THE MALE SHOPPER[2]

The male shopper has been long ignored. A segmentation scheme provides insight into how males differ and suggests strategies for appealing to very different segments.

The Metrosexual. An affluent urban sophisticate, age 20–40, who loves to buy and looks for trendy, prestigious, and high-quality products. Into men's grooming, expensive haircuts. Think Polo, Ralph Lauren, Beiersdorf, and Banana Republic.

The Retrosexual. Traditional male behavior, into football and NASCAR, rejects feminism, nostalgic for the way things were, prefers below-casual clothing, not into moisturizers for men. Think Levi's, Nike, Old Spice, Burger King, and Target.

The Modern Man. Between "metro" and "retro," this shopper shares their interests but does not go overboard. A sophisticated consumer in his twenties or thirties, he is comfortable with women but does not shop with them. Think Gap, Macy's, and fast casual restaurants.

The Dad. Good income. Involved in the family shopping. Efficient shopper. More functional clothing. Think Nordstrom's, McDonald's, and Amazon.

The Maturiteen. More savvy, responsible, and pragmatic than earlier generations of teens. A technology master adept at online research and buying. Sony, Adidas, Old Navy, Circuit City, and Internet sites of all types do well.

Loyalty

Brand loyalty, an important consideration in allocating resources, can be structured using a loyalty matrix as shown in Figure 2.5. Each cell represents a very different strategic priority and can justify a very different program. Generally, it is too easy to take the loyal customer for granted. However, a perspective of total profits over the life of a customer makes the value of an increase in loyalty more vivid. Thus, the highest priority is to retain existing loyal customers and, if possible, increase their commitment intensity and perhaps encourage them to talk to others.

The key is often to reward the loyal customer by living up to expectations consistently, providing an ongoing relationship, and offering extras that surprise and delight.

	Low Loyalty	Moderate Loyalty	Loyal
Customer	Medium	High	Highest
Noncustomer	Low to Medium	High	Zero

Figure 2.5 The Brand Loyalty Matrix: Priorities

The loyalty matrix suggests that the moderate loyals, including those of competitors, should also have high priority because they represent one route to increase the size of the loyal segment. Using the matrix involves estimating the size of each of the six cells, identifying the customers in each group, and designing programs that will influence their brand choice and loyalty level. The brand loyal noncustomer is a low priority because the cost to attract is usually prohibitive unless a competitor misstep provides an opportunity. The nonloyal group will have a reduced long-term value because they will be easily enticed by a price deal.

Applications

Some products and services, particularly industrial products, can best be segmented by use or application. A laptop computer may be needed by some for use while traveling, whereas others may use it at the office. One segment may use a computer primarily for Internet access, while others may use it for editing documents or for data analysis. Some might use a four-wheel drive for light industrial hauling, and others may buy primarily for recreation.

Christiansen et al. argue that an application focus is more likely to lead to successful new products and marketing programs.[3] They illustrate by telling the story of McDonald's that found many consumers bought its milkshapes in the morning in order to help them kill time while driving to work and provide energy to tide them over until lunch. Being efficient to buy and capable of being consumed with only one hand were therefore critical. Such an insight leads to ideas like making the shake thicker (so it takes longer to consume), making the purchase even more efficient with buyer cards, and adding fruit to make it more interesting in the context of a boring commute. The basic concept is that ideas for products and marketing programs are more likely to come from a deep understanding of how the product is used than by understanding the customer. The success of Arm & Hammer in extending its business can be credited to a focus on applications involving deodorizing (carpets, kitty litter, clothes, underarms, and refrigerators).

Multiple Segments versus a Focus Strategy

Two distinct segmentation strategies are possible. The first focuses on a single segment, which can be much smaller than the market as a whole. Walmart, now the largest U.S. retailer, started by concentrating on cities with populations under 25,000 in eleven south central states—a segment totally neglected by its competition, the large discount chains. This rural geographic focus strategy was directly responsible for several significant SCAs, including: an efficient and responsive warehouse supply system; a low-cost, motivated workforce; relatively inexpensive retail space; and a lean and mean, hands-on management style. Union Bank, California's fifth largest bank, makes no effort to serve individuals and thus provides a service operation tailored to business accounts that is more committed and comprehensive than those of its competitors.

An alternative to a focusing strategy is to involve multiple segments. General Motors provides the classic example. In the 1920s, the firm positioned the Chevrolet for price-conscious buyers, the Cadillac for the high end, and the Oldsmobile, Pontiac, and Buick for well-defined segments in between. A granulated potato company has developed different strategies for reaching fast-food chains, hospitals and nursing homes, and schools and colleges.