

Getting Started: Knowing Your Target Customer



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ABOUT

This module is all about identifying and understanding the "who" is your target customer and "how" to action it.

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What is target customer and why it matters

Defining your target customer and how to action

Tips to identify your target customer

Tools & frameworks





In our previous module, we learned about **Purpose**.



A business's Purpose explains the difference it wants to make in the world, community and/or the lives of its customers.

Essentially, it is the cause or belief that drives everything your business does.

In other words, the WHY we do it.





Example Company: BarkTies



BarkTies is a company we made up to help you see the Purpose tools in action.

BarkTies is a small business owned by Rea, that makes bowties for dogs. Her target customer is dog parents who want to spoil their pets. Rea is a proud dog parent herself and doesn't just want to sell bowties and she knows how special the relationship is.

Rea started **BarkTies** because she believes that moments of joy and playfulness between a dog and its parent also deepen the love between them.





What is a **target customer** and why it matters

Target Customer: What is it?



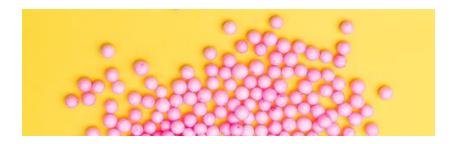
A Target Customer is a term to describe the people you've identified as the most likely to buy your products or services.

Understanding who these people are and what makes them tick will be crucial to the success of your business.





Target Customer: What is it NOT



BROAD

It is easier and more profitable to market your product/service to 1 person who's interested in buying it than 3 people who have no interest.

For example, Rea from BarkTies's Target Customer definition would be too broad if she included those who don't own dogs.



NICHE

Don't be so specific that the total number of people who would be interested in your product /service is too small for your business to grow.

For example, Rea from BarkTies's Target Customer definition would be too niche if she focused on people from Hamilton, Ontario who own a Miniature Schnauzer.





You will likely sell to people outside your Target Customer group, but they won't make up the majority of your sales.







Defining your **target customer** and how to action

Target Customer: Why it matters?



Identifying and defining your Target Customer ensures you can cut through the noise and sell.

Entrepreneurs who clearly identify their Target Customer will:

- Have greater impact in the marketplace
- Be more effective and efficient in their marketing effort and spend
- Build a better product / service offering
- Create a more meaningful customer experience
- Build stronger relationships with existing and potential customers alike



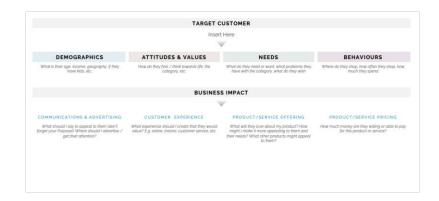


Target Customer tools: The Customer Profile and Action Plan help you define and action your Target Customer



SKLAR WILTON & ASSOCIATES TARGET CUSTOMER PROFILE

A framework designed to help any business – big or small – define their Target Customer; in other words, the WHO to win.



SKLAR WILTON & ASSOCIATES CUSTOMER ACTION PLAN

A framework designed to action a Target Customer definition and identify HOW a business owner can win with them.

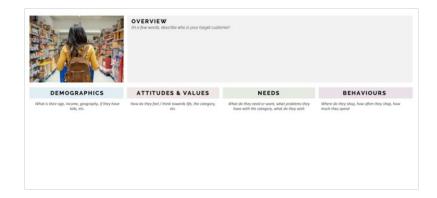




Sklar Wilton & Associates Target Customer Profile

Sklar Wilton's **Target Customer Profile** was developed to help businesses of all sizes capture important details of their Target Customer on one page. In other words, the WHO to win.

The Customer Profile has five key parts: **Overview, Demographics, Attitudes & Values, Needs and Behaviours**. If a business can clearly articulate these things about its Target Customer, it will be more effective and efficient in all aspects of its business.



The key parts are:

Overview: A few sentences that describe your Target Customer, consider completing this last when filling out the profile.

Demographics: Socio-economic information like age, income, location, presence of children, pets, etc.

Attitudes & Values: Their outlook on life, the category, the world, etc.

Needs: Their wants, needs or wishes when it comes to your category

Behaviours: Where they shop, how often, how much they spend as it relates to the products/ services you offer.





Target Customer Profile Example: BarkTies



OVERVIEW

(In a few words, describe who is your target customer)

BarkTies Target Customer is the **ENTHUSIASTIC DOG PARENT**. They believe their dog is a part of the family and deserves as much love, care and special treatment that a child would get. They love to treat their dogs with food, toys and excursions to dog parks – old and new. They like to show their love for their dog off on social media, particularly Facebook and Instagram. It's important for them to find activities, toys and treats that can bring them and their dog together and deepen their bond.

DEMOGRAPHICS

What is their age, income, geography, if they have kids, etc.

Dog parents between the ages of 25-50 who own 1 or more dogs and live in Ontario. They have an above average household income of approximately \$100.000.

ATTITUDES & VALUES

How do they feel / think towards life, the category, etc.

They believe pets aren't just pets, they're family and they deserve the best.

NEEDS

What do they need or want, what problems they have with the category, what do they wish

They want great quality products that can withstand wear and tear of an active dog.

BEHAVIOURS

Where do they shop, how often they shop, how much they spend

They shop at boutique pet stores visiting once a month to stock up on the essentials and find new products that they think they and their dog will love. They don't mind paying a little extra if it makes both them and their dog happy.

They spend a good number of hours a week on Facebook and Instagram, especially if the post have cute dogs.





