AUDIENCE SEGMENTING & TARGETING FOR BEGINNERS

DailyStory

Inside

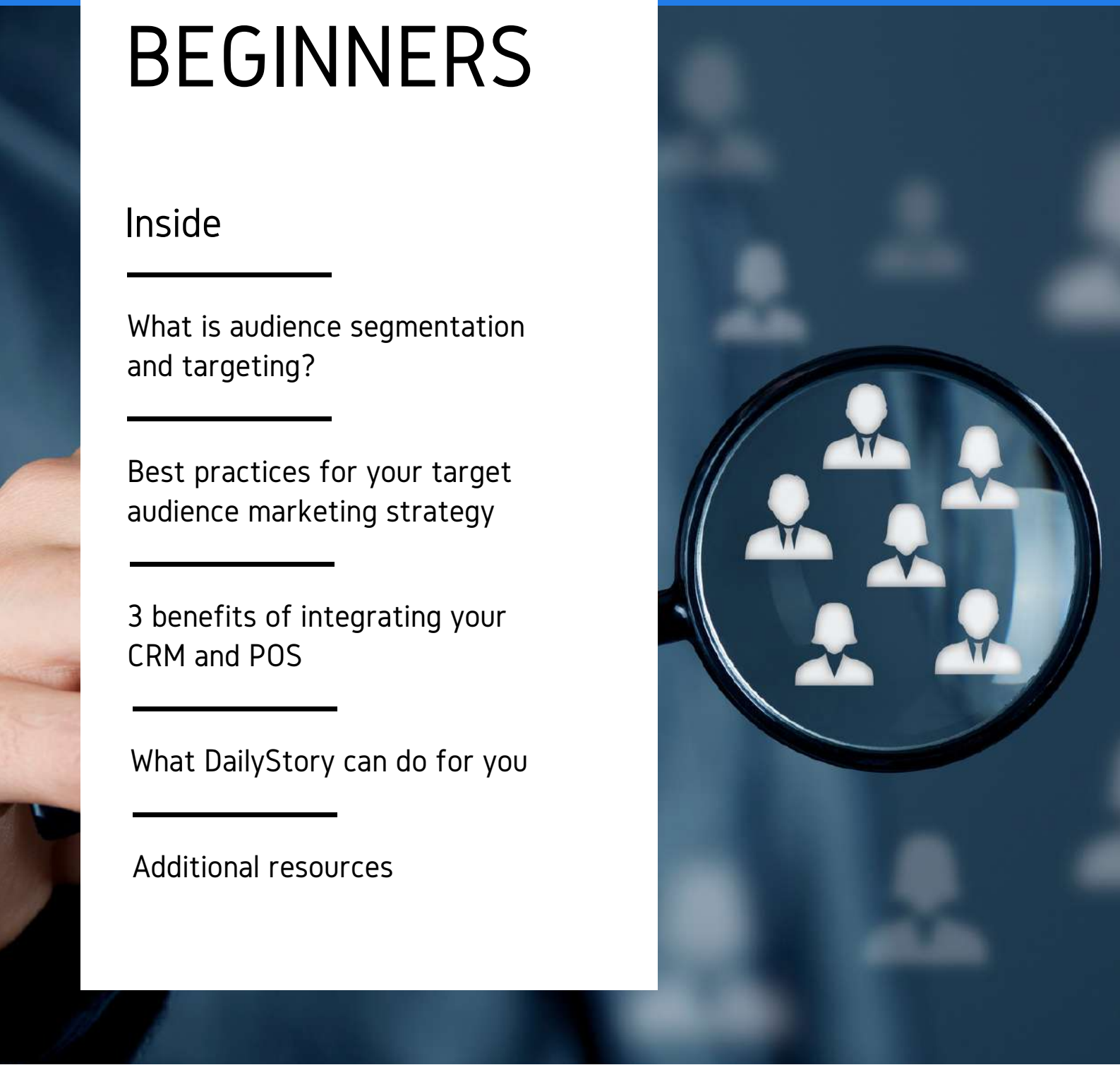
What is audience segmentation and targeting?

Best practices for your target audience marketing strategy

3 benefits of integrating your CRM and POS

What DailyStory can do for you

Additional resources



OVERVIEW

By definition, a segment is a grouping of your audience who shares common attributes. Segmentation helps you get the right message to the right people.

Examples of segments include consumers in a 30-day trial who have not completed a purchase or customers whose membership expires next month.

Once you identify a segment, you can target the segment with specific messages using the channels most appropriate for that segment. And, using personalization, content is uniquely targeted at each individual. The end result is each person receives content targeted and personalized to them through the channel (email, text messaging, push notification, etc.) most appropriate to them.

Because audience segmentation and targeting can include so many possibilities, the strategies and tips in this guide will help ensure you maintain your focus and use segmentation and targeting to improve your digital marketing results and ultimately grow your business.

We've divided this guide into four main sections:

- Deep dive into what audience segmentation and targeting means
- 4 target audience marketing strategy tips
- 3 benefits of integrating your CRM and POS
- What DailyStory does to help your business

Even if you aren't a DailyStory customer, we want to help you be a great digital marketer who's comfortable using segmentation and targeting to reach your goals.

At DailyStory, we're focused on providing a marketing platform that doesn't require a degree in marketing! We'll give you the tools and guidance to incorporate process, consistency and measurement around your marketing campaigns.

Doing so enables you to make decisions based on performance versus what you think might be working. If you would like to learn more about DailyStory and how we've helped other marketers like you, please contact us at hello@dailystory.com or visit us at dailystory.com.

