

To Punt or be blunt

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Abstract:

This paper aims to propose a practical, albeit currently theoretical, solution involving a pre-strategy target market segmentation. The segmentation developed however, is not an ordinary collection of demographic, psychographic and/or geographic characteristics selected solely in search of optimally targetable and potentially profitable consumer segments. Rather it is an understanding of the inclination a given target market could have toward brand related internalisation thereby better informing the construction of more precise traditional marketing and branding functions. This segmentation came into existence with the view to *get it right* from the onset and thereby possibly save a great deal time and money.

1. Introduction

This paper sets out to introduce a new segmentation device – the Punt/Blunt Segmentation (PBS). It aims to enable architects and disciples of applied and practical consumer, marketing and branding psychology to identify the *propensity* a given target market has toward being influenced by “brand” as such. In the context of this paper brand equity is not in question and will not be explored – rather, the author aims to address the broader notion of ‘brand’ at a conceptual level. The remainder of the introduction will explain the reasoning behind selecting the topic, followed by a review of the study’s objective, a discussion around the methodology and its tools, and ultimately the findings and an application of the segmentation within a number of common FMCG categories.

1.1. The case of Mr. and Mrs. Black

“I no longer want to live in a hole...it makes me feel poor”

The Fantastic Mr. Fox (Roald Dahl)

An insight is a piece of information (DDB, The Yellow Paper Series). According to Jeff Swystun, Chief Communications Officer for DDB Worldwide (2009), an insight is the act or result of apprehending the inner nature of things, for example living in a hole in the ground makes Mr. Fox *feel poor*.

When done well it appears as if one sees intuitively, almost magically. It involves introspection and self-examination. Often acute observation and deduction are required. Penetrating analysis and perception aid in identifying a catalyst that shows us what can and should be, rather than the status quo (Jeff Swystun).

Let us get some insight. The particular insight to follow, illustrated by Mr. and Mrs. Black (so named to protect their anonymity), was the piece of information that informed the thinking toward the development of the PBS.

While observing casual conversation in the recent past, an interesting phenomenon reared its head – a married couple, Mr. and Mrs. Black, were talking about buying new accessories for their Harley Davidson motorcycle. Mr. Black, quite knowledgeable regarding what was ‘hot’ and what was not in the world of Harley Davidson and the motorcycling lifestyle, started to enthusiastically leaf through the extensive Harley Davidson brochure, earmarking all the goods he wanted his wife to approve for *procurement*. Mrs. Black on the other hand, was not nearly as enthusiastic about the goods in the brochure and often made observations and comments about cost, attributing the

premium prices to the ‘name’. By *name* she was referring to the brand. The wife fundamentally believes, in many cases, naming something and wrapping it in some marketing psychology results in product surcharge. She does not doubt that Harley Davidson products are of excellent quality – she does however believe that they cost much more than *ordinary good quality* motorcycle products due to the ‘label’ of Harley Davidson. In her mind, this is merely the Harley Davidson swathe of marketing psychology. At the same time, in Mr. Black’s mind the joyful acquisition of more Harley goods (or the prospect thereof), often regardless of the cost, for his Harley motorcycle puts him in high spirits and makes him ever more eager to flaunt his trophy – *continually improving his HOG (Harley Owners Group) expression and status*.

Ridderstrale and Nordstrom (2000) endorse marketing efforts which function within this line of branding thinking, i.e. the Harley brand from Mr. Black’s perspective, as they believe that the way to “trick the trap of the market is to appeal to the emotional human being – not the rational one” (page 18). However, Mrs. Black’s point of view is legitimate within her reality and should not be shunted aside. If she, and others like her, can be better understood, her consumer contribution could be sizeable.

As can be deduced, Mr. Black is far more prone to be influenced by the *brand*. He likes what he perceives the brand to signify and perpetuates that liking through his attire, opinions and actions. He wears Harley clothes (incidentally, as Harley is all American and supports Levi Strauss jeans, Mr. Black pairs his Harley shirts, jackets and sweaters with Levi jeans), boots and socks. He promotes the joys of the *Harley ride* to his biker friends, as well as to friends and acquaintances thinking of getting a motorcycle. He will give praise to the aesthetics and machinery of his own Harley and ensure his views about Harley are noted. Last but not least, he will join in events where he has the chance to display his prize Harley – such as the annual toy run, regular weekend breakfast runs, grand tours of South Africa and so forth. It would seem there is an emotional payoff for Mr. Black through higher level need satisfaction – perhaps the fulfilment of a dream, a sense of achievement or what Harley actually sells, as Tom Peters (2003, page 116) puts it:

A lot of people work for Harley Davidson. The good news, none of them are so silly as to believe they ‘*make motorcycles*’. “If not motorcycles,” what? How about “experiences”? A Harley big cheese summed it up this way: “*What we sell is the ability for a 43-year-old accountant to dress in black leather, ride through small towns and have people be afraid of him.*” Say again? It’s the experience, stupid!

In contrast, Mrs. Black is much more concerned with the actual product – *what ‘thing’ am I getting for my money* she asks herself. Are the seams strong, is it a durable material, do I like the colour, is the engine reliable, how much does it cost to service – and most importantly, is it comfortable? Mrs. Black does not know her GSXR from her CBR. To her, it has two wheels and is the means whereby to spend time with her husband. She also does not care for matching attire (the fact that she currently has matching Harley goods was cleverly ensured by Mr. Black through “gift giving”). What Mrs. Black quite vociferously asserts are her opinions of future items which should be bought, as well as future motorcycle considerations in order to ensure her own comfort needs.

This behaviour is driven almost purely by her practical orientation. She wants to be guaranteed that on a long trip her back won’t get sore, that her feet will stay dry, and that her jacket effectively breaks the icy wind to keep her warm and snug. Mrs. Black will like a ‘named’ product if first and foremost it meets her strict practical assessment. Thereafter she will associate those needs met with the ‘name’ and will less reluctantly support the brand. However, in her mind, she will always be perturbed that she has to pay more for the branded goods when lesser ‘names’ or products could meet her needs at a lower cost. The reality for Mr. Black is that his wife would sport non-Harley goods if he were not the gatekeeper of his little Harley kingdom. David Lewis (2000) refers to some of the characteristics that Mrs. Black displays as being *Old Consumer*.

Old Consumers are conformist in their purchasing and motivated largely by a desire for convenience. The stresses they experience as consumers are brought about by limited choice, lack of availability and costs. The outlook and attitudes of the Old Consumers have been shaped by the era of mass production, mass marketing and mass consumption (page vii).

Through this observation of and inference about Mr. and Mrs. Black some insight can begin to be derived. A business insight comes from a deep understanding of consumer’s attitudes and beliefs. It allows the marketer to connect at an emotional level while still communicating and extolling functional benefits of product or service (DDB, The Yellow Paper Series).

Insights are interesting in isolation, but their real purpose is to solve a problem (Jeff Swystun). In this case, how does a brand survive amongst people seemingly impervious to branding efforts? The theory is that brand equity can stay intact simply by knowing that to these people the brand is the ‘name’ whereby their desired product can be identified and that more practical aspects of a market offer need to be highlighted e.g. stays fresher for longer, new packaging fits better into the fridge, 3-in-1 cuts laundry time, ensured quality through xyz, etc. If the practical needs are successfully met,

it is probable that the consumer in question will positively associate a 'needs-met-state' back to the brand and thus repeat purchase forming some kind of loyalty. Lewis (2000) supports this notion by seeing this type of consumer to be generally trusting in their relationship with suppliers – once of course, they are given reason to be so.

