

WELCOME TO NU CC WORKSHOP

**GOOD
SOLUTION
STARTS FROM
RIGHT
STRATEGY**

STRUCTURE

ANALYSIS

RECOMMENDATION (ADVICE)

OUTLINE

- **WHAT IS A STRUCTURE?**
- **FRAMEWORKS**
- **MECE**
- **TYPES OF CASES**
- **MARKET SEGMENTATION**
- **PRACTICE**

WHAT IS A STRUCTURE?

THE ARRANGEMENT OF AND RELATIONS BETWEEN THE PARTS OR ELEMENTS OF SOMETHING COMPLEX.

SOURCE: MERRIAM-WEBSTER DICTIONARY

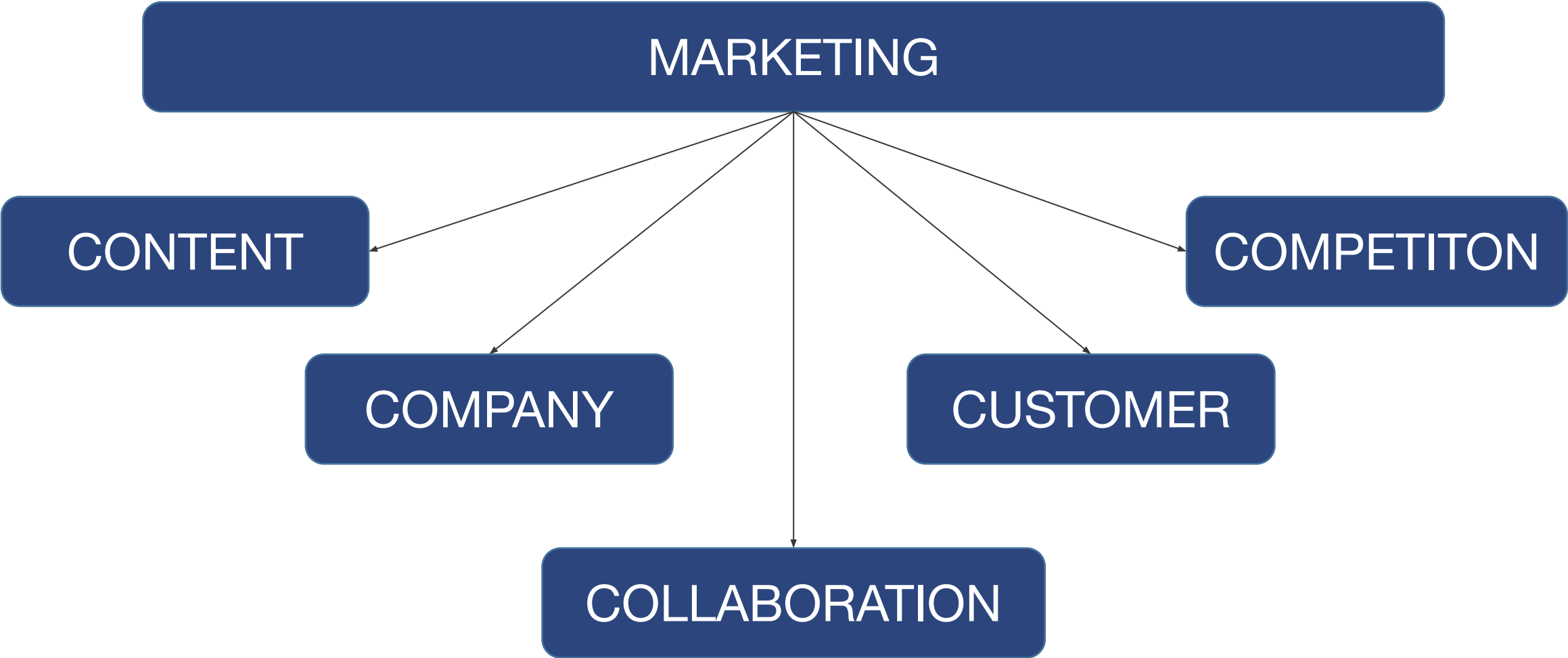
WHY DO WE NEED TO STRUCT?

