

Validating your customer

Kadeza Begum
21st October 2024

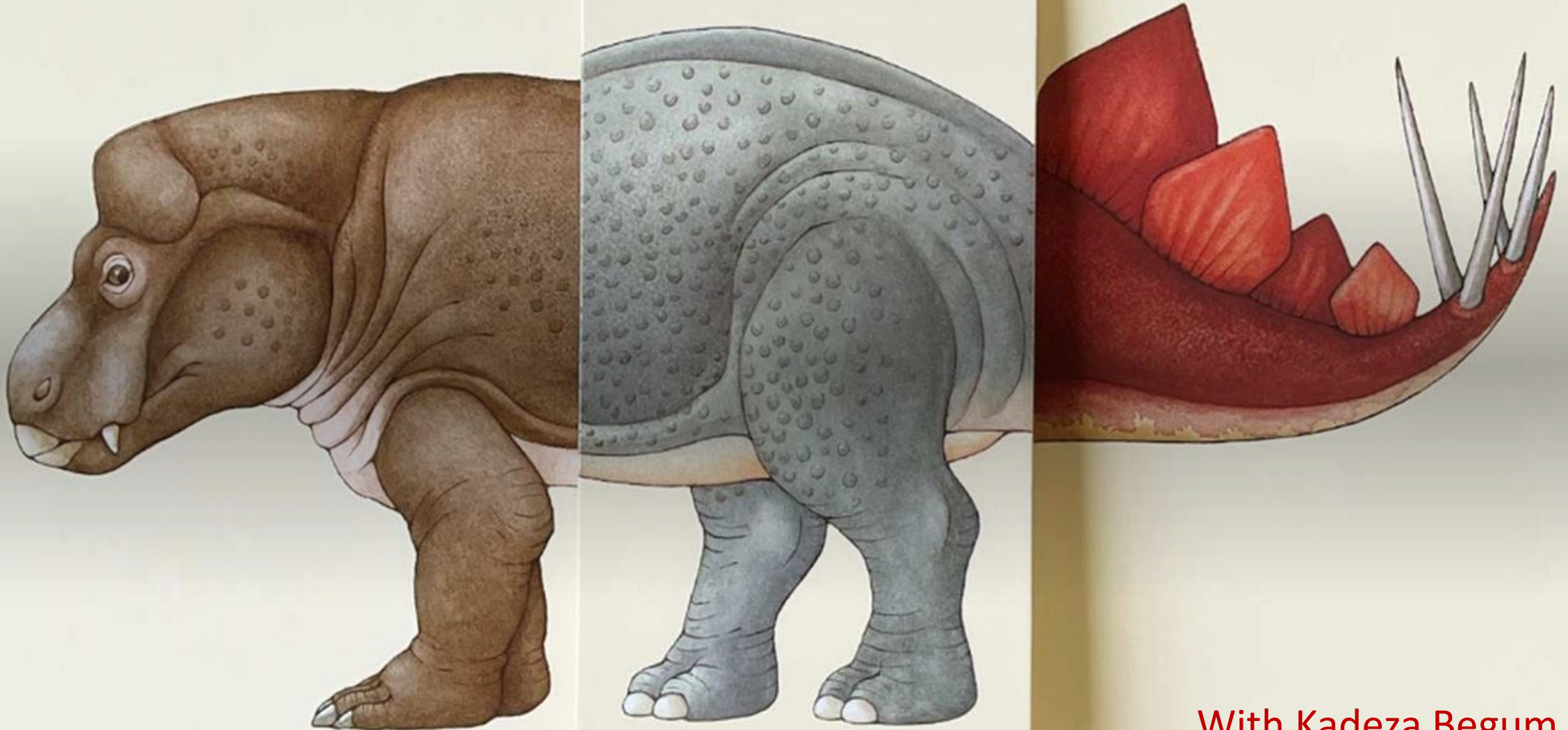
**Enterprising
Futures** at LSBU





Hello again...

