

# **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

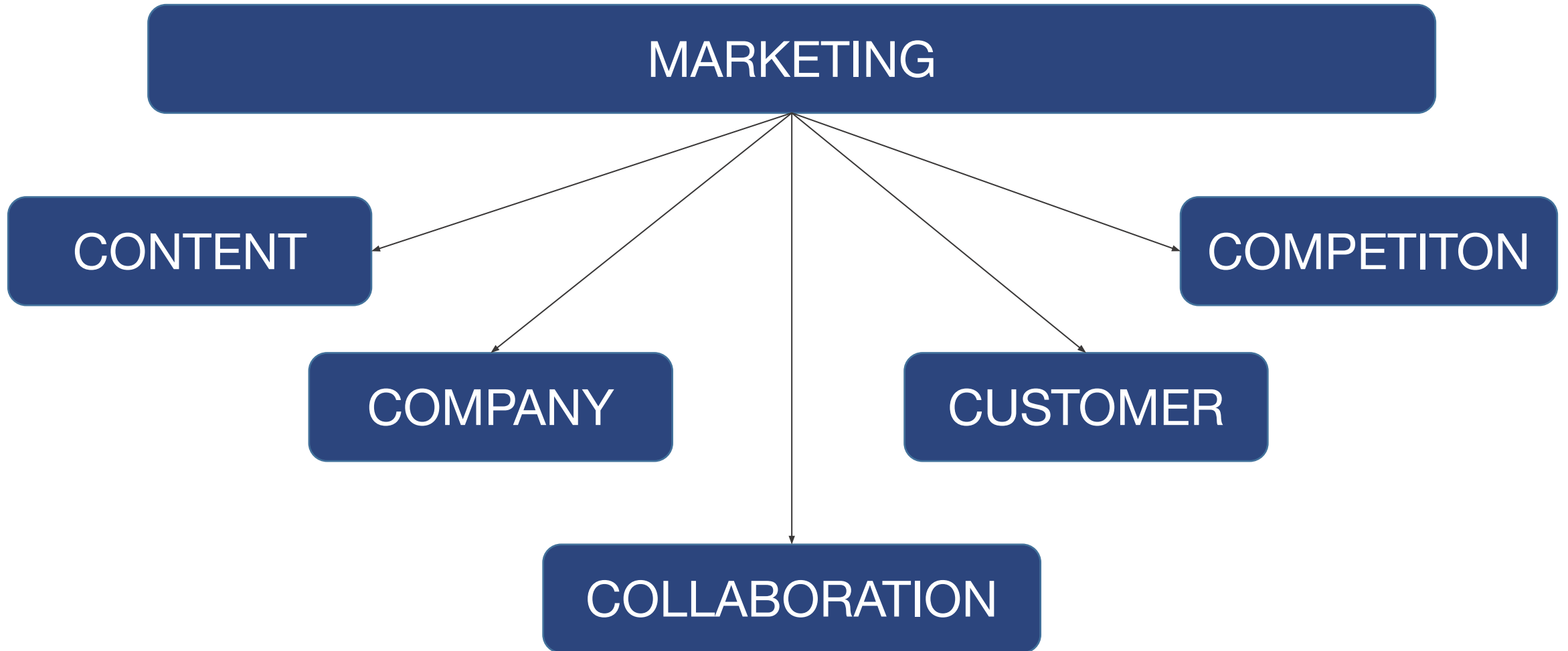
# **WHY DO WE NEED TO STRUCT?**

**EFFICIENCY**

# **FRAMEWORK**

**FRAME + WORK**

# 5C'S OF MARKETING



# SWOT FRAMEWORK

STRENGTHS

WEAKNESSES

OPPORTUNITIES

TREATS

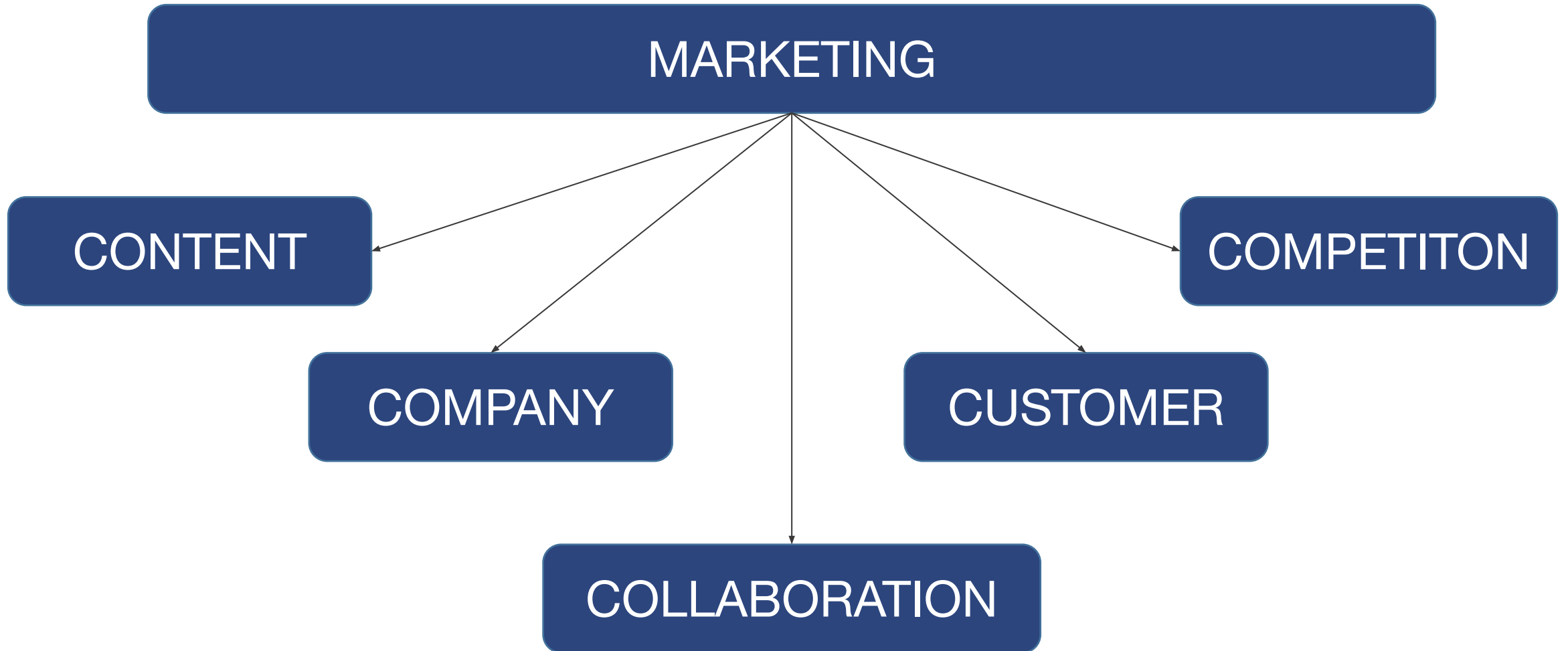


