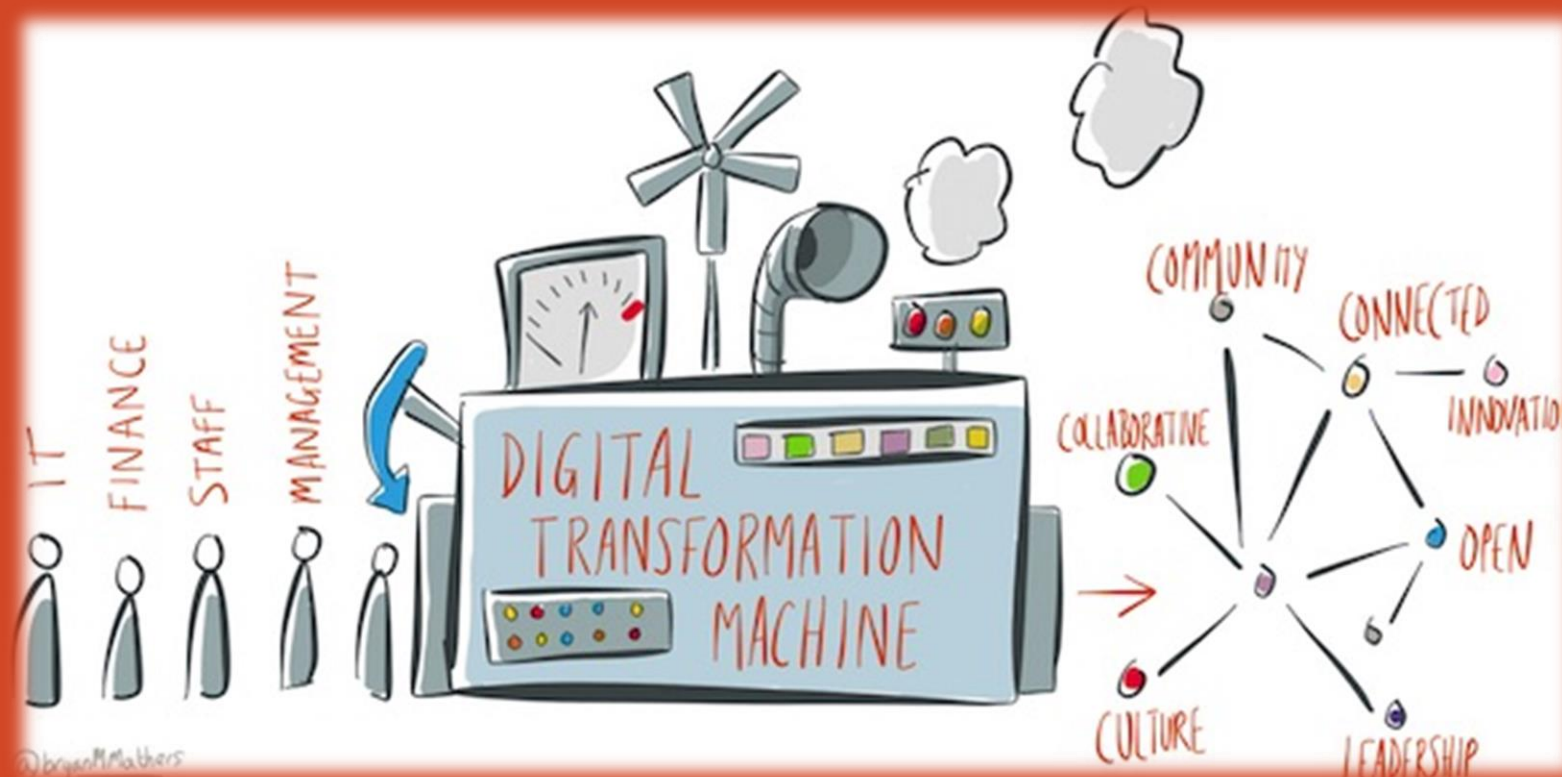


Eleonora Escalante, MBA-M.Eng

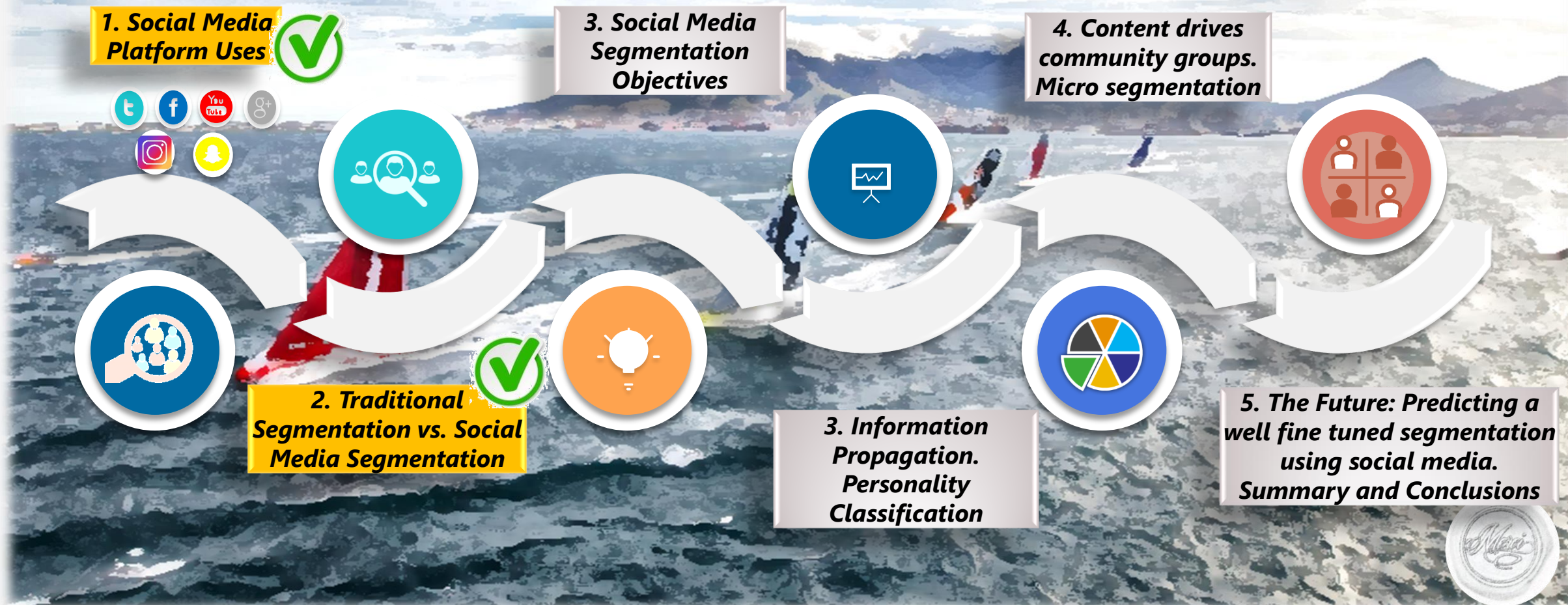
Strategic Corporate Advisory Services  
Creating Corporate Integral Value (CIV)

## Social Media Segmentation (II)



## → Leg 4. From Melbourne to Hong Kong.

### Outline Theme 2. Social Media Segmentation.



## → Leg 4. From Melbourne to Hong Kong.

# Theme 2. Social Media Segmentation.

### 1. Social Media Platform Uses

*Social Media has several classifications. We will see the most relevant ones. Everything depends on the "eye of the beholder."*



We are here!

#### By Demographic variables

- From the point of view **who** is using it?
- Several population classifications: by generation, by age, income, occupation, sex, ethnicity

#### By "Communication" Activity

- From the point of view of "Communication media" practitioners
- **How** is it used in this industry?
- Ex. Fred Cavazza social media landscape

#### By Type of Functionality

- From the Point of View of "What each platform does?"
- Ex. Social Media Map Overdrive

#### By Frequency rate

- From the Point of View of the frequency of visits to each platform or app.
- **How many times** we utilize it?

#### By Users Benefits

- From the Point of View of the reason of usage
- **Why** do we utilize it?

#### By Psychological variables

- From the Point of view of values, attitudes, personality and lifestyle.
- **This is extremely important for marketers.**





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*Depending on the demographics, we can classify different social media platforms.  
One example is the variable age.*