Validating your Customer

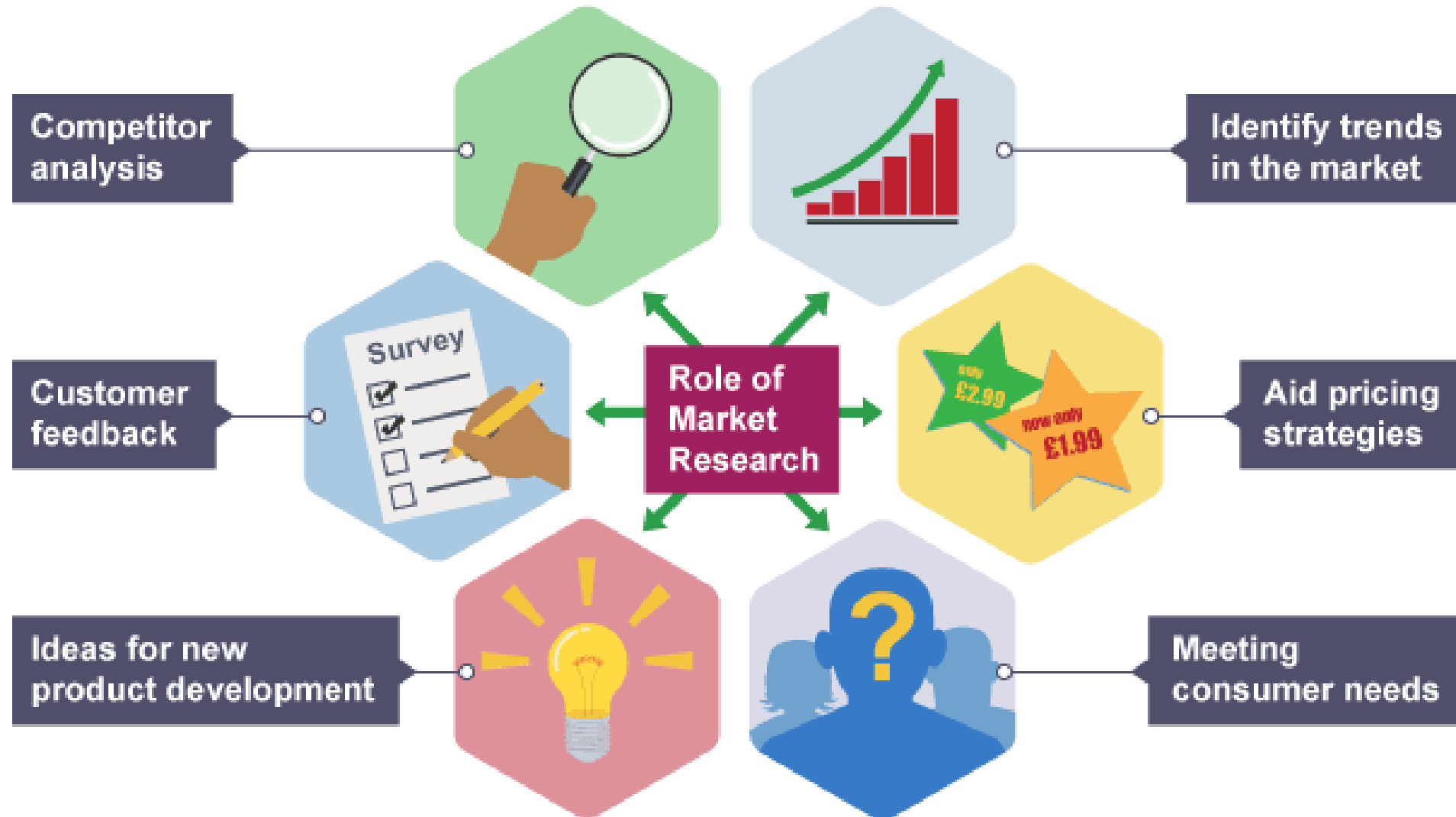


With Kadeza Begum

Hands up who knows
exactly who their
customer is?

Recap from week 1

What you should /may already know?



When should you carry out market research?

Customers are what make a product / service successful

YOU need to know what they value and desire

Psychographics VS Demographics

Personality

Values

Interests

Lifestyles



Age/Gender

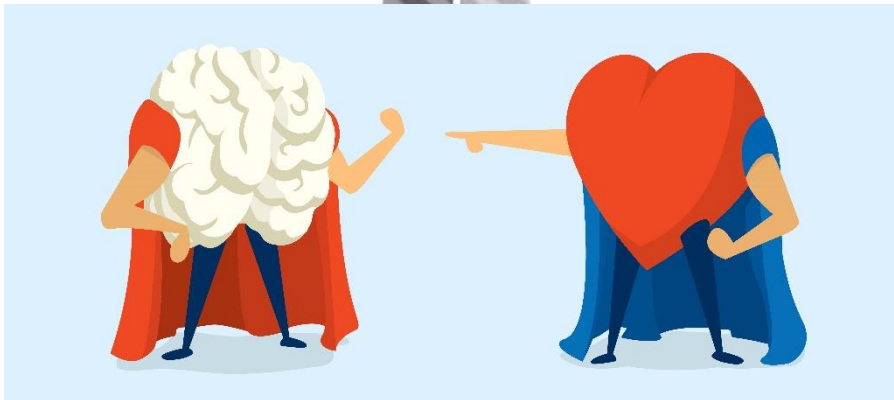
Race

Location

Employment Status



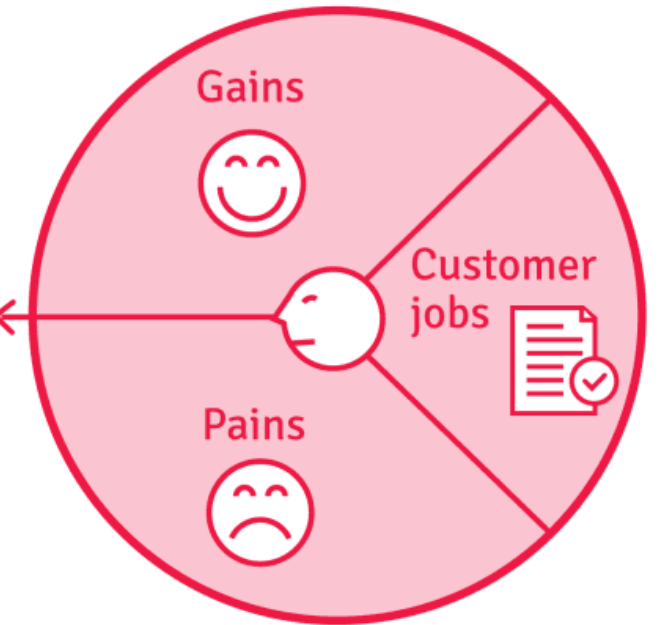
What do you need to know?



