

# Target Market Identification & Development

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# What is a target market?

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- Market – The set of all actual and potential buyers of a product or service.
- Target Market – A set of buyers sharing common needs or characteristics that the company decides to serve.

# How do we determine who to target?

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- Three key factors to target market selection:
  - Segment size and growth
  - Segment structural attractiveness
  - Businesses objectives and resources
- Most important question when selecting the target market,

**“Where is the money?”**

# Developing a Target Market



Market Segmenting – dividing a market into smaller groups of buyers with distinct needs, characteristics, behaviors, etc. that might require separate products or marketing mixes.

# Characteristics to analyze

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## ■ Demographic Analysis

- Age
- Gender
- Geographic location
- Annual Income
- Marriage Status
- Education level

## ■ Psychographic Analysis

- What do they VALUE
  - Price
  - Entertainment
  - Convenience
  - Safety
  - Travel distance
  - Activities

# Potential Agritourism Target Markets

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- Interstate Travelers
  - Family - Vacation
  - Retired – Touring
  - Commuters
- School Groups
  - Specific Grade Levels – highly fragmented
- Mothers Clubs
- Retired travelers
- Festival and Seasonal Travelers
- Church Groups
- Business Clientele
  - Retreats, Meeting Places
- Local Families
- Teenage Entertainment
- Birthday Groups
- Organizational and Team Building Market

# Levels of Marketing Segmentation

## ■ Level 1 – Mass Marketing

- *Henry Ford Model T, Coca Cola™*



## ■ Level 2 – Segment Marketing

- *Ford King Ranch Dually*

## ■ Level 3 – Niche Marketing

- *Rolls Royce and Bentley Automobile*



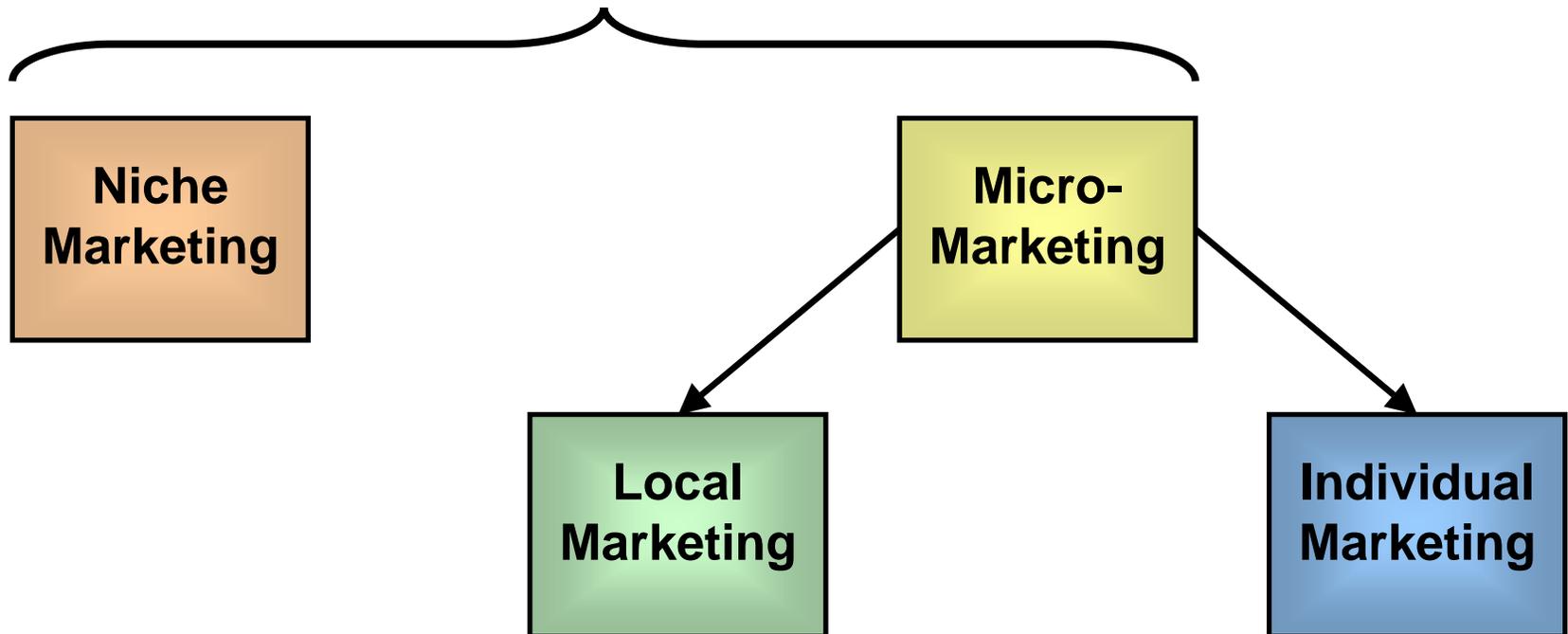
## ■ Level 4 – Micromarketing

- *Local Marketing, individual marketing*

# Agri-Tourism Target Market Identification

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## Your Agri-Tourism Operation



# Who Are They Targeting?

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- Who are the producers of this product targeting?
- What do you think makes this appealing to the target market?
- Where would target market go to purchase this product?
- Would you buy this product?
- What is it worth to you?

# Who will you target?

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I don't know the key to success,  
but the key to failure is trying to  
please everybody.

**Bill Cosby**