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## CHECKLIST

### MARKET SEGMENTATION

Market Segmentation is:

1. Grouping customers according to drivers of supplier preference
2. Grouping customers based on similar need or behaviour
3. Grouping customers according to determinant factors in supplier choice
4. Applied to ALL customers in the market
5. Companies within a segment have similar needs or behaviour
6. The needs of different segments are different

Key Steps in Market Segmentation

1. Define and Map the Market describe the needs, solutions, value chain, all producers through all channels to all consumers
2. Identify the Customer  
 identify key players in the value chain  
 how are suppliers selected and on what basis?  
 what is the decision-making process?  
 who are the key decision-makers and influencers?
3. Identify Key Buying Decision Criteria what are the key determining needs for each decision-maker in order of priority in the buying/ supplier selection decisions?  
 identify unmet or poorly met needs
4. Discover Segments  
 at each relevant level in the value chain, group customers with similar needs or behaviour
5. Validate the Segments do the segments make sense, fit your knowledge of the market?

Market Segments must be

- **Identifiable** We have to be able to find the customers in the segment
- Measurable**  
 We have to measure our position in the segment
- Accessible**  
 We have to be able to reach the customers
- Viable**  
 It has to be worthwhile to do business in the segment
- Actionable**  
 We have to be able to take actions to achieve our goal

***Practical Marketing for Value Growth***  
***WE DO ..... while others only talk***