



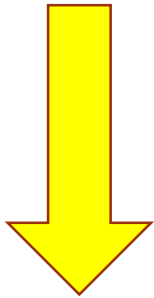
# SEGMENTING

## MK 312 Marketing Planning

PART 2

By Ajarn Suwalya K.  
Online Lesson October 15, 2020

# How do you Segment the Market?





## Market segmentation criteria

### Geographic

- Countries
- Nations
- States
- Regions
- Cities
- Neighbourhoods

### Demographic

- Age
- Gender
- Sex
- Family
- Role in the family
- Education
- Occupation: job title
- Industry
- Income

### Psychographic

- Lifestyle
- Social Class
- Personality: Logic vs. emotional

### Purchasing and online Behaviour

- Knowledge of your product
- User status: engaged, loyal, at risk, lost
- Usage rate
- Benefits sought / problems solved
- Occasions
- Loyalty
- Attitude
- Digital sharing – see below
- Other media they consume
- Communication channels they prefer
- Influencer or influenced
- Early adopter or not

### More e-commerce specific criteria

- |  |  |  |   |
|--|--|--|---|
| <ul style="list-style-type: none"><li>• Customer's spending behaviour across product categories</li><li>• Recency, frequency and monetary value of purchases</li></ul> | <ul style="list-style-type: none"><li>• Purchase variety: level of category and product diversification in purchases</li><li>• Basket stickiness: abandoned cart vs. purchase and return later</li></ul> | <ul style="list-style-type: none"><li>• Customer's responsiveness to different campaign offers</li><li>• Customer's visit behaviour</li><li>• Customer's device preference</li><li>• Recency, frequency and duration of visits</li></ul> | <ul style="list-style-type: none"><li>• Visit timing</li><li>• Visit variety: customer's browsing behaviour across product category</li><li>• Anonymous or registered</li></ul> |
|--|--|--|---|

# Geographic

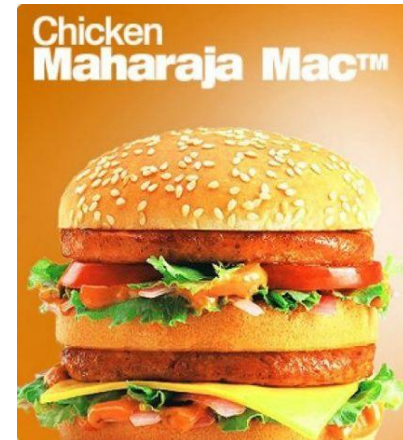
- Countries
- Nations
- States
- Regions
- Cities
- Neighbourhoods





# Vegetarian McDonald's Opening in India

video from SourceFed (Opened 2 restaurants in 2013)



# McDonald's Menu in Thailand

The image shows the homepage of the McDonald's website in Thailand. At the top left is the McDonald's logo with the slogan "i'm lovin' it". A search bar is located at the top right. The main banner features a large image of "Crispy Chicken" (หมูทอด) with the text "Welcome to McDonald's like you've never seen it before" and Thai text: "หมูทอดชิ้นใหญ่ชิ้นเดียว 1711 บาท พร้อมเครื่องดื่มและขนมปังกรอบ". Below this, there are social media icons for Facebook and Twitter. To the right, a photo shows two women at a counter, with a navigation bar below it containing buttons numbered 1 to 5. Further down, a red box highlights "McDelivery 1711 บาท สั่งได้ 24 ชม." and another box says "McCafe Visit our new store at CENTRAL PATTAYA FESTIVAL". The bottom section includes an "e-newsletter registration" form, a "What's Up?" section with three bullet points, a "Sunny" promotion, a "McDonald's Krink" promotion, and a large "open 24 hours" banner with a sun icon. On the far right, there is a "TOT Wi-Fi" logo. The footer contains copyright information: "© 2011 McThailand Company Limited | Terms & Conditions | Privacy Policy | SEO By Goalworks".

# McDonald's Menu in Singapore



# McDonald's Menu in Vietnam



**ĐỪNG QUÊN ĂN SÁNG**

ành McMuffin™  
ôp-la & dưa leo  
**20.000đ**

Thêm  
cà phê sữa đá  
**+ 10.000đ**

áp dụng: 8h - 11h Sáng

The advertisement features a bright blue background with a stylized sun and clouds. In the center, a McMuffin sandwich with a fried egg, cucumber, and cheese is shown next to a McCafé iced coffee. The McDonald's logo is visible in the top right corner.

