Psychographic segmentation– Uncover your institution's secret DNA

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big questions

effective marketing?   effective retention?

McGill – Institutional Profile

191 years: Founded 1821

37,835 total enrolment

24%   Graduate proportion of degree students

20% International students
~~~~~~~~~~~~~~~~
92%   First year retention

82.5% Six year graduation rate

McGill's reasons for participating

McGill's aims

- Understand our students and their needs and expectations

- Glean who we are missing and why

- Increase diversity, retention, and graduation rates

Psychographic segmentation is one additional piece of information to help paint the picture and focus our resources.

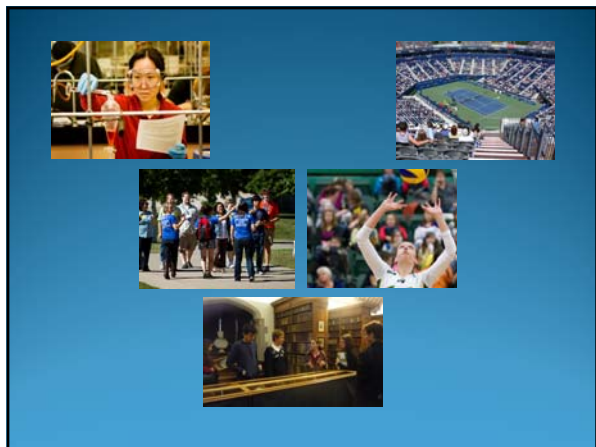## The relationship between recruitment & retention

- Recruitment is a process that attracts students to your institution and gives them reasons why they should consider enrolling. There are two ways to measure its effectiveness:

- (1) bringing in enough students to meet enrolment goals in each program (2) bringing in the right students who will thrive in your environment.

- But no matter how successful you are at either (1) or (2), you will recruit both students who fit well but who have a cluster of needs that must be fulfilled if they are to strive and thrive, AS WELL AS students who are a "less good" fit and who need support structures to strive and thrive in your institution's environment.

- Either way, retention and student service support are the children of recruitment as recruitment sets the stage for what comes after.
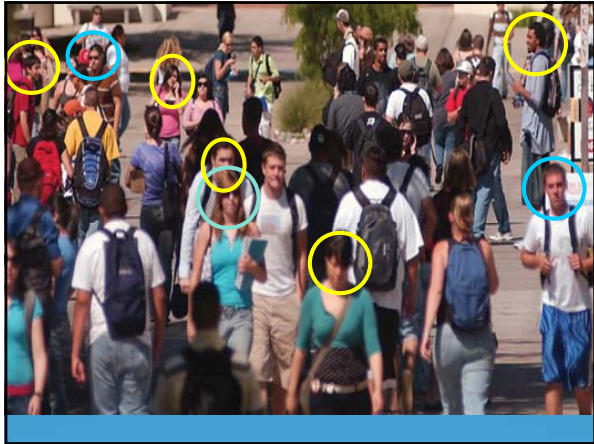
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1 ➔ 1

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1 ➔ ALL

expectations

What is Psychographic Segmentation?

It's a <u>tool</u> that lets you
divide a group into segments
according to the
lifestyles, interests, motivations
& attitudes of its members.

Psychographic segmentation at McGill: SEM goals

McGill will –

- increase the engagement and retention of international students

- develop mechanisms to increase the number and percentage of graduate students who complete their
- degrees within a designated timeframe appropriate to their discipline

- increase the diversity of the student body by enrolling and supporting more students from historically under-represented sectors

- improve advising and mentoring

What advantage do you gain?

- A group can be composed of hundreds of thousands or millions of individuals, each one unique. We don't have the ability to address each of them individually.

- Treating the group as an average of all the individuals is simplistic and unrealistic (e.g. the average student is 54% female, lives 189 miles away and has an entering average of 73%).

- Segmentation groups like-minded individuals together and separates them from those who are most different. Within a segment, individuals are quite similar, while the segments themselves are distinctly different from each other.

- This type of analysis provides the best of both worlds: simple enough to grasp, but detailed enough to guide the development of sound strategy.

What can you do with it?

- Focus your institution's recruitment on your target market's inner needs, beliefs, desires, interests

- Communicate with high probability prospects by reflecting your institution's ability to meet their needs and aspirations

- Develop products and product delivery strategies that better reflect what a segment of your target population is looking for.

