



Mini MBA

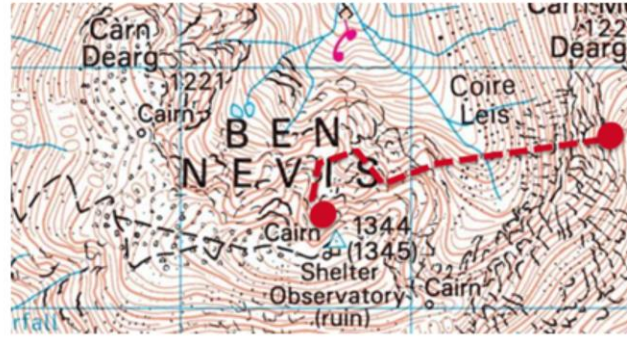
IN

MARKETING

Module 4 Notes Targeting



- Targeting as strategy
- Criteria for targeting
- Arguments for mass-marketing
- Target segment portraits



MARKETING THAT MATTERS



		Non Readers	Print Only	Web Site
Senior		Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%
Junior	30+	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%
	<30	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%

Segmentation
is Descriptive

Segmentation is
about the Market

		Non Readers	Print Only	Web Site
Senior		Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%
Junior	30+	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%
	<30	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%	Segment Executive \$1,000 \$100M 0%

Targeting
is Strategy

Targeting is
About your Brand

MARKETING THAT MATTERS


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		Non Readers	Print Only		Web Site	
			50+ Employees	<50 Employees	<50 Employees	50+ Employees
Senior		Ignorant Executive 1,000 £110M 0%	Big Senior Page Turner 10,000 £280M 8%		Small Senior Browsers 5,000 £30M 30%	VIC 7,000 £230M 31%
Junior	30+	Ignorant Marketer 182,000 £25M 0%	Big Junior Page Turner 70,000 £24M 12%	Small Page Turner 55,000 £30M 9%	Mid Level Browsers 85,000 £30M 25%	
	<30				Junior Browsers 95,000 £12M 20%	

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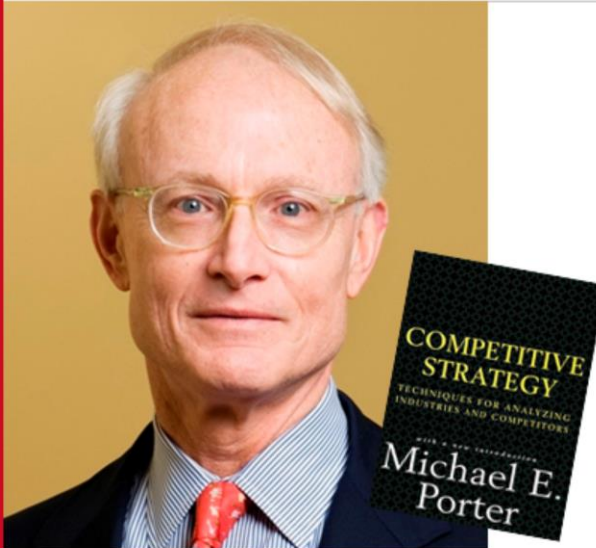
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“There are roads which must not be followed, armies which must not be attacked, towns which must not be besieged, positions which must not be contested, commands of the sovereign which must not be obeyed.”

MARKETING THAT MATTERS



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Michael Porter

“The essence of strategy
is choosing what not to do.”

MARKETING THAT MATTERS



- Resource constraints
- Value asymmetries
- Positioning to Customers
- Positioning against Competitors
- Segment dynamics and Spillover



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MARKETING THAT MATTERS



Mike Jeffries

“In every school there are the cool and popular kids, and then there are the not-so-cool kids. We go after the cool kids. We go after the attractive all-American kid with a great attitude and a lot of friends. A lot of people don't belong in our clothes, and they can't belong. Are we exclusionary? **Absolutely.**”

MARKETING THAT MATTERS



MARKETING THAT MATTERS

Targeting Criteria: Which Targets?

