

## **Results and Recommendations**

### **Introduction**

In the pursuit of understanding and catering to diverse consumer preferences, this research project aimed to uncover distinct customer segments within the dataset provided by the Company, encompassing responses from 6000 participants. The primary objective was to identify meaningful clusters that could serve as standard customer segments, laying the groundwork for targeted marketing strategies tailored to each group's unique characteristics.

The data underwent a comprehensive preprocessing phase involving column dropping, reversal of Likert scales, scaling for comparability, and addressing missing values. With a meticulously curated dataset, we applied hierarchical clustering techniques to categorize respondents into eight distinct clusters. In this section, we present the findings and characteristics of each cluster, shedding light on the diverse personas that emerged from the analysis. These insights aim to equip the Company with valuable knowledge for crafting tailored promotional approaches and enhancing customer engagement across the identified segments.

### **Results**

#### **Cluster 1: Harmony Quaffs - The Refined Sippers**

The HarmonyQuaffs reveals The Refined Sippers, a cohort emphasizing loyalty through liking to have close relationships, stable friendships and always wanting the same drinks. Educated and retired, they cherish simplicity and close friendships, maintaining a harmonious tech balance by equally using social media, weather, and messaging apps. In the spirits realm, they seek hangover-free pleasure, valuing quality drinks without excessive price concerns.

### **Recommendation**

Recommend fostering community engagement, promoting user-generated content, and positioning our beverage as the preferred choice for those who appreciate life's simple pleasures and value genuine connections. Target retirees through lifestyle magazines, online forums, and group activities, showcasing a commitment to continuous product innovation and quality standards. Clearly communicate these attributes to resonate with The Refined Sippers, emphasizing a premium and pleasurable beverage experience.

### **Cluster 2: Quality Connoisseurs - Discerning Shoppers**

The Quality Connoisseurs or SophisticateSelects, discerning shoppers emerge as a group highly valuing quality and variety. Marked by elevated internet use and education levels, this segment showcases trust in established brands, and smooth quality. Their preferences include a willingness to explore different beverages, a penchant for savoring full-flavored beers. Furthermore, maintaining a healthy and active lifestyle, they view a refreshing drink as a well-deserved reward. This cluster is poised to respond positively to marketing that emphasizes product quality.

### **Recommendation**

The Company may want to consider reinforcing quality assurance across marketing strategies to potentially gain and maintain the trust of Quality Connoisseurs. Perhaps diversifying the product range could present a multitude of rewards for their hard working lifestyle. There may be an opportunity in positioning products as indulgent treats for Discerning Shoppers, with messaging that delicately emphasizes emotional and satisfaction. This might involve consideration around positioning near innovating sites and brands in the digital landscape.

### **Cluster 3: Relaxed Connectors - Casual Browsers**

The Relaxed Connectors, embodies a segment with a penchant for leisure and ease of access. With a persona reminiscent of Alex, the Casual Browser, this group typically falls within the age range of 25-40, often comprising freelancers. Their interests revolve around social media, casual gaming, and activities like yoga. Characterized by a laid-back disposition, relaxed Connectors places value on relaxation and convenience. Their online behavior leans towards leisurely internet browsing and shopping. To effectively engage this cluster, marketing strategies should adopt an online-centric approach, utilizing relaxed and casual advertising tones. Convenience-focused messaging will resonate well with the lifestyle preferences of Relaxed Connectors, establishing a connection that aligns seamlessly with their desire for ease and relaxation.

### **Recommendation**

The company could consider an enhanced social media and gaming presence with casual-toned advertising to further engage Relaxed Connectors. Messaging may focus on relaxation and convenience to explore stronger connections. Examining wellness partnerships could appeal beyond transactions.

### **Cluster 4: Social Sippers - Dynamic Aficionados**

The Social Sippers, aptly named Dynamic Aficionados, constitutes a lively and socially engaged cohort within our segmentation. Characterized by an enthusiastic pursuit of diverse experiences and a finely balanced lifestyle, this dynamic cluster embodies a distinctive essence.

