

A C B

Attracting Customers Bootcamp

**Week 2**

**The Customer**

# Week 2

## The Customer

Before we get started let's re-cap the outcomes from the ACB course:

- Understand what marketing is
- Understand how marketing can benefit you
- Understand your client completely
- Learn how to identify the best products or services to increase sales
- Identify the best way to promote your products
- Discover how you can give your customers the best experience
- Work out how you can stand out from your competitors
- Create a realistic and relevant marketing strategy

This week we will focus on the most important learning outcome:

- Understand your client completely

We will be looking at three aspects of this topic to enable you to understand your customer completely:

- Who your Ideal Customer is
- How your customers decide on a product or service
- How your customers purchase a product or service

This week we will explore each of the above elements in three separate videos. This workbook covers all three elements.

### **Introduction**

We all need customers to purchase our products, and in theory every in the world is a potential customer.

You may have heard the phrase, 'they are not my customer' and that is true. Some people will not be your customers. They will not recognise the benefits you can bring to them and they do not want your service or product.

That's OK. A successful business is not everything to everyone.

We are interested in the group of people who are likely to buy our product or service. This group of people:

- Need our product or service
- Recognise the benefits of our product or service
- Are willing to pay for our product or service.

Now the people in this group often vary by age, occupation, lifestyle and beliefs and this does not help us grow our business.

## **2.1 Target Market**

To help us in business we need to identify our target market- the specific group of people who are likely to buy our products and have common characteristics.

The biggest companies in the world know their target market, for example Apple's target market for their devices is males and females between 20 and 45, who are middle class high earners.

Once we have identified our target market we can:

- Create relevant marketing messages
- Attract and convert people who are likely to buy
- Stand out from competitors
- Build loyalty
- Stay focused

After all, it is easier to tailor your message to a group of women aged 30-45 than men and women aged 16-60.

### **How do you work your Target Market?**

You can work out your target market by:

- Looking at your social media statistics and identify who follows you.  
Once you have a business profile you can search through the statistics
- Think about your past customers
- Look at competitors and their target markets

You identify your target market according to four groups of characteristics: demographic, geographic, psychographic and behavioural characteristics.

Let's look at what these elements of these characteristics you need to consider:

### 1. Demographic Characteristics:

**What is the age range?** Age impacts what people buy and how- 60 year old women are less likely to shop online compared to teenagers.

**Which gender?** Gender determines what people buy- a lady is more likely to buy makeup.

**What is their income?** Income can influence whether people buy cheap or luxury brands.

**What is their occupation?** Different occupations value different things- a salesperson is likely to buy suits unlike a manual worker.

### 2. Geographic Characteristics:

**Do they live in the UK or are they international?** Different countries have different values.

**What is the local culture?** Different areas have different cultures, for example winter coats sell better in cold climates.

**Do they live in a urban or rural area?** This influences where and how people buy- someone living in a town has more choice than someone living in a village.

### 3. Psychographic Characteristics:

**What is their lifestyle like?** Different lifestyles have different interests. Consider marital status, sexuality, political views.

**What do they do in their spare time?** Someone who is interested in the arts, values something different compared to a football fan.

**What are they interested in? What are their values?** Younger people are more likely to care about eco friendly products.

### 4. Behavioural:

**Do the customers buy in bulk or frequently in smaller amounts?**

**How loyal are the customers?** How can you increase loyalty? Do you need to look for new customers regularly?

**How frequently do consumers use the product?** Marketers often group segments based on heavy, moderate and light users.

**What benefits do they need from the product?** A massage could be relaxing for one customer and provide pain relief for another.

As you can see working out your target market provides you with so much information.

Use the next page to identify your target market. You do not have to include all of the above characteristics, but the more you use, the more useful your target market will be.

Take your bestselling product or service and identify your target market.

Product/ Service: .....

**1. Demographic Characteristics:**

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**2. Geographic Characteristics:**

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**3. Psychographic Characteristics:**

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**4. Behavioural Characteristics:**

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## **Ideal Client**

Imagine being able to narrow down your customers even more

Within the target market is a group of specific people, the customers who will love you and your brand, these are called your ideal clients.

