



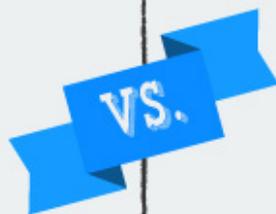
How to Get Started with

SEGMENTATION IN EMAIL MARKETING





BROADCAST EMAILS



SEGMENTED EMAILS



Relevant emails drive 18 times more revenue than broadcast emails.

Image source: <http://www.mailigen.com/blog/infographic-segmented-emails-is-what-the-future-holds>

Segmenting your email lists is not simply convenient - there are real and tangible benefits and returns to it. [According to Mailigen](#), relevant emails drive 18 times more revenue than broadcast emails, and segmented emails significantly increase open rates and decrease unsubscribe rates.

MailChimp supports these findings. According to their [research results](#) on the effects of email segmentation on email marketing stats, segmented email campaigns achieve better results than non-segmented campaigns across the board. From increased opens, clicks and conversions to reduced bounces and fewer unsubscribes, email segmentation is better because it is more relevant.

So, if you plan on doing email marketing, given that it's the most effective and least difficult marketing strategy to execute, you need to know how to segment your lists. Here's how to get started.

BEFORE YOU START SEGMENTING

Define the data you need

Before you begin segmenting your lists, you need to define the type of data you need to collect, i.e. the data you need the most. That's the customer data that will help you achieve your conversion goals and, ultimately, sell more of your products and services. You must also figure out how to collect and organize that data.

Begin by reviewing the type of data you already have and check whether it is of any use to the goals you are setting. If it's useful, check what kind of data may be accessible to you but which you're not tracking currently, and whether it could help you get a fuller picture of your potential customers. Finally, check what other type of data you may need but currently have no access to and what you can do to obtain it. Think, for example, of ways to request it from your potential clients through web forms, surveys or interviews.





Create personas

Once you've defined your data points, you can also define your customers based on that data and create buyer personas which you will then address through your email campaigns. A great definition of a buyer persona comes from [Tony Zambito](#) who once said:

"Buyer personas are research-based archetypal (modeled) representations of who buyers are, what they are trying to accomplish, what goals drive their behavior, how they think, how they buy, and why they make buying decisions. (Today, I now include where they buy as well as when buyers decide to buy.)"

Based on the data you have, try to [create a few distinct personas](#) that represent the different types of customers you have. Personas will help you immensely for your list segmentation because based on them you can formulate the various messages you need to send out to your segments.

B2B buyer personas may either take the shape of types of companies that are being targeted by your company, or representatives of companies that fall in different categories based on their pain points, challenges, decision making power, or goals.

Once you've defined your data points and have created a few buyer personas (starting out small is better than creating too many personas), you can proceed with segmenting your email lists, according to a number of different criteria.