- For McGill the focus is on advising, mentoring and student services that meet needs and expectations as identified through research about our students, rather than making untested assumptions about our students' needs. Decisions to be guided by evidence

CRi's system for first-entry undergrads

- System was developed using responses of 6,800 students from seven universities.

  - The system creates a psychographic profile of each student and places them in the segment where they have the highest score

  - By combining all the student profiles at a single university, the system develops a profile of the entire institution

  - Comparing the profiles of each individual institution tells us how differently they are seen by the students who choose to go there.
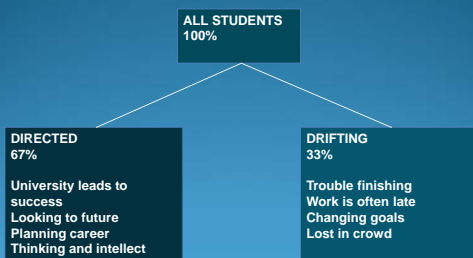
The university system

What we found…
…and what it might mean

1.

**First-entry university students
divide into 2 major groups**

Two primary psychographic segments

- Analysis identified two primary segment formations that accurately define 100% of the respondent population.
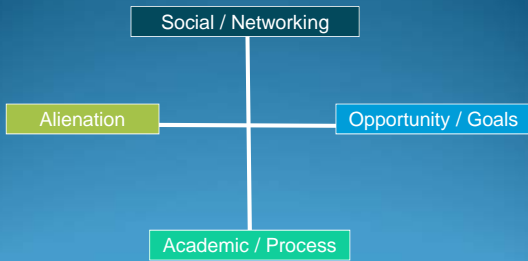- Directed students: 67% and Drifters: 33%

**ALL STUDENTS
100%**

**DIRECTED
67%**

**University leads to success
Looking to future
Planning career
Thinking and intellect**

**DRIFTING
33%**

**Trouble finishing
Work is often late
Changing goals
Lost in crowd**

2.

They appear to be following four very different paths.

Four fundamental dimensions

- There are also four fundamental dimensions that influence the clustering of the psychographic segments.

Social / Networking

Alienation
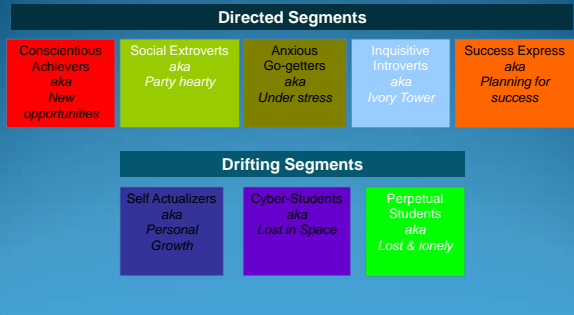
Opportunity / Goals

Academic / Process

3.

They can be divided meaningfully into 8 highly differentiated segments.

Eight discrete psychographic segments

- The best data "fit" generates eight discrete psychographic segments which demonstrate clear signs of differentiation both within the total population and among the different participating universities.

Directed Segments

Conscientious Achievers *aka New opportunities*	Social Extroverts *aka Party hearty*	Anxious Go-getters *aka Under stress*	Inquisitive Introverts *aka Ivory Tower*	Success Express *aka Planning for success*

Drifting Segments

Self Actualizers *aka Personal Growth*	Cyber-Students *aka Lost in Space*	Perpetual Students *aka Lost & lonely*

Social Extroverts *aka Party hearty*

All about the social experience of university –
- love extracurricular activities
- belong to clubs and groups
- work out regularly
- active social life
- party and go wild

Interested in education –
- a degree gets a high-paying job
- get to know people who are like-minded thinkers
- network with "the right people"

Likely to be looking for a future life partner at school. Appreciate the opportunities, personal independence, and the chance to open their eyes. Perhaps summed up by "*Being socially active in university is a part of the education.*"

16% population

- Live on the edge
- Active social life

Social Extroverts in their own words

- The statements in the table below are those that receive strong agreement from Social Extroverts in the 5-university study from fall 2010.
- The potential advantages – and disadvantages – of having a disproportionate group of an incoming class come from this segment are made clearer by these statements.

