



Market Research and  
Segmentation

# What consumer segment does your selected company serve?

In my research I have found that Amazon uses all 4 types of segmentation. This process is done through search engines that use AI technology to target a single consumer in four of these areas based on consumers search, purchase and return histories.

Amazon then uses the data mining from the purchases and applies marketing tools to drive further purchases.

## Demographic Segmentation

Age  
Gender Income Education  
Occupation Social Class  
Marital Status Family Life  
Cycle  
Culture/Ethnicity

## Geographic Segmentation

Pop. Density  
Region  
Climate

## Psychographic Segmentation

Lifestyle  
Values  
Attitudes  
Personality

## Behavioral Segmentation

Attribute/Benefit  
Occasion  
Product Usage  
Brand Loyalty

Want and desire, is the cost worth what you want or desire?

“Keeping up with the Joneses.”

## What consumer segment are you pursuing and why?

We have all heard of these phrases when it comes to shopping, that is because these thoughts tap into the **Psychographic Segmentation & the Behavioral Segmentation** of marketing. **Because purchasing products from Amazon seems to trigger with many people an emotional response** it would seem like the best course to find away to change their emotional response to increase brand loyalty & purchases.



What are two to three resources you might use to obtain information on consumer behavior? Provide a rationale regarding why you selected each one.

- 1) Kardes, F. R., Cronley, M. L., & Cline, T. W. (2015). CONSUMER FOCUSED STRATEGY: SEGMENTATION AND POSITIONING. In *Consumer behavior* (2nd ed.). Stamford: Cengage Learning.
  - a) **This resource provides extensive knowledge about consumers and the different lenses that affect their buying habit.**
  - b) **Describes the 4 types of marketing segmentation**
- 2) THE IMPACT OF SIGNIFICANT NEGATIVE NEWS ON CONSUMER BEHAVIOR TOWARDS FAVORITE BRANDS. (2014). Retrieved 2020, from [https://www.researchgate.net/publication/323643961\\_The\\_impact\\_of\\_significant\\_negative\\_news\\_on\\_consumer\\_behavior\\_towards\\_favorite\\_brands](https://www.researchgate.net/publication/323643961_The_impact_of_significant_negative_news_on_consumer_behavior_towards_favorite_brands)
  - a) **Due to the mixed emotions about buying from Jeff Bezo it seems only natural that we understand how the negative press can affect our consumers.**

## What secondary research will you use to analyze the characteristics of the chosen segment?

- 1) Rajagopal. (2010). *Consumer Behavior : Global Shifts and Local Effects*. Nova Science Publishers, Inc. Retrieved from <https://eds-b-ebshost-com.ezproxy.snhu.edu/eds/ebookviewer/ebook/bmxlYmtfXzM2OTk1Ml9fQU41?sid=51fc986a-6f09-48f8-86b0-7443aa985ad7@pdc-v-sessmgr02&vid=4&format=EB&rid=5>
  - a) **Takes a deeper dive into the consumer mind and how global trends affect their buying process.**
- 2) Magana, G. (2019, March 20). Amazon rules the product search process. Retrieved September 03, 2020, from <https://www.businessinsider.com/online-shoppers-rely-heavily-on-amazon-2019-3>
  - a) **It discusses the algorithms google uses to gather data for targeting the individual consumer.**
- 3) Bhasin, H., Kumari, S., Corcoran, P., Hmood, Attia, M., & Gomez. (2020, April 19). Psychographic Segmentation - 5 Factors for Marketing. Retrieved September 20, 2020, from <https://www.marketing91.com/psychographic-segmentation/>
  - a) **It takes a deeper dive into Psychographic Segmentation and how it applies to marketing**

# Which segmentation strategy will you use for your segment?

## Psychographic Segmentation & the Behavioral Segmentation

How does Amazon's corporate policies affect the perception of Amazon?

### **Backlash of Amazon putting local business out of business**

Local stores are unable to compete with Amazon's low prices and next day shipping.

### **CEO's income vs. employee treatment**

The CEO's income is large and his employees are not treated as partners

### **Influencers**

They affect large groups of people and provide a multiplier effect.

### **Political Parties**

The perception of Amazon's political stance may or may not be in line with the current political parties or they may seem like they are taking sides.

