

# ( BIG) Data Analytics for Businesses

## Sessions 4-5

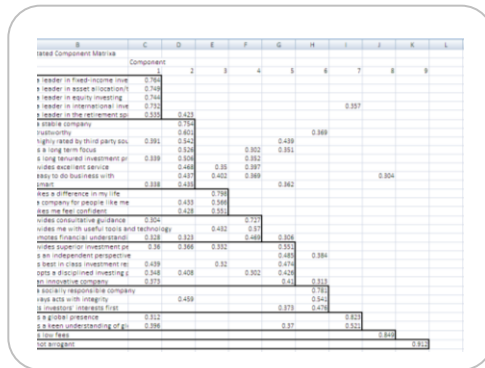
T. Evgeniou and J. Niessing  
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# What we will cover in the next 2 sessions?

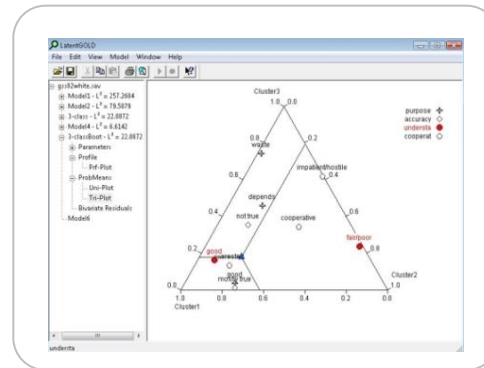
Data Processing/  
Factor Analysis

Cluster analyses

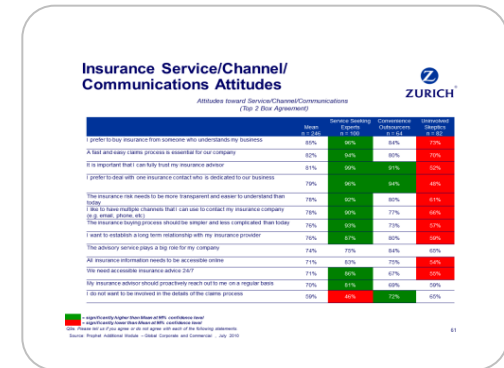
Review and refine



Reduces number of variables by assessing and eliminating those which are saying the same thing



First iterations: we look for the best solutions, that minimize differences within segments, but maximize differences between segments



Arriving at the final segmentation solution involves a process of reviewing and refining latent class outputs and different solution profiles

There is A LOT of  
JUDGMENT in ANALYTICS:

Your involvement is  
CRUCIAL

# What Makes a “Good” Segmentation?

Many different evaluation systems exist.  
Most deem a segmentation good if it meets these criteria



# Overview of segment attitudes

1

## Novices

% Total Population: 17%  
% US Population: 18%  
% Brazil Population: 6%  
% Canada Population: 18%

### Who they are

- Rely more on expert opinion than their own
- Boating helps them escape from everyday life and relax
- Boating gives me a feeling of adventure

### Who they are not

- Not considered knowledgeable about boating
- Boating is not their true life passion
- Boating is not the #1 activity they do in their spare time

2

## No Frills

% Total Population: 23%  
% US Population: 29%  
% Brazil Population: 5%  
% Canada Population: 19%

### Who they are

- Functionality is more important than style
- Perform repairs and maintenance on their boats
- Tend to prefer a boat with little to no frills

### Who they are not

- Do not go for the latest and greatest boat
- Having a powerful boat is not as important to them
- Do not see the boat brand as saying a lot about who they are

3

## Status Seekers

% Total Population: 20%  
% US Population: 19%  
% Brazil Population: 29%  
% Canada Population: 18%

### Who they are

- Willing to pay a premium for a brand with a reputation for high quality
- Buy the latest and greatest boats
- View their boat as a status symbol

### Who they are not

- Do not choose functionality over style
- Do not prefer a basic boat with little to no thrills
- Do not perform repairs and maintenance on their boats

4

## Active Family Boaters

% Total Population: 9%  
% US Population: 10%  
% Brazil Population: 7%  
% Canada Population: 10%

### Who they are

- Boating helps them stay active
- Boating allows them to excel in sports they're passionate about
- Boating gives me an outlet to socialize with family and/or friends

### Who they are not

- The lowest price is not more important than boat brand
- Do not prefer a basic boat with little to no frills
- Do not rely on expert opinion other than their own

5

## Price driven Lifestylers

% Total Population: 31%  
% US Population: 25%  
% Brazil Population: 53%  
% Canada Population: 33%

### Who they are

- Boating is their true passion in life
- Consider themselves more knowledgeable than their boating peers
- Boating is the #1 activity they do in their spare time

### Who they are not

- Boating is not a means to escape from everyday life and relax
- Boating does not provide them with a sense of adventure
- They do not consider owning a boat as a way of rewarding themselves for hard work

