The Effect of Market Segmentation on Global Marketing: A Conceptual Overview

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Abstract

This study examined the effect of market segmentation on global marketing. A conceptual overview was done to X-ray the concept of globalization and global marketing. This study indicated that globalization is the development of increasingly integrated system and relations beyond the national borders. Thus, such system and relations are more than economic, they also include political, cultural, and technological. On the other hand, Global marketing refers to marketing activities integrated across multiple country markets. The integration can take the form of standardized products, uniform packaging, identical brand names, synchronized product introductions, similar advertising messages, or coordinated sale campaigns across markets in several countries. Moreover, the study showed that, for effective market segmentation in global marketing, the following requirements or criteria are necessary. They are; Accessibility, Actionability, Sizeable, measurability, substantial, etc. Furthermore, this study established the basis for global market segmentation. These include, geographical, demographic, psychographic, behavioural and benefit segmentation. The findings revealed that for a firm to succeed in global marketing, "Firms must look before they leap". Beside, the study showed that the effect of market segmentation on global marketing are enormous. Market segmentation makes a firm to know the actual market with homogenous (similar) needs and wants that the firm wants to reach with its available resource in the global market. Moreover, it enables firms to reduce cost, since the firms will only focus with the segments having similar characteristics. Furthermore, it ensures that firms, product offering are tailored to a specific segment, thus, enhancing customer satisfaction in the global market. Based on the findings, the following recommendations were made. Firms should always segment their market before entering the global market. Moreover, firms should not see geographical segmentation as the only basis for segmenting a market globally. Other factors like; behavioural, demographic etc should also be employed.

Keywords: *Globalisation, Global marketing, market Segmentation, foreign market*

Introduction

That global marketing is impacting on industrialization of nations today is not in doubt. Global marketing has made the world to look like a little village. It has made it possible for goods and services produced in far away Asian, Europe, America, and other Continents to be available in Nigeria, and Africa in general. For instance, with global marketing, a Nigerian or an African can sit in a Chair from London, wear a shirt made in Italy, use shoes made in Britain and use computer and other accessories made in United State of America (U.S.A). Global marketing is "Marketing on a world – wide scale, reconciling or taking commercial advantage of global operational differences, similarities and opportunities in order to meet global objectives (Oxford University Press glossary of marketing terms, 2010). Moreover, the Business Dictionary (2010) argued that global marketing is the Process of conceptualizing and then conveying a final Product or service world wide with the hope of reaching the International marketing Community. In the same vein, the American Marketing Association (2010) defined global marketing as the coordinated performance of marketing activities to create exchange across different countries that satisfy individual, organization, and society objectives. Johnny (1997), argued that global marketing refers to marketing activities integrated across multiple markets. He stressed that, the Integration can take the form of standardized products, uniform packaging, identical brand names, synchronized product introductions, similar advertising massages, or coordinated sales campaigns across markets in several countries.

Going into foreign markets can be a risky business, and the economic crisis has subjected many businesses to adverse risks. However, a lot of firms go into global marketing for the following reasons; to expand their business operations, Growth in purchasing power, currency exchange, economic fluctuations, etc.

Warren (2007), informed that, companies wishing to achieve maximum growth potential must "go global" because nearly 75% of the world market potentials is outside the home countries. He gave instances of coca-cola, based in United States, and generally its revenue 9ie 68% of its 1999 operating income and 62% of revenues were generated by its soft-drink business) outside North America. Beside, Non- U.S. companies have greater motivation to seek market opportunity beyond their own borders. These opportunities include the two hundred and seventy-six million (276m) people in the United State. Moreover, in African and Nigeria in particular, there are a lot of market opportunities, considering the population and its purchasing power.

A critical review of the global market revealed that, there are evidence of increase in sales, high profits and increase in market share that is brought about by companies engaged in Global marketing. Below is an extract from fortune Global 500.

Table 1 depicts how global marketing can make firms to achieve their goals of high growth rate, increase market share and high profit.

However, despite the above-mentioned success recounted, there are cases where some multinational companies have failed in their bid to globalize. Researchers have shown that some firms embark on global marketing without proper identification of specific segments, hence they failed, this due to investments made without considering the various segments. Thus, the greatest challenges facing global market are the choice of appropriate basis for segmentation. The study examined the effect of market segmentation on global marketing.

