A BRAND TRANSFORMATION PERSPECTIVE

FROM VULNERABLE TO ADVANTAGED

Six types of personas on the road to customer-centricity

Glen Drummond, Chief Innovation Officer
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Glen Drummond and Tony Mohr assert that the term "personas" has lost much of its power to communicate. However, interest among corporations in becoming "customer-centric" is at an all-time high. The moment is right for a typology of personas that can help companies on their road to customer-centricity.

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How much longer before the term "personas" becomes useless?

Give any business buzzword time and it loses much of its power to communicate. "Best practices," "re-engineering," "CRM" and "leadership" are just a few examples of business terms that have been drained of meaning. Such terms are eventually discarded like fast-food cartons littering the freeway of business thought. The reasons for this phenomenon are varied, but the usual suspects include misapplication of the term, over use, an association with unfulfilled promises and being replaced by the next "big thing".

The term "personas" is trending towards this low-energy state. There have never been more people involved in creating and using personas, and yet we see substantial disagreement about how they work, why they work, what should go into them and under what circumstances they should be put into action. We've encountered clients who—responding to a negative reputation for personas within their organizations— say: "I know I need personas, but let's not use that term when we're speaking with anyone else inside my organization." To quote content marketing thought leader Michael Brenner: "Personas are great, except when they suck."

The problem with using the single term "personas" to describe all types is magnified when we start discussing the kind of persona we need to create. We trip over the lack of a shared vocabulary to describe the different types of personas. From our perspective, there's a critical need for a formal typology of personas that buyers and users of personas can align around.

How existing, informal persona typologies are failing persona buyers

To the extent that there are existing typologies of personas in the marketplace, they are informal ones. We've seen a number of adjectives bolted on to the front of personas by specialists in various areas: "buyer personas," "web design personas," "marketing personas." Advocates for these specialized versions of personas make a valid argument that the intended end-use application of the persona should be connected with the information that is included in the persona. But, in our experience, when it comes to determining the relative quality of these types of personas, the primary focus narrows to its content—the rigor of how the content was established, and the degree to which that content is matched to the intended end-use application of the persona. The typology that we propose identifies another dimension that has an important influence on the value of a persona.

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PERSPECTIVE IN BRIEF:
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The problem
The single term "personas" currently stands for a broad diversity of practices and assumptions. How can persona buyers and users clearly specify the work they need, and arrive at a scope of value that is right for their particular business challenge?

Why this happens
"Personas" stands for vastly different ambition levels in effort and investment, different viewpoints on appropriate scope of use, and different theories of what a persona should include. Current persona labels (e.g. buyer persona, design persona, marketing persona) add confusion because the terms do not correspond to a single model that organizes types of personas in logical relationship to one other.

The solution
A persona typology that defines six different kinds of personas, and structures each in relationship to the others according to three dimensions: insight methods, segmentation perspectives and disruptive capabilities. The result is a systematic way to compare relative quality between types of personas and to clarify which type of persona is best suited to a particular business objective.

From our perspective, it's a bit ironic that even the people in the business of creating personas could be accused of a product-centric way of seeing the world. But, the assortment of existing persona types—absent a navigational map that clarifies the relationship between them—creates a complexity that is making it hard for persona buyers. Let's say you're responsible for your organization's web redesign and content creation. You might find yourself asking:

• Do I need buyer personas or web design personas? Or both?

• If there are already personas available in my organization, should I be using them or creating something new, purpose-built for my project?

• Are the personas that exist in my organization different in kind or quantity of information?

• Does one type of persona nest inside another like a set of Russian Babushka nesting dolls, or are they as different as Barbie and Batman?

• How do I compare the offerings and the price points of the various vendors who want to help me create personas?

The complexity suggested by these questions begs for a more formal typology, a more systematic categorization of personas and their value.

A critical and under-appreciated dimension

There's another complexity that we need to sort out in a new typology of personas —and it has to do with the relationship between personas and the implicit or explicit customer segmentation model already in use by an organization. It's a challenge that we have discovered through our consulting and industry research.

