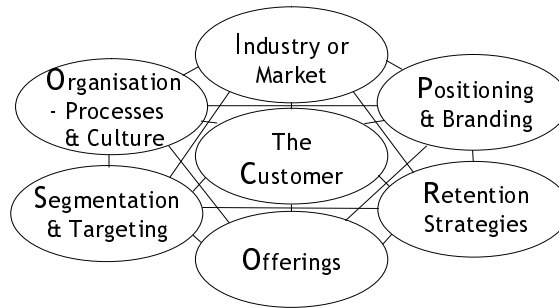


Scorpio market strategy

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Segmentation and Targeting

Market Segmentation or customer profiling is one of the basics of good marketing strategy. The 'mass market' is long dead and today one size no longer fits all! To compete effectively, segmentation is not a 'like-to-have' for marketers it is a 'must-have' tool.

It has been said that if the organisation isn't talking segments, it isn't talking markets (Levitt). Without an understanding of the different groupings of needs and wants in the marketplace no organisation can hope to have the clarity and depth of customer focus required to stay relevant.

There is no 'one way' of segmenting markets, it always depends on the sophistication of the market, the degree of competition and the ability of the organisation to market to more than one segment.

The strategic checklist for your organisation is:

1	What is the current state of segmentation in the organisation?	<i>No matter what it is called, how is the market 'broken up' currently?</i>
2	What do we want segmentation to do for our organisation?	<i>Don't get involved until you know what you want from the investment</i>
3	What segments exist in our target market?	<i>How are they different? Can you explain it simply?</i>
4	How durable are the segments identified?	<i>Why invest in them unless you know they will repay on the investment?</i>
5	How can we prioritise the segments for approach?	<i>Which order should we approach the segments? Everything at the same time is unlikely to succeed.</i>
6	Which segments should we target?	<i>Which segments should we ignore/avoid? There are always some customers that we will never make a profit from.</i>
7	How can we market to different segments?	<i>Without confusing the whole market with offers that just don't make sense to them (in that segment)</i>