



17 Finding out about your target customer

What does this mean?

Your target customer is someone who has the need, desire, time and money to do business with you. Finding out about them is about doing whatever you can to get an insight into their lives, habits, likes, dislikes, problems and aspirations. It is all about finding out what they want to buy now and in the future.

Why is it important?

It is important to find out as much as you can about your potential target customers. This information will help you to sell to them, market and promote your business in the right way for them and ultimately influence them positively. The more you know, the more you can do to ensure you hit the right spot with every step you take towards converting them from prospect to enthusiastic user of your products and services.

Finding out about your target customer will help you to establish the quality of the market for your products and services. You need to know that your product or service is attractive to the people you want to buy it.

The more you know about your target customers, the more targeted your marketing efforts can be. The more targeted they are, the less likely you are to suffer wastage in time, effort and money.

Your challenge

Being very specific about your target customer can be a hard thing for some business owners to do. Depending on your business type there may be many different targets. Think back to the ideal target customer you described after reading Chapter 3. Are there one or two specific groups of people that you need to know as much as possible about?

If you have been in business for a while it can be easy to make assumptions about the people you do business with and decide what it is that you think they want. This can be a dangerous thing to do. People change, their desires and needs change and new problems are arising all the time. To continue to make a success of the

communication of your business to the right people you need to be continually finding out about them.

What to find out about your target customer

- Their demographic profile: for individuals – gender, age, income, education, occupation, location; for companies – industry type, number of employees, location
- Their psychographics – these are the things that relate to the character of the individuals you do business with
- Their interests and habits
- Their location and how to reach them
- Where they may be currently looking for the solutions like yours
- How they go about buying the products or services you are selling
- How they like to buy
- What they are comfortable paying
- The impact of special offers or packaging
- Where they go to find products or services like yours
- The particular things that are important to them when they are buying a service or product like yours

YOUR SPECIAL RESPONSE CHECKLIST

- ▶ How much do you already know about your target customers?
- ▶ What can you do to constantly update this information?
- ▶ What are the evolving problems of your target customers?
- ▶ What is happening in the market in general that may be about to influence them?
- ▶ What are the main problems your target customer has that your product or service could fulfil?
- ▶ Describe some of the habits your target customers have.
- ▶ What do they read, where do they go, what are they interested in?
- ▶ What is the best route to your target customer?
- ▶ How could you find out the answers to the questions you have?

How to find out this information

There are many ways in which you could do this. The first is as simple as asking questions. A networking event is a useful forum for doing this one to one. Another alternative is a focus group. This is where you arrange to get together a small group of people who represent the range of those you see as typical of your target

customer. You may need to offer an incentive for these people to help you with your research. You can also run surveys that ask a selection of pertinent questions.

Observation is also a very useful way to see what your target customer responds to, and what is currently available for them. Visiting competitors' business premises as a customer and just watching what goes on can give you a lot of useful information. Sahar Hashemi the successful entrepreneur who founded the Coffee Republic took, as part of her initial customer research, the Circle Line round London, stopping at every junction to see what was available for business people and shoppers who wanted a nice cup of coffee.

Taking the time to talk to the customers who use your business now is a great way to keep up with their changing needs.

The internet, industry press, survey reports and books are all rich sources of information about your target customer.

How to use this information

Finding out about your target customers is a continual process of exploration and interest. It is useful to develop a system to do this year on year. Don't make decisions behind closed doors and never forget to keep in very close touch with the people that are vital to your business success – your customers.

Think about, ask and understand your target customer better