Primary statements	Top-box	Top-2 box
I will enjoy the increase in personal independence that comes from being at university.	43%	91%
Being socially active in university is a part of the education.	37%	91%
I like to work out a couple of times each week.	36%	73%
University will connect me to like-minded thinkers.	32%	90%
I've got a big group of friends.	27%	84%
I usually have an extremely active social life.	22%	76%
I plan to go to a lot of extracurricular university events.	18%	68%
I hope to belong to a lot of university clubs and/or groups.	16%	59%
Secondary statements		
Finishing my degree and getting my diploma is an important milestone for me.	58%	95%
A university education will land me a job with a higher income.	60%	97%
University is the time to party and go wild.	6%	38%
What I'll learn at university will likely open my eyes in a lot of ways.	39%	90%
Being exposed to cultural diversity will be an important part of the university experience.	31%	73%
Higher education will help connect me with the right people in the working world.	20%	80%
Sometimes, you have to live life on the edge to really feel alive.	20%	68%

Success Express *aka Planning for success*

- Go to university for a purpose – "to set themselves up for life," especially a high-income job
- No time to dawdle
- Degree or diploma is a key marker on their path
- Extracurriculars, clubs, groups, movies/music/arts have little importance

- Value networking and getting to know instructors
- Not socially active
- Experience a fair amount of stress and loneliness, which they manage through video-gaming.
- Least likely to be looking for a future life partner at school.

12%
population

- Know exact future
- University success leads to life success
- Low social interest
- Stressed & lonely

Cyber-Students *aka Lost in space*

Twice as likely to say they spend a lot (or too much) time on social media and with their cell phones.
- Least interest in being "immersed in books"
- Little planning for the future or life after graduation

Like spontaneity – to party, go wild, live life on the edge
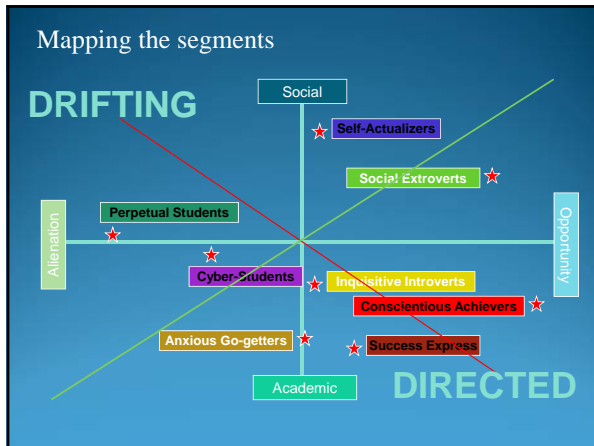- Not big on planned social life like university events, clubs or groups.

Goal: finish their degree / getting high-paying job, but have trouble finishing things or getting them in on time
- Suffer from constantly changing goals.
- Real world looks a little scary.
- Little interest in teachers/ instructors, prefer to interact with them by email.

12%
population

- Lots of time online
- Active social life
- Go wild, lots of friends
- Change goals
- Unrealistic

4.

The 8 segments are relatively widely dispersed across the psychographic landscape.

Mapping the segments

5.
