TYPES OF MARKET SEGMENTATION

GEOGRAPHIC

The most common form of market segmentation, wherein companies segment the market by attacking a restricted geographic area.

DISTRIBUTION

Different channels of distribution for different markets. i.e.: A company selling a product to mass retailers under one brand name, and to up-scale merchants under another brand name.

MEDIA

It is based on the fact that different media tend to reach different audiences. Media segmentation is most often practiced by companies that have some control over the media and can discourage competitors from using that media.

PRICE

Price segmentation is common and widely practiced. Variation in household incomes creates an opportunity for segmenting some markets along a price dimension. The automobile industry is an example.

DEMOGRAPHIC

Gender, age, income, housing type, and education level are common demographic variables. Demographic segmentation almost always plays some role in a segmentation strategy.

TIME

Time segmentation is less common, but can be highly effective. Some stores stay open later than others, or stay open on weekends. Some products are sold only at certain times of the year (e.g., Christmas cards, fireworks).

OCCASION BASED

People tend to behave differently, and think differently, at different times or occasions. For example, dietary habits and preferences vary by occasion: Friday night dinner is different from lunch during the week.

PSYCHOGRAPHIC

Lifestyle segmentation based upon multivariate analyses of consumer attitudes, values, behaviors, emotions, perceptions, beliefs, and interests.

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