

MARKET SEGMENTATION

MBA(TA)-IVth semester

202-Marketing Management

Target marketing requires marketers to take three major steps-

Identify & profile distinct groups of buyers who differ in their needs & preferences
(Market Segmentation)

Select one or more market segments to enter(Market Targeting)

For each target segment, establish & communicate the key distinctive benefits of the company's market offerings(Market Positioning)

MARKET SEGMENTATION

Market Segmentation is the process of grouping buyers into different categories having common desires or needs.

MARKET SEGMENTATION

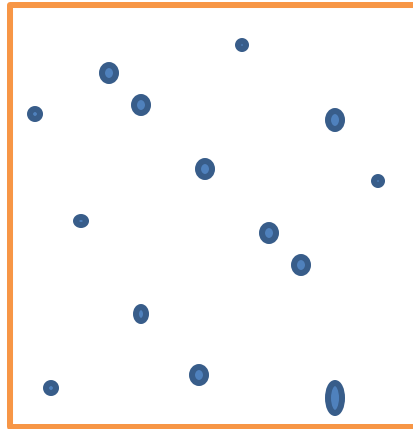
Market Segmentation is the sub-dividing of a market into homogeneous sub-sects of customers, where any sub-sects of customers where any sub-sects may conceivably be selected as a market target to be reached with a distinct marketing mix.

Philip Kotler

Patterns of Market Segmentation



Homogeneous



Diffused



Clustered

Patterns of Market Segmentation

- Homogeneous- A market where all the consumers have almost same preferences.
- Diffused- Consumers preferences may be scattered, indicating that consumer vary greatly in their preferences.
- Clustered- The market might reveal distinct preferences clusters, called natural market segments.

BENEFITS OF MARKET SEGMENTATION

- A more precise definition of the market
- A more effective marketing program
- Better assessment of the competition
- Better allocation of the resources

EFFECTIVE SEGMENTATION

- Measurable
- Accessible
- Substantial
- Actionable and responsiveness

BASSES FOR SEGMENTATION

- Geographic segmentation
- Demographic segmentation
- Psychographics segmentation
- Benefit segmentation
- Usage rate segmentation
- Loyalty response
- Occasion response

PROCESS OF SEGMENTATION

- Need based segmentation
- Segment Identification
- Segment Attractiveness
- Segment profitability
- Segment positioning
- Segment Acid test
- Marketing mix Strategy