Table 1: Increases in sales, high profit and market shares of companies as result of global marketing

	Sales (1998)	**Profits(1998)**	**Market Share(1998)**
General Motors	$ 161, 315	$2, 956	14.5
Daimler Chrysler	154, 615	5, 656	13.9
Ford Motors	144, 416	22, 071	13.0
Toyota	99, 740	2, 787	9.0
Volkswagen	76, 307	1, 261	6.9
Nissan Motors	51, 478	(217)	4.6
Fiat	50, 999	692	4.6
Honda Motor	48, 749	2, 386	4.4
Renault	41, 353	1, 500	3.7
Peugeot	37, 540	539	3.4
BMW	35, 887	513	3.2

Robert Bosh	28, 610	446	2.6
Mitsubishi	27, 480	44	2.5
Volvo	26, 773	1, 086	2.4
Mazda Motor	16, 098	303	1.4
All other	108, 625	2, 749	9.9
Total	1, 109, 949	44,772	100.0

Source: Adapted from Fortune Global 500, (1991)

Statement of Problem

Market segmentation is a concept that is unknown and unfamiliar with most companies all over the world. Even if most companies are aware of the aforementioned concept, they apparently left their knowledge at home when they go abroad. According to Sak and John (2007) American business people hardly segment a foreign market. Beside, there is an assumption that by going abroad, geographic segmentation has been implemented. However, in geographic segmentation, an obvious choice is often overemphasized and is usually inappropriate. Some firms have failed to realize that consumers in a foreign country are not homogenous. Consequently, some companies have failed in foreign markets. Thus, as the business world becomes more globalized, global market segmentation (GMS) has emerged as an important issue in developing, positioning and selling products across national boundaries.

The study will examine the effect of market segmentation on Global marketing.

Purpose of the study

The purpose of the study is;

i. To examines the effect of market segmentation on global marketing.
ii. To ascertain the criteria for segmenting the global market.
iii. To know the bases for global market segmentation
iv. The study seeks to recommend appropriate tools needed for global market segmentation.

Globalization: Conceptual and Theoretical Framework

Globalization is a concept that is difficult to define due to the different Interpretation by various scholars. Marginson and Rhwades (2002), postulated that globalization refers to the development of increasingly integrated systems and relations beyond the national borders. They argued that, such system and relations are more than economic, they are also political, cultural, and technological. Al-Rodhan et al (2006), informed that globalization is a common term for processes of international integration arising from Increasing human activity and interchange of world views, products, ideas and other aspects of culture. As a concept, globalization refers to both the compression of the world and the intensification of consciousness of the world as a whole, Robertson, (1993). According to Rothenberg (2003), globalization refers to the growing integration of the global economy, which is being brought about by incessant flow of goods and services, capital, technology and information across national boarders.

The effect of globalization in the social-economic and social-cultural development cannot be over emphasized. It can provide both developed and developing countries an access to showcase their products. This creates competition among firms in the international market. Besides, it also affords countries and companies to exchange ideas, product and services with one another. Globalization is not just liberalization of trade, opening up borders by lowering or removing tariffs and non-tariff barriers, but it goes beyond and tries to generate a business in production investment, financing, marketing and distribution as well as in organization, management and as well as in organization, management and supervision under a universal code of conduct. Although, globalization has several positive, innovative, dynamic aspects, the overall achievements remain far below the expectations and promises of globalization. It has proceeded with extremely uneven distribution of benefits and cost across nations resulting in marginalization in some case. However, the exclusion of countries and people from the benefits of globalization is further compounded by the emerging rules / laws of international trade.

International trade in this millennium era has liked the lives of the world's population and has equally become the source of wealth. At the same time, worldwide poverty has increased and there are greater income differences between the rich and poor.

According to Oxfam (2002), the reason is bluntly that the rich countries that make the rules of International trade do so in their favour. When developing countries export to rich countries markets, "they face tariffs that are four times higher than those encountered by rich countries" This tends to hinder a smooth flow of global business.