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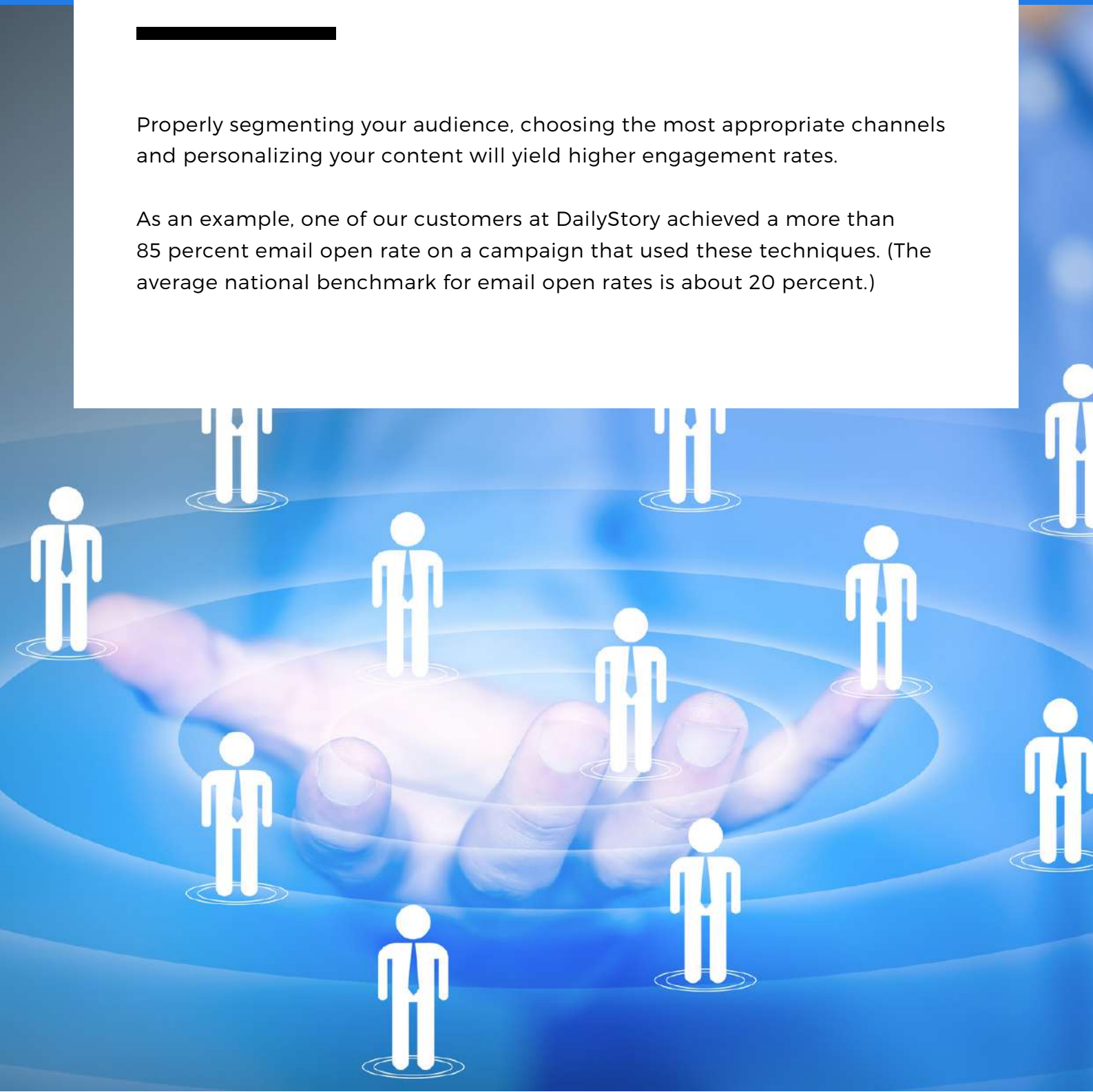
DEEP DIVE INTO AUDIENCE SEGMENTING & TARGETING

Properly segmenting your audience, choosing the most appropriate channels and personalizing your content will yield higher engagement rates.

As an example, one of our customers at DailyStory achieved a more than 85 percent email open rate on a campaign that used these techniques. (The average national benchmark for email open rates is about 20 percent.)



WHAT IS AUDIENCE SEGMENTATION?

Audience segmentation is when brands place their contacts, leads and customers into groups. By identifying each group, you can develop more effective marketing strategies.

Segmentation allows you to maximize your return on investment (ROI) on every marketing dollar spent.

Marketing to a large audience is cost-prohibitive for most businesses.

However, segmenting your audience into groups will help you reach only those who are more likely to buy from you.

When incorporating audience segmentation into your marketing, you should:

- Create detailed audience segments
- Set and measure goals
- Use multiple marketing channels (such as email, social media, text messaging, print media and so on)

As you're working through audience segmentation, remain adaptable and open to possible new tactics. Keep in mind that digital marketing is always evolving, as is the technology, data and strategies behind segmentation.

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TYPES OF AUDIENCE SEGMENTATION

There are four primary types of audience segmentation: Demographic, Geographic, Psychographic and behavioral. These groups have specific common characteristics that you can adjust your messaging for.

Keep in mind that about 80 percent of audiences want to purchase from brands that personalize their experience. That means you must develop marketing strategies that are customized to meet each customer's wants or needs.

For the best audience reach, you will need to break your contact database into four types of segments.

DEMOGRAPHIC

This form of segmentation is the basis for all marketing segmentation. When used in terms of reaching target audiences, demographical segmentation includes:

- Age
- Gender
- Income
- Occupation
- Ethnicity
- Family structure

Depending on your goals and who you're trying to reach, you can incorporate multiple demographics in one campaign.

GEOGRAPHIC

While geographic location is a subgroup of demographic segmentation, it deserves its own category because this is a complex demographic.

In general, it refers to city, state, region, providence, or country, but you can break this down even further. Depending on your data, you can segment by time zones, climate conditions, the languages people speak, and more. You could even break it down by neighborhood.

Geographics is especially critical to brick-and-mortar or delivery businesses that rely on local search engine optimization (SEO). The key is that you're targeting an audience close to your physical business location or distribution centers for delivery.

PSYCOGRAPHIC

Psychographics is a marketing strategy that analyzes a customer's values, goals, interests, wants and personality.

It looks at whether they are loyal to a specific brand, what cars they drive, if they're dog owners, whether they're outdoor adventurists and so on.

Understanding your customer's psychographics can help you highlight the features and benefits of your products or services that matter specifically to the group you're targeting.

BEHAVIORAL

This form of segmentation is based on customers' shopping habits. You can tailor your message to reach customers at the stage where they are likely to convert from leads to sales.

Behavioral segmentation also gives you insights into what obstacles keep people from buying. To overcome these obstacles, ask yourself the following:

- What stage of the purchasing journey are they at?
- What type of benefits do they look for?
- What drives their decisions?

Behavioral segmentation tells you how, what, when, and where your customers buy.

When you know what drives their decisions, you know how to frame your marketing strategies around their purchasing habits.

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WHAT IS AUDIENCE TARGETING?

