1. What are the pros and cons of the three segmentation scenarios?

<table>
<thead>
<tr>
<th></th>
<th>Scenario 1: Broad-based Segmentation Targeting</th>
<th>Scenario 2: Fashionista Focus</th>
<th>Scenario 3: Fashionistas + Planners/Shoppers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pros</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cons</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. What Segmentation scenario is likely to produce higher revenues?
To estimate the impact of each segmentation strategy on the company’s revenue you should consider estimating the financials of the company using the following scenarios:

- **2007 Base**: No segmentation; drop in ad unit pricing (average CPM).
- **Scenario 1**: Broadly targeting 3 groups (excluding Basics); increase in ratings, decrease in ad unit pricing (average CPM).
- **Scenario 2**: Fashionista target: drop in ratings, increase in ad unit pricing (average CPM).
- **Scenario 3**: Fashionista and Shopper/Planner targets; increase in ratings and increase in ad unit pricing (average CPM).

3. What is your recommendation? What segmentation strategy should The Fashion Channel adopt?

- What special programming would you develop for your strategy?
- How else would you add-value to the Fashion Channel and increase Brand engagement?