Global Marketing

Although the marketing discipline is universal, markets and customers are quite differentiated. This means that marketing practice must vary from country to country (Warren, 2007). Each person is unique, and each country is unique. The reality of differences means that we cannot always directly apply experiences from one country to another. Thus, if the customers, competitors, channels of distribution, and available media are different, it may be necessary to change the marketing plan that is formulated by either the country or the firm. According to Raymond in Warren (2007), Companies who do not appreciate this fact will learn about it if they transfer irrelevant experience from one country or region to another. He gave an example of Nestle, that sought to transfer its great success with a flour-flavour coffee line from Europe to the United States (US), the US competitors were delighted. The transfer led to a decline of 1 percent (1%) in United States Market share.

John (1997), Informed that, Global Marketing refers to marketing activities integrated across multiple country markets. The integration can take the form of standardized products, uniform packaging, identical brand names, synchronized product introductions, similar advertising messages, or coordinated sales campaigns across markets in several countries. The Oxford University Press defines Global Marketing as "Marketing on a Worldwide Scale reconciling or taking commercial advantage of global operational differences, similarities and opportunities in order to meet global objectives, Oxford University Press, 2012). In another development, Kotabe and Helsen (2012), posited that Global marketing involves marketing activities by firms that do each of the following;

- Standardize their marketing program: Allow marketing efforts to seamlessly operate across country boarders. Standardization ensures products, promotions, price and channel structure cooperate together to increase opportunity and effectively meet the needs of global customers.
- Coordinate across markets: Businesses eliminate cost inefficiencies and reduce duplicated business efforts of their national / regional divisions.
- Practice global integration: This involves playing a role in many different world markets that are relevant to the business. Integrating firm operations means some markets use the resources of others to achieve success and vice-versa. It also involves balancing responses to competitive attacks in all areas. The aforementioned definitions depicts that, global marketing is the process of conceptualizing and then conveying a final product or service worldwide with the hope of reaching the international marketing community. Thus a proper

global marketing has the ability, to catapult a company to the next level, if it is done correctly.

The need to go into global marketing goes beyond pure market considerations. For instance, companies leading the markets need to keep tract of new technological development for tomorrow's products and services. Siemen's the Germans electronics giant, views its foreign market participation as one way to keep abreast of changes elsewhere and to maintain a global presence among present and prospective customers. Moreover, Nissan's involvement in European auto markets, as well as its decision to drop the Datsun name and adopt the company name for its product line was based partly on a desire to be better known among investors in the Eurobond market.

Aside the above-mentioned reasons for going abroad, the main objectives of firms going abroad, include the following:

i. Exploiting market potential and growth,
ii. Diversifying markets,
iii. Learning how to do business abroad.
iv. Gaining Scale and scope returns at home.
v. Pressuring competitors, and
vi. Learning about a leading market.

However, going into global marketing is not an easy task. Most firms have failed because they did not segment their market. They enter the market before looking the market. Kumar et, al., (2001), posited that firms should look before they leap". Thus as the business world becomes more globalized, global market segmentation (GMS) has emerged as an important issue in developing, positioning, and selling product across national boundaries.

Global Market Segmentation

According to Peter (1995), market segmentation is the process of subdividing a market into distinct subset of customers. That behaves in the same way or has similar needs. Each subset may conceivably be chosen as a market target to be reached with a distinctive marketing strategy. The process begins with a basis of segmentation – a product – specific factor that reflect differences in consumers' requirements or responsiveness to marketing variables (Possibilities are purchase behaviour, usage, benefit, sought, intentions, preference, or loyalty).

Global Market Segmentation (GMS), can be defined as the process of identifying specific segments – country groups or individual consumer groups across countries – of potential customers with homogeneous attributes who are likely to exhibit similar buying behaviour. Salah et. al., (1992), views global market segmentation as the process of dividing the world market into distinct subsets of customers that behave in the same way or have similar needs, or as one author put it. It is the process of identifying specific segments – whether they are groups of country or individual consumer groups- of potential customers with homogeneous attributes who are likely to exhibit similar buying behaviour.

The study of Global Marketing is very important for three reasons. Firstly, it consider the world as a market, different products are in different stages of the product life cycle at any given time. Thus, researchers can segment the market based on the segmentation, but the membership of the countries in each segment is fleeting. This makes it difficult to re-evaluate and update the membership of each segment.

