Lecture 6
Customer Segment
PLEASE SIT WITH YOUR TEAMS

<table>
<thead>
<tr>
<th>Student Planner</th>
<th>It's more fun in the Philippines</th>
</tr>
</thead>
<tbody>
<tr>
<td>DIANA MAE</td>
<td>DANIELLE ANNE</td>
</tr>
<tr>
<td>ADRIAN</td>
<td>NOEL NICANOR II</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Course Curriculum Checklist</th>
<th>Mobile Network with OCR</th>
</tr>
</thead>
<tbody>
<tr>
<td>APRYL ROSE</td>
<td>RICARDO</td>
</tr>
<tr>
<td>NATHAN LEMUEL</td>
<td>VICTORIA CASSANDRA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Jeeps</th>
<th>Delivery Boy</th>
</tr>
</thead>
<tbody>
<tr>
<td>MARIA AZRIEL THERESE</td>
<td>FRANCIS JOMER</td>
</tr>
<tr>
<td>BERLYN ANNE</td>
<td>AUBREY JOANNA</td>
</tr>
</tbody>
</table>
CURRICULUM

Week 1
- Context, techniques, and idea generation
- Programming tools, and backend

Week 2
- Mobile Web, Django, SMS
- Google App Engine

Week 3
- Executive summary, early adoption testing

Week 4
- Android and UI design

Week 5
- Networking Event

Week 6
- Growing, financing, and demo

Week 7
- Hackathon #2 Baguio
- Project Showcase
- Discretion of Instructors (based on class projects)
## SCHEDULE FOR TODAY

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>4:10PM</td>
<td>Guest speaker: Michael Ngo Dee</td>
</tr>
<tr>
<td>4:30PM</td>
<td>Deploying on Heroku: part 2</td>
</tr>
<tr>
<td>5:00PM</td>
<td>Targeting Customers</td>
</tr>
<tr>
<td>5:20-9PM</td>
<td>Projects one on one with the instructors</td>
</tr>
</tbody>
</table>
MICHAEL NGO DEE

Tripid
Founder · 2012 to present · Manila, Philippines

Rocket Internet GmbH
Sales Manager · 2012 to May 2012 · Manila, Philippines

Blueblade Technologies
Business Development for Mobile · Aug 2010 to Oct 2011
Business development of mobile enterprise application firm/ continuous development of disruptive technologies in partnership with the Ateneo Java Wireless Contact Center (AJWCC)

Heavenly Chocolates
Choco-vangelist · Jan 2010 to Apr 2010
Spreading love through Chocolates. :)
More
College

University of Asia and the Pacific
Class of 2007 · Entrepreneurial Management · Pasig

http://www.facebook.com/ngodee
http://www.linkedin.com/pub/michael-ngo-dee/21/b79/9b9
THE 9 BUILDING BLOCKS

1. **Value Propositions**
   - An organization solves customer problems and satisfies customer needs with value propositions.

2. **Channels**
   - Value propositions are delivered to customers through communication, distribution, and sales.

3. **Customer Relationships**
   - Customer relationships are established and maintained with each customer segment.

4. **Revenue Streams**
   - Revenue streams result from value propositions successfully offered to customers.

5. **Key Resources**
   - Key resources are assets required to offer and deliver the previously described elements.

6. **Key Activities**
   - Key activities are performed to produce a number of key activities.

7. **Key Partnerships**
   - Some activities are outsourced and some resources are acquired outside the enterprise.

8. **Cost Structure**
   - The business model elements result in the cost structure.
CATEGORY OF ADOPTERS

FIGURE 11.9 Innovation adoption categories when Sd = standard deviation.

Diagram from Dorf & Byers, Technology Ventures, p. 248
THE CHASM

Diagram from Dorf & Byers, Technology Ventures, p. 249

- Innovators/enthusiasts
- Early adopters/visionaries
- Chasm
- Early majority/pragmatists
- Mainstream market
- Late majority/conservatives
- Laggards/skeptics
CHOSE A BEACHHEAD SEGMENT

1. Is the target customer well funded and are they readily accessible to our sales force?
2. Do they have a compelling reason to buy?
3. Can we today, with the help of partners, deliver a whole product to fulfill that reason to buy?
4. Is there no entrenched competition that could prevent us from getting a fair shot at this business?
5. If we win this segment, can we leverage it to enter additional segments?
6. Can we show results in a one to two year timeframe?
Develop a well defined Target Customer profile. This describes in the market segment you have chosen to attack and can be more general. It can include important demographic information that will help you develop the market sizing calculation in the next step.

### Customer profile

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male, female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>17-40 y.o.</td>
</tr>
<tr>
<td>Region</td>
<td>Moscow (during initial growth stage)</td>
</tr>
<tr>
<td>Occupation</td>
<td>Student, young professional, internal migrant, middle management</td>
</tr>
<tr>
<td>Social level</td>
<td>Medium, high</td>
</tr>
<tr>
<td>Characteristics</td>
<td>Has a smartphone</td>
</tr>
<tr>
<td>User category</td>
<td>Early adapters, technologically advanced</td>
</tr>
<tr>
<td>Other</td>
<td>Active users of social networks, outgoing personalities</td>
</tr>
</tbody>
</table>
TOTAL ADDRESSABLE MARKET

US Population (300 million)

Sick or Dependent is Sick

Internet User

Mothers (2+ kids)

College Educated

Income $45-$120k

6.3 million mothers

6.3 million mothers

4 consultations per year

x $7.99 per consultation

= $201 million/year

LiveDoc reassurance when you want it
PERSONA EXAMPLE

He likes to try out new things and talk about it

Male

33 years old

Current salary is USD 10,000/ month

 Recently moved into his new flat with his girlfriend

Lives on Kutuzovskiy Prospect in Moscow

Little time

Lives esquire, Forbes, afisha, pop, GQ

Works at VTB Investment Banking

He wants to be unique

In winter he loves skiing in Austria or France

In summer he travels around the whole world

“I am Vlad”

Vlad needs some paintings for his new apartment.
Value proposition and competition

Product Excellence/Innovation

Customer Intimacy

Low Price

iRobot Google

IBM Dell SolidWorks