Lesson Plan 2 - Developing a Customer Profile

Paramount to the success of an entrepreneur is knowing who exactly is most likely to purchase their product or service. Without an in depth profile of their target market, any marketing campaign will be lacking in direction and efficiency.

Objective: To understand and be able to apply the concept of market segmentation in order to develop a complete and useful customer profile.

Day 1 - Local Entrepreneur - The Ice Cream Truck - Susan Sorci-Smith

Class Discussion - Watch video - Making it 212 - Indulgent - - Making it Up North

Class discussion questions: How important is it for The Ice Cream Truck to understand who their customer is? Can we identify a primary and secondary market for The Ice Cream Truck? What happens when the truck misses its' target? Once the customer information is known, how could The Ice Cream Truck use this information to find more customers?

Group Assignment - Break up into groups of two and go to the Facebook page - Ice Cream Truck Facebook. Answer the following questions:

- 1. What are three ways that The Ice Cream Truck uses Facebook to promote their business?
- 2. How could The Ice Cream Truck improve their Facebook site?
- 3. Are their groups of customers that The Ice Cream Truck should be targeting?

<u>Class Discussion</u> - Each group shares their answers and are encouraged to continue the discussion on the discipline and importance on targeting their customers.

Day 2 - The process of market segmentation

<u>Class Discussion</u> - present the slides to the class - <u>Understanding the Marketing Concept and Identifying Your Customer</u> and ask the students to take notes.

Student Assignment - each student is asked to write a customer profile for The Ice Cream Truck.

<u>Group Assignment</u> - Break up into groups of 2-3. The assignment is to share customer profiles and come up with one customer profile that the group creates for The Ice Cream Truck.

Class Discussion - Share each group's customer profile.

Day 3 - Market research day

Student Assignment - Do a search online to determine your targeted geographics, demographics, psychographics and product benefits. If you had an existing business, you could look at your database or survey your customers. If you were actually starting the business, you would engage potential customers and ask them questions. For now, try some searches on the following to get you going:

- Your **competitors** -- look at their promotional material to determine who they are targeting. Be careful not to do exactly the same as you will want to have a unique business.
- Your industry/market segment -- there will likely be industry market research that will help you to understand your market. An example would be looking for the target audience of a industry magazine.
- Look at what you do know about **who is using your product/service** and try to learn more about their buying habits. For example, if you are selling skateboards, look to see what other products skateboarders purchase. A simple way to do this is to visit a site like Amazon and look what the other suggested products are.

You'll often find existing resources that can help you pull together information about your competition, your industry, the market segment, and your ideal potential customer. The instructor is available during research to help you along your way!

Day 4 - Working on slides for customer profile

Group Assignment Get into groups of 3-4 and get feedback on your customer profile from other students. Ask your group the following questions after showing them your customer profile:

- Are there secondary or niche markets that have not been considered?
- Is the potential market for your product or service large enough?
- Do you need to alter your business idea to best appeal to this audience?
- Should you tailor your product or service in some way to maximize effectiveness?
- How can you target your marketing efforts to optimize reach with the most promising potential buyers?

Student Assignment

- 1. After the group has gone through each profile, go to your computer workstation and make a slide that includes your market segmentation and your final customer profile.
- 2. After doing this, read this article and include three ideas you have for reaching your target market in your slides for Day 5. <u>Top 10 Ways to Reach Your Target Audience</u> -

Day 5 - Class presentation on market segmentation leading to your customer profile (2-3) minutes each.

Be sure to discuss any secondary target markets or niches that you are considering.

• After giving your presentation, be sure to make any suggested changes to your customer profile that make sense to you.

Resources:

Web site

Ice Cream Truck Facebook

Youtube/Video

Making it 212 - Indulgent - Making it Up North

Handouts/Slides

<u>Understanding the Marketing Concept and Identifying Your Customer</u>

<u>Top 10 Ways to Reach Your Target Audience - Mary Pomerantz Advertising</u>