

# Marketing segmentation assignment

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Marketing Segmentation: united Health Care An integral part of a business's market strategy is market segmentation. Market Segmentation is that process of breaking down a large market into smaller groups of consumers so that they can market more efficiently. Whether you are a consumer oriented company or a business oriented company you should use Market segmentation. Demographics As a health insurance provider our market segmentation is based on research and academic literature.

In the health care industry we cover every constituent served by our organization. Our target markets are: Employers Members-commercial group, individual, Medicare, and Medicaid Network Physicians Brokers Although the orientation of each analysis differs they all have the same basic principles. Experience has led to the belief that the right connections between the conceptual and analytical approaches to derive segments and implementation strategies that clients have found useful for improve marketing efficiency and effectiveness.

We have the same general approach to marketing as most health care Insurance companies. We just add our own Ideas and put a special twist on the presentation of our product when it comes to our marketing strategy. Our primary market segment is our members. The reason being that they are the largest market offer market our products in a way that is appealing to the member not only do retain current members but we also attract new members. The process of market segmentation must be conducted with the ability of an organization to address the resulting segments.

**Geographic** We have a fairly large geographic area, with the most of our members being located in the United States of America. We originated in the state of California so most of members are in the Western United States. We have also migrated to the other sections of the US. We currently have a heavy population in southern states such as Texas, Florida, and Georgia. We also have a heavy population in along the Eastern Seaboard and Northern states such as Wisconsin. The way we market our product in those areas is through mailers, magazine ads, television ads and sometime radio.

**Chirography's** Our members come from all walks of life. When developing plans we aim to tailor them to the different types of member we serve. Many of our members are travelers so we offer a benefit that covers them from state to state and internationally as well. This benefit is very attractive to the members with active lifestyles. We also serve a high elderly population. We tend to offer benefits that would be appealing to the aging population that many other insurance plans have yet to offer. In 2011 we began offering a hearing aid benefit to our member.

At this time no other company is offering this benefit, we have enrolled many new members because of this. Hearing aids are very expensive and the fact that we offer them at a discounted rate keeps our member and draws new members to us. We also offer a gym membership that caters to senior citizens, this tends to draw members that like to stay fit and it enables them to do it at their own pace. We also offer products that are affordable to individuals that don't have insurance offered to them by their employers.

**Behavioral** We offer plans for all ranges of incomes.

Members with higher incomes tend to purchase the plans that offer the premium benefits. Those with lower incomes tend to purchase plans that meet the basic needs just to have some coverage. Our Medicaid members tend to have the basic needs met because it is basically a state-funded program. When designing plans and choosing benefits, we have to consider the target market and user behavior. We design plans for members that go to the doctors frequently as well as for members that only go to the doctor for preventative care only.

When designing these plans we also have to make cost-sharing arrangements with employer and discuss premiums being that they will also be contributing to the cost of the insurance for their employees. Past behaviors such as history of switching, current health plan and carry, current benefit design, monthly premium and cost-sharing arrangement with employees. Product Positioning to position our products and services for fit each particular segment. Product positions may be defined by communication such as advertising rather than the differences between the products.

The objective is to expand existing products and continuously adjust them to our ever-changing demographic. When doing so we make sure we assess certain criteria for all potential segments: profitable size- profit attention accessibility- segment must be accessible through advertisement and other promotional tactics self-containment- product launched should not take demand from other products offered marketing mix response- segment should be responsive to marketing and promotion efforts If all of these

criteria are met there is a great chance of have a successful and profitable business.