Once you have your audience segmented into groups, it's time to target a specific group with your marketing strategy. What group is best served by you and the deal you have to offer?

It's tempting for businesses to say that everyone is their target audience. However, not everyone is in a position to purchase from your business.

For example, a real estate agent could sell a home to anyone with the means to do so, but that doesn't mean that everyone with the means is your target audience.

That real estate agent wants to find consumers who are looking to purchase their first home, downsize or upgrade their home or acquire additional property for investment purposes.

That's what audience targeting is.

It's not about selling to all of your segmented audiences.

It's focusing on a specific market and working with them to find a solution, fulfill a want or satisfy a need related to your business.

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TARGET AUDIENCE MARKETING STRATEGY BEST PRACTICES

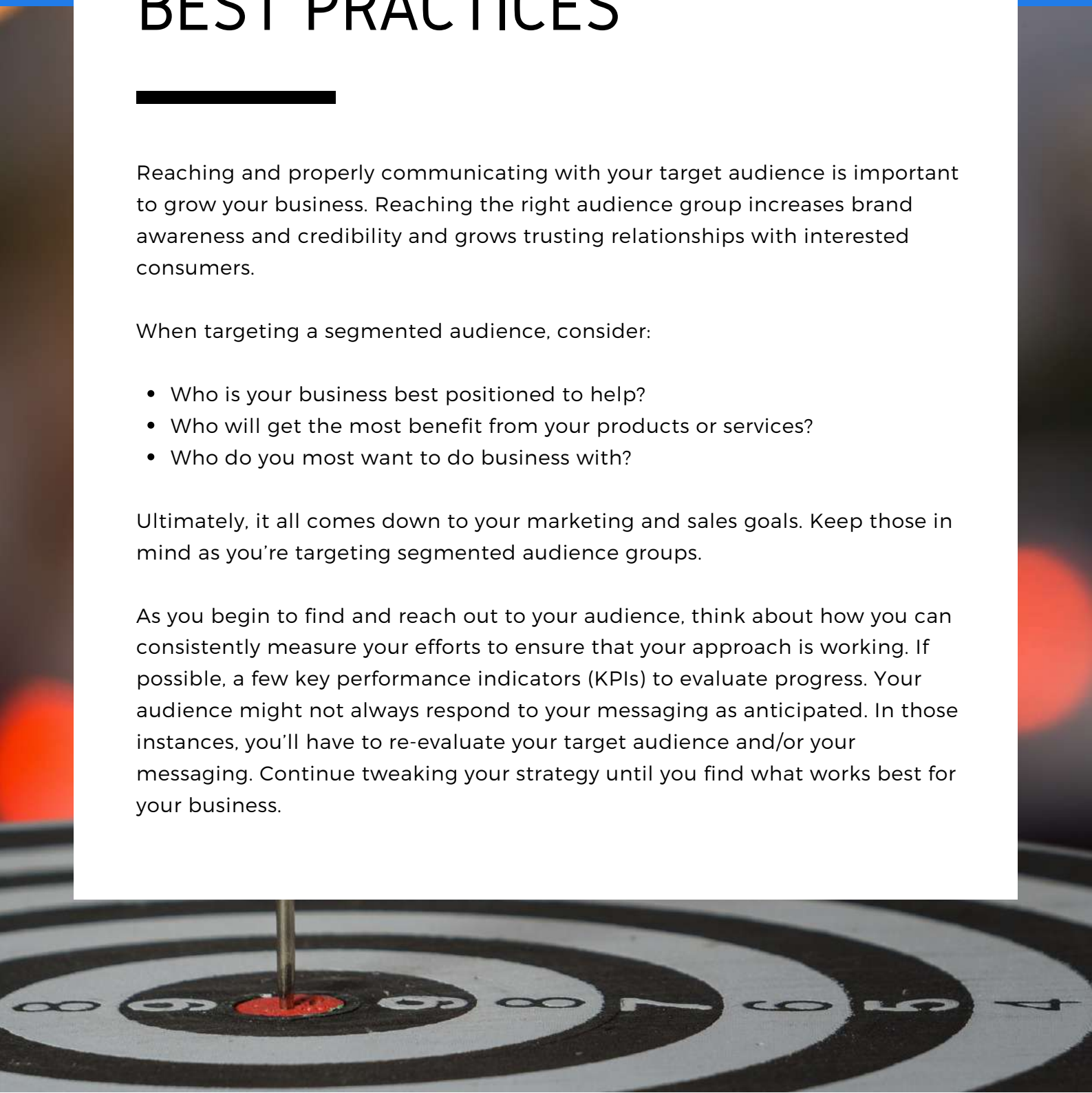
Reaching and properly communicating with your target audience is important to grow your business. Reaching the right audience group increases brand awareness and credibility and grows trusting relationships with interested consumers.

When targeting a segmented audience, consider:

- Who is your business best positioned to help?
- Who will get the most benefit from your products or services?
- Who do you most want to do business with?

Ultimately, it all comes down to your marketing and sales goals. Keep those in mind as you're targeting segmented audience groups.

As you begin to find and reach out to your audience, think about how you can consistently measure your efforts to ensure that your approach is working. If possible, a few key performance indicators (KPIs) to evaluate progress. Your audience might not always respond to your messaging as anticipated. In those instances, you'll have to re-evaluate your target audience and/or your messaging. Continue tweaking your strategy until you find what works best for your business.



4 TIPS TO REACH & ENGAGE WITH YOUR TARGET AUDIENCE

The following are our five tips to help you reach your target audience and leverage your messaging to achieve your sales and marketing goals.

#1 SPECIFICALLY DEFINE YOUR TARGET AUDIENCE

Even if you could afford to target everyone, it's not a good idea.

The way small businesses can compete is by identifying and targeting a niche market that makes sense for the products and services that are offered. Defining your target audience is essential. It ensures that all your effort reaches the right consumers.

Consider all the goods and services you offer. Then, think about who benefits the most from your business. Be sure to look at your past and current clients to see where there is an overlap in similarities. And don't forget to consider your competition and who their clients are.

Click here for 7 tips to help you determine your target audience

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#2 DETERMINE WHERE YOUR TARGET AUDIENCE IS ACTIVE

Once you define your target audience, you'll want to determine where this group spends their time and how they communicate.

Is your target audience engaging on a specific social media platform or online community? Do they mostly communicate through email? What about text messages? Are they likely to attend industry conventions? Do they read trade publications?

