

Segmentation, Targeting & Positioning



Session Objectives

- By the end of this session, participants will:
 - Developing an understanding of segmentation and various methods to segment consumer markets
 - Appreciate the importance of positioning products / services to achieve market share
 - Learn about the critical elements of a positioning statement & evaluate positioning choice of an organization



What Is a Market Segment?

- A **market segment** consists of a group of customers who share a similar set of needs and wants.
- Segmenting Consumer Markets



Geographic

Demographic

Psychographic

Behavioral



Geographic & Demographic Segmentation

➤ Geographic

- Divides the market into geographical units (nations, states, regions, counties, cities, or neighborhoods)
- Urban vs Upcountry vs Rural markets

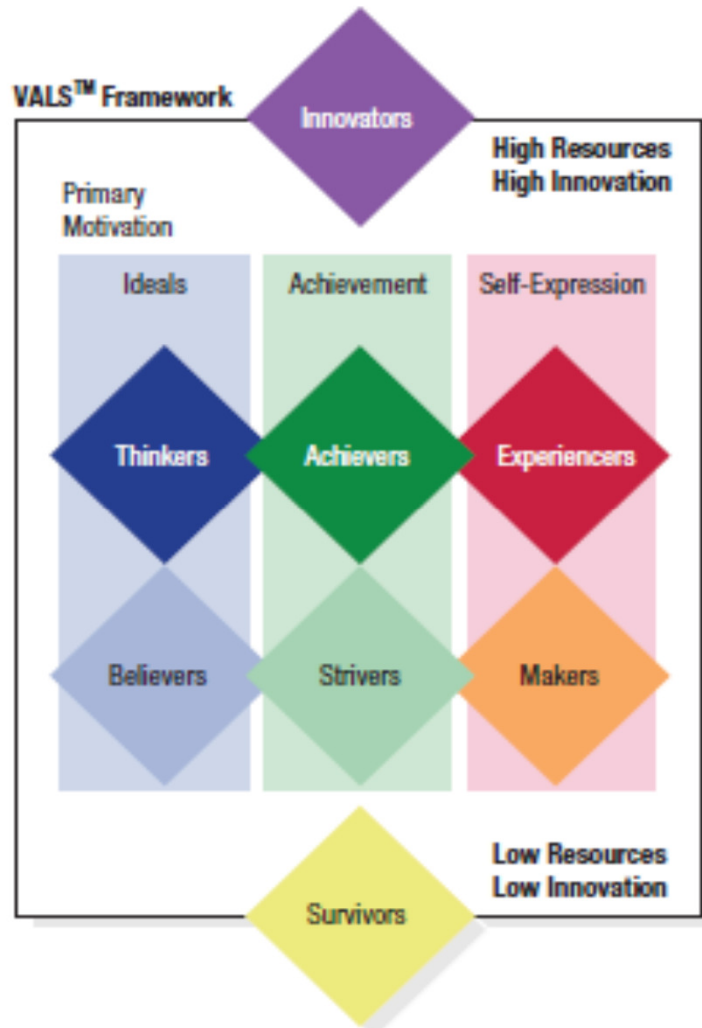


➤ Demographic

- Age and life cycle
- Life stage
- Gender
- Income
- Generation
- Social class
- Race and Culture



Psychographic Segmentation



VALS Type	Profile
<i>Innovators</i>	<i>Successful – Niche</i>
<i>Thinkers</i>	<i>Mature – Value in Products</i>
<i>Achievers</i>	<i>Goal Oriented - Premium Products</i>
<i>Experiencers</i>	<i>Young – Fashion, Entertainment</i>
<i>Believers</i>	<i>Conservative – Loyal</i>
<i>Strivers</i>	<i>Trendy & fun loving – Keeping up with the Joneses</i>
<i>Makers</i>	<i>Practical – Functional products</i>
<i>Survivors</i>	<i>Passive , Elderly – Resistance to change</i>

**SOCIO-ECONOMIC
CLASS (SEC)**



Behavioral Segmentation

- Needs and Benefits
- Decision Roles
- User and Usage

User & Usage

- Occasions
- User Status
- Usage Rate (L/M/H)
- Buyer-Readiness
- Loyalty Status
- Attitude