Thus, the insight emerging from the case of Mr. and Mrs. Black is that there are people who 'buy into' and value a brand and what it represents, to a greater or lesser extent – exactly what marketers, branders, activators, strategists and other punters set out to achieve; while some people do not 'buy into' a brand and care only – and in a very focused manner – for the need/s they want met. However, these people are not lost to marketing and branding efforts – to the contrary – they can be a valuable market. One only has to think creatively as to how to talk to them in their currency, that is, *market to them in their terms of importance*.

So what do we do with this insight? First, let's revisit a few rudiments of marketing. Kotler (2005) stated a truth in that –

Marketing is essentially a philosophy that emphasises the importance of understanding, serving, and satisfying consumer needs (page 14).

Muzi Kuzwayo (2000) takes a slightly different view, while keeping the onus for consumer understanding on the marketer: "It's important to remember that your consumers aren't your employees – they don't care. Marketing is a one sided marriage. Only one party has to make it work and that is the marketer" (page 87).

Another marketing truth is that *applied* creativity and innovation lead to discovery and differentiation, which are some of the sharpest tools for victorious progress in the marketing realm. The 3M company, recognised as leaders in innovation, define innovation as "new ideas – plus action or implementation – that result in an improvement, a gain or a profit" (Kelly, 2005). Tony Manning (2001) states that innovation is essential to survival and success and that being innovative requires:

- Being alert to change (Anticipation)
- Seeing opportunities to offer something different and new (Insight)
- Dreaming up new ways of doing it (Imagination)
- Doing it consistently and to the highest standards (Execution) (page 21)

Hence, we must strive to better understand, serve and satisfy customer needs, *in their currency*, innovatively, to realise a gain or a profit.

To sum up to this point: We have looked at the case of Mr. and Mrs. Black – where Mr. Black is pro-brand and Mrs. Black anti-brand, and we have seen the opinions of some well known marketing sages. We have been led to recognise that understanding consumer needs and behaviour and serving those needs through the *acquired understanding* lies at the heart of successful marketing. The next step is to ask ourselves...is it possible that a market could display clearly and substantially partitioned groups of people who have varying propensities to be influenced by branding and branded *things*? This paper says it is.

2. **Objective of the research project: Breaking new ground**

The objective of the study was to:

- Design and develop an innovative market segmentation tool that could, prior to any marketing and branding strategy development or activity (Imagination);
- identify the proportion of people in a target market who are more functional and practical in their needs and conceivably less brand orientated, and those that are more emotionally attuned and perhaps more disposed to the psychology of branding (Anticipation);
- with the aim to facilitate the implementation of more precise marketing strategies to optimise consumer spend and marketing ROI (execution).
- The PB segmentation thus seeks to, at the core of its purpose; identify the *type* of people your market consists of in light of their *brand propensity* (Insight).

3. **Research methodology**

3.1 **Research approach**

The study was administered via an electronic, self-completion questionnaire to an online panel of consumers. Due to the nature of the web-dwellers – speed being their prize currency – the questionnaire was short and snappy.

What is more, the nature of the segmentation statements required absolute honesty – therefore the use of a platform where individuals were under no pressure to respond in a socially acceptable or verbal manner was deemed most appropriate.

3.2 Questionnaire

The questionnaire consisted of eight questions and was presented in three sections: 1) demographics and a screener, 2) the segmentation question, and 3) the shopping behaviour questions. The principal question was a battery of 49 attitudinal statements wherein a dichotomous scale was utilised. Higgs (2009) found that it is better to ask people to use simpler scales and to move through the task as quickly as possible so as to elicit people's most instinctive attitudes and beliefs. In addition, we have found that the more quickly people respond, the less they will tend to rationalise. Consequently, respondents were required to simply state if they 'agree' or 'disagree' with each of the 49 statements put to them. The 'agreed' responses by statement for the entire battery were then cross tabulated by each other in a Burt Matrix as the input for a correspondence analysis, which eventually informed a segmentation index that resulted in final segment identification. This methodology will be discussed in more depth in section 4.

The attitudinal battery for the segmentation question consisted of a range of implicit and explicit statements relating to an individual's view on brands and branding. In order to avoid giving away the topic of the research, which had to remain unknown so as not to lead respondents, the battery was peppered with some 'dummy' statements. See Table 1.

Table 1: Dummy statements infused into attitudinal statement battery

1	I have bought goods over the internet in the past 3 months
2	I am a motivated person
3	I am happy to take calculated risks
4	I have had a lot of financial stress lately
5	Planning for my old age is important to me
6	I take risks now to secure a better future
7	My hobbies and interests are important to me

Some additional items were covered in the battery pertaining to lifestyle, socialising preferences and self image in the hope of potentially understanding broad personality types within the segments. Since some statements asked required respondents to admit to fairly ostentatious behaviour, there was some concern as to the degree to which people would answer honestly. As per another segmentation study conducted by Kathryn Robinson (2009):

Care was taken to word the items in a way that would come across as non-judgemental, and deliberately framed to communicate that the attitudes or actions were not *that* out of the ordinary - the reasoning was to encourage people to own up to such actions or attitudes if they did apply.

The balance of the questionnaire consisted of an age screener (individuals under 18 and over 50 years of age were excluded from the study as per the norm), some demographic probes and FMCG related questions. The purpose of the FMCG inclusions – which spanned nine common, but diverse grocery categories (see table 2) – was to test the results of the segmentation within a context. That is, how did *what consumers claim to be* overlay with *their behaviour in a purchase context*?

FMCG was chosen as the sector upon which to test the segmentation due to the high likelihood that each respondent shops for grocery goods on a regular basis. Furthermore, in order to secure accurate data an option of “*Do not use this category*” was provided per FMCG category. Accordingly, all purchase behaviour results revealed in this paper are of respondents who *do* purchase goods within each category.

Table 2: Grocery categories probed and number of users per category

1	Coffee	n=396	95%
2	Washing powder	n=416	100%
3	Milk	n=415	100%
4	Tea	n=396	95%
5	Yoghurt	n=399	96%
6	Bread	n=413	99%
7	Breakfast cereal	n=404	97%
8	Toilet paper	n=416	100%
9	Margarine	n=391	94%

3.3 Sample and sampling methodology

The sample was recruited from an online panel. Advantages to using an online panel are numerous:

1. The panel consists of an online database of respondents who are willing to complete surveys on request due to gift voucher incentives;
2. Online surveys have fast turnaround times and data is captured in real time;
3. Online surveys reduce internal costs, lower carbon emissions, save trees and can be actioned quickly as no physical fieldwork is required – overall, they are quite economical.

