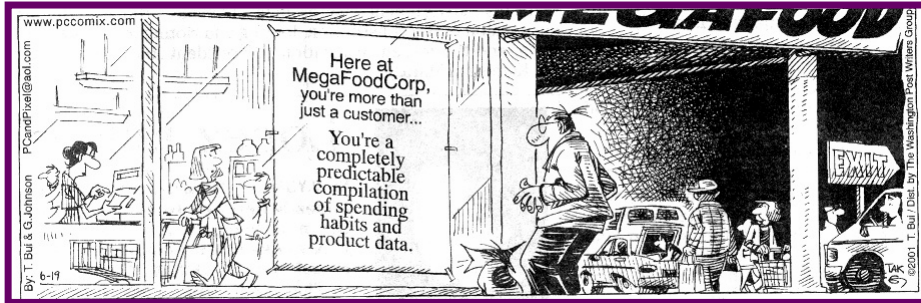
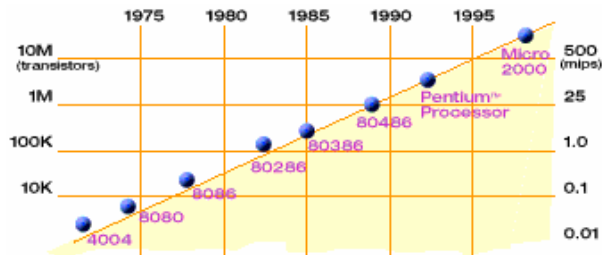


# Back to the future

Using market segmentation studies to monitor and predict trends



## Forecasting



Moore's Law

## Foresight (futuring)



## Sport and Active Leisure: The future marketing environment

(Hillary Commission, Jan 2000)

- Consumer Society: expects high standards
- Choice and Competition: there's so much to do
- Shrinking time: and there's no time to do it
- Disappearing communities: shallow roots
- Wealth Gaps: the poverty and beneficiary trap
- Family Meltdown: nuclear implosion
- Metro Magnetism: growing cities
- Greed is good: hedonistic Gen X

## Prospect Theory

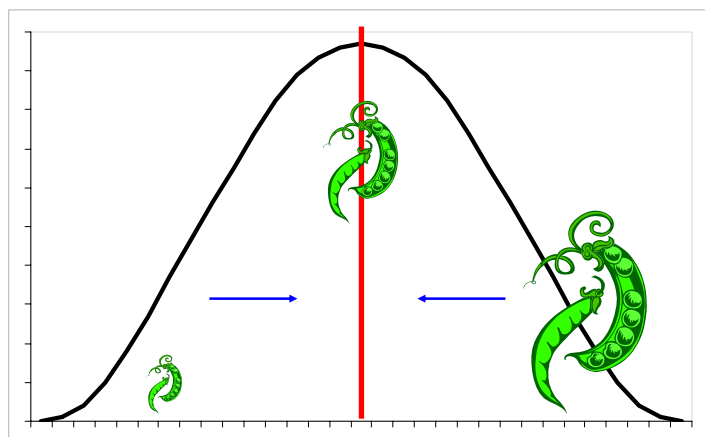
(Bernstein, *Against the Gods*, 1996)

- We tend to ignore the common components of a problem and concentrate on each part in isolation.
- We have trouble recognising how much information is enough and how much is too much.
- We pay excessive attention to low-probability events accompanied by high drama and overlook events that happen in routine fashion.

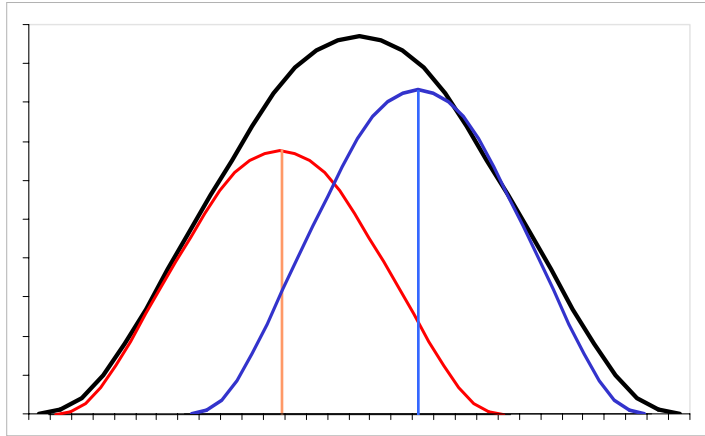
## Prospect Theory

- We display risk-aversion when we are offered a choice in one setting and then turn into risk-seekers when we are offered the same choice in a different setting.
- We treat costs and uncompensated losses differently, even though their impact on wealth is identical.
- We start out with a purely rational decision about how to manage our risks and then extrapolate from what may be only a run of good luck. As a result, we forget about regression to the mean, overstay our positions (we don't cut our losses), and end up in trouble.