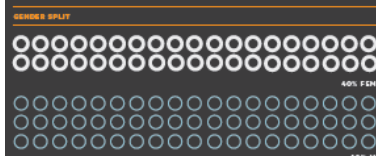
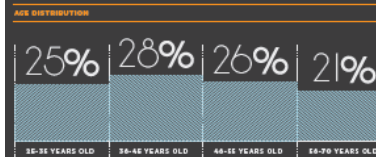
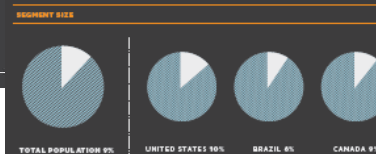
# Overview of segments

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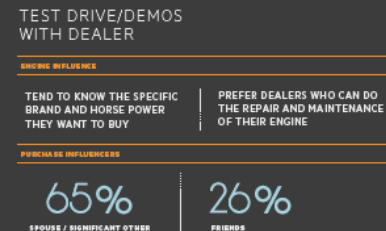
SEGMENT 1: BOATING DNA	SEGMENT 2: ACTIVE SOCIAL BOATERS	SEGMENT 3: IMAGE CONSCIOUS BOATERS	SEGMENT 4: FUNCTION-FIRST BOATERS	SEGMENT 5: CASUAL BOATERS
Young, adventurous, active. This segment considers boating as part of their identity, and wants a boat that can customize — the better for entertaining and fishing on their own terms. They do extensive research on social media sites as well as with more traditional means like brochures and pro angler guides. While these boaters are price-conscious, they make up the most valuable segment of our population.	For Active Social Boaters, being on the water is not the first for relaxing it's all about the activities. This segment uses their boat to engage in as many activities as possible with their spouse and kids. They look for durable boats that can handle frequent usage, and keep their precious cargo safe at the same time. Active Social Boaters prefer a dealer that will teach them how to operate and maintain their jet boat or cruiser. That way, this segment has the know-how to keep their boat performing at its best.	Image Conscious Boaters love to cruise on their boat and entertain their significant others, family, and friends. A professional-grade, cutting-edge and prestigious boat shows the world that they have arrived. While they have owned boats in the past and consider themselves at an intermediate level, they prefer a trustworthy dealer who gives them the attention they deserve.	To the Function-First Boaters segment, the most important element of a boat is that it works well. They steer clear of gadgets and accessories that get in the way of them enjoying the outdoors. They like to perform minor repairs and maintenance themselves on their boat, both because they enjoy it and because they want to get it back on the water. They tend toward sturdy boats that are durable and a good value.	When it comes to boating, these consumers want their purchase to feel safe and easy to use. It's important that

## OVERVIEW: ACTIVE SOCIAL BOATERS

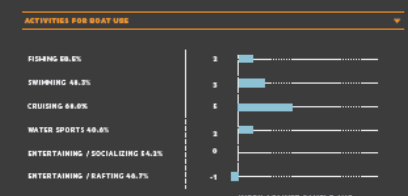
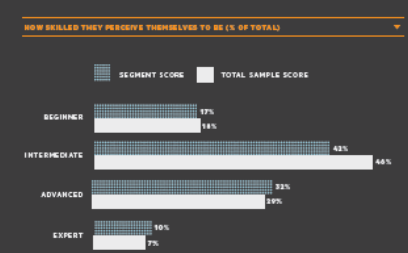
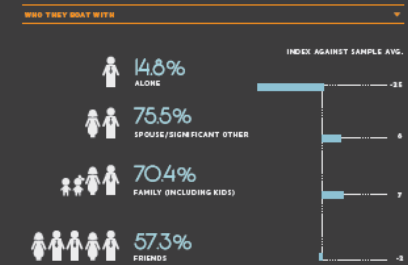


## PURCHASE & EXPERIENCE

- PURCHASE DRIVERS**
- 1. PROFESSIONAL**  
IS A BRAND FOR PEOPLE WHO ARE SERIOUS ABOUT BOATING\*  
IS CONSISTENTLY RECOMMENDED BY EXPERTS (MAGAZINES, REPORTS)
  - 2. DURABILITY**  
OFFERS BOATS THAT CAN HANDLE FREQUENT AND HEAVY USAGE  
OFFERS BOATS THAT CAN HANDLE ROUGH WEATHER OR CHOPPY WATER
  - 3. SAFETY**  
OFFERS BOATS EQUIPPED WITH THE SAFETY FEATURES I NEED  
OFFERS BOATS THAT MY FAMILY AND I CAN MOVE AROUND SAFELY



## EXPERIENCE & USAGE



Understand the world. Expand your world.



# Overview of segments

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	STRATEGIC TARGET SEGMENT	PROACTIVE SOURCE OF VOLUME	NON-TARGET, BUT POTENTIAL VOLUME		
	CASUAL BOATERS	FUNCTION-FIRST BOATERS	IMAGE CONSCIOUS BOATERS	ACTIVE SOCIAL BOATERS	BOATING DNA
Sea Ray					
WHALER					
CRESTLINER					
LUND					
LOWE BOATS					
Harris					
PRINCECRAFT					
Cypress Cay					
MERIDIAN YACHTS					
TROPNY					

Understand the world. Expand your world.

