

# Target Marketing

Take Away The Guess Work And Learn About Your  
Market



Report



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# Why Targeting Your Market Is Essential to Your Business

No matter what type of business you have, you need a target market. There are folks who want and need your products, and the goal of your marketing efforts is to connect with them. Without a clearly defined target market, you're taking shots in the dark and just hoping that you'll find people who will buy. You have no real idea if you're aiming too high, too low, or in the wrong direction entirely.

## What Is a Target Market?

A target market is a group of people that have related characteristics and need, and to whom you direct your marketing and product efforts. It's a specific audience. Target markets are defined by demographics such as age, gender, location, economic group, social status, family situation, country and language. A few examples of businesses with target markets would be:

- A shopping network that targets working moms over 30
- A resort that targets retirees
- A store whose target market is young families
- A clothing store that targets teens who see themselves as 'alternative'
- A winter sporting goods supply store that targets people in cold areas
- A blog that targets well-to-do expatriates

You'll notice that in the examples above, not all the information is demographic. For example, take teens that see themselves as 'alternative.' Other factors in target markets include psychographic data, like how your audience sees themselves or see the world around them. This is just as important as demographic information.

## Why Laser-Target Your Market?

In marketing, there is no in between. You either hit or miss. If you don't target your market perfectly, you'll waste your advertising dollars broadcasting your message to the wrong people. Again, to take an example above, an ad for your resort for retirees would be pretty ineffective if it showed teens snowboarding and loud punk rock music.

Your target market needs to be specific, because you can't make everyone happy. If you cast your net too wide, you'll be speaking to people who have no interest in your products or services. They'll just tune you out like white noise in the background.

## Benefits and Solutions

The key to successful marketing is to identify your market's pain or problem and offer a solution. If you know exactly who they are, you can communicate your product's benefits and the results they can expect in a language they understand. Tell your target market of retirees that at your resort, they don't have to fight the crowds. Tell your alternative teens that they don't need to fit in with the squares.

One added benefit is that your target market can relate to each other. By identifying them and marketing to them, you can create a 'tribe' based around common interests. This is especially powerful online, where people spend a great deal of time on social networking sites, forums, and blogs.

When defining your target market, be careful about making assumptions. Marketing is a science and you need to look for objective data. Research your target market and they'll tell you what they like, what they think, and what they want from you.

# The Essentials of Market Research

**M**arket research gives you a picture of your target market so that you can create and grow a business that meets their needs. You have to know the people in your market perfectly so that you can connect them to the products and services that are best suited for them. In order to do this, you need to gather and analyze hard data about your audience.

## Quantitative vs. Qualitative Data

There are two types of data – quantitative and qualitative. Both are essential for creating an accurate picture of your target market.

Quantitative research looks at the big picture. It takes a large sample of over a hundred people or more and uses that sample to look at trends. If you pick one hundred random people in your market, you can probably assume that they represent the general population of your market.

A traditional method in quantitative research is the survey. Through your survey, you may discover, for example, that 70% of the sample finds your new product attractive. You'd then assume that 70% of all consumers would think so as well.

Qualitative research is tricky, but it yields important data that you don't get through quantitative methods. It deals not in numbers but in words, images, impressions and feelings. It's a more in-depth, objective approach where you interact with your sample audience.

A common qualitative method is the focus group. This is where you gather a small group of five to ten people from your customer base and encourage a discussion about your products using a set of questions. Qualitative methods also include

interviews and projective techniques like role playing.

## **Your Target Market Profile**

The goal of market research is to create a profile of an imaginary person who is your perfect customer. The profile has to be as complete as possible. It should include not only demographic and geographic information, but also how they feel about things. This is called psychographic data and it's equally important.

Psychographic information includes things like how people in your market see themselves, how they use your products, what they're most afraid of, what they hope for in the future, and so on. Some businesses even give this imaginary person a name, like Fred or Simone.

To create your target market profile, take the massive list of traits you've discovered about your audience (demographic, geographic and psychographic). Narrow this list down to the 10 or 12 that you consider most important. This step is harder than it sounds and sometimes has to be reconsidered if afterwards you don't feel that your marketing methods are working.

One added benefit of creating a personal profile is that you can write your sales copy directly as if you were speaking to someone in your market face-to-face.

## **What You Don't Know**

Market research is a process of discovery. You need to be objective and let the data you discover inform you. The deadliest mistake is to make assumptions. Go into your research process openly, assuming that you know nothing about your audience. Rely on the data you discover and not guesswork.