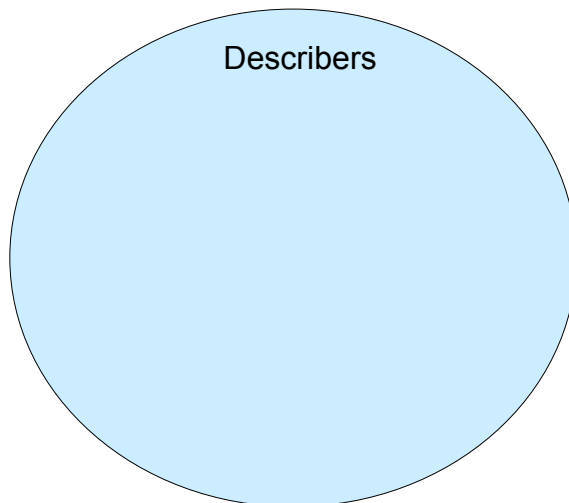
## Regression to the Mean



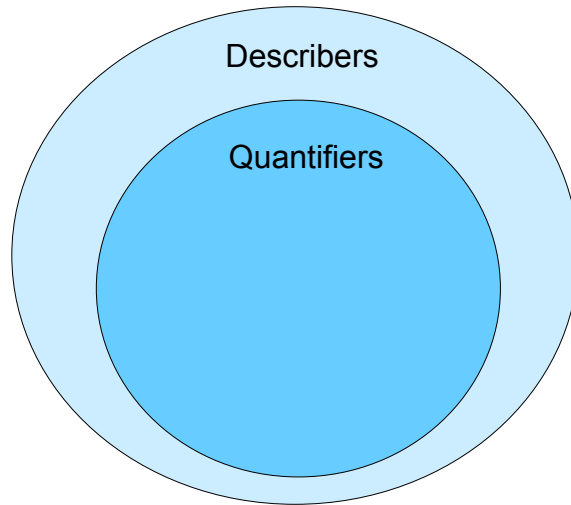
## Market Sub-populations



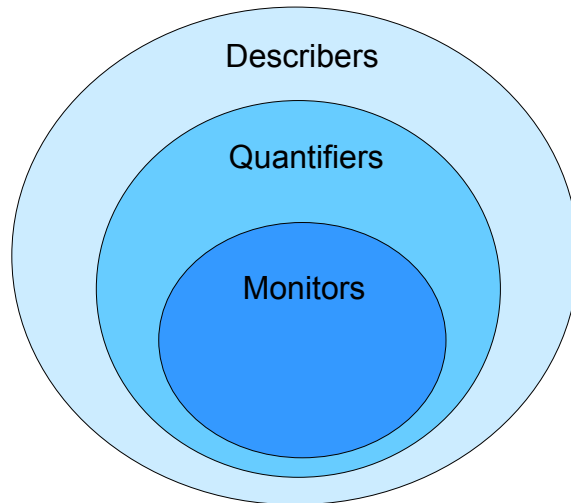
## Types of Market Segmentation Analysis



## Types of Market Segmentation Analysis



## Types of Market Segmentation Analysis



## Describer: Targeting Teens

(Hillary Commission, 2001)

- ▶ Sporty Kids
- ▶ Cool Kids
- ▶ Nerdy Kids
- ▶ Mainstream Kids

Analysed by: interests, sports and physical activities, and motivations and inhibitors

## Describer: DOC Visitor Strategy

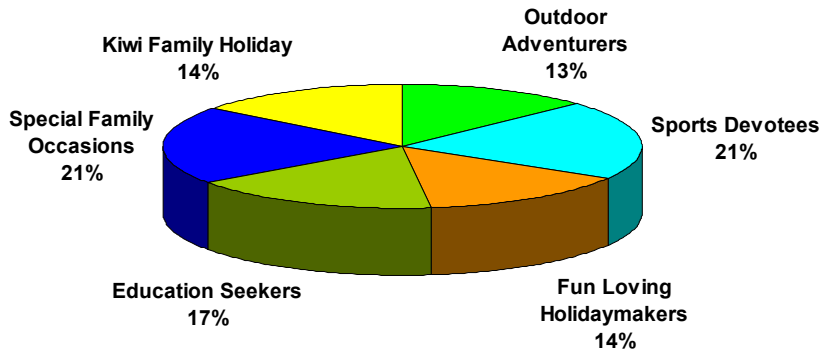
(Department of Conservation, 1996)

