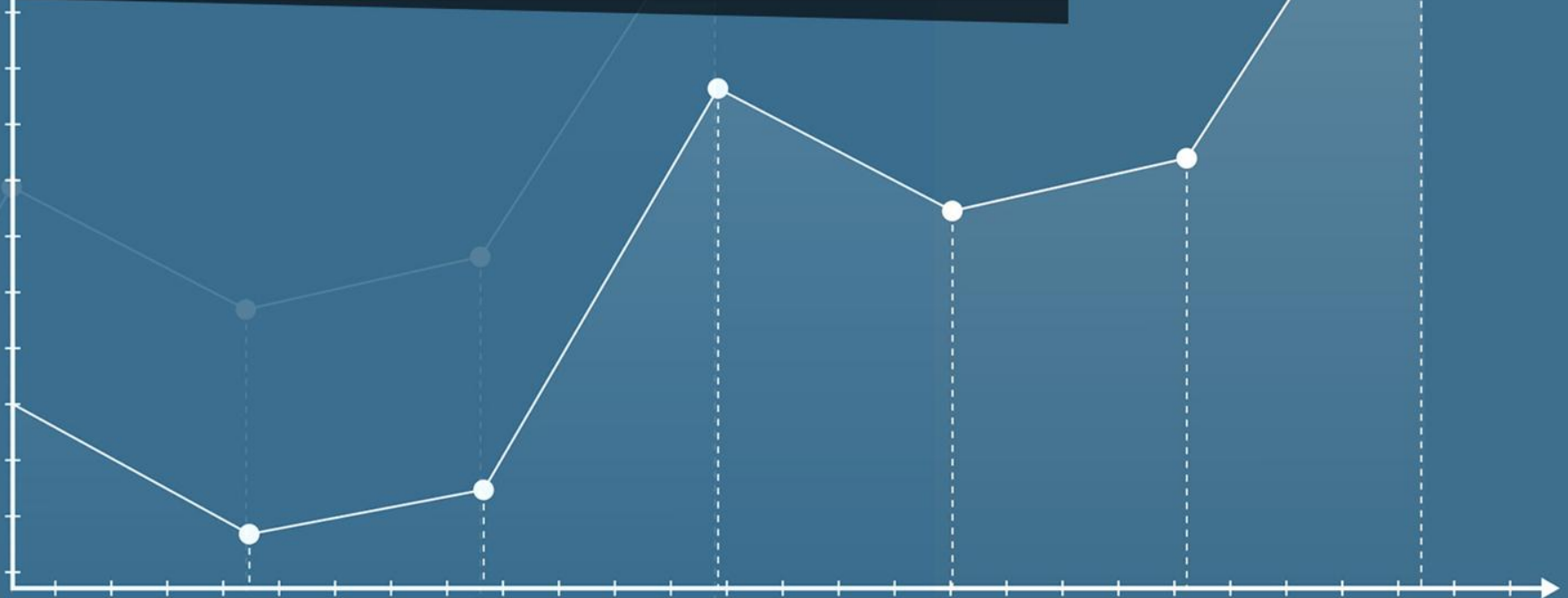


# Customer-Driven Marketing Strategy

Creating Value for Target Customers



# Customer-Driven Market Strategy





# Market Segmentation

- Through market segmentation, companies divide large, heterogeneous markets into smaller segments that can be reached more efficiently and effectively with products and services that match their unique needs.
- Market segmentation: geographic, demographic, psychographic, and behavioral.



# Geographic Segmentation

Dividing a market into different geographical units, such as nations, states, regions, counties, cities, or even neighborhoods.

# Demographic Segmentation

Dividing the market into segments based on variables such as age, life-cycle stage, gender, income, occupation, education, religion, ethnicity, and generation.

1. Age and life-cycle segmentation: Dividing a market into different age and life-cycle groups.
2. Gender segmentation: Dividing a market into different segments based on gender.
3. Income segmentation: Dividing a market into different income segments.



# Psychographic Segmentation

Dividing a market into different segments based on social class, lifestyle, or personality characteristics.

# Behavioral Segmentation

Dividing a market into segments based on consumer knowledge, attitudes, uses of a product, or responses to a product.