### **Media Bias**

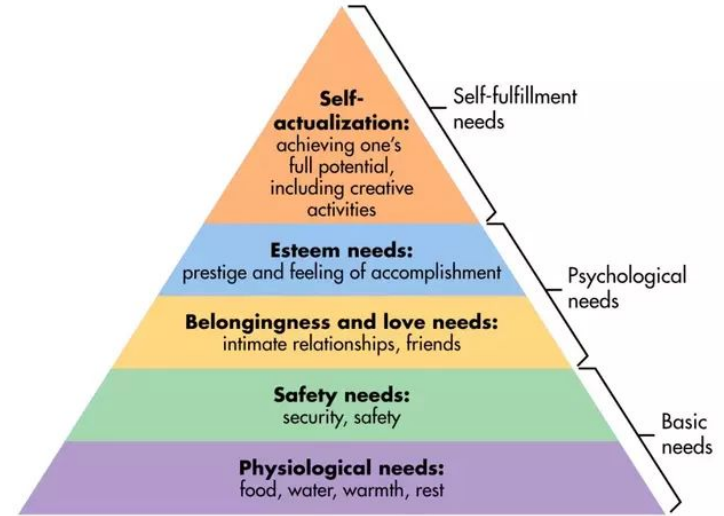
Bias, or perceived bias, of journalists and news producers within the mass media in the selection of events and stories that are reported and how they are covered (wiki)

*Fear or trauma forces a person to focus on psychological needs and safety.*

## Why do you believe it will be effective?

---

Because of all the pandemics the world has become digital. With the shutdown of traditional stores, Amazon was able to fill the void and with the drastic increase in sales the resulting data has made Amazon even more of a powerhouse retailer.



# What are the key points about the strategy used to segment your selected market?

- Influencing people's emotions and perceptions
- They are trying to elicit emotional reactions



## What is it based upon?

Many studies have been done that support the fact that when people feel an emotion towards a brand or product...that is when loyalty or disloyalty happens.





## Why are *Lifestyle & Social Classes* segmentations effective?

When you delve into the Psychographic Segmentation & the Behavioral Segmentation that encompass the Lifestyle & Social classes one would focus their marketing strategies in a way that evokes emotions. This is highly effective as it can bypass part of the brain that prevents impulse buying. This leads to a higher chance of the consumer buying the product.

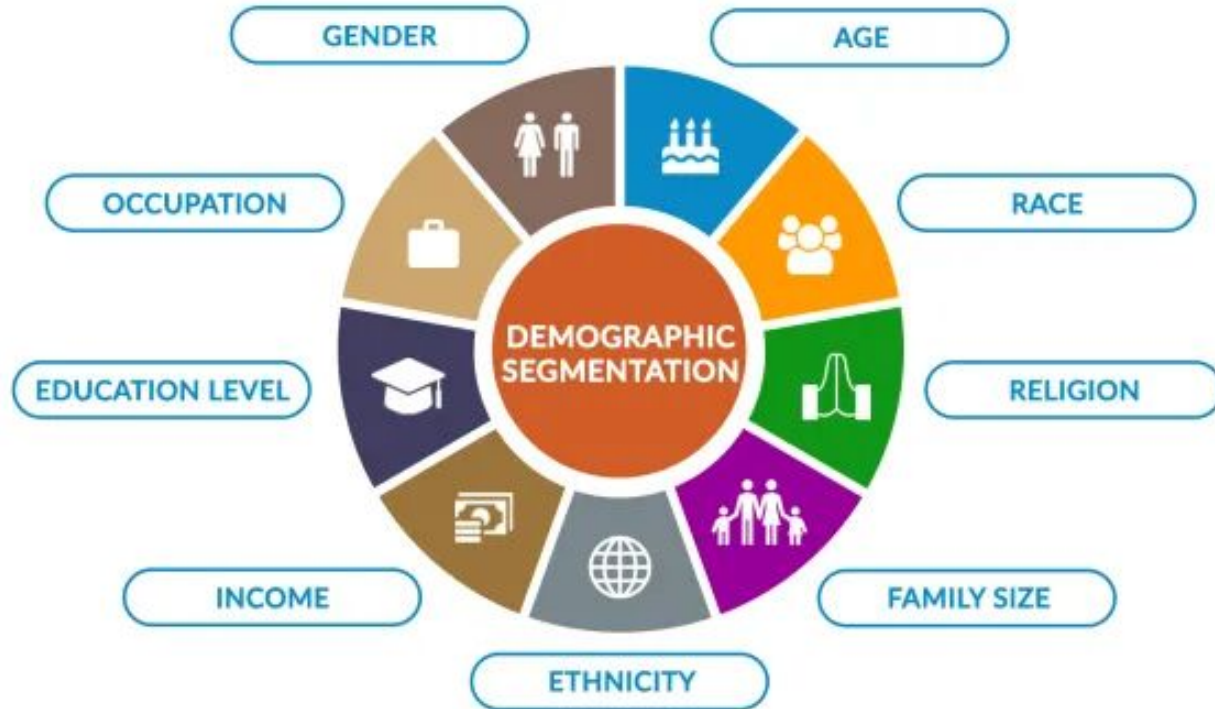


“Next Day Shipping”

“Subscribe and get your everyday items delivered when you need them.”

“Need a personal assistant?”  
Shop online and have your products delivered to you

Amazon has a wide range of products that target multiple demographics, they need to refine the marketing approach based on the product type to the appropriate demographic.



# Demographic Examples

## A single mom w/children

This consumer will be looking for more natural child friendly products.



## Retirement couple

Will be using the branding choices they grew up with.