The sample within the specific panel used is recruited in the following way: Panellists are invited to participate in surveys for which they qualify. For each survey that they complete they are allocated points depending on the complexity and length of the survey. Once they have accumulated enough

points they can redeem the points for gift vouchers. Caveats considered were that panellists are only allowed to complete a certain number of surveys per annum and only when invited to do so, and that they receive modest rewards. The online panel used is representative of the online community in South Africa. The achieved sample is controlled to match the target market by:

- 1) Sampling – through survey invitations sent to the panellists
- 2) Screening questions
- 3) Quotas

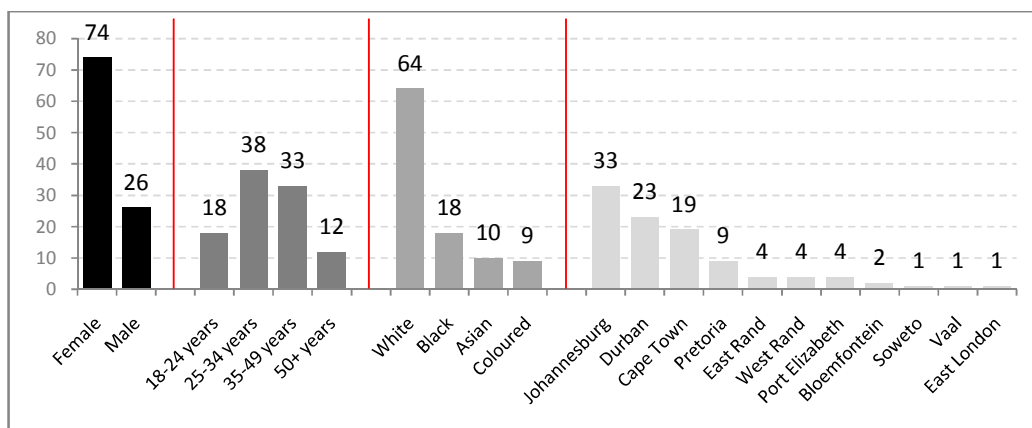
In the case of this study, there were no quotas. However, the natural sample fallout did not align closely enough by race to the panel sample and had to be weighted by race using AMPS 2009A to attain representivity. To produce the final data white respondents were down-weighted and black respondents were up-weighted to realize the *ideal* sample. See table 3 for the actual and ideal sample structures. A final sample of 417 (refer to figure 1 for the sample profile) was achieved although the targeted sample was 500 respondents. Due to time constraints, the field time could not be extended to achieve the full envisaged sample. As an aside – we define the South African online community as individuals who have *personally accessed the internet in the past 4 weeks*.

Table 3: The actual and ideal sample

Actual	Black	White	Coloured	Asian	Ideal	Black	White	Coloured	Asian
417	73	265	38	41	417	150	188	50	29
%	18%	64%	9%	10%	%	36%	45%	12%	7%

More detail regarding the profile of the sample is provided in figure 1.

Figure 1: Sample profile



4. Results

Section 4 will present and explain the results of the survey, as well as provide a walkthrough of data reduction process, which is an essential element of developing a segmentation using correspondence analysis. Data reduction is especially necessary where an extensive statement battery has been used, such as with this study. Before we proceed, there is the matter of briefly explaining the core methodology – correspondence analysis (CA).

In essence, CA is utilised to reveal underlying dimensions or continua with the data (Joubert, 2004) and is therefore an exploratory technique. To prepare data for CA, the statements which the researcher intends for exploration are cross-tabbed by themselves to create a Burt Matrix (see Appendix 3). The Burt Matrix is run through a programme which computes the data to convert numerical information into a 2-dimensional graphical space.

Within this 2-D space one or two continuums will present themselves along which data will be organised (as coordinates). At this stage relationships / correspondence between variables can be further analysed.

Once the continuums have been identified, the individual data points i.e. each coordinate value per statement (refer to Appendix 4) is used to develop a scoring regime. The scoring regime is then rescaled using a constant (sum of negative scores) so that results shown fall between 0 and 100 for ease of analysis. Score categories are applied in units of 10 to the data e.g. 0-10, 10.1-20, 20.1-30 until 90.1-100. Score categories can then be combined to create groupings or segments dependent on where similarities surface in the data. To encapsulate:

The use of CA to create continua in the commercial marketing research environment has been highly successful and has produced measures that have good reliability and internal consistency. CA has become our preferred approach due to its robustness, as well as that it generates results that optimally scale people (Higgs, 2009).

With an improved understanding of CA, we will move forward looking at:

- what the respondents said,
- the data reduction process, and
- the outcome of the segmentation modelling.

4.1 What did the respondents say?

The percentage of people, at a total level, who agreed with each of the 49 attitudinal statements follows in table 4. In the construction of the segmentation itself only ‘agrees’ were used to assemble the Burt Matrix since acceptable results were observed.

Table 4: Responses to individual items ranked in descending order

n=417	%		%
Statements (ranked)	A	Statements (ranked)	A
My hobbies and interests are important to me	97	I am an adventurous person	71
Good quality is more important to me than a popular brand	97	I have had a lot of financial stress lately	67
I most enjoy time with friends and family at home	96	I exercise to maintain an attractive appearance	67
I am a motivated person	96	Many brands do not live up to their promises	67
I am happy to buy branded goods if I like and trust the actual product	95	I believe the things I choose to own say something about who I am	66
Staying fit and healthy is important to me	92	Branded goods are a marketing gimmick to sell more product	66
I am a practical person who enjoys the daily pleasures of life	92	I use the internet to find out more about brands	65
For some things brands are important, but for some they are not	92	I think branding and slogans are a marketing gimmick	63
When buying a product, considerations such price and quality are more important than the brand	92	Branded goods tend to be overpriced or unaffordable	62
I have learned to accept myself	91	The things I own are an expression of myself to the world	62
I learn from other people's experiences	91	I take risks now to secure a better future	57
I feel there are many ways in which I could improve myself	90	Branding is necessary and important	57
Planning for my old age is important to me	90	I own many branded goods	53
Branded goods tend to cost more than unbranded goods	88	I have bought goods over the internet in the past 3 months	50
I do not mind paying more for something if I know the brand is worth it	87	If the brand is good the product must be good	46
I am content with myself	85	When a product is branded I can trust that it is a good quality product	46
Deciding what brands to buy is easy for me	82	I tend to be quite shy	44
I buy products not brands	81	The things I own do not reflect anything about who I am	39
I trust my own knowledge over the advice of others	80	I care about where I am seen and with whom	37
I am happy to take calculated risks	80	Brands are generally important to me	36
Advertising helps me know what is "in" these days	78	I am an extravagant person who enjoys the finer pleasures of life	34
I care about the image I portray	78	Keeping up with the trends is important to me	30
I trust the opinions of my friends and family more than advertising	77	I like to stand out in a crowd	28
When I buy branded products I probably pay more for the name than the actual product	77	It's important to me to be seen buying the right brands	16
I enjoy being out and about with other people	76	A = Agree	

From the attitudinal battery some undifferentiated statements arose – that is, almost all of the respondents agreed. Interestingly, these were not detrimental to the study; however, what they pointed to seemed to be ‘universal truths’. See table 5.