Image source: <https://www.flickr.com/photos/nnova/2081056587>

4 MAIN WAYS TO SEGMENT YOUR LISTS

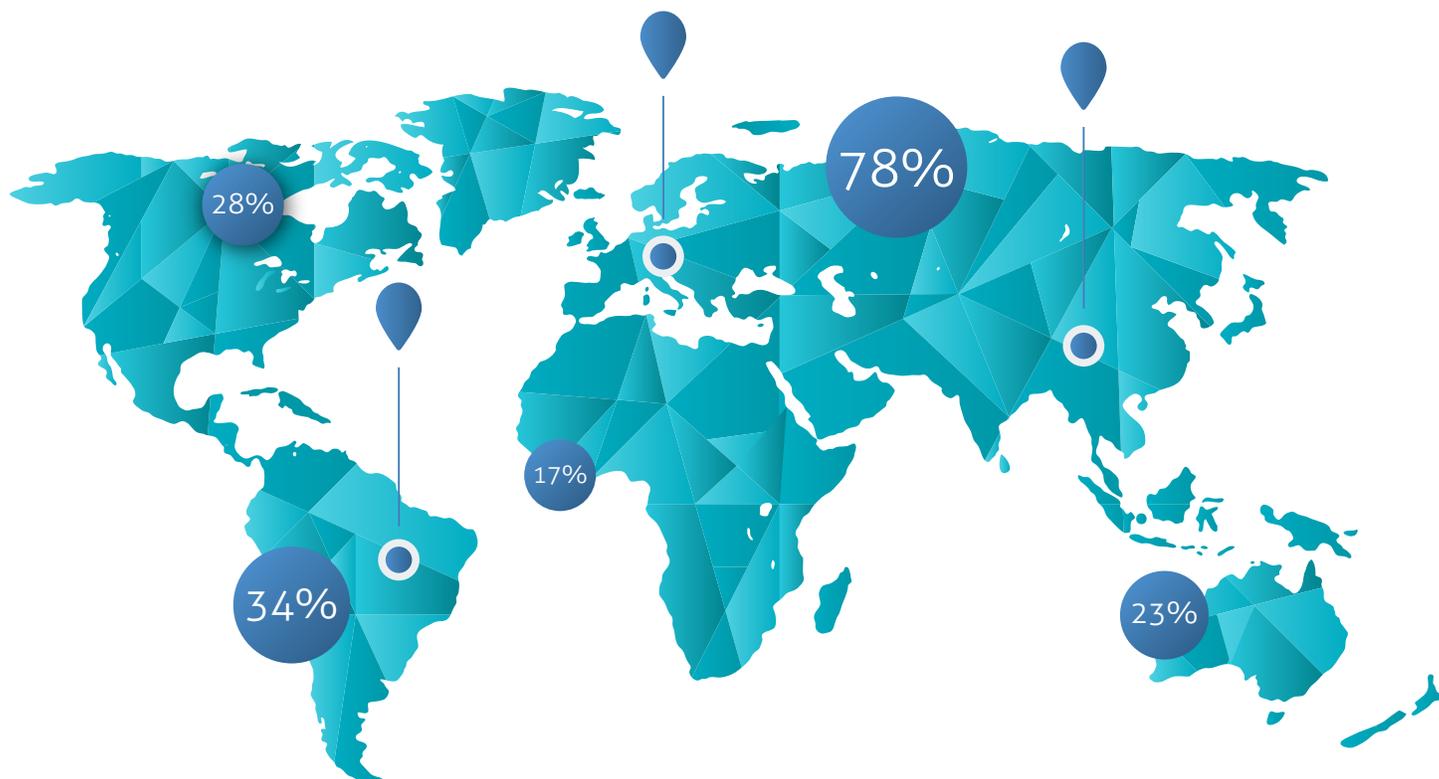
Different ways to segment your lists exist. The following four are not exhaustive of all the possibilities you have to segment lists, but are the most commonly used and some of the most relevant. Here are four ways of segmentation according to: demographics, preferences and interests, psychographics, and behavior.

1 Demographics

Demographic segmentation means segmentation according to any quantifiable characteristics of a person or a business. This includes the age, gender, location, job, position and salary of a person within the company you are targeting. Company “demographics”, sometimes also called “firmographics”, are factors such as the industry sector, the size of the company, and their position and role in the market.

Demographic information is mostly static and implies a ‘wide net’ approach to segmentation that differentiates people and businesses according to more general and easily observable criteria. Behavioral information, which is dynamic and recent, can be overly detailed and excessive in some instances, so don’t be fooled by the large ‘catch’ offered by demographic segmentation.

Whether demographic segmentation is relevant to you depends on your initial research of data. If you have found that you can distinguish the right customers for your business based on demographic data, then this approach to list segmentation can be enough for you.



2 Preferences and Interests

Preferences and interests reveal a more dynamic level of the personas. As with all types of segmentation, the question always remains - how do you collect the relevant data?

You can use surveys, questionnaires or sign-up forms in which you ask your audience to indicate their preferences, as well as provide them with the possibility to update their preferences at a future time, if they change. Amazon, for example, provides customers with such an option, making their future offers more relevant and successful.

B2B segmentation according to preferences works in similar ways. Often when downloading premium content, a company will require you to register, state your company, your job role. Based on this data, companies will then target you in specific email campaigns, offering you content that is aligned with your stated interests and aimed to move you further down the buying funnel.



