

SHARPEN YOUR MARKETING STRATEGY AND IMPROVE RESULTS

Enhance Your Targeting Strategy

The path to measurable marketing success begins with knowledge of your customers and prospects. The ElementOne® Analytics Platform enables you to identify your most profitable audience with ultimate precision.


TARGUSinfo combines your customer history data with our unrivaled customer demographics and behavioral data to create audience groups that are unique to your business, channels and your products/services.

Start with Better Building Blocks

The ElementOne Analytics Platform is built on a robust set of 232 unique **elements**, or building blocks. These elements are far more homogenous than a standard off-the-shelf consumer segment, which means that households in each element are more likely to exhibit similar behavior than with one-size-fits-all segments.

Using your customer transaction, campaign history and/or survey data, combined with our unmatched coverage of household-level customer demographics and behavioral data, TARGUSinfo determines which elements exhibit similar behavior when interacting with your business. TARGUSinfo rolls up the 232 elements, based on those that perform well with your brand or business and create custom **segments**. These segments are more predictive of your target audience's behaviors because your specific customer attributes are used in the model.

Custom rollups of the elements generally net between 40 and 50 tactical segments specific to your customers and business drivers, but can result in as many as 172 depending on the level of granularity needed. These segments can be used for more tactical marketing activities such as direct mail, online targeting, sales channel optimization and media planning. Further, the tactical segments can be rolled up to 8-10 strategic **groups** that are typically used for market research, messaging, product marketing and creative development.





Improve Results through Segment Understanding

TARGUSinfo helps you create spot-on marketing communications for your target segments and groups, based on powerful insights including:

- Customer Demographics
- Attitudes and Lifestyles
- Preferences and Buying Patterns
- Interests and Media Usage

With this robust data at your fingertips, you can reach new customers by understanding their media-consumption patterns and locating them geographically. ElementOne gives you the insight to deliver the message or offer to those most likely to drive a profitable response, boost your conversion rate and generate revenue.

ElementOne can also be applied by geography for market-size and penetration analyses. TARGUSinfo can provide the number of households for each of your target groups in any census, postal or custom geography.

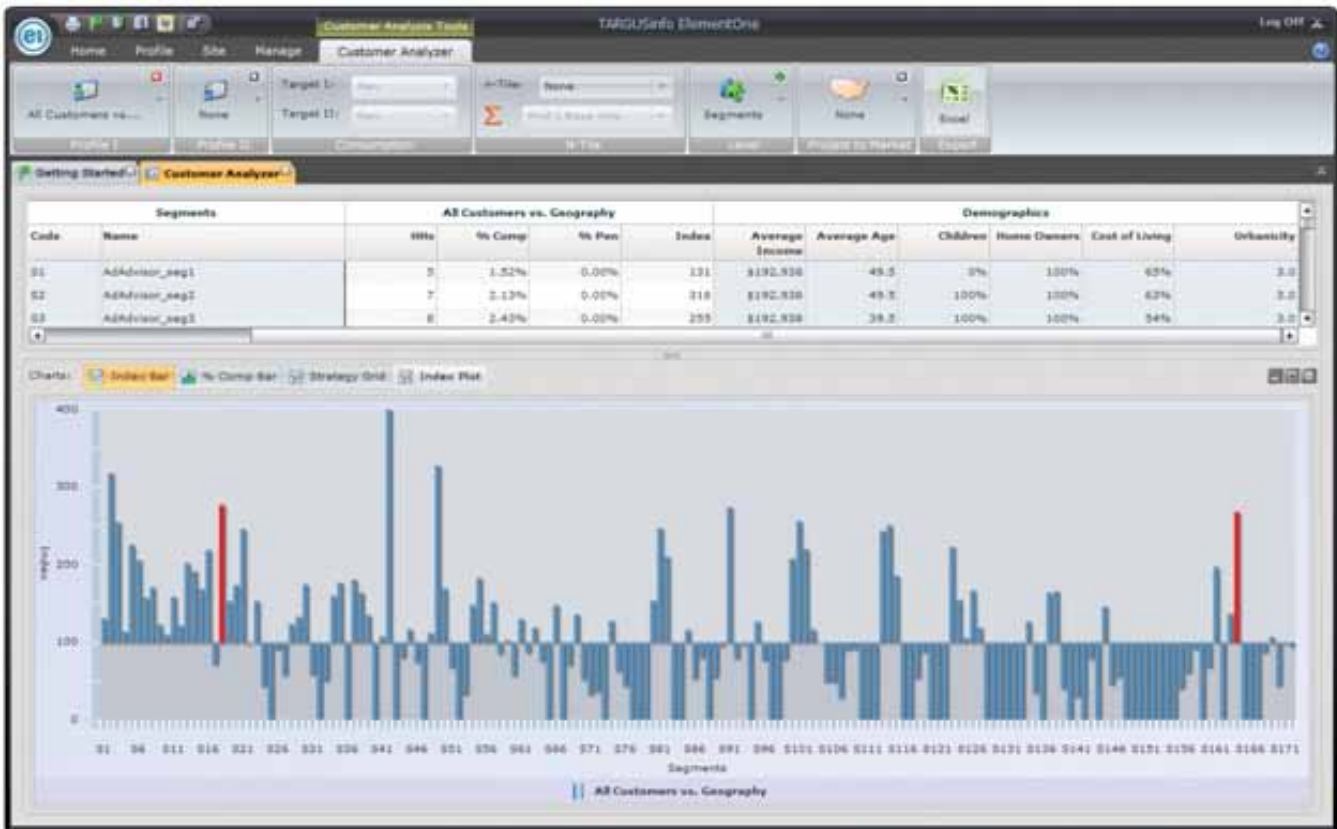
The value of this insight extends across your marketing organization, sharpening your:

- Strategic Direction and Opportunity Analysis
- Customer Acquisition and Retention Initiatives
- Media Planning
- Message and Offer Creation

Strategic Direction and Opportunity Analysis

Most organizations know who they are marketing to, but have little insight into who is responding to their marketing. A common misconception is that there is one target market to message to and reach when, in reality, there could be several with very different demographics, needs and motivations.

Let's take an example using ElementOne to compare the market distribution of a set of 172 segments — a roll up from the initial 232 elements — in a particular geography against a company's own customer base. In the diagram on the next page, you will see that certain segments clearly show a high propensity to purchase the company's product/service — illustrated by the bars reaching significantly above the average line — while others are much less likely to purchase their offering as indicated by the bars below the line.



Segment 18 and Segment 164 are highlighted in red in the chart above because both exhibit the same propensity to purchase (nearly 3x the average), but have vastly different demographic profiles — average age being the exception:

Demographics	Segment 18	Segment 164
Average Income	\$131,250	\$15,750
Average Age	49.5	49.5
Children	100%	0.0%
Home Owners	100%	0.0%
Cost of Living	70%	39%
Urbanicity	3	2

High level demographics are essential for realizing initial differences between prospective buyers. However, ElementOne goes a step further and offers deeper insight into why different consumers should not be treated the same and helps you develop a message that will resonate with each.

Once segments are grouped and better understood, then market sizing and opportunity analysis can be completed within ElementOne against those particular segments.

