**Level 2 Lesson 4: Understand Your Customers**

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| **1. Description Content** |
| Welcome to Lesson 4! This is your first step in preparing to take your business online.  In this lesson you will learn the importance of understanding who your customers are.  Let’s start!  **Button:** Okay! |

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| **2. Description Content** |
| Let’s start off with why you need to study a pool of people to identify your potential customers.  You may say that everyone can be your customer. This is somewhat true; but let’s consider the following scenario before we jump to any conclusion.  Scenario:  1. You spent $100 to advertise your fashion shoes to 100 people who are in their 40s and working. 20 people buy 20 pairs. After you make your calculations and deduct advertising costs, you made $20 profit.  2. You spent $100 to advertise your fashion shoes to 100 people who are in their 20s and working. 20 people buy 60 pairs. After you make your calculations and deduct advertising costs, you made $60 profit.  Question:  If you have only $100 to spend on advertising, who would you sell your shoes to?  You see? While everyone can be your customer, it does not mean that you should advertise to everyone if you do not have a lot of money to spend on your business.  Shall we move on to see how to identify your potential customers?  **Button:** Okay! |

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| **3. Description Content** |
| These are some questions you can ask yourself to identify your potential customer groups:   * What age range of people that will likely be interested in my products/service? * What is their gender? * What interests do these people have? * What are their needs? * Where do they live or spend the most time at? * From where do they receive news and advertisement from? * What language do they use? * How much money do they have to spend on things? * Why should they buy from me and not from other similar brands?   You can start with categorizing one group. Then, you can start to categorize the next group. Keep going until you have identified all potential groups of your customers.  If you are unclear and want to watch this video, click this link >>>: [https://www.youtube.com/watch?v=eczPOng3d2Q](https://nam02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fmailtrack.io%2Ftrace%2Flink%2F4606eb9147bf2750cff724d2163b575f4a167569%3Furl%3Dhttps%253A%252F%252Fwww.youtube.com%252Fwatch%253Fv%253DeczPOng3d2Q%26userId%3D4684508%26signature%3D4ad68fe26e4bc301&data=04%7C01%7Cjonika.paulsen%40asiafoundation.org%7Cf9697b1c9ea2431b51c608d8c685db7b%7Cba45684444ef4bd88efebeca529e0771%7C1%7C0%7C637477625532960946%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=hAeRkojSwdQExajOaloQ8NkSmhnnCYJX2n%2FVx8rnrrU%3D&reserved=0)  But be sure to come back because we are only half way through our lesson!  **Button:** Next. |

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| **4. Description Content** |
| Let’s put what we learned to use! We would like you to consider the following scenario and guess which one is a good example of the effective use of customer information for business advantage:  Scenario 1:  A group of 60-70 year old men, who love reading newspapers and books, want to find an affordable pairs of glasses for reading. They can’t walk too far and buses are not available in their villages.  What would be the most effective advertisement strategy for this group of potential customers?  1. Advertise your glasses on a Facebook Page to people aged 60-70 years old.  2. Advertise your glasses on a Facebook Page to people aged 20-50 years old who use glasses and have a promotion: buy one, get one free for Father’s Day.  3. Print out flyers with a few choices of affordable glasses and then ship them to these villages. At the back, you offer delivery service if they call to order. If they don’t like the limited choices, they can access your Facebook Page to choose more!  Select the best option and click next to see the answer!  **Button:** Next. |

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| **5. Description Content** |
| Scenario 1 again:  A group of 60-70 year old men who love reading newspapers and books want to find an affordable pairs of glasses for reading. They can not walk too far and buses are not available in their villages.  What would be the most effective advertisement strategy for this group of potential customers?  1. Advertise your glasses on a Facebook Page to people aged 60-70 years old.  **Answer:** Ineffective as these men’s primary source of receiving information is not Facebook.  2. Advertise your glasses on a Facebook Page to people aged 20-50 years old who use glasses and have a promotion: buy one, get one free for Father’s Day.  **Answer:** Somewhat effective as another group of customers may buy a gift or buy glasses for themselves and then get another pair for an elderly man. But should this be your primary strategy?  3. Print out flyers with a few choices of affordable glasses and then ship them to these villages. You offer delivery service if they call to order. If they don’t like the limited choices, they can access your Facebook Page to choose more!  **Answer:** from these three choices, this is the most effective one as it uses a lot of information about this group of men to its advantage.  Alright, do you want another example?!  **Button:** Sure!.  **Button:** It’s okay, I understand. |

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| **6. Description Content** |
| Scenario 2:  There is a group of young people who are currently interested in a new fashion from a Korean Movie that is currently in trend. They usually hang out around school gates chatting and taking selfies with their mobile phones.  What would be your best advertising strategy?  A. Keep posting your posts on your Facebook Page as you do every day. They might see it by chance.  B. Select items you have in stock that are close to the current fashion, compile them into a nice collection, and then use Facebook Ads service to boost your posts to people aged 16-18 in areas around high schools within 5 kilometers of your shop location.  C. Order the trendy fashion clothes, compile them into a nice collection, and then using Facebook Ads service to boost your posts to people aged 16-18 in areas around high schools within 20 kilometers your shop location. Print out posters about your new collection and delivery service and then to stick your posters on somewhere near where your customers hang out.  Which strategy will you choose? When ready, click next.  **Button:** Next. |

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| **7. Description Content** |
| Scenario 2 again:  There are a group of young people who are currently interested in a new fashion from a Korean Movie that is currently in trend. They usually hang out around school gates chatting and taking selfies with their mobile phones.  What would be your best advertising strategy?  A. Keep posting your posts on your Facebook Page as you do every day. They may see it by chance.  **Answer:** This will only effective to reach everyone randomly, but remember? Not everyone is our customer.  B. Select items that you have in stock that are close to the current fashion, compile them into a nice collection, and then use Facebook Ads service to boost your posts to people aged 16-18 in areas around high schools within 5 kilometers of your shop location.  **Answer:** This could be the most effective way, if you have no budget for print outs, nor budget invest in the new collection, and if you don’t want to bother with delivery service and want customers to be able to take a short trip to your shop.  C. Order the in trendy fashion clothes, compile them into a nice collection, and then using Facebook Ads. service to boost your posts to people aged 16-18 in areas around high schools within 20 kilometers from your shop location. Print out posters about your new collection and delivery service and then to stick your posters on somewhere near where your customers hang out.  **Answer:** this could be the most effective way if you have budget and are willing to invest in new collection, posters, advertisement costs, and a new delivery service.  **Button:** Next. |

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| **8. Description Content** |
| We hope that you take away one or two new things from this lesson. You see, understanding your potential customers is key to effective advertisement, promotion, and making sales!  If you already have a physical store/business you will have existing customers for analysis and you can expand from there…  …however, when it comes to online stores, there is still so much that can be learned.  Where is the best place to learn? From your potential competitors, of course!  That will be our next lesson: Understand Your Competitors. See you there!  **Button:** End this lesson. |