Some rare, forward-looking organizations have built a strategic customer segmentation framework based on deep customer insight, have embedded that segmentation perspective in personas and have then mandated the use of these personas across the business as a whole. It's an approach that we believe is ideally suited to fueling a customer-centric culture, and the design and delivery of consistent brand experiences across all customer touch points.

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CUSTOMER ETHNOGRAPHY
AND PERSONAS: An ideal match

There are many qualitative research methods employed today in building personas—focus groups, telephone interviews and intercept surveys, for example. We've seen each of these methods inform the creation of personas. But, it's another method—customer ethnography—that is ideal for creating great personas.

Customer ethnography is a qualitative research technique adapted from anthropology. It focuses on understanding customer culture from the viewpoint of customers, including how products or services fit into that cultural system. As such, customer ethnography is conducted in environments where customers naturally interact with the products or services of interest (not in a lab). Ethnographers use their five senses as well as their own emotions to collect data on what it's like to be a customer in these environments.

The reason customer ethnography is so well suited to creating personas is because, of all methods, it produces the most holistic view of the customer's world. Customer ethnography gives the greatest primacy to a customer's context, and to the system of relationships between a customer's behavior, motivation and environment. By doing so, customer ethnography produces a form of information that is perfectly suited to the pattern-building, fast-thinking, intuitive aspect of our minds. This is exactly the form of information that lights up our imagination, fuels our creativity and inspires ideas.

Inspired thinking about customer experience is fueled by holistic insights about the relationship between customer motivations, behavior and context. Personas are a perfect delivery vehicle for this form of insight. Customer ethnography is inherently tuned to producing this form of insight. Combined, customer ethnography and personas prove to be an ideal match of methods and goals.

But here's what we more commonly see: functional groups within an organization—Product, Sales, Marketing or channel groups (e.g. Retail, Web)—operate using a segmentation framework that is optimized to their specific functional needs. Below the surface, there's no common view of customers across functional groups— and to make matters worse, this goes unrecognized. This becomes a formidable barrier for creating a consistent and meaningful omni-channel customer experience (i.e. one that elicits a consistent set of emotional and psychological experiences with the brand for customers).

Ever heard of people in Sales re-working content produced by Marketing? It's an all-too-common occurrence, and it reflects an example of a deeper challenge: functional groups not sharing a view of their organization's customer. Yet, this problem is not always recognized because segmentation perspectives are like an infrastructure asset: they operate silently and in the background most of the time. As a result, disagreement in segmentation perspectives within the organization is invisible, only indirectly detectable and revealed through battles like requirements scuffles and revision cycles on marketing content.