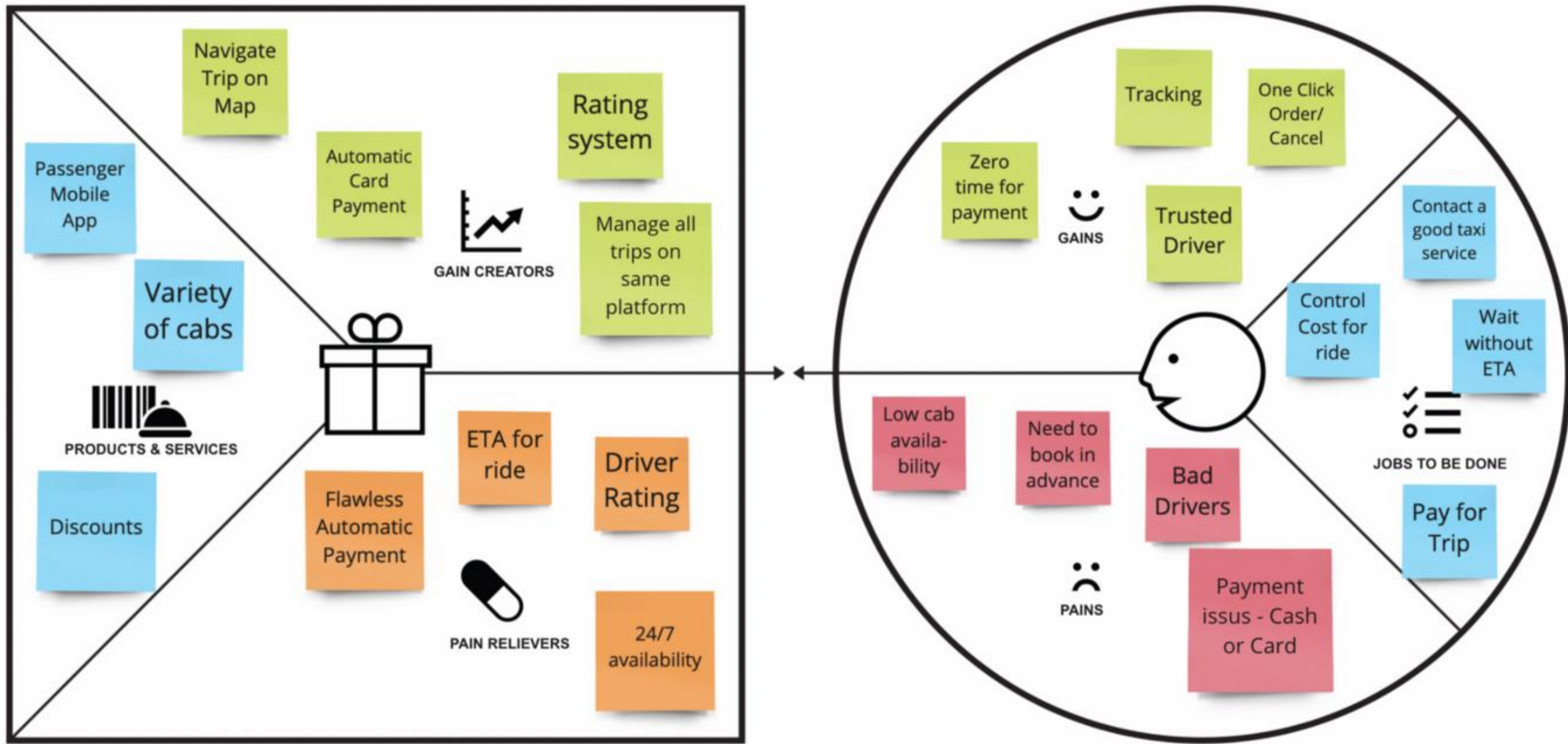
Value Proposition



Customer Profile



Value Proposition Canvas for Uber



FEATURES

Unbreakable
Design



Waterproof
Material



Real Wood
Handle

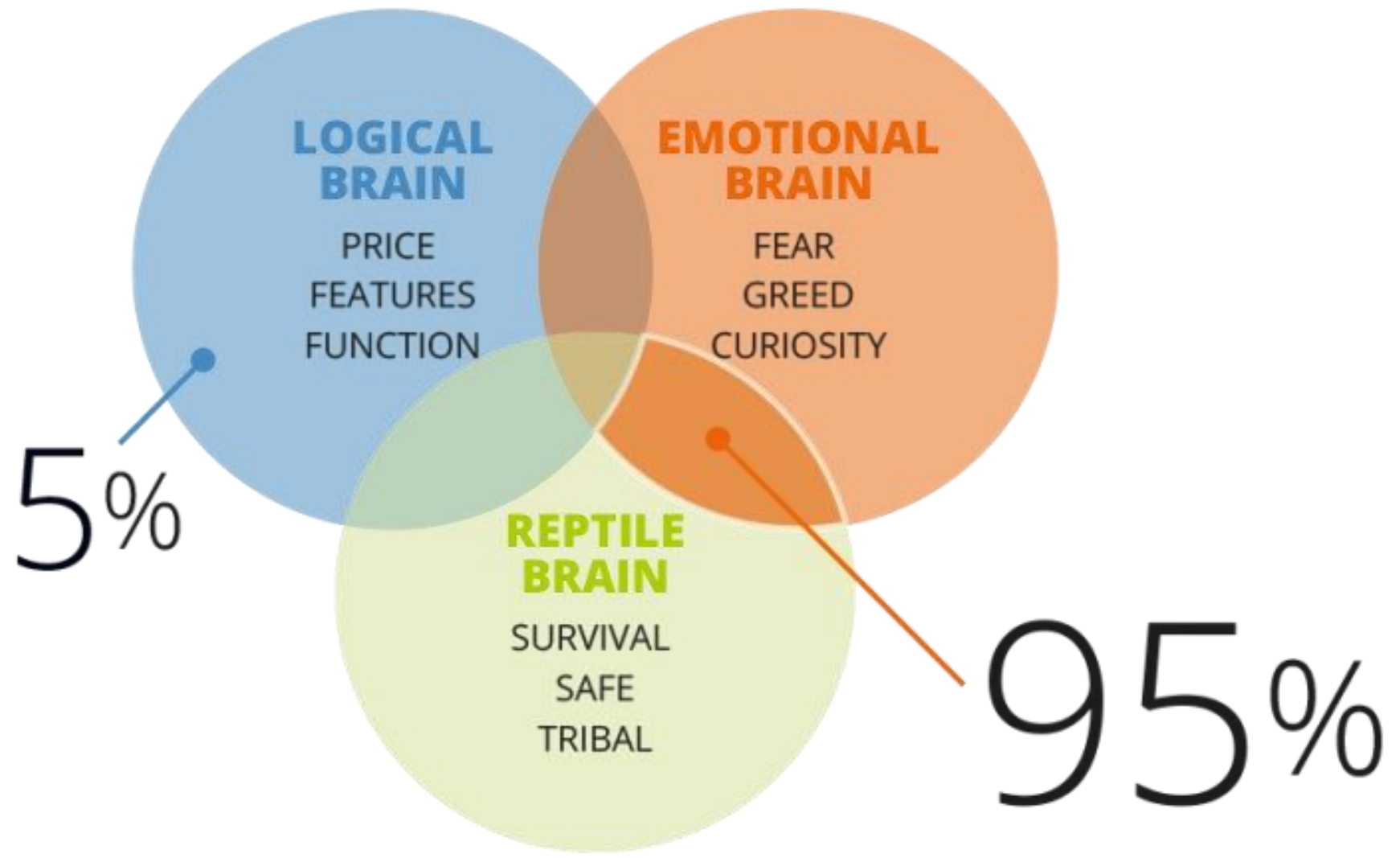
BENEFITS

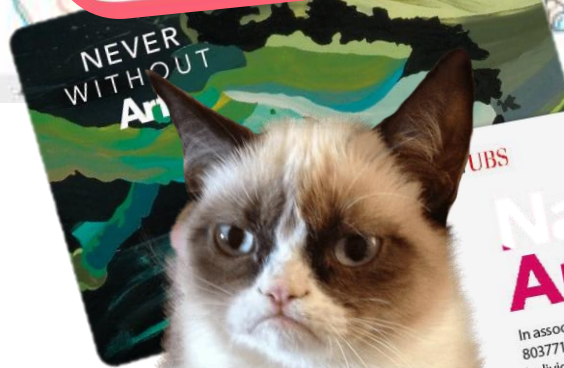
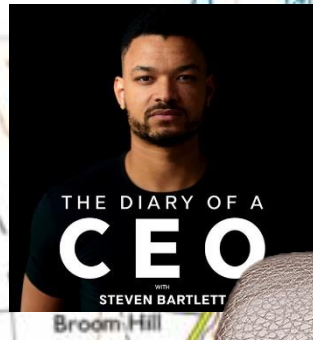
Protects from
Harmful Sunrays

