

Marketing



09 March 2007 Marketing The success or even the mere survival of a business organization like Its Popcorn Time (IPT) largely lies on its ability to meet and satisfy the needs and wants of its consumers. It is irrefutable that each customer's need is unique. Thus, IPT like other companies should employ specific techniques in order identify and understand its customers and deliver the products that address their preferences. In marketing, processes like segmentation, targeting, positioning, and differentiation have become key components of target marketing. These concepts have also remarkably become the tenets of consumer oriented business organizations like Home Depot, Amazon, and Starbucks.

Segmentation refers to the process of dividing the market based on certain variables like geographic, demographic, psychographic, and behavioral factors. The rationale of market segmentation is the identification of a specific market which a business organization can best serve. This way, it is better positioned to create a product or service which more suitable and appropriate for a specific market as well as complement it with other components of marketing mix such as price, promotion activities, and distribution channels. For example, the number one specialty coffee shop in the world Starbucks has started its business operation eyeing not the whole market for coffee but on a specific market niche—" affluent, well-educated, white collars between the ages of 25 and 41." Thus, it has focused on the provision of products which appeals to this market segment, prices them accordingly, and builds stores in urban and metropolitan areas where these people populate.

Positioning is the " act of designing the company's offering and image to occupy the mind a distinctive place in the mind of the target market (Kotler

2002, pp. 308).” Positioning is the product of the different techniques employed by marketers which gives it a unique image. The end product of positioning is the unique value proposition which is delivered by the company. Amazon. com has irrefutably established a distinctive image in its market. Unlike any other shops, it takes advantage of technological advancements by being a purely online retailer. Amazon. com traditionally positions itself as a more convenient and less costly distributor of books. However, through its longer and wider selection of product offerings, it is positioning itself as an online retailer of anything that a customer needs. Lastly, differentiation refers to the “ process of adding a set of meaningful and valuable differences to distinguish the company’s offerings from its competitors (Kotler 2002, pp. 315).” Differentiation is typically employed by companies by adding a new feature which the target market prefers and charging a premium for it. A good example of this is Home Depot which heavily capitalizes on its ability in extending excellent customer service. It is said that its staff is trained to offer on-the-spot lesson on tile laying, electrical installations, and other projects.

Works Cited

Kotler, P 2002, Marketing Management, Upper Saddle River: New Jersey