# The Top 5 Methods of Online Market Research

**F**or marketers, the Internet is a blessing. Never has there been so much information about consumers and how they think right at your fingertips. In years past, marketing firms and businesses had to rely solely on costlier, more time consuming methods like focus groups, surveys and other data-gathering methods. Online research offers some excellent shortcuts.

Whenever you start an online marketing campaign, the most basic step is to gather relevant keywords. Keywords are essential but they don't get you much hard data about your target audience other than what they're searching for online.

Here are the top 5 other methods used to do market research online.

## Online Surveys

The survey has always been a viable method of conducting quantitative market research and discovering general trends. Now that we can do surveys online, it's much cheaper and more convenient than standing in the shopping mall harassing passers-by. You can use software programs that automate everything for you, tallying the results so you don't have to. Online surveys are particularly effective because respondents can be completely anonymous.

## Blog Questions

On your blog, you can gain valuable information from your readers by simply

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asking questions. Write a blog post and at the end say something like, 'What do you think about this?' People love to share their opinions and they'll eagerly do so. The great thing about blog questions is that they're versatile; you can introduce a new line and ask them directly what they think, or share a story that's unrelated to your business and ask for their opinion to find out how they feel about life in general.

## Your Email List

If you have an email list, this is a wonderful audience for your questions. Mixed in with your valuable content and targeted offers, you can ask them questions and use this data for future offers. The great advantage with your list is that they're pre-screened. You already have a built-in audience that's interested in your products or services.

## Forums and Q&A Sites

Online forums and question-and-answer sites are a natural source for gathering information. You often don't even need to ask; someone else may have started a discussion on the topic. If you want to know, for example, how people feel about Facebook's new Timeline format, chances are good that people are already talking about it.

## Social Networks

Social networks are priceless because there are far more happening than just personal discussions. On sites like Facebook, people tell you exactly what they like. You can look at the kind of content they share to get an idea of what they're into. Sites like Twitter and Facebook also offer apps that help you do market research.

## Don't Quit Offline Market Research

The Internet makes market research easy, but it's still a good idea to research offline as well. The main advantage of offline research is that it's more in-depth. Focus groups, for example, give you personal interaction that you don't always get online. Participants are more engaged in the sessions and they're likely to tell you more. The best strategy is to do market research both online and off, depending on your budget and resources.

# How to Use Online Surveys to Research Your Market

The quality of your market research data is only as good as your sample and the questions you ask. Ask the wrong questions or the wrong people, and all of your efforts will be in vain. If you conduct your online survey correctly, you can gain valuable information about how your market thinks and shops.

## Stick to One Issue

Start creating your survey with a goal in mind. Don't try to tackle everything at once. Decide what specific information you want to know. This will help you choose the right question and keep the survey from being unfocused. It's better to do multiple surveys for different types of information than to overwhelm people and have them leave the survey incomplete.

For example, if you want to ask people about products they use, stick to that topic. If you want to discover their pain, frustrations or problems, make that the focus.

## What to Ask

When you have a clear goal, questions will usually spring to mind automatically. The best strategy is to generate a huge list of questions and then eliminate the ones that aren't appropriate or which overlap too much.

All questions should be easy to answer and they shouldn't be too open-ended. Don't challenge or frustrate your respondents, or they'll give up on the survey. For example, don't ask them something like, 'Would you buy this product ten years from now?'

Avoid any type of leading question. Your goal is to get objective data about how your market feels, not lead them to agree with you. Leading questions taint your results. Avoid questions like, 'Do you feel like shopping at big department stores is playing right into massive earth-polluting and slave-driving corporate hands?'

Remove any questions from your list that aren't completely relevant. Every question should be in line with your goal and provide you with information you can use. Remember that they're taking people's valuable time to answer your survey.

Finally, be careful about questions that might offend or alienate someone. Assume that your respondents are sensitive and going to take things personally. An example would be asking them how much money they earn, and then asking them to include their name on the survey.

### **Tools to Make It Easier**

There are a number of software tools at your disposal that make surveys easier. One is SurveyMonkey, which lets you create surveys and polls quickly. The program is easy to use and everything is done online. It gives you lots of variety and customization features, like the ability to skip or vary questions depending on previous answers.

A more extensive program is Zoomerang. Zoomerang has been around for more than 10 years and is used by a number of Fortune 500 companies. Absolutely everything is customizable and it has a wealth of features. Zoomerang is fancier than SurveyMonkey, but also costlier.

### **Give Them a Nudge**

There are many people who are quite happy to give their opinions, but you can sweeten the deal by offering an incentive. Incentives could include a small freebie,

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free entrance into a contest, a coupon, a discount, or a complimentary membership to a website. Offering a freebie is a very common method and it works to get the fence-sitters to participate.