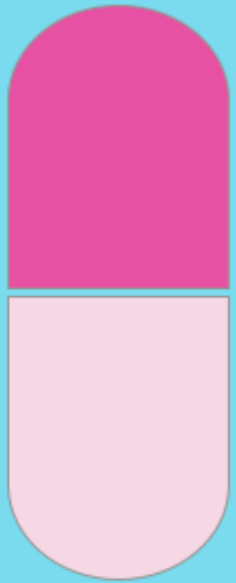


Blocks Out
Rain Drops

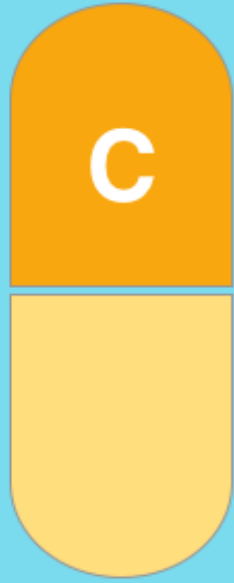








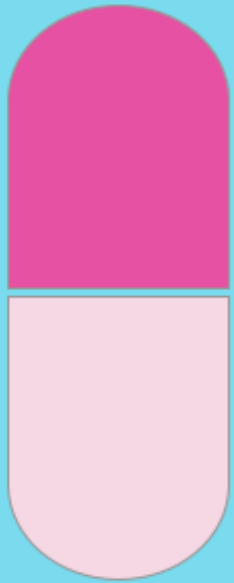
Candy



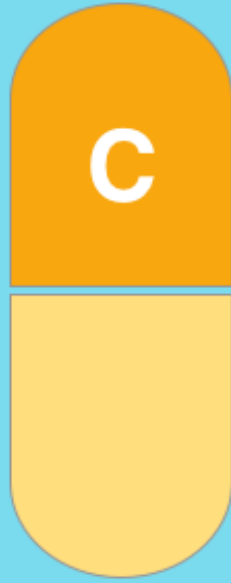
Vitamin



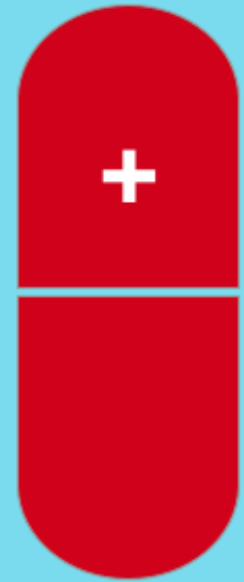
Painkiller



Candy



Vitamin



Painkiller

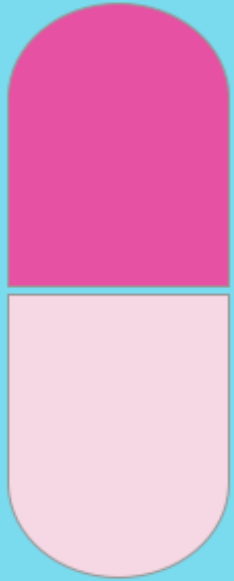
**Customer
MIGHT buy**



**Customer
SHOULD buy**

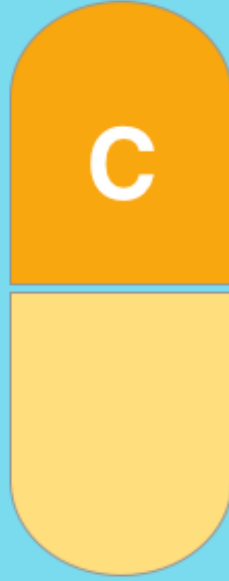
**Customer
WILL buy**

Luxury / Treat



Candy

Improvement /
Swap



Vitamin

Necessity /
Staple



Painkiller

Customer
MIGHT buy

Customer
SHOULD buy

Customer
WILL buy

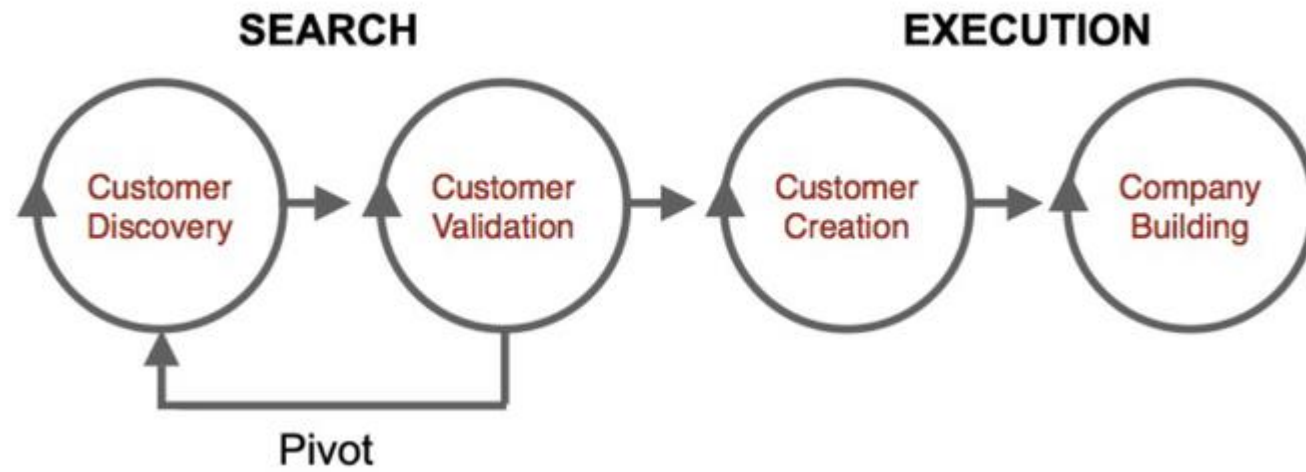


How big of a problem is this for them?