# Demographic

- Age
- Gender
- Sex
- Family
- Role in the family
- Education
- Occupation: job title
- Industry
- Income



# Gender



## Shampoo brands | Unilever

DOVE	SUNSILK	CLEAR
Morden woman 25+ YO A+	Traditional-oriented girls (with long black hair) 18 - 24 YO AB	Female 18 - 24 YO AB
For damage hair due to enviromental and personal impacts	For rough and dry hair	For dandruff troubles



# Social Class

<b>Social class grading</b>	<b>Occupation</b>
A	Higher managerial
B	Intermediate management
C1	Supervisory/lower management
C2	Skilled manual
D	Semi-skilled/unskilled
E	Lowest levels of subsistence, e.g. pensioners (with no supplementary income)

**TABLE 6.2** Social class/occupation

# Family Life Cycle (FLC)



# Family Life Cycle (FLC)

Stage	Financial circumstances and purchasing characteristics
<i>Bachelor</i>	
Young, single, not living at parental home	Few financial burdens, recreation-oriented; holidays, entertainments outside home
<i>Newlywed</i>	
Young couples, no children	Better off financially, two incomes; purchase home, some consumer durables
<i>Full nest I</i>	
Youngest child under 6	Home purchasing peak; increasing financial pressures, may have only one income earner; purchase of household 'necessities'
<i>Full nest II</i>	
Youngest child over 6	Financial position improving; some working spouses
<i>Full nest III</i>	
Older married couples with dependent children	Financial position better still; update household products and furnishings
<i>Empty nest I</i>	
Older married couple, no children at home	Home ownership peak; renewed interest in travel and leisure activities; buy luxuries
<i>Empty nest II</i>	
Older couples, no children at home, retired	Drastic cut in income; medical services bought
<i>Solitary survivor</i>	
Still in labour force	Income good, but likely to sell home
<i>Solitary survivor</i>	
Retired	Special needs for medical care, affection and security

**TABLE 6.1** Stages of the family life cycle

# Generation

BABY BOOMER

GEN X

GEN Y

GEN Z



# What identifies each generation?



- Critical and selective
- Digital natives
- Self-taught online

- Culture of interactivity
- Keen on labor mobility
- Highly aware and vocal about social issues

- Open-minded regarding diversity
- World citizens
- Competitive

- Great dedication to work
- Ability to forge a career
- Commitment

- Extensive experience
- Loyalty to the company
- Appreciate sacrifice

# 8 GENERATION

**LOST**  
GENERATION

**GREATEST**  
GENERATION

**SILENT**  
GENERATION

**BABY**  
**BOOMER**  
GENERATION

**GEN X**

**GEN Y**

**GEN Z**

**GEN C**

พ.ศ. 2426-2443

พ.ศ. 2444-2467

พ.ศ. 2468-2488

พ.ศ. 2489-2507

พ.ศ. 2508-2522

พ.ศ. 2523-2540

ตั้งแต่ พ.ศ. 2541

เมื่อรวมทุกคุณสมบัติแล้ว



- ยุคสงครามโลกครั้งที่ 1
- ปัจจุบันกลุ่มนี้เสียชีวิตหมดแล้ว



- ยุคก่อนสงครามโลกครั้งที่ 2



- ยุคสงครามโลกครั้งที่ 2
- ยุคเศรษฐกิจตกต่ำ
- เครื่องคิดต่อระเบียบ
- ผู้หญิงเริ่มออกมาทำงานนอกบ้านมากขึ้น



- ยุคหลังสงครามโลกครั้งที่ 2
- ยุคขาดแรงงานจึงนิยมมีลูกหลานมาก ๆ
- เป็นพวกอนุรักษ์นิยม
- เป็นคนที่มีชีวิตเพื่อทำงาน ประหยัด อวดอ้อม



- ยุคที่โลกมั่งคั่ง
- ให้ความสำคัญกับความสมดุลระหว่างงานกับครอบครัว
- มีความคิดสร้างสรรค์
- ไม่ได้ยึดติดกับขนบธรรมเนียมประเพณี



- อินเทอร์เน็ตเข้ามามีบทบาทในชีวิตประจำวัน
- มีความเป็นตัวของตัวเองสูง
- เป็นคนมองโลกในแง่ดี แต่ไม่มีความอดทน






















- ยุคที่พ่อแม่ออกไปทำงานทั้งคู่
- เติบโตมากับเทคโนโลยี
- เรียนรู้อะไรใหม่ๆ ได้เร็ว



- Baby Boomer และ Gen X ที่ปรับเปลี่ยนพฤติกรรมหันมาสนใจเทคโนโลยีมากขึ้น
- เชื่อมต่อและอัปเดตข้อมูลในโลกโซเชียลตลอดเวลา
- ติดตามดารา! Youtube!

