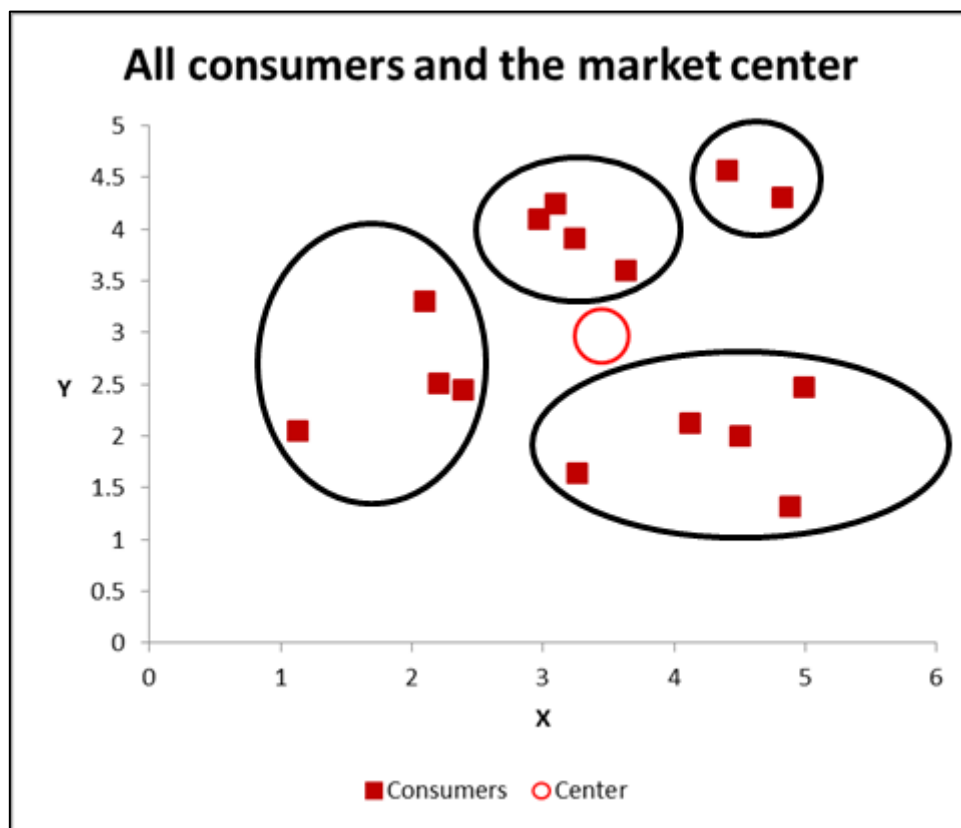


Using Scatter Charts for Market Segments

Below are a series of scatter charts showing customers' "customer satisfaction" (CSAT) and "loyalty" scores that we have obtained from our customer database (for the loyalty measure) and associated market research information (for CSAT). Each variable is scaled on a 1 to 5 basis - with 1 being very low and 5 being very high.

