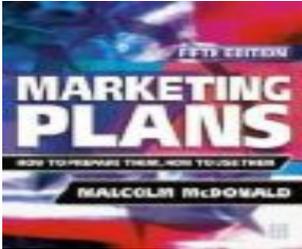


Business Lesson



Target Marketing involves breaking a market into segments and then concentrating your marketing efforts on one or a few key segments. It is the key to a small business's success. The beauty of target marketing is that it makes the promotion, pricing and distribution of your products and/or services easier and more cost-effective. Target marketing provides a focus to all of your marketing activities.

So if, for instance, I open a catering business offering catering services in the client's home, instead of advertising with a newspaper insert that goes out to everyone, I could target my market with a direct mail campaign that went only to particular residents.

While market segmentation can be done in many ways, depending on how you want to slice up the pie, three of the most common types are:

Geographic segmentation – based on location such as home addresses

Demographic segmentation – based on measurable statistics, such as age or income;

Psychographic segmentation – based on lifestyle preferences, such as being urban dwellers or pet lovers.

If you're interested in target marketing, the first step is to do the research that will help you define and zero in on your target market. [How to Find and Sell to Your Target Market](#) will help you get started.

Word Application and Real World Experience

1. If you consider about the age and income of the people you are focusing on_____, about the location you focus on_____, and lifestyle preferences you focus on_____.
2. Discuss the importance of knowing your target market when venturing into business.
3. In your country, what is a promising business considering the target market? Why?
4. How can the knowledge about the target market assure easy promotion and more cost effective?
- 5.If you will venture business in India, what kind of business will it be and why?