# Generation

Chart 1: An overview of the working generations

Characteristics	Maturists (pre-1945)	Baby Boomers (1945-1960)	Generation X (1961-1980)	Generation Y (1981-1995)	Generation Z (Born after 1995)
Formative experiences	Second World War Rationing Fixed-gender roles Rock 'n' Roll Nuclear families Defined gender roles — particularly for women	Cold War Post-War boom "Swinging Sixties" Apollo Moon landings Youth culture Woodstock Family-orientated Rise of the teenager	End of Cold War Fall of Berlin Wall Reagan / Corbachev Thatcherism Live Aid Introduction of first PC Early mobile technology Latch-key kids; rising levels of divorce	W/TI terrorist attacks Playstation Social media Invasion of Iraq Reality TV Google Earth Glastonbury	Economic downturn Global warming Global focus Mobile devices Energy crisis Arab Spring Produce own media Cloud computing Wiki-leaks
Percentage in U.K. workforce*	3%	33%	35%	29%	Currently employed in either part-time jobs or new apprenticeships
Aspiration	Home ownership	Job security	Work-life balance	Freedom and flexibility	Security and stability
Attitude toward technology	Largely disengaged	Early information technology (IT) adaptors	Digital immigrants	Digital Natives	"Technoholics" — entirely dependent on IT; limited grasp of alternatives
Attitude toward career	Jobs are for life	Organisational — careers are defined by employers	Early "portfolio" careers — loyal to profession, not necessarily to employer	Digital entrepreneurs — work "with" organisations not "for"	Career multitaskers — will move seamlessly between organisations and "pop-up" businesses
Signature product	 Automobile	 Television	 Personal Computer	 Tablet/Smart Phone	Google glass, graphene, nano-computing, 3-D printing, driverless cars
Communication media	 Formal letter	 Telephone	 E-mail and text message	 Text or social media	 Hand-held (or integrated into clothing) communication devices
Communication preference	 Face-to-face	 Face-to-face ideally, but telephone or e-mail if required	 Text messaging or e-mail	 Online and mobile (text messaging)	 Facetime
Preference when making financial decisions	 Face-to-face meetings	 Face-to-face ideally, but increasingly will go online	 Online — would prefer face-to-face if time permitting	 Face-to-face	 Solutions will be digitally crowd-sourced

\*Percentages are approximate at the time of publication.



Clinic ๘๘๓๖๖ 001 ชนะใจผู้ม่งหวัง กลุ่ม Gen-Y

897 views

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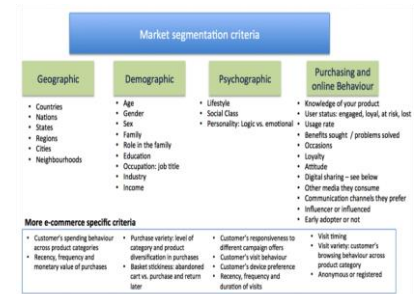
Giffarine Channel

20,139 subscribers



# Psychographic

- Lifestyle
- Social Class
- Personality: Logic vs. emotional



# Lifestyle



# SRI Consulting Business Intelligence

Bringing Futures into Focus

Search  
Advanced Search

Research Programs Consulting Services What's New? About SRIC-BI Contact Us Search