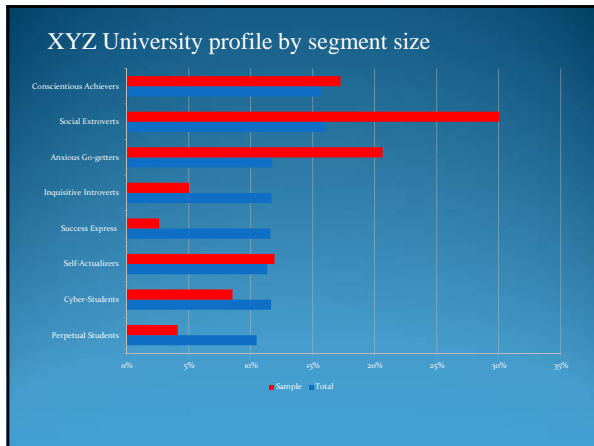
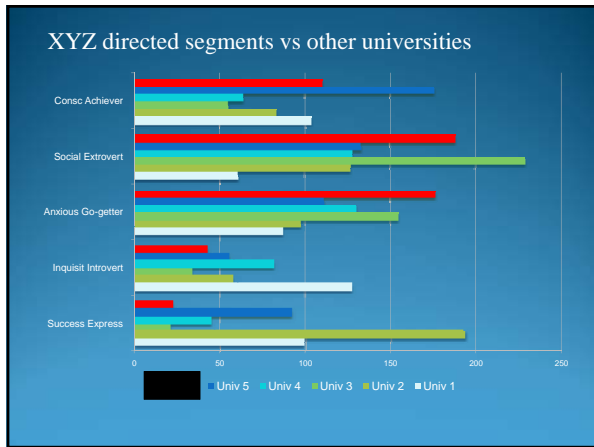**The profile of each institution based on the combined profiles of their students is unique to a greater extent than had been foreseen.**
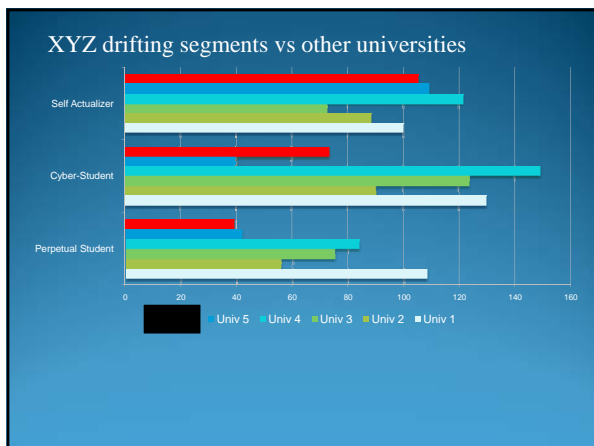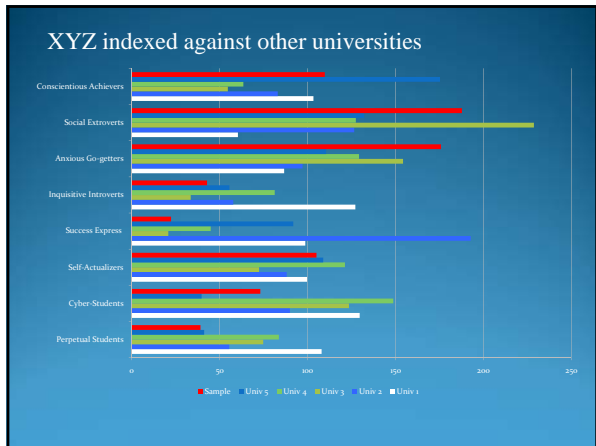

XYZ University segmentation

- XYZ university's ratio of Directed/Drifting is 75%/25% compared to all university benchmark of 67%/33% seems to point to XYZ's students' strong sense of purpose. (Current observed range varies from 60/40 to 79/21.)
- XYZ shows 30% of respondents are Social Extroverts, almost double the norm. And with 22% Anxious Go-getters, it leads all universities in this segment.
- In contrast, XYZ has only 5% Inquisitive Introverts, 3% Success Express and 4% Perpetual Students, well below the national averages.

Psychographic segment	Total population	XYZ	Directed vs. Drifting
Conscientious Achievers	16%	17%	
Social Extroverts	16%	30%	
Anxious Go-getters	12%	21%	75%
Inquisitive Introverts	12%	5%	
Success Express	12%	3%	
Self Actualizers	11%	12%	
Cyber-Students	12%	9%	25%
Perpetual Students	10%	4%	

XYZ University profile by segment size

XYZ directed segments vs other universities

XYZ drifting segments vs other universities

XYZ indexed against other universities

6.

The differences observed extend inside a university to its individual Faculties.

Profiles of XYZ's key faculties

What does all this have to do with DNA?

Just as DNA provides the instructions for the functioning of almost all living organisms, a university's psychographic segmentation profile provides "instructions" or a pattern for the annual replication of the student body. And just as chromosomes split apart to replicate themselves, the student body splits away from the institution and returns to the community to attract the building blocks of next year's class.
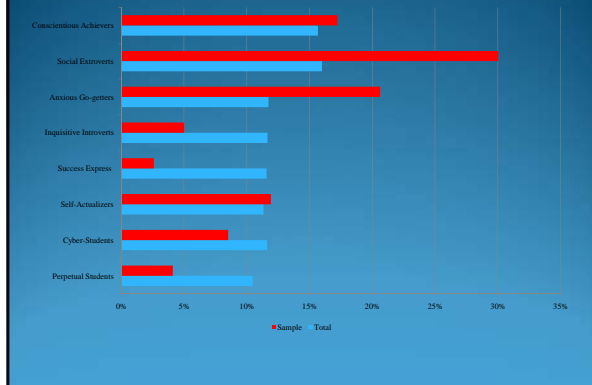
How to implement psychographic segmentation

- Survey instrument already exists

- Invite all or a randomly selected sample of students to participate

- Analysis is done semi-automatically and a profile of your institution is developed.