These are the people you want to work with all the time, the customers who give you the reason to be in business.

They pay you on time, they buy the products and services you love providing, and they even tell everyone about you because they love everything you do.

These are the people we want to attract. And we need to know these people before we do anything else.

To identify these dream clients we need to get really specific, we need to work out our ideal client.

### **Why should I work out my Ideal Client**

This is my favourite activity- if you only do one thing in this course, do this!

Once you have identified your ideal client you will find everything much easier, you will be able to:

- Easily craft your marketing message
- Super focus your promotional efforts on where customers are- no more wasting time on pointless promotions
- Introduce new products that you know customers will love
- Know how to price your products
- Know what customers want from your products or services, and how you can tell them
- Save time and money as your actions will be targeted on the people who will buy your product
- You can even work out what customers will be interested in sharing on social media!

## *Focus on one, sell to many*

The more you know about that one person, the easier everything will become.

Using your ideal client you can even work out when they are more likely to buy from you. For example, if your ideal customer is a mother of 5 year old twins, they may not be interested in your product in the middle of the summer holidays when they are juggling childcare. On the other hand in September they may have more time and money.

Once you know your ideal customer, you can think from their point of view and get into the external mindset needed for business success.

### **How do I work out my Ideal Client?**

When working out your ideal client you need to know everything about them. You need to know them better than you know yourself. Imagine you are writing a book- they are the main character.

To work out your ideal client, you need to consider who your perfect customer would be and describe them in as much detail as possible.

This could be based on a mixture of different people- they may have characteristics of friends, family, favourite clients or even yourself.

You may find you have multiple ideal clients, and these may vary between services or products and that is fine.

Please remember your ideal client does not limit you, of course you will serve people who don't match this profile. It just makes every business decision which you make easier.

On the next page there is a worksheet where you can work out your ideal client, using the suggestions in the box below.

Give them a name and find a picture online that represents them. Do everything you need to imagine who they are.

#### Family Life

Who do they live with?  
Are they married?  
Do they have children?  
What are their relationships with family members?  
Who influences them?

#### Information Gathering

How do they find out about things- facebook, instagram, newspapers, magazines, adverts  
Are they influenced by famous people?  
Are they influenced by friends and family?

#### Work & Education

Where do they work?  
What do they do in their job?  
Do they like work?  
What are their aspirations?  
How much do they earn?  
Who do they work with?  
How have they been educated?

#### Buying habits

How do they buy things?  
Are they influenced by friends and family when buying things?  
Who makes the ultimate purchasing decision?  
How do they like to buy things- convenience or for the experience?  
What makes them loyal?  
What would stop them from buying?

#### Friends & Social Life

Do they have a large friendship group?  
How do they spend spare time?  
Who influences them?  
What interests do they have?  
Do they follow latest fashions?  
Do they like travelling and where do they go?  
What do they care about? Fashion, the environment, self interest etc.

#### Problems & why they will buy from you

What problems do they have that your product will solve?  
What do they want from your product?  
What are their pain points?  
What will make them choose you over competitors?  
What do they want from you- in terms of product, price, promotion?

Once you have completed the worksheet- print it off and put it where you work. Make an agreement with yourself- that every decision you make will be based on them from this moment on!

As with everything in business, it is best to re-evaluate your ideal client every so often.

If your business does not seem to be growing you may need to reassess your ideal client. For example if you are selling cheap furniture you need to attract people who follow the latest trends, not people who buy and keep furniture for 20 years!



# Ideal Client

Name:

Age:

Gender:

Location::

Family Life

Information Gathering

Work & Education

Buying habits

Friends & Social Life

Problems & why they will buy from you

## 2.2 The Five Roles in Buying

Now we have an ideal client in mind, the next stage is to discover how they buy products and services.

Some purchases do not involve anyone else, for example when you buy a bar of chocolate or fuel for the car. These are called individual purchases. However there are many purchases that involve a number of people who influence the final decision.

For example last night we needed some milk for my son. I said to my husband,

"I'm going to get some milk for Robert from the shop over the road".

