



Birds of a Feather Flock Together

More Future-Orientation With Value-Based Segmentation

The majority of segmentation-models is either based on demographic or behavioral attributes that are not sufficient for describing holistic consumer profiles, reckons **Nico Hribernik**. With the Sinus-Meta-Milieu* model the consumer can be described and activated for brands and products as a holistic human being across all aspects of his every-day life. Hribernik explains the advantages of this approach.

Today local, regional and international markets are in a progressive process of integration, not only due to multi- or bilateral trade unions and agreements, but also thanks to ongoing digitization often erasing national boundaries in the mind of the consumer. Marketers can reach much bigger audiences across markets with every brand or product initiative launched. On the flipside, however, digitization also accelerates the speed of ever-changing lifestyles and trends that define a target-group's preferences, choices and behavior. To keep track and turn consumer insights into action is one of the biggest challenges for International Marketing these days. This subsequently puts the pressure on Marketing Research. Researchers need to deliver consumer insights that are not only valid over time but also across markets.

Insights With Segmentation Models

One proven method for more sustainable consumer insights as well as cross-market validity are segmentation models that look at the actual root-cause for consumer behavior and choices. The Sinus-Meta-Milieu model follows this approach by surveying values and principles in the context of socio-cultural dynamics. Sinus' segmentation-indicator prompts a

scientifically proven set of statements defining the respondent's orientation in terms of life-values, lifestyle, mindset and views of life. Combined with each respondent's social situation, this results in groups of like-minded people from a similar social-status. Each Meta-Milieu represents a consumer-segment, which not only shares a mindset but also a similar lifestyle. Given that someone's mindset and value-orientation is not as short-lived as the observable lifestyle alone, this segmentation-approach is much more sustainable in its significance for strategic target grouping. This is the main reason why the German edition of Philip Kotler's Marketing Management endorsed the Sinus-Milieus as one of its recommended segmentation models. Its international translation, the Sinus-Meta-Milieu, has already been applied in more than 40 markets around the world. It is important to note that a specific Meta-Milieu in Germany is similar in values and mindset but indeed culturally not in exact accordance with the same Meta-Milieu in the United States. However, the model delivers common drivers and characteristics that help to activate a brand or product with this target group in both markets.

Emerging versus Established Markets

Moreover, it is true that the same model cannot be applied by every country given different levels of economic and societal development. Therefore Sinus developed and applies two different models: one for developed and one for emerging markets (fig. 1).

On one side there are cosmopolitan target groups that can be found in any market around the world. We can for example say that regardless if in Spain, Brazil, Japan or Indonesia, there is always a group of creative, individualistic and digitally sovereign people who network globally as mobile so-

*All brands and products mentioned in this article are protected by trademark law