EFFICIENCY

FRAMEWORK

FRAME + WORK

5C'S OF MARKETING



SWOT FRAMEWORK

STRENGTHS

WEAKNESSES

OPPORTUNITIES

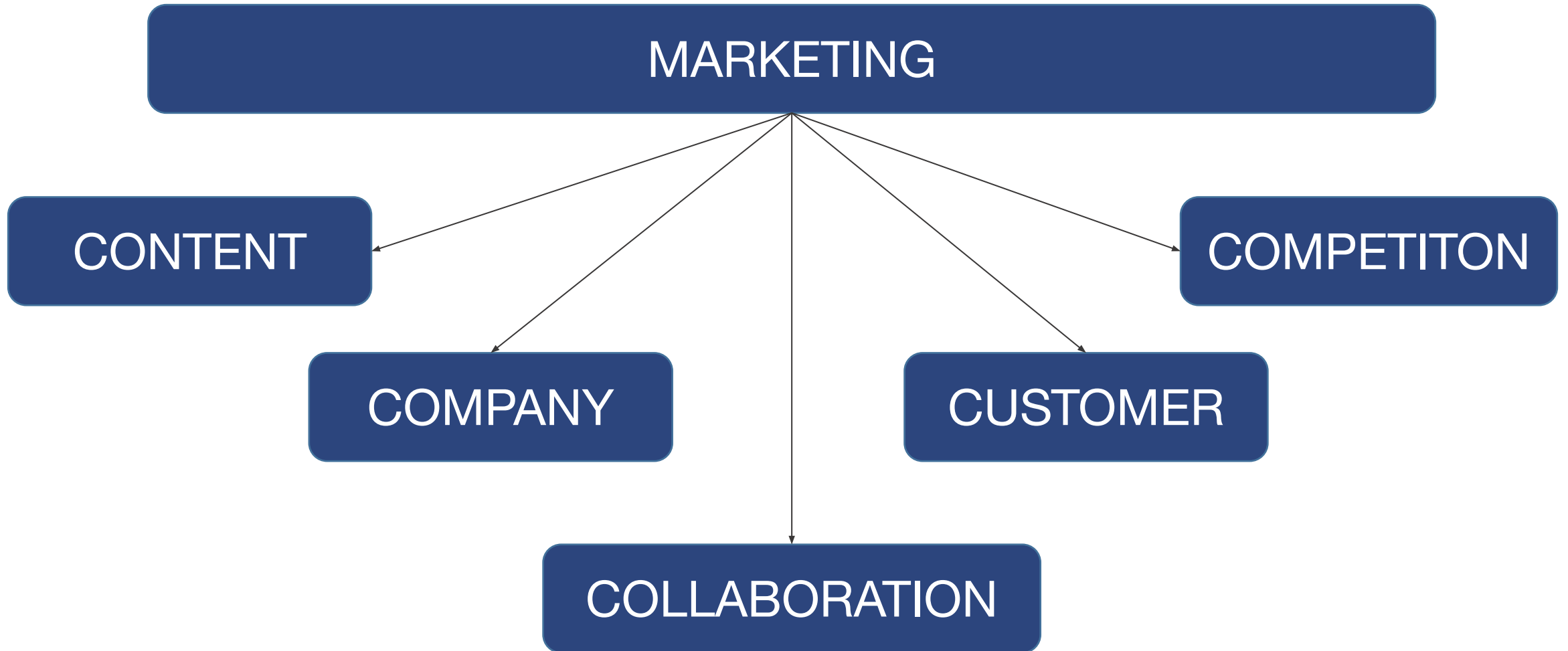
TREATS

MECE

**MUTUALLY EXCLUSIVE &
COLLECTIVELY EXHAUSTIVE**

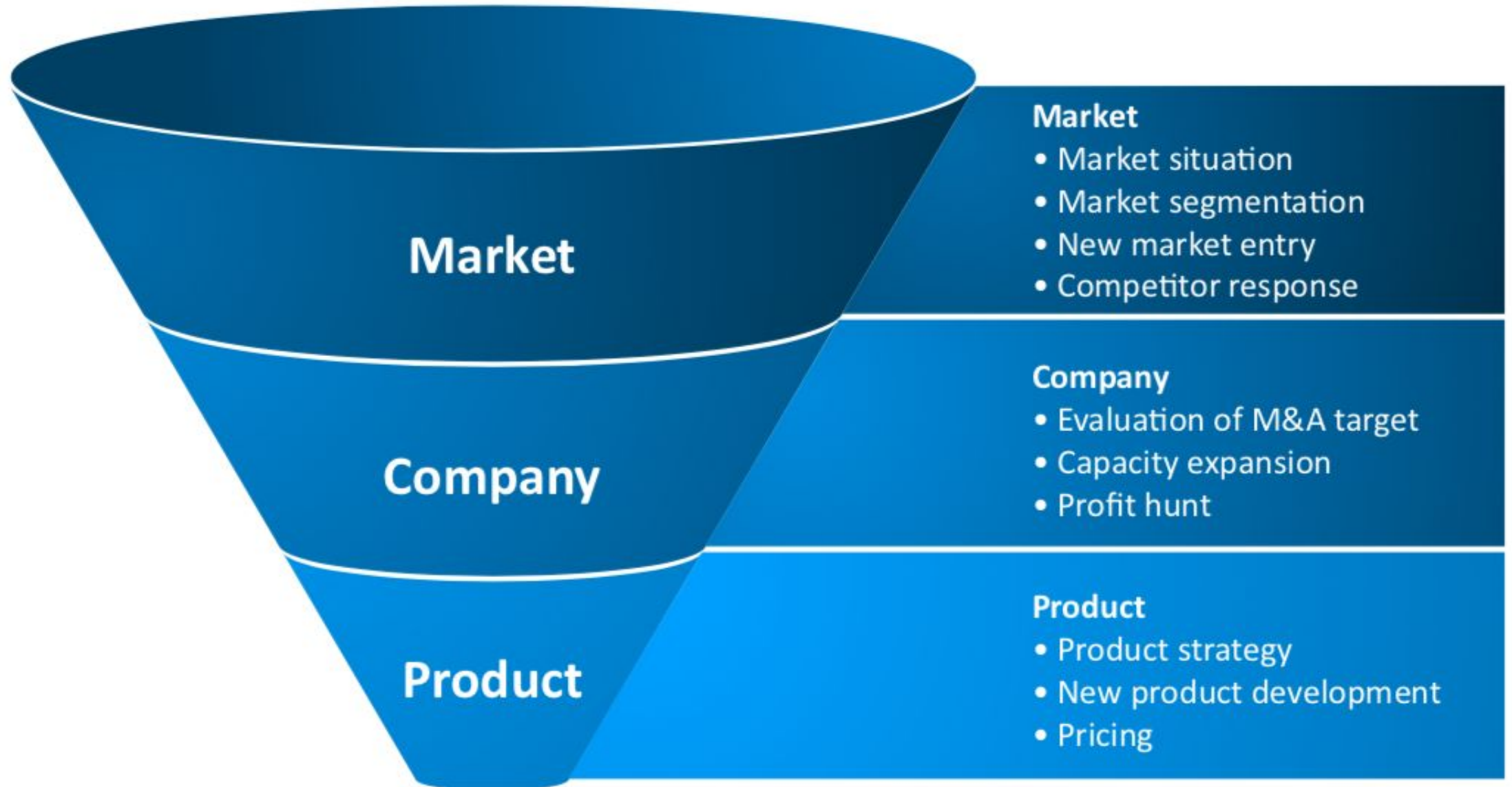