How can you use psychographic segmentation?

- Develop improved and more effective recruitment strategies

- Get a wider perspective of students' needs for services based on a more thorough understanding of the composition of your current student body

- Measure the fit between your institution and individual students to see if meaningful patterns emerge in the persistence of specific segments. Use the results to design services and outreach initiatives to improve persistence and success

- Establish a segmentation analysis of alumni to see if there are meaningful patterns that can predict who gives, which might lead to earlier identification of new donors and better communication with both donors and non-donors

2. Forecast need for student services

Chart categories (top to bottom): Conscientious Achievers, Social Extroverts, Anxious Go-getters, Inquisitive Introverts, Success Express, Self-Actualizers, Cyber-Students, Perpetual Students

X-axis: 0%, 5%, 10%, 15%, 20%, 25%, 30%, 35%

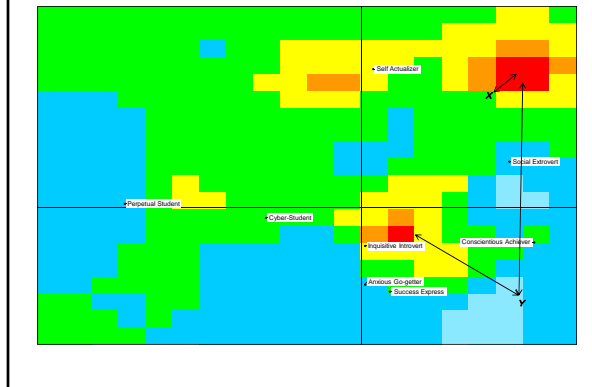Legend: Sample Total

3. Predict success by measuring fit

The goal is to create a predictive model that can rate a prospective student's chance of success at a particular institution.

A few models are being examined to measure a student fit's with an institution. Rather than trying to identify one or two segments that are more likely to fail at an institution, a model needs to be multi-dimensional.

Some starting thoughts…

1. Assigning a student to a single segment does not likely offer adequate subtlety in terms of understanding "who the student is."
2. Each individual student's psychographic profile shows the same complexity as each individual institution's profile.
3. A successful model needs to capture the individual's complexity and relate it to the institution's complexity in a way that allows for a straightforward assessment of institutional fit.

Sample university profile by statement strength

Labels: Self Actualizer, Social Extrovert, Perpetual Student, Cyber-Student, Inquisitive Introvert, Conscientious Achiever, Anxious Go-getter, Success Express

What's next for McGill?

- McGill intends to re-survey the first group of UG students in their second year to find out whether they have changed – a measure of potential segment shift

- Analyze the academic progress of the students to see whether they are on track academically

- Continue to engage students in many other ways to identify key approaches that will contribute to their success (proxy: retention and graduation rate increases)
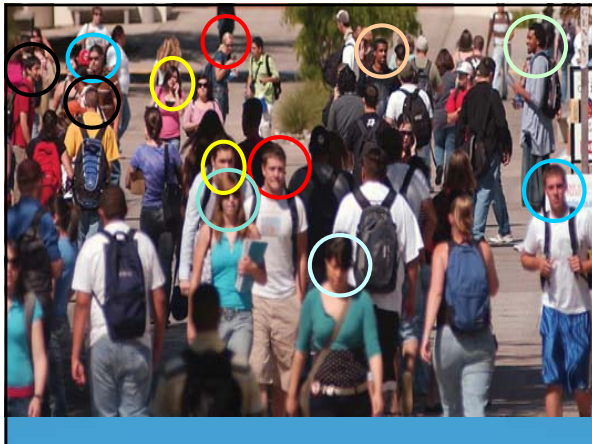
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Current segmentation research initiatives

Develop viable segmentation systems for:

- Graduate students (underway)

- International students (major international study just completed)

Next up:

- Colleges and the private educational sector

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For more information on psychographic segmentation
or other research interests,
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