

TARGET MARKETING

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It's important to remember that the focus of marketing is people. If you're concentrating your efforts on your product or profit only, you'll miss the mark. The term target market is used because that market - that group of people - is the bull's eye at which you aim all your marketing efforts.

So, don't forget that a market is people - people with common characteristics that set them apart as a group. The more statistics you have about a target market, the more precisely you can develop your strategy. The table below shows some examples of market segments (or groups).

Type of Market Segment	Shared Group Characteristics
Demographic Segment	Measurable statistics such as age, income, occupation, etc.
Psychographic Segment/ Lifestyle Attributes	Lifestyle preferences such as music lovers, city or urban dwellers, etc.
Use-based Segment	Frequency of usage such as recreational drinking, traveling, etc.
Benefit Segment	Desire to obtain the same product benefits such as luxury, thriftiness, comfort from food, etc.
Geographic Segment	Location such as home address, business address, etc.

Here are examples of target segments that can be created using the above table:

- Women business owners between the ages of 25 and 60 earning more than \$25,000 annually form a demographic segment.
- People who drive compact cars due to their fuel efficiency form a benefit segment.

Be careful not to confuse a geographic market segment with a place. The market is the people who live in the Sunbelt area, not the Sunbelt area. This is a common mistake made by business owners that causes them to lose a marketing focus on their customers.



Design Marketing Strategies with Your Target Market in Mind

The reason we're concerned with identifying a target market is because it makes strategies for designing, pricing, distributing, promoting, positioning, and improving your product, service, or idea easier, more effective, and more cost-effective.

For example, if research shows that a sturdy recyclable package with blue lettering appeals to your target market and if you're focused on that target market, you should choose that type of packaging. If, however, you're product or profit oriented - rather than people oriented - you might simply make the package out of plain Styrofoam because it protects the product (product oriented) or because it's cheap (profit oriented).

Here's another example: If you know your target market is 24- to 49-year-old men who like rhythm & blues, are frequent CD buyers, and live in urban neighborhoods, you can create an advertising message to appeal to those types of buyers. Additionally, you could buy spots on a specific radio station or TV show that appeals to this type of buyer, rather than buying general media time to "kinda cover all the bases." Make sense?

In summary, when you're making marketing decisions and you say "kinda," it's costing you money. Know who you are aiming for (your target market) and create a strategy for a direct hit