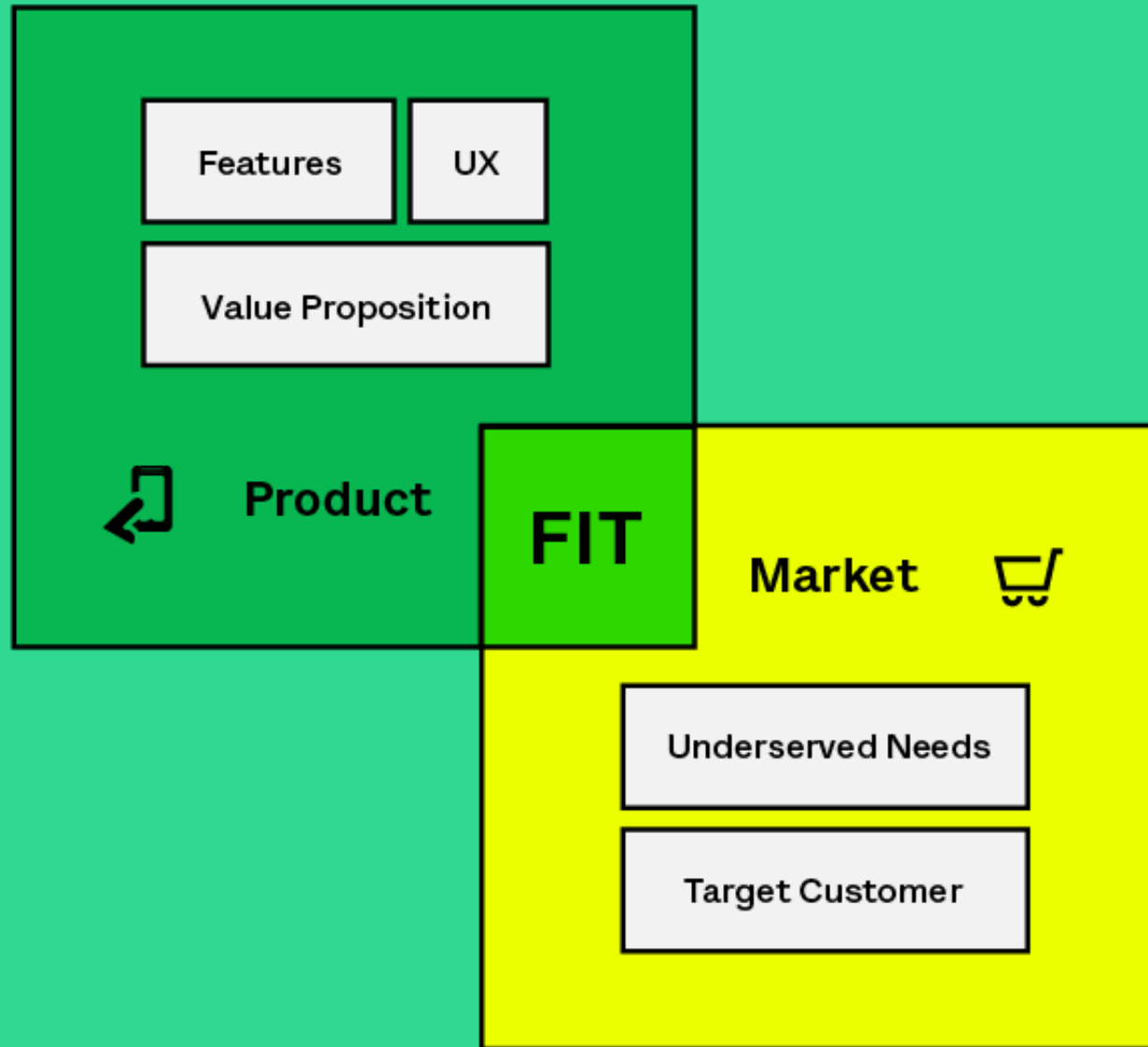
How much are they willing to pay to make it go away?

What do you need to know?

