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COMM 775

Assignment Four

Chapter 4

What is a promotions opportunity analysis? Why is it a critical part of a company's marketing effort?

A promotions opportunity analysis is “the process marketers use to identify target audiences for a company's goods and services and the communication strategies needed to reach these audiences. It is a critical part of a company's marketing effort because it does the following:

- Determines which promotional opportunities exist for the company
- Identifies the characteristics of each target audience so that precise advertising and marketing communications messages can reach them

What common marketing communications objectives do firms establish?

The Communication Market Analysis is the first step of a promotions opportunity analysis. It analyzes five areas:

Competitors – domestic and foreign competitors including their advertisements, promotional materials, annual reports, prospectus for a publicly held corporation and website

Opportunities – examine all available data and information about the market

Target Markets – understand the makeup, personalities, and interests

Customers – current company customers, competition's customers, and potential new customers

Product Positioning – quality of products, prices charged, methods of distribution, image, communication tactics

Define demographics. How are they used to segment consumer markets?

Demographics are population characteristics including the following: gender, age, income, education, ethnic groups. According to the text, “consumer market segmentation approaches

to demographic groups are based on the idea that people with distinguishable characteristics have different needs. Companies create goods and services to meet the needs of individual demographic segments.

Describe usage segmentation and benefit segmentation.

Usage Segmentation is designed to maximize sales to all user groups. However the goal is to provide the highest level of service to the best customers while still promoting to the other users. It creates a classification scheme to cluster or group the customers, which reduces large volumes of data for analysis.

Benefit segmentation focuses on the advantages consumers receive from a product rather than the characteristic of the consumers themselves. It is typically used in the fitness market and can be very helpful in understanding what customers want from a product.

How does the idea of a promotions opportunity analysis fit with a GIMC program?

In order for a promotion opportunity analysis to fit with a GIMC program, one must recognize “the many cultural nuances throughout the world.” Markets should understand the region that they are marketing to and tailor their marketing plan towards that specific culture.