



BSSEC

resources

Promoting Your Enterprise - a resource pack

Part 2 - Defining your market

Rather than rushing straight into any promotional activity, it is advisable to consider the target markets you want your promotional activities to reach - the people or organisations you'd like to interest in your products and/or services. Developing a better understanding of your target markets can help you make crucial promotional decisions such as the kind of promotional materials to use, where to place these, how they should look, the kind of tone to adopt, the appropriate language to use and the key messages you will seek get across. Defining the target markets you are trying to reach is a crucial step in shaping your promotional activity in order to ensure its greatest impact and relevance.

Target markets

What are target markets?

Target markets are the client groups – people, businesses, institutions, organisations, or communities – most likely to use your services or products. They may already be amongst your customers – or they may be customers you are not yet reaching but should.

These client groups will often share some common attributes. Indeed, it is what they have in common that makes them a target market for your enterprise. For instance, they may share common attributes to do with age or gender; they may all live in the same location; they may share a common situation (unemployment, for instance); they may share certain attitudes or interests; they may all share a common need.

Understanding these common attributes – and of course, your target markets may share a number of these attributes at the same time – can help you better 'segment' your market and work out what will appeal to which group, and why.

Why define your target markets?

Like all market research, defining your target markets is important in the context of promotional activity, but it can also help you make better business in a number of other contexts. It can help you fine-tune a service or product, for example, so that it appeals more strongly to a specific client group, better reflects their circumstances and consequently meets their needs more effectively.

"Developing an understanding of your target market can help you make crucial promotional decisions."

Promoting Your Enterprise - a resource pack has been produced by Birmingham & Solihull Social Economy Consortium (BSSEC) - a practitioner-led network that supports and promotes the social enterprise sector.

The pack provides guidance and information for social enterprises to help them improve the effectiveness of their promotional activities. It comprises:

Part 1 - Getting Started

Part 2 - Defining Your Market

Part 3 - Writing press releases

Part 4 - Creating leaflets and brochures

Part 5 - Producing a newsletter

Part 6 - Building a basic website

The pack can be downloaded, free of charge, at www.bssec.org.uk

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See the test version of our Purchasing Guide to Social Enterprise & the Voluntary Sector in Birmingham & Solihull at www.bssec.org.uk

But specifically in the context of promotion, defining your market is also cost-effective, as it will help your enterprise to direct its promotional activities only towards those who are most likely to respond. After all, all marketing efforts are basically about encouraging your customers and potential customers to identify with your business and see your 'offer' as relevant to them, and able to meet their needs. Ensuring the maximum 'fit' between your promotional activities and your target markets thus increases the ratio of positive responses to money spent.

Multiple markets

It's common for social enterprises to have more than one target market - the end users of a service or product are not necessarily the only group that promotion needs to appeal to. For example, a social enterprise's target markets could include the following:

- Service users
- Procurementbodies
- Investors/funders

Market research

What do you need to know about target markets?

The more information you have about your target market(s), the better. We have already noted that target markets can be defined by a number of characteristics including age, gender, location, situation or circumstances, and needs. There may be other attributes that you can add to this list because you know they are critical factors in determining why your customers choose your services or products.

Health might be a factor, for example, as might level of income, car ownership, or even personal ambition. You need to know what makes your customers 'tick'. For instance, if you provide, say, loans to small businesses, then you need to know the precise factors and circumstances that fuel demand for finance amongst small business owners and the financial products you offer have to be closely tailored to meet these circumstances. Similarly, if you provide training, you need to understand what motivates a person to try and improve their skills and understanding in a subject or activity. Yes, you need to know precisely what training they may wish to do, but you also need to understand what they are trying to achieve for themselves. Knowing this helps you shape delivery of your service but it also helps you use appropriate marketing messages that will appeal to your potential customers.

It is also important to know something about the size of your target markets as this can help you determine not just the volume of promotional materials you may require, it can also identify target markets where your business has the most sales potential – it can help show you where you should focus your efforts.

How can we find this information?

Information about target markets can be gained through market research. There are many different methods of market research but due to expense not all of these methods will be available to or appropriate for smaller enterprises.

Primary research

Primary research is the term used to describe research that is conducted, first-hand so to speak, to collect new data. Methods of primary research include:

- Face to face interviews
- Focus groups
- Telephone interviews
- Online surveys
- Questionnaires

The advantages of primary research are that it provides information that is current, specific to your requirements, and confidential to your enterprise.

"All marketing efforts are basically about encouraging your customers and potential customers to identify with your business and see your 'offer' as relevant to them,"

The disadvantages of primary research are it can be time-consuming, expensive, and if not conducted with some level of expertise, it could prove to be mis-leading.

