



Precision Pays: Using Segmentation To Transform Marketing ROI

A CLARITAS EBOOK

Segmentation has been around since at least the 1950s and is just as relevant today as it was 70+ years ago. In fact, it's arguably even more important today with the abundance of channels and options available to consumers. So, why do so many companies, across all industries, struggle with reaching the right consumers via the right channels at the right time, with the right offers? The answer is simple. Either they are not using segmentation at all and are relying on mass marketing efforts to meet their goals or, more commonly, they are using outdated and unactionable models.

In this eBook, we will showcase reasons why your segmentation model is critical to your success. Our insights will help you reach the right prospects at the right time via the right channels. We will help you uncover the best ways to increase share of wallet and loyalty with your current customers, and you will be better able to identify your current best customers. In addition, we'll highlight segmentation models created for specific industries, and we will show you how marketers are incorporating AI into their plans to drive successful marketing outcomes.

How many marketing channels exist today?

It is widely accepted that there are two marketing channel groups: **Traditional**, which covers mostly offline media, and **Non-Traditional**, the umbrella term for more digital-focused media. Within these are dozens of subchannels, like TV, print, email, social, direct mail, digital audio, and display. Claritas can deliver audiences across our vast network of 150+ channels and platform partners, and your agency.



Understanding The Basics



What is segmentation?

Segmentation, in the context of marketing, is the process of dividing a market of potential customers into groups called segments, based on different characteristics, behaviors, demographics, and/or preferences.

Why do you need segmentation?

Simply put, the more precisely you can define a target audience, the more accurately you can predict whether they are your best prospects. Segmentation is an accurate and scalable way to develop a winning marketing strategy.

How does segmentation work?

Typically, your customer data is appended with segmentation codes, which identify and personify your best customers, helping you understand who they are and what they prefer so you can connect, engage, and inspire them to take a preferred action.

Segmenting audiences makes your targeted marketing messages or ad campaigns more effective than if you were to deliver the same message to a mass audience that doesn't consider what they want or need from you.

71.7% of marketers surveyed in a joint **EMARKETER/Snap** survey named campaign and audience segmentation as one of the most effective ways their team translates data into action.

7 Benefits of Segmentation

Segmentation allows businesses across all industry types to tailor their efforts to specific groups of consumers, but what are some of the benefits of a strong segmentation strategy?

Improved customer targeting

Design campaigns that speak directly to the interests and challenges of each segment.

Personalize messaging, increasing relevance and engagement.

Focus on high-potential or high-value segments.

Efficient resource allocation

Allocate budget, time, and resources better, for more impactful marketing efforts.

Reduce wasted ad spend by focusing on the segments that are more profitable and/or most responsive.

Enhanced product development

Tailor features or services to meet the specific needs of your target segments.

Identify unmet needs or gaps in the market.

Improve customer satisfaction and loyalty by offering relevant solutions.

Better positioning and messaging

Align brand positioning with the values and preferences of each segment.

Avoid generic messaging that fails to connect with your ideal targets.

Differentiate from competitors with nuanced understandings of customer needs.

Increased customer retention and loyalty

Increase the likelihood that your customers will remain loyal to the brand.

Deploy targeted retention strategies, like loyalty programs for high-value customers.

Foster deeper emotional connections through personalized engagement.

Scalability and growth

Gain a structured way to enter new markets as your business expands.

Identify niche segments prime for growth.

Scale your strategies while maintaining precision in targeting.

Data-driven decision making

Track the behaviors of your target groups over time to help inform the refinement of your marketing strategies.

Evaluate campaign performance by segment or target group to enable continuous optimization.



Choose Your Model

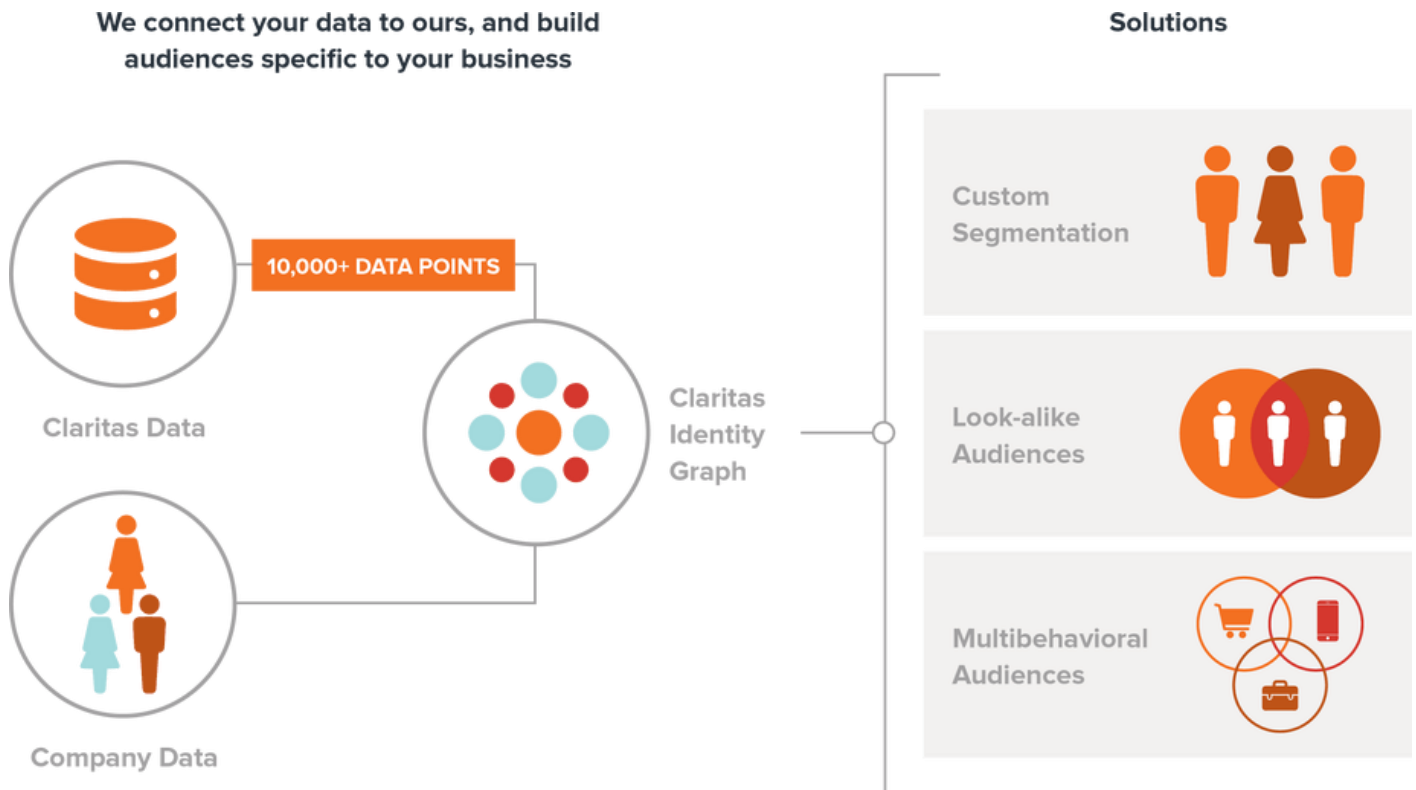
Not all segmentation is created equal. Over the years we've had dozens of companies come to Claritas after failed attempts of creating their own segmentation. Their downfall is typically due to lack of robust data. In other cases, we've had companies come to us after working with a provider who spent months perfecting a custom segmentation solution which ultimately was not actionable outside of the work the company was doing with that provider.

