

# Study Identifies Lifestyles of Consumers for Premium Telecommunications Products

## *Reveals Future Marketing Opportunities*

### **The Challenge:**

A large telecommunications company (the “Client”) wanted to profile its database of consumers who had purchased one of three premium products to determine if purchasers had similar lifestyle characteristics. On the heels of a successful cooperative marketing campaign where the Client and a video rental store offered free movie rentals with the purchase of a premium product, the Client wanted to identify other cooperative marketing opportunities that could generate sales.

The objective was to answer the following questions:

- What are the lifestyle characteristics of the purchasers of each of the premium products?
- Could this information provide direction in pursuing additional cooperative opportunities to gain more customers?

### **The Solution:**

To answer these questions, Ruf Strategic Solutions performed a lifestyle analysis of the databases that provided information on specific activities, opinions, and interests of the customers.

Six profiles were completed. There are two divisions of the company (Division A and B), each covering different geographic regions. Division A and Division B both had approximate databases of 50,000. Both divisions offer three premium products. The product offerings include service features such as caller identification, call notes, high Internet access, and a bundled package of features.

Each profile report included a full ranking of the 919 lifestyles identified by Ruf and Simmons Research. Appending the Experian file, which contains data on 91 million households, further enhanced this lifestyle data. The lifestyles were then ranked by the lifestyle index, a comparison

of the relative degree of penetration as compared to the overall penetration. For example, an index of 188 would indicate that the lifestyle characteristic was 1.88 times greater to occur in the customer group as compared to the overall US percentage. With the index ranking, the Client could see what lifestyle characteristics had the highest and lowest rankings. Also, the corresponding percentage of the Client’s database that has the lifestyle characteristics and the overall percentage of the US population are given, enabling the Client to make smart marketing decisions.



### **The Results:**

In the six profile reports compiled for the two divisions and three products, some of the same lifestyle characteristics emerged as highest ranking, as well as some different characteristics. This information allowed the Client to:

1. Target new prospects better. The Client can make accurate lifestyle lists selections, and market to those prospects who have characteristics similar to past purchasers. The Client can segment by product and geographic areas.
2. Increase the effectiveness of cooperative marketing programs. The Client can pursue cooperative marketing programs with companies that provide services and/or products that are likely to be used by Client’s customers, based on the lifestyle analysis.

