

CHAPTER 2: MARKET DYNAMICS

[This chapter should be organized by sub-sector, due to the different market dynamics for each.]

Section A: Profile of Customers

Who is the customer for the service?

- What are the common characteristics of the customer, i.e. the market segment, and what dimensions can be used to segment the market?
- What characteristics do individuals share?
 - demographics/socio-economic segmentation — age, sex, income, location etc.
 - psychographics/lifestyle segmentation — achiever, conformist etc.
- What traits do corporations — public and private — share?
 - corporate culture, e.g. early adopter, entrepreneurial,
 - hierarchical, patriarchal etc.
 - corporate ownership — multinational or local
- What traits do government organizations share?
 - individual departments
 - central purchasing
 - government to government organizations
- What are common to not-for-profit organizations?
- What do non-governmental organizations/associations share?

Number of key customers

- Is the customer base large or is it narrow?

Important user benefits

- What do they care about?
 - cost
 - quality
 - convenience and timeliness
 - flexibility and customization
 - accessibility and availability
 - service reliability, such as warranties/guarantees
 - service upgrades

How do customers buy these services?

- What is the distribution channel(s)?
- Does the end-user make the purchasing decision? If not, who makes the decision, and what are the criteria used by the purchaser in making the decision?