### 1. Social Media Platform Uses

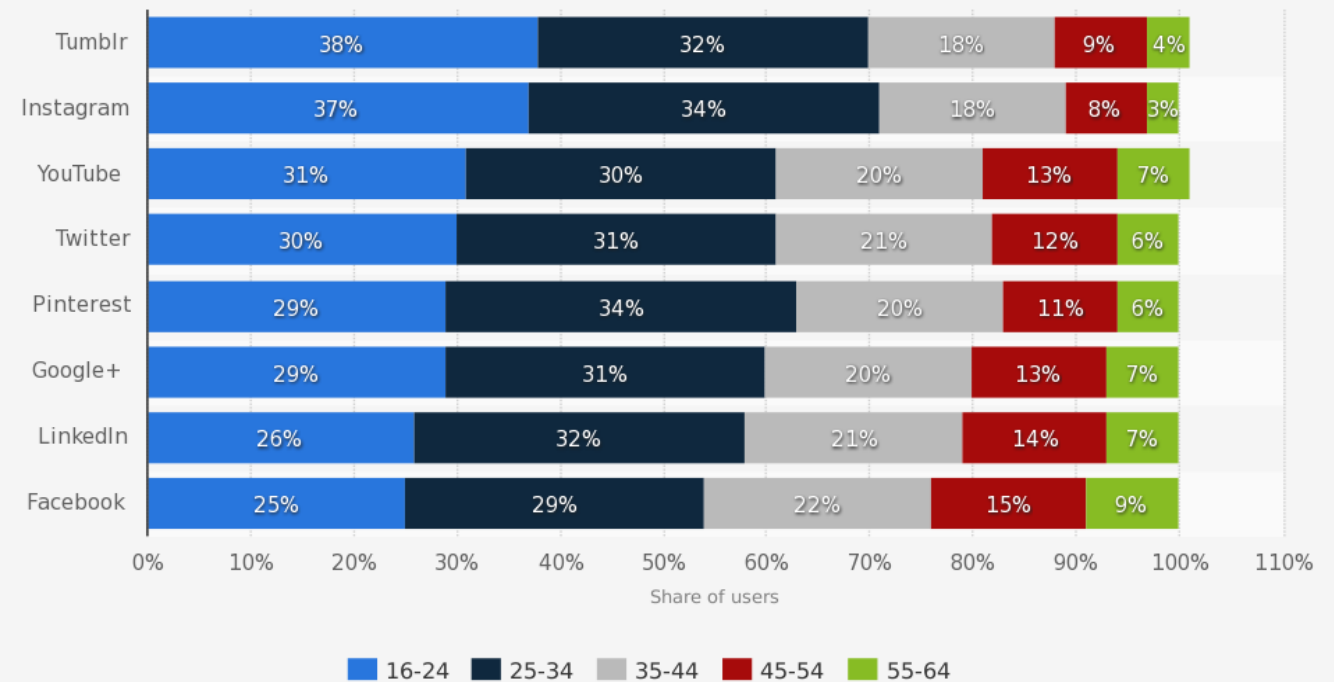


We are here!

**By  
Demographic  
variables**

- *Even though this chart is from the year 2014, it is an example of how we can segment social media by age (a demographic variable)*

**Age distribution of active social media users worldwide as of 3rd quarter 2014, by platform**



Source  
GlobalWebIndex  
© Statista 2017

Additional Information:  
Worldwide; GlobalWebIndex; 3rd quarter 2014; 16-64 years;  
Active social network and active app users, excluding China

statista



**By  
"Communication  
" Activity**

1. Networking
2. Publishing
3. Sharing
4. Messaging
5. Discussing

*I found Fred Cavazza's graph very interesting, he has segmented them by "type of communication".*



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*Depending on the “functionality”, we can also classify different social media platforms.*

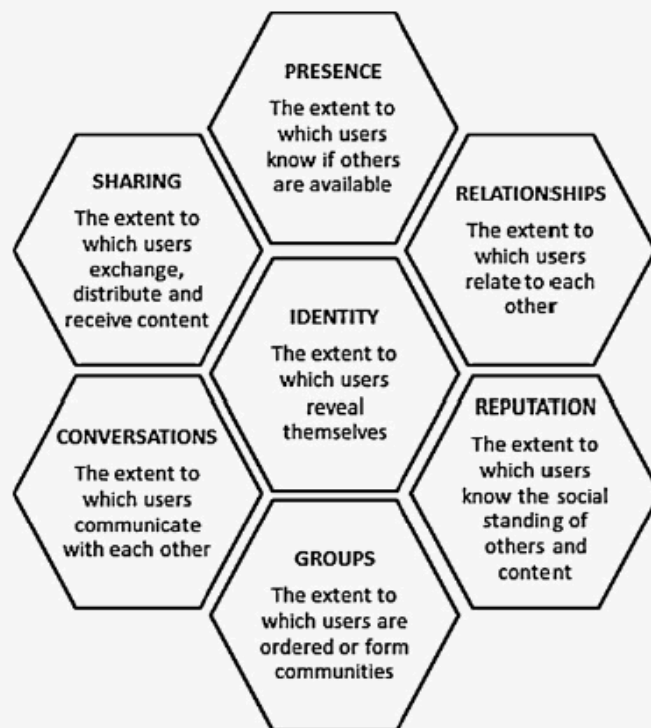
### 1. Social Media Platform Uses



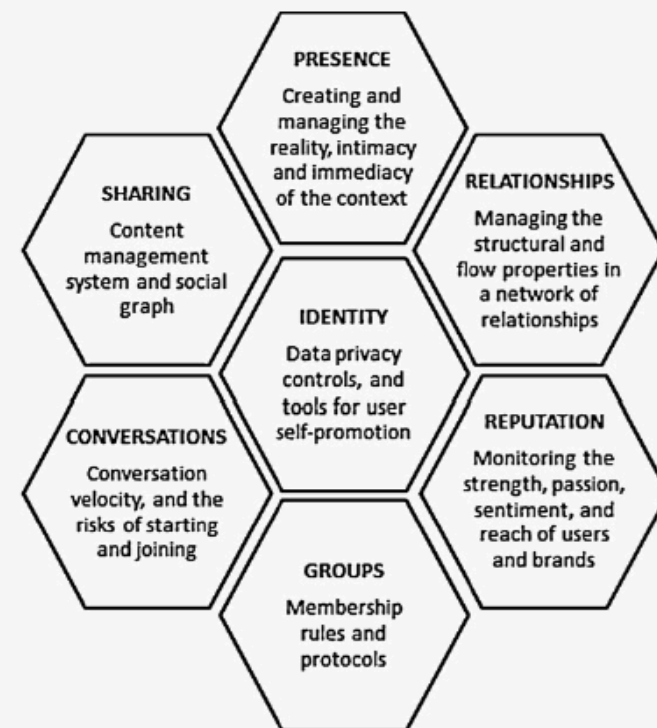
We are here!

