Customer segments and value creation

Tutta and Taija

Riitta and Elina

Tampere University of Applied Sciences, Finland

22.5.2024

Morning session´s topics

- Check in for today

- Customer segments and customer profiles
  - What they are?
  - Why we need those?
  - How to create customer profiles?
- Workshop to start create your companies customer profiles
  - Empathy map

- Break

- Value creation
  - Theory about value creation
- Workshop to start create value to your companies customers

Check in

- Group conversation
- Topics:
  - What you bring with you when you arrive?
  - What kind of customer are you? You can think about different services you use
- After group conversation:
  - Everyone can mention on one word one by one, what kind of customer you are.

Customer segments and profiles

Tutta and Taija

Tampere University of Applied Sciences, Finland

22.5.2024

Customer segments, what they are?

- Customer segmentation is the process of dividing a customer to smaller groups of individuals that have similar characteristics.
- A typical way to make customer segments is to devide customers into families, singles, woman, men, age groups etc.
- For example
  - Demografic segmentation (gender, age, marital status, occupation)
  - Geographic segmentation (language, neighbourhood, city, country…)
  - Psychographic segmentation (interests, values, personality traits)

Customer profiles, what they are?

- Customer profiles clearly describe **how different customers operate / act when they use service**.
- Customer profiles descripe also customers **values, when they use services.**
- Customer profiles does not nescesserily include age, gender, married or not…
- Example: library customer profiles:

1. Nestling

2. Fast one

3. Seeker

4. Wants help

1. Nestling

2. Fast one

3. Seeker

4. Wants help

Why I should create customer profiles to my company?

- Different customers have different needs. Products and services can be optimized for each customer profiles according to their needs and appreciates.
- If you have created customer profiles to your services, it´s easier to optimize your services to different customer needs and appreciations and produce better customer experience.
- If customers get a really good customer experience, they will want to remain customers of your company later on.
- Long customer relationships are a better business because you don´t have to focus all the time on finding new customers.

Remember that you should have only few customer profiles!

You should do only a few customer profiles (3-5), because it is easier to remember and easier use those profiles if there is not too many profiles.

How to create customer profiles?

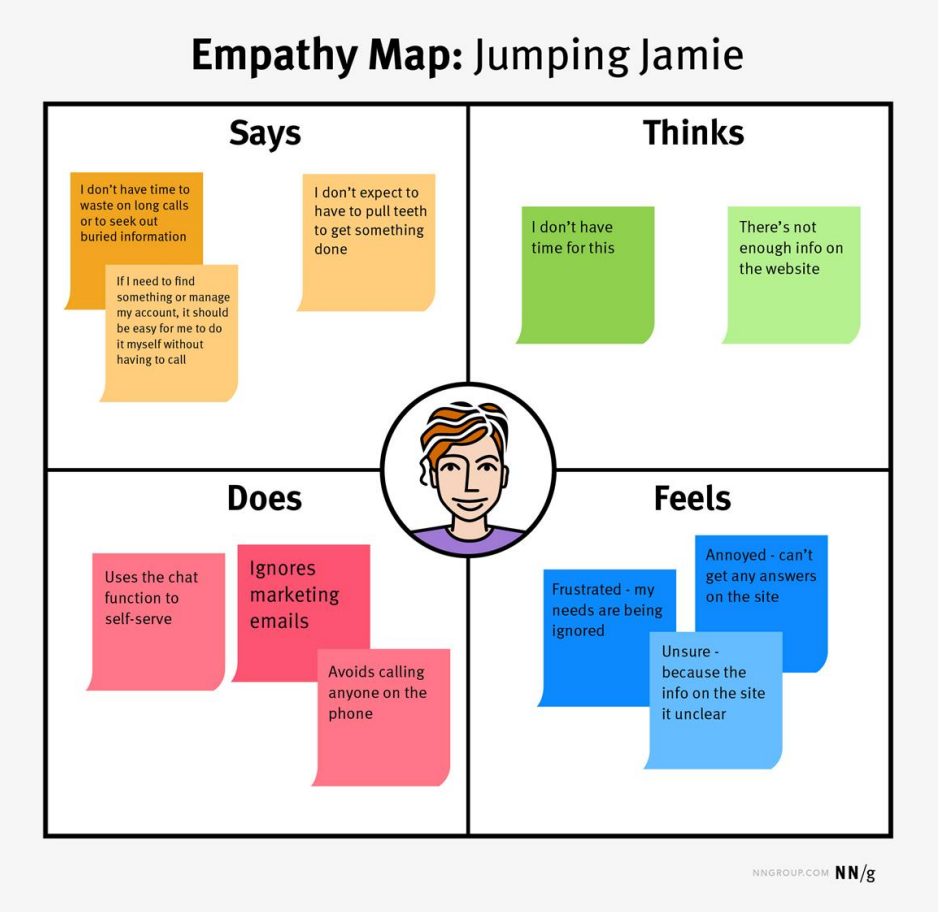
- To create a customer profile, you need to gather data about your customers.
- You can collect customer data through surveys, interviews, social media analytics, website analytics.
- In addition to these you can observe the service situations and / or make interviews of your customers.
- Analyze and categorize the data:
  - Needs
  - Values
  - Hopes
  - How they act when they use your services