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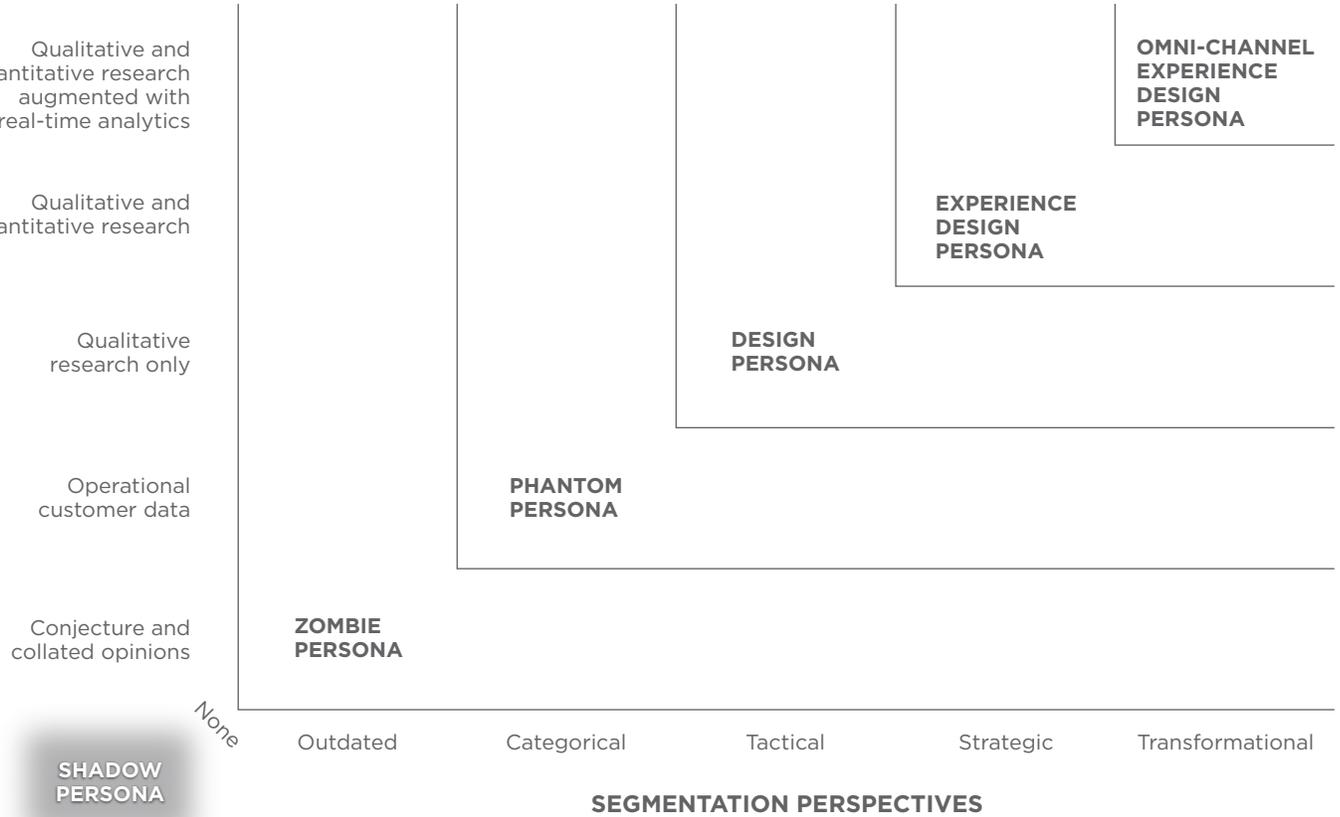
How can you pick up on this root cause issue? One tell-tale sign is an us-versus-them attitude expressed when the people within one department say that people in the department down the hall are "pretty tactical" in their view of the customer. In other words: "Our personas are strategic, because what they contain and don't contain corresponds with our (implicit) segmentation perspective. The other guys...not so much."

We need to weed out these latent disagreements if we want to evolve beyond product-centric execution. Such discord obviously gets in the way of customer experience, and it also gets in the way of innovation. In a business environment where those two topics are high on the corporate agenda, it is counter-productive for people to be building and using personas that get in the way of either. With those thoughts in mind, we propose this new typology.

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A new personas typology: Six models of "the Customer" on the road to customer-centricity

INSIGHT METHODS

Qualitative and quantitative research augmented with real-time analytics					**OMNI-CHANNEL EXPERIENCE DESIGN PERSONA**
Qualitative and quantitative research				**EXPERIENCE DESIGN PERSONA**	
Qualitative research only			**DESIGN PERSONA**		
Operational customer data		**PHANTOM PERSONA**			
Conjecture and collated opinions	**ZOMBIE PERSONA**				
None	Outdated	Categorical	Tactical	Strategic	Transformational

SHADOW PERSONA

SEGMENTATION PERSPECTIVES

Understanding the model

Insight methods are arranged on the y-axis. They ascend from the absence of any insight, to primitive methods and, ultimately, to advanced techniques. What's important to understand about the values on the y-axis is that they are cumulative. If one were to attempt real-time analytics without the benefit of serious qualitative and quantitative work as a foundation, there would be a distinct risk of producing zombie or phantom personas (defined on the next page).

