

Market Development and Value Creation for Low Socioeconomic Segments in Emerging Markets: An Integrated Perspective Using the 4A Framework

Appendix A: Sample Characteristics

Sample Characteristics	Business	Farmers
Sample Size (Number)	238	357
Gender (Number)		
Male	163	281
Female	75	76
Socioeconomic Classification (As per the Government of India Classification Scheme)*		
D	175	160
E	25	47
R2	10	24
R3	18	66
R4	10	60
Income (USD)		
Maximum	1500	1453
Minimum	1132	1076
Mean	1257	1186
Total Number of Mobile Phone Handsets Owned (Number)		
Maximum	12	15
Minimum	1	1
Mean	2.44	2.03
Total Amount Paid for the Current Mobile Handset (USD)		
Maximum	198.32	233.45
Minimum	11.67	8.88
Mean	53.70	46.73
Number of Months the Current Mobile Handset is in Use (Number)		
Maximum	85	84
Minimum	2	1
Mean	30.14	23.47
Countries (Number)		
Bangladesh	12	113
India	45	154
Pakistan	18	14
Sri Lanka	130	35
Thailand	33	41

* The SEC classification, created in 1988, was ratified by Market Research Society of India (MRSI), and used by most media researchers and brand managers to understand the Indian consuming class.

Two parameters used to categorize Urban consumers are: i) Occupation, and ii) Education of the Chief Wage Earner (Head) of the households.

Two parameters used to categorize Rural consumers are: i) Type of House, and ii) Education of the Chief Wage Earner (Head) of the households.

The study used a multi-stage stratified cluster sampling by probability proportionate to size (PPS). In all countries except India, data were collected from all provinces in each country. For the data collected from India, data were obtained from the majority of the states, where the target number of urban and rural centres in each province was chosen using PPS. Within each selected centre, a well-known place such as a road, park or hospital was assigned as the starting point to contact households for survey using the right-hand or the left-hand rule. The number of starting points in each centre was determined proportionate to the population in the city/town and then a fixed number of interviews were conducted around that starting point. The structured survey questionnaire was first created in the English language and then translated to local languages. Back-translation and pre-tests were conducted to modify any obscure questions and words. The survey was conducted face-to-face by trained administrators who read out each question and marked the answers on behalf of the respondents.

This study adopts the socioeconomic classification (SEC) offered by the Market Research Society of India (MRSI), and includes participants belonging only to SEC D, E, R2, R3 and R4 (as per the SEC classification system in force between 1988 and 2011) from users of mobile phones across the five countries. The MRSI classification is based on socioeconomic factors including education and occupation of the chief wage earner of a household (see MRSI (2011) for a discussion on the old and new SEC systems).

Urban SEC Grid

The Urban SEC Grid, uses Education Level and Occupational Criteria of the Chief Wage Earner (CWE) of a household as measures to determine socio-economic classification, and segments urban India into 7 groups (A1 to E2), and 3 classes (Upper: A1, A2, B1; Middle: B2, C; Lower: D, E1, E2).

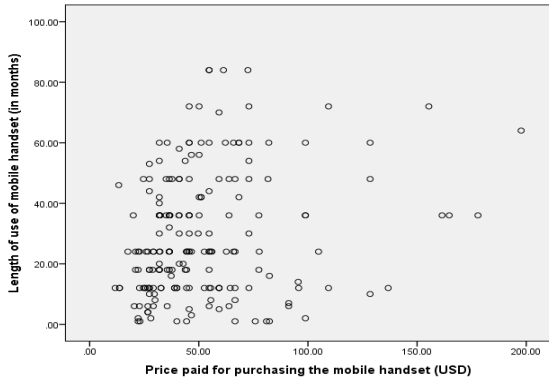
Occupation of the Chief Wage Earner	Education of the Chief Wage Earner				SSC / HSC	Graduate/	Graduate/
	Illiterate	School: Up to 4 years	School: 5 to 9 years	School: SSC / HSC	but not Graduate	Post-Graduate General	Post-Graduate Professional
Unskilled Worker	E2	E2	E2	E2	D	D	D
Skilled Worker	E2	E1	D	C	C	B2	B2
Petty Traders	E2	D	D	C	C	B2	B2
Shop Owners	D	D	C	B2	B1	A2	A2
Business/Industrialists with no. of employees: none	D	C	B2	B1	A2	A2	A1
Business/Industrialists with no. of employees: 1 to 9	C	B2	B2	B1	A2	A1	A1
Business/Industrialists with no. of employees: 10 +	B1	B1	A2	A2	A1	A1	A1
Self-employed / Professional	D	D	D	B2	B1	A2	A1
Clerical / Salesman	D	D	D	C	B2	B1	B1
Supervisory level	D	D	C	C	B2	A2	A2
Officers / Executives: Junior	C	C	C	B2	B1	A2	A2
Officers / Executives: Senior	B1	B1	B1	B1	A2	A1	A1