Short Description of Value-Based Lifestyle-Segmentation

ESTABLISHED MARKETS		EMERGING MARKETS	
Established	Performance and leadership, status-conscious, exclusive tastes, connoisseurship; distinction & self-assertion; conservative moralities and role patterns	Old Established	Patriarchal, claim of power, status and leadership, family- and clan-thinking; sense of duty and order; social prestige, ethics of responsibility
Intellectuals	Open-minded; liberal and pluralistic; searching for self-actualization & personal development; post-material goals; cultural and intellectual interests; authentic; academic; work-life-balance	Established Upper Class (Cosmopolitans)	Sophisticated, status-orientation, strategic life-planning; indulgence & work-life-balance, education & qualification, liberal & tolerant, social & ecological responsibility
Performers	Self-determination; flexible and socially mobile; looking for an intensive life, which means having success and fun; work hard – live exclusive; good qualifications and readiness to perform; multimedia fascination	Modern Performing	New economic elite, entrepreneurial, performance & efficiency, self-determination; semi-global thinking, superiority & distinction, willingness to perform
Digital Avantgarde	Non-conformist, creative & individualistic; self-realization, freedom & independence, no fixed dogma; mobile socializers, global, pluralistic, "scene" cosmopolitan, digital sovereign	Digital Avantgarde	Young & wealthy, digital global, mobile socializers, global-western attitude; creative & individualistic, self-realization; freedom & independence
Adaptive Navigators	Loyal & reliable; flexibility & security-driven, achievement-oriented, pragmatic and adaptive, good organized; want to be on the safe side; regrouping; family & friends	Success-Oriented	Willingness to perform, social climber mentality, flexibility- and security-driven, balance of work and family-friends; sense of tradition and order
Modern Mainstream	Looking for harmony & private happiness, family-relatives-friends, comfort and pleasure; striving for social integration and material security, defensive towards changes in society	Adapting Mainstream	Conservative-materialistic, status-oriented, order and harmony; balance of modern and religious life, social rules & moralities; feel pressure to keep up
Traditionals	Security and status-quo oriented, rather rigidly sticking to traditional values (e.g. sacrifice, duty, order); modest & honest, down to earth, „we little people“, health-caring	Traditional Popular (rural)	Strong community and family ties; religion and belief (spirituality); ritualized everyday-life, obedience and modesty; afraid of losing traditions, rules and values
Consumer-Materialist	Materialistic and consumer hedonistic; striving to keep up, but often socially disadvantaged and uprooted, sometimes precarious; reactive basic orientation, fear and resentments; narrow-minded, solidarity, protection, robustness & toughness	Urban Working Class	Socially deprived, uprooted, fear & resentments; overcharged by modernisation, striving for basic needs; short term consumer orientation, materialism; solidarity within own network
Sensation-Oriented	Looking for fun, thrill & action and entertainment; rather unconventional and rebellious; living for today, here and now; tendency to escape reality; independence, spontaneity, trendy	Fun & Money Driven	Spontaneity, fun, thrill & action; trend-adopting and imitation of Western lifestyles; carefreeness, independence; try to keep up with trends & brands; conflict with traditional values and religion

Fig. 1 Source: Sinus

cializers. This Digital Avant-garde, though described differently market by market, can be activated through a similar set of topics, attributes and benefits around the world. Furthermore, this target group is usually the most influential trend-setter in their respective market, followed by other segments in preference and behavior.

On the other side, distanced emerging markets like Brazil, Indonesia and China, have often more in common than they have with established markets in geographic proximity. Emerging markets, for example, comprise a Meta-Milieu, the so-called Success-Oriented, that doesn't exist in more developed markets and can be described by a 'social-climber' mentality. Thanks to a similar context allowing consumers to achieve a social status higher than the one they were born into, this segment is looking for the same functional and emotional benefits in both China and Brazil: reflection of status and personal security. Given their rising importance in economic but also societal means, addressing this target group today may foster a loyal consumer-base of tomorrow.

Socio-Cultural Basic-Trends

The Sinus-Meta-Milieus unveil their predictive power for markets and target-groups by looking at the socio-cultural trends described by the segmentation-indicator. Examples for these basic-trends are Digital Culture, Sustainability or Social Resistance. These socio-cultural trends are described by grouping certain indicator-statements and indicate how a certain market or target-group will react to changes in the marketplace or to exposure to specific topics: more in favor of adaptation, progression, hesitation or non-compliance. Sustainability, for example, is described by three statements altogether and thus allows its occurrence be measured for each respondent. Overall we can define the importance of sustainability for societies as a whole and conclude how it shapes a total market's perspective on

certain topics, campaigns or brands. Germany, showing an index of 124 versus all other trends is much more driven as total market versus Hong Kong or Japan where it is simply an occurrence within specific target groups, social elites in particular. Looking at holistic sets of socio-cultural trends with a thorough analysis can help identify both future market and target group potential.

Understand the Asian Mind

Value-based consumer segmentation facilitates a more holistic and actionable consumer understanding specifically in Asia where the huge diversity with regards to religion, ethnicity, culture, traditions, economic and societal development is one of the biggest challenges faced by international market researchers and marketers. Sinus together with Acorn Asia unravel this challenge and deliver the first-ever Pan-Asian mindset study: Listening to the Asian Mind. This study is a new milestone in interpreting Asia's target groups based on mindset, values and lifestyles together with the trends that shape them. This means understanding future consumer potential across markets of immense opportunity – a truly future-oriented perspective. ■

Nico Hribernik

studied International Business in Vienna and Seoul before joining Procter & Gamble in Geneva, Switzerland. At P&G he filled different Brand Management positions on Baby Care, Beauty Care and Snacks responsible for regional and global markets. He left in 2013 to partner with Sinus-Institute from Germany and co-found SINUS:consult, a consumer-centric marketing consultancy in Singapore. www.sinusconsult.com

