MAKERERE UNIVERSITY

KEY CHALLENGES OF MARKET SEGMENTATION:

THE CASE OF WATAT KONSULTS UGANDA LIMITED.

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B.Sc MED RAD (MAK),

A RESEARCH PROJECT PAPER SUBMITED TO THE DIRECTORATE OF RESEARCH AND GRADUATE TRAINING FOR THE AWARD OF THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION OF MAKERERE UNIVERSITY.

SEPTEMBER 2015

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ABSTRACT

Challenges of implementing market segmentation are either related to target marketing or execution of the marketing strategy. These challenges if ignored may impinge on the organization's segmentation strategy hence embracing activities focusing on simple and easy to do segmentation practices that normally fail to satisfy the needs of the customers. These need to be overcome for successful implementation of the market segmentation process. Therefore it is important to identify the key challenges faced by Watat Konsults Uganda limited in implementing market segmentation. There is limited research about challenges of implementing market segmentation in small scale broiler farms. This study was intended to fill the knowledge gap that existed on challenges faced by small scale broiler farms in implementing market segmentation. Therefore the purpose of the study was to examine the key challenges of implementing market segmentation at Watat Konsults Uganda Limited.

Methodology: A cross sectional study design was employed. Data was collected using a closed ended questionnaire from a total population of 5 participants working with Watat Konsults Uganda Limited. Verbal consent was both obtained from the management and employees of Watat Konsults.

Analysis: Data was analyzed using SPSS Version 20. The results were summarized using descriptive statistics of frequency, percentages and mean and presented using, figures, tables and text.

Results: The study was dominated by male participants (80%). Most of the respondents were of age group 18-24 (40%). On asking the respondents to approximate the percentage (0-100%) of farm's key accounts data that they were able to track using its records, updated e-mail addresses and allocated size (square meters) to key accounts records were the least tracked with a mean approximation of 0% and 4% respectively. There was a significant data tracking challenge with up to seven data sources indicating an approximate farm tracking record of less than 50%.

Majority of the respondents (60%) reported three challenging primary obstacles faced by Watat Konsults in implementing the market segmentation strategy:

- Inexperienced Managers,

- Limited access to marketing expertise to develop and/or execute a market segmentation strategy and

- Inadequacy of practical guidance required to identify the elements necessary for a successful market segmentation strategy.

Conclusion: The study identified four key challenges of market segmentation faced by Watat Konsults Uganda Limited and these were

- Inadequate farm records in relation to updated e-mail address and allocated size to key accounts.

- Use of inexperienced managers.

- Limited access to marketing expertise to develop and/or execute a market segmentation strategy and

- Inadequacy of practical guidance required to identify the elements necessary for a successful market segmentation strategy.

Recommendations: The farm should: consider collecting data and managing a comprehensive database that would facilitate the process of understanding customer needs and hence a smooth implementation of the segmentation activities, use experienced managers with ability to manage the production of products focused at customer perspective, attend and participate in both agricultural and marketing seminars aimed at enhancing their knowledge about market segmentation. This will enhance their skills of implementing and evaluating the segmentation process.