

**SUAN SUNANDHA
RAJABHAT UNIVERSITY**



MARKET SEGMENTATION AND DEMOGRAPHIC ANALYSIS

KARDPAKORN NINAROON

Learning Content



Consumer Market



Business Market



Market Segmentation



Demographic Analysis

Consumer Market (B2C)

A market system where customers purchase goods and services for consumption or sharing with others, rather than for resale, characterized by purchasing decisions based primarily on personal preferences and emotions. In formulating marketing strategies, the focus is often on emotional engagement and mass communication.



Products sold in the consumer market

Convenience Goods

These are products that consumers regularly purchase at low prices. If the preferred or regularly used brand is unavailable, other brands can be used as substitutes.



Products sold in the consumer market

Shopping Goods

These are products that consumers seek out and compare regarding style, price, color, and size before making a purchase decision.



Products sold in the consumer market

Specialty Goods

These are products that consumers intend to purchase, where price is not a primary factor, but focus is often placed on the preferred brand or desired characteristics.



Products sold in the consumer market

Unsought Goods

These are products that consumers are unaware of, have never thought of buying, or do not realize they have a need for, until an event occurs that highlights their importance, or a seller presents their necessity and benefits, leading to a purchase decision.





Business Market (B2B)

A market system where customers are businesses that purchase goods or services for further production, resale, or use in business operations, emphasizing high-volume and high-value transactions involving multiple decision-makers and processes more complex than a typical consumer market.

Products sold in the business market

Raw Materials

Products that occur naturally or result from agriculture.



Products sold in the business market

Fabricating Materials and Parts

Industrial products that are components for finished products; assembly materials will become part of the product.



Products sold in the business market

Installations

Capital goods are important in the production process, having a long lifespan and high value.



Products sold in the business market

Accessory Equipment

Tools used in operating production activities, but unrelated to the production process.



Products sold in the business market

Service

Entities that facilitate or support business operations.



Comparison: Consumer Market VS Business Market



Consumer Market

ผู้บริโภคทั่วไป	ลูกค้า	องค์กร, บริษัท
เครื่องใช้อุปโภค บริโภค	ประเภทสินค้า	เครื่องจักร ระบบต่างๆ ที่ใช้ในองค์กร
เพื่อความพอใจส่วนบุคคล	ความต้องการ	เพื่อใช้ประโยชน์หรือการพัฒนาขององค์กร
ผู้ซื้อสามารถตัดสินใจได้ด้วยตัวเอง	ขั้นตอนการซื้อ	มีความซับซ้อน ต้องตัดสินใจหลายฝ่าย
ขึ้นอยู่กับอารมณ์ ส่วนใหญ่ใช้เวลาสั้นๆ	การตัดสินใจ	วางแผนอย่างเป็นระบบตามความต้องการ
โฆษณาและโปรโมชั่น	วิธีการดึงดูด	ความน่าเชื่อถือของผู้ขาย
ความสัมพันธ์ระยะสั้น (ส่วนใหญ่ซื้อแล้วซื้อเลย)	ความสัมพันธ์	ความสัมพันธ์ระยะยาว (ดูแลซ่อมบำรุง หรือดูแลตลอดอายุสินค้า)



Business Market

Market Segmentation

Refers to the process of dividing a large and extensive customer base or market into smaller subgroups, defined by similar characteristics, needs, or behaviors, which enables businesses to customize products, services, and marketing strategies to meet the needs of each group more effectively.



Levels of Market Segmentation



Mass Marketing

It is the broadest strategy, focusing on the overall market as a whole, assuming that all consumers have similar basic needs without subgroup differentiation. It involves producing a single type of product and attempting to distribute it as extensively as possible.



Segment Marketing

It is a level that begins dividing the large market into subgroups based on various criteria, where the company selects specific target groups and designs products or marketing strategies suitable for those groups.



Niche Marketing

It focuses on an even narrower group of customers within an existing segment, who usually have highly specific needs and are often overlooked by major competitors in the market.



Micro Marketing

It is the most detailed level, focusing on any specific individual customer by utilizing new technologies.