### **Pre-Depression (GI Generation) -1929**

- turns off the lights when they leave a room
- keep the heat low
- they don't waste food
- they like to fix or repair products rather than throw out and replace worn items.

### **Generation X (Baby Busters) 1965-1976**

To some Americans, this group carries a reputation as “slackers” or “whiners,” because they openly show concern about job loss and financial stability.

### **Depression (Silent Generation)**

**1930-1945**

- grew up during the 1950s—in peace and prosperity.
- Time of rapid advancements in technology.

### **Generation Y (Millennials)**

**1977-1995**

- good race relations improving communities environmental stewardship
- Tech-savvy
- Social networking sites (e.g., Facebook)
- Concerts
- Extreme sporting events
- Movies
- Video games and video game competitions
- Tattoo parlors (36% have at least one tattoo)

### **Baby Boomers (Me Generation)**

**1946-1964**

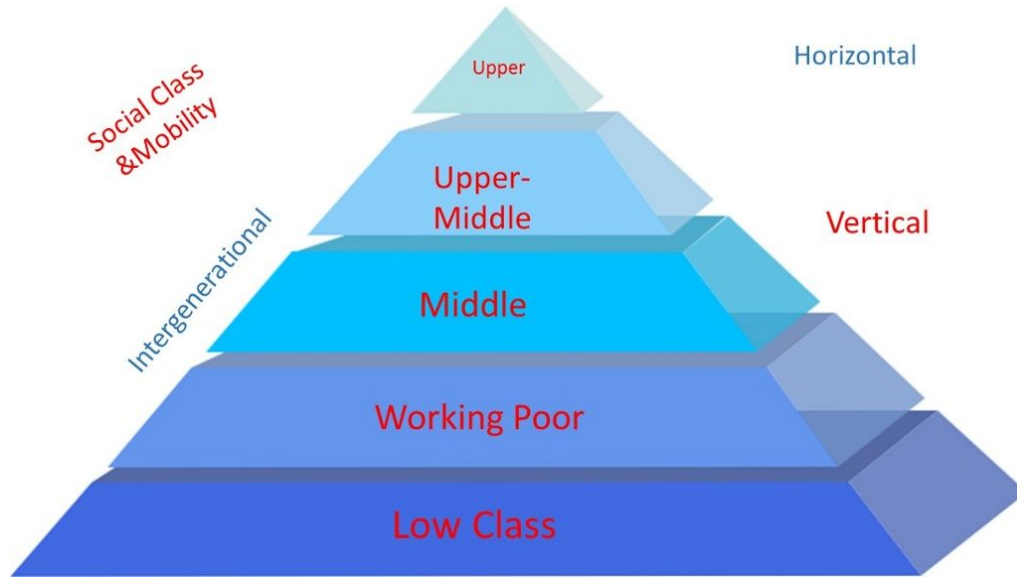
- Likely to try new products and switch brands
- Largest consumers of traditional media
- Prefer to use cash
- Known to have the highest student loan debt

### **Generation Z 1996-**

- interest in socially-conscious activities
- more tech-savvy than Gen Y.
- Embrace change
- self-esteem-building parents who over-celebrate
- Over-scheduled
- well-traveled
- uniquely mature for their ages

