

# Determination of the Target Market

## Did you know?

Businesses that can identify their target market have a better understanding of how to create effective sales and marketing campaigns.

(2023) indeed

How to Identify a Target Market (with Definition and Steps)

<https://www.indeed.com/career-advice/career-development/identifying-a-target-market>

Competition is getting stronger every day and the products offered to the public are increasing, so it is best to investigate your target market, establish segmentations and adapt strategies to them, thus generating a great competitive advantage and differentiating yourself from others. companies.

The target market are the ideal customers to whom your product, service or brand is directed, being a group of people with needs, demographic characteristics and specific interests that make these people the ideal recipient of your company.

This concept is also known as " **target market** ", " **target group** " or **target audience**, the latter being sometimes confused with "target audience", however, the difference is found in the breadth and scope of each one of them.

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## Difference between potential market and target market

The **target audience** or **potential market** is a portion of the total market that can purchase your product. We talk about a potential market, because it has the potential to buy it, however, this does not imply that everyone is going to do it, nor that you need to create specific products for them.

For its part, the **target market** is a portion of the potential market. In other words, that segment that you select among those who can acquire your product (potential market), to focus your marketing efforts, dissemination strategies, market research for innovation and, in general, to offer your products and services.

The **target audience** is a specific segmentation of the target audience, although it belongs to the same target market, the strategies to capture the interest of the different target audiences that our target market has are different.

There are 4 types of target market, which are based on the segmentation criteria used to create the various ideal consumer groups for our products or services:

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- **Geographic target market**

In this segmentation, customers or consumers are associated according to a predefined geographical limit. Since this is a useful criterion for local companies, it is essential to use technology in favor of the organization.

- **Demographic Target market**

This classification is based on variables such as age, sex, level of education, occupation, income, family size, etc. This type of market can improve the customer experience since it is responsible for collecting information to always offer personalization.

- **Psychological target market**

This segmentation seeks to consider the lifestyle, values, personalities, and interests of the target group. Understanding what motivates people (conscious or not) to behave in a certain way or express certain opinions.

- **Behavioral target market**

In this classification, the behavioral criterion is taken, that is, it seeks to understand how a person makes decisions throughout the process of purchasing a product or service, grouping customers who made similar purchases or decisions to better serve them or offer products or services that they consider will satisfy the consumer.

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## References:

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