A QUICK INTRODUCTION TO TARGET MARKETING

by Carrie McLaren

Next time you're watching TV, pay close attention to the commercials. If you're watching a football game, chances are you'll see commercials for beer, cars, and snack foods—the sort of products that appeal to sports fans. If you switch over to the Lifetime Channel, you're more likely to see sappy spots for long-distance companies, packaged foods that appeal to moms, and assorted items geared to affluent women. On Cartoon Network, you'll find plugs for animated movies, video games, and other things that appeal to young males.

The fact that commercials tend to reflect the programming they appear during is no accident. Advertisers design commercials to appeal to particular audiences, then place them on the TV programs that that audience is most likely to watch. Television producers know this, of course. So programs and networks are created with an audience in mind—an audience that will be lucrative for a particular set of advertisers.

Sometimes the audience is a "mass" or general audience. Network television focuses on such large audiences, with shows like *Seinfeld*, *Law & Order*, and *60 Minutes*. The advantage of mass marketing lies in **economies of scale**. The larger the audience, the less an advertiser pays for each individual ad impression.

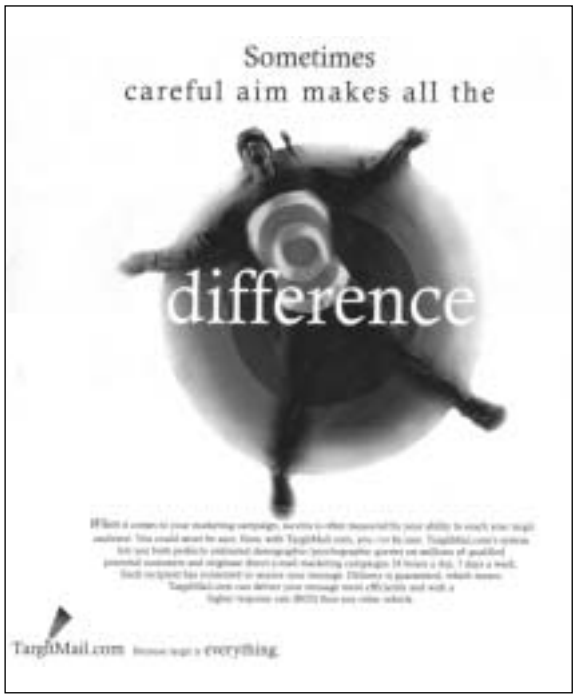
With **niche** or **target marketing**, on the other hand, the audiences are comparatively smaller. Specialized cable television networks and consumer magazines are examples of niche-oriented media. Nickelodeon, for example, targets relatively upscale children; MTV targets teens and young adults. For niche marketers, the *quality* of the audience is more important than the *quantity*. A company selling soccer balls, for instance, would rather reach an audience of 5,000 soccer players than a general audience of 30,000. (Soccer players, in this case, constitute "high quality" since they are the most likely to buy.) A company that sells hemp sweatshirts will want to advertise in a targeted medium like *High Times*. Luxury car sellers advertise in *The New Yorker* and *The New York Times Magazine*, periodicals that target an affluent, educated audience.

Though mass audiences dominated media in the past, companies are increasingly targeting smaller, more specific audiences. This is due to three main factors:

1. Computer databases and other technological advances have made targeting easier.

2. The proliferation of media outlets. Up until the 1980s, viewers had only three national TV networks to choose from. At any given time, most households watching TV were watching one of three channels. The rise of cable television fragmented the television audience so that everyone wasn't watching the same thing anymore. The rise of the internet and the proliferation of magazine titles and other new media also contributed to breaking up mass audiences.

3. Targeted ads are more effective. The amount of advertising continually increases and this "clutter" means that that few people respond to mass-marketed messages. Ads targeted to a consumer's personal interests are more likely to be noticed.



TargetMail is one of many companies that specialize in targeting internet users. The above ad, which appeared in Advertising Age, is directed toward TargetMail's prospective business clients.