



# EarlyRiders Horse Release Strategy

# Executive Summary

- For a 18 inch, bouncing and racing horse at \$139.99, parents with sons are the least likely to buy.
- 3-4 year old children prefer the 26 inch horse.
- 3-4 year old males are indifferent between motions.
- Females strongly prefer the 26 inch glamorous horse.

# Respondents Profiles



**Price Sensitive**  
**40%**

26 inch size, bouncing  
and racing at \$119.9



**2 year old**  
**34%**

18 inch size, rocking,  
indifferent between  
styles at \$119.9



**Females**  
**26%**

26 inch size, rocking  
and glamorous at  
\$139.9

# Gender Segmentation



Females:

26 inch, rocking motion in glamorous style for \$139.9



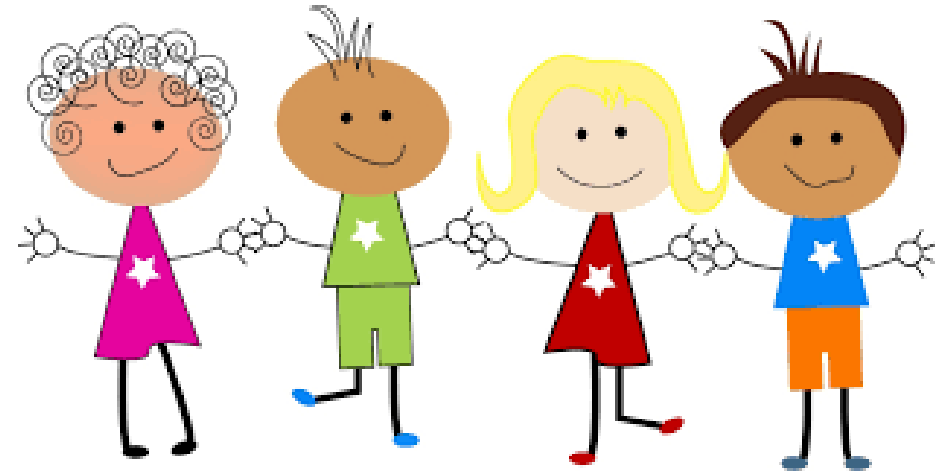
Males:

18 inch, bouncing motion in racing style for \$119.9

# Age Segmentation



2 year old:  
18 inch, rocking and glamorous horse.



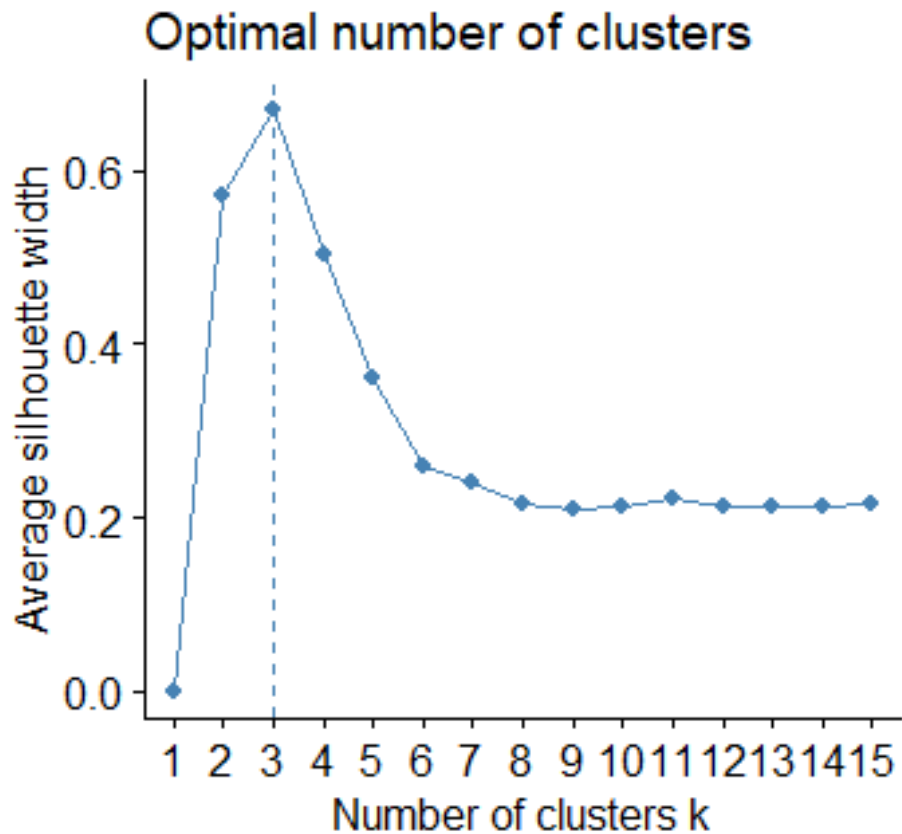
3 - 4 year old:  
26 inch, bouncing and glamorous  
horse.

