a dark blazer. An older man in a suit sits to the left, looking at the tablet. The background is a bright office with large windows.

QUALIFICATION : PROJECT 1010

Applicable to all industries
Strategic Segmentation

Q1 - 2024

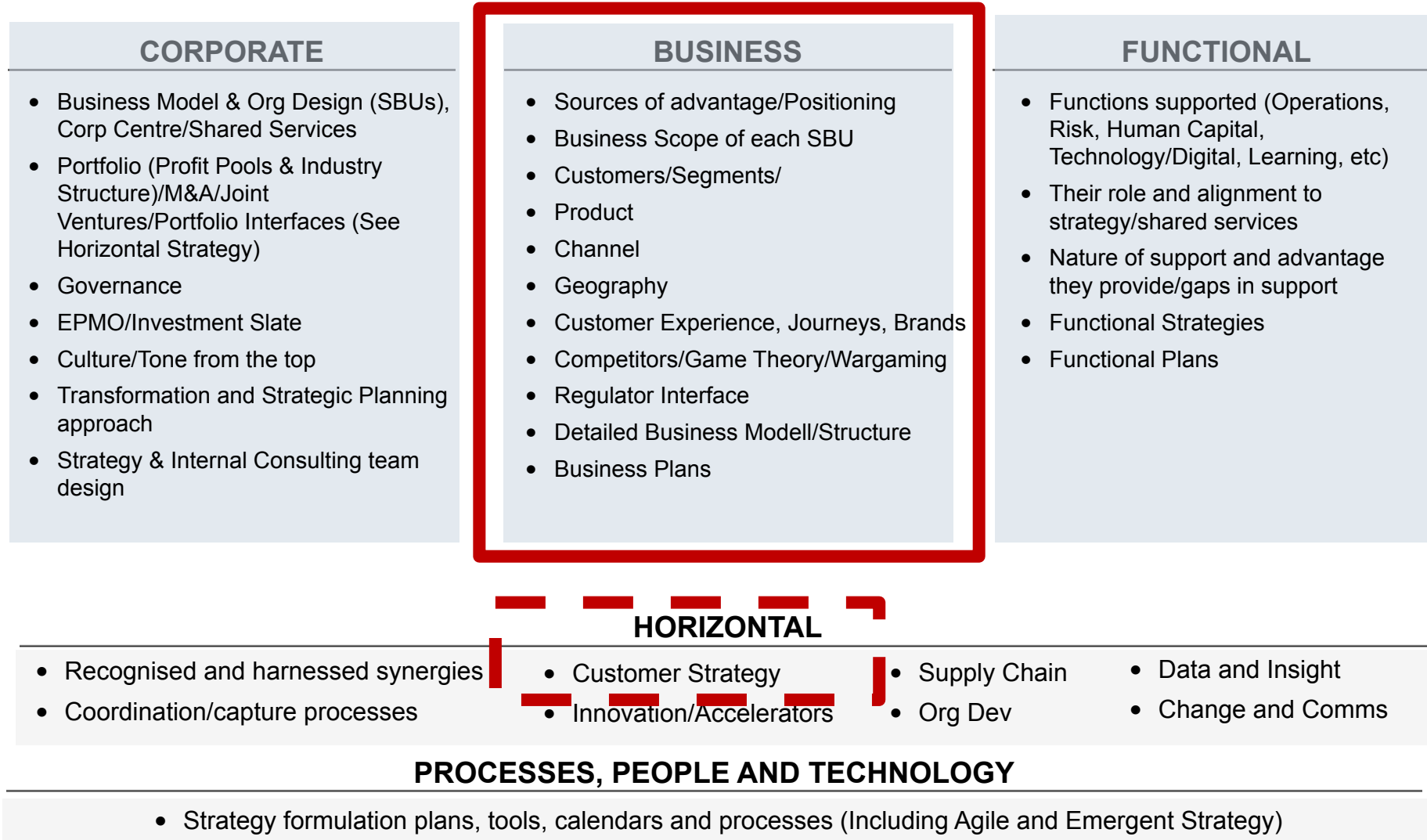
Qualification: Strategic Segmentation

Strategic Segmentation is offered stand-alone or as part of a broader Customer Strategy

