Market Segmentation Strategies from Muqaddimah of Ibn Khaldun*

İbn Haldun’un Mukaddimesinden Pazar Bölümlendirme Stratejilerine Bakış

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Abstract: The concept of market segmentation strategies was firstly used by Wendell R. Smith (1956) in marketing literature. However, if we look carefully at the work of Ibn Khaldun, it is possible to see these strategies already in his Muqaddimah. Ibn Khaldun discussed these strategies nearly 650 years ago but because he didn’t conceptualize them, his analysis has not been given an adequate attention. The purpose of this study about market segmentation strategies is to present marketing literature and compare it to the Muqaddimah of Ibn Khaldun. For implementing this purpose, in the first section market segmentation strategies which are mentioned in marketing literature are determined and some of them are explained in detail. In the second section statements about market segmentation strategies are included from Muqaddimah of Ibn Khaldun and in the third section a comparison is done followed by a conclusion.

In his work Ibn Khaldun argues that the world can be segmented into two main parts, the north and the south. The northern part of the world is further segmented into seven climate areas. He indicates that for example people who live in the first, second, sixth and seventh areas have different requirements as those people from the third, fourth and fifth areas. He argues for the first group “Their houses are from mud and bamboo. They acquire their nutrients, millet and grass. Their clothes are from tree leaves or pelt.” For the second group, he also argues that “People of these areas are richer than the first group because of the climate condition. Their houses are from stone and their clothes, foods are more sufficient than the first group”. These terms show clearly that people who live in different areas have different requirements because of the climate conditions. This situation explains marketing literature as geographic segmentation. At the end of this study a conclusion is made that geographic segmentation, psychographic segmentation, geo-demographic and socio-economic segmentation strategies were already found in the Muqaddimah of Ibn Khaldun.

Keywords: Market Segmentation Strategies, Ibn Khaldun, Muqaddimah

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Anahtar Kelimeler: Pazar Bölümlendirme Stratejileri, İbn Haldun, Mukaddime.

Introduction

"Conceptualization" is a rather important subject for academic works. Scholars try to create a general visual of an object or an idea in readers’ minds by working on areas that exist in application but are not yet conceptualized. This way, a unity about the same object or idea will form among scholars that work/will work on the same area. The fact remains, that even though some concepts are explained, studies about them might be overlooked because they are not clear enough. Muqaddimah, written by Ibn Khaldun in 1375, is one of these overlooked studies. Even though the piece includes the content of many market segmentation concepts, these contents were not conceptualized and the work did not get the attention it deserved. Main aim of this study is to show that the market segmentation strategies used in marketing literature were given a definition in Ibn Khaldun’s Muqaddimah years ago. Therefore, this study aims to give this work the attention it deserves.
In order to fulfill this goal, first section of this study defines the market segmentation strategies mentioned in marketing literature and gives detailed information on some of these strategies. Second section of this study includes expressions quoted from Ibn Khaldun’s Muqaddimah regarding market segmentation strategies. Third section of this study conducts a comparison and summarizes a result.

1. Market Segmentation Strategy In Marketing Literature

Classical and Neo-classical theory provides a useful frame for an economic analysis while atomistic and pure monopoly theories enter the field of modern business administration. Atomistic market assumes that there is a similarity between the components of supply and demand. However, the instability between these components formed itself into a rule faster than expected. Reasons for the instability in supply can be listed as following: the differences between the means and methods of production of the same product used by different manufacturers, sources privatized by consumers, different procedures in the design and development of the product for different manufacturers, incompetence of the manufacturers to get ahead of the product range through using quality control techniques in some industries and price sensitivity, color, raw material or package sizes (Smith, 1956).

In cases of an imperfect competition, marketing managers aim to define the best-fit marketing strategy or combination of strategies for their companies. At this point, marketing managers can use two different strategies; conformance or variability. Conformance strategy aims to minimalize the varieties in individual consumers’ demands. Variability strategy on the other hand forces the marketing manager to diversify the product line and marketing strategy according to the market’s characteristics. This strategy focuses on satisfying one or several market segments, in which the consumers demonstrate different characteristics. This strategy is based on a weak demand similarity due to different consumer needs in the market (Smith, 1956). Consumers showing different trends in the market canalize the companies to determine relatively similar consumer groups in the market and to use a market segmentation strategy, which enables them to create a more effective marketing towards these groups instead of competing in the whole market (Richards and Sturman, 1977). There are different definitions about market segmentation in literature. Barnett (1969) and Lease and others (1976) defined market segmentation strategy as “defining different buyer groups that need different products or a combination of marketing strategies”. According to Smith (1956), Longman (1971), Thomas (1980), and Craven (1991) market segmentation strategy is the process of dividing a big group of consumers with different
needs into smaller groups of consumers with relatively similar needs. Bowman and McCormick (1961), Dickson and Ginter (1987), and Assael (1992a: 330) however, defined market segmentation strategy as distinguishing between consumer groups with similar needs, which can be fulfilled by a single marketing strategy combination in a market. Blattberg and Sen (1974) define market segmentation strategy as developing and applying different marketing programs for different consumer types in the market. Doyle and Saunders (1985), took market segmentation strategy in different considerations as consumer markets and industrial markets and defined market segmentation as "consumer groups with similar needs" for consumer markets and as "groups formed in accordance with the advantages caused by the consumers" for industrial markets.

