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## Overview

This unit is about identifying and prioritising potential customer groups, and therefore informing how your products/services should be marketed and sold. It includes evaluating the potential of key customer groups, and identifying priority groups based upon a realistic review of their forecast financial return. This is an essential step in ensuring that your organisation really understands who its key customers are, what they need, and that appropriate resources are then used to make sure that the potential from these key customers is realised.

### Who this unit is for

This unit is recommended for those responsible for identifying and prioritising those customer groups/markets of greatest value to their organisation, but who may not necessarily be marketing or sales specialists. For example, such individuals might be 'general' managers within larger organisations, or managers and/or proprietors within small to medium sized organisations.

### Related specialist units

Those seeking specialist standards offering greater depth regarding this area are referred to the following related MSSSB units:

### Marketing units

1. Define the customer experience towards informing marketing strategy
2. Establish and understand potential market segments
3. Establish target market segments for products/services and evaluate their potential

Details of these units can be accessed via <[www.msssb.org](http://www.msssb.org)>

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## Prioritise your target customer

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### Performance criteria

*You must be able to:*

- P1 gather available information regarding your organisation's target customers, relevant to establishing their buying patterns and requirements
- P2 identify customers' motivations, attitudes and behaviours relevant to their purchasing decisions
- P3 evaluate the available information and establish trends and patterns in the behaviours and patterns of target customers relevant to the purchasing of your organisation's products/services
- P4 identify distinct customer groupings, or types, where relevant, according to similarities in their motivations/attitudes/behaviours
- P5 profile identified customers, and/or types of customers, identifying their distinguishing characteristics and requirements
- P6 identify those customers and/or types of customers that are measurable in terms of their size, buying power and profile, and evaluate their stability and potential profitability for your organisation
- P7 evaluate and prioritise the opportunities and threats to your organisation's potential income and profitability arising from the trends and patterns identified, and subsequent customer/customer types profiled
- P8 establish those customers/types of customers that can be accessed by your organisation's product/ service distribution system and customer service provision
- P9 determine preferred customers/types of customers which appear to offer significant potential
- P10 undertake risk assessments of potential threats, where the level of risk appears to be high
- P11 justify prioritised customers/types of customers for targeting, with these being sufficiently substantial to achieve the required returns on investment for your organisation

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### Knowledge and understanding

*You need to know and understand:*

#### **General knowledge and understanding**

- K1 different sources of information regarding customer buying patterns and how to use them effectively
- K2 methods of obtaining relevant information regarding potential and existing customers
- K3 characteristics that might be relevant to establishing customer experience, including lifestyle patterns, actual and perceived needs, age, gender, buying profiles and/or usage patterns
- K4 the importance of ensuring that research is sufficient to justify any conclusions drawn from its results
- K5 the importance of making a financial assessment of opportunities and threats identified and how to do this
- K6 the importance of ensuring that targeted customers/customer types are of a size sufficient to warrant your organisation's attention, and are also accessible to your organisation

#### **Industry/sector specific knowledge and understanding**

- K7 market developments relevant to the industry/sector within which your organisation operates
- K8 legal, regulatory and ethical requirements in your industry/sector
- K9 current and emerging trends and developments in your industry/sector
- K10 factors affecting customer decision-making within your industry

#### **Context specific knowledge and understanding**

- K11 your organisation's aims and objectives
- K12 your organisation's potential and existing customer base and profile, and the customers' decision making process
- K13 your organisation's relevant products/services
- K14 the needs and expectations of your organisation's actual and potential customers
- K15 your organisation's principal competitors, their products and the nature of their marketing and sales activities

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### Additional Information

#### Behaviours

1. You demonstrate a clear understanding of different customers and their real and perceived needs
2. You present information and arguments convincingly

