6

Marketing Strategy

LEARNING OUTCOME

Upon completion of this module, you should be able to:

- Produce justifiable marketing overview that covers the target market, market segmentation, serviceable market and size by applying relevant methods.
- Develop cost-effective strategies for marketing, growth and promotion for the chosen product/service.

6.1 MARKETING OVERVIEW

A marketing overview describes how sales projections you are making in your financials will be attained in terms of positioning, marketing activities and promotional campaigns. It also represents the overall content of your more detailed marketing plan, only in a much more focused approach. Your marketing overview should discuss the detailed background of your market which includes target market, market segmentation, serviceable market and market size.

6.1.1 Target Market

In general, your target market consists of customers who want to get benefit from your product/service and buy your product/service. In identifying your target market, you may refer to whose problem your product/service will be solving. Some examples are shown in Table 6.1.

Table 6.1 Examples of Target Market

Product/Service	Target Market
Grab	Driver and passenger
FoodPanda	Individual who want to order food online, restaurant that allows customers to have online ordering, rider who delivers food.
Airbnb	Host and guest

Concerns that you may want to consider in identifying your target market:

1. Your competitor and customer who is buying/using their products/services.
2. Benefits of your product/service and customer who will be benefiting from your product/service.
3. Customers who bought or currently using a similar product/service.
4. The price of an existing similar product/service.

6.1.2 Market Segmentation

Market segmentation is a process of grouping the prospective customers into groups based on certain parameters including,

1. Demographic – age, gender, income.
2. Geographic – region or area.
3. Psychographic – social class, lifestyle, personality.
4. Behaviour – benefit, use, response.

6.1.3 Serviceable Market & Market Size

Realistically, any product/service will not be able to benefit or serve all customers. Therefore, the serviceable market is a term that refers to the total available market that your product/service can serve based on the capability and capacity your product/service can provide. Our target market is available in serviceable market segment which other product/service providers share this segment. The factors that will determine your target market are the are the price of your product of your product/service and all segmentation parameters.

In producing a solid business plan, you should be able to estimate the size of the market that your product/service can serve. It would help if you looked for statistics that will strengthen and justify your estimation later.

Example 6.1 SolviePro's Marketing Overview

SolviePro is a mobile application service that serves the business client by matching pool of vetted freelance talent by interviewing and screening that worker, setting up interviews if necessary, and removing all messy hiring paperwork.