Examples: Levels of Market Segmentation

Mass Marketing



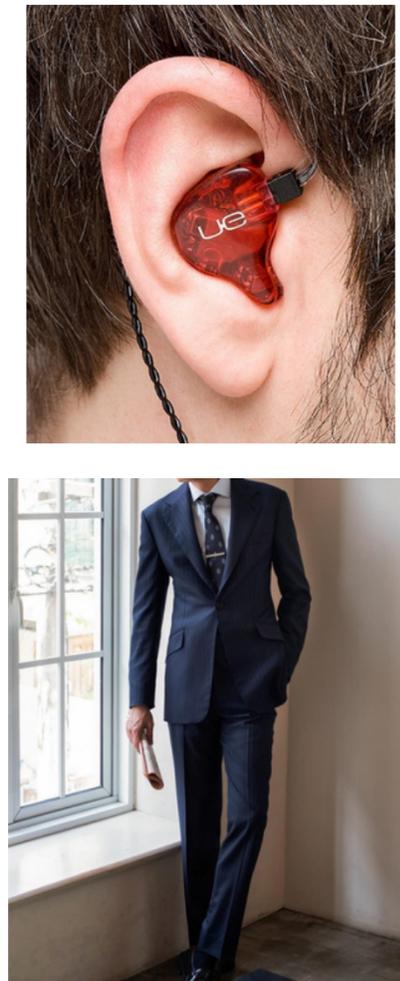
Segment Marketing



Niche Marketing



Micro Marketing





Benefits of Market Segmentation

- **Respond to customer needs**

Each customer has different needs, preferences, and expectations. Market segmentation helps businesses understand these differences and enables the improvement of products, services, and marketing messages to meet the needs of each group.

- **Increase marketing efficiency**

Market segmentation helps businesses utilize marketing resources more efficiently, rather than attempting to reach everyone with the same marketing message.



Benefits of Market Segmentation

- **Create competitive advantage**

Understanding different customer needs enables businesses to develop unique products, services, or marketing messages that meet the requirements of specific customer groups.

- **Identify new market opportunities**

Market segmentation helps businesses understand different customer needs. Businesses may discover customer groups that are not yet adequately served and can develop new products or services to meet those needs.

Market Segmentation Process

1. Analyze market and customers

Collect data regarding current customer situations and the overall market to identify market trends and opportunities.

2. Identify segmentation bases

Consider and select bases appropriate for the business and categorize customers into subgroups, ensuring they have meaningful, similar characteristics and behaviors.

3. Develop target customer segments

Use the collected data to create detailed customer personas representing each customer group, including names, descriptions, motivations, and purchasing behaviors.

4. Develop marketing strategies

Develop, test, and refine new marketing strategies by taking those target customer groups into account.



Bases for Segmenting Consumer Markets



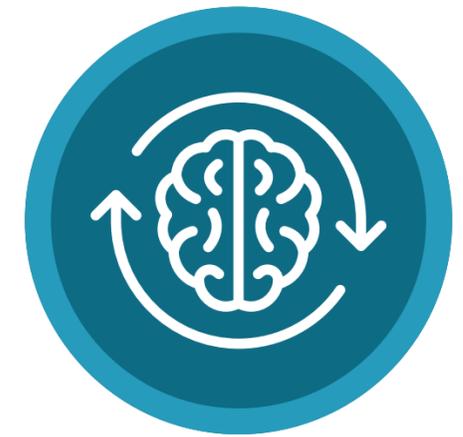
Demographic Based



Geographic Based



Behavior Based



Psychographic Based

Bases for Segmenting Consumer Markets



Demographic Based

It is the most relevant primary basis for segmenting markets and is also the easiest and most convenient basis to implement. Since this basis is directly related to every customer and is the most easily observable, it significantly impacts varying customer purchasing behaviors.

Examples of Demographic Bases: Age, Gender, Income, Education, Religion, Nationality, Family Size, Occupation, Marital Status

Bases for Segmenting Consumer Markets

Examples of Demographic Bases: Age, Gender, Income, Education, Religion, Nationality, Family Size, Occupation, Marital Status