Segmentation perspectives are arranged on the x-axis. These ways of looking at customers—and the related business application for the personas—are arranged in a continuum from the absence of a formal segmentation perspective on customers, to the primitive, to the advanced. Again, there is an assumption of a cumulative impact at the higher end of the x-axis; a transformational segmentation perspective relies on a strategic segmentation approach.

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SIX SEGMENTATION PERSPECTIVES

None: The name says it all—there is no formal segmentation perspective.

Outdated (a.k.a. "zombie"): The organization's perspective on the differences between customers that make a difference has become outdated and counter-productive.

Categorical (a.k.a. "a priori"): The organization has a top-down categorization scheme (e.g. geography, sales volumes, demographics) and sorts customers based on it. These segmentation perspectives help locate and sort customers, but fail at explaining or predicting behavior.

Tactical: This perspective focuses on a system of differences that informs the creation of a particular tactic. For example, in product design, the framework might be "customer jobs." While optimal for single tactics, this perspective has low utility as an integrating framework across customer touch points.

Strategic: A strategic segmentation perspective explains and predicts customer behavior, and provides a unifying framework for decisions across multiple business functions. The explanatory power of this perspective grows in proportion to the depth of customer insight.

Transformational: A transformational segmentation perspective differs from a strategic one on the basis of a single dimension: the degree to which the leadership team carries the segmentation insight into the organization. In the journey from product-centric to customer-centric execution, this follow-through is both a key risk and a critical success factor.

Definitions: Six types of personas

Shadow persona: A persona that should be created, but is not because the customer it represents is hidden by an existing customer categorization model. The population represented by the shadow persona is a safe haven for competitive offers and a launch pad for disruptors.

Zombie persona: A persona that arises from a categorization of customers that is outdated because it's no longer strategically relevant. A barrier to innovation, the zombie persona represents the customer in a way that reinforces the legacy business model and its built-in assumptions.

Phantom persona: A persona that arises from data that is simply convenient to collect, rather than data that has been collected specifically for persona design. Such personas answer the easy question of "What are the differences between customers?" while ignoring the more meaningful one: "What are the differences between customers *that make a difference*?" Phantom segments—which phantom personas represent—have been identified by Clay Christensen in *The Innovator's Solution* as a leading cause of new product failure.

Design persona: A persona built to support the design of a single customer experience such as a microsite, a nurturing program, an event or a retail site. A design persona is a valid and valuable tool when a team responsible for executing a single experience seeks to leverage customer insight to create an engaging customer experience, but the team does not have an existing strategic insight framework to refer to. A design persona shares detailed information about customer behavior relevant to the designer's work. Design personas can be made even more valuable by locating the relevant customer behaviors in the context of underlying motivations.

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Experience design persona: A persona built to support the design and integration of customer experiences. Experience design personas are a strategic design tool that are built to be leveraged across multiple customer experience projects. They connect insights about customer motivations with behavioral information relevant to various experience design challenges and with a segmentation framework aligned with the current business strategy. We believe the best examples of these types of personas draw upon a systematic framework of observations on how different groups of people adopt different habits in response to a compromise or dilemma that they face—one that is experienced widely by customers and potential customers in the category.

Omni-channel experience design persona: A persona that has been embraced throughout an organization and its culture to differentiate the brand on the basis of customer experience. The omni-channel experience design persona is based on an experience design persona at its core. But, beyond being a strategic design tool that is built once and remains static for a long period of time, the omni-channel experience design persona is continually updated, elaborated on and refined. The process of continual elaboration is based on real-time operational data (e.g. different customers' responses to a direct mail piece or an A/B test of a campaign landing page) and additional primary research initiatives. The omni-channel experience design persona becomes a continually updated body of insight about customers that is regularly referenced across all functional groups.

To realize its potential, the omni-channel experience design persona is deliberately embedded across business practices and processes to guide the way an organization runs its business on a day-to-day basis. It is engrained into the organization through active executive leadership support and alignment with internal roles and responsibilities. The omni-channel experience design persona is used to provide guidance to all customer interactions. By being incorporated into the company's way of doing business, it has a life as a constantly growing and evolving field of valid insight and reliable statistical information about the customer.

