

# **Segmentation, Targeting, and Positioning**



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# **Before we jump in...**



# Before we jump in...





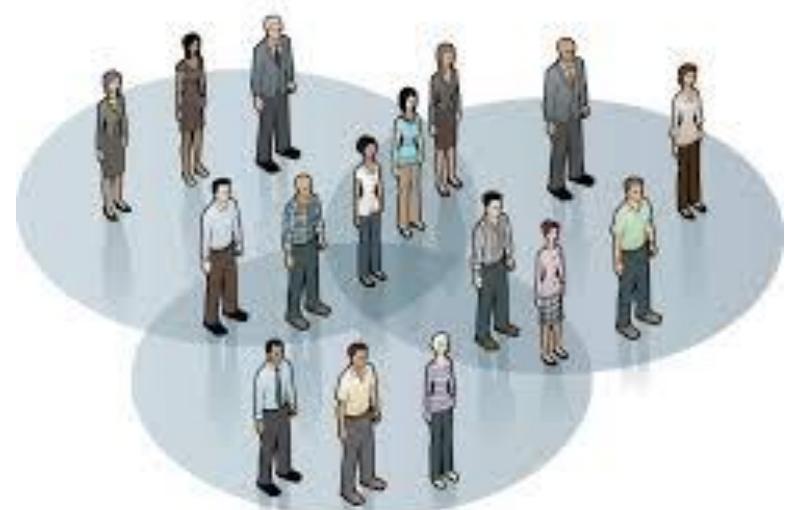


# Definition

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- ✿ **Market Segmentation:**

- **Dividing a market into distinct groups with distinct needs, characteristics, or behavior who might require separate products or marketing mixes.**



# Steps in Market Segmentation, Targeting, and Positioning



*Get the best piece of the cake!!!*

# Market Segmentation

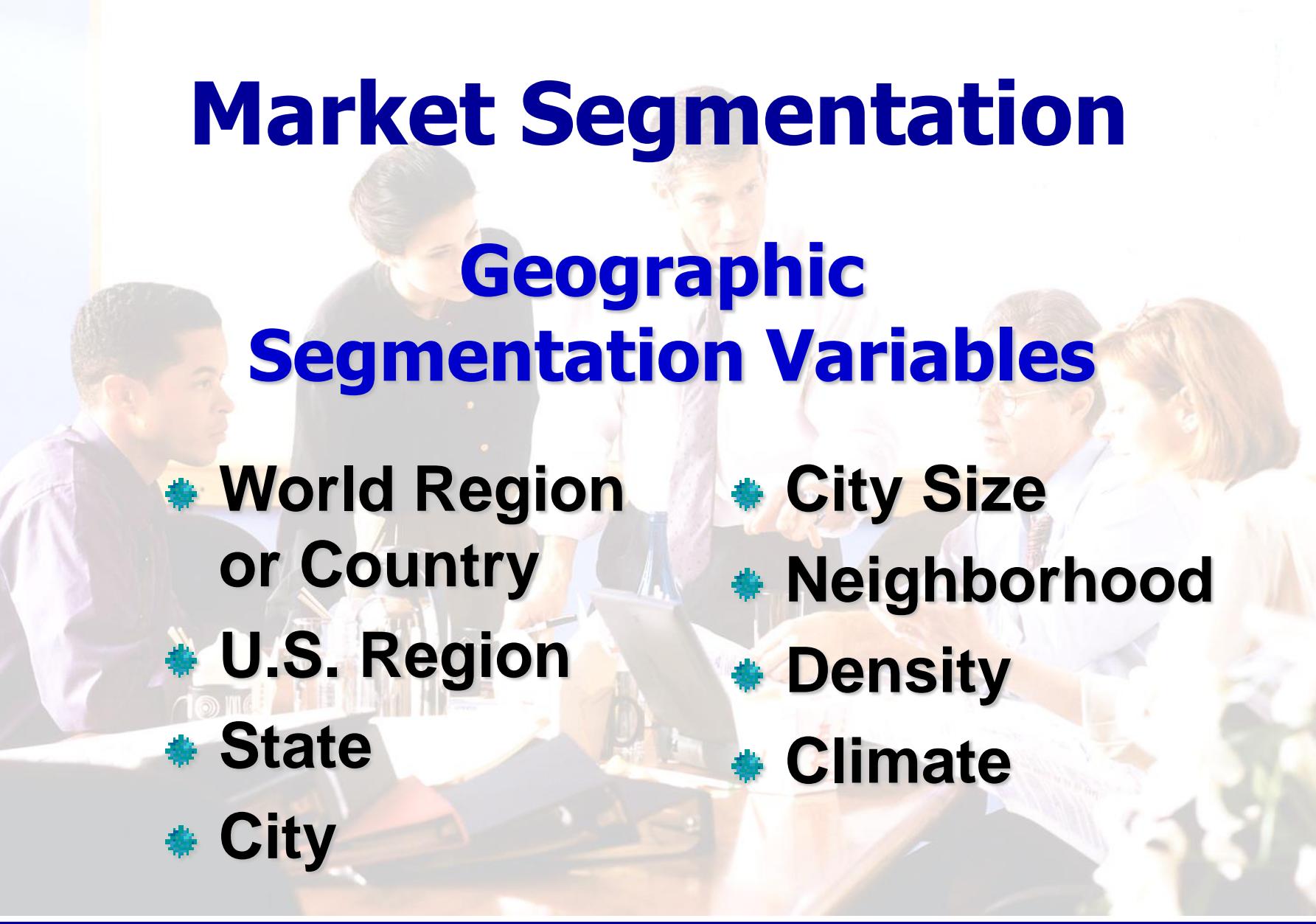
## Key Topics

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- ***Segmenting Consumer Markets***
- ***Segmenting Business Markets***
- ***Segmenting International Markets***
- ***Requirements for Effective Segmentation***

- **Geographical segmentation**
  - Marketing mixes are customized geographically
- **Demographic segmentation**
- **Psychographic segmentation**
- **Behavioral segmentation**
- **Using multiple segmentation variables**

# Market Segmentation



## Geographic Segmentation Variables

- World Region or Country
- U.S. Region
- State
- City
- City Size
- Neighborhood
- Density
- Climate

# Discussion Question

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**Geographical climate is a legitimate means of segmentation for many products or services.**

*Name several examples of products for which need (and demand) would vary on a geographical basis.*



