

Separate your market into ideal target segments with the same wants, needs, priorities and background. This will help the business better target and convert customers into sales.

DON'T FORGET TO DISCARD THE GUIDANCE IN RED

A. Market Segmentation

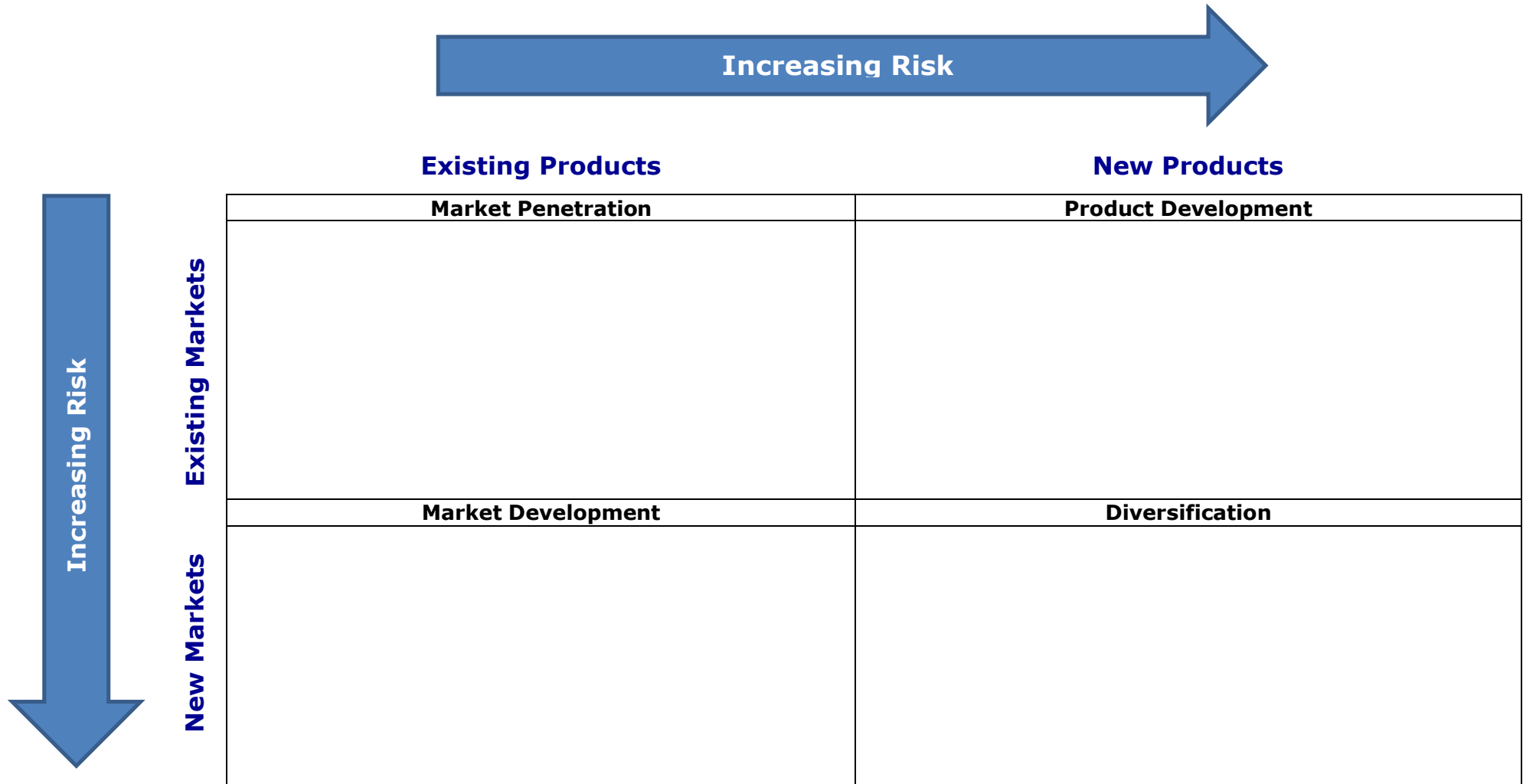
When analyzing and segmenting your market ensure that the market is:

1. **Accessible** – can you reach the market with efficient and cost-effective methods?
2. **Measureable** – can you estimate the market size and sub-segments/groups?
3. **Substantial** – is the market size large, sustainable, and stable enough to purchase the right quantity of products that is needed to justify the marketing spend?
4. **Viable** – can the customers within the market afford the products and will they understand its benefits?
5. **Actionable** – will the customers within the market actually purchase your products or react in the way that you expect to your marketing activities?

4 Traditional Methods	
Geographical	<ul style="list-style-type: none"> • <i>(Segment customers based on geography/ location to help determine where to sell products and services. In some industries such as fashion customers buy clothing for cold winters and warm summers – Examples: Country, Region, State, Language, Climate, or City etc.)</i> •
Demographics	<ul style="list-style-type: none"> • <i>(Segment based on demographics as customers often buy products due to demographics – Example: Typical age, Gender, Average annual income, Occupation, Relationship status, or Level of education etc.)</i> •
Psychographic	<ul style="list-style-type: none"> • <i>(Segment based on customer psychological habits or drive. In some industries such as automotive customers buy cars for child safety or status – Example: Lifestyle, Values, Interests, Opinions, or Personality Traits etc.)</i> •
Behaviors	<ul style="list-style-type: none"> • <i>(Segment based on customer behavioral decision-making or actions for why the buy and use the product. In some industries such as automotive younger customers buy and drive faster cars than older customers – Example: Consumption, Use, Lifestyle, or Purchase etc.)</i> •
Other methods the business may want to consider	
Product Differentiation	<ul style="list-style-type: none"> • <i>(Segment customers based on the types of products or services they buy. In some industries such as automotive customers buy 2 or more cars from the carmaker e.g. Toyota Aygo and Yaris – Example: Luxury, Cheap, or Product Range etc.)</i> •
Buying Habits	<ul style="list-style-type: none"> • <i>(Segment customers based on their buying habits. Due to technological advancements businesses can track customers previous purchases and use this to market products. In some industries such as online retail, firms such as Amazon or Netflix offer customers recommendations based on their previous history – Example: Previous purchase, Time of purchase, Items, Amount, or Price etc.)</i> •

B. Market Targeting

Use the below traditional Ansoff Matrix to prioritize and target your market based on what products the business sells. There are many other methods, however the Ansoff Matrix is simple, strategic and has been tried and tested consistently by companies.



[[Insert Company Website Link](#)]