



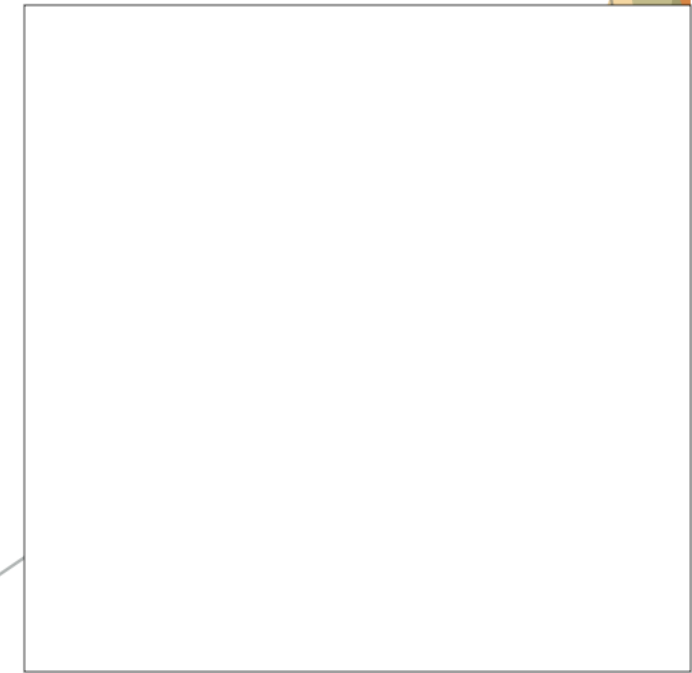
**AL-FARABI KAZAKH
NATIONAL UNIVERSITY**
Higher school of Economic and
Business

Territorial Marketing
Lecture 6

**Market segmentation and territory
positioning**

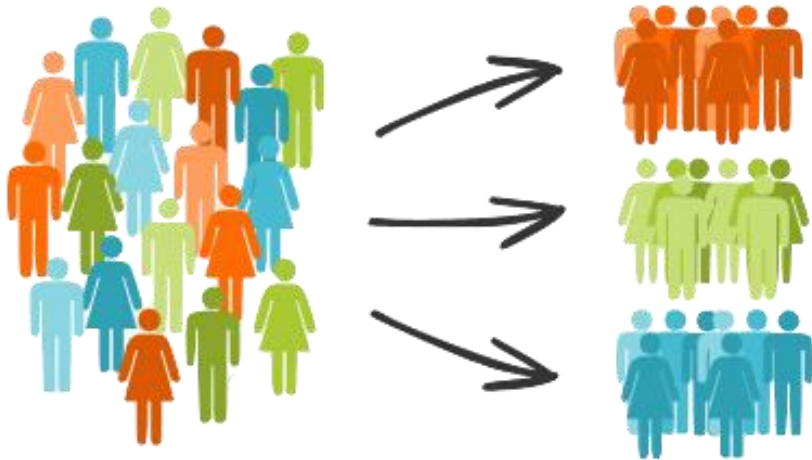
Tasks

- 1.1 What is marketing segmentation?
- 1.2 Target marketing
- 1.3 Market positioning



Market Segmentation:

Dividing a market into distinct groups with distinct needs, characteristics, or behavior who might require separate products or marketing mixes.



In the auto market, for example, some consumers demand speed and performance, while others are much more concerned about roominess and safety.

Steps in Market Segmentation, Targeting and Positioning

Market segmentation

1. Identify bases for segmenting the market
2. Develop segment profiles



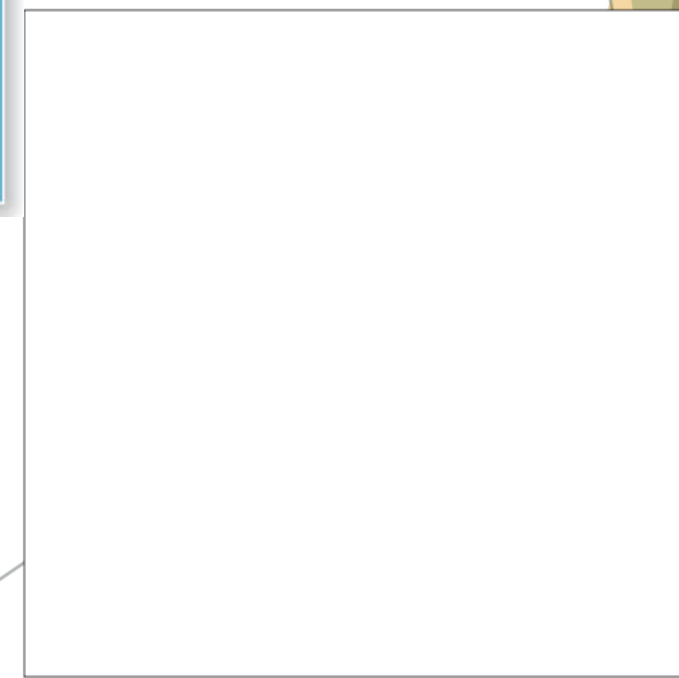
Target marketing

3. Develop measure of segment attractiveness
4. Select target segments



Market positioning

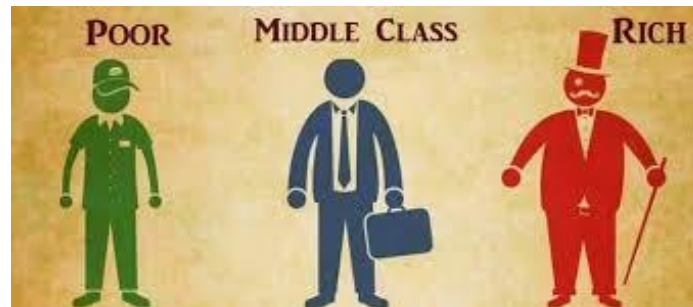
5. Develop positioning for target segments
6. Develop a marketing mix for each segment