Table 5: Statements to which 90%+ agreed

My hobbies and interests are important to me	97%
Good quality is more important to me than a popular brand	97%
I most enjoy time with friends and family at home	96%
I am a motivated person	96%
I am happy to buy branded goods if I like and trust the actual product	95%
Staying fit and healthy is important to me	92%
I am a practical person who enjoys the daily pleasures of life	92%
For some things brands are important, but for some they are not	92%
When buying a product, considerations such price and quality are more important than the brand	92%
I have learned to accept myself	91%
I learn from other people's experiences	91%
I feel there are many ways in which I could improve myself	90%
Planning for my old age is important to me	90%

4.2. Data reduction

When the attitudinal statement battery was designed it was recognised that the number of statements that would be used for developing the actual segmentation index could be reduced, as a shorter battery of statements would streamline and therefore enhance the segmentation's usefulness in future. Furthermore, non-differentiating statements would cluster toward the middle of the correspondence map, making it difficult to see clear patterns within higher loading data. Prior to receiving the actual data it could not be known exactly which statements would be culled. The key objective at this stage was to trim the data down into manageable packages. The method used to do this was Correspondence analysis.

Three iterations were run on the data (where iterations 2 and 3 were run on increasingly reduced data) each time producing a correspondence map. A formula was used to decide how to eliminate low-loading statements per iteration:

$$\frac{100 \text{ (as the total possible response)}}{\text{Total number of statements}}$$

In consequence, for iteration 1, 100 was divided by 49 (number of statements) which resulted in 2 (rounded) as the number used to eliminate the first round of non-differentiating statements – that is, everything that loaded at less than 2 on axis 1, 2, 3 and 4. These statements provided no intrinsic worth to the study and were removed to reduce the clutter on the emerging continuum, as well as to increase the inertia.

The process was repeated for iteration 2, at which stage another batch of low-loading statements were eliminated resulting in an increased inertia and a clearer continuum. On the third iteration, a clear continuum emerged, indicated by horseshoe shape, that linked the variables in the data map – see figure 2.

In this final iteration two dimensions came into view with by far the strongest dimension falling on axis 1, explaining 46.4% of the variance. The second continuum fell along axis 2, explaining only 10.6% of the variance. However, in this case axis 2 was not a real axis as it did not represent a genuine construct of meaning. As aforesaid, the presence of a horseshoe indicates that there was really only one very strong axis explaining the data, i.e. axis 1. The final continuum utilised is represented as follows:

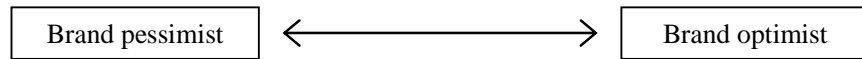
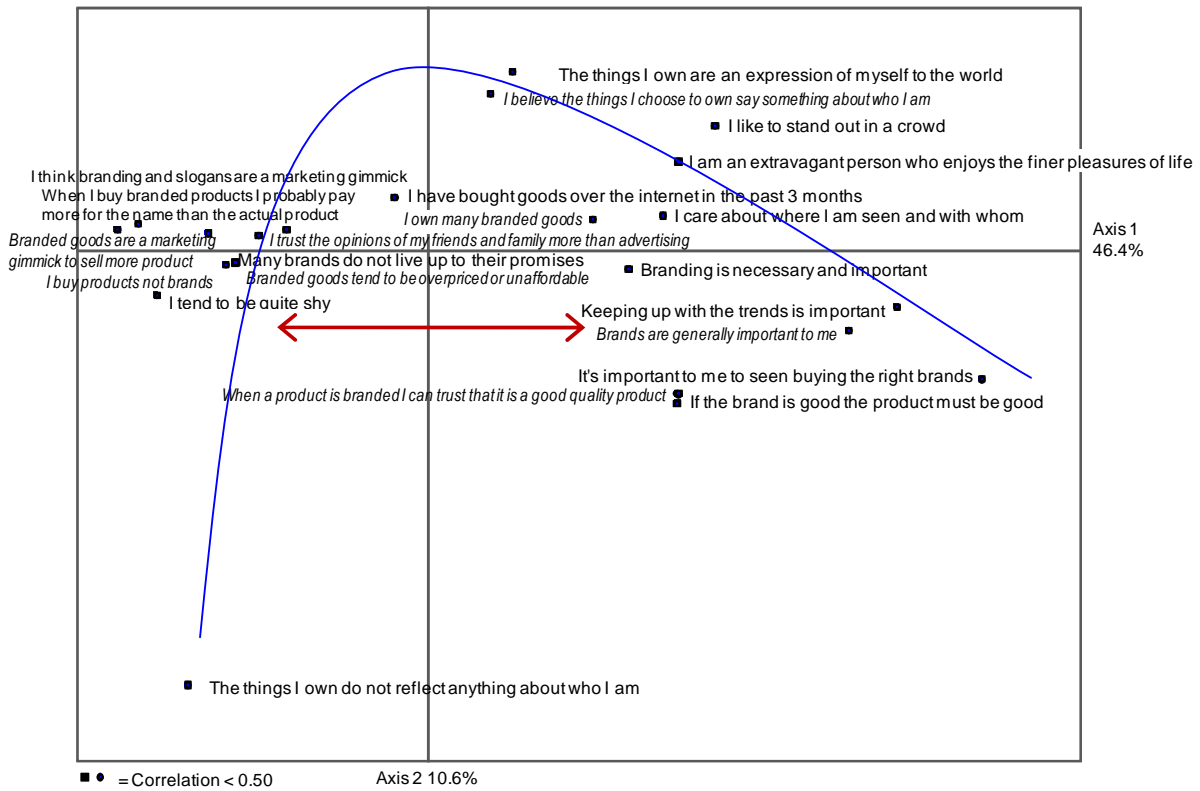


Figure 2: The final iteration (data map)



A scoring regime was developed for the surfaced data continuum (axis 1) along which an index was constructed. This was done by calculating the weight corresponding to each statement relative to its

position on axis 1. More extreme statements for or against brands/branding, socialising preferences and character traits pulled further to the left and right of the correspondence map, while less intense statements fell more loosely along the centre of the map. The scoring regime was then applied to each response thereby generating a final score for each variable.

4.3 Segmentation

Once the index was constructed and applied in units of 10 to the item by item data on a respondent level, two logic checks were done. The first was an assessment of the index distribution cross tabbed with the attitudinal statements to identify patterns in the data which would point toward the final segments. The second logic check was implemented by measuring the variance of the mean score (derived from the index distribution cross tabbed with the standard banner) to the constant used in the scoring regime. As an indication of a good result the constant and the mean score should have relatively low variance – for this study the mean score was 36.7 versus the constant which was 39.0. A pleasing result.

From the data clear groupings arose from the scoring categories, which were then constructed to form four segments. Out of interest more people in the sample tended toward the middle of the road and the pessimistic side of the scale, compared to those that were very optimistic about branding and its purpose.