# Market Segmentation

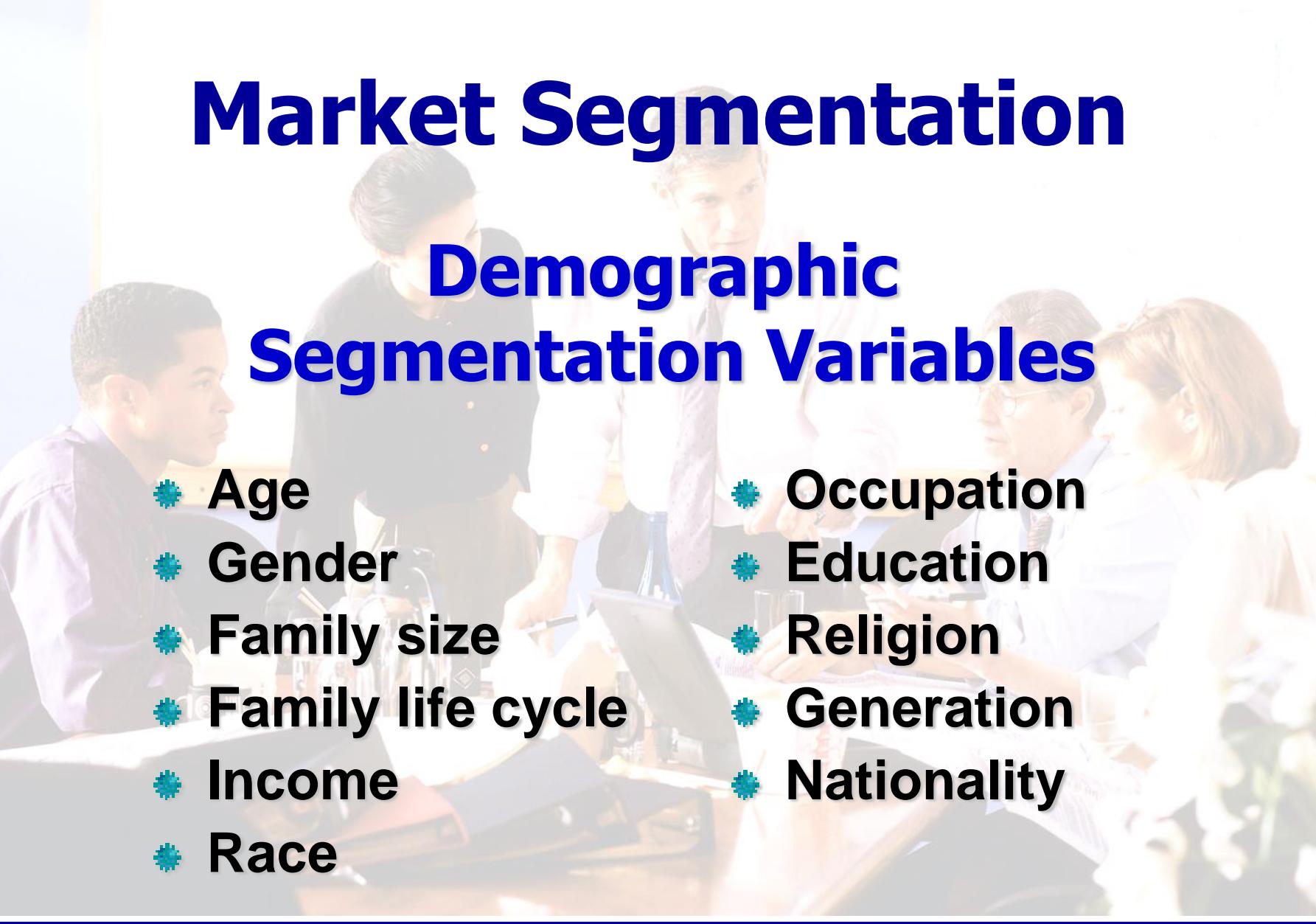
## Key Topics

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- ***Segmenting Consumer Markets***
- ***Segmenting Business Markets***
- ***Segmenting International Markets***
- ***Requirements for Effective Segmentation***

- **Geographical segments**
- **Demographic segmentation**
  - Most popular type
  - Demographics are closely related to needs, wants and usage rates
- **Psychographic segmentation**
- **Behavioral segmentation**
- **Using multiple segmentation variables**

# Market Segmentation



## Demographic Segmentation Variables

- Age
- Gender
- Family size
- Family life cycle
- Income
- Race
- Occupation
- Education
- Religion
- Generation
- Nationality

# Market Segmentation

## Key Topics

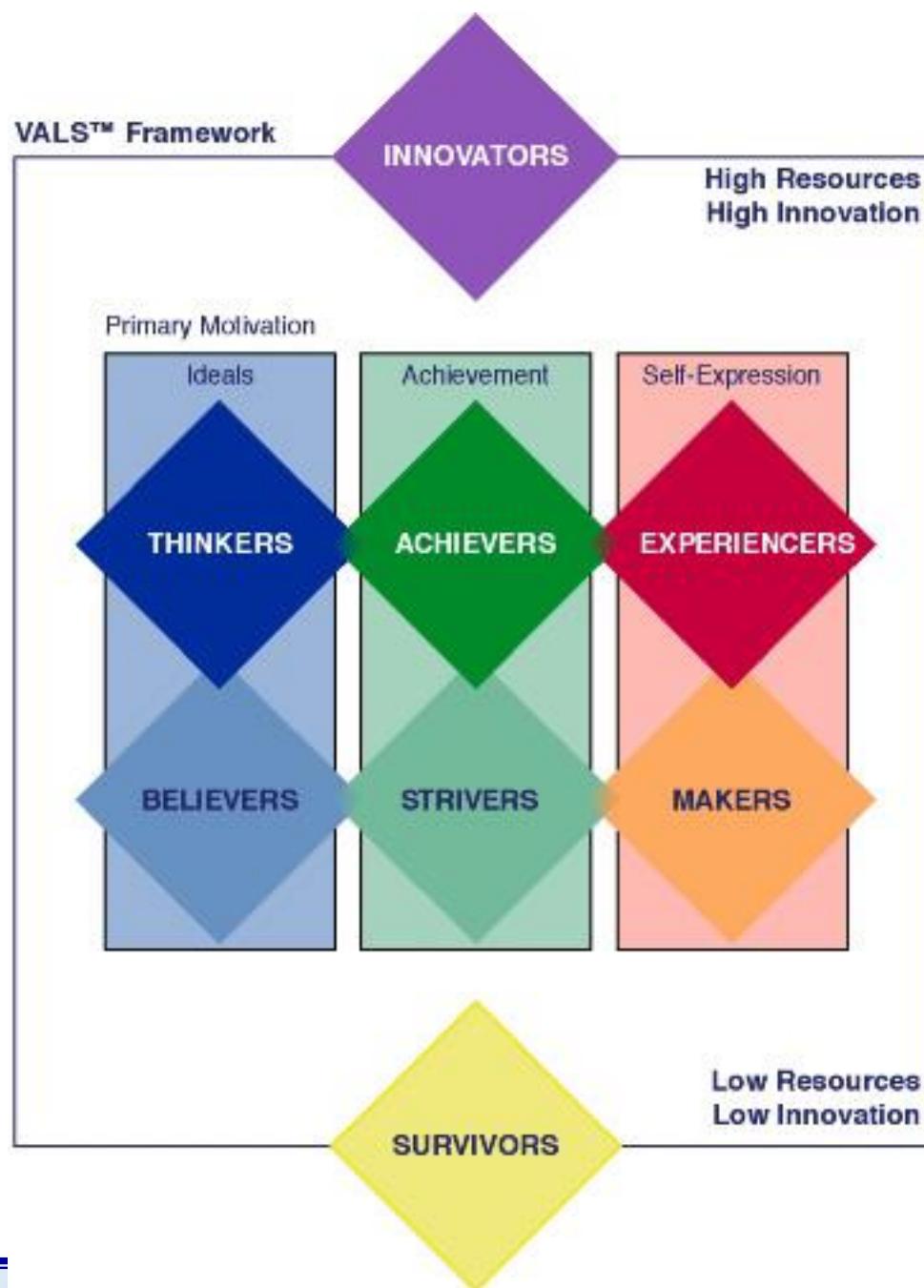
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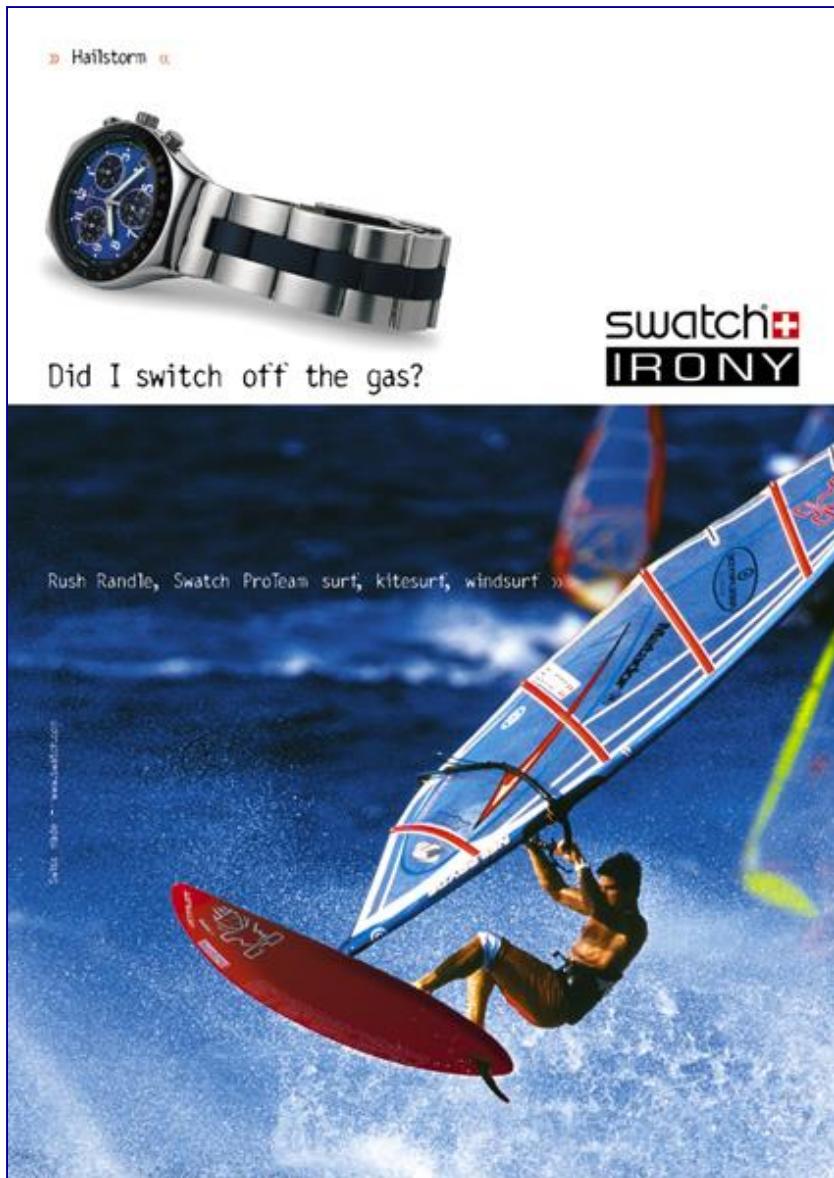
- ***Segmenting Consumer Markets***
- ***Segmenting Business Markets***
- ***Segmenting International Markets***
- ***Requirements for Effective Segmentation***