Dynamic Aficionados revel in the exploration of new beer types and brands, showcasing an adventurous and open-minded approach to their beverage choices. Beyond their fervor for beer appreciation, this group embraces a diverse range of entertainment options, contributing to a

lifestyle that is rich, multifaceted, and well-rounded. Trust and reliability are foundational to their shopping preferences, reflecting a desire for authentic and dependable experiences. In the realm of beer-drinking, Dynamic Aficionados seek more than just a beverage; each sip is an opportunity for relaxation and reward, transforming the act into a gratifying and enriching experience. In essence, this cluster exemplifies a harmonious fusion of social connections, beer appreciation, and a well-rounded approach to life, injecting a vibrant and dynamic spirit into the broader consumer landscape.

### **Recommendation**

The company could gently consider introducing diverse beer types and limited-edition brands that might appeal to Dynamic Aficionados' adventurous preferences. Perhaps craft brewery collaborations could be examined for exclusive releases. This may align with the cluster's desire for authenticity. There may be an opportunity in creating beer-tasting events, forums, and social media initiatives potentially fostering community engagement. By possibly catering to their multifaceted tastes, the organization might drive loyalty, innovation, and expanded market share within this vibrant segment.

### **Cluster 5: Serenity Sippers - The Thoughtful Homebody**

The "Serenity Sippers" or Thoughtful Homebodies, are individuals who thrive in a stress-free environment, known for their diligent work ethic, tech-savvy nature, and consistent engagement with emails. This cluster values tranquility and has a penchant for creating a serene home environment. Hardworking by nature, they find solace in moments of quiet contemplation and relaxation, often accompanied by their preferred beverages. Their tech-savviness is not just a reflection of their professional lives but also an integral part of their leisure, as they seamlessly navigate the digital landscape. The regular use of emails signifies their connectedness, even in

the midst of a lifestyle that cherishes a stress-free and thoughtful approach to both work and leisure.

### **Recommendation**

For the Serenity Sippers, consider incorporating beer into their moments of tranquility as a potentially delightful experience. Imagine the beer as a possible companion to their stress-free environment, providing a refreshing reward after a hard day's work or during quiet evenings spent at home. Picture the beverage as a potential enhancer of those cherished moments of relaxation, adding a touch of authenticity to their lifestyle.

To connect with this tech-savvy group, you might explore a balanced marketing approach. Perhaps you could utilize email campaigns to potentially deliver personalized messages highlighting the beer's quality and authenticity. On social media, consider sharing visually appealing content that could align with their stress-free lifestyle—imagery and captions that might resonate with their desire for serene and thoughtful moments. In this way, by potentially blending traditional and digital strategies, the beer could be presented as a potential addition to their peaceful way of life, offering a genuine and enriching experience.

### **Cluster 6: Ready-to-Drink Relaxers - Effortless Indulgers**

The Ready-to-Drink Relaxers, individuals aged 40-55 exhibit a laid-back lifestyle. Commonly found in roles like sales managers, this cluster's interests gravitate towards sports, barbecues, and casual gatherings. Marked by a preference for convenience, Ready-to-Drink Relaxers enjoy easy-to-consume products, seamlessly blending contemporary conveniences with enduring values. Embracing a relaxed and easygoing approach, this cluster is characterized by its inclination towards Ready-to-Drink options, emphasizing both simplicity and indulgence. To resonate effectively, marketing strategies should prioritize convenience, highlight social

gatherings, and ensure seamless product accessibility. This approach aligns seamlessly with the Ready-to-Drink Relaxers' preference for straightforward and indulgent lifestyle choices.

### **Recommendation**

The Company may want to consider showcasing the ease and enjoyment of RTDs while potentially aligning with the cluster's social interests like sports, barbecues, and casual gatherings. There could be an opportunity in positioning RTD products as companions for relaxed moments with friends/family that may foster deeper connections.

### **Cluster 7: Adventurous Qualitarians - Heritage Voyagers**

Within this Cluster, recognized as Adventurous Qualitarians, individuals aged 30-45 exemplify an adventurous spirit. Commonly associated with occupations such as travel blogging, this cluster expresses interests in adventure travel, cultural experiences, and outdoor activities. Characterized by a pursuit of quality experiences, Adventurous Qualitarians are drawn to trying new things and highly value unique and authentic products. In their engagement with marketing, strategies should incorporate adventure-themed advertising, product placements within travel content, and emphasize quality and exclusivity. This tailored approach resonates seamlessly with the preferences of this cluster, capturing their desire for distinctive and high-quality experiences, aligning with their adventurous and exploratory lifestyle.