*By Type of Functionality*

Three years ago, Kietzmann, Hermkens, McCarthy, and Silvestre, published the article “Social media? Get serious! Understanding the functional building blocks of social media” in the Journal Business Horizons-Kelley School of Business at Indiana University. They introduced an interesting framework to classify 7 building blocks which allow us to understand the different levels of social media functionalities.



Social Media Functionality



Implications of the Functionality



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### 1. Social Media Platform Uses



We are here!

**Overdrive has segmented their "social media map" by functionality". But there are at least 4 different variables in this segmentation.**



This classification has grouped the different social media platforms by "what do they do?"

1. By function (recruiting, networks, Management and Tracking, etc.)
2. By industry (Crowdfunding, health & fitness, news, travel)
3. By type of communication (video sharing, listening, livestreaming, blogging, messaging, music...)
4. By geography (internationally)





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**Overdrive has segmented their "social media map" by functionality. This classification has grouped the different social media platforms by "what do they do?", but this segmentation is a mix of different functions and interest groups.**

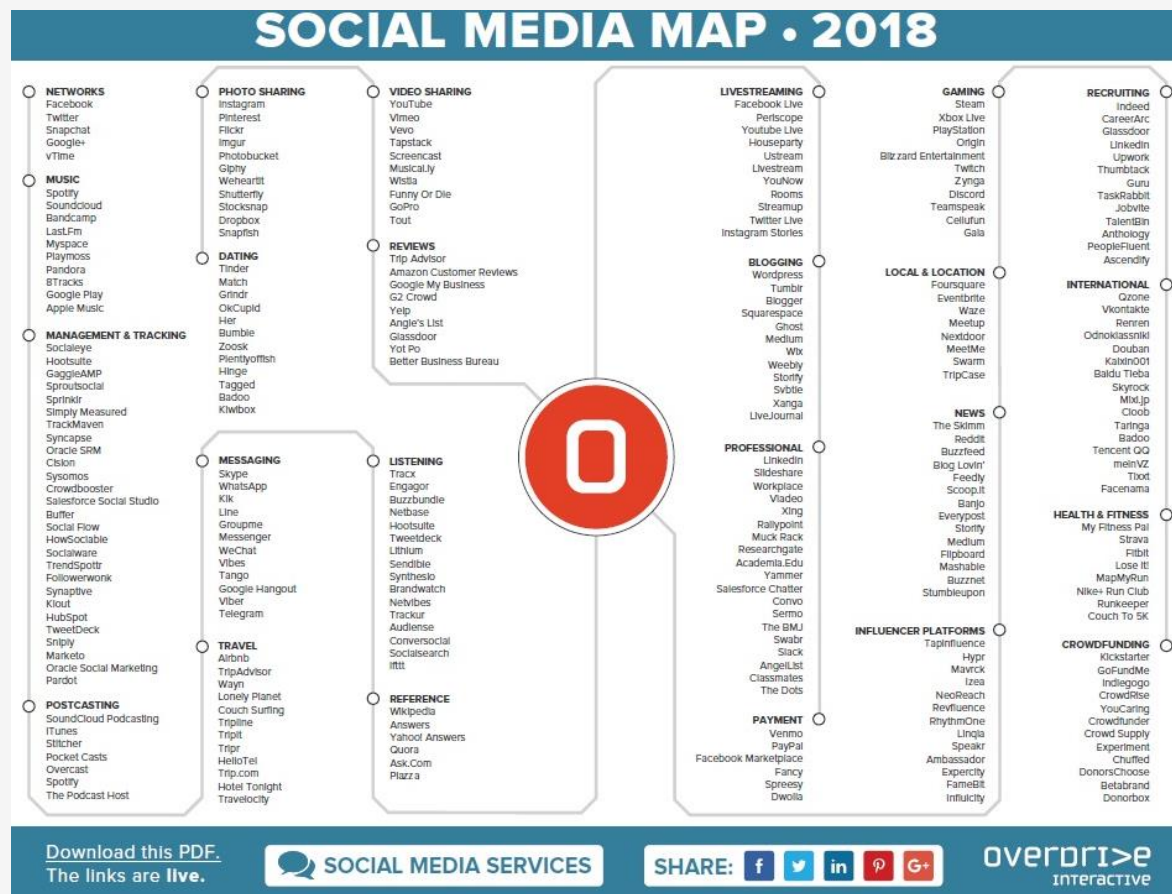
### 1. Social Media Platform Uses



By  
Functionality



We are here!



Download this PDF.  
The links are live.



SOCIAL MEDIA SERVICES

SHARE:



overdrive  
INTERACTIVE





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## 1. Social Media Platform Uses



We are here!