Sklar Wilton & Associates Customer Action Plan

Sklar Wilton's **Customer Action Plan** was developed to help businesses of all sizes action their Target Customer Profile and put those thoughts on one page. In other words, the HOW to win with them.

The Customer Action Plan carries over key points from the Target Customer Profile (the top of the page). On the bottom half it covers four key action items based on who your Target Customer has been defined as.



The key parts are:

Communications & Advertising: What you should say and where you should say it

Customer Experience: The experience you need to create for your Target Customer instore, online, post purchase, etc.

Product/Service Offering: Why your product offering resonates with your Target Customer, how you can make it more appealing or add to your product line

Product/Service Pricing: How should you price your products/services based on your Target Customer





Plan on a Page Example: **BarkTies**

TARGET CUSTOMER

Enthusiastic Dog Parent

DEMOGRAPHICS

Dog parents between the ages of 25-50 who own 1 or more dogs and live in Ontario.

ATTITUDES & VALUES

They believe pets aren't just pets, they're family and they deserve the best.

NEEDS

They want great quality products that can withstand wear and tear of an active dog.

BEHAVIOURS

They don't mind paying a little extra if it makes both them and their dog happy. They spend good among of hours on Facebook and Instagram.

BUSINESS IMPACT

COMMUNICATIONS & ADVERTISING

What should I say to appeal to them (don't forget your Purpose!) Where should I advertise / get their attention?

Message: 'Love. All tied up' (it connects with the Purpose of 'To deepen the love between a dog and their parent.')

Always show bowties on dogs vs. bowties on their own

Advertising on Facebook and Instagram

CUSTOMER EXPERIENCE

What experience should I create that they would value? E.g. online, instore, customer service, etc.

Focus on ecommerce for now

Show all bowties on dogs so dog parents can feel the love

Offer free shipping on orders \$50+ before taxes

Offer express shipping at an additional cost so dog parents who want their bowties quickly can get them

PRODUCT/SERVICE OFFERING

What will they love about my product? How might I make it more appealing to them and their needs? What other products might appeal to them?

They love the bowties because their dogs can express their personalities

Make them more appealing by creating special edition or seasonal lines

Consider eventually expanding to include dog coats (they too can help dogs express their personality)

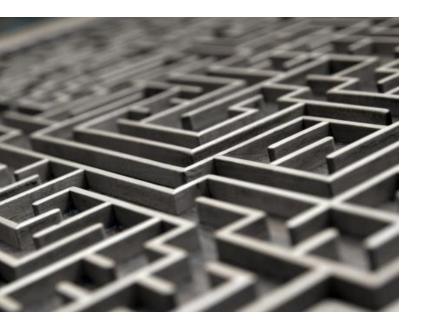
PRODUCT/SERVICE PRICING

How much money are they willing or able to pay for this product or service?

Prices start at \$25 for a basic bowtie and up to \$35 for silk fabric and special edition prints

Tips to identify your Target Customer

Tips to Identify your Target Customer



When identifying your Target Customer try thinking about it from a few different angles. Each new path may open up a new understanding.

Your product/service: Think about who your product/service would most appeal to? Who did you have in mind when creating it?

Your data: Think about the existing data or knowledge you have around your customer (if your product is already in market).

Secondary Research: Use secondary research to identify trends, demand, and need by reading articles and leveraging readily available statistics, data or trends research that can be found online.

Who your target customer isn't – If you are unsure where to begin, start by defining who your target customer definitely isn't. This will help define who they are.

Analyze others – Examine other businesses or brands that you consider offer similar or related products. Look at their website and advertising. Who are they speaking to? Are those the same people you think would be interested in your product? Are they actually missing out on a specific group you think you can capture?





Target Customers are always evolving



Just like people, your Target Customers are always evolving which could impact your product offering, where you advertise or what you say. **Do regular check ins.** As your business grows, check in and ensure that your Target Customer's demographics, values & beliefs, behaviours and needs are accurate.

Talk to your customers. Use your growing customer database and customer interactions to find out more and evolve your understanding of your Target Customer.



DID YOU KNOW - 83% of consumers admit paying as much attention to how brands treat them as on the product they sell.*





Target Consumer – Previous PWP Examples



Modern self-care and wellness aficionado.



Champions of traditional healing practices who take responsibility for their local community.

SMUDGE THE BLADES

Indigenous hockey enthusiasts.



Families looking to come together.







Target Customer Profile



OVERVIEW

(In a few words, describe who is your target customer)

DEMOGRAPHICS

What is their age, income, geography, if they have kids, etc.

ATTITUDES & VALUES

How do they feel / think towards life, the category, etc.

NEEDS

What do they need or want, what problems they have with the category, what do they wish

BEHAVIOURS

Where do they shop, how often they shop, how much they spend





Target Customer Action Plan

TARGET CUSTOMER

Insert Here



What is their age, income, geography, if they have kids, etc.

ATTITUDES & VALUES

How do they feel / think towards life, the category, etc.

NEEDS

What do they need or want, what problems they have with the category, what do they wish

BEHAVIOURS

Where do they shop, how often they shop, how much they spend

BUSINESS IMPACT

COMMUNICATIONS & ADVERTISING

What should I say to appeal to them (don't forget your Purpose!)

Where should I advertise / get their attention?

CUSTOMER EXPERIENCE

What experience should I create that they would value? E.g. online, instore, customer service, etc.

PRODUCT/SERVICE OFFERING

What will they love about my product?

How might I make it more appealing to them and their needs?

What other products might appeal to them?

PRODUCT/SERVICE PRICING

How much money are they willing or able to pay for this product or service?





