

# Choose the Strategic Lever First

Most segmentation studies are designed to describe customers broadly. But segmentation becomes more strategically useful when the primary decision it must inform is chosen before the study begins.

## Why Choosing the Lever First Matters

### 1. The study reveals what strategy actually needs

When the decision domain is clear, the research can be structured to produce the inputs that decision requires.

### 2. The results stay focused

When segmentation tries to support every decision at once, the results become diluted. Choosing the primary lever allows the study to focus where it matters most.

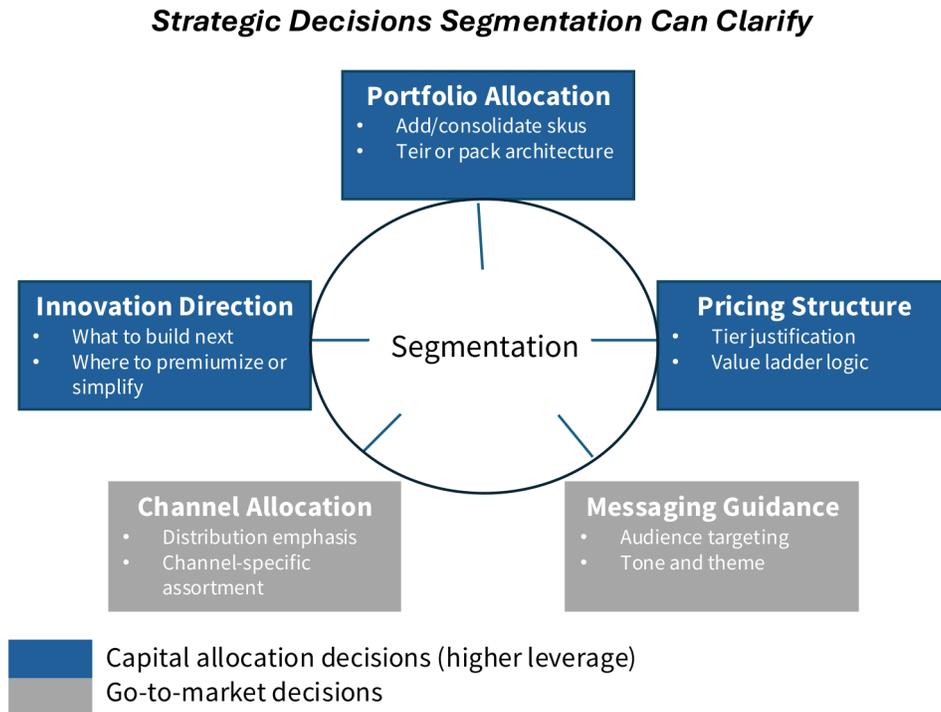
In practice, segmentation can support several different strategic domains, including:

- portfolio allocation
- pricing structure
- innovation direction
- channel allocation
- messaging

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## Exhibit A

Segmentation can clarify several different strategic decision domains.



**Early in a segmentation effort, leadership should align on three questions.**

1. Which strategic decision do we most want segmentation to clarify?
2. If segmentation clarified that decision, what would we expect to change — in portfolio, pricing, innovation, or go-to-market?
3. What would we need to learn about the segments to make that decision confidently?