

UNIT - 3

★ MARKET SEGMENTATION

A) MEANING AND OBJECTS .

* Definition of Market Segmentation

⇒ Market Segmentation means when we divide the market on the basis of Age, Gender, Marital Status, Season, Occupation

⇒ It is a marketing strategy which divide a 'broad' market into different parts. who have Common Needs, Interest and 'priorities', and then designing and 'Implementing' strategy to target them.

⇒

0-5-1 Milk

6-10

11-15

50-55

56-60

60-65

65-70

70-75

75-80

80-85

85-90

90-100

⇒ It is the process of dividing a 'broad' consumer a business consists of existing and potential customer in to segments and group.

⇒ Market Segmentation a Marketing 'concept' which divides the complete market set up in to smaller part with a 'similar' test, demand and 'preference'.

⇒ Market Segmentation is a marketing 'term' 'referring' to the 'dividing' the 'perspective' buyers in to group or 'segments' with a common need and want.

⇒ Market Segmentation helps to 'Identify' the target groups of consumers for the 'purpose' of 'making' the products in a way that is 'attractive' to the 'segment'.

Target Market :-

A target market is a group of customers that a company aims its marketing 'efforts' and tries to sell its product to them.

ing ⇒ It is a marketing efforts in which a company tries to market its goods and services.

POSITIONING MARKET :-

The

Place the product occupies
in customer mind.

Ex:- Phone

* objective of Market Segmentation

- i) To, Reduce risk in deciding where, when and How to whom a products a Services will be marketed.
- ii) To, Increase marketing efficiency by directing efforts to words the segment in a right manner.
- iii) Market Segmentation of consumers and Market with 'similar' Need and want.
- iv) Market Segmentation to major the consumers.
- v) It is 'possible' to reach potential customers with organisational promotional and distribution channel.

vii) It 'Respond' with market stimulation.

vii) To, 'locate' or Identify the Taste, Preference, Need and want, motive of the customer.

viii) Market Segmentation helps to Identify the area or section where the customer may be 'created'.

B) Methods of Segmentation

Market Segmentation divided into five parts

i) Geographic Segmentation

ii) Demographic Segmentation

iii) Behavioral Segmentation

iv) Psychographic Segmentation

v) Occasional Segmentation

i) Geographic Segmentation :-

is divided according to Country, City, state, village, Town etc. It

ii) Demographic Segmentation :-

is divided according to Age, Gender (Sex), occupation, Education etc. It

iii) Behavioral Segmentation :-

is divided according to Knowledge, Attitude etc. It

iv) Psychographic Segmentation :-

is divided according to Lifestyle, Interest and Opinion etc. It

v) Occasional Segmentation :-

is divided according to festival, like Diwali, Eid, Holi, Dussehra etc. It

Q) Requirements for An Effective Segmentation:

* There are five points in effective market segmentation

- i) Measurable
- ii) Divisible
- iii) Accessible
- iv) Profitable
- v) Actionable

i) Measurable :-

The Size, Need, and Purchasing Power are the features of the customers in the segment should be 'Measurable'.

ii) Divisible :-

The segment should be divided into 'Homogenous' and 'Heterogenous'.

iii) Accessible :-

The segment should be easily 'reachable'.

iv) Profitable :-

The Segment should be profitable as the needs and of the customer should be fulfilled and the company should gain profit.

v) Actionable :-

Organisation should be able to design and emplement the Marketing Mix to the Segment.

d) Advantage and Disadvantage

* Advantage of Market Segmentation

- i) To, understand customers.
- ii) To, 'Maximise' product potential.
- iii) To, Improve distribution network
- iv) To, 'gain' new customers.

vi) Increase in brand 'loyalty'.

vii) Increase in 'competition'.

viii) It is helpful in designing a product.

ix) It is helpful in customer 'Retention'.

x) efficient use of resource.

xi) Better service to customer.

* Disadvantage of Market Segmentation

i) Market Segmentation Increase cost.

ii) Large 'Inventory' of stock has to be maintained by the both the Manufacturers and distributors.

iii) Large cost Involved in Promotion.

17/02/20
The End