# MECE

**MUTUALLY EXCLUSIVE &  
COLLECTIVELY EXHAUSTIVE**

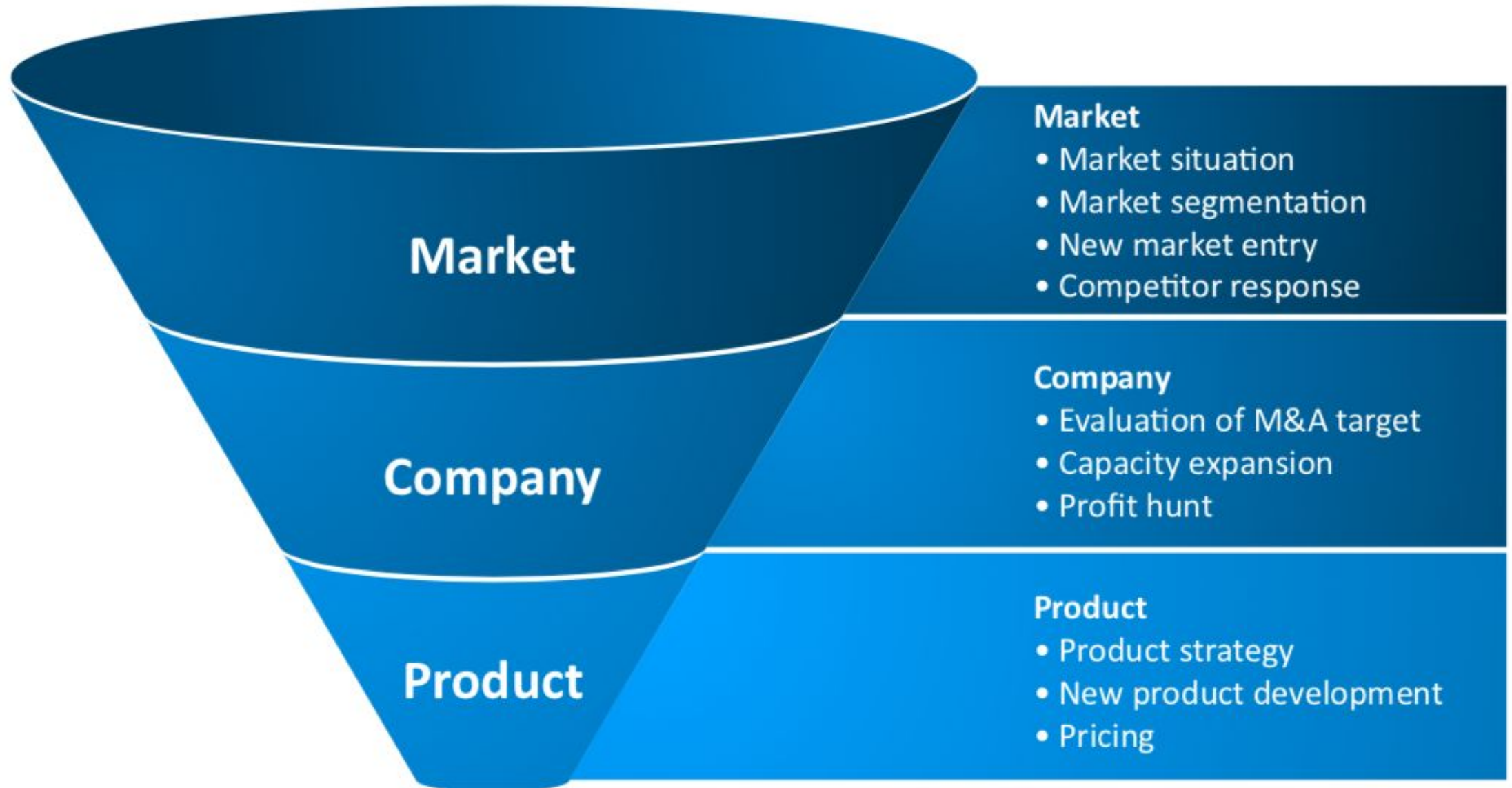
**A PROBLEM THAT HAS NO OVERLAPS AND  
PRESENTED IN ITS ENTIRELY**

# 5C'S OF MARKETING



# **TYPES OF BUSINESS CASES**

**MARKET. COMPANY. PRODUCT.**

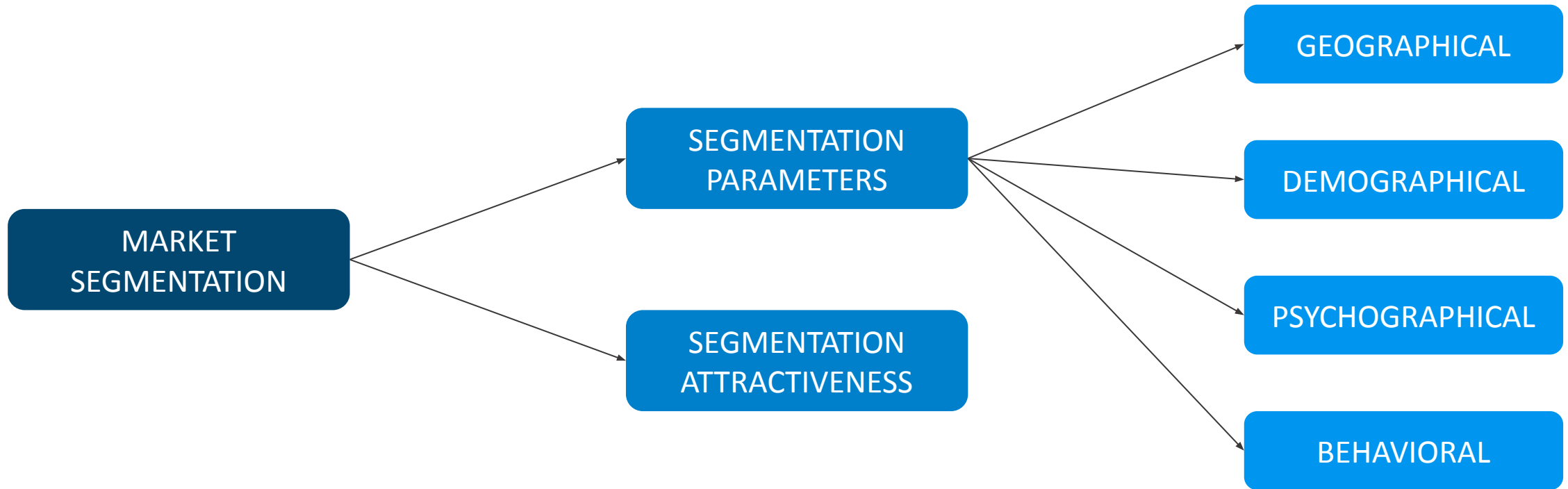