Rural SEC Grid

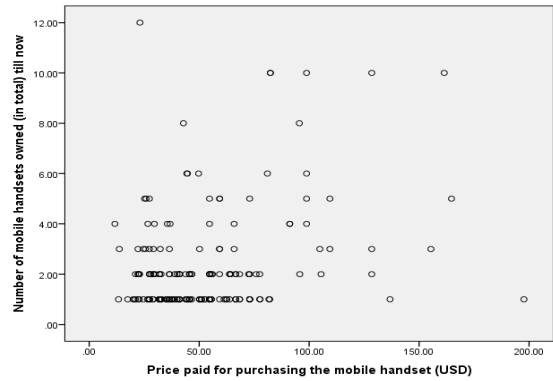
The Rural SEC Grid, uses Educational Level and Type of House (pucca, semi-pucca, and katcha) as measures of socio-economic class, and segments rural users into 4 groups (R1, R2, R3, and R4), and 2 classes (Middle: R1; Lower: R2, R3, R4).

Education of Chief Wage Earner	Type of Home		
	Pucca	Semi-Pucca	Kutchha
Illiterate	R4	R4	R4
School: Up to 4 years	R3	R3	R4
School: 5 to 9 years	R3	R3	R4
School: SSC / HSC	R2	R3	R3
SSC / HSC but not Graduate	R1	R2	R3
Graduate / Post-Graduate: General	R1	R2	R3
Graduate / Post-Graduate: Professional	R1	R2	R3

Appendices B(a) and B(b): Scatterplots for Business Persons

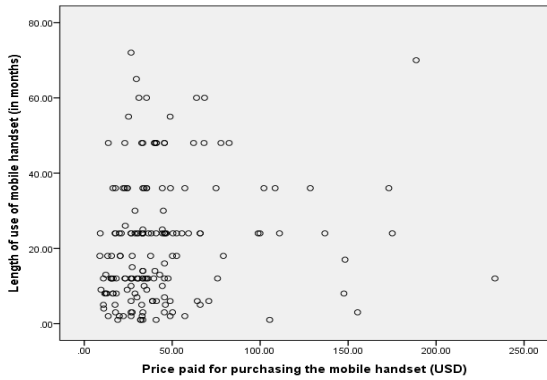


Appendix B(a): Business Persons: Price paid Vs. Mobile Phone Use

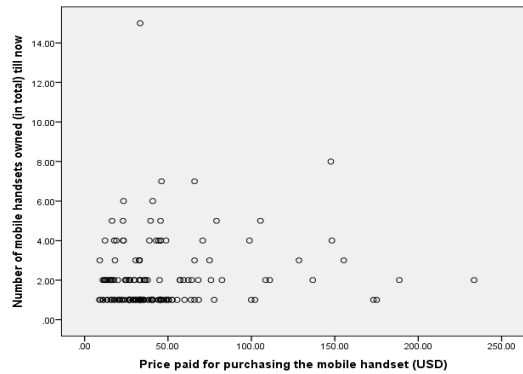


Appendix B(b): Business Persons: Price paid Vs. No. of Mobile Phones

Appendices C(a) and C(b): Scatterplots for Farmers



Appendix C(a): Farmers: Price paid Vs. Mobile Phone Use



Appendix C(b): Business Persons: Price paid Vs. No. of Mobile Phones