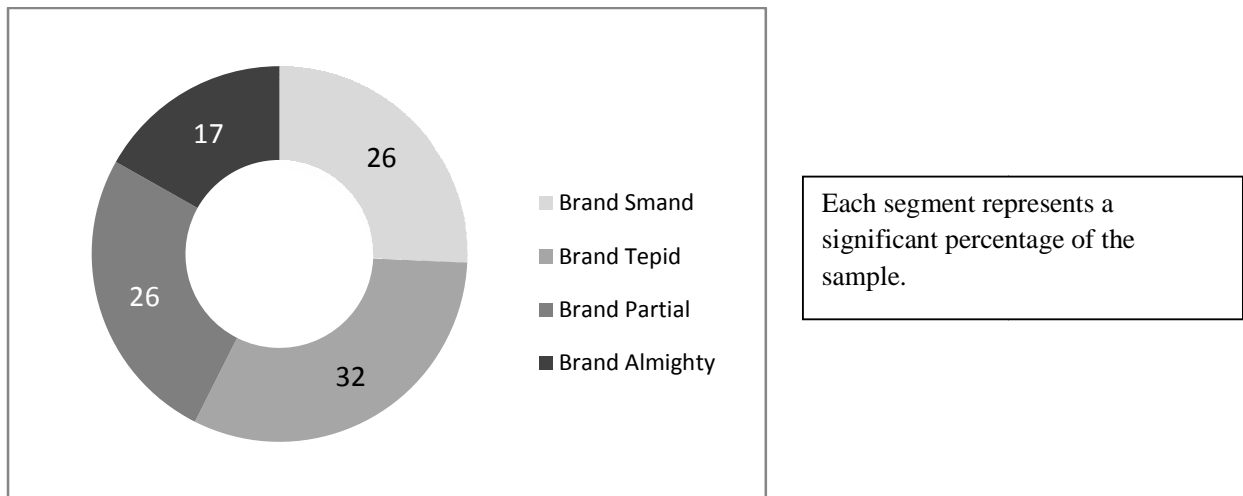
Responses for each segment were analysed to develop a better understanding of what differentiated one segment from another; that is, the defining perceptions which separated respondent perspectives about branding.

To follow is a graphical representation of the segment distribution within the sample (figure 3) and short descriptors of the segments, as well as tabular presentations of the ‘agree’ statements benchmarked against the average (total) which clearly demonstrates differing ‘brand views’.

Only the ‘agree’ statements used in the development of the index post-data reduction will be shown in tables 6-9. The full statement battery per segment can be seen in Appendix 1.

Highlighted item lines in the statement tables for each segment to follow indicate where large variances are between the average response and the particular segment’s response.

Figure 3: Punt Blunt Segmentation



Brand Smands (score of 0-20) – 26%

These people feel that branding is mostly unnecessary and that it only serves to rake up a higher price/premium on a product or service. They believe that they buy *products not brands* and that marketing, branding and slogans are a gimmick to increase sales. They are also far more likely to seek advice from friends or family when buying goods or services perhaps indicating distrust in advertising. They feel that brands generally do not live up to their promises and that they pay more for the 'name' than the value of the actual product.

It is also interesting to note which statements they did not agree with – they do not like to be conspicuous (they are also much more shy than average), they are not trend followers and brands are generally not important to them. A possible approach to marketing and branding activity around the Brand Smands is to keep the psychology low key and rather focus on the functional merits of the product or service with the objective being to diffuse cynicism.

Table 6: Attitudinal statements ranked by Brand Smands

Statements (Agree)	Total	Brand Smand
Sample	417	107
I buy products not brands	81%	98%
I think branding and slogans are a marketing gimmick	63%	94%
Branded goods are a marketing gimmick to sell more product	66%	93%
I trust the opinions of my friends and family more than advertising	77%	91%
Many brands do not live up to their promises	67%	89%
When I buy branded products I probably pay more for the name than the actual product	77%	87%
Branded goods tend to be overpriced or unaffordable	62%	84%
I tend to be quite shy	44%	66%
The things I own do not reflect anything about who I am	39%	57%
I believe the things I choose to own say something about who I am	66%	48%
I have bought goods over the internet in the past 3 months	50%	46%
The things I own are an expression of myself to the world	62%	41%
Branding is necessary and important	57%	20%
I own many branded goods	53%	20%
If the brand is good the product must be good	46%	17%
When a product is branded I can trust that it is a good quality product	46%	16%
I care about where I am seen and with whom	37%	12%
I am an extravagant person who enjoys the finer pleasures of life	34%	10%
I like to stand out in a crowd	28%	6%
Brands are generally important to me	36%	3%
Keeping up with the trends is important to me	30%	2%
It's important to me to be seen buying the right brands	16%	0%

Brand Tepids (score 20.1-40) – 32%

Brand Tepids are fairly similar to Brand Smands, but are not *as* cynical. They share characteristics, albeit to a slightly lesser degree, such as believing they buy products not brands and that they pay more for the name than the product, they trust friends and family over advertising, and believe marketing and branding activities are a gimmick to drive sales.

They begin to differ from the Brand Smands in that they are slightly more conspicuous, feel they are more extravagant, believe the things they own are an expression of who they are and care more about where they are seen and with whom – however, they still feel that brands are not that important to them and that they are not trend followers.

A similar approach in marketing and branding to that of the Brand Smands could be suitable for the Tepids. It is worth noting that the Tepids are very much in line with the average.

Table 7: Attitudinal statements ranked by Brand Tepids

Statements (Agree)	Total	Brand Tepid
Sample	417	133
I buy products not brands	81%	92%
I trust the opinions of my friends and family more than advertising	77%	82%
When I buy branded products I probably pay more for the name than the actual product	77%	81%
Branded goods are a marketing gimmick to sell more product	66%	76%
I think branding and slogans are a marketing gimmick	63%	73%
Many brands do not live up to their promises	67%	68%
I believe the things I choose to own say something about who I am	66%	66%
Branded goods tend to be overpriced or unaffordable	62%	63%
The things I own are an expression of myself to the world	62%	63%
Branding is necessary and important	57%	54%
I own many branded goods	53%	50%
I have bought goods over the internet in the past 3 months	50%	49%
I tend to be quite shy	44%	44%
If the brand is good the product must be good	46%	39%
When a product is branded I can trust that it is a good quality product	46%	38%
The things I own do not reflect anything about who I am	39%	35%
I care about where I am seen and with whom	37%	32%
I am an extravagant person who enjoys the finer pleasures of life	34%	30%
I like to stand out in a crowd	28%	23%
Brands are generally important to me	36%	20%
Keeping up with the trends is important to me	30%	13%
It's important to me to be seen buying the right brands	16%	5%

Brand Partial (score 40.1-60) – 26%

Brand Partial see branding as necessary and important, own more branded goods than the average and feel keeping up with the trends is important. They feel to a lesser extent that brands do not fulfil their promises, but that branded goods are better than non-branded goods nevertheless. Brands are important to them and they do not believe or think of marketing, branding and slogans as gimmicks to increase sales and are therefore possibly more open to marketing messages/campaigns. Further to this, they trust advertising more than their Smand and Tepid counterparts. They are more conspicuous, but still prefer not to stand out too much in a crowd. They do not consider themselves shy, own many branded goods and believe that what they own reflects something about who they are. One could sum them up as quietly confident.

As Partial are quite pro-brand, the 'usual' marketing and branding approach i.e. focus on brand not the product, would more than likely work for this segment. Product quality is associated with 'brand', thus end products consumed must always be impeccable. It seems much equity could lie herein.

