



Reaching Your Target Market

How to Find Your Right People, and Sell Them Your Stuff

Introduction

In marketing your indie biz, you need to find customers who are interested in buying what you're selling. Simple as that.

You need to find a market that is:

- Comfortable spending money online
- Already interested in your types of products
- Large enough to sustain your business over time, and
- Focused enough to respond to targeted niche marketing

Ideally, you'll find a market that groups together online and offline so that you can actively market to them in the places they already gather.

By reading this e-book, you'll:

- Learn why your marketing success depends upon finding your target market,
- Gain an understanding of your market through data, and
- Uncover the cold hard facts about your target market through customer surveys and people-watching.

What Is a Target Market?

Marketing your indie biz successfully requires a clear understanding of your target customers: who they are, what they like, what they value, and where you can find them.

Here's a textbook definition of "Target Market":

Target market: The particular segment of a total population on which the retailer focuses its merchandising expertise to satisfy that submarket in order to accomplish its profit objectives.

Let's break it down.

- Total population: Everybody
- Particular segment: Specific subgroup of Everybody
- Merchandizing Expertise: Marketing activities
- Profit Objectives: Sell items and make some money

Now, that's just fine. But in my mind, the concept of a "target market" can be explained much more simply:

Your target market is made up of people who need and want your stuff.

That's basically it. Think of your target market as being made up of a big group of "perfect customers."

Don't Make This Mistake

Now, some budding indie entrepreneurs assume that everyone is their customer. “My target market is everyone and anyone with a Paypal account!”, they say.

Err, sorry. No. Assumptions like this can lead to poor pricing strategy and and ineffective marketing.

Some shop owners are afraid that the idea of a target market is limiting. But the reality is this: no matter how hard you try, no shop can be all things to all people. And that's okay.

Not everyone is going to want to buy your product. But there is a group of “perfect customers” out there who desperately do want your product. Finding your target market is about finding the people who appreciate you for who you are and what you do.

These are the people who need somebody like you to bring a little handmade goodness into their life. These are the people who want to buy everything you have to sell. And these are the people who will go out of their way to tell their friends about you.

Focus your marketing on them.

There Is No “Average Customer”

Would you rather buy something marked “one size fits all,” or something made specifically for you? I’d pick the item made with me in mind — and I’d bet you would too.

It’s the same with your customers. People buy things that are made “just for them.” So your job as a marketer is to find the people who will pick up your products and say, “This has my name written all over it!”

The problem with mass-marketing is that there is no average customer. When you try to market to everybody, you won’t sell to anybody. And that’s why you need a target market — a group of perfect customers — to aim for.

While pinpointing your Right People takes a little extra effort, taking the time to determine your target market will lead to better marketing decisions in the long run.

You’ll be able to build a stronger and more recognizable brand. You’ll have a better idea of where to focus your advertising dollars. You’ll know where to look to find blogs and ‘zines that cater to your target market. And finally, you’ll be more successful in attracting loyal and dedicated customers.

Let's Try a Sports Metaphor...

My brother and I play HORSE sometimes. It's fun. He usually beats me.

Let's say I approach the game with no strategy. If I just close my eyes and fling the basketball toward the sky, aiming somewhere near the backboard, I'll miss the shot 99.9% of the time. H for me.

But next time around, let's say I focus on that particular spot at the back of the rim where the rim meets the net. If I aim for that spot, I'm way more likely to make the shot.

And so it goes with your marketing efforts. If you try to sell to everyone, fling your advertising budget around with no real plan, odds are you'll miss out on your Right People.

But, by focusing your marketing dollars on your target market, you'll dramatically increase your chances of reaching it.

Aim small, miss small

Walk in Your Customer's Shoes

In order to reach your target market, you have to get to know them. So put on your imagination hat and start thinking like your customers. What do you know about them?

When identifying your target market — or that special group of people who need and want your stuff — you first need to identify their demographics. Then, with those basic facts in mind, think about your customer's lifestyle, personality, and values.

When you know the facts about your market, you'll be able to figure out what's important to them. When you know what's important to your customers, you'll know what to emphasize in your product descriptions. When you understand what your customers value, you'll now know how to position your products, and at what price to sell your products.

Note: Now of course, your customer base will include a variety of people with individual differences. But try to answer the questions on the next few pages about the majority of your market. Think about the center of the target – the bulls-eye, so to speak – and you'll find that your marketing efforts will hit the mark.

Your Perfect Customer

Do you know who your perfect customer is? What does she look like? Would you recognize her if you saw her in the grocery store?

Imagine that perfect customer. There's a person out there who's in love with your shop and your products. She has the money to spend (it's practically burning a hole in her pocket!) and she wants to spend it on you.

All you have to do is find her.

We've got 3 worksheets coming up with questions about your target market. Your answers to these questions will help determine what products will be the most successful, how to position your products, and at what price to sell them.

Note: Homework isn't always fun. But here's the truth: If you don't make an effort to fill out the worksheets, you won't make as much progress toward finding your target market as you'd like. If you do fill them out, your marketing efforts will be more successful in the long run.

