

Example of essay on segmentation by psychographics

[Business](#), [Marketing](#)



Segmentation is a vital function of marketing as it enables marketing decisions with the mettle of innovative and appropriate offers to the customer. It is critical for the hotel managers to segment their market properly so that they can satisfy the needs and expectations of their targeted customers. Every customer has unique likes and dislikes, typical food and drinking habits, specific daily routines, lifestyle usages, value systems, attitudes, etc. The variances among people based on such psychological variables opens up possibility of segmenting the market by psychographics. The researchers were able to find a pattern and classification of the customers based on their psychological nature. VALS is a widely accepted model to classify the consumers into meaningful clusters. It has eight groups of people, each group having certain common psychological characteristics. The VALS model can contribute the hotel industry to position each of their features among its target customers.

The psychographics differs among market segments, and it can be instrumental to the hotel professionals in profiling their customers. The features and components of the hotel such as restaurants, layout of rooms, booking process and room services may look common to all hotels. But, it is possible to segment the guests the hotel is trying to invite. In most hotels three groups of guests are found- Individual business guests, holidaying groups and family. Hotels need to orient their services suited for each customer groups. Sometimes or often, a hotel cannot serve all guests if they are focusing on a particular type of guests. The hotels can be classified into three major segments, business, leisure and luxury.

Hotel Segments

Business hotels serve guests who are in business missions and would be located within the central part of a city or in the pockets of business activities. Such hotels will have complimentary breakfast, pick and drop service, internet and Wi-Fi services, laundry service, conference rooms, and other business services. Some hotels even may provide secretaries and translators for hire on an hourly basis. Depending on the class (higher or lower economic status) of business guests the room tariffs are fixed. Leisure hotels are intended to provide highly personalized services to the guests. Guests book room to such hotels to relax and rejuvenate mentally, physically and spiritually. Leisure hotels are likely to be situated in calm, picturesque and breathtaking locations. The typical leisure hotels will have spa, swimming pool, health club, Yoga center, library, massage parlors, hobby clubs, etc. Such hotels will make a name if the guests return with outstanding memories, renewed vigor and fitness. Luxury hotels enhance the pride and status of the guests. Typical Luxury hotels will have exotic cuisines, golf courses, spacious suites; chauffeur driven transports, socializing party joints, casinos, Boutiques with expensive merchandise, etc. Wealthy families, dignitaries and very important business guests usually stay in luxury hotels.

My VALS Type

VAL's survey helps to identify a person's inclination or motivation towards a class of products, media preferences, hobbies, values, attitudes, etc. The survey result indicates that, I am a Striver / Achiever. Typical strivers would

be stylish, fun loving, achievement oriented, influenced by other's opinions and money dominates their mind. They emulate the successful individuals and often use the same type of products used by their superior role models. The products used by strivers would match the products used by their heroes, but of cheap quality as strivers are not financially capable of going for a premium. Strivers work hard to become top achievers, but they display mediocre performance because they lack the sharp aptitude and skills to move ahead. The depiction about striver / achiever matches with my attitudes and values. With respect to the selection of hotels, right now I am most likely to stay in business hotels that have lower tariffs. But, I dream of getting a high status job that would give me an opportunity to stay in top business hotels. I imagine that when I stay in business hotels, I will have a chauffeur driven car, secretary to attend my business communications and managers to report about the progress of the projects I am leading. One day, I expect to speak before a gathering of managers in one the conference halls of the best business hotels.

Targeting and Positioning using VALS

Customers to hotels not only expect basic boarding and lodging services, they also look for emotional benefits such as prestige and pride associated with their stay. A hotel can draft a unique selling proposition for its services that are meaningful to its target customers. A hotel that intends to serve the Strives / Achievers may have a punch line " Excellent Stay - Little Budget," " Budget Hotel for All," " Favorite inn of the City," etc. which appeals to the strivers / achiever type customers.