

Note: This is the text-only version of this week's lecture.

All media (i.e. videos, flash presentations, and PowerPoints) and learning activities (i.e. assigned readings, assignments, and discussions) are accessible only through the online course.

Week 3: Targeting Your Product/Service

Log in to the course to view video and alternative version.

Click the link below to access a transcript of the video.

[Video Transcript](#)

Week 3 Learning Activities

The following table summarizes all the learning activities for Week 3. You are required to complete all the activities listed here.



The points for the assignments are included in the table below. Discussion participation makes up 30% of your overall grade. You are welcome to ask your instructor at any time about your performance in the Discussions.

Learning Activity	Description	Due Date	Points
Reading 1	Chapter 6: Identifying Market Segments and Targets Chapter 7: Crafting the Brand Positioning <u>Bright Lights and Services Co. (C)</u>	Complete by end of Day 1	~
ProctorU Scheduling	Schedule exam time with ProctorU at least 72 hours before the exam.	Complete by end of Day 1	~
Week 3 Activity 1	BLSC Interactive	Complete prior to Week 3 Assignment 1	~

Reading 2	Chapter 8: Creating Brand Equity and Driving Growth	Complete by end of Day 3	~
Final Project Status Report #1	Complete Section 2.0 (optional)	Complete by end of Day 4	~
Week 3 Case Report	BLSC (C)	Submit Report through Turnitin by the end of Day 4	30
Week 3 Case Discussion	BLSC (C)	Post by end of Day 5 Respond by end of Day 6	20
Week 3 Assignment 1	Segmentation, Target Marketing and Perceptual Gap Map	Complete by end of Day 7	30
Week 3 Study Quiz	Optional Weekly Quiz	~	~
Midterm	ProctorU is required to take this exam. Chapters 1-8 Complete the 25 multiple choice (50 points) and two essay questions (50 points)	Exam opens on Day 5 Complete by the end of Day 6	100

All assignments are to be submitted through the **Assignments** area of the course. Similarly, all discussions can be accessed in the **Discussions** area.

MKTG 6200 Discussion Board

If you have a general question for your classmates, feel free to post them to the Discussion Board and the instructor will post a response.

You can also use this discussion board to post your insights with regards to the questions posed by the course. Start your post by introducing the question you will be discussing.

Lesson 1: Market Segmentation, Targeting, and Positioning

Lesson 1 Learning Objectives

After completing this lesson, you should be able to:

- Understand how to segment a market.
- Understand the bases used to segment consumer and business markets.
- Know how to evaluate and select segments for targeting of marketing programs.
- Understand four different positioning strategies.

Reading 1 (Complete by end of Day 1)

- **Chapter 6:** Identifying Market Segments and Targets
- **Chapter 7:** Crafting the Brand Positioning

Course Pack

- [Bright Lights and Services Co. \(C\)](#)

The PowerPoint slides for these chapters can be found in the presentations below and will be used to discuss the text material. The PowerPoint slides are **not** intended to cover all the materials in the textbook. It is very critical that you read the chapters completely and be familiar with the key issues from the chapters.

Notes explaining the information on the slides are provided in the notes section of each slide. You can also listen to a voiceover narrating the text.

A downloadable copy of the presentation slides used is available below each of the presentations.

Chapter 6 Presentation

Log in to the course to view presentation and alternative version.

[Alternate Version](#)

Chapter 7 Presentation

Log in to the course to view presentation and alternative version.

[Alternate Version](#)

Week 3 Activity 1: BLSC Interactive (Complete prior to Week 3 Assignment 1)

Using your experiences from the previous week's interactive activity, as well as your knowledge from the BLSC case studies, complete the activity below.

Log in to the course to access interactive course content and alternative version.

[Alternative Version](#)

Accessing Grademark Commentary for Individual Turnitin Assignments

- Select the **View/Complete** link in the assignment drop box, or select your grade in the **My Grades** area.
- Next, select the title of the assignment in the Turnitin Assignment and Portfolio Inbox.
- Once the document view loads, select the **GradeMark** button, located at the top left of the screen.
- To view individual comments, hover the mouse over the blue comment bubbles.

