SEGMENTATION AND TARGETING

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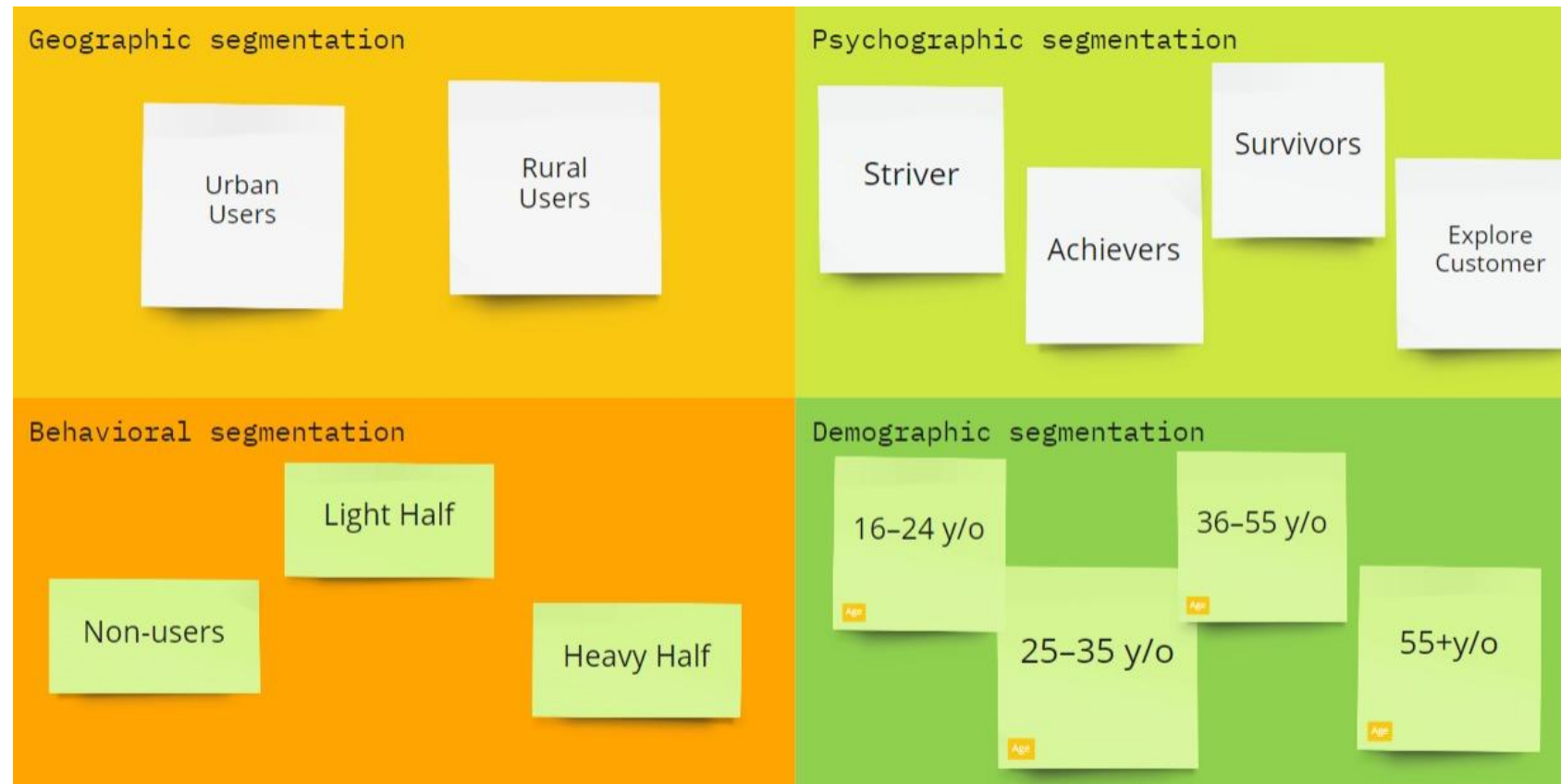
SEGMENTATION
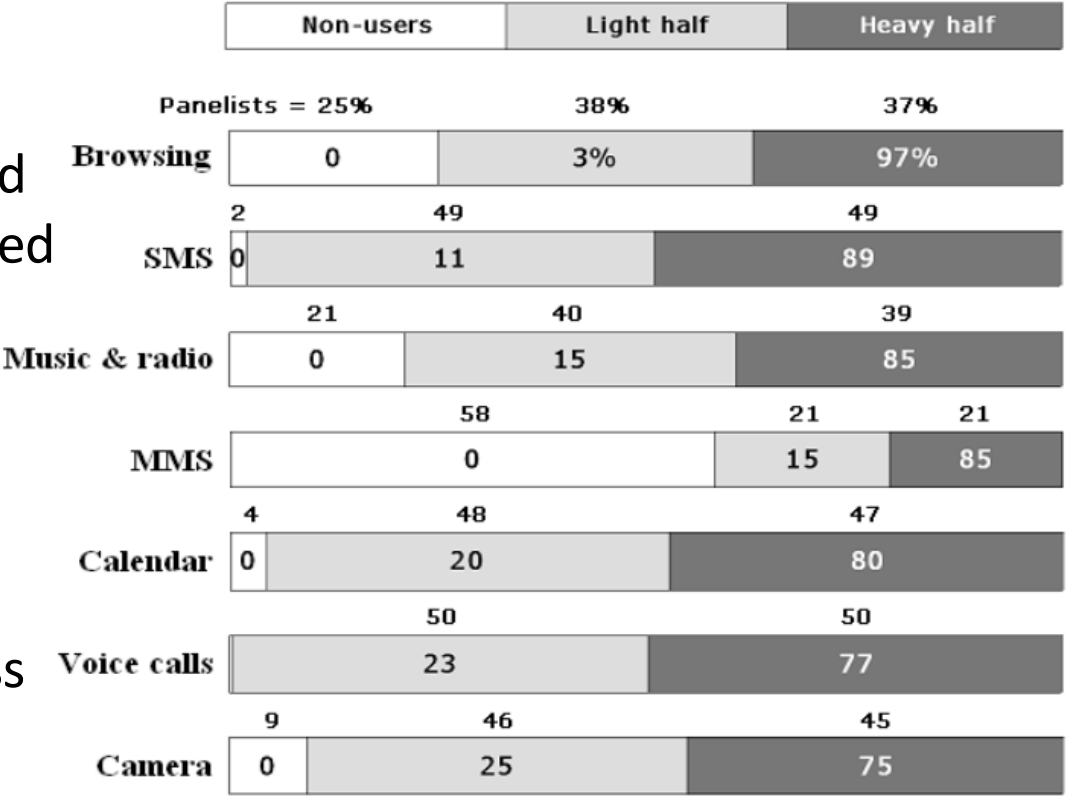
LEVELS OF SEGMENTATION:

- Geographic Segmentation (Rural-Urban)
- Psychographic segmentation (Life Style)
- Behavioural Segmentation (Usage rate)
- Demographic (Age)

MARKET SEGMENT MATRIX:

BEHAVIOURAL SEGMENTATION:

➢ As we can clearly infer that the usage is widely spread out covering most of the users for Voice Calls, followed by SMS, then followed by Calendar, Camera, Entertainment, Browsing and lastly by MMS.

➢ The percentage marked inside the Bar depicts the Usage Volume percentage of Light - Half users and Heavy - Half users.

➢ We can also infer that usage volume is very much less polarised among light user and heavy users in Voice Calls Segment and the Camera Segment.

	Non-users	Light half	Heavy half
Panelists =	25%	38%	37%
Browsing	0	3%	97%
	2	49	49
SMS	0	11	89
	21	40	39
Music & radio	0	15	85
	58	21	21
MMS	0	15	85
	4	48	47
Calendar	0	20	80
		50	50
Voice calls		23	77
	9	46	45
Camera	0	25	75

DEMOGRAPHIC SEGMENTATION:

➢ Market Segmentation with respect to age groups. The age groups can broadly be divided into 16-24 years, 25-35 years, 36 - 55 years and then 55+ years of age.

➢ **16-24 years of age :**
They majorly prioritize non visual aspects like performance of the processor, camera, Browsing and Social media compatibility, Ease of access to entertainment, privacy, niche functions like long press and few visual aspects like screen size and design.

➢ It can be ranked in the preference order that follows :

- Performance

- Browsing and Social Media compatibility

- Camera

- Ease of access to entertainment

- Privacy

- Cost Effectiveness

- Design

- Screen Size

- Niche Functionality

➢ **25- 35 Years Age:** They majorly prioritize on aspects like connection to different devices, Browsing and Social Media Compatibility, privacy, camera, Productivity, Entertainment, Screen Size, Security (Banking and other services) and Brand - Status Significance.

➢ These can be ranked as follows :

- Productivity

- Ease of access to entertainment

- Connection to different devices

- Browsing and Social Media Compatibility

- Brand - Status Significance

- Security

- Camera

- Privacy

- Screen Size

➢ **35-55 years of age :**
They majorly prioritize on aspects like Durability, Browsing Compatibility, Usefulness, Entertainment, Ease of reaching functions, Screen Size, Design, Security (Banking and other services) and Brand - Status Significance.

➢ These can be ranked as follows :

• Usefulness

• Durability

• Brand - Status Significance

• Ease of reaching functions/UI

• Access to Navigation facilities

• Security

• Browsing Compatibility

• Ease of access to entertainment

• Screen Size

• Design

➢ **55+ years of age :**
  They majorly prioritize on aspects like Durability, Cost effectiveness, Ease of reaching to help, Readability, Usefulness, Entertainment, Screen Size, Security(Banking and other services).

