

GREEN



Simmons GreenAware™

a segmentation system using a selection of key environmentally-relevant measurements



“Companies need to start from where their customers are and see how environmental concerns fit into their lives”.

*Lee Bodner,
executive director of ecoAmerica,
Washington, D.C.*

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The Green Tipping Point

Green marketing must satisfy two objectives:

- *improve environmental quality*
- *satisfy the customer*

▪ *Sourced from Environment Vol. 48 June 2006*

Category leaders are increasingly incorporating environmentally friendly, sustainability and earth-saving practices into both product development and marketing communications

- *Toyota: leadership in hybrid models*
- *P&G: drive to reduce packaging in detergent category*
- *IBM: investing \$1bn in energy-efficient initiative called “Project Big Green”*
- *Wal-Mart: solar panels installed in some stores, requirements for vendors to be more energy-efficient*
- *Coca-Cola: announced plans to build a recycling plant*

* *Sourced from The Delaney Report, Sept 3, 2007. Vol.18, No. 33*



Green Marketing Rules

- Know your Customer
- Empower Consumers
- Be transparent
- Reassure the buyer
- Consider your pricing

Source: Jacquelyn Ottman, Sustainable Life Media

What all of these have in common is the need to better understand consumer motivations, their attitudes and opinions, and how to reach them to engage in an effective conversation for your brand.



GreenAware: Simmons Green Segments

- 1. A system to help you target a marketplace estimated to be worth \$300 to \$500 billion annually**
- 2. Profiles include buying behavior but also attitudes, opinions, lifestyle and psychographics.**
- 3. Usage behavior for all major media, more than 450 product categories and over 8,000 brands**
 - Includes in-depth demographic, psychographic, and lifestyle descriptions of all Americans.*



GreenAware Segments

Based on the distinctive mindset of consumers towards the environment, better understand four distinct consumer segments and see how environmental concerns fit into their lives:

- **Behavioral Greens:** Thinks and acts green, negative attitudes towards products that pollute, incorporate green practices on a regular basis.
- **Think Greens:** Thinks green but does not necessarily act green.
- **Potential Greens:** Neither behaves nor thinks along particularly environmentally conscious lines, remains on the fence about key green issues.
- **True Browns:** Not environmentally conscious, and may in fact have negative attitudes about environmental focus.



What Is Delivered?

- 1. Segments share not only purchasing behavior toward green products but also attitudes, opinions, and lifestyle.**
- 2. Comprehensive demographics**
- 3. Extensive media usage**
- 4. Category and brand consumption**
- 5. Detailed opinion, self-description, and psychographic questions**
- 6. Released twice a year: Spring and Fall**



GreenAware: Segmentation System Methodology

- Relevant drivers identified for the segmentation system among 60,000+ variables in the National Consumer Study related to environmental issues
- Key drivers deployed in a series of potential cluster solutions related to environmental concerns
- Cluster solutions examined to determine how distinct, well formed, and logical the clusters represent behavioral and attitudinal entities
- GreenAware is a segmentation system developed using a selection of key environmentally-relevant measurements in Simmons National Consumer Study - a nationally representative survey of the American consumer. The measurements were chosen for their ability to place individuals into groups with distinctly different attitudes and behaviors towards the environment. These groups were created using an enhanced application of traditional k-means statistical clustering techniques that isolates the best clustering solution from a large universe of potential solutions.



Case Study 1

■ Green Consumers and Conservation Trends

- **Client issue:** *Understand people who make environmental contributions. Find people who care about the environment and behave accordingly but who are not currently donating toward green causes. The opportunity for the client is in capturing the new target by inciting them to donate and therefore, expand the target to "save the planet"*
- **Simmons solution:** *Use the distinctive mindset and behaviors of the ideal consumer who contributes to causes and is interested in a better environment, identifying these influential customers by using Simmons' Green Segmentation*
- **Result:** *Capture both current donators and prospects, create a larger universe from which to source business for the brand moving forward, and build upon the strengths of each*



Case Study 2

■ Marketing Communication

- *Client issue: Understand eco-friendly mindset of current and prospective consumer, identify how environmental concerns fit into their lives, and find where these customers are.*
- *Simmons solution: Using the Simmons' Green Segmentation identify the distinctive customer groups locally. Develop direct mail campaign and media communication plan*
- *What was accomplished as a result: Capture distinct consumer segments and create a customizing messages based on their interests. The opportunity for the client is to communicate with consumers and to show how their green efforts can benefit the community*



Thank you!

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