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**Marketing Analytics**

Assignment 2

Segmentation at Sticks Kebob Shop

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# **Question 1: How do people choose the fast-food restaurant to visit?**

According to this case, People visit fast-food restaurants looking for a quick lunch (or dinner) while working. These customers are increasingly concerned about time and healthy, satisfying food. They prefer ordering food on their phone (via mobile app) to cut the time in line waiting. Based on Importance:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Criteria | Working professionals  (aged 20 to 40 years) | Active people making choice for their families (Women majorly) |
| 1 | Location | 5 | 4 |
| 2 | Price | 4 | 4 |
| 3 | Assortment | 3 | 5 |
| 4 | Cuisine | 3 | 3 |

Scale: (1 To 5; 1 being lowest)

**Question 2: Who do you think are stick’s customers and what are their motivation for visiting sticks?**

Stick’s customer base according to a quick review of the survey is:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Customer | Customer Type | Motivation for Visiting sticks |
| 1 | Active people (Mostly Women) making healthy choices for their families | Existing,  Long-term,  Majorly Locals | Healthy fast-food |
| 2 | Working professional looking for a quick healthy lunch (or a quick pick-up) on their lunch break without much fuss | Existing,  Mostly Locals | Want food that is quick, healthful and satisfying. Prefer online orders and quick pickups |
| 3 | Single people ranging from their mid-20’s to mid-40’s | Existing,  Mostly Residents | Too busy to cook food or don’t like to prepare food themselves but looking emphasize healthy eating and active lifestyle |
| 4 | People involved in sports. Example – Soccer moms with their kids | Existing, Local, residents | looking for a way to have fun with family while emphasizing on nutrition for themselves and their kids |
| 5 | Students, sports fan – University of Virginia | New, Transient | Coupons, inexpensive health conscious diners |
| 6 | Tennis, Golf sports fan with higher household incomes | New, Transient | Fast - casual restaurant |

**Question 3: What does the survey data tell us about differences between customers and non-customers?**

|  |  |  |
| --- | --- | --- |
|  | Customer | Non-Customer |
| 1 | Type of customer: loyal, transient | Not loyal: Changing between many brands |
| 2 | Price: Value for money, Income levels | Can a non-customer be a potential customer based on spends |
| 3 | Demographic information: What areas to serve: Customer’s Home and work locations, zip codes | Un reliable information |
| 4 | Concerned about Time and health | Not so concerned |
| 5 | Family thrift | Cannot say |

**Question 4: What survey questions would you use to identify the customer segments?**

1. How did you first find out about sticks?
2. What’s your age?
3. In what Zip code is your work located?
4. In what Zip code is your Home located?
5. What is your approximate average annual household income?
6. How many times in the last week did you do the following?

* Buy lunch at workplace
* Buy lunch at a restaurant/food court/ food truck

1. How did you first find out about sticks?
2. In the last month, how often have you visited sticks for the following occasions?

* Weekday Lunch
* Weekday Dinner
* Weekend Lunch
* Weekend Dinner

1. How do you find restaurant coupons?

**Question 5: How many customer segments can you estimate from the survey data?**

1. **What are the profiles of the customer segments?**
2. **What customer segments should Sticks target?**

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Segment | Profile | Target |
| 1 | Demographic: Location | Working professionals aged in mid-20’s to mid-40’s, Single | Working professionals in companies located in same geographical area |
| 2 | Order and Purchasing approach | People who order ahead via mobile apps and pick up food | Working professionals with Higher urgency, up and coming |
| 3 | Behavioral: Occasion | Customers taking food during lunch breaks (or dinner) at work | Working professionals |
| 4 | Switchers | Switches between 2-3 fast casual restaurants, Transient, looking for inexpensive healthy quick meals, uses coupons and discounts | Virginia University Students |
| 5 | Behavioral | Sports enthusiasts, looking to grab quick bites during sports events | Tennis, Soccer and golf fans |
| 6 | Loyal customer | Local resident, higher annual household income and expenditure, successful | Women with kids |

**Question 6: Provide a location for the next Sticks Kebob shop based on the segmentation analysis and demographics profiles of the locations given**

* Location: D
* Population: 55,509
* Median Age: 34.8
* Median Income: $75,500
* Consumer spend: $1,184
* Consumer spend per household: $57,880
* Major customer profiles: Brite lite, little city, country quires, up and comers, upward bound, white picket fences.