16. Below are several statements that could describe a brand (products, image, reputation, etc). Please indicate how much you agree or disagree with each of the statements (respondents have seen a brand that they own or a brand that they are familiar with):

**Scale:**

1. Strongly Disagree
2. Disagree
3. Neither Agree or Disagree
4. Agree
5. Strongly Agree

**+ Statements:**

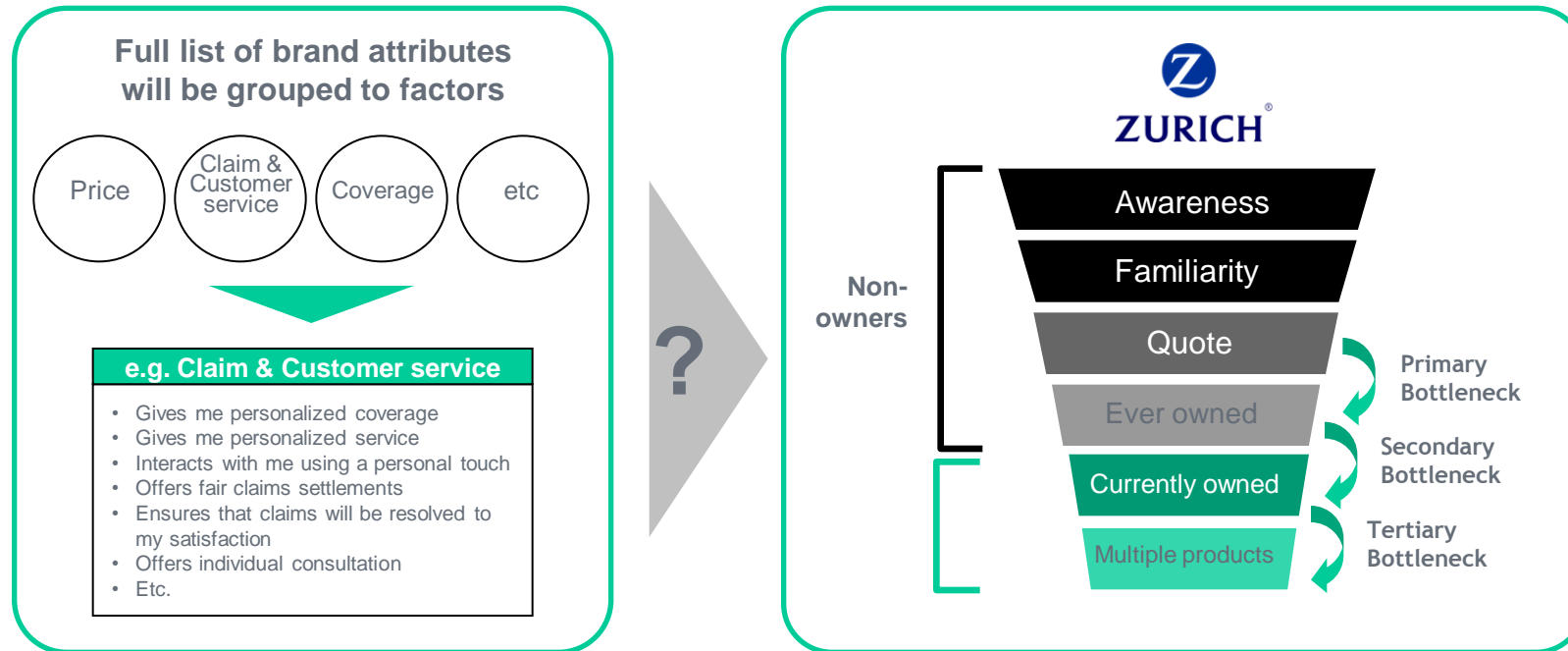
1. Has been around for a long time
2. Best in-class customer service
3. Strong dealer network
4. Offers cutting edge technology
5. Leader in safety
6. Offers innovative products
7. Is for people who are serious about boating
8. Is good for beginners
9. Is a brand I see in the water all the time
10. Provide a fast and powerful boating experience
11. Is great for socializing
12. Is great for water sports
13. Superior interior style
14. Superior exterior style
15. Stands out from the crowd
16. Offers boats that look cool
17. Can easily handle rough weather or choppy water
18. Can handle frequent and heavy usage
19. Offers a wide breadth of product offerings and accessories
20. Offers boats that I can move around safely
21. Boats are easy to maintain
22. Boats are easy to use
23. Boats are easy to clean up
24. Is low priced



# Use of purchase funnels and regression modeling allows us to derive key drivers based on brand attributes

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- 1 From the funnel section we are able to learn which are the critical bottlenecks across the purchase process by country
- 2 Therefore, to determine what the key attributes are, we analyze which attributes drive customers through these **specific bottlenecks by country**

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