We have yet to see an organization fully realize the promise of omni-channel experience design personas, but we know of several organizations that are pushing hard in this direction.

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How the new typology helps persona buyers and users

1. Provides a system for contrasting types of personas

By placing different values for a range of insight methods and segmentation perspectives along the axes, we have a system for contrasting the requirements —and resulting qualities—of each type of persona. This should be especially helpful for people who know they need personas and want to make an informed choice about what they are buying. Shadow personas, zombie personas and phantom personas are all types of personas that should be a cause for concern and critical assessment. In contrast, each of the remaining three types of personas can play a valuable role in enabling an organization on the road to customer-centricity.

There is a caution to note here about over-investing on one dimension or another. As long as a persona is weighed down by a sub-optimal value on either the x- or y-axis, no amount of investment on the other axis changes what type of persona results.

2. Clarifies which type of persona is best suited to a particular business objective

The names of the persona types speak to the value each offers. And, the typology allows potential buyers and users of personas a framework to contrast research methods on the basis of the longevity and intended breadth of use of the personas. Not every persona needs to satisfy the requirements of an omni-channel experience design persona. But, as the type of persona moves from design persona to experience design persona to omni-channel experience design persona, your organization will increase its ability to execute in a customer-centric way.

3. Highlights the importance of having a segmentation perspective

Every persona within the typology sits at an intersection of "substance"—the result of the methods for collecting data, making observations, amassing information and building knowledge—and "perspective" —the way of looking at and categorizing customers. A persona won't encode "insight" unless it includes both substance and perspective. Traditionally, more weight and attention have been placed on the methods for gathering and building the substance of the persona than on the segmentation perspective by which the substance was developed. The typology draws attention to the segmentation perspective as an ever-present factor that is easily overlooked, the frequent source of misalignment within an organization and an inevitable factor in what gets noticed and what gets ignored in the construction of a persona. By giving a prominent status to the segmentation perspective in the construction of a persona, buyers and users are equipped with a clearer view of how to think about different personas and how to understand the different—and appropriate— use cases for them.

4. Introduces three types of personas that can cause real harm

The model advances the discussion of persona quality. Differences in substance are noted on the y-axis. The methods lowest on the axis are called out as sources of dysfunction. This is typical of historical arguments about persona quality. The products of primitive methods and primitive perspectives are zombie, phantom and shadow personas. These three types of personas can cause real harm to your business; you definitely do not want them lurking in your halls.