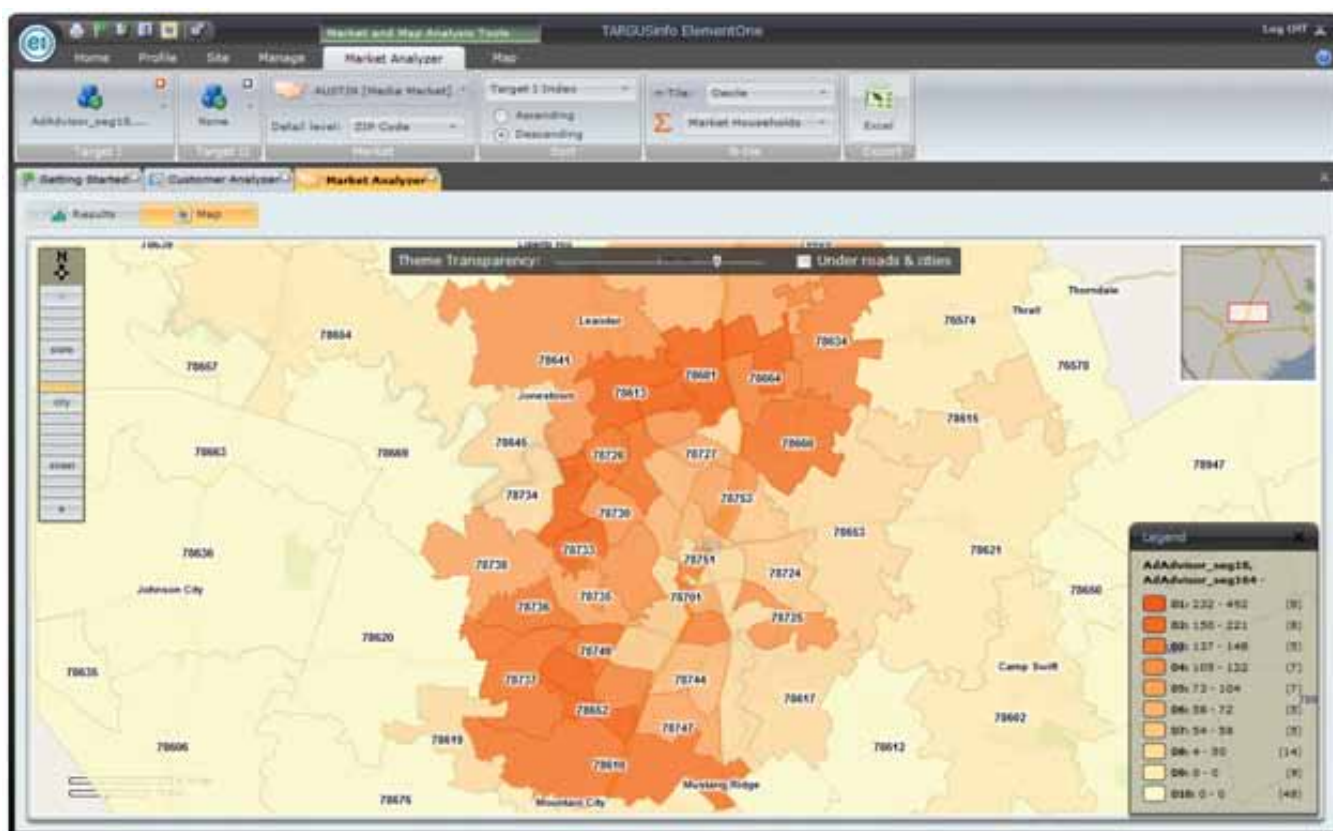




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Deeper understanding of the geographic composition of segments can help guide acquisition and marketing activities. For example, you can select marketing event locations based on areas and venues where your target segments are most likely to frequent and live in close proximity. Retail site and channel distribution can also be optimized based on this type of market level analysis.