Claritas currently has four syndicated segmentation models – PRIZM® Premier, P\$YCLE® Premier, ConneXions® Premier, and CultureCode®. The system that works best for your business depends on a few different factors, which we will dive into more deeply further in this eBook.



Tailor Made For Your Business Goals

Every business has different marketing objectives. Meeting those objectives sometimes requires addressing a very specific audience. We can build proprietary audiences based on your goals.



Whether you're adding specific attributes to your customer files, building an audience using Claritas behavioral data, or finding more customers that look exactly like your best ones, the end result is that you'll have more of what you need to harness the power of personalized messaging and acquire new customers faster.

Custom Segmentation

Unleash the potential of your 1st-party data by combining it with our robust demographic and behavioral insights. Using our proprietary modeling process, these custom-built audiences include extensive details including audience profiles, storyboards, geographic distribution and directories.

Look-alike Audiences

Already know what your best customer looks like? Based on their known attributes and behaviors, Claritas will find more customers that look exactly like them using the most adopted segmentation in the market along with our unmatched breadth of data.



Standing Out In A Crowded Landscape

Don't settle for basic neighborhood-level insights; understand demographics and behaviors at the household level to drive the most effective campaigns.

What Sets Us Apart:

- Experienced Demographers and Data Scientists
- Extensive linkages to first and third-party surveys and data
- Depth and breadth of data products
- Granularity down to household level
- Online and Offline Availability
- Privacy compliant
- Innovative and unique methodologies
- Seamless integration across platforms
- Direct match to 1st party client data
- Experienced analytics teams for custom projects
- Ecosystem connectivity

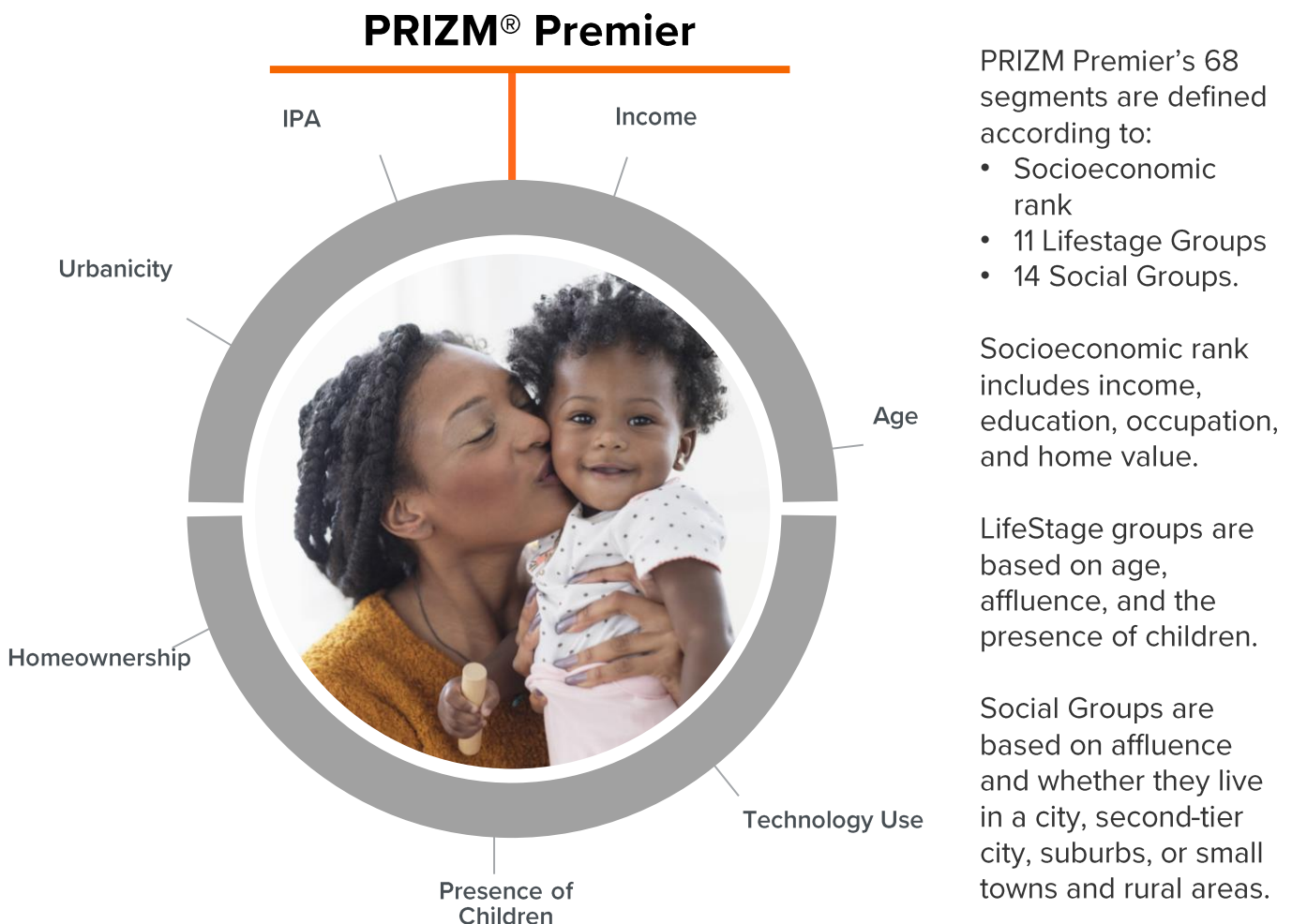


Staying Ahead of the Curve: Segmentation for a Changing America

At Claritas, innovation isn't just a buzzword—it's our legacy. We've consistently led the evolution of consumer segmentation by embracing new data sources and adapting our methodologies to keep pace with the ever-shifting landscape of geodemographic information, particularly from the U.S. Census Bureau and beyond.