Lesson 1: Market Segmentation, Targeting & Positioning

Key Words List #1

Behavioral Segmentation - Dividing the market into groups based on product usage characteristics of consumers.

Buyer-Readiness Stage - The buyer's stage regarding readiness to buy a certain product or service. At any time, people are in different stages: unaware, aware, informed, interested, predisposed to buying, and intending to buy.

Concentrated Marketing - Firms recognize market segments but design only one marketing program for all the different segments.

Customer-focused value proposition - The major reason why a consumer should buy a product; the value provided to the customer from the purchase.

Customerization - Combines operationally driven mass customization with customized marketing in a way that empowers consumers to design the product and service offering of their choice.

Demographic Segmentation - The market is divided into groups on the basis of age and other variables. One reason this is the most popular segmentation method is that consumer wants, preferences, and usage rates are often associated with demographic variables. Another reason is that demographic variables are easy to measure.

Differentiated Marketing - Firms operate in several market segments and design different marketing programs for each segment.

Differentiation Strategy - Products can be differentiated through product differentiation, services differentiation, image differentiation, personnel differentiation, and channel differentiation.

Geographic Segmentation - Dividing the market into groups based on geographic regions.

Local Marketing - Consists of marketing tailored to the needs and wants of local customer groups (trading areas, neighborhoods, individual stores).

Market-Challenger Strategy - A market strategy must first define its strategic objective; most challengers aim to increase market share. Then the challenger must decide whom to attack. Five general market-challenger attack options are: 1) Frontal attack, 2) Flank attack, 3) Encirclement attack, 4) Bypass attack, and 5) Guerilla warfare.

Market-Follower Strategy - Sometimes product imitation might be as profitable as a strategy of product innovation. The innovator bears the expense of developing the new product, getting it into distribution, and educating the market.

Market-Niche Strategy - Another alternative to being a follower in a large market is to be a leader in a small market, or niche. Smaller firms normally avoid competing with larger firms by targeting small markets of little or no interest to the larger firms.

Market Segment - Consists of a group of customers who share a similar set of wants.

Mass Customization - Producing in volume, but at the same time giving each individual customer something different according to his or her unique needs. With mass production everybody receives the same thing regardless of individual needs.

Mass Marketing - The mass production, distribution, and promotion of one product for all buyers.

Micromarketing - The practice of tailoring products and marketing programs to suit the taste of specific individuals and locations. It has four levels which include: segments, niches, local areas, and individuals.

Niche Marketing - A narrowly defined customer group seeking a distinctive mix of benefits.

Perceptual Gap Map - Visual display of the perceptions of customers or potential customers based on product features/attributes or company characteristics.

Points-of-Parity (POP) - Associations that are not necessarily unique to the brand but may, in fact, be shared with other brands. Two basic forms are category and competitive points-of-parity.

1. Category points-of-parity are associations consumers view as necessary to be a legitimate and credible offering within a certain category, although perhaps not sufficient for brand choice; and
2. Competitive points-of-parity may change over time due to technological advances, legal developments, or consumer trends.

Points of Difference (POD) - Attributes or benefits consumers strongly associate with a brand, positively evaluate, and believe that they could not find to the same extent with a competitive brand.

Positioning - The act of designing the company's offering and image to occupy a distinctive place in the mind of the target market compared to competitors.

Psychographic Segmentation - Buyers are divided into different groups on the basis of psychological/personality traits, lifestyles, or values. People within the same demographic group can exhibit very different psychographic profiles.

Segment Marketing - Slicing the market by segments where different products are offered to one or more segments.

Snake Plot - Customer perceptions plotted as attributes, so-called because each product "snakes" across the page. The data are often obtained via questionnaires in which each respondents rate each product on each attribute. Average ratings are plotted on a vertical map.

Target Market - The part of the qualified available market the company decides to pursue.

Undifferentiated Marketing - Firms that ignore segment differences and go after the whole market with one market offering and one marketing program.

User Status - Frequency with which a customer uses a product. For example, families would use laundry detergent more frequently than would a college student.