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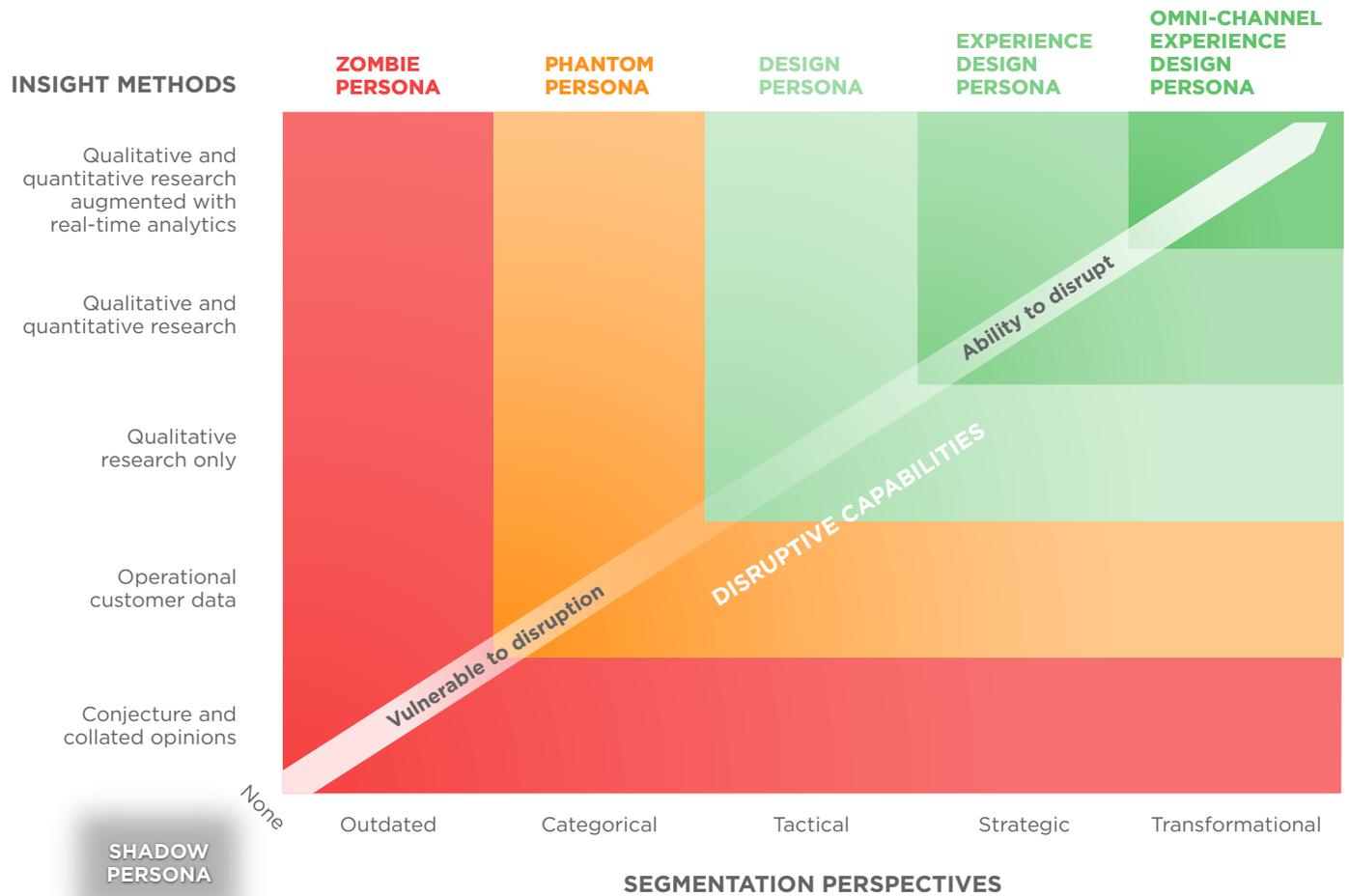Six types of personas on the road
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From vulnerable to advantaged: Adding a third dimension

SiriusDecisions, a global B2B research and advisory firm, advocates for a Competitive Analysis Model[1] that characterizes a "Lethal Competitor" as strong in both disruptive and go-to-market capabilities. Lethal Competitors have the talent and resources to create high barriers and formidable attacks, putting them in an advantaged position relative to competitors.

In our work, we've observed another characteristic that signifies Lethal Competitors: the depth and actionability of their customer insight. These organizations leverage a deep understanding of customers across their organization to make more intelligent, strategic and tactical choices about their business.

Let's incorporate the SiriusDecisions Competitive Analysis Model into our typology of personas by adding a third dimension—"disruptive capabilities"—as the z-axis.

Overlaying a competitiveness model on the new personas typology

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INNOVATING WITH DESIGN PERSONAS

The comparison of the different personas in the typology along the z-axis (disruptive capabilities) could lead one to ask whether there is a right time and place for the design persona. The answer is an enthusiastic "yes!"

The primary driver of that enthusiasm is the topic of innovation, and the critical role that pilots, prototypes and experiments play in the pursuit of innovation. With innovation initiatives, you often need to go beyond the boundaries of the officially sanctioned model of the customer. And, usually, there needs to be some sort of measured experiment or a pilot-based approach to create the internal permission for pioneering work to take place. Design personas can play an instrumental role in such experiments and pilots.