Our forward-thinking approach blends cutting-edge statistical techniques with dynamic, real-world data, allowing us to do what few others could: build an entirely new standard for segmentation. The result is PRIZM® Premier, a breakthrough system that delivers the richest, most accurate view of household behavior and consumption across today's increasingly complex and diverse marketplace.

With PRIZM® Premier, marketers don't just see who their consumers are, they understand them in full context, empowering smarter strategy, sharper targeting, and stronger results.





Mature Years
LIFESTAGE GROUP
M1 Affluent Empty Nests

Suburban
SOCIAL GROUP
S1 Elite Suburbs

PRIZM® Premier 01 – Upper Crust

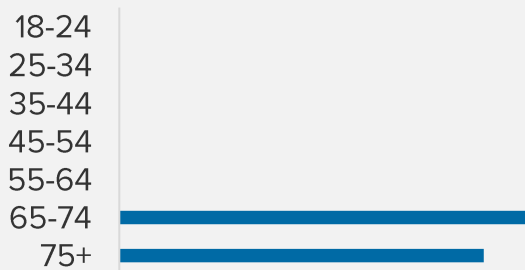
1.01% U.S. HHs

ABOUT ME

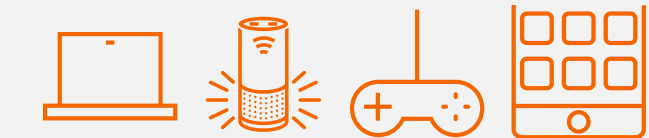
- Drives a Lexus
- Shops at Chico's
- Planning a tour group vacation
- Eats at Bonefish Grill
- Attends PGA tour events
- Watches the Tony Awards
- Listens to All News

HOUSEHOLD DEMOGRAPHICS

Household Age



TECH USAGE



EDUCATION LEVEL



Graduate Plus

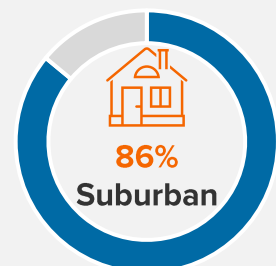
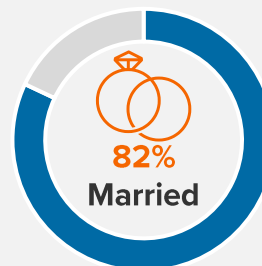
EMPLOYMENT



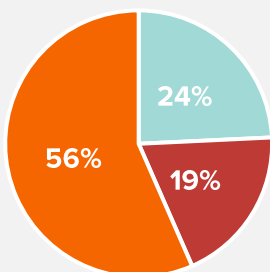
Mostly Retired

MEDIAN HOUSEHOLD INCOME

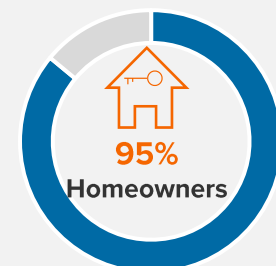
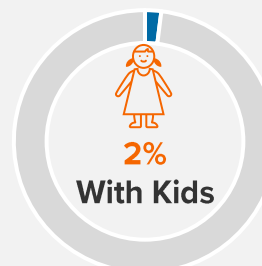
\$157,299



INCOME PRODUCING ASSETS



- Under \$50K
- \$50K - \$99K
- \$100K - \$499K
- \$500K - \$999K
- Over \$1M



PRIZM® Premier is the industry's most widely adopted segmentation solution. It provides rich insights for every household in the U.S. including demographics, lifestyle and media preferences, shopping behaviors and technology usage. What can PRIZM Premier do for marketers?

>300x influenced ROAS
<\$10 average CPA
Acquisition of 1,000s of New Omni Guests

CASE STUDY

Omni Hotels & Resorts Increases Guest Visitation with PRIZM® Premier & Multichannel Activation

Challenge

Omni Hotels & Resorts wanted a deeper understanding of their current and ideal guest profile to help inform marketing strategies that would drive new guests to book stays at their properties.

Solution

Claritas analyzed Omni's data by appending PRIZM Premier to their CRM. The results indicated that their top 20 segments represent 29% of the households in the U.S. but accounted for over 66% of their guests and included many of the top socio-economic segments. We used these insights to execute a multichannel marketing campaign promoting Omni Hotels & Resorts to a look-alike audience created with the help of the Claritas Identity Graph.

The Claritas Effect

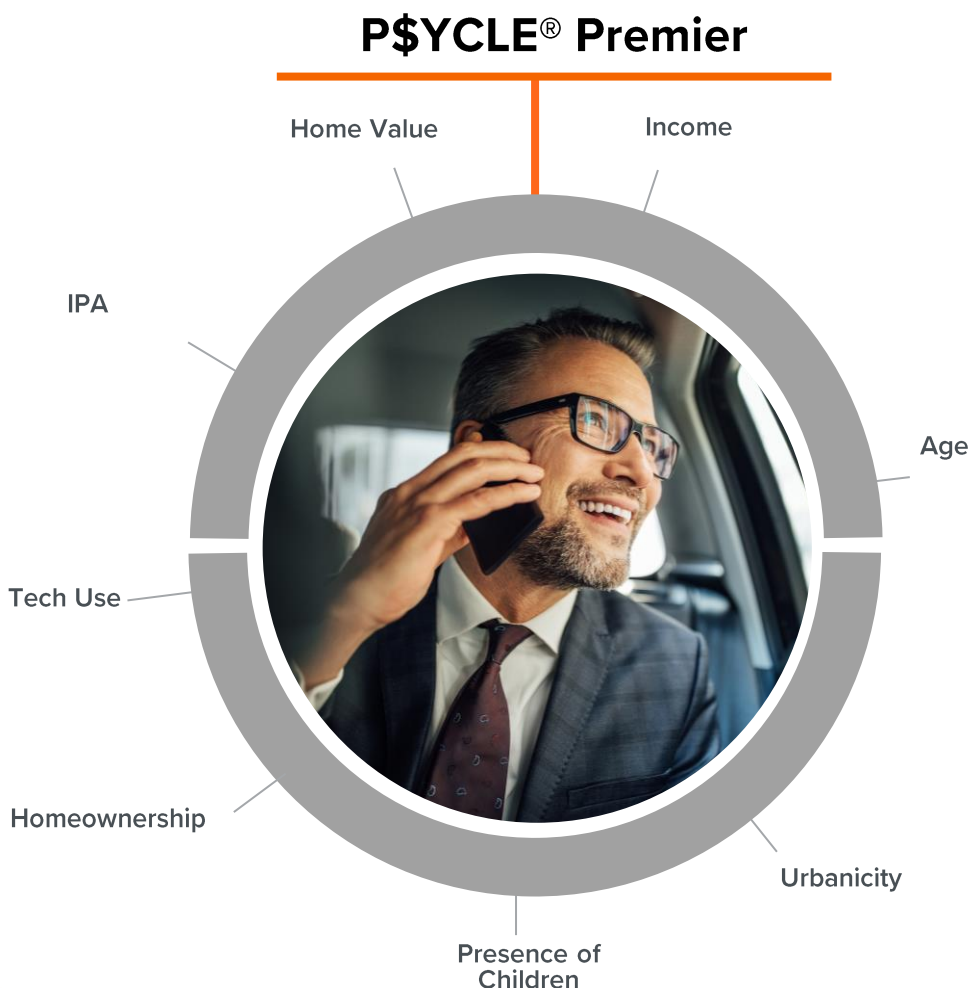
During the 90-day pilot campaign, Claritas worked with Omni to determine which creatives were getting the best engagement, allocating media spend toward the ads that were performing best and removing or replacing any underperforming ads, which also helped guide future campaigns.