It is almost impossible to talk about a generally accepted approach for market segmentation strategies in literature. Kotler (1997: 257), examined market segmentation strategies in four different subcategories: geographic segmentation, demographic segmentation, psychographic segmentation and behavioral segmentation. Dibb et al. (2001: 211) consider market segmentation strategies in two subjects according to consumer characteristics and behavioral characteristics. There are four different subcategories in the consumer characteristics segmentation of this approach: demographic segmentation, socio–economics segmentation, geographic segmentation and segmentation in accordance with personality and life style. Segmentation according to behavioral characteristics however, has five further different subcategories: buying reason, benefit segmentation, consumer behavior, consumer status, and consumer attitude towards product. Zikmund and D'Amico (1995: 192) group market segmentation strategies in five subcategories: geographic segmentation, demographic segmentation, socio–economic segmentation, psychographic/life style segmentation, and behavioral segmentation. Boone and Kurtz (1992: 262–277) examine market segmentation strategies in four subcategories; geographic segmentation, demographic segmentation, psychographic segmentation and benefit segmentation. Evans and Berman (1992: 204) evaluate market segmentation strategies under three subcategories; geographic segmentation, demographic segmentation and segmentation according to life style. Thomas (1980) examined market segmentation strategies from a different viewpoint and created seven subcategories; geographic segmentation, distribution segmentation, media segmentation, price segmentation, demographic segmentation, time segmentation, and psychographic segmentation. Schiffman and Kanuk (1994: 53) however, mark eight subcategories; geographic segmentation, demographic segmentation, psychographic segmentation, socio–cultural segmentation, segmentation according to usage, segmentation according to usage status, benefit segmentation, and
mixed segmentation. Engel and others (1992) use four different subcategories for market segmentation strategies: geographic segmentation, demographic segmentation, psychographic segmentation, and usage status and behavioral segmentation. Assael (1992b: 560) divides market segmentation strategies into three as benefit segmentation, behavioral segmentation, and segmentation according to consumer characteristics. He also divides segmentation according to consumer characteristics into four as demographic segmentation, regional segmentation, segmentation according to lifestyle, and segmentation according to personality.

In accordance with the information given above, it can be said that there are different approaches for market segmentation strategies in marketing literature. It can also be seen that same strategies are approached with different concepts. In light of aforementioned information, this study will approach market segmentation strategies in four subcategories as geographic segmentation, psychographic segmentation, socio-economic segmentation, and benefit segmentation.

1.1. Geographic Segmentation
Geographic segmentation is probably the most common strategy used by companies to segment the market. For instance some companies may rather be active in specific countries while excluding other countries as target markets. A brand can be sold in a single city, a single region or a single market in Turkey. Certain chain restaurants may focus on a single geographic region to effectively use their resources (Thomas, 1980; Andreasen, 1966).

Consumers have regional preferences and this usually constitutes the basis for developing a product or a service specific to that region (Young et al., 1978). For instance, a company can only focus on a country’s southwest or southeast to distribute their products. Geographic segmentation can be in different forms in accordance with the geography it needs to fit in according to whether the region is rural or urban, coastland or hinterland, located in the north or the south, has a cold or hot, or humid or dry weather (Thomas, 1980).

1.2. Psychographic Segmentation
Quantitative measurements of a person’s lifestyle are also known as ”psychographic segmentation” (Zikmund and D’Amico, 1995: 196). Consequently, psychographic segmentation will be evaluated via lifestyle. The concept of ‘Lifestyle’ was first used by Max Weber (Berkman and Gilson, 1974) and then associated with marketing by William Lazer (Plummer, 1974). ‘Lifestyle’ consists of the characteristics that differentiate a
community or a part of a community from others as a whole (Richards and Sturman, 1977, Plummer, 1974). In other words, ‘Lifestyle’ points out to the characteristics that differentiate a group or a culture from others (Berkman and Gilson, 1974).