By Type of Industry

This example categorized the companies in 6 families: Goods, Money, Food, Services, Transportation and Space

*Depending on the “functionality”, there have been other attempts to create frameworks which can be applied to social media. Jeremiah Owyang segmented digital start-ups by functional groups in his model “Collaborative Economy Honeycomb Version 1.0”*

## Collaborative Economy Honeycomb Version 1.0

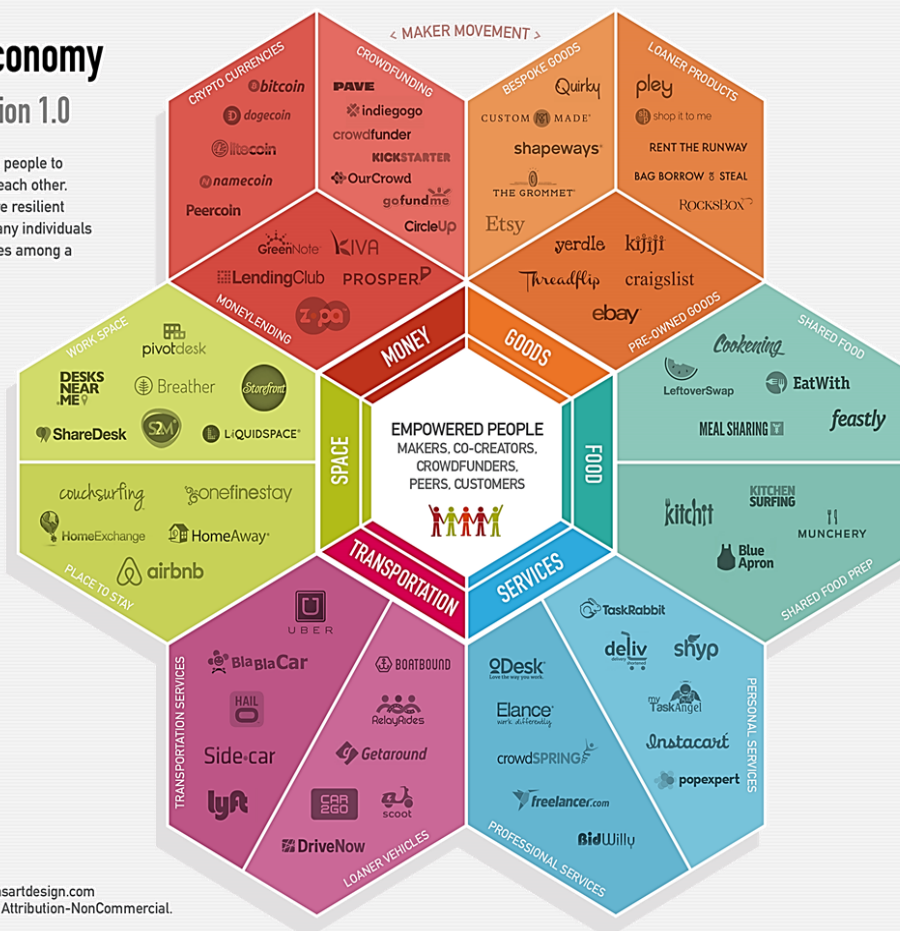
The Collaborative Economy enables people to efficiently get what they need from each other. Similarly, in nature, honeycombs are resilient structures that efficiently enable many individuals to access, share, and grow resources among a common group.

In this visual representation, this economy is organized into discrete families, sub-classes, and example companies. To access the full directory of 9000+ companies visit the Mesh Index, at [meshing.it/companies](http://meshing.it/companies) managed by Mesh Labs.

By Jeremiah Owyang  
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With input from:  
Neal Gorenflo (@gorenflo),  
Lisa Gansky (@instigating),  
Shervin Pishevar (@sherpa),  
Mike Walsh (@mwals),  
Brian Solis (@briansolis),  
Alexandra Samuel (@awsamuel),  
and Vision Critical (@visioncritical).

Design by Vladimir Mirkovic [www.transartdesign.com](http://www.transartdesign.com)  
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### KEY MARKET FORCES

- SOCIETAL DRIVERS**
  - DESIRE TO CONNECT
  - SUSTAINABLE MINDSET
  - POPULATION INCREASE
- ECONOMIC DRIVERS**
  - FINANCIAL CLIMATE
  - UNTAPPED IDLE RESOURCES
  - STARTUPS HEAVILY FUNDED
- TECHNOLOGY ENABLERS**
  - INTERNET OF EVERYTHING
  - MOBILE TECHNOLOGIES
  - SOCIAL NETWORKS



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### 1. Social Media Platform Uses