# Learn about Your Market through Your Blog

Your blog offers a wonderful way to interact with your target market and learn about their thoughts, feelings, and buying habits. Blogs are actually a form of social media that should be used to interact with your audience. If you use your blog well, you can find out all kinds of information through it.

## Ask a Question

One of the best ways to learn about your market is to come right out and ask a question. Write a blog post on a topic related to your business or product, and then at the end, ask readers what they think. They'll give their opinions in the comments and you'll learn valuable qualitative data.

## Always Answer Comments

Once you ask the question and start reading comments, your job is far from done. Take the time to respond to every commenter. Thank them and comment on something they said, or answer their question if they've asked one. You can also use this opportunity to follow up on their comments and ask them for more details.

## Email for More Info

You can also choose to email respondents for follow-up details. Sometimes this is a better approach because they may be more willing to share their opinions privately with you. You may also not want to look like you're soliciting information. Only use the email address they provide on the blog's comment form.

## Making Your Blog a Nice Neighborhood

Often, people won't leave their comments because they're afraid of getting attacked or insulted. A way to help them overcome this is to be as supportive and personal as possible. While your blog should generally stick to business, share a personal story sometimes. Make sure you have a nice, smiling picture as an avatar. Be friendly and welcoming, and readers will be more likely to interact with you.

## Use Comments for Future Posts

When people comment on your blog, they tell you what they like or don't like. They may also express interest in learning more about something. Use this feedback for future posts. For example, readers may ask a question about something you said in the post or something related to it. Start a list of these topics. You'll get the double benefit of a ready source of new blog post ideas while giving your audience what they want.

## Spy on Your Competition

You can get great information about your market just by looking at your competitors' blogs. There's a good chance you share your audience with them, so see what their readers have to say in the comments. You can use your competitors' blogs for future post ideas as well.

## Beyond Your Blog

The technique of asking questions to get a discussion going for market research purposes is one you can use anywhere. Try it on your Facebook profile, Twitter feed or any forums you belong to. The key is to approach it not as a marketer gathering information, but as a friend asking for opinions. This makes people much more comfortable and the information they give you will be more honest and thoughtful.

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# How to Use Email to Better Understand Your Market

Email is a great way to do market research. It's cheap, easy, and results are fast. If you have an email list, you already have a pre-screened sample of your target market. By simply signing up, those people have expressed interest in your products. Here are tips on how to use this valuable market research tool effectively.

## Email Makes It Easy

One of the biggest advantages of email is that it makes responding to your survey easy. All your subscribers need to do is hit 'reply' and the results of the survey get sent back to you. You can make it even easier by giving people simple check boxes to click. They don't even need to enter any text. You can include an optional opinion form at the bottom if they want to leave comments.

## Opinion Surveys by Email

Opinion surveys also work well through email, but because they involve more action on the part of your respondents, response rate isn't as high. However, the information you receive is more in-depth and higher quality. These are surveys in which you throw out a suggestion or ask for ideas, and people respond with their opinions. Since you're asking people to do more, it's good to offer an incentive or reward for participating.

## The Dreaded Delete Button

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The major downside of email surveys is that your respondents can hit the delete button and make the email disappear forever. There are a few ways you can reduce the risk of this happening. One is to make sure the 'from' line tells the recipient who you are and the 'subject' line explains what your email is about. Tell people why you want their input and how you're going to use it to improve your products or services. Tell them also how long the survey will take.

## **Spicing up Your Surveys**

One way to make it more fun and encourage participation is to liven up your survey with images or other attached files. This takes advantage of email's unique capabilities and makes the survey more engaging for people than ordinary snail mail surveys.

## **Take Advantage of Software Programs**

Software programs like SurveyMonkey make market research through email easy. These tools automate everything for you, from designing your surveys to analyzing your results. They offer both customizable features and templates, where you change the questions accordingly.

## **Share the Results**

People don't like to be left hanging, so share the results of the survey with all participants. You can do this through email or by publishing the results on your blog. Let people know at the time of taking the survey when and where they'll be able to see the results. Be sure to thank them as well.

## **The Disadvantage of Email Surveys**

There's just one major disadvantage of email surveys. Not everyone uses email. This limits the audience for your survey. If you need input from people of all ages

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and demographics, email may not be the most suitable method. Email surveys work best for groups that use it often like business people, college students, association members, or subscribers to your list. Keep this in mind when planning your survey.

# Fly on the Wall – Where to Go Online to Listen to Your Market

On the Internet, it's easy to find people asking questions, commenting, sharing content, and giving their opinions. These websites are a goldmine of opportunity for marketers. If you can find out where your target market is talking, all you need to do is listen. They'll tell you everything you need to know in order to connect them to products and services they need.