เกณฑ์ด้านประชากรศาสตร์	
อายุ	ต่ำกว่า 15ปี , 15-20 ปี, 21-25 ปี, 26-30 ปี, 30-35 ปี, 36-40 ปี, 41-45 ปี, มากกว่า 45 ปี
เพศ	ชาย หญิง เพศที่สาม
รายได้	ต่ำกว่า 10,000 บาท 10,001-15,000 บาท, 15,001-20,000 บาท, 20,001-25,000 บาท, มากกว่า 25,000 บาท
การศึกษา	ต่ำกว่ามัธยมศึกษาตอนปลาย, มัธยมศึกษาตอนปลายหรือเทียบเท่า, อนุปริญญาหรือเทียบเท่า ปริญญาตรี และสูงกว่าปริญญาตรี
ศาสนา	พุทธ คริสต์ อิสลาม พราหมณ์
สัญชาติ	ไทย จีน อเมริกัน ญี่ปุ่น
ขนาดครอบครัว	1-2 คน, 3-5 คน, 6-8 คน, มากกว่า 8 คน
วัฏจักรวงจรดำรงชีวิต	โสด คู่แต่งงานเพิ่งแต่งงาน คู่แต่งงานมีลูกน้อย คู่แต่งงานมีลูกในช่วงวัยรุ่น คู่แต่งงานวัยชรา
อาชีพ	ธุรกิจส่วนตัว ข้าราชการ พนักงานเอกชน รัฐวิสาหกิจ นักศึกษา นักเรียน รับจ้าง เกษตรกร

Bases for Segmenting Consumer Markets



Geographic Based

Customers living in different regions or climates often have different lifestyles and behaviors, which impact their selection of products or services. Marketers, therefore, can use geographic bases for market segmentation to further inform their marketing planning.

Examples of Geographic Bases: Geography, Climate, Population, Population Density

Bases for Segmenting Consumer Markets

Examples of Geographic Bases: Geography, Climate, Population, Population Density

เกณฑ์ด้านภูมิศาสตร์	
ภูมิภาค	ภาคใต้ ภาคกลาง ภาคตะวันออก ภาคตะวันออกเฉียงเหนือ ภาคเหนือ
ภูมิอากาศ	ร้อน หนาว ชื้น ฝนตก
ลักษณะประชากร	ชุมชนเมือง ชุมชนชนบท เมืองหลวง เมืองขนาดใหญ่
จำนวนประชากร	ต่ำกว่า 10,000 คน, 10,000-50,000 คน 50,001-100,000 คน, มากกว่า 100,000 คน
ทวีป	เอเชีย ยุโรป อเมริกาเหนือ อเมริกาใต้ โอเชียเนีย สแกนดิเนเวีย

Bases for Segmenting Consumer Markets



Behavior Based

Market segmentation can rely on bases related to customer behavior or expressions in making purchasing decisions for products or services. This involves using answers regarding customer behavior as a guideline for considering market segmentation. Marketers consider segmenting the market based on purchasing behavior because certain types of products may be in demand by customers on different occasions.

Examples of Behavioral Bases: Purchase Occasions, Usage Rate, Expected Product Quality, User Status, Attitude Toward Product

Bases for Segmenting Consumer Markets

Examples of Behavioral Bases: Purchase Occasions, Usage Rate, Expected Product Quality, User Status, Attitude Toward Product

เกณฑ์ด้านพฤติกรรม	
โอกาสในการซื้อ	ซื้อในโอกาสตามปกติ ซื้อในโอกาสเทศกาล ซื้อเป็นของฝาก
อัตราการใช้ของลูกค้า	การใช้สินค้ามาก น้อย หรือนานๆครั้ง
ประโยชน์ของสินค้า	คุณภาพ การบริการ ประโยชน์ใช้สอย สรรพคุณ ความทนทาน ความสวยงาม น้ำหนัก
สถานะของลูกค้า	ลูกค้าใหม่ ลูกค้าซ้ำ ลูกค้าประจำ ลูกค้าชั่วคราว
ทัศนคติต่อสินค้า	ทัศนคติที่ดีต่อธุรกิจ ทัศนคติที่ไม่ดี ชื่นชอบสินค้า มีความต้องการทดลองสินค้า
การใช้งานอินเทอร์เน็ต	เครือข่ายสังคมออนไลน์ อ่านข่าว ทำงาน

Bases for Segmenting Consumer Markets



Psychographic Based

Segmenting consumers based on internal characteristics involves in-depth factors linked to individual lifestyles, values, attitudes, and personalities. This market segmentation method helps businesses understand 'who' the customers are in terms of thoughts and motivations—revealing 'why' they decide to buy—rather than merely identifying who they are demographically.

