

Marketing and
segmentation
demographic
segmentation
flashcard



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Geographic segmentation calls for dividing the market into different geographical units such as nations, regions, states, counties, cities, or even neighborhoods. A company may decide to operate in one or a few geographical areas, or to operate in all areas but pay attention to geographical differences in needs and wants.

ACI Logistic Ltd (shwapno) today is localizing their products, advertising, promotion, and sales efforts to fit the needs of individual regions, cities, and even neighborhoods. For example, one consumer products company shipped additional cases of its low-calorie snack foods to stores in neighborhoods near Weight Watchers clinics. Kraft developed Post's Fiesta Fruity Pebbles cereal for areas with high Hispanic populations. Coca-Cola developed four ready-to-drink canned coffees for the Japanese market, each targeted to a specific geographic region. Procter & Gamble introduced Curry Pringles in England and Funky Soy Sauce Pringles in Asia

Demographic segmentation divides the market into groups based on variables such as age, gender, family size, family life cycle, income, occupation, education, religion, race, generation, and nationality.

Demographic factors are the most popular bases for segmenting customer groups. One reason is that consumer needs, wants, and usage rates often vary closely with demographic variables. Another is that demographic variables are easier to measure than most other types of variables. Even when market segments are first defined using other bases, such as benefits sought or behavior, their demographic characteristics must be known in order to assess the size of the target market and to reach it efficiently.

Psychographic Segmentation

Psychographic segmentation divides buyers into different groups based on social class, lifestyle, or personality characteristics. People in the same demographic group can have very different psychographic makeups.

Behavioral segmentation Behavioral segmentation divides buyers into groups based on their knowledge, attitudes uses, or responses to a product. Many marketers believe that behavior variables are the best starting point for building market segments