Marketing assignment

Art & Culture

Marketers are required to do the following: * Analyze and figure different groups of shopper who are distinct in their desires and preferences (market segmentation). * Choose specific target markets to enter (market targeting). * Set up and transmit the distinctive benefits of the corporation’s market offering in each target segment (market positioning). 2. 1. Segmentation: A process of dividing a total market into different groups of customers with distinct desires and features that may require separate goods or marketing programs is called market segmentation.

The role of segmentation is about to vivid a huge market into small markets of shoppers who have similar needs. If companies want to start their businesses, firstly they need to accomplish segmentation for products before launch them out market. This step consists of 4 forms: geographic, demographic, cryptographic and behavior segmentation. 2. 1. 1 . Geographic segmentation: This stage bases on region, city size, climate… Most of companies prefer to locate their stores or branches in big cities. For instance, Nikkei has placed their shops in China, only in big cities such as Beijing, Shanghai, not in rural areas.

The company focuses on those cities because tizzies in there are willing to buy products like shoes or shirts for exercise or sport. Otherwise, Nikkei also utilizes software on smart phone to show geographic locations of their buyers. 2. 1. 2. Demographic segmentation: In this process, corporations rely on income, age, gender, generation… To segment merchandises into market. * Age: Adults and children have different wants. * Gender: Men and women have different views, attitudes and behavior. For example, women are more communal-minded whereas men are more self-expressive and goal- directed. Income: First and middle classes tend to buy much more than lower class. Generation: Each generation is affected by the time. 2. 1. 3. Cryptographic segmentation: This segmentation, which connects to demographic, includes 3 factors: lifestyles, motives and personality. Customers are divided into those factors. For example, Aids ‘ s products target on people who are simple, fresh and dynamic while Nikkei ‘ s items aim at modern lifestyle, unique and colorful. 2. 1. 4. Behavior segmentation: Customers are segmented into distinct groups on the basis of their knowledge, attitude towards, use of response to a product. Decision roles: – Initiator – Influencer – Decider Buyer – User * Behavioral variables – Occasions – Benefits – User status – User rate – Buyer-readiness – Attitude – Loyalty status: consisted of hard-core locals, split locals, shifting locals and switchers. A group of people or organizations for which a company establishes and sustains a marketing mix particularly plan for satisfying the desires of block members. The following step companies need to do is targeting. After the process of segmentation allocated customers into different groups, targeting will help companies determine which group is greatest potential for them to focus on. 21. Evaluating the market segments This process consists of 3 factors: segment size and growth, segment structural attractiveness and company objectives and resources. 2. 2. 1 . 1. Segment size and growth: Big firms prefer segments with big sales volumes and overlook small segments. Small companies ignore big segments since they will require too plenty of resources. 2. 2. 12. Segment structural attractiveness: A segment may have needs and growth but are not attractive from a benefit point of view. There are 5 risks that companies may face. – Risk from industry competitors: This indention contains aggressive rivals and lead to price wars. Risks from potential entrants: Some new competitors entry the market and will take a parts of the market share. – Risk of substitute products: Sales of company is affected if there are many substitutive products existed. – Risk of thriving bargaining power of customers: Bargaining shoppers struggle to decrease price down and require more quality and services. – Risk of thriving bargaining power of suppliers: suppliers may raise prices or reduce the quality of merchandises. 2. 2. 1. 3. Company objectives and resources: Companies need to determine their own objectives and resources that relate to their segments. . 2. 2. Selecting the market segments: After evaluating different segments, the corporations need to find market segments to enter and how many segments to serve. There are 5 patterns of target market selection that companies must concern. * Single segment concentration: companies pick one potential single market for further segment * Selective specialization: companies pick a number of attractive expansion. Segments that are matched with objectives and resources of companies. If a segment is not attractive any more, firm still can get money from the others. *

Product specialization: Companies focus on one specific product and build a strong reputation for that product. * Market specialization: Companies focus on collecting needs of customers. * Full market coverage: Only big companies such as Nikkei or Aids can undertake a full market coverage strategy by serving all consumers groups with all products they have. For example, Nikkei targets all types of customers, especially people from 18-30 years old because at this stage people can afford products for themselves.

They like fashion and some of Nine’s products are fashionable. Therefore, they don’t hesitate buy these goods such as shoes or clothes.

And with a slogan ” just do it ” Nikkei make consumers fell aggressive and curious to try Nine’s product. Otherwise, Nikkei also focuses on people between 30-50 years old because they are middle high income social class. 2. 3. Positioning: A product occupies clearly, distinctively and desirably place in the mind of the target market is called market positioning. 2. 3. 1 . Determine the positioning for each target segment: Companies need to understand their current positioning by doing market research. Use a perceptual mapping to depict consumer perceptions of how goods compete based on mutual attributes.

Relocating is hard and often hardly if current brand associations are too healthy. 2. 3. 2. Develop a market mix for each target segment: Company’s marketing mix must be driven by company’s desired positioning. Promise, performance and consumer perceptions of company determine positioning. Positioning is the long-term process and requires significant resources. For example, Nikkei and Aids have a lot of stores in the world and the way they sell products is totally different. Aids have located in a fairly traditional sport goods store layout, garment in the front and shelves of shoes in the back.

Nikkei has an alternative approach, allocating their branches by sport. In each sector such as basketball, running, soccer, consumers are surrounded by Nine’s vision of a specific sport and all products are sold to make customers see that vision is a reality. Nikkei and Aids also have a different service in the way they contact with customers online. For instance, Nikkei totally integrated in part of Nikkei. Com. Nine’s shop is the best store for all things golf. Nikkei did the same way in its shop layout, a narrative around its gold items. Nikkei has not sold customers a pair of golf spikes , it has been selling consumers Nikkei golf.

On the contrary, Aids golf has own website, which co-brands with Taylor Made and Seaworthy, two other golf brands. It is absolutely surprising when customers cannot access Aids golf from its Aids. Com website. Segmentation, targeting, positioning are the three marketing tools used by marketers. However, don’t focus them too much because targeting and segmentation narrow the market and reduce potential sales of companies. Positioning indicates whether customers interested in products or not. If companies are truly consumers focused, segmentation will be inappropriate and positioning is self-defeating.