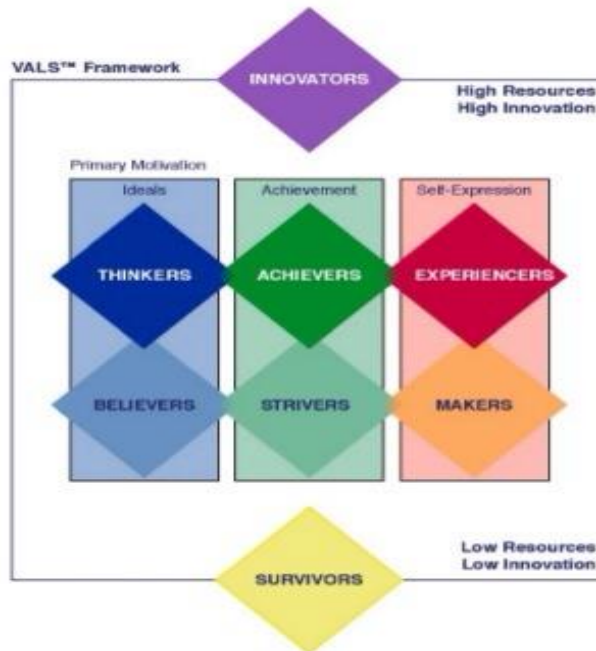
VALS

- Welcome to VALS™
- The VALS™ Types
- More about VALS™
- Program Brochures
- VALS™ Survey
- Survey Help / VALS™ FAQ
- Publications



## The VALS™ Segments

VALS™ places U.S. adult consumers into one of eight segments based on their responses to the VALS questionnaire. The main dimensions of the segmentation framework are **primary motivation** (the horizontal dimension) and **resources** (the vertical dimension).



### Descriptions of the VALS types:

- Innovators
- Thinkers
- Achievers
- Experiencers
- Believers
- Strivers
- Makers
- Survivors

### Additional info:

- How individuals relate to a "VALS type."
- What do we mean by *primary motivation* and *resources*?
- What's your VALS type? Take the survey to find out!
- Getting permission to use The VALS Framework (or other VALS info) in your own publication.

### Innovators

These consumers have abundant resources and high self-esteem. Innovators are successful, sophisticated consumers who have a taste for upscale, innovative, and specialized goods and services. Innovators are concerned about image as an expression of self, but not as an expression of status or power.

*Example products:* fine wines, upscale home furnishings, lawn maintenance services, recent technology, luxury automobiles

### Thinkers

Thinkers are well-educated consumers who value order, knowledge, and responsibility. These consumers like to be as well informed about the products they buy as they are about world and national events. Although Thinkers have resources that give them many choices or options, they tend to be conservative consumers who look for practicality, durability, functionality, and value.

*Example products:* news and information services, low-emission vehicles, conservative homes and home furnishings

### Achievers

The lifestyle of an Achiever is focused and structured around family, a place of worship, and career. Achievers are conventional, conservative, and respect authority and the status quo. These individuals are very active consumers who desire established, prestigious products and services that demonstrate their success. Achievers lead busy lives; hence, they value products that can save them time and effort.

*Example products:* SUVs, family vacations, products that promote career enhancement, online shopping, swimming pools

### Experiencers

Experiencers are young, enthusiastic, and impulsive consumers who are motivated by self-expression. These consumers emphasize variety, excitement, the offbeat, and the risky. Experiencers enjoy looking good and buying "cool" products.

*Example products:* fashion, entertainment, sports/exercise, outdoor recreation and social activities

### Believers

Believers are conservative, conventional consumers who hold steadfast beliefs based on traditional values related to family, religion, community, and patriotism. These consumers are predictable in that they follow established routines centered on family, community, or organizational membership. Believers prefer familiar and well-known American brands and tend to be very loyal customers.

*Example products:* membership in social, religious, or fraternal organizations; American made products; charitable organizations

### Strivers

Strivers are motivated by achievement, yet they lack the resources to meet all their desires. As a group, Strivers are trendy, fun loving, and concerned with the opinions and approval of others. These consumers see shopping as a social activity and an opportunity to demonstrate their purchasing power up to the limits imposed by their financial situations. Most Strivers think of themselves as having jobs rather than careers.

*Example products:* stylish products, impulse items, credit cards, designer "knock-offs," shopping as entertainment

(continued)

# VALS

### Makers

Makers, like Experiencers, are motivated by self-expression. However, these consumers experience the world by engaging in many do-it-yourself activities such as repairing their own cars, building houses, or growing and canning their own vegetables. Makers are practical consumers who value self-sufficiency and have the skills to back it up. Makers are also unimpressed by material possessions, new ideas, or big business. They live traditional lives and prefer to buy basic items.

*Example products:* Auto parts, home-improvement supplies, gardening supplies, sewing supplies, discount retailers

### Survivors

Survivors live narrowly focused lives and have few resources with which to cope. They are primarily concerned with safety, security, and meeting needs rather than fulfilling wants. As a group, Survivors are cautious consumers who represent a fairly small market for most products. They are loyal to favorite brands, especially if they can buy them on sale.