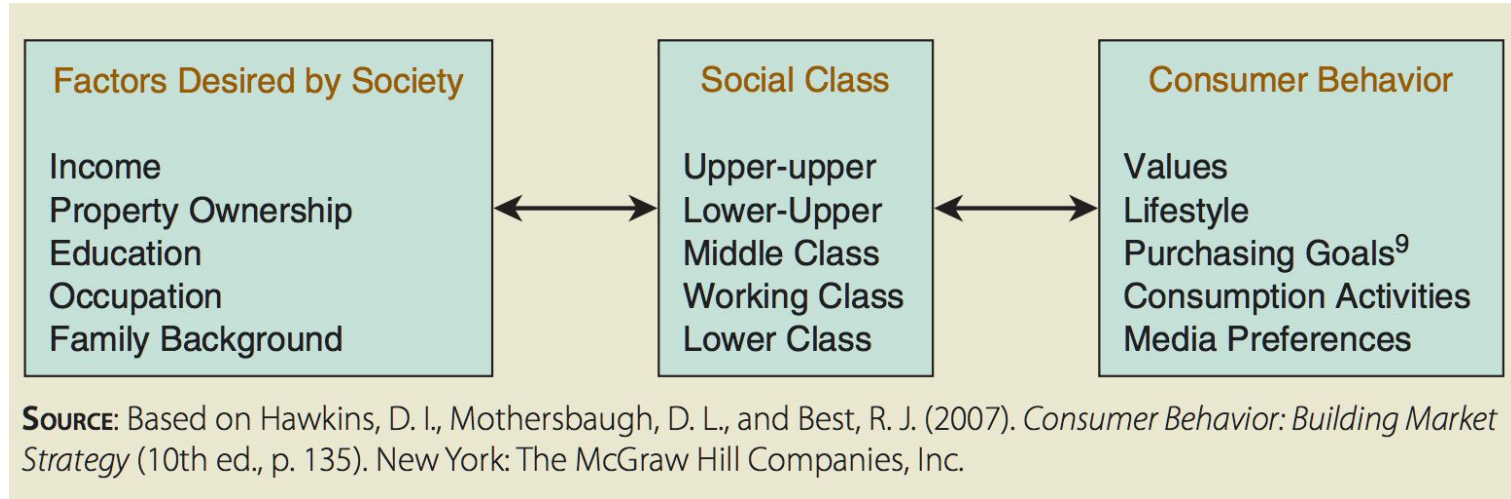
# Generations in our economy today

# How social class affects marketing



Marketers often divide consumers into groups of people who have experienced common social, political, historical, and economic experience.

## Social class is better at predicting consumer behavior than is income for low-dollar expenditures that reflect status and lifestyle



Amazon allows the less advantaged social classes to have the same advantages as other social classes that they may not have been able to take advantage of before.



## **What are the research needs for each segment?**

- **Research into how the consumers life situation effects their buying habits.**
- **Research how behavior and lifestyle affect one another**
- **Research into the effects of negative news on consumers favorite brands**
- **How to create emotional responses to Amazon**

# Consumer Buying Process

Define the stages of the consumer buying process.

## 1. Need Recognition

The consumer needs to recognize they have need.

## 2. Information Search

The consumer starts their search.

## 3. Option Evaluation

Consumer evaluates their choices with other choices on the market.

## 4. Purchase Decision

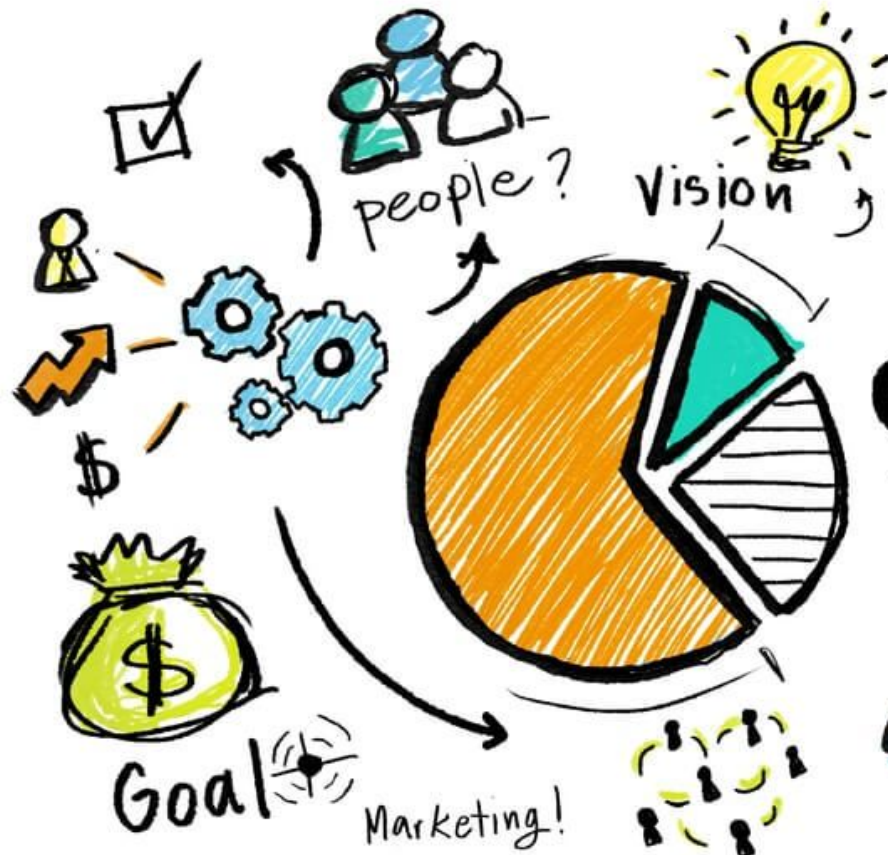
The consumer has landed on their top pick.

## 5. Purchase

Yeah, they made the purchase!

## 6. Post-Purchase Evaluation

How the consumer feels after they make the purchase.



Analyze a marketing strategy that can be used for each stage of the consumer buying process in regard to your chosen market segment.

1. Optimize your SEO so that when they search for a product yours shows up
2. A brief description of your product
3. Offer a coupon for your product & why it's better than other options
4. Offer some customer reviews and satisfaction guarantee
5. Follow up, "5 ways to get the most out of "product" or a survey

The 6 Stages of the  
Customer Buying  
Process & How to  
Leverage Them - JAMIE  
JOHNSON

With any online business, on the other hand, the best way to influence the “problem recognition” stage is through content marketing. With the right content, you could identify with your audience, articulate their needs, and offer helpful resources and tools.



