

MODULE 2

Consumer Discovery

Digital Readiness for Agri-Food Entrepreneurship Training:
Addressing the Digital Competence of VET Educators

VERSION
ENGLISH



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Learning Outcomes

1. Complete a thorough customer profile to better understand their target consumers, including the most appropriate colour palettes and key words to attract them and identified key trends relevant to their target market.
2. Have a detailed understanding of the needs, interests, and behaviours of their target customers.
3. Have established the needs and wants of consumers and identified how best to respond to these.

1.1 Introduction to Customer Discovery

This module is designed to help agri-food entrepreneurs identify and understand their customers' needs. It will guide learners in creating a customer profile, gaining insights into the target customer group's needs, and developing a deeper understanding of consumer buying behaviours.



2.1 Define the Target Market

Knowing and understanding the target market is critical for developing effective marketing strategies and subsequently increasing sales.

A 'target market' refers to a distinct group of consumers who share similar characteristics, behaviours, needs, or interests. A company identifies their target market and tailor their advertising, marketing strategies, and brand image to appeal to this specific audience.



2.1 Define the Target Market



Understand the value of the product/service:

Does the product/service solve a problem or issue the target market has?

What makes the product/service different from competitors

Understanding why the product or service appeals to the target market is valuable for shaping advertising and marketing strategies.

2.2 Develop a Consumer Profile



Define a typical person from your target market:

- **Who** – Profile the consumer i.e. age, gender, and spendable income?
- **What** – What are the current spending habits of consumers, and what issues are they looking to solve?
- **When** – When do consumers use the product
- **Where** – Where do the consumers primarily shop i.e. region/location
- **Why** – Why would consumers choose the product
- **How** – What advertising and marketing strategies would engage the consumers

2.2 Develop a Consumer Profile

Understand why consumers purchase particular products/services:

There are many reasons a consumer may buy a product/service, but some of the main types of consumers are:

- **Conscientious** – highly aware of how their purchasing impacts society (for example, the environmental impact of the purchase).
- **Discretionary spending** – have extra money to spend on things they do not necessarily need (for example, because a product is popular among peers).
- **Discount** – search for bargains and deals, aiming to get the best discount on a product.
- **Impulsive** – make purchases without thinking very strongly about them.
- **Loyal** – remain with a brand because of their satisfaction with their product/service
- **Need-based** – buy based on what they need most



(Antonio B., 2022)

2.3 Identify Key Trends

Researching data and information online to identify current and emerging trends can assist a company in creating online content and products or services that align with consumer preferences. This can be achieved through:

- Using a trend discovery tool – sites such as Exploding Topics (explodingtopics.com) offer information on trends that can be filtered by category and growth rate.
- Monitoring trending start-ups and products – this can help determine where customers are spending their money and what ideas may be profitable.
- Surveying customers – This will provide feedback on current products/services and offer insights on potential future improvements.
- Monitoring competitors' activity – These activities can help identify emerging trends, as competitors are also striving to stay current with trends and consumer preferences.



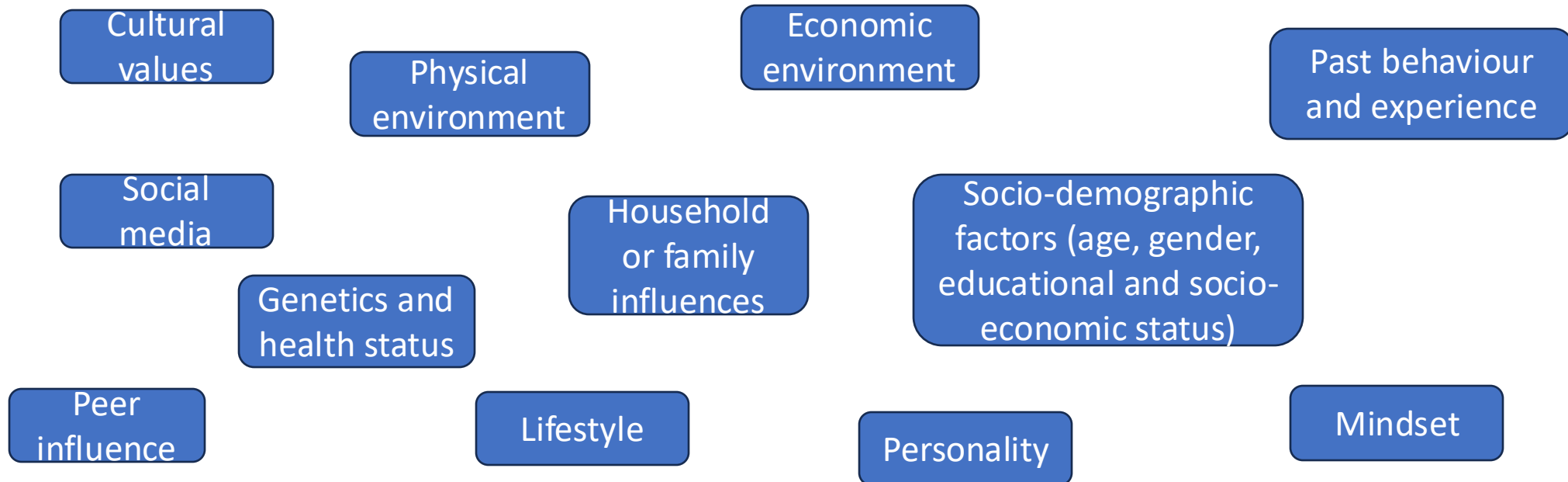
3.1 Characteristics and Behaviours of Consumers