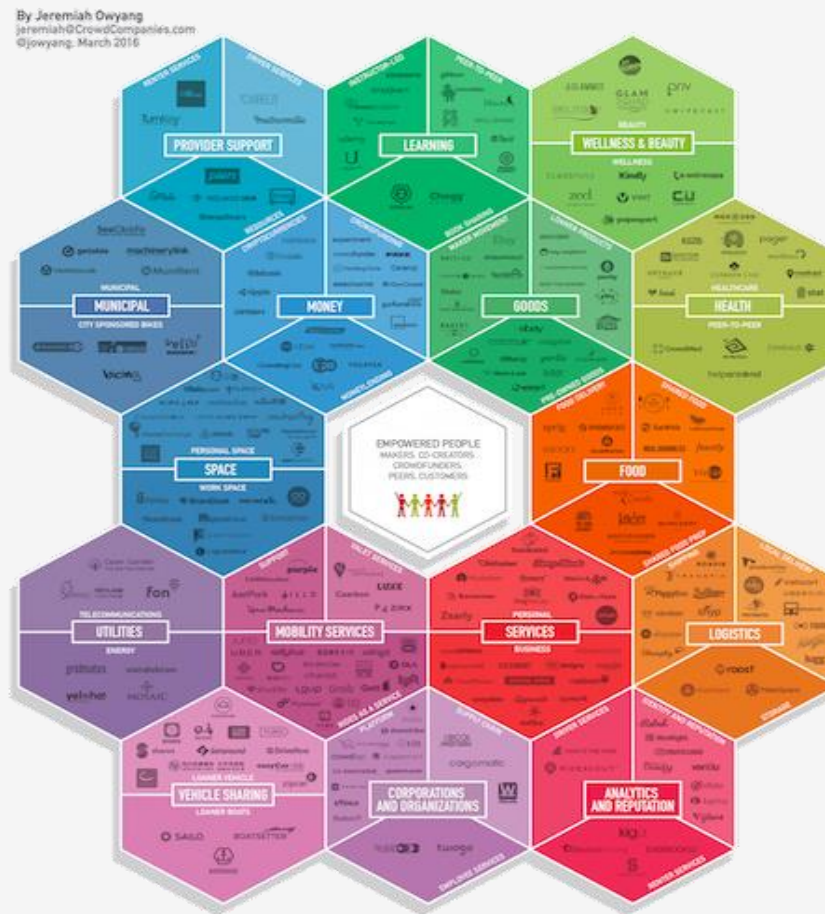


We are here!

*Depending on the “functionality”, there have been other attempts to segment digital companies. The “collaborative economy framework” from Owyang has evolved to the version 3.0. Owyang has extended his model to disruptive technologies affecting different segments (categories)*

By Type of Industry

Collaborative Economy  
Version 3.0 by Jeremiah Owyang



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*To the question how often do we use social platforms? Bain has given us the following segmentation categories.*

### 1. Social Media Platform Uses



We are here!

### By Frequency rate

*We can classify each of the social media platforms (globally) by how many times do customers use each of the platforms and group them by each tag.*

Bain's social media consumer segmentation				
16%	12%	12%	11%	10%
Social Butterflies	Fact Finders	Contributors	Blog Readers	Observers
<ul style="list-style-type: none"><li>Heavy users of personal networks</li><li>Skew to female users, younger and working</li><li>"Moms" represent a large share</li></ul>	<ul style="list-style-type: none"><li>Heavy users of multimedia sites, ratings and review sites, branded communities</li><li>Skew to male users, older</li></ul>	<ul style="list-style-type: none"><li>Disproportionate creators and posters of content</li><li>Heavy users of location-based games, crowdsourcing sites, branded communities, social shopping</li></ul>	<ul style="list-style-type: none"><li>Moderate social media use and disproportionate presence on blog sites</li><li>Skew to male users, older</li></ul>	<ul style="list-style-type: none"><li>Maintain passive presence on social networking sites</li><li>Skew to female users, older</li></ul>
10%	9%	8%	6%	4%
Deal Hunters	Young and Mobile	Social Gamers	Showgoers	Professional Networkers
<ul style="list-style-type: none"><li>Heavy users of ratings and review sites, group-buying sites, branded communities</li><li>Disproportionate share of spending occurs online</li></ul>	<ul style="list-style-type: none"><li>Heavy users of microblogs, social networking and location-based games</li><li>Skew to younger demographics, e.g., students</li></ul>	<ul style="list-style-type: none"><li>Active on social gaming and engaged in location-based gaming</li><li>Significant contingent skews older</li></ul>	<ul style="list-style-type: none"><li>Tend to be passive consumers of entertainment and content generated by others</li></ul>	<ul style="list-style-type: none"><li>Heavy users of professional networking sites and microblogs</li><li>Skew to male users, affluent</li></ul>

Source: Social Media Consumer Survey (January 2011), n=3,019



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*Why do people use social media? If we utilize the variable "users reasons", let's see what does Global Web Index has found:*

### 1. Social Media Platform Uses



We are here!

### By Users Benefits

*The main three motivations why people use Social Media are:*

1. To stay in touch with **friends** (replaces email and traditional courier-letters & postcards)
2. To stay up to date with **news and current events** (replaces the newspapers, magazines and journals)
3. To fill up **spare time** (replaces other activities-hobbies, watch TV or any other)

### Chart of the Day

11 JANUARY 2018



### Top 10 Reasons for Social Media Usage

#### Top 10 Motivations Behind Using Social Media

% who say the following is a main reason for using social media



Question: What are your main reasons for using social media?

