

# Market Segmentation Analysis

Using Medicine Survey Data





# The Team



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- Better understand the pharmaceutical industry based on the data set
- Leverage the survey dataset to form need-based market segments
- Create questions to better understand each segments not included in the original survey
- Recommend the best Query product for each segment



# Our Approach

- 1. Understanding the data
- 2. Model building and analysis
- 3. Profile of Segments
- 4. Product category allocation

### Step 1



- Using PCA to group respondents into populations on Likert questions
- Using Factor Analysis to create segments
- Performing Kmodes to better understand each segment and features

# Step 2

- Building profiles based on segmentation
- Analyzing the profile segments

### Step 3

- Building a user profile based on the segments
- Listing variables and key components from the data set

### Step 4

- Identifying the right product category for each segment
- Variable weighting scheme



# The segments we identified...



#### Can't Stop Won't Stop

Sample Size

68

Percentage of Whole

20%



#### **Safety First**

Sample Size

63

Percentage of Whole

18%



#### **Fast & Furious**

Sample Size

50

Percentage of Whole

14%



#### **Anxious**

Sample Size

44

Percentage of Whole

13%



#### Longevity

Sample Size

36

Percentage of Whole

10%



### **Hypocondriacs**

Sample Size

26

Percentage of Whole

7%



### **Prepared**

Sample Size

20

Percentage of Whole

6%



#### Warriors

Sample Size

16

Percentage of Whole

5%



#### **Price Insensitive**

Sample Size

14

Percentage of Whole

4%



### **Homeopathic Helpers**

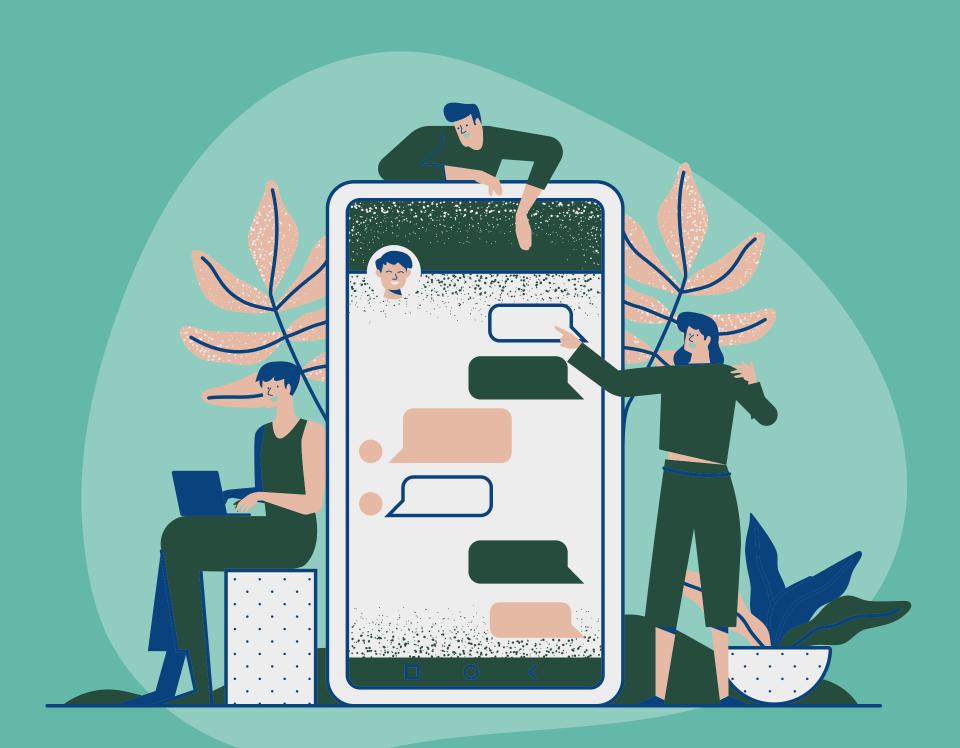
Sample Size

10

Percentage of Whole

3%





# Segment Profiles

Based on our analysis, we built profiles for each segments and identified products to meet their needs.