**A PROBLEM THAT HAS NO OVERLAPS AND
PRESENTED IN ITS ENTIRELY**

5C'S OF MARKETING



TYPES OF BUSINESS CASES

MARKET. COMPANY. PRODUCT.

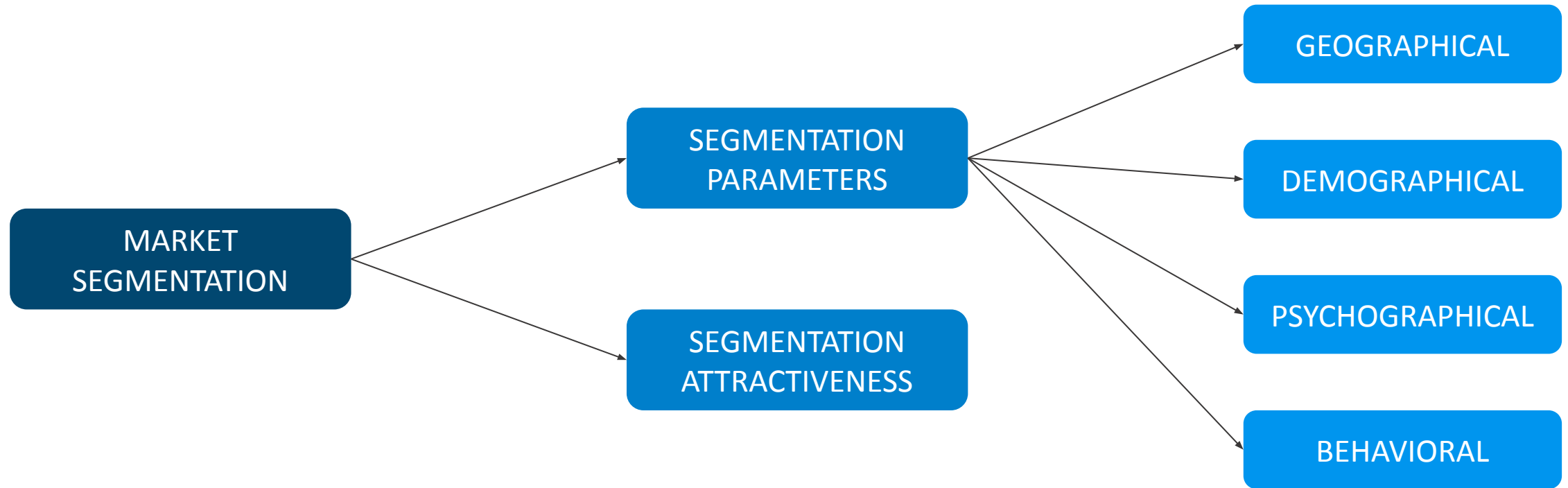


TYPE OF CASE #2

MARKET SEGMENTATION

WHAT IS IT ABOUT?