1. Occasion segmentation: Dividing the market into segments according to occasions when buyers get the idea to buy, actually make their purchase, or use the purchased item.
2. Benefit segmentation: Dividing the market into segments according to the different benefits that consumers seek from the product.
3. User Status: Markets can be segmented into nonusers, ex-users, potential users, first-time users, and regular users of a product.
4. Usage Rate: Markets can also be segmented into light, medium, and heavy product users.
5. Loyalty Status: A market can also be segmented by consumer loyalty



# Using Multiple Segmentation Bases

Marketers rarely limit their segmentation analysis to only one or a few variables. Rather, they often use multiple segmentation bases in an effort to identify smaller, better-defined target groups.





# Market Targeting

Market segmentation reveals the firm's market segment opportunities. The firm now has to evaluate the various segments and decide how many and which segments it can serve best. We now look at how companies evaluate and select target segments.

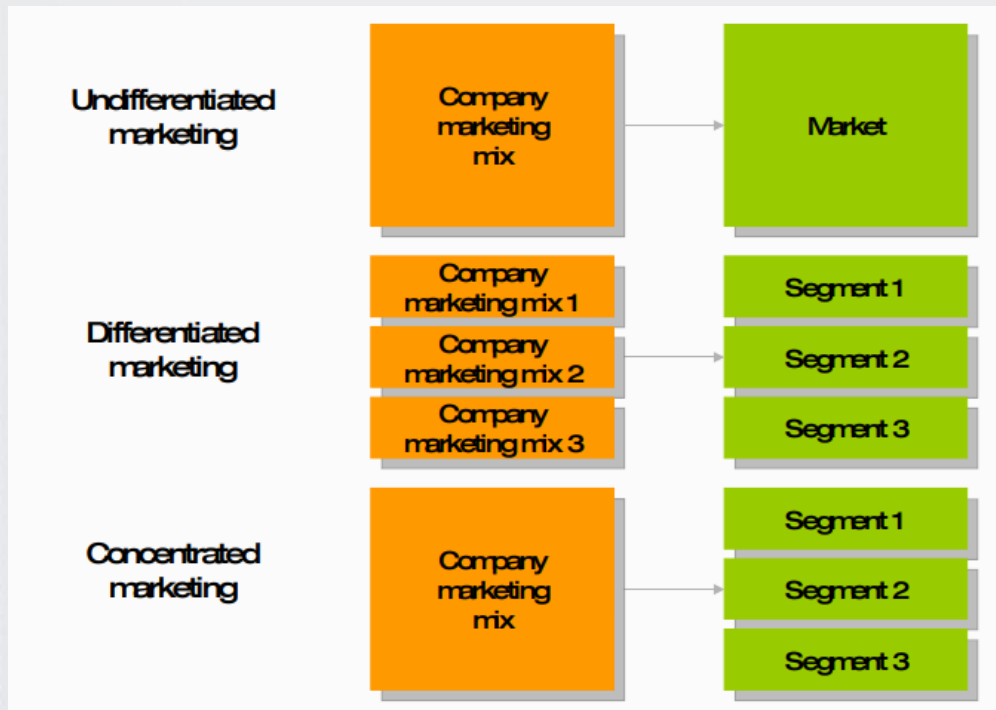
# Evaluating Market Segments

- Segment size and growth
- Segment structural attractiveness
- Company objectives and resources



# Market Targeting

## Market Coverage Strategies



# Selecting Target Market Segments

## Undifferentiated (mass) marketing

- A market-coverage strategy in which a firm decides to ignore market segment differences and go after the whole market with one offer.

## Differentiated (segmented) marketing

- A market-coverage strategy in which a firm decides to target several market segments and designs separate offers for each.



## Concentrated (niche) marketing

- A market-coverage strategy in which a firm goes after a large share of one or a few segments or niches.

## Micromarketing

- Tailoring products and marketing programs to the needs and wants of specific individuals and local customer segments; it includes local marketing and individual marketing.



## Local marketing

- Tailoring brands and marketing to the needs and wants of local customer segments—cities, neighborhoods, and even specific stores.

## Individual marketing

- Tailoring products and marketing programs to the needs and preferences of individual customers.

# Slide Title

A decorative line graph is positioned at the top of the slide. It features a white line with three circular data points. The first point is at the highest level, the second is at a lower level, and the third is at a level between the first and second. Vertical dashed lines extend from each data point down to the text below. The background is a dark blue header with a light blue gradient below it.

## Product A

## Product B

- Feature 1
- Feature 2
- Feature 3



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