**Step 1 (Market Segmentation) Worksheet**

**Market Segmentation Matrix Row Definitions:**

|  |  |  |
| --- | --- | --- |
| 1 | **Market Segment Name** | *Carefully name the market segment so it appropriate captures precisely the group you want and no more; it is okay to be general at first but you will have to narrow this down in time to make real progress* |
| 2 | **End User** | *This is the person who is actually using the product not the economic buyer or the champion (more on this in step 12) – it is not a company or a general organization but real people* |
| 3 | **Task** | *What exactly is it that the end user does that you will significantly affect or allow her to do that she could not do before?* |
| 4 | **Benefit** | *What is the benefit that you believe the end user will get>* |
| 5 | **Urgency of Need** | *What is the level of urgency to solve the problem or capture the new opportunity for the end user?* |
| 6 | **Example End Users** | *Who are example users that you can, have or will talk to so as to validate to validate your perceptions on this market segment?* |
| 7 | **Lead Customers** | *Who are the influential customers (i.e., lighthouse customers) that if they buy, others will take note & likely follow?* |
| 9 | **Willingness to Change** | *How conservative is this market segment? How open are they to change? Is there something to force change (i.e., impending crisis)?* |
| 10 | **Frequency of Buying** | *How often do they buy new products? What is their buying cycle look like at a high level?* |
| 11 | **Concentration of Buyers** | *How many different buyers are there in this market segment? Is it a monopoly? Oligopoly (a small number of buyers)? Or many competitive buyers?* |
| 12 | **Other relevant market considerations** | *This allows for customization for your segment for relevant considerations such as “high employee turnover”, “very low margins/ commodity”, “high growth industry”, “high virality effect (i.e., WOM -Word of Mouth”, etc.* |
| 13 | **Size of Market (# of end users)** | *Estimation of the number of end users to a relevant range (10’s, 100’s, 1K’s, 10K’s, 100K’s, 1M, etc.)* |
| 14 | **Est. value of end user ($1, $10, $100, $1K, etc.)** | *A first pass estimate of the value of each end user, again to a relevant order of magnitude so we can make some relative decisions now but then we will dive much deep into this and other numbers later* |
| 15 | **Competition/ alternatives** | *What will be you competition from the end users’ perspective? Of course there is the “do nothing option” but who else would be competitors if they analyzed their options?* |
| 16 | **Other components needed for a full solution** | *Since most customers will only buy a full solution and not components, what are the other elements needed to construct a full solution to achieve the benefits above? These are the complementary assets that you do not currently have but would need to build or acquire to give the end user a total solution.* |
| 17 | **Important partners** | *Who are the partners or distributors you will have to work with to fit into the work flow (e.g., data must come out vendor A’s system and then be picked up at the end by vendor B’s system) or business processes (e.g., the end users gets all his product via distribution channel C)* |
| 18 | **Other relevant personal considerations** | *In many market segmentation analysis, there are additional important factors that should be considered. This could be things like where the market segment is geographically centered, values match to founding team, existing knowledge and contacts in market, etc.* |

**Market Segmentation Wire Frame Matrix:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Market Segment Name** | Leisure Travels | Business Travels | Digital Nomads | High-Net-Worth Explorers |
| **End User** | Casual tourists, vacationers | Corporate professionals, frequent work travelers | Remote workers traveling long-term | Luxury travelers seeking exclusive experiences |
| **Task** | Find & explore attractions, hidden gems, and local experiences | Navigate efficiently, find business-friendly locations & time-saving options | Discover co-working spots, long-stay accommodations, & community events | Plan high-end, customized, hassle-free travel experiences |
| **Benefit** | Personalized recommendations, hassle-free exploration, avoiding tourist traps | Saves time, increases efficiency, ensures smooth business trips | Enables remote work/life balance, helps with local integration | Curated VIP experiences, exclusive access to luxury |
| **Urgency of Need** | High – wants instant local insights | Medium – prefers seamless travel planning | Medium – seeks continuous location-based help | Low – has personal assistants or concierge services |
| **Example End Users** | Families, backpackers, solo travelers | Corporate managers, consultants, executives | Freelancers, digital nomads, entrepreneurs | CEOs, celebrities, high-net-worth individuals |
| **Lead Customers** | Travel bloggers, influencers, Airbnb users | Large corporations, airline VIP members | Remote work communities, tech professionals | High-end travel agencies, luxury concierge services |
| **Willingness to Change** | High – open to trying new travel tools | Medium – needs proven efficiency | High – seeks innovative travel solutions | Low – prefers trusted luxury brands |
| **Frequency of Buying** | Seasonal – before/during trips | Frequent – monthly or quarterly | Continuous – always looking for new locations | Occasional – for premium experiences |
| **Concentration of Buyers** | Many competitive buyers worldwide | Corporate decision makers, fewer but high value | Distributed but growing globally | Small, elite segment |
| **Other relevant market segment considerations** | High virality effect (word of mouth), active social media users | Recurring revenue potential, employer-paid subscriptions | High growth, driven by remote work trends | Luxury market, requires exclusivity |
| **Size of Market (# of end users)** | >100M | >10M | >5M | >500K |
| **Est. value of end user ($1, $10, $100, $1K, etc.)** | €10-€50 per user (freemium + premium upgrades) | €100-€500 per corporate license | €50-€200 per long-term user | €1,000+ per VIP concierge service |
| **Competition/ alternatives** | Google Maps, TripAdvisor, Lonely Planet | Corporate travel agencies, concierge apps | Nomad List, Remote Year | Luxury concierge services, private travel clubs |
| **Other components needed for a full solution** | AI-based itinerary planner, local partnerships | Business traveler rewards, integrations with airlines/hotels | Co-working network, visa/travel legal resources | VIP access, exclusive concierge partnerships |
| **Important partners** | Airlines, travel influencers, tourism boards | Corporations, HR travel managers, expense management tools | Co-working spaces, remote work platforms | Luxury travel agencies, five-star hotels, concierge services |
| **Other relevant personal considerations** | Social media virality, global accessibility | Corporate adoption speed, policy restrictions | Digital nomad legal regulations, lifestyle alignment | Trust & reputation, exclusivity |