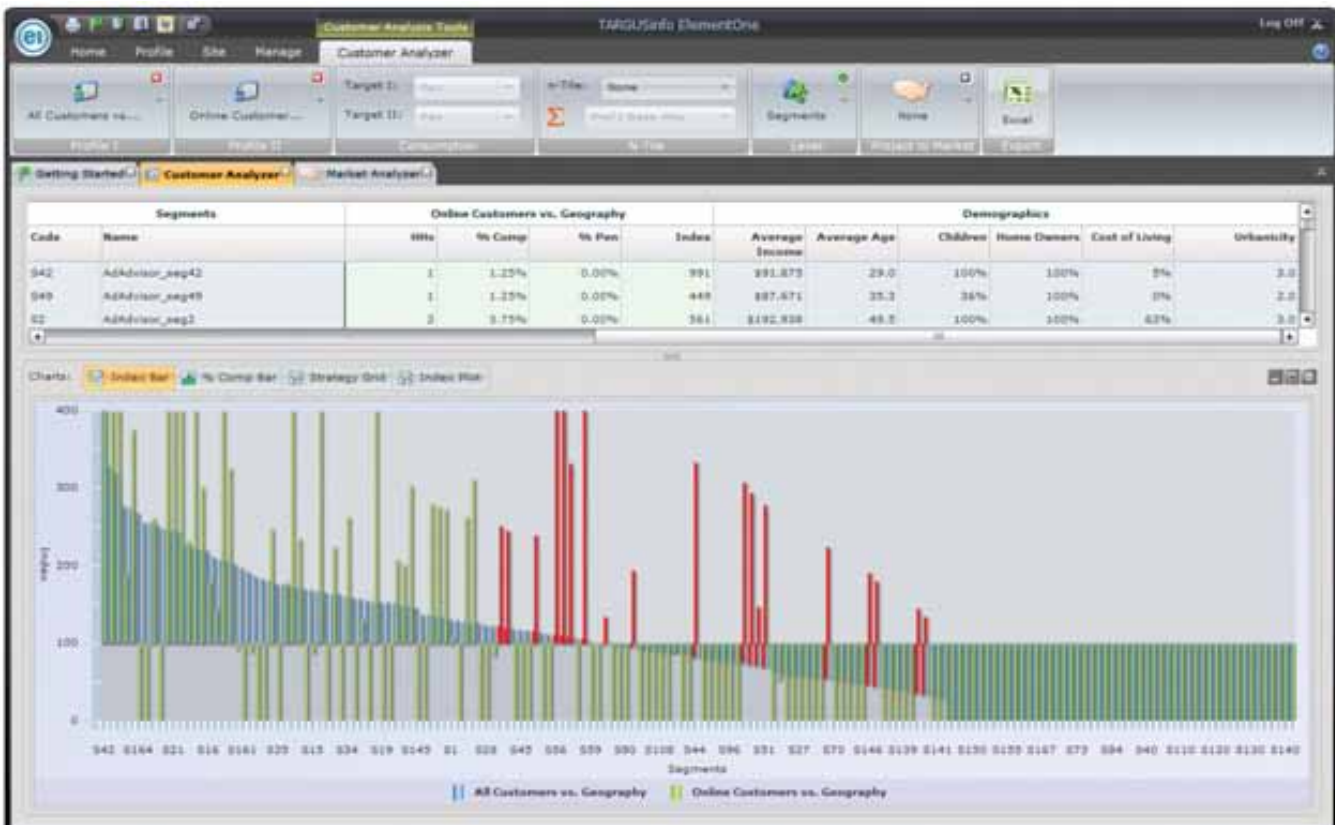
Continuing with the same example, we can map out where there are higher concentrations of Segment 18 and Segment 164, and in this case, it is by zip codes 78681, 78613 and 78652 in the Austin, TX market as shown below.



Customer Acquisition and Retention Initiatives

Knowing who to target and where to find them is an important first step in a marketing strategy. However, understanding their specific media, channel, product/service preferences and likelihood of loyalty is key to converting and keeping them. ElementOne allows you to take your existing customer data — including sales channel, product/service, lifetime value, satisfaction and more — and analyze that data against your target segments.

You can use ElementOne to compare various sales channels to understand which segments prefer each channel. Using the example below, segments with higher propensity for using online channels should be targeted using display, SEO and SEM marketing efforts to drive them to the company's site. These specific segments are highlighted in red in the chart below.





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Media Planning

ElementOne offers you and/or your media agency the tools to determine media preferences for your segments to execute media buys against. For example, Segment 18 still uses the yellow pages while Segment 164 does not. Segment 18 travels much more frequently for business than Segment 164 and tends to read the free copy of the USA Today at the airport or hotel. These two targeted segments exhibit very different print media behaviors and should be reached using different media properties.

Geographic opportunity analysis can identify areas and activities where segments are most highly concentrated for out of home communications. You can also refine your media strategies based on key purchase drivers and behaviors.

