

Significance of Market Segmentation for Business Success: A Literature Review

Jude-Akposibruke Chinonso Precious

Faculty of Economics and Information Technology, International Business Studies, The West Pomeranian Business School, Szczecin, Poland
precious.ukandu@gmail.com

K Shihan D Fernando

Faculty of Economics and Information Technology, International Business Studies, The West Pomeranian Business School, Szczecin, Poland
Shihan@kennisglobal.com

Market segmentation is the most common tool used to gain the overall efficiency of the marketing function. Market segmentation is essential to design and implement an effective target marketing strategy. Thus, it is important to have sound knowledge about Market segmentation. Moreover, it plays a vital role in identifying high yield segments, identifying growing segments, and identifying potential segments. However, the market segment's ultimate aim is to select and develop customer profiles according to the homogeneous characteristics of the segment. This research is highly significant because it has a deep investigation of different approaches to the market segmentation based on the literature. Moreover, this research tries to understand the theoretical background of market segmentation from the most fundamental stage to the advanced stage. And all the analysis and conclusions are based on the review of the literature. Successfully implementation of a market segmentation strategy is not an accident. It involves the optimum alignment of the organizational primary goal and its marketing strategy. However, in the process of identifying different market segments, it is important to keep in mind that the business will have to implement segment-specific investment plans. Meaning, Market segmentation should be tailored to different products in the product line.

Keywords: *Business Success, Customer Satisfaction, Market Segmentation, Segment-Specific Investment*