**TRUE/FALSE (5 questions)**

**Indicate whether the following sentences or statements are true or false.**

|  |  |  |
| --- | --- | --- |
| 1. | \_\_\_\_\_\_\_ | The most common form of segmentation is psychographic segmentation. |
| 2. | \_\_\_\_\_\_\_ | Behavioral segmentation focuses on the behaviors of consumers such as shopping habits. |
| 3. | \_\_\_\_\_\_\_ | A target market is a group of people with a defining set of characteristics. |
| 4. | \_\_\_\_\_\_\_ | Segmentation is an important process because it allows a business to define and understand the target audience. |
| 5. | \_\_\_\_\_\_\_ | Market segmentation is the process of dividing a target market into smaller, specific categories grouped together by shared characteristics. |

## MULTIPLE CHOICE (5 questions)

**Identify the letter of the choice that best completes the statement or answers the question.**

\_\_\_\_\_\_\_1. Which of the following is NOT a form of market segmentation?

a. Statistical b. Demographic

c. Behavioral d. Geographic

\_\_\_\_\_\_\_ 2. Starbucks fans who use the Starbucks app to place an order enjoy the convenience when the drink is already paid for and ready for pick up when they arrive is an example of:

a. Demographic segmentation b. Psychographic segmentation

c. Behavioral segmentation d. Geographic segmentation

\_\_\_\_\_\_\_ 3. Demographic data might include statistics about:

a. Occupation b. Income

c. Education d. All of the above

\_\_\_\_\_\_\_ 4. To target a specific group of consumers it is important to consider which of the following?

a. size of the market b. ability to reach the consumer

c. measure accessibility of target d. All are important to consider

\_\_\_\_\_\_\_ 5. Psychographic segmentation could include the group of consumers based on which characteristics?

a. Personality traits b. Education

c. Customer loyalty d. Purchase history

## SHORT ANSWER (3 questions)

1. Identify two considerations when evaluating a target market.

2. What are four factors to consider when choosing a market segment?

3. What is a market?