Worksheet 1: Demographics

1. What is the age range of the customer who wants your product or service?

2. Which gender would be most interested in this product or service?

3. What is the income level of your potential customer?

4. What is their marital or family status? How many children do they have?

5. Where does your customer live? In an urban or rural area? In what state? In what climate?

Worksheet 2: Values

When you know the facts about your market, you'll be able to figure out what's important to them. What conclusions can you draw about your customer's values?

1. What magazines and blogs does your customer subscribe to?

2. How else do they enjoy spending their free time? What are their hobbies? What do they do for entertainment?

3. What does your customer value most? Low price? High quality? Trendiness? Uniqueness? Special features?

4. Which, if any, special features are most appealing to them?

Worksheet 2, continued

5. Is your product or service something they need, or is it a luxury item?

6. Is your product an impulse purchase, or something customers save up for?

7. What kinds of problems do your customers have that your product can solve?

8. Where do they get most of their decision-making information? Do they research the Internet, newspapers, books, or television?

Worksheet 3: Location

Based on your research, do you know where your target market hangs out? Where do they spend their time, both online and offline? Where can you go to find them?

What blogs do they read?

What are their favorite websites?

What magazines do they buy?

What are their favorite local stores? What coffee shops do they go to? Do they go to the park with their kiddos?

Digging Deeper

Quality information about your customer base is one of the most important tools in your marketing toolbox.

When you know the facts about your market, you'll be able to figure out what's important to them.

When you know what special features your customer finds most appealing, you'll know what to emphasize in your product descriptions.

And, when you know what blogs she reads, you'll know where to spend your advertising dollars.

Describing your perfect customer is a good first step, but if you want to minimize risk and improve your chances of success, nothing beats good old objective data. When you want to really understand your customers' needs and preferences, conduct a little market research.

What is Market Research? Simply stated,

Market research is the process of gathering the information you need to make informed decisions about your business.

And, while it takes time, market research doesn't have to be super expensive. In fact, you can do it yourself.

DIY Market Research

With some time and know-how, you can conduct market research it yourself. The key to successful research is asking the right questions and knowing what to do with the answers.

Market research can tell you key information about your customers, including:

- Their demographic profile
- What they like and dislike about your current products, and
- Their feedback on new products

To better describe your target market, you might ask existing customers about their:

- demographic info
- geographic and lifestyle factors,
- psychographic factors, and
- their needs as customers

You can also conduct research about your competitors, the larger business environment, and the effectiveness of your own marketing programs.

Survey Your Existing Customers

If you have a list of e-newsletter subscribers (that you've collected through your blog or shop), you could ask your subscribers to participate in a market research survey.

By surveying your past customers and blog readers, you're gathering information about your target market directly from the source.

Caution: Make sure you have permission to contact the people on your List. If they haven't opted in to receive emails from you, you can't send them a customer survey. That, my friends, would be spam.

Websites like SurveyMonkey and Google Docs allow you to create an online survey for free.

<http://www.surveymonkey.com/>

<http://docs.google.com/>

Look for patterns within the survey results. What are the averages? What are the most common responses?

After you've analyzed the results of your market research, you'll be able to develop a targeted advertising campaign, expand your product offerings, and take other steps to grow your indie biz.

Tips For Effective Surveys

1. Know your goals. Have a strong reason for conducting the survey, and keep your objectives in mind as you write every survey question. Start by clearly defining what you want to know, and only include questions that directly serve your purpose — nothing extra.

2. Write clear, precise and short questions. Make it easy for respondents to complete the survey in a reasonable amount of time. Each question should ask for one piece of information only. Keep it focused.

3. Avoid bias. Don't word your questions in a way that indicates your preference for a certain answer. Bias negates the value of your results — so edit your questions carefully.

4. Use multiple question types. When you create a survey, you'll choose between multiple-choice questions, check-box questions, scaled questions, and open-ended questions.

Scaled and multiple choice questions provide specific and quantitative answers. Open-ended questions provide subjective and anecdotal answers, which might be the best way to glean the subtleties of consumer opinion. Each type of question is helpful — choose which type best meets your objectives for the survey.

Even More Survey Tips

5. Make sure anyone taking the survey can complete it within 5-10 minutes. If it takes longer than 10 minutes, you run the risk of respondents losing patience, quitting, or worse — giving inaccurate answers just to finish the survey faster.

6. If you can afford to provide a small giveaway to participants, you'll likely guarantee a larger number of respondents. Perhaps you could offer a 10% off coupon code at the end of the survey.

7. Start off with the easier questions. Starting with long, difficult questions might scare people off. But after investing a few minutes answering some simple questions at the beginning of the survey, the respondent will be more willing to complete longer questions at the end.

8. Remember! Your survey is another customer touchpoint. It represents your brand. A great survey will help you learn about your customers, but a bad survey could negatively influence their feelings toward your brand. Make it relevant, make it respectful, and make sure it's free of typos.

9. Once the survey results are in, look for trends within the data. Use tools like Excel to play with the numbers. And remember to read all of those open-ended comments.