To which my husband replied,

"I think we have enough for tonight, and I am going to the supermarket tomorrow"

For a single bottle of milk, a low cost item, two people were involved in the purchase. Instead of shopping in my local shop, Darren went to the supermarket.

**Consider the last thing you purchased, who was involved in the process? Did you speak to anyone beforehand? Did you buy and use the product or service? Did you buy the item for someone else?**

As you can see from small purchases to bigger purchases there are other people involved, not just the customer.

Blackwell, Miniard and Engel identified five roles in purchasing a product or service and named this process as the Buying Centre. I like to call it the five roles.

### **Importance of the Five Roles**

Once we understand who is involved in a purchasing decision we can use this to our advantage by:

- Influencing their decisions to choose you and your products or services
- Overcoming any objections
- Becoming a well known brand which everyone recommends

*We want to make sure everyone chooses you*

There are lots of statistics on who influences purchases and it is worth remembering there are certain groups who have a bigger role in purchasing:

- Women are more likely to influence decisions on washing machines and carpets
- Men are more likely to influence decisions on TV's
- Joint decisions are more likely to be made in two income households
- Men make up to 50% of the purchase decisions on food
- Working women households spend more money on eating out and childcare
- Teenagers influence decisions cards and household products

### **What are the Five Roles?**

Blackwell, Miniard and Engel identify the five roles as:

1. **Initiator**- the person who starts the role of buying. They may or may not research the product or service.
2. **Influencer**- the person who attempts to persuade the others involved. They may gather information and impose their will on the decision.
3. **Decider**- the person with the power. The person who makes the choice of which product, they may have financial control.
4. **Buyer**- the person who actually buys the product.
5. **User**- the person who uses the product or service.

Let's look at some examples before you complete the 5 roles for your ideal client.

### **Toy purchase**

1. **Initiator**- the boy who wants the toy
2. **Influencer**- the boy who wants the toy tries to influence his parents.  
His sister tries to influence the boy
3. **Decider**- the parents
4. **Buyer**- the parents
5. **User**- both the boy and the girl

### **Car purchase**

1. **Initiator**- the mother who needs a new car
2. **Influencer**- the teenage son, the father and the brother who loves cars
3. **Decider**- the mother and father
4. **Buyer**- the mother and father
5. **User**- the mother and teenager

### **Beauty purchase**

1. **Initiator**- the lady who wants a new foundation
2. **Influencer**- the lady's best friend, the makeup representative, the lady's cousin
3. **Decider**- the lady
4. **Buyer**- the lady's partner
5. **User**- the lady

The above examples demonstrate why it is important to know who is involved in the five roles. For example if you owned the company who made and sold the foundation you would need to make sure the makeup representative knows the product. You would also need to make the lady's partner comfortable with purchasing makeup- after all they could choose to purchase online or elsewhere.

Every customer will have different people involved in the five roles. However as we know our ideal client we can work out who is likely to be involved in their decision. We can then tailor our messages and customer interaction to suit everyone involved.

Take 1 of your products or services and work out the five roles for your ideal customer. Consider anything you need to do to help these people choose you.

Product/ Service: .....

**1. Initiator:**

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**2. Influencer:**

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**3. Decider:**

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**4. Buyer:**

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**5. User:**

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## How Customers Buy

Now we know who our ideal customer is, and who can impact what they buy, we need to understand the stages of purchasing your product or service.

We all know that in the online world, purchases are not as simple as they once were.

Recently my Dad invited some friends for Dinner, Mum was away. Five years ago, Dad would have just visited his preferred supermarket and picked a meal.

Whereas now, to decide what he wanted to cook, he went online and researched the best Moussaka. He found out a smaller supermarket did the best Moussaka according to reviews, so he went to this shop instead of his regular choice.

Even deciding what to eat is not a simple choice!

**Think back to the last high priced item you purchased. What stages did you go through before you choose the item? Did you do any research? Ask questions? Look at alternatives? List the stages you went through here:**

## 2.3 The Consumer Decision Making Process

Once you work out the stages your customer goes through before they purchase your product or service, you can work out how you can guide and influence their decision. After all it is likely that you will have competitors who offer similar products or services. We want your customers to choose you- not them.