Summary: ICG to support the organisation in developing a strategic segmentation framework as a key enabler to an integrated customer strategy		Client: A large government infrastructure and services provider formed from multiple merged agencies					
Project description/ approach	<ol style="list-style-type: none"> 1. Set the 'Strategic Frame' for the Segmentation and identify the target customer outcomes it must explain and enable, e.g. satisfaction, engagement, behaviour change, equity etc. 2. Identify key internal stakeholders and define operational requirements for the segmentation (including a gap analysis vs current state and existing investment) 3. Use qualitative research (journey mapping ++) and data review to identify Hypothesis Segment Dimensions i.e. factors driving the biggest differences in needs, behaviour, experience, satisfaction, value etc. Also noting how dimensions help explain target outcomes 4. Form Hypothesis segments & stress test internally. Develop data / research briefs to quantify 5. Data review and quantitative research to validate, 'flesh out' & size segments. Build segment profiles, ensuring we have critical information to engage / track them & have aligned / ranked the various target outcomes (set in step 1) & opportunities by segment / group 6. Implementation / industrialisation: Develop RACI & ownership of segmentation, identify where and how it will be used, core supporting processes, metrics, scorecards, comms, etc. 	Industry	• Infrastructure and services				
Why ICG was needed	<ul style="list-style-type: none"> • Hard to prioritise customer initiatives. Internal confusion re segments and target outcomes • Multiple conflicting segmentation frameworks and customer definitions • Multiple frameworks causing wastage / reinvention in research & data management • Inability to align partial segmentations with 'single view of customer' • Inability to identify opportunities by segment to drive desired behaviour change or service uplift 	Sector / function	• Segmentation Strategy – Part of Broader Customer Strategy Program of work				
Impact delivered by ICG	<ul style="list-style-type: none"> • Jointly developed, communicated / shared the first consolidated state-wide segmentation framework across critical internal 'customer' functions / stakeholders • Redefined / broadened and mapped target customer outcomes to segments. • Provided segment summaries for validation with quantitative research 	Geography	• Australia				
New insights & IP for clients	<ul style="list-style-type: none"> • Demonstrated possible to synthesise single framework in very complex environment • Reusable project plan / engagement approach 	Project period / duration					
Feedback - repeat/change?	<ul style="list-style-type: none"> • Client extended the ICG engagement to continue this work and to develop related customer strategy workstreams such as customer value propositions & the customer journeys 	Broader program ongoing at client. Majority of segmentation framework resolved at the end of 2023					
		ICG Contact Partner for more information					
		Lisa.Hickson@internalconsulting.com 0403 079 663					
		Project Scale	USD \$0-\$50K	USD \$50K-\$100K	USD \$100K-\$250K	USD \$250K-\$1M	USD \$1M Plus
		ICG contribution			X		
		Total project scale				X	

