

- personality types and traits

Behavior Segmentation

: a technique that divides consumers into segments on the basis of how they act toward, feel about or use a good or service

- a marketing rule of thumb: 20% of purchases account for 80% of a product's sales

variables

- user status (frequency - light, medium, heavy)
- usage rate (non-users, first time, regular, ex-user)
- benefits sought (high quality, cheap, convenience, superior image, delivery speed)
- usage occasions: when consumers use a product most
- loyalty (hard-core loyals, split, switching, switchers (no loyalty))

long tail: a new approach to segmentation based on the idea that companies can make money by selling small amounts of items that only a few people want, provided they sell enough different items

Segment B2B Markets

Organizational demographics

- size of firms (either in total sales or in number of employees)
- number of facilities
- whether they are a domestic or a multinational company
- their purchasing policies
- type of business they are in
- production technology they use
- whether the customer is a user or a nonuser of the product

Step 2: Targeting

Targeting: a strategy in which marketers evaluate the attractiveness of each potential segment and decide in which of these groups they will invest resources to try to turn them into customers: target market