Studies on lifestyle have mainly focused on activities, hobbies and opinions (Berkman and Gilson, 1974). These studies tested certain characteristics such as how people spent their time, what they were interested in, what was their world view and life cycle, how high was their income, what kind of an education level did they have etc. (Plummer, 1974). Companies can segment consumers into groups according to their lifestyles and develop a marketing program in accordance with group characteristics (Richards and Sturman, 1977).

1.3. Geographic – Demographic Segmentation
This segmentation strategy is predicated on a group of people living in a certain area showing similar demographic features (Zikmund and D’Amico, 1995: 198; Evans and Berman, 1992: 204). For instance, a community living in a certain area in the United States was segmented into groups according to their location (urban or rural), approximate income levels of the household, age groups, race, education levels, etc. (Schifmann and Kanuk, 1994: 75–80).

1.4. Socio–Economic Segmentation
Socio–economic segmentation strategy considers the special characteristics of individuals in a community that reflect their social and economic statuses. In this segmentation strategy, certain socio–economic factors are usually taken into consideration along with other demographic factors to define the consumer type (Zikmund and D’Amico, 1995: 194). Just like the other segmentation strategies, it is almost impossible to talk about generally accepted factors in this strategy. Assael (1970) stated that eight factors – gender, location (urban/rural), profession, education, income, age, race, and household member number – can be used in socio–economic segmentation. Dibb et al. (2001: 211) and Zikmund and D’Amico (1995: 192) however, mentioned four variables – profession, education, income, and social status – in socio–economic segmentation.

In light of the aforementioned information, market segmentation strategies topology is given in Table 1.
Table 1. Market Segmentation Strategies Topology

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<thead>
<tr>
<th>Segmentation Strategies</th>
<th>Writer / Study Year</th>
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<tbody>
<tr>
<td>Geographic Segmentation</td>
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2. Segmentation Strategy in Muqaddimah

2.1. Geographic Segmentation

In Muqaddimah (1977: 153), Ibn Khaldun divided the Earth into two as the northern hemisphere and the southern hemisphere. He then divided the northern hemisphere into seven parts. Ibn Khaldun’s geographical segmentation of the World is given in Figure 1. Ibn Khaldun gave the following statement on geographical segmentation:

“For you to know, they think about these developed hinterlands, and as mentioned above, they divided it into seven parts. They divided it all from north to south and they called each one of them a ‘region’.”

He used the following expression for those who live in the first Region:

“They live in deserts or caves. They eat grass, they eat grains. They eat them without making any effort, without any labor to make them edible,”

and expressed that people living in different regions have different needs. Similarly, he used the following statements in the Introduction of part 3 called “About Normal, Hot and Cold Weather and Its Effects on Peoples Colors and Various Conditions” (1977: 215):

“First and seventh regions are the farthest regions from normal weather. Consequently, sciences, arts, structures, clothes, foodstuffs, fruits and other living creatures, in fact, everything that has been created in the three middle regions have been created there
because of the normal weather features. People of these three regions consequently are in normal structure and normal color with normal morals and normal beliefs,"

"People of these regions are more complete. Because the weather conditions they live in are normal... Thus you find them extremely normal. You find them more adequate in their housing, clothes, foods–beverages, works–hobbies, and arts. These people make themselves good houses of fine stone, imprinted with art and craftsmanship,"

"Let's talk about first, second, sixth and seventh regions, which are a little further to the normal weather conditions: People of these regions are far from being normal just like their weather when compared to the people from other three regions. They are far from being normal, being adequate in all things possible. Their buildings are from mud and cane. They make food out of grains and grass. Their clothes are from leaves. They make clothes out of layers of leaves tied to each other. Or they wear unprocessed animal skin or pelt,"

As can clearly be understood from his aforementioned statements, he expressed that the geographic region (and the weather conditions accordingly) one lives in, directly affects that individual's desires, needs and expectations.

**Figure 1. Ibn Khaldun’s Geographic Segmentation**

### 2.2. Psychographic Segmentation

For people living in third, fourth and fifth regions, Ibn Khaldun (1977: 216) used the following expressions:

* Adapted from Ibn Khaldun’s Muqaddimah.
“These communities tend to stay far away from wrong in all attitudes and events. Damascus, Hejaz, Yemen, Persian and Arabian Iraq, India, regions that the Sindh River passes through, and Chinese communities carry these features. Andalusia and close by Frank regions, Wales, Greek regions and other Frank countries are also among these aforementioned mid-region people.”

Ibn Khaldun (1977: 217) used the following expressions for first, second, sixth and seventh region people:

“When talking about the people of the three mid–regions located between the extremely hot and extremely cold regions with normal weather conditions, this can be said: People of these regions are normal in their structures, habits, lives and all other situations.”