# The Consumer Buying Process

---



# The 6 Stages of the Customer Buying Process & How to Leverage Them

## Stage 1

### Focusing on the Product

If your product is really good, people are going to start being your brand advocates, and you won't even have to pay them!

### Build Authority

This one's pretty generic, and translates into regular marketing. It could mean working on your company web presence, for example, so that it's easy for your customers to find you and learn more about your product.

### Reviews & Partnerships

Other than friends and family, there's something else that's extremely helpful in influencing decision-making: the influencers. Establishing connections with experts in your field (or bloggers, review websites, etc.) will help you stand out.

# The 6 Stages of the Customer Buying Process & How to Leverage Them

As we work our way through the stages we can see the importance of having a deep understanding of these phases will help us create our marketing campaign.

## Stage 2

So, the one thing you could do at this stage is to offer a lot more value than your competition & communicate that with your customers.

## Stage 3

At this point, customers need a sense of security. They also needed to be reminded of the problem that brought them here in the first place. Send them a e-mail reminder.

## Stage 4

At this stage the consumer need a sense of security. Remind them of why they are making the purchase.

## Stage 5

Make checkout as easy as possible for consumers so they complete the buying process.



# The 6 Stages of the Customer Buying Process & How to Leverage Them

## Stage 6

There are a couple of ways to work with this stage

### Fair Treatment

sometimes, the product might just end up not being what the customer is looking for. If you treat them with respect & offer a refund, they're more likely to come back for a different purchase. If you shut them down, they're lost forever.

### Good Customer Service

being able to talk to your customers & help them use their product can take you a long way.

### Follow-Up Emails, Survey

showing the customer that you care about their experience is a pleasant experience on its own.

Determine the specific stages of the consumer buying process for which your marketing strategies can be most effective for your consumer segment.

### **Product Placement**

Where your product shows up in an online search.

Where your item is placed on a shelf

### **Branding**


The “identity” that a company gives a product.

### **Product Design**

The way a product is designed to draw people to ones product and to set it apart from the competition.



**JJ Delgado** • 3rd+

CDO Estrella Galicia. xHead Amazon Europe. Follow me for curated content on Innovation, Tech, Startups & Digital 1d • Edited • 

Do not underestimate the power of a good packaging. It plays a key role in human perception and emotional connection.

[#marketingtechnology](#) [#innovation](#) [#lifechange](#)  
[#ecommerce](#) [#jjdelgado](#) [#packagingdesign](#)



**Matt Koppers** • 2nd

Consultant | Investor | Speaker

1d (edited) ...

The conscious customer will quickly realise that this packaging carries higher costs of goods (CoGs) for the producer compared to standard packaging. To protect his margin the producer will pass on the markup to the customer making those packs of eggs more expensive compared to standard-packaged eggs as a result. Since we only consume what's inside the eggshells before we throw everything else away the only benefactor of this eclectic packaging is the bin collection company. Because eggs come in natural packaging (eggshells) a simple reusable shopping basket will do the trick as well, saves money and protects the environment.

• 4 Likes | • 2 Replies



**Ian Peyton** • 3rd+

Area Sales Manager at Shorrock Trichem Ltd

7h ...

People buy with their eyes, which in turn activates emotion. Getting the product noticed amongst a crowded market.  
Packaging notables: Chocolate Presentation Boxes; Easter Eggs.

Product presence on the shelf.

• 1 Like |



**Carlos Daniel** • 3rd+

CMO & GM

1d ...

Woooooow cool! Packaging has a lot of functions. For lots of products it is one of the best drivers to create a "love" brand. I love it

• 1 Like |



**Scott Newton** • 2nd

Managing Partner, Thinking Dimensions ► M&A, St...

1d ...

Cosmetics and Perfume companies have understood for decades the value of packaging in conveying the feelings of their product.

In Jewellery, Tiffanys "little blue box" has been iconic since the launch of the Flagship 5th Avenue store in New York City and is now recognized around the world (except maybe in a certain Paris boardroom.)

• 4 Likes | • 1 Reply

# Marketing Strategy



# Overall Marketing Campaign

Things changed drastically in 2020 due to COVID-19 and in order to thrive during this time we need to change our marketing perspective, as NADYA KHOJA says in her article, ‘How to Use SEO Data to Fuel Your Content Marketing Strategy in 2020’ marketers need to remember too:

---

- adopt a growth marketer mindset
- Focus on the data rather than following the herd
- Stop copying the same methods that every other business is following
- Use that data that is collected to create ideas that will help build the awareness needed in order to continue building engaged consumers

# Goals of the marketing campaign for the segment

The main goal is for consumers to go to Amazon first when they find they have a need.

1. Increase brand loyalty
2. Encourage new brand loyalty

Expand demographics and culture consumers through showing them how they can live like someone from an upper class because they now have access to many of the same products on their own home via the internet.