- ▶ Short Stop Travellers
- ▶ Day Visitors
- ▶ Overnighters
- ▶ Backcountry Comfort Seekers
- ▶ Backcountry Adventurers
- ▶ Remoteness Seekers
- ▶ Thrill Seekers

Matched to Recreation Opportunity  
Spectrum Classes

# Quantifier: New Zealand Holidays: a travel lifestyles study

(Dept of Marketing, Otago Uni, 1997)



|                                |   |
|--------------------------------|---|
| Outdoor Adventurers 13.0%      | Adventure, enjoyment, new and challenging experiences, and wilderness or nature experiences.  |
| Sports Devotees 20.7%          | To watch or participate in sports and/or special events.  |
| Fun Loving Holidaymakers 14.4% | Fun, entertainment, shopping, enjoyment, familiarity, safety, and to visit a place where people speak the same language.                              |
| Education Seekers 16.8%        | Learning, knowledge, sense of history, to experience cultural differences, authentic experiences, and to experience nature.                           |
| Special Family Occasions 20.7% | To visit friends and extended family for a special occasion, and to visit the place where family originated from.                                     |
| Kiwi Family Holiday 14.4%      | Travel with immediate family, availability of children's attractions, rest and relaxation, to re-visit favourite places and to go somewhere familiar. |

# Monitor: New Zealand Beyond 2000. A consumer lifestyles study

(Consumer Research Group, Otago Uni, 2001)

| 1995/96                       |       | 2000    |                           |
|-------------------------------|-------|---------|---------------------------|
| Success-Driven extroverts     | 16.4% | ▶ 3.2%  | Success-Driven extroverts |
| Educated liberals             | 9.7%  | ▶ 10.3% | Educated liberals         |
| Active 'family values' people | 15.5% | ▶ 18.8% | Traditional values        |
| Pragmatic strugglers          | 14.7% | ▶ 11.8% | Pragmatic strugglers      |
| Social strivers               | 13.0% | ▶ 13.1% | Social strivers           |
| Accepting mid-lifers          | 17.1% | ▶ 19.4% | Accepting mid-lifers      |
|                               |       | ▶ 13.5% | Young pleasure seekers    |

- Success Driven Extroverts 3.2% Value free enterprise  
Actively ambitious
- Educated Liberals 10.3% Progressive and egalitarian  
Enjoy variety and diversity
- Traditional Values 18.8% Family and community oriented  
Conservative
- Pragmatic Strugglers 11.8% Politically conservative  
Negative outlook
- Social Strivers 13.1 % Outer directed  
Conformist
- Accepting Mid-Lifers 19.4% Observe rather than partake  
Accepting of status quo
- Young Pleasure Seekers 13.5% Generation Xers  
Living for today



## Political feelings

- ▶ New Zealanders are less positive about life in New Zealand.
- ▶ Big business is perceived in a more positive light.
- ▶ We are more receptive to 'foreign' influences and there are fewer issues about immigration.
- ▶ There is less support for retaining the flag and the monarchy.

## Individual changes

- ▶ Increased dissatisfaction with life at the individual level.
- ▶ A drop in popularity for the Kiwi do-it-yourself attitude and 'natural living and striving for better things'.
- ▶ Work is less interesting and people describe themselves as less outgoing than previously.

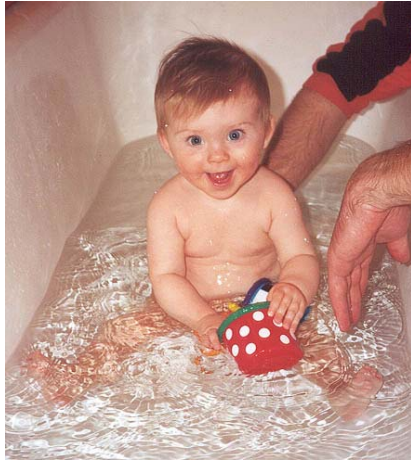
## Family relationships

- ▶ Families spend less time together and are not as close knit as they once were.
- ▶ People spend less time at home.
- ▶ Time away from children and family appears to be imposed rather than desired.
- ▶ More people report their families are less well off financially than in the previous year.

## Consumption issues

- ▶ Consumers are less likely to believe that retailers make excessive profits (in line with greater acceptance of 'big business').
- ▶ Prices are acknowledged as reasonable, but product quality has improved consistently.
- ▶ Service quality has improved.
- ▶ Pre-prepared foods and dining out with friends are more common.

Time away from children and family appears to be imposed rather than desired



## The Future Marketing Environment

(Hillary Commission, Jan 2000)

*“We are fooling ourselves if we hang on recklessly to our parents’ notions of community service and joint effort. This is not how other developed societies are now behaving and we have to accept that the decline in our society is probably an irreversible reality.”*