



CHALLENGE

An agency partner of Vennli's was pitching a prepared meal delivery service client that was having trouble maintaining consistent customers. They were particularly interested in improving their standing with Millennials and Baby Boomers.

The challenge was to identify an optimal target market in order to show the client how they could customize their messaging and product offerings.

SOLUTION

Vennli collaborated with the agency to write a survey that would allow us to segment respondents by psychographic analysis rather than traditional demographics. To accomplish this, Vennli ran clustering algorithms across respondents' answers that reflected their values and beliefs when it came to preparing and ordering meals. The resulting segments allowed Vennli to not only see the demographics of respondents in each category but also their preferences and behaviors.

KEY INSIGHTS TO DRIVE ACTIONS

Three clusters stood out the most after the cluster analysis. These were, “Cheap & Easy,” “Price Insensitive,” and “Health & Cost Conscious.” The Price Insensitive segment was the most likely to sign up for a subscription meal service and valued variety, trying something new, and flavor. Age-wise, they were split evenly between Millennials and Baby Boomers.

Results showed that targeting one specific age group over another was not the most effective strategy. Instead, focusing on specific messaging across channels most used by the Price Insensitive segment, as well as adding services and product types they were most interested in as indicated in the survey, was recommended.

Subscription Meal Service Clusters

| Key Data Points | Cluster | | |
|--|---|--|---|
| | Cheap & Easy | Price Insensitive | Health & Cost Conscious |
| Generation (Baby Boomers vs. Millennials) | 61% are 55+ | 50/50 between Boomers and Millennials | 50/50 between Boomers and Millennials |
| Decision Drivers | Values easy preparation, easy clean up, and low price | Values variety, trying something new, and flavor | Values nutrition, price, and flavor |
| Convenience Food - First Choice | First choice is a frozen meal | First choice is a subscription meal kit | First choice is a subscription meal kit |
| Pre-Prepared Meal Consumption | Eats a pre-prepared meal about once a week | Eats a pre-prepared meal about twice a week | Most likely to always prepare their own meals |
| Meal Prep Frequency | Most likely to not prep multiple meals at a time | More likely to not prep multiple meals at a time | Most likely to prep multiple meals at a time |
| Interest in a Subscription Food Service | Least likely to try a subscription food service | Most likely to try a subscription food service | Undecided on trying a subscription food service |

RESULTS

Vennli’s agency partner was able to win the business and help the meal delivery service increase sales through a better understanding of their target market. Consumer values, preferences, and behaviors cross demographic lines. If you only segment respondents by demographic factors like age, gender, and race, you will not get a full picture of your true audience.