Market Segmentation in Banking: The Advantages of a Holistic Approach

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Executive Summary:

In a complex business like banking, it is critical to recognize groups of customers with similar characteristics and needs, and to understand the business requirements and value of each group. Understanding the differences and segmenting customers correctly can dramatically improve the impact of the segmentation on a bank's bottom line.

Greenwich Associates presents a new approach to broaden the thinking about segmentation in financial services, and specifically focus on the advantages of an advanced ("holistic") segmentation. This approach can give banks better understanding of their clients, allowing them to align tactics and strategies to each customer type for better sales, loyalty, growth, and cost containment.

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