*Example products:* Basic necessities and staples; old, established brands

Source: Strategic Business Insights, <http://www.strategicbusinessinsights.com/vals/ustypes.shtml>.

# Luxury Lifestyle



# Healthy Lifestyle



# Sporty Lifestyle



# Party Lifestyle



# Personality...Attitude

## Segment

### Psychographic segmentation:

Dove aims to create a psychology in women where 'beauty' incorporates all ages, body shapes and sizes.

'You are beautiful the way you are' is the message Dove promotes and wants every woman to believe.



# 11 Lifestage Groups



# Sunsilk Example of Segmenting



# Sunsilk

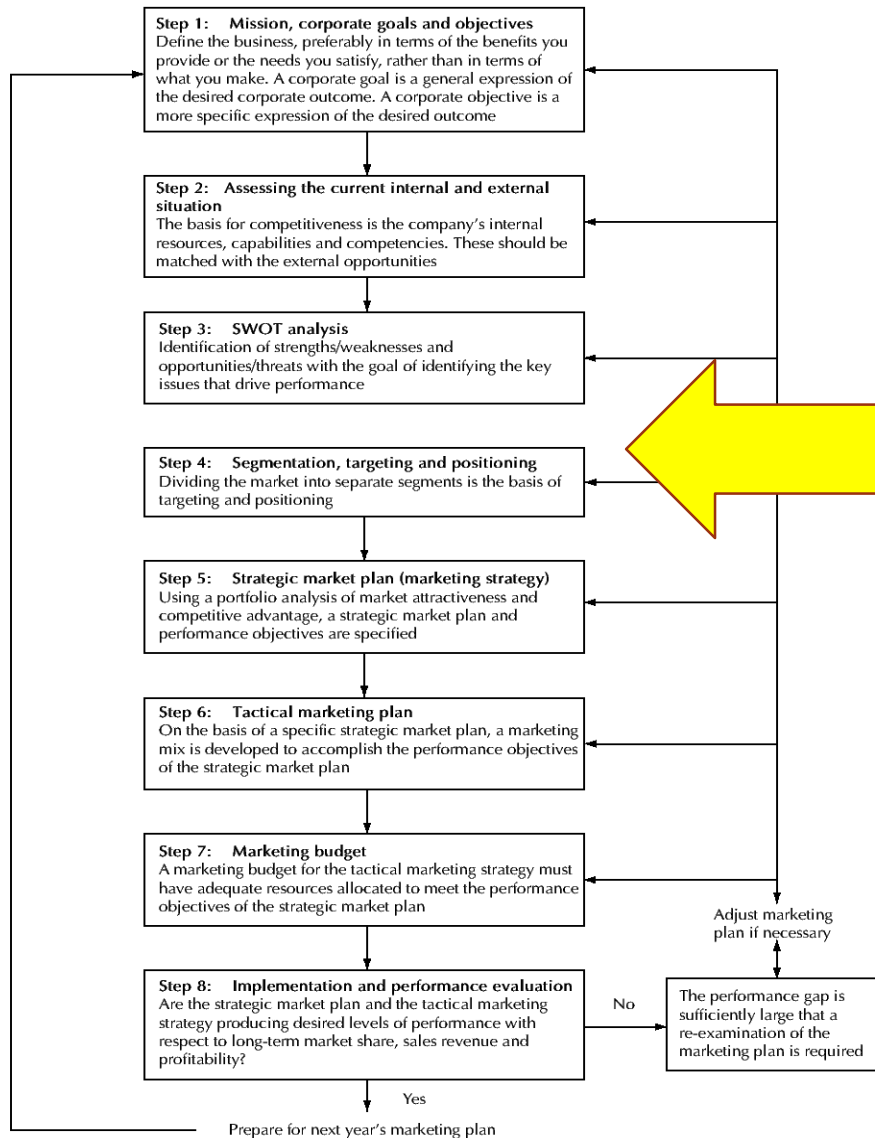


**Sunsilk** is a hair care brand, primarily aimed at women, produced by the **Unilever** group, which is now considered the world's leading company and brand in hair conditioning and the second largest in shampoo. Sunsilk is Unilever's leading hair care brand, and ranks as one of the "billion dollar brands". Sunsilk shampoos, conditioners and other hair care related products are sold in 69 countries worldwide.





**FIGURE 1.1: The stages of building a marketing plan**



**Figure 1.1: The stages of building a marketing plan**

# Market research is crucial to answer marketers' questions

Who will be main target group for fruit juice product?