Lesson 2: Creating Brand Equity

Lesson 2 Learning Objectives

After completing this lesson, you should be able to:

- Know what branding means and the concepts of brand equity.
- Understand different branding strategies.
- Know the advantages and disadvantages of brand extensions.
- Know the different roles of a brand in a portfolio.
- Understand how the brand portfolio impacts the positioning strategy of Safe Appliance in the [BLSC \(C\)](#) case.

Reading 2 (Complete by end of Day 3)

- **Chapter 8:** Creating Brand Equity and Driving Growth

Course Pack:

- [Bright Lights and Services Co. \(C\)](#)

Chapter 8 Presentation

PowerPoint slides for this chapter can be found in the presentation below and will be used to discuss the text material. The PowerPoint slides are **not** intended to cover all the materials in the textbook. It is very critical that you read the chapter completely and be familiar with the key issues from the chapter.

Notes explaining the information on the slides are provided in the notes section of each slide. You can also listen to a voiceover narrating the text.

A downloadable copy of the PowerPoint slides used is available below the presentation.

Log in to the course to view presentation and alternative version.

[Alternate Version](#)

Week 3 Case Report

Submit by the end of Day 4

Value: 30 points

Introduction

If you have not already done so, read the [BLSC \(C\)](#) case.

Instructions

As you read the case, do the following tasks:

1. Develop a marketing strategy for Safe Appliance to address the potential entry of Walmart to the Appliance Insurance Market.
2. Using the Brightland population and income statistics provided in Case A, develop a segmentation and target marketing strategy for MM.

In addressing these items you should consider the lessons from Chapters 6-8. We will be using these in future discussions.

Formatting

All written submissions should conform to the following format:

- Written explanation limited to one page, single-spaced.
- Typed, Times New Roman 12 point font, 1-inch margin on all four sides.
- Page numbers at the bottom of the page.
- Cover page with student name and class number on each page.
- No spellings or grammatical errors.
- Reference material properly cited.
- No late submissions accepted.

Guidelines

- You will be graded not on the quantity of your work but the quality.
- You will be marked down if your work is not relevant to the question being discussed. Sometimes it might be appropriate to refer back to a statement made earlier, which is fine as long as you are not unduly rehashing a point that has already been made.
- Remember, we have all read the case/article, so excessively reciting facts that are given in the case will reflect negatively on your grade.
- Looking at the problem from a strategic point of view will positively reflect on your grade.
- If you believe a diagram you created will help your discussion, feel free to include it in your post.
- Although you do not need to respond to every question, responding to only one question is not sufficient for earning high marks. You must show that you understand the entire problem at hand through your well-thought-out answers.
- Your work should reflect the cumulative knowledge you have gained from previous chapters.

Instructions for Uploading a File:

Upload your file using the Turnitin drop box located in the Assignments area of the course by the end of Day 4.

Status Report #1 (Complete by end of Day 4) (non-graded, optional)

By the end of Week 3 you should have completed Section 2.0 of your Marketing Plan. To make sure you are on the right track, you may want to complete the optional assignment below. This assignment is not mandatory so it will not be graded, but will benefit you in the long run with mid-project feedback.

Instructions

- Click on the following link to see the checklist of items that should be completed.
[Final Project Status Report #1 Checklist](#)
- E-mail your completed checklist to your instructor for feedback.

Guidelines

- Keep your written explanation to 1/2 page, single-spaced.
- Remember to properly cite any reference material you have used.
- No late submissions accepted.

If you have any questions regarding your project specifically, email your instructor. If you would like your instructor to address an item regarding your project, insert your comments/questions as comments within your document. If you have a general question for your classmates, feel free to post it on the MKTG 6200 Discussion board and the instructor will post a response. You can also check the MKTG 6200 Discussion board for other students' questions to see if your question was already answered.

Week 3 Case Discussion

Introduction

If you have not already done so, read the [BLSC \(C\)](#) case.

Instructions

Build upon the BSLC (C) case report by addressing at least one of the following items in your discussion:

1. Mr. Smith is worried about the customer satisfaction ratings that may impact his expansion plans with the legislators and regulators. What are some of the things Mr. Smith can do to address the lower satisfaction ratings?
2. Develop a recommendation for the future of BOATS.
3. What are some of the concerns expressed by residents in the Interactive session about BSLC's intention to pursue Appliance Insurance business?