We've seen design personas employed very successfully in innovation initiatives dealing with new customer interaction models, new product design or re-invention, and new marketing content approaches. In these contexts, design personas are valuable tools that are well matched to the time and budget scale of most innovation initiatives.

Furthermore, design personas improve the chance of success in these initiatives. And, in those cases where the initiatives prove successful, the primary research and insight that went into the design persona can be re-leveraged in building a more integrated customer insight framework for your organization.

The spectrum of values along the z-axis progresses from "vulnerable to disruption" in the lower-left quadrant to "ability to disrupt" in the upper right. Further applying a simple color coding to the "L-shaped" bands in the graph, we reflect that those organizations with shadow, zombie or phantom personas are more susceptible to being disrupted. Here's why:

- Shadow personas represent a safe haven for potential disruptors to establish a market foothold.

- Zombie personas can mislead innovation efforts and create an opening for potential competitors to deliver experiences that customers in the category prefer.

- Phantom personas can mislead organizations by drawing attention to differences between customers that do not actually matter when it comes to creating engaging and meaningful customer experiences, which leaves the door open for competitive disruption.

In contrast, those companies that have adopted better-quality methods for gathering insight, and approached their personas with a deliberate segmentation perspective, are in an optimal position to disrupt their markets through a highly customer-centric approach:

- Design personas help ensure that single experiences are based on relevant customer insights and tuned to the customer's motivations, goals and behaviors.

- Experience design personas go a long way to setting an organization apart from its competitors on the basis of a consistent and meaningful customer experience across multiple touch points.

- Omni-channel experience design personas not only fuel the integration of customer experiences across all touch points, but have the support of executive leadership, are embedded in processes and practices, and serve as a continually updated body of strategic insight, which puts the organization in an optimal position to differentiate itself on the basis of the customer experience it delivers.

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By adding the SiriusDecisions Competitive Analysis Model as an overlay to the personas typology, we augment the ways in which the typology helps buyers and users of personas. It allows buyers to diagnose where their current practices place them on the journey from product-centric to customer-centric models of the customer. Having that view can be powerful for highlighting the distance that still needs to be covered—and a path to get there. Further, the typology offers a caution for those who are currently using outdated or categorical perspectives in a world that is increasingly shifting towards customer-centricity as the source of competitive advantage. Those without a relevant and actionable model of the customer are more susceptible to disruption. In contrast, those who place a high degree of attention and investment into the quality of their view of customers are the ones who will have the opportunity to drive disruption in their industry.

A multi-purpose resource on the road to customer-centricity

This new typology of personas is a model that can be shared by cross-functional teams striving towards improvements in the ability to innovate, create differentiated customer experiences, fend off disruption and achieve growth by disrupting their own or some adjacent industry.

It can be used by potential buyers of persona work to describe what they want and don't want in the scope of effort. It can be employed by users of personas to understand the resources and perspectives that went into their personas. And it can be used by fellow members of the professional community who believe in the power of personas to help "personas" from slipping into a discredited state.

We hope this typology proves valuable and useful to you along your organization's journey to customer-centricity.

About Curve Jump

Curve Jump® by Quarry helps companies become more customer-centric by producing actionable insights about "the Customer" and then helping those organizations get aligned around the insights and ready for growth. Armed with a refreshed understanding of customers, the organization can strengthen brand position, reignite stalled innovation and better compete on the basis of customer experience. Members of the Curve Jump team have been helping clients with persona solutions since 1999 and have presented cases from this body of work at conferences hosted by Forrester Research, CEB (Corporate Executive Board), MarketingProfs and The Canadian Marketing Association.

Glen Drummond is Chief Innovation Officer at Quarry. As part of the Curve Jump practice, Glen helps clients with strategic segmentation and customer insight programs that drive innovation and customer experience initiatives. Glen leads a fourth-year course on Creativity for BBA students at Wilfrid Laurier University in the School of Business and Economics, and he teaches the Innovation course in the University of Waterloo's Masters in Digital Experience Innovation.

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