STRUCTURE (FRAMEWORK)



Geography

- Where are the customers from? (region, country, city, etc.)

Demography

- What are the relevant age groups?
- What are their education levels?
- What are their income levels?

Psychography

- What do we know about the customers' lifestyle and values?

Behavioral

- How price sensitive is the segment?
- What is their usage rate of the product?
- How loyal are the customers?

Segment attractiveness

The next step in your analysis is to look at the attractiveness of each segment:

- What is the size of the segment?
- What is the profitability of the segment? (average EBIT-margin)
- What are the growth trends for the segment?

ANALYSIS

THE HARDEST PART OF THE SOLVING CASES (IMHO)

SEGMENTATION PARAMETERS

GEOGRAPHICAL

DEMOGRAPHICAL

PSYCHOGRAPHICAL

BEHAVIORAL

REGION

CLIMATE

POPULATION

GROWTH RATE

POPULATION

DENSITY

AGE

GENDER

EDUCATION

OCCUPATION

INCOME

VALUES

ATTITUDES

LIFESTYLE

USAGE RATE

PRICE

SENSITIVITY

BRAND

LOYALTY

SEGMENTATION ATTRACTIVENESS

SIZE

PROFITABILITY

SHARE

GROWTH TRENDS

RECOMMENDATION (ADVISE)

SEGMENTATION PARAMETERS

GEOGRAPHICAL

DEMOGRAPHICAL

PSYCHOGRAPHICAL

BEHAVIORAL

SEGMENTATION ATTRACTIVENESS

SIZE

PROFITABILITY

SHARE

GROWTH TRENDS

TARGET SEGMENT

SEGMENT X

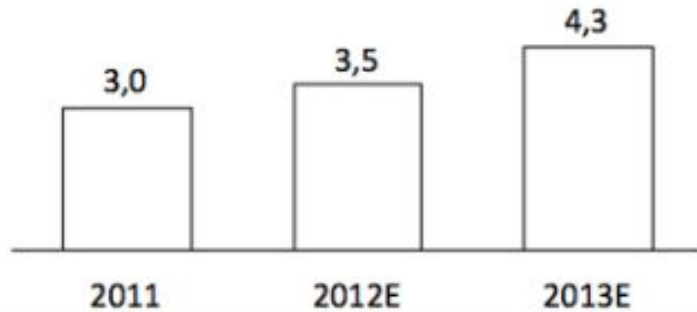
QUESTIONS?

PRACTICE

CRACK THE CASE

Nairobi Population

Millions

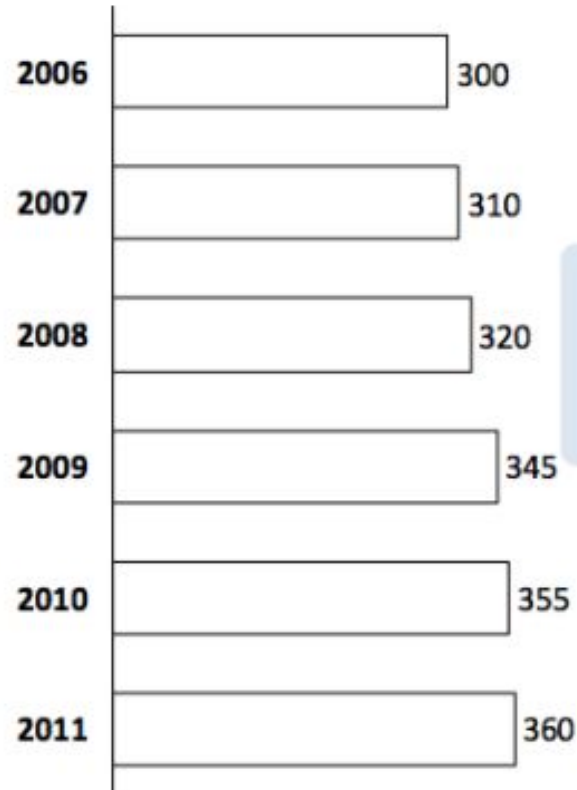


Annual Household Incomes

Year	Avg. income	Median income
2006	\$910	\$453
2007	\$920	\$458
2008	\$935	\$463
2009	\$940	\$465
2010	\$950	\$470
2011	\$1,000	\$500

Washing Machine Household Penetration

Thousands



Average price of a washing machine:
KSh 47,000 (\$558)

Assess the attractiveness of the washing machine market in Kenya

How would you segment the market?

You discover that there is a sizable, wealthy ex-pat community flooding into Nairobi.

There are currently 600,000 ex pats in Nairobi. Is this an attractive segment to target?