# CAN'T STOP WON'T STOP



23 - 33 years

#### Interests

- Competative Sports
- Electronic Music



# Lifestyle

- Committed to work
- Active social life
- Constantly busy

### Attitude

- Stress Management
- prioritize medicine
   effectiveness over cost
- Will rarely take a sick day

### Needs

- Dependencies on various medicines
- Need medicine that safely interacts with alcohol
- Sensitive stomach

### Behaviour

- Takes medical advice from family / friends
- Cautious with medicine

### Question

I often worry about medicine interfering with my work.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query-R for Cough + Sinus Pressure + Allergies



# **SAFETY FIRST**

### Age

35 - 45 years

#### **Interests**

- Jogging
- Reading

# Lifestyle

- Low stress
- Part-time worker
- Family first

- Cautious
- Take medical advice from family and friends
- Carry medicine everywhere



# Needs

- Sensitive to strong ingredients
- Can't compromise safety for effectiveness





Question

1. Strongly Agree

5. Strongly disagree

2. Agree

4. Disagree

### **Product** Recommendation

I trust that over the counter drugs are

safe for me and my family.

3. Neither agree nor disagree

Query - The Original Cold Fighter

# Attitude

 Concerned about drug interactions with routine medication and alcohol



# FAST & FURIOUS

# Lifestyle

- Labor intensive work
- High stress

### Attitude

- Interested in alternative medicine for immediate relief
- Concerned about drug interactions
- Price sensitive



### Age

18 - 25 years

### Interests

- MountainClimbing
- Video Games

# Needs

- Immediate relief
- One dose that lasts the entire shift
- Strong but easy on digestion

### Behaviour

- Always trying the latest medicine
- Takes medical advice from family and friends



### Question

I don't care what's in the medicine as long as I can continue to work effectively.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query Liquid Gels for Immediate Relief



# **ANXIOUS**



### Age

25 - 30 years

#### Interests

- Yoga
- Swimming

# Lifestyle

- Workaholic
- Constantly under stress
- Staigned relationships

# dent on stro

Needs

Dependent on strong and fast acting medicine

# **Attitude**

- Interested in alternative medicine
- Concerned about drug interactions

### Behaviour

- Constantly searching for new medicine
- Always has medcine on them



### Question

It makes me feel comfortable knowing that I always have my medicines handy.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query-R Chewables for Relief Anywhere



# LONGEVITY

### Age

50 - 60 years

#### **Interests**

- Cycling
- Travelling

# Lifestyle

- Employed Full-time
- Senior in field of work
- Active

### Attitude

 Concerned about drug interactions

# Needs

- All day relief
- Sensitive stomachs
- Immediate relief

# Behaviour

- Always looking for the best medicine
- Asks social circle for drug recommendations



### Question

I care about the long-term effects of the medicines I take.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query-R 24-Hour Tablets



# HYPOCONDRIACS Age

#### **Interests**

30 - 40 years

- Skiing
- Reading

# Lifestyle

- Cautious but active
- Employed but relatively low stress job
- Always makes the "safe" decision

# Attitude

- Prefer alternative medicine
- concerned about western drug interactions

# Needs

 Highly sensitive to strong medicine

### Behaviour

- Always trying new forms of medicine
- Discuss remedies with social circle



### Question

#### I feel I'm always sick.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### **Product** Recommendation

Query-Express - Cough Relief for Anywhere



# PREPARED

### Age

28 - 35 years

### Interests

- Power Walking
- CommunityVolunteering



# Lifestyle

- Full-time parent
- Over-thinker
- Cautious

# Behaviour

- Always carries medicine with them
- looking for the latest forms of relief

# Needs

 Doesn't take medicine often but when they do it needs to be strong

### Question

I have a problem keeping track of my medicine.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query To-Go -The Same Great Relief in Single-Dose Packages

# **Attitude**

 Concerned about drug safety and interactions with alcohol



# WARRIORS



### Age

18 - 27 years

### Interests

- MarathonRunning
- Design

# Lifestyle

- Stressful work
- Regularly drinks alcohol

# medicine th

Needs

 Strong medicine that won't upset stomach

# Attitude

- Want medicine that doesn't interfere with lifestyle
- Price insensitive

### Behaviour

- Wages war on symptoms
- Always looking for the latest and strongest medicine



### Question

I preemptively take medicine ahead of a cold.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree

