Target markets

Kelly G. Shaver
College of Charleston
shaverk@cofc.edu
www.cofc.edu/~shaverk

© Kelly G. Shaver 2006-07
All rights reserved.
It seems simple, but...

- What is the problem with “technology transfer?”
- Who creates transferable technology?
  - The military
  - University research labs
- What is the nature of the process?
  - Academic publications
  - Unlimited budgets
The alternative

- Instead of “product driven,"
- A smart company is *market* driven
- Who *is* your market?
  - End users only?
  - Or does it also include distributors?
  - How about alliances?
Criteria for a market

- Definable – specific group characteristics that set the target group apart
- Meaningful – the characteristics should relate to the purchase decision
- Sizable – (speaks for itself)
- Reachable – the definition should imply affordable, effective, strategies
Basic demographics

- Sex
- Ethnic background
- Age
- Socioeconomic status
- Education
- Region (for coordination to census data, if for no other reason)
Demographic considerations

- What are the most important breaks?
- How many of the divisions do you really need?
- What is the resulting size of market?
- Is your business local, regional, national, or international?
- If not merely local, what about fulfillment?
Lifestyle issues: food

- Everyone must eat, right?
- Three local food stores
- Same time of day
- 20 yards sideways from the door
- 15 cars deep in all rows included
- Makes, models, college decals, gate passes, faux-European decals, bumper stickers

© Kelly G. Shaver 2006-07
All rights reserved.
Then background

- Major demographics of drivers
  - Sex
  - Broad age categories
  - Individuals or pairs
  - With or without children (age range?)

- Kelley’s Blue Book

- Property sales records from the newspaper

- College tuition rates
Psychographics

- Early adopters?
- Status-seeking?
- Cutting edge or conservative?
- Single- or dual-earner?
- Entertainment choices
- Print media read or subscribed to
- Vacation choices
Purchasing patterns

- How much will they buy?
- How often will they buy?
- How long will they investigate before buying?
- Where do they learn about choices?
- What was the reason for the first purchase? Would a discount have mattered?
Critical features?

- Price
- Quality
- Product recognition
- Sales environment
- Convenience of purchase, use
- Customer service
- Warranties, maintenance, returns