How frequent they will buy?

Which sizing consumer will buy? At which price range?



Which shelf level/position that consumers will see first?

Will our new product be noticed? Is our packaging attractive enough?

Are they willing to try new product?

# SWOT



<b>STRENGTHS</b>	<b>WEAKNESSES</b>
<ul style="list-style-type: none"><li>• Strong portfolio</li><li>• Successful restructure</li><li>• Global brand strategy</li><li>• Geographic and sectoral diversity</li><li>• Market leading positions</li><li>• Brand development and marketing</li><li>• Quicker product development</li><li>• Focus on mass market</li><li>• More efficient operational structure</li></ul>	<ul style="list-style-type: none"><li>❖ Lack of industry focus</li><li>❖ Absence from premium market</li><li>❖ Lack of major patent</li><li>❖ Fragmentary sectoral involvement</li><li>❖ Non-core brands risk neglect</li></ul>
<b>OPPORTUNITIES</b>	<b>THREATS</b>
<ul style="list-style-type: none"><li>❖ Widening consumer base</li><li>❖ Presence in dynamic product sectors</li><li>❖ Products for an ageing population</li><li>❖ Stronger, focused hair care portfolio</li><li>❖ Demand for mass-market products</li><li>❖ Potential of developing markets</li><li>❖ Building on brand equity</li></ul>	<ul style="list-style-type: none"><li>❖ Intensifying competition</li><li>❖ Industry consolidation</li><li>❖ Private label products</li><li>❖ Stagnation in North American region</li><li>❖ Retailing changes pressurize margins</li><li>❖ Niche brands gain favor</li><li>❖ Negative publicity</li></ul>

# MARKET GROWTH ANALYSIS



GROWTH RATE	SEGMENT/ SECTOR
EXCELLENT GROWTH >20%	Deodorant 41.5% (40%), Anti-ageing cream 30.5% (30%), Tooth paste 22% (20%), Skin and fairness cream 18% (16%), Men's Fairness product 32% (32%), Hair colorants/dyes 22% (21%), Cleaners and repellents 23% (22%), Feminine hygiene 22% (20%), Baby diapers 21% (20)% and Dish wash 27% (26%)
HIGH GROWTH 10-20%	Detergent powder 16% (15%), washing cakes 13% (13%), toilet soaps 16% (15%), tooth brush 13% (13%), fairness cream 18% (16%), men's hair grooming and styling 20% (18%), branded coconut oil 10% (10%), shampoos 12% (9.8%), baby care 17% (17%) and skincare 15% (15%).
MODERATE GROWTH 0-10%	Toothpowder 1.8% (2%), Liquid soaps 7% (6%), Shaving products 8% (7%), and coconut oil 2% (2%)

Figures are acc. To CII survey, braket are for previous figures.

# Gender



## Shampoo brands | Unilever

DOVE	SUNSILK	CLEAR
Morden woman 25+ YO A+	Traditional-oriented girls (with long black hair) 18 - 24 YO AB	Female 18 - 24 YO AB
For damage hair due to enviromental and personal impacts	For rough and dry hair	For dandruff troubles





**WEIGHTY AND  
MANAGEABLE HAIR  
THAT ALWAYS  
GETS BACK  
INTO SHAPE.**



**ARGAN  
OIL**



# Behavioral segmentation

Behavioral segmentation is based on variables such as usage rate and patterns, price sensitivity, brand loyalty, and benefits sought.

Shampoo market is segmented on benefit platforms

- Cosmetic ( shine, health, strength )
- Anti - Dandruff
- Herbal





## ➤ Hair needs segmentation

- **Anti – Dandruff** – Head & Shoulder, Clinic All Clear, etc.
- **Colour Care** – Dove Color Care, Loreal Paris Color Protect, etc.
- **Repair and Nourishment** – Dove Intensive Repair, etc.
- **Hairfall** – Tresemme Hair Fall Defence, Sunsilk Hair Fall Solution, etc.
- **Shine** – Sunsilk Black Shine, Nyle, etc.
- **Anti Frizz** – Loreal Paris Nutri Sleek,, Dove Frizz Control Shampoo, etc.
- **Volumizing** – Dove Volume Boost, Loreal Paris Volume Collagen, etc.
- **Smooth** – Tresemme Keratin Smooth, Panteen Silky Smooth, etc.
- **Climate Control** – Dryness – Dove Dryness Care, Dove Heat Defence, etc.
- **Straight Hair** – Sunsilk Perfect Straight, etc.