By diving into your target audience's world, you can narrow down the marketing channels you should be using to reach them. One way to learn this information is through a customer survey.

Click here for 8 tips to create a successful customer survey

#3 TARGET THE LANGUAGE IN YOUR MESSAGING

When you do reach your target audience, you must talk to them in a way that reflects their specific wants and needs. When your audience feels understood, they will gain confidence in you and your business.

Typically, you'll want to aim for a conversational tone, but if there is key industry terminology or jargon that your target audience uses, then be sure to use it properly.

Your content also should be both entertaining and informative regardless of whether it's an email, tweet, blog post, etc.

Leverage what you know about your audience's interests to make your message readable and shareable.

Click here to view 10 tips for creating engaging content

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#4 USE MULTIPLE (RELEVANT) MARKETING CHANNELS

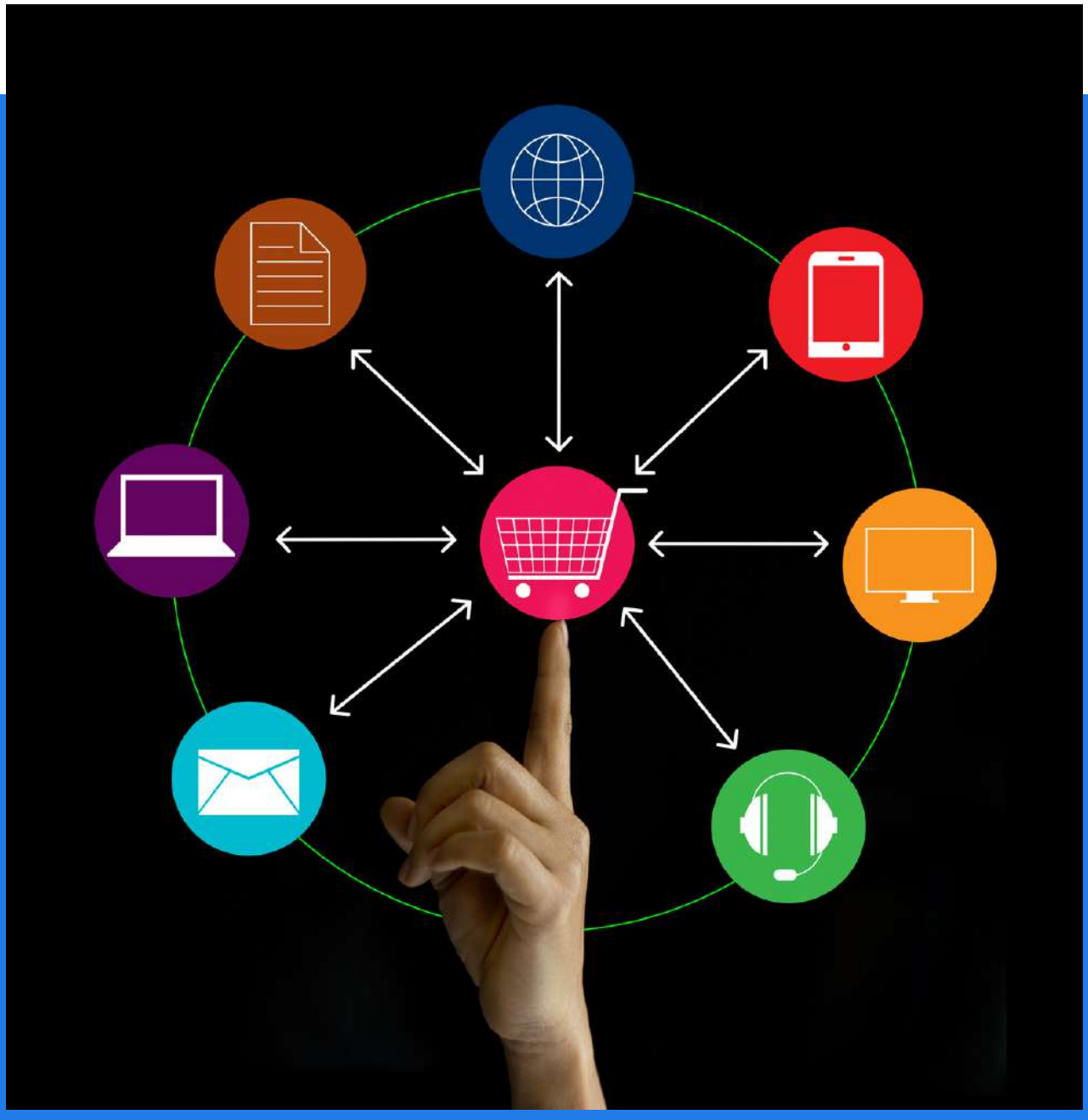
With the many communication channels available today, limiting your focus too much can cause you to miss opportunities to reach potential customers. While your target audience may largely use one or two channels, consider including additional methods, such as social media.

For example, your target audience may mostly use email.

But it certainly doesn't hurt to consider where else you might reach that group.

Whatever your target audience is likely to frequent should be an option.

Just remember that when communicating across your chosen channels, you want to keep your messaging consistent to build a strong brand reputation.



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INTEGRATING CRM & POS TO SUPPORT AUDIENCE SEGMENTING & TARGETING

You have more data than you realize and countless untapped opportunities to collect it. One of the biggest challenges we see with our DailyStory customers is how to aggregate customer and prospect data together.

Aggregating data from multiple systems and applications is not easy, but when you do so, you'll create a rich trove of data for segmentation.

Customer-relationship-management (CRM) and point-of-sale (POS) software can work together to create a comprehensive customer experience. When you integrate them into one system, such as DailyStory, they can provide new insights about what you can do to acquire and retain more customers.

3 BENEFITS OF INTEGRATING YOUR CRM & POS

Click here for 6 benefits of using CRM software for small businesses

A POS system is the lifeblood of any brick-and-mortar business in today's modern era. While initially created to expedite the checkout process, POS platforms have now evolved into valuable tools for tracking other aspects of your business.

Although these systems can give you insights into things, such as AOV (average order value) or TLV (total lifetime value), they're unable to tell you what revenue was driven from your marketing campaigns.

That's where a POS integration with your CRM platform comes into play, serving as an easy and effective way to understand customer behavior and its marketing impact. By integrating your POS with a marketing system like DailyStory, you can close the loop on your marketing efforts by tracking them all the way through your point-of-sale transactions.