Banking On Better Segmentation

P\$YCLE® Premier is the go-to segmentation solution for financial marketers who want to truly understand the financial behaviors and needs of American households. Whether you're in banking, insurance, or wealth management, this proprietary segmentation taps into deep financial data and survey insights to reveal patterns, predict behaviors, and uncover unmet needs. Gain sharper visibility into everything from online banking habits to 401K activity to craft better strategies that truly connect.

Go beyond demographics and capture income, wealth, media habits, tech usage, and purchase behavior with P\$YCLE Premier. Each of the 60 segments doesn't just describe people, they empower you to reach them across channels with precision and relevance, online and offline.

With P\$YCLE Premier, you'll gain a 360-degree view of your customers—what they own, what they need now, and what they'll want next. It helps you identify whitespace in the market, find new prospects in a privacy-safe way, and tailor messaging with a personal touch that builds long-term loyalty. Whether you're looking to deepen existing relationships or grow your market share, P\$YCLE Premier delivers the segmentation intelligence to make every move count.



With 60 precisely defined segments, P\$YCLE Premier draws on financial transactions data as well as the most comprehensive survey of financial behavior.

In addition to demographics and 12 LifeStage categories, P\$YCLE Premier segments include:

- Income (7 groups)
- Income Producing Assets/Wealth (7 groups)
- Technology Use (5 groups)
- Purchase Behaviors (10 categories)
- Media Behaviors (8 categories)



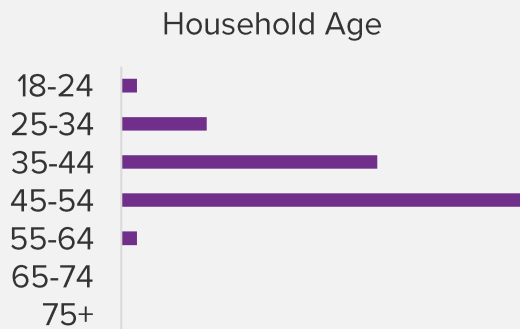
P\$YCLE® Premier 06 – Big Spenders

1.6% U.S. HHs

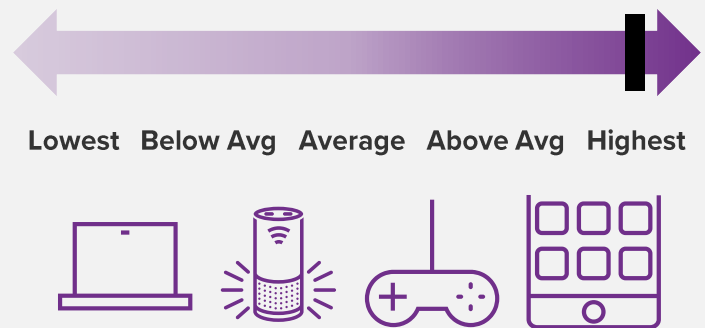
ABOUT ME

- Has 529/state sponsored education account
- Takes ski vacations
- Purchased term life due to birth of child
- 403b split investments
- Shopped for home insurance on the Internet in the past 12 months

HOUSEHOLD DEMOGRAPHICS



TECH USAGE



EDUCATION LEVEL



Graduate Plus

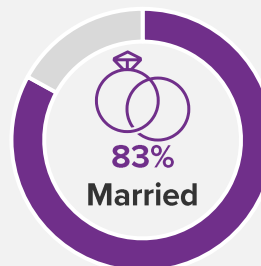
EMPLOYMENT



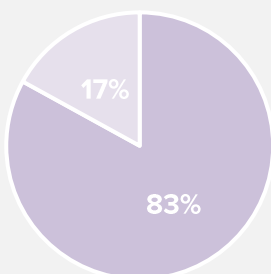
Management and Professional

MEDIAN HOUSEHOLD INCOME

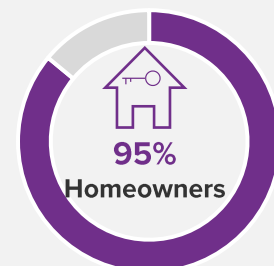
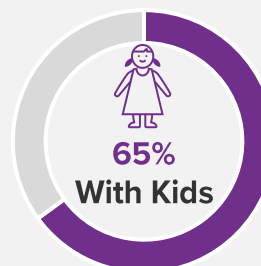
\$199,141



INCOME PRODUCING ASSETS



- Under \$50K
- \$50K - \$99K
- \$100K - \$499K
- \$500K - \$999K
- Over \$1M



Built for the financial industry, P\$YCLE Premier provides comprehensive consumer insights concerning financial wealth, insurance and investment products held, home value, technology behaviors and media preferences. What can P\$YCLE Premier do for marketers?

1,200+ new accounts in two months
\$10MM+ in attributable deposits
Above average campaign KPIs

CASE STUDY

New Insights Help Star One Credit Union's Membership Skyrocket

Challenge

When the VP of Marketing started his position at Star One Credit Union, he determined their segmentation model was outdated, which made it hard to understand who their best members were, so he reached out to Claritas for new insights to help.

Solution

Claritas performed a P\$YCLE® Premier segmentation analysis on Star One Credit Union's 126,000 member records to help them achieve several goals: personify their members better, fill in demographic data gaps, and understand their member's financial behaviors. They also wanted to ensure our insights were validated by their first party data and were both testable and repeatable.