Secondary research

Secondary research involves gathering information from research findings that have already been published. This can include internal secondary research – research that has been previously undertaken by your enterprise, which could include:

- Sales records
- Customer feedback
- Knowledge from enterprise staff based on experience at the enterprise
- Previous research

External secondary research is the collation of published information from all external sources, including:

- Specialist market intelligence reports
- Chamber of Commerce
- Industry magazines, press and other media
- Local authority and national government departments
- Census data
- Statistic reports
- Research findings published by other enterprises in your sector
- Professional bodies and organisations
- Think tanks

The main advantage of secondary research is that much of the work has already been done, and it is therefore much more cost-effective. The disadvantages are that the findings may not be as relevant to you as those achieved via primary research, and the data available might not be up-to-date or accurate - always check the source.

Using your findings

From the information gathered you should be able to develop profiles of your target markets and get a good feel for who they are.

Ideally, your findings should help you answer the following questions:

What does the target market ideally want from my enterprise?

You may offer a multitude of products and services, but to avoid confusion try to focus your promotion on the core products or services that are of the most interest to your target market

What benefits can my products/services provide my target markets, and which benefit is most important to them?

In promotional material, it's often best to sell the benefits rather than the product/service because by doing so, you're not just telling potential customers what you do, you're highlighting *what you can do for them*.

For example, anti-wrinkle cream is produced to reduce the appearance of facial lines but it's the benefits of this (look younger, more attractive to the opposite sex, etc) that are used to promote the product.

What kind of promotional material will appeal to, and be accessible to, my target market?

Having an all-singing, all-dancing website may look appealing to you, but if your target market isn't made up of internet users then it's a waste of time and money. Use your findings to carefully consider what media is the most appropriate. the most appealing and within your budget.

What style (design and content) will attract my target market to my promotional material?

Your research should tell you who you want your promotional material to 'speak to' so ensure the design and content has the 'right voice'.

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To get a strong feel for what kind of design appeals to your target market, collect examples of successful promotional material that has been created by other businesses with a target market similar to your own and draw comparisons to identify what works.

What information should be conveyed to your target market?

You should be able to justify the inclusion of all the information that features in your promotional material. If there's certain data that you believe highlights the *relevant* benefits your products or services can offer, then you may wish to include it, however, at the same time remember that while some facts may seem important to

you, if they don't strengthen the appeal of your enterprise to your target market then they are superfluous.

What matters most

Above all, your promotional material should be as clear and as convincing as possible to the groups of people that are most likely to procure, use or support your products and services. By defining your target markets and developing a profile of who they are and what they want, you can ensure that your promotional material shows that you have not only considered how your products or services can meet their needs, you've also taken a pro-active approach to reach them.

Issues to consider

Accessibility

The Disability Discrimination Act places a legal duty on service providers to make reasonable adjustments to the way they provide services to ensure that disabled people can use them. This may not impact on all of your promotional material, but it's good practice to follow accessible design guidelines to enable your material to be read by as many people as possible.

Refer to: Disability Rights Commission www.drc.org.uk, W3C's Website Accessibility Initiative www.w3.org/WAI, RNIB See it Right campaign www.rnib.org.uk

Inclusiveness

Always consider if your promotional material meets the needs of ethnic minorities and reflects a multi-cultural society.

Refer to: Commission for Racial Equality, www.cre.org.uk

Liability

Any description of products or services must be accurate - it is an enterprise's responsibility to ensure that this is the case in all promotional material regardless of whether it's produced in-house or externally. Also, if any text, slogans or images that do not belong to your enterprise are used, then reproduction permission must be sought.

Useful resources

National Statistics Online

The site features statistical information on Britain's economy, population and society at national and local level. Summaries and detailed data releases are published free of charge.

www.statistics.gov.uk

Mintel

Mintel publishes over 45 reports each month, covering a wide range of sectors and focusing on topical marketing issues. The reports analyse market sizes and trends, market segmentation, and consumer attitudes and purchasing habits, as well as assessing the future of the market.

www.mintel.com

Birmingham Economy

A website that provides a wide range of information covering all aspects of Birmingham's Economy including statistics and key facts on economic strategy, trends and forecasting, the local labour market and small area profiles.

www.birminghameconomy.org.uk

UpMyStreet

This website has been designed to cater to the needs of people looking to buy homes in areas which they are new to, however, by entering in the postcode of the areas in which you operate you can find out statistical information relevant to your local area. For example, did you know that 22% of the population in Birmingham is aged between 20 and 34?

www.upmystreet.co.uk