The screenshot shows the 'Behavior Analyzer' tool in the ElementOne interface. The table displays various media consumption profiles with columns for 'S18 Index', 'S18 %Pen', 'S164 Index', and 'S164 %Pen'. The data is as follows:

Profile	S18 Index	S18 %Pen	S164 Index	S164 %Pen
Daily New York Times-Read Someone Else's Copy	80	3.11%	12	.47%
Daily USA Today-Read Free Copy (Hotel/Airport/Other)	379	36.91%	3	.24%
Daily USA Today-Read Someone Else's Copy	133	7.90%	58	3.43%
Daily Wall Street Journal-Read Someone Else's Copy	125	9.26%	13	.47%
Lat Used Yellow Pages at Home 1-4 Weeks Ago	118	31.73%	41	16.19%
Lat Used Yellow Pages at Home 1-7 Days Ago	81	10.63%	102	17.93%
Lat Used Yellow Pages at Home 2-3 Mo Ago	96	8.00%	48	3.98%
Lat Used Yellow Pages at Home 4 Wk-3 Months Ago	103	16.47%	28	4.04%
Lat Used Yellow Pages at Home Over 3 Months Ago	117	43.21%	101	21.10%
Lat Used Yellow Pages at Home Yesterday	72	7.74%	118	12.43%
Lat Used Yellow Pages at Work/Elsewhere 1-4 Weeks Ago	105	8.33%	11	.87%
Lat Used Yellow Pages at Work/Elsewhere 1-7 Days Ago	117	11.24%	0	.00%
Lat Used Yellow Pages at Work/Elsewhere 1-7 Weeks Ago	109	17.25%	0	.00%
Lat Used Yellow Pages at Work/Elsewhere Over 3 Months Ago	163	19.73%	113	13.93%
Read 2-3 of Lat 4 Issue-AMF/The Magazine	23	2.09%	1	.08%
Read 2-3 of Lat 4 Issue-Better Homes/Gardens	131	13.87%	86	7.12%
Read 2-3 of Lat 4 Issue-Consumer Reports	128	3.37%	13	.37%
Read 2-3 of Lat 4 Issue-Cosmopolitan	243	6.31%	87	3.03%
Read 2-3 of Lat 4 Issue-Family Circle	118	6.12%	129	6.67%
Read 2-3 of Lat 4 Issue-Good Housekeeping	75	3.54%	90	4.27%
Read 2-3 of Lat 4 Issue-National Geographic	110	12.13%	85	6.07%
Read 2-3 of Lat 4 Issue-Newsweek	123	7.60%	281	9.02%
Read 2-3 of Lat 4 Issue-O, Oprah Magazine	131	4.72%	110	10.81%
Read 2-3 of Lat 4 Issue-Parade [Carer]	108	14.33%	119	15.93%
Read 2-3 of Lat 4 Issue-Parade [Woman]	116	14.93%	119	15.93%

Message and Offer Crafting

It would be labor intensive and costly to create messaging for all 172 unique segments. To avoid this, organizations generally roll up segments into 7-10 highly strategic groups based on customer data and business priorities. Using the data available in ElementOne, you can create profiles for each target group. These profiles provide context and visuals to increase segment understanding for your internal organization and creative agencies. ElementOne gives you the ability to develop group naming conventions that are descriptive, relevant to your business and simplify communications.

POWER PLAYERS 25% of HH's		
Young professionals out on their own and getting their career going. Have higher incomes and are not shy about spending money on the things they want. They enjoy going out and hanging with friends.		
Demo Profile	Lifestyle/Hobbies	Media Profile
<ul style="list-style-type: none"> • Average Age: 27 • Average Income: \$94K • Children: 7% • Homeownership: 63% • Found in urban/suburban areas of major metros • Most with Professional careers 	<ul style="list-style-type: none"> • Major life events – college graduation, marriage and job changes • Driven and want to get to the top of their career • Enjoy bars, nightclubs, comedy clubs and playing pool • Athletic activities include tennis, jogging and weight training 	<ul style="list-style-type: none"> • Highest radio penetration of all segments and consider listening to music an important part of life • Watch professional sporting events including Football and Basketball • Heavy internet users. Online at home, at work and on the go

With ElementOne target group profiles created, you can conduct market research against those segments to test value proposition and messaging by segment to identify service positioning. This allows you to develop compelling and relevant messaging and use cases to targeted groups and guide broader market creative development.