Table 8: Attitudinal statements ranked by Brand Partial

Statements (Agree)	Total	Brand Partial
Sample	417	108
Branding is necessary and important	57%	75%
I buy products not brands	81%	71%
I trust the opinions of my friends and family more than advertising	77%	69%
When I buy branded products I probably pay more for the name than the actual product	77%	69%
I believe the things I choose to own say something about who I am	66%	69%
I own many branded goods	53%	69%
The things I own are an expression of myself to the world	62%	64%
When a product is branded I can trust that it is a good quality product	46%	63%
If the brand is good the product must be good	46%	56%
Brands are generally important to me	36%	56%
I have bought goods over the internet in the past 3 months	50%	54%
Many brands do not live up to their promises	67%	52%
I care about where I am seen and with whom	37%	47%
Branded goods are a marketing gimmick to sell more product	66%	46%
Branded goods tend to be overpriced or unaffordable	62%	46%
Keeping up with the trends is important to me	30%	45%
I am an extravagant person who enjoys the finer pleasures of life	34%	40%
I think branding and slogans are a marketing gimmick	63%	39%
I like to stand out in a crowd	28%	37%
The things I own do not reflect anything about who I am	39%	33%
I tend to be quite shy	44%	30%
It's important to me to be seen buying the right brands	16%	15%

Brand Almighty (score 60.1-100) – 17%

The Brand Almighty segment is the smallest and most extreme of the sample. They believe what they choose to own says a lot about who they are, that branded products are good products and they feel brands are very important to them. They own many branded goods, associate quality with branding. Keeping up with trends is important to them (83% vs. the average of 30%). They are not shy and more than likely quite influential within their circles – possibly even trend setters.

They classify themselves as extravagant people and care about where they are seen and with whom. They are very conspicuous and it is important to them to be seen buying the *right* brands – hand in hand with this, they feel they buy brands not products. They are least inclined to think that marketing and branding are gimmicks and do not agree that branded goods are less affordable.

In light of the above, it is not likely that it would be knotty in any way to appeal to this segment through marketing and branding activity – with 90%+ agreement on statements such as *Branding is necessary and important*, *If the brand is good the product must be good* and *Brands are generally important to me* – the sky's the limit!

Table 9: Attitudinal statements ranked by Brand Almighty

Statements (Agree)	Sample	Brand Almighty
Sample	417	69
Branding is necessary and important	57%	94%
I believe the things I choose to own say something about who I am	66%	91%
If the brand is good the product must be good	46%	90%
Brands are generally important to me	36%	90%
The things I own are an expression of myself to the world	62%	88%
I own many branded goods	53%	83%
Keeping up with the trends is important to me	30%	83%
When a product is branded I can trust that it is a good quality product	46%	81%
I care about where I am seen and with whom	37%	71%
I am an extravagant person who enjoys the finer pleasures of life	34%	68%
When I buy branded products I probably pay more for the name than the actual product	77%	65%
I trust the opinions of my friends and family more than advertising	77%	62%
It's important to me to be seen buying the right brands	16%	61%
I like to stand out in a crowd	28%	58%
I have bought goods over the internet in the past 3 months	50%	55%
Many brands do not live up to their promises	67%	52%
Branded goods tend to be overpriced or unaffordable	62%	52%
I buy products not brands	81%	49%
Branded goods are a marketing gimmick to sell more product	66%	33%
I think branding and slogans are a marketing gimmick	63%	33%
I tend to be quite shy	44%	30%
The things I own do not reflect anything about who I am	39%	29%

4.4 The segmentation in practice

To test the segmentation nine posturing statements (see Appendix 2) centred on purchase behaviour were asked in context of some regularly shopped FMCG categories. The categories were not addressed at a known brands level, but rather as a whole. Table 10 shows the statements which were positioned to infer brand propensity to demonstrate that the segmentation works.

In addition to each segment displaying an increasing tendency/propensity toward being *brand influenced* by category (see table 10), it can further be noted that there is an *extent* to which each category is brand driven. These 'extents' were measured by calculating the variance between the total of the Almighty statements *less* the total of the Smand statements per category in table 10:

$$148 \text{ (Almighty Total: Coffee)} - 93 \text{ (Smand Total: Coffee)} = 55$$

The greater the variance, the more non-brand prone segments need to be thought about in terms of suitable marketing strategies e.g. margarine and milk. If you can't punt the brand, punt the product!

Table 10: The segmentation applied

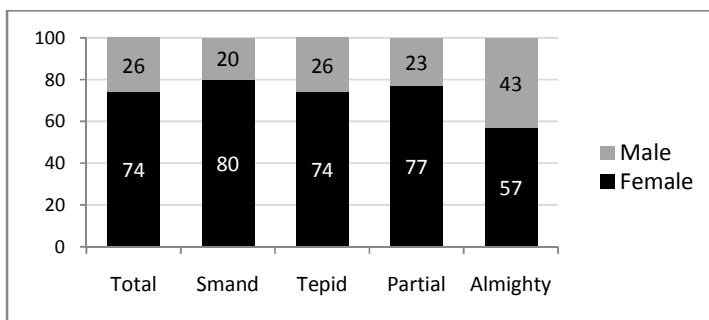
Segments	Smard	Tepid	Partial	Almighty	Variance
Sample	107	133	108	69	
	26%	32%	26%	17%	
Coffee	%				
There is a specific brand I will always try to buy regardless of its price	47	54	64	56	
Branded items deliver better results	11	13	30	45	
If the brand I want is not around, I will go to another store to buy it	35	38	47	47	
Total	93	105	141	148	55
Washing powder	%				
There is a specific brand I will always try to buy regardless of its price	32	38	46	50	
Branded items deliver better results	12	16	40	40	
If the brand I want is not around, I will go to another store to buy it	23	27	32	41	
Total	67	81	118	131	64
Milk	%				
There is a specific brand I will always try to buy regardless of its price	23	21	33	46	
Branded items deliver better results	4	13	30	30	
If the brand I want is not around, I will go to another store to buy it	7	16	20	30	
Total	34	50	83	106	72
Tea	%				
There is a specific brand I will always try to buy regardless of its price	41	41	58	52	
Branded items deliver better results	15	17	34	39	
If the brand I want is not around, I will go to another store to buy it	17	28	29	30	
Total	73	86	121	121	48
Yoghurt	%				
There is a specific brand I will always try to buy regardless of its price	27	29	47	33	
Branded items deliver better results	7	19	30	38	
If the brand I want is not around, I will go to another store to buy it	8	20	22	30	
Totals	42	68	99	101	59
Bread	%				
There is a specific brand I will always try to buy regardless of its price	31	42	48	50	
Branded items deliver better results	6	19	32	32	
If the brand I want is not around, I will go to another store to buy it	15	20	20	31	
Total	52	81	100	113	61
Breakfast cereal	%				
There is a specific brand I will always try to buy regardless of its price	39	51	48	62	
Branded items deliver better results	21	25	40	45	
If the brand I want is not around, I will go to another store to buy it	33	39	31	45	
Total	93	115	119	152	59
Toilet Paper	%				
There is a specific brand I will always try to buy regardless of its price	16	24	29	38	
Branded items deliver better results	12	20	27	31	
If the brand I want is not around, I will go to another store to buy it	8	15	18	31	
Total	36	59	74	100	64
Margarine	%				
There is a specific brand I will always try to buy regardless of its price	34	46	42	62	
Branded items deliver better results	9	19	31	50	
If the brand I want is not around, I will go to another store to buy it	19	24	24	45	
Total	62	89	97	157	95

This study was not taken up to conduct an in-depth comparison of the segments, but rather to understand if a target market could be ‘gauged’ in this context prior to the development marketing and branding strategies– and if so, how well would it work when practically applied. Looking at the results by each category probed, it can be noted that the propensity to be influenced by brands and branding increases across segments from left to right and for that reason brand propensity can indeed be successfully measured. Eureka! The segmentation works.