3 Behavior

Behavioral segmentation is yet another level deeper and more detailed, as it relies on recent data that is dynamic and may soon shift. It implies and requires that you act upon the gathered data fast and with precision, so as to catch potential customers whose recent behavior indicates that they may be interested in your product or services.

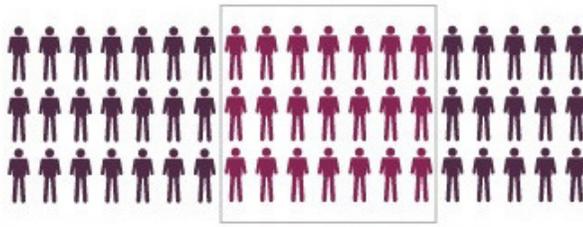
Behavioral segmentation is based on data such as:

- Past purchases, including time since last purchase and purchase frequency
- Website behavior and engagement - downloading premium content or visiting several pages and staying on the website for a particular amount of time
- Email engagement - opens and clicks
- Social media engagement with your brand or a competitive brand
- Search activity

You can begin segmenting users based on recorded behavior, and even combine behavioral data to build stronger segments where behaviors overlap and suggest a correlation between one set of behaviors and another. Based on this you may be able to build a number of distinct behavioral segments and approaches depending on their behavior signals.

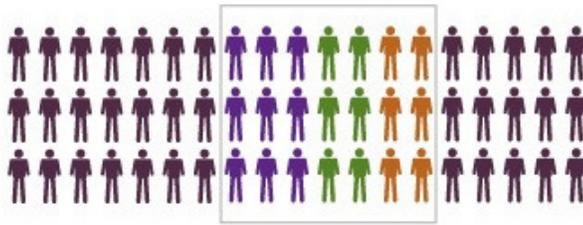
4 Psychographics

Demographics



Age
Income
Educational attainment
Employment status
Location
...

Psychographics



Needs
Interests
Activities
Attitudes
Values
...

Image source: <https://www.flickr.com/photos/stefanomaggi/3822006059>

Finally, psychographics may be considered one of the most complex ways of segmenting your lists, as it is based on expected and predicted customer behavior. This type of segmentation is not only about predicting behavior based on the recency, frequency, monetary value, and category of products purchased (RFM analysis).

Psychographic segmentation is about what people are prone to do and what they will react to, as well as the reasons for them doing so. Or, as [HubSpot say](#): "*Demographics explain "who" your buyer is, while psychographics explain "why" they buy.*"

Obtaining psychographic data to segment your email lists can be quite hard, so you must be sure that it will pay off. Though you may always extrapolate psychographic data based on observed and recorded behaviors, you may also [conduct interviews with existing clients or dig deeper into your website analytics](#) to get a better grasp of the reasons for particular behaviors.

In other words, psychographic data helps you understand the motives and values that stand behind people's behaviors. You can then use these findings to segment people and target them even more precisely as well as predict some of their future choices and behaviors.

BEFORE YOU START SEGMENT SOME MORE

In order to segment you will need the right kind of tools. [MailChimp](#), [Customer.io](#) or [AWeber](#) and many others offer complex segmentation options as well as the possibility to A/B test your segments and email campaigns in-depth.

It takes time to get segmentation for your company and industry right. Yet, if you take the time to analyze and test your findings, you are sure to send your emails to the people that need them the most and reach your conversion goals with less effort. This is what makes email marketing and list segmentation so great and one of the most efficient approaches.

Alexander Kesler Bio:



Alexander is a visionary B2B digital marketer with over 15 years of experience. Focusing on solutions for B2B demand generation, digital marketing, ABM, Intent and AI driven lead generation, among others, Alexander embraces innovation and turns concepts and methodologies into products and marketing programs that drive ROI.

As Founder and President of INFUSEmedia, a data-driven B2B Demand Generation Network, Alexander leads a global team that executes campaigns across all industries and company sizes. He leverages his market knowledge and industry expertise to help his team deploy a suite of innovative programs and campaigns that deliver revenue growth for over 400 clients of INFUSEmedia.

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