Secondly, with the coming of the internet, product information is disseminated very rapidly in unequal proportions across different countries. The dynamic nature of this environment warrants a continuous examination of the stability of the segment membership.

Thirdly, the objective of Global Market Segmentation (GMS) is to break down the world market for a product or a service into different groups of countries / consumers that differ in their responses to the firms marketing mix program. Thus, in that way the firm can tailor its marketing mix to each individual segment.

Requirements for Effective Market Segmentation

The requirement for effective market Segmentation in domestic market is equally applicable to Global Market Segmentation. According to Michel and Wagner, (1998), Segments should possess the following characteristics or properties:

i. **Sizeable:** The Segments should be large enough to be worth going after. Britain and Hong Kong can be grouped together as the same because of previous British Supremacy in Hong Kong, but their population differs. It is also important to know that many segments that might be considered too small in a single country context become more attractive once they are lumped together across borders.

ii. **Accessibility:** The Segments should be easy to reach through promotional and distributional efforts (road conditions, storage facilities) and media infrastructure (Internet penetration) imply that a given segment might be hard to reach in some countries and easy to target in other market places. Moreover, because of its sheer size, China seems to be attractive market. However, because of its large rural population, it has less access to technology.

iii. **Actionability:** Effective marketing program (four Ps) should be easy to develop. If segments do not respond differently to the firms marketing mix, there is no need to segment the markets. For instance, certain legal issues need to be considered before implementing an advertisement campaign. For example, many countries, such as India, do not allow direct slandering of the competitors products.

iv. **Measurability:** The segments should be easy to define and measure. Objective traits such as socio-economic variable (per capital income) can easily be gauged, but the size of the segments, based on culture or lifestyle is much harder to measure. Thus, a larger scale survey may be required for segmenting global markets depending upon the basis of Global Market Segmentation.

v. **Substantial:** The market Segments should be large or profitable enough to serve. A segment should be the largest possible homogenous group worth pursuing with tailored marketing program.

vi. **Competitive Intensity:** The segments should not be preempted by the firm’s competition. In fact, in global marketing, small companies often prefer entry of less competitive market and use this as one of the segmentation criteria when assessing international markets.

vii. **Stability:** Stability of the markets or countries is very important in segmenting a market. If the target market / change in their composition or behaviour over time, marketing efforts devised for these targets are less likely to succeed.

Basis for Global Market Segmentation

Most early segmentation efforts were based on macro considerations that include factors such as economic (Kottler, (1986); cultural (whitelock 1987), geographic (Daniels, 1987) and technological (Huszagh et al, 1986).

In the 1980s, Professor Theodore Levitt advanced the thesis that consumers in different countries increasingly seek variety and that the same new segments are likely to show up in multiple national markets. Thus, ethnic or regional foods such as Sushi, Greek salad, or hamburgers might be in demand anywhere in the world. Levitt described this trend as the "Pluralization of consumption" and "segment simultaneity" that provides an opportunity for marketers to pursue a segment on a global scale (Theodore, 1983).

However, in today's Global World, companies are likely to segment World Markets according to one or more, key criteria; Geography, demographics (including national income and size of population), psychographics (values, attitudes, lifestyles), behavioural characteristics, and benefits sought. It is also possible to cluster different national markets in terms of their environment (e.g; the presence or absence of government regulation in a particular industry) to establish groupings. This is another powerful tool for Global Segmentation by user category.

Geographic Segmentation

Geographic Segmentation is divided the world into geographic subsets. The advantage of geography is proximity. Markets in geographic segments are closer to each other and easier to visit on the same trip or to call on during the same time window. Geographic Segmentation has some limitations. The mere fact that markets are in the same world geographic region does not mean that they are similar. For instance Japan and Vietnam are both in the East Asia, but one is a high-income, post industrial society and the other is an emerging, less developed, pre- industrial society. The differences in the markets in these two countries overwhelm their similarity. Simon (1996) in his analysis (or sample) of hidden champion" argued that geography (Region) was ranked lowest as a 'basis for market segmentation (fig1.).