## Sunsilk Conditioner from Thailand

19,079 views

👍 42    💬 2    ➦



 **Jm Jocson**  
38 subscribers

 **Subscribe**



## Sunsilk 'Hair Talk' - J. Walter Thompson Bangkok

27,617 views



**J. Walter Thompson Asia Pacific**

209 subscribers



## COMMON SEGMENTATION VARIABLES USED IN CONSUMER MARKETS

Category	Variables	Examples
Behavioral segmentation	Benefits sought	Quality, value, taste, image enhancement, beauty, sportiness, speed, excitement, entertainment, nutrition, convenience
	Product usage	Heavy, medium, and light users; nonusers; former users; first-time users
	Occasions or situations	Emergencies, celebrations, birthdays, anniversaries, weddings, births, funerals, graduation
	Price sensitivity	Price sensitive, value conscious, status conscious (not price sensitive)
Demographic segmentation	Age	Newborns, 0-5, 6-12, 13-17, 18-25, 26-34, 35-49, 50-64, 65+
	Gender	Male, female
	Income	Under \$15,000, \$15,000-\$30,000, \$30,000-\$50,000, \$50,000-\$75,000, \$75,000-\$100,000, over \$100,000
	Occupation	Blue collar, white collar, technical, professional, managers, laborers, retired, homemakers, unemployed
	Education	High school graduate, some college, college graduate, graduate degree
	Family life cycle	Single, married no children, married with young children, married with teenage children, married with grown children, divorced, widowed
	Generation	Generation Y, Generation X, baby boomers, seniors
	Ethnicity	Caucasian, African American, Hispanic, Asian
	Religion	Protestant, Catholic, Muslim, Hindu
	Nationality	American, European, Japanese, Australian, Korean
Psychographic segmentation	Social class	Upper class, middle class, lower class, working class, poverty level
	Personality	Outgoing, shy, compulsive, individualistic, materialistic, civic minded, anxious, controlled, venturesome
	Lifestyle	Outdoor enthusiast, sports-minded, homebody, couch potato, family-centered, workaholic
Geographic segmentation	Motives	Safety, status, relaxation, convenience
	Regional	Northeast, Southeast, Midwest, New England, Southern France, South Africa
	City/county size	Under 50,000; 50,000-100,000; 100,000-250,000; 250,000-500,000; 500,000-1,000,000, over 1,000,000
	Population density	Urban, suburban, rural

**EXHIBIT 6.4**
**BENEFIT SEGMENTATION OF THE SNACK FOOD MARKET**

	Nutritional Snackers	Weight Watchers	GUILTY Snackers	Party Snackers	Indiscriminant Snackers	Economical Snackers
<b>Benefits Sought</b>	Nutritious, all-natural ingredients	Low calorie, quick energy	Low calorie, good tasting	Can be served to guests, goes well with beverages	Good tasting, satisfies hunger cravings	Low price, best value
<b>Types of Snacks Eaten</b>	Fruits, vegetables, cheeses	Yogurt, vegetables	Yogurt, cookies, crackers, candy	Potato chips, nuts, crackers, pretzels	Candy, ice cream, cookies, potato chips, pretzels, popcorn	No specific products
<b>Snack Consumption Level</b>	Light	Light	Heavy	Average	Heavy	Average
<b>Percentage of Snackers</b>	23%	15%	10%	16%	16%	19%
<b>Demographic Characteristics</b>	Better educated, have young children	Younger, single	Less educated, lower incomes	Middle aged, suburban	Teens	Better educated, larger families
<b>Psychographic Characteristics</b>	Self-assured, controlled	Outdoorsy, influential, venturesome	Anxious, isolated	Sociable, outgoing	Hedonistic, time deprived	Self-assured, price sensitive

Source: Adapted from Charles W. Lamb, Jr., Joseph F. Hair, Jr., and Carl McDaniel, *Marketing* 7th ed. (Mason, OH: South-Western, 2004), p. 224.

# Effective Segmentation Criteria



Measurable

- Size, purchasing power, profiles of segments can be measured.

Accessible

- Segments can be effectively reached and served.

Substantial

- Segments are large or profitable enough to serve.

Differential

- Segments must respond differently to different marketing mix elements & programs.

Actionable

- Effective programs can be designed to attract and serve the segments.