1-1975

Review of Market Segmentation by Johan Arndt

J. Scott Armstrong

University of Pennsylvania, armstrong@wharton.upenn.edu

Follow this and additional works at: https://repository.upenn.edu/marketing_papers

Part of the Economics Commons, and the Marketing Commons

Recommended Citation


This paper is posted at ScholarlyCommons. https://repository.upenn.edu/marketing_papers/232

For more information, please contact repository@pobox.upenn.edu.
Review of Market Segmentation by Johan Arndt

Abstract

Keywords
economics, market segmentation, statistical methods

Disciplines
Business | Economics | Marketing

This journal article is available at ScholarlyCommons: https://repository.upenn.edu/marketing_papers/232
Review: [untitled]
Author(s): J. Scott Armstrong
Reviewed work(s): Market Segmentation by Johan Arndt
Published by: American Marketing Association
Stable URL: http://www.jstor.org/stable/1250824
Accessed: 06/08/2008 09:40

Your use of the JSTOR archive indicates your acceptance of JSTOR's Terms and Conditions of Use, available at http://www.jstor.org/page/info/about/policies/terms.jsp. JSTOR's Terms and Conditions of Use provides, in part, that unless you have obtained prior permission, you may not download an entire issue of a journal or multiple copies of articles, and you may use content in the JSTOR archive only for your personal, non-commercial use.

Please contact the publisher regarding any further use of this work. Publisher contact information may be obtained at http://www.jstor.org/action/showPublisher?publisherCode=ama.

Each copy of any part of a JSTOR transmission must contain the same copyright notice that appears on the screen or printed page of such transmission.

JSTOR is a not-for-profit organization founded in 1995 to build trusted digital archives for scholarship. We work with the scholarly community to preserve their work and the materials they rely upon, and to build a common research platform that promotes the discovery and use of these resources. For more information about JSTOR, please contact support@jstor.org.
material. A decision-process orientation throughout the text would perhaps have served to integrate the material better than the inclusion of such an addendum.

The major criticism of the book concerns its limited coverage of recent research contributions. The four years between the first and revised editions of the text have produced a wealth of published research material. The experimentation and investigation in consumer buying processes have advanced knowledge in the area far beyond the boundaries reflected by the text. The enormity of recent research material dictates selectivity and makes impossible the coverage of all relevant material. It does seem, however, that a text should accurately reflect the state of the art as well as present and future directions of investigations. Comparison of the first and revised editions suggests that consumer behavior has not progressed significantly over the four-year period in many areas, for example, attitude research, brand choice, and information search and processing. In short, the text fails to reflect the dynamism of consumer behavior.

In spite of the above criticism, the author presents the basics of consumer behavior in a clear and concise manner. The book's idyllic style will no doubt meet with approval from most educators and students.

THOMAS L. BROWN

Kansas State University, Manhattan

MARKET SEGMENTATION
by Johan Arndt
(Universitetsforlaget, Oslo, Norway, 1974. 71 pp. Norwegian kronor 20, less than $4.00.)

This very short soft-cover book provides a general overview of market segmentation with primary emphasis on two areas: the economic aspects of market segmentation and statistical methods for market segmentation.

In the first area, the orientation is a traditional economic one: how can market segmentation be used to benefit the stockholders, rather than how can it be used to benefit consumers. In the second area, the discussion is concerned primarily with applications of discriminant analysis and tree analysis (cross-classification).

A substantial literature review (about 140 items) is provided. This literature generally reflects the period 1960 to 1972, but there are some unfortunate omissions; for example, Sonquist's Multivariate Model Building, published by the Survey Research Center of the University of Michigan in 1970, is not mentioned. There are few surprises; the bibliography restricts itself primarily to familiar marketing sources. The one exception is that many Scandinavian sources are listed. While Arndt attempts to draw some generalizations from this literature, the reviewer found the attempt to be less convincing. The major value of the book, then, lies in the fact that it is a very nice review of the literature.

The book makes for fast reading. However, the organization is not strong and there are numerous minor errors.

So who needs the book? The reviewer suggests that graduate students interested in market segmentation may find this little book a useful and inexpensive way to start. Also, researchers in market segmentation might want to check for references that they may have possibly overlooked.

Arndt concludes that the market segmentation area is likely to be a rich field for theoretical and empirical inquiry in the years to come. The reviewer's conclusion after reading this book is that there's not much good news to report on market segmentation. The past decade has not produced any obvious advances for market segmentation in our ability to explain, predict, or control. Rather, progress in the field of market segmentation is getting to be like that old definition of becoming an expert—"to know more and more about less and less until eventually one knows everything about nothing." One could just as well read Arndt and decide that market segmentation has had its day and that it is time to direct our efforts to other areas.

J. SCOTT ARMSTRONG

University of Pennsylvania, Wharton School and
Stockholm School of Economics, Sweden