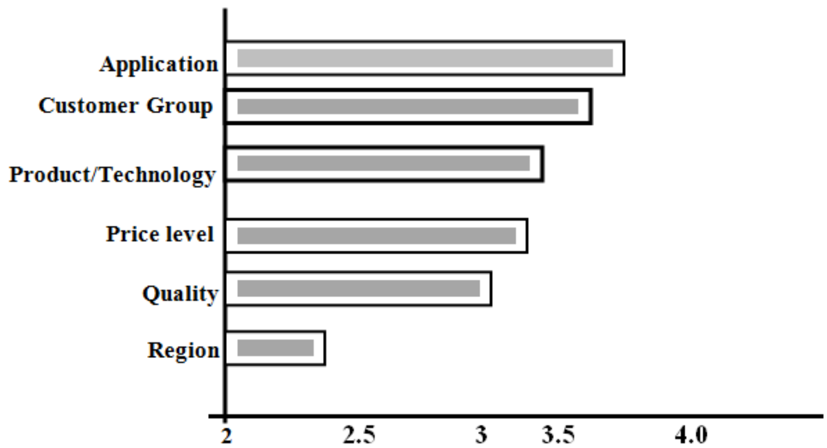

Figure 1; Basis for global market segmentation

Source: *Itermann, Simon, Hidden champions: lessons from 500 of the world's best unknown companies. (1996)*

Demographic Segmentation

Demographic variables are among the most popular segmentation criteria. One reason for their popularity is that, they are very easy to measure (recall the "measurability" requirement for effective market segmentation). Demographic segmentation is based on measurable characteristic of population such as age, gender, income, education, and occupation. The information on population variables is mostly reasonably accurate and readily available. For instance, the World Bank (2000) Segmented countries into high income, upper middle income, lower middle income, and low income. These categories are used in a global income population.

The United State of America (U.S.A) Market, with per capital income of $29, 935, more than $8.3 trillion in 2000 national income, and a population of more than 275 million people is enormous. Little wonders, then, that Americans are a favorite target market; despite having comparable per capital income, other industrialized countries are nevertheless, quite small in terms of total annual income. In Sweden, for example, per capital gross national product (GNP) is $ 24, 487. However, Sweden's smaller population of 9 million means that annual national income is only about $220billion. About 73 percent of world GNP is located in the Traid. Thus, by Segmenting in terms of a single demographic variable – income - a company could reach the most affluent markets by targeting three regions. The European Union, North America, and Japan.

Psychographic Segmentation

Psychograpic Segmentation involves dividing buyers into groups based on their social, class, and attitude, values, lifestyle, or personality characteristics. Most firms in Global Marketing Segment their market with respect to the above factors. For instance, Porsche AG, the German Sport – car makers, turned to psychographics after, watching worldwide sales decline from 50, 000 units in 1986 to about 14,000 in 1993. its U.S Subsidiary, Porsche cars North America, already had a clear demographic profile of its customers: 40 + year – 01) male college graduates whose annual income exceeded $ 200, 000. A psychographic study showed that, demographic aside Porsche buyers could be divided into five distinct categories (Table 2).

Table 2: Five categories of Porsche buyers

Category	**% of all owners**	**Description**
Top Grand	27%	Driven and ambitious; care about power and control expect to be noticed
Elitists	24%	Old money: a car even an expensive one – is just a car, not an extension of one's personality
Proud Patrons	23%	Ownership is what counts; a car is a trophy, a reward for working hard; being noticed doesn't matter
Bon Vivants	17%	Cosmopolitan jet Setters and Thrill Seeker, Car heightens excitement
Fantasists	9%	Car represents a form of escape; don't care about impressing others, may even feel quilting about owning car.

Source: Psychographic profiles of Porsche's American Customers (Warren, 2007).

From the above table, Top Guns buy Porsches cars and expert to be noticed. These set of customers are ambitious, and they care about power and control. They are ego-driven. On the other hand the Elitists do not buy a car to reflect their personality or status in the society. For proud patrons and fantasists do not care about impressing others. Thus, Porsche will use the profits to develop products (i.e cars) and advertisings to meet the different segment of its customers (Alex 1995).