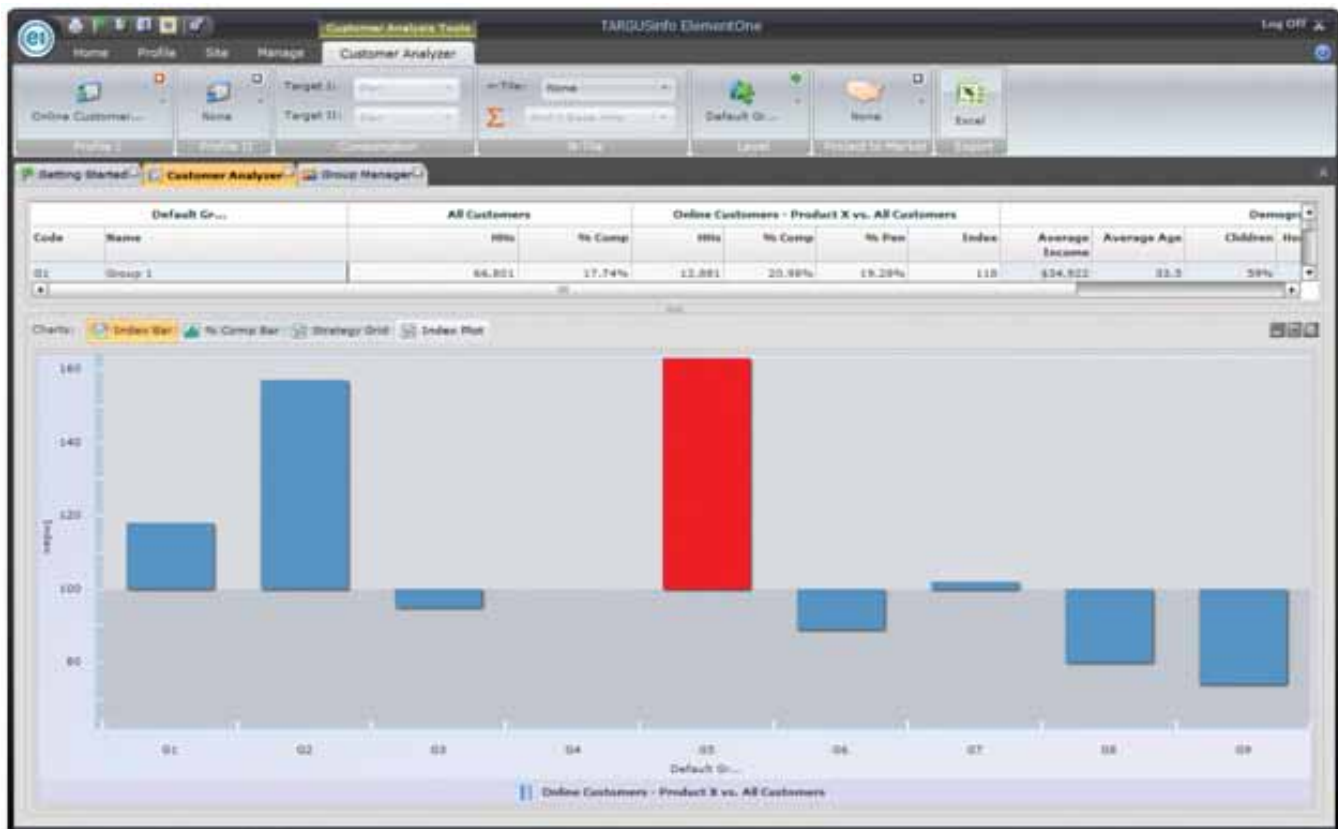


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Once the positioning is set, you can use ElementOne to compare products/services to understand which groups prefer to purchase specific products through certain channels.

In this example, strategic groups are significantly more likely to purchase a certain product through the online channel.

Armed with this insight on your customers and prospects, you can develop better marketing strategies and execute against them.



Now you know the right offer to serve to the right prospect in the right place to drive the highest conversions.

For more information, call **800.6.TARGUS** (800.682.7487) or email info@TARGUSinfo.com.