- **Geographic segments**
- **Demographic segmentation**
- **Psychographic segmentation**
  - **Lifestyle, social class, and personality-based segmentation**
- **Behavioral segmentation**
- **Using multiple segmentation variables**









***Swatch targets  
those with an  
active lifestyle***

# Market Segmentation

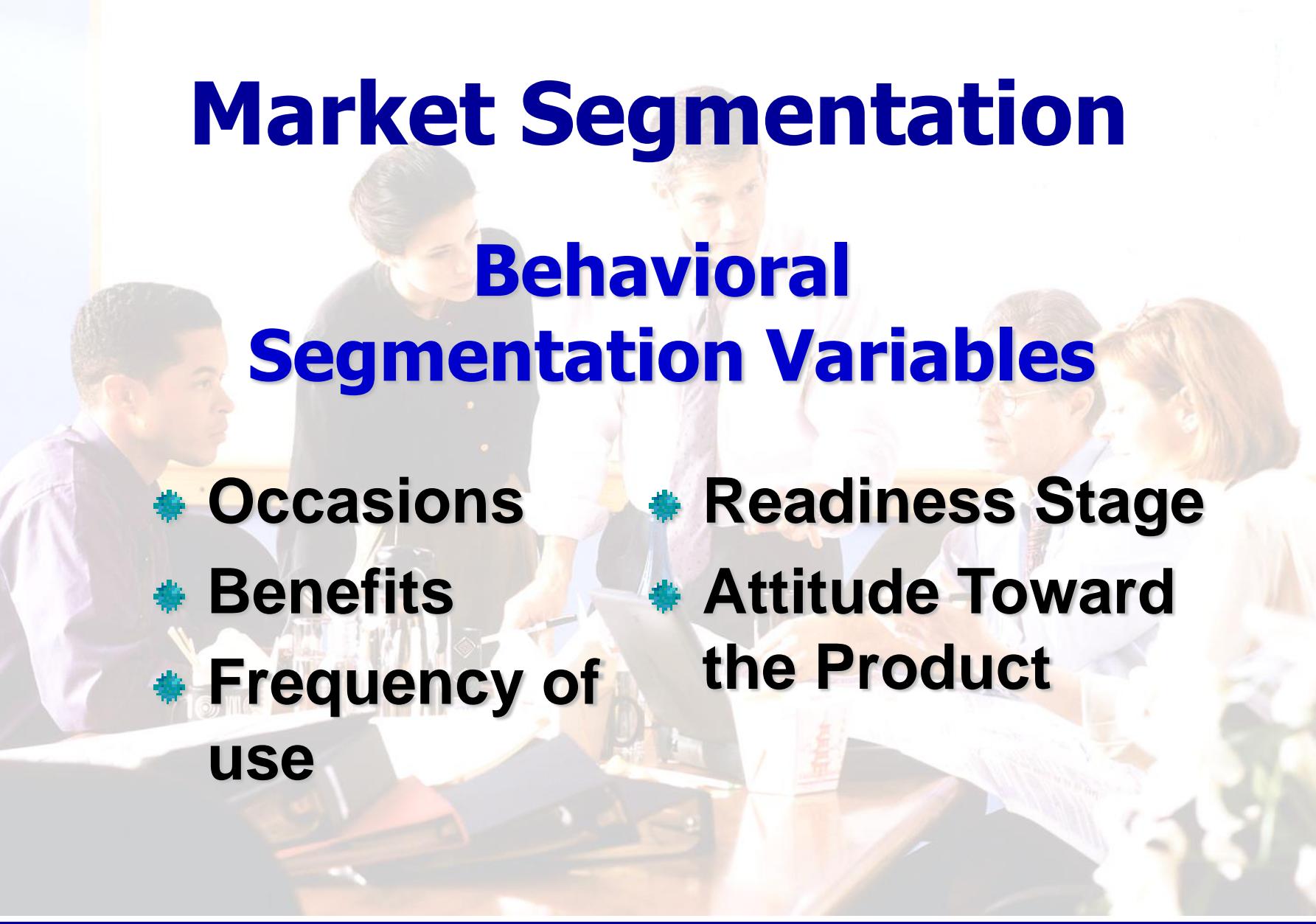
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- ***Segmenting Consumer Markets***
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- ***Requirements for Effective Segmentation***

- **Geographic segments**
- **Demographic segmentation**
- **Psychographic segmentation**
- **Behavioral segmentation**
  - **Typically done first**
- **Using multiple segmentation variables**

# Market Segmentation



## Behavioral Segmentation Variables

- ✳ Occasions
- ✳ Benefits
- ✳ Frequency of use
- ✳ Readiness Stage
- ✳ Attitude Toward the Product