Segmentation based on
Decision Roles

Initiator

Influencer

Decider

Buyer

User



Effective Segmentation Criteria

Measurable

Substantial

Accessible

Differentiable

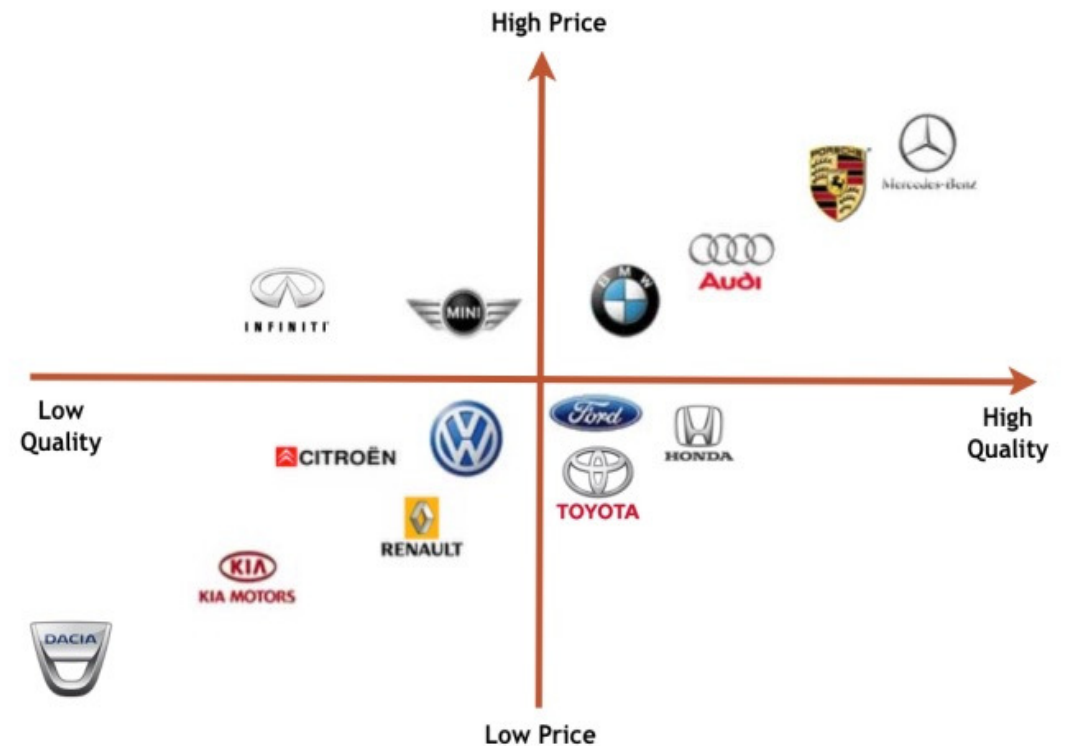
Actionable



Perception Maps

- Map visually displaying perceptions of customers
- Data gathering for perception map
 - Attribute ratings
 - Attribute association
 - Similarity judgments

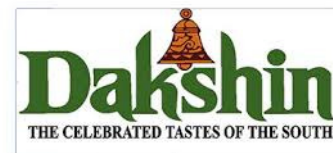
Consumer perception by Price and Quality



Perception Map – Your Thoughts

➤ Create Perception Map

- Price
- Health



What is Positioning?

- *Positioning statement indicates how you want customers to think about a firm's product /service / brand relative to competition*



Brand Positioning Process



Positioning Principles

- Competitive Frame of Reference
 - Identifying competitors
 - Analyzing competitors
- Define Associations

Points-of-parity (POP)

Associations that are not necessarily unique to the brand but may be shared with other brands

Points-of-difference (POD)

Attributes or benefits consumers strongly associate with a brand, positively evaluate, and believe they could not find to the same extent with a competitive brand

Point-of-Difference Criteria

Desirable to consumer

Deliverable by company

Differentiating from competitors