### **Recommendation**

The Company may consider redefining its strategy to potentially align with Adventurous Qualitarians' pursuit of travel, cultural discovery, and outdoor activities. This might involve crafting an experiential, adventure-themed brand identity that may position the organization as catering to the cluster's interests. There may be an opportunity to implement marketing campaigns seamlessly incorporating exciting adventure travel and outdoor visual content.

Perhaps strategically placing products in travel influencer content could integrate the brand into an authentic connection. Offerings could become integral to the unique, high-quality experiences this cluster seeks, possibly fostering a profound connection.

#### **Cluster 8: Beer Connoisseurs - ChillBrew Crew**

The ChillBrew Crew is composed of individuals aged 35-50 who prioritize beer as their regular drink. With less frequent use of the internet, Beer Connoisseurs find joy in offline activities like sipping beer, watching documentaries, and embracing stress-free moments. Individuals in this cluster are knowledgeable about beer, enjoy learning about brewing techniques, and appreciate a variety of beer types. To effectively engage this cluster, marketing strategies should focus on educational content about beer, exclusive beer-tasting events, and highlight the variety and sophistication of beer products. This approach resonates well with the preferences of the ChillBrew Crew, capturing their love for beer and their desire for enriching and sophisticated experiences in the realm of brewing.

#### **Recommendation**

The Company could explore product lines or campaigns potentially aligned with the self-reliant, enduring lifestyle of this cluster. Beer event partnerships and brewery collaborations may also enhance visibility. Marketing might prioritize educational beer content to potentially appeal to the knowledgeable ChillBrew Crew's appreciation for learning techniques. Exclusive tasting events could aim to provide sophisticated experiences and intimate brand connections. With less frequent internet use, alternative communication like traditional media or beer event partnerships may be key.

## **Summary**

### **Implications for AB InBev**

Embracing continuous evolution and proactive consumer engagement is paramount for AB InBev's sustained success. By staying attuned to emerging market trends, they can strategically position themselves against competitors. Understanding customer preferences allows for agile product development, fostering stronger connections with the diverse consumer base.

### **Implementation Steps**

To implement these potential recommendations, AB InBev should invest in robust product development, ensuring offerings align with evolving consumer expectations. Collaboration with retailers, distributors, and data analytics specialists becomes crucial for comprehensive insights. Continuous data analysis forms the backbone, guiding strategic decisions and fostering a responsive approach.

### **Potential Obstacles**

However, potential obstacles such as high implementation costs, unpredictable market responses, and aggressive reactions from competitors should be carefully navigated. Clear communication, agility, and an adaptive mindset will be essential to overcome these challenges and ensure a seamless transition into a more consumer-centric and competitive landscape.

## **Conclusion**

In conclusion, AB InBev's success hinges on a dynamic approach, continuously evolving to meet changing consumer demands. By focusing on proactive engagement, strategic product development, and collaboration, the company can solidify its market presence. However, the journey is not without challenges; managing implementation costs, predicting market responses, and navigating competitive reactions will require agility and resilience. Embracing these steps



with a commitment to innovation positions AB InBev to not only retain its market share but also lead in shaping the future of the beverage industry.

**Appendices:**

1. “Developing an Effective Marketing Strategy for Beer Companies.” *Brand Credential*, [www.brandcredential.com/post/developing-an-effective-marketing-strategy-for-beer-companies](http://www.brandcredential.com/post/developing-an-effective-marketing-strategy-for-beer-companies). Accessed 29 Nov. 2023.
2. Melanie. “Beer Marketing Strategies in a Global Pandemic and the Best 5 Tactics for 2023.” *Unleashed Software*, 3 Apr. 2023, [www.unleashedsoftware.com/blog/beer-marketing-strategies-in-a-global-pandemic-and-the-best-5-tactics-heading-into-2021](http://www.unleashedsoftware.com/blog/beer-marketing-strategies-in-a-global-pandemic-and-the-best-5-tactics-heading-into-2021).
3. Calvo-Porrà, Cristina et al. “A clustered-based segmentation of beer consumers: from “beer lovers” to “beer to fuddle”.” *British Food Journal* (2018): n. pag.