The following are three benefits of integrating your CRM and POS systems.

#1 COLLECTION OF MORE ACCURATE DATA

When you have two different platforms tracking customer data and these two platforms don't talk to each other, there's a lot of room for data issues. You may run into duplicate data or human error as you manually upload data between platforms.

An integration solves these problems by creating a connected marketing ecosystem if you will. You'll get a more comprehensive view of purchasing behavior as your POS system and marketing platform automatically combine customer information into one profile.

Your marketing platform also might not capture everyone who enters your business, so you're likely missing out on the opportunity to market to part of your customer base. Integration can solve this by pulling in receipt data from your POS system. This will build your CRM at a faster rate to give you more and more accurate data to work with.

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#2 BETTER UNDERSTANDING OF CUSTOMER BEHAVIOR

Without integrated systems, your business collects segmented data that doesn't tell you the whole story. Your marketing platform detects customer information that your POS system doesn't have and vice versa.

For example, POS collects the raw sales data associated with every transaction, including purchase amount and products bought. DailyStory, on the other hand, collects visit data such as a customer's website visit frequency, email address and more so that you can engage with them. When these systems don't talk to each other, you're left with a fragmented view of your customer base.

To better understand your customers, you need to integrate. Doing so aligns the transaction details with the customer visit data, so you can target customers based on new criteria that you wouldn't otherwise have available. For example, you could personalize the messaging in your retargeting campaigns to encourage repeat purchases of already-engaged customers.

#3 STRONGER INSIGHT INTO YOUR MARKETING ROI

In the past, it's been challenging for some businesses to tie their revenue back to marketing efforts.

While they would have access to revenue data through their POS system, it's traditionally been trickier to correlate that revenue to a particular email or advertising campaign.

Fortunately, by combining your marketing platform data with your POS data, you can gain incredible insight into your marketing ROI.

This helps you understand your marketing impact and the difference in spending between the customers who saw your marketing messages versus those who didn't.

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SEGMENTING & TARGETING: HOW DAILYSTORY CAN HELP YOUR BUSINESS

We built DailyStory to help business owners, like you, easily communicate with your customers. Letting you focus on running your business, not on the challenges of digital marketing. DailyStory does this by getting your content to the right people, at the right time, using the right medium. Our No. 1 priority is helping you!

DailyStory is a full, marketing automation platform. It helps you take your existing and new marketing campaigns and execute them with process, consistency and measurement. It does this with a set of common marketing tools (text message, email, pop-ups, website, landing pages), provides reporting around those but most importantly enables powerful automation to enable you to run automated campaigns.

The capabilities we share in this section are what we believe DailyStory can uniquely offer to marketers in a highly competitive digital world.

NATIVE INTEGRATIONS WITH WITH POPULAR APPLICATIONS

DailyStory integrates with your favorite applications to simplify your digital marketing and enhance your audience segmentation and targeting efforts.

You can use DailyStory's native integrations with popular applications, such as Shopify, WordPress, Salesforce and more. You also can connect to thousands of other applications using Zapier.

DailyStory's native integrations that are currently supported include:

- **American Shaman,** a business management and online point-of-sale platform.
- **Blood Bank Computer Systems, Inc. (BBCS),** a dedicated partner to the blood banking industry.
- **BigCommerce,** an e-commerce platform offering software-as-a-service (SaaS) services for building and hosting online stores.
- **Calendly,** an app for scheduling appointments, meetings, and events.
- **Clubspeed,** the world's leading venue management software for Family Entertainment Centers.
- **Flowhub,** the modern cannabis retail management platform for running a compliant dispensary that keeps up with the evolving industry.
- **Google Analytics,** a web analytics service offered by Google that tracks and reports website traffic.
- **Google APIs,** which enable integration with Google services, such as geocoding used in distance-based searches.
- **Google reCAPTCHA,** a free service that protects your website from spam and abuse by adding a simple test.
- **Gorgias,** which enables merchants to manage their customer service channels in a unified platform.
- **Instamojo,** India's simplest online selling platform.
- **Konnektive,** a customer transaction and campaign management platform.
- **Lightspeed,** a point-of-sale and e-commerce software provider.
- **Magento,** a platform with built-in PHP, which helps programmers create eCommerce websites.
- **Mailfloss,** a bulk email verification service built for busy businesses.
- **Mailgun,** an email platform used for sending transactional emails.
- **Mindbody,** a business management and online scheduling platform for health and wellness businesses.
- **NeverBounce,** an email verification and email cleansing service.
- Plivo, an enterprise-grade communications platform with premium carrier network connectivity for messaging and voice calls.
- **RhinoFit,** a feature-packed and easy-to-use member management platform.
- **Salesforce,** a sales automation platform.
- **Shopify,** a subscription-based software that allows anyone to set up an online store and sell their products.
- **Slack,** which brings all your communication together in one place. It's real-time messaging, archiving and searching for modern teams.
- **Square Online,** a robust platform that covers your website, the items you sell online, online order fulfillment, and much more.
- **Twilio,** a cloud communications platform for sending SMS messages.
- **Verint Community,** an online community platform.
- **WooCommerce,** an open-source e-commerce plugin for WordPress.
- **WordPress,** a free content management system for building websites.
- **Yotpo,** an eCommerce marketing platform for customer reviews, visual marketing, loyalty, referrals, and SMS marketing.
- **Zapier,** an automation platform that makes it easy to connect your favorite applications.

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TRACK AND MEASURE VISITOR EXPERIENCES

DailyStory helps you understand what your website visitors are doing, where they came from and how often they've returned. You can see the full customer journey and tag visitors for remarketing through your third-party ad networks.

Have you ever been to a website and seen an ad from another website you recently visited?

That's remarketing and it's a great way to re-enforce your marketing message.

DailyStory can help you target potential customers without them ever visiting your website, building an audience through other people's content.

When it comes to anonymous visitors on your website, Google Analytics tells part of the story, but wouldn't you like to know more?

With DailyStory's anonymous visitor identification feature, Lead Periscope, you can identify your website visitors by business and organization.

Of course, the power of effective digital marketing, in general, resides in the ability to easily and quickly understand what's working and what's not.

DailyStory's reporting dashboards are both intuitive and straightforward.

In addition to common performance data (such as email opens, email clicks, text replies, so on), we offer heat maps and additional insights to help inform you.