Once you understand the process your customers go through we can:

- Instigate a customer need through promotions
- Identify what needs customers have and meet their needs
- Identify things that would stop them from buying
- Create target marketing strategies that appeal to customers

*Once you understand the process a customer goes through, you can anticipate where a customer may lose interest, and attempt to influence the decision.*

### **What is the Consumer Decision Making Process?**

Various versions of the Consumer Decision Making Process exist, however the stages of the process remain the same.

#### **1. Recognition of a problem**

Your customer realises they have a need for something and want to solve the problem.

However they may not buy the item if they have more important things to buy, or if something prevents the purchase.

#### **2. Search for information**

When a customer has a strong need they will go and search for information to find solutions. They begin to search internally using their memory to reflect on experiences and marketing communications.

If they cannot find an internal solution they will search for an external solution.

They may ask people they know, look at commercial sources or check out review sites. The internet is a key external resource.

### **3. *Evaluation of alternatives***

Following the information search the customer will shortlist the options available, and compare each one.

They may consider elements such as:

- brand
- price
- availability
- personalisation options

Typically if a product is a high price or of a high significance, more evaluations will be carried out.

Emotion is also involved when purchasing items relating to self image or belief.

If a product is of a lower price, purchasing may become habitual with little evaluation

### **4. *Purchase***

The customer will then make a purchase.

### **5. *Post- purchase evaluation***

Following a purchase the customer will reflect on the purchase and the process.

The customer may have concerns after they have bought especially if:

- The purchase was at a high cost
- The purchase cannot be returned
- The consumer suffers from anxiety

## **Implications of the Consumer Decision Making Process**

Let's look at how you can use each stage to attract customers.

### **1. *Recognition of a problem***

Through anticipating and recognising your customers need, you can gain competitive advantage by solving that need. You can also:

- Overcome anything that may inhibit the need- for example if your customer wants to feel secure online you may choose to over paypal as a payment method.
- Instigate the need through promotions- for example mobile phone companies advertise the benefits a new phone will bring, instigating the need for a new phone



## **2. Search for information**

By identifying the places your customers will go for the external information search, you can be in the right place for your customers. You can also:

- Ensure your promotional work and your brand is remembered by customers to influence the internal information search.
- Offer an amazing customer experience.
- Encourage customers to review or recommend you through vouchers and loyalty schemes.

## **3. Evaluating the alternatives**

If you can identify the alternatives on offer you can make sure your marketing messages and promotional materials show why your product or service is best. You can also:

- Ensure you have a strong recognisable brand with a set of clear brand beliefs.
- Overcome customers objections.

A great activity here is for you or a friend to compare your products, promotions and messages with those of your competitors.

## **4. Purchasing**

The purchase of an item is key as you need to make your product or service easy to purchase. You can also create a fantastic customer experience to encourage your customer to recommend you.

## **5. Post purchase evaluation**

At this stage you need to make sure your customer is happy by:

- Ensuring your product does what it should.
- Ensuring the customer has had a positive experience.
- Following up via email, newsletter, future discounts to retain your customer.

On the following page consider the Consumer Decision Making Process from your ideal clients point of view, for one or more of your products.

Also note down anything you need to do to make sure the process ends with a happy customer.

**Take your ideal client and 1 of your products or services, and work out the Consumer Decision Making Process**

**Product/ Service: .....**

**1. Recognition of a problem- what will cause them to need the product?**

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**2. Search for information- where could they go for information/ where should I be?**

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**3. Evaluation of alternatives- what can I say/ do to make my product the best?**

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**4. Purchase- how can I make sure the customer enjoys the purchase?**

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**5. Post purchase evaluation- how can I make sure my customer is happy?**

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## **Summary**

This week we have learnt all about your customer, and how you can use the information to benefit you. Next week we will look at how to make sure you have the perfect product or service.

Don't forget to pop into the facebook group and share your thoughts, questions and ideas from the weeks module using #week2

We would love to hear your ideas and look forward to next week where we will look at everything to do with your products or services.

## **Notes**