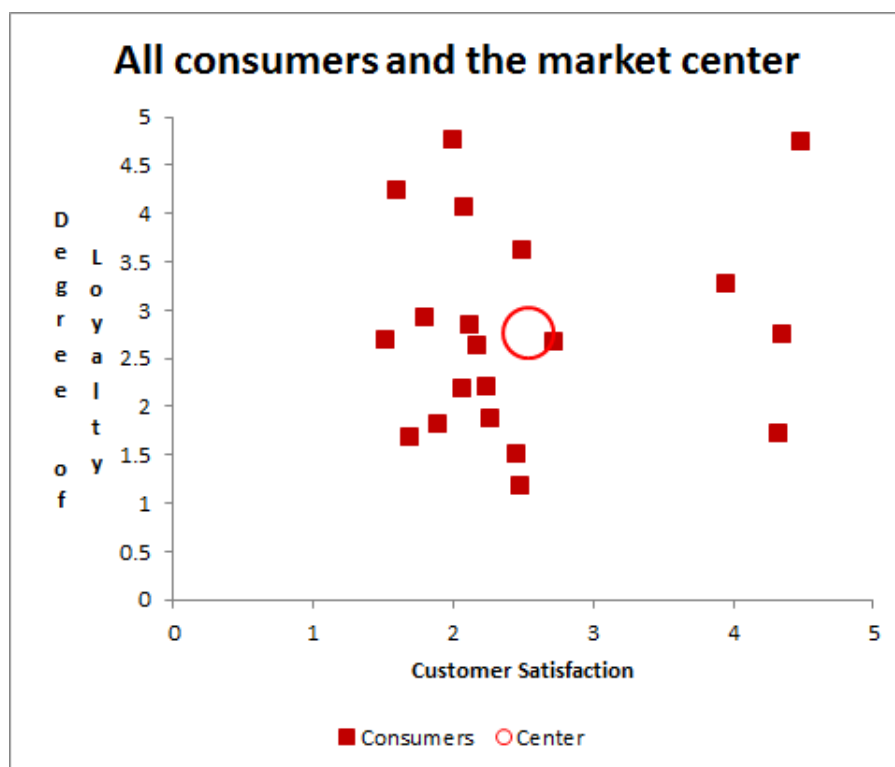
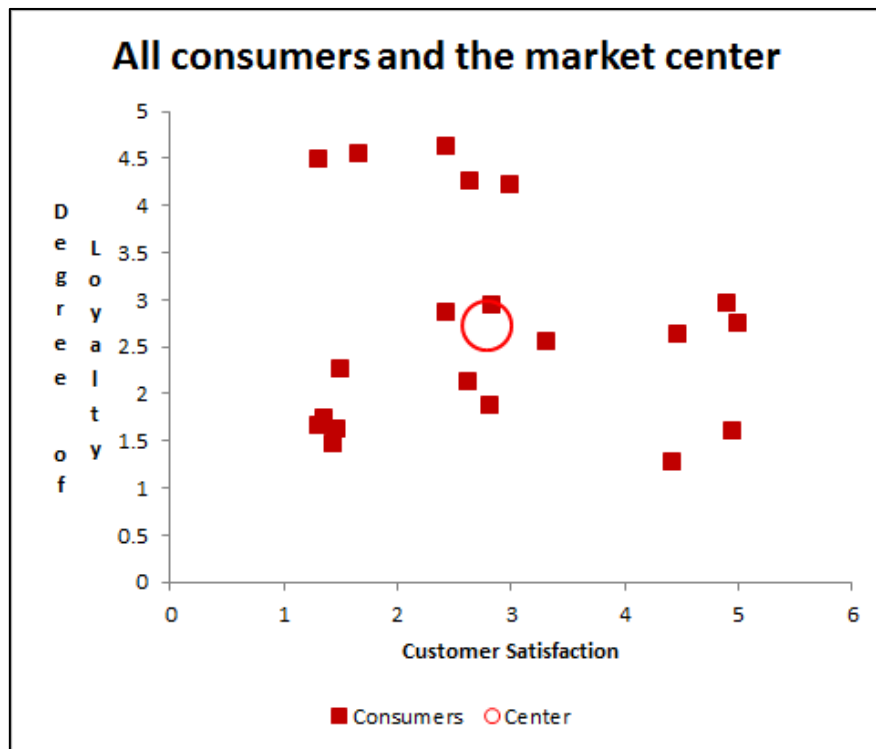
There are a number of different charts shown below - from different firms. Your task is to review each one and try to identify and circle possible market segments (sets of similar data points) in each one and then answer the questions at the end.

An **example** has been provided for you [here](#), where four market segments have been identified. You do not need to pick four segments each time - you can anywhere from two to six segments - and you can even use more than one approach for each graph.