# Market Segmentation

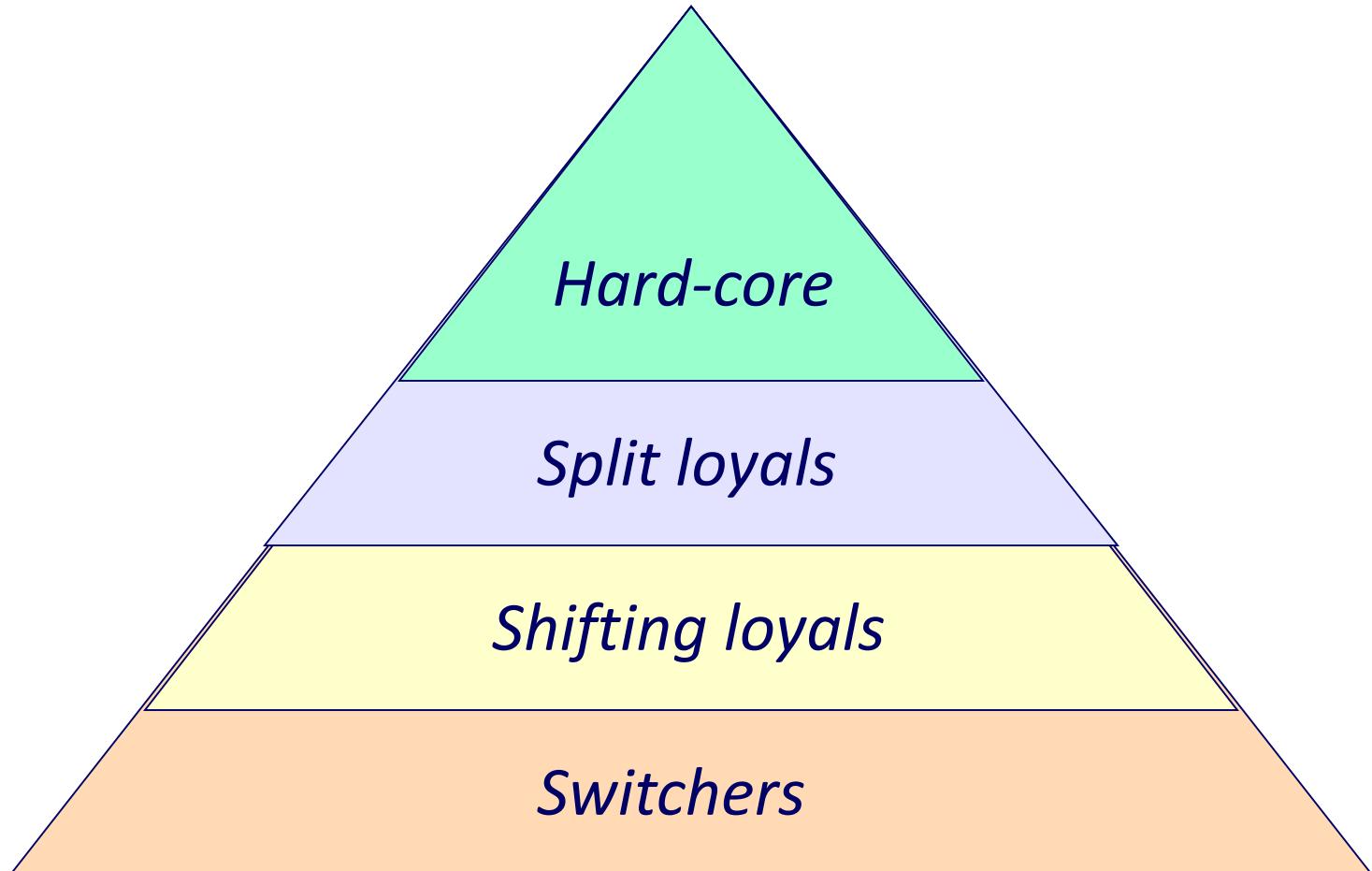
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- ***Requirements for Effective Segmentation***

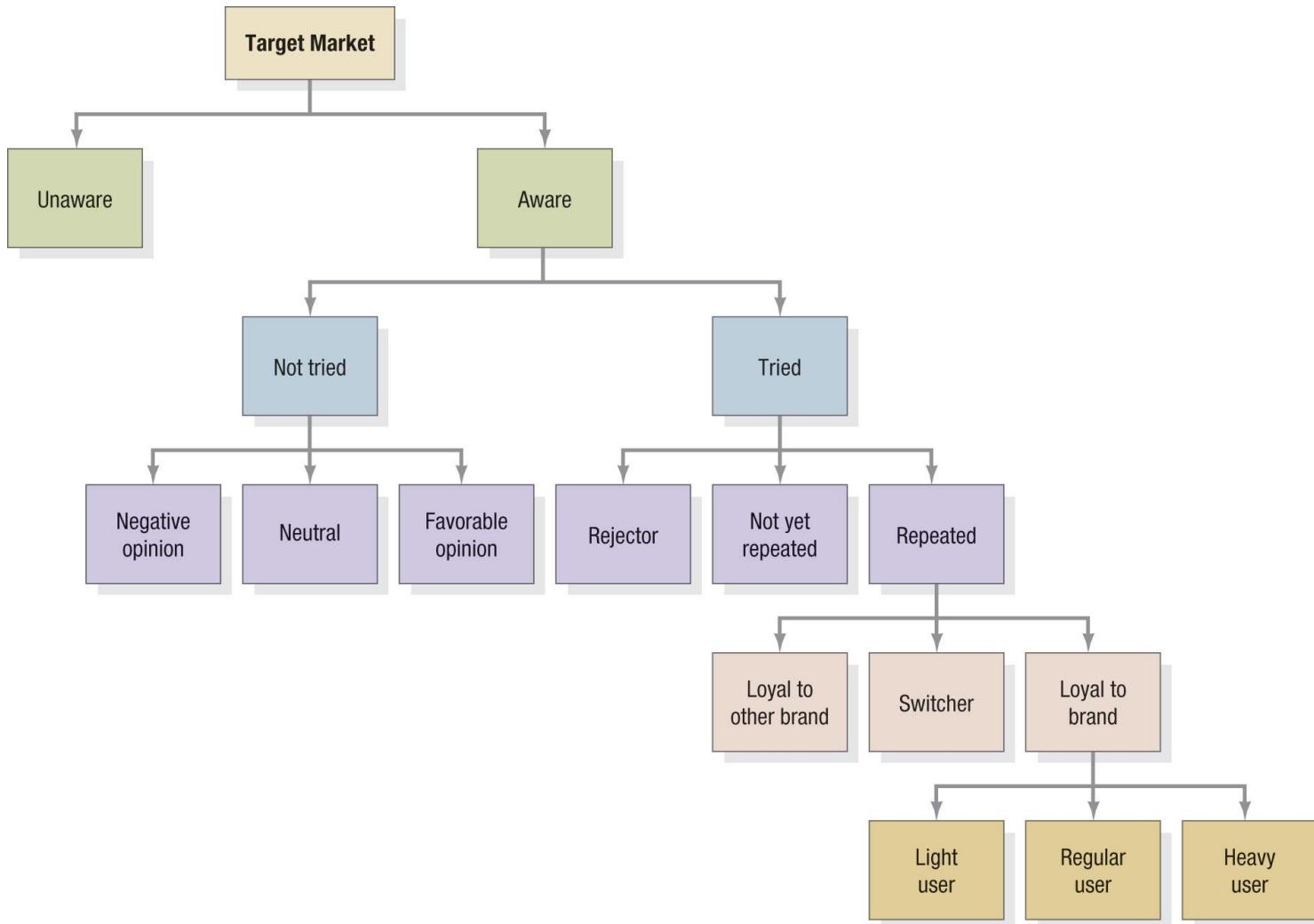
- **Geographic segments**
- **Demographic segmentation**
- **Psychographic segmentation**
- **Behavioral segmentation**
- **Loyalty Status segmentation**
- **Using multiple segmentation.**

# Loyalty Status Segmentation





# User & Loyalty Status Segmentation



# Market Segmentation

## Key Topics

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- ***Segmenting Consumer Markets***
- ***Segmenting Business Markets***
- ***Segmenting International Markets***
- ***Requirements for Effective Segmentation***

- **Demographic segmentation**
  - Industry, company size
- **Operating variables**
  - Technology, usage status, customer capabilities
- **Purchasing approaches**
- **Situational factors**
  - Urgency, specific application, size of order
- **Personal characteristics**
  - Buyer-seller similarity, attitudes toward risk, loyalty