1) Identify consumer types

10 Types of Consumer	
Commercial consumer	Need-based consumer
Conscientious consumer	Discretionary spending consumer
Discount consumer	Loyal consumer
Spontaneous consumer	Seasonal consumer
Open consumer	Extroverted consumer

3.1 Characteristics and Behaviours of Consumers

2) Understand what influences consumers purchasing habits



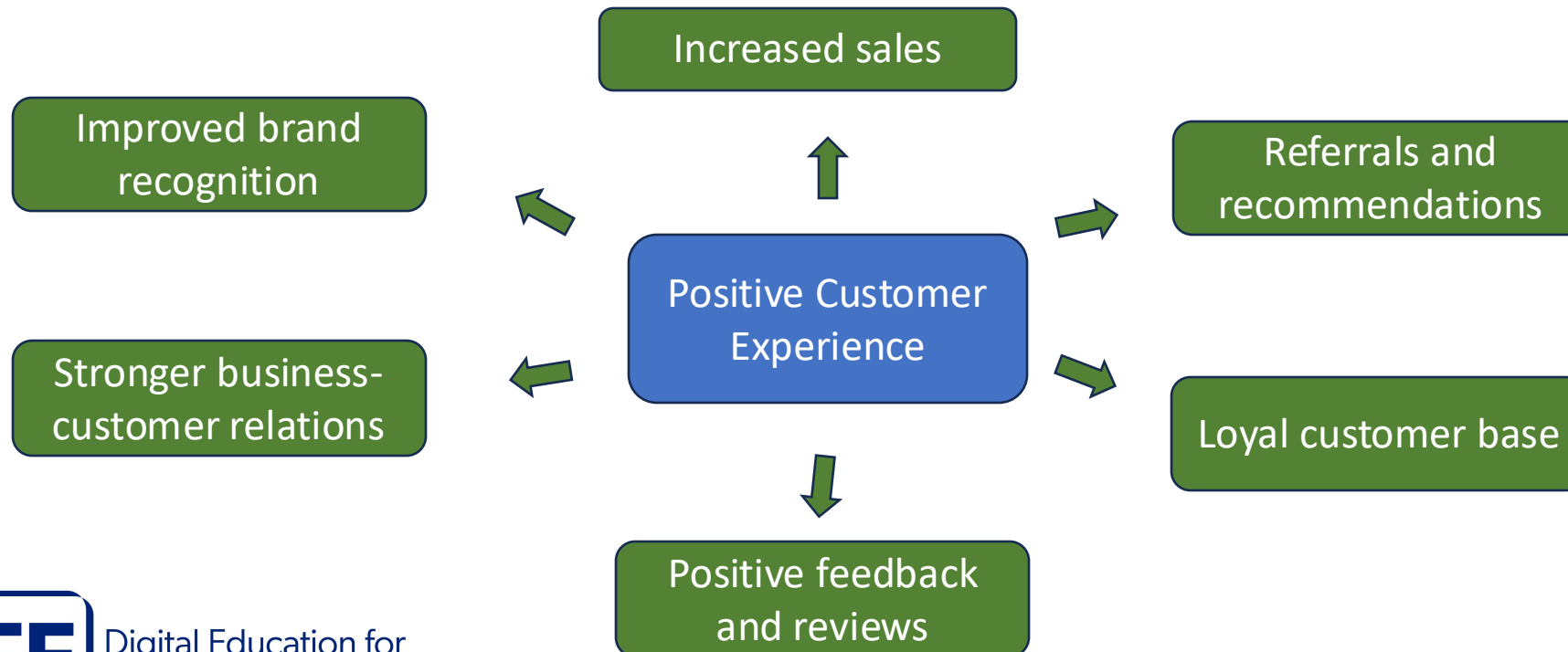
3.2 Engaging with Consumers

Customer engagement means communicating with a company's audience through numerous channels to strengthen relationships. Customer involvement starts with the initial interaction and continues after a purchase for most companies. It is through these positive experiences and interactions that sales can be made and increased.



3.2 Engaging with Consumers

It is crucial to understand what contributes to a positive consumer experience and to use this information to enhance their interactions with the brand.



3.2 Engaging with Consumers

Steps for Engaging Customers:

- 1. Active presence on social media** – opportunities to grow brand recognition, share news, showcase new products/services and interact with customers
- 2. Reward engagement** – free gifts, loyalty programs or discounts enhance customers' experiences and have the potential to result in good publicity through reviews and referrals
- 3. Listen to feedback** – this can highlight improvements for the product/service and increase customer trust in the brand



3.2 Engaging with Consumers

Steps for Engaging Customers:

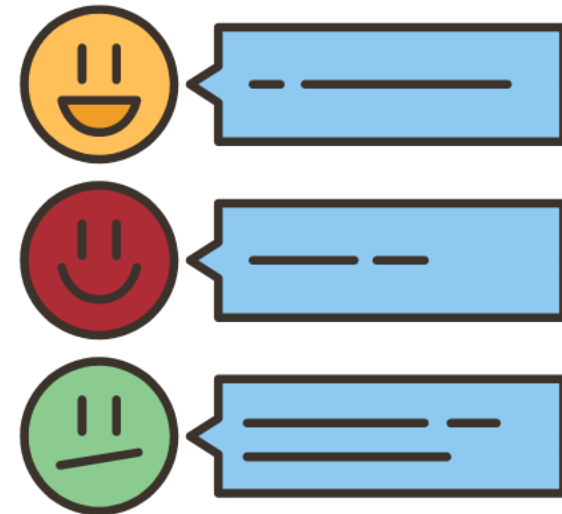
4. **Share reviews** – reshare positive reviews across social media platforms to attract new customers
5. **Keep your promises** – showcase accountability and loyalty to the customer base
6. **Request referrals** – effective strategy to boost sales and brand awareness
7. **Host events** – bring customers together to celebrate the brand



4.1 Identifying Consumer Needs

Steps to **identify and respond** to emerging **customer needs** and trends:

- Monitor customer feedback
