Title:

"Hipsters" and "Hillbillies": The Perils of Personas

Abstract:

Segmentation analysis is a staple of marketing practice, and is widely recognized as a powerful profit lever in organizations. As part of their segmentation efforts, marketing managers often rely on buyers’ personas: Short, semi-fictional descriptions of the attributes of a typical person in a segment. While a large professional literature claims strong benefits to using personas, the results of this project suggest that writing personas may lead to distorted representations of the underlying consumer segments. In this talk, I will present the results of multiple experiments showing that, after being prompted to write personas about consumer segments, respondents exaggerate the differences between the segments (an effect that we call amplification) and minimize the heterogeneity within segments (an effect that we call compression). As a consequence, their predictions about the preferences of consumers in different segments become less accurate. I will conclude by discussing future studies and research directions.