4.5 Demographic trends

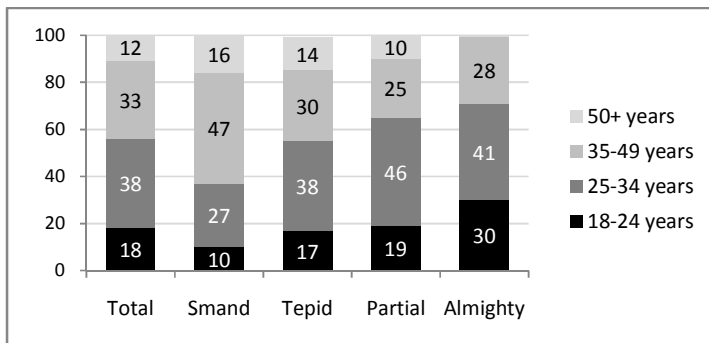
The demographics measured in the study were gender, age, race, area and personal monthly income. The reason for this particular selection was to profile the segments by variables used in commonplace thinking when target markets and strategies are considered. Everyday marketers and brand managers ask: Who are we talking to? How old are they? Where do they live? How much money do they have? To follow are some graphs profiling the segments to answer these very questions.

Figure 4: Gender by segment



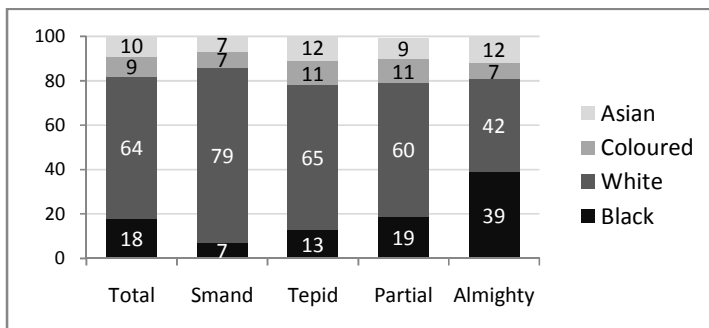
It is very interesting to note, that of the Brand Almighty's, males form a substantially larger portion than women. This possibly indicates that men are more influenced by branding than women.

Figure 5: Age by segment



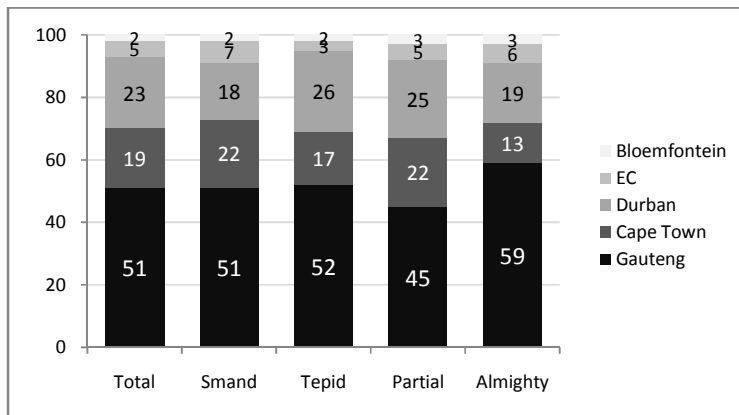
The people least influenced by branding in this sample seem to be Smands with a strong older bias, while Brand Tepids, Partials and Almighty's have a strong younger bias. Younger people, it would seem, are more susceptible to marketing activity.

Figure 6: Race by segment



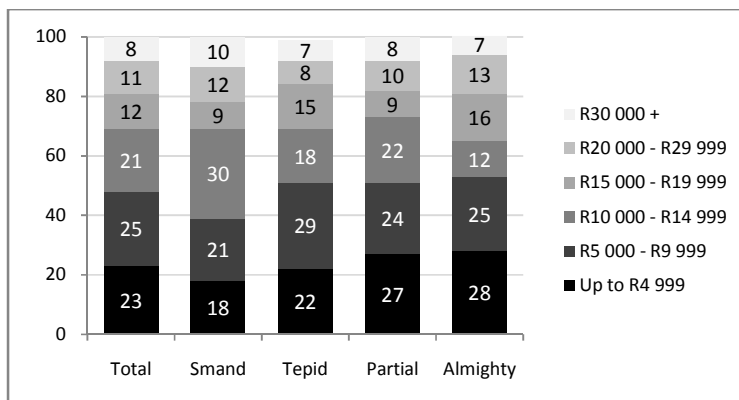
Remaining consistent with other research studies conducted through TNS, black respondents are far more brand conscious than any other race.

Figure 7: Area by segment



The most dense portion of the sample occurs in Gauteng, followed by Cape Town and Durban – which makes sense if one thinks about accessibility to the Internet and ISP infrastructure in South Africa. Across the area dimension there is little differentiation.

Figure 8: Personal income by segment



It appears that more affluent respondents fall into the Brand Almighty segment (earning R15000+) as they can afford to 'buy in', while most mid-earners (R10000-R14999) fall in Brand Smmands.

To recap, we have seen that the segmentation works and has a good distribution with each segment displaying a significant percentage of the sample, and have described the defining characteristics of each segment. Also, respondent 'brand views' were shown within each segment benchmarked against the sample average to determine how extreme their respective attitudes are from the norm and from each other.

It was further noted that the degree of influence brands and branding have within the FMCG categories can fluctuate and that *extents of propensity variance* can be measured to determine *how much less* Smmands are influenced by brands than Almightys, thus hoping to inform marketing strategy. Finally, the segments were assessed demographically to determine if there were any significant trends, which there were. Most notably that older people tend to be far less influenced by brands and branding and that males and black people are substantially more brand orientated.

5. Conclusion

Let us, for a moment, return to some basic building blocks.

Marketing is typically seen as the task of creating, promoting and delivering goods and services to consumers and businesses. Marketers are skilled in stimulating demand for a company's products, but this is too limited a view of the tasks marketers perform...marketers are responsible for demand management. They seek to influence the level, timing and composition of demand to meet an organisation's objectives (Tustin, Ligthelm, Martins & Van Wyk, page5)

The purpose of market research is to provide marketers and the like with the necessary tools to do the most excellent job possible to create and manage the demand Tustin *et al.* refer to. More often than not marketing budgets are limited, as in this recessionary time the world is slowly eeking out of, not leaving much room for hit and miss.

To further assist the role of the marketer/brander/HOD in optimising the reach of their respective budgets, the Punt Blunt segmentation aims to understand – as a first step – how influenced your envisioned market is by brands and branding in order to lay the foundation for *the approach*. Should one go into full-scale *punt mode* activating extraordinary, creatively fantastic and deep branding campaigns? Or does an approach in *blunt mode*, keeping the brand ever-present in the background whilst focusing on the practical payoffs the product or service offers, suffice? The answer is within reach.