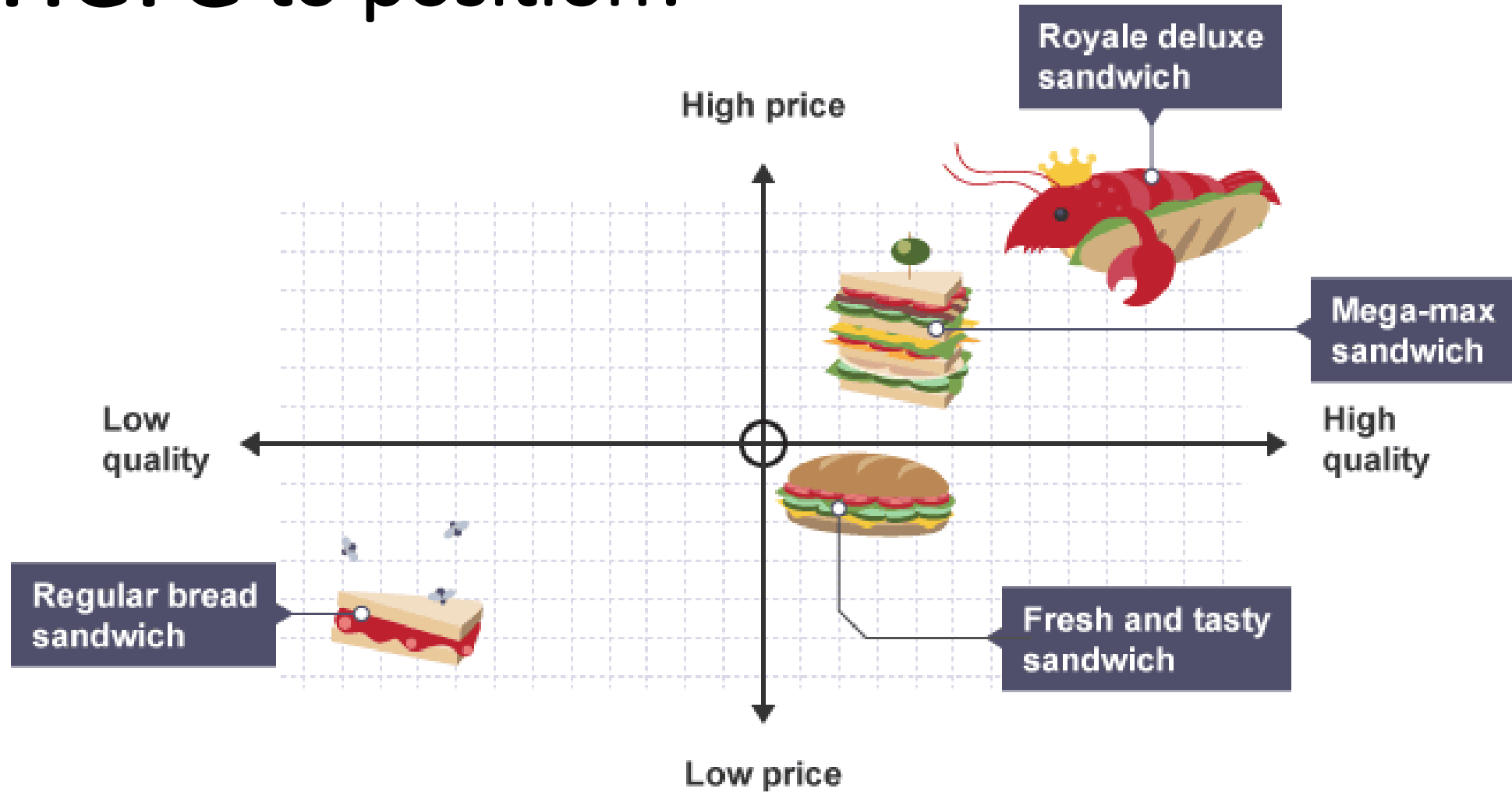
- **WHO is/will buy** your product or service? Target Customer / Ideal
- **WHY** would they buy it? What need are they wanting to satisfy? Features & Benefits
- Why are other people **NOT buying** it? Barriers- Research opportunities
- **HOW MANY people** like this are there? Market size / value
- What is **the right PRICE** to charge? RRP / market value
- Who is your **real COMPETITION**? Segmentation analysis







Where to position?





Customer Lifetime Value



**Customer
Lifetime
Value**



**Average
Order
Value**



**Purchase
Frequency
Rate**



**Average
Customer
Lifetime**

Competitor Analysis

This can be done by:

- Speaking to your competitors directly or working for them
- Purchasing from them as a client (mystery shopping)
- Reviewing their website and socials
- Sourcing their financial accounts
- Reading coverage about their organisation in the media



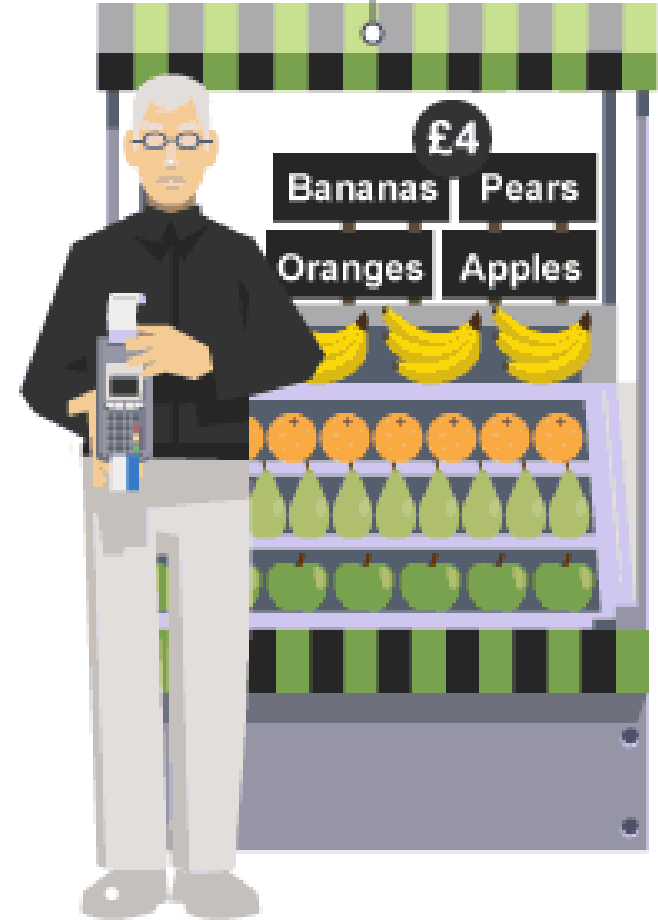
Price



Customer service



Product range





- > What you can do well?
- > How you stand apart from your competitors?
- > Do you possess strong research and development capabilities?
- > What internal resources do you have?
- > What kind of tangible assets (capital, credit, distribution channels or technology) you own?

S

STRENGTHS

- > Which areas need improvement to compete with your strongest competitor?
- > What does your business lack?
- > Are there any limited resources?
- > Is your business in a poor location?

W

WEAKNESSES

- > What opportunities exist in your market?
- > How can these benefit?
- > Is the perception of your business positive?
- > Had there been any changes the market recently?

O

OPPORTUNITIES

- > Who are your potential competitors?
- > Which factors you need to control to prevent the risks \ to your business?
- > Is there anything, deteriorating your revenues or profits?
- > What threatens your marketing efforts?

T

THREATS



Validate- customer segments section 10mins

Customer Segments

[← Back](#)

● Intro

● Define your Customers

● Build a Customer Persona

● Summary

0%

Section Progress



Introduction

The starting point for any business or social enterprise is a paying customer. No customer, no business. See the world through the eyes of your customers so you can create products and services that they love.

A Customer Segment is a group of customers that share some common characteristics and behaviours. On Validate you can create up to 4 Customer Segments.

We break this down into 2 steps:




**STOP TRYING
TO BE LIKED BY
EVERYBODY**

**YOU DON'T
EVEN LIKE
EVERYBODY**

Customer Profile



Who would benefit from your idea and how?