## Forums and Q&A Sites

Online forums and question-and-answer sites help you in a number of ways. You can use them to discover what topics are hot right now. For example, if you're designing a new Internet marketing product, you can visit an IM forum and see what people are talking about. If there's a lot of discussion on how to use Facebook's Timeline format, you can create a report or course on how to use it effectively.

On forums and question sites, you can find good respondents for your surveys and other market research. Look at the members who are most active and leave the most replies. This tells you that they love sharing their opinion and they'll happily do so for you.

You can discover other priceless insights by looking at what people are saying. Read threads that are relevant to your products or services and they'll tell you exactly what people are looking for. You can search these sites for keywords and if you don't find what you need, start your own thread asking for opinions.

## Social Networking Sites

Social networking sites are even better than forums and question sites. There is a lot of discussion and engagement on all sorts of topics. You can use them to find out what's trending and how people feel about it.

Most social networking sites have a way for users to express their interest in content they like. On Facebook, they're aptly called 'likes.' When lots of people like something, this tells you that it's popular. You can look at your own page's likes or what your target market likes on your competitors' profiles.

One of the reasons social media sites are great for market research is that they have detailed profiles. By looking at your customers' profiles, you can find out what other interests they have. This is a great source of non-demographic information, like how they see themselves, what they think about current events, or how they use the products they buy.

One key difference with social media is that you need to be subtler. When you ask a pointed marketing question, it may put people off. Social media sites are used for entertainment and socializing mostly. People like to hang out online with their friends and share content they like. Take a friendly and personal approach. It helps if you have a lot of friends already on the site who you interact with casually.

Facebook is still the largest social media network, but it's good to have a presence on as many as possible. Each offers unique ways to do market research. For example, on YouTube you can see which videos are getting the most views.

## The Online Market Research Flow

Find out where your target market hangs out online and then join the discussion. Start by identifying your audience as thoroughly as possible. You can also do a survey asking your current customers about their online activities or where they like to interact with their favorite brands. Wherever that is, become a fly on the wall and soak it in. If you listen well, you'll gather a treasure trove of information.

# Offline Methods for Conducting Market Research

**W**hile the Internet offers a wide variety of places to conduct market research, the kind of data you get can be somewhat limited. Online market research is no substitute for face-to-face contact with your customers. Additionally, not all segments of the population spend a great deal of time online. You might need to reach them offline.

Offline market research methods have been around for a long time and they use strategies that are proven to yield results. Here are a few of the best methods for gathering data about your market offline.

## In-Person Surveys

Surveys are still the most effective when done in person. In-person surveys can be done at any public area that gets a lot of traffic. Many businesses prefer shopping malls since people are there to look at products and already have shopping on their mind. In-person surveys have a high response rate that can be as much as 90%. An advantage of this method is that you can show people products and they can physically try them out before giving you a response. In-person surveys require quite a bit of human resources, but they're much more effective than easier offline methods such as telephone or mail surveys.

## Focus Groups

Focus groups are small groups of people who meet to informally discuss your products. A group can be anywhere from five to ten people. As the moderator, you lead the discussion using scripted questions and topics related to your business.

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Aside from discussion, you may also ask them to do role playing exercises or other projective techniques. A focus group meeting usually lasts a couple of hours and there may also be a few follow-up meetings.

The data you get from focus groups is more in-depth and personal, but it's also more subjective. You'll come away with words, images, feelings and impressions, not hard statistical data.

## Observations

Sometimes it's best to observe shoppers in their natural habitat. When you conduct surveys or focus groups, you put people on the spot. There's the risk they may tell you what they think you want to hear. Observation shows you their real behavior. Some researchers observe shoppers and then attempt to conduct follow-up interviews. There are some research companies who even use hidden cameras to record shoppers and gather information about numbers and patterns of behavior.

## Live Events

Live events mix entertainment and market research. The idea is to get the participants as engaged in the event as possible. Live events are often used in a new type of market research called 'engagement marketing,' which mixes live elements, face-to-face contact, and online activities to help consumers feel actively engaged with your brand.

## Offline and Online Market Research

Both online and offline market research methods have their advantages but the best strategy is to use both. They'll reveal different data to you about your target market. While online market research gives you the chance to gather information quickly and cheaply, offline research gives you more access to primary sources of

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information and yields more in-depth results. It's best not to rely on only one if you want to minimize your risk and maximize your chances for success.