Examples of Psychographic Bases: Lifestyle, Personality, Motivation

Bases for Segmenting Consumer Markets

Examples of Psychographic Bases: Lifestyle, Personality, Motivation

เกณฑ์ด้านจิตวิทยา	
รูปแบบการดำรงชีวิต	นักกีฬา ความท้าทาย อิสระ รักสงบ หรืออนุรักษ์นิยม
บุคลิกภาพ	ผู้นำ ความกระตือรือร้น นิยมลัทธิสมบูรณโดยทองแท้ เก็บตัว
สิ่งจูงใจ	ครอบครัว 프리เซนเตอร์ โฆษณา สถานภาพครอบครัว

Bases for Segmenting Business Markets



Demographic Layer



Purchase Approach



Personal Characteristics



Operational Variables



Situational Factors

Bases for Segmenting Business Markets



Demographic Layer

This is a market segmentation approach using general information about client companies and various industries that is easy to understand, without the need for client visits or complex data sources.

Examples of Demographic Bases: Industry Information, Company Size, Customer Location

Bases for Segmenting Business Markets



Operational Variables

This is a market segmentation approach based on the operational information of client companies and various industries, categorized according to those operational characteristics.

Examples of Operating Variables: Technology, User Status, Customer Capabilities

Bases for Segmenting Business Markets



Purchase Approach

This is a market segmentation approach based on the purchasing approaches and industrial practices of client companies, including their purchasing structures.

Examples of Purchasing Approaches: Purchasing Structure,
Buyer-Seller Relationships,
Purchasing Policies,
Purchasing Criteria

Bases for Segmenting Business Markets



Situational Factors

This is a market segmentation approach based on situational urgency and specific usage details at the time of a client company's purchase. It enables businesses to tailor their offerings, pricing, or distribution channels to meet the urgent or specialized needs of their customers.

Examples of Situational Factors: Order Urgency,
Specific Application,
Order Size

Bases for Segmenting Business Markets



Personal Characteristics

This is a market segmentation approach based on the individuals involved in the purchasing process, who serve as key decision-makers for the client company.

Examples of Personal Characteristics: Attitude Toward Risk,
Executive Motivation,
Risk Management Strategy,
Executive Perception

Requirements for Effective Segmentation

- **Measurability**

Segmentation variables are directly related to products and services, allowing for the calculation of appropriate costs and expenditures if the defined target segments are selected.

- **Accessibility**

The defined market segments must be accessible, ensuring the business can effectively reach and serve the consumers within those groups.