# Market Segmentation

## Key Topics

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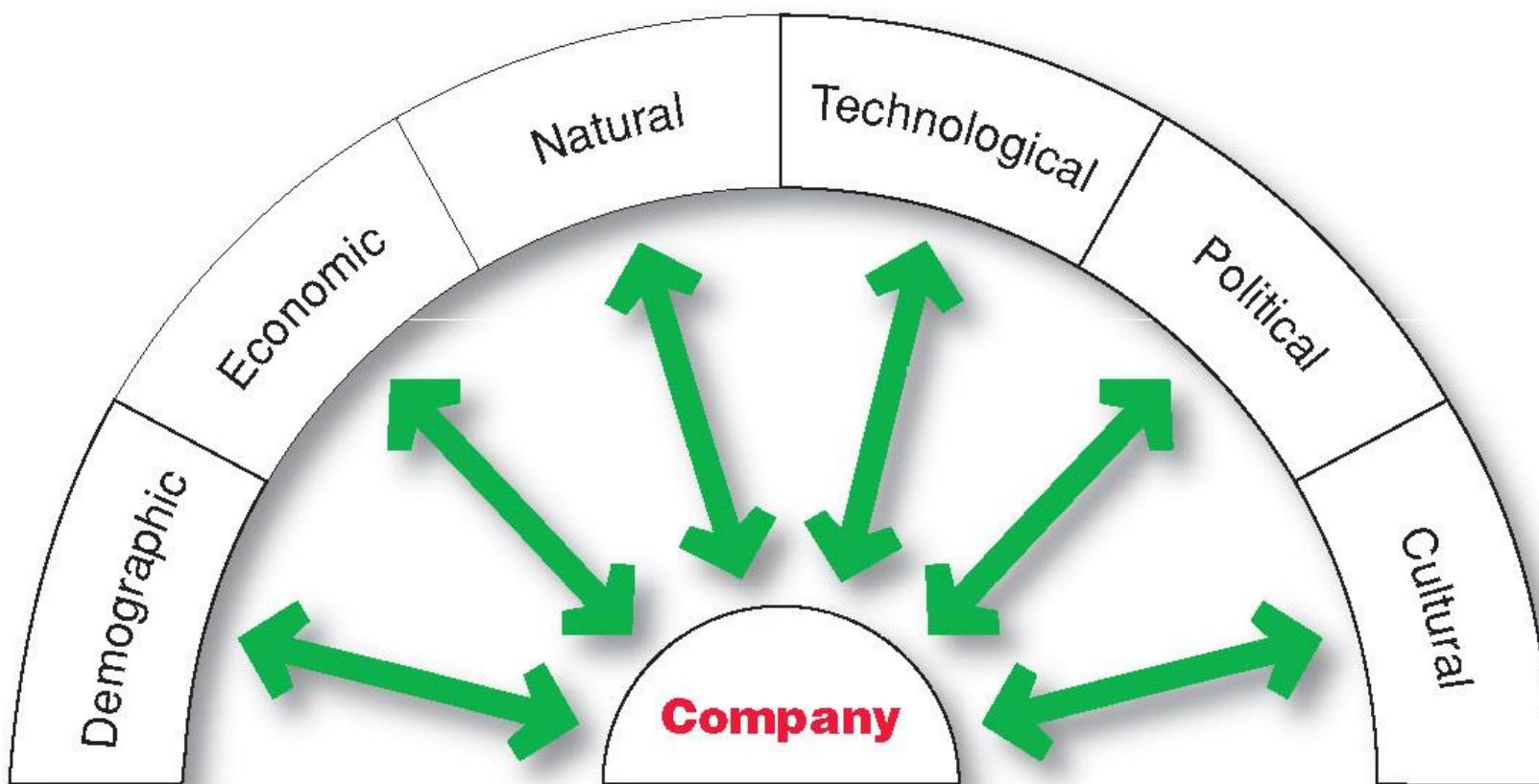
- *Segmenting Consumer Markets*
- *Segmenting Business Markets*
- *Segmenting International Markets*
- *Requirements for Effective Segmentation*

- **Geographic segmentation**
  - Location or region
- **Economic factors**
  - Population income or level of economic development
- **Political and legal factors**
  - Type / stability of government, monetary regulations, amount of bureaucracy, etc.
- **Cultural factors**
  - Language, religion, values, attitudes, customs, behavioral patterns

# Cultural Factors

- ✿ USA
- ✿ Italy
- ✿ India
- ✿ France
- ✿ Germany
- ✿ Bangladesh

# Macro-environment



# The Company's Macroenvironment

## Demographic Environment

**Demography:** the study of human populations-- size, density, location, age, gender, race, occupation, and other statistics

- ✿ **Demographic environment:** involves people, and people make up markets
- ✿ **Demographic trends:** shifts in age, family structure, geographic population, educational characteristics, and population diversity

*Average age of Population: BD 27, China 38, India 29, Japan 48*

# The Company's Macroenvironment

## Demographic Environment

- ✿ Changing age structure of the population
  - Baby boomers include people born between 1946 and 1964
  - Most affluent Americans

# **The Company's Macroenvironment**

## **Demographic Environment**

- Generation X includes people born between 1965 and 1976
  - High parental divorce rates
  - Cautious economic outlook
  - Less materialistic

# The Company's Macroenvironment

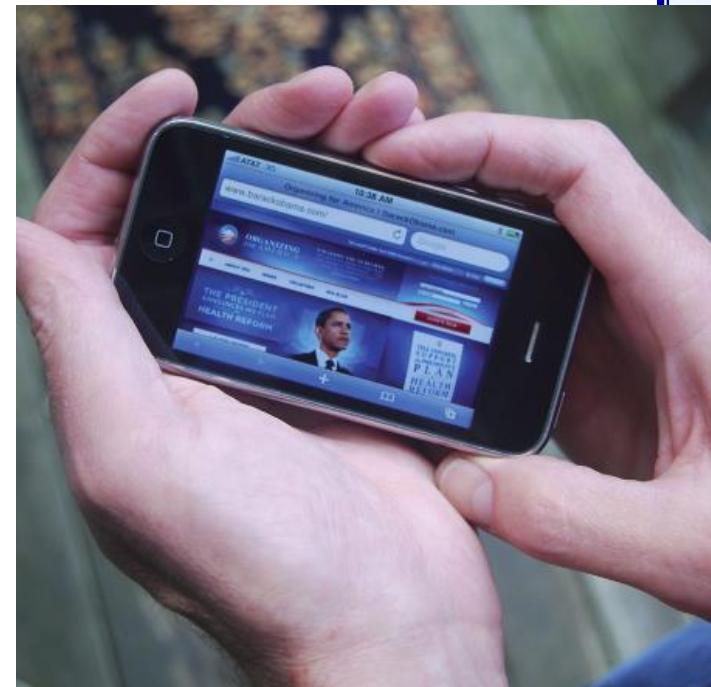
## Demographic Environment

- ✿ Millennials (gen Y or echo boomers) include those born between 1977 and 2000
  - Comfortable with technology
  - Tweens (ages 8–12)
  - Teens (13–19)
  - Young adults (20's)

# The Company's Macroenvironment

## Demographic Environment

Generational marketing  
is important in  
segmenting people by  
lifestyle or life state  
instead of age



# The Company's Macroenvironment

## Demographic Environment

More people are:

- Divorcing or separating
- Choosing not to marry
- Choosing to marry later
- Marrying without intending to have children
- Increasing number of working women
- Increasing number of stay-at-home dads

# Market Segmentation

## Key Topics

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- *Segmenting Consumer Markets*
- *Segmenting Business Markets*
- *Segmenting International Markets*
- *Requirements for Effective Segmentation*

- **Measurable**
  - Size, purchasing power, and profile of segment
- **Accessible**
  - Can be reached and served
- **Substantial**
  - Large and profitable enough to serve
- **Differentiable**
  - Respond differently
- **Actionable**
  - Effective programs can be developed

# Target Marketing



# **Target Marketing**

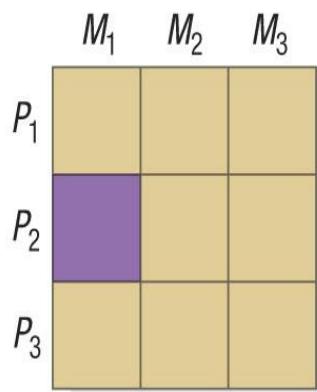
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- ✿ **Choosing a Target-Marketing Strategy Requires Consideration of:**
  - **Company resources**
  - **The degree of product variability**
  - **Product's life-cycle stage**
  - **Market variability**
  - **Competitors' marketing strategies**

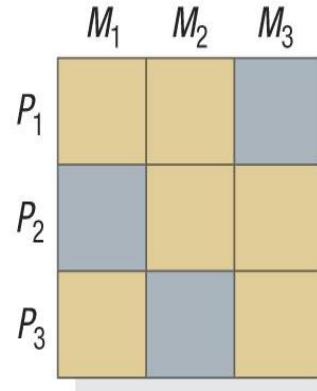


# Patterns of Target Market Selection: Product x Market Matrices

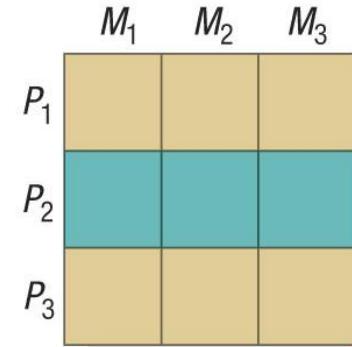
Single-segment  
Concentration



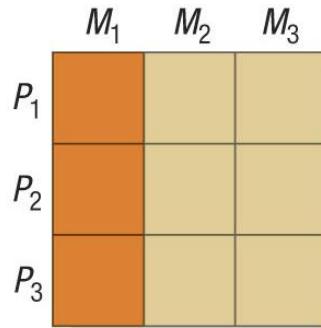
Selective Specialization



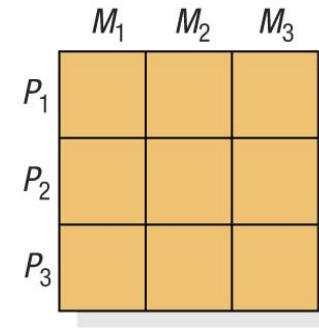
Product Specialization



Market Specialization



Full Market Coverage



$P$  = Product    $M$  = Market

# Segmentation & Targeting Exercise!

- *Geographic segments*
- *Demographic segmentation*
- *Psychographic segmentation*
- *Behavioral segmentation*

