

# Enterprise's selective segmentation 9525

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## Enterprise's Selective Segmentation

The rental car market was once only focused on national travelers.

Enterprise brought in the segment of neighborhood, setting up branches in for people who needed rental cars as replacements when their cars were wrecked, stolen, or in the shop. With Enterprise's look at a new segment of the car rental market, other competing companies have now dabbed into new bases for segmenting the rental car market.

The bases for segmenting the rental car market can be broken down from the four categories of geographical, demographic, behavioral, and psychographic segmentation. From a geographic segmentation aspect, staying in the United States, the car rental market can be found in almost every town, region, and climate. People are at a lost in today's world without a car, therefore rental car companies can establish a franchise anywhere geographically, with the exception of highly secluded villages.

Demographically, individuals between the ages of 18-64 are the prime target age. Any individual, from the single male or the married female with four children can find a use for a rental car, whether it be for a long business trip, or for the family to car-pool to a regional soccer tournament in a van. College students and parents of college students are known to be a target market. Students need to rent cars from the airport to drive to campus, as do parents when they visit, or take the long voyage from home. Behaviorally, consumers use rental cars occasionally, therefore most look for comfortable, quality, economically sound cars that they can trust. Finally, psychographically the car rental market has the bases of the middle class up

to upper class appeal with those that are achievers and strivers for work and excellence.

Marketing changes that Enterprise could make are many. Enterprise could expand into the airport region, and even next to other transportation industries. Setting up franchises next to companies like Amtrak and Greyhound would give consumers an option of driving themselves the rest of the way on a long trip. Themes would also give Enterprise a beat on competition. Enterprise could have a “moving” section where they rent out moving vans or trucks, in a way that U-Haul operates. Another theme would be to have one color for all types of cars, or even have a logo on the side of each car. If Enterprise wants to continue being number one though, it should stay with what has worked. Marketing to the “home-city” market is where the majority of the target market lies. Enterprise must do some updating to its marketing though now that competing companies are expanding into the same market. Enterprise needs a variety of vehicles to stay on top at economical prices. Studying what the most reliable, popular cars are where they should start. Knowing that Jetta's and Volvo's are attractive, family oriented cars; they should buy some in volume with different options from CD-players, to air conditioning. Enterprise should also buy a healthy amount of travel vans. The number does of course have everything to do with the region. You would want a lot of vans in a large city, or in a college environment where sports teams and clubs are plentiful. Finally, Enterprise should buy some high quality sports cars for those that like to look important or even for the high school seniors going to their senior prom. Enterprise cannot afford to buy too many of these however for it will need to be rented

out a lot to make up the cost. Enterprise does not want to buy five Dodge Vipers at \$70, 000 when they only need one because not too many consumers will have the money to rent a car of that quality.

Enterprise attacked an uncharted market segment, proving that high risk provides high rewards. Now that the other competing brands are moving in to dilute the area, Enterprise must retool its marketing plans, or go find another profitable market segment.

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