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# Marketing for Lawyers Segmentation

Lesson 2

# How to be successful?

- 1. segment the market,
- 2. target a single segment or series of segments, and
- **3. position** within the segment(s)

#### Segmentation

Analysis customers needs and behavior

- To find out similar needs and demonstrate similar buyer behavior
- To match groups of the same set of needs and buyer behavior (segment)
- the segments are often named and/ or numbered in some way
- homogeneous preferences
  diffused preferences
  clusters

#### Task

#### Types of Services Attorneys Can Provide:

- Consultation for legal information and advice
- Consultation to review documents (such as agreements, leases, wills, corporation documents, do-it-yourself court forms)
- Mediation, arbitration, or other third party services
- Preparation of documents
- Representing clients in negotiations (possibly under "collaborative lawyering" agreement where both attorneys withdraw if either side chooses to litigate)
- Representing clients in court, arbitration, administrative and legislative hearings

#### • Type of Area Law:

- Constitutional Law
- State Law
- Administrative Law
- Civil Law
- Criminal Law
- International and EU Law
- Commercial Law
- Financial Law
- Labour Law and Social Security Law
- Environmental Law and Land Law



#### Customers needs

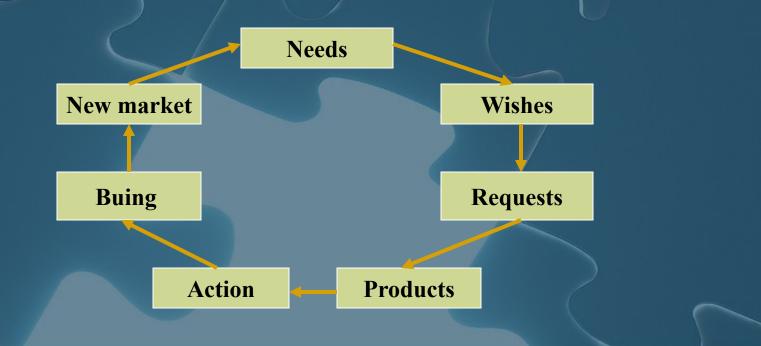
 Customers buy a product for solving some problem (need)

Why do you need to buy a car?
Tell us about your needs.



## **Customer behavior**

Circle of needs and consumption





# Consumer market segmentation

 by geography • where the customers live • by psychographics • lifestyle or beliefs by socio-cultural factors • a social class, culture • by demography • such as age, sex, etc. buyer behavior • how often they buy the product, who they buy with

### Goal of segmentation is:

Goal of segmentation is:

- To identify groups of similar customers and potential customers;
- To prioritize the groups to address;
- To understand their behavior;
- To respond with appropriate marketing strategies that satisfy the different preferences of each chosen segment.

= to improve business performance (profit)

### Targeting

= choosing which segments to address

#### Every segment should be:

- Different is it distinct from other segments (different segments have different needs)?
- Homogeneous is it homogeneous within the segment (exhibits common needs)?
- Viable the potential growth of the segment; how big the segment is; Is it possible to make a profit?
- Accessible Is it easy to get the segment?
- Measurable Is it possible to obtain real data?



#### Positioning

 designing an appropriate marketing mix (product, place, price, promotion) for each segment

= company should have different strategy for every segment

### Segment concentration

1 segment concentration
Selective specialization
Product specialization
Market specialization
Full market specialization



#### Prepare segmentation of your group (Find at least 15 characteristics)





# Silent generation

- generation born during the Great Depression and World War II.
- generation born from 1925 to 1945
- found its characteristics as:
  - grave and fatalistic,
  - conventional,
  - possessing confused morals,
  - expecting disappointment but desiring faith, and
  - for women, desiring both a career and a family.



### Baby boomers

- born during the demographic Post-World War II baby boom
- generation born from 1946 to 1964
- found its characteristics as:
  - economic power,
  - their life experiences, which include the rise of television and electronic mass media,
  - high level of education, and
  - the large number of women who chose fulltime careers in the workplace



### Generation X

generation born after the baby boom
generation born from 1965 to 1977
found its characteristics as:

more individualistic than previous generation
more sceptic and media-wise



 known as the Millennial Generation or Generation Next or Net Generation generation born from 1978 to 1994 • found its characteristics as: trend toward smaller families in developed countries continued marked by an increased use and familiarity with communications, media, and digital technologies

### Millennials

generation born from 1995 to 2010
found its characteristics as:

have developed work characteristics and tendencies from doting parents, structured lives, and contact with diverse people.
working in teams and want to make friends with people at work

## Who is a customer?

#### • Bio products



### • cosmetics L'ORÉAL <u>L'ORÉAL</u>

#### instant soup or food



#### Nike shoes



### New Trends 1

#### • Age structure

 older people – segment Young old (medicaments, cosmetics, special offers for this segment – trips...)

#### Size of household

smaller households, a lot of unmarried (size of packages)

#### • Income structure

• great polarization of income (luxury goods x cheap goods)

#### • Structure of workers

- great rate of working women
- question: family or careers (products increasing comforts, Household products make life a lot easier)

# New Trends 2

 Price orientation Quality orientation Price and Quality orientation Health and beauty orientation Adventure orientation Internet orientation Comfort orientation



#### Which segment concentration from new trends is suitable for lawyers?



#### Which of trends in the legal industry are possible to see in your countries?



# Task for next lesson

 Find out usually price paid to Attorneys (legal act) in your country and make comparison with the situation in the Czech Republic.

# Ways how to create the price

- Know the market
  - It is necessary to find out how much customers will pay, as well as how much competitors charge
- Cost-plus or value-based
  - Cost-plus pricing involves adding a "mark-up" percentage to costs, which will vary between products, businesses and sectors.
  - Value-based pricing is determined by how much value customers attach to the product.
- According to the real costs
  - creating the calculation
- Consider cost-plus pricing
  - This is usually expressed as a percentage of breakeven
- Add other influences on price
  - How will changing VAT have an impact on price?
  - different prices for different regions.

#### Change according to change of market or costs

• The price should be to optimal for customers



# Thank you for you attantion.