THE CASUAL USER	THE BUSINESS USER	THE POWER USER
		
<i>Pete</i>	<i>Jennifer</i>	<i>Brad</i>
<p>Uses most phone features</p> <p>Uses phone to make, use contacts send texts and take pictures</p> <p>Always has mobile device with him</p>	<p>Wants a simple phone, but functions as an integrated device</p> <p>Wants to easily read email and call back the sender</p> <p>Needs "Popular" mail sever integration</p>	<p>Will use almost all built-in mobile functionality</p> <p>Will extend phone functionality with additional software</p> <p>Will look through and change change every menu option</p>

How much would they pay for the benefit(s)?

			
FREE	BASIC	PREMIUM	VIP
Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet	Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet	Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet	Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet Lorem ipsum dolor sit amet
\$0 / month	\$9 / month	\$99 / month	\$199 / month

Secondary research



IP Centres and Business Library



Explore what the world is searching

Enter a search term or a topic



Statista – The portal for statistics

Immediate access to over one million statistics and facts

[Statista Search](#)[Social Media](#)[E-Commerce](#)[Smartphone](#)[China](#)[Food Industry](#)[Cosmetics](#)[Gaming](#)[Apparel Industry](#)[Film Industry](#)[United States](#)

More than
1,500,000
users
trust
Statista

◀ Google SAMSUNG



P&G ▲ Adobe ▶



Target Adverts to People Who Know Your Business

You can create a Custom Audience to show adverts to your contacts, website visitors or app users. [Create a Custom Audience](#)

Locations ⓘ

United Kingdom
All United Kingdom
Add a country, county, town or postcode

Age ⓘ

18 ▾ - 30 ▾

Gender ⓘ

All Men Women

Languages ⓘ

French (All) ×
Enter a language...

Relationship Status ⓘ

Single × ×
Choose relationship statuses | [Browse](#)
[More Demographics ▾](#)

Interests ⓘ

Family and relationships
Dating
Search interests | [Suggestions](#) | [Browse](#)

Audience Definition



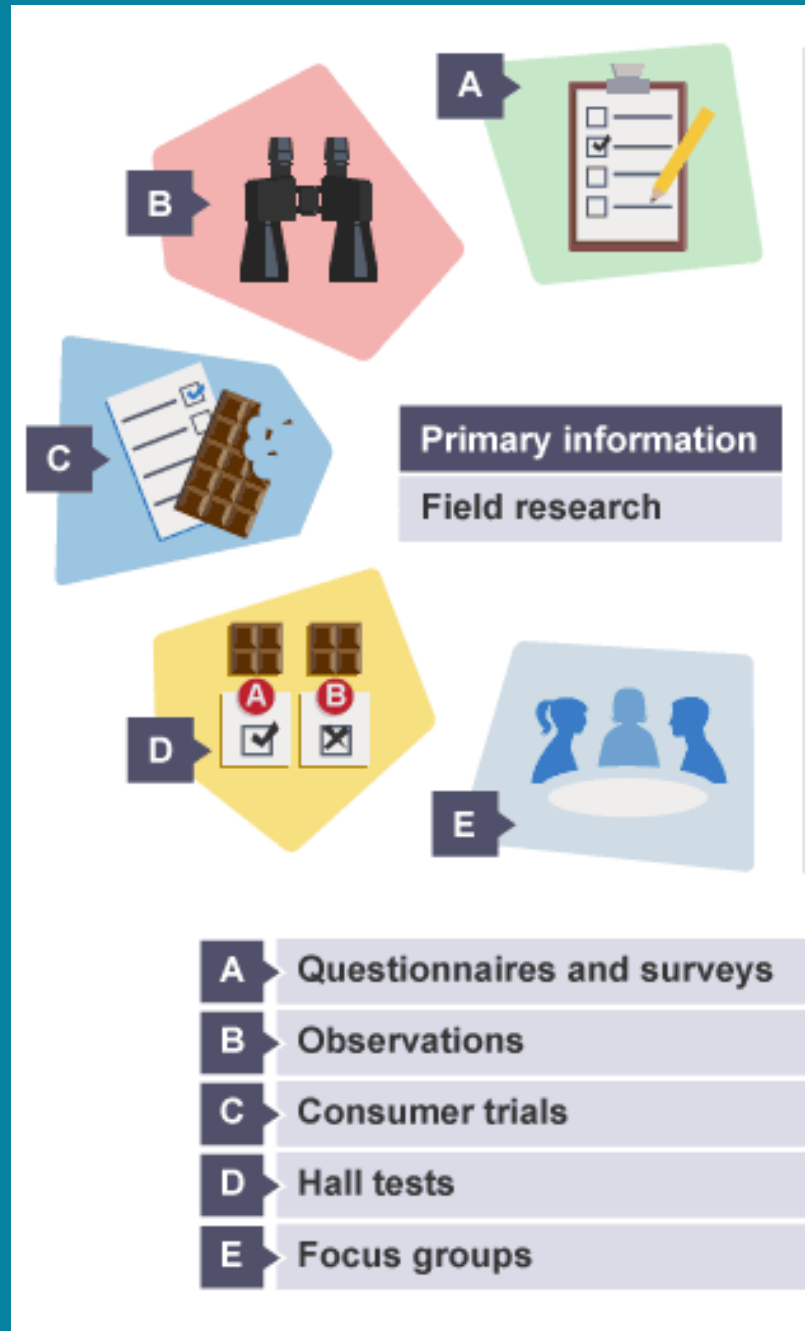
Your audience is defined.