		Non Readers	Print Only	Web Site
			50+ Employees	<50 Employees
Senior		Ignorant Executive 1,000 £110M 0%	Big Senior Page Turner 10,000 £280M 8%	Small Senior Browser 5,000 £30M 30%
				Small Senior VIC 7,000 £230M 31%
Junior	30+		Small Page Turner 55,000 £30M 9%	Small Level Browser 85,000 £30M 25%
	<30	Ignorant Marketer 182,000 £25M 0%	Big Junior Page Turner 70,000 £24M 12%	Junior Browser 95,000 £12M 20%

- Potential Value
- Actual Population
- Current Share
- Product Fit
- Latent Spillover
- How many targets?

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Is a Dr. at.

		Expert Doctors	Novice Doctors		No Experience	
			No Interest	Dialysis interest	No Interest	Dialysis interest
Private		Show Me the Money 425 Drs \$12.5M 12%	The Young & The Restless 900 Drs \$0.5M %0	The Future 250 Drs \$5.5M 5%	Lost Boys 750 Drs \$0.5M 20%	Lost Boys 750 Drs \$0.5M 20%
	Small	Trust Me, I'm A Doctor 1,300 Drs \$28M 16%		Small Try Hards 320 Drs \$0.7M 17%		Poor Kids 750 Drs \$0.5M %0
Public Hospitals	Large			Big Try Hards 200 Drs \$1.2M 27%		



- Targeting as strategy
- Why targeting is crucial
- Criteria for targeting
- Arguments for mass-marketing



“I’m not a great believer in targeting. Our target is about seven billion people sitting on this planet. Our task is to reach as many people as we can; to get them to notice us and remember us; to nudge them; and, hopefully, get them to buy us once more this year.”

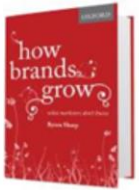
Bruce McColl

MARKETING THAT MATTERS



Byron Sharp

“Sophisticated mass marketing doesn’t mean targeting everyone, nor does it mean treating everyone the same. It means understanding the heterogeneity in your market, and then catering for only the differences that matter in order to maximise reach while not eliminating the benefits of scale.”



MARKETING THAT MATTERS



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MARKETING THAT MATTERS



- Who is this customer ?
- What do they currently think?
- What do they currently do in the category?
- What turns them on?
- What turns them off or acts as a barrier?
- Don't make it too positive

MARKETING THAT MATTERS



Big Junior Page Turner

14% of marketers
69% Female
100% under 30



- Who is this customer
- What do they currently think?
- What do they currently do in the category?
- What turns them on?
- What turns them off or acts as a barrier?
- Don't make it too positive

Jane is 28 years old and works for a large bank or IT company in the marketing department as a marketing manager or assistant marketing director. She has a non-marketing degree from a good University and has been with her current company since graduation six years ago. She earns between £28,000 and £36,000 a year.

She is ambitious and now seeks responsibility for a specific product or service so she can "make her mark". She is keen to have direct control of pricing, communications and product development as she now feels she has enough experience to manage the challenges. She thinks her employer have been slow to offer her these opportunities and has started applying for other jobs. She reads Marketing Week occasionally but only "when she sees a copy in the office". She has not visited the website or attended any Marketing Week events. She read Marketing magazine regularly until it was folded into Campaign but finds the new conjoined version "boring" and "too communications focused". She visits Monster.Com, Mashable and LinkedIn on a daily basis as well as the DailyMail.

She is looking for more information about job opportunities and general guidance on how to progress her career and get to the next level. She is certain that she wants to stay in marketing, less sure what sector she should devote herself to. She thinks marketing coverage is boring and is particularly switched off by features on "the same old boring companies like P&G".

MARKETING THAT MATTERS

- 1** Targeting as Strategy
- 2** Strategy as what we don't do
- 3** The case for targeting
- 4** The criteria for targeting
- 5** The value of a target segment portrait