# Target Marketing

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- ✿ **Socially Responsible Targeting**
  - **Some segments are at special risk:**
    - ❖ Children
    - ❖ Minority consumers
    - ❖ Internet shoppers
    - ❖ LGBT Community



# Positioning



findtheedge

# Positioning

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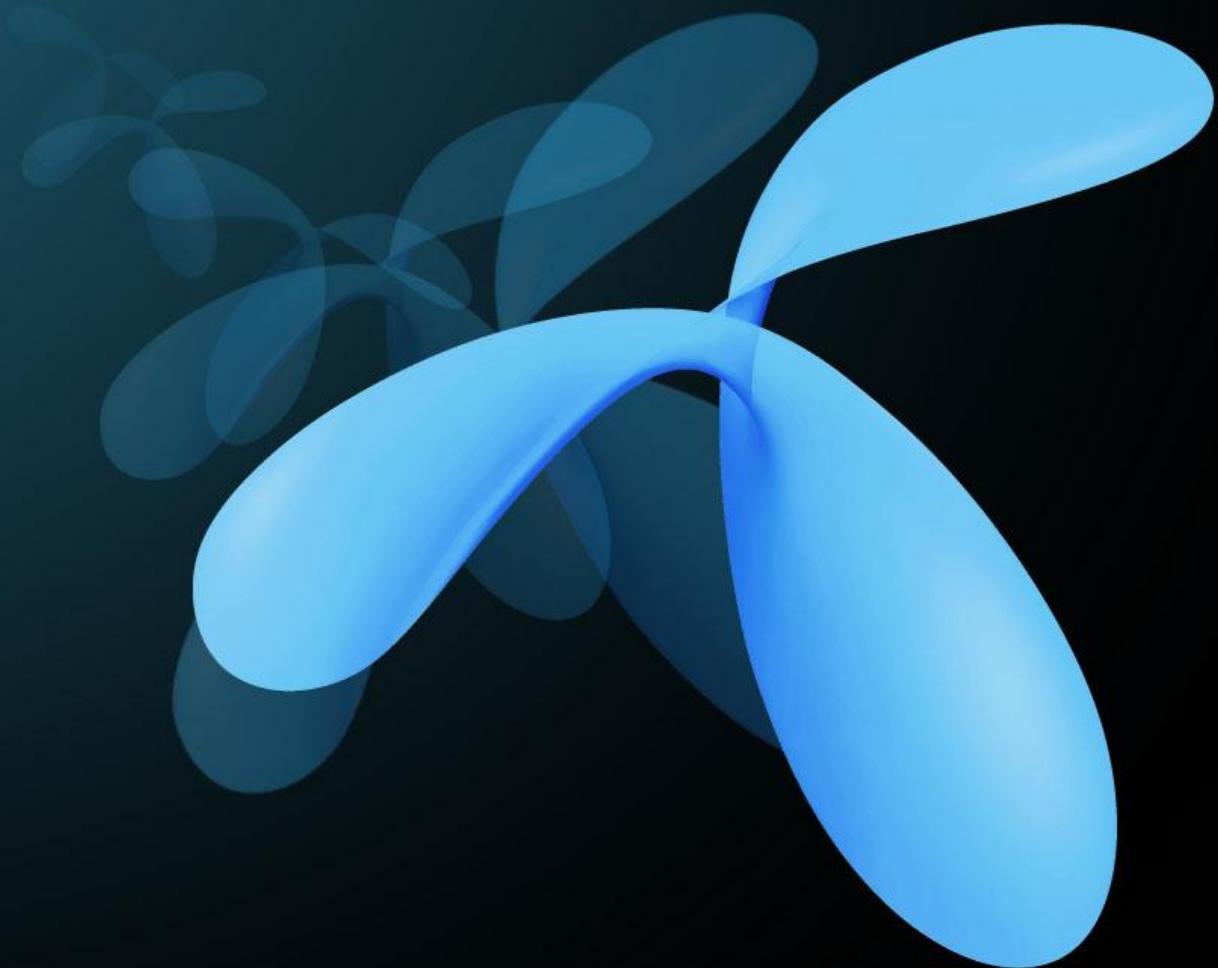
## \* Choosing a Positioning Strategy:

- Identifying possible competitive advantages -- many potential sources of differentiation exist:

- ❖ Products
- ❖ Services
- ❖ Channels
- ❖ People
- ❖ Image



grameenphone

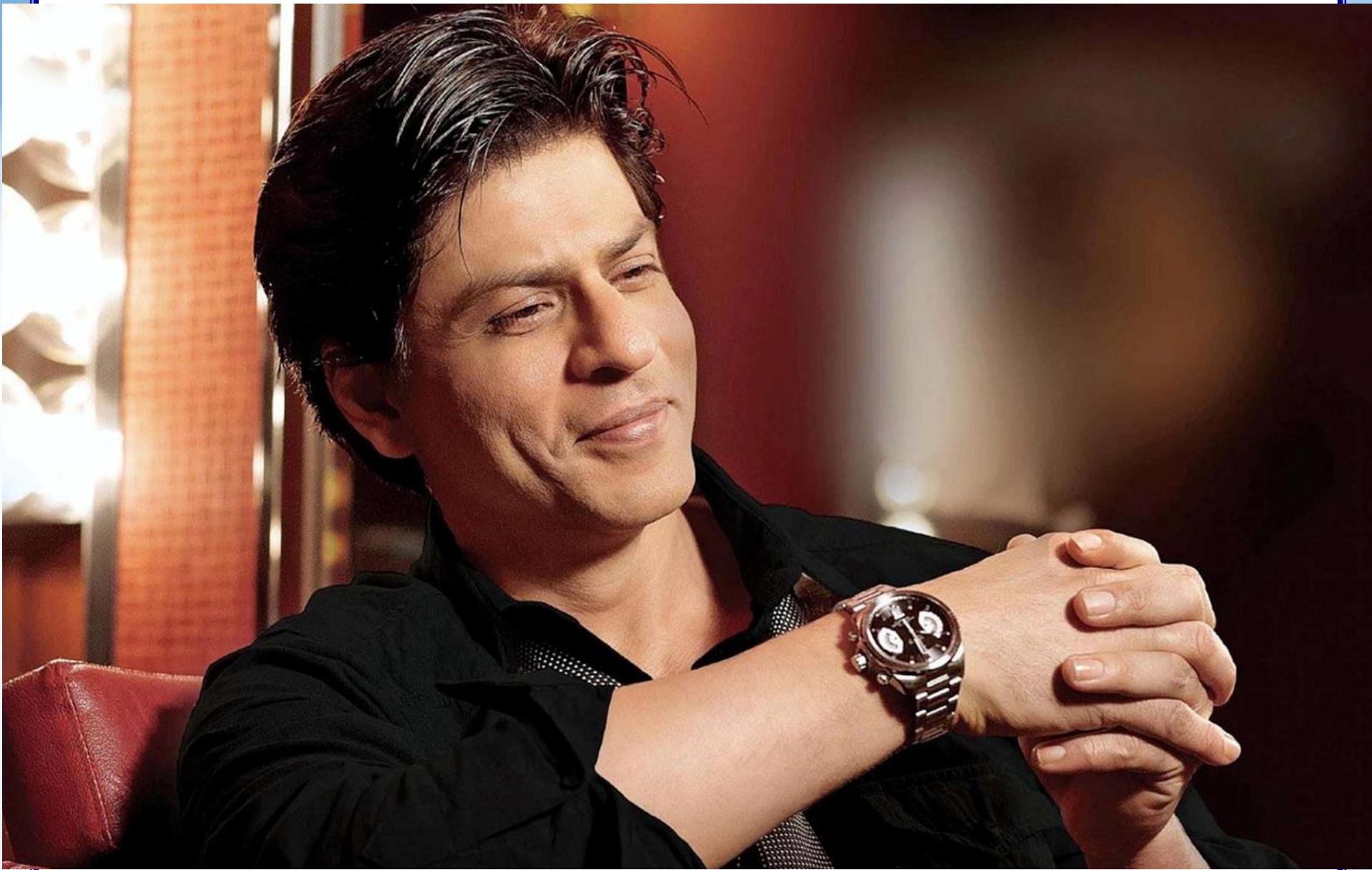


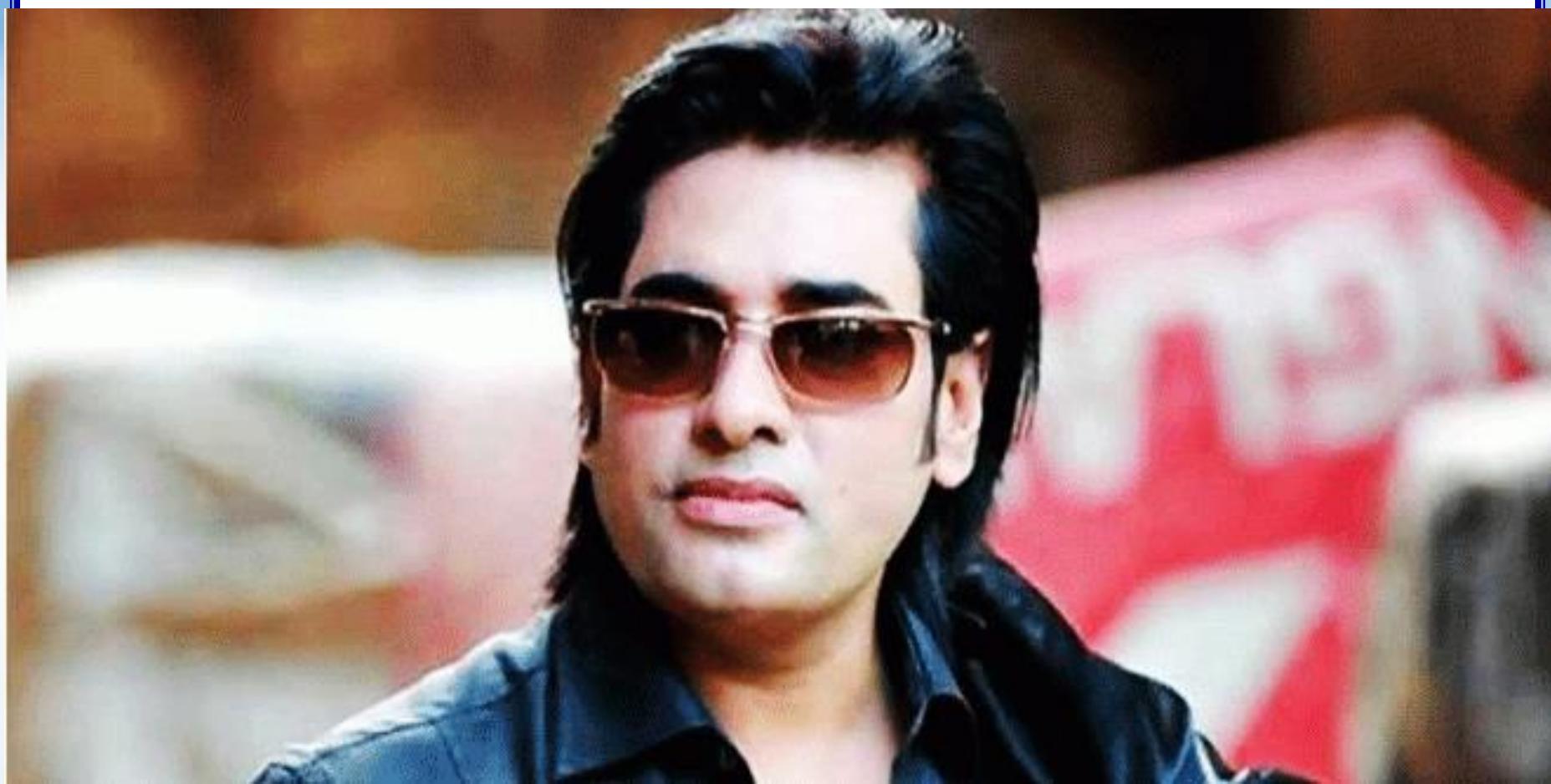




# Beauty soap













BE FORWARD Ref #:BF81760



# Positioning

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- ✿ **Choosing a Positioning Strategy:**
  - **Choosing the right competitive advantage**
    - ❖ **How many differences to promote?**
      - **Unique selling proposition**
      - **Which differences to promote?**

- ✿ Points of Parity
- ✿ Points of Difference

# Differentiate or Die!



# Positioning

## Criteria for Meaningful Differences

- \* Important
- \* Superior
- \* Profitable
- \* Distinctive
- \* Communicable
- \* Affordable

# ***what 7 concepts are critical to positioning?***

- 1. Perception (their not your)***
- 2. Differentiation***
- 3. Competition***
- 4. Specialization***
- 5. Simplicity***
- 6. Leadership***
- 7. Reality***

# ***how does the customers mind work?***

1. *The mind is a limited container.*
2. *The mind creates "product ladders" for each category (cars, toothpaste, accounting services, hamburgers, etc.) There is always a top rung and a bottom rung in each category.*
3. *The mind can only remember seven items in a high interest category. Most people remember only two or three items in a category.*
4. *On the product ladder, Positions One and Position Two typically account for more than 60 per cent of the sales in that category. In other words, Positions Three, Four and Subsequent are not profitable.*

# ***how does the customers mind work? Continued...***

- 5. The mind hates complexity. To the mind, complexity equals confusion. People don't have time to figure out confusion.*
- 6. The best way to enter the mind is to OVER-SIMPLIFY the message.*
- 7. The most powerful positioning is to reduce your message to one simple and easily understood word.*
- 8. Minds are insecure. Most people buy what others buy: this is the "herd mentality."*
- 9. Minds don't change—easily.*

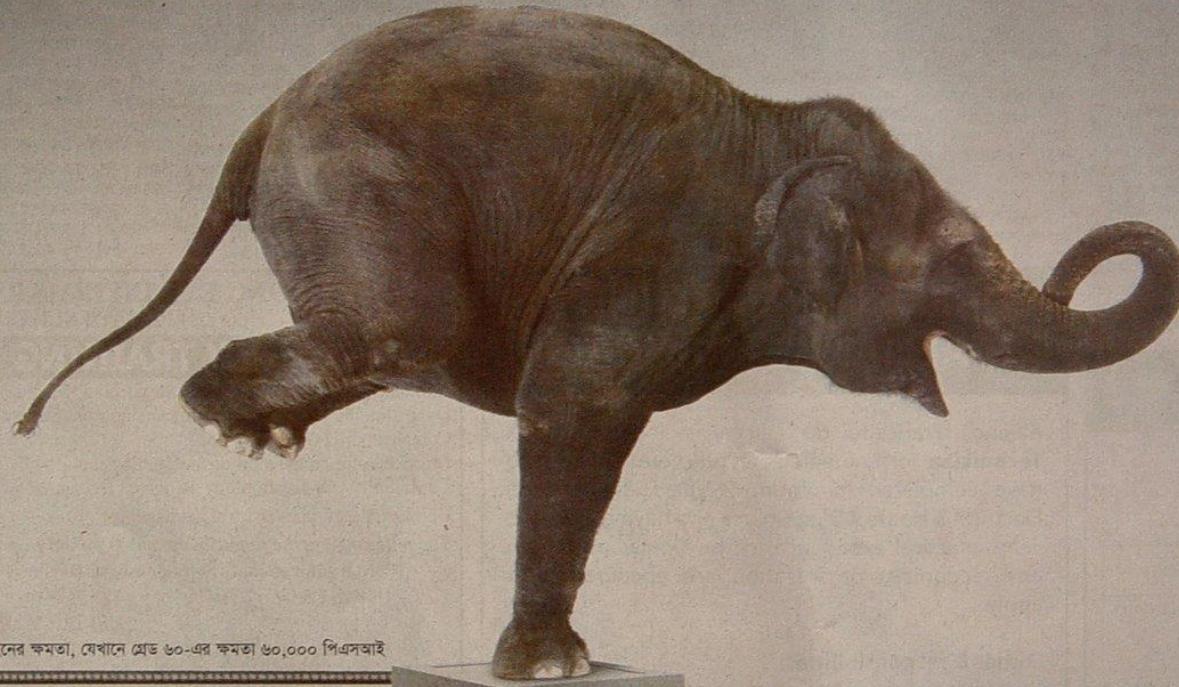
# If it leaves an impression



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**If it separates the product or brand from the competition in the mind of the consumer ie differentiates**





