

Discussion chapters 7, 9

1 - Case study: Marriott

Marriott International owns a number of different hotel chains that target specific consumer groups.¹ Specifically, we can find:

- Courtyard by Marriott
- Ritz-Carlton
- Marriott ExecuStay
- Moxy Hotels

Questions

For each one of the Marriott offering:

1. Identify what each chain offers to their customers, and in which way they differ from each other (think about their value proposition).
2. Identify the market segment(s) of each one of the Marriott offerings.
3. How would Marriott target the different segments that you identified?
4. How each one of the offerings is positioned? Think about the value proposition of each one of the offering and draw a positioning map using two dimensions: price (from budget to luxury) and location (from suburbs to centric, i.e., downtown).

¹ If you are not familiar with Marriott and its offering, use Google to obtain the relevant information you need to answer the questions.

2 – Case study: Whole Foods

Whole Foods Market is an American supermarket chain with its headquarters in Austin, Texas. It was established in 1980 with the merger of SaferWay and Clarksville Natural Grocery stores. Today Whole Foods Market has over 400 stores in USA, Canada and United Kingdom with over 91000 employees. Before being acquired by Amazon, the company was traded on Nasdaq with a market capitalization of over \$10 billion and was a Fortune 500 company. It is the nation's largest retailer of organic foods, 5th largest public food retailer, and the 10th largest retailer overall based on 2014 sales rankings. The company's mission is to "promote vitality and well-being of all individuals by supplying the highest quality, most wholesome foods available". Some of the company's core values are: selling the highest quality natural and organic products, support team member excellence, create wealth through profits and growth, serve and support local and global communities.

Questions

1- Segmentation & Targeting

- a. Identify one or more segmentation methods that Whole Foods is currently using.
- b. What is the main segment of the population that Whole Foods is targeting? (i.e., if you have to describe the typical Whole Foods customer which words would you use?)
- c. Based on the answers above, what are some of the groups of customers (families, young professionals, etc.) that are part of Whole Food target market?

2- Positioning

- a. What is Whole Foods position? (What differentiates Whole Foods from the competition? What is Whole Foods unique value proposition?)

3- Identify Whole Foods marketing mix (4p's)

3 – Ethical dilemmas in segmentation in targeting

Although targeting selected market segments for advertising and marketing messages would seem to be a sound strategy for any company, there can be difficulties. Some companies have been accused of using segmentation approaches that discriminate against certain groups within society. Complaints have been raised about potential discrimination based on race, culture, age, gender, and sexual lifestyle.

Assume that you have been asked to review segmentation profile practices. Pick one company that you believe avoids discrimination in market targeting and one company that you believe does not. Compare the two companies with respect to their market target selection process and how the market targets are approached. Comment on any perceived ethical practices that you are aware of. Be sure to check any information on ethics provided by researching the websites of your two example companies. Lastly, list the ethical guidelines or best practices you believe organizations should follow when selecting market targets.