

Market Segmentation for PoC Blood Test Device

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Developing an innovative and attractive product requires a high level of competence. Introducing it successfully to the market is a challenge. Thorough market segmentation leads the launch of a product to success. The question is: Who is the paying customer?

Introduction and Objectives

The BFH is working on a breakthrough innovative Point of Care (PoC) blood test device performing a Complete Blood Count (CBC). Normally, such tests are carried out by a doctor, tested in the laboratory, and requires both a sampling and an evaluation meeting. The new device requires only few minutes. Thanks to its low weight and small size, it can be used location independent. Moreover, it has an attractive price. Who will be the paying customer? This will be answered through following questions: (1) What are potential market segments? (2) Which of them are the most promising? (3) What are their most effective marketing and distribution channels?

Research Design

A qualitative approach to market segmentation is applied: brainstorm, narrow and primary market research. In brainstorming, potential segments are identified through online research and initial interviews (Q1). The research team narrowed down in which primary market research will be conducted. One to four interviews in each of these segments reveal whether and how promising they are (Q2). The desired marketing and distribution channels are explored in interviews too (Q3). As Figure 1 shows, each of these segments with need for devices is evaluated regarding sixteen categories. Device usage, various characteristics, and entry and accessibility parameters are observed.

Results

Four promising segments with demand for PoC blood testing devices have emerged:
The first segment, including health centres, is interesting, because it does not necessarily require certification and therefore contains early adapters. Swiss impatient and home care, the second segment, could carry out blood tests on behalf of doctors. Patients would save practice visits, finances, and time. The third segment „Third World medical practices“ has the

highest potential. If one in a thousand practices were to buy a device by the tenth year, that would be a sale of CHF 6.5 billion only that year. The last segment is „aid organisations“. Its market entry is remarkable. Marketing and distribution channels are direct, and they can deploy the device quickly.

Implications and Recommendations

Identifying paying customers is an important step in choosing which segment to start selling to. This choice depends, among other things, on the certification of the device and export guidelines. In addition, it is recommended that the demand be examined by means of quantitative research.



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	Swiss organisations which provide health increasing services			
	Swiss inpatient and home care			
	Third World medical practices			
	Aid organisations			
Device usage				
End user				
Application				
Benefits				
Partners / Players				
Market segment analysis				
Market characteristics				
Size of the market				
Competition				
Financial resources				
Market entry information / accessibility				
Accessibility				
Additional device requirements				
Additional service requirements				
Marketing channel				
Distribution channel				
Early adapter potential				
Driving forces against buying devices				
Additional				
Remarks				

Figure 1: List of the four most promising market segments regarding sixteen categories (results hidden for readability)