

Effective Targeting: Aiming Before You Fire



Baccus Research Group

415 621-3241 x105

www.baccusresearch.com

Effective Targeting: Aiming Before You Fire

The purpose of this document is highlight a key underpinning of success in the product or service marketplace: Clearly defining where your target is and who they are. Today, companies do not have the luxury (or budget) to simply build products and services because they think they have a good idea. Instead, they must know who influences, purchases, and uses the potential product or service before they invest the first dollar, yuan, rupee, or euro in production.

Components of Effective Targeting:

- **Sample** — Who you think you are after
- **Qualify** — Test your assumptions
- **Narrow** — Refine your target so you know who you are after
- **Test** — Beta test your market launch... then repeat



“ New technology aims to **ENABLE MARKETERS TO TARGET THEIR ADVERTISING LIKE NEVER BEFORE.** For example, a young family with young children may see a Best Buy advertisement for video games while a middle aged man may see a Best Buy advertisement for high-end speakers...

—*Multinational Monitor, 2009*

”

Key Objectives of Targeting

What clients need: **Certain** and **reliable** targeting

Baccus Research Group has worked with many companies in numerous industries, conducting hundreds of interviews and focus groups to fully define the marketplace, identify opportunity, and advise clients on how best to penetrate their market(s) and win as much share as possible.

If uncertainty is the hurdle, how do we (and our clients) become certain?

1 Identify internal knowledge and assumption... then test it

Inclusive of defining target markets and target audiences, sometimes clients are right, many times they benefit from refinement and honing of their direction.

2 Ask questions

Through initial concept evaluation, the target audience is qualitatively assessed so that marketer/advertisers/company stakeholders can obtain a strong sense of preferences, drivers and decision-making criteria.

3 Test answers

Don't believe the first answer you get from the smartest person you know, look for trends. Even the most "experienced" individual can miss the mark when trying to speak for an entire industry. By keeping questions narrow and generalizations limited, you can hone in on what truly influences behavior.

4 Refine and Retest

The work is never really over. By embracing a culture of research you are able to move and stay ahead of your competition when trying to meet the changing needs of your target audience(s).

Like most things in life, the process above is cyclical. Our most successful clients revisit research on a regular basis, as they are aware that the competitive landscape changes, needs among customers change, and the marketplace constantly evolves. Some use the grave phrase, "Change or die." We at Baccus Research Group have found that it's really about knowing and adapting to your environment, a dash of Darwinism mixed with strategic planning keeps our clients relevant and thriving in otherwise volatile marketplaces.

“New product performance is driven by **UNCERTAINTY ABOUT THE QUALITY** of the new product. A major role of marketing activity is to **DISSEMINATE INFORMATION IN A MANNER THAT REDUCES THAT UNCERTAINTY.**

—Narayanan, 2009

”

“When it comes to trying to satisfy millennials, **THE BOTTOM LINE FOR BRANDS IS ADAPTABILITY.** One minute they want to shop and compare online and via every social networking site available, and the next they want to purchase in-store.

—Hildebrandt, 2012

”

Modern Day Targeting: *Who Does It, Who needs it?*

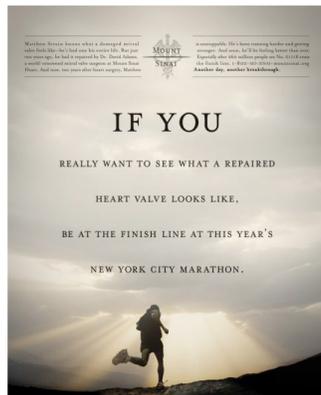
Hit the Bull's-eye: Your targeting can, and should, be specific and highly relevant

Truly knowing your audience does the following for your business:

- Creates a scientific and defensible approach to your marketing and advertising program
- Allows better tracking of marketing performance and target behavior
- Informs strategic planning and budgeting
- Builds efficiency in reaching the right person and getting to "yes"
- Improves your credibility in the marketplace and in the minds of your consumer
- Allows crystallization of your brand, its equity, and cohesion across audiences

Examples of targeting that resonate:

Life-Changing



EVOLVE SINCERE EMOTION

Mount Sinai Hospital: Understanding that their work can mean life or death, the hospital chooses to be inspirational by focusing on patient opportunity rather than risk.

Reliability



TARGETING EXISTING AUDIENCE

Volkswagen: Understanding the motivators for their customers, the auto manufacturer delivers on those in new models and continues to build on the emotional ties customers have to their brand.

Motivation



TARGETING NEW AUDIENCES

Nike: Having captured the accomplished athlete, the company moves to motivate those who put fitness off to "tomorrow."

Targeting: *Ultimately, what does it provide?*

Outcomes:

Though targeting will take work on the front end, it lays the foundation for sound messaging as you move into the future. By narrowing your focus you can expand your success and realize the following benefits:

- Operational and budgetary efficiency
- Audience and in-market predictability
- Repeatability
- Competitive advantage
- Loyalty
- Referral

Targeting: *What does it mean for you?*

Reaching your Audience & Focusing on the Outcome

As you prepare, ask yourself the following:

- Who is my current target?
- Do I have the right target?
- How do I know?
- What questions do I have about my target(s)?
- How will I find answers so that I can more effectively market?

“ In every type of market, in all economic conditions, **WHAT WORKS IS A FOCUSED, TARGETED, CONSISTENT APPROACH TO MARKETING.**

—Birch, 2010

”

The process can be straightforward, yet foreign to those exploring for the first time. Over the last 10 years we have seen a growing emphasis on the need for data to support the direction of creative execution so that marketers can defend budgets and support their strategic and tactical direction. Bringing the science of targeting, the ability to track your efforts and progress, together with the artistic/creative execution (Advertising and Marketing) of the business is fundamental to building a strong foundation for success. Given the financial investment and resource commitment in any marketing effort, partnering with a firm who can guide, inform, and assist will help avoid pitfalls and slow-downs.

Identifying the best prospects – consumers who are most likely to respond to promotional activities – requires not only a deep sociodemographic analysis of the customer, but also the development of models that point out the characteristics of those best prospects.

Baccus Research Group Baccus Research Group is a full-service qualitative marketing firm. Based in the San Francisco Bay Area, but reaching global audiences, Baccus Research Group serves clients and partners from all industries. We have been delivering high quality and actionable market research insights for more than 15 years.