|  |  |  |
| --- | --- | --- |
| APPLICATIONS OF CUSTOMER SEGMENTATION IN MARKETING DOMAIN FOR RETAILERS | | |
|  |  |  |
|  | | |

# INTRODUCTION

**Customer segmentation** is the process of creating sub-groups of your shoppers based on their shared characteristics. Targeting and personalization happen before the fact because you need to set triggers so that the shoppers see the campaigns when they arrive. Apart from personalization and targeting, segmentation happens after the fact because you use on-site data to optimize campaigns off-site.

* Demographic Segmentation - It refers to splitting up audiences based on observable, people-based differences. These qualities include things like age, sex, marital status, family size, occupation, education level, income, race, nationality and religion
* Behavioral Segmentation - Behavioral data is useful because it relates directly to how someone interacts with your brand or products. Because of this, it can help you market more effectively to them.
* Geographic segmentation - Geographic segmentation, splitting up your market based on their location, is a basic but highly useful segmentation strategy. A customer’s location can help you better understand their needs and enable you to send out location-specific ads
* Psychographic Segmentation - Psychographic segmentation is similar to demographic segmentation, but it deals with characteristics that are more mental and emotional.
* Also, more methods of segmentation is out there in the market, in order to attract your audience, you should follow more strategies like splitting the audience by their Value, age, education, marital status, etc.,

# Market Segmentation

It is important to provide a detailed description of the target market and its potential size. Anyone reading the business plan must be able to see the value of the market it is targeting. When researching the target customers, consider:

* Location
* Size (are there enough customers to support the business?)
* Demographics (age, gender, ethnicity, etc.)
* Buyer characteristics (their likes and dislikes)
* Consumer needs (solutions they require)

**So, There You Have It!**

* Customer segmentation can be carried out on a basic level. But if you want to go one step further and delight your customers, you should be segmenting according to their psychographics and purchasing behavior.
* Where demographics gives you an overview of different customer profiles and their shopping similarities, psychographics gives you a peek into their psychology.
* Of course, these customer segmentation examples will differ depending on your web shop, brand, and audience.
* But it’s a good start!

**SUMMARY:**

Moreover, we get to know that customer segmentation is the process of identifying groups that have common characteristics. Technically, we can say that **Clustering** helps to find the customers by the characteristics. Keep in mind that Supplanting your demographics and psychographics with on-site behavioral segmentation is key.

Thanks for Reading my article,

**Hemachandiran. T**