# Determine channels through which you will market the product to your segment. Justify your response.

---

## The best marketing is done through multiple channels.

### Social Media

One of the biggest things marketers can take advantage of is social media influencers to promote their products. This creates a community building opportunity, that is only found via social media. This sense of community is essential in today's society of social distancing.

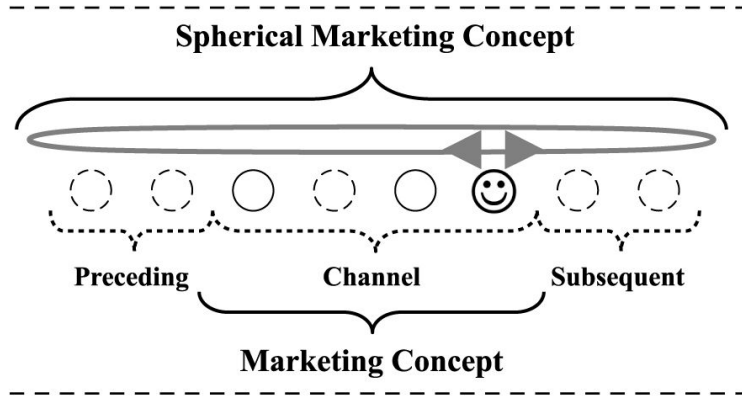
### Website

Website is crucial to almost all businesses today. It is usually the first thing a person sees and they judge your company based on the way you choose to present it. It needs to represent your brand and products clearly.

### Email

With e-mail marketing the consumer has already opted to hear from the company. This type of channel is great when combined with analytics because the email can be catered directly to the consumer based on the consumers search and buying history.





## Content Marketing & SEO

“Content marketing demonstrates authority and expertise, all while helping you reach customers at different stages of the funnel and hitting as many keywords as you can. It’s been one of our best marketing channels at Disruptive Advertising in recent years.”

## Develop a messaging strategy, including sample messaging, for each channel you identified

### Social media

Get a single mom trying to juggle kids' work and home to share how she uses amazon to make her life easier. "It's like having a personal assistant"

### Email

Send out a marketing campaign aimed at notifying existing/newsletter customers about the latest sale "Prime Day" "Cyber Monday"

### Content Marketing and SEO

"By paying close attention to the trends in SEO keywords or search data in general, and by recognizing the patterns that are emerging from new spikes and dips in search interest, we can get better at creating relevant online content that people want access to." (Khoja, N. (2020, July 23)

### Website

Create a countdown on the header that counts down to the next big sale. "12 hours until Prime Days"



**One-to-one**  
-----  
**marketing campaign**



**Define one-to-one marketing, and describe how you will incorporate it into your overall marketing campaign.**

One-to-one Marketing is the ability to connect with a consumer's needs on a one-on-one basis based off of their buying habits. It allows the company to personalize the contact point with the consumer, get to know them better, and helps with upsale of a sale. Analytics integrated with AI helps to create specific ads for consumers.

**Describe which stage(s) in the consumer buying process would best lend itself to one-to-one marketing.**

**I would say that there are 3 top stages of the consumer buying process this includes;**

### **Information Search**

The consumer starts their search.

### **Purchase**

Yeah, they made the purchase!

### **Post-Purchase Evaluation**

How the consumer feels after they make the purchase.



**Determine a one-to-one marketing strategy that would work for the stage(s) you identified and explain why it aligns with your segment.**

Prime members or previous prime members are great for one-to-one marketing for these phases. As a Prime member these consumers most likely already go to Amazon as one of their first resources.