Research Through Observation

You can also conduct informal market research through observation. You can probably think of several brick and mortar shops in your local area that sell products similar to yours. Take some time to visit those independent stores and boutiques and engage in some quality people-watching. With an eye for detail and a bit of patience, you can pick up a ton of useful info by observing how people interact with products similar to yours.

Be on the lookout for your target market.

What sort of person shops there?

How old are they?

What kind of cars do they drive?

What type of customer comes out with arms full of packages?

What type of customer browses, but doesn't buy anything?

Do customers look like they are buying gifts or something special for themselves?

By scoping out your local indie shops and galleries, you can gain useful demographic information about your target market.

Is Your Target Market on Etsy?

Two years ago, Etsy conducted a survey to find out more about its users. Here are some important highlights:

Most users are buyers:

- 46% of users are buyers

- 39% of users are both buyers and sellers

- 10% of users are sellers

Demographics

- Female – 96%

- Average 32 years old (41% are between 25-34)

- Live in the U.S. – 82%

- Well educated – 63% graduated from college

- Students – 17%

- Majority employed full time – 49%

- Full-time moms – 23%

- Household Income – \$67K

Behavior and Attitudes

- Find Etsy through friends and blogs

- Visit Etsy for unique, well crafted products

- Many are “occasional artists” (68%)

Webographics

- 72% have a profile on a social networking site

- Frequent online shoppers

- Most likely to use text based search

- 36% blog

Go Where Your Customers Are

Now that you know the facts about your target market, it's time to apply that knowledge to your business and use it to focus your marketing activities.

Tip: Have those worksheets handy.

What conclusions did you draw about your customer's needs? About their values?

Next step: Emphasize the special features your customer satisfies your customer's needs. Appeal to your customer's values in your item descriptions. Describe how your customer will benefit by using your product.

Did you find the places where your customers gather? If it's online, did you find out what blogs she reads?

Next step: Contact the editors of those blogs. Ask for a media kit, and see if you can afford to advertise on the blogs that your customer reads.

Advertise in Niche Publications

Now, with the image of your “perfect customers” in mind, think about ways to tailor your marketing efforts to reach your target market.

There are, approximately, a gazillion blogs out there on the Internet. (I counted.)

And lucky for you, there is a niche publication written for every target market. You can reach your target market on the blogs and magazines that your potential customers are most likely to read.

Example time: Let’s say I sell baby quilts (aw, cute). I might have several targeted groups: successful young parents with the budget for a \$300 baby blankie, hip aunts and grandmas who can’t wait to spoil the new baby, first-time mamas who want only the best for their little ones, gracious gift-givers looking to make a splash at the bridal shower, and more.

I wouldn’t (necessarily) find those customers on crafty sites and how-to-quilt blogs. So I wouldn’t waste my ad dollars there. Instead, I’d consider advertising on sites where I’m much more likely to reach my market.

Spend your advertising dollars on websites your customers visit — don’t waste it on sites that won’t get you results.

A Better Press Release

A well-written press release can give your indie business some much-desired, and well-desired, media attention.

At its best, a press release tells a concise, compelling, and newsworthy story to media professionals. A good press release provides journalists with the basic information they need to develop a news story as quickly and clearly as possible.

Make sure your pitch gets to the point quickly by answering the question “What’s newsworthy about my product?” Remember, the reporter’s goal is to write an informative or entertaining article that will engage her readers.

Also, include quality images of your line, a little background on your company and design career, product descriptions, pricing and your contact information.

Tip: Make sure you send your press releases to niche publications relevant to your target market.

And just like you did with advertising, try to think outside the indie box. Send your press releases to the editors of publications that your target market reads.

Like my granddad says, “Fish where the fish are.”

Smarter Social Media

Social media is a great way to connect with your crafty peers and creative mentors. But is that all you are doing when you're on Twitter and Facebook? Don't get me wrong — I'm not discouraging you from having fun with social media. It's called "social" media for a reason.

But, if you are not interacting with potential customers on Twitter and Facebook on a regular basis, then don't expect to see sales coming from social media.

If you want to find those potential customers on Twitter (and who doesn't?) try using Twitter's search function to look for people who are interested in, and tweeting about, the products you sell. Make connections with those people.

Same goes for blogging. When you blog, do you write for yourself, for your peers, or for your customers?

If you are trying to promote your business by blogging, write about topics that your customers will find interesting, entertaining, or enlightening. Tell your story! Give readers a behind-the-scenes pass into your studio process. Share your sources of inspiration.

Leave your revamped re-listing strategy, your frustrations with Facebook, and your breakfast out of it.

Take Home Message

The importance of reaching your target market is undeniable.

In my husband Zach's words:

“It's about as crucial to your business as water is to swimming; without water, you might be able to flap your arms and kick your legs, but you'll look ridiculous. Even worse, you won't get anywhere.”

But that won't happen to you! By now, you have come one step closer to reaching your perfect customers and writing your own success story.

If you want to make even more strides to success, then just email me at sarah@makeryblog.com and we can work on it together.

Thanks for reading, and I hope to hear your success story soon! Chat me up on Twitter (I'm @miss_makery) and keep me posted.

All the best,

Sarah