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**Original URN** S3

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**Relevant occupations** Agriculture, Horticulture and Animal Care; Business, Administration and Law; Information and Communication Technology; Arts, Media and Publishing; Health, Public Services and Care; Medicine and Dentistry; Nursing and Subjects and Vocations Allie; Health and Social Care; Public Services; Child Development and Well Being; Agriculture; Horticulture and forestry; Animal care and veterinary science; Environmental conservation; Professional Occupations; Managers and Senior Officials; Information and Communication Technology; Research Professionals; Librarians and Related Professionals; Engineering Professionals; Science Professionals; Database Administration; Software Development; Systems Support; Local Area Archives; Microfilm and Microfiche Technician; Associate Professionals and Technical Occupations; Corporate Managers and Senior Officials; Microsoft Certified Professional; Application Support; Business Analyst; Managers and Proprietors in Hospitality ; ICT for practitioners; ICT for users; Science and mathematics; Science; Mathematics and statistics; Engineering and manufacturing technologies; Engineering; Manufacturing technologies; Transportation operations and maintenance; Construction, planning and the built environment; Architecture; Building and construction; Urban, rural and regional planning; Retail and commercial enterprise; Retailing and wholesaling; Warehouse and distribution; Service enterprises; Hospitality and catering; Leisure, travel and tourism; Sport, leisure and recreation; Travel and tourism; Performing Arts; Crafts, creative arts and design; Media and communication; Publishing and information services; History, philosophy and theology; History; Archaeology and archaeological sciences; Philosophy; Theology and religious studies;

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Social sciences; Geography; Sociology and social policy; Politics; Economics; Anthropology; Language, literature and culture; Languages, literature and culture of the; Other languages, literature and culture; Linguistics; Education and training; Teaching and lecturing; Direct learning support; Preparation for life and work; Foundations for learning and life; Preparation for work; Accounting and finance; Administration; Business management; Marketing and sales; Law and legal services; Production Managers; Functional Managers; Quality and Customer Care Managers; Financial Institution and Office Manager; Managers in Distribution, Storage and Re; Protective Service Officers; Health and Social Services Officers; Managers in Farming, Horticulture, Forest; Managers and Proprietors In Other Services; Health Professionals; Teaching Professionals; Legal Professionals; Business and Statistical Professionals; Architects, Town Planners and Surveyors; Public Service Professionals; Science and Engineering Technicians; Draught persons and Building Inspectors; IT Service Delivery Occupations; Health Associate Professionals; Therapists; Social Welfare Associate Professionals; Protective Service Occupations; Artistic and Literary Occupations; Design Associate Professionals; Media Associate Professionals; Sports and Fitness Occupations; Administration and Secretarial Occupations; Government and Related Organisations; Finance; Records; Communications; General; Secretarial and Related Occupations; Skilled Trades Occupations; Skilled Agricultural Trades; Metal Forming, Welding and Related Trade; Metal Machining, Fitting and Instrument ; Vehicle Trades; Electrical Trades; Construction Trades; Building Trades; Textile and Garment Trades; Printing Trades; Food Preparation Trades; Skilled Trades NEC; Personal Service Occupations; Healthcare and Related Personal Services; Childcare and Related Personal Services; Animal Care Services; Leisure and Travel Service Occupations; Hairdressers and Related Occupations; Housekeeping Occupations; Personal Services Occupations NEC; Sales and Customer Services Occupations; Sales Assistants and Retail Cashiers; Sales Related Occupations; Customer Service Occupations; Process, Plant and Machine Operatives; Process Operatives; Plant and Machine Operatives; Assemblers and Routine Operatives; Construction Operatives; Transport Drivers and Operatives; Mobile Machine Drivers and Operatives; Elementary Occupations; Elementary Agricultural Occupations; Elementary Construction Occupations; Elementary Process Plant Occupations; Elementary Goods Storage Occupations; Elementary Administration Occupations; Elementary Personal Services Occupations; Elementary Cleaning Occupations; Elementary Security Occupations; Elementary Sales Occupations; Transport Associate Professionals; Legal Associate Professionals; Business and Finance Associate Professionals; Sales and Related Associate Professional; Conservation Associate Professionals; Public Service and Other Associate Professionals

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### Suite

Marketing and Sales Standards for non-specialists

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### Key words

prioritise your target customer