There is no significant difference in price and style preferences between the two age groups.

# Appendix

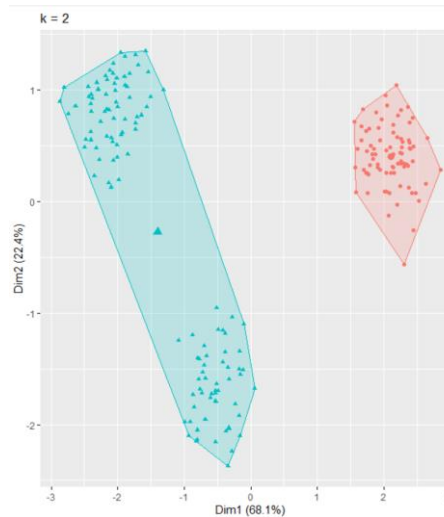
# Choosing the number of segments

## Overall Performance of different number of clusters

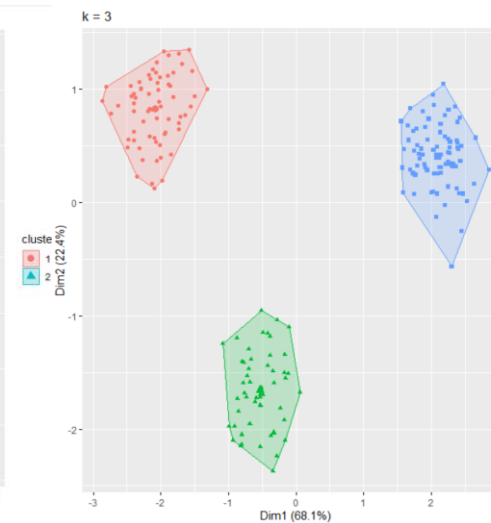


- Use elbow rule
- Choose the optimal number of clusters based on lowest average silhouette score
- Focal point at 3

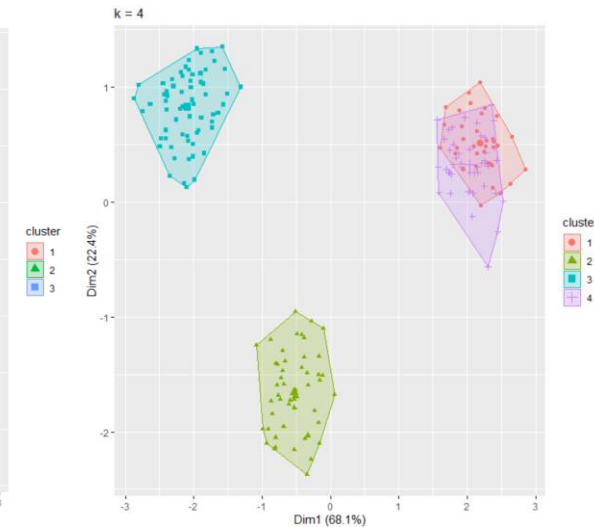
- K=2 has large space between clusters
- K=4 has overlap between clusters
- Choose **K=3 (Reasonable)**



K=2

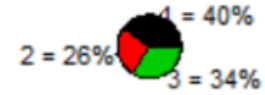


K=3

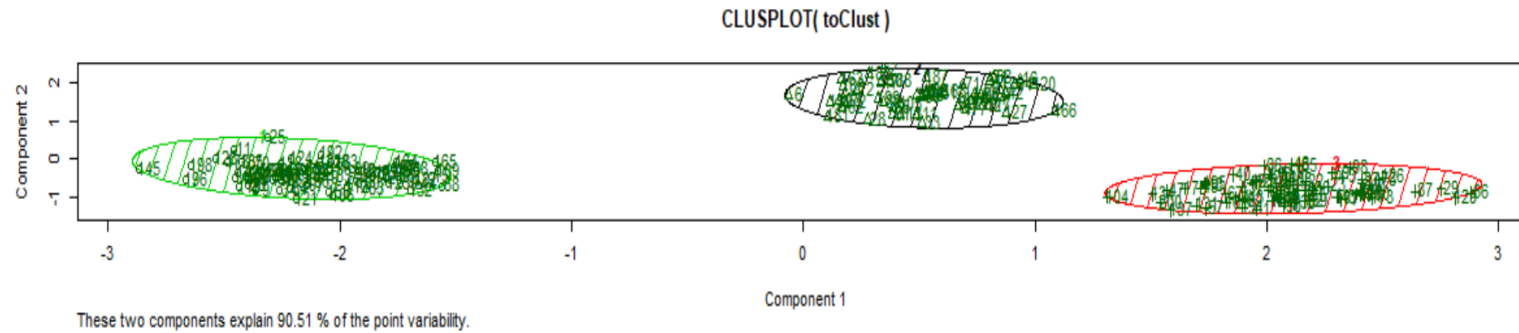


K=4

## Percentages of Market Size of Each Segments



## Ellipse plot



## Cluster Means of Each Segments