# **TYPE OF CASE #2**

## **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

REGION  
CLIMATE  
POPULATION  
GROWTH RATE  
POPULATION  
DENSITY

DEMOGRAPHICAL

AGE  
GENDER  
EDUCATION  
OCCUPATION  
INCOME

PSYCHOGRAPHICAL

VALUES  
ATTITUDES  
LIFESTYLE

BEHAVIORAL

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

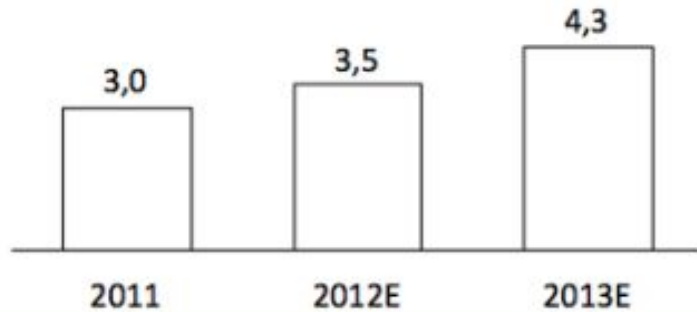
**QUESTIONS?**

# **PRACTICE**

## **CRACK THE CASE**

### Nairobi Population

Millions

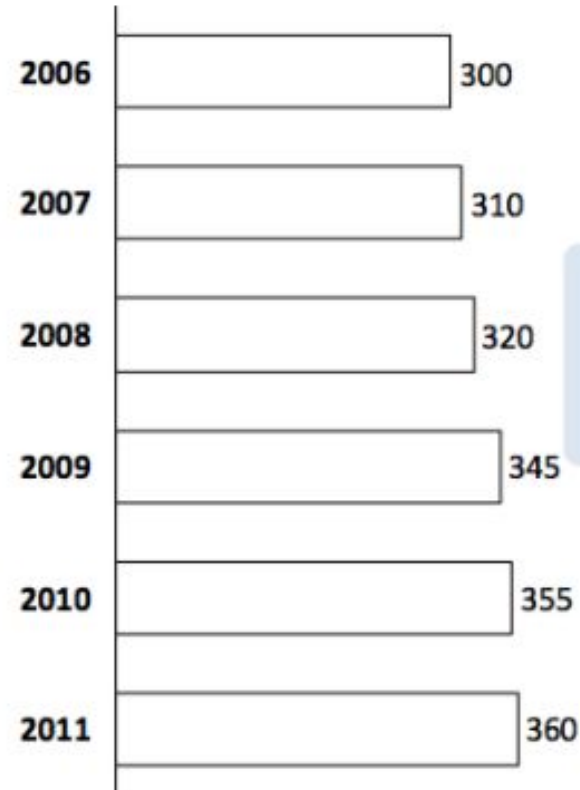


### Annual Household Incomes

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?