Share your responses in a post to this case's discussion board.

- Post your response to at least one of the above prompts in the **Week 3 Case Discussions** area, in the thread titled "BLSC (C)" by the end of **Day 5**.
- Post your response to your classmates' posts by the end of **Day 6**.

Guidelines

- You will be graded not on the quantity of your posts but the quality.
- You will be marked down if your post is not relevant to the question being discussed. Sometimes it might be appropriate to refer back to a statement made earlier, which is fine as long as you are not unduly rehashing a point that has already been made.
- Remember, we have all read the case, so excessively reciting facts that are given in the case will reflect negatively on your grade.
- Looking at the problem from a strategic point of view will positively reflect on your grade.
- If you believe a diagram you created will help your discussion, feel free to include it in your post.
- Although you do not need to respond to every question, responding to only one question is not sufficient for earning high marks. You must show that you understand the entire problem at hand through your well-thought-out answers.
- Your posts should reflect the cumulative knowledge you have gained from previous chapters.

Submission

Post your response to the Week 3 Case Discussions area, in the thread titled "BLSC (C)" by the end of Day 5. Respond to your classmates' posts by the end of Day 6.

Accessing Grademark Commentary for Individual Turnitin Assignments

- Select the **View/Complete** link in the assignment drop box, or select your grade in the **My Grades** area.
- Next, select the title of the assignment in the Turnitin Assignment and Portfolio Inbox.
- Once the document view loads, select the **GradeMark** button, located at the top left of the screen.
- To view individual comments, hover the mouse over the blue comment bubbles.

Week 3 Assignment 1: Segmentation, Target Marketing and Perceptual Gap Map

Submit by the end of Day 7

Value: 30 points

Introduction

Based on the [BLSC \(C\)](#) case, complete this assignment according to the instructions below.

Instructions

As you read the case, do the following tasks:

1. Conduct a SWOT analysis for Safe Appliance (under Boulay before acquisition). Develop and discuss 4Ps for Safe Appliance.
2. Discuss positioning strategy for Safe Appliance.
3. Develop positioning map for Safe Appliance based on Smith's plan for the acquired company. For example, you could take "Level of Service" and "Price" as your two attributes. On one end of the x-axis would be "Lean Service" and on the other end would be "Full Service." For the y-axis you would have "Low Price" on one end and "High Price" on the other end.
4. Answer the questions.
 1. What are the strengths and weaknesses of this positioning?
 2. Should SafeAppliance target multiple segments?

Formatting

All written submissions should conform to the following format:

- Keep your written explanation to one page, single-spaced.
- Typed, Times New Roman 12 point font, 1-inch margin on all four sides.
- Page numbers at the bottom of the page.
- Cover page with student name and class number on each page.
- No spellings or grammatical errors.
- Reference material properly cited.
- No late submissions accepted.

Instructions for Uploading a File:

Upload your file using the Turnitin drop box located in the Assignments area of the course by the end of Day 7.

Key Words List #2

Brand - Name, term, sign, symbol, design, or any combination of these, intended to identify the goods or services of one seller or group of sellers.

Brand Audits - A consumer-focused exercise that involves a series of procedures used to assess the health of the brand, uncover its sources of brand equity, and suggest ways to improve and leverage its equity.

Brand Dilution - When consumers no longer associate a brand with a specific product or highly similar products and start thinking less of the brand.

Brand Equity - The added value endowed to products and services, reflected in how consumers think, feel, and act with respect to the brand, as well as the prices, market share, and profitability that the brand commands for the firm.

Brand Extension - When a firm uses an established brand to introduce a new product. Can be broadly classified into two general categories: Line Extension and Category Extension.

Brand Salience - The propensity of a brand to come to mind in buying situations. Brand salience reflects the quantity and quality of the network of memory structures consumers hold about the brand.¹

Brand Tracking - Employing quantitative measures to provide marketers with current information as how their brands and marketing programs are performing on a basis of a number of key dimensions.

Breadth of brand awareness - The range of purchase and usage situations in which the brand element comes to mind.

Cash Cows - Some brands may be retained despite dwindling sales because they still appeal to a sufficient number of customers and remain profitable with virtually no marketing support. Firms can "milk" these "cash cow" brands by capitalizing on the existing brand equity.