- Conduct market research
- Implement customer-centric innovation - improving the products, services, or processes based on customer needs, feedback, and insights
- Train and empower the business team
- Evaluate and improve customer service
- Anticipate and adapt to change



4.2 Problem Solving for Consumers

Points to consider:

- What behaviours influence a consumer to purchase?
- What barriers prohibit a consumer from purchasing a product/service?
- Is it possible to remove the barriers?

4.3 Understanding Consumer Purchasing Behaviour

“If you can’t identify the catalysts for buying decisions, how are you expected to spark a desire for your products in customers minds?” – Radu, V (2023)

Analysing consumer behaviour enables businesses to customise their marketing strategies for products and services, creating attractive and effective offers.



4.3 Understanding Consumer Purchasing Behaviour

There are 4 main types of Consumer Purchasing Behaviour

Complex – occurs when consumers purchase expensive, rarely or one-off purchased items. Often involves extensive research by the consumer prior to purchase.

Dissonance-Reducing – occurs when consumers can't decide on their preference between brands and can result in seeking validation for the purchase afterwards.

Habitual – involves little conscious thought. Consumers purchasing their regular preferred products.

Variety-Seeking – consumers who are looking for something a little different or wanting to try something new for a change.

4.4 Responding to Consumer Needs

- Implement the Design Thinking process
- Develop a customer-centric strategy that incorporates feedback and reviews to inform the creation of new and improved products or services
- Regularly assess and refine products and services based on customer feedback and changing market conditions.
- Actively connect with customers across multiple marketing channels to attract new clients and cultivate loyalty among long-term customers.

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