### **Informational Search**

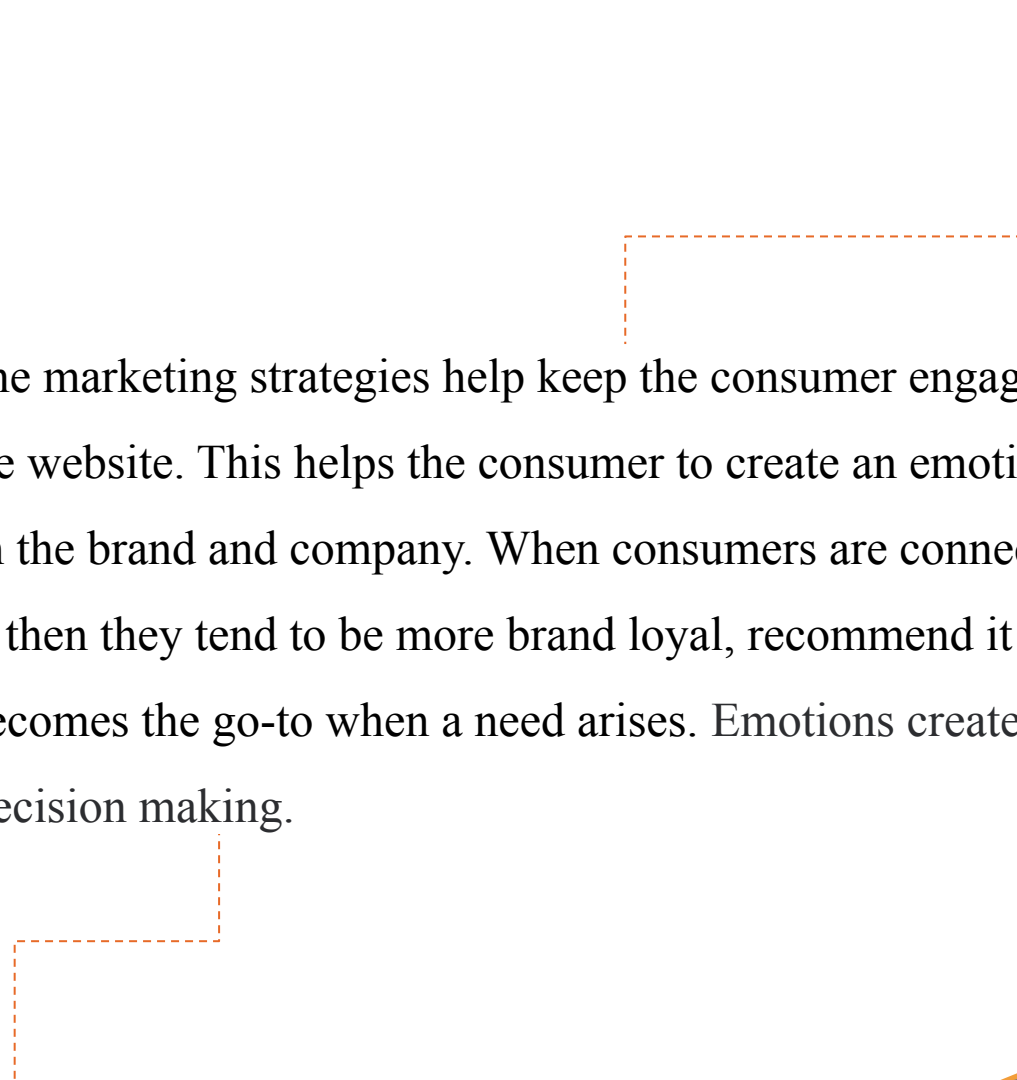
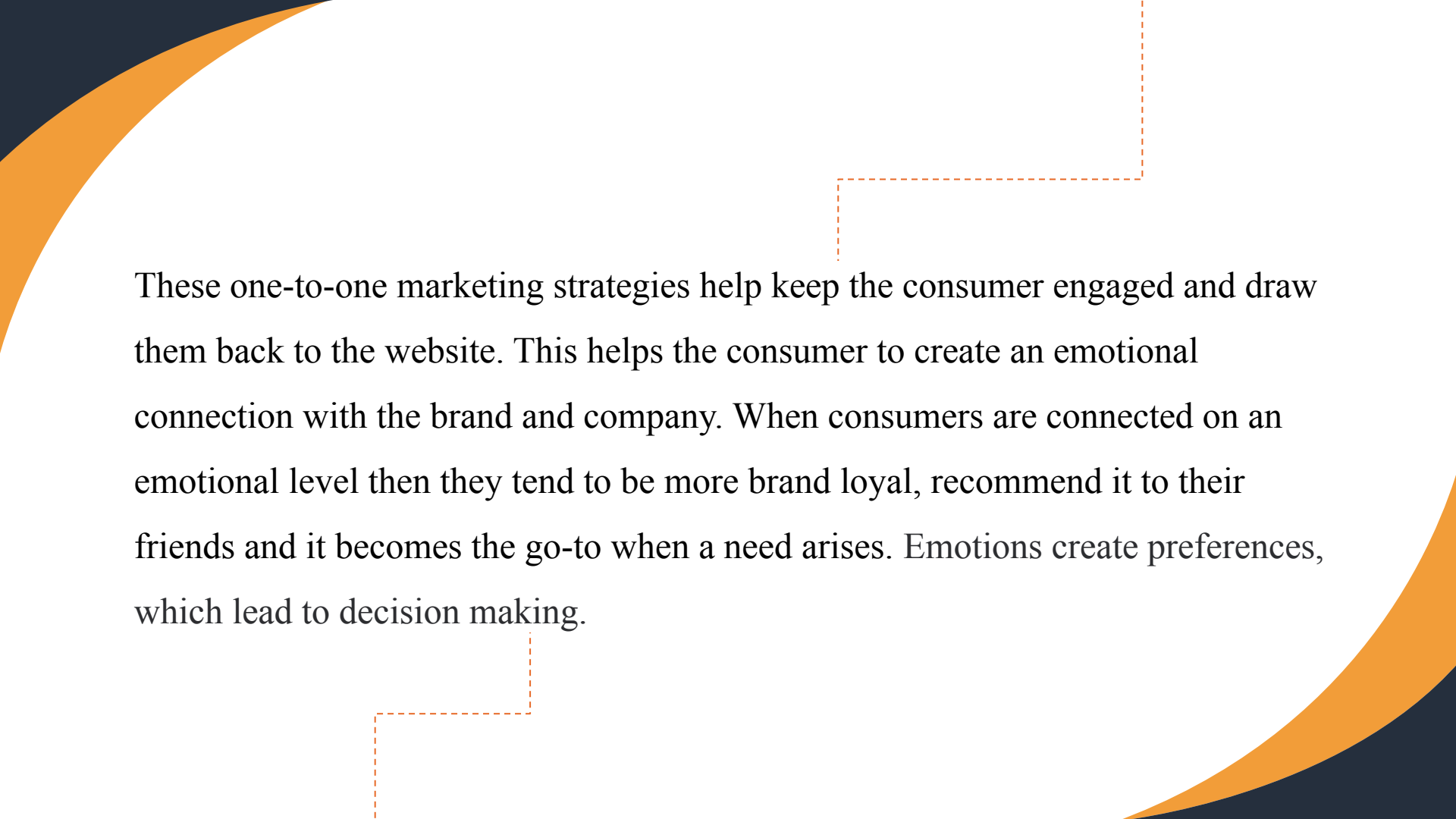
Amazon's AI technology allows for data to be collected about specific consumers, using that data to send them an email about items they were looking at or that are on their wish list