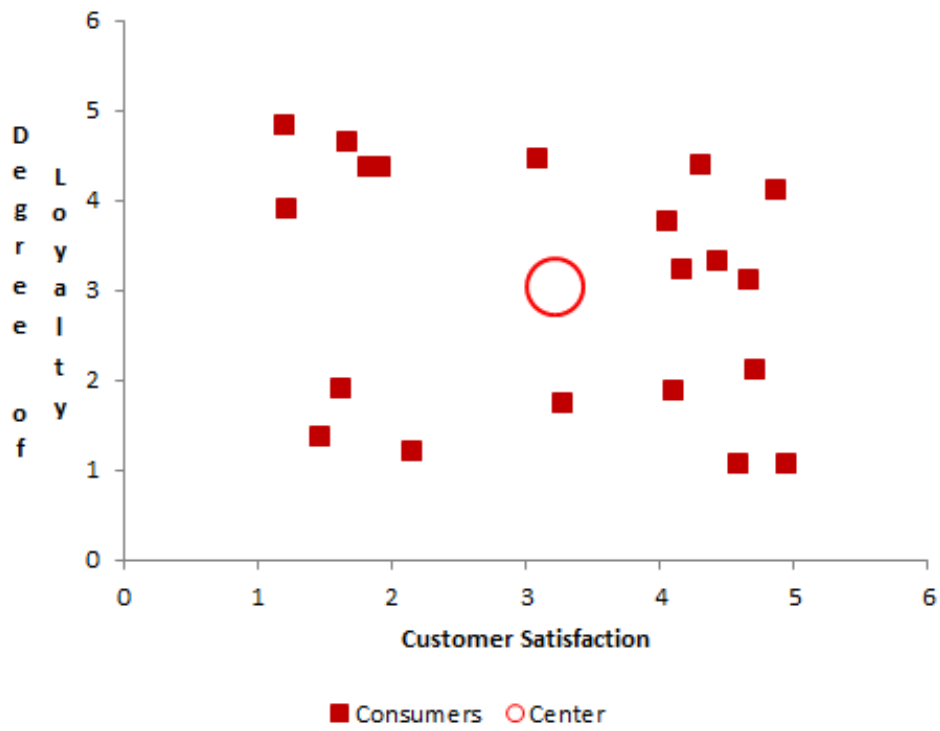


Reading the Charts

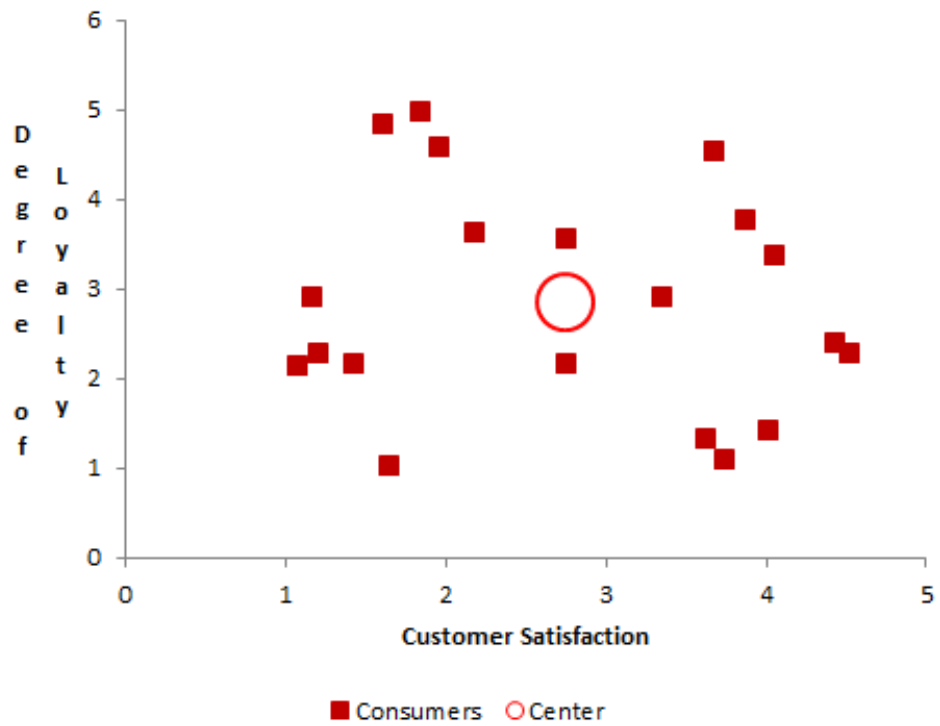
Please note that the 20 individual consumer data points are represented by the red squares and the average for all the consumers is shown by the larger red circle.



All consumers and the market center



All consumers and the market center



Student Discussion Questions

1. Did you have the same number of segments each time?
2. Were there charts where you could have constructed a different number of segments?
3. Pick one of the charts and try to "describe" the segment - based on the limited information that we have?
4. Are there any segments that don't appear to make sense (from Q3)?
5. Do you think that you would get more value from understanding the "obvious" segments - such as high CSAT and high loyalty, or is there more value in identifying "unexpected" segments?
6. We only have two marketing variables used here - what other variables could be used as well to generate other market segments of value?
7. What is a quick for/against of segmenting a market in this manner - that is, two variables on a chart?