➢ These can be ranked as follows :

- Durability

- Ease of reaching functions/UI

- Ease of reaching to help

- Usefulness

- Security

- Readability

- Cost Effectiveness

- Screen Size

- Ease of access to entertainment

- Design

PYSCHOLOGICAL SEGMENTATION:

➢ Achievers : Looking for design and style, followers of trends and fashion and have an active lifestyle. They prefer elegant and stylish designs and they don't care more about the price. Smartphone users look for trendy features even in budget smartphones, study shows.

➢ Survivors : Combination of ease of use and elegant looks. Many smartphone users love simplicity and elegance when they are looking for a smartphone. They most often don't compromise on those factors and those factors play a crucial role in their purchase decision. Mostly people in India look for elegance in the products they use.

➢ Strivers :Business people looking for smartest tools for balancing work and life and also makes their life easier. This segment doesn't care much about the price but they highly prioritize the tools that give them the smartest tools and features that save their time.

➢ Explore Customers :Want cutting edge technologies for their stylish lifestyles. Mainly tech savvy people fall into this category, they wish to explore the new technologies. Because of the recent Internet revolution in India this segment is rapidly growing.

GEOGRAPHIC SEGMENTATION:

➢ RURAL INDIA:

- Rural Indians have different perspectives for smartphone use.

- Rather than aimlessly following brands and names, these millennials, who are mindful and brand cognizant is settling on choices that elevate their social status comprising quality, latest and trendy features while affordability being the heart of the purchasing decision.

- They mostly use the smartphone for basic operations like calling and messaging

- Affordability is the key feature here and durability also plays a pivotal role.

- [This case study](#) of rural Kashmir shows the potential ways in which smartphone can change the rural life for good.

- This segment is experiencing a [rapid growth](#).

➢ URBAN INDIA:

- Urban India smart buyers are not very price sensitive as compared to rural India. And they use smartphones extensively beyond basic calling and messaging. They use smartphones for video calling, Video streaming.

- Brand image also plays a crucial role and the people in this segment give more value to the brand image.

TARGETING

ASSESSING ATTRACTIVENESS

4	GEOGRAPHIC			PSYCHOLOGRAPHIC			BEHAVIOUR			DEMOGRAPHIC		
	WEIGHT FACTORS	RATE MARKET SEGMENT	FACTOR SCORES	WEIGHT FACTORS	RATE MARKET SEGMENT	FACTOR SCORES	WEIGHT FACTORS	RATE MARKET SEGMENT	FACTOR SCORES	WEIGHT FACTORS	RATE MARKET SEGMENT	FACTOR SCORES
Easy customer access	20	9	180	15	7	105	20	8	160	10	6	60
High market growth	15	6	90	20	9	180	10	9	90	20	8	160
Large potential size	20	5	100	15	6	90	15	5	5	15	9	135
Little regulation	10	8	80	10	5	50	20	7	140	15	5	75
Opportunity to use excess resources	15	2	30	10	4	40	10	4	40	20	7	140
Weak competition	10	4	40	10	2	20	10	2	20	10	4	40
Ability to build new strengths	10	7	70	20	8	160	15	6	90	10	2	20
total			590			645			545			630

ACCESSING BUSSINESS STRENGTHS

	GEOGRAPHIC			PSYCHOGRAPHIC			BEHAVIOUR			DEMOGRAPHIC		
	WEIGHT FACTORS	RATE THE FIRM	DEVELOP FACTOR SCORES	WEIGHT FACTORS	RATE THE FIRM	DEVELOP FACTOR SCORES	WEGHT FACTORS	RATE THE FIRM	DEVELOP FACTOR SCORES	WEGHT FACTORS	RATE THE FIRM	DEVELOP FACTOR SCORES
FAST MOVING ORGANISATIONS	10	5	50	5	2	10	5	5	25	5	2	10
GOOD R & D	20	8	160	25	9	225	20	8	160	20	4	80
HIGH QUALITY SERVICE	15	6	90	15	6	90	15	6	90	25	8	200
IN PLACE DISTRIBUTION	10	7	70	20	7	140	10	7	70	10	7	70
LOW COST OPERATIONS	10	4	40	10	4	40	10	4	40	10	9	90
WELL TRAINED SALES FORCE	10	2	20	15	5	75	10	2	20	15	6	90
DEEP POCKETS	15	9	135	10	8	80	15	9	135	15	5	75
			565			660			580			615

- POINT FOR GEOGRAPHIC SEGMENTATION (590,565)

- POINT FOR PSYCHOGRAPHIC SEGMENTATION (645,660)

- POINT FOR BEHAVIOUR SEGMENTATION (545,580)

- POINT FOR DEMOGRAPHIC SEGMENTATION (630,615)

- The four different segmentations lie in the same area of multifactor matrix.

- But by looking into the values psychographic segment is the best place to target.

matrix

Market Segment Attractiveness		Business Strengths		
1000				
High	G	B	A
700				
Medium	D	H	C
400				
Low	F	E	I
100	100 Low	400 Medium	700 High	1000