Source: GlobalWebIndex Q3 2017 | Base: 77,814 Internet Users aged 16-64



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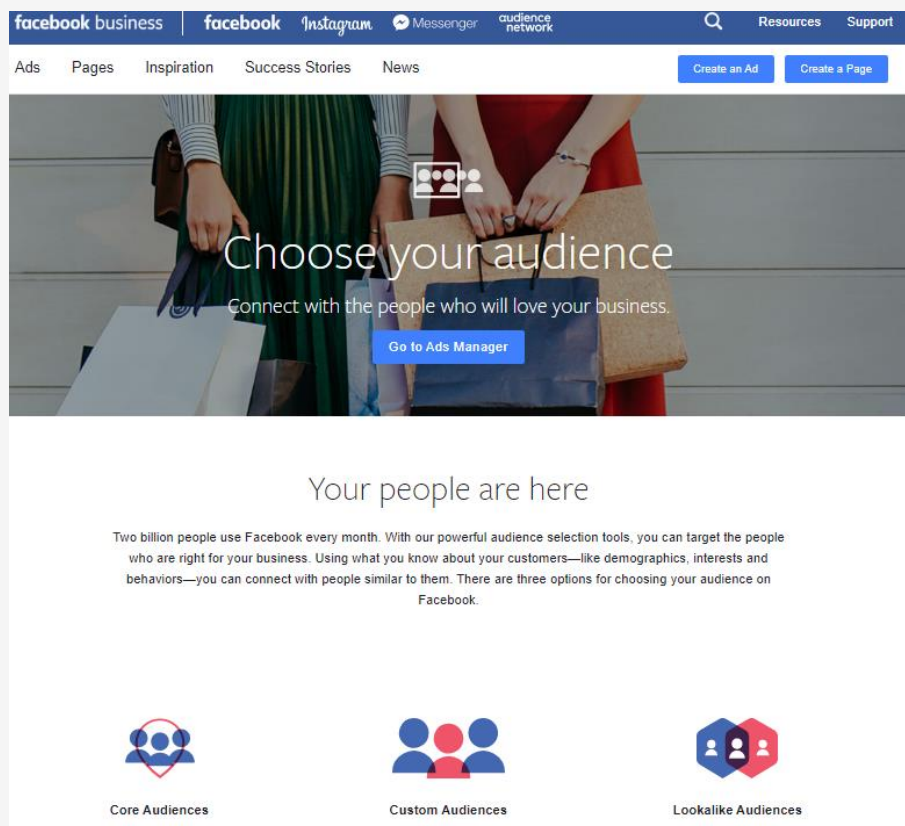
### 1. Social Media Platform Uses



We are here!

*From the Point of view of values, attitudes, personality and lifestyle. Each social media company has created several tools to segment clients by using each content we post. This is extremely important for marketers. Facebook is the pioneer in this field.*

By  
Psychological  
variables



## → Leg 4. From Melbourne to Hong Kong.

### 2. Traditional Segmentation vs. Social Media Segmentation



We are here!

**New Social Media Segmentation: After reading the last slides, it is evident that social media has disrupted the way we have done segmentation. There is a Digital User Segmentation Matrix called BYOP.**

There is an interesting segmentation based on research by Scott Snyder president and chief strategy officer of Mobiquity, a professional services firm headquartered in Wellesley, Massachusetts. He has called this digital matrix segmentation as **BYOP: "Bring your own persona"**.

### BRING YOUR OWN PERSONA Digital User Segmentation Matrix

TRUST/DATA SHARING	High	(23%) WANNABES	(26%) MAINSTREAMERS	(10%) NOMADS
	Low	(7%) ANALOGS	(17%) PARANOIDS	(17%) CHAMELEONS
		Limited	Basic	Advanced
		DIGITAL CAPABILITY		

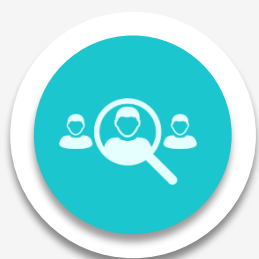
Ref: Wireless Innovation Council/Mobiquity Research





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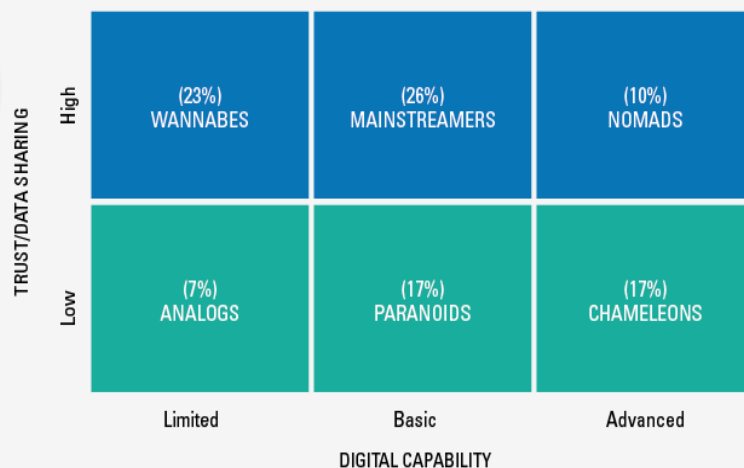
### 2. Traditional Segmentation vs. Social Media Segmentation



We are here!

### New Social Media Segmentation: **BYOP** categories are based in two variables (digital capabilities and trust)

BRING YOUR OWN PERSONA  
Digital User Segmentation Matrix



Ref: Wireless Innovation Council/Mobiquity Research

**Analogs:** They are unwilling to and/or incapable of using digital technologies. They may have been capable digital users who decided to “unplug” due to privacy or life-balance concerns. At best, analogs might be willing to dip their toes into the digital waters via easy-to-use touch points like simple kiosks or websites before progressing to more advanced interactions like mobile and social.