## ২০% বেশি শক্তিধর

BSRM Xtreme-এ আছে ৭২,৫০০ পিএসআই ভার বহনের ক্ষমতা, যেখানে মেড ৬০-এর ক্ষমতা ৬০,০০০ পিএসআই



কঠিন কিণ্টু কোমল | বৈকলন যাবে, কিন্তু জারবে না। সেবে এখনই সজ্জবত  
কঠিন দৃঢ় জীব, ভূমিকল্পনাত নিউইং সীড়িয়ে ছাঁকবে অঙ্গু।

ওয়েন্টিং করা যায় | BSRM Xtreme-এ ওয়েন্টিং করা যাব।  
কীল কালে কর। মজবুত হয় কেন।

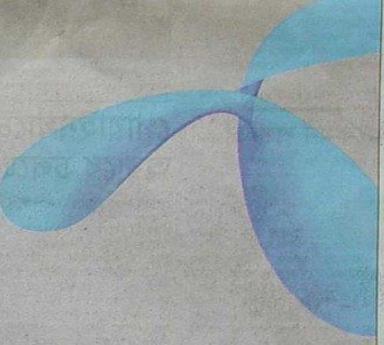
সূচের মত সোজা | BSRM Xtreme টিক সূচের মতই সোজা। ভাই, সোজ  
করার জন্য কেবার প্রত ও সময় যুটোই দেবে যাচ।

১৫% বেশি সামুদ্রী | যে কোন নির্মাণ মাত্র ৬০-এর জেতে ১৫%, টীক কর যাবে।  
ভাই, একেবারে প্রত ক্ষমতা, অত্যরিক্ত সেব দিয়েছিসি।

কল্পনাটোর অফিস: আলী হাসপাত, ১১৭০/১২০৭ সন্দৰ্ভাত রোড, চট্টগ্রাম, বাংলাদেশ | টেলিফোন: +৮৮০-০১-২৪২৪৯০১-১০ | ফ্যাক্স: +৮৮০-০১-৬১০১০১ | ই-মেইল: mail@bsrm.com | Web: www.bsr.com  
চাকা অফিস: মাহবুব কান্দল (২য় ও ৪র্থ তলা) | ৩৫ সুরানা পাস্তন সাইন, ইনার সার্কুলার রোড (ডিআইপি রোড), ঢাকা | ফোন: +৮৮০-২-৮৬১৫১০২, ৮৬১১৯৪৬, ৯০৫৮১০৫, ৯০২৬০৫৮ | ফ্যাক্স: +৮৮০-২-৮০১২৯০৫ | ই-মেইল: bsr@altbd.net



প্রথম ১০টি  
নামার ফ্রি এবং  
প্রথম মাসের চার্জে  
৫০% ছাড়



# কল ব্লক সার্ভিস

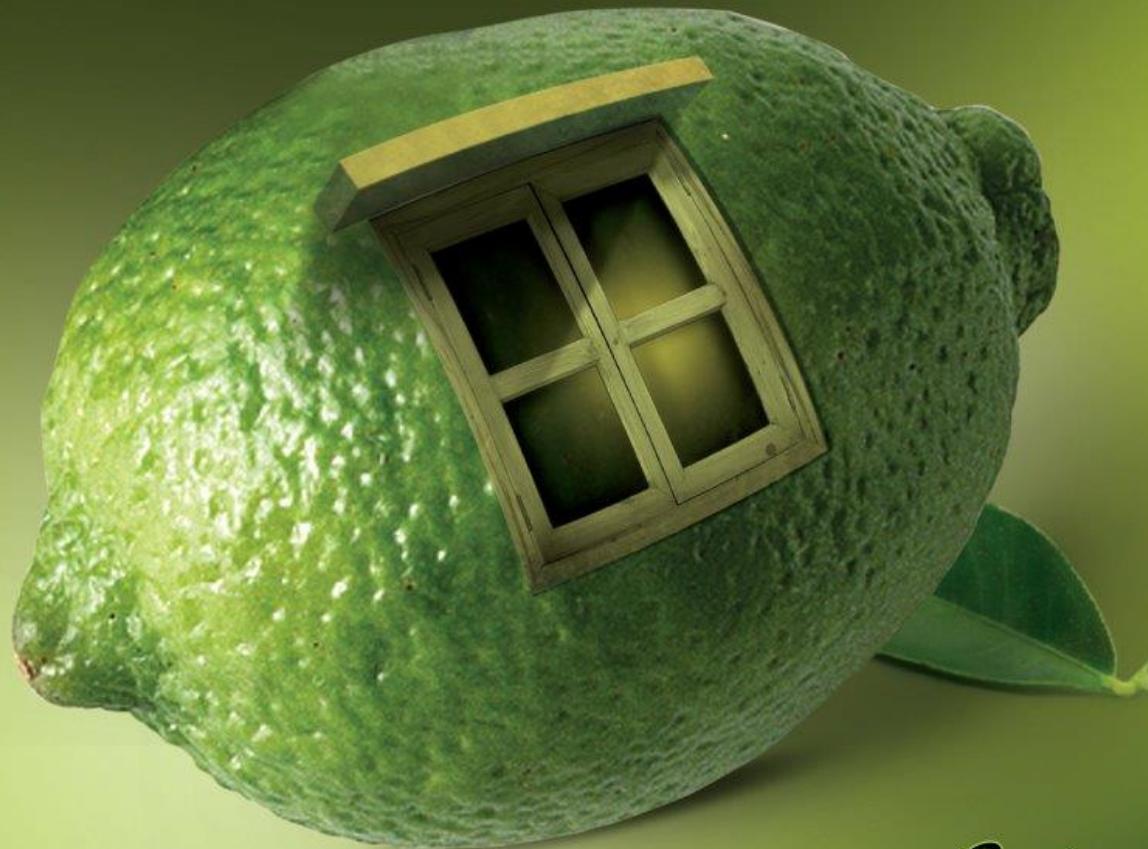
## বিরক্তিকর কল আটকে দিন!

যেকোনো একটি পক্ষতিতে সহজেই রেজিস্ট্রেশন করে নিন • ডায়াল করুন \*111\*1\*1# অথবা  
• REG টাইপ করে SMS করুন 5678 নম্বরে

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শর্ত প্রযোজ্য

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*Spring*  
AIR FRESHENER

**live inside the fragrance**

Bring home the sweet fragrance of orange, lemon or flowers and live in harmony with nature's freshest.





ডিটামিন-ই সমৃদ্ধ জুই খাঁটি নারিকেল তেল। চুল পড়া বন্ধ করার পাশাপাশি চুলের  
গোড়াকে করে আরো মজবুত। তাই রোমালও জড়ায় মজবুত বাঁধনে।

জুই

রোমালের শুরু এখানেই



▼ কল্যাণ ট্যুলাটিজ লিমিটেড

*Positioning Exercise!!!*

*What is the positioning of Bangladesh?*



# **Business on Positioning**

- ✿ Japan
- ✿ Singapore
- ✿ Vietnam
- ✿ China
- ✿ USA

# **Thank you**

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