# Your Perfect Customer – How to Create a Target Market Profile

The point of market research is to gather data and give you a comprehensive picture of your target market. When businesses do this, they create a unique customer profile. This is the ideal customer who wants and needs your products, and it's very detailed. A good customer profile must be as specific as possible. Lots of companies go so far as to give them names and draw images. They may even post pictures of real people who represent their market.

## Demographic Information

The basis of your customer profile is demographic information. You can think of these as their personal stats. They include:

- Age or age range
- Gender
- Geographical location
- Level of education
- Type of occupation (or specific occupation)
- General income level
- Family structure

For example, your customer may be a 40-something mother working a professional job that lives in the suburbs of a large city. Or you may target mostly male expat Americans who earn over \$72,000 a year.

## Lifestyle and Hobbies

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Lifestyle and hobbies are also important. These belong to an essential category of data called psychographic data. Some examples of lifestyle and hobby data are:

- Free time activities
- Eating and health habits
- Smoking and drinking
- Clubs and organizations they belong to
- Places they frequent

All of this is equally important, if not more so. For example, you may target well-to-do males in their twenties who enjoy nightlife on the weekend. If your product is related to the outdoors, your ideal customer is active on the weekends camping, hiking, snowboarding, and doing other outdoor activities.

## **Morals and Values**

Psychographic data gets to the core of how people see themselves. You'll also want to clearly define their attitudes and beliefs about themselves, the world around them, current events, and products such as yours. Included in this category would be goals, aspirations, and where they see themselves in the future.

## **Pain Points**

A very important bit of psychographic data is to know what your market's pain points or major problems are. You're going to offer them the solution – your product. You should define what frustrates them, what they worry about or fear, and what problems they face. It's also good to know what kinds of solutions they're looking for.

## **Shopping Habits**

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Your profile should also address how people in your market shop. This includes how much they spend, where they like to shop (online vs. off), and how they use the products they buy. As a marketer, it's your job to connect them to the right products where and when they're looking for them. That's why this information is so essential.

## **Stereotyping Can Be a Good Thing!**

Isn't all of this stereotyping? Of course it is! But it works. By creating a profile of your ideal customer, you know exactly where to aim your marketing efforts. Without it, you'll cast your net too wide and your message will be irrelevant to many who hear it, wasting your resources and advertising dollars. Create all of your marketing materials and sales copy by speaking directly to this ideal customer and the right people will get the message.

# Keeping Track of Your Changing Market

Once you conduct your market research and create a customer profile, you're far from done. Conditions and people are constantly changing and market research is an ongoing process. If your message doesn't keep up with the times, it can become irrelevant quickly. A product that was perfectly matched to your target market one month ago may become passé the next.

## Conduct Regular Market Research

Market research isn't a one-shot deal. You have to keep doing it on a consistent basis. Whatever methods you use to conduct research, work them into your regular schedule. Don't just conduct research when you have a new product to launch or a problem with your sales. Make it part of your regular business operations even if you have no immediate need for it.

## Improve Your Offerings

One reason to continually research is to offer improved products and services to your customers, often exceeding their expectations. Companies that stay in touch with their audience and seek feedback discover better ways to help them solve their problems. You improve your knowledge of your market's tastes, likes, needs and wants every time you do more research.

## Keep in Touch Online

You don't want to get out of touch with your target market. You need to keep the channels of communication open and, fortunately, the Internet offers a plethora of ways to do that which are cheap, easy, and fast. These include:

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- **Social Media.** Maintain a strong social media presence and interact daily with your fans and followers.
- **Blogging.** Regularly write a company blog and try to get interaction and conversation going among readers.
- **Online Surveys.** Conduct surveys and analyze results on a regular basis.
- **Feedback Forms.** Everywhere possible, give your customers a feedback form where they can leave an anonymous comment about your services.
- **Online Forums.** Keep abreast of what's going on among your customers and in your industry by spending time on forums related to your business.

### **Sign up for Alerts**

A good way to get feedback whenever someone leaves it is to sign up for online alerts. One free program that does this is Google Alerts. Whenever your business's name appears anywhere online, you'll get an email telling you. The email will contain a link so that you can go directly to the website where you've been mentioned. Whenever someone says anything about you, whether good or bad, you'll know it. This is very valuable feedback; a bad listing tells you what you need to improve. Alerts also give you the heads-up when you need to do some damage control from a negative mention.

### **Don't Make Assumptions**

When businesses fail to conduct ongoing market research, they make one of the deadliest assumptions possible. They assume that their market's tastes won't change over time and their products will always continue to be in demand. On the other hand, companies that keep their ears open stay in the loop and can change with the times. When it comes to marketing, never assume and never just “hope” you'll get it right. Base your marketing decisions on hard data collected directly from your target market.

