Essay Set Question # 1:

[Name of the Writer]

[Name of the Institution]

**Characteristics of effective market segments:**

The market is divided into different segments to satisfy consumers more efficiently. These segments are a cluster of buyers with discrete needs and characteristics that they share with target markets. Market segmentation can be carried out in different ways. There are some characteristics that must be taken into consideration while dividing the market.

**Measurable**:

Consumers belonging to a specific target market must be identifiable. For example, their size, purchasing power as well as other characteristics can be measured.

**Accessible**:

Access to the target market matters a lot for the product or the service. These must be easily reached and served.

**Substantial:**

Segments must be larger enough and profitable to serve up. The company must have the profit and economies of scale with the segmentation.

**Differentiable:**

All market segments must be different from each other; internally homogeneous but externally heterogeneous. All the differences should be clear so that effective market campaigns can be made.

**Actionable:**

Market segmentation should be carried out in such a way that segments must allow the implementation of different market programs.

**Four major strategies to target market segments:**

**Undifferentiated marketing:**

It is also known as mass marketing an the entire market is dealt in the same way. Here, it is possible to target the largest audience an introduction to the product is maximized.

**Differentiated marketing:**

A target market is decided and each has different marketing. The company offer an exclusive settlement to different segments (Lamb, Hair, & McDaniel, 2011).

**Niche marketing:** It is also known as niche marketing and target only specific segments of the population. The purpose of this is to get high penetration in specific segments. It is good for small companies having fewer resources.

**Micromarketing:** It is also known as individual marketing and individual specifications of the consumers are cratered in this approach. It also the companies to have a narrow target market.

**New Product Development Process:**

The new product development process involves the taking of product or service from beginning to market. It consists of eight different stages.

**Idea generation:** This is the first stage that consists ofbrainstorming the results in the generation of new ideas.

**Idea evaluation**: After generating different ideas the next stage is to screen these ideas to get the best feasible idea.

**Concept definition:** Then at the next stage, the decision is taken about differentspecifications of the product such as technical feasibility as well as product design (Morgan, Whitler, Feng, & Chari, 2019).

**Strategic analysis**: The selected idea is then tailored with the business strategic plans in order to determine the demand, related costs as well as profits.

**Product development and testing**: When the demand is assessed then the next stage is the creation of a prototype of the product (Annacchino, 2003). This prototype will be tested to know the desired outcome.

**Market testing**: A feedback collected at the prior stage is utilized in modifying the product or the service. This stage also decides whether to commercialize the product with the current specifications or not. Changes are made deepening upon this feedback. The best timing for the product introduction is also decided. This stage is also crucial in carrying out sales forecasting for launching the new product.

**Commercialization**: This stage involves the decisions about product pricing and marketing plans.

**Product launch:** This is the final stage of the product development process. It consists of a detailed launch plan for the new product or the service.

These stages are related to the four generic marketing strategies. The mass marketing can be conducted after the market testing stage. Moreover, if the company wants to go for the differentiated marketing, then it has to test different products with different specifications. Also, for individual marketing, this process is more precise and aimed to cater to the individual customer’s needs differently.

References

Annacchino, M. (2003). *New product development: from initial idea to product management*. Elsevier.

Lamb, C. W., Hair, J. F., & McDaniel, C. (2011). *Essentials of marketing*. Cengage Learning.

Morgan, N. A., Whitler, K. A., Feng, H., & Chari, S. (2019). Research in marketing strategy. *Journal of the Academy of Marketing Science*, *47*(1), 4–29.