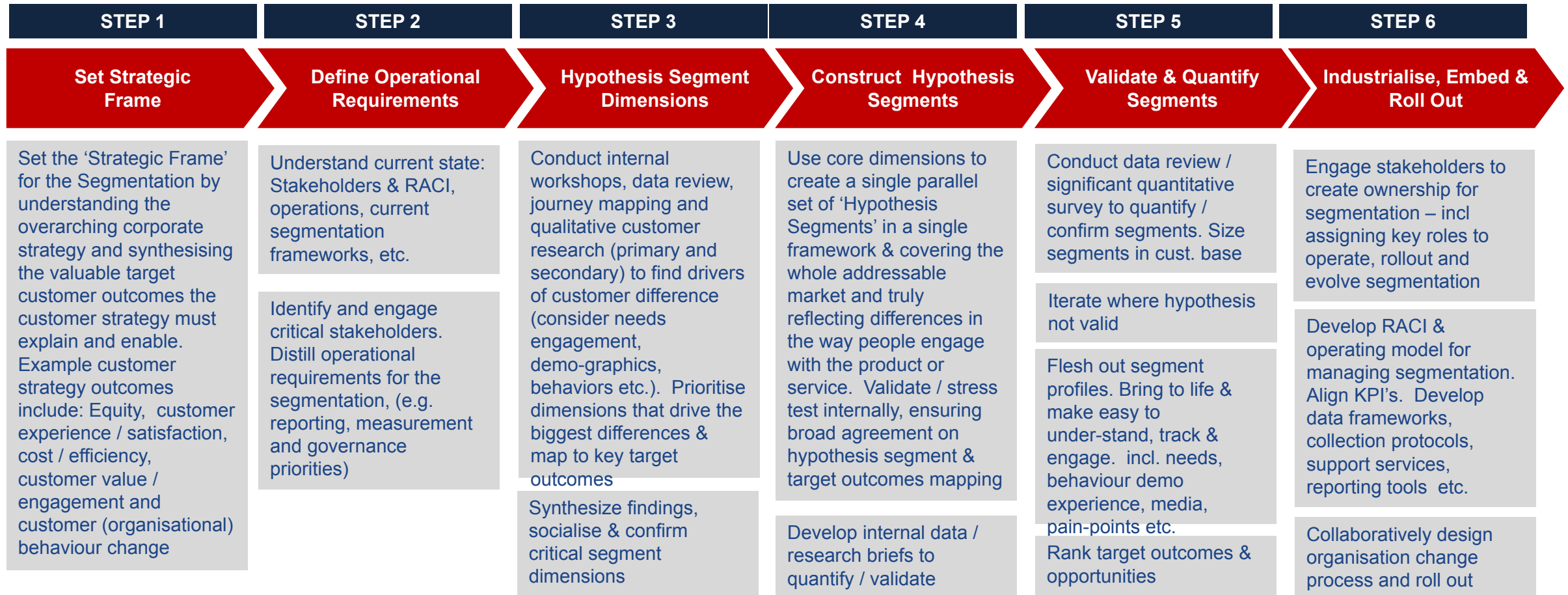
This project was focused on business strategy