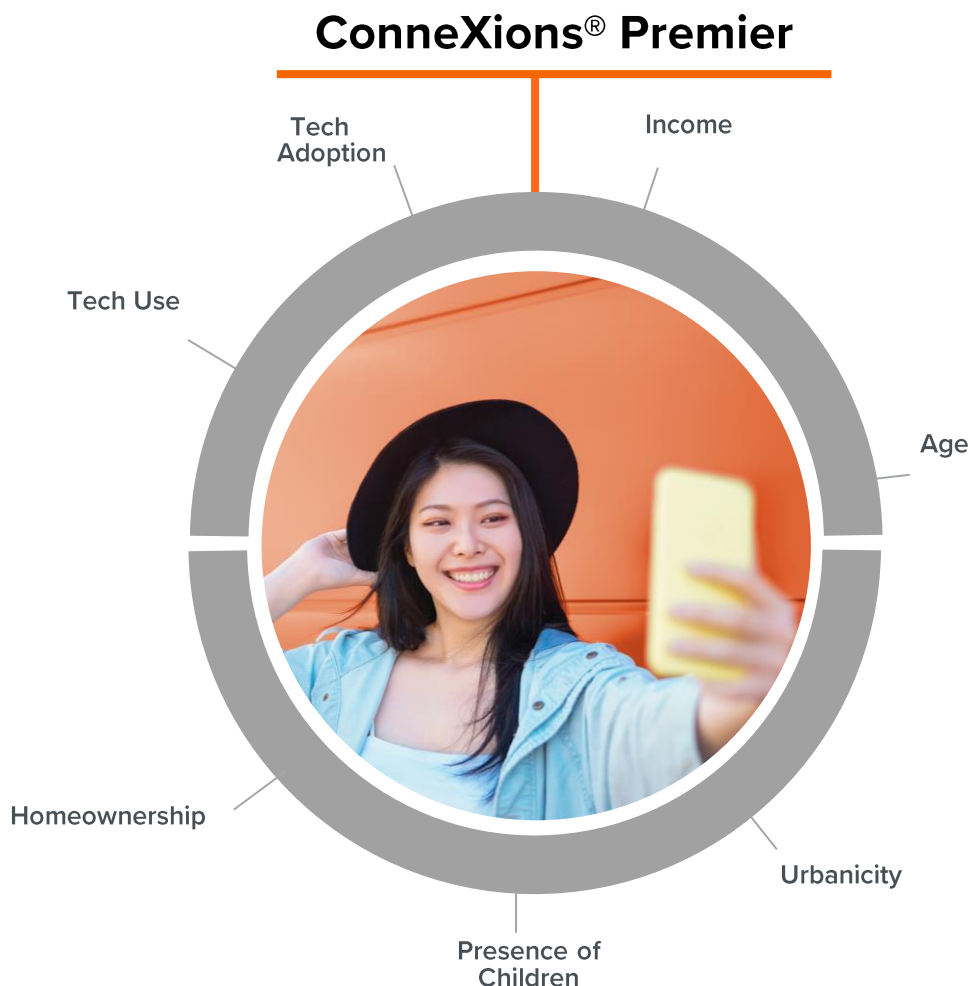
The Claritas Effect

Once Star One knew more about their members, they decided to test new member acquisition campaigns with Claritas promoting attractive Checking and Savings Account offers. The results were so impressive that Star One co-presented its success story with us at Financial Brand Forum.

Plug Into Precision

ConneXions® Premier is a next-generation segmentation solution that brings pinpoint accuracy to audience targeting, exclusively for tech and telco marketers. It dives deep into how consumers adopt and use tech, from video streaming and smart devices to data services and mobile usage. Whether you're planning media buys, building multichannel campaigns, or purchasing targeted audience lists, you'll get more accurate targeting and improved campaign performance.

Additionally available through our self-service consumer and market insights platform, Claritas 360, ConneXions Premier pairs powerful data with an intuitive platform that simplifies activation. You'll gain richer insights on media habits, lifestyle preferences, and tech adoption trends—all updated regularly so your segmentation stays sharp in a fast-moving digital world. With unmatched depth and breadth, it's the segmentation system built to future-proof your tech marketing strategies.



Every U.S. household is assigned to one of 58 consumer segments, classified based on the latest technology, communication, and usage trends.

There are also 10 Lifestage Groups based on age, household composition, and income.

Unique data insights include:

- Streaming and cord cutting trends
- Trending topics
- Podcast consumption habits
- Online and digital usage patterns



P\$YCLE® Premier

18 – Cyber Competitors

2.06% U.S. HHs

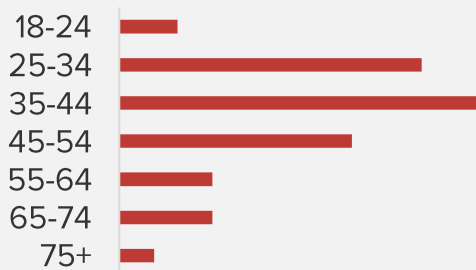
ABOUT ME

- Dynamic young families led by college-educated professionals, committed to leading-edge innovation
- Shun traditional TV services

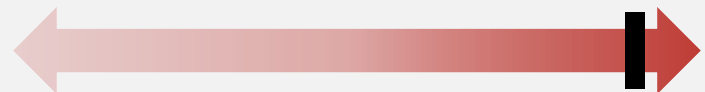
- Utilize fiber optic internet to power smart home devices and streaming
- In their leisure time, they can be found following esports

HOUSEHOLD DEMOGRAPHICS

Household Age



TECH USAGE



Lowest Below Avg Average Above Avg Highest



EDUCATION LEVEL



College Grad

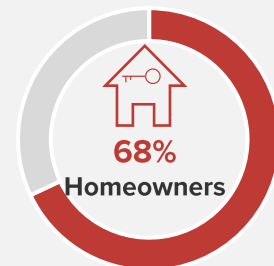
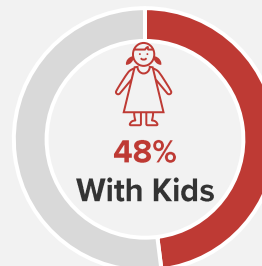
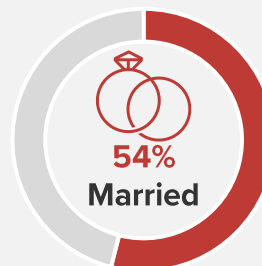
EMPLOYMENT



Management and Professional

MEDIAN HOUSEHOLD INCOME

\$107,428



LIFESTYLE & MEDIA

- Uses Instagram 6+ hours/week
- Bets online or via app
- Subscribes to YouTube Premium
- Streams video via Twitch
- Streams audio via Spotify (paid)
- In their leisure time, they can be found following esports

Designed for the tech and telco industry, ConneXions Premier helps you know more about the technology behaviors of today's connected consumers and predict adoption rates for all major tech categories including smart tech. What can ConneXions Premier do for marketers?