Easily understand how your campaign is doing.

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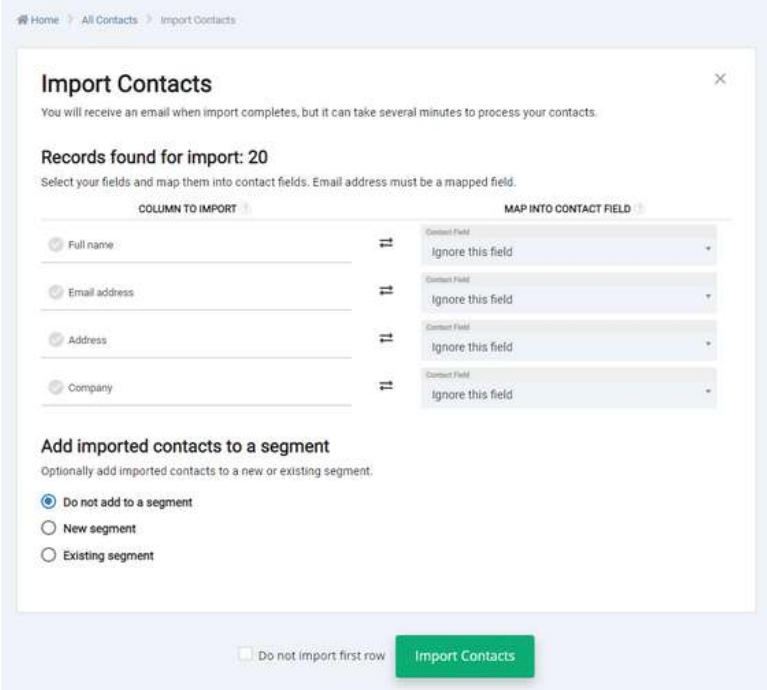
CAPTURE AND CONVERT NEW CUSTOMERS

When your website visitors are ready to act on your offers or need more information about your products or services, DailyStory makes it easy to capture their information and convert them into leads.

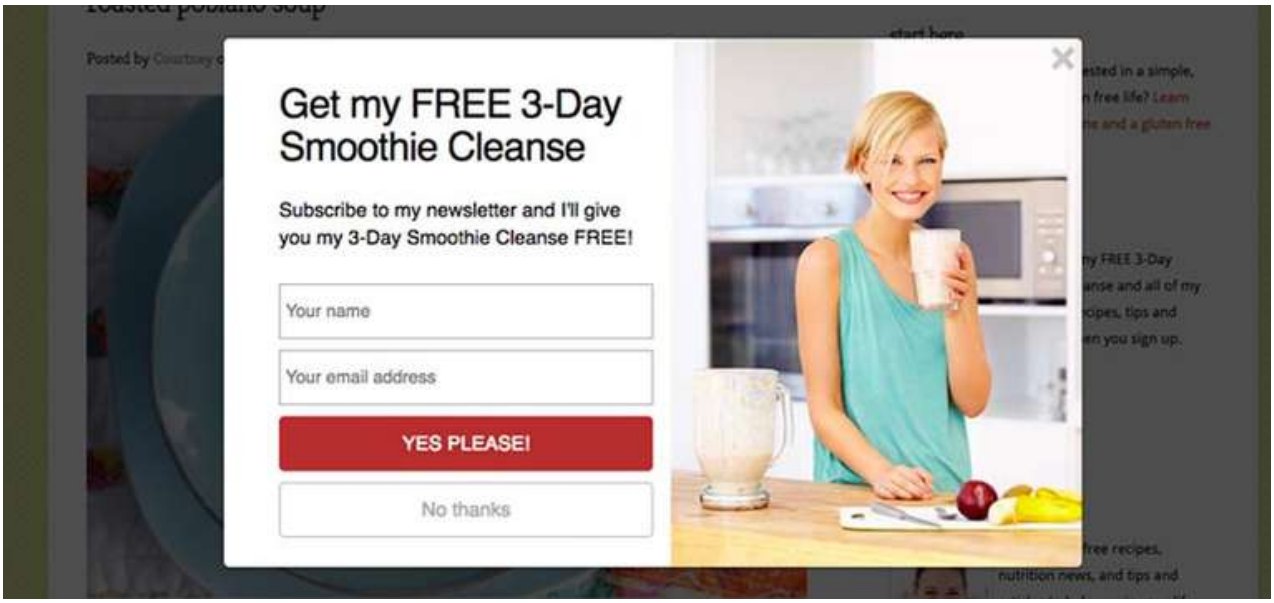
If you already have a list of contacts, you can import them easily to DailyStory for better management and potential conversions along your sales funnel.

You also can promote your welcome and exit offers on your website using DailyStory, whether it's a newsletter sign-up, a discount offer or something else, that can capture your visitor's information and add them into your system.



Lead-capture forms also are available for use on pre-built landing pages, custom landing pages, squeeze pages and more. These forms automatically upload lead information into DailyStory.

One of the most important aspects of converting leads into customers is personal follow-up. DailyStory allows you to create lead visit alerts that automatically sends email alerts to team members when a prospective customer visits specific pages within your website. This is in addition to general email notifications you can have automatically triggered for your team members.



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AUTOMATE AND NURTURE YOUR CUSTOMERS

In DailyStory, you can organize all your account activity into easy-to-manage campaigns that can coordinate all customer touch points.

And the messaging goes beyond just emails. Text messages and app push notifications also are available to use.

Campaigns within DailyStory house all of these assets so that you can stay organized and run multiple campaigns at the same time if you choose to do so.

To make your messaging even more powerful, personalization is a feature where you can use contact information to make your message more unique and targeted (such as first names).

AUDIENCE SEGMENTS

Add to that the audience segments (or groupings) you can create to better target your campaigns as well.

Personalization and segmentation work together to increase the success of any given campaign.