“The others, their habits and life styles are close to speechless animals.”

“They tend to be wild because they are far away from normal weather conditions. Their habits, inside and outside structures are in a close manner with the speechless animals. Because they are this wild, they are far away from a humane attitude and lifestyle.”

He used the following expression for third, fourth and fifth region people:

“As a natural result of their weather conditions, they are normal in their structures and habits.”

With the afore cited expressions, he draws attention to the differences between habits and personal features of different region’s communities.

**Besides, the following expressions**

“Sudan’s community also lives in a warm region. Since the warmth touched their soul, and since the weather conditions touch everybody’s soul living in that region while they are adolescent and still growing, Sudan’s people are warm–blooded people. Their souls are warmer compared to fourth region people. Thus they are filled with ease and happiness. Which makes them very comfortable in life and cause in purposelessness.”

“A Western African country, Morocco has a comparatively colder weather to its region. Morocco’s weather conditions are closer to higher and colder regions, which resulted in Moroccan people to be in a constant anxiety. Moroccan people think so much about their future that even one of them prepares 2 years’ worth of food from grain to keep in a secret place.”
were used by Ibn Khaldun to emphasize the significant differences between these communities’ attitudes and behaviors when compared to other regions.

2.3. Geographic/Demographic Segmentation
Ibn Khaldun (1977: 218) used the following expressions about the first, second, sixth and seventh region people to demonstrate how the geographical location affected people’s religion:

“They know no Prophecy. They live according to no religion.”
“Religion is unknown for these people.”

Ibn Khaldun (1977: 221) used the following expressions to demonstrate the climate’s effect on demographic features among the mid-region peoples:

“These communities know Prophecy, property, state, religious laws, sciences, citiescounties, buildings, gardens-yards and superior arts along with other suitable habits.”

2.4. Socio–Economic Segmentation
With his following expression, Ibn Khaldun (1977: 228–229) clearly stated that the different socio–economic groups in a community have different needs:

“There is even a difference between the countryman and those living an urban area in Western Africa. People living in urban areas have more food to consume; they live a more luxurious life than countryman. But in urban areas, they use special cooking techniques to eat. They make their food “delicious” by adding special things into it.”

3. Comparison of Market Segmentation Strategies in Marketing Literature and in The Muqaddimah
When the information given in first two chapters are considered, it can be said that even though the marketing segmentation strategies are new concepts in marketing literature, their contents were used by Ibn Khaldun about 650 years ago. Ibn Khaldun especially created the geographic segmentation, psychographic segmentation, geographic / demographic segmentation, and socio–economic segmentation contents but never conceptualized them. Recent marketing literature however, conceptualized these strategies. The comparison of the segmentation strategies between the ones given in Ibn Khaldun’s Muqaddimah and recent marketing literature are given in Table 2.
Table 2. The Comparison of the Segmentation Strategies between the Ones Given in Ibn Khaldun’s Muqaddimah and Recent Marketing Literature

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When the table above is analyzed, it can be seen that the market segmentation strategies conceptualized in modern-day marketing literature were first mentioned by Ibn Khaldun’s Muqaddimah written in 1375. In the light of this information, it can be said that these concepts are not new and were expressed by Ibn Khaldun centuries ago.

Conclusion

Through “conceptualization”, which has a remarkable importance in terms of academic studies, scholars try to create a general design for an object or an idea in people’s minds. Conceptualization aims to provide a unified expression in academic studies. Scholars sometimes work on subjects that exist in application but are not yet conceptualized to form a unified expression. In addition to this, some studies may mention the content of these concepts but never conceptualize the contents. This fact remains an obstacle between studies and their well-deserved attention. Ibn Khaldun’s Muqaddimah written in 1375 is one of these works. This study however, was conducted in the hope of helping Muqaddimah to receive its well-deserved attention. In order to fulfill this goal, this study included the explanation of certain market segmentation strategies, the expressions used in Muqaddimah about these market segmentation strategies and a comprehensive comparison between the market segmentation strategies in Muqaddimah and modern-day marketing literature. As a result, it was determined that some market segmentation...
strategies used in our modern-day marketing literature are not new concepts and that they were used in Muqaddimah centuries ago.

As a result, it can be concluded that even though the marketing segmentation strategies are new concepts in marketing literature, their contents were used by Ibn Khaldun about 650 years ago in his work called Muqaddimah. If the Muqaddimah is examined in a more detailed way, it is possible to find the contents of many more concepts used in our modern-day marketing literature. This is why this work deserves attention and a throughout examination.

References


