BUSINESS UNDERSTANDING

WHO ARE TARGET CUSTORMERS

The term **''TARGET CUSTOMER''** refers to the audience you want to engage with the help of your marketing effort. These people are most likely to buy your goods and services if they find out about them through one of your marketing team. Similarly, they are a specific group of people who are the focus of a company, advertisement. The target market a company may focus on is a broader population of many customers who may purchase their product or use their service.

IMPORTANCE OF IDENTIFYING TARGET CUSTOMER

A lot of significant time and money is pump and wasted in advertising when companies don't know their target market or customer. An organization may attract active customers and client by actively marketing to its target market. The effectiveness and success rate of every company marketing and sales effort depend largely on knowing who their target customers are. The people who will be targeted and given special attention are the ones who will most likely make purchases from certain business. This thereby improves company's marketing and advertising effort, Such that they may utilize resources wisely and save time without wide costly advertising, result in higher brand awareness, trust & sales and foster brand loyalty.

HOW TO IDENTIFY TARGET CUSTOMER

1. Conversation with customer
2. Consider the popularity of the product
3. Utilize customer data
4. Establish buyers personas
5. Customer Demography

Different type of data may be used to determine a target audience which include;

   A. Customer Demography

Customer persona: A buyer persona is simply a description of your ideal customer in as much relevant detail as possible. Such as; **age, gender, marital status, children, income, occupation, geographical location, hobbies, goals, challenges, how your product or service can help.**

Example;

Business: A Baby clothing store

Demography profile; Married women, 25-40 years who are pregnant

Luxury store, income level higher

Customer Transaction data set;

   ➢ Transaction ID

- ➤ Transaction date
- ➤ Customer ID
- ➤ Product ID
- ➤ Quantity
- ➤ Shipping address
- ➤ Unity Price
- ➤ Shipping and other expenses
- ➤ Net income

B. Psychographic Data

This emphases motive to customer action Such as ambitions worries and value

C. Behavioral Data

This talks about customers that might likely buy goods online or request for service online.

CUSTOMER IMPORTANCE AND RELATIONSHIP TO BUSINESS OWNERS

This helps to better understand customer, communicate and engage with target customer. Customer data provides insight into current customer base and target audience. Using this, data brands can make informed decisions about their current and futuristic product offering. Businesses can better identify customer preference and match their expectations using data to better shape their understanding of their customer base as a whole.

SOURCES OF DATA

- ➤ Social media platform
- ➤ Website analytics tools
- ➤ Customer surveys
- ➤ Loyalty programs