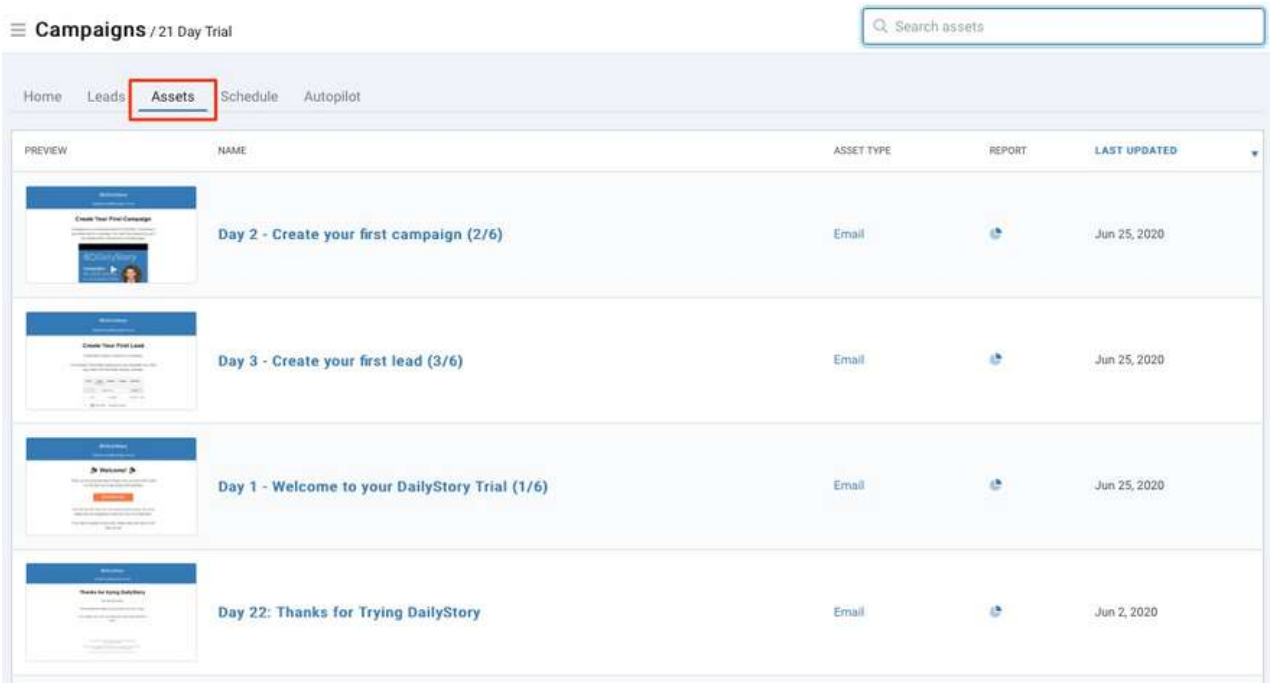
Beyond that, who doesn't appreciate an "easy button" amidst their digital marketing efforts?

DRAG-AND-DROP CAPABILITIES

DailyStory features a few, including drag-and-drop capabilities in both our email designer and Autopilot, which manages and designs endless combinations of automation capabilities.

The email designer's drag-and-drop features make it especially easy to convey both your branding and message in record time to your target audiences.

However, there also is the ability to edit the HTML and CSS of your email to take your design even further if you prefer.



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POWER OF AUTOMATION

But the power of taking your digital marketing to the next level is tied to our Autopilot tool, where the limits of what you can automate are almost only limited by your imagination.

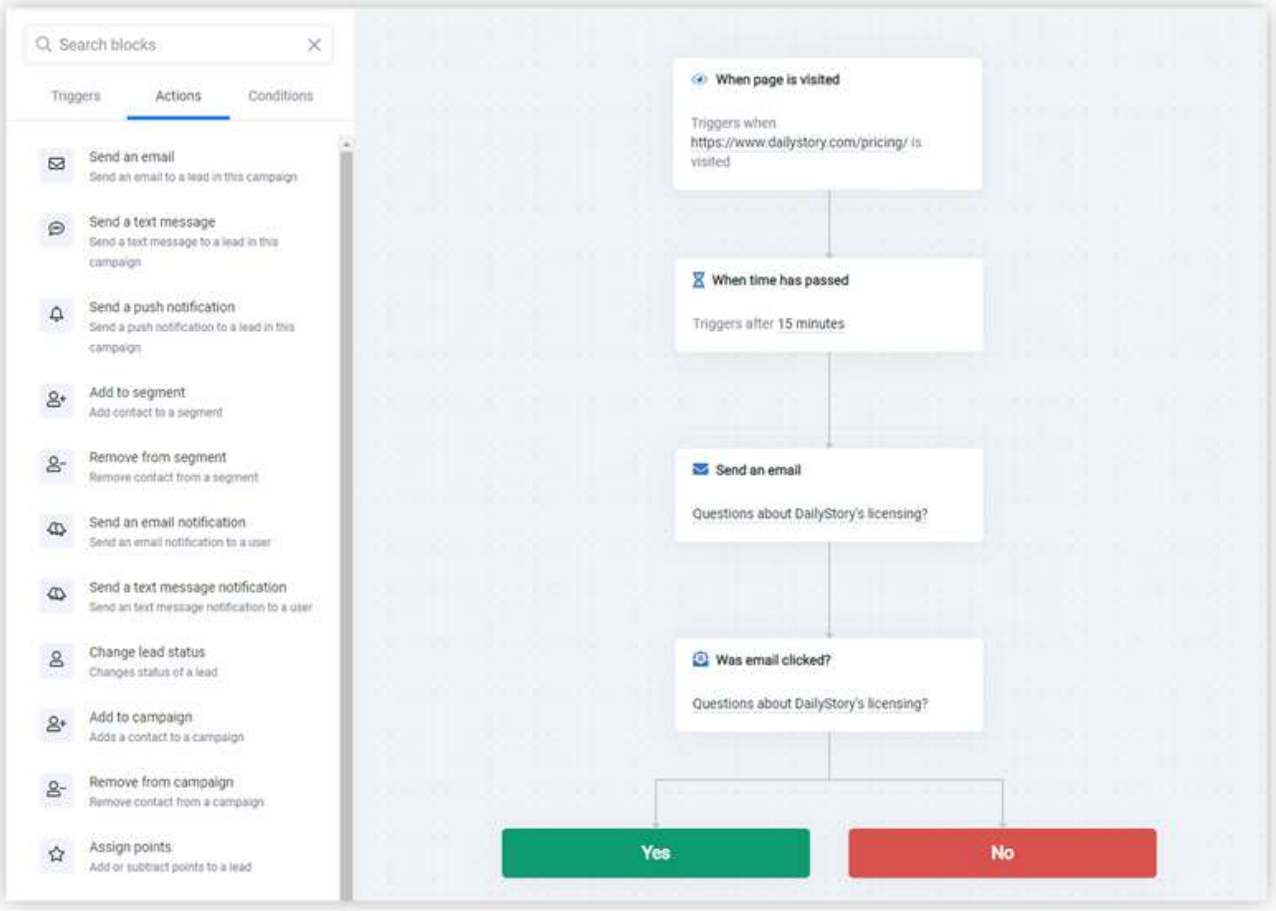
For example, you could create a pop-up ad for your website through DailyStory. Then, when it captures a lead, Autopilot can be set up to immediately send an email. Perhaps the recipient hasn't opened that email within so many days. Then, a resending of that email with a different subject line can deploy. Maybe that second email still wasn't opened, and a follow-up text message is automatically sent. Of course, an email notification to one of your team members to follow up personally could also be sent.