20x ROI on email campaign spend
38%+ click rates on acquisition emails
73% improvement on campaign metrics in one month

CASE STUDY

Point Broadband Brings Fiber to Rural America

Challenge

Point Broadband aims to deliver 100% fiber networks and best-in-class customer service to rural America. Prior to working with Claritas, they felt they were underperforming in their target markets. Their main challenge was trying to understand who their best potential customers in their area of service were and reach them via multichannel campaigns.

Solution

Claritas appended our segmentation to their CRM to determine which households were most likely to become customers. Target groups were created based on factors important to them, namely family type and internet needs. We then used that data to execute email campaigns for them.

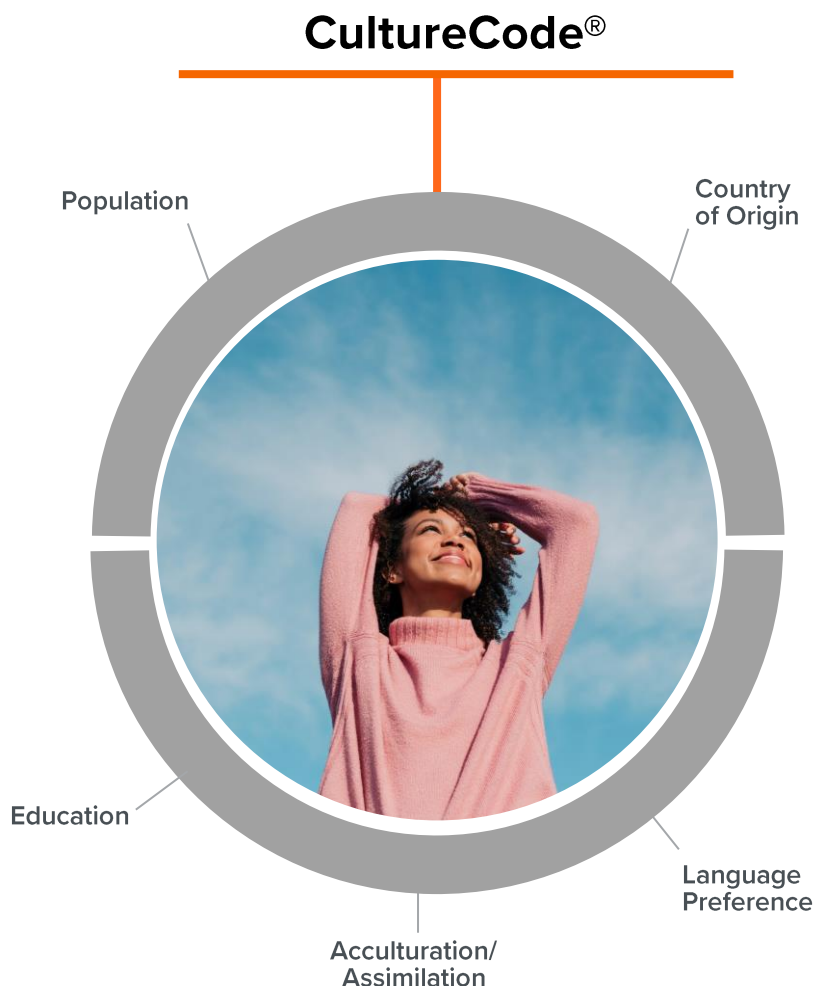
The Claritas Effect

Month over month Point Broadband has been consistent in converting key targets and, after listening to feedback from the Claritas team about their messaging, their campaign metrics improved 73% in one month.

Cracking The Code To Multicultural Growth

Multicultural audiences are fueling the next wave of market expansion, but winning their attention takes more than a one-size-fits-all approach. CultureCode® gives marketers the edge with deep insight into over 245 multicultural audience groups. It's a powerful tool built to navigate the complexity of today's diverse consumer landscape, helping you understand cultural values, behaviors, and preferences like never before.

CultureCode segments the multicultural market through two powerful lenses: Hispanicity™ and Asianicity™. These segmentations drill down into origin, language preference, education, acculturation, and more, uncovering what truly drives consumer choices. From psychographics and life stage to shopping and spending patterns, you'll have the tools to communicate authentically and effectively at every touchpoint.



CultureCode deepens and enriches the picture of each multicultural and syndicated audience by refining with additional demographic, economic, behavioral, and attitudinal attributes, such as:

- LifeStage
- Socio-economic status
- Spending potential
- Shopping behavior
- Lifestyles
- Psychographics

Gain insights with CultureCode into over 130 million multicultural consumers by acculturation, country of origin, preferred language, lifestyle preferences and more. What can CultureCode do for marketers?

1,100% increase in conversion rates
25.3% email click-thru rates
304 Facebook leads in one month

CASE STUDY

Digital Efforts Boost Retail Sales & Attracts Multicultural Prospects for Andrea USA

Challenge

Andrea USA is a shoe and apparel retailer who distributes their products mostly through sales agents selling their goods via catalogs. Wanting to grow by 10% (for a possible 30% increase in sales), Andrea USA enlisted Claritas for help with digital outreach to increase awareness among Hispanic woman ages 25-45 looking for new opportunities to supplement their income.

