

Eva Tomášková eva.tomaskova@law.muni.cz

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

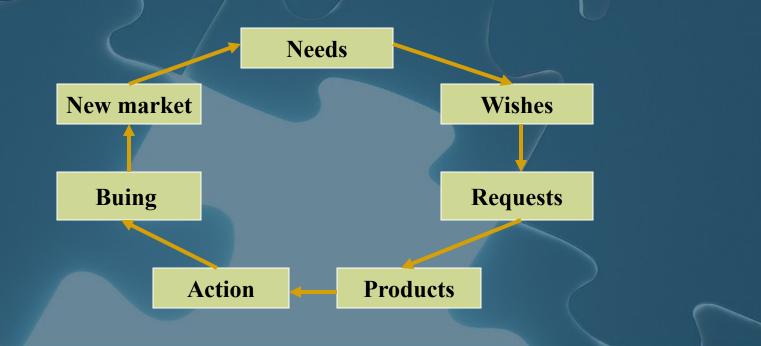
 Customers buy a product for solving some problem (need)

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.