CRITERIA FOR EFFECTIVE SEGMENTATION

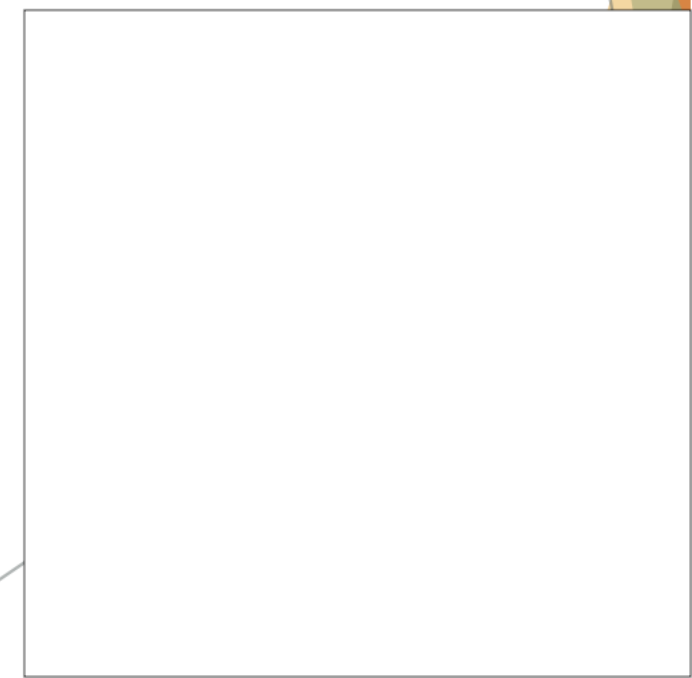
- Segment must have measurable size and purchasing power.
- Marketers must find a way to promote effectively to and serve the market segment.
- Segment must be sufficiently large to offer good profit potential.
- Firm must aim for segments that match its marketing capabilities.

- Group characteristics—such as age, gender, geographic location, income, and buying patterns—are key.



Four common bases for segmenting consumer markets:

- Geographic segmentation.
- Demographic segmentation.
- Psychographic segmentation.
- Product-related segmentation.



MARKET SEGMENTATION

DEMOGRAPHICS

Age

Gender

Income

Marital
Status

Ethnic
Background

GEOGRAPHICS

Local

Regional

National

International

PSYCHOGRAPHICS

Activities

Attitudes

Personality
and Values

BEHAVIORAL

Benefits

Usage Rates

Patterns

Geographic segmentation

- World Region or Country
- State
- City
- Village
- Neighborhood
- Density
- Climate



- **Demographic segmentation** Division of an overall market into homogenous groups based on:

- Age
- Gender
- Family size
- Family life cycle
- Income
- Race
- Occupation
- Education
- Religion
- Generation
- Nationality

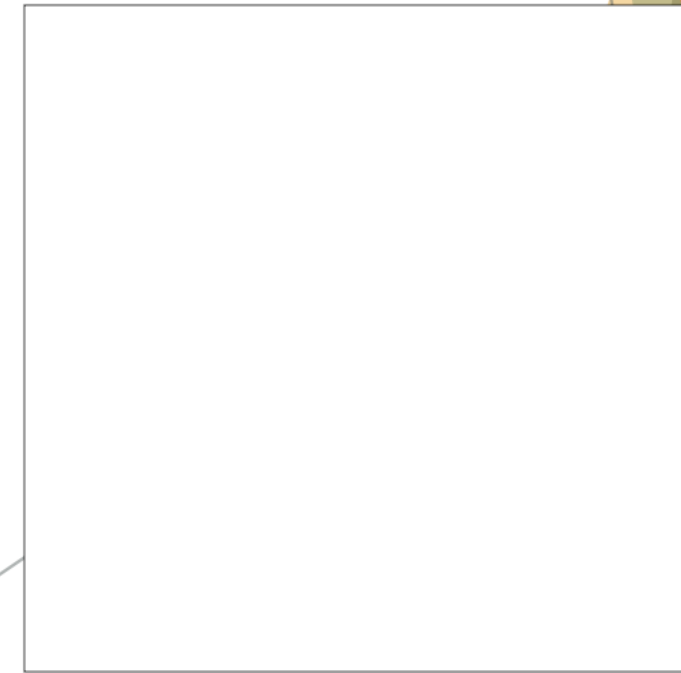
• **Psychographic segmentation**

Division of a population into groups that have similar psychological characteristics, values, and lifestyles.

- Strivers
- Devouts
- Introvert
- Extravert
- Fun seekers
- Creatives
- Kpopper

USING PSYCHOGRAPHIC SEGMENTATION

- Can help marketers more effectively create goods and services for a target market.
- Generally acts as a good supplement to geographic and demographic segmenting.



- **Product-related segmentation** Division of a population into homogeneous groups based on their relationships to the product
 - Segmenting by benefits sought
 - Segmenting by usage rates
 - Segmenting by brand loyalty

Target market Group of people to whom a firm decides to direct its marketing efforts and ultimately its goods and services.



Target marketing questions

- First, how well are existing segments served by *other* manufacturers?
- Secondly, how large is the segment, and how can we expect it to grow?
- Thirdly, do we have strengths as a company that will help us appeal particularly to one group of consumers?