Audience Details:

- Location:
 - United Kingdom
- Interests:
 - Dating
- Relationship Status:
 - Single
- Age:
 - 18–30
- Language:
 - French (France) or French (Canada)
- Placements:
 - on News Feed and right column on desktop computers, mobile feed and third-party apps

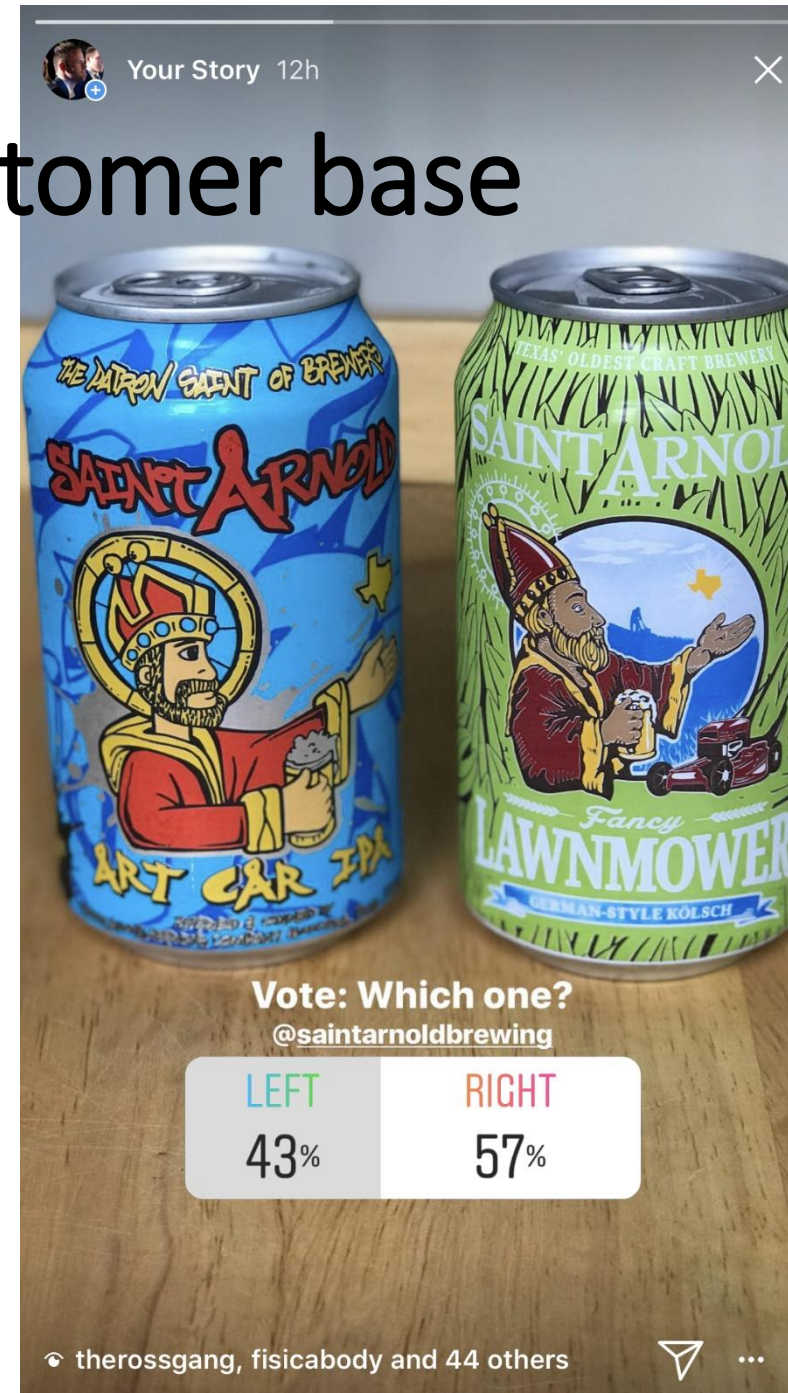
Potential Reach: 34,000 people

Primary research





Direct access to your customer base





Like



Comment

What makes a good question?



Would you rather be in paradise!?

YES

OH YEAH !

How much do you love pizza?!



234 people answered. This is the average answer.



Crowdfunding



A close-up, artistic photograph of Taylor Swift. She has her eyes closed and is looking slightly downwards. Her hair is a light, wavy blonde. She is wearing dark, shimmering eye makeup and bright red lipstick. The lighting is soft and moody, with a warm, golden glow. The background is dark and out of focus, with some blurred light sources.

Taylor Swift
Midnights

Available October 21

Pre-Order Now

Donation

JustGiving™

Virgin money giving

Reward

GO

K

Loan



Funding Circle

funding knight

Equity



SEEDRS



JSR



Funding Circle



DE REVOLUTIONE
BE THE CHANGE YOU WANT TO SEE IN THE WORLD



COMPANISTO
DEINE STARTUPS

crowdcube



INDIEGOGO

seedinvest



MICROVENTURES

KICKSTARTER



PLEDGEMUSIC

WEFUNDER



FLASHFUNDERS



Republic



FundedByMe™



B/O/O/MERANG
CROWDFUNDING



BARNRAISER

SEED & SPARK



nextseed

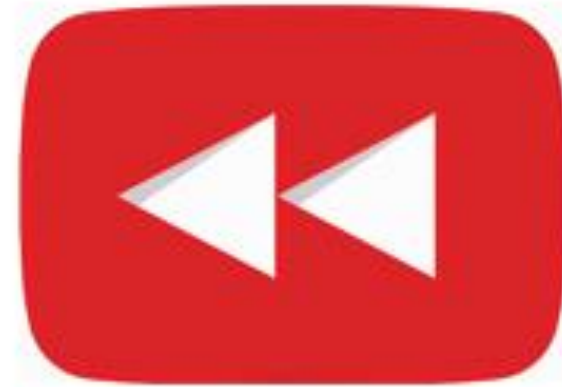
Research mode **NOT** Sales mode!



Review often



Recap



DO

- Ensure your primary research is representative of your target market- and up to date
- Validate your customer before starting to sell
- Know what you don't know- and be open to new information
- Carry out both qualitative and quantitative research
- Use relevant tools where possible eg SurveyMonkey, Google forms / typeform

DON'T

- Be defensive to constructive criticism
- Force products to those that won't buy
- Create long, intensive surveys
- Leave the most important questions until last
- Be stubborn when it comes to adjusting pricing
- **Ignore your market research!!**

Recap and homework

- **Review all content from today**
- Use Validate to assist your business planning
- Create a research list
- Review where you are
- Use the cheatsheet



Your HELP means a lot to us.

Share your FEEDBACK about this session and win one £50 online voucher!

2 prizes of £50 online voucher available

How to participate and win £50?

- Fill out the feedback survey after attending **each Monday Masterclass between October and December 2024.**
- Individuals who attend and **complete the feedback form for ALL Masterclasses** will be entered to win a prize drawing. Two winners will be announced on 17th of December 2024*.



- Scan the QR code
- Or access to survey via the link <https://bit.ly/feedback211024>

[*Terms and Conditions apply](#)