Solution

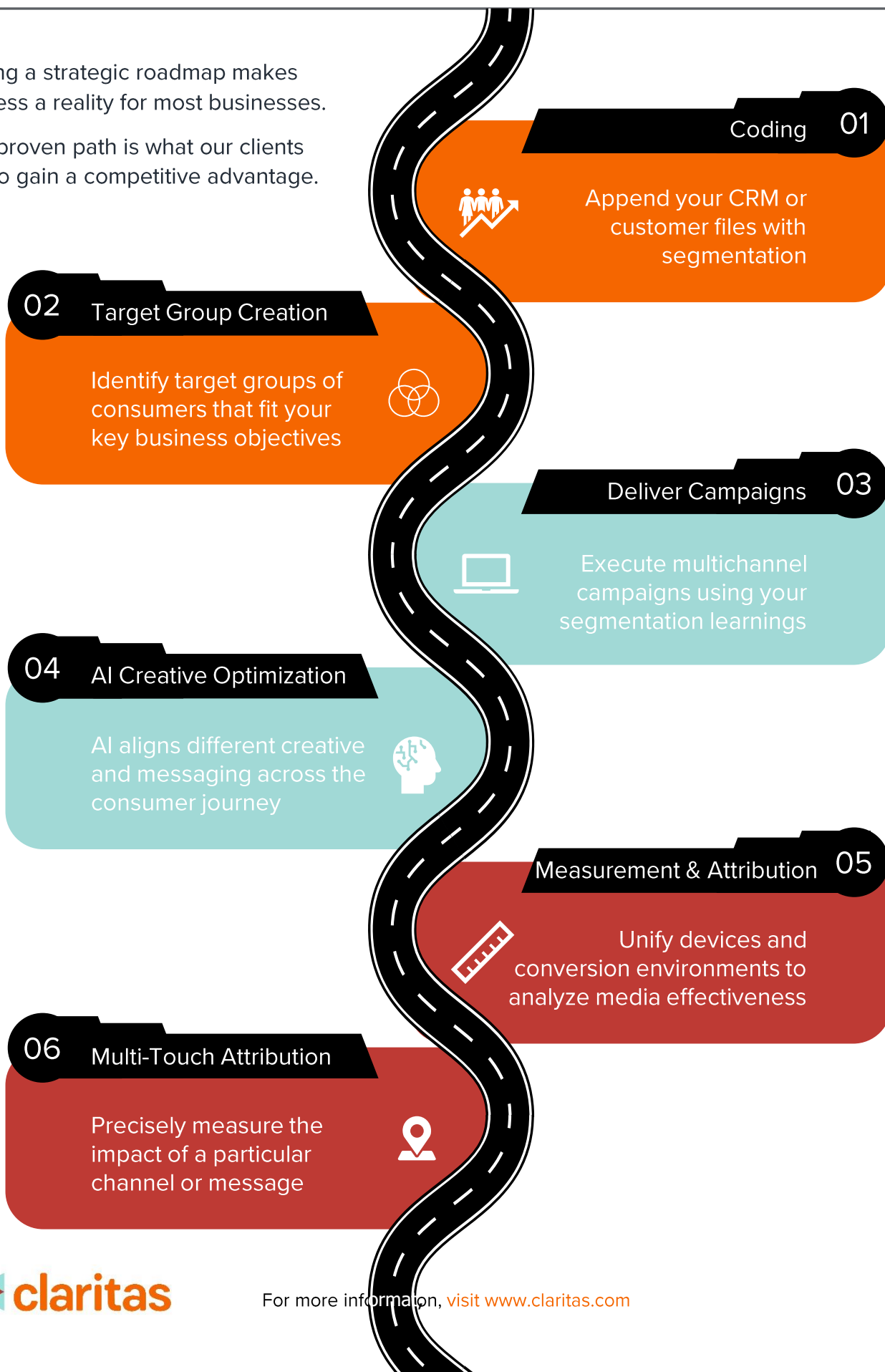
Coding Andrea's database, Claritas learned that 57% of their existing agents fell within 7 PRIZM® Premier segments and 3 Hispanicity™ segments (HA2, HA3, HA4). These segments were used to find new agents across multiple channels and create specific campaigns to target them.

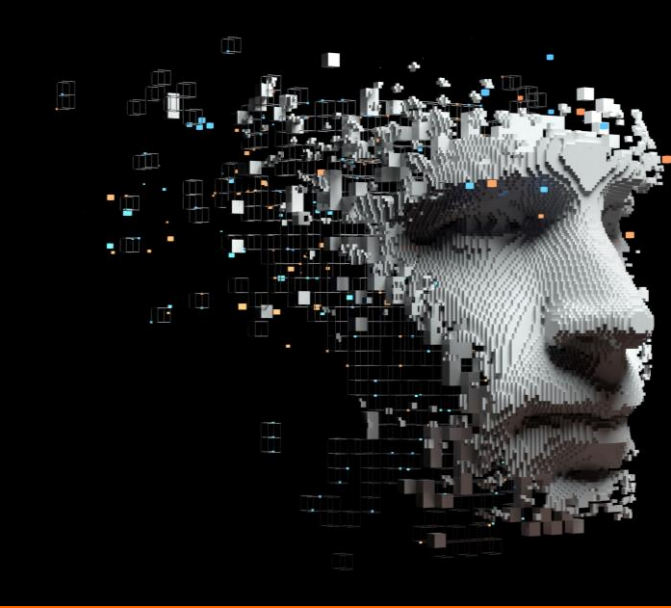
The Claritas Effect

Focusing on markets with high Hispanic populations, Claritas deployed Andrea's Facebook and Google ads, and executed email campaigns. Additionally, ongoing insights into which campaigns and creative performed the best, helped optimize campaigns in-flight to maximize ROI.

Having a strategic roadmap makes success a reality for most businesses.

This proven path is what our clients use to gain a competitive advantage.





30% Marketers see an average campaign performance boost with Claritas AI

How are marketers leveraging advanced AI technologies to enhance the effectiveness of their marketing campaigns?

AI can analyze data to identify the optimal audience for your message, then adjust targeting throughout your campaign.

At Claritas, we use AI to find audience patterns at the ZIP5 Code level, bypassing the limitations of traditional data providers and enabling marketers to activate AI-driven audiences without incurring additional fees or complexities.

Smarter Targeting, Superior Results: The Power of AI Audiences

The innovative audience optimization method we created unlocks new possibilities for targeted campaigns, allowing you to reach your ideal customers more efficiently and effectively, boosting conversion rates by 30% on average.

Integration of Advanced AI: Claritas integrates patented and advanced AI (Clair) into its infrastructure, utilizing machine learning methodologies combined with unparalleled data depth & breadth and the Claritas Identity Graph. This integration enhances the accuracy, speed, ease of use, and scale of our full suite of solutions.

Effortless AI Optimization: Claritas AI analyzes data, identifies the best audience, and optimizes targeting weekly, maximizing your ROI.

Uncover Hidden Audience Insights: Go beyond static data. Claritas' advanced AI engine reveals hidden patterns and suggests the most receptive audiences for your campaign each week, providing online dashboards to see which segments are trending.

