



Behavioral Segmentation for Smarter Marketing

Marketing to everyone is marketing to no one. Franchise and multi-location marketers know this well. But here's where things get tricky: identifying which customers are discount shoppers and which are loyal brand advocates. Missteps can mean missed opportunities or, worse, money left on the table.

Be brave enough to not follow the leader into the coupon trap.

This playbook is here to help. You'll discover how to identify customer behaviors that reveal their category and learn actionable strategies to market to them in ways that boost engagement, loyalty, and revenue without eroding your brand value.

Understanding Behavioral Segmentation

Behavioral segmentation involves grouping customers based on their actions, such as purchase habits or interactions with marketing campaigns. Unlike demographic segmentation, which focuses on who customers are, behavioral segmentation zeroes in on what they do.

Key Benefits of Behavioral Segmentation:

1

Personalized Messaging:

Engage customers with offers and messages tailored to their needs and preferences.

2

Improved ROI:

Reach the right customers at the right time, reducing wasted marketing spend.

3

Enhanced Loyalty:

Build long-term relationships by showing customers you truly understand them.

Spotting Key Behaviors

To excel at behavioral segmentation, focus on identifying the actions that tell you if a customer is a discount shopper or a brand advocate. These insights are only as good as your data!

1. Discount Shoppers:	
<i>Purchase Behavior:</i>	Shops only during sales or uses discounts frequently.
<i>Engagement Patterns:</i>	Opens promotional emails with “50% off” but rarely interacts with non-sale campaigns. Only sign up for text club if incentivized, serial unsubscriber.
<i>Cart Behavior:</i>	Abandons cart unless a coupon is applied or a sale is active.
2. Brand Advocates:	
<i>Purchase Behavior:</i>	Buys at full price and prioritizes quality or convenience over discounts.
<i>Engagement Patterns:</i>	Interacts with your brand consistently across multiple channels (social media, email, events). Willing to engage with you, signed up for text club, etc. Without an incentive.
<i>Advocacy Actions:</i>	Recommends your brand to others, leaves positive reviews, and participates in brand loyalty programs.

Pro Tip: Use tools like pricing sensitivity scoring (offered by Cinch) to identify how responsive your audience is to discounts.

How to Market to Each Type

Once you've segmented your audience based on behaviors, it's time to tailor your marketing approach.

Marketing to Discount Shoppers

Discount shoppers are price-sensitive and tend to prioritize deals over brand affinity. Here's how to engage them effectively without falling into "The Coupon Trap": Test and learn on each of these!

1

Targeted Discounts:

Offer limited-time incentives rather than blanket discounts. This increases urgency without training them to expect constant sales.

2

Bundle Offers:

Create value-driven bundles (e.g., "Buy 2, Get 1 Free") to encourage larger purchases.

3

Loyalty Programs:

Reward repeat purchases with points or perks instead of endless coupons.

4

Consider Timing:

Don't coupon everyone on a day of the week or event or time of day you know you already have volume coming in. Coupon on days you have light traffic and need to boost numbers. Understand the flow of your customer traffic!

Marketing to Brand Advocates

Brand advocates are your gold mine. They buy into your value, not just your price, and they're more likely to engage with and promote your brand. Focus on building deeper connections.

1

Exclusive Perks:

Offer VIP experiences like early access to products or members-only events. Lean on personalization when offering the right perk.

2

Content-Based Engagement:

Use storytelling and unique brand experiences to keep them emotionally connected with your brand. Use your customer data to drive this content, make it valuable.

3

Community Building:

Create interactive platforms (e.g., user groups, exclusive forums) to foster a sense of belonging.

4

Consider Timing:

Start a referral program, friends-and-family events / coupons.

Real-World Application

Case Study #1: Automotive Franchise

Challenge: Are weekly coupons for oil changes leading customers to avoid full-price services?

Solution: Behavioral segmentation can reveal which customers are deal-dependent versus those who value long-term care. Introduce a membership program offering discounts on bundled services for deal seekers and then tailored, full-price maintenance plans for loyal customers.

Case Study #2: National QSR Chain

Challenge: Is over-reliance on discounts driving volume but eroding brand value?

Solution: Use behavioral strategies to segment customers into loyalty tiers. High-value customers receive point incentives (double point weekend!), while deal-seekers get targeted, time-limited offers (Mondays only! Kids eat free!).

Key Takeaways

- 1 Segment with Purpose:** Behavioral data holds the key to understanding your audience.
- 2 Be Strategic with Discounts:** Aim for value-driven incentives over broad sales.
- 3 Double Down on Loyalists:** Invest in brand advocates who will drive long-term growth.
- 4 Use the Right Tools:** Leverage platforms like Cinch to track behavior and automate smart customer journeys.

Want to go deeper? Schedule a free demo with Cinch today to explore how pricing sensitivity scoring and behavior-based automation can transform your marketing strategy.

[Schedule a Consultation](#)

