



TARGETING

Market Segmentation



No market segmentation



Fully segmented market



Market segmentation
by gender: M,F



Market segmentation
by age group: 1,2,3

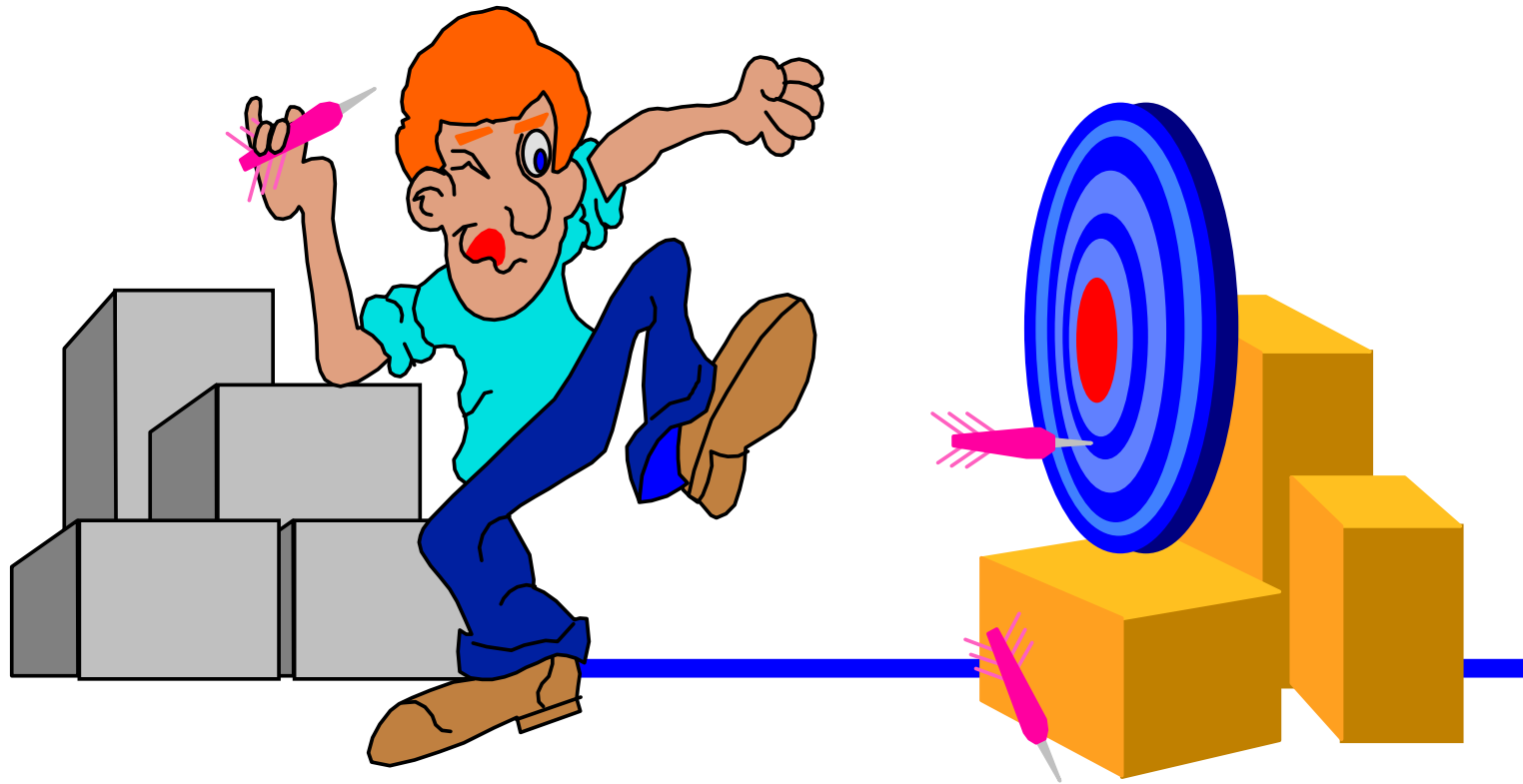


Market segmentation
by gender and age group

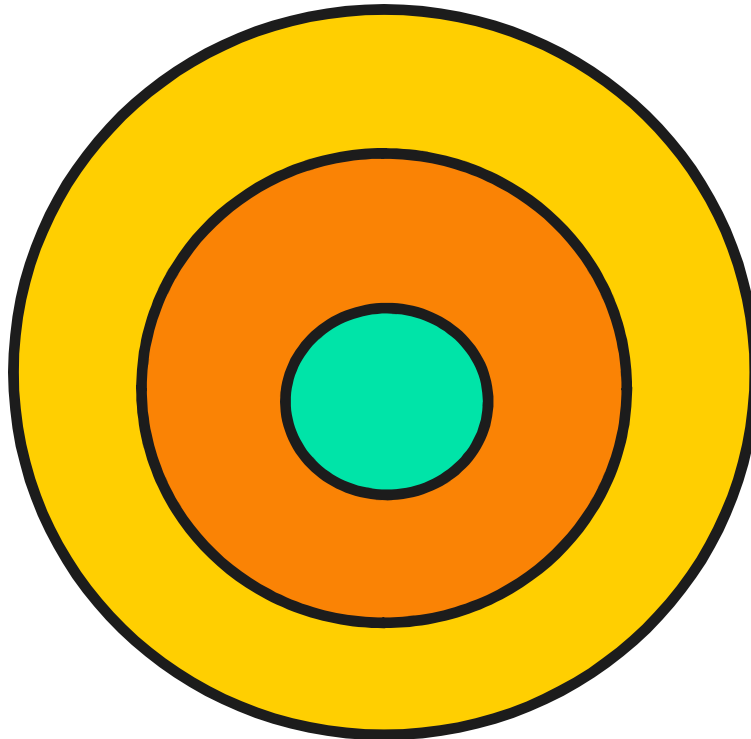
Ford's Model T Followed a Mass Market Approach



Targeting



Segmentation, Targeting, Positioning



READY

AIM

FIRE !