ICG's Strategy Taxonomy



Phased Segmentation Development Program with Structured Engagement

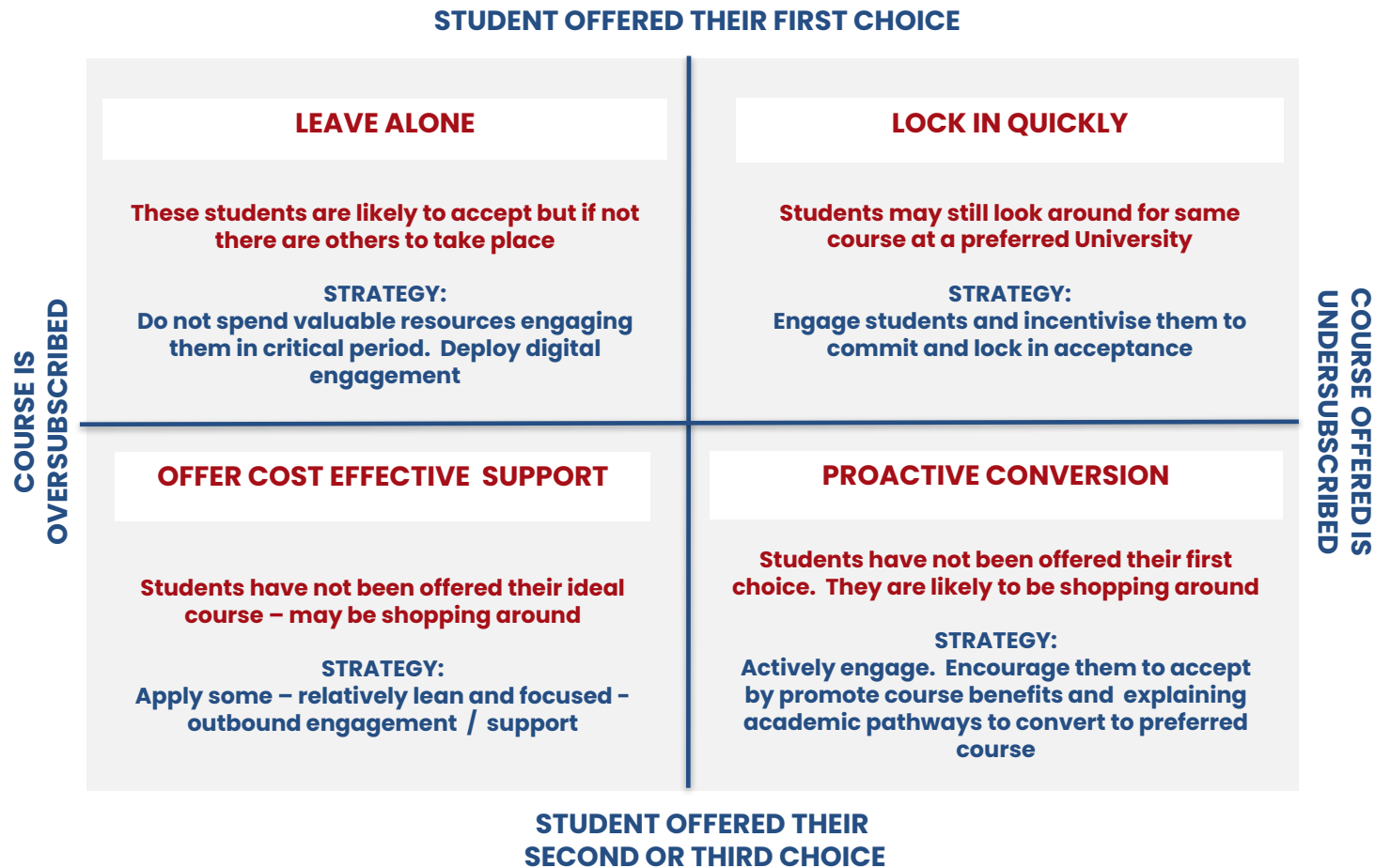
To Drive Buy in and Transfer Ownership for the Operationalization of the Segmentation Model We Executed Through a Cross Functional Team with Executive Check ins at key Stages



Example 1: Simplified Conceptual Strategic Segmentation Model: Uni Admissions

Segments are Designed to be both meaningfully distinct and also to enable a focus on Driving Target Outcomes

ILLUSTRATIVE
EXAMPLE ONLY



CLIENT MOTIVATION & VALUE

University Admissions Process Segmentation

Previously client had a socio demographic segmentation and did not assign scarce outbound calling and follow up resources strategically across the different cohorts of applying students. The most noisy and needy students consumed much of the available call center and academic advisor time during the critical offer / acceptance period. They measured satisfaction with the service delivered by call centre but this wasn't too meaningful. They often realized too late which courses were undersubscribed and had no time to manage their pipelines and conversion. They needed automation of the customer journey and an ability to conduct digital lean engagement in most cases but also to overlay targeted outreach and conversion calls to the most valuable applicants. These were redefined as undecided applicants on under-subscribed courses who were not offered their first choice and were typically shopping around. They would often decide late and not take up a place that could have been offered to another.

Example 2: Simplified Strategic Segmentation: Use of Infrastructure / Services

Segments are Designed to be both meaningfully distinct and also to enable a focus on Driving Target Outcomes

**ILLUSTRATIVE
EXAMPLE ONLY**



CLIENT MOTIVATION & VALUE

Infrastructure & Services Segmentation

The client had no single segmentation framework and its customer objectives / target outcomes were narrowly focused on satisfaction and service delivery. It had a complex organization and was challenged prioritizing customer actions / initiatives by segment. The client requested help creating a single framework for segmentation and a way of prioritizing customer outcomes, objectives or strategies across segments. We created a single segmentation (with 16 + sub-segments) covering all people statewide and all services and aligned target outcomes and strategies by segment. The target outcomes were aligned with corporate strategy and expanded from a focus on service and satisfaction to include behaviour change, equity and cost to serve



Contact your Partner for more information

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