Behavioural Segmentation

As with domestic marketing, segments can also be formed based on behavioural response variables. Behavioural segmentation focus on whether people buy and use a product as well as how much they use it. Thus, consumers can be segmented with respect to the usage rate. For instance, the user status could be; potential users, non-users, ex-users, regulars, first – timers, and users competitors products. Simon (1986) informed that, heavy users of any product class whether it is a consumer type product or an industrial product, represent a significant segment. The parents law normally applies to most cases, namely 15 – 20 percent of all buyers ordinarily are expected to consume over half of the total purchases. The light users consume relatively little. The non-users may appear a useless segment but in practice they may prove a very profitable segment to a firm that manages to identify the real reason as to why the non-user is avoiding the product in question.

Benefit Segmentation

Benefit segmentation is often used in global marketing for product positioning, product design or product adaptation purposes. According to Haley (1968), the benefits that people are seeking in consuming a given product are the basic reasons for the existence of true market segment. For instance, Ms smirth is a healthy, 60 – years – old lady and a pensioner, who cycles, rather than drives, to keep fit, and buys organic foods for their health benefits. She is not an environmental and her main reason for not driving was not because she wants to avoid polluting the environment with (02 but to be fit and healthy. The benefit that she seeks from her shopping are likely to be a wide choice of healthy foods and advice on fitness training. A ample parking space and free home delivery will not be of benefit to her. Benefits sought are manifestations of both consumer requirements (needs and / or wards) and the value that consumers such as Ms smith are willing to pay in return for the sacrifices that they are willing to make.

Benefit Segmentation is a technique that segment customers on the basis of desired or sought benefits. These benefits, when they are present as attributes of a product, service a market offering, cause consumers to purchase who they are as consumers in terms of socio economic, demographic or psychographical data. Benefit segmentation offers more utility than the traditional methods because it explains the reasons why consumers choose to buy or prefer particular products or patronize particular suppliers or providers of service.

Figure 2 category in three countries; the toothpaste category in three countries, the United States, Mexico, and China.

Table 3 :Benefit Segments of toothpaste market in the U.S.A, China and Mexico

	Value share USA 2004	**% change share in USA vs 2000**	**Value share China 2004**	**% change share in China vs 2000**	**Value share Mexico 2004**	**% change share Mexico vs 2000**
Family Ant-Cavity	18.3%	-22.7	28.5%	-29.8%	64.8%	-1.9
Kids Anti-Cavity	3.7	-0.1	0.6	+0.5	1.2	+0.1
Premium Multi-	18.8	+1.5	2.2	-1.1	12.1	+1.5

Benefit x						
Sensitivity Relief	7.7	+1.0	0.4	-8.5	3.3	-0.9
Herbal / Natural	1.9	+1.9	15.3	+10.1	2.0	+2.0
Total	53.4	-19.3	82.9	-6.4	87.3	+2.6
THERAPEUTIC						
Whitening	30.3	+16.4	89	+3.8	2.7	-2.2
Freshening	16.3	+2.9	8.2	+2.6	10.0	-0.4
Total	46.6	+19.3	17.1	6.4	12.7	-2.6
COSMETIC	100.0		100.0		100.0	

Source: Compiled from Exhibits 2B, 7A, and l4 in John A Qudih and Jaequine Labalt – Randle, "Colgate Max Fresh; Global Brand Roll – out" Harvand Business School case study.

Advantages of Global Market Segmentation

A critical review of literatures depicts that company's cannot device a market strategy without market segmentation. In global marketing, there are several advantages of market segmentation. They are mentioned below;

Focus of the company: Market Segmentation is an effective method to increase the focus of a firm on market Segments in the world. For instance, if a firm has better focus, obviously it will have better returns. Numerous automobile companies have started focusing on small car segments. Moreover, Japan automobile companies have excelled more than its U.S.A counter part because of its focus on fuel economy, and this has made the return on investment to be high.

Market Expansion: Geographic Segmentation is one type of Segmentation is one type of segmentation where expansion is immediately possible. For instance, if you have your market strategy on the basis of geography, as soon as you enter of geography, as soon as you enter a particular territory, you can immediately expand to a nearby territory.