The PB segmentation was developed to address respondents through a *personal evaluation* in a way that is not item, category or industry specific. Segment proportions may vary from one sector to another i.e. FMCG vs. Automotive vs. Finance; however, the relativity of the segments created by the analysis would remain valid. To fully understand the most appropriate industries/sectors for which the segmentation may prove valuable, more applications must take place creating avenues for future research. Options include, but are not limited to:

- running the segmentation internationally and comparing results to see how differing cultures can impact brand propensity e.g. South Africa vs. China
- testing the segmentation across sectors (e.g. finance, automotive, cosmetic, technology, etc.)

In closing, vast amounts of money is spent annually on marketing efforts that try to nudge (sometimes punch) demand within markets. The objective of using the PB segmentation would be

to possibly reduce that annual spend by means of an upfront identification of how people in the target market should be approached, through marketing and branding, **based on their brand propensity**. If it could be known, prior to any ad-spend, that a target market is more prone to branding or more inclined to the ‘product’ – would it not make deciding how to ‘tune into to them’ easier? I say it would.

“The best insights are the simplest ones – the ones that once introduced blend into our day-to-day consciousness with nary a ripple.”

Jeff Swystun, CCO, DDB Worldwide

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Appendix 1

Attitudinal Statements (Agree)		Total	Brand Smand	Brand Tepids	Brand Biased	Brand Almighty
Sample		417	107	133	108	69
		%	%	%	%	%
1	My hobbies and interests are important to me	97	94	98	95	100
2	Good quality is more important to me than a popular brand	97	99	99	94	93
3	I most enjoy time with friends and family at home	96	99	97	94	93
4	I am a motivated person	96	93	96	97	97
5	I am happy to buy branded goods if I like and trust the actual product	95	92	97	96	97
6	Staying fit and healthy is important to me	92	82	94	95	99
7	I am a practical person who enjoys the daily pleasures of life	92	91	94	92	91
8	For some things brands are important, but for some they are not	92	87	95	92	93
9	When buying a product, considerations such price and quality are more important than the brand	92	95	94	90	84
10	I have learned to accept myself	91	88	91	90	97
11	I learn from other people's experiences	91	91	92	86	94
12	I feel there are many ways in which I could improve myself	90	93	90	84	96
13	Planning for my old age is important to me	90	92	92	91	80
14	Branded goods tend to cost more than unbranded goods	88	91	86	86	90
15	I do not mind paying more for something if I know the brand is worth it	87	78	86	89	99
16	I am content with myself	85	79	88	85	87
17	Deciding what brands to buy is easy for me	82	76	80	86	87
18	I buy products not brands	81	98	92	71	49
19	I trust my own knowledge over the advice of others	80	70	78	85	88
20	I am happy to take calculated risks	80	75	78	80	90
21	Advertising helps me know what is "in" these days	78	65	74	86	94
22	I care about the image I portray	78	59	78	88	91
23	I trust the opinions of my friends and family more than advertising	77	91	82	69	62
24	When I buy branded products I probably pay more for the name than the actual product	77	87	81	69	65
25	I enjoy being out and about with other people	76	64	71	85	90
26	I am an adventurous person	71	57	74	74	81
27	I have had a lot of financial stress lately	67	70	68	62	68
28	I exercise to maintain an attractive appearance	67	50	70	72	78
29	Many brands do not live up to their promises	67	89	68	52	52
30	I believe the things I choose to own say something about who I am	66	48	66	69	91
31	Branded goods are a marketing gimmick to sell more product	66	93	76	46	33
32	I use the internet to find out more about brands	65	56	60	69	81
33	I think branding and slogans are a marketing gimmick	63	94	73	39	33
34	Branded goods tend to be overpriced or unaffordable	62	84	63	46	52
35	The things I own are an expression of myself to the world	62	41	63	64	88
36	I take risks now to secure a better future	57	44	56	62	74
37	Branding is necessary and important	57	20	54	75	94
38	I own many branded goods	53	20	50	69	83
39	I have bought goods over the internet in the past 3 months	50	46	49	54	55
40	If the brand is good the product must be good	46	17	39	56	90
41	When a product is branded I can trust that it is a good quality product	46	16	38	63	81
42	I tend to be quite shy	44	66	44	30	30
43	The things I own do not reflect anything about who I am	39	57	35	33	29
44	I care about where I am seen and with whom	37	12	32	47	71
45	Brands are generally important to me	36	3	20	56	90
46	I am an extravagant person who enjoys the finer pleasures of life	34	10	30	40	68
47	Keeping up with the trends is important to me	30	2	13	45	83
48	I like to stand out in a crowd	28	6	23	37	58
49	It's important to me to be seen buying the right brands	16	0	5	15	61

Appendix 2

	Purchase Behaviour Statements
1	I buy the cheapest brand in the category
2	There is a specific brand I will always try to buy regardless of its price
3	If the brand I want is not around, I will buy another brand in the same store
4	If my brand is too expensive I will only then try another brand
5	Branded items deliver better results
6	I will try another brand besides my regular brand if someone I trust recommends it
7	I often buy house brands in this category
8	If the brand I want is not around, I will go to another store to buy it
9	I will buy the brand that is on promotion

Appendix 3

Example of a Burt Matrix ('Agrees')	Keeping up with the trends is important to me	Branding is necessary and important	I have bought goods over the internet in the past 3 months	Branded goods tend to be overpriced or unaffordable	The things I own do not reflect anything about who I am	If the brand is good the product must be good	It's important to me to be seen buying the right brands	Many brands do not live up to their promises
Keeping up with the trends is important to me	125	103	76	74	45	82	50	82
Branding is necessary and important	103	239	126	128	85	123	51	147
I have bought goods over the internet in the past 3 months	76	126	210	130	80	96	37	143
Branded goods tend to be overpriced or unaffordable	74	128	130	260	111	122	49	191
The things I own do not reflect anything about who I am	45	85	80	111	163	82	30	120
If the brand is good the product must be good	82	123	96	122	82	193	51	115
It's important to me to be seen buying the right brands	50	51	37	49	30	51	65	39
Many brands do not live up to their promises	82	147	143	191	120	115	39	278

* The highlighted blocks represent the number of people who agreed with the statement.

** This is an abridged version of the Burt Matrix (BM) used for the study. The full BM contained 49 crosstabs.

Appendix 4

Coordinates (of statements remaining from data reduction)	Axis 1
It's important to me to be seen buying the right brands	0.340
Keeping up with the trends is important to me	0.288
Brands are generally important to me	0.258
I like to stand out in a crowd	0.176
I am an extravagant person who enjoys the finer pleasures of life	0.154
If the brand is good the product must be good	0.154
When a product is branded I can trust that it is a good quality product	0.153
I care about where I am seen and with whom	0.144
Branding is necessary and important	0.123
I own many branded goods	0.112
The things I own are an expression of myself to the world	0.052
I believe the things I choose to own say something about who I am	0.038
I have bought goods over the internet in the past 3 months	-0.019
When I buy branded products I probably pay more for the name than the actual product	-0.087
I trust the opinions of my friends and family more than advertising	-0.104
Branded goods tend to be overpriced or unaffordable	-0.118
Many brands do not live up to their promises	-0.124
I buy products not brands	-0.135
The things I own do not reflect anything about who I am	-0.147
I tend to be quite shy	-0.167
Branded goods are a marketing gimmick to sell more product	-0.178
I think branding and slogans are a marketing gimmick	-0.191