

# [Marketing activity 2 term paper](https://assignbuster.com/marketing-activity-2-term-paper/)

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## Position title

Activity due date
(Serious Eats, 2013)
Introduction
Psychographics
Psychographics is an interdisciplinary study, which focuses on person’s values, attitudes, interests and lifestyle. Psychographic studies can concentrate either on individuals or communities. This study can be valuable in terms of marketing, demographics, opinion and social research. If scientists have full profile of a person, they can compose what is usually called “ psychographic make-up”. Psychographic make-up (profile) can be used while conducting market’s segmentation and advertising.
Considering practical importance of psychographics, it is worth mentioning that the referral to focus groups and specialized research into local psychographics helps professionals answer one of the most critical questions about their potential consumers: Do they have a willingness to try something new and, specifically, do they have a willingness to try their new product?
U. S. pizza restaurants industry. Mintel U. S. sales forecast by 2017
Pizza is believed to be truly Italian type of food. It has originated in Naples, Italy. First pizzas were cooked at home. The first pizzeria was opened in the first half of the nineteenth century in Naples. First pizzerias were opened in the USA in the early twentieth century due to immigrants from Italia, who settled in New York and Chicago. Pizza was extremely popular among American soldiers at the end of the World War II. The history of today’s large pizza chains (e. g., Pizza Hut) starts from early 1950s.
Nowadays there are more than 63 thousand of pizzerias in the USA. Despite the fact, that lots of different pizza brands function in the USA, there are only three types of pizza, common for the U. S. pizza restaurant industry. They are traditional crust pizza (the crust is considered not to be either too thin or too thick), deep dish pizza (which has thick crust, also widely known as pan pizza) and New York style pizza (pizza, which has thin crust). Different channels of distribution exist to serve different types of customers. Main types of channels include in-restaurants cooking, delivery, carry out and take& bake. First three channels of delivery are used by all well-known U. S. pizza places (Pizza Hut, Domino’s Pizza). The last one is used far less frequently. According to Mintel Group’ Ltd report (2012) Executive Summary, “ the pizza restaurant niche has found success throughout the recession and is continuing to show growth. This is due to the fact that pizza restaurants exist within each restaurant segment, so nearly ever consumer is able to find the type of pizza and delivery format he or she is looking for at the price point he or she can afford”. (1) Other forecasts say that pizza is an only food item, whose popularity grew over last twenty years.

## Body

An overview of U. S. Framework and VALS tm
As it was already mentioned, psychographics is most commonly used to segment the market. VALS tm (which is an abridgement for “ Values, Attitudes and Lifestyles” ) is a special research methodology, which is aimed at market segmentation. By-turn, market segmentation is a marketing and managerial concept which divides the market set into small subsets, which consist of consumers, who have similar demand, preferences and taste.
Market segments are distinguished in order to help the company design products so that they appeal to a particular target, who will be interested in buying them. It is worth mentioning that targeting lots of people of different ages, values and lifestyles is not believed to be effective. The target should be small and distinctive.
According to Strategic Business Insights (2013), VALS tm “ segments U. S. adults into eight different groups, using a set of psychological traits that tend to call forth a particular type of consumer behavior. The framework is believed to be based on two dimensions, which are primary motivation (the horizontal dimension) and resources (the vertical dimension). The vertical dimension deals with all possible resources. They include both tangible and intangible resources. In general, this dimension uses such concepts as income, time, energy, income, education, intelligence and even leadership skills. The second dimension deals with primary motivation, which can be called forth by ideals, willingness to demonstrate success to other people or desire for some social or physical activity. Having combined two dimensions, authors of the concept introduced eight VALS tm types, which are innovators, thinkers, believers, achievers, strivers, makers, experiencers, and survivors. Using VALS tm concept is extremely important for developing marketing strategy and determine the placement of a particular item within a certain market niche.
A profile of U. S. consumers, who frequent pizza restaurants
In order to get the profile of the person, who tends to visit pizza restaurants frequently, the following factors should be considered: structure of population (age, gender groups, whose representatives tend to visit pizzerias frequently), typical employment, lifestyle, hobbies etc. Pizzerias are most often visited by men, aged from 25 to 35, who are employed and have stable income. These people do not seem to be innovative. For instance, they prefer visiting pizzeria to looking for some café with exotic food. Moreover, they often lack time or energy to look for some new type of food. They often visit pizzerias not only to get pizzas, but either to have lunch with colleagues or communicate with friends after work. Choosing pizza, which is convenient to share, often helps these people to share some sense of belonging. So, people are driven by the third alternative (desire for some social activity).
It is worth mentioning, that some people buy pizzas for themselves, when they plan to have dinner alone (they do not seem to have any type of primary motivation, used in VALS tm ) or to have a family dinner, especially, when there are kids or teenagers in the family. These people usually use delivery or takeaways.

## People’s behavior in regards to the purchasing of this offering

People, who purchase pizzas, tend to have different primary motivations and resources. Nonetheless, some mutual tendencies can be found. In U. S. culture “ eating pizza” is more about an activity, which includes getting some social experience, than about getting a food item. So, when working out recommendations for pizza industry holders, we should distinguish such VALS tm types of consumers, who communicate a lot. According to Mintel Group’ Ltd report (2012) Executive Summary, “ the leading suggestion for pizza restaurant improvement is to offer more personal size pizzas” (4). Offering better-for-you pizzas will undoubtedly attract such types of consumers as strivers and achievers.

## Conclusion

Analysis of VALS tm types theory with regards to pizza restaurants’ industry in the USA testifies to the fact that pizza industry holders should look for such target, whose representatives can be defined as makers (according to Strategic Business Insights (2013), makers “ live within a traditional context of family, practical work, and physical recreation and have little interest in what lies outside that context” and “ are suspicious of new ideas and large institutions such as big business”(1)) and believers, who are predictable and loyal consumers. Other VALS tm types’ representatives are less likely to a successful target for the industry. Strivers and achievers can be targeted in case the concept of “ better-for-you items” will be introduced.

## References

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Serious Eats (2013) The United States of Alabama. [Painting] Retrieved from http://slice. seriouseats. com/archives/2009/07/the-united-states-of-pizza-best-pizza-alabama-al-bottega-bettola-davenports-tortugas. html
Strategic Business Insight (2012) US Framework and VALS™ Types. Retrieved from http://www. strategicbusinessinsights. com/vals/ustypes. shtml
Reflection
Completing Marketing Activity 2 was useful for us in terms of learning to apply VALS tm types theory to a real market. In other words, we have learnt to consider people’ profiles for getting better understanding of choosing a marketing strategy.