In the same was, if you are targeting customers based on the demographic factor (e.g ex – reebok target fitness enthusiasts) than you can expand in similar products (Ex-reebok target expanding with its fitness range of clothes and accessories). Segmentation plays a crucial role in expansion. You cannot expand to a territory when you have no idea of which segment of customers you will be meeting.

Customer Retention: By using segmentation, customer retention can be encouraged through the life cycle of a customer. The best example of this is the Automobile and the Airline segmentation can also be found in hospitality segment. It could be hotels, airlines, or hospitals.

In India, Titan is an example of products which are planned through the life cycle of a customer. From fast tract to Sonata and the high range watches. Titan has them by price segment as well as cycle segment. Thus, a watch is available for any customer who enters at Titan showroom, whatever his age might be.

Have Better Communication: Global Market Segmentation enable a firm to choose the appropriate marketing mix tool to communicate to its targets market, For instance, a design accepted in India, might not be accepted in Germany. This might be as a result of cultural differences. Moreover, a promotional message differs among the different segment. Thus, market segmentation enables a firm to choose the appropriate tools for communicating its messages to the satisfaction of the target market. Beside, if you need a target market, you need segmentation. Communication cannot be possible without knowing your target market.

Increase profitability: Segmentation increases competitiveness, brand recall, brand equity, customer retention, communication, etc. Thus, if it is affecting so many factors of your business definitely it affects the profitability of the firm. "Do you ever see people negotiating in a Nike, Gucci or BMW Showroom? You won't. One of the unique selling points (USP) of these brands is their segmentation. They are in-fact targeting segments which have no need of bargaining or negotiation. Thus, their profitability is higher. Conclusively, target the proper segment and your firm will walk away with a better company and a higher profitability.

The Effect of Market Segmentation on Global Marketing

Market Segmentation has made a lot of impact on global marketing. It has enable a firm to tailor its product offerings to the satisfaction of consumers or target market. Other effect of market segmentation include the following: Market Segmentation has made firms to ignore markets that are not attractive in the global market.

Moreover, it enable a firm or companies to reduce marketing expenses by targeting certain segment that they can serve with the available resources. Furthermore, it enable a firm to increase its effectiveness in marketing campaign design to attract that particular segment in global marketing.

It also allows a greater coverage of the market that has distinct needs that can be captured independently on similar product.

It ensures that, global market is divided into segments, which then can be more easily be targeted. The purpose of doing this is that instead of trying to reach everybody in the market, by segmenting you can then target specific segment within that market and be more effective at connecting with potential customers and thus, have a large sales volume.

Lastly, market segmentation makes a firm to increase its profit potentials.

Summary and Conclusion

The study has established that globalization and global marketing are important tools for a country's industrialization. It also showed that, global marketing is important for the following reasons: they include; exploiting market potentials and growth, diversifying market, learning how to do business abroad, amongst others. The study also indicated that for proper market segmentation in global marketing, the following requirements or criteria are inevitable. These include, sizeable, Accessibility, actionability, substantial etc. Furthermore, the findings of this study showed that geographical segmentation is not the only basis for global market segmentation. Other bases of global market segmentation include the following- Demographic, psychographic, behavioural, benefit, etc. Beside, this work shows the advantages of segmentation, they are as follows:

i. It makes a firm to be focus on a particular market segment in the world.
ii. It leads to market expansion
iii. By using market segmentation, customer retention can be encouraged.
iv. It increases the profit of a firm.

In addition to the above, the study revealed that the effects of market segmentation on global marketing are enormous. It enables a firm to tailor its product offerings to a particular segment in the world market. Moreover, it enables a firm to increase its effectiveness in marketing campaign design to attract that particular segment in global marketing. It also allows greater coverage of the market that has distinct needs that can be captured independently on similar product.

Recommendations

Based on the findings of the study, the following recommendations were made:

1. Firms should endeavour to segment their markets, before going into global marketing.

2. Firms in United States and other countries should not see geographical segmentation as the only means of segmenting a market globally. Other factors like; Behavioural, Demographic, Psychological etc should also be used in global segmentation.
3. Firms should know that the Global Market is made up of heterogeneous consumers, and should endeavour to group their target market with similar characteristics.
4. Firms should endeavour to carry out marketing research regularly in order to meet the ever-changing needs of the consumers

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