

Customer Value Exercise

For this task you need to identify how each of the following consumers perceive value, based on their statements listed below. You should note that the perception of value varies across most of these consumers.

As you know, a segment nickname is the descriptive name that many firms will use when labeling their target markets. Let's see how effective that approach is for helping to quickly understand the segment.

ACTIVITY/TASK

1. "I drive a BMW. Why? Because I always want the best, that's important to me. I usually buy high quality products."
2. "I also drive a BMW, but I don't really care about the car – I just want to show my family, friends and neighbors how well I'm doing in life."
3. "I like going to McDonald's – it's such great value – sure, the food isn't that great, but you get a lot for your money."
4. "I'm happy to pay \$200 for a pair of shoes – because they last for years. I really can't understand people who buy a \$50 pair of shoes every six months."
5. "I always buy my families clothes from either Target or Walmart (discount stores). Look, a shirt's a shirt – why pay more that you have to!"
6. "I won't shop at those stores; they are very cluttered and too busy. I prefer to shop at specialist clothing stores. They are quieter, they are much nicer to be in, and you can take your time and comfortably try on clothes."
7. "I still shop at the local butchers, rather than going to the big supermarkets. Sure, it's a bit more expensive, but the butchers are always friendly, you can have a laugh, and they even tell you how to cook the meat if you're not sure about it."
8. "I switched my loan from one of the big banks to a credit union. It's going to cost me a little bit more, but I know that I can trust them, I'm not sure about the banks anymore."

QUESTIONS

1. What does each person consider to be 'value'?