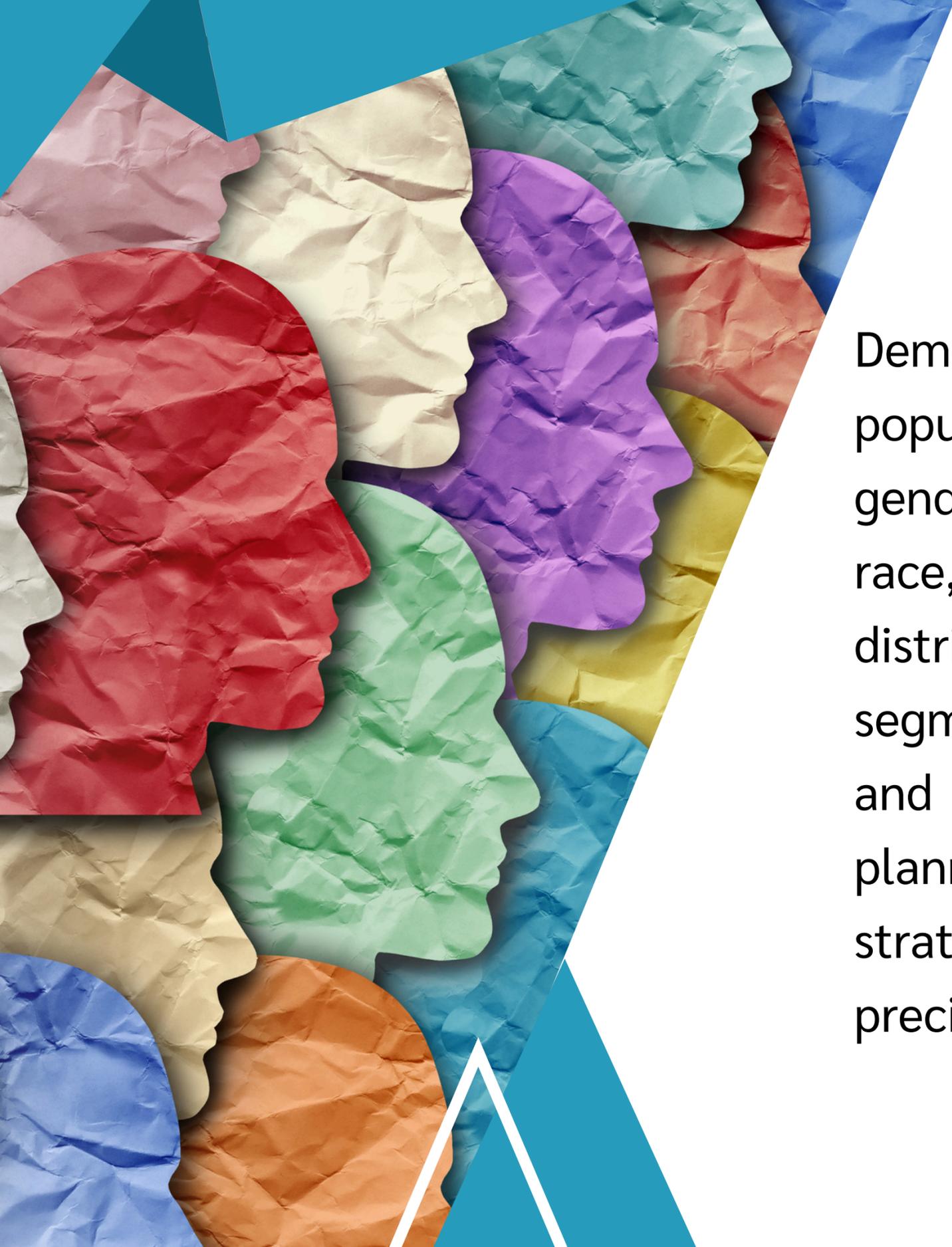
- **Substantial**

Market segments must be large enough to generate revenue and profits that justify the investment.

- **Differentiable**

Market segments must be clearly differentiable, as each group possesses distinct needs and interests.





Demographic Analysis

Demography is the statistical study of human populations, including characteristics such as age, gender, education, occupation, income, marital status, race, and religion, to understand their size, structure, and distribution. It is considered the most measurable segmentation base because it relies on numerical data and objective facts, which are essential for policy planning, business decision-making, and marketing strategy. This allows for accurate future forecasting and precisely addresses the needs of target audiences.

Sources of Demographic Data



Secondary Data

This information is compiled by various agencies and published in various formats, **such as** the Bureau of the Census, the Department of Provincial Administration, and the National Statistical Office.



Primary Data

This refers to information collected directly by the organization when secondary data is insufficient or when specific, tailored insights are required, **such as** through surveys or customer interviews.

Corporate Data Collection

- **Membership Systems**

Companies require customers to provide personal information (such as age, date of birth, and email) in exchange for exclusive privileges. This serves as a trade-off for demographic data, enabling the company to implement targeted marketing strategies.

- **Websites and Applications**

Companies utilize analytics tools to identify the gender and age of their website visitors and determine which products they interact with most frequently.

- **Purchasing Data from Data Brokers**

Some companies purchase large-scale, categorized demographic datasets to analyze market trends.

The Importance of Demographic Analysis

Determining Purchasing Power

Income data determines how a brand should position its products and set pricing to suit specific customer segments.

Determining Communication Channels

Age and generation determine whether a company should utilize social media or traditional media for marketing communications.

Trend Forecasting

The birth rate or age structure of the population in a specific area helps companies decide whether to invest in a particular product for the long term.

***Cautions**

Demographic analysis is the science of analyzing population data, which is the most easily accessible information and can identify "Who" our customers are. However, effective market segmentation cannot rely on a single type of segmentation base.

Therefore, marketers should utilize more than one segmentation base in combination to obtain the most distinct and clear market segments.



Age: 30 years

Income: 30,000 THB/month

Religion: Buddhism

Status: Single

Education: Bachelor's Degree

Purchasing Demand:

Is it the same??

Q & A

