



## Know your customer

**Whatever product or service you are selling, it's unlikely to appeal to all buyers in all markets, or at least not to all of them in the same way.**

Consumers are too numerous and their needs are too varied - different people want different benefits. So rather than trying to compete in a mass market, it's important that you identify the parts (or segments) of the market that you can serve best. That way, you can offer your products and services to customers who are really interested in them. You'll also have fewer competitors to battle for business.

There are several ways to think about segmenting the market for your product or service, for example:

### Buying behaviour

- Occasion- Regular purchasers, one-off purchases or special occasions
- Benefits sought- Quality, economy, service
- User status- Light user, heavy user
- Loyalty

### 'Psychographically'

- What's their social class?
- What's their lifestyle?
- What are their desires, hopes and fears

### Demographically

- What age or gender are your potential customers?
- What stage in the life cycle are they- e.g. young single, married with children, older people?
- What level of income do they have?

### Geographically

- Do you sell locally or further afield?

**When you've looked at who might be interested in your product or service then you can target the most appropriate segment and tailor your marketing efforts to reach them.**

## Think about:

### How does your product or service benefit them?

- What is it that they need, want, or aspire to that you can provide?
- What is it that they don't want that you can help them to avoid?

### How do they buy?

- In person?
- By post?
- Online?

When you have a clearer picture of who your target customers are, then you can focus your marketing efforts and avoid wasting valuable time and money on advertising to the masses.

**Knowing who your customers are, what they want and where they go to get it is a key step in making your marketing work to make you money.**

### How will they find out about you?

- Where do they live?
- Where do they visit?
- What media do they read?
- What websites do they visit?
- Where do they spend their leisure time?
- Where do they shop?