Co-Branding (Dual Branding/Brand Bundling) - Two or more well-known existing brands are combined into a joint product and/or marketed together in some fashion.

Depth of brand awareness - The likelihood and ease that a brand element causes brand associations to come to mind.

Flanker - Flanker or "fighter" brands are positioned with respect to competitors' brands so that more important (and more profitable) flagship brands retain their desired positioning. Fighter brands must not be so attractive that they take sales away from their higher-priced comparison brands or referents.

High-End Prestige - A relatively high-priced brand is often used to add prestige and credibility to the entire portfolio.

Ingredient-Branding - A special case of co-branding that involves creating brand equity for materials, components, or parts that are necessarily contained within other branded products.

Internal branding - Activities and processes that inform and inspire a company's employees.

Logo - Unique symbol or design that represents a company. Also called a trademark.

Low-End Entry Level - The role of a relatively low-priced brand in the portfolio used to attract customers to the brand franchise. Retailers feature these "traffic builders" because they can "trade up" customers to a higher-priced brand.

Permission Marketing - When a company obtains permission from customers to send them information about their product or company. Information usually comes via email.

Personalized Marketing - Personalizing the marketing message to an individual consumer.

¹Jenni Romaniuk and Byron Sharp, "Conceptualizing and measuring brand salience" *Marketing Theory*, Vol. 4, No. 4, 327-342 (2004).

Week 3 Study Quiz (Chapters 6-8)

At the end of each week you have an opportunity to test yourself on your understanding of the key concepts learned during the week. This exercise should also help you to become familiar with the type of multiple choice questions you will see in your Exams.



Please note that these quizzes are completely **OPTIONAL** and you will **NOT** be graded. These are intended to provide you some practice for your multiple choice questions in the exams.

IMPORTANT: Quiz/Exam Advisory

If you are using the Microsoft Internet Explorer 8 browser, you will need to change your browser settings to "Compatibility View" before taking your exam/quiz.

Click the link below for instructions on how to change compatibility view.

[Compatibility View](#)

Alternatively, you can use the Mozilla Firefox browser to take your exam/quiz. Click the link below to download Mozilla Firefox.

<http://www.mozilla.com/en-US/firefox/ie.html>

If you require further assistance, please contact the Help Desk: **1-866-291-8058**

Midterm Exam

Value: 100 Points

Due Date: Opens Day 5, Closes end of Day 6

Length: 75 minutes

Format: 25 multiple-choice questions and 2 essay questions

ProctorU

The exam is password protected and can only be unlocked by [ProctorU](#). Please be certain to schedule your exam time at least 72 hours before taking the exam. You will need to know your course's CRN number when registering in order to register for the correct section. The CRN number can be found in the top left corner of Blackboard and is usually a five digit number following the course code.

Also, it is crucial that you check all of the technical requirements for ProctorU prior to the time of your exam and verify that your computer system meets ProctorU Technical Requirements. You can do this by clicking the link below. Here you will also see 'Click Here to Test Your Equipment', click this area so the system can run a check on your computer. There is also a 'Connect to a live person' from this page where you can have further testing done on your system by a live ProctorU representative. This is required to ensure you will be able to complete your exam without issue.

[ProctorU Technical Requirements.](#)

Preparation

Please review the materials we have covered during the first three weeks of this course in preparation for the mid-term exam.

Directions

This examination assesses the degree to which you comprehend the whole of the course content. The exam consists of 25 multiple choice questions worth 2 points each and 2 essay questions worth 25 points each.

The exam will open at 12:00 a.m. E.T. on Day 5 and will close at the end of Day 6. You will have only one attempt. Once you begin the exam, you will have 75 minutes to complete it. A timer begins running as soon as you commence the multiple-choice question set, and it does not stop until it reaches 75 minutes (Note: The timer continues running even if you navigate away from the page.).

This exam is closed book/notes. Please adhere to academic integrity when taking this exam. Choose the best answer.

NOTE: You must log completely out of Blackboard **before** logging out of the ProctorU system.

Good luck.

Week 3 Summary

Log in to the course to view video and alternative version.

[Transcript](#)