

MARKET *SEGMENTATION*



“Market Segmentation consists of taking the total, heterogeneous market for a product and dividing it into several sub markets or segments each of which tends to be homogeneous in all significant aspects”

WILLIAM J STANTON

BASES FOR MARKET SEGMENTATION



SEGMENTATION OF CONSUMER MARKET

Demographic
Geographic
Psychographic
Behavioural

SEGMENTATION OF INDUSTRIAL MARKETS

Types of business activity
Geographical Location of the user
Usual purchasing procedure
Size of the user

Segmentation Variables

Demographic variables

- ▶ Age
- ▶ Gender
- ▶ Race
- ▶ Ethnicity
- ▶ Income
- ▶ Education
- ▶ Occupation
- ▶ Family size
- ▶ Family life cycle
- ▶ Religion
- ▶ Social class

Geographic variables

- ▶ Region
- ▶ Urban, suburban, rural
- ▶ City size
- ▶ County size
- ▶ State size
- ▶ Market density
- ▶ Climate
- ▶ Terrain

Psychographic variables

- ▶ Personality attributes
- ▶ Motives
- ▶ Lifestyles

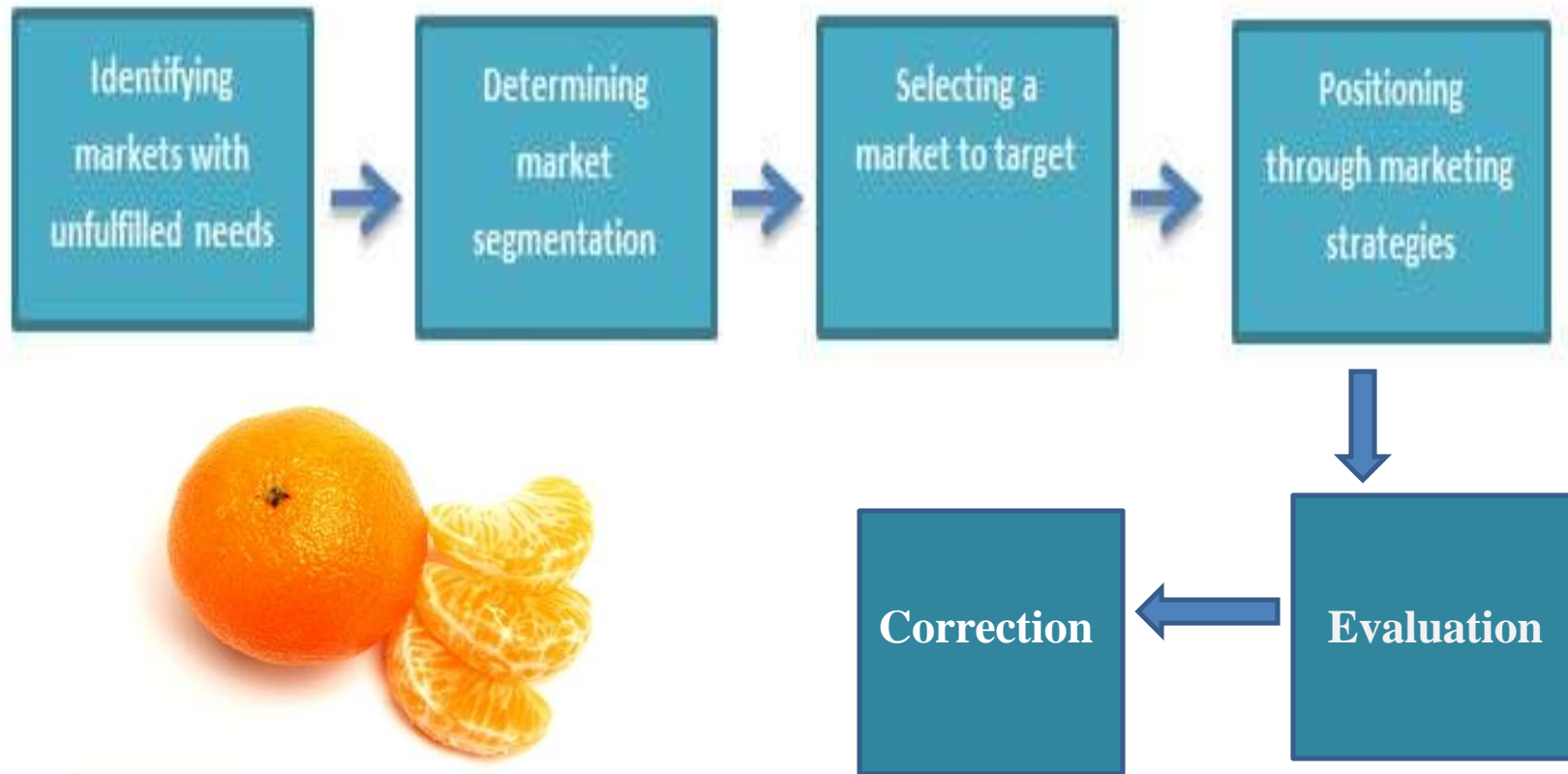
Behavioristic variables

- ▶ Volume usage
- ▶ End use
- ▶ Benefit expectations
- ▶ Brand loyalty
- ▶ Price sensitivity

ELEMENTS OF MARKET SEGMENTATION

- Availability of enough resources
- Characteristics of products
- Various stages of a PLC
- Marketing Strategies of Competitors

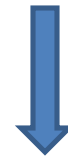
Process / Steps In Market Segmentation



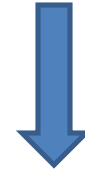
TARGET MARKET



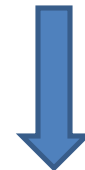
Specific Market



Focused by a firm



To carry out



Market activities

TARGET MARKETING

Overall Marketing efforts



By a company



To meet



Requirements of
TARGET MARKET

MARKET TARGETING

SEGMENTATION

One / more market segment



previously identified



are evaluated & selected

*First step of
MARKET
TARGETING*

- Market targeting is a process of taking decision regarding the market segments to be served.
- Firms have to evaluate the segments & decide how many segments are to be served.

Ex: Firms supplying text books may form segments of the market as

- (a) School books
- (b) College Books
- (c) General Books
- (d) G.K..Books



for each segment sub-segments
(based on university) can be formed.

STEPS IN MARKET TARGETTING

I. Evaluating the market segments

- A. Segment size & growth
- B. Segment Structural attractiveness
- C. Company objectives & resources

II. Selecting the Market Segments

- A. Single Segment Concentration
- B. Selective Specialization
- C. Product Specialization
- D. Market Specialization
- E. Full Market Coverage



Target marketing

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graph TD; A[Target marketing] --- B[1. Undifferentiated marketing]; A --- C[2. Differentiated marketing]; A --- D[3. Concentrated marketing]; A --- E[4. Micro marketing];
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1. Undifferentiated marketing

2. Differentiated marketing

3. Concentrated marketing

4. Micro marketing



