

Segmentation and Consumer Profiling

- As marketers and business people, we will sell our products to whomever will buy it

Ie:

- _____
- _____

Yet these aren't our "most likely customers".....we need to optimize our marketing dollar....let's get the " _____ "

- Everyone has unique physical features, personality, values, beliefs, geographic location and history
- These differences are demonstrated by the daily decisions and behaviors these different people do
- As a marketer, the more we know about our potential customers, the better we are _____
- Marketers therefore create " _____ " of the kind of people most likely to be attracted to a specific product
- Each identified group of consumers with _____ is called a "consumer segment" which is accomplished through the process of "segmentation"
- Once identified, marketers will focus their efforts on trying to _____ these segments
- For some products, there may only be one segment....for others there may be multiple segments
- Examples:
 - One segment: _____
 - Multiple segments: _____

Let's look at how this is done.....

- Categorizing potential consumers in this way enables marketers to direct their efforts toward a target market, _____

1. DEMOGRAPHICS

- The study of obvious _____.
- These characteristics include age, gender, family life cycle, income level and ethnicity and culture
- Each characteristic is then subdivided into variables or ranges

Let's look at each of the main variables.....

A. AGE

- Depending on the market, people are grouped into various groups
- Stats Canada divides the population as such:

- _____, marketers need to determine the age group that will most likely purchase their product

B. GENDER

- The classification of the population into either _____
- Marketers must determine whether the target market for their product or service is mainly male, female or both and _____
- Ie:
 - Male – _____
 - Female – _____
 - Both – _____

C. FAMILY LIFE CYCLE

- A consumer's stage in the family life cycle determines many of his or her wants, needs and purchasing patterns
- Businesses use this demographic to determine who buys what for whom
- Ie:
 - New Family – _____
 - Older Family – _____

Examples of Family Life Cycle Stages

- Single
- Married (no children)
- Family (young children)
- Family (older children)
- Empty Nesters (children left)
- Retirees

D. Income Level

- Grouped by how much money the _____
- Allows marketers to determine how many consumers can afford their product / service
- In Canada, the average gross family income (before taxes) in 2008 is _____
- Based upon these statistics, marketers can generally define the Canadian population into the following income segments:
 - _____ (\$ 150,000 +)
 - _____ (\$ 50,000 - \$150,000)
 - _____ (\$ 50,000 or less)

E. Ethnicity & Culture

- It is vital for a marketer to understand the _____
- Marketers must design their marketing strategy to appeal to their target market, yet make sure they _____
- Ie... Wedding Gowns
 - In our western culture, _____ is the norm
 - In China, _____
- Understanding our target market's culture is essential to marketing success

2. PSYCHOGRAPHICS

- A system of measuring consumers' _____.
- A way of profiling consumers on the way they “_____”...
- IE:
 - Religious beliefs, lifestyle, musical tastes, attitudes, etc.
- They are much _____, yet they are vital in creating an effective customer profile

3. GEOGRAPHICS

- A system of measuring “_____” consumers live
- Do your customers live:
 - in a rural / urban / suburban area?
 - Do they live in “pockets” or concentrations in certain places?

IE:

- tractors – _____
- Indian Cuisine – _____
- Toronto Raptors – _____

What is the target consumer for People magazine?

Profile Category	Profile Group	Targeted Consumer
Demographics	Age	_____
	Gender	_____
	Income	_____
	Family Life Cycle	_____
	Culture	_____
Psychographics	Lifestyle/Values	_____
Geographics	Country/City	_____

- A business will obviously sell their product to whomever they can, yet they need to _____
- However, if a marketer is able to effectively profile their target market, they can then begin to create a marketing plan that focuses on that “target”
- Although this doesn’t guarantee business success, your chances are much _____