#### **Product**



### Recommendation

Query-X The Extra Strength Cold Fighter to Show Symptoms Who's Boss



# PRICE INSENSITIVE



### Age

55 - 65 years

#### Interests

- Camping
- Piano

# Lifestyle

- Stress-free life
- Doesn't work

# a for strong

Needs

- Looking for strong and longlasting relief
- Can handle the effects of strong medicine

### Attitude

 Willing to pay for effective brand medicine regardless of price

### Behaviour

- Takes medicine at first sign
- Always looking for the best drug
- Wages war on symptoms

### Question

#### I care what's in my medicine.

- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query-LUX The Premium Cough Suppressant With All Natural Ingredients



# HOMEOPATHIC HELPERS



23 - 30 years

#### Interests

- Baking
- Languages

# Lifestyle

Engaged in full-time work but values downtime

# Needs

- Sensitive to the majority of medicines
- Struggles to find relief from symptoms

### Attitude

- Drug sensitivity leads to a preference for alternative medicine
- Strong concerns about drug interactions

# Behaviour

- Always asking friends about new remedies
- Loyal to effective medicines



### Question

Plant based medicine is equally effective.

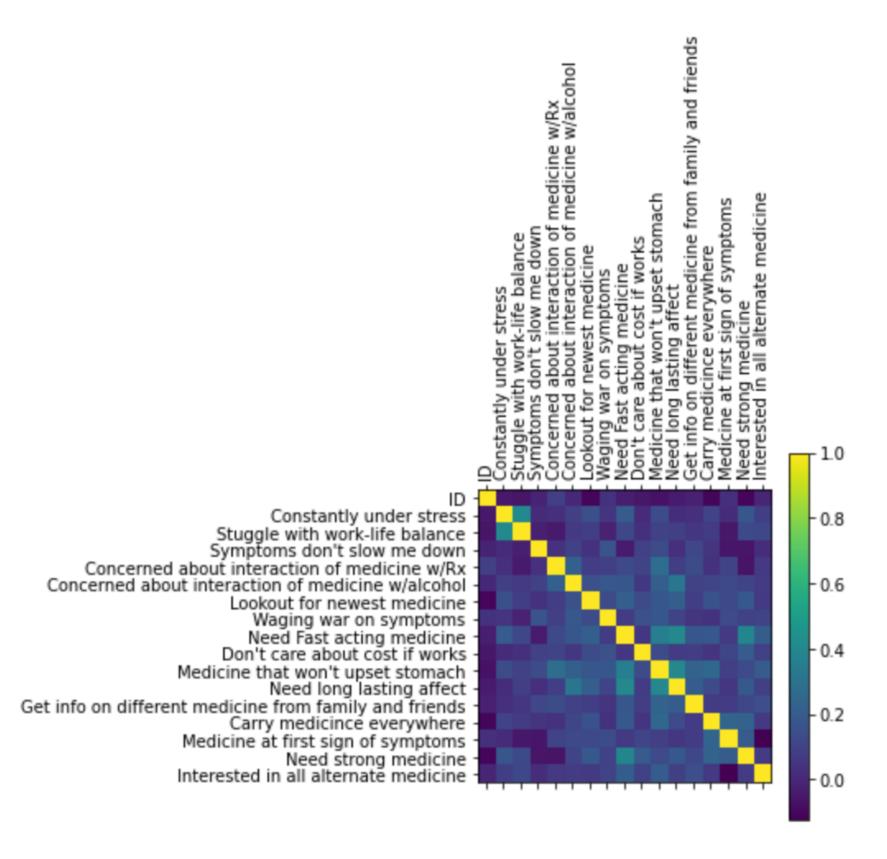
- 1. Strongly Agree
- 2. Agree
- 3. Neither agree nor disagree
- 4. Disagree
- 5. Strongly disagree



### Product Recommendation

Query-O The Natural Approach to Cough Relief

# Variable Weighting Scheme



Our team decided not to pursue a weighting scheme for the questions as we wanted each feature to have equal weights in order to properly segment the population.

We test for factor independence and exclude factors that do not strongly contribute to the segments.

We feel that this is important for this assignment given that we have a general objective. If we were given a more specific goal in which we would need to conduct more targeted segmentation around features that were determined to be of great importance then we would include weighting.



# Thank you