**Wannabes:** Here we have embryonic users of mobile and social who are very eager to learn the basics so they can seem to be experienced. Wannabes are a group that you want to engage going through their peers who have more advanced capabilities. Once Wannabes see their friends doing something cool or valuable, they will educate themselves to at least get by. Think of seniors talking to their grand kids on Facebook. Once they realized this was the place their grand kids hung out, they put in the effort to become basic Facebook users (not many have progressed to be power users).

**Mainstreamers:** These are people willing to opt in to most digital solutions with a strong possibility of a benefit in the near future. Mainstreamers represent the pregnant middle of the market, ready to be nudged toward behaviors and outcomes that are good for them and others. Show them the value of each interaction, and they can quickly become loyal digital patrons. If the value equation diminishes, you may lose them.

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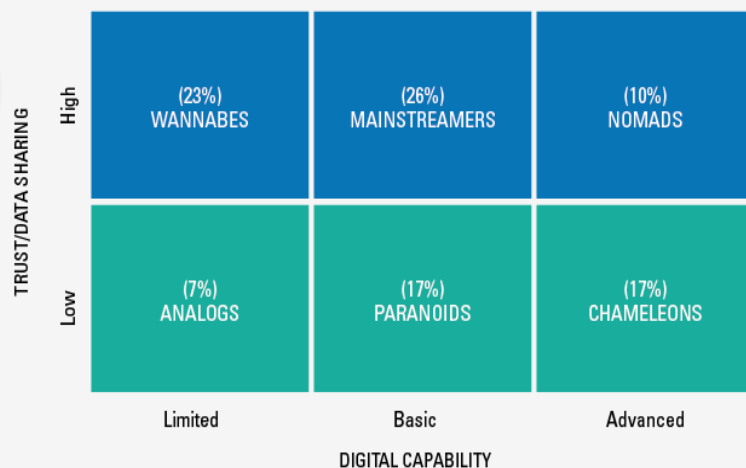
### 2. Traditional Segmentation vs. Social Media Segmentation



We are here!

### New Social Media Segmentation: **BYOP** categories are based in two variables (digital capabilities and trust)

BRING YOUR OWN PERSONA  
Digital User Segmentation Matrix



Ref: Wireless Innovation Council/MobiQuity Research

**Paranoids:** These are cautious users who are very protective of their data and need to be persuaded that there's a value in sharing their data. Paranoids represent a potentially dangerous group as they will lash out if they believe their personal information is being compromised or misused somehow. Companies that do not respect the privacy needs of this segment risk public scrutiny and bashing.

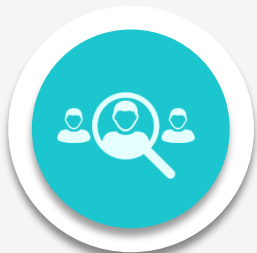
**Chameleons:** Here are digital savvy users who will change their digital behaviors and data sharing to suit each situation and personal interests. They are protective of their data when they perceive there is limited benefit or have low trust. Chameleons will educate themselves on the privacy policies of different brands and make sure they share only what they need to. It will take an extremely strong value proposition or clear privacy controls to engage them with highly personalized interactions.

**Digital Nomads:** People in this segment truly want to port their digital profiles anywhere in any setting. They are willing to share data on the promise of a future benefit for them or a broader group. Digital Nomads fully expect that you will not just collect their data, but use it to deliver an exceptional user experience and significant benefit for them and other users like them. Achieve this and they will be your greatest champions. Fall short, and they will become your biggest critics.



## Leg 4. From Melbourne to Hong Kong.

### 2. Traditional Segmentation vs. Social Media Segmentation



We are here!

***The existence of Social Media Platforms and the fact that more than 36% of the global population utilizes them, has come to disrupt the traditional manner in which we do market segmentation.***

- The idea of BYOP segmentation is to identify segments of clients by their level of digital engagement.
- Users of social media have a unique digital profile and set of behaviors to usage situations.
- The 6 categories introduced with the BYOP digital matrix illustrate various types of consumer profiles based on people's degree of digital savvy, level of trust to the social media, willingness to share information and preferred frequency of interactions.
- The digital capabilities have become a unique segmentation variable. Using this insight to segment customers goes beyond socio-demographic data, because age, income and education are no longer reliable predictors of a consumer's digital capability.
- When shifting to a BYOP segmentation. Scott Snyder recommend to focus in the next areas:
  1. Adopt a Digital Segmentation Model like BYOP.
  2. Be Transparent with Customers about Data Usage.
  3. Develop a Strong User-centered Design Capability.
  4. Use Big Data and Predictive Analytics to drive more personalized interactions.

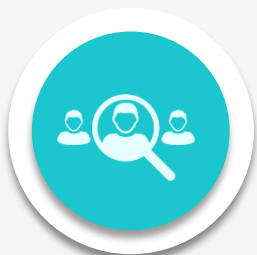




## → Leg 4. From Melbourne to Hong Kong.

### Theme 2. Social Media Segmentation.

#### 2. Traditional Segmentation vs. Social Media Segmentation



We are here!



Picture source: <http://forfreeblog.blogspot.com>