Another example could include a series of emails being sent out to a targeted group of your contacts, nurturing them to purchase a new service or product you're offering.

Either way, the Autopilot tool helps prevent customer leads from falling through the cracks. This enables you to more automatically "be everywhere" along each customer's journey with your business.

And you can score your customers based on the activities and actions they take. This includes pages viewed, email opens or pages visited.

Again, this is all to better inform your overall strategy and increase those conversions.



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IN CONCLUSION

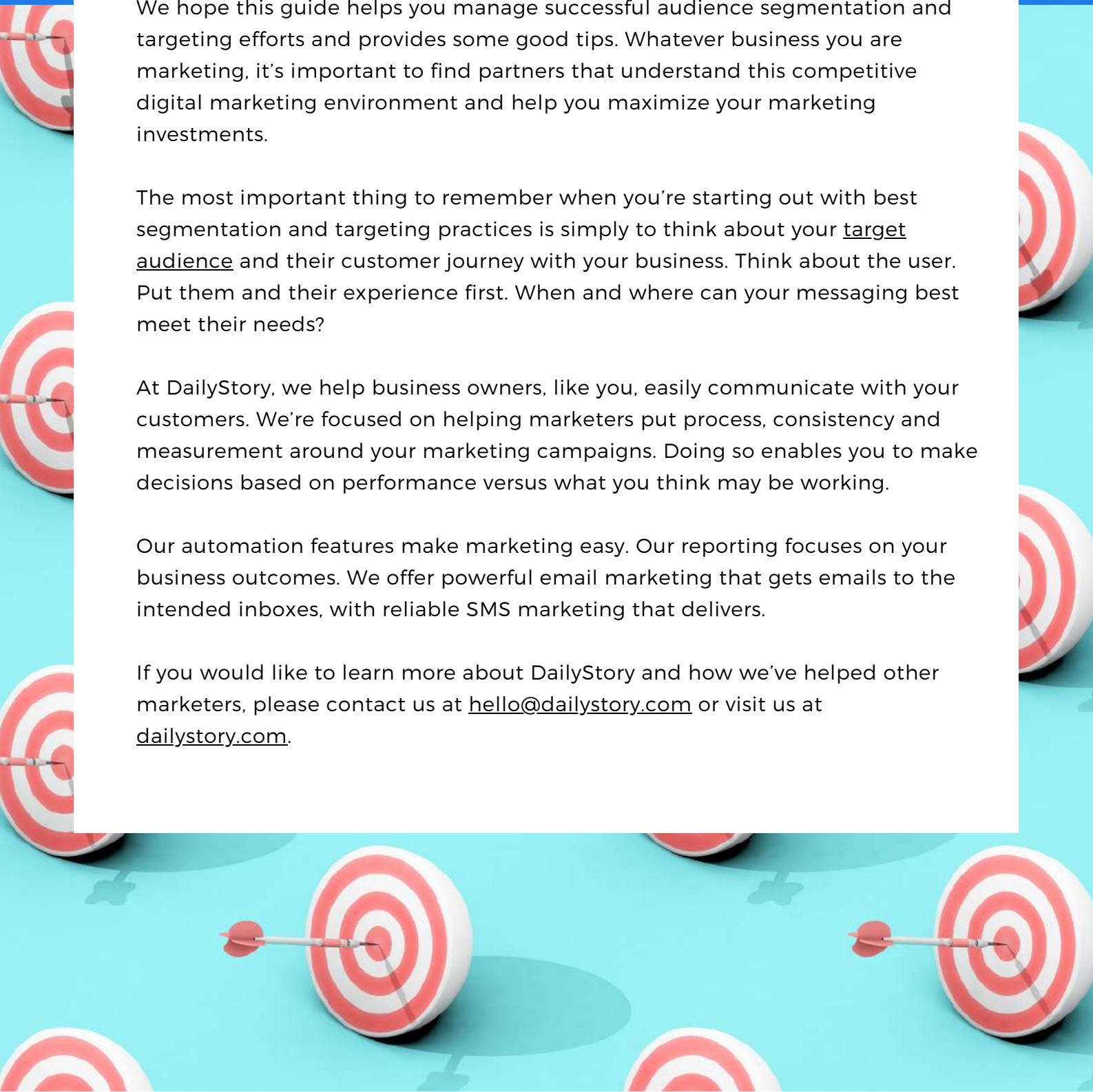
We hope this guide helps you manage successful audience segmentation and targeting efforts and provides some good tips. Whatever business you are marketing, it's important to find partners that understand this competitive digital marketing environment and help you maximize your marketing investments.

The most important thing to remember when you're starting out with best segmentation and targeting practices is simply to think about your target audience and their customer journey with your business. Think about the user. Put them and their experience first. When and where can your messaging best meet their needs?

At DailyStory, we help business owners, like you, easily communicate with your customers. We're focused on helping marketers put process, consistency and measurement around your marketing campaigns. Doing so enables you to make decisions based on performance versus what you think may be working.

Our automation features make marketing easy. Our reporting focuses on your business outcomes. We offer powerful email marketing that gets emails to the intended inboxes, with reliable SMS marketing that delivers.

If you would like to learn more about DailyStory and how we've helped other marketers, please contact us at hello@dailystory.com or visit us at dailystory.com.



ADDITIONAL RESOURCES

The following is a compiled list of resources shared throughout this guide (in order of appearance):

- Personalization is one-to-one marketing
- 7 tips to help you determine your target audience
- 8 tips to create a successful customer survey for your business
- 10 tips for creating engaging content
- 6 benefits of using CRM software for small businesses

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