Customerization

Combines operationally driven mass customization with customized marketing in a way that empowers consumers to design the product and service offering of their choice.



Target Marketing Strategies

- Undifferentiated (mass) marketing
 - Ignores segmentation opportunities
- Differentiated (segmented) marketing
 - Targets several segments and designs separate offers for each
- Concentrated (niche) marketing
 - Targets one or a couple small segments
- Micromarketing (local or individual marketing)



Undifferentiated Marketing

- Single product addressing all segments with a single marketing program.
- Mass production is possible giving scale economies
- Pushes price downwards enabling to attract price sensitive segments

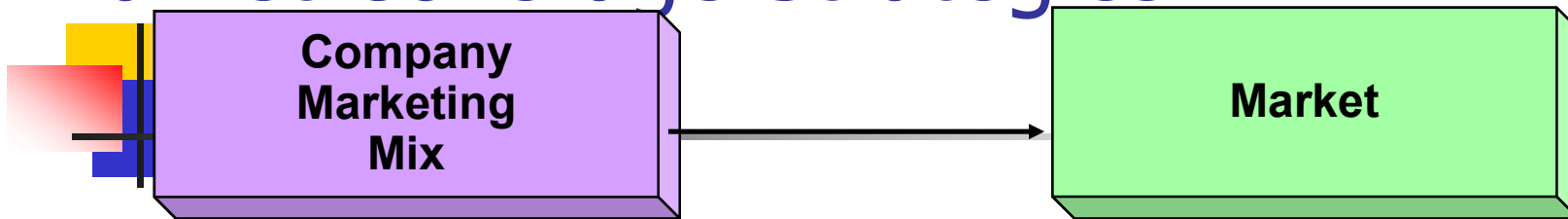


Differentiated Marketing

- A separate market offering for every segment
- Marketing programs for every segment could be different
- Pushes up costs at various levels, necessitating sufficient volumes for viability
- Generates inter-segment rivalry

Market Targeting

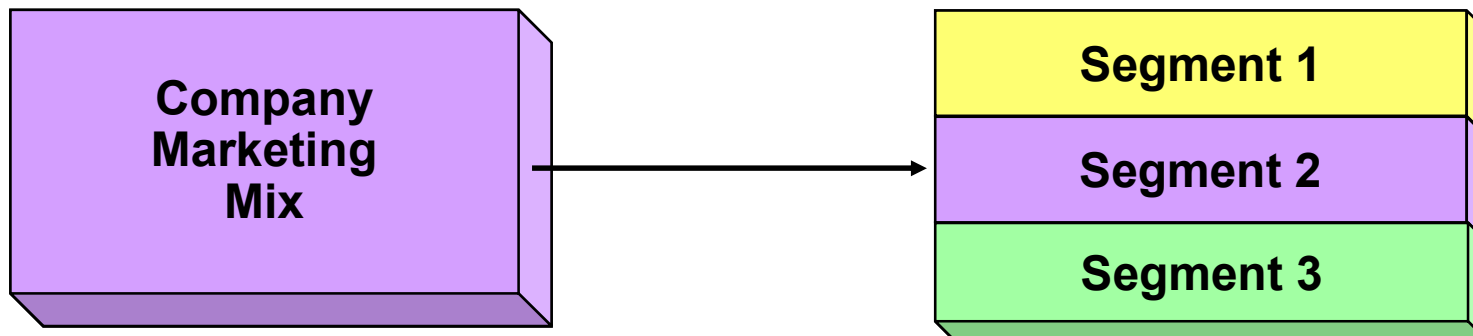
Market Coverage Strategies



A. Undifferentiated Marketing



B. Differentiated Marketing



C. Concentrated Marketing

Strategies for Target Markets



**Undifferentiated
Strategy**

**Concentrated
Strategy**

**Multisegment
Strategy**

Five Patterns of Target Market Selection

Single-segment concentration

	M1	M2	M3
P1	Yellow	Yellow	Yellow
P2	Magenta	Yellow	Yellow
P3	Yellow	Yellow	Yellow

Selective specialization

	M1	M2	M3
P1	Dark Blue	Dark Blue	Dark Purple
P2	Dark Purple	Dark Blue	Dark Blue
P3	Dark Blue	Dark Purple	Dark Blue

Product specialization

	M1	M2	M3
P1	Light Green	Light Green	Light Green
P2	Dark Green	Dark Green	Dark Green
P3	Light Green	Light Green	Light Green

Market specialization

	M1	M2	M3
P1	Orange	Yellow	Yellow
P2	Orange	Yellow	Yellow
P3	Orange	Yellow	Yellow

Full market coverage

	M1	M2	M3
P1	Cyan	Cyan	Cyan
P2	Cyan	Cyan	Cyan
P3	Cyan	Cyan	Cyan

P = Product
M = Market

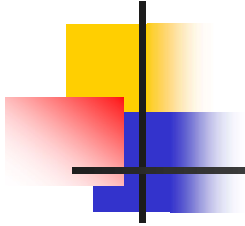


Mega marketing

- **Mega marketing** is a term coined by U.S. marketing academic, Philip Kotler, to describe the type of marketing activity required when it is necessary to manage elements of the firm's external environment (governments, the media, pressure groups, etc) as well as the marketing variables; Kotler suggests that two more Ps must be added to the marketing mix: public relations and power.

Pepsi used megamarketing in India





Thank you for your attention!

Any questions please?