

# [Iphone segmentation](https://assignbuster.com/iphone-segmentation/)

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The optimal goal of all companies is to sell their product to as many people they can, but trying to reach the maximum number of people is often counterproductive for the company because it could run the risk that by trying to please everyone at the end it doesn’t known its real customer needs and finished not selling. For this reason the concepts of market segmentation, targeting and positioning merged due to or as a response to the diversity of consumers.

Apple is a real example of effective and successful implementation of these three concepts. There is no doubt that Apple has revolutionized the mobile phone market with the launching of the first iPhone in the market for smart-phones in 2007 and recently the new IPhone 5 has been a success in sales (see graph 1). Tim Cook, Apple's CEO, said the “ IPhone 5 had the most successful launch in history. The first weekend on the market were sold 5 million units in 20 countries”. (Duncan, G. 2012) Source: www. digitaltrends. com

In this paper we will discuss consumer segmentation to apply it correctly to the product IPhone 5 (see table 1) and conduct a theoretical framework on the subject, to explain what segmentation is and how it can help us to define our target market and to ensure the success of the sale of the product. The Segmentation " is the process of dividing the market potential in different subsets (niches) of consumers and selecting one or more segments to achieve the goal or target audience. " This segmentation strategy is discovered the needs and desires of groups consumers to promote products and services that meet their needs.

And Apple has hit success – it has hit right in the center of the target, says Sigal - not because it has become the largest company in its various industries, but because he has thought carefully how to sell their products, and also sell them at exactly the right price. Sigal points out that Apple does what it does best - target a specific market and stay ahead in providing better products as an example the new iPhone 5 (Sigal M. 2010). Besides a research conducted by Rubicon (2008) on iPhone users indicates that 50% of the surveyed users are age 30 or younger. Most of the users described themselves as technologically sophisticated. Read about iPhone Supply and Demand

In general, iPhone users were over represented in the occupations that are usually early adopters oftechnology: professional and scientific users, arts and entertainment, and the information industry. Moreover, the iPhone user base consists mainly of young early adopters: about 75% of whom are previous Apple customers. Now, the challenge for Apple is to get their product beyond the youthful technophiles and into the hands of mainstream users in order to maintain sustained growth To conclude, segmentation is a basic and important strategy to avoid direct competition in the market.

Its functions and applications allow us to discover the needs and desires of consumer groups in order to promote products and services that meet their needs. The segmentation will be effective to the extent that the company is able to make differentiated offerings for each segment. iPhone 5 is not consider as a simple mobile phone thanks to its different applications, its use is so varied and diverse that the iPhone has the ability to adapt to every type of person, their tastes, preferences, hobbies, etc..

Apple has very clear that all its strategy is marketing which is not just a department it isphilosophy. A philosophy based on three simple letters very well aligned; PST (Positioning, Segmentation, Targeting). Its positioning is continuous innovation; segmentation early adopters are those who like the design and keep up to date, based on a multi-channel targeting that makes them a leading brand with very significant growth expectations. It has created that nobody has done it and it is makes people line up for just buying a smartphone (seephotobelow)