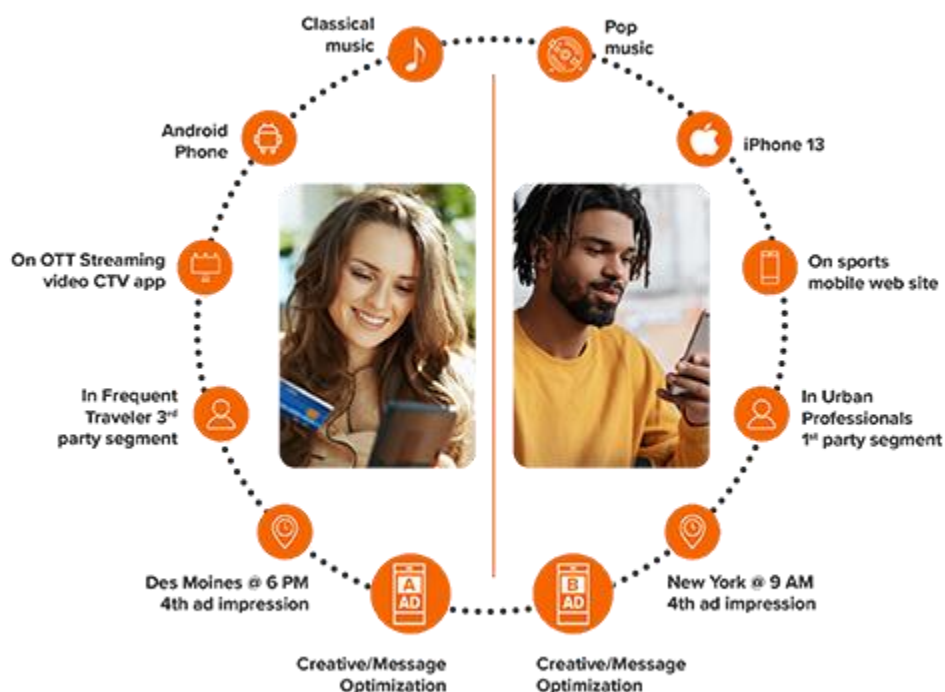
Expand Impact & Improve ROI by discovering unconsidered, highly receptive audiences. The AI boosts conversions and increases ROI, guaranteed.

Optimize Media Mix through AI-driven balance of audience targeting, message personalization, and channel selection.

What if you could interact with a virtual representation of your ideal customer?

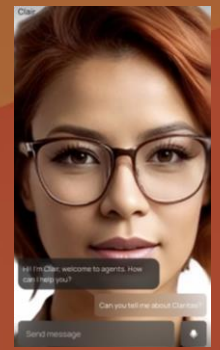
Claritas AI Audiences provide interactive conversations that lead to:

- Unlocked hidden motivations
- Guided marketing strategies
- Hyper-personalized experiences
- Improved brand loyalty and awareness



According to The State of Personalization 2024 report from Segment, **73%** of business leaders agree that AI will fundamentally reshape personalization strategies.

Ways to leverage segmentation to enhance your AI strategy to drive more effective campaigns. Integrate cutting-edge AI technology with our robust data solutions to drive personalized customer experiences and achieve breakthrough results.



IDENTIFY

Audience Optimization

Sending a powerful message to the wrong recipient diminishes its impact. Claritas's AI optimization analyzes message influence on specific audience segments, boosting performance by an average of 12% weekly, as per our initial tests for large marketers.

Deep consumer insights

Claritas PRIZM® Premier AI agents, virtual representations of your ideal customer, offer interactive conversations to unlock hidden motivations and guide marketing strategies.

Claritas + AI

Our powerful AI delivers hyper-personalized experiences, laser-focused in real-time across all touchpoints, boosting ROI. It's a symphony of personalization, where data dances with intelligence for tailor-made experiences.

DELIVER

AI Creative & Message Optimization

Our AI message personalization uses unsupervised learning to discern how to align different creative and messaging across the consumer journey. This enhances our ability to deliver the most impactful messages across audio, digital, video, websites, email, text and call centers.

The AI works 24/7, in real-time, and provides businesses with explainable AI output, to understand how and why the AI aligned different messages with different people in different sequences. Leverage our AI Creative Optimization to:

- Automatically optimize conversions, in real-time
- Understand preferences, behaviors and motivations
- Personalize content creation
- Create dynamic customer journeys
- Improve customer satisfaction and loyalty
- Enhance your competitive advantage

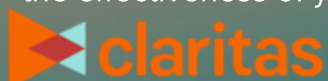
OPTIMIZE

Measurement & Attribution

Know more about what's working and improve what isn't through AI-driven multichannel attribution and incremental lift, measuring performance across digital, audio, broadcast, satellite, CTV/OTT and more. Our multichannel measurement and attribution solutions go beyond "cross device" analysis. We unify devices, conversion environments and precise measurement indicators to truly analyze the effectiveness of your media.

The AI engine works tirelessly, adjusting campaigns on the fly for maximum ROI and ensuring every touchpoint resonates with the right audience.

- Unified customer journey measurement
- Advanced analytics & in-depth reporting
- Fraud-free campaign tracking
- Multi-touch attribution analysis
- ROI-driven lift analysis
- Robust audience insights



Turning Segments into Strategy: Your Next Move

Segmentation isn't just a marketing tool, it's your foundation for smarter decisions, more relevant campaigns, and sustainable growth. Whether you're targeting high-value consumers in financial services, tech-forward households, or culturally diverse markets, Claritas' suite of advanced segmentation models helps you identify, reach, and convert the right audiences with precision.

By combining 50+ years of expertise, 8,000+ syndicated audiences, and industry-leading AI, we empower marketers like you to move beyond guesswork and into confident, data-driven execution. From building look-alike audiences to refining media spend, Claritas helps you connect insights to impact, faster, smarter, and at scale.



Claritas Integrated Marketing Optimization Platform: Audience, Creative, Media and Measurement



The Claritas Marketing Optimization Platform leverages our unparalleled depth and breadth of data, our unique AI technology (Clair), the industry's most robust identity graph, and decades of experience and expertise to deliver marketing ROI based on personas, message features, and an attribution feedback loop. We provide dynamic, real-time customer experiences that involve targeting specific audiences and delivering tailored messages across a wide array of digital channels and formats — from audio and display to email and CTV/OTT video. The attribution loop consistently fine-tunes messaging, channels, formats, and even audience selection throughout the marketing campaign, ensuring optimal results.

Identify the right audiences

Know more about who your best customers and Prospects are with our 8,000 syndicated audiences or create high-performing custom audiences.

Engage the right consumers

Know more about how to engage each person online and offline through AI-driven creative, media planning, and multichannel campaign execution.

Measure performance

Know more about what's working and improve what isn't through campaign attribution, campaign lift, audio attribution, broadcast & satellite attribution, and multi-touch attribution.



The Claritas Identity Graph reaches nearly 100% of US consumer households, connecting billions of data points monthly to create the highest-def portrait of each customer and prospect, fueling the effectiveness of our solutions.



Claritas integrates patented AI, including our revolutionary Clair engine, into our infrastructure, machine learning, and the Claritas Identity Graph, enhancing the accuracy, speed, usability, and scalability of our solutions, unveiling the complex tapestry of the American consumer.



For more information, visit www.claritas.com