

## Catch Superconsumers: Who Give Life to Dying Brands

*Effective segmentation helps companies to serve the best customers in the best ways*

Superconsumers are product fans, occupy only 10% of customers but account for 30-40% of revenue and more than 50% of profits. Their brand experience is distinct from ordinary customers and form friendship around shared passion for the product. They buy more but are different from heavy users. They buy more because their usage occasions are more and different from ordinary customers.

For example, Kraft, an American grocery manufacturing company, focused on catching the superconsumers to give a new life to its dying brand 'Velveeta' - pasteurized cheese food. The superconsumers are Velveeta fans who consider it as superior cheese and use it for multiple occasions because it melts smoothly and easily in their perception.

Kraft has made more than \$100 million in sales after focusing on its superconsumer strategy for Velveeta brand. The earlier thinking was to identify light and lapsed users to enhance quicker sales growth. But the revelation in superconsumer strategy was 'they wanted to use Velveeta more and were starving for it'.



**Effective segmentation** considers certain characteristics in segmentation variables to convert potential customers into real customers. When marketers decide to go in for segmentation the segments need to be selected in such a way that communication programs should influence potential customers. These characteristics of segments should be measurable, substantial, accessible, differentiable, and actionable.

Superconsumers are different from other users of the product in the following ways.

- **80/20 rule:** Superconsumers represent 20% customers but responsible for 80% sales
- Superconsumers are not only brand loyalists but also buy more if appealed in new ways
- Superconsumers look for more occasions and jobs for the product usage, where as heavy users buy more quantity

- Superconsumers are very logical and have hidden appetite to buy more even among unpopular product categories. For example, superconsumers own eight staplers to suit the occasion, even though their stapling is not more.
- Promotional efforts in terms of advertising and coupons to attract lapsed customers may not be beneficial. It is easy to influence superconsumers through inexpensive direct and digital marketing efforts because they are already product fans.
- Superconsumers offer innovative product insights because they are passionate and fans. They can also be used for testing new products. Kraft tested its new product, blending 'Breakstone's sour cream with Greek yogurt, and optimized the product with superconsumers feedback and insights. The new product 'Breakstone's Greek Style sour cream is presently available in 60% of U.S. grocery stores with a faster adoption rate.

Superconsumer strategy can become a rallying cry for old, slow growing and unattractive product. Companies have to start loving their superconsumers if they love their dying products.

| Topic  | Course               |
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| Effective segmentation: Market segmentation and market targeting: Unit 8.6 | Marketing Management |

**Source:** Eddie Yoon, Steve Carlotti, and Dennis Moore (2014), *Make Your Best Customers Even Better*, Harvard Business Review, March 2014