### **Purchases**

This is a great time to offer discounts to help the consumer complete the purchase.

### **Post Purchase Evaluation**

Allows the company to reconnect with the consumer and ask them about the product but also allows the company to add related content in the email based on the consumers purchase history.



These one-to-one marketing strategies help keep the consumer engaged and draw them back to the website. This helps the consumer to create an emotional connection with the brand and company. When consumers are connected on an emotional level then they tend to be more brand loyal, recommend it to their friends and it becomes the go-to when a need arises. Emotions create preferences, which lead to decision making.

# Additional Resources

Khoja, N. (2020, July 23). How to Use SEO Data to Fuel Your Content Marketing in 2020. Retrieved October 12, 2020, from <https://venngage.com/blog/seo-content-marketing/>

Murray, P. (2013, February 26). How Emotions Influence What We Buy. Retrieved October 12, 2020, from <https://www.psychologytoday.com/gb/blog/inside-the-consumer-mind/201302/how-emotions-influence-what-we-buy>

Uddin, B. (2019, May 07). One to One Marketing: Understand the concept to customize your strategy. Retrieved October 12, 2020, from <https://borhanuddin.com/understand-the-concept-marketing-one-to-one/>

Kardes, F. R., Cronley, M. L., & Cline, T. W. (2015). CONSUMER FOCUSED STRATEGY: SEGMENTATION AND POSITIONING. In *Consumer behavior* (2nd ed.). Stamford: Cengage Learning.



# Additional Resources

Sago, B., & Hinnenkamp, C. (2014). (PDF) The impact of significant negative news on consumer behavior towards favorite brands. Retrieved 4 September 2020, from [https://www.researchgate.net/publication/323643961\\_The\\_impact\\_of\\_significant\\_negative\\_news\\_on\\_consumer\\_behavior\\_towards\\_favorite\\_brands](https://www.researchgate.net/publication/323643961_The_impact_of_significant_negative_news_on_consumer_behavior_towards_favorite_brands)

Thompson, D. (2013, November 1). The Riddle of Amazon: the global shopping behemoth is beloved by investors despite practically nonexistent profits and a bewildering grand strategy. What exactly is Jeff Bezos trying to build? *The Atlantic*, 312(4), 26.  
<https://eds-a-ebSCOhost-com.ezproxy.snhu.edu/eds/detail/detail?vid=1&sid=3a8c6f36-bcd3-447f-874f-663928a66b5f%40sessionmgr4007&bdata=JnNpdGU9ZWRzLWxpdmUmc2NvcGU9c2l0ZQ%3d%3d#AN=edsgcl.350677518&db=edsglr>

# Additional Resources

Seward, T. P. (2019). *Ultimate Guide to Amazon Advertising*. Entrepreneur Press.

[https://bi-gale-com.ezproxy.snhu.edu/global/article/GALE%7CA542780152?u=nhc\\_main&sid=ebSCO](https://bi-gale-com.ezproxy.snhu.edu/global/article/GALE%7CA542780152?u=nhc_main&sid=ebSCO)

Wall, B. (2019). *Amazon : Managing Extraordinary success in 5-d Value*. Morgan James Publishing.

McLeod, S. (2020, March 20). Maslow's Hierarchy of Needs. Retrieved September 20, 2020, from <https://www.simplypsychology.org/maslow.html>

Johnson, J. (2019, August 11). The 6 Stages of the Customer Buying Process & How to Leverage Them. Retrieved September 25, 2020, from <https://tallyfy.com/buying-process/>

Gotter, A. (2020, February). The 6 Marketing Channels You Should Prioritize in 2020. Retrieved October 09, 2020, from <https://www.disruptiveadvertising.com/marketing/marketing-channels/>