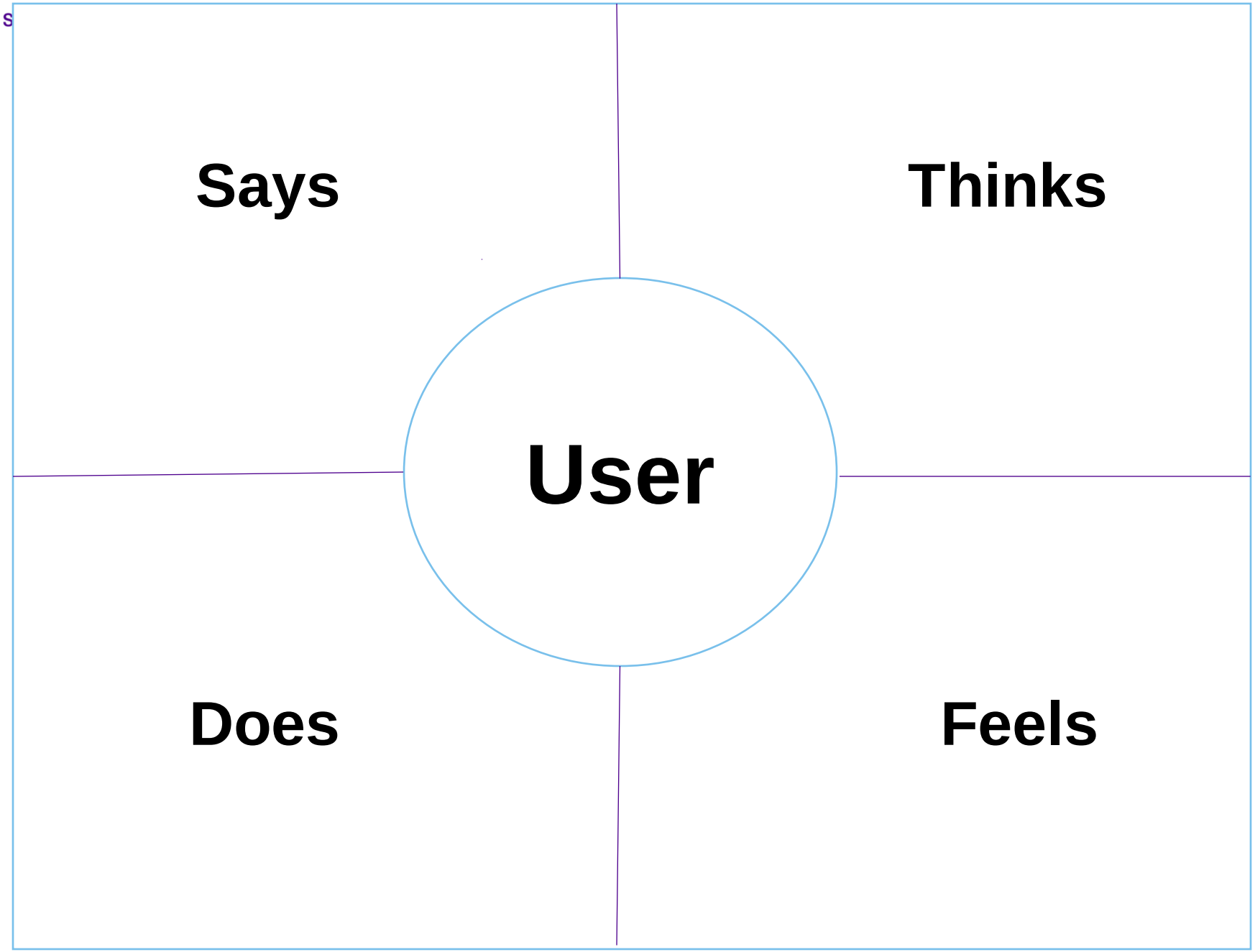
Empathy map

The empathy map is a visual tool for structuring the collected customer understanding data.

Empathy map

- Visual tool for understanding of a set of users
- Helps highlight the customer's needs, feelings, hopes and fears related to the customer's experience
- The empathy map can also be used as a basis for an interview or workshop to help people talk about their own lives guided and supported by the questions on the empathy map

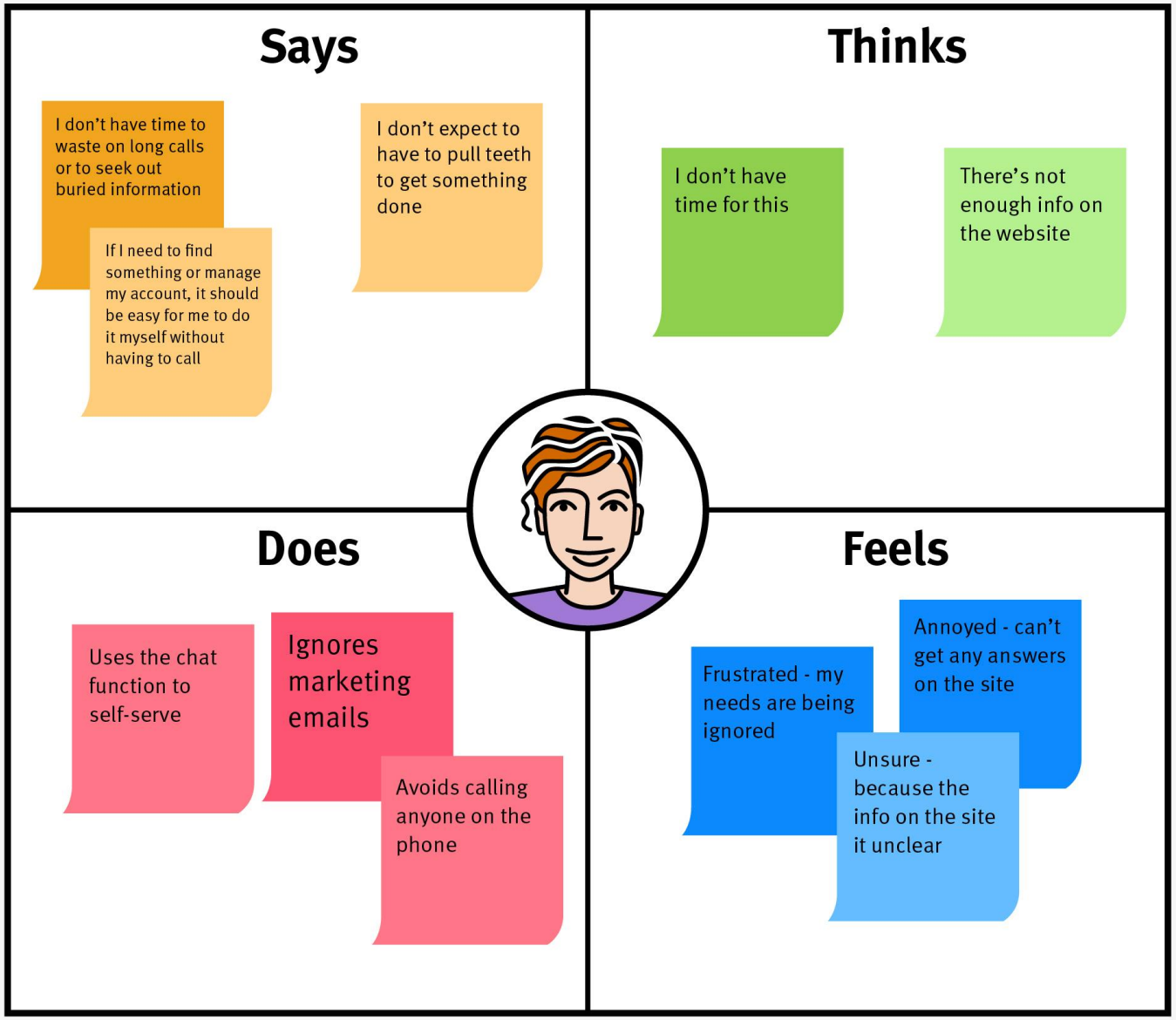



Says
Thinks
User
Does
Feels

Anxiety when I take tests
I think I'm not good enough
I need to organise my time better
My mother complaining about my grades
My phone all the time buzzing
Voices in my head reminding me to be cool
Boring teachers
the noisy tv from my roomate
I hear my classmates complaints about the assignments
other students chatting in class
THINKING & FEELING
SEEING
HEARING
PAINS

Tampere University
Tampere University of Applied Sciences

Empathy Map: Jumping Jamie



NNGROUP.COM NN/g

What kind of questions can be asked using the empathy map?

- **Says and does?** how the customer reacts and acts in a service situation. What is his attitude towards the service?
- **Sees?** Describe the service situation and the environment in which the service situation takes place. What is the customer's attitude towards the service environment? What challenges does the environment has?
- **Feels and thinks?** What things are important to the customer? What does he feel in a service situation? What kind of thoughts and internal motives guide their behaviour in a service situation?
- **Hears?** What kind of external factors influence his actions and attitude?
- **Afraid?** What are the pain points of the service for the customer? What are the things in the service situation that cause the customer trouble?
- **Hopes?** What kind of successes does the customer hope to get from the service? What aspects of the service bring him joy?
- https://www.palvelumuotoilupalo.fi/blogi/palvelumuotoilun-menetelma-asiakaskuvaukset/

- Who are your company's customers?
- What kind of questions could you use to get information about your company's customer profiles?